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SENATE—*Tuesday, July 25, 2006*

The Senate met at 9:45 a.m. and was called to order by the Honorable JIM DEMINT, a Senator from the State of South Carolina.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God, who is slow to anger, You are loving and patient beyond our ability to measure or understand.

Today, bless the Members of this body. Give them direction for their work, motivation for their deeds, and forgiveness for their mistakes. Help them to develop a sense of dependence on You. Temper their talents with wisdom, and give them the ability to see the power of cooperation and unity. Discipline their compassion and channel their zeal that they may do Your will.

We pray in Your mighty Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JIM DEMINT led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 25, 2006.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JIM DEMINT, a Senator from the State of South Carolina, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. DEMINT assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we will return to executive session for the consideration of the nomination of Jerome Holmes to be U.S. circuit judge for the Tenth Circuit. There are 2 hours remaining for debate on this judicial nomination, and therefore, if all that time is necessary, we will vote just before 12 noon today. We will be recessing from 12:30 to 2:15 today to allow for our weekly policy meetings. When we resume business at 2:15, we will begin consideration of the child custody protection bill under an agreement that we reached last Friday. There are up to four amendments that can be considered before we proceed to passage of that bill. We will stay in session this afternoon and evening in order to finish the child custody protection bill, and I hope some of that debate time will be yielded so we can finish that bill at an earlier hour.

I remind everyone again that there will be a cloture vote on the motion to proceed to the consideration of the Gulf of Mexico Energy Security Act tomorrow morning. That vote will occur sometime around 10 a.m. so that we can conclude that vote before we go to the scheduled joint meeting. We will proceed to the House of Representatives in order to hear the 11 a.m. address by Prime Minister Nuri al-Maliki of Iraq.

The vote will be sometime around 10 a.m. tomorrow, and a little after that we will convene here in preparation for going to the House of Representatives.

We have had a very productive few weeks since the Fourth of July, addressing the issues surrounding the alternative stem cell technology bill, the fetal farming prohibition bill, the child protection bill, Homeland Security appropriations, the Voting Rights Act reauthorization, the Water Resources Development Act, and confirmed four judges.

We have made great progress over the last few weeks, but we have a lot to do—most immediately the Child Custody Protection Act—today, and then we will move to the deep sea energy exploration issue. Pensions is currently on the way to conference, and I am very hopeful that the conference will be completed at some point in the near future. And we need to address the DOD appropriations bill. So these are very busy times.

The House of Representatives will be going out this week, and we will be here through next week before the recess.

I yield the floor.

EXECUTIVE SESSION

NOMINATION OF JEROME A. HOLMES TO BE UNITED STATES CIRCUIT JUDGE FOR THE TENTH CIRCUIT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to executive session to resume consideration of Calendar No. 764, which the clerk will report.

The legislative clerk read the nomination of Jerome A. Holmes, of Oklahoma, to be United States Circuit Judge for the Tenth Circuit.

The ACTING PRESIDENT pro tempore. There will be 2 hours of debate equally divided between the Senator from Pennsylvania, Mr. SPECTER, and the Senator from Vermont, Mr. LEAHY, or their designees.

The Senator from Illinois.

Mr. DURBIN. Mr. President, before the Senate this moment is the nomination of Mr. Holmes to be a judge in the Federal court system. I see the Senator from Oklahoma is here. I am sure he will speak to this nomination. I am not going to address the nomination but put a statement in the RECORD relative to my vote, which will be in opposition to Mr. Holmes.

I have reviewed his record, as many members of the Senate Judiciary Committee have, and there are many positive things to be said, as the Senator

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

from Oklahoma has mentioned in our committee deliberations. I am concerned, though, about some of the statements that have been made by Mr. Holmes in relation to his nomination on the issue of affirmative action. I am concerned about whether he will truly come to this important lifetime appointment with the type of objectivity and open mind that we hope for when we give people this opportunity to serve their Nation.

I am also concerned that the Leadership Conference on Civil Rights yesterday made it clear that they oppose his nomination. It is an important factor, in my judgment, in my decision, and I am sorry that I will not be able to support this nomination as a result of that.

I also want to make it clear that the job of a Federal judge is a very important one. It relates to issues that affect us every single day. Just last week we had an extensive debate on the floor of the Senate about stem cell research—those issues relative to life and death in medical research that come before the courts. Judges have to make decisions. I have no idea what Mr. Holmes's position is on this issue. I don't know what statements he has made relative to it. What I am about to say does not reflect on him at all.

But I do want to say I am very concerned about what I read in this morning's newspaper about stem cell research. We know what happened last week. President Bush used his first Presidential veto to stop medical research—the first time in the history of the United States that a President has made a decision that we will stop Federal funding of medical research. He made that decision 5 years ago and said that no Federal funds would go to the use of these embryonic stem cells.

We know how these stem cells are created. They are created in a perfectly legal medical process where a man and a woman having difficulty in conceiving a child expend great sums of money, effort, and anguish to try to create this new baby in a petri dish, a glass dish, in vitro in glass. It is the fertilization process in the laboratory that usually takes place between a man and a woman in their married life. It is a miracle that it works, that this process leads to human life and people who have been praying for a baby finally have that moment when they are told, yes, it worked, in vitro fertilization worked, and you are going to have that baby you dreamed of and love the rest of your life.

But in the process, there are created other embryos which are not used. One is used to impregnate the woman. The others are left open, extra, surplus. What happens to them? They can be preserved at extreme cold temperatures for long periods of time. But, ultimately, if they are never used by the couple, they are thrown away. They are discarded.

The question we had before us was, Is it better to take those embryonic stem cells that would be cast away and discarded and use them for medical research to find cures for diabetes, Parkinson's, Alzheimer's and Lou Gehrig's Disease? Is it better to use them for that purpose?

That was the vote. And it was a bipartisan vote, 44 Democrats and 19 Republican Senators. Sixty-three voted in favor of stem cell research, reflecting America's feelings. Seventy percent of American people say we should go forward with this research; that these embryonic stem cells that will be thrown away, it is far better to use them to find cures to relieve human suffering.

That is what most Americans believe. That is what a bipartisan majority of the Senate believed. The magic number in the Senate is not 63 when it comes to this issue. The important number is 67. Why? That is the number of Senators it would take to override a Presidential veto, a veto of the stem cell research bill. We fell four votes short.

It became an operative issue when the President of the United States decided to use his first Presidential veto to stop this medical research.

On Saturday, I went back to Chicago. I met with a group of people. I wish the President could have been there. I wish he could have been standing with me out there in Federal Plaza by the Federal Building. I wish he could have walked over to the wheelchair of Danny Pedroza, who is suffering from a terrible neurological anomaly which has created a burden I can hardly describe on his parents to keep him alive. I wish the President could have heard his mother say: Every morning when I walk into his bedroom, before I approach him, I look to see if he is breathing. That is the struggle which she will face every single day. All she wants the President to consider is the fact that this research may give her little boy or other little boys and girls who face that a chance.

I wish the President could have been there to see the victims of Parkinson's, slightly embarrassed by the tremors which come, and stand before the microphones and talk about their lives today.

I wish he could have been there to meet the mother of this beautiful little girl who suffers from juvenile diabetes. Her mother—I know her well by now, and I will not use her name on the Senate floor; I have used it before—gets up every night twice in the middle of the night to go over and take a blood sample from her daughter to make sure there is no imbalance. Every night, twice a night. Think about that for a moment.

I wish the President could have been there to see the Lou Gehrig's disease victim that I saw at a round-table meeting in Chicago a few months ago. He looked like a picture of health and strength. Here was a man who was sitting in a wheelchair, immobile. He couldn't move any of his limbs. He couldn't speak. His wife spoke for him and talked about how stem cell research was their last prayer: that maybe, just maybe, it could help him but certainly help others. As she spoke, he sat in the wheelchair with tears coming down his cheeks.

You think to yourself: Mr. President, these are real life stories. These are people who get up every single day and night in their battle. These are mothers and fathers whose lives have changed dramatically and will never be the same because of their love for their child or that husband or that wife. These are people who counted on you to sign this bill, to give them a chance.

What do we learn this morning? We learn that there was a little apology from the White House about the language that was used about the stem cell veto. I would like to read some of this into the RECORD because I think it really reflects on what we were considering on the floor of the Senate last week.

This article in this morning's Washington Post says:

> President Bush does not consider stem cell research using human embryos to be murder, the White House said yesterday. Reversing its description of its position just days after he vetoed legislation to lift Federal funding restrictions on the hotly disputed area of study, White House Press Secretary Tony Snow said yesterday that he "overstated the President's position."

It went on to say the President rejected the stem cell research bill "because he does have objections with spending Federal money on something that is morally objectionable to many Americans."

So the standard now is not that the President vetoed the bill because using these embryonic stem cells is somehow taking human life or murder. No. The standard is, according to Mr. Snow speaking for the President, that this is an issue that is "morally objectionable to many Americans."

We know that 70 percent of Americans support stem cell research. We know that on any given issue, whether it is the war in Iraq, or virtually any expenditure of Federal funds on a controversial issue, there will be many Americans who object to it and oppose it. The President is now saying he is not going to the heart of the issue as to whether this process is immoral; rather, he is saying it was politically unpopular and objectionable to many Americans.

It wasn't objectionable to the families of the victims I met with on Saturday. What was objectionable was the President's veto. What was objectionable is the fact that he would turn his back on this opportunity for medical research.

When the President vetoed this bill, he had with him what are known as snowflake babies. I met some of them, the most beautiful kids you can imagine. These so-called snowflake babies are beautiful little children. They were outside in the lobby. These were children who were once these frozen embryos we talked about, and now are babies, smiling, gurgling, jumping up and down. The President had many of them with him at his veto of the stem cell research bill.

I think the total number of these babies in America is about 200. It is an amazing act of love and courage for these families who want a baby so badly they will go to the expense of this process. I am sure these children will be loved the rest of their lives. They are lucky kids. We are lucky to have them on this Earth. There are 400,000 frozen embryos. It is not likely there will be so many families coming forward to adopt or to create the life through a frozen embryo.

The answer to the President is this: There is room for both. We can use embryos to create life for the couple who comes to the laboratory, for those who want to adopt the embryo. There is ample opportunity for that. But there is also an opportunity to use these embryonic stem cells to save lives and to spare people from suffering. That is the point the President missed. That is what this election is all about.

Last week, the House and the Senate voted on embryonic stem cell research. The next vote on the issue will be on November 7. That is when the American people will vote on stem cell research. That is when they will have a chance to decide whether they want different leadership in this Congress. That is when they will have a chance to decide whether they want to give the Senate the four more votes we need to override President Bush's veto. That is when they have to decide whether we can bring this issue up after the 1st of next year, pass it in the House and Senate and, if the President persists in his veto position, override that veto in the House and the Senate.

That is what elections are all about. That is what this Government is about. That is why it is important, for those who follow the stem cell research debate, to understand it is not over. It has just begun. We will continue the battle to fight for stem cell research. We will do it on a bipartisan basis. We will try to find the Senators on both sides of the aisle who support it. We beg those across America who think it is important to move forward on stem cell research to understand now it is in their hands. On November 7, across America, in congressional elections for the House and the Senate, voters have a chance to ask the candidates: Where do you stand on this? How will you vote? Will you vote to override another veto by President Bush if it is forthcoming? That is what the process is all about.

Today we debate a Federal judge. As I said, my remarks are not meant to reflect on him personally at all because I don't know his position on this issue nor would I even presume it at this moment in time. But it is to put into context the decisions we make in the Senate, not just on judges but on issues that affect real lives in America. Sadly, this Senate has been derailed and diverted from the important issues people care about. Do you know what issue we are going to next? After this judicial nominee, we are going to be embroiled, at least for hours—and I hope that is all we take of the time of the Senate on an issue that is so peripheral it has never ever been raised to me by anyone in the State of Illinois—on a question about people who would transport their children or young people across a State line for an abortion situation, a tragic decision to be made, for sure, but we are going to take up the time of the Senate to deal with that when, in fact, there is no controversy or issue that has been brought to my attention by anyone in my State about this matter.

What else could we be doing in the Senate? How about something on gasoline prices for Americans who are now facing $3 a gallon, gasoline that might go to $4 a gallon if we are not careful? How about a national energy policy? Wouldn't that be a good debate in the Senate? Wouldn't it be worth our time to spend a few moments changing the Tax Code to help ordinary families pay for college education expenses for their kids? Think about students making it into good schools and graduating with a mountain of debt. Wouldn't it be interesting if the Senate found time to debate ways to help those families with tax deductions? Wouldn't that be time well spent? Or perhaps a little time talking about health insurance? Forty-six million Americans have no health insurance and this Senate does not want to take up an issue to offer American businesses the same kind of health insurance that is available for Members of Congress. Why aren't we considering that? Shouldn't we be considering the minimum wage across America? It has been 9 years since we have increased the minimum wage—it is $5.15 an hour—and during that same period of time, Members of Congress have voted themselves an increase in salaries of $31,000. For 9 years we have said to the hardest working, lowest paid Americans, you get no pay raise. That has been our position. Shouldn't we change it? Shouldn't we take the position the Democrats have taken, if we can't raise the minimum wage, we are not going to increase congressional pay, period? Shouldn't we also be considering legislation that deals with some of the serious problems facing people with pensions across America who work for a lifetime with the promise that they will be taken care of, yet when they finally reach their golden years they find out that through some corporate sleight of hand or a merger or bankruptcy, they are left holding the bag? Why don't we do something to help those families? Or change the Tax Code that rewards companies that send jobs overseas? Why would we reward an American company with a tax break for exporting jobs? Why don't we consider any of those issues I have just listed as a priority?

No, what we are doing is dwelling on this debate relative to those extreme narrow issues that appeal to the base of the Republican Party vote. We went through Constitutional Amendment Month—that was June—where we said we are going to address a major problem across America, that is flag burning, but it turns out there have only been a handful of instances in America in the last year. Has anyone even reported to have burned a flag in this country? And we decided we are going to change the Bill of Rights because of our concern over this major, dominant issue?

Then, of course, the issue of gay marriage, a divisive issue. To think we want to amend the Constitution—thank goodness they could not even rally a majority of 100 Senators to vote for that constitutional amendment which was clearly a political experiment, a political project by the Republican side.

We cannot seem to find the time to get to the real issues of an energy policy, a health care policy, doing something about paying for college expenses for families. We cannot find the time for that. No, we have to go after these divisive issues relative to abortion and other matters such as that. That is the agenda and those are the priorities of the Republican leadership in the Senate.

It is the reason why an overwhelming majority of Americans have said, it is time for a change in Washington. They have taken a look at this Republican Congress and they say it is time for a significant change, to move us back toward an agenda that truly will make a difference and move this country in a new direction.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tem. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COBURN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tem. Without objection, it is so ordered.

Mr. COBURN. Mr. President, I don't know quite where to begin. If you are sitting out in America today and you heard what you just heard, what you heard was, I am going to point out how bad you are. Here is what is wrong, here is the choice. What you heard was a partisan rant about the situation we find ourselves in today rather than a constructive hand that says, let's work together to get things done.

We heard a debate about stem cells so it could be used politically. We heard a lot of words that were interchanged, stem cells versus embryonic stem cells. We heard words that President Bush does not care about people with illnesses, Republicans do not care about people with illnesses. We heard words that 70 percent of Americans support stem cell research. The fact is when you as Americans are asked, do you think your taxpayer dollars ought to be used to destroy embryos for embryonic research, that number changes to 38 percent.

Half truths are just that. The time we are supposed to be using is on the nomination of a great American by the name of Jerome Holmes. What we saw is, Members are going to vote against him because they have a litmus test. That is what is going to drive our country farther apart rather than bring us together. If you don't match up and you don't pass the litmus test, then you can't be voted for.

The problem is, that works both ways. If the Senate is going to change its approach to judicial nominees, and you have to match either a liberal or conservative dogma, what will happen to our courts? What will happen to our country?

The fact is Jerome Holmes is a man of absolute character, impeccable credentials, and has integrity that nobody questions. Except by a sleight of hand and backhanded inference that he doesn't care about minorities, even though he is African American, he does not care about minorities because he happens to have published a difference of opinion on the legal basis for affirmative action, that is the litmus test. That is why he is not going to be voted on.

Here is a man who grew up in less than ideal circumstances, graduated cum laude, went to Georgetown University, has advanced degrees from Harvard, has been a prosecutor, has been a defender, has been an advocate for those who are less fortunate, and will be the first African American ever to be on the Tenth Circuit Court of Appeals.

Yet as we heard, he measures up in everything except one thing: He doesn't buy into what some want him to buy into on one issue. Who better to question his own opinion—not his legal opinion but his own personal opinion? Is it the fact that you can't have a personal opinion about anything and become a judge in this country? How would we know anything about them?

It takes great courage for an African American, a lawyer, to say, I think there are some things that are wrong with the affirmative action plan.

He did not say: I don't think we should have equality. He did not say: I don't think we should make up for past deeds that have not been rectified. What he said was: Here is what the Supreme Court did. I think they should have gone a little further. And on that basis alone he does not meet the absolute litmus test that is going to be required.

Well, think what happens if every judge who is conservative has to be pro-life. Do they have to be pro-life? No. We have to get away from this idea that you have to fit a certain mold politically before you can be a judge in this country. And, if we do not, we are going to destroy this country.

What we want is people of integrity who understand the limited role of a judge; and that is not to put your personal opinions in but to, in fact, take the Constitution, take the statutes, and take the treaties, follow Supreme Court precedent, and make sure everybody who comes into your courtroom gets a fair chance, given what those rules are. They are not to make new law. They are not to put their opinions in. They are not to change based on what they feel rather than what the law says.

The only way we can have blind justice is to make sure those litmus tests are not a part of the selection. And what we heard today was the opposition—wouldn't go into details—come and aggressively tell us why you do not want Jerome Holmes to be an appellate judge on the Tenth Circuit. We are not going to hear that. We are not going to hear that at all. Instead, we are going to hear a political debate about the politics of division in our country rather than the healing hand of reconciliation that should be about the leadership in this body and Congress. How do we reconcile our differences to move the country forward instead of divide? How do we gain advantage in the next election by making somebody look bad.

That is what we just heard. How do we make somebody look bad? It is easy to make somebody look bad. It is a lot harder to build them up and say, in spite of our differences, we can walk down the road together to build a better America for everybody. We did not hear that this morning. What we heard was the politics of division. First of all, I think it is improper to do that when we are considering the nomination of such a great American as Jerome Holmes.

I want to comment a minute on the stem cell debate. I am a physician. I think it is so unfortunate that we are gaming this. All of us, as families and members of this society, have members in our families who have diseases for which future research is going to unlock wonderful and magnificent cures. There is no question about that. But there is a question about an embryo. I personally believe to destroy an embryo is to take a life. That is my personal belief. You can have a different position than that, and it does not make you a bad person. It just means we have different positions. It does not make you incapable of making good decisions in the future if you have a different position than I do.

But there are some facts that are not out, and I would hope the American public would listen to them. Embryonic stem cells have tremendous potential. There is no question about it. But they also have potential tremendous danger. And there will be no cure that will come from embryonic stem cells that does not come along with potential danger, and that is called rejection because it will not be your tissue, it will be the tissue of a clone, which will still have foreign DNA in it that is foreign to you. So any cure that comes out of embryonic stem cell research will be faced with a lifelong utilization of medicines to keep you from rejecting that treatment.

Now, the difference between an embryonic stem cell and a cord blood or adult stem cell or an amniotic membrane stem cell or chorionic stem cell is that it is your tissue, there is no rejection. There is no potential for rejection if you use your own stem cells to treat yourself so you do not have to have a lifelong utilization of medicines. And the complication of those medicines is tremendous.

The other thing we did not hear today, which is the most promising for everything that we have in terms of research, is called germ cell stem cells, that have absolutely all the potential of embryonic stem cells with none of the downside and none of the rejection and none of the carcinogenesis or teratogenesis, which means the forming of tumors—has none of the downside—so, in fact, we now have in front of us, in the last 9 months, in this country an ethical alternative that solves all the problems associated with embryonic stem cells and gives us all the potential. But we did not hear a thing about that today.

We did not hear it because we were creating a wedge issue for the elections rather than solving the problems of health care in this country. We did not hear about the fact that you can take a stem cell from the duct of the pancreas and recreate beta islet cells to have people—children and adults—who are insulin dependent today have reproduction of their insulin on their own from their own cells. We did not hear that. What we heard was division rather than reconciliation.

I think it is highly unfortunate that we take time when we should be talking about the merits of what do we want in our judges. I do not care if a judge is liberal or conservative. I do not care if a judge is a Republican or a Democrat. What I do care about is do they buy the fact that they have a limited role? Do they understand what that role is, that they are there to follow stare decisis, precedent set by the

Supreme Court, and the only books they get to look at is what the law, the Constitution, and the treaties say? That is what they get to decide it on, and the facts of the case.

It should not matter what their political affiliation is. It should not matter what their philosophy is of life. What should matter is, how do they see their role? Jerome Holmes is a man who understands the role of a judge. He will make a fine judge. There is not anybody who knows this man who has come forward, in any of the testimony or any of the history, who has raised an issue about his integrity, his competence, or his character. But we have one issue. He has written his real opinion.

If we say judges cannot have an opinion outside of their job, then we are going to have terrible judges—terrible judges. And if we use only political marks—you have to line up on all the politically correct stuff from my viewpoint or somebody else's viewpoint to be a judge—we are going to have terrible judges. But, more importantly, we are going to have a divided country.

What we need in our country today is leadership that brings us together, not leadership that divides us. We need leadership that looks at a vision of America as to what we need 30 years from now, and what do we do today to get there, rather than to concentrate on our differences today so we can have a political advantage in the next election. The American people understand that. They can be manipulated. We saw that today.

But America is great when America embraces its heritage. And that heritage is self-sacrifice and service for the next generations. It is not about, how do I make myself better today; how do I create an advantage for me politically today. It is about putting me second and our country first. It is about putting my party second and our country first. It is about creating a future for the very lives we are saying we want to cure with stem cells so they have something to look forward to.

Those who vote against Jerome Holmes do not have that vision for America. They have a vision of alienation, of division, of failure for our country.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. LEAHY. Mr. President, what is the parliamentary situation?

The ACTING PRESIDENT pro tempore. The Holmes nomination is pending.

Mr. LEAHY. Is there a time agreement?

The ACTING PRESIDENT pro tempore. Yes, there is.

Mr. LEAHY. How much time is available to the Senator from Vermont?

The ACTING PRESIDENT pro tempore. Forty minutes thirty seconds.

Mr. LEAHY. I thank the Chair. Mr. President, today, the Senate considers the nomination of Jerome A. Holmes for a lifetime appointment to the Court of Appeals for the Tenth Circuit. Just last week we confirmed another nominee to the Tenth Circuit, the fifth to be appointed by this President. This progress comes in stark contrast to the seven years in which a Republican-led Senate failed to confirm a single new judge for that court. Indeed, when I moved forward with the nominations of Harris Hartz of New Mexico, Terrence O'Brien of Wyoming, and Michael McConnell of Utah, it broke a long-standing partisan barricade that had been maintained by Republicans. Among the victims of the Republican obstruction were outstanding lawyers President Clinton nominated such as James Lyons and Christine Arguello, who were never even granted hearings by the Republican majority. Judge Lyons was among the many Clinton nominees voted unanimously "Well Qualified" by the American Bar Association who were never granted hearings, and Ms. Arguello is a talented Hispanic attorney whose nomination had significant, widespread and bipartisan support from her community and State. They were among the more than 60 qualified, moderate judicial nominees of President Clinton that Republicans "pocket filibustered" and defeated without hearings or votes of any kind.

Just last Thursday, Democratic Senators joined in the confirmation of Judge Gorsuch, an extremely conservative nominee, and three others. Working together we confirmed two circuit court nominees and two Federal trial court nominees in a matter of minutes. We brought the total number of judicial nominees confirmed during this President's term to 255, which exceeds the total for the last 5½ years of the Clinton administration. It brought the total number of judges confirmed over the last 18 months to 50. Of course, during the 17 months I chaired the Judiciary Committee the Senate confirmed 100 lifetime judges, twice as many in less time. Last week's success demonstrates again how we can make progress in filling vacancies by working together. Senator SALAZAR's support for Judge Gorsuch was a critical factor in our ability to act swiftly. Senator LINCOLN's and Senator PRYOR's support for confirming Judge Shepherd to the Eighth Circuit likewise made a real difference.

Regrettably, this nomination we consider today is not without controversy and concern. Mr. Holmes initially was nominated to fill a district court seat in Oklahoma. The White House withdrew that nomination and renominated him to the circuit court after Judge James H. Payne asked the President to withdraw his nomination. That withdrawal came after public reports that Judge Payne had ruled on a number of cases in which he had a conflict of interest. While the committee never had a chance to hear directly from Judge Payne about the reported conflicts, these types of conflicts are a violation of Federal law as well as canons of judicial ethics and have no place on the Federal bench. Certainly, they should not be rewarded with a promotion.

Before Mr. Holmes' hearing, I raised concerns about the many controversial letters and columns he has written on such topics as juror racial bias, affirmative action, discrimination, and school vouchers. In these writings, Mr. Holmes derided opposing points of view and those who held them. I asked Mr. Holmes to address my concerns about how he might rule on civil rights issues and how he would treat litigants as a judge. Regrettably, Mr. Holmes' stock answers to my questions that he would follow Supreme Court precedent have not reassured me that he would be the kind of judge who understands the critical role of the courts as a protection of individual rights and civil rights.

In one column, Mr. Holmes described certain allegations of racial prejudice at criminal trials as "harmful" because it "bolster[s] the cynical view that jurors vote along racial lines," which "undermines public confidence in the fairness of the criminal justice system." In fact, Mr. Holmes suggested that it is the focus on the problem of racial bias in jury selection—as opposed to the racial bias itself that—harms the criminal justice system. He wrote that focusing on racial bias "may actually give the green light to jurors to exercise arbitrary power in the jury box when their racial number allow it."

The Supreme Court has long recognized that racial bias in jury selection undermines constitutional guarantees to a fair trial, establishing in the landmark 1986 decision Batson v. Kentucky that striking jurors on the basis of race is unconstitutional. In contrast to Mr. Holmes' statement that accusations of racial bias are merely "cynical," Batson was based on evidence showing patterns of race discrimination in jury selection. It has been reaffirmed repeatedly during the last 20 years in sharp contrast to the views of Mr. Holmes. I gave Mr. Holmes every opportunity to admit error and indicate not only that he had learned of the Supreme Court's precedent but that he had adopted that view of the law and accepted the prohibitions against racial discrimination as just, but received no such reassurance. Instead, the nominee begrudgingly acknowledged that he would have to follow Supreme Court precedent when expressly bound by it.

In another column Mr. Holmes wrote after the Supreme Court's landmark affirmative action decision, Grutter v. Bollinger, he criticized the High Court for missing an "important opportunity to drive the final nail in the coffin of affirmative action" and said that the "court did not go far enough: Affirmative action is still alive." In addition, he described affirmative action scholarship programs as involving classifications that are "constitutionally dubious and morally offensive."

This was a landmark case and in it Justice Sandra Day O'Connor spoke for the Supreme Court and the Nation. Justice O'Connor, a conservative appointed by President Reagan, considered the facts and the law carefully. She took into account the brief from 65 leading U.S. corporations that noted the importance of a diverse workforce and the brief of a highly respected group of former military officers that the military needed a racially diverse and highly qualified corps of officers. She built upon the Supreme Court's Bakke decision when she upheld the University of Michigan Law School's use of race as a factor in law school admissions and affirmed the important interest in diversity. She proclaimed: "Effective participation by members of all racial and ethnic groups in the civic life of our nation is essential if the dream of one nation, indivisible, is to be realized." She went on to note that she hoped and expected that consideration of race might no longer be necessary in another 25 years. Even after the decision, Mr. Holmes chose to criticize Justice O'Connor's pragmatic, principled and practical resolution of what had become an ideological dispute. Sadly, Mr. Holmes seems to continue to want to take sides, and in my view, he is on the wrong side.

Just last week, the Senate unanimously extended the expiring provisions of the Voting Rights Act of 1965 for another 25 years. We all hope that such special provisions will no longer be necessary after another 25 years of growth and progress. But they are needed now.

Last week, we also heard the President, who has nominated Mr. Holmes, acknowledge that slavery and racial discrimination "placed a stain on America's founding, a stain that we have not yet wiped clean." In his first-ever address to the NAACP national convention during his time in office, the President said racial discrimination remains a "wound" that "is not fully healed." I will not soon forget President Bush speaking to the Nation from Jackson Square in New Orleans and acknowledging that "poverty has roots in a history of racial discrimination, which cut off generations from the opportunity of America."

Such powerful words inspire hope for change. But that change only occurs when those words are followed by action. During his address to the NAACP, the President lamented the Republican Party's loss of support among many African Americans in our country today. He called it a "tragedy" that the party of Abraham Lincoln could disenfranchise the African-American community. It is not difficult to understand why. Despite his eventual support for the reauthorization of the Voting Rights Act, this President's priorities, his polices—and indeed his nominees do not demonstrate any sort of meaningful commitment on the part of this administration to confront the very real racial and economic disparities that continue to persist today.

When considering a nominee to a lifetime appointment on the Federal bench, a chief consideration of mine has always been whether all litigants would get a fair hearing in that nominee's courtroom. That is why I have been, and remain, concerned about the tone and stridency of Mr. Holmes' writings. In answering my questions about the tone of his criticisms of those with whom he disagrees on issues, Mr. Holmes seeks to make a distinction between "the role of the opinion-article writer" and the role of a judge. The fact that Mr. Holmes took part in hard-edged debate on public issues should not be disqualifying. It appears, however, that those opinions are what earned him this elevated nomination and what his proponents expect he will deliver from the bench.

Mr. Holmes has been an outspoken critic not only of affirmative action programs and efforts to combat race discrimination, but of African-American civil rights leaders who support them, calling them "ideologically bankrupt." He has called into question the sincerity of civil rights organizations opposed to school vouchers by describing them as having "longstanding ties to school employee labor unions, which view vouchers as a dangerous threat to the educational status quo, in which teachers bear little or no accountability for their students' educational failures." When the convention of the NAACP reacted negatively last week to President Bush's advocacy for vouchers, it was not because they were under the sway of any teachers' union. It was because they know how important public education is to the futures of so many from minority communities.

In a letter to one publication, Mr. Holmes criticized claims of race discrimination based on forced assimilation, characterizing a doctor's complaint that his colleagues had "negative reactions to his dreadlocks" as "naïve." In another article, he described a defense attorney's concerns about racial bias in jury selections as "philosophically offensive." Mr. Holmes' comments belittling those concerned with the persistence of race-based barriers in this country leave me with little assurance that he has the ability to maintain objectivity when applying constitutional and statutory remedies for race discrimination and concerned that he will not have an open and fair mind as a judge.

Mr. Holmes membership in the Men's Dinner Club of Oklahoma City, which restricts its membership to men, also concerns me about his ability to have an open mind. He did not resign his membership until February 2, 2006, less than 2 weeks before his initial nomination to be United States District Judge for the District of Oklahoma, presumably only after he had been notified that he would be nominated. When I asked him about why he said in his response to the committee's questionnaire that he did "not perceive the club as practicing invidious discrimination," he did not respond directly. Instead, he declared in a self-serving conclusion that he would "not knowingly be a member of any organization that harbored or expressed any bias against women, or any other groups on the basis of immutable characteristics." I am left to wonder what it is that Mr. Holmes would consider the kind of discrimination with which he would not want to be associated and why he was not troubled by the Men's Dinner Club. It was a place for social and professional advancement for him and he seemed not at all concerned with its restrictive policies. The fact that Mr. Holmes did not resign until the eve of his nomination because "some might perceive the Men's Dinner Club as being an improper organization" is troubling.

I worry that even before I announced any opposition to Mr. Holmes' nomination, we had already begun to hear the whispers of criticisms taken from the pages of the playbook of extreme right-wing groups. These groups marked a new low a few years ago by launching a scurrilous campaign to inject religion into the debate over judicial nominations. These smears were fabricated as a calculated weapon to chill proper consideration of candidates nominated for significant judicial positions. Similar, baseless accusations of other forms of discrimination serve only to inflame and distract from the fair and deliberate consideration of judicial nominations.

The Senate has confirmed 255 of this President's nominee including 100 who were approved during the 17 months that Democrats made of the Senate majority. The first confirmation when I became chairman was of an African-American circuit court nominee on whom Republicans had refused to vote. For that matter, it was Republican Senators who defeated the nominations of Justice Ronnie White, Judge Beatty, Judge Wynn, Kathleen McCree Lewis and so many outstanding African-Americans judges and lawyers who they pocket filibustered.

I was surprised when we debated Mr. Holmes' nomination in the Judiciary Committee that those defending Mr. Holmes' nomination criticized any expression of concern about his troubling writings in the area of civil rights. I appreciated when the Senator from Oklahoma apologized to me after that debate. The Senators from Oklahoma are within their rights in supporting this nomination. In fact, I consider their support as a weighty factor in considering this nomination.

That support is not universal. This is a controversial nomination. A number of leading organizations concerned with civil rights, including the NAACP, MALDEF, and many others, raised "grave concern" about Mr. Holmes' record. The Leadership Conference on Civil Rights, the country's oldest, largest civil rights coalition has opposed the confirmation of this nomination. Having reviewed the record, I share those concerns.

In the last several months, as we have worked to reauthorize and revitalize the Voting Rights Act, I have been thinking about the civil rights movement, what progress we have made, and what distance we still have to go. The new law is named for Coretta Scott King among others. Dr. Martin Luther King Jr. knew that our judges and our courts were important to securing civil rights. It was not the Congress but the Supreme Court that moved the Nation forward in its Brown v. Board of Education decision in 1954. It is worth recalling Dr. King's call for the political branches to join the courts in protecting the fundamental rights of all. In his 1957 address, "Give Us the Ballot," Dr. King said, "[s]o far, only the judicial branch of the government has evinced this quality of leadership. If the executive and legislative branches of the government were as concerned about the protection of our citizenship rights as the Federal courts have been, then the transition from a segregated to an integrated society would be infinitely smoother." Dr. King knew how important fairminded judges were to the realization of equality. Dr. King's view and that expressed by Mr. Holmes appear to be in sharp contrast.

I take no pleasure today in doing my duty. I have considered this nomination on its merits and, in good conscience, I cannot support it. Based on Mr. Holmes' own writings and his responses to our questions, I will vote no. I hope that Mr. Holmes will prove my concerns unfounded and be the kind of judge that Dr. King would have admired, a judge in the mold of Thurgood Marshall, William Hastie or A. Leon Higginbotham, Jr.

I ask unanimous consent that a letter raising grave concerns from the Leadership Conference on Civil Rights regarding Mr. Holmes' nomination be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEADERSHIP CONFERENCE
ON CIVIL RIGHTS,
Washington, DC, June 14, 2006.

Hon. ARLEN SPECTER, *Chairman,*
Hon. PATRICK J. LEAHY, *Ranking Member,*
Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR CHAIRMAN SPECTER AND RANKING MEMBER LEAHY: On behalf of the undersigned organizations, we write to express our grave concern regarding the nomination of Jerome Holmes to serve on the Court of Appeals for the Tenth Circuit. Mr. Holmes has been a longstanding and outspoken critic of affirmative action. His criticism of affirmative action raises serious questions about whether litigants could expect him to rule impartially and fairly on claims that turn on legal principles of affirmative action, and about Mr. Holmes' approach to antidiscrimination laws more broadly, if he is confirmed.

Many civil rights organizations, including the Leadership Conference on Civil Rights (LCCR), the Leadership Conference on Civil Rights Education Fund (LCCREF), and the other signatories to this letter, worked to persuade the U.S. Supreme Court to uphold the University of Michigan's affirmative action programs. In the closely watched decision, the Supreme Court reaffirmed that universities may take race into consideration as one factor among many when selecting incoming students. In a 5 to 4 opinion written by Justice O'Connor, the Supreme Court in Grutter v. Bollinger specifically endorsed Justice Lewis Powell's view in 1978's Regents of the University of California v. Bakke that student body diversity is a compelling state interest that can justify using race in university admissions. The Supreme Court thus resolved a split among the lower courts as to Bakke's value as binding precedent.

Both before and after the Court spoke in Grutter, Mr. Holmes has been openly hostile to affirmative action, expressing his deeply held beliefs regarding the matter. To that end, Holmes has penned several articles widely publicizing these views. In one article, Holmes referred to affirmative action as a vehicle to "[sow] the seeds of racial disharmony." As the Court decided the University of Michigan affirmative action cases, Holmes stated that, "[t]he court did not go far enough . . . the court upheld the affirmative action policy of the university's law school. And in so doing, it missed an important opportunity to drive the final nail in the coffin of affirmative action." With regard to minority scholarships, Mr. Holmes has written that, the "shelving [of] race-based scholarship programs . . . takes us one step closer to a time when constitutionally dubious and morally offensive racial classifications will no longer impede the progress of any citizen toward full achievement of the American dream."

Affirmative action is a tool to provide qualified individuals with equal access to opportunities. Affirmative action programs, including recruitment, outreach, and training initiatives, have played a critical role in providing African-Americans and other minorities and women with access to educational and professional opportunities they would otherwise have been denied despite their strong qualifications.

Although progress has been made over the last 30 years, ensuring equal opportunity for African-Americans and other minorities and women remains an elusive goal. Continued use of affirmative action is necessary to help break down barriers to opportunity and ensure that all Americans have a fair chance to demonstrate their talents and abilities. Therefore, we have no choice but to express our deepest concerns regarding Mr. Holmes' nomination.

If you have any questions or need further information, please contact Nancy Zirkin, LCCR deputy director or Richard Woodruff at the Alliance for Justice.

Sincerely,

Alliance for Justice; American Federation of State, County and Municipal Employees; Feminist Majority; Lawyers' Committee for Civil Rights Under Law; Leadership Conference on Civil Rights; Legal Momentum; Mexican American Legal Defense and Educational Fund; NAACP Legal Defense & Educational Fund, Inc.; National Association for the Advancement of Colored People (NAACP); National Partnership for Women & Families; National Urban League; National Women's Law Center; People For the American Way; The American Association for Affirmative Action; YWCA USA.

Mr. LEAHY. Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. COBURN. Mr. President, could the Chair advise the time remaining on both sides?

The ACTING PRESIDENT pro tempore. The majority has 46 minutes remaining; the minority has 22½ minutes.

Mr. COBURN. I thank the Chair.

I ask unanimous consent that letters from judges, Democrats, Republicans, businesses, the Governor of Oklahoma, be printed in the RECORD in support of Mr. Holmes.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. COURT OF APPEALS,
TENTH CIRCUIT,
Oklahoma City, OK, June 14, 2006.

Re recommendation of Jerome Holmes nomination for the United States Circuit Judge for the Tenth Circuit Court of Appeals.

Hon. ARLEN SPECTER,
Chairman of Judiciary Committee, U.S. Senate, Washington, DC.

DEAR SENATOR: I am pleased to recommend highly my former clerk, Jerome Holmes, as a splendid candidate for service as a United States Circuit Judge of the Tenth Circuit.

Jerome gave extraordinary service to me as my law clerk from August 1990 to August 1991. He is dedicated to the highest standards of intellectual service and performed his work for our court as my clerk with complete impartiality and compassion for the people whose cases were before the court. I am convinced he will give extraordinarily fine service as a fair minded and industrious judge of the Tenth Circuit Court of Appeals if his nomination is confirmed. I heartily commend Jerome for your favorable consideration.

Sincerely,

WILLIAM J. HOLLOWAY, Jr.

CROWE & DUNLEVY,
ATTORNEYS AND COUNSELORS AT LAW,
Oklahoma City, OK, June 13, 2006.

Re Jerome A. Holmes.

Hon. ARLEN SPECTER,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR SENATOR SPECTER: I write in support of the nomination of Jerome A. Holmes to the Tenth Circuit Court of Appeals. After a distinguished career in the Office of the United States Attorney for the Western District of Oklahoma, in August, 2005, Jerome joined our firm as a director. Jerome has already assumed firm leadership positions as the chair of both our Diversity and Business Development Committees.

Jerome is thoughtful and principled in all that he does. The other directors of this firm quickly learned to respect and rely upon him. Jerome has been able to represent the clients of the firm and become an integral part of our firm through his outstanding analytical abilities and his excellent temperament.

In fact, Jerome Holmes is a paradigm for the judicial temperament and discretion that we expect of a judicial officer. He is the most articulate and well spoken attorney I have had the opportunity to work with, and is easily able to ponder multiple sides of complex issues and arrive at a thoughtful analysis.

Jerome has long been active in both the Oklahoma Bar Association and the Oklahoma County Bar Association and is now serving our profession as the vice president of the Oklahoma Bar Association. He has earned the respect of the legal community, both bench and bar, in this city and tate.

Jerome Holmes will fill the role as a member of the Tenth Circuit Court of Appeals with distinction and the highest level of professional integrity. I take, great pleasure in sending my highest recommendation of Jerome Holmes for this important judicial position.

Yours truly,

BROOKE S. MURPHY,
President.

RIGGS, ABNEY, NEAL, TURPEN, ORBISON & LEWIS, ATTORNEYS AND COUNSELORS AT LAW,
Oklahoma City, OK, May 26, 2006.

Re recommendation of Jerome A. Holmes, U.S. Court of Appeals for the Tenth Circuit.

Hon. ARLEN SPECTER,
U.S. Senate,
Washington, DC.

DEAR SENATOR: Please accept this letter as an enthusiastic endorsement of Jerome A. Holmes for a position on the U.S. Court of Appeals for the Tenth Circuit. Although I often find myself in disagreement with Senators Inhofe and Coburn on a variety of policy issues, I have a great deal of respect for Jerome and must commend the Senators for endorsing his nomination for this important judicial position. I respectfully request that you move Jerome's name forward for confirmation.

Jerome is an experienced trial lawyer, working on civil and criminal matters. He recently entered private practice at one of the largest law firms in Oklahoma, after a distinguished 11-year career as a federal prosecutor in the U.S. Attorney's Office for the Western District of Oklahoma. During his time in the U.S. Attorney's Office, Jerome primarily prosecuted cases involving white collar and public corruption offenses. He also worked for almost 1 year on the prosecution team that brought charges against the perpetrators of the Oklahoma City Bombing.

Jerome received his Juris Doctor from Georgetown University Law Center, where he served as Editor-in-Chief of the Georgetown Immigration Law Journal. He received a B.A. degree from Wake Forest University, graduating cum laude. In addition, Jerome earned a Master in Public Administration degree from Harvard University's John F. Kennedy School of Government, where he was a John B. Pickett Fellow in Criminal Justice Policy and Management.

Jerome is licensed to practice law in three jurisdictions, including Oklahoma. He also has been admitted to practice before the Bars of the U.S. Supreme Count and the U.S. Courts of Appeals for the Tenth Circuit and the District of Columbia Circuit.

Jerome is a leader in his profession, currently serving on the Oklahoma Bar Associations's Board of Governors (BOG) as Vice President. He is the first African American in the history of the Oklahoma Bar Association to occupy an officer's position on the BOG.

Jerome's long-standing concern for the economically disadvantaged is evident in his professional and civic activities. Jerome serves on the ABA's Commission of Homelessness & Poverty and is Chair of the Board of one of the largest providers of shelter to Oklahoma's homeless, City Rescue Mission. Jerome also is committed to ensuring that the doors of the legal profession are open to underrepresented racial and ethnic minorities. He is Chair of his law firm's Diversity Committee and has devoted numerous hours to working with minority high school students in a mock trial program.

Jerome enjoys widespread support among Oklahoma Democrats and Republicans alike. In Oklahoma legal circles, Jerome has a very strong reputation. He is a dedicated professional who would be committed as a judge to fairness and justice, rather than ideology. I heartily endorse Jerome's nomination for the Tenth Circuit position without reservation. Please help all Oklahomans by moving Jerome's name forward for confirmation as soon as possible.

Sincerely,

MICHAEL C. TURPEN.

JIM ROTH,
OKLAHOMA COUNTY DISTRICT ONE,
Oklahoma City, OK.

Re: nomination of Jerome Holmes, 10th Circuit Court of Appeals

Hon. ARLEN SPECTER,
Chairman, U.S. Senate, Judiciary Committee, Washington, DC.

Hon. PATRICK LEAHY,
Ranking Member, U.S. Senate, Judiciary Committee, Washington, DC.

DEAR DISTINGUISHED SENATORS: It is truly an honor to offer this Letter of Recommendation for your consideration on behalf of Jerome Holmes, a nominee for the 10th Circuit Court of Appeals.

I have known Jerome Holmes for several years, both professionally and personally, as I am also a member of the Oklahoma Bar Association. I know him to be a person of Integrity and Character and I have always appreciated Mr. Holmes' fairness in our dealings. What's more, I have witnessed Mr. Holmes' efforts in our local community to improve the lives of those around us; all people regardless of where they live, what they look like or how much money they have. He has an altruistic spirit that makes him a standout in this world.

I serve Oklahoma County as one of three elected County Commissioners, am a proud Democrat and consider Jerome Holmes to be a principled leader who demonstrates mutual respect for all people. In particular, he is respectful of views that differ from his own and he enjoys tremendous bipartisan support and respect.

If I can provide any further information or perspective, please do not hesitate to contact me at your convenience.

Respectfully yours,

JIM ROTH,
County Commissioner.

HOLY TEMPLE BAPTIST CHURCH,
Oklahoma City, OK, June 21, 2006.

Hon. ARLEN SPECTER,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

Hon. PATRICK J. LEAHY,
Ranking Member, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR SENATORS SPECTER AND LEAHY: I am writing in reference to the nomination of the Honorable Mr. Jerome A. Holmes, Esq.'s judicial appointment. I appreciate the concern that has been expressed about his nomination based upon his writings and positions on affirmative action. In all honesty I stand in a position that is contrary to the interpreted and most likely actual personal stance of Mr. Holmes, yet my relationship with him moved me to write and to express my support for him.

I have known Mr. Holmes for many years and believe that he does have a high regard for the views of those who maybe different from his own. That in and of itself is enough for me to believe that he would "hear" fairly. In addition, Mr. Holmes has displayed a level of integrity in all his dealings that I have been aware and has shown in our personal conversation willingness to listen and respect differing views. I trust Mr. Holmes and so in light of our differences I support his nomination.

I do realize the responsibility that is upon me as a Pastor, Community Leader and a concerned citizen. This is no light matter for me, indeed it is with much prayer and struggle that I searched out the right words to convey the right tone to reinforce my message. As a member of the NAACP, Urban League and many other organizations that fight for the rights of minorities, I am moved to ask your continued approval of this nomination.

Sincerely,

GEORGE E. YOUNG, Sr.
Pastor.

JUNE 19, 2006.

Re recommendation of Jerome A. Holmes, U.S. Court of Appeals for the Tenth Circuit.

Hon. ARLEN SPECTER,
U.S. Senator,
Washington, DC.

DEAR SENATOR SPECTER: As Governor of the State of Oklahoma, and as a former Chair of the State Senate Judiciary Committee, I have had a lot of experience in the selection of judges. In our modified Missouri system of appointment of judges, the Governor plays a key role when judicial vacancies occur. Not only does the Governor appoint members to the Judicial Nominating Commission, but he or she also is forwarded the final three names of judicial applicants for gubernatorial selection. I take this responsibility very seriously, and I have personally interviewed every single candidate forwarded to me.

I have come to know and respect Mr. Jerome Holmes, a nominee for the Tenth Circuit vacancy created by the retirement of my friend, Judge Stephanie Seymour. Jerome is a highly qualified candidate, a superb lawyer with a reputation for fairness, ethics and integrity. Indeed, I recently appointed his former supervisor, Judge Arlene Johnson, to our court of last resort on criminal matters, the Oklahoma Court of Criminal Appeals. When Arlene was Chief of the Criminal Division of the U.S. Attorney's office in the Western District of Oklahoma, Jerome was her chief deputy. Their division was considered a model division of the U. S. Attorney's office. Jerome handled this difficult task with competence and honor, and he was part of the prosecution team that brought charges against the perpetrators of the Oklahoma City federal building bombing.

I have also come to know Jerome on a personal basis through the Oklahoma Symposium, a sort of "think tank" gathering of top Oklahomans that meets formally once a year, and informally in small groups from time to time. It is an honor to be invited to join the Symposium, and Jerome was among the first to be invited for membership.

Jerome is uniquely qualified for this position. He served as a law clerk for Federal District Judge Wayne Alley and then for the then-Chief Judge of the Tenth Circuit Court of Appeals, the honorable Judge William Holloway. Jerome then practiced for several years in civil litigation before devoting himself for eleven years to the U.S. Attorney's Office in Oklahoma City. For several months, he has been practicing at Crowe & Dunlevy, one of the largest and most respected law firms in Oklahoma. In short, I do not think you could have a candidate more highly qualified and regarded than Jerome Holmes.

I hope you will see fit to appoint this remarkably talented young man to this important position. I know of the Tenth Circuit, as well, because my cousin, Judge Robert Henry, will become the Chief Judge of that Circuit in 2008. I know he shares my high regard for Jerome, as he has told me of Jerome's excellent professional appearances before that court.

I continue, Senator, to appreciate the very important work that you do. Please do not hesitate to contact me if I can be of service, or, of course, if you should come to Oklahoma.

Sincerely,

BRAD HENRY,
Governor.

RYAN, WHALEY & COLDIRON,
ATTORNEYS AND COUNSELORS AT LAW,
Oklahoma City, OK, June 21, 2006.

Re: nomination of Jerome A. Holmes to the Tenth Circuit.

Hon. ARLEN SPECTER,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.
Hon. PATRICK J. LEAHY,
Ranking Member, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR CHAIRMAN SPECTER AND SENATOR LEAHY: I am writing in support of the nomination of Jerome A. Holmes for the United States Court of Appeals for the Tenth Circuit.

I am a lifelong Democrat. For six years I was fortunate to work on the United States Senate staff of Senator David Boren and the Senate Agriculture Committee. During this time I met Senator Leahy and personally witnessed his leadership as a committee chairman. I was the Democratic nominee for an Oklahoma congressional race in 1994. I later became a federal prosecutor and eventually served as the United States Attorney for the Western District of Oklahoma, first through appointment by Attorney General Janet Reno and then through nomination by President Clinton.

I have known Jerome Holmes for over ten years through our work together in the United States Attorney's Office and now in private practice. I believe his intellect, experience and character make him an excellent choice for a position on the appellate court. I saw these qualities firsthand as Jerome carried out his many responsibilities as a prosecutor. One of the most important duties he performed was that of the office's legal ethics and professional responsibility counselor. Jerome acted ably in this capacity during a time of heightened scrutiny for federal prosecutors following the passage of the Hyde Act and the McDade Amendment. Since both of you are former prosecutors, I trust that you can appreciate the degree of confidence in Jerome's abilities and integrity that were required in order to be given such an assignment by me and other United States Attorneys.

Jerome's nomination has apparently triggered concern from groups that have focused on his writings on affirmative action. In this regard, I can offer three observations. First, I have known Jerome to be open-minded and respectful of different views. More importantly, I know Jerome to be respectful of the role of the courts, as opposed to the role of the advocates, and I believe this understanding to be partly the result of his three years of service as a law clerk for federal appellate and district judges. Finally, as noted above, I know Jerome to be a person of unwavering integrity. Therefore, when Jerome states under oath that he will put his personal views aside and follow the law, I believe he will do just that.

I hope these observations are helpful as you consider Jerome's nomination, which I hope you will act upon favorably. I respectfully request that this letter be made part of the committee record regarding his nomination. If I can be of further assistance or if you or your staff have any questions, please do not hesitate to contact me.

Sincerely,

DANIEL G. WEBBER, Jr.

OKLAHOMA BAR ASSOCIATION,
Oklahoma City, OK, July 21, 2006.

Re: confirmation of Jerome A. Holmes, Nominee for Judicial Appointment to Tenth Circuit Court of Appeals.

Hon. JAMES M. INHOFE,
Russell Center Office Building,
Washington, DC.

DEAR SENATOR INHOFE: As president of the Oklahoma Bar Association, I am writing in support of the nomination of Jerome A. Holmes, Esquire to the United States Court of Appeals for the Tenth Circuit.

I've had the pleasure of serving with Jerome for the last 2½ years, in various official capacities with the Oklahoma Bar Association. I selected Jerome to serve as my Vice President for this year. He has served in that capacity with exceptional skill, talent and knowledge of a vast breadth of issues.

I have enjoyed working with Jerome as I find him to be an intelligent lawyer and an extremely thoughtful leader who excels in everything that he does. I believe that Jerome should be entitled to bipartisan support because he displays the demeanor, work ethic and outstanding capacity to reach an appropriate decision under our constitution. Jerome will be an outstanding jurist who will follow the law and not his personal views or beliefs.

Again, I appreciate your consideration of my support for the confirmation of Jerome Holmes to the United States Court of Appeals for the Tenth Circuit by the full Senate. Please feel free to contact me if you have any questions regarding his qualifications.

Very truly yours,

WILLIAM R. GRIMM,
President, Oklahoma Bar Association.

RESOLUTION TO THE U.S. SENATE

Whereas, Jerome A. Holmes exemplifies the highest standards of the legal profession, has given unselfishly of his time and talents to further the legal profession, has served as Vice President and Govrenor of the Oklahoma Bar Association and has held numerous other high positions within the Association;

Whereas, Jerome A. Holmes has consistently demonstrated that he possesses the demeanor, intelligence and legal skills to serve in the highest office of his profession and the public;

Whereas, Jerome A. Holmes has served his profession, his community, his state, and his nation with courageous, devoted and tireless service to insure that the rule of law prevails and that there be liberty and justice for all;

Whereas, Jerome A, Holmes has received a nomination from President George W. Bush to serve as a judge of the Tenth Circuit Court of Appeals pending confirmation by the United States Senate;

Be it Resolved, on behalf of the Oklahoma Bar Association, the Board of Governors unqualifiedly and wholeheartedly supports the confirmation of Jerome A. Holmes to the position of judge of the Tenth Circuit Court of Appeals;

Be it Further Resolved, the Board of Governors requests the honorable members of the United States Senate for favorable confirmation of Jerome A. Holmes.

In Witness Whereof, this Resolution is unanimously Adopted by the Oklahoma Bar Association Board of Governors this 21st day of July 2006.

WILLIAM R. GRIMM, PRESIDENT,
Oklahoma Bar Association.

Mr. COBURN. Mr. President, I want to take a few moments to discuss the comments we just heard. I will go back to the litmus test.

My belief is there is no way Jerome Holmes could have given an answer in response to questions that were asked by Senator LEAHY that would have met with Senator LEAHY's approval. We had a hearing on Mr. Holmes. The great concerns we have heard on the floor, nobody came to ask any of those questions. No one showed up other than myself and two other Members to hear Jerome Holmes' response, both in terms of his comments and beliefs about affirmative action, but also about the beliefs he has. This is a man who has experienced racial discrimination. This is a Black man who rose to heights without the assistance of anyone else other than his sheer will and great effort on his part and the character instilled in him by his parents.

There are multiple allegations that have been raised. I will hold back on answering those specifically with Mr. Holmes' responses.

I yield to the senior Senator from Utah 20 minutes. If he needs additional time, I will be more than happy to yield that to him. Would the Chair please notify us when we have 10 minutes remaining?

The ACTING PRESIDENT pro tempore. Yes.

The Senator from Utah.

Mr. HATCH. Mr. President, I thank my colleague and I appreciate his leadership on the floor. This is an exceptional nominee for the court.

I rise to voice my strong support for the nomination of Jerome A. Holmes of Oklahoma to be a judge on the U.S. Court of Appeals for the Tenth Circuit. With this nomination, we see an all-too-familiar pattern. Mr. Holmes is a highly qualified nominee, a man of integrity and character who knows the proper role of a judge, someone who is praised by those who know him and attacked by some who do not.

Let me review each element of this familiar pattern in turn.

First, Mr. Holmes is a highly qualified nominee. After receiving his law degree from Georgetown University in 1988, where he was editor in chief of the Georgetown Immigration Law Journal, Mr. Holmes returned to Oklahoma and began an impressive legal career. He clerked first for U.S. District Judge Wayne Alley of the Western District of Oklahoma, and then for U.S. Circuit Judge William Holloway of the Tenth Circuit. Both judges have since taken senior status, and I can only imagine how proud they must be to see their former clerk now nominated to the Federal bench himself. And in the case of Judge Holloway, I truly hope that Mr. Holmes will soon have the privilege of calling his former boss a colleague.

After 3 years of private practice with the highly regarded law firm of Steptoe & Johnson, Mr. Holmes entered public service. While an Assistant United States Attorney serving the Western District of Oklahoma, Mr. Holmes prosecuted a wide range of cases and was that office's anti-terrorism coordinator. No doubt among his most vivid memories from that time was his experience on the prosecution team regarding the Oklahoma City bombing. Somehow, Mr. Holmes also completed a master's degree in public administration from Harvard University's Kennedy School of Government. Currently, after more than a decade as a prosecutor, Mr. Holmes is back in private practice as a director of Crowe & Dunlevy, a prominent law firm in Oklahoma City, where he chairs the firm's diversity committee. He has also served as Vice President of the Oklahoma Bar Association. This is an exceptional man.

Second, Mr. Holmes is a man of integrity and character. We hear now and then about the need for judges who are well-rounded individuals, who are good people as well a good lawyers. Well, during his years in private practice and public service, Mr. Holmes has also served his community. In addition to chairing the Oklahoma City Rescue Mission, Mr. Holmes has been a director of the Oklahoma Medical Research Foundation and a trustee of the Oklahoma City National Memorial Foundation.

Third, Mr. Holmes understands the proper role of judge in our system of Government. He has testified under oath that he knows judges must separate their personal views from what the law requires. He has repeatedly affirmed his commitment to follow applicable Supreme Court precedent in cases that will come before him. This means, as he put it in answers to questions following his hearing, an even-handed application of legal principles in all areas.

Fourth, Mr. Holmes is praised and supported by those who know him. This includes Democrats in Oklahoma. Daniel Webber, appointed by President Bill Clinton to be U.S. Attorney in Oklahoma, has written the Judiciary Committee in support of Mr. Holmes' nomination. He has known this nominee for more than a decade and urged confirmation based on Mr. Holmes' intellect, experience, and character. Reaffirming that the nominee before us today knows the proper role of a judge, Mr. Webber wrote us that Mr. Holmes is "respectful of the role of the courts. . . . When Jerome states under oath that he will put his personal views aside and follow the law, I believe he will do just that."

Oklahoma Governor Brad Henry, a Democrat, also wrote the Judiciary Committee to support this nomination. Governor Henry said that Mr. Holmes is "a highly qualified candidate, a superb lawyer, with a reputation for fairness, ethics and integrity. In short, I do not think you could have a candidate more highly qualified and regarded than Jerome Holmes." A superb lawyer with a reputation for fairness, ethics, and integrity. It seems to me that is exactly the formula we should consistently be looking for in nominees to the Federal bench.

So far, so good. The fifth element of this familiar pattern, however, is that Mr. Holmes is being attacked and opposed by some who do not know him. Mind you, they have not suggested that Mr. Holmes is not qualified to sit on the Federal appellate bench. They have not disputed his character or integrity. Nor have they offered anything to cast doubt on what seems to be universal acclaim from those who know Mr. Holmes and have worked with him. In yet another familiar element of this pattern, Mr. Holmes' critics find fault not with his experience, his qualifications, his integrity, or his character, but his politics.

In particular, the critics take issue with Mr. Holmes' opposition to Government-imposed racial preference policies. Let me emphasize what I mentioned a few minutes ago, that Mr. Holmes helped create and chairs his law firm's diversity committee. In the private arena, he works to recruit and retain qualified lawyers of various racial and ethnic backgrounds. He also believes that race-based policies were once necessary to address the effects of past discrimination. Mr. Holmes would be the first African-American judge on the Tenth Circuit. At the same time, like two-thirds of Americans, Mr. Holmes opposes current programs that condition admission to public universities on race, not to address past discrimination but to create future diversity.

My liberal friends can, of course, disagree with Mr. Holmes on this issue. But by suggesting that his opinion on this issue somehow disqualifies him from serving on the Federal bench, they are treading on very dangerous ground. Mr. Holmes is hardly the first judicial nominee to have taken a clearly defined stand on a controversial issue. I could chronicle some of the more prominent examples, judges overwhelmingly confirmed by this body. Are my liberal friends saying that we should instead be looking to be judicial nominees individuals who have no opinions on issues of the day, who have done nothing, said nothing, and thought nothing? Or are they suggesting that if nominees have thought about and have opinions on controversial issues, only liberal opinions are acceptable?

The issue is not whether a nominee is liberal or conservative, Democrat or Republican, but whether he is committed to basing his judicial decisions on the law. The evidence from him and those who know him is that Mr. Holmes will do just that, and there is not a shred of evidence to the contrary.

Not only that, but Mr. Holmes' supporters—again, those who know him best—also stress his willingness to listen and to respect those with differing views. Oklahoma County Commissioner Jim Roth, another Democrat, wrote the Judiciary Committee calling Mr. Holmes "a principled leader who demonstrates mutual respect for all people. In particular, he is respectful of views that differ from his own and he enjoys tremendous bipartisan support and respect." That is from a Democrat. How can you ask for a better statement from anybody?

Specifically on the issue that has so captivated Mr. Holmes' critics, Pastor George Young, Sr., who supports affirmative action, writes that "Mr. Holmes has displayed a level of integrity in all his dealings that I have been aware and has shown in out personal conversation willingness to listen and respect differing views."

Perhaps my liberal friends are taking out their litmus paper to judge Mr. Holmes' personal views because they believe that is precisely what should drive judicial decisions. Mr. President, I reject that notion out of hand and I invite those who take such an ideological, politicized view of what judges do to try and sell that to the American people.

Mr. President, personal views or political positions are the wrong standard for evaluating judicial nominees. It distorts the fundamental difference between advocates and judges, between opinion and law. And it misleads the American people about what judges do and the important place they occupy in our system of Government. I am convinced that Mr. Holmes understands far better than his critics that judges must be neutral arbiters, that they must follow the law, that they must set aside personal views or opinions. I am convinced that Mr. Holmes will do just that on the Tenth Circuit.

Mr. President, we have been here before. Nominees of obvious qualification and experience, unquestioned integrity and character, and solid bipartisan support, are nonetheless attacked and maligned because of their personal views or political opinions. It has happened before and, sadly, I expect it will happen in the future. The proper standard, however, looks at qualifications, integrity, and commitment to the proper role of judges in our system of Government. Judged by this proper standard, Mr. Holmes will be a fine member of the court he once served as a law clerk.

Let me close with the words of one of the judges Mr. Holmes served as a law clerk. Judge William Holloway was appointed to the Tenth Circuit in 1968 by President Lyndon Johnson. He wrote the Judiciary Committee that Mr. Holmes "performed his work for our court as my clerk with complete impartiality and compassion for the people whose cases were before the court. I am convinced he will give extraordinarily fine service as a fair minded and industrious judge."

Excellence, fairness, integrity, impartiality, compassion, and a willingness to listen. That is what the evidence shows, Mr. President. Jerome Holmes is a fine lawyer and a good man. He will make a great judge.

I yield the floor.

The PRESIDING OFFICER (Mr. SUNUNU). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I believe under the agreement I have 15 minutes; am I correct?

The PRESIDING OFFICER. There is no time agreement. The Senator is recognized and may proceed.

Mr. COBURN addressed the Chair.

Mr. KENNEDY. Mr. President, I think I have the floor.

Mr. COBURN. Will the Senator yield for an inquiry of the Chair?

Mr. KENNEDY. Yes.

Mr. COBURN. Mr. President, it is my understanding that we are under a unanimous consent agreement. There is a time agreement, and it is limited on both sides.

The PRESIDING OFFICER. The Senator from Oklahoma is correct. There is 2 hours equally divided. We are operating under a time agreement, but there is no specific consent to limit the Senator from Massachusetts to 15 minutes.

Mr. COBURN. Will the Chair advise the amount of time left on either side? I thank the Senator for yielding.

The PRESIDING OFFICER. The majority has 32 minutes remaining and the minority has 22 minutes remaining.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. I thank the Chair.

Mr. President, the Senate's exercise of its advice and consent power when it considers nominees to the Federal bench is one of our most important constitutional responsibilities. We are conferring on men and women the power to interpret and apply our laws for the rest of their lives. It is the last opportunity any of us have to sit in judgment of them.

Our task is not to evaluate a nominee based on politics but, rather, to consider other important criteria. We start with the essential elements of professional excellence and personal integrity, but we must also evaluate the likelihood that nominees will be fair and openminded judges who bring compassion and understanding of the history and fundamental values of America to the bench.

In considering a nomination to our Federal courts of appeals, we must exercise special care. The Supreme Court accepts few cases out of the thousands of cases it is asked to hear every year. The Federal appellate courts are almost always litigants' last hope for justice from our legal system. For those who seek relief from race and sex discrimination at work or at school, for criminal defendants who have been wrongfully deprived of their liberty or sentenced to death, or for those who seek to protect our liberties, the circuit courts of appeals are almost always their last hope for justice.

The record of Jerome Holmes demonstrates that he is not a nominee we can afford to entrust with the judicial power of the United States. His professional qualifications are not in dispute, but he has taken extreme public stances on issues that regularly come before our courts. These stances suggest that he will not approach these issues with an open mind or fairly apply the law in these areas.

Perhaps most troubling are Mr. Holmes' strong and repeated statements denouncing affirmative action. Just last week, this body reauthorized the Voting Rights Act, one of America's greatest achievements in the effort to overcome centuries of racial oppression. During that debate, numerous Senators had the occasion to revisit the legacy of racially motivated violence, discrimination, and disenfranchisement that oppressed so many in this country. We had the occasion to reflect on the need for strong and complete remedies for those centuries of discrimination that would eliminate it root and branch.

Affirmative action is an effective and necessary remedy that must be available if we are to provide opportunity for all, by breaking down persisting barriers and making it possible for all Americans to demonstrate their abilities and fulfill their potential. Yet Mr. Holmes has repeatedly denounced affirmative action as both immoral and unlawful.

Shortly after the Supreme Court struck down the University of Michigan's affirmative action program for undergraduates but upheld the law school's program, Mr. Holmes wrote:

> The court did not go far enough: Affirmative action is still alive.

He lamented that the Court "missed an opportunity to drive the final nail in the coffin of affirmative action." He called affirmative action a "quota system" and accused it of perpetuating a society in which "race unfortunately still matters." He referred to scholarships for minority students as "constitutionally dubious and morally offensive."

We know that race does still matter in our society, which is the very reason lawful affirmative action programs are needed. They guarantee opportunity for minority students who, because of discrimination and its legacy, might otherwise never be able to excel. We all hope for the day that individuals will not be denied opportunity because of race, but until we reach that day, affirmative action programs are part of the solution, not the problem.

Mr. Holmes' extreme statements make it impossible to believe that he will approach affirmative action cases with an open mind. He says he will fairly apply our Nation's affirmative action laws, which have helped—and continue to help—women and racial minorities overcome centuries of discrimination, but his bland assurances are far from sufficient to overcome his record.

His views on our criminal justice system are also disturbing. He has put on a set of ideological blinders to ignore the invidious racial discrimination that persists in criminal trials and sentencing. When a defense lawyer in Oklahoma had the courage to suggest that African Americans accused of committing crimes against Whites in Oklahoma City could not receive a fair trial, Mr. Holmes delivered a swift rebuke. Not only did he dismiss the effect of racial bias, he also chastised the defense lawyer for even raising the issue, contending that he had undermined the public's confidence in the judicial system. The problem of racial bias in juries is an important issue in the criminal justice system that merits discussion and recognition that we should be seeking effective remedies, not blaming the messenger.

By approving this nominee, the Senate would send a message that we don't care about the racial disparities in our criminal justice system. If we confirm an appellate judge who ignores the realities of such disparities, we cannot expect the public—especially minorities—to believe that they will get a fair day in court. The fact that Mr. Holmes stated these views while serving as deputy criminal chief of a U.S. attorney's office only reinforces my concern about his ability to separate his extreme personal ideologies from his actions as a judge if we confirm his nomination.

Mr. Holmes' aggressive support for the death penalty raises special concern. He said that the statement society sends through the death penalty "is not materially diminished by the fact that . . . mistakes are made" in imposing the death penalty. Unlike Mr. Holmes, most death penalty supporters appreciate the severity of a death sentence. It is irreversible punishment, which means that we must do everything in our power to reduce the possibility of mistakes. Many death penalty advocates have supported expanded use of DNA testing and other tools to avoid mistakes in capital punishment cases.

Taking an extreme position yet again, Mr. Holmes has no respect for these concerns. He is more interested in the symbolism of the death penalty than the fact that an individual life will end. Because the Supreme Court hears so few death penalty cases, appellate courts often have the final word on the life and death of criminal defendants. We should not support the confirmation of a Federal judge who has so little respect for this grave responsibility.

The Senate has supported the overwhelming majority of President Bush's judicial nominees. I have voted for the confirmation of dozens of judges with whom I have ideological differences. However, the nomination of Jerome Holmes is different. I do not believe that he will serve on the Federal bench with a fair and open mind. I, therefore, cannot support the confirmation of Jerome Holmes to the Tenth Circuit, and I urge the Senate to oppose his nomination.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, it is amazing the way things get twisted. I want to read exactly what Jerome Holmes said in his comments about racial bias. The Senator from Massachusetts just stated that he would ignore reality. Here is what he said in his article.

> One need not doubt the lingering effects of racism in our society to reject the above claims. Harvard law professor Randall Kennedy and other scholars remind us that racial prejudice still exists in the jury box.

He didn't deny it. He said it did. You just heard the opposite of that. What he said is: As an African American, I am among the first to condemn it.

We did not hear any of that. And what was just said about what Jerome Holmes wrote, he condemns it. He can't be trusted. That was what we just heard. What you just heard was a litmus test that if he doesn't agree down the line with those who have a completely different political philosophy, he is unqualified. Here is a Black man who has been discriminated against tons in his life. It makes no intuitive sense that he would oppose a jury system that ferreted out racial discrimination. So that is unfounded.

His comments on the death penalty, Judge Holmes said we should use DNA but that should come through the legislature as direction, as a directive of the legislative bodies in terms of creating parameters, also, which you would say is to his credit because what he said is: I recognize the limited role of the judiciary in how we make decisions. We should be dependent in certain areas on directions from the legislative body. In other words, what we rule on is the laws of this country which the legislative body and the executive branch determine. So all he is doing is deferring. It has nothing to do with whether DNA should be used to protect the life of somebody wrongly convicted and under threat of the death penalty.

The other quote we heard is it is impossible for him to have an open mind because he disagrees with the Senator from Massachusetts on an issue. Well, if we use that standard in this body, nothing would ever happen. If we disagree, then we can't have an open mind, we can't listen, we can't learn.

He won't come unbiased to the court. There is not one judge anywhere in this country who does not have biases. The question is can they separate their biases through the commitment of their oath of office to say: Here is our function. Here is how we function. Here is how we carry out our obligations.

Nobody meets the standard that the Senator from Massachusetts just set up. There would be nobody with whom I might have a philosophical difference that I could not raise that same example.

I am hopeful that the Members of this body will overwhelmingly endorse Jerome Holmes, the first African American to be appointed to the Tenth Circuit Court of Appeals. For the very reasons that Senator KENNEDY raised, Jerome Holmes disproves every one of those arguments.

It gives me great pleasure to yield to the senior Senator from Oklahoma at this time and to thank him in the process and to also recognize and thank the President for the nomination of Jerome Holmes.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, first, let me thank the junior Senator from Oklahoma for the time he spent on the floor and the time he spent defending this man, not that he should ever need any type of defense against some of the accusations. I didn't realize that there is an article referred to where he stated: There are other ways to get minority students on college campuses besides handing out benefits based solely on skin color.

I am proud of it. I am also proud of the fact that I have known Jerome Holmes for some 5 years. Frankly, prior to this nomination, I made recommendations to the President that he consider this man because he is so incredibly qualified. We all agree he is a man of great character and undeniably fit for the bench. He has connections with both Oklahoma City and throughout Oklahoma, as well as the District of Columbia, a family history that goes back.

He was one of the prominent figures in the Oklahoma City bombing that took place 11 years ago. He was on the Oklahoma City bomb prosecution team, and I believe it was his distinguished service as assistant U.S. attorney that really began to set him apart in the legal field.

When asked about Mr. Holmes, most lawyers in Oklahoma begin their compliments with his work as U.S. assistant attorney in some public corruption cases in our State. He is someone who is willing to get in there and criticize and open up things other people aren't, a great characteristic and I think very important. But if I were to single out another one, I would say his chairmanship of City Rescue Mission in Oklahoma. This is their mission statement:

> Serving the homeless both with help, hope, and healing in the spirit of excellence, under the call of Christ.

I have certainly made my position known for quite some time concerning him and how he limits his opinions to the facts, the litigants, and law before him in any case. At a time when our Nation is faced with the onslaught of judicial activism, he is a breath of fresh air and I believe he is a man of character and principle; that he will rule justly within the parameters of the law.

We have a resolution from the Oklahoma Bar Association. I have the former president of the American Bar Association, the president-elect of the local Federal bar association. I have the deans of all three of the Oklahoma law schools praising him in the highest of terms.

Judge Holloway, currently sitting on the Tenth Circuit, noted Mr. Holmes's compassion for people whose cases were before the court. John Richter, the U.S. attorney for the Western District of Oklahoma, who worked with Mr. Holmes, can speak from the prosecutor's perspective and has said that Mr. Holmes is a man of integrity and character and possesses a rock-solid work ethic.

Mike Turpen is someone with whom Senator COBURN is very familiar. I don't believe in the years I have known Mike—and we have one of these very honest relationships. He is a very partisan Democrat. I don't think he has ever said anything nice about a Republican in his life except Jerome Holmes. Dan Webber—we have all these Democrats who are lined up without anyone dissenting from the idea that this guy is the perfect nominee to be confirmed to the Tenth Circuit.

Judge Ralph Thompson—I was elected to the State legislature with Judge Thompson. I considered him not just one of my closest personal friends, but he is certainly a judge of distinction in Oklahoma and has been for over 30 years. He ought to know a thing or two about judges. He said:

> Mr. Holmes is dedicated completely to the rule of law, the proper role of the judiciary and to applying and interpreting the law without regard to personal views on given issues.

I don't think there is any judge, any Federal judge in the history of Oklahoma, who is more highly regarded than Judge Thompson. He also went on to affirm Mr. Holmes's honesty and compassion.

I have a letter from Pastor George Young, a member of the NAACP and the Urban League, who showed great character in voicing his support for Mr. Holmes. He said: I trust Mr. Holmes, and so in light of our differences I support his nomination. Now, he is one who doesn't agree with everything, every statement that Jerome Holmes has made, and yet he supports his nomination. He is for him. He is supporting him, a member of the NAACP and the Urban League.

I talked with various attorneys in the State, and they all have good things to say about him. What I want to do, Mr. President, is submit for the RECORD a list of letters, if this has not been done by my colleague from Oklahoma.

It has been done, so it is already in the RECORD.

I thank my colleague for the time he spent in the Chamber. It happens I am on the Armed Services Committee, and we have a critical meeting that is going on even right now, so I haven't been able to be here, but my absence from the floor is no indication that I don't hold this person in the highest regard.

I worked hard in getting his name to the President, made that recommendation early on, and I believe he will be confirmed and history will reflect later on that he would be one of the greatest circuit judges, and I certainly encourage my colleagues to support his nomination to the Tenth Circuit.

I thank the Chair.

Mr. GRAHAM. Mr. President, I am very pleased to support the nomination of Jerome Holmes to be a judge on the Tenth Circuit Court of Appeals. Due to a scheduling conflict, I am unable to be here to vote for Mr. Holmes, though I would have cast my vote to confirm him. In any event, with his stellar qualifications, I doubt my vote will be needed. President Bush made a great choice in nominating Mr. Holmes, and I look forward to great things from him during his tenure on the Tenth Circuit.

Mr. FEINGOLD. Mr. President, I will vote "no" on the nomination of Jerome M. Holmes to be a judge on the U.S. Court of Appeals for the Tenth Circuit, and I would like to take a minute to explain why I reached this decision.

This is an important nomination and should receive close scrutiny. Judges on the court of appeals have enormous influence on the law. Whereas decisions of district courts—a position Mr. Holmes has never held—are subject to appellate review, the decisions of the courts of appeals are in almost all cases final, as the Supreme Court agrees to hear only a very small percentage of the cases on which its views are sought.

I believe in certain longstanding touchstones of the qualifications needed for judicial nominees: legal competence, fairness, and the ability to approach issues with an open mind. We sometimes short-hand these qualities into a single phrase—a judicial temperament. In evaluating a nominee's judicial temperament, our goal is to have an evenhanded judiciary that hears the case before it and applies the law fairly and uniformly, rather than letting strong personal convictions override the facts or the law. We do this for a simple but fundamental reason, namely, that we want a highly qualified and independent judiciary that can command the respect and admiration of the American people.

In the nomination of Mr. Holmes, we have a nominee to one of our highest courts who has never served as a judge before. President Bush originally nominated Mr. Holmes to be a Federal district judge in Oklahoma earlier this year. Prior to this nomination, Mr. Holmes had been an assistant U.S. attorney in Oklahoma and in private practice. The Judiciary Committee was ready to consider that initial nomination—to determine the merits of Mr. Holmes serving in his first judicial position as a Federal district judge, a position with substantial responsibility.

But for some reason Mr. Holmes' nomination was upgraded to the U.S. Court of Appeals for the Tenth Circuit. Placing a nominee with no judicial experience on an appellate court makes it hard to evaluate the nominee's judicial temperament—his capacity to be fair and impartial.

With no judicial record to illuminate his views, we are left only with Mr. Holmes' words as a window into his judicial temperament. Those words are troubling and could lead a reasonable person to question his objectivity and temperament. After the Supreme Court's nuanced affirmative action ruling, Grutter v. Bollinger, Mr. Holmes derided the Court for missing the "opportunity to drive the final nail in the coffin of affirmative action," and complained that "[t]he court did not go far enough: Affirmative action is still alive." He has referred to scholarship programs targeted at minority children as "morally offensive." He has called African-Americans leaders, on various occasions, "ideologically bankrupt" and suggested that their opposition to school vouchers is insincere. In a letter to a publication, Mr. Holmes flippantly dismissed a doctor's complaint that his colleagues had "negative reactions to his dreadlocks" as "naïve." He has even gone so far as to claim that efforts to address racial bias in jury selection actually harm the criminal justice system.

Mr. Holmes has even dismissed problems with the administration of the death penalty. In a 2004 speech, he said: "The statement society is sending—that certain conduct and the perpetrators of it deserve to die is not materially diminished by the fact that in the implementation of the death penalty mistakes are made." In response to my written questions regarding whether executing an innocent person was an acceptable mistake, Mr. Holmes responded by saying that "the criminal justice system should be administered in a manner that eliminates mistakes—to the extent it is humanly possible—and yields accurate outcomes." I do not think this is an acceptable answer to a fairly simple question. His statements suggest a rather cavalier approach to a very significant issue in contemporary criminal law.

Mr. Holmes' dismissive comments about affirmative action, school vouchers, and the death penalty were not offhand remarks, or impassioned advocacy on behalf of a client. Nonetheless, Mr. Holmes, of course, urges us to set his earlier statements aside, and look to his assurances of his future impartiality as a judge. But Mr. Holmes did little to actually address the concerns of many members of the Judiciary Committee. Rather than discuss his previous comments openly and candidly—and take the opportunity to show why those comments might not reflect his actual thinking—he provided stock and unconvincing answers that he considers racism to be a "negative influence" in society and that he would follow Supreme Court precedent.

Mr. Holmes' actions in connection with his membership in the Men's Dinner Club of Oklahoma also suggest, rather than candor, a strategy of simple image control. Mr. Holmes, having been a member of this club that excludes women from membership, resigned from its membership on February 2, 2006 just 2 weeks prior to his initial nomination to be a district court judge. Mr. Holmes has defended this institution as, to his knowledge, not "practicing invidious discrimination." So what accounts for his resignation? His explanation—that "some might perceive the Men's Dinner Club as an improper organization"—suggests not a principled decision but a pure political and image calculation. Clearly, Mr. Holmes wishes to make this nomination as palatable as possible—and we should therefore take his assurances and stock answers with a grain of salt.

Mr. President, I am saddened that President Bush has once again proposed a judicial nomination that I cannot support, especially because Mr. Holmes would be the first African American to serve on the Tenth Circuit. But he has never served as a judge either on the Federal or State level—and his statements on a broad range of topics suggest concerns about his ability to provide impartial justice. And, by failing to explain his statements and views with candor, he missed a chance to show the Judiciary Committee that he has the deliberative and impartial reasoning needed to serve on an appellate court. We want a judiciary that the American people respect and admire as impartial. With no judicial record to examine and a history of troubling statements, Mr. Holmes has not shown that he will apply the law fairly. I will therefore vote "no."

Mr. LEVIN. Mr. President, I will oppose the nomination of Jerome Holmes to the Tenth Circuit Court of Appeals. Although I do not question the integrity or qualifications of Mr. Holmes to be a Federal circuit court judge, I do have serious questions about his ability to be an impartial jurist.

While all judges have and are entitled to their personal views and philosophies, a judge's decisions should not be controlled by an inflexible ideology. When a nominee's personal views will determine or dominate their judgements, such a nominee should not be put in a lifetime position on the Federal bench.

I am concerned by statements that he has made indicating insufficient sensitivity about the irreversible errors in the implementation of the death penalty. For example, in a presentation given by Mr. Holmes, he said that:

> Like any human endeavor, there is a possibility of error . . . But the statement society is sending—that certain conduct and the perpetrators of it deserve to die—is not materially diminished by the fact that in the implementation of the death penalty mistakes are made.

Mr. Holmes' statement demonstrates a lack of understanding and concern about the death penalty and the way that erroneous convictions undermine a legal system.

Mr. Holmes has also sharply criticized affirmative action programs both before and after the Supreme Court rulings and those hardline views exhibited a lack of adequate respect for Supreme Court precedent. Although he told members of the Judiciary Committee that he would follow precedent, he was vocal in his opposition to the Supreme Court's decision in Grutter v. Bollinger, criticizing the Court for missing an "important opportunity to drive the final nail in the coffin of affirmative action".

Because Mr. Holmes' statements do not reflect the objectivity necessary to serve in a lifetime appointment on the Federal bench, I cannot vote to confirm his nomination.

Mr. DURBIN. Mr. President, Jerome Holmes has made some troubling statements about affirmative action and the use of race in our society. He has said:

> [Affirmative action] policies necessarily divide us along racial lines, and establish a spoils system based upon skin color. . . .
>
> [t]he [Supreme] court upheld the affirmative action policy of the university's law school [in the 2003 Michigan case]. And in so doing, it missed an important opportunity to drive the final nail in the coffin of affirmative action. . . .
>
> [r]ace-based scholarship programs . . . [are] constitutionally dubious and morally offensive racial classifications. . . .
>
> Al Sharpton, Jesse Jackson and their ilk have little to offer me or other African-Americans in the 21st century. They continue to peddle a misguided and dangerous message of victimization. . . . As long as Jackson and company can successfully portray African-Americans as victims to the public at large, they'll be able to wring concessions out of educational institutions like Harvard University and corporate America . . . .

Mr. Holmes didn't make just an occasional comment against affirmative action. He has written over a dozen columns and op-ed pieces expressing his views on race and affirmative action.

I understand and accept that people in good faith can disagree about issues of race and the merits of affirmative action. It is a hard issue for many people and it stirs passions on both sides. But Mr. Holmes' statements are those of an ideological soldier. When it comes to affirmative action, Mr. Holmes seems to have open hostility, not an open mind.

In its letter of opposition to the Holmes nomination, the Leadership Conference on Civil Rights wrote: "Mr. Holmes has been a longstanding and outspoken critic of affirmative action, and his views raise serious questions about whether he would rule impartially and fairly in cases involving affirmative action."

I asked Mr. Holmes a simple question: Would you be willing to recuse yourself in all cases involving affirmative action?

Section 455 of title 28 of the United States Code states: "Any justice, judge, or magistrate judge of the United States shall disqualify himself in any proceeding in which his impartiality might reasonably be questioned."

This seems like a simple standard, and I share the belief of the Leadership Conference on Civil Rights that Mr. Holmes presents a clear case of someone whose impartiality would be questioned when it comes to affirmative action.

But Mr. Holmes doesn't see it that way. He said he would not recuse himself in affirmative action cases. He said he would be able to put his personal views aside and rule fairly on this issue. I doubt it. He harbors such hostility to affirmative action and such disdain for those who promote it—that I believe he will not have an open mind on this issue.

We have seen judicial nominee after judicial nominee come before this committee and pledge to put their personal views aside. But they rarely do. Chief Justice John Roberts and Justice Samuel Alito said they would put their personal views aside before they were confirmed, but they have not done so.

Just in the last 2 months, Chief Justice Roberts and Justice Alito have voted to limit the scope of the Voting Rights Act. They have voted to strip whistleblower protections for prosecutors. They have voted to restrict the right to privacy so that can police officers can enter a home without knocking. They have voted to expand the death penalty and to reduce the rights of the criminally accused. They have voted to roll back 30 years of environmental protection under the Clean Water Act. And in the case Hamdan v. Rumsfeld, Justice Alito embraced the view taken by John Roberts in the appellate court that the President should have unchecked power when it comes to using military commissions for enemy combatants.

There are very real and serious consequences when it comes to confirming judicial nominees.

I also think Mr. Holmes lacks good judgment because he didn't answer several questions that I asked him during the nomination process.

For example, I asked him if he believed the Supreme Court cases of Roe v. Wade, Brown v. Board of Education, and Miranda v. Arizona are consistent with the notion of "strict constructionism." Mr. Holmes refused to answer. He said: "it would be inappropriate for me to offer my personal views as to whether these decisions are consistent with a particular school of judicial decision-making."

Well, tell that to Deborah Cook. She was a nominee to the U.S. Court of Appeals for the Sixth Circuit a few years ago, and I asked her the same question. She answered it. I appreciated her candor, and I voted to confirm her.

I also asked Mr. Holmes to explain a statement he made about his judicial philosophy. In his Senate questionnaire, he wrote: "The judiciary should not . . . issu[e] rulings that go beyond the resolution of the dispute before the court to impose wide-ranging obligations on societal groups." I asked Mr. Holmes to provide some specific examples of what he meant by this. He refused to do so.

I do not believe Jerome Holmes deserves a lifetime position on the second highest court in the country.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, I ask unanimous consent that the vote on the confirmation of Jerome Holmes be at 11:45 a.m. today with the remaining time under the majority.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COBURN. I thank the Chair. I will not take all the time. I want to go back to what we said earlier this morning. If we are going to do a litmus test on judges, if we are going to say a judge cannot have an opinion outside of his role of a judge, we will destroy this country, whether it is a conservative litmus test or a liberal litmus test.

The fact is, as to Jerome Holmes, there have been very few appointments or nominees for this position at the appellate level that compare to the qualifications of Mr. Holmes. He also has the life experiences that will make him even more valuable on the court in terms of his compassion. He has experienced discrimination as an African male. He has risen to heights on his own, struggled—advanced degrees from Harvard, law degree from Georgetown, cum laude from his alma mater. There are very few people who will measure up to him.

Now, does he fit every litmus test? No, he doesn't fit every litmus test that I might have for a judge, but that is not the basis under which we should be considering judges.

He does, in fact, have the one key characteristic that is necessary, and it has been attested to by the people who know him. It has been attested to if you just heard him in the hearings. But of all those who have come to the floor to oppose him, members of the Judiciary Committee wouldn't even come and confront him with concern. They didn't come to the hearing. They didn't hear what he had to say. They had their minds made up.

The fact is, this is an excellent nomination. It is someone of whom we in our country should be proud, who recognizes the diversity of our country, and despite what the Senator from Massachusetts said, he can be entrusted with the future of this country, our Constitution, and the limited role of a judge in applying the law.

With that, Mr. President, I yield back the remainder of our time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is, Will the Senate advise and consent to the nomination of Jerome A. Holmes, of Oklahoma, to be United States Circuit Judge for the Tenth Circuit?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. The following Senator was necessarily absent: the Senator from South Carolina (Mr. GRAHAM).

Mr. DURBIN. I announce that the Senator from California (Mrs. FEINSTEIN) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER (Mr. BURR). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 67, nays 30, as follows:

[Rollcall Vote No. 213 Ex.]

YEAS—67

Alexander
Allard
Allen
Baucus
Bennett
Bingaman
Bond
Brownback
Bunning
Burns
Burr
Byrd
Carper
Chafee
Chambliss
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
DeMint
DeWine
Dole
Domenici
Dorgan
Ensign
Enzi
Frist
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Isakson
Jeffords
Johnson
Kyl
Landrieu
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Murkowski
Nelson (NE)
Pryor
Roberts
Rockefeller
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NAYS—30

Akaka
Bayh
Biden
Boxer
Cantwell
Clinton
Dayton
Dodd
Durbin
Feingold
Harkin
Inouye
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Menendez
Mikulski
Murray
Nelson (FL)
Obama
Reed
Reid
Salazar
Sarbanes
Schumer
Stabenow
Wyden

NOT VOTING—3

Feinstein
Graham
Lieberman

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the President shall be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislative session.

The Senator from Nevada.

CHILD CUSTODY PROTECTION ACT

Mr. ENSIGN. Mr. President, I ask that the Senate now proceed to S. 403 under conditions of the consent agreement from last week.

The PRESIDING OFFICER. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (S. 403) to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, I rise to discuss the Child Custody Protection Act which will protect the rights of our Nation's parents and their children's well-being. Speaking as a father of three young children, including a daughter, I understand how difficult the challenge of raising children can be. In most schools across the country, our children cannot go on a field trip, take part in school activities, or participate in sex education without a signed permission slip. An underage child cannot even receive mild medication such as aspirin unless the school nurse has a signed release form. Some States even require parental permission to use indoor tanning beds. Nothing, however, prevents this same child from being taken across State lines in direct disobedience of State laws for the purpose of undergoing a surgical, life-altering abortion.

The bill before us, the Child Custody Protection Act, makes it a Federal offense to knowingly transport a minor across a State line for the purpose of an abortion in order to circumvent a State's parental consent or notification law. It specifies that neither the minor transported nor her parent may be prosecuted for a violation of this act.

It is important to note that this legislation does not supersede, override, or in any way alter existing State parental involvement laws. It does not impose any Federal parental notice or consent requirement on any State that does not already have a parental involvement law in place. This bill merely addresses the interstate transportation of minors, sometimes by a predatory older male or his parents, in order to circumvent valid existing State laws that require parental notification or consent. This bill goes a long way in strengthening the effectiveness of State laws designed to protect parents and their young daughters from the health and safety risks associated with secret abortions.

An overwhelming number of States have recognized that a young girl's parents are the best source of guidance and knowledge when making decisions regarding serious surgical procedures such as abortion. Forty-five States have adopted some form of parental notification or consent, proving the widespread support for protecting the rights of parents across America. The people who care the most for a child should be involved in these kinds of health care decisions. If there is aftercare needed, the parents should be fully informed in order to care for their young daughter.

An overwhelming majority of Americans support parental consent laws. In fact, most polls show that consent is favored by almost 80 percent of the American people. These numbers do not lie. By the way, these are people who call themselves pro-choice and pro-life. Well over a majority of even pro-choice people support parental notification or parental consent laws. The American people agree that parents deserve the right to be involved in their minor children's decisions. In many cases, only a girl's parents know her prior medical and psychological history, including allergies to medications and anesthesia.

The harsh reality is our current law allows for parents to be left uninformed about their underage daughter's abortion which can be devastating to the physical and mental health of their child. Take the case of Marcia Carroll from Pennsylvania. On Christmas Eve 2004, her daughter informed her she was pregnant. After listening to her daughter's story, Ms. Carroll assured her that they would handle this as a family and would support any decisions she decided to make. They scheduled appointments with both doctors and counselors and discussed all options available. Ms. Carroll purposely allowed her daughter to speak alone with the professionals so that her daughter felt comfortable to speak her mind. After all the advice and counsel, her daughter decided to have the baby and to raise it, a decision which the family fully supported.

Following her decision, despite their knowledge of her family's love and support, her boyfriend's family began to harass her and threaten that she could not see her boyfriend unless she had an abortion. Ms. Carroll was so concerned about their behavior, she called the police and even went so far as to contact a nearby abortion clinic to ensure that parental consent would be required before an abortion would be allowed. Pennsylvania's law requires that anyone under the age of 18 have consent of a parent before an abortion can be performed. Unfortunately, other States nearby do not have the same protections.

Shortly after, Ms. Carroll sent her daughter off to school, thinking she would be safe. Imagine yourself in the same position. Instead, her boyfriend and his family met her at the bus stop, bought them a train ticket, and sent the children to New Jersey, where other family members picked them up and took them to an abortion clinic. Despite her tears and desires to keep the baby, her boyfriend's family coerced her by telling her they would leave her in New Jersey with no way to get home. They planned, paid for, and threatened her into agreeing to an abortion. After the abortion, they dropped her off blocks from her house with no regard to her mental or physical well-being. Ms. Carroll called the local police department only to be told that there was nothing that could be done. This poor young girl, whose family was committed to loving her and respecting her decision, had her life forever altered by adults who never considered her wishes or the consequences such a decision would have on her life.

Parental notification serves another vital purpose: ensuring increased protection against sexual exploitation of minors by adult men. All too often, our young girls are the victims of predatory practices of men who are older, more experienced, and in a unique position to influence the minor's decisions. According to the American Academy of Pediatrics, almost two-thirds of adolescent mothers have partners older than 20 years of age. Rather than face a statutory rape charge, these men or their families use the vulnerability of the young girl against her, exerting pressure on the girl to agree to an abortion without talking to her parents. We all know how easy it is to influence teenagers, boys or girls. In fact, in a survey of 1,500 unmarried minors having abortions without their parent's knowledge, 89 percent said that a boyfriend was involved in the decision, and the number goes even higher the younger the age of the minor. Allowing secret abortions does nothing to expose these men and their heinous conduct.

Such is the case with Crystal, the 12-year-old daughter of a Pennsylvania woman, who was intoxicated and raped by a local teenager 6 years her senior. Crystal's mother did not even know she was pregnant until Crystal went missing from school and it was discovered that her rapist's mother had taken her across State lines into New York where, scared and confused, she received an abortion. When Crystal developed complications from the incomplete abortion, the clinic physician refused to supply the medical records to her mother. Crystal's mother, a loving and responsible parent, was not even given the option to care for her daughter. Rather, the decision was made for her by an unknown adult.

There is overwhelming agreement that parents and parental notification laws and consent laws are important tools that enable parents to help protect their daughters from this kind of abuse. In 1998, Dr. Bruce Lucero, an abortionist who performed some 45,000 abortions, wrote of his support for the Child Custody Protection Act to the New York Times. In the article, Dr. Lucero pointed out that "dangerous complications are more likely to result when parents are not involved in these out-of-state abortions." He goes on to say that parental involvement is the best guarantee that a minor will make the best and most safe decision. This is an abortionist doctor talking.

In the unfortunate instance of abuse or where there is rape or incest involved within a family, minors may be afraid to go to one of the parents and rightfully so. In response, judicial bypass laws have been written across the country to protect the minor.

This legislation is a commonsense solution to defeat the legal loophole that currently results from parents being denied the right to know about the health decisions of their minor daughters.

The Child Custody Protection Act in no way imposes a parental involvement law on a State that does not already have a functioning law in place. It does not invalidate any State law, nor does this act contradict Supreme Court precedent dealing with minors and abortion.

In fact, the Supreme Court made it clear in Planned Parenthood v. Casey that it is the State's right to declare that abortion should not be performed on a minor unless a parent is consulted.

Mr. President, is it time for the adjournment?

The PRESIDING OFFICER. Under the previous order, it is.

Mrs. BOXER. Since my colleague has spoken for 10 or 15 minutes——

The PRESIDING OFFICER. Eleven and a half minutes.

Mrs. BOXER. I would like to have 5 minutes to respond. I thought we were going to start the debate after the luncheons. Upon his conclusion, perhaps in the next minute or so, may I have a few minutes to open?

Mr. ENSIGN. Mr. President, I ask unanimous consent for 30 more seconds and 5 minutes for my colleague.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ENSIGN. In fact, the Supreme Court made it clear in Planned Parenthood v. Casey that it is the State's right to declare that an abortion should not be performed on a minor unless a parent is consulted.

This is not an argument on the merits of abortion. Rather, this is a debate about preserving the fundamental rights of parents to have knowledge about health decisions of their minor daughters.

Let me conclude with this. This is one of the biggest moral issues of the day, the right to have an abortion or not. It splits America. The emotions are high. There are good people on both sides of the debate. We need to look for common ground, where we can come together and at least have some reasonable restrictions on abortion. I believe this bill is one of those reasonable restrictions on abortion that I think all of us should come together on.

I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I thank my colleague from Nevada. I rise to speak as a mother and a grandmother—a mother of a daughter and a son, a grandmother of a grandson, and a Senator who has been here now for three terms, and I served over in the House for many years—to say that my friend from Nevada is right that this is not a parental consent bill at all.

Some States have parental consent laws, some don't. In my particular State, it has been voted down because my people feel that if you ask them do they want their kids to come to their parents, absolutely. But if you ask them should you force them to do so, even in circumstances where there could be trouble that comes from that, they say no.

I respect those States that have parental consent laws, and perhaps we will have a law that is drafted in California that the voters will approve. So far, we have not seen that.

It is true it is not a partisan issue. When we voted down those laws, we did it regardless of political party. But the reason is unintended consequences in the way certain bills are drafted. I want to speak to that because I believe this bill is well-intentioned.

This bill emanates from a desire that our children come to us when we have family matters, when our children are in trouble, that they not be fearful, that they not be afraid that they disappoint us, that they be open with us and loving toward us, and we toward them. This is what we want to have happen.

The question is: Can Big Brother Federal Government force this on our families? That is where we will differ.

I have to tell you, as I look at this bill coming before us now, I have to ask the question: why are my colleagues on the other side of the aisle who run this place, who run the House, who run the White House, putting so much effort into this bill, having killed stem cell research, which all of our families are desperate to have—talk about 80 percent of America, it is 90 percent who want to find cures to Alzheimer's and all the rest. Oh, no, instead of getting another chance to pass that bill and convince the President, who is now backing off a little bit in his rhetoric, to sign a stem cell research bill, or to prevent teen pregnancies, which is so important, we don't have that. We have this bill that impacts very few people. Instead of improving the health of women and girls, we are spending precious time on a bill that, in essence, protects incest predators. This bill, as it is written, protects fathers who commit incest. Can you imagine? It allows them to drive their daughter across State lines. Unbelievable. We are going to try to fix this problem with an amendment. I hope my colleagues will support that, and it will improve this bill.

Right now, imagine, a father retains parental rights if he has committed rape on his daughter. This is supposed to be a warm and fuzzy bill? I don't think so. It also throws grandmothers in jail.

Mr. ENSIGN. Will the Senator yield?

Mrs. BOXER. When I am finished.

This bill, as it is drafted, will throw a grandmother in jail. Say the father committed incest on the daughter and she is hysterical. The first place she goes is not some judge but to her grandma, who she adores and who gives her unconditional love, or to her priest or rabbi, and says please help me out of this. That incestuous father, as the bill is written, can sue that caring adult who takes her over the line.

My friend is going to offer an amendment that goes part of the way on the incest provision. It will say the father cannot sue. I am so happy because I will join him in that. I hope we have a 100-to-0 vote. But I am shocked that we cannot reach agreement on that. Talk about finding common ground. Even with the Ensign amendment that says a father cannot sue, he can still take the daughter across State lines. And the Federal Government can still sue the grandmother or the clergy.

This debate is just beginning. The Senator from Nevada and I are friends, but we will have a tough debate. I hope we will vote for the Democratic amendment to improve this bill.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived and passed, the Senate stands in recess until 2:15 p.m.

Thereupon, at 12:37 p.m., the Senate recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. VOINOVICH).

Mr. ENZI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHILD CUSTODY PROTECTION ACT—Continued

AMENDMENT NO. 4689

(Purpose: To authorize grants to carry out programs to provide education on preventing teen pregnancies, and for other purposes)

Mr. LAUTENBERG. Mr. President, I call up amendment No. 4689, which is at the desk, and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for himself, Mr. MENENDEZ, and Mrs. CLINTON, proposes an amendment numbered 4689.

(The amendment is printed in the RECORD of Monday, July, 24, 2006, under "Text of Amendments.")

Mr. LAUTENBERG. Mr. President, the amendment I am offering gets to the heart of the issue this bill purportedly means to address; that is, reducing the number of abortions. The best way to reduce the number of abortions is to prevent teen pregnancies in the first place. It is that simple.

The amendment I am offering, along with Senators MENENDEZ, CLINTON, SCHUMER, KENNEDY, KERRY, and FEINSTEIN, is aimed at dramatically reducing teen pregnancy rates in the United States. This amendment will assist efforts by nonprofit organizations, schools, and public health agencies to reduce teen pregnancy through awareness, education, and abstinence programs.

The root problem we are talking about today is not abortion, it is teen pregnancy. If we do nothing about teen pregnancy, yet pass this punitive bill, then it proves that this exercise is only a political charade and not a serious effort to combat the problem.

The U.S. teen pregnancy rate is the highest by far among developed countries, and here is some of the evidence we use to prove this.

In Germany, the teen pregnancy rate is 16 per 1,000. The U.S. rate is 84 per 1,000. I ask my colleagues to look at this chart which shows several countries teen pregnancy rates compared with the U.S. This is teen pregnancy rate for ages 15 to 19, among developed countries per 1,000 persons. In Sweden, it is 25 young women per 1,000; in France, it is 20 young women per 1,000; in Canada, 46; in Great Britain, 47; and here we are. Are we the winners in this contest? I hardly think so. We have 84 unintended teenage pregnancies per 1,000 persons.

I mentioned before that Germany has a teen pregnancy rate of 16 per 1,000.

and again, I mention the rate in the United States is 84 per 1,000. So it tells us that there is something terribly wrong about the way we do things here.

I look further at Belgium, which has a teen pregnancy rate of 14 per 1,000; the Netherlands, 12 per 1,000; and ours is 84 per 1,000. We cannot continue to ignore facts such as these. We can pass all the abortion restrictions we can think of, but unless there are fewer teen pregnancies, the results will be tragic for thousands of young women.

In many cases, teen pregnancies result in abortion, but that is not the extent of the problem. We know that children of teenage mothers typically have lower birth weight deliveries, are more likely to perform poorly in school, and are at greater risk of abuse and neglect than other children. The sons of teen mothers are 13 percent more likely to end up in prison, while teen daughters are 22 percent more likely to become teen mothers themselves.

Each year in the United States, approximately 860,000 young women become pregnant before they reach the age of 20. Eighty percent of these pregnancies—80 percent of 860,000. That is over 600,000 young women are unintended, and 81 percent of these young women are unmarried.

So what are we doing differently in the United States that is separating us from the rest of the developed world? The answer is simple: the other countries promote full, comprehensive sex education programs, and in the United States—would you believe it—we don't allow funding for comprehensive sex education. I repeat that because some people may think they misheard me. The Federal Government will not fund comprehensive sex education programs despite the fact that 90 percent of parents polled say that in addition to abstinence, sex education should cover contraception and other forms of birth control. But the Federal Government currently will not fund any programs that even mention contraception and restricts all of its funding to abstinence-only programs.

I want to be clear, I am not against abstinence programs. In fact, our amendment will also fund abstinence programs. I think they can be effective at times. But the Federal Government's current policy of restricting funding to abstinence-only programs is producing the wrong result. Just look at how poorly our teenage pregnancy rates compare with other nations.

We need to dedicate our scarce Federal resources toward medically accurate, age-appropriate education that includes information about contraception as well as abstinence. In many cases, particular types of contraception can help avoid sexually transmitted diseases. Isn't that a good objective as well? We have to be realistic about the hope that each and every teenager is going to abstain from premarital sex. Saying "Don't do it" may work at times but not all the time.

Look at another problem—youth smoking, for instance. Kids are bombarded with warnings not to smoke. These messages have cut teen smoking rates dramatically, but 1,500 kids a day still start smoking. So it needs intensity of education, comprehensive education.

We remember First Lady Nancy Reagan's "Just Say No to Drugs" campaign. It worked for some kids but obviously not for others. For those teenagers who already are sexually active or who do become sexually active, we fail them if we don't teach them about contraception. If we are serious about reducing the number of unintended pregnancies, almost half of which tragically end in abortion—we have to implement programs that work so that our teenagers have the knowledge they need to bring about a positive future for themselves with the opportunity to pursue their dreams. We create a huge number of abortions as a result of the ignorance of what the facts are, about sex and young people.

This year, the Federal Government will direct $176 million of taxpayers' money to abstinence-only programs. Some of these programs can be effective but often don't get the job done because many teenagers need to understand something about contraception and other aspects of a comprehensive sex education program. Research has shown that the most effective programs are the ones that encourage teenagers to delay sexual activity but also provide information on how they can protect themselves. What is more, research shows that teenagers who receive sex education which includes discussion of contraception are more likely to delay sexual activity than those who receive abstinence-only messages.

There was an interesting article in this Saturday's Wall Street Journal about a sex education program in Bamberg County, SC. The article said:

> More than a quarter of the families—

In this county—

> live below the poverty line. Nearly half have only one parent living at home . . .
>
> If ever there was a place to expect a wave of teen mothers, it would be . . . among the flat farmlands of South Carolina's Allendale and Bamberg Counties. Yet while teen pregnancies are numerous on the Allendale side—

That is the other side of the county line—

> adolescent girls on the Bamberg side have one of the lowest pregnancy rates in the State. The county's rate has fallen faster than the rate in most of the U.S.

It is a startling revelation because, again, this is a county where so many people are below the poverty line, where typically teenage pregnancies occur, and in the neighboring county, which is better off, they have a far greater number than does Bamberg County.

Why does that happen? This is an area which has had historically high teen pregnancy rates, but they decided to take bold action to improve their teen pregnancy prevention efforts. Bamberg County initiated a comprehensive sex education program in 1982. Since that time, the county's teen pregnancy rate has fallen by nearly two-thirds. If our objective here is to reduce abortions, then this is one exceptionally effective way to do it.

Adjacent to Bamberg County, as I said, is Allendale County which has similar demographics, but Allendale County has not taken a comprehensive approach. Allendale restricts its programs to abstinence only. What is the result? Allendale County's teen pregnancy rate is more than twice as high as Bamberg's. In 2004, there were 24 pregnancies per 1,000 girls between the ages of 10 and 19 in Bamberg County. In Allendale County, there were 54 pregnancies per 1,000—more than twice the rate.

Abortion is a divisive issue, a tough issue, but we should all be able to agree that the best way or an effective way to reduce the number of abortions is to reduce the number of unwanted pregnancies, especially among unwed teenage girls. And the proven way to reduce the number of teen pregnancies is to provide youth with comprehensive sex education.

When it comes to our children, we should do everything within our power to protect them. We can and we must help America's young people to do better, to make better choices and have brighter futures.

So what we come down today is that this argument is not exclusively about abortion because if that were the case, then we would be giving comprehensive sex education wherever we have a young audience across the country and not saying as a Government: OK, we will give you the money, but you can't talk about an effective way to stop a pregnancy; we will not fund anything that tells you about contraception, about birth control, about thinking about how you plan your family.

We are looking at raw politics here, Mr. President. What we are looking at is a way to compel young people to go through with unwanted pregnancies, and I think the way to stop that is to prevent these pregnancies in the first place.

The way to prevent them is through knowledge.

I urge my colleagues to think this thing through thoroughly so we can effectively control the number of abortions that are done every year in this society and not only think of the punishment we render by jailing people who assist in helping young women get abortions, about penalizing families, about forcing young women who might have been victims of incest to carry on and find subversive, secret ways to end their pregnancies. That is not the way to do it. The way to do it is to present young people with knowledge about how they do not get themselves in a position where they want to consider an abortion.

I hope my colleagues will think this problem through thoroughly as we debate this issue and recognize that the alternative is strictly a punitive one and should not be dictated. I hope they will support this amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. ENSIGN. Mr. President, the Democratic leader and the Republican leader had a unanimous consent agreement on this bill, and during that time—the way the Senate operates—amendments were exchanged and language was handed to each side. We were prepared to debate amendments based on text we were given, and in a highly unusual move, the Senator from New Jersey has brought forward language that is different than what was provided to us in the unanimous consent agreement. At this time, having to go through the amendment to see what all the consequences of those differences are, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Mr. President, that time will be taken off my colleague's time.

Mr. ENSIGN. I object.

The PRESIDING OFFICER. Objection is heard.

Mrs. BOXER. Mr. President, I have a parliamentary inquiry. I ask that the quorum be suspended so I can make a parliamentary inquiry.

The PRESIDING OFFICER. The Senate is in a quorum call.

Mrs. BOXER. I ask unanimous consent and I would like to make a parliamentary inquiry.

Mr. ENSIGN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I thank the Senator from Nevada for getting through the process. It is not unusual for Senators to be permitted to modify their amendments. However, at this point I yield up to 15 minutes to my colleague from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, I thank my distinguished senior Senator from New Jersey for yielding time and for his leadership on this issue.

I rise in opposition to the Child Custody Protection Act in support of a real solution to the problem of teen pregnancy. I don't support the legislation because it is nothing more than a misguided election-year ploy based on a false premise.

Instead of punishment, we should be focused on prevention. Instead of putting people in jail, we should be preventing teens from getting pregnant in the first place. That is why I am joining my fellow Senator from New Jersey in offering a comprehensive approach to prevent teen pregnancy. Our amendment will help prepare young people with the knowledge and skills to make responsible decisions and offer them an opportunity to succeed in life.

In a Senate filled with many different views on the right path for our country, it is refreshing to recognize we can all agree that we need to reduce the number of teenage abortions. But there is still disagreement about how to achieve that goal.

Many in this Senate believe the answer is to criminalize caring adults and threaten innocent youth. I cannot disagree more. The solution to this problem does not lie in the courtroom but rather in our classrooms and afterschool programs.

Don't take my word for it. Look at this past weekend's Wall Street Journal—not a bastion of liberalism. In an article "Winning the Battle on Teen Pregnancy" the Wall Street Journal examines a comprehensive sex education program in rural South Carolina and compares two similar neighboring counties. One has a very intensive, comprehensive sex education program, the other does not.

The findings show that between 1982 when the Teen Life Center Program began and 2004, the county's estimated pregnancy rate among girls age 15 to 19 fell by nearly two-thirds, making its teen pregnancy rate among the lowest in the State. By contrast, the neighboring counties, which did not have such a program, had one of the highest teen pregnancy rates in the State, about 2½ times their neighbor's rate.

The article cites Douglas Kirby, a sex education expert:

> The Teen Life Center has played a major role over the years in reducing teen pregnancy in the community it serves.

Also:

> I do think it's one of the most promising approaches.

He notes the program devotes an unusual amount of time in the regular school curriculum to comprehensive sex education. As this case study shows, we clearly need to be putting more resources into preventing teen pregnancy, not punishing pregnant teens.

Rather than invest in proven programs such as the Teen Life Center, the Bush administration continues to insist on a narrow-minded, misguided approach of abstinence-only education. As this chart demonstrates, abstinence only simply does not cut it. The Bush administration invested almost $600 million for abstinence-only education between 2001 and 2005. Not only did we not see a reduction in the number of teens having sex, we actually saw a slight increase. What a rate of return. With a rate of return like that, any reasonable investor would have already fired their investment adviser long ago. The American taxpayers deserve a better rate of return on their investment, particularly one that is so critical on this subject.

The amendment Senator LAUTENBERG and I are offering takes a comprehensive approach to preventing teen pregnancy by providing medically and scientifically accurate sex education programs and funding important afterschool programs—such as 21st Century Community Learning Centers, Trio, and GEAR UP, and the Carol White Physical Education Program—that build life skills, put teens on a path to college, and ultimately help open the door of opportunity for young people. And our amendment also includes a demonstration program to encourage new approaches to reducing teen pregnancy.

It is time to do something more than criminalize grandmothers, trusted confidants, and clergy. It is time we do something to actually reduce the number of teen abortions. But, once again, the administration and this Congress have demonstrated their misplaced priorities by bringing this bill to the floor instead of meaningful legislation to prevent teen pregnancy.

Instead of debating comprehensive sex education, which is supported overwhelmingly by 94 percent of parents in our country, the Bush administration has continued to pursue its unproven abstinence-only programs, which have the support of only about 15 percent of parents. And instead of working in a bipartisan manner to prevent teen pregnancy, the Senate leadership is continuing to pursue their misguided proposal to limit the options for young women.

When the New Jersey Supreme Court struck down a law that would have required parental notification, they considered the effect that notification laws have had on other States. Their conclusion was the same as mine, and I quote:

> [A] law mandating parental notification prior to an abortion can neither mend nor create lines of communication between parent and child.

For example, in Texas, a pregnant 16-year-old explained why she could not tell her mother she was pregnant. She said:

> My oldest sister got pregnant when she was 17. My mother pushed her against the wall,

slapped her across the face and then grabbed her by the hair, pulled her through the living room, out the front door and threw her off the porch. We don't know where she is now.

Furthermore, the underlying bill does nothing to protect a young woman whose father rapes her. Despite such a despicable violation, he would still be allowed to make parental decisions on her behalf. Instead of punishing him, we would punish grandmothers or clergy who actually have to try to protect her from such an abusive relationship.

Now, these are horrible situations, but they are real life situations, and by forcing a minor to ask an abusive, violent parent for permission, we are only adding to the abuse.

Now, as a father of a beautiful and bright daughter and fabulous son, I would hope that my children would feel comfortable talking to me about their serious life decisions. And because I am blessed to have a great, open relationship with my children, I believe they would be comfortable bringing these issues to me. Unfortunately, our Government cannot legislate positive family relationships in every home, and not all families function like yours or mine. Sadly, not every parent can be their daughter's best advocate.

Further, the New York Times analyzed six States that recently passed parental consent laws and discovered that these laws have done little to reduce the number of teen pregnancies or the number of abortions.

As a matter of fact, look at this chart. You can see that the United States has the highest rate of teen pregnancy among all westernized developed countries. Despite what you hear from the Bush administration and some of my colleagues on the other side of the aisle, abstinence-only programs and restrictions on a woman's right to choose are not the way to solve this problem. Clearly, we need a different direction.

Our amendment offers a real, proven solution to this problem—not just a hallowed, base-building effort. We need to make sure we are standing up first and foremost for the health and safety of our children. The time has come to reduce the number of teen pregnancies, and thus teen abortions, in this country, and our commonsense amendment will do just that.

We need to invest in our school, community, and faith-based organizations so they can teach scientifically and medically accurate family life education. We need programs that encourage teens to abstain from sexual activity. We need to educate young men and women about the responsibilities and challenges associated with parenting. We need to encourage parents to communicate with their teens about sex. We need to teach young people how to make responsible decisions. And we need to fund afterschool programs that will enrich their education and replace unsupervised hours that can lead to destructive behavior with constructive activities and positive role models.

We know afterschool programs reduce risky adolescent behavior. Teenage girls who play sports, for instance, are more likely to wait to become sexually active, which means they are less likely to become pregnant.

We know teen pregnancy has serious consequences for young women, their children, and communities as a whole. Too-early childbearing increases the likelihood that a young woman will drop out of high school and that she and her child will live in poverty.

Unfortunately, this administration has done nothing to support these initiatives that reduce the number of teen pregnancies. Instead, the administration has brought a politically charged debate to the floor in the name of politics, while the real solutions for our teenagers are being ignored.

Instead of preparing future generations with the important information they need to make responsible decisions, this administration keeps young people in the dark about medically and scientifically accurate sex information.

Instead of funding important afterschool programs that will build life skills and put teens on the road to college, this administration is shutting the door of opportunity on young people.

Instead of breaking the cycle of daughters of teen moms becoming teen moms themselves, this administration has made it harder for young mothers to go back to school and raise their children.

Instead of ending the trend of sons of teen moms ending up in prison, this administration has increased the number of unsupervised hours and decreased the number of positive activities and role models in a teen's day.

Let's join together to recommit ourselves to continuing to decrease the incidence of teen pregnancy and recommit ourselves to offering family life education and positive afterschool programs that will foster responsible young adults and responsible decisions.

The time is now to invest in our teens. As all parents know, we place overwhelming pressure on ourselves to make sure we raise our children well. The decisions we make—and they make—will affect them for the rest of their lives. We cannot afford to let the doors close on them. Instead, we must continue to open that door of opportunity.

I urge my colleagues to join us in supporting this important amendment. We have an obligation to stand up and do the right thing. It is time to stop talking about putting people in jail, and time to start creating real opportunities for future generations. This amendment does that.

With that, Mr. President, I yield back the remainder of my time and yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I yield 5 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, one of the principal obligations of government should be to enable families to grow and prosper and bring new life into the world. Our policies and our actions should be aimed at helping all families thrive in this great land of opportunity. Surely, we can agree that Congress should do all it can to help young women make choices that will help them be part of such thriving families.

In this land that cherishes individual rights and liberties, a woman has the constitutional right to make her own reproductive decisions, and I support that right. But abortion should be rare, as well as safe and legal. For that reason, being pro-choice also means helping women choose whether to become pregnant and providing them with support so they can make choices about their pregnancy that are not determined by their inability to afford or care for a child.

Congress and the administration can take a number of constructive steps to enhance choice and help to reduce the number of abortions. Unfortunately, time and time again, this Republican Congress and this Republican administration have turned their backs on women who need our help.

If Congress were serious about reducing abortions, we would be expanding family planning. But the administration and the Republican Congress have refused to increase funding for these important programs.

A serious effort to create a true culture of life would also include providing additional options to teenagers who become pregnant, such as by supporting adoption and foster care. But last year this Congress limited the number of children eligible for foster care and reduced assistance to States for their foster care systems.

Another way to reduce abortions is to promise a pregnant teenager that she and her child can rely upon some basic minimum of health care. For a third of all mothers and babies in America, that means Medicaid. Medicaid also provides the prenatal and pediatric care that children need to be healthy. But earlier this year, the administration proposed $13.5 billion in budget cuts to Medicaid.

A further source of help to young women who are pregnant is through the maternal and child health services block grant, which serves 27 million women and children. Here, too, an administration that calls itself pro-life should be doing all it can to provide services to infants. But the President's budget proposes only $693 million for a program that was funded at $730 million just 3 years ago.

If the administration wanted to reduce abortions, it would promise women that their infants will not go hungry. But President Bush has proposed cuts to the WIC Program that would reduce services across the program and cut out of the program entirely as many as 850,000 mothers and children.

Abortions would be rarer if young mothers could depend upon childcare. This Congress has underfunded childcare by $10.9 billion. The result is that 600,000 fewer children will have their childcare subsidized.

In short, there are many constructive steps that Congress could take today to reduce teenage pregnancy and promote a true culture of life. Instead, the Republican leadership has decided to play politics with the health of young women. The bill we are debating today does nothing to stand by young women in their time of need. It does nothing to prevent unwanted pregnancies. It does nothing to reduce abortions by letting women know that their infant will be fed, have good health care, and be cared for. It does not even prevent minors from crossing State lines to obtain an abortion. Instead, it threatens prison time to anyone who helps them to do so, even if the person providing assistance is a compassionate grandparent or aunt or uncle or even a member of the clergy.

Congress ought to have higher priorities than turning grandparents into criminals. I believe parental involvement is extremely important to teenagers' lives, and never more so than when a minor must make an extraordinarily difficult decision. But the Federal Criminal Code is not the right tool to improve communication and trust between parents and their daughters.

Constructive steps that would actually work to make abortion rare are contained in the Menendez-Lautenberg amendment on teenage pregnancy prevention. It calls for comprehensive sex education, not misleading abstinence-only programs. It increases the authorization for afterschool programs that encourage academic achievement, such as Trio, GEAR UP, and 21st Century Community Learning Centers that help keep teenage girls out of trouble. It increases funding for the Carol White Program, which encourages young women to become involved in sports, since we know that young women who participate in sports are far less likely to become pregnant.

Why aren't we spending our time helping young women succeed instead of denying them help in their time of need? The answer is that real solutions would unite us at a time when Republicans want to divide us.

I urge all of those who want to make abortion rare to rethink our shopworn slogans and pat answers. The way to foster a culture of life is not through a culture of war.

The PRESIDING OFFICER (Mr. COLEMAN). Who yields time?

The Senator from Nevada.

Mr. ENSIGN. Mr. President, we all agree that teenage pregnancy is a problem in the United States. And there are various views on the best way to deal with teenage pregnancy and how to prevent it and lower the rate of teenage pregnancies.

The Lautenberg-Menendez amendment is an attempt to do that. I think it is a misguided attempt. Let me point out some of the problems that I think are present in this amendment. Let's talk a little bit about what the amendment does.

First, sex education decisions have long been left to parents and local communities. When communities offer sex education programs in public schools, parents are typically heavily involved in deciding the scope of that education. Parental and local control of this issue is appropriate because the issues involved are uniquely related to parents' cultural, religious and moral values, and attitudes, as well as those of the community. The Menendez-Lautenberg amendment would send $100 million into localities in an effort to override the parents' and local community's decisions about how to raise their children. It is a prescriptive amendment about how these programs are to be set up.

These grants would require recipients to conduct sex education programs and would prohibit the recipients from providing abstinence-only education. All recipients of grant moneys would be required to teach children about all contraceptives, including condoms, the pill, and plan B emergency contraceptives. The amendment also reauthorizes and increases appropriations for a variety of other programs. I will talk about that in a moment.

Under this amendment, none of the authorized moneys would be available for programs focusing on abstinence only or for programs that refuse to discuss controversial contraceptives such as plan B, which many Americans view as an abortion pill.

There is a program out there called Best Friends. Under this program, teenagers are 6½ times less likely to have sex than their counterparts, about two times less likely to drink alcohol than their peers, eight times less likely to use drugs, more than two times less likely to smoke. Under this amendment, Best Friends would not qualify for grant monies available through this amendment.

While the authors of this amendment have offered it in good faith it is misguided.

Dr. COBURN and I got to know each other very well, when we served in the House together. He has been out there on the front lines, actually delivering babies. He talks to a lot of young girls and boys about their involvement or lack of involvement in sexual activities when they are young.

I yield Senator COBURN 10 minutes to speak on the bill and this amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, this is a philosophical debate. There are two questions we ought to ask ourselves: How many people think it is in the best interests of our young people to be sexually active outside of marriage? Is there anything positive that ever comes from that? Is there positive self-esteem? Is there disease? Are there consequences to the fact that when our young people make a decision to become sexually active, almost always there is a negative downside?

Everybody in this body desires the best for our children. We desire the best for one another's children. We desire the best for every child. I have delivered over 4,000 babies. Most of those were Medicaid or teenage moms. I have been doing that for 23 years. I know the attitudes. I know what is going on. I can see.

I have also seen every complication that can come about when we take the parents out of the loop, when we rationalize, well, if the parents aren't going to do it, the Government is going to do it for them. What we do is divide. We make division between children and parents. We do something out in the dark.

I will never forget, I was in Stigler, OK, a small community. A farmer comes in there crying, with a bag in his hand. This was when I was a Congressman. He said: Congressman, how did this happen? My 13-year-old last night came home from the health department. She went with a friend. She came home from the health department with contraceptives and condoms, oral contraceptives and condoms. He said: How is it that I can pay my taxes and I am undermined by the local health department in what my child gets? She wasn't even going for her as an appointment. But she is sold on the fact that she needs to do this. She had good enough training that she came to her parents with that and said: Here is what happened to me.

The point is, as a practicing physician, I use every tool I can with young women to make sure they are well informed. But there is a tipping point about what the best medical advice is. This is debatable. But I would tell you the best medical advice we could give our young men and women, the best absolute medical advice is to stay abstinent until you are in a married relationship. Everybody in this body probably agrees with that.

If that is true, if risk avoidance is the best message, why do we turn around and give 1200 percent more money to risk reduction than we do risk avoidance? For every dollar we spend on abstinence education, we spend $12 on teaching people how to lower the risk. What is the message we are sending with that? We are going to spend $600 million this year on what this amendment does already. That is what we are going to spend. If you add up everything associated with this amendment, we are going to spend another $600 million. First, where are we going to get the money? We don't have it so we are going to borrow it from the very children we say we want to protect to do this.

No. 2, we are winning the war in this country on teenage pregnancy. We are winning the war. We have the highest level of virgin 16-year-olds we have had in 30 years in this country, both men and women, both girls and boys. I don't know if 1200 percent more of that is because we have comprehensive sex education or whether 100 percent of it is because of abstinence. I don't know that. But what I do know is, I am not going to vote for anything that destroys relationships as I have seen in my practice for young women for years.

Does that mean somebody who can't get available maternal child health should be denied it? No. Does that mean somebody who seeks out the right guidance should be denied it? No. This isn't a debate about not doing what we are already doing. We are already doing it. The question is, should we do more? Should we penalize the best medical advice that is out there, which is to abstain? The consequences of that would be disastrous.

The moral rationalization is if you make a mistake, there are no consequences. I have seen the consequences. Condoms on teenagers work about 50 percent of the time, if you add up all the studies. The STD rate for teenagers, even when used perfectly, for human papilloma virus is still 38 percent, the No. 1 cause of cervical cancer. We can rationalize our moral principle away or we can say: Here is where we should go. We are not talking about changing anything.

The President was widely attacked that he hadn't increased moneys for all this. We don't have money to increase anything in this country. We are fighting a war. We have had Katrina. We are running a $350 billion deficit. We don't have money. So if we are going to do this, what program are we going to cut? Or are we going to offer another $600 million? By the way, the title X program hasn't been authorized in 16 years and we are still appropriating moneys.

There is a difference in philosophy. It doesn't mean I am right or wrong. It doesn't mean those who oppose me are wrong or right. But what I have seen from experience is when we honor virtue, when we mentor integrity, when we encourage the right choices, what we get is right choices, honor, and integrity. When we rationalize the consequences of violating principles that are for a healthy productive life, we get a consumption of errors.

I have so many stories I would love for this body and the American people to know about the people I have cared for, the consequences of when we rationalize a moral principle of being pure until you are in a married relationship. Is that prudish? Does it happen? It happens a lot more than we give credit for.

The question we ought to ask ourselves is, would it happen more if we set the example, if we didn't glorify the other position, if we didn't rationalize the position?

I am opposed to the amendment on three grounds. One, we are already spending a ton of money on comprehensive sex education. I am not opposed to that. I teach condoms. I teach barrier methods. I also teach the consequences and the failure rates. I teach the consequences of oral contraceptives. We only have about 10 kids a year die in this country because they are given birth control pills that the parent didn't even know about and they have a thromboembolic event because there is a family history that was never related. So it is OK to sacrifice those 10 young girls because we didn't want their parents, who could have made a decision, to know. We could have done that, but we are not going to do that. We are going to rationalize the behavior of something that is not as good for our children, that is not the best medical advice, and we are going to sacrifice those lives. I am going to oppose it because we are already doing it, No. 1.

No. 2, we already have a markedly distorted ratio against the best medical advice on which we all agree, the best thing our kids could do is not be sexually active outside of a monogamous, long-term relationship. We all agree to that. There is not anybody who disagrees with that.

And finally, why is it here? Why is it on this bill? It is because we don't want this bill. Some of us don't want this bill to pass.

I will relate to you a story about a gal. I will call her Julie because I can't mention her name. Julie is dead. Julie was 16 years of age. Her parents didn't know she had a termination to her pregnancy. When I saw her in the ER at 2 o'clock in the morning, she had a fever and a little bit of bleeding. She had a botched abortion with an infection developed, what is called disseminated intravascular coagulation. And basically 3 days later, despite all the heroic events, she died. Why did she die? She died because we separated the choices that she made from her parents without their involvement. Would she have died if somebody had cared to know what her immediate post-op followup condition was? No. Had she had intervention earlier, would she have died? No. Her parents will never get over the fact that they weren't there. They blame themselves.

I oppose this amendment and hope other Members will do so as well.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I yield 8 minutes to my colleague from New York State.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Mr. President, I have great deal of respect for the experience of my colleague from Oklahoma. I believe he has served his patients in a conscientious, caring manner for all those 20-plus years he has been practicing medicine as an OB/GYN. He comes to the floor with his own experience. It is entitled to great weight because it is his experience. He has very passionately set forth his strong beliefs. I come from a different perspective. I have been a lawyer for a number of years. I was a law professor running a legal aid clinic at the University of Arkansas in Fayetteville not far from the Oklahoma border when one day in my office I got a call from one of the local judges telling me he had assigned me to a case. That was pretty common.

I said: Judge, what kind of case is it?

He said: Well, I want you to represent this man who has been accused of raping a 12-year-old girl he is related to.

I said: Judge, I don't really want to do that.

He said: Professor, you are going to do it because I am signing the order right now.

So I did. I got into the details of this sordid crime and how this man who was related to this family had abused this child. And the family, to be charitable, wasn't really all that attentive or caring. They were people of very modest means. They lived a pretty disorganized life, and they didn't watch out for their children. There wasn't what we would call the kind of relationship and dialog and discussion that every one of us wants to have with our own children and would hope to nurture in others.

So I did my duty and I represented this man. But I often wondered about that little 12-year-old girl. About a year later, my phone rings again. This time, it is the prosecuting attorney. He said: Well, Professor, we have another case for you.

I said: I have done my part.

He said: We need you. We want you to represent a father who is accused of impregnating both of his daughters. The older daughter has had her baby and she is about 14. The younger daughter is now pregnant. The older daughter has come to us and said that it was the father, and she is desperate for us to take her younger sister away from this environment.

I said: You know. Mr. Prosecutor, find somebody else to do this.

He said: Well, you did such a good job in that bad case last year, we just need you to do this.

I said: I really don't want to do it.

He said: Well, I am having the judge sign the order.

I got deeply into the family dynamics of this perverse, incestuous family. I met the 14-year-old who already had a baby, and I met the 12-year-old who was now pregnant with her father's baby. And my heart just broke. Who was that child supposed to talk to? Where was that child supposed to go? The sister was trying to help her younger sister. If she had a driver's license, she might have driven her to where she could have gotten medical care.

A couple years later, I was practicing law in Little Rock, and Arkansas had a parental consent law with a judicial bypass. People were called by judges whenever this occurred and were asked to come and represent the young girl who was appearing before the court. I got called one day, as I was on the list as a practicing lawyer. So I went and met my client, a 15-year-old girl. She had been raped by her mother's boyfriend and was pregnant. Her mother could have cared less. Maybe her mother should have cared. Lord knows, I wish she had cared. But she didn't want to disrupt the relationship with the boyfriend. So the girl needed to come to court and get a judge to give her permission because there was no parent. There may have been a biological parent, but there wasn't a parent in any sense of the word other than biology.

By that time, I had my own daughter and I thought, what a tragedy. You know, life isn't always the way we wish it would be. Sometimes tragedies happen and sometimes families are not just negligent but abusive. Sometimes young girls are taken advantage of by members of their family, people in whom they should be able to trust.

So I just have to say that when we talk about experience, we can all bring experience to the floor of the Senate. We can talk about the many instances where things worked out, parents did do the right thing; they gave their children the right values, gave them the appropriate education to know how to take care of themselves, to respect themselves. But I have lived long enough to know that is not everybody. I wish it were. But in the meantime, we are going to sacrifice a lot of girls' lives. I think that is unfortunate, to say the least.

We now know, because we have research to prove it, what works. We know that in South Carolina—for example, in a Wall Street Journal article recently was a story about small, impoverished towns that had a high rate of teenage pregnancy, and they decided they wanted to do something and they got help. They had one-on-one coaching sessions for parents who would come and participate. They preached abstinence, but they also taught about contraception and they made it clear what they wanted their children to do, how they expected them to behave to try to prevent irresponsible sexual activity and pregnancy. They tried to make both the young women and the young men accept responsibility for their actions.

I know, too, in my State, we have a lot of grandmothers and aunts who are raising children. The Child Custody Protection Act would put any family member—a sister, aunt, or grandmother—in jail for helping a teenager deal with one of the most difficult decisions that any person has to make. I don't believe that these young women should make those decisions alone. Certainly, we are complicating the lives of everyone instead of doing our duty as parents, as family members, and as leaders, which is to inculcate and pass on values but to recognize that reality is messy. I have championed kinship care, and I know how many grandparents are raising children, and I know from my own personal experience how many older relatives who are faced with very difficult situations would be criminalized if they tried to reach out and help a young girl who asked them for that kind of assistance.

The Child Custody Protection Act, while seeking to criminalize what a teenager does once she is pregnant, fails to address the issue of teen pregnancy in this country, the root of the problem.

To address only how teenagers should behave once they become pregnant without any resources on the front end to prevent a pregnancy is shortsighted, to say the least.

One of the most important initiatives I worked on as First Lady and am proud to continue to champion in the Senate is the prevention of teen pregnancy.

In 1996, we worked with the National Campaign To Prevent Teen Pregnancy to set a goal to reduce teen pregnancy by one-third within a decade, and I am proud to say that we met that goal.

But we did not do it overnight. We invested over a period of time. We invested in different programs and initiatives, recognizing that this issue could not be solved with a one size fits all approach. And according to the National Campaign To Prevent Teen Pregnancy, between 1991 and 2004, the teen birth rate fell 33 percent to a record low for those aged 15 to 19.

And while we are all pleased that the teen pregnancy rate has dropped since 1991—as I am that in my home State of New York, it's come down a full 10 percent—we also recognize that this is just a drop in bucket if we are truly going to get to the root of the problem and eliminate pregnancy among girls and boys who are far too often too young and unprepared, emotionally and financially, to be mothers and fathers.

Sadly, even with this decrease, the United States continues to have the highest rate of teen pregnancy and births in the Western industrialized world.

Today, 34 percent of young women become pregnant at least once before they reach the age of 20, and that results in about 820,000 teen pregnancies a year. Eight in ten of these pregnancies are unintended.

We also have an overwhelming body of evidence about the repercussions of teen parenting. Children born to teen moms begin life with the odds against them; they are more likely to be born a low birth weight baby, which is connected to a host of long-term health problems.

They are 50 percent more likely to repeat a grade and significantly more likely to be victims of abuse and neglect.

In addition, girls who give birth as teenagers face a long, uphill battle to economic self-sufficiency and self-esteem, with only 32 percent of teenage mothers who begin their families before age 18 ever completing high school.

For all these reasons, I urge my colleagues to support the Lautenberg-Menendez amendment that seeks to increase funding to critical programs that are helping to decrease teen pregnancy in our country.

Last week, CNN highlighted in a story what research has consistently shown: Teenagers who receive comprehensive sex education that includes discussion of contraception are more likely than those who receive abstinence-only messages to delay sexual activity and to use contraceptives when they do become sexually active.

And this past Saturday, a Wall Street Journal article featured how small, impoverished towns in South Carolina are showing the lowest teen pregnancy rates in the country. Both places owe their success to comprehensive sex education. From one-on-one coaching sessions for parents and teens to teaching about contraception, the towns are proactive in making kids more aware of the dangers that are out there if they don't practice safe sex.

This further reinforces the need to implement policies that support and educate young women about all of the facts, so that they do not become pregnant in the first place.

Teenagers need to be educated that abstinence is the best defense against an unwanted pregnancy, and they also need to be educated and encouraged to exercise cautious decisions about sex.

We should not have a cookie cutter approach to preventing teen pregnancy. In instances where young people are sexually active and are likely to remain so, we need to ensure that they are encouraged to use contraception consistently and carefully.

As policymakers, we need to recognize what works and what doesn't work, and to be fair, the jury is still out on the effectiveness of abstinence-only programs. I don't think this debate should be about ideology. It should be about facts and evidence. We have to deal with the choices young people make, not just the choice we wish they would make. We should use all the resources at our disposal to ensure that teens are getting the information they need to make the right decision and that we remain a part of the solution by supporting programs and policies that deal with all the layers of this issue, not just a one size fits all approach.

Sadly, instead of putting resources into this important fight to prevent teen pregnancy, we are adding more penalties for those who try to help teens during their time of crisis.

The Child Custody Protection Act would put any family member—a sister, aunt, grandmother—in jail for helping a teen cross State lines to obtain an abortion.

I don't believe that any young woman should have to make this decision alone. Research actually shows that in most cases, young women already involve one or both parents when faced with an unintended pregnancy, without being required to do so by law. But, tragically, not every family is perfect. There are some instances in which a young woman simply cannot involve her parents, including rape, violence or incest; and for some in this body to pretend that those instances should not be considered in this debate is unconscionable. The Child Custody Protection Act glosses over these complicated situations, making criminals out of grandparents, clergy and other adults who try to act in good faith.

Instead of criminalizing other caring adults in a teenager's life, we should do more to educate and involve parents about the critical role they can play in encouraging their children to abstain from sexual activity. Teenagers who have strong emotional attachments to their parents are much less likely to become sexually active at an early age.

I am disappointed that this bill does not provide any exemptions for adult relatives or clergy who seek to provide guidance and support to young women seeking abortions.

In the Senate, I have championed the Kinship Care Act which supports the many family members in New York and in America who are raising children who would otherwise be in the foster care system.

The reality is, not every child is fortunate enough to be raised by their biological parents. Nationwide, more than six million children—1 in 12 children—are living in households headed by grandparents. In New York City alone, there are over 245,000 adolescents already living in grandparent households.

It's important to note that for many families, but these families in particular, the legal guardian who has physical custody and who provides a young woman with support and guidance are not one in the same.

This bill fails to acknowledge the importance of close family members such as grandmothers and aunts, who often raise their relatives or play a significant role in their lives.

In doing so, this bill creates a strong incentive for young women to seek risky alternatives she wouldn't have considered if permitted to seek counsel from her family and community. Major medical and public-health organizations, including the American Medical Association, the American Academy of Pediatrics and the American Public Health Association oppose governmental parental-involvement laws because of the risk to women's health.

While we all hope that young women will involve their parents in these decisions, mandating parental consent has the serious potential to do more harm than good. In fact, during congressional testimony, Dr. Warren Seigel, an expert in adolescent medicine, stated that legislation mandating parental involvement "represents bad medicine and places politics before the health of our youth."

The Child Custody Protection Act is a reflection of the misdirected priorities out there when it comes to truly doing something about unintended pregnancy. Rather than criminalizing family members and clergy who are trying to provide guidance to these young women in crisis, we should be working to reduce the rate of teen pregnancy in this country. There are far better ways to prevent pregnancy than putting people in jail. We could start by supporting family planning services and making sure we're providing medically accurate information in sex education classes that includes contraception.

That is why my good friend HARRY REID and I have long championed the Prevention First Act here in the Senate which, among other important measures, ensures that Government-funded sex education programs provide medically accurate information about contraception.

And that is also why I rise today to encourage all of my colleagues to support the Lautenberg-Menendez amendment because we need policies that support and educate our young women about the importance of prevention now more than ever.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, just a quick response to our colleague and friend from Oklahoma. The fact is, there are certainly different views than this well-trained physician offered on the floor of the Senate. Parents all across the country—some 90 percent of the parents of high school students—insist that they would prefer to have comprehensive sex education available for their children.

The fact that this country of ours doesn't permit anything except abstinence only until marriage to be taught is outrageous. Where is the fairness? Where is the equity?

In New Jersey, we have a different view about people's choice than they do in Oklahoma. That doesn't mean that Oklahoma is totally wrong or that New Jersey is totally right. But the fact is, it is not sinful conduct and we ought to encourage people to give the young women a full understanding about sex education so they know there are alternatives to exposing themselves to an unwanted pregnancy.

It is outrageous that we want to close down the minds and opportunities for people to make a choice about what they do with their health and with their families.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, I would like to make a few very brief remarks in relation to this particular amendment. There is one term used in this amendment that is of particular concern. The proponents say that they want a "teen-driven" approach to sex education. This is one of the things they want to encourage. I don't know about what kind of teenagers the rest of my colleagues were when they were teenagers, but when I was a teenager and if such a program was driven by me, that type of sex education program would look a lot different than one that would be driven by me as an adult and as a parent. I think focusing such a program in a manner that is "teen-driven" is just asking for problems, as far as what kind of mindset we want our sex education programs to contain. It is a minor example of a problem that is in this particular amendment.

Mr. President, because we don't know how much debate we are going to have on the underlying bill, I will talk for a couple minutes about the bill itself. First, I want to respond to something Senator CLINTON said when she spoke of the two sisters who were both raped by their father. That is a horrible, unimaginable situation. I applaud Senator CLINTON for her efforts in that family situation. The Senator talked about the older sister who wanted to help the younger sister because the older sister, had herself, been impregnated. Senator CLINTON had said the older sister would have gotten in trouble if she would have gone across State lines to help her younger sister obtain an abortion.

What Senator CLINTON pointed out is the exact purpose of this bill. The older sister had to get the judiciary involved to remove her sister from the abusive situation. Guess what. If the older sister would have taken her sister across State lines for an abortion, the legal authorities never would have been involved to take the child out of the abusive situation, and the younger sister would have been returned to an unsafe home where she would have been subjected to continued sexual abuse.

That is the whole point of this legislation, Mr. President. The judicial bypass for parental consent or notification that is required in most States is the only instances in which this bill actually applies. So the bill, I believe, would be consistent with what I understand that Senator CLINTON wanted for this girl: to get her out of an abusive situation.

Mr. President, will the Chair remind me when I have 5 minutes remaining?

The PRESIDING OFFICER. Yes.

Mr. ENSIGN. Mr. President, incest is a terrible act, a terrible crime. We should not be protecting the people who perpetrate these crimes. But at the same time, if there is incest involved we, as a society, must take steps to protect the young victims. Imagine a young girl who has had this terrible act committed against her and now somebody else with good intentions wants to take her across State lines to get an abortion. There are several problems raised by this scenario. If the judiciary can be involved, at least some of these crimes can be addressed. But if the crime remains secret from the parents and there is no judiciary involved, this girl will be forced to just goes back home, with the abortion hidden, to face continued victimization. The second concern that I have relates to the potential medical consequences that a young girl might face following an abortion. She might encounter a postsurgical infection, or complications if the abortion is performed with inaccurate or an incomplete medical history of the young girl, like administering some kind of medication or anesthesia to which the girl has an allergy. The young girl's parents may not know to watch for postsurgical complications. Each of these medical concerns become life threatening when friends or a member of the clergy are involved rather than the young girl's parents or the authorities.

That is why I think some of the amendments coming up are ill-conceived and why this bill is so important to enact. I hope that as this debate goes forward we can bring out more of these points. I know the leaders are trying to work out differences right now.

I yield whatever time is remaining on this amendment to the Senator from South Carolina, Mr. DEMINT.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. DEMINT. Mr. President, I come to the floor today proud that Republicans are working to build a future of hope, by securing our homeland, securing our prosperity, and securing our values.

I believe today's debate over the Child Custody Protection Act cuts to the heart of who we are as a people. The ideas this bill is built on—preserving life, protecting our children, and upholding the rule of law—have defined the American character and shaped our society for over 200 years. Our commitment to protecting the most vulnerable among us is the surest test of our shared values and the key to our hope for a better future for our children and grandchildren.

There are very few who would disagree that the teenage years are a vulnerable and formative time of life. Peer pressure and the anxiety it can bring are sometimes overwhelming. From decisions about where to attend college, or to understand the negative impacts of things like drug and alcohol abuse, parental communication and support are vitally important as these young people make these decisions that will determine the course of the rest of their lives. Parents need to be involved. So it puzzles me that those who oppose this bill would essentially give a green light to those who would circumvent State laws and rob parents of the chance to give their young daughters the physical care and the psychological support they so desperately need.

Those who oppose this legislation claim that it would endanger teens facing truly abusive parents. So they want to strip the overwhelming majority of good parents of their rightful role and responsibility because of the misbehavior of a few.

Let's be clear: No one wants to place these vulnerable girls, many of whom have already been victimized by older men, into a situation that creates more fear than they are already experiencing. That is why States have built careful safeguards into their laws to provide recourse to those who have genuine reasons to fear an abusive parent.

I can imagine that the thought of facing any parent, no matter how loving, with the news of an unplanned pregnancy is a scary thing. But as a father of two daughters, I believe I speak for most parents in saying that the health and well-being of my girls is more precious to me than anything else in the world. Much worse than hearing of a pregnancy would be the news that a daughter was suffering from infertility or any of the other severe medical and emotional complications often associated with abortion—complications that, in many cases, might not be caught until it was too late if the parent was unaware of the procedure.

Other critics argue that this bill would add complicated consent regulations or that it would somehow be unconstitutional. Nothing could be further from the truth. This legislation does nothing to override existing State laws or enforce any kind of Federal mandate on States. It simply strengthens the idea that the will of the people of each State, as expressed by their elected State officials, should not be circumvented for major surgical procedures that have such profound moral and medical implications. Furthermore, this bill is designed to uphold only those State laws which have been drafted carefully enough to pass constitutional muster.

I am disappointed that this legislation has only attracted one Democratic cosponsor, but I am hopeful that my Democratic colleagues will not cave to pressure from the well-funded, profit-driven abortion industry, which includes Planned Parenthood and its lobbyist allies at Emily's List and NARAL. While they may provide significant sources of campaign funds, no amount of money can justify their "abortion at any cost" mentality, especially when that cost is the health and well-being of teenage girls and the rights of parents who most want to protect them.

An overwhelming majority of Americans understands that taking a minor across State lines to obtain an abortion without her parents' knowledge is not consistent with our shared values. The Child Custody Protection Act is a well-crafted, balanced piece of legislation, and I urge my colleagues on both sides of the aisle to join the American people in supporting it. It is an important step toward protecting our families, securing our values, and building hope for a better future for all Americans.

Mr. President, I reserve the remainder of the time.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the vote in relation to the Lautenberg amendment No. 4689 be at 4:05 p.m., with the remaining time between now and then equally divided between the proponents and opponents of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENSIGN. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not been ordered.

Mr. ENSIGN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank my colleague from Nevada.

There is a lot of interest in this bill. People want to do something for our young people. People want to avoid these horrible situations. My friend cited the case of a young woman who was raped by her father, yet in this bill, the father retains all rights to take her over a State line. Can you imagine, to sign a parental consent form, a father who raped his daughter? So we want to correct these problems.

I yield 5 minutes to Senator PATTY MURRAY and then 2½ minutes to Senator LAUTENBERG at the close of the debate.

The PRESIDING OFFICER. The Senator only has 5 minutes.

Mrs. BOXER. Mr. President, I was told we have until 5 after, equally divided.

The PRESIDING OFFICER. The Senator is correct.

Mrs. BOXER. I thank the Chair. It is the first time all day I have been correct.

I yield to Senator MURRAY 5 minutes and then, at the end of the debate, Senator LAUTENBERG for 2½ minutes.

Mrs. MURRAY. Mr. President, I rise today to speak about the so-called Child Custody Protection Act. This is yet another one of those divisive bills with a deceptive title and a dangerous impact on women.

Today, many Americans are upset about the direction in which our country is moving. One would think that the Republican majority would finally start addressing the real issues that affect working families every day—issues such as access to healthcare, high energy prices, fixing the prescription drug program, and protecting our ports.

But instead, we are seeing yet another debate on election year gimmick. Last month, Republicans rolled out a constitutional amendment on gay marriage just so they could energize their base. Then they brought up a constitutional amendment on flag burning. Now we have a divisive bill that threatens the health of women and undermines our rights.

It is no wonder that Americans are so frustrated with the Republican majority.

Today families are facing real challenges, and once again, what we see here is the Republican leadership is playing election year games. To me, this is just the latest example of how Republicans have the wrong priorities.

With a war overseas, painful cuts to education at home, veterans being denied healthcare, soaring energy costs, and mounting debt, the Republican majority is saying this is the most important issue we could be debating today.

They should stop wasting time on divisive election year politics and start focusing on the real challenges facing the American people.

We should be talking about pressing needs, not a dangerous and misguided bill that threatens the health of our Nation's young women.

Today's debate comes in the context of a series of attacks on women's rights.

Since 1994, we have seen a consistent and aggressive effort in Congress to limit a woman's right to choose.

There have been more than 170 antichoice votes taken in Congress since 1994. This bill follows that troubling pattern.

The legislation is not about protecting young women, or improving communication within families, or stopping sexual predators.

Instead, it is just another attempt by Republicans to chip away at a woman's right to safe and legal reproductive health care.

Let me turn to the substance of the bill.

This legislation could criminalize a grandparent, aunt, or adult sibling, for responding to a request for help from a young woman in a crisis pregnancy situation.

If any of these caring adults accompany a young woman across State lines to obtain reproductive health services, and the woman's home State has a parental-involvement law, then those caring adults could be criminally prosecuted.

Today, an amendment will be offered to exempt grandparents and clergy from this onerous bill. It is the least we can do to minimize the harm of this legislation.

But this law doesn't stop at turning caring adults into criminals. It would also criminalize anyone who transports a pregnant minor across any State line.

Imagine a young woman living in a rural area with no reproductive health service providers and the nearest facility is in a large city just over the State line. If that young woman boards a bus or takes a taxi to the city to get an abortion, the person who drives her could be criminally liable under this law and sued by the parents.

I think we all agree that a young woman facing a crisis pregnancy should be encouraged to talk to her parents. According to a study by Stanley Henshaw and Kathryn Kost, in the vast majority of these situations, the young woman does involve her parents. But tragically, in situations where women don't tell their parents, one-third of the young women are victims of abuse.

In an ideal world, every young woman would take to her parents, but we don't live in an ideal world.

The reality is that a young woman cannot always turn to a parent. We are not talking about a young woman who is afraid her parents will be ashamed or shun her. We are talking about serious situations where the young woman may be a victim of incest or abuse.

A young woman who has an abusive home situation often accurately predicts the danger of telling a parent about a pregnancy. This bill would punish those young women if they seek the support and help of other family members or clergy.

We live in a time when we have a lot of families who don't fit the traditional two-parent model. More and more grandparents are raising their grandchildren. Divorced parents are getting remarried, and young women can develop close relationships with their stepparents.

In these families, the caring adult who is responsible for the day-to-day care of a young woman would be criminally liable and could even be sued by an absentee parent.

We also know that some young women have no other alternative but to go to another State to obtain reproductive health services. Access to these services all across our country is severely limited—87 percent of counties have no providers.

There are States, such as Mississippi, that have only one provider. Our laws should reflect the reality that for some women, these services cannot be found locally.

Unfortunately, the only thing this bill does do is ensure that young women who are intent on seeking reproductive health services "go it alone."

If a young woman thinks that bringing a caring adult or supportive friend will get that person in trouble, she will make the trip on her own.

You wouldn't want your children to drive home from the hospital after having surgery, but this legislation will result in young women driving themselves after having a medical procedure.

How can my colleagues say that this bill is about the safety of young women when it actually endangers them more?

Proponents claim that the "judicial bypass procedure" is an adequate protection for young women who feel they can't involve their parents. That is not the case.

A young woman would have to go to a courthouse, get a hearing, tell the judge and anyone else in the courtroom her situation, and wait for a judge to rule.

Now imagine that this happens in a small town where the judge is friends with her parents. Whether it is a big city or a small town, a young woman who has never been to court could find the whole process intimidating and overwhelming.

This bill doesn't even have an exception to protect the health of young women. That raises huge constitutional questions.

Since Roe v. Wade, every constitutional Federal law restricting a woman's right to choice has contained a health exception, and many laws have been struck down because they lack one.

Should we really be saying that a young woman's health does not count when she faces a crisis pregnancy?

Is this Senate ready to tell young women that their health and safety do not matter?

This bill doesn't care about a young woman's health—and it barely even cares about her life. That is because the bill's exception for a life-threatening situation is very narrow and very limited.

In addition, according to experts who have studied it, this bill could effectively nullify the laws of States that allow physicians to provide confidential medical services to minors, such as my home State of Washington.

The people of my State have twice affirmed a woman's right to choose. That is the settled position of our State. This bill could reach into my home State and effectively eliminate those protections.

No matter how one feels about this bill, I think everyone should be concerned that Federal intervention could undermine the ability of States to set their own laws on this difficult subject.

The House version goes even further, potentially making criminals out of Washington State physicians who follow the laws of Washington State.

Proponents of this bill claim that it is needed to prevent sexual predators from taking pregnant young women across State lines to obtain reproductive health services against their will. But that is not how the bill is written.

If it were truly meant to prevent sexual predators from harming young women, why would it criminally prosecute a young woman's family members, including grandparents, aunts, or adult siblings? Why is the scope of this bill so broad that it includes clergy members and even unknowing taxi drivers?

Every one of us wants to reduce the numbers of abortions that occur.

Instead of forcing the Government deeper into sensitive and personal family relationships, we should focus on preventing teen pregnancies.

Mr. President, to summarize, across the country today, Americans are very worried about what is going on, whether it is access to health care, high energy prices, prescription drug programs, or protecting our Nation's security. But instead what we are seeing this afternoon is an election year gimmick.

Last year, we saw a constitutional amendment on gay marriage to energize their base, and then they brought up a constitutional amendment on flag burning, and now we are having a debate, instead of on the issues which are on the front burner for every American family, about the health of women and how we are going to undermine their rights. I find that very sad.

Let me talk a few minutes about the substance of this bill. As my colleague from California said, this is a bill which is going to criminalize a grandparent or an aunt or an adult sibling for simply responding to a request for help from a young woman who is in a crisis pregnancy situation. We will see later an amendment to exempt grandparents and clergy from this onerous bill. I hope we do that. It is the least we can do.

But I think what we should all agree on is that a woman who is facing a crisis pregnancy should be encouraged to talk to her parents. In fact, we have seen studies by Stanley Henshaw and Kathryn Kost that in the vast majority of situations, a young woman does involve her parents. But tragically, in situations where women don't tell their parents, one-third of those young women are victims of abuse. Those are the women we are going to be affecting by legislation such as this.

In an ideal world, the young woman would talk to her parents, but too often, too many young women do not live in an ideal world today. They cannot turn to a parent. We need to make sure they have the availability of health care for their needs, and this bill takes that away.

Unfortunately what this bill really does is ensure that young women who are intent on seeking reproductive health services go it alone. If a young woman thinks that bringing a caring adult or supportive friend will get that person in trouble, she will make that trip on her own. You wouldn't want your children to drive home from the hospital after having surgery, but this legislation is going to result in young women forced to drive themselves home after a medical procedure.

I don't see how my colleagues can say this bill is about the safety of young women when it actually endangers them more. This bill doesn't even have an exception to protect the health of young women, and that, frankly, raises huge constitutional questions about which we have heard.

This bill doesn't care about a young woman's health, it barely cares about her life, and that is because the bill's exception for a life-threatening situation is very narrow and very limited and, according to experts who studied it, this bill will effectively nullify the laws of States such as mine that allow physicians to provide confidential medical services to minors.

For that reason, I will oppose this bill, but I do commend the Senator from New Jersey, Mr. LAUTENBERG, who is offering an amendment that we will be voting on that is a comprehensive approach to reproductive health care for our teenagers. It will help reduce teen pregnancy, and that is its goal. That amendment would be a good step forward, but even that addition is not going to save this flawed bill.

We should be working on ways to reduce the number of crisis pregnancies among teens and women alike. That is why, on issues such as emergency contraceptives, I fought so hard to make sure the FDA makes its decision based on science on whether that drug is safe or effective.

Unfortunately, the bill we have in front of us today is just another ploy for the majority to get their base excited in an election year and, frankly, I am deeply concerned that women's lives are being used as pawns in a political debate. I believe women's rights should never be traded away in a ploy for votes.

I hope we send a message that we know our country is facing serious challenges and we are going to spend our very limited time addressing those challenges and fighting for all of our families.

I urge my colleagues to vote against this dangerous, divisive, and misguided bill.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Nevada.

Mr. ENSIGN. Mr. President, the Senator from California said twice today that this bill protects a father who commits incest with his daughter. In other words, he can commit a crime and still take her across State lines to get an abortion.

That argument is illogical. Obviously, a father is a parent. In a State with a parental consent law, he is a parent with rights under State law. If he wants his daughter to have an abortion, to cover up his own crime, he can freely give his consent to allow his daughter to have the abortion in their State of residence. That father doesn't have to take his daughter across State lines. As a result, this bill does not affect such an outcome one way or the other. His abuse of his daughter in that situation is not only morally wrong, it is illegal. This bill doesn't affect that situation one way or another. So to say we are protecting a father's right to go across State lines—it is an argument, frankly, that just doesn't hold water. It just doesn't. This bill doesn't have anything to do with what the Senator was saying.

Let's just talk about what the bill does. This bill says that if a State has enacted a parental consent or a parental notification law and if a teenage girl in that State gets pregnant and somebody besides her parents wants to take that child across State lines to avoid those parental consent or parental notification laws in direct violation of what the people of that State want, in direct violation of what the parents would want, that act, transporting a child across state lines, is a Federal offense. And that crime is punishable with time in prison.

Look at the consequences of not having this bill. I would point out, in order to put this in its proper context for my colleagues, that over two-thirds of the girls who have been taken across State lines for an abortion have boyfriends who are over 20 years of age. So typically, you would have a teenage girl with a boyfriend who is significantly older than her. And in the context of that relationship, the young girl becomes pregnant. Sometimes that pregnancy is the result of a forcible rape, where the girl does not consent; in most cases, it is at least statutory rape. This legislation will help law enforcement stop adult men from preying upon underage girls and violating the law with respect to the crime of rape—statutory or otherwise. Which is the right thing to do. This bill makes it a further crime if that male takes this young girl across State lines to get an abortion to cover up his tracks, basically to try to eliminate the evidence of his crime. Without this bill, the man who has already taken advantage of a young girl can further endanger her, by forcing her to have an abortion, with potential emotional scarring beyond what she has already gone through and potential physical scarring. In an abortion, some women actually become sterile because of the procedure, because of complications from the procedure.

The parents of most children in the United States are responsible. To take away their ability to be involved in something that is so important, so potentially life-altering with this teenager I believe is just wrong, and I think that is why 80 percent of the American people support this legislation.

In polls I have seen, 60-plus percent of people who call themselves pro-choice support this legislation.

We are in a society that is so deeply divided over moral issues, and none more divided than this issue—the issue of whether you call yourself pro-life, or pro-choice, or anti-choice, or pro-abortion, or whatever names that are tossed around. I believe reasonable people can at least come together on some restrictions on abortion. This is one of those reasonable restrictions. That is why over 80 percent of the American people support this legislation.

It is only constitutional when—and this law only applies when—the States have judicial bypass. For those people who are concerned about whether in the case of incest the girl is going to be subjected to some kind of further abuse, it is reasonable that the judicial bypass is there and the reason the courts have recognized that for the parental consent cases. We are not forcing States to do anything as far as their laws are concerned. We are upholding the intent of the people of each State by saying don't circumvent the laws of our State by taking a minor outside of our State. The people of that State have spoken. I think we should at this point in time try to respect the laws the people of that State have enacted. Most importantly, we protect the parents' rights and the health and the lives of children across the United States.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, before we yield the 2½ minutes, this issue of incest is extraordinary. The bill as written "protects the predators on our children who have committed incest." All you have to do is read it. These parents, these fathers, retain their parental rights in the bill. And even under the Ensign amendment it says they cannot sue a friendly person for helping their daughter. The government under this bill can still go after a grandma, or a clergyman who says to a young child, Let me help you, your father raped you. Those vicious criminals retain all their rights. It is an absolute outrage.

The point is, why I am in favor of the Lautenberg amendment is the Lautenberg amendment says let us take a step back, let us prevent these pregnancies. And if people want to vote against teen pregnancy prevention, I guess they have a right to do that. How they would explain it is beyond me. We are talking 800,000 teenagers who get pregnant, and in about 18 percent it was not intended.

I thank Senator LAUTENBERG and yield to him the remaining time before the vote.

The PRESIDING OFFICER. The Senator from New Jersey is recognized. The Senator has 1 minute.

Mr. LAUTENBERG. Mr. President, how incomprehensible it is that we have a position on the one hand that refuses to acknowledge in this body there are other ways to control teenage pregnancies than abstinence. We are not against abstinence. There are funds provided in the President's budget for 2007 for abstinence—$204 million. This amendment asks for additional funding to supply comprehensive education. We heard from the Senator from South Carolina saying that he describes our values as shared values. But we are not sharing values with the people in South Carolina from Bamberg County who had the lowest rate of teenage pregnancies after they started a program for comprehensive education in South Carolina. The Senator from South Carolina said we had to have shared values on these things. But these are shared values.

I hope our colleagues will look at this fairly, and think about the women who are hurting because they are prevented from getting an education and vote "no" on this bill and "yes" on my amendment.

The PRESIDING OFFICER. Who yields time?

Mr. ENSIGN. Mr. President, one last point related to instances where a father has raped his daughter and whether his rights are protected under this bill. We have an amendment that will address the concerns raised with respect to that issue. The Senator from California mentioned that the grandfather could be sued under this bill, could be prosecuted under this bill if he took his granddaughter across State lines to get the abortion. In that circumstance, the grandparent should be calling the local authorities. If it is a clergy, a friend, whoever it is that has knowledge of a crime against a child, that person should be calling the local authorities so that young child can be removed from that awful situation that she is forced to live in. The authorities should be involved, and in those cases where pregnancy results, the young girl, with the help of her grandparent, clergy member or other adult can seek a judicial bypass. I am confident that a judge hearing that case would allow an abortion under judicial bypass. But if the grandparents or the clergy truly care about, or the friend truly cares about that young girl who has been a victim of incest, then that adult should contact the local authorities. That is how an adult would be acting in the best interests of the child. Otherwise, all the adult is doing is taking her across State lines for an abortion, bringing her back to her home state, and returning her into the same very harmful situation that she was in before.

I yield the remainder of time. I call for the vote.

The PRESIDING OFFICER (Mr. CHAFEE). The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from California (Mrs. FEINSTEIN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 51, as follows:

[Rollcall Vote No. 214 Leg.]

YEAS—48

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Byrd
Cantwell
Carper
Chafee
Clinton
Collins
Conrad
Dayton
Dodd
Dorgan
Durbin
Feingold
Harkin
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Menendez
Mikulski
Murray
Nelson (FL)
Obama
Pryor
Reed
Reid
Rockefeller
Salazar
Sarbanes
Schumer
Smith
Snowe
Specter
Stabenow
Wyden

NAYS—51

Alexander
Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Burr
Chambliss
Coburn
Cochran
Coleman
Cornyn
Craig
Crapo
DeMint
DeWine
Dole
Domenici
Ensign
Enzi
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Isakson
Kyl
Lott
Lugar
Martinez
McCain

McConnell
Murkowski
Nelson (NE)
Roberts
Santorum
Sessions
Shelby
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NOT VOTING—1

Feinstein

The amendment (No. 4689) was rejected.

Mr. MCCONNELL. I move to reconsider the vote.

Mr. THUNE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ENSIGN. Mr. President. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MARTINEZ). Without objection, it is so ordered.

Mr. ENSIGN. Mr. President. I ask unanimous consent that for the next 20 minutes, the first 10 minutes be taken by the Senator from Illinois, Mr. DURBIN, and then the 10 minutes following that would be allotted to Senator SANTORUM from Pennsylvania.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Illinois.

Mr. DURBIN. Mr. President, this is a difficult issue for most Americans, the issue of abortion. There are strongly held feelings on both sides and the American people are conflicted. When you probe and ask them what they think about abortion, first, they would rather not talk about it. I think that is a natural human reaction because we know it is a delicate and difficult issue. Secondly, they basically say: Well, I don't want to criminalize someone who goes out for an abortion, but is there any way to reduce the number of abortions in this country? I think that is a natural reaction by most, that we should keep abortion legal, not a crime, but reduce the incidents of abortion in our country.

So we have a bill before us today which deals with one aspect; and the aspect is, what do we do about the fact that some States have laws that require parental consent before a person who has not reached adulthood would have an abortion performed and some States do not have those laws? What if you move from one State to the other? What law will apply?

Senator ENSIGN of Nevada brings us his bill and suggests that if you knowingly remove a person across one border where parental consent is required to another State where it is not required, the person who took that minor to that abortion clinic in the State without parental consent is going to be liable not just for a civil lawsuit that can be filed against them by the parents but also for a crime.

Their idea is to reduce the likelihood that young people will be taken across a State line to a State without parental consent by imposing new civil penalties and criminal penalties on those who would transport them.

Senator BOXER of California has come before us and pointed out some real problems with this bill. What about the situation where the young girl we are talking about has been a victim of incest? Would the father then have the right to bring a lawsuit against someone who took the daughter he abused across the State line? Nobody wants to talk about this issue. This is not the kind of thing you wake up in the morning and say: I hope the debate today will be about abortion and incest. But that is what we face. We are talking about writing the laws of the land in a way that is sensible. You say: That has to be a rare situation. Yes, it is. I am sure it is. But for that life and that person and that crime, it could be the most important and tragic event that ever happened in their lives. That is why we have to take this very seriously. We have to write these amendments very carefully.

The thing that troubles me about this debate is evidenced in the vote we just took. Senators LAUTENBERG and MENENDEZ came to the floor and said: If we are truly going to reduce the number of abortions, then we have to deal with the reality of family planning and sex education, other issues that politicians don't jump forward to speak about. They suggested we start creating programs that have been proven to be effective, that will help educate young people so they will avoid unwanted pregnancies and avoid the diseases and problems that may result therefrom.

What happened on this vote? What happened on a vote where we were talking about sex education as part of our approach? It was defeated. The approach which is dominant now is not to deal with the reality of young people and their knowledge of what they face if they make the wrong decision but, rather, punishment, to suggest to them that what they have done is not only morally wrong but could be criminal.

My wife and I have raised three children, two daughters. I know that to be a parent is to be countercultural. So many times we would say: We don't want you to go to that movie or look at that book; you can't watch this television show. Parents do that all the time in the hopes that you instill in your kids values they can live by and that they will make the right decisions. I never felt at any point that ignorance was a virtue. I felt with our kids, as many parents do, you have to be honest with them about the realities of life and what they will face.

The question of abstinence comes up on the floor. It is brought up by many. That is the first thing we told our kids: Stay away from sexual activity. This is something you shouldn't do. That is the best advice from a parent to a child. But beyond that, what more should you tell them? Senator LAUTENBERG suggests you should tell them more in certain circumstances, and it was rejected 48 to 51.

You might ask why we are debating this issue this day. I think it is important for us to reflect on why this happens to come to the Senate floor today. This issue is before the Senate today for two or three reasons. One reason is many Republican Senators who traditionally vote against abortion voted for stem cell research last week. This is a make-good vote. This is so some of them can remind their antiabortion constituencies they are still in their corner. I understand that.

Secondly, it is a way to kill time in the Senate rather than address the real issues the American people care about. This debate over this issue is taking time away from any debate on gasoline prices, on health insurance, on jobs.

Third, of course, it fires up a political base on the Republican side for the upcoming election.

A Gallup poll asked 1,000 Americans this open-ended question: What do you think is the most important problem facing this country today? They asked 1,000 Americans a few months ago. The top vote getters: The war in Iraq, gasoline prices, immigration, health care, and the economy. Where did the issue of abortion show up on this list? It tied for No. 33. Less than one half of 1 percent of people said abortion was the most important problem facing America today. But it is the most important issue in the mind of the Republican leadership that we should be debating on the floor of the Senate.

I hope we are able to work out an amendment to deal with the reality of the issue of incest, which is part of the debate, sadly. Perhaps the most egregious part of this bill is the fact that there is no exception for the case of incest. It empowers the parent who may be guilty of the crime to file a lawsuit and recover money because someone else took the victim across a State line. That is hardly where we want to go. Many incest victims are understandably frightened and don't want to tell their parents anything for obvious reasons.

Listen to the words of Sharon from New Hampshire, raped by her father at the age of 17:

> Imagine being 17, pregnant after being raped by your father, alone, isolated, afraid to tell anyone for fear your parents would find out and that, if they did, you would be further humiliated, harassed and abused. . . . I felt and feared these things.

Consider the case of Spring Adams, a 13-year-old girl from Idaho, raped by her father and impregnated. A private organization learned about the girl, made arrangements to take her to the nearest abortion clinic 6 hours away to have an abortion. The night before Spring was to leave, her father discovered it. When Spring went to sleep that night, her father went into her room and shot her to death with a rifle.

These aren't isolated incidents. One study showed that 30 percent of the minors who had an abortion without telling their parents had previously experienced violence or threats of violence in their family. That is the real world. We should deal with the real world when we write these laws.

I think Senator ENSIGN understands changes have to be made to this bill. I hope we will make them. Let us all agree on this: We need to find ways to reduce the incidence of abortion. We need to find ways that are sensible and sensitive. Merely telling people you can't do it, you shouldn't do it, may not be enough. Education may be part of it as well. It is unfortunate the Senate has rejected the Lautenberg amendment which would have moved us closer to the point where that would have been available in some areas where good family planning information would have been available. It was rejected by the Senate.

Now we come before the Senate with this bill that is subject to amendment. We are hoping we can find a reasonable compromise on a very difficult and divisive issue.

Mrs. BOXER. Will the Senator yield for a question?

Mr. DURBIN. I am happy to yield.

Mrs. BOXER. I want to go back to the Lautenberg-Menendez amendment. It is extraordinary to me; when we try to talk about common ground on the issue of pregnancy prevention, doesn't my colleague believe one area we ought to all come together on, regardless of whether we call ourselves pro-choice or anti-choice, would be preventing pregnancies among teens?

Mr. DURBIN. That ought to be the starting point. Shouldn't we all agree on that? If we are going to reduce the incidence of abortion, one of the things we should do is make sure young people are aware of consequences. We should stress abstinence. The Lautenberg amendment put that as the highest priority. But then have family planning information available so young people know that there are ways to protect themselves. I think that was a reasonable starting point. We had a few from the other side of the aisle join us with that amendment but clearly not enough.

Mrs. BOXER. If my friend will further yield, is my friend aware there are 800,000 pregnancies among young women and that we could prevent these unwanted pregnancies and all of the attendant upset among families and that we had an opportunity to do that?

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. BOXER. I ask unanimous consent for 30 additional seconds and for Senator SANTORUM to have an additional 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Here we had a chance to do something to prevent these unintended pregnancies. This bill focuses on a small number of cases. It seems to me by two votes we lost that vote. It is an issue, wouldn't my friend say?

Mr. DURBIN. I would say we have to find very common ground on a divisive issue. That was a good starting point. Unfortunately, it did not prevail today. We will go on with this debate, but I hope those of us who look at this issue and worry over how to reduce the number of abortions can work to find some common bipartisan ground to help strengthen families and educate their children about the consequences of their actions, to promote abstinence but not to promote ignorance.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I rise in strong support of the Child Custody Protection Act. I congratulate the majority leader for scheduling time for this important piece of legislation, as well as Senator ENSIGN for the terrific work he is doing in managing the legislation as the author of the bill.

This is very important legislation. It has been described many times so I won't go into detail. What we are trying to do is protect children from being taken across State lines to avoid parental involvement laws. As a father of six children, two daughters, I believe parents should be involved in the health care decisions of minor children. I am not alone in that regard. The vast majority of Americans believe in parental consent laws when it comes to having abortion procedures done on minors, that parents should be involved in that decision.

The Senator from Illinois described situations that are certainly the exception rather than the rule. When those exceptions arise, in all of the States there is a judicial bypass. The Senator from Illinois described some pretty horrific circumstances of incest or rape. Here you have a situation where if we don't have this law, the rapist or the person who committed the incest against this minor child could take that child across State lines, never report it to the police, have the abortion done, and the parents never know about it. Nobody knows about it, and the child is back in the home and potentially in the same threatening environment the child was in in the first place. At least under our parental consent laws and with this statute, if we are successful, the court can get involved. We can remove that child from the dangerous situation.

I don't know why allowing someone surreptitiously to avoid state parental consent laws is a benefit to the child. If anything, it is the opposite. That is not a rational reason for objecting to this statute.

Again, I suggest the American public overwhelmingly feels the same way. Parents deserve and should have the ability to be consulted and notified or give consent, depending on the State, to a medical procedure as severe and serious as an abortion.

If you look at the poll question, do you agree or disagree that a person should be able to take a minor girl across State lines to obtain an abortion without her parents' knowledge—this isn't consent, it is just knowledge—15 percent agree, 15 percent agree with that statement that she should be able to be transported across State lines; 82 percent disagree. They said people should not be able to take a child across State lines without the knowledge of their parents. Seventy-five percent strongly disagree with the current state of the law which is you can transport children across State lines in order to circumvent state parental involvement laws.

In Pennsylvania, all of the surrounding states but the State of Ohio have weaker laws on parental involvement than the State of Pennsylvania. So a child in the northwestern part of our State can go up to New York or, in the eastern part of the State, New Jersey or Delaware or, in the southern part of our State, Maryland, West Virginia, all of which have laws that are not as favorable to parents and children as Pennsylvania with respect to consent.

This is, unfortunately, not a hypothetical for those of us in Pennsylvania. There are cases, unfortunate cases of children being taken by a boyfriend or his family members across State lines and the horrible consequences that result.

We also have abortion clinics from other States that advertise in Pennsylvania. There are a couple of ads I will put up on the board. This is northeastern Pennsylvania. Scranton is there, up near the New York border. Here in the Scranton Yellow Pages is the All Women's Health and Medical Services in White Plains, NY, a toll free number: "We are here if you need us." This is, again, advertising in White Plains, NY, which is not that close to Scranton. It is at least 50 miles away. And it talks about no consent, no waiting period. There is a parental consent provision in the Pennsylvania statute that was upheld as constitutional back in 1992. There is a 24-hour waiting period. Again, the clinic is advertising no consent, no waiting period, directly aimed at minors in Pennsylvania urging them to come and have abortions at their clinic across the State line.

Here is another one. This is at the other end of the State, the southern part of our State. This is the Yellow Pages in Lancaster. Atlantic Women's Medical Services, Inc., no parental consent, 16 years and older. The Pennsylvania law is 18 years of age. So if you are 16, 17, they require no consent; again, directly targeted at a State, encouraging women and others to bring young women across the State line for abortions. They advertise abortions to 24 weeks, the abortion pill, low fees, all trying to make sure these young girls know that abortions are available without consent.

This is not a hypothetical. This is direct marketing to minors, direct marketing in the Yellow Pages to minors who are desperate and, in many cases, afraid and feel alone. They are marketing to these vulnerable children to get them to not talk to their parents but to come and get an abortion out of State, against their State laws. This is, again, not just a hypothetical but a real-life situation. And which I will share a case.

We had a case in Lancaster, PA, which began on Christmas Eve, 2004. A 14-year-old told her mother she was pregnant. The parents were prepared to be supportive, to help that child in whatever decision she made and in scheduling appointments with doctors, counselors, and other programs that could help this child get through this very difficult situation. The daughter chose to have the baby and raise it with the love and support of her family.

But the boyfriend's family didn't like the young girl's decision and began to harass and coerce the girl and her family in order to intimidate her into getting an abortion. The mother called the local police for advice and even called an abortion clinic to see how old you needed to be to have an abortion in Pennsylvania because she was afraid that her daughter might be pressured toward an abortion. She was told the daughter needed to be 16 though that was actually incorrect because she needed to be 18 to have an abortion without consent. Therefore, her mother thought she was protected.

That wasn't the case. In mid-February, she sent her daughter off to school, but the daughter never made it there. Her boyfriend's family met her and her boyfriend down the road, put them in a cab and then on a train, and then a subway to New Jersey, where his family met them and took them to an abortion clinic where one of them had made an appointment. The young girl had second thoughts, but she was told they would leave her in New Jersey if she didn't undergo an abortion.

After the abortion, the family of the boyfriend, who may have been attempting to conceal the evidence of his statutory rape, drove her back to Pennsylvania. Again, this left the young woman completely unprotected with the state not being able to go after this young man and his family for taking her across state lines for an abortion. That is what it seems was behind the parents trying to get rid of this child. This is a situation which should not happen. We have State laws that protect children and parents and their rights to be able to nurture and help their children along the way.

This was a difficult circumstance, and as I said before, there are, unfortunately, others. We even have in the State of Pennsylvania organizations outside of these legal clinics that are trying to give advice and help to minor children on evading the parental consent laws. There is an organization called the Women's Law Project. It says here in their publication, "Is it legal for teen-aged women to cross State lines to get an abortion?" This is a document which is handed out and given to young women to help them avoid the State laws that are in place for parental consent. It says:

> Yes. However, the adult may risk a charge of interfering with the custody of a minor. Adults who are accompanying young women under 14 to out-of-State abortion providers should contact a lawyer for the Women's Law Project.

So if you are over 14 years of age, they assure you that you can go to an abortion clinic out of State. If you are under 14, your accompanying adult may have to call our lawyers to take care of the situation.

This is a real-world situation, a problem we are confronted with in this country. All we are trying to do is let the State laws, the collective wisdom of the people of Pennsylvania, have effect, have efficacy; that the laws which are put in place are there to protect children and the rights of parents. The only one that can stop others from getting around those protections and avoiding State laws is the Federal Government, by stopping the interstate transportation of these children for the purpose of abortion.

So this is a vitally important piece of legislation for the Commonwealth of Pennsylvania. This is one in which I am hopeful that 75 or 80 percent of the Senate will agree with when it is all said and done because it is vitally important, for the health of our children and for the stability of families, to give families and children this legal protection. That is what we are doing. That is what these States have done—given legal protection from further abuse of minors who find themselves in a situation where they are pregnant and under, obviously, a horrible situation in their lives. They need their parents. Where the parents are the problem or a threat to them, there is a judicial bypass. We have in place safeguards where parents are the problem, which, again, is a minority of situations. We do have protections in place.

Mr. DURBIN. Will the Senator yield for a question?

Mr. SANTORUM. Yes.

Mr. DURBIN. The bill creates a civil cause of action the parents can bring. Does the Senator from Pennsylvania believe that in one of those rare, tragic cases of incest and the father is the reason for the incest, he should be allowed to bring a civil cause of action against the person who has transported the victim?

Mr. SANTORUM. The Senator from Nevada has an amendment which is going to take care of that situation. I will defer to him, if he would like to answer that question on how the amendment would work to preclude that problem.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, to answer the Senator from Illinois, we are going to fix that. We realized we needed to fix that problem, and we have an amendment. The Senator addressed this, and that will be one of the amendments that is coming up.

I yield 10 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. BROWNBACK. Mr. President, I thank the Senator from Nevada, and I thank the leadership for bringing up this topic. It is commonsense and pro-family legislation. I hope we pass it in an overwhelming fashion through this body and that it arrives on the President's desk once we go through conference committee and get it back here and that it can become the law of the land.

The bill has been described in many different iterations. I believe people understand the concept of what is being put forward about involving the family. I believe this is a significant pro-parent, pro-child, pro-life piece of legislation. It is a bill that everybody knows is to help to preserve this role by making it illegal for somebody to take a child across State lines for an abortion, thereby circumventing parental rights laws in the State where the child resides. That is all well known. The issue I wish to deal with briefly, if I could, is the commonsense feature of this legislation.

Everybody has talked about the examples of how you cannot get an aspirin in school without the parents' permission. You virtually cannot do any medical procedure without the parents' permission, except an abortion. Everybody looks at that, and they are quizzical and wonder why there is this exception.

I wish to talk about the commonsense feature of this. Why is it that we don't give aspirin to children at school? Why is it that we require that parents are involved in the medical decisions of their children? The reason, I think—and most people look at it as common sense—is that there are consequences to this. If this happens, if the child has a response to the aspirin or if the child has some reaction to a minor surgery, the parent needs to be involved. Something might happen, so the parent needs to know. We need to take care of the child. The parents have the role of being entrusted with that child's life and working with that child and therefore needs to be actively engaged in knowing what is going on with the child.

We have held hearings in the Senate and in the House of Representatives, and many States have held hearings on the impact of abortion on women. There are groups that are formed about the impact of abortion on women, both physically and psychologically. We have had expert witnesses present and testimony about how abortion impacts and harms women physically and psychologically. There have been books written on this topic. Some people say: We don't think it has as big an impact as you say it has. Others say: I think it has a bigger impact. That debate can be taken, I suppose, to any medical procedure on a child.

The point of the issue is that we have the parents there to help them help the child, and they decide. That is who is making the decision. That is who is making the decision on whether the child gets minor medical care at the school. You want the parents involved. They are the guardians, the ones who are responsible.

Here is a situation where, clearly, you have a physical impact on the child. I believe clearly that you have a psychological impact on that child. I think that has been documented. Others question whether that has been fully documented. Clearly, on a number of women who have abortions, there is a psychological impact. Isn't it simply common sense that parents would be involved in such a monumental decision that is going to impact this child for the rest of their life and that parent would be involved in helping the child to process what is the wise decision, the right thing to do, the appropriate thing, what the options are and the sorts of things they can do? Particularly at a time when the child is going to have to process this in a difficult emotional situation, the parent needs to be involved and should be involved to give that wise counsel, prudent counsel, to the child involved in this particular circumstance.

Parents can and do help present all of the health facts to their children and help them make a prudent decision. That is just basic common sense. It is the right thing that we ought to do. Parents can help to spot abusive situations which might not otherwise be evident to the child. Without parental involvement, abortion can be forced upon a young woman by, in some cases, an abusive male figure in order to cover up a crime.

The role of parents in protecting children is essential. This cannot be delegated to any other person. Yet in this law, we even provide for the judicial bypass procedure. Especially when a daughter is facing an unintended pregnancy, parents need to be involved. We talk a lot on the Senate floor and have worked over the years to try to build more and stronger family units. One of the key ways to do that is to have the parents more involved in the decisionmaking of the child, particularly when health consequences are there. This is one on which that should take place.

When a child is undergoing this procedure, it does clearly terminate a young life growing in the mother's womb. That has an impact on the child psychologically, if in no other fashion. Parents need to be involved in helping to process how that is going to be handled for the child.

I believe this legislation is a step in the right direction. It would go some distance toward helping protect parents' rights and children's health. It would help integrate and build that relationship between the parent and child.

I urge my colleagues to pass this legislation. I hope, as a message to the country, we can pass it in a large bipartisan fashion and send a signal to people that this makes good sense. It is appropriate for us to do.

It is not simply that you are pro-life or you are pro-choice; therefore, we are going to split on those lines. Rather, we should look at this as parents, as we virtually all are on this floor, and saying as a parent, whether I am pro-life or pro-choice, I would want that sort of information for my child, and I would want to be able to have that information to process as a parent, and that I would say to my legislators I am one way or the other on the abortion debate, but as a parent I believe it is my duty to know this. This is my duty to be involved in this type of decisionmaking for my child.

I think that is why, while we have a lot of debate about the issue of abortion in the country, this is so strongly supported by people because so many people look at this outside the abortion debate, and they look at it much more as a parental debate, as to how they observe and they deal and they want to deal with this particular issue. I urge my colleagues to look at it that way as well. Take it out of the grid of the abortion debate and put it into the decisionmaking grid of a parent. I think if we do that, we will pass this in a strong bipartisan fashion.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from California is recognized.

Mrs. BOXER. Mr. President, I yield myself time off the bill. How many minutes is remaining on our side on the general debate on the bill?

The PRESIDING OFFICER. The Senator has 25 minutes remaining.

Mrs. BOXER. Mr. President, I have not yet had a chance to lay out my objections to this bill. I would like a chance to do that and, of course, those objections have just been elevated given the fact that by just two slim votes, we failed to adopt teen pregnancy prevention legislation, which is, of course, one of the most important issues we face in our society today. We have 800,000 young women whose pregnancies could have been prevented if they had such education.

Here we are dealing with a bill that seems to come back before the Senate every election for reasons that the other side can explain. Instead of tackling the issues of health care for our young people, insurance for our young people, pregnancy prevention for our young people, we are dealing with an issue that impacts just a few people. But so be it.

The good news is, we have had a debate on teen pregnancy prevention. The whole country got to see it, and they got to see where the votes lined up. It is pretty clear.

The other good news is that we had a debate on stem cell research, and we saw a very similar situation where we picked up a few votes on the other side but not enough votes. The President vetoed stem cell research. You want to talk about a health issue, you want to talk about helping the health of our young people who have juvenile diabetes or those who are paralyzed because of an accident; if you want to talk about helping people with Alzheimer's or Parkinson's. But oh no, the President vetoed that. Another four or five votes in this Chamber could have made the difference between having stem cell research and not. But now we are not going to have it.

Frankly, in my State, we took matters into our own hands, and Republicans and Democrats together voted for stem cell research, and we have a $3 billion program. This isn't a partisan issue in my State. But oh boy, it is a partisan issue here. It just shows how far to the right we have come in the national debate.

So instead of doing something to improve a lot of our people, we are looking at this small issue. We are looking at a bill that, as it is now drafted, protects incest predators. We are working on that, hoping to come to some joint approach that can stop that problem, or part of it anyway.

As drafted, this bill throws grandmothers in jail and violates our Constitution. I would say this bill has a problem.

Again, we tried to make it better, but even our amendments did not go far enough. We did not have an exception for rape. If a young girl gets raped and she runs to the most trusted adult she knows, perhaps her grandma, and her grandma takes her into her loving arms because she is too scared to go to her parents for whatever reason. We have situations and I will share those with you where girls were so fearful, so frightened, and with good reason, that they couldn't go to their parents. So they go to a loving grandmother. And guess what? Under this bill, the parents can sue the grandmother. Unbelievable. That is Big Brother all right. Talk about family values interfering straight in. It is unbelievable.

We tried to fix the thrust of this bill to add on a Teen Pregnancy Prevention Act. We couldn't do it.

So this bill, at the end of the day, focuses on a small number of young women crossing State lines with an adult to get an abortion and ignores 800,000 pregnancies which could have been prevented.

We had our chance. We had our chance, but, oh no, it is going to be about political correctness. It is going to be about rightwing ideology. Oh no, we can't do that.

This bill does nothing to increase communications between parents and teens. It does nothing to stop sexual predators. Most young women who become pregnant already turn to their parents for help.

This is a wonderful country. We have loving families, for the most part, loving open families who say to their kids, as I certainly did to mine, and my husband did: Anything you have on your mind, you just come to us. You feel free to tell us. That is how it should be.

When I was a child, my mother said I could tell her anything, and I did. I told her anything. She loved me unconditionally and helped me through whatever problem I might have had.

With my own children, I tried to emulate my mother. I hope and I think I did that. They are now grown. They take care of me.

But what about young people who don't have that warm feeling in their families? What about the millions of victims of violence and abuse? This bill, as it is drafted, hurts just those victims. It doesn't mean to. That is not the purpose of it. But we have found out in our lives that some bills have unintended consequences, and this one sure does.

As this bill is drafted, a father who commits incest and takes his daughter over a State line—we are trying to fix it, and we hope we can fix it—that father has rights under this bill. It is an outrage.

Nearly half of pregnant teens who have been abused or assaulted are found to be abused and assaulted by a family member. That is the sad truth. Thirty percent of minors who don't tell their parents have experienced violence in the home. In other words, they are too fearful to go to the home where they have suffered violence. They fear violence or they worry that, in a rage, their parents will kick them out if they tell them they have become pregnant.

Don't we want them to be safe and secure? Don't we want them to have help from a caring adult? I would hope so. But under this bill, a clergy member who really cares about the family could be sued by parents who abuse their children. A loving grandma or a loving aunt could be sued. Oh, there are no exceptions allowed.

Senator FEINSTEIN, unfortunately, is suffering from the flu and cannot be here today. She had an amendment—she cannot offer it—that would have exempted caring clergy and caring relatives. She couldn't be here.

This bill is so imperfect that I cannot begin to count the ways.

In my State, as I mentioned previously, parental notification laws have been voted down. In general, we all want to have adult consent. I believe it is important to help guide a young person through such a decision. But when we look at some of the unintended consequences of these bills and the fine print of these bills, we find that they are going to have the opposite effect of what we want. Instead of helping the minor, it puts her at risk.

We know some specific cases: A 12-year-old whose pediatrician discovered she was pregnant. It turned out the rapist was her stepfather and the mother wasn't living with the girl. The doctors recommended that her Aunt Vicki bring her to a specialist in a neighboring State. She was only 12 years old, the aunt said. It is bad enough to go through incest, but then to have a child from that incest. We should all agree that only the father should go to jail, not the caring relative, Aunt Vicki.

I know it is very difficult to talk about this topic, but some very sick people do rape. Fathers do rape, uncles do rape and even impregnate their daughters.

Look at these newspaper stories from around the country.

"An American Tragedy." This is from The Oregonian:

> A 13-year-old girl in Idaho whose father had impregnated her. . . . the morning she was supposed to have an abortion, her father, who admitted his guilt, walked into her room with a rifle . . . shot her in the head and then he shot himself.

How does this bill prevent that? This bill will frighten a girl, make her more alone because she can't go to a caring adult because a caring adult could be sued by a parent. So she is scared. She gets in a car. She drives over the State line by herself. She is all alone. The father finds out, grabs her. She has no protection. He shoots her, shoots himself.

What are we doing here? Why don't you look at what you are doing. Why don't you look at the practical impact of what you are doing?

Here is another: "Teen Accuses Father of Rape," The Journal News, Westchester County, NY.

> . . . man was arrested and charged with first degree rape of his teenage daughter. The man tried to force his daughter to take an unknown pill to cause a miscarriage because he believed she was pregnant.

This happens too often.

"Father Sentenced for Raping Daughters," Newark Advocate:

> Man convicted of raping his two daughters. . . . the girls were 13 and 17 at the time of the crimes.

"Man Charged with Incest is Arrested in North Carolina":

> Police said a father raped and impregnated his 16-year-old daughter and raped his stepdaughter who is mentally and physically disabled.

The way this bill has come to us from the committee protects the father. Senator ENSIGN and I are working hard—and I hope we can reach agreement—to solve the problems of this bill. But the way the bill passed the other body, they didn't pay any attention to this. Wonderful, we pass a bill that protects fathers who rape their daughter. It is basically a bill that, all of that incest aside, really will wind up in a young woman getting into a car on her own, frightened to death to tell her parents, and driving alone.

"Ordeal Ended/Dad's Arrest Ends Years of Rape for Teen," Newsday.

> For years, a convicted child sex offender used his Bronx home as a pornographic movie studio for sex videos of himself and his young daughter. The girl had tried at least once to alert someone—her mother . . . her mother took no action.

"Her mother took no action." As Senator ENSIGN and I try to reach an agreement on an incest amendment, let me be clear: We are not going to reach that mother. I, if I go along with this, am giving up a lot of my amendment. This is still an imperfect bill, and I will show you in a checklist my amendment versus the Ensign amendment and what we try to do in our amendment.

The Ensign amendment, as was originally proposed—we support it—stops a father who has raped his daughter from suing the trusted adult who helped his daughter end the resulting pregnancy. We applaud that amendment, and that amendment will hopefully be adopted.

But we don't stop with that because the Ensign amendment doesn't go far enough. We want to stop a father who has raped his daughter from exercising any parental consent rights. We want to stop all criminal prosecution or jail time for a trusted adult who helps a victim of incest.

Imagine under this bill a child goes running to a nextdoor neighbor whom she loves, a kind of an aunt to her, and she says: Please help me, please help me. I am pregnant. My father raped me. I can't go in that house. I can't tell my mother. My mother won't believe me. The nextdoor neighbor helps her. Under this bill the mother and the father can sue. We have to fix that. We are not going to fix it today. We can't reach all of what I am trying to do because I can't get agreement on the other side. It is still going to be an awful problem.

We also stop a father who has raped his daughter, or any other family member who has committed incest against a minor, from transporting her across State lines to obtain an abortion.

We don't want these perpetrators of incest to take their victims across the State line. We are working hard under the parameters of this bill to address the issue of incest.

At the end of the day, if our negotiations go well, we will have taken care of two of the five Boxer provisions. Will I be happy that these three provisions are not taken care of? No. I am not happy. It is outrageous that we can't get it all done. So be it. Let the people judge. But we will do as much as we can to improve this bill.

This bill as written protects the rights of brutal fathers. There are not many out there, but there are some.

There is only one thing that we can do to make matters worse than parental consent: that is giving these sexual predators more power over their children to keep on perpetrating these acts and then saying they know how to handle it. They can handle it. Just take a child in the car and go.

The bill as written actually forces some young incest victims to get permission from their rapist fathers to get an abortion. Can you imagine? We have to fix that. And it allows the predator fathers to take their daughters across State lines.

We are trying hard to reach an agreement to take care of this problem. I am grateful that we may get two-fifths of the way there on my amendment.

I will work hard if this bill becomes law to fix this bill. I will introduce legislation to fix this bill. I will also prepare legislation that goes further than this and says if someone is a victim of rape and they are fearful of telling their parents, that parent, adult, or grandma can't be sued.

We really have a long way to go. This bill has many problems. It sends a message to young girls: Go it alone. Avoid all of this. Get in your car and go it alone. Don't take anyone with you. If you get in trouble at your moment of need, this bill says go it alone. She can go across the State line on her own. This bill doesn't do anything about it—only if she has a parent with her to help her.

I believe this bill is unconstitutional. The Supreme Court has been clear that abortion restrictions must not impose an undue burden on women, and they must include a health exception. There is no health exception in this bill. If a doctor takes a girl across State lines because he worries about her health, and if she doesn't get an abortion right away and faces paralysis or faces infertility, there is no exception in this bill. The doctor can be sued.

What kind of message are we sending to young women? Go it alone. What kind of message are we sending to fathers who commit incest or mothers who turn a blind eye to it? Oh, don't worry. You are protected. Maybe Boxer will get two of her provisions, but we are not going to give you the five. I thought it was one nation under God, indivisible.

I didn't think when we cross over State lines we are going to have the pregnancy police look in our cars. This is unconstitutional. You don't have to carry the laws of your own State on your back. If you go through another State and there is a speed limit that is different than the one you live in, you obey the laws of the State you are in. That is the law you carry on your back, not the State you left. No one could go gambling in Nevada if we said: If you live in Tennessee and no gambling is allowed, you can't go gamble in Nevada because you will be arrested by the police at the border.

There are different criminal acts and different penalties in different States. Some have tough laws. We know that. States have rights

We find it interesting how someone only supports the States when they agree with them. But if they don't agree with that State's law, then they try to force another State's law onto the State with which they disagree. I don't know of any other law in history, with the exception of the Fugitive Slave Act, that has required citizens to carry the laws of their own State on their backs. That was back in the days of slavery. If you ran away to another State, you were still stolen property until the court said no.

If you look at the constitutionality issue, if you look at the fact that victims of rape are left in deep trouble, as are victims of incest, if you look at the fact that good, kind, loving people like grandmas and grandfathers could go to jail for helping their granddaughter—no matter how you look at this bill, I believe you should come to the conclusion that this bill has major problems.

Parental consent—you know something, Senator ENSIGN is right. People support the idea that a parent should be contacted by their child and talked to when a child has an unintended pregnancy. We want that so much. I want that so much.

I also want kids to know they could talk to their grandma, they could talk to their grandpa, they could talk to their clergy, they could get help when they need it.

I don't believe the American people support throwing grandma in jail because she embraced her granddaughter and said: My God, I am worried that your parents, your dad might hurt you if you tell the truth. She throws her arms around the granddaughter and protects her and helps her through a crisis.

I believe stopping an abortion is worth preventing a teen from having a lifetime of paralysis, infertility, or worse, and yet there is no health exception in this bill. I think people want us to stop using this issue as a political football.

I know who brought this up. It is brought up by the other side of the aisle every time we have an election.

I hope we can join hands to stop teen pregnancies. We had a chance to do it. But no, we had a vote and we lost that vote. It is unreal. We got a couple of Republicans, but not enough.

I hope the American people are watching this debate. If our goal is to help our young people—and that is the stated goal—there are a lot of ways we could help rather than scaring them to death and making them go it alone in a desperate situation, making criminals of their grandmas and their grandpas and their clergy.

I am sad that the Teen Pregnancy Prevention Act didn't pass as part of this bill. It would have made this bill better. I am glad that we are going to have some coming together on the incest amendment, although as I said, it is only going to take care of two of the five problems we have relating to the bill. But at least we are making a bit of progress.

The bill, to me, is blatantly unconstitutional. It violates our core principles of federalism. It puts caring adults in jail and endangers the health and lives of our most vulnerable teens. On that basis it ought to be defeated.

I believe this bill will pass. I also believe our incest amendment will pass. I think that is important. We should have two votes on that. I think it is important to have those recorded votes so that the message goes to the House that their bill blatantly helps the predators. I call it the "Incest Predators Protection Act." Thank you very much. I know my time is up. I yield the remainder of my time at this time.

Mr. ENSIGN. Mr. President, I yield 15 minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. THUNE. Mr. President, I thank the Senator from Nevada, Mr. ENSIGN, for his leadership on this issue and for yielding time and for bringing this important matter before the Senate.

My colleague from California mentioned that this is an election year ploy. But I think the last time this was voted on in the Senate was in 1998. That was a cloture vote. I don't know that there has ever been an up-or-down vote in the Senate. It has been voted on in the House.

I think most people see this particular provision as something that is a commonsense approach to this issue. Obviously, there are a lot of labels that are thrown around in this very contentious debate in our country. But when it comes to this particular issue, the courts have laid out some parameters under which States can operate when it comes to statutes that they adopted that impose conditions and restrictions on abortion. The undue burden requirement that came out of the Planned Parenthood v. Casey decision many years ago created this scenario where if there is not an undue burden, that statutes enacted by States can impose restrictions. And many States have done that.

One that many States have adopted is the issue of parental consent or parental notification. In fact, there are about 37 States to date that have adopted in some fashion that particular legislation. Thirty-seven States have enacted statutes imposing legal obligations on pregnant minors to notify or gain the consent of their parents before getting an abortion. S. 403, which we are debating today, does not supercede or otherwise alter any of those laws, nor does it impose any parental notice or consent requirement on any State. These are States that adopted these laws. The bill would only give effect to a State's parental involvement law if that law is constitutional. Therefore, any State parental consent law given effect under this bill must contain a judicial bypass provision which allows the minor girl to petition a judge to waive the parental notification requirement.

Just to give you an example of States that have enacted these types of laws, my State of South Dakota, for example, requires that a minor under the age of 18 have the consent of one parent or judicial bypass to obtain an abortion. States in my region and neighboring States such as North Dakota, require the same thing, only it requires two parents' consent or judicial bypass. Nebraska requires essentially the consent of one parent or judicial bypass. Iowa requires that a minor must have the consent of one parent or grandparent or judicial bypass. Wyoming requires that a minor under the age of a eighteen must have the consent of one parent or judicial bypass. In Minnesota you must have the consent of two parents or judicial bypass. Montana, again, one parent or judicial bypass.

My point very simply is that the States and State legislatures have found, within their purview, ways that are constitutional to address what is a very gripping issue for the country, one that has created a great deal, obviously, of debate for the past 30 some years, and I suspect will continue to be debated not only here in legislative bodies but in front of the courts.

The courts have laid out a framework, a set of parameters. States have acted accordingly. All this simply does is reinforce those State laws and allow parents to be involved in probably what, without argument, has to be one of the most consequential decisions a teenager will ever make. As a parent of two teenage daughters, we talk about everything. We talk about where our children want to go to college. I have a teenager who is starting college this year. We talk about who they hang out with on a regular basis. We talk about what they wear, obviously, their apparel. We talk about who they date. We talk about who they associate with, all the decisions that they make in their lives on a daily basis. We try to stay very involved and engaged in their lives, for obvious reasons, because that is important as a parent.

I have a 16-year-old who will be a junior in high school. Ironically, in 27 States in this country, my 16-year-old can't get a tattoo without the permission of a parent. In 27 States, my 16-year-old cannot get her body pierced without permission of a parent. Yet we would allow what, arguably, would be the most consequential decision that child could ever make to go without consultation with a parent. It seems to me that common sense dictates, and I think most people around this country would agree, whatever side of this issue they find themselves on, this is a very common sense way to proceed. Allowing someone to essentially bypass a parent and take a minor, a teenager, across the State line to have an abortion is something that crosses not only State lines but crosses the lines of what most Americans would concede makes common sense when it comes to the way we raise our children and the kind of culture we want to have in our country.

I have to say I sure as heck as a parent would not want some other person taking one of my daughters somewhere to have this procedure when the emotional, the health, the medical ramifications of that decision could be so consequential in terms of my daughters, or any daughter, any teenager or any minor's future. I cannot imagine that this does not meet the common sense threshold, the test that most Americans would apply—again, irrespective of what side they find themselves on this particular issue.

If you look at this bill, and ultimately what it is designed to do, there are several things that would happen. I believe, if this act passed, it would substantially cut down on the number of minors who obtain abortions. It has been shown that parental involvement laws can decrease abortions among minors by 8 to 9 percent. Furthermore, Senate bill 403 will likely magnify that effect since minors often cross State lines to evade their home State laws. The bill does not infringe on States' rights. It merely gives teeth to existing State laws. In fact, the Federal Government will prosecute individuals in violation of this act. Senate bill 403 does not mandate individual States to enforce laws which they have not passed.

Additionally, this legislation does not criminalize doctors or the young women who obtain abortions. It prosecutes only those who take minors across State lines in an effort to evade parental involvement laws. In States that do not have parental notification laws, nearly 40 percent of minors keep their pregnancies secret. Since abortion is a major surgical operation, I believe parents need to know if their daughters undergo an abortion so they will be able to help them with any potential complications, including both the physical, emotional, and mental complications that can arise from the procedure. In cases where this would be inappropriate because of an abusive relationship, the judicial bypass is still an option.

Senate bill 403 will help parents keep their daughters out of inappropriate and/or predatory relationships. The American Academy of Pediatrics Committee on Adolescents estimates that almost two-thirds of adolescent mothers have partners over the age of 20. Additionally, in 58 percent of cases where a daughter does not notify her parents of her pregnancy, her boyfriend is the one who accompanies her for the abortion.

Combining those two statistics suggests a substantial number of abortions are obtained in an attempt to avoid statutory rape laws. Underage children cannot obtain an aspirin at school without parental consent, but nothing prevents a minor from being transported from her current State where parental consent is required to another State where she can legally obtain an abortion without any parental consent. That is what this legislation intends to correct. Abortion clinics in States where there are no parental consent laws actually advertise in States requiring parental consent by using "no parental consent required" ads.

This legislation is not unreasonable. As I said earlier, 27 States require a minor, a person under the age of 18 today, to obtain parental consent to get a tattoo. Essentially, 27 States also require minors, persons under the age of 18, to get parental consent to get piercings, including ear piercings.

It seems to me, again, as a parent of two teenage daughters, as well as someone who is observing the debate we have in this country over this particular issue, this is a reasonable, commonsense approach, a measure that has been discussed and debated, the constitutionality of it addressed.

My colleague from California, Senator BOXER, said this is unconstitutional. As I said before, the courts have said as long as it does not impose an undue burden, these types of restrictions fit within the parameters of what is constitutional. Furthermore, under the Commerce Clause, the way this particular bill is worded fits within that constitutional framework. I don't think that is a valid argument.

One of the arguments that was made, as well, by my colleague from California had to do with the issue of incest. A judge found Arizona Planned Parenthood negligent for failing to report to Child Protective Services an abortion performed on a 13-year-old girl in foster care. This girl's case dates back to 1998 when she went in for an abortion at a Planned Parenthood abortion facility accompanied by her 23-year-old foster brother with whom she was having a sexual relationship. Planned Parenthood did not notify authorities until the girl returned 6 months later for a second abortion, according to court records.

There are lots of examples that can be used, obviously, to support what this legislation attempts to accomplish. As I said before, this issue has not been debated in the Senate for some time, although I will say it has been acted on by the Congress—not in the Senate but by the House of Representatives. The House earlier this year passed this bill by 270 to 157 or something like that, and had voted in 1998, 1999, and 2002. I was a Member of the House during those years and in every case this legislation passed the House and passed it by very sizable margins.

It would make sense that the House, having acted on it this year, having gotten approximately 270 votes in support, that we have a debate in the Senate and have an up-or-down vote on this legislation which, as I said earlier, I believe is a reasonable, commonsense approach to dealing with what is a very controversial, contentious issue in the country today.

Most Americans would agree that parental notification, parental consent, allowing parents to have involvement, input, consultation, with a teenager who was pregnant and is considering having an abortion, rather than having that teenager taken across State lines in a way that contradicts the will of the parents, makes a lot of sense. Again, it is an affirmation of parental involvement, parental rights, an affirmation of States rights, for that matter, too, if you look at all the States that have enacted laws. Thirty-seven States have enacted, in some form, this kind of requirement. Whether it is notification of one parent and judicial bypass or two parents and judicial bypass, but, clearly, there is precedent with all the States that have taken steps. This does not circumvent in any way those State laws. It simply affirms those laws in many respects because the States that have acted in a way that would require this kind of a notification, this kind of consent, this kind of involvement on a parental level.

Right now, people who are going around that requirement and going across State lines to have abortion procedures are getting around State laws. This is simply a way of drawing parents into the debate and making sure that, regarding teen abortions in this country, the States have acted accordingly and have adopted statues that require some kind of consent, notification, consultation, that those laws are respected, and, again, that parents' rights are asserted in this process.

I simply add, in closing, my State of South Dakota has this kind of law on the books. This is something a vast majority of South Dakotans would be very supportive of. As someone who is raising teenage daughters, who on a daily basis is conferring and consulting and discussing the decisions they make, the day-to-day decisions they make, I cannot imagine, for the life of me, not having some input, some opportunity to weigh in on an issue of this consequence, that would have the kind of long-term effects—health and emotional effects—on a young girl.

This is about the health of our young girls. It is about the rights of parents. It is about States that have acted in accordance with what the courts have given them authority to do and making sure we are standing behind those States and making sure their laws are enforced.

I hope when we vote on this—and, again, I appreciate the Senator from Nevada for his leadership on this issue—we will get a big vote in the Senate. It is the right vote. It has been a lot of years—8 years. 1998 was the last time we had this debate in the Senate. At that time, we got to a cloture vote, but we did not have an up-or-down vote on the underlying bill.

The substance of this bill needs to be voted on. I hope it will be voted on today, that it will be a big vote coming out of the Senate, and we can put this on the President's desk and have it signed into law, which I believe is what a vast majority, I know a vast majority of South Dakotans would believe, and I believe also a vast majority of Americans.

I yield back the remainder of my time.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mrs. FEINSTEIN. Mr. President, I rise today to oppose the Child Custody Protection Act, which imposes criminal penalties on those who help transport a minor across State lines to obtain an abortion if she does not first meet the parental involvement requirements of her home State.

My primary concern with this legislation is that it unnecessarily puts minors' health and well-being in danger. In addition, the language is so broadly written that it has the effect of harshly punishing those adult family members and loved ones who try to help a young woman in a time of need.

In addition to criminalizing the actions intended to assist a young woman with a difficult decision, this bill would create a new civil action where parents can file a lawsuit against the individual assisting the minor this means relatives, teachers, other trusted adults as well as potentially the doctor, nurse or clinic staff all could face civil court action.

As a mother and a grandmother, I would argue that, in a perfect world, young women and their parents should communicate openly about all major decisions, including whether to terminate a pregnancy. And, in fact, many young women do involve a parent in these decisions. However, the reality is that not all young women live in a household where they can turn to their parents. Some young women face physical, sexual or emotional abuse from their parents; some families do not have open, supporting relationships. For these young women, they may be more comfortable confiding in an older sister, aunt, or a grandparent. Yet this bill would turn these trusted relatives into criminals if they helped her seek an abortion. An unplanned pregnancy is upsetting at any age, and this legislation would deprive young women of support when they most need it.

First and foremost, this bill flies in the face of accepted legal precedent. While it reflects a great deal of concern for potential harms and the violation of parents' rights, it ignores the legal rights of young women to choose safe medical care that protects their health.

The legislation lacks an essential, constitutionally required exception in cases where the restriction it places on the ability of a young woman to get an abortion endangers her health. I am very concerned that once again language is being proposed that would omit this essential protection for women and girls.

The bill provides some limited exceptions to its criminal and civil liability by allowing a sister, aunt, grandmother, or friend to help a girl cross a State border to get an abortion if her life was in danger. But it does not protect actions taken if her health was in danger.

First of all, the Supreme Court has repeatedly affirmed that there must be protection for both the life and health of the mother.

The Supreme Court has ruled time and again from Doe v. Bolton, 1973, to Planned Parenthood v. Casey, 1992, to Stenberg v. Carhart, 2000, that any law restricting access to abortion must contain an exception to protect a woman's health.

Most recently, three Federal courts in California, New York, and Nebraska declared the partial birth abortion ban, which was passed by Congress and signed into law in 2003, unconstitutional and permanently enjoined its enforcement.

All three courts concluded that the law was unconstitutional because it lacked an exception to protect a woman's health.

This measure before the Senate today ignores these precedents and demonstrates a complete disregard for the health of young women.

Secondly, in addition to being unconstitutional, this is bad public policy. If a girl turns to her sister to ask for help because she is having complications with a hidden pregnancy how are either of them going to know whether the complication is life threatening or not? Do we really want to create a situation where a girl's sister, aunt, grandmother or friend has to step into the shoes of a doctor and determine whether complications with a pregnancy are life threatening or face criminal and civil charges for helping her? This could occur even if the girl wants to continue her pregnancy but because of health complications cannot.

Does Congress really want to say it is the best public policy to have young women and girls who are in traumatic situations not get medical assistance because it could result in an abortion for a non-life-threatening complication?

Let's be clear, that is the impact of this legislation. I believe it is unconstitutional and bad public policy. A pregnant minor who feels she cannot confide in a parent is already left with few options.

She can seek a judicial bypass. But few young women have the tools to navigate our complex legal system. The legal system is very difficult for the average adult to manage let alone a minor in an extremely difficult and vulnerable position. In addition, the legal system has demands that further restrict a girl's access: for instance, court hours are usually 9 to 5, requiring a young woman to miss school in order to appear in court. And many girls are reluctant to discuss such a personal decision that could involve traumatic experiences with a judge.

She may delay her decision. However, an abortion that occurs later in her pregnancy will be more dangerous and complicated than one that occurs in the early stages of her pregnancy. She may opt to travel out of State, alone, undergoing a medical procedure with no family or friends there to support her.

She may seek a dangerous and illegal abortion. A pregnant minor who cannot safely tell a parent about her situation faces enough obstacles. We do not need to criminalize well-intentioned assistance provided to her.

I am also concerned that it is not only the young women making a deliberate choice not to tell a parent of an abortion who would suffer under this bill. Access to abortion is declining in this country, for women of all ages. Eighty-seven percent of counties no longer have a doctor who will perform an abortion. For many women, the most convenient provider is across State lines.

An older sister or aunt accompanying a minor to the nearest provider may unwittingly become a criminal. Even if neither woman intended to evade parental consent laws, this act of family support would be criminalized. A grandmother or sister could have no idea that she is violating a Federal law when she helps a family member access legal medical care.

But proponents of this legislation would like you to believe that this debate is not about young women who can no longer find a doctor who will provide full services in their home State. To them, this is not about the young women who, for whatever reason, need to look beyond a parent for adult support.

While supporters of this bill are correctly horrified by stories of girls kidnapped by older boyfriends and forced into having abortions they did not want, this legislation does not create a limited solution to fix that problem. In fact, in many cases the actions in these circumstances are already illegal. Laws prohibit kidnapping. Laws prohibit statutory rape. Medical ethics require that physicians obtain informed consent from the patient before performing any medical procedure. People who violate these laws can already be prosecuted. I welcome a debate on policies that will crack down further on sexual predators who abuse young women.

If there is a problem that current laws are not being enforced, then let's address that; if there is a problem that these laws are not strong enough, then let's address that, but let's not criminalize behavior of a loving family member, friend, or confidant who is trying to help a young girl in a traumatic time in her life.

This bill is not about protecting vulnerable young women from crime. It is about limiting their access to a constitutionally protected medical procedure. This legislation does reflect a great deal of concern for potential harms and the violation of rights—of parents.

Under this proposal, a parent has legal recourse if his or her supposed "right" to stop their daughter's abortion is violated. Parents can sue to collect damages.

This bill, in fact, could create a situation in which a mother sues a grandmother for helping her granddaughter exercise her right to choose. Yet it leaves a young woman with no recourse for the violation of their right to seek and receive safe medical care of her choice.

This legislation also runs counter to basic notions of federalism, linking a young woman to the law of her home State no matter where she may be living. No other State laws follow her to college or summer camp.

In this country, State laws do not extend beyond State borders. When residents from my home State of California travel to Nevada for vacations, they are allowed to play the slot machines, even though gambling is illegal at home. There is no reason why laws should reach across State lines to restrict access to a safe and legal medical procedure.

I wish this were a perfect world. I wish we could legislate that every child has a loving and stable parent to guide him or her through the trials of adolescence. I wish we could legislate that every family talk openly and honestly about the risks of sexual activity.

But we cannot. Parental consent laws do not create these idealized families. Instead, they further burden those that are already troubled. A young woman facing an unplanned pregnancy in an unstable situation must be able to turn to another trusted adult—without the fear of subjecting the adult to Federal criminal liability.

The very fact that we are having this debate is a clear demonstration of the leadership's misplaced priorities. They claim this is a women's health issue, a family values issue.

We have only a few legislative days remaining this year. There are so many other problems we should be addressing.

We should be debating ways to prevent these difficult situations from arising in the first place. We should be discussing policies that promote honest information about reproductive health and ready access to contraceptives. No teen should face an unplanned pregnancy. Those that do must not face it alone.

I urge my colleagues to join me in opposing this bill that endangers young women's health and turns their relatives into criminals.●

Mr. KERRY. Mr. President, today the Senate considered legislation that proponents claim will reduce the number of abortions. But in reality everyone knows this legislation will do little to lower the number of abortions, and it will do even less to protect the role of parents in our society. In a move that is all too typical of the coarsening partisanship of this city and of this Congress, instead of bringing before the Senate legislation that could actually reduce the number of abortions, the Senate Republican leader decided to just check another on the Republican "To Do" list before election day this November.

It is sad that the Senate has missed this opportunity to enact legislation to reduce teen pregnancy. Every Senator agrees that we should do more to reduce incidences of teen pregnancy. And yet the bill debated in the Senate today is little more than a political stunt that will do little to reduce the number of abortions.

This is not the first time we have faced legislation like this which reflects a political calculus, not a policy consideration. In 1998, just prior to that year's election, the Republican leadership brought forward a similar bill. I opposed that legislation as well, as it failed to take meaningful steps towards reducing abortions and because it threatened to endanger victims of rape, incest, or abusive family situations.

If the Senate Republican leadership were really serious about reducing the number of abortions among young women, they'd get serious about efforts to prevent unwanted pregnancies in the first place. Research shows that reducing unintended pregnancies significantly reduces the rate of abortion. And the good news is that we know what works to prevent unwanted pregnancies in the first place. In fact, the amendment offered by Senators LAUTENBERG and MENENDEZ earlier today, which I cosponsored, would take meaningful steps to reduce teen pregnancy. Communities need to provide education for our children so they understand the serious consequences of their decisions; we need to support effective, existing after-school programs that provide academic enrichment for at-risk kids; and we need to invest in new efforts to help reduce teen pregnancy.

If the Senate leadership were really serious about reducing the number of abortions, they would get serious about providing support for foster care and adoption. Instead, last year this Congress limited the number of children eligible for foster care and reduced funding for state foster care systems. What kind of family values does that represent?

If the Senate leadership were really serious about reducing the number of abortions, we would address the problems that working families face in raising their children. We would increase the minimum wage and extend the earned income tax credit so that the decision whether to have an abortion is not based on whether there is enough money to support the child.

This is where we should be focusing our energy—on providing families with the tools they need to raise a family; on providing mothers with the care they need to carry out their pregnancies, and on educating our teens about the consequences of their actions.

But then again, the Child Custody Protection Act isn't intended to reduce teen pregnancies. In fact, it accomplishes very little except to risk taking a very young victim of rape or incest—a victim of an abusive family situation—someone who is just plain scared—and putting someone they turn to at risk of criminal prosecution, jail time and fines if they decide to help a minor with one of the most painful decisions a person could be asked to make. It targets the most vulnerable minors—those needing the most help because of poor family relations or even serious abuse—and makes it more difficult for them to receive critical advice and support.

Is it right to punish a victim of incest by forcing her to get consent from the very person who impregnated her? What rational person wouldn't agree that she has been victimized enough already? Is it really smart, or fair, or right to punish and remove the caring adult who a young woman in this situation is relying on to get her through such an ordeal? Is it right to consider sending a grandparent, a clergy member, a doctor, or a counselor to prison if a terrified young woman has nowhere else to turn?

This discussion isn't about most families. If one of my daughters were in a terrible situation, I believe they could and would turn to me or to their late mother. I know they could. I think every one of us in the Senate know our children would turn to us in a time of desperation. That is how we raised our kids. Ideally all young women facing an unplanned pregnancy will turn to their parents for guidance when faced with this kind of decision. And in most cases they do. In fact, one study found that the overwhelming majority of parents in states without mandatory parental involvement laws knew of their child's pregnancy. But 30 percent of young women who did not tell their parents about their decision did so out of fear of violence in the family or fear of being forced to leave home. What does that tell you about these situations? It tells you this bill does not address the real-life tragic situations in which awful decisions are being made.

This bill is not the way we should be addressing the problem of unwanted pregnancies. We should not be criminalizing grandparents or clergy or doctors who try to help young women in horrible situations. We should not be criminalizing that small percentage of people willing to accompany a minor-in-need to obtain an otherwise legal abortion.

Here's the bottom line: If this bill had simply made exceptions for young women in abusive situations—like rape, or incest—and ensured that children who were endangered if they turned to their parents would have a responsible, caring adult to turn to, I would have voted for it. And I guarantee so would all of my colleagues. Mr. President, 100 to 0, that's the kind of statement we could have made—but that kind of unity was sacrificed on the altar of Republican wedge-issue politics.

Of course, parents should be fully involved in all decisions regarding their children, but refusing to take into account possible family dysfunction, including abuse or incest, would be both unconstitutional and unacceptable. It would be dangerous. It would be anything but pro-life. Not every child is lucky enough to have a supportive family, and I can't imagine that any person would fail to understand that it just doesn't make sense for a 16-year-old who has been raped or abused by a parent to get consent from that abuser. There must be a way to bring a supportive and nurturing adult into that difficult decision. This bill forecloses that possibility.

Mr. CORNYN. Mr. President, just last week the Senate unanimously approved landmark legislation that will help protect American children from violent sexual predators and other such criminals who would do them harm.

I proudly cosponsored and worked to strengthen that bill—The Adam Walsh Child Protection and Safety Act of 2006 because the States needed, and asked for, the Federal Government's help to detect and deter violent sexual predators. The nationwide sex offender database and registration requirements are critical components that help prevent violent sexual predators from slipping underground and out of sight. Indeed, the Senate's passage of the Adam Walsh Act was a banner day for the safety of our children.

And today, Mr. President, the Senate will consider another important measure to protect the health and safety of American children—in particular, female minors. I am referring, of course, to S. 403, the Child Custody Protection Act. I am proud to join Senator ENSIGN and a bipartisan group of over 40 Senators that have cosponsored this legislation.

This long-overdue proposal amends the Federal Criminal Code to prohibit the transportation of a minor across State lines—without parental consent or notification—in order to obtain an abortion. To date, at least 37 States have laws on the books that require a minor girl who wishes to have an abortion to notify or obtain the consent of her parents. But let's be clear: this bill neither establishes a Federal parental consent law, nor supersedes existing State laws. It merely reinforces the prerogatives of those States that have enacted parental notification and consent laws.

So the question before the Senate today is a straightforward one: Should Congress safeguard the legislative choice made by those States that have chosen to preserve the role of parents and guardians in the health and medical decisions of their children—particularly, their minor daughters? I believe that we must safeguard State prerogatives by protecting parental rights.

If a State has on its books a constitutionally sound parental notification or consent law, parents in that State should not have to fear that their minor daughters can legally be driven into a neighboring State to receive an abortion.

This is not a hypothetical concern. The New York Times reported that "Planned Parenthood in Philadelphia [Pennsylvania has a parental consent law] has a list of clinics, from New York to Baltimore, to which they will refer teenagers, according to the organization's executive director . . . ."

Even more disturbing, there is evidence that abortion clinics in States bordering Pennsylvania—States that don't have parental involvement laws—will advertise the lack of such requirements and use it as a selling point in their advertisements directed at minors in Pennsylvania.

I also worry that interstate transportation of minors to have abortions may be used to conceal criminal activity—like statutory rape. I, for one, believe that we ought to make it a Federal crime for an adult male who impregnates a young girl to transport her out of her home State—without the knowledge and consent of her parents—in order to have an abortion. That is just common sense.

Mr. President, this legislation is not about abortion rights. It is about protecting the health and safety of children and preserving the role of parents in decisions concerning their child's medical care.

I urge my colleagues to support this bill.

Mr. KYL. Mr. President, as a cosponsor of the Child Custody Protection Act, I am pleased to see that this legislation is finally being considered and hopeful that it will be passed quickly.

S. 403 makes subject to fines or imprisonment up to 1 year anyone who "knowingly transports a minor across a State line, with the intent that such minor obtain an abortion, and thereby in fact abridges the right of a parent under a law requiring parental involvement in a minor's abortion decision, in force in the State where the minor resides."

The provision I cite is an admirably clear piece of legislative language. It not only makes a salutary change in existing law; it provides an convincing explanation as to why it is needed.

Notwithstanding the abortion debate's notoriously divisive character, parental involvement statutes constitute an area of near-consensus around which pro-life and pro-choice Americans can come together.

Forty-five States—including my own—have enacted statutes aimed at ensuring that parents of minor girls are not deprived of the opportunity involved in this most sensitive decision, one with profound implications for their daughters' physical and mental health.

Public opinion polls demonstrate overwhelming support for the proposition that in all but the most extraordinary circumstances—in which instances, the State statutes in question provide for a judicial bypass—parents must be involved in decisions affecting the health of their minor children.

Unfortunately, the public record now provides ample evidence suggesting that these laws are frequently circumvented—often by individuals who by facilitating an abortion may be covering up evidence of a crime: statutory rape.

When abortionists buy advertisements in the yellow pages directories serving communities in neighboring States with parental involvement statutes, and when they adorn the ads with helpful reminders that their services can be obtained without parental consent, both the authority of State lawmakers and the sanctity of the parent-child bond are mocked.

As a father and grandfather, I believe it is vital that the Senate today draw a line against this egregious manifestation of the abortion culture. Colleagues who support a liberal abortion regime but claim that they want the practice to be rare should welcome this opportunity to support a unifying commonsense measure that helps give effect to public policies embraced by legislators of both parties in the States.

Mr. NELSON of Florida. Mr. President, I will vote in favor of the Child Custody Protection Act.

I support the Florida law which was enacted after voters approved an amendment to the Florida Constitution. The law requires that Florida parents must be notified prior to their minor child obtaining an abortion, and it provides that a judge can grant an exception.

This act will help ensure that minors in Florida consult with their parents before obtaining an abortion in another State, while also preserving the ability of minors to seek a judicial waiver when that notice is not in the best interest of the minor.

The ultimate goal must be to prevent teen pregnancy so that none of our children find themselves in these difficult situations, and thus I also supported the amendment to provide Federal grants for programs that educate minors on the use of contraceptives and abstinence.

Mr. BYRD. Mr. President, it has always been my firm belief that minors should be required to notify their parents prior to seeking an abortion. I cannot help but believe that in nearly every case, young women do themselves, their babies, and their families well to seek guidance from their parents or legal guardians before making such a serious decision. Most parents honestly do have their daughters' best interests at heart. Consequently, how can parents not be informed when their children are confronted with making one of the most critical decisions of their lives, one which carries with it such extraordinary, expensive, and irretrievable consequences?

I have a long history of support for parental notification in such difficult circumstances. In 1991, I supported legislation that would have required entities receiving grants under Title X of the Public Health Service Act to provide parental notification in the case of minor patients seeking abortions.

While I support parental notification, I would also observe that we, as a nation, must work harder and do more to ensure that young women understand the consequences of unwanted pregnancy before they find themselves in such a predicament. We need to return to a time when abstinence was respected, not denigrated. A time when young men and women were praised and rewarded spiritually, emotionally, and financially—for doing the right thing.

Today, little girls are encouraged to become sexual at younger and younger ages by a consumer society that cares more about what it can sell than what it can teach. The entertainment culture, with its "sleaze" does all Americans, and particularly young women, a despicable disservice. Repulsive lyrics and morally offensive videos degrade women to the point where little girls as young as 10 or 12 years of age come to believe that their only real value lies not in themselves but in bearing the child of a teen-aged boy. How truly sad.

We all recognize that the family is, and has been, in crisis. We would all like to see a reduction in unwanted pregnancies and abortion. No one is pro-abortion. But the question remains, what are we doing to prevent these unwanted pregnancies—meaning what are all of us together, on both sides of the aisle, doing to prevent them? Aren't there more creative ways in which we could be bolstering the self-esteem of young women?

Let us not forget that the future of humanity passes through the family, and that each of us must, in our own way, fulfill our duty to preserve the family. As John Kennedy once put it so succinctly and so beautifully, "On Earth, God's work must truly be our own."

Mr. VITTER. Mr. President, I rise today in support of the Child Custody Protection Act, which prohibits transporting a minor across State lines to obtain an abortion if doing so abridges a parental notification or consent statute in the State in which the minor resides. The bill also provides an exception for cases where an abortion is necessary to save the minor's life. I am proud to say that I am a cosponsor of this bill and I supported it in past Congresses.

One of the most important roles of parents is to provide guidance and comfort to their children. Parents are more mature and possess the wisdom of experience that children simply cannot possess. In no other circumstance is the need for parental guidance more important than when a child requires medical care. Who is in a better position to provide a child's relevant medical and psychological history and other valuable medical information than a parent? Not only has the Supreme Court recognized the importance of parental rights with regard to the "care, custody, and control of their children" as "perhaps the oldest of the fundamental liberty interests," they have also acknowledged the importance of parental guidance and consent when a child is faced with a difficult decision by stating "the law's concept of family rests on a presumption that parents possess what a child lacks in maturity, experience, and capacity for judgment required for making life's difficult decisions."

At a time when a school nurse cannot even administer aspirin to a child with a headache without parental consent, how can we allow a child to have an abortion, a major medical procedure with potentially deadly consequences, without parental consent? I can think of no other time when parental guidance and consent is more important than when that parent's minor daughter is pregnant and contemplating abortion. A minor girl, who is undoubtedly under incredible stress, does not have the maturity to make the decision to have an abortion on her own. And, it makes matters worse when the girl receives pressure to have an abortion from the father, the father's family, or others.

As a father, it appalls me to learn that oftentimes older adult males pressure young mothers to have an abortion without telling anyone and transport these young girls into States without parental consent laws to hide instances of statutory rape. Studies show that the majority of today's teenage mothers are being impregnated by adult men. One study of 46,500 schoolage mothers in California found that two-thirds of the girls were impregnated by adult males, with the median age of the father being 22 years old. The fact that many of these adult males could be charged with statutory rape creates an incentive for them to transport young girls across state lines to have an abortion to avoid criminal prosecution.

Mr. President, the pro-abortion lobby has come out in full force against the Child Custody Protection Act saying that it infringes upon a girl's right to have an abortion. I have two major objections to that argument. First, I do not believe that a minor child has the right to an abortion without her parents' consent. At a time when children cannot even be given aspirin without parental consent, they should not be able to undergo a major medical procedure with potentially deadly consequences without parental consent. Second, the Child Custody Protection Act is not about the right to have an abortion; it is about protecting the rights of parents and the well-being of children. It is commonsense legislation that says if one State has established a legal principle for its residents, neighboring States should not discourage those residents from following that principle. This is hardly a radical or extreme proposal; rather, it is necessary, constitutional, and it is carefully and narrowly drawn. I hope that my colleagues can support this very important, commonsense legislation, which protects our most vulnerable citizens—our children.

Mr. HATCH. Mr. President, this morning we are continuing our discussion of the Child Custody Protection Act, S. 403. This is an appropriate debate, and it comes at an appropriate time.

Last week, the Senate passed the Adam Walsh Child Protection and Safety Act. That important bipartisan bill, which the President is expected to sign this week, will empower the Federal Government to step up the fight against sexual predators of children.

The bill we passed last Thursday is a serious bipartisan achievement, and for good reason. Republicans and Democrats alike can agree on the need to protect minors from abuse. That same purpose, the desire to protect children, is what motivates the Child Custody Protection Act, and my hope is that we can come together on this bill as well, Republicans and Democrats, and pass this legislation.

The American people have spoken. Our States have spoken. Though the media might not always hear the message, Americans are quite unified, and have been for a long time, on the issue of abortion. Supermajorities of the American people think that some regulation of abortion is appropriate. Nowhere is this more obvious than on the issue of parental consent and notification laws.

Most Americans understand that a parent or a guardian should be involved in this decision. The Child Custody Protection Act will give Federal support to State laws requiring this involvement, laws that are too often circumvented when young girls are taken across State lines to obtain an abortion, often with the assistance of the predatory men responsible for their pregnancies.

These actions are terrible for families and young women. They are a danger to a young woman's health and to her spirit. And, indeed, the involvement of a parent or guardian is critical when a young woman is making a choice of this magnitude, and we should do our part to support these parental involvement laws.

This bill does so by making it a Federal crime to transport a minor across a State line to obtain an abortion that would not be permitted absent parental involvement in the State where the minor resides. This is a limited and a reasonable bill. It specifies that neither the minor nor a parent can be prosecuted or sued for violation of the act. It also provides defendants in a prosecution or civil action an affirmative defense if they believed the required parental notice or involvement took place. Finally, it creates a private right of action for the parent or guardian whose rights are violated by a person who violates the act.

This is a balanced bill. And my hope is that my colleagues will support it.

Forty-four States have enacted laws that require some level of parental involvement in a minor's decision to obtain an abortion. Parental involvement laws are not a divisive issue. They are reasonable regulations. At many middle schools and high schools, you cannot get an aspirin from the school nurse without permission from your parents. Would it really make sense to allow a young girl, perhaps only 14 years old, to obtain an abortion without her parents' involvement?

The liberal pro-abortion interest groups routinely tell us that women must have completely unfettered access to abortion throughout their pregnancies. And they typically give two reasons. First, this is a private, medical decision between a woman and her doctor. And second, this is a moral choice that the woman should be able to make without any interference at all. These principles are taken to extremes by these groups. They lead to opposition of almost any regulation of abortion, including informed-consent laws, and even partial-birth abortion. Parental involvement regulations are commonsense and widely supported by the American people. But the reasoning of these interest groups leads them to a position of abortion absolutism—there can be no interference at any time with the decision to undergo this medical procedure.

I disagree with these arguments. Even so, taking these groups on their own terms leads me to believe that they should actually support parental involvement laws. After all, if abortion is a medical procedure, do we really want minors electing invasive medical procedures without a parent or guardian knowing about it? And if the decision to have an abortion is a profound moral choice, do we really want a child to make that choice without consulting with the parents who are responsible for teaching and raising that child? Of course not. And so the American people have reasonably, and responsibly, endorsed with considerable bipartisan support, the parental involvement laws that exist in 44 States.

Recently, my home State of Utah passed its own law. It is a good law. And it is a careful law. My State requires that before a minor obtains an abortion there must be notification of, and consent by, a parent or guardian. Our parental consent requirement prohibits a doctor from performing an abortion without first obtaining the written consent of a parent or guardian. And consistent with the Supreme Court's requirement that some judicial bypass be included in a parental consent statute, Utah allows a minor to obtain an abortion without the consent of a parent or guardian if a court finds by the preponderance of the evidence that the minor has given informed consent and is mature enough to be capable of giving her informed consent or that the abortion would be in the minor's best interest. That is a reasonable balance. The interest groups that oppose any and every restriction on abortion always tell us that this is an important choice. Well, if it is an important choice, I believe we should require that a minor's choice be an informed one.

Utah law also requires that a doctor, prior to performing an abortion, notify a parent or guardian. Again, this is reasonable. Why would we allow a young woman to undergo a medical procedure without first notifying those charged with her well-being? We would not allow it for a routine checkup, much less any other invasive surgical procedure. And Utah's legislators were careful in the way they went about this. They knew that in certain circumstances, a young woman might not want to notify her parents. For that reason, there are generous exceptions to this notice requirement.

If a medical emergency exists, the notice requirement is waived. If the physician reports to the proper State agency that the pregnancy occurred through incest, or if the child is a victim of abuse, the parent responsible for the physical or sexual abuse need not be notified. And if the legal parent or guardian has not assumed responsibility for the young girl's upbringing, that parent or guardian need not be notified.

Utah's citizens are not unique. As the citizens in most other States have, Utahns have determined that some level of parental involvement in this process is an important one. The interest groups disagree. And as a result, there is some opposition to this commonsense bill.

Here is the bottom-line. Forty-four States have parental involvement laws. In my opinion, some of those State parental involvement laws are ineffectual, but in 26, parents are effectively guaranteed the right to parental notification or consent. Yet with minor children, too often they are being taken across State lines, to a State with a more liberal abortion policy, to obtain an abortion without their parents' involvement. Taking a minor across State lines without her parents' knowledge? Most people would call this kidnapping. And in many cases, the actions come close.

I want to thank my colleague from Alabama, Senator SESSIONS, for chairing a hearing in the Judiciary Committee on this subject in the 108th Congress. The hearing was very informative. This is what we learned from the testimony presented there:

The American Academy of Pediatrics Committee on Adolescence has found that "[a]lmost two thirds of adolescent mothers have partners older than 20 years of age."

The National Center for Health Statistics concluded that "among girls 14 or younger when they first had sex, a majority of these first . . . experiences were nonvoluntary. Evidence also indicates that among unmarried teenage mothers, two-thirds of the fathers are age 20 or older, suggesting that differences in power and status exist between many sexual partners."

In a study of over 46,000 pregnancies by school-age girls in California, researchers found that "71%, or over 33,000, were fathered by adult post-high-school men whose mean age was 22.6 years, an average of five years older than the mothers . . . Even among junior high school mothers aged 15 or younger, most births are fathered by adult men 6 to 7 years their senior. Men aged 25 or older father more births among California school-age girls than do boys under age 18."

I could go on, and I want to thank Professor Teresa Collett of the University of St. Thomas School of Law for putting these statistics together in her testimony. They are important. They remain uncontroverted by those opposed to this bill. And they tell an important story.

Many thousands of teenage pregnancies are caused by predatory males, many years the girl's senior, who should be prosecuted for statutory rape. Let's be clear. Many thousands of teenage pregnancies are caused by felonious activity—scared and pregnant young girls; wounded and abused by these sexual predators.

And parental involvement laws go a long way toward making sure that people become aware of this abuse. Yet currently, it is too easy for these predators to circumvent these laws.

We have heard of older men, or their mothers, or their friends, who take these vulnerable young girls across State lines to get an abortion, and get rid of the evidence of the crime. And then when these girls are dumped back at home, those who care for them and love them are oblivious to what they have been through. This is not only physically dangerous. It is a threat to the spirit of a wounded and confused young woman.

This is not some hypothetical situation. In the Senate Judiciary Committee, we heard from Joyce Farley of Dushore, PA. In 1995 her daughter, Crystal, was raped and impregnated by a 19-year-old man whose mother then took Crystal for an abortion into the State of New York.

This was not a decision for this man, or his mother to make. These people were not interested in making the right decision for Crystal. They were making a decision that was in the best interests of the man who raped this child.

The Child Custody Protection Act would protect these young women. It would protect the rights of parents.

The decision to obtain an abortion is an important one. It is a medical decision, but it is also so much more. It is a decision that will impact a woman for the rest of her life. And it is a decision that a minor should, in most cases, make with the involvement of a parent or a legal guardian.

This important bill that my colleague from Nevada, Senator ENSIGN, has introduced will go a long way toward discouraging the abuse that often leads to teenage pregnancy, toward protecting minors from predatory males, and toward protecting the constitutionally recognized right of States to involve parents in these important decisions.

I look forward to this debate. There should be some bipartisan consensus on this issue, and my hope is that we will reach one. This is a bill that is worthy of our support. It protects the rights of parents that have been recognized by the States that we represent.

We should do our best to support those rights. I encourage my colleagues to support this bill.

Mr. LEAHY. Mr. President, I am disappointed that the Senate is bypassing normal procedure to debate a controversial bill on which the Senate refused to proceed 8 years ago. That was the last action taken on this kind of bill. Since then 8 years have passed. Our Constitution has not changed. I am thankful for that. The complex issues and federalism concerns that so many Senators voiced 8 years ago still remain. So if anything has changed, it is difficult to know. Instead of regular order and allowing the committee of jurisdiction to gather the facts, to consider the legislation, to amend it or reject it, we find ourselves proceeding almost helter-skelter on what is a very serious matter with important personal, privacy and legal implications.

It is a striking contrast that we turn to this bill after last week's bipartisan unifying effort in which we took four months to hold nine hearings and work with our counterparts in the House to reauthorize key provisions of the historic Voting Rights Act of 1965. If that process exemplified the Senate at its best, this proceeding stands in sharp contrast. The press is reporting that the Senate is being required to turn to this bill at this time as part of the Republican-designed run up to the elections. Having spent time on a constitutional amendment that would have cut back on the Bill or Rights, having wasted precious time seeking to write discrimination into the Constitution, this is next on their campaign checklist of items needed to rev up their voting base. In fact, having just seen the President reject our efforts to authorize Federal funds for vital stem cell research with his first official veto, they now rush to reopen the abortion debate. I am a little surprised they are not seeking another vote on some further intervention into the circumstances of Terri Schiavo and her family.

In fact, the bill before us, like the legislation rushed to the floor to intervene in Florida's legal system in the case of Terri Schiavo, is another case of congressional overreaching and of trying to federalize decisions that previously have been left to the States. I unequivocally support the goal of fostering closer familial relationships and the value of encouraging parental involvement in a child's decision about how to respond to an unplanned pregnancy. We all do. That is not the issue. I thank Senators BOXER, MENENDEZ, LAUTENBERG, and FEINSTEIN for bringing amendments seeking to make this legislative consideration worthwhile and beneficial to those in need of government help, rather than an imposition of the heavy hand of government intervention. I support their amendments.

The underlying bill, however, raises challenging issues of federalism that caused many of us to reject it before and will lead me to oppose it, again. I find it ironic that many of the same people who insist that fully considered State laws on civil union and civil partnership and marriage not be respected, are those who in the context of this legislation insist that State laws be held to bind people even when they travel outside their States, and that Federal criminal law become the enforcement mechanism to ensure that they are binding.

The underlying bill does little to strengthen communication and trust in families. While I know as a father that most parents hope their children would turn to them in times of crisis, no law will make that happen. No law will force a young pregnant woman to talk to her parents when she is too frightened to do so. This bill does not increase the perception of choices for such young women. Rather, it is likely to drive young women who are afraid to seek help from their families away from their families and greatly increase the dangers they face from an unwanted pregnancy.

The nature of our Federal system revolves around States maintaining their historically dominant role in developing and implementing policies that affect family matters, such as marriage, divorce, end-of-life choices, child custody and policies on parental involvement in minors' abortion decisions. I respect that. I respect each State to define those family relationships and have resisted Federal intrusion into those matters. Congress should not dictate the nature of family relationships. I had hoped we learned our lesson on this when the American people reacted with outrage to the President and Congress intervening in the Terri Schiavo matter.

Twenty-six States have adopted parental consent or notification laws that are currently enforced and meet the bill's definition of a "law requiring parental involvement in a minor's abortion decision." That means that the remaining States—the 24 States that include Vermont—either have opted for no such law, or have decided on a State law that allows for the involvement of adults other than a parent or guardian in the minor's reproductive decision. While I respect the 26 notification law States, I also respect the 24 other States and the privacy rights guaranteed by the Constitution. The direct consequence of this bill would be to federalize the reach of the most constricted notification laws and to override the policies in the remaining States.

It is telling that the bill does not expressly establish a Federal parental consent requirement. It does not directly override the various State laws in this area of traditional State interest. Instead, it seeks to do indirectly what it will not and likely could not do directly. Doing so makes it no less an abuse of Federal power. The underlying bill would use the power and resources of the Federal Government to force favored States' laws into effect in the other States that have made other legislative choices. It would impose a law that a State has chosen not to adopt on that State, regardless of the choice its people have made through the legislative process. Most troubling of all, it would create a Federal crime as a mechanism for such Federal interference. It is an affront to federalism and an exercise in heavy-handed overcriminalization.

Make no mistake: Despite the proponents' contention that this bill does not attempt to regulate any purely intrastate activities, the effect of this bill would be to impose the policies of certain States on the remaining ones. Just because some in Congress may prefer the policies of certain States over those in the others does not mean we should give those policies Federal enforcement authority across the Nation. Doing so is not only wrong, it sets a dangerous precedent.

An example apart from family law: Should residents of States that prohibit gambling not be able to travel to Las Vegas or Atlantic City or the many other places that now allow it? It is the nature of our Federal system that when residents of a State travel to neighboring States or across the Nation, they must conform their behavior to the laws of the States they visit? When residents of each State are forced to carry with them only the laws of their own State, we will have turned our Federal system on its ear.

Congress has wisely repealed laws in the past that require residents of each State to carry with them only the laws of their own State. We saw this when the Thirteenth Amendment to the Constitution was passed. That outlawed slavery and repealed article IV, section 2, paragraph 3 of the Constitution, which authorized return of runaway slaves to their owners. That constitutional authority and such laws as the Fugitive Slave Act of 1793 enabled slave owners from slave States to reclaim slaves who managed to escape to free States or territories. None of us—and certainly not the sponsors of this legislation—would ever condone slavery. Those discredited laws and the infamous Dred Scott case are about the only precedent we have for a bill like this that would use the force of Federal law to enforce a particular State's laws against people wherever those people may travel.

I was proud in November, 2004, when the Senate unanimously passed a resolution sponsored by Senators MCCAIN, HATCH, KENNEDY, and REID to express the sense of the Senate that John Arthur "Jack" Johnson should be pardoned for his "crime" of transporting a white woman across State lines for "an immoral purpose." The injustice done to Jack Johnson was something we all joined to try to correct many years later. Let us not allow the misuse of Federal power, again.

This bill would sweep into its criminal and civil liability reach extended family members, including grandparents or aunts or uncles, who respond to a cry for help from a young relative by helping her travel across State lines to terminate a pregnancy. In addition to close family members, any other person to whom a young pregnant woman may turn for help, including health care providers and religious counselors, could be dragged into court and face prison time on criminal charges. Rev. Doctor Katherine Hancock Ragsdale once helped a stranger, a 15-year-old girl. The girl feared for her safety if her father learned of her pregnancy, and she had no relative to turn to for help. She was alone and desperate. Should offering comfort subject Reverend Ragsdale to Federal prosecution?

The purported goal of this bill, to foster closer familial relationships, will not be served by threatening to throw into jail any grandmother or aunt or sibling who helps a young relative. The result of this bill will be to discourage young women from turning to a trusted adult for advice and assistance. Instead, these young women may be forced then into the hands of strangers or into isolation.

Keep in mind what this bill does not do. It does not prohibit pregnant minors from traveling across State lines to have an abortion, even if their purpose is to avoid their parents. The perverse effect of the bill, if it is to be followed, would be to encourage more young women to travel alone to obtain abortions. I will not support an effort that may lead back to the days of "back alley" abortions. How can anyone view these outcomes as desirable or fostering closer familial ties? Young pregnant women who seek the counsel and involvement of close family members when they cannot confide in their parents—for example, where a parent has committed incest or there is a history of child abuse—would subject those same close relatives to the risk of criminal prosecution and civil suit, if the young woman subsequently travels across State lines to terminate her pregnancy. Is that really what we want? We should not compound these most difficult circumstances by taking actions that if successful will succeed in isolating young pregnant women, forcing them to run away from home or pushing them to seek protection from strangers at a time of crisis.

No law will force a young pregnant woman to involve her parents in her abortion decision if she is determined to keep that fact secret from her parents. No law can force a familial connection that does not exist. According to the American Academy of Pediatrics, the percentages of minors who inform parents about their intent to have abortions are essentially the same in States with and without notification laws. The President remarked just last week that "governments can't change hearts." States have found that there are families in which parental notification laws are not effective.

While doing nothing to foster familial relationships, this bill would do serious damage to important federalism and constitutional principles. The underlying bill imposes significant new burdens on a woman's right to choose and impinges on the right to travel and the privileges and immunities due under the Constitution to every citizen. Peter J. Rubin of Georgetown University Law Center and Laurence H. Tribe of Harvard Law School have argued that this language, adopted by the House in 2002, violates both "the rights of States to enact and enforce their own laws governing conduct within their territorial boundaries, and the rights of the residents of each of the United States . . . to travel to and from any State of the Union for lawful purposes, a right strongly reaffirmed by the Supreme Court." These leading constitutional scholars contend that the bill as drafted is unconstitutional. I will ask that a copy of their analysis be printed in the RECORD, at the conclusion of my statement.

For all these reasons—legal, constitutional, practical and institutional—I will vote against the underlying bill. I urge all Senators to respect federalism, the Constitution and families by rejecting this attempt to politicize fundamental decisions and family relationships.

Mr. President, I ask unanimous consent that a copy of the aforementioned analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEPTEMBER 5, 2001.

To: United State House of Representatives
Committee on the Judiciary, Subcommittee on the Constitution
From: Laurence H. Tribe, Tyler Professor of Constitutional Law, Harvard University
Peter J. Rubin, Associate Professor of Law, Georgetown University
Re H.R. 476 and Constitutional Principles of Federalism

INTRODUCTION

We have been asked to submit our assessment of whether H.R. 476, now pending before the HOUSE, is consistent with constitutional principles of federalism. It is our considered view that the proposed statute violates those principles, principles that are fundamental to our constitutional order. That statute violates the rights of states to enact and enforce their own laws governing conduct within their territorial boundaries, and the rights of the residents of each of the United States and of the District of Columbia to travel to and from any state of the Union for lawful purposes, a right strongly reaffirmed by the Supreme Court in its recent landmark decision in *Saenz* v. *Roe*, 526 U.S. 489 (1999). We have therefore concluded that the proposed law would, if enacted, violate the Constitution of the United States.

H.R. 476 would provide criminal and civil penalties, including imprisonment for up to one year, for any person who "knowingly transports an individual who has not attained the age of 18 years across a State line, with the intent that such individual obtain an abortion. . . [if] an abortion is performed on the individual, in a State other than the State where the individual resides, without the parental consent or notification, or the judicial authorization, that would have been required by that law in the State where the individual resides."

H.R. 476, §2 (a) (proposed 18 U.S.C. §2431(a)(1) and (2)). In other words, this law makes it a federal crime to assist a pregnant minor to obtain a lawful abortion. The criminal penalties kick in if the abortion the young woman seeks would be performed in a state other than her state of residence, and in accord with the less restrictive laws of that state, unless she complies with the more severe restrictions her home state imposes upon abortions performed upon minors within its territorial limits. The law contains no exceptions for situations where the young woman's home state purports to disclaim any such extraterritorial effect for its parental consultation rules, or where it is a pregnant young woman's close friend, or her aunt or grandmother, or a member of the clergy, who accompanies her "across a State line" on this frightening journey, even where she would have obtained the abortion anyway, whether lawfully in another state after a more perilous trip alone, or illegally (and less safely) in her home state because she is too frightened to seek a judicial bypass or too terrified of physical abuse to notify a parent or legal guardian who may, indeed, be the cause of her pregnancy. It does not exempt health care providers, including doctors, from possible criminal or civil penalties. Nor does it uniformly apply home-state laws on pregnant minors who obtain out-of-state abortions. The law applies only where the young woman seeks to go from a state with a more restrictive regime into a state with a less restrictive one.

This amounts to a statutory attempt to force this most vulnerable class of young women to carry the restrictive laws of their home states strapped to their backs, bearing the great weight of those laws like the bars of a prison that follows them wherever they go (unless they are willing to go alone). Such a law violates the basic premises upon which our federal system is constructed, and therefore violates the Constitution of the United States.

ANALYSIS

The essence of federalism is that the several states have not only different physical territories and different topographies but also different political and legal regimes. Crossing the border into another state, which every citizen has a right to do, may perhaps not permit the traveler to escape all tax or other fiscal or recordkeeping duties owed to the state as a condition of remaining a resident and thus a citizen of that state, but necessarily permits the traveler temporarily to shed her home state's regime of laws regulating primary conduct in favor of the legal regime of the state she has chosen to visit. Whether cast in terms of the destination state's authority to enact laws effective throughout its domain without having to make exceptions for travelers from other states, or cast in terms of the individual's right to travel—which would almost certainly be deterred and would in any event be rendered virtually meaningless if the traveler could not shake the conduct-constraining laws of her home state—the proposition that a state may not project its laws into other states by following its citizens there is bedrock in our federal system.

One need reflect only briefly on what rejecting that proposition would mean in order to understand how axiomatic it is to the structure of federalism. Suppose that your home state or Congress could lock you into the legal regime of your home state as you travel across the country. This would mean that the speed limits, marriage regulations, restrictions on adoption, rules about assisted suicide, firearms regulations, and all other controls over behavior enacted by the state you sought to leave behind, either temporarily or permanently, would in fact follow you into all 49 of the other states as you traveled the length and breadth of the nation in search of more hospitable "rules of the road." If your search was for a more favorable legal environment in which to make your home, you might as well just look up the laws of distant states on the internet rather than roaming about in a futile effort at sampling them, since you will not actually experience those laws by traveling there. And if your search was for a less hostile legal environment in which to attend college or spend a summer vacation or obtain a medical procedure, you might as well skip even the internet, since the theoretically less hostile laws of other jurisdictions will mean nothing to you so long as your state of residence remains unchanged.

Unless the right to travel interstate means nothing more than the right to change the scenery, opting for the open fields of Kansas or the mountains of Colorado or the beaches of Florida but all the while living under the legal regime of whichever state you call home, telling you that the laws governing your behavior will remain constant as you cross from one state into another and then another is tantamount to telling you that you may in truth be compelled to remain at home—although you may, of course, engage in a simulacrum of interstate travel, with an experience much like that of the visitor to a virtual reality arcade who is strapped into special equipment that provides the look and feel of alternative physical environments—from sea to shining sea—but that does not alter the political and legal environment one iota. And, of course, if home-state legislation, or congressional legislation, may saddle the home state's citizens with that state's abortion regulation regime, then it may saddle them with their home state's adoption and marriage regimes as well, and with piece after piece of the home state's legal fabric until the home state's citizens are all safely and tightly wrapped in the straitjacket of the home state's entire legal regime. There are no constitutional scissors that can cut this process short, no principled metric that can supply a stopping point. The principle underlying H.R. 476 is nothing less, therefore, than the principle that individuals may indeed be tightly bound by the legal regimes of their home states even as they traverse the nation by traveling to other states with very different regimes of law. It follows, therefore, that—unless the right to engage in interstate travel that is so central to our federal system is indeed only a right to change the surrounding scenery—H.R. 476 rests on a principle that obliterates that right completely.

It is irrelevant to the federalism analysis that the proposed federal statute does not literally prohibit the minor herself from obtaining an out-of-state abortion without complying with the parental consent or notification laws of her home state, criminalizing instead only the conduct of assisting such a young woman by transporting her across state lines. The manifest and indeed avowed purpose of the statute is to prevent the pregnant minor from crossing state lines to obtain an abortion that is lawful in her state of destination whenever it would have violated her home state's law to obtain an abortion there because the pregnant woman has not fully complied with her home state's requirements for parental consent or notification. The means used to achieve this end do not alter the constitutional calculus. Prohibiting assistance in crossing state lines in the manner of this proposed statute suffers the same infirmity with respect to our federal structure as would a direct ban on traveling across state lines to obtain an abortion that complies with all the laws of the state where it is performed without first complying also with the laws that would apply to obtaining an abortion in one's home state.

The federalism principle we have described operates routinely in our national life. Indeed, it is so commonplace it is taken for granted. Thus, for example, neither Virginia nor Congress could prohibit residents of Virginia, where casino gambling is illegal, from traveling interstate to gamble in a casino in Nevada. (Indeed, the economy of Nevada essentially depends upon this aspect of federalism for its continued vitality.) People who like to hunt cannot be prohibited from traveling to states where hunting is legal in order to avail themselves of those pro-hunting laws just because such hunting may be illegal in their home state. And citizens of every state must be free, for example, to read and watch material, even constitutionally unprotected material, in New York City the distribution of which might be unlawful in their own states, but which New York has chosen not to forbid. To call interstate travel for such purposes an "evasion" or "circumvention" of one's home-state laws—as H.R. 476 purports to do, see H.R. 476, §2(a) (heading of the proposed 18 U.S.C. §2431) ("Transportation of minors in circumvention of certain laws relating to abortion")—is to misunderstand the basic premise of federalism: one is entitled to avoid those laws by traveling interstate. Doing so amounts to neither evasion nor circumvention.

Put simply, you may not be compelled to abandon your citizenship in your home state as a condition of voting with your feet for the legal and political regime of whatever other state you wish to visit. The fact that you intend to return home cannot undercut your right, while in another state, to be governed by its rules of primary conduct rather than by the rules of primary conduct of the state from which you came and to which you will return. When in Rome, perhaps you will not do as the Romans do, but you are entitled—if this figurative Rome is within the United States—to be governed as the Romans are. If something is lawful for one of them to do, it must be lawful for you as well. The fact that each state is free, notwithstanding Article IV, to make certain benefits available on a preferential basis to its own citizens does not mean that a state's criminal laws may be replaced with stricter ones for the visiting citizen from another state, whether by that state's own choice or by virtue of the law of the visitor's state or by virtue of a congressional enactment. To be sure, a state need not treat the travels of its citizens to other states as suddenly lifting otherwise applicable restrictions when they return home. Thus, a state that bans the possession of gambling equipment, of specific kinds of weapons, of liquor, or of obscene material may certainly enforce such bans against anyone who would bring the contraband items into the jurisdiction, including its own residents returning from a gambling state, a hunting state, a drinking state, or a state that chooses not to outlaw obscenity. But that is a far cry from projecting one state's restrictive gambling, firearms, alcohol, or obscenity laws into another state whenever citizens of the first state venture there.

Thus states cannot prohibit the lawful out-of-state conduct of their citizens, nor may they impose criminal-law-backed burdens—as H.R. 476 would do—upon those lawfully engaged in business or other activity within their sister states. Indeed, this principle is so fundamental that it runs through the Supreme Court's jurisprudence in cases that are nominally about provisions and rights as diverse as the Commerce Clause, the Due Process Clause, and the right to travel, which is itself derived from several distinct constitutional sources. See, e.g., *Healy* v. *Beer Institute*, 491 U.S. 324, 336 n. 13 (1989) (Commerce Clause decision quoting *Edgar* v. *Mite Corp.*, 457 U.S. 624, 643 (1982) (plurality opinion), which in turn quoted the Court's Due Process decision in *Shaffer* v. *Heitner*, 433 U.S. 186, 197 (1977)) ("The limits on a State's power to enact substantive legislation are similar to the limits on the jurisdiction of state courts. In either case, 'any attempt "directly" to assert extraterritorial jurisdiction over persons or property would offend sister States and exceed the inherent limit of the State's power.' ").

The Supreme Court recently reaffirmed this fundamental principle in its landmark right to travel decision, *Saenz* v. *Roe*, 526 U.S. 489 (1999). There the Court held that, even with congressional approval, the State of California was powerless to carve out an exception to its otherwise-applicable legal regime by providing recently-arrived residents with only the welfare benefits that they would have been entitled to receive under the laws of their former states of residence. This attempt to saddle these interstate travelers with the laws of their former home states—even if only the welfare laws, laws that would operate far less directly and less powerfully than would a special criminal-law restriction on primary conduct—was held to impose an unconstitutional penalty upon their right to interstate travel, which, the Court held, is guaranteed them by the Privileges or Immunities Clause of the Fourteenth Amendment. See Saenz, 526 U.S. at 503–504.

Although Saenz concerned new residents of a state, the decision also reaffirmed that the constitutional right to travel under the Privileges and Immunities Clause of Article IV, Section 2, provides a similar type of protection to a non-resident who enters a state not to settle, but with an intent eventually to return to her home state: "[B]y virtue of a person's state citizenship, a citizen of one State who travels in other States, intending to return home at the end of his journey, is entitled to enjoy the 'Privileges and Immunities of Citizens in the several States' that he visits. This provision removes 'from the citizens of each State the disabilities of alienage in the other States.' *Paul* v. *Virginia*, 8 Wall. 168, 180 (1869). It provides important protections for nonresidents who enter a State whether to obtain employment, *Hicklin* v. *Orbeck*, 437 U.S. 518 (1978), to procure medical services, *Doe* v. *Bolton*, 410 U.S. 179, 200 (1973), or even to engage in commercial shrimp fishing, *Toomer* v. *Witsell*, 334 U.S. 385 (1948)."

Saenz, 526 U.S. at 501–502 (footnotes and parenthetical omitted).

Indeed, *Doe* v. *Bolton*, 410 U.S. 179 (1973), which was decided over a quarter century ago, and to which the Saenz court referred, specifically held that, under Article IV of the Constitution, a state may not restrict the ability of visiting non-residents to obtain abortions on the same terms and conditions under which they are made available by law to state residents. "[T]he Privileges and Immunities Clause, Const. Art. IV, §2, protects persons . . . who enter [a state] seeking the medical services that are available there." Id. at 200.

Thus, in terms of protection from being hobbled by the laws of one's home state wherever one travels, nothing turns on whether the interstate traveler intends to remain permanently in her destination state, or to return to her state of origin. Combined with the Court's holding that, like the states, Congress may not contravene the principles of federalism that are sometimes described under the "right to travel" label, Saenz reinforces the conclusion, if it were not clear before, that even if enacted by Congress, a law like H.R. 476 that attempts by reference to a state's own laws to control that state's resident's out-of-state conduct on pains of criminal punishment, whether of that resident or of whoever might assist her to travel interstate, would violate the federal Constitution. See also *Shapiro* v. *Thompson*, 394 U.S. 618, 629-630 (1969) (invalidating an Act of Congress mandating a durational residency requirement for recently arrived District of Columbia residents seeking to obtain welfare assistance).

In 1999, this Committee heard testimony from Professor Lino Graglia of the University of Texas School of Law. An opponent of constitutional abortion rights, he candidly conceded that the proposed law would "make it . . . more dangerous for young women to exercise their constitutional right to obtain a safe and legal abortion." Testimony of Lino A. Graglia on H.R. 1218 before the Constitution Subcommittee of the Committee on the Judiciary, U.S. House of Representatives, May 27, 1999 at 1. He also concluded, however, that "the Act furthers the principle of federalism to the extent that it reinforces or makes effective the very small amount of policymaking authority on the abortion issue that the Supreme Court, an arm of the national government, has permitted to remain with the States." Id. at 2. He testified that he supported the bill because he would support "anything Congress can do to move control of the issue back into the hands of the States." Id. at 1.

Of course, as the description of H.R. 476 we have given above demonstrates, that proposed statute would do nothing to move "back" into the hands of the states any of the control over abortion that was precluded by *Roe* v. *Wade*, 410 U.S. 113 (1973), and its progeny. The several states already have their own distinctive regimes for regulating the provision of abortion services to pregnant minors, regimes that are permitted under the Supreme Court's abortion rulings. That, indeed, is the very premise of this proposed law. But, rather than respecting federalism by permitting each state's law to operate within its own sphere, the proposed federal statute would contravene that essential principle of federalism by saddling the abortion-seeking young woman with the restrictive law of her home state wherever she may travel within the United States unless she travels unaided. Indeed, it would add insult to this federalism injury by imposing its regime regardless of the wishes of her home state, whose legislature might recoil from the prospect of transforming its parental notification laws, enacted ostensibly to encourage the provision of loving support and advice to distraught young women, into an obstacle to the most desperate of these young women, compelling them in the moment of their greatest despair to choose between, on the one hand, telling someone close to them of their situation and perhaps exposing this loved one to criminal punishment, and, on the other, going to the back alleys or on an unaccompanied trip to another, possibly distant state. This Federal statute would therefore violate rather than reinforce basic constitutional principles of federalism.

The fact that the proposed law applies only to those assisting the interstate travel of minors seeking abortions may make the federalism-based constitutional infirmity somewhat less obvious—while at the same time rendering the law more vulnerable to constitutional challenge because of the danger in which it will place the class of frightened, perhaps desperate young women least able to travel safely on their own. The importance of protecting the relationship between parents and their minor children cannot be gainsaid. But in the end, the fact that the proposed statute involves the interstate travel only of minors does not alter our conclusion.

No less than the right to end a pregnancy, the constitutional right to travel interstate and to take advantage of the laws of other states exists even for those citizens who are not yet eighteen. "Constitutional rights do not mature and come into being magically only when one attains the state-defined age of majority. Minors, as well as adults, are protected by the Constitution and possess constitutional rights." *Planned Parenthood of Central Missouri* v. *Danforth*, 428 U.S. 52, 74 (1976). Nonetheless, the Court has held that, in furtherance of the minor's best interests, government may in some circumstances have more leeway to regulate where minors are concerned. Thus, whereas a law that sought, for example, to burden adult women with their home state's constitutionally acceptable waiting periods for abortion (or with their home state's constitutionally permissible medical regulations that may make abortion more costly) even when they traveled out of state to avoid those waiting periods (or other regulations) would obviously be unconstitutional, it might be argued that a law like the proposed one, which seeks to force a young woman to comply with her home state's parental consent laws regardless of her circumstances, is, because of its focus on minors, somehow saved from constitutional invalidity.

It is not, for at least two reasons. First, the importance of the constitutional right in question for the pregnant minor too desperate even to seek judicial approval for abortion in her home state—either because of its futility there, or because of her terror at a judicial proceeding held to discuss her pregnancy and personal circumstances—means that government's power to burden that choice is severely restricted. As Justice Powell wrote over two decades ago:

> "The pregnant minor's options are much different from those facing a minor in other situations, such as deciding whether to marry. . . . A pregnant adolescent . . . cannot preserve for long the possibility of aborting, which effectively expires in a matter of weeks from the onset of pregnancy."
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> "Moreover, the potentially severe detriment facing a pregnant woman is not mitigated by her minority. Indeed, considering her probable education, employment skills, financial resources, and emotional maturity, unwanted motherhood may be exceptionally burdensome for a minor. In addition, the fact of having a child brings with it adult legal responsibility, for parenthood, like attainment of the age of majority, is one of the traditional criteria for the termination of the legal disabilities of minority. In sum, there are few situations in which denying a minor the right to make an important decision will have consequences so grave and indelible."

Bellotti v. *Baird* (Bellotti II), 443 U.S. 622, 642 (1979) (plurality opinion) (citations omitted).

Second, the fact that the penalties on travel out of state by minors who do not first seek parental consent or judicial bypass are triggered only by intent to obtain a lawful abortion and only if the minor's home state has more stringent "minor protection" provisions in the form of parental involvement rules than the state of destination, renders any protection-of-minors exception to the basic rule of federalism unavailable.

To begin with, the proposed law, unlike one that evenhandedly defers to each state's determination of what will best protect the emotional health and physical safety of its pregnant minors who seek to terminate their pregnancies, simply defers to states with strict parental control laws and subordinates the interests of states that have decided that legally-mandated consent or notification is not a sound means of protecting pregnant minors. The law does not purport to impose a uniform nationwide requirement that all pregnant young women should be subject to the abortion laws of their home states and only those abortion laws wherever they may travel. Thus, under H.R. 476, a pregnant minor whose parents believe that it would be both destructive and profoundly disrespectful to their mature, sexually active daughter to require her by law to obtain their consent before having an abortion, and who live in a state whose laws reflect that view, would, despite the judgment expressed in the laws of her home state, still be required to obtain parental consent should she seek an abortion in a neighboring state with a stricter parental involvement law—something she might do, for example, because that is where the nearest abortion provider is located. This substantively slanted way in which H.R. 476 would operate fatally undermines any argument that might otherwise be available that principles of federalism must give way because this law seeks to ensure that the health and safety of pregnant minors are protected in the way their home states have decided would be best.

In addition, the proposed law, again unlike one protecting parental involvement generally, selectively targets one form of control: control with respect to the constitutionally protected procedure of terminating a pregnancy before viability. The proposed law does not do a thing for parental control if the minor is being assisted into another state (or, where the relevant regulation is local, into another city or county) for the purpose of obtaining a tattoo, or endoscopic surgery to correct a foot problem, or laser surgery for an eye defect. The law is activated only when the medical procedure being obtained in another state is the termination of a pregnancy. It is as though Congress proposed to assist parents in controlling their children when, and only when, those children wish to buy constitutionally protected but sexually explicit books about methods of birth control and abortion in states where the sale of such books to these minors is entirely lawful.

The basic constitutional principle that such laws overlook is that the greater power does not necessarily include the lesser. Thus, for example, even though so-called "fighting words" may be banned altogether despite the First Amendment, it is unconstitutional, the Supreme Court held in 1992, for government selectively to ban those fighting words that are racist or anti-semitic in character. See *R.A.V.* v. *City of St. Paul*, 505 U.S. 377, 391–392 (1992). To take another example, Congress could not make it a crime to assist a minor who has had an abortion in the past to cross a state line in order to obtain a lawful form of cosmetic surgery elsewhere if that minor has not complied with her state's valid parental involvement law for such surgery. Even though Congress might enact a broader law that would cover all the minors in the class described, it could not enact a law aimed only at those who have had abortions. Such a law would impermissibly single out abortion for special burdens. The proposed law does so as well. Thus, even if a law that were properly drawn to protect minors could constitutionally displace one of the basic rules of federalism, the proposed statute can not.

Lastly, in oral testimony given in 1999 before the Subcommittee on the Constitution, Professor John Harrison of the University of Virginia, while conceding that ordinarily a law such as this, which purported to impose upon an individual her home state's laws in order to prevent her from engaging in lawful conduct in one of the other states, would be constitutionally "doubtful," argued that the constitutionality of this law is resolved by the fact that it relates to "domestic relations," a sphere in which, according to Professor Harrison, "the state with the primary jurisdiction over the rights and responsibilities of parties to the domestic relations is the state of residence. . . and not the state where the conduct" at issue occurs. See transcript of the Hearing of the Constitution Subcommittee of the House Judiciary Committee on the Child Custody Protection Act, May 27, 1999.

This "domestic relations exception" to principles of federalism described by Professor Harrison, however, does not exist, at least not in any context relevant to the constitutionality of H.R. 476. To be sure, acting pursuant to Article IV, §1, Congress has prescribed special state obligations to accord full faith and credit to judgments in the domestic relations context—for example, to child custody determinations and child support orders. 28 U.S.C. §§1738A, 1738B. These provisions also establish choice of law principles governing modification of domestic relations orders. In addition, in a controversial provision whose constitutionality is open to question, Congress has said that states are not required to accord full faith and credit to same-sex marriages. Id. at §1738C.

But the special measures adopted by Congress in the domestic relations context can provide no justification for H.R. 476. There is a world of difference between provisions like §§1738A and 1738B, which prescribe the full faith and credit to which state judicial decrees and judgments are entitled, and proposed H.R. 476, which in effect gives state statutes extraterritorial operation—by purporting to impose criminal liability for interstate travel undertaken to engage in conduct lawful within the territorial jurisdiction of the state in which the conduct is to occur, based solely upon the laws in effect in the state of residence of the individual who seeks to travel to a state where she can engage in that conduct lawfully.

The Supreme Court has always differentiated "the credit owed to laws (legislative measures and common law) and to judgments." *Baker* v. *General Motors Corp.*, 522 U.S. 222, 232 (1998). For example, while a state may not decline on public policy grounds to give full faith and credit to a judicial judgment from another state, see, e.g., *Fauntleroy* v. *Lum*, 210 U.S. 230, 237 (1908), a forum state has always been free to consider its own public policies in declining to follow the legislative enactments of other states. See *Nevada* v. *Hall*, 440 U.S. 410, 421–24 (1979). In short, under the Full Faith and Credit Clause, a state has never been compelled "to substitute the statutes of other states for its own statutes dealing with a subject matter concerning which it is competent to legislate." *Pacific Employers Ins. Co.* v. *Industrial Accident Comm'n*, 306 U.S. 493, 501 (1939). In fact, the Full Faith and Credit Clause was meant to prevent "parochial entrenchment on the interests of other States." *Thomas* v. *Washington Gas Light Co.*, 448 U.S. 261, 272 (1980) (plurality opinion). A state is under no obligation to enforce another state's statute with which it disagrees.

But H.R. 476 would run afoul of that principle. It imposes the restrictive laws of a woman's home state wherever she travels, in derogation of the usual rules regarding choice of law and full faith and credit.

Mr. FEINGOLD. Mr. President, I cannot support the Child Custody Protection Act. First, I object to the decision to bring this bill directly to the floor, circumventing the Senate's committee process. I remember when this bill came before the Senate Judiciary Committee in the 105th Congress. We held a hearing, debated and voted on amendments, and even issued a committee report with minority views. Mr. President, that was in 1998; surely, the factual basis of this legislation has changed since then. I do not see why the Leadership feels that this bill no longer deserves the serious consideration that it received eight years ago.

In addition, this bill is an overreach of Federal power that comes at the expense of the health and safety of young women. The notion that one State may not impose its laws outside its territorial boundaries is a core federalist principle, and I believe this bill might very well violate the Constitution if enacted. States should retain their right to enact and implement appropriate policies within their territorial boundaries. The Child Custody Protection Act would preempt these rights by allowing the laws of certain States to essentially trump the laws in other States.

In an ideal world, all young women who face this difficult decision would be able to turn to their parents. But we do not live in an ideal world, and the reality is that there are young women who feel they cannot turn to a parent out of fear of physical or mental abuse, getting kicked out of the house, or worse. This bill would deny these young women the ability to turn to another trusted adult for help. Many national medical and public-health organizations, including the American Medical Association, the American Academy of Pediatrics, and the American Psychological Association have expressed grave concern about mandatory parental consent laws for these reasons.

Our focus in the Senate should be on ensuring that unintended pregnancies do not happen in the first place. For these reasons, I intend to continue my work in the Senate to ensure that all women have access to the best information and reproductive health services available. If we do that, abortions will become even more rare, as well as staying safe and legal.

Ms. MURKOWSKI. Mr. President, I rise today to speak on the Child Custody Protection Act. I support the intent of the act, which seeks to protect the health and safety of pregnant minors, as well as the rights of parents to be involved in the medical decisions of their minor daughters. However, I believe this act might have gone further in protecting young women in situations of family abuse or incest.

As a parent of two, I understand the importance and centrality of family, and an essential element of that: the parent-child relationship. The Supreme Court noted in Planned Parenthood v. Casey that parental involvement laws related to abortions "are based on the quite reasonable assumption that minors will benefit from consultation with their parents and that children will often not realize that their parents have their best interests at heart." It is important that, to the extent possible, a young woman be able to consult with her family before making the decision to have an abortion.

Unfortunately, some young women, particularly victims of incest or family violence, cannot safely involve parents in their decision to obtain an abortion. In such a circumstance, as my colleagues have rightfully pointed out, the minor girl could seek a judicial bypass, which would allow the girl to petition a judge to waive the parental involvement law. The bypass is intended for situations of incest or family abuse, and would allow for the involvement of appropriate state authorities, making it more likely that the minor girl will be removed from the abusive situation and that the abuser will be brought to justice. The bypass option is fundamental to the rights of the minor, and exists to protect her safety.

Constitutional law requires a parental consent law to contain a judicial bypass provision. However, the circuit courts are divided as to whether parental notification laws also must contain a judicial bypass. I am concerned for those girls who are in an abusive family situation and who reside in states that could enact a parental notification law without a bypass option. I believe something must be done to strengthen the bypass requirements in this bill to ensure the protection of minor girls with abusive families.

Given the unanimous consent agreement, I do not have the opportunity to amend the Child Custody and Protection Act on the floor in order to strengthen the bypass option in cases of parental notification. I will look to my colleagues in conference to consider adding a provision that would ensure, with respect to parental notification, that minor girls in incestuous or family abusive situations be able to seek a bypass, whether it be the judicial bypass or, as in Utah, the medical bypass, which permits a physician to waive the parental notification requirement in cases of incest or family abuse. The physician must also notify State authorities.

It is right to protect pregnant girls and their families from those who do not have the minor girl's best interest at heart. Mr. President, I only ask that everything be done to protect the health and safety of those minor girls seeking an abortion who feel they cannot safely turn towards their family.

Mr. OBAMA. Mr. President, I am the parent of two young daughters. And as a parent, it is my sincere hope that my daughters will always feel they can come to me or my wife with any problem. So, even though I strongly believe in a woman's right to choose, I also believe that young women, if they become pregnant, should talk to their parents before considering an abortion.

But I also know that the reality is different for many young women. Some don't live in a traditional two-parent household. Others don't have a parent in whom they are comfortable confiding. For these young women, the most trusted adult in their life may be a grandparent, an aunt, or a clergy member.

I certainly hope these trusted adults would want to help a young person through a difficult time like a pregnancy. Unfortunately, this bill all but eliminates this option for young women. Instead of encouraging pregnant teens to seek the advice of adults, this bill criminalizes adults who attempt to help a young woman in need and essentially abandons them to confront a difficult issue on their own.

In fact, this bill would criminalize adults even if they were not attempting to help a young woman in need. Under this bill, if a grandparent gave a young woman a ride across a state line—say from South Dakota into neighboring Iowa—and that young woman ended up seeking an abortion, that grandparent could spend up to a year in prison.

Now, there are a lot of other problems with the bill: there is no health exception, no judicial bypass, and the notion that one State's laws can take precedence over another State's laws is unconstitutional and unacceptable. But the fundamental flaw with the bill is its criminalization of compassion. At a time when teenagers most need help, this bill would instead force caring and trusted adults—whether it's an older sister, an aunt or grandparent, or health professionals, social workers, or a minister—to stand to the side and watch the young woman go it alone.

I wish this bill was an honest effort to confront the real issue here: unwanted teen pregnancies. No one in this body—whether pro-choice or pro-life—wants young women to seek abortions. But this bill does not address this serious issue. I hope we can work to pass legislation that will provide young people today with the information they need to prevent unwanted teen pregnancies. I regret that I am unable to support this bill today.

Ms. MIKULSKI. Mr. President, I rise today in opposition to the Child Custody Protection Act. I oppose this bill for three reasons. The first is that it does nothing to promote the health and safety of our children. The second is that I do not believe it can pass constitutional muster. The third reason I oppose this bill because it is just another example of the continual assault on women's reproductive freedom.

I strongly believe that minors should involve their parents in all important decisions. This includes the decision to have an abortion. Research shows that most women voluntarily involve their parents when making this decision. However, I recognize that there are some young women who cannot talk to their parents about this issue. Some young women may not live with either of their parents, and instead live with a grandparent, aunt, or another adult relative. Some young women may be growing up in households where they experience physical and sexual abuse and may be threatened with further abuse should their parents be aware of a pregnancy. Yet young women facing pregnancy crisis need help and support.

There are no exceptions in this bill which address the realities of women's lives. The reality is that some young women come from abusive homes. The unfortunate reality is that sometimes young women are raped by their fathers, and this results in a pregnancy. And, the reality is that a young woman may need a trusted adult whether it be a grandparent, older sibling, priest or rabbi, to accompany them if they choose to get an abortion.

This bill does not help these young women. In fact, this bill says to women who cannot involve their parents that they have to go it alone. That is why I voted for the Feinstein amendment which would have allowed other trusted adults like grandparents or clergy members to be allowed to step in when a young woman could not go to her parents for help. This amendment was a step in the right direction. It acknowledged that unfortunately some young women cannot talk to their parents about this very important decision.

That is why I also voted for the Lautenberg-Menendez amendment. This amendment addresses the causes of teen pregnancy. The amendment takes positive steps to prevent teenage girls from getting pregnant in the first place. It funds teen pregnancy prevention programs in schools and community settings. The amendment provides funding to keep teens out of trouble and on the road to success. It restores budget cuts to after school programs and physical education classes.

I also oppose this bill because it does not pass constitutional muster. Not only does it totally ignore cases where a young woman's health is threatened. That clearly undermines the major holding in Stenberg v. Carhart which requires any law regulating abortion must contain an exception for a woman's health. Let's be clear: because this bill does not contain an exception to protect the health of young women it will be ruled unconstitutional.

Finally, I oppose this bill because it is yet another assault on women's reproductive freedom. I strongly support a woman's right to choose and have fought to improve women's health during the more than two decades I have served in Congress. Whether it is establishing offices of women's health, fighting for coverage for contraceptives, or requiring Federal quality standards for mammography, I will continue the fight to improve women's health.

Today, I will oppose S. 403 because it forces young women who are dealing with a crisis pregnancy to go it alone and deprives them of the advice and assistance of a trusted adult. It assumes that every family is safe, stable, and supportive. The bill ignores that some minors cannot go to mom and dad for help. It does not make our children any safer. I urge my colleagues to vote against S. 403.

Mr. INHOFE. Mr. President, I rise today in support of S. 403, the Child Custody Protection Act. This bill prohibits transporting minors across State lines to obtain an abortion without parental notice or consent. I have and will continue to fight for the protection of children in the womb as well as the safety of minors.

I believe that life begins at the moment of conception and that children in the womb deserve the same rights and protection as all other human beings.

The Child Custody Protection Act will not only help protect these children in the womb, it will also protect their young mothers and families by involving parents who have their best interests at heart.

I believe we can all agree that our young girls must be protected, and the laws put in place for that purpose must be upheld. Currently, 45 States have laws that require notification, consent, or some type of consultation with a minor's parent or guardian before she can legally have an abortion. However, there are no laws to prevent a minor from crossing State borders and having an abortion performed in a State without such laws.

This practice disregards abortion policies of individual States, implicates interstate commerce, and endangers young girls by allowing them to have dangerous abortion procedures performed without the guidance of their parent or guardian. The Child Custody Protection Act prohibits transporting a minor across a State line for the purpose of obtaining an abortion if doing so circumvents a parental notification or consent statute in the minor's residing State.

The Child Custody Protection Act will not change the parental notification or consent laws of any individual State, but will help to enforce these laws by helping to prevent minors from being taken out of a State for an abortion without a parent's knowledge or consent. This bill will actually reinforce State policies that are already in place.

Sadly, many young girls have been taken out of State by an individual other than her parent or guardian to obtain an abortion and have been subjected to unsafe and unlawful abortion procedures that endanger them physically and mentally. Abortion can cause physical and emotional complications for a young girl, and these dangers are greatly increased by taking her away from of the influence of her parents or guardian, placing her in the hands of an individual who does not have her best interests in mind.

Crystal Farley Lane was one such victim. When she was 12 years old, she became pregnant after tragically being raped by a 19-year-old man. Rosa Hartford, the man's mother, then took Crystal from her home in Pennsylvania, without her mother's knowledge or consent, to New York, where there were no parental consent laws, to have an abortion. After the procedure, Ms. Hartford abandoned young Crystal, who had serious medical complications, 30 miles from her home. When Crystal's mother, Joyce Farley, found out what happened and tried to help by asking the abortionist for Crystal's medical records, she was denied. Fortunately, Ms. Farley was able to help her obtain the medical care she needed in time, despite this obstacle by the abortionist.

Crystal's near-death experience could have been prevented had the Child Custody Protection Act been in place. Instead, there are currently no laws to prevent people like Ms. Hartford from taking Crystal out of Pennsylvania to obtain an abortion without parental consent.

Ms. Farley poignantly testified before the Senate Judiciary Committee that, "situations such as this are what the 'Child Custody Act' was designed to help prevent. I am a loving, responsible parent whose parenting was interfered with by an adult unknown to me."

In another instance, Marcia Carroll's 14-year-old daughter was forced into having an abortion by her boyfriend's family. The family took her from Pennsylvania to New York without Ms. Carroll's knowledge or consent, left her alone to have an abortion that she did not want to have, and then left her a block from her home in Pennsylvania. This 14-year-old girl had to go through a frightening and painful abortion procedure on her own and was then left to deal with the physical and emotional pain from an abortion that she did not want to have.

I find it terribly unjust that there are no laws to prevent situations such as these from happening and that families have no recourse against those who are responsible.

Very often, adult men, who are on average 6 to 7 years older than their victims, are the culprits of this violating crime against these young girls. Two-thirds of these adult men are 20 years of age or older. Additionally, more than half of the time it is a girl's boyfriend who takes her to another State to have an abortion without her parents' consent. An abortion performed in a jurisdiction that prohibits release of the medical records destroys any evidence that might have been used against a perpetrator to prosecute him for statutory rape and leaves him free to continue preying on these young girls without consequence.

The incongruity of this status is striking. There are so many restrictions to protect our minors from making bad decisions by requiring parental consent for their actions. They must have parental consent to take medication at school, even an aspirin. They cannot go on a school field trip without a permission slip signed by a parent. Why, then, can a young girl who cannot take an aspirin without the consent of her parents, cross a State border and have an abortion without notifying them? And why can an adult be prosecuted for giving a child aspirin but not for taking her to another state to have an abortion?

By reinforcing State abortion laws requiring parental notification or consent, the Child Custody Protection Act will protect our young daughters from making or being coerced into poor, irreversible, life-changing decisions. I believe we can all agree that action must be taken to prevent the evasion of laws created to protect minors and their families and help preserve the precious lives of children in the womb. I ask that this Chamber quickly pass this lifesaving legislation.

Mr. LIEBERMAN. Mr. President, I rise today in opposition of the Child Custody Protection Act, S. 403. This bill is not about reducing the numbers of abortions in America. S. 403 is about politics played at the expense of young women in the United States. S. 403 would make it a Federal crime for adults other than guardians to transport a minor across State lines to obtain an abortion. This is not nearly as simple as it may sound. S. 403 is another direct attack on the reproductive rights of women. It turns its back on young women who do not inform their parents about their decision to obtain an abortion even if they face threats of personal harm. S. 403 would criminalize grandmothers, religious leaders, aunts and uncles, and doctors fighting for the health and well-being of young women. This bill would take us back to the time before Roe v. Wade where women did not have the right to control their own bodies and too often were forced to seek an abortion at any cost.

The supporters of S. 403 want us to believe that there is a significant problem with young women being transported involuntarily over State lines to receive unwanted abortions without their parents' consent. But this is not what this bill is about. The majority of young women involve their parents in a vital decision such as this. In fact, over 60 percent of young women involve their parents in their decision to have an abortion. For adolescents 14 years and younger, the number is 90 percent.

So what is happening in cases when young women choose not to involve their parents? Studies show that in one-third of the cases where young women do not involve a parent, they fear family violence or being forced to leave the home. Research tells us that almost 50 percent of pregnant young women with a history of physical abuse report that they were hit during their pregnancy. Unfortunately, the person they were most often hit by was a family member.

The truth is adolescents that are most at risk for teen pregnancy are also the most likely to come from violent homes. Here, they often may not receive the parental guidance they need to make healthy decisions. Therefore, many experts tell us that teens at greatest risk for teen pregnancy also suffer the most from mandatory parental consent laws. These are young women that often do not have access to good parental support and guidance. They are likely to turn to other adult role models in their lives—grandmothers, aunts, cousins, or sisters for that guidance and support.

But S. 403 would send these people—grandmothers, aunts and religious figures—to prison for assisting young women in need. Mr. President, is this the way the Nation should be focusing on as a solution to teen pregnancy? Why don't we work together to reduce the numbers of unintended pregnancies and give people the social supports they need to make healthy choices? Why aren't the administration and the congressional majority talking about finding new pregnancy prevention programs that do not include jails?

Instead, this administration and the majority in Congress are initiating programs that are reversing the declines in abortion rates that we saw in the late 1990s. The Bush administration is more concerned with parental notification laws that we know hurt teens and would only affect a minority of cases than with actually preventing abortions. On their watch, abortion rates have stopped declining. In fact, according to government statistics, 90 percent of the States that attract the most out-of-State abortions actually have moderate to strict parental involvement laws. S. 403 will do nothing to keep young women from having to make a difficult choice—it will only make it harder for them.

The American Psychological Association has listed studies that show that parental notification laws increase adolescent stress and anxiety. They increase the likelihood of teenage pregnancy. Parental notification laws also make it more likely that teens will turn to extralegal and unsafe methods of abortion that could result in serious injury.

I wished we lived in a world where parents would always be involved in their children's health decisions. I would want any young woman in America contemplating abortion to trust her parents enough and feel safe enough to involve them in her decision. Unfortunately, that is not the reality that many of our young women face. They cannot go to their parents for fear of abuse and violence. This bill does nothing to protect these young women by including a strong judicial bypass, and does not take into consideration the difficult situations these young women face.

I cannot even list the numbers of groups that have come out in strong opposition of S. 403, but they include the American Civil Liberties Union, the American Academy of Pediatrics, the American Medical Women's Association, the National Organization for Women, the National Partnership for Women & Families, and the Republican Majority for Choice. I am joining those groups in opposition to S. 403.

S. 403 is another attempt at curtailing a woman's right to choose—in this case, young women, who are often the most vulnerable to violence and abuse from those that are supposed to be protecting them. I ask my colleagues to defeat S. 403.

Mr. CRAIG. Mr. President. I rise today in support of legislation protecting the most important relationship of all: that of parents and their children. The family is the fundamental, crucial and indispensable building block of our civilization, and parents are at its center. Yet, when it comes to one of the most important decisions in life, children are being kept from the guidance of their parents. I am talking, of course, about the decision whether or not to have an abortion.

The American people believe that parents should be involved in deciding whether their daughter should undergo an abortion. Statistics consistently show this, and the Supreme Court has upheld this. As the Court noted in the decision of H.L. v. Matheson: "the medical, emotional, and psychological consequences of an abortion are serious and can be lasting; this is particularly so when the patient is immature." In the case of Parham V. J.R. the Court said "[t]he law's concept of the family rests on a presumption that parents possess what a child lacks in maturity, experience, and capacity for judgment required for making life's difficult decisions."

Convinced of the soundness of this reasoning, at least 48 States have enacted laws requiring consent of or notification to at least one parent, or authorization by a judge, before a minor can obtain an abortion. Unfortunately, this wise policy is being undermined.

Thousands of children every year are taken across State lines by people other than their parents to secure secret abortions. As we speak, abortion providers across the Nation, operating in States with no parental consent or notification laws, are taking out advertisements in phonebooks outside of the State where they operate in order to attract underage patients in neighboring States with different laws. They are doing this in my home State of Idaho. They are doing this in Pennsylvania, blatantly trumpeting the fact that their clinics, outside of Pennsylvania, do not require parental notification as Pennsylvania does. In essence, these abortion providers are encouraging people to circumvent one State's parental notification law by crossing the border into another for a secret abortion.

The tragedy is that thousands of nonrelated adults take this suggestion every year in successful attempts to circumvent the law. In one highly publicized case, a 12-year-old girl living in a State with a constitutionally upheld parental notification law became pregnant by an 18-year-old man. The man's mother took her for an abortion in a neighboring State with no parental notification requirement. The mother's actions were discovered, and she was convicted of interfering with the custody of a child. A prominent pro-abortion legal defense organization appealed the conviction on the grounds that she merely "assisted a woman to exercise her constitutional rights" and as such was herself protected from prosecution by the Constitution. This reasoning cannot stand.

To say that, because the Court in Roe v. Wade declared most abortions constitutionally protected during the first trimester, that therefore minors have an absolute right to abortion without so much as notifying their parents, and that third parties—whatever their motives—have the right to transport them across State lines for a secret abortion, is to stand constitutional protections on their head. It is to strip children of the natural protection of their parents. There is hardly another circumstance warranting the need for parental guidance and judgment more than when a young daughter becomes pregnant and is considering an abortion. For the sake of our children and our families, this must stop. As a Nation, we loosen our precious family ties at our peril.

I must also note that Idaho is unable to enforce parental notification and consent laws that have passed the State legislature and have been signed into law by the Governor. Nearly 20 other States are in the same situation. These laws are all enjoined due to lawsuits brought by organizations intent on imposing their flawed understanding of the United States Constitutional protections on the American people, and judges willing to support it. It is my hope that this litigation will be resolved and that the right of elected officials to make and enforce laws under their jurisdiction will be upheld.

I strongly support and am cosponsoring the Child Custody Protection Act. Children must receive parental consent for even minor surgical procedures. Children must receive parental consent to take an asprin from their school nurse. I want to make it a Federal offense to transport a minor across State lines with intent to avoid the application of a State law requiring parental involvement in a minor's abortion, or judicial waiver of such a requirement. The profound, lasting physical and psychological effects of abortion demand that we help states guarantee parental involvement in the abortion decision. That means, at a minimum, seeing to it that outside parties cannot walk around State parental notification and consent laws on a whim or as a means to hide illegal activity. We can no more afford to allow State laws to be ignored than we can afford to allow family ties to be further undermined. For the sake of our families, I urge my colleagues to defend both by supporting the Child Custody Protection Act.

Mr. McCONNELL. Mr. President, I rise today in support of parents' most basic right and responsibility: to be actively involved in their children's lives, particularly in times of crisis. For that reason I wholeheartedly support S. 403, the Child Custody Protection Act.

I was an original co-sponsor of this bill when my good friend from Nevada, Senator ENSIGN, introduced it in 2005. S. 403 will make it a Federal offense to transfer a minor across State lines to obtain an abortion in order to evade a parental notification or parental consent law in the State in which the minor resides.

I am sure that my colleagues on both sides of the aisle will agree with me that every abortion is a tragic occurrence. The weight of such a decision falls heavily on any woman, particularly a minor. That is exactly the time that a child should be able to rely on a parent's counsel. And that is exactly the time a parent has a responsibility to be a parent, and get involved in their child's life.

Let me stress that S. 403 will not impose any new law or requirement on any State. Nor does it alter or supersede any existing State laws. All that this bill will do is reinforce state laws that are already in effect, and prevent them from being evaded by miscreants who would transport a minor across State lines for an abortion and cut the parents out of their child's life at such a crucial time.

This bill will promote the health of pregnant teens by ensuring that their parents—the people best equipped to make major medical decisions, answer questions about medical history, and help their child through the physical and emotional recuperative process—are present. And the bill also contains an exception if an abortion is necessary to save the life of the minor.

There is already a national consensus in America that a parent should be involved when a minor girl faces such an important decision. Forty-five States have enacted laws recognizing the need for responsible adults to give guidance to minors in decisions about abortion. And 37 States have parental notification or parental consent laws, including Kentucky, which has the latter. What we are doing here is an entirely appropriate Federal role: reinforcing the States' power to pass and enforce laws which are entirely constitutional. When I say that the State law in question must be constitutional, that is also provided for in the bill. S. 403 will only reinforce a State law if that law has passed constitutional muster.

Some critics will claim that this bill will grant too much influence to parents in their children's lives, and that young girls ought to be able to go and get an abortion without talking to their mom or dad. I am a little surprised at that line of thinking. I think that, generally, it is a good thing for kids to talk to their parents and ask them for help when they need it. But in any event, we have laws that give parents a say in what their kids do for matters far less serious than abortion.

Twenty-seven States currently require parental consent—not just notification, but consent—before a child under age 18 can get a tattoo. And 27 States require parental consent before a child under age 18 can get a body piercing. So if the opponents of this bill had their way, a 14-year-old girl could evade State law to get an abortion—but not a tattoo.

Perhaps thousands of underage girls get taken across State lines for abortions every year. Studies have shown that the majority of these girls have male partners older than 20. Many of these men are committing statutory rape. These girls are in trouble and need the advice of a mom or a dad to help them out of their desperate situations. This Senate ought to take the side of the parents over the side of the criminals.

Throughout my career, I have consistently stood for protecting the unborn and promoting a culture of life. I don't like that people are spiriting young girls away from their parents to get them to have abortions, and evading State law to boot. If this law means fewer abortions in America, I will celebrate that.

But I want to stress to my colleagues who may take an opposing view that the central issue of the Child Custody Protection Act is parental rights. Parents ought to have the right to be heard at such a pivotal moment in the children's lives, and States ought to have the expectation that their duly passed laws ensuring just that are enforced.

What opponents of this bill forget is that no parent wants anyone to take their children across State lines—or even across the street—without their permission. This is a fundamental right, and the Congress is right to uphold it in law.

Not one girl should have to make a decision—or worse, be forced into a decision that she will regret for the rest of her life because her mom and dad weren't there to lean on. It is this Senate's responsibility to see that doesn't happen. I urge my colleagues to support this bill.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. ENSIGN. Mr. President, to update our colleagues on what has been going on, we had three amendments still pending on this bill. Senator BOXER and I, and our staffs, with the leadership on both sides, have been working together. We think we have come up with a compromise amendment. It will be the Boxer-Ensign amendment. We will be making a unanimous consent request in a few moments.

I thank Senator BOXER and her staff for the way they have worked together with us, coming to an agreement. This is a good example of how people who fundamentally disagree—passionately—on an issue can actually find some common ground and work together at least on an amendment. That is what we have done today. I am very pleased with what the staffs have done and the compromise we have reached. It is very satisfying.

Let me spend a few minutes talking on the bill as the final details are being worked out. This is an important piece of legislation, not because of the huge numbers it will affect—I have had that question from reporters: How many girls actually get taken across State lines to get an abortion? Sadly, no one knows the answer to that because it is not reported.

As a matter of fact, right now when it happens, the parents have no rights to the information, so they cannot find out even after the fact. They find out by rumor or maybe their child ends up telling them later where they had it done. We had cases where they tried to get the information, but, frankly, the clinic would not release the information. We have no idea how many victims are out there—the records are not kept anywhere—or how often this happens.

I have tried to put myself in a situation that I would want my Senator representing me. I try to say, okay, I am an average person, how would I want my Senator representing me? I happen to be the father of a little girl. We have three kids. Our middle child is a little girl. She happens to be with me this weekend in Washington. In the coming years, as she matures as a young woman, I think about if some 20-year-old preyed on her when she was in her teenage years and got her pregnant and then somehow, because we had a parental consent law, which I hope we do someday in Nevada, and the 20-year old said: I won't date you anymore unless you get a secret abortion. He thinks: I will convince her somehow, manipulate a very vulnerable young woman. I will convince her that I won't see her anymore if she doesn't get the abortion—or whatever means needed to persuade her to get an abortion. If there is a parental consent law in my State, I will decide to go someplace else where they don't require it. In other words, he gets around the will of the people of the State of Nevada or any state that requires parental involvement.

In a case such as that, I would be totally devastated as a parent because I would not be able to help my daughter through this time because I would not even know about it. I would not know if she had a complication from the surgical procedure of abortion. I would not know—if she had a complication in the middle of the night and she started bleeding—that I should be watching for something that could be going wrong. If she had a fever, I would probably say: Honey, we will get you some Advil or Tylenol. And maybe I would hold her for a little while. And she would be afraid to tell me what was going on and, without me knowing, that could develop into very serious complications overnight. Complications that could even be life threatening.

Well, I try to put myself in those kinds of situations as a Senator and say: How would I want to be represented? And this is how I would want it. I would want somebody to stand up and say: The rights of parents should be respected. That is what we are doing in this bill. But more than that, for the well-being of these teenage girls, the vast majority of them would be better off if the parents were involved.

Now, we realize there are cases where that is not the case, where there is an abusive parent. There are exceptions. That is part of the amendment compromise we are working to reach. I think it is a good compromise. In a situation—that has been brought up here on the floor many times where there has been a girl impregnated who is in her teenage years, we do not want to make unreasonable exceptions that make these laws ineffective.

There was an amendment that would have said: We will make an exception to allow the clergy to take a girl across State lines. They wanted an amendment that said the grandparents should have an exception. Well, let me address those two exceptions because they sound, on their face, reasonable. We have case after case after case of documentation where the clergy was actually the person who was impregnating the teenager. We have all read about the scandals with some of our clergy. Clergy are human beings and, just like any other, they can be flawed human beings. We know that. Just because they have a white collar on does not mean they are perfect human beings.

Some of those imperfections can be seen in cases of sexual abuse by members of the clergy with teenagers. For instance, there have been members of the clergy who have taken minor children across State lines to avoid parental consent laws. And because they are clergy—they are supposed to be this authority figure—the girl does not want to question them and she goes across State lines and has a secret abortion.

The exception that was going to be offered in one of the amendments would have allowed that member of the clergy, which was not defined, to be exempt from prosecution under this bill. I cannot support such an exemption.

Not only that, any one can become a member of the clergy. In fact, last night I asked my staff, because I had heard you could become a member on the internet fairly easily, and within 3 minutes she became an ordained minister. So, anybody could go on the Internet and officially be recognized as an ordained minister, officially by our courts. Leaving it open that a 20-something-year-old who has impregnated a teenager could become a minister and could still fall under the clergy exception.

Let me address the grandparent case. In the case of the grandparents, you have a situation where maybe there was incest in the family, and the grandparent feels they care about the child, and they want to help them. Most grandparents are loving, and they will want to help the child in that case. The Senator from California and others have made the case that they should not be prosecuted under this law because they took the child across State lines to get an abortion because they only thought they were trying to help.

Well, I would make the argument that if those grandparents cared about that child who was in a situation where they were in an abusive home—they were raped by their father—the grandparents should contact the authorities, get the authorities involved to stop the cycle of abuse. You would use the judicial bypass for such case. Judicial bypass would mean that you would not have to go across State lines if that was what the outcome would be, to have an abortion. You would have the judiciary, the authorities involved.

If the authorities were involved, you take that girl out of that abusive situation and protect her. If you allow for the grandparent exception and allow secret abortions, that is not going to happen. In too many cases, it is easier to get the abortion, and hide the problem, saving the family from embarrassment. If you go to the authorities, it may become public. That is why I think we need to not have the grandparent exception and the clergy exception.

So, Mr. President, we are still waiting for the amendment to come down in its final form. As soon as it does, we will be entering into a unanimous consent agreement. But let me wrap up because it has been a very good debate, with strong emotions on each side.

I think this is a bill Americans can come together on and find common ground. I have mentioned before there are good people on both sides of the abortion debate with deeply held beliefs. I believe life begins at conception and that child is a child and has a soul from the time they are conceived. That is why I believe that same child deserves protection throughout their life. I also know that people look at it differently on the other side, and they too have deeply held beliefs.

So Americans have been saying: Can't we at least find some middle ground? Can't we find some ground to at least make some reasonable restrictions on abortion and support parents rights? I believe we have brought forth a bill today that finds that common ground. Eighty percent of the American people support this legislation, and they do that because it is reasonable. From a protection of parents' rights perspective; from a protection of the girl's perspective; from going after some of these, literally, sexual predators, these 20-something-year-olds, who are taking these teenagers across State lines: from a law enforcement perspective; from a lot of different ways this is a reasonable piece of legislation. That is why I introduced it, why I support it so strongly, and why I am happy we are finally having this debate on the Senate floor.

I want to thank my colleagues, especially Senator BOXER, on the other side of the aisle for allowing the debate to happen, for bringing this thing to a final vote, where we can get passage on this bill and then go to a conference with the House and, hopefully, work out the differences between the House and the Senate. My hope and prayer is we can get this bill actually signed into law by the President this year.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CHAMBLISS). The Senator from California.

Mrs. BOXER. Mr. President, again, for the benefit of our colleagues, we are waiting patiently to have the amendment we agreed on to come before us. Then we are hoping at the right time, Senator ENSIGN will make a unanimous consent request for a vote on an amendment we have agreed on, and then vote on final passage. So hopefully we will have that done very soon. As soon as it is done, I will yield the floor and allow the Senator, the good Senator from Nevada, to make his unanimous consent request.

The Senator from Nevada wants to protect our daughters. He is a dad of a daughter. I am a mom of a daughter. I want to protect our daughters. So let's not get confused on this point. We all want to protect our daughters. We all adore them. We want them to be safe, and we want them to get the help they need. We want them healthy. We want them well. We do not want them afraid.

But I do fear that this bill, the way it is drafted—and, yes, we are going to make a little bit of a correction on the incest part, but not as much as we should, but some—we are going to make some progress, and I am grateful for that. Basically, the way this bill is drafted, it is going to frighten our daughters because here is the way it works, folks: If you are a young woman in a parental notification State, you will take matters into your own hands because you are too frightened to go to your parents.

Now, we all hope all parents will be open and loving and caring and helpful and will be able to be approached when a young woman becomes pregnant and it is an unintended pregnancy. We would hope and pray that family, that loving family, will sit around and talk about what ought to happen here, what is the best thing for everybody. I am pro-choice. I am for whatever the family decides. If they decide that the best thing is to raise that child in the family, that is their choice. If they decide it is best if the young woman exercises her right to choose, which is her right in this country—and has been since 1973—she has that right.

That is what we hope happens, that there will be these conversations. Of course, my friends on the other side of the aisle do not want a choice. They want to force her to have the child. They are against Roe v. Wade, but that is another debate. That is a debate we take to the people, and that is a debate that the pro-choice people win. They do not want Senator BOXER or Senator ENSIGN involved in that family discussion, saying: But, no, you must have this child. You must not have any rights to choose. They do not want that. People do not feel comfortable with it. They want to deal with this their own way, with their own God, with their own family, with their loving family members. But that is not before us.

What is before us is a very narrow bill that deals with a very narrow circumstance where there is a young woman who does not go to her parents, mostly because she is scared to death to go to them. For whatever reasons, in her mind, she is fearful: Will they—if she is from a violent home—beat her up? Will they hurt her? Will they verbally abuse her? Will they be disappointed? And that weighs on her.

So what we are saying with this bill to that girl in a parental notification State is: You are alone. You can't go to anyone else. You can't go to your grandma who you adore, you can't go to your grandpa, you can't go to your big sister, you can't go to your Aunt Susan, you can't go to your clergy who has taken care of you and looked after you.

So you can't go to your doctor. You can't do this because they could be sued and put in jail. That is what this bill does. Is that America? Rather than go to the people who she knows who adore her, love her, care about her, would counsel her, would help her and, perhaps, by the way, talk her into speaking to her parents or going with her to speak to her parents, this bill says: Go it alone, get in your car, get in an airplane, don't take anyone with you, don't tell anyone else, because that person can be sued and, worse, put in jail.

These are our kids. My God, what a situation. And somehow this is supposed to be a wonderful thing we are doing, a family-values thing we are doing. I don't think you can force families into these situations. We don't know enough to be able to do that. There will be unintended consequences. We will have suicides. We will have very serious problems.

As we wait around here in these last moments of this debate—and I am hopeful we can bring it to a close—let me say again that I thank Senator ENSIGN for coming my way, not quite halfway, on the issue of incest. Because the bill as written allowed a father who raped his daughter to have all kinds of parental rights: the right to sign an agreement that she could have an abortion, the right to take her over State lines, the right to sue a loving and caring adult who helped her.

I wish to show this chart which I have shown previously. Under this amendment we are hoping is coming to us momentarily, we will stop a father who has raped his daughter from suing the trusted adult who helped his daughter end the resulting pregnancy. So in the case of incest, if the child goes to grandma, the incestuous father cannot sue grandma.

Then, at the end, Senator ENSIGN was not willing to take these three provisions which I will debate. He did take my last provision.

We now stop a father who has raped his daughter or any other family member who has committed incest against a minor from transporting her across State lines to obtain an abortion. That would be a crime.

The three things that are not done, which is why I think this amendment falls short: we haven't stopped a father who has raped his daughter from exercising parental consent rights; we haven't stopped all criminal prosecution or jail time for a trusted adult who helped a victim of incest; and we haven't stopped all civil suits against a trusted adult who helped a victim of incest. But we have taken care of two issues. For that I am grateful because this bill will become law. It will be sent to the President, who will sign it. Unlike his veto on the stem cell bill, which he should have signed, because that bill would help our families, help our children with juvenile diabetes, help grandmas and grandpas with Alzheimer's, Parkinson's, help our youngsters who were paralyzed—he vetoed that. He will sign this one.

This is a political bill. It did come to us in 1998 just before the election. Let's face facts. We know when it came.

My friend from Nevada is right when he says people support parental notification. They do want to believe we could all to go our parents with these problems. But let me tell you what they don't want. They don't want to give incest predators any rights whatsoever. They would want to make an exception in this bill for rape victims so that if you are a victim of rape and you were too scared to tell your parents, you could go to your grandmother, but not under this bill. A victim of rape, you are too scared to tell your parents because of the circumstances—maybe it was date rape, maybe you just can't explain it. Maybe you are frightened to death. You go to your grandma. She could be sued by the parents and she could be put in jail by the Federal Government. Send your grandma to jail. That is what we are doing here today. Why? Because she loved her granddaughter, because she was there for her granddaughter, and because by stepping in, she may have really saved a tragedy from occurring.

I don't believe the American people want us to be this radical. I think they would have wanted us to do more exceptions to this bill. Seventy percent of the American people oppose abortion laws that put people in jail. I don't believe Americans think that stopping an abortion is worth causing a teen a lifetime of paralysis, infertility, or worse. This bill, if it does get signed into law, and I say it will, and unless it is overturned by the courts, which I think it might be, but if it isn't, it basically will put these young women in a situation where they feel the world is closing in on them. That is not right.

I will close my debate and urge a "yes" vote on the Boxer-Ensign amendment that will go part way toward solving the predator incest issue. Then I would urge a "no" vote on the underlying bill because of all the problems it creates that we have not been able to address.

I thank the staffs on both sides. We have had a long and difficult day, emotional issues for us all. Yet we have handled it in such a way that I am hopeful that momentarily we will have a unanimous consent request to resolve the procedures governing the rest of the evening.

I yield back my time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll. Mr. ENSIGN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENSIGN. Mr. President, I ask unanimous consent that Senator BOXER be recognized in order to offer an amendment; provided further that there be 5 minutes for Senator BOXER and——

Mrs. BOXER. I only need 30 seconds.

Mr. ENSIGN. That we have 1 minute for Senator BOXER, 1 minute for Senator ENSIGN, and following that time, the Senate proceed to a vote in relation to the Boxer amendment. I further ask that following that vote, the bill be read a third time and the Senate proceed to a vote on passage of the bill with no further intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4694

Mrs. BOXER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. BOXER], for herself and Mr. ENSIGN, proposes an amendment numbered 4694.

Mrs. BOXER. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To punish parents who have committed incest)

On page 4, line 5, strike the period and insert ", unless the parent has committed an act of incest with the minor subject to subsection (a).".

On page 5, after line 12 insert the following:

"§ 2432. Transportation of minors in circumvention of certain laws relating to abortion

"Notwithstanding section 2431(b)(2), whoever has committed an act of incest with a minor and knowingly transports the minor across a State line with the intent that such minor obtain an abortion, shall be fined under this title or imprisoned not more than one year, or both."

Mrs. BOXER. I thank Senator ENSIGN. I had an amendment to solve this incest predator problem. He came to me almost halfway. We didn't quite get there, but it is a start. Again, for the benefit of my colleagues, two out of five provisions I wanted are in this amendment. This amendment stops a father who has raped his daughter from suing the trusted adult who helped his daughter end the resulting pregnancy, and it stops a father who has raped his daughter or any other family member who has committed incest against a minor from transporting her across State lines. This is an improvement. The reason we want to have a vote on it is because we hope it is a strong statement going into the conference on this bill. Again, we still need to fix many more provisions of this bill.

I believe, at the end of the day, it doesn't make our teenagers any safer. It will make them fearful. It will make them feel alone. I think the bill is unconstitutional. I hope we have some "no" votes to send a message that this bill needs a lot more work.

I thank Senator ENSIGN and his staff and my staff. It has been a tough day.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. ENSIGN. Mr. President, to wrap up, I encourage a "yes" vote on the Boxer-Ensign amendment.

I thank my staff and Senator BOXER's staff and particularly name Pam Thiessen and Alexis Bayer on my staff for the great work they have done on this bill and Chris Jaarda for some of the number crunching he did on the bill as well.

I hope we get a strong bipartisan vote on final passage. To alert our Members, these will be two votes, and then we will be completely done with this bill.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

Mr. ENSIGN. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Without objection, the yeas and nays may be requested on final passage.

Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4694.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Oklahoma (Mr. COBURN).

Mr. DURBIN. I announce that the Senator from California (Mrs. FEINSTEIN) is necessarily absent.

The PRESIDING OFFICER (Mr. SUNUNU). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 215 Ex.]

YEAS—98

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Bunning
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
Dayton
DeMint
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Ensign
Enzi
Feingold
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchison
Inhofe
Inouye
Isakson
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner
Wyden

NOT VOTING—2

Coburn
Feinstein

The amendment (No. 4694) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the bill having been read the third time, the question is, Shall the bill, as amended, pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from California (Mrs. FEINSTEIN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 65, nays 34, as follows:

[Rollcall Vote No. 216 Ex.]

YEAS—65

Alexander
Allard
Allen
Bayh
Bennett
Bond
Brownback
Bunning
Burns
Burr
Byrd
Carper
Chambliss
Coburn
Cochran
Coleman
Conrad
Cornyn
Craig
Crapo
DeMint
DeWine
Dole
Domenici
Dorgan
Ensign
Enzi
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Inouye
Isakson
Johnson
Kohl
Kyl
Landrieu
Lott
Lugar
Martinez
McCain
McConnell
Murkowski
Nelson (FL)
Nelson (NE)
Pryor
Reid
Roberts
Salazar
Santorum
Sessions
Shelby
Smith
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NAYS—34

Akaka
Baucus
Biden
Bingaman
Boxer
Cantwell
Chafee
Clinton
Collins
Dayton
Dodd
Durbin
Feingold
Harkin
Jeffords
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Menendez
Mikulski
Murray
Obama
Reed
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Stabenow
Wyden

NOT VOTING—1

Feinstein

The bill (S. 403), as amended, was passed, as follows:

S. 403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Custody Protection Act".

SEC. 2. TRANSPORTATION OF MINORS IN CIRCUMVENTION OF CERTAIN LAWS RELATING TO ABORTION.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 117 the following:

"CHAPTER 117A—TRANSPORTATION OF MINORS IN CIRCUMVENTION OF CERTAIN LAWS RELATING TO ABORTION

"Sec.
"2431. Transportation of minors in circumvention of certain laws relating to abortion.

"§ 2431. Transportation of minors in circumvention of certain laws relating to abortion

"(a) OFFENSE.—

"(1) GENERALLY.—Except as provided in subsection (b), whoever knowingly transports a minor across a State line, with the intent that such minor obtain an abortion, and thereby in fact abridges the right of a parent under a law requiring parental involvement in a minor's abortion decision, in force in the State where the minor resides, shall be fined under this title or imprisoned not more than one year, or both.

"(2) DEFINITION.—For the purposes of this subsection, an abridgement of the right of a parent occurs if an abortion is performed on the minor, in a State other than the State where the minor resides, without the parental consent or notification, or the judicial authorization, that would have been required by that law had the abortion been performed in the State where the minor resides.

"(b) EXCEPTIONS.—

"(1) The prohibition of subsection (a) does not apply if the abortion was necessary to save the life of the minor because her life was endangered by a physical disorder, physical injury, or physical illness, including a life endangering physical condition caused by or arising from the pregnancy itself.

"(2) A minor transported in violation of this section, and any parent of that minor, may not be prosecuted or sued for a violation of this section, a conspiracy to violate this section, or an offense under section 2 or 3 based on a violation of this section.

"(c) AFFIRMATIVE DEFENSE.—It is an affirmative defense to a prosecution for an offense, or to a civil action, based on a violation of this section that the defendant reasonably believed, based on information the defendant obtained directly from a parent of the minor or other compelling facts, that before the minor obtained the abortion, the parental consent or notification, or judicial authorization took place that would have been required by the law requiring parental involvement in a minor's abortion decision, had the abortion been performed in the State where the minor resides.

"(d) CIVIL ACTION.—Any parent who suffers harm from a violation of subsection (a) may obtain appropriate relief in a civil action, unless the parent has committed an act of incest with the minor subject to subsection (a).

"(e) DEFINITIONS.—For the purposes of this section—

"(1) a 'law requiring parental involvement in a minor's abortion decision' means a law—

"(A) requiring, before an abortion is performed on a minor, either—

"(i) the notification to, or consent of, a parent of that minor; or

"(ii) proceedings in a State court; and

"(B) that does not provide as an alternative to the requirements described in subparagraph (A) notification to or consent of any person or entity who is not described in that subparagraph;

"(2) the term 'parent' means—

"(A) a parent or guardian;

"(B) a legal custodian; or

"(C) a person standing in loco parentis who has care and control of the minor, and with whom the minor regularly resides, who is designated by the law requiring parental involvement in the minor's abortion decision as a person to whom notification, or from whom consent, is required;

"(3) the term 'minor' means an individual who is not older than the maximum age requiring parental notification or consent, or proceedings in a State court, under the law requiring parental involvement in a minor's abortion decision; and

"(4) the term 'State' includes the District of Columbia and any commonwealth, possession, or other territory of the United States.

"§2432. Transportation of minors in circumvention of certain laws relating to abortion

"Notwithstanding section 2431(b)(2), whoever has committed an act of incest with a minor and knowingly transports the minor across a State line with the intent that such minor obtain an abortion, shall be fined under this title or imprisoned not more than one year, or both.".

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 117 the following new item:

"117A. Transportation of minors in circumvention of certain laws relating to abortion .... 2431".

Mr. FRIST. Mr. President, I move to reconsider the vote.

Mr. DURBIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, I congratulate Chairman ENSIGN for managing this bill, an important bill that we have passed and that the House has passed, and now it is time for us to go to conference. I thank leadership and the managers on both sides because we were able to address a very important issue and had appropriate amendments under an agreement that was reached, and conclusion was passage as we just heard by 65 to 34 on this bill.

With regard to that, I ask unanimous consent that the Senate immediately proceed to the consideration of H.R. 748, the House companion measure; provided that all after the enacting clause be stricken and the text of S. 403, as amended, if amended, be inserted in lieu thereof; the bill then be read a third time and passed, and the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees with a ratio of 7 to 5.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Mr. President, reserving the right to object, on behalf of myself and other Senators, I will object to the appointment of conferees at this point. This is an issue which has been debated for a short time here on the floor and never went through the Senate Judiciary Committee for consideration. It is our belief that at this point in the session asking for a conference committee is premature.

I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FRIST. Mr. President, the objection is heard. And I will say that I am disappointed. This bill passed the House of Representatives on April 17, 2005, and just passed this body 65 to 34 expressing the will of the Senate. Routinely, we would go to conference with the House and the Senate bill and move forward. I understand that objection is made. I am very disappointed that is the case. I hope we can get to conference just as soon as possible. I do hope that the objection we heard tonight does not represent obstruction in taking this bill to conference, because that would be the normal course. But we will address this in the future.

Again, I am disappointed that we are being stopped from going to conference tonight.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIME MINISTER MALIKI'S VISIT

Mr. KENNEDY. Mr. President, Iraq Prime Minister Maliki's visit to the United States comes at an important time. All Americans want Iraq's new government to succeed. The principal measure of success will be whether the tide of violence recedes and full-scale civil war is avoided. But for that to happen, the new government must deal quickly, decisively, and effectively with the principal threat to stability—the deadly influence of the militias—especially in Baghdad.

It is time for the new government to move beyond vagaries and develop a viable strategy to deal with the militias and prevent Iraq from descending into full-scale civil war. He needs to begin implementing a credible plan to disarm, demobilize, and reintegrate the militias into the security forces. He must obtain a real commitment from the political parties to assist in disbanding and disarming the militias.

As the new violence in Lebanon demonstrates, political parties cannot govern with one hand and terrorize civilians with militias with the other hand. It did not work with Hezbollah in Lebanon, it cannot work with Hamas, and it will not work in Iraq.

Militias are the engines of civil war, and there is no role for them in a legitimately functioning government of Iraq. Iraq's future and the lives of our troops are close to the precipice of a new disaster. The timebomb of full-scale civil war is ticking, and our most urgent priority is to defuse it.

America, too, must be honest about the situation in Iraq. President Bush, the Vice President, and Secretary Rumsfeld continue to deny that Iraq is in a civil war. But the increasing sectarian violence, the ruthless death squads, and the increasingly powerful role of the privately armed militias tell a very different story.

We cannot ignore this major danger. President Bush needs to consider the cold, hard facts and prepare a strategy to protect our troops who are at risk of getting caught in the middle of an unwinnable sectarian civil war. Such planning is not an admission of defeat; it is responsible and necessary to protect the lives of our men and women in Iraq who are serving with great courage under enormously difficult circumstances.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On October 14, 1995, in Atlanta, GA, Quincy Taylor, a high school student, was found dead behind a convenience store from gunshot wounds to the chest. Taylor frequented and sometimes worked at a popular gay bar known for featuring cross-dressing entertainment. According to police, the killer knew the victim and was motivated solely by his sexual orientation.

I believe that the Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

PRESIDENTIAL SIGNING STATEMENTS

Mr. LEAHY. Mr. President, yesterday we were reminded, again, of the lawlessness of the Bush-Cheney administration as it continues its abuse of "signing statements" as part of a systematic pursuit of power without the checks and balances inherent in our constitutional democracy. A most distinguished task force of the American Bar Association has now released a unanimous report highly critical of this President's practice as "contrary to the rule of law and our constitutional system of separation of powers." I thank the distinguish panel of conservatives and moderates, or Republicans and Democrats for their thoughtful report.

Let me be clear, this is not some academic debate without consequences. I have been seeking to draw attention to this surreptitious power-grab for at least 4 years, since this President's unusual signing statement following enactment of the Sarbanes-Oxley bill in 2002 to reign in corporate abuses that cost so many Americans their livelihoods and their retirement savings through Enron and other scandals. The President signed the bill but had secret "reservations." That is when I first realized the President's unorthodox, unwise and unsound practice of signing a bill while crossing his fingers behind his back. We have seen it over and over again as this President insists on the equivalent of an unwritten line-item veto that would undermine the checks and balances of our constitutional separation of powers and that the Supreme Court correctly determined was unconstitutional.

Later this week, the President will be signing the reauthorization and revitalization of the Voting Rights Act, passed by the House with 390 votes and unanimously last week by the Senate. In the past I could have gone to the White House to witness the bill signing knowing that our three branches of government were all operating within their proper authority. That is the way we have operated for more than 200 years. But this year, with this President, that is not the way any longer. After the bill signing, after the celebration, after the bipartisan plaudits and after the President takes credit for the civil rights advances that our bill is intended to represent—after all this—we will have to wait to see whether there is a belated presidential document, a so-called "signing statement." Only then will we see if the President will seek to create a gloss that Congress did not intend, or modify a provision of law more to his liking, or declare some provision of law something he and his administration will not enforce. That is wrong. That is the opposite of the rule of law. And no one—not even the President—is above the law.

The Constitution places the lawmaking power, "All legislative Powers" in the Congress. That is an article I power. A check on the congressional power is the requirement that "before [a bill] becomes a Law" it must be presented to the President. Section 7 of article I of the Constitution provides: "If he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated." Of course the Constitution then contemplates congressional power to override a presidential objection or veto. That is our system, that is our law. The President has the option to veto—in fact after 5 years in office, he finally exercised that power last week when he vetoed the stem cell research legislation. I disagreed with his decision to veto that bill, but it was within his constitutional power to do it. He does not have the power to issue a decree that he will pick and choose which provisions of laws to follow in statements issued after Congress passes a law. What this President is doing is wrong.

Last month, the Senate Judiciary Committee held a hearing on the use of these signing statements by the Bush-Cheney administration. I noted that we are at a pivotal moment in our Nation's history, where Americans are faced with a President who makes sweeping claims for almost unchecked Executive power. This President's use of signing statements is unprecedented, although presaged by the work of Samuel Alito at the Meese Justice Department during the Reagan Presidency—now Justice Alito on the Supreme Court. This administration is now routinely using signing statements to proclaim which parts of the law the President will follow, which parts he will ignore, and which he will reinterpret. This is what I have called "cherry-picking" and it is wrong.

This President's broad use of signing statements to try to rewrite the laws passed by the Congress poses a grave threat to our constitutional system of checks and balances. During his 5 years in office, President Bush has abused his bill signing statements to assign his own interpretations to laws passed by Congress.

According to a review of these statements conducted by The Boston Globe, President Bush has employed signing statements to ignore or disobey more than 750 provisions enacted by the Congress since 2001, more than all previous Presidents in the history of our Nation combined. According to scholarly research that number now tops 800 provisions of law.

I have alluded to the President's signing statement in 2002 in connection with the Sarbanes-Oxley law designed to combat corporate fraud. The President used his signing statement to attempt to narrow a provision protecting corporate whistleblowers in a way that would have afforded them very little protection. Senator GRASSLEY and I wrote a letter to the President stating that his narrow interpretation was at odds with the plain language of the statute, and the administration reluctantly relented on this view but only after much protest.

We also witnessed the President's fondness for signing statements earlier this year, when after months of debate and negotiations in Congress, the President issued a signing statement for the USA PATRIOT ACT reauthorization language in which he stated his intentions not to follow the reporting and oversight provisions contained in that bill. I noted this abuse at the time. When I voted against that reauthorization, I explained it was because I did not have confidence that the oversight provisions we succeeded in incorporating into the law would be respected. What little doubt was left by the self-serving signing statement was erased last week when the Attorney General of the United States refused to commit to following the law.

This President has also used signing statements to challenge laws banning torture, on affirmative action and prohibiting the censorship of scientific data. In fact, time and again, this President has stood before the American people, signed laws enacted by their representatives in Congress, while all along crossing his fingers behind his back. And, while this President used to boast—until his veto of stem cell research legislation—that he was the first modern President to have never vetoed a bill, he has cleverly used his signing statements as a de facto line-item veto to cherry-pick which laws he will enforce in a manner not consistent with our Constitution.

Under our constitutional system of government, when Congress passes a bill and the President signs it into law, that should be the end of the story. At that moment the President's constitutional duty is to "take Care that the Laws be faithfully executed." That is the article II power, the executive power, to "execute" the laws, it is not a legislative power. So when the President, including this President, takes the oath of office and swears on the Bible, he does so, in the words of the Constitution, "Before he enter on the Execution of his Office," and swears that he will "faithfully execute" the office of President and "preserve, protect and defend the Constitution of the United States." I remind this President and this administration that the Constitution has more than one article and that "All legislative Power" is vested in Congress, not some "unitary executive."

When the President uses signing statements to unilaterally rewrite the laws enacted by the people's representatives in Congress, he undermines the rule of law and our constitutional checks and balances designed to protect the rights of the American people.

This President's abuse of signing statements is all the more dangerous because he has packed the courts with judges willing to defer to him and presidential authority. I have noted that Justice Alito helped develop this device. I could not help but note that Justice Scalia, who is famous for not consulting legislative history, reached out in his dissent in the recent Hamdan decision to reference a recent Presidential signing statement.

These signing statements are a diabolical device but this President will continue to use and abuse them, if the Republican Congress lets him. So far, this Congress has done exactly that. Whether it is torture, warrantless eavesdropping on American citizens, or the unlawful detention of military prisoners, this Republican-led Congress has been willing to turn a blind eye and rubberstamp the questionable actions of this administration, regardless of the consequences to our Constitution or civil liberties.

VOTING RIGHTS ACT

Mr. CRAPO. Mr. President, I rise today to express my support for the Voting Rights Act, VRA. Unfortunately a longstanding medical appointment kept me from casting my vote in favor of this legislation last week and I want there to be no question as to my support for the VRA. For over 50 years, the VRA has protected the cornerstone of democracy: the right to vote. Congress enacted the VRA in response to evidence that some States and counties had denied many citizens access to the ballot because of their race, ethnicity, and language-minority status. The creators of this law were convinced, as am I, that a strong America is one that reflects the feelings and opinions of all Americans. That means that everyone has the right to vote.

Provisions of the VRA prohibit election laws that would deny or abridge voting rights based on race, color, or membership in a language minority. The act allows citizens to challenge discriminatory voting practices and procedures and prohibits the use of any test or device as a condition of voter registration. Such provisions seem like common sense today, but they were not always so widely supported. We must recommit today not to return to the mistakes of yesterday. I am pleased that the Senate approved the reauthorization of this critical act. It correctly ensures that every citizen has a stake and a voice in our country's future.

INSTABILITY IN SOMALIA

Mr. FEINGOLD. Mr. President, I am deeply troubled by reports in the press that the Islamic courts in Somalia are advancing on the internationally recognized Transitional Federal Government, TFG, and are apparently ignoring recently signed cease-fire agreements. It is imperative that the Islamic courts recognize the TFG as the official governing body of Somalia and that it abide by the cease fire agreed to on June 22, 2006, in Khartoum. The Islamic courts must work in good faith to strengthen the TFG and actively commit to the development of a more inclusive and representative government of Somalia.

For this to happen, the international community, including the United States, needs to be fully engaged. The United States, in particular, must develop a comprehensive strategy for Somalia that utilizes all facets of its power and capabilities and must ramp up its diplomatic efforts throughout the region and the international community to bring this crisis to an end. Unfortunately, it can't do that if it doesn't have the resources or the people in place to deal effectively with the complexity of this problem. The U.S. Government needs to appoint a senior envoy for Somalia to pull together a strategy and to engage full time with international and regional partners in addressing this crisis. It also needs more staff and more resources to work with to help execute this strategy and to contribute to international efforts to bring about lasting peace throughout the region. The administration should work closely with Congress to identify what additional resources are needed for Somalia, given the recent escalation of tension there.

That said, it is important to realize that efforts to both establish long-term peace and to eradicate terrorist networks and safe havens in Somalia are complimentary. The U.S. Government must recognize that long-term stability in Somalia is our best weapon against terrorist networks, extremist organizations, and the conditions that allow them to seek safe haven there. We must look at poverty reduction programs, economic development efforts, support for democratic institutions, anticorruption efforts, and education as the core elements of a new Somalia strategy.

As we learned in Afghanistan, we cannot ignore the conditions that breed extremist and terrorist organizations. Accordingly, it is essential to recognize that any attempt to address instability in Somalia must address a range of root causes or facilitating conditions: a weak and dysfunctional central government, extreme poverty, corruption, conflict, disease, and drought.

It is imperative that the U.S. Government begin playing a leadership role in helping stabilize Somalia and the region and that it do so immediately. We need a comprehensive approach to engaging with regional actors, the international community, and the U.N. to find a permanent solution to this crisis. Such an approach will contribute to stability throughout the Horn of Africa and to our national security.

NATIONAL KOREAN WAR VETERANS ARMISTICE DAY

Mrs. CLINTON. Mr. President, on Thursday, July 20, 2006, I introduced S. 3700, which would honor the valiant efforts of our Korean war veterans, who risked their lives fighting against communism on the Korean peninsula. As we honor the 53rd anniversary of the Korean War Armistice, I am proud to reintroduce this legislation recognizing Korean War Armistice Day. The Korean War Veterans Recognition Act of 2006 would include National Korean War Veterans Armistice Day among the days when the American flag should especially be displayed. Earlier this year, Representative SUE KELLY reintroduced similar legislation into the House.

National Korean War Veterans Armistice Day is July 27, which recognizes that negotiators signed an armistice agreement at Panmunjom on July 27, 1953. This led to North Korea's withdrawal across the 38th parallel and allowed the Republic of South Korea to be free from attempts to force communism upon its people.

This year, as we commemorate the 53rd anniversary of the signing of the Korean War Armistice, it is important that we take a moment to reflect upon the sacrifices our men and women of the U.S. Armed Forces have made in brave service to our Nation since its inception. I am pleased to introduce this legislation to respectfully honor and pay tribute to the tremendous courage and sacrifice demonstrated by the men and women who served in the Korean war. As U.S. soldiers continue to fight for freedom around the world, we must remember the sacrifice and valor of their brethren who helped protect and promote American values on the Korean peninsula over a half century ago.

CELEBRATE AMERICA CREATIVE WRITING CONTEST

Mr. KENNEDY. Mr. President, I ask unanimous consent that the five poems, the winner and runner-up entries for the Celebrate America Creative Writing Contest about the contribution of immigrants to America, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

My Mom "Thuy"

(By Jasminh Duc Schelkopf)

INTERNATIONAL SCHOOL OF INDIANA 2006
NATIONAL CONTEST GRAND PRIZE WINNER

My mother's name is Thuy. She was born in Saigon, South Vietnam. Her father was a 3-star Lieutenant General for the South Vietnam military and her family had almost everything that you could possibly think of before the civil war of Vietnam. However, when they lost their country, they lost everything. After the war, all they had left was their hope and beliefs.

In 1975, North Vietnam won the war. When my mother was only 12 years old (8th Grade), she and her brother and sister were forced to go to Canada. The rest of her family was then scattered around the world in places like France, Australia, Canada and the U.S.A. They all had a very tough time there because they had no support and no money as new immigrants.

For 7 years after the war, my mother went to school and worked during the evening to help out my grandfather. My mother attended college for only 2 years because she needed a full time job to support her family. She also went to beauty school, graduated, and worked for the family. Then, having lived in Canada for 10 years, my mother realized there was a better future for her in the U.S.A.—"The Land of Opportunity." She decided to move to Pennsylvania in 1985.

My mother began hard work at a beauty shop near Philadelphia and she worked hard everyday. Her dreams were to "ONE DAY" create her own salon and reach her many dreams. Due to her talents, she developed many clients and made a lot of friends. She saved as much money as she could and even avoided eating out or going to the movies or doing anything fun that might cost money.

Then her dream of "ONE DAY" had come true when she met my dad, John Bruce Schelkopf. My dad was a very bright young man who was full of energy. With my dad's knowledge and skills and my mom's talent, they opened a small beauty salon in Pennsylvania. During this time my Mom also finished her college degree and got her Bachelor's Degree in Business. My mother also sponsored my grandparents from Canada to the United States. My parents then got married in 1995 to begin a family.

My mother's dreams came true because she always viewed life as "half of a full glass" and because she found the U.S.A. to truly be the "land of opportunity." My mother often says to me, "You can do it if you believe in yourself and always try your best." My mother is only one of the few million Vietnamese immigrants who settled in the United States. But that one particular Vietnamese immigrant is one special immigrant to me as she struggled to overcome many challenges, hard times, and obstacles in her way. She is a special immigrant who I am happy to call "My Mom Thuy."

Why I Am Glad America Is a Nation of Immigrants

(By Arjun Kandaswamy)

FINDLEY ELEMENTARY SCHOOL—2006 NATIONAL CONTEST RUNNER-UP

Imagine America without pizza and Top Ramen. Imagine America without a booming economy. Imagine a world where everyone wore the same boring style of clothes. That would be reality if America did not have immigrants.

Pizza, tandoori, lasagna, dumplings or tortillas would not be a part of our vocabulary or among our favorite foods if it were not for immigrants. Although we don't realize it, many foods we have grown to enjoy were greatly influenced by other cultures. For example, Top Ramen is a popular and addicting food. Although it's an American brand, it was greatly influenced by Manchurian noodles brought over by Chinese immigrants. Despite the fact that Top Ramen has flavors like Cajun chicken it all started with Manchurian noodles. Immigrants not only make our plates colorful and interesting, but also aid our economy in a huge way.

Our economy is flourishing because of one thing. Immigrants. Immigrants do countless things to help our economy. For starters, immigrants fill jobs. Immigrants are willing to take up jobs that others may not want to. They take minimum wage, which is a lot compared to what they earn in their homeland. Immigrants often work harder in the jobs that they take up because they really want to stay in this country. Because of this keeping a job is important. Wealthier immigrants usually start their own businesses which is sometimes a restaurant serving their customary dishes. In addition in areas such as high-tech a lot of immigrants have started their own companies and created a lot of new jobs. Most importantly, immigrants raise the bar of America by being hard-working and tough competitors.

Since immigrants live in America they pay taxes, property, sales, and income. Property taxes for the land they live on, sales tax for the items they buy and income tax for the amount of money they make. With over 90 percent of America's population as immigrants, that's a lot of money the government receives.

Immigrants create or bring new art forms and music that enrich our lives. Be it Jazz, Rap, classical music, or varieties of instrumental music from their native lands. Children of African immigrants founded jazz and Rap. Some of the sports that we could not live without were founded by immigrants, like basketball which is part of the American lifestyle.

Have you ever seen everyone walking around in Levi's and a t-shirt? Thanks to immigrants we won't be seeing that. Immigrants add a variety to our closet. Other styles have been Americanized into a popular fashion, like bandanas. Bandanas originated in the Caribbean and are found everywhere in America, from a dog's neck to a person's head.

Immigrants have done so many great things for us. They give us a "taste" of the world; they strengthen our economy. America should march on forward and continue the tradition of it's forefathers of as a land of immigrants envisioned by them.

A Nation of Difference

(By Kimya Khoshnan)

ARROYO VISTA ELEMENTARY SCHOOL—2006
NATIONAL CONTEST RUNNER-UP

On the airplane I sat,
As my heart thundered in my chest.
The silent tears falling into my lap.
Why did this have to happen?
And of all the people in the world,
Why me?
Would I be the only one in my school,
To have another language?
I ponder these questions for a while,
And then breathe a deep sigh.
I had left everything in Japan,
And had to start all over again.
A new life, a new me.
I would have to learn how to stay strong.
I think more,
Then my ears begin to pop.
The airplane groans,
As it reaches its final destination,
California,
And my new life has begun.

As my parents and I enter our house,
My hopes rise a bit.
It is pretty but my house in Japan was better.
But my hopes sink farther than ever,
As my father leads us to the back.
I see that we have rented,
The very small two-bedroom house,
With only a kitchen and a bathroom,
Behind that luxurious castle.
I feel jealous,
Then angry.
I had left my room bigger than a classroom,
For this!

As my first day of school approaches,
My stomach is filled with fear and dread.
I absolutely know that no one will like me.
My backpack slung over my shoulders,
My head raised up high,
I try to be optimistic,
But I know optimism will not help in reality.
I slowly enter my classroom,
And make my way toward the teacher.
I quietly say hello.

She looks up and says,
"Oh, hello there!
Vhy, you must be the new student!
Vhat's your name?"
I am utterly surprised by her odd accent.
Do all Americans speak this way?
"Toshiko," I whisper.
"Vell Toshiko welcome to our class!
Class say hello to Toshiko!"
"Hi" the class responded.
"Now Toshiko come sit here next Chieko."
I was suddenly alert of my surroundings,
Chieko.
Why that was a Japanese name!
Could it be?
I could not find out for sure until recess.

Recess came and I ran over to Chieko,
Asking if she was Japanese,
When she replied yes,
My spirits soared.
I was so happy not to be the only one!
I asked how she felt being the only foreigner,
As she chuckled at my question,
I began to feel confused.
She replied, "What do you mean?
Everyone here is a foreigner!"
I looked around me,
And sure enough,
Nobody was the same.
I suddenly started to laugh,
I thought I looked like a fool,
Braying away like a donkey.
As I finally stopped, Chieko asked me,
Why I was laughing.
I told her my story,
And we have been best friends ever since.

As I reflect upon the past,
I realize that if,
California was not a state of immigrants,
My life probably would have been,
As horrible as I imagined it.
But since it is,
My family and I have been thriving
And we shall honor our freedom,
Forever.

Immigration, Past, Present, Future

(By Marissa Lynch)

BROWN MIDDLE SCHOOL—2006 NATIONAL CONTEST RUNNER-UP

Last summer, my Grandpa and I visited Ellis Island and the Statue of Liberty. As I looked up at her torch against the baby blue sky, my grandpa read aloud the words at the base of the statue:

Give me your tired, your poor,
Your huddled masses yearning to
Breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tossed to
me
I lift my lamp beside the golden door

He told me that those great words were written by an intelligent lady name Emma Lazarus. We talked about what the words mean. From 1892 to 1954, 12,000,000 people passed through the Statue of Liberty and Ellis Island to start a new, better life in America. He told me his family came from three different places so he is called "mixed ancestry". We talked about why people moved here and what they did when they got here. Many moved here for freedom and peace. We decided that each came with their own stories, hopes and dreams. Once they arrived, they could become anything—doctors, athletes, artists, astronauts, teachers and more!

My other Grandpa told me that his parents came to America at age 19. They moved because of a war in their country, Greece, and they were driven out by the Turks. They worked at a restaurant in Newark, New Jersey. At Ellis Island, there was a big board with names of people that passed through there. I noticed their name on the wall!

I'm glad our country is full of immigrants because if no one was brave enough to leave family, friends, and their belongings behind, this country would not be as fascinating as it is. Many people call our country a big mixing pot because people all over the world come to live here. The people mix and blend together like food in a mixing pot. Yet, everyone has their own way of life and their own culture. Everyone is a little different. It is good to be different. Everyone stands out in a crowd!

Do you think that immigration is just in history books and doesn't happen any more? If you do, you are wrong. Today, many people still come to America, like me. I was adopted from South America, just like lots of kids. We came to America with our new families! My mom and dad tell me about the exciting day I became an American citizen. A flag was flown over the United States Capitol for me! I have this flag and a certificate which says:

"This is to certify that the accompanying flag was flown over the United States Capitol on August 26, 1998, at the request of the Honorable John Edward Porter, Member of Congress. This flag was flown for Marissa Rose Lynch in celebration of her receiving U.S. citizenship."

When I look at my flag, it makes me proud to be a part of a new generation of immigrants.

WHY I AM GLAD AMERICA IS A COUNTRY OF IMMIGRANTS

(By Esteban Ochoa)

ST. CLEMENT'S PARISH SCHOOL—2006 NATIONAL CONTEST RUNNER-UP

I am glad that the United States of America is a country of immigrants because you never feel lonely; you just have to look into a crowd to find someone with your same background. When you think you are alone and without friends, you just have to look around and you will find a friend.

When I first transferred from Mexico to my current school in Texas, I did not know how to speak English. I felt alone and confused, but before long, I found that many people in my class spoke Spanish, and I soon made many friends, who eventually helped me learn English and do very well in school.

My case is not different from the story of most of the people who have come to this country from other parts of the world. Having millions of people from hundreds of countries, races, religions and economic backgrounds has created a society unlike any other in this planet.

With diversity comes cultural, economic, and spiritual richness. It is evident everywhere you look, in its food, in its music, in its clothing, and in its churches, just to mention a few examples. This Country has served as refuge for many people who came to the U.S.A. looking for opportunities and in many cases after having suffered extreme hardships.

Those are some of the reasons why I like that America is a country of immigrants. Just when you think that you do not fit in, and that you are alone in this cold world, you can still find variety, alternatives and, consequently, hope in the most unexpected situations.

ADDITIONAL STATEMENTS

COLORADO'S BIG THOMPSON FLOOD OF 1976

● Mr. ALLARD. Mr. President, today I honor those who lost their lives as well as those who survived Colorado's Big Thompson Flood of 1976.

Thirty years ago, more than 1 foot of rain fell in a matter of hours, causing a flash flood in Big Thompson Canyon. One hundred and forty-four people were killed, and over $30 million in property damage occurred. We remember those who died in this natural disaster and also the survivors who had to rebuild their lives, working as a community to start over again. Next week, outside of my hometown of Loveland, CO, survivors of this tragedy will gather to commemorate the Big Thompson Flood. Though I cannot be with them in this ceremony, my thoughts and prayers are with them, and I speak on the Senate floor today as a tribute to this special event.

I ask that the following letter, which I wrote for the commemoration ceremony of the Big Thompson Canyon Flood of 1976, be printed in the RECORD.

The material follows:

JULY 31, 2006.

DEAR FAMILIES AND FRIENDS OF THE VICTIMS OF THE 1976 BIG THOMPSON CANYON FLOOD: I very much wanted to join you today as you gather to remember the 30th Anniversary of one of Colorado's worst natural disasters.

As we look back thirty years, we recall the shock and devastation that took place in this canyon. Joan, myself and our two daughters, who were very young children at the time, will never forget the Big Thompson Flood and the days that followed. We arrived at home just after the flood tore through the canyon and towards Loveland. We were overwhelmed by the destruction we saw as we later viewed the damage.

A number of our friends and clients who lived in the canyon were ravaged by the flash flood and brought their animals to my hospital for care. As the Loveland city health officer at that time, I also remember well the many health issues we faced together as a community. The memories will remain forever with each one of us who experienced this flood or witnessed its devastating effect on so many lives.

Today, we can see the positive results of the communities in the canyon working together to rebuild their lives and their property. Joan's and my thoughts are with you today as we remember the people who lost their lives and the ones who survived and rebuilt.

Today I am entering this letter in the Congressional Record as a tribute to the living and non-living victims of this natural disaster.

Sincerely,

WAYNE ALLARD,
U.S. Senator.●

A TRIBUTE TO WILLIAM OKONIEWSKI

● Mr. BIDEN. Mr. President, this spring, William Okoniewski, one of Wilmington's best, passed away after a long career as a photographer. He was known throughout the community as the guy who shot all the pictures at weddings, high school graduations, communions, and confirmations.

If you had the Okoniewski Studio logo in the corner of a photo, you knew it was quality work. This was before the era of digital cameras, when our standards were different.

A couple of generations of Delawareans came to admire Bill, and his family. He and his wife of 64 years, Cecilia, had six children, and you could find him coaching winning track teams throughout the 1960s and 1970s.

At his funeral, when his son Stephen read a letter, it reminded me of just why we call Bill's generation the "greatest generation."

The letter was from Art Slote, who on January 9, 1945, was one of five people rescued by Bill in the middle of the Battle of Herrlsheim, in France, near the German border.

In the letter, Mr. Slote said how he had searched for Bill for years, contacting the Army, the Red Cross, and every phone book, trying to locate the guy who saved his life. He finally found him in the late 1990s. He wrote:

> I frequently ponder over what impels a man to act as your father did. He could have easily scurried to the rear to save his own skin, and nobody would have criticized him. But he didn't. I wonder if you or I would risk our lives in another's behalf. It must be built into your father's character and sense of morality.
>
> Although slow to admit it, your father's personal bravery, his ability to set aside his fears in behalf of his wounded fellow soldiers, his natural compassion for others in trouble, his modesty in never talking to you about it make this a valor and heroic event.

There is a lesson in those words for all of us in this Chamber and for all Americans. Bill Okoniewski embodied everything that is uniquely American. He understood what it meant to be loyal to our country and to respect your fellow Americans.

He, and his generation, set the example. Today, he is the model for the brave men and women in uniform who are performing equally dangerous acts every day in Iraq and Afghanistan.

One day, and hopefully soon, they too will return home not only having served their country in time of war but going on to lead the kind of professional and family life that Bill lived for decades and decades.●

100TH ANNIVERSARY OF DOUGLAS, NORTH DAKOTA

● Mr. CONRAD. Mr. President, today I wish to recognize a community in North Dakota that will be celebrating its 100th anniversary. On August 4, the residents of Douglas will gather to celebrate their community's history and founding.

Douglas was founded in 1906 and was proudly named after the nearby Douglas Creek. The creek's name honored Major Douglas, who was stationed at Fort Stevenson in the 1870s. In 1906, Douglas's post office was established under the stewardship of Arthur C. Bates. Douglas was incorporated as a village in 1908 with A.G. Burgeson as its first mayor.

Today, Douglas remains a small, proud community. Each year, the community gathers together and has picnics in the park. During the summer, many of its residents can be found on the banks of Lake Douglas catching up with friends and family.

To celebrate the 100th anniversary of its founding, the residents of Douglas will gather on the weekend of August 4th. There will be an all-school reunion to allow former classmates to reunite with each other, followed by a charity auction. A fireman's rodeo, lawnmower pull, and an event to honor veterans will keep the crowds entertained all weekend. The highlight of the celebration will be the parade, which will feature floats, musical performances, and a fireworks display.

Mr. President, I ask the Senate to join me in congratulating Douglas, ND, and its residents on their first 100 years and in wishing them well through the next century. By honoring Douglas and all the other historic small towns of North Dakota, we keep the great pioneering frontier spirit alive for future generations. It is places such as Douglas that have helped to shape this country into what it is today, which is why this fine community is deserving of our recognition.

Douglas has a proud past and a bright future.●

TRIBUTE TO JAMES HEALY

● Mr. LAUTENBERG. Mr. President, I to pay tribute to a fine New Jerseyan and a great friend of my State, James Healy. News of Jim's untimely passing this past Friday at the age of 48 saddened all of us in the New Jersey delegation. His great personality and tremendous work ethic truly made him a pleasure to work with and an asset to his organization, the New Jersey Department of Transportation, NJDOT.

For nearly 20 years, Jim held several important posts within the department. Most recently, he served as the NJDOT's Federal liaison. Jim was an expert on Federal legislative, regulatory, and finance issues. He provided my office with valuable expertise and advice concerning subjects of great importance to New Jersey.

New Jersey is the most densely populated State in the Union, and the movement of people and goods through its travel corridors is of utmost importance, not just to New Jerseyans, but for the entire regional economy.

Jim guided the New Jersey delegation through Federal highway bill authorizations, which took years to accomplish. The most recent one, SAFETEA–LU, took 2 years to complete. Jim also worked closely with New Jersey members on aviation reauthorization bills, including the VISION–100 legislation passed in 2003.

He advocated for the State's priorities, including legislation to help preserve open spaces in New Jersey. My staff and I had the pleasure of working with him many times on these bills and he was always a consummate professional: well-informed, thorough in his work, and always extraordinarily helpful.

When a former NJDOT commissioner served as president of the American Association of State Highway and Transportation Officials, AASHTO, Jim served as liaison to AASHTO staff, where he helped coordinate and set national transportation policy goals.

Jim was an assistant professor at Fairleigh Dickinson University and was a 1979 graduate of William Paterson University, where he earned a Bachelor's Degree in Business Administration. He received his law degree in 1983 from Rutgers University in Newark, NJ.

Jim is survived by his parents, Philip and Hannah Healy of Wayne, NJ, and his brothers and sisters, Joseph Healy, Mary Jo Ridge, Kathleen Bianco, Teresa Hoey, and Joan Wielenta. My heart goes out to Jim's family during this difficult time.

I salute the life and memory of this great son of New Jersey, Jim Healy. May he rest in peace.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 9:47 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill and concurrent resolution, without amendment:

S. 310. An act to direct the Secretary of the Interior to convey the Newlands Project Headquarters and Maintenance Yard Facility to the Truckee-Carson Irrigation District in the State of Nevada.

S. Con. Res. 60. Concurrent resolution designating the Negro Leagues Baseball Museum in Kansas City, Missouri, as America's National Negro Leagues Baseball Museum.

At 2:32 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1496. An act to direct the Secretary of the Interior to conduct a pilot program under which up to 15 States may issue electronic Federal migratory bird hunting stamps.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 233. An act to designate certain National Forest System lands in the Mendocino and Six Rivers National Forests and certain Bureau of Land Management lands in Humboldt, Lake, Mendocino, and Napa Counties in the State of California as wilderness, to designate the Elkhorn Ridge Potential Wilderness Area, to designate certain segments of the Black Butte River in Mendocino County, California as a wild or scenic river, and for other purposes.

H.R. 854. An act to provide for certain lands to be held in trust for the Utu Utu Gwaitu Paiute Tribe.

H.R. 1307. An act to amend the Wild and Scenic Rivers Act to designate portions of the Musconetcong River in the State of New Jersey as a component of the National Wild and Scenic Rivers System, and for other purposes.

H.R. 3082. An act to amend title 38, United States Code, to make improvements to small business, memorial affairs, education and employment programs for veterans, and for other purposes.

H.R. 3603. An act to promote the economic development and recreational use of National Forest System lands and other public lands in central Idaho, to designate the Boulder-White Cloud Management Area to ensure the continued management of certain National Forest System lands and Bureau of Land Management lands for recreational and grazing use and conservation and resource protection, to add certain National Forest System lands and Bureau of Land Management lands in central Idaho to the National Wilderness Preservation System, and for other purposes.

H.R. 3817. An act to withdraw the Valle Vidal Unit of the Carson National Forest in

New Mexico from location, entry, and patent under the mining laws, and for other purposes.

H.R. 4301. An act to direct the Secretary of the Interior to convey certain parcels of land acquired for the Blunt Reservoir and Pierre Canal features of the initial stage of the Oahe Unit, James Division, South Dakota, to the Commission of Schools and Public Lands and the Department of Game, Fish, and Parks of the State of South Dakota for the purpose of mitigating lost wildlife habitat, on the condition that the current preferential leaseholders shall have an option to purchase the parcels from the Commission, and for other purposes.

H.R. 4947. An act to expand the boundaries of the Cahaba River National Wildlife Refuge, and for other purposes.

H.R. 5025. An act to protect for future generations the recreational opportunities, forests, timber, clean water, wilderness and scenic values, and diverse habitat of Mount Hood National Forest, Oregon, and for other purposes.

H.R. 5057. An act to authorize the Marion Park Project, a committee of the Palmetto Conservation Foundation to establish a commemorative work on Federal land in the District of Columbia, and its environs to honor Brigadier General Francis Marion.

H.R. 5534. An act to provide grants from moneys collected from violations of the corporate average fuel economy program to be used to expand infrastructure necessary to increase the availability of alternative fuels.

H.R. 5865. An act to amend section 1113 of the Social Security Act to temporarily increase funding for the program of temporary assistance for United States citizens returned from foreign countries, and for other purposes.

The message further announced that the House agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 125. Concurrent resolution expressing support for the designation and goals of "Hire a Veteran Week" and encouraging the President to issue a proclamation supporting those goals.

H. Con. Res. 347. Concurrent resolution honoring the National Association of State Veterans Homes and the 119 State veterans homes providing long-term care to veterans that are represented by that association for their contributions to the health care of veterans and the health-care system of the Nation.

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 203. An act to reduce temporarily the royalty required to be paid for sodium produced, to establish certain National Heritage Areas, and for other purposes.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 4472) to protect children, to secure the safety of judges, prosecutors, law enforcement officers, and their family members, to reduce and prevent gang violence, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 854. An act to provide for certain lands to be held in trust for the Utu Utu Gwaitu Paiute Tribe; to the Committee on Indian Affairs.

H.R. 1307. An act to amend the Wild and Scenic Rivers Act to designate portions of the Musconetcong River in the State of New Jersey as a component of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3082. To amend title 38, United States Code, to make improvements to small business, memorial affairs, education, and employment programs for veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 3603. An act to promote the economic development and recreational use of National Forest System lands and other public lands in central Idaho, to designate the Boulder-White Cloud Management Area to ensure the continued management of certain National Forest System lands and Bureau of Land Management lands for recreational and grazing use and conservation and resource protection, to add certain National Forest System lands and Bureau of Land Management lands in central Idaho to the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3817. An act to withdraw the Valle Vidal Unit of the Carson National Forest in New Mexico from location, entry, and patent under the mining laws, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 4301. An act to direct the Secretary of the Interior to convey certain parcels of land acquired for the Blunt Reservoir and Pierre Canal features of the initial stage of the Oahe Unit, James Division, South Dakota, to the Commission of Schools and Public Lands and the Department of Game, Fish, and Parks of the State of South Dakota for the purpose of mitigating lost wildlife habitat, on the condition that the current preferential leaseholders shall have an option to purchase the parcels from the Commission, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 4947. An act to expand the boundaries of the Cahaba River National Wildlife Refuge, and for other purposes; to the Committee on Environment and Public Works.

H.R. 5025. An act to protect for future generations the recreational opportunities, forests, timber, clean water, wilderness and scenic values, and diverse habitat of Mount Hood National Forest, Oregon, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 5057. To authorize the Marion Park Project, a Committee of the Palmetto Conservation Foundation, to establish a commemorative work on Federal land in the District of Columbia, and its environs to honor Brigadier General Francis Marion; to the Committee on Energy and Natural Resources.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 125. Concurrent resolution expressing support for the designation and goals of "Hire a Veteran Week" and encouraging the President to issue a proclamation supporting those goals; to the Committee on Veterans' Affairs.

H. Con. Res. 347. Concurrent resolution honoring the National Association of State Veterans Homes and the 119 State veterans homes providing long-term care to veterans that are represented by that association for their contributions to the health care of veterans and the health-care system of the Nation; to the Committee on Veterans' Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 233. An act to designate certain National Forest System lands in the Mendocino and Six Rivers National Forests and certain Bureau of Land Management lands in Humboldt, Lake, Mendocino, and Napa Counties in the State of California as wilderness, to designate the Elkhorn Ridge Potential Wilderness Area, to designate certain segments of the Black Butte River in Mendocino County, California as a wild or scenic river, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–7633. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $100,000,000 or more to the United Kingdom, Canada, France and Germany; to the Committee on Foreign Relations.

EC–7634. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to adding a class of certain workers of the Nevada Test Site, to the Special Exposure Cohort; to the Committee on Health, Education, Labor, and Pensions.

EC–7635. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to adding a class of certain workers of the Pacific Proving Grounds, to the Special Exposure Cohort; to the Committee on Health, Education, Labor, and Pensions.

EC–7636. A communication from the Secretary of Health and Human Services, transmitting, the report of a draft bill entitled "United States Public Health Service Commissioned Corps Transformation Act of 2006" received on July 18, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7637. A communication from the Acting Executive Director, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled "Electronic Premium Filing" (RIN1212–AB02) received on July 17, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7638. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Prescription Drug Marketing Act Pedigree Requirements; Effective Date and Compliance Policy Guide; Request for Comment" (Doc. No. 1992N–0297, 2006D–0226) received on July 17, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7639. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medical Devices: Ear, Nose , and Throat Devices; Classification of Olfactory Test Device" (Doc. No. 2006N-0182) received on July 17, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC-7640. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medical Devices: Exception From General Requirements for Informed Consent" ((RIN0910-AC25)(Doc. No. 2003N-0355)) received on July 17, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC-7641. A communication from the Secretary of Commerce, transmitting, pursuant to law, the Department of Commerce's Semiannual Report of the Inspector General for the period October 1, 2005 through March 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7642. A communication from the Commissioner, Social Security Administration, transmitting, pursuant to law, the Administration's Semiannual Report of the Inspector General for the period October 1, 2005 through March 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7643. A communication from the Acting Administrator, General Services Administration, transmitting, pursuant to law, the Administration's Semiannual Report of the Inspector General for the period October 1, 2005 through March 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7644. A communication from the Chairman, Federal Energy Regulatory Commission, transmitting, pursuant to section 3(a) of the Government in the Sunshine Act, the Commission's annual report for calendar year 2005; to the Committee on Homeland Security and Governmental Affairs.

EC-7645. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-433, "Pedestrian Protection Bus Safety Amendment Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7646. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-434, "Closing of Public Streets and Alleys in Squares 5318, 5319, and 5320 S.O. 04-14199, Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7647. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-435, "Drug Offense Driving Privileges Revocation and Disqualification Amendment Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7648. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-436, "Closing of a Public Alley in Square 2910, S.O. 05-0587, Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7649. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-437, "People First Respectful Language Conforming Amendment Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7650. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-438, "People First Respectful Language Modernization Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7651. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-439, "Closing of Public Alleys in Square 749, S.O. 00-83, Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7652. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-440, "Official Fruit of the District of Columbia Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7653. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-441, "Washington Stage Guild Tax Exemption Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7654. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-442, "Solid Waste Disposal Fee Temporary Amendment Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7655. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16-444, "Fringe Lot Real Property Exclusive Rights Agreement Extension Temporary Amendment Act of 2006" received on July 21, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC-7656. A communication from the Secretary, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Commission Guidance Regarding Client Commission Practices Under Section 28(e) of the Securities Exchange Act of 1934" (S7-13-06) received on July 21, 2006; to the Committee on Banking, Housing, and Urban Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations, with an amendment in the nature of a substitute:

H.R. 5631. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes (Rept. No. 109-292).

By Ms. COLLINS, from the Committee on Homeland Security and Governmental Affairs, with an amendment in the nature of a substitute:

H.R. 3508. A bill to authorize improvements in the operation of the government of the District of Columbia, and for other purposes.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of a nomination was submitted:

By Ms. COLLINS for the Committee on Homeland Security and Governmental Affairs. *Stephen S. McMillin, of Texas, to be Deputy Director of the Office of Management and Budget.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SANTORUM:

S. 3720. A bill to amend the Food Security Act of 1985 to improve the protection of farm and ranch land; to the Committee on Agriculture, Nutrition, and Forestry.

By Ms. COLLINS (for herself, Mr. LIEBERMAN, and Mr. SALAZAR):

S. 3721. A bill to amend the Homeland Security Act of 2002 to establish the United States Emergency Management Authority, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. LUGAR (for himself and Mr. BIDEN):

S. 3722. A bill to authorize the transfer of naval vessels to certain foreign recipients; to the Committee on Foreign Relations.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 3723. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Eightmile River in the State of Connecticut as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ROCKEFELLER (for himself, Ms. SNOWE, Mr. INOUYE, Mr. COCHRAN, and Mr. JOHNSON):

S. 3724. A bill to enhance scientific research and competitiveness through the Experimental Program to Stimulate Competitive Research, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SESSIONS (for himself, Mr. PRYOR, Mr. CORNYN, and Mr. SALAZAR):

S. 3725. A bill to reduce the disparity in punishment between crack and powder cocaine offenses, to more broadly focus the punishment for drug offenders on the seriousness of the offense and the culpability of the offender, and for other purposes; to the Committee on the Judiciary.

By Mr. SANTORUM:

S. 3726. A bill to amend the Railroad Retirement Act of 1974 to provide for continued payment of railroad retirement annuities by the Department of the Treasury, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KOHL:

S. 3727. A bill to amend title XVIII of the Social Security Act to provide for an adjustment to the reduction of Medicare resident positions based on settled cost reports; to the Committee on Finance.

By Mr. FRIST (for himself, Mr. LUGAR, Mr. INOUYE, Mr. BROWNBACK, Mr. BIDEN, Mr. BUNNING, Mr. AKAKA, and Mrs. DOLE):

S. 3728. A bill to promote nuclear nonproliferation in North Korea; considered and passed.

By Mr. BAUCUS:

S. 3729. A bill to provide for the establishment of emergency wildland fire suppression funds; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CRAPO:

S. 3730. A bill to amend title XVIII of the Social Security Act to require the use of recovery audit contractors under the Medicare Integrity Program with respect to Medicare Secondary Payer claims and activities; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 666

At the request of Mr. KENNEDY, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 666, a bill to protect the public health by providing the Food and Drug Administration with certain authority to regulate tobacco products.

S. 707

At the request of Mr. ALEXANDER, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 707, a bill to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity.

S. 713

At the request of Mr. ROBERTS, the names of the Senator from South Carolina (Mr. GRAHAM) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 713, a bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants.

S. 843

At the request of Mr. SANTORUM, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 843, a bill to amend the Public Health Service Act to combat autism through research, screening, intervention and education.

S. 1035

At the request of Mr. INHOFE, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1035, a bill to authorize the presentation of commemorative medals on behalf of Congress to Native Americans who served as Code Talkers during foreign conflicts in which the United States was involved during the 20th century in recognition of the service of those Native Americans to the United States.

S. 1276

At the request of Mr. CORNYN, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1276, a bill to amend section 1111 of the Elementary and Secondary Education Act of 1965 regarding challenging academic content standards for physical education.

S. 1440

At the request of Mr. CRAPO, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 1440, a bill to amend title XVIII of the Social Security Act to provide coverage for cardiac rehabilitation and pulmonary rehabilitation services.

S. 2284

At the request of Ms. MIKULSKI, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 2284, a bill to extend the termination date for the exemption of returning workers from the numerical limitations for temporary workers.

S. 2459

At the request of Ms. COLLINS, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 2459, a bill to improve cargo security, and for other purposes.

S. 2460

At the request of Mr. MENENDEZ, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 2460, a bill to permit access to certain information in the Firearms Trace System database.

S. 2465

At the request of Mrs. BOXER, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 2465, a bill to amend the Foreign Assistance Act of 1961 to provide increased assistance for the prevention, treatment, and control of tuberculosis, and for other purposes.

S. 2491

At the request of Mr. CORNYN, the names of the Senator from Connecticut (Mr. LIEBERMAN) and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of S. 2491, a bill to award a Congressional gold medal to Byron Nelson in recognition of his significant contributions to the game of golf as a player, a teacher, and a commentator.

S. 2590

At the request of Mr. COBURN, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Massachusetts (Mr. KERRY), the Senator from Tennessee (Mr. ALEXANDER) and the Senator from Minnesota (Mr. COLEMAN) were added as cosponsors of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2616

At the request of Mr. SANTORUM, the names of the Senator from Virginia (Mr. WARNER) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 2616, a bill to amend the Surface Mining Control and Reclamation Act of 1977 and the Mineral Leasing Act to improve surface mining control and reclamation, and for other purposes.

S. 2707

At the request of Mr. SUNUNU, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2707, a bill to amend the United States Housing Act of 1937 to exempt qualified public housing agencies from the requirement of preparing an annual public housing agency plan.

S. 2787

At the request of Mr. CRAIG, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Arkansas (Mr. PRYOR) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 2787, a bill to permit United States persons to participate in the exploration for and the extraction of hydrocarbon resources from any portion of a foreign maritime exclusive economic zone that is contiguous to the exclusive economic zone of the United States, and for other purposes.

S. 3128

At the request of Mr. BURR, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 3128, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for uniform food safety warning notification requirements, and for other purposes.

S. 3238

At the request of Mr. CORNYN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 3238, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the establishment of the National Aeronautics and Space Administration and the Jet Propulsion Laboratory.

S. 3519

At the request of Mr. BURNS, his name was added as a cosponsor of S. 3519, a bill to reform the State inspection of meat and poultry in the United States, and for other purposes.

S. 3613

At the request of Mrs. CLINTON, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 3613, a bill to designate the facility of the United States Postal Service located at 2951 New York Highway 43 in Averill Park, New York, as the "Major George Quamo Post Office Building".

S. 3652

At the request of Ms. MIKULSKI, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 3652, a bill to amend the definition of a law enforcement officer under subchapter III of chapter 83 and chapter 84 of title 5, United States Code, respectively, to ensure the inclusion of certain positions.

S. 3653

At the request of Ms. MIKULSKI, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 3653, a bill to amend the Law Enforcement Pay Equity Act of 2000 to permit certain annuitants of the retirement programs of the United States Park Police and United States Secret Service Uniformed Division to receive the adjustments in pension benefits to which such annuitants would otherwise be entitled as a result of the conversion of members of the United States Park Police and United States Secret Service Uniformed Division to a new salary schedule under the amendments made by such Act.

S. 3696

At the request of Mr. BROWNBACK, the names of the Senator from Alabama (Mr. SESSIONS) and the Senator from Louisiana (Mr. VITTER) were added as cosponsors of S. 3696, a bill to amend the Revised Statutes of the United States to prevent the use of the legal system in a manner that extorts money from State and local governments, and the Federal Government, and inhibits such governments' constitutional actions under the first, tenth, and fourteenth amendments.

S. 3716

At the request of Mrs. CLINTON, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 3716, a bill to designate the facility of the United States Postal Service located at 100 Pitcher Street in Utica, New York, as the "Captain George A. Wood Post Office Building".

S. RES. 312

At the request of Mr. LUGAR, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. Res. 312, a resolution expressing the sense of the Senate regarding the need for the United States to address global climate change through the negotiation of fair and effective international commitments.

S. RES. 407

At the request of Mr. MENENDEZ, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. Res. 407, a resolution recognizing the African American Spiritual as a national treasure.

S. RES. 510

At the request of Mr. MARTINEZ, the names of the Senator from Alaska (Mr. STEVENS) and the Senator from Alaska (Ms. MURKOWSKI) were added as cosponsors of S. Res. 510, a resolution designating the period beginning on June 28, 2006, and ending on July 5, 2006, as "National Clean Beaches Week", supporting the goals and ideals of that week, and recognizing the considerable value and role of beaches in the culture of the United States.

S. RES. 531

At the request of Mr. LIEBERMAN, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from New Jersey (Mr. MENENDEZ) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. Res. 531, a resolution to urge the President to appoint a Presidential Special Envoy for Sudan.

S. RES. 535

At the request of Mr. CONRAD, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of S. Res. 535, a resolution commending the Patriot Guard Riders for shielding mourning military families from protesters and preserving the memory of fallen service members at funerals.

AMENDMENT NO. 4689

At the request of Mr. LAUTENBERG, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of amendment No. 4689 proposed to S. 403, a bill to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

AMENDMENT NO. 4690

At the request of Mr. NELSON of Florida, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from Massachusetts (Mr. KERRY) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of amendment No. 4690 intended to be proposed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. COLLINS (for herself, Mr. LIEBERMAN, and Mr. SALAZAR):

S. 3721. A bill to amend the Homeland Security Act of 2002 to establish the United States Emergency Management Authority, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Ms. COLLINS. Mr. President, I rise to introduce S. 3721, the Post-Katrina Emergency Management Reform Act of 2006. It contains a vital set of reforms and innovations for our emergency-management systems that are designed to save lives and ease suffering when disaster strikes. The crafting of this bill has benefited from the insights of my principal cosponsor, Senator LIEBERMAN, and from the support of our other cosponsor, Senator SALAZAR.

The Senate has already acted on one critical measure to apply the bitter lessons of Hurricane Katrina. The 87 to 11 vote on July 11, adding creation of the U.S. Emergency Management Authority to the Homeland Security appropriations bill, adopted a major element of today's bill. That was a great step forward.

The Senate Homeland Security Committee conducted an 8-month investigation with 23 hearings, more than 325 formal interviews, and a review of more than 838,000 pages of documents to ascertain why the response to Hurricane Katrina was so inadequate at all levels of government. The investigation revealed serious failures of leadership. It also revealed an urgent need for broad reforms ranging from communication-technology standards to the structure and missions of entire Federal agencies.

Some of the 88 recommendations that flowed from our investigation can be adopted by administrative action. The Post-Katrina Emergency Management Reform Act comprises important steps that only Congress can take. I will outline the five key components of our bill.

First, we strengthen FEMA and rename it as the United State Emergency Management Authority, or US–EMA, to signify a fresh start. We elevate US–EMA within DHS, restore its preparedness authority, and protect it from departmental reorganizations that could erode its budget and assets. These measures give the agency mission and asset protections like those of its DHS siblings, the Coast Guard and the Secret Service.

These statutory protections are important. Securing the integrity of FEMA preserves the cooperative benefits of its operating within easy reach of other DHS agencies. It also avoids the duplication, cost, and confusion for State and local officials that would come from carving FEMA out as a weak, stand-alone agency for natural disasters. Keeping FEMA where it was placed by the Homeland Security Act of 2002 avoids the need for DHS to recreate a similar terror-response capability.

Improving contact and coordination among Federal, State, and local agencies is essential. For that reason, our bill provides for regionally based, multi-agency Federal strike teams that will be ready to act and deploy in a region they will already know and understand before a disaster occurs.

The bill also provides continued funding for the interstate Emergency Management Assistance Compact that proved so valuable in marshaling aid for the gulf coast last year. It commits the US–EMA to work with States and localities to develop a standardized credentialing system that will help responders and selected private-sector personnel move quickly into disaster areas anywhere in the country, and it requires the US–EMA to offer technical assistance to State and local governments.

To help remedy the communications gaps revealed by Hurricane Katrina, we also improve the agency's organizational and technical communications systems. Our bill designates the Administrator of the US–EMA as the principal advisor to the President on emergency-management issues. Meanwhile, national and regional advisory councils will ensure that the US–EMA has open channels of communication with State and local officials, emergency responders, key private-sector and nongovernmental entities, and with representatives of people with disabilities.

On the equally important technical side, our bill consolidates several communications programs within a new Office of Emergency Communications within US–EMA. This office will devise a national emergency-communications strategy, administer grants for interoperable communications, and regularly assess the operability and interoperability of the communication systems that are essential for disaster response and that failed so widely during the Katrina catastrophe.

This US–EMA portion of the bill has received a great deal of attention. But it is only one part of this package of essential reforms.

The second part of our bill permits an enhanced Federal role in emergency management when major disasters require it. The Robert T. Stafford Disaster Relief and Emergency Assistance Act, better known as the Stafford Act, authorizes a variety of Federal assistance measures to State and local governments when the President has declared a disaster.

Congress has amended the Stafford Act over time to make it more effective. Our bill continues that process of improvement by applying lessons learned from Katrina.

At the highest level, it directs the Federal Government to develop and maintain a national disaster-recovery strategy in coordination with the State and local governments which will lead each recovery. This fills a remarkable planning void in our current system, which focuses on response. When disaster overwhelms state and local governments and devastates large areas, recovery can be a long process requiring extended Federal assistance.

We increase the potential for more effective Federal aid in several ways. For example, the legislation enhances Federal agencies' ability to respond when the President uses his authority to direct their assistance in major-disaster response and recovery.

The bill requires a national-disaster housing strategy and authorizes making semipermanent housing units a part of Stafford Act assistance. In many cases, the modular "Katrina cottages," for example, would be less costly, safer, more livable, more easily sited, and more durable than the notorious trailers FEMA purchased.

A new title VII for the Stafford Act gives the President discretion to offer increased Federal assistance when disaster overwhelms state and local governments. This discretionary—but limited—authority for catastrophes includes raising the cap on individual assistance, assisting victims with rent or mortgage costs, extending disaster-unemployment benefits, increasing community loans, and raising the reimbursement to communities for the cost of food, clothes, and other essential goods they distribute to victims.

Among other Stafford Act revisions, our bill clarifies that Federal mitigation efforts can extend to man-made hazards like the Mississippi River Gulf Outlet that funneled deadly storm-surge waters toward New Orleans. It establishes a missing-child location system and a database to help reunite families, a major problem in the aftermath of Katrina. And it requires that planning and training exercises, as well as evacuation and sheltering plans, give consideration to people with disabilities or special needs, or who are not fluent in English, or who have pets.

These improvements to the Stafford Act would be a major accomplishment by themselves. But the demonstrated need for reforms goes deeper still.

The third key element of our bill will provide more and better-trained emergency professionals. The US-EMA will establish a contingency cadre to meet surge workforce needs; implement a human-capital strategy to improve recruitment, development, and retention; and make quarterly reports to Congress on staffing levels. These actions should reduce the chronic workforce shortfalls—at times as great as 25 percent—that have hobbled FEMA in the past.

Looking to staffing quality across the full spectrum, our bill creates a National Homeland Security Academy. The academy will offer both classroom and distance-learning instruction and training to DHS, state, and local homeland-security professionals.

The fourth element in our reform bill will correct the confusion and lack of training on incident management and unified-command operations that frustrated a fully effective response to Katrina. Our bill mandates a comprehensive review of the National Response Plan, and requires that the DHS Secretary employ the NRP and the National Incident Management System to guide Federal actions in a natural or manmade disaster.

The Secretary is also directed to work with the US-EMA Administrator and with the National Advisory Committee to implement a national training-and-exercise program to ensure that vital knowledge and skills are in place and are kept sharp.

The fifth key aspect of our bill targets the waste, fraud, and abuse that outraged both our compassion for disaster victims and our sense of stewardship for taxpayer dollars. Based on the investigations by our committee, the GAO, and the DHS inspector general, I believe far more than a billion dollars has been lost to waste, fraud, and abuse in the aftermath of Katrina. The purchase of unusable mobile homes, long-distance moving and storage of unneeded ice, and abuse of debit cards indicate that DHS has lacked even rudimentary controls to safeguard tax dollars.

Our bill directs the Department to identify emergency-response requirements that can be contracted in advance with pre-screened vendors, so that vital commodities and services can be secured and delivered promptly. This simple change could curtail the waste of time and money as officials scramble to make ad-hoc purchase and distribution arrangements, often paying excessive prices. We also provide for a contingency corps of Federal contracting officers who can work in the field for an extended period following a disaster, so that response and recovery spending is better directed and controlled than with Katrina.

Our bill also faces the unfortunate reality that thieves and con artists will try to abuse even programs for disaster victims. Our bill imposes civil and criminal penalties for misrepresentation, requires fraud-awareness training for contracting officers and for the relief workforce, mandates systems to verify identities and addresses, and requires issuing explicit directions on legitimate uses of purchase cards.

Our bill is no single-issue, silver-bullet exercise but a careful and comprehensive program of improvement and innovation. It takes on each of the vital areas that our Hurricane Katrina investigation determined require action by Congress: reconstituting FEMA, updating and expanding the Stafford Act, improving emergency staffing, enhancing planning and preparedness, and reducing waste, fraud, and abuse.

Floods, earthquakes, storms, fires, and other natural disasters are abiding threats that exempt no one living on this planet. And the threat of man-made disasters has, perhaps permanently, forced itself into our plans for sustaining this great Nation.

Hurricane Katrina showed us in tragic terms that our mechanisms for disaster mitigation, preparation, response, and recovery urgently need many improvements. If we leave untouched the gaps, the confusions, and the missteps revealed during Katrina, we will see more unnecessary loss of life and prolonged misery. We do not know when the next great disaster will strike, or what form it will take. But we know it will come. We know what needs to be done. The Post-Katrina Emergency Management Reform Act gives us the tools to do it.

Mr. LIEBERMAN. Mr. President, I rise today to offer my support for and cosponsorship of this comprehensive piece of legislation that Chairman COLLINS and I are proposing based on our investigation into the failed preparations and response to Hurricane Katrina.

About 1 month ago, we introduced a bill to transform FEMA into the U.S. Emergency Management Authority to guarantee that our national emergency response system can handle a catastrophe—whether it is a hurricane the size and scope of Katrina or a terrorist attack. U.S. EMA would have special.

protected status—much like the Coast Guard has within the Department of Homeland Security. The Senate overwhelmingly adopted that legislation by a vote of 87 to 11 as part of the Department of Homeland Security fiscal year 2007 Appropriations Act.

Today, we reintroduce that legislation backed up by additional reforms to improve emergency communications, planning, training, and to make necessary changes to the Stafford Act, which governs relief and emergency assistance to victims of disasters.

The Homeland Security and Governmental Affairs Committee, at the request of the Senate leadership, spent 7 months culling through hundreds of thousands of documents, interviewing hundreds of witnesses, and holding scores of hearings into the botched Government response to that catastrophic hurricane.

We found that at all levels, our Government was ill-equipped to deal with the massive human suffering all along the gulf coast that followed the storm's landfall, suffering that shocked and angered the American people who expect more from their government when fellow Americans are in need. These failings were the result of many things—negligence, lack of resources, lack of capability. But most of all they were the result of a failure of leadership—by the White House, DHS, FEMA, the Louisiana Governor's office, and the New Orleans mayor's office.

To this day, the Department of Homeland Security does not make sufficient distinction between everyday problems that States must deal with on a seasonal basis and the larger catastrophes which, as Katrina demonstrated, quickly overwhelm local and State authorities.

The legislation we are introducing today is an effort to get the Department of Homeland Security to understand that distinction better and to target its preparedness and response to cope better with normal disasters as well as with those rarer but truly catastrophic events. It addresses—to the extent possible—many of the Federal shortcomings exposed by our investigation. And it reflects many of the 88 recommendations the committee reached in its final report on the Katrina investigation.

Let me briefly summarize the bill. First and foremost, we are concerned about our first responders who rush into the middle of catastrophes to save lives. First responders must have the tools they need to protect and save our communities. Think back to September 11. Hundreds of firefighters lost their lives that day for many reasons. Among them was that their radio equipment was not compatible with the police force radios, making it more difficult to learn of the warnings others had that the Twin Towers were going to fall.

During Hurricane Katrina, first responders not only lacked compatible radio equipment, but they lost communication completely when power lines and sub stations were knocked out of operation.

Whether responding to a terrorist attack, natural disaster, fire, a missing child, or a fleeing suspect, police, firefighters, emergency medical technicians, and other responders too frequently cannot share crucial, lifesaving information at the scene of a disaster.

Senator COLLINS and I introduced a bill, reported out of committee last year, to improve emergency communications, the Assure Emergency and Interoperable Communications for First Responders Act of 2005, S.1725. We have borrowed liberally from it. For example, today's legislation, like S.1725, would require the development of a national strategy for emergency communications; the establishment of an emergency communications research and development program; and dedicated funding for State and local communications and interoperability grants, authorized at $3.3 billion over 5 years.

We would also establish a new Office of Emergency Communications within U.S. EMA by combining existing offices at the Department of Homeland Security that deal with various aspects of emergency communications. Among the offices to be combined are SAFECOM within the Science and Technology Directorate and the National Communications System, which was under the Infrastructure Protection Office during Katrina. This office will make sure that DHS actually has someone in charge of leading the Department's splintered efforts to fix these persistent communications problems.

This legislation also makes changes to the Stafford Act and improves upon other recovery and assistance benefits for the victims of disaster. Among other things, we would require U.S. EMA to develop housing and recovery strategies; we would increase the assistance provided under the Hazard Mitigation Grant Program from 7.5 percent of funds paid out under title IV of the Stafford Act up to 15 percent, depending on the size of the disaster; and we would expand FEMA's authority so that in addition to providing temporary housing it could provide permanent or semipermanent housing, giving it greater flexibility to meet the needs of those affected by a disaster. Unlike FEMA, U.S. EMA would not have to reflexively rely on travel trailers to house victims when other types of housing make more sense.

Victims would be aided further under this legislation by elimination of the subcaps that limited the amount of specific assistance for repairs and home replacement during Katrina and by increased transportation benefits. We would clarify the statute by reinforcing Congress's intent to allow for the use of rental assistance to pay for utility costs and to provide treatment of mental health problems resulting from or aggravated by a disaster. And we would allow U.S. EMA to provide temporary residences to all parts of a household that necessarily must split following a disaster—because of multiple relocations or cases of domestic violence, for example.

If the President finds "catastrophic damages" to a locale hit by disaster, he would be able to provide even more assistance under our legislation. The President would be able to double the cap for individual assistance from $26,000 to $52,000, provide unemployment benefits for 52 weeks instead of 26 weeks, provide help with mortgage and rental assistance, and waive maximum limitations on the amount of assistance that can be provided under the Community Disaster Loan Program.

Other provisions in our bill call for increased planning for people with special needs, better ways to get disaster information to those who need it, and measures to assist with family reunification. We would also require government contractors to hire more local firms and local workers.

This legislation also has an extensive section dedicated to saving money for the taxpayers while preventing waste, fraud, and abuse. For example, we would require the U.S. EMA Director to establish an identity verification process to ensure that victims who apply for benefits under the Individuals and Households Program are who they say they are and are in true need. We would create a registry of contractors able to perform common postdisaster work and use advance, competitively awarded contracts for predictably required goods and services. And we would create a contingent of volunteer contracting officers from throughout the Federal Government to assist with additional contracting needs during emergencies.

Our bill would also require U.S. EMA to plan for a disaster far more extensively than it has previously. It requires the development of a national training and exercise program, involving both Federal and State officials, to prepare for natural and manmade disasters. And the U.S. EMA Administrator would have to review the National Response Plan and clarify overlapping or confusing law enforcement, search and rescue, and medical responsibilities.

Mr. President, we are approaching the 1-year anniversary of Katrina—August 29. Much has changed since that time. Certainly, the gulf coast is better prepared to meet a disaster this hurricane season. Yet many victimized by Hurricane Katrina, as well as those vulnerable to natural disasters or terrorist attacks elsewhere, still face uncertain futures.

We cannot forget those still struggling to rebuild their lives from the devastation wrought by Katrina almost a year ago. This legislation was designed to address specific problems exposed by Katrina, so as it moves through the legislative process, we must do all that we can to ensure that the President has the authority he needs to provide assistance to past victims, as well as to victims of future disasters. We must also make certain that, unlike FEMA, U.S. EMA has all of the resources it needs to lead a national preparedness effort and to respond to whatever occurs in a manner that the American people have a right to expect.

The committee's investigation found that FEMA had never been prepared for a catastrophic event but also that it had budget shortages that hindered its preparedness and impeded its performance. Scott Wells, FEMA's Deputy Federal Coordinating Officer in Lousiana, summed it up. He said, "This was a catastrophic disaster. We don't have the structure; we don't have the people for catastrophic disaster. It's that simple . . . If you want a big capability, you've got to make a big investment. And there is no investment in response operations for a catastrophic disaster. It's not there."

Clearly, if the Federal Government is to improve its performance in the next disaster, we must give it sufficient resources. This legislation takes an important step in that direction by providing a $49 million increase for FEMA's two key operating accounts in fiscal year 2008 and an additional $53 million in fiscal year 2009. However, I believe even more is necessary, and I will work to secure additional resources as U.S. EMA becomes a reality.

The Department of Homeland Security was established not to address average disasters—the hurricanes that reliably strike certain parts of the country each year or flooding from heavy rains. DHS was established to prevent, prepare for, and if necessary respond to horrific catastrophes that demand all the resources our Federal Government has to offer in times of need or when local and State governments are overwhelmed by what has befallen them.

This legislation is a reminder of that original purpose, an effort to get the Department of Homeland Security back to where Congress originally envisioned it should be. This bill will help the Department be as prepared for and able to respond to catastrophes as the American public expects it to be.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 3723. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Eightmile River in the State of Connecticut as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. DODD. Mr. President, today I join with my colleague Senator LIEBERMAN to introduce the Eightmile Wild and Scenic River Act to designate certain segments of the Eightmile River in the State of Connecticut as components of the National Wild and Scenic Rivers System.

The National Wild and Scenic Rivers System was created by Congress in 1968 to create a "Hall of Fame" for exceptional rivers. Eligible rivers or river segments must meet two criteria: first, the river corridor must be free flowing and, second, it must contain at least one outstanding remarkable resource deserving special recognition, such as a prominent natural, cultural, scenic, or recreational resource.

Over the course of the past few years, the National Park Service has responded to interest and inquiries from local advocates and town officials regarding a potential Wild and Scenic River designation for the Eightmile River located in south central Connecticut. While a local management plan has been developed, studies have shown that fifteen miles of the Eightmile River and its East Branch through the communities of Lyme, East Haddam, and Salem, CT, were already included on the National Park Service's Nationwide Rivers Inventory of potential Wild and Scenic River segments. Both segments have great recreational value and are included on the inventory for outstanding scenic, geologic, and fish and wildlife values. More than 80 percent of the Connecticut River watershed is still forested, including large tracts of unfragmented hardwood forests that are home to a diverse assemblage of plants and animals including bobcats, great horned owls, red foxes and roughly 180 other species of birds, plants, fish, and reptiles.

The impetus for gaining wild and scenic designation of segments of the Eightmile River originated locally in 1995 when local officials and citizens began working on protection efforts. A variety of local, State, and Federal watershed protection programs were considered, and a Wild & Scenic River study and designation were determined to be the best way to achieve the local vision of a protected watershed. It was found that six special "resource values" are present in the Eightmile River Watershed. These resource values are: Watershed hydrology, water quality, unique species and natural communities, geology, the watershed ecosystem, and the cultural landscape. Preserving and enhancing these values is the basis of the Eightmile River Management Plan and ultimately the pursuit of wild and scenic designation. Earlier this year I joined with residents of East Haddam, CT, to endorse the management plan.

Connecticut is a small State in area, but it is densely populated and it is essential that balance is achieved between conservation and economic growth. As one of the most diverse and thriving ecosystems in the lower Connecticut River Valley, it is essential that we work to preserve this river while all parties, local, State and Federal, are willing and able to support this ecosystem. The Eightmile River, like many other rivers in America, can still be stewarded for future generations of Americans as both a recreational treasure and an unblemished ecological haven.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3723

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Eightmile Wild and Scenic River Act".

SEC. 2. WILD AND SCENIC RIVER DESIGNATION, EIGHTMILE RIVER, CONNECTICUT.

(a) FINDINGS.—Congress finds that—

(1) the Eightmile River Wild and Scenic River Study Act of 2001 (Public Law 107-65; 115 Stat. 484) required the Secretary to complete a study of the Eightmile River in the State of Connecticut from its headwaters downstream to its confluence with the Connecticut River for potential inclusion in the National Wild and Scenic Rivers System;

(2) the segments of the Eightmile River that were assessed in the study continue to be in a free-flowing condition;

(3) the segments of the Eightmile River contain outstanding resource values relating to—

(A) cultural landscapes;

(B) water quality;

(C) watershed hydrology;

(D) unique species;

(E) natural communities;

(F) geology; and

(G) watershed ecosystems;

(4) the Eightmile River Wild and Scenic Study Committee has determined that—

(A) the outstanding resource values of those segments of the Eightmile River depend on the continued integrity and quality of the Eightmile River watershed;

(B) those resource values that are manifested throughout the entire watershed; and

(C) the continued protection of the entire watershed is intrinsically important to the designation of the Eightmile River under this Act;

(5) the Eightmile River Wild and Scenic Study Committee took a watershed approach in studying and recommending management options for the river segments and the Eightmile River watershed as a whole;

(6) during the study, the Eightmile River Wild and Scenic Study Committee prepared the Eightmile River Management Plan to establish objectives, standards, and action programs to ensure long-term protection of the

outstanding values of the river, and compatible management of the land and water resources of the Eightmile River and its watershed, without Federal management of affected land not owned by the United States;

(7) the Eightmile River Wild and Scenic Study Committee—

(A) voted in favor of including the Eightmile River in the National Wild and Scenic Rivers System; and

(B) included that recommendation as an integral part of the Eightmile River Watershed Management Plan;

(8) the residents of the towns located adjacent to the Eightmile River and comprising most of its watershed, including Salem, East Haddam, and Lyme, Connecticut, as well as the boards of selectmen and land use commissions of those towns, voted—

(A) to endorse the Eightmile River Watershed Management Plan; and

(B) to seek designation of the river as a component of the National Wild and Scenic Rivers System.

(9) the General Assembly of the State of Connecticut enacted Public Act 05–18—

(A) to endorse the Eightmile River Watershed Management Plan; and

(B) to seek the designation of the Eightmile River as a component of the National Wild and Scenic Rivers System.

(b) Definitions.—In this Act:

(1) Eightmile river.—The term "Eightmile River" means segments of the main stem and certain tributaries of the Eightmile River in the State of Connecticut that are designated as components of the National Wild and Scenic Rivers System by the amendment made by subsection (c).

(2) Management plan.—The term "Management Plan" means the plan prepared by the Eightmile River Wild and Scenic Study Committee, with assistance from the National Park Service, known as the "Eightmile River Watershed Management Plan", and dated December 8, 2005.

(3) Secretary.—The term "Secretary" means the Secretary of the Interior.

(c) Designation.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended—

(1) by designating the undesignated paragraph relating to the White Salmon River, Washington, following paragraph (166) as paragraph (167); and

(2) by adding at the end the following:

"(168) Eightmile River, Connecticut.—The following segments in the Eightmile River in the State of Connecticut, totaling approximately 25.3 miles, to be administered by the Secretary of the Interior:

"(A) The 10.8-mile segment of the main stem of the Eightmile River, from Lake Hayward Brook to the Connecticut River at the mouth of Hamburg Cove, as a scenic river.

"(B) The 8.0-mile segment of the East Branch of the Eightmile River from Witch Meadow Road to the main stem of the Eightmile River, as a scenic river.

"(C) The 3.9-mile segment of Harris Brook from the confluence of an unnamed stream lying 0.74 miles due east of the intersection of Hartford Road (State Route 85) and Round Hill Road to the East Branch of the Eightmile River, as a scenic river.

"(D) The 1.9-mile segment of Beaver Brook from Cedar Pond Brook to the main stem of the Eightmile River, as a scenic river.

"(E) The 0.7-mile segment of Falls Brook from Tisdale Brook to the main stem of the Eightmile River at Hamburg Cove, as a scenic river.".

(d) Management.—

(1) In general.—The Secretary shall manage the Eightmile River in accordance with the Management Plan and such amendments to the Plan as the Secretary determines to be consistent with this section.

(2) Management plan.—The Management Plan shall be considered to satisfy each requirement for a comprehensive management plan that is required by section 3(d) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(d)).

(e) Committee.—The Secretary shall coordinate the management responsibilities of the Secretary relating to the Eightmile River with the Eightmile River Coordinating Committee, as described in the Management Plan.

(f) Cooperative Agreements.—

(1) In general.—Pursuant to sections 10(e) and 11(b)(1) of the Wild and Scenic Rivers Act (16 U.S.C. 1281(e), 1282(b)(1)), the Secretary may enter into a cooperative agreement with—

(A) the State of Connecticut;

(B) the towns of—

(i) Salem, Connecticut;

(ii) Lyme, Connecticut; and

(iii) East Haddam, Connecticut; and

(C) appropriate local planning and environmental organizations.

(2) Consistency with management plan.—Each cooperative agreement authorized by this subsection—

(A) shall be consistent with the Management Plan; and

(B) may include provisions for financial or other assistance from the United States.

(g) Relation to National Park System.—Notwithstanding section 10(c) of the Wild and Scenic Rivers Act (16 U.S.C. 1281(c)), the Eightmile River shall not—

(1) be administered as part of the National Park System; or

(2) be subject to laws (including regulations) that govern the National Park System.

(h) Land Management.—

(1) Zoning ordinances.—With respect to the Eightmile River, each zoning ordinance adopted by the towns of Salem, East Haddam, and Lyme, Connecticut, in effect as of December 8, 2005 (including provisions for conservation of floodplains, wetland and watercourses associated with the segments), shall be considered to satisfy each standard and requirement under section 6(c) of the Wild and Scenic Rivers Act (16 U.S.C. 1277(c)).

(2) Acquisition of land.—The authority of the Secretary to acquire land for the purpose of managing the Eightmile River as a component of the National Wild and Scenic Rivers System shall be—

(A) limited to acquisition—

(i) by donation; or

(ii) with the consent of the owner of the land; and

(B) subject to the additional criteria set forth in the Management Plan.

(i) Watershed Approach.—

(1) Statement of policy.—In furtherance of the watershed approach to resource preservation and enhancement articulated in the Management Plan, the tributaries of the Eightmile River watershed specified in paragraph (2) are recognized as integral to the protection and enhancement of the Eightmile River and that watershed.

(2) Covered tributaries.—The tributaries referred to in paragraph (1) include—

(A) Beaver Brook;

(B) Big Brook;

(C) Burnhams Brook;

(D) Cedar Pond Brook;

(E) Cranberry Meadow Brook;

(F) Early Brook;

(G) Falls Brook;

(H) Fraser Brook;

(I) Harris Brook;

(J) Hedge Brook Lake Hayward Brook;

(K) Malt House Brook;

(L) Muddy Brook;

(M) Ransom Brook;

(N) Rattlesnake Ledge Brook;

(O) Shingle Mill Brook;

(P) Strongs Brook;

(Q) Tisdale Brook;

(R) Witch Meadow Brook; and

(S) all other perennial streams within the Eightmile River watershed.

(j) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this Act.

Mr. ROCKEFELLER (for himself, Ms. Snowe, Mr. Inouye, Mr. Cochran, and Mr. Johnson):

S. 3724. A bill to enhance scientific research and competitiveness through the Experimental Program to Stimulate Competitive Research, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. ROCKEFELLER. Mr. President, today, I introduce the EPSCoR Research and Competitive Act of 2006, and I am proud to have the bipartisan support of my colleagues, Senators Snowe, Inouye, Cochran and Johnson.

The Experimental Program to Stimulate Competitive Research, EPSCoR, at the National Science Foundation, NSF, is designed to help states that historically do not receive much NSF funding to compete more effectively for grants. NSF maintains it high standards, but it also provides help to States to meet such standards. Such an investment is fundamental to help promote our country's competitiveness nationwide. Twenty-six States are eligible for the EPSCoR program, and these States represent 20 percent of our population, 25 percent of our doctoral and research universities, and 18 percent of our academic scientists and engineers. The EPSCoR states also represent unique environments for scientific research with Hawaii and Alaska having unique features. Montana is a major area for paleontology. Six of the top ten energy producing States are EPSCoR States. It is common sense to invest in building research capacity in our EPSCoR States.

We also know that EPSCoR works. More than one-half of the researchers supported by NSF's EPSCoR program during the first 10 years later were successful in competing for non-EPSCoR funding. Also, 75 percent of new technology companies started by university research are based in the States where the original research was done. To strengthen our research and enhance competitiveness EPSCoR is a smart investment.

Within the American Innovation and Competitiveness Act of 2006, is a provision authorizing the EPSCoR program at $125 million, and stating that EPSCoR funding should increase in proportion with the overall NSF budget. This package was marked up by the Senate Commerce Committee on May 18, 2006 with bipartisan support.

Clearly, there is agreement that EPSCoR needs to be part of our national strategy for competitiveness. This legislation adds some specifics to that goal. The bill proposes that the Research Infrastructure Improvements Grant increase to $75 million. It seeks 20 percent of the EPSCoR budget for the co-funding program, an innovative initiative to help encourage each of the NSF directorates to collaborate and fund meritorious projects from the EPSCoR States. It encourages the NSF Director to develop creative ways to ensure that the EPSCoR States are part of the new major initiatives of the foundation, including cyber-infrastructure and major research instrumentation.

West Virginia has truly benefited from the EPSCoR program. Since 2001, competitive Federal research in West Virginia has risen from $35.8 million to $60.1 million which is a 68 percent increase. In 2005 alone, research created more than $147 million in economic activity and supported 4,432 jobs. EPSCoR has also been the catalyst for enhanced cooperation between West Virginia's leading universities, West Virginia University and Marshall University.

This legislation will add to the American Innovation and Competitiveness Act's goal of promoting competitiveness in the EPSCoR States which helps our entire country.

By Mr. KOHL:

S. 3727. A bill to amend title XVIII of the Social Security Act to provide for an adjustment to the reduction of Medicare resident positions based on settled cost reports; to the Committee on Finance.

Mr. KOHL. Mr. President, today I am introducing the Medicare Residency Program Fairness Act of 2006. This bill would provide for an adjustment to the reduction of Medicare resident positions based on settled cost reports. The reason I am introducing this bill is because unintended consequences of Section 422 of the Medicare Modernization Act of 2003 have resulted in a decrease of residents slots in Wisconsin's Fox Valley and potentially in other small urban and rural family medicine practices across the Nation.

For more than a year, I have been working with the University of Wisconsin School of Medicine and the Fox Valley Family Medicine Residency Program to urge CMS to restore funding for its residency training positions that was taken away as a result of an audit that incorrectly determined that the positions were not used. Now, a Final Mediation Agreement between Appleton Medical Center and United Government Services demonstrates that the positions were being used and that the program met the Medicare requirement for those positions. I believe it is only fair that Appleton Medical Center's residency positions be reinstated.

The Fox Valley Family Practice Residency Program is an important contributing member to the Fox Valley and surrounding community, providing health care services to some 10,000 families. This is exactly the type of program that we should be supporting, not reducing. My legislation will right this wrong and provide for the same opportunity for any other small urban or rural program that can demonstrate that its residency slots were erroneously de-funded by CMS. I ask that my Senate colleagues join me by supporting this bill. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Residency Program Fairness Act of 2006".

SEC. 2. ADJUSTMENT TO THE REDUCTION OF MEDICARE RESIDENT POSITIONS BASED ON SETTLED COST REPORTS.

(a) IN GENERAL.—Section 1886(h)(7) of the Social Security Act (42 U.S.C. 1395ww(h)(7)) is amended—

(1) by redesignating subparagraph (D) as subparagraph (E); and

(2) by adding at the end the following new subparagraph:

"(D) ADJUSTMENT BASED ON SETTLED COST REPORT FOR RURAL AND SMALL URBAN HOSPITALS.—In the case of a hospital located in a rural area (as defined in subsection (d)(2)(D)) or in an urban area that is not a large urban area (as so defined) for which—

"(i) the otherwise applicable resident limit was reduced under subparagraph (A)(i)(I); and

"(ii) such reduction was based on a reference resident level that was determined using a cost report that was subsequently settled, whether as a result of an appeal or otherwise, and the reference resident level under such settled cost report is higher than the level used for the reduction under subparagraph (A)(i)(I);

the Secretary shall apply subparagraph (A)(i)(I) using the higher resident reference level and make any necessary adjustments to the reduction described in subclause (II). Any such necessary adjustments shall be effective for portions of cost reporting periods occurring on or after July 1, 2005.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 422 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173).

By Mr. FRIST (for himself, Mr. LUGAR, Mr. INOUYE, Mr. BROWNBACK, Mr. BIDEN, Mr. BUNNING, Mr. AKAKA, and Mrs. DOLE):

S. 3728. A bill to promote nuclear nonproliferation in North Korea: considered and passed.

Mr. FRIST. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3728

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "North Korea Nonproliferation Act of 2006".

SEC. 2. STATEMENT OF POLICY.

(a) In view of —

(1) North Korea's manifest determination to produce missiles, nuclear weapons, and other weapons of mass destruction and to proliferate missiles, in violation of international norms and expectations; and

(2) United Nations Security Council Resolution 1695, adopted on July 15, 2006, which requires all Member States, in accordance with their national legal authorities and consistent with international law, to exercise vigilance and prevent—

(A) missile and missile-related items, materials, goods, and technology from being transferred to North Korea's missile or weapons of mass destruction programs; and

(B) the procurement of missiles or missile-related items, materials, goods, and technology from North Korea, and the transfer of any financial resources in relation to North Korea's missile or weapons of mass destruction programs,

it should be the policy of the United States to impose sanctions on persons who transfer such weapons, and goods and technology related to such weapons, to and from North Korea in the same manner as persons who transfer such items to and from Iran and Syria currently are sanctioned under United States law.

SEC. 3. AMENDMENTS TO IRAN AND SYRIA NONPROLIFERATION ACT.

(a) REPORTING REQUIREMENTS.—Section 2 of the Iran and Syria Nonproliferation Act (Public Law 106–178; 50 U.S.C. 1701 note) is amended—

(1) in the heading, by inserting "**, NORTH KOREA,**" after "**IRAN**"; and

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Iran, or" and inserting "Iran,"; and

(ii) by inserting after "Syria" the following: ", or on or after January 1, 2006, transferred to or acquired from North Korea" after "Iran"; and

(B) in paragraph (2), by inserting ", North Korea," after "Iran".

(b) CONFORMING AMENDMENTS.—Such Act is further amended—

(1) in section 1, by inserting ", North Korea," after "Iran";

(2) in section 5(a), by inserting ", North Korea," after "Iran" both places it appears; and

(3) in section 6(b)—

(A) in the heading, by inserting ", NORTH KOREA," after "IRAN"; and

(B) by inserting ", North Korea," after "Iran" each place it appears.

SEC. 4. SENSE OF CONGRESS ON INTERNATIONAL COOPERATION.

Congress urges all governments to comply promptly with United Nations Security

Council Resolution 1695 and to impose measures on persons involved in such proliferation that are similar to those imposed by the United States Government pursuant to the Iran, North Korea, and Syria Nonproliferation Act (Public Law 106-178; 50 U.S.C. 1701 note), as amended by this Act.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4691. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table.

SA 4692. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4693. Mr. SMITH submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4694. Mrs. BOXER (for herself and Mr. ENSIGN) proposed an amendment to the bill S. 403, to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

TEXT OF AMENDMENTS

SA 4691. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

On page 11, line 21, insert after "Treasury" the following: ", from which the Secretary of the Treasury shall transfer to the Secretary such amounts as are necessary to carry out the payment in lieu of taxes program under chapter 69 of title 31, United States Code".

SA 4692. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—OIL CONSERVATION

Subtitle A—National Oil Savings Plan and Requirements

SEC. 201. OIL SAVINGS TARGET AND ACTION PLAN.

Not later than 270 days after the date of enactment of this Act, the Director of the Office of Management and Budget (referred to in this subtitle as the "Director") shall publish in the Federal Register an action plan consisting of—

(1) a list of requirements proposed or to be proposed pursuant to section 102 that are authorized to be issued under law in effect on the date of enactment of this Act, and this Act, that will be sufficient, when taken together, to save from the baseline determined under section 105—

(A) 2,500,000 barrels of oil per day on average during calendar year 2016;

(B) 7,000,000 barrels of oil per day on average during calendar year 2026; and

(C) 10,000,000 barrels per day on average during calendar year 2031; and

(2) a Federal Government-wide analysis of—

(A) the expected oil savings from the baseline to be accomplished by each requirement; and

(B) whether all such requirements, taken together, will achieve the oil savings specified in this section.

SEC. 202. STANDARDS AND REQUIREMENTS.

(a) IN GENERAL.—On or before the date of publication of the action plan under section 201, the Secretary of Energy, the Secretary of Transportation, the Secretary of Defense, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the head of any other agency the President determines appropriate shall each propose, or issue a notice of intent to propose, regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the respective agency using authorities described in subsection (b).

(b) AUTHORITIES.—The head of each agency described in subsection (a) shall use to carry out this section—

(1) any authority in existence on the date of enactment of this Act (including regulations); and

(2) any new authority provided under this Act (including an amendment made by this Act).

(c) FINAL REGULATIONS.—Not later than 18 months after the date of enactment of this Act, the head of each agency described in subsection (a) shall promulgate final versions of the regulations required under this section.

(d) AGENCY ANALYSES.—Each proposed and final regulation promulgated under this section shall—

(1) be designed to achieve at least the oil savings resulting from the regulation under the action plan published under section 201; and

(2) be accompanied by an analysis by the applicable agency describing the manner in which the regulation will promote the achievement of the oil savings from the baseline determined under section 205.

SEC. 203. INITIAL EVALUATION.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Director shall publish in the Federal Register a Federal Government-wide analysis of the oil savings achieved from the baseline established under section 205.

(b) INADEQUATE OIL SAVINGS.—If the oil savings are less than the targets established under section 201, simultaneously with the analysis required under subsection (a)—

(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and

(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section 202.

(c) FINAL REGULATIONS.—Not later than 180 days after the date on which regulations are proposed under subsection (b)(2), the Secretary of Energy, the Secretary of Transportation, and the Administrator shall promulgate final versions of those regulations.

SEC. 204. REVIEW AND UPDATE OF ACTION PLAN.

(a) REVIEW.—Not later than January 1, 2011, and every 3 years thereafter, the Director shall submit to Congress, and publish, a report that—

(1) evaluates the progress achieved in implementing the oil savings targets established under section 201;

(2) analyzes the expected oil savings under the standards and requirements established under this Act and the amendments made by this Act; and

(3)(A) analyzes the potential to achieve oil savings that are in addition to the savings required by section 201; and

(B) if the President determines that it is in the national interest, establishes a higher oil savings target for calendar year 2017 or any subsequent calendar year.

(b) INADEQUATE OIL SAVINGS.—If the oil savings are less than the targets established under section 201, simultaneously with the report required under subsection (a)—

(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and

(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section 202.

(c) FINAL REGULATIONS.—Not later than 180 days after the date on which regulations are proposed under subsection (b)(2), the Secretary of Energy, the Secretary of Transportation, and the Administrator shall promulgate final versions of those regulations.

SEC. 205. BASELINE AND ANALYSIS REQUIREMENTS.

In performing the analyses and promulgating proposed or final regulations to establish standards and other requirements necessary to achieve the oil savings required by this subtitle, the Secretary of Energy, the Secretary of Transportation, the Secretary of Defense, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the head of any other agency the President determines to be appropriate shall—

(1) determine oil savings as the projected reduction in oil consumption from the baseline established by the reference case contained in the report of the Energy Information Administration entitled "Annual Energy Outlook 2005";

(2) determine the oil savings projections required on an annual basis for each of calendar years 2009 through 2026; and

(3) account for any overlap among the standards and other requirements to ensure that the projected oil savings from all the promulgated standards and requirements, taken together, are as accurate as practicable.

Subtitle B—Federal Oil Conservation Programs

SEC. 211. FUNDING FOR ALTERNATIVE INFRASTRUCTURE FOR THE DISTRIBUTION OF TRANSPORTATION FUELS.

(a) IN GENERAL.—There is established in the Treasury of the United States a trust fund, to be known as the "Alternative Fueling Infrastructure Trust Fund" (referred to in this section as the "Trust Fund"), consisting of such amounts as are deposited into the Trust Fund under subsection (b) and any interest earned on investment of amounts in the Trust Fund.

(b) PENALTIES.—The Secretary of Transportation shall remit 90 percent of the amount collected in civil penalties under section 32912 of title 49, United States Code, to the Trust Fund.

(c) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary of Energy shall obligate such sums as are available in the Trust Fund to establish a grant program to increase the number of locations at which consumers may purchase alternative transportation fuels.

(2) ADMINISTRATION.—

(A) IN GENERAL.—The Secretary of Energy may award grants under this subsection to—

(i) individual fueling stations; and

(ii) corporations (including nonprofit corporations) with demonstrated experience in the administration of grant funding for the purpose of alternative fueling infrastructure.

(B) MAXIMUM AMOUNT OF GRANTS.—A grant provided under this subsection may not exceed—

(i) $150,000 for each site of an individual fueling station; and

(ii) $500,000 for each corporation (including a nonprofit corporation).

(C) PRIORITIZATION.—The Secretary of Energy shall prioritize the provision of grants under this subsection to recognized nonprofit corporations that have proven experience and demonstrated technical expertise in the establishment of alternative fueling infrastructure, as determined by the Secretary of Energy.

(D) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of the funds provided in any grant may be used by the recipient of the grant to pay administrative expenses.

(E) NUMBER OF VEHICLES.—In providing grants under this subsection, the Secretary of Energy shall consider the number of vehicles in service capable of using a specific type of alternative fuel.

(F) MATCH.—Grant recipients shall provide a non-Federal match of not less than $1 for every $3 of grant funds received under this subsection.

(G) LOCATIONS.—Each grant recipient shall select the locations for each alternative fuel station to be constructed with grant funds received under this subsection on a formal, open, and competitive basis.

(H) USE OF INFORMATION IN SELECTION OF RECIPIENTS.—In selecting grant recipients under this subsection, the Secretary of Energy may consider—

(i) public demand for each alternative fuel in a particular county based on State registration records indicating the number of vehicles that may be operated using alternative fuel; and

(ii) the opportunity to create or expand corridors of alternative fuel stations along interstates or highways.

(3) USE OF GRANT FUNDS.—Grant funds received under this subsection may be used to—

(A) construct new facilities to dispense alternative fuels;

(B) purchase equipment to upgrade, expand, or otherwise improve existing alternative fuel facilities; or

(C) purchase equipment or pay for specific turnkey fueling services by alternative fuel providers.

(4) FACILITIES.—Facilities constructed or upgraded with grant funds under this subsection shall—

(A) provide alternative fuel available to the public for a period not less than 4 years;

(B) establish a marketing plan to advance the sale and use of alternative fuels;

(C) prominently display the price of alternative fuel on the marquee and in the station;

(D) provide point of sale materials on alternative fuel;

(E) clearly label the dispenser with consistent materials;

(F) price the alternative fuel at the same margin that is received for unleaded gasoline; and

(G) support and use all available tax incentives to reduce the cost of the alternative fuel to the lowest practicable retail price.

(5) OPENING OF STATIONS.—

(A) IN GENERAL.—Not later than the date on which each alternative fuel station begins to offer alternative fuel to the public, the grant recipient that used grant funds to construct the station shall notify the Secretary of Energy of the opening.

(B) WEBSITE.—The Secretary of Energy shall add each new alternative fuel station to the alternative fuel station locator on the website of the Department of Energy when the Secretary of Energy receives notification under this subsection.

(6) REPORTS.—Not later than 180 days after the receipt of a grant award under this subsection, and every 180 days thereafter, each grant recipient shall submit a report to the Secretary of Energy that describes—

(A) the status of each alternative fuel station constructed with grant funds received under this subsection;

(B) the quantity of alternative fuel dispensed at each station during the preceding 180-day period; and

(C) the average price per gallon of the alternative fuel sold at each station during the preceding 180-day period.

SEC. 212. ASSISTANCE TO STATES TO REDUCE SCHOOL BUS IDLING.

(a) STATEMENT OF POLICY.—Congress encourages each local educational agency (as defined in section 9101(26) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(26))) that receives Federal funds under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) to develop a policy to reduce the incidence of school bus idling at schools while picking up and unloading students.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy, working in coordination with the Secretary of Education, $5,000,000 for each of fiscal years 2007 through 2012 for use in educating States and local education agencies about—

(1) benefits of reducing school bus idling; and

(2) ways in which school bus idling may be reduced.

SEC. 213. NEAR-TERM VEHICLE TECHNOLOGY PROGRAM.

(a) PURPOSES.—The purposes of this section are—

(1) to enable and promote, in partnership with industry, comprehensive development, demonstration, and commercialization of a wide range of electric drive components, systems, and vehicles using diverse electric drive transportation technologies;

(2) to make critical public investments to help private industry, institutions of higher education, National Laboratories, and research institutions to expand innovation, industrial growth, and jobs in the United States;

(3) to expand the availability of the existing electric infrastructure for fueling light duty transportation and other on-road and nonroad vehicles that are using petroleum and are mobile sources of emissions—

(A) including the more than 3,000,000 reported units (such as electric forklifts, golf carts, and similar nonroad vehicles) in use on the date of enactment of this Act; and

(B) with the goal of enhancing the energy security of the United States, reduce dependence on imported oil, and reduce emissions through the expansion of grid supported mobility;

(4) to accelerate the widespread commercialization of all types of electric drive vehicle technology into all sizes and applications of vehicles, including commercialization of plug-in hybrid electric vehicles and plug-in hybrid fuel cell vehicles; and

(5) to improve the energy efficiency of and reduce the petroleum use in transportation.

(b) DEFINITIONS.—In this section:

(1) BATTERY.—The term "battery" means an energy storage device used in an on-road or nonroad vehicle powered in whole or in part using an off-board or on-board source of electricity.

(2) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term "electric drive transportation technology" means—

(A) vehicles that use an electric motor for all or part of their motive power and that may or may not use off-board electricity, including battery electric vehicles, fuel cell vehicles, engine dominant hybrid electric vehicles, plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and electric rail; or

(B) equipment relating to transportation or mobile sources of air pollution that use an electric motor to replace an internal combustion engine for all or part of the work of the equipment, including corded electric equipment linked to transportation or mobile sources of air pollution.

(3) ENGINE DOMINANT HYBRID ELECTRIC VEHICLE.—The term "engine dominant hybrid electric vehicle" means an on-road or nonroad vehicle that—

(A) is propelled by an internal combustion engine or heat engine using—

(i) any combustible fuel;

(ii) an on-board, rechargeable storage device; and

(B) has no means of using an off-board source of electricity.

(4) FUEL CELL VEHICLE.—The term "fuel cell vehicle" means an on-road or nonroad vehicle that uses a fuel cell (as defined in section 3 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990).

(5) NONROAD VEHICLE.—The term "nonroad vehicle" has the meaning given the term in section 216 of the Clean Air Act (42 U.S.C. 7550).

(6) PLUG-IN HYBRID ELECTRIC VEHICLE.—The term "plug-in hybrid electric vehicle" means an on-road or nonroad vehicle that is propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel;

(B) an on-board, rechargeable storage device; and

(C) a means of using an off-board source of electricity.

(7) PLUG-IN HYBRID FUEL CELL VEHICLE.—The term "plug-in hybrid fuel cell vehicle" means a fuel cell vehicle with a battery powered by an off-board source of electricity.

(c) PROGRAM.—The Secretary of Energy shall conduct a program of research, development, demonstration, and commercial application for electric drive transportation technology, including—

(1) high capacity, high efficiency batteries;

(2) high efficiency on-board and off-board charging components;

(3) high power drive train systems for passenger and commercial vehicles and for nonroad equipment;

(4) control system development and power train development and integration for plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and engine dominant hybrid electric vehicles, including—

(A) development of efficient cooling systems;

(B) analysis and development of control systems that minimize the emissions profile when clean diesel engines are part of a plug-in hybrid drive system; and

(C) development of different control systems that optimize for different goals, including—

(i) battery life;

(ii) reduction of petroleum consumption; and

(iii) green house gas reduction;

(5) nanomaterial technology applied to both battery and fuel cell systems;

(6) large-scale demonstrations, testing, and evaluation of plug-in hybrid electric vehicles in different applications with different batteries and control systems, including—

(A) military applications;

(B) mass market passenger and light-duty truck applications;

(C) private fleet applications; and

(D) medium- and heavy-duty applications;

(7) a nationwide education strategy for electric drive transportation technologies providing secondary and high school teaching materials and support for university education focused on electric drive system and component engineering;

(8) development, in consultation with the Administrator of the Environmental Protection Agency, of procedures for testing and certification of criteria pollutants, fuel economy, and petroleum use for light-, medium- and heavy-duty vehicle applications, including consideration of—

(A) the vehicle and fuel as a system, not just an engine; and

(B) nightly off-board charging; and

(9) advancement of battery and corded electric transportation technologies in mobile source applications by—

(A) improvement in battery, drive train, and control system technologies; and

(B) working with industry and the Administrator of the Environmental Protection Agency to—

(i) understand and inventory markets; and

(ii) identify and implement methods of removing barriers for existing and emerging applications.

(d) GOALS.—The goals of the electric drive transportation technology program established under subsection (c) shall be to develop, in partnership with industry and institutions of higher education, projects that focus on—

(1) innovative electric drive technology developed in the United States;

(2) growth of employment in the United States in electric drive design and manufacturing;

(3) validation of the plug-in hybrid potential through fleet demonstrations; and

(4) acceleration of fuel cell commercialization through comprehensive development and commercialization of the electric drive technology systems that are the foundational technology of the fuel cell vehicle system.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $300,000,000 for each of fiscal years 2007 through 2012.

SA 4693. Mr. SMITH submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

On page 12, strikes lines 1 through 7 and insert the following:

(B) 25 percent in a special account of the Treasury, which shall be used by the Secretary of the Treasury, subject to subsection (g), to make payments under sections 102 and 103 of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 500 note; Public Law 106–393).

On page 18, after line 14, add the following:

(g) SECURE RURAL SCHOOLS PROGRAM PAYMENTS.—

(1) NO ADDITIONAL FUNDS.—Amounts made available under subsection (a)(2)(B) to make payments under sections 102 and 103 of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 500 note; Public Law 106–393) shall be used in lieu of the amounts made available for those purposes under section 102(b)(3) and 103(b)(2) of that Act.

(2) CONDITION ON AVAILABILITY.—Amounts made available for a fiscal year under subsection (a)(2)(B) shall be used for payments under sections 102 and 103 of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 500 note; Public Law 106–393) only if—

(A) title I of that Act has been reauthorized through at least the applicable fiscal year; and

(B) the authority to initiate projects under titles II and III of the Act has been extended through at least the applicable fiscal year.

SA 4694. Mrs. BOXER (for herself and Mr. ENSIGN) proposed an amendment to the bill S. 403, to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions; as follows:

On page 4, line 5, strike the period and insert ", unless the parent has committed an act of incest with the minor subject to subsection (a).".

On page 5, after line 12 insert the following:

"§ 2432. Transportation of minors in circumvention of certain laws relating to abortion

"Notwithstanding section 2431(b)(2), whoever has committed an act of incest with a minor and knowingly transports the minor across a State line with the intent that such minor obtain an abortion, shall be fined under this title or imprisoned not more than one year, or both."

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that a legislative hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will be held on Thursday, August 3, 2006, at 10 a.m., in room SD–628 of the Dirksen Building.

The purpose of this legislative hearing is to receive testimony on S. 2589, to enhance the management and disposal of spent nuclear fuel and high-level radioactive waste, to ensure protection of public health and safety, to ensure the territorial integrity and security of the repository at Yucca Mountain, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150.

For further information, please contact Clint Williamson or Steve Waskiewicz.

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Ms. SNOWE. The Chair would like to inform the Members of the Committee that the Committee will hold a markup on Thursday, July 27, 2006 at 10 a.m., in Russell 428A on "The Small Business Reauthorization and Improvements Act of 2006."

AUTHORITY FOR COMMITTEES TO MEET

AIRLAND SUBCOMMITTEE

Mr. COBURN. Mr. President, I ask unanimous consent that the Airland Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on July 25, 2006, at 9:30 a.m., in open session to receive testimony on the F–22A Multiyear Procurement Proposal in review of the Defense authorization request for fiscal year 2007.

The PRESIDING OFFICER. Without objection, it is so ordered.

AVIATION SUBCOMMITTEE

Mr. COBURN. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation's Aviation Subcommittee be authorized to meet on Tuesday, July 25, 2006, at 10 a.m. on the Joint Planning and Development Office (JPDO).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. COBURN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on July 25, 2006, at 10 a.m., to conduct a hearing on "Regulation of Hedge Funds."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. COBURN. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Tuesday, July 25, 2006, at 10:30 a.m., in 215 Dirksen Senate Office Building, to hear testimony on "How Much Should Borders Matter?: Tax Jurisdiction in the New Economy."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. COBURN. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Tuesday, July 25, 2006, at 2:30 p.m., in 215 Dirksen Senate Office Building, to hear testimony on "CHIP at 10: A Decade of Covering Children."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. COBURN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to hold an off-the-floor markup during the session on Tuesday, July 25, 2006, to consider the nomination of Stephen S. McMillin to be Deputy Director, Office of Management and Budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. COBURN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Oversight of Government Management, the Federal Workforce and the District of Columbia be authorized to meet on Tuesday, July 25, 2006, at 10 a.m. for a hearing entitled, Supporting the Warfighter: Assessing the DoD Supply Chain Management Plan.

The PRESIDING OFFICER. Without objection, it is so ordered.

NORTH KOREA NONPROLIFERATION ACT OF 2006

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 3728, introduced earlier today.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 3728) to promote nuclear nonproliferation in North Korea.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3728) was ordered to be engrossed for a third reading was read the third time, and passed, as follows:

S. 3728

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "North Korea Nonproliferation Act of 2006".

SEC. 2. STATEMENT OF POLICY.

(a) In view of—

(1) North Korea's manifest determination to produce missiles, nuclear weapons, and other weapons of mass destruction and to proliferate missiles, in violation of international norms and expectations; and

(2) United Nations Security Council Resolution 1695, adopted on July 15, 2006, which requires all Member States, in accordance with their national legal authorities and consistent with international law, to exercise vigilance and prevent—

(A) missile and missile-related items, materials, goods, and technology from being transferred to North Korea's missile or weapons of mass destruction programs; and

(B) the procurement of missiles or missile-related items, materials, goods, and technology from North Korea, and the transfer of any financial resources in relation to North Korea's missile or weapons of mass destruction programs,

it should be the policy of the United States to impose sanctions on persons who transfer such weapons, and goods and technology related to such weapons, to and from North Korea in the same manner as persons who transfer such items to and from Iran and Syria currently are sanctioned under United States law.

SEC. 3. AMENDMENTS TO IRAN AND SYRIA NONPROLIFERATION ACT.

(a) Reporting Requirements.—Section 2 of the Iran and Syria Nonproliferation Act (Public Law 106–178; 50 U.S.C. 1701 note) is amended—

(1) in the heading, by inserting ", **North Korea,**" after "**Iran**"; and

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Iran, or" and inserting "Iran,"; and

(ii) by inserting after "Syria" the following: ", or on or after January 1, 2006, transferred to or acquired from North Korea" after "Iran"; and

(B) in paragraph (2), by inserting ", North Korea," after "Iran".

(b) Conforming Amendments.—Such Act is further amended—

(1) in section 1, by inserting ", North Korea," after "Iran";

(2) in section 5(a), by inserting ", North Korea," after "Iran" both places it appears; and

(3) in section 6(b)—

(A) in the heading, by inserting ", North Korea," after "Iran"; and

(B) by inserting ", North Korea," after "Iran" each place it appears.

SEC. 4. SENSE OF CONGRESS ON INTERNATIONAL COOPERATION.

Congress urges all governments to comply promptly with United Nations Security Council Resolution 1695 and to impose measures on persons involved in such proliferation that are similar to those imposed by the United States Government pursuant to the Iran, North Korea, and Syria Nonproliferation Act (Public Law 106–178; 50 U.S.C. 1701 note), as amended by this Act.

Mr. FRIST. Mr. President, the bill that we just passed, S. 3728, to promote nuclear nonproliferation in North Korea was introduced by myself, Senator BIDEN, and others.

As we all know, earlier this month, the North Korean regime defied the international community and launched seven long and medium-range missiles into the Sea of Japan. One of the missiles, the Taepodong-2, has a potential range of approximately 9,000 miles, placing the United States well within reach of attack by North Korea.

Kim Jong Il's regime took this dangerous and provocative action despite repeated warnings not to do so from the United States, its close neighbors and participants in the six-party talks, and many others in the international community.

The unanimous consent which was just approved focuses on this issue of nuclear nonproliferation in North Korea.

The North Korean missile launches reminded us yet again of the threat posed by Kim Jong Il's regime.

North Korea's pursuit of nuclear weapons and its possession of long-range missiles that could potentially strike our Nation is a grave threat to the security of the American people and to peace and stability in East Asia.

This combination of nuclear weapons and long range missiles is a threat that the United States should not tolerate.

Since November 2005, North Korea has boycotted the six-party talks aimed at ending the regime's illicit nuclear weapons program.

In an effort to revive this diplomatic track, the People's Republic of China 2 weeks ago sent a high-level delegation to Pyongyang to convince North Korea to return to the six-party talks.

North Korea remained intransigent and gave no indication of any willingness to allow diplomatic efforts to succeed.

The U.N. Security Council then decided to act.

On July 15, the United Nations Security Council sent a strong, unambiguous, and unified message to the North Koreans that their latest provocations are unacceptable.

The Security Council unanimously passed Resolution 1695. This resolution condemned unequivocally the North Korean missile launches.

In addition, the Security Council demanded that North Korea reestablish its moratorium on missile launches. It also requires all U.N. member states to do everything they can to prevent the procurement and transfer of missiles, missile-related items, materials, goods, technology, or financial resources to or from North Korea's missile and WMD programs.

As Ambassador Bolton stated:

> The United States expects that the DPRK and all other UN Member States will immediately act in accordance with the requirements of this resolution.

However, soon afterwards, North Korea announced that it had no intention of abiding by the resolution's requirements—yet another act of defiance and brinkmanship.

North Korea's continued defiance of the international community leaves our Nation with no alternative but to act.

For all these reasons, I rise today to call up the North Korea Nonproliferation Act of 2006, which I originally introduced last week. This legislation will add North Korea to the list of countries currently covered by the Iran and Syria Nonproliferation Act.

Under this bill, the President would be required to submit a report to Congress every 6 months listing all foreign persons believed to have transferred to or acquired from North Korea materials that could contribute to the production of missiles, nuclear weapons, other weapons of mass destruction, and certain conventional weapons.

This legislation also authorizes the President to impose sanctions on all foreign persons identified on this list.

These sanctions include prohibitions on U.S. Government procurement from such persons and the issuance of U.S. Government export licenses for exports to such persons.

Ultimately, the bill will lead to U.S. sanctions on any foreign persons or foreign companies that transfer missile and WMD-related items, as well as certain advanced conventional weapons, to North Korea, or that buy such items from North Korea.

The U.S. is already doing this with respect to transfers of these items to and from Iran and Syria under the Iran and Syria Nonproliferation Act. The time has come for us to treat transfers of these items to North Korea no less seriously than we already treat transfers of these same items to Iran and Syria.

Of course, no transfers of missile and WMD-related items to or from North Korea should be taking place now that the Security Council has forbidden all such commerce with that country.

Experience teaches us, however, that determined proliferators are likely to ignore these new U.N. sanctions, which is why this legislation is so critically important. It will provide a partial remedy in such cases, and should deter violations of the new U.N. sanctions on North Korea.

The North Korea Nonproliferation Act of 2006 will reinforce Security Council Resolution 1695 and demonstrate that the United States is, indeed, doing all that it can to stop the transfer of these dangerous materials to and from North Korea.

The U.N. Security Council has spoken. The United States must now step up its efforts to fulfill its responsibility to protect the American homeland from the North Korean threat.

Section 4 of this bill calls on all other countries to consider measures similar to the ones that we will adopt pursuant to this law to reinforce Security Council Resolution 1695.

I would hope that, in particular, countries such as Japan that are especially threatened by North Korea's provocative actions will consider taking steps like those provided for under this legislation to deter the transfer by others to or from North Korea of sensitive items with weapons applications.

These items in the hands of Kim Jong Il pose a direct threat to the American people, the people of the region, and peace and security in East Asia.

If we are in earnest about protecting the American homeland, then it's imperative that we prevent the North Korean regime from acquiring these dangerous materials. I thank the cosponsors of this bill: Chairman LUGAR, as well as Senators INOUYE, BROWNBACK, BIDEN, BUNNING, AKAKA, and DOLE, as well as the rest of my Senate colleagues for their support.

APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 2006

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 513, S. 2832.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2832) to reauthorize and improve the program authorized by the Appalachian Regional Development Act of 1965.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2832) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Appalachian Regional Development Act Amendments of 2006".

SEC. 2. LIMITATION ON AVAILABLE AMOUNTS; MAXIMUM COMMISSION CONTRIBUTION.

(a) GRANTS AND OTHER ASSISTANCE.—Section 14321(a) of title 40, United States Code, is amended—

(1) in paragraph (1)(A), by striking clause (i) and inserting the following:

"(i) the amount of the grant shall not exceed—

"(I) 50 percent of administrative expenses;

"(II) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which a distressed county designation is in effect under section 14526, 75 percent of administrative expenses; or

"(III) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which an at-risk county designation is in effect under section 14526, 70 percent of administrative expenses;"; and

(2) in paragraph (2), by striking subparagraph (A) and inserting the following:

"(A) IN GENERAL.—Except as provided in subparagraph (B), of the cost of any activity eligible for financial assistance under this section, not more than—

"(i) 50 percent may be provided from amounts appropriated to carry out this subtitle;

"(ii) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this subtitle; or

"(iii) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this subtitle.".

(b) DEMONSTRATION HEALTH PROJECTS.—Section 14502 of title 40, United States Code, is amended—

(1) in subsection (d), by striking paragraph (2) and inserting the following:

"(2) LIMITATION ON AVAILABLE AMOUNTS.—Grants under this section for the operation (including initial operating amounts and operating deficits, which include the cost of attracting, training, and retaining qualified personnel) of a demonstration health project, whether or not constructed with amounts authorized by this section, may be made for up to—

"(A) 50 percent of the cost of that operation;

"(B) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of the cost of that operation; or

"(C) in the case of a project to be carried out for a county for which an at-risk county designation is in effect under section 14526, 70 percent of the cost of that operation."; and

(2) in subsection (f), by adding at the end the following:

"(3) AT-RISK COUNTIES.—The maximum Commission contribution for a project to be carried out in a county for which an at-risk county designation is in effect under section 14526 may be increased to the lesser of—

"(A) 70 percent; or

"(B) the maximum Federal contribution percentage authorized by this section.".

(c) ASSISTANCE FOR PROPOSED LOW- AND MIDDLE-INCOME HOUSING PROJECTS.—Section 14503 of title 40, United States Code, is amended—

(1) in subsection (d), by striking paragraph (1) and inserting the following:

"(1) LIMITATION ON AVAILABLE AMOUNTS.—A loan under subsection (b) for the cost of planning and obtaining financing (including the cost of preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site options, application and mortgage commitment fees, legal fees, and construction loan fees and discounts) of a project described in that subsection may be made for up to—

"(A) 50 percent of that cost;

"(B) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of that cost; or

"(C) in the case of a project to be carried out for a county for which an at-risk county designation is in effect under section 14526, 70 percent of that cost."; and

(2) in subsection (e), by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—A grant under this section for expenses incidental to planning and obtaining financing for a project under this section that the Secretary considers to be unrecoverable from the proceeds of a permanent loan made to finance the project shall—

"(A) not be made to an organization established for profit; and

"(B) except as provided in paragraph (2), not exceed—

"(i) 50 percent of those expenses;

"(ii) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of those expenses; or

"(iii) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent of those expenses.".

(d) TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.—Section 14504 of title 40, United States Code, is amended by striking subsection (b) and inserting the following:

"(b) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

"(1) 50 percent may be provided from amounts appropriated to carry out this section;

"(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

"(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.".

(e) ENTREPRENEURSHIP INITIATIVE.—Section 14505 of title 40, United States Code, is amended by striking subsection (c) and inserting the following:

"(c) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

"(1) 50 percent may be provided from amounts appropriated to carry out this section;

"(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

"(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.".

(f) REGIONAL SKILLS PARTNERSHIPS.—Section 14506 of title 40, United States Code, is amended by striking subsection (d) and inserting the following:

"(d) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

"(1) 50 percent may be provided from amounts appropriated to carry out this section;

"(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

"(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.".

(g) SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.—Section 14507(g) of title 40, United States Code, is amended by adding at the end the following:

"(3) AT-RISK COUNTIES.—The maximum Commission contribution for a project to be carried out in a county for which an at-risk county designation is in effect under section 14526 may be increased to 70 percent.".

SEC. 3. DISTRESSED, AT-RISK, AND ECONOMICALLY STRONG COUNTIES.

Section 14526(a)(1) of title 40, United States Code, is amended—

(1) by redesignating subparagraph (B) as subparagraph (C);

(2) in subparagraph (A), by striking "and" at the end; and

(3) by inserting after subparagraph (A) the following:

"(B) designate as 'at-risk counties' those counties in the Appalachian region that are most at risk of becoming economically distressed; and".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Section 14703 of title 40, United States Code, is amended by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—In addition to amounts made available under section 14501, there are authorized to be appropriated to the Appalachian Regional Commission to carry out this subtitle—

"(1) $95,200,000 for fiscal year 2007;

"(2) $98,600,000 for fiscal year 2008;

"(3) $102,000,000 for fiscal year 2009;

"(4) $105,700,000 for fiscal year 2010; and

"(5) $109,400,000 for fiscal year 2011.".

SEC. 5. TERMINATION.

Section 14704 of title 40, United States Code, is amended by striking "2006" and inserting "2011".

SEC. 6. EFFECTIVE DATE.

The amendments made by this Act take effect on October 1, 2006.

CONDEMNING THE MURDER OF U.S. JOURNALIST PAUL KLEBNIKOV ON JULY 9, 2004, IN MOSCOW, AND THE MURDERS OF OTHER MEMBERS OF THE MEDIA IN THE RUSSIAN FEDERATION

Mr. FRIST. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Res. 526 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 526) condemning the murder of U.S. journalist Paul Klebnikov on July 9, 2004, in Moscow, and the murders of other members of the media in the Russian Federation.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, the preamble be agreed to, and that any statements relating thereto be printed in the RECORD, without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 526) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 526

Whereas, on July 9, 2004, United States journalist Paul Klebnikov was murdered by gunmen as he exited the Moscow offices of Forbes Magazine;

Whereas no person has been convicted of any offense in connection with the murder of Mr. Klebnikov;

Whereas Mr. Klebnikov is survived by his wife Helen and his 3 young children;

Whereas 12 journalists have been murdered in the Russian Federation since 2000 and Mr. Klebnikov was the first and only citizen of the United States among those journalists;

Whereas the Office of the Russian Prosecutor General arrested and tried Musa Vahaev and Kazbek Dukzov for the murder of Mr. Klebnikov;

Whereas Musa Vahaev and Kazbek Dukzov were acquitted on May 5, 2006, of the charges of murdering Mr. Klebnikov;

Whereas the Government of Russia has stated that the murder of Mr. Klebnikov was ordered by Khozh-Akhmed Nukhayev, a fugitive Chechen criminal gang leader, but has not publicly released any evidence of the complicity of Mr. Nukhayev;

Whereas it remains unclear who ordered the murder of Mr. Klebnikov or if any party will be convicted of that crime;

Whereas the attorneys that represented the Klebnikov family have alleged that numerous procedural violations occurred during the trial;

Whereas a group of investigative journalists from the United States has launched an independent inquiry into the death of Mr. Klebnikov;

Whereas the 2005 Country Reports on Human Rights Practices published by the Department of State indicated that the Government of Russia had continued to weaken the independence and freedom of expression of the media industry of Russia, particularly among the major national television networks and regional media outlets of that country; and

Whereas, on June 4, 2006, President Putin told a conference of the World Association of Newspapers that "A progressive state requires a free press.": Now, therefore, be it

Resolved, That the Senate—

(1) condemns—

(A) the murder of United States journalist Paul Klebnikov on July 9, 2004, in Moscow; and

(B) the murders of other members of the media in the Russian Federation;

(2) commends the Office of the Russian Prosecutor General for its continuing investigation of the murder of Mr. Klebnikov;

(3) urges the Government of Russia—

(A) to continue its inquiries to determine all parties involved in the murder of Mr. Klebnikov; and

(B) to bring those parties responsible for the murder of Mr. Klebnikov to justice;

(4) urges the Government of Russia to accept offers of assistance with the investigation of the murder of Mr. Klebnikov from—

(A) the United States; and

(B) other concerned governments;

(5) urges the Government of Russia, upon request, to extend appropriate assistance to investigative journalists who have started to conduct independent inquiries relating to the death of Mr. Klebnikov, to the extent that such assistance conforms with the privacy safeguards and the laws of Russia; and

(6) urges the Government of Russia to take appropriate action to protect the independence and freedom of—

(A) the media of Russia; and

(B) all visiting members of the media.

ORDERS FOR WEDNESDAY, JULY 26, 2006

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. on Wednesday, July 26. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate resume consideration of the motion to proceed to S. 3711, the Gulf of Mexico energy security bill, with the time until 10 a.m. to be equally divided between the two leaders or their designees; further, at 10, the Senate proceed to a vote on the motion to invoke cloture on the motion to proceed to S. 3711; further, that following the vote, the Senate will recess until 12 noon for the joint meeting with Prime Minister of Iraq.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, tomorrow morning at 10 o'clock, we will be voting on the motion to invoke cloture on the motion to proceed to the Gulf of Mexico energy security bill. As has been pointed out over the course of the day, this bill is a very important issue which will open up to deep sea exploration over a billion barrels of oil and over 5 trillion cubic feet of natural gas, enough energy to supply 6 million homes for 15 years—a very important bill. It is bipartisan. We will be voting tomorrow morning on this motion to proceed. I do hope that cloture will be invoked and that we are then able to reach an agreement on when to start debate on the substance of that bill.

I remind Senators that after that 10 a.m. cloture vote, we will proceed to the Hall of the House of Representatives to hear the remarks of Prime Minister Maliki of Iraq.

Before we close, I again thank Senator ENSIGN for his tremendous leadership and work on this child custody protection bill. I thank all of our colleagues for working together in a bipartisan way to reach an agreement which allowed us to finish this bill in short order, in an organized way.

As my colleagues just heard, we feel strongly that we should proceed tonight in the usual fashion to go to conference. This bill passed by 65 to 34 tonight. We are expressing the strong support of this Senate.

The House, as I mentioned earlier, passed their child custody protection bill on April 27, 2005, and as is customary and is routine, we would go to conference. The Democrats have objected to going to conference. We will continue to try to go to conference over the next several days. I am deeply disappointed by that. I hope, as I said earlier, that this is not a sign that they are going to obstruct this bill at this point, at the level of conference, after this Senate has spoken overwhelmingly in support of this bill.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. FRIST. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:27 p.m., adjourned until Wednesday, July 26, 2006, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 25, 2006:

OVERSEAS PRIVATE INVESTMENT CORPORATION

DIANNE I. MOSS, OF COLORADO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 2007, VICE JOHN L. MORRISON, TERM EXPIRED.

INTERNATIONAL MONETARY FUND

MARGRETHE LUNDSAGER, OF VIRGINIA, TO BE UNITED STATES EXECUTIVE DIRECTOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF TWO YEARS, VICE NANCY P. JACKLIN, TERM EXPIRED.

PEACE CORPS

RONALD A. TSCHETTER, OF MINNESOTA, TO BE DIRECTOR OF THE PEACE CORPS, VICE GADDI H. VASQUEZ, RESIGNED.

CONFIRMATION

Executive nomination confirmed by the Senate Tuesday, July 25, 2006:

THE JUDICIARY

JEROME A. HOLMES, OF OKLAHOMA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE TENTH CIRCUIT.

HOUSE OF REPRESENTATIVES—*Tuesday, July 25, 2006*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. DENT).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC.
July 25, 2006.

I hereby appoint the Honorable CHARLES W. DENT to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 31, 2006, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes, but in no event shall debate extend beyond 9:50 a.m.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 10 a.m. today.

Accordingly (at 9 o'clock and 2 minutes a.m.), the House stood in recess until 10 a.m.

☐ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. BASS) at 10 a.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

The Book of Proverbs tells us, Lord: "The fruit of virtue is a tree of life, but violence takes lives away."

Lord, our God, let virtue triumph over violence.

If virtue were to find strength even in the war-torn parts of the world, violence would be rejected as the way to peace. Neither trees nor life survive on a battlefield.

So quickly, violent words can be tossed around a household, casting a cloud over a family, and expressions of violence can even find their way into the language of lawmakers and the courts of a land.

Drown all forms of violent behavior with virtue, Lord. The hand may reach for a weapon, a mind can plot vengeance, but violence springs from the heart. That is why the hearts of Americans, Lord, need so much virtue that there is no room for violence, on our streets, in our speech or our daily reactions to today, tomorrow, forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Michigan (Mr. STUPAK) come forward and lead the House in the Pledge of Allegiance.

Mr. STUPAK led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

LAW OFFICERS—VICTIMS OF ILLEGAL ENTRY

(Mr. POE asked and was given permission to address the House for 1 minute.)

Mr. POE. Mr. Speaker, more news from the second front. The battle for the border is continuing. When our government does not monitor illegal entry into our homeland, all types of bandits come through.

One was Ramon Ramos. He and his accomplice, Francisco Salcedo, were stopped by Texas State Trooper Steven Stone for speeding in Tyler, Texas, 400 miles from the border. They were wearing body armor and armed with knives, handguns and assault rifles, and they were looking for trouble.

Ramos showed Trooper Stone a forged driver's license, and then, at point blank range, started shooting. Trooper Stone was shot six times and left for dead. Ramos and Salcedo then led other law enforcement officers on a high speed chase.

Ramos was recently convicted and sentenced to 14 life sentences. Why 14? Well, he tried to kill 13 other people, including peace officers in his blazing gun battle with the law.

Salcedo will get his day in court later this week.

Trooper Steven Stone miraculously survived.

Mr. Speaker, these crimes against peace officers could have been avoided had the Federal Government done its sworn duty to protect the borders from illegal entry.

And that's just the way it is.

VIOLENCE IN THE MIDDLE EAST

(Mr. KUCINICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KUCINICH. Mr. Speaker, at this historic moment, the United States is failing in its moral obligation to bring a cessation to the violence in the Middle East. This policy of inaction will have great consequences for the region, the world, and for the safety of our Nation and our allies.

The United States stands alone in our ability to bring an end to the violence and relieve the humanitarian catastrophe which has engulfed the people of Lebanon, Palestine and Israel.

In the short-term, we must call for an end to the violence. Then, without pre-conditions, we must bring all parties in the region to a long term settlement which will be enforced by peacekeepers.

This is the purpose of House Concurrent Resolution 450. We should demonstrate concern about the plight of the Israelis, but we must not be indifferent to the plight of the Arabs, Muslims and Christians and all others who are suffering the destruction of their homes, their families, their hopes and their dreams.

As the violence continues with no end in sight and with civilian casualties on the rise, this is the moment to call for the end of fear and the beginning of hope. House Concurrent Resolution 450 does just that.

SUPPORT FOR ISRAEL

(Mr. MCHENRY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCHENRY. Mr. Speaker, Hezbollah, Iran and Syria's armed militia of Islamic extremists attacked

Israel, giving Israel every right to unleash fury on these terrorists.

Israel is not only fighting to protect themselves, but every other reasonable, freedom-loving person sharing this planet.

A Hezbollah spokesman said they are fully ready to send trained and armed volunteers to every corner of the earth to jeopardize Israeli and American interests.

The attacks of September 11, the bombings of London and Madrid, the terrorist roundup in Toronto and the present day insurgency in Iraq all forecast an unsettling but winnable trend, Mr. Speaker.

We are in a war against Islamic extremists, and the battle lines do not start and stop in the Middle East. They extend to the far reaches of the globe, and will do so until democracy replaces theocracy, freedom replaces tyranny, and equality replaces injustice.

Mr. Speaker, our Nation stands beside Israel as they protect their homeland and fight our common enemy, Islamic extremists.

TERRORISM

(Mr. MEEHAN asked and was given permission to address the House for 1 minute.)

Mr. MEEHAN. Mr. Speaker, I rise today to tell the Nation this fact: Right now, the world is less safe than it was a year ago, or even before the terrible events of September 11.

We should be confronting violent extremism and people who want to destroy our life and our Nation. We should be chasing them around the world and giving them no rest or refuge.

Yet, after nearly 5 years of the war on terror, where are we?

The Taliban is growing stronger in Afghanistan. Al Qaeda is firmly entrenched in Iraq, where it never had been before. Hamas and Hezbollah are acting with impunity.

This country needs a new strategy in the struggle with extremists, not one that is hamstrung by the mess in Iraq, sidetracked by political finger-pointing, or beholden to special oil interests.

This country needs new leadership that will safeguard our children's future rather than send them to war without equipment that they need.

This country needs a new direction, a direction that will make tomorrow safer than today. The American people deserve nothing less.

HONORING FLOYD LANDIS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, the U.S. domination of the Tour-de-France continues. For 7 consecutive years, Lance Armstrong dominated the event, but his departure last year left the cycling world wondering who would step up to claim his crown.

On Sunday we found out. His name is Floyd Landis. Floyd hails from Farmersville, Pennsylvania, just outside of Ephrata, in the heart of Lancaster County.

His parents were attending a service at Martindale Mennonite Church during their son's triumphant ride through the streets of Paris. His dad said, "I was praying for him."

Mr. Speaker, Floyd's performance was an inspiration. Though in need of a hip replacement, his determination and willpower was unwavering.

One writer who has been covering the event for 18 years called it, "the best performance in the modern history of the tour."

On behalf of the entire 16th Congressional District of Pennsylvania, as well as Lancaster, I extend my heartfelt congratulations to Floyd and his family.

He has represented his hometown and his country well, and I applaud his tremendous performance in cycling's most prestigious event.

HOUSE REPUBLICANS PREPARE TO LEAVE TOWN WITHOUT ADDRESSING RECORD GAS PRICES

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, gas prices are at a record high, at over $3 per gallon. Yet House Republicans plan to leave Washington at the end of this week for a 5-week recess without providing any relief at the gas pump.

My legislation, the PUMP Act, which would lower the cost of a barrel of oil by $20, has been stalled in committee.

Our constituents have been gouged at the pump for 4 months in a row now, and the only response we have heard from the other side of the aisle is the same old tired policies that will do nothing to reduce our dependence on foreign oil and will do nothing to provide real relief to the American consumer.

There is no excuse for Republican inaction. It is time that they break their cozy ties with oil companies so we can finally help the American consumer.

House Democrats want to repeal more than $20 billion in tax breaks and subsidies that Congressional Republicans and the Bush White House continue to protect. With Big Oil's record profits of $16 billion during the first quarter of this year, oil companies don't need more tax breaks from Washington. Democrats would invest this money, more than $20 billion, into energy resources of tomorrow so that we can begin to wean ourselves off foreign oil.

It is time to go in a new direction, America.

PLEASANT VALLEY SOUTH BAPTIST CHURCH

(Mr. GINGREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGREY. Mr. Speaker, I rise today to congratulate Pleasant Valley South Baptist Church in Silver Creek, Georgia, which is celebrating its 150th anniversary this year.

For a century and a half, Pleasant Valley South has been fulfilling the spiritual and communal needs of its congregants, and I know it will continue this service for many years to come.

Pleasant Valley South Baptist Church was founded in 1856. At the time, it was housed in a log cabin that also served as the community school. In 1863, James McBride was named as the church's first pastor, and he preached to a congregation of 22 people.

Well, Pastor McBride would hardly recognize Pleasant Valley South today. In 2002, a 900-seat worship center was built to serve the church's 1,700 members. Pastor Philip May presides over services that regularly attract more than 700 congregants on Sunday morning.

Mr. Speaker, churches are one of the strongest foundations in our communities, and for 150 years, Pleasant Valley South Baptist has brought inspiration to Silver Creek and her residents.

I ask that you join me in congratulating the church on its historic 150th anniversary.

ADMINISTRATION'S ECONOMIC POLICIES FALL SHORT OF CLAIMS ACCORDING TO NEW REPORT

(Mrs. MALONEY asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY. Mr. Speaker, the Bush Administration and Washington Republicans continue to tout the success of their economic policies. But their economic record actually falls far short of their rhetoric.

This week, the Democratic staffs of the House Budget Committee and the Joint Economic Committee released a report showing that employment growth is at its lowest levels since the Eisenhower administration, while inflation-adjusted wages have decreased by 1.3 percent since August of 2003, when the economy stopped losing jobs.

Today, the average American worker is spending more hours on the job for less pay. According to the report, median annual household income has decreased by $1,700 after accounting for inflation since President Bush took office back in 2001.

While the wealthiest have been rewarded with tax breaks, middle-class workers are really feeling the pinch. Stagnant wages are making it difficult for them to pay for rising housing, health care and gas bills.

SECURITY FIRST

(Mrs. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BLACKBURN. Mr. Speaker, this past weekend I spent time traveling through my district and talking with people from all across the political spectrum. And I consistently heard quotes like this: "Let's secure the border. Let's have security first. Let's stop illegal entry into this country."

Mr. Speaker, I want all of these folks to know that we hear them. We hear them loud and clear. And this House majority is fighting those who would grant amnesty to individuals who have broken our laws.

Our majority leader, Mr. BOEHNER, has written an op-ed today in the Philadelphia Enquirer. I want to thank him for that.

He is absolutely right when he says, and I quote, "Congress has compromised on this issue too long."

We are standing firm for a security first bill, Mr. Speaker.

I look forward to the field hearings that we are going to have across this country in August. The hearings will show those opposed to a security first bill that the American people are on our side in this issue.

☐ 1015

BUSH ADMINISTRATION STATUS QUO IS NO LONGER SUSTAINABLE IN IRAQ

(Ms. WATSON asked and was given permission to address the House for 1 minute.)

Ms. WATSON. Mr. Speaker, when President Bush meets with Iraqi Prime Minister Maliki at the White House today, he needs to tell the Iraqi leader that the time has come for his government to shoulder more responsibility.

Congressional Democrats have said this year that we need to have a significant year of transition from U.S. to Iraqi forces. That is not happening. In fact, the violence there is getting worse. Over the last month alone, the number of Iraqis who have been killed has doubled from 1,500 in May to more than 3,000 in June. Imagine that. One hundred Iraqis are now being killed every day. The sectarian violence between the Sunnis and the Shiites is clearly getting worse, and the Iraqi Government simply cannot stop it.

For 3 years now, House Democrats have been demanding a serious debate on Iraq. Instead, last month House Republicans favored a partisan debate in the hopes that they would score political points.

Today Iraq is close to fighting a civil war, and we must see that this does not happen.

HEZBOLLAH'S ATTACK ON ISRAEL

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, those who equate Israel's recent actions with the same barbarism as those of Hezbollah are sorely misinformed. Hezbollah is a self-proclaimed terrorist organization whose motives are to destroy the very principles of freedom and democracy that Israel, not to mention the United States, promotes in the Middle East. Israel is the only democracy in the region, and the survival of Israel needs to be guaranteed.

It is regrettable that the fighting has escalated to the level it has, but Israel has the right to defend itself. Israel has been bombarded continuously by hundreds of katyusha rockets on a daily basis for too long.

There is going to have to be European and international involvement and support to ensure that Hezbollah cannot reentrench itself in southern Lebanon next to the border of Israel, and it is time for Syria and Iran to act as responsible states and not as perpetrators and subsidizers of terrorism.

Of course, we all want peace in the Middle East, but let us not forget who started this and their motives.

I wish Secretary Rice the best in helping to bring a lasting peace to a highly intractable situation.

IT IS TIME FOR A NEW DIRECTION

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. The Republican do-nothing-of-substance Congress is unwilling to tackle issues of importance to the American people because they might upset their wealthy special interest campaign contributors in an election year. There is so much they could do and so little being done.

We could take care of the 7 million seniors who are about to fall in the doughnut hole of the so-called Medicare prescription drug benefit, getting no coverage, having to pay 2,600 bucks out of pocket. But that would upset the pharmaceutical industry.

We could increase the Federal minimum wage for the first time in 7 years. But tax cuts for millionaires take precedence.

And this week as every oil company announces record-breaking profits exceeding last year's record-breaking profits, what action is being taken to rein in the price gouging? None, because that would offend Big Oil.

Mr. Speaker, there is a lot the United States Congress can do. The problem is the Republican-run Congress is tied down by special interests.

It is time we take America in a new direction.

COMMENDING REACH OUT AND READ

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, this August during an annual district bus tour, I will have the opportunity to read aloud to children participating in the Reach Out and Read program.

Reach Out and Read is a nonprofit organization that partners with medical institutions to promote a partnership between early childhood literacy and pediatric care. The organization trains doctors and nurses in the importance of early literacy. During checkups, each child age 6 months to 5 years is given a new book, and parents are encouraged to read aloud to them. As of June 2006, there were nearly 3,000 Reach Out and Read programs nationwide, benefiting 2.5 million children annually.

As a member of the Education and the Workforce Committee, ably led by Chairman BUCK MCKEON, I am all too aware of the school readiness issues facing our Nation. Organizations such as Reach Out and Read are to be commended for their efforts to prepare better our Nation's children for success at school and in life.

In conclusion, God bless our troops, and we will never forget September 11.

REPUBLICANS BLOCK AN INCREASE WHILE WORKERS SUFFER

(Mr. MCGOVERN asked and was given permission to address the House for 1 minute.)

Mr. MCGOVERN. Mr. Speaker, the Republican leadership of this body is preparing to adjourn the House for a 5-week vacation at the end of this week without meeting the needs of America's working families. Republicans continue to block an increase in the minimum wage that would benefit 6.6 million people in this country, three-quarters of whom are adults over the age of 20 trying to support their families.

This Republican Congress has refused to raise the minimum wage since 1997, causing it now to reach its lowest real value level in 50 years. The current pay of $5.15 per hour is simply not a fair or living wage in this economy. In fact, it now takes a minimum wage earner a full day's pay just to buy a tank of gas. What does that leave for housing and for food?

Democrats believe that it is simply unacceptable in this great and wealthy Nation for an American who works full time to live in poverty while the Republicans in this body give handouts to the wealthiest 1 percent.

Mr. Speaker, House Republicans have had numerous opportunities to vote for an increase in the minimum wage; yet they continue to stall this critical measure while millions of Americans suffer the consequences.

We should not leave this week without giving 6 million Americans a pay raise.

DEMOCRATS HAVE BEEN RIGHT ABOUT IRAQ ALL ALONG, WILLING TO ASK THE TOUGH QUESTIONS

(Ms. LEE asked and was given permission to address the House for 1 minute.)

Ms. LEE. Mr. Speaker, tomorrow the Prime Minister of Iraq will address a joint session of Congress, and I hope that he levels with us about the current situation in his nation.

Over the past week, the violence in Iraq has been replaced on the front pages and the television screens by the violence in Lebanon and Israel. However, that does not mean that things are getting any better. In fact, last month more than 3,100 Iraqis were killed in sectarian violence. That is more than 100 killed every day.

While the situation in Iraq continues to spiral out of control, the Bush administration is just simply incapable of coming up with a strategy that provides a new direction. And for 3 years now, the House Republicans have refused to demand any answers from this administration about its failures in Iraq. They have allowed the incompetence to continue without holding anyone responsible.

Congress can no longer sit on the sidelines. It is time to recognize that our brave young men and women must come home. They must be brought home as quickly as possible. We must end this occupation of Iraq. We need to provide a new direction for this administration and for our country. The American people are insisting on that.

PRESCRIPTION DRUG IMPORTATION

(Mr. EMANUEL asked and was given permission to address the House for 1 minute.)

Mr. EMANUEL. Mr. Speaker, when this House passed the Medicare prescription drug benefit, many of us said it was a boon for the drug companies.

The results are in. Drug companies are making billions in extra profits, $130 billion in additional profits, all subsidized by the taxpayer. This morning's New York Times reads: "Eventually" the prescription drug bill "could fuel a political reaction if the drug prices continue to rise, but analysts expect that the industry's influence in Washington will delay any changes for years."

Therein lies the problem. This Congress is too busy doing the bidding of the drug companies and the drug companies' business to do the people's business.

On numerous occasions the House and Senate have voted strongly in favor of importation of prescription drugs. Importation is a safe and effective way to help consumers and taxpayers save money. Just 2 weeks ago, the Senate voted to block Customs from seizing shipments of prescription drugs; yet the seizures continue. The administration has turned the Customs Service over to the drug companies, confiscating prescription drugs at a time when they should be securing our borders, screening cargo, and stemming the flow of dangerous narcotics. The intent of the House and the Senate is clear.

It is time for a new direction. It is time for a new policy that makes sense to the American people.

STRAIGHT TALK ON THE ECONOMY

(Mr. KELLER asked and was given permission to address the House for 1 minute.)

Mr. KELLER. Mr. Speaker, I rise today to give the American people some straight talk about our economy.

In 1992 Bill Clinton ran for President with the slogan: "It's the economy, stupid." Yesterday his wife, Hillary, reminded us of that slogan in her speech to the Democratic Leadership Council.

Well, our economy is very strong and growing. We have created 5.4 million new jobs in the last 3 years. Our unemployment rate is better than the average unemployment rate of the 1960s, 1970s, 1980s, and 1990s. We have had 18 straight quarters of economic growth. Homeownership is now at 69 percent, the largest in history. And our revenues are coming in so high that we will be able to meet our goal of cutting the deficit in half by 2008, a full year ahead of schedule.

This time let's take the Clintons at their word. If it is "the economy, stupid," then let's be smart and reelect those Congressmen who gave us this strong economy in the first place by lowering the taxes.

SOME HOUSE REPUBLICANS FINALLY WILLING TO ADMIT MISTAKES ON IRAQ. WHAT TOOK THEM SO LONG?

(Ms. SOLIS asked and was given permission to address the House for 1 minute.)

Ms. SOLIS. Mr. Speaker, after more than 3 years of fighting the war in Iraq, it now appears that some House Republicans are finally beginning to question the administration's competence in running the war and are finally beginning to question the rosy scenarios that continue to come from Vice President CHENEY and Defense Secretary Rumsfeld.

An article in last week's Washington Post, entitled "GOP Lawmakers Edge Away from Optimism on Iraq," says that Republicans are having to reconsider their strategy on the war. With an average of over 100 Iraqis dying every day last month, one of my Republican colleagues admitted that they have to change their message so they don't look like they can't face reality.

And so now, after berating Democrats for the past 3 years and questioning the administration's failed policies in Iraq, some House Republicans are willing to admit that things are not going well in Iraq.

Now the question is, Is this a convenient message that they plan to use for the next couple of months between now and mid-term elections, or will my Republican colleagues actually take their oversight responsibilities responsibly? Only time will tell.

STEM CELL RESEARCH: HOUSE GOP REFUSES TO OVERRIDE VETO

(Ms. BERKLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BERKLEY. Mr. Speaker, last week House Republicans refused to override the President's veto of lifesaving stem cell research. Their action will hurt our Nation's effort to find cures to diseases like Parkinson's, Alzheimer's, diabetes, and cancer.

The stem cell research bill could have directly benefited an estimated 100 million of our fellow Americans, those personally fighting these diseases and their family members who share their suffering and pain. The legislation would have expanded Federal funding for extremely promising embryonic stem cell research while at the same time imposing strict ethical standards.

House Republicans refused to listen to our Nation's leading scientists, biomedical researchers, and health organizations who said this legislation can save lives. More importantly, they refused to listen to the pleas of their own constituents. Instead, they once again supported a President who has no interest in giving our researchers the tools they need to find cures to diseases like cancer, diabetes, and Alzheimer's. They were pandering to a very narrow part of their base. Shame on them.

RAISE THE MINIMUM WAGE

(Mr. AL GREEN of Texas asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. AL GREEN of Texas. Mr. Speaker, today I speak for the least among us. And in speaking for them, I remind us that it is time for us to raise the minimum wage. That is "raise" as in r-a-i-s-e, not raze as in r-a-z-e, because there are people in this country who would raze, who would decimate, not elevate, who would decimate the minimum wage.

Mr. Speaker, these people are not among those 37 million who are living in poverty. They are not among the millions who make $5.15 an hour. They are not among those who suffer and languish in poverty with no way out.

Mr. Speaker, those who make $5.15 an hour work through Christmas. They work through Easter. They work through Thanksgiving. And they make, at the end of the year, $10,712.

Mr. Speaker, it is time to raise the minimum wage. I speak for the least, the last, and the lost.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later today.

CHILD AND FAMILY SERVICES IMPROVEMENT ACT OF 2006

Mr. HERGER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3525) to amend subpart 2 of part B of title IV of the Social Security Act to improve outcomes for children in families affected by methamphetamine abuse and addiction, to reauthorize the promoting safe and stable families program, and for other purposes, as amended.

The Clerk read as follows:

S. 3525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child and Family Services Improvement Act of 2006".

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) For Federal fiscal year 2004, child protective services (CPS) staff nationwide reported investigating or assessing an estimated 3,000,000 allegations of child maltreatment, and determined that 872,000 children had been abused or neglected by their parents or other caregivers.

(2) Combined, the Child Welfare Services (CWS) and Promoting Safe and Stable Families (PSSF) programs provide States about $700,000,000 per year for services intended to ensure the safety, permanency, and well-being of children. These programs are considered the largest source of targeted Federal funding in the child protection system for prevention—that is, for services to ensure that children are not abused or neglected and, whenever possible, help children remain safely with their families.

(3) States have broad flexibility in directing CWS dollars to protect children from abuse and neglect. Under the PSSF program, States must invest significant portions of program funds in family preservation services, family support services, time-limited reunification services, and post-adoption support services.

(4) However, a 2003 report by the Government Accountability Office (GAO) reported that little research is available on the effectiveness of activities supported by CWS funds—evaluations of services supported by PSSF funds have generally shown little or no effect.

(5) Further, the Department of Health and Human Services recently completed initial Child and Family Service Reviews (CFSRs) in each State. No State was in full compliance with all measures of the CFSRs. The CFSRs also revealed that States need to work to prevent repeat abuse and neglect of children, improve services provided to families to reduce the risk of future harm (including by better monitoring the participation of families in services), and strengthen upfront services provided to families to prevent unnecessary family break-up and protect children who remain at home.

(6) Federal policy should ensure that States are appropriately targeting CWS and PSSF funds to assist at-risk families and protect abused and neglected children to address issues found in the CFSRs. Encouraging States to invest their CWS and PSSF funds in services that promote and protect the welfare of children, support strong, healthy families, and reduce the reliance on out-of-home care, will help ensure all children are raised in safe, loving families.

(7) CFSRs also found a strong correlation between frequent caseworker visits with children and positive outcomes for these children, such as timely achievement of permanency and other indicators of child well-being.

(8) However, a December 2005 report by the Department of Health and Human Services Office of Inspector General found that only 20 States were able to produce reports to show whether caseworkers actually visited children in foster care on at least a monthly basis, despite the fact that nearly all States had written standards suggesting monthly visits were State policy. In fact, 7 of these 20 States indicated that fewer than half of the children in foster care were visited on a monthly basis.

(9) The Deficit Reduction Act of 2005 provided $40,000,000 in fiscal year 2006 for the PSSF program which this Act ensures will be available and which the Congressional Budget Office estimates will increase mandatory budget authority by $40,000,000 each year from 2006 through 2015, for a total of $400,000,000.

(10) A 2003 GAO report found that the average tenure for a child welfare caseworker is less than 2 years and this level of turnover negatively affects safety and permanency for children.

(11) Targeting additional PSSF funds to ensure children in foster care are visited on at least a monthly basis will promote better outcomes for vulnerable children, including by preventing further abuse and neglect.

SEC. 3. REAUTHORIZATION OF THE SAFE AND STABLE FAMILIES PROGRAM.

(a) ELIMINATION OF FINDINGS.—Section 430 of the Social Security Act (42 U.S.C. 629) is amended by striking all through "(b) PURPOSE.—The purpose" and inserting the following:

"SEC. 430. PURPOSE.

"The purpose".

(b) LIMITATION ON ADMINISTRATIVE COST REIMBURSEMENT.—Section 434 of such Act (42 U.S.C. 629d) is amended—

(1) in subsection (a), by inserting ", subject to subsection (d)," after "shall"; and

(2) by adding at the end the following:

"(d) LIMITATION ON REIMBURSEMENT FOR ADMINISTRATIVE COSTS.—The Secretary shall not make a payment to a State under this section with respect to expenditures for administrative costs during a fiscal year, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year under the State plan approved under section 432.".

(c) FUNDING OF MANDATORY GRANTS AT $345 MILLION PER FISCAL YEAR.—Section 436(a) of such Act (42 U.S.C. 629f(a)) is amended by striking "for fiscal year 2006." and all that follows and inserting "for each of fiscal years 2007 through 2011.".

(d) FUNDING OF DISCRETIONARY GRANTS.—Section 437(a) of such Act (42 U.S.C. 629g(a)) is amended by striking "2002 through 2006" and inserting "2007 through 2011".

(e) INCREASE IN SET-ASIDES FOR INDIAN TRIBES.—

(1) MANDATORY GRANTS.—Section 436(b)(3) of such Act (42 U.S.C. 629f(b)(3)) is amended by striking "1" and inserting "3".

(2) DISCRETIONARY GRANTS.—Section 437(b)(3) of such Act (42 U.S.C. 629g(b)(3)) is amended by striking "2" and inserting "3".

(f) COLLECTION OF DATA ON TRIBAL PROMOTING SAFE AND STABLE FAMILIES PLANS.—Section 432(b)(2) of such Act (42 U.S.C. 629b(b)(2)) is amended—

(1) by striking subparagraph (A); and

(2) in subparagraph (B), by striking "Notwithstanding subparagraph (A) of this paragraph, the" and inserting "The".

(g) AUTHORITY OF INTERTRIBAL CONSORTIA TO APPLY FOR GRANTS.—Section 432(b)(2) of such Act (42 U.S.C. 629(b)(b)(2)), as amended by subsection (f) of this section, is amended—

(1) by inserting before subparagraph (B) the following:

"(A) INTERTRIBAL CONSORTIA.—This subpart shall not be interpreted to preclude the development and submission of a single tribal plan under this subpart by the participating tribes of an intertribal consortium."; and

(2) in subparagraph (B)—

(A) by inserting "or tribal consortium" after "Indian tribe"; and

(B) by inserting "and tribal consortia" after "Indian tribes".

(h) TECHNICAL CORRECTION.—Section 431(a)(6) of such Act (42 U.S.C. 629a(a)(6)) is amended by striking "1986" and inserting "1996".

SEC. 4. TARGETING OF INCREASED SAFE AND STABLE FAMILIES PROGRAM RESOURCES TO SUPPORT MONTHLY CASEWORKER VISITS.

(a) RESERVATION AND USE OF FUNDS.—

(1) IN GENERAL.—Section 436(b) of the Social Security Act (42 U.S.C. 629f(b)) is amended by adding at the end the following:

"(4) SUPPORT FOR MONTHLY CASEWORKER VISITS.—

"(A) RESERVATION.—In the case of each of fiscal years 2006 through 2011, the Secretary shall reserve $40,000,000 for allotment in accordance with section 433(e).

"(B) Use of funds.—

"(i) In general.—A State to which an amount is paid from amounts reserved under subparagraph (A) shall use the amount to support monthly caseworker visits with children who are in foster care under the responsibility of the State, with a primary emphasis on activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.

"(ii) Nonsupplantation.—A State to which an amount is paid from amounts reserved pursuant to subparagraph (A) shall not use the amount to supplant any Federal funds paid to the State under part E that could be used as described in clause (i).".

(2) Effect on amounts reserved for Indian tribes.—Section 436(b)(3) of such Act (42 U.S.C. 629b(b)(3)) is amended by striking "The" and inserting "After applying paragraph (4) (but before applying paragraphs (1) or (2)), the".

(b) Allotment of Funds.—Section 433 of such Act (42 U.S.C. 629c) is amended—

(1) in subsection (d), by inserting "subsection (a), (b), or (c) of" before "this section" the 1st and 2nd places it appears; and

(2) by adding at the end the following:

"(e) Special Rules Applicable to Funds Reserved to Support Monthly Caseworker Visits.—

"(1) Allotments.—

"(A) Territories.—From the amount reserved pursuant to section 436(b)(4)(A) for fiscal year 2006 or any succeeding fiscal year, the Secretary shall allot to each jurisdiction specified in subsection (b) of this section that meets the requirements of paragraph (2) of this subsection for the fiscal year an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 423 (without regard to the initial allotment of $70,000 to each State).

"(B) Other states.—From the amount reserved pursuant to section 436(b)(4)(A) for fiscal year 2006 or any succeeding fiscal year that remains after applying subparagraph (A) of this paragraph for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) not specified in subsection (b) of this section that meets the requirements of paragraph (2) of this subsection for the fiscal year an amount equal to such remaining amount multiplied by the food stamp percentage of the State (as defined in subsection (c)(2) of this section) for the fiscal year, except that in applying subsection (c)(2)(A) of this section, 'subsection (e)(1)(B)' shall be substituted for 'such paragraph (1)'.

"(2) Requirements.—The requirements of this paragraph are the following:

"(A) Amounts allotted for fiscal year 2007.—In the case of amounts reserved pursuant to section 436(b)(4)(A) for fiscal year 2007, the State has provided to the Secretary data which shows, for the most recent fiscal year for which such information is available—

"(i) the percentage of children in foster care under the responsibility of the State who were visited by the caseworker handling the case of the child at least once each month while the child was in such care; and

"(ii) the percentage of the visits that occurred in the residence of the child.

"(B) Amounts allotted for succeeding fiscal years.—In the case of amounts reserved pursuant to section 436(b)(4)(A) for fiscal year 2008 or any succeeding fiscal year:

"(i) Data showing frequency and location of caseworker visits.—The State has provided to the Secretary data which shows, for the preceding fiscal year, that—

"(I) for at least 90 percent of the children in foster care under the responsibility of the State—

"(aa) the caseworker handling the case of the child visited the child at least once each month while the child was in such care; and

"(bb) the majority of the visits occurred in the residence of the child; or

"(II) the State made the requisite annual progress, as determined by the Secretary, to comply with subclause (I) by October 1, 2011.

"(ii) State ability to verify frequency of caseworker visits.—The Secretary has verified that the State has in effect such policies and standards as may be necessary to enable the State to determine whether, for at least 90 percent of the children in foster care under the responsibility of the State, a caseworker visited the child at least once each month during the fiscal year.

"(iii) Verification of nonsupplantation compliance.—The State has provided to the Secretary such documentation as may be necessary to verify that the State has complied with section 436(b)(4)(B)(ii) during the fiscal year.".

(c) Payments to States.—Section 434(a) of such Act (42 U.S.C. 629d(a)), as amended by section 3(b)(1) of this Act, is amended by striking "the lesser of—" and all that follows and inserting the following: "the sum of—

"(1) the lesser of—

"(A) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

"(B) the allotment of the State under subsection (a), (b), or (c) of section 433, whichever is applicable, for the fiscal year; and

"(2) the lesser of—

"(A) 75 percent of the total expenditures by the State in accordance with section 436(b)(4)(B) during the fiscal year or the immediately succeeding fiscal year; or

"(B) the allotment of the State under section 433(e) for the fiscal year.".

SEC. 5. IMPROVEMENTS TO THE CHILD WELFARE SERVICES PROGRAM.

(a) Funding.—Subpart 1 of part B of title IV of the Social Security Act (42 U.S.C. 620–628b) is amended by striking sections 420 and 425 and inserting after section 424 the following:

"LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS

"Sec. 425. To carry out this subpart, there are authorized to be appropriated to the Secretary not more than $325,000,000 for each of fiscal years 2007 through 2011.".

(b) Purpose of Program.—Such subpart is further amended—

(1) by striking section 424;

(2) by redesignating sections 421 and 423 as sections 423 and 424, respectively, and by transferring section 423 (as so redesignated) so that it appears after section 422; and

(3) by inserting after the subpart heading the following:

"PURPOSE

"Sec. 421. The purpose of this subpart is to promote State flexibility in the development and expansion of a coordinated child and family services program that utilizes community-based agencies and ensures all children are raised in safe, loving families, by—

"(1) protecting and promoting the welfare of all children;

"(2) preventing the neglect, abuse, or exploitation of children;

"(3) supporting at-risk families through services which allow children, where appropriate, to remain safely with their families or return to their families in a timely manner;

"(4) promoting the safety, permanence, and well-being of children in foster care; and

"(5) providing training, professional development and support to ensure a well-qualified child welfare workforce.".

(c) Modification of State Plan Requirements.—Section 422 of such Act (42 U.S.C. 622) is amended—

(1) in subsection (b)—

(A) by striking paragraphs (3) through (5) and inserting the following:

"(3) include a description of the services and activities which the State will fund under the State program carried out pursuant to this subpart, and how the services and activities will achieve the purpose of this subpart;";

(B) by striking paragraph (6) and inserting after paragraph (3) (as added by subparagraph (A) of this paragraph) the following:

"(4) contain a description of—

"(A) the steps the State will take to provide child welfare services statewide and to expand and strengthen the range of existing services and develop and implement services to improve child outcomes; and

"(B) the child welfare services staff development and training plans of the State;";

(C) by redesignating paragraphs (7) through (9) as paragraphs (5) through (7), respectively;

(D) in paragraph (10)—

(i) by striking subparagraph (A);

(ii) in subparagraph (B)(iii)(II), by inserting ", which may include a residential educational program" after "in some other planned, permanent living arrangement";

(iii) by redesignating subparagraph (B) as subparagraph (A); and

(iv) by striking subparagraph (C) and inserting after subparagraph (A) the following:

"(B) has in effect policies and administrative and judicial procedures for children abandoned at or shortly after birth which enable permanent decisions to be made expeditiously with respect to the placement of the children;";

(E) in paragraph (14), by striking "and" at the end;

(F) in paragraph (15), by striking the period and inserting a semicolon;

(G) by redesignating paragraphs (10) through (15) as paragraphs (8) through (13), respectively; and

(H) by adding at the end the following:

"(14) include assurances that not more than 10 percent of the expenditures of the State with respect to activities funded from amounts provided under this subpart will be for administrative costs; and

"(15) outlines how the State will ensure that physicians or other appropriate medical professionals are actively consulted and involved in—

"(A) assessing the health and well-being of children in foster care under the responsibility of the State; and

"(B) determining appropriate medical treatment for the children."; and

(2) by adding at the end the following:

"(c) Definitions.—In this subpart:

"(1) Administrative costs.—The term 'administrative costs' means costs for the following, but only to the extent incurred in administering the State plan developed pursuant to this subpart: procurement, payroll management, personnel functions (other than the portion of the salaries of supervisors attributable to time spent directly supervising the provision of services by caseworkers), management, maintenance and operation of space and property, data processing and computer services, accounting, budgeting, auditing, and travel expenses (except those related to the provision of services by caseworkers or the oversight of programs funded under this subpart).

"(2) Other terms.—For definitions of other terms used in this part, see section 475.".

(d) Provisions Relating to State Allotments.—Section 423 of such Act, as so redesignated by subsection (b)(2) of this section, is amended—

(1) in subsection (a)—

(A) by inserting "In General.—" after "(a)";

(B) by striking "420" and inserting "425"; and

(C) by striking "He" and inserting "The Secretary";

(2) in subsection (b)—

(A) by inserting "Determination of State Allotment Percentages.—" after "(b)"; and

(B) by striking "per centum" each place it appears and inserting "percent";

(3) in subsection (c), by inserting "Promulgation of State Allotment Percentages.—" after "(c)";

(4) in subsection (d)—

(A) by inserting "United States Defined.—" after "(d)"; and

(B) by striking "fifty" and inserting "50"; and

(5) by adding at the end the following:

"(e) Reallotment of Funds.—

"(1) In general.—The amount of any allotment to a State for a fiscal year under the preceding provisions of this section which the State certifies to the Secretary will not be required for carrying out the State plan developed as provided in section 422 shall be available for reallotment from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines—

"(A) need sums in excess of the amounts allotted to such other States under the preceding provisions of this section, in carrying out their State plans so developed; and

"(B) will be able to so use such excess sums during the fiscal year.

"(2) Considerations.—The Secretary shall make the reallotments on the basis of the State plans so developed, after taking into consideration—

"(A) the population under 21 years of age;

"(B) the per capita income of each of such other States as compared with the population under 21 years of age; and

"(C) the per capita income of all such other States with respect to which such a determination by the Secretary has been made.

"(3) Amounts reallotted to a state amounts deemed part of state allotment.—Any amount so reallotted to a State is deemed part of the allotment of the State under this section.".

(e) Payments to States.—

(1) Exclusion of expenditures for child day care, foster care maintenance payments, and adoption assistance payments from allowable expenditures.—Section 424 of such Act, as so redesignated by subsection (b)(2) of this section, is amended—

(A) in subsection (c)—

(i) in paragraph (1)—

(I) by striking "No" and inserting "Except as provided in paragraph (2), no";

(II) by striking ", for any fiscal year beginning after September 30, 1979,";

(III) in subparagraph (A), by striking "necessary" and all that follows through "living"; and

(IV) in subparagraph (C), by striking ", to the extent" and all that follows through "1979"; and

(ii) by striking paragraph (2) and inserting the following:

"(2) In the case of a State which demonstrates to the Secretary that the State made an expenditure described in paragraph (1) in fiscal year 2005, the Secretary shall not make a payment to the State under this part for any fiscal year beginning after September 30, 2006, with respect to the State expenditures so described, to the extent that the Federal payment with respect to the expenditures so described for the fiscal year exceeds the lesser of—

"(A) the total amount of the Federal payment under this part for fiscal year 1979; or

"(B) the total amount of the Federal payment with respect to the expenditures so described for fiscal year 2005."; and

(B) in subsection (d)—

(i) by striking "(excluding expenditures for activities specified in subsection (c)(1))"; and

(ii) by striking "such activities" and inserting "activities specified in subsection (c)(1)".

(2) Limitation on administrative cost reimbursement.—Section 424 of such Act (42 U.S.C. 623), as so redesignated by subsection (b)(2) of this section, is amended by adding at the end the following:

"(e) Limitation on Reimbursement for Administrative Costs.—The Secretary shall not make a payment to a State under this section with respect to expenditures during a fiscal year for administrative costs, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year for activities funded from amounts provided under this subpart.".

(3) Technical amendment.—Section 424(a) of such Act, as so redesignated by subsection (b)(2) of this section, is amended by striking "per centum" and inserting "percent".

(f) Elimination of Obsolete Provision.—Section 426 of such Act (42 U.S.C. 626) is amended by striking subsection (b) and redesignating subsection (c) as subsection (b).

(g) Conforming Amendments.—

(1) Section 428(b) of such Act (42 U.S.C. 628(b)) is amended by striking "421" and inserting "423".

(2) Section 429 of such Act (42 U.S.C. 628a) is amended—

(A)(i) by striking the following:

"CHILD WELFARE TRAINEESHIPS

"Sec. 429. The Secretary"; and

(ii) inserting the following:

"(c) Child Welfare Traineeships.—The Secretary"; and

(B) by transferring the provision to the end of section 426 (as amended by subsection (f) of this section).

(3) Section 429A of such Act (42 U.S.C. 628b) is redesignated as section 429.

(4) Section 433(b) of such Act (42 U.S.C. 629c(b)) is amended by striking "421" and inserting "423".

(5) Section 437(c)(2) of such Act (42 U.S.C. 629g(c)(2)) is amended by striking "421" and inserting "423".

(6) Section 472(d) of such Act (42 U.S.C. 672(d)) is amended by striking "422(b)(10)" and inserting "422(b)(8)".

(7) Section 473A(f) of such Act (42 U.S.C. 673b(f)) is amended by striking "423" and inserting "424".

(8) Section 1130(b)(1) of such Act (42 U.S.C. 1320a-9(b)(1)) is amended to read as follows:.

"(1) any provision of section 422(b)(8), or section 479; or".

(9) Section 104(b)(3) of the Intercountry Adoption Act of 2000 (42 U.S.C. 14914(b)(3)) is amended by striking "422(b)(14) of the Social Security Act, as amended by section 205 of this Act" and inserting "422(b)(12) of the Social Security Act".

SEC. 6. REAUTHORIZATION OF THE COURT IMPROVEMENT PROGRAM.

Section 438 of the Social Security Act (42 U.S.C. 629h) is amended in each of subsections (c)(1)(A) and (d) by striking "2006" and inserting "2011".

SEC. 7. REAUTHORIZATION OF PROGRAM FOR MENTORING CHILDREN OF PRISONERS.

Section 439 of the Social Security Act (42 U.S.C. 629i) is amended—

(1) in subsection (c), by striking "2002 through 2006" and inserting "2007 through 2011"; and

(2) in subsection (h), by striking paragraph (1) and inserting the following:

"(1) Limitations on authorization of appropriations; reservation of certain amounts.—To carry out this section, there are authorized to be appropriated to the Secretary such sums as may be necessary for fiscal years 2007 through 2011.".

SEC. 8. AVAILABILITY OF ADDITIONAL PROMOTING SAFE AND STABLE FAMILIES RESOURCES FOR FISCAL YEAR 2006.

(a) Appropriation.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary of Health and Human Services $40,000,000 for fiscal year 2006 to carry out section 436 of the Social Security Act, in addition to any amount otherwise made available for fiscal year 2006 to carry out such section.

(b) Availability of Funds.— Notwithstanding section 434(b)(2) of such Act, the amounts paid to States from the amount appropriated under subsection (a) of this section shall remain available for expenditure by the States through fiscal year 2008.

SEC. 9. REPORTS.

Section 435 of the Social Security Act (42 U.S.C. 629e) is amended by adding at the end the following:

"(e) Reports.—

"(1) Content.—The Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate biennial reports on—

"(A) the level of expenditures, and the programs and activities funded, under subpart 1 and this subpart by each State, territory, and Indian tribe to which funds are paid under this part;

"(B) the number of children and families served by each such State, territory, and Indian tribe under the programs; and

"(C) how spending under the programs has helped achieve the goals identified by each such State, territory, and Indian tribe as part of the annual planning process undertaken in developing plans pursuant to this part.

"(2) Timing.—The Secretary shall submit the biennial reports required by paragraph (1) not later than July 1, 2008, and not later than July 1 of every other calendar year thereafter.".

SEC. 10. EFFECTIVE DATES.

(a) In General.—Except as otherwise provided in this section, the amendments made by this Act shall take effect on October 1, 2006, and shall apply to payments under part B of title IV of the Social Security Act for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan developed pursuant to subpart 1 of part B, or a State plan approved under subpart 2 of part B, of title IV of the Social Security Act to meet the additional requirements imposed by the amendments made by this Act, the plan shall not be regarded as failing to meet any of the additional requirements before the 1st day of the 1st calendar quarter beginning after the first regular session of the State legislature that begins after the date of the enactment of this Act. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.

(c) AVAILABILITY OF ADDITIONAL PROMOTING SAFE AND STABLE FAMILIES RESOURCES FOR FISCAL YEAR 2006.—Section 8 shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HERGER) and the gentleman from Washington (Mr. MCDERMOTT) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. HERGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

☐ 1030

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of S. 3525, as amended. As amended, this legislation reflects provisions as reported by the Committee on Ways and Means on June 29 and included in H.R. 5640, the Child and Family Services Improvement Act of 2006.

I am pleased to be here with the gentleman from Washington (Mr. MCDERMOTT) who is a cosponsor of this bipartisan legislation. I thank him for his work and leadership on this legislation. I would also like to thank the many Members from both sides of the aisle for their support.

Mr. Speaker, this legislation reauthorizes and improves numerous child protection programs that combined, would provide about $4 billion during the next 5 years to keep children safe and ensure they are raised in safe and loving families.

These programs are the Promoting Safe and Stable Families Program, the Child Welfare Services Program, the Court Improvement Program and the Mentoring Children of Prisoners Program.

This legislation supports State efforts to prevent child abuse and neglect by keeping families together and preventing, whenever possible, the unnecessary separation of children from their families.

For example, the Promoting Safe and Stable Families Program provides resources for family support services, family preservation services, time-limited reunification services and post-adoption services. We know that one of the best ways to give a child a chance of a bright future is to ensure that that child is raised in a safe, loving family. The services supported by this legislation are targeted where they are needed most, to help parents at risk of abusing or neglecting their children or to prevent repeated abuse and neglect.

On May 23, the Ways and Means Human Resources Subcommittee, which I chair, held a hearing on this legislation. We heard from a broad array of voices in support of the extension of these programs and in support of changes requiring States to focus resources more on services for children and at-risk families.

Earlier this year, the President signed the Deficit Reduction Act of 2005, which provided $200 million in new funds for services to better protect children over the next 5 years. I am very pleased that this legislation targets these increased resources so more foster children are visited on a monthly basis.

The Department of Health and Human Services Office of Inspector General recently reported that these visits were not occurring. Only 20 States could tell whether the caseworkers actually visited children in foster care on a monthly basis. In seven of these 20 States, the reports found that fewer than half of the children in foster care were visited on a monthly basis. Research shows that children who are visited on a more frequent basis are more quickly placed in permanent homes and experience other positive outcomes, compared to children not visited.

Newspapers are frequently reporting the horrors of children neglected by the very system charged to protect them. The increased monitoring promoting by this bill makes sense and would go a long way towards better protecting these vulnerable children.

Mr. Speaker, we still have more work to do to improve our Nation's foster care system. Time and time again, we hear of children lingering in foster care, bounced from home to home. In some cases, foster children have lived in more than 50 homes. This is unacceptable, and we will continue to work to improve this program so that all children can live with a family that loves them.

This legislation brings us one step closer to that important goal. It has widespread bipartisan support, and I urge all my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have before us today the Senate companion bill to the Herger-McDermott Child Family Services and Improvement Act. We have put the Senate version on the House calendar to facilitate action. The Senate version is slightly different than our bill, but we want to move ahead as quickly as possible, so we are going to strike the Senate language and insert the Herger-McDermott language in its entirety. I urge my colleagues to support this bill.

It is a pleasure to work with Mr. HERGER on this issue. In doing so, we will make America a little safer for vulnerable kids. Countless children across America need us to protect them from harm. In effect, the House today is fulfilling its obligation as first responders. For too many children, we are the first and the last line of defense.

Mr. HERGER and I have produced bipartisan legislation that takes a modest step forward in safeguarding vulnerable children. This bill is an attempt to find common ground so that together we can pursue the common good. I believe this can be a model for the future. Certainly more needs to be done, but every journey starts with the first step.

This legislation renews the program called Promoting Safe and Stable Families. This is a small but vital program that supports the States in their efforts to prevent child abuse from occurring or from reoccurring. We maintain the flexibility of the current program by allowing the States to use Federal money to provide a wide variety of family support, preservation, reunification and other services, and we provide greater support to Native American tribes for these purposes.

We also recognize and support the courageous caregivers serving on the front lines. For the first time in 7 years, the bill provides new Federal funding to the States, $40 million, to help them meet the challenges on two fronts. The first is having the resources to enable monthly caseworker visits for children in foster care. The second is investing more in the child welfare workforce.

We know that more frequent interaction between caseworkers and foster kids leads to better outcomes. We also know that difficulties in recruiting and retaining qualified caseworkers negatively affects the safety and permanency for at-risk kids. In fact, the Government Accounting Office warned us in 2003 report about the risks incurred by children when the average tenure of child care worker is less than 2 years. A lot of caring, dedicated caseworkers leave their job, not because they want to, but because they are forced to leave due to financial circumstances. We begin to address this issue in a bill with a $40 million downpayment. This shows, I think, that we mean business.

The legislation also makes changes in other child care support programs that have proven to be effective, and we want to keep them working to benefit kids and families. Despite naysayers, government can be an instrument for good. Today in this bill we can prove it.

Again, I thank my colleague Mr. HERGER for his work. Working together, I think we have produced a good piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before us today will provide nearly $4 billion for up-front child abuse prevention activities over the next 5 years; it will hold States accountable for visiting children in foster care on at least a monthly basis; it will continue funding for programs that help State courts address child welfare issues; and it will continue funding for programs that provide mentors for children with a parent in prison.

Again, I would like to thank the gentleman from Washington (Mr. MCDERMOTT) and all my colleagues on both sides of the aisle for their work in crafting this legislation. I believe it will take an important step towards improving our Nation's child protection system.

Ms. HART. Mr. Speaker, I rise today in support of H.R. 5640, the Child and Family Services Improvement Act of 2006.

This bipartisan legislation improves Child and Family Services by reauthorizing and improving the Promoting Safe and Stable Families, PSSF, program.

The bill invests about $4 billion during the next five years into these programs, to help ensure children are protected from abuse and neglect.

Included in this investment is a targeting of a $40 million increase in PSSF Funds that were included in the Deficit Reduction Act.

The Deficit Reduction Act increased mandatory PSSF funds by $40 million per year ($305 to $345 million).

This important legislation targets this $40 million for State efforts to ensure children in foster care are visited on a monthly basis.

This responds to recent Department of Health and Human Services Inspector General concerns and other data indicating that monthly visits were not occurring, despite State policy.

Beginning with FY 2008, only States that show improvement in completing monthly visits of foster children would continue to receive these funds.

Holding States accountable on this is crucial since research has shown that frequent caseworker visits are strongly related to more timely permanence for kids as well as other outcomes the better.

This legislation will also make needed improvements to the Child Welfare Services, CWS, Program.

Under current law, the CWS program is permanently authorized at $325 million per year and was last updated significantly in 1980. CWS generally overlaps PSSF program purposes.

The legislation reorganizes and updates the CWS program, making important technical changes including a new State plan requirement for doctors to be actively involved in assessing the health and well-being of foster children.

The legislation ensures future Congressional review by authorizing the CWS program through FY 2011.

This legislation creates a new 10 percent limit on CWS spending for administrative expenses.

This legislation reauthorizes the Court Improvement Act.

The legislation reauthorizes through FY 2011 the current $10 million set-aside for general Court Improvement Program activities provided from PSSF funds. (Note: DRA also provided an additional $20 million for each of FYs 2006 through 2010 to improve data collection and increase training of court personnel.)

REAUTHORIZATION OF THE MENTORING CHILDREN OF PRISONERS PROGRAM

The legislation reauthorizes through FY 2011 such sums as may be necessary. (House Appropriations Committee FY2007 Labor HHS bill would provide $40 million for this program.)

With this legislation, we are encouraging states to invest Federal funds in services that effectively assist at-risk families, protect children from abuse and neglect, and prevent the unnecessary separation of children from their parents.

Mr. STARK. Mr. Speaker, I rise today in support of the House amendments to the Child and Family Services Improvement Act, which include reauthorization of the Promoting Safe and Stable Families Program. I would like to thank the gentleman from California, Mr. HERGER, the chairman of our Human Resources subcommittee, and the gentleman from Washington, Mr. MCDERMOTT, for their work on this important legislation.

This program does just what it says: it promotes safe and stable families. The amendments before you today guarantee $40 million in funding to ensure that States are able to recruit, retain, and train highly qualified and skilled child welfare caseworkers. This funding is critically important. These amendments are exactly the same as H.R. 5640, which the Ways and Means Committee reported last month. The funding included in these amendments is crucial to making sure that foster children are provided with high level services and safe and stable placements.

A 2003 GAO report highlighted the importance of child welfare agencies being staffed with the very best caseworkers. The GAO found that when caseworkers are well trained and have manageable caseloads they are able to conduct frequent home visits to assess a child's situation and ensure that child's safety. Skilled caseworkers are also able to make well-supported decisions that lead to permanent placements of foster children in nurturing homes. However, when caseworker turnover is high, agencies are not able to meet Federal safety and permanency goals. There is a very strong correlation between caseworker recruitment and retention and safety and permanency outcomes for children.

For Example, the GAO report found:

> In Texas, due to caseworker turnover, an investigation into alleged abuse was delayed by 3 months. By the time the caseworker was able to make a home visit, the abuse could not be substantiated and the child remained in that placement. Similar occurrences took place in other states at which the GAO looked.
>
> Caseloads should not exceed 18 per caseworker, however the American Public Human Services Association, APHSA, data showed that workers were handling an average of 24 to 31 children each.
>
> The GAO's survey of caseworkers around the country indicated that a lack of home visits and inadequate documentation leads to permanency placement decisions being made without thorough evaluations of the adequacy and appropriateness of the placement.
>
> The GAO reviewed the Department of Health and Human Services', HHS, Child and Family Services Reviews, CFSR. All of the 27 CFSRs reviewed showed that workforce deficiencies—high caseloads, training deficiencies, and staffing shortages—contributed greatly to the non-attainment of assessment measures, including timely investigation of child mistreatment and facilitation of permanent placements.

In addition, in their comments on the GAO report the Administration for Children and Families, ACF, agreed with the GAO and stated that ACF's own research showed a direct relationship between the consistency and quality of caseworker visits with the child and family and the achievement of positive case outcomes.

Unfortunately, State child welfare agencies face numerous challenges in retention and recruitment of caseworkers. Caseloads are high, salaries are low, and training is minimal. To overcome these challenges, it is vital for us to move to provide States with the means to hire and retain the very best caseworkers. The $40 million included in these amendments will go toward solving the problem of caseworker recruitment and retention. Although $40 million is not nearly enough to fully address the problem, it is vital that we at least provide that much. The money will go toward ensuring that foster children are visited at least monthly by a caseworker. If States are able to accomplish this goal they will then be able to access additional money to improve caseworker retention, recruitment and training. The money can only be used for that purpose.

We have over 800,000 children who spend time in foster care each year. This body has an obligation to make sure that these children are in safe and stable environments. I urge you to support the House amendments and the opportunity they provide to improve the lives of tens of thousands of children.

Ms. BORDALLO. Mr. Speaker, I rise today in support of S. 3525, The Improving Outcomes for Children Affected by Methamphetamine Act of 2006. This legislation would amend the Social Security Act to better serve the special needs of children in families affected by methamphetamine abuse and addiction.

It is never cliché to reiterate the fact that children are our future. Children in our homes and in our families too often suffer the tragic ills of methamphetamine abuse. S. 3525 serves to protect children who suffer at the hands of methamphetamine abuse.

I believe that this legislation will improve the lives of at-risk children in our nation. This legislation will continue our nation's commitment to at-risk families through the reauthorization of the Promoting Safe and Stable Families Programs.

Moreover, this legislation notably improves support to children affected by methamphetamine within their families by placing increased emphasis on counseling and assistance to children affected by methamphetamine abuse, especially children placed into foster care.

The use of methamphetamine in the United States is increasing at an alarming rate. Methamphetamine abuse has attacked communities across America and has also affected our community on Guam. It is important that we continue our work to aggressively combat methamphetamine abuse and its terrible effects on American families and our children.

I strongly support S. 3525 because it aids our fight against methamphetamine abuse and because it also serves to protect our nation's greatest resource and one of most vulnerable communities, our children. I urge my colleagues' support for S. 3525.

Mr. HERGER. Mr. Speaker, I yield back the balance of my time.

Mr. McDERMOTT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HERGER) that the House suspend the rules and pass the Senate bill, S. 3525, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The title of the Senate bill was amended so as to read: "A bill to amend part B of title IV of the Social Security Act to reauthorize the safe and stable families program, and for other purposes.".

A motion to reconsider was laid on the table.

RETURNED AMERICANS PROTECTION ACT OF 2006

Mr. HERGER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5865) to amend section 1113 of the Social Security Act to temporarily increase funding for the program of temporary assistance for United States citizens returned from foreign countries, and for other purposes.

The Clerk read as follows:

H.R. 5865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Returned Americans Protection Act of 2006".

SEC. 2. TEMPORARY INCREASE IN FUNDING FOR THE PROGRAM OF TEMPORARY ASSISTANCE FOR UNITED STATES CITIZENS RETURNED FROM FOREIGN COUNTRIES.

Section 1113(d) of the Social Security Act (42 U.S.C. 1313(d)) is amended by striking "2003" and inserting "2006".

SEC. 3. REPORT BY THE INSPECTOR GENERAL.

Not later than March 1, 2007, the Inspector General of the Department of Health and Human Services, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report describing how funds made available to carry out section 1113 of the Social Security Act have been used to provide assistance to United States citizens returned to the United States on or after July 20, 2006, and before the most recent date covered by the report, after evacuation from Lebanon, including a breakdown of program costs incurred with regard to repatriating individuals from Lebanon, including for (1) direct assistance to individuals (such as costs of domestic travel and short-term lodging), and (2) administrative costs (such as for caseworkers, security, and related expenses).

SEC. 4. CONTINUATION OF REPATRIATION PROGRAM THROUGH FISCAL YEAR 2007.

Section 1113 of the Social Security Act (42 U.S.C. 1313) is amended by adding at the end the following:

"(f) The authorities provided by this section shall expire on September 30, 2007.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HERGER) and the gentleman from Washington (Mr. McDERMOTT) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. HERGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the Returned Americans Protection Act, H.R. 5865. This legislation will help our Nation to continue to assist U.S. citizens fleeing the violence in Lebanon as they return home to the United States.

In recent days, thousands of Americans have fled the violence in Lebanon. Thousands already have landed in the United States, and thousands more will be arriving in the coming days. In all, as many as 15,000 U.S. citizens may be returning.

State workers are prepared to assist them, helping join them with family or friends, and even make arrangements for their connecting travel. If the arriving citizen has no other resources, provision will be made for a loan or, in exceptional circumstances, a grant to cover their continued travel expenses or temporary lodging costs, all of which costs money, including to reimburse States for caseworkers to offer this assistance.

In a program that is limited by a current $1 million cap on annual spending, experiencing this large influx of needy, especially at this time in the fiscal year, is a challenge. As the Secretary of Health and Human Services said in a letter to Speaker HASTERT dated just yesterday, "We need your assistance in lifting this cap as soon as possible."

Mr. Speaker, the legislation before us, H.R. 5865, provides that assistance. It temporarily lifts the program's current $1 million funding cap, allowing for continued assistance for Americans returning from Lebanon. It also improves oversight over this little known program by making two additional steps.

First, it requires the HHS Inspector General to review program spending on those repatriated from Lebanon. The report will break down administrative costs versus costs for travel and lodging. That way, Congress will have more information about what this program actually does.

The second thing this legislation does to improve oversight is to sunset the current repatriation program at the end of fiscal year 2007, more than 13 months from now. This will provide Congress sufficient time to review the program and decide where improvements are needed.

☐ 1045

This change also is estimated by the Congressional Budget Office as saving $4 million, fully offsetting the cost of the additional assistance to those evacuating Lebanon. So we will cover short-term needs and get better data that we will use to improve this program for the long run. That is a win-win for everyone.

Mr. Speaker, this is a good bill which pays for additional services by improved oversight. We should approve it. I call on the U.S. Senate to do the same as soon as possible.

Mr. Speaker, I reserve the balance of my time.

Mr. McDERMOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, one of the good things the Federal Government does is provide a lifeline to American citizens who suddenly find themselves in grave danger. That is exactly what has happened to 25,000 American citizens in Beirut who had signed in at the embassy when the Middle East crisis erupted.

There were plenty of pictures on the evening news of Americans desperately trying to flee the conflict. Many were able to escape on chartered flights. When they arrive back in the United

States, a government employee will meet them at the airport and ask whether they need any assistance, including help in securing and paying for connecting flights, temporary lodging, food, or medical assistance.

Many don't need much help, but some do. And an important, but little known, program of the Social Security Act enables us to help Americans who escape the conflict with their lives and little else.

This is government at its best: helping our citizens in a time of crisis, responding quickly and effectively to meet the needs of our people. We are doing more than watching a crisis unfold on television. We are actually helping American citizens. And the Republicans, for some strange reason, want to kill this program. So much for the common good.

Now, this program has worked effectively for a mere $1 million a year in funding. But the crisis in Lebanon has drained the fund, and the administration has requested a temporary increase to $6 million.

That is all it will take to make sure that Americans have a lifeline to reach our own citizens. But the Republicans intend to cut the lifeline. They will support an increase of $6 million to help Americans trying to flee a war, but only if the House kills the program.

Americans remain trapped in the middle of a war zone, and the Republicans cannot bring themselves to help without extracting a pound of flesh from ordinary Americans. They want to kill a $1 million program. This is with trillions of dollars in debt out there. And they claim they are cutting the trillion-dollar deficit. They want to cut a lifeline to ordinary American citizens, because rich people won't need the help and the rest of the American people don't matter.

We saw that same response in Hurricane Katrina, and we are seeing it here today. The philosophy of the Republicans that we should not prepare for a disaster is what made those awful pictures on television about Katrina; and they create the same thing here today, deliberately, when they are using the program, they are saying, it is like the house is on fire, yes, we should give some gas to the fire truck, but after the fire is over, sell the truck, we don't need it any more, we'll never need it again.

Anybody who knows about what is going on in the world can imagine that we may need this program again. Americans are fleeing a war-torn nation, and it is perfectly all right for the Republicans with the notion that they are on their own. They intend to terminate the program at the end of it.

They terminated their concerns for Americans a long time ago. They are telling us the only way to save the program this year is to kill it next year. Exactly what American value are they addressing by cutting a lifeline to Americans trying to flee a war? Democrats are outraged by this Republican hostility to our own people.

With my colleagues SANDY LEVIN and BEN CARDIN, I introduced legislation yesterday that would simply provide a temporary increase in the repatriation program cap so that we can continue to help Americans leave Lebanon.

Now, there is no reason I can think of why that shouldn't be done. But it is just too easy for our friends on the other side of the aisle. They want to pretend they are fighting government spending. This is a million dollars, folks. That is not a rounding error. That is not drippings. That is practically nothing compared to what they have done in tax cuts for the rich.

Of course that zeal applies to the $5 million, but it doesn't apply to the $18.4 billion they gave to Halliburton, $5 billion of which nobody has any idea where it went. No oversight in this House on an issue like that. But on this, this $1 million, we can't have that program.

And we know we are going to need it. Now, the next time the problem happens, the program won't be there. We will have to come into the House in emergency session and create this program to help Americans get out of someplace that has become a war zone.

This sums up the values of the Republican leadership. Big bucks for the big donors and not even pennies for everyone else. We can do better than that in this House. I think the Senate will send us a better bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5865, the Returned Americans Protection Act, provides emergency funding for the HHS repatriation program so it can assist U.S. citizens evacuating Lebanon after they return to the U.S.

That is exactly what HHS asked Congress to do in letters sent just yesterday to the Speaker and Senate majority leader. Instead of increasing the deficit, this legislation is fully paid for. It pays for this emergency assistance through increased program oversight, including by sunsetting the program after 2007.

It is totally appropriate for Congress to set a sunset date to ensure future program oversight. The 1996 welfare reform law did the same thing. It replaced the former AFDC program with the new TANF block grant program and only authorized the new program through fiscal year 2002.

The Child and Family Services Program Act of 2006, which the House agreed to just this morning, in bipartisan fashion, also does the same thing. It limits the authorization of the child welfare services program through only 2011, or for the next 5 years, instead of permanently, as under current law.

This was done and agreed to in bipartisan fashion by this House to ensure Congress reviews this program as it reviews the related Promoting Safe and Stable Families program, which also would authorize it through 2011.

Mr. Speaker, again I urge Members to join me in passing this legislation today. H.R. 5865 will ensure that those arriving in America from the strife and turmoil in Lebanon will continue to have service available to help them as they make their way home.

It also ensures Congress time and opportunity to review the repatriation program and consider ways to improve it to even better meet the needs of displaced Americans in the future.

In closing, I would like to thank the dedicated staff at the U.S. Department of Health and Human Services, State workers supported by this program, and especially the many volunteers who have pitched in to help Americans returning home from Lebanon in recent days.

Mr. Speaker, I yield back the balance of my time.

Mr. McDERMOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is sort of amusing to me that one minute Mr. HERGER and I can be working together, and the next minute we have little differences.

The Secretary of Health and Human Services, Mr. Leavitt, sent a letter up yesterday asking for this increase in financing. Nowhere in his letter does he say we ought to terminate it. They have a funding mechanism by which they think they have the money.

I am very seldom with the President, but sometimes I am when he is right. In this case I think we ought to keep the program. I really think that it is unusual that the theory gets out on the floor here that in order to have oversight over a program you have to kill it.

You don't have to have the body. I mean, it isn't like an autopsy. Sometimes you can do oversight on a living program, a program that is actually going on. Now maybe we need to kill the Halliburton program and just kill the whole $18 billion, then we can do oversight. But I think it would be much more reasonable to do oversight on a program that is going on.

I can't imagine how much abuse you could really have in a million dollars, in this sort of situation, given the kind of abuse that we have simply paid no attention to in the Halliburton situation.

So while I think that we can agree that we need some more money in this program, I don't think we want to just put ourselves in the situation of coming back one year from now and putting this program back in.

It may not be called the same thing. We will change the name. But the effectiveness of putting it in the law was that people anticipated that there would be situations like this before.

We have had situations in Rwanda, we have had situations in the Middle East, we have had situations in the Mediterranean, we have had all kinds of places where Americans get caught in a cross-fire and we have to extricate them, and we make available some money to take care of Americans.

That is why this is a good idea and shouldn't be ended simply as a way of saying we are controlling a national budget deficit of $5 trillion, or whatever it is. This is $1 million, guys. Come on.

Mr. THOMAS. Mr. Speaker, as sponsor of this bill, I support continuing to help the thousands of Americans fleeing the hostilities in Lebanon and returning to the safe confines of the United States.

As of Sunday, July 23, 20 flights had rescued 3,890 U.S. citizens from Beirut and the surrounding area. Of those rescued Americans, hundreds received aid from the Health and Human Services, HHS, repatriation program after they arrived in the U.S., including 25 unaccompanied minors and 21 special needs cases—of which 12 were medical cases.

However, under current law, there is a $1 million spending cap on this program, which is close to being reached. Without legislative action, the repatriation program will no longer be able to provide aid to Americans in need. There may be 10,000 more U.S. citizens repatriating from Lebanon in the coming days who might require assistance through this program.

To make this aid available to other Americans as they arrive from Lebanon, this bill temporarily lifts the $1 million annual spending cap on the current HHS repatriation program. The Congressional Budget Office predicts this will allow about $4 million in additional spending for the thousands of Americans evacuating Lebanon.

Additionally, today's action, while increasing aid, also increases program integrity and oversight. The bill requires that the HHS Inspector General report to Congress on how the money in the program is being spent and it requires congressional action for the continuation of this program beyond fiscal year 2007. Therefore, even with the one-time increase in the spending cap, CBO estimates that this bill will be cost neutral over the next 5 years and will achieve savings over 10 years.

Mr. Speaker, this bill is good policy that ensures the continuation of aid for Americans in need, while providing the opportunity to improve upon this program. It is timely and because of the ongoing situation in the Middle East, it is important that we act quickly.

I urge my colleagues to join me in supporting this legislation today and am hopeful that the Senate will consider this bill in short order so we can send it to the President for his signature.

Mr. McDERMOTT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HERGER) that the House suspend the rules and pass the bill, H.R. 5865.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

21ST CENTURY EMERGENCY COMMUNICATIONS ACT OF 2006

Mr. UPTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5852) to amend the Homeland Security Act of 2002 to enhance emergency communications at the Department of Homeland Security, and for other purposes.

The Clerk read as follows:

H.R. 5852

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "21st Century Emergency Communications Act of 2006".

SEC. 2. EMERGENCY COMMUNICATIONS.

(a) IN GENERAL.—The Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) is amended by adding at the end the following new title:

"TITLE XVIII—EMERGENCY COMMUNICATIONS

"SEC. 1801. OFFICE OF EMERGENCY COMMUNICATIONS.

"(a) IN GENERAL.—There is in the Department an Office of Emergency Communications.

"(b) ASSISTANT SECRETARY.—The head of the office shall be the Assistant Secretary for Emergency Communications.

"(c) RESPONSIBILITIES.—The Assistant Secretary for Emergency Communications shall—

"(1) assist the Secretary in developing and implementing the program described in section 7303(a)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(a)(1)), except as provided in section 314;

"(2) administer the Department's responsibilities and authorities relating to the SAFECOM Program, excluding elements related to research, development, testing, and evaluation and standards;

"(3) administer the Department's responsibilities and authorities relating to the Integrated Wireless Network program;

"(4) coordinate, as appropriate, regarding the administration of the National Communications System;

"(5) conduct extensive, nationwide outreach and foster the development of interoperable emergency communications capabilities by State, regional, local, and tribal governments and public safety agencies;

"(6) provide technical assistance to State, regional, local, and tribal officials with respect to use of interoperable emergency communications capabilities;

"(7) facilitate the creation of Regional Emergency Communications Coordination Working Groups under section 1805;

"(8) promote the development of best practices with respect to use of interoperable emergency communications capabilities for incident response and facilitate the sharing of information on such best practices (including from governments abroad) for achieving, maintaining, and enhancing interoperable emergency communications capabilities for such response;

"(9) coordinate the establishment of a national response capability with initial and ongoing planning, implementation, and training for the deployment of backup communications services in the event of a catastrophic loss of local and regional emergency communications services;

"(10) assist the President, the National Security Council, the Homeland Security Council, and the Director of the Office of Management and Budget in ensuring the operability of the telecommunications functions and responsibilities of the Federal Government, excluding spectrum management;

"(11) establish, in coordination with the Director of the Office of Interoperability and Compatibility, requirements for total and nonproprietary interoperable emergency communications capabilities for all public safety radio and data communications systems and equipment purchased using homeland security assistance administered by the Department;

"(12) review, in consultation with the Assistant Secretary for Grants and Training, all interoperable emergency communications plans of Federal, State, local, and tribal governments, including Statewide and tactical interoperability plans, developed pursuant to homeland security assistance administered by the Department, but excluding spectrum allocation and management related to such plans.

"(d) PERFORMANCE OF PREVIOUSLY TRANSFERRED FUNCTIONS.—There is transferred to the Secretary the authority to administer, through the Assistant Secretary for Emergency Communications, the following:

"(1) The SAFECOM Program, excluding elements related to research, development, testing, and evaluation and standards.

"(2) The responsibilities of the Chief Information Officer related to the implementation of the Integrated Wireless Network.

"(3) The Interoperable Communications Technical Assistance Program.

"(e) COORDINATION.—The Assistant Secretary shall coordinate, as appropriate, with the Director of the Office for Interoperability and Compatibility with respect to the responsibilities described in section 314.

"(f) SUFFICIENCY OF RESOURCES PLAN.—

"(1) REPORT.—Not later than days 60 days after the enactment of this section, the Secretary shall submit to Congress a report on the resources and staff necessary to carry out the responsibilities under this subtitle.

"(2) COMPTROLLER GENERAL REVIEW.—The Comptroller General shall review the validity of the report submitted by the Secretary under paragraph (1). Not later than 30 days after the date on which such report is submitted, the Comptroller General shall submit to Congress a report containing the findings of such review.

"SEC. 1802. NATIONAL EMERGENCY COMMUNICATIONS REPORT.

"(a) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Emergency Communications, shall, not later than one year after the completion of the baseline assessment under section 1803, and in cooperation with State, local, and tribal governments, Federal departments and agencies, emergency response providers, emergency support responders, and the private sector, develop a National Emergency Communications Report to provide recommendations regarding how the United States can accelerate the deployment of interoperable emergency communications nationwide.

"(b) CONTENTS.—The report shall—

"(1) include a national interoperable emergency communications inventory to be completed by the Secretary of Homeland Security, the Secretary of Commerce, and the

Chairman of the Federal Communications Commission that—

“(A) identifies for each Federal department and agency—

“(i) the channels and frequencies used;

“(ii) the nomenclature used to refer to each channel or frequency used; and

“(iii) the types of communications system and equipment used;

“(B) identifies the interoperable emergency communications systems in use for public safety systems in the United States; and

“(C) provides a listing of public safety mutual aid channels in operation and their ability to connect to an interoperable communications system;

“(2) recommend, in consultation with the Federal Communications Commission and the National Institute of Standards and Technology, a process for expediting national voluntary consensus-based emergency communications equipment standards for the purchase and use by public safety agencies of interoperable emergency communications equipment and technologies;

“(3) identify the appropriate interoperable emergency communications capabilities necessary for Federal, State, local, and tribal governments to operate at all threat levels;

“(4) recommend both short-term and long-term solutions for deploying Federal, State, local, and tribal interoperable emergency communications systems nationwide, including through the provision of existing and emerging technologies that facilitate operability, interoperability, coordination, and integration among existing emergency communications systems;

“(5) identify how Federal Government departments and agencies that respond to acts of terrorism, natural disasters, and other emergencies can work effectively with State, local, and tribal governments, in all States, and with other entities;

“(6) include recommendations to identify and overcome obstacles to deploying interoperable emergency communications nationwide; and

“(7) recommend goals and timeframes for the deployment of an emergency, command-level communications system based on new and existing equipment across the United States and develop a timetable for deploying interoperable emergency communications systems nationwide.

“SEC. 1803. ASSESSMENTS AND REPORTS.

“(a) BASELINE OPERABILITY AND INTEROPERABILITY ASSESSMENT.—Not later than one year after the date of the enactment of this section and not less than every 5 years thereafter, the Secretary, acting through the Assistant Secretary for Emergency Communications, shall conduct an assessment of Federal, State, local, and tribal governments, to—

“(1) define the range of operable and interoperable emergency communications capabilities needed for specific events;

“(2) assess the current capabilities to meet such communications needs; and

“(3) identify the gap between such current capabilities and defined requirements.

“(b) PROGRESS REPORTS.—Not later than one year after the date of enactment of this section and annually thereafter, the Secretary, acting through the Assistant Secretary for Emergency Communications, shall submit to Congress a report on the progress of the Department in implementing and achieving the goals of this subtitle, including—

“(1) a description of the findings of the most recent baseline assessment conducted under subsection (a);

“(2) a determination of the degree to which interoperable emergency communications has been achieved to date and ascertain the gaps that remains for interoperability to be achieved;

“(3) an assessment of the ability of communities to provide and maintain interoperable emergency communications among emergency managers, emergency response providers, emergency support providers, and government officials in the event of acts of terrorism, natural disasters, or other emergencies, including Incidents of National Significance declared by the Secretary under the National Response Plan, and where there is substantial damage to communications infrastructure;

“(4) a list of best practices among communities for providing and maintaining interoperable emergency communications in the event of acts of terrorism, natural disasters, or other emergencies; and

“(5) an evaluation of the feasibility and desirability of the Department developing, on its own or in conjunction with the Department of Defense, a mobile communications capability, modeled on the Army Signal Corps, that could be deployed to support emergency communications at the site of acts of terrorism, natural disasters, or other emergencies.

“SEC. 1804. COORDINATION OF DEPARTMENT EMERGENCY COMMUNICATIONS GRANT PROGRAMS.

“(a) COORDINATION OF GRANTS AND STANDARDS PROGRAMS.—The Secretary, acting through Assistant Secretary for Emergency Communications, shall ensure that grant guidelines for the use of homeland security assistance administered by the Department relating to interoperable emergency communications are coordinated and consistent with the goals and recommendations in the National Emergency Communications Report under section 1802.

“(b) DENIAL OF ELIGIBILITY FOR GRANTS.—

“(1) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Grants and Planning, and in consultation with the Assistant Secretary for Emergency Communications, may prohibit any State, local, or tribal government from using homeland security assistance administered by the Department to achieve, maintain, or enhance interoperable emergency communications capabilities, if—

“(A) such government has not complied with the requirement to submit a Statewide Interoperable Communications Plan as required by section 7303(f) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(f));

“(B) such government has proposed to upgrade or purchase new equipment or systems that do not meet or exceed any applicable national voluntary consensus standards and has not provided a reasonable explanation of why such equipment or systems will serve the needs of the applicant better than equipment or systems that meet or exceed such standards; and

“(C) as of the date that is three years after the date of the enactment of this section, national voluntary consensus standards for interoperable emergency communications capabilities have not been developed and promulgated.

“(2) STANDARDS.—The Secretary, in coordination with the Federal Communications Commission, the National Institute of Standards and Technology, and other Federal departments and agencies with responsibility for standards, shall support the development, promulgation, and updating as necessary of national voluntary consensus standards for interoperable emergency communications with the goal of having such standards in place to satisfy the requirements of paragraph (1)(C).

“SEC. 1805. REGIONAL EMERGENCY COMMUNICATIONS COORDINATION.

“(a) IN GENERAL.—There is in each Regional Office a Regional Emergency Communications Coordination Working Group (in this section referred to as an ‘RECC Working Group’).

“(b) SUBJECT MATTER EXPERTS.—The RECC Working Group shall consist of the following:

“(1) NON-FEDERAL.—Organizations representing the interests of the following:

“(A) State officials.

“(B) Local officials, including sheriffs.

“(C) State police departments.

“(D) Local police departments.

“(E) Local fire departments.

“(F) Public safety answering points (9–1–1 services).

“(G) Communications equipment vendors (including broadband data service providers).

“(H) Hospitals.

“(I) Public utility services.

“(J) Local exchange carriers.

“(K) Local broadcast media.

“(L) Wireless carriers.

“(M) Satellite communications services.

“(N) Emergency evacuation transit services.

“(O) Ambulance services.

“(P) HAM and amateur radio operators.

“(Q) State emergency managers, homeland security directors, or representatives of State Administrative Agencies.

“(R) Local emergency managers or homeland security directors.

“(S) Cable operators.

“(T) Other emergency response providers or emergency support providers as deemed appropriate.

“(2) FEDERAL.—Representatives from the Department and other Federal departments and agencies with responsibility for coordinating interoperable emergency communications with or providing emergency support services to State, local, and tribal governments.

“(c) DUTIES.—The duties of each RECC Working Group shall include—

“(1) assessing the survivability, sustainability, and interoperability of local emergency communications systems to meet the goals of the National Emergency Communications Report;

“(2) reporting annually to the Assistant Secretary for Emergency Communications on the status of its region in building robust and sustainable interoperable voice and data emergency communications networks and on the progress of the region in meeting the goals of the National Emergency Communications Report under section 1802 when such Report is complete;

“(3) ensuring a process for the coordination of the establishment of effective multijurisdictional, multi-agency emergency communications networks for use during acts of terrorism, natural disasters, and other emergencies through the expanded use of emergency management and public safety communications mutual aid agreements; and

“(4) coordinating the establishment of Federal, State, local, and tribal support services and networks designed to address the immediate and critical human needs in responding to acts of terrorism, natural disasters, and other emergencies.

"SEC. 1806. EMERGENCY COMMUNICATIONS PREPAREDNESS CENTER.

"(a) Establishment.—There is established the Emergency Communications Preparedness Center (in this section referred to as the 'Center').

"(b) Operation.—

"(1) In general.—The Secretary, the Chairman of the Federal Communications Commission, the Secretary of Defense, the Secretary of Commerce, the Attorney General, and the heads of other Federal departments and agencies or their designees shall jointly operate the Center in accordance with the Memorandum of Understanding entitled, 'Emergency Communications Preparedness Center (ECPC) Charter'.

"(2) Chair.—The Chair of the Center shall rotate every two years between the Secretary of Homeland Security, the Secretary of Defense, the Secretary of Commerce, the Attorney General, and the Chairman of the Federal Communications Commission.

"(c) Functions.—The Center shall—

"(1) serve as the focal point for interagency efforts to address operable and interoperable communications;

"(2) serve as a clearinghouse with respect to all relevant information regarding intergovernmental efforts to achieve nationwide interoperable emergency communications capabilities;

"(3) ensure cooperation among the relevant Federal Government departments and agencies to improve effectiveness in the communication and implementation of the goals recommended in the National Emergency Communications Report under section 1802, including specifically by working to avoid duplication, hindrances, and counteractive efforts among the participating Federal departments and agencies;

"(4) prepare and submit to Congress, on an annual basis, a strategic assessment regarding the efforts of Federal departments and agencies to implement the National Emergency Communications Report under section 1802; and

"(5) perform such other functions as are provided in the ECPC Charter under subsection (b)(1).

"(d) Report.—Not later than 180 days after the date of the enactment of this section, the Chair shall transmit to the Congress a report regarding the implementation of this section, including a description of the staffing and resource needs of the Center.

"SEC. 1807. URBAN AND OTHER HIGH RISK AREA COMMUNICATIONS CAPABILITIES.

"(a) In General.—The Secretary, in consultation with the Chairman of the Federal Communications Commission and the Secretary of Defense, and with appropriate State, local, and tribal government officials, shall provide technical guidance, training, and other assistance, as appropriate, to support the rapid establishment of consistent, secure, and effective interoperable emergency communications capabilities in the event of an emergency in urban and other areas determined by the Secretary to be at consistently high levels of risk from acts of terrorism, natural disasters, and other emergencies.

"(b) Minimum Capabilities.—The interoperable emergency communications capabilities established under subsection (a) shall ensure the ability of all levels of government, emergency response providers, emergency support providers, the private sector, and other organizations with emergency response capabilities—

"(1) to communicate with each other in the event of an emergency;

"(2) to have appropriate and timely access to the Information Sharing Environment described in section 1016 of the National Security Intelligence Reform Act of 2004 (6 U.S.C. 321); and

"(3) to be consistent with any applicable State or Urban Area homeland strategy or plan.".

(b) Clerical Amendment.—The table of contents in section 1(b) of such Act is amended by adding at the end the following:

"TITLE XVIII—EMERGENCY COMMUNICATIONS

"Sec. 1801. Office of Emergency Communications.
"Sec. 1802. National Emergency Communications Report.
"Sec. 1803. Assessments and reports.
"Sec. 1804. Coordination of Federal emergency communications grant programs.
"Sec. 1805. Regional emergency communications coordination.
"Sec. 1806. Emergency Communications Preparedness Center.
"Sec. 1807. Urban and other high risk area communications capabilities.

SEC. 3. OFFICE OF INTEROPERABILITY AND COMPATIBILITY.

(a) In General.—Title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.) is amended by adding at the end the following:

"SEC. 314. OFFICE OF INTEROPERABILITY AND COMPATIBILITY.

"(a) Clarification of Responsibilities.—The Director of the Office of Interoperability and Compatibility shall—

"(1) assist the Secretary in developing and implementing the science and technology aspects of the program described in subparagraphs (D), (E), (F), and (G) of section 7303(a)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (6 U.S.C. 194(a)(1));

"(2) support the creation of national voluntary consensus standards for interoperable emergency communications;

"(3) establish a comprehensive research, development, testing, and evaluation program for improving interoperable emergency communications;

"(4) establish, in coordination with the Assistant Secretary for Emergency Communications, requirements for total and nonproprietary interoperable emergency communications capabilities for all public safety radio and data communications systems and equipment purchased using homeland security assistance administered by the Department;

"(5) carry out the Department's responsibilities and authorities relating to research, development, testing, evaluation, or standards-related elements of the SAFECOM Program;

"(6) evaluate and assess new technology in real-world environments to achieve interoperable emergency communications capabilities;

"(7) encourage more efficient use of existing resources, including equipment, to achieve interoperable emergency communications capabilities;

"(8) test public safety communications systems that are less prone to failure, support new nonvoice services, use spectrum more efficiently, and cost less than existing systems; and

"(9) coordinate with the private sector to develop solutions to improve emergency communications capabilities and achieve interoperable emergency communications capabilities.

"(b) Coordination.—The Director shall coordinate with the Assistant Secretary for Emergency Communications with respect to the SAFECOM program.

"(c) Sufficiency of Resources.—The Secretary shall provide the Office for Interoperability and Compatibility the resources and staff necessary to carry out the responsibilities under this section.".

(b) Clerical Amendment.—The table of contents in section 1(b) of such Act is amended by inserting at the end of the items relating to title III the following:

"Sec. 314. Office of Interoperability and Compatibility.".

SEC. 4. SENSE OF CONGRESS ON THE PROJECT 25 CONFORMITY ASSESSMENT PROJECT.

It is the sense of Congress that in carrying out the responsibilities and authorities of the Department of Homeland Security relating to the SAFECOM Program, the Assistant Secretary of Homeland Security for Emergency Communications and the Director of the Office of Interoperability and Compatibility should work with the National Institute of Standards and Technology for the purpose of implementing, as soon as possible, the Project 25 Compliance Assessment Program.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. UPTON) and the gentleman from Michigan (Mr. STUPAK) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan (Mr. UPTON).

GENERAL LEAVE

Mr. UPTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. UPTON. Mr. Speaker, I yield myself such time as I may consume. I rise in support of H.R. 5852, the 21st Century Emergency Communications Act of 2006.

I would especially like to commend Representative REICHERT for his authorship of this legislation. In addition, I want to recognize the efforts of both Chairman BARTON and Chairman KING in preparing this legislation for consideration on the floor today.

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Mr. Speaker, without a doubt, this Nation has endured significant domestic tragedies in the past 5 years, and of course, 9/11 and Hurricane Katrina stand out as most catastrophic.

While both were catastrophic, the causes were very different. The former a profoundly evil terrorist act, and the latter a terrible act of nature. But there at least is one common lesson that we learned from both tragedies: We learned how critically important interoperable communication is for our Nation's first responders during crisis regardless of the cause. It really is a matter of life and death.

At its heart, H.R. 5852 is designed to improve interoperable communications among our Nation's first responders. Of course, this Congress has already paved the way by providing for an orderly digital television transition to be completed by February 17, 2009, at which point 24 megahertz of spectrum in the upper 700 megahertz band will be returned by the broadcasters and provided to first responders to facilitate interoperable radio communications. That spectrum is ideally suited for this purpose. Congress also earmarked $1 billion from upcoming spectrum auction proceeds to assist State and local governments in procuring interoperable communications equipment.

But the legislation before us today mandates a National Emergency Communications report to recommend goals and time frames for the achievement of redundant, sustainable, and interoperable emergency communication systems. It requires a baseline assessment of current emergency communications capabilities and periodic assessments on progress in filling existing gaps, and it accelerates the development of national voluntary consensus standards for emergency communications equipment. It requires State and local governments to establish effective statewide interoperable communication plans before being able to use DHS grant funds for emergency communications. It facilitates coordination on emergency communications by establishing regional working groups comprised of Federal, State, and local officials, first responders, and other relevant stakeholders. And it elevates the importance of emergency communications within the Department of Homeland Security, enhancing accountability and resources to ensure first responders on the ground that it can communicate with one another.

Mr. Speaker, H.R. 5852 is truly an excellent bill which builds on the work that this Congress has already done to ensure that our Nation's first responders have the interoperable communications that they need to do their job of protecting our constituents in times of crisis. Again, I want to commend Representative REICHERT, Chairman BARTON, and Chairman KING for their excellent work. I would urge all of my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. STUPAK. Mr. Speaker, I yield myself such time as I may consume.

While I do not oppose the substance of H.R. 5852, the 21st Century Emergency Communications Act of 2006, I strongly oppose the process by which this bill has been brought to the floor today.

H.R. 5852 was introduced July 20, 5 days ago, and was referred to the Energy and Commerce Committee. The committee has held no hearings on this bill nor did the subcommittee or full committee ever mark up this bill. The last hearing the committee held on this issue was September 2005, and the focus was public safety communications after Hurricane Katrina. Now, a month before the anniversary of Hurricane Katrina, the majority party is bringing up a bill that is not nearly enough to help our first responders on the ground.

This is no way to bring public safety legislation to the floor, and this process does a disservice to all our public safety officers throughout America.

Since the bill was not subject to any hearings in the Energy and Commerce Committee, I will not spend a lot of time talking about the bill's substance. I will say that the Department of Homeland Security should have taken these steps months and years ago. This bill gives the Department of Homeland Security the ability to deny grants to States and localities that don't have interoperability plans completed and don't meet minimum standards.

Let me be clear. I support accountability for the money spent from the Department of Homeland Security grant programs. However, we have not heard from the States and localities, because they did not have a hearing on this bill. I suspect that some States and localities may consider these provisions to be unfunded mandates.

The bill calls for periodic baseline surveys on the level of interoperability across the country. I support efforts to measure our progress towards interoperable public safety communications; however, I have little faith that the Department of Homeland Security is going to complete these surveys. We heard in committee that while the first survey was supposed to be finished by 2005, the Department had only recently agreed on methodology and had no start time in mind.

A bill that holds DHS's feet to the fire is a good thing. The administration could certainly use some prodding. DHS testified in September that it is the administration's goal to achieve interoperability within the next 20 years, by 2023. We don't have 20 years to become interoperable as a Nation. Our first responders are on the front lines in the war against terror today. They need the help now. Without adequate funding, the benchmarks and planning in this bill will not be implemented in our communities. Last year, the Republican Congress cut the DHS grant programs that fund interoperable communications by almost $600 million and slashed the Department of Justice interoperability grant program by $82 million, effectively eliminating it.

My colleagues may not know that this bill is based very closely on a bill introduced by my colleague, Ms. Lowey, which has the support of Democrats. There is one glaring difference. Ms. Lowey's bill would have established an interoperability grant program at the Department of Homeland Security to help our communities. In the closed door negotiations, the Republican majority removed the grant program. No money, no program.

This has become a pattern of the majority: Take a good Democratic bill, copy it in theme only, rush it to the floor without any hearings, send out a press release, and then quietly never fund the program. We have seen this time and time again.

Mr. Speaker, we ask more of our first responders than ever before. They are on the front lines in the war against terror. They must be prepared to respond to chemical disasters, rail disasters, natural disasters. We saw during 9/11 and Hurricane Katrina that public safety communications are critical in any emergency, but without adequate funding, the bill's worthy goals may never be achieved.

Are new interoperable radios more important than replacing out-of-date fire trucks or creating a meth crime task force? These are the real choices that communities across this Nation must make every day, and they receive no help from Washington. Their choices are becoming harder and harder as the Bush administration and Republican budgets ask them to make more with less and less.

The real reason why I think the Republicans have brought the bill before us today is because they don't want to face any funding amendments that may come up. In committee last fall, I offered an amendment to create a $5.8 billion trust fund for first responder communications. My amendment failed on a tie vote. Homeland Security Committee Democrats have forced similar votes. Why is this bill on suspension today? Because the majority wants to avoid votes on amendments that would invest in public safety communication grants for our communities.

My colleagues should vote for this bill because it will bring some accountability to the Department of Homeland Security and focus more attention on the urgent need of interoperable communications. But my colleagues should not be under any false illusion that this bill will make it easier for first responders to acquire modern equipment. This bill will not provide the necessary interoperable equipment this country needs.

Mr. Speaker, I reserve the balance of my time.

Mr. UPTON. Mr. Speaker, at this point I would yield as much time as he may consume to Sheriff REICHERT, the sponsor of this legislation and the chairman of the Emergency Preparedness Subcommittee.

Mr. REICHERT. Mr. Speaker, I am proud to rise in support as a sponsor of H.R. 5852, the 21st Century Emergency Communications Act of 2006. Although I appreciate the comments from the gentleman from Michigan, I would like to first address before I get into my formal statement some of his comments.

There have been several hearings, four hearings and a joint hearing, held on the issue of interoperability and operability under the umbrella of the Homeland Security Committee and, more specifically, through the Emergency Preparedness Subcommittee that I chair.

I have only been in Congress 18 months. I was a police officer for 33 years. The last 8 years of that I was the sheriff. So I know a little bit about interoperability. I know a little bit about the inability for police officers to communicate. I know a little bit about life and death, and the ability to be in touch with your communications center or not to be in touch with your communications center, or not to have a partner present, or wait for a partner when you are facing someone with a gun. And I understand, too, the gentleman from Michigan has some experience in law enforcement and hopefully understands the importance of this bill.

I would also like to point out that between 2003 and 2005, $2 billion have been spent by the Federal Government across this Nation for interoperability without any national plan, without any national standards. And that is what this bill addresses today, and that is why it is so important for first responders across this country.

So there have been hearings. And not only have there been hearings, but these hearings have been held with people in attendance like firefighters, police officers, emergency management, people on the ground, people doing the job. We are not just hearing from politicians and mayors and CEOs of police departments and sheriff's offices, we are hearing from cops and firefighters, and they are supporting this bill 110 percent.

So, I would like to thank Mr. PASCRELL, my ranking member on my subcommittee, and I would like to thank Mr. THOMPSON, the ranking member of the full committee, and all those who serve on both committees, the Subcommittee on Emergency Preparedness, Science and Technology and the full Homeland Security Committee, who supported this bill.

When people look at Congress, they say what are we doing? Why are we not working together? On this particular issue, we did work together. This was a combined effort, this was a team effort, and it was congenial and it was an effort that was well respected by every member and every staff member on both the subcommittee and the committee.

Protecting our Nation should never be an issue where Democrats and Republicans cannot come together and recognize the need for our cooperation, especially on behalf of our first responders to ensure that our communities stay safe.

The Committee on Homeland Security did not just develop a bipartisan legislation overnight. Rather, it is the product of a series of hearings on the state of public safety energy communications. I presided over these hearings as chairman of the Subcommittee on Emergency Preparedness, Science and Technology, as well as held countless meetings on the topic with first responders, government officials, and other interested stakeholders. Last fall, Chairman KING appointed me to serve as the chairman of the Emergency Preparedness Subcommittee. I know the importance of finding solutions to this problem. That is precisely why I made interoperability the subcommittee's number one priority.

Until the events of September 11, 2001, many people in this Nation believed and assumed that first responders from different disciplines and jurisdictions could actually talk to each other. It wasn't happening. It is still not happening today. Unfortunately, that was not the case then, and, as demonstrated by the inadequate responses to Hurricane Katrina, that is not the case today. In fact, inability of first responders to communicate with one another effectively led to the loss of many lives in New Orleans and in other gulf coast communities. This is simply unacceptable. It is intolerable that our Nation's law enforcement, fire service, and emergency medical services personnel still confront many of the same emergency communication problems that I did as a rookie cop when I started in 1972.

To many, the word "interoperability" means little. It is a little confusing term that police officers, firefighters, and first responders use. But I want to just share a personal story.

Back in the early 1970s when I was a deputy in a police car, I responded to a call where a young man 17 years old was high on drugs and alcohol, and he was able to gain access to his father's .308 Winchester rifle and he came from his house and he began to shoot at the neighborhood. I was the first car to arrive. A shot was fired over my police car. He ran out the back door of his house. We lost him for a while. We were able to surround the area. I was one of the officers on the perimeter. My radio didn't work, and a neighbor who saw the young man with the rifle pointed at three Seattle police officers who were coming to help the sheriffs office in the south end of the county called the neighbor across the street because she was afraid to leave her house. The neighbor across the street ran across the street to my police car and told me what was going on, because the person saw this young man ready to fire on three police officers.

I grabbed my police radio and I tried to get through the communications center, and I couldn't. No one heard me. A rifle pointed at three police officers, and I could not communicate back in 1974, 1975.

☐ 1115

Three police officers' lives are now in danger. The only choice I had was to holster my weapon because there were people in the house peeking out of the window, watching the young man with the rifle pointed at the police officers, and run across the yard. That is what I did, holstered my gun, radio would not work, ran across the yard, jumped on the back of the 17-year-old with the .308 Winchester rifle and now was in a fight for my life.

Interoperability is a life and death matter. This bill matters to the police officers, firefighters and first responders working in our country today.

As I said earlier, the legislation before us today is based on the record made during four separate hearings, and during those hearings, the subcommittee heard testimony from a wide variety of parties including first responders, public works, utilities, hospitals, State and local officials, standards-setting organizations, the Department of Homeland Security, the Department of Commerce, the Federal Communications Commission, and other Federal Departments.

During these hearings, the witnesses identified the same problems over and over again. We heard about the lack of an accountable senior-level official in the Department of Homeland Security to oversee interoperability. When I first came here, I was told at one of my first hearings that the Federal Government has been dealing with the problem of interoperability for 10 years; and as I have just shared with you, we have been dealing with it as police officers for over 30 years. Something needs to be done, and it needs to be done now.

The absence of national voluntary consensus standards to help State and local governments to make wise decisions when purchasing communications equipment is something we heard over and over again.

We also heard about the failure of the Department to condition the use of grant funds by State and local governments on approved statewide communications plans and the absence of effective coordination between Federal Departments with shared responsibility for emergency communications.

H.R. 5852 will solve these and other problems that hinder the rapid deployment of interoperable emergency communication systems in our Nation.

H.R. 5852 enjoys broad support from members of the Committee on Homeland Security. It is almost identical to the provisions of H.R. 5351, the National Emergency Management Reform and Enhancement Act of 2006, a comprehensive Katrina lessons-learned legislation that the Committee on Homeland Security passed 28–0.

Mr. Speaker, it is time for us to send a message to our Nation's first responders that we support them in their efforts to protect us. Passage of H.R. 5852 would send such a message. I urge my colleagues to vote in favor of H.R. 5852.

Mr. Speaker, before I conclude, I will include in the RECORD at this point letters exchanged between the Committee on Homeland Security and the Committee on Science regarding jurisdiction over this bill, and I thank the Science Committee and Energy and Commerce Committee for their input on this important legislation.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE,
Washington, DC, July 24, 2006.

Hon. PETER T. KING,
Chairman, Committee on Homeland Security, Ford House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the jurisdictional interest of the Science Committee in matters being considered in H.R. 5852, the 21st Century Emergency Communications Act of 2006. The Science Committee acknowledges the importance of H.R. 5852 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over the bill, I agree not to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forgo a sequential referral waives, reduces or otherwise affects the jurisdiction of the Science Committee, and that a copy of this letter and of your response will be included in the Congressional Record when the bill is considered on the House Floor.

The Science Committee also asks that you support our request to be conferees on any provisions over which we have jurisdiction during House-Senate conference on this legislation.

Thank you for your attention to this matter.

Sincerely,
SHERWOOD BOEHLERT,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
Washington, DC, July 24, 2006.

Hon. SHERWOOD BOEHLERT,
Chairman, Committee on Science, House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your recent letter expressing the Science Committee's jurisdictional interest in H.R. 5852. I appreciate your willingness not to seek a sequential referral in order to expedite proceedings on this legislation. I agree that, by not exercising your right to request a referral, the Science Committee does not waive any jurisdiction it may have over H.R. 5852. In addition, I agree to support representation for your Committee during the possible House-Senate conference meetings on provisions determined to be within your Committee's jurisdiction.

As you have requested, I will include a copy of your letter and this response as part of the Congressional Record during consideration of the legislation on the House floor. Thank you for your cooperation as we work toward the enactment of H.R. 5852.

Sincerely,
PETER T. KING,
Chairman.

Mr. STUPAK. Mr. Speaker, I yield myself 30 seconds to just respond to the gentleman from Washington.

I repeat, I know you have been in Congress for a limited amount of time, but there have been no hearings in the Energy and Commerce Committee on this bill, the committee with primary jurisdiction.

You talked about your law enforcement career. Well, back when you were deputy in the early 1970s, I was a city police officer, went on to Michigan State Police, where I served until I was injured in the line of duty.

I am the founder of the Law Enforcement Caucus, and I hope you will join our caucus someday.

Law enforcement and first responders, what we are doing here today is giving them false hope and promises. The gentleman from Washington claims interoperability is a life and death issue. Then let us fund interoperability and not put law enforcement with a death penalty because they did not get the equipment they need.

I yield 6 minutes to the gentleman from New Jersey (Mr. PASCRELL), the ranking member of the Energy Preparedness Subcommittee.

Mr. PASCRELL. Mr. Speaker, I rise in strong support of H.R. 5852, the 21st Century Emergency Communications Act.

As an original sponsor with my good friend Congressman REICHERT, this is long-overdue legislation. It is bipartisan legislation and really sends a message throughout the entire Congress of the United States that we can work together if we place the needs of our families and neighborhoods ahead of partisan politics.

When the 9/11 Commission released its final report, it found that the inability of our first responders to talk with each other and their commanders resulted in a loss of life. This is very, very important to America.

The 9/11 Commission identified a problem that has been in existence, Mr. Speaker, for decades. It identified a problem that many policymakers have known for some time.

In fact, in 1996, 10 years ago, Congress asked a blue ribbon committee, the Public Safety Wireless Advisory Committee, to examine the issue of interoperable communications. It concluded 10 years ago that public safety agencies did not have the sufficient interoperable communications ability to do their jobs.

Five years later, on September 11, 2001, public safety officers were still ill-equipped in this regard. Now, this is unconscionable. Five years after the 9/11 catastrophe, the 30 major cities in the United States of America still cannot communicate.

In 2002, the National Task Force on Interoperability convened several meetings with various national associations representing public safety officials to discuss the challenges of interoperable communications. They explicitly identified the key challenges that must be addressed if we are to move forward on the issue: incompatible aging equipment, fragmented planning in general, and a lack of coordination and cooperation from all the different stakeholders.

So we have known about the problems that exist, Mr. Speaker. Many have explored the possible remedies. Yet many in Congress sit, after 9/11, after Katrina, wondering why no real progress has been made.

And although I may take difference with my good friend and brother from Michigan, his point must be well taken, that these cannot be empty commitments. We must fund the very process that we have identified and voted on today.

The bottom line is that H.R. 5852 will improve the capability of first responders to communicate during times of emergencies. I am proud to work with a bipartisan allotment of Members. We have had hearings, and I am sorry that one of the major problems in this Congress is jurisdiction and we have not addressed that, and I hope that we can do this and not air our linen. I hope that we can come to agreement, but the fact is that homeland security is at the center of the stage in trying to make a terrible situation much better.

In an era when information can be sent instantaneously anywhere, it is utterly nonsensical that our Nation's police, the fire, and EMS personnel cannot consistently communicate with each other.

First, this bill elevates the importance of improved emergency communication. For the first time, we are going to finally have a central office within the Department of Homeland Security that does just that. We will create an Office of Emergency Communications within the Department where the Assistant Secretary for Emergency Communications is directed to force the development of interoperable emergency communications capabilities by States and territorial, local and tribal and public safety agencies. This is absolutely critical.

Elevating the status and standing, that standing of interoperability, within the Department is a key first step to ensuring the Department focuses at the proper time, has the staff, has the resources.

This office will be charged with a variety of long-overdue critical endeavors, including preparing a baseline report.

H.R. 5852 ensures that the appropriate staffing and resources are available to carry out the obligations charged.

Mr. Speaker, our legislation compels the Department of Homeland Security to create a national emergency communications plan. Common sense must prevail here. This bill, I know, does not address the grant funding; but it is interesting to note, and I would ask my brothers and sisters on both sides of the aisle just to listen to this one statement that I have if you listen to nothing else: a one-time expenditure, equivalent to 3 days of what we spend in the Iraq war, will do one thing. It will pay for making emergency radio systems interoperable 5 years after 9/11.

This bill is important, Mr. Speaker. This bill affects every American.

Mr. UPTON. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. McCAUL).

Mr. McCAUL of Texas. Mr. Speaker, I would like to thank Chairman REICHERT for his outstanding leadership on this important piece of legislation, which, in my view, will ultimately save lives.

Following Hurricanes Katrina and Rita last year, the Nation witnessed emergency response problems at all levels of government, especially with interoperability between our first responders. After Katrina and Rita, like on September 11, first responders and military personnel on the scene could not communicate effectively with each other.

This crucial piece of legislation will work to improve interoperability for our first responders by bolstering the national standards for emergency communications equipment. The bill also gives incentives to the States to improve their emergency communications plans and creates regional working groups to help Federal first responders better coordinate with their State and local counterparts.

Prior to coming to Congress, I served as chief of terrorism and national security in the U.S. Attorney's office in Texas. I also led the joint terrorism task force charged with detecting, deterring and preventing terrorist activity. I have worked with first responders for most of my professional career and have learned through experience that the ability to communicate between the Federal, State and local levels means saving lives, whether it is a terrorist attack or destruction at the hands of Mother Nature.

The time to fix and improve communications for our first responders is now, and I urge my colleagues to vote for this important bill.

Mr. STUPAK. Mr. Speaker, can you tell us how much time we have remaining?

The SPEAKER pro tempore. The gentleman from Michigan (Mr. STUPAK) has 8½ minutes remaining. The gentleman from Michigan (Mr. UPTON) has 5 minutes remaining.

Mr. STUPAK. Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi (Mr. THOMPSON), a former first responder and a volunteer firefighter for 26 years.

Mr. THOMPSON of Mississippi. Mr. Speaker, I rise to speak in support of H.R. 5852, the 21st Century Emergency Communications Act of 2006.

As the ranking member of the House Committee on Homeland Security, I am proud to be an original cosponsor of this legislation. This bill amends the Homeland Security Act of 2002 to enhance and improve the capability of first responders to communicate during times of emergency. It does so by improving the coordination of Federal, State, territorial, local and tribal governments as it relates to voice, data and other emerging technologies.

Mr. Speaker, the Committee on Homeland Security has heard from more than 25 witnesses in the more than six hearings held on the interoperable challenges of emergency communications. We heard from Governors, mayors, first responders, emergency support responders, the heads of Federal agencies with responsibilities for promulgating emergency communication capabilities, as well as experts in the technology sectors of interoperable emergency communications.

All in all, Mr. Speaker, the message from the witnesses was twofold: the need for leadership and funding for the deployment of an interoperable emergency communications system.

Today, Congress has finally decided to show one of these two things by placing this legislation on the calendar. The timing, days before Members go home before the August recess and only a couple of months before fall elections, does not escape me.

□ 1130

Despite the convenience of timing, I am grateful that we are moving forward and finally are doing something to help the men and women on the front lines of our homeland security efforts. This has been a long time coming.

When Air Florida Flight 90 crashed in the Potomac Basin in Washington, DC on January 13, 1982, Congress learned that there were no provisions for communication interoperability in place.

On April 19, 1995, when the white supremacist and homegrown terrorist Timothy McVeigh rammed his flammable truck into the Murrah Federal Building in downtown Oklahoma City, the post-investigation revealed that the 117 local, State, and Federal agencies, with more than 1,500 personnel on the scene, were forced to rely on runners to disseminate critical, time sensitive information.

Congress must respond. Now, in less than 2 months, this Nation will mark the fifth anniversary of September 11, 2001. On that fateful day, Americans learned that the Nation was vulnerable and unprepared for an attack that killed almost 3,000 people. Among the dead were 343 New York City Fire Department members and 23 New York City Police Department officers.

As a volunteer firefighter of 26 years, Mr. Speaker, my heart dropped when I heard of the radio communication failures of that day. Lack of inoperable communication impeded a lot of help that could have gone to those individuals.

Four years later, Mr. Speaker, as Hurricane Katrina and Rita struck the gulf coast, the same story emerged. Firefighters and police along the gulf coast didn't have the means to communicate.

This legislation will move us closer to fixing the interoperability crisis facing our Nation. As I noted earlier, leadership is only half the solution for the interoperability crisis. All our efforts here today will be for naught if we do not provide funding for the development and deployment of a nationwide emergency communication system. My colleague, Representative NITA LOWEY of New York, has repeatedly raised this issue.

Mr. Speaker, I look forward to the passage of this legislation.

In less than 2 months, this Nation will mark the fifth anniversary of the Al Qaida's attack on the United States. On Tuesday, September 11, 2001, millions of Americans watched in shock and horror as American Airline Flight 11 and United Airline Flight 75 torpedoed into the Twin Towers of the World Trade Center in New York City at 8:46 AM and 9:20 AM respectively. Within 17 minutes, the public learned that American Airlines Flight 77 smashed into the Pentagon. Twenty-six minutes later, United Airlines Flight 93 plummeted into a field in Shankville, PA after passengers attempted to deter the terrorists' attempt to fly the plane to Washington, DC. Al Qaida's villainous assault on American soil killed almost 3,000 people. Among the dead were 343 New York City Fire Department Firefighters and 23 New York City Police Department officers.

Americans were startled to learn of the United States' vulnerabilities and lack of preparedness on September 11th. As a former volunteer firefighter of 26 years, I understood instinctively the radio communication challenges the firefighters and police officers faced in New York City. As one who experienced the threat of collapsing buildings and other dangers in the line of duty, I was heartbroken to learn that New York City firefighters never received the police warning to evacuate the North Tower after the South Tower's collapse because their system was not interoperable with the police communication systems. Lack of interoperable communication also impeded the relay of the message that an open stairwell in the South Tower free of debris and obstruction could be used for evacuation.

Interoperable or emergency communication capabilities became catch-phrases to the public because of September 11th. However, first responders face the challenge of emergency communications in everyday emergencies and high-profiled public safety events. Members of Congress also know of these challenges. When Air Florida Flight 90 crashed in the Potomac Basin in Washington, DC on January 13, 1982, Congress learned that there were no provisions for communication interoperability in place. On April 19, 1995, when white supremacist Timothy McVeigh rammed his flammable truck into the Murrah Federal Building in downtown Oklahoma City, the post-investigation revealed that the 117 local, state, and federal agencies with more than 1,500 personnel on the scene were forced to rely on runners to disseminate critical, time sensitive information.

In 1996, the Public Safety Wireless Advisory Committee (PSWAC), a blue ribbon committee created by Congress to examine the issue of interoperable communication, concluded that public safety agencies did not have sufficient radio spectrum to communicate with each other when they responded to emergencies. Responding to the PSWAC report, Congress included a provision in the Balanced Budget Act of 1997 which called for the Federal Communications Commission to allocate portions of the 700 Mhz spectrum for public safety use by December 31, 2006.

The catastrophic Hurricanes Katrina and Rita demonstrated, yet again, the critical need for operable and interoperable communication. Despite the high-profiled events and everyday challenges facing first responders, Congress extended the date for freeing the much-needed public safety spectrum to February 17, 2009.

Interoperability directly impacts the first responder community which consists of over 61,000 public safety agencies including 960,000 firefighters, 830,000 EMS personnel, and 710,000 Law Enforcement Officers. The U.S. Conference of Mayors (USCM) conducted a survey of 192 cities regarding their interoperable communications systems in 2004 and found:

—Of the cities with a major chemical plant, 97 percent reported that they did not have interoperable communications capability between the chemical plant, police, fire and emergency medical services;

—60 percent of the cities reported that they did not have interoperable communications capability with state emergency operations centers; and

—75 percent of the cities pointed out that limited funding was preventing achieving full interoperable communications capability.

Despite the pressing need for effective emergency communications capabilities, the Department of Homeland Security has incredibly assigned a full-time staff of only four to seven employees to provide grant guidance, develop standards and methodology, implement pilot programs and the expansion of the Rapidcom program, research and development, conduct a national interoperability baseline study, and disaster management and emergency communication at the Federal Emergency Management Agency (FEMA).

The 9/11 Commission said a rededication to preparedness is perhaps the best way to honor the memories of those we lost that day [September 11]. This is why I join my fellow original cosponsors to introduce the 21st Century Emergency Communications Act of 2006. H.R. 5852 will improve the country's preparedness and emergency communications capability by (1) creating, for the first time, a central office within the Department for the administration and policy consideration for emergency communications; (2) ensuring appropriate staffing and resources commitment to improve emergency communication capabilities; (3) compelling DHS to create a national emergency communications plan and inventory of the Nation's emergency communications system and capabilities; and, (4) seeking accountability regarding the use of DHS funds and governance.

The bill would establish an Office of Emergency Communications within the Department where the Assistant Secretary for Emergency Communications would be directed to foster the development of interoperable emergency communications capabilities by State, territorial, local, tribal, and public safety agencies. The Office would prepare a baseline report that provides a snapshot of the current state of emergency communications capabilities; follow-up with periodic assessment reports regarding Federal efforts to address existing gaps and identify best-practices models; coordinate the capability to deploy backup communications services in the event of system failures during an emergency; create regional working groups made up of public and private sector emergency communication experts that would assess and report on the state of emergency communication networks nationwide; provide technical assistance to state and local governments; and, develop a plan to ensure the operability of the Federal governments communications systems.

The legislation would require the Secretary to report to Congress on the resources and staff necessary to carry out the responsibilities of the Office of Emergency Communications not later than 60 days after the enactment of the bill. Within 30 days of the Secretary's report to Congress, the Government Accountability Office (GAO) is to review, assess, and report on the findings submitted by the Secretary of Homeland Security.

The bill would also call a National Emergency Communications Strategy to expedite an effective nationwide emergency communications system and conduct a national inventory of the channels, frequencies, and the types of communication systems and equipments. The plan would also identify and make recommendations regarding both short-term and long-term obstacles and solutions to achieving emergency communication capabilities at all levels of government; set goals and timeframes for achieving nationwide emergency communication capabilities; and, accelerate the development of national standards for emergency communications equipment.

To improve the accountability and good governance, State and local governments would be required to establish effective statewide interoperable communications plans before being able to use Department of Homeland Security grant funds for emergency communications. The Department's grant guidelines would also have to be coordinated and consistent with the goals of the national strategy for emergency communications.

Finally, this legislation would establish an Emergency Communications Preparedness Center to act as a clearinghouse for the Federal Government's efforts to achieve nationwide interoperability; ensure cooperation among the relevant departments and agencies to implement the goals of the emergency communications strategy, and prepare and submit to Congress, on an annual basis, a strategic assessment regarding efforts of Federal departments and agencies to implement the emergency communications strategy.

The 21st Century Emergency Communications Act of 2006 will take substantial steps to provide the leadership that is needed on emergency communication. I hope this Congress moves quickly to pass this bill.

Mr. UPTON. Mr. Speaker, I reserve the balance of my time.

Mr. STUPAK. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. LOWEY), who really wrote this bill that the majority presents here today in theme only.

Mrs. LOWEY. I thank the gentleman, and I thank Ranking Member THOMPSON and Ranking Member PASCRELL. It is a pleasure for us to be here. And thank you, Chairman REICHERT, for bringing this bill to the floor. We have been talking about this issue for a very long time, and I rise in strong support of the legislation. I strongly support the emergency communications provisions, particularly the interoperability strategy I first proposed more than 2 years ago.

It is really unfortunate that we waited 6 years into the 21st century to adopt the 21st Century Emergency Communications Act. Communications failures, as has been referenced by my colleagues on both sides of the aisle, plagued the response in Oklahoma City in 1995, Columbine in 1999, New York in 2001, and in the gulf region following Hurricane Katrina. In all of these cases, first responders had to use many of the same communications as Paul Revere.

The lack of interoperability was deadly on September 11. Of the 58 firefighters who escaped the north tower of the World Trade Center and gave oral histories to the Fire Department of New York, only three heard radio warnings that the north tower was in danger of collapse. Three. So as these brave firefighters were running up, the majority of people were coming down. And many of the 343 firefighters who died that day would have likely been saved had they carried effective, interoperable radios.

The interoperability strategy in this bill is desperately needed, as is an adequate number of employees at DHS to solve this crisis and to validate manufacturers' claims that equipment meets widely accepted standards. So I am pleased, and I thank the chairman and the ranking members for bringing this bill to the floor.

However, the bill has one critical flaw. Despite the testimony of the Director of the Office of Interoperability and Compatibility, Dr. David Boyd, that it will cost over $100 billion to overhaul communication systems across the country, the bill does not provide any funding for State and local governments to plan, to implement, or to maintain communication networks.

However, while this bill is not perfect, the bill is a vast improvement over the lack of current policy. Right now, as we know, the Office of Interoperability and Compatibility has only five employees and a budget of less than one-half of 1 percent of the total DHS budget.

We cannot wait for the next disaster before we take action, and I urge your support.

Mr. UPTON. Mr. Speaker, who has the ability to close?

The SPEAKER pro tempore. The gentleman from Michigan (Mr. Upton) has the right to close.

Mr. STUPAK. How much time do we have remaining, Mr. Speaker?

The SPEAKER pro tempore. The gentleman from Michigan (Mr. Stupak) has 1½ minutes remaining.

Mr. STUPAK. I yield 30 seconds to Mr. Pascrell.

Mr. PASCRELL. Mr. Speaker, I think that those who have come before us today have highlighted how critical this legislation is to the American people. In the Subcommittee on Science, Technology and Emergency Preparedness for our police, our fire and EMS, we believe that unless the Homeland Security Department puts more emphasis and boots on the ground than those people who are there every day and every night, that we are never going to get this right in protecting America.

This bill seeks to do that, and, hopefully, within a very short period of time, we will look and find the funding, and I have suggested one place today, so that we will take care of those needs of homeland security and protecting our families.

Mr. STUPAK. Mr. Speaker, Democrats on this side, we will support the bill. It does create some accountability at the Department of Homeland Security. It will provide the cities and counties with guidance and standards 5 years after 9/11. But the real critical need is, we need funding.

Public safety interoperability should be an urgent priority for this country. As a former police officer, I understand clearly the importance of adequate funding for homeland security programs. The bill solves half the problem. We create the standards, but there is no funding. Let us provide funding and not continue to give false hope to our first responders that interoperability will finally arrive. It will never arrive until we provide adequate funding.

Mr. Speaker, I yield back the balance of my time.

Mr. UPTON. Mr. Speaker, I yield myself the balance of my time, and at this point I want to include a number of letters as part of the Record: Two from Chairman Barton, one from Mr. Boehlert and one from Mr. Young.

House of Representatives, Committee on Transportation and Infrastructure,
Washington, DC, July 24, 2006.
Hon. Joe Barton,
Chairman, Committee on Energy and Commerce, Washington, DC.

Dear Mr. Chairman: I am writing to you concerning the jurisdictional interest of the Transportation and Infrastructure Committee in matters being considered in H.R. 5852, the 21st Century Emergency Communications Act of 2006.

Our Committee recognizes the importance of H.R. 5852 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over a number of provisions in the bill, I do not intend to request referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forego the referral waives, reduces or otherwise affects the jurisdiction of the Transportation and Infrastructure Committee.

The Committee on Transportation and Infrastructure also asks that you support our request to be conferees on the provisions over which we have jurisdiction during any House-Senate conference. I would appreciate it if you would include a copy of this letter and of your response acknowledging our jurisdictional interest as part of the Congressional Record during consideration of the bill by the House.

Thank you for your cooperation in this matter.

Sincerely,
Don Young,
Chairman.

House of Representatives,
Committee on Energy and Commerce,
Washington, DC, July 25, 2006.
Hon. Sherwood L. Boehlert,
Chairman, Committee on Science,
Washington, DC.

Dear Chairman Boehlert: Thank you for your letter in regards to H.R. 5852, the 21st Century Emergency Communications Act of 2006.

I acknowledge and appreciate your willingness not to exercise your jurisdiction on the bill. In doing so, I agree that your decision to forgo further action on the bill will not prejudice the Committee on Science with respect to its jurisdictional prerogatives on this legislation or similar legislation. Further, I recognize your right to request conferees on those provisions within the Committee on Science's jurisdiction should they be the subject of a House-Senate conference on this or similar legislation.

I will include your letter and this response in the Congressional Record during consideration on the House floor.

Sincerely,
Joe Barton,
Chairman.

House of Representatives,
Committee on Science,
Washington, DC, July 24, 2006.
Hon. Joe Barton,
Chairman, Committee on Energy and Commerce, Washington, DC.

Dear Mr. Chairman: I am writing to you concerning the jurisdictional interest of the Science Committee in matters being considered in H.R. 5852, the 21st Century Emergency Communications Act of 2006. The Science Committee acknowledges the importance of H.R. 5852 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over the bill, I agree not to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forgo a sequential referral waives, reduces or otherwise affects the jurisdiction of the Science Committee, and that a copy of this letter and of your response will be included in the Congressional Record when the bill is considered on the House Floor.

The Science Committee also asks that you support our request to be conferees on any provisions over which we have jurisdiction during House-Senate conference on this legislation.

Thank you for your attention to this matter.

Sincerely,
Sherwood Boehlert,
Chairman.

House of Representatives,
Committee on Energy and Commerce,
Washington, DC, July 26, 2006.
Hon. Don Young,
Chairman, Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.

Dear Chairman Young: Thank you for your letter in regards to H.R. 5852, the 21st Century Emergency Communications Act of 2006.

I acknowledge and appreciate your willingness not to exercise your referral on the bill. In doing so, I agree that your decision to forgo further action on the bill will not prejudice the Committee on Transportation and Infrastructure with respect to its jurisdictional prerogatives on this legislation or similar legislation. Further, I recognize your right to request conferees on those provisions within the Committee on Transportation and Infrastructure's jurisdiction should they be the subject of a House-Senate conference on this or similar legislation.

I will include your letter and this response in the Congressional Record during consideration on the House floor.

Sincerely,
Joe Barton,
Chairman.

Mr. UPTON. Mr. Speaker, in closing, I would urge all my colleagues to support this bill. I would remind my colleagues that it was clearly a bipartisan bill. It passed 28–0. I want to particularly thank Mr. Pascrell, Mr. Thompson, Mrs. Lowey, and Mr. Reichert. This has bipartisan spirit behind it from the start.

I would just note that interoperability is very important. We saw with 9/11 that our firefighters didn't get the message, they stayed in the buildings, and they died. With Katrina, we saw the Coast Guard folks couldn't communicate with the law enforcement folks at the bottom of the helicopter ladders.

It needs to change. That is why we reserved part of the spectrum, as part of the reconciliation bill earlier this year, to retrieve it from the broadcasters and to be able to sell it so that, in fact, that analog spectrum will be available. In addition, of course, we had $1 billion that was part of that sale that was reserved specifically on matching grants to first responders across the country. It is very important.

It is not the end. We need to do more. I realize it, and we are prepared to do such. So I was pleased to see that legislation move forward. This is yet another step. It passed 28-0 in committee. I would like to think that when we have a vote on this later this afternoon, it might be able to pass 433-0, knowing that we have two vacancies in the House at this point.

Mr. ENGEL. Mr. Speaker, I rise today with mixed emotions. Almost three years ago, I joined Representative STUPAK and Representative FOSSELLA in offering legislation to create an interoperability trust fund. Mr. STUPAK is a former state trooper in Michigan. Mr. FOSSELLA and I are from the one place in the United States that has twice been a victim of terrorism. Furthermore, as members of the Telecommunications subcommittee we are well aware of the needs of our first responders for radio equipment that works seamlessly for police, fire, and medical personnel as well as for local, state, and federal officials.

So I am disheartened that this legislation has not followed regular procedure in that the Energy and Commerce Committee did not hold hearings or a markup on this bill. We are three Members of Congress that have spent a great deal of time working on this very issue and yet today we have a bill that we cannot try to improve. We can only vote Yes or No.

I will vote "yes." There are good things in this legislation. It has an emphasis on high level personnel at the Department of Homeland Security to do outreach, provide technical assistance and coordinate a national response capability that can provide backup services for lost local and regional services.

But I believe that with any legislation, if proper procedure were followed, this could be a better bill.

I see the most glaring omission is that there is no new money to aid our states and localities. In the digital television transition provisions of the Budget Resolution, we included $1 billion for Interoperability equipment grants to states and localities. We knew at the time that $1 billion is a drop in the bucket. The estimates are more in the $15 to $20 billion range.

And before someone stands up and complains that I am just a Democrat looking to spend more money without having a way to pay for it, let me be clear—the Bush tax cuts are why the federal government doesn't have the resources it needs to fully fund programs like this. Reverse the tax cuts for the wealthiest among us so that we can secure our country.

So I rise in support of the bill, but believe that it could be better and urge my Chairman to convene hearings on this vital matter.

Mr. SHAYS. Mr. Speaker, I rise in strong support of H.R. 5852, the 21st Century Emergency Communications Act.

This legislation would create a new emergency communications office within the Department of Homeland Security (DHS) to develop a standardized radio system for first-responders during disasters.

Two years ago, the 9/11 Commission recommended placing all first-responders on the same radio frequencies to facilitate communications.

Similar provisions to this legislation are included in legislation CAROLYN MALONEY and I have introduced, H.R. 1794, the 9/11 Can You Hear Me Now Act. This legislation would instruct DHS to provide the New York Fire Department (FDNY) with a communication system that must be capable of operating in all locations and under the circumstances we know firefighters face and will continue to face when responding to an emergency in New York City.

Under the bill, a communication system including three components—radios, dispatch system and a supplemental communication device—would be required to work in all buildings and in all parts of the city, something that the radios unbelievably do not now do. This bill could and should serve as an example for what needs to be done on a Federal level.

We also introduced H.R. 5017, the Ensuring Implementation of the 9/11 Commission Report Act. H.R. 5017 brings renewed focus to the core recommendations of the 9/11 Commission and holds the Administration and relevant executive agencies accountable to carry out and document the successful implementation of the 9/11 Commission Report's policy goals.

Mr. Speaker, I urge my colleagues to support this legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H.R. 5852, the "21st Century Emergency Communications Act of 2006." I support H.R. 5852 because it will improve the capability of first responders to communicate during times of emergency by improving the coordination of among Federal, State, territorial, local and tribal governments as it relates to voice, data, and other emerging technologies. I support H.R. 5852 for several reasons:

1. Elevates the importance of improved emergency communications by creating, for the first time, a central office within the Department for the administration and policy consideration for emergency communications.

H.R. 5852 creates an Office of Emergency Communications within the Department of Homeland Security headed by an Assistant Secretary for Emergency Communications responsible for developing interoperable emergency communications capabilities by State, territorial, local, tribal, and public safety agencies. Among other things, the Office of Emergency Communications will:

Prepare a baseline report that provides a "snap shot" of the current state of emergency communications capabilities;

Follow-up with periodic assessment reports regarding Federal efforts to address existing gaps and identify best-practices models;

Coordinate the capability to deploy backup communications services in the event of system failures during an emergency;

Create regional working groups made up of public and private sector emergency communication experts that would asses and report on the state of emergency communication networks nationwide;

Provide technical assistance to State and local governments; and,

Develop a plan to ensure the operability of the Federal Government's communications systems

2. Ensures appropriate staffing and resources commitment to improve emergency communication capabilities.

H.R. 5852 requires the Secretary to report to Congress on the resources and staff necessary to carry out the responsibilities of the Office of Emergency Communications not later than 60 days after the enactment of the bill. Within 30 days of the Secretary's report to Congress, the Government Accountability Office (GAO) is to review, assess, and report on the findings submitted by the Secretary of Homeland Security.

3. Compels DHS to create a national emergency communications plan and inventory of the Nation's emergency communications system and capabilities.

H.R. 5852 adopts a "bottoms-up" approach by directing the Assistant Secretary for Emergency Communications to develop a national strategy to expedite an effective nationwide emergency communications system.

The strategy will be developed with the cooperation of State, local and tribal governments, Federal departments and agencies, emergency response providers, emergency support providers, and the private sector.

The plan will be developed within one year of the completion of the baseline study.

H.R. 5852 mandates a national inventory of the channels, frequencies, and the types of communication systems and equipment. The plan must:

Identify and make recommendations regarding short-term and long-term obstacles and solutions to achieving emergency communication capabilities at all levels of government;

Set goals and timeframes for achieving nationwide emergency communication capabilities; and

Accelerate the development of national standards for emergency communications equipment.

4. Seeks accountability regarding the use of DHS funds and governance.

H.R. 5852 requires State and local governments to establish effective statewide interoperable communications plans before being able to use DHS grant funds for emergency communications. In addition, H.R. 5852 requires that the Department's grant guidelines are coordinated and consistent with the goals of the national plan for emergency communications.

H.R. 5852 establishes an Emergency Communications Preparedness Center to act as a clearinghouse for the Federal Government's efforts to achieve nationwide interoperability; ensure cooperation among the relevant departments and agencies to implement the goals of the emergency communications strategy, and prepare and submit to Congress, on an annual basis, a strategic assessment regading efforts of Federal departments and agencies to implement the emergency communications strategy.

For these reasons, I support H.R. 5852 and urge my colleagues to support it also.

Mr. UPTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. UPTON) that the House suspend the rules and pass the bill, H.R. 5852.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. UPTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

ADAM WALSH CHILD PROTECTION AND SAFETY ACT OF 2006

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 4472) to protect children, to secure the safety of judges, prosecutors, law enforcement officers, and their family members, to reduce and prevent gang violence, and for other purposes.

The Clerk read as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Adam Walsh Child Protection and Safety Act of 2006".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. In recognition of John and Revé Walsh on the occasion of the 25th anniversary of Adam Walsh's abduction and murder.

TITLE I—SEX OFFENDER REGISTRATION AND NOTIFICATION ACT

Sec. 101. Short title.
Sec. 102. Declaration of purpose.
Sec. 103. Establishment of program.

Subtitle A—Sex Offender Registration and Notification

Sec. 111. Relevant definitions, including Amie Zyla expansion of sex offender definition and expanded inclusion of child predators.
Sec. 112. Registry requirements for jurisdictions.
Sec. 113. Registry requirements for sex offenders.
Sec. 114. Information required in registration.
Sec. 115. Duration of registration requirement.
Sec. 116. Periodic in person verification.
Sec. 117. Duty to notify sex offenders of registration requirements and to register.
Sec. 118. Public access to sex offender information through the Internet.
Sec. 119. National Sex Offender Registry.
Sec. 120. Dru Sjodin National Sex Offender Public Website.
Sec. 121. Megan Nicole Kanka and Alexandra Nicole Zapp Community Notification Program.
Sec. 122. Actions to be taken when sex offender fails to comply.
Sec. 123. Development and availability of registry management and website software.
Sec. 124. Period for implementation by jurisdictions.
Sec. 125. Failure of jurisdiction to comply.
Sec. 126. Sex Offender Management Assistance (SOMA) Program.
Sec. 127. Election by Indian tribes.
Sec. 128. Registration of sex offenders entering the United States.
Sec. 129. Repeal of predecessor sex offender program.
Sec. 130. Limitation on liability for the National Center for Missing and Exploited Children.
Sec. 131. Immunity for good faith conduct.

Subtitle B—Improving Federal Criminal Law Enforcement To Ensure Sex Offender Compliance With Registration and Notification Requirements and Protection of Children From Violent Predators

Sec. 141. Amendments to title 18, United States Code, relating to sex offender registration.
Sec. 142. Federal assistance with respect to violations of registration requirements.
Sec. 143. Project Safe Childhood.
Sec. 144. Federal assistance in identification and location of sex offenders relocated as a result of a major disaster.
Sec. 145. Expansion of training and technology efforts.
Sec. 146. Office of Sex Offender Sentencing, Monitoring, Apprehending, Registering, and Tracking.

Subtitle C—Access to Information and Resources Needed To Ensure That Children Are Not Attacked or Abused

Sec. 151. Access to national crime information databases.
Sec. 152. Requirement to complete background checks before approval of any foster or adoptive placement and to check national crime information databases and State child abuse registries; suspension and subsequent elimination of Opt-Out.
Sec. 153. Schools Safe Act.
Sec. 154. Missing child reporting requirements.
Sec. 155. DNA fingerprinting.

TITLE II—FEDERAL CRIMINAL LAW ENHANCEMENTS NEEDED TO PROTECT CHILDREN FROM SEXUAL ATTACKS AND OTHER VIOLENT CRIMES

Sec. 201. Prohibition on Internet sales of date rape drugs.
Sec. 202. Jetseta Gage assured punishment for violent crimes against children.
Sec. 203. Penalties for coercion and enticement by sex offenders.
Sec. 204. Penalties for conduct relating to child prostitution.
Sec. 205. Penalties for sexual abuse.
Sec. 206. Increased penalties for sexual offenses against children.
Sec. 207. Sexual abuse of wards.
Sec. 208. Mandatory penalties for sex-trafficking of children.
Sec. 209. Child abuse reporting.
Sec. 210. Sex offender submission to search as condition of release.
Sec. 211. No limitation for prosecution of felony sex offenses.
Sec. 212. Victims' rights associated with habeas corpus proceedings.
Sec. 213. Kidnapping jurisdiction.
Sec. 214. Marital communication and adverse spousal privilege.
Sec. 215. Abuse and neglect of Indian children.
Sec. 216. Improvements to the Bail Reform Act to address sex crimes and other matters.

TITLE III—CIVIL COMMITMENT OF DANGEROUS SEX OFFENDERS

Sec. 301. Jimmy Ryce State civil commitment programs for sexually dangerous persons.
Sec. 302. Jimmy Ryce civil commitment program.

TITLE IV—IMMIGRATION LAW REFORMS TO PREVENT SEX OFFENDERS FROM ABUSING CHILDREN

Sec. 401. Failure to register a deportable offense.
Sec. 402. Barring convicted sex offenders from having family-based petitions approved.

TITLE V—CHILD PORNOGRAPHY PREVENTION

Sec. 501. Findings.
Sec. 502. Other record keeping requirements.
Sec. 503. Record keeping requirements for simulated sexual conduct.
Sec. 504. Prevention of distribution of child pornography used as evidence in prosecutions.
Sec. 505. Authorizing civil and criminal asset forfeiture in child exploitation and obscenity cases.
Sec. 506. Prohibiting the production of obscenity as well as transportation, distribution, and sale.
Sec. 507. Guardians ad litem.

TITLE VI—GRANTS, STUDIES, AND PROGRAMS FOR CHILDREN AND COMMUNITY SAFETY

Subtitle A—Mentoring Matches for Youth Act

Sec. 601. Short title.
Sec. 602. Findings.
Sec. 603. Grant program for expanding Big Brothers Big Sisters mentoring program.
Sec. 604. Biannual report.
Sec. 605. Authorization of appropriations.

Subtitle B—National Police Athletic League Youth Enrichment Act

Sec. 611. Short title.
Sec. 612. Findings.
Sec. 613. Purpose.
Sec. 614. Grants authorized.
Sec. 615. Use of funds.
Sec. 616. Authorization of appropriations.
Sec. 617. Name of League.

Subtitle C—Grants, Studies, and Other Provisions

Sec. 621. Pilot program for monitoring sexual offenders.
Sec. 622. Treatment and management of sex offenders in the Bureau of Prisons.
Sec. 623. Sex offender apprehension grants; juvenile sex offender treatment grants.
Sec. 624. Assistance for prosecution of cases cleared through use of DNA backlog clearance funds.
Sec. 625. Grants to combat sexual abuse of children.
Sec. 626. Crime prevention campaign grant.
Sec. 627. Grants for fingerprinting programs for children.
Sec. 628. Grants for Rape, Abuse & Incest National Network.
Sec. 629. Children's safety online awareness campaigns.
Sec. 630. Grants for online child safety programs.
Sec. 631. Jessica Lunsford Address Verification Grant Program.
Sec. 632. Fugitive safe surrender.
Sec. 633. National registry of substantiated cases of child abuse.
Sec. 634. Comprehensive examination of sex offender issues.
Sec. 635. Annual report on enforcement of registration requirements.
Sec. 636. Government Accountability Office studies on feasibility of using driver's license registration processes as additional registration requirements for sex offenders.
Sec. 637. Sex offender risk classification study.
Sec. 638. Study of the effectiveness of restricting the activities of sex offenders to reduce the occurrence of repeat offenses.
Sec. 639. The justice for Crime Victims Family Act.

TITLE VII—INTERNET SAFETY ACT

Sec. 701. Child exploitation enterprises.
Sec. 702. Increased penalties for registered sex offenders.
Sec. 703. Deception by embedded words or images.
Sec. 704. Additional prosecutors for offenses relating to the sexual exploitation of children.
Sec. 705. Additional computer-related resources.
Sec. 706. Additional ICAC Task Forces.
Sec. 707. Masha's Law.

SEC. 2. IN RECOGNITION OF JOHN AND REVÉ WALSH ON THE OCCASION OF THE 25TH ANNIVERSARY OF ADAM WALSH'S ABDUCTION AND MURDER.

(a) ADAM WALSH'S ABDUCTION AND MURDER.—On July 27, 1981, in Hollywood, Florida, 6-year-old Adam Walsh was abducted at a mall. Two weeks later, some of Adam's remains were discovered in a canal more than 100 miles from his home.

(b) JOHN AND REVÉ WALSH'S COMMITMENT TO THE SAFETY OF CHILDREN.—Since the abduction and murder of their son Adam, both John and Revé Walsh have dedicated themselves to protecting children from child predators, preventing attacks on our children, and bringing child predators to justice. Their commitment has saved the lives of numerous children. Congress, and the American people, honor John and Revé Walsh for their dedication to the well-being and safety of America's children.

TITLE I—SEX OFFENDER REGISTRATION AND NOTIFICATION ACT

SEC. 101. SHORT TITLE.

This title may be cited as the "Sex Offender Registration and Notification Act".

SEC. 102. DECLARATION OF PURPOSE.

In order to protect the public from sex offenders and offenders against children, and in response to the vicious attacks by violent predators against the victims listed below, Congress in this Act establishes a comprehensive national system for the registration of those offenders:

(1) Jacob Wetterling, who was 11 years old, was abducted in 1989 in Minnesota, and remains missing.

(2) Megan Nicole Kanka, who was 7 years old, was abducted, sexually assaulted, and murdered in 1994, in New Jersey.

(3) Pam Lychner, who was 31 years old, was attacked by a career offender in Houston, Texas.

(4) Jetseta Gage, who was 10 years old, was kidnapped, sexually assaulted, and murdered in 2005, in Cedar Rapids, Iowa.

(5) Dru Sjodin, who was 22 years old, was sexually assaulted and murdered in 2003, in North Dakota.

(6) Jessica Lunsford, who was 9 years old, was abducted, sexually assaulted, buried alive, and murdered in 2005, in Homosassa, Florida.

(7) Sarah Lunde, who was 13 years old, was strangled and murdered in 2005, in Ruskin, Florida.

(8) Amie Zyla, who was 8 years old, was sexually assaulted in 1996 by a juvenile offender in Waukesha, Wisconsin, and has become an advocate for child victims and protection of children from juvenile sex offenders.

(9) Christy Ann Fornoff, who was 13 years old, was abducted, sexually assaulted, and murdered in 1984, in Tempe, Arizona.

(10) Alexandra Nicole Zapp, who was 30 years old, was brutally attacked and murdered in a public restroom by a repeat sex offender in 2002, in Bridgewater, Massachusetts.

(11) Polly Klaas, who was 12 years old, was abducted, sexually assaulted, and murdered in 1993 by a career offender in California.

(12) Jimmy Ryce, who was 9 years old, was kidnapped and murdered in Florida on September 11, 1995.

(13) Carlie Brucia, who was 11 years old, was abducted and murdered in Florida in February, 2004.

(14) Amanda Brown, who was 7 years old, was abducted and murdered in Florida in 1998.

(15) Elizabeth Smart, who was 14 years old, was abducted in Salt Lake City, Utah in June 2002.

(16) Molly Bish, who was 16 years old, was abducted in 2000 while working as a lifeguard in Warren, Massachusetts, where her remains were found 3 years later.

(17) Samantha Runnion, who was 5 years old, was abducted, sexually assaulted, and murdered in California on July 15, 2002.

SEC. 103. ESTABLISHMENT OF PROGRAM.

This Act establishes the Jacob Wetterling, Megan Nicole Kanka, and Pam Lychner Sex Offender Registration and Notification Program.

Subtitle A—Sex Offender Registration and Notification

SEC. 111. RELEVANT DEFINITIONS, INCLUDING AMIE ZYLA EXPANSION OF SEX OFFENDER DEFINITION AND EXPANDED INCLUSION OF CHILD PREDATORS.

In this title the following definitions apply:

(1) SEX OFFENDER.—The term "sex offender" means an individual who was convicted of a sex offense.

(2) TIER I SEX OFFENDER.—The term "tier I sex offender" means a sex offender other than a tier II or tier III sex offender.

(3) TIER II SEX OFFENDER.—The term "tier II sex offender" means a sex offender other than a tier III sex offender whose offense is punishable by imprisonment for more than 1 year and—

(A) is comparable to or more severe than the following offenses, when committed against a minor, or an attempt or conspiracy to commit such an offense against a minor:

(i) sex trafficking (as described in section 1591 of title 18, United States Code);

(ii) coercion and enticement (as described in section 2422(b) of title 18, United States Code);

(iii) transportation with intent to engage in criminal sexual activity (as described in section 2423(a)) of title 18, United States Code;

(iv) abusive sexual contact (as described in section 2244 of title 18, United States Code);

(B) involves—

(i) use of a minor in a sexual performance;

(ii) solicitation of a minor to practice prostitution; or

(iii) production or distribution of child pornography; or

(C) occurs after the offender becomes a tier I sex offender.

(4) TIER III SEX OFFENDER.—The term "tier III sex offender" means a sex offender whose offense is punishable by imprisonment for more than 1 year and—

(A) is comparable to or more severe than the following offenses, or an attempt or conspiracy to commit such an offense:

(i) aggravated sexual abuse or sexual abuse (as described in sections 2241 and 2242 of title 18, United States Code); or

(ii) abusive sexual contact (as described in section 2244 of title 18, United States Code) against a minor who has not attained the age of 13 years;

(B) involves kidnapping of a minor (unless committed by a parent or guardian); or

(C) occurs after the offender becomes a tier II sex offender.

(5) AMIE ZYLA EXPANSION OF SEX OFFENSE DEFINITION.—

(A) GENERALLY.—Except as limited by subparagraph (B) or (C), the term "sex offense" means—

(i) a criminal offense that has an element involving a sexual act or sexual contact with another;

(ii) a criminal offense that is a specified offense against a minor;

(iii) a Federal offense (including an offense prosecuted under section 1152 or 1153 of title 18, United States Code) under section 1591, or chapter 109A, 110 (other than section 2257, 2257A, or 2258), or 117, of title 18, United States Code;

(iv) a military offense specified by the Secretary of Defense under section 115(a)(8)(C)(i) of Public Law 105–119 (10 U.S.C. 951 note); or

(v) an attempt or conspiracy to commit an offense described in clauses (i) through (iv).

(B) FOREIGN CONVICTIONS.—A foreign conviction is not a sex offense for the purposes of this title if it was not obtained with sufficient safeguards for fundamental fairness and due process for the accused under guidelines or regulations established under section 112.

(C) OFFENSES INVOLVING CONSENSUAL SEXUAL CONDUCT.—An offense involving consensual sexual conduct is not a sex offense for the purposes of this title if the victim was an adult, unless the adult was under the custodial authority of the offender at the time of the offense, or if the victim was at least 13 years old and the offender was not more than 4 years older than the victim.

(6) CRIMINAL OFFENSE.—The term "criminal offense" means a State, local, tribal, foreign, or military offense (to the extent specified by the Secretary of Defense under section 115(a)(8)(C)(i) of Public Law 105–119 (10 U.S.C. 951 note)) or other criminal offense.

(7) EXPANSION OF DEFINITION OF "SPECIFIED OFFENSE AGAINST A MINOR" TO INCLUDE ALL OFFENSES BY CHILD PREDATORS.—The term "specified offense against a minor" means an offense against a minor that involves any of the following:

(A) An offense (unless committed by a parent or guardian) involving kidnapping.

(B) An offense (unless committed by a parent or guardian) involving false imprisonment.

(C) Solicitation to engage in sexual conduct.

(D) Use in a sexual performance.

(E) Solicitation to practice prostitution.

(F) Video voyeurism as described in section 1801 of title 18, United States Code.

(G) Possession, production, or distribution of child pornography.

(H) Criminal sexual conduct involving a minor, or the use of the Internet to facilitate or attempt such conduct.

(I) Any conduct that by its nature is a sex offense against a minor.

(8) CONVICTED AS INCLUDING CERTAIN JUVENILE ADJUDICATIONS.—The term "convicted" or a variant thereof, used with respect to a sex offense, includes adjudicated delinquent as a juvenile for that offense, but only if the offender is 14 years of age or older at the time of the offense and the offense adjudicated was comparable to or more severe than aggravated sexual abuse (as described in section 2241 of title 18, United States Code), or was an attempt or conspiracy to commit such an offense.

(9) SEX OFFENDER REGISTRY.—The term "sex offender registry" means a registry of sex offenders, and a notification program, maintained by a jurisdiction.

(10) JURISDICTION.—The term "jurisdiction" means any of the following:

(A) A State.

(B) The District of Columbia.

(C) The Commonwealth of Puerto Rico.

(D) Guam.

(E) American Samoa.

(F) The Northern Mariana Islands.

(G) The United States Virgin Islands.

(H) To the extent provided and subject to the requirements of section 127, a federally recognized Indian tribe.

(11) STUDENT.—The term "student" means an individual who enrolls in or attends an educational institution, including (whether public

or private) a secondary school, trade or professional school, and institution of higher education.

(12) EMPLOYEE.—The term "employee" includes an individual who is self-employed or works for any other entity, whether compensated or not.

(13) RESIDES.—The term "resides" means, with respect to an individual, the location of the individual's home or other place where the individual habitually lives.

(14) MINOR.—The term "minor" means an individual who has not attained the age of 18 years.

SEC. 112. REGISTRY REQUIREMENTS FOR JURISDICTIONS.

(a) JURISDICTION TO MAINTAIN A REGISTRY.—Each jurisdiction shall maintain a jurisdiction-wide sex offender registry conforming to the requirements of this title.

(b) GUIDELINES AND REGULATIONS.—The Attorney General shall issue guidelines and regulations to interpret and implement this title.

SEC. 113. REGISTRY REQUIREMENTS FOR SEX OFFENDERS.

(a) IN GENERAL.—A sex offender shall register, and keep the registration current, in each jurisdiction where the offender resides, where the offender is an employee, and where the offender is a student. For initial registration purposes only, a sex offender shall also register in the jurisdiction in which convicted if such jurisdiction is different from the jurisdiction of residence.

(b) INITIAL REGISTRATION.—The sex offender shall initially register—

(1) before completing a sentence of imprisonment with respect to the offense giving rise to the registration requirement; or

(2) not later than 3 business days after being sentenced for that offense, if the sex offender is not sentenced to a term of imprisonment.

(c) KEEPING THE REGISTRATION CURRENT.—A sex offender shall, not later than 3 business days after each change of name, residence, employment, or student status, appear in person in at least 1 jurisdiction involved pursuant to subsection (a) and inform that jurisdiction of all changes in the information required for that offender in the sex offender registry. That jurisdiction shall immediately provide that information to all other jurisdictions in which the offender is required to register.

(d) INITIAL REGISTRATION OF SEX OFFENDERS UNABLE TO COMPLY WITH SUBSECTION (b).—The Attorney General shall have the authority to specify the applicability of the requirements of this title to sex offenders convicted before the enactment of this Act or its implementation in a particular jurisdiction, and to prescribe rules for the registration of any such sex offenders and for other categories of sex offenders who are unable to comply with subsection (b).

(e) STATE PENALTY FOR FAILURE TO COMPLY.—Each jurisdiction, other than a Federally recognized Indian tribe, shall provide a criminal penalty that includes a maximum term of imprisonment that is greater than 1 year for the failure of a sex offender to comply with the requirements of this title.

SEC. 114. INFORMATION REQUIRED IN REGISTRATION.

(a) PROVIDED BY THE OFFENDER.—The sex offender shall provide the following information to the appropriate official for inclusion in the sex offender registry:

(1) The name of the sex offender (including any alias used by the individual).

(2) The Social Security number of the sex offender.

(3) The address of each residence at which the sex offender resides or will reside.

(4) The name and address of any place where the sex offender is an employee or will be an employee.

(5) The name and address of any place where the sex offender is a student or will be a student.

(6) The license plate number and a description of any vehicle owned or operated by the sex offender.

(7) Any other information required by the Attorney General.

(b) PROVIDED BY THE JURISDICTION.—The jurisdiction in which the sex offender registers shall ensure that the following information is included in the registry for that sex offender:

(1) A physical description of the sex offender.

(2) The text of the provision of law defining the criminal offense for which the sex offender is registered.

(3) The criminal history of the sex offender, including the date of all arrests and convictions; the status of parole, probation, or supervised release; registration status; and the existence of any outstanding arrest warrants for the sex offender.

(4) A current photograph of the sex offender.

(5) A set of fingerprints and palm prints of the sex offender.

(6) A DNA sample of the sex offender.

(7) A photocopy of a valid driver's license or identification card issued to the sex offender by a jurisdiction.

(8) Any other information required by the Attorney General.

SEC. 115. DURATION OF REGISTRATION REQUIREMENT.

(a) FULL REGISTRATION PERIOD.—A sex offender shall keep the registration current for the full registration period (excluding any time the sex offender is in custody or civilly committed) unless the offender is allowed a reduction under subsection (b). The full registration period is—

(1) 15 years, if the offender is a tier I sex offender;

(2) 25 years, if the offender is a tier II sex offender; and

(3) the life of the offender, if the offender is a tier III sex offender.

(b) REDUCED PERIOD FOR CLEAN RECORD.—

(1) CLEAN RECORD.—The full registration period shall be reduced as described in paragraph (3) for a sex offender who maintains a clean record for the period described in paragraph (2) by—

(A) not being convicted of any offense for which imprisonment for more than 1 year may be imposed;

(B) not being convicted of any sex offense;

(C) successfully completing any periods of supervised release, probation, and parole; and

(D) successfully completing of an appropriate sex offender treatment program certified by a jurisdiction or by the Attorney General.

(2) PERIOD.—In the case of—

(A) a tier I sex offender, the period during which the clean record shall be maintained is 10 years; and

(B) a tier III sex offender adjudicated delinquent for the offense which required registration in a sex registry under this title, the period during which the clean record shall be maintained is 25 years.

(3) REDUCTION.—In the case of—

(A) a tier I sex offender, the reduction is 5 years;

(B) a tier III sex offender adjudicated delinquent, the reduction is from life to that period for which the clean record under paragraph (2) is maintained.

SEC. 116. PERIODIC IN PERSON VERIFICATION.

A sex offender shall appear in person, allow the jurisdiction to take a current photograph, and verify the information in each registry in which that offender is required to be registered not less frequently than—

(1) each year, if the offender is a tier I sex offender;

(2) every 6 months, if the offender is a tier II sex offender; and

(3) every 3 months, if the offender is a tier III sex offender.

SEC. 117. DUTY TO NOTIFY SEX OFFENDERS OF REGISTRATION REQUIREMENTS AND TO REGISTER.

(a) IN GENERAL.—An appropriate official shall, shortly before release of the sex offender from custody, or, if the sex offender is not in custody, immediately after the sentencing of the sex offender, for the offense giving rise to the duty to register—

(1) inform the sex offender of the duties of a sex offender under this title and explain those duties;

(2) require the sex offender to read and sign a form stating that the duty to register has been explained and that the sex offender understands the registration requirement; and

(3) ensure that the sex offender is registered.

(b) NOTIFICATION OF SEX OFFENDERS WHO CANNOT COMPLY WITH SUBSECTION (a).—The Attorney General shall prescribe rules for the notification of sex offenders who cannot be registered in accordance with subsection (a).

SEC. 118. PUBLIC ACCESS TO SEX OFFENDER INFORMATION THROUGH THE INTERNET.

(a) IN GENERAL.—Except as provided in this section, each jurisdiction shall make available on the Internet, in a manner that is readily accessible to all jurisdictions and to the public, all information about each sex offender in the registry. The jurisdiction shall maintain the Internet site in a manner that will permit the public to obtain relevant information for each sex offender by a single query for any given zip code or geographic radius set by the user. The jurisdiction shall also include in the design of its Internet site all field search capabilities needed for full participation in the Dru Sjodin National Sex Offender Public Website and shall participate in that website as provided by the Attorney General.

(b) MANDATORY EXEMPTIONS.—A jurisdiction shall exempt from disclosure—

(1) the identity of any victim of a sex offense;

(2) the Social Security number of the sex offender;

(3) any reference to arrests of the sex offender that did not result in conviction; and

(4) any other information exempted from disclosure by the Attorney General.

(c) OPTIONAL EXEMPTIONS.—A jurisdiction may exempt from disclosure—

(1) any information about a tier I sex offender convicted of an offense other than a specified offense against a minor;

(2) the name of an employer of the sex offender;

(3) the name of an educational institution where the sex offender is a student; and

(4) any other information exempted from disclosure by the Attorney General.

(d) LINKS.—The site shall include, to the extent practicable, links to sex offender safety and education resources.

(e) CORRECTION OF ERRORS.—The site shall include instructions on how to seek correction of information that an individual contends is erroneous.

(f) WARNING.—The site shall include a warning that information on the site should not be used to unlawfully injure, harass, or commit a crime against any individual named in the registry or residing or working at any reported address. The warning shall note that any such action could result in civil or criminal penalties.

SEC. 119. NATIONAL SEX OFFENDER REGISTRY.

(a) INTERNET.—The Attorney General shall maintain a national database at the Federal Bureau of Investigation for each sex offender and any other person required to register in a

jurisdiction's sex offender registry. The database shall be known as the National Sex Offender Registry.

(b) ELECTRONIC FORWARDING.—The Attorney General shall ensure (through the National Sex Offender Registry or otherwise) that updated information about a sex offender is immediately transmitted by electronic forwarding to all relevant jurisdictions.

SEC. 120. DRU SJODIN NATIONAL SEX OFFENDER PUBLIC WEBSITE.

(a) ESTABLISHMENT.—There is established the Dru Sjodin National Sex Offender Public Website (hereinafter in this section referred to as the "Website"), which the Attorney General shall maintain.

(b) INFORMATION TO BE PROVIDED.—The Website shall include relevant information for each sex offender and other person listed on a jurisdiction's Internet site. The Website shall allow the public to obtain relevant information for each sex offender by a single query for any given zip code or geographical radius set by the user in a form and with such limitations as may be established by the Attorney General and shall have such other field search capabilities as the Attorney General may provide.

SEC. 121. MEGAN NICOLE KANKA AND ALEXANDRA NICOLE ZAPP COMMUNITY NOTIFICATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—There is established the Megan Nicole Kanka and Alexandra Nicole Zapp Community Notification Program (hereinafter in this section referred to as the "Program").

(b) PROGRAM NOTIFICATION.—Except as provided in subsection (c), immediately after a sex offender registers or updates a registration, an appropriate official in the jurisdiction shall provide the information in the registry (other than information exempted from disclosure by the Attorney General) about that offender to the following:

(1) The Attorney General, who shall include that information in the National Sex Offender Registry or other appropriate databases.

(2) Appropriate law enforcement agencies (including probation agencies, if appropriate), and each school and public housing agency, in each area in which the individual resides, is an employee or is a student.

(3) Each jurisdiction where the sex offender resides, is an employee, or is a student, and each jurisdiction from or to which a change of residence, employment, or student status occurs.

(4) Any agency responsible for conducting employment-related background checks under section 3 of the National Child Protection Act of 1993 (42 U.S.C. 5119a).

(5) Social service entities responsible for protecting minors in the child welfare system.

(6) Volunteer organizations in which contact with minors or other vulnerable individuals might occur.

(7) Any organization, company, or individual who requests such notification pursuant to procedures established by the jurisdiction.

(c) FREQUENCY.—Notwithstanding subsection (b), an organization or individual described in subsection (b)(6) or (b)(7) may opt to receive the notification described in that subsection no less frequently than once every five business days.

SEC. 122. ACTIONS TO BE TAKEN WHEN SEX OFFENDER FAILS TO COMPLY.

An appropriate official shall notify the Attorney General and appropriate law enforcement agencies of any failure by a sex offender to comply with the requirements of a registry and revise the jurisdiction's registry to reflect the nature of that failure. The appropriate official, the Attorney General, and each such law enforcement agency shall take any appropriate action to ensure compliance.

SEC. 123. DEVELOPMENT AND AVAILABILITY OF REGISTRY MANAGEMENT AND WEBSITE SOFTWARE.

(a) DUTY TO DEVELOP AND SUPPORT.—The Attorney General shall, in consultation with the jurisdictions, develop and support software to enable jurisdictions to establish and operate uniform sex offender registries and Internet sites.

(b) CRITERIA.—The software should facilitate—

(1) immediate exchange of information among jurisdictions;

(2) public access over the Internet to appropriate information, including the number of registered sex offenders in each jurisdiction on a current basis;

(3) full compliance with the requirements of this title; and

(4) communication of information to community notification program participants as required under section 121.

(c) DEADLINE.—The Attorney General shall make the first complete edition of this software available to jurisdictions within 2 years of the date of the enactment of this Act.

SEC. 124. PERIOD FOR IMPLEMENTATION BY JURISDICTIONS.

(a) DEADLINE.—Each jurisdiction shall implement this title before the later of—

(1) 3 years after the date of the enactment of this Act; and

(2) 1 year after the date on which the software described in section 123 is available.

(b) EXTENSIONS.—The Attorney General may authorize up to two 1-year extensions of the deadline.

SEC. 125. FAILURE OF JURISDICTION TO COMPLY.

(a) IN GENERAL.—For any fiscal year after the end of the period for implementation, a jurisdiction that fails, as determined by the Attorney General, to substantially implement this title shall not receive 10 percent of the funds that would otherwise be allocated for that fiscal year to the jurisdiction under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750 et seq.).

(b) STATE CONSTITUTIONALITY.—

(1) IN GENERAL.—When evaluating whether a jurisdiction has substantially implemented this title, the Attorney General shall consider whether the jurisdiction is unable to substantially implement this title because of a demonstrated inability to implement certain provisions that would place the jurisdiction in violation of its constitution, as determined by a ruling of the jurisdiction's highest court.

(2) EFFORTS.—If the circumstances arise under paragraph (1), then the Attorney General and the jurisdiction shall make good faith efforts to accomplish substantial implementation of this title and to reconcile any conflicts between this title and the jurisdiction's constitution. In considering whether compliance with the requirements of this title would likely violate the jurisdiction's constitution or an interpretation thereof by the jurisdiction's highest court, the Attorney General shall consult with the chief executive and chief legal officer of the jurisdiction concerning the jurisdiction's interpretation of the jurisdiction's constitution and rulings thereon by the jurisdiction's highest court.

(3) ALTERNATIVE PROCEDURES.—If the jurisdiction is unable to substantially implement this title because of a limitation imposed by the jurisdiction's constitution, the Attorney General may determine that the jurisdiction is in compliance with this Act if the jurisdiction has made, or is in the process of implementing reasonable alternative procedures or accommodations, which are consistent with the purposes of this Act.

(4) FUNDING REDUCTION.—If a jurisdiction does not comply with paragraph (3), then the jurisdiction shall be subject to a funding reduction as specified in subsection (a).

(c) REALLOCATION.—Amounts not allocated under a program referred to in this section to a jurisdiction for failure to substantially implement this title shall be reallocated under that program to jurisdictions that have not failed to substantially implement this title or may be reallocated to a jurisdiction from which they were withheld to be used solely for the purpose of implementing this title.

(d) RULE OF CONSTRUCTION.—The provisions of this title that are cast as directions to jurisdictions or their officials constitute, in relation to States, only conditions required to avoid the reduction of Federal funding under this section.

SEC. 126. SEX OFFENDER MANAGEMENT ASSISTANCE (SOMA) PROGRAM.

(a) IN GENERAL.—The Attorney General shall establish and implement a Sex Offender Management Assistance program (in this title referred to as the "SOMA program"), under which the Attorney General may award a grant to a jurisdiction to offset the costs of implementing this title.

(b) APPLICATION.—The chief executive of a jurisdiction desiring a grant under this section shall, on an annual basis, submit to the Attorney General an application in such form and containing such information as the Attorney General may require.

(c) BONUS PAYMENTS FOR PROMPT COMPLIANCE.—A jurisdiction that, as determined by the Attorney General, has substantially implemented this title not later than 2 years after the date of the enactment of this Act is eligible for a bonus payment. The Attorney General may make such a payment under the SOMA program for the first fiscal year beginning after that determination. The amount of the payment shall be—

(1) 10 percent of the total received by the jurisdiction under the SOMA program for the preceding fiscal year, if that implementation is not later than 1 year after the date of enactment of this Act; and

(2) 5 percent of such total, if not later than 2 years after that date.

(d) AUTHORIZATION OF APPROPRIATIONS.—In addition to any amounts otherwise authorized to be appropriated, there are authorized to be appropriated such sums as may be necessary to the Attorney General, to be available only for the SOMA program, for fiscal years 2007 through 2009.

SEC. 127. ELECTION BY INDIAN TRIBES.

(a) ELECTION.—

(1) IN GENERAL.—A federally recognized Indian tribe may, by resolution or other enactment of the tribal council or comparable governmental body—

(A) elect to carry out this subtitle as a jurisdiction subject to its provisions; or

(B) elect to delegate its functions under this subtitle to another jurisdiction or jurisdictions within which the territory of the tribe is located and to provide access to its territory and such other cooperation and assistance as may be needed to enable such other jurisdiction or jurisdictions to carry out and enforce the requirements of this subtitle.

(2) IMPUTED ELECTION IN CERTAIN CASES.—A tribe shall be treated as if it had made the election described in paragraph (1)(B) if—

(A) it is a tribe subject to the law enforcement jurisdiction of a State under section 1162 of title 18, United States Code;

(B) the tribe does not make an election under paragraph (1) within 1 year of the enactment of this Act or rescinds an election under paragraph (1)(A); or

(C) the Attorney General determines that the tribe has not substantially implemented the requirements of this subtitle and is not likely to

become capable of doing so within a reasonable amount of time.

(b) COOPERATION BETWEEN TRIBAL AUTHORITIES AND OTHER JURISDICTIONS.—

(1) NONDUPLICATION.—A tribe subject to this subtitle is not required to duplicate functions under this subtitle which are fully carried out by another jurisdiction or jurisdictions within which the territory of the tribe is located.

(2) COOPERATIVE AGREEMENTS.—A tribe may, through cooperative agreements with such a jurisdiction or jurisdictions—

(A) arrange for the tribe to carry out any function of such a jurisdiction under this subtitle with respect to sex offenders subject to the tribe's jurisdiction; and

(B) arrange for such a jurisdiction to carry out any function of the tribe under this subtitle with respect to sex offenders subject to the tribe's jurisdiction.

SEC. 128. REGISTRATION OF SEX OFFENDERS ENTERING THE UNITED STATES.

The Attorney General, in consultation with the Secretary of State and the Secretary of Homeland Security, shall establish and maintain a system for informing the relevant jurisdictions about persons entering the United States who are required to register under this title. The Secretary of State and the Secretary of Homeland Security shall provide such information and carry out such functions as the Attorney General may direct in the operation of the system.

SEC. 129. REPEAL OF PREDECESSOR SEX OFFENDER PROGRAM.

(a) REPEAL.—Sections 170101 (42 U.S.C. 14071) and 170102 (42 U.S.C. 14072) of the Violent Crime Control and Law Enforcement Act of 1994, and section 8 of the Pam Lychner Sexual Offender Tracking and Identification Act of 1996 (42 U.S.C. 14073), are repealed.

(b) EFFECTIVE DATE.—Notwithstanding any other provision of this Act, this section shall take effect on the date of the deadline determined in accordance with section 124(a).

SEC. 130. LIMITATION ON LIABILITY FOR THE NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN.

Section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032) is amended by adding at the end the following:

"(g) LIMITATION ON LIABILITY.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the National Center for Missing and Exploited Children, including any of its directors, officers, employees, or agents, is not liable in any civil or criminal action arising from the performance of its CyberTipline responsibilities and functions, as defined by this section, or from its efforts to identify child victims.

"(2) INTENTIONAL, RECKLESS, OR OTHER MISCONDUCT.—Paragraph (1) does not apply in an action in which a party proves that the National Center for Missing and Exploited Children, or its officer, employee, or agent as the case may be, engaged in intentional misconduct or acted, or failed to act, with actual malice, with reckless disregard to a substantial risk of causing injury without legal justification, or for a purpose unrelated to the performance of responsibilities or functions under this section.

"(3) ORDINARY BUSINESS ACTIVITIES.—Paragraph (1) does not apply to an act or omission related to an ordinary business activity, such as an activity involving general administration or operations, the use of motor vehicles, or personnel management.".

SEC. 131. IMMUNITY FOR GOOD FAITH CONDUCT.

The Federal Government, jurisdictions, political subdivisions of jurisdictions, and their agencies, officers, employees, and agents shall be immune from liability for good faith conduct under this title.

Subtitle B—Improving Federal Criminal Law Enforcement To Ensure Sex Offender Compliance With Registration and Notification Requirements and Protection of Children From Violent Predators

SEC. 141. AMENDMENTS TO TITLE 18, UNITED STATES CODE, RELATING TO SEX OFFENDER REGISTRATION.

(a) CRIMINAL PENALTIES FOR NONREGISTRATION.—

(1) IN GENERAL.—Part I of title 18, United States Code, is amended by inserting after chapter 109A the following:

"CHAPTER 109B—SEX OFFENDER AND CRIMES AGAINST CHILDREN REGISTRY

"Sec.
"2250. Failure to register.

"§2250. Failure to register

"(a) IN GENERAL.—Whoever—

"(1) is required to register under the Sex Offender Registration and Notification Act;

"(2)(A) is a sex offender as defined for the purposes of the Sex Offender Registration and Notification Act by reason of a conviction under Federal law (including the Uniform Code of Military Justice), the law of the District of Columbia, Indian tribal law, or the law of any territory or possession of the United States; or

"(B) travels in interstate or foreign commerce, or enters or leaves, or resides in, Indian country; and

"(3) knowingly fails to register or update a registration as required by the Sex Offender Registration and Notification Act;

shall be fined under this title or imprisoned not more than 10 years, or both.

"(b) AFFIRMATIVE DEFENSE.—In a prosecution for a violation under subsection (a), it is an affirmative defense that—

"(1) uncontrollable circumstances prevented the individual from complying;

"(2) the individual did not contribute to the creation of such circumstances in reckless disregard of the requirement to comply; and

"(3) the individual complied as soon as such circumstances ceased to exist.

"(c) CRIME OF VIOLENCE.—

"(1) IN GENERAL.—An individual described in subsection (a) who commits a crime of violence under Federal law (including the Uniform Code of Military Justice), the law of the District of Columbia, Indian tribal law, or the law of any territory or possession of the United States shall be imprisoned for not less than 5 years and not more than 30 years.

"(2) ADDITIONAL PUNISHMENT.—The punishment provided in paragraph (1) shall be in addition and consecutive to the punishment provided for the violation described in subsection (a).".

(2) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 109A the following:

"109B. Sex offender and crimes against children registry .... 2250".

(b) DIRECTIVE TO THE UNITED STATES SENTENCING COMMISSION.—In promulgating guidelines for use of a sentencing court in determining the sentence to be imposed for the offense specified in subsection (a), the United States Sentencing Commission shall consider the following matters, in addition to the matters specified in section 994 of title 28, United States Code:

(1) Whether the person committed another sex offense in connection with, or during, the period for which the person failed to register.

(2) Whether the person committed an offense against a minor in connection with, or during, the period for which the person failed to register.

(3) Whether the person voluntarily attempted to correct the failure to register.

(4) The seriousness of the offense which gave rise to the requirement to register, including whether such offense is a tier I, tier II, or tier III offense, as those terms are defined in section 111.

(5) Whether the person has been convicted or adjudicated delinquent for any offense other than the offense which gave rise to the requirement to register.

(c) FALSE STATEMENT OFFENSE.—Section 1001(a) of title 18, United States Code, is amended by adding at the end the following: "If the matter relates to an offense under chapter 109A, 109B, 110, or 117, or section 1591, then the term of imprisonment imposed under this section shall be not more than 8 years.".

(d) PROBATION.—Paragraph (8) of section 3563(a) of title 18, United States Code, is amended to read as follows:

"(8) for a person required to register under the Sex Offender Registration and Notification Act, that the person comply with the requirements of that Act; and".

(e) SUPERVISED RELEASE.—Section 3583 of title 18, United States Code, is amended—

(1) in subsection (d), in the sentence beginning with "The court shall order, as an explicit condition of supervised release for a person described in section 4042(c)(4)", by striking "described in section 4042(c)(4)" and all that follows through the end of the sentence and inserting "required to register under the Sex Offender Registration and Notification Act, that the person comply with the requirements of that Act.".

(2) in subsection (k)—

(A) by striking "2244(a)(1), 2244(a)(2)" and inserting "2243, 2244, 2245, 2250";

(B) by inserting "not less than 5," after "any term of years"; and

(C) by adding at the end the following: "If a defendant required to register under the Sex Offender Registration and Notification Act commits any criminal offense under any of chapters 109A, 110, or 117, or sections 1201 or 1591, for which imprisonment for a term longer than 1 year can be imposed, the court shall revoke the term of supervised release and require the defendant to serve a term of imprisonment under subsection (e)(3) without regard to the exception contained therein. Such term shall be not less than 5 years.".

(f) DUTIES OF THE BUREAU OF PRISONS.—Paragraph (3) of section 4042(c) of title 18, United States Code, is amended to read as follows:

"(3) The Director of the Bureau of Prisons shall inform a person who is released from prison and required to register under the Sex Offender Registration and Notification Act of the requirements of that Act as they apply to that person and the same information shall be provided to a person sentenced to probation by the probation officer responsible for supervision of that person.".

(g) CONFORMING AMENDMENTS TO CROSS-REFERENCES.—Section 4042(c) of title 18, United States Code, is amended—

(1) in paragraph (1), by striking "(4)" and inserting "(3), or any other person in a category specified by the Attorney General,"; and

(2) in paragraph (2)—

(A) in the first sentence, by striking "shall be subject to a registration requirement as a sex offender" and inserting "shall register as required by the Sex Offender Registration and Notification Act"; and

(B) in the fourth sentence, by striking "(4)" and inserting "(3)".

(h) CONFORMING REPEAL OF DEADWOOD.—Paragraph (4) of section 4042(c) of title 18, United States Code, is repealed.

(i) MILITARY OFFENSES.—

(1) Section 115(a)(8)(C)(i) of Public Law 105–119 (111 Stat. 2466) is amended by striking

"which encompass" and all that follows through "and (B))" and inserting "which are sex offenses as that term is defined in the Sex Offender Registration and Notification Act".

(2) Section 115(a)(8)(C)(iii) of Public Law 105–119 (111 Stat. 2466; 10 U.S.C. 951 note) is amended by striking "the amendments made by subparagraphs (A) and (B)" and inserting "the Sex Offender Registration and Notification Act".

(j) Conforming Amendment Relating To Parole.—Section 4209(a) of title 18, United States Code, is amended in the second sentence by striking "described" and all that follows through the end of the sentence and inserting "required to register under the Sex Offender Registration and Notification Act that the person comply with the requirements of that Act.".

SEC. 142. FEDERAL ASSISTANCE WITH RESPECT TO VIOLATIONS OF REGISTRATION REQUIREMENTS.

(a) In General.—The Attorney General shall use the resources of Federal law enforcement, including the United States Marshals Service, to assist jurisdictions in locating and apprehending sex offenders who violate sex offender registration requirements. For the purposes of section 566(e)(1)(B) of title 28, United States Code, a sex offender who violates a sex offender registration requirement shall be deemed a fugitive.

(b) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary for fiscal years 2007 through 2009 to implement this section.

SEC. 143. PROJECT SAFE CHILDHOOD.

(a) Establishment of Program.—Not later than 6 months after the date of enactment of this Act, the Attorney General shall create and maintain a Project Safe Childhood program in accordance with this section.

(b) Initial Implementation.—Except as authorized under subsection (c), funds authorized under this section may only be used for the following 5 purposes:

(1) Integrated Federal, State, and local efforts to investigate and prosecute child exploitation cases, including—

(A) the partnership by each United States Attorney with each Internet Crimes Against Children Task Force that is a part of the Internet Crimes Against Children Task Force Program authorized and funded under title IV of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5771 et seq.) (referred to in this section as the "ICAC Task Force Program") that exists within the district of such attorney;

(B) the partnership by each United States Attorney with other Federal, State, and local law enforcement partners working in the district of such attorney to implement the program described in subsection (a);

(C) the development by each United States Attorney of a district-specific strategic plan to coordinate the investigation and prosecution of child exploitation crimes;

(D) efforts to identify and rescue victims of child exploitation crimes; and

(E) local training, educational, and awareness programs of such crimes.

(2) Major case coordination by the Department of Justice (or other Federal agencies as appropriate), including specific integration or cooperation, as appropriate, of—

(A) the Child Exploitation and Obscenity Section within the Department of Justice;

(B) the Innocent Images Unit of the Federal Bureau of Investigation;

(C) any task forces established in connection with the Project Safe Childhood program set forth under subsection (a); and

(D) the High Tech Investigative Unit within the Criminal Division of the Department of Justice.

(3) Increased Federal involvement in child pornography and enticement cases by providing additional investigative tools and increased penalties under Federal law.

(4) Training of Federal, State, and local law enforcement through programs facilitated by—

(A) the National Center for Missing and Exploited Children;

(B) the ICAC Task Force Program; and

(C) any other ongoing program regarding the investigation and prosecution of computer-facilitated crimes against children, including training and coordination regarding leads from—

(i) Federal law enforcement operations; and

(ii) the CyberTipline and Child Victim-Identification programs managed and maintained by the National Center for Missing and Exploited Children.

(5) Community awareness and educational programs through partnerships to provide national public awareness and educational programs through—

(A) the National Center for Missing and Exploited Children;

(B) the ICAC Task Force Program; and

(C) any other ongoing programs that—

(i) raises national awareness about the threat of online sexual predators; or

(ii) provides information to parents and children seeking to report possible violations of computer-facilitated crimes against children.

(c) Expansion of Project Safe Childhood.—Notwithstanding subsection (b), funds authorized under this section may be also be used for the following purposes:

(1) The addition of not less than 8 Assistant United States Attorneys at the Department of Justice dedicated to the prosecution of cases in connection with the Project Safe Childhood program set forth under subsection (a).

(2) The creation, development, training, and deployment of not less than 10 new Internet Crimes Against Children task forces within the ICAC Task Force Program consisting of Federal, State, and local law enforcement personnel dedicated to the Project Safe Childhood program set forth under subsection (a), and the enhancement of the forensic capacities of existing Internet Crimes Against Children task forces.

(3) The development and enhancement by the Federal Bureau of Investigation of the Innocent Images task forces.

(4) Such other additional and related purposes as the Attorney General determines appropriate.

(d) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated—

(1) for the activities described under subsection (b)—

(A) $18,000,000 for fiscal year 2007; and

(B) such sums as may be necessary for each of the 5 succeeding fiscal years; and

(2) for the activities described under subsection (c)—

(A) for fiscal year 2007—

(i) $15,000,000 for the activities under paragraph (1);

(ii) $10,000,000 for activities under paragraph (2); and

(iii) $4,000,000 for activities under paragraph (3); and

(B) such sums as may be necessary for each of the 5 succeeding fiscal years.

SEC. 144. FEDERAL ASSISTANCE IN IDENTIFICATION AND LOCATION OF SEX OFFENDERS RELOCATED AS A RESULT OF A MAJOR DISASTER.

The Attorney General shall provide assistance to jurisdictions in the identification and location of a sex offender relocated as a result of a major disaster.

SEC. 145. EXPANSION OF TRAINING AND TECHNOLOGY EFFORTS.

(a) Training.—The Attorney General shall—

(1) expand training efforts with Federal, State, and local law enforcement officers and prosecutors to effectively respond to the threat to children and the public posed by sex offenders who use the Internet and technology to solicit or otherwise exploit children;

(2) facilitate meetings involving corporations that sell computer hardware and software or provide services to the general public related to use of the Internet, to identify problems associated with the use of technology for the purpose of exploiting children;

(3) host national conferences to train Federal, State, and local law enforcement officers, probation and parole officers, and prosecutors regarding pro-active approaches to monitoring sex offender activity on the Internet;

(4) develop and distribute, for personnel listed in paragraph (3), information regarding multidisciplinary approaches to holding offenders accountable to the terms of their probation, parole, and sex offender registration laws; and

(5) partner with other agencies to improve the coordination of joint investigations among agencies to effectively combat online solicitation of children by sex offenders.

(b) Technology.—The Attorney General shall—

(1) deploy, to all Internet Crimes Against Children Task Forces and their partner agencies, technology modeled after the Canadian Child Exploitation Tracking System; and

(2) conduct training in the use of that technology.

(c) Report.—Not later than July 1, 2007, the Attorney General, shall submit to Congress a report on the activities carried out under this section. The report shall include any recommendations that the Attorney General considers appropriate.

(d) Authorization of Appropriations.—There are authorized to be appropriated to the Attorney General, for fiscal year 2007—

(1) $1,000,000 to carry out subsection (a); and

(2) $2,000,000 to carry out subsection (b).

SEC. 146. OFFICE OF SEX OFFENDER SENTENCING, MONITORING, APPREHENDING, REGISTERING, AND TRACKING.

(a) Establishment.—There is established within the Department of Justice, under the general authority of the Attorney General, an Office of Sex Offender Sentencing, Monitoring, Apprehending, Registering, and Tracking (hereinafter in this section referred to as the "SMART Office").

(b) Director.—The SMART Office shall be headed by a Director who shall be appointed by the President. The Director shall report to the Attorney General through the Assistant Attorney General for the Office of Justice Programs and shall have final authority for all grants, cooperative agreements, and contracts awarded by the SMART Office. The Director shall not engage in any employment other than that of serving as the Director, nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Office makes any contract or other arrangement.

(c) Duties and Functions.—The SMART Office is authorized to—

(1) administer the standards for the sex offender registration and notification program set forth in this Act;

(2) administer grant programs relating to sex offender registration and notification authorized by this Act and other grant programs authorized by this Act as directed by the Attorney General;

(3) cooperate with and provide technical assistance to States, units of local government, tribal governments, and other public and private entities involved in activities related to sex offender registration or notification or to other measures for the protection of children or other members of the public from sexual abuse or exploitation; and

(4) perform such other functions as the Attorney General may delegate.

Subtitle C—Access to Information and Resources Needed To Ensure That Children Are Not Attacked or Abused

SEC. 151. ACCESS TO NATIONAL CRIME INFORMATION DATABASES.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Attorney General shall ensure access to the national crime information databases (as defined in section 534 of title 28, United States Code) by—

(1) the National Center for Missing and Exploited Children, to be used only within the scope of the Center's duties and responsibilities under Federal law to assist or support law enforcement agencies in administration of criminal justice functions; and

(2) governmental social service agencies with child protection responsibilities, to be used by such agencies only in investigating or responding to reports of child abuse, neglect, or exploitation.

(b) CONDITIONS OF ACCESS.—The access provided under this section, and associated rules of dissemination, shall be—

(1) defined by the Attorney General; and

(2) limited to personnel of the Center or such agencies that have met all requirements set by the Attorney General, including training, certification, and background screening.

SEC. 152. REQUIREMENT TO COMPLETE BACKGROUND CHECKS BEFORE APPROVAL OF ANY FOSTER OR ADOPTIVE PLACEMENT AND TO CHECK NATIONAL CRIME INFORMATION DATABASES AND STATE CHILD ABUSE REGISTRIES; SUSPENSION AND SUBSEQUENT ELIMINATION OF OPT-OUT.

(a) REQUIREMENT TO COMPLETE BACKGROUND CHECKS BEFORE APPROVAL OF ANY FOSTER OR ADOPTIVE PLACEMENT AND TO CHECK NATIONAL CRIME INFORMATION DATABASES AND STATE CHILD ABUSE REGISTRIES; SUSPENSION OF OPT-OUT.—

(1) REQUIREMENT TO CHECK NATIONAL CRIME INFORMATION DATABASES AND STATE CHILD ABUSE REGISTRIES.—Section 471(a)(20) of the Social Security Act (42 U.S.C. 671(a)(20)) is amended—

(A) in subparagraph (A)—

(i) in the matter preceding clause (I)—

(I) by inserting ", including fingerprint-based checks of national crime information databases (as defined in section 534(e)(3)(A) of title 28, United States Code)," after "criminal records checks"; and

(II) by striking "on whose behalf foster care maintenance payments or adoption assistance payments are to be made" and inserting "regardless of whether foster care maintenance payments or adoption assistance payments are to be made on behalf of the child"; and

(ii) in each of clauses (i) and (ii), by inserting "involving a child on whose behalf such payments are to be so made" after "in any case"; and

(B) by adding at the end the following:

"(C) provides that the State shall—

"(i) check any child abuse and neglect registry maintained by the State for information on any prospective foster or adoptive parent and on any other adult living in the home of such a prospective parent, and request any other State in which any such prospective parent or other adult has resided in the preceding 5 years, to enable the State to check any child abuse and neglect registry maintained by such other State for such information, before the prospective foster or adoptive parent may be finally approved for placement of a child, regardless of whether foster care maintenance payments or adoption assistance payments are to be made on behalf of the child under the State plan under this part;

"(ii) comply with any request described in clause (i) that is received from another State; and

"(iii) have in place safeguards to prevent the unauthorized disclosure of information in any child abuse and neglect registry maintained by the State, and to prevent any such information obtained pursuant to this subparagraph from being used for a purpose other than the conducting of background checks in foster or adoptive placement cases;".

(2) SUSPENSION OF OPT-OUT.—Section 471(a)(20)(B) of such Act (42 U.S.C. 671(a)(20)(B)) is amended—

(A) by inserting ", on or before September 30, 2005," after "plan if"; and

(B) by inserting ", on or before such date," after "or if".

(b) ELIMINATION OF OPT-OUT.—Section 471(a)(20) of such Act (42 U.S.C. 671(a)(20)), as amended by subsection (a) of this section, is amended—

(1) in subparagraph (A), in the matter preceding clause (i), by striking "unless an election provided for in subparagraph (B) is made with respect to the State,"; and

(2) by striking subparagraph (B) and redesignating subparagraph (C) as subparagraph (B).

(c) EFFECTIVE DATE.—

(1) GENERAL.—The amendments made by subsection (a) shall take effect on October 1, 2006, and shall apply with respect to payments under part E of title IV of the Social Security Act for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

(2) ELIMINATION OF OPT-OUT.—The amendments made by subsection (b) shall take effect on October 1, 2008, and shall apply with respect to payments under part E of title IV of the Social Security Act for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

(3) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan under section 471 of the Social Security Act to meet the additional requirements imposed by the amendments made by a subsection of this section, the plan shall not be regarded as failing to meet any of the additional requirements before the first day of the first calendar quarter beginning after the first regular session of the State legislature that begins after the otherwise applicable effective date of the amendments. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.

SEC. 153. SCHOCLS SAFE ACT.

(a) SHORT TITLE.—This section may be cited as the "Schools Safely Acquiring Faculty Excellence Act of 2006".

(b) IN GENERAL.—The Attorney General of the United States shall, upon request of the chief executive officer of a State, conduct fingerprint-based checks of the national crime information databases (as defined in section 534(f)(3)(A) of title 28, United States Code as redesignated under subsection (e)) pursuant to a request submitted by—

(1) a child welfare agency for the purpose of—

(A) conducting a background check required under section 471(a)(20) of the Social Security Act on individuals under consideration as prospective foster or adoptive parents; or

(B) an investigation relating to an incident of abuse or neglect of a minor; or

(2) a private or public elementary school, a private or public secondary school, a local educational agency, or State educational agency in that State, on individuals employed by, under consideration for employment by, or otherwise in a position in which the individual would work with or around children in the school or agency.

(c) FINGERPRINT-BASED CHECK.—Where possible, the check shall include a fingerprint-based check of State criminal history databases.

(d) FEES.—The Attorney General and the States may charge any applicable fees for the checks.

(e) PROTECTION OF INFORMATION.—An individual having information derived as a result of a check under subsection (b) may release that information only to appropriate officers of child welfare agencies, public or private elementary or secondary schools, or educational agencies or other persons authorized by law to receive that information.

(f) CRIMINAL PENALTIES.—An individual who knowingly exceeds the authority in subsection (b), or knowingly releases information in violation of subsection (e), shall be imprisoned not more than 10 years or fined under title 18, United States Code, or both.

(g) CHILD WELFARE AGENCY DEFINED.—In this section, the term "child welfare agency" means—

(1) the State or local agency responsible for administering the plan under part B or part E of title IV of the Social Security Act; and

(2) any other public agency, or any other private agency under contract with the State or local agency responsible for administering the plan under part B or part E of title IV of the Social Security Act, that is responsible for the licensing or approval of foster or adoptive parents.

(h) DEFINITION OF EDUCATION TERMS.—In this section, the terms "elementary school", "local educational agency", "secondary school", and "State educational agency" have the meanings given to those terms in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(i) TECHNICAL CORRECTION.—Section 534 of title 28, United States Code, is amended by redesignating the second subsection (e) as subsection (f).

SEC. 154. MISSING CHILD REPORTING REQUIREMENTS.

(a) IN GENERAL.—Section 3702 of the Crime Control Act of 1990 (42 U.S.C. 5780) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(2) by inserting after paragraph (1) the following:

"(2) ensure that no law enforcement agency within the State establishes or maintains any policy that requires the removal of a missing person entry from its State law enforcement system or the National Crime Information Center computer database based solely on the age of the person; and"; and

(3) in paragraph (3), as redesignated, by striking "immediately" and inserting "within 2 hours of receipt".

(b) DEFINITIONS.—Section 403(1) of the Comprehensive Crime Control Act of 1984 (42 U.S.C. 5772) is amended by striking "if" through subparagraph (B) and inserting a semicolon.

SEC. 155. DNA FINGERPRINTING.

The first sentence of section 3(a)(1)(A) of the DNA Analysis Backlog Elimination Act of 2000 (42 U.S.C. 14135a(a)(1)(A)) is amended by striking "arrested" and inserting "arrested, facing charges, or convicted".

TITLE II—FEDERAL CRIMINAL LAW ENHANCEMENTS NEEDED TO PROTECT CHILDREN FROM SEXUAL ATTACKS AND OTHER VIOLENT CRIMES

SEC. 201. PROHIBITION ON INTERNET SALES OF DATE RAPE DRUGS.

Section 401 of the Controlled Substances Act (21 U.S.C. 841) is amended by adding at the end the following:

"(g) Internet Sales of Date Rape Drugs.—

"(1) Whoever knowingly uses the Internet to distribute a date rape drug to any person, knowing or with reasonable cause to believe that—

"(A) the drug would be used in the commission of criminal sexual conduct; or

"(B) the person is not an authorized purchaser;

shall be fined under this title or imprisoned not more than 20 years, or both.

"(2) As used in this subsection:

"(A) The term 'date rape drug' means—

"(i) gamma hydroxybutyric acid (GHB) or any controlled substance analogue of GHB, including gamma butyrolactone (GBL) or 1,4-butanediol;

"(ii) ketamine;

"(iii) flunitrazepam; or

"(iv) any substance which the Attorney General designates, pursuant to the rulemaking procedures prescribed by section 553 of title 5, United States Code, to be used in committing rape or sexual assault.

The Attorney General is authorized to remove any substance from the list of date rape drugs pursuant to the same rulemaking authority.

"(B) The term 'authorized purchaser' means any of the following persons, provided such person has acquired the controlled substance in accordance with this Act:

"(i) A person with a valid prescription that is issued for a legitimate medical purpose in the usual course of professional practice that is based upon a qualifying medical relationship by a practitioner registered by the Attorney General. A 'qualifying medical relationship' means a medical relationship that exists when the practitioner has conducted at least 1 medical evaluation with the authorized purchaser in the physical presence of the practitioner, without regard to whether portions of the evaluation are conducted by other heath professionals. The preceding sentence shall not be construed to imply that 1 medical evaluation demonstrates that a prescription has been issued for a legitimate medical purpose within the usual course of professional practice.

"(ii) Any practitioner or other registrant who is otherwise authorized by their registration to dispense, procure, purchase, manufacture, transfer, distribute, import, or export the substance under this Act.

"(iii) A person or entity providing documentation that establishes the name, address, and business of the person or entity and which provides a legitimate purpose for using any 'date rape drug' for which a prescription is not required.

"(3) The Attorney General is authorized to promulgate regulations for record-keeping and reporting by persons handling 1,4–butanediol in order to implement and enforce the provisions of this section. Any record or report required by such regulations shall be considered a record or report required under this Act.".

SEC. 202. JETSETA GAGE ASSURED PUNISHMENT FOR VIOLENT CRIMES AGAINST CHILDREN.

Section 3559 of title 18, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) Mandatory Minimum Terms of Imprisonment for Violent Crimes Against Children.—A person who is convicted of a Federal offense that is a crime of violence against the person of an individual who has not attained the age of 18 years shall, unless a greater mandatory minimum sentence of imprisonment is otherwise provided by law and regardless of any maximum term of imprisonment otherwise provided for the offense—

"(1) if the crime of violence is murder, be imprisoned for life or for any term of years not less than 30, except that such person shall be punished by death or life imprisonment if the circumstances satisfy any of subparagraphs (A) through (D) of section 3591(a)(2) of this title;

"(2) if the crime of violence is kidnapping (as defined in section 1201) or maiming (as defined in section 114), be imprisoned for life or any term of years not less than 25; and

"(3) if the crime of violence results in serious bodily injury (as defined in section 1365), or if a dangerous weapon was used during and in relation to the crime of violence, be imprisoned for life or for any term of years not less than 10.".

SEC. 203. PENALTIES FOR COERCION AND ENTICEMENT BY SEX OFFENDERS.

Section 2422(b) of title 18, United States Code, is amended by striking "not less than 5 years and not more than 30 years" and inserting "not less than 10 years or for life".

SEC. 204. PENALTIES FOR CONDUCT RELATING TO CHILD PROSTITUTION.

Section 2423(a) of title 18, United States Code, is amended by striking "5 years and not more than 30 years" and inserting "10 years or for life".

SEC. 205. PENALTIES FOR SEXUAL ABUSE.

Section 2242 of title 18, United States Code, is amended by striking ", imprisoned not more than 20 years, or both" and inserting "and imprisoned for any term of years or for life".

SEC. 206. INCREASED PENALTIES FOR SEXUAL OFFENSES AGAINST CHILDREN.

(a) Sexual Abuse and Contact.—

(1) Aggravated sexual abuse of children.—Section 2241(c) of title 18, United States Code, is amended by striking ", imprisoned for any term of years or life, or both" and inserting "and imprisoned for not less than 30 years or for life".

(2) Abusive sexual contact with children.—Section 2244 of chapter 109A of title 18, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (1), by inserting "subsection (a) or (b) of" before "section 2241";

(ii) by striking "or" at the end of paragraph (3);

(iii) by striking the period at the end of paragraph (4) and inserting "; or"; and

(iv) by inserting after paragraph (4) the following:

"(5) subsection (c) of section 2241 of this title had the sexual contact been a sexual act, shall be fined under this title and imprisoned for any term of years or for life."; and

(B) in subsection (c), by inserting "(other than subsection (a)(5))" after "violates this section".

(3) Sexual abuse of children resulting in death.—Section 2245 of title 18, United States Code, is amended to read as follows:

"§2245. Offenses resulting in death

"(a) In General.—A person who, in the course of an offense under this chapter, or sections 1591, 2251, 2251A, 2260, 2421, 2422, 2423, or 2425, murders an individual, shall be punished by death or imprisoned for any term of years or for life.".

(4) Death penalty aggravating factor.—Section 3592(c)(1) of title 18, United States Code, is amended by inserting "section 2245 (offenses resulting in death)," after "(wrecking trains),".

(b) Sexual Exploitation and Other Abuse of Children.—

(1) Sexual exploitation of children.—Section 2251(e) of title 18, United States Code, is amended—

(A) by inserting "section 1591," after "this chapter," the first place it appears;

(B) by striking "the sexual exploitation of children" the first place it appears and inserting "aggravated sexual abuse, sexual abuse, abusive sexual contact involving a minor or ward, or sex trafficking of children, or the production, possession, receipt, mailing, sale, distribution, shipment, or transportation of child pornography"; and

(C) by striking "any term of years or for life" and inserting "not less than 30 years or for life".

(2) Activities relating to material involving the sexual exploitation of children.—Section 2252(b) of title 18, United States Code, is amended in paragraph (1)—

(A) by striking "paragraphs (1)" and inserting "paragraph (1)";

(B) by inserting "section 1591," after "this chapter,"; and

(C) by inserting ", or sex trafficking of children" after "pornography".

(3) Activities relating to material constituting or containing child pornography.—Section 2252A(b) of title 18, United States Code, is amended in paragraph (1)—

(A) by inserting "section 1591," after "this chapter,"; and

(B) by inserting ", or sex trafficking of children" after "pornography".

(4) Using misleading domain names to direct children to harmful material on the internet.—Section 2252B(b) of title 18, United States Code, is amended by striking "4" and inserting "10".

(5) Extraterritorial child pornography offenses.—Section 2260(c) of title 18, United States Code, is amended to read as follows:

"(c) Penalties.—

"(1) A person who violates subsection (a), or attempts or conspires to do so, shall be subject to the penalties provided in subsection (e) of section 2251 for a violation of that section, including the penalties provided for such a violation by a person with a prior conviction or convictions as described in that subsection.

"(2) A person who violates subsection (b), or attempts or conspires to do so, shall be subject to the penalties provided in subsection (b)(1) of section 2252 for a violation of paragraph (1), (2), or (3) of subsection (a) of that section, including the penalties provided for such a violation by a person with a prior conviction or convictions as described in subsection (b)(1) of section 2252.".

(c) Mandatory Life Imprisonment for Certain Repeated Sex Offenses Against Children.—Section 3559(e)(2)(A) of title 18, United States Code, is amended by inserting "1591 (relating to sex trafficking of children)," after "under section".

SEC. 207. SEXUAL ABUSE OF WARDS.

Chapter 109A of title 18, United States Code, is amended—

(1) in section 2243(b), by striking "five years" and inserting "15 years"; and

(2) by inserting a comma after "Attorney General" each place it appears.

SEC. 208. MANDATORY PENALTIES FOR SEX-TRAFFICKING OF CHILDREN.

Section 1591(b) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "or imprisonment" and inserting "and imprisonment";

(B) by inserting "not less than 15" after "any term of years"; and

(C) by striking ", or both"; and

(2) in paragraph (2)—

(A) by striking "or imprisonment for not more than 40 years, or both" and inserting "and imprisonment for not less than 10 years or for life"; and

(B) by striking ", or both".

SEC. 209. CHILD ABUSE REPORTING.

Section 2258 of title 18, United States Code, is amended by striking "guilty of a Class B misdemeanor" and inserting "fined under this title or imprisoned not more than 1 year or both".

SEC. 210. SEX OFFENDER SUBMISSION TO SEARCH AS CONDITION OF RELEASE.

(a) Conditions of Probation.—Section 3563(b) of title 18, United States Code, is amended—

(1) in paragraph (21), by striking "or" ;

(2) in paragraph (22) by striking the period at the end and inserting "or;" and

(3) by inserting after paragraph (22) the following:

"(23) if required to register under the Sex Offender Registration and Notification Act, submit his person, and any property, house, residence, vehicle, papers, computer, other electronic communication or data storage devices or media, and effects to search at any time, with or without a warrant, by any law enforcement or probation officer with reasonable suspicion concerning a violation of a condition of probation or unlawful conduct by the person, and by any probation officer in the lawful discharge of the officer's supervision functions.".

(b) Supervised Release.—Section 3583(d) of title 18, United States Code, is amended by adding at the end the following: "The court may order, as an explicit condition of supervised release for a person who is a felon and required to register under the Sex Offender Registration and Notification Act, that the person submit his person, and any property, house, residence, vehicle, papers, computer, other electronic communications or data storage devices or media, and effects to search at any time, with or without a warrant, by any law enforcement or probation officer with reasonable suspicion concerning a violation of a condition of supervised release or unlawful conduct by the person, and by any probation officer in the lawful discharge of the officer's supervision functions.".

SEC. 211. NO LIMITATION FOR PROSECUTION OF FELONY SEX OFFENSES.

Chapter 213 of title 18, United States Code, is amended—

(1) by adding at the end the following:

"§3299. Child abduction and sex offenses

"Notwithstanding any other law, an indictment may be found or an information instituted at any time without limitation for any offense under section 1201 involving a minor victim, and for any felony under chapter 109A, 110 (except for section 2257 and 2257A), or 117, or section 1591.": and

(2) by adding at the end of the table of sections at the beginning of the chapter the following new item:

"3299. Child abduction and sex offenses".

SEC. 212. VICTIMS' RIGHTS ASSOCIATED WITH HABEAS CORPUS PROCEEDINGS.

Section 3771(b) of title 18, United States Code, is amended—

(1) by striking "In any court proceeding" and inserting the following:

"(1) In General.—In any court proceeding"; and

(2) by adding at the end the following:

"(2) Habeas Corpus Proceedings.—

"(A) In General.—In a Federal habeas corpus proceeding arising out of a State conviction, the court shall ensure that a crime victim is afforded the rights described in paragraphs (3), (4), (7), and (8) of subsection (a).

"(B) Enforcement.—

"(i) In General.—These rights may be enforced by the crime victim or the crime victim's lawful representative in the manner described in paragraphs (1) and (3) of subsection (d).

"(ii) Multiple Victims.—In a case involving multiple victims, subsection (d)(2) shall also apply.

"(C) Limitation.—This paragraph relates to the duties of a court in relation to the rights of a crime victim in Federal habeas corpus proceedings arising out of a State conviction, and does not give rise to any obligation or requirement applicable to personnel of any agency of the Executive Branch of the Federal Government.

"(D) Definition.—For purposes of this paragraph, the term 'crime victim' means the person against whom the State offense is committed or, if that person is killed or incapacitated, that person's family member or other lawful representative.".

SEC. 213. KIDNAPPING JURISDICTION.

Section 1201 of title 18, United States Code, is amended—

(1) in subsection (a)(1), by striking "if the person was alive when the transportation began" and inserting ", or the offender travels in interstate or foreign commerce or uses the mail or any means, facility, or instrumentality of interstate or foreign commerce in committing or in furtherance of the commission of the offense"; and

(2) in subsection (b), by striking "to interstate" and inserting "in interstate".

SEC. 214. MARITAL COMMUNICATION AND ADVERSE SPOUSAL PRIVILEGE.

The Committee on Rules, Practice, Procedure, and Evidence of the Judicial Conference of the United States shall study the necessity and desirability of amending the Federal Rules of Evidence to provide that the confidential marital communications privilege and the adverse spousal privilege shall be inapplicable in any Federal proceeding in which a spouse is charged with a crime against—

(1) a child of either spouse; or

(2) a child under the custody or control of either spouse.

SEC. 215. ABUSE AND NEGLECT OF INDIAN CHILDREN.

Section 1153(a) of title 18, United States Code, is amended by inserting "felony child abuse or neglect," after "years,".

SEC. 216. IMPROVEMENTS TO THE BAIL REFORM ACT TO ADDRESS SEX CRIMES AND OTHER MATTERS.

Section 3142 of title 18, United States Code, is amended—

(1) in subsection (c)(1)(B), by inserting at the end the following: "In any case that involves a minor victim under section 1201, 1591, 2241, 2242, 2244(a)(1), 2245, 2251, 2251A, 2252(a)(1), 2252(a)(2), 2252(a)(3), 2252A(a)(1), 2252A(a)(2), 2252A(a)(3), 2252A(a)(4), 2260, 2421, 2422, 2423, or 2425 of this title, or a failure to register offense under section 2250 of this title, any release order shall contain, at a minimum, a condition of electronic monitoring and each of the conditions specified at subparagraphs (iv), (v), (vi), (vii), and (viii)."

(2) in subsection (f)(1)—

(A) in subparagraph (C), by striking "or" at the end; and

(B) by adding at the end the following:

"(E) any felony that is not otherwise a crime of violence that involves a minor victim or that involves the possession or use of a firearm or destructive device (as those terms are defined in section 921), or any other dangerous weapon, or involves a failure to register under section 2250 of title 18, United States Code; or"; and

(3) in subsection (g), by striking paragraph (1) and inserting the following:

"(1) the nature and circumstances of the offense charged, including whether the offense is a crime of violence, a Federal crime of terrorism, or involves a minor victim or a controlled substance, firearm, explosive, or destructive device;".

TITLE III—CIVIL COMMITMENT OF DANGEROUS SEX OFFENDERS

SEC. 301. JIMMY RYCE STATE CIVIL COMMITMENT PROGRAMS FOR SEXUALLY DANGEROUS PERSONS.

(a) Grants Authorized.—Except as provided in subsection (b), the Attorney General shall make grants to jurisdictions for the purpose of establishing, enhancing, or operating effective civil commitment programs for sexually dangerous persons.

(b) Limitation.—The Attorney General shall not make any grant under this section for the purpose of establishing, enhancing, or operating any transitional housing for a sexually dangerous person in or near a location where minors or other vulnerable persons are likely to come into contact with that person.

(c) Eligibility.—

(1) In General.—To be eligible to receive a grant under this section, a jurisdiction shall, before the expiration of the compliance period—

(A) have established a civil commitment program for sexually dangerous persons that is consistent with guidelines issued by the Attorney General; or

(B) submit a plan for the establishment of such a program.

(2) Compliance Period.—The compliance period referred to in paragraph (1) expires on the date that is 2 years after the date of the enactment of this Act. However, the Attorney General may, on a case-by-case basis, extend the compliance period that applies to a jurisdiction if the Attorney General considers such an extension to be appropriate.

(3) Release Notice.—

(A) Each civil commitment program for which funding is required under this section shall require the issuance of timely notice to a State official responsible for considering whether to pursue civil commitment proceedings upon the impending release of any person incarcerated by the State who—

(i) has been convicted of a sexually violent offense; or

(ii) has been deemed by the State to be at high risk for recommitting any sexual offense against a minor.

(B) The program shall further require that upon receiving notice under subparagraph (A), the State official shall consider whether or not to pursue a civil commitment proceeding, or any equivalent proceeding required under State law.

(d) Attorney General Reports.—Not later than January 31 of each year, beginning with 2008, the Attorney General shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report on the progress of jurisdictions in implementing this section and the rate of sexually violent offenses for each jurisdiction.

(e) Definitions.—As used in this section:

(1) The term "civil commitment program" means a program that involves—

(A) secure civil confinement, including appropriate control, care, and treatment during such confinement; and

(B) appropriate supervision, care, and treatment for individuals released following such confinement.

(2) The term "sexually dangerous person" means a person suffering from a serious mental illness, abnormality, or disorder, as a result of which the individual would have serious difficulty in refraining from sexually violent conduct or child molestation.

(3) The term "jurisdiction" has the meaning given such term in section 111.

(f) Authorization of Appropriations.—There are authorized to be appropriated to carry

out this section $10,000,000 for each of fiscal years 2007 through 2010.

SEC. 302. JIMMY RYCE CIVIL COMMITMENT PROGRAM.

Chapter 313 of title 18, United States Code, is amended—

(1) in the chapter analysis—

(A) in the item relating to section 4241, by inserting "or to undergo postrelease proceedings" after "trial"; and

(B) by inserting at the end the following:

"4248. Civil commitment of a sexually dangerous person";

(2) in section 4241—

*(A) in the heading, by inserting or "**TO UNDERGO POSTRELEASE PROCEEDINGS**" after "**TRIAL**";*

(B) in the first sentence of subsection (a), by inserting "or at any time after the commencement of probation or supervised release and prior to the completion of the sentence," after "defendant,";

(C) in subsection (d)—

(i) by striking "trial to proceed" each place it appears and inserting "proceedings to go forward"; and

(ii) by striking "section 4246" and inserting "sections 4246 and 4248"; and

(D) in subsection (e)—

(i) by inserting "or other proceedings" after "trial"; and

(ii) by striking "chapter 207" and inserting "chapters 207 and 227";

(3) in section 4247—

(A) by striking ", or 4246" each place it appears and inserting ", 4246, or 4248";

(B) in subsections (g) and (i), by striking "4243 or 4246" each place it appears and inserting "4243, 4246, or 4248";

(C) in subsection (a)—

(i) by amending subparagraph (1)(C) to read as follows:

"(C) drug, alcohol, and sex offender treatment programs, and other treatment programs that will assist the individual in overcoming a psychological or physical dependence or any condition that makes the individual dangerous to others; and";

(ii) in paragraph (2), by striking "and" at the end;

(iii) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(iv) by inserting at the end the following:

"(4) 'bodily injury' includes sexual abuse;

"(5) 'sexually dangerous person' means a person who has engaged or attempted to engage in sexually violent conduct or child molestation and who is sexually dangerous to others; and

"(6) 'sexually dangerous to others' with respect a person, means that the person suffers from a serious mental illness, abnormality, or disorder as a result of which he would have serious difficulty in refraining from sexually violent conduct or child molestation if released.";

(D) in subsection (b), by striking "4245 or 4246" and inserting "4245, 4246, or 4248";

(E) in subsection (c)(4)—

(i) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F) respectively; and

(ii) by inserting after subparagraph (C) the following:

"(D) if the examination is ordered under section 4248, whether the person is a sexually dangerous person;"; and

(F) in subsections (e) and (h)—

(i) by striking "hospitalized" each place it appears and inserting "committed"; and

(ii) by striking "hospitalization" each place it appears and inserting "commitment" ; and

(4) by inserting at the end the following:

"§4248. Civil commitment of a sexually dangerous person

"(a) Institution of Proceedings.—In relation to a person who is in the custody of the Bureau of Prisons, or who has been committed to the custody of the Attorney General pursuant to section 4241(d), or against whom all criminal charges have been dismissed solely for reasons relating to the mental condition of the person, the Attorney General or any individual authorized by the Attorney General or the Director of the Bureau of Prisons may certify that the person is a sexually dangerous person, and transmit the certificate to the clerk of the court for the district in which the person is confined. The clerk shall send a copy of the certificate to the person, and to the attorney for the Government, and, if the person was committed pursuant to section 4241(d), to the clerk of the court that ordered the commitment. The court shall order a hearing to determine whether the person is a sexually dangerous person. A certificate filed under this subsection shall stay the release of the person pending completion of procedures contained in this section.

"(b) Psychiatric or Psychological Examination and Report.—Prior to the date of the hearing, the court may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247(b) and (c).

"(c) Hearing.—The hearing shall be conducted pursuant to the provisions of section 4247(d).

"(d) Determination and Disposition.—If, after the hearing, the court finds by clear and convincing evidence that the person is a sexually dangerous person, the court shall commit the person to the custody of the Attorney General. The Attorney General shall release the person to the appropriate official of the State in which the person is domiciled or was tried if such State will assume responsibility for his custody, care, and treatment. The Attorney General shall make all reasonable efforts to cause such a State to assume such responsibility. If, notwithstanding such efforts, neither such State will assume such responsibility, the Attorney General shall place the person for treatment in a suitable facility, until—

"(1) such a State will assume such responsibility; or

"(2) the person's condition is such that he is no longer sexually dangerous to others, or will not be sexually dangerous to others if released under a prescribed regimen of medical, psychiatric, or psychological care or treatment;

whichever is earlier.

"(e) Discharge.—When the Director of the facility in which a person is placed pursuant to subsection (d) determines that the person's condition is such that he is no longer sexually dangerous to others, or will not be sexually dangerous to others if released under a prescribed regimen of medical, psychiatric, or psychological care or treatment, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the person's counsel and to the attorney for the Government. The court shall order the discharge of the person or, on motion of the attorney for the Government or on its own motion, shall hold a hearing, conducted pursuant to the provisions of section 4247(d), to determine whether he should be released. If, after the hearing, the court finds by a preponderance of the evidence that the person's condition is such that—

"(1) he will not be sexually dangerous to others if released unconditionally, the court shall order that he be immediately discharged; or

"(2) he will not be sexually dangerous to others if released under a prescribed regimen of medical, psychiatric, or psychological care or treatment, the court shall—

"(A) order that he be conditionally discharged under a prescribed regimen of medical, psychiatric, or psychological care or treatment that has been prepared for him, that has been certified to the court as appropriate by the Director of the facility in which he is committed, and that has been found by the court to be appropriate; and

"(B) order, as an explicit condition of release, that he comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment.

The court at any time may, after a hearing employing the same criteria, modify or eliminate the regimen of medical, psychiatric, or psychological care or treatment.

"(f) Revocation of Conditional Discharge.—The director of a facility responsible for administering a regimen imposed on a person conditionally discharged under subsection (e) shall notify the Attorney General and the court having jurisdiction over the person of any failure of the person to comply with the regimen. Upon such notice, or upon other probable cause to believe that the person has failed to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, the person may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him. The court shall, after a hearing, determine whether the person should be remanded to a suitable facility on the ground that he is sexually dangerous to others in light of his failure to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment.

"(g) Release to State of Certain Other Persons.—If the director of the facility in which a person is hospitalized or placed pursuant to this chapter certifies to the Attorney General that a person, against whom all charges have been dismissed for reasons not related to the mental condition of the person, is a sexually dangerous person, the Attorney General shall release the person to the appropriate official of the State in which the person is domiciled or was tried for the purpose of institution of State proceedings for civil commitment. If neither such State will assume such responsibility, the Attorney General shall release the person upon receipt of notice from the State that it will not assume such responsibility, but not later than 10 days after certification by the director of the facility.".

TITLE IV—IMMIGRATION LAW REFORMS TO PREVENT SEX OFFENDERS FROM ABUSING CHILDREN

SEC. 401. FAILURE TO REGISTER A DEPORTABLE OFFENSE.

Section 237(a)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1227(a)(2)(A)) is amended—

(1) by redesignating clause (v) as clause (vi); and

(2) by inserting after clause (iv) the following new clause:

"(v) Failure to Register as a Sex Offender.—Any alien who is convicted under section 2250 of title 18, United States Code, is deportable.".

SEC. 402. BARRING CONVICTED SEX OFFENDERS FROM HAVING FAMILY-BASED PETITIONS APPROVED.

(a) Immigrant Family Members.—Section 204(a)(1) of the Immigration and Nationality Act (8 U.S.C. 1154(a)(1)), is amended—

(1) in subparagraph (A)(i), by striking "Any" and inserting "Except as provided in clause (viii), any";

(2) in subparagraph (A), by inserting after clause (vii) the following:

"(viii)(I) Clause (i) shall not apply to a citizen of the United States who has been convicted of a specified offense against a minor, unless the Secretary of Homeland Security, in the Secretary's sole and unreviewable discretion, determines that the citizen poses no risk to the alien

with respect to whom a petition described in clause (i) is filed.

"(II) For purposes of subclause (I), the term 'specified offense against a minor' is defined as in section 111 of the Adam Walsh Child Protection and Safety Act of 2006."; and

(3) in subparagraph (B)(i)—

(A) by striking "(B)(i) Any alien" and inserting the following: "(B)(i)(I) Except as provided in subclause (II), any alien"; and

(B) by adding at the end the following:

"(II) Subclause (I) shall not apply in the case of an alien lawfully admitted for permanent residence who has been convicted of a specified offense against a minor (as defined in subparagraph (A)(viii)(II)), unless the Secretary of Homeland Security, in the Secretary's sole and unreviewable discretion, determines that such person poses no risk to the alien with respect to whom a petition described in subclause (I) is filed.".

(b) NONIMMIGRANTS.—Section 101(a)(15)(K) (8 U.S.C. 1101(a)(15)(K)), is amended by inserting "(other than a citizen described in section 204(a)(1)(A)(viii)(I))" after "citizen of the United States" each place that phrase appears.

TITLE V—CHILD PORNOGRAPHY PREVENTION

SEC. 501. FINDINGS.

Congress makes the following findings:

(1) The effect of the intrastate production, transportation, distribution, receipt, advertising, and possession of child pornography on the interstate market in child pornography.

(A) The illegal production, transportation, distribution, receipt, advertising and possession of child pornography, as defined in section 2256(8) of title 18, United States Code, as well as the transfer of custody of children for the production of child pornography, is harmful to the physiological, emotional, and mental health of the children depicted in child pornography and has a substantial and detrimental effect on society as a whole.

(B) A substantial interstate market in child pornography exists, including not only a multimillion dollar industry, but also a nationwide network of individuals openly advertising their desire to exploit children and to traffic in child pornography. Many of these individuals distribute child pornography with the expectation of receiving other child pornography in return.

(C) The interstate market in child pornography is carried on to a substantial extent through the mails and other instrumentalities of interstate and foreign commerce, such as the Internet. The advent of the Internet has greatly increased the ease of transporting, distributing, receiving, and advertising child pornography in interstate commerce. The advent of digital cameras and digital video cameras, as well as videotape cameras, has greatly increased the ease of producing child pornography. The advent of inexpensive computer equipment with the capacity to store large numbers of digital images of child pornography has greatly increased the ease of possessing child pornography. Taken together, these technological advances have had the unfortunate result of greatly increasing the interstate market in child pornography.

(D) Intrastate incidents of production, transportation, distribution, receipt, advertising, and possession of child pornography, as well as the transfer of custody of children for the production of child pornography, have a substantial and direct effect upon interstate commerce because:

(i) Some persons engaged in the production, transportation, distribution, receipt, advertising, and possession of child pornography conduct such activities entirely within the boundaries of one state. These persons are unlikely to be content with the amount of child pornography they produce, transport, distribute, receive, advertise, or possess. These persons are therefore likely to enter the interstate market in child pornography in search of additional child pornography, thereby stimulating demand in the interstate market in child pornography.

(ii) When the persons described in subparagraph (D)(i) enter the interstate market in search of additional child pornography, they are likely to distribute the child pornography they already produce, transport, distribute, receive, advertise, or possess to persons who will distribute additional child pornography to them, thereby stimulating supply in the interstate market in child pornography.

(iii) Much of the child pornography that supplies the interstate market in child pornography is produced entirely within the boundaries of one state, is not traceable, and enters the interstate market surreptitiously. This child pornography supports demand in the interstate market in child pornography and is essential to its existence.

(E) Prohibiting the intrastate production, transportation, distribution, receipt, advertising, and possession of child pornography, as well as the intrastate transfer of custody of children for the production of child pornography, will cause some persons engaged in such intrastate activities to cease all such activities, thereby reducing both supply and demand in the interstate market for child pornography.

(F) Federal control of the intrastate incidents of the production, transportation, distribution, receipt, advertising, and possession of child pornography, as well as the intrastate transfer of children for the production of child pornography, is essential to the effective control of the interstate market in child pornography.

(2) The importance of protecting children from repeat exploitation in child pornography:

(A) The vast majority of child pornography prosecutions today involve images contained on computer hard drives, computer disks, and related media.

(B) Child pornography is not entitled to protection under the First Amendment and thus may be prohibited.

(C) The government has a compelling State interest in protecting children from those who sexually exploit them, and this interest extends to stamping out the vice of child pornography at all levels in the distribution chain.

(D) Every instance of viewing images of child pornography represents a renewed violation of the privacy of the victims and a repetition of their abuse.

(E) Child pornography constitutes prima facie contraband, and as such should not be distributed to, or copied by, child pornography defendants or their attorneys.

(F) It is imperative to prohibit the reproduction of child pornography in criminal cases so as to avoid repeated violation and abuse of victims, so long as the government makes reasonable accommodations for the inspection, viewing, and examination of such material for the purposes of mounting a criminal defense.

SEC. 502. OTHER RECORD KEEPING REQUIREMENTS.

(a) IN GENERAL.—Section 2257 of title 18, United States Code, is amended—

(1) in subsection (a), by inserting after "videotape," the following: "digital image, digitally- or computer-manipulated image of an actual human being, picture,";

(2) in subsection (e)(1), by adding at the end the following: "In this paragraph, the term 'copy' includes every page of a website on which matter described in subsection (a) appears.";

(3) in subsection (f), by—

(A) in paragraph (3), by striking "and" after the semicolon;

(B) in paragraph (4), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(5) for any person to whom subsection (a) applies to refuse to permit the Attorney General or his or her designee to conduct an inspection under subsection (c)."; and

(4) by striking subsection (h) and inserting the following:

"(h) In this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in clauses (i) through (v) of section 2256(2)(A) of this title;

"(2) the term 'produces'—

"(A) means—

"(i) actually filming, videotaping, photographing, creating a picture, digital image, or digitally- or computer-manipulated image of an actual human being;

"(ii) digitizing an image, of a visual depiction of sexually explicit conduct; or, assembling, manufacturing, publishing, duplicating, reproducing, or reissuing a book, magazine, periodical, film, videotape, digital image, or picture, or other matter intended for commercial distribution, that contains a visual depiction of sexually explicit conduct; or

"(iii) inserting on a computer site or service a digital image of, or otherwise managing the sexually explicit content, of a computer site or service that contains a visual depiction of, sexually explicit conduct; and

"(B) does not include activities that are limited to—

"(i) photo or film processing, including digitization of previously existing visual depictions, as part of a commercial enterprise, with no other commercial interest in the sexually explicit material, printing, and video duplication;

"(ii) distribution;

"(iii) any activity, other than those activities identified in subparagraph (A), that does not involve the hiring, contracting for, managing, or otherwise arranging for the participation of the depicted performers;

"(iv) the provision of a telecommunications service, or of an Internet access service or Internet information location tool (as those terms are defined in section 231 of the Communications Act of 1934 (47 U.S.C. 231)); or

"(v) the transmission, storage, retrieval, hosting, formatting, or translation (or any combination thereof) of a communication, without selection or alteration of the content of the communication, except that deletion of a particular communication or material made by another person in a manner consistent with section 230(c) of the Communications Act of 1934 (47 U.S.C. 230(c)) shall not constitute such selection or alteration of the content of the communication; and

"(3) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct.".

(b) CONSTRUCTION.—The provisions of section 2257 shall not apply to any depiction of actual sexually explicit conduct as described in clause (v) of section 2256(2)(A) of title 18, United States Code, produced in whole or in part, prior to the effective date of this section unless that depiction also includes actual sexually explicit conduct as described in clauses (i) through (iv) of section 2256(2)(A) of title 18, United States Code.

SEC. 503. RECORD KEEPING REQUIREMENTS FOR SIMULATED SEXUAL CONDUCT.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2257 the following:

"SEC. 2257A. RECORD KEEPING REQUIREMENTS FOR SIMULATED SEXUAL CONDUCT.

"(a) Whoever produces any book, magazine, periodical, film, videotape, digital image, digitally- or computer-manipulated image of an actual human being, picture, or other matter that—

"(1) contains 1 or more visual depictions of simulated sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been mailed or shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of simulated sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at their business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in this section, directly or indirectly, be used as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) shall not preclude the use of such information or evidence in a prosecution or other action for a violation of this chapter or chapter 71, or for a violation of any applicable provision of law with respect to the furnishing of false information.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in subsection (a)(1) in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located. In this paragraph, the term 'copy' includes every page of a website on which matter described in subsection (a) appears.

"(2) If the person to whom subsection (a) applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(f) It shall be unlawful—

"(1) for any person to whom subsection (a) applies to fail to create or maintain the records as required by subsections (a) and (c) or by any regulation promulgated under this section;

"(2) for any person to whom subsection (a) applies knowingly to make any false entry in or knowingly to fail to make an appropriate entry in, any record required by subsection (b) or any regulation promulgated under this section;

"(3) for any person to whom subsection (a) applies knowingly to fail to comply with the provisions of subsection (e) or any regulation promulgated pursuant to that subsection; or

"(4) for any person knowingly to sell or otherwise transfer, or offer for sale or transfer, any book, magazine, periodical, film, video, or other matter, produced in whole or in part with materials which have been mailed or shipped in interstate or foreign commerce or which is intended for shipment in interstate or foreign commerce, that—

"(A) contains 1 or more visual depictions made after the date of enactment of this subsection of simulated sexually explicit conduct; and

"(B) is produced in whole or in part with materials which have been mailed or shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

which does not have affixed thereto, in a manner prescribed as set forth in subsection (e)(1), a statement describing where the records required by this section may be located, but such person shall have no duty to determine the accuracy of the contents of the statement or the records required to be kept.

"(5) for any person to whom subsection (a) applies to refuse to permit the Attorney General or his or her designee to conduct an inspection under subsection (c).

"(g) As used in this section, the terms 'produces' and 'performer' have the same meaning as in section 2257(h) of this title.

"(h)(1) The provisions of this section and section 2257 shall not apply to matter, or any image therein, containing one or more visual depictions of simulated sexually explicit conduct, or actual sexually explicit conduct as described in clause (v) of section 2256(2)(A), if such matter—

"(A)(i) is intended for commercial distribution;

"(ii) is created as a part of a commercial enterprise by a person who certifies to the Attorney General that such person regularly and in the normal course of business collects and maintains individually identifiable information regarding all performers, including minor performers, employed by that person, pursuant to Federal and State tax, labor, and other laws, labor agreements, or otherwise pursuant to industry standards, where such information includes the name, address, and date of birth of the performer; and

"(iii) is not produced, marketed or made available by the person described in clause (ii) to another in circumstances such than an ordinary person would conclude that the matter contains a visual depiction that is child pornography as defined in section 2256(8); or

"(B)(i) is subject to the authority and regulation of the Federal Communications Commission acting in its capacity to enforce section 1464 of this title, regarding the broadcast of obscene, indecent or profane programming; and

"(ii) is created as a part of a commercial enterprise by a person who certifies to the Attorney General that such person regularly and in the normal course of business collects and maintains individually identifiable information regarding all performers, including minor performers, employed by that person, pursuant to Federal and State tax, labor, and other laws, labor agreements, or otherwise pursuant to industry standards, where such information includes the name, address, and date of birth of the performer.

"(2) Nothing in subparagraphs (A) and (B) of paragraph (1) shall be construed to exempt any matter that contains any visual depiction that is child pornography, as defined in section 2256(8), or is actual sexually explicit conduct within the definitions in clauses (i) through (iv) of section 2256(2)(A).

"(i)(1) Whoever violates this section shall be imprisoned for not more than 1 year, and fined in accordance with the provisions of this title, or both.

"(2) Whoever violates this section in an effort to conceal a substantive offense involving the causing, transporting, permitting or offering or seeking by notice or advertisement, a minor to engage in sexually explicit conduct for the purpose of producing a visual depiction of such conduct in violation of this title, or to conceal a substantive offense that involved trafficking in material involving the sexual exploitation of a minor, including receiving, transporting, advertising, or possessing material involving the sexual exploitation of a minor with intent to traffic, in violation of this title, shall be imprisoned for not more than 5 years and fined in accordance with the provisions of this title, or both.

"(3) Whoever violates paragraph (2) after having been previously convicted of a violation punishable under that paragraph shall be imprisoned for any period of years not more than 10 years but not less than 2 years, and fined in accordance with the provisions of this title, or both.

"The provisions of this section shall not become effective until 90 days after the final regulations implementing this section are published in the Federal Register. The provisions of this section shall not apply to any matter, or image therein, produced, in whole or in part, prior to the effective date of this section.

"(k) On an annual basis, the Attorney General shall submit a report to Congress—

"(1) concerning the enforcement of this section and section 2257 by the Department of Justice during the previous 12-month period; and

"(2) including—

"(A) the number of inspections undertaken pursuant to this section and section 2257;

"(B) the number of open investigations pursuant to this section and section 2257;

"(C) the number of cases in which a person has been charged with a violation of this section and section 2257; and

"(D) for each case listed in response to subparagraph (C), the name of the lead defendant, the federal district in which the case was brought, the court tracking number, and a synopsis of the violation and its disposition, if any, including settlements, sentences, recoveries and penalties.".

(b) CHAPTER ANALYSIS.—The chapter analysis for chapter 110 of title 18, United States Code, is amended by inserting after the item for section 2257 the following:

"2257A. Recordkeeping requirements for simulated sexual conduct.".

SEC. 504. PREVENTION OF DISTRIBUTION OF CHILD PORNOGRAPHY USED AS EVIDENCE IN PROSECUTIONS.

Section 3509 of title 18, United States Code, is amended by adding at the end the following:

"(m) PROHIBITION ON REPRODUCTION OF CHILD PORNOGRAPHY.—

"(1) In any criminal proceeding, any property or material that constitutes child pornography (as defined by section 2256 of this title) shall remain in the care, custody, and control of either the Government or the court.

"(2)(A) Notwithstanding Rule 16 of the Federal Rules of Criminal Procedure, a court shall deny, in any criminal proceeding, any request by the defendant to copy, photograph, duplicate, or otherwise reproduce any property or material that constitutes child pornography (as defined by section 2256 of this title), so long as the Government makes the property or material reasonably available to the defendant.

"(B) For the purposes of subparagraph (A), property or material shall be deemed to be reasonably available to the defendant if the Government provides ample opportunity for inspection, viewing, and examination at a Government facility of the property or material by the defendant, his or her attorney, and any individual the defendant may seek to qualify to furnish expert testimony at trial.".

SEC. 505. AUTHORIZING CIVIL AND CRIMINAL ASSET FORFEITURE IN CHILD EXPLOITATION AND OBSCENITY CASES.

(a) CONFORMING FORFEITURE PROCEDURES FOR OBSCENITY OFFENSES.—Section 1467 of title 18, United States Code, is amended—

(1) in subsection (a)(3), by inserting a period after "of such offense" and striking all that follows; and

(2) by striking subsections (b) through (n) and inserting the following:

"(b) The provisions of section 413 of the Controlled Substances Act (21 U.S.C. 853), with the exception of subsections (a) and (d), shall apply to the criminal forfeiture of property pursuant to subsection (a).

"(c) Any property subject to forfeiture pursuant to subsection (a) may be forfeited to the United States in a civil case in accordance with the procedures set forth in chapter 46 of this title.".

(b) PROPERTY SUBJECT TO CRIMINAL FORFEITURE.—Section 2253(a) of title 18, United States Code, is amended—

(1) in the matter preceding paragraph (1)—

(A) by inserting "or who is convicted of an offense under section 2252B of this chapter," after "2260 of this chapter"; and

(B) by striking "an offense under section 2421, 2422, or 2423 of chapter 117" and inserting "an offense under chapter 109A";

(2) in paragraph (1), by inserting "2252A, 2252B, or 2260" after "2252"; and

(3) in paragraph (3), by inserting "or any property traceable to such property" before the period.

(c) CRIMINAL FORFEITURE PROCEDURE.—Section 2253 of title 18, United States Code, is amended by striking subsections (b) through (o) and inserting the following:

"(b) Section 413 of the Controlled Substances Act (21 U.S.C. 853) with the exception of subsections (a) and (d), applies to the criminal forfeiture of property pursuant to subsection (a).".

(d) CIVIL FORFEITURE.—Section 2254 of title 18, United States Code, is amended to read as follows:

"§2254. Civil forfeiture

"Any property subject to forfeiture pursuant to section 2253 may be forfeited to the United States in a civil case in accordance with the procedures set forth in chapter 46.".

SEC. 506. PROHIBITING THE PRODUCTION OF OBSCENITY AS WELL AS TRANSPORTATION, DISTRIBUTION, AND SALE.

(a) SECTION 1465.—Section 1465 of title 18 of the United States Code is amended—

*(1) by inserting "**PRODUCTION AND**" before "**TRANSPORTATION**" in the heading of the section;*

(2) by inserting "produces with the intent to transport, distribute, or transmit in interstate or foreign commerce, or whoever knowingly" after "whoever knowingly" and before "transports or travels in"; and

(3) by inserting a comma after "in or affecting such commerce".

(b) SECTION 1466.—Section 1466 of title 18 of the United States Code is amended—

(1) in subsection (a), by inserting "producing with intent to distribute or sell, or" before "selling or transferring obscene matter,";

(2) in subsection (b), by inserting, "produces" before "sells or transfers or offers to sell or transfer obscene matter"; and

(3) in subsection (b) by inserting "production," before "selling or transferring or offering to sell or transfer such material.".

SEC. 507. GUARDIANS AD LITEM.

Section 3509(h)(1) of title 18, United States Code, is amended by inserting ", and provide reasonable compensation and payment of expenses for," before "a guardian".

TITLE VI—GRANTS, STUDIES, AND PROGRAMS FOR CHILDREN AND COMMUNITY SAFETY

Subtitle A—Mentoring Matches for Youth Act

SEC. 601. SHORT TITLE.

This subtitle may be cited as the "Mentoring Matches for Youth Act of 2006".

SEC. 602. FINDINGS.

Congress finds the following:

(1) Big Brothers Big Sisters of America, which was founded in 1904 and chartered by Congress in 1958, is the oldest and largest mentoring organization in the United States.

(2) There are over 450 Big Brothers Big Sisters of America local agencies providing mentoring programs for at-risk children in over 5,000 communities throughout every State, Guam, and Puerto Rico.

(3) Over the last decade, Big Brothers Big Sisters of America has raised a minimum of 75 percent of its annual operating budget from private sources and is continually working to grow private sources of funding to maintain this ratio of private to Federal funds.

(4) In 2005, Big Brothers Big Sisters of America provided mentors for over 235,000 children.

(5) Big Brothers Big Sisters of America has a goal to provide mentors for 1,000,000 children per year.

SEC. 603. GRANT PROGRAM FOR EXPANDING BIG BROTHERS BIG SISTERS MENTORING PROGRAM.

In each of fiscal years 2007 through 2012, the Administrator of the Office of Juvenile Justice and Delinquency Prevention (hereafter in this Act referred to as the "Administrator") may make grants to Big Brothers Big Sisters of America to use for expanding the capacity of and carrying out the Big Brothers Big Sisters mentoring programs for at-risk youth.

SEC. 604. BIANNUAL REPORT.

(a) IN GENERAL.—Big Brothers Big Sisters of America shall submit 2 reports to the Administrator in each of fiscal years 2007 through 2013. Big Brothers Big Sisters of America shall submit the first report in a fiscal year not later than April 1 of that fiscal year and the second report in a fiscal year not later than September 30 of that fiscal year.

(b) REQUIRED CONTENT.—Each such report shall include the following:

(1) A detailed statement of the progress made by Big Brothers Big Sisters of America in expanding the capacity of and carrying out mentoring programs for at-risk youth.

(2) A detailed statement of how the amounts received under this Act have been used.

(3) A detailed assessment of the effectiveness of the mentoring programs.

(4) Recommendations for continued grants and the appropriate amounts for such grants.

SEC. 605. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act—

(1) $9,000,000 for fiscal year 2007;
(2) $10,000,000 for fiscal year 2008;
(3) $11,500,000 for fiscal year 2009;
(4) $13,000,000 for fiscal year 2010; and
(5) $15,000,000 for fiscal year 2011.

Subtitle B—National Police Athletic League Youth Enrichment Act

SEC. 611. SHORT TITLE.

This subtitle may be cited as the "National Police Athletic League Youth Enrichment Reauthorization Act of 2006".

SEC. 612. FINDINGS.

Section 2 of the National Police Athletic League Youth Enrichment Act of 2000 (42 U.S.C. 13751 note) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (C) through (G) as subparagraphs (D) through (H), respectively; and

(B) by inserting after subparagraph (B) the following:

"(C) develop life enhancing character and leadership skills in young people;";

(2) in paragraph (2) by striking "55-year" and inserting "90-year";

(3) in paragraph (3)—

(A) by striking "320 PAL chapters" and inserting "350 PAL chapters"; and

(B) by striking "1,500,000 youth" and inserting "2,000,000 youth";

(4) in paragraph (4), by striking "82 percent"and inserting "85 percent";

(5) in paragraph (5), in the second sentence, by striking "receive no" and inserting "rarely receive";

(6) in paragraph (6), by striking "17 are at risk" and inserting "18 are at risk"; and

(7) in paragraph (7), by striking "1999" and inserting "2005".

SEC. 613. PURPOSE.

Section 3 of the National Police Athletic League Youth Enrichment Act of 2000 (42 U.S.C. 13751 note) is amended—

(1) in paragraph (1)—

(A) by striking "320 established PAL chapters" and inserting "342 established PAL chapters"; and

(B) by striking "and" at the end;

(2) in paragraph (2), by striking "2006." and inserting "2010; and"; and

(3) by adding at the end the following:

"(3) support of an annual gathering of PAL chapters and designated youth leaders from such chapters to participate in a 3-day conference that addresses national and local issues impacting the youth of America and includes educational sessions to advance character and leadership skills.".

SEC. 614. GRANTS AUTHORIZED.

Section 5 of the National Police Athletic League Youth Enrichment Act of 2000 (42 U.S.C. 13751 note) is amended—

(1) in subsection (a), by striking "2001 through 2005" and inserting "2006 through 2010"; and

(2) in subsection (b)(1)(B), by striking "not less than 570 PAL chapters in operation before January 1, 2004" and inserting "not fewer than 500 PAL chapters in operation before January 1, 2010".

SEC. 615. USE OF FUNDS.

Section 6(a)(2) of the National Police Athletic League Youth Enrichment Act of 2000 (42 U.S.C. 13751 note) is amended—

(1) in the matter preceding subparagraph (A), by striking "four" and inserting "two"; and

(2) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking "two programs" and inserting "one program";

(B) in clause (iii), by striking "or";

(C) in clause (iv), by striking "and" and inserting "or"; and

(D) by inserting after clause (iv) the following:

"(v) character development and leadership training; and".

SEC. 616. AUTHORIZATION OF APPROPRIATIONS.

Section 8(a) of the National Police Athletic League Youth Enrichment Act of 2000 (42 U.S.C. 13751 note) is amended by striking "2001 through 2005" and inserting "2006 through 2010".

SEC. 617. NAME OF LEAGUE.

(a) DEFINITIONS.—Section 4(4) of the National Police Athletic League Youth Enrichment Act of 2000 (42 U.S.C. 13751 note) is amended in the paragraph heading, by striking "Athletic" and inserting "Athletic/activities".

(b) TEXT.—The National Police Athletic League Youth Enrichment Act of 2000 (42 U.S.C. 13751 note) is amended by striking "Police Athletic League" each place such term appears and inserting "Police Athletic/Activities League".

Subtitle C—Grants, Studies, and Other Provisions

SEC. 621. PILOT PROGRAM FOR MONITORING SEXUAL OFFENDERS.

(a) SEX OFFENDER MONITORING PROGRAM.—

(1) GRANTS AUTHORIZED.—

(A) IN GENERAL.—The Attorney General is authorized to award grants (referred to as "Jessica Lunsford and Sarah Lunde Grants") to States, local governments, and Indian tribal governments to assist in—

(i) carrying out programs to outfit sex offenders with electronic monitoring units; and

(ii) the employment of law enforcement officials necessary to carry out such programs.

(B) DURATION.—The Attorney General shall award grants under this section for a period not to exceed 3 years.

(C) MINIMUM STANDARDS.—The electronic monitoring units used in the pilot program shall at a minimum—

(i) provide a single-unit tracking device for each offender that—

(I) contains a central processing unit with global positioning system and cellular technology in a single unit; and

(II) provides two- and three-way voice communication; and

(ii) permit active, real-time, and continuous monitoring of offenders 24 hours a day.

(2) APPLICATION.—

(A) IN GENERAL.—Each State, local government, or Indian tribal government desiring a grant under this section shall submit an application to the Attorney General at such time, in such manner, and accompanied by such information as the Attorney General may reasonably require.

(B) CONTENTS.—Each application submitted pursuant to subparagraph (A) shall—

(i) describe the activities for which assistance under this section is sought; and

(ii) provide such additional assurances as the Attorney General determines to be essential to ensure compliance with the requirements of this section.

(b) INNOVATION.—In making grants under this section, the Attorney General shall ensure that different approaches to monitoring are funded to allow an assessment of effectiveness.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated $5,000,000 for each of the fiscal years 2007 through 2009 to carry out this section.

(2) REPORT.—Not later than September 1, 2010, the Attorney General shall report to Congress—

(A) assessing the effectiveness and value of this section;

(B) comparing the cost effectiveness of the electronic monitoring to reduce sex offenses compared to other alternatives; and

(C) making recommendations for continuing funding and the appropriate levels for such funding.

SEC. 622. TREATMENT AND MANAGEMENT OF SEX OFFENDERS IN THE BUREAU OF PRISONS.

Section 3621 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(f) SEX OFFENDER MANAGEMENT.—

"(1) IN GENERAL.—The Bureau of Prisons shall make available appropriate treatment to sex offenders who are in need of and suitable for treatment, as follows:

"(A) SEX OFFENDER MANAGEMENT PROGRAMS.—The Bureau of Prisons shall establish non-residential sex offender management programs to provide appropriate treatment, monitoring, and supervision of sex offenders and to provide aftercare during pre-release custody.

"(B) RESIDENTIAL SEX OFFENDER TREATMENT PROGRAMS.—The Bureau of Prisons shall establish residential sex offender treatment programs to provide treatment to sex offenders who volunteer for such programs and are deemed by the Bureau of Prisons to be in need of and suitable for residential treatment.

"(2) REGIONS.—At least 1 sex offender management program under paragraph (1)(A), and at least one residential sex offender treatment program under paragraph (1)(B), shall be established in each region within the Bureau of Prisons.

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Bureau of Prisons for each fiscal year such sums as may be necessary to carry out this subsection.".

SEC. 623. SEX OFFENDER APPREHENSION GRANTS; JUVENILE SEX OFFENDER TREATMENT GRANTS.

Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end the following new part:

"PART X—SEX OFFENDER APPREHENSION GRANTS; JUVENILE SEX OFFENDER TREATMENT GRANTS

"SEC. 3011. SEX OFFENDER APPREHENSION GRANTS.

"(a) AUTHORITY TO MAKE SEX OFFENDER APPREHENSION GRANTS.—

"(1) IN GENERAL.—From amounts made available to carry out this part, the Attorney General may make grants to States, units of local government, Indian tribal governments, other public and private entities, and multi-jurisdictional or regional consortia thereof for activities specified in paragraph (2).

"(2) COVERED ACTIVITIES.—An activity referred to in paragraph (1) is any program, project, or other activity to assist a State in enforcing sex offender registration requirements.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for fiscal years 2007 through 2009 to carry out this part.

"SEC. 3012. JUVENILE SEX OFFENDER TREATMENT GRANTS.

"(a) AUTHORITY TO MAKE JUVENILE SEX OFFENDER TREATMENT GRANTS.—

"(1) IN GENERAL.—From amounts made available to carry out this part, the Attorney General may make grants to units of local government, Indian tribal governments, correctional facilities, other public and private entities, and multijurisdictional or regional consortia thereof for activities specified in paragraph (2).

"(2) COVERED ACTIVITIES.—An activity referred to in paragraph (1) is any program, project, or other activity to assist in the treatment of juvenile sex offenders.

"(b) JUVENILE SEX OFFENDER DEFINED.—For purposes of this section, the term 'juvenile sex offender' is a sex offender who had not attained the age of 18 years at the time of his or her offense.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for each of fiscal years 2007 through 2009 to carry out this part.".

SEC. 624. ASSISTANCE FOR PROSECUTION OF CASES CLEARED THROUGH USE OF DNA BACKLOG CLEARANCE FUNDS.

(a) IN GENERAL.—The Attorney General may make grants to train and employ personnel to help prosecute cases cleared through use of funds provided for DNA backlog elimination.

(b) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary for each of fiscal years 2007 through 2011 to carry out this section.

SEC. 625. GRANTS TO COMBAT SEXUAL ABUSE OF CHILDREN.

(a) IN GENERAL.—The Bureau of Justice Assistance is authorized to make grants under this section—

(1) to any law enforcement agency that serves a jurisdiction with 50,000 or more residents; and

(2) to any law enforcement agency that serves a jurisdiction with fewer than 50,000 residents, upon a showing of need.

(b) USE OF GRANT AMOUNTS.—Grants under this section may be used by the law enforcement agency to—

(1) hire additional law enforcement personnel or train existing staff to combat the sexual abuse of children through community education and outreach, investigation of complaints, enforcement of laws relating to sex offender registries, and management of released sex offenders;

(2) investigate the use of the Internet to facilitate the sexual abuse of children; and

(3) purchase computer hardware and software necessary to investigate sexual abuse of children over the Internet, access local, State, and Federal databases needed to apprehend sex offenders, and facilitate the creation and enforcement of sex offender registries.

(c) CRITERIA.—The Attorney General shall give priority to law enforcement agencies making a showing of need.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for fiscal years 2007 through 2009 to carry out this section.

SEC. 626. CRIME PREVENTION CAMPAIGN GRANT.

Subpart 2 of part E of title I of the Omnibus Crime Control and Safe Street Act of 1968 is amended by adding at the end the following new chapter:

"CHAPTER 4—GRANTS TO PRIVATE ENTITIES

"SEC. 519. CRIME PREVENTION CAMPAIGN GRANT.

"(a) GRANT AUTHORIZATION.—The Attorney General may provide a grant to a national private, nonprofit organization that has expertise in promoting crime prevention through public outreach and media campaigns in coordination with law enforcement agencies and other local government officials, and representatives of community public interest organizations, including schools and youth-serving organizations, faith-based, and victims' organizations and employers.

"(b) APPLICATION.—To request a grant under this section, an organization described in subsection (a) shall submit an application to the Attorney General in such form and containing such information as the Attorney General may require.

"(c) USE OF FUNDS.—An organization that receives a grant under this section shall—

"(1) create and promote national public communications campaigns;

"(2) develop and distribute publications and other educational materials that promote crime prevention;

"(3) design and maintain web sites and related web-based materials and tools;

"(4) design and deliver training for law enforcement personnel, community leaders, and other partners in public safety and hometown security initiatives;

"(5) design and deliver technical assistance to States, local jurisdictions, and crime prevention practitioners and associations;

"(6) coordinate a coalition of Federal, national, and statewide organizations and communities supporting crime prevention;

"(7) design, deliver, and assess demonstration programs;

"(8) operate McGruff-related programs, including McGruff Club;

"(9) operate the Teens, Crime, and Community Program; and

"(10) evaluate crime prevention programs and trends.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) for fiscal year 2007, $7,000,000;

"(2) for fiscal year 2008, $8,000,000;

"(3) for fiscal year 2009, $9,000,000; and

"(4) for fiscal year 2010, $10,000,000.".

SEC. 627. GRANTS FOR FINGERPRINTING PROGRAMS FOR CHILDREN.

(a) In General.—The Attorney General shall establish and implement a program under which the Attorney General may make grants to States, units of local government, and Indian tribal governments in accordance with this section.

(b) Use of Grant Amounts.—A grant made to a State, unit of local government, or Indian tribal government under subsection (a) shall be distributed to law enforcement agencies within the jurisdiction of such State, unit, or tribal government to be used for any of the following activities:

(1) To establish a voluntary fingerprinting program for children, which may include the taking of palm prints of children.

(2) To hire additional law enforcement personnel, or train existing law enforcement personnel, to take fingerprints of children.

(3) To provide information within the community involved about the existence of such a fingerprinting program.

(4) To provide for computer hardware, computer software, or other materials necessary to carry out such a fingerprinting program.

(c) Limitation.—Fingerprints of a child derived from a program funded under this section—

(1) may be released only to a parent or guardian of the child; and

(2) may not be copied or retained by any Federal, State, local, or tribal law enforcement officer unless written permission is given by the parent or guardian.

(d) Criminal Penalty.—Any person who uses the fingerprints of a child derived from a program funded under this section for any purpose other than the purpose described in subsection (c)(1) shall be subject to imprisonment for not more than 1 year, a fine under title 18, United States Code, or both.

(e) Authorization of Appropriations.—There is authorized to be appropriated $20,000,000 to carry out this section for the 5-year period beginning on the first day of fiscal year 2007.

SEC. 628. GRANTS FOR RAPE, ABUSE & INCEST NATIONAL NETWORK.

(a) Findings.—Congress finds as follows:

(1) More than 200,000 Americans each year are victims of sexual assault, according to the Department of Justice.

(2) In 2004, 1 American was sexually assaulted every 2.5 minutes.

(3) One of every 6 women, and 1 of every 133 men, in America has been the victim of a completed or attempted rape, according to the Department of Justice.

(4) The Federal Bureau of Investigation ranks rape second in the hierarchy of violent crimes for its Uniform Crime Reports, trailing only murder.

(5) The Federal Government, through the Victims of Crime Act, Violence Against Women Act, and other laws, has long played a role in providing services to sexual assault victims and in seeking policies to increase the number of rapists brought to justice.

(6) Research suggests that sexual assault victims who receive counseling support are more likely to report their attack to the police and to participate in the prosecution of the offender.

(7) Due in part to the combined efforts of law enforcement officials at the local, State, and Federal level, as well as the efforts of the Rape, Abuse & Incest National Network (RAINN) and its affiliated rape crisis centers across the United States, sexual violence in America has fallen by more than half since 1994.

(8) RAINN, a 501(c)(3) nonprofit corporation headquartered in the District of Columbia, has since 1994 provided help to victims of sexual assault and educated the public about sexual assault prevention, prosecution, and recovery.

(9) RAINN established and continues to operate the National Sexual Assault Hotline, a free, confidential telephone hotline that provides help, 24 hours a day, to victims nationally.

(10) More than 1,100 local rape crisis centers in the 50 States and the District of Columbia partner with RAINN and are members of the National Sexual Assault Hotline network (which has helped more than 970,000 people since its inception in 1994).

(11) To better serve victims of sexual assault, 80 percent of whom are under age 30 and 44 percent of whom are under age 18, RAINN will soon launch the National Sexual Assault Online Hotline, the web's first secure hotline service offering live help 24 hours a day.

(12) Congress and the Department of Justice have given RAINN funding to conduct its crucial work.

(13) RAINN is a national model of public/private partnership, raising private sector funds to match congressional appropriations and receiving extensive private in-kind support, including advanced technology provided by the communications and technology industries to launch the National Sexual Assault Hotline and the National Sexual Assault Online Hotline.

(14) Worth magazine selected RAINN as one of "America's 100 Best Charities", in recognition of the organization's "efficiency and effectiveness."

(15) In fiscal year 2005, RAINN spent more than 91 cents of every dollar received directly on program services.

(16) The demand for RAINN's services is growing dramatically, as evidenced by the fact that, in 2005, the National Sexual Assault Hotline helped 137,039 people, an all-time record.

(17) The programs sponsored by RAINN and its local affiliates have contributed to the increase in the percentage of victims who report their rape to law enforcement.

(18) According to a recent poll, 92 percent of American women said that fighting sexual and domestic violence should be a top public policy priority (a higher percentage than chose health care, child care, or any other issue).

(19) Authorizing Federal funds for RAINN's national programs would promote continued progress with this interstate problem and would make a significant difference in the prosecution of rapists and the overall incidence of sexual violence.

(b) Duties and Functions of the Administrator.—

(1) Description of Activities.—The Administrator shall—

(A) issue such rules as the Administrator considers necessary or appropriate to carry out this section;

(B) make such arrangements as may be necessary and appropriate to facilitate effective coordination among all Federally funded programs relating to victims of sexual assault; and

(C) provide adequate staff and agency resources which are necessary to properly carry out the responsibilities pursuant to this section.

(2) Annual Grant to Rape, Abuse & Incest National Network.—The Administrator shall annually make a grant to RAINN, which shall be used for the performance of the organization's national programs, which may include—

(A) operation of the National Sexual Assault Hotline, a 24-hour toll-free telephone line by which individuals may receive help and information from trained volunteers;

(B) operation of the National Sexual Assault Online Hotline, a 24-hour free online service by which individuals may receive help and information from trained volunteers;

(C) education of the media, the general public, and populations at risk of sexual assault about the incidence of sexual violence and sexual violence prevention, prosecution, and recovery;

(D) dissemination, on a national basis, of information relating to innovative and model programs, services, laws, legislation, and policies that benefit victims of sexual assault; and

(E) provision of technical assistance to law enforcement agencies, State and local governments, the criminal justice system, public and private nonprofit agencies, and individuals in the investigation and prosecution of cases involving victims of sexual assault.

(c) Definitions.—For the purposes of this section:

(1) Administrator.—The term "Administrator" means the Administrator of the Office of Juvenile Justice and Delinquency Prevention.

(2) Rainn.—The term "RAINN" means the Rape, Abuse & Incest National Network, a 501(c)(3) nonprofit corporation headquartered in the District of Columbia.

(d) Authorization of Appropriations.—There is authorized to be appropriated to the Administrator to carry out this section, $3,000,000 for each of fiscal years 2007 through 2010.

SEC. 629. CHILDREN'S SAFETY ONLINE AWARENESS CAMPAIGNS.

(a) Awareness Campaign for Children's Safety Online.—

(1) In General.—The Attorney General, in consultation with the National Center for Missing and Exploited Children, is authorized to develop and carry out a public awareness campaign to demonstrate, explain, and encourage children, parents, and community leaders to better protect children when such children are on the Internet.

(2) Required Components.—The public awareness campaign described under paragraph (1) shall include components that compliment and reinforce the campaign message in a variety of media, including the Internet, television, radio, and billboards.

(b) Awareness Campaign Regarding the Accessibility and Utilization of Sex Offender Registries.—The Attorney General, in consultation with the National Center for Missing and Exploited Children, is authorized to develop and carry out a public awareness campaign to demonstrate, explain, and encourage parents and community leaders to better access and utilize the Federal and State sex offender registries.

(c) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal years 2007 through 2011.

SEC. 630. GRANTS FOR ONLINE CHILD SAFETY PROGRAMS.

(a) In General.—The Attorney General shall, subject to the availability of appropriations, make grants to States, units of local government, and nonprofit organizations for the purposes of establishing and maintaining programs with respect to improving and educating children and parents in the best ways for children to be safe when on the Internet.

(b) Definition of State.—For purposes of this section, the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands.

(c) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal years 2007 through 2011.

SEC. 631. JESSICA LUNSFORD ADDRESS VERIFICATION GRANT PROGRAM.

(a) Establishment.—There is established the Jessica Lunsford Address Verification Grant Program (hereinafter in this section referred to as the "Program").

(b) GRANTS AUTHORIZED.—Under the Program, the Attorney General is authorized to award grants to State, local governments, and Indian tribal governments to assist in carrying out programs requiring an appropriate official to verify, at appropriate intervals, the residence of all or some registered sex offenders.

(c) APPLICATION.—

(1) IN GENERAL.—Each State or local government seeking a grant under this section shall submit an application to the Attorney General at such time, in such manner, and accompanied by such information as the Attorney General may reasonably require.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

(A) describe the activities for which assistance under this section is sought; and

(B) provide such additional assurances as the Attorney General determines to be essential to ensure compliance with the requirements of this section.

(d) INNOVATION.—In making grants under this section, the Attorney General shall ensure that different approaches to address verification are funded to allow an assessment of effectiveness.

(e) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for each of the fiscal years 2007 through 2009 such sums as may be necessary to carry out this section.

(2) REPORT.—Not later than April 1, 2009, the Attorney General shall report to Congress—

(A) assessing the effectiveness and value of this section;

(B) comparing the cost effectiveness of address verification to reduce sex offenses compared to other alternatives; and

(C) making recommendations for continuing funding and the appropriate levels for such funding.

SEC. 632. FUGITIVE SAFE SURRENDER.

(a) FINDINGS.—Congress finds the following:

(1) Fugitive Safe Surrender is a program of the United States Marshals Service, in partnership with public, private, and faith-based organizations, which temporarily transforms a church into a courthouse, so fugitives can turn themselves in, in an atmosphere where they feel more comfortable to do so, and have nonviolent cases adjudicated immediately.

(2) In the 4-day pilot program in Cleveland, Ohio, over 800 fugitives turned themselves in. By contrast, a successful Fugitive Task Force sweep, conducted for 3 days after Fugitive Safe Surrender, resulted in the arrest of 65 individuals.

(3) Fugitive Safe Surrender is safer for defendants, law enforcement, and innocent bystanders than needing to conduct a sweep.

(4) Based upon the success of the pilot program, Fugitive Safe Surrender should be expanded to other cities throughout the United States.

(b) ESTABLISHMENT.—The United States Marshals Service shall establish, direct, and coordinate a program (to be known as the "Fugitive Safe Surrender Program"), under which the United States Marshals Service shall apprehend Federal, State, and local fugitives in a safe, secure, and peaceful manner to be coordinated with law enforcement and community leaders in designated cities throughout the United States.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the United States Marshals Service to carry out this section—

(1) $3,000,000 for fiscal year 2007;

(2) $5,000,000 for fiscal year 2008; and

(3) $8,000,000 for fiscal year 2009.

(d) OTHER EXISTING APPLICABLE LAW.—Nothing in this section shall be construed to limit any existing authority under any other provision of Federal or State law for law enforcement agencies to locate or apprehend fugitives through task forces or any other means.

SEC. 633. NATIONAL REGISTRY OF SUBSTANTIATED CASES OF CHILD ABUSE.

(a) IN GENERAL.—The Secretary of Health and Human Services, in consultation with the Attorney General, shall create a national registry of substantiated cases of child abuse or neglect.

(b) INFORMATION.—

(1) COLLECTION.—The information in the registry described in subsection (a) shall be supplied by States and Indian tribes, or, at the option of a State, by political subdivisions of such State, to the Secretary of Health and Human Services.

(2) TYPE OF INFORMATION.—The registry described in subsection (a) shall collect in a central electronic registry information on persons reported to a State, Indian tribe, or political subdivision of a State as perpetrators of a substantiated case of child abuse or neglect.

(c) SCOPE OF INFORMATION.—

(1) IN GENERAL.—

(A) TREATMENT OF REPORTS.—The information to be provided to the Secretary of Health and Human Services under this section shall relate to substantiated reports of child abuse or neglect.

(B) EXCEPTION.—If a State, Indian tribe, or political subdivision of a State has an electronic register of cases of child abuse or neglect equivalent to the registry established under this section that it maintains pursuant to a requirement or authorization under any other provision of law, the information provided to the Secretary of Health and Human Services under this section shall be coextensive with that in such register.

(2) FORM.—Information provided to the Secretary of Health and Human Services under this section—

(A) shall be in a standardized electronic form determined by the Secretary of Health and Human Services; and

(B) shall contain case-specific identifying information that is limited to the name of the perpetrator and the nature of the substantiated case of child abuse or neglect, and that complies with clauses (viii) and (ix) of section 106(b)(2)(A) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(b)(2)(A) (viii) and (ix)).

(d) CONSTRUCTION.—This section shall not be construed to require a State, Indian tribe, or political subdivision of a State to modify—

(1) an equivalent register of cases of child abuse or neglect that it maintains pursuant to a requirement or authorization under any other provision of law; or

(2) any other record relating to child abuse or neglect, regardless of whether the report of abuse or neglect was substantiated, unsubstantiated, or determined to be unfounded.

(e) ACCESSIBILITY.—Information contained in the national registry shall only be accessible to any Federal, State, Indian tribe, or local government entity, or any agent of such entities, that has a need for such information in order to carry out its responsibilities under law to protect children from child abuse and neglect.

(f) DISSEMINATION.—The Secretary of Health and Human Services shall establish standards for the dissemination of information in the national registry of substantiated cases of child abuse or neglect. Such standards shall comply with clauses (viii) and (ix) of section 106(b)(2)(A) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(b)(2)(A) (viii) and (ix)).

(g) STUDY.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study on the feasibility of establishing data collection standards for a national child abuse and neglect registry with recommendations and findings concerning—

(A) costs and benefits of such data collection standards;

(B) data collection standards currently employed by each State, Indian tribe, or political subdivision of a State;

(C) data collection standards that should be considered to establish a model of promising practices; and

(D) a due process procedure for a national registry

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Committees on the Judiciary in the House of Representatives and the United States Senate and the Senate Committee on Health, Education, Labor and Pensions and the House Committee on Education and the Workforce a report containing the recommendations and findings of the study on data collection standards for a national child abuse registry authorized under this subsection.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $500,000 for the period of fiscal years 2006 and 2007 to carry out the study required by this subsection.

SEC. 634. COMPREHENSIVE EXAMINATION OF SEX OFFENDER ISSUES.

(a) IN GENERAL.—The National Institute of Justice shall conduct a comprehensive study to examine the control, prosecution, treatment, and monitoring of sex offenders, with a particular focus on—

(1) the effectiveness of the Sex Offender Registration and Notification Act in increasing compliance with sex offender registration and notification requirements, and the costs and burdens associated with such compliance;

(2) the effectiveness of sex offender registration and notification requirements in increasing public safety, and the costs and burdens associated with such requirements;

(3) the effectiveness of public dissemination of sex offender information on the Internet in increasing public safety, and the costs and burdens associated with such dissemination; and

(4) the effectiveness of treatment programs in reducing recidivism among sex offenders, and the costs and burdens associated with such programs.

(b) RECOMMENDATIONS.—The study described in subsection (a) shall include recommendations for reducing the number of sex crimes against children and adults and increasing the effectiveness of registration requirements.

(c) REPORTS.—

(1) IN GENERAL.—Not later than 5 years after the date of enactment of this Act, the National Institute of Justice shall report the results of the study conducted under subsection (a) together with findings to Congress, through the Internet to the public, to each of the 50 governors, to the Mayor of the District of Columbia, to territory heads, and to the top official of the various Indian tribes.

(2) INTERIM REPORTS.—The National Institute of Justice shall submit yearly interim reports.

(d) APPROPRIATIONS.—There are authorized to be appropriated $3,000,000 to carry out this section.

SEC. 635. ANNUAL REPORT ON ENFORCEMENT OF REGISTRATION REQUIREMENTS.

Not later than July 1 of each year, the Attorney General shall submit a report to Congress describing—

(1) the use by the Department of Justice of the United States Marshals Service to assist jurisdictions in locating and apprehending sex offenders who fail to comply with sex offender registration requirements, as authorized by this Act;

(2) the use of section 2250 of title 18, United States Code (as added by section 151 of this Act), to punish offenders for failure to register;

(3) a detailed explanation of each jurisdiction's compliance with the Sex Offender Registration and Notification Act;

(4) a detailed description of Justice Department efforts to ensure compliance and any funding reductions, the basis for any decision to reduce funding or not to reduce funding under section 125; and

(5) the denial or grant of any extensions to comply with the Sex Offender Registration and Notification Act, and the reasons for such denial or grant.

SEC. 636. GOVERNMENT ACCOUNTABILITY OFFICE STUDIES ON FEASIBILITY OF USING DRIVER'S LICENSE REGISTRATION PROCESSES AS ADDITIONAL REGISTRATION REQUIREMENTS FOR SEX OFFENDERS.

For the purposes of determining the feasibility of using driver's license registration processes as additional registration requirements for sex offenders to improve the level of compliance with sex offender registration requirements for change of address upon relocation and other related updates of personal information, the Congress requires the following studies:

(1) Not later than 180 days after the date of the enactment of this Act, the Government Accountability Office shall complete a study for the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives to survey a majority of the States to assess the relative systems capabilities to comply with a Federal law that required all State driver's license systems to automatically access State and national databases of registered sex offenders in a form similar to the requirement of the Nevada law described in paragraph (2). The Government Accountability Office shall use the information drawn from this survey, along with other expert sources, to determine what the potential costs to the States would be if such a Federal law came into effect, and what level of Federal grants would be required to prevent an unfunded mandate. In addition, the Government Accountability Office shall seek the views of Federal and State law enforcement agencies, including in particular the Federal Bureau of Investigation, with regard to the anticipated effects of such a national requirement, including potential for undesired side effects in terms of actual compliance with this Act and related laws.

(2) Not later than February 1, 2007, the Government Accountability Office shall complete a study to evaluate the provisions of Chapter 507 of Statutes of Nevada 2005 to determine—

(A) if those provisions are effective in increasing the registration compliance rates of sex offenders;

(B) the aggregate direct and indirect costs for the State of Nevada to bring those provisions into effect; and

(C) how those provisions might be modified to improve compliance by registered sex offenders.

SEC. 637. SEX OFFENDER RISK CLASSIFICATION STUDY.

(a) STUDY.—The Attorney General shall conduct a study of risk-based sex offender classification systems, which shall include an analysis of—

(1) various risk-based sex offender classification systems;

(2) the methods and assessment tools available to assess the risks posed by sex offenders;

(3) the efficiency and effectiveness of risk-based sex offender classification systems, in comparison to offense-based sex offender classification systems, in—

(A) reducing threats to public safety posed by sex offenders; and

(B) assisting law enforcement agencies and the public in identifying the most dangerous sex offenders;

(4) the resources necessary to implement, and the legal implications of implementing, risk-based sex offender classification systems for sex offender registries; and

(5) any other information the Attorney General determines necessary to evaluate risk-based sex offender classification systems.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Attorney General shall report to the Congress the results of the study under this section.

(c) STUDY CONDUCTED BY TASK FORCE.—The Attorney General may establish a task force to conduct the study and prepare the report required under this section. Any task force established under this section shall be composed of members, appointed by the Attorney General, who—

(1) represent national, State, and local interests; and

(2) are especially qualified to serve on the task force by virtue of their education, training, or experience, particularly in the fields of sex offender management, community education, risk assessment of sex offenders, and sex offender victim issues.

SEC. 638. STUDY OF THE EFFECTIVENESS OF RESTRICTING THE ACTIVITIES OF SEX OFFENDERS TO REDUCE THE OCCURRENCE OF REPEAT OFFENSES.

(a) STUDY.—The Attorney General shall conduct a study to evaluate the effectiveness of monitoring and restricting the activities of sex offenders to reduce the occurrence of repeat offenses by such sex offenders, through conditions imposed as part of supervised release or probation conditions. The study shall evaluate—

(1) the effectiveness of methods of monitoring and restricting the activities of sex offenders, including restrictions—

(A) on the areas in which sex offenders can reside, work, and attend school;

(B) limiting access by sex offenders to the Internet or to specific Internet sites; and

(C) preventing access by sex offenders to pornography and other obscene materials;

(2) the ability of law enforcement agencies and courts to enforce such restrictions; and

(3) the efficacy of any other restrictions that may reduce the occurrence of repeat offenses by sex offenders.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Attorney General shall report to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate the results of the study under this section.

SEC. 639. THE JUSTICE FOR CRIME VICTIMS FAMILY ACT.

(a) SHORT TITLE.—This section may be cited as the "Justice for Crime Victims Family Act".

(b) STUDY OF MEASURES NEEDED TO IMPROVE PERFORMANCE OF HOMICIDE INVESTIGATORS.—Not later than 6 months after the date of the enactment of this Act, the Attorney General shall submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a report—

(1) outlining what measures are needed to improve the performance of Federal, State, and local criminal investigators of homicide; and

(2) including an examination of—

(A) the benefits of increasing training and resources for such investigators, with respect to investigative techniques, best practices, and forensic services;

(B) the existence of any uniformity among State and local jurisdictions in the measurement of homicide rates and clearance of homicide cases;

(C) the coordination in the sharing of information among Federal, State, and local law enforcement and coroners and medical examiners; and

(D) the sources of funding that are in existence on the date of the enactment of this Act for State and local criminal investigators of homicide.

(c) IMPROVEMENTS NEEDED FOR SOLVING HOMICIDES INVOLVING MISSING PERSONS AND UNIDENTIFIED HUMAN REMAINS.—Not later than 6 months after the date of the enactment of this Act, the Attorney General shall submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a report—

(1) evaluating measures to improve the ability of Federal, State, and local criminal investigators of homicide to solve homicides involving missing persons and unidentified human remains; and

(2) including an examination of—

(A) measures to expand national criminal records databases with accurate information relating to missing persons and unidentified human remains;

(B) the collection of DNA samples from potential 'high-risk' missing persons;

(C) the benefits of increasing access to national criminal records databases for medical examiners and coroners;

(D) any improvement in the performance of postmortem examinations, autopsies, and reporting procedures of unidentified persons or remains;

(E) any coordination between the National Center for Missing Children and the National Center for Missing Adults;

(F) website postings (or other uses of the Internet) of information of identifiable information such as physical features and characteristics, clothing, and photographs of missing persons and unidentified human remains; and

(G) any improvement with respect to—

(i) the collection of DNA information for missing persons and unidentified human remains; and

(ii) entering such information into the Combined DNA Index System of the Federal Bureau of Investigation and national criminal records databases.

TITLE VII—INTERNET SAFETY ACT

SEC. 701. CHILD EXPLOITATION ENTERPRISES.

Section 2252A of title 18, United States Code, is amended by adding at the end the following:

"(g) CHILD EXPLOITATION ENTERPRISES.—

"(1) Whoever engages in a child exploitation enterprise shall be fined under this title and imprisoned for any term of years not less than 20 or for life.

"(2) A person engages in a child exploitation enterprise for the purposes of this section if the person violates section 1591, section 1201 if the victim is a minor, or chapter 109A (involving a minor victim), 110 (except for sections 2257 and 2257A), or 117 (involving a minor victim), as a part of a series of felony violations constituting three or more separate incidents and involving more than one victim, and commits those offenses in concert with three or more other persons.".

SEC. 702. INCREASED PENALTIES FOR REGISTERED SEX OFFENDERS.

(a) OFFENSE.—Chapter 110 of title 18, United States Code, is amended by adding at the end the following:

"§2260A. Penalties for registered sex offenders

"Whoever, being required by Federal or other law to register as a sex offender, commits a felony offense involving a minor under section 1201, 1466A, 1470, 1591, 2241, 2242, 2243, 2244, 2245, 2251, 2251A, 2260, 2421, 2422, 2423, or 2425, shall be sentenced to a term of imprisonment of 10 years in addition to the imprisonment imposed for the offense under that provision. The sentence imposed under this section shall be consecutive to any sentence imposed for the offense under that provision.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18,

United States Code, is amended by adding at the end the following new item:

"2260A. Increased penalties for registered sex offenders.".

SEC. 703. DECEPTION BY EMBEDDED WORDS OR IMAGES.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2252B the following:

"§2252C. Misleading words or digital images on the Internet

"(a) IN GENERAL.—Whoever knowingly embeds words or digital images into the source code of a website with the intent to deceive a person into viewing material constituting obscenity shall be fined under this title and imprisoned for not more than 10 years.

"(b) MINORS.—Whoever knowingly embeds words or digital images into the source code of a website with the intent to deceive a minor into viewing material harmful to minors on the Internet shall be fined under this title and imprisoned for not more than 20 years.

"(c) CONSTRUCTION.—For the purposes of this section, a word or digital image that clearly indicates the sexual content of the site, such as 'sex' or 'porn', is not misleading.

"(d) DEFINITIONS.—As used in this section—

"(1) the terms 'material that is harmful to minors' and 'sex' have the meaning given such terms in section 2252B; and

"(2) the term 'source code' means the combination of text and other characters comprising the content, both viewable and nonviewable, of a web page, including any website publishing language, programming language, protocol or functional content, as well as any successor languages or protocols.".

(b) TABLE OF SECTIONS.—The table of sections for chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2252B the following:

"2252C. Misleading words or digital images on the Internet.".

SEC. 704. ADDITIONAL PROSECUTORS FOR OFFENSES RELATING TO THE SEXUAL EXPLOITATION OF CHILDREN.

(a) DEFINITION.—In this section, the term "offenses relating to the sexual exploitation of children" shall include any offense committed in violation of—

(1) chapter 71 of title 18, United States Code, involving an obscene visual depiction of a minor, or transfer of obscene materials to a minor;

(2) chapter 109A of title 18, United States Code, involving a victim who is a minor;

(3) chapter 109B of title 18, United States Code;

(4) chapter 110 of title 18, United States Code;

(5) chapter 117 of title 18, United States Code involving a victim who is a minor; and

(6) section 1591 of title 18, United States Code.

(b) ADDITIONAL PROSECUTORS.—In fiscal year 2007, the Attorney General shall, subject to the availability of appropriations for such purposes, increase by not less than 200 the number of attorneys in United States Attorneys' Offices. The additional attorneys shall be assigned to prosecute offenses relating to the sexual exploitation of children.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Justice for fiscal year 2007 such sums as may be necessary to carry out this section.

SEC. 705. ADDITIONAL COMPUTER-RELATED RESOURCES.

(a) DEPARTMENT OF JUSTICE RESOURCES.—In fiscal year 2007, the Attorney General shall, subject to the availability of appropriations for such purposes, increase by not less than 30 the number of computer forensic examiners within the Regional Computer Forensic Laboratories (RCFL). The additional computer forensic examiners shall be dedicated to investigating crimes involving the sexual exploitation of children and related offenses.

(b) DEPARTMENT OF HOMELAND SECURITY RESOURCES.—In fiscal year 2007, the Secretary of Homeland Security shall, subject to the availability of appropriations for such purposes, increase by not less than 15 the number of computer forensic examiners within the Cyber Crimes Center (C3). The additional computer forensic examiners shall be dedicated to investigating crimes involving the sexual exploitation of children and related offenses.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Justice and the Department of Homeland Security for fiscal year 2007 such sums as may be necessary to carry out this section.

SEC. 706. ADDITIONAL ICAC TASK FORCES.

(a) ADDITIONAL TASK FORCES.—In fiscal year 2007, the Administrator of the Office of Juvenile Justice and Delinquency Prevention shall, subject to the availability of appropriations for such purpose, increase by not less than 10 the number of Internet Crimes Against Children Task Forces that are part of the Internet Crimes Against Children Task Force Program authorized and funded under title IV of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5771 et seq.). These Task Forces shall be in addition to the ones authorized in section 143 of this Act.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Office of Juvenile Justice and Delinquency Prevention for fiscal year 2007 such sums as may be necessary to carry out this section.

SEC. 707. MASHA'S LAW.

(a) SHORT TITLE.—This section may be cited as "Masha's Law".

(b) IN GENERAL.—Section 2255(a) of title 18, United States Code, is amended—

(1) in the first sentence—

(A) by striking "(a) Any minor who is" and inserting the following:

"(a) IN GENERAL.—Any person who, while a minor, was";

(B) by inserting after "such violation" the following: ", regardless of whether the injury occurred while such person was a minor,"; and

(C) by striking "such minor" and inserting "such person"; and

(2) in the second sentence—

(A) by striking "Any minor" and inserting "Any person"; and

(B) by striking "$50,000" and inserting "$150,000".

(c) CONFORMING AMENDMENT.—Section 2255(b) of title 18, United States Code, is amended by striking "(b) Any action" and inserting the following:

"(b) STATUTE OF LIMITATIONS.—Any action".

Amend the title so as to read: "An Act to protect children from sexual exploitation and violent crime, to prevent child abuse and child pornography, to promote Internet safety, and to honor the memory of Adam Walsh and other child crime victims.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 4472, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I had a lengthy statement that I wanted to put in the RECORD, but we have a lot of demands for speakers, so I will be brief and include the full statement in the RECORD under general leave.

I rise in strong support of H.R. 4472, the Adam Walsh Child Protection and Safety Act of 2006. The continued vulnerability of America's children to sexual predators is a national tragedy that demands strong congressional action. During the 109th Congress, the House has twice passed broad child safety legislation; in September 2005 and then in March of this year. I want to commend the other body for recognizing the importance of following the House's lead to address this issue.

Mr. Speaker, H.R. 4472 contains strict national offender registration and data sharing requirements to ensure that law enforcement agencies in America's communities know where sex offenders live and work, and to provide stiff criminal penalties for sex offenders who fail to comply with these enhanced registration requirements. This legislation would make it crystal clear to sex offenders: You better register, you better keep the information current, or you are going to jail.

The bill also increases criminal penalties to punish and deter those who prey on children, and it authorizes important grant programs that will help ensure the safety of our Nation's children.

Mr. Speaker, 25 years ago, John and Reve Walsh suffered the devastating loss of their 6-year-old son, Adam, who was abducted and murdered by a child predator. With courage and determination, the Walshes channeled the grief of their son's loss into a national campaign to spare other families from ever facing the pain they will always endure.

And I would just like to point out that in the well, there is a picture of this darling child who was brutally murdered.

Their quarter century of sacrifice has made America's children safer, and it is in the memory of their son Adam that this legislation is named.

Mr. Speaker, the Adam Walsh Child Protection and Safety Act of 2006 represents the most comprehensive Federal child safety legislation ever considered by this House. It reflects this body's boldest commitment yet to protecting America's children against sexual predators.

I urge my colleagues to vote "yes" on the motion to suspend the rules and send this vital and historic legislation to the President's desk for his signature.

Mr. Speaker, I rise in strong support of H.R. 4472, the Adam Walsh Child Protection and Safety Act of 2006.

Adam Walsh, Jacob Wetterling, Megan Nicole Kanka, Pam Lychner, Jetseta Gage, Dru Sjodin, Jessica Lunsford, Sarah Lunde, Amie Zyla, Christy Fornoff, Alexandra Nicole Zapp, Polly Klaas, Jimmy Ryce, Carlie Brucia, Amanda Brown, Molly Bish, Elizabeth Smart, Samantha Runnion. The names of these innocent victims are seared into the national consciousness but only represent a fraction of children victimized by violent sexual offenders. Their names comprise a roll call of insufferable loss and a call to national action—the injustice of each assault compounded by the cruel recognition that it might have been prevented. The continued vulnerability of America's children to sexual predators is a national tragedy demanding strong congressional action. Mr. Speaker, H.R. 4472 responds to this urgent call.

There are over a half million sex offenders in the United States and up to 100,000 offenders are unregistered and their locations unknown to the public and law enforcement. H.R. 4472 contains strict national offender registration and data sharing requirements to ensure that law enforcement agencies and America's communities know where sex offenders live and work. The legislation provides stiff criminal penalties for sex offenders who fail to comply with these enhanced registration requirements.

By requiring national registration obligations, regular updates, frequent in-person verification, and providing tough and targeted criminal penalties, we intend to make one thing clear to sex offenders across this country—you better register, and you better keep the information current, or you are going to jail. This legislation will also utilize the United States Marshals Service in assisting States to hunt down missing sex offenders.

To provide the public with important information concerning the status and location of sex offenders, the bill requires States to maintain Internet sites with accurate and accessible offender information, and to provide timely notification of changes in sex offender information to law enforcement authorities, as well as educational, and other community organizations. H.R. 4472 also creates the National Sex Offender Public Website so that anyone can search any location in the country to determine where sex offenders are located.

In addition to vital improvements to the sex offender registry, the bill increases criminal penalties to punish and deter those who prey on children. These tough new provisions include: the death penalty for the murder of a child; a mandatory minimum of 25 years in jail for kidnaping or maiming a child; and a 30-year mandatory minimum for having sex with a child under 12 or sexually assaulting a child between 13 and 17 years old. The bill would also make an alien's failure to register a deportable offense and bar convicted alien sex offenders from having family-based petitions approved.

In order to better protect America's children against the growing threat of online sexual predators, the Adam Walsh Act establishes a 20-year mandatory jail sentence for members of a child exploitation enterprise, provides a 10-year consecutive mandatory penalty for any sex offender who commits an offense against a child, authorizes additional resources to prosecute child pornographers, and expands civil remedies for sexual offenses against children. The bill also provides new grant programs to combat sexual abuse of children, authorizes new crime prevention campaigns, child fingerprinting campaigns, and establishes a national registry of substantiated child abuse cases.

Mr. Speaker, 25 years ago, John and Reve Walsh suffered the devastating loss of their 6-year-old son Adam, who was abducted and murdered by a child predator. With courage and determination, the Walshes channeled the grief of their son's loss into a national campaign to spare other families from ever facing the pain they will always endure. Their quarter century of sacrifice has made America's children safer, and it is in the memory of their son Adam—whose loss galvanized their heroic service—that this legislation is named.

During the 109th Congress, the House has twice passed broad child safety legislation in September, 2005, and in March of this year. I commend the other body for recognizing the importance of following the House's lead to address this issue.

Mr. Speaker, this legislation benefited greatly from the tireless efforts of many Members of this body. I wish to thank my colleague from Wisconsin, Mr. GREEN, for his efforts to further strengthen this legislation by requiring States to include juvenile sex offenders in these registries. The Chairman of the Subcommittee on Crime, Mr. COBLE, as well as Representatives FOLEY, CHABOT, PENCE, HARRIS, GILLMOR, POE, BROWN-WAITE, CRAMER, GRAVES, and POMEROY also deserve recognition for their important contributions to this bipartisan legislation.

Mr. Speaker, the Adam Walsh Child Protection and Safety Act of 2006 represents the most comprehensive Federal child safety legislation ever considered by this House. It reflects this body's boldest commitment yet to protecting America's most vulnerable and precious members—our children—against sexual offenders. I urge my colleagues to send this vital and historic legislation to the President's desk for his signature.

Mr. Speaker, I would like to take a moment to recognize all of those who worked so hard to see this bill through to completion.

From the House Judiciary Committee's Majority Staff, I would like to specifically thank Phil Kiko, Sean McLaughlin, Rob Tracci, Brian Benczkowski, and Katy Crooks. From the Subcommittee on Crime, Terrorism and Homeland Security, I want to thank Michael Volkov, Caroline Lynch, and Spencer Morgan, and Johnny Mautz from Chairman COBLE's staff.

From the Leadership, I would like to thank Margaret Peterlin, from the Speaker's Office, Jo Marie St. Martin from the Majority Leader's Office, and April Ponnuru, from the Whip's Office.

Additional House Staff who I would like to thank are: Bobby Vassar, counsel to BOBBY SCOTT, Ranking Minority Member, Subcommittee on Crime, Terrorism and Homeland Security; Bradley Schreiber of Representative FOLEY's staff; Ryan Osterholm of Representative GREEN's staff; Ryan Walker of Representative GILLMOR's staff; Melanie Rhinehart of Representative POMEROY's staff; Josh Pitcock of Representative PENCE's staff; Tim Morrison of Representative KENNEDY's staff; Christine Calpin of Representative THOMAS's staff; Ian Ryder of Representative WASSERMAN-SCHULTZ's staff; Whitney Rhodes and Pam Davidson of the House Education and Workforce Committee staff; and David Cavick and Ryan Long, of the House Energy and Commerce Committee staff.

I would also like to thank Doug Bellis from the Legislative Counsel's Office for his dedication and assistance in the drafting of this important legislation.

From the Senate, I would like to thank Allen Hicks and Brandi White of Senator FRIST's staff; Michael O'Neill, Matt Miner, Todd Braunstein, of the Senate Judiciary Committee; Ken Valentine and Tom Jipping of Senator HATCH's staff; Joe Matal of Senator KYL's staff; James Galyean of Senator GRAHAM's staff; Dave Turk of Senator BIDEN's staff; Bruce Cohen, Julie Katzman and Noah Bookbinder of Senator LEAHY's staff, Nicole Gustafson of Senator GRASSLEY's staff, as well as Chad Groover, who has since left Senator GRASSLEY's office but who played a critical role in developing many of the penalty enhancements included in title II; Christine Leonard of Senator KENNEDY's staff; Lara Flint of Senator FEINGOLD's staff; Nate Jones of Senator KOHL's staff; Sharon Beth Kristal of Senator DEWINE's staff; Reed O'Connor, Matthew Johnson and Lynden Melmed of Senator CORNYN's staff; Jane Treat of Senator COBURN's staff; Greg Smith of Senator FEINSTEIN's staff; Marianne Upton of Senator DURBIN's staff; Bradley Hayes of Senator SESSIONS's staff; Preet Baharara of Senator SCHUMER's staff.

Additionally, I want to thank Avery Mann, from America's Most Wanted, who played a significant role; Michelle Laxalt, who took a great personal interest in this bill and from the outside helped a great deal. I also want to thank the National Center for Missing and Exploited Children, especially Ernie Allen, John Libonati, Robbie Callaway, and Carolyn Atwell-Davis, for their efforts.

Finally, I would like to pay respect to just some of the victims who really helped with this bill: Mark and Amie Zyla from my State of Wisconsin, who have been tireless advocates in support of this bill; Linda Walker, the mother of Dru Sjodin; Mark Lunsford; Erin Runnion; Marc Klass; Polly Franks, Patty Wetterling; and last but not least—really, really, we can never thank them enough—John and Reve Walsh.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the crimes committed against the children named in the bill, those not named, and the suffering of their families is a tragedy for all of us, yet this does not release us from the responsibility to legislate on a sound and reasoned basis. I believe the situation is serious and grave enough to warrant a bill that is based on approaches that have been proven to reduce this scourge in our society, not on sound bites that will merely pander to our emotions.

This bill focuses on establishing a national sex offender registry and an Internet posting system for the public to allegedly track the whereabouts of convicted and released sex offenders, and it also includes a number of gratuitous provisions, such as eight additional and duplicative Federal death penalties and 11 additional Federal mandatory minimum sentences.

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Virtually all of the death penalty cases, as with most criminal cases, are State cases. The cases referenced by children named in this bill, because of the grave tragedies they have suffered, are all State offenses, and I don't believe a single one of them would have been covered by Federal law. But I think all the Federal cases, you would think that all of them would be Federal cases from the provisions in the bill.

Mr. Speaker, we recently increased Federal sex offenses penalties in the PROTECT Act with mandatory minimums of at least 5 years and some up to mandatory life, even in cases involving consensual sex between teenagers. And these increases came right after the Sentencing Commission had already increased penalties for sex offenses at the direction of Congress. And all of these increases were Federal cases based on the name of the crime and the political appeal of striking out harshly against offenders.

But because of the few cases that are actually under Federal jurisdiction, they will primarily affect Native Americans on reservations, because all of their cases come under Federal jurisdiction. There is no evidence that Native American offenders warrant any harsher treatment than any other offenders.

Now, with no more basis than we had before, just the name of the crime and the continuing political appeal of appearing tough on sex offenders, we are again greatly increasing penalties with more death penalties and increased mandatory minimums, including more mandatory minimums for teenagers having consensual sex.

Now, we can all agree that 35, 45-year-old or even older persons, enticing or transporting a minor across State lines to engage in sexual activity is despicable and should be severely punished. However, the mandatory minimum sentences in this bill include the 18-year-old high school student who entices or transports a 17-year-old boyfriend or girlfriend across State lines.

Under the provisions of the bill, prom night in the Washington, DC, Virginia, and Maryland area could have nightmarish consequences. And to show how ridiculous it could be, if two teenagers, one 18 and one 17, engage in sexual activity without crossing a State line, you will have, if there is any prosecution at all, it will be a misdemeanor on the part of the 18-year-old. So we have the absurd anomaly of making what is now an infrequently prosecuted misdemeanor into a 10-year mandatory minimum sentence for teens who cross State lines to do it. Imposing a 10-year mandatory prison term on teenagers engaged in consensual sex is not responsible legislating.

Rather than taking such cases out of the bill, we are told that we should simply trust the prosecutor. Don't trust the Sentencing Commission's discretion to set guidelines designed to reflect what sentence should be based on the facts and circumstances of the case or the background and role of the offender, rather than simply the name of the case, the name of the provision. And don't trust judges to look at the facts and circumstances of the case, the offender's role and background and guidelines to arrive at an appropriate sentence after hearing all of the evidence at trial. Take the discretion away from these officials and trust prosecutors to decide when to ignore law requiring a 10-year mandatory minimum sentence. And trust there are no prosecutors who can be affected by issues such as local political influences.

A few years ago, in Georgia, involving an interracial couple, a teenager got 10 years for having consensual sex with his teenage girlfriend.

The problem with mandatory minimum sentences is that they defy common sense. If you deserve the mandatory minimum, you can get it. If it violates common sense, you have to get it anyway.

Many studies have shown that mandatory minimums wasted taxpayers' money, are unfairly applied to minorities, and violate common sense.

The jury is out as to whether publicly accessible sex offender registers will have any beneficial effect on reducing sex crimes, but the studies that have been done indicate that the registries do not have any effect in reducing sex crimes. And I have seen no study that suggests that the policy of posting the name of juvenile delinquents, as this bill does, on the Internet, serves any constructive purpose.

Of course, programs and grants to assist children and to provide the type of sex offender treatment that studies have been shown that can cut recidivism in half are not in this bill.

And so, Mr. Speaker, unlike most of my colleagues we will hear from today, I believe that we can do better than this bill to effectively address the scourge of child sexual assault.

Most of the criminals affected by the mandatory minimums in this bill deserve the punishment in the bill, but they would have gotten it anyway under present law. But a 10-year mandatory minimum for consensual prom night activities does not make sense.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Members, I rise in favor of the Adam Walsh Child Protection Safety Act. In my opinion, very honestly, I think this is the most important child safety legislation in modern times.

What makes this bill so powerful is that it gives law enforcement and, more importantly, families, vital tools for keeping our children safer. It expands the sex offender registry. It updates it. It makes it more usable in communities all across this country.

This legislation has the Amie Zyla Act, which I wrote with the help of Mark and Amie Zyla.

Ten years ago, Amie Zyla was then a young girl in Waukesha, Wisconsin. She was sexually assaulted by a 14-year-old boy. Her assailant was released after he turned 18, but because he committed that offense as a juvenile, law enforcement officials were not allowed to inform the community of his presence. He went on to get a job at a teen center, and he tragically victimized other children.

These crimes were absolutely preventable if only law enforcement had the authority and the tools to let people know they a serious sex offender in their midst.

Thanks to Amie's courage in telling America her story, we can now protect the public from dangerous criminals like her assailant because they will be included on the registry.

This great bill also contains the DNA fingerprinting provisions that I authored. These provisions will close a loophole that have let thousands of convicted sex offenders avoid submitting their DNA simply because they were convicted before we had the laws on the books requiring DNA to be taken upon their arrest and conviction.

I want to thank the chairman for his leadership in bringing this legislation to the floor. I want to thank Mark and Amie Zyla for telling their story. I want to thank my friend, Marc Klaas, for his dedication to improving our child safety laws. And of course, like so many today, I want to thank John Walsh for never giving up in the pursuit of justice.

John, I know that the pain is still there after 25 years. But I also know that you have lifted the lives of so many with your strong, clear voice. Thank you for helping us get to these days. Thank you for giving us the tools that we need to help keep family safer.

Mr. SCOTT of Virginia. Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1½ minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I thank the chairman for yielding and I thank him from my heart, as a dad of three small children, for Chairman JIM SENSENBRENNER, once again, tenaciously achieving measurable gains in the law to protect our families and protect our children in the Adam Walsh Child Protection and Safety Act.

I am particularly humbled because title V of this legislation is derived from a bill that I introduced in Congress, the first session, the Child Pornography Prevention Act. As the title states, the intent of my legislation is to prevent American children from becoming victims of pornography because, as we know, child pornography is the fuel that fires the wicked hearts of child predators, in addition to abusing the children involved.

A main tenet of my bill is the addition of language that will fix a technicality that so-called home pornographers have used to evade Federal prosecutions, and it is in this legislation.

Another element of my bill is the addition of a new section to the criminal code, section 2257(a) which adds a recordkeeping requirement that will force producers of sexually explicit material to keep records of the names and ages of their subjects when they are engaged in simulated sexual activity, another measurable gain in the law for children.

Providing law enforcement with the tools to combat child pornography contained in this legislation is a much needed and overdue step that must be taken to protect our kids from those in society who have no decency, no conscience and no shame.

I urge passage of the Adam Walsh Child Protection and Safety Act of 2006. It is time to protect our kids. Today, thanks to the leadership of Judiciary Committee Chairman Jim Sensenbrenner, we take a giant step toward doing just that.

Mr. Speaker, before us today is the Adam Walsh Child Protection and Safety Act of 2006 (H.R. 4472). I am a strong supporter of this legislation, and urge and command Chairman SENSENBRENNER for tenaciously acting measurable gains for families and children again.

Title V of this legislation is derived from a bill that I introduced in the First Session of this Congress, the Child Pornography Prevention Act. As the title states, the intent of my legislation is to prevent American children from becoming victims of pornography because as we know, Mr. Speaker, the fuel that fires the wicked hearts of child predators is child pornography.

Every day in America, children are exploited in pornography—sometimes by those closest to them in their homes. In the home, children are forced to pose for pornographic pictures or act in pornographic videos by family members, family friends, caretakers and other trusted individuals who violate that trust. These pictures and videos are posted on the Internet or surreptitiously spread to sexual predators.

A main tenet of my legislation is the addition of language that will fix a technicality that so-called home pornographers have used to evade federal prosecution on child pornography charges. Home pornographers use digital cameras, Polaroid cameras and video cameras to make pornographic pictures and videos of children, and they download child pornography from the Internet onto their home computers. My legislation makes clear that federal prosecutions of home pornographers can proceed in federal courts because their activities impact interstate commerce. This is a fix that must be made now in order to protect children at home.

Another element of my bill is the addition of a section to the criminal code, Section 2257A, which adds a record-keeping requirement that will force producers of sexually explicit material to keep records of the names and ages of their subjects when they are engaged in simulated sexual activity.

Congress previously enacted the PROTECT Act of 2003 against the background of Department of Justice regulations applying section 2257 to both primary and secondary producers. That fact, along with the Act's specific reference to the regulatory definition that existed at the time, reflected Congress' agreement with the Department of Justice's view that it already had the authority to regulate secondary procedures under the applicable law.

A federal court in Colorado, however, recently enjoined the Department from enforcing the statute against secondary producers, relying on an earlier Tenth Circuit precedent holding that Congress had not authorized the Department to regulate secondary producers. These decisions conflicted with an earlier D.C. Circuit decision upholding Congress' authority to regulate secondary producers. Section 502 of the bill is meant to eliminate any doubt that section 2257 applies both to primary and secondary producers, and to reflect Congress' agreement with the regulatory approach adopted by the Department of Justice in enforcing the statute.

My bill goes a step further by requiring that records be kept for lascivious exhibitions—nude photographs and displays. No child should be used in either nude pictures or sexually explicit materials because these items only serve to inflame the prurient interest in child predators. Requiring that records be kept will serve as a deterrent.

Additionally, my bill requires that the records be made available to investigators for inspection. Failure to keep the records or allow inspections is a criminal offense. By strengthening the law in this manner, we will provide both a strong deterrent to the use of children in sexually explicit materials and the necessary tools to law enforcement to investigate and prosecute those who are not deterred.

Finally, the legislation expands the ability of investigators and prosecutors to pursue the people who distribute child pornography. These distributors also will be required to follow the record-keeping provision, and this will provide law enforcement with a powerful tool to use against them. These are devious people who work in cohorts with pornographers to sell child pornography, but who currently can work out of sham corporations to avoid prosecution. My legislation will empower prosecutors with the ability to charge and convict these people.

Providing law enforcement with the tools to combat child pornography contained in my legislation is a much-needed and overdue step that must be taken to protect our children from those in our society who have no decency and know no shame.

Mr. Speaker, I urge passage of the Adam Walsh Child Protection and Safety Act of 2006. It is time to protect our children, and today we take a significant step toward that goal.

Mr. SCOTT of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota (Mr. POMEROY), one of the leading authors of the bill.

Mr. POMEROY. Mr. Speaker, 25 years ago the abduction and killing of Adam Walsh was a tragedy that changed forever the lives of his family members. And the change that occurred in his father, John Walsh, has, as a result, changed our Nation as he has become such a superbly effective advocate of the families of victims as they have stood for justice time and time again.

Today this Congress has a chance, in memory of Adam Walsh, to again change this country by passing a law that will bring much needed protections and fully capturing the marvelous new technologies of the Internet and using them as a means for families to protect themselves, to protect their children from those who would prey upon them. And the need to address this nationally is demonstrated time and time again.

Some might suggest the heart of this bill is the Dru Sjodin National Sex Registry, named in memory of Dru Sjodin.

I have a card that I carry of Dru. She was a talented, engaging, wonderful student at the University of North Dakota. She was abducted from the parking lot of a shopping center and killed.

The individual now on trial for her murder was a registered sex offender, but only across the State line, which, in the context of Grand Forks, North Dakota, is just across the river. So Alfonso Rodriguez, identified, long incarcerated in the State of Minnesota, identified as a high risk sex offender within the State of Minnesota, but unknown to those of us in North Dakota.

We need a national registry so we know where these high risk predators are and we can find them, not just law enforcement finding them, as has been advanced so nobly over the years by the Jacob Wetterling Registry, but all of our families. It is time for all of our families to have access to this information. And so this registry, providing name, providing residence, providing place of employment, providing automobile, is all very vitally important information to be available to the public.

Additionally, the components of this bill that have stepped up monitoring by local law enforcement, Federal grant dollars to assist them in the manpower required to keep an eye on these predators in our midst. And then the stiff minimum sentences, also an essential component of this legislation.

I commend the chairman, Chairman SENSENBRENNER, with whom it has been my great pleasure to work as one of the Democrats strongly supporting this legislation. I believe that there is nothing more fitting for us to do in honor of these victims than pass the legislation which will keep other families safe.

I urge support of this legislation.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I rise to offer my strong support for the Adam Walsh Child Protection and Safety Act.

I remember that tragic day in Hollywood, Florida, when a young Adam Walsh hit the headlines, having been abducted from a mall in our State. Over 2 years ago, his father, John Walsh, and Ernie Allen approached me to discuss what they saw as a growing and dangerous threat to our children, sex offenders. We talked about the fact there were over 500,000 sex offenders listed on various State registries, but because of poor Federal and State laws, we were missing over 150,000 of them. Soon after that meeting, I began work on the Sex Offender Registration Notification Act, which is contained in this bill today.

The Adam Walsh Act is the most comprehensive piece of child protection legislation this Congress has ever considered. The bill creates, among other things, new State and Federal regulations, community notification requirements, as well as new Federal criminal penalties for sex offenders. It also gives law enforcement new resources, including authorizing U.S. Marshals to go after missing sex offenders, 20 new task forces, 200 new Federal prosecutors, 45 new forensic scientists dedicated to investigating crimes against children.

□ 1200

It used to be that we tracked library books better than we do sex offenders, but this bill will even that score.

I am grateful to Chairman SENSENBRENNER for his leadership and willingness to work with so many Members across the political aisle on this important issue. I want to thank the Speaker for keeping his word to get this bill to the President by July 27, the 25th anniversary of Adam's death.

Mr. Speaker, there are many people who made this day a reality, but the two people who should take the most credit are the parents of Adam Walsh, and that is John and his wife, Reve. It still amazes me to this day the way they were able to turn Adam's death into a lifelong crusade to protect our Nation's children. Their passion and commitment have led to the creation of the National Center for Missing and Exploited Children and to the rescue of countless children.

John and Reve, our Nation thanks you for everything you have done.

I want to especially thank Bradley Schreiber, my legislative director; Michael Volkov; Phil Kiko; and Sean McLaughlin of the House Judiciary Committee for their outstanding efforts.

Mr. Speaker, as Co-chairman of the Congressional Missing and Exploited Children's Caucus and author of the Sex Offender Registration and Notification Act and the Internet Safety Act contained in this bill, I rise to offer my strong support for the Adam Walsh Child Protection and Safety Act and urge my colleagues to vote for it.

Over 2 years ago, John Walsh and Ernie Allen approached me at a missing children's conference I was hosting in Florida to discuss what they saw as a growing and dangerous threat to our children—sex offenders. We talked about the fact that there were over 500,000 sex offenders listed on the various state registries but, that because of the patchwork of federal laws on the books, we were missing over 150,000 of them. I also discovered—which was even more surprising to me—that there is a 200,000 person difference between all of the state registries and the federal National Sex Offender Registry. Soon after that meeting, I began work on the Sex Offender Registration and Notification Act which is contained in the measure we have before us today.

The Adam Walsh Act is arguably the most comprehensive piece of child protection legislation that Congress has ever considered. The bill creates, among other things, new state and federal registration and community notification requirements, as well as new federal criminal penalties, for sex offenders. It also gives law enforcement new resources including: authorizing the U.S. Marshals to go after absconded sex offenders; 20 new Internet Crimes Against Children Task Forces; 200 new federal prosecutors for prosecuting child sex offense; and, 45 new computer forensic scientists dedicated to investigating crimes involving the sexual exploitation of children and related offenses.

One of the basic tenets of the Due Process Clause is to give criminal suspects notice. So, for those pedophiles and predators across this country that have harmed a child or are considering harming a child let me tell you now that you are on notice. We will find you, prosecute you and monitor you—in some cases, for the rest of your life. Your days in the shadows are over and our children will no longer be your prey.

We used to track library books better than we do sex offenders, but this bill will even that score.

I am very grateful to Chairman SENSENBRENNER for not only his leadership and his willingness to work with me on this issue but for the fact that he did not bend to the Senate and was able to produce the strong bill we are going to pass today.

I want to thank Speaker HASTERT for keeping his word to get the Adam Walsh bill to the President by July 27th—the 25th Anniversary of Adam's death. I know that both John and Reve are truly appreciative for all that you have done.

I also want to thank Senators HATCH and BIDEN for their continued, unwavering commitment to protecting our Nation's children. These two men have been associated with every major child protection bill in the past 20 years and I am very thankful that they took the lead on the Adam Walsh bill in the Senate.

Mr. Speaker, there are many people to thank who made this day a reality. But the two people who should take the most credit are John and Reve Walsh. It still amazes me to this day the way they were able to turn Adam's death into a lifelong crusade to protect our Nation's children. Their passion and commitment have led to the creation of the National Center for Missing and Exploited Children, the Adam Walsh Center in Florida and to the rescue of countless children. John and Reve: our Nation thanks you for everything you have done.

I also want to thank Mark Lunsoford and the other victim's families. It was their tireless efforts that broke the logjam in the Senate and got us here today.

I would also like to thank Ernie Allen, Robbie Calloway and Michelle Laxalt for all they did during the past few years helping me try to shepard this bill through Congress and working to keep this issue at the forefront of everyone's minds.

Last, but not least, I want to thank the staff who committed long hours and a great deal of their personal time to this bill. Phil Kiko, Sean McLaughlin, and Michael Volkov with Chairman Sensenbrenner's staff; Margaret Peterlin with Speaker HASTERT's staff; Ken Valentine with Senator HATCH's staff; Dave Turk with Senator BIDEN's staff; Matt Miner, Todd Bruanstein and Brett Tolman with Chairman SPECTER's staff; Allen Hicks and Brandi White with Senator FRIST's staff; Joe Matal with Senator KYL's staff; Christine Leonard with Senator KENNEDY's staff; Julie Katzman and Noah Bookbinder with Senator LEAHY's staff; Nicole Gustafson with Senator GRASSLEY's staff; and Sharon Beth Kristal of Senator DEWINE's staff.

Mr. Speaker, I truly appreciate everyone's efforts in making this day a reality.

Mr. SCOTT of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. CRAMER).

Mr. CRAMER. Mr. Speaker, I too stand in strong support of this bill. I want to compliment the chairman of the Judiciary Committee for giving us this opportunity. My colleague, Mark Foley, who just spoke, he and I cochaired the Caucus for Missing and Exploited Children.

Prior to my time here in Congress, I was a district attorney, and I saw too many children victimized by predators that had slipped between the cracks, predators that lived in neighborhoods. Neighbors didn't know it. Schools didn't know it. We can tighten this net of safety around children and families, but only through this bill can we do that.

I joined with John Walsh in the early 1980s in an effort to form a stronger network of child abuse intervention programs that we built around the country called the National Children's Advocacy Center programs. They exist in 700 or 800 communities around this country, and they are one-stop service centers where child abuse victims and their families can come to get help and support.

But in establishing centers like this, in bringing network teams together in communities, we found out that that safety net to protect those children and families simply did not exist, and that was because the registration and notification system was practically nonexistent. And even though we, from the 1990s forward, have done everything we can to improve that, we still kept the notice factors in that too private, too available to only a certain select few so that neighbors and communities and schools did not know what they needed to do.

I want to congratulate John Walsh and his wife, Reve, as well for making sure that they are establishing the next chapter in honor of Adam Walsh. John and Reve have given so much to the rest of this country in making sure that children are protected.

We need to pass this bill today in Adam Walsh's memory.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Speaker, I would like to thank Chairman SENSENBRENNER for his hard work on this piece of legislation, which goes a long way toward protecting our children from predators and abusers.

Our Nation loses four children a day to abuse and neglect. Our government owes it to these children to provide our law enforcement and child protective service communities with a deep, ready, and effective arsenal that they can utilize to protect the most vulnerable element of our society.

The conference report contains a provision I authored in the House to create a Federal registry of child abuse and neglect at the Department of Health and Human Services. This registry will close a glaring loophole in our current law which allows child abusers to find sanctuary by merely crossing States' borders.

This legislation puts a "go-to" Federal resource in place to help local jurisdictions identify and track those with a history of child abuse anywhere in this country. Now our State and local child protection services will be able to access this valuable tool to weed out predators and help them fight child abuse and neglect across State lines. It is a commonsense child protection measure. It was passed by the House twice, and I am very happy to see it included in this conference report before us today.

With the establishment of the Federal Child Abuse and Neglect Registry, local and State child advocacy services will have a full picture of the individual who would have children placed in their care, abuse them, and then try to escape; and our Nation's most vulnerable children will now be protected.

I would like to thank Chairman SENSENBRENNER again for his leadership on this issue, and I also want to thank my constituent John Walsh for his hard work over many years to bring this bill to fruition.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. FITZPATRICK).

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, I would also like to thank Chairman SENSENBRENNER for his leadership in protecting America's families and for his determination in bringing this bill, H.R. 4472, to the House floor today.

Mr. Speaker, as the father of six children, I am deeply committed to finding better ways to safeguard the welfare of America's families. That is why I introduced the Justice for Crime Victims Families Act and, with Congressman FOLEY, the Internet SAFETY Act of 2006. Both of these bills have been included into H.R. 4472, and they will strengthen what is already a sweeping set of improvements to the way law enforcement solve murders and protect kids from online sexual predators.

The Internet SAFETY Act will increase penalties for registered sex offenders who commit felony offenses involving a minor and set fines and imprisonment for Internet providers who facilitate child pornography. The legislation will also establish an Office of Sexual Crimes and Violence Against Children within the United States Department of Justice.

These are strong additions to an already thoughtful and comprehensive set of policies outlined in H.R. 4472. Mr. Speaker, I urge my colleagues to adopt this legislation.

Mr. SCOTT of Virginia. Mr. Speaker, I yield 6 minutes to the gentleman from Wisconsin (Mr. SENSENBRENNER) and ask unanimous consent that he be allowed to control that time.

The SPEAKER pro tempore (Mr. CHOCOLA). Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I thank the gentleman from Virginia for yielding the time, and I yield 2 minutes to the gentleman from Georgia (Mr. GINGREY).

Mr. GINGREY. Mr. Speaker, I rise today in support of H.R. 4472, the Adam Walsh Child Protection and Safety Act.

Mr. Speaker, this bipartisan legislation is a victory in the fight to keep our children safe. There are many critical and important provisions included in this bill. In particular, Mr. Speaker, I want to thank the House and Senate conferees for including in this legislation a provision that I introduced in the House earlier this year, a provision that is entitled Masha's Law.

Last year I learned of a shocking inequity that exists in our current law. Currently, a person who illegally downloads music faces penalties in civil court that are three times as harsh as a person who downloads child pornography. This horrible inequity was the inspiration behind the introduction of Masha's Law, and this provision dramatically increases civil statutory damages for child exploitation, creating a civil avenue victims of child sexual exploitation can pursue to recover monetary damages from these predators. This includes those who produce, distribute, and consume child pornography.

Mr. Speaker, I want my colleagues to know that Masha's Law is named after a brave 13-year-old girl from my district, Masha Allen. Masha was born in Russia and placed in a state orphanage because her mother was an alcoholic and a drug addict. When she was 5 years old, a man from the United States was allowed to adopt her through an international adoption agency. This man started sexually abusing her the very first night she arrived in America.

Fortunately, this perpetrator is now behind bars. However, over the years of his abuse of Masha, he photographed her, posted her pictures, and traded her pornographic images over the Internet. The sad reality is that, although these monsters can be put behind bars, the victims of Internet child pornography will continue to be exploited, and this is why I introduced Masha's Law.

Mr. Speaker, a compassionate society looks after the most vulnerable among us, our children. I urge my colleagues to support the Adam Walsh Child Protection and Safety Act so we can protect our most precious commodity, innocent children like Masha, and give back hope to those who need it most.

Mr. Speaker, I rise today in support of H.R. 4472, the Adam Walsh Child Protection and Safety Act. This bipartisan legislation is a victory in the fight to keep our children safe. There are many critical and important provisions included in this bill, provisions that allow States to better track convicted sex offenders, ones that tighten up loop holes in current sex offender registration and notification laws, and ones that empower law enforcement through increased coordination.

In particular, Mr. Speaker, I want to thank the House and Senate conferees for including in this legislation a provision I introduced in the House earlier this year, a provision entitled "Masha's Law."

Last year I learned of a shocking inequity that exists in our current law. Currently, a person who illegally downloads music faces penalties in civil court that are three times as harsh as a person who downloads child pornography. This horrible inequity was the inspiration behind the introduction of Masha's Law.

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This is why I introduced Masha's law. It allows these individuals a pathway to recover damages they have suffered from these crimes and allows them to pursue this avenue even after they are no longer a minor. Therefore as their pictures are downloaded and traded, year and year, these victims can continue to seek justice from these horrendous crimes.

Mr. Speaker, a compassionate society looks after the most vulnerable among us, our children. I urge my colleagues to support the Adam Walsh Child Protection and Safety Act, so we can protect our most preciously commodity, innocent, children like Masha, and give back hope to those who need it the most.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today in strong support of H.R. 4472, the Adam Walsh Child Protection and Safety Act of 2006.

Finally, we have a bill passed by both this body and the Senate for the President to sign. Finally, Mark Lunsford has a legacy for his daughter Jessica of a guardian angel keeping children safe by closing dangerous loopholes in our law. Finally, the family and friends of Adam Walsh, Carlie Brucia, Sarah Lunde, and so many others can sleep a little better at night knowing we are helping to protect America's precious children.

My heart is still broken for the loss of Jessica Lunsford and all the joys in life that she will miss. At least she will be in a better place where no one can ever harm her again.

Mr. Speaker, certainly Chairman SENSENBRENNER, who worked tirelessly on this bill, deserves a great deal of credit.

Back when I first heard about Jessica's disappearance, I knew that we could not sit back and do nothing. For instance, the probation officer for Jessica's alleged killer, John Couey, never knew that he was a convicted sex offender. I introduced a bill, and Chairman SENSENBRENNER was kind enough to include it in this comprehensive bill, that fixes that.

The alleged perpetrator also did not have a current address on file with law enforcement, as he should have. This bill demands more frequent updates and checks. It also provides some grant mechanisms to be sure that the localities can pay for this additional registration. The bill empowers States to do just as Florida has done and use GPS monitoring devices to track offenders.

I know in my heart that these changes will genuinely help equip our law enforcement to better protect the most innocent in our society, our children.

My good friend Congressman MARK FOLEY has said numerous times that previously we tracked library books better than we tracked sex offenders. Thankfully, that will be no more.

Mr. Speaker, I rise today in strong support of H.R. 4472, Adam Walsh Child Protection and Safety Act of 2006.

Finally, we have a bill passed by both this body and the Senate for the President to sign.

Finally, Mark Lunsford has a legacy for his daughter Jessica of a guardian angel, keeping children safe by closing dangerous loopholes in the law.

Finally, the family and friends of Adam Walsh, Carlie Brucia, Sarah Lunde, and so many others can sleep a little better at night, knowing we are helping to protect America's precious children.

My heart is still broken for the loss of little Jessica Lunsford and for all the joys in life that she will miss.

At least she is in a better place, where no one can ever harm her again.

Mr. Speaker, I am awed and humbled to have worked on this legislation with Chairman SENSENBRENNER, who has worked tirelessly to pass this bill.

When I heard about the manner of Jessica's disappearance, I knew I could not sit back while there were many changes I could make to fix the law.

For instance, the probation officer for Jessica's alleged killer, John Couey, never knew he was a convicted sex offender. This bill fixes that.

Couey did not keep a current address on file with law enforcement as he should have. This bill demands more frequent updates and checks.

And we didn't have any method of tracking sex offenders after release from prison, though they have such high rates of recidivism. This bill empowers states to do as Florida has done and use GPS monitoring devices to track offenders.

I know in my heart that these changes will genuinely help equip law enforcement to protect the most innocent in our society—our children.

My good friend, Congressman MARK FOLEY, has said numerous times that we track library books better than we track sex offenders. Well, no more.

I urge my colleagues to support this bill and send it to the President for his signature.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I rise in strong support of this good commonsense bill. It will protect our children from sexual predators and sex trafficking and provide more tools for law enforcement to help defend our kids.

Last year during House floor consideration of this important legislation, Representative SUE KELLY and I offered an amendment to create a national child abuse registry within the Department of Health and Human Services. This registry will remove the loophole in our local laws that allows child abusers to remain anonymous by moving to another State. This provision will require that States share with other States information that they already collect and share with their counties, cities, and towns.

A national child abuse registry is strongly supported by a number of child advocacy organizations including ChildHelp USA.

Mr. Speaker, my colleagues, by working together, we can strengthen our efforts to protect children from predators. Again, I urge this House to pass this commonsense legislation.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. GILLMOR).

Mr. GILLMOR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise today in wholehearted support of this legislation. I think it stands as a testament to Congress's heeding the call of the American public for increased protections from these dangerous sexual predators.

I would like to commend Chairman SENSENBRENNER for his leadership and for his unwavering commitment to ensure that American families receive the necessary tools to protect their loved ones. As a father of three young children, I feel a special appreciation for the benefits that this legislation will provide, not the least of which is a national database of sexually violent offenders accessible to all Americans via the Internet, enhanced community notification measures, and a study to assess the merits of a standardized national risk-based classification system. I particularly want to thank the chairman for working with me in including those provisions which were set forth in two bills I had previously introduced.

I urge passage of the bill.

Mr. SCOTT of Virginia. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, let me say that this vote will draw to a close congressional consideration of legislation that has brought together Republicans and Democrats, concerned parents, and those who are related to victims from around the country. And this has become somewhat of a crusade in order to make necessary changes to prevent more sexual predators from falling through the cracks and molesting and harming and even murdering innocent victims.

□ 1215

The Child Safety Act of 2006, I believe, is appropriately named after Adam Walsh. One of the things I did early in my service in Congress was to work with the Walshes to pass the first bill which put the names of missing children in the FBI's National Crime Identification File. There were problems in alerting law enforcement back in the early 1980's when a child had been abducted, and, as a result, those who did abduct the children were able to take them far away before law enforcement was able to weave the net around these people, and many tragedies occurred, including the brutal murder of the Walsh's beloved son, Adam.

I really want to commend John Walsh and his wife, because they have used the tragedy of their son's death and the grief that it caused to be able to make America a safer place for children, not only those that are here now, but those that are to be born in this country and who come to this country.

The Children's Safety Act of 2003 was a necessary start. This bill improves on the Children's Safety Act of 2003, plugs more loopholes, and America will be a safer place as a result of all of the people who have worked on behalf of this legislation. I would like to publicly thank all of them. There are too many to list by name, but in my full statement that I put into the record, I listed the names of a lot of very well-publicized victims. Let's hope that this bill makes sure that there are no more names added to that list.

Vote in favor of the bill, send it to the President.

Mr. Speaker, I include for the RECORD an exchange of letters between Mr. THOMAS, Chairman of the Committee on Ways and Means, and myself.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 24, 2006.

Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, Committee on the Judiciary, Washington, DC.

DEAR CHAIRMAN SENSENBRENNER: I am writing concerning H.R. 4472, the "Adam Walsh Child Protection and Safety Act of 2006," which is scheduled for floor action on Tuesday, July 25, 2006.

As you know, the Committee on Ways and Means has jurisdiction over matters concerning certain child welfare programs, particularly as they pertain to foster care and adoption. Section 152 of the bill would require States to conduct safety checks of would-be foster and adoptive homes as well as eliminate the ability of States to opt-out of Federal background check requirements restricting Federal support for children placed with foster or adoptive parents with serious criminal histories. Section 152 also would require States to check child abuse registries for potential foster and adoptive parents. Thus these provisions fall within the jurisdiction of the Committee on Ways and Means. However, in order to expedite this bill for floor consideration, the Committee will forgo action. This is being done with the understanding that it does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this bill or similar legislation.

I would appreciate your response to this letter, confirming this understanding with respect to H.R. 4472, and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration.

Best regards,

BILL THOMAS,
Chairman.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 25, 2006.

Hon. BILL THOMAS,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR CHAIRMAN THOMAS: Thank you for your letter regarding H.R. 4472, the "Adam Walsh Child Protection and Safety Act of 2006." I acknowledge your jurisdictional interest in this legislation and agree that your decision to waive consideration of this bill shall not be construed to prejudice the jurisdiction of the Committee on Ways and Means over this or similar legislation.

I will include a copy of your letter and this response in the Congressional Record during consideration of H.R. 4472 on the House floor.

Thank you for you assistance in this matter.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,
Chairman.

Mr. UDALL of Colorado. Mr. Speaker, I rise in support of this legislation, which embodies a bipartisan and bi-cameral agreement that includes important provisions to protect children.

The bill will create a National Sex Offender Registry with uniform standards for the registration of sex offenders, including a lifetime registration requirement for the most serious offenders. This is a vital step to improve the current patch-work quilt of 50 different state systems for identifying and tracking sex offenders. The bill also authorizes much-needed grants to help local law enforcement agencies establish and integrate sex offender registry systems.

Under the bill, states will be required to maintain sex offender registries accessible to the public on the Internet and to make failure to register a felony. Sex offenders will be required to provide DNA samples and will be subjected to more frequent in-person verification of information about their residences and workplaces.

The bill targets child-exploitation enterprises and registered sex offenders who commit offenses against minors, including obscene visual representations of sexual abuse of children and sex trafficking of children. It includes several provisions designed to better combat child pornography, including authorizing civil and criminal asset forfeiture in child pornography cases. And it authorizes new grant programs that will help local law enforcement agencies combat sexual abuse of children by enabling them to hire more people, add computer hardware and software, and take other steps to apprehend sex offenders who violate registry requirements. It also authorizes a new grant program for the National Crime Prevention Council, a private, nonprofit organization that has expertise in promoting crime prevention programs through public outreach and media campaigns.

The bill also authorizes 88 new prosecutors within the U.S. Attorneys' Offices to prosecute child sex offenses, including child exploitation, child sexual abuse, and child obscenity and pornography offenses. It authorizes 10 additional Justice Department task forces to address Internet crimes against children. It authorizes the Justice Department to provide grants to states, local governments, and nonprofit organizations to establish and maintain programs to educate children and parents on the best way to be safe using he Internet. It authorizes the Justice Department, in consultation with the National Center for Missing and Exploited Children, to develop and carry out a public awareness campaign to demonstrate how to better protect children when using the Internet. And it authorizes the Justice Department to provide fingerprint-based background checks to child welfare agencies as well as to private and public educational agencies so they can carry out background checks on prospective adoption or foster parents, private and public teachers, and school employees.

As a cosponsor of H.R. 4005, the National Police Athletic League (PAL) Youth Enrichment Reauthorization Act of 2005, I am also glad to note that the version of the bill now before the House includes provisions similar to those of that bill.

The PAL program brings youth under the supervision and positive influence of a law enforcement agency and expands public awareness about the role of a police officer in the local community and reinforces responsible values and attitudes instilled in young people by their parents. It utilizes educational, athletic and recreational activities to create trust and understanding between police officers and youth. It is based on the conviction that young people—if they are reached early enough—can develop strong positive attitudes towards police officers in their journey through life toward the goal of maturity and good citizenship.

A volunteer-driven organization with an estimated 80,000 volunteers across the country supporting all levels of programming, PAL has a 90-year history of caring and providing alternatives for youth at risk. Today, it offers structured and personal guidance in a safe, friendly environment and provides a variety of activities, from organized competitive sports, recreational activities, arts and educational programming to cultural and social skill development programs. This bill will help it carry out that important work.

I do have concerns about some aspects of the bill, including a provision allowing some juvenile offenders over 14 to be included in publicly available sex offender registries. However, on balance I think this is a good, strong bill and I support its enactment.

Mr. EMANUEL. Mr. Speaker, I rise today in strong support of H.R. 4472, the Adam Walsh Child Protection and Safety Act of 2006. This Act will greatly improve the national program to register and monitor child predators.

I am especially pleased that the Act includes all of the major provisions of the Jessica Lunsford and Sarah Lunde Act, which I introduced in July of 2005. This act creates grants for state and local governments to implement electronic monitoring programs of child sex offenders, using GPS technology and other electronic methods to track sexual predators upon their release from prison.

Electronic tracking of sexual predators will provide law enforcement with the real time location of the offender within 10 feet of their location. These measures enhance the capability of law enforcement to provide children and their parents with the protections they need.

Today there are nearly 550,000 registered sex offenders in the United States, approximately one offender for every 200 children under 18 years old. As the numbers grow, it's becoming almost impossible for law enforcement to track these offenders. Electronic monitoring cannot replace law enforcement officers monitoring convicted sex predators, but it will provide officials with the tools they need to protect our children and grant parents much deserved peace of mind.

The Adam Walsh Child Protection and Safety Act of 2006 also requires every state to maintain a sex offender-registry and directs the Attorney General and FBI to maintain a National Sex Offender registry with updated and detailed information about sex offenders. Accessible and thorough information about sexual predators is essential to guaranteeing the safety of our children and preventing previous offenders from striking again.

Mr. Speaker, far too many sex offenders are able to slip through the cracks and become lost to law enforcement officials. The Adam Walsh Child Protection and Safety Act of 2006 greatly increases law enforcement's ability to protect our children and provide peace of mind to parents. This Act is an important step to ensuring the safety of our nation's children and I urge my colleagues to support it.

Mr. MEEK of Florida. Mr. Speaker, I rise in strong support of this bill.

Today, the House is considering the Senate-passed version of H.R. 4472, the Adam Walsh Child Protection and Safety Act, which includes the language of the National Police Athletic/Activities League (PAL) Youth Enrichment Reauthorization Act of 2005, H.R. 4005, of which I am a prime sponsor.

PAL is a youth crime prevention program that utilizes educational, athletic and recreational activities to create trust and understanding between police officers and youth. It is based on the understanding that young people—if they are reached early enough—can develop strong positive attitudes toward police officers and gain the skills needed to achieve success throughout their lives.

The bill will reauthorize the National Police Athletic League Youth Enrichment Act of 2000 (P.L. 106–367). It will also authorize $16 million per year in assistance to National PAL and the 350 local PAL chapters around the country; help establish 250 (50 per year) new PAL chapters; and provide support for the annual Youth Leadership Conference.

The PAL program brings youth under the supervision and positive influence of a law enforcement agency and expands public awareness about the role of a police officer in the local community and reinforces responsible values and attitudes instilled in young people by their parents.

I strongly urge my colleagues to support this important legislation, so that we can continue to fund this program, which provides such good guidance and direction to so many of our youth.

Mr. PENCE. Mr. Speaker, before us today is the Adam Walsh Child Protection and Safety Act of 2006 (H.R. 4472). I am a strong supporter of this legislation, and urge its passage.

Title V of this legislation is derived from a bill that I introduced in the First Session of this Congress, the Child Pornography Prevention Act. As the title states, the intent of my legislation is to prevent American children from becoming victims of pornography because as we know, Mr. Speaker, the fuel that fires the wicked hearts of child predators is child pornography.

Every day in America, children are exploited in pornography—sometimes by those closest to them in their homes. In the home, children are forced to pose for pornographic pictures or act in pornographic videos by family members, family friends, caretakers and other trusted individuals who violate that trust. These pictures and videos are posted on the Internet or surreptitiously spread to sexual predators.

A main tenet of my legislation is the addition of language that will fix a technicality that so-called home pornographers have used to evade federal prosecution on child pornography charges. Home pornographers use digital cameras, Polaroid cameras and video cameras to make pornographic pictures and videos of children, and they download child pornography from the Internet onto their home computers. My legislation makes clear that federal prosecutions of home pornographers can proceed in federal courts because their activities impact interstate commerce. This is a fix that must be made now in order to protect children at home.

Another element of my bill is the addition of a new section to the criminal code, Section 2257A, which adds a record-keeping requirement that will force producers of sexually explicit material to keep records of the names and ages of their subjects when they are engaged in simulated sexual activity.

Congress previously enacted the PROTECT Act of 2003 against the background of Department of Justice regulations applying section 2257 to both primary and secondary producers. That fact, along with the Act's specific reference to the regulatory definition that existed at the time, reflected Congress' agreement with the Department of Justice's view that it already had the authority to regulate secondary producers under the applicable law.

A federal court in Colorado, however, recently enjoined the Department from enforcing the statute against secondary producers, relying on an earlier Tenth Circuit precedent holding that Congress had not authorized the Department to regulate secondary producers. These decisions conflicted with an earlier D.C. Circuit decision upholding Congress' authority to regulate secondary producers. Section 502 of the bill is meant to eliminate any doubt that section 2257 applies both to primary and secondary producers, and to reflect Congress' agreement with the regulatory approach adopted by the Department of Justice in enforcing the statute."

My bill goes a step further by requiring that records be kept for lascivious exhibitions nude photographs and displays. No child should be used in either nude pictures or sexually explicit materials because these items only serve to inflame the prurient interest in child predators. Requiring that records be kept will serve as a deterrent. Additionally, my bill requires that the records be made available to investigators for inspection. Failure to keep the records or allow inspections is a criminal offense. By strengthening the law in this manner, we will provide both a strong deterrent to the use of children in sexually explicit materials and the necessary tools to law enforcement to investigate and prosecute those who are not deterred.

Finally, the legislation expands the ability of investigators and prosecutors to pursue the people who distribute child pornography. These distributors also will be required to follow the record-keeping provision, and this will provide law enforcement with a powerful tool to use against them. These are devious people who work in cohorts with pornographers to sell child pornography, but who currently can work out of sham corporations to avoid prosecution. My legislation will empower prosecutors with the ability to charge and convict these people.

Providing law enforcement with the tools to combat child pornography contained in my legislation is a much-needed and overdue step that must be taken to protect our children from those in our society who have no decency and know no shame.

Mr. Speaker, I urge passage of the Adam Walsh Child Protection and Safety Act of 2006. It is time to protect our children, and today we take a significant step toward that goal.

Mr. HERGER. Mr. Speaker, I rise in strong support of H.R. 4472, the Adam Walsh Child Protection and Safety Act of 2006. This is good legislation that will go a long way towards keeping our children safe from harm.

I am especially pleased this legislation includes an important provision that I believe will help improve our Nation's child protection system. As part of the Adoption and Safe Families Act of 1997, Federal law was amended to require that States complete background checks prior to approving a prospective foster or adoptive home. If these background checks reveal that would-be foster or adoptive parents have been convicted of certain felonies including murder and crimes against children, such adults are permanently disqualified from receiving Federal funds as foster or adoptive parents. Felony convictions for physical assault, battery, or drug-related offenses disqualify an adult from receiving Federal payments for the child for 5 years. To be clear, States could still place foster children in those homes, they just couldn't use Federal dollars to pay such adults for the care of the children.

These provisions are designed to ensure children are placed in safe homes and Federal funds are used properly. Currently, 43 States including the District of Columbia comply with these requirements. However, because Federal law currently gives States a choice, eight States opt out of this requirement, which allows them to apply weaker standards concerning which adults are to be entrusted with foster or adoptive children and when Federal funds can be used in such homes.

In practice, it is our understanding that most of the States actually follow Federal guidelines, leaving only a handful of States that actually apply weaker standards than Federal law expects.

H.R. 4472 will allow States that opt out of the current Federal standards to continue to do so for the next 2 years. But then all States must comply with the current requirements, which most already follow. States will continue to have the flexibility to define requirements that are stronger than Federal law. It is my hope that during the next 2 years the States that apply weaker standards for who can be a foster or adoptive parent and receive Federal funds will examine their policies an take steps to bring them in line with Federal policy, as the overwhelming majority of States already do.

It is important that all States satisfy minimum requirements to ensure the safety of children. Children in foster care are literally our responsibility. It is not too much to expect certain minimum standards involving who can be entrusted with their care, especially when Federal tax dollars are paid to such adults. Amazingly enough, some suggest this provision may not increase child safety. I disagree. It is difficult to understand how some can insist that Federal taxpayers must pay adults to be foster or adoptive parents when a background check has uncovered their involvement in past crimes such as murder and crimes against children. Again, States may choose to do whatever they wish with their own dollars, but we have a responsibility to see that children are protected and Federal tax dollars are used wisely. I'm pleased H.R. 4472 will ensure all States follow the same minimum standards for determining who may be entrusted with these vulnerable children and receive Federal funds for their care. I urge my colleagues to support this important legislation.

Mr. VAN HOLLEN. Mr. Speaker, I rise today in support of H.R. 4472, the Adam Walsh Child Protection and Safety Act of 2006 that will revamp this country's sex offenders registration system. This bill is named in honor of Adam Walsh, the son of John and Reve Walsh, who was abducted 25 years ago. Through the strength and perseverance of John and Reve, they turned the gut wrenching tragedy of the abduction and killing of their son Adam into a lifelong crusade to protect the children of others. The bill before us today is another weapon in this country's arsenal to protect our children from what seems to be an epidemic of abduction and exploitation.

The National Center for Missing and Exploited Children (NCMEC) estimates that today there are more that 563,000 sex offenders that are "supposed" to be registered in this country. Unfortunately, approximately 100,000 of these offenders are currently unaccounted for and therefore, are under the watchful eye of no one.

H.R. 4472 will create a National registry that will provide enhanced information on a uniform basis thereby replacing a patchwork of individual systems administered and maintained by each State. Through this bill, sex offenders will have the same requirements to register throughout the country. Sex offenders will be required to register before they are released from prison to insure that they don't slip through the cracks. Moreover, this bill will impose stiff penalties for failing to register by imposing a felony.

While we can never do enough to protect our children, this bill does tighten the weave of the safety net through which many predators have slipped. A uniform national registry of sexual predators will assist law enforcement, parents, and concerned citizens in their vigilance and awareness of who is lurking on our neighborhood waiting to rob our children of their innocence and, all too often, of their lives.

We owe a special debt of gratitude to the bipartisan group of legislators who steered this bill successfully through Conference, the Walshes, and the National Center for Missing and Exploited Children for making this national registry a reality.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 4472.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FHA MANUFACTURED HOUSING LOAN MODERNIZATION ACT OF 2006

Mr. GILLMOR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4804) to modernize the manufactured housing loan insurance program under title I of the National Housing Act, as amended.

The Clerk read as follows:

H.R. 4804

SECTION 1. SHORT TITLE.

This title may be cited as the "FHA Manufactured Housing Loan Modernization Act of 2006".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) manufactured housing plays a vital role in providing housing for low- and moderate-income families in the United States;

(2) the FHA title I insurance program for manufactured home loans traditionally has been a major provider of mortgage insurance for home-only transactions;

(3) the manufactured housing market is in the midst of a prolonged downturn which has resulted in a severe contraction of traditional sources of private lending for manufactured home purchases;

(4) during past downturns the FHA title I insurance program for manufactured homes has filled the lending void by providing stability until the private markets could recover;

(5) in 1992, during the manufactured housing industry's last major recession, over 30,000 manufactured home loans were insured under title I;

(6) in 2004, fewer than 2,000 manufactured housing loans were insured under title I;

(7) the loan limits for title I manufactured housing loans have not been adjusted for inflation since 1992; and

(8) these problems with the title I program have resulted in an atrophied market for manufactured housing loans, leaving American families who have the most difficulty achieving homeownership without adequate financing options for home-only manufactured home purchases.

(b) PURPOSES.—The purposes of this Act are—

(1) to provide adequate funding for FHA-insured manufactured housing loans for low- and moderate-income homebuyers during all economic cycles in the manufactured housing industry;

(2) to modernize the FHA title I insurance program for manufactured housing loans to enhance participation by Ginnie Mae and the private lending markets; and

(3) to adjust the low loan limits for title I manufactured home loan insurance to reflect the increase in costs since such limits were last increased in 1992 and to index the limits to inflation.

SEC. 3. EXCEPTION TO LIMITATION ON FINANCIAL INSTITUTION PORTFOLIO.

The second sentence of section 2(a) of the National Housing Act (12 U.S.C. 1703(a)) is amended—

(1) by striking "In no case" and inserting "Other than in connection with a manufactured home or a lot on which to place such a home (or both), in no case"; and

(2) by striking ": Provided, That with" and inserting ". With".

SEC. 4. INSURANCE BENEFITS.

(a) IN GENERAL.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), is amended by adding at the end the following new paragraph:

"(8) INSURANCE BENEFITS FOR MANUFACTURED HOUSING LOANS.—Any contract of insurance with respect to loans, advances of credit, or purchases in connection with a manufactured home or a lot on which to place a manufactured home (or both) for a financial institution that is executed under this title after the date of the enactment of the FHA Manufactured Housing Loan Modernization Act of 2006 by the Secretary shall be conclusive evidence of the eligibility of such financial institution for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of the bearer from the date of the execution of such contract, except for fraud or misrepresentation on the part of such institution.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall only apply to loans that are registered or endorsed for insurance after the date of the enactment of this Act.

SEC. 5. MAXIMUM LOAN LIMITS.

(a) DOLLAR AMOUNTS.—Paragraph (1) of section 2(b) of the National Housing Act (12 U.S.C. 1703(b)(1)) is amended—

(1) in clause (ii) of subparagraph (A), by striking "$17,500" and inserting "$24,500";

(2) in subparagraph (C) by striking "$48,600" and inserting "$68,040";

(3) in subparagraph (D) by striking "$64,800" and inserting "$90,720";

(4) in subparagraph (E) by striking "$16,200" and inserting "$22,680"; and

(5) by realigning subparagraphs (C), (D), and (E) 2 ems to the left so that the left margins of such subparagraphs are aligned with the margins of subparagraphs (A) and (B).

(b) ANNUAL INDEXING.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

"(9) ANNUAL INDEXING OF MANUFACTURED HOUSING LOANS.—The Secretary shall develop a method of indexing in order to annually adjust the loan limits established in subparagraphs (A)(ii), (C), (D), and (E) of this subsection. Such index shall be based on the manufactured housing price data collected by the United States Census Bureau. The Secretary shall establish such index no later than one year after the date of the enactment of the FHA Manufactured Housing Loan Modernization Act of 2006."

(c) TECHNICAL AND CONFORMING CHANGES.—Paragraph (1) of section 2(b) of the National Housing Act (12 U.S.C. 1703(b)(1)) is amended—

(1) by striking "No" and inserting "Except as provided in the last sentence of this paragraph, no"; and

(2) by adding after and below subparagraph (G) the following:

"The Secretary shall, by regulation, annually increase the dollar amount limitations in subparagraphs (A)(ii), (C), (D), and (E) (as such limiations may have been previously adjusted under this sentence) in accordance with the index established pursuant to paragraph (9).".

SEC. 6. INSURANCE PREMIUMS.

Subsection (f) of section 2 of the National Housing Act (12 U.S.C. 1703(f)) is amended—

(1) by inserting "(1) PREMIUM CHARGES.—" after "(f)"; and

(2) by adding at the end the following new paragraph:

"(2) MANUFACTURED HOME LOANS.—Notwithstanding paragraph (1), in the case of a loan, advance of credit, or purchase in connection with a manufactured home or a lot on which to place such a home (or both), the premium charge for the insurance granted under this section shall be paid by the borrower under the loan or advance of credit, as follows:

"(A) At the time of the making of the loan, advance of credit, or purchase, a single premium payment in an amount not to exceed 2.25 percent of the amount of the original insured principal obligation.

"(B) In addition to the premium under subparagraph (A), annual premium payments during the term of the loan, advance, or obligation purchased in an amount not exceeding 1.0 percent of the remaining insured principal balance (excluding the portion of the remaining balance attributable to the premium collected under subparagraph (A) and without taking into account delinquent payments or prepayments).

"(C) Premium charges under this paragraph shall be established in amounts that are sufficient, but do not exceed the minimum amounts necessary, to maintain a negative credit subsidy for the program under this section for insurance of loans, advances of credit, or purchases in connection with a manufactured home or a lot on which to place such a home (or both), as determined based upon risk to the Federal Government under existing underwriting requirements.

"(D) The Secretary may increase the limitations on premium payments to percentages above those set forth in subparagraphs (A) and (B), but only if necessary, and not in excess of the minimum increase necessary, to maintain a negative credit subsidy as described in subparagraph (C).".

SEC. 7. TECHNICAL CORRECTIONS.

(a) DATES.—Subsection (a) of section 2 of the National Housing Act (12 U.S.C. 1703(a)) is amended—

(1) by striking "on and after July 1, 1939," each place such term appears; and

(2) by striking "made after the effective date of the Housing Act of 1954".

(b) AUTHORITY OF SECRETARY.—Subsection (c) of section 2 of the National Housing Act (12 U.S.C. 1703(c)) is amended to read as follows:

"(c) HANDLING AND DISPOSAL OF PROPERTY.—

"(1) AUTHORITY OF SECRETARY.—Notwithstanding any other provision of law, the Secretary may—

"(A) deal with, complete, rent, renovate, modernize, insure, or assign or sell at public or private sale, or otherwise dispose of, for cash or credit in the Secretary's discretion, and upon such terms and conditions and for such consideration as the Secretary shall determine to be reasonable, any real or personal property conveyed to or otherwise acquired by the Secretary, in connection with the payment of insurance heretofore or hereafter granted under this title, including any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of insurance heretofore or hereafter granted under this section; and

"(B) pursue to final collection, by way of compromise or otherwise, all claims assigned to or held by the Secretary and all legal or equitable rights accruing to the Secretary in connection with the payment of such insurance, including unpaid insurance premiums owed in connection with insurance made available by this title.

"(2) ADVERTISEMENTS FOR PROPOSALS.—Section 3709 of the Revised Statutes shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of such property if the amount thereof does not exceed $25,000.

"(3) DELEGATION OF AUTHORITY.—The power to convey and to execute in the name of the Secretary, deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein heretofore or hereafter acquired by the Secretary pursuant to the provisions of this title may be exercised by an officer appointed by the Secretary without the execution of any express delegation of power or power of attorney. Nothing in this subsection shall be construed to prevent the Secretary from delegating such power by order or by power of attorney, in the Secretary's discretion, to any officer or agent the Secretary may appoint.".

SEC. 8. REVISION OF UNDERWRITING CRITERIA.

(a) IN GENERAL.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

"(10) FINANCIAL SOUNDNESS OF MANUFACTURED HOUSING PROGRAM.—The Secretary shall establish such underwriting criteria for loans and advances of credit in connection with a manufactured home or a lot on which to place a manufactured home (or both), including such loans and advances represented by obligations purchased by financial institutions, as may be necessary to ensure that the program under this title for insurance for financial institutions against losses from such loans, advances of credit, and purchases is financially sound.".

(b) TIMING.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall revise the existing underwriting criteria for the program referred to in paragraph (10) of section 2(b) of the National Housing Act (as added by subsection (a) of this section) in accordance with the requirements of such paragraph.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. GILLMOR) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. GILLMOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4804, the FHA Manufactured Housing Loan Modernization Act of 2006, which was introduced by my financial services colleague, Congressman PAT TIBERI.

H.R. 4804 would modernize the Federal Housing Administration title I program for manufactured homes and increase the availability of FHA insured manufactured housing loans to low and moderate income consumers who wish to purchase a manufactured home.

Congressman TIBERI's legislation would amend title I of the Federal Housing Administration mortgage insurance program by encouraging more private sector participation in the title I program, increasing the availability of title I loans for manufactured housing and improving title I access to the secondary mortgage market.

To accomplish these goals, the FHA Manufactured Housing Modernization Act of 2006 includes several important reforms to make the title I manufactured housing program more relevant and more meaningful. The bill requires FHA to insure title I manufactured housing loans on a loan by loan basis, similar to what is done in the single-family FHA program, instead of using the current insurance system which insures bundles of loans. This change would pose less risk to the secondary insurer and would encourage the securitization of title I loans.

Since 1992, manufactured home prices have increased over 50 percent while loan limits have not been adjusted for inflation. To address this inequity, H.R. 4804 raises the maximum loan limits for manufactured homes and lots with annual indexing using U.S. Census data.

The manufactured housing industry has evolved in the last decade to deliver a better quality product that saves as much as 25 percent of development costs associated with traditional single-family homes. Recent innovations in design, including multi-stories and attached garages, make manufactured housing a viable, affordable alternative for urban developments.

The problem of housing affordability touches many Americans, young couples with limited incomes, single-parent families and low income households that seek decent shelter at a reasonable price, or retired persons looking for smaller homes with less maintenance.

Many American families are unable to afford a medium priced site-built home. Manufactured housing provides a home ownership option for people who may not be able to afford or choose not to purchase site-built housing.

H.R. 4804 will go a long way to ensure that manufactured housing continues to play an important role in meeting the country's affordable housing needs. I urge my colleagues to support this important piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Massachusetts (Mr. FRANK) is on his way to the floor, who really is the manager on this legislation, and the one person on our side of the aisle who is an expert on manufactured housing.

I rise in support certainly of the FHA Manufactured Housing Loan Modernization Act of 2006. I would like to thank Mr. TIBERI, the sponsor of this bill, for his hard work and cooperation with the members of the Subcommittee on Housing and Community Opportunity, of which I am ranking member.

The bill is further evidence of the high level of cooperation on housing-related issues within the Committee on Financial Services. The committee marked up this bill that will amend title I of the Federal Housing Administration mortgage insurance program by encouraging more private sector participation in the title I program, increasing the availability of title I loans for manufactured housing and improving access to the secondary mortgage market.

After the devastating events of last year in the gulf region, manufactured housing took on a new importance. Manufactured housing filled a major void in the supply of housing in the aftermath of Hurricanes Rita and Katrina. FEMA has made trailers available in the gulf region, and they still represent the only housing choice for many families who lost their homes.

Manufactured homes continue to serve the housing needs of Americans, as many in the gulf region would attest. However, since the early 1990s, the number of title I personal property loans for manufactured homes dropped from 30,000 to 2,000, primarily because of inefficiencies in the program.

This bill will make a number of improvements to the program: Number one, it removes the 10 percent cap limiting FHA's ability to insure manufactured housing; number two, it insures loans on a case-by-case basis; number three, it increases loan limits; number four, it provides for risk-based premiums; and, number five, it strengthens loan underwriting requirements.

The reforms in this bill will improve FHA manufactured housing programs. The modernization of the program is absolutely essential to its continued existence. As such, I am not only going to ask my colleagues to support this legislation, but I would implore the Members of Congress to look at manufactured housing as alternatives to high-priced housing in some of their own areas where people cannot afford housing, particularly low-income people who cannot afford the housing on the market as we know it.

Mr. Speaker, I reserve the balance of my time.

Mr. GILLMOR. Mr. Speaker, I ask unanimous consent to yield the balance of my time to the gentleman from Ohio (Mr. NEY) and that he may be able to yield.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. NEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 4804, the FHA Manufactured Housing Loan Modernization Act of 2006. Right off the bat, I want to congratulate Representative PAT TIBERI from Ohio on his effort to modernize the Federal Housing Administration, known as FHA, title I program for manufactured homes and increase the availability of FHA-insured manufactured housing loans to low and moderate income consumers who wish to purchase a manufactured home.

Increasing loan limits for manufactured housing will assist many people, particularly first-time home buyers who are looking for less expensive options for achieving the dream of homeownership.

Reforms to the title I manufactured housing program in this legislation would remove the current cap limiting FHA's ability to insure manufactured home loans to 10 percent of the FHA portfolio; require FHA to insure title I manufactured housing loans on a loan-by-loan basis; raise the maximum loan limits for manufactured homes and lots, with annual indexing using U.S. Census data. It also would allow risk-based premium pricing and tighten underwriting standards for the title I loans.

I want to thank our ranking member, MAXINE WATERS from California, obviously also our chairman, MIKE OXLEY and BARNEY FRANK, our ranking member for the full committee. Their perseverance on these issues is going to help a lot of people in this country.

I want to thank again the gentlelady from California, Mr. FRANK and also Mr. OXLEY, and, above all, Mr. TIBERI, for pursuing this piece of legislation, which is going to help so many people.

Mr. Speaker, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent to control the balance of the time on our side.

The SPEAKER pro tempore. Without objection, the gentleman from Massachusetts will control the balance of the time.

There was no objection.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my colleague, the ranking member of our Housing Subcommittee, the gentlewoman from California, for filling in for me as I came over.

Mr. Speaker, we have a national goal of increasing homeownership. Homeownership is very important. I always want to make it clear to people that while homeownership is very important, it should not be considered all of our goal in the housing area. A large number of people, for economic reasons and other reasons, will be renters. It is a good thing if we can help people become homeowners, but we should not neglect the legitimate interests of renters.

In this case, however, we are talking not about renters, we will deal with them in some later parts of our program today, we are dealing here with extending the ability to own homes to people who would economically not otherwise be able to make it.

We have gotten to a pretty high percentage of homeownership. But if you look at the economics of land, of zoning, of building, if you look at what people earn, if we do not make manufactured housing more easily available to people, we will not be able to break out of the current percentage levels of homeownership. That is, significantly extending homeownership so we get to maybe an 80 percent range or so requires us to make full use of manufactured housing.

One of the things I am pleased about, when I first came here there was a kind of a war going on, or at least a battle between people of conventional homes, stick-built homes, as they are called, and manufactured housing. I think it is now clear that the demand for housing is such and the economic range is such that these are not competitive entities. There is room for more of the stick-built housing, of the site-built housing; there is room for more of the manufactured housing. We need to give a full range of choices for people.

It is also clear that manufactured housing hits a price range that we have to make available if we are going to extend homeownership.

Now, what we found was, as many of us began to push for this a few years ago, we were pushing, I pushed Fannie Mae and Freddie Mac to do more in manufacturing housing. The gentleman from Ohio is nodding, because he and I have worked together on this. We intend to continue.

□ 1230

Part of our effort with regard to the GSE legislation is to push Fannie Mae and Freddie Mac to do more in manufactured housing. We have worked harder to make sure that manufactured housing is safer. And this goes back to the former chairman of the committee, then called the Banking Committee, the gentleman from Texas (Mr. GONZALEZ) who helped to make sure that we had legislation that made manufactured housing safer, particularly in those areas where there are hurricanes. We have done that.

And then we found that one of our own entities, the Federal Housing Administration, was not as responsive to the manufactured housing issues as they should be. So this bill does that. Obviously, manufactured housing is somewhat different than other forms of housing. The problem is, of course, our laws, our loan procedures, our property laws, our title laws were all drawn up with the model of a site-built home on a piece of land owned by that homeowner.

You need more flexibility when you are dealing with manufactured housing. This provides it. So I am very pleased to join in this bipartisanship effort with my colleagues on the committee to put forward a bill that will be a substantial step forward in making housing available.

I thank the gentleman from Ohio, the chairman of the subcommittee, and the gentleman from Ohio who is the main author of this bill for giving us all a chance to work together on this.

Mr. Speaker, I reserve the balance of my time.

Mr. NEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Massachusetts makes a good point. We have struggled for quite a few years to get manufactured housing into the sites through HUD for its utilization for people across this country. So I think this bill and all of the steps we have taken to understand both the urban and the rural settings, I think this bill comes a long way to push it to the forefront.

I want to thank Mr. TIBERI and also to yield to the gentleman such time as he may consume.

Mr. TIBERI. Mr. Speaker, I am excited that we are here today considering this piece of legislation that was passed out of committee unanimously. It has been a bipartisan process from the very beginning. I believe we have a better bill that Members can support because of that process, a bill that will make it easier for Americans to be homeowners. I thank Mr. FRANK. As a former realtor, I want to associate myself with his remarks with respect to the flexibility of this bill, the importance of this bill. We have come a long way in getting here today passing this bill.

I do want to acknowledge his valuable input as a cosponsor of the legislation, a key cosponsor, as well as his work on the Financial Services Committee, and also his aid Scott Olson. This legislation today is better because of the work that you all put into it. I really appreciate and am grateful for that work.

Mr. Speaker, I also want to acknowledge the leadership of Mr. NEY, chairman of the Subcommittee on Housing, and Chairman OXLEY for their work on this legislation, and the key work of committee staff Clinton Jones. Clinton, you have been great on this legislation from the very beginning; Cindy Chetti, Tallman Johnson, Rashmi Puri, along with Lindsay Vogtsberger from my staff as well. This has been a great collaboration. I appreciate the full support from the Members and the committee.

This legislation builds on the past successes of FHA's title I program by increasing the availability of title I loans for manufactured housing, encouraging more private sector participation and increasing access to the ever-important secondary mortgage market.

Manufactured housing has played a critical role in creating homeownership for families both in urban and rural settings across this country, across our State in Ohio. Unfortunately, manufactured housing is in the midst of a downturn, a downturn in housing production levels due in part to tightening of underwriting standards.

Historically, FHA title I programs have provided loans for financing mortgages of manufactured homes, which are homes leased on land. In 1992, FHA title I insured over 30,000 loans nationwide. In 2004, the number fell to 2,000. In Ohio, the chairman's home State and my home State, loans fell from a high in 1992 of 281, to only 15 written in 2004.

This bill incorporates recommendations from HUD's Commission of Independent Agency "Report to Improve the title I Program." The legislation raises the maximum loan limits for manufactured homes on lots with annual indexing using the U.S. Census data. It also makes a number of changes, Mr. Speaker, to ensure the financial soundness of the program by allowing the Secretary of HUD to revise underwriting criteria.

Furthermore, the Congressional Budget Office estimates that implementing this piece of legislation will result in savings of half a million dollars a year.

Mr. Speaker, I am truly proud of the fact that I am the sponsor of this bill with Mr. FRANK and look forward to its passage here in the House and hopefully passage soon in the Senate so that more Americans may achieve the American dream of homeownership.

Mr. FRANK of Massachusetts. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. NEY. Mr. Speaker, I have no further speakers. I just want to again thank the gentlewoman from California, MAXINE WATERS; Mr. BARNEY FRANK of Massachusetts; MIKE OXLEY, the Chair; and PAT TIBERI, of course, the author of the bill.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. NEY. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, the chairman of the full committee, the gentleman from Ohio (Mr. OXLEY), is, as has been announced, retiring. I do want to say that I am very proud of the extent to which our committee has worked together cooperatively.

There are obviously points of difference. There are legitimate differences between Democrats and Republicans and liberals and conservatives.

But without subsuming those or without anybody sort of abandoning his or her principles, we have been able to find that area where there is common ground like this. I do think that the chairman of the full committee deserves an enormous amount of credit for creating the atmosphere in which we were able to both pursue our differences in a civil way and then come together where we did not have differences, but had common ground.

Mr. NEY. Mr. Speaker, reclaiming my time, this is a good day for all people throughout the United States that want to achieve homeownership.

Mr. DUNCAN. Mr. Speaker, I am in strong support of H.R. 4804, the FHA Manufactured Housing Loan Modernization Act of 2006.

Manufactured homes play an important role in serving housing needs for many Americans, especially in the district I represent in East Tennessee.

I am very proud to have a leader in the manufactured housing industry, Clayton Homes, headquartered in my district. They are a company of integrity and are now operating in over 40 states across the country.

More and more people each year are moving into my district, which is one of the fastest growing areas in the country. I can understand why so many want to move there. It is a great place to live, raise a family or start a business.

All of this growth is contributing to a crisis in affordable housing. Manufactured home prices have increased over 50 percent since 1992. In 1992 FHA Title I insured over 30,000 Title I loans. In 2004, that number was below 2,000.

Options for financing manufactured homes are very limited. Today, there are only two private lenders that participate in the FHA program. This bill will encourage more private sector participation, creating more competition with lower interest rates and costs.

The bill increases the amount that can be insured on a loan. It removes a current portfolio cap that only allows

10 percent of the dollar value of the lender's portfolio to be insured.

Under the proposed system in H.R. 4804, a practical program will encourage more private sector participation and increase accessibility to manufactured home loans. Making these loans more accessible will help many get out of a renting situation.

This bill will allow many a chance to own a home, a very important part of the American dream. I urge my colleagues to support H.R. 4804.

Mr. NEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. GILLMOR) that the House suspend the rules and pass the bill, H.R. 4804, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. NEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

GENERAL LEAVE

Mr. NEY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on this legislation and insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXPANDING AMERICAN HOMEOWNERSHIP ACT OF 2006

Mr. NEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5121) to modernize and update the National Housing Act and enable the Federal Housing Administration to use risk-based pricing to more effectively reach underserved borrowers, and for other purposes, as amended.

The Clerk read as follows

H.R. 5121

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Expanding American Homeownership Act of 2006".

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Maximum principal loan obligation.
Sec. 4. Extension of mortgage term.
Sec. 5. Cash investment requirement.
Sec. 6. Temporary reinstatement of downpayment requirement in event of increased defaults.
Sec. 7. Mortgage insurance premiums.
Sec. 8. Rehabilitation loans.
Sec. 9. Discretionary action.
Sec. 10. Insurance of condominiums.
Sec. 11. Mutual Mortgage Insurance Fund.
Sec. 12. Hawaiian home lands and Indian reservations.
Sec. 13. Conforming and technical amendments.
Sec. 14. Home equity conversion mortgages.
Sec. 15. Conforming loan limit in disaster areas.
Sec. 16. Participation of mortgage brokers and correspondent lenders.
Sec. 17. Sense of Congress regarding technology for financial systems.
Sec. 18. Savings provision.
Sec. 19. Implementation.

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds that—

(1) one of the primary missions of the Federal Housing Administration (FHA) single family mortgage insurance program is to reach borrowers who are underserved, or not served, by the existing conventional mortgage marketplace;

(2) the FHA program has a long history of innovation, which includes pioneering the 30-year self-amortizing mortgage and a safe-to-seniors reverse mortgage product, both of which were once thought too risky to private lenders;

(3) the FHA single family mortgage insurance program traditionally has been a major provider of mortgage insurance for home purchases;

(4) the FHA mortgage insurance premium structure, as well as FHA's product offerings, should be revised to reflect FHA's enhanced ability to determine risk at the loan level and to allow FHA to better respond to changes in the mortgage market;

(5) during past recessions, including the oil-patch downturns in the mid-1980s, FHA remained a viable credit enhancer and was therefore instrumental in preventing a more catastrophic collapse in housing markets and a greater loss of homeowner equity; and

(6) as housing price appreciation slows and interest rates rise, many homeowners and prospective homebuyers will need the less-expensive, safer financing alternative that FHA mortgage insurance provides.

(b) Purposes.—The purposes of this Act are—

(1) to provide flexibility to FHA to allow for the insurance of housing loans for low- and moderate-income homebuyers during all economic cycles in the mortgage market;

(2) to modernize the FHA single family mortgage insurance program by making it more reflective of enhancements to loan-level risk assessments and changes to the mortgage market; and

(3) to adjust the loan limits for the single family mortgage insurance program to reflect rising house prices and the increased costs associated with new construction.

SEC. 3. MAXIMUM PRINCIPAL LOAN OBLIGATION.

Paragraph (2) of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended—

(1) by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

"(A) not to exceed the lesser of—

"(i) in the case of a 1-family residence, the median 1-family house price in the area, as determined by the Secretary; and in the case of a 2-, 3-, or 4-family residence, the percentage of such median price that bears the same ratio to such median price as the dollar amount limitation in effect under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) for a 2-, 3-, or 4-family residence, respectively, bears to the dollar amount limitation in effect under such section for a 1-family residence; or

"(ii) the dollar amount limitation determined under such section 305(a)(2) for a residence of the applicable size;

except that the dollar amount limitation in effect for any area under this subparagraph may not be less than the greater of (I) the dollar amount limitation in effect under this section for the area on October 21, 1998, or (II) 65 percent of the dollar limitation determined under such section 305(a)(2) for a residence of the applicable size; and

"(B) not to exceed the appraised value of the property, plus any initial service charges, appraisal, inspection and other fees in connection with the mortgage as approved by the Secretary.";

(2) in the matter after and below subparagraph (B), by striking the second sentence (relating to a definition of "average closing cost") and all that follows through "title 38, United States Code"; and

(3) by striking the last undesignated paragraph (relating to counseling with respect to the responsibilities and financial management involved in homeownership).

SEC. 4. EXTENSION OF MORTGAGE TERM.

Paragraph (3) of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(3)) is amended—

(1) by striking "thirty-five years" and inserting "forty years"; and

(2) by striking "(or thirty years if such mortgage is not approved for insurance prior to construction)".

SEC. 5. CASH INVESTMENT REQUIREMENT.

Paragraph (9) of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(9) is amended by striking the paragraph designation and all that follows through "*Provided further*, That for" and inserting the following:

"(9) Be executed by a mortgagor who shall have paid on account of the property, in cash or its equivalent, an amount, if any, as the Secretary may determine based on factors determined by the Secretary and commensurate with the likelihood of default. For".

SEC. 6. TEMPORARY REINSTATEMENT OF DOWNPAYMENT REQUIREMENT IN EVENT OF INCREASED DEFAULTS.

Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) is amended by adding at the end the following new paragraph:

"(10) Effect of increased defaults.—

"(A) Annual determination.—If, for any calendar year described in subparagraph (B)(i), the Secretary determines, pursuant such subparagraph, that—

"(i) the ratio of the number of mortgage insurance claims made during such calendar year on mortgages insured under this section to the total number of mortgages having such insurance in force during such calendar year exceeds, by 25 percent or more, such ratio for the 12-month period ending on the effective date of this Act, or

"(ii) the ratio of the aggregate remaining principal obligation under mortgages insured under this section for which an insurance claim is made during such calendar year to the average, for such calendar year, of the aggregate outstanding principal obligation under mortgages so insured exceeds, by 25 percent or more, such ratio for the 12-month period ending on such effective date, during the 90-day period beginning upon the submission of the report for such calendar year under subparagraph (B)(ii) containing such determination, the Secretary may insure a mortgage under this section only pursuant to the requirement under subparagraph (C), and the Secretary shall, not later than 60 days after submission of the report containing such determination, submit a report to the Congress under subparagraph (D) regarding mortgage insurance claims during such calendar year.

"(B) 5 YEARS OF ANNUAL DETERMINATIONS.—

"(i) IN GENERAL.—The Secretary shall, for each of the 5 calendar years commencing after the date of the enactment of this Act, compare the ratios referred to in subparagraph (A) and make a determination under such subparagraph.

"(ii) ANNUAL REPORT ON DEFAULTS.—Not later than 90 days after the conclusion of each of the calendar years described in clause (i), the Secretary shall submit a report to the Congress containing the determination of the Secretary under such clause with respect to such calendar year and setting forth the ratios referred to in such clause for such calendar year.

"(C) REINSTATEMENT OF DOWNPAYMENT REQUIREMENT.—The requirement under this subparagraph is that paragraph (9) of this subsection shall apply as such paragraph was in effect on the day before the effective date of the Expanding American Homeownership Act of 2006.

"(D) REPORTS REGARDING INCREASED DEFAULT RATE.—A report under this subparagraph, as required under subparagraph (A), shall contain—

"(i) an analysis of mortgage insurance claims, made during the calendar year for which the report is submitted, on mortgages insured under this section;

"(ii) an analysis of the reasons for the increase during such calendar year in the applicable ratio or ratios under subparagraph (A), including an analysis of the extent to which such increase is attributable to the amendments made by the Expanding American Homeownership Act of 2006;

"(iii) the effect of such increase on the Mutual Mortgage Insurance Fund;

"(iv) recommendations regarding—

"(I) whether the Congress should, to respond to such increase, take legislative action (aa) to apply paragraph (9) of this subsection as such paragraph was in effect on the day before the effective date of Expanding American Homeownership Act of 2006, (bb) to apply paragraph (2)(A)(ii) by substituting '87 percent of the dollar amount limitation' for 'the dollar amount limitation', or (cc) both; and

"(II) whether such provisions should be temporary or permanent, and, if temporary, the period during which such provisions should apply; and

"(v) recommendations regarding any other administrative, regulatory, legislative, or other actions that should be taken to respond to such increase.

"(E) DEFAULTS IN DISASTER AREAS NOT COUNTED FOR 24 MONTHS.—In determining the number of mortgage insurance claims made and the aggregate remaining principal obligation under mortgages for which an insurance claim is made for purposes of subparagraph (A) for any calendar year, the Secretary shall not take into consideration any claim made during such period on a mortgage on any property that is located in an area for which a major disaster was declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act if such claim was made during the 24-month period beginning upon such declaration.".

SEC. 7. MORTGAGE INSURANCE PREMIUMS.

Section 203(c) of the National Housing Act (12 U.S.C. 1709(c)) is amended—

(1) in paragraph (2), in the matter preceding subparagraph (A), by striking "Notwithstanding" and inserting "Except as provided in paragraph (3) and notwithstanding"; and

(2) by adding at the end the following new paragraph:

"(3) FLEXIBLE RISK-BASED PREMIUMS.—

"(A) IN GENERAL.—For any mortgage insured by the Secretary under this title that is secured by a 1- to 4-family dwelling and for which the loan application is received by the mortgagee on or after October 1, 2006, the Secretary may establish a mortgage insurance premium structure involving a single premium payment collected prior to the insurance of the mortgage or annual payments (which may be collected on a periodic basis), or both, subject to the limitations in subparagraphs (B) and (C). The rate of premium for such a mortgage may vary during the mortgage term as long as the basis for determining the variable rate is established before the execution of the mortgage. The Secretary may change a premium structure established under this subparagraph but only to the extent that such change is not applied to any mortgage already executed.

"(B) MAXIMUM UP-FRONT PREMIUM AMOUNTS.—For any mortgage insured under a premium structure established pursuant to this paragraph, the amount of any single premium payment authorized by subparagraph (A), if established and collected prior to the insurance of the mortgage, may not exceed the following amount:

"(i) Except as provided in clauses (ii) and (iii), 3.0 percent of the amount of the original insured principal obligation of the mortgage.

"(ii) If the mortgagor has a credit score equivalent to a FICO score of 560 or more and has paid on account of the property, in cash or its equivalent, at least 3 percent of the Secretary's estimate of the cost of acquisition (excluding the mortgage insurance premium paid at the time the mortgage is insured), 2.25 percent of the original insured principal obligation of the mortgage.

"(iii) If the annual premium payment is equal to the maximum amount allowable under clause (i) of subparagraph (C), 1.5 percent of the amount of the original insured principal obligation of the mortgage.

"(C) MAXIMUM ANNUAL PREMIUM AMOUNTS.—For any mortgage insured under a premium structure established pursuant to this paragraph, the amount of any annual premium payment collected may not exceed the following amount:

"(i) Except as provided in clauses (ii) and (iii), 2.0 percent of the remaining insured principal obligation of the mortgage.

"(ii) If the mortgagor is a mortgagor described in clause (ii) of subparagraph (B), 0.55 percent of the remaining insured principal obligation of the mortgage.

"(iii) If the single premium payment collected at the time of insurance is equal to maximum amount allowable under clause (i) of subparagraph (B), 1.0 percent of the remaining insured principal obligation of the mortgage.

"(D) PAYMENT INCENTIVE.—Notwithstanding subparagraph (C), for any mortgage insured under a premium structure established pursuant to this paragraph and for which the annual premium payment exceeds the amount set forth in subparagraph (C)(ii), if during the 5-year period beginning upon the time of insurance all mortgage insurance premiums for such mortgage have been paid on a timely basis, upon the expiration of such period the Secretary shall reduce the amount of the annual premium payments due thereafter under such mortgage to an amount equal to the amount set forth in subparagraph (C)(ii).

"(E) ESTABLISHMENT AND ALTERATION OF PREMIUM STRUCTURE.—A premium structure shall be established or changed under subparagraph (A) only by providing notice to mortgagees and to the Congress, at least 30 days before the premium structure is established or changed.

"(F) CONSIDERATIONS FOR PREMIUM STRUCTURE.—When establishing a premium structure under subparagraph (A) or when changing such a premium structure, the Secretary shall consider the following:

"(i) The effect of the proposed premium structure on the Secretary's ability to meet the operational goals of the Mutual Mortgage Insurance Fund as provided in section 202(a).

"(ii) Underwriting variables.

"(iii) The extent to which new pricing under the proposed premium structure has potential for acceptance in the private market.

"(iv) The administrative capability of the Secretary to administer the proposed premium structure.

"(v) The effect of the proposed premium structure on the Secretary's ability to maintain the availability of mortgage credit and provide stability to mortgage markets.".

SEC. 8. REHABILITATION LOANS.

Subsection (k) of section 203 of the National Housing Act (12 U.S.C. 1709(k)) is amended—

(1) in paragraph (1), by striking "on" and all that follows through "1978"; and

(2) in paragraph (5)—

(A) by striking "General Insurance Fund" the first place it appears and inserting "Mutual Mortgage Insurance Fund"; and

(B) in the second sentence, by striking the comma and all that follows through "General Insurance Fund".

SEC. 9. DISCRETIONARY ACTION.

The National Housing Act is amended—

(1) in subsection (e) of section 202 (12 U.S.C. 1708(e))—

(A) in paragraph (3)(B), by striking "section 202(e) of the National Housing Act" and inserting "this subsection"; and

(B) by redesignating such subsection as subsection (f);

(2) by striking paragraph (4) of section 203(s) (12 U.S.C. 1709(s)(4)) and inserting the following new paragraph:

"(4) the Secretary of Agriculture;"; and

(3) by transferring subsection (s) of section 203 (as amended by paragraph (2) of this section) to section 202, inserting such subsection after subsection (d) of section 202, and redesignating such subsection as subsection (e).

SEC. 10. INSURANCE OF CONDOMINIUMS.

(a) IN GENERAL.—Section 234 of the National Housing Act (12 U.S.C. 1715y) is amended—

(1) in subsection (c)—

(A) in the first sentence—

(i) by striking "and" before "(2)"; and

(ii) by inserting before the period at the end the following: ", and (3) the project has a blanket mortgage insured by the Secretary under subsection (d)"; and

(B) in clause (B) of the third sentence, by striking "thirty-five years" and inserting "forty years"; and

(2) in subsection (g), by striking ", except that" and all that follows and inserting a period.

(b) DEFINITION OF MORTGAGE.—Section 201(a) of the National Housing Act (12 U.S.C. 1707(a)) is amended—

(1) in clause (1), by striking "or" and inserting a comma; and

(2) by inserting before the semicolon the following: ", or (c) a first mortgage given to secure the unpaid purchase price of a fee interest in, or long-term leasehold interest in, a one-family unit in a multifamily project, including a project in which the dwelling units are attached, semi-detached, or detached, and an undivided interest in the common areas and facilities which serve the project".

SEC. 11. MUTUAL MORTGAGE INSURANCE FUND.

(a) IN GENERAL.—Subsection (a) of section 202 of the National Housing Act (12 U.S.C. 1708(a)) is amended to read as follows:

"(a) MUTUAL MORTGAGE INSURANCE FUND.—

"(1) ESTABLISHMENT.—Subject to the provisions of the Federal Credit Reform Act of 1990, there is hereby created a Mutual Mortgage Insurance Fund (in this title referred to as the 'Fund'), which shall be used by the Secretary to carry out the provisions of this title with respect to mortgages insured under section 203. The Secretary may enter into commitments to guarantee, and may guarantee, such insured mortgages.

"(2) LIMIT ON LOAN GUARANTEES.—The authority of the Secretary to enter into commitments to guarantee such insured mortgages shall be effective for any fiscal year only to the extent that the aggregate original principal loan amount under such mortgages, any part of which is guaranteed, does not exceed the amount specified in appropriations Acts for such fiscal year.

"(3) FIDUCIARY RESPONSIBILITY.—The Secretary has a responsibility to ensure that the Mutual Mortgage Insurance Fund remains financially sound.

"(4) ANNUAL INDEPENDENT ACTUARIAL STUDY.—The Secretary shall provide for an independent actuarial study of the Fund to be conducted annually, which shall analyze the financial position of the Fund. The Secretary shall submit a report annually to the Congress describing the results of such study and assessing the financial status of the Fund. The report shall recommend adjustments to underwriting standards, program participation, or premiums, if necessary, to ensure that the Fund remains financially sound.

"(5) QUARTERLY REPORTS.—During each fiscal year, the Secretary shall submit a report to the Congress for each quarter, which shall specify for mortgages that are obligations of the Fund—

"(A) the cumulative volume of loan guarantee commitments that have been made during such fiscal year through the end of the quarter for which the report is submitted;

"(B) the types of loans insured, categorized by risk;

"(C) any significant changes between actual and projected claim and prepayment activity;

"(D) projected versus actual loss rates; and

"(E) updated projections of the annual subsidy rates to ensure that increases in risk to the Fund are identified and mitigated by adjustments to underwriting standards, program participation, or premiums, and the financial soundness of the Fund is maintained.

The first quarterly report under this paragraph shall be submitted on the last day of the first quarter of fiscal year 2007, or upon the expiration of the 90-day period beginning on the date of the enactment of the Expanding American Homeownership Act of 2006, whichever is later.

"(6) ADJUSTMENT OF PREMIUMS.—If, pursuant to the independent actuarial study of the Fund required under paragraph (5), the Secretary determines that the Fund is not meeting the operational goals established under paragraph (8) or there is a substantial probability that the Fund will not maintain its established target subsidy rate, the Secretary may either make programmatic adjustments under section 203 as necessary to reduce the risk to the Fund, or make appropriate premium adjustments.

"(7) OPERATIONAL GOALS.—The operational goals for the Fund are—

"(A) to charge borrowers under loans that are obligations of the Fund an appropriate premium for the risk that such loans pose to the Fund;

"(B) to minimize the default risk to the Fund and to homeowners;

"(C) to curtail the impact of adverse selection on the Fund; and

"(D) to meet the housing needs of the borrowers that the single family mortgage insurance program under this title is designed to serve.".

(b) OBLIGATIONS OF FUND.—The National Housing Act is amended as follows:

(1) HOMEOWNERSHIP VOUCHER PROGRAM MORTGAGES.—In section 203(v) (12 U.S.C. 1709(v))—

(A) by striking "Notwithstanding section 202 of this title, the" and inserting "The"; and

(B) by striking "General Insurance Fund" the first place such term appears and all that follows and inserting "Mutual Mortgage Insurance Fund.".

(2) HOME EQUITY CONVERSION MORTGAGES.—Section 255(i)(2)(A) of the National Housing Act (12 U.S.C. 1715z-20(i)(2)(A)) is amended by striking "General Insurance Fund" and inserting "Mutual Mortgage Insurance Fund".

(c) CONFORMING AMENDMENTS.—The National Housing Act is amended—

(1) in section 205 (12 U.S.C. 1711), by striking subsections (g) and (h); and

(2) in section 519(e) (12 U.S.C. 1735c(e)), by striking "203(b)" and all that follows through "203(i)" and inserting "203, except as determined by the Secretary".

SEC. 12. HAWAIIAN HOME LANDS AND INDIAN RESERVATIONS.

(a) HAWAIIAN HOME LANDS.—Section 247(c) of the National Housing Act (12 U.S.C. 1715z–12) is amended—

(1) by striking "General Insurance Fund established in section 519" and inserting "Mutual Mortgage Insurance Fund"; and

(2) in the second sentence, by striking "(1) all references" and all that follows through "and (2)".

(b) INDIAN RESERVATIONS.—Section 248(f) of the National Housing Act (12 U.S.C. 1715z–13) is amended—

(1) by striking "General Insurance Fund" the first place it appears through "519" and inserting "Mutual Mortgage Insurance Fund"; and

(2) in the second sentence, by striking "(1) all references" and all that follows through "and (2)".

SEC. 13. CONFORMING AND TECHNICAL AMENDMENTS.

(a) REPEALS.—The following provisions of the National Housing Act are repealed:

(1) Subsection (i) of section 203 (12 U.S.C. 1709(i)).

(2) Subsection (o) of section 203 (12 U.S.C. 1709(o)).

(3) Subsection (p) of section 203 (12 U.S.C. 1709(p)).

(4) Subsection (q) of section 203 (12 U.S.C. 1709(q)).

(5) Section 222 (12 U.S.C. 1715m).

(6) Section 237 (12 U.S.C. 1715z–2).

(7) Section 245 (12 U.S.C. 1715z–10).

(b) DEFINITION OF AREA.—Section 203(u)(2)(A) of the National Housing Act (12 U.S.C. 1709(u)(2)(A)) is amended by striking "shall" and all that follows and inserting "means a metropolitan statistical area as established by the Office of Management and Budget;".

(c) DEFINITION OF STATE.—Section 201(d) of the National Housing Act (12 U.S.C. 1707(d)) is amended by striking "the Trust Territory of the Pacific Islands" and inserting "the Commonwealth of the Northern Mariana Islands".

SEC. 14. HOME EQUITY CONVERSION MORTGAGES.

(a) IN GENERAL.—Section 255 of the National Housing Act (12 U.S.C. 1715z–20) is amended—

(1) in subsection (g)—

(A) by striking the first sentence; and

(B) by striking "established under section 203(b)(2)" and all that follows through "located" and inserting "limitation established under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a 1-family residence";

(2) in subsection (i)(1)(C), by striking "limitations" and inserting "limitation"; and

(3) by adding at the end the following new subsection:

"(n) AUTHORITY TO INSURE HOME PURCHASE MORTGAGE.—

"(1) IN GENERAL.—Notwithstanding any other provision in this section, the Secretary may insure, upon application by a mortgagee, a home equity conversion mortgage upon such terms and conditions as the Secretary may prescribe, when the primary purpose of the home equity conversion mortgage is to enable an elderly mortgagor to purchase a 1-to 4 family dwelling in which the mortgagor will occupy or occupies one of the units.

"(2) LIMITATION ON PRINCIPAL OBLIGATION.—A home equity conversion mortgage insured pursuant to paragraph (1) shall involve a principal obligation that does not exceed the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of the applicable size.".

(b) MORTGAGES FOR COOPERATIVES.—Subsection (b) of section 255 of the National Housing Act (12 U.S.C. 1715z-20(b)) is amended—

(1) in paragraph (4)—

(A) by inserting "a first or subordinate mortgage or lien" before "on all stock";

(B) by inserting "unit" after "dwelling"; and

(C) by inserting "a first mortgage or first lien" before "on a leasehold"; and

(2) in paragraph (5), by inserting "a first or subordinate lien on" before "all stock".

(c) STUDY REGARDING MORTGAGE INSURANCE PREMIUMS.—The Secretary of Housing and Urban Development shall conduct a study regarding mortgage insurance premiums charged under the program under section 255 of the National Housing Act (12 U.S.C. 1715z-20) for insurance of home equity conversion mortgages to analyze and determine—

(1) the effects of reducing the amounts of such premiums from the amounts charged as of the date of the enactment of this Act on—

(A) costs to mortgagors; and

(B) the financial soundness of the program; and

(2) the feasibility and effectiveness of exempting, from all the requirements under the program regarding payment of mortgage insurance premiums (including both up-front or annual mortgage insurance premiums under section 203(c)(2) of such Act), any mortgage insured under the program under which part or all of the amount of future payments made to the homeowner are used for costs of a long-term care insurance contract covering the mortgagor or members of the household residing in the mortgaged property.

Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Secretary shall submit a report to the Congress setting forth the results and conclusions of the study.

SEC. 15. CONFORMING LOAN LIMIT IN DISASTER AREAS.

Section 203(h) of the National Housing Act (12 U.S.C. 1709) is amended—

(1) by inserting after "property" the following: "plus any initial service charges, appraisal, inspection and other fees in connection with the mortgage as approved by the Secretary,";

(2) by striking the second sentence (as added by chapter 7 of the Emergency Supplemental Appropriations Act of 1994 (Public Law 103–211; 108 Stat. 12)); and

(3) by adding at the end the following new sentence: "In any case in which the single family residence to be insured under this subsection is within a jurisdiction in which the President has declared a major disaster to have occurred, the Secretary is authorized, for a temporary period not to exceed 36 months from the date of such Presidential declaration, to enter into agreements to insure a mortgage which involves a principal obligation of up to 100 percent of the dollar limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a single family residence, and not in excess of 100 percent of the appraised value of the property plus any initial service charges, appraisal, inspection and other fees in connection with the mortgage as approved by the Secretary.".

SEC. 16. PARTICIPATION OF MORTGAGE BROKERS AND CORRESPONDENT LENDERS.

(a) Definitions.—

(1) In general.—Section 201 of the National Housing Act (12 U.S.C. 1707) is amended—

(A) by striking "As used in section 203 of this title—" and inserting "As used in this title and for purposes of participation in insurance programs under this title, except as specifically provided otherwise, the following definitions shall apply:";

(B) by striking subsection (b) and inserting the following:

"(2) The term 'mortgagee' means any of the following entities, and its successors and assigns, to the extent such entity is approved by the Secretary:

"(A) A lender or correspondent lender, who—

"(i) makes, underwrites, and services mortgages;

"(ii) submits to the Secretary such financial audits performed in accordance with the standards for financial audits of the Government Auditing Standards issued by the Comptroller of the United States;

"(iii) meet the minimum net worth requirement that the Secretary shall establish; and

"(iv) complies with such other requirements as the Secretary may establish.

"(B) A correspondent lender who—

"(i) closes a mortgage in its name but does not underwrite or service the mortgage;

"(ii) posts a surety bond, in lieu of any requirement to provide audited financial statements or meet a minimum net worth requirement, in—

"(I) a form satisfactory to the Secretary; and

"(II) an amount of $75,000, as such amount is adjusted annually by the Secretary (as determined under regulations of the Secretary) by the change for such year in the Consumer Price Index for All Urban Consumers published monthly by the Bureau of Labor Statistics of the Department of Labor; and

"(iii) complies with such other requirements as the Secretary may establish.

"(C) A mortgage broker who—

"(i) closes the mortgage in the name of the lender and does not make, underwrite, or service the mortgage;

"(ii) is licensed, under the laws of the State in which the property that is subject to the mortgage is located, to act as a mortgage broker in such State;

"(iii) posts a surety bond in accordance with the requirements of subparagraph (B)(ii); and

"(iv) complies with such other requirements as the Secretary may establish.

"(3) The term 'mortgagor' includes the original borrower under a mortgage and the successors and assigns of the original borrower.";

(C) in subsection (a), by redesignating clauses (1) and (2) as clauses (A) and (B) respectively; and

(D) by redesignating subsections (a), (c), (d), (e), and (f) as paragraphs (1), (4), (5), (6), and (7), respectively, and realigning such paragraphs two ems from the left margin.

(2) Mortgagee review.—Section 202(c)(7) of the National Housing Act (12 U.S.C. 1708(c)(7)) is amended—

(A) in subparagraph (A), by inserting ", as defined in section 201," after "mortgagee";

(B) by striking subparagraph (B); and

(C) by redesignating subpargraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(3) Multifamily rental housing insurance.—Section 207(a)(2) of the National Housing Act (12 U.S.C. 1713(a)(2)) is amended by striking "means the original lender under a mortgage, and its successors and assigns, and" and inserting "has the meaning given such term in section 201, except that such term also".

(4) War housing insurance.—Section 601(b) of the National Housing Act (12 U.S.C. 1736(b)) is amended by striking "includes the original lender under a mortgage, and his successors and assigns approved by the Secretary" and inserting "has the meaning given such term in section 201".

(5) Armed services housing mortgage insurance.—Section 801(b) of the National Housing Act (12 U.S.C. 1748(b)) is amended by striking "includes the original lender under a mortgage, and his successors and assigns approved by the Secretary" and inserting "has the meaning given such term in section 201".

(6) Group practice facilities mortgage insurance.—Section 1106(8) of the National Housing Act (12 U.S.C. 1749aaa-5(8)) is amended by striking "means the original lender under a mortgage, and his or its successors and assigns, and" and inserting "has the meaning given such term in section 201, except that such term also".

(b) Eligibility for Insurance.—

(1) Title I.—Paragraph (1) of section 8(b) of the National Housing Act (12 U.S.C. 1706c(b)(1)) is amended—

(A) by striking ", and be held by,"; and

(B) by striking "as responsible and able to service the mortgage properly".

(2) Single family housing mortgage insurance.—Paragraph (1) of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(1)) is amended

(A) by striking ", and be held by,"; and

(B) by striking "as responsible and able to service the mortgage properly".

(3) Section 221 mortgage insurance.—Paragraph (1) of section 221(d) of the National Housing Act (12 U.S.C. 1715l(d)(1)) is amended—

(A) by striking " and be held by"; and

(B) by striking "as responsible and able to service the mortgage properly".

(4) Home equity conversion mortgage insurance.—Paragraph (1) of section 255(d) of the National Housing Act (12 U.S.C. 1715z-20(d)(1)) is amended by striking "as responsible and able to service the mortgage properly".

(5) War housing mortgage insurance.—Paragraph (1) of section 603(b) of the National Housing Act (12 U.S.C. 1738(b)(1)) is amended—

(A) by striking ", and be held by,"; and

(B) by striking "as responsible and able to service the mortgage properly".

(6) War housing mortgage insurance for large-scale housing projects.—Paragraph (1) of section 611(b) of the National Housing Act (12 U.S.C. 1746(b)(1)) is amended—

(A) by striking " and be held by"; and

(B) by striking "as responsible and able to service the mortgage properly".

(7) Group practice facility mortgage insurance.—Section 1101(b)(2) of the National Housing Act (12 U.S.C. 1749aaa(b)(2)) is amended—

(A) by striking " and held by"; and

(B) by striking "as responsible and able to service the mortgage properly".

(8) National defense housing insurance.—Paragraph (1) of section 903(b) of the National Housing Act (12 U.S.C. 1750b(b)(1)) is amended—

(A) by striking ", and be held by,"; and

(B) by striking "as responsible and able to service the mortgage properly".

SEC. 17. SENSE OF CONGRESS REGARDING TECHNOLOGY FOR FINANCIAL SYSTEMS.

(a) Congressional Findings.—The Congress finds the following:

(1) The Government Accountability Office has cited the FHA single family housing mortgage insurance program as a "high-risk" program, with a primary reason being non-integrated and out-dated financial management systems.

(2) The "Audit of the Federal Housing Administration's Financial Statements for Fiscal Years 2004 and 2003", conducted by the Inspector General of the Department of Housing and Urban Development reported as a material weakness that "HUD/FHA's automated data processing [ADP] system environment must be enhanced to more effectively support FHA's business and budget processes".

(3) Existing technology systems for the FHA program have not been updated to meet the latest standards of the Mortgage Industry Standards Maintenance Organization and have numerous deficiencies that lenders have outlined.

(4) Improvements to technology used in the FHA program will—

(A) allow the FHA program to improve the management of the FHA portfolio, garner greater efficiencies in its operations, and lower costs across the program;

(B) result in efficiencies and lower costs for lenders participating in the program, allowing them to better use the FHA products in extending homeownership opportunities to higher credit risk or lower-income families, in a sound manner

(5) The Mutual Mortgage Insurance Fund operates without cost to the taxpayers and generates revenues for the Federal Government.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the Secretary of Housing and Urban Development should use a portion of the funds received from premiums paid for FHA single family housing mortgage insurance that are in excess of the amounts paid out in claims to substantially increase the funding for technology used in such FHA program;

(2) the goal of this investment should be to bring the technology used in such FHA program to the level and sophistication of the technology used in the conventional mortgage lending market, or to exceed such level; and

(3) the Secretary of Housing and Urban Development should report to the Congress not later than 180 days after the date of the enactment of this Act regarding the progress the Department is making toward such goal and if progress is not sufficient, the resources needed to make greater progress.

SEC. 18. SAVINGS PROVISION.

Any mortgage insured under title II of the National Housing Act before the date of enactment of this title shall continue to be governed by the laws, regulations, orders, and terms and conditions to which it was subject on the day before the date of the enactment of this Act.

SEC. 19. IMPLEMENTATION.

The Secretary of Housing and Urban Development shall by notice establish any additional requirements that may be necessary to immediately carry out the provisions of this title. The notice shall take effect upon issuance.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. NEY) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. NEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 5121, the Expanding American Homeownership Act of 2006. This is a very important piece of legislation. It proposes comprehensive reform of the Federal Housing Administration, known as FHA, single family mortgage insurance activities. Giving FHA the ability to offer an array of products will allow it to more fairly price its guarantee to the individual borrowers and will allow it to base each borrower's mortgage insurance premium on the risk that the borrower poses to the FHA mortgage insurance fund.

Under this proposal, the mortgage insurance premiums will consider the borrower's credit history, loan-to-value ratio, debt-to-income ratio, and will be based on FHA's historical experience with similar borrowers.

This change will decrease premiums for many of the FHA's traditional borrowers, thereby increasing their access to homeownership. It will also allow FHA to reach potential homebuyers who for various reasons do not currently qualify for an FHA loan product.

H.R. 5121 would allow FHA to become more efficient and streamlined. Modernizing FHA will improve competition in the prime home loan mortgage industry, and effectively assist the industry in combating abusive and/or discriminatory lending practices. This bill would not create a new government program. Rather, it would significantly modernize the National Housing Act while reforming and empowering the agency, thereby addressing some of the agency's limitations.

More importantly, I believe that, if enacted, this bill will help further increase the country's homeownership rate, especially among low- and moderate-income and minority families. Since its inception in 1934, FHA has played an innovative role in financing homeownership and affordable housing opportunities for all Americans.

Over the past 8 years alone, FHA has financed nearly 8 million homes and over 754,000 units of affordable rental housing. The mortgage market has changed dramatically in recent years, creating what is today the world's most sophisticated real estate finance system.

This system has led to the highest rate of homeownership in U.S. history and to the efficient production of thousands of units of affordable rental housing each year.

However, in more recent times, FHA has been a mortgage insurer of the last resort. Potential homeowners who can participate in the private mortgage insurance market do so. I believe this is because FHA has become costly and the paperwork unmanageable. Thus, only the riskiest borrowers now use FHA for mortgage insurance.

Moreover, while the prime market remained relatively constant, the nonprime market between 2003 and 2005 grew from $118 billion to $650 billion in mortgages, while FHA went from insuring 9.2 percent to 4.1 percent of the Nation's mortgages. It is important to distinguish the difference between subprime lending, which is necessary and critical for nontraditional borrowers, and predatory/abusive lending, which is designed to take advantage of vulnerable Americans pursuing their American dream of homeownership.

While not predatory, the subprime market is not working for many families. These are the families FHA is really designed to reach. Among other things, H.R. 5121 would allow FHA to provide alternative access as well as standardization of a market niche designed to follow the agency's example.

Moreover, the Federal Government will always have a need for an agency to provide the type of services symbolized by the FHA. While the agency only has a market share of approximately 3 to 4 percent, elimination of FHA will be disastrous if a capital mortgage financial crisis emerges, such as we saw in the United States in the 1980s.

Further, it would be impossible to recreate this agency to respond rapidly to a housing homeownership crisis that could possibly, we hope not, but emerge in the future. H.R. 5121 will allow FHA to fulfill its original mission when similar circumstances exist. In 1934, interest-only and balloon payments were prevalent. Thus, FHA was established to give the private sector avenues to provide long-term fixed-rate financing.

Today, FHA continues to serve its original purpose by giving low- to moderate-income home buyers a safer, more affordable financing option for their homeownership. Mr. Speaker, we have a chance with this legislation to bring FHA back into business and to restore the FHA product to its traditional market position.

American families need safe options when purchasing a home at a fair price. Families need a way to take part in the American Dream without putting themselves at risk. Families, frankly, Mr. Speaker, need FHA.

I just want to conclude my comments for this time by saying this is, in my opinion, one of the most critical pieces of legislation, and if we haven't acted as we have, I wonder where the future of FHA would be, therefore helping so many Americans across this country.

Mr. Speaker, I want to thank the gentlewoman from California (Ms. WATERS), who stepped up to the plate to address what I consider one of the most important pieces of legislation in quite a few years, of keeping the FHA alive by revitalizing it, by changing it, by streamlining it to help so many people.

I appreciate also Ranking Member FRANK, Chairman MIKE OXLEY, of course, and all of the members of the committee and the staff who have worked on a bipartisan basis to do, I think, a critically needed and wonderful thing. If we did not step up to the plate with this piece of legislation, I wonder what options would be out there for many, many citizens wanting homeownership.

Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before I start on my comments, I would like to thank Chairman NEY for his leadership on this legislation. Chairman NEY first envisioned the possibility of this legislation, and despite all of the possible obstacles to getting it passed, he persisted in bringing people together, to dealing with all of those obstacles, and today we are on the floor because of his leadership.

But it certainly could not have happened without my ranking member, Mr. FRANK, who has the ability to see things in legislation that no one else sees and to bring it to our attention, and to fix what is wrong, and to give support to what is good and helpful when we are trying to pass a significant piece of legislation.

□ 1245

I would like to thank him, and certainly Chairman OXLEY. As Mr. FRANK said, he is retiring. He will be leaving us. But he has been a chairman who has been fair, he has provided opportunities for all of the members of our committee. He has worked with the subcommittee chairs and ranking members, and we are certainly going to miss him.

I rise in strong support as an original sponsor of H.R. 5121, the Expanding American Homeownership Act of 2006, which represents a major achievement by the Committee on Financial Services and the Subcommittee on Housing and Community Opportunity.

As I said, the leaders, Mr. OXLEY, Mr. FRANK, Mr. NEY, and all of the other members of the subcommittees who cooperated, deserve a lot of credit for this bill. But I have to mention the staff. The staff on both sides of the aisle worked so hard into long hours of the night helping to straighten out very complicated problems with this bill, and it is because of their dedication and their concentrated work that we are able to be on the floor today. They were also very helpful in working with a rather broad-based coalition that supported this bill, who stand in support of this bill including housing, consumer, and advocacy groups, the National Association of Realtors, the Mortgage Bankers Association, the mortgage brokers. We have a combination of support behind this bill which makes it a strong piece of legislation. This unique piece of legislation is unusual not only because of the combination of support; it reflects a real consensus that FHA can indeed be relevant in today's market.

When Congress enacted legislation in 1934 creating FHA, it intended that the government would make the dream of owning a home a reality for as many Americans as possible. FHA was established under the National Housing Act more than 70 years ago to improve housing standards and conditions. The goal of FHA was to provide an adequate home financing system with access for the average American. FHA pioneered many programs, including the 30-year mortgage. Not only has FHA been a pioneer in housing, it has been a major tool for first-time home buyers and moderate-income families.

Just imagine 70 years ago in 1934 as America was coming out of the worst depression in its history and the impact that FHA had on homeownership. FHA was a brilliant idea then, as it will be again through passage of this bill.

H.R. 5121 is appropriately named the Expanding American Homeownership Act of 2006 because it will, indeed, expand homeownership opportunities for all Americans. There is unequivocal evidence that, without FHA, many first-time home buyers and low- to moderate-income persons would not be able to afford a home. Americans have grown accustomed to FHA for mortgage insurance, guaranteeing their entry into the coveted arena of homeownership.

FHA had come to rely on first-time home buyers and low- to moderate-income persons to justify its existence. In the last few years, however, FHA watched as its share of the mortgage insurance market dwindle, and the groups it traditionally served disappeared. Between 2003 and 2005, nonprime loans grew from $332 billion to $550 billion, more than a 100 percent increase. As a result of this phenomenon, FHA market share fell dramatically. FHA was forced to become the mortgage insurer of last resort rather than the preferred insurer. Without viable FHA alternatives, many home buyers, first-time buyers, minority buyers, and home buyers with less than perfect credit fled FHA for the subprime market, leaving many with few affordable options.

Some have been forced to turn to high cost financing and nontraditional loan products. While these are acceptable for certain borrowers, they can have devastating consequences for others. In fact, when we began consideration of this bill, the foreclosure rate for non-prime loans was approximately twice that of prime loans.

By providing consumers with choice, H.R. 5121 will provide FHA the flexibility to set mortgage insurance premiums consistent with the risk of the loan. FHA will use the borrower's total credit score profile when setting the insurance premium. Borrowers who are low credit risk will pay a lower insurance premium, while borrowers who pose a higher credit risk will be charged a slightly higher premium. As such, FHA will reach deeper into the pool of perspective borrowers while guaranteeing the soundness of the FHA fund.

In the 35th Congressional District in California that I serve, 2,064 loans were insured by FHA in 2001, but only 74 loans were made in 2005. Similarly, FHA programs have been seriously curtailed in just about every region of the country, resulting in fewer and fewer home purchases supported by FHA programs. H.R. 5121 will increase FHA home limits. In many areas of the country, the existing FHA loan limits are lower than the cost of new construction or the median home price. In other areas, FHA had been priced out of the market. As indicated in the committee report that we filed with this legislation, in 1999, FHA insured 127,000 loans in California, while a mere 5,000 loans were insured by FHA in 2005, representing less than 5 percent of the 1999 level. Because FHA business diminished dramatically during this period, in my view, American homeownership did not expand as much as possible. The FHA loan limit of $362,790 in Los Angeles, California indicated that FHA was essentially no longer relevant in that housing market.

Mr. Speaker, I reserve the balance of my time.

Mr. NEY. Mr. Speaker, I do not have any other speakers.

I did want to take this time to say that I want to also thank Commissioner Brian Montgomery of the FHA. He is really one of those people when he started this, he came into the offices and talked to everybody, he really should probably take off his tie and have a t-shirt that says, "I'm from the government, I'm here to help you." He has a lot of enthusiasm and a lot of belief in this program, and cooperated so much for this important bill. I just want to say that, again, I want to thank the gentlewoman from California, Mr. FRANK, Mr. OXLEY, both sides of the aisle, and the staff. A wonderful staff.

We present a bill today, it looks kind of easy. A lot of hours were put into it. And also some wonderful, thoughtful suggestions came from Ms. WATERS, from Mr. FRANK, to take a good bill and I think help improve and make it better, and we appreciated those changes in working with all of you on this issue.

I can't stress, Mr. Speaker, how important a bill this is. If we didn't step up to the plate now, I really wonder where the FHA would be.

Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts, who was singularly responsible for helping to negotiate many of the difficulties in this bill and made it possible for us to form a consensus.

Mr. FRANK of Massachusetts. Mr. Speaker, I thank my colleague. And I must say, I am very pleased that, having worked together, that the relationship of ranking member of the full committee and ranking member of the subcommittee or chairman of a full committee and the chairman of a subcommittee, nobody planned that to work as smoothly. You have to work at it, and with kind of overlapping responsibilities. I am very proud of the very constructive work we have done together, along with our counterparts on the other side.

I agree with what has been said about this bill. It takes the FHA and makes it a more important entity.

On one issue, the high cost loan limits, for much of the district that I represent in Massachusetts, the FHA might as well be on the moon because the median house prices in my district are beyond what the FHA could do.

And I was glad to work with my colleague, the gentleman from California, who has joined us, Mr. MILLER, to make it realistic. People have said, well, you are creating homes for the wealthiest. No. What we have is a situation where, if you don't do it by median house price, middle income borrowers are priced out of the market because of the price of the house.

And, of course, people said, well, you are going to be squeezing out lower income people. No. When the FHA makes those loans to people at the median income in the high-cost areas, that makes money for the FHA. And I want to stress that. This is a money maker bill. This is a bill that expands housing, but it will make money for the Treasury. The FHA, in our accounting term it is called a negative subsidy. A negative subsidy means you put money in. And, the FHA is a net contributor. I think at some point we might look at expanding some of what we do at the FHA without further increasing the cost to the Treasury. But this is a bill that expands housing opportunities and makes money for the Treasury.

There is one particular part I want to address, and the gentlewoman from California generously mentioned it and the gentleman from Ohio was helpful on this. We do, in this bill, extend FHA's authority to lend to people who have lower credit scores, people who are bigger risks. And when that happens, you have to worry about higher defaults.

I did not think we, the Federal Government, should be in the position of saying that, as we lend to people who are bigger risks, we should take that risk pool and make those people who are higher risks who meet their obligations pay for the people who are higher risks who don't. In other words, yes, we understand that. As you reach down into a lower credit sector, and there is a correlation with income there, obviously, you are going to have more defaults and we have to pay for the defaults. But it is not fair, and we the Federal Government should not set the principle that one low-income person or 10 low-income people who meet their responsibilities are the ones who have to make up for the low-income person who isn't able to.

Now, this bill doesn't entirely meet my desires in this respect, but it does set this important principle. Yes, it says if you are of a low credit score, you will have to pay some more. But after 5 years under this bill, if you have been meeting your obligations, you then no longer have to pay more on the annual basis. Thus, it seems to be both an incentive for people to keep their payments but also a matter of fairness. I don't see why, if I am someone with a low credit score and I am making my payments in a responsible way, I should have to shoulder the burden of those people who aren't able to make their payments any more than anybody else.

Now, as I said, this doesn't go as far as I would like, but it sets that important principle. And the other thing I would note is this: We give FHA the authority to go up to certain levels for the borrowers with lower credit, but they are not mandated. And I would urge my friends in the FHA, and they have worked with us and I appreciate it and some of them are here today observing, as is fitting given the cooperative effort we had here.

As we go forward, given that the FHA makes money, let's refrain from penalizing the responsible low credit people. And they are the great majority, by the way. Nobody thinks that you are going to have a majority of them default. Let's say to those lower credit borrowers who meet their obligations that we are not going to try to make them be held responsible for others who can't make it. That is something, if it has to be done, could be more fairly done across the board.

So I am very appreciable of the things in the bill, the increase in the loan limits, the reaching out to other entities to be able to function and reaching out to give people an alternative to predatory lending, and it is important that we set the principle. As we give people an alternative to what might be predatory loans in the purely private sector, we do it in a way that will give people of lower credit recognition that if they are responsible and meet their payments, they will no longer be put under the gun. I think we have further to go there, and as experience works out, I will be pushing for that.

But it is very important that we set that principle, and I am grateful to the gentleman from Ohio, to my good friend from California who has done such great work in the housing area, and to the people in the administration who worked out an agreement with us to get this principle set forward.

Mr. NEY. Mr. Speaker, at this time, I would like to yield 5 minutes to the gentleman from California (Mr. GARY G. MILLER), the vice chairman of the Housing Opportunity Subcommittee who has done unbelievable work in so many areas to help with the housing bills.

Mr. GARY G. MILLER of California. Mr. Speaker, I want to thank Chairman NEY and MIKE OXLEY for their help in this area. That is an issue that BARNEY FRANK and I have worked on for quite a few years. We started out with a GSE, government sponsored enterprise, which is Fannie and Freddie, trying to reform that concept in high-cost areas.

□ 1300

We found out that many people in high-cost areas, such as Mr. FRANK's district and my district in California and MAXINE WATERS' district, because of the rising costs of houses, people could not qualify for conforming loan limits. We had to raise the conforming rates in the high-cost areas, and the same problem once we completed that was realized in FHA.

BARNEY and I took this on a few years ago, trying to take a system that has been up and running for 70 years and conform that system to today's marketplace. It has basically become so antiquated that many people in high-cost areas could not qualify for an FHA loan. In fact, I would talk to brokers and lenders in my district that have not been able to process an FHA loan in years because the system is so structured and the costs have gone up so high in housing marketplaces, that you have taken a situation where first-time and low-income buyers could not qualify; or if they had to go to a conventional loan because of the high loan-to-value ratios, they couldn't get those loans. And because of the payment-to-income ratios, they couldn't qualify for conventional. That is why FHA is an extremely viable option for these people.

When I say "these people," I am talking about the people who work in our districts: teachers, nurses, firemen, policemen. They live in areas that they often travel in California an hour and a half to 2 hours just to get to work because they cannot afford to buy a home within the city within which they work. Their reasons might be lack of downpayment or other reasons that in the past have been figured to qualify for a conventional loan.

That is why if we can bring FHA up to today's standards, we can provide loans for these individuals who need to buy housing where they work, who can make the payment, and they can qualify for an FHA loan if we raise it in high-cost areas.

A situation many of my conservative friends, and I am extremely conservative on the Republican side, we had the argument over is this a government program that is taxing people and basically providing a subsidy for somebody else, and it is really not. The people who qualify for FHA and get the FHA loans pay for the insurance. As a matter of fact, it makes a profit for the Federal Government.

Some people say, well, we need to raise the amount of premiums and the percentage based on what they are borrowing, and some still believe that is appropriate. If it is proven that the system is not breaking even, which it is today, then let's look at it; but there is no reason to raise premiums on a loan that we are basically trying to expand for more people the opportunity to qualify for.

Limiting the FHA's complicated downpayment calculation and traditional cash investment requirement is provided in this loan. It was a very cumbersome process. It was complicated. It did not need to be that way, and providing FHA the flexibility to set insurance premiums commensurate with the risk of the loan is in this bill, and that is most appropriate. They are basically saying that we are going to base the premium on how risky the loan is we are making to the individual, rather than coming up with some matrix that just says we are going to raise premiums overall for no proven reason.

This says, let's look at the risk based on the individual, and let's base the premium on that. It is a reasonable approach. It takes FHA and brings it up to the level it should be today. It takes a system that worked 70 years ago, worked 20 years ago, but today it does not because of the inflation in housing, the costs have gone so high, that FHA loans are so low, you could basically not provide that opportunity to people who really needed it.

I want to thank MAXINE WATERS who has been very helpful in this. We have had a lot of fun working together. There are some issues we don't agree on. This is one we are absolutely in lock-step on. In fact, it is amazing, between MAXINE and BARNEY FRANK and Chairman NEY and myself, the issues we have come together on in housing, trying to provide and meet the needs of our communities, and just by changing the rules offering expanded opportunity, we have come a long way to helping people get into a new home, both first-time home buyers and police and firemen who might be in their second or third home, but they just have trouble with the conventional marketplace because it puts them into a jumbo loan when you get up into these areas.

Savings to an individual for this type of a loan might be $170 a month. That is tremendous. It provides an opportunity that does not exist today, and it is a very good bill, and I ask for an "aye" vote

Ms. WATERS. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY), who serves on the committee.

Mrs. MALONEY. Mr. Speaker, I rise in strong support of the Expanded Homeownership Act. It modernizes and moves the FHA into the realities of the housing market of the 21st century.

I want to build on the comments of my colleague MAXINE WATERS who has worked selflessly and devotedly on moving this legislation to the floor in a bipartisan effort.

There are three points that are particularly important to New York and the district that I represent. The bill raises the mortgage limits to 100 percent of area median income, thereby making more Americans eligible to receive loans under FHA.

Secondly, it expands coverage, not only to higher risk individuals, but also to cover condos and co-ops. I represent many people who live in high-rises. They live vertically as opposed to horizontally. This is an important change. Many more will be eligible for FHA support.

Thirdly, and very importantly to the elderly in New York City and around the country, it lifts the cap on the number of reverse mortgages HUD can insure, allowing many more elderly in our country to be able to stay in their homes.

I congratulate the leadership on both sides of the aisle. This is an example of the bipartisan effort in the Financial Services Committee that has moved forward meaningful legislation, and I particularly thank my colleague and ranking member of the committee, MAXINE WATERS.

Mr. NEY. Mr. Speaker, I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, I would like to address a very important part of this bill that increases Americans' access to reverse mortgages.

Reverse mortgages are a tremendous vehicle by which Americans can get access to the equity in their home to make it available for health care, for assistance, for travel, for education; and now this bill will take three big steps forward to make reverse mortgages more available.

First, it will do so by having a uniform national cap so that it will remove this cap in a lot of areas in the country that have prevented Americans from having reverse mortgages.

Secondly, it will make it available for, essentially, homeownership, which might be in the best interests of senior citizens.

Third, it will remove the cap on the number of reverse mortgages that essentially can go through the FHA home equity conversion program, which now issues 90 percent of the reverse mortgages in the country.

So this is a fantastic opportunity, particularly for our seniors to be able to have access to the equity in their homes. It is a big stride forward. I know a lot of seniors are going to take advantage of it to make sure they can stay in their homes, to use their equity to finance having health care and assistance in their homes to give them their liberty.

I want to thank the bipartisan effort to put this together. I also want to thank noted author Tom Kelly who has been a great advocate for getting these reverse mortgages used by more Americans.

Ms. WATERS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, let me thank the chairman, Mr. NEY, and his ranking member, Ms. WATERS, for their constant enhancement of opportunities for homeowners, and allow me to congratulate the Congress who I hope will vote to add to the American Dream.

I come from a community where under 50 percent own homes. So we are still striving in Houston, Texas, to provide those opportunities. There are three elements that I think are very crucial in this legislation that would help expand that opportunity.

One, the risk-based pricing is a great step up. I have always argued that there needs to be some flexibility. Credit scoring has denied many of our hardworking taxpayers getting homes. This at least allows a risk assessment to be made on the homeowner's credit standing, and then if they emerge and do better, they can get out from under this assessment, and the ability for downpayment can range from high risk to low risk. That is good.

In addition, including the 100 percent financing for FHA is outstanding because in all of our jurisdictions, the costs of housing is going up. One hundred percent is far better than 87 percent. Even Houston is a high-dollar market as more competition comes in for housing.

I would also say that reverse mortgages is something that is an innovative tool. However, I hope in the legislation there is information to seniors so that they understand, and others who would partake of a reverse mortgage, what the pros and cons are so that, in essence, it is a positive and not a negative. You keep your house; you do not lose it. You are, in fact, given expanding opportunities.

So I congratulate my colleagues for answering the question, Is the American Dream of homeownership for everyone? Yes, it is. It is for Houstonians who have less of a 50 percent ownership. Yes, it is, and the Expanding American Homeownership Act of the Financial Services Committee is a good start.

I congratulate and ask my colleagues to support this particular legislation.

Ms. WATERS. Mr. Speaker, in closing, I would simply again like to thank Mr. NEY for having brought to this floor perhaps the most significant piece of legislation of this session, a piece of legislation that is going to benefit all, so many Americans, a piece of legislation that is absolutely going to open up homeownership opportunities in ways that we could not have done. He saved one of the most significant Departments of government by understanding that the FHA was in danger and that it was about to become irrelevant; and because of this legislation, it is revitalized. It can do what those who originally envisioned its possibilities intended for it to do.

Mr. BACA. Mr. Speaker, I rise in strong support of H.R. 5121, the Expanding American Homeownership Act of 2006. I am proud to be a cosponsor of a bill that restores the Federal Housing Administration (FHA) program back to California's housing markets.

The FHA program has not kept up with the needs of underserved homebuyers. According to HUD estimates, the number of working families served by FHA has declined considerably with only 3 percent of home buyers using FHA loans. I am especially concerned that this decline has had a disparate impact on the State of California. In 2000, FHA insured 109,074 mortgages in California. But last year, FHA insured only 5,137 loans. This is a decrease of 95 percent in just five years—by far the largest in the country!

Many of my constituents are being priced out of the housing market because the cost of housing is too high. In fact, the median home price in San Bernardino County is $403,000 which is only affordable for 2 out of every 10 families. For these families FHA is not an option because the program's maximum mortgage limit is too low. As a result, FHA fell from providing 5,543 single family loans in my district in 2000 to just 199 loans last year. The FHA program has all but disappeared in my district, placing housing further out of reach for underserved communities!

If we don't pass the reforms in this bill, minority and low income families are left vulnerable in the housing market. Without FHA loans first-time and minority homebuyers with less-than perfect credit are left with fewer safe and affordable options. This creates an incentive for predatory lenders to steer them into more expensive and riskier loans.

H.R. 5121 will help reverse this trend by improving the FHA program so that FHA can offer better mortgage options to low and moderate income families and minorities. It reforms the FHA program by raising the loan limits for high cost areas from 87 percent of the conforming limit to 100 percent of that limit. This change is critical to California, where home prices and new home construction have eclipsed FHA's current limit of $362,790.

We must pass H.R. 5121 because it will allow the FHA program to reach underserved communities. All hard-working people deserve a fair deal in the homebuying process with a real chance to create better, more economically secure futures for their families.

Mr. Speaker, I express my full support of this bill and urge my fellow colleagues to adopt its final passage.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 5121. I hope that my colleagues will join me in voting for this bill to expand homeownership and the American Dream to our fellow Americans.

In my district of Houston, Texas, the U.S. Census Bureau reports that approximately 46 percent of housing units are owned by their inhabitants. This needs to change and it is our job in Congress to extend the opportunities of homeownership and the American Dream to all within our Nation.

I commend those of my colleagues that have brought this issue to the floor today and think it is fantastic that we are doing more to help those who wish to become homeowners by making the Federal Housing Administration more than a last resort. By including 100 percent financing for those wishing to purchase housing up to the median housing price, we address the needs of more Americans than before. In addition, giving attention to middle-income borrowers provides the FHA with additional funds to be able to help low-income borrowers as well.

This bill puts money in the system while helping our Nation's citizens become homeowners and I thank my colleagues for working so hard on a comprehensive solution to the lack of homeownership in areas of our country.

I look forward to seeing this bill passed and witnessing its positive impacts within my own community. I ask my colleagues to join me in supporting this important legislation to expand homeownership and extend the American Dream to all.

Ms. WATERS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HAYES). The question is on the motion offered by the gentleman from Ohio (Mr. NEY) that the House suspend the rules and pass the bill, H.R. 5121, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. FLAKE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

H.R. 5852, by the yeas and nays;

H.R. 4804, by the yeas and nays;

Motion to instruct conferees on H.R. 2830, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

21ST CENTURY EMERGENCY COMMUNICATIONS ACT OF 2006

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 5852.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. UPTON) that the House suspend the rules and pass the bill, H.R. 5852, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 414, nays 2, not voting 16, as follows:

[Roll No. 397]

YEAS—414

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)

Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—2

Flake
Paul

NOT VOTING—16

Carson
Davis, Jo Ann
Evans
Ford
Harris
Istook
Kaptur
McKinney
Meek (FL)
Millender-McDonald
Nussle
Owens
Pence
Sullivan
Weldon (PA)
Wexler

☐ 1338

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FHA MANUFACTURED HOUSING LOAN MODERNIZATION ACT OF 2006

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4804, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. GILLMOR) that the House suspend the rules and pass the bill, H.R. 4804, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 412, nays 4, not voting 16, as follows:

[Roll No. 398]

YEAS—412

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—4

Flake
Gohmert
Paul
Royce

NOT VOTING—16

Boehner
Davis, Jo Ann
Evans
Ford
Harris
Istook
Kaptur
Lewis (CA)
McKinney
Meek (FL)
Millender-McDonald
Nussle
Owens
Pence
Sullivan
Wexler

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1346

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. OWENS. Mr. Speaker, today I was unavoidably detained due to a scheduling conflict. Had I been present, I would have voted: "yea" to H.R. 5852—The 21st Century Emergency Communications Act of 2006 and "yea" to H.R. 4804—FHA Manufactured Housing Loan Modernization Act of 2006.

MOTION TO INSTRUCT CONFEREES ON H.R. 2830, PENSION PROTECTION ACT OF 2005

The SPEAKER pro tempore. The unfinished business is the vote on the motion to instruct on H.R. 2830 offered by the gentleman from California (Mr. GEORGE MILLER) on which the yeas and nays are ordered.

The Clerk will redesignate the motion.

The Clerk redesignated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 281, nays 139, not voting 12, as follows:

[Roll No. 399]

YEAS—281

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
Bono
Boozman
Boren
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Fossella
Frank (MA)
Gerlach
Gibbons
Gilchrest
Gonzalez
Goode
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hyde
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kirk
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lynch
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCotter
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pickering
Platts
Poe
Pombo
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Shaw
Shays
Sherman
Shimkus
Simmons
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Whitfield
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—139

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Boustany
Brady (TX)
Brown (SC)
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Deal (GA)
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Everett
Feeney
Flake
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gillmor
Gingrey
Gohmert
Goodlatte
Granger
Graves
Green (WI)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hulshof
Hunter
Inglis (SC)
Issa
Jenkins
Johnson, Sam
Keller
King (IA)
Kingston
Kline
Knollenberg
Kolbe
Latham
Lewis (CA)
Lewis (KY)
Linder
Lungren, Daniel E.
Mack
Marchant
McCaul (TX)
McCrery
McHenry
McKeon
McMorris
Mica
Miller (FL)
Miller, Gary
Musgrave
Myrick
Neugebauer
Northup
Norwood
Nunes
Osborne
Otter
Oxley
Pearce
Peterson (PA)
Petri
Pitts
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ryan (WI)
Ryun (KS)
Sensenbrenner
Sessions
Shadegg
Sherwood
Shuster
Simpson
Smith (TX)
Sodrel
Souder
Stearns
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Weldon (FL)
Westmoreland
Wicker
Wilson (NM)
Wilson (SC)

NOT VOTING—12

Davis, Jo Ann
Evans
Ford
Harris
Istook
McKinney
Meek (FL)
Millender-McDonald
Nussle
Pence
Sullivan
Wexler

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1354

Mr. MARCHANT changed his vote from "yea" to "nay."

Mr. PICKERING changed his vote from "nay" to "yea."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXPORT-IMPORT BANK REAUTHORIZATION ACT OF 2006

Mrs. BIGGERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5068) to reauthorize the operations of the Export-Import Bank, and to reform certain operations of the Bank, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5068

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Export-Import Bank Reauthorization Act of 2006".

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Reauthorization.
Sec. 4. Increasing exports by small businesses.
Sec. 5. Office of financing for socially and economically disadvantaged small business concerns and small business concerns owned by women.
Sec. 6. Sub-Saharan Africa.
Sec. 7. Extension of authority.
Sec. 8. Transparency initiatives.
Sec. 9. Effect of the Bank on the budget of the United States.
Sec. 10. Competitiveness initiatives.
Sec. 11. Consideration of environmental matters by the Advisory Committee.
Sec. 12. Study of how Export-Import Bank could assist United States exporters to meet import needs of new or impoverished democracies; reports.
Sec. 13. Review of environmental screening requirement.
Sec. 14. Office of Renewable Energy Promotion.
Sec. 15. Transparency.
Sec. 16. Anti-circumvention.
Sec. 17. Performance standards applicable to Bank assistance for small businesses, especially those owned by social and economically disadvantaged individuals and those owned by women.
Sec. 18. Prohibition on assistance to develop or promote any rail connections or railway-related connections that traverse or connect Baku, Azerbaijan, Tbilisi, Georgia, and Kars, Turkey, and that specifically exclude cities in Armenia.
Sec. 19. Technical corrections.
Sec. 20. Effective date.

SEC. 3. REAUTHORIZATION.

Section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) is amended by striking "2006" and inserting "2011".

SEC. 4. INCREASING EXPORTS BY SMALL BUSINESSES.

(a) ESTABLISHMENT OF SMALL BUSINESS DIVISION.—

(1) In general.—Section 3 of the Export-Import Bank Act of 1945 (12 U.S.C. 635a) is amended by adding at the end the following:

"(f) Small Business Division.—

"(1) Establishment.—The President of the Bank shall establish and maintain a division of the Bank whose sole functions shall be to—

"(A) carry out subparagraphs (E) and (I) of section 2(b)(1), as such subparagraphs relate to outreach, feedback, product improvement, and transaction advocacy for small business concerns;

"(B) advise and seek feedback from small business concerns of the opportunities and benefits for small business concerns in the financing products offered by the Bank, with particular emphasis on conducting outreach, better tailoring products to small business needs and increasing loans to small business concerns employing fewer than 100 employees; and

"(C) maintain liaison with the Small Business Administration and other departments and agencies in matters affecting small business concerns.

"(2) Management.—The division shall be managed by a Bank officer designated by the Board of Directors—

"(A) who shall have substantial recent experience in financing exports by small business concerns;

"(B) whose sole executive duties shall be to ensure that the division carries out the functions of the division, and to be the chairman of the Small Business Committee established under subsection (h);

"(C) who shall advise the Board, particularly the Director appointed under section 3(c)(8)(B) to represent the interests of small business, on matters of interest to, and concern for, small business;

"(D) who shall rank not lower than senior vice president of the Bank; and

"(E) who shall report directly to the President of the Bank.

"(3) Staff.—

"(A) Functions.—The President of the Bank shall designate staff in each operating division of the Bank, as appropriate, to specialize in transactions in support of exports by small business concerns, including receipt and all aspects of processing (including approval or disapproval, or staff recommendation of approval or disapproval, as appropriate) applications for loans, guarantees, and insurance. The staff so designated may approve applications for working capital loans and guarantees, and for insurance, in support of exports which have a value of less than $10,000,000, subject to the policies and procedures established by the Board of Directors other than those which provide for a lower limit on the dollar amount of exports with respect to which such an approval may be granted.

"(B) Coordination.—The staff designated under subparagraph (A) of this paragraph shall carry out their duties in their respective operating divisions, under the coordination of the officer designated under paragraph (2) of this subsection.

"(4) Resources.—

"(A) In general.—The President of the Bank shall ensure that the division has sufficient qualified staff and budgetary resources to carry out subparagraphs (E) and (I) of section 2(b)(1), as determined annually by the President of the Bank, after consultation with—

"(i) the officer referred to in paragraph (2) of this subsection;

"(ii) the Director appointed under subsection (c)(8)(B) of this section;

"(iii) the Committee on Financial Services of the House of Representatives; and

"(iv) the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(B) Uses.—

"(i) In general.—The President of the Bank shall ensure that the staff and budgetary resources of the division are devoted solely to carrying out the functions of the division.

"(ii) Certain staff duties.—The division shall include staff dedicated exclusively to providing outreach, training, and advice to, seeking feedback from, and advocating on behalf of small business concerns regarding Bank financing opportunities, products, and programs.

"(C) Rule of interpretation.—Nothing in this Act shall be construed to prevent the delegation to the division of any authority necessary to carry out subparagraphs (E) and (I) of section 2(b)(1).

"(5) Small business concern defined.—In this subsection and subsections (g), (h), and (i), the term 'small business concern' shall have the meaning established under section 3(a) of the Small Business Act.

"(g) Handling of Applications of, and Processing of Transactions Involving Small Business Concerns.—Consistent with the requirement that the Bank obtain a reasonable assurance of repayment for each transaction the Bank supports, the Bank shall establish and maintain transaction standards tailored to the special circumstances of small business concerns and shall use the standards in evaluating applications by the concerns for Bank financing. The Bank shall ensure that each appropriate division of the Bank has staff dedicated to the processing of transactions involving small business concerns.

"(h) Small Business Committee.—

"(1) Establishment.—The Bank shall establish and maintain a committee to be known as the 'Small Business Committee'.

"(2) Principal purpose.—The principal purpose of the Small Business Committee shall be to focus on small business concerns and coordinate the efforts of the Bank with respect to small business concerns, including the timely processing of transactions in support of exports by small business concerns and the evolution of new or improved Bank products to better serve small business needs.

"(3) Composition.—

"(A) Chairman.—The chairman of the Small Business Committee shall be the Senior Vice President of the Bank who is responsible for management of the Small Business Division of the Bank.

"(B) Other members.—The other members of the committee shall consist of the staff designated under subsection (f)(3)(A), and the President of the Bank shall ensure that the committee is comprised of officers and employees throughout the Bank that have responsibility for outreach and processing transactions involving small business concerns.

"(4) Reports.—The Small Business Committee shall report to the President of the Bank.

"(i) Staff Evaluations.—The evaluation of staff designated by the President of the Bank under subsection (f)(3)(A), including annual reviews of performance of duties related to transactions in support of exports by small business concerns, and any resulting recommendations for salary adjustments, promotions, and other personnel actions, shall be conducted jointly by the managers of the relevant operating division and the chairman of the Small Business Committee established under subsection (h), under the direction of the Director appointed under subsection (c)(8)(B).".

(2) Coordination in financing of small business exports.—Section 2(b)(1)(E)(vii)(I) of such Act (12 U.S.C. 635(b)(1)(E)(vii)(I)) is amended by adding at the end the following: "The Bank shall work in coordination with the entities described in the preceding sentence to streamline the processing of applications for Bank financing from small business concerns and to provide training and advice as required on the needs and benefits of export financing for small business concerns."

(b) Report on Fees Charged to, and Transactions Costs Incurred by, Small and Medium Business for Bank Services.—Section 8 of such Act (12 U.S.C. 635g) is amended by adding at the end the following:

"(f) Report on Fees Charged to, and Transactions Costs Incurred by, Small and Medium Business for Bank Services.—The Bank shall submit to the Congress annually, and include in a separate section of the annual report to the Congress under subsection (a) of this section, a report on—

"(1) with respect to each type of transaction, the interest and fees charged by the Bank to exporters (including a description of fees and interest, if any, charged to small business concerns), buyers, and other applicants in connection with each financing program of the Bank, and the highest, lowest, and average fees charged by the Bank for short term insurance transactions;

"(2) the effects of the fees on the ability of the Bank to achieve the objectives of the Bank relating to small business; and

"(3) the fee structure of the Bank as compared with that of other foreign export credit agencies.".

(c) Report on Financing Directed Toward Small Business.—Section 8 of such Act (12 U.S.C. 635g), as amended by subsection (b) of this section, is amended by adding at the end the following:

"(g) Report on Financing Directed Toward Small Business.—The Bank shall submit annually to the Committees on Financial Services and on Small Business of the House of Representatives—

"(1) a report on the extent to which the Bank has been able to use the authorities referred to in section 2(b)(1)(E)(iv), and, to the extent the Bank has been unable to fully do so, a report on the obstacles to doing so and on what the Bank is doing to overcome the obstacles;

"(2) a report on the extent to which financing has been made available to small business concerns to enable them to participate in exports by major contractor, including through access to the supply chains of the contractors through direct or indirect funding; and

"(3) a strategic plan of action describing how, in the upcoming year, the Bank will take specific measures to achieve the small business objectives of the Bank, including expanded outreach, product improvements, and related actions.".

(d) Conforming Amendments.—

(1) In general.—

(A) Section 2(b)(1)(E) of such Act (12 U.S.C. 635(b)(1)(E)), as amended by subsection (a)(2) of this section, is amended—

(i) in clause (i)(II), by striking "gives fair consideration to making loans and providing" and inserting "make loans and provide";

(ii) by striking clause (iii);

(iii) in clause (iv), by striking "clauses (ii) and (iii) of this subparagraph" and inserting "clause (ii)";

(iv) in clause (vi)—

(I) by striking "clause (v) of this subparagraph" and insert "clause (iv)"; and

(II) by striking "clause (vi)" and inserting "clause";

(v) in clause (vii)—

(I) in subclause (I), by striking "(v)" and inserting "(iv)"; and

(II) in each of subclauses (II), (III), and (IV), by striking "clause (vii)" and inserting "clause"; and

(vi) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively.

(B) Section 8 of such Act (12 U.S.C. 635g) is amended—

(i) in subsection (b)(2)(B), by striking "2(b)(1)(E)(vii)" and inserting "2(b)(1)(E)(vi)"; and

(ii) in subsection (c), by striking "(E)(x)" and inserting "(E)(ix)".

(2) UNIFORM MEANING OF SMALL BUSINESS.—Section 2(b)(1)(E) of such Act (12 U.S.C. 635(b)(1)(E)), as amended by subsection (a)(2) of this section and paragraph (1) of this subsection, is amended—

(A) in clause (i)(II), by striking "businesses" and inserting "business concerns";

(B) in clause (iv), by striking "(as defined under section 3 of the Small Business Act)";

(C) in each of clauses (v), (vi) and (vii), by striking "small business exports" each place it appears and inserting "exports by small business concerns"; and

(D) by adding at the end the following:

"(x) In this subparagraph, the term 'small business concern' shall have the meaning established under section 3(a) of the Small Business Act.".

(e) ENHANCE DELEGATED LOAN AUTHORITY FOR MEDIUM TERM TRANSACTIONS.—

(1) IN GENERAL.—The Export-Import Bank of the United States shall seek to expand the exercise of authority under section 2(b)(1)(E)(vi) of the Export-Import Bank Act of 1945 (as so redesignated by subsection (d)(1)(A)(vi) of this section) with respect to medium term transactions for small business concerns (as defined under section 3(a) of the Small Business Act).

(2) CONFORMING AMENDMENT.—Section 2(b)(1)(E)(vi)(III) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)(E)(vi)(III)), as so redesignated by subsection (d)(1)(A)(vi) of this section, is amended by striking "To the maximum extent practicable, the" and inserting "The".

(3) DEADLINE.—Within 180 days after the date of the enactment of this Act, the Export-Import Bank of the United States shall make available lines of credit and guarantees to carry out section 2(b)(1)(E)(vi) of the Export-Import Bank Act of 1945 (as so redesignated by subsection (d)(1)(A)(vi) of this section), pursuant to policies and procedures established by the Board of Directors of the Export-Import Bank of the United States.

SEC. 5. OFFICE OF FINANCING FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONCERNS AND SMALL BUSINESS CONCERNS OWNED BY WOMEN.

(a) IN GENERAL.—Section 3(f) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(f)), as added by section 4(a) of this Act, is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following:

"(5) OFFICE OF FINANCING FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONCERNS AND SMALL BUSINESS CONCERNS OWNED BY WOMEN.—

"(A) ESTABLISHMENT.—The President of the Bank shall establish in the division an office whose sole functions shall be to continue and enhance the outreach activities of the Bank with respect to, and increase the total amount of loans, guarantees, and insurance provided by the Bank to support exports by, socially and economically disadvantaged small business concerns (as defined in section 8(a)(4) of the Small Business Act) and small business concerns owned by women.

"(B) MANAGEMENT.—The office shall be managed by a Bank officer of appropriate rank who shall report to the Bank officer designated under section 3(f)(2).

"(C) STAFFING.—To the maximum extent practicable, the President of the Bank shall ensure that qualified minority and women applicants are considered when filling any position in the office.".

(b) FINANCING DIRECTED TOWARD SMALL BUSINESSES OWNED BY MINORITIES OR WOMEN.—Section 2(b)(1)(E)(iv) of such Act (12 U.S.C. 635(b)(1)(E)(iv)), as so redesignated by section 4(d)(1)(A)(vi) of this Act, is amended by adding at the end the following: "From the amount made available under the preceding sentence, it shall be a goal of the Bank to make available not less than 15 percent of the amount to finance exports directly by small business concerns referred to in section 3(f)(5)(A).".

(c) REPORT ON FINANCING DIRECTED TOWARD SMALL BUSINESSES OWNED BY MINORITIES OR WOMEN.—Section 8(g)(1) of such Act (12 U.S.C. 635g(g)(1)), as added by section 4(c) of this Act, is amended by inserting "and to finance exports by small business concerns referred to in section 3(f)(5)(A)," before "and, to the extent".

(d) REPORT ON BANK EFFORTS TO SUPPORT EXPORTS BY SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONCERNS AND SMALL BUSINESS CONCERNS OWNED BY WOMEN.—Section 8 of such Act (12 U.S.C. 635g), as amended by section 4 of this Act, is amended by adding at the end the following:

"(h) REPORT ON EFFORTS TO SUPPORT EXPORTS BY SMALL- AND MEDIUM-SIZED BUSINESSES OWNED BY WOMEN OR MINORITIES.—Not later than March 1 of each year, the Director appointed under section 3(c)(8)(B) of this Act shall prepare and submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Bank shall include in a separate section of the annual report submitted pursuant to subsection (a) of this section, a written report that describes the progress made by the Bank in supporting exports by socially and economically disadvantaged small business concerns (as defined in section 8(a)(4) of the Small Business Act) and small business concerns owned by women.".

SEC. 6. SUB-SAHARAN AFRICA.

(a) EXTENSION OF ADVISORY COMMITTEE.—Section 2(b)(9)(B)(iii) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(9)(B)(iii)) is amended by striking "2006" and inserting "2011".

(b) IMPROVED LIAISON WITH AFRICAN REGIONAL FINANCIAL INSTITUTIONS.—

(1) MASTER GUARANTEE AGREEMENTS.—Within 1 year after the date of the enactment of this Act, the Export-Import Bank of the United States shall seek to ensure that there is in effect a contract between each approved lender in Africa and the Bank, which sets forth the Bank's guarantee undertakings and related obligations between the Bank and the lender.

(2) REPORT ON WORKING RELATIONSHIPS WITH THE AFRICAN DEVELOPMENT BANK, THE AFRICA EXPORT-IMPORT BANK, AND OTHER INSTITUTIONS.—Section 2(b)(9) of such Act (12 U.S.C. 635(b)(9)) is amended by adding at the end the following:

"(C) The Bank shall include in the annual report to the Congress submitted under section 8(a) a separate section that contains a report on the efforts of the Bank to improve working relationships with the African Development Bank, the Africa Export-Import Bank, and other institutions in the region that are relevant to the purposes of subparagraph (A) of this paragraph.".

(c) CLOSER COOPERATION WITH OTHER UNITED STATES AGENCIES WORKING IN AFRICA.—Section 2(b)(9) of such Act (12 U.S.C. 635(b)(9)) is further amended by adding at the end the following:

"(D) The Bank shall closely coordinate with the United States Foreign Commercial Service and with the overall strategy of the United States Government, for economic engagement with Africa pursuant to the African Growth and Opportunity Act.

"(E) The Bank shall develop initiatives to train Foreign Service and Commercial Service officers serving at United State embassies in Africa, in the use of Bank programs, so the officers can encourage African buyers to take part in transactions supported by the Bank.".

(d) ADJUSTMENTS TO PROCEDURES TO PROMOTE QUALIFICATION OF AFRICAN ENTITIES.—Section 2(b)(9) of such Act (12 U.S.C. 635(b)(9)) is further amended by adding at the end the following:

"(F) Consistent with the requirement that the Bank obtain a reasonable assurance of repayment in connection with each transaction the Bank supports, the Bank shall, in consultation with the entities described in subparagraph (C), seek greater flexibility in the due-diligence procedures of the Bank for the purpose of qualifying a greater number of appropriate African entities for participation in programs of the Bank.".

(e) LOCAL CURRENCY FINANCING.—Section 2(b)(9) of such Act (12 U.S.C. 635(b)(9)) is further amended by adding at the end the following:

"(G) The Bank shall develop procedures under which the Bank is capable of financing certain African programs in local currencies.".

SEC. 7. EXTENSION OF AUTHORITY.

Section 1(c) of Public Law 103–428 (12 U.S.C. 635 note) is amended by striking "2001" and inserting "2011".

SEC. 8. TRANSPARENCY INITIATIVES.

(a) FREQUENCY OF MEETINGS.—Section 3(c) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(c)) is amended by adding at the end the following:

"(9) The Board of Directors shall meet not less frequently than biweekly.

"(10) At the request of any 2 members of the Board of Directors, the Chairman shall place an item on the agenda for consideration by the Board. Within 30 days after the date such a request is made, the Chairman shall hold a meeting of the Board at which the item will be considered.".

(b) VOTING REQUIRED IN CASES INVOLVING ECONOMIC IMPACT ANALYSIS.—Section 2(e) of such Act (12 U.S.C. 635(e)) is amended by adding at the end the following:

"(5) BOARD VOTE REQUIRED.—Within 60 days after completing a review, pursuant to this subsection, of a proposed loan or guarantee (including any applicable comment period), the Board of Directors shall hold a vote to determine whether or not to proceed with the proposed loan or guarantee, unless the applicant has withdrawn the application for the loan or guarantee.".

(c) Process for Notifying Applicants of Application Status.—Section 2 of such Act (12 U.S.C. 635) is amended by adding at the end the following:

"(g) Process for Notifying Applicants of Application Status.—The Bank shall establish and adhere to a clearly defined process for—

"(1) acknowledging receipt of applications;

"(2) informing applicants that their applications are complete or, if incomplete or containing a minor defect, of the additional material or changes that, if supplied or made, would make the application eligible for consideration; and

"(3) keeping applicants informed of the status of their applications, including a clear and timely notification of approval or disapproval, and, in the case of disapproval, the reason for disapproval, as appropriate.".

(d) Response to Application for Financing; Implementation of Online Loan Request and Tracking Process.—Section 2 of such Act (12 U.S.C. 635) is further amended by adding at the end the following:

"(h) Response to Application for Financing; Implementation of Online Loan Request and Tracking Process.—Within 5 days after receipt of an application for financing from the Bank, the Bank shall notify the applicant that the application has been received, and shall include in the notice a request for such additional information as may be necessary to make the application complete, the name of a Bank employee who may be contacted with questions relating to the application, and a unique identification number which may be used to review the status of the application at a website established as provided in the next sentence. Not later than September 1, 2006, the Bank shall use the authorities provided by subparagraphs (E)(ix) and (J) of subsection (b)(1) of this section to establish, and thereafter to maintain, a website through which any Bank product may be applied for, information may be obtained about the status of any such application, about the small business division of the Bank, or about incentives, preferences, targets, and goals relating to small business concerns referred to in section 3(f)(5)(A) or small business concerns exporting to Africa.".

(e) Reports Relating to Technology To Assist Small Businesses.—

(1) Reports by the bank.—

(A) Initial report.—Within 60 days after the date of the enactment of this Act, the President of the Export-Import Bank of the United States shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report on—

(i) the efforts made by the Bank to carry out subparagraphs (E)(ix) and (J) of section 2(b)(1) of the Export-Import Bank Act of 1945, including the total amount expended by the Bank to do so; and

(ii) if the Bank has been unable to comply with such subparagraphs—

(I) an analysis of the reasons therefor;

(II) what the Bank is doing to achieve, and the date by which the Banks expects to have achieved, such compliance; and

(III) the name of each Bank officer who is responsible for ensuring that the Bank achieves, and the name of the person to whom the Bank officer reports on progress in achieving, such compliance.

(B) Subsequent annual reports.—Section 8(c) of the Export-Import Bank Act of 1945 (12 U.S.C. 635g(c)), as amended by section 4(d)(1)(B)(ii) of this Act, is amended to read as follows:

"(c) Technology to Assist Small Businesses.—The Bank shall include in its annual report to the Congress under subsection (a) of this section for each of fiscal years 2007 through 2011 a separate section that contains—

"(1) a report on the efforts made by the Bank to carry out subparagraphs (E)(ix) and (J) of section 2(b)(1) of this Act, the total amount expended in the fiscal year to do so, and how the efforts are assisting small business concerns (as defined under section 3(a) of the Small Business Act); and

"(2) if the Bank has been unable to comply fully with such subparagraphs—

"(A) an analysis of the reasons therefor;

"(B) a description of what the Bank is doing to achieve, and the date by which the Banks expects to have achieved, such full compliance; and

"(C) the name of each Bank officer who is responsible for ensuring that the Bank achieves, and the name of the person to whom the Bank officer reports on progress in achieving, such full compliance.".

(2) Report by the inspector general of the bank.—Within 120 days after the date of the enactment of this Act or, if later, within 30 days after the date the vacancy in the position of the Inspector General of the Export-Import Bank of the United States is filled, the Inspector General of the Export-Import Bank of the United States shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate—

(A) a report on the efforts made by the Bank to carry out subparagraphs (E)(ix) and (J) of section 2(b)(1) of the Export-Import Bank Act of 1945, the total amount expended to do so, and how the efforts are assisting small business concerns (as defined under section 3(a) of the Small Business Act); and

(B) if the Bank has been unable to comply with such subparagraphs—

(i) an analysis of the reasons therefor;

(ii) a description of what the Bank is doing to achieve, and the date by which the Banks expects to have achieved, such compliance; and

(iii) the name of each Bank officer who is responsible for ensuring that the Bank achieves, and the name of the person to whom the Bank officer reports on progress in achieving, such compliance.

(f) Public Disclosure of Certain Documents.—Section 11(a)(1) of the Export-Import Bank of 1945 (12 U.S.C. 635i-5(a)(1)) is amended by inserting after the first sentence the following: "Such procedures shall provide for the public disclosure of environmental assessments and supplemental environmental reports required to be submitted to the Bank, including remediation or mitigation plans and procedures, and related monitoring reports. The preceding sentence shall not be interpreted to require the public disclosure of any information described in section 1905 of title 18, United States Code.".

SEC. 9. EFFECT OF THE BANK ON THE BUDGET OF THE UNITED STATES.

Within 90 days after the date of the enactment of this Act, the Export-Import Bank of the United States shall submit to the appropriate committees of the Congress a report on the revenues, expenditures, and resulting annual net income or expense to the United States for each of the 10 years most recently completed before the date of the report.

SEC. 10. COMPETITIVENESS INITIATIVES.

(a) Expansion of Scope of Annual Competitiveness Report.—

(1) Consolidation and reorganization of provisions.—The Export-Import Bank Act of 1945 (12 U.S.C. 635–635i–9) is amended by inserting after section 8 the following:

"SEC. 8A. ANNUAL COMPETITIVENESS REPORT.

"(a) In General.—Not later than June 30 of each year, the Bank shall submit to the appropriate committees of the Congress a report that includes the following:

"(1) Actions of bank in providing financing on a competitive basis, and to minimize competition in government-supported export financing.—A description of the actions of the Bank in complying with the 2nd and 3rd sentences of section 2(b)(1)(A). In this part of the report, the Bank shall include a survey of all other major export-financing facilities available from other governments and government-related agencies through which foreign exporters compete with United States exporters (including through use of market windows (as defined in section 10(h)(7)) and indicate in specific terms the ways in which the Bank's rates, terms, and other conditions compare with those offered from such other governments directly or indirectly. With respect to the preceding sentence, the Bank shall use all available information to estimate the annual amount of export financing available from each such government and government-related agency. In this part of the report, the Bank shall include a survey of a representative number of United States exporters and United States commercial lending institutions which provide export credit to determine the experience of the exporters and institutions in meeting financial competition from other countries whose exporters compete with United States exporters.

"(2) Role of bank in implementing strategic plan prepared by the trade promotion coordinating committee.—A description of the role of the Bank in implementing the strategic plan prepared by the Trade Promotion Coordinating Committee in accordance with section 2312 of the Export Enhancement Act of 1988.

"(3) Tied aid credit program and fund.—The report required by section 10(g).

"(4) Purpose of all bank transactions.—A description of all Bank transactions which shall be classified according to their principal purpose, such as to correct a market failure or to provide matching support.

"(5) Efforts of bank to promote export of goods and services related to renewable energy sources.—A description of the efforts undertaken under section 2(b)(1)(K).

"(6) Size of bank program account.—A separate section which—

"(A) compares the size of the Bank program account with the size of the program accounts of the other major export-financing facilities referred to in paragraph (1); and

"(B) makes recommendations with respect to the relative size of the Bank program account, based on factors including whether the size differences are in the best interests of the United States taxpayer.

"(7) Co-financing programs of the bank and of other export credit agencies.—A separate section which describes the co-financing programs of the Bank and of the other major export-financing facilities referred to in paragraph (1), which shall include a list of which countries with which the United States has in effect a memorandum of understanding relating to export credit agency co-financing and an explanation of why such a memorandum is not in effect with the countries with which such a memorandum is not in effect.

"(8) After-market services support by the bank and by other export credit agencies.—A separate section which describes the participation of the Bank in providing funding, guarantees, or insurance for after-market services, which shall include appropriate information on the involvement of the other major export-financing facilities referred to in paragraph (1) in providing such support for after-market services, and an explanation of any differences among the facilities in providing the support.

"(9) Export finance cases not in compliance with the arrangement.—Detailed information on cases of export finance that are not in compliance with the Arrangement (as defined in section 10(h)(3)) or that exploit loopholes in the Arrangement for the purpose of obtaining a commercial competitive advantage.

"(10) Foreign export credit agency activities not consistent with the WTO agreement on subsidies and countervailing measures.—A description of the extent to which the activities of foreign export credit agencies and other entities sponsored by a foreign government, particularly those that are not members of the Arrangement (as defined in section 10(h)(3)), are not in compliance with the Arrangement and may not be consistent with the terms of the Agreement on Subsidies and Countervailing Measures referred to in section 101(d)(12) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(12)), and a description of the actions taken by the United States Government to address the activities.

"(b) Board Vote on Report Required.—The Board of Directors shall vote to approve and shall sign each report required by subsection (a).

"(c) Inclusion of Dissenting Views, Etc.—Each report required by subsection (a) shall include such dissenting views and additional comments as any member of the Board of Directors may submit to the Board for inclusion in the report.".

(2) Conforming amendment.—Section 2(b)(1)(A) of such Act (12 U.S.C. 635(b)(1)(A)) is amended by striking all that follows the 3rd sentence.

(b) Report on Involvement of the Bank and of Other Export Credit Agencies in Regional Multi-Buyer Insurance Programs and Working-Capital Guarantee Programs.—Section 8 of such Act (12 U.S.C. 635g), as amended by sections 4 and 5 of this Act, is amended by adding at the end the following:

"(i) Report on Involvement of the Bank and of Other Export Credit Agencies in Regional Multi-Buyer Insurance Programs and Working-Capital Guarantee Programs.—The Bank shall include in its annual report to the Congress under subsection (a) of this section a separate section that contains a report on—

"(1) regional multi-buyer insurance programs and working capital guarantee programs operated by, through, or in conjunction with the Bank, which shall include an analysis of the effectiveness of the programs and of how effective the programs would be in increasing export-related jobs in the United States if the programs were larger;

"(2) the size of similar programs of all other major export-financing facilities available from other governments and government-related agencies through which foreign exporters compete with United States exporters (including through use of market windows (as defined in section 10(h)(7)); and

"(3) as a detailed explanation, with respect to the programs, of the working relationship between the Bank and the Small Business Administration, the Department of Commerce, and other United States Government agencies concerned with increasing the number of export-related jobs in the United States.".

(c) Clarification of Use of Tied Aid Credit Fund to Match.—Section 10 of the Export-Import Bank Act of 1945 (12 U.S.C. 635i-3) is amended—

(1) in subsection (a)—

(A) in paragraph (5)—

(i) in the matter preceding subparagraph (A), by striking "two" and inserting "3";

(ii) in subparagraph (A)(iv), by striking "and"; and

(iii) by adding at the end the following:

"(C) third, the Bank should support United States exporters when the exporters face foreign competition that is supported by foreign export credit agencies or other entities sponsored by a foreign government that are not party to the Arrangement; and"; and

(B) in paragraph (6)—

(i) in the matter preceding subparagraph (A), by inserting "including those that are not a party to the Arrangement" after "countries";

(ii) in subparagraph (B), by adding "and" at the end; and

(iii) by inserting after subparagraph (B) the following:

"(C) promoting compliance with Arrangement rules among foreign export credit agencies that are not a party to the Arrangement,"; and

(2) in subsection (b)—

(A) in paragraph (2)(A), by striking "in consultation with the Secretary and"; and

(B) in paragraph (5)—

(i) in subparagraph (A), by striking "Secretary and the Bank jointly" and inserting "Bank";

(ii) in subparagraph (B)—

(I) in clause (i)—

(aa) in the matter preceding subclause (I), by striking "Secretary and the";

(bb) in subclause (I), by inserting ", and to bring into the Arrangement those countries that are not a party to the Arrangement" before the period; and

(cc) in subclause (III), by adding at the end the following "In cases where information about a specific offer of foreign tied aid (or untied aid used to promote exports as if it were tied aid) is not available in a timely manner, or is unavailable because the foreign export credit agency involved is not subject to the reporting requirements under the Arrangement, then the Bank may decide to use the Tied Aid Credit Fund based on credible evidence of a history of such offers under similar circumstances or other forms of credible evidence."; and

(II) in clause (ii), by adding at the end the following: "The President of the United States shall notify the Congress of such a determination within 30 days, including an explanation for the determination.";

(iii) in subparagraph (C), by striking "the Secretary and"; and

(iv) in subparagraph (E), by striking "Secretary and the Bank jointly" and inserting "Bank".

(d) Expansion of Countries in Competition With Whom the Bank Is to Provide Export Financing.—Section 2(b)(1)(A) of such Act (12 U.S.C. 635(b)(1)(A)) is amended in the 2nd sentence by inserting ", including countries the governments of which are not members of the Arrangement (as defined in section 10(h)(3))" before the period.

(e) Authority to Seek Use of Mixed Forms of Concessional Financing.—Section 10 of such Act (12 U.S.C. 635i–3) is amended by adding at the end the following:

"(i) Authority to Seek Use of Mixed Forms of Concessional Financing.—For purposes of improving the effects of Bank financing on development in tied aid eligible markets (as defined under the Arrangement) and of improving the competitiveness of the Bank in the markets, the Bank shall, in consultation with United States government aid agencies and, as appropriate, multilateral aid institutions, seek to establish, consistent with the Arrangement, a mixed credit program consisting of longer term financing and other forms of more flexible repayment terms, financing of transactions in local currencies, and other forms of concessional financing that meets the needs of the product sector and foreign market involved.".

(f) Instructions Regarding Negotiation of the OECD Arrangement.—The Secretary of the Treasury shall instruct the designee of the Secretary to the negotiation of the Arrangement (as defined in section 10(h)(3) of the Export-Import Bank Act of 1945) to inform the other participants in the negotiation that the goals of the United States include the following:

(1) Seeking compliance with the Arrangement among countries with significant export credit programs who are not members of the Arrangement.

(2) Seeking to identify within the World Trade Organization the extent to which countries that are not a party to the Arrangement are not in compliance with the terms of the Agreement on Subsidies and Countervailing Measures referred to in section 101(d)(12) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(12)) in regards to export finance, and seeking appropriate action within the World Trade Organization if such a country is not in such compliance.

(3) Implementing new disciplines on the use of untied aid, market windows, and other forms of export finance that seek to exploit loopholes in the Arrangement for purposes of obtaining a commercial competitive advantage.

SEC. 11. CONSIDERATION OF ENVIRONMENTAL MATTERS BY THE ADVISORY COMMITTEE.

Section 3(d) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(d)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "15" and inserting "17"; and

(B) in subparagraph (B), by inserting "environment," before "production,"; and

(2) in paragraph (2), by adding at the end the following:

"(C) Not less than 2 members appointed to the Advisory Committee shall be representative of the environmental nongovernmental organization community, except that no 2 of the members shall be from the same environmental organization. Environmental organizations represented shall have demonstrated experience with environmental issues associated with the Bank, the Export Credit Group of the Organization for Economic Cooperation and Development, or both.".

SEC. 12. STUDY OF HOW EXPORT-IMPORT BANK COULD ASSIST UNITED STATES EXPORTERS TO MEET IMPORT NEEDS OF NEW OR IMPOVERISHED DEMOCRACIES; REPORTS.

(a) Study.—The Export-Import Bank of the United States shall conduct a study designed to assess the needs of new or impoverished democracies such as Liberia and Haiti, for imports from the United States, and shall determine what role the Bank can play a role in helping United States exporters seize the opportunities presented by the need for such imports.

(b) Reports to the Congress.—

(1) Interim report.—Within 6 months after the date of the enactment of this Act, the

Bank shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, in writing, an interim report that contains the results of the study required by subsection (a).

(2) FINAL REPORT.—Within 12 months after the date of the enactment of this Act, the Bank shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, in writing a final report that contains the results of the study required by subsection (a).

SEC. 13. REVIEW OF ENVIRONMENTAL SCREENING REQUIREMENT.

(a) IN GENERAL.—Within 6 months after the position of Inspector General of the Export-Import Bank of the United States is filled, the Inspector General of the Export-Import Bank of the United States shall submit to the Committee on Resources and the Committee on Financial Services of the House of Representatives, and to the Committee on Banking, Housing, and Urban Affairs of the Senate a report on the implications of limiting the requirement to conduct environmental screenings of projects proposed to be financed by the Bank to only those involving at least $10,000,000.

(b) CONTENTS OF REPORT.—The report shall—

(1) determine whether the $10,000,000 limitation prevents the identification of any project that may have an adverse effect on the environment; and

(2) propose guidelines for how project applications may be screened more effectively to determine whether a project may have such an effect.

SEC. 14. OFFICE OF RENEWABLE ENERGY PROMOTION.

Section 3 of the Export-Import Bank Act of 1945 (12 U.S.C. 635a), as amended by section 4(a)(1) of this Act, is amended by adding at the end the following:

"(j) OFFICE OF RENEWABLE ENERGY PROMOTION.—

"(1) ESTABLISHMENT.—Within 1 year after the date of the enactment of this subsection, the President of the Bank shall establish and maintain in the Bank an office which shall be known as the 'Office of Renewable Energy Promotion' (in this subsection referred to as the 'Office').

"(2) FUNCTIONS.—The Office shall be responsible for proactively identifying new opportunities for renewable energy financing and carrying out section 2(b)(1)(K). In carrying out its function of promoting renewable energy technologies, the Office should, among other things, consider the recommendations made by the Renewable Energy Export Advisory Committee.

"(3) STAFF.—The President of the Bank shall ensure that the Office has staff with appropriate expertise in renewable energy technologies.

"(4) ANNUAL REPORTS.—The Bank shall submit annually to the Committee on Resources and the Committee on Financial Services of the House of Representatives, and to the Committee on Banking, Housing, and Urban Affairs of the Senate, a report that contains, for the fiscal year covered by the report—

"(A) a detailed description of the activities of the Office; and

"(B) an analysis comparing the level of credit extended by the Bank for renewable energy projects with the level of credit so extended for the preceding fiscal year.

"(5) RENEWABLE ENERGY TECHNOLOGIES DEFINED.—In this subsection, the term 'renewable energy technologies' means technologies for producing power through the use of solar energy, wind energy, and energy from biomass, fuel cells, or geothermal sources, and technologies for producing less than 10 megawatts in hydropower.".

SEC. 15. TRANSPARENCY.

(a) IN GENERAL.—Section 2(e) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(e)), as amended by section 8(b) of this Act, is amended by adding at the end the following:

"(6) PROCEDURES TO REDUCE ADVERSE EFFECTS OF LOANS AND GUARANTEES ON INDUSTRIES AND EMPLOYMENT IN UNITED STATES.—

"(A) CONSIDERATION OF ECONOMIC EFFECTS OF PROPOSED TRANSACTIONS.—If, in making a determination under this paragraph with respect to a loan or guarantee, the Bank conducts a detailed economic impact analysis or similar study, the analysis or study, as the case may be, shall include consideration of—

"(i) the factors set forth in subparagraphs (A) and (B) of paragraph (1); and

"(ii) the views of the public and interested parties.

"(B) NOTICE AND COMMENT REQUIREMENTS.—

"(i) IN GENERAL.—If, in making a determination under this subsection with respect to a loan or guarantee, the Bank intends to conduct a detailed economic impact analysis or similar study, the Bank shall cause to be published in the Federal Register a notice of the intent, and provide a period of not less than 14 days (which, on request by any affected party, shall be extended to a period of not more than 30 days) for the submission to the Bank of comments on the economic effects of the provision of the loan or guarantee. In addition, the Bank shall seek comments on the effects from the Department of Commerce, the International Trade Commission, the Office of Management and Budget, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives.

"(ii) CONTENT OF NOTICE.—The notice shall include appropriate, nonproprietary information about—

"(I) the name of the applicant;

"(II) the country to which the goods involved in the transaction will be shipped;

"(III) the type of goods being exported;

"(IV) the amount of the loan or guarantee involved;

"(V) the goods that would be produced as a result of the provision of the loan or guarantee;

"(VI) the amount of increased production that will result from the transaction;

"(VII) the potential sales market for the resulting goods;

"(VIII) the value of the transaction; and

"(IX) any other relevant information.

"(iii) PROCEDURE REGARDING MATERIALLY CHANGED APPLICATIONS.—

"(I) IN GENERAL.—If a material change is made to an application for a loan or guarantee from the Bank after a notice with respect to the intent described in clause (i) is published under this subparagraph, the Bank shall cause to be published in the Federal Register a revised notice of the intent, and shall provide for a comment period, as provided in clauses (i) and (ii).

"(II) MATERIAL CHANGE DEFINED.—In subclause (I), the term 'material change', with respect to an application, includes—

"(aa) a change of at least 25 percent in the amount of a loan or guarantee requested in the application; and

"(bb) a change in the principal product to be produced as a result of any transaction that would be facilitated by the provision of the loan or guarantee.

"(C) REQUIREMENT TO CONSIDER AND ADDRESS VIEWS OF ADVERSELY AFFECTED PERSONS.—Before taking final action on an application for a loan or guarantee from the Bank to which this subsection applies, the Bank shall consider and address in writing the views of any person who may be substantially adversely affected by the provision of the loan or guarantee.

"(D) PUBLICATION OF CONCLUSIONS.—Within 30 days after a party affected by a final decision of the Board of Directors with respect to a loan or guarantee makes a written request therefor, the Bank shall provide to the affected party a non-confidential summary of the facts found and conclusions reached in any detailed economic impact analysis or similar study conducted pursuant to subparagraph (B) with respect to the loan or guarantee, that were submitted to the Board of Directors.

"(E) RULE OF INTERPRETATION.—This paragraph shall not be construed to make subchapter II of chapter 5 of title 5, United States Code, applicable to the Bank.

"(F) REGULATIONS.—The Bank shall implement such regulations and procedures as may be appropriate to carry out this paragraph.".

(b) CONFORMING AMENDMENT.—Section 2(e)(2)(C) of such Act (12 U.S.C. 635(e)(2)(C)) is amended by inserting "of not less than 14 days (which, on request of any affected party, shall be extended to a period of not more than 30 days)" after "comment period".

SEC. 16. ANTI-CIRCUMVENTION.

Section 2(e) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(e)), as amended by sections 8(b) and 15(a) of this Act, is amended—

(1) in paragraph (1), by adding after and below the end the following:

"In making the determination under subparagraph (B), the Bank shall determine whether the facility that would benefit from the extension of a credit or guarantee is reasonably likely to produce products in addition to or other than the product specified in the application and whether the production of the products may cause substantial injury to United States producers of the same, or a similar or competing, commodity.";

(2) in paragraph (2), by adding at the end the following:

"(E) ANTI-CIRCUMVENTION.—The Bank shall not provide a loan or guarantee if the Bank determines that providing the loan or guarantee will facilitate circumvention of a trade law order or determination referred to in subparagraph (A)."; and

(3) by adding at the end the following:

"(7) FINANCIAL THRESHOLD DETERMINATIONS.—For purposes of determining whether a proposed transaction exceeds a financial threshold under this subsection or under the procedures or rules of the Bank, the Bank shall aggregate the dollar amount of the proposed transaction and the dollar amounts of all loans and guarantees, approved by the Bank in the preceding 24-month period, that involved the same foreign entity and substantially the same product to be produced.".

SEC. 17. PERFORMANCE STANDARDS APPLICABLE TO BANK ASSISTANCE FOR SMALL BUSINESSES, ESPECIALLY THOSE OWNED BY SOCIAL AND ECONOMICALLY DISADVANTAGED INDIVIDUALS AND THOSE OWNED BY WOMEN.

(a) DEVELOPMENT OF PERFORMANCE STANDARDS.—Within 120 days after the date of the enactment of this Act, the Comptroller General of the United States shall develop and transmit to the Board of Directors of the Export-Import Bank of the United States—

(1) a set of standards which may be used to determine the extent to which the Bank has carried out successfully subparagraphs (E) and (I) of section 2(b)(1) of the Export-Import Bank Act of 1945, and the functions described in subsections (f)(1)(A), (f)(5)(A), and (h)(2) of section 3 of such Act; and

(2) a set of rules for measuring the performance of the Bank against the standards.

(b) REPORT ON PERFORMANCE.—Section 8 of the Export-Import Bank Act of 1945 (12 U.S.C. 635g), as amended by sections 4, 5, and 10(b) of this Act, is amended by adding at the end the following:

"(j) REPORT ON ACHIEVEMENT OF PERFORMANCE STANDARDS APPLICABLE TO SMALL BUSINESS CONCERNS, SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONERNS, AND SMALL BUSINESS CONCERNS OWNED BY WOMEN.—The Bank shall submit annually to the Congress, and include in a separate section of the annual report to the Congress under subsection (a) of this section, a report on the extent to which the Bank has carried out successfully subparagraphs (E) and (I) of section 2(b)(1), and the functions described in subsections (f)(1)(A), (f)(5)(A), and (h)(2) of section 3, of this Act, using the performance standards and measuring rules developed pursuant to section 12(a) of the Export-Import Bank Reauthorization Act of 2006. ".

SEC. 18. PROHIBITION ON ASSISTANCE TO DEVELOP OR PROMOTE ANY RAIL CONNECTIONS OR RAILWAY-RELATED CONNECTIONS THAT TRAVERSE OR CONNECT BAKU, AZERBAIJAN, TBILISI, GEORGIA, AND KARS, TURKEY, AND THAT SPECIFICALLY EXCLUDE CITIES IN ARMENIA.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

"(13) The Bank shall not guarantee, insure, extend credit, or participate in an extension of credit in connection with the development or promotion of any rail connections or railway-related connections that do not traverse or connect with Armenia, and do traverse or connect Baku, Azerbaijan, Tbilisi, Georgia, and Kars, Turkey. ".

SEC. 19. TECHNICAL CORRECTIONS.

Section 2(b)(2)(B)(ii) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(2)(B)(ii)) is amended by striking subclauses (I), (III), (VII), (VIII), and (IX), and redesignating subclauses (II), (IV), (V), and (VI) as subclauses (I) through (IV), respectively.

SEC. 20. EFFECTIVE DATE.

The amendments made by this Act shall take effect on October 1, 2006.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Illinois (Mrs. BIGGERT) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentlewoman from Illinois.

Mrs. BIGGERT. Mr. Speaker, I yield myself 30 seconds.

I rise in support of H.R. 5068, the Export-Import Bank Reauthorization Act of 2006. I would like to thank the gentlewoman from Ohio, Chairman Pryce, for her leadership on this bill. It has been a long process of meetings and negotiations, but I believe that we have crafted a solid product that focuses on the core mission of the Ex-Im Bank. This mission is to increase U.S. exports and, most importantly, U.S. jobs.

Mr. Speaker, I yield 3 minutes to my colleague from Illinois, the chairman of the Small Business Committee, Mr. MANZULLO.

Mr. MANZULLO. Mr. Speaker, I also want to join in praising Chairmen OXLEY and PRYCE for the tremendous work that they have done on reauthorizing the Ex-Im Bank.

Mr. Speaker, now more than ever we need the Ex-Im Bank. With the collapse of the Doha round of the WTO, other nations will continue to vigorously use their government-sponsored export credit agencies to promote their exports. The unfortunate reality is that American companies often win export sales on quality and price only to later lose because their competitors were able to obtain faster, less expensive export credit funded by other countries. Supporting this bill will ensure that an attractive foreign financing package will not be the deciding factor in winning an export opportunity. Defeating the bill will amount to unilateral disarmament in global trade.

While Ex-Im Bank supports large business deals, this bill should actually be renamed the Small Business Exporters Acts of 2006. H.R. 5068 restores a viable small business division and creates a Small Business Committee within Ex-Im Bank to better serve the needs of America's small exporters. The legislation also enhances the bank's delegated loan authority with respect to medium-term transactions by private lenders for small businesses.

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This is one key tool to help Ex-Im reach and exceed its 20 percent statutory mandate for small businesses.

The manager's amendment contains further improvements to the bill to make small business truly the focus of the bank. This reform designates adequate staff at each of the bank's operating divisions to specialize in the needs of small business exporters. This staff will also be jointly supervised by the Small Business Division. Furthermore, these small business specialists will have the authority under appropriate guidelines to approve loan guarantee and insurance applications of up to $10 million. This provision will help small business exporters overcome the obstacles of the slow internal approval process within Ex-Im Bank.

Finally, the manager's amendment automatically appoints these small business specialists to serve as members of the Small Business Committee at the bank. These small business specialists will be on the front line of assisting small business and will have firsthand knowledge of Ex-Im products at work and what needs to be changed.

I was pleased to work with many of the industry groups which support Ex-Im Bank, particularly the Small Business Exporters Association, in the development of the small business provisions in H.R. 5068.

Mr. Speaker, passage of this bill will send a powerful positive signal to small business exporters around the Nation that there will be internal advocates for them within the bank from the time they enter the door until the time they exit with a decision. With these new legislative enhancements to Ex-Im's charter, small business exporters will have strong shoulders to stand on to win trade deals overseas.

I urge the adoption of H.R. 5068.

Mrs. MALONEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the ranking member of the Financial Services Subcommittee with jurisdiction over the Export-Import Bank, I am delighted to stand and speak in support of H.R. 5068, the Export-Import Bank Reauthorization Act of 2006, introduced by our Subcommittee Chair, DEBORAH PRYCE.

This bipartisan legislation was overwhelmingly supported in the Financial Services Committee and is also supported by the Small Business Committee on a bipartisan basis. The original cosponsors include not only Representative PRYCE and myself, but the majority and minority leadership of both committees. We have all worked together in this bill to fairly address the concerns of many viewpoints, and I want to thank those Members and their staffs for their hard work and effort to listen to many points of view and to produce a bill on which we can all agree.

I also want to take a moment to thank Chairman OXLEY for his leadership on this bill and on so many others throughout his tenure. The Financial Services Committee and this Congress will feel his absence. This bill is a good example of the bipartisan work of the committee that Chairman OXLEY helped to make possible. We don't always agree, but we can often work together to find points of agreement, as we have done on this bill.

This bill responds to concerns that the committees involved have had for some time and that we heard repeatedly from our constituents, both businesses and interest groups, as we began work on this very important piece of legislation.

First, the bill reaffirms Congress' strong intent that the bank support small businesses to a greater extent than at present, consistent with sound lending practices. To this end, the bill creates a Small Business Division within the bank run by a senior VP who reports directly to the chairman. The staff of this new division are dedicated exclusively to small business transactions, reflecting the fact that these deals and these clients need unique skills. Within this division, the bill creates an office charged with expanding outreach to women and minority-owned businesses. On these sections, the leadership of the Small Business Committee was especially valuable, and I want to thank my colleague Representative VELÁZQUEZ from New York.

Secondly, based on numerous comments, we also concluded that the bank could increase its activity in Sub-Saharan Africa consistent with sound lending principles by being more flexible in its financing and underwriting terms. And the bill contains a mandate to that effect.

Third, as a proud member of the Congressional Caucus on Armenian Issues and the representative of a large and vibrant Armenian-American community, I support the provisions which would prohibit the Export-Import Bank from funding railroad projects in South Caucasus region that deliberately exclude Armenia.

Fourth, in listening to my constituents and others talk about their experiences with the bank, it became clear to me that businesses, large and small, were frustrated by the lack of transparency and unfriendliness in the bank process. Several of them said that their applications simply disappeared.

At my initiative, the bill contains several transparency reforms that respond to this concern. I expect these relatively low-cost changes will provide significant benefits to Ex-Im clients. They include notification requirements, so that applicants know what is happening to their application.

Ex-Im has recently put up an improved Web site, and the bill requires that applicants be able to access their application on that site and see where it is in the process. Most colleges manage student applications in a similar manner, and it is time for Ex-Im to implement simple steps like this to help the American public.

In the same vein, the bill contains a requirement for board action on applications that have been subject to economic impact analysis. These applications tended to die a lingering death as Ex-Im sat on them. That is really not fair. The bank should tell applicants whether it can support them or not in a reasonable time frame.

Finally, and very important, the bill contains new provisions to make the bank more competitive with other countries' export credit agencies, or ECAs, so that the bank and U.S. companies are not fighting with one hand tied behind their backs. In particular, the bill gives the bank authority to use the Tied Aid Fund, a fund established several years ago by Congress to combat unfair export practices by other countries' ECAs. To date, Treasury has blocked the use of this fund as Congress intended, and this underlying bill will correct that.

This reform and reauthorization legislation is urgently needed. Today, more than ever, the future of the Export-Import Bank is of great interest and concern because it has significant potential to affect the national economy, job growth and our trade imbalance.

We are faced with the need to pass reauthorization legislation for our Nation's export credit agency at a time when the demands of the global marketplace seem increasingly pressing and difficult and the agenda of the Ex-Im Bank is more critical to our economy than ever before.

The Ex-Im Bank has long played a key role in the economy of many of the districts we each represent. As the independent U.S. Government agency that assists in financing the export of U.S. goods and services to markets around the world, through export credit insurance, loan guarantees and direct loans. But the bank's mission of creating and maintaining U.S. jobs through financing exports takes on a new urgency and importance in the new global economy.

Tom Friedman's book, The World is Flat, brought home to many of us the fact that an economic tsunami is occurring under our feet. The convergence of events that have brought India, China and many other countries into the global supply chain for services and manufacturing has created an explosion of wealth in the middle classes of the world's two biggest nations, giving them a huge new stake in globalization.

As former Chairman Greenspan was fond of telling us when we asked him about the loss of jobs in this country, we need to recognize, he said, that all of a sudden a huge number of highly educated people from formally noncompetitive countries have entered the global workforce. We cannot afford to be uncompetitive in the rapidly changing global market or complacent about our status in the global market.

As leadership on both sides of the House recognize, we must empower and support Ex-Im now more than ever. I think we have crafted a bill that Members from both sides can support and that is much needed. I urge my colleagues to support H.R. 5068.

Mr. Speaker, I reserve the balance of my time.

Mrs. BIGGERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bipartisan bill will strengthen the Ex-Im Bank's ability to help our exporters increase their businesses abroad. During a February roundtable meeting held in my district, many businesses said that they only learned about the bank's tremendous resources by accident. I am pleased that this and other suggestions made by these businesses were incorporated into the bill, including language that directs the bank to increase its outreach to small business.

I encourage Members of this body to spread the word about the bank's export financing opportunities, and I encourage Members to contact the bank to determine what businesses, large and small, directly and indirectly, are being supported by the bank's services.

For example, I learned that Ex-Im financing for one aircraft can translate into work for over 100 small businesses in my district alone. And I received a report issued by the bank last Friday that showed businesses in my district, ranging from a knee guard company to one that makes printing presses, have benefited from about $4.6 million in Ex-Im products over the past decade.

On another note, I would like to take this opportunity commend the bank's new chairman, Jim Lambright and his team for aggressively moving on several important fronts; helping our U.S. businesses to keep a competitive edge in the global marketplace, listening to businesses and implementing bank reforms.

For example, to help them beat foreign competitors, businesses in my district suggested that the bank enhance application transparency and provide electronic on-line processing. The bank has done just that. A business can now register with the Ex-Im Bank online and easily track its application as it moves through the review process.

Mr. Speaker, in our increasingly competitive global environment, we must ensure that we provide every advantage, and remove every disadvantage, for U.S. businesses to "win the sale" over foreign competitors. Make no mistake about it: Ex-Im is one of the best tools we have to ensure that our businesses are allowed to beat the competition abroad. More importantly, it is jumper cables to the economy, helping U.S. businesses increase exports and create more and better U.S. jobs.

Mr. Speaker, I reserve the balance of my time.

Mrs. MALONEY. Mr. Speaker, I yield 3 minutes to the honorable gentlewoman from New York (Ms. VELÁZQUEZ), the ranking member of the Small Business Committee. I thank her once again for her leadership on this legislation.

Ms. VELÁZQUEZ. Mr. Speaker, I would like to take this opportunity to thank the gentlelady from New York for yielding, and also for the great leadership that she exhibited in working in a bipartisan manner on this legislation.

Mr. Speaker, I rise in strong support of H.R. 5068, the Export-Import Bank Reauthorization Act of 2006. The legislation before us today will increase lending opportunities for all of our Nation's exporters and will improve the country's trade performance.

The Nation's rapidly and exponentially rising trade deficit indicates that our businesses are losing their competitive edge in the global economy. One sector of American industry, small businesses, has bucked this trend, demonstrating success exporting to markets across the world. Today, these businesses are the Nation's leading exporters, dominating many sectors, operating with a trade surplus, and are growing two times faster than their corporate counterparts. However, due to limited finances and production capacity, these firms face obstacles trading internationally.

The Export-Import Bank was established to increase the capacity for all United States businesses to competitively engage in international trade by providing access to affordable financing and insurance. Yet the bank has failed to fulfill its congressional mandate established in the previous reauthorization to ensure that small businesses are a priority in lending decisions.

To establish a culture that prioritizes these businesses, the bank's institutional structure on policies must be enhanced to focus on small exporter issues. I believe the new changes adopted in the legislation will significantly expand lending opportunities as it creates a new Small Business Division, an Office for Minority Exporters and a minority financing goal at the bank. These changes will ensure that the bank fulfills its mandate to support a successful component of the Nation's trade strategy.

The country will significantly benefit from challenging the bank to expand financing opportunities for all of our entrepreneurs. By approving this legislation, we have the opportunity to keep small and minority businesses on the path to success. By supporting a diverse and successful set of exporters, we will also ensure that the Nation improves its trade performance.

□ 1415

I urge Members to support the bill to ensure that all of our promising businesses can succeed in the global economy.

Mrs. BIGGERT. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Speaker, I thank the gentlewoman for yielding me time.

Mr. Speaker, Congress should reject H.R. 5068, the Export-Import Reauthorization Act, for economic, constitutional, and moral reasons. The Export-Import Bank takes money from American taxpayers to subsidize exports by American companies. Of course it is not just any company that receives Ex-Im support.

The vast majority of Ex-Im Bank funds benefit Enron-like outfits that must rely on political connections and government subsidies to survive and/or multinational corporations who can afford to support their own efforts without relying on the American taxpayers.

In fact, according to journalist Robert Novak, Enron itself received over $640 million in taxpayer-funded assistance from Ex-Im. The taxpayer-provided largess no doubt helped postpone Enron's inevitable day of reckoning. It is not only bad economics to force working American small businesses and entrepreneurs to subsidize the exports of large corporations; it is also immoral.

Redistribution from the poor and middle class to the wealthy is the most indefensible aspect of the welfare state, yet it is the most accepted form of welfare.

Mr. Speaker, it never ceases to amaze me how Members who criticize welfare for the poor on moral and constitutional grounds see no problem with the even more objectionable programs that provide welfare for the rich.

The moral case against Ex-Im is strengthened when one considers that one of the governments which benefits most from Ex-Im funds is Communist China. In fact, Ex-Im actually underwrites joint ventures with firms owned by the Chinese Government. Whatever one's position is on trading with China, I would hope all of us would agree that it is wrong to force taxpayers to subsidize in any way this regime.

Unfortunately, China is not an isolated case. Colombia and Sudan benefit from taxpayer subsidized trade as well, courtesy of the Ex-Im Bank. At a time when the Federal Government is running huge deficits and Congress is once again preparing to raid Social Security and Medicare trust funds, does it really make sense to use taxpayers' funds to benefit future Enrons, Fortune 500 companies, and Communist China?

One project funded by Ex-Im in China is an $18 million loan guarantee to expand steel manufacturing. This is not an isolated example of how Ex-Im helps foreign steel producers. According to the most recent figures available, the five countries with the greatest Ex-Im exposure are all among the top 10 exporters of steel and of steel-to-products to the United States.

In fact, Ex-Im provides almost $20 billion of U.S. taxpayer support to these countries. Mr. Speaker, I find it hard to see how taxing American steel producers to benefit their foreign competitors strengthens the American economy.

Proponents of continued American support for the Ex-Im Bank claim that the bank creates jobs and promotes economic growth. However, this is a fallacy worth looking in to.

However, this claim rests on a version of what the great economist Henry Hazlitt called the "broken window" fallacy. When a hoodlum throws a rock through a store window, it can be said he has contributed to the economy, as the storeowner will have to spend money having the window fixed. The benefits to those who repaired the window are visible for all to see, therefore it is easy to see the broken window as economically beneficial. However, the "benefits" of the broken window are revealed as an illusion when one takes into account what is not seen: the businesses and workers who would have benefited had the store owner not spent money repairing a window, but rather had been free to spend his money as he chose.

Similarly, the beneficiaries of Eximbank are visible to all. What is not seen is the products that would have been built, the businesses that would have been started, and the jobs that would have been created had the funds used for the Eximbank been left in the hands of consumers. Leaving the resources in the private sector ensures the resources will be put to the use most highly valued by individual consumers. In contrast, when the government diverts resources into the public sector via programs such as the Eximbank, their use is determined by bureaucrats and politically powerful special interests, resulting in a distorted market and a misallocation of resources. By distorting the market and preventing resources from achieving their highest valued use, Eximbank actually costs Americans jobs and reduces America's standard of living!

Some supporters of this bill equate supporting Eximbank with supporting "free trade," and claim that opponents are "protectionists" and "isolationists." Mr. Speaker, this is nonsense, Eximbank has nothing to do with free trade. True free trade involves the peaceful, voluntary exchange of goods across borders, not forcing taxpayers to subsidize the exports of politically powerful companies. Eximbank is not free trade, but rather managed trade, where winners and losers are determined by how well they please government bureaucrats instead of how well they please consumers.

Finally, Mr. Speaker, I would like to remind my colleagues that there is simply no constitutional justification for the expenditure of funds on programs such as Eximbank. In fact, the drafters of the Constitution would be horrified to think the Federal Government was taking hard-earned money from the American people in order to benefit the politically powerful.

In conclusion, Mr. Speaker, Eximbank distorts the market by allowing government bureaucrats to make economic decisions in place of individual consumers. Eximbank also violates basic principles of morality, by forcing working Americans to subsidize the trade of wealthy companies that could easily afford to subsidize their own trade, as well as subsidizing brutal governments like Red China and the Sudan. Eximbank also violates the limitations on congressional power to take the property of individual citizens and use it to benefit powerful special interests. It is for these reasons that I urge my colleagues to reject H.R. 5068, the Export-Import Bank Reauthorization Act.

Mrs. MALONEY. Mr. Speaker, may I inquire as to the remaining time.

The SPEAKER pro tempore. The gentlewoman from New York has 9½ minutes remaining, and the gentlewoman from Illinois has 11 minutes remaining.

Mrs. MALONEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. WATERS), the ranking member of the housing subcommittee of the Financial Services Committee.

Ms. WATERS. Mr. Speaker, I rise in support of H.R. 5068, the Export-Import Bank reauthorization bill.

I would like to thank the Committee on Financial Services chairman, Mr. OXLEY, and Ranking Member FRANK for moving this important measure through our committee.

Ms. PRYCE, the chairwoman on the Subcommittee on Domestic and International Monetary Policy, Trade and Technology, and, of course, our ranking member, Mrs. MALONEY, who has provided leadership on this issue as well as many other issues, has done a fabulous job on making sure that the members of our committee understood very well the importance of the Ex-Im Bank and how it benefits our entire country and small businesses as well as some large businesses. I thank her for bringing this measure to the floor.

The reauthorization of the Export-Import Bank, H.R. 5068, is particularly important in light of our current trade deficit which stands at more than $60 billion. Indeed, we must continue to be proactive in terms of programs that will encourage the expansion of our exports. The export sector of our economy is critical to job creation at the local level.

This bill makes the Ex-Im Bank more relevant in today's global economy, because it better supports U.S. exports. Last year the bank was engaged in more than 3,000 transactions, with an export value of $17.9 billion and returned over $1.7 billion to the Treasury.

This bill should increase the overall level of exports. Of course, I am encouraged by the provisions of the bill related to small businesses. Under the bill, an Office of Small Business is established to be dedicated to small business issues.

Ex-Im needs to be viewed as a resource, not just for large exporters but for small exporters as well. The management of the office of our senior official sends a strong signal to the small business community that small businesses are an important part of the Export-Import equation. Equally important, the office should be required to interface with the U.S. Small Business Administration, which has built an excellent reputation as a repository of information for small exporters.

This reverses a trend that I believe developed as a result of the weakening of policies at the bank that have been in place to encourage the participation of small businesses in our export market, particularly minority-and women-owned business.

During markup of this bill, an amendment that I sponsored had been made part of the bill reported to the full House. It requires the bank to develop performance measures related to minority- and women-owned business programs. This will ensure that the management of Ex-Im Bank is directly involved in developing programs designed to increase participation of minority- and women-owned businesses in Ex-Im Bank programs.

The performance measures will be developed in concert with GAO and will enable Congress to determine how the small business programs for minorities and women that are put in place are performing. In addition, I am pleased that the bill contains a provision to promote increased trade with Africa.

I consider Mr. PAUL as a serious person. I take him seriously. I will look into some of that which he has said.

Mrs. BIGGERT. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. KELLY), the vice chair of the Financial Services Committee.

Mrs. KELLY. Mr. Speaker, I rise in strong support of today's H.R. 5068, to reauthorize the Export-Import Bank. I want to thank Chairwoman PRYCE, Chairman OXLEY, and Chairman MANZULLO. We have created a strong bill that will empower small businesses in America to export.

This legislation gives small businesses dedicated loan officers and creates a structure for dealing with small business concerns that ensures that they are dealt with at the highest level of the bank. America's competitiveness and economic growth depends on small business exporters.

American-made products are still the best in the world, and they deserve to have the same support from our government in making sales that our foreign rivals do. Today's bill recognizes that fact and challenges Ex-Im to meet its commitment that 20 percent of all the lending goes to small business.

Passage of H.R. 5068 today will not end the strong oversight of Ex-Im that Chairmen MANZULLO and PRYCE have provided in the last few years. Our success will not be measured by passing this bill, but it will be measured by the number of small business jobs that we create through increased exports by supporting America's small businesses. I urge passage of H.R. 5068.

Mrs. MALONEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentlewoman from New York for yielding me time.

Mr. Speaker, I acknowledge the leadership of the Small Business Committee and your leadership, the leadership of the Financial Services Committee. I would like to say that this bill spells relief, r-e-l-i-e-f, I believe. The reason is because we have heard over and over again that Export-Import Bank gives gifts to large corporations, tax giveaways, if you will, using the American people's money simply to provide to those who already have.

I have repeatedly said that the backbone of America are small and medium-sized businesses. These are the businesses that are in our neighborhoods, in our cities, large and small, our counties, our rural hamlets.

The opportunity for small business to engage in Export-Import with the financial assistance and the collaboration with the Small Business Administration is long in coming. And this fix is long in coming.

I would argue that many of the regions that we are attempting to engage and break the barriers or break the concrete wall of a trade deficit has to do with small and medium-sized businesses, because the continent of Africa is filled with small and medium-sized businesses.

Their cultural traditions, their tribal traditions focus on the tribal hierarchy of women entrepreneurs in the marketplace. We find in south Asia, in India, Pakistan, Bangladesh there are opportunities for small and medium-size businesses to work with our small and medium-sized businesses, or for our small and medium-sized businesses to be able to engage internationally, if you will.

China, to break that very huge trade deficit, this now gives the financial anchor for small and medium-sized businesses to get the job done. I have always supported the Ex-Im Bank. I do think that any leg up or leverage that we can get, as we are on the international trade arena or development, is an important one; but now we have an opportunity to build on small and medium-sized businesses, and I hope as this legislation is passed, the word will go quickly out and that the lines will form to the left and the right for small businesses to become engaged.

With that, again, let me thank the proponents of the legislation. I ask my colleagues to support it.

Mrs. BIGGERT. Mr. Speaker, I reserve the balance of my time.

Mrs. MALONEY. Mr. Speaker, at this point we do not have any further speakers. I urge a strong vote on this bill. It is supported by the Financial Services Committee, the Chair and the ranking member, the Chair and the ranking member of the subcommittee, and the Chair and ranking member of the Small Business Committee.

It has a very special focus on enabling small businesses to compete in the global market, and it will help America's competitiveness and economic growth.

I urge a "yes" vote on this bill.

Mr. Speaker, I yield back the balance of my time.

Mrs. BIGGERT. Mr. Speaker, I would just like to say that looking at my district, and seeing the value of exports, $4.6 million that our companies have found for export value, and that works down to $295 million for small businesses.

I think that the Ex-Im Bank is one that is, the mission is so important that we increase U.S. exports and more importantly U.S. jobs. I think that is exactly what this bill is set up to improve and to make sure that that happens.

We are in a global economy. We are in competition with countries from all over the world. If we are to maintain our high standards, we have got to compete in the export market. I think this bill will help to do that. I would urge all Members to support the bill.

Mr. Speaker, I would be remiss not to thank Chairman OXLEY for all the work that he has done on this bill, again Chairman PRYCE and Ranking Member MALONEY for all of the work that they have put into this.

Mr. Speaker, I would urge an "aye" vote.

Mr. CROWLEY. Mr. Speaker, I rise in support of the Export-Import Bank Reauthorization under suspension vote today.

This is a sound, bipartisan bill.

So often, people see the acrimonious side of this House rife with partisanship and member distrust.

We do not have that on the Financial Services Committee, and that is due in large part to the leadership of Chairman MIKE OXLEY and our Ranking Member, BARNEY FRANK.

While I am working hard to see BARNEY become our chairman in the 110th Congress, I just want to salute our outgoing Chair, MIKE OXLEY.

He is a hard working member who is not afraid to roll up his sleeves and work with people across the aisle to get the important work done. He is results oriented.

Legislatively, he has a long list of accomplishments to be proud of, including this bill, but it is his spirit of bipartisanship, friendship and class for which we should all look to him for.

But he can also be a formidable foe, from the committee room to the baseball diamond.

He will be missed next year.

Stating that I do support this bipartisan bill—it is a real jobs bill.

This bill will strengthen the Export-Import Bank's abilities to allow American companies to compete in the global market as we try to increase our exports, increase our global competitiveness and create more and better paying jobs in the U.S.A.

This is a bill about exporting products not jobs.

Additionally, besides the overall nature of this bill, I was able to add important language to this reauthorization pertaining to the nation of Armenia—a strong U.S. ally in the Caucasus.

My amendment, done with Congressmen ED ROYCE and BRAD SHERMAN, prohibits the Export-Import Bank from funding any railway projects from Azerbaijan, through Georgia and Turkey, which specifically bypass Armenia. I am very pleased that this language was included in the final version of this legislation being debated on the House floor today.

This language will assist in promoting stability in the Caucasus region, help in ending long standing conflicts, and save U.S. taxpayers the responsibility of funding a project that goes against U.S. interests.

For over 10 years, Armenia has fought an illegal blockade, imposed on them by the countries of Turkey and Azerbaijan. These two countries continually exclude Armenia from regional development.

Just recently, Turkey, Azerbaijan, and Georgia finished construction on the Baku-Tblisi-Ceyhan pipeline. This pipeline does not pass through Armenia, even though the fastest and most economically sound route is through the country.

Now Turkey, Azerbaijan, and Georgia plan on constructing a railway that will completely bypass Armenia once again; once again excluding Armenia from regional development.

Exclusion of one country in regional projects only fosters instability. Having Export-Import Bank support a railway project which excludes Armenia is not the way to include all countries in regional development. I am pleased that the Bank is now prohibited from doing so in this bill.

Besides possibly creating a regional crisis, this project, if funded by the Export-Import Bank could cost taxpayers millions. I do not believe that U.S. taxpayers should be funding a project that goes against U.S. interests.

I am pleased this good language was added to an already good bill—a jobs bill for America

Therefore, I urge my colleagues to support the Export-Import Reauthorization.

Mr. KNOLLENBERG. Mr. Speaker, today the House is considering H.R. 5068, legislation that will reauthorize the Export-Import Bank for the next 5 years. I support this legislation.

Since it was created over 60 years ago, the Export-Import Bank has provided crucial support for American exporting businesses—especially small businesses. Because small businesses provide the majority of jobs here in the U.S., the work of the Bank translates into real jobs for American workers.

I am particularly pleased this bill includes a provision that prohibits assistance from the Export-Import Bank for a proposed new railroad that would connect Turkey, Georgia, and Azerbaijan, but would intentionally circumvent Armenia. This provision is extremely similar to H.R. 3361, the South Caucasus Integration and Open Railroads Act, legislation I introduced to ensure U.S. taxpayer funds are not used to promote a proposal or program that directly undermines the United States goal of fostering integration and cooperation among the countries in the South Caucasus.

Open and integrated transportation routes among Armenia, Azerbaijan, Georgia, and Turkey are necessary to promote cooperation, support economic growth, and help resolve regional conflicts. Unfortunately, this policy is being undermined in an effort to push Armenia further into isolation.

The design for the new rail line defies logistical and geographical logic, and intends to prevent future economic development from reaching Armenia. The proposed rail link would cost between $400 million and $800 million and would take years to construct, even though a perfectly workable rail link that goes through the city of Gyumri, Armenia already exists and would be fully operational with a few minor repairs.

Mr. Speaker, I commend my colleagues on the House Financial Services Committee that included this provision into this bill and I urge support for passage of H.R. 5068.

Mrs. BIGGERT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Illinois (Mrs. BIGGERT) that the House suspend the rules and pass the bill, H.R. 5068, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. PAUL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. BIGGERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

□ 1430

PROMOTING TRANSPARENCY IN FINANCIAL REPORTING ACT OF 2006

Mr. DAVIS of Kentucky. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5024) to require an annual oral testimony before the Financial Services Committee of the Chairperson or a designee of the Chairperson of the Securities and Exchange Commission, the Financial Accounting Standards Board, and the Public Company Accounting Oversight Board, relating to their efforts to promote transparency in financial reporting, as amended.

The Clerk read as follows:

H.R. 5024

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Promoting Transparency in Financial Reporting Act of 2006".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Transparent and clear financial reporting is integral to the continued growth and strength of our capital markets and the confidence of investors.

(2) The increasing detail and volume of accounting, auditing, and reporting guidance pose a major challenge [to the quality and transparency of financial reporting].

(3) The complexity of accounting and auditing standards in the United States has added to the costs and effort involved in financial reporting.

SEC. 3. ANNUAL TESTIMONY ON REDUCING COMPLEXITY IN FINANCIAL REPORTING.

The Securities and Exchange Commission, the Financial Accounting Standards Board, and the Public Company Accounting Oversight Board shall annually provide oral testimony by their respective Chairpersons or a designee of the Chairperson, beginning in 2007, and for 5 years thereafter, to the Committee on Financial Services of the House of Representatives on their efforts to reduce the complexity in financial reporting to provide more accurate and clear financial information to investors, including—

(1) reassessing complex and outdated accounting standards;

(2) improving the understandability, consistency, and overall usability of the existing accounting and auditing literature;

(3) developing principles-based accounting standards;

(4) encouraging the use and acceptance of interactive data; and

(5) promoting disclosures in "plain English".

The SPEAKER pro tempore (Mr. HAYES). Pursuant to the rule, the gentleman from Kentucky (Mr. DAVIS) and the gentleman from New York (Mr. ISRAEL) each will control 20 minutes.

The Chair recognizes the gentleman from Kentucky.

GENERAL LEAVE

Mr. DAVIS of Kentucky. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

I want to recognize this bill as a result of a true bipartisan effort. I want to thank Chairman OXLEY and Ranking Member FRANK for their support, and particularly our original cosponsors Congressman ISRAEL from New York and Congressman SCOTT from Georgia. This has been an effort that has come together across the aisle to provide a bill which would improve financial reporting, simplify our regulatory system over time to ultimately help our country compete in a global economy.

In the post-Enron financial era, transparent reporting has become an increasingly important component promoting a healthy corporate environment. Financially stable, accountable corporations are essential for expanding the U.S. business sector, promoting investor confidence, and for strengthening the economy. However, it is important to examine ways in which such accountability and reporting standards can become more efficient and more transparent. A cumbersome, costly system will only reduce our competitiveness in a connected world economy and ultimately will cost us jobs.

I regularly hear complaints from business owners and executives in Kentucky about the cost and the complexity of financial reporting requirements mandated by the Federal Government. As a former business consultant, I know firsthand the difficulties faced during the time-consuming and costly process of accounting and financial disclosure. We must update our methods of accountability to reflect 21st century technology in a global marketplace.

Unfortunately, financial reporting remains an arduous task with too many opportunities for error and for manipulation. Reassessing outdated accounting standards and improving the ability of the average investor to understand and utilize financial literature is essential to the livelihood of American business and the protection of American investors.

Requiring annual congressional testimony by the Securities and Exchange Commission, the Financial Accounting Standards Board, and the Public Company Accounting Oversight Board stresses that simplification, cost reduction, and transparency in accounting standards and financial reporting are public priorities. We must assure continuity in our markets and continuity in the process.

This bill will provide the Federal Government the opportunity to apply a philosophy of continuous improvement, looking for ways to improve the regulatory structure and to reduce costs.

As stated in the bill, we would like to direct attention to several areas of particular concern. First, I would like to point out that H.R. 5024 will give Congress a way to measure progress on the efforts of these organizations over the next 5 years, and ensure that they are working to streamline and modernize the process of financial reporting.

First, we need to reassess complex and outdated accounting standards. We need to improve understandability, consistency, and the overall usability of the existing accounting and auditing literature. We need to develop principle-based accounting standards. We need to encourage the use and acceptance of interactive data, or extensible business reporting language, XBRL, and, finally, in the end to promote disclosure in plain English.

Simplifying the process of accountability will do two things: First, it reduces the risk of error and misuse by making the process simpler and more transparent. And, second, it will help working families have visibility to information they can understand without needing to ask a CPA or a tax attorney.

I appreciate the efforts of these organizations thus far to reduce complexity, and I recognize the public statements of support for such efforts by SEC Chairman Chris Cox and FASB Chairman Robert Herz. As SEC Chairman Cox said at the SEC Historical Society meeting in June, this process is going to be a long one, but it is worth it to make sure that the capital markets remain strong and remain vibrant. I urge my colleagues to support this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. ISRAEL. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support of the Promoting Transparency in Financial Reporting Act, and I want to thank my very good friend from Kentucky (Mr. DAVIS) for introducing this important measure. I was pleased to cosponsor it and I am very pleased to work with him on the bill.

I also want to thank the chairman and ranking member of the Financial Services Committee, Mr. OXLEY and Mr. FRANK, for bringing this bipartisan legislation to the floor today.

H.R. 5024 requires that the chairpersons of the Securities and Exchange Commission, the Financial Accounting Standards Board, and the Public Company Accounting Oversight Board provide oral testimony to the Committee on Financial Services on their efforts to reduce the complexity in financial reporting to provide more accurate and clear financial information to investors. These appearances before the committee would begin in 2007 and continue annually for 5 years.

Madam Speaker, the ability of America's investors to make informed decisions is severely compromised when financial reporting is inaccurate, when it is incomplete, when it is unclear. We saw the consequences of bad financial reporting years ago during the corporate accountability scandals at Enron and WorldCom, among others. Those bankruptcies not only revealed weaknesses in many aspects of our financial reporting system, but showed the devastating financial impact when their financial statements are not held to the highest standards.

In many cases, the complexity of financial reporting requirements has made it very difficult to detect purposeful violations of those standards. Congress, regulators, and the industry assessed these financial reporting failures and reacted with efforts aimed at strengthening the financial reporting system. Sarbanes-Oxley made very important initial strides to this end; however, more needs to be done.

This measure is an important next step. By calling on the SEC, PCAOB, and FASB to testify each year on the steps they are taking to improve financial disclosures, Congress is ensuring that it can and will effectively carry out its oversight function. We can gather the necessary information to ensure that, should we need to act legislatively, we are doing it in a sober, thoughtful manner based on data rather than in haste as we respond to the latest news cycle.

Madam Speaker, this legislation will help us as we work with the FEC, FASB and the PCAOB to improve our financial reporting system. It is important that we maintain a consistent focus on this issue. And, to that end, I urge all of my colleagues to support the measure. Again, I was pleased to work closely with the gentleman from Kentucky.

Madam Speaker, I reserve the balance of my time.

Mr. DAVIS of Kentucky. Madam Speaker, again, I want to reiterate my thanks to the gentleman from New York. It has been a great process to see this come to pass. Let's pass this bill as a first step toward creating a process for continuous improvement that will simplify and improve our financial reporting regulatory framework.

Madam Speaker, I have no other requests for time, and I yield back the balance of my time.

Mr. ISRAEL. Madam Speaker, everything that can be said has been said. We have no speakers, and I yield back my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Kentucky (Mr. DAVIS) that the House suspend the rules and pass the bill, H.R. 5024, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DISASTER RECOVERY PERSONAL PROTECTION ACT OF 2006

Mr. KUHL of New York. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5013) to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to prohibit the confiscation of firearms during certain national emergencies, as amended.

The Clerk read as follows:

H.R. 5013

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Disaster Recovery Personal Protection Act of 2006".

SEC. 2. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the Constitution states that a "well regulated militia, being necessary to the security of a free State, the right of the people to keep and bear arms, shall not be infringed", and Congress has repeatedly recognized this language as protecting an individual right.

(2) In the wake of Hurricane Katrina, State and local law enforcement and public safety service organizations were overwhelmed and could not fulfill the safety needs of the citizens of the State of Louisiana.

(3) In the wake of Hurricane Katrina, the safety of these citizens, and of their homes and property, was threatened by instances of criminal activity.

(4) Many of these citizens lawfully kept firearms for the safety of themselves, their loved ones, their businesses, and their property, as guaranteed by the Second Amendment, and used their firearms, individually or in concert with their neighbors, for protection against crime.

(5) In the wake of Hurricane Katrina, certain agencies confiscated the firearms of these citizens in contravention of the Second Amendment, depriving these citizens of the right to keep and bear arms and rendering them helpless against criminal activity.

(6) These confiscations were carried out at gunpoint by nonconsensual entries into private homes, by traffic checkpoints, by stoppage of boats, and otherwise by force.

(7) The citizens from whom firearms were confiscated were either in their own homes or attempting to flee the flooding and devastation by means of motor vehicle or boat, and were accosted, stopped, and arbitrarily deprived of their private property and means of protection.

(8) The means by which the confiscations were carried out, which included intrusion into the home, temporary detention of persons, and seizures of property, constituted unreasonable searches and seizures and deprived these citizens of liberty and property without due process of law in violation of fundamental rights under the Constitution.

(9) Many citizens who took temporary refuge in emergency housing were prohibited from storing firearms on the premises, and were thus treated as second-class citizens who had forfeited their constitutional right to keep and bear arms.

(10) At least one highly-qualified search and rescue team was prevented from joining in relief efforts because the team included individuals with firearms, although these individuals had been deputized as Federal law enforcement officers.

(11) These confiscations and prohibitions, and the means by which they were carried out, deprived the citizens of Louisiana not only of their right to keep and bear arms, but also of their rights to personal security, personal liberty, and private property, all in violation of the Constitution and laws of the United States.

SEC. 3. PROHIBITION ON CONFISCATION OF FIREARMS DURING CERTAIN NATIONAL EMERGENCIES.

Title VII of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5201) is amended by adding at the end the following:

"SEC. 706. FIREARMS POLICIES.

"(a) PROHIBITION ON CONFISCATION OF FIREARMS.—No officer or employee of the United States (including any member of the uniformed services), or person operating pursuant to or under color of Federal law, or receiving Federal funds, or under control of any Federal official, or providing services to such an officer, employee, or other person, while acting in support of relief from a major disaster or emergency, may—

"(1) temporarily or permanently seize, or authorize seizure of, any firearm the possession of which is not prohibited under Federal, State, or local law, other than for forfeiture in compliance with Federal law or as evidence in a criminal investigation;

"(2) require registration of any firearm for which registration is not required by Federal, State, or local law;

"(3) prohibit possession of any firearm, or promulgate any rule, regulation, or order prohibiting possession of any firearm, in any place or by any person where such possession is not otherwise prohibited by Federal, State, or local law; or

"(4) prohibit the carrying of firearms by any person otherwise authorized to carry firearms under Federal, State, or local law, solely because such person is operating under the direction, control, or supervision of a Federal agency in support of relief from the major disaster or emergency.

"(b) LIMITATION.—Nothing in this section shall be construed to prohibit any person from requiring the temporary surrender of a firearm as a condition for entry into any mode of transportation used for rescue or evacuation during a major disaster or emergency.

"(c) PRIVATE RIGHTS OF ACTION.—

"(1) IN GENERAL.—Any individual aggrieved by a violation of this section may seek relief in an action at law, suit in equity, or other proper proceeding for redress against any person who subjects such individual, or causes such individual to be subjected, to the deprivation of any of the rights, privileges, or immunities secured by this section.

"(2) REMEDIES.—In addition to any existing remedy in law or equity, under any law, an individual aggrieved by the seizure or confiscation of a firearm in violation of this section may bring an action for return of such firearm in the United States district court in the district in which that individual resides or in which such firearm may be found.

"(3) ATTORNEY FEES.—In any action or proceeding to enforce this section, the court shall award the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. KUHL) and the gentlewoman from Florida (Ms. CORRINE BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. KUHL of New York. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous materials on H.R. 5013, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KUHL of New York. Madam Speaker, I yield myself such time as I may consume.

In the wake of Hurricane Katrina, State and local enforcement and public safety service organizations were overwhelmed, and many citizens felt threatened. Many of these citizens lawfully kept firearms for the safety of themselves, their loved ones, their businesses, and their property as guaranteed to them by the second amendment, and used their firearms for protection against crime.

Following the hurricane, certain agencies confiscated the firearms of these law-abiding citizens, rendering them helpless against criminal activity. H.R. 5013, the Disaster Recovery Personal Protection Act of 2006, was introduced by Representative JINDAL on March 28, 2006. I am a proud cosponsor of this bill which amends the Robert T. Stafford Disaster Relief and Emergency Assistance Act to prohibit the confiscation of lawfully possessed firearms by an individual operating under the color of Federal law while acting in support of a major disaster or emergency declaration, unless the confiscation is otherwise permitted by law.

This bill ensures that law-abiding citizens can continue to protect themselves, their loved ones, their businesses, and their property as guaranteed by the second amendment during disasters when law enforcement is most likely to be overwhelmed and unable to fulfill the safety needs of the citizens they serve. It prevents agencies from arbitrarily depriving law-abiding citizens of their private property and means of protecting themselves during a disaster.

Additionally, this bill clarifies that an individual may require the temporary surrender of firearms as a condition for entry into any mode of transportation used for rescue or evacuation during a disaster or emergency. For example, rescuers such as the Coast Guard can require the surrender of guns before an individual enters their vessel.

In short, this bill provides some commonsense limitation on the wholesale confiscation of guns during disasters without limiting the enforcement of local, state, or Federal laws.

Madam Speaker, I support this measure and urge my colleagues to do the same.

Madam Speaker, I reserve the balance of my time.

Ms. CORRINE BROWN of Florida. Madam Speaker, I yield to Mr. NADLER from New York such time as he may consume.

Mr. NADLER. I thank the gentlewoman for yielding.

Madam Speaker, I rise in opposition to H.R. 5013, the so-called Disaster Recovery Personal Protection Act of 2006. There is really only one word to describe this bill: Insane. The proper title of this bill should be The Right to Sue Cops and National Guardsmen Act of 2006.

The premise of the bill is that following Hurricane Katrina, and possibility other disasters, law enforcement personnel illegally seized guns from people who had legal permits to own a gun.

☐ 1445

In some cases, they may have been seized because law enforcement did not want guns inside a public shelter. In other cases, people evacuated and left guns behind, and the police collected these guns so they would not fall into the hands of looters.

The NRA claimed this was illegal and sued the New Orleans Police Department. The New Orleans Police Department stated it had to determine who were the rightful owners of the guns before they could return them. I believe the lawsuit has since been settled, and the guns are being returned to their rightful owners.

Yet, today, we are considering a bill that would ostensibly solve this so-called problem of guns being illegally seized following a disaster. Since the lawsuit arises from this issue that has been resolved, I do not see why the legislation is necessary.

But how does this bill solve the supposed problem? It actually creates a private right of action for gun owners to sue personally cops, National Guardsmen, FBI officers, and other law enforcement personnel who are simply carrying out their jobs following a disaster or emergency situation.

The bill says that no Federal employer officer, including the military, National Guardsmen, or any person connected to the Federal Government, such as members of police departments, local police departments, that receive Federal funding, or anyone acting in support of relief to a major disaster or emergency, may seize any firearm which is allowed under Federal or local law. If they do seize such a gun, it would allow a gun owner to sue a cop or National Guardsman personally, not the government, sue the cop personally, even if the officer was carrying out his official duties. And the gun owner can even recover attorneys fees.

Aside from the fact that the entire premise of the bill is ridiculous, there are a number of serious problems with the legislation.

First, the presumption is all in favor of the gun owner and not the cop. There is no requirement that the gun owner prove the gun is legal at the time it is seized. So, if a cop sees someone with a gun, he has no evidence of his right to have a gun, maybe the cop suspects he was a looter, if the cop takes the gun, he is personally liable if it turns out he had a legal right to it later. Also, if a cop finds a gun on the floor or in a store or in a home and takes it to prevent it from getting into the hands of looters, that cop can now be sued. So let us leave the guns lying around for the looters to pick up and shoot people with.

Second, if this bill passes, Federal response officials and aid workers, such as the Red Cross, would have no say where guns are carried. They could not prohibit guns in public shelters where kids are present, nor could they prevent armed gangs and vigilantes from showing up and wandering the streets with guns. Private volunteers with guns can show up in any disaster situation, and law enforcement would have no say.

Third, the bill applies to a "major disaster or emergency," which includes a terrorist attack. So if the New York Police Department responds at the World Trade Center, or the military responds to an attack at the Pentagon, and there is a group of guys with guns, law enforcement cannot disarm them without risking being sued. Why would we want to tie the hands of the military responding to a terrorist attack?

This bill has a chilling effect on law enforcement responding to a major disaster or to a terrorist attack. If law enforcement illegally seizes firearms, or seizes firearms that turn out to be legally owned, even though they have no reason to believe they are at the time, aggrieved parties already have the right to sue, as was the case when the NRA sued the NOPD. I should restate that. If law enforcement illegally seizes firearms, aggrieved parties today can sue, as was the case when the NRA sued the New Orleans Police Department. The only reason for this bill, to give an additional right, seems to be vindictive, to force some poor police officer or National Guardsman doing his job into bankruptcy.

If there really is a problem, this legislation is not the way to fix it. It is too broad, it is poorly drafted, and it will create more dangers in times of major disasters.

That is why the International Brotherhood of Police Officers and the Violence Policy Center have expressed opposition to this bill. I also have a letter in opposition from the Major Cities Chiefs Association, which represent 57 major law enforcement organizations. I urge my colleagues to oppose the bill.

MAJOR CITIES CHIEFS,
OFFICE OF THE PRESIDENT,
June 19, 2006.

Re H.R. 5013 and S. 2599, the "Disaster Recovery Personal Protection Act of 2006."

U.S. CONGRESS,
Washington, DC.

DEAR LEGISLATOR: The Major Cities Chiefs (MCC) Association represents fifty-seven (57) major law enforcement organizations in the United States and Canada who are located in a metropolitan area of more than 1.5 million population and employ more than 1,000 law enforcement officers. All our officers are actively engaged in providing law enforcement, public safety and homeland security to the citizens of our communities every day. We are writing in opposition to H.R. 5013 and S. 2599, the "Disaster Recovery Personal Protection Act of 2006."

As law enforcement professionals, we understand and acknowledge the Constitutional limitations on police power to confiscate personal property. These limitations, however, must be balanced with the need to maintain public safety and security during emergency situations. We are concerned that the bill would void local laws that guide police actions regarding firearms in emergency situations. We also feel that police should be allowed to take into safekeeping any dangerous weapons and/or explosives they find abandoned in a building or home.

Additionally, as law enforcement executives, we feel if the President, a governor and/or mayor declares a state of emergency for a devastated area after a disaster, these officials should also be allowed to temporarily include provisions for a weapon-free zone during the area's recovery. For example, law enforcement may need to ensure that evacuation sites are free of weapons. Sister law enforcement agencies responding to a disaster must also be free to carry their firearms into another jurisdiction and help maintain law and order until the devastated area recovers.

Finally, we are concerned that the bill creates a new right to file lawsuits against police who take abandoned guns for safekeeping in an emergency or create emergency secure areas free from weapons. The bill should not create a new right to file lawsuits against law enforcement seeking to safeguard the public in emergency situations.

Should you need additional information, please feel free to contact MCC's General Counsel Craig Ferrell for further clarification of our position.

Sincerely,

HAROLD L. HURTT,
MCC President.

NATIONAL ASSOCIATION OF GOVERNMENT EMPLOYEES, SEIU, INTERNATIONAL BROTHERHOOD OF POLICE OFFICERS,
Alexandria, Va.

The IBPO stands by our brothers and sisters in law enforcement and disapproves of any legislation that may interfere with a police officer's discretion to react as he or she sees fit under extreme emergency circumstances. Furthermore, the IBPO believes that responsible gun owners who continue to act in accordance with federal, state and local law are unlikely to have their guns confiscated unless they use or possess the guns in a manner or place that would be prohibited or threatening. The IBPO does not endorse the Vitter amendment #4615.

Signed,

STEVE LENKART,
Special Asst. to the President,
Director of Legislative Affairs.

Mr. KUHL of New York. Madam Speaker, I yield as much time as he may consume to the gentleman from Alaska (Mr. YOUNG), the chairman of the Transportation and Infrastructure Committee.

Mr. YOUNG of Alaska. Madam Speaker, I thank the gentleman for yielding.

I would like to suggest one thing. I deeply respect the individual from New York that just spoke against the legislation.

H.R. 5013 does not specifically address gun possession in emergency shelters. It addresses only housing except to prohibit future guns regulations above and beyond the Federal, State, and local law. This requirement was included to prevent the repeat of a short-lived FEMA effort to ban gun possession in the FEMA trailer parks in Louisiana.

H.R. 5013 does not override Federal, State or local laws restricting gun possession in various locations often used as shelters such as schools, government buildings and sports arena. That is what this bill does not do.

We address these issues, including the one where the Coast Guard was rescuing someone with a helicopter, they could not bring a firearm on board that vessel or that aircraft.

I would like to suggest this would never have had to happen if someone, and I will say government people, of what branch or other had decided they would take law into their own hands and go into a law-abiding home and confiscate a gun from a citizen who had done no wrong, was only trying to protect their home. That is the premise of our democracy and our Republic, is the right to protect your castle. Regardless of whether it is the hoodlum, the burglar, the murderer, the rapist, or the government, no one has the right to take away my ability to defend myself, nor my cherished ones from he would intrude upon my being and my home. That is the second amendment; that is my right.

To have a government, during a time of duress, the hurricane as bad as it was, to go into areas that were trying to protect themselves, and by the way, they went on television and said they did not have the manpower to address the looting, the rioters and the hoodlums but they had the manpower to go in and to take and confiscate arms from the law-abiding citizens of Louisiana, and by the way, I believe this is the only area it did occur.

So what I am suggesting in this legislation, I want to thank Mr. JINDAL especially being the prime sponsor, this legislation precludes the government from taking away what is my cherished personal right to protect those I love, in a time a duress and, yes, even in a time of peace because you will never know when that peace will be eroded and taken away from you.

So this legislation is a step because someone else misstepped, and some would say it is not necessary, it will not happen again. I have been around here long enough to know never say it will not happen again.

So we should look forward to this legislation and pass it. Get on with it and let those government agencies that misstepped know that they now are under the scope of reality and what is right for this great Nation.

The SPEAKER pro tempore. Without objection, the gentleman from Minnesota (Mr. OBERSTAR) will control the time.

There was no objection.

Mr. OBERSTAR. Madam Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY. Madam Speaker, once again, number one, I want to say that I stand by the remarks of my colleague from New York (Mr. NADLER), but once again, this Congress is waging a war on common sense.

House leadership accuses the New Orleans Police Department of going door to door confiscating guns in the aftermath of Hurricane Katrina, but the superintendent of the department states that this was not the case at all. Does anybody really think that after a disaster of that magnitude a police department's first priority is to go door to door and harass gun owners? Of course not.

Police merely arrested people who were breaking the law on the streets of New Orleans. They were doing what they could to stop the looting and the sniper fire that slowed down the rescue workers. They never entered homes with the intent of collecting law-abiding citizens' guns, and by the way, we do not believe in that. We do not believe in going into someone's home without due cause on getting someone's gun.

This latest scheme to appease the gun lobby will tie the hands of our police officers during times of crisis. The streets of an American city immediately after a disaster are no place to abandon common sense, and this bill does not do it, not even for the future.

This bill allows guns in emergency shelters, provided the guns are legal. What if the gun owner does not have his license with him? Is the Red Cross official supposed to conduct background checks on gun owners to make sure they are legal? Can you imagine the chaos if loaded guns were allowed in the Superdome during Katrina? Again, it defies common sense.

Everyone agrees that the government failed when responding to Hurricane Katrina; but instead of addressing the real shortcomings revealed by Katrina, the House chooses to make our first responders' jobs more difficult in the critical hours following a natural disaster or even a terrorist attack.

This Congress has already cut funding to police officers and firefighters. Congress refused to make sure that the most at-risk communities received their fair share of homeland security funding, and now Congress is giving looters and criminals the upper hand in the aftermath of disaster.

It is time for common sense. Vote "no" on this irresponsible bill.

Madam Speaker, I now want to address some questions to the manager of H.R. 5013. To my colleague from New York (Mr. KUHL) may I ask, Would this bill permit a person to bring a gun into a rescue shelter?

I yield to the gentleman from New York.

Mr. KUHL of New York. Thank you for yielding the time, but I would yield to the sponsor of the bill, Mr. JINDAL from Jefferson Parish. He can tell you exactly what the bill deals with and the detail. I am simply the manager.

Mr. JINDAL. I thank the gentlewoman for yielding.

This bill does not create nor does it delete any existing rights or State laws. So for example if there are existing State laws prohibiting guns in State shelters, this bill would do nothing to remove that prohibition. For example, many States already have existing laws prohibiting guns or firearms in schools, in sports arenas, or in other areas commonly used as shelters. Nothing in this bill would override that prohibition.

Mrs. MCCARTHY. Taking back my time, I understand that, but I know there are 17 States that already do not have any laws on the books. So the Federal law would not supercede what you are trying to do.

May I ask another question. If a State law gives a Governor or mayor broad powers under a state of emergency, may that official order temporary confiscation in the name of public safety? Or must the State law be specific? I yield again to the gentleman from New Orleans.

Mr. JINDAL. Madam Speaker, I thank the gentlewoman again for yielding.

Again, if there is existing law allowing the Governor in a state of emergency or other circumstances to take extraordinary measures, nothing in this legislation would prohibit that Governor from doing so, or in Louisiana's case, it may by the primary law enforcement officer of the parish, we call them parishes, not counties, nothing in this bill would override, supercede existing State laws that allow the Governor or chief executive officer from doing so.

Mrs. McCARTHY. I thank the gentleman for that answer, and one more question. Who is liable in any lawsuit authorized by this bill? Is it the officer who confiscates a gun or the city or the State? The language, even though I know you worked to change the language, is still a little bit confusing. I will state my question again: Who is liable in any lawsuit authorized by this bill? Is it the officer who confiscates a gun or the city or the State? Can the Federal Government be sued if the confiscation is made by a Federal officer? Can a person seek monetary damages in addition to the return of the gun?

I yield again to the gentleman.

Mr. JINDAL. Madam Speaker, again, let us be clear. I know there has been a lot of confusion and a lot of rhetoric about the private right of action contained in this bill.

In Louisiana's case, going back to what happened specifically after Katrina, our State has already passed a State law prohibiting anybody in State or local law agencies from confiscating legally owned guns. The intent of this law is to apply to those agencies receiving Federal funds. The intent of the right of action was to counteract what happened last year when, even despite a court judgment, despite a ruling from a judge, there was still not compliance with that court ruling to return the firearms.

So the intent is to be able to allow the individuals to recover, for example, attorneys fees, court costs to put some teeth into this bill to make sure that if a judge does indeed rule in favor of a plaintiff that action will be taken. That did not always happen last year in Louisiana after Katrina.

Mrs. McCARTHY. Reclaiming my time, and let me follow up with what you had just said. Because the language in the bill, as it stands right now, there is not really a clarification on that, and I hope that we can work on that.

Mr. KUHL of New York. Madam Speaker, I yield 3 minutes to the distinguished gentleman from Louisiana (Mr. JINDAL), the sponsor of the bill.

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Mr. JINDAL. I thank my colleague from New York for handling this bill and for supporting this in committee.

Madam Speaker, I have a letter from the Fraternal Order of Police endorsing H.R. 5013, which I am pleased to submit for the RECORD.

GRAND LODGE,
FRATERNAL ORDER OF POLICE,
Washington, DC, July 24, 2006.

Hon. BOBBY JINDAL,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE JINDAL, I am writing to you on behalf of the members of the Fraternal Order of Police to advise you of our support for H.R 5013, the "Disaster Recovery Personal Protection Act," which is scheduled to be considered by the House tomorrow

This legislation would prohibit the use of any Federal funds from being used to seize firearms during a major disaster or emergency, except under circumstances currently applicable under Federal or State law. As we witnessed in the communities along the Gulf Coast in the wake of Hurricane Katrina, large scale critical incidents demanded the full attention of law enforcement officers and other first responders. During this time, the preservation of life—search and rescue missions—is the chief priority of every first responder. Further, breakdowns in communications systems and disaster-related transportation or other infrastructure failures will lengthen a law enforcement agency's response times, increasing the degree to which citizens may have to protect themselves against criminals. A law-abiding citizen who possess a firearm lawfully represents no danger to law enforcement officers or any other first responder.

On behalf of the more than 324,000 members of the Fraternal Order of Police, I am pleased to offer our support for this bill and look forward to working with you to getting it passed. If I can be of any further assistance on this issue, please do not hesitate to contact me or Executive Director Jim Pasco in my Washington office.

Sincerely,

CHUCK CANTERBURY,
National President.

Madam Speaker, a lot has been made and said about this bill, H.R. 5013, and I want to take people back into the days, the hours right after Hurricane Katrina that devastated my home State. I want to remind people my constituents, many of them, were sitting in their homes without power, without water, and without communication. It was literally impossible to pick up a phone and call 9/11. For many, there was no recourse or ability to call for the police.

Now, the first responders, the local and State law enforcement agents, many did a heroic job; however, they couldn't physically be at every place at every time. Indeed, many law enforcement officials advised residents to only return if they had firearms. Members of my staff were advised only to return if they were in possession of a firearm. It was a very different time than what we are normally accustomed to in our cities.

H.R. 5013 makes sure that those that are obeying the law, lawful residents, are able to keep their legally owned firearms, whether it be in their home, in their cars, in their businesses. There were instances where people were deprived of this right. Now, let me repeat this. At the same time that we had looters, at the same time we had other problems in our State and in our city, we absolutely had bureaucrats depriving people of their legal constitutional rights to possess a legally owned firearm.

Now, contrast that with the situation in our neighboring State of Mississippi where the Governor famously said, "If you loot, we will shoot." There were literally signs put up saying, "If you loot, we will shoot." This bill is intended to make sure that, God forbid, if there is another hurricane, another natural disaster, another calamity in my home State, that my constituents aren't left defenseless, they aren't left without the ability to call 9/11, they are not left without the ability to defend their homes, defend their properties, or defend their families.

Now, indeed, Ronald Reagan once famously said, and I will paraphrase, at the very least, we want any potential looters to have to think twice before they go through that front door. We want them to at least think twice that maybe those potential victims are armed and maybe that can serve as a useful deterrence.

There are many things this bill does not do. It does not create any new rights or any other limitations under Federal, State, or local law. Now, I was pleased to answer the questions of my colleague from New York. This bill, further, does not prevent, does not prevent confiscating guns from felons. It has no effect on law enforcement operations outside of the disaster relief situation.

It does not have any impact on law enforcement's ability, for example, to go after criminals and looters, to stop suspect behavior. It has no impact on law enforcement's ability to secure weapons, for example, that may be lying outside of somebody's possession. States are able, under this bill, to regulate their own shelters. States are able to adopt their own laws.

For example, in Minnesota, a firearm cannot be brought on private property when the owner has posted a notice of that prohibition. My bill does not change this. This bill specifically allows the Coast Guard and others who are evacuating individuals to have their own regulations, to have their own requirements for getting on those boats, or getting on those helicopters.

For example, it allows the temporary surrender of a firearm as a condition of entry. If a State, and many do, if a State does give express authority to ban possession of a firearm to the government, to others, my bill does nothing to supersede that.

In conclusion, I am proud that my bill has the support of over 150 Members of this House, Democrats and Republicans, and it has the support of the national Fraternal Order of Police. A similar bill has been adopted in my home State of Louisiana. It does one simple thing: it merely protects residents' legal right to own firearms.

Mr. OBERSTAR. Mr. Speaker, I yield 1½ minutes to the gentleman from New York.

Mr. NADLER. If the gentleman will yield for a question, under this bill, if a law enforcement officer had completed evacuating people from someplace and saw a few guns lying around in a house, and didn't know who they belonged to but wanted to take them up so that looters who might come by later couldn't take them and present a menace to the public, would this prevent him from doing that?

Would this subject him to a lawsuit later personally if it turned out that the owner of the house came back and said, why did he take my legally owned guns?

Mr. JINDAL. Mr. Speaker, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Louisiana.

Mr. JINDAL. What happened actually in New Orleans, let's actually go back to what happened.

Mr. NADLER. Answer the question, please.

Mr. JINDAL. I will, but let me actually tell you what happened in New Orleans. I would like to offer a few facts for the record as well.

There was looting, for example, of stores, where guns were potentially going to fall into the wrong hands. Nothing in this bill would prohibit law enforcement, after arresting those looters, from securing those firearms.

Mr. NADLER. Reclaiming my time, I am not talking about after arresting looters. Law enforcement people see guns lying around in a house. They don't know who they belong to.

Mr. JINDAL. If the gentleman will continue to yield, I am talking about the instance of firearms lying around this store that has been looted. In the situation the gentleman describes, there is no reason for law enforcement officers to be in somebody's home that has been abandoned.

Mr. NADLER. Let me say this. There are lots of reasons why law enforcement may be going by: to check on the safety of people, to look into a house to see if anybody is there lying wounded or whatever. They see guns lying around. No one is there, thank God. They are all out, but they see guns lying around. Under this bill, if they pick up those guns, lest looters come and find them later and it later turns out that those guns legally belonged to the homeowner, when that homeowner returned, he could sue the individual privately. And, therefore, no cop in his right mind would pick up those guns. He would have to leave it for the looters.

This bill, as I said before, is insane.

Mr. KUHL of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania, the chairman of the Emergency Management Subcommittee, Mr. SHUSTER.

Mr. SHUSTER. I thank the gentleman, and, Mr. Speaker, I rise today in strong support of H.R. 5013, to help ensure the American people retain their rights to defend their families and property during the chaos which may follow during a disaster.

I also want to commend Congressman JINDAL, the sponsor of this bill, and Congressman KUHL for their hard work in bringing it to the floor today. The gentleman from Louisiana saw the breakdown of law and order following Hurricane Katrina and understands more than most why we need this bill. Congressman KUHL serves with me on the Emergency Management Subcommittee and is a long-standing champion of our second amendment rights. They both deserve the lion's share of credit for protecting our rights today.

I wish I could say that this bill wasn't needed, but after Katrina I know that it is. Following Katrina's devastation, thousands of law-abiding citizens found themselves in a desperate situation where chaos reigned and the police were overwhelmed. Under these circumstances, bedrock American principles, such as neighbor helping neighbor, self-reliance, self-defense, and even the right to bear arms were often the key to survival.

This bill is needed, because under those horrible conditions, too many Americans were denied their basic rights and had their legal firearms seized. That is simply wrong and must be changed before the next disaster strikes.

I also want to make clear, as I believe Mr. JINDAL has made clear, that this bill does not suspend any existing law enforcement, local, State, or Federal; nor does it somehow make it legal to use firearms in a way that is otherwise illegal. I want to repeat that, because some today are trying to confuse that. This bill does not spend any existing law enforcement power, local State, or Federal; nor does it somehow make it legal to use firearms in a way that is otherwise illegal.

If people use their guns illegally, then law enforcement has the legal authority to apprehend suspects and seize their guns. Nothing in this bill changes that.

In closing, let me again thank Mr. JINDAL and Mr. KUHL for their leadership on this issue, and I look forward to working with them and other Members to move this bill forward.

Mr. OBERSTAR. Mr. Speaker, may I inquire of the Chair how much time remains on both sides.

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from Minnesota has 8½ minutes remaining, and the gentleman from New York has 9½ minutes remaining.

Mr. OBERSTAR. I yield 2 minutes to the distinguished gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Speaker, I thank the gentleman for yielding, and, Mr. Speaker, I rise in strong support of H.R. 5013, the Disaster Recovery Personal Protection Act of 2006. This good bipartisan effort will protect individuals' rights to maintain their personal firearms during an emergency.

Unfortunately, we know what happened just a few months ago in the aftermath of Hurricane Katrina. Many in the gulf coast region had their personal firearms confiscated by authorities. Many families lost valuable heirlooms this way. H.R. 5013 would allow individuals in future disasters to maintain possession of their personal property, including their firearms.

I urge all of my colleagues on both sides of the aisle to support this commonsense and much-needed legislation.

Mr. KUHL of New York. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. SCHWARZ).

Mr. SCHWARZ of Michigan. Mr. Speaker, I rise today to join my colleagues in support of the Disaster Recovery Personal Protection Act, H.R. 5013, of which I am a cosponsor.

While looting and other criminal activity were taking place in New Orleans, many civilians chose to protect themselves and their property. Many of these citizens kept firearms for the safety of themselves, their businesses, their families, and their property. They used firearms individually or in concert with their neighbors for protection against crime.

However, these lawful weapons were confiscated at gunpoint by nonconsensual entries into private homes, traffic checkpoints, by stopping of boats, and otherwise by force. The citizens from whom firearms were confiscated were either in their own homes or attempting to flee the flooding and devastation by means of motor vehicle or boat and were accosted, stopped, and arbitrarily deprived of their private property.

The means by which the confiscations were carried out, which included intrusion into the home, temporary detention of persons, and seizures of property, constituted unreasonable searches and seizures and deprived these citizens of liberty and property without the due process of law, in violation of fundamental rights under the Constitution.

Many of the confiscated firearms were family heirlooms, gifts given as a child, or were collectors' items. All firearms were taken with a handwritten receipt on a stray piece of paper or no receipt at all. Individuals with proof of purchase and serial number are still not able to get their firearms back. Of the few firearms that have been returned, some are ruined beyond repair due to water damage. Many of the firearms lost or stolen will never be returned.

H.R. 5013 clearly states the rights of people who own firearms during a major disaster or emergency. H.R. 5013 protects civilians' rights to bear arms, and H.R. 5013 allows people the right to protect themselves and their property as our forefathers intended.

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the principal problem with this bill is that it didn't have any hearings. The bill was introduced and moved through the committee without deliberation, without consideration. Many of the issues that have been discussed this afternoon on the floor were issues that could and should have been raised in the course of hearings, and that would have been resolved, as they have been resolved in the bill now under consideration, but not in the bill introduced nor in the bill reported from committee.

Now, the appropriate order of business in our committee is we, unless there is overwhelming consensus, we have a hearing on a bill. And even on bills in which there is overwhelming consensus on both sides, we have hearings on the legislation, because there is always something that may come up that we hadn't thought about. And there were things that came up in this bill that the drafters hadn't thought about, and those were issues of law enforcement, public safety officials, specifically the Coast Guard.

The Coast Guard is mobilized to deal with a disaster when it has to evacuate persons stricken by disaster, hurricanes, floods, at sea under tempestuous circumstances, as we see on the Weather Channel the Coast Guard nobly rescuing people under extraordinary adverse circumstances. The bill, as introduced, would have prohibited a Coast Guard officer from requiring a person boarding a rescue helicopter, boarding a rescue vessel, a search and rescue ship, would have prohibited those persons from surrendering their firearm. Not to seize the firearm, not to take it away permanently, but to say we will keep this for you until you are safely onshore. There is no law that gives the Coast Guard the authority to do that.

Now, we should have had the bill under consideration in the committee, and we should have provided that authority to the Coast Guard, and that authority would be perfectly acceptable to advocates of firearm ownership. I have been, for 32 years, an advocate for firearm ownership. I have supported the right to keep and bear arms for all my service in the Congress and long before that, as a young lad growing up in northern Minnesota going out hunting before school and after school and on the weekends. But this is a different situation, and we needed that authority for the Coast Guard.

So now we have it in this language that is on page 5, line 19 of the bill before us. Subsection (b) Limitation: nothing in this section shall be construed to prohibit any person from requiring the temporary surrender of a firearm as a condition for entry into any mode of transportation used to rescue or evacuate during a major disaster or emergency.

□ 1515

That is sensible. That is reasonable. It is not confiscation. The Coast Guard in this case, the agency that we have in mind, will hold the firearm and, after the rescue is completed, the person gets the firearm back. Now, we should have had that in the bill before it even came to the House floor.

The other problem was that, on the face of it, it would prohibit operators of shelters from requiring the surrender of a weapon as a condition for entry into the shelter. Now, this same, similar language, operates to protect those who operate shelters, such as the Super Dome or the Convention Center.

Now, the principal author of the bill, the gentleman from Louisiana, spoke with accuracy about the circumstances in New Orleans and with some detail. I know of circumstances myself. My brother-in-law, who still lives in New Orleans, in fact, both my brother-in-laws live in New Orleans were affected by the flood.

I have a very close friend whose home was broken into. They were on the second floor. They heard the people looting the place. His gun was on the first floor. He had no access to the gun. He couldn't protect the house, so to save themselves, they fled into the attic while the looters were stripping their house. They might have been able to do something if they had had the gun on the second floor and had more access to it.

There are many circumstances of this kind, where the person, as the gentleman from Louisiana said, should be able to protect him or herself in their own home. But you don't need a gun to go into the Superdome. You don't need a gun when you are in the Convention Center. If you have one and you are there, this legislation permits, under and in accordance with State and local law, the surrender of that firearm for the time of keeping or refuge in the center. That is what it does. So we have a good balance between the second amendment rights of our fellow citizens, the responsibilities of the Coast Guard, protection of the Coast Guard against frivolous actions, and protection of fellow citizens who operate in all good faith, shelters for victims of disaster. In that spirit, this legislation ought to be enacted, and we ought to support the bill and it ought to pass handily in this House.

Mr. Speaker, I yield back the balance of my time.

Mr. KUHL of New York. Mr. Speaker, in conclusion, let me simply thank the subcommittee chairman of Emergency Management, Mr. SHUSTER, for bringing this bill through the subcommittee, and certainly Chairman YOUNG for moving the bill through the Transportation and Infrastructure Committee, and most importantly, I think we owe a great deal of thanks to Mr. JINDAL for recognizing a situation which was very, very, I am sure, difficult for some of the residents of his district and the people of New Orleans to face.

It is one thing to face a tragedy, but then also to be thrown into a situation where, in fact, you are not only stripped of your guns, your means of protection, but you are stripped of your constitutional rights. And that was what was done to the people of New Orleans whose guns and protection for their family was actually occurring in front of their very eyes. So, you know, this body is all about adopting laws that are meant to face situations that we haven't faced before, and certainly Katrina was one of those instances we did not face before, a storm of this magnitude.

So, Mr. Speaker, I urge my colleagues to support this bill. I think it is a terrific bill to insure the second amendments rights to the people of not only New Orleans and future disasters, but certainly the people of this country. And I would urge all my colleagues to support it.

Mrs. CUBIN. Mr. Speaker, I hail from a state where we cherish the fundamental Second Amendment right of law-abiding citizens to own firearms. The Second Amendment is one of the most meaningful ways in which the founders of our great Nation worked to guarantee our freedom and liberty.

Nowhere does the principle of liberty exist more fully than in the right to protect yourself, your loved ones and your property. With the breakdown of law and order in New Orleans following Hurricane Katrina, thousands were confronted with grave threats to their health and safety. Calls to 911 went unanswered. Police failed to stop the violence and looting. Many of the law-abiding people of New Orleans were on their own to protect themselves.

I was outraged that authorities illegally confiscated firearms from many of these citizens at the time they needed them most. The government rendered individuals and families defenseless and helpless in the face of imminent danger. In one case, a search and rescue team was banned from assisting in relief efforts because some of them had firearms. There are also reports of officials arbitrarily searching homes, cars, and boats in search of firearms. This is not only unacceptable, it is a violation of our Nation's Constitution.

I cosponsored the Disaster Recovery Personal Protection Act of 2006 to ensure that the confiscation of firearms in New Orleans will not become a precedent for crises in the future. H.R. 5013 will prohibit federal officials, or state and local officials under federal control, from seizing firearms or restricting firearms possession outside of applicable federal, state or local law.

I urge my colleagues to support this important legislation, which makes it clear that citizens can count on their constitutional right to bear arms at times when they need it the most.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I rise today to oppose this bill, the Disaster Recovery Personal Protection Act.

As you may know, I am from Florida. I do not hide that fact and am very proud of it. Occasionally, we get hurricanes in Florida and it is dangerous for us to stay in our homes.

When I go to a shelter, I do not want to have to worry that the person next to me has a gun. The shelter is a safe haven, and if that man over there has a gun, I am not safe.

The police are there for a reason. If a person has a gun, that is a threat to the public safety.

Looting is bad. I do not deny that. However, possessions can be replaced. Things are just that: things.

Your life cannot be replaced.

Vote no on this bill today.

Let us debate this bill in Committee and hold hearings to hear all sides of the issue before we decide whether we are putting our first responders into greater danger.

Mrs. DRAKE. Mr. Speaker, I am proud to come to the floor today to voice my support for H.R. 5013, the Disaster Recovery Personal Protection Act.

In the wake of Hurricane Katrina, we heard reports regarding the seizure of firearms from law-abiding citizens by representatives of the federal government. I was disheartened by these reports.

As we know, the Second Amendment to the Constitution firmly establishes our right to keep and bear arms. This fundamental right is all the more necessary in the aftermath of a major disaster when government is unable to provide reliable protection from crime. The denial of this right by federal officials in the aftermath of Katrina was deplorable.

The Second Congressional District of Virginia, which I represent, encompasses the entire Atlantic coastline of the Commonwealth. While we have not experienced a natural disaster on the scale of Hurricane Katrina, the Second District is itself very susceptible to the threat of Hurricanes and other natural disasters.

With enactment of this legislation, we will codify the right of law-abiding citizens in areas affected by disasters to be able to protect themselves, their families, and their property.

I am a cosponsor of the Disaster Recovery Personal Protection Act because I believe this Congress should be committed to protecting our Constitutional right to keep and bear arms. I am proud to support this legislation and I urge my colleagues to do the same.

Mr. BOUCHER. Mr. Speaker, I rise in support of H.R. 5013, the Disaster Recovery Personal Protection Act. This legislation would ensure that gun owners' second amendment rights are not compromised in times of natural disaster. I am pleased to lend my strong support to this measure as it is considered today.

The Disaster Recovery Personal Protection Act addresses a problem brought to light in the aftermath of Hurricane Katrina. In the wake of Hurricane Katrina and the resulting flood, federal and local law enforcement officials confiscated the firearms of numerous law-abiding individuals. Those actions were entirely unjustified. This injustice must not be repeated elsewhere.

By prohibiting federal, state, or local law enforcement officers from seizing legally-owned firearms which have in no manner been misused during national emergencies, this legislation would prevent a repeat of the abuse of emergency powers that followed Hurricane Katrina.

The government should never confiscate legally-purchased and properly used firearms from law-abiding citizens. Whether natural disasters occur or not does nothing to alter this reality: lawful gun owners have the unalienable right to possess and transport their firearms.

H.R. 5013 would not restrict the ability of law enforcement officials to confiscate stolen firearms or to act when firearms are used in an unlawful manner.

In the aftermath of the hurricane, the absence of an established policing force allowed criminals to loot business and threaten rescue workers and residents of the city. Many individuals looted gun stores and other places of business which sell firearms. As with any stolen property, these stolen firearms should be confiscated, and the individuals who stole them and misused them for crimes should be punished.

Law enforcement officials, however, seized thousands of firearms from law-abiding citizens. During the lawlessness and disorder of the disaster, the law-abiding citizens of the region needed to be able to arm themselves and defend their families and property against criminals. The seizing of these individuals' firearms left them defenseless in the chaos following the hurricane. This legislation protects the second amendment rights of citizens when that right to self-defense is needed most.

The Disaster Recovery Personal Protection Act is a common sense measure to prevent the confiscation of firearms from citizens who have committed no crime, and I strongly urge my colleagues to approve it.

Mr. MOLLOHAN. Mr. Speaker, I rise in strong support of H.R. 5013, the Disaster Recovery Personal Protection Act of 2006. I was pleased to vote in favor of this bill, which passed the House by a vote of 322–99.

During Hurricane Katrina, hundreds of citizens had their guns confiscated, depriving them of their Second Amendment right to bear arms when they needed it most. H.R. 5013 ensures that this type of confiscation can never happen again. The legislation prohibits the confiscation of legally owned weapons during national emergencies or presidential declared disasters, unless other Federal or State law permits the confiscation. This law applies to Federal officers and employees, including uniformed services, who receive Federal funds, are under the control of the Federal Government, or provide services to such personnel in support of relief efforts.

Additionally, the bill prevents the temporary or permanent seizures of firearms, or the authorization of such seizures; prevents requiring the registration of firearms, if registration is not required by Federal or State law; prevents prohibiting the possession of a firearm, or issuing regulations or orders prohibiting the possession of a firearm if the possession is permitted under law; and prevents prohibiting the carrying of firearms by a person who is otherwise authorized to do so under State or Federal laws solely because that person is operating under the direction, control, or supervision of a Federal agency.

I have been a proud defender of our second amendment right throughout my tenure in Congress. This vote preserves and protects this Constitutional right during times of extreme disasters and emergencies, when the need for law-abiding citizens to exercise their basic right to defend themselves and their families is the greatest. I am pleased to have stood up for those rights by casting my vote in favor of H.R. 5013, the Disaster Recovery Personal Protection Act.

Mr. KUHL of New York. I yield back the balance of my time, Mr. Speaker.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. KUHL) that the House suspend the rules and pass the bill, H.R. 5013, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. KUHL of New York. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

AUTHORIZING ADDITIONAL APPROPRIATIONS FOR THE KENNEDY CENTER

Mr. SHUSTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5187) to amend the John F. Kennedy Center Act to authorize additional appropriations for the John F. Kennedy Center for the Performing Arts for fiscal year 2007.

The Clerk read as follows:

H.R. 5187

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS.

(a) MAINTENANCE, REPAIR, AND SECURITY.—Section 13(a) of the John F. Kennedy Center Act (20 U.S.C. 76r(a)) is amended—

(1) in paragraph (1) by striking "and" at the end;

(2) in paragraph (2) by striking ", 2006, and 2007." and inserting "and 2006; and"; and

(3) by adding at the end the following:

"(3) $19,100,000 for fiscal year 2007.".

(b) CAPITAL PROJECTS.—Section 13(b) of such Act (20 U.S.C. 76r(b)) is amended—

(1) in paragraph (1) by striking "and" at the end;

(2) in paragraph (2) by striking ", 2006, and 2007." and inserting "and 2006; and"; and

(3) by adding at the end the following:

"(3) $20,000,000 for fiscal year 2007.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

GENERAL LEAVE

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5187.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SHUSTER. Mr. Speaker, I yield myself such time as I may consume.

H.R. 5187 was introduced by Chairman YOUNG and Ranking Member OBERSTAR on April 25, 2006. The bill amends the John F. Kennedy Center Act to authorize additional appropriations for the Kennedy Center for fiscal year 2007.

The current authorization for fiscal year 2007 is $36 million for the capital projects and the maintenance, repair and security accounts. H.R. 5187 raises the previously authorized level for fiscal year 2007 from $36 million to $39.1 million to align the authorized level with that requested in the President's budget.

The slight increase in authorization will allow the Kennedy Center to proceed with the scheduled renovation of the Eisenhower Theater. Programing for the theater has been cancelled because of the renovation. It is critical that renovation proceed as scheduled to minimize the time the theater is offline. The additional authorization will also allow the Kennedy Center to continue necessary operations, maintenance requirements, including many life safety upgrades.

H.R. 5187 will help ensure that the Kennedy Center is authorized to use all funds appropriated in support of the President's budget for fiscal year 2007.

I support this measure, and urge my colleagues to do the same.

Mr. Speaker, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Speaker, the gentleman from Pennsylvania has indeed explained the principal provisions of the bill. We did here increase the capital program authorization to $20 million for fiscal 2007 from the current $18 million. And we increase the maintenance, repair and security authorization to $19.1 million, from the previous level of 18 million. That will allow the Center to proceed with renovation of the Eisenhower theater, and life safety projects associated with the roof terrace.

A major assessment of the Center indicated needs to enhance safety, and these are costs in addition to what the Center is capable of providing, so the authorization level will be consistent with those recommendations.

And the bill is also consistent with the administration's budget request to provide funding, and for the appropriation amounts included in the Interior, Environment and Related Agencies Appropriation bill.

The Kennedy Center is the Nation's outstanding center for the performing arts. It is a world renowned center for the performing arts, and is a national treasure. It is, in fact, a national historic site. It is under the jurisdiction of the Committee on Transportation and Infrastructure. We treat it as a national treasure.

These are investments in the future well-being of that structure. And the investments that we have made through this committee over many years at the time that the chairman of the subcommittee, the gentleman from Pennsylvania, Mr. SHUSTER, and the previous chairman of the full committee, Mr. SHUSTER, has seen to the needs, the investment that keep this Center for the Performing Arts a world premiere facility.

As President John F. Kennedy said, "a Nation without the arts has nothing to look backward to with pride, nor forward to with hope."

The investment that we make in the facility of the Kennedy Center for the Performing Arts allows us to look forward with hope to the grandeur and the joy of the spirit, the human spirit that is provided by the performing arts.

Mr. Speaker, I yield back the balance of my time.

Mr. SHUSTER. Mr. Speaker, we have no further speakers. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. SHUSTER) that the House suspend the rules and pass the bill, H.R. 5187.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXPRESSING THE SENSE OF CONGRESS IN SUPPORT OF A NATIONAL BIKE MONTH

Mr. PETRI. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 145) expressing the sense of Congress in support of a national bike month and in appreciation of cyclists and others for promoting bicycle safety and the benefits of cycling.

The Clerk read as follows:

H. CON. RES. 145

Whereas there are over 57 million adult cyclists in the United States;

Whereas it is estimated that 100 million United States citizens of all ages cycle each year;

Whereas 5 million United States citizens commute by bicycle to work;

Whereas the bicycle industry generates more than $5 billion dollars a year and is an important part of the economy of the United States;

Whereas recreational cycling is a safe, low-impact, aerobic activity for all ages;

Whereas when an individual cycles as a form of regular exercise, the health of the individual may be increased;

Whereas a national bike month would provide an opportunity to educate United States citizens about the importance of bicycle safety and the health benefits of cycling;

Whereas most communities in the United States officially recognize May 20th as Bike to Work Day; and

Whereas the month of May has officially been celebrated as National Bike Month by the League of American Bicyclists and the majority of the international cycling community since 1956: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that—

(1) United States citizens should observe a national bike month to educate citizens of the United States about the importance of bicycle safety and the health, transportation, recreational, and environmental benefits derived from cycling;

(2) health and transportation professionals and organizations should promote bicycle safety and the benefits of cycling; and

(3) United States citizens should salute the more than 57 million cyclists in the United States and the national and community organizations, individuals, volunteers, and professionals associated with cycling for promoting bicycle safety and the benefits of cycling.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Oregon (Mr. BLUMENAUER) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. PETRI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H. Con. Res. 145.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

Since 1956, the international cycling community and the League of American Bicyclists have celebrated May as National Bike Month. This resolution expresses the sense of Congress that U.S. citizens should observe a National Bike Month.

Over 100 million American citizens of all ages cycle each year. In addition, 5 million people commute by bike to work.

But these people are the exception, not the rule. Over 57 million people in the United States are overweight. 78 percent of Americans do not meet the recommended basic levels of activity.

During this time when childhood obesity and type II diabetes are rising at alarming rates, it is important that we encourage people to a more active lifestyle.

Cycling is a safe, low impact, aerobic activity for all ages. As more people participate in activities such as cycling, the recent trends in obesity and type II diabetes can be reversed.

Mr. Speaker, as a member of the Bike Caucus and cosponsor of this bill, I support efforts to publicize the benefits of cycling and of bicycle safety. My home State of Wisconsin is a leader among the States in the number of trails our residents can enjoy and more than half a million people in Wisconsin ride a bike at least once a month.

On the business side, we are the proud home of manufacturers of bikes and bike products. Even the President of the United States rides a Trek, headquartered in Wisconsin, as does seven-time Tour-de-France winner Lance Armstrong.

Mr. Speaker, I urge all of my colleagues to support H. Con. Res. 145. By establishing a National Bike Month we are providing the opportunity to educate people about the importance of bicycle safety and the health benefits of cycling.

Mr. Speaker, I reserve the balance of my time.

Mr. BLUMENAUER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is the 50th year we have observed Bike Month, and it has been somewhat delayed coming to the floor this year, but I think it is all the more significant.

We just witnessed this last week, American Floyd Landis in his heroic victory in the Tour-de-France, just in time for him to proceed with surgery to replace his hip.

We have watched this summer as gasoline prices have exceeded $3 a gallon across the country, and record high oil prices. To say nothing of the continued congestion, pollution and parking nightmares suffered by so many Americans. It is appropriate for us to reflect on the contributions of the bicycle today and its potential for the future.

☐ 1530

The bicycle is the most efficient form of urban transportation yet designed by man. It is fun, healthy, inexpensive. It is often identified with kids; and that is appropriate. We are working hard to make it safe and attractive for children. The recent reauthorization of the Surface Transportation Act authorized almost two-thirds of $1 billion for our historic Safe Routes to School program. We are watching safety education for young cyclists around the country.

But it is important to note, as my colleague from Wisconsin pointed out, that this is not just for children. We do have over 57 million Americans who take part in cycling as part of their regular routine. It is the seventh most popular recreational activity in America.

It is also serious transportation. Those 5 million American bicycle commuters that my colleague referenced in his comments a moment ago burn 90,000 calories a year for a 5-mile commute on average instead of seven barrels of oil, a savings of 35 million barrels of oil at a time when we are concerned about our energy dependence on oil from imported sources.

It is serious in terms of our economy. That commuter who was cycling was saving money. I did a little back-of-the-envelope calculation. Since I came to Congress 10 years ago and made a decision that I was going to bring a bicycle to our Nation's capital instead of an automobile, I have been able to save, conservatively, $40,000.

The economic impact goes beyond individuals who use bikes. It is a significant part of our Nation's economy, somewhere between $5.5 billion and $6 billion a year in economic activity just in terms of the direct bicycle industry. Worldwide there are three times as many bicycles manufactured as cars, and even in the United States we sell more bikes than automobiles. There are some 5,000 independent specialized bicycle shops around the country, 2,000 companies that are involved with the marketing of bicycles, and manufacture of accessories.

In my community, we have recently completed an economic impact statement for cycling in Portland, Oregon. We have been able to identify well over 800 jobs and over $63 million in direct economic impact in our little community. It has dramatic ripple effects across the country.

We are also seeing an explosion in the number of bicycle events, in my community, every day across the country, hundreds of them. Bicycle tourism has assumed a very significant role, starting with the historic Ragbride, the ride across Iowa. State after State are now involved with similar activities. Oregon has the Cycle Oregon, a week-long adventure that often is sold out the day that the route is announced. But there are others in terms of mountain bike adventures, cycling events on behalf of charity. This is an important mixing of charitable, economic, and recreational activity.

Our celebration of cycling also should include reflecting on the effects of integrating bicycling into the fabric of our community. There is nothing that is a better expression of a livable community. Indeed, some would suggest that a family that is able to cycle safely down the street is an indicator species of a livable community. Making bicycles available on transit vehicles, having bike parking, all of these make a difference in terms not just of the adventure but the utility of cycling in everyday life.

Mr. Speaker, since we formed the Bicycle Caucus here in Congress, and my colleague referenced his membership, we have 164 bike-partisan members of the Congressional Bicycle Caucus that are active in terms of not just promoting some recreational activity on the Hill for Members, their families and staff but also advocating on behalf of cycling in our Nation's capital and around the country.

We have been able, through a collective effort, to invest in the most recent reauthorization, not just the two-thirds of $1 billion I mentioned for Safe Routes to School but some $4.5 billion of bicycle path trail amenities, several thousand projects that are priority projects of Members. It seems that every Member that I talked to has a bicycle story, something that makes a difference to them individually or to their community.

We are celebrating Bicycle Month and its importance to the country not a moment too soon. Cycling is important for the health of our citizens. It is playing a larger role for the health of our economy and our environment and literally the health of our communities and our planet. We are recognizing not just a Bicycle Month but the role in cycling in making a livable community, making all our families safer, healthier, and more economically secure.

Mr. OBERSTAR. Mr. Speaker, I strongly support H. Con. Res. 145 to recognize May as National Bike Month and to acknowledge efforts of bicycling advocates to promote the limitless benefits of cycling, including reduced congestion, healthier lifestyles, and an environmentally friendly and efficient mode of transportation.

May has officially been celebrated as National Bike Month by the cycling community since 1956 to educate Americans about bike safety and the benefits of cycling.

H. Con. Res. 145 provides an opportunity to salute the more than 100 million people of all ages who cycle each year, and the national and community-based volunteers and professionals associated with cycling for promoting bicycle safety and the benefits of cycling.

Bicycling is the most efficient form of urban transportation in history. This transportation choice helps ease congestion on our roads and reduce environmental pollution while allowing cyclists to incorporate exercise into their everyday lives.

National Bike Month has inspired countless bike rides, safety inspections, commuter challenges, ribbon cuttings, share the road promotions, and other varied celebrations of bicycling in communities throughout the Nation.

Bicycling became popular in the 1880s, when cyclists formed the League of American Wheelman—still in existence and now called the League of American Bicyclists. The league began the first organized lobby for better roads, literally paving the road for the automobile.

This body has had a major hand in encouraging greater use of human-powered travel modes, increasingly recognizing the importance of bicycling as an alternative to travel by motorized vehicles by providing unprecedented funding opportunities in the Nation's surface transportation bill.

Funding provided in the Safe, Accountable, Flexible, Efficient Transportation Equity Act—A Legacy for Users, SAFETEA–LU, will further help communities change transportation habits by building bike lanes and paths, adding sidewalks, installing crosswalks and organizing safer, more efficient ways for children to get to school.

I want to thank my colleague from Oregon for introducing this important resolution, and I want to thank this body for continuing to recognize the important role that cycling plays in our Nation's transportation system.

I urge my colleagues to join me in supporting H. Con. Res. 145.

Mr. BLUMENAUER. Mr. Speaker, I yield back the balance of my time.

Mr. PETRI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. PETRI) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 145.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

EXPRESSING SENSE OF CONGRESS REGARDING CANDIDATES FOR DRIVER'S LICENSES

Mr. PETRI. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 235) expressing the sense of the Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual.

The Clerk read as follows:

H. CON. RES. 235

Whereas many people in the United States who are blind or otherwise visually impaired have the ability to travel throughout their communities without assistance;

Whereas visually impaired individuals encounter hazards that a pedestrian with average vision could easily avoid, many of which involve crossing streets and roadways;

Whereas the white cane and guide dog should be generally recognized as aids to mobility for visually impaired individuals;

Whereas many States do not require candidates for driver's licenses to associate the use of the white cane or guide dog with potentially visually impaired individuals; and

Whereas visually impaired individuals have had their white canes and guide dogs run over by motor vehicles, have been struck by the side-view mirrors of motor vehicles, and have suffered serious personal injury and death as the result of being hit by motor vehicles: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that each State should require any candidate for a driver's license in such State to demonstrate, as a condition of obtaining a driver's license, an ability to associate the use of the white cane and guide dog with visually impaired individuals and to exercise greatly increased caution when driving in proximity to a potentially visually impaired individual.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Maine (Mr. MICHAUD) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. PETRI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on House Concurrent Resolution 235.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

House Concurrent Resolution 235 expresses the sense of Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual.

Each year too many visually impaired individuals have their white canes and guide dogs run over by motor vehicles or are struck by the side-view mirrors of motor vehicles. Others suffer serious personal injury and death as a result of being hit by cars.

Unfortunately, many States do not require candidates for driver's licenses to demonstrate the ability to associate the use of the white cane or guide dog with potentially visually impaired individuals. With a little education by the States and some extra attention paid by drivers, we can greatly improve the safety along our surface streets for those individuals who are visually impaired.

Mr. Speaker, I want to commend the sponsor of this resolution, our colleague LANE EVANS, who will be leaving the Congress at the end of the year. Representative EVANS has always been a champion of our Nation's veterans, and this resolution has the strong support of veterans groups and other organizations. Representative EVANS has long had a record of distinguished public service, and our thoughts are with him at this difficult time.

Mr. Speaker, I urge the passage of House Concurrent Resolution 235.

Mr. Speaker, I reserve the balance of my time.

Mr. MICHAUD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of House Concurrent Resolution 235.

House Concurrent Resolution 235 expresses the sense of Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greater increased caution when driving in the proximity of visually impaired individuals.

More than 1 million individuals are blind in the United States. Even more are visually impaired. Many of these individuals are veterans. These individuals face many obstacles in their daily lives and travel. The white cane and the guide dogs have become means to gain greater independence and mobility. The white canes have become one of the symbols of a blind person's ability to come and go on their own.

Unfortunately, many States do not require candidates for driver's licenses to associate the use of white canes or guide dogs with potentially visually impaired individuals. Many drivers are not aware of the white cane as a symbol of a visually impaired or blind individual. And, tragically, hundreds of visually impaired individuals have had their white canes and guide dogs run over by motor vehicles and have suffered serious personal injury and death as a result of being hit by cars.

If our Nation's visually impaired are to maintain their independence, it is important that drivers understand and respect State white cane laws. With a little education by States and some extra attention paid by drivers, we can greatly improve safety along our streets for those individuals who are visually impaired. H. Con. Res. 235 will make pedestrian travel a little safer for visually impaired individuals using mobility aids.

Mr. Speaker, I want to thank the gentleman from Illinois (Mr. EVANS) for introducing this legislation. Mr. EVANS has been a friend and mentor to me during my 10 years of serving on the Veterans' Affairs Committee.

I urge my colleagues to give this resolution their full support.

Mr. Speaker, I reserve the balance of my time.

Mr. PETRI. Mr. Speaker, I yield such time as he may consume to our distinguished colleague from Arkansas (Mr. BOOZMAN).

Mr. BOOZMAN. Mr. Speaker, I thank the gentleman from Wisconsin, Chairman PETRI, for yielding me this time.

I would like to thank Congressman LANE EVANS for his leadership on this matter. Congressman EVANS and I serve together on the Veterans' Affairs Committee, and he is a tireless advocate for all veterans. I also want to thank Chairman PETRI for his leadership and support of the legislation.

H. Con. Res. 235 proposes that all States require that candidates for driver's licenses demonstrate the knowledge to use increased caution when driving in the vicinity of what may be a visually impaired individual.

As a member of the Veterans' Affairs Committee, I appreciate all the hard work the Blinded Veterans Association has done to support this legislation. The Blinded Veterans Association has received hundreds of letters and e-mails concerning individuals who have had their white canes hit or have been hit themselves in crosswalks by drivers who are unaware of what a white cane or guide dog indicated.

As an optometrist, I know firsthand that many people with visual impairments live normal, independent lives. They too should be able to travel without fear. Unfortunately, many States do not require people who are applying for driver's licenses to indicate awareness in regards to recognition of visually impaired pedestrians. Simple education can greatly increase the much-needed protection for visually impaired fellow citizens.

Again, I would like to thank Congressman EVANS for his leadership on this matter, and I urge my colleagues to support House Concurrent Resolution 235.

Mr. MICHAUD. Mr. Speaker, I yield myself such time as I may consume.

As you heard, this resolution has been fully supported by major associations for the blind, principally, the American Council for the Blind, the American Foundation for the Blind, and the Blinded Veterans Association.

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It also has the support of the American Association of Motor Vehicle Administrators.

I want to thank the chairman and ranking member of the House Transportation Committee for this resolution introduced by my good friend, Congressman LANE EVANS. I urge my colleagues to support this resolution.

Mr. OBERSTAR. Mr. Speaker, I strongly support House Concurrent Resolution 235, expressing the Sense of Congress that States adopt procedures for driver's license education or I certification that improve driver awareness of the white cane or guide dog used by vision-impaired pedestrians.

There are 1.5 million visually impaired Americans, who seek to gain and maintain their mobility independence.

Through the agile use of the white cane, or a guide dog, our visually impaired citizens move about independently in their sight-limited world.

Unfortunately, America's drivers do not always recognize the white cane or guide dog as a warning that the user is visually impaired or blind. Many States do not require driver license candidates to associate the use of the white cane or guide dog with visually impaired individuals.

The visually impaired report they have had their white canes and guide dogs run over by motor vehicles, have been struck by sideview mirrors, and have suffered serious personal injury as a result of being hit by cars.

The National Highway Traffic Safety Administration (NHSTA) reports that 4,827 pedestrians were killed in 2003, and approximately 70,000 were injured. People who are blind and visually impaired face an increased risk of serious personal injury and death while maneuvering America's streets and intersections.

A heightened awareness by our Nation's drivers of what a white cane or guide dog indicates will remove a potential obstacle from the safe mobility of the visually impaired.

H. Con. Res. 235 is supported by the American Association of Motor Vehicle Administrators (AAMVA), the American Council for the Blind (ACB), and the Blinded Veterans Association (BVA).

H. Con. Res. 235 will help the blind find their way to the greater freedoms associated with safer mobility.

I thank the gentleman from Illinois (Mr. EVANS) and Ranking Member of the Committee on Veterans' Affairs for introducing this Concurrent Resolution.

I urge my colleagues to join me in supporting H. Con. Res. 235.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I rise today in support of the legislation introduced by my good friend from Illinois, LANE EVANS.

I have worked for years with the distinguished Ranking Member on the Veterans Committee and am sorry to see him leave this fine institution. I have been blessed to have known him and this Congress will be diminished without him.

However, I am here to speak on legislation to improve driver awareness when driving around visually impaired persons.

There are 1.5 million visually impaired Americans.

The bill requests that every State in the country include information in the driver education material and driver license application manuals. Such information would instruct drivers of motor vehicles to approach persons with white canes or guide dogs with recognition that such individuals are blind and that extra caution should be exercised.

It is common sense legislation that will help save a life.

This legislation was passed by the House of Representatives in the 108th Congress, but could not come to an agreement with the Senate before the end of the session. I hope we can agree to this legislation and pass it before the end of this Congress.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H. Con. Res. 235, a resolution that would require candidates for driver's licenses to demonstrate an ability to exercise heightened caution when driving in the proximity of a potentially visually impaired person. It would also require these candidates to be able to relate the use of the white cane and guide dog with visually impaired individuals.

Each year, dozens of visually impaired persons are involved in car collisions. For example, a blind person may be crossing a street intersection and be hit by a reckless driver. There is simply no reason for a driver to strike a visually impaired pedestrian. H. Con. Res 235 will help to reduce the likelihood of this happening in the future by educating drivers about visually impaired persons. This resolution will therefore help to safeguard visually impaired individuals and make our streets safer.

I strongly support H. Con. Res 235, and I urge my colleagues to join me in supporting it.

Mr. MICHAUD. Mr. Speaker, I yield back the balance of my time.

Mr. PETRI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. PETRI) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 235.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

RAILROAD RETIREMENT TECHNICAL IMPROVEMENT ACT OF 2006

Mr. LATOURETTE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5074) to amend the Railroad Retirement Act of 1974 to provide for continued payment of railroad retirement annuities by the Department of the Treasury, and for other purposes.

The Clerk read as follows:

H.R. 5074

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Railroad Retirement Technical Improvement Act of 2006".

SEC. 2. DISBURSEMENT AGENT.

Section 7(b)(4) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(b)(4)) is amended so that subparagraph (A) reads as follows:

"(A) The Secretary of the Treasury shall serve as the disbursing agent for benefits payable under this Act, under such rules and regulations as the Secretary may in the Secretary's discretion prescribe.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from Florida (Ms. CORRINE BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous materials on H.R. 5074.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support this bipartisan legislation. In 2001, after several years of intense labor management negotiations, the most comprehensive reform of the railroad retirement system in nearly 2 decades was enacted. The ERISA-type investment trust in which Tier II pension assets are invested has been performing extremely well. Payroll tax rates have gone down for both the railroads and workers, benefits have increased and the investment trust has experienced a nearly 50 percent growth in asset value in those 5 short years.

At the time of the 2001 legislation, we included a retirement that Tier II pension benefit checks be issued through a private contractor. This rested on the belief, since proven wrong, that this would be more efficient than continuing the use of the Treasury for this purpose.

In fact, the Railroad Retirement Board, the trustees of the investment trust and the Congressional Budget Office have all found that by using an outside disbursing agent, actually costs to the program are increased by $2 million a year more than they would have been if we had used the Treasury.

As a temporary expedient, the mandate to use an outside disbursing agent has been legislatively postponed in appropriations measures since 2001, but is it is obviously time to make the correction permanent. H.R. 5074 does this by amending the permanent Railroad Retirement Act to designate the U.S. Treasury as the disbursing agent for the benefits.

This legislation has been fully bipartisan from the outside. I particularly want to commend the chairman of the full committee, Mr. YOUNG, the ranking member of the full committee, Mr. OBERSTAR, and my ranking member on the subcommittee, Ms. BROWN, for their leader in moving this bill forward expeditiously. It means greater efficiency for a system that is critical to the well-being of the Nation's retired railroad workers and deserves the endorsement of the House.

Mr. Speaker, I reserve the balance of my time.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank my chairman for his strong leadership on the committee. I am proud that our Railroad Subcommittee has been dedicated to protecting and improving the retirement benefit the hard-working employees who are part of the railroad retirement system. Too often we look at an industry and we forget about the devoted men and women who are working very hard every day to serve their customers.

This legislation teaches us a very valuable lesson, particularly as we begin to debate legislation sunsetting Federal agencies. We learn that sometimes government can do better and cheaper than the private sector can. I want to repeat that. Sometimes government can do better and cheaper than the private sector can.

In 2001, the Railroad Retirement and Survivors Improvement Act made several changes to the railroad benefit system, including requiring the Railroad Retirement Board to contract with a private firm for distributing Tier II benefits. However, the Railroad Retirement Board quickly learned that an outside company would cost $3 million more than using the U.S. Treasury Department.

Since the 2001 legislation was enacted, the Appropriations Committee has provided a waiver for this requirement, but this bill would permanently make the U.S. Treasury Department the distribution agent for Tier II railroad retirement benefits and end the need for this yearly benefit.

This plan was proposed by the Railroad Retirement Board and the Railroad Retirement Investment Trustees and is supported by both railroad management and labor. I urge my colleagues to support speedy passage of this legislation.

Mr. OBERSTAR. Mr. Speaker, I rise in strong support of H.R. 5074, the Railroad Retirement Technical Improvement Act of 2006. This legislation, requested by the Railroad Retirement Board (Board), amends the Railroad Retirement Act to provide for continued payment of railroad retirement annuities by the U.S. Department of the Treasury.

Although the Railroad Retirement Board could use a private, nongovernmental disbursing agent for payment of railroad retirements benefits, as outlined in the Railroad Retirement and Survivors' Improvement Act of 2001, the Board has determined that utilizing a private disbursing agent would cost considerably more than continuing to have the Treasury Department make the payments. The annual cost of paying railroad retirement benefits through the Department of Treasury is about $800,000. In contrast, initial procurement inquiries have indicated that the first-year costs of paying railroad retirement benefits under contract with a private disbursing agent would be more than $3 million and, approximately $2.3 million in each subsequent year.

These substantial costs would be borne by the railroad retirement trust funds, which were established to support the disability, retirement and survivor benefit programs provided for railroad workers and their families under the Railroad Retirement Act. The Board believes that using a nongovernmental disbursing agent would diminish service to its railroad worker beneficiaries.

Finally, the Railroad Retirement Board and the Board's Inspector General believe that using a nongovernmental disbursing agent would make it more difficult to collect incorrect payments and other Federal debts because the agent would not have the considerable debt collection tools of the Treasury Department.

For all of these reasons, the Railroad Retirement Board has sought and received deferrals of the private disbursing agent requirement via annual appropriations acts in prior years.

This legislation amends the underlying statute to authorize the continued use of the Department of the Treasury for such disbursements.

At the time of consideration of the Railroad Retirement and Survivors' Improvement Act in 2001, I had reservations about the claims that a private disbursing agent would save money. The Board's estimates that the private sector would cost millions of dollars more per year have confirmed my suspicions. In this case, as in many others, despite claims of "the private sector can do it better and cheaper", the facts show that the government is able to do the job most efficiently, effectively, and cheaply. I am pleased that we are able to revisit this issue today.

I strongly support the bill and urge my colleagues to support it.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. LATOURETTE) that the House suspend the rules and pass the bill, H.R. 5074.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

COMMEMORATING 60TH ANNIVERSARY OF HISTORIC 1946 SEASON OF BASEBALL HALL OF FAME MEMBER BOB FELLER

Mr. LATOURETTE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 449) commemorating the 60th anniversary of the historic 1946 season of Major League Baseball Hall of Fame member Bob Feller and his return from military service to the United States.

The Clerk read as follows:

H. CON. RES. 449

Whereas Robert William Andrew Feller was born on November 3, 1918, near Van Meter, Iowa, and resides in Gates Mills, Ohio;

Whereas Bob Feller enlisted in the Navy 2 days after the attack on Pearl Harbor in 1941;

Whereas, at the time of his enlistment, Bob Feller was at the peak of his baseball career, as he had been signed to the Cleveland Indians at the age of 16, had struck out 15 batters in his first Major League Baseball start in August 1936, and established a Major League record by striking out 18 Detroit Tigers in a single, 9-inning game;

Whereas Bob Feller is the first pitcher in modern Major League Baseball history to win 20 or more games before the age of 21;

Whereas Bob Feller pitched the only opening day no-hitter in Major League Baseball history;

Whereas, on April 16, 1940, at Comiskey Park in Chicago, Bob Feller threw his first no-hitter and began the season for which he was awarded Major League Baseball Player of the Year;

Whereas Bob Feller served with valor in the Navy for nearly 4 years, missing almost 4 full baseball seasons;

Whereas Bob Feller was stationed mostly aboard the USS *Alabama* as a gunnery specialist, where he kept his pitching arm in shape by tossing a ball on the deck of that ship;

Whereas Bob Feller earned 8 battle stars and was discharged in late 1945, and was able to pitch 9 games at the end of that season, compiling a record of 5 wins and 3 losses;

Whereas 60 years ago, amid great speculation that, after nearly 4 seasons away from baseball, his best pitching days were behind him, Bob Feller had 1 of the most amazing seasons in baseball history;

Whereas, in the 1946 season, Bob Feller pitched 36 complete games in 42 starts;

Whereas, on April 30, 1946, in a game against the New York Yankees, Bob Feller pitched his second career no-hitter;

Whereas, in 1946, Bob Feller pitched in relief 6 times, saving 4 games;

Whereas, in 1946, Bob Feller routinely threw between 125 and 140 pitches a game, a feat not often seen today;

Whereas, in 1946, Bob Feller pitched 371⅓ innings and had 348 strikeouts;

Whereas, in 1946, Bob Feller had an earned run average of 2.18;

Whereas, in 1946, a fastball thrown by Bob Feller was clocked at 109 mph;

Whereas Bob Feller was the winning pitcher in the 1946 All Star Game, throwing 3 scoreless innings in a 12–0 victory by the American League;

Whereas, in 1946, Bob Feller led the American League in wins, shutouts, strikeouts, games pitched, and innings;

Whereas the baseball career of Bob Feller ended in 1956, but not before pitching his third no-hitter against the Detroit Tigers on July 1, 1951, pitching 12 1-hit games, amassing 266 victories and 2,581 strikeouts, and leading the league in strikeouts 7 times;

Whereas Bob Feller was inducted into the Baseball Hall of Fame in 1962; and

Whereas Bob Feller, a beloved baseball figure known as "Bullet Bob" and "Rapid Robert," placed service to his country ahead of playing the game he loved and is a decorated war veteran: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress commemorates the 60th anniversary of the 1946 season of Bob Feller and his return from military service to the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. LATOURETTE) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include Dextraneous material on H. Con. Res. 449.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to, first of all, thank the chairman of the full committee, Mr. DAVIS of Virginia, for moving this legislation forward. This measure recognizes my constituent, Baseball Hall of Famer Bob Feller, for his military service to our country and also commemorates the 60th anniversary of his greatest baseball season.

It is my honor to have introduced this measure, together with a number of our colleagues that you will hear from this afternoon, and it will be our honor to host Bob Feller tomorrow when he visits Capitol Hill on the eve of his trip to Cooperstown for the annual Hall of Fame weekend.

Mr. Speaker, in 1941, Bob Feller was at the peak of his baseball career. The right-hander from Van Meter, Iowa, had signed with my beloved Cleveland Indians at the age of 16 and became an instant sensation. Feller made quick work of rewriting the record books and thrilling fans. In his first major league start, he struck out 15 St. Louis Browns.

In 1938, Feller established a new major league strikeout record by striking out 18 Detroit Tigers in a single nine-inning game. He was the first pitcher in modern major league history to win 20 or more games before the age of 21.

He pitched his first no-hitter on opening day at Comiskey Park against the Chicago White Sox on April 16, 1940. It remains today as the only no-hitter ever thrown on a major league opening day.

Two days after the attack on Pearl Harbor, Mr. Speaker, in 1941, Bob Feller did what seems almost unthinkable with some of today's professional athletes. A month after his 23rd birthday, he enlisted in the Navy and volunteered for combat, placing service to his country above the sport he loved. It didn't matter that his father was dying of cancer and that his mother and sister depended upon him for financial support. His country needed him, and Feller didn't think twice.

Bob Feller was sworn in by heavyweight champion Gene Tunney and was off to fight in World War II.

For the next 44 months, Feller's life was devoted to his country and his fellow sailors aboard the USS *Alabama*, where he served as an anti-aircraft gunner. Feller participated in the famous 1944 Battle of the Marianas Turkey Shoot, where 219 of Japan's 326 planes were downed in a single day. He has called the Marianas shootout the greatest day of his life. He left the Navy a war hero, earning eight battle stars.

Bob Feller missed nearly four full seasons to defend our great Nation and returned at the end of the 1945 season just in time to pitch a handful of games. He tried to keep his fastball in shape during the war, often tossing the ball on the deck of the *Alabama*. Still, there were a number of whispers that perhaps his best days were behind him.

Sixty years ago, in 1946, Feller silenced the critics. He had his best season ever, one for the record books and the stuff of Hollywood movies. The season reminds us why baseball is so revered.

In 1946, Feller pitched a remarkable 36 complete games in 42 starts. To gauge this feat, consider this: The five teams in the American League Central Division had just 35 complete games between them all of last year.

Feller led the American League in wins, shutouts, strikeouts, games pitched and innings. He struck out 348 batters, then a major league record.

In April of 1946, he pitched his second no-hitter, this time against the Yankees in New York. He went 26–15 with 10 shutouts, including the no-hitter, and had a career low 2.18 earned run average. He pitched in six relief games, saving four of them.

He pitched a total of 371–1/3 innings and often threw 125 to 140 pitches a game. He says today that he never iced his arm, if you can imagine that. He had a fastball clocked at 109 miles an hour that year, again, after a 4-year hiatus.

The Baseball Hall of Fame has said Feller's "blazing fastball set the standard against which all of his successors have been judged."

He was the winning pitcher in the 1946 All-Star Game and threw three scoreless innings in a 12–0 victory by the American League. He achieved all of this while my beloved Indians that year, 1946, only won 68 games.

Mr. Speaker, Bob Feller has been a member of the Baseball Hall of Fame since 1962. Purists can recite his stats: His three no-hitters, his 12 one-hitters, his 266 wins, his 2,581 strikeouts and his 18 years with the Indians.

What many sports fans don't know, however, is that none of these records or accolades are as important to Bob Feller as was his service to our country. Bob has said, "It was more important for me to be in the military trying to protect the sovereignty of this country than playing professional baseball or any other sport." He also said that the only win he ever wanted was World War II.

Bob Feller today says that he is no war hero, but rather a survivor, because he is one of the lucky ones to have made it home.

Mr. Speaker, I would argue that "Rapid Robert" Feller is a hero in every sense of the word, both on and off the field. Now 87 years old and part of the Greatest Generation, he remains completely devoted to his sport, to the Indians, and to our men and women in uniform. He is a wonderful and selfless American.

I urge my colleagues to support the resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I must confess that I grew up as a Brooklyn Dodger fan, but I also confess that Bob Feller was one of the brightest stars in major league baseball.

Though only 5 years into his career in 1941 with the Cleveland Indians, he had already set the major league record for the most strikeouts in a game and for the most wins by a pitcher under the age of 21. He already had accomplished baseball's elusive and exhilarating no-hitter, and he had done so in an opening day game, no less. When the same season came to a close, Feller was named major league baseball's Player of the Year.

On the heels of that season, at a point of great promise and mounting reward, Feller took off the rich colors of his Cleveland Indians and put on the uniform of his country. Two days after the attack on Pearl Harbor, he left baseball to enlist in the Navy.

Feller fought as an anti-aircraft gunner aboard the USS *Alabama*. He served with valor for 4 years and earned eight battle stars for heroism. His service and sacrifice offer the kind of inspiration that warms people's hearts, energizes their spirits and awakens their faith in what man and woman can do for his or her country and for their fellow persons.

Feller missed nearly four full seasons of the game he loved, but the story of what Feller did upon his return to baseball adds nearly unbelievable athletic feats to the heroism he displayed at sea.

"Bullet Bob," as he was called, pitched a second no-hitter in 1946, his first full year back as a major league player. He also led the American League in wins, shutouts, strikeouts, games pitched and innings pitched that season. Feller went on to pitch for almost 10 more years and led the league in strikeouts in seven of those years.

The 60th anniversary of Feller's triumphant 1946 season and his return from military service to the United States is certainly cause for commemoration. They also give us cause for thanks and reflection upon a professional athlete who is a model in his play and in his principles for all generations.

Mr. Speaker, I reserve the balance of my time.

□ 1600

Mr. LATOURETTE. Mr. Speaker, in my opening remarks I mentioned Van Meter, Iowa. It is now my pleasure to yield 3 minutes to the gentleman from Iowa (Mr. LATHAM), who represents Van Meter, Iowa.

Mr. LATHAM. Mr. Speaker, I thank the gentleman for yielding. As an original cosponsor of H. Con. Res. 449, I rise today in strong support of this resolution and urge my colleagues to vote in favor of it. Bob Feller may best be known for his heroics on the pitching mound, but Bob Feller is also a war hero who unselfishly put his baseball career on hold while he fought to save America, a true patriot, a native Iowan who deserves special recognition and great thanks from our Nation.

As a teenager in Van Meter, Iowa, Bob Feller's unique baseball talent was making headlines. At age 16, he was drafted by the Cleveland Indians. He immediately had an astounding impact on America's greatest pastime.

With a dominating fastball and commanding slider, Bob Feller was the first pitcher to strike out his age in a single major league baseball game, 17 strikeouts at 17 years of age.

Subsequently, Bob Feller would continue to etch his name in baseball's record books by being the only pitcher in history to throw an opening day no-hitter and the first to reach 20 wins in a single season, all by the age of 21.

But what is most impressive to me and most important to our country is the sacrifice Bob Feller made to defend America in what would prove to be the deadliest war in the history of mankind, World War II.

On December 8, 1941, just one day after the attack on Pearl Harbor, Bob Feller left the pitcher's mound to enlist in the Navy. Choosing America over baseball, this Major League Baseball Player of the Year forfeited an opportunity to be recorded as the greatest pitcher to ever live so he could join his fellow Americans in defense of America's freedom.

As an anti-aircraft gunman aboard the USS *Alabama*, Bob Feller battled Nazi Germany and its fascist allies. In the process he earned five campaign ribbons and eight battle stars in a successful effort to save the world from tyranny.

Upon his return, Bob Feller would continue to make his mark on major league baseball, setting a Cleveland Indians franchise record of 266 wins, and was a unanimous choice for the Baseball Hall of Fame in his first year of eligibility in 1962.

Bob Feller, Iowa is proud of its native son, and this Nation is thankful for your service. Bob Feller's dedication and leadership deserve to be honored. Again, I urge my colleagues to support H. Con. Res. 449.

Mr. DAVIS of Illinois. Mr. Speaker, I yield such time as he may consume to another boy wonder of Cleveland, the gentleman from Ohio (Mr. KUCINICH).

Although he was not so much known as a young athlete, he was indeed the mayor of Cleveland before he was 30 years old. He is a distinguished Member of this body.

Mr. KUCINICH. Mr. Speaker, I thank my colleague for yielding me time. I also want to thank Mr. LATOURETTE for the work that he has done to bring this resolution to the floor of the House.

As someone who grew up in the city of Cleveland and had the opportunity as a young boy to watch the Cleveland Indians, or to listen to them on the radio, and to have had the opportunity to go to a baseball game with my father to see Bob Feller pitch, to dream that from that point to this moment that so many years later we would have the opportunity to personally recognize his achievements through this congressional resolution, for any of us who were Cleveland Indians fans back then to be here now in this Chamber, it is an honor for us.

Bob Feller epitomized everything that any of us ever hoped our professional athletes would be. In the fifties, there was a different type of iconography of professional athletes. They were people who we would aspire to emulate, people who carried with them not only exceptional prowess on the field, but also had stories of personal achievement that were so extraordinary.

The story then wasn't about how much money an athlete made. The story was about their quality of heart, and in Bob Feller's case, the quality of commitment to our Nation.

Is there any question that with the tremendous number of records he held in major league baseball that he could have set marks that would never, ever be reached had he pitched those 4 years in which he decided instead to serve his country at a much higher level.

But he enlisted in the Navy at the peak of his career, missing those four seasons, serving in World War II, served as an anti-aircraft gunner on the USS *Alabama*.

He earned five campaign ribbons and eight battle stars. Oh, yes, he played on eight All-Star teams as well. As a major leaguer, he took the Cleveland Indians to two World Series, in 1948 and 1954. I remember in the Kucinich household the World Series pennants from 1948, and I remember how proud we were of the fact that Bob Feller and then what was known as the Big Four of our pitchers helped to guide the Indians' fortunes for quite a few years.

We have such pride in our community and in baseball's link to the tradition of Cleveland, and Bob Feller has been an important part of that. He was elected to baseball's Hall of Fame in January of 1962 and inducted in July of the same year. As we know, he spent his entire career with the Cleveland Indians, from 1936 to 1956.

He pitched three no-hitters. And the first, as has been recounted, pitched on an opening day. Pitched his second no-hitter in 1946, and his third in 1951. He also pitched 12 one-hitters. Think about it: 12 one-hit games. And he won more than 20 or more games in a season six times.

Cleveland's Bob Feller, also known as Rapid Robert, amassed 226 wins and 2,581 strikeouts; led the league in strikeouts seven times during his career; voted the Cleveland Indians' Man of the Year twice.

Well, he is always going to be our baseball man of the year because he is someone who if you go outside of the Cleveland stadium, you will see a monument to Bob Feller. It shows him basically rearing back, ready to throw that fastball that always went over 90 miles an hour.

And it shows him in that perfect form of his youth, immortalized as the great pitcher. It also shows him as someone who carried with him the hopes and dreams of a community during times that were often very difficult. We love you, Bob Feller, and we love the fact that our Congress is recognizing not only what you have done for Cleveland, Ohio, but what you did for major league baseball and what you did for the morale of our country. Thanks, Rapid Robert.

Mr. LATOURETTE. Mr. Speaker, when we introduced this resolution with all of the folks that are speaking here today, we got a call from Representative GINGREY's office. I said to myself, well, he is not from Iowa, he is not from Cleveland, why would a guy from Georgia want to talk about Bob Feller? He is about to tell us.

It is my pleasure to yield 3 minutes to the gentleman from Georgia (Mr. GINGREY).

Mr. GINGREY. Mr. Speaker, I thank Representative LATOURETTE and my colleagues from Ohio and Iowa, as obviously this is their native son, and to hear them talk about Bullet Bob. I, like so many of the male Members of this body in particular growing up in the early fifties had one of these invaluable collections of baseball cards and almost a complete collection for each team.

Right at the top of the stack for the Cleveland Indians was, of course, Bob Feller. I, later on, many years later in fact, met my wife. We married 36 years ago. And to tell you the thrill it was when I found out that her dad, Bill Ayers, who died in 1980 of a heart attack, was also a professional baseball player, in fact, a major league baseball player.

During those years I had an opportunity to pepper Bill with baseball questions. He was originally an Atlanta Cracker and had signed with the Atlanta Crackers when he was 19 years old. But listen to some of these similarities between Bullet Bob Feller and my father-in-law Bill Ayers.

Of course, Bob Feller was a Hall of Fame baseball player, and my father-in-law spent, I think, a year and a half in the majors, playing for the New York Giants under Leo Durocher. They were the exact same age, almost. Bob Feller born in November of 1918; my father-in-law, August of 1918. They both served in the military; interrupted a professional career. Bob Feller serving from 1941 to 1945 in the Navy; my father-in-law, Bill Ayers, serving under General Patton's Third Army 1943 to 1946 in the United States Army in Europe.

Of course, Bob Feller signed a contract, as we know, at age 16. My father-in-law signed a contract at age 19. They were both pitchers. I asked my father-in-law, Bill Ayers, one time about who was the greatest hitter he ever pitched against. And his answer was Joe DiMaggio.

I said, well, who was the toughest, the greatest pitcher that you ever batted against? And, Mr. Speaker, you know in those days there was no such thing as a designated hitter. And the Cleveland Indians and the New York Giants actually did their spring training in Tucson, Arizona. And my father-in-law, Bill Ayers, was pitching in an exhibition game against Bob Feller.

He told me, he said, Phil, without question, Bob Feller was the greatest pitcher that I have ever faced. He said, in fact, he batted against him one time, and he struck out on three straight pitches, never getting the bat off his shoulder.

I said, Bill, why didn't you swing at the ball? He said, because I never saw it. And as I read the resolution by Representative LATOURETTE and realize that Bullet Bob was throwing a 109 mile-an-hour fastball, it is understandable.

So for me to have an opportunity to take just a few minutes to relate that anecdote to my colleagues and say, God bless Bob Feller. Representative LATOURETTE assures me I will have an opportunity to meet him tomorrow.

I really look forward to that. I don't know if he will remember Bill Ayers, but certainly that is a great memory for me and my family.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just say that I know that Dr. GINGREY had a great time in terms of all of those memories and being as close to all of that action as he was. And so I would simply say that Bob Feller was indeed one of the greatest athletes that we have ever known; and this resolution is indeed a tribute to not only his athletic abilities, but his great spirit as an American.

Mr. Speaker, I reserve the balance of my time.

Mr. LATOURETTE. Mr. Speaker, when we called up Bob Feller and said we were going to be doing this and invited him to Washington tomorrow, he said there are two people I need to see, my good friend Senator JIM BUNNING, who he knows, of course, from the Baseball Hall of Fame, and I have to see my great friend, SHERRY BOEHLERT, who represents Cooperstown, New York.

Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Speaker, I have to start with a confession. And here is the confession: Bob Feller is one of my heroes.

I say that unabashedly. It is not because to me as the ultimate baseball junkie I appreciate the great game and the great players; it is not just because baseball's mecca, the Baseball Hall of Fame, is the epicenter of my district. No, I appreciate and applaud Bob Feller for all the things he has done on the diamond, but he is one of my heroes because of the person that he is, the guy inside.

I have been privileged to get to know Bob Feller quite well over the last several years. As a matter of fact, Memorial Day 2002, when the Baseball Hall of Fame announced the policy that forevermore all veterans would be admitted free into that shrine, the mecca of baseball, they had a special ceremony to recognize the greats of the game who served in the military when the Nation needed them most. And it was my high honor to present Bob Feller's submission.

☐ 1615

There is there in the Hall of Fame this plaque, a great big plaque with some of the greats of the game, Ralph Kiner, Warren Spahn, Phil Rizzuto, all people who served in time of the Nation's need. But the one that got the most attention was Bob Feller. And I will tell you this, think about the dynamics. In 1941, 23-year-old ace of the Cleveland Indian staff, he won 23 games that year. His record was 23–15. What would that command in today's market? He would have 14 agents and he would have a gillion dollars' worth of offers from every club in the major leagues because pitching is such a premium. So this ace, this admittedly acknowledged one of the best in the business anywhere, 2 days after Pearl Harbor, became the first member of Major League Baseball to pack his belongings and sign up for his Nation. And he served with great distinction all during the war, World War II, in the U.S. Navy. And when he came back, he resumed his career. You know the rest of the story, so many of my colleagues have said it so well. He was just absolutely a breathtaking talent on the mound.

Mr. GINGREY reported on his father-in-law mesmerized by what he saw. He was just wonderful. But that typifies the inner man. He is wonderful every single day of his life, in his personal life, and I am privileged to salute Bob Feller and his very fine partner, his wife Ann. They are truly great Americans.

Mr. DAVIS of Illinois. Mr. Speaker, I continue to reserve my time.

Mr. LATOURETTE. Mr. Speaker, when we introduced this resolution, I was riding over for a vote yesterday and saw Mr. LEACH of Iowa, and his eyes lit up when I said we were going to do this, because he too has some remembrances that he wants to share about Bob Feller. It is now my pleasure to yield 3 minutes to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding, and I thank the gentleman particularly for bringing a resolution about this son of Iowa.

I might just mention, Bob Feller comes from a small county west of Des Moines called Dallas County. My family was originally from this county. This county produced a series of very fine athletes in a given era. One was our State's great hero, a Heisman trophy winner by the name of Nile Kinnick who lost his life in World War II. Another was a first cousin of Bob Feller's named Hal Manders. Hal also pitched major league baseball.

A number of years ago, Bob and Hal visited me here in Washington, and Hal gave me a small gift that I will treasure for the rest of my life. It was a picture of Bob Feller and Hal as ballplayers at about the age of 12, and they were oversized kids on a small team, and across the uniform was marked, I believe, the Braves. And I asked Bob Feller, what was the background of this little league team? And Bob said, you know, we lived kind of in the country, we didn't have a team, so our two fathers who were brothers-in-law started this team. And I said to Bob, well, what would have happened if your father and your uncle didn't start this team? And he said, well, I never would have pitched ball again.

And it is kind of a beautiful story for all of us, because what he was saying was that Bob Feller would not be Bob Feller if he didn't have a father who dedicated some time to starting a little league baseball team. And that is really the American system, the American dream, the American family. I think we give honor to Bob because we give honor not just to a great athlete, but to the idea of sport and to the idea and the ideals of American competition, which he has always reflected the best of. I thank you, Steve, for this moment.

Mr. DAVIS of Illinois. Mr. Speaker, simply to close, I would just simply reiterate that America has never known a greater athlete nor a greater spirit in terms of one who would interrupt his career as a professional athlete, join the military, and go and fight for a cause greater than the World Series. Bob Feller was a hero to thousands and thousands and thousands and will continue to be.

Mr. Speaker, I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, in closing, I just want to thank everyone who spoke, Mr. BOEHLERT, Mr. LATHAM, Mr. KUCINICH, Mr. DAVIS, again, and thank Mr. DAVIS of Virginia and Mr. LEACH for talking about Bob Feller. I again would tell folks that at 87 years old, he will be here tomorrow, and, if schedules permit, I hope you take time to say hello to him. I urge passage of the resolution.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. LATOURETTE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 449.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LATOURETTE. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

HONORING THE ALPHA PHI ALPHA FRATERNITY ON THE OCCASION OF ITS 100TH ANNIVERSARY

Mr. OSBORNE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 384) recognizing and honoring the 100th anniversary of the founding of the Alpha Phi Alpha Fraternity, Incorporated, the first intercollegiate Greek-letter fraternity established for African Americans.

The Clerk read as follows:

H. CON. RES. 384

Whereas the Alpha Phi Alpha Fraternity was founded on December 4, 1906, by seven young men, respectfully known as the Seven Jewels, at Cornell University in Ithaca, New York;

Whereas Henry Arthur Callis, Charles Henry Chapman, Eugene Kinckle Jones, George Biddle Kelley, Nathaniel Allison Murray, Robert Harold Ogle, and Vertner Woodson Tandy, the founders of the Fraternity, recognized the need for a strong bond of brotherhood among African descendants in this country;

Whereas the aims of the Alpha Phi Alpha Fraternity are manly deeds, scholarship, and love for all mankind;

Whereas, for 100 years, the Alpha Phi Alpha Fraternity has played a fundamental role in the positive development of the character and education of more than 175,000 men;

Whereas the brothers of Alpha Phi Alpha have shared countless friendships and a common belief in the founding ideals of the Fraternity;

Whereas alumni from Alpha Phi Alpha include many noteworthy leaders in the areas of government, business, entertainment, science, and higher education;

Whereas the Alpha Phi Alpha Fraternity has 350 college campus chapters and 350 alumni chapters in 44 States, the District of Columbia, Africa, Asia, the Caribbean, and Europe; and

Whereas the Alpha Phi Alpha Fraternity continues to enrich the lives of its members who, in turn, carry out in their communities a commitment to service and the uplifting of humanity: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) recognizes and honors the 100th anniversary of the founding of the Alpha Phi Alpha Fraternity;

(2) commends all Alpha Phi Alpha brothers, past and present, for their bond of friendship, common ideals and beliefs, and service to community; and

(3) expresses its best wishes for the Alpha Phi Alpha Fraternity's continued success and growth.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska (Mr. OSBORNE) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska.

GENERAL LEAVE

Mr. OSBORNE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H. Con. Res. 384.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. OSBORNE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 384 offered by my colleague, the gentleman from New York (Mr. HINCHEY). House Concurrent Resolution 384 honors the Alpha Phi Alpha Fraternity on the occasion of its 100th anniversary.

The Alpha Phi Alpha Fraternity was founded in 1904 at Cornell University in Ithaca, New York by seven young men who recognized the need to fill the void of social and cultural interaction on an Ivy League campus left behind by segregation. These founders, who came to be known as the Seven Jewels, were no ordinary achievers, for they had founded the first intercollegiate Greek-letter fraternity established for African Americans, no small feat given the racial attitudes of the time.

For 100 years, the Alpha Phi Alpha Fraternity has initiated more than 175,000 men. The goals of the fraternity are manly deeds, scholarship, and love for all mankind. I might add parenthetically that several of my student athletes over a number of years joined this fraternity. The successes of the fraternity have continued through the establishment of 700 collegiate and alumni chapters in 44 States, the District of Columbia, Africa, Asia, the Caribbean, and Europe.

Moreover, aside from being the first African American Greek-letter organization for college men, the Alpha Phi Alpha Fraternity was the first to integrate its membership in 1945. By doing so, they proved to the world that people of different ethnic backgrounds could effectively work together in peace.

In addition, the Alpha Phi Alpha Fraternity has implemented a number of national programs which have benefited the African-American community and all communities as a whole. The programs include, "A Voteless People is a Hopeless People," which concentrates on voter registration and awareness, and the "Go to High School, Go to College" program, which focuses on the educational enrichment of African American youth. The fraternity also jointly leads programming initiatives with March of Dimes, Head Start, Boy Scouts of America, and Big Brothers and Big Sisters of America.

Lastly, the Alpha Phi Alpha Fraternity has played a fundamental role in the positive development in the character and education of these young men that has served as a foundation for success and achievements in all fields of endeavor, from the sciences, to education, to business, to professional athletics, and to public service.

Mr. Speaker, it is my pleasure to recognize and honor the Alpha Phi Alpha Fraternity for the celebration of its 100th anniversary, and commends all Alpha Phi Alpha brothers, past and present, for their bond of friendship, common ideals and beliefs, and service to community.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 3½ minutes to the sponsor of this resolution who represents the area where Alpha Phi Alpha was indeed founded, Representative Maurice Hinchey from New York.

Mr. HINCHEY. Mr. Speaker, I want to express my appreciation to my friend and colleague, Mr. DAVIS, for providing me with this time. I also want to express my appreciation to my friends on both sides of the aisle for managing this resolution and allowing it the opportunity to come here to the floor this afternoon.

Cornell University is one of the most important and one of the most significant colleges and universities in America. It is an outstanding source of education, as well as a place of great scientific and other intellectual research. A great many events have taken place at Cornell University, located in Ithaca, New York, over the many years that it has been in existence.

Among those significant events was the founding of the Alpha Phi Alpha Fraternity, founded on December 4 of 1906. This first intercollegiate Greek-letter fraternity, which was established for African Americans, was founded at Cornell University, New York, which is located in the congressional district that I am honored to represent, and it was done so by seven college men at that time, Henry Arthur Callis, Charles Henry Chapman, Eugene Kinckle Jones, George Biddle Kelley, Nathaniel Allison Murray, Robert Harold Ogle, and Vertner Woodson Tandy.

It is important that this resolution is passed today because obviously, this year marks the 100th anniversary of the founding of this fraternity. In fact, it happens not coincidentally this week the Alphas are holding a centennial convention right here in the Nation's capital of Washington, D.C.

Since its inception, the Alpha Phi Alpha Fraternity has played a very crucial role in the educational and character development of more than 175,000 men. Now this fraternity has 350 college campus chapters and 350 alumni chapters that are located in 44 of our States as well as the District of Columbia. It also has additional chapters in Africa, Asia, the Caribbean, and Europe. It has become in fact one of the most significant fraternities in the world.

Alpha Phi Alpha alumni include noteworthy leaders who serve in the areas of science, politics, the military, education, and social justice, and there are a large number of members of this fraternity who have served this country and then passed on. I will mention just a few of those outstanding Americans. They include Dr. Martin Luther King, Jr., W.E.B. DuBois, Justice Thurgood Marshall, and John H. Johnson. Alpha Phi Alpha alumni also include eight other distinguished colleagues in our House. They are CHARLIE RANGEL, BOBBY SCOTT, CHAKA FATTAH, GREGORY MEEKS, DANNY DAVIS, DAVID SCOTT, AL GREEN and EMANUEL CLEAVER. It gives me a great deal of pleasure, Mr. Speaker, to offer this resolution to the Members of our House, and I certainly hope it passes unanimously.

□ 1630

Mr. OSBORNE. Mr. Speaker, I continue to reserve my time.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 3 minutes to the distinguished gentlewoman from California (Ms. WATSON).

Ms. WATSON. Mr. Speaker, I rise today to salute my brother fraternity, Alpha Phi Alpha, on the occasion of their centennial celebration and in support of H. Con. Res. 384, a resolution honoring the Alpha Phi Alpha fraternity as the first Greek letter fraternity established for African American men.

As a member of Alpha Kappa Alpha Sorority, Incorporated, the first female and sister sorority of Alpha Phi Alpha, I know well the hard work and dedication that goes towards their goals: their mission of education, their mission of civic engagement and participation, and their civil rights leadership.

I was extremely honored to be declared a Golden Soror at the fall Alpha Kappa Alpha's Boule last week.

The Brothers of the Black and Gold have watched their mission grow and evolve in the 100 years since the fraternity's founding. They have taken their original collegiate support system and expanded it to serve as a role model in high school and college mentoring programs, a practice that I as a former educator and school psychologist highly endorse as one of the best routes to success.

Their 70-year-old mission to increase civic participation by instilling the adage, "A Voteless People is a Hopeless People," is still relevant today, as we just passed the Voting Rights Act amid some claims that it is no longer needed. Unfortunately, intimidation, threats, innuendo and deception are still used to discourage voter turnout; and so the Alphas, as they are known on college campuses, continue to lead the charge for a free vote and fair representation.

My last commendation to my brothers is to applaud them on their efforts to enshrine Dr. Martin Luther King, Jr.'s legacy by building a memorial to him on the National Mall. I was pleased to carry the legislation in the year 2003 authorizing such a monument to our Nation's foremost pacifist and civil rights legend where it belongs, in a highly visible, national area.

I know that the Alpha Phi Alpha fraternity is working in a determined way to raise the funds for the Martin Luther King, Jr., memorial; and I am pleased as usual to go into partnership with them in reaching their goal.

I want to congratulate them, all of you, my brothers of the Alpha Phi Alpha fraternity, for founding this long-lasting organization and for your tenacity in engaging us on crucial issues that transcend time.

Congratulations.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 4 minutes to the distinguished gentleman from Virginia (Mr. SCOTT), a member of the Education and the Workforce Committee, Judiciary Committee, and Budget Committee and known to those of us in the Alpha fraternity as Brother Constitutional Scholar.

Mr. SCOTT of Virginia. Mr. Speaker, I thank the gentleman for yielding. Thank you, Brother Davis.

Mr. Speaker, it is truly an honor for me to congratulate Alpha Phi Alpha fraternity on our centennial celebration, commemorating 100 years of civil service and social progress.

Alpha Phi Alpha fraternity was founded on December 4, 1906, at Cornell University in Ithaca, New York, by seven young men known as the Seven Jewels. As the first intercollegiate Greek letter fraternity established for African Americans, Alpha Phi Alpha initially served as a brotherhood and study and support group for minority students at Cornell, but it also recognized the need to help correct the educational, economic, political and social injustices faced by African Americans.

From that, the foundation of Alpha Phi Alpha principles of scholarship, fellowship, good character and the uplifting of humanity were laid. Alpha Phi Alpha now has a presence on hundreds of college campuses as well as in hundreds of alumni chapters in 44 States, the District of Columbia, Africa, Asia, Europe and the Caribbean islands.

Over the years, Alpha Phi Alpha has played a fundamental role in the positive development of the character and education of more than 175,000 men, and it has been paramount in the fight to advance civil rights and enhance the socioeconomic status of all in American society.

Notable Alphas include Thurgood Marshall, W.E.B. DuBois, Adam Clayton Powell, Martin Luther King, Jr., Edward Brooke, Andrew Young, William Gray, Paul Robeson, and there are countless others who have served or now serve as leaders in government, business, entertainment, science and education.

Today, in Congress, the eight Members have already been identified, but I would like to mention at this time three national programs that have been designed by Alpha Phi Alpha to benefit the future of African Americans and humanity as a whole. Every Alpha chapter is committed to the implementation of these programs.

The Go-to-High-School, Go-to-College program was established in 1922 and focuses on the importance of African American youth completing secondary and collegiate education as a road to advancement. Statistics prove that school completion is the single best predictor for future success, and Alpha Phi Alpha is committed to promoting education among African American youth and the importance of completing one's education.

"A Voteless People is a Hopeless People" began as an Alpha Phi Alpha program during the 1930s when many African Americans had the right to vote, but were prevented from doing so due to poll taxes, threats of reprisal, and lack of education about the voting process. The program, which focus on voter education and voter registration, also facilitates town meetings and candidate forums to improve political awareness and empowerment.

Project Alpha was started by a chapter in Chicago in the late 1970s and is now a national Alpha program implemented in collaboration with the March of Dimes Birth Defects Foundation. It is designed to provide education, motivation, and skill-building on issues of responsibility, relationships, teen pregnancy, and sexually transmitted diseases for young males 12 to 15 years of age. Project Alpha reaches hundreds of communities and thousands of teen males to teach them the importance of responsibility in their personal lives.

Mr. Speaker, on this centennial anniversary, it is my privilege to recognize the 100th anniversary of Alpha Phi Alpha fraternity; to commend all Alpha brothers, past and present, for their bond of friendship, common ideals and service to the community; and to wish Alpha Phi Alpha success in the next 100 years as it continues to enrich the lives of its members, its alumni, and through them, communities around the world.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 3½ minutes to the gentleman from Georgia (Mr. SCOTT), an Alpha brother who holds a master's degree in business administration from the Wharton School of Business, a distinguished businessman before becoming an elected official, who hails from Atlanta, Georgia.

Mr. SCOTT of Georgia. Mr. Speaker, I thank very much Representative DAVIS, and what a pleasure it is to join all of my fellow Members of Congress on this historic day for this historic occasion, which is to truly recognize 100 years of sojourning for truth by this extraordinary fraternal organization.

I stand before you as living proof of the greatness of our Alpha Phi Alpha. I was brought into Alpha Phi Alpha when I was 18 years old, 1964, at Florida A&M University in the Beta Nu chapter, and it is not a stretch to say that if it were not for Alpha Phi Alpha, David Scott would not be standing in this prestigious place called the Congress of the United States, for I, like every Alpha member, and every Alpha brother, owe so much to the sturdiness of that organization to at an early age instill in so many young men, African American young men or boys and turn African American boys into men, to understand the importance of brotherhood, to understand the importance of commitment, of discipline, of focus, to learn early in your life that if you want to be something, if you want to be somebody, the first place you have to look is in the mirror because the answer lies deep within yourself.

1906 to 2006, 100 years of greatness that mirrors 100 years of greatness in the greatest country on the face of the Earth, the United States of America; and at every step of the way in that great journey of the last 100 years, the men of Alpha have played a pivotal role, all the way from World War I, where we had Alpha men who fought in Europe; all the way up through the Great Depression, when America had to go through the great economic throes that we did, men and women of Alpha worked in the work plant, worked right there with Franklin Delano Roosevelt's plan. When Franklin Delano Roosevelt looked America in the eye and said we do not have anything to fear but fear itself, Alpha was there to take that challenge.

Through World War II, Alpha men fought on the beaches of Normandy. All the way from the halls of Montezuma to the shores of Tripoli, Alpha men were there fighting for this country. And when the challenge came to desegregate the schools, the leader of that, Thurgood Marshall, was an Alpha man who stood tall. And when the call came out, who would go for us and who shall we send to lead the charge in the civil rights movement, Martin Luther King stood strong, a 26-year-old man, and said here I am, Lord, send me. Alpha.

So it is with great feeling and great expression that I join every Member of this House of Representatives to give the proper respect to an organization on whose shoulders we in this House rest. We are eight Members of Alpha in this House, and we are so proud because as we look back through our history, we know that we stand here on the shoulders of Adam Clayton Powell. When there were only a few, maybe one, maybe two, African Americans that sat in this Chamber, it gave hope that we, too, could one day come.

I am so proud and I thank this House of Representatives for recognizing Alpha Phi Alpha.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 3½ minutes to the distinguished gentlewoman from the great State of Texas (Ms. JACKSON-LEE) who, of course, is not an Alpha, but of course, she could indeed marry an Alpha man if she chose to do so, but a tremendous leader from the State of Texas.

Ms. JACKSON-LEE of Texas. Mr. Speaker, although this esteemed body is filled with aura and history, I might imagine that today there is more history, more aura, more feeling, more acknowledgment of the struggles and the success of the Alpha Phi Alpha fraternity. How many can claim 100 years?

And so today I rise to add my appreciation to the Members of Congress who are Alphas, in particular the men that are on this floor today, Mr. SCOTT of Georgia, Mr. DAVIS of Illinois, and Mr. SCOTT of Virginia, representing a wide array of men who are in the United States Congress who are Alpha brothers.

Might I just for a moment claim to be a sister of their fraternity as a member of the Alpha Kappa Alpha sorority, but that is not why we rise today.

It is worth noting Alpha brothers who are founding members of the Houston chapter and others who are part of that great chapter such as Gerald Womack, Prince Cartwright, Larry Green, James Ward and, yes, the former national President, Mr. Harry Johnson. Additionally, other such leaders are Horace William, Walter Criner, Lew Don Buney, Sr. and L.W. Garrett, and many, many other good brothers.

I salute the Alphas who have been here for 100 years of life and liberty and freedom and salute them for understanding the first line of defense is an education in their Go-to-High-School, Go-to-College program, and of course, A Voteless People is a Hopeless People.

Doing that for 100 years, 175,000 African American men have been educated in the fundamental role of developing character and education; but I think if we speak to the heart and soul of Alphas, I want to speak to their commitment to civil rights.

☐ 1645

I want to speak to their commitment, to the stairsteps of opportunity. I want to thank them for embracing a man like Thurgood Marshall, who had the good reason to, one, be an Alpha man but still stand in the courthouse door as he argued Brown versus Topeka Board of Education.

And, yes, who would have ever thought that this great august Capitol, that had not yet honored in completeness the life and legacy of Martin King, an Alpha, would have embraced the mission of the Alpha Phi Alpha Fraternity that decided that they would bring about this monument of honoring Dr. King and his legacy with a monument. For all the years to come, after 100 years, 120 years, 130, 200, 300 years, we will have the privilege of coming to the Capitol of the United States and because of the Alpha Phi Alpha Fraternity we will be able to look to the vision, the hope, the inspiration of Martin King.

So I believe that this resolution, authored by Mr. HINCHEY, who I express great appreciation for, is, in fact, needed as we honor Henry Arthur Callis, Charles Henry Chapman, Eugene Kinckle Jones, George Biddle Kelley, Nathaniel Allison Murray, Robert Harold Ogle, and Vertner Woodson Tandy, the founders of the fraternity. May they live in legacy forever. Congratulations. One hundred years doesn't come very often. Congratulations to this great and wonderful fraternity.

Mr. OSBORNE. Mr. Speaker, I continue to reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself the balance of my time, and, first of all, I want to thank Representative HINCHEY from New York for introducing this resolution. I also want to thank my colleague from Nebraska for his management of the bill, Representative OSBORNE, a tremendous educator and legislator. And let me thank all of those who have spoken.

Mr. Speaker, when I think of Alpha Phi Alpha I think of its motto: First of all, servants of all, we shall transcend all. Alpha is a great service organization, and I want to congratulate our national president Daryl Matthews and brother Harry Johnson, who is leading the effort to build the Martin Luther King monument on the mall.

Alpha is a great role model for young boys and men seeking manhood. Every chapter has mentoring programs, educational programs, creating opportunity for young boys to become young men, and then to become the distinguished leaders that our country is so greatly in need of.

One of the things that I always liked about Alpha was that it helped one learn to communicate. And, of course, in my chapter, in order to get in, you had to say these poems and you had to go through all these processes. So I will end with this one:

Out of the night that covers me, black as the pit from pole to pole, I thank whatever gods may be for my unconquerable soul. In the fell clutch of circumstance I have not winced nor cried allowed. Under the bludgeonings of chance, my head is bloody but unbowed. It matters not how straight the gate, how charged with punishments the scroll, I am the master of my fate, I am the captain of my soul.

That is the teaching of the Alpha Phi Alpha Fraternity. We commend Alpha for its 100 years of existence.

Mr. Speaker, I yield my next 30 seconds to end to Mr. CHAKA FATTAH, from the great City of Brotherly Love, Philadelphia.

Mr. FATTAH. Mr. Speaker, could I ask the gentleman from Nebraska if he could yield another 30 seconds of his time?

Mr. OSBORNE. I would certainly yield the extra time.

The SPEAKER pro tempore (Mr. FOLEY). The gentleman from Pennsylvania is recognized for 1 minute.

Mr. FATTAH. Mr. Speaker, I rise to acknowledge the 100 year anniversary of the Alpha Phi Alpha Fraternity, which is a great institution in our country and will be having its centennial conference starting tomorrow here in Washington.

As a member of the Alphas, I know of its reputation for academic involvement. One of the first programs of our fraternity was an effort to get young men to stay in school and to go to college, and our work here in the Congress continues that effort.

I want to welcome all the Alpha brothers from across the country and the world who are coming here to Washington, DC. It is a proud day for this great organization, and I thank the Congress for honoring this organization and its great contributions to our country.

Mr. DAVIS of Illinois. Mr. Speaker, I want to express my thanks to Dante Polk, my intern, who is also an Alpha brother and is in the audience today.

Mr. Speaker, I yield back the balance of my time.

Mr. OSBORNE. Mr. Speaker, I would like to once again congratulate Alpha Phi Alpha on their 100 years of service. I thank Mr. HINCHEY for introducing the legislation, Mr. DAVIS for his management, and also his recitation, which was quite inspiring, and the other members of Alpha Phi Alpha.

Mr. CARDIN. Mr. Speaker, I am pleased to join my colleagues today in support of H. Con. Res. 384, recognizing and honoring the 100th anniversary of the founding of Alpha Phi Alpha Fraternity, Incorporated. I also want to thank Mr. HINCHEY for introducing this resolution, which I am proud to cosponsor.

Mr. Speaker, what a legacy. Founded at Cornell University in 1906, Alpha Phi Alpha is the first black fraternity in the United States. Alpha Phi Alpha has an illustrious history of service and leadership that is evident through its list of members over the past century. This list includes those who are no longer with us, such as Dr. Martin Luther King, Jr., and Justice Thurgood Marshall, and those with whom we are fortunate to serve today, such as our distinguished colleagues in the House—Congressmen CHARLIE RANGEL, DANNY DAVIS, BOBBY SCOTT, DAVID SCOTT, CHAKA FATTAH, GREGORY MEEKS, and EMANUEL CLEAVER.

The work of Alpha Phi Alpha is as strong as ever. The progress toward creating a national memorial here in Washington to Dr. King would not have been made without the initiative and dedication of Alpha Phi Alpha, and our Nation owes them a debt of gratitude. The fraternity has established the Alpha Disaster Relief Fund to aid the families affected by Hurricanes Katrina and Rita, and they were in the forefront of efforts to secure passage of the Voting Rights Act Reauthorization.

Mr. Speaker, today's resolution is especially important to me because A Phi A is headquartered in my hometown of Baltimore, Maryland, and the fraternity's presence is felt not just on St. Paul Street, but throughout our city.

This week, Alphas around the world will celebrate 100 years of leadership and commitment to humanity. The 2006 Centennial Celebration will be held here in the Nation's Capital, and I am pleased to join my colleagues in welcoming them. I urge my colleagues to unanimously adopt this resolution and to join me in wishing General President Darryl Mathews, Sr., Executive Director Willard Hall, Jr., and all the brothers of Alpha Phi Alpha an outstanding 100th Anniversary.

Mr. SCOTT of Georgia. Mr. Speaker, it is an honor and special privilege to address this great body on such an auspicious occasion. The Centennial Convention of Alpha Phi Alpha Fraternity, Inc., commenced yesterday, marking 100 years from the fraternity's founding in Ithaca, NY, at Cornell University. This week in Washington, DC, men from every discipline and geographic location convene to chart and plan for the fraternity's future, celebrate its 100th anniversary, and reinvigorate its founding principles, scholarship, fellowship, good character, and the uplifting of humanity.

As a proud member of this fraternity, I feel special esteem in recognizing the historical significance of the centennial anniversary of Alpha Phi Alpha Fraternity, Inc. I joined the ranks of Alpha Phi Alpha Fraternity, Inc., as an undergraduate student at Florida A&M University to follow in the footsteps of many great men before me, such as W.E.B. DuBois, Adam Clayton Powell, Jr., Edward Brooke, Martin Luther King, Jr., Thurgood Marshall, Andrew Young, William Gray, and Paul Robeson.

I am pleased to join with the entire House in recognizing the fraternity's 100th anniversary with the passage of H. Con. Res. 384, "Recognizing and honoring the 100th anniversary of the founding of the Alpha Phi Alpha Fraternity, Incorporated, the first intercollegiate Greek-letter fraternity established for African Americans." I commend my brethren and the leadership of the organization for the achievements and accomplishments made thus far. On this historic occasion let us march forth to lay the groundwork for another 100 years.

Mr. HOLT. Mr. Speaker, I rise in support of H. Con. Res 384, recognizing and honoring the 100th anniversary of the founding of the Alpha Phi Alpha Fraternity, Incorporated, the first intercollegiate fraternity established for African-Americans.

From the first literary fraternity, Phi Beta Kappa, founded in 1776 at the College of William and Mary through the subsequent development of social fraternities starting with Kappa Alpha in 1825, college fraternities have sought to foster close friendship and personal development.

In the early 20th century, Black students were often excluded from the social organizations at many colleges and universities. Alpha Phi Alpha was founded in 1906 at Cornell University in Ithaca, NY, to provide associations and support among African-American students. With its cardinal principles of "Manly Deeds, Scholarship and Love for All Mankind," over 175,000 men have been initiated into the fraternity and there are now over 700 chapters worldwide. Among its membership are a number of prominent figures such as Martin Luther King, Jr., Jesse Owens, Thurgood Marshall and our colleague CHARLES RANGEL.

Aside from the lasting friendships that many young men have found within the fraternity, Alpha Phi Alpha has dedicated itself to a number of philanthropic programs. Alpha works closely with organizations such as Head Start, Big Brothers Big Sisters of America, the NAACP and Habitat for Humanity. Alpha Phi Alpha has also created a number of its own programs such as the Go-To-High-School, Go-To-College program and "A Voteless People is a Hopeless People." Alpha Phi Alpha also submitted the request for The Washington, D.C. Martin Luther King, Jr. National Memorial Project Foundation which was authorized by President Clinton in 1998.

Alpha Phi Alpha has two chapters in and around my district in central New Jersey, the Sigma Xi Chapter at Monmouth University and the Delta Iota Chapter at Rutgers University. I am proud of the role they play in enriching their surrounding communities.

From its origins as a social network for African-American college students to its continuing philanthropic efforts, Alpha Phi Alpha is indeed worthy of recognition and I am proud to stand in support of this resolution.

Mr. AL GREEN of Texas. Mr. Speaker, I rise in support of H. Con. Res. 384, a resolution recognizing and honoring the 100th anniversary of the founding of the Alpha Phi Alpha Fraternity, Incorporated, the first intercollegiate Greek-letter fraternity established for African Americans.

Since its founding on December 4, 1906, Alpha Phi Alpha Fraternity, Inc., has provided voice, vision, and pride to the struggle of African-Americans and persons of African descent around the globe.

Alpha Phi Alpha, was founded at Cornell University in Ithaca, New York, by seven college men who recognized the need for a strong bond of brotherhood among African descendants in this country. The visionary founders, known as the "Jewels" of the fraternity, are Henry Arthur Callis, Charles Henry Chapman, Eugene Kinckle Jones, George Biddle Kelley, Nathaniel Allison Murray, Robert Harold Ogle, and Vertner Woodson Tandy.

The fraternity initially served as a study and support group for minority students who faced racial prejudice, both educationally and socially, at Cornell. Alpha Phi Alpha chapters quickly spread to other colleges and universities, many of them historically black institutions, soon after the founding at Cornell. While continuing to stress academic excellence among its members, Alpha also recognized the need to help correct the educational, economic, political, and social injustices faced by African-Americans and persons of African descent around the world.

The Jewel founders and early leaders of the fraternity succeeded in laying a firm foundation for Alpha Phi Alpha's principles of scholarship, fellowship, good character, and the uplifting of humanity. These principles of this organization hold true to this very day.

Alpha Phi Alpha has long stood at the forefront of the African-American community's fight for civil rights through leaders such as: W.E.B. DuBois, Adam Clayton Powell, Jr., Edward Brooke, Martin Luther King, Jr., Thurgood Marshall, Andrew Young, William Gray, and Paul Robeson.

For almost a century, Alpha Phi Alpha Fraternity, and all the "Brothers of the Black & Old Gold," the official colors of the fraternity, have continuously served their community, country, people, and each other in a manner that is befitting of an organization of such character, dignity, and commitment. I, too, am a proud member of Alpha Phi Alpha, and it is an honor to be a part of an organization with such a rich legacy.

Mr. Speaker, I urge my colleagues to support this resolution recognizing and honoring the 100th anniversary of the founding of the Alpha Phi Alpha Fraternity, Incorporated, the first intercollegiate Greek-letter fraternity established for African Americans. Please vote in support of H. Con. Res. 384.

Mr. OSBORNE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska (Mr. OSBORNE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 384.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. HINCHEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

CONFERENCE REPORT ON S. 250, CARL D. PERKINS CAREER AND TECHNICAL EDUCATION IMPROVEMENT ACT OF 2006

Mr. MCKEON submitted the following conference report and statement on the Senate bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act:

CONFERENCE REPORT (H. REPT. 109-597)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 250), to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE; AMENDMENT.

(a) SHORT TITLE.—This Act may be cited as the "Carl D. Perkins Career and Technical Education Improvement Act of 2006".

(b) AMENDMENT.—The Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Carl D. Perkins Career and Technical Education Act of 2006'.

"(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

"Sec. 1. Short title; table of contents.
"Sec. 2. Purpose.
"Sec. 3. Definitions.
"Sec. 4. Transition provisions.
"Sec. 5. Privacy.
"Sec. 6. Limitation.
"Sec. 7. Special rule.
"Sec. 8. Prohibitions.
"Sec. 9. Authorization of appropriations.

"TITLE I—CAREER AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES

"PART A—ALLOTMENT AND ALLOCATION

"Sec. 111. Reservations and State allotment.
"Sec. 112. Within State allocation.
"Sec. 113. Accountability.
"Sec. 114. National activities.
"Sec. 115. Assistance for the outlying areas.
"Sec. 116. Native American programs.
"Sec. 117. Tribally controlled postsecondary career and technical institutions.
"Sec. 118. Occupational and employment information.

"PART B—STATE PROVISIONS

"Sec. 121. State administration.
"Sec. 122. State plan.
"Sec. 123. Improvement plans.
"Sec. 124. State leadership activities.

"PART C—LOCAL PROVISIONS

"Sec. 131. Distribution of funds to secondary education programs.
"Sec. 132. Distribution of funds for postsecondary education programs.
"Sec. 133. Special rules for career and technical education.
"Sec. 134. Local plan for career and technical education programs.
"Sec. 135. Local uses of funds.

"TITLE II—TECH PREP EDUCATION

"Sec. 201. State allotment and application.
"Sec. 202. Consolidation of funds.
"Sec. 203. Tech prep program.
"Sec. 204. Consortium applications.
"Sec. 205. Report.
"Sec. 206. Authorization of appropriations.

"TITLE III—GENERAL PROVISIONS

"PART A—FEDERAL ADMINISTRATIVE PROVISIONS

"Sec. 311. Fiscal requirements.
"Sec. 312. Authority to make payments.
"Sec. 313. Construction.
"Sec. 314. Voluntary selection and participation.
"Sec. 315. Limitation for certain students.
"Sec. 316. Federal laws guaranteeing civil rights.

“Sec. 317. Participation of private school personnel and children.
“Sec. 318. Limitation on Federal regulations.

“PART B—STATE ADMINISTRATIVE PROVISIONS

“Sec. 321. Joint funding.
“Sec. 322. Prohibition on use of funds to induce out-of-state relocation of businesses.
“Sec. 323. State administrative costs.
“Sec. 324. Student assistance and other Federal programs.

“SEC. 2. PURPOSE.

“The purpose of this Act is to develop more fully the academic and career and technical skills of secondary education students and postsecondary education students who elect to enroll in career and technical education programs, by—

“(1) building on the efforts of States and localities to develop challenging academic and technical standards and to assist students in meeting such standards, including preparation for high skill, high wage, or high demand occupations in current or emerging professions;

“(2) promoting the development of services and activities that integrate rigorous and challenging academic and career and technical instruction, and that link secondary education and postsecondary education for participating career and technical education students;

“(3) increasing State and local flexibility in providing services and activities designed to develop, implement, and improve career and technical education, including tech prep education;

“(4) conducting and disseminating national research and disseminating information on best practices that improve career and technical education programs, services, and activities;

“(5) providing technical assistance that—

“(A) promotes leadership, initial preparation, and professional development at the State and local levels; and

“(B) improves the quality of career and technical education teachers, faculty, administrators, and counselors;

“(6) supporting partnerships among secondary schools, postsecondary institutions, baccalaureate degree granting institutions, area career and technical education schools, local workforce investment boards, business and industry, and intermediaries; and

“(7) providing individuals with opportunities throughout their lifetimes to develop, in conjunction with other education and training programs, the knowledge and skills needed to keep the United States competitive.

“SEC. 3. DEFINITIONS.

“Unless otherwise specified, in this Act:

“(1) ADMINISTRATION.—The term ‘administration’, when used with respect to an eligible agency or eligible recipient, means activities necessary for the proper and efficient performance of the eligible agency or eligible recipient’s duties under this Act, including the supervision of such activities. Such term does not include curriculum development activities, personnel development, or research activities.

“(2) ALL ASPECTS OF AN INDUSTRY.—The term ‘all aspects of an industry’ means strong experience in, and comprehensive understanding of, the industry that the individual is preparing to enter, including information as described in section 118.

“(3) AREA CAREER AND TECHNICAL EDUCATION SCHOOL.—The term ‘area career and technical education school’ means—

“(A) a specialized public secondary school used exclusively or principally for the provision of career and technical education to individuals who are available for study in preparation for entering the labor market;

“(B) the department of a public secondary school exclusively or principally used for providing career and technical education in not fewer than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;

“(C) a public or nonprofit technical institution or career and technical education school used exclusively or principally for the provision of career and technical education to individuals who have completed or left secondary school and who are available for study in preparation for entering the labor market, if the institution or school admits, as regular students, individuals who have completed secondary school and individuals who have left secondary school; or

“(D) the department or division of an institution of higher education, that operates under the policies of the eligible agency and that provides career and technical education in not fewer than 5 different occupational fields leading to immediate employment but not necessarily leading to a baccalaureate degree, if the department or division admits, as regular students, both individuals who have completed secondary school and individuals who have left secondary school.

“(4) ARTICULATION AGREEMENT.—The term ‘articulation agreement’ means a written commitment—

“(A) that is agreed upon at the State level or approved annually by the lead administrators of—

“(i) a secondary institution and a postsecondary educational institution; or

“(ii) a subbaccalaureate degree granting postsecondary educational institution and a baccalaureate degree granting postsecondary educational institution; and

“(B) to a program that is—

“(i) designed to provide students with a nonduplicative sequence of progressive achievement leading to technical skill proficiency, a credential, a certificate, or a degree; and

“(ii) linked through credit transfer agreements between the 2 institutions described in clause (i) or (ii) of subparagraph (A) (as the case may be).

“(5) CAREER AND TECHNICAL EDUCATION.—The term ‘career and technical education’ means organized educational activities that—

“(A) offer a sequence of courses that—

“(i) provides individuals with coherent and rigorous content aligned with challenging academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions;

“(ii) provides technical skill proficiency, an industry-recognized credential, a certificate, or an associate degree; and

“(iii) may include prerequisite courses (other than a remedial course) that meet the requirements of this subparagraph; and

“(B) include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, technical skills, and occupation-specific skills, and knowledge of all aspects of an industry, including entrepreneurship, of an individual.

“(6) CAREER AND TECHNICAL STUDENT ORGANIZATION.—

“(A) IN GENERAL.—The term ‘career and technical student organization’ means an organization for individuals enrolled in a career and technical education program that engages in career and technical education activities as an integral part of the instructional program.

“(B) STATE AND NATIONAL UNITS.—An organization described in subparagraph (A) may have State and national units that aggregate the work and purposes of instruction in career and technical education at the local level.

“(7) CAREER GUIDANCE AND ACADEMIC COUNSELING.—The term ‘career guidance and academic counseling’ means guidance and counseling that—

“(A) provides access for students (and parents, as appropriate) to information regarding career awareness and planning with respect to an individual’s occupational and academic future; and

“(B) provides information with respect to career options, financial aid, and postsecondary options, including baccalaureate degree programs.

“(8) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given the term in section 5210 of the Elementary and Secondary Education Act of 1965.

“(9) COOPERATIVE EDUCATION.—The term ‘cooperative education’ means a method of education for individuals who, through written cooperative arrangements between a school and employers, receive instruction, including required rigorous and challenging academic courses and related career and technical education instruction, by alternation of study in school with a job in any occupational field, which alternation—

“(A) shall be planned and supervised by the school and employer so that each contributes to the education and employability of the individual; and

“(B) may include an arrangement in which work periods and school attendance may be on alternate half days, full days, weeks, or other periods of time in fulfilling the cooperative program.

“(10) DISPLACED HOMEMAKER.—The term ‘displaced homemaker’ means an individual who—

“(A)(i) has worked primarily without remuneration to care for a home and family, and for that reason has diminished marketable skills;

“(ii) has been dependent on the income of another family member but is no longer supported by that income; or

“(iii) is a parent whose youngest dependent child will become ineligible to receive assistance under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) not later than 2 years after the date on which the parent applies for assistance under such title; and

“(B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

“(11) EDUCATIONAL SERVICE AGENCY.—The term ‘educational service agency’ has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(12) ELIGIBLE AGENCY.—The term ‘eligible agency’ means a State board designated or created consistent with State law as the sole State agency responsible for the administration of career and technical education in the State or for the supervision of the administration of career and technical education in the State.

“(13) ELIGIBLE INSTITUTION.—The term ‘eligible institution’ means—

“(A) a public or nonprofit private institution of higher education that offers career and technical education courses that lead to technical skill proficiency, an industry-recognized credential, a certificate, or a degree;

“(B) a local educational agency providing education at the postsecondary level;

“(C) an area career and technical education school providing education at the postsecondary level;

“(D) a postsecondary educational institution controlled by the Bureau of Indian Affairs or operated by or on behalf of any Indian tribe that is eligible to contract with the Secretary of the Interior for the administration of programs under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) or the Act of April 16, 1934 (25 U.S.C. 452 et seq.);

“(E) an educational service agency; or

“(F) a consortium of 2 or more of the entities described in subparagraphs (A) through (E).

“(14) ELIGIBLE RECIPIENT.—The term ‘eligible recipient’ means—

“(A) a local educational agency (including a public charter school that operates as a local educational agency), an area career and technical education school, an educational service agency, or a consortium, eligible to receive assistance under section 131; or

“(B) an eligible institution or consortium of eligible institutions eligible to receive assistance under section 132.

“(15) GOVERNOR.—The term ‘Governor’ means the chief executive officer of a State.

“(16) INDIVIDUAL WITH LIMITED ENGLISH PROFICIENCY.—The term ‘individual with limited English proficiency’ means a secondary school student, an adult, or an out-of-school youth, who has limited ability in speaking, reading, writing, or understanding the English language, and—

“(A) whose native language is a language other than English; or

“(B) who lives in a family or community environment in which a language other than English is the dominant language.

“(17) INDIVIDUAL WITH A DISABILITY.—

“(A) IN GENERAL.—The term ‘individual with a disability’ means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

“(B) INDIVIDUALS WITH DISABILITIES.—The term ‘individuals with disabilities’ means more than 1 individual with a disability.

“(18) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given the term in section 101 of the Higher Education Act of 1965.

“(19) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(20) NON-TRADITIONAL FIELDS.—The term ‘non-traditional fields’ means occupations or fields of work, including careers in computer science, technology, and other current and emerging high skill occupations, for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation or field of work.

“(21) OUTLYING AREA.—The term ‘outlying area’ means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau.

“(22) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term ‘postsecondary educational institution’ means—

“(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor's degree;

“(B) a tribally controlled college or university; or

“(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

“(23) POSTSECONDARY EDUCATION TECH PREP STUDENT.—The term ‘postsecondary education tech prep student’ means a student who—

“(A) has completed the secondary education component of a tech prep program; and

“(B) has enrolled in the postsecondary education component of a tech prep program at an institution of higher education described in clause (i) or (ii) of section 203(a)(1)(B).

“(24) SCHOOL DROPOUT.—The term ‘school dropout’ means an individual who is no longer attending any school and who has not received a secondary school diploma or its recognized equivalent.

“(25) SCIENTIFICALLY BASED RESEARCH.—The term ‘scientifically based research’ means research that is carried out using scientifically based research standards, as defined in section 102 of the Education Sciences Reform Act of 2002 (20 U.S.C. 9501).

“(26) SECONDARY EDUCATION TECH PREP STUDENT.—The term ‘secondary education tech prep student’ means a secondary education student who has enrolled in 2 courses in the secondary education component of a tech prep program.

“(27) SECONDARY SCHOOL.—The term ‘secondary school’ has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(28) SECRETARY.—The term ‘Secretary’ means the Secretary of Education.

“(29) SPECIAL POPULATIONS.—The term ‘special populations’ means—

“(A) individuals with disabilities;

“(B) individuals from economically disadvantaged families, including foster children;

“(C) individuals preparing for non-traditional fields;

“(D) single parents, including single pregnant women;

“(E) displaced homemakers; and

“(F) individuals with limited English proficiency.

“(30) STATE.—The term ‘State’, unless otherwise specified, means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and each outlying area.

“(31) SUPPORT SERVICES.—The term ‘support services’ means services related to curriculum modification, equipment modification, classroom modification, supportive personnel, and instructional aids and devices.

“(32) TECH PREP PROGRAM.—The term ‘tech prep program’ means a tech prep program described in section 203(c).

“(33) TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY.—The term ‘tribally controlled college or university’ has the meaning given the term in section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)).

“(34) TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTION.—The term ‘tribally controlled postsecondary career and technical institution’ means an institution of higher education (as defined in section 101 of the Higher Education Act of 1965, except that subsection (a)(2) of such section shall not be applicable and the reference to Secretary in subsection (a)(5) of such section shall be deemed to refer to the Secretary of the Interior) that—

“(A) is formally controlled, or has been formally sanctioned or chartered, by the governing body of an Indian tribe or Indian tribes;

“(B) offers a technical degree or certificate granting program;

“(C) is governed by a board of directors or trustees, a majority of whom are Indians;

“(D) demonstrates adherence to stated goals, a philosophy, or a plan of operation, that fosters individual Indian economic and self-sufficiency opportunity, including programs that are appropriate to stated tribal goals of developing individual entrepreneurships and self-sustaining economic infrastructures on reservations;

“(E) has been in operation for at least 3 years;

“(F) holds accreditation with or is a candidate for accreditation by a nationally recognized accrediting authority for postsecondary career and technical education; and

“(G) enrolls the full-time equivalent of not less than 100 students, of whom a majority are Indians.

“SEC. 4. TRANSITION PROVISIONS.

“The Secretary shall take such steps as the Secretary determines to be appropriate to provide for the orderly transition to the authority of this Act (as amended by the Carl D. Perkins Career and Technical Education Improvement Act of 2006) from any authority under the provisions of the Carl D. Perkins Vocational and Technical Education Act of 1998, as in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006. The Secretary shall give each eligible agency the opportunity to submit a transition plan for the first fiscal year following the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006.

“SEC. 5. PRIVACY.

“(a) GEPA.—Nothing in this Act shall be construed to supersede the privacy protections afforded parents and students under section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

“(b) PROHIBITION ON DEVELOPMENT OF NATIONAL DATABASE.—Nothing in this Act shall be construed to permit the development of a national database of personally identifiable information on individuals receiving services under this Act.

“SEC. 6. LIMITATION.

“All of the funds made available under this Act shall be used in accordance with the requirements of this Act.

“SEC. 7. SPECIAL RULE.

“In the case of a local community in which no employees are represented by a labor organization, for purposes of this Act, the term ‘representatives of employees’ shall be substituted for ‘labor organization’.

“SEC. 8. PROHIBITIONS.

“(a) LOCAL CONTROL.—Nothing in this Act shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's curriculum, program of instruction, or allocation of State or local resources, or mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this Act, except as required under sections 112(b), 311(b), and 323.

“(b) NO PRECLUSION OF OTHER ASSISTANCE.—Any State that declines to submit an application to the Secretary for assistance under this Act shall not be precluded from applying for assistance under any other program administered by the Secretary.

“(c) PROHIBITION ON REQUIRING FEDERAL APPROVAL OR CERTIFICATION OF STANDARDS.—Notwithstanding any other provision of Federal law, no State shall be required to have academic and career and technical content standards or student academic and career and technical achievement standards approved or certified by the Federal Government, in order to receive assistance under this Act.

“(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect the requirements under section 113.

“(e) COHERENT AND RIGOROUS CONTENT.—For the purposes of this Act, coherent and rigorous content shall be determined by the State consistent with section 1111(b)(1)(D) of the Elementary and Secondary Education Act of 1965.

“SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

“There is authorized to be appropriated to carry out this Act (other than sections 114, 117, and 118, and title II) such sums as may be necessary for each of the fiscal years 2007 through 2012.

“TITLE I—CAREER AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES

“PART A—ALLOTMENT AND ALLOCATION

“SEC. 111. RESERVATIONS AND STATE ALLOTMENT.

“(a) RESERVATIONS AND STATE ALLOTMENT.—

“(1) RESERVATIONS.—From the sum appropriated under section 9 for each fiscal year, the Secretary shall reserve—

“(A) 0.13 percent to carry out section 115; and

“(B) 1.50 percent to carry out section 116, of which—

“(i) 1.25 percent of the sum shall be available to carry out section 116(b); and

“(ii) 0.25 percent of the sum shall be available to carry out section 116(h).

“(2) STATE ALLOTMENT FORMULA.—Subject to paragraphs (3), (4), and (5), from the remainder of the sum appropriated under section 9 and not reserved under paragraph (1) for a fiscal year, the Secretary shall allot to a State for the fiscal year—

“(A) an amount that bears the same ratio to 50 percent of the sum being allotted as the product of the population aged 15 to 19 inclusive, in the State in the fiscal year preceding the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States;

“(B) an amount that bears the same ratio to 20 percent of the sum being allotted as the product of the population aged 20 to 24, inclusive, in the State in the fiscal year preceding the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States;

“(C) an amount that bears the same ratio to 15 percent of the sum being allotted as the product of the population aged 25 to 65, inclusive, in the State in the fiscal year preceding the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States; and

“(D) an amount that bears the same ratio to 15 percent of the sum being allotted as the amounts allotted to the State under subparagraphs (A), (B), and (C) for such years bears to the sum of the amounts allotted to all the States under subparagraphs (A), (B), and (C) for such year.

“(3) MINIMUM ALLOTMENT FOR YEARS WITH NO ADDITIONAL FUNDS.—

“(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraphs (B) and (C), and paragraph (5), for a fiscal year for which there are no additional funds (as such term is defined in paragraph (4)(D)), no State shall receive for such fiscal year under this subsection less than ½ of 1 percent of the amount appropriated under section 9 and not reserved under paragraph (1) for such fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

“(B) REQUIREMENT.—No State, by reason of the application of subparagraph (A), shall receive for a fiscal year more than 150 percent of the amount the State received under this subsection for the preceding fiscal year.

“(C) SPECIAL RULE.—

“(i) IN GENERAL.—Subject to paragraph (5), no State, by reason of the application of subparagraph (A), shall be allotted for a fiscal year more than the lesser of—

“(I) 150 percent of the amount that the State received in the preceding fiscal year; and

“(II) the amount calculated under clause (ii).

“(ii) AMOUNT.—The amount calculated under this clause shall be determined by multiplying—

“(I) the number of individuals in the State counted under paragraph (2) in the preceding fiscal year; by

“(II) 150 percent of the national average per pupil payment made with funds available under this section for that year.

“(4) MINIMUM ALLOTMENT FOR YEARS WITH ADDITIONAL FUNDS.—

“(A) IN GENERAL.—Subject to subparagraph (B) and paragraph (5), for a fiscal year for which there are additional funds, no State shall receive for such fiscal year under this subsection less than ½ of 1 percent of the amount appropriated under section 9 and not reserved under paragraph (1) for such fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

“(B) SPECIAL RULE.—In the case of a qualifying State, the minimum allotment under subparagraph (A) for a fiscal year for the qualifying State shall be the lesser of—

“(i) ½ of 1 percent of the amount appropriated under section 9 and not reserved under paragraph (1) for such fiscal year; and

“(ii) the sum of—

“(I) the amount the qualifying State was allotted under paragraph (2) for fiscal year 2006 (as such paragraph was in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006); and

“(II) the product of—

“(aa) ⅓ of the additional funds; multiplied by

“(bb) the quotient of—

“(C) RATIO.—For purposes of subparagraph (B)(ii)(II)(bb)(AA), the ratio for a qualifying State for a fiscal year shall be 1.00 less the quotient of—

“(i) the amount the qualifying State was allotted under paragraph (2) for fiscal year 2006 (as such paragraph was in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006); divided by

“(ii) ½ of 1 percent of the amount appropriated under section 9 and not reserved under paragraph (1) for the fiscal year for which the determination is made.

“(D) DEFINITIONS.—In this paragraph:

“(i) ADDITIONAL FUNDS.—The term 'additional funds' means the amount by which—

“(I) the sum appropriated under section 9 and not reserved under paragraph (1) for a fiscal year; exceeds

“(II) the sum of—

“(aa) the amount allotted under paragraph (2) for fiscal year 2006 (as such paragraph (2) was in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006);

“(bb) the amount reserved under paragraph (1)(C) for fiscal year 2006 (as such paragraph (1)(C) was so in effect); and

“(cc) $827,671.

“(ii) QUALIFYING STATE.—The term 'qualifying State' means a State (except the United States Virgin Islands) that, for the fiscal year for which a determination under this paragraph is made, would receive, under the allotment formula under paragraph (2) (without the application of this paragraph and paragraphs (3) and (5)), an amount that would be less than the amount the State would receive under subparagraph (A) for such fiscal year.

“(5) HOLD HARMLESS.—

“(A) IN GENERAL.—No State shall receive an allotment under this section for a fiscal year that is less than the allotment the State received under part A of title I of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2311 et seq.) (as such part was in effect on the day before the date of enactment of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998) for fiscal year 1998.

“(B) RATABLE REDUCTION.—If for any fiscal year the amount appropriated for allotments under this section is insufficient to satisfy the provisions of subparagraph (A), the payments to all States under such subparagraph shall be ratably reduced.

“(b) REALLOTMENT.—If the Secretary determines that any amount of any State's allotment under subsection (a) for any fiscal year will not be required for such fiscal year for carrying out the activities for which such amount has been allotted, the Secretary shall make such amount available for reallotment. Any such reallotment among other States shall occur on such dates during the same year as the Secretary shall fix, and shall be made on the basis of criteria established by regulation. No funds may be reallotted for any use other than the use for which the funds were appropriated. Any amount reallotted to a State under this subsection for any fiscal year shall remain available for obligation during the succeeding fiscal year and shall be deemed to be part of the State's allotment for the year in which the amount is obligated.

“(c) ALLOTMENT RATIO.—

“(1) IN GENERAL.—The allotment ratio for any State shall be 1.00 less the product of—

“(A) 0.50; and

“(B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of the Commonwealth of Puerto Rico and the United States Virgin Islands), except that—

“(i) the allotment ratio in no case shall be more than 0.60 or less than 0.40; and

“(ii) the allotment ratio for the Commonwealth of Puerto Rico and the United States Virgin Islands shall be 0.60.

“(2) PROMULGATION.—The allotment ratios shall be promulgated by the Secretary for each fiscal year between October 1 and December 31 of the fiscal year preceding the fiscal year for which the determination is made. Allotment ratios shall be computed on the basis of the average of the appropriate per capita incomes for the 3 most recent consecutive fiscal years for which satisfactory data are available.

“(3) DEFINITION OF PER CAPITA INCOME.—For the purpose of this section, the term 'per capita income' means, with respect to a fiscal year, the total personal income in the calendar year ending in such year, divided by the population of the area concerned in such year.

“(4) POPULATION DETERMINATION.—For the purposes of this section, population shall be determined by the Secretary on the basis of the latest estimates available to the Department of Education.

“(d) DEFINITION OF STATE.—For the purpose of this section, the term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

“SEC. 112. WITHIN STATE ALLOCATION.

“(a) IN GENERAL.—From the amount allotted to each State under section 111 for a fiscal year, the eligible agency shall make available—

“(1) not less than 85 percent for distribution under section 131 or 132, of which not more than 10 percent of the 85 percent may be used in accordance with subsection (c);

“(2) not more than 10 percent to carry out State leadership activities described in section 124, of which—

“(A) an amount equal to not more than 1 percent of the amount allotted to the State under section 111 for the fiscal year shall be made available to serve individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities; and

“(B) not less than $60,000 and not more than $150,000 shall be available for services that prepare individuals for non-traditional fields; and

“(3) an amount equal to not more than 5 percent, or $250,000, whichever is greater, for administration of the State plan, which may be used for the costs of—

“(A) developing the State plan;

“(B) reviewing a local plan;

“(C) monitoring and evaluating program effectiveness;

“(D) assuring compliance with all applicable Federal laws;

"(E) providing technical assistance; and

"(F) supporting and developing State data systems relevant to the provisions of this Act.

"(b) MATCHING REQUIREMENT.—Each eligible agency receiving funds made available under subsection (a)(3) shall match, from non-Federal sources and on a dollar-for-dollar basis, the funds received under subsection (a)(3).

"(c) RESERVE.—From amounts made available under subsection (a)(1) to carry out this subsection, an eligible agency may award grants to eligible recipients for career and technical education activities described in section 135 in—

"(1) rural areas;

"(2) areas with high percentages of career and technical education students; and

"(3) areas with high numbers of career and technical education students.

"SEC. 113. ACCOUNTABILITY.

"(a) PURPOSE.—The purpose of this section is to establish and support State and local performance accountability systems, comprised of the activities described in this section, to assess the effectiveness of the State and the eligible recipients of the State in achieving statewide progress in career and technical education, and to optimize the return of investment of Federal funds in career and technical education activities.

"(b) STATE PERFORMANCE MEASURES.—

"(1) IN GENERAL.—Each eligible agency, with input from eligible recipients, shall establish performance measures for a State that consist of—

"(A) the core indicators of performance described in subparagraphs (A) and (B) of paragraph (2);

"(B) any additional indicators of performance (if any) identified by the eligible agency under paragraph (2)(C); and

"(C) a State adjusted level of performance described in paragraph (3)(A) for each core indicator of performance, and State levels of performance described in paragraph (3)(B) for each additional indicator of performance.

"(2) INDICATORS OF PERFORMANCE.—

"(A) CORE INDICATORS OF PERFORMANCE FOR CAREER AND TECHNICAL EDUCATION STUDENTS AT THE SECONDARY LEVEL.—Each eligible agency shall identify in the State plan core indicators of performance for career and technical education students at the secondary level that are valid and reliable, and that include, at a minimum, measures of each of the following:

"(i) Student attainment of challenging academic content standards and student academic achievement standards, as adopted by a State in accordance with section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 and measured by the State determined proficient levels on the academic assessments described in section 1111(b)(3) of such Act.

"(ii) Student attainment of career and technical skill proficiencies, including student achievement on technical assessments, that are aligned with industry-recognized standards, if available and appropriate.

"(iii) Student rates of attainment of each of the following:

"(I) A secondary school diploma.

"(II) A General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities).

"(III) A proficiency credential, certificate, or degree, in conjunction with a secondary school diploma (if such credential, certificate, or degree is offered by the State in conjunction with a secondary school diploma).

"(iv) Student graduation rates (as described in section 1111(b)(2)(C)(vi) of the Elementary and Secondary Education Act of 1965).

"(v) Student placement in postsecondary education or advanced training, in military service, or in employment.

"(vi) Student participation in and completion of career and technical education programs that lead to non-traditional fields.

"(B) CORE INDICATORS OF PERFORMANCE FOR CAREER AND TECHNICAL EDUCATION STUDENTS AT THE POSTSECONDARY LEVEL.—Each eligible agency shall identify in the State plan core indicators of performance for career and technical education students at the postsecondary level that are valid and reliable, and that include, at a minimum, measures of each of the following:

"(i) Student attainment of challenging career and technical skill proficiencies, including student achievement on technical assessments, that are aligned with industry-recognized standards, if available and appropriate.

"(ii) Student attainment of an industry-recognized credential, a certificate, or a degree.

"(iii) Student retention in postsecondary education or transfer to a baccalaureate degree program.

"(iv) Student placement in military service or apprenticeship programs or placement or retention in employment, including placement in high skill, high wage, or high demand occupations or professions.

"(v) Student participation in, and completion of, career and technical education programs that lead to employment in non-traditional fields.

"(C) ADDITIONAL INDICATORS OF PERFORMANCE.—An eligible agency, with input from eligible recipients, may identify in the State plan additional indicators of performance for career and technical education activities authorized under this title, such as attainment of self-sufficiency.

"(D) EXISTING INDICATORS.—If a State has developed, prior to the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006, State career and technical education performance measures that meet the requirements of this section (as amended by such Act), the State may use such performance measures to measure the progress of career and technical education students.

"(E) STATE ROLE.—Indicators of performance described in this paragraph shall be established solely by each eligible agency with input from eligible recipients.

"(F) ALIGNMENT OF PERFORMANCE INDICATORS.—In the course of developing core indicators of performance and additional indicators of performance, an eligible agency shall, to the greatest extent possible, align the indicators so that substantially similar information gathered for other State and Federal programs, or for any other purpose, is used to meet the requirements of this section.

"(3) STATE LEVELS OF PERFORMANCE.—

"(A) STATE ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS OF PERFORMANCE.—

"(i) IN GENERAL.—Each eligible agency, with input from eligible recipients, shall establish in the State plan submitted under section 122, levels of performance for each of the core indicators of performance described in subparagraphs (A) and (B) of paragraph (2) for career and technical education activities authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

"(I) be expressed in a percentage or numerical form, so as to be objective, quantifiable, and measurable; and

"(II) require the State to continually make progress toward improving the performance of career and technical education students.

"(ii) IDENTIFICATION IN THE STATE PLAN.—Subject to section 4, each eligible agency shall identify, in the State plan submitted under section 122, levels of performance for each of the core indicators of performance for the first 2 program years covered by the State plan.

"(iii) AGREEMENT ON STATE ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 2 YEARS.—The Secretary and each eligible agency shall reach agreement on the levels of performance for each of the core indicators of performance, for the first 2 program years covered by the State plan, taking into account the levels identified in the State plan under clause (ii) and the factors described in clause (vi). The levels of performance agreed to under this clause shall be considered to be the State adjusted level of performance for the State for such years and shall be incorporated into the State plan prior to the approval of such plan.

"(iv) ROLE OF THE SECRETARY.—The role of the Secretary in the agreement described in clauses (iii) and (v) is limited to reaching agreement on the percentage or number of students who attain the State adjusted levels of performance.

"(v) AGREEMENT ON STATE ADJUSTED LEVELS OF PERFORMANCE FOR SUBSEQUENT YEARS.—Prior to the third and fifth program years covered by the State plan, the Secretary and each eligible agency shall reach agreement on the State adjusted levels of performance for each of the core indicators of performance for the corresponding subsequent program years covered by the State plan, taking into account the factors described in clause (vi). The State adjusted levels of performance agreed to under this clause shall be considered to be the State adjusted levels of performance for the State for such years and shall be incorporated into the State plan.

"(vi) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

"(I) how the levels of performance involved compare with the State adjusted levels of performance established for other States, taking into account factors including the characteristics of participants when the participants entered the program and the services or instruction to be provided; and

"(II) the extent to which such levels of performance promote continuous improvement on the indicators of performance by such State.

"(vii) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (vi), the eligible agency may request that the State adjusted levels of performance agreed to under clause (iii) or (v) be revised. The Secretary shall issue objective criteria and methods for making such revisions.

"(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—Each eligible agency shall identify in the State plan State levels of performance for each of the additional indicators of performance described in paragraph (2)(C). Such levels shall be considered to be the State levels of performance for purposes of this title.

"(4) LOCAL LEVELS OF PERFORMANCE.—

"(A) LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS OF PERFORMANCE.—

"(i) IN GENERAL.—Each eligible recipient shall agree to accept the State adjusted levels of performance established under paragraph (3) as local adjusted levels of performances, or negotiate with the State to reach agreement on new local adjusted levels of performance, for each of the core indicators of performance described in subparagraphs (A) and (B) of paragraph (2) for career and technical education activities authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

"(I) be expressed in a percentage or numerical form, consistent with the State levels of performance established under paragraph (3), so as to be objective, quantifiable, and measurable; and

"(II) require the eligible recipient to continually make progress toward improving the performance of career and technical education students.

"(ii) IDENTIFICATION IN THE LOCAL PLAN.—Each eligible recipient shall identify, in the

local plan submitted under section 134, levels of performance for each of the core indicators of performance for the first 2 program years covered by the local plan.

"(iii) AGREEMENT ON LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 2 YEARS.—The eligible agency and each eligible recipient shall reach agreement, as described in clause (i), on the eligible recipient's levels of performance for each of the core indicators of performance for the first 2 program years covered by the local plan, taking into account the levels identified in the local plan under clause (ii) and the factors described in clause (v). The levels of performance agreed to under this clause shall be considered to be the local adjusted levels of performance for the eligible recipient for such years and shall be incorporated into the local plan prior to the approval of such plan.

"(iv) AGREEMENT ON LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR SUBSEQUENT YEARS.—Prior to the third and fifth program years covered by the local plan, the eligible agency and each eligible recipient shall reach agreement on the local adjusted levels of performance for each of the core indicators of performance for the corresponding subsequent program years covered by the local plan, taking into account the factors described in clause (v). The local adjusted levels of performance agreed to under this clause shall be considered to be the local adjusted levels of performance for the eligible recipient for such years and shall be incorporated into the local plan.

"(v) FACTORS.—The agreement described in clause (iii) or (iv) shall take into account—

"(I) how the levels of performance involved compare with the local adjusted levels of performance established for other eligible recipients in the State, taking into account factors including the characteristics of participants when the participants entered the program and the services or instruction to be provided; and

"(II) the extent to which the local adjusted levels of performance promote continuous improvement on the core indicators of performance by the eligible recipient.

"(vi) REVISIONS.—If unanticipated circumstances arise with respect to an eligible recipient resulting in a significant change in the factors described in clause (v), the eligible recipient may request that the local adjusted levels of performance agreed to under clause (iii) or (iv) be revised. The eligible agency shall issue objective criteria and methods for making such revisions.

"(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—Each eligible recipient may identify, in the local plan, local levels of performance for any additional indicators of performance described in paragraph (2)(C). Such levels shall be considered to be the local levels of performance for purposes of this title.

"(C) LOCAL REPORT.—

"(i) CONTENT OF REPORT.—Each eligible recipient that receives an allocation described in section 112 shall annually prepare and submit to the eligible agency a report, which shall include the data described in clause (ii)(I), regarding the progress of such recipient in achieving the local adjusted levels of performance on the core indicators of performance.

"(ii) DATA.—Except as provided in clauses (iii) and (iv), each eligible recipient that receives an allocation described in section 112 shall—

"(I) disaggregate data for each of the indicators of performance under paragraph (2) for the categories of students described in section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965 and section 3(29) that are served under this Act; and

"(II) identify and quantify any disparities or gaps in performance between any such category of students and the performance of all students served by the eligible recipient under this Act.

"(iii) NONDUPLICATION.—The eligible agency shall ensure, in a manner that is consistent with the actions of the Secretary under subsection (c)(3), that each eligible recipient does not report duplicative information under this section.

"(iv) RULES FOR REPORTING OF DATA.—The disaggregation of data under clause (ii) shall not be required when the number of students in a category is insufficient to yield statistically reliable information or when the results would reveal personally identifiable information about an individual student.

"(v) AVAILABILITY.—The report described in clause (i) shall be made available to the public through a variety of formats, including electronically through the Internet.

"(c) REPORT.—

"(1) IN GENERAL.—Each eligible agency that receives an allotment under section 111 shall annually prepare and submit to the Secretary a report regarding—

"(A) the progress of the State in achieving the State adjusted levels of performance on the core indicators of performance; and

"(B) information on the levels of performance achieved by the State with respect to the additional indicators of performance, including the levels of performance for special populations.

"(2) DATA.—Except as provided in paragraphs (3) and (4), each eligible agency that receives an allotment under section 111 or 201 shall—

"(A) disaggregate data for each of the indicators of performance under subsection (b)(2) for the categories of students described in section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965 and section 3(29) that are served under this Act; and

"(B) identify and quantify any disparities or gaps in performance between any such category of students and the performance of all students served by the eligible agency under this Act, which shall include a quantifiable description of the progress each such category of students served by the eligible agency under this Act has made in meeting the State adjusted levels of performance.

"(3) NONDUPLICATION.—The Secretary shall ensure that each eligible agency does not report duplicative information under this section.

"(4) RULES FOR REPORTING OF DATA.—The disaggregation of data under paragraph (2) shall not be required when the number of students in a category is insufficient to yield statistically reliable information or when the results would reveal personally identifiable information about an individual student.

"(5) INFORMATION DISSEMINATION.—The Secretary—

"(A) shall make the information contained in such reports available to the general public through a variety of formats, including electronically through the Internet;

"(B) shall disseminate State-by-State comparisons of the information; and

"(C) shall provide the appropriate committees of Congress with copies of such reports.

"SEC. 114. NATIONAL ACTIVITIES.

"(a) PROGRAM PERFORMANCE INFORMATION.—

"(1) IN GENERAL.—The Secretary shall collect performance information about, and report on, the condition of career and technical education and on the effectiveness of State and local programs, services, and activities carried out under this title in order to provide the Secretary and Congress, as well as Federal, State, local, and tribal agencies, with information relevant to improvement in the quality and effectiveness of career and technical education. The Secretary shall report annually to Congress on the Secretary's aggregate analysis of performance information collected each year pursuant to this title, including an analysis of performance data regarding special populations.

"(2) COMPATIBILITY.—The Secretary shall, to the extent feasible, ensure that the performance information system is compatible with other Federal information systems.

"(3) ASSESSMENTS.—As a regular part of its assessments, the National Center for Education Statistics shall collect and report information on career and technical education for a nationally representative sample of students. Such assessment may include international comparisons in the aggregate.

"(b) MISCELLANEOUS PROVISIONS.—

"(1) COLLECTION OF INFORMATION AT REASONABLE COST.—The Secretary shall take such action as may be necessary to secure at reasonable cost the information required by this title. To ensure reasonable cost, the Secretary, in consultation with the National Center for Education Statistics, the Office of Vocational and Adult Education, and an entity assisted under section 118 (if applicable), shall determine the methodology to be used and the frequency with which information is to be collected.

"(2) COOPERATION OF STATES.—All eligible agencies receiving assistance under this Act shall cooperate with the Secretary in implementing the information systems developed pursuant to this Act.

"(c) SINGLE PLAN FOR RESEARCH, DEVELOPMENT, DISSEMINATION, EVALUATION, AND ASSESSMENT.—

"(1) IN GENERAL.—The Secretary may, directly or through grants, contracts, or cooperative agreements, carry out research, development, dissemination, evaluation and assessment, capacity building, and technical assistance with regard to the career and technical education programs under this Act. The Secretary shall develop a single plan for such activities.

"(2) PLAN.—Such plan shall—

"(A) identify the career and technical education activities described in paragraph (1) that the Secretary will carry out under this section;

"(B) describe how the Secretary will evaluate such career and technical education activities in accordance with subsection (d)(2); and

"(C) include such other information as the Secretary determines to be appropriate.

"(d) ADVISORY PANEL; EVALUATION; REPORTS.—

"(1) INDEPENDENT ADVISORY PANEL.—

"(A) IN GENERAL.—The Secretary shall appoint an independent advisory panel to advise the Secretary on the implementation of the assessment described in paragraph (2), including the issues to be addressed and the methodology of the studies involved to ensure that the assessment adheres to the highest standards of quality.

"(B) MEMBERS.—The advisory panel shall consist of—

"(i) educators, administrators, State directors of career and technical education, and chief executives, including those with expertise in the integration of academic and career and technical education;

"(ii) experts in evaluation, research, and assessment;

"(iii) representatives of labor organizations and businesses, including small businesses, economic development entities, and workforce investment entities;

"(iv) parents;

"(v) career guidance and academic counseling professionals; and

"(vi) other individuals and intermediaries with relevant expertise.

"(C) INDEPENDENT ANALYSIS.—The advisory panel shall transmit to the Secretary, the relevant committees of Congress, and the Library of Congress an independent analysis of the findings and recommendations resulting from the assessment described in paragraph (2).

"(D) FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel established under this paragraph.

"(2) EVALUATION AND ASSESSMENT.—

"(A) IN GENERAL.—From amounts made available under subsection (e), the Secretary shall provide for the conduct of an independent evaluation and assessment of career and technical education programs under this Act, including the implementation of the Carl D. Perkins Career and Technical Education Improvement Act of 2006, to the extent practicable, through studies and analyses conducted independently through grants, contracts, and cooperative agreements that are awarded on a competitive basis.

"(B) CONTENTS.—The assessment required under subparagraph (A) shall include descriptions and evaluations of—

"(i) the extent to which State, local, and tribal entities have developed, implemented, or improved State and local career and technical education programs assisted under this Act;

"(ii) the preparation and qualifications of teachers and faculty of career and technical education (such as meeting State established teacher certification or licensing requirements), as well as shortages of such teachers and faculty;

"(iii) academic and career and technical education achievement and employment outcomes of career and technical education, including analyses of—

"(I) the extent and success of the integration of rigorous and challenging academic and career and technical education for students participating in career and technical education programs, including a review of the effect of such integration on the academic and technical proficiency achievement of such students (including the number of such students receiving a secondary school diploma); and

"(II) the extent to which career and technical education programs prepare students, including special populations, for subsequent employment in high skill, high wage occupations (including those in which mathematics and science skills are critical), or for participation in postsecondary education;

"(iv) employer involvement in, and satisfaction with, career and technical education programs and career and technical education students' preparation for employment;

"(v) the participation of students in career and technical education programs;

"(vi) the use of educational technology and distance learning with respect to career and technical education and tech prep programs; and

"(vii) the effect of State and local adjusted levels of performance and State and local levels of performance on the delivery of career and technical education services, including the percentage of career and technical education and tech prep students meeting the adjusted levels of performance described in section 113.

"(C) REPORTS.—

"(i) IN GENERAL.—The Secretary shall submit to the relevant committees of Congress—

"(I) an interim report regarding the assessment on or before January 1, 2010; and

"(II) a final report, summarizing all studies and analyses that relate to the assessment and that are completed after the interim report, on or before July 1, 2011.

"(ii) PROHIBITION.—Notwithstanding any other provision of law, the reports required by this subsection shall not be subject to any review outside the Department of Education before their transmittal to the relevant committees of Congress and the Secretary, but the President, the Secretary, and the independent advisory panel established under paragraph (1) may make such additional recommendations to Congress with respect to the assessment as the President, the Secretary, or the panel determine to be appropriate.

"(3) COLLECTION OF STATE INFORMATION AND REPORT.—

"(A) IN GENERAL.—The Secretary may collect and disseminate information from States regarding State efforts to meet State adjusted levels of performance described in section 113(b).

"(B) REPORT.—The Secretary shall gather any information collected pursuant to subparagraph (A) and submit a report to the relevant committees in Congress.

"(4) RESEARCH.—

"(A) IN GENERAL.—From amounts made available under subsection (e), the Secretary, after consulting with the States, shall award a grant, contract, or cooperative agreement, on a competitive basis, to an institution of higher education, a public or private nonprofit organization or agency, or a consortium of such institutions, organizations, or agencies to establish a national research center—

"(i) to carry out scientifically based research and evaluation for the purpose of developing, improving, and identifying the most successful methods for addressing the education, employment, and training needs of participants, including special populations, in career and technical education programs, including research and evaluation in such activities as—

"(I) the integration of—

"(aa) career and technical instruction; and

"(bb) academic, secondary and postsecondary instruction;

"(II) education technology and distance learning approaches and strategies that are effective with respect to career and technical education;

"(III) State adjusted levels of performance and State levels of performance that serve to improve career and technical education programs and student achievement;

"(IV) academic knowledge and career and technical skills required for employment or participation in postsecondary education; and

"(V) preparation for occupations in high skill, high wage, or high demand business and industry, including examination of—

"(aa) collaboration between career and technical education programs and business and industry; and

"(bb) academic and technical skills required for a regional or sectoral workforce, including small business;

"(ii) to carry out scientifically based research and evaluation to increase the effectiveness and improve the implementation of career and technical education programs that are integrated with coherent and rigorous content aligned with challenging academic standards, including conducting research and development, and studies, that provide longitudinal information or formative evaluation with respect to career and technical education programs and student achievement;

"(iii) to carry out scientifically based research and evaluation that can be used to improve the preparation and professional development of teachers, faculty, and administrators, and to improve student learning in the career and technical education classroom, including—

"(I) effective in-service and preservice teacher and faculty education that assists career and technical education programs in—

"(aa) integrating those programs with academic content standards and student academic achievement standards, as adopted by States under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965; and

"(bb) coordinating technical education with industry-recognized certification requirements;

"(II) dissemination and training activities related to the applied research and demonstration activities described in this subsection, which may also include serving as a repository for information on career and technical skills, State academic standards, and related materials; and

"(III) the recruitment and retention of career and technical education teachers, faculty, counselors, and administrators, including individuals in groups underrepresented in the teaching profession; and

"(iv) to carry out such other research and evaluation, consistent with the purposes of this Act, as the Secretary determines appropriate to assist State and local recipients of funds under this Act.

"(B) REPORT.—The center conducting the activities described in subparagraph (A) shall annually prepare a report of the key research findings of such center and shall submit copies of the report to the Secretary, the relevant committees of Congress, the Library of Congress, and each eligible agency.

"(C) DISSEMINATION.—The center shall conduct dissemination and training activities based upon the research described in subparagraph (A).

"(5) DEMONSTRATIONS AND DISSEMINATION.—The Secretary is authorized to carry out demonstration career and technical education programs, to replicate model career and technical education programs, to disseminate best practices information, and to provide technical assistance upon request of a State, for the purposes of developing, improving, and identifying the most successful methods and techniques for providing career and technical education programs assisted under this Act.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2007 through 2012.

"SEC. 115. ASSISTANCE FOR THE OUTLYING AREAS.

"(a) OUTLYING AREAS.—From funds reserved pursuant to section 111(a)(1)(A), the Secretary shall—

"(1) make a grant in the amount of $660,000 to Guam;

"(2) make a grant in the amount of $350,000 to each of American Samoa and the Commonwealth of the Northern Mariana Islands; and

"(3) make a grant of $160,000 to the Republic of Palau, subject to subsection (d).

"(b) REMAINDER.—

"(1) FIRST YEAR.—Subject to subsection (a), for the first fiscal year following the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006, the Secretary shall make a grant of the remainder of funds reserved pursuant to section 111(a)(1)(A) to the Pacific Region Educational Laboratory in Honolulu, Hawaii, to make grants for career and technical education and training in Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, for the purpose of providing direct career and technical educational services, including—

"(A) teacher and counselor training and retraining;

"(B) curriculum development; and

"(C) the improvement of career and technical education and training programs in secondary schools and institutions of higher education, or improving cooperative education programs involving secondary schools and institutions of higher education.

"(2) SUBSEQUENT YEARS.—Subject to subsection (a), for the second fiscal year following the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006, and each subsequent year, the Secretary shall make a grant of the remainder of funds reserved pursuant to section 111(a)(1)(A) and subject to subsection (a), in equal proportion, to each of Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be used to provide direct career and technical educational services as described in subparagraphs (A) through (C) of paragraph (1).

"(c) LIMITATION.—The Pacific Region Educational Laboratory may use not more than 5 percent of the funds received under subsection (b)(1) for administrative costs.

"(d) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this section upon entering into an agreement for an extension of United States educational assistance under the Compact of Free Association, unless otherwise provided in such agreement.

"SEC. 116. NATIVE AMERICAN PROGRAMS.

"(a) DEFINITIONS.—In this section:

"(1) ALASKA NATIVE.—The term 'Alaska Native' means a Native as such term is defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602).

"(2) BUREAU-FUNDED SCHOOL.—The term 'Bureau-funded school' has the meaning given the term in section 1141 of the Education Amendments of 1978 (25 U.S.C. 2021).

"(3) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—The terms 'Indian', 'Indian tribe', and 'tribal organization' have the meanings given the terms in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

"(4) NATIVE HAWAIIAN.—The term 'Native Hawaiian' means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

"(5) NATIVE HAWAIIAN ORGANIZATION.—The term 'Native Hawaiian organization' has the meaning given the term in section 7207 of the Native Hawaiian Education Act (20 U.S.C. 7517).

"(b) PROGRAM AUTHORIZED.—

"(1) AUTHORITY.—From funds reserved under section 111(a)(1)(B)(i), the Secretary shall make grants to or enter into contracts with Indian tribes, tribal organizations, and Alaska Native entities to carry out the authorized programs described in subsection (c), except that such grants or contracts shall not be awarded to secondary school programs in Bureau-funded schools.

"(2) INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—The grants or contracts described in this section that are awarded to any Indian tribe or tribal organization shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act (25 U.S.C. 450f) and shall be conducted in accordance with the provisions of sections 4, 5, and 6 of the Act of April 16, 1934 (25 U.S.C. 455–457), which are relevant to the programs administered under this subsection.

"(3) SPECIAL AUTHORITY RELATING TO SECONDARY SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—An Indian tribe, a tribal organization, or an Alaska Native entity, that receives funds through a grant made or contract entered into under paragraph (1) may use the funds to provide assistance to a secondary school operated or supported by the Bureau of Indian Affairs to enable such school to carry out career and technical education programs.

"(4) MATCHING.—If sufficient funding is available, the Bureau of Indian Affairs shall expend an amount equal to the amount made available under this subsection, relating to programs for Indians, to pay a part of the costs of programs funded under this subsection. During each fiscal year the Bureau of Indian Affairs shall expend not less than the amount expended during the prior fiscal year on career and technical education programs, services, and technical activities administered directly by, or under contract with, the Bureau of Indian Affairs, except that in no year shall funding for such programs, services, and activities be provided from accounts and programs that support other Indian education programs. The Secretary and the Assistant Secretary of the Interior for Indian Affairs shall prepare jointly a plan for the expenditure of funds made available and for the evaluation of programs assisted under this subsection. Upon the completion of a joint plan for the expenditure of the funds and the evaluation of the programs, the Secretary shall assume responsibility for the administration of the program, with the assistance and consultation of the Bureau of Indian Affairs.

"(5) REGULATIONS.—If the Secretary promulgates any regulations applicable to paragraph (2), the Secretary shall—

"(A) confer with, and allow for active participation by, representatives of Indian tribes, tribal organizations, and individual tribal members; and

"(B) promulgate the regulations under subchapter III of chapter 5 of title 5, United States Code, commonly known as the 'Negotiated Rulemaking Act of 1990'.

"(6) APPLICATION.—Any Indian tribe, tribal organization, or Bureau-funded school eligible to receive assistance under this subsection may apply individually or as part of a consortium with another such Indian tribe, tribal organization, or Bureau-funded school.

"(c) AUTHORIZED ACTIVITIES.—

"(1) AUTHORIZED PROGRAMS.—Funds made available under this section shall be used to carry out career and technical education programs consistent with the purpose of this Act.

"(2) STIPENDS.—

"(A) IN GENERAL.—Funds received pursuant to grants or contracts awarded under subsection (b) may be used to provide stipends to students who are enrolled in career and technical education programs and who have acute economic needs which cannot be met through work-study programs.

"(B) AMOUNT.—Stipends described in subparagraph (A) shall not exceed reasonable amounts as prescribed by the Secretary.

"(d) GRANT OR CONTRACT APPLICATION.—In order to receive a grant or contract under this section, an organization, tribe, or entity described in subsection (b) shall submit an application to the Secretary that shall include an assurance that such organization, tribe, or entity shall comply with the requirements of this section.

"(e) RESTRICTIONS AND SPECIAL CONSIDERATIONS.—The Secretary may not place upon grants awarded or contracts entered into under subsection (b) any restrictions relating to programs other than restrictions that apply to grants made to or contracts entered into with States pursuant to allotments under section 111(a). The Secretary, in awarding grants and entering into contracts under this section, shall ensure that the grants and contracts will improve career and technical education programs, and shall give special consideration to—

"(1) programs that involve, coordinate with, or encourage tribal economic development plans; and

"(2) applications from tribally controlled colleges or universities that—

"(A) are accredited or are candidates for accreditation by a nationally recognized accreditation organization as an institution of postsecondary career and technical education; or

"(B) operate career and technical education programs that are accredited or are candidates for accreditation by a nationally recognized accreditation organization, and issue certificates for completion of career and technical education programs.

"(f) CONSOLIDATION OF FUNDS.—Each organization, tribe, or entity receiving assistance under this section may consolidate such assistance with assistance received from related programs in accordance with the provisions of the Indian Employment, Training and Related Services Demonstration Act of 1992 (25 U.S.C. 3401 et seq.).

"(g) NONDUPLICATIVE AND NONEXCLUSIVE SERVICES.—Nothing in this section shall be construed—

"(1) to limit the eligibility of any organization, tribe, or entity described in subsection (b) to participate in any activity offered by an eligible agency or eligible recipient under this title; or

"(2) to preclude or discourage any agreement, between any organization, tribe, or entity described in subsection (b) and any eligible agency or eligible recipient, to facilitate the provision of services by such eligible agency or eligible recipient to the population served by such eligible agency or eligible recipient.

"(h) NATIVE HAWAIIAN PROGRAMS.—From the funds reserved pursuant to section 111(a)(1)(B)(ii), the Secretary shall award grants to or enter into contracts with community-based organizations primarily serving and representing Native Hawaiians to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this section for the benefit of Native Hawaiians.

"SEC. 117. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS.

"(a) GRANTS AUTHORIZED.—The Secretary shall, subject to the availability of appropriations, make grants pursuant to this section to tribally controlled postsecondary career and technical institutions that are not receiving Federal support under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.) to provide basic support for the education and training of Indian students.

"(b) USES OF GRANTS.—Amounts made available under this section shall be used for career and technical education programs for Indian students and for the institutional support costs of the grant, including the expenses described in subsection (e).

"(c) AMOUNT OF GRANTS.—

"(1) IN GENERAL.—If the sums appropriated for any fiscal year for grants under this section are not sufficient to pay in full the total amount which approved applicants are eligible to receive under this section for such fiscal year, the Secretary shall first allocate to each such applicant who received funds under this part for the preceding fiscal year an amount equal to 100 percent of the product of the per capita payment for the preceding fiscal year and such applicant's Indian student count for the current program year, plus an amount equal to the actual cost of any increase to the per capita figure resulting from inflationary increases to necessary costs beyond the institution's control.

"(2) PER CAPITA DETERMINATION.—For the purposes of paragraph (1), the per capita payment for any fiscal year shall be determined by dividing the amount available for grants to tribally controlled postsecondary career and technical institutions under this section for such program year by the sum of the Indian student counts of such institutions for such program year. The Secretary shall, on the basis of the most accurate data available from the institutions, compute the Indian student count for any fiscal year for which such count was not used for the purpose of making allocations under this section.

"(3) INDIRECT COSTS.—Notwithstanding any other provision of law or regulation, the Secretary shall not require the use of a restricted indirect cost rate for grants issued under this section.

"(d) APPLICATIONS.—Any tribally controlled postsecondary career and technical institution that is not receiving Federal support under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the

Navajo Community College Act (25 U.S.C. 640a et seq.) that desires to receive a grant under this section shall submit an application to the Secretary in such manner and form as the Secretary may require.

"(e) EXPENSES.—

"(1) IN GENERAL.—The Secretary shall, subject to the availability of appropriations, provide for each program year to each tribally controlled postsecondary career and technical institution having an application approved by the Secretary, an amount necessary to pay expenses associated with—

"(A) the maintenance and operation of the program, including development costs, costs of basic and special instruction (including special programs for individuals with disabilities and academic instruction), materials, student costs, administrative expenses, boarding costs, transportation, student services, daycare and family support programs for students and their families (including contributions to the costs of education for dependents), and student stipends;

"(B) capital expenditures, including operations and maintenance, and minor improvements and repair, and physical plant maintenance costs, for the conduct of programs funded under this section;

"(C) costs associated with repair, upkeep, replacement, and upgrading of the instructional equipment; and

"(D) institutional support of career and technical education.

"(2) ACCOUNTING.—Each institution receiving a grant under this section shall provide annually to the Secretary an accurate and detailed accounting of the institution's operating and maintenance expenses and such other information concerning costs as the Secretary may reasonably require.

"(f) OTHER PROGRAMS.—

"(1) IN GENERAL.—Except as specifically provided in this Act, eligibility for assistance under this section shall not preclude any tribally controlled postsecondary career and technical institution from receiving Federal financial assistance under any program authorized under the Higher Education Act of 1965, or under any other applicable program for the benefit of institutions of higher education or career and technical education.

"(2) PROHIBITION ON ALTERATION OF GRANT AMOUNT.—The amount of any grant for which tribally controlled postsecondary career and technical institutions are eligible under this section shall not be altered because of funds allocated to any such institution from funds appropriated under the Act of November 2, 1921 (commonly known as the 'Snyder Act') (25 U.S.C. 13).

"(3) PROHIBITION ON CONTRACT DENIAL.—No tribally controlled postsecondary career and technical institution for which an Indian tribe has designated a portion of the funds appropriated for the tribe from funds appropriated under the Act of November 2, 1921 (25 U.S.C. 13), may be denied a contract for such portion under the Indian Self-Determination and Education Assistance Act (except as provided in that Act), or denied appropriate contract support to administer such portion of the appropriated funds.

"(g) COMPLAINT RESOLUTION PROCEDURE.—The Secretary shall establish (after consultation with tribally controlled postsecondary career and technical institutions) a complaint resolution procedure for grant determinations and calculations under this section for tribally controlled postsecondary career and technical institutions.

"(h) DEFINITIONS.—In this section:

"(1) INDIAN; INDIAN TRIBE.—The terms 'Indian' and 'Indian tribe' have the meanings given the terms in section 2 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801).

"(2) INDIAN STUDENT COUNT.—

"(A) IN GENERAL.—The term 'Indian student count' means a number equal to the total number of Indian students enrolled in each tribally controlled postsecondary career and technical institution, as determined in accordance with subparagraph (B).

"(B) DETERMINATION.—

"(i) ENROLLMENT.—For each academic year, the Indian student count shall be determined on the basis of the enrollments of Indian students as in effect at the conclusion of—

"(I) in the case of the fall term, the third week of the fall term; and

"(II) in the case of the spring term, the third week of the spring term.

"(ii) CALCULATION.—For each academic year, the Indian student count for a tribally controlled postsecondary career and technical institution shall be the quotient obtained by dividing—

"(I) the sum of the credit hours of all Indian students enrolled in the tribally controlled postsecondary career and technical institution (as determined under clause (i)); by

"(II) 12.

"(iii) SUMMER TERM.—Any credit earned in a class offered during a summer term shall be counted in the determination of the Indian student count for the succeeding fall term.

"(iv) STUDENTS WITHOUT SECONDARY SCHOOL DEGREES.—

"(I) IN GENERAL.—A credit earned at a tribally controlled postsecondary career and technical institution by any Indian student that has not obtained a secondary school degree (or the recognized equivalent of such a degree) shall be counted toward the determination of the Indian student count if the institution at which the student is enrolled has established criteria for the admission of the student on the basis of the ability of the student to benefit from the education or training of the institution.

"(II) PRESUMPTION.—The institution shall be presumed to have established the criteria described in subclause (I) if the admission procedures for the institution include counseling or testing that measures the aptitude of a student to successfully complete a course in which the student is enrolled.

"(III) CREDITS TOWARD SECONDARY SCHOOL DEGREE.—No credit earned by an Indian student for the purpose of obtaining a secondary school degree (or the recognized equivalent of such a degree) shall be counted toward the determination of the Indian student count under this clause.

"(v) CONTINUING EDUCATION PROGRAMS.—Any credit earned by an Indian student in a continuing education program of a tribally controlled postsecondary career and technical institution shall be included in the determination of the sum of all credit hours of the student if the credit is converted to a credit hour basis in accordance with the system of the institution for providing credit for participation in the program.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2007 through 2012.

"SEC. 118. OCCUPATIONAL AND EMPLOYMENT INFORMATION.

"(a) NATIONAL ACTIVITIES.—From funds appropriated under subsection (g), the Secretary, in consultation with appropriate Federal agencies, is authorized—

"(1) to provide assistance to an entity to enable the entity—

"(A) to provide technical assistance to State entities designated under subsection (c) to enable the State entities to carry out the activities described in such subsection;

"(B) to disseminate information that promotes the replication of high quality practices described in subsection (c); and

"(C) to develop and disseminate products and services related to the activities described in subsection (c); and

"(2) to award grants to States that designate State entities in accordance with subsection (c) to enable the State entities to carry out the State level activities described in such subsection.

"(b) STATE APPLICATION.—

"(1) IN GENERAL.—A jointly designated State entity described in subsection (c) that desires to receive a grant under this section shall submit an application to the Secretary at the same time the State submits its State plan under section 122, in such manner, and accompanied by such additional information, as the Secretary may reasonably require.

"(2) CONTENTS.—Each application submitted under paragraph (1) shall include a description of how the jointly designated State entity described in subsection (c) will provide information based on trends provided pursuant to section 15 of the Wagner-Peyser Act to inform program development.

"(c) STATE LEVEL ACTIVITIES.—In order for a State to receive a grant under this section, the eligible agency and the Governor of the State shall jointly designate an entity in the State—

"(1) to provide support for career guidance and academic counseling programs designed to promote improved career and education decision making by students (and parents, as appropriate) regarding education (including postsecondary education) and training options and preparations for high skill, high wage, or high demand occupations and non-traditional fields;

"(2) to make available to students, parents, teachers, administrators, faculty, and career guidance and academic counselors, and to improve accessibility with respect to, information and planning resources that relate academic and career and technical educational preparation to career goals and expectations;

"(3) to provide academic and career and technical education teachers, faculty, administrators, and career guidance and academic counselors with the knowledge, skills, and occupational information needed to assist parents and students, especially special populations, with career exploration, educational opportunities, education financing, and exposure to high skill, high wage, or high demand occupations and non-traditional fields, including occupations and fields requiring a baccalaureate degree;

"(4) to assist appropriate State entities in tailoring career related educational resources and training for use by such entities, including information on high skill, high wage, or high demand occupations in current or emerging professions and on career ladder information;

"(5) to improve coordination and communication among administrators and planners of programs authorized by this Act and by section 15 of the Wagner-Peyser Act at the Federal, State, and local levels to ensure nonduplication of efforts and the appropriate use of shared information and data;

"(6) to provide ongoing means for customers, such as students and parents, to provide comments and feedback on products and services and to update resources, as appropriate, to better meet customer requirements; and

"(7) to provide readily available occupational information such as—

"(A) information relative to employment sectors;

"(B) information on occupation supply and demand; and

"(C) other information provided pursuant to section 15 of the Wagner-Peyser Act as the jointly designated State entity considers relevant.

"(d) NONDUPLICATION.—

"(1) WAGNER-PEYSER ACT.—The jointly designated State entity described under subsection

(c) may use funds provided under subsection (a)(2) to supplement activities under section 15 of the Wagner-Peyser Act to the extent such activities do not duplicate activities assisted under such section.

“(2) PUBLIC LAW 105–220.—None of the functions and activities assisted under this section shall duplicate the functions and activities carried out under Public Law 105–220.

“(e) FUNDING RULE.—Of the amounts appropriated to carry out this section, the Federal entity designated under subsection (a) shall use—

“(1) not less than 85 percent to carry out subsection (c); and

“(2) not more than 15 percent to carry out subsection (a).

“(f) REPORT.—The Secretary, in consultation with appropriate Federal agencies, shall prepare and submit to the appropriate committees of Congress, an annual report that includes—

“(1) a description of activities assisted under this section during the prior program year;

“(2) a description of the specific products and services assisted under this section that were delivered in the prior program year; and

“(3) an assessment of the extent to which States have effectively coordinated activities assisted under this section with activities authorized under section 15 of the Wagner-Peyser Act.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2007 through 2012.

“PART B—STATE PROVISIONS

“SEC. 121. STATE ADMINISTRATION.

“(a) ELIGIBLE AGENCY RESPONSIBILITIES.—The responsibilities of an eligible agency under this title shall include—

“(1) coordination of the development, submission, and implementation of the State plan, and the evaluation of the program, services, and activities assisted under this title, including preparation for non-traditional fields;

“(2) consultation with the Governor and appropriate agencies, groups, and individuals including parents, students, teachers, teacher and faculty preparation programs, representatives of businesses (including small businesses), labor organizations, eligible recipients, State and local officials, and local program administrators, involved in the planning, administration, evaluation, and coordination of programs funded under this title;

“(3) convening and meeting as an eligible agency (consistent with State law and procedure for the conduct of such meetings) at such time as the eligible agency determines necessary to carry out the eligible agency's responsibilities under this title, but not less than 4 times annually; and

“(4) the adoption of such procedures as the eligible agency considers necessary to—

“(A) implement State level coordination with the activities undertaken by the State boards under section 111 of Public Law 105–220; and

“(B) make available to the service delivery system under section 121 of Public Law 105–220 within the State a listing of all school dropout, postsecondary education, and adult programs assisted under this title.

“(b) EXCEPTION.—Except with respect to the responsibilities set forth in subsection (a), the eligible agency may delegate any of the other responsibilities of the eligible agency that involve the administration, operation, or supervision of activities assisted under this title, in whole or in part, to 1 or more appropriate State agencies.

“SEC. 122. STATE PLAN.

“(a) STATE PLAN.—

“(1) IN GENERAL.—Each eligible agency desiring assistance under this title for any fiscal year shall prepare and submit to the Secretary a State plan for a 6-year period, together with such annual revisions as the eligible agency determines to be necessary, except that, during the period described in section 4, each eligible agency may submit a transition plan that shall fulfill the eligible agency's obligation to submit a State plan under this section for the first fiscal year following the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006.

“(2) REVISIONS.—Each eligible agency—

“(A) may submit such annual revisions of the State plan to the Secretary as the eligible agency determines to be necessary; and

“(B) shall, after the second year of the 6-year period, conduct a review of activities assisted under this title and submit any revisions of the State plan that the eligible agency determines necessary to the Secretary.

“(3) HEARING PROCESS.—The eligible agency shall conduct public hearings in the State, after appropriate and sufficient notice, for the purpose of affording all segments of the public and interested organizations and groups (including charter school authorizers and organizers consistent with State law, employers, labor organizations, parents, students, and community organizations), an opportunity to present their views and make recommendations regarding the State plan. A summary of such recommendations and the eligible agency's response to such recommendations shall be included in the State plan.

“(b) PLAN DEVELOPMENT.—

“(1) IN GENERAL.—The eligible agency shall—

“(A) develop the State plan in consultation with—

“(i) academic and career and technical education teachers, faculty, and administrators;

“(ii) career guidance and academic counselors;

“(iii) eligible recipients;

“(iv) charter school authorizers and organizers consistent with State law;

“(v) parents and students;

“(vi) institutions of higher education;

“(vii) the State tech prep coordinator and representatives of tech prep consortia (if applicable);

“(viii) entities participating in activities described in section 111 of Public Law 105–220;

“(ix) interested community members (including parent and community organizations);

“(x) representatives of special populations;

“(xi) representatives of business and industry (including representatives of small business); and

“(xii) representatives of labor organizations in the State; and

“(B) consult the Governor of the State with respect to such development.

“(2) ACTIVITIES AND PROCEDURES.—The eligible agency shall develop effective activities and procedures, including access to information needed to use such procedures, to allow the individuals and entities described in paragraph (1) to participate in State and local decisions that relate to development of the State plan.

“(c) PLAN CONTENTS.—The State plan shall include information that—

“(1) describes the career and technical education activities to be assisted that are designed to meet or exceed the State adjusted levels of performance, including a description of—

“(A) the career and technical programs of study, which may be adopted by local educational agencies and postsecondary institutions to be offered as an option to students (and their parents as appropriate) when planning for and completing future coursework, for career and technical content areas that—

“(i) incorporate secondary education and postsecondary education elements;

“(ii) include coherent and rigorous content aligned with challenging academic standards and relevant career and technical content in a coordinated, nonduplicative progression of courses that align secondary education with postsecondary education to adequately prepare students to succeed in postsecondary education;

“(iii) may include the opportunity for secondary education students to participate in dual or concurrent enrollment programs or other ways to acquire postsecondary education credits; and

“(iv) lead to an industry-recognized credential or certificate at the postsecondary level, or an associate or baccalaureate degree;

“(B) how the eligible agency, in consultation with eligible recipients, will develop and implement the career and technical programs of study described in subparagraph (A);

“(C) how the eligible agency will support eligible recipients in developing and implementing articulation agreements between secondary education and postsecondary education institutions;

“(D) how the eligible agency will make available information about career and technical programs of study offered by eligible recipients;

“(E) the secondary and postsecondary career and technical education programs to be carried out, including programs that will be carried out by the eligible agency to develop, improve, and expand access to appropriate technology in career and technical education programs;

“(F) the criteria that will be used by the eligible agency to approve eligible recipients for funds under this Act, including criteria to assess the extent to which the local plan will—

“(i) promote continuous improvement in academic achievement;

“(ii) promote continuous improvement of technical skill attainment; and

“(iii) identify and address current or emerging occupational opportunities;

“(G) how programs at the secondary level will prepare career and technical education students, including special populations, to graduate from secondary school with a diploma;

“(H) how such programs will prepare career and technical education students, including special populations, academically and technically for opportunities in postsecondary education or entry into high skill, high wage, or high demand occupations in current or emerging occupations, and how participating students will be made aware of such opportunities;

“(I) how funds will be used to improve or develop new career and technical education courses—

“(i) at the secondary level that are aligned with rigorous and challenging academic content standards and student academic achievement standards adopted by the State under section 1111 (b)(1) of the Elementary and Secondary Education Act of 1965;

“(ii) at the postsecondary level that are relevant and challenging; and

“(iii) that lead to employment in high skill, high wage, or high demand occupations;

“(J) how the eligible agency will facilitate and coordinate communication on best practices among successful recipients of tech prep program grants under title II and eligible recipients to improve program quality and student achievement;

“(K) how funds will be used effectively to link academic and career and technical education at the secondary level and at the postsecondary level in a manner that increases student academic and career and technical achievement; and

“(L) how the eligible agency will report on the integration of coherent and rigorous content aligned with challenging academic standards in career and technical education programs in order to adequately evaluate the extent of such integration;

“(2) describes how comprehensive professional development (including initial teacher preparation and activities that support recruitment) for

career and technical education teachers, faculty, administrators, and career guidance and academic counselors will be provided, especially professional development that—

"(A) promotes the integration of coherent and rigorous academic content standards and career and technical education curricula, including through opportunities for the appropriate academic and career and technical education teachers to jointly develop and implement curricula and pedagogical strategies, as appropriate;

"(B) increases the percentage of teachers that meet teacher certification or licensing requirements;

"(C) is high quality, sustained, intensive, and focused on instruction, and increases the academic knowledge and understanding of industry standards, as appropriate, of career and technical education teachers;

"(D) encourages applied learning that contributes to the academic and career and technical knowledge of the student;

"(E) provides the knowledge and skills needed to work with and improve instruction for special populations;

"(F) assists in accessing and utilizing data, including data provided under section 118, student achievement data, and data from assessments; and

"(G) promotes integration with professional development activities that the State carries out under title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965;

"(3) describes efforts to improve—

"(A) the recruitment and retention of career and technical education teachers, faculty, and career guidance and academic counselors, including individuals in groups underrepresented in the teaching profession; and

"(B) the transition to teaching from business and industry, including small business;

"(4) describes efforts to facilitate the transition of subbaccalaureate career and technical education students into baccalaureate degree programs at institutions of higher education;

"(5) describes how the eligible agency will actively involve parents, academic and career and technical education teachers, administrators, faculty, career guidance and academic counselors, local business (including small businesses), and labor organizations in the planning, development, implementation, and evaluation of such career and technical education programs;

"(6) describes how funds received by the eligible agency through the allotment made under section 111 will be allocated—

"(A) among career and technical education at the secondary level, or career and technical education at the postsecondary and adult level, or both, including the rationale for such allocation; and

"(B) among any consortia that will be formed among secondary schools and eligible institutions, and how funds will be allocated among the members of the consortia, including the rationale for such allocation;

"(7) describes how the eligible agency will—

"(A) improve the academic and technical skills of students participating in career and technical education programs, including strengthening the academic and career and technical components of career and technical education programs through the integration of academics with career and technical education to ensure learning in—

"(i) the core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); and

"(ii) career and technical education subjects;

"(B) provide students with strong experience in, and understanding of, all aspects of an industry; and

"(C) ensure that students who participate in such career and technical education programs are taught to the same challenging academic proficiencies as are taught to all other students;

"(8) describes how the eligible agency will annually evaluate the effectiveness of such career and technical education programs, and describe, to the extent practicable, how the eligible agency is coordinating such programs to ensure nonduplication with other Federal programs;

"(9) describes the eligible agency's program strategies for special populations, including a description of how individuals who are members of the special populations—

"(A) will be provided with equal access to activities assisted under this Act;

"(B) will not be discriminated against on the basis of their status as members of the special populations; and

"(C) will be provided with programs designed to enable the special populations to meet or exceed State adjusted levels of performance, and prepare special populations for further learning and for high skill, high wage, or high demand occupations;

"(10) describes—

"(A) the eligible agency's efforts to ensure that eligible recipients are given the opportunity to provide input in determining the State adjusted levels of performance described in section 113; and

"(B) how the eligible agency, in consultation with eligible recipients, will develop a process for the negotiation of local adjusted levels of performance under section 113(b)(4) if an eligible recipient does not accept the State adjusted levels of performance under section 113(b)(3);

"(11) provides assurances that the eligible agency will comply with the requirements of this Act and the provisions of the State plan, including the provision of a financial audit of funds received under this Act which may be included as part of an audit of other Federal or State programs;

"(12) provides assurances that none of the funds expended under this Act will be used to acquire equipment (including computer software) in any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the acquiring entity or the employees of the acquiring entity, or any affiliate of such an organization;

"(13) describes how the eligible agency will report data relating to students participating in career and technical education in order to adequately measure the progress of the students, including special populations, and how the eligible agency will ensure that the data reported to the eligible agency from local educational agencies and eligible institutions under this title and the data the eligible agency reports to the Secretary are complete, accurate, and reliable;

"(14) describes how the eligible agency will adequately address the needs of students in alternative education programs, if appropriate;

"(15) describes how the eligible agency will provide local educational agencies, area career and technical education schools, and eligible institutions in the State with technical assistance;

"(16) describes how career and technical education relates to State and regional occupational opportunities;

"(17) describes the methods proposed for the joint planning and coordination of programs carried out under this title with other Federal education programs;

"(18) describes how funds will be used to promote preparation for high skill, high wage, or high demand occupations and non-traditional fields;

"(19) describes how funds will be used to serve individuals in State correctional institutions; and

"(20) contains the description and information specified in sections 112(b)(8) and 121(c) of Public Law 105–220 concerning the provision of services only for postsecondary students and school dropouts.

"(d) PLAN OPTIONS.—

"(1) SINGLE PLAN.—An eligible agency not choosing to consolidate funds under section 202 shall fulfill the plan or application submission requirements of this section, and section 201(c), by submitting a single State plan. In such plan, the eligible agency may allow recipients to fulfill the plan or application submission requirements of section 134 and subsections (a) and (b) of section 204 by submitting a single local plan.

"(2) PLAN SUBMITTED AS PART OF 501 PLAN.—The eligible agency may submit the plan required under this section as part of the plan submitted under section 501 of Public Law 105–220, if the plan submitted pursuant to the requirement of this section meets the requirements of this Act.

"(e) PLAN APPROVAL.—

"(1) IN GENERAL.—The Secretary shall approve a State plan, or a revision to an approved State plan, unless the Secretary determines that—

"(A) the State plan, or revision, respectively, does not meet the requirements of this Act; or

"(B) the State's levels of performance on the core indicators of performance consistent with section 113 are not sufficiently rigorous to meet the purpose of this Act.

"(2) DISAPPROVAL.—The Secretary shall not finally disapprove a State plan, except after giving the eligible agency notice and an opportunity for a hearing.

"(3) CONSULTATION.—The eligible agency shall develop the portion of each State plan relating to the amount and uses of any funds proposed to be reserved for adult career and technical education, postsecondary career and technical education, tech prep education, and secondary career and technical education after consultation with the State agency responsible for supervision of community colleges, technical institutes, or other 2-year postsecondary institutions primarily engaged in providing postsecondary career and technical education, and the State agency responsible for secondary education. If a State agency finds that a portion of the final State plan is objectionable, the State agency shall file such objections with the eligible agency. The eligible agency shall respond to any objections of the State agency in the State plan submitted to the Secretary.

"(4) TIMEFRAME.—A State plan shall be deemed approved by the Secretary if the Secretary has not responded to the eligible agency regarding the State plan within 90 days of the date the Secretary receives the State plan.

"SEC. 123. IMPROVEMENT PLANS.

"(a) STATE PROGRAM IMPROVEMENT.—

"(1) PLAN.—If a State fails to meet at least 90 percent of an agreed upon State adjusted level of performance for any of the core indicators of performance described in section 113(b)(3), the eligible agency shall develop and implement a program improvement plan (with special consideration to performance gaps identified under section 113(c)(2)) in consultation with the appropriate agencies, individuals, and organizations during the first program year succeeding the program year for which the eligible agency failed to so meet the State adjusted level of performance for any of the core indicators of performance.

"(2) TECHNICAL ASSISTANCE.—If the Secretary determines that an eligible agency is not properly implementing the eligible agency's responsibilities under section 122, or is not making substantial progress in meeting the purposes of this Act, based on the State's adjusted levels of performance, the Secretary shall work with the eligible agency to implement the improvement activities consistent with the requirements of this Act.

“(3) SUBSEQUENT ACTION.—

“(A) IN GENERAL.—The Secretary may, after notice and opportunity for a hearing, withhold from an eligible agency all, or a portion, of the eligible agency's allotment under paragraphs (2) and (3) of section 112(a) if the eligible agency—

“(i) fails to implement an improvement plan as described in paragraph (1);

“(ii) fails to make any improvement in meeting any of the State adjusted levels of performance for the core indicators of performance identified under paragraph (1) within the first program year of implementation of its improvement plan described in paragraph (1); or

“(iii) fails to meet at least 90 percent of an agreed upon State adjusted level of performance for the same core indicator of performance for 3 consecutive years.

“(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The Secretary may waive the sanction in subparagraph (A) due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

“(4) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Secretary shall use funds withheld under paragraph (3) for a State served by an eligible agency to provide technical assistance, to assist in the development of an improved State improvement plan, or for other improvement activities consistent with the requirements of this Act for such State.

“(b) LOCAL PROGRAM IMPROVEMENT.—

“(1) LOCAL EVALUATION.—Each eligible agency shall evaluate annually, using the local adjusted levels of performance described in section 113(b)(4), the career and technical education activities of each eligible recipient receiving funds under this title.

“(2) PLAN.—If, after reviewing the evaluation in paragraph (1), the eligible agency determines that an eligible recipient failed to meet at least 90 percent of an agreed upon local adjusted level of performance for any of the core indicators of performance described in section 113(b)(4), the eligible recipient shall develop and implement a program improvement plan (with special consideration to performance gaps identified under section 113(b)(4)(C)(ii)(II)) in consultation with the eligible agency, appropriate agencies, individuals, and organizations during the first program year succeeding the program year for which the eligible recipient failed to so meet any of the local adjusted levels of performance for any of the core indicators of performance.

“(3) TECHNICAL ASSISTANCE.—If the eligible agency determines that an eligible recipient is not properly implementing the eligible recipient's responsibilities under section 134, or is not making substantial progress in meeting the purposes of this Act, based on the local adjusted levels of performance, the eligible agency shall work with the eligible recipient to implement improvement activities consistent with the requirements of this Act.

“(4) SUBSEQUENT ACTION.—

“(A) IN GENERAL.—The eligible agency may, after notice and opportunity for a hearing, withhold from the eligible recipient all, or a portion, of the eligible recipient's allotment under this title if the eligible recipient—

“(i) fails to implement an improvement plan as described in paragraph (2);

“(ii) fails to make any improvement in meeting any of the local adjusted levels of performance for the core indicators of performance identified under paragraph (2) within the first program year of implementation of its improvement plan described in paragraph (2); or

“(iii) fails to meet at least 90 percent of an agreed upon local adjusted level of performance for the same core indicator of performance for 3 consecutive years.

“(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—In determining whether to impose sanctions under subparagraph (A), the eligible agency may waive imposing sanctions—

“(i) due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the eligible recipient; or

“(ii) based on the impact on the eligible recipient's reported performance of the small size of the career and technical education program operated by the eligible recipient.

“(5) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The eligible agency shall use funds withheld under paragraph (4) from an eligible recipient to provide (through alternative arrangements) services and activities to students within the area served by such recipient to meet the purposes of this Act.

“SEC. 124. STATE LEADERSHIP ACTIVITIES.

“(a) GENERAL AUTHORITY.—From amounts reserved under section 112(a)(2), each eligible agency shall conduct State leadership activities.

“(b) REQUIRED USES OF FUNDS.—The State leadership activities described in subsection (a) shall include—

“(1) an assessment of the career and technical education programs carried out with funds under this title, including an assessment of how the needs of special populations are being met and how the career and technical education programs are designed to enable special populations to meet State adjusted levels of performance and prepare the special populations for further education, further training, or for high skill, high wage, or high demand occupations;

“(2) developing, improving, or expanding the use of technology in career and technical education that may include—

“(A) training of career and technical education teachers, faculty, career guidance and academic counselors, and administrators to use technology, including distance learning;

“(B) providing career and technical education students with the academic and career and technical skills (including the mathematics and science knowledge that provides a strong basis for such skills) that lead to entry into technology fields, including non-traditional fields; or

“(C) encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs;

“(3) professional development programs, including providing comprehensive professional development (including initial teacher preparation) for career and technical education teachers, faculty, administrators, and career guidance and academic counselors at the secondary and postsecondary levels, that support activities described in section 122 and—

“(A) provide in-service and preservice training in career and technical education programs—

“(i) on effective integration and use of challenging academic and career and technical education provided jointly with academic teachers to the extent practicable;

“(ii) on effective teaching skills based on research that includes promising practices;

“(iii) on effective practices to improve parental and community involvement; and

“(iv) on effective use of scientifically based research and data to improve instruction;

“(B) are high quality, sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and the teacher's performance in the classroom, and are not 1-day or short-term workshops or conferences;

“(C) will help teachers and personnel to improve student achievement in order to meet the State adjusted levels of performance established under section 113;

“(D) will support education programs for teachers of career and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to career and technical education students to ensure that teachers and personnel—

“(i) stay current with the needs, expectations, and methods of industry;

“(ii) can effectively develop rigorous and challenging, integrated academic and career and technical education curricula jointly with academic teachers, to the extent practicable;

“(iii) develop a higher level of academic and industry knowledge and skills in career and technical education; and

“(iv) effectively use applied learning that contributes to the academic and career and technical knowledge of the student; and

“(E) are coordinated with the teacher certification or licensing and professional development activities that the State carries out under title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965;

“(4) supporting career and technical education programs that improve the academic and career and technical skills of students participating in career and technical education programs by strengthening the academic and career and technical components of such career and technical education programs, through the integration of coherent and relevant content aligned with challenging academic standards and relevant career and technical education, to ensure achievement in—

“(A) the core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); and

“(B) career and technical education subjects;

“(5) providing preparation for non-traditional fields in current and emerging professions, and other activities that expose students, including special populations, to high skill, high wage occupations;

“(6) supporting partnerships among local educational agencies, institutions of higher education, adult education providers, and, as appropriate, other entities, such as employers, labor organizations, intermediaries, parents, and local partnerships, to enable students to achieve State academic standards, and career and technical skills, or complete career and technical programs of study, as described in section 122(c)(1)(A);

“(7) serving individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities;

“(8) support for programs for special populations that lead to high skill, high wage, or high demand occupations; and

“(9) technical assistance for eligible recipients.

“(c) PERMISSIBLE USES OF FUNDS.—The leadership activities described in subsection (a) may include—

“(1) improvement of career guidance and academic counseling programs that assist students in making informed academic and career and technical education decisions, including—

“(A) encouraging secondary and postsecondary students to graduate with a diploma or degree; and

“(B) exposing students to high skill, high wage occupations and non-traditional fields;

“(2) establishment of agreements, including articulation agreements, between secondary school and postsecondary career and technical education programs in order to provide postsecondary education and training opportunities for students participating in such career and technical education programs, such as tech prep programs;

“(3) support for initiatives to facilitate the transition of subbaccalaureate career and technical education students into baccalaureate degree programs, including—

"(A) statewide articulation agreements between associate degree granting career and technical postsecondary educational institutions and baccalaureate degree granting postsecondary educational institutions;

"(B) postsecondary dual and concurrent enrollment programs;

"(C) academic and financial aid counseling; and

"(D) other initiatives—

"(i) to encourage the pursuit of a baccalaureate degree; and

"(ii) to overcome barriers to participation in baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;

"(4) support for career and technical student organizations, especially with respect to efforts to increase the participation of students who are members of special populations;

"(5) support for public charter schools operating career and technical education programs;

"(6) support for career and technical education programs that offer experience in, and understanding of, all aspects of an industry for which students are preparing to enter;

"(7) support for family and consumer sciences programs;

"(8) support for partnerships between education and business or business intermediaries, including cooperative education and adjunct faculty arrangements at the secondary and postsecondary levels;

"(9) support to improve or develop new career and technical education courses and initiatives, including career clusters, career academies, and distance education, that prepare individuals academically and technically for high skill, high wage, or high demand occupations;

"(10) awarding incentive grants to eligible recipients—

"(A) for exemplary performance in carrying out programs under this Act, which awards shall be based on—

"(i) eligible recipients exceeding the local adjusted levels of performance established under section 113(b) in a manner that reflects sustained or significant improvement;

"(ii) eligible recipients effectively developing connections between secondary education and postsecondary education and training;

"(iii) the adoption and integration of coherent and rigorous content aligned with challenging academic standards and technical coursework;

"(iv) eligible recipients' progress in having special populations who participate in career and technical education programs meet local adjusted levels of performance; or

"(v) other factors relating to the performance of eligible recipients under this Act as the eligible agency determines are appropriate; or

"(B) if an eligible recipient elects to use funds as permitted under section 135(c)(19);

"(11) providing for activities to support entrepreneurship education and training;

"(12) providing career and technical education programs for adults and school dropouts to complete their secondary school education, in coordination, to the extent practicable, with activities authorized under the Adult Education and Family Literacy Act;

"(13) providing assistance to individuals, who have participated in services and activities under this title, in continuing the individuals' education or training or finding appropriate jobs, such as through referral to the system established under section 121 of Public Law 105–220;

"(14) developing valid and reliable assessments of technical skills;

"(15) developing and enhancing data systems to collect and analyze data on secondary and postsecondary academic and employment outcomes;

"(16) improving—

"(A) the recruitment and retention of career and technical education teachers, faculty, administrators, and career guidance and academic counselors, including individuals in groups underrepresented in the teaching profession; and

"(B) the transition to teaching from business and industry, including small business; and

"(17) support for occupational and employment information resources, such as those described in section 118.

"(d) RESTRICTION ON USES OF FUNDS.—An eligible agency that receives funds under section 112(a)(2) may not use any of such funds for administrative costs.

"PART C—LOCAL PROVISIONS

"SEC. 131. DISTRIBUTION OF FUNDS TO SECONDARY EDUCATION PROGRAMS.

"(a) DISTRIBUTION RULES.—Except as provided in section 133 and as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available under section 112(a)(1) to carry out this section to local educational agencies within the State as follows:

"(1) THIRTY PERCENT.—Thirty percent shall be allocated to such local educational agencies in proportion to the number of individuals aged 5 through 17, inclusive, who reside in the school district served by such local educational agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding fiscal year, as determined on the basis of the most recent satisfactory—

"(A) data provided to the Secretary by the Bureau of the Census for the purpose of determining eligibility under title I of the Elementary and Secondary Education Act of 1965; or

"(B) student membership data collected by the National Center for Education Statistics through the Common Core of Data survey system.

"(2) SEVENTY PERCENT.—Seventy percent shall be allocated to such local educational agencies in proportion to the number of individuals aged 5 through 17, inclusive, who reside in the school district served by such local educational agency and are from families below the poverty level for the preceding fiscal year, as determined on the basis of the most recent satisfactory data used under section 1124(c)(1)(A) of the Elementary and Secondary Education Act of 1965, compared to the total number of such individuals who reside in the school districts served by all the local educational agencies in the State for such preceding fiscal year.

"(3) ADJUSTMENTS.—Each eligible agency, in making the allocations under paragraphs (1) and (2), shall adjust the data used to make the allocations to—

"(A) reflect any change in school district boundaries that may have occurred since the data were collected; and

"(B) include local educational agencies without geographical boundaries, such as charter schools and secondary schools funded by the Bureau of Indian Affairs.

"(b) WAIVER FOR MORE EQUITABLE DISTRIBUTION.—The Secretary may waive the application of subsection (a) in the case of any eligible agency that submits to the Secretary an application for such a waiver that—

"(1) demonstrates that a proposed alternative formula more effectively targets funds on the basis of poverty (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) to local educational agencies within the State than the formula described in subsection (a); and

"(2) includes a proposal for such an alternative formula.

"(c) MINIMUM ALLOCATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a local educational agency shall not receive an allocation under subsection (a) unless the amount allocated to such agency under subsection (a) is greater than $15,000. A local educational agency may enter into a consortium with other local educational agencies for purposes of meeting the minimum allocation requirement of this paragraph.

"(2) WAIVER.—The eligible agency shall waive the application of paragraph (1) in any case in which the local educational agency—

"(A)(i) is located in a rural, sparsely populated area; or

"(ii) is a public charter school operating secondary school career and technical education programs; and

"(B) demonstrates that the local educational agency is unable to enter into a consortium for purposes of providing activities under this part.

"(3) REDISTRIBUTION.—Any amounts that are not allocated by reason of paragraph (1) or paragraph (2) shall be redistributed to local educational agencies that meet the requirements of paragraph (1) or (2) in accordance with the provisions of this section.

"(d) LIMITED JURISDICTION AGENCIES.—

"(1) IN GENERAL.—In applying the provisions of subsection (a), no eligible agency receiving assistance under this title shall allocate funds to a local educational agency that serves only elementary schools, but shall distribute such funds to the local educational agency or regional educational agency that provides secondary school services to secondary school students in the same attendance area.

"(2) SPECIAL RULE.—The amount to be allocated under paragraph (1) to a local educational agency that has jurisdiction only over secondary schools shall be determined based on the number of students that entered such secondary schools in the previous year from the elementary schools involved.

"(e) ALLOCATIONS TO AREA CAREER AND TECHNICAL EDUCATION SCHOOLS AND EDUCATIONAL SERVICE AGENCIES.—

"(1) IN GENERAL.—Each eligible agency shall distribute the portion of funds made available under section 112(a)(1) for any fiscal year by such eligible agency for career and technical education activities at the secondary level under this section to the appropriate area career and technical education school or educational service agency in any case in which the area career and technical education school or educational service agency, and the local educational agency concerned—

"(A) have formed or will form a consortium for the purpose of receiving funds under this section; or

"(B) have entered into or will enter into a cooperative arrangement for such purpose.

"(2) ALLOCATION BASIS.—If an area career and technical education school or educational service agency meets the requirements of paragraph (1), then the amount that would otherwise be distributed to the local educational agency shall be allocated to the area career and technical education school, the educational service agency, and the local educational agency based on each school, agency or entity's relative share of students who are attending career and technical education programs (based, if practicable, on the average enrollment for the preceding 3 years).

"(3) APPEALS PROCEDURE.—The eligible agency shall establish an appeals procedure for resolution of any dispute arising between a local educational agency and an area career and technical education school or an educational service agency with respect to the allocation

procedures described in this section, including the decision of a local educational agency to leave a consortium or terminate a cooperative arrangement.

"(f) Consortium Requirements.—

"(1) Alliance.—Any local educational agency receiving an allocation that is not sufficient to conduct a program which meets the requirements of section 135 is encouraged to—

"(A) form a consortium or enter into a cooperative agreement with an area career and technical education school or educational service agency offering programs that meet the requirements of section 135;

"(B) transfer such allocation to the area career and technical education school or educational service agency; and

"(C) operate programs that are of sufficient size, scope, and quality to be effective.

"(2) Funds to consortium.—Funds allocated to a consortium formed to meet the requirements of this subsection shall be used only for purposes and programs that are mutually beneficial to all members of the consortium and can be used only for programs authorized under this title. Such funds may not be reallocated to individual members of the consortium for purposes or programs benefitting only 1 member of the consortium.

"(g) Data.—The Secretary shall collect information from eligible agencies regarding the specific dollar allocations made available by the eligible agency for career and technical education programs under subsections (a), (b), (c), (d), and (e) and how these allocations are distributed to local educational agencies, area career and technical education schools, and educational service agencies, within the State in accordance with this section.

"(h) Special Rule.—Each eligible agency distributing funds under this section shall treat a secondary school funded by the Bureau of Indian Affairs within the State as if such school were a local educational agency within the State for the purpose of receiving a distribution under this section.

"SEC. 132. DISTRIBUTION OF FUNDS FOR POSTSECONDARY EDUCATION PROGRAMS.

"(a) Allocation.—

"(1) In general.—Except as provided in subsections (b) and (c) and section 133, each eligible agency shall distribute the portion of the funds made available under section 112(a)(1) to carry out this section for any fiscal year to eligible institutions or consortia of eligible institutions within the State.

"(2) Formula.—Each eligible institution or consortium of eligible institutions shall be allocated an amount that bears the same relationship to the portion of funds made available under section 112(a)(1) to carry out this section for any fiscal year as the sum of the number of individuals who are Federal Pell Grant recipients and recipients of assistance from the Bureau of Indian Affairs enrolled in programs meeting the requirements of section 135 offered by such institution or consortium in the preceding fiscal year bears to the sum of the number of such recipients enrolled in such programs within the State for such year.

"(3) Consortium requirements.—

"(A) In general.—In order for a consortium of eligible institutions described in paragraph (2) to receive assistance pursuant to such paragraph, such consortium shall operate joint projects that—

"(i) provide services to all postsecondary institutions participating in the consortium; and

"(ii) are of sufficient size, scope, and quality to be effective.

"(B) Funds to consortium.—Funds allocated to a consortium formed to meet the requirements of this section shall be used only for purposes and programs that are mutually beneficial to all members of the consortium and shall be used only for programs authorized under this title. Such funds may not be reallocated to individual members of the consortium for purposes or programs benefitting only 1 member of the consortium.

"(4) Waiver.—The eligible agency may waive the application of paragraph (3)(A)(i) in any case in which the eligible institution is located in a rural, sparsely populated area.

"(b) Waiver for More Equitable Distribution.—The Secretary may waive the application of subsection (a) if an eligible agency submits to the Secretary an application for such a waiver that—

"(1) demonstrates that the formula described in subsection (a) does not result in a distribution of funds to the eligible institutions or consortia within the State that have the highest numbers of economically disadvantaged individuals and that an alternative formula will result in such a distribution; and

"(2) includes a proposal for such an alternative formula.

"(c) Minimum Grant Amount.—

"(1) In general.—No institution or consortium shall receive an allocation under this section in an amount that is less than $50,000.

"(2) Redistribution.—Any amounts that are not distributed by reason of paragraph (1) shall be redistributed to eligible institutions or consortia in accordance with this section.

"SEC. 133. SPECIAL RULES FOR CAREER AND TECHNICAL EDUCATION.

"(a) Special Rule for Minimal Allocation.—

"(1) General authority.—Notwithstanding the provisions of sections 131 and 132 and in order to make a more equitable distribution of funds for programs serving the areas of greatest economic need, for any program year for which a minimal amount is made available by an eligible agency for distribution under section 131 or 132, such eligible agency may distribute such minimal amount for such year—

"(A) on a competitive basis; or

"(B) through any alternative method determined by the eligible agency.

"(2) Minimal amount.—For purposes of this section, the term 'minimal amount' means not more than 15 percent of the total amount made available for distribution under section 112(a)(1).

"(b) Redistribution.—

"(1) In general.—In any academic year that an eligible recipient does not expend all of the amounts the eligible recipient is allocated for such year under section 131 or 132, such eligible recipient shall return any unexpended amounts to the eligible agency to be reallocated under section 131 or 132, as appropriate.

"(2) Redistribution of amounts returned late in an academic year.—In any academic year in which amounts are returned to the eligible agency under section 131 or 132 and the eligible agency is unable to reallocate such amounts according to such sections in time for such amounts to be expended in such academic year, the eligible agency shall retain such amounts for distribution in combination with amounts provided under section 112(a)(1) for the following academic year.

"(c) Construction.—Nothing in section 131 or 132 shall be construed—

"(1) to prohibit a local educational agency or a consortium thereof that receives assistance under section 131, from working with an eligible institution or consortium thereof that receives assistance under section 132, to carry out career and technical education programs at the secondary level in accordance with this title;

"(2) to prohibit an eligible institution or consortium thereof that receives assistance under section 132, from working with a local educational agency or consortium thereof that receives assistance under section 131, to carry out postsecondary and adult career and technical education programs in accordance with this title; or

"(3) to require a charter school, that provides career and technical education programs and is considered a local educational agency under State law, to jointly establish the charter school's eligibility for assistance under this title unless the charter school is explicitly permitted to do so under the State's charter school statute.

"(d) Consistent Application.—For purposes of this section, the eligible agency shall provide funds to charter schools offering career and technical education programs in the same manner as the eligible agency provides those funds to other schools. Such career and technical education programs within a charter school shall be of sufficient size, scope, and quality to be effective.

"SEC. 134. LOCAL PLAN FOR CAREER AND TECHNICAL EDUCATION PROGRAMS.

"(a) Local Plan Required.—Any eligible recipient desiring financial assistance under this part shall, in accordance with requirements established by the eligible agency (in consultation with such other educational training entities as the eligible agency determines to be appropriate) submit a local plan to the eligible agency. Such local plan shall cover the same period of time as the period of time applicable to the State plan submitted under section 122.

"(b) Contents.—The eligible agency shall determine the requirements for local plans, except that each local plan shall—

"(1) describe how the career and technical education programs required under section 135(b) will be carried out with funds received under this title;

"(2) describe how the career and technical education activities will be carried out with respect to meeting State and local adjusted levels of performance established under section 113;

"(3) describe how the eligible recipient will—

"(A) offer the appropriate courses of not less than 1 of the career and technical programs of study described in section 122(c)(1)(A);

"(B) improve the academic and technical skills of students participating in career and technical education programs by strengthening the academic and career and technical education components of such programs through the integration of coherent and rigorous content aligned with challenging academic standards and relevant career and technical education programs to ensure learning in—

"(i) the core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); and

"(ii) career and technical education subjects;

"(C) provide students with strong experience in, and understanding of, all aspects of an industry;

"(D) ensure that students who participate in such career and technical education programs are taught to the same coherent and rigorous content aligned with challenging academic standards as are taught to all other students; and

"(E) encourage career and technical education students at the secondary level to enroll in rigorous and challenging courses in core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965);

"(4) describe how comprehensive professional development (including initial teacher preparation) for career and technical education, academic, guidance, and administrative personnel will be provided that promotes the integration of coherent and rigorous content aligned with challenging academic standards and relevant career and technical education (including curriculum development);

"(5) describe how parents, students, academic and career and technical education teachers, faculty, administrators, career guidance and academic counselors, representatives of tech prep consortia (if applicable), representatives of the entities participating in activities described in section 117 of Public Law 105–220 (if applicable), representatives of business (including small business) and industry, labor organizations, representatives of special populations, and other interested individuals are involved in the development, implementation, and evaluation of career and technical education programs assisted under this title, and how such individuals and entities are effectively informed about, and assisted in understanding, the requirements of this title, including career and technical programs of study;

"(6) provide assurances that the eligible recipient will provide a career and technical education program that is of such size, scope, and quality to bring about improvement in the quality of career and technical education programs;

"(7) describe the process that will be used to evaluate and continuously improve the performance of the eligible recipient;

"(8) describe how the eligible recipient will—

"(A) review career and technical education programs, and identify and adopt strategies to overcome barriers that result in lowering rates of access to or lowering success in the programs, for special populations;

"(B) provide programs that are designed to enable the special populations to meet the local adjusted levels of performance; and

"(C) provide activities to prepare special populations, including single parents and displaced homemakers, for high skill, high wage, or high demand occupations that will lead to self-sufficiency;

"(9) describe how individuals who are members of special populations will not be discriminated against on the basis of their status as members of the special populations;

"(10) describe how funds will be used to promote preparation for non-traditional fields;

"(11) describe how career guidance and academic counseling will be provided to career and technical education students, including linkages to future education and training opportunities; and

"(12) describe efforts to improve—

"(A) the recruitment and retention of career and technical education teachers, faculty, and career guidance and academic counselors, including individuals in groups underrepresented in the teaching profession; and

"(B) the transition to teaching from business and industry.

"SEC. 135. LOCAL USES OF FUNDS.

"(a) GENERAL AUTHORITY.—Each eligible recipient that receives funds under this part shall use such funds to improve career and technical education programs.

"(b) REQUIREMENTS FOR USES OF FUNDS.—Funds made available to eligible recipients under this part shall be used to support career and technical education programs that—

"(1) strengthen the academic and career and technical skills of students participating in career and technical education programs, by strengthening the academic and career and technical education components of such programs through the integration of academics with career and technical education programs through a coherent sequence of courses, such as career and technical programs of study described in section 122(c)(1)(A), to ensure learning in—

"(A) the core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); and

"(B) career and technical education subjects;

"(2) link career and technical education at the secondary level and career and technical education at the postsecondary level, including by offering the relevant elements of not less than 1 career and technical program of study described in section 122(c)(1)(A);

"(3) provide students with strong experience in and understanding of all aspects of an industry, which may include work-based learning experiences;

"(4) develop, improve, or expand the use of technology in career and technical education, which may include—

"(A) training of career and technical education teachers, faculty, and administrators to use technology, which may include distance learning;

"(B) providing career and technical education students with the academic and career and technical skills (including the mathematics and science knowledge that provides a strong basis for such skills) that lead to entry into the technology fields; or

"(C) encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs, including programs that improve the mathematics and science knowledge of students;

"(5) provide professional development programs that are consistent with section 122 to secondary and postsecondary teachers, faculty, administrators, and career guidance and academic counselors who are involved in integrated career and technical education programs, including—

"(A) in-service and preservice training on—

"(i) effective integration and use of challenging academic and career and technical education provided jointly with academic teachers to the extent practicable;

"(ii) effective teaching skills based on research that includes promising practices;

"(iii) effective practices to improve parental and community involvement; and

"(iv) effective use of scientifically based research and data to improve instruction;

"(B) support of education programs for teachers of career and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to career and technical education students, to ensure that such teachers and personnel stay current with all aspects of an industry;

"(C) internship programs that provide relevant business experience; and

"(D) programs designed to train teachers specifically in the effective use and application of technology to improve instruction;

"(6) develop and implement evaluations of the career and technical education programs carried out with funds under this title, including an assessment of how the needs of special populations are being met;

"(7) initiate, improve, expand, and modernize quality career and technical education programs, including relevant technology;

"(8) provide services and activities that are of sufficient size, scope, and quality to be effective; and

"(9) provide activities to prepare special populations, including single parents and displaced homemakers who are enrolled in career and technical education programs, for high skill, high wage, or high demand occupations that will lead to self-sufficiency.

"(c) PERMISSIVE.—Funds made available to an eligible recipient under this title may be used—

"(1) to involve parents, businesses, and labor organizations as appropriate, in the design, implementation, and evaluation of career and technical education programs authorized under this title, including establishing effective programs and procedures to enable informed and effective participation in such programs;

"(2) to provide career guidance and academic counseling, which may include information described in section 118, for students participating in career and technical education programs, that—

"(A) improves graduation rates and provides information on postsecondary and career options, including baccalaureate degree programs, for secondary students, which activities may include the use of graduation and career plans; and

"(B) provides assistance for postsecondary students, including for adult students who are changing careers or updating skills;

"(3) for local education and business (including small business) partnerships, including for—

"(A) work-related experiences for students, such as internships, cooperative education, school-based enterprises, entrepreneurship, and job shadowing that are related to career and technical education programs;

"(B) adjunct faculty arrangements for qualified industry professionals; and

"(C) industry experience for teachers and faculty;

"(4) to provide programs for special populations;

"(5) to assist career and technical student organizations;

"(6) for mentoring and support services;

"(7) for leasing, purchasing, upgrading or adapting equipment, including instructional aids and publications (including support for library resources) designed to strengthen and support academic and technical skill achievement;

"(8) for teacher preparation programs that address the integration of academic and career and technical education and that assist individuals who are interested in becoming career and technical education teachers and faculty, including individuals with experience in business and industry;

"(9) to develop and expand postsecondary program offerings at times and in formats that are accessible for students, including working students, including through the use of distance education;

"(10) to develop initiatives that facilitate the transition of subbaccalaureate career and technical education students into baccalaureate degree programs, including—

"(A) articulation agreements between sub-baccalaureate degree granting career and technical education postsecondary educational institutions and baccalaureate degree granting postsecondary educational institutions;

"(B) postsecondary dual and concurrent enrollment programs;

"(C) academic and financial aid counseling for sub-baccalaureate career and technical education students that informs the students of the opportunities for pursuing a baccalaureate degree and advises the students on how to meet any transfer requirements; and

"(D) other initiatives—

"(i) to encourage the pursuit of a baccalaureate degree; and

"(ii) to overcome barriers to enrollment in and completion of baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;

"(11) to provide activities to support entrepreneurship education and training;

"(12) for improving or developing new career and technical education courses, including the development of new proposed career and technical programs of study for consideration by the eligible agency and courses that prepare individuals academically and technically for high skill, high wage, or high demand occupations and dual or concurrent enrollment opportunities by which career and technical education students at the secondary level could obtain postsecondary credit to count towards an associate or baccalaureate degree;

“(13) to develop and support small, personalized career-themed learning communities;

“(14) to provide support for family and consumer sciences programs;

“(15) to provide career and technical education programs for adults and school dropouts to complete the secondary school education, or upgrade the technical skills, of the adults and school dropouts;

“(16) to provide assistance to individuals who have participated in services and activities under this Act in continuing their education or training or finding an appropriate job, such as through referral to the system established under section 121 of Public Law 105–220 (29 U.S.C. 2801 et seq.);

“(17) to support training and activities (such as mentoring and outreach) in non-traditional fields;

“(18) to provide support for training programs in automotive technologies;

“(19) to pool a portion of such funds with a portion of funds available to not less than 1 other eligible recipient for innovative initiatives, which may include—

“(A) improving the initial preparation and professional development of career and technical education teachers, faculty, administrators, and counselors;

“(B) establishing, enhancing, or supporting systems for—

“(i) accountability data collection under this Act; or

“(ii) reporting data under this Act;

“(C) implementing career and technical programs of study described in section 122(c)(1)(A); or

“(D) implementing technical assessments; and

“(20) to support other career and technical education activities that are consistent with the purpose of this Act.

“(d) Administrative Costs.—Each eligible recipient receiving funds under this part shall not use more than 5 percent of the funds for administrative costs associated with the administration of activities assisted under this section.

“TITLE II—TECH PREP EDUCATION

“SEC. 201. STATE ALLOTMENT AND APPLICATION.

“(a) In General.—For any fiscal year, the Secretary shall allot the amount made available under section 206 among the States in the same manner as funds are allotted to States under paragraph (2) of section 111(a).

“(b) Payments to Eligible Agencies.—The Secretary shall make a payment in the amount of a State's allotment under subsection (a) to the eligible agency that serves the State and has an application approved under subsection (c).

“(c) State Application.—Each eligible agency desiring an allotment under this title shall submit, as part of its State plan under section 122, an application that—

“(1) describes how activities under this title will be coordinated, to the extent practicable, with activities described in the State plan submitted under section 122; and

“(2) contains such information as the Secretary may require.

“SEC. 202. CONSOLIDATION OF FUNDS.

“(a) In General.—An eligible agency receiving an allotment under sections 111 and 201 may choose to consolidate all, or a portion of, funds received under section 201 with funds received under section 111 in order to carry out the activities described in the State plan submitted under section 122.

“(b) Notification Requirement.—Each eligible agency that chooses to consolidate funds under this section shall notify the Secretary, in the State plan submitted under section 122, of the eligible agency's decision to consolidate funds under this section.

“(c) Treatment of Consolidated Funds.—Funds consolidated under this section shall be considered as funds allotted under section 111 and shall be distributed in accordance with section 112.

“SEC. 203. TECH PREP PROGRAM.

“(a) Grant Program Authorized.—

“(1) In general.—From amounts made available to each eligible agency under section 201, the eligible agency, in accordance with the provisions of this title, shall award grants, on a competitive basis or on the basis of a formula determined by the eligible agency, for tech prep programs described in subsection (c). The grants shall be awarded to consortia between or among—

“(A) a local educational agency, an intermediate educational agency, educational service agency, or area career and technical education school, serving secondary school students, or a secondary school funded by the Bureau of Indian Affairs; and

“(B)(i) a nonprofit institution of higher education that—

“(I)(aa) offers a 2-year associate degree program or a 2-year certificate program; and

“(bb) is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965, including—

“(AA) an institution receiving assistance under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.); and

“(BB) a tribally controlled postsecondary career and technical institution; or

“(II) offers a 2-year apprenticeship program that follows secondary education instruction,

if such nonprofit institution of higher education is not prohibited from receiving assistance under part B of title IV of the Higher Education Act of 1965 pursuant to the provisions of section 435(a)(2) of such Act; or

“(ii) a proprietary institution of higher education that offers a 2-year associate degree program and is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965, if such proprietary institution of higher education is not subject to a default management plan required by the Secretary.

“(2) Special rule.—In addition, a consortium described in paragraph (1) may include 1 or more—

“(A) institutions of higher education that award a baccalaureate degree; and

“(B) employers (including small businesses), business intermediaries, or labor organizations.

“(b) Duration.—Each consortium receiving a grant under this title shall use amounts provided under the grant to develop and operate a 4- or 6-year tech prep program described in subsection (c).

“(c) Contents of Tech Prep Program.—Each tech prep program shall—

“(1) be carried out under an articulation agreement between the participants in the consortium;

“(2) consist of a program of study that—

“(A) combines—

“(i) a minimum of 2 years of secondary education (as determined under State law); with

“(ii)(I) a minimum of 2 years of postsecondary education in a nonduplicative, sequential course of study; or

“(II) an apprenticeship program of not less than 2 years following secondary education instruction; and

“(B) integrates academic and career and technical education instruction, and utilizes work-based and worksite learning experiences where appropriate and available;

“(C) provides technical preparation in a career field, including high skill, high wage, or high demand occupations;

“(D) builds student competence in technical skills and in core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965), as appropriate, through applied, contextual, and integrated instruction, in a coherent sequence of courses;

“(E) leads to technical skill proficiency, an industry-recognized credential, a certificate, or a degree, in a specific career field;

“(F) leads to placement in high skill or high wage employment, or to further education; and

“(G) utilizes career and technical education programs of study, to the extent practicable;

“(3) include the development of tech prep programs for secondary education and postsecondary education that—

“(A) meet academic standards developed by the State;

“(B) link secondary schools and 2-year postsecondary institutions, and if possible and practicable, 4-year institutions of higher education, through—

“(i) nonduplicative sequences of courses in career fields;

“(ii) the use of articulation agreements; and

“(iii) the investigation of opportunities for tech prep secondary education students to enroll concurrently in secondary education and postsecondary education coursework;

“(C) use, if appropriate and available, work-based or worksite learning experiences in conjunction with business and all aspects of an industry; and

“(D) use educational technology and distance learning, as appropriate, to involve all the participants in the consortium more fully in the development and operation of programs;

“(4) include in-service professional development for teachers, faculty, and administrators that—

“(A) supports effective implementation of tech prep programs;

“(B) supports joint training in the tech prep consortium;

“(C) supports the needs, expectations, and methods of business and all aspects of an industry;

“(D) supports the use of contextual and applied curricula, instruction, and assessment;

“(E) supports the use and application of technology; and

“(F) assists in accessing and utilizing data, information available pursuant to section 118, and information on student achievement, including assessments;

“(5) include professional development programs for counselors designed to enable counselors to more effectively—

“(A) provide information to students regarding tech prep programs;

“(B) support student progress in completing tech prep programs, which may include the use of graduation and career plans;

“(C) provide information on related employment opportunities;

“(D) ensure that students are placed in appropriate employment or further postsecondary education;

“(E) stay current with the needs, expectations, and methods of business and all aspects of an industry; and

“(F) provide comprehensive career guidance and academic counseling to participating students, including special populations;

“(6) provide equal access, to the full range of technical preparation programs (including preapprenticeship programs), to individuals who are members of special populations, including the development of tech prep program services appropriate to the needs of special populations;

“(7) provide for preparatory services that assist participants in tech prep programs; and

“(8) coordinate with activities conducted under title I.

“(d) Additional Authorized Activities.—Each tech prep program may—

"(1) provide for the acquisition of tech prep program equipment;

"(2) acquire technical assistance from State or local entities that have designed, established, and operated tech prep programs that have effectively used educational technology and distance learning in the delivery of curricula and services;

"(3) establish articulation agreements with institutions of higher education, labor organizations, or businesses located inside or outside the State and served by the consortium, especially with regard to using distance learning and educational technology to provide for the delivery of services and programs;

"(4) improve career guidance and academic counseling for participating students through the development and implementation of graduation and career plans; and

"(5) develop curriculum that supports effective transitions between secondary and postsecondary career and technical education programs.

"(e) INDICATORS OF PERFORMANCE AND ACCOUNTABILITY.—

"(1) IN GENERAL.—Each consortium shall establish and report to the eligible agency indicators of performance for each tech prep program for which the consortium receives a grant under this title. The indicators of performance shall include the following:

"(A) The number of secondary education tech prep students and postsecondary education tech prep students served.

"(B) The number and percent of secondary education tech prep students enrolled in the tech prep program who—

"(i) enroll in postsecondary education;

"(ii) enroll in postsecondary education in the same field or major as the secondary education tech prep students were enrolled at the secondary level;

"(iii) complete a State or industry-recognized certification or licensure;

"(iv) successfully complete, as a secondary school student, courses that award postsecondary credit at the secondary level; and

"(v) enroll in remedial mathematics, writing, or reading courses upon entering postsecondary education.

"(C) The number and percent of postsecondary education tech prep students who—

"(i) are placed in a related field of employment not later than 12 months after graduation from the tech prep program;

"(ii) complete a State or industry-recognized certification or licensure;

"(iii) complete a 2-year degree or certificate program within the normal time for completion of such program; and

"(iv) complete a baccalaureate degree program within the normal time for completion of such program.

"(2) NUMBER AND PERCENT.—For purposes of subparagraphs (B) and (C) of paragraph (1), the numbers and percentages shall be determined separately with respect to each clause of each such subparagraph.

"SEC. 204. CONSORTIUM APPLICATIONS.

"(a) IN GENERAL.—Each consortium that desires to receive a grant under this title shall submit an application to the eligible agency at such time and in such manner as the eligible agency shall require.

"(b) PLAN.—Each application submitted under this section shall contain a 6-year plan for the development and implementation of tech prep programs under this title, which plan shall be reviewed after the second year of the plan.

"(c) APPROVAL.—The eligible agency shall approve applications under this title based on the potential of the activities described in the application to create an effective tech prep program.

"(d) SPECIAL CONSIDERATION.—The eligible agency, as appropriate, shall give special consideration to applications that—

"(1) provide for effective employment placement activities or the transfer of students to baccalaureate or advanced degree programs;

"(2) are developed in consultation with business, industry, institutions of higher education, and labor organizations;

"(3) address effectively the issues of school dropout prevention and reentry, and the needs of special populations;

"(4) provide education and training in an area or skill, including an emerging technology, in which there is a significant workforce shortage based on the data provided by the eligible entity in the State under section 118;

"(5) demonstrate how tech prep programs will help students meet high academic and employability competencies; and

"(6) demonstrate success in, or provide assurances of, coordination and integration with eligible recipients described in part C of title I.

"(e) PERFORMANCE LEVELS.—

"(1) IN GENERAL.—Each consortium receiving a grant under this title shall enter into an agreement with the eligible agency to meet a minimum level of performance for each of the performance indicators described in sections 113(b) and 203(e).

"(2) RESUBMISSION OF APPLICATION; TERMINATION OF FUNDS.—An eligible agency—

"(A) shall require consortia that do not meet the performance levels described in paragraph (1) for 3 consecutive years to resubmit an application to the eligible agency for a tech prep program grant; and

"(B) may choose to terminate the funding for the tech prep program for a consortium that does not meet the performance levels described in paragraph (1) for 3 consecutive years, including when the grants are made on the basis of a formula determined by the eligible agency.

"(f) EQUITABLE DISTRIBUTION OF ASSISTANCE.—In awarding grants under this title, the eligible agency shall ensure an equitable distribution of assistance between or among urban and rural participants in the consortium.

"SEC. 205. REPORT.

"Each eligible agency that receives an allotment under this title annually shall prepare and submit to the Secretary a report on the effectiveness of the tech prep programs assisted under this title, including a description of how grants were awarded within the State.

"SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title such sums as may be necessary for fiscal year 2007 and each of the 5 succeeding fiscal years.

"TITLE III—GENERAL PROVISIONS

"PART A—FEDERAL ADMINISTRATIVE PROVISIONS

"SEC. 311. FISCAL REQUIREMENTS.

"(a) SUPPLEMENT NOT SUPPLANT.—Funds made available under this Act for career and technical education activities shall supplement, and shall not supplant, non-Federal funds expended to carry out career and technical education activities and tech prep program activities.

"(b) MAINTENANCE OF EFFORT.—

"(1) DETERMINATION.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), no payments shall be made under this Act for any fiscal year to a State for career and technical education programs or tech prep programs unless the Secretary determines that the fiscal effort per student or the aggregate expenditures of such State for career and technical education programs for the fiscal year preceding the fiscal year for which the determination is made, equaled or exceeded such effort or expenditures for career and technical education programs for the second fiscal year preceding the fiscal year for which the determination is made.

"(B) COMPUTATION.—In computing the fiscal effort or aggregate expenditures pursuant to subparagraph (A), the Secretary shall exclude capital expenditures, special 1-time project costs, and the cost of pilot programs.

"(C) DECREASE IN FEDERAL SUPPORT.—If the amount made available for career and technical education programs under this Act for a fiscal year is less than the amount made available for career and technical education programs under this Act for the preceding fiscal year, then the fiscal effort per student or the aggregate expenditures of a State required by subparagraph (A) for the preceding fiscal year shall be decreased by the same percentage as the percentage decrease in the amount so made available.

"(2) WAIVER.—The Secretary may waive the requirements of this section, with respect to not more than 5 percent of expenditures by any eligible agency for 1 fiscal year only, on making a determination that such waiver would be equitable due to exceptional or uncontrollable circumstances affecting the ability of the eligible agency to meet such requirements, such as a natural disaster or an unforeseen and precipitous decline in financial resources. No level of funding permitted under such a waiver may be used as the basis for computing the fiscal effort or aggregate expenditures required under this section for years subsequent to the year covered by such waiver. The fiscal effort or aggregate expenditures for the subsequent years shall be computed on the basis of the level of funding that would, but for such waiver, have been required.

"SEC. 312. AUTHORITY TO MAKE PAYMENTS.

"Any authority to make payments or to enter into contracts under this Act shall be available only to such extent or in such amounts as are provided in advance in appropriation Acts.

"SEC. 313. CONSTRUCTION.

"Nothing in this Act shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of a private, religious, or home school, regardless of whether a home school is treated as a private school or home school under State law. This section shall not be construed to bar students attending private, religious, or home schools from participation in programs or services under this Act.

"SEC. 314. VOLUNTARY SELECTION AND PARTICIPATION.

"No funds made available under this Act shall be used—

"(1) to require any secondary school student to choose or pursue a specific career path or major; or

"(2) to mandate that any individual participate in a career and technical education program, including a career and technical education program that requires the attainment of a federally funded skill level, standard, or certificate of mastery.

"SEC. 315. LIMITATION FOR CERTAIN STUDENTS.

"No funds received under this Act may be used to provide career and technical education programs to students prior to the seventh grade, except that equipment and facilities purchased with funds under this Act may be used by such students.

"SEC. 316. FEDERAL LAWS GUARANTEEING CIVIL RIGHTS.

"Nothing in this Act shall be construed to be inconsistent with applicable Federal law prohibiting discrimination on the basis of race, color, sex, national origin, age, or disability in the provision of Federal programs or services.

"SEC. 317. PARTICIPATION OF PRIVATE SCHOOL PERSONNEL AND CHILDREN.

"(a) PERSONNEL.—An eligible agency or eligible recipient that uses funds under this Act for in-service and preservice career and technical education professional development programs

for career and technical education teachers, administrators, and other personnel shall, to the extent practicable, upon written request, permit the participation in such programs of career and technical education secondary school teachers, administrators, and other personnel in nonprofit private schools offering career and technical secondary education programs located in the geographical area served by such eligible agency or eligible recipient.

"(b) Student Participation.—

"(1) Student participation.—Except as prohibited by State or local law, an eligible recipient may, upon written request, use funds made available under this Act to provide for the meaningful participation, in career and technical education programs and activities receiving funding under this Act, of secondary school students attending nonprofit private schools who reside in the geographical area served by the eligible recipient.

"(2) Consultation.—An eligible recipient shall consult, upon written request, in a timely and meaningful manner with representatives of nonprofit private schools in the geographical area served by the eligible recipient described in paragraph (1) regarding the meaningful participation, in career and technical education programs and activities receiving funding under this Act, of secondary school students attending nonprofit private schools.

"SEC. 318. LIMITATION ON FEDERAL REGULATIONS.

"The Secretary may issue regulations under this Act only to the extent necessary to administer and ensure compliance with the specific requirements of this Act.

"PART B—STATE ADMINISTRATIVE PROVISIONS

"SEC. 321. JOINT FUNDING.

"(a) General Authority.—Funds made available to eligible agencies under this Act may be used to provide additional funds under an applicable program if—

"(1) such program otherwise meets the requirements of this Act and the requirements of the applicable program;

"(2) such program serves the same individuals that are served under this Act;

"(3) such program provides services in a coordinated manner with services provided under this Act; and

"(4) such funds are used to supplement, and not supplant, funds provided from non-Federal sources.

"(b) Applicable Program.—For the purposes of this section, the term 'applicable program' means any program under any of the following provisions of law:

"(1) Chapters 4 and 5 of subtitle B of title I of Public Law 105–220.

"(2) The Wagner-Peyser Act.

"(c) Use of Funds as Matching Funds.—For the purposes of this section, the term 'additional funds' does not include funds used as matching funds.

"SEC. 322. PROHIBITION ON USE OF FUNDS TO INDUCE OUT-OF-STATE RELOCATION OF BUSINESSES.

"No funds provided under this Act shall be used for the purpose of directly providing incentives or inducements to an employer to relocate a business enterprise from one State to another State if such relocation will result in a reduction in the number of jobs available in the State where the business enterprise is located before such incentives or inducements are offered.

"SEC. 323. STATE ADMINISTRATIVE COSTS.

"(a) General Rule.—Except as provided in subsection (b), for each fiscal year for which an eligible agency receives assistance under this Act, the eligible agency shall provide, from non-Federal sources for the costs the eligible agency incurs for the administration of programs under this Act, an amount that is not less than the amount provided by the eligible agency from non-Federal sources for such costs for the preceding fiscal year.

"(b) Exception.—If the amount made available from Federal sources for the administration of programs under this Act for a fiscal year (referred to in this section as the 'determination year') is less than the amount made available from Federal sources for the administration of programs under this Act for the preceding fiscal year, then the amount the eligible agency is required to provide from non-Federal sources for costs the eligible agency incurs for the administration of programs under this Act for the determination year under subsection (a) shall bear the same ratio to the amount the eligible agency provided from non-Federal sources for such costs for the preceding fiscal year, as the amount made available from Federal sources for the administration of programs under this Act for the determination year bears to the amount made available from Federal sources for the administration of programs under this Act for the preceding fiscal year.

"SEC. 324. STUDENT ASSISTANCE AND OTHER FEDERAL PROGRAMS.

"(a) Attendance Costs Not Treated as Income or Resources.—The portion of any student financial assistance received under this Act that is made available for attendance costs described in subsection (b) shall not be considered as income or resources in determining eligibility for assistance under any other program funded in whole or in part with Federal funds.

"(b) Attendance Costs.—The attendance costs described in this subsection are—

"(1) tuition and fees normally assessed a student carrying an academic workload as determined by the institution, and including costs for rental or purchase of any equipment, materials, or supplies required of all students in that course of study; and

"(2) an allowance for books, supplies, transportation, dependent care, and miscellaneous personal expenses for a student attending the institution on at least a half-time basis, as determined by the institution.

"(c) Costs of Career and Technical Education Services.—Funds made available under this Act may be used to pay for the costs of career and technical education services required in an individualized education program developed pursuant to section 614(d) of the Individuals with Disabilities Education Act and services necessary to meet the requirements of section 504 of the Rehabilitation Act of 1973 with respect to ensuring equal access to career and technical education.".

SEC. 2. TECHNICAL AMENDMENTS TO OTHER LAWS.

(a) Immigration and Nationality Act.—Section 245A(h)(4)(C) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(C)) is amended by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "The Carl D. Perkins Career and Technical Education Act of 2006".

(b) Trade Act of 1974.—The Trade Act of 1974 (19 U.S.C. 2101 et seq.) is amended—

(1) in section 231(c)(1)(F) (19 U.S.C. 2291(c)(1)(F))—

(A) by striking "area vocational education schools" and inserting "area career and technical education schools"; and

(B) by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006"; and

(2) in section 236(a)(1)(D) (19 U.S.C. 2296(a)(1)(D)), by striking "area vocational" and all that follows through "Act of 1963" and inserting "area career and technical education schools, as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006".

(c) Higher Education Act of 1965.—The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(1) in section 102(a)(3)(A) (20 U.S.C. 1002(a)(3)(A))—

(A) by striking "section 521(4)(C)" and inserting "section 3(3)(C)"; and

(B) by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Carl D. Perkins Career and Technical Education Act of 2006"; and

(2) in section 484(l)(1)(B)(i) (20 U.S.C. 1091(l)(1)(B)(i)), by striking "section 521(4)(C) of the Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "section 3(C) of the Carl D. Perkins Career and Technical Education Act of 2006".

(d) Education for Economic Security Act.—Section 3(1) of the Education for Economic Security Act (20 U.S.C. 3902(1)) is amended—

(1) by striking "area vocational education school" and inserting "area career and technical education school"; and

(2) by striking "section 521(3) of the Carl D. Perkins Vocational Educational Act.." and inserting "section 3(3) of the Carl D. Perkins Career and Technical Education Act of 2006.".

(e) Education Flexibility Partnership Act of 1999.—Section 4(b)(2) of the Education Flexibility Partnership Act of 1999 (20 U.S.C. 5891b(b)(2)) is amended by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006".

(f) Elementary and Secondary Education Act of 1965.—The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended—

(1) in section 1111(a)(1) (20 U.S.C. 6311(a)(1)), by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006";

(2) in section 1112(a)(1) (20 U.S.C. 6312(a)(1)), by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006";

(3) in section 1114(b)(2)(B)(v) (20 U.S.C. 6314(b)(2)(B)(v)), by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "the Carl D. Perkins Career and Technical Education Act of 2006"; and

(4) in section 7115(b)(5) (20 U.S.C. 7425(b)(5)), by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006".

(g) Wagner-Peyser Act.—Section 15(f) of the Wagner-Peyser Act (29 U.S.C. 491–2(f)) is amended by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Carl D. Perkins Career and Technical Education Act of 2006".

(h) Public Law 105–220.—Public Law 105–220 is amended—

(1) in section 101(3) (29 U.S.C. 2801(3))—

(A) by striking "given the term" and inserting "given the term 'area career and technical education school' "; and

(B) by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006";

(2) in section 101(50) (29 U.S.C. 2801(50)), by striking "given" and all that follows through the period at the end and inserting "given the term 'career and technical education' in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006.";

(3) in section 111(d)(3) (29 U.S.C. 2821(d)(3)), by striking "section 113(b)(14) of the Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "section 113(b)(3) of the Carl D. Perkins Career and Technical Education Act of 2006";

(4) in section 112(b)(8)(A)(iii) (29 U.S.C. 2822(b)(8)(A)(iii))—

(A) by striking "postsecondary vocational education activities" and inserting "career and technical education activities at the postsecondary level"; and

(B) by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Carl D. Perkins Career and Technical Education Act of 2006";

(5) in section 121(b)(1)(B)(vii) (29 U.S.C. 2841(b)(1)(B)(vii))—

(A) by striking "postsecondary vocational education activities" and inserting "career and technical education activities at the postsecondary level"; and

(B) by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Carl D. Perkins Career and Technical Education Act of 2006";

(6) in section 134(d)(2)(F) (29 U.S.C. 2864(d)(2)(F)), by striking "postsecondary vocational" and all that follows through "Education Act" and inserting "career and technical education activities at the postsecondary level, and career and technical education activities available to school dropouts, under the Carl D. Perkins Career and Technical Education Act of 2006";

(7) in section 501(b)(2)(A) (20 U.S.C. 9271(b)(2)(A))—

(A) by striking "secondary vocational education programs" and inserting "career and technical education programs at the secondary level"; and

(B) by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Carl D. Perkins Career and Technical Education Act of 2006";

(8) in section 501(b)(2)(B) (20 U.S.C. 9271(b)(2)(B))—

(A) by striking "postsecondary vocational education programs" and inserting "career and technical education programs at the postsecondary level"; and

(B) by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Carl D. Perkins Career and Technical Education Act of 2006"; and

(9) in section 501(d)(2)(B) (20 U.S.C. 9271(d)(2)(B)), by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Carl D. Perkins Career and Technical Education Act of 2006".

(i) TITLE 31.—Section 6703(a)(12) of title 31, United States Code, is amended by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Carl D. Perkins Career and Technical Education Act of 2006".

(j) TITLE 40.—Section 14507(a)(1)(A)(iv) of title 40, United States Code, is amended by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006".

(k) OLDER AMERICANS ACT OF 1965.—The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended—

(1) in section 502(b)(1)(N)(i) (42 U.S.C. 3056(b)(1)(N)(i)), by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006";

(2) in section 503(b)(2) (42 U.S.C. 3056a(b)(2)), by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" each place that term appears and inserting "Carl D. Perkins Career and Technical Education Act of 2006"; and

(3) in section 505(c)(2) (42 U.S.C. 3056c(c)(2)), by striking "Vocational and Technical Education Act of 1998" and inserting "Career and Technical Education Act of 2006".

(l) COMPACT OF FREE ASSOCIATION AMENDMENTS ACT OF 2003.—Section 105(f)(1)(B)(iii) of the Compact of Free Association Amendments Act of 2003 (48 U.S.C. 1921d(f)(1)(B)(iii)) is amended by striking "Carl D. Perkins Vocational and Technical Education Act of 1998" and inserting "Carl D. Perkins Career and Technical Education Act of 2006".

And the House agree to the same.

That the House recede from its amendment to the title of the bill and agree to the same.

HOWARD P. "BUCK"
McKEON,
MIKE CASTLE,
MARK SOUDER,
TOM OSBORNE,
MARILYN MUSGRAVE,
GEORGE MILLER,
LYNN WOOLSEY,
RON KIND,
Managers on the Part of the House.

MICHAEL B. ENZI,
JUDD GREGG,
WILLIAM H. FRIST,
LAMAR ALEXANDER,
RICHARD M. BURR,
JOHNNY ISAKSON,
MIKE DEWINE,
JOHN ENSIGN,
ORRIN HATCH,
JEFF SESSIONS,
PAT ROBERTS,
TED KENNEDY,
TOM HARKIN,
BARBARA A. MIKULSKI,
PATTY MURRAY,
JACK REED,
HILLARY RODHAM CLINTON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

RECOMMENDATIONS

Sec. 1. Short Title

(1) The House and Senate bills have different titles.

House recedes with amendment to read as follows:

Accepted:

Carl D. Perkins Career and Technical Education Improvement Act of 2006

(2) The House and Senate bill both amend the table of contents to reflect the amendments made to current law.

Legislative Counsel: similar or identical provision

Sec. 2. Purposes

(3) The Senate bill changes the term "vocational" to "career."

House recedes

(4) The Senate bill expands the first purpose to include "technical standards" and to include assisting students in meeting both technical and academic standards in preparation for high skill, high wage, or high demand occupations in emerging or established professions.

House recedes with amendment to read as follows:

(1) building on the efforts of States and localities to develop challenging academic and technical standards and to assist students in meeting such standards including preparation for high skill, high wage, or high demand occupations in current or emerging professions;

(5) The Senate bill changes the term "vocational" to "career."

House recedes

(6) The House bill includes the term "rigorous."

Senate recedes

(7) The Senate bill changes the term "vocational" to "career."

House recedes

(8) The Senate bill includes "conducting" research and disseminating information on best practices as purposes.

House recedes with amendment to read as follows:

(4) conducting and disseminating national research and disseminating information on best practices that improve career and technical education programs, services, and activities;

(9) The Senate bill changes the term "vocational" to "career."

House recedes

(10) The House bill does not include this purpose:

(5) promoting leadership, initial preparation, and professional development at the State and local levels, and developing research and best practices for improving the quality of career and technical education teachers, faculty, principals, administrators, and counselors;

House recedes with amendment to read as follows:

(5) providing technical assistance that promotes leadership, initial preparation, and professional development at the State and local levels that improves the quality of career and technical education teachers, faculty, administrators, and counselors;

(11) The House bill does not include this purpose:

House recedes with amendment to read as follows:

(6) supporting partnerships among secondary schools, postsecondary institutions, bachelor degree granting institutions, area career technical centers, local workforce investment boards, business and industry, and intermediaries; and

(12) The House bill does not include this purpose:

(7) Providing individuals with opportunities throughout their lifetime to develop, in conjunction with other Federal education and training programs, the knowledge and skills needed to keep America competitive.

House recedes with amendment to read as follows:

(7) providing individuals with opportunities throughout their lifetimes to develop, in conjunction with other education and training programs, the knowledge and skills needed to keep America competitive.

Sec. 3. Definitions

(13) Provisions are identical

Legislative Counsel: similar or identical provision

(14) The Senate bill includes information collected by entities described in Section 118 in the definition.

House recedes with amendment to read as follows:

(2) ALL ASPECTS OF AN INDUSTRY.—The term 'all aspects of an industry' means strong experience in, and comprehensive understanding of, the industry that the individual is preparing to enter, including information as described in section 118.

(15) The Senate bill changes the term "vocational" to "career".

House recedes

(16) Similar provisions. The House bill includes facilitation by lead administrators.

House recedes with amendment to read as follows:

(4) ARTICULATION AGREEMENT

The term 'articulation agreement' means a written commitment—

(A) that is approved annually by the lead administrators of—

(i) a secondary institution and a postsecondary educational institution; or

(ii) a sub-baccalaureate degree granting postsecondary educational institution and a baccalaureate degree granting postsecondary educational institution; and

(B) that is designed to provide students with a nonduplicative sequence of progressive achievement leading to technical skill proficiency, a credential, a certificate, or a degree, and linked through credit transfer agreements.

(17) The House bill includes the term "rigorous." The Senate bill permits work-based learning experiences.

Senate recedes with amendment to read as follows:

(5) CAREER AND TECHNICAL EDUCATION.—The term 'career and technical education' means organized educational activities that—

(A) offer a sequence of courses that—

(i) provides individuals with coherent and rigorous content aligned with challenging academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions;

Report Language: In referring to a sequence of courses throughout the bill, the Conferees intend that a sequence of courses may include 'work-based learning experiences' such as long term internships or apprenticeships.

(18) The House bill excludes professions that require a post baccalaureate degree.

Senate recedes with amendment to read as follows:

(ii) may include pre-requisite courses that meet the requirements of this subparagraph; and

(iii) shall provide technical skill proficiency, an industry-recognized credential, certificate, or associate degree; and

Report Language: By including prerequisite (other than remedial) courses in the definition of career and technical education, the conferees do not intend for eligible agencies or eligible recipients to use funds under this Act for activities that are not directly connected to a career and technical education program or sequence of courses.

(19) The House bill requires programs to provide for a 1-year certificate, associate degree, or industry-recognized credential. The Senate bill allows programs that may lead to technical skill proficiency, a credential, a certificate, or a degree.

Senate recedes with amendment to read as follows:

(ii) may include pre-requisite courses that meet the requirements of this subparagraph;

(iii) shall provide technical skill proficiency, an industry-recognized credential, certificate, or associate degree; and

(20) The Senate bill includes all aspects of an industry, including entrepreneurship.

House recedes

(21) The House bill does not define career and technical education student.

Senate recedes

(22) The Senate bill changes the term "vocational" to "career."

House recedes

(23) The Senate bill includes information about baccalaureate degree programs. The House bill includes providing access to information for parents, as appropriate.

House recedes with amendment to read as follows:

(8) CAREER GUIDANCE AND ACADEMIC COUNSELING.— The term 'career guidance and academic counseling' means guidance and counseling that—

(A) provides access to students (and parents, as appropriate) to information regarding career awareness and planning with respect to an individual's occupational and academic future; and

(B) provides information with respect to career options, financial aid, and postsecondary options, including baccalaureate degree programs.

Report Language: Career guidance and academic counseling informs students and their parents about available education and training options and is an important component of programs supported under this Act. Career guidance and academic counseling should be provided to students as one part of a comprehensive guidance program, and should be available to individuals participating in, or considering participating in, career and technical education, provided by qualified school counselors, when available and the best option.

(24) The House bill does not define the term "career pathways." See note 215 for House bill equivalent.

Senate recedes

(25) Identical provisions.

Legislative Counsel: similar or identical provision

(26) The House bill does not define the term "community college."

Senate recedes

(27) The House bill includes the phrase "rigorous and challenging."

Senate recedes with amendment to read as follows:

(12) COOPERATIVE EDUCATION.—The term 'cooperative education' means a method of education for individuals who, through written cooperative arrangements between a school and employers, receive instruction, including required rigorous and challenging academic courses and related career and technical education instruction, by alternation of study in school with a job in any occupational field, which alternation:

(A) shall be planned and supervised by the school and employer so that each contributes to the education and employability of the individual; and

(B) may include an arrangement in which work periods and school attendance may be on alternate half days, full days, weeks, or other periods of time in fulfilling the cooperative program.

(28) The Senate bill changes the term "vocational" to "career."

House recedes

(29) The House bill does not define the term "core academic subjects" in the definition section. See note 240 for House bill equivalent.

Senate recedes

(30) Identical provisions.

Legislative Counsel: similar or identical provision

(31) Identical provisions.

Legislative Counsel: similar or identical provision

(32) The Senate bill changes the term "vocational" to "career."

House recedes

(33) The Senate bill requires eligible institutions to offer programs leading to a technical skill proficiency, an industry-recognized credential, a certificate, or a degree.

House recedes with amendment to read as follows:

(A) a public or nonprofit private institution of higher education that offers career and technical education courses that lead to technical skill proficiency, an industry-recognized credential, a certificate, or a degree;

(34) The Senate bill changes the term "vocational" to "career."

House recedes

(35) The Senate includes charter school designations.

House recedes with an amendment to read as follows:

(A) a local educational agency (including a public charter school that operates as a local educational agency), and an area career and technical education school, an educational service agency, or a consortium, eligible to receive assistance under section 131; or

(36) Identical provisions.

House and Senate recede with amendment to strike "or an outlying area."

(37) The House bill does not define the term "graduation and career plan."

Senate recedes

(38) Identical provisions.

Legislative Counsel: similar or identical provision

(39) Identical provisions

Legislative Counsel: similar or identical provision

(40) Identical provisions

Legislative Counsel: similar or identical provision

(41) Identical provisions.

Legislative Counsel: similar or identical provision

(42) The House bill does not define the term "local workforce investment boards."

Senate recedes

(43) Similar provisions. The House bill includes the terms "current and."

Senate recedes with amendment to read as follows:

(26) NON-TRADITIONAL FIELDS.—The term 'non-traditional fields' means occupations or fields of work, including careers in computer science, technology, and other current and emerging high skill occupations, for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation or field of work.

(44) The House bill includes the Republic of Palau.

Senate recedes

(45) Identical provisions.

Legislative Counsel: similar or identical provision

(46) Identical provisions.

Legislative Counsel: similar or identical provision

(47) The Senate bill does not define the term "scientifically based research."

Senate recedes with amendment to read as follows:

(22) SCIENTIFICALLY BASED RESEARCH.—The term 'scientifically based research' means research that is carried out using the standards defined as "scientifically based research standards" in the Education Science Reform Act of 2002 (P.L. 107–279).

Report Language: The Conferees expect the Department to support research that is scientifically based, in order to obtain valid and reliable knowledge regarding career and technical education programs. In addition, the Conferees acknowledge that scientifically based research provides for an array of research designs and methods appropriate and feasible to the research question posed.

(48) Identical provisions.

Legislative Counsel: similar or identical provision

(49) Identical provisions.

Legislative Counsel: similar or identical provision

(50) The House bill does not define the term "self-sufficiency."

Senate recedes

(51) The House bill includes "individuals with other barriers to educational achievement, as defined by the State."

House recedes

(52) Identical provisions.

Legislative Counsel: similar or identical provision

(53) The Senate bill includes "instructional aids, and work supports."

Senate recedes

(54) The Senate bill does not define the term "supportive services."

House recedes

(55) The House bill does not define the term "tech prep program."

House recedes with amendment to read as follows:

(33) TECH PREP PROGRAM.—The term 'tech prep program' means a tech prep program described in section 203(c).

(56) Similar provisions.

Legislative Counsel: similar or identical provision

(57) Similar provisions. The Senate bill changes the term "vocational" to "career."

House recedes

Sec. 4. Transition provisions

(58) Similar provisions.

House and Senate recede with amendment to read as follows:

SEC. 4. TRANSITION PROVISIONS.

The Secretary shall take such steps as the Secretary determines to be appropriate to provide for the orderly transition to the authority of this Act as amended by the Carl D. Perkins Career and Technical Education Improvement Act of 2006 from any authority under provisions of this Act, as this Act was in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006. The Secretary shall give each eligible agency the opportunity to submit a transition plan for the first fiscal year following enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006.

Sec. 5. Privacy

(59) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 6. Limitation

(60) The Senate bill strikes a reference to the previously repealed School-to-Work Opportunities Act of 1994.

House recedes

Sec. 7. Special rule

(61) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 9. Authorization of appropriations

(62) The House bill specifies an authorization level for FY06, the Senate bill uses "such sums." Similar provisions.

House recedes with amendment to read as follows:

There is authorized to be appropriated to carry out this Act (other than sections 114, 117, and 118, and Title II) such sums as may be necessary for each of the fiscal years 2007 through 2012.

Sec. 8. Prohibitions

(63) The Senate bill does not include a similar provision.

Senate recedes with amendment to insert ", 311(b) and 323" after "and in (a) and to read as follows for (e):

(e) COHERENT AND RIGOROUS CONTENT.—For the purposes of this Act coherent and rigorous content shall be determined by the State consistent with section 1111(b)(1)(D) of the Elementary and Secondary Education Act of 1965.

TITLE I—CAREER AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES

PART A—ALLOTMENT AND ALLOCATION

Sec. 111. Reservation and state allotments

(64) The Senate bill changes the term "vocational" to "career."

House recedes

(65) The House bill reduces the set-aside for Section 115 activities (assistance for outlying areas" from .2 percent to .12 percent.)

House and Senate recede with amendment to read as follows:

(1) RESERVATIONS.—From the sum appropriated under section 8 for each fiscal year, the Secretary shall reserve—

(A) 0.13 percent to carry out section 115;

(66) The House bill separates the Perkins incentive grant funds from the incentive grant funds authorized under Title I and Title II of WIA. The Senate bill retains the current structure of the incentive grant program, which authorizes the grants through WIA.

House and Senate recede with amendment to delete incentive grant set aside.

(67) Identical provisions.

Legislative Counsel: similar or identical provision

(68) The Senate bill eliminates the cap on small state minimums based on per student averages.

House and Senate recede with amendment to read as follows note 70.

(69) The House bill includes new "hold harmless" provisions based on Tech prep funding that are consolidated into the Basic State Grants account.

House and Senate recede with amendment to read as follows note 70.

(70) The House bill amends the hold harmless provision to the combined Basic State grant and Tech prep FY05 funding levels. The Senate bill bases the hold harmless provision for fiscal years 2006 through 2008 on the Basic State grant FY05 funding level, at which point the hold harmless provision is reduced to 95 percent of the previous fiscal year's Basic State grant appropriation.

House and Senate recede with amendment to read as follows for notes 68–70:

SEC. 111. RESERVATIONS AND STATE ALLOTMENT.—

(a) RESERVATIONS AND STATE ALLOTMENT.—

(1) RESERVATIONS.—From the sum appropriated under section 9 for each fiscal year, the Secretary shall reserve—

(A) 0.13 percent to carry out section 115; and

(B) 1.50 percent to carry out section 116, of which—

(i) 1.25 percent of the sum shall be available to carry out section 116(b); and

(ii) 0.25 percent of the sum shall be available to carry out section 116(h).

(2) STATE ALLOTMENT FORMULA.—Subject to paragraphs (3), (4), and (5), from the remainder of the sum appropriated under section 9 and not reserved under paragraph (1) for a fiscal year, the Secretary shall allot to a State for the fiscal year—

(A) an amount that bears the same ratio to 50 percent of the sum being allotted as the product of the population aged 15 to 19 inclusive, in the State in the fiscal year preceding the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States;

(B) an amount that bears the same ratio to 20 percent of the sum being allotted as the product of the population aged 20 to 24, inclusive, in the State in the fiscal year preceding the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States;

(C) an amount that bears the same ratio to 15 percent of the sum being allotted as the product of the population aged 25 to 65, inclusive, in the State in the fiscal year preceding the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States; and

(D) an amount that bears the same ratio to 15 percent of the sum being allotted as the amounts allotted to the State under subparagraphs (A), (B), and (C) for such years bears to the sum of the amounts allotted to all the States under subparagraphs (A), (B), and (C) for such year.

(3) MINIMUM ALLOTMENT FOR YEARS WITH NO ADDITIONAL FUNDS.—

(A) In general.—Notwithstanding any other provision of law and subject to subparagraphs (B) and (C), and paragraph (5), for a fiscal year for which there are no additional funds (as such term is defined in paragraph (4)(D)), no State shall receive for such fiscal year under this subsection less than ½ of 1 percent of the amount appropriated under section 9 and not reserved under paragraph (1) for such fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

(B) Requirement.—No State, by reason of the application of subparagraph (A), shall receive for a fiscal year more than 150 percent of the amount the State received under this subsection for the preceding fiscal year.

(C) Special rule.—

(i) In general.—Subject to paragraph (5), no State, by reason of the application of subparagraph (A), shall be allotted for a fiscal year more than the lesser of—

(I) 150 percent of the amount that the State received in the preceding fiscal year; and

(II) the amount calculated under clause (ii).

(ii) AMOUNT.—The amount calculated under this clause shall be determined by multiplying—

(I) the number of individuals in the State counted under paragraph (2) in the preceding fiscal year; by

(II) 150 percent of the national average per pupil payment made with funds available under this section for that year.

(4) MINIMUM ALLOTMENT FOR YEARS WITH ADDITIONAL FUNDS.—

(A) IN GENERAL.—Subject to subparagraph (B) and paragraph (5), for a fiscal year for which there are additional funds, no State shall receive for such fiscal year under this subsection

less than ½ of 1 percent of the amount appropriated under section 9 and not reserved under paragraph (1) for such fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

(B) Special Rule.—In the case of a qualifying State, the minimum allotment under subparagraph (A) for a fiscal year for the qualifying State shall be the lesser of—

(i) ½ of 1 percent of the amount appropriated under section 9 and not reserved under paragraph (1) for such fiscal year; and

(ii) the sum of—

(I) the amount the qualifying State received under this subsection for fiscal year 2006 (as such subsection was in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006); and

(II) the product of—

(aa) ⅓ of the additional funds; multiplied by

(bb) the qualifying State's ratio described in subparagraph (C) for the fiscal year for which the determination is made.

(C) Ratio.—For purposes of subparagraph (B)(ii)(II)(bb), the ratio for a qualifying State for a fiscal year shall be 1.00 less the quotient of—

(i) the amount the qualifying State received under this subsection for fiscal year 2006 (as such subsection was in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006); divided by

(ii) ½ of 1 percent of the amount appropriated under section 9 and not reserved under paragraph (1) for the fiscal year for which the determination is made.

(D) Definitions.—In this paragraph:

(i) Additional funds.—The term "additional funds" means the amount by which—

(I) the sum appropriated under section 9 and not reserved under paragraph (1) for a fiscal year; exceeds

(II) the sum appropriated under section 8 and not reserved under [subparagraph (A) or (B) of paragraph (1)] for fiscal year 2006 (as such section 8 and [such subparagraphs (A) and (B)] were in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006).

(ii) Qualifying State.—The term "qualifying State" means a State (except the United States Virgin Islands) that, for the fiscal year for which a determination under this paragraph is made, would receive, under the allotment formula under paragraph (2) (without the application of this paragraph and paragraphs (3) and (5)), an amount that would be less than the amount the State would receive under subparagraph (A) for such fiscal year.

(5) Hold harmless.—

(A) In general.—No State shall receive an allotment under this section for a fiscal year that is less than the allotment the State received under part A of title I of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2311 et seq.) (as such part was in effect on the day before the date of enactment of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998) for fiscal year 1998.

(B) Ratable reduction.—If for any fiscal year the amount appropriated for allotments under this section is insufficient to satisfy the provisions of subparagraph (A), the payments to all States under such subparagraph shall be ratably reduced.

(b) Reallotment.—If the Secretary determines that any amount of any State's allotment under subsection (a) for any fiscal year will not be required for such fiscal year for carrying out the activities for which such amount has been allotted, the Secretary shall make such amount available for reallotment. Any such reallotment among other States shall occur on such dates during the same year as the Secretary shall fix, and shall be made on the basis of criteria established by regulation. No funds may be reallotted for any use other than the use for which the funds were appropriated. Any amount reallotted to a State under this subsection for any fiscal year shall remain available for obligation during the succeeding fiscal year and shall be deemed to be part of the State's allotment for the year in which the amount is obligated.

(c) Allotment Ratio.—

(1) In general.—The allotment ratio for any State shall be 1.00 less the product of—

(A) 0.50; and

(B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of the Commonwealth of Puerto Rico and the United States Virgin Islands), except that—

(i) the allotment ratio in no case shall be more than 0.60 or less than 0.40; and

(ii) the allotment ratio for the Commonwealth of Puerto Rico and the United States Virgin Islands shall be 0.60.

(2) Promulgation.—The allotment ratios shall be promulgated by the Secretary for each fiscal year between October 1 and December 31 of the fiscal year preceding the fiscal year for which the determination is made. Allotment ratios shall be computed on the basis of the average of the appropriate per capita incomes for the 3 most recent consecutive fiscal years for which satisfactory data are available.

(3) Definition of per capita income.—For the purpose of this section, the term "per capita income" means, with respect to a fiscal year, the total personal income in the calendar year ending in such year, divided by the population of the area concerned in such year.

(4) Population determination.—For the purposes of this section, population shall be determined by the Secretary on the basis of the latest estimates available to the Department of Education.

(d) Definition of State.—For the purpose of this section, the term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

(71) Identical provisions.

Legislative Counsel: similar or identical provision

(72) Identical provisions.

Legislative Counsel: similar or identical provision

(73) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 112. Within State Allocation

(74) The House bill provides for 88 percent of State funds to be distributed to local grantees. The Senate bill provides for 85 percent of State funds to be allocated to local grantees.

House recedes with amendment to read as follows:

(a) In general.—From the amount allotted to each State under section 111 for a fiscal year, the eligible agency shall make available—

(1) not less than 85 percent for distribution under section 131 or 132, of which not more than 10 percent of the 85 percent may be used in accordance with subsection (c);

(75) The Senate bill combines State Leadership and State Administration funding accounts.

House and Senate recede with amendment to read as follows note 77.

(76a) The Senate bill, but not the House bill, removes the cap on the use of funds for individuals in State institutions and for services for preparing individuals for nontraditional fields.

Senate recedes

(76b) The Senate bill, but not the House bill, includes language on supporting and developing State data systems.

House recedes

(77) The House bill reduces the set aside for State Administration to 2 percent. The Senate bill has no similar provision (see above).

House and Senate recede with amendment to read as follows for notes 75–77:

SEC. 112. WITHIN STATE ALLOCATION.

(a) In General.—From the amount allotted to each State under section 111 for a fiscal year, the State board (hereinafter referred to as the 'eligible agency') shall make available—

(1) not less than 85 percent for distribution under section 131 or 132, of which not more than 10 percent of the 85 percent may be used in accordance with subsection (c);

(2) not more than 10 percent to carry out State leadership activities described in section 124 of which—

(A) an amount equal to not more than one percent of the amount allotted to the State under section 111 for the fiscal year shall be made available to serve individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities; and

(B) not less than $60,000 and not more than $150,000 shall be available for services that prepare individuals for non-traditional fields.

(3) An amount equal to not more than five percent, or $250,000, whichever is greater, shall be made available for administration of the State plan, which may be used for the costs of—

(A) developing the State plan;

(B) reviewing the local plan;

(C) monitoring and evaluating program effectiveness;

(D) assuring compliance with all applicable Federal laws;

(E) providing technical assistance; and

(F) supporting and developing State data systems relevant to the provisions of this Act.

(78) The House bill provides for States to use more funds from the local program account for State Leadership activities for any year in which the allocation of 10 percent for State Leadership activities is less than the FY05 level for State Leadership activities. States using funds for this purpose cannot exceed the percentage of funds set aside for State Leadership in FY05. The Senate bill contains no similar provision.

House recedes

(79) Similar provisions.

ESenate recedes

(80) The Senate bill provides for eligible agencies to use reserved funds for innovative statewide initiatives that demonstrate benefits for eligible recipients and the development and implementation of career pathways or career clusters. The House bill preserves the requirement that grants made under this subsection must serve at least two categories described in paragraph (1). The Senate bill does not include this provision.

Senate recedes with amendment to read as follows:

(c) Reserve.—

(1) In general.—From amounts made available under subsection (a)(1) to carry out this subsection, an eligible agency may award grants to eligible recipients for career and technical education activities described in section 135 in—

(1) rural areas;

(2) areas with high percentages of career and technical education students; and

(3) areas with high numbers of career and technical students.

Sec. 113. Accountability

(81) Similar provisions. The Senate bill changes the term "vocational" to "career."

Legislative Counsel: similar or identical provision

House recedes on "career."

(82) Similar provisions.

House and Senate recede with amendment to read as follows:

(b) STATE PERFORMANCE MEASURES.—

(1) IN GENERAL.—Each eligible agency, with input from eligible recipients, shall establish performance measures for a State that consist of—

(A) the core indicators of performance described in subparagraphs (A) and (B) of paragraph (2);

(B) any additional indicators of performance (if any) identified by the eligible agency under paragraph (2)(C); and

(C) a State adjusted level of performance described in paragraph (3)(A) for each core indicator of performance, and State levels of performance described in paragraph (3)(B) for each additional indicator of performance.

(83) The House bill requires eligible agencies to report on core indicators of performance that are "valid and reliable," to the extent practicable.

Senate recedes with amendment to read as follows:

(A) CORE INDICATORS OF PERFORMANCE FOR SECONDARY CAREER AND TECHNICAL EDUCATION STUDENTS.—Each eligible agency shall identify in the State plan core indicators of performance for secondary education career and technical education students that are valid and reliable and that include, at a minimum, measures of each of the following:

Report Language: The Conferees are concerned that many States currently use measures of the core indicators of performance that cannot generate valid and reliable data that reflect real improvement of their CTE programs. The Conferees intend, by imposing the explicit requirement that the States must use "valid and reliable" measures of the core indicators of performance, for the States to establish measures that reflect high standards and that will show the extent of real improvement in their CTE programs. The Conferees expect the Department to provide expertise and technical assistance to the States to ensure the validity and reliability of the measures prior to reaching agreement with States on levels for particular measures.

(84) The Senate bill requires eligible agencies to report on student achievement on technical skill assessments. The House bill requires student attainment of vocational and technical skill proficiencies. The Senate bill requires the use of assessments described under ESEA.

House and Senate recede with amendment to read as follows:

(i) Student attainment of challenging academic content standards and student academic achievement standards, as adopted by a State in accordance with section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 and measured by the State determined proficient level on the academic assessments described in section 1111 (b)(3) of such Act.

Report Language: The Conferees intend that the amendments to the core indicators requirements will ensure that the States use measures that are valid and reliable and apply these measures to all categories of students served by CTE programs. The Conferees further intend that a State use the same measures to report the academic achievement and the rate of high school graduation of its secondary CTE students, as the State uses under Title I of the Elementary and Secondary Education Act of 1965 (ESEA)—rather than indirect measures or approximations of these measures. Thus, for example, a State must report the number or percentage of CTE students scoring at the proficient level or above on its academic assessments used under the ESEA to ensure that its CTE students are held to the same academic achievement standards as are all students.

(85) Similar provisions. The Senate bill requires eligible agencies to report on "rates of attainment" for a technical skill proficiency, industry-recognized credential, certificate, and degree. The House bill requires graduation rates to be determined based on requirements in ESEA.

House and Senate recede with amendment to read as follows:

(ii) Student attainment of career and technical skill proficiencies, including student achievement on technical assessments, that are aligned with industry-recognized standards, if available and appropriate.

(iii) Student rates of attainment of—

(I) a secondary school diploma;

(II) a General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); and

(III) a proficiency credential, certificate, or degree, in conjunction with a secondary school diploma if such credential, certificate, or degree is offered by the State in conjunction with a secondary school diploma.

(iv) Student graduation rates (as described in section 1111 (b)(2)(C)(vi) of the Elementary and Secondary Education Act of 1965).

(v) Student placement in postsecondary education or advanced training, in military service, or in employment.

(vi) Student participation in and completion of career and technical education programs that lead to non-traditional fields.

(86) The House bill requires eligible agencies to report on core indicators of performance that are "valid and reliable," to the extent practicable.

House and Senate recede with amendment to read as follows:

Each eligible agency shall identify in the State plan core indicators of performance for postsecondary career and technical education students that are valid and reliable, and that include, at a minimum, measures of each of the following:

(87) The Senate bill requires eligible agencies to report on student attainment on technical skill assessments.

House and Senate recede with amendment to read as follows:

(i) Student attainment of challenging career and technical skill proficiencies, including student achievement on technical assessments, that are aligned with industry-recognized standards, if available and appropriate.

(88) The Senate bill requires eligible agencies to report on student attainment of an industry-recognized credential, a certificate, or a degree and includes placement in apprenticeship programs.

House recedes with amendment to read as follows:

(ii) Student attainment of an industry-recognized credential, a certificate, or a degree.

(iii) Student retention in postsecondary education or transfer to a baccalaureate degree program.

(iv) Student placement in military service or apprenticeship programs or placement or retention in employment, including placement in high skill, high wage, or high demand occupations or professions.

(89) The Senate bill requires eligible agencies to report on student participation in, and completion of, career and technical education programs that lead to employment or self-employment in high skill, high wage, high demand occupations or professions. The Senate bill requires eligible agencies to report on increase in earnings, where available.

House and Senate recede with amendment to read as follows:

(v) Student participation in, and completion of, career and technical education programs that lead to employment in non-traditional fields.

(90a) The Senate bill changes the term "vocational" to "career."

House recedes

(90b) The Senate bill includes the "attainment of self-sufficiency."

House recedes

Report Language: The Conferees intend that the term 'self-sufficiency' means a standard of economic independence that considers a variety of demographic and geographic factors, as adopted, calculated, or commissioned by a local area or State.

(91) Similar provisions. The Senate bill changes the term "vocational" to "career."

House recedes on "career;" Senate recedes with amendment to read as follows:

(D) EXISTING INDICATORS.—If a State has developed, prior to the enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006, State career and technical education performance measures that meet the requirements of this section (as amended by such Act) the State may use such performance measures to measure the progress of career and technical education students.

(92) Similar provisions.

Senate recedes

(93) The House bill does not include a similar provision.

House recedes with amendment to read as follows:

(F) ALIGNMENT OF PERFORMANCE INDICATORS.—In the course of developing core indicators of performance and additional indicators of performance, States shall, to the greatest extent possible, align the indicators so that substantially similar information gathered for other State and Federal programs, or for any other purpose, is used to meet the requirements of this section.

(94) Similar provisions. The Senate bill requires the eligible agency to take into account local adjusted levels of performance.

Senate recedes

(95) The House bill uses the term "substantial." The Senate bill uses the term "significant."

Senate recedes with amendment to read as follows:

(II) require the State to continually make progress toward improving the performance of career and technical education students.

(96) The Senate bill uses the term "career."

House recedes

(97) Identical provisions.

House and Senate recede with amendment to insert "subject to section 4," before "each".

(98) Identical provisions.

Legislative Counsel: similar or identical provision

(99) Identical provisions.

Legislative Counsel: similar or identical provision

Report Language: The conferees expect that, prior to reaching agreement with a State on its adjusted levels of performance, the State will demonstrate that its measures for the core indicators of performance are valid and reliable and will agree on levels that require continuous improvement. The conferees further expect that the agreed-upon State adjusted performance levels will reflect high standards and real improvement, including an increase in the rate of the improvement, in the State's CTE programs.

(100) Similar provisions.

House recedes

(101) The House bill uses the term "substantial," the Senate bill uses the term "significant."

Senate recedes with amendment to read as follows:

(II) the extent to which such levels of performance promote continuous improvement on the indicators of performance by such State.

Report Language: The Conferees expect, in carrying out this section, that the U.S. Department of Education not impose a minimum or arbitrary across-the-board increase in any state performance targets as the means for ensuring continuous improvement. Instead, when the U.S. Department of Education is negotiating state adjusted levels of performance with eligible agencies, it should consider and benchmark an individual state's performance against that state's prior performance, as well as take into consideration state improvement plans and changes in baseline data, measurement methods and number of students. The Conferees expect that eligible agencies provide the same considerations to eligible recipients when negotiating local adjusted levels of performance.

(102) Similar provisions. The House bill refers to the factors in clause (vi), the Senate bill refers to the factors in clause (vi)(II).

House and Senate recede with amendment to read as follows:

(vii) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (vi), the eligible agency may request that the State adjusted levels of performance agreed to under clause (iii) or (v) be revised. The Secretary shall issue objective criteria and methods for making such revisions.

(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—Each eligible agency shall identify in the State plan, State levels of performance for each of the additional indicators of performance described in paragraph 2(C). Such levels shall be considered to be the State levels of performance for purposes of this title.

(103) Similar provisions. The Senate bill allows eligible recipients to accept the State adjusted levels of performance, or negotiate with the State to reach agreement on local adjusted levels of performance. The Senate bill uses the term "career."

House recedes with amendment to read as follows:

(3) STATE LEVELS OF PERFORMANCE.—

(A) STATE ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS OF PERFORMANCE.—

(i) IN GENERAL.—Each eligible agency, with input from eligible recipients, shall establish in the State plan submitted under section 122, levels of performance for each of the core indicators of performance described in subparagraphs (A) and (B) of paragraph (2) for career and technical education activities authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

(I) be expressed in a percentage or numerical form, so as to be objective, quantifiable, and measurable; and

(104) The House bill uses the term "substantial." The Senate bill uses the term "significant."

Senate recedes with amendment to read as follows:

(II) require the eligible recipient to continually make progress toward improving the performance of career and technical education students.

(105) The House bill requires improvement in academic and vocational and technical achievement. The Senate bill requires improvement in career and technical achievement.

Senate recedes with amendment to strike "vocational" and insert "career."

(106) Identical provisions.

Legislative Counsel: similar or identical provision

(107) Similar provisions.

Legislative Counsel: similar or identical provision

(108) Similar provisions.

House recedes

(109) Similar provisions.

Legislative Counsel: similar or identical provision

(110) The House bill uses the term "substantial." The Senate bill uses the term "significant."

Senate recedes with amendment to read as follows:

(II) the extent to which the local adjusted levels of performance promote continuous improvement on the core indicators of performance by the eligible recipient.

(111) Similar provisions. The House bill refers to the factors in clause (v), the Senate bill refers to the factor in clause (v)(II).

Senate recedes

(112) Similar provisions.

Legislative Counsel: similar or identical provision

(113) The House bill requires eligible recipients that receive an allotment under section 111 to report performance on the core indicators of performance, and to disaggregate data for each of the indicators according to categories described under ESEA for both secondary and postsecondary students. The House bill also requires eligible recipients to report on the performance of tech prep participants, if applicable. The Senate bill requires eligible recipients at the secondary level that receive an allocation under section 131 to prepare an annual report.

House and Senate recede with amendment to read as follows note 117.

(114) The House bill prohibits reporting in instances where the numbers of students is too small to yield statistically reliable information or in which the results would reveal personally identifiable information about an individual student.

House and Senate recede with amendment to read as follows note 117.

(115) The House bill requires eligible recipients to make data available publicly, through a variety of formats, including the Internet.

House and Senate recede with amendment to read as follows note 117.

(116) The Senate bill requires data to be disaggregated, for postsecondary institutions, by special populations and gender, and for secondary institutions, by the categories described in ESEA section 1111. The House bill requires both secondary and postsecondary institutions to report data disaggregated by the categories described in ESEA Section 1111. Both bills prohibit reporting in instances where the numbers of students is too small to yield statistically reliable information or in which the results would reveal personally identifiable information about an individual student.

House and Senate recede with amendment to read as follows note 117.

(117) The House bill, but not the Senate bill, requires eligible agencies to report gaps in performance between any such category and the aggregate score of all students served by the eligible agency.

House and Senate recede with amendment to read as follows for notes 113–117:

(C) LOCAL REPORT.—

(i) CONTENT OF REPORT.—Each eligible recipient that receives an allocation described in section 112 shall annually prepare and submit to the eligible agency a report, which shall include the data described in clause (ii)(I), regarding the progress of such recipient in achieving the local adjusted levels of performance on the core indicators of performance.

(ii) DATA.—Except as provided in clauses (iii) and (iv) each eligible recipient that receives an allocation described in section 112 shall—

(I) disaggregate data for each of the indicators of performance under paragraph (2) for the categories of students described in section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965 and section 3(29) that are served under this Act; and

(II) identify and quantify any disparities or gaps in performance between any such category of students and the performance of all students served by the eligible recipient under the Act.

(iii) NONDUPLICATION.—The eligible agency shall ensure that each eligible recipient does not report duplicative information under this section in a manner that is consistent with the actions of the Secretary under subsection (c)(3).

(iv) RULES FOR REPORTING OF DATA.—The disaggregation of data under clause (ii) shall not be required when the number of students in a category is insufficient to yield statistically reliable information or when the results would reveal personally identifiable information about an individual student.

(v) AVAILABILITY.—The report described in clause (i) shall be made available to the public through a variety of formats, including electronically through the Internet.

(c) REPORT.—

(1) IN GENERAL.—Each eligible agency that receives an allotment under section 111 shall annually prepare and submit to the Secretary a report regarding—

(A) the progress of the State in achieving the State adjusted levels of performance on the core indicators of performance; and

(B) information on the levels of performance achieved by the State with respect to the additional indicators of performance, including the levels of performance for special populations.

(2) DATA.—Except as provided in paragraphs (3) and (4) each eligible agency under sections 111 or 201 shall—

(A) disaggregate data for each of the indicators of performance under subsection (b)(2) for the categories of students described in section

1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965 and section 3(29) that are served under this Act; and

(B) identify and quantify any disparities or gaps in performance between any such category of students and the performance of all students served by the eligible agency under the Act which shall include a quantifiable description of the progress each such category of students served by the eligible agency under the Act has made in meeting the State adjusted levels of performance.

(3) NONDUPLICATION.—The Secretary shall ensure that each eligible agency does not report duplicative information under this section.

(4) RULES FOR REPORTING OF DATA.—The disaggregation of data under paragraph (2) shall not be required when the number of students in a category is insufficient to yield statistically reliable information or when the results would reveal personally identifiable information about an individual student.

(118) The House bill requires data to be disaggregated by the populations described in section 3(25) and the populations described in section 1111(h)(1)(C)(i) of ESEA. The Senate bill changes the term "vocational" to "career."

House and Senate recede with amendment to read as follows note 117.

(119) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 114. National activities

(120) The Senate bill changes "vocational" to "career."

House recedes

(121) The Senate bill requires an analysis of performance data that is disaggregated for postsecondary institutions, by special populations, and for secondary institutions, by special populations and the categories described in ESEA Section 1111. The Senate bill prohibits reporting in instances where the numbers of students is too small to yield statistically reliable information or in which the results would reveal personally identifiable information about an individual student.

Senate recedes

(122) The House bill limits international comparisons to aggregate comparisons.

Senate recedes

(123) Identical provisions.

Legislative Counsel: similar or identical provision

(124) Identical provisions.

Legislative Counsel: similar or identical provision

(125) The Senate bill changes the term "vocational" to "career."

House recedes

(126) Similar provisions. The members of the advisory panel differ between the House and Senate bills.

House and Senate recede with amendment to read as follows:

(2) INDEPENDENT ADVISORY PANEL.—

(A) IN GENERAL.—The Secretary shall appoint an independent advisory panel to advise the Secretary on the implementation of the assessment described in paragraph (3), including the issues to be addressed and the methodology of the studies involved to ensure that the assessment adheres to the highest standards of quality.

(B) MEMBERS.—The advisory panel shall consist of—

(i) educators, administrators, State directors of career and technical education, and chief executives, including those with expertise in the integration of academic and career and technical education;

(ii) experts in evaluation, research, and assessment;

(iii) representatives of labor organizations and businesses, including small businesses, economic development entities, and workforce investment entities;

(iv) parents;

(v) career guidance and academic counseling professionals; and

(vi) other individuals and intermediaries with relevant expertise.

(127) The House bill requires the report to be transmitted to the Secretary and to Congress. The Senate bill requires the report to be transmitted to the Secretary and the relevant committees of Congress.

Senate recedes with amendment to read as follows:

The advisory panel shall transmit to the Secretary, the relevant committees of Congress, and the Library of Congress an independent analysis of the findings and recommendations resulting from the assessment described in paragraph (2).

(128) The House bill requires the assessment to evaluate the implementation of career and technical education programs established under this Act. The Senate bill requires the assessment to evaluate career and technical education programs under this Act.

House and Senate recede with amendment to read as follows note 133.

(129) The Senate bill changes the term "vocational" to "career."

House recedes

(130) The House bill deletes clauses (i), (ii), (iv) and (vii) of current law. The Senate bill retains these sections.

House and Senate recede with amendment to read as follows note 133.

(131) The Senate bill includes faculty preparation.

House and Senate recede with amendment to read as follows note 133.

(132) Similar provisions (clauses (ii) in the House bill and (v) in the Senate bill). The House bill includes the term "rigorous." The House bill includes careers in which math and science skills are critical. The Senate bill includes special populations in the evaluation of student preparation. The Senate bill includes the number of students receiving a high school diploma (IV).

House and Senate recede with amendment to read as follows note 133.

(133) The Senate bill includes local adjusted levels of performance and local levels of performance.

House and Senate recede with amendment to read as follows for notes 128–133:

(3) EVALUATION AND ASSESSMENT.—

(A) IN GENERAL.—From amounts made available under subsection (e), the Secretary shall provide for the conduct of an independent evaluation and assessment of career and technical education programs under this Act, including the implementation of the Carl D. Perkins Career and Technical Education Improvement Act of 2006, to the extent practicable, through studies and analyses conducted independently through grants, contracts, and cooperative agreements that are awarded on a competitive basis.

(B) CONTENTS.—The assessment required under paragraph (1) shall include, but not be limited to, descriptions and evaluations of—

(i) the extent to which State, local, and tribal entities have developed, implemented, or improved State and local career and technical education programs assisted under this Act; (ii) the preparation and qualifications of teachers and faculty of career and technical education (such as meeting State established teacher certification or licensing requirements), as well as shortages of such teachers and faculty;

(iii) academic and career and technical education achievement and employment outcomes of career and technical education, including analyses of—

(I) the extent and success of integration of rigorous and challenging academic and career and technical education, including a review of the effect of such integration on the academic and technical proficiency achievement of students (including the number of students receiving a high school diploma) for students participating in career and technical education programs; and

(II) the extent to which career and technical education programs prepare students, including special populations, for subsequent employment in high skill, high wage occupations (including those in which math and science skills are critical), for participation in postsecondary education;

(iv) employer involvement in, and satisfaction with career and technical education programs and career and technical education students' preparation for employment;

(v) participation of students in career and technical education programs;

(vi) the use of educational technology and distance learning with respect to career and technical education and tech prep programs; and

(vii) the effect of State and local adjusted levels of performance and State and local levels of performance on the delivery of career and technical education services, including the percentage of career and technical education and tech prep students meeting the adjusted levels of performance described in section 113.

(134) The Senate bill requires the report to be submitted to the relevant committees of Congress.

House recedes with amendment to read as follows:

(I) an interim report regarding the assessment on or before January 1, 2010; and

(II) a final report, summarizing all studies and analyses that relate to the assessment and that are completed after the interim report, on or before July 1, 2011.

(135) The Senate bill would require the Secretary to award grants and contracts to one institution of higher education offering comprehensive graduate programs in career and technical education.

House and Senate recede with amendment to read as follows:

(5) RESEARCH.—

(A) IN GENERAL.—From amounts made available under subsection (e), the Secretary, after consulting with the States, shall award a grant, contract, or cooperative agreement on a competitive basis to an institution of higher education, a public or private nonprofit organization or agency, or a consortium of such institutions, organizations, or agencies to establish a national research center—

(136) The House bill requires the national center to carry out "scientifically based research." The Senate bill requires "research and evaluation."

House and Senate recede with amendment to read as follows:

(i) to carry out scientifically based research and evaluation for the purpose of developing, improving, and identifying the most successful methods for addressing the education, employment, and training needs of participants, including special populations, in career and technical education programs, including research and evaluation in such activities as—

(137) The Senate bill includes the requirements that research include the education, employment, and training needs of special populations.

House recedes

(138) The Senate bill changes the term "vocational" to "career."

House recedes

(139) The Senate bill, but not the House bill, requires the Center to carry out research, including scientifically based research, for the purpose of developing, improving, and identifying the most successful methods for successfully addressing the needs of employers in high skill, high wage business and industry.

House and Senate recede with amendment to read as follows:

(I) the integration of—

(aa) career and technical instruction; and

(bb) academic, secondary and postsecondary instruction;

(II) education technology and distance learning approaches and strategies that are effective with respect to career and technical education;

(III) State adjusted levels of performance and State levels of performance that serve to improve career and technical education programs and student achievement;

(IV) academic knowledge and career and technical skills required for employment or participation in postsecondary education; and

(V) preparation for occupations in high skill, high wage, or high demand business and industry, including examination of—

(aa) collaboration between career and technical education programs and business and industry; and

(bb) academic and technical skills required for a regional or sectoral workforce, including small business;

(140) The House bill includes the term "scientifically based research" and "rigorous."

House and Senate recede with amendment to read as follows:

(ii) to carry out scientifically based research and evaluation to increase the effectiveness and improve the implementation of career and technical education programs that are integrated with coherent and rigorous content aligned with challenging academic standards, including conducting research and development, and studies, that provide longitudinal information or formative evaluation with respect to career and technical education programs and student achievement;

(141) The Senate bill changes the term "vocational" to "career."

House recedes

(142) The Senate bill requires research that improves the integration of programs with academic content standards and achievement standards adopted by States under ESEA.

House recedes with amendment to read as follows note 144.

(143) The Senate bill requires that research promoting technical education be aligned with industry-based standards and certifications to meet regional industry needs.

House recedes with amendment to read as follows note 144.

(144) The Senate bill requires that research to improve preparation and professional development include the recruitment and retention of career and technical education teachers, faculty, counselors, principals, and administrators, including individuals in groups underrepresented in the teaching professions.

House and Senate recede with amendment to read as follows for notes 142–144:

(iii) to carry out scientifically based research that can be used to improve preparation and professional development of teachers, faculty, and administrators and student learning in the career and technical education classroom, including—

(I) effective in-service and pre-service teacher and faculty education that assists career and technical education programs in—

(aa) integrating those programs with academic content standards and student academic achievement standards, as adopted by States under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965; and

(bb) coordinating technical education with industry-recognized certification requirements;

(II) dissemination and training activities related to the applied research and demonstration activities described in this subsection, which may also include serving as a repository for information on career and technical skills, State academic standards, and related materials; and

(III) the recruitment and retention of career and technical education teachers, faculty, counselors, and administrators, including individuals in groups underrepresented in the teaching profession; and

(145) Identical provisions.

Legislative Counsel: similar or identical provision

(146) The Senate bill refers to the "relevant Committees of Congress."

House recedes with amendment to read as follows:

(B) REPORT.—The center conducting the activities described in subparagraph (A) shall annually prepare a report of key research findings of such center and shall submit copies of the report to the Secretary, relevant committees of Congress, the Library of Congress, and each eligible agency.

(147) The House bill refers to one or more centers. The Senate bill refers to one center.

House and Senate recede with amendment to read as follows:

(B) REPORT.—The center conducting the activities described in subparagraph (A) shall annually prepare a report of key research findings of such center and shall submit copies of the report to the Secretary, relevant committees of Congress, the Library of Congress, and each eligible agency.

(148) The Senate bill, but not the House, would establish an independent governing board to ensure that research and dissemination activities are carried out by the center are coordinated with the research activities carried out by the Secretary.

Senate recedes

(149) The Senate bill changes the term "vocational" to "career."

House recedes

(150) The Senate bill retains the demonstration partnership.

Senate recedes

(151) Identical provisions.

Legislative Counsel: similar or identical provision

(152) Similar provisions.

Senate recedes with amendment to read as follows:

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2007 through 2012.

(153) The House bill separates the Perkins incentive grant funds from the incentive grant funds authorized under Title I and Title II of WIA. The House bill awards incentive grants without consideration of performance on WIA programs. The Senate bill retains the current structure of the incentive grants.

House and Senate recede.

Incentive grants removed as a part of the formula resolution. See notes 68–70.

Sec. 115. Assistance for Outlying Areas

(154) The House bill, but not the Senate, would increase grant amounts for the outlying areas. The Senate bill retains PREL as the initial recipient of the "remainder" to subsequently make grants. The House bill no longer includes PREL.

House and Senate recede with amendment to read as follows note 160.

(155) The Senate bill, but not the House, includes the Republic of Palau in the "Remainder" provision of the bill. However, the Senate bill no longer includes the Republic of Palau in its definition of outlying areas. (See note 44).

House and Senate recede with amendment to read as follows note 160.

(156) The Senate bill changes the term "vocational" to "career."

House recedes

(157) The Senate bill uses the term "preparation," while the House bill uses the phrase "training and retraining."

House and Senate recede with amendment to read as follows note 160.

(158) The Senate bill, but not the House, includes "professional development for teachers, faculty, principals, and administrators;"

House and Senate recede with amendment to read as follows note 160.

(159) The House bill, but not the Senate, strikes this provision from current law.

House and Senate recede with amendment to read as follows note 160.

(160) Similar provisions.

House and Senate recede with amendment to read as follows for notes 154–160:

SEC. 115. ASSISTANCE FOR THE OUTLYING AREAS.

(a) OUTLYING AREAS.—From funds reserved pursuant to section 111(a)(1)(A), the Secretary shall—

(1) make a grant in the amount of $660,000 to Guam;

(2) make a grant in the amount of $350,000 to each of American Samoa and the Commonwealth of the Northern Mariana Islands; and

(3) make a grant in the amount of $160,000 to the Republic of Palau, subject to subsection (d).

(b) REMAINDER.—

(1) FIRST YEAR.—Subject to the provisions of subsection (a), for the first year following the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006, the Secretary shall make a grant of the remainder of funds reserved pursuant to section 111(a)(1)(A) to the Pacific Region Educational Laboratory in Honolulu, Hawaii, to make grants for career and technical education and training in Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, for the purpose of providing direct career and technical educational services, including—

(A) teacher and counselor training and retraining;

(B) curriculum development; and

(C) the improvement of career and technical education and training programs in secondary schools and institutions of higher education, or improving cooperative education programs involving secondary schools and institutions of higher education.

(2) SUBSEQUENT YEARS.—Subject to subsection (a), for the second fiscal year following the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006, and each subsequent year, the Secretary shall make a grant of the remainder of funds reserved pursuant to section 111(a)(1)(A) and subject to subsection (a), in equal proportion, to each of Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be used to provide direct career and technical educational services as described in subparagraphs (A) through (C) of paragraph (1).

(c) LIMITATION.—The Pacific Region Educational Laboratory may use not more than 5 percent of the funds received under subsection (b)(1) for administrative costs.

(d) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this section upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association, unless otherwise provided in such agreement.

Sec. 116. Native American Programs

(161) Identical provisions.

Legislative Counsel: similar or identical provision

(162) Identical provisions.

Legislative Counsel: similar or identical provision

(163) Identical provisions.

Legislative Counsel: similar or identical provision

(164) Identical provisions.

Legislative Counsel: similar or identical provision

(165) Identical provisions.

Legislative Counsel: similar or identical provision

(166) Identical provisions.

Legislative Counsel: similar or identical provision

(167) Identical provisions.

Legislative Counsel: similar or identical provision

(168) The Senate bill changes the term "vocational" to "career."

House recedes

(169) The Senate bill changes the term "vocational" to "career."

House recedes

(170) Identical provisions.

Legislative Counsel: similar or identical provision

(171) Identical provisions.

Legislative Counsel: similar or identical provision

(172) The Senate bill changes the term "vocational" to "career."

House recedes

(173) The Senate bill, but not the House, inserts a comma after the word "section."

Legislative Counsel: similar or identical provision

(174) The Senate bill, but not the House, changes the word "paragraph" to "section."

Legislative Counsel: similar or identical provision

(175) The Senate bill changes the term "vocational" to "career."

House recedes

(176) Identical provisions.

Legislative Counsel: similar or identical provision

(177) Identical provisions.

Legislative Counsel: similar or identical provision

(178) Similar provisions. The Senate bill does not require recognition by the Governor of the State of Hawaii.

House recedes with amendment to read as follows:

(h) NATIVE HAWAIIAN PROGRAMS.—From the funds reserved pursuant to section 111(a)(1)(B)(ii), the Secretary shall award grants to or enter into contracts with community-based organizations primarily serving and representing Native Hawaiians to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this section for the benefit of Native Hawaiians.

Sec. 117. Tribally Controlled Postsecondary Career and Technical Institutions

(179) The Senate bill changes the term "vocational" to "career."

House recedes

(180) The House bill, but not the Senate, provides that funds may be used for "institutional support costs of the grant, including the expenses described in subsection (e)."

Senate recedes

The Senate bill changes the term "vocational" to "career."

House recedes

(181) The Senate bill changes the term "vocational" to "career."

House recedes

(182) Similar provisions.

Senate recedes

(183) The Senate bill changes the term "vocational" to "career."

House recedes

(184) The Senate bill changes the term "vocational" to "career."

House recedes

(185) The Senate bill changes the term "vocational" to "career."

House recedes

(186) The Senate bill requires the needs assessment to be conducted annually. The House bill deletes the requirement that the Secretary conduct a needs assessment.

Senate recedes

(187) The Senate bill, but not the House bill, maintains the requirement that the Secretary conduct a detailed study of the training, housing, and immediate facilities needs of each institution eligible under this section.

Senate recedes

(188) The Senate bill, but not the House bill, maintains the requirement that the Secretary provide for the conduct of a long-term study of the facilities of each institution eligible for assistance under this section.

Senate recedes

(189) The Senate bill, but not the House bill, requires the Secretary to provide a tribally controlled postsecondary career and technical institution with a hearing on the record with respect to determinations of grant eligibility or regarding the calculation of the amount of a grant awarded under this section.

House recedes with amendment to read as follows:

(g) COMPLAINT RESOLUTION PROCEDURE.—The Secretary shall establish (after consultation with tribally controlled postsecondary career and technical institutions) a complaint resolution procedure for grant determination and calculations under this section for tribally controlled postsecondary career and technical institutions.

(190) Identical provisions.

Legislative Counsel: similar or identical provision

(191) The Senate bill changes the term "vocational" to "career."

House recedes on "career."

Senate recedes with amendment to read as follows:

(2) INDIAN STUDENT COUNT.—

(A) IN GENERAL.—The term 'Indian student count' means a number equal to the total number of Indian students enrolled in each tribally controlled postsecondary career and technical institution, as determined in accordance with subparagraph (B).

(B) DETERMINATION.—

(i) ENROLLMENT.—For each academic year, the Indian student count shall be determined on the basis of the enrollments of Indian students as in effect at the conclusion of—

(I) in the case of the fall term, the third week of the fall term; and

(II) in the case of the spring term, the third week of the spring term.

(ii) CALCULATION.—For each academic year, the Indian student count for a tribally controlled postsecondary career and technical institution shall be the quotient obtained by dividing—

(I) the sum of the credit hours of all Indian students enrolled in the tribally controlled postsecondary career and technical institution (as determined under clause (i)); by

(II) 12.

(iii) SUMMER TERM.—Any credit earned in a class offered during a summer term shall be counted in the determination of the Indian student count for the succeeding fall term.

(iv) STUDENTS WITHOUT SECONDARY SCHOOL DEGREES.—

(I) IN GENERAL.—A credit earned at a tribally controlled postsecondary career and technical institution by any Indian student that has not obtained a secondary school degree (or the recognized equivalent of such a degree) shall be counted toward the determination of the Indian student count if the institution at which the student is enrolled has established criteria for the admission of the student on the basis of the ability of the student to benefit from the education or training of the institution.

(II) PRESUMPTION.—The institution shall be presumed to have established the criteria described in subclause (I) if the admission procedures for the institution include counseling or testing that measures the aptitude of a student to successfully complete a course in which the student is enrolled.

(III) CREDITS TOWARD SECONDARY SCHOOL DEGREE.—No credit earned by an Indian student for the purpose of obtaining a secondary school degree (or the recognized equivalent of such a degree) shall be counted toward the determination of the Indian student count under this clause.

(v) CONTINUING EDUCATION PROGRAMS.—Any credit earned by an Indian student in a continuing education program of a tribally controlled postsecondary career and technical institution shall be included in the determination of the sum of all credit hours of the student if the credit is converted to a credit hour basis in accordance with the system of the institution for providing credit for participation in the program.

(192) The Senate bill, but not the House bill, specifies an authorization level for FY06 for the purposed of this section.

Senate recedes with amendment to read as follows:

AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2007 through 2012.

Sec. 118. Occupational and Employment Information

(193) Similar provisions.

Legislative Counsel: similar or identical provision

(194) The Senate bill includes specific contents for the application.

House recedes with amendment to read as follows:

(b) STATE APPLICATION.—

(1) IN GENERAL.—A jointly designated State entity specified in subsection (c) that desires to receive a grant shall submit an application to the Secretary at the same time the State submits its State plan under section 122, in such manner, and accompanied by such additional information, as the Secretary may reasonably require.

(2) CONTENTS.—Each application submitted under paragraph (1) shall include a description of how the jointly designated State entity designated in subsection (c) will provide information based on trends provided pursuant to section 15 of the Wagner-Peyser Act to inform program development.

(195) The Senate bill includes academic achievement standards adopted by the State under ESEA.

House recedes with amendment to read as follows: (see note 194)

(196) The Senate bill, but not the House bill, includes a focus on high skill, high wage, or high demand occupations in emerging or established professions.

Senate recedes with amendment to read as follows:

(c) STATE LEVEL ACTIVITIES.—In order for a State to receive a grant under this section, the eligible agency and the Governor of the State shall jointly designate an entity in the State—

(1) to provide support for career guidance and academic counseling programs designed to promote improved career and education decision making by students (and parents, as appropriate) regarding education (including postsecondary education) and training options and preparations for high skill, high wage, or high demand occupations and non-traditional fields;

(2) to make available to students, parents, teachers, administrators, faculty, and career guidance and academic counselors, and to improve accessibility with respect to, information and planning resources that relate academic and career and technical educational preparation to career goals and expectations;

(197) The Senate bill, but not the House bill, includes a focus on high skill, high wage, or high demand occupations and non-traditional fields, including occupations and fields requiring a baccalaureate degree. The Senate bill includes an emphasis on providing this information to special populations underrepresented in certain careers.

House recedes with amendment to read as follows:

(3) to provide academic and career and technical teachers, faculty, administrators, and career guidance and academic counselors with the knowledge, skills, and occupational information needed to assist parents and students, especially special populations, with career exploration, educational opportunities, education financing, and exposure to high skill, high wage, or high demand occupations and non-traditional fields, including occupations and fields requiring a baccalaureate degree;

(198) The Senate bill, but not the House bill, includes a focus on high skill, high wage, or high demand occupations in emerging or established professions.

House recedes with amendment to read as follows:

(4) to assist appropriate State entities in tailoring career related educational resources and training for use by such entities, including information on high skill, high wage, or high demand occupations in current or emerging professions and on career ladder information.

(199) The Senate bill, but not the House, requires the entities receiving grants under this section to provide information, if available, for each occupation on the average earnings of the individual, the expected lifetime earnings, and the expected future demand for the occupation.

House and Senate recede with amendment to read as follows:

(7) to provide readily available occupational information such as—

(A) information relative to employment sectors;

(B) information on occupation supply and demand; and

(C) other information provided pursuant to section 15 of the Wagner-Peyser Act as the jointly designated State entity considers relevant.

(200) Similar provisions.

Legislative Counsel: similar or identical provision

(201) Similar provisions.

Legislative Counsel: similar or identical provision

(202) Similar provisions.

Legislative Counsel: similar or identical provision

(203) Similar provisions.

Legislative Counsel: similar or identical provision

PART B—STATE PROVISIONS

Sec. 121. State Administration

(204) Identical provisions.

Legislative Counsel: similar or identical provision

(205) The Senate bill, but not the House, includes "teacher and faculty preparation programs" and "all types of businesses" in the consultation process.

House recedes with amendment to read as follows:

(2) consultation with the Governor and appropriate agencies, groups, and individuals including parents, students, teachers, teacher and faculty preparation programs, representatives of businesses (including small businesses), labor organizations, eligible recipients, State and local officials, and local program administrators, involved in the planning, administration, evaluation, and coordination of programs funded under this title;

(206) Identical provisions.

Legislative Counsel: similar or identical provision

(207) Identical provisions.

Legislative Counsel: similar or identical provision

(208) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 122. State plan

(209) The Senate bill allows eligible agencies to submit transition plans to meet the requirements of this section.

House and Senate recede with amendment to read as follows:

(a) STATE PLAN.—

(1) IN GENERAL.—Each eligible agency desiring assistance under this title for any fiscal year shall prepare and submit to the Secretary a State plan for a 6-year period, together with such annual revisions as the eligible agency determines to be necessary, except that during the period described in section 4, each eligible agency may submit a transition plan that shall fulfill the eligible agency's obligation to submit a State plan under this section for the first fiscal year following the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2006.

(210) Identical provisions.

Legislative Counsel: similar or identical provision

(211) The House bill, but not the Senate, includes charter school authorizers and organizers, students, and community organizations.

Senate recedes with amendment to read as follows:

groups (including charter school authorizers and organizers consistent with State law, employers, labor organizations, parents, students, and community organizations).

(212) The Senate bill includes career guidance and academic counselors, State tech prep coordinators and representatives of tech prep consortia, the lead State agency officials with responsibility for activities under the Workforce Investment Act, and includes small businesses and economic development entities in the business and industry category.

House recedes with amendment to read as follows:

(b) PLAN DEVELOPMENT.—

(1) IN GENERAL.—The eligible agency shall—

(A) develop the State plan in consultation with—

(i) academic and career and technical education teachers, faculty, and administrators;

(ii) career guidance and academic counselors;

(iii) eligible recipients;

(iv) charter school authorizers and organizers (consistent with State law);

(v) parents and students;

(vi) institutions of higher education;

(vii) the State tech prep coordinator and representatives of tech prep consortia (if applicable);

(viii) entities participating in activities under section 111 of P.L. 105–220;

(ix) interested community members (including parent and community organizations);

(x) representatives of special populations;

(xi) representatives of business and industry (including representatives of small business); and

(xii) representatives of labor organizations in the State; and

(B) consult the Governor of the State with respect to such development.

(213) Identical provisions.

Legislative Counsel: similar or identical provision

(214) The Senate bill changes the term "vocational" to "career."

House and Senate recede with amendment to read as follows for notes 214-230:

(A) the career and technical programs of study, which may be adopted by local educational agencies and postsecondary institutions to be offered as an option to students (and their parents as appropriate) when planning for and completing future coursework, for career and technical content areas that—

(i) incorporate secondary education and postsecondary education elements;

(ii) include coherent and rigorous content aligned with challenging academic standards

and relevant career and technical content in a coordinated, non-duplicative progression of courses that align secondary education with postsecondary education to adequately prepare students to succeed in postsecondary education;

(iii) may include the opportunity for secondary education students to participate in dual or concurrent enrollment programs or other ways to acquire postsecondary education credits; and

(iv) lead to an industry-recognized credential or certificate at the postsecondary level, or an associate or baccalaureate degree;

(B) how the eligible agency, in consultation with eligible recipients, will develop and implement the career and technical programs of study described in subparagraph (A);

(C) how the eligible agency will support eligible recipients in developing and implementing articulation agreements between secondary education and postsecondary education institutions;

(D) how the eligible agency will make available information about career and technical programs of study offered by eligible recipients;

(E) the secondary and postsecondary career and technical education programs to be carried out, including programs that will be carried out by the eligible agency to develop, improve, and expand access to appropriate technology in career and technical education programs;

(F) the criteria that will be used by the eligible agency to approve eligible recipients for funds under this Act, including criteria to assess the extent to which the local plan will—

(i) promote continuous improvement in academic achievement;

(ii) promote continuous improvement of technical skill attainment; and

(iii) identify and address current or emerging occupational opportunities;

(G) how programs at the secondary level will prepare career and technical education students, including special populations, to graduate from secondary school with a diploma;

(H) how such programs will prepare career and technical education students, including special populations, academically and technically, for opportunities in postsecondary education or entry into high skill, high wage, or high demand occupations in current or emerging occupations, and how participating students will be made aware of such opportunities;

(I) how funds will be used to improve or develop new career and technical education courses—

(i) at the secondary level that are aligned with rigorous and challenging academic content standards and student academic achievement standards adopted by the State under section 1111 (b)(1) of the Elementary and Secondary Education Act of 1965;

(ii) at the postsecondary level that are relevant and challenging; and

(iii) that lead to employment in high skill, high wage, or high demand occupations;

(J) how the eligible agency will facilitate and coordinate communication on best practices among successful tech prep program grants under title II and eligible recipients to improve program quality and student achievement;

(K) how funds will be used effectively to link secondary and postsecondary academic and career and technical education at the secondary level and the postsecondary level in a manner that increases student academic and career and technical achievement; and

(L) how the eligible agency will report on the integration of coherent and rigorous content aligned with challenging academic standards in career and technical education programs in order to adequately evaluate the extent of such integration.

(215) The House and Senate bill use different terms. The House bill requires the eligible agency to describe in the plan how model sequences of courses will include secondary and postsecondary components. The Senate bill requires the eligible agency to describe how it will support eligible recipients in developing or implementing career pathways and in developing articulation agreements between secondary and postsecondary institutions.

House and Senate recede with amendment to read as follows note 214.

(216) The House bill requires a description of how the model sequence of courses will include rigorous and challenging content. The Senate bill requires a description of how the eligible agency will support eligible recipients in using labor market information to identify career pathways that prepare individuals for high skill, high wage, or high demand occupations.

House and Senate recede with amendment to read as follows note 214.

(217) The House bill requires a description of how the model sequence of courses will lead to a postsecondary 1-year certificate, associate or baccalaureate degree, or a proficiency credential in conjunction with a secondary school diploma. The Senate bill requires a description of how the eligible agency will make available information about career pathways offered by eligible recipients.

House and Senate recede with amendment to read as follows note 214.

(218) The House bill requires a description of how the model sequence of courses may be adopted by local educational agencies and postsecondary institutions to be offered as an option to students (and their parents as appropriate), when choosing future coursework. The Senate bill requires a description of how the eligible agency will consult with business and industry and use industry-recognized standards and assessments, if appropriate, to develop career pathways.

House and Senate recede with amendment to read as follows note 214.

(219) The House bill, but not the Senate bill, includes language requiring a description of how the eligible agency will distribute information identifying eligible recipients that offer elements of the model sequence of courses.

House and Senate recede with amendment to read as follows note 214.

(220) The Senate bill changes the term "vocational" to "career."

House recedes

(221) Similar provisions. The Senate bill, but not the House bill, requires the local plan to identify and address workforce needs.

House and Senate recede with amendment to read as follows note 214.

The House bill requires the local plan to promote continuous and substantial improvement.

House and Senate recede with amendment to read as follows note 214.

(222) No similar provision is included in H.R. 366.

House and Senate recede with amendment to read as follows note 214.

(223) Similar provisions. The Senate bill changes the term "vocational" to "career." The Senate bill includes an emphasis on special populations.

House and Senate recede with amendment to read as follows note 214.

House recedes on "career."

(224) The Senate bill is more specific. It requires that new courses in high skill, high wage, or high demand occupations are linked to business needs and industry standards, where appropriate. It also requires that courses at the secondary level are aligned with standards adopted by the State under ESEA and that courses at the postsecondary level are relevant and challenging.

House and Senate recede with amendment to read as follows note 214.

(225) The Senate bill changes the term "vocational" to "career."

House recedes

(226) The House bill uses the term "rigorous."

House and Senate recede with amendment to read as follows note 214.

(227) No similar provision is included in S. 250.

House and Senate recede with amendment to read as follows note 214.

(228) No similar provision is included in S. 250.

House and Senate recede with amendment to read as follows note 214.

(229) No similar provision is included in S. 250.

House and Senate recede with amendment to read as follows note 214.

(230) No similar provision is included in S. 250.

House and Senate recede with amendment to read as follows note 214.

(231) The Senate bill, but not the House bill, includes principals in the professional development language.

House and Senate recede with amendment to read as follows note 267.

(232) The Senate bill changes the term "vocational" to "career."

House recedes

(233a) The House bill includes the term "rigorous."

House and Senate recede with amendment to read as follows note 267.

(233b) The House bill includes a provision to encourage applied learning that contributes to the academic and vocational and technical knowledge of the student.

House and Senate recede with amendment to read as follows note 267.

(234) The Senate bill is more expansive in the requirements for professional development.

House and Senate recede with amendment to read as follows note 267.

(235) No similar provision is included in H.R. 366.

House and Senate recede with amendment to read as follows note 267.

(236) No similar provision is included in H.R. 366.

House and Senate recede with amendment to read as follows note 267.

(237) No similar provision is included in H.R. 366.

House and Senate recede with amendment to read as follows note 267.

(238) Similar provisions. The Senate bill changes the term "vocational" to "career." The Senate bill also includes faculty, principals, administrators, counselors, business intermediaries, State workforce investment boards, and local workforce investment boards.

House and Senate recede with amendment to read as follows note 267.

(239) Similar provisions. The Senate bill changes the term "vocational" to "career."

House recedes on "career."

House and Senate recede with amendment to read as follows note 267.

(240) The Senate bill, but not the House bill, includes a new subparagraph (A) relating to the use of funds to improve or develop new career and technical education courses in high skill, high wage, or high demand occupations.

House and Senate recede with amendment to read as follows note 267.

(241) The House bill refers to ESEA for definition of core academic subjects.

House and Senate recede with amendment to read as follows note 267.

(242) The Senate bill (subparagraph (D)), encourages enrollment in challenging courses in core academic subjects. The House bill (subparagraph (A)) requires the integration of academics with vocational and technical education to ensure learning in core academic subjects.

House and Senate recede with amendment to read as follows note 267.

(243) Similar provisions. The Senate bill changes the term "vocational" to "career." The Senate bill requires programs to be coordinated to promote lifelong learning.

House recedes on "career."

House and Senate recede with amendment to read as follows note 267.

(244) Similar provisions.

House and Senate recede with amendment to read as follows note 267.

(245) No similar provision is included in H.R. 366.

House and Senate recede with amendment to read as follows note 267.

(246) Similar provisions. House bill uses term "describe." Senate bill uses term "describes."

House and Senate recede with amendment to read as follows note 267.

(247) Identical provisions.

House and Senate recede with amendment to read as follows note 267.

(248) The House bill, but not the Senate bill, adds a specific restriction on the use of funds for purchasing technology.

House and Senate recede with amendment to read as follows note 267.

(249) No similar provision is included in S. 250.

House and Senate recede with amendment to read as follows note 267.

(250) The Senate bill requires a description of how the eligible agency will measure and report data.

House and Senate recede with amendment to read as follows note 267.

(251) The Senate bill requires data to be reported for specific career clusters.

House and Senate recede with amendment to read as follows note 267.

(252) The Senate bill replaces the term "vocational" to "career."

House recedes.

(253) The Senate bill requires a description of how the eligible agency will disaggregate data, depending on the type of eligible recipient.

House and Senate recede with amendment to read as follows note 267.

(254) Identical provisions.

House and Senate recede with amendment to read as follows note 267.

(255) Similar provisions. The Senate bill changes the term "vocational" to "career."

House recedes on "career."

House and Senate recede with amendment to read as follows note 267.

(256) Similar provisions. The Senate bill changes the term "vocational" to "career."

House recedes on "career."

House and Senate recede with amendment to read as follows note 267.

(257) The Senate bill, but not the House bill, includes coordination with workforce investment programs.

House and Senate recede with amendment to read as follows note 267.

(258) The Senate bill, but not the House bill, requires a description of how funds will be used to promote preparation for high skill, high wage, or high demand occupations. The Senate bill also requires preparation for non-traditional fields in emerging and established professions.

House and Senate recede with amendment to read as follows note 267.

(259) Identical provisions.

House and Senate recede with amendment to read as follows note 267.

(260) No similar provision is included in S. 250.

House and Senate recede with amendment to read as follows note 267.

(261) No similar provision is included in S. 250.

House and Senate recede with amendment to read as follows note 267.

(262) Identical provisions.

House and Senate recede with amendment to read as follows note 267.

(263) Similar provisions.

House and Senate recede with amendment to read as follows note 267.

(264) No similar provision is included in H.R. 366.

House and Senate recede with amendment to read as follows note 267.

(265) Identical provisions.

House and Senate recede with amendment to read as follows note 267.

(266) The Senate bill changes the term "vocational" to "career."

House recedes on "career."

(267) Identical provisions.

House and Senate recede with amendment to read as follows for notes 231–267:

(2) describes how comprehensive professional development (including initial teacher preparation and activities that support recruitment) for career and technical education teachers, faculty, administrators, and career guidance and academic counselors will be provided, especially professional development that—

(A) promotes the integration of coherent and rigorous academic content standards and career and technical education curricula, including through opportunities for the appropriate academic and career and technical teachers to jointly develop and implement curricula and pedagogical strategies, as appropriate;

(B) increases the percentage of teachers that meet teacher certification or licensing requirements;

(C) is high quality, sustained, intensive, focused on instruction, and increases the academic knowledge and understanding of industry standards, as appropriate, of career and technical education teachers;

(D) encourages applied learning that contributes to the academic and career and technical knowledge of the student;

(E) provides the knowledge and skills needed to work with and improve instruction for special populations;

(F) assists in accessing and utilizing data, including data provided under section 118, student achievement data, and data from assessments; and

(G) promotes integration with professional development activities that the State carries out under Title II of the Elementary and Secondary Education Act of 1965 and Title II of the Higher Education Act of 1965.

(3) describes efforts to improve—

(A) the recruitment and retention of career and technical education teachers, faculty, and career guidance and academic counselors, including individuals in groups underrepresented in the teaching profession; and

(B) the transition to teaching from business and industry, including small business;

(4) describes efforts to facilitate the transition of subbaccalaureate career and technical education students into baccalaureate degree programs at institutions of higher education;

(5) describes how the eligible agency will actively involve parents, academic and career and technical education teachers, administrators, faculty, career guidance and academic counselors, local business (including small businesses), and labor organizations in the planning, development, implementation, and evaluation of such career and technical education programs;

(6) describes how funds received by the eligible agency through the allotment made under section 111 will be allocated—

(A) among career and technical education at the secondary level, or career and technical education at the postsecondary and adult levels, or both, including the rationale for such allocation; and

(B) among any consortia that will be formed among secondary schools and eligible institutions, and how funds will be allocated among the members of the consortia, including the rationale for such allocation;

(7) describes how the eligible agency will—

(A) improve the academic and technical skills of students participating in career and technical education programs, including strengthening the academic and career and technical components of career and technical education programs through the integration of academics with career and technical education to ensure learning in—

(i) the core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); and

(ii) career and technical education subjects;

(B) provide students with strong experience in, and understanding of, all aspects of an industry; and

(C) ensure that students who participate in such career and technical education programs are taught to the same challenging academic proficiencies as are taught to all other students;

(8) describes how the eligible agency will annually evaluate the effectiveness of such career and technical education programs, and describe, to the extent practicable, how the eligible agency is coordinating such programs to ensure nonduplication with other Federal programs;

(9) describes the eligible agency's program strategies for special populations, including a description of how individuals who are members of the special populations—

(A) will be provided with equal access to activities assisted under this Act;

(B) will not be discriminated against on the basis of their status as members of the special populations; and

(C) will be provided with programs designed to enable the special populations to meet or exceed State adjusted levels of performance, and prepare special populations for further learning and for high skill, high wage, or high demand occupations;

(10) describes—

(A) efforts to ensure that eligible recipients are given the opportunity to provide input in determining the State adjusted levels of performance described in section 113; and

(B) how the eligible agency, in consultation with eligible recipients, will develop a process for the negotiation of local adjusted levels of performance under section 113(b)(4) if an eligible recipient does not accept the State adjusted levels of performance under Section 113(b)(3);

(11) provides assurances that the eligible agency will comply with the requirements of this Act and the provisions of the State plan, including the provision of a financial audit of funds received under this Act which may be included as part of an audit of other Federal or State programs;

(12) provides assurances that none of the funds expended under this Act will be used to acquire equipment (including computer software) in any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the acquiring entity, the employees of the acquiring entity, or any affiliate of such an organization;

(13) describes how the eligible agency will report data relating to students participating in career and technical education in order to adequately measure the progress of the students, including special populations, and how the eligible agency will ensure that the data reported to the eligible agency from local educational agencies and eligible institutions under this title and the data the eligible agency reports to the Secretary are complete, accurate, and reliable;

(14) describes how the eligible agency will adequately address the needs of students in alternative education programs, if appropriate;

(15) describes how the eligible agency will provide local educational agencies, area career and technical education schools, and eligible institutions in the State with technical assistance;

(16) describes how career and technical education relates to State and regional occupational opportunities;

(17) describes the methods proposed for the joint planning and coordination of programs carried out under this title with other Federal education programs;

(18) describes how funds will be used to promote preparation for high skill, high wage, or high demand occupations and non-traditional fields;

(19) describes how funds will be used to serve individuals in State correctional institutions; and

(20) contains the description and information specified in sections 112(b)(8) and 121(c) of Public Law 105–220 concerning the provision of services only for postsecondary students and school dropouts.

(d) PLAN OPTIONS.—

(1) SINGLE PLAN.—An eligible agency not choosing to consolidate funds under section 202 shall fulfill the plan or application submission requirements of this section, and section 201(c), by submitting a single State plan. In such plan, the eligible agency may allow recipients to fulfill the plan or application submission requirements of section 134 and subsections (a) and (b) of section 204 by submitting a single local plan.

(2) PLAN SUBMITTED AS PART OF 501 PLAN.—The eligible agency may submit the plan required under this section as part of the plan submitted under section 501 of Public Law 105–220, if the plan submitted pursuant to the requirement of this section meets the requirements of this Act.

(e) PLAN APPROVAL.—

(1) IN GENERAL.—The Secretary shall approve a State plan, or a revision to an approved State plan, unless the Secretary determines that—

(A) the State plan, or revision, respectively, does not meet the requirements of this Act; or

(B) the State's levels of performance on the core indicators of performance consistent with section 113 are not sufficiently rigorous to meet the purpose of this Act.

(2) DISAPPROVAL.—The Secretary shall not finally disapprove a State plan, except after giving the eligible agency notice and an opportunity for a hearing.

(3) CONSULTATION.—The eligible agency shall develop the portion of each State plan relating to the amount and uses of any funds proposed to be reserved for adult career and technical education, postsecondary career and technical education, tech prep education, and secondary career and technical education after consultation with the State agency responsible for supervision of community colleges, technical institutes, or other 2-year postsecondary institutions primarily engaged in providing postsecondary career and technical education, and the State agency responsible for secondary education. If a State agency finds that a portion of the final State plan is objectionable, the State agency shall file such objections with the eligible agency. The eligible agency shall respond to any objections of the State agency in the State plan submitted to the Secretary.

(4) TIMEFRAME.—A State plan shall be deemed approved by the Secretary if the Secretary has not responded to the eligible agency regarding the State plan within 90 days of the date the Secretary receives the State plan.

Sec. 123. Improvement plans

(268) The House bill requires that the improvement plan give special consideration to performance gaps.

House and Senate recede with amendment to read as follows note 272.

(269) Identical provisions.

House and Senate recede with amendment to read as follows note 272.

(270a) The Senate bill has the caption heading "FAILURE."

House and Senate recede with amendment to read as follows note 272.

(270b) The Senate bill specifies that action may be taken if an eligible agency fails to meet more than one of the State adjusted levels of performance for 2 or more consecutive years. The House bill specifies that subsequent action may occur if an eligible recipient does not meet the State adjusted levels of performance and the purposes of the Act for 2 or more consecutive years.

House and Senate recede with amendment to read as follows note 272.

Report Language: In establishing separate indicators for secondary and postsecondary programs, the Conferees acknowledge the distinct activities carried out by secondary and postsecondary recipients. By providing the Secretary with the discretion to take subsequent action against an eligible agency, as specified in Section 123(b)(4), the Conferees intend that the Secretary withhold only those funds from the eligible agency that are designated to support the activities related to the core indicators for which the agency failed to meet the adjusted levels of performance.

(271) Identical provisions.

House and Senate recede with amendment to read as follows note 272.

Report Language: The Conferees intend that, in determining whether to impose sanctions, the Secretary consider the number of, and the degree by which, a State recipient failed to meet its State adjusted levels of performance.

(272) Identical provisions.

House and Senate recede with amendment to read as follows for notes 268–272.

SEC. 123. IMPROVEMENT PLANS.

(a) STATE PROGRAM IMPROVEMENT.—

(1) PLAN.—If a State fails to meet at least 90 percent of an agreed upon State adjusted level of performance for any of the core indicators of performance described in section 113(b)(3), the eligible agency shall develop and implement a program improvement plan (with special consideration to performance gaps identified under section 113(c)(2)) in consultation with the appropriate agencies, individuals, and organizations during the first program year succeeding the program year for which the eligible agency failed to so meet the State adjusted level of performance for any of the core indicators of performance.

(2) TECHNICAL ASSISTANCE.—If the Secretary determines that an eligible agency is not properly implementing the eligible agency's responsibilities under section 122, or is not making substantial progress in meeting the purposes of this Act, based on the State's adjusted levels of performance, the Secretary shall work with the eligible agency to implement the improvement activities consistent with the requirements of this Act.

(3) SUBSEQUENT ACTION.—

(A) IN GENERAL.—The Secretary may, after notice and opportunity for a hearing, withhold from an eligible agency all, or a portion, of the eligible agency's allotment under paragraphs (2) and (3) of section 112(a) if the eligible agency—

(i) fails to implement an improvement plan as described in paragraph (1);

(ii) fails to make any improvement in meeting any of the State adjusted levels of performance for the core indicators of performance identified under paragraph (1) within the first program year of implementation of its improvement plan described in paragraph (1); or

(iii) fails to meet at least 90 percent of an agreed upon State adjusted level of performance for the same core indicator of performance for 3 consecutive years.

(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The Secretary may waive the sanction in subparagraph (A) due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(4) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Secretary shall use funds withheld under paragraph (3) for a State served by an eligible agency to provide technical assistance to assist in the development of an improved State improvement plan, or for other improvement activities consistent with the requirements of this Act for such State.

(273) Similar provisions. The Senate bill changes the term "vocational" to "career."

House recedes

(274) Similar provisions. The House bill, but not the Senate bill, references a persistent or a widening of performance gaps.

House and Senate recede with amendment as follows note 279.

(275) The Senate bill requires the assessment to include special populations.

Senate recedes

(276) The Senate bill requires the eligible agency to consult with principals, administrators, and faculty.

Senate recedes

(277) The Senate bill, but not the House, permits an eligible recipient to request additional technical assistance directly from the Secretary.

House and Senate recede with amendment as follows note 279.

Report Language: In establishing separate indicators for secondary and postsecondary programs, the Conferees acknowledge the distinct activities carried out by secondary and postsecondary recipients. By providing a State with the discretion to take subsequent action against an eligible recipient, as specified in Section 123(b)(4), the Conferees intend that the State withhold only those funds from the eligible recipient that are designated to support the activities related to the core indicators for which the recipient failed to meet the adjusted levels of performance.

(278a) The Senate bill has the caption heading "FAILURE."

House and Senate recede with amendment as follows note 279.

(278b) The Senate bill specifies that action may be taken if an eligible recipient fails to meet more than one of the local adjusted levels of performance for 2 or more consecutive years. The House bill specifies that subsequent action may occur if an eligible recipient does not meet the local adjusted levels of performance and the purposes of the Act for 2 or more consecutive years.

House and Senate recede with amendment as follows note 279.

Report Language: The conferees intend that, in determining whether to impose sanctions, an eligible agency consider the number of, and the degree by which, an eligible recipient failed to meet its local adjusted levels of performance and the impact, if any, on eligible recipient's reported performance of the small size of its career and technical education program.

(279) The Senate bill, but not the House, includes "organizational structure" as grounds for waiver of the sanctions described.

House and Senate recede with amendment as follows for notes 274–279:

(2) PLAN.—If, after reviewing the evaluation in paragraph (1), the eligible agency determines that an eligible recipient failed to meet at least 90 percent of an agreed upon local adjusted level of performance for any of the core indicators of performance described in section 113(b)(4), the eligible recipient shall develop and implement a program improvement plan (with special consideration to performance gaps identified under section 113(b)(4)(C)(ii)(II)) in consultation with the eligible agency, appropriate agencies, individuals, and organizations during the first program year succeeding the program year for which the eligible entity failed to so meet any of the local adjusted levels of performance for any of the core indicators of performance.

(3) TECHNICAL ASSISTANCE.—If the eligible agency determines that an eligible recipient is not properly implementing the eligible recipient's responsibilities under section 134, or is not making substantial progress in meeting the purposes of this Act, based on the local adjusted levels of performance, the eligible agency shall work with the eligible recipient to implement improvement activities consistent with the requirements of this Act.

(4) SUBSEQUENT ACTION—

(A) IN GENERAL.—The eligible agency may, after notice and opportunity for a hearing, withhold from the eligible recipient all, or a portion, of the eligible recipient's allotment under this title if the eligible recipient—

(i) fails to implement an improvement plan as described in paragraph (2);

(ii) fails to make any improvement in meeting any of the local adjusted levels of performance for the core indicators of performance identified under paragraph (2) within the first program year of implementation of its improvement plan described in paragraph (2); or

(iii) fails to meet at least 90 percent of an agreed upon local adjusted level of performance for the same core indicator of performance for 3 consecutive years.

(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The eligible agency may, in determining whether to impose sanctions under subparagraph (A), waive imposing sanctions—

(i) due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the eligible recipient; or

(ii) based on the impact on the eligible recipient's reported performance of the small size of the career and technical education program operated by the eligible recipient.

(280) Similar provisions.

Legislative Counsel: similar or identical provision

Report Language: The conferees recognize that the possible sanction of an eligible recipient could result in an unnecessary disruption of services and activities. It is the intention of the conferees that in the event of a sanction, the services and activities to be provided through an alternative arrangement should be provided by the state agency or another eligible recipient.

Sec. 124. State leadership activities

(281) Similar provisions.

Senate recedes

(282) Identical provisions.

Legislative Counsel: similar or identical provision

(283) The Senate bill changes "vocational" to "career."

House recedes

(284) The Senate bill, but not the House, includes "further training," and "high skill, high wage, or high demand occupations."

House recedes

(285) The House bill, but not the Senate, includes "math and science" education.

House and Senate recede with amendment to read as follows note 288.

(286) The Senate bill, but not the House, deletes subparagraph (B) from current law.

House and Senate recede with amendment to read as follows note 288.

(287) The Senate bill changes the term "vocational" to "career."

House recedes

(288) The Senate bill, but not the House, includes lifelong learning and partnerships to link career and technical education with businesses, workforce investment entities and communications entities.

House and Senate recede with amendment to read as follows for notes 285–288:

(2) developing, improving, or expanding the use of technology in career and technical education that may include—

(A) training of career and technical education teachers, faculty, career guidance and academic counselors, and administrators to use technology, including distance learning;

(B) providing career and technical education students with the academic and career and technical skills (including the math and science knowledge that provides a strong basis for such skills) that lead to entry into technology fields, including non-traditional fields; or

(C) encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs;

(289) The House bill, but not the Senate, includes a new requirement that professional development include training on the integration and use of rigorous and challenging standards.

House and Senate recede with amendment to read as follows:

(3) professional development programs, including providing comprehensive professional development (including initial teacher preparation) for career and technical education teachers, faculty, administrators, and career guidance and academic counselors at the secondary and postsecondary levels, that support activities described in section 122 and—

(290a) The Senate bill changes the term "vocational" to "career."

House recedes

(290b) The Senate bill includes language on scientifically based research and effective practices to improve parental and community involvement.

Senate recedes with amendment to read as follows:

(A) provide in-service and preservice training in career and technical education programs—

(i) on effective integration and use of challenging academic and career and technical education provided jointly with academic teachers to the extent practicable;

(ii) on effective teaching skills based on research that includes promising practices;

(iii) on effective practices to improve parental and community involvement; and

(iv) on effective use of scientifically based research and data to improve instruction;

Report Language: The Conferees believe that states should look to the appropriate scientifically based research to guide their professional development offerings in order to promote promising practices at the local level.

(291) The House bill, but not the Senate bill, includes a new requirement that professional development activities be "high quality, sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and the teacher's performance in the classroom, and are not 1-day or short-term workshops or conferences."

House and Senate recede with amendment to read as follows:

(B) are high quality, sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and the teacher's performance in the classroom, and are not 1-day or short-term workshops or conferences;

(C) will help teachers and personnel to improve student achievement in order to meet the State adjusted levels of performance established under section 113;

(D) will support education programs for teachers of vocational and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to career and technical education students to ensure that teachers and personnel—

(i) stay current with the needs, expectations, and methods of industry;

(ii) can effectively develop rigorous and challenging, integrated academic and career and technical education curricula jointly with academic teachers, to the extent practicable;

(iii) develop a higher level of academic and industry knowledge and skills in career and technical education; and

(iv) effectively use applied learning that contributes to the academic and vocational and technical knowledge of the student; and

(E) are coordinated with the teacher certification or licensing and professional development activities that the State carries out under title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965;

(292) The Senate bill changes the term "vocational" to "career."

House recedes

(293) The House bill, but not the Senate, provides for the provision of "rigorous and

challenging academics that are integrated with vocational and technical education to ensure achievement in the core academic subjects."

House recedes with amendment to read as follows:

(4) supporting career and technical education programs that improve the academic and career and technical skills of students participating in career and technical education programs by strengthening the academic and career and technical components of such career and technical education programs through the integration of coherent and relevant content aligned with challenging academic standards and relevant career and technical education to ensure achievement in—

(A) the core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); and

(B) career and technical subjects;

(294) The Senate bill, but not the House, includes the qualifying language: "in emerging and established professions, and other activities that expose students, including special populations, to high skill, high wage occupation."

House recedes with amendment to read as follows:

(5) providing preparation for non-traditional fields in current and emerging professions, and other activities that expose students, including special populations, to high skill, high wage occupations;

(295) The Senate bill includes "intermediaries."

House recedes

(296) The Senate bill uses the term "career pathways," the House bill uses the term "model sequence or courses."

Senate recedes with amendment to read as follows:

(6) supporting partnerships among local educational agencies, institutions of higher education, adult education providers, and, as appropriate, other entities, such as employers, labor organizations, intermediaries, parents, and local partnerships, to enable students to achieve State academic standards, and career and technical skills, or complete career and technical programs of study, as described in section 122(c)(1)(A);

(297) Identical provisions.

Legislative Counsel: similar or identical provision

(298) Senate bill, but not the House, includes "high demand occupations."

House recedes

(299) Identical provisions.

Legislative Counsel: similar or identical provision

(300) Identical provisions.

Legislative Counsel: similar or identical provision

(301) The Senate bill, but not the House bill, allows funds to be used to encourage students to graduate with a diploma or a degree, and expose student to high skill, high wage occupations and non-traditional fields in emerging and established professions.

House recedes with amendment to read as follows:

(1) improvement of career guidance and academic counseling programs that assist students in making informed academic and career and technical education decisions, including—

(A) encouraging secondary and postsecondary students to graduate with a diploma or degree; and

(B) exposing students to high skill, high wage occupations and non-traditional fields;

The Senate bill changes the term "vocational" to "career."

House recedes

(302) Similar provisions. The Senate bill specifically mentions articulation agreements as a possible type of agreement.

House recedes

(303) The Senate bill changes the term "vocational" to "career."

House recedes

(304) Identical provisions.

Legislative Counsel: similar or identical provision

(305) The Senate bill combines this provision into paragraph (8) below.

House recedes

(306) The Senate bill changes the term "vocational" to "career."

House recedes

(307) The Senate bill changes the term "vocational" to "career."

House recedes

(308) The Senate bill changes the term "vocational" to "career."

House recedes

(309) Identical provisions.

Legislative Counsel: similar or identical provision

(310) The Senate bill allows partnerships between education and business intermediaries. The Senate bill provides for adjunct faculty arrangements at the secondary and postsecondary levels. The Senate bill includes cooperative education (see note 305).

House recedes

(311) The Senate bill changes the term "vocational" to "career."

House recedes

The Senate bill allows the development of new initiatives. The Senate bill includes career clusters, career academics, and distance learning. The Senate bill also emphasizes high skill, high wage, or high demand occupations.

House recedes with amendment to read as follows:

(9) support to improve or develop new career and technical education courses and initiatives, including career clusters, career academies, and distance education, that prepare individuals academically and technically for high skill, high wage, or high demand occupations;

(312) The House bill includes preparation for current and emerging occupations in demand.

House recedes

(313) The House bill, but not the Senate, stipulates requirements for the award of performance incentive grants beyond the requirements of section 113.

House and Senate recede with amendment to read as follows:

(10) awarding incentive grants to eligible recipients—

(A) for exemplary performance in carrying out programs under this Act, which awards shall be based on—

(i) eligible recipients exceeding the local adjusted levels of performance established under section 113(b) in a manner that reflects sustained or significant improvement;

(ii) eligible recipients effectively developing connections between secondary education and postsecondary education and training;

(iii) the adoption and integration of coherent and rigorous content aligned with challenging academic standards and technical coursework;

(iv) eligible recipients' progress in having special populations who participate in career and technical education programs meet local adjusted levels of performance;

(v) other factors relating to the performance of the eligible recipient under this Act as the eligible agency determines are appropriate; or

(B) if an eligible recipient elects to use funds as permitted under section 135(c)(19).

(314) No similar provision is included in S. 250.

Senate recedes

(315) The Senate bill, but not the House, provides for coordination with State Adult Basic Education and Family Literacy activities.

House recedes with amendment to read as follows:

(12) providing career and technical education programs for adults and school dropouts to complete their secondary school education, in coordination, to the extent practicable, with activities authorized under the Adult Education and Family Literacy Act.

(316) The Senate bill changes the term "vocational" to "career."

House recedes

(317) The Senate bill, but not the House bill, provides for collaboration with State workforce investment systems to help individuals find employment or continue their education or training.

House recedes with amendment to read as follows:

(13) providing assistance to individuals, who have participated in services and activities under this title, in continuing individuals' education or training or finding appropriate jobs, such as through referral to the system established under section 121 of Public Law 105–220 (29 U.S.C. 2801 et seq.);

(318) No similar provision in included in H.R. 366.

House recedes with amendment to read as follows:

(14) developing valid and reliable assessments of technical skills;

(319) No similar provision is included in H.R. 366.

House recedes

(320) No similar provision is included in H.R. 366.

House recedes with amendment to read as follows:

(17) support for occupational and employment information resources, such as those described in section 118.

(321) No similar provision is included in H.R. 366.

Senate recedes

(322) Similar provisions.

Senate recedes

PART C—LOCAL PROVISIONS

Sec. 131. Distribution of funds to secondary school programs

(323) Identical provisions.

House and Senate recede with amendment to read as follows:

(a) DISTRIBUTION RULES.—Except as provided in section 133 and as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available under section 112(a)(1) to carry out this section to local educational agencies within the State as follows:

(1) THIRTY PERCENT.—Thirty percent shall be allocated to such local educational agencies in proportion to the number of individuals aged 5 through 17, inclusive, who reside in the school district served by such local educational agency

for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding fiscal year, as determined on the basis of the most recent satisfactory—

(A) data provided to the Secretary by the Bureau of the Census for the purpose of determining eligibility under title I of the Elementary and Secondary Education Act of 1965; or

(B) student membership data collected by the National Center for Education Statistics through the Common Core of Data survey system.

(2) SEVENTY PERCENT.—Seventy percent shall be allocated to such local educational agencies in proportion to the number of individuals aged 5 through 17, inclusive, who reside in the school district served by such local educational agency and are from families below the poverty level for the preceding fiscal year, as determined on the basis of the most recent satisfactory data used under section 1124(c)(1)(A) of the Elementary and Secondary Education Act of 1965, compared to the total number of such individuals who reside in the school districts served by all the local educational agencies in the State for such preceding fiscal year.

(3) ADJUSTMENTS.—Each eligible agency, in making the allocations under paragraphs (1) and (2), shall adjust the data used to make the allocations to—

(A) reflect any change in school district boundaries that may have occurred since the data were collected; and

(B) include local educational agencies without geographical boundaries, such as charter schools and secondary schools funded by the Bureau of Indian Affairs.

(324) Identical provisions.

Legislative Counsel: similar or identical provision

(325) Identical provisions. The Senate bill changes the term "vocational" to "career."

Legislative Counsel: similar or identical provision

House recedes on "career."

(326) Identical provisions.

Legislative Counsel: similar or identical provision

(327) The Senate bill changes the term "vocational" to "career."

House recedes

(328) The Senate bill changes the term "vocational" to "career."

House recedes

(329) The Senate bill changes the term "vocational" to "career." Senate bill doesn't include "d."

House recedes on "career." Senate recedes on (d).

(330) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 132. Distribution of funds for postsecondary education career and technical education programs

(331) The Senate bill changes the term "vocational" to "career."

House recedes

(332) The Senate bill adds language related to technical skill proficiency, an industry-recognized credential, a certificate, or an associate's degree.

Senate recedes

(333) Identical provisions.

Legislative Counsel: similar or identical provision

(334) Identical provisions.

Legislative Counsel: similar or identical provision

(335) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 133. Special rules for career and technical education

(336) The Senate bill changes the term "vocational" to "career" in the heading.

House recedes

(337) The House bill, but not the Senate bill strikes this provision from current law.

House recedes

(338) The Senate bill changes the term "vocational" to "career."

House recedes

(339) The Senate bill changes the term "vocational" to "career."

House recedes

Sec. 134. Local plan for career and technical education programs

(340) The Senate bill changes the term "vocational" to "career" in the heading. The Senate bill, but not the House, includes workforce investment entities.

House recedes with amendment to read as follows:

(a) LOCAL PLAN REQUIRED.—Any eligible recipient desiring financial assistance under this part shall, in accordance with requirements established by the eligible agency (in consultation with such other educational and training entities as the eligible agency determines to be appropriate) submit a local plan to the eligible agency. Such local plan shall cover the same period of time as the period of time applicable to the State plan submitted under section 122.

(341) Identical provisions.

Legislative Counsel: similar or identical provision

(342) The Senate bill changes the term "vocational" to "career."

House recedes

(343) Similar provisions. The House bill refers to "model sequences of courses." The Senate bill refers to "career pathways."

Senate recedes with amendment to read as follows:

career and technical programs of study

(344) The House bill includes the term "rigorous."

Senate recedes with amendment to read as follows:

(B) improve the academic and technical skills of students participating in career and technical education programs by strengthening the academic and career and technical education components of such programs through the integration of coherent and rigorous content aligned with challenging academic standards and relevant career and technical education programs to ensure learning in—

(i) the core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); and

(ii) career and technical education subjects;

(C) provide students with strong experience in, and understanding of, all aspects of an industry;

(D) ensure that students who participate in such career and technical education programs are taught to the same coherent and rigorous content aligned with challenging academic standards as are taught to all other students;

(345) The House bill defines core academic subjects as under ESEA.

Senate recedes with amendment to read as follows:

(E) encourage career and technical education students at the secondary level to enroll in rigorous and challenging courses in core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965);

(346) The Senate bill refers to Section 122. The House bill requires a description of professional development activities that promote the integration of rigorous and challenging academic and technical education (including curriculum development).

Senate recedes with amendment to read as follows:

(4) describe how comprehensive professional development (including initial teacher preparation) for career and technical, academic, guidance, and administrative personnel will be provided that promotes the integration of coherent and rigorous content aligned with challenging academic standards and relevant career and technical education (including curriculum development);

(347) The Senate bill changes the term "vocational" to "career."

House recedes

(348) The Senate bill includes faculty, principals, administrators, counselors, representatives of tech prep consortia, representatives of the local workforce investment board, representatives or the local development entity, and representatives of small business.

House recedes with amendment to read as follows:

(5) describe how parents, students, academic and career and technical education teachers, faculty, administrators, career guidance and academic counselors, representatives of tech prep consortia (if applicable), representatives of the entities participating in activities described in section 117 of Public Law 105–220 (if applicable), representatives of business (including small business) and industry, labor organizations, representatives of special populations, and other interested individuals are involved in the development, implementation, and evaluation of career and technical education programs assisted under this title, and how such individuals and entities are effectively informed about, and assisted in understanding, the requirements of this title, including career and technical programs of study;

(349) The Senate bill specifically requires that all individuals and entities are informed about career pathways.

Senate recedes with amendment to read as follows:

including career and technical programs of study;

(350) The Senate bill changes the term "vocational" to "career."

House recedes

(351) Similar provisions. The House bill requires the performance of the eligible recipient to be independently evaluated.

House recedes

(352) The Senate bill changes the term "vocational" to "career."

House recedes

(353) The Senate bill combines subparagraphs (B) and (C) of the House bill.

Senate recedes with amendment to read as follows for notes 353–355:

(8) describe how the eligible recipient will—

(A) review career and technical education programs, and identify and adopt strategies to overcome barriers that result in lowering rates of access to or lowering success in the programs, for special populations;

(B) provide programs that are designed to enable the special populations to meet the local adjusted levels of performance; and

(C) provide activities to prepare special populations, including single parents and displaced

homemakers, for high skill, high wage, or high demand occupations that will lead to self-sufficiency;

(354) The House bill refers to State adjusted levels of performance. The Senate bill refers to local adjusted level of performance.

Senate recedes with amendment to read as follows note 353.

(355) The House bill specifically includes single parents and displaced homemakers.

Senate recedes with amendment to read as follows note 353.

(356) Identical provisions.

Legislative Counsel: similar or identical provision

(357) Similar provisions.

House recedes

(358) The House bill repeats language similar to paragraph (4) above.

House recedes

(359) No similar provision is included in H.R. 366.

House recedes with amendment to read as follows:

(11) describe how career guidance and academic counseling will be provided to career and technical education students, including linkages to future education and training opportunities; and

(360) No similar provision is included in H.R. 366.

House and Senate recede with amendment to read as follows:

(12) describe efforts to improve the recruitment and retention of career and technical education teachers, faculty, career guidance and academic counselors, including individuals in groups underrepresented in the teaching profession, and the transition to teaching from business and industry.

Sec. 135. Local uses of funds

(361) The Senate bill changes the term "vocational" to "career."

House recedes

(362a) The Senate bill specifies a coherent sequence of courses, such as career pathways, while the House bill gives specific mention to model sequences of courses.

Senate recedes with amendment to read as follows:

a coherent sequence of courses, such as career and technical programs of study described in

(362b) The Senate bill changes the term "vocational" to "career."

House recedes

(363) Similar provisions. The Senate bill includes articulation agreements.

House recedes with amendment to read as follows for notes 363–365:

(2) link career and technical education at the secondary level and career and technical education at the postsecondary level, including by offering the relevant elements of not less than one career and technical program of study described in section 122(c)(1)(A).

(364) The Senate bill requires that the elements of not less than one career pathway be offered.

House recedes with amendment to read as follows note 363.

(365) The House bill requires model sequences of courses to be offered.

House recedes with amendment to read as follows note 363.

(366) The House bill includes requirements for tech prep activities under the required uses of funds. (The Senate includes provisions for tech prep in Part D of the Act. See note 412.)

House recedes

(367) Identical provisions.

House and Senate recede with amendment to read as follows:

(3) provide students with strong experience in and understanding of all aspects of an industry, which may include work-based learning experiences;

(368a) The Senate bill changes the term "vocational" to "career."

House recedes

(368b) The House bill includes math and science education.

Senate recedes with amendment to read as follows:

(4) develop, improve, or expand the use of technology in career and technical education, which may include—

(369) The Senate bill deletes the reference to state-of-the-art technology.

House recedes

(370) The House bill includes providing students with the academic and vocational and technical skills leading to entry into high technology fields.

Senate recedes with amendment to read as follows:

(B) providing career and technical education students with the academic and career and technical skills (including the math and science knowledge that provides a strong basis for such skills) that lead to entry into the technology fields; or

(C) encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs, including programs that improve the mathematics and science knowledge of students;

(371) The Senate bill changes the term "vocational" to "career."

House recedes

(372) The Senate bill specifically includes faculty and administrators.

House and Senate recede with amendment to read as follows note 377.

(373) The Senate bill provides professional development for individuals involved in integrated career and technical education programs.

House and Senate recede with amendment to read as follows note 377.

(374) The Senate bill deletes the reference to state-of-the-art programs and techniques.

House recedes

(375) The House bill includes the term rigorous and requires effective teaching skills to be based on scientifically based research.

House and Senate recede with amendment to read as follows note 377.

(376) The House bill includes training to ensure teachers and personnel stay current with all aspects of industry while the Senate bill requires support of programs that provide information on all aspects of industry.

Senate recedes

(377) The House bill includes the use and application of technology. The Senate bill includes the use of instructional technology.

House and Senate recede with amendment to read as follows for notes 372–377:

(5) provide professional development programs that are consistent with section 122 to secondary and postsecondary teachers, faculty, administrators, and career guidance and academic counselors who are involved in integrated career and technical education programs, including—

(A) in-service and preservice training on—

(i) effective integration and use of challenging academic and career and technical education provided jointly with academic teachers to the extent practicable;

(ii) effective teaching skills based on research that includes promising practices;

(iii) effective practices to improve parental and community involvement; and

(iv) effective use of scientifically based research and data to improve instruction;

(B) support of education programs for teachers of career and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to career and technical education students, to ensure that such teachers and personnel stay current with all aspects of an industry;

(C) internship programs that provide relevant business experience; and

(D) programs designed to train teachers specifically in the effective use and application of technology to improve instruction;

(378) The Senate bill changes the term "vocational" to "career."

House recedes

(379) The Senate bill changes the term "vocational" to "career."

House recedes

The Senate bill includes the phrase "including relevant technology."

House recedes

(380) Identical provisions.

Legislative Counsel: similar or identical provision

(381) Similar provisions. The Senate bill includes high demand occupations.

Senate recedes with amendment to read as follows:

(9) provide activities to prepare special populations, including single parents and displaced homemakers who are enrolled in career and technical education programs, for high skill, high wage, or high demand occupations that will lead to self-sufficiency.

(382) The Senate bill changes the term "vocational" to "career."

House recedes

(383) The Senate bill permits funds to be used for counseling that is based on current labor market indicators.

House recedes with amendment to read as follows:

(2) to provide career guidance and academic counseling, which may include information described in section 118, for students participating in career and technical education programs that—

(A) improves graduation rates and provides information on postsecondary and career options, including baccalaureate degree programs, for secondary students, which activities may include the use of graduation and career plans; and

(B) provides assistance for postsecondary students, including for adult students who are changing careers or updating skills;

Report Language: A graduation and career plan is a written plan for a secondary career and technical education student that: is developed with career guidance and academic counseling or other professional staff, in consultation with parents, not later than in the first year of secondary school or upon enrollment in career and technical education; is reviewed annually and modified as needed; includes relevant information on secondary school requirements for graduating with a diploma, postsecondary education admission requirements and high skill, high wage, or high demand occupations and non-traditional fields in current and emerging professions and labor market indicators; states the student's secondary school graduation goals, postsecondary education and training or employment goals; and identifies one or more career pathways that correspond to the goals.

(384) The Senate bill changes the term "vocational" to "career."

House recedes

(385) The Senate bill permits funds to be used for counseling that improves graduation rates.

House recedes (see note 383)

(386) The Senate bill expands the use of funds to establish partnerships with eligible recipients and businesses, local workforce investment boards, or economic development entities. The Senate bill also provides for adjunct faculty arrangements and industry experience for teachers and faculty.

House and Senate recede with amendment to read as follows:

(3) for local education and business (including small business) partnerships, including for—

(A) work-related experiences for students, such as internships, cooperative education, school-based enterprises, entrepreneurship, and job shadowing that are related to career and technical education programs;

(B) adjunct faculty arrangements for qualified industry professionals; and

(C) industry experience for teachers and faculty;

(387) Identical provisions.

Legislative Counsel: similar or identical provision

(388) The House bill provides for qualified industry professionals to serve as postsecondary faculty.

House recedes (per note 386)

(389) The Senate bill changes the term "vocational" to "career."

House recedes

(390) Identical provisions.

Legislative Counsel: similar or identical provision

(391) The Senate bill, but not the House, provides for funds to support library resources.

Senate recedes with amendment to read as follows:

(7) for leasing, purchasing, upgrading or adapting equipment, including instructional aids and publications (including support for library resources) designed to strengthen and support academic and technical skill achievement;

(392) The House bill refers to instructional aids. The Senate bill refers to instructional equipment.

Senate recedes with amendment to read as follows note 391.

(393) The Senate bill changes the term "vocational" to "career."

House recedes

(394) The Senate bill, but not the House, includes times and formats that are convenient and accessible for working students.

House recedes with amendment to read as follows:

(9) to develop and expand postsecondary program offerings at times and in formats that are accessible for students (including working students) including through the use of distance education;

(395) The Senate bill refers to "working students."

House recedes with amendment to read as follows note 394.

(396) No similar provision is included in H.R. 366.

House recedes

(397) S. 250 includes entrepreneurship in (11).

Senate recedes

(398) The House bill, but not the Senate, includes the development of model sequences of courses for consideration by the eligible agency and courses that prepare individuals academically and technically for 250.

Senate recedes with amendment to read as follows:

(12) for improving or developing new career and technical education courses including development of new proposed career and technical programs of study for consideration by the eligible agency and courses that prepare individuals academically and technically for high skill, high wage, or high demand occupations and dual or concurrent enrollment opportunities by which career and technical education students at the secondary level could obtain postsecondary credit to count towards an associate or baccalaureate degree;

(399) The Senate bill changes the term "vocational" to "career."

House recedes

(400) The Senate bill refers to career pathways. The House bill refers to model sequences of courses.

Senate recedes with amendment to read as follows:

career and technical programs of study

(401) No similar provision is included in H.R. 366.

House recedes

(402) Identical provisions.

Legislative Counsel: similar or identical provision

(403) The Senate bill changes the term "vocational" to "career" and includes upgrading technical skills.

House recedes

(404) The Senate bill, but not the House, includes continuing education or training through collaboration with the State workforce investment system.

House recedes with amendment to read as follows:

(16) to provide assistance to individuals who have participated in services and activities under this Act in continuing their education or training or finding an appropriate job, such as through referral to the system established under section 121 of Public Law 105–220 (29 U.S.C. 2801 et seq.);

(405) The Senate bill refers to "individuals." The House bill refers to "students."

Senate recedes

(406) The Senate bill, but not the House, includes mentoring and outreach.

Senate recedes with amendment to read as follows:

(17) to support training and activities (such as mentoring and outreach) in non-traditional fields;

(407) No similar provision is included in S. 250.

House recedes

Report Language: The Conferees recognize that special populations, including single parents and displaced homemakers, may need direct assistance to be able to participate successfully in career and technical education. These supportive services include such services as transportation, child care, dependent care, tuition, books, and supplies and other services necessary to enable an individual to participate in career and technical education activities. Consistent with administrative guidance and prior interpretations of the Perkins Act, the Conferees believe that eligible agencies and eligible recipients should retain the flexibility to provide direct assistance to special populations under certain, limited conditions.

In providing direct assistance, recipients of the assistance must be individuals who are members of special populations who are participating in career and technical education activities that are consistent with the goals and purposes of the Perkins Act. Funds must be used to supplement, not supplant, assistance that is otherwise available from non-Federal sources, and assistance may only be provided to an individual to the extent that it is needed to address barriers to the individual's successful participation in career and technical education.

(408) No similar provision is included in S. 250.

House recedes

(409) No similar provision is included in S. 250.

Senate recedes with amendment to read as follows:

(18) to provide support for training programs in automotive technologies;

Report Language: In an acknowledgement of the expanding role of technology in numerous career and technical occupations, the conference report allows, as a permissive use of local funds, support for training programs in automotive technologies such as diesel retrofitting, hybrid, hydrogen, and alternative fuel.

(410) The Senate bill changes the term "vocational" to "career."

House recedes

House and Senate recede with amendment to read as follows: (tied to notes 80 and 313)

(19) to pool a portion of such funds with a portion of funds available to not less than 1 other eligible recipient for innovative initiatives, which may include—

(A) improving the initial preparation and professional development of career and technical education teachers, faculty, administrators, and counselors;

(B) establishing, enhancing, or supporting systems for—

(i) accountability data collection under this Act; or

(ii) reporting data under this Act;

(C) implementing career and technical programs of study described in section 122(c)(1)(A); or

(D) implementing technical assessments; and

(20) to support other career and technical education activities that are consistent with the purpose of this Act.

(411) Identical provisions.

Legislative Counsel: similar or identical provision

TITLE II—TECH PREP EDUCATION

(412) The House bill, but not the Senate bill, repeals the tech prep program.

House and Senate recede with amendment to read as follows:

SEC. 201. STATE ALLOTMENT AND APPLICATION.

(a) IN GENERAL.—For any fiscal year, the Secretary shall allot the amount made available under section 206 among the States in the same manner as funds are allotted to States under paragraph (2) of section 111(a).

(b) PAYMENTS TO ELIGIBLE AGENCIES.—The Secretary shall make a payment in the amount

of a State's allotment under subsection (a) to the eligible agency that serves the State and has an application approved under subsection (c).

(c) STATE APPLICATION.—Each eligible agency desiring an allotment under this title shall submit, as part of its State plan under section 122, an application that—

(1) describes how activities under this title will be coordinated, to the extent practicable, with activities described in the State plan submitted under section 122; and

(2) contains such information as the Secretary may require.

SEC. 202. CONSOLIDATION OF FUNDS.

(a) IN GENERAL.—An eligible agency receiving an allotment under sections 111 and 201 may choose to consolidate all, or a portion of, funds received under section 201 with funds received under section 111 in order to carry out the activities described in the State plan submitted under section 122.

(b) NOTIFICATION REQUIREMENT.—Each eligible agency that chooses to consolidate funds under this section shall notify the Secretary in the State plan submitted under section 122, of the eligible agency's decision to consolidate funds under this section.

(c) TREATMENT OF CONSOLIDATED FUNDS.—Funds consolidated under this section shall be considered as funds allotted under section 111 and shall be distributed in accordance with section 112.

SEC. 203. TECH PREP PROGRAM.

(a) GRANT PROGRAM AUTHORIZED.—

(1) IN GENERAL.—From amounts made available to each eligible agency under section 201, the eligible agency, in accordance with the provisions of this title, shall award grants, on a competitive basis or on the basis of a formula determined by the eligible agency, for tech prep programs described in subsection (c). The grants shall be awarded to consortia between or among—

(A) a local educational agency, an intermediate educational agency, educational service agency, or area career and technical education school, serving secondary school students, or a secondary school funded by the Bureau of Indian Affairs; and

(B)(i) a nonprofit institution of higher education that—

(I)(aa) offers a 2-year associate degree program, or a 2-year certificate program; and

(bb) is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965, including—

(AA) an institution receiving assistance under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.); and

(BB) a tribally controlled postsecondary career and technical institution; or

(II) offers a 2-year apprenticeship program that follows secondary education instruction, if such nonprofit institution of higher education is not prohibited from receiving assistance under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) pursuant to the provisions of section 435(a)(2) of such Act (20 U.S.C. 1083(a)); or

(ii) a proprietary institution of higher education that offers a 2-year associate degree program and is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965, if such proprietary institution of higher education is not subject to a default management plan required by the Secretary.

(2) SPECIAL RULE.—In addition, a consortium described in paragraph (1) may include 1 or more—

(A) institutions of higher education that award a baccalaureate degree; and

(B) employers (including small businesses), business intermediaries or labor organizations.

(b) DURATION.—Each consortium receiving a grant under this title shall use amounts provided under the grant to develop and operate a 4- or 6-year tech prep education program described in subsection (c).

(c) CONTENTS OF TECH PREP PROGRAM.—Each tech prep program shall—

(1) be carried out under an articulation agreement between the participants in the consortium;

(2) consist of a program of study that—

(A) combines—

(i) at a minimum 2 years of secondary education (as determined under State law); with—

(ii)(I) a minimum of 2 years of postsecondary education in a nonduplicative, sequential course of study; or

(II) an apprenticeship program of not less than 2 years following secondary education instruction; and

(B) integrates academic and career and technical education instruction, and utilizes work-based and worksite learning experiences where appropriate and available;

(C) provides technical preparation in a career field, including high skill, high wage, or high demand occupations;

(D) builds student competence in technical skills and in core academic subjects (as defined in section 9101 of the Elementary and Secondary Education Act of 1965), as appropriate, through applied, contextual, and integrated instruction, in a coherent sequence of courses;

(E) leads to technical skill proficiency, an industry-recognized credential, a certificate, or a degree, in a specific career field;

(F) leads to placement in high skill or high wage employment, or to further education; and

(G) utilizes career and technical education programs of study, to the extent practicable;

(3) include the development of tech prep programs for both secondary and postsecondary, including consortium, participants in the consortium that—

(A) meet academic standards developed by the State;

(B) link secondary schools and 2-year postsecondary institutions, and if possible and practicable, 4-year institutions of higher education through—

(i) nonduplicative sequences of courses in career fields;

(ii) the use of articulation agreements; and

(iii) the investigation of opportunities for tech prep secondary education students to enroll concurrently in secondary and postsecondary coursework;

(C) use, if appropriate and available, work-based or worksite learning experiences in conjunction with business and all aspects of an industry; and

(D) use educational technology and distance learning, as appropriate, to involve all the consortium partners more fully in the development and operation of programs;

(4) include in-service professional development for teachers, faculty and administrators that—

(A) supports effective implementation of tech prep programs;

(B) supports joint training in the tech prep consortium;

(C) supports the needs, expectations, and methods of business and all aspects of an industry;

(D) supports the use of contextual and applied curricula, instruction, and assessment;

(E) supports the use and application of technology; and

(F) assists in accessing and utilizing data, information available pursuant to section 118, and information on student achievement, including assessments;

(5) include professional development programs for counselors designed to enable counselors to more effectively—

(A) provide information to students regarding tech prep education programs;

(B) support student progress in completing tech prep programs, which may include the use of graduation and career plans;

(C) provide information on related employment opportunities;

(D) ensure that students are placed in appropriate employment or further postsecondary education;

(E) stay current with the needs, expectations, and methods of business and all aspects of an industry; and

(F) provide comprehensive career guidance and academic counseling to participating students, including special populations;

(6) provide equal access, to the full range of technical preparation programs (including preapprenticeship programs), to individuals who are members of special populations, including the development of tech prep program services appropriate to the needs of special populations;

(7) provide for preparatory services that assist participants in tech prep programs; and

(8) coordinate with activities conducted under title I.

(d) ADDITIONAL AUTHORIZED ACTIVITIES.—Each tech prep program may—

(1) provide for the acquisition of tech prep program equipment;

(2) acquire technical assistance from State or local entities that have designed, established, and operated tech prep programs that have effectively used educational technology and distance learning in the delivery of curricula and services;

(3) establish articulation agreements with institutions of higher education, labor organizations, or businesses located inside or outside the State and served by the consortium, especially with regard to using distance learning and educational technology to provide for the delivery of services and programs;

(4) improve career guidance and academic counseling for participating students through the development and implementation of graduation and career plans; and

(5) develop curriculum that supports effective transitions between secondary and postsecondary career and technical education programs.

(e) PERFORMANCE INDICATORS AND ACCOUNTABILITY.—

(1) IN GENERAL.—Each consortium shall establish and report to the eligible agency indicators of performance for each tech prep program for which the consortium receives a grant under this title. The indicators of performance shall include the following:

(A) The number of secondary education and postsecondary education tech prep students served.

(B) The number and percent of secondary education tech prep students enrolled in the tech prep program who—

(i) enroll in postsecondary education;

(ii) enroll in postsecondary education in the same field or major as the secondary education tech prep students were enrolled at the secondary level;

(iii) complete a State or industry-recognized certification or licensure;

(iv) successfully complete, as a secondary school student, courses that award postsecondary credit at the secondary level; and

(v) enroll in remedial mathematics, writing, or reading courses upon entering postsecondary education.

(C) The number and percent of postsecondary education tech prep students who—

(i) are placed in a related field of employment not later than 12 months after graduation from the tech prep program;

(ii) complete a State or industry-recognized certification or licensure;

(iii) complete a two-year degree or certificate program within the normal time for completion of such program;

(iv) complete a baccalaureate degree program within the normal time for completion of such program.

(2) NUMBER AND PERCENT.—For purposes of subparagraphs (B) and (C) of paragraph (1), the numbers and percentages shall be determined separately with respect to each clause of each subparagraph.

SEC. 204. CONSORTIUM APPLICATIONS.

(a) IN GENERAL.—Each consortium that desires to receive a grant under this title shall submit an application to the eligible agency at such time and in such manner as the eligible agency shall prescribe.

(b) PLAN.—Each application submitted under this section shall contain a 6-year plan for the development and implementation of tech prep programs under this title, which plan shall be reviewed after the second year of the plan.

(c) APPROVAL.—The eligible agency shall approve applications under this title based on the potential of the activities described in the application to create an effective tech prep program.

(d) SPECIAL CONSIDERATION.—The eligible agency, as appropriate, shall give special consideration to applications that—

(1) provide for effective employment placement activities or the transfer of students to baccalaureate or advanced degree programs;

(2) are developed in consultation with business, industry, institutions of higher education, and labor organizations;

(3) address effectively the issues of school dropout prevention and reentry, and the needs of special populations;

(4) provide education and training in an area or skill, including an emerging technology, in which there is a significant workforce shortage based on the data provided by the eligible entity in the State under section 118;

(5) demonstrate how tech prep programs will help students meet high academic and employability competencies; and

(6) demonstrate success in, or provide assurances of, coordination and integration with eligible recipients described in part C of title I.

(e) PERFORMANCE MEASURES.—

(1) IN GENERAL.—Each consortium receiving a grant under this title shall enter into an agreement with the eligible agency to meet a minimum level of performance for each of the performance indicators described in sections 113(b) and 203(e).

(2) RESUBMISSION OF APPLICATION; TERMINATION OF FUNDS.—An eligible agency—

(A) shall require consortia that do not meet the performance levels described in paragraph (1) for 3 consecutive years to resubmit an application to the eligible agency for a tech prep grant.

(B) may choose to terminate the funding for the tech prep program for a consortium that does not meet the performance levels described in paragraph (1) for 3 consecutive years, including when the grants are made on the basis of a formula determined by the eligible agency.

(f) EQUITABLE DISTRIBUTION OF ASSISTANCE.—In awarding grants under this title, the eligible agency shall ensure an equitable distribution of assistance between or among urban and rural participants in the consortium.

SEC. 205. REPORT.

Each eligible agency that receives an allotment under this title annually shall prepare and submit to the Secretary a report on the effectiveness of the tech prep programs assisted under this title, including a description of how grants were awarded within the State.

SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title such sums as may be necessary for fiscal year 2007 and each of the succeeding 5 fiscal years.

TITLE III—GENERAL PROVISIONS

PART A—FEDERAL ADMINISTRATIVE PROVISIONS

Sec. 311. Fiscal requirements

(413) Identical provisions.

Legislative Counsel: similar or identical provision

(414) The Senate bill changes the term "vocational" to "career."

House recedes

(415) The Senate bill, but not the House, shifts the maintenance of effort to a three year rolling average.

Senate recedes

Report Language: The conferees intend that the provisions described in section 211(b) be implemented in a manner that does not impose undue hardship on states as a function of how they administer and fund career and technical education programs.

(416) The Senate bill changes the term "vocational" to "career."

House recedes

(417) The House bill, but not the Senate, defines "preceding fiscal year."

House recedes

Sec. 312. Authority to make payments

(418) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 313. Construction

(419) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 314. Voluntary selection and participation

(420) The Senate bill changes the term "vocational" to "career."

House recedes

Sec. 315. Limitation for certain students

(421) The Senate bill changes the term "vocational" to "career."

House recedes

Sec. 316. Federal laws guaranteeing civil rights

(422) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 317. Participation of private school personnel and children

(423) The House bill, but not the Senate bill, includes provisions for the participation of private school children. The Senate bill retains and modifies the current law section on the participation of private school personnel. The House bill also incorporates participation of private school personnel into the new participation of private school children language.

House and Senate recede with amendment to read as follows:

SEC. 217. PARTICIPATION OF PRIVATE SCHOOL PERSONNEL AND CHILDREN.

(a) PERSONNEL.—An eligible agency or eligible recipient that uses funds under this Act for inservice and preservice career and technical education professional development programs for career and technical education teachers, administrators, and other personnel shall, to the extent practicable, upon written request, permit the participation in such programs of career and technical education secondary teachers, administrators, and other personnel in nonprofit private schools offering career and technical secondary education programs located in the geographical area served by such agency or recipient.

(b) STUDENT PARTICIPATION.—

(1) STUDENT PARTICIPATION.—Except as prohibited by State or local law, an eligible recipient may, upon written request, use funds made available under this Act to provide for the meaningful participation, in career and technical education programs and activities receiving funding under this Act, of secondary school students attending nonprofit private schools who reside in the geographical area served by the eligible recipient.

(2) CONSULTATION.—An eligible recipient shall consult, upon written request, in a timely and meaningful manner with representatives of nonprofit private schools in the geographic area served by such recipient under paragraph (1) regarding the meaningful participation, in career and technical education programs and activities receiving funding under this Act, of secondary school students attending nonprofit private schools.

Report Language: The Conferees do not intend for the language in Sec. 217 (a) to preclude an eligible agency or eligible recipient from offering professional development programs to nonprofit private school personnel on their own initiative, without a written request from the nonprofit private school personnel.

PART B—STATE ADMINISTRATIVE PROVISIONS

Sec. 321. Joint funding

(424) Identical provisions.

Legislative Counsel: similar or identical provision

(425) Identical provisions.

Legislative Counsel: similar or identical provision

(426) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 322. Prohibition on use of funds to induce out-of-State relocation of businesses

(427) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 323. State administrative costs

(428) Identical provisions.

Legislative Counsel: similar or identical provision

(429) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 324. Limitation on federal regulations

(430) Identical provisions.

Legislative Counsel: similar or identical provision

Sec. 325. Student assistance and other federal programs

(431) Identical provisions.

Legislative Counsel: similar or identical provision

(432) The Senate bill changes "vocational" to "career."

House recedes

HOWARD P. "BUCK" McKEON,
MIKE CASTLE,
MARK SOUDER,
TOM OSBORNE,
MARILYN MUSGRAVE,
GEORGE MILLER,
LYNN WOOLSEY,
RON KIND,
Managers on the Part of the House.

MICHAEL B. ENZI,
JUDD GREGG,
WILLIAM H. FRIST,
LAMAR ALEXANDER,

RICHARD M. BURR,
JOHNNY ISAKSON,
MIKE DEWINE,
JOHN ENSIGN,
ORRIN HATCH,
JEFF SESSIONS,
PAT ROBERTS,
TED KENNEDY,
TOM HARKIN,
BARBARA A. MIKULSKI,
PATTY MURRAY,
JACK REED,
HILLARY RODHAM CLINTON,
Managers on the Part of the Senate.

MOTION TO INSTRUCT CONFEREES ON H.R. 2830, PENSION PROTECTION ACT OF 2005

Mr. GEORGE MILLER of California. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. George Miller of California moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2830 be instructed—

(1) to agree to the provisions contained in subsections (a) through (d) of section 601 of the Senate amendment (relating to prospective application of age discrimination, conversion, and present value assumption rules with respect to cash balance and other hybrid defined benefit plans) and not to agree with the provisions contained in title VII of the bill as passed the House (relating to benefit accrual standards);

(2) to agree to the provisions contained in section 413 of the Senate amendment (relating to computation of guaranteed benefits of airline pilots required to separate from service prior to attaining age 65), but only with respect to plan terminations occurring after September 11, 2001;

(3) to agree to the provisions contained in section 403 of the Senate amendment (relating to special funding rules for plans maintained by commercial airlines that are amended to cease future benefit accruals);

(4) to agree to the provisions contained in section 402 of the Senate amendment (relating to authority to enter alternative funding agreements to prevent plan terminations); and

(5) to recede to the provisions contained in the Senate amendment regarding restrictions on funding of nonqualified deferred compensation plans, except that—

(A) to the maximum extent possible within the scope of the conference, the managers on the part of the House shall insist that the restrictions under the bill as reported from conference regarding executive compensation, including under nonqualified plans, be the same as restrictions under the bill regarding benefits for workers and retirees under qualified pension plans,

(B) the managers on the part of the House shall insist that the definition of "covered employee" for purposes of such provisions contained in the Senate amendment include the chief executive officer of the plan sponsor, any other employee of the plan sponsor who is a "covered employee" within the meaning of such term specified in the provisions contained in the Senate amendment (applied by disregarding the chief executive officer), and any other individual who is, with respect to the plan sponsor, an officer or employee within the meaning of section 16(b) of the Securities Exchange Act of 1934, and

(C) in lieu of the effective date specified in such provisions contained in the Senate amendment, the managers on the part of the House shall insist on the effective date specified in the provisions of the bill as passed the House relating to treatment of nonqualified deferred compensation plans when the employer's defined benefit plan is in at-risk status.

Mr. GEORGE MILLER of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion to instruct be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from California (Mr. GEORGE MILLER) and the gentleman from California (Mr. MCKEON) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume, and I rise yet again with another motion to instruct the conferees of H.R. 2830, the pension bill currently in conference. These repeated motions have become necessary in light of the failure of the Republican conferees to include all conferees and to hear all voices.

The House Democrats have been locked out of this conference since last March, so we have come to the floor again and again with motions to instruct that would press the conferees to protect America's workers and retirees from some of the worst proposals in these bills now being considered in that conference committee.

Again and again, the House has voted overwhelmingly to support these instructions but the Republican conferees don't seem to be getting the message, or they don't seem to care. So I am calling on my colleagues to speak again, and this time a little louder.

This is a new motion that would provide greater protections for workers' pensions in five critical areas.

First. Protecting older workers' benefits in the cash balance conversion when pension plans convert from the defined benefit plan.

Two. Ensuring that airline pilots do not see unfair cuts to their PBGC, the Pension Benefits Guarantee Corporation, because the FAA required them to retire at age 60.

Three. Providing stretch-out payments for an airline industry that has been shaken by 9/11 and rising fuel costs.

Four. Allowing for the alternative funding agreements when a plan is in trouble so that we can avoid the dumping of pension plans like what happened with the United Airlines debacle.

Five. Providing for more equal treatment of executive and worker pensions. If we are going to restrict workers' pensions when a plan is underfunded, we should also restrict the executives that, in many instances, are responsible for that underfunding of the pension plans. After all, it is the executives who decide whether or not to fund the pension plan.

From all the reports we have received to date, it sounds like the conferees are not moving to include these items in the conference report, despite the fact that the House has repeatedly instructed the conferees to include these worker protections.

Let us go through these one by one and let us understand that this is about the protection of workers, it is about the protection of retirees, and it is about the protection of their families, because it is about the pension plans that these workers now have as a matter of their bargaining, their agreements, and their contracts with their employers.

What we have now seen, and what too many workers have seen and what the American public has witnessed, is that employer after employer is announcing to workers that they are going to forego the support for a defined benefit plan, they are going to forego the support for health care benefits, and workers now see they are trapped. In many instances, those changes, those decisions by the employer snag workers who have no ability to restore that retirement nest egg that they are going to lose when the employer decides that they are going to terminate the pension plan.

That is why we are offering this motion to instruct, to try to protect the retirement nest egg of hard-working Americans and their families from being devastated by the decisions of the employers on the termination or the dumping of the pension plans into the PBGC.

So let us walk through what we are trying to do here. First. The protection for older workers in a cash balance conversion.

This motion to instruct would have the conferees in the Senate make sure they prohibit against the discrimination of older workers by the practice of offsetting the earned benefit plans they have now with the new cash balance plans, and to make sure that we understand what the GAO has told us; that unless we provide some transition protection, almost all workers could lose up to 50 percent of their expected pension benefits.

Listen to that again. Almost all workers could lose up to almost 50 percent of their expected pension benefits. Again, those older workers, 50, 55, 60 years old, will lose the most. Those are the same workers who have the least ability to save more money for their retirement, to earn more money for their retirement. They will take the biggest hit.

We are asking that at a minimum, you protect employees that are 5 years away from retirement because they do not have the ability to secure additional funds for their retirement. It means a dramatic diminishment of their the retirement plans, of their financial resources for their retirement, for their health care, for the sustaining of their families. That is why it is so important to understand that.

This is what responsible employers have done, whether it is Verizon, or Honeywell, or Wells Fargo Bank or CSX Railroad. But other employers have chosen not do this, and now they want the protection of the law as they take away these benefits of the older workers.

It is also what the Congress chose to do. We chose to provide a transition for Members of Congress as we changed the retirement plan of Congress to the TSP plan as opposed to a defined benefit plan. If it is good enough for Congress, why isn't it good enough for these workers and for their families?

Obviously, when the Members of Congress have been asked to vote on this, they have voted overwhelmingly. In 2002, an amendment to take care of these older workers passed 328–121; in 2003, it passed 258–160; in 2004, it passed 237–162. The motion to instruct this past April, the House voted 248–178 to tell the conferees to protect these older workers.

Unfortunately, either the conferees are hard of hearing or they simply don't care about these older workers, because it appears that when the conference report comes back in the next day or two on the pension bill, these older workers will not be protected.

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Second, the case of the airlines. The motion to instruct would have the conferees agree to the Senate provision ensuring that pilots get their full pension guaranteed from the Pension Guarantee Corporation. They get their full pension, for those who were required to retire at an early age.

So you have pilots who were required, under Federal law, to retire at age 60. The pension plan was terminated, through no fault of the pilots, in many cases because of 9/11 or higher fuel costs, and now they are being punished because the Pension Guarantee Corporation will only give you a full benefit if you retire at age 65. They had no ability to retire at age 65 because Federal law kept them from doing so. We think that, in fact, we ought to protect those employees.

And the motion would limit the treatment of those pension plans to those that were terminated after September 11, 2001.

The fix is needed now. United airline pilots are seeing their pensions cut by tens of thousands of dollars each year under you the pension guarantee rules. The retirement nest eggs have been devastated, but they have been twice, once by the unfair dumping of the pension plans and the PBGC by United, and now because the law says that they cannot have those full benefits because they retired before 65.

In a motion this past March, the House voted 265–158 to instruct the conferees to give these pilots their full guarantee. Once again, the conferees either can't here the House of Representatives, they don't care about the House of Representatives, or they don't care about these workers, because they are not choosing to protect these pilots to the extent to which they should be.

Third, we deal with the question of the airlines. We all know that airlines have been hurt by skyrocketing fuel prices since 9/11. They have been hurt by a lack of travel immediately after 9/11, and we have seen one airline after another go into bankruptcy. We have seen United Airlines terminate its pension plans and dump $10 billion of liability onto the PBGC, its workers, its retirees and the taxpayers. We have seen the U.S. Airways dump its pension plan, and we have read how Delta is now seeking to dump its pension plan. It would be devastating to hundreds of thousands of workers across this Nation if more airlines were permitted to dump their plans into the PBGC.

These provisions that we are asking the conferees to impose give the airlines the ability to keep their plans going by stretching out their payments over 20 years instead of 7 years. And these provisions should be made available to all the airlines, not just a select few airlines. They should be available to those airlines that have frozen their plans, as well as those that meet the requirements of the Senate bill to keep their plans running.

In March, the motion to instruct, the House voted 265–158 to provide the airlines with these critical reforms, with this lifeline for their economic health and the well-being of their workers. But the conferees so far haven't heard us and we need to speak louder.

Fourth, the alternative funding agreements. The motion to instruct would have the conferees agree to the Senate provisions, which passed 97–2, designed to prevent the pension plan dumping. These provisions allow the PBGC, the Treasury Secretary to enter into an alternative funding agreement with an employer if its pension plan is in danger of being terminated. If workers and retirees are facing the destruction of their pension plans, Congress should give the PBGC and the Treasury Departments the flexibility to work out alternatives to termination. If such alternatives to simply dumping the plan were available during the United Airline crisis, the largest pension termination in history, it may have been averted. A lot more needs to be done in this area so that we don't see just the callous dumping into the bankruptcy of the pension plans by these corporations that devastates their workers and their retirees.

Fifth, and maybe this is one of the more serious ones, and that is a question of executive compensation. This motion to instruct would have the conferees agree to the Senate provision, again, passed 97–2, on executive compensation that would treat workers and executive pensions equally. Under the House bills, workers pension benefits are restricted if a pension falls below 80 percent funding. But what we see is there is no benefit on the executives unless it falls less than 60 percent funding.

What we are saying is what the President of the United States, Mr. Bush, said during the Enron catastrophe, what is good for the captain is good for the crew.

Once again, it is the executives that make decisions about funding these pension plans. But if they fall below 80 percent, the workers get restricted, but the executives continue to get their pensions, to get their benefits, to get all of the executive perks in that operation. We think that that ought to change. We think it is very clear that the executives, what they have done, in many instances, they ensure their pension plans outside of the bankruptcy system. So as they take the company into bankruptcy, they are guaranteed that they will get a life time pension worth millions of dollars. The workers get bankruptcy and get devastated and lose half of their benefits if they go to the Pension Guarantee Corporation.

We believe the President is right. What is good for the captain is good for the crew, and that we ought to do this.

Again, this past May, in a motion to instruct, the House voted 299–125 to instruct these conferees. And what do you believe is going to happen? Apparently, the conferees are going to again ignore that vote. They are going to ignore the will of this House. They are going to ignore the will of the American people to have equity and fairness in the treatment of executives and workers during the troubled times for pension plans.

So this motion to instruct is to take those five areas and to instruct the conferees at this 11th hour to deal with the fairness and the equity in the Pension Reform Bill to make sure that hardworking Americans don't have to crash to the floor, lose their homes, lose their retirement, lose their health care as we restructure pensions, and to make sure that we do treat the million dollar a year or the $10 million or the $20 million, $50 million a year executive, that we treat them the same as we treat the workers.

Very few workers in this country have any say in whether or not these pension plans are underfunded. We saw that in the case of Enron. They were running downstairs telling the employees to buy the Enron stock, and they were running upstairs and selling their stock into the market because they knew the company was going to collapse.

We think people ought to be treated fairly. They ought to be treated equally and clearly, clearly, we ought not to discriminate against older workers. That is what this motion to instruct does. Hopefully, when we send it, this motion to instruct, later this evening, the conference committee will hear us. They will hear the American people. They will quit ignoring the American people. They will quit dealing just with the special interests inside the Beltway, and doing what is good for the special interests, as opposed to what is good for the American public, what is good for the retirement systems in this country, what is good for the economy in this country, and what is fair to the workers and to their families.

Mr. Speaker, I reserve the balance of my time.

Mr. MCKEON. Mr. Speaker, I rise in opposition to this politically motivated motion to instruct. I believe we are nearing the end of the pension reform conference, and this motion is nothing more than a last minute, desperate attempt to slow the most substantial retirement security reforms in a generation.

Like the famous Yogi Berra saying, this is deja vu all over again. Throughout this pension conference, opponents of pension reform have attempted to distract from the process through these obstructionist tactics, and here we are again ready to deal with yet another.

The latest motion to instruct, or motion to obstruct as is truly the case, is little more than a random jumble of unrelated issues being discussed in the ongoing pension conference. From purely a policy perspective, it is irresponsible to mix and confuse these complicated issues in this fashion. Members with opinions on one or more of these issues should not be forced into contradicting positions on other issues. But let's be very clear up front. This has nothing do with policy. It is all about politics.

This pension legislation we are crafting is complicated, and those who support passing legislation to fix our pension system are working hard to bring a final bill before the full House and Senate for consideration. What the opponents of reform are doing today is putting their good names on a bull-in-a-china-shop exercise. They have cherry-picked a handful of Senate positions that have evolved over time. It is reckless and, in the end, it will do nothing to advance the process. Here are just a handful of its flaws.

Number 1, this motion to instruct would tie the hands of those who voluntarily offer hybrid plans, which are the sole bright spot in the defined benefit system. To place restrictions on a system that actually provides more generous benefits for the majority of workers than do traditional plans sets a very bad precedent.

Number 2, this motion to instruct also would increase the deficit of the PBGC, which is exactly the opposite of what we are trying to do. If this provision were applied, taxpayers could count on an additional cost of $2.5 billion to the PBGC over the next 10 years.

Number 3, this motion to instruct would assign the PBGC which, in some respects, is like an insurance company, with developing industrial policy for the troubled plans via a "workout program." This would pit companies against one another. And this process would be steered by a quasi-governmental agency, often dependent upon the whims of the administration in power.

And finally, this motion to instruct attempts to score partisan points on the issue of executive compensation. But this is an issue the House bill already responsibly addresses, and any final conference will do the same. The House-passed pension reform restricts golden parachute agreements when the rank and file plan is considered at-risk.

Mr. Speaker, this last ditch attempt to distract from our reform efforts is as transparent as it is desperate. Fortunately, the end of this conference is in sight, and the reforms needed to ensure the defined benefits system remains viable for generations to come are nearly in place.

I urge my colleagues to vote "no" on the motion to instruct, and reject this attempt to obscure our progress.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I thank my friend for yielding. I rise in support of his motion.

I want to try to explain, Mr. Speaker, to our colleagues what one of the issues in Mr. MILLER's motion has to do with.

Let's assume that we have a pension plan that is only 75 percent funded: that is to say, it has $75 for every $100 that it needs to meet its pension obligations. Under the bill that passed the House, the people that run that plan could say the following: The CEO of the company could continue to get 100 percent of the benefits that he was entitled to under the plan, the wealthiest person in the company. But the person who cleans his office at night could have her pension cut.

Let me say this again. If the plan had $75 for every $100 that it needs, under the provision the House passed, the CEO of the company gets every nickel that he is entitled to. No cut at all. But the custodian who cleans his office at night, or the clerk who types his letters, or the person who delivers his documents, could have their pension cut considerably.

Now, this is not right. This is not right. If some employees are going to take a cut in their pension, then it seems fair that everyone should share equally in that punishment.

One of the great principles of the American economy is that a rising tide lifts all boats. When a company prospers, so does everyone in the rank and file, so does every shareholder, so does every investor, one would hope. And lots of decisions are predicated upon that principle.

We want the executives to flourish and prosper, because if they do, they will make better decisions for the people who clean the offices and type the letters and deliver the documents.

But the corollary to that principle is, if the boat is sinking, then some people can't jump off the boat into a life boat while everybody else stands there as the ship goes down. That seems rather fair.

One might call this the Titanic principle, you know, where the people who were in the luxury compartments got to the life boats first, but the people locked in steerage sank to the bottom of the Atlantic Ocean.

The Senate has a very different provision. Ninety-seven senators voted in favor of this provision; and it said, very simply, the same rule that applies to the lady who cleans the office at night should apply to the CEO who sits in the office all day long. Ninety-Seven senators voted in favor of that provision. Two voted against it.

Mr. MILLER's motion wisely says that this House should go on record as saying that is the provision we ought to adopt. Vote "yes."

Mr. GEORGE MILLER of California. I yield $3\frac{1}{2}$ minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. This is really about fairness. It is about values.

I rise in strong support of Congressman MILLER's motion to instruct. I commend my colleague, Mr. MILLER, for his leadership in working to ensure that pension reform puts workers first.

This motion to instruct highlights a number of important provisions that make clear the priority of our efforts. It must be workers. Pensions are not just investments to workers. To a worker, his or her pension is the centerpiece of economic security.

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The promise of that pension becomes more precious as workers move closer to their own retirement. It is imperative that our efforts protect older workers. This motion to instruct recognizes that conversions from traditional defined benefit plans to cash balance plans harm older workers. Providing transition protections for older workers should not be a choice for employers but a requirement. Hardworking employees should not be rewarded for their service with a denial of pension benefits. I urge my colleagues to help ensure that older workers' pensions are protected.

This motion to instruct also highlights the importance of equity between workers and executives. Under the pension reform bill passed by this House, a pension plan that is less than 80 percent funded would not be allowed to increase benefits or establish new benefits for its workers regardless of the reason for the underfunding. But while worker pensions are held stagnant, executive benefits remain unrestricted until the plan is less than 60 percent funded. Patently unfair to workers. Pension plans are administered and funded by companies, not the workers. Workers should not be punished for faulty management of plans.

The past decade is littered with examples of increasing executive pay and pensions while worker pension plans were underfunded or even terminated. In 2002, U.S. Airways' CEO received a lump sum pension of $15 million. Six months following that executive payout, U.S. Airways filed for chapter 11 bankruptcy. One eventual outcome of the bankruptcy was the termination of the pilots' pension plan. The CEO, $15 million; the pilots . . .

Stories with a similar theme can be shared about United Airlines and Delta. Executives receive a protected pension benefit or extra stock options, while workers are left with terminated pension plans and a cut in benefits. Although this motion to instruct will not restore the pensions of those workers already harmed by executive abuse, it will make a difference to many others.

Pension plans do not belong to companies. They belong to workers. They are the workers' money and the workers' future. Pensions are the property of the workers, and as such, we have a duty to ensure that workers' pensions are protected from practices which threaten our security.

I urge my colleagues to support the Miller motion to instruct. I urge my colleagues to remember that there are millions of Americans out there who are looking to this moment to decide whether we are going to stand up for working men and women or we are going to turn them aside in order to slaver over the economic advantage that is granted to their executives.

Mr. McKEON. Mr. Speaker, I yield myself such time as I may consume.

I believe we are nearing the end of the pension reform conference. It has been quite a roller coaster ride, indicating the delicate balance that we have established to get to the point where we are today.

I know many of our colleagues are anxious to see work completed on this conference report so that improvements to our pension system can actually be put in place. As vice chair of this conference committee, I share that view. The fact is that in recent days a tremendous amount of progress has been made towards completing this conference, and I am optimistic that we will produce a finished product that the vast majority of our colleagues can and will support. That is what we should be spending our time on—completing the work and protecting and improving workers' retirement security—not engaging in the partisan charade that this motion at its core represents.

Our goal is and always has been to ensure our defined benefit system remains viable for generations to come. This will serve the interests of workers, retirees, and taxpayers alike. This motion to instruct does not.

I urge my colleagues to vote "no."

Mr. Speaker, I yield back the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, my colleague on the other side keeps saying that this is somehow a partisan charade to score points. There are just a little over 200 Members of the Democratic Party in this Congress, and these votes have carried 258, 308, 299, 237. Clearly, there is bipartisan agreement that as we write this pension bill, as we deal with pension reform, we ought to make an effort to try to deal with the plight of these workers in the fairest possible way we can.

Let us look again quickly at what we are trying to do here. We are trying, one, to protect older workers who have a very limited ability to gather additional economic resources as they end their work years, to make up for a dramatic cut in their pension plans. All we are saying is that those workers ought to be protected, those who are 5 years away from the pension plan. Not a radical proposal. Not a partisan proposal. It passed the Senate 97–2. By an overwhelming bipartisan vote, we have asked the conferees to invoke that measure.

We have also tried to say that those airline pilots that were forced to retire at age 60 due to Federal law, a Federal law that we are now considering changing to 65, but because of the bankruptcy of the company and the dumping of the plan by United and others into the PBGC, those pilots ought not to be harmed because they had no ability to reach 65 in their employment. The Federal law made them quit, and they ought not to be harmed in that situation. They may have never been harmed but for 9/11, but for the run up in fuel prices. They didn't do anything wrong, but they find themselves taking a double hit through the bankruptcy and through the PBGC rules.

Then we said let us try to save the airline industry. Let us stretch this out. For those plans, mind you, they have frozen their pension plans. They comply with the requirements of the Senate bill, and we have said let us give them time to recover their economic health and hopefully save these pension plans. We do not know yet, but again on a bipartisan basis overwhelmingly, the House voted to do that.

Then we said let us make sure that we exhaust all of the remedies before we dump these pension plans onto the taxpayers. Let us make sure that we have exercised all of the effort, that we have bargained in good faith, that we have searched every way to avoid this from becoming a taxpayer liability. Again, passing 97–2, the Senate went in that direction and we didn't. They refused those amendments to the legislation.

And, finally, the issue of basic fairness, one that so struck the people of this Nation when they saw how Enron manipulated the pension systems, how they manipulated the stock sales to those pension systems by the executives, and, finally, how they manipulated the company into the downward spiral of bankruptcy and people lost their entire livelihoods.

This bill says that, as Mr. KUCINICH pointed out, if this plan is not at least 80 percent funded, you can provide no new benefits to the employees no matter what the reason for that underfunding is; but unless it is 60 percent underfunded, you can keep providing benefits to the executives. There is just a fundamental element of fairness. And again I think by over 258 votes, on a bipartisan basis, the House sent these instructions to the conferees. This is part of the legislative process.

I am here because this is a privileged motion. We recognize the need to communicate from the full House to the conferees on measures that we continue to favor as the conference committee goes forward, and we have done that. But the fact of the matter is that now it appears, certainly from newspaper reports, which I wouldn't know because we have been shut out of this conference committee. The Republicans do not conference with the Democrats in the House. They do not honor that democratic principle. They do not honor that democratic history. So we only know what we have been told through the grapevine. We know in talking to the Democratic and Republican Senators, and we know a little bit by what we read in the press, and it appears that, in fact, in each and every one of these points where the House has spoken with an overwhelming voice to protect the pensions of workers, of retirees, and of their families, that each and every one of these is going to be disregarded by the conferees.

This is a last attempt to try to bring some openness to this conference, to try to bring some bipartisan participation to this conference committee, and to bring the will of the House, which I think in these cases when we are hearing about pensions, when you go home and you talk to your constituents and you have your town hall meetings, you see how anxious people are about their health care benefits, about their retirement benefits, about their retirement security.

Yet somehow those conferees cannot get that message. Maybe they have been in Congress too long. Maybe they are insulated from it. Somehow they just cannot get it. Well, life outside the Beltway is very precarious for a lot of employees and a lot of industries. And the question that comes to us is whether or not we are going to make an effort to have a pension bill that recognizes the fairness and the equity.

Again, this is not some partisan bill. This is not some bill thought up in the last few moments. The fact of the matter is these provisions are contained, for the most part, in the Senate bill. We do not ask to go beyond that. In the Senate bill that passed the Senate 97–2. And, in fact, if we do that, there will be some economic justice for these retirees and these workers. There will be some economic fairness for these retirees and these workers. And there will be, most importantly, some sense of retirement security for millions of Americans that every day they pick up the paper and they see that yet another group of employees, another company is making a decision about reducing, getting rid of, terminating, freezing the pension plans and the health care benefits of those individuals.

We owe them this legislation to deal with them in a fair fashion, in an equitable fashion, legislation that can increase the retirement security of these families.

I ask for an "aye" vote on the motion to instruct.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of Mr. MILLER's motion to call our colleagues' attention to provisions in the Senate bill S. 1783, provisions that aim to ensure the very best for our older workers. These provisions prohibit discrimination against older workers by eliminating the "wearaway" of older worker benefits. They also provide fair rules to protect workers' pensions in conversions of traditional pension plans to cash balance pension plans. In a recent study, the GAO found that, without these transition protections, almost all workers could lose up to 50 percent of their expected pension benefits in a cash balance conversion.

The Senate provisions also entail language that will ensure that airline pilots are protected from unfair cuts to their pension benefits because of the FAA's mandatory retirement rules. Currently, FAA regulations require pilots to retire at age 60. The PBGC treats age 60 as an early retirement, and cuts pilots guaranteed benefits as a result. The Senate provisions would require the PBGC to treat age 60 as the normal retirement age for pilots and adjust their guaranteed benefits accordingly.

Under the current House bill, workers see benefit restrictions when a pension plan falls below 80 percent funding. Executives, on the other hand, only see limited benefit restrictions much later—at less than 60 percent funding. The Senate bill achieves greater parity than the House bill in how workers and executives are treated. Over the last several years, we have seen repeated cases where executives have protected or even enhanced their own golden parachutes, while cutting or eliminating workers' pensions. It is time for these unfair practices to end.

The provisions in the Senate bill will help see that this happens and ensure that America's older workers are treated fairly and with respect. There are few things worse than working hard for 40 years or more only to see one's well-being in retirement being compromised by inadequacies and inefficiencies in pension policy. We have some retirement-aged folks amongst us, and I encourage my colleagues to imagine it was our pension up for debate right now. Perhaps it should be if we do act to protect others'. I therefore urge all of my colleagues to join Mr. MILLER and take the Senate provisions seriously and support them accordingly.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from California (Mr. GEORGE MILLER).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GEORGE MILLER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H.R. 5121, by the yeas and nays.

H.R. 5013, by the yeas and nays.

H. Con. Res. 449, by the yeas and nays.

H. Con. Res. 384, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

EXPANDING AMERICAN HOMEOWNERSHIP ACT OF 2006

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 5121, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. NEY) that the House suspend the rules and pass the bill, H.R. 5121, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 415, nays 7, not voting 10, as follows:

[Roll No. 400]

YEAS—415

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey

Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—7

Culberson
Duncan
Flake
Hensarling
Inglis (SC)
Paul
Royce

NOT VOTING—10

Carson
Davis, Jo Ann
Evans
Ford
Harris
Istook
McKinney
Nussle
Sullivan
Wexler

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that 2 minutes remain in this vote.

☐ 1756

Messrs. DUNCAN, PAUL and INGLIS of South Carolina changed their vote from "yea" to "nay."

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DISASTER RECOVERY PERSONAL PROTECTION ACT OF 2006

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 5013, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. KUHL) that the House suspend the rules and pass the bill, H.R. 5013, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 322, nays 99, not voting 11, as follows:

[Roll No. 401]

YEAS—322

Aderholt
Akin
Alexander
Allen
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Berkley
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Cardoza
Carnahan
Carter
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Costello
Cramer
Crenshaw
Cubin
Cuellar
Culberson
Davis (AL)
Davis (FL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
English (PA)
Etheridge
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Issa
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Langevin
Larsen (WA)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas
Lungren, Daniel E.
Lynch
Mack
Manzullo
Marchant
Marshall
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Meek (FL)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore (KS)
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Ortiz
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Salazar
Sanchez, Loretta
Sanders
Saxton
Schmidt
Schwarz (MI)
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Souder
Spratt
Stearns
Strickland
Stupak
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Turner
Udall (CO)
Udall (NM)
Upton
Visclosky
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (SC)
Wolf
Wu
Young (AK)
Young (FL)

NAYS—99

Abercrombie
Ackerman
Andrews
Becerra
Berman
Bishop (NY)
Blumenauer
Brady (PA)
Brown, Corrine
Capps
Capuano
Cardin
Case
Cleaver
Conyers
Crowley
Cummings
Davis (CA)
Davis (IL)
Delahunt
DeLauro
Dicks
Emanuel
Engel
Eshoo
Farr
Fattah
Filner
Grijalva
Gutierrez
Harman
Hastings (FL)
Holt
Honda
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Kennedy (RI)
Kilpatrick (MI)
Kirk
Kucinich
Lantos
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren, Zoe
Lowey
Maloney
Markey
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McNulty
Meehan
Meeks (NY)
Millender-McDonald
Miller, George
Moore (WI)
Moran (VA)
Nadler
Napolitano
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Price (NC)
Rangel
Roybal-Allard
Rush
Sabo
Sánchez, Linda T.
Schakowsky
Schiff
Schwartz (PA)
Scott (VA)
Serrano
Sherman
Slaughter
Solis
Stark
Tauscher
Towns
Van Hollen
Velázquez
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wynn

NOT VOTING—11

Carson
Davis, Jo Ann
Evans
Ford
Harris
Istook
McKinney
Nussle
Sullivan
Wexler
Wilson (NM)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that there are 2 minutes remaining in this vote.

☐ 1803

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mrs. WILSON of New Mexico. Mr. Speaker, on rollcall No. 401 I was unavoidably detained. Had I been present, I would have voted "yea."

Mr. FORD. Mr. Speaker, I was unavoidably detained and was unable to cast votes. Had I been present, I would have voted "yea" on rollcall 401.

COMMEMORATING 60TH ANNIVERSARY OF HISTORIC 1946 SEASON OF BASEBALL HALL OF FAME MEMBER BOB FELLER

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 449.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. LATOURETTE) that the House suspend the rules and agree to the concurrent resolution, H.R. 449, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 417, nays 0, not voting 15, as follows:

[Roll No. 402]

YEAS—417

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—15

Bilbray
Carson
Davis (FL)
Davis, Jo Ann
Evans
Fattah
Ford
Harris
Istook
McKinney
Mollohan
Nussle
Sullivan
Thomas
Wexler

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that there are 2 minutes remaining in this vote.

☐ 1810

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HONORING THE ALPHA PHI ALPHA FRATERNITY ON THE OCCASION OF ITS 100TH ANNIVERSARY

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 384.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska (Mr. OSBORNE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 384, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 422, nays 0, not voting 10, as follows:

[Roll No. 403]

YEAS—422

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake

Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—10

Davis, Jo Ann
Evans
Feeney
Ford
Harris
Istook
McKinney
Nussle
Sullivan
Wexler

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BOUSTANY) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1817

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CHILDREN'S SAFETY AND VIOLENT CRIME REDUCTION ACT

(Ms. GINNY BROWN-WAITE of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to praise the House for having passed H.R. 4472.

This is a very bittersweet moment for me. Passage of the bill should bring a sense of accomplishment, but as I think of little Jessica Lunsford, only tears come to my eyes.

Today, she would be doing her summer reading, going to the movies with friends, and enjoying the last few weeks of summer before school begins. Instead, a perverted criminal assaulted, murdered and then buried her in his backyard and robbed her of those moments.

He could do that because law enforcement and parents did not have the tools that they needed at the time to protect children. With the passage of the Children's Safety and Violent Crime Act, they will.

I cannot imagine the suffering and total terror she must have felt at the hands of so vile a monster, and Congress cannot afford to wait one day longer for this bill to become law.

I certainly look forward to the signing ceremony at the White House so parents will know that their children are much better protected because the laws are stronger against sexual offenders and predators.

HONORING MAJOR LEAGUE HALL OF FAMER BOB FELLER

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, I rise today in support of House Concurrent Resolution 449 honoring Major League Baseball Hall of Famer Bob Feller.

Bursting onto the baseball scene in 1936, he immediately became the American League's dominant pitcher. A Cleveland Indian throughout his 18-year career, Feller broke record after record, including three no-hitters and 12 one-hitters, and he pitched on opening day a no-hitter.

My older brother Charlie heard a great story about Feller's blazing speed. Bob Feller and the Indians were playing the Yankees in the 1930s, and New York's Lefty Gomez was on deck. As he approached the plate, Gomez lit a match. The umpire said, Come on, Lefty, it's not too late. You can still see just fine. Gomez pointed to Feller and said, That's not what I'm worried about. I just want him to see me.

Feller's baseball career may have been even more stellar had he not been such a patriot. He was one of the first Major League players to enlist after Pearl Harbor, losing four seasons to war-time service as a combat sailor in the U.S. Navy. He never regretted that choice. Feller told a fan last year, The only win I wanted was to win World War II.

I join my colleagues in supporting House Concurrent Resolution 449, celebrating Bob Feller, a monumental figure in Ohio, a baseball icon and an American patriot.

THANKING SPEAKER HASTERT FOR VISITING THE TEXAS BORDER

(Mr. CARTER asked and was given permission to address the House for 1 minute.)

Mr. CARTER. Mr. Speaker, I rise to thank Speaker DENNY HASTERT for coming to Texas this weekend to look at the situation on the Texas border and bringing a bipartisan delegation with him. The information that he received I think is invaluable for this House.

I am proud of the fact that our Speaker goes out and goes to the areas where the crises are so that he can have a good view of what is going on. He was a great leader there. He was able to get information from these folks that showed that the borders have got to be defended and defended now.

I am grateful for his attendance in Texas, and I am sure Arizona is, also.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

GAS PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, well, today, gas prices since the price gouging post-Katrina climbed back over $3 a gallon average across the country, almost as high as on September 5 of last year during the frenzy of price gouging by the oil industry, using Katrina as an excuse. Now the excuse is unrest in the Middle East, despite very large inventories and no shortages on the horizon.

But it is yielding one tremendous benefit, and the Republicans would have us believe that we all benefit: record profits for the oil industry. And since we are all now shareholders, according to the Republicans' theory of the world, we are all benefiting from the huge run-up in the prices of oil stocks and the dividends that are being paid by the oil companies. Unfortunately, most of the people I represent and I myself and many others I know do not own oil stocks, nor do we receive extraordinarily generous campaign contributions which the Republicans and the President do from the oil industry.

So our reaction is not a collective yawn, and there is nothing that can be done about it, and it is just market forces. Ours is to say let us stop the price gouging of American consumers.

Experts say that about 30 percent of this is pure speculation, that is, self-trading, oil being traded off the books purely to enrich the companies and traders.

Another very significant portion comes from the fact that the oil companies, not the environmentalists, oh, the darn environmentalists, they have just been closing refineries left and right. Well, no. Actually, there has not been a single refinery closed in America, although many have been closed in the last 10 years, by environmental restrictions or litigation. They have been closed for economic purposes.

There was a memo 10 years ago from the American Petroleum Institute that said, hey, guys, wake up, you are not making enough money on refining; if you could shrink down refinery capacity, you would have an excuse to drive up margins and the prices of refining. They have exceeded their expectations. In fact, refinery profits from the last year, 12 months, are up 60 percent, 60 percent.

If we return to the historic average margins for refinery, which were profitable but not wildly, unbelievably profitable, gas would go down by another 40 cents a gallon.

So you take out the speculation, you take out what they have done with the manipulation of refinery capacity and you are back down to $2.30 cents or so a gallon. Now that is not a long-term energy policy, but that is relief for American consumers. That is relief for American business. That gives us the opportunity to begin to invest in a more oil-independent future.

The so-called energy bill that passed the House based on subsidies for the oil, coal and gas industry, you know, they are hurting, they need subsidies from the taxpayers. We need to borrow money to give to them or give them price breaks for their production on Federal lands and not realize those revenues to the Federal Treasury, if that excuse for a so-called energy bill would actually have us more dependent on Middle East oil 10 years from today than we are now.

That is an energy policy? Look at the Middle East. Do we want to be dependent upon the Middle East? Do we want to be filling the coffers of Iran and Saudi Arabia and other OPEC countries? I do not think so.

We need a plan for energy independence in America. We need a plan that is going to develop new technologies here at home that we will market to the rest of the world, that will make Americans energy independent. Somehow Brazil was able to do it, but they tell us it is just not possible here in the United States of America, we cannot figure out a way to get to energy independence like Brazil.

Now, I do not believe that. The President knows the American people are a little upset. So in his State of the Union he talked about how we need to do more about alternative fuels and alternative technologies. Unfortunately, the money did not follow the mouth. If John Fitzgerald Kennedy had applied that same amount of money to his mission to the Moon, we still would not be in the outer atmosphere of the Earth, let alone the Moon.

There is no real commitment there because real commitment would mean that you are starting to threaten the wildly profitable oil industry.

BP announced today, and they are supposed to be the weakest of the announcements this week, that their profits were up a mere 40 percent over the quarter for last year. ExxonMobil is likely to announce either the largest quarterly profit in history for any corporation on the face of the Earth this week on Thursday or maybe only the second largest. They made $100 million a day profit last year. They gave their CEO a $400 million retirement package. They are not investing in new capacity. They are not investing in alternative fuels. They do not care about energy independence for the United States of America. They like the addiction that they have got us on now.

We need an energy policy and we need it soon, and the Republican Party is in thrall with the oil companies.

□ 1830

BORDER CORRUPTION

Mr. POE. Mr. Speaker, I request permission to take Mr. JONES's time.

The SPEAKER pro tempore. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. POE. Mr. Speaker, there is more news from the second front. This is the border, and the news is not good. It is disturbing.

There is word tonight that some men and women charged with protecting our borders could be making their yearly salary in just a matter of days by taking bribes. That is right, bribes.

Border Patrol agents, our the first line of defense in the fight to secure America's borders, may have dirty money on their mind instead of illegals, all the while they are compromising national security for a fist full of dollars.

This month, two Border Patrol supervisors pleaded guilty after accepting $200,000 in bribes and working with the illegals to come into the United States. These supervisors were working on a test program set up between the Border Patrol and the Mexican Government where human smugglers, coyotes as we call them, were arrested in the United States and were supposed to be deported back to Mexico for prosecution. This is the same program that these officials have been raving about. They even came to Washington and testified before Congress that 82 suspected smugglers were returned back to Mexico last year.

But what is worse is these supervisors used a government vehicle to bring two smugglers across the border. One bought his way out of jail for a $10,000 bribe while another shelled out $6,000 in bribes so he wouldn't be shipped back to Mexico. Then these two agents, new best friends of these two individuals, dropped them off at a Wal-Mart parking lot.

Their case isn't the only one that is under investigation. In fact, it is far from it. Other Border Patrol agents charged with upholding our laws and our sovereign borders are facing Federal charges and investigations. Border Patrol agent Oscar Ortiz was in fact not even a United States citizen, an illegal himself, and he used a false birth certificate to, get this, Mr. Speaker, become a U.S. border agent and work on our border. His lies were only discovered as he conspired to smuggle in over 100 different people into the United States.

Another example: two Border Patrol agents, brothers, have vanished into the darkness of Mexico because they were being investigated for smuggling drugs and illegal immigrants into the United States. Once they figured out that the Federal Bureau of Investigation was out to capture them, they took off and disappeared, as I said, into Mexico.

Two other agents were indicted for taking bribes and allowing illegals to cross our border for a few dollars.

Experts say targeting border agents is an easy task. You see, here is what happens. On the other side of the river, they watch our border agents with binoculars. They say coyotes look for weak inspectors and then they test them to see whether or not they are lawful.

The way they do it is they send someone across the border, someone like a woman, who will flirt with the agent until he lets her in and the people that are with her in. Once this occurs, then these individuals are approached by these coyotes to see if they will let more people in, all in the name of money.

Mr. Speaker, our national leaders are divided over what to do with immigration, what to do with the people that are here illegally; but the country cannot be divided over corruption on the border by border agents. Americans aren't okay with people buying and flirting their way into the United States. They demand safe and secure borders and honest and upstanding Border Patrol agents.

Make no doubt about it, most of our Border Patrol agents are honest hardworking men and women. But we must make an example of anyone who breaks the immigration laws, no matter which side of the border they live on. From time to time, we point out even on this House floor corruption of some Mexican Government officials that work along the southern border when they are helping drug smugglers and coyotes all in the name of filthy lucre. So we cannot tolerate a few border agents who, in the name of money, sell out America and insult the good name of most of our border agents.

So all of those who make money off of illegal entrants should be accountable, and it makes no difference, Mr. Speaker, who they are. The rule of law should be enforced. It is illegal to enter the United States without permission. That is the rule, and it should be enforced by honest border agents. And people that enter illegally should be held accountable.

It makes no difference who those people are, whether they are illegals that cross, whether they are narcoterrorists that bring money or drugs into the United States to sell, whether they are coyotes, or whether they are illicit businesses in the United States that exploit illegals that are working here, or whether they are corrupt border agents. All of these must be held accountable for the actions they commit, because the border is a national security issue.

And that's just the way it is.

STAGNATING MIDDLE-CLASS INCOMES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

Mr. EMANUEL. Mr. Speaker, while the Republican Members of Congress have been blocking the first minimum-wage increase in 9 years, there is new evidence that income stagnation is not just hurting lower middle-class families but middle-class families across the board.

Just the other day, the Los Angeles Times reported that income stagnation is now hitting people with a 4-year college education. In fact, the White House's own economists report that earnings and income for employees with 4-year college degrees fell by 5.2 percent between 2000 and 2004, during the President's first term. That is when adjusted for inflation. So, basically, if you have a college degree education, you had a decline in income.

Now, for 30 years, 40 years we have told people that you earn what you learn. A college degree today is no longer as valuable a ticket to success as it was before. You have to literally go back 30 years, to the 1970s stagflation, when people with a college education saw their income decline.

Now, what is happening in addition to income decline in America? This isn't just for working stiffs. This is for people with a 4-year college education and also for people with a master's education.

Energy prices? Well, they are up, more than doubled. In fact, when the President took office, gas was $1.33 a gallon. Today, it has gone up to close to $3 a gallon.

Health care costs. Health care costs for a family of four has risen 78 percent, to $11,000 a year for a family of four.

College costs for their kids, up 38 percent for a 4-year college education.

Savings, for the first time since World War II, are in negative territory, which is why people say bankruptcy and debt is one of their biggest economic concerns besides filling up their car with gas.

So take that whole picture: incomes declining, energy prices up, close to doubling; health care costs $11,000 a year for a family of four, and continuing at 25 percent increases; college costs up 38 percent; savings in negative territory. We have a Swiss cheese economy, and it is hurting and killing the middle class, who have done everything right. They got told to get a college education and you earn what you learn. Today that college education ain't enough. They went out and earned a master's degree in education. That ain't enough.

And on top of that, besides incomes going down, all the costs to maintain a middle-class life, health care, energy costs, education, and retirement security, are all under attack. And what do my colleagues do when it comes to retirement security, when corporation after corporation is eliminating pensions? They want Social Security to lead the way.

The plan for retirement security isn't, when companies are eliminating pensions, to have Social Security eliminated or privatized. It is to give them that security that people know, that people like, and that is the security that comes with Social Security.

On energy. What is their answer to rising costs? As my colleague from Oregon said before, they handed over $14.5 billion in taxpayer subsidies to big oil companies so they could make additional profit. My view is if gas is 75 bucks a barrel, or 74 bucks a barrel, let the free market work. Use your profits to drill. Don't take taxpayers to subsidize it. People out there are paying twice, once at the pump at 3 bucks a gallon and once on April 15 when we hand over $15 billion a year.

And for health care costs? They handed off to the pharmaceutical companies an additional $130 billion in profits.

Middle-class families are struggling with ever-increasing taxes, ever-increasing costs and stagnant incomes. It is time to have an economic strategy that, again, lifts all boats.

Now, I don't want to take a stroll down memory lane; but in the 1990s, when we were running balanced budgets and we were running a surplus, incomes for all people, not just the top end, but for all workers were up. College costs were contained, health care inflation was running alongside regular inflation, and energy prices were actually $1.33 a gallon, not 3 bucks a gallon.

That was a time in which we actually made an improvement. We invested by giving all kids health care whose parents didn't have health care. We created 22 million jobs. We ended welfare as we know it. We put people to work rather than dependency. We had record homeownership, low inflation, a balanced budget, record surpluses, and began to pay down the debt.

Put your fiscal house in order. Invest in education, health care, and energy independence in America. It is time for a change. It is time for new priorities.

VENEZUELA AND TERRORISM

(Mr. ROYCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROYCE. Mr. Speaker, last week, the Subcommittee on International Terrorism that I chair held a hearing on Venezuela's link to terrorism. On May 15, the State Department designated Venezuela as not cooperating fully with U.S. anti-terrorism efforts. Mr. Speaker, from what we heard from the Department officials, it is not that Venezuela is not cooperating fully; it is that Venezuela is not cooperating at all.

Disconcerting was the testimony we heard from the State Department that Venezuelan passports can be forged with child-like ease, and that the U.S. is detaining at our borders an increasing number of third-country aliens carrying false Venezuelan documents. According to a 2003 U.S. News report, thousands of Venezuelan identity documents are being distributed to foreigners from Middle Eastern nations, including Syria, Pakistan, Egypt and Lebanon.

We know that travel documents are as important as weapons for terrorists. Mr. Speaker, post-9/11, it is reckless not to view our immigration policy as national security policy.

AMBASSADOR NOMINEE ROBERT HOAGLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise this evening to express my concerns with the nomination of Robert Hoagland as U.S. Ambassador to Armenia. Many questions remain regarding U.S. policy on the Armenian genocide, and they remain unanswered. Key Senate Foreign Relations Committee members continue to have serious misgivings about the nomination.

Two weeks ago, the Senate Foreign Relations Committee considered Mr. Hoagland's nomination. During the hearing, Mr. Hoagland failed to adequately respond to the questions asked by the Senators, including not clarifying the U.S.'s policy in the denial of the Armenian genocide. In many instances, he did not respond to specific Senate inquires. He diverted his answers by responding with what seemed like prepared talking points, and went to great lengths to avoid using the term genocide.

Additionally, in response to a written inquiry from Senator JOHN KERRY concerning Turkey's criminal prosecution of journalists for writing about the Armenian genocide, Mr. Hoagland referred to these writings as allegations.

Mr. Speaker, the U.S. has historically taken a leadership role in preventing genocide and human rights violations, but the Bush administration continues to play word games by not calling evil by its proper name. Instead, they refer to the mass killings of 1.5 million Armenians as tragic events. This term cannot be substituted for genocide. The two words are simply not synonymous.

Mr. Speaker, there are historical documents that cannot be refuted, yet somehow the administration continues to ignore the truth in fear of offending another government.

The Bush administration has not offered a meaningful explanation of its reasons for firing the current U.S. Ambassador to Armenia, John Evans. In fact, the State Department's assertion that it did not receive any communications from the Turkish Government concerning Ambassador Evans' February 2005 affirmation of the Armenian genocide is simply not credible.

Official Department of Justice filings by the Turkish Government's registered foreign agent, the Livingston Group, document that there are at least four different occasions of communications with State Department officials following Ambassador Evans' remarks affirming the Armenian genocide. Still, the State Department refutes these claims.

Mr. Speaker, this lack of honesty has been an all too common practice of the Bush administration. The American people and this Congress deserve a full and truthful account of the role of the Turkish Government in denying the Armenian genocide. Our Nation's response to genocide should not be denigrated to a level acceptable to the Turkish Government. It is about time the Bush administration started dictating a policy for Americans and not for a foreign government.

Mr. Speaker, I fear that sending an ambassador to Yerevan who denies the Armenian genocide would represent a tragic escalation in the Bush administration's ignorance and support in Turkey's campaign of genocide denial. The State Department has reported to Senate offices that they expect Ambassador Designate Hoagland to be confirmed during a business meeting early next week. I would urge the Senate to block his nomination until this administration recognizes the Armenian genocide.

□ 1845

DROUGHT RELIEF

Mr. OSBORNE. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman.

The SPEAKER pro tempore. Without objection, the gentleman from Nebraska is recognized for 5 minutes.

There was no objection.

Mr. OSBORNE. During the month of August, most Members of Congress will be in their districts, and the thing that those of us in the middle part of the country will see is what is reflected on this map which deals with the drought. We see some brown areas, some red areas. And what this represents is not just 1 year of drought, but rather, we are in the eighth year of a drought that has exceeded, in many cases, the drought of the 1930s, the Dust Bowl years.

Now, you don't see clouds of dust blowing around. You don't see dust 3 or 4 inches high on window sills because of conservation practices. We no longer plow up our fields like we once did. But the drought, in most cases in this area, is actually more extreme over a longer period of time than what we saw in the most extreme drought of the last century.

There are parts of Nebraska where we are now 40 inches short of moisture, and in many of these areas the total rain fall in an average year is only 15 inches, so over that period of 7 or 8 years, 40 inches of shortage is a tremendous hit to take.

To make matters even worse, we have had extremely high temperatures. Normally, in the Dakotas and Nebraska you might see one or two days in the 100-degree range, 102, 103. But this summer we have had numerous days between 110, 115 degrees of temperature. And of course, these are records. So the heat and the drought compounded has led to a disastrous situation.

Dry land crops are either totally wiped out at this point or barely hanging on. And probably the most immediate, most pressing problem deals with our pastures, because if you have livestock and you have no grass pasture, there is nothing you can do but sell off your livestock, and so that has been happening rather rapidly.

Reservoirs in this area are down by 50 to 75 percent. And so the irrigation water in these reservoirs is pretty much nonexistent.

One other thing that many times people will mention, they say, well, you have got crop insurance, so why won't that take care of you? Well, the problem is this, that each year that you have a drought and you have less production means that the next year you can purchase less crop insurance because of the loss that you had the year before. So after 7 or 8 successive years, the amount of crop insurance that you can purchase has been reduced by 50, 60 percent, so you don't even really get the amount of money back that your inputs, your seed and your fertilizer cost you in the first place. So, as a result, obviously we have a very difficult situation.

In 2002, we had a very similar, very disastrous drought, and we did get some drought relief. And the thing that happened at that point was those who showed loss, who absolutely needed the help, got some. And then in 2003, we found people, lawmakers from other States said, well, so and so is getting some help, so we need to get some help too. And pretty soon we were expanding drought relief to areas that had no drought, who had no crop loss. And as a result, the series of articles we have seen in The Washington Post are accurate. And it was certainly our fault, those of us in Congress, for letting this get out of hand.

And of course, this is going to make it even more difficult at this point to do anything about the current drought. But we are hoping that people will understand that it is possible to administer a drought relief program responsibly, to get the money to people who really are hurting, because we are probably going to lose some farmers and ranchers this year in great numbers. And we hope that we do get some help.

And sometimes people say, well, you have got to have an offset. And so we are starting to look for offsets. We are trying to look for someplace where we can get this drought relief money from. But the way the Federal budget is at the present time, it is very, very difficult to find an offset.

So we have seen disaster relief go to many areas of the country. We just want to make people aware of what is going on. And we hope that, as people come back from the August break, they will bear this in mind and possibly have some disaster relief.

MEDICARE PART D DOUGHNUT HOLE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. McCARTHY) is recognized for 5 minutes.

Mrs. McCARTHY. Mr. Speaker, nearly 3 years, ago I voted against Medicare part D, and after the leadership held the vote open for 3 hours, it did pass.

Since that day, part D has never failed to disappoint its supporters and its detractors.

First, we learned that part D would cost almost twice as much as Congress was originally told. Next came the confusing enrollment process. So many seniors had no place to turn.

In New York seniors had 46 plans to choose from. Seniors recruited their children and grandchildren and their Congress people to help them navigate the confusing on-line application process, but they had problems figuring out which plan was the right plan for them.

While hosting town hall meetings on part D last year, I encountered many seniors who were thinking about not even enrolling in a plan because the process was just too confusing.

Today, many seniors are locked into plans that offer too little or too much coverage. Part D's faults are compounded by the fact that seniors were locked into their plans for a year. But providers could drop certain drugs from their plans without consequences.

Finally, after months of confusion, seniors are finally getting some relief on prescription drugs. But not as much as they could be. Medicare still isn't allowed to negotiate prices with drug companies like the VA can. And seniors can't reimport drugs from Canada to reduce costs either.

But part D's biggest problem is about to emerge. Many seniors are about to discover the plan's doughnut hole.

Mr. Speaker, the doughnut hole most people didn't understand, but it is the gap in the coverage that part D enrollees face when they purchase $2,250 worth of prescription drugs in a year. Once seniors hit the doughnut hole, they will have to pay for their next $3,100 worth of prescription drugs. Only after paying that money will their coverage continue. The saddest part of the doughnut hole is that a great many of the seniors aren't even aware that it exists.

We thought, in my district anyhow, that it would be late August before people would start reaching the doughnut hole. Unfortunately, in my area, we are getting the phone calls now. And since Medicare isn't allowed to negotiate with drug companies, seniors will pay the usual inflated prices for their drugs while they struggle to come out of the doughnut hole.

So soon many seniors will be back in the same predicament they were before part D. Some will have to decide whether to pay their bills or purchase prescription drugs. Others will put their health at risk by reducing their dosage in order to afford their medication. And many will have to spend their way out of the doughnut hole every year for the rest of their life.

The doughnut hole isn't just the result of bad legislation, it is a threat to our public health. Seniors will take less drugs than they are prescribed to avoid falling into the doughnut hole.

Part D penalizes seniors who take a lot of medication. Seniors essentially get fined over $3,000 for buying prescription drugs they need. It is absolutely absurd.

It is time to fix part D. It is time for a prescription drug plan that puts the interests of our seniors and the disabled before the interests of big drug companies.

Mr. Speaker, let's start listening to the seniors who attend part D town hall meetings on Long Island and across the country, instead of drug lobbyists.

In the next few weeks, thousands of seniors will be getting an unexpected bill for more than $3,000 for Medicare. Let's fix part D.

It is time for a simple, affordable and guaranteed prescription drug plan for our seniors. Part D has caused nothing but headaches for seniors since Day 1. And now it threatens to penalize them for taking their medication.

Mr. Speaker, it is a shame that we couldn't have worked bipartisanly, because I actually do think that we could have solved this problem by working together. Unfortunately, politics got in the way of policy.

I was hoping, as I held my seminars in my district, I did not come out and say anything negative. I said, I am here to help you get through it. It is the law of the land, and I will continue to do that. But to put our seniors through this is wrong.

We should come up with a better idea. We should fix Medicare. We should make it easier for our seniors.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 250, CARL D. PERKINS CAREER AND TECHNICAL EDUCATION IMPROVEMENT ACT OF 2006

Mr. BISHOP of Utah, from the Committee on Rules, submitted a privileged report (Rept. No. 109–598) on the resolution (H. Res. 946) waiving points of order against the conference report to accompany the bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5682, UNITED STATES AND INDIA NUCLEAR COOPERATION PROMOTION ACT OF 2006

Mr. BISHOP of Utah, from the Committee on Rules, submitted a privileged report (Rept. No. 109–599) on the resolution (H. Res. 947) providing for consideration of the bill (H.R. 5682) to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India, which was referred to the House Calendar and ordered to be printed.

SUNSET COMMISSION LEGISLATION

Mr. GARRETT of New Jersey. Mr. Speaker, I ask unanimous consent to claim my time out of order.

The SPEAKER pro tempore. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. GARRETT of New Jersey. Mr. Speaker, I come to the floor of the House again this Tuesday evening as part of the weekly Congressional Constitution Caucus efforts to highlight the Federal Government's limited powers as defined by the United States Constitution, specifically, the 10th amendment of our cherished Bill of Rights.

And I would also like to take this time to thank the gentlemen from Texas and Kansas for their efforts, the gentlemen, Mr. BRADY and Mr. TIAHRT, who have been leaders on the topic that I am going to discuss briefly, and that is the need for an independent body and procedures to review the merits of the many, many Federal programs that the American taxpayer has to pay for.

In light of our high taxes and even higher deficit, the time for increased efficiency couldn't be greater than today. The American worker is working harder than he should be, sending too much of his hard earned dollars down here to the Federal Government, only to see it wasted on layers and layers of redundancy and red tape and bureaucracy.

And so for that reason, I am here tonight to show my support for Mr. TIAHRT'S H.R. 5766 and Mr. BRADY'S H.R. 3282, which are going to be scheduled for a floor vote later this week on Thursday.

Due to these gentlemen's efforts, we have legislation they have drafted, they have set up a process of reviewing the effectiveness of Federal programs. It is a simple concept to make sure that the Federal Government is as efficient as it could be, in essence, to reduce the amount of time and energy that the American worker has to work, and the money that he has to send from his paycheck down here to Washington.

It is no secret that there are many Federal programs that are simply not serving the American public. There are programs that are duplicative, that are no longer necessary, that simply waste taxpayers dollars. The taxpayer currently works 192 days just to pay for his share of the Federal Government spending. That is just about a week ago they finished working that, and now you are working for yourself. So we are simply asking our constituents to put in a few less hours under these bills to help them to keep more of their money in the Federal budget.

It was Ronald Reagan once said that the closest thing to immortality that he would ever find here on earth is the Federal program. Well, we are trying to end that and make sure that some of these programs actually end and become mortal.

These programs have survived because, well, in part, because there is a special interests, a cottage industry has grown up, and they live off the taxpayers' largesse.

But Mr. Speaker, Members of Congress are not here to represent special interests. We are here to work for the hard working mother and father who send their tax dollars here when, instead, they would like to keep that for their own homes and their own children.

My friends from Texas and Kansas have taken this initiative to craft those legislations to set up procedures to review the bureaucracy and it is one of the top priorities of myself and the members of the Congressional Constitution Caucus to see that this legislation is put into place.

I have had the opportunity to work with Mr. TIAHRT and Mr. BRADY on this legislation to make recommendations to them. I have worked with them as well, and as members, the gentleman from Utah as well sits here on the floor as well, to make recommendations to make these programs have teeth, because you see, they are already outside organizations that are simply reviewing what the Federal Government does, looks at the efficiency. There is already those outside organizations that can tell Congress what do in a more efficient manner. We have got to make that you if we pass legislation, that these new procedures will actually have teeth and make sure that they are implemented and actually reduce the size and scope of the Federal Government.

One of the suggestions that has been incorporated into Mr. TIAHRT'S bill, which I think will do well to move along and add the teeth to it, is simply to add a criteria to the legislation, one to review the duplicity and the efficiency of the Federal programs, and to see whether or not current Federal programs are constitutional; that is to say, do they meet specifics limited enumerated powers that any child in this country could find in Article I, section 8. Thus we ensure that all Federal programs have a constitutionally acceptable and not outside the intended limited size and scope of the Federal Government.

So I greatly appreciate the gentlemen from Texas and from Kansas for their work in this matter.

I also would like to take this time to thank the gentleman from Utah sitting to my right for all of his work in making sure that the American public and Congress continues their focus on the Federal Government and the Constitution and his efforts as far as bringing this attention to the public each Tuesday.

And I close, as we leave the Chambers this week to go back to our districts, as part of our district work period for Congress to encourage the American public to do what other Members have done on this floor as well, to read the Constitution, to look to the limitations that the Founding Fathers have instilled into it.

□ 1900

And I close with this quote from Thomas Jefferson, which he stated February 15, 1791: "To take a single step beyond the boundaries specifically drawn around the powers of Congress" in the Constitution "is to take possession of a boundless field of power, no longer susceptible to any definition."

Mr. Speaker, the Founders intended that the Constitution would set those parameters, and I encourage this House to abide by them

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THE COST OF PRESCRIPTION DRUGS

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to take the place of the gentleman from California (Mr. GEORGE MILLER) in the order.

The SPEAKER pro tempore. Without objection, the gentleman from Ohio is recognized for 5 minutes.

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, 3 years ago today, the House of Representatives issued a declaration of independence from the powerful drug lobby. A tripartisan majority, lots of Members of both the Republican and Democratic Parties and the Independent from Vermont (Mr. SANDERS), a tripartisan majority in the House passed legislation giving Americans access to safe, effective, and affordable medicine imported from Canada and other allied nations. Several of us in this body have over the years, and I began doing this 7 or 8 years ago, taken seniors from our districts, and I live in northern Ohio, up through Detroit into Windsor, Ontario, to buy prescription drugs at half or a third the price that Americans pay because Canada has found a way to negotiate directly with the drug industry and bring the prices down, saving, as I said, one half, two-thirds, three-fourths of the cost for prescription drugs.

Our Congress, particularly the Republican majority, because it is so in thrall to the drug companies and so addicted to campaign contributions from the drug industry, have failed to do any of that until 3 years ago when that tripartisan majority in the House passed that legislation, giving Americans access to less expensive drugs, drugs imported from Canada and other nations that have a safe, predictable process that they are able to retail their drugs.

But Senate Majority Leader BILL FRIST has never scheduled a floor vote in the Senate. Not 3 years ago, when we passed this bill; not 2 years ago; not last year, not this year. And the American people continue to pay two and three and four times the cost of prescription drugs that we should have to pay, that the Canadians pay, that the French pay, that the Germans pay, that the Japanese or the Israelis or the Brits pay.

Every day we delay, American consumers are paying as much as five times more than consumers in these other nations are paying for the same drugs, the same packaging, the same drug maker, the same everything. Every day we delay, the skyrocketing cost of prescription drugs makes it harder for American businesses to provide health insurance for their workers. Every day we delay puts American manufacturers at a competitive disadvantage as rising drug prices drown them in health care costs. And every day we delay puts the health of American consumers at risk as they are forced to split their pills, skip their doses, and make the heart-breaking choice between medicine and food or between medicine and heat in the winter or between medicine and air conditioning on hot summer days like we have seen.

And every day we delay increases the burden on American taxpayers as drug prices drive up the cost of Medicare, drive up the cost of Medicaid, drive up the cost of other public sector health programs.

We should have sent President Bush an importation bill 3 years ago. It is not too late. We can still deliver for the American people if the Republican leadership in this House and if the Republican leadership in the Senate will commit to floor votes on importation legislation before the end of this year.

Three years is too long to wait. It is time for leadership, for a change, to stand up to the drug lobby and to take a stand for American families, for American businesses, for America as a country.

FEDERAL GOVERNMENT WASTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. BISHOP) is recognized for 5 minutes.

Mr. BISHOP of Utah. Mr. Speaker, as many here in the body know, I am an old high school history teacher. And not content simply to teach history in the classroom, I organized different programs for my students. Having worked in the State legislature, I came up with an internship program. So I took kids to the Utah legislature, where they worked for a week as we organized the program, their jobs, their housing, their supervision at night. I organized an oral history program for our school. I organized a Renaissance festival.

Tired of only kids in athletic programs getting scholarships, we raised money for scholarships for kids who excelled in history. But it also required that not only did we put on a weekend festival but months of activity. Changing a small gym so it didn't look like a small gym, doing the costumes, writing the script, preparing and providing for a six-course meal that guaranteed there would always be leftovers.

As department chairman, I approved of all these projects, and I probably drove my fellow teachers into the ground trying to maintain all these activities. And the question you have to ask is, why did we do it? And it is a very simple answer.

Nothing ever stays static or constant. If you are not moving forward, you are moving backwards. And it is instinctive within the human being that they want to expand, do different things. Even since coming to Congress, I am doing the same thing: I have associated among the programs what I think was a very academic program of study and visiting in the Washington, D.C. area; so once again in the fall I will bring 20 to 30 kids from my district here where I will get to be the teacher again, taking them through Washington and the experience of Washington in conjunction with the closeup program.

Now, I mention that simply because what we do in our daily lives in trying to expand and grow and what I did as a teacher is the same thing government does. I do not blame bureaucrats for trying to expand their programs. That is the instinct and nature of mankind.

In the 1930s and again in the 1960s, the Federal Government expanded all sorts of programs to solve problems. Legitimate. It was good. The question that has to be asked is, what happens once those problems of 40 or 50 or 70 years ago are solved? Do we then eliminate the program or do the programs do the same thing I did as a history teacher, trying to find new things to do, more things to do as you are trying to expand the scope and responsibility of your task at hand?

And that is exactly what does happen. We never eliminate programs. We simply add to them, which is why today we have 342 economic development programs, 130 programs serving people with disabilities, 130 programs for at-risk youth, 90 programs for early childhood development, 75 programs for international education, 72 programs dedicated to assuring safe water, 50 programs for homeless assistance, 45 Federal agencies conducting Federal criminal investigations, 40 separate employment and training programs, 28 rural development programs, 27 teen pregnancy programs, 26 K–12 grant programs, 23 agencies providing aid to former Soviet republics, 19 programs fighting substance abuse, 17 rural water and wastewater programs, 17 trade agencies monitoring 400 international trade agreements, 12 food safety programs, 11 principal statistics agencies, and four overlapping land management agencies.

Why do we do that? Simply because that is the nature of the beast. How do we solve that? Well, we review those. A Federal review, according to one report from the Heritage Foundation, found that 38 percent of all the programs that are run by the Federal Government fail to meet their core needs, the reason for which they are in existence.

So how do we solve that? How do we review that? How do we do that in a safe and fair manner? Well, we had the experience going through the BRAC process of trying to come up with independent agencies, taking the politics out of the issue, and looking at some kind of clear, concise criteria and evaluating where we were and what we should do and need in the future.

Representative TIAHRT and Representative BRADY have introduced legislation to advance that same process with Federal programs. And so they will look at those programs in bills that will be before the House later this week with four specific recommendations or four specific parts which will make them effective:

Number one, they are bipartisan programs that will try to take political wrangling out of the equation. Number two, they will look at every program with a clear and concise criteria, including the constitutionality of that program in the first place. Number three, they will review all programs. And, number four, they will have a legislative process which will expedite the process of review and consideration.

Now, once again I do not blame the Federal Government or the bureaucracy of the Federal Government for its ability to expand. That I think is common. That is native practice. What we have to do as a Congress is realize if we do not like that expansion, it is our responsibility to make sure that that expansion is put in check. And these two bills are a perfect way of doing it.

IRAQ WAR POWERS REPEAL ACT OF 2006

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, on October 10, 2002, despite the objections of 133 Members, myself included, this body, the House of Representatives, voted to give the President of the United States the authority to launch a preemptive strike against Iraq.

If we had the information on that day that we have now, I wonder how many votes the war resolution would have garnered. If we had known that Saddam Hussein had no weapons of mass destruction; if we had known that the President was hell bent on going to war no matter what, regardless of the intelligence, with or without the U.N.'s blessing; if we had known that we would have still been occupying Iraq nearly 4 years later; if we had known that our occupation would give rise to a violent insurgency, sectarian strife, and all-out civil war; if we had known that the cost of this war would approach $.5 trillion; if we had known that more than 2,550 brave Americans would never come home and thousands upon thousands of Iraqi civilians would be killed for the sake of their so-called liberation; if we had known of the atrocities and constitutional desecrations that would be committed in the name of war, from Abu Ghraib to domestic spying to Guantanamo Bay.

Along with many of my colleagues, I raised these concerns at the time. We were vocal critics of the war before we even knew what a debacle it would become. But our objections were ignored and our voices drowned out by a steady drumbeat of misinformation coming from the administration and its allies. They raised the specter of a mushroom cloud in the chilling and disingenuous words of Condoleezza Rice. They insisted that the Iraqi people would greet us as liberators. They claimed that the war would be a cakewalk, with minimal cost of lives and taxpayer dollars. They assured us that the Iraq invasion would spread freedom and democracy throughout the Middle East, an assertion that has been proven tragically wrong by the recent hostilities between Israel and Lebanon. Anyone who disagreed with this view of the Iraq occupation had his or her loyalty of America called into question.

Today the American people know the truth, that those of us who seemed like lonely dissenters were right all along. The American people agree that it is time to find a way out of Iraq, to end this occupation, because they know you cannot win an occupation.

Our troops have been put in an impossible position without the proper training or equipment. They are being asked to carry out an open-ended occupation of a country wracked with centuries-old religious conflict and few democratic conditions on which to fall back. Moreover, this occupation has no legitimacy whatsoever, having never been authorized or ratified by the United States Congress.

So today I introduced the Iraq War Powers Repeal Act of 2006. It would reverse the fateful decision of nearly 4 years ago and allow Congress to reassert its constitutional authority on matters of war and peace. It would strip from the President the powers he has shamelessly abused. From there we can and we must end this occupation, while using diplomacy, humanitarian and peacekeeping tools to help Iraq achieve long-term security and stability. But we must return Iraq to the Iraqis and return our brave soldiers to their families here at home, who anxiously await their return.

□ 1915

GRAVE CONCERNS ABOUT IRAQ

The SPEAKER pro tempore (Mr. BOUSTANY). Under a previous order of the House, the gentleman from New York (Mr. BISHOP) is recognized for 5 minutes.

Mr. BISHOP of New York. Mr. Speaker, I rise with grave concerns about the situation in Iraq.

As I indicated during a Special Order organized last week by the gentleman from Connecticut, Mr. LARSON, I believe the war in Iraq is the centerpiece of the administration's failed foreign policies. The war in Iraq has proven to be a diversion from what should be our primary foreign policy focus, winning the global war on terror. Our preoccupation with Iraq is decimating our Armed Forces, who now find themselves entrenched in a civil war where they do not belong.

The administration's failure to measure progress in Iraq is matched by its broader foreign policy failures. North Korea and Iran present greater risks to our safety and security than they did when the President identified them as the "axis of evil" in his 2002 State of the Union address.

Today, the situation in Iraq is a tragedy, for America, for our brave troops in uniform, for the future of our Nation, and for the prospect of Middle East peace which fades every day we stay in Iraq and as the violence between Israel and Hezbollah continues.

Although 2006 was supposed to be a "year of significant transition" pursuant to last year's defense authorization law, we are no closer to finishing the year with any measure of positive transition than we were when the year started.

I call my colleagues' attention to a new book by Thomas Ricks, the Washington Post reporter who appeared on Meet the Press on Sunday, to discuss "Fiasco: The American Military Adventure in Iraq." As Mr. Ricks explained, the administration's foresight and planning was as poor as its conduct of the post-war period. It is why, 3½ years later, we are is still paying the price for such negligence, and why 2006 is not on track to be the year of significant transition that not only had we hoped for, but that we simply must have.

Halfway through the year, these statistics show that we are moving backwards, away from our goal of handing Iraq over to a safe, secure and stable democracy. There were 3,149 civilians deaths in the month of June. That is up from 1,978 civilian deaths in January. For the year, more than 14,000 Iraqi civilians have died. That is an average of 2,400 a month. Another way of looking at that is every 5 weeks, Iraqi civilians die in the number that we lost on September 11.

The overwhelming majority of deaths have occurred in and around Baghdad. If the Iraqi police and army can't provide security, is it any wonder that the Iraqi people have turned to the militias? That is not a measure of progress in any year, but particularly in a year of transition, that would be a turn for the worse.

Every day focusing on combating sectarian violence is another day and another dollar we divert from what should be our priorities, increasing oil production, rebuilding infrastructure, promoting more dialogue between Sunnis and Shia and developing a long-term political solution for a stable, lasting democracy.

The Iraqi leadership isn't showing much progress either, particularly following remarks by Prime Minister al-Malaki and Speaker al-Mashhadani, who both openly condemned Israel in recent weeks.

Combined with the fact that nearly 50 percent of Iraqis support attacking our troops, Iraq is no closer to what the neo-conservatives envisioned as a partner for Israel who would catalyze change and bring about stability in the Middle East.

When the prime minister addresses a joint session of Congress tomorrow morning, I would hope he says the following: First and foremost, that Iraq is indebted to America for the sacrifice of 2,500 of its sons and daughters. Second, that he regrets and retracts his comments about Israel. Third, that he is committed to routing terrorists, sectarian violence and corruption and disarming the sectarian militias. Fourth, that his government will honor the rights of ethnic and minority constituencies by revisiting divisive sections of Iraq's constitution.

Still, Mr. Speaker, it will take much more to accomplish the long-term political goals necessary to restore stability, liberty and democracy, not only in Iraq, but to a region suffering under the strain of so much violence and uncertainty. But we have a long way to go. Reaching our objectives will be further down that path as a result of the administration's failure in the pre-invasion planning and the conduct of the post-war period.

The tragedy of Iraq is perhaps the most solemn and vivid reminder of why a change in leadership is long overdue, and why America deserves a new direction in its foreign policy.

VETO ON STEM CELL RESEARCH PUTS A ROADBLOCK IN THE WAY OF SCIENTIFIC PROGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MEEHAN) is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, the European Union agreed today to continue its funding for embryonic stem cell research, research specifically involving the use of embryos that would otherwise be discarded from fertility clinics. Today's agreement among the European nations paves the way for a 55 billion Euro science program designed to improve and move this important research forward. Unfortunately, Europe's progress is in stark contrast to the embarrassing path chartered by the White House.

Mr. Speaker, America has long had a history of leading the world in scientific discovery are. President John Fitzgerald Kennedy made it a national priority to be the first Nation in the world to send a man to the moon. His leadership showed the rest of the world that the United States was the undisputed international leader in scientific progress.

By using his very first presidential veto to continue a misguided ban on stem cell research, President Bush has diminished American scientific standing in the world.

Mr. Speaker, 5 years ago, President Bush said that stem cell research had profound ethical questions. Today, I say that there are no more profound ethical questions than the fate of 100 million American lives, lives that can be saved, lives that will be lost if we don't move this vital research forward.

Last week, we sent to the White House a bipartisan bill that ethically advances stem cell research, a practice supported by 70 percent of Americans. Instead of embracing stem cell research, President Bush chose this moment in time to strike a blow against science and against hope and against saving lives.

The promise of stem cell research is great. One researcher at Harvard Medical School wrote in the New England Journal of Medicine, "The science of human embryonic stem cells is in its infancy," but he cautioned restricting stem cell research would "threaten to starve this field at a critical stage."

Last October, the prestigious, peer-reviewed Journal of Immunology featured a study by four researchers from the University of Minnesota who developed human embryonic stem cells that could destroy cancerous cells.

Mr. Speaker, when we tout the potential for stem cell research to develop future treatment for diseases like cancer, like Parkinson's, opponents of the research will say we are just dreamers, that the proof just isn't there. Well, Mr. Speaker, four cancer survivors live on my street in Lowell, Massachusetts. Shame on anyone who would take a dream away from them.

Nearly 35,000 cases of leukemia were diagnosed last year. In fact, about 30 percent of cancers in children from birth to 14 years of age are leukemia. Today, scientists are using embryonic stem cells to treat leukemia and lymphoma.

We are dreamers, Mr. Speaker, but those dreams are supported by hard science and research. Stem cells have the potential to develop into any kind of body tissue, including blood, brain, or nerve tissue. Scientists believe that this unique ability can lead to even more breakthroughs in the number of illnesses that now are untreatable.

With his rebuff of stem cells, just like ignoring the warnings about global warming, this President has put his head in the sand at America's peril. America needs a new direction that supports science and promotes innovation.

As one of the world's foremost medical science centers, my home State of Massachusetts has played a critical role in the stem cell debate. Not only are our hospitals, research facilities and institutions of higher learning on the cutting edge of conquering disease, they are also major economic drivers keeping us competitive in the global economy. The life sciences industry employs roughly 30,000 people in Massachusetts alone.

The President's rejection of domestic stem cell research does not mean an end to the research elsewhere in the world. This research will go forward. But the President has chosen to leave America behind and hamper our scientific competitiveness.

The President's veto also has put Massachusetts, the world's most powerful engine of innovation and progress, on the sidelines. To put it in perspective, consider that Massachusetts alone has over 250 biotechnology firms, and that is more than all of Western Europe combined.

I believe the choice is clear: We should support stem cell research in Massachusetts and throughout the country. It is our tradition of innovation and science and, most importantly, it will offer hope to millions of Americans suffering from diseases that one day may be cured.

The President has shamefully put a roadblock in the way of scientific progress. The American people deserve better.

ISRAEL: AMERICA'S MAIN ALLY IN THE WAR AGAINST TERRORISM

Mr. WEINER. Mr. Speaker, I request unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from New York is recognized for 5 minutes.

There was no objection.

Mr. WEINER. Mr. Speaker, I rise today as editorial pages are abuse with discussion about the tragic and sad events in the Middle East, and some people at coffee shops and at street corners around our country are asking some very basic questions about the conflict in that region and why it has reached the place that it has.

I have heard some on this floor raise what are really foundational questions to make it possible to understand the conflict and the challenge facing Israel in their battle against Hamas on one front, Hezbollah on the other front, and their two nation sponsors, Iran and Syria.

One question that frequently gets asked is how come we can't just let diplomacy take hold? And it is true. Whenever there are missiles flying, whenever there are guns ablaze, it is, by very definition, a failure of diplomacy. And it has never been the first choice of either the United States or Israel in that part of the world to choose violence.

If you look through the entire scope of the Israeli lifespan, their entire existence has been marked with them extending their hand and saying yes to proposed diplomatic solutions to the conflict there, and their Arab nations saying no.

In 1947, even before the nation was born, there was the famous partition plan that would have made Israel a fraction of what it is today, surrounded by enemy Arab countries. It was the Arabs that said no, not the Israelis.

Since then, we have had the Oslo Accord, where the Israelis acknowledged the PLO as a partner for peace and were obviously burned; the Wye River Accord; the Camp David Accord with Egypt, which thankfully, still stands today; Camp David II, which was a concession of virtually everything that the Palestinians asked for in exchange for peace, and that was met with violence.

We also should note that when they left Gaza on their southern border, left the parts to the Palestinians, that is the very spot that is now being used to launch missiles, Katusha rockets by the dozens, against their citizens.

When they left Lebanon after occupying it because so many missiles were flying from Lebanon into their northern border, they left to come into compliance with the U.N. resolution and to set up universally and internationally accepted border that now Hezbollah has breached in Lebanon.

So it is true diplomacy is the better option. But in every single circumstance where diplomacy was pursued by the Israelis, with the help of the United States, it has been her terrorist neighbors, her Arab neighbors, who have said diplomacy is not what we want; we want Israel not to exist. And that, by the way, still today is what Hamas has made their creed, Hezbollah has made their mission, supported by Syria and Iran.

We have also heard a couple of times something that I wholeheartedly agree with, that there are many in Lebanon who are completely innocent in this. There are.

Frankly, my good friend, Mr. LAHOOD, mentioned this during the debate on the floor on the resolution supporting Israel. It is true there is no group more innocent and more persecuted in that part of the world than the Lebanese Christians, who have been persecuted by their fellow Lebanese. There are many people in Lebanon who just want to live and be free, but they have been overrun by Syria and then by Hezbollah.

But you are not an innocent victim of this if you go to bed at night with a Hezbollah rocket tucked under your bed. You are not an innocent victim if you went out and voted for Hezbollah to make them part of your government. You are not an innocent victim when you make Hezbollah part of the ministry in Lebanon. You cannot lay down with dogs and expect not to get up with fleas.

The government of Lebanon has chosen to make partnership with Hezbollah, so when Hezbollah crossed an international border and takes prisoners, when they lob missiles into Haifa, the Lebanese government, unfortunately, has to decide which side they are on, and up to now they have said they are on the side of Hezbollah.

The final thing I have heard is, from time to time, some, and it is even supporters of Israel, say, you know what, this is a difficult time since September 11. Maybe our true concern should not be about what goes on in Israel. Maybe it should be just worrying about the United States and our interests.

Well, ladies and gentlemen, when the United States goes out and fights against terrorism around the world, arguably they have one ally. It is not our feckless friends in Europe. It is not the French. It is not even the British. Our only ally, who every single day is fighting terrorism, is Israel. When they fight against Hezbollah, they are fighting against the organization that was the number one terrorist organization killing Americans before September 11.

That has to be part of our understanding. When Israel's soldiers go and fight and die against terrorists, they are fighting a war for all of us.

So as we watch the newspapers and try to understand what is going on, we have got to understand diplomacy was tried by the Israelis, over and over and over again, and it will be tried again. We have got to understand that those in Lebanon, there are some innocent victims, but there are many people guilty as well. And we have to understand that when Israel fights for its freedom, it fights on behalf of the United States as well.

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SECTARIAN BREAK-UP OF IRAQ IS INEVITABLE

The SPEAKER pro tempore (Mr. WESTMORELAND). Under a previous order of the House, the gentleman from Washington (Mr. McDERMOTT) is recognized for 5 minutes.

Mr. McDERMOTT. Mr. Speaker, tomorrow this House will be treated to a real interesting historical event. The Prime Minister of Iraq will be here. His article today in the Wall Street Journal says: "Iraq is a sovereign nation."

He goes on to talk about one province of Iraq that has some stability and makes that appear that that is the Iraq that he is here to represent. If one reads the European newspapers, the Independent, and I will enter this into the RECORD, the Independent from Great Britain says, and the title of this article is, "Sectarian break-up of Iraq is now inevitable admit officials."

They talk about the fact that Mr. Maliki yesterday met with Tony Blair in London, where he talked about the fact that things were going just fine. But the article goes on to say that senior Iraq officials are saying that the break-up of the country is inevitable.

This is a quote from one: "Iraq as a political project is finished. The parties have moved to plan B, that is that the Shiia, Sunni and Kurdish parties were now looking for ways to divide Iraq between them and decide the future of Baghdad where there is a mixed population. There is serious talk of Baghdad being divided into the Shiia, east Baghdad, and the Sunni west Baghdad."

The foreign minister said in an interview with the Independent, before joining Mr. Maliki in London "that in theory the government should be able to solve the crisis between Shiia, Sunni and Kurd," but then he painted a picture of a deeply divided administration where senior Sunni members praise the anti-government insurgents as the heroic resistance.

So you have ministers inside the government praising the insurgency that is making this huge instability in the country. To show you how bad it really is, there is an average of 100 deaths of Iraqis every single day. This month there will be more killed than were killed in June.

3,148 people died in sectarian violence. A civil war. Even the New York Times now calls it a civil war. And the Prime Minister is going to come here and try and tell us that everything is just fine.

Now, that is a part of our domestic politics, it is to give the American people and the Members of Congress a feeling that things are just going swimmingly. But what the Iraqis are saying to reporters from the Independent is, the government is all in the green zone, like the previous one, the one that was in before. And "they have left the streets to the terrorists." That is a quote from Mahmoud Othman, a veteran Iraq politician.

He said, "The situation would be worse but for the war in Lebanon, because it would intensify the struggle between Iran and the U.S. being waged in Iraq." The Iraqi crisis will now receive much less humanitarian attention because of what is going on over in Lebanon. It is taking the focus off. And we have Mr. Maliki coming in and standing behind me tomorrow, and he will say that things are going just fine.

Now, clearly this is not true. And what is happening in Iraq is that the leadership is now deciding the south will be for the Shiia, the north will be for the Kurds, and the west will be for the Sunnis. It will be tied into Jordan. Jordan already has a million Sunnis living in it. People who have fled from Baghdad because they are not safe, bankers, university professors, doctors, the intelligentsia, anybody with any money in the Sunni community has left Baghdad because it is such a dangerous place.

And the decision now is only how do they break it up, and what do they do about the oil revenue. This situation is an absolute mess. On top of it all, Mr. Maliki has taken the position that what is going on in Lebanon as caused by the Hezbollah is okay. He is encouraging it. He thinks it is a good thing.

Now, this is a man that we hold up as our democratic leader. But the fact is that the country is in absolute chaos, and the Members of this House should understand that tomorrow when they listen to the speech that the American newspapers are not telling you what is going on in Iraq.

[From The Independent, July 24, 2006.]

SECTARIAN BREAK-UP OF IRAQ IS NOW INEVITABLE, ADMIT OFFICIALS

(By Patrick Cockburn)

The Iraqi Prime Minister, Nouri al-Maliki, meets Tony Blair in London today as violence in Iraq reaches a new crescendo and senior Iraqi officials say the break up of the country is inevitable.

A car bomb in a market in the Shia stronghold of Sadr City in Baghdad yesterday killed 34 people and wounded a further 60 and was followed by a second bomb in the same area two hours later that left a further eight dead. Another car bomb outside a court house in Kirkuk killed a further 20 and injured 70 people.

"Iraq as a political project is finished," a senior government official was quoted as saying, adding: "The parties have moved to plan B." He said that the Shia, Sunni and Kurdish parties were now looking at ways to divide Iraq between them and to decide the future of Baghdad, where there is a mixed population. "There is serious talk of Baghdad being divided into [Shia] east and [Sunni] west," he said.

Hoshyar Zebari, the Iraqi Foreign Minister, told The Independent in an interview, before joining Mr. Maliki to fly to London and then Washington, that in theory the government should be able to solve the crisis because Shia, Kurd and Sunni were elected members of it.

But he painted a picture of a deeply divided administration in which senior Sunni members praised anti-government insurgents as "the heroic resistance".

In the past two weeks, at a time when Lebanon has dominated the international news, the sectarian civil war in central Iraq has taken a decisive turn for the worse. There have been regular tit-for-tat massacres and the death toll for July is likely to far exceed the 3,149 civilians killed in June.

Mr. Maliki, who is said to be increasingly isolated, has failed to prevent the violence. Other Iraqi leaders claim he lacks experience in dealing with security, is personally very isolated without a kitchen cabinet and is highly dependent on 30–40 Americans in unofficial advisory positions around him.

"The government is all in the Green Zone like the previous one and they have left the streets to the terrorists," said Mahmoud Othman, a veteran Iraqi politician. He said the situation would be made worse by the war in Lebanon because it would intensify the struggle between Iran and the U.S. being staged in Iraq. The Iraqi crisis would now receive much reduced international attention.

The switch of American and British media attention to Lebanon and away from the rapidly deteriorating situation in Baghdad is much to the political benefit of Mr. Blair and Mr. Bush.

"Maliki's trip to Washington is all part of the U.S. domestic agenda to put a good face on things for November," a European diplomat in Baghdad was quoted as saying.

Ever since the overthrow of Saddam Hussein a succession of Iraqi political leaders have been fêted in London and Washington where they claimed to have the insurgents on the run. Mr. Maliki's meetings with Mr. Blair today and Mr. Bush tomorrow are likely to be lower key but will serve the same purpose before the U.S. Congressional elections in November. U.S. commanders are considering moving more of their troops—there are some 55,000 near the capital into Baghdad to halt sectarian violence.

Meanwhile, Saddam Hussein has begun to receive fluids voluntarily after being taken to hospital following 17 days on a hunger strike to protest against biased court procedures and the murder of three defence lawyers. Among fellow Sunni his defiant court performances have rehabilitated his reputation, though he is still detested by Kurds and Shia.

BLUE DOG COALITION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Arkansas (Mr. ROSS) is recognized for 60 minutes as the designee of the minority leader.

Mr. ROSS. Mr. Speaker, again, on a Tuesday evening, I come here on the floor of the United States House of Representatives on behalf of the 37-member strong fiscally conservative Democratic Blue Dog Coalition.

We are a group of 37 Democrats that are fiscally conservative, that want to restore some common sense and fiscal discipline to our Nation's government. We are a group of 37 that are sick and tired of all of the partisan bickering that goes on in this Chamber and in our Nation's capital.

Mr. Speaker, it should not be about whether it is a Democratic idea or a Republican idea. It ought to be about is it a common sense idea, and does it make sense for the people who send us here to be their voice at our Nation's capital.

Mr. Speaker, I contend that this Republican leadership, this Republican administration, is not leading us down the correct path. Our country is not on the right track when it comes to our Nation's finances, when it comes to being good stewards of the American people's tax money.

As you can see here on the Blue Dog Coalition poster, today the United States's national debt is $8,419,336,525,769.

For every man, woman and child, including the children born today, every United States citizen's share of the national debt is a staggering $28,129. And the sad reality is that during this hour, during this Blue Dog Special Order, during the next 60 minutes, this number, the U.S. national debt, will go up by approximately $41,666,000.

As fiscally conservative Democrats, we believe the time is now to restore common sense and fiscal discipline to our Nation's government. This $28,129 number, each citizen's share of the national debt which is what we in the Blue Dog Coalition refer to as the debt tax, D-e-b-t, that is one tax that cannot be cut. That is one tax that will not go away until we get our Nation's fiscal house in order. Mr. Speaker, now, a lot of public opinion surveys say debts and deficits do not matter. The Republican leadership of this Congress says that debts and deficits don't matter.

Well, they do matter because we will not be able to meet America's priorities until we first get our fiscal house in order. What does it mean? It means that our Nation is spending, our Nation is spending a half a billion dollars a day, $500 million every 24 hours, simply paying interest. Interest. Not principal. Just interest on the national debt.

Folks in my district back home in Arkansas, they want to build I–49, and I do too. We need $1.5 billion to complete that interstate that will connect Winnipeg, Canada, with the Port of New Orleans. It is a very large amount of money. If you look at it another way, if we had our Nation's fiscal house in order, we could build that interstate through Arkansas with just 3 days' interest on the national debt.

Folks in my district want to build I–69, and so do I. We need $1.6 billion to finish that interstate that will stretch down through Arkansas and through much of the Midwest, from Canada all of the way down through Texas. $1.6 billion sounds like a lot of money and it is a lot of money; but put another way, we could build that Interstate 69 with a little over 3 days' interest on the national debt.

Hot Springs Expressway, four-laning U.S. Highway 167, four-laning U.S. Highway 82, completing I–530. So many, so many needs, so many infrastructure needs that are going unmet, not just in Arkansas but across America.

Those infrastructure improvements will create economic opportunities and jobs to build those interstates and other infrastructure projects, and they will also create economic opportunities and jobs once they are built.

But those top priorities, educating our young people, ensuring that they get a world-class education, helping the 46 million people that are trying to do the right thing and stay off welfare, but are working the jobs with no benefits, the health care access they so desperately need and deserve, these are the types of priorities that are going unmet in America because of the lack of fiscal discipline in our Nation's government.

It is hard now to believe that we had a balanced budget from 1998 to 2001. Because year after year we have record deficits. Now, why should deficits matter? I have given you a few reasons. Others, the deficits reduce economic growth. We have seen that. People lost their jobs under these enormous deficits that we have seen since 2002.

Some of them are now beginning to find jobs again, but they are finding jobs at a much lesser salary than what they were making when they lost their jobs, and often times they are finding jobs with few or no benefits.

These deficits burden our children and grandchildren, because it is they who will be forced to pay back this out-of-control spending that we are seeing occur today at our Nation's capital in Washington.

And, yes, they increase our reliance on foreign lenders who now own 40 percent, 40 percent of our debt. The U.S. is becoming increasingly dependent on foreign lenders.

Foreign lenders currently hold a total of about $2.089 trillion of our public debt. Compare this to only $623.3 billion in foreign holdings back in 1993. Who are they? Here is the top 10 list of foreign central banks and foreign investors that the Republican leadership of this Congress has borrowed money from, that this administration has borrowed money from in order to fund tax cuts for those earning over $400,000 a year.

Japan. Our Nation has borrowed $637.9 billion from Japan. The United States of America has borrowed $326.1 billion from Communist China. The United States of America has borrowed $174.7 billion from the United Kingdom.

You will really love this one, Mr. Speaker. The United States of America has now borrowed $102.8 billion from OPEC.

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And we wonder why gasoline is now $2.89 a gallon in south Arkansas today. The United States has borrowed $68.9 from Korea, $67.5 billion from Taiwan, $61 billion from the Caribbean banking centers, $51.2 billion from Hong Kong, $47 billion from Germany, and finally, last but not least, rounding out the top 10 current foreign lenders, foreign central banks and foreign investors that are loaning money to run our government is Mexico with $43.4 billion they have loaned the United States of America to finance this out-of-control spending.

There are a lot of things we are going to talk about tonight. We are going to talk about accountability. As members of the Blue Dog Coalition, we are not about partisan politics, we are not about just criticizing the Republican leadership for this out-of-control spending. We are about holding them accountable just as we would hold our own party accountable if we saw and witnessed this out-of-control spending. The last time I checked, when a Democrat was in control we actually saw the first balanced budget in this Nation and the first surplus from 1998 to 2001 that this country had experienced in over 40 years.

We are also not just about accountability, but as members of the Blue Dog Coalition, a group of fiscally conservative Democrats, we are also about offering up commonsense solutions.

And we are going to talk this evening about the Blue Dogs' 12-step plan for restoring fiscal responsibility to our government, and we are going to talk about our accountability legislation to make this government, to make the Federal agencies accountable for the tax money that they spend.

We will be talking about all of these issues over the next hour, Mr. Speaker, but at this time, I would like to recognize a fellow Blue Dog member from the State of Georgia, a real leader in the Blue Dog Coalition on these issues, and that is my friend, Mr. DAVID SCOTT.

Mr. SCOTT of Georgia. Mr. ROSS, again, as always, it is a pleasure to join you on the floor. And I can tell you that our folks down in Georgia are really, really concerned about the debt, as they are all across this Nation.

I think it is important for us to really draw some dramatic pictures of just how devastating this debt is. And you talked a few minutes ago about one feature that I want to spend just a few minutes on at the outset before we go into some of the other areas. But I think the American people need to understand this issue of foreign debt, of our indebtedness in the hands of foreign governments.

Now, I want to say right up front that we have no problem with doing business with other countries, we have no problem with having indebted relationships with other countries. But when you look at this sterling fact, you will say enough is enough. And the one glaring fact is that in the last 5 years, Mr. ROSS, and Mr. Speaker, this President in collaboration with this Congress, because the President couldn't do it by himself, we all must take blame. But we have borrowed more money from foreign governments and foreign financial institutions in the last 5 years than in the entire preceding 211 years of existence of the United States of America. Think about it. Since 1789 up to 2001, we borrowed $1.4 trillion from foreign governments.

In the last 5 years, we have borrowed over $1.6 trillion just in the last 5 years. That alone is enough to scare the pants off of anybody.

It is paramount, if we are going to say with any kind of a way in which we can look the American people in the eye and say we want to be good stewards of your money, we want to have financial security in this country, financial stability, then the wrong thing for us to do is to have this kind of indebtedness in the world.

Now, let's look at where that indebtedness is. Up against a screen of what the world looks like as particularly as we look at the war on terror, that is of paramount concern. Where are we borrowing this money from? You went through the litany just now of the top ten places. They are concentrated in the Middle East, OPEC countries, and they are concentrated in the Far East, very, very volatile insecure places, and with countries particularly like China that is not exactly playing the way they need and should play as we tackle this war on terror.

Then, if we add the oil dependency in and the energy dependence on the Middle East and where we are borrowing money from, coupled with what is happening over there right as we speak, who is it that apparently, as of this time, is running the Middle East?

An interesting thing happened to me when I was in the Middle East not too long ago. I went up and traveled up on the Golden Heights. And if you go up on the Golden Heights and you go far to the outposts in that northeast boundary of Israel where Syria and where Lebanon are on one side, then you have Syria, and I looked over through the high-powered binoculars that the Israeli people had that we could look over the border. And do you know what I saw, Mr. ROSS? Do you know what I saw, Mr. Speaker? It wasn't the flag of Lebanon that was flying, it was the flag of Hezbollah. That tells you something.

The point that I am saying is not only is it against our financial security to have so much indebtedness in that unstable part of the world with some of those regimes, but it is not in the best interest of our national security as well.

Now, on the other side of borrowing the money is an issue that we certainly need to touch upon, Mr. ROSS, and that is the amount of money that we are spending and giving these countries just to borrow the money, the interest. It is the fastest growing element in our budget, over $185 billion just this past year we paid in interest just to borrow the money, which is more than what we spend for veterans, for education, to protect the environment, all together.

So the point I am simply saying is that as we examine this issue, and like I say, I don't look at this as a partisan issue, I look at this as an American issue, an issue that we have all got to jump in here and deal with. This is the future of our country. And if we don't have financial security, we certainly are not going to have national security for long.

Mr. ROSS. The gentleman from Georgia raises an excellent point that gets to our point about accountability within our government. If you ask a hundred different people what they think about this post-war Iraq policy, you get a hundred different answers.

One of the things that I most proud of is that this time, and I think it is one of the painful lessons we learn as a Nation and as a people from Vietnam. But this time, this time we are seeing the American people united behind our men and women in uniform, and that makes me proud to be an American.

I have a brother-in-law who spent Christmas refueling Air Force planes over Afghanistan. My first cousin, his wife gave birth to their first child while he was away serving our country in Iraq. And I am not one of those that believe that we can simply pull out and come home tonight, but I will tell you this, I do believe in accountability.

This President, this Republican Congress, is spending $8 billion a month in Iraq; $2 billion a week, $11 billion an hour in Iraq. But if you ask this President to be accountable for it, if you ask him what his plan is to win the peace and eventually bring our men and women in uniform home, he will tell you that you are unpatriotic. And that is where I disagree with this President. Accountability. Accountable for the money, the tax money that is being spent in Iraq, and having a plan that will eventually bring our people home.

I have got to tell you that in August of 2004, it is a day I will never forget, August 11, 2004, I went to Iraq. We had some 3,000 Arkansas National Guard soldiers in Iraq at the time. And I talked to some soldiers, including some from my hometown of Prescott, Arkansas, soldiers that I duck hunted with, soldiers that I had taught in Sunday school. And in talking with these soldiers, they told me there were two things we ought to be doing in Iraq if we wanted to eventually be able to leave:

Number one, we need to be hiring more Iraqis to rebuild their infrastructure, instead of sending corporations like Halliburton over there to do it with non-Iraqi citizens who were being kidnapped and oftentimes had the threat of being beheaded. They told me that Iraqi citizens were taking money from the insurgents to lob cheap bombs at our soldiers not because they believed like the insurgents believe, but because they needed to feed their family.

They begged me to come back home and to let our government know that we needed to put Iraqis to work rebuilding their infrastructure.

The other thing they told me was that we weren't doing nearly enough in terms of training Iraqi citizens to be able to take control of their police and military 4th. August 11, 2004.

I am a member of the NATO parliamentary assembly. In February of this year, February 2006, I was at Victoria Nuland, the U.S. Ambassador to NATO's residents in Brussels, Belgium, and the Iraqi ambassador to the EU and the NATO was there. Many members of his family died under Saddam's evil dictatorship. I asked him the same question, and, Mr. Speaker, I am here to tell you I got the same answer in February of 2006 about what we needed to be doing differently that I got from U.S. soldiers when I was on the ground in Iraq in August 11, 2004.

We clearly do not have a plan. We clearly do not have the right plan to win the peace.

Tomorrow in this very Chamber, we will hear a speech from the Prime Minister of Iraq. I am anxious to hear that speech. I also want him to know that we stand with his country; we want to see a democracy work in Iraq, we want to see an end to terrorism in Iraq. But if we are going to send $8 billion a month to that country, our government must be accountable for it, and his government must begin to work harder toward trying to win the peace and restore stability in that war-torn, in that terrorist-torn region.

So what could we do with the $8 billion a month that we are spending in Iraq? One month and 3 days of what we are spending in Iraq would fund the missile defense system budget for the United States of America. 12 hours of the money we are spending in Iraq would fund for one year the commodities supplemental food program for the poor and elderly in this country. We could secure all commercial planes with missile defense systems. And if you believe we are safer now than we were pre-September 11, 2001, you are kidding yourself. They are screening our suitcases, but they are not screening the freight that goes in the belly of those planes; and, as I understand it, half of the belly of the plane is filled with freight. We could secure all commercial planes with missile defense systems with 5 weeks of the money we are sending to Iraq.

With 5 weeks worth of money that we are now sending to Iraq, we could provide health insurance for all 9 million children currently without it. With 3 weeks of the money we are sending to Iraq, we could double the number of Navy ships we are buying in fiscal year 2007 from 6 to 12. In 4½ months of the money we are sending to Iraq we could restore cuts to Medicare and Medicaid in the President's fiscal year 2007 budget. In 3 weeks, the amount of money we are sending to Iraq would pay to secure all public transportation systems in this post-9/11 era. In 9 days, 9 days of the money we are sending to Iraq could eliminate the VA health care premium increases in this year's budget for America's veterans. And, 5 days worth of money that we are sending to Iraq could provide all, all United States ports with radiation detectors.

Now, I am not saying don't send the money to Iraq. As long as we have got troops there, I am going to support them, and I want to make sure they are properly taken care of and got the equipment needed to do the job. I am talking about this administration being accountable, because these other priorities that I just listed will continue to go unmet until we get our fiscal house in order, until we have a plan to win the peace and bring our troops home from Iraq. These are the type of priorities that are going unmet, and that is why we are here tonight to talk about accountability.

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We are not here to argue theories over whether we should or should not be in Iraq. We are here to talk about accountability. That is a lot of tax money we are sending to Iraq every hour.

I am happy to yield to the gentleman.

Mr. SCOTT of Georgia. Absolutely correct, and as we cannot talk about accountability, we cannot talk about the budget financial responsibility, national security without examining where we are in Iraq at this time.

And we cannot do it for the obvious reason that the American people are expecting us now to ask the questions and to finally stand up as a Congress and do what the Constitution and the Founding Fathers laid out the Congress to do. They laid out the Congress to do two essential things. One was to determine how our tax dollars are appropriated, all of that starts here, and the other is oversight, and we have not done a good job of oversight.

That is one of the reasons why the American people, in many ways, are very frustrated. We have not asked the tough questions. Some of us have asked the tough questions but not enough of us, and I am so thankful for the Dubai incident because that opened up everybody's eyes to really see. When that Dubai incident happened and all of the sudden we were going to turn over port security to the United Arab Emirates, a country in which we knew from our intelligence that terrorist financing was emanating from, a country that owned Dubai, that owned the company which we know was sending nuclear fusion material into Iran, and that did have direct financial relationships through their connecting financial centers in terrorist financing with al Qaeda, all of this came to our attention.

When the administration said we are going to turn our port security over to a company owned by this country, it woke us all up; and finally, in a bipartisan way, we stood up and we rejected. That, to me, was a turning moment when Congress stood up and said let us be the Congress.

So I think that Congress has a responsibility, definitely under the Constitution, to conduct oversight of the executive branch. We failed to conduct meaningful investigations of allegations of serious waste, fraud and abuse, much of what you talked about with Halliburton, and the people are expecting us to do this.

Now, in the situation in Iraq, and let me just digress for just one moment, because I agree with you, President Bush is very good at saying, well, if you do not agree with me, you are weak on national security or you do not care about the war on terror. Nobody, there is not a Congressman in this place that stands stronger for national security, defense and support of our military than you and me and our Blue Dog Coalition. Our record speaks for itself.

I have been to Iraq. I have been to Afghanistan. We all have been there to see about our soldiers. We know and we care, but the question has to be asked now, What are we doing there? What is the mission?

I mean, when we decided to go in, I was not here to cast that vote. I was the first class of Congress to come in after it was decided, but the decision was made to go because we had evidence that came to us.

Colin Powell went before national television and went before all of us and laid it out. We took them at their word. We took them at their word that Saddam Hussein had the capacity and demonstrated evidence of having weapons of mass destruction, that there was evidence that there was a direct link and relationship between al Qaeda. It was there. It would have been foolhardy for anybody to stand up and say you do not care about security to ignore that.

We took the administration at the value of truth and we supported that to go in. We sent our troops into harm's way. We discovered there were no weapons of mass destruction. Okay. Job done. Should have been complete. Fine. Let us head on out of here. We have done the mission.

But then the mission changed, on the dime. It then became we have got to get Saddam Hussein. Well, our soldiers went to work, did a remarkable job, found him in a hole and pulled him out. Mission accomplished. We were there. Then the mission changes again. We have got to rebuild the country. We have got put democracy in place. We have got to have free elections.

Well, our soldiers went to work. They did not go over there to nation-build. They went over there to find weapons of mass destruction, but they become nation-builders. We got in there. Now all of the sudden we are into a civil war. We are into a situation there, terribly trying to climb out.

We have got to solve this situation, but Congress has got to roll up its sleeves and play a clearer role and a more definitive role in how the American taxpayers' dollars, how we are being good stewards of their tax dollars in national security and financial security and all that we do.

I want to just comment on, if I may, for a moment on the responsibility in terms of getting fraud and abuse and mismanagement of the taxpayer dollars out in the open. I just want to share a couple of points here. One is in fiscal year 2005, auditors of 19 of 24 Federal agencies could not routinely produce reliable, useful and timely financial audit information according to the General Accountability Office.

In fiscal year 2003, $25 billion of taxpayers' money went unaccounted for according to the Treasury Department. That unreconciled money could have been used to fund the entire Department of Justice for a full year, according to the conservative Heritage Foundation, not a liberal foundation. This is the Heritage Foundation. They stated this point.

Mr. ROSS. I should have provided the gentleman a copy. There is good news. You mentioned the 19 of 24 Federal agencies could not produce a clean audit. That number has actually changed. There is good news. The General Accountability Office now reports that 18, not 19, 18 of 24 Federal agencies have such bad financial systems that they do not even know the true cost of running some of their programs. Yet, as we know, Republican leaders in Congress did not force these agencies to fully account for how the money was being spent before doling out billions more in taxpayer dollars to the same programs.

In the Blue Dog Coalition, we have a bill to deal with that. We have a bill to deal with accountability. We have a bill that says if, Mr. Secretary, if your Federal agency cannot produce a clean audit, you should go back to the Senate for reconfirmation hearings. We are trying to get to the root of this problem by passing legislation that requires accountability, accountability within our government.

I yield back to the gentleman.

Mr. SCOTT of Georgia. Mr. Speaker, I want to mention just one other point, too, that I think we need to bring out and that is government contracting under the Bush administration. We cannot be fearful to do our jobs. We get out here and we run every other year and we tell people we are going to go up there and do the job of a Congressman.

As I mentioned, there are two things we have got to do: make sure we are good stewards of the taxpayer dollars and then do the oversight. Well, here is what our oversight has pulled out.

Between 2000 and 2005, the value of Federal contracts increased by 86 percent, from $203 billion in 2002 to $377.5 billion in 2005. This growth in contracting was over five times faster than the overall inflation rate and almost twice as fast as the growth in other discretionary Federal spending over this period; and as a result of the rapid growth in procurement spending, nearly 40 cents of every discretionary Federal dollar now goes to private contractors, a record level, and Federal procurement spending is highly concentrated on a few, just a few, large contractors with the five largest Federal contractors receiving over 20 percent of the contracting dollars awarded in 2005.

The fastest growing contractor under the Bush administration has been Halliburton. Federal spending in Halliburton contracts increased over 600 percent between 2000 and 2005.

All I am saying, Mr. Speaker, is we have got to look and examine how the taxpayers' dollars are being spent. I mean, you are talking about 24 cents out of every dollar we make we are spending. Ought not we ask these serious questions? Ought not we do the people's business of making sure how their money is being spent?

Mr. ROSS. Mr. Speaker, I want to thank the gentleman from Georgia (Mr. SCOTT), an active member of the fiscally conservative Democratic Blue Dog Coalition for joining us this evening.

I might point out here that on July 11, President Bush, with a lot of fanfare, announced that the deficit for 2006 was not going to be $300 billion. With a lot of fanfare, he announced that it was only going to be a projected $296 billion, which is still the fourth largest deficit ever in our Nation's history.

Our largest deficit ever occurred in 2004. It was $413 billion. The second largest ever occurred in 2003; it was $378 billion. The third largest deficit ever in our Nation's history occurred in 2005; it was $318 billion. And now this administration is announcing with a lot of fanfare and a lot of excitement and a lot of enthusiasm that the deficit for fiscal year 2006 is now only projected to be the fourth largest ever in our Nation's history, $296 billion. Even the Los Angeles Time did an editorial on this entitled: "Another Mission Accomplished."

At this time, I would like to yield to the gentleman from Tennessee (Mr. COOPER), our cochair for policy within the Blue Dog Coalition, our think tank part of the Blue Dog Coalition, if you will, my friend.

Mr. COOPER. Mr. Speaker, I thank my friends from Arkansas and Georgia for their leadership in the important Blue Dog Coalition, as we are the centrist group in Congress. We try to do the right thing, whatever the parties say. We try to do the right thing for the American people and the American taxpayer.

The gentleman has been a particular leader showing the tragic waste around the town of Hope, Arkansas, the thousands and thousands of trailers lined up there, the clear mishandling of taxpayers' dollars, but I would like to bring up for the Speaker and for the American people tonight a new book that is pretty remarkable.

It is called "The Broken Branch," and the subtitle is, "How Congress is failing America and how to set it back on track." This should be available in most all bookstores around America. It is not a Democratic book. It is written by a scholar, Norm Ornstein, who is at the American Enterprise Institute which, if anything, is a Republican think tank. Another coauthor is Thomas Mann, who is at the Brookings Institution, which bills itself as a nonpartisan think tank. Some of our friends might call it Democratic, but this is a thoroughly bipartisan book.

What it does is list the many ways that this institution needs to change. That is what I think Blue Dogs are all about is bringing that needed change to this institution because, under Republican leadership, as the authors of this book point out, things are clearly not working.

The gentleman has pointed out quite eloquently that the deficits are clearly out of control. We seem to have no clear policy in Iraq. There are so many things that are not allowing our great Nation, the greatest Nation in the history of the world, there are so many things that Congress is not doing to allow America to live up to its potential, to allow our families, our kids and grandkids to live up to their potential.

We, Blue Dogs, we want things to work. We want things to work right. We want taxpayer dollars to be spent wisely, and this book is an important read because it lists it in a nonpartisan fashion. This book is called, "The Broken Branch." It is Oxford University Press. It lists hundreds and hundreds of ways that the Republican leadership has failed the American people.

So I want to encourage everyone to take a look at this. Do not take our word for it. Read it in the bookstore. Get it online. See what is really happening in Congress because, sadly, our TV stations, our newspapers are simply not reporting all this. They are spending way too much time trying to entertain us or affirm what we already think, but this book tells us the truth about Congress and how we need to change.

So I thank my friends from Arkansas and Georgia for yielding, and I will chime in at a later point in the debate.

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Mr. ROSS. I welcome you both to continue with me in this dialogue in this Special Order on restoring fiscal discipline and common sense and accountability in our Nation's government.

Since President Bush took office, the amount of foreign held treasury debt, we talked about it earlier, Mr. SCOTT, but I think it is important to note, that since he took office, the amount of foreign held treasury debt has more than doubled, increasing from $1 trillion to $2.1 trillion. Put another way, this administration has borrowed more money from foreign central banks and foreign investors than the previous 42 presidents combined.

Unlike deficits in earlier years, I think it is important to note that current deficits have been primarily financed by foreign investors, with the rise in foreign-held debt equaling three-fourths the increase in publicly held debt since the start of the current administration. The rise in foreign held debt is troubling because it makes our economy beholding to foreign creditors and foreign investors and foreign central banks and, yes, foreign countries, and represents another financial burden passed on to our kids and grandkids, our children and grandchildren.

Foreign held debt is fundamentally different from domestically held debt since the interest payments on foreign held debt flows outside the United States and reduces America's standard of living.

As you can see here, the amount of money that was being borrowed from foreign countries in 2001, during this Republican leadership in the House and Senate, was $988 billion. It has gradually gone up to a whopping, for fiscal year 2006, a whopping $2.66 trillion.

I yield to the gentleman from Georgia (Mr. SCOTT) and then Mr. COOPER.

Mr. SCOTT of Georgia. I just want to mention quite quickly, because I want the American people to understand that while we as Democrats are here and we are critiquing, we are providing the results of this oversight.

And when you look at the front page of the USA Today on yesterday, they reported an interesting fact. They said that the Federal Government is now spending 20.8 cents of every dollar we make, of every dollar produced in this country, the Federal Government is spending 20.8 cents. That has increased in the last 5 years. That percentage was only 18.5 percent in 2001.

This is serious business. And I am here to tell you that when you get out in the District, when you get out to my folks down in Georgia, they are concerned about their money. They are concerned about what we are doing up here to bring down this debt and bring some accountability to the finances of this country. We can't have this runaway train. We can't have this debt being held in the hands of foreign governments the way it is. We can't continue to be borrowing all of this money and laying it on the backs of our children and our grandchildren. This is not our money. It is the people's money. We have to start treating it much better.

Now, what are we going to do about it? And I think the American people are probably saying, okay, we are listening to those Blue Dogs down there and they are talking about President Bush and the Republicans, but what are they going to do. Why don't we hear from you and see what you are going to do about this.

Well, I want to offer and let the folks know that we Democrats are offering to do a couple of things. I want to draw attention, so that the American people will know, that we in the Blue Dog Coalition have a proposal that will restore accountability. It is contained in House Resolution 841 by our good friend from Tennessee (Mr. TANNER), and it will require congressional hearings. Because remember what I mentioned at the first. We have two basic functions here, one is oversight and the other is tax allocation.

So within 60 days of an IG report that identifies waste, that identifies fraud, that identifies abuse, that raises a red flag of mismanagement of more than $1 million, we immediately trigger congressional hearings. Let us get it before C–SPAN. Let the people know. Let us put the spotlight on it. Let us immediately say, whoa, whoa, this is wrong here. Let us have hearings on this and let us have oversight and insight into this issue.

When the GAO names an agency high risk for mismanagement, that is cause for a hearing so that we can open that up and find out what is going on. You can't stick your head in the sand. That is bad management. That is not oversight. That is not taking care of your money. If your credit card runs up, mom and pop down home, they have to watch that. Red flag comes up, mom and pop are going to sit down at the kitchen table and say, wait a minute, we have to rein in some stuff here. Where is this money going; why is this happening. If mom and pop around the kitchen table back in Georgia can do this, surely this Congress must do it and be responsible for the money.

At least twice a year to have hearings to review the Office of Management and Budget's performance based review, called program assessments rating, part two.

Then we have another bill, H.R. 5315, by our friend from California, Representative CARDOZA, another distinguished member of this Blue Dog Coalition, called Accountability in Government Act of 2006. It will require that each Federal agency produce an audit within 2 years that complies with the standards established in the Federal Financial Management Improvement Act of 1996.

Why pass the Act in 1996 as a tool if we are not going to use it? Congressman CARDOZA is saying let us pull it out and let us use it. Let us have a measuring device.

Secondly, that the Senate should hold reconfirmation hearings on any cabinet level official whose agency cannot fully account for its spending within 2 years.

We have had agency after agency come before us. I am on the Financial Services Committee. We have the Treasury Department come, we have HUD, we have all these agencies coming before us that we are accountable for, and time and time again, I ask them the question, where did this money go? Do you have a measuring system in there? Do you have accountability? Well, no, Congressman, we just don't have it.

We have to hold everybody's feet to the fire and bring financial security back into America's government.

Mr. ROSS. People ask us all the time, if the Democrats are put in control of this body, what are they going to do differently? These are two commonsense Blue Dog Coalition-backed proposals about how we will restore accountability to the Federal Government.

At this time, I yield to the gentleman from Tennessee (Mr. COOPER) to spend time on this or any other subject we are talking about this evening.

Mr. COOPER. I thank my friends Arkansas and Georgia.

Another Blue Dog proposal for reform that is extremely important, because it would do a lot to fix our entire fiscal situation, to get our budget balanced again, and that proposal goes by the name of pay as you go. It is a very simple concept. Every household back in our districts has to follow it. Because if you don't have the money, you can't spend it. You might be able to borrow a little for a little while, but sooner or later, you have to pay the bill. That is the same principle America should be run on.

It is not just us saying it. The former chairman of the Federal Reserve Board, Alan Greenspan, said that that would be the single most important reform America could undertake. The single most important reform, and we Blue Dogs are championing it. We, as Democrats, are championing it, and yet the Republican majority in this House has prevented that reform from even coming up for a vote.

Now, this isn't theoretical or experimental thinking that Chairman Greenspan is proposing, this pay as you go proposal, this idea that if you want to spend more money on a program, fine, but get money from somewhere else to pay for it. Or if you want to cut taxes, fine, get money from somewhere else to pay for the tax cut. This proposal was the law of the land in America from 1990 to 2002. For 12 years, from 1990 to 2002, the pay-as-you-go proposal worked and worked well in America.

Most historians agree it was the single most important factor during that era that helped America live within its means so that we could have a stronger Nation for our kids and grandkids. And former Federal Reserve Chairman Greenspan even remembers the day that the Republicans allowed the pay as you go proposal to expire, and that day was September 30, 2002.

September 30, 2002, the end of that fiscal year, was a dark day in America, because the 12 years of fiscal restraint that we had had, the 12 years of living within our means, the 12 years of kitchen table budgeting were then over. And, basically, all hell broke loose when that happened. Because suddenly there was no restraint. You could spend anything. Earmarks and other things exploded.

That is going to be a terrible fiscal headache, a nightmare for our kids and grandkids. So that is probably the most important of all the Blue Dog proposals. We have had many, and the gentleman from Georgia has mentioned several. We have had the 12-step plan so that America could get off its addiction to deficit spending, much as the 12-step Alcoholics Anonymous program helps many people across America get off their addiction to alcohol.

So these are just a few of the reforms that the Blue Dogs have been participating in to make us have an even stronger Nation. We are proud of America. We want a strong America in all respects, but America can be even better than it is today.

I thank the gentleman for yielding.

Mr. ROSS. I thank our co-chair for policy of the Blue Dog Coalition JIM COOPER from Tennessee for his insight on these many issues.

And what I am so proud of is that we are not here to be partisan, we are not here to beat up the Republicans. We are here to hold them accountable for these out-of-control debts and deficits, but we are also here to offer up common sense solutions.

Mr. SCOTT of Georgia talked about the Blue Dog backed accountability plan that will hold Federal agencies accountable when they cannot account for the taxpayer money that we provide them to assist taxpayers and to run our government on. He talked about our bill to make cabinet level secretaries go back to the Senate for reconfirmation when they fail to produce a clean audit.

Mr. COOPER talked about our plan for a balanced budget. Forty-nine States require a balanced budget. I can assure you my wife requires a balanced budget at the Ross household in Prescott, Arkansas. My banker requires we have a balanced budget at our family-owned business back home in Prescott, Arkansas. And it is not asking too much for the United States of America to have a balanced budget, which is one of the 12 points that we have provided, that we have offered up, a 12-point plan for curing our Nation's addiction to deficit spending.

Mr. Speaker, if you have any comments, questions or concerns about this special order this evening on accountability and common sense and fiscal discipline, I would encourage you to e-mail us, Mr. Speaker, at bluedog@mail.house.gov. Again, you can e-mail us at bluedog@mail.house.gov.

Let me just mention a few of the other points to the 12-point plan for budget reform. Don't let Congress buy on credit. Back when we had a balanced budget for the first time in 40 years, from 1998 to 2001, we had what was called PAYGO, pay-as-you-go rules, in place. Meaning if you had some idea for a wonderful new Federal program, you had to show us which other program you were going to cut to pay for it. If you wanted to cut taxes for those earning over $400,000 a year, you had to show us which Federal program you wanted to cut to pay for it. It was called PAYGO, pay as you go. Something that is very common to most Americans.

Put a lid on spending is another idea that we have. Stop these massive increases in the amount of money being provided to Federal agencies.

Require agencies to put their fiscal house in order, which goes back to our accountability bill.

Make Congress tell taxpayers how much they are spending. Believe it or not, billions of dollars are spent in this Chamber without a roll call vote. Simply by voice vote. We want to put an end to that.

Think about this one, you want to talk about commonsense ideas? Set aside a rainy day fund. We know there is going to be a natural disaster somewhere in these United States every year, and we ought to be prepared for those type of natural disasters and emergencies.

Don't hide votes to raise the debt limit. Instead of increasing the Federal Government's credit card limits, instead of increasing the debt limit hidden in some other bill, let us have a stand-alone bill so that the American people know much the debt is being increased and for what purpose.

Justify spending for pet projects.

Ensure that Congress reads the bills it is voting on. Now, that is a good one, isn't it? We can't pass a law to require Members of Congress to read a bill they are voting on, or the bills they are voting on, but I can tell you this.

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The Medicare prescription drug bill, there has been a lot of talk about it. It is now estimated to cost well over $700 billion over the next 10 years. It went to a vote at 3 a.m., barely a day after the final version of the 500-plus-page bill was made available for Members of Congress to read. Now, I can promise you we cannot pass laws to make Members of Congress read the bills they vote on, but I can promise you that when you have got a 500-page bill and you give them less than a day to read it and study it, it is impossible to read it and thoroughly examine it.

We are saying give Members of Congress a minimum of 3 days to have the final text of legislation made available to them before there are votes. And you know what, Mr. Speaker? If we have made it just fine since 1776 without whatever piece of legislation we are dealing with at the time, we will probably be okay for another 3 days. Give Members of Congress time to read the bills they are voting on.

Require honest cost estimates for every bill that Congress votes on. Make sure new bills fit the budget, and make Congress do a better job of keeping tabs on government programs, which again goes back to our accountability legislation that is Blue Dog-backed, written by Mr. TANNER and Blue Dog members that we have talked about a great deal this evening.

We are not here just to criticize. In fact, we are not here to criticize at all. We are not here to be partisan. We are here to hold the Republican leadership and the Republican administration accountable for this reckless out-of-control deficit spending, the largest deficits ever in our Nation's history, and they are borrowing to the tune of about $1 billion more. The debt is going up about $1 billion every 24 hours, nearly half of which is being borrowed from foreign central banks and foreign investors. We are here to hold them accountable and to offer up what I call commonsense solutions.

I yield to the gentleman from Georgia.

Mr. SCOTT of Georgia. And finally, Mr. ROSS, we must begin to search and use our creativity to develop a way to put a curb, a ceiling, some restraint on how much we can borrow from foreign governments.

If there is one danger down the road that this country faces, history proves me out, the bleached bones of civilization that go far back of civilizations that waited too late to curb their borrowing from foreign countries. You look at so many of these great civilizations that have gone and nations, wars that happened. What happens if China over there just all of a sudden wants to sell our paper to another competing economy? When you have so much of your wealth, so much of your financial security in the hands of other countries who do not have your best interest at heart, we are asking for trouble.

So that is why I say, finally, we must put a curb on how much money we can borrow and get in debt from these foreign governments.

Mr. ROSS. Mr. Speaker, I want to thank the gentleman from Georgia for joining me for this lively discussion this evening as we talk about these issues that are so important not only to our future but our children and grandchildren's future.

I yield to the gentleman from Tennessee (Mr. COOPER).

Mr. COOPER. The point that the gentleman from Georgia was just making about how much money we borrow from foreign countries, the American people need to know it is not just China we borrowed $300 billion from. It is also countries like Iran, another part of what President Bush called the Axis of Evil. They own a big part of the American debt now. Venezuela, under Hugo Chavez, not exactly a friendly nation. Other nations like the Soviet Union with whom we do not have good relations these days. It is incredible our dependence.

And for President Bush to have borrowed more money from foreign nations than all previous Presidents put together going all the way back to George Washington, that is incredible. The average American back home just does not understand how much President Bush has borrowed from foreign nations. And that makes us terribly dependent on those nations. We do not want China or other countries trying to foreclose on America or any part of America, but that is the situation we are getting more into every day. We are borrowing 2 to $3 billion every day from foreign nations.

Mr. ROSS. Mr. Speaker, I want to thank both of these fine gentlemen, very active leaders in the Blue Dog Coalition, for joining me this evening.

We raise these issues, the largest debt ever in our Nation's history, largest deficit ever in our Nation's history, borrowing $1 billion a day, spending $.5 billion a day paying interest on the national debt, we raise these issues because as long as we are spending $.5 billion in interest payments each day that America's priorities are not going to be met, you can see here the red is the amount of money going to interest in our Nation. The light blue is the amount going to ensure that our children receive a world-class education. In green, a lot of talk about homeland security. Here is the truth: not much money in green that is going to fund our homeland in this post-9/11 era.

And, finally, a lot of talk about supporting our troops, and I hope we all do. I certainly do. But isn't the way to honor our troops, isn't one of the ways to honor them to support our veterans? Because we are creating a new generation of veterans in Iraq and Afghanistan and across the globe as we stand here this evening, and yet you can see compared to the red, the amount of money going to pay interest on the national debt, you can see what is going to cover the amount of money to fund our veterans.

It is time our government keeps its promises to our veterans.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 4019. An act to amend title 4 of the United States Code to clarify the treatment of self-employment for purposes of the limitation on State taxation of retirement income.

The message also announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 403. An act to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

S. 1950. An act to promote global energy security through increased cooperation between the United States and India in diversifying sources of energy, stimulating development of alternative fuels, developing and deploying technologies that promote the clean and efficient use of coal, and improving energy efficiency.

S. 2832. An act to reauthorize and improve the program authorized by the Appalachian Regional Development Act of 1965.

S. 3728. An act to promote nuclear nonproliferation in North Korea.

THE OFFICIAL TRUTH SQUAD

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Georgia (Mr. PRICE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PRICE of Georgia. Mr. Speaker, what a pleasure it is to come back to the House floor this evening. On behalf of the Official Truth Squad, I want to thank the leadership and the conference for allowing me to host this hour.

The Official Truth Squad kind of grew out of frustration on the part of the freshmen class a little over a year ago. We felt that there were a lot of things that were said on this floor that, taken at face value, might be seen as being accurate, but, in fact, if you look at it a little closer, they were not the truth. And we felt that there was not a whole lot of time allotted to refuting the inaccuracies. Now, some of those inaccuracies, Mr. Speaker, you have just heard.

So we are going to spend a little time over the next hour to talk about accuracy. We are going to talk about truth because truth is so doggone important in trying to determine what public policy ought to be. If you are not dealing with real facts, if you are not dealing with truth, then you cannot get to the right answer, cannot get to the right solution. So it is my privilege to be able to join some of my colleagues this evening and to, Mr. Speaker, talk about the kinds of issues that are of importance to the American people.

And tonight we are going to talk a lot about the economy. But I want to start by sharing with you, Mr. Speaker, and with my colleagues kind of a saying that we have adopted, a quote that we have adopted, and it comes from Daniel Patrick Moynihan. He was a former United States Senator from the State of New York, and he had a wonderful quote that I am very fond of quoting and it is: "Everyone is entitled to their own opinion but not their own facts." And there are a lot of opinions around here, Mr. Speaker, but as I mentioned, oftentimes the fact is far from the opinions that have been given. So it is my privilege to be joined tonight by some folks who will talk about some truth and some facts.

You have just heard some comments from some folks on the other side of the aisle, some good friends of mine on the Democrat side, who have decided to use some very specific instances and items that they would support, that they believe ought to be done if we are going to get our fiscal house in order.

We are going to talk about our fiscal house and how a lot of it is moving along pretty doggone well. But I want to mention a couple things because when given the opportunity to enact some of the programs, Mr. Speaker, that they have just within the last 15 minutes said were imperative to enact for our fiscal responsibility as a Nation, they do not come along. They do not help. And we need not just Republicans to be able to enact appropriate policies. We need Republicans and Democrats, everybody working on behalf of the American people.

One of the things that you have just heard about just a moment ago, Mr. Speaker, were PAYGO rules. PAYGO rules are rules that say you have got to be able to identify where the money is before you spend it. Sounds like a reasonable thing, Mr. Speaker. It is what you do in your home. It is what I do in my home. It is what all of us do in our homes if we are going to be fiscally responsible.

Well, not too long ago, Mr. Speaker, roll call vote 318, 2004; 318 is the roll call vote, Mr. Speaker. If you want to look it up, that is where you can find it. We had a proposal for PAYGO rules, and, again, that means that you have got to identify where the money is coming from before you spend it, for mandatory spending increases. And the vote on the floor of the House of Representatives, right here, Mr. Speaker, how many folks from the other side of the aisle that you just heard say how important this was, that this was important, how many folks voted for that? Roll call vote 318 in the year 2004: Not a single one. Not a single one voted for it.

Mr. Speaker, that is the truth. People can talk a good line. They can say that they need this thing or they need that thing or we need to do this or we need to do that. Oftentimes Members on the other side go home and say wonderful things about what they would do if they were given the opportunity. Well, here was an opportunity that was given to all Members of the House, and what happened is the fact that they did not support it. Not one of them supported it.

I am a great fan of a balanced budget amendment. I believe that a balanced budget is imperative for us to be fiscally responsible. In my first term in Congress here I have recognized, as most folks have, that the vast majority of the inertia here is all for spending, that there is very little discipline in the programs themselves, in the process that we have here, to restrain spending. So I believe that we ought to have a balanced budget amendment.

We ought to have a balanced budget. We ought to only spend what we take in.

Now, our friends on the other side of the aisle, as you have just heard, Mr. Speaker, within the last 15 or 20 minutes, said, oh, yes, that is important. That is important too. In fact, it is so important, one of them said it was the most important proposal of their group. The most important proposal.

Well, I have got a couple votes to share with you, Mr. Speaker, because these are the truth. When you have to cast a vote for the record, you vote green or you vote red, that is recorded. That is recorded in the CONGRESSIONAL RECORD, and we keep track of those things because they are important. They are important because they are the truth and they demonstrate where folks stand.

A couple votes here to make a balanced budget resolution binding. That means that if we say we are going to balance the budget that you have got to follow that resolution. You have to balance the budget.

Well, there was a vote back in 1994, roll call vote 343, 1994. How many Democrats voted "yes"? Twenty-four with 229 voting "no." As you will recall, Mr. Speaker, 1994 was when the House changed. The Republicans took over the majority.

Well, we have continued to give them multiple opportunities to enact this kind of resolution. In fact, relatively recently, in 2004, roll call vote 311, how many folks on the other side of the aisle voted in favor of a balanced budget resolution on mandatory spending? Ten. Ten folks. You just heard, Mr. Speaker, that they said this was one of the most important things in their fiscal program; yet you cannot even get more than 10 folks to vote in favor of it.

How about this year, Mr. Speaker, what happened this year when we had a balanced budget substitute amendment to the 2007 budget. Now, this was an important vote. This was an extremely important vote because what this said is, yes, we believe that we ought to be absolutely fiscally responsible and we need to enact programs that will take us to a balanced budget as soon as possible.

Roll call vote 156, just this year, Mr. Speaker, 2006, how many Democrats voted "yes"? How many folks from the group that said that this was the most important thing in their proposal? How many folks? Zero. Zero.

Mr. Speaker, that is the truth. That is the truth. As Senator Moynihan said: "Everybody is entitled to their own opinion but not their own facts." And that is a fact, Mr. Speaker. That is a fact, and that is why the Official Truth Squad believes that it is important to talk about facts, to talk about the truth.

Tonight we are going to talk a fair amount about the economy and about economic principles and about where this Nation stands as it relates to the economy, and I am pleased to be joined by one of my good colleagues and fellow members of the freshmen class, Representative THELMA DRAKE from Virginia, who, as a small business person, understands the extreme importance of fiscal responsibility and really has been a stalwart in calling forward the kinds of policies that we need in this House and across this Nation in order to make certain that we gain that kind of fiscal responsibility that all Americans, not just Republicans, not just Democrats, but all Americans believe are so important.

And I yield to my good friend from Virginia.

□ 2045

Mrs. DRAKE. Mr. Speaker, I thank the gentleman for handling this hour this evening and for inviting me to participate. I found what you just went over with your numbers very interesting, because in coming here tonight to talk about the economy and the very good news of what America is facing with the growth in our economy because of the tax cuts of 2001 and 2003, I wanted to share with you that there was an excellent article in The Wall Street Journal today, and it went right along the same path of what you just said.

That article started out by saying that John F. Kennedy believed that an economy hampered by restrictive tax rates will never produce enough revenue to balance our budget, just as it will never produce enough jobs or enough profits.

In those days, when the Kennedy tax cuts were passed, 80 percent of Democratic Senators and Representatives voted for those Kennedy tax cuts. But the article goes on to point out that in 2003, when these most recent tax cuts were passed, only 7 of 205 Democrat Representatives voted for those tax cuts. And, more than that, the editorials across the Nation went on to call the tax cuts economically unsound and claimed they would increase the deficits by hundreds of billions of dollars and said they were unlikely to stimulate the wallowing economy.

What we have seen is absolutely the opposite of that.

We have also heard just recently that House minority leader NANCY PELOSI has promised that if there is an election of a Democratic House in November, that would result in the rollback of tax cuts. It makes you wonder why, the article goes on to point out, when tax rates go down, that economic activity goes up.

I would like to share with my friend, and I know he will talk about it as well tonight, some of the facts of what has happened with those tax cuts, particularly since 2003.

In the past 33 months, the size of America's entire economy has increased by 20 percent. Incredible. Twenty percent. That is in the words of Larry Kudlow. In less than 3 years, the U.S. economic pie has expanded by $2.2 trillion, an output add-on that is roughly the same size as the total Chinese economy. Incredible numbers.

In the 25 years before the 2003 tax cuts, economic growth averaged 1.1 percent annually. In the past 3 years, it has averaged 4 percent per year, and the first quarter of this year, we are on track for 5.6 percent for this year. Incredible numbers.

In those 36 months since the tax cuts became law, 5.3 million new jobs have been created. When we talk about Federal tax receipts, they are up 15 percent or $274 billion last year, and when the capital gains tax was reduced from 20 to 15 percent, capital gains tax receipts grew 79 percent from 2000 to 2004.

Before I came to Congress I was a realtor, and I understood the capital gains tax on real estate. I can tell you there were many people I worked with, including myself as well, that would not have sold a piece of property at a 25 percent capital gains tax rate. We just would not do it. There is such a thing as taxpayer behavior and there is a breaking point.

What has happened with these tax cuts and the reduction to 15 percent is people are making different choices. They are now saying I can sell that rental property and I can go on and I can invest in something else.

Americans are doing that. They are creating new jobs, they are creating new opportunities, and our economy has grown incredibly.

Cutting the dividend tax rate from 39.6 percent to 15 percent has increased those revenues by 35 percent from 2002 to 2004 and tax receipts have tripled since 2003, reaching $250 billion for the last 9 months.

I think that it is important to talk about that tax cuts truly do work. We have often heard it said that if you allow people to keep more of their own money, they will create jobs, they will create investments, they will spend the money. They will use it in our economy, all for the benefit of our Nation. But what we have today is 3 years of solid record to show that that model works.

I appreciate you giving me the opportunity to be here to talk to you. I appreciate the article this morning in The Wall Street Journal. I would encourage everyone to go back and read it and to really see what has happened in our economy, because often when we hear the rhetoric that we hear over and over and over again, we don't realize the positive impact of these tax cuts.

You and I both understand that if these tax cuts are rolled back, that is a tax increase on the American people, and you and I disagree with the other side that says, well, revenues are good, let's just raise the rates and they will be that much better, because that fails to calculate what happens with taxpayer behavior and the negative impact on our economy

Thank you for what you are doing. Thank you for giving me the opportunity to be here.

Mr. PRICE of Georgia. I thank the gentlelady from Virginia. What wonderful points you made and shed light on the Official Truth Squad and facts that you brought before us, the issue about the tax cuts, the capital gains and dividend tax cuts now at 15 percent, which we have attempted to extend and worked so hard to extend. If one would believe everything that they hear from the other side, you would believe that every single person on the other side of the aisle supported that continued decrease. Not the case, as you well know. Not the case.

There is really wonderful and good news as it relates to the economy, the remarkable economic growth that you have cited, and we will go through some of that in just a little bit.

Taxpayer behavior, I appreciate your mentioning that, because people across this Nation know what goes on here in Washington as it relates to tax policy, and they tailor what they do in their personal lives based upon that. There is no doubt about it.

I would be happy to yield for a moment, if you would like.

Mrs. DRAKE. I just want to thank the gentleman from Georgia again. I think that is an important point about taxpayer behavior. I think it is important that we allow Americans to keep as much money in their pocket to spend the way they see fit, and we now can show you that is the best model for increasing revenues for our government.

I think it is also important to talk about when those tax cuts went into effect, that they weren't anticipated, and it was $2.2 trillion over the last decade that we had not anticipated because no one thought the tax cuts were going to do what the tax cuts actually did.

So, that, in itself, those $2.2 trillion we had not calculated, is actually as if the residents of Florida didn't pay their income tax for 10 years. That is that amount of money. It is a huge amount of money.

I believe, and I know you do too, that our tax policy has got to support our economy, grow our revenues, and what you are seeing in the tax cuts, particularly from 2003, are doing exactly that.

Thank you for telling America.

Mr. PRICE of Georgia. Thank you so much. I appreciate your participation tonight in this edition of the Official Truth Squad, trying to bring some truth and fact and positive news to you, Mr. Speaker, and our colleagues.

I like charts, because I think that they oftentimes say so much more than I am able to put into words. We are going to go through some charts here.

This is one of my favorite charts, because it points out the time at which the tax relief occurred, the decrease in the capital gains and dividends and the consequence of that, the incredible economic growth, 12 quarters of 4 percent average growth since that point. We are going to talk about that. I am going to leave that up for a little bit because it is such wonderfully positive news that we need to be telling all of our colleagues about the importance of the changes in policy that indeed drive this kind of economic performance for our Nation.

Mr. Speaker, I have the privilege of serving on the Financial Services Committee, and we have an opportunity in that committee, as some other committees in Congress do, to hear from the Federal Reserve Chairman at least twice a year, sometimes more often, but at least twice a year.

Last week, the new Federal Reserve Chairman, Mr. Bernanke, came and spoke to our committee, and we had an opportunity to ask many questions. In response, he always gets the question, what is the state of the economy. How are we doing?

In response to one of those questions, I think he used the word "robust." The economy was robust. And I know that doesn't jive with what some folks will have you say, but I think it is important to appreciate that the numbers, in fact, demonstrate that that is indeed the case.

I would like to share, Mr. Speaker, a couple of the comments that the Federal Reserve Chair made to our committee just last week. He said that since our February report, the report of the Federal Reserve, the U.S. economy has continued to expand; that real Gross Domestic Product is estimated to have risen at an annual rate of about 5.6 percent in the first quarter of 2006; that with respect to the labor market, more than 850,000 jobs were added in the first 6 months of this year; and that the last unemployment rate stood at 4.6 percent, which is a remarkable rate, Mr. Speaker. We will go over that along with some other statistics that I think are important to point out as it relates to the economy.

When he comes to Congress, he brings with him and presents to all Members of Congress what is called the Monetary Policy Report of the Board of Governors of the Federal Reserve System, the group of individuals who set monetary policy for the United States. In so doing, they look at all sorts of different parameters that relate to our economic performance and whether or not they need to do something as it relates to the interest rate, to try to stem the potential tide of inflation.

I would like to share, Mr. Speaker, with Members of the House and you some of the comments and statements made in this official Monetary Policy Report of the Federal Reserve, just some short portions.

Regarding monetary policy and the economic outlook, the report says, "The U.S. economy continued to expand at a brisk rate."

About economic projections for 2006 and 2007, "In broad terms, the participants expect a sustained moderate expansion of real economic activity during the next year and a half."

Mr. Speaker, that is good news, as far as I can tell. I don't know about others, what they think ought to occur, but I think any time that you have relatively reliable individuals predicting that real economic activity is going to expand over the next year and a half, that is good news.

Economic and financial developments in 2006, I found this fascinating, because if you look at the kinds of natural challenges that we have had as a Nation, one would think that the economy would have been not terribly vibrant. But here is a portion of a paragraph under the economic and financial developments in 2006. "Although last year's hurricanes caused the pace of aggregate economic activity around the turn of the year to be uneven, real GDP, gross domestic product, increased at an average annual rate of 3.6 percent for the final quarter of 2005 and first quarter of 2006, about the same pace that prevailed during the preceding year-and-a-half. Over this period, payroll employment posted additional solid gains and the unemployment rate declined even further."

Mr. Speaker, that is the kind of positive information, the kind of good news that we in this Congress ought to be sharing with each other about the tax policy that has been enacted and about the consequences of that tax policy and how that is benefiting the job performance and the job creation throughout our economy.

What about the household sector? This monetary report breaks down our economy in many different areas. The household sector, consumer spending, you have to have money in order to spend it, as you know, Mr. Speaker. Over the first half of 2006, rising employment and the lagged effect of increases in wealth continued to provide support for spending by households, the continued increase in household spending.

How about the business sector? Fixed investment, real business fixed investment increased at a solid rate on average during the final quarter of 2005 and the first quarter of 2006. Over that period, real business spending for new equipment and software rose at an annual rate of 9.75 percent, a pace similar to that over the first three-quarters of 2005.

It is why you see this chart that demonstrates the kind of economic growth. You can't have economic growth without investment in our economy, and the business sector continues to believe strongly in our economy and the positive effects that their investment will continue to have.

How about the government sector? That is something that folks kind of track to make certain that resources are available for the Federal Government and State and local governments to be able to cover the needs of our society. In terms of the Federal Government, the quote here in this Monetary Policy Report is that "The deficit in the Federal unified budget narrowed further during the past year. Over the 12 months ending in June the unified budget recorded a deficit of $276 billion, about $60 billion less than during the comparable period last year."

□ 2100

Mr. Speaker, as you know, the kind of tax policies that have been put in place have resulted in a decreasing level of deficit, a decreasing level of deficit. When I am home, I know it is kind of like you, Mr. Speaker, when you meet with civic groups and neighborhood groups and constituents, and they are concerned about spending at the Federal level, and rightly so.

As President Reagan used to say, we do not have a revenue problem in Washington; we have got a spending problem. And we do. And we are working to decrease that level of spending. But we are also appreciating and realizing that tax policy has consequences, and that good tax policy results in economic growth and increased revenue to the Federal Government in order to cover the kinds of appropriate expenses.

We will talk about spending in just a little bit, Mr. Speaker. How about State and local governments? "The fiscal positions of States and localities continue to improve through early 2006. In particular, revenues appear on track to post a relatively strong gain for a third consecutive year."

Mr. Speaker, that kind of quote in the Board of Governors Federal Reserve System Monetary Policy Report to Congress, one would think if you read that, understood that, and believed that to be true, which I believe it to be true, that you would not hold the kind of "Chicken Little" attitude that many folks around here hold, about saying that the sky is falling.

In fact, the economy is ticking along pretty doggone well. We are going to go through a lot of numbers tonight to demonstrate that in fact we have good news to tell the American people. Good nows to tell the American people.

How about international trade? This is an area of great concern to me and many of my constituents. What about what is going on in the area of international trade? "Real exports of goods and services increased." Exports increased, Mr. Speaker. You do not hear that often. You certainly do not see it on the nightly news.

Real exports of goods and services increased 14¾ percent at an annual rate in the first quarter of 2006, far faster than the 6½ percent rate recorded in 2005.

In the labor market. How about the labor market, unemployment and employment? Conditions in the labor market continued to improve in the first half of 2006.

Payroll employment increased 176,000 new jobs per month, on average, during the first quarter, a rate roughly in line with the relatively brisk pace that prevailed during 2004 and 2005.

Mr. Speaker, I wanted to share those with you and with Members of the House so that they would understand and appreciate that when you talk about the truth and when you talk about facts and you have individuals whose job it is to shoot straight with the Congress and straight with the American people, the kind of information that you can derive here leads one to believe that the economy is doing pretty doggone well.

Now, some folks say, well, it may be doing well, but it probably is not doing as well as it is elsewhere. You have heard that, Mr. Speaker. I know there are some folks who believe that. But thank goodness there are groups of folks who are looking at our economic performance as it relates to the rest of the world, especially the major industrialized nations of the world.

This is a report from the Joint Economic Committee that compares the economy in the United States with the economies in the major Western countries, Canada, European countries, European nations and the Japanese economy.

And this was comparing the performance since the year 2001. That is the last 5 years. I want to share with you, Mr. Speaker, a few quotes: "Although some people have expressed dissatisfaction about the performance of the U.S. economy, the economic data show that since 2001 the United States economy has outperformed every other large developed economy."

Mr. Speaker, did you catch that? The United States economy, since 2001, has outperformed every other large developed economy. That is good news. That is good news. But it is news that isn't often shared here on the floor of the House, certainly is not news that you see in your newspaper, or that you see on the nightly news. That is remarkable news, as a matter of fact.

There is a reason for it. I believe it to be the policies that have been put into place by this Republican Congress, especially the tax policy that was proposed by the President and enacted. But that quote, again, Mr. Speaker: "The United States economy since 2001 has outperformed every other large developed economy."

Real GDP growth. We rank first in economic growth in the world in terms of industrialized nations. First place in job creation. First in job creation. Largest cumulative increase in industrial production. Largest cumulative increase in industrial production. 4.6 percent. First in labor productivity growth.

Mr. Speaker, that is all wonderful, wonderful news, remarkable news as a matter of fact. Again, it astounds me that we do not have this kind of discussion going on on the floor of the House more often. Because these are all good news items.

They are the kinds of things that when shared with the American people result in a different kind of attitude about our Nation, about the direction in which we are headed, about the kinds of consequences that occur with appropriate and responsible economic policy, not the kinds of economic policy that has been proposed by some in this Congress which is to increase your taxes, because they believe that in order to increase revenue to the Federal Government you got to increase taxes.

We have demonstrated time and again if you decrease taxes, if you put more money back in the hands of people, in the purses of Americans across this Nation, and the back pockets of Americans, what happens? The economy flourishes. The economy flourishes.

We are going to go through some other numbers here, and I am going share a number of different charts again because I think that oftentimes these charts just explain a lot that brings things to focus. You have heard a picture is worth a thousands words: that certainly is true when you are talking about some economic figures.

I mentioned that there had been stronger than expected economic growth in the opening quarter of 2006. The economy has grown 18 consecutive quarters, and real GDP grew at an annual rate of 5.6 percent for the first quarter of the year.

Since the beginning of 2003, Mr. Speaker, real or inflation-adjusted, not counting for inflation, GDP growth has averaged 4 percent per year, which exceeds the World War II, post-World War II average of 3.4 percent per year.

So since the end of World War II, the average GDP growth annually in this Nation has been 3.4 percent. And since the beginning of 2003, because of the economic policies enacted by this Congress and by this President, we have seen an average growth of 4 percent, greater than the average over the last 60 years.

That is positive news, Mr. Speaker. That is positive news. This chart demonstrates much of that. Along this axis here we have the quarters. The green dotted line, vertical line here, is when the tax, appropriate tax relief, tax reductions went into place, and what you see after that is 12 straight quarters of 4 percent average growth.

Good news. Good news, Mr. Speaker. This demonstrates business investment over that same period of time. Prior to the tax cuts, again the Tax Savings Act was put into place at this point where the green vertical line is. Prior to that, the kind of business investment in the economy, and, you know, Mr. Speaker, that business investment is so remarkably important to be able to increase the number of jobs, to have our economy flourish.

Before that point, there was not positive business investment in our economy. There was uncertainty. We had 9/11. We had come through a recession. And business wanted to have some predictability to our economic policies. And what happened with the tax reduction is that they gained that predictability, that reliability of a positive economic policy from this Congress and from this President.

What happened since then? Twelve straight quarters of positive business investment. What has happened with that is that we have seen remarkable, impressive job growth and economic expansion. As I mentioned, the economy has created 5.4 million jobs since August of 2003.

And if you see the job growth that has occurred over that period of time, it is impressive. That is why I like charts, Mr. Speaker, because they just speak volumes. Again, time is down on this axis down below here: 2003, 2004, 2005 and 2006. This vertical green line is when the tax, appropriate tax reduction policy went into effect.

You see the growth in jobs. What has happened since that point is a steady growth in jobs over that period of time. 5.3 million new jobs; 5.3 million new jobs over that period of time. Just remarkable. I mean truly, truly remarkable.

Now, some folks say, well, how is that cause and effect? Do they really have anything to do with one another? This chart is a little busy, but I think that it demonstrates what all of us know kind of in our instinct, and that is the business investment, these are the bar graph here, the red portion of the bar graph is the business investment. Remember we had 12 straight quarters of business investment after the tax reductions, the appropriate tax reductions that stimulated the economy so well, 12 straight quarters.

This line, this blue line that goes up and down, and follows, frankly, if you watch closely, follows business investment. As businesses invest, back in early 2000, what happens? You have an increase in new jobs. As businesses withdraw and retract and decrease their investment in the economy, because of unpredictability, because of concern about the economy, then what happens is that jobs decrease.

With the tax reductions, with the appropriate tax reductions, allowing more Americans to keep more of their hardearned money, what happens is that business recognizes that that is a good thing. They invest and jobs increase remarkably, 5.3 million new jobs created since 2003, since August of 2003.

I think it is also important, Mr. Speaker, to concentrate a little bit of time on the unemployment rate. When I originally studied anything about economics a number of years ago, the economists at that time would say that if you had an unemployment rate of 6 percent, your unemployment rate was 6 percent, that that was considered full employment, that because of people changing jobs, between jobs, considering looking for a job in a different area, that an unemployment rate of 6 percent was full employment.

Well, Mr. Speaker, at this point, as you well know, we have an unemployment rate of 4.6 percent. I have got a chart that demonstrates that in comparison to historical average. 4.6 percent unemployment rate. And you see here that the 40-year average is 6.0. That was considered full employment, certainly over that period of time, 40-year average. In the 1990s the average was 5.8 percent.

But what is it now at this point? 4.6 percent. Mr. Speaker, that truly is full employment. Remarkably positive news to share with the American people. But you just do not hear that as often as one ought. When you see those kind of statistics, 4.6 percent is below the average unemployment rate for the 1960s, for the 1970s, for the 1980s, and for the 1990s, phenomenal. And again the reason for that is appropriate tax policy, appropriate economic policy, put in place by this Republican Congress and by this President.

So the robust economy has been truly remarkable. Job growth has been impressive, especially when you think about it, Mr. Speaker, think about what has happened over the last 5 years, over this period of time when those policies have been in place and the challenges that we have had to our economy.

Just to name a few, we had the stock market decline beginning in 2000. The recession that we had at the beginning of this decade, the terrorist attacks on 9/11 certainly affected the economy to a huge degree.

The consequences and the responsibilities that we have clearly, that all of us believe are so remarkably important in waging the global war on terror, the hurricanes, devastating hurricanes of last fall and before. We oftentimes, because of the magnitude of Hurricanes Katrina and Rita, we oftentimes do not recall the kinds of annual hurricanes and storms and natural disasters that oftentimes sap much of the resources.

And then the higher energy prices. All of these things, and just one could be thought to have affected in a remarkably adverse way our economy. But what has happened, Mr. Speaker? What has happened is that economic policy in place, appropriate tax reductions in place, allowing the American public to keep more of their hardearned money. And what happens is that the economy flourishes and we have an unemployment rate of 4.6 percent.

Now, it has been said that in order to increase tax receipts to the Federal Government, in order to increase revenue that is coming into the Federal Government, you got to raise taxes. You hear that all of the time from folks who say, we need more money, we need more of your money, America. We need more of your money in order to pay for the kinds of programs that the Federal Government has to run.

But President Kennedy knew it, President Reagan knew it, President George W. Bush knows it, this Republican Congress knows it, and that is that when you decrease taxes, kind of counterintuitive, but when you decrease taxes, what happens is that the economy flourishes, we have talked about that a lot this evening, the economy flourishes, the number of jobs increase, the amount of money that is being paid to individuals increases, the number of folks who are employed increases, and because of all of that, the tax receipts actually increase.

And it is important to appreciate that, because unless one understands that, Mr. Speaker, unless you appreciate that the lower taxes are, the higher tax revenue you get, then you are going to draw a wrong conclusion about how we ought to proceed as a Nation.

The CBO forecast, the Congressional Budget Office forecast down there on the far right was for 16.8 percent of a share of the GDP for tax receipts. The forecast for the budget in fiscal year 2005 was the same. What happened? What happened because of the tax policies is that we have a remarkable increase in tax receipts to the Federal Government.

That is good news, Mr. Speaker. That means that the tax policy is working. You allow Americans to keep more of their hardearned money, then what happens is that the Federal Government sees more tax revenue, and hopefully we will be able to continue to decrease taxes on Americans, all across the spectrum, all across the spectrum.

Mr. Speaker, I think it is always important to talk, when we talk about taxes, and when we talk about the economy, you oftentimes hear our friends on the other side of the aisle trying to divide people between the haves and the have-nots, the rich and the poor, upper class and middle class, lower class. They will oftentimes say things like, people need to pay their fair share of taxes. You hear it all of the time, Mr. Speaker. I know you do.

Well, I think it is incredibly important to demonstrate who, in fact, is paying taxes at this point in our Nation. This chart just speaks volumes. Absolute volumes. On this axis here we have the percent of taxes that are paid by what percent of individuals who are in our Nation.

The top 1 percent wage earners. Mr. Speaker, the top 1 percent wage earners in our Nation pay over 30 percent of the taxes. The top 1 percent pay over 30 percent of the taxes. You see that the top 5 percent pay over 50 percent of the taxes. And you go on down and appreciate that largest bar there is the top 50 percent of wage earners in this Nation pay over 96 percent of the taxes in this Nation.

That is a progressive tax rate. That is the kind of tax policy that we have in place. I think we ought to decrease a lot of those taxes. But it is important for people to appreciate that folks in the bottom 50 percent of the wage earners who are striving to get into this area up here, and we are working as hard as we can to have policies in place that will allow them to do that, but the bottom 50 percent of wage earners in this Nation pay about 3½ percent of the taxes in this Nation.

I do not say that to belittle anybody. I say that to bring truth and fact to the discussion and to the debate. So when you hear people say, people need to pay their fair share of taxes, well, I would suggest to you, Mr. Speaker, that folks are paying their fair share and then some, and then some of taxes that we have in this Nation.

Now, we hear a lot of talk, Mr. Speaker, about the deficit, about the deficit, and how the deficit is too high and how we are not being responsible in our spending. I would agree with folks that the deficit is too high. Because I believe, as I have mentioned earlier, that we ought to have a balanced budget, that we ought not spend any more money than we take in.

But you hear people all the time saying this is the worst deficit in the history of the Nation. In fact, Mr. Speaker, in fact, remember it is the Official Truth Squad, in fact what we have seen over the past 12 months is a Federal deficit as a percent of GDP, Gross Domestic Product, of 2.1 percent.

Now the average in the 1990s, the average in the 1990s, 2.2 percent. That is higher Federal deficit as it relates to percentage. You can talk about absolute numbers. But absolute numbers do not compare apples to apples, because of inflation and expansion in the economy, and the level of Federal revenue.

See, it is important to talk about percent of gross domestic product when you talk about what the Federal deficit is. Again, this is not where I would like it to be. I would like it to be zero. And you remember the policies that we put on the floor of the House to vote on, the PAYGO policies and the balanced budget policies that we put on the floor of the House to vote on? Our friends on the other side of the aisle overwhelmingly rejected them, overwhelmingly. That is the kind of cooperation, we need greater cooperation in order to bring that down.

□ 2120

But in spite of that, in spite of their reluctance to assist us in appropriate fiscal decisions, what we see is a 2.1 percent Federal deficit as it relates to gross domestic product. Ten years ago what was it? 2.3 percent. And, remember, the average for the 1990s was 2.2 percent.

So I think it is extremely important, Mr. Speaker, for us to be honest when we talk about the economy, to be honest when we talk about the budget, and to be honest when we talk about where the problem is as it relates to the budget. Where is the big money being spent? Where is it going? And I have got a few charts that I would like to share with you on that, Mr. Speaker.

These are pie charts that demonstrate where Federal monies go when the Federal Government spends the large pot of money that it does every single year, where does it go? Where does it go? And this breaks it into three different areas in the pie chart and over a 20-year period of time, 1995, 2005, and 2016. And the three different areas, the green is the discretionary portion of the budget, the red is the interest, and the yellow is the mandatory portion.

The mandatory portion is primarily Social Security, Medicare, and Medicaid, those programs that are oftentimes called entitlement programs. I don't like to call them entitlement programs because I think that means that you absolutely can't reform them, that there isn't any way to be able to change positively those programs for the beneficiaries and for all members of our society. But Medicare, Medicaid, and Social Security.

In 1995, those mandatory programs, automatic programs oftentimes I like to call them, spent 48.7 percent of the Federal budget. 48.7 percent of the Federal budget. Now, these are programs that are on kind of an automatic spending course. If we as a Congress don't act, then they continue to increase at a rate greater than inflation. In 2005, those three programs, Medicare, Medicaid, Social Security, basically those three programs spent 53.4 percent of the Federal budget. Mr. Speaker, that line continues to increase. In 2016, if no changes are made or put in place, those three programs will incorporate 63.9 percent of the Federal budget. And in 30 years, Mr. Speaker, if I had a pie chart that had us 30 years down the road, the entire pie would be yellow. The entire pie would be yellow, because those three programs, Medicare, Medicaid, and Social Security, would consume the entire Federal budget.

Now, I point that out because I think it is important for people to appreciate that one of the responsibilities that we have in Congress is to make certain that that kind of economic policy doesn't occur. We are living in a changing demographic in our society, and one that will not sustain that kind of mandatory spending. And so the President 1½ years ago or so and many of us in Congress felt that it was appropriate to begin moving in a direction of greater fiscal responsibility when it comes to spending in the area of Social Security and Medicare and Medicaid, and we selected Social Security to begin that debate.

And as you will recall, Mr. Speaker, as so often happens regretfully and regrettably is that the folks who oppose any responsible spending here from Washington demagogue that issue to a degree that they scared every single individual across this Nation into believing that the kind of policies that were being proposed were going to destroy the program. Well, nothing could have been further from the truth.

What we were attempting to do was to make it where that kind of growth curve in a mandatory or an automatic spending program didn't occur so there was greater fiscal responsibility here at the level of the Federal Government and we were attempting to empower individuals in their communities to a greater degree with the kind of resources that they would gain from their employment.

If we don't, if we don't make certain that we address and fundamentally reform those three programs, Social Security, Medicare, and Medicaid, we will not be able to sustain the kind of Federal Government, the kind of policies either in defense or in transportation or in energy, all of the things that we need to be doing as a Nation in a positive way to move forward, we will not be able to do those things unless, unless we responsibly, responsibly, go ahead and reform the mandatory spending.

This chart points out the fact that the growth in those mandatory spending programs, if the law isn't changed right now, if we don't act positively together as a Congress, if we don't change that, these programs will grow at a rate of about 6.2 percent every single year.

Now, you see that the rate of inflation is estimated to be about 2.4 percent. Well, those programs will outpace the rate of inflation. They will also outpace the growth in membership in those programs. That is again, Mr. Speaker, an economic policy that is truly unsustainable. That is not something that we can continue as a Nation.

Mr. Speaker, I just want to point out that we are continuing to try almost weekly to encourage our colleagues on the other side of the aisle to assist us in being fiscally responsible, helping to solve many of the challenges that we have. This week is no different. We will have on the floor of the House this week H.R. 5766, which is an act called The Government Efficiency Act. And what it does is sets up a framework to target inefficiency, waste, fraud, and abuse in the Federal Government to make certain, to make certain that we route out that kind of waste, fraud, and abuse.

I want you, Mr. Speaker, to make sure that you watch how our friends on the other side of the aisle vote on that, because you heard them earlier say that making certain that we decrease inefficiency, waste, fraud, and abuse is so incredibly important as a Federal Government. I believe that to be true. We have got a bill that will do that. We are going to give them the opportunity to vote "yes," vote positively and vote "yes" on something. So I encourage you, Mr. Speaker, to keep an eye on H.R. 5766 as it comes up for a vote this evening.

I have got just a few moments left, but I am pleased to be joined by my good friend and colleague from Georgia, Representative LYNN WESTMORELAND, who is a wonderfully fiscally responsible member of the freshman class, and I yield to my friend from Georgia.

Mr. WESTMORELAND. Thank you, Mr. PRICE, and I appreciate you doing this tonight.

I have listened to the other side and your debate, and basically, Mr. PRICE, wouldn't you just assume that this basically comes down to a difference in philosophy? I heard about the deficit, I heard about the spending. But I believe that this Republican majority and the leadership in this House has given the other side every opportunity in the world to reduce that deficit. I believe we had the Deficit Reduction Act that the Republican majority had to pass themselves. And their philosophy is, to reduce the deficit, they would raise taxes. None of us like the deficit. We need to cut our spending. But every opportunity that the majority has had to cut spending, we have been opposed by the other side.

So I think what the people, Mr. Speaker, and, Mr. PRICE, need to realize is that this is a difference in philosophy about how this government should be run and about where the priorities for our spending are. And I know you had the chart up there about Social Security and Medicaid and Medicare. And we all want people to get their benefits, but there is going to come a time of reckoning, and the majority in this House has taken the leadership to try to address some of those things.

□ 2130

Not by cutting them but just by slowing the growth, and yet at every turn, at every turn you know that we have had opposition from the other side. So there has got to be a point where they come to the realization that they need to help us. They need to become part of the solution, rather than just being a party of "no."

Mr. PRICE of Georgia. Madam Speaker, I appreciate those comments so much, and I appreciate you reminding me about the Deficit Reduction Act. It was in my notes, and I wanted to make certain we pointed that out. We had that bill passed earlier this year in January. It would save the American people $40 billion.

Mr. WESTMORELAND. If you do not mind me interrupting, but that was at no cuts. This was just a decrease in the spending, a decrease in the growth of our government; and they spoke about sitting around the kitchen table and talking about your budget. We all do that. We all have to do that. The American family has to do that, but at the same time, if we know we are going to get a 5 percent pay raise or whatever, we cannot spend more than that. Sometimes we have to rein in our spending, and this is what the Republican majority has tried to do here.

So I want to thank you for bringing the Truth Squad to the floor and for explaining to all of us exactly the good things that this majority party has done to put this country in the right direction, and I might also add that our deficit has come down over the last quarter and the last months due to these tax cuts that we gave the American people because they know so much better about how to spend their money than we do as a Congress and as a government.

But I want to thank you for taking this opportunity to bring the Truth Squad to the floor and to bring truth to some of the things that are said here.

Mr. PRICE of Georgia. Thank you so much. I appreciate that, appreciate your comments, your pointing out again the Deficit Reduction Act that we passed on the floor of this House earlier this year with not a single vote from other side, again $40 billion in savings, which is just simply decreasing the increase that is going up in those mandatory programs, many of those mandatory programs.

So I appreciate you pointing that out, and it just really is a privilege for me to be able to, on behalf of the leadership and behalf of the Republican Conference, to be able to come to the floor tonight and to share some positive news, to share some facts and share some truth about the American economy, about the importance of allowing Americans to keep more of their hardearned money; and when you do that, when we do that as a Nation, as a national policy, what happens is that the economy flourishes and people are better off.

Madam Speaker, I look forward to being able to share more comments at some point in the future. I appreciate the opportunity to be with you tonight.

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore (Ms. FOXX). Under the Speaker's announced policy of January 4, 2005, the gentleman from Ohio (Mr. RYAN) is recognized for 60 minutes.

Mr. RYAN of Ohio. Madam Speaker, I appreciate the opportunity to kick off the 30-something Working Group, and my good friend Mr. MEEK from Florida, who was delayed for a minute, will be here any second to talk about taking America in a new direction.

We have heard a lot tonight, and I want to agree with my colleagues on one thing that they said earlier, just a few minutes ago, that the American people know how to spend their money better than the United States Congress, and I agree with that.

If you look at where this Congress has given the money, $16 billion in subsidies to the oil companies, hundreds of thousands of dollars in tax returns, tax breaks for millionaires, Madam Speaker, I agree that the American people would not do that, and that is why it is time to take the country in a new direction.

I want to, before we get too revved up here, thank our good friend from Massachusetts for carrying the ball last night when the younger and the weaker, the fatigued other Members of the 30-something did not have the stamina to come here at 11:40 last night, and you showed up, and I yield to my friend.

Mr. DELAHUNT. Madam Speaker, well, I am glad to see that you have recovered and that Mr. MEEK has made it. I knew that both of you were tired. You worked hard yesterday, but I hope that in the future you can just reach down, grab a little extra, and you know, be here when it counts. I have been very impressed with your perseverance, your performance over the course of the past year and a half; but remember, it has to be consistent. It has to be consistent. It cannot be just about talk. It has to be actions.

Mr. MEEK of Florida. Madam Speaker, I thank Mr. DELAHUNT, and I know you are all excited about your birthday that took place last week, and it is well noted not only amongst the Members but also in the CONGRESSIONAL RECORD. We notice that you are eligible for Medicare. We are excited about that. Hopefully, having you as Medicare recipient now, folks on Medicare will have a stronger voice in Congress because you can actually understand what they are going through.

It has been 3 years and 2 months we have been doing 30-something. We are just so glad that we can have you as the something of the 30-something which I will be joining you in September.

Mr. DELAHUNT. I look forward to seeing you graduate to a different level, and I am sure that you will be able to be here for the last hour once you hit that magic mark in September.

Like I was saying, we hear a lot of rhetoric on the floor here, and we just heard an hour's worth of good talk, good talk, and you know, I welcome the fact that it would appear, if you listen carefully, that the Republican majority is going to get serious about fiscal responsibility.

I would only note that they are coming very late to the issue, because, I know neither of you were here in 1994, but in 1994, this branch, Madam Speaker, was taken over. The Republicans assumed majority. So let us see, from 1994 to 2006, that is 12 years, that is 12 years and now we are faced with runaway deficits, external debt.

We just recently received a report from the Comptroller General of the United States that informed the American people that despite the fact that they have already spent 30 billion of their dollars in Iraq, that the bill is coming for another $50 billion to reconstruct Iraq.

Mr. RYAN of Ohio. What is that $50 billion going to be spent on?

Mr. DELAHUNT. Well, I think a lot of it is going to line the pockets of corrupt officials because that is what Mr. Walker, who is the Comptroller General of the United States, found. He expressed concern about the black market in the sale of oil.

We all remember the words of Paul Wolfowitz who was the Under Secretary of Defense that the revenues from the oil reserves of Iraq would pay for its reconstruction. False.

Mr. RYAN of Ohio. Again, this is the 30-something Hour, Madam Speaker. This is the 30-something Hour, so we are talking about issues that are going to face generations to come, but I want to agree again with the statement that the previous speakers made, which we do not like to refer to, but they said that the American people know how to spend their own money better than the United States Congress, and I am all in on that statement.

Mr. DELAHUNT. But, Madam Speaker, the Republican majority in this House is spending the American people's money not in America, but in Iraq.

Mr. RYAN of Ohio. And not spending it in a manner which the United States citizens, from Florida and Ohio or Massachusetts or wherever they are from, would completely and totally and wholly disagree with where the Republican Congress is spending their money. They are building hospitals in Iraq. They are building schools in Iraq. They are building clinics in Iraq. They are building roads in Iraq, in a fruitless attempt to try to win over the Iraqi people.

Mr. DELAHUNT. And where are they getting the money?

Mr. RYAN of Ohio. We are borrowing the money from China, Japan, and OPEC countries in order to fund the war and to fund tax cuts that are going predominantly to people who make more than $1 million a year.

The average American person, Madam Speaker, does not agree with that policy. They wholly reject that policy because it makes no sense. People in Youngstown, Ohio, work very hard, and they meet their obligations for the Federal Government. They pay their taxes, and to watch the United States Congress, Republican-controlled, take their hard-earned money and build roads and bridges in an elective war, with no plan, no exit strategy, no idea of how to execute it, and take their money and build roads and bridges and hospitals over there. I yield to my friend.

Mr. MEEK of Florida. I just want to make sure that just because they say it, Madam Speaker, the Republican majority does not necessarily mean that it is true. You have heard me say this before. The good thing about the 30-something Working Group is that we come to the floor and not with rhetoric, not with a Democratic message that is not factual. We do not do that. People are looking for straightforward government, making sure that we level with the American people, not level with Democrats, not level with Republicans and Independents, but level with the American people.

The American people want us to work in a bipartisan way, but only the majority can allow that to happen. We have legislation that is moving through the process that Democratic Members are not even noticed of the conference committees that are going on, some of the decisions that are being made, and we have Republican majority Members that come here and say, well, the Democrats, how can they say it when they have been in control.

Let me just say this real quick. I tell you they did not share in the hour before this hour, they did not share how the Republican majority has made history in all the wrong ways. On $1.05 trillion borrowed in 4 years, 2001 to 2005, from not only President Bush but the Republican majority that dethroned 42 Presidents, 224 years of history, $1.01 trillion.

Mr. RYAN mentioned who we are borrowing from. Japan, $682.8 billion. The American people had nothing to do with that. Republican majority, rubber-stamp Congress, had everything to do with that. China, at $249.8 billion; UK, $223.2 billion; Caribbean, $115.3 billion; Taiwan and on and on and on.

What they also did not say is how the Republican majority has given themselves a pay increase along with all Members of Congress, meanwhile, Madam Speaker, not addressing the minimum-wage workers in America since 1997. So I would not come to the floor with a straight face talking about the American people can handle their dollars that we give them or they can handle the dollars because they can handle it best.

Well, guess what. I think that is a true statement because the bottom line is the Republican majority has shown that they cannot. Just real quick, I want to make sure that we spell this out.

In 1998, Members of Congress, $3,100 raise; minimum-wage workers, zero; 2000, Members of Congress, $4,600 raise; minimum wage, zero; 2001, $3,800 increase, cost of living Members of Congress; minimum wage, zero; 2002, zero minimum wage; $4.900 real money increase for Members of Congress thanks to the Republican majority; 2003, $4,700; minimum-wage workers, zero; $3,400, 2004; minimum-wage workers, zero; 2005, $4,000; minimum-wage, zero; 2006, $3,100; minimum-wage workers, zero. And the Republican leadership has said it is just not going to happen. They did not want to share that with the American people. That is why the 30-something Working Group, why we do that.

The good thing about this report is that we are saying on this side of the aisle we will not vote for an increase in Members' pay if we do not vote for an increase in the minimum wage. That will mean an increase in individuals that are making above the minimum wage because the American workers should be making more than the CEOs that are retiring with big-time retirement packages.

☐ 2140

I wish I had my chart here.

Mr. RYAN of Ohio. Will the gentleman yield?

Mr. MEEK of Florida. Yes, I do have my chart. So that we don't have CEOs of major oil companies with $398 million retirement packages. A retirement package. And a $2 million tax break, thanks to the Republican majority.

So, Mr. RYAN, when folks come to the floor and start talking about, and Mr. DELAHUNT, what the American people can do, tell you what, why don't we play fair? We have control of the minimum wage, Mr. DELAHUNT, we can raise the minimum wage.

On this side of the aisle we said, number one, we will be raising the minimum wage. Okay, not raising the salaries for Members of Congress.

Mr. RYAN of Ohio. Within the first 100 hours.

Mr. MEEK of Florida. Within the first 100 hours we are willing to move forward, and we have said it, in our new direction for America. We have said we are going to cut student loan costs in half, Madam Speaker, more than the Republican majority that is in control now.

We have said that we are going to move in the direction of true energy innovation, investing in the Midwest versus the Middle East, here in America with E–85 ethanol. Republican majority has the House now. They are not doing it.

We have said that we are going to pay as we go and have real fiscal responsibility, because we are the only party in this Chamber, Mr. DELAHUNT, that can say we have actually balanced the budget. We have balanced the budget, with surpluses as far as the eye can see. The Republican majority takes over and we are borrowing from countries that we have issues with, like China, Japan, and the U.K. Well, not the U.K., but other countries that are questionable. OPEC nations. And I don't even want to go through that list.

So when we start talking about these things, gentlemen, and when they come to the floor, and this is a free country and what a democracy, but meanwhile, Mr. DELAHUNT, we have veterans that have fought, some are at Arlington Cemetery for paying the ultimate price for us to salute one flag. We look at the services and the things that we have promised veterans, and this is not a Democrat or Republican or Independent or nonvoter issue, this is an American issue. To see veterans having to wait 2 and 3 months to see a specialist at a VA hospital, whether it be a foot doctor, an eye doctor, or just getting a simple exam, is unacceptable, especially when the Republican majority is giving tax breaks in a record breaking way to individuals that are not even asking for them, and when billionaires have $398 million retirement packages, I think it is important for us to come to the floor and share this with the American people.

It is not only important, it is our obligation. So that the reason why, Mr. DELAHUNT, as I land, that it is important, no matter how late, if it is 11:40 at night or it is a few minutes before 10 p.m.

Mr. DELAHUNT. Or if it is at 11:30.

Mr. MEEK of Florida. Or 11:30.

Mr. DELAHUNT. And you are by yourself.

Mr. MEEK of Florida. We have worked all day, and some Members of Congress, Madam Speaker, are home enjoying themselves, relaxing, what have you, some are working in their offices right now answering their e-mails or regular mail, that we come to the floor, take away from what some may say is our personal time after we finish our regular business, that we come to the floor to show how we have the will and the desire to put America in a new direction and not only fight for working class folks, but making sure that those that pay their price to this country, which are a number of Americans but especially our veterans, will be treated with dignity and respect.

Mr. RYAN of Ohio. If the gentleman will yield.

Mr. MEEK of Florida. Yes, sir, I would yield, Mr. RYAN.

Mr. RYAN of Ohio. Because I think it is so important that the American people and the Members who are watching this here tonight understand that things will be completely different when the Democrats take over in January; that we will, within the first, not 100 days, Madam Speaker, Mr. DELAHUNT, but within the first 100 hours out of this House we will pass a minimum wage increase that will get us in a few years to $7.50 an hour; that we will, in the first 100 hours, cut student loan interest rates in half for parents and for students, which will save families $5,000 over the course of the loan.

We are not rocket scientists. We are not saying we have some extravagant plan that is very elaborate and very complex. These are basic fundamental things. We are going to strip the oil companies of the $16 billion that they get in subsidies, and we are going to put that towards education and innovation and alternative energy sources. And all these things we need to do, Mr. DELAHUNT, in order for us to be competitive as a country.

Mr. MEEK of Florida. One second, Mr. RYAN. I just want to make sure we are accurate. It is $7.25, not $7.50, sir, that we want to move the minimum wage. I want to make sure that we are accurate. I know you mistakenly said $7.50. I would like to do $7.50, but our plan is $7.25, just for the record. Because we believe in making sure that even when we make a mistake to level with the American people.

Mr. RYAN of Ohio. Reclaiming my time, I yield to my friend from Massachusetts.

Mr. DELAHUNT. I appreciate the gentleman yielding his time, and I want to compliment my friend from Florida, Mr. MEEK, because he just did something that is rare in Washington. He acknowledged that there was an error; that there was a mistake. Because you will never hear that on the floor of this House.

But the American people, I would submit, want their elected officials to acknowledge when a policy has failed and come up with another idea and be forthright about it. I mean, when I hear about all of the problems that haven't been solved because of a minority party. I begin to wonder, is there an alternative reality there?

As I said earlier, Madam Speaker, the Republican majority has owned this Chamber for 12 years. Where have you been? Now you are talking about fiscal responsibility. And the reason you are talking about it is because there is 100 days to an election. That is why you are talking about it. And you talk about the direction of the country. You know, we talk about a new direction and a change in direction, Madam Speaker, because there is no alternative.

If we continue to go and continue to chart the same course that the administration and the Republican House and the Republican Senate have charted for the United States, we will be in serious trouble. And let me just give you four statistics:

Since the Republicans have controlled both branches of Congress in the last 5 years, and President Bush was inaugurated in 2001, college tuition has increased by 40 percent, health care costs to the American people have increased by 55 percent, and gas prices have increased by 79 percent.

But Ms. WASSERMAN SCHULTZ, you know what has gone down in this country? Madam Speaker, you know what has declined in this country? Median household income. A family of four in this country, since the Republicans have governed here in this institution for 5 years, the average American family has experienced a decline of 4 percent in their income. On top of all the escalating costs that are eating away at their security, everyone in America knows that retirement security no longer exists. They know that their health care plan can be canceled at any time. They know that they won't be able to afford to send their children to college because they can't afford the loans. I mean, the list goes on and on. We have got to change the direction of this country.

With that, I yield to the gentlewoman from Florida.

Ms. WASSERMAN SCHULTZ. Thank you so much to my good friend, Mr. DELAHUNT, and I am glad to be here with my three good friends from the 30-something Working Group.

You know, the answer to the question that is on everybody's mind, which is why do they keep moving us in this direction? Well, if you actually shine a light or a magnifying glass on what is really going on here, then it would be clear that their priorities are all wrong. So instead, what they do is they engage in the politics of distraction, like they did all during last week.

If you recall last week, let us take a walk down memory lane here, did we focus on the priorities of the American people, like gas prices and health care and the true direction that we should be going in in the war in Iraq? Were those at the top of the Republican agenda last week?

Mr. DELAHUNT. We talked about stem cell research.

Ms. WASSERMAN SCHULTZ. We talked about trying to override, unsuccessfully, a veto on stem cell research. We did that and the Pledge of Allegiance bill, and we did gay marriage. We engaged in the politics of distraction, because the only way that the Republican leadership here can take the focus off of all the horrendously bad things that they are doing on the priorities of the American people is by focusing on that.

I had a social studies text book with me last week, I am not sure if we still have it, but last week I really wanted to bring a social studies textbook to the floor because essentially there is no point in using it any more in our public high schools. At the end of the day, the Republican leadership here has thrown out the concept of how a bill becomes a law.

That Pledge of Allegiance bill we brought here last week? I sit on the House Judiciary Committee. That bill was defeated in committee, and yet we still saw it on this floor. When we teach high school civics, we teach that a bill has to go through the committee process, it has to garner a majority of the committee members to move on then to either the next committee or to the next point of reference in the legislative process.

Mr. RYAN of Ohio. And the bill stripped the courts of hearing a case that the courts actually ruled in favor of what they wanted.

Ms. WASSERMAN SCHULTZ. Exactly. Let us focus on what the bill itself actually did, which also throws out the whole system of checks and balances and who is responsible for what according to the way the Founding Fathers set it up.

That bill actually said, like you said, Mr. RYAN, that specifically because the Republican leadership here does not agree with a specific court decision, they decided to pass a bill stripping the courts of the ability to decide that question. Now, whether or not you agree that "under God" as part of the Pledge of Allegiance is or is not constitutional, that is not relevant. We certainly shouldn't be passing legislation here that was defeated in committee; that couldn't even garner enough support on the Republican side to pass out of committee, and they stack the committees in their favor, to strip the courts of the ability to decide a question that the Republicans don't agree with.

But, you know, the rubber stamps, the rubber stamps in this body just went ahead and approved it anyway. Break it out, Mr. MEEK.

Mr. RYAN of Ohio. Ms. WASSERMAN SCHULTZ, you are exactly right. It wasn't that they didn't like the answer, because it went to the appeals court and the court ended up ruling in their favor, that "under God" should stay in the Pledge. But they didn't like the question, which is so typical down here, Mr. DELAHUNT.

They don't like the questions that people are asking, whether it is at President Bush's press conferences or having a hearing and asking questions about what is going on in Iraq or Katrina or with gas prices or what the oil companies are doing. When you have an elected body in a democracy that stops liking the questions, we are losing the basic fundamental aspect.

Mr. DELAHUNT. If the gentleman would yield.

Mr. RYAN of Ohio. Be happy to yield.

Mr. DELAHUNT. Just stop for one moment. The war in Afghanistan and Iraq has been going on for years. Every day we pick up a newspaper and learn about the loss of American lives.

☐ 2200

Every day we hear about the rampant corruption that goes on in Iraq. Every day we hear about the escalating costs of the military deployment in Iraq. And now we know from the Comptroller General, not from the administration, that the $30 billion that we have already spent in Iraq is not enough to rebuild the country. It is going to cost us $50 billion more. And you know what, Madam Speaker? We ought to be having a hearing on a weekly basis, every committee, every single committee who has some jurisdiction, and yet nothing happens.

Why are we losing ground in Afghanistan? Why? But we do not dare ask the question.

Ms. WASSERMAN SCHULTZ. Will the gentleman from Ohio yield?

Mr. RYAN of Ohio. I yield to the gentlewoman.

Ms. WASSERMAN SCHULTZ. Thank you very much. Because the Prime Minister of Iraq is here in Washington, today met with the President, and the whole notion of stubbornness and refusal to acknowledge that they are wrong and refusal to change course is so evident in the decision-making that goes on with this administration as far as the direction that we are going in Iraq.

June 13, when the President went on that surprise visit to Iraq and praised up and down the Prime Minister's plan for ending the bloody violence in Baghdad, came back and said, The Prime Minister of Iraq has a plan and I am supportive of it.

Well, today they finally acknowledged that it is not working and it is not effective and not that, yes, we are going to change course. It is "changing the plan is under consideration."

Well, because we have had a shift in focus, in terms of the media's attention, to the crisis in the Middle East as it relates to Hezbollah, its attacks on Israel, it has deflected attention away from the fact that the actual number of deaths and bombings have increased in Iraq in the last month.

Mr. DELAHUNT. If the gentleman from Ohio would continue to yield for one moment, we all know that there is much public discourse about whether the violence in Iraq is of such a magnitude that it should be called a civil war. There are no figures that are ever released by the administration, but the United Nations just released a report in the last several days that indicated in the months of May and June, 6,000 Iraqis were killed because of political violence. Will somebody please explain to me, is that enough to make it a civil war? Of course it is a civil war going on there, Madam Speaker. Please stop using semantics with something that is so serious that the American people deserve to be continually informed.

Mr. RYAN of Ohio. Madam Speaker, in this talk today, as we watched the press conference, the Iraqis have army and police force in one region that is in southern Iraq, where nobody lives. They have got control of it, and the Prime Minister is here with the President saying, See, we are making progress.

You are not making progress. Electricity, water, utilities are all at prewar levels. Below prewar levels.

Ms. WASSERMAN SCHULTZ. And instead, Mr. RYAN, we are focusing on the Pledge of Allegiance and gay marriage. And what it really comes down to, do you think that the mom whose baby is in Iraq fighting on behalf of our country is worrying about whether one of her children is going to be able to say "under God" in the pledge at school, or is she more worried that her baby over in Iraq is going to come back to her? What do you think is a higher priority for her?

Mr. RYAN of Ohio. Or that the baby, in the country that this baby was born into, is going to owe $11 trillion to China and Japan and OPEC countries.

This is bogus. This Congress is bogus, Madam Speaker. This is the biggest illusion, smoke and mirrors nonsense. This is disrespecting the American people in the past couple of weeks. Totally has disrespected and insulted the intelligence of the American people.

I yield to my friend.

Ms. WASSERMAN SCHULTZ. Thank you. How about this? I mean, let us go beyond just the mom or dad of a young man or woman fighting in Iraq. How about the father of four who leaves for work every day, and do you think he is worrying about whether someone who is gay is going to be able to get married or not, or is my Member of Congress voting to amend the Constitution to deal with that, or do you think that it is more likely that he is pissed that he is having to pay $3.01 a gallon to fill up his tank and it is going to cost him like $55 and he is wondering whether he is going to be able to get to work in the morning?

Where on the list of priorities, Mr. DELAHUNT, do you think that is for the Joe and Jane average constituents that we represent?

Mr. DELAHUNT. Could I add to that?

Ms. WASSERMAN SCHULTZ. Of course.

Mr. DELAHUNT. What do you think an American mother feels as she sees this administration embroil us, embroil us, in wars, sectarian strife all over the world? Does she become concerned that at some point in time her child will be compelled to serve in the military?

I found it fascinating reading some articles in the Weekly Standard, which is, if you will, the gospel of the neoconservative movement, suggesting now is the time to bomb or strike Iran. Just another war. Just another war. And, of course, the original frontier in terms of the war on terrorism, Madam Speaker, was Afghanistan. And you know what is happening in Afghanistan? The Taliban is back, the group that gave safe haven to Osama bin Laden and al Qaeda, because of the distraction that was foisted on the American people by this administration with the complicity of this Congress and putting us into the quagmire of Iraq.

Ms. WASSERMAN SCHULTZ. Mr. DELAHUNT, do you know how many troops we have in Afghanistan versus how many we have in Iraq?

Mr. DELAHUNT. Yes, I do.

Ms. WASSERMAN SCHULTZ. Twenty-two thousand in Afghanistan versus 130,000 in Iraq.

Mr. DELAHUNT. If the gentleman from Ohio will continue to yield, do you know who really said it the best? The NATO commander who was taking over the NATO force in Afghanistan. He happens to be a British general by the name of David Richards. And he said this: You know, we were distracted. We took our eye off the prize, and that is why we have the problems that we have now. We became too focused on Iraq, and we forgot about Afghanistan, and some would have us already hitting into Iran.

When does it end, Mr. MEEK? When does it end?

Mr. MEEK of Florida. Mr. DELAHUNT, I just wanted to say really quickly that it is important that we point out, you have got one, two, three, and I am four Members of Congress. We have friends on the majority side of the aisle. We see them every day. We have lunch together, and we go to the dining room here in the Capitol. We know one another's families. We travel together to foreign countries. We visit military bases here in the United States and abroad. Madam Speaker, this is not personal. This is business. And the bottom line is that this Congress is making history in all the wrong ways. We have a rubber-stamp Congress, as Ms. WASSERMAN SCHULTZ pointed out earlier, that has rubber-stamped everything that the administration has put forth to this Congress, and now we are in a situation where the American people do not see the same vision that the Republican majority has.

Now, Ms. WASSERMAN SCHULTZ, before we leave here tonight, you must talk about immigration.

☐ 2210

You must talk about immigration in a way that shows that the Republican majority and the Bush White House is not leveling with the American people.

Mr. DELAHUNT, you pointed out, Mr. RYAN was mentioning 750 earlier. I am looking here at our plan, it says 725. He was in the middle of a speech, and I wanted to make sure that we were accurate for the record. I wanted to make sure we were leveling with the American people. I want to make sure that Members watching in their offices or watching at home are saying, even on the majority side, the reason why I can't be upset with those four Members on the floor right now is because they speak the truth; not fiction, not what we think will sound good. We are sharing the facts with the American people and with the Members of Congress, Madam Speaker.

So that is the reason why Members of the majority side, which is the Republican majority that is in control, we have situations where States are suing the Federal Government on education, lack of funding. We have local communities trying to figure out how they are going to stand up to unfunded mandates handed down from this Congress.

We have minimum wage workers that haven't received a raise since 1997. Meanwhile, Members of Congress have received $3,100, $4,900, $3,200, in some cases $2,900, $4,100, and a proposed $3,100 this year. Meanwhile, minimum wage workers are sitting waiting on some leadership and representation in Congress.

As we raise their minimum wage, what we have pledged to do in New Direction for America, Members, people that are making $8 and $9 an hour, employers are going to have to say, we have to give them also a raise, because the minimum wage has risen. So the American everyday worker not making minimum wage will do better under our plan.

Saying that, Mr. DELAHUNT, that is the reason why we should feel very motivated and empowered to be here any time we get an opportunity to come to the floor.

So I am excited about the fact that we are armed with the facts. I am glad, Ms. WASSERMAN SCHULTZ, the facts she had she got from third party validators, not what we came up with, to share with Members and the American people, because we don't want members of the rubber-stamp Republican majority to go home and say "we didn't quite understand that," or "it was the Democrats." We have to make it abundantly clear that the Republicans are in control.

Mr. RYAN, as I close, I just want to break it down like this: On the Democratic side, we don't have the opportunity to bring a bill to the floor. We are not chairmen or chairwomen of committees. We can't order up a congressional hearing and subpoena Halliburton and other companies that obviously have done things that have reached the level of, some may say, the criminal level. We can't do that.

We can't have inquiries of Federal agencies. Our good friend from Tennessee has legislation that is talking about agencies coming to the Congress and asking them, what happened to $28 million that we gave you last year? They say I don't know. They just write it off. It is the taxpayers' money.

Mr. DELAHUNT. What happened to the $89 billion in Iraq.

Mr. MEEK of Florida. What happened to the $89 billion in Iraq. This will never surface, Madam Speaker, unless we get rid of the rubber-stamp Congress and we move towards a Congress that is willing to follow the Constitution of the United States to make sure that the American taxpayer dollars have the proper oversight and that we spend it in a way that is responsible, not just giving away tax breaks to millionaires and special interests when the Republican majority feels like doing it.

Ms. WASSERMAN SCHULTZ. There is just no accountability. There are just words. There is no action to back up the words.

You know, if you listen to the Republicans on immigration, as Mr. MEEK referenced, you would think that they were the hardest line, the hardest core, that border security was the highest priority to them. But if you closely examine the facts, you don't have to even closely examine the facts, you just scratch the surface a little bit. Take a look at what the real record of this hard line Republican congressional leadership is when it comes to border security. Let's show the American people who is for immigration reform and who is just kidding.

These are third-party validators here. Here is border security by the numbers. We took a look and found that as it relates to the average number of new Border Patrol agents that are added each year, because the Republicans talk a good game about how many Border Patrol agents they want to add, well, under the Clinton administration, from 1993 to 2000, the average number per year added was 642. You take a look how many were added, Border Patrol agents per year, under the Bush administration from 2001 to 2005, it was 411.

That is not just a couple, that is not a handful, that is a big difference. 642 minus 411, I am not a mathematician, whatever it is, someone subtract it for me.

Mr. RYAN of Ohio. 231.

Ms. WASSERMAN SCHULTZ. A 231 difference. That is a big difference. Maybe that is an anomaly. Maybe that is just isolated.

No, keep going. Let's look at another indicator of who is for border security and who is just kidding. The INS fines for immigration enforcement, making sure that we actually crack down on illegal immigrants: 1999, 417. The actual statistic is in 1999 the United States initiated fines against 417 companies. In 2004, it initiated fines against three companies. Who was President in 1999? President Clinton. A Democrat was

President. Who was President in 2004? President Bush.

We are talking about going after the firms, the businesses, that aggressively hire illegal immigrants. But maybe that was an isolated incident. Maybe it was just those two indicators that were off the charts, different than the policy that the Republicans talk about.

Keep going. Let's look at the Bush administration's record on pursuing immigration fraud cases. In 1995, under President Clinton's administration, 6,455 immigration fraud cases were prosecuted. In 2003, under President Bush, 1,389 cases were prosecuted.

At the end of the day, I think the American people will want to examine the facts, and not just listen to the words.

Mr. RYAN of Ohio. Madam Speaker, I think that is the perfect example. Those are facts. We did not make it up. Those are facts on how the Clinton administration versus the Bush administration handled illegal immigration.

But look, if you are just the average Joe and you are sitting in the cheap seats watching politics in America, that is not all you see, is the failure to address the illegal immigration problem.

You have watched over the past 5 years, Katrina, in which our FEMA, the Republican appointed members of the emergency management system here in the United States of America, had five or six days, knowing that a hurricane was coming to the Gulf States, and we got the kind of response that we got go.

You look at Iraq. You look at not when the statues fell, but look afterwards, and you see it has been an utter and complete failure. Utilities and all the electricity, all at below pre-war levels. Our army right now, two-thirds of our army is not combat ready. Two-thirds. That is atrocious.

And when you look at lack of investment in alternative energies, and the median wage is down 4 percent, all of the increases in college tuition, all these things, if you are just watching this from afar and you see millionaires getting tax breaks and average Americans struggling to get ahead and falling behind every single paycheck, you have to at some point say, aren't you taking the country in the wrong direction? Aren't you taking us down the wrong road?

Real quick, Mr. DELAHUNT, whether it is domestic policy or foreign policy, you look at what is happening, and there is a severe disconnect between where the American people want to be and where the administration and President Bush's Congress is taking us.

Mr. DELAHUNT. I really found it interesting. I ran across this article today in the Washington Post, and much of what we have said is repeated here. The Iraq war didn't work and we didn't prepare for peace. The response to Hurricane Katrina was a monumental failure of government. You don't go to Congress to become the party that you have been fighting for 40 years, the spending, the finger pointing, not getting bills passed. Just shut up and get something done.

Now, that was the quotes of a candidate, but it was a Republican candidate. It was a Republican candidate. I think that tells you something about going in the wrong direction, Madam Speaker.

I find it interesting that the frustration level is so profound now that the former Speaker of the House that sat in the Chair that you, Madam Speaker, are currently occupying, summed it up like this: "We just ought to start firing everyone."

□ 2220

That is what he said. And yet we continue to go in the wrong direction. We continue to hear that, you know, if the Democrats would only help us. I mean, we do not even get invited to committee hearings. They don't tell us where a hearing is if it is a significant hearing, and I am referring to, specifically, I am referring specifically to the Medicare prescription drug legislation that was passed several years ago.

We couldn't find the room where they were meeting to discuss an issue of such great consequence. I mean, it is unbelievable.

Mr. RYAN of Ohio. I enjoyed watching Mr. Gingrich over the past year or so be critical. But the funny part is that this is the neoconservative agenda we are living with now. It has been implemented. There is really nowhere else to go. They have given tax cuts to the wealthy. They have appointed all of their cronies. They control the House, the Senate, the White House, the Supreme Court. They control every major branch of government, they have all of their appointees in all of the right positions through the executive branch, and it is not working. They have implemented the neoconservative foreign policy agenda.

Mr. DELAHUNT. Do you know what we have accomplished with that? We have strengthened Iran.

Mr. RYAN of Ohio. We have increased the number of terrorists.

Mr. DELAHUNT. We have increased the number of terrorists.

What I find interesting, tomorrow in this Chamber the Prime Minister of the newly elected government will be addressing the body. And this is what he has to say. He is referring to Israel's action after Hezbollah kidnapped two Israeli soldiers and began shelling northern Israel, but he is referring to Israel: "I condemn those aggressions and call on the Arab League's foreign ministers meeting in Cairo to take quick action to stop these aggressions. We call on the world to take quick stands to stop Israeli aggression."

No reference at all to the actions of Hezbollah. None whatsoever. And the Speaker of the House in Iraq, Madam Speaker, again the exact position that Mr. HASTERT holds in this House, uttered anti-Semitic remarks that every American would deplore and find unacceptable. May I quote what he had to say. He is referring to the terrorist acts against other Iraqis. And this is what he claimed, and I am quoting him: "These acts are not the work of Iraqis. I am sure that he who does this is a Jew, and a son of a Jew. I can tell you about these Jewish Israelis and Zionists who are using Iraqi money and oil to frustrate the Islamic movement in Iraq. No one deserves to rule Iraq other than Islamists."

That same speaker said this, Madam Speaker: "The United States' occupation is butcher's work under the slogan of democracy and human rights and justice."

And understand that there has been a bilateral military cooperation agreement signed by Iraq with Iran. What have we done? We have got over 2,500 Americans killed. Tens of thousands seriously wounded. And is this what we expect? No. It is not what we expect. It is certainly not what we deserve. And now Iran has become the hegemon in the Middle East.

Mr. MEEK of Florida. Thank you for sharing that, because that is so very, very important. It is going to be the issue of tomorrow and today. I mean, when we get into after the 12 o'clock hour.

Mr. RYAN. I think it was important, and Mr. DELAHUNT brought up some comments that the past Speaker made, the person that gave birth to the Republican "revolution," the Contract on America, I mean for America, and what has happened to all of that, the broken promise to America from the Republican majority.

Ms. WASSERMAN SCHULTZ pointed out the fact that the Republican majority talked about that they are tough on immigration, but at the same time they have been in control double digit years, and now all of a sudden they notice that we have an immigration border protection problem.

And folks are burning Federal jet fuel flying down to the border for photo shots; this, that and the other that we are doing something about it. Bill Buckley, I don't need to talk about his credentials, because here in this article from Connecticut.

Mr. RYAN of Ohio. That is William F. Buckley.

Mr. MEEK of Florida. William F. Buckley. It is an article that Bush is not a true conservative when it comes down to spending. As you know, he has dethroned a number of individuals. And he is noted in this article, which was dated July 22, 2006 as the Father of Moderate Conservatism, talking about William F. Buckley.

☐ 2225

He is saying, if you had a European prime minister who experienced what we have experienced, it would be expected that he would retire or resign. This is what Buckley said about the President of the United States. He is allowed to do that because this rubber-stamp Republican Congress allows him to do it.

I would like to yield to Ms. WASSERMAN SCHULTZ, and hopefully Ms. WASSERMAN SCHULTZ will yield to Mr. DELAHUNT and then yield to you, to talk about, Madam Speaker, what Newt Gingrich, the Speaker of the House of Representatives, former Speaker, is saying about this Congress.

Ms. WASSERMAN SCHULTZ, if you will indulge me, please.

Ms. WASSERMAN SCHULTZ. I would be glad to.

In fact, what is really interesting about these comments from Speaker Gingrich was that he was sitting on a panel of the American Enterprise Institute, a conservative think tank, with former Speaker Foley, the Democratic Speaker who Gingrich succeeded, and they were literally trading head nods back and forth from what one another was saying. And one of the things that Speaker Gingrich commented on was as follows:

"Congress has to think about how fundamentally wrong the current system is. When facing crises at home and abroad," he said, "it's important to have an informed, independent legislative branch coming to grips with this reality, and not sitting around waiting for presidential leadership." And he said so much more than that. Mr. DELAHUNT, I would yield to you. And he went on, on the same day and in the same panel discussion.

Mr. DELAHUNT. Well, I think what he said in a quote that appears here, really, is the summation, if you will, of his disgust with what is occurring in the American political system. He described it as a broken system. These are his words, Newt Gingrich's words:

"The correct answer," Gingrich said, and he is speaking to the remedy, "is for the American people to just start firing people."

Ms. WASSERMAN SCHULTZ. Mr. DELAHUNT, before you yield to Mr. RYAN, he actually went on and I have the rest of his comments from that point. He actually went on and suggested that Congress rediscover its power to supervise the administration. And he said, "The failure to do effective aggressive oversight disserves the country and disserves the President."

I mean, disserves the country and disserves the President. We are not talking about the namby pamby liberals that the Republican leadership always refers to. We are talking about the former Speaker of this House and the leader of the Republican Revolution. This is damning criticism. Damning criticism. Mr. RYAN.

Mr. RYAN of Ohio. I want to thank Mr. MEEK for the opportunity to speak on this point, which Mr. Gingrich stated back in March that they, the Republican majority, are seen by the country as being in charge of a government that can't function.

When you look at what he is talking about, and what even Mr. Gingrich stated the other day on Meet the Press, is that the institutions haven't kept up with the times. And the majority has had now 12 years to try to reform these institutions, and they have made them worse, not better. Because, in the example of FEMA where they appointed horse attorneys, equestrian attorneys to run FEMA, or all the graft and patronage that is going on in Iraq, Mr. DELAHUNT, which you know about better than us and spoke very eloquently about at 11:30 last night by yourself, all of these issues add up.

When you have higher tuition costs, the paycheck you get doesn't buy as much, when you have higher health care costs, when you are worried about your pension, when you have the auto industry collapsing before its very eyes, you have a low minimum wage that hasn't been raised since 1997, you are unable to govern, as Mr. Gingrich said.

Mr. MEEK of Florida. Mr. RYAN, Mr. DELAHUNT, Ms. WASSERMAN SCHULTZ, this is what Republicans are saying. I mean, making history in all the wrong ways.

Ms. WASSERMAN SCHULTZ and I will be back at 11:32 for the last hour here tonight. We hope that you gentlemen will be able to join us.

Mr. RYAN of Ohio. We want to congratulate our 30-something. Ms. WASSERMAN SCHULTZ here was rated "One of the Most Beautiful People on Capitol Hill." And that is quite an honor. It is an honor for us to be here with you. KENDRICK and I and Mr. DELAHUNT didn't even make the list. I don't even think we were nominated. But we have all have roles to play, and unfortunately, Ms. WASSERMAN SCHULTZ covers them all. WWW.HouseDemocrats.gov/30-Something. All the charts you saw here tonight, and we could maybe get a copy of the Hill newspaper.

Mr. DELAHUNT. That should be put on the Web site. Congresswoman WASSERMAN SCHULTZ.

Mr. RYAN of Ohio. And I thank the leader and our leadership, STENY HOYER and JIM CLYBURN and JOHN LARSON for the opportunity to be here.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Ms. FOXX). The Chair must remind members that remarks in debate should not include words that might be construed as vulgar or profane.

Mr. MEEK of Florida. Madam Speaker, can you clarify what is vulgar or profane? Just an inquiry of the Speaker.

The SPEAKER pro tempore. The Chair will be pleased to consult off the record on that question.

ASSURING THE FUTURE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Maryland (Mr. BARTLETT) is recognized for 60 minutes.

Mr. BARTLETT of Maryland. Madam Speaker, I ask unanimous consent to revise and extend.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. BARTLETT of Maryland. Madam Speaker, in the last year and a half I have come here to the well of the House a number of times to talk about subjects ranging from embryonic stem cells and the challenge of deriving these cells ethically so that we might hopefully enjoy the great potential medical benefits. I have come here to talk about electromagnetic pulse, a very interesting consequence of the detonation of a nuclear weapon above the atmosphere that produces a surge which is very much like a lightning strike everywhere all at once or an enormously enhanced solar storm. And I have come here I think maybe as many as 18 times in the last year and a half to talk about a problem which we as a country and we as a world face, and that is the peaking of oil. We are shortly, I believe, if we haven't already, going to reach the maximum production rate of oil in the world, and then the world will need to deal with how we substitute renewables.

But tonight I come to the floor to talk about something that could very easily become a victim, a casualty of the tyranny of the urgent. All of us are familiar with this phenomenon in our personal lives, in our professional lives; it is true for our country that very frequently the urgent pushes the important off the table. Things you have got to deal with today frequently push things off until tomorrow that you might wait until tomorrow to address.

I want to spend a few moments this evening talking about something that concerns me. We have 10 children in our family, I have 15 grandchildren and two great grandchildren, and I am concerned that I leave them a country as good and great as I found when I was born into this country in 1926.

The story that I want to spend a few moments on tonight begins with a quote from Benjamin Franklin. There are several versions of this. I have one here from the Dictionary of Quotations, requested from the Congressional Research Service. It says, "On leaving Independence Hall at the end of the constitutional convention in

1787, Franklin was asked, 'Well, Doctor, what have we got, a republic or a monarchy?' " Of course, they were very used to a monarchy because that is what they lived under as a colony of England.

According to Dr. James McHenry, a Maryland delegate, he replied, "A republic, if you can keep it."

Another version of this has the question asked by a woman who asked him as he came out of the constitutional convention, "Mr. Franklin, what have you given us?" And his reply, "A republic, Madam, if you can keep it." And that is what I want to talk about tonight, a republic, and if you can keep it.

So often when I hear people talk about this great country that we live in, they refer to it as a democracy. A speaker can do this after the opening exercises which very frequently may include a Pledge of Allegiance to the flag. And you come to that part of the Pledge which says "and the republic for which it stands." And having just recited that, perhaps without thinking about what it means, the person will get up and talk about this great democracy that we live in and will talk about our commitment in keeping the world safe for democracy.

What is the difference between a democracy and a republic? And why, in our pledge of allegiance to the flag, does it say a republic? And why did Benjamin Franklin emphasize, "A republic, Madam, if you can keep it"?

An example of a democracy, and I was interested to find that this was a quote from Benjamin Franklin, too. A good example of a democracy is two wolves and a lamb voting on what they are going to have for dinner. You see, in a pure democracy, the will of the majority controls; and that there are two wolves and one lamb and they cast votes on what they are going to have for dinner, it very well might be lamb.

I kind of hesitate to use the next example of a democracy because I really don't want to be misunderstood, Madam Speaker. But if you will just think about it, I think you will realize that a lynch mob is an example of a democracy, because clearly in a lynch mob the will of the majority is being expressed.

□ 2240

Are you not glad you live in a republic? What is the difference? A democracy is majority rule. What happens is what the majority wishes. In a pure democracy, there are no elected leaders. The people simply vote, and that is what happens. The laws represent the current opinion of the majority of the people.

In a republic, we have the rule of law. One example in our history that helps me understand this is an experience with Harry Truman. Take charge, Harry. You remember the characterization. The steel mills were striking and the economy was already in trouble. In those days, it mattered that the steel mills were striking. Today, much of our steel is made overseas, and it might not matter so much. Then it mattered.

Harry Truman wanted to prevent a worsening of the economy as a result of the strike of the steel mills. So he issued an executive order, and what he did was to nationalize the steel mills. What that meant was that the people who now worked for the steel mills were government employees because he had nationalized them, and as such, they could not strike. I remember that was a very popular action.

But the Supreme Court met in emergency session, and in effect what they said, by the way, I think this is just one of two times that the Courts have overridden an executive order of the President, and what the Supreme Court said was in effect was, Mr. President, no matter how popular that is, you cannot do it because it violates the Constitution.

You see, in a republic, we have the rule of law; and the law in this Republic in which we are privileged to live is fundamentally the Constitution. I have here a small copy of the Constitution. It is not a very big document; but, oh, what an important document it is.

I hear us talking about wanting a democracy in Iraq, and I keep asking myself the question, Is that really what we want in Iraq, a democracy? You see, we have three groups there, the Shiia, the Sunni and the Kurds, and the largest of these far and away are the Shiia. They were oppressed for many years under Saddam Hussein by the Sunni, and if we had a pure democracy there, surely the will of the majority would be to oppress the Sunni and maybe the Kurds as they have been oppressed for these number of years under Saddam Hussein.

I think what we really want in Iraq is a republic. We want the rule of law, which says that you cannot discriminate against any people, any ethnic group, that you cannot oppress any ethnic group.

I thought that what we wanted to do in Iraq represented a pretty steep hill to climb. There is no nation around Iraq that has anything like the government that we would like them to have. They are bordered by countries which are dictatorships. We call them royal families, but they are dictatorships. They have got lots of money, and so they can be benevolent dictators, but nevertheless, they are really dictatorships. Then they have countries that have kings, Jordan and Syria.

The only country that comes even close to the kind of government we would like them to have is Turkey, but they have a very interesting situation in Turkey. The most respected institution in Turkey is the military, and three times in the last several years the military has thrown out the government and told them to try again, that they are not doing very well.

I have a quote here from Benjamin Franklin that I thought was very interesting and relevant to Iraq. It says only a virtuous people are capable of freedom. As nations become more corrupt and vicious, and you see the attacks in Iraq, as a nation becomes more corrupt and vicious, they have more need of masters.

I went to the Web to see what it had to say about democracies versus republics, and I found this little discussion: in constitutional theory and in historical analyses, especially when considering the Founding Fathers of the United States, the word "democracy" refers solely to direct democracy. By that, they mean where the people directly determine what the laws will be, whilst a representative democracy where representatives of the people govern in accordance with a Constitution is referred to as a republic.

Using the term "democracy" to refer solely to direct democracy retains some popularity in United States conservative and libertarian circles. The original framers of the United States Constitution were notably cognizant of what they perceive as danger of majority rule and oppressing freedom of the individual.

For example, James Madison in Federalist Paper No. 10 advocates a constitutional republic over a democracy precisely to protect the individual from the majority. However, at the same time, the framers carefully created democratic institutions and major open-society reforms within the United States Constitution and the United States Bill of Rights. They kept what they believed were the best elements of democracy but mitigated by a Constitution, with protections for individual liberty, balance of power and a layered Federal structure forming what we now call a constitutional republic.

A couple of interesting observations about some of the limitations of a democracy. I have one here from Benjamin Franklin; and whether he knew it or not, he was paraphrasing Socrates because I think the earliest quote came from Socrates. Benjamin Franklin said when people find they can vote themselves money, that will herald the end of the republic. I think he really meant democracy, because if it is truly a republic, then you cannot vote yourself money. Then you could not do it. Socrates wisely observed that a democracy is doomed when its citizens can vote themselves moneys from the public Treasury.

This concerns me. When more than half of the American people benefit from big government, I think that will be a tipping point; and if you think our deficits are big now, just watch what they could be when we pass that tipping point.

The second part of his statement, if you can keep it, what were his concerns? We cannot get inside Benjamin Franklin's head to know what he was referring to, but we can only kind of surmise by putting this quote in context.

In his day, 11 years after the Declaration of Independence, and by the way it took us 11 years to write our Constitution, so let us have a little patience in Iraq, please. Eleven years after writing the Declaration of Independence, the United States of America, this new fledgling country was far away from any other major power. It had just about a decade before defeated the most important power of that day, the superpower, the colonial superpower of that day, England; and so I doubt that Benjamin Franklin was concerned about the loss of this Republic from without. We were isolated by these oceans. We had just defeated a major world power, and so I doubt that Benjamin Franklin was concerned about a threat from without.

Today, I have little concern for a threat from without. This one person out of 22 in the world has about exactly half of all the military in all the world. We spend about as much money on the military as all the rest of the world put together, and I do not regret this because I tell you, if we do not get that right, if we do not have a military adequate to protect ourselves, nothing else that we do will matter much, will it?

□ 2250

I think that Benjamin Franklin was more concerned about a threat to this republic from within.

Just 50-odd years after this, at the beginning of our country, a young Frenchman by the name of Alex de Tocqueville spent several years visiting our country. Already this new country was the envy of the world, and Alex de Tocqueville wrote a thesis on his observation of America. His two-part book, entitled Democracy in America, is still hailed as the most penetrating analysis of the relationship of character to democracy ever written. And this is how he summed up his experience.

"In the United States, the influence of religion is not confined to the manors, but shapes the intelligence of the people. Christianity there reins without obstacle by universal consequence. The consequence is, as I have before observed, that every principle in a moral world is fixed and in force." And then this great quote from Alex de Tocqueville. "I sought for the key to the greatness and genius of America in her great harbors, her fertile fields, and boundless forests; in her rich mines and vast world commerce; in her universal public school system and institutions of learning. I sought for it in her Democratic Congress and in her matchless constitution. But not until I went into the churches of America and heard her pulpits flame with righteousness did I understand the secret of her genius and power. America," he said, "is great because America is good. And if America ever ceases to be good, America will cease to be great."

Have you ever asked yourself the question, Madam Speaker, of why we are so fortunate? This one person out of 22 in the world has a fourth of all the good things in the world. How did we get here? We are no longer the hardest working people in the world. That was a characteristic that helped make us great. We no longer have the most respect for technical education in the world. The Chinese this year will graduate more English speaking engineers than we graduate, and a big percent of our graduating engineers will be Chinese students. We no longer have the best work ethic in the world. We no longer have the most respect for the nuclear family. Why are we so fortunate?

I think, Mr. Speaker, for two reasons, and I want to spend just a couple of moments talking about these, because I think that if we aren't careful, we could be at risk of losing what our forefathers bequeathed us and Benjamin Franklin's concern "if you can keep it" may be realized.

I think one of the reasons that we are such a fortunate people is because our Founding Fathers believed that God sat with them at the table when they deliberated and wrote the Constitution. I think that they believed that God guided them in what they did.

You wouldn't believe from our history books today, which have been bled dry of any reference to our Christian heritage, that our early Congress purchased 20,000 copies of the bible to distribute to its new citizens. You wouldn't believe that for 100 years this Congress voted money for missionaries to the American Indians.

President Adams made an interesting observation, which I will just paraphrase. He said that our Constitution was written for a religious people; that it would serve the purposes of no other. He was the President of the American Bible Society, as was his son, John Quincy Adams, who noted in his later years that of those two presidencies, the Presidency of the United States and the Presidency of the American Bible Society, that he valued more the Presidency of the American Bible Society.

I don't know if you noted, Mr. Speaker, but in the Declaration of Independence, God is mentioned four or five times, depending upon how you relate these statements. That is of considerable interest to me, because we are now considering whether or not the Supreme Court would look at if it is okay to say "under God" in the Pledge of Allegiance to the flag. Let me read these references in our Declaration of Independence to God.

It says, "the separate and equal station to which the laws of nature and of nature's God entitled them." And then in the next paragraph, it says, "we hold these truths," and all of us, Mr. Speaker, know these words. We repeat them so often. "We hold these truths to be self-evident; that all men are created equal." Now, if you are created, there is a God somewhere, isn't there? That "all men are created equal and they are endowed by their creator with certain unalienable rights."

Mr. Speaker, never state or assume that the rights that you have come from your government. These rights come from God, and it is the responsibility of your government to make sure that they are not taken away from you.

And then I look further through the Declaration of Independence, and there is this one phrase here that when you read this, you just have to smile. You wonder what was in the minds of our Founding Fathers. I have no idea what King George had done that required them to write this complaint, but, you know, it is prophetic. I think there is no better way to describe our regulatory agencies. And they used such poetic language then. What they said was, "he has erected a multitude of new offices and sent hither swarms of officers to harass our people and eat out their substance." I smiled when I read that, and I thought what better definition could we have of our regulatory agencies.

And then near the end of the Declaration of Independence, in the last paragraph, "we therefore, the representatives of the United States of America in general Congress assembled, appealing to the supreme judge of the world." That has to be God, doesn't it? And then in the last sentence of this last paragraph, it says, "and for the support of this declaration, with a firm reliance on the protection of divine providence." Another reference to God.

So five times in the Declaration of Independence our Founding Fathers referenced God. He was important in their life. They wanted him to be important in their country.

And I don't know if you knew it, Mr. Speaker, or not, because we seldom sing that far, but I have here the Star-Spangled Banner, written by Francis Scott Key. I pass his grave several times a week. It is in Frederick, Maryland. Let me read the third stanza of this. We seldom sing that, and I doubt that one American in fifty could recite it for you.

"And where is that band who so vauntingly swore that the havoc of war and the battle's confusion, a home and a country should leave us no more? Their blood has washed out their foul footsteps' pollution. No refuge could save the hireling and slave from the terror of flight or the gloom of the grave: And the Star-Spangled Banner in triumph doth wave o'er the land of the free and the home of the brave."

And then this last verse: "O thus be it ever when free-men shall stand between their loved home and the war's desolation; blest with victory and peace, may the heaven-rescued land praise the power that hath made and preserved us a nation! Then conquer we must, when our cause it is just, and this be our motto: In God is our trust! And the Star-Spangled Banner in triumph shall wave o'er the land of the free and the home of the brave."

I wonder, Mr. Speaker, if our courts might somehow declare the Star-Spangled Banner and the Declaration of Independence unconstitutional because they mention God?

☐ 2300

Now I have a wonderful quote here from Benjamin Franklin. The time was June 28, 1787. Benjamin Franklin was 81 years old, Governor of Pennsylvania, and probably the most honored member of the Constitutional Convention. The convention was deadlocked over several key issues of State and Federal rights when Franklin rose and reminded them of the Continental Congress in 1776 that shaped the Declaration of Independence.

By the way, one of the issues that divided them and almost prevented us from having a Constitution was the concern that they somehow draft a Constitution that would assure that the large States could not trample on the rights of the smaller States. And this is what he said:

"In the days of our contest with Great Britain when we were sensible of danger, we had daily prayer in this room for divine protection. Our prayers, sir, were heard and they were graciously answered. All of us who were engaged in the struggle," and it was the struggle for independence, "must have observed frequent instances of superintending providence in our favor. To that kind providence we owe this happy opportunity to establish our Nation. And have we now forgotten that powerful friend? Do we imagine that we no longer need His assistance?"

And then this part of the quote which I really love:.

"I have lived, sir, a long time, and the longer I live, the more convincing proofs I see of this truth, that God governs in the affairs of men.

"If a sparrow cannot fall to the ground without His notice, it is probable that a new Nation cannot rise without His aid. We have been assured, sir, in the sacred writings that except the Lord build the house, they labor in vain that build it."

And then a request that set a precedent that we honor to this day. This very day in this Congress we follow the tradition that Benjamin Franklin started with this request:

"I therefore beg leave to move that henceforth prayers imploring the assistance of heaven and its blessings on our deliberations be held in this assembly every morning before we proceed to any business."

Mr. Speaker, I often reflect on the fact that the only place in our great country that you cannot pray is in our schools. And I wonder what our Founding Fathers would say about that. So I think that one of the reasons that we are such a blessed country, a blessed people, is because our Founding Fathers believed that God sat with them at the table, that He guided their efforts, and I think we put at risk this privileged position that we have in the world if we deny that heritage. And I am concerned as the Ten Commandments come down from the courthouse walls and the nativity scenes disappear from the public square and the Supreme Court is going to take a look at whether it is okay to say "under God" in the Pledge of Allegiance to the flag.

A second reason that I think that we are a great, free country is because of the enormous respect that our Constitution shows for the civil liberties of our people. The ink was hardly dry on the Constitution before our Founding Fathers were concerned that it might not be clear that their intent was to have a very limited central government; that essentially most of the rights, most of the power should stay with the people. And so they wrote the first 10 amendments, which we know as the Bill of Rights. They started as 12 in that process of two-thirds vote of the House and two-thirds vote of the Senate and ratification by three-fourths of the State legislatures; and 10 of those 12 made it through, and we know them as the Bill of Rights.

And, Mr. Speaker, as you go down through those Bill of Rights, you will see that time after time it talks about the rights of the people.

And, by the way, that first amendment, so simple the establishment clause of the first amendment that it really is quite a marvel how it is misinterpreted. You see, our Founding Fathers came here to escape two tyrannies. One was the tyranny of the Church and the other was the tyranny of the Crown. In England there was a state church. It was the Episcopal Church. And in most of the countries on the continent of Europe, there was a state church. It was the Roman Church. And those churches were empowered by the state, and they could, and did, oppress other religions.

I have such great respect for our Founding Fathers because when they came here, they did a perfectly human thing. In Old Virginia Roman Catholics could not vote. But when it came time to write these first amendments to the Constitution, they finally had figured it out that that was not what they came here for. They came here to establish a country that provided freedom to worship as you chose. So they wrote a very simple establishment clause, and it meant just what it says: "Congress shall make no law respecting an establishment of religion." Please do not establish a religion. And, furthermore, do not prohibit the free exercise thereof, or prohibiting the free exercise thereof. That is all it means.

Mr. Speaker, our Founding Fathers would be astounded if they could be resurrected and see that we had interpreted this very clear language as requiring freedom from religion. You see, they meant it to assure freedom of religion, and there is a big difference.

I mentioned that they came here to escape two tyrannies. The second was the tyranny of the Crown. And I know my liberal friends do not like to reflect on it and they really abbreviate the second amendment, which, they say, reads the right of the people to keep and bear arms shall not be infringed. That is in the second amendment, but that is not the second amendment.

The second amendment, you see, deals with their concerns that never ever would a small oligarchy in the seat of government be able to take over and oppress the people. So this is what they said: "A well regulated militia, being necessary to the security of a free state, the right of the people to keep and bear arms, shall not be infringed."

I asked them, Mr. Speaker, what do you think that means? You know, they do not want to think what that means, so they change the subject. But in most of these first 10 amendments there is explicitly stated or implicitly stated the rights of the people: the right of the people peaceably to assemble; the right of the people to keep and bear arms. And over and over it is talking about the right of the people.

Notice, Mr. Speaker, that this does not say "citizen." I am not always pleased with the decisions of our courts, but I really believe that this Republic we live in is so essential to who we are and our favored status in the world that words do matter. And when the Court says that illegal aliens are people, they are protected by the Constitution, Mr. Speaker, maybe we need to amend the Constitution to say when you read "people" in the Constitution, please read that as "citizen." But that is not what it said. And I am very concerned that we do not rationalize away the clear wording of the Constitution. I think the enormous respect that we have for the rights of the individual, for the civil liberties of individuals, has established a milieu, a climate, in which creativity and entrepreneurship can flourish.

☐ 2310

I think that is one of the reasons that we are such a privileged people.

And I think, Mr. Speaker, that if we permit any erosion of these rights given to us by God and guaranteed to us by our Constitution, that we put at risk the favored status that we have in the world.

I am concerned, Mr. Speaker, that it may already be happening. I think that Benjamin Franklin may have had a concern when he said if you can keep it, that we might just ignore the Constitution. And I think with all of the best intentions that we are walking that path. We are doing that today.

I want to talk about three things that we spend a lot of time on here and we spend a lot of money on in our country. I am not saying, Mr. Speaker, that we shouldn't be doing these things. What I am saying is that if we want to do them, we need to amend the Constitution, because I don't think there is any basis in the Constitution for our involvement in these three things.

First, let me note how we rationalize that it is okay to do these three things. First let me mention what they are, because that will relate to the rationalization.

The first of these is philanthropy. I have a very interesting quote from Davy Crockett on philanthropy. A second of them is health care. A third one is education.

How do we rationalize that it is okay for us to be involved in this? Well, they go to the preamble to the Constitution. They read "We the People of the United States, in Order to form a more perfect Union, establish Justice, ensure domestic Tranquility, provide for the common defense, promote the general Welfare."

There it is. They say "welfare," so we now can be involved in philanthropy because it is there in the preamble to the Constitution.

I would note, Mr. Speaker, if they read on and came to Article I, Section 8, which defines the responsibilities of the Congress, that they would note that it says there "provide for the common defense and general welfare of the United States."

They are talking about the corporate welfare, not welfare as we use it today instead of philanthropy.

The second justification they use is the commerce clause, "to regulate commerce with foreign nations and among the several states and with the Indian Tribes." So they rationalize that if it crosses a State line, we can have control.

Now, I would submit, Mr. Speaker, that if that was the intent of the Founding Fathers, they never, ever, would have written the Ninth and Tenth Amendments. The Tenth Amendment, by the way, is the most violated amendment in the Constitution. The Ninth Amendment, this was written in old English and kind of legalese. "The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people."

What does that say in everyday English? What it says is that just because the Constitution doesn't identify a right as belonging to the people, unless it specifically is given to government, it belongs to the people.

Then the Tenth Amendment, this is a really interesting amendment. "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

In common, everyday English, what this says is if you can't find it in Article 8, the Federal Government can't do it, because Section 8 of this Article enumerates the powers of the Congress. I will read those in just a moment.

I had a very interesting experience here in this very spot probably 12, 13 years ago when I first came to the Congress. I was given 3½ minutes of debate time. That is a long time, as those many viewers who watch C–SPAN recognize. We were voting on something that I thought was unconstitutional.

So I took my Constitution and I turned to Article I, Section 8. That is just the words between my two thumbs here, by the way, it is less than 2 pages in this small document, and I went through it summarizing each of the articles there. The Congress has power to lay and collect tax. Boy, we know how to do that. To borrow money. We are doing that big time. To regulate commerce, to establish a uniform rule of naturalization. It goes on.

Then I finished my debate and I turned to walk up that center aisle, and the recording clerk, who is recording everything we say here tonight and was then, came walking up the aisle after me and tapped me on the shoulder and asked me, "What was that you were reading from?" They take down what we read, but they like to have a written copy if they can.

I thought that that was very interesting. The recording clerk, who sits here day after day listening to Members of Congress, heard the Constitution so infrequently that when it was read, the recording clerk didn't know it was the Constitution.

When asked that question, I said, "Oh, it is the Constitution." And the clerk said, "Can I see it?" And so I had it open like this. "Can I copy it?" They took it and copied it on the copy machine. I would suggest, Mr. Speaker, that this reflects a trend that we somehow need to deal with.

What have we come to? Much of what we do here, as I said before, I don't find any basis in the Constitution for. I am not saying we shouldn't do it. All I am saying, Mr. Speaker, is I have a big concern that when we simply ignore or rationalize the Constitution so that we can do something that is not specifically permitted by the Constitution, I wonder tomorrow how we might be rationalizing away these great civil liberties, these great rights given to us by God and protected by our Constitution.

Health care. By the way, we don't really have a very good health care system in our country. We have a really good sick care system. If you think about it, you really don't get involved in that system until you are sick. Maybe, Mr. Speaker, if we had a better health care system, we would be spending less money on our sick care system.

Also education. In a moment I am going to read this in the Constitution. It is very short. I want you to stop me, Mr. Speaker, when I come to that part in Article I, Section 8, that says it is okay for us to be involved in health care, that it is okay for us to be involved in education, that it is okay for us to be involved in philanthropy.

By the way, I have never met anybody who had a good, warm feeling on April 15 because so much of their tax money goes to philanthropy. I think that is a great tragedy. The Bible says it is more blessed to give than to receive, and yet I find no one who has a good, warm feeling on April 15 because so much of the tax money that is taken from them is used in philanthropy. What a shame, that the government has usurped the role of philanthropist and our people are denied that experience.

I had a really interesting experience in our church. Our kids don't go out trick-or-treating, so they went out before Halloween and left bags at the homes and said, "We will come back on Halloween. If you put some food in there, we will make up some food baskets for Thanksgiving." So they did that, and with the ladies in the church, they made up food baskets.

Then they called the welfare people and said, "We need some needy families that we can take these food baskets to." The welfare people were indignant. "What do you mean, needy families? Families that need food? What do you think we are here for?" And I thought, what a tragedy that government unconstitutionally, I believe, has usurped the role of philanthropist.

□ 2320

The Government unconstitutionally, I believe, has usurped the role of philanthropists. I have here a very interesting experience from Davy Crockett, who was a Congressman. And if you will do a web search for just Davy Crockett and farmer, it will come up. Because it is a very interesting story.

I was one day in the lobby of the House of Representatives when a bill was taken up appropriating money for the benefit of a widow of a distinguished naval officer. It seemed to be that everybody favored it. The Speaker was just about to put the question when Crockett arose.

Everybody expected, of course, that he was going to make a speech in support of the bill. And this is what he said: "Mr. Speaker, I have as much respect for the memory of the deceased and as much sympathy for the suffering to the living, if suffering there be, as any man in this House. But we must not permit our respect for the dead or our sympathy for a part of the living to lead us into an act of injustice to the balance of the living. I will not go into argument to prove that Congress has no power under the Constitution to appropriate this money as an act of charity. Every Member upon this floor knows it.

We have the right as individuals to give away as much of our own money as we please in charity, but as Members of Congress, we have no right to appropriate a dollar of the public money.

Now, how did Davy Crockett get to that position? This is a very interesting story. You will find it fascinating reading. We do not have time this evening to go into it. But Davy Crockett, before this, was out campaigning. Before that campaign ride on his horse there was a fire that they could see from the steps of the Capitol in Georgetown. And they went there and several wooden buildings in those days were burning.

Davy Crockett and other Members of Congress worked very hard to put out the fire. And when the fire was finally out, there were a number of people who were homeless. And among them were women and children. And, of course, their heart went out to these women and children.

So the next morning in the Congress here, the primary item of business was doing something about those poor people who were victims of the fire. And so they voted $20,000 for these victims of the fire. And that done, they went onto other business and Davy Crockett forgot about it.

Then about a year later, he was out campaigning. And it was mostly rural then. And he was on his horse. There was a farmer with his team who was plowing. So Davy Crockett times his horse so that he gets to the farmer just as he comes to the end of the row.

He speaks to the farmer. And the farmer is very cold. And finally he tells him, he says, "Yeah, I know who you are, you are Davy Crockett. I voted for you last time you ran, but I cannot vote for you again."

And then he made a very interesting statement. He said, "I suppose you are out electioneering now. But you had better not waste your time or mine, I shall not vote for you again."

Davy Crockett said, "this was a sockdolager", I don't know what a sockdolager is, but that is what he said. And this is what the man said: "You gave a vote last winter which shows that either you have no capacity to understand the Constitution or that you are wanting the honesty and firmness to be guided by it. In either case you are not the man to represent me."

Well, Davy Crockett was finally convinced that he had not understood the Constitution. He asked the man, gee, I really would like to apologize. I would like to explain to the people that I am now a new man, I understand the Constitution.

He said, if you will get a few people together and have a barbecue, I will pay for it. He said, well, we won't need you to pay for it. But if you come a week from this coming Saturday, we will have a barbecue. And Davy Crockett came and there were 1,000 people there that he spoke to and apologized for his vote in the Congress.

Now, I want to read from the Constitution. And I want you to stop me, it will not take very long to read. I want you to stop me, Madam Speaker, when I come to that part that says that it is okay for us to be involved in education, in philanthropy, and in health care.

The Congress shall have power to lay and collect taxes, duties, imports and excises, to pay the debts, to provide for the common defense and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States;

To borrow money on the credit of the United States; to regulate commerce with foreign Nations, and among the several States, and with the Indian Tribes; to establish a uniform Rule of Naturalization, and uniform laws on the subject of bankruptcies throughout the United States; to coin money, regulate the value thereof, and of foreign coin, and fix the Standard of Weights and Measures; to provide for the punishment of counterfeiting the securities and current coin of the United States; to establish Post Offices and post roads; to promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries; to constitute Tribunals inferior to the Supreme Court; to define and punish piracies and felonies committed on the high seas, and offenses against the laws of Nations.

I will not read the rest of this, because I tell you all of the rest of the Constitution deals with just two things, and read it to affirm that this is correct.

All of this part deals with the Congress and its responsibility for the military. We declare war. This is not the King's army. We declare war. Raise and support armies and so forth.

Then the last couple of paragraphs here deal with the District of Columbia, and then to make all of the laws necessary to enforce the above. Now, where, Madam Speaker, was there any reference to our right to be involved in these three things? I am not saying that we should not be doing these things, I am simply saying that if we are going to do them, I am very concerned that we should not do them by ignoring the Constitution.

If they are good and proper things to do, we should have amended the Constitution. We have done it 27 times. I do not mind doing it again. But I really mind ignoring the Constitution. Because let me tell you why, we are engaged now in a war. I have no idea when the war will end.

Civil liberties are always a casualty of war. Abraham Lincoln, my favorite President, suspended habeas corpus. And during World War II, we interred the Japanese Americans. My friend, Norm Minetta, with whom I served in this House, Secretary of Transportation, several years younger than I. He says, "Roscoe, I remember holding my parents hand as they led us into that concentration camp in Idaho."

That war is over. And we are now a bit embarrassed that we did that. The civil war is over. And we got back habeas corpus. But I am concerned that we not permit this war to result in an erosion of our civil liberties. I do not know when the war will end.

I have a great quote here. It is probably not from Julius Caesar, because it did not appear in print, as far as we know, until what, 01. It probably was not passed down by word of mouth until that time. But this ascribed to Julius Caesar.

I think it so reflects this inherent reaction of people to a war situation. "Beware of the leader who bangs the drums of war in order to whip the citizenry into a patriotic fervor. For patriotism is indeed a double-edged sword, it both emboldens the blood just as it narrows the mind. And when the drums of war have reached a fever pitch, and the blood boils with hate, and the mind is closed, the leader will have no need in seizing the rights of the citizenry, rather the citizenry, infused with fear and blinded by patriotism will offer up all of their rights unto the leader, and gladly so. How do I know? For this is what I have done, and I am Julius Caesar."

That is probably not Julius Caesar. But it does, I think, reflect a common tendency on the part of people.

Benjamin Franklin, I do not know if he was the first to say it, "if you will up your freedom to get security, at the end of the day you will neither have freedom nor security, or you will deserve neither freedom nor security."

□ 2330

We are now at war. When will this war end? I want to make very sure that I bequeath to my kids and my grandkids more than an ever increasing debt, more than an energy deficient world. I want this great free country to be bequeathed to them just as I got it from my fathers.

This was a great new experiment. We weren't certain it was going to succeed. I am reading here from the Gettysburg Address, and Abraham Lincoln recognized this as an experiment which might not succeed. I don't know if you have thought about that in this Gettysburg Address.

Four score and seven years ago our fathers brought forth on this continent, a new Nation, conceived in liberty, and dedicated to the proposition that all men are created equal.

Not so in England and Europe, was the divine right of kings.

Now we are engaged in a great civil war, testing whether this Nation, or any nation so conceived and so dedicated, can long endure.

And then he ended that Gettysburg Address with almost a prayer, that this Nation, under God, shall have a new birth of freedom, and that that government of the people, by the people, and for the people shall not perish from the earth.

This has been a great experiment. We are the most blessed people on the planet. It has been said by a number of people that the price of freedom is eternal vigilance.

What will our children inherit? Unfortunately, we are going to bequeath to them an enormous debt, the largest intergenerational debt transfer in the history of the world. We are going to bequeath to them a world with deficient energy to run a society as we run ours. Will we also bequeath to them a Constitution gutted by apathy where the civil liberties of our people are at risk?

Mr. Speaker, the world needs the United States and for the United States to be the great free powerful country that it is. I believe that we need to be very vigilant in protecting these great civil liberties given to us by our Creator and guaranteed to us by our Constitution.

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the Chair recognizes the gentleman from Florida (Mr. MEEK) for the time remaining before midnight.

Mr. MEEK of Florida. Mr. Speaker, it is an honor to come before the House again tonight, and I can tell you that we in the 30-something Working Group come to the floor to share not only with Members of Congress, Mr. Speaker, but also the American people about the plans that we have for the country.

As you know, we have been sharing with the Members our concern of this side the aisle the Republican majority and rubber stamping the Republican President and all of his ideas and original thoughts that have put this country in an unprecedented financial situation that we have never been in before, especially as relates to the borrowing that has been going on from foreign countries within the last four years and continue to happen even now.

Mr. Speaker, as you know on this side of the aisle we talk about taking America in a new direction, a new direction in making sure that American workers make a liveable wage and definitely a minimum wage, raising the minimum wage to $7.25 an hour from what it is now. The Republican majority has not done so since 1997.

We also talk about energy innovation, making sure that we invest in the Midwest versus the Middle East as relates to E-85, alternative fuels, and other technology that can assist us in working with Detroit and other motor companies here in the United States and making more fuel efficient cars. That will happen. That is our plan on HouseDemocrats.gov.

Also, we talk about making sure that folks can retire with dignity, protecting Social Security, and making sure that we don't privatize Social Security. If left up to the White House, that will happen. Thanks to many of the Members here on this floor that are on the Democratic side of the aisle that we have fought time after time again in some 600 to 500-plus town hall meetings around the country, helped turn the tide on that issue because the Republican majority was all set, cocked, and ready to privatize Social Security.

Another initiative there is to make sure that veterans are honored in the way they should be honored. We have made a full commitment that those that have served this country will no longer need to reap the benefits of a broken promise to them, to make sure that we fulfill that. I think, also, for us to talk about the issue of access to college. We have said that we are going to cut student loans price cost in half and also roll back the interest rate, and make sure that we have tax breaks for those that wish to go to college and pay for their college. And, also, make sure, Mr. Speaker, that we implement the real security, Homeland Security here and overseas. We have our plan here. This is just a small pamphlet here that talks about the real security plan. We have put forth this plan and legislation here on the Democratic side of the aisle. Unfortunately, none of those bills have surfaced to the floor or many of them are stuck in subcommittees and not heard in committees and not worked in a bipartisan way. And we have committed to the American people that we will continue, we will promote bipartisanship versus not working in a bipartisan way as the Republican majority has decided to do so.

I talked about energy efficiency and HouseDemocrats.gov right here energizing America. Talked about innovation. We want to make sure that we have the scientists, we have the school teachers that can teach the next generation, making sure that we carry out broadband opportunities throughout the country not just in certain parts of the country, but to make sure we have that in here. We want to educate 100,000 new scientists and engineers within the period of 4 years, and provide scholarships to students that qualify to work in those fields of innovation, making sure that we have highly qualified teachers in every math and science 12th grade classroom by offering tuition assistance to talented undergraduate students, and also paying competitive salaries to make sure that teachers will go into the profession and won't have to make a sacrifice beyond their means.

I think it is important, Mr. Speaker, that we point these things out. We were in the majority; and if we have the opportunity to do so after November going into January, those are things that we will implement immediately, that we would make sure, and other initiatives.

One other, Mr. RYAN, before I yield to you, is the issue of making sure that we work towards balancing the budget. The Republican majority talks about cutting it in half. We are the only party here in this Chamber that has actually balanced the budget and know how to do it. Pay as you go is how you do it, not borrowing, Mr. RYAN and Mr. Speaker, from foreign nations at the record number that the Republican majority has done. We have said we will do away with the rubber stamp, Mr. RYAN. No longer will the White House have their original thoughts pass through this Congress without any question, without any oversight, without any major questions, and very little change. Energy companies will not be able to come here and use the power of this House, either be Democrat or Republican. When we are in the majority, they will not use it to their benefit, we will use it to the American people's benefit.

Mr. RYAN of Ohio. I think it is important what you said. These aren't unreachable goals for us. These are goals that are achievable, and they are very achievable in the early days. Many of these advances we could make within the first 100 hours, Mr. MEEK, within the first 100 hours. Within the first 3 or 4 days that we are here, the American people are going to know by the legislation that we pass out of this House next January that there is a new America, and we are going to go in a new and a different direction.

And all we have to do, Mr. Speaker, is just think about what will happen in those first 100 hours. We pass an increase in the minimum wage to $7.25. How many lives will that affect around this country? Six or 7 million directly, and then millions of others as the bottom gets bumped so the middle income people will get bumped as well.

Cutting student loans. If you have a student loan right now and your rate is 6 or 7 percent, parents and students, loans interest rate will be cut in half within the first 100 days here. That is $12 billion. So many people may be saying, well, are you going to get the money? We are going to not give the oil industry $12 billion in corporate welfare. The American people have a choice to make. Okay? They can reaffirm that legislation, they can reaffirm that position that the Republican Congress implemented over the last year or two and that President Bush affirmed by signing the bill into law and Vice President CHENEY kicked off with his secret meeting that he had years ago where we were complaining and saying, well, the oil industry was in there writing the legislation. And everyone said, well, the Democrats, you know, they were in there writing the legislation and now we have $3 gas prices. Okay?

So these small steps, and as you said so articulately at the wee hours or almost the wee hours of the morning about balancing the budget. We implemented what was called pay-go years ago, which means the government can't spend any money that it doesn't have. It can't go out and borrow it. You have to cut it from a program in order to get it, like we will do with our education. We are going to reimplement those rules so that we have a system in place that will restrain the runaway spending.

□ 2340

Now, you have many conservatives like William F. Buckley saying that this President is not a conservative because of the spending, the borrowing that has been going on from this Congress, on and on and on and on. We can take care of these problems very simply.

Now, I am not saying that the structural problems are not going to be more difficult. Getting to a balanced budget after the Republicans have bumped the debt ceiling five times and are going to allow the United States Government to borrow more money from foreign governments than any President prior to President Bush put together, that is going to be a difficult thing to overcome, and that is going to take time. Reforming the government when Republicans have put in all their cronies that operate like they operated FEMA, it is not that they are bad people, but it is that power corrupts, Mr. Speaker, and absolute power corrupts absolutely.

The institution is corrupted because there has been no change, and we when you see Newt Gingrich, the man who gave birth to the Republican revolution, be the most critical of what is going on here, it is not the Democrats saying it only. It is William F. Buckley, it is Pat Toomey, it is Newt Gingrich, it is Dick Armey.

Ms. WASSERMAN SCHULTZ. It is Charles Barkley.

Mr. RYAN of Ohio. It is Charles Barkley. For God's sake, if you do not believe it, Mr. Speaker, that Newt Gingrich criticism does not hold water, Charles Barkley's should.

Mr. MEEK of Florida. Let me just say this very quickly before I yield to Ms. WASSERMAN SCHULTZ here.

A Washington Post editorial on Tuesday, July 25, which is today, A14, this is an editorial, Mr. Speaker, and I am just going to read the first paragraph, maybe some of the second.

Do large corporations need another tax break? The House of Representatives seems to think so. It plans this week to take up a measure defining when States can tax companies doing business in their State and make it easier for companies to avoid paying State taxes. The Congressional Budget Office estimates that the Business Activity Tax Simplification Act would drain $1 billion from State government treasuries during the first year in effect and $3 billion a year by 2011 as corporations continue to take advantage of this situation.

Now, it just goes on. The National Governors Association is just totally outraged by this, and they are saying a Federal corporate tax cut using State dollars, that is what they are calling this, this is the editorial today in the Washington Post.

I think it is important that we point out who the Republican majority is fighting on behalf of. We have State governments now that are in deficits have to figure out how they can make up. Mr. RYAN used to be a State senator. Ms. WASSERMAN SCHULTZ used to be a State Senator and State representative in the Florida legislature. I used to be a State senator and State representative in the Florida legislature. I think it is important for us to look at the States and look at what they have to do.

We are both Fleming fellows, and when we were taking that fellowship program at the Center for Policy Alternatives in Washington, DC, for State legislatures, it talked about the devolution of taxation, putting tax cuts here, putting it on the backs of the States. We can take out a credit card and we can borrow from foreign Nations; that is this Republican rubber stamp Congress has been doing, but in the States, Mr. Speaker, they have to balance their budget. And so when they balance the budget, what do they do? Raise tuition costs. They cut dollars going to local governments, and local governments then have to put a penny here and a penny there, and a million here and a million there on property taxes to be able to make it up.

Meanwhile, we have got Members here in Congress, because special interests knocked on their door and said, hey, can you help us get more money, more subsidies that you have already given us, while we are at it, let us do all we can, do not worry about it, the folks back home will pay for it, that is why it is important, 11:30 at night we are back and we are making sure we share with the Members and the American people.

I just wanted to read this because we are all creatures of State government and State service, and we know how those legislatures feel. This is the National Governors Association. So these are not Democratic governors only, not Republican governors only, not Independent governors only.

Ms. WASSERMAN SCHULTZ. I am so glad that you highlighted that because the fiscal irresponsibility is startling, and so often it is difficult for us to quantify or physically represent what the impact is of the fiscally irresponsible decisions that are going on here, and we are not just making this stuff up ourselves.

Mr. MEEK is absolutely right. The three of us were State legislators. We worked every day to balance our State budgets. States cannot operate in the red like the Federal Government can. The Federal Government can deficit spend. That is not possible at the State level. So, when we pass down a tax cut, it means that there is less revenue available at the State level in the programs that they are counting on those Federal dollars to fund, and so they have the devolution of the tax cuts.

Look, it is so often the Republicans talk about how they make these references to tax-and-spend liberals. Well, not only as you have talked about are they borrow-and-spend Republicans, but they also have refused to acknowledge that tax cuts are another form of spending. I mean, they are adopting irresponsible tax cuts for the wealthiest few. It would be one thing if they were passing tax cuts on to middle class working families. They are passing tax cuts that add to the deficit for the wealthiest few.

Let us just go over some opinions and some reality that is being offered out there as far as what third party validators have to say about their irresponsible spending.

Here is a USA Today editorial from February 21, 2006, of this year. The title of it is, "Who's spending big now? The party of small government," and USA Today said, "Tax cuts, they say, force hard decisions and restrain reckless spending. The last time we looked, though, Republicans controlled both Congress and the White House. They are the spenders. In fact, since they took control in 2001, they have increased spending by an average of nearly 7.5 percent a year, more than double the rate in the last 5 years of Clinton-era budgets."

Now, what kind of an impact are we talking about on real people? The tax cut reconciliation package that we passed out of this Chamber a couple of months ago, let us see who that helps because one would think that the purpose of a tax cut is to just give tax dollars back to the average person.

Does the tax cut bill do that? Well, let us take a look at the evidence because the average amount that an American would get back, based on income from the 2006 tax cut bill passed by the Republicans, looks like this. If you make between $10,000 and $20,000 a year, you get enough back from that tax cut bill to buy a Slurpee. If you make between $40,000 and let us say $50,000 a year, you get enough back just about, because it is continuing to increase, to buy a gallon of gas, not a tank, mind you, a gallon of gas, which is about three bucks. And if you make more than $1 million, you did okay in the tax cut bill. You get enough to buy a Hummer.

There is a slight discrepancy here. It is really pretty startling. Now, when we are talking about the billions, with a B, that the tax cut bill cost, again, it is hard to illustrate for folks what the kind of numbers and immensity, enormity of what we deal with here every day really means. So how much is a billion just so people can wrap their minds around it?

Well, a billion hours ago, humans were making their first tools in the Stone Age. To quantify it further, a billion seconds ago, it was 1975 and the last American troops had pulled out of Vietnam. A billion minutes ago, it was 104 A.D., and the Chinese had first invented paper. But under the Republicans, $1 billion ago was only 3 hours and 32 minutes at the rate that the government spends money under this Republican leadership.

That is just to help people understand what is really going on here, who is for fiscal responsibility and who is just a lot of talk.

Mr. RYAN of Ohio. And who has a record of it.

Ms. WASSERMAN SCHULTZ. And who has a record of it.

Mr. RYAN of Ohio. We do not really have to look that far to the 1993 operation that we had here and the Democrats who obviously were not perfect, but we knew how to balance budgets. We knew how to implement the PAYGO rules so that we were not borrowing money.

We actually were going to pay down the debt and begin generating surpluses in the United States of America. Can you imagine now, since the Republicans have raised the debt limit five times, harking back to a day when we actually had surplus money and we were on track to actually pay off the national debt in the United States of America? Actually pay it off?

□ 2350

That is what we need to get back to. And it is not that difficult if you are disciplined and you are willing to say no.

This is like giving candy to a baby, and then the baby wants more candy, and they keep giving it to them. That is the oil industry. That is the top 1 percent. And really, quite frankly, I am even starting to meet people in my district who are in the top 1 percent who are saying I don't want any more tax cuts. I am doing fine. I have a Hummer, I have this, I have a nice house, I have Italian marble flown in, I am doing okay. But kids 2 miles away, on the other side of town, aren't doing well. Their parents are trying to work for minimum wage, a single mom with one child is living in poverty with that kid by working a minimum wage job. It is unacceptable.

And when you run these huge budget deficits and you raise the debt, and this is the interest we are paying in the 2007 budget, $230 billion, just on the interest on the debt. We get no value from that. That is not lowering tuition costs, where people would benefit, get educated, contribute to the economy and generate wealth. That is not taking care of our veterans. That is not investing in health care or research or alternative energy sources. There is no value from that. And that is the disappointing part, is that we are not getting any kind of benefit from that money.

In fact, as Mr. MEEK pointed out in the last hour, that money is going to Japan and China to pay down the money that we are borrowing, and paying interest on the money we are borrowing from them. So here we are, and this is just silly, we are borrowing money from China to give tax cuts to the wealthiest 1 percent, who don't need it, and to give $16 billion in subsidies to the oil companies, to give huge subsidies to the health care industry, and then the money that we borrow, China will charge interest on it, and then take the money they make off us and invest it back into their state-run factories because China is a Communist country.

That is not a level playing field, to begin with, because China manipulates their currency, as we talked about yesterday. They do not enforce their intellectual property laws. They have no environmental laws. They have no human rights, no religious freedoms, none of the things we value. So they are taking this money and wiping out the middle class of the United States. That is not free trade. That is not fair trade. It is an unbalanced system.

And we just keep feeding the beast: Right here. How much more do you want? How much more interest do you want?

Be happy to yield.

Mr. MEEK of Florida. Mr. RYAN, referring back to the chart, we are talking about $230 billion on the debt. And I am looking at education there on that chart, and you can stack three of those charts, the education dollars investment beside the debt and you still won't make it to the 230.

You have the homeland security folks running around here talking about we have to protect the homeland on the majority side, as though, Mr. Speaker, that just became a problem. Folks burning all kind of Federal jet fuel running down to the border talking about how we are going to get tough. Sending National Guard troops from throughout the States when we already have an overextended military and saying we would like to do more in homeland security. But as it relates to the Republican majority plan, the investment dollars are not there.

Look at veterans, the blue over here, Ms. WASSERMAN SCHULTZ, which is quite interesting. Goodness, what we are paying down on the debt because of the Republican out-of-control spending on the majority side, the rubber stamp Congress, doing everything the President says to do for the billionaires and millionaires and all of the people that Mr. RYAN pointed out, who are not outside rallying in front of the Capitol saying we need more money, doing what I just pointed out here in The Washington Post editorial just today, just stacking on top, piling on, putting more cream, and whip cream, and whipping it on up and throwing eight or nine cherries on top of this eight-floor cake they are giving to the special interests. Looking at what the veterans are getting. Nothing. Little or no investment. Well under $50 billion.

I am looking at this chart, and it is well under $30 billion. So when you look at it as it relates to the investment, it just doesn't pay off.

Ms. WASSERMAN SCHULTZ.

Ms. WASSERMAN SCHULTZ. And just so we can segue into how we would do it differently, what we would do is we would go back to the days of PAYGO rules. We would make sure that we have some fiscal discipline that we impose on ourselves, just like the State legislatures that we came from, just like they do, which is that we are not going to deficit spend. Just like families who struggle every day to not spend more money than they take in: to not put all their wants and desires on a credit card and live on credit card debt. We need to operate this budget like families feel compelled to operate their family budgets. We are simply not doing that.

What we would do, and we have offered amendments time and again, Mr. RYAN, through Mr. SPRATT, our lead Democrat on the House Budget Committee. He has offered amendment after amendment that has been rejected unanimously by the Republicans again and again opposing reestablishing PAYGO.

PAYGO is tough. It forces some difficult choices. But it would make sure that we could really cut the deficit and go back to the surpluses that we had under the Clinton administration. I mean, that is the direction that we need to move in. If we continue down this path, if we continue in the direction that the Republicans have taken us, we will continue to spiral downward and pass the deficit and the debt onto future generations.

Really, we only have a couple of minutes, and what I didn't get to mention at the end of our last hour was what Speaker Gingrich had said. So if you would just before we end yield back to me, I kind of want to throw that out there for everyone's final thoughts. Be happy to yield.

Mr. MEEK of Florida. Mr. RYAN.

Mr. RYAN of Ohio. Well, one other thing that we have forgotten to mention tonight, and I know the clock is ticking, but with all these other costs, we keep forgetting to mention interest rates for people who are going out and trying to get a car or a house and the significant increase over the past year or so in interest rates. So you have the health care, you have the tuition costs, you have the gas, natural and what you get at the pump, and you throw in there if you are trying to get a new house or car and what your interest rates are now, or they would have been because everybody is going out trying to borrow money, you run into a difficult situation.

Again, by balancing the budget, as President Clinton and the 1993 Democratic Congress proved, by balancing that budget, you will in turn reduce interest rates and then let the private sector go out and borrow money and make things happen in the market.

Www.housedemocrats.gov/30something. All of our charts and everything are available, including the article that voted Ms. WASSERMAN SCHULTZ one of the 50 most beautiful people on Capitol Hill.

With that, I yield to Ms. WASSERMAN SCHULTZ.

Ms. WASSERMAN SCHULTZ. Well, just to throw this out, I want to end by telling you what Speaker Gingrich said at the end of that panel. He said, "While waiting for voter backlash to clean up Congress, he had some pithy advice for lawmakers, who in the current wave of scandal and personal enrichment on Capitol Hill have confused the public interest with their personal interest, said the former Speaker, my answer to them is: Go home."

Good advice.

Mr. MEEK of Florida. Mr. Speaker, it was an honor once again to address the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. JO ANN DAVIS of Virginia (at the request of Mr. BOEHNER) for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DEFAZIO) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mrs. MCCARTHY, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. BISHOP of New York, for 5 minutes, today.

Mr. MEEHAN, for 5 minutes, today.

Mr. WEINER, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

(The following Members (at the request of Mr. POE) to revise and extend their remarks and include extraneous material:)

Mr. OSBORNE, for 5 minutes, July 26 and 27.

Mr. GARRETT of New Jersey, for 5 minutes, today.

Mr. FRANKS of Arizona, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following title was take from the Speaker's table and, under the rule, referred as follows:

S. 1950. An act to promote global energy security through increased cooperation between the United States and India in diversifying sources of energy, stimulating development of alternative fuels, developing and deploying technologies that promote the clean and efficient use of coal, and improving energy efficiency; to the Committee on International Relations.

ENROLLED BILLS SIGNED

Mrs. Haas, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2977. An act to designate the facility of the United States Postal Service located at 306 2nd Avenue in Brockway, Montana, as the "Paul Kasten Post Office Building".

H.R. 3440. An act to designate the facility of the United States Postal Service located at 100 Avenida RL Rodriguez in Bayamon, Puerto Rico, as the "Dr. José Celso Barbosa Post Office Building".

H.R. 3549. An act to designate the facility of the United States Postal Service located at 210 West 3rd Avenue, Warren, Pennsylvania, as the "William F. Clinger, Jr. Post Office Building".

H.R. 3934. An act to designate the facility of the United States Postal Service located at 80 Killian Road in Massapequa, New York, as the "Gerard A. Fiorenza Post Office Building".

H.R. 4101. An act to designate the facility of the United States Postal Service located at 170 East Main Street in Patchogue, New York, at the "Lieutenant Michael P. Murphy Post Office Building".

H.R. 4108. An act to designate the facility of the United States Postal Service located at 3000 Homewood Avenue in Baltimore, Maryland, as the "State Senator Verda Welcome and Dr. Henry Welcome Post Office Building".

H.R. 4456. An act to designate the facility of the United States Postal Service located at 2404 Race Street in Jonesboro, Arkansas, as the "Hattie W. Caraway Station".

H.R. 4561. An act to designate the facility of the United States Postal Service located at 8624 Ferguson Road in Dallas, Texas, as the "Francisco 'Pancho' Medrano Post Office Building".

H.R. 4688. An act to designate the facility of the United States Postal Service located at 1 Boyden Street in Badin, North Carolina, as the "Mayor John Thompson 'Tom' Garrison Memorial Post Office".

H.R. 4786. An act to designate the facility of the United States Postal Service located at 535 Wood Street in Bethlehem, Pennsylvania, as the "H. Gordon Payrow Post Office Building".

H.R. 4995. An act to designate the facility of the United States Postal Service located at 7 Columbus Avenue in Tuckahoe, New York, as the "Ronald Bucca Post Office".

H.R. 5245. An act to designate the facility of the United States Postal Service located at 1 Marble Street in Fair Haven, Vermont, as the "Matthew Lyon Post Office Building".

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 310. An act to direct the Secretary of the Interior to convey the Newlands Project Headquarters and Maintenance Yard Facility to the Truckee-Carson Irrigation District in the State of Nevada.

ADJOURNMENT

Mr. MEEK of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 26, 2006, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8758. A letter from the Administrator, AMS, Department of Agriculture, transmitting the Department's final rule — Marketing Order Regulating the Handling of Spearmint Oil Produced in the Far West; Revision of the Salable Quantity and Allotment Percentage for Class 3 (Native) Spearmint Oil for the 2006-2007 Marketing Year [Docket No. FV06-985-2 IFR] received July 13, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8759. A letter from the Under Secretary for Personnel and Readiness, Department of Defense, transmitting the Department's report on Transition Assistance and Disabled Transition Assistance Programs (TAP/DTAP), pursuant to Section 595 of the National Defense Authorization Act for Fiscal Year 2006; to the Committee on Armed Services.

8760. A letter from the Deputy Chief of Legislative Affairs, Department of the Navy, transmitting the Department's preliminary planning for OMB A-76 commercial activity study; to the Committee on Armed Services.

8761. A letter from the Acting Assistant Secretary, Office of Postsecondary Education, Department of Education, transmitting the Department's final rule — Student Assistance General Provisions; Federal Perkins Loan Program; Federal Work-Study Programs; Federal Supplemental Educational Opportunity Grant Program; Federal Family Education Loan Program; William D. Ford Federal Direct Loan Program; Federal Pell Grant Program; Academic Competitiveness Grant Program; and National Science and Mathematics Access to Retain Talent Grant Program (RIN: 1840-AC86) received July 12, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8762. A letter from the Assistant General Counsel, Division of Regulatory Services, Department of Education, transmitting the Department's final rule — Student Assistance General Provisions; Federal Perkins Loan Program; Federal Work-Study Programs; Federal Supplemental Educational Opportunity Grant Program; Federal Family Education Loan Program; William D. Ford Federal Direct Loan Program; Federal Pell Grant Program; Academic Competitiveness Grant Program; and National Science and Mathematics Access to Retain Talent Grant Program (RIN: 1840-AC86) received July 12, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8763. A letter from the Director, Bureau of Economic Analysis, Department of Commerce, transmitting the Department's final rule — Direct Investment Surveys: BE-577, Direct Transactions of U.S. Reporter With Foreign Affiliate [Docket No. 060131020-6152-02] (RIN: 0691-AA57) received July 12, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8764. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

8765. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-41, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to Australia for defense articles and services; to the Committee on International Relations.

8766. A letter from the Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-35, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Israel for defense articles and services; to the Committee on International Relations.

8767. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's report entitled, "Elements of a Revised Proposal to Iran"; to the Committee on International Relations.

8768. A letter from the Special Assistant to the Secretary, White House Liaison, Department of Veterans Affairs, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8769. A letter from the Acting Senior Procurement Executive, (OCAO), GSA, National Aeronautics and Space Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; Federal Acquisition Circular 2005-11; Introduction [Docket No. FAR-2006-0023] received July 17, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8770. A letter from the Secretary, Department of Transportation, transmitting the Department's Safe Routes to School (SRTS) Task Force Report, pursuant to Public Law 109-59, section 1404(h); to the Committee on Transportation and Infrastructure.

8771. A letter from the Secretary, Department of Energy, transmitting the Department's report entitled, "Agreement on the Establishment of the ITER International Fusion Energy Organization for the Joint Implementation of the ITER Project," in accordance with Section 972(c)(5) of the Energy Policy Act of 2005; to the Committee on Science.

8772. A letter from the Secretary, Department of Energy, transmitting the Department's report on Cost and Performance Goals for the Office of Fossil Energy Coal-Based Technologies as required by Section 962 of the Energy Policy Act of 2005; to the Committee on Science.

8773. A letter from the Chairman, Securities and Exchange Commission, transmitting the Commission's legislative proposals submitted with the Authorization Request for Fiscal Year 2007 and 2008, pursuant to 31 U.S.C. 1110; jointly to the Committees on Financial Services and the Judiciary.

8774. A letter from the Regulations Coordinator, CMS, Department of Health and Human Services, transmitting the Department's final rule — Medicare Program; Identification of Backward Compatible Version of Adopted Standard for E-Prescribing and the Medicare Prescription Drug Program (Version 8.1) [CMS-0018-IFC] (RIN: 0938-A042) received June 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce and Ways and Means.

8775. A letter from the Regulatory Officer, Forest Service, Department of Agriculture, transmitting the Department's final rule — Land Uses; Special Uses; Recovery of Costs for Processing Special Use Applications and Monitoring Compliance With Special Use Authorizations (RIN: 0596-AB36) received April 21, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Resources and Agriculture.

8776. A letter from the Regulations Coordinator, CMS, Department of Health and Human Services, transmitting the Department's final rule — Medicare Program; Revision of the Deadline for Submission of Emergency Graduate Medical Education Affiliation Agreements [CMS-1531-F] (RIN: 0938-AO35) received July 6, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska. Committee on Transportation and Infrastructure. S. 362. An act to establish a program within the National Oceanic and Atmospheric Administration and the United States Coast Guard to help identify, determine sources of, assess, reduce, and prevent marine debris and its adverse impacts on the marine environment and navigation safety, in coordination with non-Federal entities, and for other purposes; with an amendment (Rept. 109–332 Pt. 2). Referred to the Committee on the Whole House on the State of the Union.

Mr. YOUNG of Alaska. Committee on Transportation and Infrastructure. H.R. 5013. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to prohibit the confiscation of firearms during certain national emergencies (Rept. 109–596). Referred to the Committee of the Whole House on the State of the Union.

Mr. McKEON. Committee of Conference. Conference report on S. 250. An act to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act (Rept. 109–597). Ordered to be printed.

Mr. BISHOP of Utah. Committee on Rules. House Resolution 946. Resolution waiving points of order against the conference report to accompany the bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act (Rept. 109–598). Referred to the House Calendar.

Mr. BISHOP of Utah. Committee on Rules. House Resolution 947. Resolution providing for consideration of the bill (H.R. 5682) to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India (Rept. 109–599). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CARNAHAN:

H.R. 5874. A bill to direct the Secretary of the Interior to suspend the application of any provision of Federal law under which any person is given relief from any requirement to pay royalty for production oil or natural gas from Federal lands (including submerged lands), for production occurring in any period in which the market price of production exceeds certain prices, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Resources, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. WOOLSEY (for herself, Mr. Hinchey, Mr. Moran of Virginia, Ms. Lee, Ms. Waters, Mr. Owens, Ms. Watson, Ms. McKinney, Mr. Stark, Mr. Filner, Ms. Carson, Mr. Fattah, Ms. Kilpatrick of Michigan, Mr. Meehan, Mr. Payne, Mr. Serrano, Mr. Davis of Illinois, Mr. Wu, Ms. Jackson-Lee of Texas, and Mr. Kucinich):

H.R. 5875. A bill to repeal the Authorization for Use of Military Force Against Iraq Resolution of 2002 (Public Law 107-243); to the Committee on International Relations.

By Mr. MICA:

H.R. 5876. A bill to amend title 49, United States Code, relating to nonallowable airport development project costs; to the Committee on Transportation and Infrastructure.

By Ms. ROS-LEHTINEN (for herself, Mr. Lantos, Mr. Hyde, and Mr. Ackerman):

H.R. 5877. A bill to amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006; to the Committee on International Relations, and in addition to the Committees on Financial Services, Ways and Means, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CUMMINGS (for himself, Mr. Thompson of Mississippi, Mrs. Napolitano, Mr. Bishop of Georgia, Mr. Wynn, Ms. Wasserman Schultz, Mr. Scott of Virginia, Mr. Owens, Mr. Cardin, Mr. Al Green of Texas, Mr. Meeks of New York, Mr. Rush, Ms. Millender-McDonald, Mr. Grijalva, Mr. Conyers, Mr. Butterfield, Mr. Boyd, Mr. Ross, Mr. Davis of Illinois, Mrs. Jones of Ohio, Ms. Linda T. Sánchez of California, Ms. Norton, Ms. Kilpatrick of Michigan, Mr. Baca, Mr. Scott of Georgia, Mr. Van Hollen, Ms. Solis, Mr. Payne, Ms. Lee, Mr. Ruppersberger, Mr. Farr, Mr. Clyburn, Mr. Clay, and Mr. Cleaver):

H.R. 5878. A bill to establish a 2-year pilot program to develop a curriculum at historically Black colleges and universities, Tribal colleges and universities, and Hispanic-serving institutions to foster entrepreneurship and business development in underserved minority communities; to the Committee on Education and the Workforce, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BERRY:

H.R. 5879. A bill to terminate the limitations on imports of ammonium nitrate from the Russian Federation; to the Committee on Ways and Means.

By Mr. BERRY:

H.R. 5880. A bill to suspend the antidumping duty orders on imports of solid urea from Russia and Ukraine; to the Committee on Ways and Means.

By Mr. MARSHALL:

H.R. 5881. A bill to amend title 10, United States Code, to eliminate the offset between military retired pay and veterans service-connected disability compensation for certain retired members of the Armed Forces who have a service-connected disability, and for other purposes; to the Committee on Armed Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PALLONE:

H.R. 5882. A bill to amend title XIX of the Social Security Act to increase the minimum Federal medical assistance percentage under the Medicaid Program for States to 53 percent; to the Committee on Energy and Commerce.

By Mr. PETERSON of Pennsylvania (for himself, Mr. Brady of Pennsylvania, Mr. Fattah, Mr. English of Pennsylvania, Ms. Hart, Mr. Gerlach, Mr. Weldon of Pennsylvania, Mr. Fitzpatrick of Pennsylvania, Mr. Shuster, Mr. Sherwood, Mr. Kanjorski, Mr. Murtha, Ms. Schwartz of Pennsylvania, Mr. Doyle, Mr. Dent, Mr. Pitts, Mr. Holden, Mr. Murphy, and Mr. Platts):

H.R. 5883. A bill to establish a commission to assist in commemoration of the sesquicentennial of the discovery of oil at Drake Well near Titusville, Pennsylvania, on August 27, 1859, and the resulting development of the American petroleum industry; to the Committee on Government Reform.

By Mr. RAMSTAD:

H.R. 5884. A bill to amend the Internal Revenue Code of 1986 to authorize the Secretary of the Treasury to extend the date for making a gift tax qualified terminable interest property election; to the Committee on Ways and Means.

By Mr. SIMMONS (for himself, Mr. Shays, Mrs. Johnson of Connecticut, Mr. Larson of Connecticut, and Ms. DeLauro):

H.R. 5885. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Eightmile River in the State of Connecticut as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Resources.

By Mr. STARK (for himself, Ms. Schakowsky, Mr. McDermott, Mr. Rangel, Mr. Lewis of Georgia, Mr. Brown of Ohio, Mr. George Miller of California, Mr. Waxman, Mr. Becerra, Ms. Corrine Brown of Florida, Ms. Carson, Mrs. Christensen, Mr. Conyers, Mr. Davis of Illinois, Mr. Filner, Mr. Grijalva, Mr. Hinchey, Ms. Norton, Ms. Jackson-Lee of Texas, Ms. Kilpatrick of Michigan, Mr. Lantos, Ms. Lee, Mr. McGovern, Mr. Nadler, Mr. Owens, Mr. Pallone, Mr. Thompson of Mississippi, Mr. Towns, Ms. Woolsey, and Ms. Solis):

H.R. 5886. A bill to amend the Social Security Act and the Internal Revenue Code of 1986 to provide for a AmeriCare that assures the provision of health insurance coverage to all residents, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WELDON of Florida (for himself and Mrs. Maloney):

H.R. 5887. A bill to improve vaccine safety research, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. WILSON of New Mexico:

H.R. 5888. A bill to direct the Secretary of Homeland Security to ensure that an individual may file an orphan petition for at least 2 years after approval of an advanced processing application; to the Committee on the Judiciary.

By Mr. CARNAHAN (for himself and Mr. Leach):

H. Con. Res. 453. Concurrent resolution expressing the sense of Congress regarding the need for the United States to address global climate change through the negotiation of fair and effective international commitments; to the Committee on International Relations.

By Mr. KING of Iowa:

H. Res. 942. A resolution recognizing the centennial anniversary on August 5, 2006, of the Iranian constitution of 1906; to the Committee on International Relations.

By Mr. KNOLLENBERG:

H. Res. 943. A resolution recognizing Robert Bosch Corporation and its 100 years of commitment and leadership in the United States manufacturing industry; to the Committee on Energy and Commerce.

By Mr. POE (for himself, Mr. Costa, Ms. Harris, Mr. Moore of Kansas, Mr. Ortiz, Mr. Holden, and Ms. Hart):

H. Res. 944. A resolution supporting the goals and ideals of National Domestic Violence Awareness Month and expressing the sense of the House of Representatives that Congress should raise awareness of domestic violence in the United States and its devastating effects on families and communities; to the Committee on Education and the Workforce.

By Ms. JACKSON-LEE of Texas (for herself, Mr. Cummings, Ms. Watson, Ms. Eddie Bernice Johnson of Texas, Mr. Kildee, Mr. McDermott, Ms. Kilpatrick of Michigan, Mr. Davis of Illinois, Mr. Conyers, Mr. Kucinich, Ms. Woolsey, Ms. Kaptur, Mr. Hinchey, and Mr. Rahall):

H. Res. 945. A resolution expressing deep concern at the ongoing violence in the Middle East, and particularly the current hostilities between the State of Israel and Hezbollah which have intensified since July 12, 2006; to the Committee on International Relations.

By Mr. TAYLOR of Mississippi (for himself, Mr. Melancon, Mr. Jefferson, Mr. Pickering, Mr. Gordon, Mr. Wicker, Mr. Thompson of Mississippi, and Mr. Jindal):

H. Res. 948. A resolution recognizing the dedication of the employees at the National Aeronautics and Space Administration's Stennis Space Center who, during and after Hurricane Katrina's assault on Mississippi, provided shelter and medical care to storm evacuees and logistical support for storm recovery efforts, while effectively maintaining critical facilities at the Center; to the Committee on Science.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 23: Mr. Ferguson and Mrs. Bono.

H.R. 354: Mr. Murphy.

H.R. 414: Mr. Clyburn and Mr. Sanders.

H.R. 415: Mr. Clyburn, Mr. Chandler, and Mr. Wynn.

H.R. 450: Mr. Payne.

H.R. 503: Mr. Campbell of California.

H.R. 517: Mr. Davis of Illinois and Mr. Stupak.

H.R. 676: Ms. Norton, Ms. Linda T. Sánchez of California, and Ms. Eddie Bernice Johnson of Texas.

H.R. 864: Mr. Hoyer.

H.R. 896: Mr. Ross.

H.R. 959: Mr. Rogers of Michigan and Mr. Platts.

H.R. 1002: Mr. Smith of New Jersey.

H.R. 1264: Mr. Tierney and Mr. Whitfield.

H.R. 1376: Mr. Matheson and Mr. Weldon of Pennsylvania.

H.R. 1380: Mr. Gordon.

H.R. 1384: Mr. Beauprez and Mr. Ortiz.

H.R. 1548: Mr. Doyle.

H.R. 1658: Mr. Rahall.

H.R. 1898: Mr. Peterson of Pennsylvania, Mr. Dent, Mr. Hobson, Mr. Bilbray, Mr. Royce, and Mr. Issa.

H.R. 2034: Mr. Boozman.

H.R. 2239: Mr. CARDIN and Mr. WELLER.

H.R. 2421: Mr. RAMSTAD, Mr. DANIEL E. LUNGREN of California, and Mr. PUTNAM.

H.R. 2429: Mr. SALAZAR.

H.R. 2808: Mr. CAMPBELL of California, Mr. DICKS, Mr. LARSEN of Washington, Mr. CRENSHAW, Mr. PUTNAM, Mr. BURTON of Indiana, Ms. CARSON, Mr. ROGERS of Alabama, Mr. RANGEL, Mr. CROWLEY, Ms. SLAUGHTER, Mrs. CAPITO, Mr. UPTON, Mr. PENCE, Mr. ABERCROMBIE, Mr. RUPPERSBERGER, Mr. MARKEY, Mr. BOOZMAN, Mr. SANDERS, Mr. OWENS, Ms. BALDWIN, Ms. DELAURO, Mr. KUCINICH, Mr. LANTOS, Mr. GEORGE MILLER of California, Mr. OLVER, Mr. PASTOR, Ms. SOLIS, Ms. VELÁZQUEZ, Mr. BASS, Mr. FERGUSON, Mr. HOSTETTLER, Mr. VISCLOSKY, Mr. RYAN of Wisconsin, Mr. CUELLAR, Mr. FILNER, Mr. NADLER, Mr. TIERNEY, Mr. UDALL of New Mexico, Mr. MCCRERY, Mr. SPRATT, Mrs. TAUSCHER, Mr. KIND, Mr. BACA, Mr. ACKERMAN, Ms. HOOLEY, Mr. OBEY, Mr. EDWARDS, Mr. WEINER, Mr. BARROW, Mr. MOLLOHAN, and Mr. PEARCE.

H.R. 2835: Ms. ZOE LOFGREN of California.

H.R. 3019: Mr. CHOCOLA.

H.R. 3055: Mr. MEEHAN and Mr. WYNN.

H.R. 3185: Mr. HASTINGS of Florida.

H.R. 3186: Mrs. JO ANN DAVIS of Virginia and Mr. CANTOR.

H.R. 3195: Ms. WATERS, Mr. CLEAVER, Mrs. CHRISTENSEN, and Mr. TERRY.

H.R. 3248: Mr. BURGESS.

H.R. 3361: Mrs. LOWEY.

H.R. 3476: Mr. BOUSTANY.

H.R. 3547: Mr. TAYLOR of North Carolina.

H.R. 3762: Mr. SHERMAN.

H.R. 3795: Mr. DAVIS of Kentucky.

H.R. 3854: Ms. ROYBAL-ALLARD.

H.R. 3882: Mr. KING of Iowa.

H.R. 4005: Mr. SMITH of New Jersey.

H.R. 4113: Mr. STEARNS.

H.R. 4202: Ms. MOORE of Wisconsin.

H.R. 4212: Mr. DAVIS of Illinois.

H.R. 4341: Mr. WILSON of South Carolina.

H.R. 4434: Mr. CONYERS.

H.R. 4562: Mr. PASCRELL, Mr. MILLER of Florida, Ms. GINNY BROWN-WAITE of Florida, Mrs. JOHNSON of Connecticut, Mr. KELLER, Mrs. DRAKE, Mr. PETRI, Mr. FEENEY, Mr. KLINE, Mr. WICKER, Mr. FOSSELLA, Mr. HAYWORTH, and Mr. BECERRA.

H.R. 4727: Mr. RAHALL.

H.R. 4747: Mr. REHBERG.

H.R. 4873: Mr. CARDIN, Mr. GERLACH, and Mr. EMANUEL.

H.R. 4901: Mr. FALEOMAVAEGA, Mr. WU, Ms. ZOE LOFGREN of California, Mrs. NAPOLITANO, Mr. REYES, Ms. LEE, Ms. BORDALLO, and Mr. FARR.

H.R. 4903: Ms. WOOLSEY and Mr. LANTOS.

H.R. 4922: Mr. GONZALEZ and Mr. KENNEDY of Minnesota.

H.R. 4953: Mr. KUCINICH.

H.R. 4981: Mr. DENT and Mr. MCCOTTER.

H.R. 4987: Mr. SAXTON.

H.R. 5005: Mr. WICKER, Mr. WELDON of Pennsylvania, Mr. KINGSTON, Mr. PITTS, Mr. DINGELL, Mr. MCHENRY, Mr. SCOTT of Virginia, and Mr. FRANKS of Arizona.

H.R. 5013: Mr. MURTHA, Mr. HEFLEY, Mr. WELDON of Pennsylvania, and Mr. PITTS.

H.R. 5023: Mr. MCDERMOTT.

H.R. 5091: Mr. GRIJALVA.

H.R. 5092: Mr. JINDAL, Mr. BAKER, Mr. KING of Iowa, Mr. MURTHA, Mr. WICKER, Mr. WELDON of Pennsylvania, Mr. KINGSTON, and Mr. PITTS.

H.R. 5134: Mr. KENNEDY of Minnesota, Mr. GRAVES, and Ms. BORDALLO.

H.R. 5166: Mr. HASTINGS of Washington.

H.R. 5173: Mr. COBLE.

H.R. 5177: Mr. SESSIONS.

H.R. 5201: Mr. JINDAL.

H.R. 5238: Mr. WEINER.

H.R. 5249: Mr. STUPAK and Mr. KLINE.

H.R. 5280: Mrs. BONO, Mr. BROWN of Ohio, Mr. PITTS, and Mr. HALL.

H.R. 5291: Mr. PUTNAM.

H.R. 5304: Mrs. SCHMIDT.

H.R. 5329: Mr. BILBRAY.

H.R. 5344: Ms. MATSUI.

H.R. 5348: Mr. PALLONE and Mr. MCDERMOTT.

H.R. 5369: Mr. SOUDER.

H.R. 5388: Mrs. LOWEY.

H.R. 5452: Mr. HAYWORTH and Mr. TAYLOR of North Carolina.

H.R. 5465: Mr. MORAN of Virginia and Mrs. MYRICK.

H.R. 5496: Mr. HOLT.

H.R. 5500: Mr. GREEN of Wisconsin.

H.R. 5513: Mr. FOSSELLA, Mr. WELDON of Pennsylvania, Ms. BERKLEY, Mr. KENNEDY of Rhode Island, Mr. RAHALL, Mr. KINGSTON, and Mr. BISHOP of Georgia.

H.R. 5519: Mr. BOOZMAN and Mr. ENGLISH of Pennsylvania.

H.R. 5550: Mr. MCDERMOTT.

H.R. 5552: Mrs. JO ANN DAVIS of Virginia, Mr. LAHOOD, Mr. KOLBE, Mrs. EMERSON, Mr. WALSH, Mr. TIBERI, Mr. MICA, Mr. MORAN of Virginia, Mr. GOODLATTE, Mr. MILLER of Florida, Mr. SIMPSON, Mr. CASE, Mr. CULBERSON, Mr. WELDON of Pennsylvania, Mr. WAMP, Mr. TIAHRT, Mr. SWEENEY, Mr. DUNCAN, Mr. HEFLEY, and Mr. WESTMORELAND.

H.R. 5562: Mr. FOSSELLA and Mr. GONZALEZ.

H.R. 5575: Mr. DAVIS of Illinois.

H.R. 5624: Mr. TOM DAVIS of Virginia.

H.R. 5674: Mr. CARDIN and Mrs. JONES of Ohio.

H.R. 5680: Ms. WATERS.

H.R. 5688: Mr. MCDERMOTT.

H.R. 5735: Ms. WATERS.

H.R. 5752: Mr. BOOZMAN.

H.R. 5755: Mr. SWEENEY, Mr. BOOZMAN, Mr. PLATTS, Mr. HIGGINS, Mr. REICHERT, and Mr. RYAN of Wisconsin.

H.R. 5767: Mrs. MYRICK, Mr. MCCOTTER, Mr. KLINE, Mrs. BLACKBURN, and Mr. KING of Iowa.

H.R. 5770: Mr. CUMMINGS and Ms. NORTON.

H.R. 5805: Mr. KENNEDY of Minnesota, Mr. WILSON of South Carolina, and Mr. GONZALEZ.

H.R. 5807: Mr. GONZALEZ.

H.R. 5834: Ms. BORDALLO, Mr. COSTA, and Mr. CONYERS.

H.R. 5835: Mrs. DRAKE, Mr. MANZULLO, Mr. BISHOP of Georgia, Mr. GONZALEZ, Mr. ABERCROMBIE, Mrs. CAPITO, Mr. DOGGETT, and Mr. FORTUÑO.

H.R. 5866: Mr. GINGREY.

H. Con. Res. 292: Mr. DOYLE.

H. Con. Res. 449: Mr. OXLEY.

H. Con. Res. 450: Ms. JACKSON-LEE of Texas, Mr. DEFAZIO, Mr. RAHALL, Mr. OWENS, and Mr. GEORGE MILLER of California.

H. Res. 189: Mr. BACHUS, Mr. TIAHRT, and Mr. PLATTS.

H. Res. 461: Ms. EDDIE BERNICE JOHNSON of Texas.

H. Res. 518: Mrs. DRAKE and Mr. GOODE.

H. Res. 526: Mr. MCNULTY.

H. Res. 745: Ms. BORDALLO and Mr. KILDEE.

H. Res. 759: Mr. WAXMAN.

H. Res. 760: Mr. GILCHREST.

H. Res. 888: Mr. JEFFERSON, Mr. BISHOP of Georgia, Mr. BERMAN, and Mr. GONZALEZ.

H. Res. 894: Mr. MELANCON, Mr. JINDAL, Ms. JACKSON-LEE of Texas, Mr. THOMPSON of Mississippi, Mr. HINCHEY, Mr. TOWNS, Mr. PAYNE, Mr. OWENS, Mr. ROSS, Mr. CARNAHAN, Mr. FILNER, Ms. MILLENDER-MCDONALD, Mr. RUSH, Mr. OBERSTAR, Mr. MEEK of Florida, Mr. PASTOR, Mr. DAVIS of Alabama, Mr. TAYLOR of Mississippi, Mr. DAVIS of Florida, Mr. BARROW, Ms. SCHAKOWSKY, Mr. SMITH of Washington, Mr. BUTTERFIELD, Mr. CASE, Mr. DAVIS of Illinois, Ms. WATERS, Mr. BISHOP of New York, Mr. AL GREEN of Texas, Mr. WATT, Mr. FATTAH, Mr. CLAY, Ms. KILPATRICK of Michigan, Mr. CLEAVER, Mr. MCDERMOTT, Mr. CLYBURN, Mr. FALEOMAVAEGA, Mr. KIND, Mr. COSTELLO, Mr. KENNEDY of Rhode Island, and Mr. GENE GREEN of Texas.

H. Res. 928: Mr. SNYDER, Mr. RUPPERSBERGER, Mr. FILNER, Mr. TOWNS, Mr. CLYBURN, Mr. THOMPSON of Mississippi, Ms. JACKSON-LEE of Texas, Mr. FORBES, and Mr. NORWOOD.

H. Res. 935: Mr. JINDAL, Mr. PAYNE, and Ms. CARSON.

EXTENSIONS OF REMARKS

RECOGNIZING SONIA CULVER

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Sonia Culver of Saint Joseph, Missouri. Sonia is the President of Enrichment Therapies, a company that provides speech and developmental therapy services, and she has been chosen to receive the YWCA Women of Excellence Emerging Leader Award.

As a speech-language pathologist and developmental therapist, Sonia has worked closely in the community to aid children and families facing speech and language challenges as well as the problems associated with autism. Sonia contracts with school districts to provide training and case management to speech implementers. She is also the Co-Founder of Connecting the Pieces, a seminar that is designed to help educators and families learn about Autism Spectrum disorders. Sonia is also on the Regional Interagency Coordinating Council for First Steps and is the author of a book series to be published in 2007, focusing on eliciting speech and language from children.

Mr. Speaker, I proudly ask you to join me in recognizing Sonia Culver. Her commitment to speech therapies and enhancing the quality of life for children and families is highly appreciated. I am honored to represent her in the United States Congress.

ON THE FIRST ANNUAL UW SUMMER WASHINGTON PROGRAM

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Ms. BALDWIN. Mr. Speaker, I rise today to congratulate the University of Wisconsin, the Political Science Department, and the student participants on the creation and completion of the first annual UW Summer Washington Program. This invaluable opportunity was made possible by the generous support of many UW alumni.

The 15 undergraduate students were selected through a competitive application process and are interning in various offices on Capitol Hill. They are gaining experience in legislative offices, lobbying firms, the Department of Justice, and several foreign policy offices, while also participating in a Political Science course. Guest speakers and hosts, all of whom are UW alumni, have been in attendance at each class session offering priceless and practical advice to the students.

This program would not have been possible without the support of the Wisconsin alumni who have helped in funding, organizing social events, and speaking to the class. The UW Foundation, in collaboration with the Department of Political Science, has worked with alumni to get this program off the ground in hopes that it will be available to future undergraduate students. The goal of this program is to establish a permanent presence for the University of Wisconsin in Washington, DC.

I am proud to rise today to pay tribute to the establishment of this exceptional opportunity. It is truly an honor for me to represent the students, the alumni, and the University of Wisconsin on this occasion, and wish them the best of luck in the successful continuation of this important program.

TRIBUTE TO THE GRAND CANYON CHAPTER OF THE AMERICAN RED CROSS

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. HAYWORTH. Mr. Speaker, I rise today in honor and recognition of the Grand Canyon Chapter of the American Red Cross as they celebrate 90 years of service in Arizona.

Since 1916, the American Red Cross Grand Canyon Chapter, headquartered in Phoenix, is where the people of Arizona come together to help one another. The passionate volunteers and staff who make up the Grand Canyon Chapter provide care, comfort and lifesaving skills to millions of people in Arizona. Volunteers serve their neighbors throughout the 10 counties in the northern two-thirds of Arizona, a population of 4.5 million.

Arizonans benefit from programs that provide meaningful assistance and lift the spirit of individuals and families throughout our communities. The chapter is a leader in water safety instruction. I am particularly proud of their "Water Whiz Kids" program, which teaches backyard pool safety to children and also provides infant and child CPR training to their parents.

Within my district, the Grand Canyon Chapter is there when a disaster strikes thousands, and when it strikes only one. In May of this year, in the wake of the Tradewinds Apartment fire in Mesa, Red Cross volunteers assisted 34 families, served 400 meals, and distributed 125 comfort kits. Another local emergency response was the Cave Creek Complex Fire last year where 36 Red Cross volunteers opened a shelter and provided 23 residents with meals and comfort kits.

The American Red Cross Grand Canyon Chapter has also played an instrumental role in assisting after national disasters outside Arizona, including Hurricane Katrina. Last year, over 100 Red Cross volunteers from Arizona deployed to the gulf coast to help with the disaster response. The Grand Canyon Chapter also operated a national call center for disaster victims throughout the country. Impressively, with only 30 hours advance notice, the chapter organized "Operation Good Neighbor Shelter" at Arizona Veterans Memorial Coliseum, helping more than 1,000 Hurricane Katrina evacuees in our State last year. These evacuees were displaced and relocated from the gulf coast, suddenly finding themselves hundreds of miles from their homes, yet upon their arrival, they were the recipients of the warm "compassion in action" that exemplifies the Red Cross volunteer and the spirit of Arizonans: good neighbors helping new neighbors during drastic times.

Mr. Speaker and colleagues, please join me to honor and recognize the American Red Cross Grand Canyon Chapter on its 90th birthday. With congratulations and gratitude for the excellent work they do to enrich our lives, I am pleased to recognize their service to our communities throughout the great State of Arizona.

PERSONAL EXPLANATION

HON. SPENCER BACHUS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BACHUS. Mr. Speaker, on rollcall Nos. 394–396, I was not present in the House due to a family emergency. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

HON. JIM GIBBONS

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GIBBONS. Mr. Speaker, I rise today to explain how I would have voted on July 24, 2006, during rollcall votes Nos. 394, 395 and 396 during the second session of the 109th Congress.

Rollcall vote No. 394 was on the motion to suspend the rules and pass S. 1496.

Rollcall vote No. 395 was on the motion to suspend the rules and pass, as amended, S. 203.

Rollcall vote No. 396 was on the motion to suspend the rules and pass H.R. 5534.

I respectfully request that it be entered into the CONGRESSIONAL RECORD that if present, I would have voted "yes" on all of these rollcall votes.

IN SUPPORT OF RURAL VETERANS HEALTH CARE ACT OF 2006

HON. MICHAEL H. MICHAUD

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. MICHAUD. Mr. Speaker, since the founding of our Nation, rural Americans have always answered the call to service in times of war. One in three of the patients seen at the Department of Veterans Affairs lives in a rural community. Veterans who live in rural settings are often older and have more physical and mental health diseases as compared to veterans who live in suburban or urban settings. According to the 2005 Institute of Medicine report, The Future of Rural Health, the smaller, poorer, and more isolated a rural community is, the more difficult it is to ensure the availability of high-quality health services. With some 44 percent of current military recruits coming from rural areas, we must help VA focus on meeting the pressing health care needs of rural veterans.

I have introduced H.R. 5524, the Rural Veterans Health Care Act of 2006, to take a comprehensive and practical approach towards improving care for our rural veterans by increasing community based facilities and outreach, encouraging the training and recruitment of health care professionals, focusing on research to develop innovative solutions to the challenges of delivering rural health care, and developing the information technology infrastructure we need to enhance health care services in rural areas.

Rural America has always answered the call to service. We should do everything we can to ensure that rural veterans have the same reasonable access to the high quality care available through the VA as veterans in suburban and urban areas. I urge my colleagues to support rural veterans and pass H.R. 5524.

Mr. Speaker I would like to include in the CONGRESSIONAL RECORD a letter of support for H.R. 5524, the Rural Veterans Health Care Act of 2006, from the National Rural Health Association.

NATIONAL RURAL HEALTH ASSOCIATION,
Kansas City, MO, July 17, 2006.

Hon. MICHAEL MICHAUD,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE MICHAUD: On behalf of the National Rural Health Association. I am writing to express our strong support for H.R 5524. the "Rural Veterans Health Care Act of 2006."

The NRHA is a national nonprofit, non partisan, membership organization with approximately 10,000 members that provides leadership on rural health issues. The Association's mission is to improve the health of rural Americans and to provide leadership on rural health issues through advocacy, communications, education and research. The NRHA membership consists of a diverse collection of individuals and organizations, all of whom share the common bond of an interest in rural health.

The NRHA members are keenly aware of the disproportionate rates at which rural people serve in the military and the issues our rural veterans face in obtaining health and mental health care in rural communities. We are pleased to see so many provisions in this legislation to address these concerns. In particular, the provisions which call for expansion of and improved quality of services provided by Vet Centers, Outreach Health Centers, and CBOCs in rural areas. These services represent approaches that greatly increase access to quality care for these vets. Vet Centers, as is their role, will also educate returning rural veterans to their benefits and the services they have earned.

The bill also addresses the long term care needs of rural vets, the use of an electronic medical record system to enhance patient safety and improve quality of care, takes advantage of the groundbreaking IOM report on the future of rural health care recommendations, and provides a provision for the training of health care professionals in rural facilities serving veterans. All of these provisions are included in NRHA's support. The NRHA is especially supportive of the call for a national Advisory Committee on Rural Veterans, and offer up any assistance we might make in recommending members for this committee should the legislation be successful. In addition, we are pleased that the legislation increases the number of rural rotations for medical residents training at the VA and takes steps to enhance the education, training, retention, and recruitment of health professionals in rural areas. Research has shown that rural rotations are effective in increasing the number of medical personnel that choose to practice in rural areas.

The NRHA is supportive and involved in the dissemination of research and resources developed by the Department of Health and Human Services (HHS) Rural Research Centers, therefore, we support the provisions in the bill which would designate at least four centers as the location for research targeted at defining rural veteran health and mental health care needs, and chronic disease management. NRHA is keenly aware of the limited research on rural veterans and their families, and this provision will begin to address the dearth of research in this area.

The NRHA maintains a Minority and Multicultural committee within our organization and develops many policy statements regarding the unique needs of rural minority groups and women. We are pleased to see the specific inclusion of Native American, Native Hawaiian and Native Alaskan veterans in this legislation. This legislation would expand VA's health care presence in these rural and remote communities. The NRHA also hopes that special consideration will also be given to the unprecedented number of African American women and all women serving at the highest rates ever seen in our country and the special needs that they will bring into the VA system in just a few short years.

The NRHA developed the first national policy paper as a non-Veteran Service Organization on rural veterans in 2003–2004, and we are pleased to see some of the recommendations called for in our policy paper addressed in this legislation.

For these many reasons, the NRHA strongly supports your efforts to urge Congress to enact the "Rural Veterans Health Care Act of 2006." Thank you for your leadership on this issue.

Sincerely,

WILLIAM SEXTON,
President.

RECOGNIZING SUSAN DUDLEY

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Susan Dudley of Saint Joseph, Missouri. For the past 11 years she has served as the executive secretary to the president of Commerce Bank and she has been chosen to receive the YWCA Women of Excellence Award for Women in Support Services.

As the executive secretary to the president, Susan is often looked to for guidance and direction. She is considered to be an outstanding member of the local Commerce Bank, as a result of her commitment to the company, staff, customers, and community. She is always positive and helpful, never refusing any task asked of her. In the community, she delivers "Meals on Wheels" through Inter-Serv. She also serves as a board member at Vatterott College and is a past president of her P.E.O. Chapter.

Mr. Speaker, I proudly ask you to join me in recognizing Susan Dudley. She serves as an inspiration to the community and sets the mark of excellence that encourages others. I am honored to represent her in the United States Congress.

TRIBUTE TO THE ROSEMARY GARFOOT PUBLIC LIBRARY

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Ms. BALDWIN. Mr. Speaker, I rise today to extend congratulations to the Rosemary Garfoot Public Library in Cross Plains, Wisconsin, on the grand opening of its brand new facility. For nearly 40 years the library has been an impressive tribute to the people of Cross Plains.

The public library serves as the cornerstone of democracy, fostering intellectual freedom and making available to all citizens an extensive information network. In a local setting, citizens have access to global resources of information. The public library is critically important in improving the community by providing access to higher learning. It is certainly a requirement for a cultivated democratic society.

The public library allows citizens to perform the civic duties placed upon them in our democratic nation. It not only provides free access to worldwide information, but is a place where residents can obtain information about their community. It also serves as a place where Internet access, tax forms, and voter registration forms are provided. The role of the public library is essential in supporting a democratic state. The Rosemary Garfoot Public Library has gone beyond its civic duty in providing these services for the public.

To provide the public with a new library facility, the people of Cross Plains were committed to this important project since 2002. I am proud to recognize the efforts of a community that created a dream and followed through to success. I join the residents of Cross Plains in celebrating the grand opening of the newly expanded and renovated Rosemary Garfoot Public Library and wish them the best for many years to come.

PERSONAL EXPLANATION

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. ANDREWS. Mr. Speaker, I regret that, due to my attendance at the swearing in ceremony of New Jersey Commissioner of Labor David Socolow, I missed three votes on July 24, 2006. Had I been present I would have voted "yea" on S. 1496 (Electronic Duck Stamp Act of 2005), "yea" on S. 203 (National Heritage Areas Act of 2005) and "yea" on H.R. 5534 (To establish a grant program whereby moneys collected from violations of the corporate average fuel economy program are used to expand infrastructure necessary to increase the availability of alternative fuels).

IN RECOGNITION OF REVEREND DR. LEROY JOHNSON, PASTOR, MISSIONARY TEMPLE C.M.E. CHURCH

HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mrs. TAUSCHER. Mr. Speaker, I rise to recognize City of Fairfield resident Dr. (Colonel) Leroy Johnson, Pastor, for his dedication and commitment to his church and community.

Dr. Johnson, who was licensed to preach in 1952, has served the Missionary Temple C.M.E. Church since 1989. Prior to joining the C.M.E. Church, Dr. Johnson was president of Miles College, which has a proud history of producing teachers, preachers, community leaders and politicians, in Birmingham, AL.

In 1963, Dr. Johnson entered the U.S. Army Chaplain Corps where he held various assignments which included pastoring the largest Protestant military/civilian congregation in Western Europe.

During his pastorate in Kaiserslautern, West Germany, the gospel singers and services that exist on all American military posts, bases, stations, and ships today were created.

He was the first African American to receive a line officer's commission under the Navy Reserve Officer Candidate Program and had the distinction of being a member of the Navy's first atomic bomb testing team in the South Pacific Marshall Islands.

After serving in the U.S. Army and Navy during a career that included world conflicts such as the Korean War and Vietnam, Dr. Johnson retired with the rank of Colonel.

Included amongst his 25 military awards and decorations are the Legion of Merit, Bronze Star, Meritorious Service Medal, the Army Commendation Medal and the Navy Unit Citation.

Dr. Johnson holds a Ph.D. from Kansas State University and has attained three masters degrees from Chapman University.

As the officers and members of Missionary Temple C.M.E. Church pay tribute to Dr. Johnson during the "This is your Life" Celebration, I wish Dr. Johnson, his wife, Simmie Mae, and daughter, Leana, many more years of health and happiness.

HONORING THE LIFE OF PRIVATE FIRST CLASS JUSTIN RAY DAVIS

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. WYNN. Mr. Speaker, I rise to express the heartfelt condolences of a grateful nation and to honor the life of PFC Justin Ray Davis of Gaithersburg, MD. PFC Justin Davis was killed on June 25 near the village of Kandalay, located in the Kunar Province in Afghanistan, from wounds sustained during combat operations as part of Operation Mountain Thrust. PFC Justin Davis, 19, was assigned to A Company, 1st Battalion, 32nd Infantry Regiment, 10th Mountain Division of the U.S. Army. A native of Gaithersburg, MD, Private First Class Davis entered the Army in June 2005 and trained at Fort Benning, GA, to be an infantryman. His strong patriotism and desire to defend our freedoms led him to join the military immediately after graduating from Magruder High School in May, 2005, where he was active in the Junior ROTC and a starter on the varsity football team. Private First Class Davis was a loving son and leaves behind his mother, Paula Davis, and father, Dennis Johnson. May God bless them and comfort them during this very difficult time.

We owe this brave soldier and his family a tremendous debt of gratitude for his selfless service and sacrifice. Our country could not maintain its freedom and security without heroes like Private First Class Davis. He made the ultimate sacrifice. Americans, as well as Afghanis, owe their liberty to Private First Class Davis and his fallen comrades. Private First Class Davis was awarded the Bronze Star and Purple Heart for his actions in Afghanistan.

Mr. Speaker, for his heroism and service to his country, please join me in honoring the life of PFC Justin Ray Davis.

PERSONAL EXPLANATION

HON. JOHN R. CARTER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. CARTER. Mr. Speaker, on July 24, 2006, I was unavoidably detained due to inclement weather prohibiting my travel.

On rollcall vote Nos. 394, 395, and 396, if present, I would have voted "yea."

RECOGNIZING DR. NORMA BAGNALL

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Dr. Norma Bagnall of Saint Joseph, MO. Dr. Bagnall retired from teaching in 1996, she has served the community ever since and has been chosen to receive the YWCA Women of Excellence Lifetime Achievement Award.

Dr. Bagnall came to Missouri after obtaining a bachelors, masters, and doctorate degree from Texas A&M University. She joined the staff of Missouri Western State University in Saint Joseph, MO, in the early 1980's as an assistant professor of English and later gained a full professorship. She retired from Missouri Western in 1996 and began a long list of service to the community.

Norma has been a champion of literacy in the community. She has led the Runcie Club book study group for the past 6 years, and established the Hayes Bagnall Literacy Scholarship at Missouri Western and the Writer's Workshop at the Joyce Raye Patterson Senior Center. Then, during the summer of 2005, she developed a community class to teach conversational Spanish. That program became so successful that it had to be adopted by InterServ, in order to accommodate the 110 students and additional 115 people on a waiting list.

Mr. Speaker, I proudly ask you to join me in recognizing Dr. Norma Bagnall. In nearly three decades in northwest Missouri, Norma has come to be one of the most outstanding members of our community. I am honored to represent her in the United States Congress.

THE MOSES AND AARON FOUNDATION

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. NADLER. Mr. Speaker, I rise today to call attention to a worthy organization, one committed to special children and their families. The Moses and Aaron Foundation's significant and enduring efforts under the direction of the president, Rabbi Yaacov Kaploun, and executive vice president, Yehuda Kaploun, deserve the highest praise, as do the philanthropists who have given of themselves to fulfill its mission.

The Moses and Aaron Foundation Special Fund for Children is an all volunteer organization and is dedicated to assisting children with disabilities and their families with a wide range of programs including social, physical, and financial, as well as counseling and guidance.

It also provides scholarship funding to educational institutions, collects, purchases, and distributes clothing for children in need and remembers them with presents at holiday time or when hospitalized.

In cooperation with Bally Total Fitness Centers, the Moses and Aaron Foundation has been able to establish physical fitness and therapy centers. The foundation has arranged for sound and musical equipment in other institutions as well to help improve the conditions of disabled children.

On Saturday night, August 5, 2006, at the Sullivan County Community College in Loch Sheldrake, NY, the Moses and Aaron Foundation will sponsor its 10th Summer "Chazak—Strength" concert honoring and paying tribute to special and outstanding children. This concert is presented under the honorary chairmanship of Nobel Laureate Elie Wiesel and is produced by STB Jewish Music Productions. The guests of honor will be the special and outstanding children, many of whom will perform with the entertainers on stage. More than 40 organizations and schools serving the needs of physically and mentally disabled children will be represented at this event.

The Chazak Concert and the Moses and Aaron Foundation's other programs demonstrate the caring and compassionate concern for the quality and dignity of life of others and merit the appreciation of all those who have benefited from its services.

The Moses and Aaron Foundation was founded in memory of Rabbi Dr. Maurice I. Hecht and Aaron Kaploun, both of whom led lives of exemplary community service. It is in this sentiment of communal dedication that the Moses and Aaron Foundation has devoted itself to serving the needs of a unique group in the community.

I urge my colleagues to join me in honoring the Moses and Aaron Foundation, an organization which exemplifies the generosity of spirit in American society.

IN HONOR AND RECOGNITION OF THE VIRGINIA MARTI COLLEGE OF ART AND DESIGN

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. KUCINICH. Mr. Speaker, I rise today in tribute and recognition of the Virginia Marti College of Art and Design as they celebrate 40 years of devotion to artistic exploration and advanced academics.

Located in the cultural hub of Lakewood, Ohio, the Virginia Marti College was founded in 1966 by visionary Virginia Marti Veith to stimulate innovation in the field of art and design. The culturally diverse campus engages students on an individual level to develop their unique talents and creativity, making Virginia Marti an inspirational learning environment. For 40 years students from around the world have met the rigorous academic challenges of Virginia Marti College with determined passion and graduated on to successful careers, creating vibrant ripples throughout the fashion world.

In the early 1990s, inspired by a trip she made with her husband Herb to Africa, Virginia Veith founded Mission to the Fatherless, a nonprofit operating in Kenya to provide orphaned children with food, healthcare, education, and a loving home. The organization is supported by proceeds from Virginia Marti Designer Fabrics store, located on the college campus. Due to the devastation of diseases like HIV/AIDS, more than a million children are orphaned in Kenya alone, a number that grows from day to day. Mission to the Fatherless is dedicated not only to providing children with basic needs but nourishing their spiritual and moral development to inspire principled civic engagement. All of the proceeds from Virginia Marti College's 40th anniversary black-tie celebration will go directly to Mission to the Fatherless, with the hopes of building a third orphanage in Kenya.

Mr. Speaker and colleagues, please join me in honor and recognition of the Virginia Marti College of Art and Design as it celebrates 40 years of excellence in design with a noble fundraiser for Mission to the Fatherless, rescuing children from a life of poverty, starvation, and violence.

RECOGNIZING CUTLER DAWSON, NEWLY ELECTED BOARD MEMBER OF THE NATIONAL ASSOCIATION OF FEDERAL CREDIT UNIONS

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. MORAN of Virginia. Mr. Speaker, I rise today to congratulate Cutler Dawson, a constituent of mine, on his recent election to the Board of Directors of the National Association of Federal Credit Unions (NAFCU). Mr. Dawson is the president and CEO of Navy Federal Credit Union, located in Merrifield, Virginia.

Mr. Dawson only recently took over at Navy Federal Credit Union after a 35-year career in the Navy, retiring as Vice Admiral. Mr. Dawson held numerous commands, including service as Deputy Chief of Naval Operations and Chief of Legislative Affairs. While on active duty, Mr. Dawson also served as a Navy Federal volunteer official on the Supervisory and Credit Committees, and as a board director. Mr. Dawson has been very active since taking over at Navy Federal Credit Union, testifying before Congress twice and joining the Board of the Consumer Federation of America.

Mr. Dawson and Navy Federal Credit Union are working hard to ensure that the Nation's sailors have access to high quality, low cost financial services wherever they may be deployed. Such service is the hallmark of the credit union movement, and Navy Federal Credit Union has exemplified that philosophy for decades. I wish Mr. Dawson good luck in his new role as a member of the NAFCU board of directors.

RECOGNIZING NATHANIAL CALEB HORN FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Nathanial Caleb Horn, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 204, and in earning the most prestigious award of Eagle Scout.

Nathan has been very active with his troop, participating in many scout activities. Over the many years Nathan has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Nathanial Caleb Horn for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

TRIBUTE TO KEN WRINKLE OF HERNANDO COUNTY, FL

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor a distinguished veteran and true friend to the men and women who served in our armed forces. Ken Wrinkle, a man who I have known and worked with for many years, passed away just last week. Beloved by those whose lives he touched, Ken's memory will live on with the veterans of Hernando County, FL.

Born in Pontiac, MI, in 1950, Ken and his family moved to Miami, FL, in 1952. Following his high school graduation and time spent in college, Ken enlisted in the U.S. Marine Corps in 1969.

A Vietnam combat veteran, Ken was awarded the Purple Heart and the Combat Action Ribbon for wounds received in battle. Evacuated to the United States, Ken recovered from his injuries and received a medical discharge from the U.S. Marine Corps.

Continuing his studies at Michigan State University, Ken graduated from college in 1974. While in pursuit of his degree, Ken met and married his wife Linda. Following graduation, Ken volunteered to re-enter the U.S. Marines Corps through the Officer Candidate Program and was commissioned an Infantry Lieutenant. Ken went on to successfully complete 20 years of service, retiring as a Major on January 1, 1993.

Eventually settling with his family in Spring Hill, FL, in May 1993, Ken, a disabled veteran, was named the Hernando County Veterans Services Officer and Director. Following 12 years of distinguished service to the veteran community, illness forced him to retire in July 2005.

As Director of Veterans' Services, Ken was able to accomplish several of his goals for the region, including starting a network to provide transportation for veterans to the Tampa VA hospital. He also supported the VA Community Based Outpatient Clinic in Brooksville, a facility that today serves over 23,000 veterans annually.

Ken is survived by his wife of 33 years, Linda, a teacher at Powell Middle School, and his son, John, a U.S. Air Force veteran currently attending college.

Mr. Speaker, the volunteer spirit of men like Ken Wrinkle shines through in the legacy he has left behind in Hernando County. Unfortunately, one less star will be shining in our local veteran community. From now on, area veterans must look up to the heavens to see Ken's light shining down on them from above. I speak for many when I say that Ken Wrinkle will be sorely missed.

RECOGNIZING TRENT KENDALL GERMAN FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Trent Kendall German a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 9, and in earning the most prestigious award of Eagle Scout.

Trent has been very active with his troop, participating in many scout activities. Over the many years Trent has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Trent Kendall German for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

TRIBUTE TO STATE REPRESENTATIVE ALLEN LAYSON

HON. ROBERT B. ADERHOLT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. ADERHOLT. Mr. Speaker, today I rise to honor State Representative Allen Layson on the occasion of his retirement from the Alabama House of Representatives. Allen is a man who embodies the American principles of hard work, dedication to one's family and service to one's country. I am honored to stand before this body of Congress and this Nation to recognize his many accomplishments.

Allen was born on December 16, 1931 in Eatonton, Georgia. He graduated from Eatonton High School in 1947. He entered the United States Army Reserves in 1948 and volunteered for active duty service in 1951 and was discharged in 1953. Immediately after leaving the Army, Allen attended the University of Georgia and earned a Bachelor of Science Degree in Forestry in just three years, graduating in 1956.

Allen and his family moved to Pickens County in 1969, and he soon demonstrated his outstanding leadership to the Reform community. He served as president of the Reform Rotary Club, is the founder of the Reform Area Public Library, is a member of the American Legion, a member of the Pickens County Mental Health Association, a Master Mason, and a member of the Boy Scout Troop Committee.

First elected to the Alabama House of Representatives in 1986, Allen has served the Sixty-First district with distinction for the past twenty years. During his tenure he was a strong proponent of our Second Amendment rights and worked hard to protect the family and our religious liberties. A social and fiscal conservative, he voted consistently to ensure that Alabama provided an economic atmosphere in which business and industry could grow and prosper.

Allen is a true friend of the volunteer fire fighter. Through his efforts, a three mil revenue tax was enacted in 1999, and amended in 2004, to provide badly needed funding to the volunteer fire departments in Pickens County. This funding allows the volunteer fire departments to purchase equipment, provide training and cover operating costs. This has greatly enhanced their firefighting capabilities, thus reducing insurance rates and thereby saving money for Alabama families.

He served as a Commissioner on the Alabama Forestry Commission from 1979 to 1983, served as president of the Alabama Division for the Society of American Foresters, is a Trustee of the Alabama Forest Products Workman's Compensation Fund, served as president and is a lifetime member of the Alabama Wildlife Federation, is a member of the Alabama Cattlemen's Association, a member of the Sierra Club and a member of sixteen volunteer fire departments. Also, Allen has served on the board of directors for the Tennessee Tombigbee Waterway Development Authority since his appointment by Governor Guy Hunt in 1991.

He has been distinguished as the recipient of the Governor's Conservationist of the Year Award in Forestry in 1982, the Kelly Mosley Environmental Award in 1985 and the APA Southwestern United States Technical Writing Award in 1981.

Of all of Allen's accomplishments, perhaps his greatest achievement was convincing the former JoAnn Kimberly to marry him. They were married on September 15, 1949 and are the proud parents of five children; Butch, Allen, Jr., Kim, James and Michael. Allen and JoAnn are faithful members of Reform First United Methodist Church where Allen has served as a Lay Leader and Lay Speaker.

Mr. Speaker, it is a great privilege to honor State Representative Allen Layson for his many achievements and his enduring impact on his country, state, community, friends and family. He is a man of great dignity and character who takes pride in the accomplishments of those he has helped over the years. Allen is an inspiring role model for all of us and I join his family, friends and colleagues in wishing him God's richest blessings in his retirement.

GROWING SUPPORT FOR THE SAFE COMMISSION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006+

Mr. WOLF. Mr. Speaker, I recently introduced legislation in the House of Representatives aimed at addressing the looming financial crisis facing the Nation, H.R. 5552—the Securing America's Future Economy (SAFE) Commission Act. The bill would establish a national bipartisan commission that will put everything—entitlement spending as well as all other Federal programs and our Nation's tax policies—on the table and require Congress to vote up or down on its recommendations in their entirety, similar to the process set in 1988 to close military bases. Mandating congressional action on the panel's recommendations is what differentiates this commission from previous ones.

Support for the bill is coming from both sides of the aisle. I submit for the record a recent analysis by the Heritage Foundation; a letter of support from the Concord Coalition; a letter from Douglas Holt-Eakin, former director of the Congressional Budget Office, and letters from several former Members.

I also am pleased to submit today the names of 20 of my colleagues who are cosponsoring the SAFE Commission measure and urge the remainder of my colleagues to join as well. This legislation will be good for the future of America.

THE CONCORD COALITION,
Arlington, VA, June 28, 2006.

Hon. FRANK WOLF,
House of Representatives,
Washington, DC.

DEAR MR. WOLF: On behalf of The Concord Coalition, I am writing to express our deep appreciation for your leadership in sponsoring the Securing America's Future Economy (SAFE) Act, which would establish a bipartisan commission to recommend legislation addressing our nation's unsustainable long-term fiscal outlook.

We strongly agree with you that the need for serious action is not just an economic imperative but a moral one as well. We also share your view that partisan divisions in Washington have become so wide that a commission may now be the only way forward on this issue. By establishing a fiscal policy commission with a broad mandate, meaningful public engagement, and the ability to consider all policy options, your legislation represents a very constructive step toward bringing about consensus solutions.

The demographic and fiscal challenges facing the budget in the years ahead are well known. Analysts of diverse ideological perspectives and nonpartisan officials at the Congressional Budget Office (CBO) and the Government Accountability Office (GAO) have all warned that current fiscal policy is unsustainable over the long-term.

What is needed now is a clear commitment to address these issues in a straightforward, generationally equitable and bipartisan manner. Achieving consensus around the hard choices that must eventually be made will require open minds and bipartisan cooperation. Your legislation would establish a process to do just that.

Recently, The Concord Coalition organized a forum with experts from across the political spectrum to discuss the possibility of establishing a bipartisan commission to deal with our long-term fiscal outlook. Three conclusions from the forum stand out:

The commission must have meaningful participation and input from a broad range of views. Bipartisan support is essential to enacting and maintaining policies that will put the budget on a fiscally sustainable course.

The commission should have a broad mandate with no limitations on what policy options the commission can consider or preconditions on what must be included—or not included—in a proposal. Everything must be on the table, including revenues as well as entitlements and other spending.

The commission should engage the public in a dialogue about the long-term fiscal challenges and the tradeoffs that will be necessary to bring about a more secure and sustainable economic future.

The Concord Coalition commends your propoal because it recognizes each of these conclusions. The SAFE Act would establish a bipartisan commission of experts and legislators appointed by the President and Congressional leaders of both parties. The Commission would be directed to hold hearings across the country and incorporate the input from the public in its report. This is a very welcome provision. The public should be treated as if it were, in effect, a member of the commission. Doing so will enhance the commission's credibility and help build acceptance for its recommendations. Our experience hosting meetings around the nation on this issue has demonstrated that when the American people are armed with the facts and given the opportunity for honest dialogue, they are willing to set priorities and make the hard choices that often are not made in Washington.

Most importantly, the Commission would be allowed to consider all policy options to address the imbalance between long-term spending commitments and projected revenues, including reforms of entitlement programs and tax laws. In our view, this is an essential prerequisite for attracting well-respected individuals to serve on the commission and for finding solutions that are both substanive and politically viable.

We particularly commend you for your willingness to consider constructive suggestions for changes to achieve broader bipartisan support and increase the prospect that the commission will produce a balanced proposal that can be enacted into law. In that regard, we would suggest a few changes that we believe would strengthen the bill and help ensure the commission receives the bipartisan support essential to its success.

We believe the commission would have greater credibility if the appointees were more evenly divided between parties, potentially with some commission members appointed jointly or as a result of bipartisan consultation. Further, we would suggest that the commission have bipartisan co-chairs. We would also encourage you to consider a more expansive legislative process, which would allow for greater debate of policy tradeoffs by allowing the consideration of budget neutral amendments. Those who oppose the priorities and tradeoffs recommended by the commission should be challenged to say what they would do instead and given the opportunity to put forward alternative policies to address the problem.

A commission isn't a silver bullet that will solve our fiscal problems by itself. It will still take action by Members of Congress and the administration to adopt the tough choices. But a commission with credibility and bipartisan support could provide the leadership necessary to ensure that these issues receive the attention and serious consideration they deserve.

You deserve great credit for your willingness to undertake the difficult but absolutely essential task of focusing attention on the tough choices our nation faces. The Concord Coalition stands ready to assist in any way that we can.

Sincerely,

ROBERT L. BIXBY,
Executive Director.

The Wolf SAFE Commission Act: A Chance To Get the Budget Back on Track

(By Stuart Butler)

The recent Mid-Session Review by the Office of Management and Budget underscores the facts that sensible tax reform stimulates the economy and that faster growth swells revenue to the government as a byproduct of new jobs and extra income for Americans. The review also confirms the overall, disturbing long-term budget picture indicated in the Congressional Budget Office's (CBO) longterm forecast. Under current law, both, taxes and spending will rise rapidly during future decades towards European levels, with an ever-growing government taking a larger and larger proportion of the nation's income and threatening America's future economic growth. Decisive action is needed.

But faced with this threat, Washington is paralyzed. Rather than seriously tackling the tsunami of entitlement spending that will hit the budget after the baby boomers begin to retire, Congress actually made the situation far worse by enacting the huge Medicare prescription drug benefit. And while the Bush tax reforms have significantly helped in the short term, even if made permanent they would shave only about one percentage point from the future growth in taxes. Absent any additional reforms, the CBO forecasts that, with the Bush tax cuts extended, federal taxes will top 20 percent of GDP by about 2025 and approach 23 percent of GDP by 2045. The historical average, and today's level, is just over 18 percent of GDP.

With Congress polarized and paralyzed, some Members of Congress, along with President Bush, are exploring the idea of a bipartisan commission as a way to break away from the path of rapidly rising spending and taxes. President Bush pressed for an entitlements commission in his State of the Union address. Senator Judd Gregg (R-NH) has sponsored legislation (S. 3521) that includes a commission to review the long-term solvency of Social Security and Medicare. Meanwhile, Representative Frank Wolf (R-VA) has crafted a commission bill ("The SAFE Commission Act," H.R. 5552) specifically intended to win bipartisan support for bold action to secure the country's fiscal and economic future. Senator George Voinovich (R-OH) has introduced that bill in the Senate (S. 3491).

Commissions can help break a political logjam. They can also become vehicles for action that achieves a short-tem political fix and yet does little in the long term or even makes things worse. So the political dynamics and mandate of a commission are critical. Fortunately, the Wolf commission bill recognizes these facts of political life and offers real hope for sensible action. A reason for this is that in its instructions to the commission, the bill wisely combines reform with fiscal changes in a manner that could achieve a breakthrough.

The core of the fiscal problem is the sharp projected rise in future entitlement spending, especially spending on programs for middle-class retirees. Contrary to many peaple's perception, taxes are nat falling—as noted, taxes are projected to rise steadily to record levels under current law, in real terms and as a percentage of GDP. Still, in today's political deadlock many lawmakers maintain that tax revenue must be part of the equation if they are to have the political "cover" to accept curbs an popular entitlements.

But for good reasons, conservatives strongly resist the idea of raising taxes. For one thing, taxes are not the problem—spending is. Moreover, raising tax rates or instituting new taxes would threaten economic growth, compounding the economic harm associated with government spending. Further, raising taxes likely would reduce the pressure on Congress to curb spending or, worse still, encourage lawmakers increase their spending promises.

The Wolf bill seeks a solution to this political equation. It creates a bipartisan commission intended to address the "unsustainable imbalance" between federal commitments and revenues while increasing national savings and making the budget process give greater emphasis to long-term fiscal issues. While the commission could consider a range of approaches, the bill places emphasis on two: reforms that would limit the growth of entitlements while strengthening the safety net and tax reforms that would make the tax system more economically efficient and improve economic growth. The commission would hold public hearings around the country to discuss the long-term fiscal problem, and its recommendations would receive "fast-track" consideration by Congress.

By combining a slowdown in entitlement spending with reforms to strengthen assistance to the needy, a commission proposal could win support of liberals and others who worry that surging middle-class retiree spending in the future will crowd out safety net spending. And by placing an emphasis on pro-growth tax reform, a commission proposal could also lead to some additional revenues not by raising taxes but thanks instead to faster economic growth—just as the Bush tax reforms produced the recent sharp increase in federal revenues. Combining these features in a commission proposal could lead to a package that conservatives, liberals, and moderates all believe would advance their agendas—a necessary result for an economically sound agreement to succeed in a polarized Congress.

Some might argue that appointing a commission to address the long-term fiscal situation is an abrogation of responsibility by Congress. In an obvious sense, it is. But the Wolf bill also shows that lawmakers recognize that America's budgeting system is broken and in the current environment cannot lead to a responsible long-term federal budget. Representative Wolf's commission proposal seeks to alter those destructive dynamics in order to secure a sound economy for future generations.

Stuart M. Butler, Ph.D., is Vice President for Domestic and Economic Policy Studies at The Heritage Foundation.

COUNCIL ON FOREIGN RELATIONS,
Washington, DC, July 13, 2006.

Congressman FRANK R. WOLF,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN: I am writing regarding your proposed SAFE Commission. I applaud your desire to address the nation's long-term fiscal problems and thank you for your efforts.

The work of the proposed commission is central to the continued international competitiveness of the United States and the standard of living of future generations. The future growth of mandatory spending is among the greatest of economic threats, and it is entirely self-inflicted. It is imperative that our nation restructure its approach to old-age income, health insurance, and long-term care, and it is better to do it sooner than later.

I have taken the liberty of attaching a speech that I gave a while back. The final two sections make these points in greater detail.

Best of luck in your efforts. Please do not hesitate to contact me if I can help.

Sincerely,

DOUGLAS HOLTZ-EAKIN.

THE URBAN INSTITUTE,
Washington, DC, June 22, 2006.

Representative FRANK WOLF,
Washington, DC.

DEAR REPRESENTATIVE WOLF: In. response to your letter of June 16, I strongly support your bill to establish a national bipartisan commission on entitlement spending and tax policy. Although many are cynical about the prospects for the success of any commission, I think that you are right that the current political climate is not conducive to passing constructive legislation without some prodding from the outside.

I also believe that the American public is not ready to accept the sacrifices necessary to avoid a crisis, because the dire nature of the situation has not been well communicated by policy makers. Therefore, I particularly commend your idea of holding town meetings across the country and I would hope that the commission has a large budget for this purpose, because I believe that we need lots of meetings. Ideally, the commission would first produce a white paper that could be discussed at the meetings. It would outline the problem in the most objective way possible and describe the major options for solving it.

It is interesting to note that Canada had such meetings prior to a significant reform of their social security system and Canadian officials will tell you that they were extremely helpful in finding a solution. Similarly, Britain is in the midst of reforming their public pension system and they used large focus groups to test their options. I would prefer a town meeting to a focus group format, but however one proceeds, the involvement of the public is absolutely crucial.

I wish you success in getting your idea enacted and would be willing to help in any way that I can.

Sincerely,

RUDOLPH G. PENNER.

WOODROW WILSON INTERNATIONAL
CENTER FOR SCHOLARS,
Washington, DC, July 7, 2006.

Hon. FRANK R. WOLF,
Washington, DC.

DEAR FRANK: Thank you for sending along your excellent proposal to establish a national bipartisan commission on America's looming fiscal crisis. I agree that we must hastily address the very grave financial challenges before our Nation. You have laid out a thoughtful and effective way forward. In particular, it is important to put everything on the table—entitlement spending, federal programs, and tax policy. Mandating congressional action would also ensure that a prospective commission does not issue a report that gathers dust on a shelf.

On another note, the Iraq Study Group continues to make excellent progress, and I once again thank you for your leadership and support of our efforts.

With best wishes,

Sincerely,

LEE H. HAMILTON.

MANATT JONES GLOBAL STRATEGIES,
Washington, DC, June 26, 2006.

Hon. FRANK R. WOLF,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN WOLF: Thank you for your letter and for sending me a copy of your legislation, H.R. 5552. I can't speak highly enough in commending you for leading this much needed effort and for the comprehensiveness of your proposal.

As a former House Budget Committee Chairman who subsequently headed the American Stock Exchange among other business activities since leaving the Congress, I have been appalled and discouraged by the recklessness and disregard of our government's fiscal policy. These unconscious able deficits and mounting federal debt load financed primarily by foreigners are an economic time bomb waiting to explode. If I were managing a private company this irresponsibly, the shareholders should demand my resignation.

We hear much talk about our national security and energy security. But to put our economic security so much in the hands of foreign interests is gambling at its worst.

In addition to the economic dangers, this is also a moral issue in that our generation is saddling our children and grand-children with the responsibility for paying off our profligacy. That can only reduce the standard of living of future generations. How can we justify such immorality.

I am so proud that you are stepping forward to try to pass legislation with teeth to force both the Congress and the Executive Branch to make hard choices to get our fiscal house on a path to responsibility. I hope that you will make this a bi-partisan effort. I will be pleased to support you in every way I can and to urge my fellow Democrats to join you in this effort.

Sincerely yours,

JAMES R. JONES.

RECOGNIZING SAMUEL GILBERT OAS FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Samuel Gilbert Oas a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 9, and in earning the most prestigious award of Eagle Scout.

Samuel has been very active with his troop, participating in many scout activities. Over the many years Samuel has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Samuel Gilbert Oas for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

PERSONAL EXPLANATION

HON. LYNN A. WESTMORELAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. WESTMORELAND. Mr. Speaker, due to a mechanical failure with my voting card, my vote in favor of H. Res. 921 was not recorded (rollcall vote No. 391).

I strongly support the state of Israel, and am in full support of its actions to defend itself against the attacks by Hamas and Hezbollah. Both of these terrorist organizations are comprised of terrorist thugs and must be rooted out in order for peace to be achieved in the region, and their use of civilians as shields is deplorable.

I am grateful that Israel has taken so many steps to wage a careful, targeted effort, focused on eliminating terrorist elements while also minimizing other damage.

I applaud the President for moving forward on the right track in demanding that Hezbollah be eliminated from Lebanon, and also hope this will be the opportunity for the Arab world to unite against terrorism. Iran and Syria should take notice—supporting terrorist organizations is not a proper activity of governments.

Mr. Speaker, I once again reiterate my strong support of H. Res. 921, and would have voted in favor if my voting card had registered successfully.

PERSONAL EXPLANATION

HON. MICHAEL M. HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. HONDA. Mr. Speaker, on Monday, July 24th, I was unavoidably detained due to family matters I had to attend to in Seattle, WA and was not present for rollcall votes on that day.

Had I been present I would have voted:

"Yea" on rollcall 394, to direct the Secretary of the Interior to conduct a pilot program under which up to 15 States may issue electronic Federal migratory bird hunting stamps.

"Yea" on rollcall 395, to reduce temporarily the royalty required to be paid for sodium produced on Federal lands, and for other purposes.

"Yea" on rollcall 396, to establish a grant program whereby moneys collected from violations of the corporate average fuel economy program are used to expand infrastructure necessary to increase the availability of alternative fuels.

TRIBUTE TO REVEREND LEWIS RANDOLPH

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to Reverend Lewis Randolph who will celebrate 30 years as pastor of the Antioch Missionary Baptist Church on October 14th in my hometown of Flint, Michigan.

Reverend Randolph was installed as pastor of Antioch Baptist Church in 1976 as the church's fifteenth pastor. He quickly made an imprint upon the congregation by a twofold plan of renovating the physical structure of the church grounds and by evangelizing in the community.

Starting in 1979 and continuing over the next 30 years, Pastor Randolph renovated the sanctuary, improved the parking lots, added a new kitchen, dining facility, and improved the upper level of the church.

As a part of the church's covenant "to strive for the advancement of this church in knowledge, holiness, and comfort; to promote its prosperity and spirituality"; Reverend Randolph has organized and supported numerous auxiliaries and ministries. These include the Voices of Antioch Choir, the Usher Board and a Concerned Committee to help persons return to the church. He added a new Easter Sunday worship service, supports a ministry in Haiti, teaches a weekly Bible class, and distributes Bibles and baskets of food in the community.

Recognizing the need to encourage young people, he has made sure that Antioch Missionary Baptist Church has been well represented in the Young Peoples Department of the National Baptist Convention, USA, Incorporated over the past several years. Under his tutelage several pastors began their ministries with his guidance and direction.

Mr. Speaker, I ask my colleagues to join me in honoring Reverend Lewis Randolph. The Flint community is a better place because of his leadership.

RECOGNIZING DREW KELLY FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Drew Kelly, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America and in earning the most prestigious award of Eagle Scout.

Drew has been very active with his troop, participating in many scout activities. Over the many years Drew has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Drew Kelly for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

IN RECOGNITION OF DR. PETE G. MEHAS

HON. JIM COSTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. COSTA. Mr. Speaker, I rise today to recognize Dr. Pete G. Mehas, Fresno County Superintendent of Schools. Dr. Mehas is retiring at the end of his current term and his unwavering commitment to students and education will be missed, but never forgotten.

Like many others, I consider myself fortunate to count Pete Mehas as a friend and advisor. His life's work embodies the very basic values—hard work, respect for people and family—that make it possible for a person to have a profound influence on others.

Pete Mehas was born, raised and educated in Fresno, California. Growing up he worked during the 40s and 50s for his father at the Fresno Malt Shop and the Athenian Restaurant. At age 19 Pete hitchhiked around the world on a personal odyssey of discovery and cultural exploration. Over the years, the call of family and his pride of heritage have drawn him back to his ancestral homeland, the magnificent Greek Islands. But Pete Mehas has always come back to the Central Valley where he spent his professional career advancing education on many fronts, in classrooms, boardrooms and the legislative halls of Sacramento and our nation's capitol.

During his career, Pete has been a teacher, a coach, a school principal, an associate district superintendent and a legislative advocate. His efforts on behalf of education have been driven by his often-stated belief that, "Children are the living message we send to a time we will not see." His personal objective has always been to serve as a model of high values, coupled with strong character and love of country and to hopefully pass those standards on to the next generation.

Pete has never let his success go to his head. In fact, to this day he continues to visit classrooms to read to young students and encourage them to succeed. His utter lack of pretense has been a hallmark of his career and made it possible for him to inspire others and bring people together.

Elected four times to the position of Fresno County Superintendent of Schools, Pete Mehas' well-documented career dedication to education has been recognized many times by others. He has participated in Presidential Education Summits on education, served as an education policy advisor to three California governors and held leadership positions in numerous education organizations and associations. Pete's many honors include being the first recipient in 1990 of the Fresno Public Education Fund's Gold Star Alumni Award. And his leadership has been praised by organizations as varied as the California Farm Bureau Federation and the National Congress of Parents and Teachers.

Beyond the honors that have come his way as his professional success multiplied over the years, Pete Mehas has always been devoted to his family. His mother Sylvia, his wife Demi, sisters Tula and Georgia and his daughters Alethea and Andreanna have enriched his life as only family can.

And though Pete Mehas has talked with world leaders, Presidents, Governors and business leaders, I know nothing compares to the loving sound he hears from his twin granddaughters, Andreanna and Isabella, when they whisper "pappou", Greek for "grandpa", in his ear.

Though he will soon retire as Fresno County Superintendent of Schools, there can be no uncertainty that Pete Mehas will continue to make a valuable contribution to his community, state and nation. Pete's future efforts will, I am sure, be reflective of his personal philosophy which is summed up so well in the words of his favorite songwriter, Jimmy Buffet, when he sings, "Yesterdays are over my shoulder, so I can't look back for too long. There's just too much to see waiting in front of me, and I know that I just can't go wrong."

TRIBUTE TO RABBI MICHAEL ROBINSON

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Ms. WOOLSEY. Mr. Speaker, I rise today to honor my good friend Rabbi Michael Robinson who died July 20, 2006, surrounded by friends and family at his home in Sebastopol, California.

Mr. Speaker, this is the second time I have risen to honor this unique man who has dedicated his life to the cause of social justice at home and around the world. On the last occasion, several years ago Rabbi Robinson received a civil liberties award from the ACLU of Sonoma County recognizing a lifetime of achievements and his passionate advocacy for civil rights. From the American civil rights movement to the Nicaraguan Contra war to the Israel-Palestinian conflict Michael Robinson has been on the front lines promoting peace and the improvement of humanity.

Born in North Carolina, Michael received his B.A. from the University of Cincinnati and attended North Carolina State College before enlisting in the Navy during World War II. He served in the Pacific and became a pacifist immediately after this experience.

In 1952, after completing a course of study at Hebrew Union College in Cincinnati, Michael became the first North Carolina native to be ordained as a rabbi. He later earned his doctoral degree from the New York Theological Seminary and served in temples in Seattle and Pomona as well as 29 years as an activist leader at Temple Israel in Westchester, New York. During the civil rights movement, the synagogue raised money to help rebuild the black churches that had been burned in the South and finance the van used by the Freedom Riders to tour the South. Michael marched with Martin Luther King Jr. in Selma, and expressed his convictions with these words: "When I was ten years old I began sitting on the back seat of the bus with 'colored people.' I never returned to the front seat."

After moving to Sonoma County with his wife Ruth, Michael served Shomrei Torah, and is credited with growing the congregation from

30 families to now the largest Jewish congregation (175) in Santa Rosa, CA. Retired since 1996, Rabbi Robinson holds the title of Rabbi Emeritus at both Temple Israel and Shomrei Torah.

In addition to promoting affirmative action, same sex marriage, affordable housing, and other equality issues, Michael has worked against nuclear war, apartheid, and all forms of injustice. He is known locally for his involvement in the Sonoma County Task Force on Homelessness, Children's Village, the Living Wage Coalition, Habitat for Humanity, the Sonoma County Peace and Justice Center, and the Sonoma Land Trust.

A founding Member of Angry White Guys for Affirmative Action in 1996, Michael's words still resonate: "I hope that my anger will not dissipate until justice is done and every man, woman and child has equal access to all the privileges of a democratic society and receives equal respect."

Michael is survived by his wife Ruth, his sister Leah Karpen, his daughters Jude and Sharon, and 3 grandchildren.

Mr. Speaker, I share Rabbi Michael Robinson's hope that we as a nation can become better people and create a just society. And I join with his family and friends in the belief that we can best honor his life by making the work of peace and social justice a priority in our own lives.

RECOGNIZING LIEUTENANT COLONEL RICHARD E. NICHOLS, JR.

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize LTC Richard E. Nichols, Jr. The Lieutenant Colonel is retiring from the United States Army after 24 years of distinguished service.

Lieutenant Colonel Nichols spent his early years growing up in the heartland of Kansas and Missouri. While attending Missouri Western State College in St. Joseph, Missouri, he made the decision to serve his country in the United States Army and was commissioned a Second Lieutenant in the Field Artillery in 1982. Upon graduating from Missouri Western State College in 1983 with a bachelor of science degree in business administration, Lieutenant Colonel Nichols served in the Kansas Army National Guard as the Reconnaissance and Survey Platoon Leader for the 2nd/130th Field Artillery Battalion in Hiawatha, Kansas.

Lieutenant Colonel Nichols went on to serve in various posts over the next 24 years. During his service he was assigned to C Battery, 1/76th Field Artillery, 3rd Infantry Division, in Bamberg, Germany, and as the commander of B Battery, 6th Field Artillery, which deployed in support of Operation Desert Shield/Desert Storm from 1989 to 1991. In these roles and under various posts in Kansas, Alabama, and Virginia, Lieutenant Colonel Nichols has earned numerous awards and decorations. Among these awards are the Meritorious Service Medal with four Oak Leaf Clusters, the Joint Service Commendation Medal, Army Achievement Medal, Army Superior Unit Award, the National Defense Service Medal with service star, Global War on Terrorism Service Medal, Armed Forces Reserve Medal, the Saudi Arabia Liberation of Kuwait Service Medal, the Emirate of Kuwait Liberation of Kuwait Service Medal, and the Overseas Service Ribbon.

Mr. Speaker, I proudly ask you to join me in recognizing LTC Richard E. Nichols, Jr., an outstanding leader in the United States Army. His years of service and dedication in protecting the freedom of the United States has been an inspiration to many. I commend him for his many years of service and I am honored to represent him and his family in the United States Congress.

COMMENDING THE INDUSTRIAL EMERGENCY COUNCIL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. LANTOS. Mr. Speaker, I rise to commend the invaluable services offered by the Industrial Emergency Council (IEC) in my district. I had the great honor recently to meet with this group and I was very impressed with their zeal and loyalty to the citizens of California. The IEC is a non-profit organization founded by several hardworking and dedicated constituents in the 1970s. They provide training and assessment programs that help prepare local businesses for emergency responses to industrial accidents and natural disasters. In a part of the country where earthquakes, flash floods and other disasters often have devastating effects, the IEC takes public safety seriously by educating at-risk federal, industrial, corporate and academic installations about the dangers they confront.

The Council is comprised of commendable and experienced membership. Its founder, James O'Donnell, served as Battalion Chief and Fire Marshall of the San Carlos Fire Department and is a leader hazardous materials planning. Other members include: John Paine, a consultant to the gas industry for over thirty years; Mark Green, the founder of an environmental consulting group; Paul Stanley, the facility manager for a large bay-area pharmaceutical company; Richard Foster, the former city manager for Foster City and Jack Leslie, former Battalion Chief of the Palo Alto Fire Department. These career professionals have pooled their respective knowledge and experience managing industrial hazards and now generously share their expertise on a volunteer basis.

In response to a variety of client needs, the IEC provides a wide array of services. They offer several specially tailored training services for employees, ranging from Emergency Medical training to Hazardous Materials and Waste operations. They help work with industrial facilities to assess the natural and technological risks to their operations. In addition, IEC assists clients in the execution of comprehensive action plans designed to address identified hazards.

IEC's vision was best realized in the formation of the San Mateo County Hazardous Materials Response Plan. In 1984, the Council organized a response unit to classify the actual and potential threats in the county. This unparalleled endeavor won national recognition as a commendably comprehensive plan, serving 18 separate jurisdictions in the state. Even though the industrial emphasis in my district has shifted towards biotech and hi-tech industries, the response unit remains important in dealing with hazardous materials.

To adjust to the emerging threats against our homeland security, the IEC organized a weapons of mass destruction exercise in early 2005, designed for first responders. Over 1000 members of law enforcement, fire and public works received vital joint training, which stressed information sharing among different personnel. The entire endeavor was hugely successful thanks to the unwavering enthusiasm of our dedicated public servants at the IEC.

I urge my colleagues to join me in commending the praiseworthy efforts of my fellow Californians at the Industrial Emergency Council who help protect us from the dangers we face every day.

RECOGNIZING SHERIFF RONNIE TOUNGETTE'S 26-YEAR SERVICE TO HUMPHREYS COUNTY

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. TANNER. Mr. Speaker, I rise today to pay tribute to a local hero who has dedicated his life to making sure our community stays safe. After 26 years as Humphreys County Sheriff, Ronnie Toungette is retiring.

Toungette was born in Mt. Pleasant, Tennessee, grew up in West Nashville and later moved to Waverly, where he eventually became a sheriff's deputy. In 1980, he was appointed county sheriff, and the people of Humphreys County re-elected him to that position again and again.

Sheriff Toungette has been instrumental in cleaning up the numerous methamphetamine labs that have sprouted up as Humphreys County and other communities across the country have fought to control the spread of the dangerous drug. Humphreys County has been a leader in combating meth, and Ronnie's efforts on that front should not go unnoticed.

Toungette and his wife, Darlene, have five grown children, Ronnie, Jr., Stephanie, Shelly, Marcella and Amanda; and eight grandchildren, Matthew, Zachary, Scott, Trey, Tyler, Kirston, Kayla and Kylie.

Mr. Speaker, I rise today to congratulate Sheriff Ronnie Toungette on his retirement and thank him for his 26 years of service as the sheriff of Humphreys County. His tireless work has helped make our community a safe and secure place to live.

HONORING THE MEMORY OF RHETT PAYNE, JR.

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BONNER. Mr. Speaker, recently, south Alabama lost a dear friend, a man who was the epitome of a true southern gentleman, and I rise today to pay tribute to his memory.

Rhett Payne was a kind and gentle man. He was generous to a fault and good to the core. Moreover, he came from the era that Tom Brokaw has called "the Greatest Generation." Mr. Rhett answered his country's call to service when World War II broke out—as so many other young boys did at that time—and he returned home a few years later to help make his beloved Jackson a better place to live.

He was a success in business, retiring as district manager for Liberty National Life Insurance Company after three decades of service.

Moreover, he was a winner in life, circling himself with numerous friends and confidantes who all enjoyed his sound judgment, wise counsel and his good humor.

Perhaps the ultimate feather in Mr. Rhett's distinguished cap was his beloved wife of 59 years, Jean, and their two sons, Rhett III and Bill, and the wonderful families they have helped to foster.

Mr. Speaker, there have been many tributes made to the life of Rhett Payne since his untimely passing but none, I think, captures his very essence as a good and decent man better than the article written by my friend, Jim Cox, publisher of the South Alabamian. With your permission, I would like to enter Jim's tribute to Rhett Payne at this time:

> The fairways are lush and unbroken. The greens are like the felt atop a quality pool table. It is a perfect golf course . . . but perfect means there are even some challenging holes.
>
> Bounding over the crest of the hill is a youthful Rhett Payne Jr. trailed by his good friend, an equally young and vigorous Bob Harper. They are having a great time. They should be. They are playing the "Cloud 9 X 2" course at No. 9 Heavenly Lane.
>
> I smiled through my tears as I fancied the scene while the Rev. Rhett Payne III was speaking at his father's funeral Saturday at the First Presbyterian Church in Jackson where the senior Payne was a longtime member.
>
> The image was prompted by the Rev. Payne's—"Little Rhett"—reference to his dad being buried with his favorite putter in his hands. He commented that the late Bob Harper, a good friend and longtime president of Merchants Bank, had nicknamed him "Puttin' Payne."
>
> The senior Payne was a charter member of the Jackson Golf Course. He loved the game and a tournament was named in his honor in 1994.
>
> For over 25 years, Rhett and Jean Payne have been a part of my life. Jean has worked with me and for me in the newspaper business. She's earned the nickname "Aunt Jean," from a host of younger people she's come in contact with and influenced over the years, me included.
>
> If she was an aunt, then Rhett was certainly a grand uncle, although the handle was rarely added.
>
> Rhett Payne was a southern gentleman—courtly, well-mannered, and soft-spoken. He didn't gossip much and he rarely criticized or downgraded people.
>
> His son and others commented on his constant and contagious smile and that, along with his sparkling eyes and easy laugh, is what I will remember about Rhett Payne Jr.
>
> Rhett loved to laugh and have a good time. His laughs were not loud guffaws but soft chuckles. They were real and authentic, not put ons.
>
> Rhett was of the "Greatest Generation," a group of World War II veterans who served their country and the world honorably in a time of great crisis and then came home to work and help mold and develop communities. They are fast leaving us and their replacements are not of the same caliber.
>
> By the time I really got to know Rhett, he was retired as a district manager for Liberty National Life Insurance. He had worked for the company for 3 decades.
>
> By then, Jean and I were working together. I'd see him at the office and at office parties, and I visited him frequently in their home where I was always a welcomed guest.
>
> Rhett was 88 when he died last week but I never thought of him as being old. While he and Jean were old enough to be my parents, I always thought of them more as peers and contemporaries than as "old folks."
>
> Rhett III did a wonderful job Saturday eulogizing his dad. He stepped the congregation through the seasons and through amusing incidents that he and his younger brother, William McCrary "Bill" Payne, remembered of their growing up years with Rhett and Jean.
>
> He detailed his parents' love and said they went out almost every Friday night, still "dating" to keep their love alive.
>
> They were married for 59 years.
>
> Jean and Rhett loved to dance. If you never saw them performing on the dance floor, you really missed something. Think of Fred Astaire and Ginger Rogers and you'll come close.
>
> I was at some event, political or newspaper, I'm not sure, years ago and the Paynes were there, too. There was a band and a few couples were muddling through dances. I was at the back of the room when I noticed the crowd parting around the dance floor. I edged to the side of the group and there was Jean and Rhett. It was then that I really understood the phrase "cutting a rug." They were having a ball. And so was everybody watching them.
>
> Time is not important in Heaven. Rhett may be enjoying his golf game now but he will trade his golf shoes for his dancing shoes one day when he'll swing his beloved Jean out across a celestial dance floor.
>
> Of course, we are in no hurry down here, Rhett. Enjoy your game!

Mr. Speaker, may the entire Payne family draw some comfort during their time of grief with the knowledge that their beloved husband, father and grandfather will be sorely missed.

COUNCIL OF KHALISTAN CONDEMNS BOMB BLASTS IN BOMBAY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. TOWNS. Mr. Speaker, the Council of Khalistan has condemned the train bombings in Bombay this week. Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, whom most of us know, said that "this is a terrible incident and shameful for whoever carried it out. Terrorism is never acceptable."

The attacks have been attributed to Lashkar-e-Taiba, a Kashmiri organization. One thing you have to say about Lashkar, though: normally, they take responsibility for what they do. But as Dr. Aulakh pointed out, they have not done so in this instance and the attack fits the pattern of the kinds of attacks carried out by the Indian government and its operatives, which the Council of Khalistan details in the release. These include the Air India bombing, the many attacks on Christian groups, the Gujarat massacre, and the fact that as the Washington Times reported, India is sponsoring cross-border terrorism in Sindh. These are not the acts of a responsible democracy.

This kind of activity is the mark of a terrorist state, Mr. Speaker. If we are serious about fighting terrorism, we should stop our aid and trade with India and we should support a free and fair plebiscite in the minority nations that seek their freedom in South Asia.

> COUNCIL OF KHALISTAN CONDEMNS TRAIN BOMBINGS
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> WASHINGTON, DC, July 12, 2006.—Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, today condemned the train bombings in Bombay in which 190 people were killed and over 660 were injured. "This is a terrible incident and shameful for whoever carried it out," Dr. Aulakh said. "Terrorism is never acceptable." He endorsed the request to donate blood for the victims. "We should join together to take care of the people who were victimized by this brutal attack," he said. The Council of Khalistan leads the peaceful, democratic, nonviolent movement to liberate Khalistan, the Sikh homeland that declared its independence from India on October 7, 1987. Dr. Aulakh was interviewed on WRC-TV Channel 4 news in Washington yesterday about the bombings. Dr. Aulakh noted that the first-class cabins were bombed. "This is where the rich people hid," he said. No one has taken responsibility for the attack, although the Indian government has blamed the Kashmiri organization Lashkar-e-Taiba.
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> "This is the kind of thing the Indian government is quite capable of carrying out itself," Dr. Aulakh said. He noted that the book Soft Target shows how the Indian regime bombed its own airliner in 1985, killing 329 innocent people, to justify further repression against the Sikhs. The flight was bound for Bombay. The book quotes an investigator from the Canadian Security Investigation Service as saying, "If you really want to clear the incidents quickly, take vans down to the Indian High Commission and the consulates in Toronto and Vancouver, load up everybody and take them down for questioning. We know it and they know it that they are involved." The book shows that within hours after the flight was blown up, the Indian Consul General in Toronto, Surinder Malik (no relation to Ripudaman Singh Malik), called in a detailed description of the bombing and the names of those he said were involved, information that the Canadian government didn't discover until weeks later. Mr. Malik said to look on the passenger manifest for the name "L. Singh." This would turn out to be Lal Singh, who told the press that he was offered "two million dollars and settlement in a nice country" by the Indian regime to give false testimony in the case.

India fomented and pre-planned the massacre of Muslims in Gujarat, according to a police officer who was quoted in the newspapers. Government forces were caught red-handed in a village in Kashmir, trying to burn down the Gurdwara (Sikh place of worship) and some Sikh homes, to blame the Muslims. Two independent investigations, one carried out jointly by the Movement Against State Repression (MASR) and the Punjab Human Rights Organization and the other carried out by the International Human rights Organization of Ludhiana, both concluded that Indian troops carried out the massacre of 38 Sikhs in Chithlsinghpora. Both former President Bill Clinton, in his introduction to Madeleine Albright's book, and New York Times reporter Barry Bearak came to the same conclusion. The killers dressed as "militants" but spoke to each other in the language of the Indian army. This is just one of many incidents where the Indian army or its paid "Black Cats" paramilitary have been caught carrying out terrorist incidents while trying to create the impression that they were alleged "militants."

The Indian newsmagazine India Today reported that the Indian government created the Liberation Tigers of Tamil Eelam, identified by the U.S. government as a terrorist organization. The January 2, 2002 issue of the Washington Times noted that India sponsors cross-border terrorism in Sindh. The Indian newspaper Hitavada reported that India paid the late governor of Punjab, Surendra Nath, $1.5 billion to foment and support covert state terrorism in Punjab and Kashmir.

A report issued by MASR show that India admitted that it held 52,268 political prisoners under the repressive "Terrorist and Disruptive Activities Act" (TADA) even though it expired in 1995. Many have been in illegal custody since 1984. There has been no list published of those who were acquitted under TADA and those who are still rotting in Indian jails. Additionally, according to Amnesty International, there are tens of thousands of other minorities being held as political prisoners. The MASR report quotes the Punjab Civil Magistracy as writing "if we add up the figures of the last few years the number of innocent persons killed would run into lakhs [hundreds of thousands.]" The Indian government has murdered over 250,000 Sikhs since 1984, more than 300,000 Christians in Nagaland, over 90,000 Muslims in Kashmir, tens of thousands of Christians and Muslims throughout the country, and tens of thousands of Tamils, Assamese, Manipuris, and others. The Indian Supreme Court called the Indian government's murders of Sikhs "worse than a genocide."

Government-allied Hindu militants have burned down Christian churches and prayer halls, murdered priests, and raped nuns. The Vishwa Hindu Parishad (VHP) described the rapists as "patriotic youth" and called the nuns "antinational elements." Hindu radicals, members of the Bajrang Dal, burned missionary Graham Stewart Staines and his two sons, ages 10 and 8, to death while they surrounded the victims and chanted "Victory to Hannuman," the Hindu monkey-faced God. The Bajrang Dal is the youth arm of the RSS. The VHP is a militant Hindu Nationalist organization that is under the umbrella of the RSS.

"Only in a free Khalistan will the Sikh Nation prosper and get justice," said Dr. Aulakh. "This is the only issue. India is a terrorist state in which we will never escape from the repression and tyranny," he said. "It is time to liberate Khalistan so that the Sikh Nation can live in freedom, security, prosperity, and dignity," he said. "Remember the words of former Akal Takht Jathedar Professor Darshan Singh: 'If a Sikh is not a Khalistani he is not a Sikh.' The only way we can escape the terrorism and repression is to free Khalistan. Khalistan Zindabad."

IN RECOGNITION OF CAPTAIN RONALD CHASTAIN

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. ROGERS of Alabama. Mr. Speaker, I respectfully ask the attention of the House today to pay special recognition to Air Force Captain Ronald Chastain, a native of Jacksonville, Alabama and the son-in-law of a longtime colleague of mine who was recently honored for saving a man's life.

On May 29th, Captain Chastain, an Air Traffic Control specialist stationed in Okinawa, Japan, was on his way to welcome home a fellow airman returning from Iraq when he noticed a vehicle that had crashed and caught fire. He, and two other men, acted quickly and risked their own lives to pull the victim from his burning car. Their heroism helped save the victim's life, and on June 15th, the Okinawa Prefectural Police Department held a ceremony in Chastain's honor for his actions.

A graduate of Jacksonville High School, Chastain is fulfilling his dream of seeing the world and serving his country. He is guided by God's grace and love for his family. He said his wife, Susan, and sons, Hayden and Caleb, were in his thoughts as he worked to rescue the man from his burning car that dark and rainy night.

I salute Captain Ronald Chastain for working to save this man's life, for his continued efforts to serve and protect our country, and for helping serve as a role model for us all.

IN RECOGNITION OF MARION PAUL SANCHEZ, SR.

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. PORTER. Mr. Speaker, I rise today to recognize the contributions of a great American, Marion Paul Sanchez, Sr. June 2, 1922–May 27, 2006. I honor him today for his service in the United States Navy during World War II and his dedication to his family.

Mr. Sanchez served on the USS *Kula Gulf* CVE 108 during World War II. The USS *Kula Gulf* was commissioned on May 12, 1945 and on August 5 was assigned to the 7th Fleet in the Western Pacific. The *Kula Gulf* patrolled the East China Seas, shuttled planes between Saipan and Guam, and transported veterans of the Pacific Theater around the region and back to the United States.

After returning from the war, Mr. Sanchez married MaryAnn Del Razo in 1948 and began what would become a 59-year marriage. Mr. Sanchez decided to follow in his father's footsteps and began a career in agriculture, where he spent 50 years growing produce in California's Central Valley. Over the course of his career he employed hundreds of workers and grew cotton, tomatoes, lettuce, garlic, asparagus, cantaloupes, bell peppers, alfalfa, prunes, grapes, sugar beets, and corn.

Farming allowed Mr. Sanchez to pursue his true passion in life, which was raising his family. He had four boys; Theodore, Richard, Ronald, and Marion. Through the years, the Sanchez family has grown, and Mr. Sanchez became the proud grandparent to 11 grandchildren and 5 great-grandchildren. Mr. Sanchez took great pride in his family and loved spending time with his grandchildren and great-grandchildren.

Mr. Sanchez was an avid golfer and played 18 holes, 2 days a week, until his passing in May of 2006. Mr. Sanchez's approach to the game of golf illustrates his approach to life. He was dedicated to the game, always willing to try new things, and never let a bad round affect the next.

Mr. Speaker, it is with great pride and heartfelt gratitude that I salute Marion Paul Sanchez, Sr. for his service to our Nation and dedication to his family.

IN RECOGNITION OF SERGEANT RON LOMPART

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. GALLEGLY. Mr. Speaker, I rise in recognition, and with thanks, for the 31 years of exemplary service Police Sergeant Ron Lompart has given to the City of Simi Valley, California.

Ron's last day as a Simi Valley police officer is tomorrow. He began his career as a Simi Valley police officer fresh out of the academy just 4 years after the city incorporated.

They matured together.

They matured well.

Mr. Speaker, Simi Valley is my home. I served as mayor there for 7 years before being elected to Congress. I am proud of the fact that Simi Valley is routinely recognized as one of the safest cities in the United States. That recognition is in large part due to the caliber of the men and women of the Simi Valley Police Department.

That being true, Ron Lompart is largely responsible for the high caliber of the men and women who serve the Simi Valley Police Department. Ron is responsible for overseeing the training of new officers as one of the department's two Field Training Program Sergeants. He also is a patrol supervisor, overseeing the daily actions of both rookies and veterans alike.

Ron's career parallels his dual dedication to both the City of Simi Valley and the men and women with whom he serves. After 6 years as a patrol officer, Ron was promoted to sergeant in 1981. He served with distinction on the department's SWAT team for 10 years and worked as a Rangemaster and Participative Management Team member. In addition, Ron represented the department's rank-and-file as a board member of both the Simi Valley Police Officers' Association and the Peace Officers Research Association of California.

After 31 years in a police uniform—after 3 years in a U.S. Army uniform—Ron looks forward to spending time as a civilian with his wife, Cindy, and their three children, doing a bit of hunting and perhaps some cruising.

Mr. Speaker, I know my colleagues will join me in thanking my friend Ron Lompart for his decades of service to the City of Simi Valley and his country, and in wishing him Godspeed in his retirement.

HONORING TIM FRIEDMAN

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. WAXMAN. Mr. Speaker, we don't recognize often enough the talented and dedicated individuals who are critical to the operations of the House of Representatives. They safeguard our traditions and keep our great institution functioning. Tim Friedman is one of these essential individuals. I can't remember the House of Representatives without him and will miss him when he retires.

Tim arrived in 1976 during my first term in Congress. He has been an invaluable part of the House during his exceptional service. Tim started in the Doorkeeper's Office and then worked as an Assistant to the Sergeant of Arms. But I'm sure most of my colleagues, like me, remember his work in the Democratic Cloakroom best.

Tim has put the institution of the House first and has done all he can to help Members and staff do their jobs the best way possible. Now it's time for him and his wife Colleen to take a well-deserved break and play golf the best way possible. And, although their new home will be North Carolina, they'll keep an eye to the north and spend a good amount of their time off the links cheering the New York Yankees and Buffalo Bills on to greatness.

We will miss Tim greatly and will remain indebted to him for making the House of Representatives a better institution.

TRIBUTE TO SARAH JORDAN-HOLMES

HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. DAVIS of Florida. Mr. Speaker, I rise in honor of Sarah Jordan-Holmes, an incredibly gifted leader and fundraiser who put her talents, her heart and her faith into improving our community.

As President and CEO of Prevent Blindness Florida for 15 years, Sarah raised millions of dollars, won over countless supporters for its mission and brought national attention to the organization. Through her work, Prevent Blindness Florida earned Tampa Bay Business Journal's "Non-Profit of the Year Award" in the area of Health Services, and Sarah earned the Association of Fundraising Professionals Lifetime Achievement Award.

Prevent Blindness Florida was not the only worthy cause that was blessed to count Sarah as an advocate. She led fundraising campaigns for the Florida Museum of Science and Industry, the YMCA and the University of South Florida. In addition, Sarah was active in a host of other local community, charitable and professional organizations.

Sarah's tireless work on behalf of the organizations she championed was deeply rooted in her faith and dedication to serve others. She served as a senior warden and vestry member of the St. James House of Prayer Episcopal Church, president of the board of trustees for the Southwest Florida Episcopal Church Foundation, member of the Diocesan Standing Committee and participant in the Cursillo Movement.

It is no surprise that Sarah was so successful in her lifetime. She was a natural leader, a role model for everyone she met and a genuine go-getter. Sarah's faith and inner strength helped guide her through her long struggle with cancer—a challenge she faced with great dignity. During her lifetime, cut short by cancer, Sarah lived life to its fullest and gave to her family, friends and thousands of others to a point few people achieve in their lifetimes. Her powerful example will inspire many in our community and state for generations.

Among all her accomplishments, Sarah was most proud of her role as wife and mother. I would like to extend my deepest sympathies to her family for their loss. May they find comfort in Sarah's legacy—her contributions to our community will not be forgotten.

AUGUST AS PSORIASIS AWARENESS MONTH

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BLUMENAUER. Mr. Speaker, in recognition of the National Psoriasis Foundation and of August as Psoriasis Awareness Month, I would like to bring attention to this often overlooked and serious disease that affects as many as 7.5 million Americans. Psoriasis is a chronic, inflammatory, painful, disfiguring and disabling disease for which there are limited treatments and no cure. Ten to 30 percent of people with psoriasis also develop psoriatic arthritis, which causes pain, stiffness and swelling in and around the joints. Psoriasis is widely misunderstood and undertreated. In addition to the pain, itching and bleeding caused by psoriasis, many affected individuals also experience social discrimination and stigma. Many people mistakenly believe psoriasis to be contagious. Psoriasis typically strikes between the ages of 15 and 25 and lasts a lifetime. As such, psoriasis and psoriatic arthritis impose significant burden on individuals and society; together they cost the nation 56 million hours of lost work and between $2 billion and $3 billion in treatments each year.

I am pleased that the 89,000 affected Oregonians have access to the knowledgeable support offered by the Oregon affiliate of the National Psoriasis Foundation. Support group interaction and discussion provides individuals affected by this debilitating disease with much-needed comfort, assistance and resources. The work of the support groups in Oregon is invaluable, and I commend the efforts of those involved.

I thank the National Psoriasis Foundation for all of its efforts and leadership over the last 38 years. This year, the National Psoriasis Foundation had nearly one hundred participants join in its Capitol Hill Day to elevate awareness and understanding of psoriasis and psoriatic arthritis and have policymakers take action to address access to care and boost the nation's research efforts.

CONGRATULATING MAJOR PHILLIP GARRETT

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BONNER. Mr. Speaker, I rise today to congratulate Major Phillip Garrett on his newest posting as Chief of Police of Mobile, Alabama.

Major Garrett was born on December 26, 1950, in Prentiss, Mississippi. His education and specialized training is extensive, including attending the 194th session of the FBI Academy and receiving a bachelor of science degree from Troy State University in Criminal Justice Administration. He has served on the Mobile Police Department for 33 years, starting his career as a patrol officer. Since 1999, Garrett has served as head of the department's Community Services Division.

Major Garrett has received many commendations and recognitions, including the Chief's Commendation from Chief Sam Cochran, the Life Saving Award from the Mobile Police Department, and the Medal of Valor from the Mobile Police Department. He has also been recognized for his outstanding performances on Competitive Promotional Exams, and in 2004, he was recognized as the top scorer on the Competitive Promotional Exam for Major.

Garrett is considered an innovator amongst his colleagues and has worked to improve relationships between officers and the community. He served on the Envision Coastal America Steering Committee, the Underage Drinking Taskforce, and the Clean Start Pre-natal Substance Abuse Committee. He is also a member of the board of directors for Camp Rap-A-Hope, a children's oncology summer camp. Major Garrett is married to Tammy Smitherman and has three children: Phillip M. Garrett, Jr., Sergeant Matthew Ryan Garrett of the Mobile Police Department, and Kendall W. Smitherman.

Mr. Speaker, it is my great honor to recognize Major Phillip Garrett and commend him for his hard work and this well-deserved appointment as Chief of Police of Mobile, Alabama. I know Major Garrett's family and friends join me in praising his accomplishments and extending thanks for his efforts on behalf of the citizens of Mobile.

REPRESSION IN INDIA EXPOSED

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. TOWNS. Mr. Speaker, the London Institute of South Asia recently published an edition of its Journal. It included many excellent articles on the plight of minorities in India. There were articles about the Sikhs, Dalits, Muslims, and others. A writer named Tim Phares wrote a very comprehensive article on the subject that I would like to share with my colleagues.

He took note of the plight of the Sikhs, the Dalits, the Muslims, the Christians, and other minorities in India. He noted that Christians have become "the targets of choice." He noted that the Indian constitution bans the caste system but it remains in place, a vehicle of oppression of minorities. He reported that India's constitution denies people their fundamental right of self-determination. That is the essence of democracy, Mr. Speaker. I don't know how a country can call itself democratic when it denies people such a fundamental democratic right.

The article takes note of the Rashtriya Swayamsewak Sangh (RSS), formed in support of the fascist movement, publishing a booklet on how to frame Christians and other minorities in fake criminal cases. It comments on anti-conversion laws. It details some of the violence that has come about due to such laws. Shouldn't a person's religion be a fundamental freedom, Mr. Speaker?

The article notes the studies that have been done on the massacre in Chithisinghpora in which at least 35 Sikhs were murdered. It notes that they have come to the common conclusion that the Indian government's forces carried out this massacre. It notes the government's involvement in the Gujarat massacres. The article does an excellent job of detailing incident after. incident of repression against minorities in India.

Mr. Speaker, we must do what we can to support freedom throughout the world. It is time to stop our aid and trade with India until it stops being the repressive regime that it is and starts being the democracy that it says it is. We should declare our support for a free and fair plebiscite in Khalistan, Kashmir, Nagalim, and everywhere people are seeking their freedom in South Asia.

[From the Journal of the London Institute of South Asia, July 2006]

REPRESSION IN INDIA

(By Tim Phares)

It is not safe to be a minority in India. As U.S. Congressman Dana Rohrabacher (R-Cal.) pointed out, if you're a Sikh, Muslim, Christian, or other minority, "India might as well be Nazi Germany." While democratic elections occur, they have little effects on minorities except to change the faces.

India has committed or allowed to be committed numerous actions against people (men, women and children) within its borders, actions that, if committed against Americans anywhere would be condemned by us as terrorism.

In India, the overwhelming issues are caste and religion. The caste system defines the rights that people enjoy based on a system of social stratification founded on ancestry and occupation. Unless you are born a Brahmin or other upper-caste Hindu, you are a slave in India. The term Brahmin, for all practical purposes, incorporates all the Hindu upper-castes of India. The Brahmins claim that they were are the "chosen people of God." Brahmins believe that whatever exists belongs to the Brahmin.

Under BJP rule, a new term—Hindutva—came into use that bundled all the peoples of India (except those of foreign faiths—Christians Muslims and Parsis) into the fold of Hinduism. A Cabinet member in the previous government led by BJP was open about it. He said that in India, either you must be a Hindu or you are subservient to Hinduism. Despite the fact that India's constitution bans the caste system, it remains the foundation of Hinduism and the Hindu supremacist system.

India's constitution ignores that India is many nations brought together only under foreign imperial rule and denies its peoples their right to self-determination as recognized under International Law.

The target of choice these days seems to be the Christians. Indian Christians have faced many hardships. Christians in India report that they or fellow believers have faced threats, physical attacks, and jail time for sharing their faith. Baptisms, in particular, became a significant challenge for local churches. Under the anti-conversion laws, anyone who chose to become baptized was legally obligated to seek permission from the government, as well as provide them with the name of the person performing the baptism. Fearing repercussions, many new Christians did not make this outward profession of faith until after the laws were repealed.

Human-rights organizations report that more than 300,000 Christians in Nagaland have been killed by the Indian government. In addition, tens of thousands of Christians have been killed throughout the country. Priests have been killed, nuns have been raped and forced to drink their own urine, churches have been burned, Christian schools and prayer halls have been attacked. No one is ever punished for these activities.

In 2002, the Associated Press reported an attack on a Catholic church on the outskirts of Bangalore in which several people were injured. The assailants threw stones at the church, then broke in, breaking furniture and smashing windows before attacking worshippers. The February 25, 2002 issue of the Washington Times reported another church attack in which 20 people were wounded. Earlier that month, two church workers and a teenage boy were shot at while they prayed. The boy was injured. Two Christian missionaries were beaten with iron rods while they rode their bicycles home. A Christian cemetery in Port Blair was vandalized. Indian police broke up a Christian religious festival with gunfire.

The Hindu militant Rashtriya Swaysmsewak Sangh (RSS), of which all the leaders of the BJP and its various allies and factions are members (founded in support of the Fascists in Italy), published a booklet on how to file false criminal cases against Christians and other religious minorities.

The attacks on Christians continue and the oppression of Christians that has been going on since Christmas 1998 is unabated. In fact, the atrocities have been increasing in the past year. According to Rev. Dave Stravers, President of Mission India, "There is no question that extremists are trying to instill fear in Christians. They want to make Christians afraid to assemble or share their faith." These Hindu militants accuse Christians of forcibly concerting people, then they forcibly reconvert them to Hinduism.

Several Indian states have passed laws forbidding anyone to convert to any religion other than Hinduism. These laws range from requiring a government fee for converting to forcing Dalits to appear before a magistrate and prove a level of education before converting. They often restrict the religious speech of minority believers as those of a certain income or education level are prohibited from discussing religious matters with uneducated, poor Dalits.

On January 28, 2006, a group of Christians in Madhya Pradesh were engaged in prayer. A mob of Hindu militants stormed the hall, a private facility, and severely beat eight Christians. Five of them are still in the hospital as of this writing. The attack appears to be premeditated. The attackers burst in and knew precisely where to go. They arrived on motorbikes, broke windows, and forced the doors open.

On December 29, 2005 a landmine was planted in the Lengjen (Ngarichan) Committee Hall in Tamenglong District which is a Naga inhabited area in the state of Manipur. The land mine exploded when the children of the village went and played at the hall. One 12-year-old boy died in the hospital. Another boy's limb was ripped off and several others were seriously injured.

On November 4, 2005, a Hindu mob attacked Pastor Feroz Masih of the Believers Church of India. He was threatened with death and arson. After beating Pastor Masih, the Hindu militants told him that unless he and his 60 church members took part in a reconversion, they would be burned to death.

Australian missionary Graham Staines and his two young sons, ages 8 and 10, were burned to death while they slept in their jeep by a mob of Hindus chanting "Victory to Hannuman," a Hindu god with the face of a monkey. Staines's widow was expelled from the country, but only one person was ever brought to trial for the Staines murder.

American missionary Joseph Cooper was beaten so badly that he had to spend a week in an Indian hospital. Then he was expelled from India. No one has ever been brought to justice for Cooper's beating.

The missionaries are having a good deal of success in converting members of the lower castes, especially Dalits, also known as "Untouchables." This removes the lower-caste people from the stratification of the caste system, which is essential to the Hindu religion and its social structure. Recently, in response to the history of caste and its problems, hundreds of thousands of Indians, Dalits particularly, have turned away from Hinduism to join other religions such as Christianity, Buddhism, and Sikhism. This practice created a backlash from a sizeable portion of the Indian population.

Even though they are officially considered Hindus, the Dalits may be the most oppressed people on Earth. The 250 million lower castes include 170 million people called the Scheduled Castes (Untouchables) and 70 million people called the Tribals. Both are looked upon by upper-caste Hindus as less than human and to touch a Dalit renders a person himself "Untouchable." They are called impure, they are shunned, they are banned from Hindu temples, and they are considered to be so low on India's social scale that they are outside of the caste system.

The Untouchable Dalits and Sudras (another low caste) make up 70 percent of the population of India. Most live in very impoverished conditions. At least half the population of India lives below the international poverty line. Forty percent live on less than two dollars per day.

A few years ago, a Dalit girl was hit across the eyes and blinded by her teacher. Her crime had been to drink from the community water pitcher. A Dalit constable took shelter in a Hindu temple one day, only to be stoned to death by the upper-caste Hindus there. Discrimination against Dalits includes education inequality, economic disenfranchisement, religious discrimination, a poor system of medical care, and targeted violence against women. Dalit students are often denied the opportunity to receive the public education guaranteed by the Indian constitution. Rape is widespread and massively underreported.

On August 31, 2005, upper-caste villagers in the village of Gohana burned more than 60 Dalit residences, driving over 2,000 Dalit families out of Gohana. In 1998, a judge in Allahabad cleaned the courtroom with blessed water from the Ganges River because it was previously occupied by a judicial officer belonging to a Scheduled Caste.

When Dalits are walking in the presence of a Brahmin, they can be beaten or killed with impunity. Under strict interpretation of the caste system, Dalits are obligated to perform certain manual duties for upper-caste families without compensation. These duties include cleaning latrines, skinning dead animals, and crafting leather shoes, and other menial tasks.

The Sikhs are also highly victimized by the Indian government. Over 250,000 Sikhs have been killed since the military attack on the Golden Temple in June 1984, according to the book The Politics of Genocide by Inderjit Singh Jaijee. The figures were compiled by the Punjab State Magistracy, which represents the judiciary of Punjab. A report issued by the Movement Against State Repression (MASR) showed that India admitted to holding 52,268 political prisoners. Amnesty International reports that tens of thousands of other minorities are also being held as political prisoners. How can a democracy hold political prisoners?

According to many reports, some of these political prisoners have been in custody for almost two decades. Amnesty International reported last year that tens of thousands of minorities are being held as political prisoners. These prisoners continue to be held under a law called the "Terrorist and Disruptive Activities Act" (TADA), which expired in 1995. It empowered the government to hold people virtually indefinitely for any offence or for no offence at all.

In June 2005, at the observance of the Indian government's 1984 military attack on the Golden Temple, a group of Sikhs marched, then made speeches in support of independence for Khalistan, the Sikh homeland that declared its independence on October 7, 1987, and hoisted the Sikh flag. For this they were arrested. This follows the arrest of 35 Sikhs in January 2005, when they made speeches and raised the Khalistani flag at a Republic Day event. Some of the leaders were held for 50 days without trial.

MASR also co-sponsored with the Punjab Human Rights Organization an investigation of the March 2000 massacre of 35 Sikhs in the village of Chithisinghpora in Indian Kashmir on the eve of the visit of President Clinton to India. It concluded that Indian forces carried out the massacre. The apparent intent was to make use of the presence of the world press to blame Muslims for massacre and vilify the resistance to the occupation of the state by India. A separate investigation conducted by the International Human Rights Organization came to the same conclusion. So did reporter Barry Bearak of the New York Times magazine.

Recently in the state of Uttaranchal Pradesh, Sikh farmers were forced out of their farms, which were bulldozed, and they were thrown out of the state. They received no compensation and have nowhere to go to find roof over their heads or livelihood for their families. The truth is that discrimination against and oppression of minority faiths is so widespread that it draws little attention within or outside India. Although outsiders are allowed to buy land in the Punjab, Sikhs cannot buy land in neighbouring Rajasthan and Himachal Pradesh. This discriminatory policy prevents Sikh farmers from making a living. It has impoverished them forcing many to migrate overseas.

About 50,000 Sikhs were ruthlessly killed by the Punjab Police and their bodies were secretly disposed of to hide the crime. Young Sikhs were abducted, tortured and killed in Police custody. Their bodies were then declared "unidentified" and cremated incinerating all proof of the Indian State's barbarity. Countless bodies were consigned to the canals which abound in the Punjab. The secret cremation policy was exposed by human-rights activist Jaswant Singh Khalra who was arrested for publishing his report and was murdered while in police custody.

Narinder Singh, a spokesman for the Golden Temple, the seat of the Sikh religion, was interviewed in August 1997 by National Public Radio. He told his interviewer, "The Indian government, all the time they boast that they are secular, that they are democratic. But they have nothing to do with a democracy, nothing to do with secularism. They just kill Sikhs to please the majority."

The Indian government has murdered over 300,000 Muslims in Kashmir. They have sent over 700,000 troops to suppress the people of Kashmir.

On February 27, 2002, a fire on a train in Godhra in Gujarat killed fifty-eight passengers, among them fifteen children. This gave rise to massacres in which 2,000 to 5,000 Muslims were murdered. According to a policeman in Gujarat who was quoted in an Indian newspaper, the government pre-planned the massacre. In an eerie parallel to the Delhi massacre of Sikhs in November 1984, the police were kept from intervening.

In a 70-page report on the massacre, Human Rights Watch reported that not a single person has been convicted in these massacres. More than one hundred Muslims have been charged under India's much-criticized Prevention of Terrorism Act (POTA) for their alleged involvement in the train massacre in Godhra. No Hindus have been charged under POTA in connection with the violence against Muslims.

In Lunawade village in Panchmahal district of Kashmir, during the last week of December 2005, a mass grave was discovered. It contained the bodies of at least 26 victims of the Indian government's pogrom against the Muslims. Their crime? The Kashmiri people were promised a referendum on their status in 1948, but that vote has never been held. In 1989, when all hope of that promise being fulfilled had evaporated, violent resistance began that is being ruthlessly crushed resorting to pogroms and genocide that has led to 100,000 resistance fighters being killed by the Indian military.

The Sikhs were promised their own sovereign state by the leaders of the Congress Party (which rules India today) in exchange for their active support to the freedom movement led by it. The Sikhs have continued to press that the promise be kept. Their representatives did not sign and endorse the Indian constitution for it did not fulfill that promise. Instead of respecting "the glow of freedom" that Nehru and Patel promised to the Sikhs, the government declared them a "criminal class" as soon as the ink was dry on the constitution. It is because of betrayal of such promises that currently there are 17 freedom movements going on within India's borders.

Some Members of the U.S. Congress have called for sanctions against India and for an end to American aid. Some have also endorsed self-determination for the peoples seeking freedom from India through a plebiscite on independence. The Indian government's negotiations with the freedom fighters in predominantly Christian Nagaland have taken a turn for the worse lately, as the ceasefire there has been called off. Former Home Minister L.K. Advani said that once Kashmir achieves freedom, it will cause India to break apart. The truth is India can only survive if it conceded the right of self-determination to those areas where peoples have been betrayed. India must fulfill its promises to the people of Punjab, Khalistan (the Sikh homeland), predominantly Christian Nagaland, predominatly Muslim Kashmir, and the tribal peoples of Assam.

India clearly has a problem with its untouchables who are a majority in many states of India. It has failed to assimilate or integrate them. Since they do not belong to a single race, caste or religion, they are increasingly drawn towards Christian egalitarianism to throw off the yoke of slavery imposed by the caste system. I believe that those who ignore the oppression of the low castes and foreign faiths in India and declare India a 'natural ally' and the friendship of the 'biggest democracy' a state objective of the U.S., do not understand India at all. They help perpetuate systematic oppression and humiliation of a vast segment of humanity—700 million people—who have nothing, not even hope for anything. Even if India continues to make rapid economic rise as it is doing, this segment of humanity would be completely bypassed.

JUMPSTART'S READ FOR THE RECORD

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. WILSON of South Carolina. Mr. Speaker, literacy development begins at the early stages of a child's life and is the building block to future success. If we as a nation want to enhance our competitive edge in the global marketplace, we must ensure that our children have the basic reading skills to become successful in the classroom and later in the workplace.

On August 24, 2006, people around the country will participate in Jumpstart's "Read for the Record." This unique event will attempt to set the world record for the number of children reading a single book, or being read to, and at the same time allow people of all ages to work together in overcoming the school readiness issues facing our country.

This reading experience will use one of the best known child motivational stories ever produced—The Little Engine That Could. In honor of this day, a special edition of the story was created to include proven reading techniques to help our children grasp core reading foundations. This custom edition was funded solely by a private company dedicated to reading excellence.

Mrs. Laura Bush is the Honorary Chair of Jumpstart's "Read for the Record" project. As a former teacher, Mrs. Bush understands the need for strong reading development.

Demonstrating this project's importance, NBC's Today Show will host a special segment to cover proven reading techniques. Matt Lauer will then read this classic book to children.

I would like to thank Principal Mary Ellen Parks Shell Point Elementary School in Beaufort, South Carolina, for inviting me on August 24th to read to a group of kindergarten students. As an award-winning school dedicated in closing the achievement gap in learning, I am extremely encouraged that the faculty and staff at Shell Point are totally committed to early childhood development through enhanced reading skills.

Jumpstart's "Read for the Record" will raise the necessary awareness and emphasize the importance of early learning in every family. Participation in this event will support the goal that every child can read at grade level by the end of 3rd grade. For more information on how you too can foster stronger reading skills in our children, please visit www.readfortherecord.org.

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. ORTIZ. Mr. Speaker, due to travel delays, I was unable to vote during the following rollcall votes. Had I been present, I would have voted as follows: Rollcall No. 394, "Yes"; rollcall No. 395, "Yes"; rollcall No. 396, "Yes."

TRIBUTE TO GAYLA GRAHAM HEGGEMAN

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BONNER. Mr. Speaker, today I rise to pay tribute to the life of a wonderful lady, Gayla Graham Heggeman, who passed away June 27, 2006, in a tragic car accident.

An accomplished businesswoman, Gayla, was a tremendous asset to Alabama and was adored by many friends and family members. Among other things, Gayla co-owned C&G Boat Works and Graham Gulf Incorporated with her brother Janson Graham. The two, along with their mother, also owned Silver King, a 142-acre golf club. Their businesses spanned across much of lower Alabama achieving not only financial success for the family but providing several contributions to the entire area.

To all who loved her, Gayla was a trusted friend and confidant. Moreover, few things were more important to her than her family and friends. Not surprisingly, Gayla garnered a tremendous amount of respect throughout the southern Alabama community.

Gayla is survived by her mother, Sybil Graham-Radford, her stepfather, Harry Radford, and her brother, Janson. In addition, countless friends, business acquaintances, and fellow community members mourn her passing. Mr. Speaker, I ask you to join with me in recognizing the many achievements of Gayla's life.

BOOK ON INDIAN FREEDOM STRUGGLE HONORED

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. TOWNS. Mr. Speaker, I was interested to note that the London Institute of South Asia recently held an event to honor Professor Gurtej Singh for his interesting book Tandev of the Centaur. It expounds the theory that the Indian freedom movement was an act of collaboration with the colonialists.

As Professor Gurtej Singh says "As a part of my narration [for the book], I found myself suggesting a theory indicating the spurious nature of India's struggle for freedom. I am aware that it renders the main activities of the Congress Party and its leaders to an exercise in collaboration. But I am in good company in coming to that conclusion. Michael Edwards, in his The Myth of the Mahatma, has clearly shown that the British really feared the 'Western style revolutionaries' whom Gandhi effectively neutralized. The Administration considered Gandhi as an ally of the British as a neutralizer of rebellion."

Professor Gurtej Singh has written previously about the false nature of Indian secularism. His book, Chakravyuh: Web of Indian Secularism, exposes the truth that behind its mask of secularism, India is a repressive, theocratic state where minority rights are not respected.

Mr. Speaker, this is unacceptable. We must take strong action to protect the freedom that is the birthright of all people. Self-determination is the essence of democracy. That is why we should put the Congress on record in support of self-determination for the Sikhs of Punjab, Khalistan, the Muslim people of Kashmir, the Christians of Nagalim, and all the peoples of South Asia. We should also stop our aid and trade with India until basic human rights are respected. India is not a friendly country and it has a long record of anti-American activity. Now it wants to be our partner in fighting terrorism, while it practices terrorism and tyranny against its own people. America should not stand for that.

SEMINAR AND LISA BOOK AWARD—2006

LONDON, June 26, 2006.—London Institute of South Asia (lisa) Seminar on the subject of Separate Electorate was held in London on June, 24, 2006 with Dr. Gurmit Singh Aulakh, President Council of Khalistan, in the chair. Separate Electorate was introduced by the British in India in 1905 to give fair representation to all of India's many faiths and castes. Separate Electoral rolls for them provided for effective local government for decades. However, when the same was proposed under the Communal Award in 1932 for state assemblies, the high castes—who constituted only 15 per cent of India's population—saw their dominant position threatened. The Congress party started a campaign against the proposal alleging that the British were playing a game of "divide and rule". The Muslims under the leadership of Mr. Jinnah accepted "Separate Electorate" but Mr. Gandhi was able to persuade the leader of the Untouchables, Dr. Ambedkar, by starting a "fast unto death", to reject the British offer. By a deal signed with the Congress Party (Poona Pact of 1932) the Untouchables accepted Joint Electorate with the Hindus. Mr. Gandhi claimed that India was a Hindu country. With perpetual majority assured, the Hindu leadership of the Congress Party set upon the task of denying all the faith and caste identities and their fair share in power.

In the states where the Muslims were in majority, Joint Electorate suited them better but they took a principled stand for the sake of the minorities. Separate Electorate and the Muslim majority states in the East and the West being grouped into regions were the two Muslim demands. If those had been accepted there would have no partition in 1947 and all the faiths and castes would have had their fair share in power. But that meant the Hindus would have got only 15 percent in contrast with the Muslims who were 25 percent of the population and the Bahujan (i.e. native majority who are Untouchables) would have been the largest group in the parliament. The Hindus preferred partition over accepting Separate Electorate to give fair share in power to all faiths and castes. The irony is they have the temerity to blame the Muslims and Mr. Jinnah for the partition and continue to do so. The fact is that the Hindu leaders of the Congress Party forced the partition by rejecting every fair formula for sharing power. After having tricked the Untouchables into accepting Joint Electorate with them, they hoped to rule over India in perpetuity.

The Seminar was addressed by Mr. V.T. Rajshekar, Editor of Dalit Voice, Bangalore, who explained how the dominance of the Brahmin has been challenged by Bahujan. He said that by his thesis that the best way to fight discrimination is to strengthen the caste identity, has helped the castes to consolidate their vote banks to help their own kin to win elections. The result is that the Bahujan parties have won power in several states in India. The rejection of the fair system of Separate Electorate has backfired on the Brahmin. He is looking for new ways to restore its grip over power. The new method is to embrace Communism. They have organized Communist parties and groups all over India. They have captured power in West Bengal and Kerala through elections but in most other areas they operate as terrorist groups under the title of Naxalites or Maoists. The landlords in much of rural India are Thakurs—a caste one level below the Brahmin—and the farm labour is from Untouchable castes. The humiliation of the caste system piled upon exploitation by forced or unpaid labour makes rural India a hell hole. In this charged environment, the Brahmin cadres have started their Naxalite Movement. Given a gun the irate labourers shoot and kill the land lord and end up in prison or on the gallows; the Brahmin secures confirmation as "revolutionary leader". The Brahmin schemes are so complex and diabolical that it is hard to fathom the truth. But the low castes in India are waking up, says Mr. Rajshekar. They can now act wisely and devise a new polity that recognizes rather than denies the multiplicity of India's faiths, castes and states to give them their due and obtain internal harmony and peace with all the neighbours.

Three more papers were read at the Seminar. Brigadier ® Usman Khalid, Director of Lisa, said that the system of Separate Electorate is necessary for India to give justice to minority faiths (like in Pakistan)—Muslims, Christians, Buddhists, Parsis and Jains. But the decision is for the majority to make. They may prefer to extend the protection of Separate Electorate to the top 5 percent high castes instead. As for the Sikhs in the Punjab, the Muslims in Jammu and Kashmir, and the tribal peoples of Assam, they are separate nations who have struggled for freedom for many decades; they should be allowed to exercise their right of self-determination. Professor Gurtej Singh, explained how "reservation" of seats in education and employment has not provided justice to the oppressed low castes but has made them subject of hate further isolating them. He proposed that reservation should be extended to all faith communities and all castes.

Dr. Aulakh in his presidential address at the end exposed the truth about India, which practises the worst form of apartheid under minority rule. The Brahmin keeps inventing new gimmicks and tricks to maintain his hold over power. He made a powerful case for a sovereign state for the Sikh nation in the Punjab which has been endorsed by the resolutions of Sarbat Khalsa and reinforced by the massacre of the Sikhs in the Punjab and other parts of India in the wake of the assault and desecration of Durbar Sahib in 1984. He supported the struggle for freedom of the people of Jammu and Kashmir, of Nagas and other peoples of Assam.

The seminar was followed by a ceremony for "Lisa Book Award" given every year to a book by an author from South Asia that has made a difference. The award in 2006 was given to "Tandev of the Centaur—Sikhs and Indian Secularism" by Professor Gurtej Singh. It was presented to him by the winner of the same award last year—Mr. V.T. Rajshekar. The citation read:

"This book shows that the 'freedom struggle' of India was in fact a struggle for succession to hegemony. The British had repeatedly said they were preparing India for self rule and would leave once the job was done. The Muslims took notice and declared that the Brahmin not the British were their main adversary. Since the Muslims were concentrated on the periphery and were sparse in numbers in the rest of India, they wanted autonomous Muslim majority regions and Separate Electorate. This would have protected the rights of all faiths and castes. They demanded Pakistan after failing in every attempt to get their due share in power by constitutional guarantees prior to Independence. The effort of the Hindu leadership was to try and build a majority around the idea of 'Secularism' and 'Joint Electorate'. Under the Poona Pact of 1932, the Bahujan compromised their identity when they agreed to be included on the electoral rolls with the Hindus.

"The Sikhs believed that the British would not leave until thrown out and thus played into the hands of the Hindus to become the vanguard of the armed struggle against the British making thus making the most sacrifices. The Sikhs were promised their separate state; that was a false promise they call 'Raj Neeti'. All those who trusted M.K. Gandhi and relied on Congress 'promises' now feel betrayed. The book reveals that India is founded on a polity of paranoia; it is united only in fear and hate. The Hindu leaders feared the Muslim and wanted the partition even more than the Muslims. After the Muslim majority left and went to Pakistan the Sikhs are seen by them as a threat. The wanton use of force against them for a decade in the wake of the assault on Durbar Sahib in 1984, the Sikh Nation virtually stands expelled from the Indian Union. A sovereign Sikh state is only a matter of time. This has become inevitable due to the clarity of vision of scholar leaders like Sirdar Gurtej Singh.

PAYING TRIBUTE TO JOHN EULER

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor John Euler, a Vietnam veteran, retired U.S. marine, and tireless public servant.

After retiring as the Deputy Director of the Torts Branch, Civil Division of the Department of Justice, John thought he was finished working for the Federal Government. However, in January of 2004, John's sense of duty compelled him to volunteer for 6 months in Iraq as Director of International Counsel. His 26 years of experience with the Department of Justice and his extensive legal career gave him all the tools necessary to help the new Iraqi Government build a new legal system from the ground up. John faced many challenges in Iraq, including the fact that all legal records were destroyed by war. Despite the difficult task, John helped the Iraqi Government to build an entirely new court system and to defend itself in over 70 international cases. His service has helped the Iraqis to live in a society operating under the rule of law, a protection that many Americans take for granted.

John's strong passion for civil service has again called him to Iraq. He is currently serving as the Deputy Legal Counsel for the U.S. Department of State. In this new position, John advises the United States Embassy in Iraq on issues relating to the new Iraqi Government. His experience in creating the Iraqi legal system makes his counsel invaluable to the embassy's team.

Mr. Speaker, I am proud to honor John Euler for his extensive service to the United States and for his dedication to the rebuilding of the Iraqi Government. His bravery and support during these trying times serve as a model for us all. I thank him for his perseverance and his service.

IN RECOGNITION OF THE OPPORTUNITY CENTER-EASTER SEAL

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. ROGERS of Alabama. Mr. Speaker, I respectfully request the House's attention today to recognize the mission of the Opportunity Center-Easter Seal located in Anniston, AL. On September 6, 2006, the Opportunity Center will reach a 50-year milestone for having served people with disabilities in and around Calhoun County.

The Opportunity Center acts as a rehabilitation, training and employment facility designed to aid disabled people to achieve their highest potential. The mission is important, and should be commended for helping rehabilitate those who have been disabled from birth and those who have become disabled. The Opportunity Center-Easter Seal seeks to help those with barriers to employment maximize their employment potential, an important resource for many across East Alabama.

Mr. Speaker, this is indeed a proud achievement for the Opportunity Center. I congratulate those who built and have maintained this fine facility, and thank the House for its attention to this important matter today.

STEM CELL RESEARCH ENHANCEMENT ACT

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. MOORE of Kansas. Mr. Speaker, I rise to offer a personal explanation as to why I voted in favor of overriding the Presidential veto of H.R. 810, the Stem Cell Research Enhancement Act.

On August 9, 2001, President Bush announced that he would only allow federal funding for experiments involving stem cells already derived from embryos but not for research that would cause the destruction of further embryos. I am pleased that the President did not issue a full ban on federal funding of stem cell research, but I am very concerned that this restriction does not offer researchers the quality and diversity they will need to conduct full and complete research on these diseases. In fact, the National Institutes of Health recently reported that under current federal policy only about 19 stem cell lines are available to researchers, some of which are contaminated or otherwise unusable.

On May 24, 2005, the House passed H.R. 810, the Stem Cell Research Enhancement Act of 2005, which expands the current federal policy on embryonic stem cell research by allowing federal funding on stem cell lines derived after August 9, 2001. In addition, the House also passed H.R. 2520, legislation to establish a National Cord Blood Stem Cell Inventory and authorize $15 million annually to collect 150,000 high quality cord blood stem cell units for research or transplantation. I voted in favor of both measures. Therefore, I voted today to override the President's veto of H.R. 810 because I believe the potential to improve lives with stem cell research is too great to dismiss. The bipartisan support for this measure is also indicative of the importance of stem cell research.

Recent scientific research has suggested that embryonic stem cells hold immense potential to successfully treat many serious medical conditions including diabetes, Parkinson's Disease and cancer. Scientists believe the knowledge obtained from additional human embryonic stem cell studies could lead to the development of techniques to generate cells that would replace damaged tissues for a variety of conditions. H.R. 810 required that these cells would be acquired, using stringent guidelines established by the National Institutes of Health, NIH, from fertility clinic embryos, already in existence, that would otherwise be discarded. Why waste such biological material when the potential human health and scientific benefits of stem cell research are staggering in their promise?

Federal support of stem cell research will allow American scientists to harness this groundbreaking technology to potentially save many lives and improve the quality of others. In addition, the oversight which will come with broad federal support will result in better and more ethically controlled research in the field than if funding was from private sources alone.

"GOING TO HAVE TO SELL MY HOUSE . . . OR DIE": DISASTROUS CONSEQUENCES OF MEDICARE PART D

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. FILNER. Mr. Speaker, Medicare Part D continues to bring problems for our Nation's seniors. As more and more reach the "doughnut hole," seniors are confronted with dramatic, no-win choices. I offer my colleagues a recent article in the San Diego Union-Tribune—"Going to Have to Sell My House . . . or Die." It's past time to start over with the prescription drug benefit!

[From the San Diego Union-Tribune, July 16, 2006]

GOING TO HAVE TO SELL MY HOUSE ... OR DIE

(By Keith Darcé)

Frank Harrison says he's facing a choice between his health and his house.

When the Spring Valley retiree hit a coverage cap in his federal prescription drug plan in early June, his monthly medicine costs skyrocketed from about $250 to about $1,800, largely because of two expensive immune suppression drugs that he has taken since a kidney transplant 6 years ago.

The 62-year-old former computer company operations manager, whose main income, comes from Social Security disability benefits, stopped taking one of the drugs, which cost about $575 a month, so that he could keep paying his $750 mortgage payment.

"What it boils down to pretty soon is that I'm going to have to sell my house. It's either that or die," he said.

Harrison is among the 3.4 million seniors and disabled Americans who have begun to fall into a gap in Medicare Part D coverage. They must pay the full price for drugs after they've spent $2,250 in co-payments and until their out-of-pocket costs reach $5,100 for the year.

Those in the so-called "doughnut hole" are likely to cut back on medicines to save money even if doing so jeopardizes their health, according to some research.

"Some are being caught totally unaware," said Jennifer Duncan, who manages the San Diego Health Insurance Counseling and Advocacy Program.

HICAP, which assists Medicare beneficiaries, has fielded calls in recent weeks from about 20 Part D enrollees who've either hit the coverage gap or are nearing it. Medicare is the government's health insurance program for those 65 and older and the disabled.

The gap is the latest headache to confront those who thought that signing up for a Part D plan would lower their costs for expensive medications. Early glitches blocked some from getting prescriptions because their names didn't appear in the computer systems of the private companies selected to operate the plans. Others tried to buy drugs only to learn at the pharmacy counter that the medicines weren't covered by their plans.

Still, several surveys have indicated that most participants are satisfied with the Part D program and have saved money during its first six months.

Congress created the Part D gap when lawmakers created the drug insurance program in 2003. The measure was added to reduce the program's overall cost. Lawmakers reasoned that only a tiny portion of Part D participants would reach the gap and most would be without coverage only for a short period.

Many of the 22.7 million people in the program will avoid the coverage gap, according to a recent report by accounting and consulting firm PriceWaterhouseCoopers. They have private supplemental insurance, are enrolled in a higher-priced Part D plan that doesn't cap benefits, have incomes low enough to qualify for exemptions or simply won't purchase enough drugs to reach the cap before calculations start over on Jan. 1.

Those falling into the gap are largely middle-class seniors who aren't poor enough to qualify for MediCal—the federal health insurance for the poor known as Medicaid outside California—or they are wealthy enough to afford higher-priced Part D plans that have no coverage caps.

People who fall into the doughnut hole don't pay the full retail price for drugs, said Peter Ashkenaz, spokesman for the Centers for Medicare and Medicaid Services in Washington, DC. They pay the discounted price paid by their Part D plan operator—about 20 percent below retail prices, he said. "I think people tend to forget that piece of it."

But halfway through the first year of the prescription drug program, the San Diego HICAP is fielding calls from frightened seniors whose benefits are about to run out, Duncan said.

"'Doughnut hole' is a lousy term. It's more like an abyss," she said. "It's a soft, funny way for saying you may not be able to pay your rent or eat this month because you're going to have to pay for all of your medicines."

One recent call was from a paraplegic who takes high doses of the pain-killer morphine that cost $1,500 a month. Another caller takes $10,000 worth of medicine each month to prevent his body from rejecting a transplanted lung.

Even beneficiaries facing less dire circumstances could have trouble dealing with the gap.

An overwhelming majority of Medicare recipients suffer from chronic diseases, such as hypertension and diabetes, said Kenneth Thorpe, chairman of the Health Policy and Management Department at Emory University in Atlanta.

More often than not, they also are being treated and medicated for multiple conditions, he said. "These are very expensive patients."

When their drug coverage runs out, even temporarily, they are likely to stop taking some or all of their medications, Thorpe said.

That's what Kaiser Permanente researcher John Hsu found when he studied about 200,000 Medicare beneficiaries in 2003 who participated in a more limited government prescription drug program that predated Part D. The results, published in the June 1 edition of The New England Journal of Medicine, found that people whose drug benefits were capped at $1,000 a year had higher rates of emergency room visits, hospitalization and death than those with unlimited coverage.

Hsu attributed the increases to people ending drug treatments once the insurance cap was reached. The cost for additional medical care offset the lower drug cost savings created by the cap, he reported.

When Harrison's coverage ended in early June, the maker of one of his immune suppression drugs put him on a program that delivered the medication for free. But he wasn't offered the same deal from the maker of the other medication, and his $1,300 monthly income is too high for him to qualify for the doughnut hole exemption available through Medi-Cal. He's hoping his doctors will provide an answer—perhaps an alternative drug available at a discount or for free from a manufacturer—when he goes in for a check-up in a few weeks.

Wendel Ott, 74, of San Diego, doesn't expect to hit the cap until September, but already he's considering cutting back on his eight medications.

"It's going to cost me a tremendous amount of money for the last part of the year," said Ott, who takes medicines for high blood pressure, an enlarged prostate and chronic bronchitis. "Let's face it, I'm not wealthy."

While many people were aware they might face a gap in coverage when they signed up for a Part D plan, it's clear some haven't prepared for it, said Michael Negrete, vice president of clinical programs for the California Pharmacists Association.

"Most people haven't saved money to deal with the doughnut hole," he said.

Once in the gap, people create a new problem for themselves if they try to save money by purchasing cheaper drugs outside their Part D program, Negrete said.

"When they get drugs outside of Part D, that doesn't go to the credit they need to get out of the (gap)," he said. "If they are getting their medicines from Canada or from a discount drug service, they will never get out of the doughnut hole."

PERSONAL EXPLANATION

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. UDALL of Colorado. Mr. Speaker, I was unavoidably detained in Colorado and not present for three recorded votes on Monday, July 24, 2006.

Had I been present, I would have voted as follows:

Rollcall 394, on the motion to suspend the rules and pass S. 1496, to direct the Secretary of the Interior to conduct a pilot program under which up to 15 States may issue electronic Federal migratory bird hunting stamps—I would have voted "yes."

Rollcall 395, on the motion to suspend the rules and pass S. 203, the Soda Ash Royalty Reduction Act—I would have voted "yes."

Rollcall 396, on the motion to suspend the rules and pass H.R. 5534, to establish a grant program whereby moneys collected from violations of the corporate average fuel economy program are used to expand infrastructure necessary to increase the availability of alternative fuels—I would have voted "yes."

TRIBUTE TO JOHN B. DEAN

HON. THADDEUS G. McCOTTER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. McCOTTER. Mr. Speaker, today I rise to honor and acknowledge John B. Dean, Chief of Police of the Waterford Police Department, upon his retirement from a distinguished career in public service.

From a young age, Chief Dean dedicated his life to protecting the citizens of Michigan. At age 15, he enrolled as a cadet in the Waterford Police Department before enlisting in the United States Marine Corps. Following his military service, Chief Dean first joined the Detroit Police Department before returning to Waterford in 1975, where he continued his career in law enforcement. Over the next three decades, Chief Dean advanced through the ranks of the Waterford Police Department, eventually serving as a Patrol Officer, Undercover Officer, Patrol Sergeant, Detective Sergeant, Youth Liaison Officer, Patrol Lieutenant, and Detective Bureau Commander. In January of 2000, he was promoted to Chief of Police.

A Central Michigan University alumnus and graduate of the F.B.I. National Academy, Chief Dean also served on the Police and Fire Pension Board of Waterford Township, Board of Directors of the Boy Scouts of America, Board of Directors of the Oakland County Chiefs of Police, the State Police Advisory Board, and as Treasurer of the Michigan Association of Public Employee Retirement Systems. For his tireless service to the community, Chief Dean has been recognized with the Officer of the Year Award; the Medal for Bravery; the Meritorious Service Award; and was named Waterford Employee of the Year.

Mr. Speaker, for 31 years, Chief John B. Dean has unwaveringly upheld his oath to protect and defend the citizens of Michigan. As he enters the next phase of his life, he leaves behind a legacy of dedication, honor, and courage. Today, I ask my colleagues to join me in congratulating Chief Dean upon his retirement and recognizing his years of loyal service to our community and our country.

HONORING CORONER HUEY MACK, SR.

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BONNER. Mr. Speaker, today I rise to pay tribute to Huey Mack, Sr. for his accomplishments and dedication to Baldwin County, Alabama, where he served for many years as Baldwin County Coroner.

Huey Mack was born on December 20, 1937, in McCalla, Alabama, and is a native of Escambia County, He attended the University of Alabama and received a degree in mortuary science at the Gupton Jones Institute in Dallas, Texas, In 1982, he was appointed by Alabama Governor George Wallace to fill an unexpired term as Baldwin County Coroner. Huey Mack will retire in January 2007, from the position he has held for the past 28 years.

Among his many contributions, Huey Mack has played a crucial role in passing legislation that creates educational requirements for the office of coroner. He also served as Vice President of the Funeral Director Association, made significant contributions with his involvement with the Central Baldwin Chamber of Commerce, served as President of the Alabama Coroner's Association for 7 years, and is a member of the Rotary Club. Huey Mack and his wife, Jean, have two children, Linda and Huey, Jr. Huey Mack, Jr. was recently elected Sheriff of Baldwin County.

Mr. Speaker, I ask my colleagues to join with me in congratulating him on his many years of public service. I know his wife, his family and many friends join with me in praising his accomplishments and extending thanks for his service over the years to Baldwin County.

INTRODUCING THE MINORITY ENTREPRENEURSHIP AND INNOVATION PILOT PROGRAM OF 2006

HON. ELIJAH E. CUMMINGS

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. CUMMINGS. Mr. Speaker, I rise today to urge my colleagues to support the Minority Entrepreneurship & Innovation Pilot Program of 2006, a bill that I am introducing as a companion to S. 2586, sponsored by Senator John Kerry. This bill is designed to address our nation's growing economic disparities through the promotion of business development and entrepreneurship in minority communities.

Economic indicators show that today, the average income for African Americans is just 62 percent that of whites. More than 40 years after the last of the Jim Crow laws was repealed by the Civil Rights Act of 1964, the economic value of blacks is still nearly three-fifths that of whites—a statistic that clearly indicates that the vestiges of slavery are enduring.

This race-based "wealth gap" is simply unacceptable. And African Americans are not the only minority group suffering from this disparity. The average incomes of Native Americans and Latinos are similarly unbalanced, with those communities earning 65 and 74 percent of the income of whites respectively.

But the news is not all bad. The National Urban League, in its 2006 "State of Black America Report," indicated that there may be a silver lining to this cloud. The prevalence of black-owned businesses has been on the upswing, revealing a difference of 2.5 to 1 (White Businesses to African-American Businesses), as compared with 3 to 1 a few years ago.

As many of my colleagues know, minority-owned businesses provide real opportunity for individuals, families and communities. By supporting their growth, we can begin to reverse the increasing "wealth gap" for good, leading to greater economic independence for minorities. This result will multiply itself and in the process lay the foundation for closing other socio-economic gaps—gaps that have created an environment for persistent economic failure in many of these communities.

That is why I am introducing the Minority Entrepreneurship and Innovation Pilot Program of 2006. This legislation would establish a $24 million, two-year pilot program to promote small business development in colleges and universities that serve African American, Native American and Latino communities.

Through $1 million grants, the institutions would provide students in highly-skilled fields such as engineering, manufacturing and science with the tools they need to start their own businesses. The bill would also allow institutions to establish Small Business Development Centers to provide counseling, capacity building and niche market development services.

A great legacy of the American Dream has been the opportunity for ordinary citizens to improve their livelihoods by starting their own business. The Minority Entrepreneurship and Innovation Pilot Program of 2006 would give minority communities a chance to share in this attainable dream.

I want to thank the original cosponsors who have joined with me in introducing this important bill, Representatives BENNIE THOMPSON, GRACE NAPOLITANO, SANFORD BISHOP, ALBERT WYNN, DEBBIE WASSERMAN SCHULTZ, BOBBY SCOTT, MAJOR OWENS, BENJAMIN CARDIN, AL GREEN, GREGORY MEEKS, BOBBY RUSH, JUANITA MILLENDER-MCDONALD, RAUL GRIJALVA, JOHN CONYERS, G.K. BUTTERFIELD, ALLEN BOYD, MIKE ROSS, DANNY DAVIS, STEPHANIE TUBBS JONES, LINDA SÁNCHEZ, ELEANOR HOLMES NORTON, CAROLYN KILPATRICK, JOE BACA, DAVID SCOTT, ALBERT WYNN, CHRIS VAN HOLLEN, HILDA SOLIS, DONALD PAYNE, BARBARA LEE, C.A. DUTCH RUPPERSBERGER, SAM FARR and JAMES CLYBURN.

I ask the rest of my colleagues to please join us in helping to reverse the "wealth gap" by supporting this legislation.

IN SUPPORT OF A MUTUALLY ACCEPTABLE SOLUTION TO THE FUTURE POLITICAL STATUS OF KOSOVO

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BURTON of Indiana. Mr. Speaker, for the first time in many years, two high-ranking delegations—one representing Serbia, the other the Serbian province of Kosovo—met in Vienna, Austria to discuss the future political status of Kosovo, which has been administered by the United Nations since 1999. The Vienna meeting was the first time that the Serbian President and Prime Minister met with their political counterparts from Kosovo.

Both sides presented and explained their position on Kosovo's future political status. The Serbian delegation presented a practical plan for the highest possible autonomy for Kosovo inside Serbia's borders, while Kosovo's leaders presented their plan for independence.

Although the parties reached no agreement, the Vienna meeting was very positive, and I believe it should be commended. It allowed both sides to present their platforms in a constructive and diplomatic manner, and provided the international community with strong assurances that events in the Balkans can be solved in a peaceful and civilized way.

Serbia proved once again that is ready to seek a final solution for Kosovo based on the tenets of territorial integrity, international law and regional stability. Serbia's position highlighted the necessity to broker a final agreement that will keep democracy and reform in Serbia intact.

An imposed solution for Kosovo would be a dangerous precedent and may serve as the fatal blow for the economic and political processes in Serbia. There is a slim but very real possibility that radical elements in Serbian politics would seize power in Belgrade if Kosovo is granted independence from the UN, without ironclad-guarantees for Kosovo's Serb population and the firm commitment to protect Serbian historical, cultural and religious sites in Kosovo.

Serbia is a new country with new leadership. It is a country led by reformers, like President Boris Tadic, who helped topple Slobodan Milosevic from power and had the fortitude to transfer him to the Hague Tribunal to answer for his crimes against humanity.

This new Serbia is a thriving, free market democracy, based on transparency, the rule of law and the protection of human rights. Serbia is a member of international organizations, and it is on the path toward membership in the European Union and North Atlantic Treaty Organization.

The Serbia of today is working with the United States to spread democracy and freedom and now the United States has the unique opportunity to stand with its democratic allies in Serbia, and to work to advance a mutually acceptable solution to the future political status of Kosovo; one which won't leave Serbia and its fragile democracy in tatters.

The mishandling of Kosovo's final political status might reverse these advances in Serbia and endanger a region just recovering from dictatorship, ethnic strife, isolation and war.

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RECOGNIZING THE 10TH ANNIVERSARY OF WELFARE REFORM

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. EMANUEL. Mr. Speaker, I rise today in recognition of the 10th anniversary of President Clinton's historic welfare reform initiative. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 fundamentally transformed our nation's welfare system and provided a clear direction for the future of this important program.

I am proud to have played an active role in the passage of this legislation during my time in the White House. If it were not for President Clinton's vision, welfare reform would never have gained the bipartisan support that was required. President Clinton vowed to end welfare as we know it and he succeeded in forming a system that both rewarded and required work.

In Illinois alone, 217,000 families worked their way off of TANF and into the workforce. President Clinton realized that the best job training was an actual job.

We also realized that jobs came along with new challenges for welfare recipients. Therefore we assisted recipients in finding child care and instituted transitional medical assistance for families leaving the welfare rolls.

The greatest accomplishment of welfare reform was connecting a generation of children with a culture of work. Many children who would have grown up in a household with non-working parents, have internalized the value of work and learned how to build a better future for themselves and their families.

Thanks to welfare reform, more than 3 million children rose above the poverty line between 1996 and 2000. Earnings of the poorest people in our country rose significantly.

However, some of the progress we made has been reversed. Between 2001 and 2005, 5 million Americans fell below the poverty line, including 1.5 million children.

Mr. Speaker, I commend those in Congress that worked to pass this legislation in 1996, and I look forward to working with them to ensure that what we accomplished in 1996 is not undone. I urge my colleagues to build on the success of the past with a commitment to ensuring the future success of welfare reform.

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INTRODUCING THE AMERICARE HEALTH INSURANCE ACT OF 2006

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. STARK. Mr. Speaker, it gives me great pleasure to introduce the AmeriCare Health Insurance Act of 2006. I am joined by the AFL–CIO, the American Academy of Pediatrics, the American Nurses Association, the Center for Medicare Advocacy, Consumers' Union, Families USA, SEIU, the Universal Health Care Action Network, and the National Association of Community Health Centers in supporting this common sense solution to achieve universal health insurance coverage.

In my tenure in the House, I have been involved in many discussions about how to reform our health system. These debates tend to occur every 10 to 15 years when health costs rise to a level that attracts our attention. Unfortunately, the minor tweaks and threats of reform we have made in the past have not resulted in lasting change. As a result, we are spending more—and getting less—than any industrialized nation.

If history is any guide, we are nearing yet another health reform discussion in this country. This time, we need to get it right. To that end I offer AmeriCare—a practical proposal to ensure that everyone has affordable health insurance.

AmeriCare is based on the principles that the U.S. health system should cover everyone, be affordable, and be meaningful.

Eighty percent of the people who file for bankruptcy because of medical bills have health insurance, but their benefits do not meet their needs. Policies that are unaffordable, that discourage people from seeking care, or that do not cover necessary benefits are empty solutions.

AmeriCare builds on what works—both employer coverage and Medicare—in an effort to dramatically expand coverage with minimal disruption to the current system. It addresses the broader issues in our health system overall, and provides an important marker for a renewed discussion on health reform.

For the past four decades since it was enacted, the stability and affordability of Medicare have helped millions of seniors and people with disabilities live longer, healthier lives. Because of Medicare, families have been able to save for their children's education rather than having to pay for their parents' health care.

Since the program began, Medicare's per capita costs have grown at a slower rate than private health insurance or the Federal Employees Health Benefits Program.

Providers, too, have benefited from Medicare. Without Medicare as a consistent payer, providers would not be able to offer the top quality care they deliver today. Indeed, uncompensated care for people who are uninsured or underinsured is pushing some providers toward the breaking point. Meaningful coverage for all makes good business sense for providers.

AmeriCare also recognizes the important role that job-based benefits play in our current health system. Under AmeriCare, people would continue to obtain health coverage through their employer—as most of us currently do—or they would be covered under the new AmeriCare system. Expanding insurance coverage to all will end the cost shifting that results from the high number of uninsured we have today. This could reduce premiums for job-based insurance by as much as $1,000 for family coverage, according to the Institute of Medicine.

Expanding coverage to all will also strengthen the economy and improve our competitiveness. General Motors recently admitted it spends more on health care than on steel; Starbucks spends more on health insurance than on coffee. The need to address health reform is more urgent than ever before.

AmeriCare is a sensible solution for our Nation's employers—many of whom are already meeting the challenge of providing coverage for their employees. I plan to reach out to the business community to begin a dialogue about how we might move forward with AmeriCare.

AmeriCare creates a new Title XXII in the Social Security Act. It uses Medicare's existing administrative infrastructure, but improves upon Medicare's benefits to address some of the current gaps in coverage, such as mental health parity, coverage for children, and family planning and pregnancy-related services for women. State Medicaid programs would remain responsible for long-term care, but AmeriCare would now cover low-income children, women, and others who currently receive non-long term care services under Medicaid.

AmeriCare is financed through premiums, paid 20 percent by individuals and families and 80 percent by employers, general revenues, and state funds. People with incomes under 200 percent of poverty would be fully subsidized, and premiums and cost-sharing would be phased in for those with incomes between 200–300 percent of poverty.

There is also a limitation on out-of-pocket spending to ensure that no one spends a disproportionate share of their income on health care. Employers could continue to offer their own coverage, so long as it is equivalent to AmeriCare. Payment of premiums would be reconciled at the annual tax filing in April.

Everyone in the room should be aware that there is an effort underway to reform our health system, but not in the way we would like. Republicans have been pursuing stealth reform for the past decade in their dogged determination to dismantle the employer-based system and force everyone into high deductible health plans, regardless of whether they open or benefit from a Health Savings Account.

Their rhetoric makes it sound like you "own" your health care. But what they really mean is that you are on your own. It's not just that you have to fend for yourself when purchasing health care, it's that for most people—especially the currently uninsured—the Health Savings Account is purely theoretical. Employers don't have to contribute to these accounts, and most don't.

The Republican agenda expands the class of people who are underinsured, putting both patients and providers at greater risk. More and more doctors and hospitals are being forced to act as bill collectors rather than care providers, and patients are saddled with debt and even bankruptcy because their insurance benefits are inadequate. For example, many high deductible policies do not cover maternity benefits. The situation will only get worse if we continue to allow high-deductible health plans to take hold.

Without the security of a universal health plan that covers everyone, each of us is at risk. For years we have accepted that people fall through the cracks in our health system. No parent should ever have to deny their child a lifesaving treatment because they cannot afford the cost. No family should ever lose a parent because their condition was treated too late.

We need a strong alternative vision for health reform. That is why I am putting AmeriCare forward today. This proposal promotes shared risk and responsibility, not individual risk and greater fragmentation. AmeriCare offers an alternative vision that is simple and straightforward, fair and manageable.

Our Nation is at a crossroads. Our legacy should be a future where our children are not saddled with debt, where they do not fear financial ruin due to an illness. Whether we build a healthy future for our children or not depends upon the decisions we make today. True compassion means offering real solutions, not empty promises.

Working together, applying common sense approaches that build on what works, we can ensure that no-one risks the loss of insurance coverage. All we need is the will to do it.

As we edge closer to our next discussion on health reform, we need to ask, is medical care a civic and social right like police and fire services, education, and environmental protection?

Or is health care "you're on your own?"

This decision must be made. I hope I can count on my colleagues and our endorsing organizations to advance a shared vision for health reform by adopting AmeriCare.

Attached is a short summary of AmeriCare. More can be found on my website at www.house.gov/stark.

AMERICARE HEALTH CARE ACT OF 2006—BILL SUMMARY

Overview: The AmeriCare Health Care Act ("AmeriCare") is a practical proposal to ensure that everyone has health coverage in our country. It builds on what works in today's health care system to provide simple, affordable, reliable health insurance. People would continue to obtain health coverage through their employer or they would be covered under the new AmeriCare system, modeled on Medicare.

Using the administrative efficiencies within Medicare and building on the existing coverage people receive through their jobs today, we can create an affordable, efficient, and stable universal health care system in America—and guarantee access to medical innovation and the world's most advanced providers and facilities.

Benefits: All residents of the U.S. and its territories are eligible to receive benefits through AmeriCare. The practical AmeriCare benefits package is tailored to meet the needs of working people and their families, including: preventive services; physician services: hospital services; maternity coverage; prescription medications; mental health services: affordable cost sharing and a realistic limit on out-of-pocket costs.

AmeriCare provides additional benefits for children under age 24 and people with modest income. Supplemental benefits could be offered by employers or purchased through private insurance companies. It also improves Medicare's existing benefit structure to conform with AmeriCare, providing streamlined cost-sharing and lower drug prices—without a donut hole.

Financing: AmeriCare is financed through contributions from employers, individuals, and states, all of whom pay into our current health care system. Unlike today's system, however, AmeriCare will save billions of dollars by utilizing Medicare's highly efficient administrative infrastructure that operates on a 2 percent margin. Requiring the Secretary to negotiate with the pharmaceutical industry for reasonable prices and expanding the use of health information technology in the clinical setting will achieve additional savings. The efficiencies gained from these steps will keep AmeriCare's premiums affordable.

PERSONAL EXPLANATION

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. ISRAEL. Mr. Speaker, on July 19, 2006, I mistakenly voted "no" on rollcall No. 384. I intended to vote in support of Mr. WATT's amendment to preserve the authority of the United States Supreme Court to hear or decide any question pertaining to the interpretation of, or the validity under the Constitution of, the Pledge of Allegiance, as defined in 4 U.S.C. section 4, or its recitation.

A TRIBUTE TO DEBORAH MARICA CLEMONTS

HON. G.K. BUTTERFIELD

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BUTTERFIELD. Mr. Speaker, I rise to pay tribute to Deborah Marica Clemonts one of my most deserving constituents who is being honored as Small Business Owner of the Year by the Roanoke Valley Chamber of Commerce.

Deborah Clemonts is a small business owner in Halifax County who owns a beauty shop, barber shop, restaurant and has held the food service contract for Halifax Community College and the local community Adult Day Care for the past 3 years. Many of the special events that I have held in my Weldon Congressional Office have been catered by Deborah so I know first hand of her impressive, conscientious, professional work.

With all of the activity associated with managing these businesses, Deborah still finds the time to dedicate to the youth of First Baptist Church in Weldon, North Carolina, where the dynamic Reverend Quientrell Burrell is the pastor. Deborah is responsible for all of the youth-related activities of the church which include the Youth Choir, Junior Usher Board and the First Baptist Church Praise Dancers. I have learned that any evening of the week you can see Deborah driving around in the First Baptist Church van picking up and dropping off children or taking them to the Pizza Hut treating them to a pizza before turning them back over to their parents. Deborah is compassionate about the community youth and is trying to do her part in assisting in their growth as grounded, productive citizens. Mr. Speaker, I have learned that the youth have a special affection for Deborah such that they often willingly confide in her and look to her for advice and counsel with many of the problems that they are forced to confront daily. Whenever there is an opportunity, Deborah hires some of the youth to assist her with restaurant-related activities and takes every opportunity to mentor them about work ethic, professionalism and the importance of putting their best foot forward.

Mr. Speaker, I know the Clemonts family well and I know that Deborah's father, Reverend James Clemonts would be so proud of this honor bestowed upon her by the Roanoke Valley Chamber of Commerce. I know that none of what Deborah has accomplished was easy. But in spite of the many obstacles, Deborah pressed on and I wish her continued success. Mr. Speaker, I ask my colleagues to join me in paying tribute to one of the pillars in the First Congressional District, Ms. Deborah Marica Clemonts.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BECERRA. Mr. Speaker, on Monday, July 24, 2006, I was unable to cast my floor vote on rollcall Nos. 394, 395 and 396. The votes I missed included motions to suspend the rules and pass the Electronic Duck Stamp Act of 2005 (S. 1496), the National Heritage Areas Act of 2005 (S. 203) and a bill to establish a grant program whereby moneys collected from violations of the corporate average fuel economy program are used to expand infrastructure necessary to increase the availability of alternative fuels (H.R. 5534).

Had I been present for the votes, I would have voted "aye" on rollcall Nos. 394, 395 and 396.

CONGRATULATING JOHN M. CHRISTENSEN, RACHEL L. HAMAKER, RYAN R. INGRAHAM, KATHERINE L. KING, DAVID M. MATHIEU, FREDERICK W. ROWELLL, CHRISTOPHER D. SAVELL, AND HOWARD R. WALKER FOR RECEIVING THE NATIONAL MERIT SCHOLARSHIP

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2006

Mr. BONNER. Mr. Speaker, it is with great pride and pleasure that I rise to honor John M. Christensen, Rachel L. Hamaker, Ryan R. Ingraham, Katherine L. King, David M. Mathieu, Frederick W. Rowell, Christopher D. Savell, and Howard R. Walker for recently being named recipients of the National Merit Scholarship.

These students, all from Alabama, were first named semifinalists by their outstanding performance on the Preliminary SAT/National Merit Scholarship Qualifying Test, an exam taken by approximately 1.3 million freshman, sophomore, and junior high school students. They then qualified for the National Merit Scholarship as a result of their high academic performance in rigorous college preparatory coursework, high scores on their college entrance exams, and the recommendation of their high school principal.

John M. Christensen is a graduate of Andalusia High School and plans to attend the University of Alabama in Tuscaloosa, Alabama.

Rachel L. Hamaker, a graduate of Alabama School of Mathematics and Science, will attend Hendrix College in Conway, Arkansas.

Ryan R. Ingraham graduated from St. Paul's Episcopal School in Mobile and will attend Vanderbilt University in Nashville, Tennessee.

Katherine L. King of Fairhope High School will attend Tulane University in New Orleans, Louisiana.

David M. Mathieu, a graduate of T. R. Miller High School in Brewton, will attend the University of Alabama in the fall.

Frederick W. Rowell of Murphy High School in Mobile will attend the University of Alabama.

Christopher D. Savell is a graduate of Murphy High School and will attend the University of Alabama.

Howard R. Walker graduated from VMS-Wright Preparatory School in Mobile and will attend the University of Alabama.

Mr. Speaker, I would like to offer my congratulations to John, Rachel, Ryan, Katie, David, Frederick, Chris, and Howard for their receipt of National Merit Scholarships for the 2005–2006 year and recognize their outstanding academic performance. I trust that my colleagues will join me in commending them on their diligence and commitment to excellence, and I trust we will hear many more good things from these outstanding young men and women in the months and years to come.

SENATE—*Wednesday, July 26, 2006*

The Senate met at 9 a.m. and was called to order by the Honorable SAM BROWNBACK, a Senator from the State of Kansas.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Almighty God, source of wisdom and fountain of knowledge, we praise You for the gift of Your love. Guide our Senators with Your love. Do not permit the confusion of our time to confuse them. Empower them to contribute to the rightness of things. Let them be part of the answer to the problems in our world.

As they choose the hard right over the easy wrong, give them Your peace. May their lives count for good when even the best does not seem enough. Create within each of us clean hearts and renewed right spirits, that we may become instruments of Your love.

Lord, may the spirit of this prayer be acceptable to You. We pray in Your holy Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable SAM BROWNBACK led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 26, 2006.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SAM BROWNBACK, a Senator from the State of Kansas, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. BROWNBACK thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

GULF OF MEXICO ENERGY SECURITY ACT OF 2006—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate resumes consideration of the motion to proceed to S. 3711, which the clerk will report.

The legislative clerk read as follows:

> Motion to proceed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10 a.m. shall be equally divided between the two leaders or their designees.

Who seeks recognition?

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from the great State of Wyoming.

SCHEDULE

Mr. THOMAS. This morning we will have approximately 1 hour of debate prior to the cloture vote on the motion to proceed to the Gulf of Mexico energy security bill. The vote will occur at about 10 o'clock today, and immediately following that vote we will recess for the 11 o'clock joint meeting. I remind my colleagues to remain in the Chamber following that vote so that we may proceed at 10:40 this morning to the Hall of the House of Representatives to hear the address by the Prime Minister of Iraq. I thank all Senators for their attention.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I understand there are 15 minutes equally divided. I am not sure what equally divided means this morning, but we will do our best. I think Senator BINGAMAN may be here and might want the opposition's time. We will try to use our time in favor of it as judicially as we can. I start by yielding myself 6 minutes.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 6 minutes.

Mr. DOMENICI. Mr. President, today is a very important day. Let me explain why that is to all the Senators and those who are interested.

First, I am going to try to convince our colleagues today that this small lease sale that we are talking about is one of the most important issues spoken of in this Chamber this year. This morning, as the Sun rises over the majestic dome of the Capitol and families wake up across the land, whether it be in Albuquerque, NM, or in New Orleans, LA, or Miami, FL, as they wake up, millions of Americans around the great land find their homes cooled and after breakfast they start their cars, drive their children through their neighborhoods, in carpools or otherwise, to get some needed relief from the heat. But for these families there is no relief from the high cost of energy.

For too long we have remained unable to provide a remedy for that. In the words of the man in charge of our Nation's monetary policy, "one likely source of the deceleration [of economic growth] is higher energy prices, which has adversely affected the purchasing power of households and weighed on our consumer attitudes."

In plain speak, that means if we don't take action, we are in trouble. I assure my colleagues, there is a growing chorus in America and this chorus demands energy relief. It demands our attention to the simple piece of property in the Gulf of Mexico.

We are here to talk about whether to proceed on an item that is critical to American jobs and to our Nation's economy. In the Gulf of Mexico we have a piece of real estate owned by the Government that is the subject matter of what we choose to call the Gulf of Mexico Energy Security Act. We direct the Secretary of Interior to lease the area commonly known as 181 within 1 year after the date of the enactment of this bill. We further remove the moratorium or restriction on the area to the south of 181 and we direct the Secretary to lease that area also.

Taken together, these are 8.3 million acres. I will explain them on the map here in a second, briefly, so I can have my fellow Senators, two of them who want to speak, have an opportunity to do so. They have been vital in getting this done.

But let me summarize. This 8.3 million acres contains 1.26 billion barrels of oil, American oil, and 5.8—or rounded out—6 trillion cubic feet of natural gas. These resources under the sea are American assets on American lands and the power to unleash these resources lies in the hands of the Senate.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Or we can walk away and adopt an alternative and that is to continue to increase our dependence on foreign sources of energy from hostile regions of the world.

As American jobs hang in the balance, I remind my colleagues that between 1999 and 2005, a period of time equal to one term in the Senate, the price of natural gas in the United States increased 289 percent. At the same time we lost over 3 million jobs in the manufacturing sector.

In the words of the Federal Reserve Chairman:

> High prices of natural gas reflect strong demand and diminished supplies.

This vote today is a step toward correcting that imbalance.

Also, in this gulf coast bill we provide protections to the Florida coastline. Thanks to the skills and heart and concern of the distinguished Senator MEL MARTINEZ from the State of Florida, we have protected the Florida coastline in this legislation.

I say to those opposed to this legislation, these provisions are a compromise between those who seek additional access to new areas of development and those who do not want to develop off their shores. We struck a balance. Here in the Senate that balance has the overwhelming support of those who seek additional Outer Continental Shelf deep sea access, and the overwhelming support of those whose priority is coastal protection. I am proud of this balance and I defend it against those who challenge it and seek to undermine it.

Finally, the bill is both fiscally responsible and meets the needs of the coastal States that make the sacrifice of hosting our energy infrastructure. It takes care of them in a fair way.

I do not take my fiscal responsibility lightly and I do not make the fact of fiscal responsibility a light issue. I come at this issue with a vast experience in budget matters in the Senate and I can tell you this: The cost associated with sharing the OCS receipts must be weighed against the cost of inaction. I can tell you for certain, inaction would be devastating. When the destruction of the Hurricanes Rita and Katrina ravaged our Nation's gulf, it was a national tragedy, not simply a regional occurrence. Our response should continue to be national in scope and wide in its vision.

We have all heard the anecdotes of how this region hosts about half of our Nation's refining capacity and infrastructure. We heard statistics from the Mineral Management Service that showed that the Outer Continental Shelf plays a major role in supplying our energy resources.

Let me summarize. The Gulf of Mexico is the most prolific producing offshore region and we cannot leave one giant piece of it—one piece of real estate owned by the people that is probably more energy laden than any other piece of real estate in the lower 48—we can't leave it sit there. We have struck a fair balance in this bill and I can say for certain it deserves the sincere consideration of every Senator.

When we start voting, I believe every Senator should say, in fairness, let us proceed. A few days from now an overwhelming number of Senators should say proceed to permit this property, owned by the people, with supplies of gas for the people—let it be used by the people so we don't have to spend more money overseas, sending our dollars and our hard-earned currency to buy what we own, that we can produce in the next decade.

The production will be astronomical if we put our heads to understanding that it is America's property, it is America's resources. There is no risk. We ought to get on with changing 25 years of what started in California, of a fear that was irrational, and get on with reasonable, rational, safe, deepwater drilling.

I yield the floor.

The Senator from Louisana is here and when she is finished, I would yield the remaining time to Senator MARTINEZ.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I appreciate the introduction to this important measure by the chairman of the Energy Committee, Senator DOMENICI. No one has worked harder, in my view, in this entire Chamber, and perhaps in the entire Congress, to help us reach a reasonable, balanced energy policy. The Chairman knows, and I agree with him, we can't drill our way out of this situation. But neither can we conserve our way. We have to stay on parallel tracks to drill more where we can of oil and gas, and conserve more where we can.

The last Energy bill reached a pretty good balance of that. This is another step forward in that reasonable, rational, progressive road the chairman is trying to provide. He is providing excellent leadership and I am proud to support his efforts.

This bill, as the Senator from New Mexico said, will open up significant tracts of land off of the gulf coast for drilling of oil and gas that we need as a nation. I have spoken about this bill many times in terms of its benefits to Louisiana and the gulf coast, and I will again this morning. But before I do that, I would like to speak to the national issue.

Senator DOMENICI is correct when he said this country needs these reserves—and we need them now. This area of the gulf, 8.3 million acres that we have been able to negotiate based on the good work of Senator MARTINEZ and others in the Gulf Coast States, will provide more than six times the amount of natural gas that this country imports in the form of LNG each year. Let me repeat that—six times the amount of natural gas—liquefied natural gas—that this country imports every year. It has more oil than the proven reserves of Wyoming and Oklahoma combined. There is more oil here for our Nation that desperately needs it.

Our manufacturing sector is doing the best it can do to hold onto jobs in the United States. This is an issue that Senators on both sides of the aisle feel strongly about: keeping jobs in America. If we want to keep jobs in America, we need to follow the Chairman's lead and open up lease sale 181 and 181 South.

Only a year ago, the price of natural gas was $15 per million Btu. Today we are fortunate. It has gone down to $6, but 3 or 4 years ago it was $2. It is volatile and it is too high. We need to take it down and stabilize it for manufacturing and agricultural interests from which every single Senator in this body benefits.

We are competing internationally. Overseas they can produce natural gas for a fraction of what it costs us here. Our industries are struggling to hang on because the price is too high. This will help to get our price down, to stabilize it, and bring down the futures that are driving up our prices.

The same for oil: only a few years ago a barrel of oil was $35 a barrel. Today it is selling for about $75 a barrel.

We need to open up more domestic reserves—first, for the country because it is a smart and balanced energy policy. It is sound economic policy—to keep jobs right in the United States.

Second, we must open up these domestic reserves because it is sound environmental policy. Let me speak about the gulf coast for just a few moments.

I have come to this floor many times in the 10 years that I have been here to talk about the gulf coast where I was born and raised, part of the country that I think is the most beautiful and the most special. Of course, we all think the place we are born is that way. But I have also said this coast is America's only energy coast.

This is a satellite picture taken just recently. It shows the coast of Florida, the coast of Alabama, Mobile Bay, the great boot of Louisiana, the shore of Mississippi, and the great expanse of the shore of Texas. This area, since the 1940s, has been the only area in the United States that has allowed offshore oil and gas drilling. We have experimented there for 40 years. We made a lot of mistakes. But we have done a lot of things right. Now we have an industry that actually resembles the space program more than it does the old-time roughneck industry with oil greasy derricks of the old days, as seen in those black and white pictures. Today, the industry deploys technology that looks like a spaceship out in the Gulf of Mexico. We are proud of the gulf. Every widget, every gadget, every seismic device, every flange, every wellhead in large measure has been crafted, designed, and built by people along the gulf coast—and it is a trade that we are proud of. We do it without major spills. We do it simultaneously as we enhance our fisheries, and we do it proudly. We want to continue to do it.

We have laid thousands of miles of pipeline that send oil and gas not just to Louisiana but all over this country for people who live in New York, New Jersey, Maryland, places like Illinois, places in the Midwest. I want you to see where these pipelines start. They start in the Gulf of Mexico.

We drill for oil and gas proudly—and we don't use it just for ourselves, but we use it for everyone in America, to keep these lights on in this Chamber, to help cool people's homes. As we have seen many times after heat waves strike, people can die in large numbers when the utilities go off.

This is not a laughing matter. This is a very serious matter. We are proud to do it, but we cannot do it any longer without sharing in a portion—a very reasonable portion—of the revenues that are generated. We need those revenues to ensure the safety of the massive amounts of infrastructure that rest atop our rapidly eroding coast.

We generated this year from this section of the gulf about $6 billion. The projections are that it could go up to $12 billion. If we pass this bill, it will open up some other areas which will generate for the Treasury of the United States of America upwards of $15 billion a year.

The question to my colleagues is, do you think the people who help generate this revenue, the 10 million people who live along this coast, could share in a partnership with these great resources so we can provide some revenue stream to help protect ourselves and the nation's energy infrastructure from hurricanes that come our way; restore the vital wetlands that support this entire Nation; protect and support the mouth of the greatest river system in North America, the Mississippi, help drain two-thirds of the United States, the river that takes 70 percent of the grain from the Midwest?

Is it possible that we could set up a partnership that works for everyone? Or is that impossible these days in Washington?

My people at home can't even understand it. They say: Senator, who would be against revenue sharing?

We are not asking for all of it. We would like 50 percent, but we negotiated a good deal, at 37.5 percent the same percentage that onshore states used to receive from production on the federal lands in their states before it was raised to 50 percent. We are not trying to be hogs, but we are drowning down here.

If you think I am joking about drowning, I would like to show you a picture of one road. Senator DOMENICI has seen this. It made him shudder. This is the highway to Port Fourchon, which is the highway that links the United States of America to about 70 percent of U.S. offshore oil and gas production. This looks like a Third World nation.

I have come here and begged for money to help with this highway. We cannot, as a State of only 4.5 million people, support the entire infrastructure of the United States of America. We can't do it. We are not that rich. We are a Southern State that has serious challenges. I am not saying we are a charity case, but we can't build highways for everybody with only our money, particularly highways that basically carry the natural resources of the Nation. This is what it looks like.

This is the scientists' projected land loss of the Delta plains. This is from the USGS at the Department of the Interior. This map shows the projected land loss. From 1932 to 2050, this is the land lost and the projected land loss by 2050.

People wonder why New Orleans is flooding. This picture shows us why. The great marshland that protected us—up the great river system and the major ports which helped western expansion for the Nation—put it away from the water and protected it so it could help the Nation grow. Since then, we have not done our job using the revenues wisely and reinvesting in this great wetlands to protect it.

This is an opportunity to pass a bill that is balanced, that is smart, that is necessary, that is needed, and that will be put to great use by the coast of Louisiana, Mississippi, Alabama, and Texas to protect the barrier islands that protect the great energy resources of the Nation and the wonderful people who live there.

In conclusion, I will say this: I have taken Senators on planes, flying over these coastal wetlands. I look down at these ports and these bays. In the middle of hurricanes, people whose homes, schools, and churches were destroyed were sleeping on concrete in tents to keep these pipelines open for the Nation when they did not have homes for themselves.

I am not going to go home until a solution is found for the wetlands.

I see the Senator from Florida. I will yield my time. I thank him for his extraordinary leadership in finding the solution for the gulf coast. This is a gulf coast bill. It is not a Louisiana bill, nor a Florida bill—it is a gulf coast bill. We are Gulf Coast States. I am very proud to have Senator MARTINEZ's support.

The ACTING PRESIDENT pro tempore. The Senator from Florida is recognized.

Mr. MARTINEZ. Mr. President, I join my colleague, the Senator from Louisiana, and thank the chairman of the Energy Committee for his help in moving this bill today. I know it is a very important day for the United States but also for the people of Florida.

S. 3711, the Gulf of Mexico Energy Security Act of 2006, is a bill that will not only provide very needed resources for our Nation, but it also provides something that is very important to those of us who love and are from the State of Florida, which is protections for our State from encroachment by those who would wish to drill and explore for oil and gas in the Gulf of Mexico.

For many years, Members of the House and Senate from Florida have been joined in a struggle to ensure that Florida's economic and environmental interests be protected as exploration for oil and gas in the Gulf of Mexico took place.

I am pleased to say that as we have worked through this issue, one of the things that was paramount in our minds was providing some zone of permanent protection for the State of Florida. In this particular arrangement, which we have been able to reach thanks to the good work and understanding of the needs of Florida by Chairman DOMENICI and others, we have been able to find a zone of protection for the State of Florida—a zone of protection that begins in Pensacola and moves south 125 miles in Florida waters but provides an extraordinary zone of protection for the State of Florida, as we obtained not only 125 miles but frankly 237 miles from the coast of Tampa and almost 325 miles from the coast of Naples. The entire west coast of Florida is going to enjoy protection of well over 200 to 300 miles.

We are, in fact, going to be protecting the State of Florida's military mission line. The military in Florida have had a long and close working relationship. We value what they bring to our State and what they provide for our national defense.

The military mission line, in this area, is going to be observed and protected. That is what provides this extraordinary zone of protection beyond the 125 miles we see here. Why is this important? Because while we could not do this permanently—and there is no such thing as permanence—we have been able to provide this zone of protection, all of this in yellow, to the State of Florida until the year 2022, a long time from now.

In addition, a further protection of that, which is incredibly important for our State, there are any number of leases that were at a different time under different leadership and, perhaps, with not as much thought of the impact it could have on our State, our economy, our beaches, our environment. Many leases were given to oil companies, not much more than 3 miles off the coast of Florida, some 8, 10, 15, or 17 miles off the coast. The State of Florida has, in fact, purchased some of the leases in the past. I commend Governor Bush for leading the effort to do so.

Under this bill, under this arrangement, the leases that are interior in the area of Florida can then be swapped out for leases in the areas that will be explored. It is a great and wonderful opportunity for those who are holding leases close to the coast of Florida to swap them out for areas far beyond where they currently are, thus eliminating, beyond the year 2022, any threat on the gulf coast from drilling.

This is an important and good day for Florida. It is something we have battled for long and hard. Senator BILL NELSON and I—my colleague from Florida—filed a bill early this year which provides a 150-mile zone of protection. This is not 150 miles relating to the panhandle, but it is 125 miles and is, as others have said, the best deal on the table.

Is this the answer to our problems? Certainly not long term, certainly not forever. Certainly we have to understand that the future of America, as the President said in his State of the Union Message, is moving away from our dependence, our addiction to fossil fuels. We have to understand that this is at best a bridge into the future. This is at best a way to provide for now so that Florida industries that have been so dependent on gas, such as the phosphate industry, such as fertilizers, and the generation of electricity to cool and warm Florida homes, will not be imperiled.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. MARTINEZ. I ask unanimous consent for an additional 30 seconds to conclude.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MARTINEZ. I know Florida can play a significant role in the development of ethanol and other alternative fuels. I know this is an opportunity for us to bridge into the future. I am delighted that today we are going to provide Florida the kind of protection it needs.

I welcome the opportunity to move S. 3711. It is the last measure, it is the last line. There cannot be any other way but this way if we will have the support of Florida Senators.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who seeks time? The Senator from the great State of New Mexico.

Mr. BINGAMAN. How much time remains?

The ACTING PRESIDENT pro tempore. Twenty-eight minutes on your side.

Mr. BINGAMAN. Is there time remaining for the proponents?

The ACTING PRESIDENT pro tempore. There is no time remaining for the proponents.

Mr. BINGAMAN. Mr. President, shortly I will be voting for cloture on the motion to proceed to S. 3711. I will be urging other colleagues to do as well. I am not casting my vote for cloture because I support the bill in its current form. On the contrary, I think the bill that has been brought before the Senate is seriously flawed on several grounds. I am voting for cloture on the motion to proceed because I want to have a chance to propose amendments to the bill, propose improvements to the bill. I want this bill to represent good, long-term energy policy and good, long-term fiscal policy for the country.

I am aware of statements made by some that once the Senate is on the bill, there will be an attempt to frustrate the ability of Senators to offer legitimate energy amendments. I will certainly oppose any attempt to prematurely invoke cloture on the bill. Our energy problems in the country are serious business. They cry out for thoughtful responses. They also deserve a process in the Senate that is serious and is thoughtful.

In this Congress, we made great progress on energy because we adopted an open, inclusive, and bipartisan approach on the issues. In my view, that record is at risk if we adopt a process on this bill that is a closed process.

I hope the Senate consideration of this bill will be in the vein of the consideration we gave to the last Energy bill. Americans want positive, forward-looking solutions to our energy problems. They want us to use America's technological know-how to come up with innovative solutions and approaches to our problems. We are only going to be able to find those forward-looking solutions if everyone is given a legitimate opportunity to help the Senate work its will on this legislation.

I yield the floor and retain the remainder of my time.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. I ask that the time during the quorum call be charged equally against both sides.

The ACTING PRESIDENT pro tempore. No time is remaining on the side of the proponents.

Mr. BINGAMAN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VITTER). Without objection, it is so ordered.

Mr. FRIST. Mr. President, this past weekend I was in Tennessee—in Nashville, my hometown. The visit was an opportunity for me to catch up with constituents. Again and again, whether I was in Nashville or over in Carter County at a wonderful pig roast or over in Jackson, TN, west Tennessee or Memphis, the concern of the high cost of gasoline, the high cost of cooling homes, and the impact on local businesses came up again and again and again.

As I was driving through the streets of Tennessee, the average price of gasoline in Nashville, I remember specifically, was $2.87 a gallon—kind of a bargain if you compare it to here in DC, where many metro area prices averaged over $3.08 a gallon this weekend. But people back home in Tennessee feel that it is anything but a bargain. They feel the pinch in their wallets, and it affects how they live every day—whether it is driving their kids to school or taking their vacation at this time of year or filling that tractor with fuel.

Across the Nation, Americans are compensating for these high gas prices and high energy prices by cutting back, feeling the squeeze and having to cut back in other areas. We think twice about going out for dinner or lunch at a restaurant. We select our vacation destinations based today on how far one has to drive from home rather than the appeal of that destination. And we wait a few weeks longer than comfortable before turning on that air-conditioner or heating our homes. That is the direct cost these high energy prices have on our everyday family life.

Many Americans fail to realize the indirect but the very real passthrough costs of high energy prices, the extra energy costs that are hidden in the prices of the consumer goods and services we use every day. It is not just gasoline prices that are putting that squeeze on American consumers. Right now, American consumers and industries are paying the highest natural gas prices in the world. That translates into, yes, higher heating and cooling bills but also higher prices for farmers trying to buy fertilizer for their fields, higher prices for products made with chemicals, higher prices for paper products, higher prices for manufacturing jobs, which means those jobs ultimately are lost here in America.

Six years ago, America's natural gas bill was $50 billion. Last year, it was four times that, $200 billion. In countries competing for American jobs, the price of natural gas is often one-sixth—

one-sixth—as much as it is here in the United States. Thus, when U.S. companies are having to pay more for the energy they need, it makes it harder and harder for them to compete in this global marketplace. When they can't compete, they have to make very tough economic decisions that many times result in American jobs having to move overseas—where energy supplies are much more plentiful and the costs are much lower.

The National Association of Manufacturers estimates that more than 3.1 million high-wage manufacturing jobs have been lost in this country over the last 6 years—largely as a result of those high energy prices. Of more than 120 world-scale chemical plants under construction around the world, only 1 is here in the United States. The high cost of natural gas hurts farmers because natural gas is used to make fertilizer. It is hurting the forest industry. It is hurting the paper products industry. Mr. President, 267 mills have closed, and 189,000 jobs have been lost since this runup in natural gas prices over the last 6 years.

We are all familiar with the energy challenges facing America. We are dangerously dependent on foreign sources of oil. We are dangerously dependent on foreign sources of oil—much of it coming from countries with unstable governments or with interests that are cleary contrary to those of our country.

This disparity will only increase if we do not take action. We have to act to increase the amount of American energy. And that, of course, we could use right here in America today.

The bill before us—the Gulf of Mexico Energy Security Act—is going to do just that. It is action. It will reduce our dependence on foreign oil and natural gas by opening up more than 8 million acres in the gulf to domestic exploration. The area opened under this bill is estimated to contain 1.26 billion barrels of oil and over 5.8 trillion cubic feet of natural gas. It will have an impact on the prices consumers pay at the pump and on their power bills, as we look to the future. It makes sense: increased supply, when we know that price point is ultimately a product of supply and demand.

I want to make it clear that while this is a first step toward addressing the energy challenges we face, it is an important step. There is a lot more we can and should do in the future to break what the President called our "addiction" to oil, to diversify our energy resources, to increase the use of renewables and alternative sources such as ethanol and biodiesel, clean coal technology, and nuclear power, and to decrease, to minimize, to lessen consumption by consumers.

One year ago this week, the Senate passed a comprehensive national energy policy which, over the course of the last 12 months, has achieved impressive results. As a result of the Energy bill, 27 new ethanol plants have broken ground, 150 more are in the works. The amount of ethanol and biodiesel we use in our gasoline will more than double over the next 6 years, saving 80,000 barrels of oil a day, and 401 new E–85 pumps have been installed. As a result of that comprehensive Energy bill passed last year, the nuclear industry is planning to build 25 new reactors in the United States, enough to power 15 million households with clean, emission-free electricity. Because of the Energy bill passed last year, 120 clean coal facilities are in the planning stages, enough to replace 2 million barrels of oil a day by the year 2025. And because of the comprehensive Energy bill of last year, wind power, solar power, and hydrogen fuel cells all got a major boost. The Energy bill was part of the solution.

The bill on the floor today is that next critical step. Once we pass this bill and begin producing more of America's energy, we will still have a lot more work to do. We need to do more to encourage development of innovative 21st century technologies that will break our addiction to foreign oil. Whether ethanol or hydrogen or coal-to-liquids or new approaches that we can't even imagine today, we must do all we can to support those new technologies, those advanced technologies that will move us beyond the debate over oil and over gas.

For the foreseeable future, we are going to be talking about oil and gas. That is why the bill before us today is so critical. The Gulf of Mexico Energy Security Act will substantially reduce our dependence on foreign oil and natural gas. It will increase moving toward energy independence. It will strengthen our national policy. It will reduce the cost of living for American consumers.

In a post-9/11 world, energy security is a matter of national security. Now more than ever America needs America's energy. That is what this bill does. It brings more American energy to American consumers. It is a bipartisan bill.

I especially thank Senators DOMENICI and LANDRIEU, VITTER, and MARTINEZ, and so many others for helping us get to this point. I hope the Senate will now vote to allow us to begin debate on this legislation so that we can continue to deliver meaningful solutions to the American people.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the hour of 10 a.m. having arrived, the Senate will proceed to a vote on the motion to invoke cloture on the motion to proceed to S. 3711. Under the previous order, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 529, S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

Bill Frist, Pete Domenici, Richard G. Lugar, Mitch McConnell, Kay Bailey Hutchison, Jim Bunning, Trent Lott, Christopher S. Bond, Tom Coburn, Wayne Allard, David Vitter, Mel Martinez, Thad Cochran, Jim DeMint, John Cornyn, Lindsey Graham, Jeff Sessions.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is: Is it the sense of the Senate that debate on the motion to proceed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

I further announce that if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 86, nays 12, as follows:

[Rollcall Vote No. 217 Leg.]

YEAS—86

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Bingaman
Bond
Brownback
Bunning
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
DeMint
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Ensign
Enzi
Feingold
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Inouye
Isakson
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Leahy
Levin
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Mikulski
Murkowski
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reid
Roberts
Rockefeller
Salazar
Santorum
Schumer
Sessions
Shelby
Smith
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NAYS—12

Boxer
Dayton
Feinstein
Harkin
Lautenberg
Lieberman
Menendez
Murray
Reed
Sarbanes
Snowe
Wyden

NOT VOTING—2

Biden
Kerry

The PRESIDING OFFICER. On this vote, the yeas are 86, the nays are 12. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

UNANIMOUS CONSENT AGREEMENT—H.J. RES. 87

Mr. MARTINEZ. Mr. President. I ask unanimous consent that at 12 noon on Wednesday, July 26, the Senate proceed to the immediate consideration of H.J. Res. 87, which was received from the House. I further ask unanimous consent that there be 30 minutes equally divided between the two leaders or their designees, and that following the use or yielding of time, the joint resolution be read a third time and the Senate proceed to a vote on passage without intervening action or debate.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

RETURNED AMERICANS PROTECTION ACT OF 2006

Mr. MARTINEZ. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5865, which was received from the House.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5865) to amend the Social Security Act to increase the limit on payments for temporary assistance to U.S. citizens returned from foreign countries.

There being no objection, the Senate proceeded to consider the bill.

Mr. GRASSLEY. Mr. President, recent events in the Middle East have led to the evacuation of thousands of U.S. citizens from Lebanon. This evacuation is being conducted by the U.S. State Department.

However, the Department of Health and Human Services, or more specifically, the Administration for Children and Families, ACF, is responsible for assisting U.S. citizens upon their return to the United States.

Over the past several days, ACF has established repatriation facilities at the Baltimore/Washington airport, the Philadelphia airport, and McGuire Air Force Base in New Jersey. More than 5,000 Americans have been offered assistance at these facilities in recent days. Thousands more are expected within the week.

These repatriation facilities are staffed by Federal and State employees who provide assistance with travel, lodging, and access to medical facilities, as necessary. These employees are doing a tremendous job assisting all of the evacuees.

Unfortunately, under current law, this critical assistance is subject to a statutory cap of $1 million dollars. Given the expected number of evacuees, the statutory cap could be reached at any moment. Unless Congress acts quickly to raise the cap, the ongoing repatriation efforts will be suspended. We must not allow that to happen.

The legislation I have offered today, along with my colleague from Montana, Senator BAUCUS, will raise the cap to $6 million through the end of this fiscal year. This increase is expected to fully cover the anticipated costs of the evacuation this year, as well as provide for the continued operation of the repatriation program next year.

In addition to temporarily raising the cap, this legislation would provide the States with the option to use the National Directory of New Hires to verify eligibility under the Food Stamp Program. This language is similar to the provisions in current law now being used to verify eligibility for the SSI Program and to collect delinquent child support payments.

According to the Congressional Budget Office, the utilization of this option in the Food Stamp Program would save roughly $1 million a year, thus offsetting the cost of raising the cap.

In contrast to the legislation passed by the House yesterday, this legislation does not sunset the repatriation program. The repatriation program has been in operation, in one form or another, since the 1930s. There is no reason to believe this program should be abolished. Thus, the sunset provision contained in the House bill is merely a gimmick to create the appearance that the bill is paid for when in fact it is not.

On another matter, the House language includes a requirement for an IG report on the repatriation program. However, it does not appear such a report is necessary.

According to ACF, under the emergency repatriation program each State has an approved plan which they implement when needed. They are allowed to assume costs for all of the activities contained in their approved plan. The States then submit a detailed explanation of how the funds were spent, along with supporting documentation.

Finally, it should be noted that the language in the House bill was intended to lift the million-dollar cap for the current fiscal year. But it is not entirely clear it accomplishes that goal. Under current law, the cap is effective for fiscal years beginning after September 30, 2003. Under the House-passed language, the cap is effective for fiscal years beginning after September 30, 2006. Since the current fiscal year occurs after 2003 but before 2006, that begs the question—what is the cap for this year? The answer to this question should not be ambiguous. The Senate language clearly states the cap for the current fiscal year is $6 million.

Given all of these concerns, I urge my colleagues to reject the House language and support the Senate alternative. The Senate alternative will maintain the critical assistance now being provided to evacuees, while at the same time offsetting the cost of this assistance in a reasonable and responsible manner.

I urge its adoption.

Mr. BAUCUS. Mr. President, I urge the Senate to adopt the Grassley-Baucus amendment to the bill H.R. 5864—The Returned Americans Protection Act of 2006. This bill provides needed resources to the United States Repatriation Program, which is currently assisting U.S. citizens who are returning to United States from Lebanon.

The United States Repatriation Program was established by title XI, section 1113 of the Social Security Act to provide temporary assistance to U.S. citizens and their dependents who have been identified by the Department of State as having returned, or been brought from a foreign country to the U.S. because of destitution, illness, war, threat of war, or a similar crisis. The program is currently being used to provide assistance to citizens returning from Lebanon, but estimates indicate that the program could reach its statutory spending cap at any moment. The cap is currently $1 million per fiscal year. We have been asked by HHS to increase the cap for fiscal year 2006 to $6 million.

The Grassley-Baucus amendment lifts the cap for fiscal year 2006 from $1 million to $6 million. The amendment also includes an offset from the President's fiscal year 2006 budget to use the National Directory of New Hires, NDNH, to improve the administration of the Food Stamp Program. Access to the NDNH will help USDA verify wage and employment information on food stamp applications. That proposal was scored by CBO has providing $11 million in savings over 10 years.

We have worked with the Department of Health and Human Services and other Government agencies in creating this legislation. We believe we have a reasonable and fiscally responsible solution to this relatively minor problem. We urge the Senate to adopt our amendment, pass the bill, and send the bill to the House for their immediate consideration.

This bill involves a small and, thankfully, seldom-used Federal program. But as recent news events have made clear, this is a program that can provide much-needed assistance to our constituents during difficult circumstances. We should not allow these important resources to be needlessly delayed.

Mr. MARTINEZ. Mr. President, I ask unanimous consent that the Grassley-Baucus substitute amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 4695) was agreed to, as follows:

Strike all after the enacting clause and insert:

SECTION 1. PAYMENTS FOR TEMPORARY ASSISTANCE TO UNITED STATES CITIZENS RETURNED FROM FOREIGN COUNTRIES.

(a) INCREASE IN AGGREGATE PAYMENTS LIMIT FOR FISCAL YEAR 2006.—Section 1113(d) of the Social Security Act (42 U.S.C. 1313(d)) is amended by inserting ", except that, in the case of fiscal year 2006, the total amount of such assistance provided during that fiscal year shall not exceed $6,000,000" after "2003".

SEC. 2. DISCLOSURE OF INFORMATION IN THE DIRECTORY OF NEW HIRES TO ASSIST ADMINISTRATION OF FOOD STAMP PROGRAMS.

Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended—

(1) by redesignating the second paragraph (7) as paragraph (9); and

(2) by adding at the end the following new paragraph

"(10) INFORMATION COMPARISONS AND DISCLOSURE TO ASSIST IN ADMINISTRATION OF FOOD STAMP PROGRAMS.—

"(A) IN GENERAL.—If, for purposes of administering a food stamp program under the Food Stamp Act of 1977, a State agency responsible for the administration of the program transmits to the Secretary the names and social security account numbers of individuals, the Secretary shall disclose to the State agency information on the individuals and their employers maintained in the National Directory of New Hires, subject to this paragraph.

"(B) CONDITION ON DISCLOSURE BY THE SECRETARY.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

"(C) USE AND DISCLOSURE OF INFORMATION BY STATE AGENCIES.—

"(i) IN GENERAL.—A State agency may not use or disclose information provided under this paragraph except for purposes of administering a program referred to in subparagraph (A).

"(ii) INFORMATION SECURITY.—The State agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of information obtained under this paragraph and to ensure that access to such information is restricted to authorized persons for purposes of authorized uses and disclosures.

"(iii) PENALTY FOR MISUSE OF INFORMATION.—An officer or employee of the State agency who fails to comply with this subparagraph shall be subject to the sanctions under subsection (l)(2) to the same extent as if the officer or employee were an officer or employee of the United States.

"(D) PROCEDURAL REQUIREMENTS.—State agencies requesting information under this paragraph shall adhere to uniform procedures established by the Secretary governing information requests and data matching under this paragraph.

"(E) REIMBURSEMENT OF COSTS.—The State agency shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.".

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 5865), as amended, was read the third time, and passed.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRIME MINISTER OF THE REPUBLIC OF IRAQ

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 12 noon for a joint meeting with the Prime Minister of Iraq.

Thereupon, the Senate, at 10:40 a.m., recessed until 12 noon, and the Senate, preceded by the Secretary of the Senate, Emily Reynolds; the Deputy Sergeant at Arms, Lynne Halbrooks; the Vice President of the United States; and the President pro tempore, Mr. STEVENS, proceeded to the Hall of the House of Representatives to hear the address by Prime Minister Maliki of the Republic of Iraq.

(The address delivered by the Prime Minister of the Republic of Iraq to the joint meeting of the two Houses of Congress is printed in the Proceedings of the House of Representatives in today's RECORD.)

At 12:02 p.m., the Senate having returned to its Chamber, reassembled and was called to order by the Presiding Officer (Ms. MURKOWSKI).

BURMESE FREEDOM AND DEMOCRACY ACT

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.J. Res. 86, which the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 86) approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes.

The PRESIDING OFFICER. There will now be 30 minutes of debate equally divided.

Mr. McCONNELL. Madam President, I ask unanimous consent that the debate from 12:30 to 6:30 this evening on energy security be equally divided between the two leaders or their designees with respect to the motion to proceed to S. 3711; provided further that following any opening remarks of the two leaders on Thursday, July 27, the motion to proceed be agreed to, and the Senate then begin the consideration of S. 3711.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESS OF IRAQI PRIME MINISTER NOURI AL-MALIKI

Mr. McCONNELL. Madam President, before speaking on the Burmese Freedom and Democracy Act, I want to make a few comments about the speech of the Prime Minister of Iraq which we just had an opportunity a few moments ago to hear in the joint session over in the House Chamber.

Today we mark a step forward in the war on terror. A mere 3½ years ago, the dictator, Saddam Hussein, would have addressed his regime's legislature of lackeys. Today, the democratically elected Prime Minister of Iraq addressed a joint meeting of the U.S. Congress.

A mere 3½ years ago, the dictator, Saddam Hussein, ruled Iraq. He terrorized his own countrymen with murder, torture, and weapons of mass death. He posed a security threat to the entire region and to the United States. The international community decided he had to face serious consequences.

In March of 2003, America, as we all well know, led a multinational coalition of forces to depose the dictator and to liberate Iraq. Since then, the country has made remarkable progress as it throws off the shackles of tyranny and embraces democracy.

Iraqis have held three successful national elections, ratified a constitution, elected a permanent unity government, and formed a cabinet with a strong prime minister at its head: Prime Minister Nouri al-Maliki, whom we had the pleasure of hearing from just an hour or so ago.

It took our country 13 years to go from independence to the implementation of our Constitution. Iraqis have done it in 3—and under the glare of the 24-hour news cycle coverage and the threat of terrorist attacks.

When Prime Minister Maliki ascended to the podium today, it was hard to deny the importance of the moment. His presence in this Capitol represents a victory for democracy. And his country is, and will continue to be, an important ally in the war on terror. Of course, there will be many tough days ahead in Iraq. There is no denying that the security situation represents a real challenge. But America does not avoid challenges, and we do not abandon our allies when the going gets tough.

We are moving forward in Iraq. The country recently realized its highest oil production and export levels since before its liberation, and during the past 3 years, per capita income in Iraq has doubled.

I would also like to call to my colleagues' attention an article titled "Iraq as a Sovereign Nation" written by the Prime Minister that appeared in

Monday's Wall Street Journal. It points to very tangible proof that Iraq is moving forward.

The Iraqi province of al-Muthanna, located at the southernmost border of that country, has become the first province in which local Iraqi forces have taken full responsibility for law enforcement and security, taking over for our coalition forces. President Bush has frequently said: As Iraqis stand up, we will stand down. That is exactly what has happened in al-Muthanna, home to over a half million Iraqis.

Local Iraqi police and military have stood up and taken the place of 1,400 coalition troops. The Governor of al-Muthanna has command of the provincial police. Iraqi national police and Iraqi Army troops will operate in the province under the control of the Prime Minister and the National Government.

The transfer of power in al-Muthanna is only the first step. The Prime Minister writes that "current estimates envision half of Iraqi's provinces transferring security responsibility before the end of 2006"—this year. He and I agree that this process should not be driven by an arbitrary timeline but by the situation on the ground; nevertheless, this is an encouraging sign.

He goes on to write that the decisions for future transfers of power will be made based on the threat assessment in the province, the readiness of the local Iraqi forces, the readiness of the local governmental authorities, and overall coalition force posture.

The historic achievement of local control in al-Muthanna represents an important step forward in our mission in Iraq. As Iraqis stand up, we will stand down, and we will leave behind a proud and free Iraq.

The Prime Minister ends his article by saying:

> With God's help, and continued assistance from the coalition, our regional neighbors and the larger international community, our people will unite and prosper. Together, we can and will succeed.

I think we should all commend the Prime Minister for his vision and leadership. America will and must continue to stand by Iraq. None of what has been achieved in the last 3 years there has been at all easy, but we have succeeded and we will continue to succeed because freedom and democracy are stronger than the terrorists' tools of mayhem and fear.

Great credit must go to President Bush for his strong leadership in the war on terror which has enabled us to reach this transfer of power in al-Muthanna, and soon, in other provinces as well. I also commend the Iraqi Government, Iraqi police, and Iraqi security forces for their hard work in promoting stability in the country.

Of course, Madam President, I know our colleagues join me in thanking the men and women of America's Armed Forces for their courage, dedication, and sacrifice.

Stability in Iraq means stability in the region and greater security at home. As the Prime Minister said in his speech just delivered, according to translation:

> Do not imagine that this problem [of terrorism] is solely an Iraqi problem, because the terrorist front represents a threat to all free countries and free peoples of the world. . . . The responsibility of facing this challenge lies on the shoulders of every country and every people that respects and cherishes freedom.

The Prime Minister is exactly right. For that reason, America must stand firm in the war on terror, and we must stand side by side with our Iraqi allies in their war on the terrorists.

Before I finish, let me say a few words about the current situation in the Middle East regarding Israel and Hezbollah. Israel is America's longstanding friend and an ally in the war on terror. In fact, the horrors of September 11 awoke many in this country to what Israelis face daily and have faced daily for literally years. That country has been and continues to be on the front lines of the war on terror. I, for one, support Israel's efforts during this intense time to do whatever it takes to defend her people and her borders.

Maybe some have forgotten, but the terrorist group, Hezbollah, killed 241 American service men and women in Beirut in 1983. Hezbollah's love of death and destruction is on a par with al-Qaida. They are enemies to every peace-loving, democratic country. They are a threat, and Israel has a right to pursue them wherever they exist.

Now, Madam President, if I may, I would like to turn to speak in support of the Burmese Freedom and Democracy Act, which is the bill before us this afternoon.

This May, along with a number of cosponsors, including my good friends, Senator FEINSTEIN and Senator MCCAIN, I introduced this bill for Senate consideration. Passage of this bill would mean continued sanctions against the illegitimate, dictatorial regime that currently holds Burma literally in its grip—the Orwellian-named State Peace and Development Council, or SPDC. This Senate will be acting on behalf of those in Burma who are being repressed. The Burmese people want these sanctions because they want democracy, justice, and freedom, and we stand with them.

I see my friend, Senator MCCAIN, here to speak on this issue as well. He has actually had the privilege of meeting with Daw Aung San Suu Kyi, the hero of Burmese independence, an opportunity that has been denied to most because she has been essentially under house arrest for 10 of the last 17 years.

The broad, bipartisan coalition in this Chamber for this legislation indicates America's firm resolve to oppose the tyrannical SPDC regime, and America's recognition that Burma, under the SPDC, poses an immediate threat to its region. To put it simply, the allies of the Burmese people have a moral obligation to continue to stand up against the SPDC. I take great pride that we are continuing to do so.

As many of my colleagues are well aware, last year, the extension of sanctions was signed into law by President Bush on July 27, 2005. It enjoyed strong, bipartisan support and passed this body by a vote of 97 to 1. Unfortunately, recent events have reminded us of the need to keep up the pressure on the villainous SPDC regime.

Ibrahim Gambari, the United Nations Under-Secretary-General for Political Affairs, visited Burma in May as a representative of Secretary-General Kofi Annan. He met with the ringleaders with the SPDC as well as Nobel Peace Prize winner, Daw Aung San Suu Kyi, who, as I indicated earlier, is a political prisoner and has been the leader of that country's democracy movement for quite some time. Suu Kyi, as I indicated earlier, has spent 10 of the last 17 years in detention or under house arrest for her efforts to bring freedom and democracy to her people. Many other members of her party, the National League for Democracy—the NLD—have been detained as well.

After returning, U.N. Diplomat Gambari wrote a column for the International Herald-Tribune titled "A Crack in the Burmese Door." After acknowledging the SPDC's years of repression and misrule, Gambari wrote:

> Last month, something seemed to change. Burma's locked door popped open a small crack.

Gambari wrote this based on his discussions with the SPDC. But I think we should judge actions rather than words, and those actions tell an entirely different story. In fact, nothing fundamentally has changed in Burma. Suu Kyi remains under house arrest and the regime continues to engage in outrageous behavior.

I do not share Mr. Gambari's optimistic view that the SPDC is ready to, as he puts it, "turn a new page." In my view, the junta is only interested in deflecting growing pressure from the international community to change its repressive ways—and in avoiding the U.N. Security Council's consideration of a nonpunitive resolution that addresses the threat the SPDC poses to its own people and the entire region.

Shortly after Mr. Gambari's visit, Suu Kyi's house arrest was extended for another year—double the length of the extensions she typically receives, under the regime's perverted concept of a legal process.

Even worse, Suu Kyi's life was threatened in a state-run newspaper. The New Light of Myanmar, a mouthpiece for the SPDC junta, printed the following in a story on July 6:

> The days of Daw Suu Kyi and NLD are numbered. They are heading for the tragic end . . . Daw Suu Kyi and the National League for Democracy (NLD) pose the most dangerous threat to the nation.

That is an ominous threat. And the people who make it have the power to see it carried out.

They have made an attempt on her life before, and are apparently threatening to do so again.

In addition to the immediate danger its misrule poses to the Burmese people, we cannot forget for a single moment that the military regime in Rangoon poses a significant and non-traditional threat to the entire region. Their litany of abuses is well known.

Refugees spill into Thailand, fleeing the SPDC's brutal war against ethnic minorities.

Illegal drugs pour across Burma's borders into China, India, and Thailand, and destroy the lives of the region's youth.

And an unchecked HIV/AIDS virus closely follows drug trafficking routes, leaving disease and human tragedy in its wake.

It is worth noting that the SPDC spent $70,000 in 2004 to combat HIV/AIDS. This is in stark contrast to the millions of dollars spent on weapons from China and Russia—and, according to recent news reports, North Korea.

This is no time for the international community and multilateral organizations, including the Association of Southeast Asian Nations, ASEAN, to soften its stance on Burma.

I want to emphasize for my colleagues one very important point. This Senate has already done much on behalf of the Burmese people. Now it is time for the U.N. to do its part.

We need less talk and more action at the U.N. in support of democracy, freedom, and justice in Burma. We must keep in mind that the situation is so dire in Burma that the U.N. has already adopted 28 nonbinding resolutions regarding that country. It is now time for the U.N. Security Council to act.

The criteria and justification for bringing a country before the Security Council was outlined in a report commissioned by former Czech President Vaclav Havel and South African Archbishop Desmond Tutu. There is no one in this Chamber who does not applaud their sustained efforts to bring about a peaceful solution to the Burma problem.

In fact, the Senate passed in May a measure that I sponsored calling on the U.N. Security Council to discuss a binding, nonpunitive resolution on Burma that calls for the immediate and unconditional release of Suu Kyi and all other political prisoners in that country; an end to abuses against minorities, including the use of rape as a weapon of war; and the beginning of a meaningful national reconciliation process that includes the unfettered participation of the NLD and ethnic minorities with the SPDC.

It is time for the U.N. Security Council to take such action. It is time for free nations to stand for freedom.

I specifically call on the respective governments of Ghana and the Republic of Congo, current nonpermanent members of the Security Council, to support this resolution.

Ghana, in particular, is a country that values freedom and the rule of law, and support for the resolution would unequivocally demonstrate that they stand on the side of justice in Burma.

I urge our Representative to the United Nations to continue efforts to move toward Security Council consideration of a nonpunitive resolution on Burma. To do any less would be to take a step backward.

Mr. President, the Congress has stood with the people of Burma in their quest for freedom and democracy. It is time for the U.N. Security Council to do the same.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. Madam President, I thank Senator McCONNELL and Senator FEINSTEIN for their leadership once again in renewing the sanctions contained in the 2003 Burmese Freedom and Democracy Act. I am proud to cosponsor and support this resolution.

I again thank the Senator from Kentucky and the Senator from California for their leadership and their advocacy. I thank Senator McCONNELL for his very strong and inspirational remarks that he completed.

As we renew these sanctions, the situation inside Burma continues to worsen still. The military junta in that country controls the population through a campaign of violence and terror, and the lack of freedom and justice there is simply appalling. The Burmese regime has murdered political opponents, used child soldiers and forced labor, and employed rape as a weapon of war. Political activists remain imprisoned, including elected members of parliament. And that courageous woman, Aung San Suu Kyi, has spent yet another year in captivity.

Aung San Suu Kyi's resolve in the face of tyranny inspires me and, I believe, every individual who holds democracy dear. Because she stands for freedom, this heroic woman has endured attacks, arrest, captivity, and untold suffering at the hands of the regime. Burma's rulers fear Aung San Suu Kyi because of what she represents—peace, freedom and justice for all Burmese people. The thugs who run the country have tried to stifle her voice, but they will never extinguish her moral courage. Her leadership and example shine brightly for the millions of Burmese who hunger for freedom and for those of us outside Burma who seek justice for its people. The work of Aung San Suu Kyi and the members of the National League for Democracy must be the world's work. We must continue to press the junta until it is willing to negotiate an irreversible transition to democratic rule. The Burmese people deserve no less.

And, while we see encouraging signs that the world is no longer content to sit on the sidelines, not everyone has gotten the message. Nine years after Burma joined ASEAN, the Southeast Asian nations remain too passive in the face of Burma's outrages. The European Union has recently announced that it will waive a travel ban on Burma's top leaders so that the Burmese foreign minister can attend the Asia-Europe meeting in Finland this September. It is hard to see what new actions the Burmese junta must commit in order to induce the world to treat the junta like the pariah it wishes to be.

At least there should be no mistaking where the United States stands when it comes to repression in Burma. The U.S. Congress has been in the forefront of efforts to isolate that country, and we stepped up these measures significantly in 2003 with the Burmese Freedom and Democracy Act. In doing so, we took active steps to pressure the military junta, and we sent a signal to the Burmese people that they are not forgotten—that the American people care about their freedom and will stand up for justice in their country. Today's renewal of the import restrictions—sanctions that are supplied by supported by the National League for Democracy—is just one of those steps. I believe that these restrictions must remain in place until Burma embarks on a true path of reconciliation—a process that must include the NLD and Burmese ethnic minorities.

But the import ban must not be the only step. The U.S. has pushed for a resolution at the United Nations Security Council, and this step should garner wide support. The Europeans and ASEAN too should take up the Burma issue and put it on their front burners. Every responsible member of the international community must realize that the desire of people to be free is universal, and it does not stop at the gates of Rangoon. The people of Burma desire freedom and democracy, they have expressed this desire, and they shall one day have it. The question is not "if" but "when." We shall help them get there, and we shall never forget their brave struggle.

Again, I thank the Senator from Kentucky and the Senator from California for their leadership on this very important issue.

There are many issues that are before America's attention today and that dominate our television and our newspapers. But this struggle for freedom on the part of the Burmese people has been there before and, unfortunately, will be after. We must be steadfast in our advocacy until they attain the freedom that they deserve under the leadership of this magnificent, Nobel Prize-winning hero for men and women throughout the world.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. If I can say to my friend from Arizona before he leaves the floor, it is hard to imagine that the world simply doesn't pay any attention to this outrageous regime. I ask my friend, if they had a weapon of mass destruction, probably we would be paying a little more attention to this pariah regime—does my friend from Arizona not agree?

Mr. McCAIN. I agree with my friend from Kentucky. Let me respond by referencing, again, this struggle carried out by this magnificent woman. She has endured 17 years of house arrest. When her husband was in England, he was dying of cancer. She has two sons, by the way. He was dying of cancer, and she wanted, of course, to go to be with her husband in his last hours. The junta said: Yes, you can go, but you can never come back.

Among the incredible sacrifices she has made, she was not even allowed to be with her husband as he died.

One time she was surrounded by these thugs who killed some of her supporters. She was in a car for a week—inside of her car for a week, surrounded by these unspeakable, brutal thugs who were the goons of this regime.

The things she has undergone. Yet, incredibly, whenever she is with these thugs from this junta, she treats them with the utmost courtesy. She serves them tea. She treats them as only a woman of her caliber can treat her mortal enemies.

Her story needs to be told and retold throughout the world, thousands and thousands of times. As a person who is a hero worshiper, an admirer, I believe that heroes have an important place in our Nation and the world. When I see her, she ranks in the first ranks of heroes in the world. It seems to me, with all due respect to the other nations of the world—our European friends, our ASEAN friends, and others—that we should be far more energetic in her advocacy and advocacy of freedom for her people.

I thank the Senator from Kentucky.

Mr. McCONNELL. I thank the Senator as well. He makes a very important point.

The United Nations has not responded to efforts to prod them into moving this item up on the agenda. It could well be because of the lack of enthusiasm, shall I say, of the Chinese and the Russians—two permanent members of the Security Council. Nevertheless, the efforts persist. This U.S. sanctions bill is important, but it is not going to get the job done. We know that. It would require multilateral sanctions of a dramatic basis, such as were imposed against South Africa, to get the job done. At least at this point, the ASEAN countries seem to be more interested in doing business there than they are squeezing the regime.

There was, however, one encouraging sign. Burma was scheduled to host the ASEAN meeting this year. That did, I think, embarrass the members to the extent that they were unwilling to do that. So ASEAN obviously is not meeting in Burma in 2006.

The struggle continues. I thank our colleagues. This is going to pass on a voice vote shortly. I thank our colleagues for their awareness of this issue. I think it is one that will be before us for some time to come.

I don't know if there are other speakers. I see the Democratic leader. Does he wish to speak on this bill?

I yield the floor.

Mr. BAUCUS. Madam President, 3 years ago, Burma's military junta arrested democracy advocate Aung San Suu Kyi and returned her to the house arrest that she has endured with only intermittent periods of release since 1989.

Three years ago, Congress enacted the Burmese Freedom and Democracy Act of 2003, and we have renewed the sanctions called for under that legislation every year since then.

That legislation is set to expire this summer, and we are now considering whether to extend its provisions for another 3 years.

Tragically, Burma's human rights record has worsened, rather than improved, in the 3 years since Congress enacted the Burmese Freedom and Democracy Act.

Earlier this year, the detention of Aung San Suu Kyi was extended for another year. More than 1,100 political prisoners languish in jail in Burma, prevented from expressing their aspirations for a democratic government.

The military junta ruling Burma still refuses to enter into a dialog with the opposition National League for Democracy. Its brutal treatment of ethnic minorities and advocates of democracy remains unabated. Forced labor is a widespread problem, and labor activists are regularly imprisoned for trying to combat it.

The failure of Burma's dictators to address the HIV/AIDS and avian influenza situation in the country contributes to the horrific situation of the Burmese people.

And the regime's effects are not confined to Burma's borders. Thousands of refugees have fled to Thailand, Malaysia, India, and Bangladesh. Burma is the world's second largest opium producer, supplying 90 percent of the heroin from Southeast Asia. It is also the single largest producer of methamphetamine in the region.

One year ago, nearly to the day, I stood on the Senate floor and questioned whether these economic sanctions were the most appropriate tool for bringing about the kind of change we need to see in Burma.

The arguments against economic sanctions continue to be quite compelling. First of all, they have a very poor record of success. The kinds of governments that merit this sort of treatment are not sensitive to international opprobrium, nor are they swayed by it to make changes. Second, economic sanctions tend to hurt the people that they are intended to help. Ordinary people lose their jobs, while the military and its leaders are left untouched. Third, severing economic ties shuts off an important avenue of dialog that can promote change.

Those who support the sanctions point out, rightly, that Burma's rulers are not willing to engage in dialog, either at home or with its neighbors. It is plain that Burma's military dictators are not interested in being members of the international community. They have rebuffed the United Nations. And they have refused to allow U.N. Special Rapporteur on Human Rights Paulo Sergio Pinheiro to visit Burma since November 2003.

They are equally uninterested in improving the lives of their people, or participating in the global economy. While more and more nations have turned to freer markets to bolster their growth, Burma has actually worked to dismantle fundamental economic institutions like property rights, contract enforcement, sustainable fiscal policies, and a reliable currency.

It is difficult to imagine an environment less conducive to growth and less attractive to foreign investment. Revenues from oil and gas exports flow to the regime. Businesses and farmers are routinely shaken down. And productive assets are concentrated in the hands of the regime's cronies.

In December of last year, America led the effort that produced the U.N. Security Council's first-ever discussion of the human rights abuses in Burma. I welcome the administration's efforts to increase international pressure on the military dictatorship.

But if we are serious about trying to isolate the junta through sanctions, we cannot act alone. The European Union has also imposed sanctions on Burma, but neighboring countries continue to trade with Burma and to direct investment there.

The administration needs to work with other countries, especially the countries in the region Thailand, China, India—that are still economically engaged with the dictatorship to intensify the pressure on the regime.

The countries in the region have the most to lose from the worsening of the situation in Burma. As the oppression and abuse continue, more refugees will flee across the borders. As the junta focuses on enriching itself and ignoring the needs of its people, more drugs will flow across the border, and the risk of diseases like HIV/AIDS, malaria, antibiotic-resistant tuberculosis, and avian influenzas will increase in the region.

Despite my reservations about the effectiveness of sanctions to effect change, I will support this resolution, extending the Burmese Freedom and Democracy Act for a further 3 years.

This extension adds our voice to the voice of the Burmese people, muffled by the oppressive regime, in calling out for democracy and human rights. It is my hope that our action today will increase the awareness of the worsening human rights situation and bolster international support for democracy in Burma.

Mr. GRASSLEY. Madam President, I rise in support of H.J. Res. 86, which will renew the import ban we first imposed on Burma in 2003.

The Burmese Freedom and Democracy Act was our response to the reprehensible attack on the National League for Democracy which occurred on May 30, 2003, and the arrest of many NLD officials, including their leader, Daw Aung San Suu Kyi.

I worked with my colleagues, Senator McCONNELL and Senator BAUCUS, to develop and pass that legislation. We authorized a ban on imports from Burma for 3 years, subject to annual renewal by Congress.

Well, the 3 years are about to end, and unfortunately the situation in Burma has not improved. The latest report from the State Department notes the continuation of killings and rape, use of forced labor, forced conscription, arrests and disappearances of political activists, and other abuses by the ruling military junta. And on May 23, 2006, the ruling junta extended for another year the unjustified house arrest of Daw Aung San Suu Kyi. To renew trade with Burma now would send exactly the wrong signal. We need to renew the import ban as a visible demonstration to the ruling junta that their actions are unacceptable and that they must change their ways.

We also need to encourage other nations to take strong action. The European Union has imposed some sanctions. Canada, Australia, Japan, and Norway also have some restrictions in place. I think they should each join us in doing more. Other nations should be acting as well, in particular, China. I urge the administration to continue engaging our trading partners to join us in strengthening sanctions against the ruling military junta. We need to work together in order to spur meaningful democratic reform in Burma.

For these reasons, I support authorizing the import ban for another 3 years, and I support the outright renewal of the import ban for another year. I, therefore, urge my colleagues to join me in supporting passage of H.J. Res. 86 and getting it to the President's desk for his signature as soon as possible.

Mrs. FEINSTEIN. Madam President, I rise today in support of legislation to renew the ban on all imports from Burma for another year.

The House unanimously passed this bill earlier this month and I urge the Senate to follow suit today.

This bill amends the original Burmese Freedom and Democracy Act of 2003 to allow the sanctions to be renewed, 1 year at a time, for up to 6 years.

Simply put, the ruling military junta, the State Peace and Development Council has done nothing over the past 3 years to warrant a lifting of the sanctions.

It has failed miserably to make "substantial and measurable progress" towards recognition of the 1990 elections—decisively won by Aung San Suu Ky's National League for Democracy—and a full restoration of representative government.

If we vote to lift the sanctions prematurely, we will only reward Rangoon for its rejection of democracy, human rights, and the rule of law.

Let us review the facts.

Aung San Suu Kyi, Nobel Peace Prize recipient and leader of the National League for Democracy, is confined to her home by orders of the military junta. She recently celebrated her 61st birthday under house arrest and on June 9, 2006, her detention was renewed for another year.

She has spent the better part of the past 16 years imprisoned or under house arrest.

The human rights situation in Burma is deplorable and demands a clear, unified response from the international community: 1,300 political prisoners are still in jail; according to a report by the Asian human rights group, Assistance Association for Political Prisoners, 127 democracy activists have been tortured to death since 1988; 70,000 child soldiers have been forcibly recruited; the practice of rape as a form of repression has been sanctioned by the Burmese military; use of forced labor is widespread; human trafficking is rampant; and the government engages in the production and distribution of opium and methamphetamine.

Given this substantial list of abuses, it is no surprise that a recent report by former Czech President Vaclav Havel and retired archbishop Desmond Tutu of South Africa—"Threat to Peace: A Call for the UN Security Council to Act on Burma"—confirms the need for United Nations intervention.

It details how the situation in Burma fulfills each of the criteria used for past intervention by the Security Council: overthrow of an elected government; armed conflicts with ethnic minorities; widespread human right violations; outflow of refugees—over 700,000—and drug production and trafficking and the spread of HIV/AIDS.

The report should be required reading for all members of the United Nations who doubt whether or not the Security Council should take up Burma immediately.

Some may argue that because the sanctions have not achieved their desired goals—the release of Suu Kyi, the restoration of a free and democratic Burma—they should be terminated.

I could not disagree more. First, Aung San Suu Kyi and the democratic opposition continue to support a ban on all imports from Burma.

Second, the international community is coming together to put pressure on Burma: In July 2005, ASEAN forced Burma to forgo its scheduled rotation as chairman of the organization; on December 16, 2005, the U.N. Security Council debated the situation in Burma for the first time.

Last month, the United Nations Under Secretary for Political Affairs briefed members of the Security Council on his meeting with Suu Kyi, her first meeting with a foreigner since 2004; a group of legislators from member countries strongly urged ASEAN last week to take concrete measures to resolve the political situation in Burma; Malaysian Foreign Minister Syed Hamid Albar, whose country currently chairs ASEAN, blasted Burma in an op-ed in the Wall Street Journal this week for undermining the credibility of ASEAN by not moving closer to democracy.

And, finally, I believe we are making progress on having a majority of the United Nations Security Council support adding Burma to the agenda of the Security Council for debate and possible passage of a binding, nonpunitive resolution on Burma.

By taking a leadership role on this issue, the United States has inspired other countries in the United Nations to put pressure on Burma to respect the wishes of its people and the international community to release Suu Kyi and restore a democratic, representative government.

They have begun to recognize that—as the Havel-Tutu report documents—Burma's actions not only represent a threat to the rights and freedoms of the Burmese people, but to the region and international community as a whole.

I strongly urge those members of the Security Council who have not done so to add their names to the growing list of countries who support adding Burma to the council's agenda. Passage of this legislation today will serve as another beacon of hope for the Burmese people and another example of leadership that will bring other countries to their side.

I remind my colleagues that under the provisions of this legislation, we will have the opportunity to debate sanctions on Burma every year. That is how it should be.

Sanctions are not a panacea for every foreign policy dispute. But, when they are backed by a robust international response, they can be effective and they can compel change.

Archbishop Desmond Tutu has rightly said, "As long as [Suu Kyi] remains under house arrest, not one of us is truly free".

Today, I urge the SPDC to release Aung San Suu Kyi, recognize the 1990 elections, and engage in a true dialogue with the National League for Democracy.

I urge the United Nations Security Council to debate and pass a binding, nonpunitive resolution on Burma that recognizes the threat the regime poses to the region and calls for Suu Kyi and all prisoners of conscience to be released.

And, finally, I urge the Senate to renew the sanctions on Burma for another year.

The PRESIDING OFFICER. The Democratic leader.

Mr. REID. Madam President, the Senator from Kentucky has been working on this matter for years. I appreciate his vigilance and diligence. I also say to my friend from Arizona, for the Senator from Arizona to stand and talk about brutality and suppression means a lot. He understands it. We all know he understands it, having been a victim of that for years when he was a prisoner of war. I appreciate the leadership of these two fine Senators moving this matter forward.

I am going to speak on another issue at this time, Madam President. Are there others from either side who are going to speak on this matter?

Mr. McCONNELL. I say to my friend from Nevada, I am not aware of any other speakers on either side.

Mr. REID. Then we should pass it, and I will get the floor and move on.

Mr. McCONNELL. How much time remains?

The PRESIDING OFFICER. There is 14 minutes.

Mr. McCONNELL. I yield the remainder of the time on this side.

Mr. REID. I yield all of our time.

The PRESIDING OFFICER. All time is yielded back. The question is on third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 86) was ordered to a third reading, was read the third time, and passed.

Mr. McCONNELL. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GULF OF MEXICO ENERGY SECURITY ACT OF 2006—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The minority leader.

Mr. REID. Madam President, today the Senate is considering a bill that represents a positive step for our Nation's energy security. The Gulf of Mexico Energy Security Act can play a role in building a better energy future for our country and especially a better future for the people of the gulf coast.

I want the record to reflect my deep appreciation to Senator BINGAMAN, who is the ranking member of this Energy Committee, for working with us on this issue. Senator BINGAMAN has—at least to my understanding—no problems with where this bill will allow drilling. He has concerns as to how the money is going to be allocated following the drilling. I understand his concern and appreciate it. Senator BINGAMAN is the epitome of a gentleman. Even though he has concerns about how we are moving this bill forward, he has not been an impediment, and we are moving forward as quickly as we can so, again, I want the record to reflect my deep appreciation for Senator BINGAMAN, what a good friend he is and a good Member of the Senate.

I am going to say more about the specifics of this legislation. Prior to doing that, I ask unanimous consent that during the consideration of S. 3711, there be a limitation of five first-degree amendments, energy-related amendments, in order on each side.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Madam President, reserving the right to object, I say to my good friend, the Democratic leader, as he knows the development of this bill was done on a bipartisan basis. It is narrowly targeted but represents a delicate compromise between the gulf coast Senators, Senators from Florida, and it is the feeling of all those involved in developing this legislation, as I say, again, on a truly bipartisan basis, that if we open this bill up to amendments—we have lots of good ideas on this side of the aisle, and I expect there are lots of good ideas on that side of the aisle. I recall when we were doing the major Energy bill last year about this time, we spent several weeks on it as we considered virtually everybody's good idea about what to do, either on the conservation side or the production side.

So I say to my good friend, the only way to achieve success, it strikes the sponsors of the bill, is to keep it very narrowly crafted and to pass it as is out of the Senate.

I know that is not what we customarily do, but this is an unusual situation. We are trying to respond to high energy prices in America. Even though natural gas prices have subsided somewhat in recent months, we anticipate them going up again next fall. There is a good chance that the futures market in natural gas will actually respond favorably to this measure, if we can get it out of the Senate. Natural gas prices, we all know, are set in America. It is not a global price setting. It could provide immediate relief to natural gas customers all over America.

For all of those reasons, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Madam President, I am disappointed that the majority has objected. I think the proposal I made would permit the Senate to make improvements to the bill. We limited the number of amendments and we certainly would be willing to limit the time on them. But I understand the objection of the majority.

This legislation opens approximately the same area President Clinton proposed when he was President. This would be opening an area of oil and gas exploration in the Gulf of Mexico. But when President Bush came into office, he narrowed the consideration at the request of his brother, the Governor of Florida. This bill moves us back closer to President Clinton's proposal with some additional deepwater acreage opened south of the 181 area. It satisfies the concerns of the State of Florida. It is also a positive step for those who want to see the restoration of the gulf coast wetlands. I can remember the first time Senator Breaux spoke to me about the State of Louisiana and what was happening to his State.

During the time I am going to be here on the floor, which will be a few minutes—I came here 15 minutes ago and listened to the remarks of the two Senators from Kentucky and Arizona, and I hope to leave in 10 or 15 minutes—there will be an area the size of three football fields washed into the gulf, gone forever. Huge tracts of land are being washed into the ocean every day. We must have coastal restoration. We can do this, but it is not easy.

We learned with Katrina that had Katrina hit several decades ago—50 years ago—the damage would have been much less than it was because it would have had a barrier and the storm would not have hit the City of New Orleans as it did, and other coastal areas. I have been there. I saw what happened in New Orleans. I have been there a number of times. I saw what happened in Pass Christian, MS. I will always remember that in my mind's eye—the devastation from the wind.

But this legislation gives New Orleans, LA, hope because it provides a source of money to restore the wetlands that are being devastated. That is the basis for my strong support of this piece of legislation. This bill will help them get the resources which are needed to rebuild in a sustainable manner.

Everyone in Louisiana should know that they have a tireless champion in Senator MARY LANDRIEU. I wish I could express to her father, Moon Landrieu, former mayor of New Orleans, a Cabinet Secretary here in Washington, as I have done in the past. I wish I could express my support and admiration of his daughter MARY LANDRIEU, a wonderful family of 10 children. She has done so much work in this regard. If it weren't for her efforts, without any question the Senate would not be considering and passing this bill, which we will do in a few days. I am not going to be able to say this to Moon Landrieu today, but I am sure I will in the near future, and tell him about the good work his daughter has done here. Her whole family should be proud of her, and the whole State of Louisiana should be happy and satisfied with the work she has done in this regard.

For the first time in the history of this country, the delta area of the Mississippi River, because of the work we have done on it through the Corps of Engineers, and all the other governmental entities, which is one of the reasons the gulf is washing away, that we will be able to for the first time have a long-term project to restore the coastland. It is expensive and hard, but it is so important for our country.

Having said all the good things about this bill and about Senator LANDRIEU, I want it to be very clear in my remarks here today that this bill is not going to fix America's energy needs. It is not going to solve America's energy crisis. We have a failed energy policy in this country. The Bush-Cheney failed energy policies—simply more for big oil—won't work.

British Petroleum announced yesterday that their profits have gone up. In Reno, NV, the price of gasoline is $3.12 a gallon today. The price of gasoline in Nevada on an average has gone up more than 50 cents a gallon in the last year. The Bush-Cheney energy policies do nothing to alleviate the problems we are having in Nevada and around the country.

This bill will do nothing to bring down the price of gasoline or diesel. It won't come down as long as demand keeps growing and big oil companies are not investing their billions and billions of dollars in profits in new American energy jobs and manufacturing and in developing alternatives to oil.

As my friend from Oregon said better than I, we are marinating ourselves in oil. The country is being marinated with fossil fuel. We need to bring much more fuel-efficient cars and trucks quickly to market and to promote as a country energy efficiency and conservation.

That is the one real difference between Democrats and Republicans—speed. We have been ready for months and months and months, going into years, to fund and uphold a project like energy. If we can get to the Moon, we can solve our energy crisis. But we can't do it by continuing to do something we have done for 50 years. The Sun is there producing energy every day. The wind is there blowing every day and producing energy. We need to capture that energy. We need to capture geothermal energy. We are not doing it.

It appears to me the majority is not interested. The Republicans have proposed emergency spending on energy and underfunded even the mediocre Energy bill from last year. The administration still has not gotten around to issuing loan guarantees to build new biofuels plants.

Democrats want to transform the Nation's energy policy, and we want to do it now. But the Bush administration and the Republican Congress is content to let the market and Big Oil crush consumers, squeezing every last coin out of their pockets.

I had a press event across the hall in the LBJ Room this morning. I had with me a family from Colorado. They have a little 5-year-old boy. He is little, but he is a husky little kid, Johnathan. They have to fill their two vehicles. One drives a lot to his job, and the other doesn't drive as much. But they fill their cars on average of twice a week. It costs them $45 every time they fill their gas tank. It is $180 a month which they cannot afford. They have no health insurance. It is true all over America.

This morning the majority leader said there was a lot more we can do relating to energy, and we should do it in the future. I make this point to the majority leader through the Republicans and to the President, the future is now. Americans are suffering from an energy crisis, and have been since well before last year's energy bill.

In Reno, NV, it's $3.12 a gallon for regular unleaded. The future is now. What are we waiting for? Is this the best we can do? I hope we can do better before we finish this congressional term. We are not going to do it before August. That is what we have demanded, but we have tomorrow and a few days next week, and that is it.

We have good ideas. In May, the Democrats introduced the Clean EDGE bill. That stands for Energy Development for a Growing Economy. That describes the problems we have in America today. We need to do energy development. We have to do it if we want to keep our economy growing. It is a bill to accelerate development in commercialization of energy efficiency technologies, renewable energy production and alternative fueled vehicle market penetration.

Isn't it a shame that the Federal fleet, the biggest we have in America, is not one which we are using with alternative energy? And we are not. The Clean EDGE bill adds important provisions to make the Federal Government a real leader in energy instead of just the largest consumer.

The Clean EDGE bill contains important provisions to set a national oil savings goal, increases penalties to punish price gouging, and reigns in energy market speculators who are driving up the price of natural gas.

Let me say this. On public radio this morning—I enjoy listening to public radio every morning; I love that medium—I can't remember the name of the man who was there in ANWR, but he was there 50 years ago with the people who first pushed to set that aside as pristine wilderness. What he said today was remarkable. He said, I was there more than 50 years ago. He said it is the same today as it was then. He is 73 years old now. He was a young man 53 years ago when he was there.

I know how strongly the Presiding Officer feels about that. America feels just as strongly that we did the right thing in protecting ANWR. In listening to that radio program, I felt in my heart we had done the right thing.

We need to move forward with innovative, good legislation. The Clean EDGE bill does that. A few days ago, 41 Democratic Senators sent a letter to the majority leader stating our desire to move legislation such as the Clean EDGE bill before we recess to bring down prices and give consumers affordable alternatives. Unfortunately, it seems we will have to continue looking for other legislative opportunities since we need to pass S. 3711 as soon as possible, and send it to the House where they can send it to the President.

But let us not kid ourselves: this bill is good for the gulf coast and will contribute to the Nation's energy security and, more importantly, for coastal restoration. It will not affect gas prices and just extends our addiction to oil.

I again compliment the very good work of MARY LANDRIEU in moving this bill forward.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Madam President, before he leaves the floor, I want to commend the distinguished leader from Nevada. He has for a long time championed the needs of consumers. In the West, we understand the devastation gasoline prices have had on our consumers. And his case for a new energy policy, a red, white, and blue energy policy that makes us free of our dependence on foreign oil, is a case he has eloquently made, and made frequently. I want him to know how much I appreciate his leadership before he leaves the floor.

I want to start the discussion about the legislation which is before us now by acknowledging the enormous pain and hurt so many citizens of our Gulf States have endured since Katrina struck their communities. Pictures of this tragedy are seared into our minds at this point. In the Senate, I sit next to the distinguished Senator from Louisiana, Senator LANDRIEU. She has brought passion, energy, and eloquence to the cause of securing help for those she represents so well as folks in the Gulf States try and get on their feet.

My view is that the challenge for the Senate is to reconcile the need to help those folks hurting in the Gulf States with the urgent need for Congress to legislate fresh, bolder energy policies for our entire country. My understanding is the distinguished majority leader from Tennessee, Senator FRIST, will not allow amendments to this legislation. If that is the case, my view is this legislation does not balance the need to help folks in the Gulf States with the urgent need to get that fresh red, white, and blue energy policy for our country's future.

Does the Senate truly believe more shouldn't be done to promote renewable energy? Does the Senate truly believe more shouldn't be done to promote automobile efficiency? Does the Senate truly believe more shouldn't be done to protect consumers from exploitive practices? Does the Senate truly believe taxpayer dollars should be used to subsidize oil companies even though the President, to his credit, has said subsidies aren't needed when the price of oil is over $55 a barrel?

If no amendments are allowed under this legislation, which is my understanding from the statement made by the distinguished majority leader, essentially what the Senate will be saying to the country is if we go off and drill in the gulf a bit, then the country can call it a day as far as getting a new energy policy. I don't think that is good enough.

I support responsible drilling in the gulf. We obviously need more energy production. By any realistic calculus, we know oil will be part of our future and we are going to need to encourage production in a responsible way. In the Senate Committee on Finance, again, working on a bipartisan basis, the Senator from Wyoming, the distinguished Senator who sits on the Committee on Finance, Senator THOMAS, has some excellent ideas in terms of encouraging production, particularly getting more oil from existing wells. We do need more oil production. But drilling alone is not the new energy policy this country needs. It is more business as usual.

We have been down this road before. In the 1990s, for example, the Congress passed a royalty program that was supposed to stimulate energy production and be good for the Gulf States and for our country as a whole. What it has done is something very different than what was envisioned. In fact, the sponsor of that legislation, our respected colleague from the State of Louisiana, former Senator Johnston, has said the program, as it has developed, is nothing along the lines of what he envisioned.

The Government Accountability Office has said with the royalty program created in the 1990s when oil was about $19 a barrel—it is over $70 a barrel now—that program that was created in the 1990s is going to cost taxpayers a minimum of $20 billion and possibly as much as $80 billion.

That is the royalty program we have on the books now. As we start this discussion about setting up a new program, I want to make sure the Senate is up on how much money is being frittered away under the mismanaged program that is on the books today. One would think it is common sense to fix the old program before we start a new program. One would think it is common sense to take the savings generated by fixing the old program and applying those savings to paying for the new program before the Senate this afternoon. However, neither of those commonsense steps is being taken. A new program is being considered by the Senate today when Congress has not corrected the old program which even the oil companies acknowledge is not needed today, and even the sponsor, our former colleague, Senator Johnston, has indicated is not working.

I have talked with Chairman DOMENICI about this. Chairman DOMENICI has indicated he wants to fix this old program, this old, mismanaged program that has wasted so much of the taxpayers' scarce resources. We all know Chairman DOMENICI is a straight shooter and forthright and I have appreciated his discussions with me.

However, I don't think the oil companies are going to easily give up this multibillion dollar boondoggle, this sweetheart deal they have obtained. Time is not on the side of those who want to put a stop to the billions of dollars being needlessly dispensed under the 1990s program.

The legislation before the Senate now is one of the last opportunities the Senate will have to permanently fix the broken royalty program that began in the 1990s. Senator KYL and I have been working in a bipartisan way to change this. There has been action in both the other body, the House, and in the Senate, in the Senate Committee on Appropriations where the distinguished senior Senator from California, Senator FEINSTEIN, has done an excellent job of trying to advance the cause of stopping these subsidies, but my guess is the legislation the Senate has been able to at least start in the appropriations process may not even hit the floor of this body, and even if it does, the oil companies are very well positioned to run out the clock on the effort in this session of Congress to stop the needless subsidies that were granted in the 1990s.

For example, there is mediation now going on between the companies and the Government, but it is nonbinding, so the oil companies hold all the cards. The appropriations process, of course, only lasts for a year so the companies can run out the clock on that, as well.

Senator KYL and I spent a lot of time in the Senate making the case for why this was a needless expense, particularly at a time when we have so many other needs in our country. That day, despite the fact I stood in this spot for almost 5 hours, we could not even get a vote on a measure to stop these subsidies that the General Accounting Office has calculated is at least $20 billion and possibly $80 billion.

Put me down as pretty skeptical that the oil companies are going to voluntarily give up these huge sums of money. As of now, in this session, one measure after another has failed in terms of potential steps that could protect the consumer. Let's review: The Federal Trade Commission, the agency that is supposed to protect the consumer and to deal with concentration and mergers in the oil industry, a big goose egg from the Federal Trade Commission. In fact, the chair, Deborah Majoras, has all but said that high prices are essentially good for the consumer because by her theory that will promote more energy production. That is a pretty astounding theory of consumer protection, but Senators can look it up. That is what she said before the Energy Committee.

The agency that regulates commodities? Zip, with respect to dealing with speculative practices, practices that contribute very significantly to the cost of oil. In fact, when oil company executives came before our committee—the distinguished Senator from Alaska will recall—one oil company executive said speculative practices are a big factor in driving up the cost of oil for our consumers. We have not seen anything to reign in those speculative practices.

How about stopping needless tax breaks? When the oil company executives came before the Energy and Natural Resources Committee, I went down the row and asked each one of the executives whether they needed all these tax breaks. They now have record profits, consumers have record prices, so I made the point, why in the world would you need record tax breaks? The executives, when they had to answer in broad daylight, said they did not need them. Ever since then, I have been trying to roll back some of those tax breaks. The President, to his credit, said tax breaks are not needed when the price of oil is over $55 a barrel, but we have taken only the most modest step. A tiny bit of the tax relief that the oil companies are getting has been rolled back under a proposal I made involving a drilling writeoff that the companies get.

So, Federal Trade Commission, zip; anti-speculative efforts, zip; tax breaks that are needless expenditures that the oil companies say they don't need, virtually nothing. So put me down as pretty skeptical given the fact that in each of those areas the Government has ducked taking on the oil companies. Put me down as pretty skeptical that somehow these oil companies are going to come to the table and walk away and leave behind $20 to $60 billion worth of breaks in royalty relief from the 1990s. I don't think it is going to happen. I hope it does.

Chairman DOMENICI is very sincere in his views, but given the track record in this Congress of the oil companies being able to escape any kind of effort at those various agencies I have outlined, I don't think the oil companies are going to voluntarily clean up a program in the 1990s that has been so mismanaged. My sense is it is going to be necessary to pass legislation in this Congress to force the companies to give up these needless subsidies.

There is a compromise with respect to how it could be done in a bipartisan way. It is a compromise that I and the distinguished Senator from Arizona, Senator KYL, have been talking about. We actually proposed it to the distinguished chairman of the committee, Senator DOMENICI. I suggested what we might do is allow the negotiations between the companies and the Government under the 1990s royalty program to proceed for a bit longer. Possibly that will work. I am skeptical, but possibly it will.

But if those negotiations did not produce the savings for taxpayers and the cleansing of this old program that is so important, then we have to be tougher. After a period for negotiations, I would propose as part of a bipartisan compromise that the Senate then insist the companies get no new leases until the old program has been cleaned up. That would bring together some of the ideas advanced by the distinguished chairman of the Energy and Natural Resources Committee, Senator DOMENICI, and some of the ideas Senator KYL and I and others have offered on a bipartisan basis.

We suggested that be done in this bill. We said: Here is an opportunity in this legislation to permanently fix the old program before you start a new one. We thought it was a chance to take two approaches Senators have been talking about and bringing them together and permanently fixing the program. I believe if the Senate does not do that, the clock is going to run down on the program, and I think, in all likelihood, the Senate, in the beginning of 2007, will be in much the same place it is today. I do not want to see that happen.

I think it is time for a fresh approach with respect to how our country makes energy policy. I think we need to be much bolder and much more creative. I have advanced ideas in this area; a number of Senators have. But we have seen precious little of that kind of bold thinking. What we have seen is essentially business as usual.

I hope colleagues will take a look at the analysis that has been done by the Senate Budget Committee of the impact of the legislation before us today. This is, of course, S. 3711. I asked the Democratic staff of the Senate Budget Committee to do an analysis of the impact of the bill before us today. The legislation before us now authorizes at least a 50-year commitment. The oil companies, in my view, under this legislation have been able to parlay the suffering of our citizens in the Gulf States into something that I believe could become an unaffordable gravy train.

What the Budget Committee staff found is that between 2017 and 2055, the U.S. Treasury and Federal taxpayers would be out almost $20 billion beyond what is already going out the door under the broken royalty relief program from the 1990s that I have described once again on the floor of the Senate. But beyond that, all bets are off. Lost revenues after that could be as much as $12 billion to $15 billion each year.

So I would ask the Senate: At a time when clearly folks in those Gulf States are hurting, and the Senate ought to step in and be of assistance to them, does it make sense to authorize a 50-year program that, particularly after the initial period, will involve additional sums, additional untold billions of dollars of revenues that could be lost?

The challenge for the Senate now, it seems to me, is, first and foremost, to get some amendments to this legislation. I hope the majority leader, the distinguished Senator from Tennessee, Mr. FRIST, will change his mind. I hope the distinguished majority leader will allow amendments on automobile efficiency, on renewable energy, on protecting consumers from exploitive practices, and protecting taxpayers from needless subsidies. We would not be talking about hundreds of amendments. I think amendments in those four areas would provide an opportunity to strike a balance in this legislation to make sure that urgently needed help is directed to these Gulf States, that efforts are being made to get a new energy policy for our country.

It does not make any sense, to me, for the Senate to say: Let's go drill a bit in the Gulf—and pretty much call it a day. But that is what the legislation in its present form essentially says. It says: At a time when the country desperately needs a new energy policy, when people are clamoring for it at townhall meetings and in chambers of commerce and in virtually every other place a Senator goes, what we are going to say is nothing doing. We are going to say a bit of drilling in the Gulf will cover it, and a bit of drilling in the Gulf can take place, even though billions of dollars are being wasted under a program—a previous program—that was directed to the Gulf States from the 1990s.

I think the Senate can do better. I think the Senate can do better on a bipartisan basis. Senator KYL and I are ready to propose what we believe could be a bipartisan initiative that would involve recommendations made by the chairman of the Energy Committee, Senator DOMENICI, ourselves, Senator FEINSTEIN, and others. We think we could save a big chunk of money—billions and billions of dollars—that could be applied to the new program that is being considered by the Senate today.

That is the kind of bipartisan work the Senate should focus on. I look forward to the discussion and particularly hope the distinguished majority leader, Senator FRIST, will change his mind. This subject is too important to bar Senators from offering meaningful amendments and allowing the Senate to get a more balanced energy policy and securing the needs of our citizens.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MARTINEZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THUNE). Without objection, it is so ordered.

Without objection, the quorum calls will be equally divided.

The Senator from Florida.

Mr. MARTINEZ. Mr. President, I rise to express my strong support for S. 3711, the Gulf of Mexico Energy Security Act of 2006.

This is an important and timely piece of legislation that deals with an issue that is very near and dear to Floridians, which is protecting our gulf coast from drilling.

Protecting Florida's coastline is an issue of monumental concern to me and to my constituents, and I commend Chairman DOMENICI and his staff, as well as Leader FRIST and Senator MITCH MCCONNELL, for their hard work in forging a strong bipartisan compromise that allows us to do just that. I also thank the distinguished Senator from Louisiana for her work in bringing about this bill.

As Floridians know, and many of my colleagues have learned over the past several months, our beaches are extremely important to our way of life. We value their unique and fragile ecosystem. Our State's special scenery and fragile environment bring millions from across the Nation and the globe to enjoy its sugar-sand beaches and world class angling and boating.

I have spent a great amount of time and energy since arriving in the Senate fighting to protect Florida's treasures from the threat of offshore drilling, together with my colleague, Senator NELSON, as well as with the Members of the Florida delegation in the House of Representatives.

Several different pieces of legislation have been introduced over the past year in the House and the Senate that the Florida delegation has found extremely worrisome, and we have been successful up to this point in keeping drilling at bay. But the drilling battle has gotten fiercer and the stakes have gotten much higher as our Nation struggles to meet our energy demands in an increasingly uncertain world.

Pressure continues to mount in Congress to develop Federal deepwater resources in the Outer Continental Shelf. And because high oil and natural gas prices are not a Republican or a Democrat problem but they are our Nation's problem, there is a bipartisan majority that grows stronger each day behind the effort to open the Eastern Planning Zone of the Gulf of Mexico to more drilling.

So our options are whether to be part of a solution—a real solution that provides concrete protections for our State—or watch our protections be eaten away year after year by those who do not share Florida's values. I chose to be part of a solution for Florida.

I want to assure Floridians that Florida is protected under this bill. This legislation, which I was proud to help negotiate, will provide unprecedented protections for the gulf coast of Florida. This bill establishes in law a 235-mile buffer from Tampa and a minimum of 125 miles of protection from the Panhandle of Florida south through the year 2022. It provides over 300 miles of protection from Naples west. And it protects our very important military mission line. The military mission line is important to Florida because we are also blessed in Florida to host a great number of military facilities and the very important facilities in the Florida Panhandle. Eglin Air Force Base, Hurlburt Field, and the Pensacola Naval Air Station are facilities that rely on the Gulf of Mexico for training and for firing ranges, all of which would be incompatible with drilling.

Any lease within 125 miles of the coast, inside the no-drill zone, can be exchanged for new leases in deepwater in the Gulf of Mexico. In addition, the critical "Stovepipe" area located in extreme proximity to Pensacola will be protected from oil and gas exploration through the year 2022. These are historic protections that Floridians can count on for years to come.

I would like to make clear that this is not an opening for negotiation. I am firmly committed to this deal. Anything else that subtracts from the protections for our State as laid out in this legislation is not enough for our State. This is it.

To me, this compromise is a bridge to the future. It is my hope that by 2022, and maybe long before then, we will have developed a long-term energy strategy to lessen our dependence on oil. It is that simple and something I feel very strongly about for our future.

Just last year, the Senate passed a large, bipartisan Energy Policy Act that doubled the amount of ethanol in our fuel mix to 7.5 billion gallons. The bill also included provisions that I supported that increased funding for sugarcane and cellulosic ethanol development, as well as $50 million in loan guarantees to build alternative energy plants. We must buckle down and advance the use of renewables and alternative sources of energy. We are only scratching the surface of our future potential, and we should not limit the capacity or ingenuity of America's scientists to tackle this energy problem. However, we need a bridge to get to that future. S. 3711 is a way to keep our industries and utilities running while we find new ways to power our cars, heat and cool our homes, and create our energy—America's energy.

As important a priority as it is to Floridians that we protect our coasts and our environment, we must be realistic about our own energy demands. It is a difficult thing—and it has been a difficult thing as I have tried to fight for Florida's environment—to stand here and say we want no new drilling, we want no drilling anywhere in the gulf, when Florida's size alone makes it one of the Nation's largest consumers. And these consumers are Florida's families who are struggling to fill their cars and heat and cool their homes. These are struggling families who sit around the kitchen table while they balance their family budget and find the budget busted by ever-increasing energy costs. The rising cost of fuel and the strains that this is placing on their pocketbook are dominating talk of America's families.

In addition, we have to keep in mind how critical energy is to many of our industries that help drive the economies of our State. As a member of the Energy and Natural Resources Committee, I have heard countless testimony from our Nation's chemical, fertilizer, and manufacturing industries that are vitally dependent on increasing natural gas supplies within our Nation. Unlike petroleum, which is traded globally, much of the natural gas market is traded on a regional basis, and U.S. natural gas prices are among the highest in the world. For example, Florida provides 75 percent of the phosphate fertilizers used by American farmers and gardeners every day. The Florida phosphate industry is one of the State's oldest and largest economic engines, accounting for more than 6,000 direct jobs. The Tampa Port Authority estimates that that industry has created more than 41,000 indirect jobs and $5.9 billion of economic impact in the Tampa Bay region alone.

Prior to the significant increases in natural gas prices, the U.S. nitrogen industry typically supplied approximately 85 percent of U.S. farmers' nitrogen fertilizer needs. As a result of the continuing natural gas crisis, farmers have been forced to import more than 50 percent of the nitrogen fertilizers they use. In total, at least 21 nitrogen fertilizer production facilities have closed since July of 1998. Sixteen of those plants have closed permanently. That represents a 25-percent drop in total U.S. production capacity, while five plants remain idle even today. S. 3711 will provide over 5.8 trillion cubic feet of natural gas for our impaired industries, utilities, and also my constituents who are dealing with soaring heating and cooling bills.

I would like to focus now on a series of concerns that have been raised regarding this bill, how it is different and, in my opinion, better than OCS legislation recently passed in the House of Representatives. Let me say, first, that my colleagues in the Florida delegation worked tirelessly to find and obtain the best protection possible for our State under very difficult circumstances. Some have questioned the protections afforded to the buffer zone around Florida. The buffer zone provided by S. 3711, in my opinion, is clearly preferable to any other one that has been offered as an alternative. This legislation ensures that the Federal Government will continue to have jurisdiction over the Federal waters off each State's coast. We do not cede the responsibility of energy development, environmental protection or military preparedness to the desires of State legislatures. The buffer zone in the Gulf of Mexico is good through the year 2022 and also prohibits drilling in our military critical training areas.

Some have asked why Florida's Atlantic coast is not included in this bill. I would say, quite simply, that Florida's Atlantic coast has been under relentless attack for the last year and a half by those who want to drill. The Atlantic coast of Florida is still under a Presidential withdrawal until 2012, as well as the entire eastern and western coasts of the United States. This means that until the year 2012, the eastern coast of Florida is safe. Our compromise legislation in no way weakens the existing coastal protections. The House-passed OCS bill removes the entire Presidential withdrawals off of every coast and forces State legislatures to pass legislation every 5 years to keep or extend those protections.

Other coastal Senators have raised their objection to S. 3711 because they want to increase coastal buffer zones in their own States. This is a focused piece of legislation that deals only with the Gulf of Mexico. Adding additional protections to areas that frankly are not promising to the energy industry should not be an impediment to moving forward with this compromise bill. To quote the old bank robber, when asked why he robbed banks, he replied: Because that is where the money is. The area being opened for exploration is the most promising area of discovery for the industry and can be leased right away.

During negotiations, I chose to focus on protecting the area of Florida under greatest pressure, and I thank my colleagues, Senator DOMENICI, Leader FRIST, and Senator MCCONNELL, for honoring me and Florida's environmental concerns.

The last major concern that has been raised is objection to revenue sharing with western Gulf States and targeted revenues to the stateside Land and Water Conservation Fund. It is perfectly fitting and appropriate that we share revenues with the States that produce our Nation's energy and deal with its corresponding onshore repercussions. We in Florida do not want to participate in the development of this extensive oil and gas infrastructure but recognize that others in the western gulf pay the price to bring reliable energy to the country. We share 50 percent of revenues on public land within a State's boundary, and it is fitting that we provide energy-producing States with at least similar treatment. Sharing 37.5 percent of the new OCS revenues will not bankrupt the Nation, nor increase the Nation's national debt. Currently, these areas off the coast are not being leased and are providing no revenue to the General Treasury. Keeping 100 percent of zero revenues is just that—nothing.

Finally, for those concerned with funding the Land and Water Conservation Fund, S. 3711 will provide a real boost for the program. The mandatory funding stream established under this bill does not replace appropriated funding and does nothing to disadvantage the program in the appropriations process. The President's budget request has been zeroed out the last 2 years for this program and under our compromise bill, the Land and Water Conservation Fund will provide up to $450 million or 12.5 percent of the revenues generated from the new leasing each year.

This compromise was delicate and difficult to forge. Some argue more could have been done for Florida. Others protest that Florida is afforded far too many protections, given that our State consumes nearly 20 million gallons of petroleum per day. High oil and natural gas prices are not a Republican or Democratic problem, but they are our Nation's problem. It is imperative that we pass the Gulf of Mexico Energy Security Act to provide Florida with the critical environmental protections it needs, as well as bringing 1.25 billion barrels of oil and 5.8 trillion cubic feet of natural gas to keep our industries and Nation afloat as we develop future sources of alternative energy. Failure to act is not an option. I urge my colleagues to support this well-crafted, bipartisan measure.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I am proud to follow Senator MARTINEZ from Florida, who has truly gone the extra mile in realizing his responsibility to his home State of Florida but also recognizing his responsibility to the Nation and trying to balance the two in a very intricate way. There isn't a Senator on this floor who doesn't appreciate the value and beauty of Florida's vast coastlines and recognize that they are not only a Florida treasure, they are a national treasure. We know we have the technology today, as has been clearly demonstrated over the last two decades, to drill not very far offshore anywhere and make sure that it is done in an environmentally sound way to protect the beauty of those beaches and the vistas of those marvelous coastlines that make up the great State of Florida.

For Florida or any State to suggest that the oil that lies off its shore is not a national asset and, therefore, should be treated only as a State asset is simply wrong. It would be as though my suggesting, as a Senator from Idaho with millions of acres of Federal forest lands, that not one tree should be cut for the sake of building homes anywhere in our Nation. Why? Because of the environmental consequences, when we know today we, in fact, can cut trees in a clear, clean, and precise way, preserve the environment, and provide the fiber to the national fiber market, be it paper or 2 by 4s to build homes. It is also true of the minerals that lie under the subsurface of my property—but not my property, the Nation's property—on the Federal lands of the State of Idaho.

There is an intricate and important balance between what is a State's responsibility and a State's right and what is a Federal property and, therefore, the responsibility of the Congress in exercising the authority over that Federal responsibility, that Federal resource that we are today talking about in an important piece of legislation that is now before the Senate.

Embodied in S. 3711 is an effort to very carefully go at part of the resource that lies in the Gulf of Mexico that is a Federal asset and a Federal resource and do so in a way that clearly benefits the State of Florida but, more importantly, benefits every consumer in America today.

Here is the current situation that Americans face and that America simply cannot understand. Every area of this red zone around our country is a designated area by a Federal action in which we are not allowing our companies to develop and explore for gas and oil. I call it the no zone—no, you can't go there; no, you can't touch it; no, you can't drill; and, no, you can't develop. What does it mean to our country? Well, it means literally billions of barrels of oil and trillions of cubic feet of gas all around this area—Alaska, ANWR, the west coast from the State of Washington down to the border with Mexico off the coast of California, all around Florida, all the way up to the State of Maine. It is difficult to determine how many billions of barrels of oil are there, but we know that it is significant and it is phenomenal.

Let me give an example. On this little piece of paper is a green strip. It is a green strip that recognizes S. 3711. We are going to place it in its proper location in this debate. I am going to put it right there. That is all this bill does. How big is this spot? This spot is 8.3 million acres out of the Gulf of Mexico. This little spot, by this perspective, represents 1.6 billion barrels of oil, we believe, based on a U.S. Geological Survey, and 5.83 trillion cubic feet of gas right there, this little, tiny spot. Is it significant? In the mix of all of this, yes, it is. But more importantly, it says that a comprehensive broad policy under sound environmental guidelines could make this Nation tremendously less dependent on foreign oil and gas coming out of Canada.

The industries that the Senator from Florida talked about that are losing their base, agriculture and nitrogen fertilizer, the petrochemical industry and natural gas that is now going offshore, and we are losing those jobs, all of that would stop if this Senate and this Congress and this Government got their heads on right about national energy policy. S. 3711 is a step in the right direction. Is it a big step? No, it is not. It is a rather small step. But it is a tremendously important step, as we head down the road of beginning to recognize that this Nation could, in fact, become very much self-sufficient in many ways in its energy needs through its own energy production.

You have heard some rather tired and old debate about needing a comprehensive energy policy, and we shouldn't do S. 3711 without it because it simply isn't broad enough. How can any Senator stand on the floor today who stood on the floor a year ago today and debate the Energy Policy Act of 2005, the most significant, broad-ranging energy development, energy conservation, new technology for energy bill that this Congress has ever passed? It is now law. It is now being implemented. And whether you are in the Midwest or the upper Midwest or in Idaho, we have ethanol refineries going up all around us. Twenty percent of the corn crop this year will be used in the production of ethanol and into the future. Why? Because of new technology and national energy policy. You don't need to reinstate or restate what we did last year. All you need to do is keep adding to it and strengthening it in a way that allows us as a nation to become increasingly self-sufficient.

S. 3711 does just that. Let me bring your eye back to the chart, back to this little, tiny spot on the map, this 3.8 million acres. That is a lot of land, isn't it? In this case, it is a lot of water. Under that water and in that land rests an opportunity to bring down the energy costs to the average American consumer by a significant amount and to make us less dependent on foreign sources for our oil today in areas of the world that are politically very unstable.

I could go on about a lot of facts, statistics, and figures. But let me take you to the real important part of this debate. It is called security for the average American family. America is frustrated today, and the average consumer and average mom and dad are tremendously frustrated because their cost of living is not keeping pace with their paycheck. Why? Because instead of driving to the gas pump and filling up for $10 or $15, they are paying $40 or $50 each time, or more. What does that do to a family budget? You may say that is one energy cost; they can surely abide that. Did you check their thermostats and their other energy bills, the cost of electricity to turn the lights on and keep their computer on for them and their kids? What about the temperature in the home in the cold winter months? All of that has costs significantly more in a very short period of time.

In 6 years—that is the life of one term of a Senator—natural gas prices that heat the homes of America have gone up 286 percent. While I know we ought to be concerned about all of the politics and all of the surrounding land and doing it environmentally sound, what we are talking about today is beginning to understand the burden and the sense of insecurity that the American consumer is suffering from and doing something about it. It would be one thing to say there isn't any more gas, there isn't any more oil, and we are shifting to a bunch of alternatives, and in the meantime you are going to have to pay the price.

The reason the American consumer is paying more at the pump today, more for their electrical bill and heating is because of politics, because the American politician for the last two decades has denied the American consumer the right to have access to the resources they are entitled to have. I hope we got the message.

S. 3711 begins to say to American consumers that we hear you. We may be a little late, but we hear you. In hearing you, we are going to bring 5.83 trillion cubic feet of gas online in a relatively short period of time—18 months to 2 years at the very latest. And we have the potential of bringing 1.6 billion barrels of oil into the gulf coast refineries. That is billions of barrels that we will not buy from Venezuela, Saudi Arabia or any other place that is politically unstable. We are going to produce it in this country. That should help bring down or stabilize the cost of gas at the pump.

The American consumer ought to be able to rely on its Government not to stand in the way of the private industry sector of our country and its ability to produce for that American consumer. But for decades upon decades, we have done just that, all in the name of environment—in most instances, even when we knew that the environment wasn't going to be damaged. And now we know for sure.

Remember Katrina? Remember what happened a year ago, as one of the most powerful storms in the world surged up the Gulf of Mexico and across the coast of Louisiana and Mississippi and Arkansas? It tipped over oil rigs out in the gulf, shut down thousands of wells that are in this green area. And no oil was spilled. Why? Because of the safety mechanisms, the environmental ability that our industries have today to do it right.

Few of you remember what happened off of the coast of California in the late 1950s and early 1960s; it was an oil spill known as Santa Barbara. From that day forward, the environmentalists' call was: Remember Santa Barbara. The reason we had so much difficulty with this little sale was the ghost of Santa Barbara. Let me tell you, Santa Barbara is dead, buried, and gone. From that day forward, the American oil-producing industry learned lessons, developed technologies, wellhead shutoffs, did all of the right things not only in a voluntary way but also because of mandates of public policy from our Federal Government. We began to get it better, and it is the best it is today. Americans ought not fear drilling off their coasts because it is done right. Remember Katrina and not one drop spilled.

Let me talk about something else that simply demonstrates the reality of where we are. Let's dial up your scope and not look at the whole of the United States; let's go right to the gulf on this chart. Here we are. Here is 181. This is what S. 3711 talks about, this 8.3 million acres. We provide excellent buffer for the State of Florida all around. Yet we are going to allow production to come off in that area so that the American consumer can feel a little more secure, hoping that the price at the pump will not go up anymore and might go down a little, and their energy bills this winter may go down a little bit. But the reason I bring this to the floor is because of the speech I gave some months ago on the Senate floor about what is going on right here, the Northern Basin off Cuba, 50 miles from the Florida coastline. We have five foreign countries drilling there today. That is 50 miles off of our coastline; it is property that belongs to the Cuban nation. China is there drilling, as are Spain and Canada. It is not 120 miles away, not the big buffer zone we created to protect the Florida coastline from our own effort, our own expertise, from the world's best deep-sea drillers, the U.S. petroleum companies. In some instances there, it is nations that know little about the technology and are borrowing it from others and don't have our quick shutoff systems and our wellhead protection systems. They are not 120 miles off of our coast, they are 50 miles off of our coast, and we cannot do a thing about it.

Let me rephrase that. There is something we could do. Right now, we have prohibition that no U.S. company can go there. It is Federal policy, U.S. foreign policy. Why? Because it is Cuban. Yet the Cubans would love to have us there. Why? Because of our expertise and talent. They want their beaches protected. This particular area of Cuba has beautiful, sandy white beaches being developed by foreign interests today for resorts, so foreign tourists can come there from all over the world. They don't want those beaches at risk, but they also want oil developed. They would love to have us do it, but we have a prohibition against that. We will debate that on the floor.

I have a bill that 20-plus Senators are cosponsors of. It would change the policy and allow U.S. companies to play in that area, to bid, and to become the producer—not for a Chinese market but for a U.S. market. Isn't it phenomenal? Here we go, again. Here is the "no zone." We say: No, you can't. No U.S. company can touch any of this. But right down here, we say: China can come and drill. We say that by the absence of good foreign policy; we don't say it in reality. But by denying ourselves the opportunity, we invite the world to come.

The reason it is important that I say this in the context of S. 3711 is for the American people to understand that, as we struggle to get it right, with lease sale 181 embodied in the Senate bill, it is but a small step in the right direction—albeit the right direction—with potentially a very significant impact to the consumer's pocketbook. At the same time, we have a long way to go as a country, as our economy struggles under dramatically increased energy costs, as the average family struggles to balance their budget, their household budget.

There is no way that mom's or dad's salary is going to go up 280 percent in a few months' time. It will not happen. Yet everything that is tied to energy, everything that is tied to the petrochemical industry, their costs have gone up dramatically, and all of those are put off on the American consumer. Did you hear the Senator from Florida? Twenty-five to thirty percent of our nitrogen production has gone offshore.

Now, we are so silly that we are stepping on our food bills. Nitrogen goes on the ground, nitrogen produces crops, crops produce food, and food gets to the consumer shelf. By our public policy, we are suggesting that food costs will even go up, or at least the producer's costs will go up. If the producer's costs will go up, they will attempt to pass that through to the market shelf, to the grocery store. So not only by the absence of good policy are we going to cause mom to pay more to get to the grocery store, we are going to ask that she pay more when she gets there, all because of an incoherent lack of policy that doesn't fit the absolute needs of the American consumer.

I could go on a lot longer about national security and our dependence on foreign oil and, when that dependence is at risk, then we have to suffer or we put our military in harm's way, in part, to protect our foreign interests and keep rural stability. We will argue that it is in the name of human freedom, but in the process it holds down energy costs by creating a stable world.

Senator DOMENICI chairs the Energy Committee, and he has worked now for a year to produce the legislation that is before us. He recognizes, as do many of us who serve on the Energy Committee, the reality of where we are today and where we have to go. The American consumer will, I believe, feel the positive result of this legislation when it becomes law, when the drilling starts, when the marketplace recognizes that the potential of bringing 5.83 trillion cubic feet of gas to the market and 1.6 billion barrels of oil is very significant, and it is done in a safe way and environmentally sound way and it is out of harm's way from the rest of the world that is growing increasingly unstable, which happens to be one of the primary producers of crude oil for the world market. No, finally the Senate gets it.

Senator DOMENICI and I and members of the Energy Committee and this Senate struggled for 5 years to craft the Energy Policy Act of last year, a very significant bill.

A lot of work is underway. Billions are being invested in all forms of new technology and energy and energy development. But in the interim, in the next decade or two, as we transition this great economy of ours to different forms of energy, you don't turn off the energy you have, you don't tell the consumer not to drive the car for 5 years until we can get them a hydrogen fuel cell car that doesn't do any emission, or maybe is supplied by energy that is going to cost less. Our country doesn't work that way and it never has.

S. 3711 begins to put us in sync with reality. I say to the American consumer that we hear you. We hear you loudly and clearly and we grasp your sense of frustration and insecurity at this moment. Passage of this bill will help stabilize energy costs and, in some instances, especially in natural gas, it may well bring down those prices for the winter months and the heating months of 2006 and 2007. If we can accomplish that—and I think we can—then this Senate ought to vote unanimously for S. 3711. We ought not get caught up in the minutiae of the politics of the past because the minutiae of the politics of the past have produced $3 gas, have produced $10 and $12-per-million-cubic-feet gas, and have caused the American consumer to develop a sense of insecurity about themselves, their families, and their futures like none we have ever had.

The chairman of the Energy Committee gets it. That is why he has worked as hard as he has. I believe I understand those issues, and I am proud to be a cosponsor of this legislation.

Let us say to the American people: Let's take a step further. Let's erase this red area from surrounding the American coastline. Let's look at new offshore policy that says to the American consumer: Here is an opportunity, and we ought to deal with it in an environmentally sound way, instead of just saying no. You can't just say no and be able to deal with that at the gas pump the next day because when you do, that means the American consumer pays more.

I see that as the essence of this bill. And in supporting S. 3711, albeit a strong step, it is clearly a step in the right direction. Let's remember the responsibility we have to the consumer as we effectively deal with and develop these resources because that consumer is also an environmentalist who wants it done in a safe and sound and environmentally clean way. That is what we are about.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, first, before the distinguished Senator leaves the floor—I see he is still here and I am glad he is—I thank him very much not just for me or for that speech, for that statement, for that set of thoughts, but I thank him for the American people for his thoughtfulness.

If anyone wants to read the text of something that summarizes from beginning to end the problems we are having and why in the areas of high costs of natural gas and crude oil and insecurity and lack of consistency and fluctuation in prices that are frightening and scaring everybody, read the speech that was just delivered by the distinguished Senator from Idaho. It is a tremendous introduction to the problem and then a total summation and wrap-up of what we can do for ourselves and why we should do it and why with the problem of energy supply in the fields of natural gas and crude oil, wherever America can, we must use our resources, especially these days when insecurity in the world causes such a problem. Even if they are supplied, the price is totally out of focus, and everybody should know that if we have our own supplies, that is what we ought to use—it is sitting right off our coast—with no damage, as the Senator from Idaho indicated.

We saw the little piece of property out of acres and acres and miles—this little piece of property, 8.3 million acres. He showed it to us on a map. It is loaded with natural gas. How do they know? They have already proven it. Part of it was ready to be leased; isn't that right, I say to the Senator? Part of it was ready to be leased in the regime of the Governor of the State of Florida, a former Senator, Lawton Chiles. As a Floridian, he, years ago, acknowledged this must happen, that part of this property was prepared. We know it. When we put it to bid, it will be ready to go.

Not only that, as the distinguished Senator indicated, to have an impact on the cost, we don't have to wait until they drill—right?—because it is such a big supply that the marketplace will take cognizance, will be aware of, will respond to the fact that we are ready to do it.

Once this bill leaves here, even that might have an impact. But I am not sure, until it is signed, as I think of it, that will have an impact because there is always a chance for a slip between the cup and the lip.

We have to get it done, and we have to get it voted on. It is ours. It is ready to go.

I once again thank my good friend and valued member of the Committee on Energy and Natural Resources—and many others around here—for his terrific speech summarizing the problem we have and the way this American solution to an American problem should be addressed and why.

I thank the Senator. I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I rise today to join in the conversation and the discussion about energy and in support of S. 3711, the Gulf of Mexico Energy bill.

We are coming up on the anniversary of the Energy Policy Act which we passed sometime back. It is comprehensive energy legislation that recognizes the difficulties we have in this country, recognizes the directions we need to go, recognizes in general terms where we have to be, whether it is increased production, whether it is efficiency and conservation, whether it is alternative methods, whatever. All those issues are excellent, and I am glad we did that.

Of course, now we are in the position of implementing those policies and implementing the policies, of course, is what will have an impact on people in this country, what will have an impact on the costs.

Despite the Energy bill, prices, of course, have risen. They have increased because we haven't been able to implement the bill to bolster production. There are a number of things going on, and I think we have to continue to remember that there are at least two aspects of the future in terms of energy.

One is, out 20 years, we will be looking at all new kinds of sources, all new kinds of supplies, whether they be wind energy, sun energy, but those are down the road. We are not there yet. On the other hand, we need to be talking about how we are going to supply our cars and how we are going to take care of the costs for American families this year, next year, and 5 years from now. So there are two aspects that are very much involved.

One of the reasons, of course, is we haven't been able to move. There has been some resistance to including production in measures. The recent jump in prices has been linked directly to that resistance. It is time to do something about U.S. production.

I echo the comments the senior Senator from Louisiana made earlier today that we cannot drill our way to energy independence and we cannot conserve our way to energy independence. We have to do both. We have to have production, we have to have efficiency, we have to have conservation. Oil and gas is the easiest way we know to do this.

I come from Wyoming, one of the large production States of oil, gas, and coal, the largest producer of fossil fuels. We know how to do these things, but we have to find new sources, new ways of moving toward the energy that is there.

For the sake of security, we must do more. We must reduce our increased reliance on foreign sources of energy. Obviously, as the world changes—and we see every day on the TV how difficult it is to continue to do that—the Outer Continental Shelf holds great promise for accomplishing that goal.

The higher prices we have seen recently are the result of many factors, and we need to address those factors. We all agree increased supply lowers prices. We need to produce more energy in the United States, and, of course, this is a politically charged issue.

Many people have proposals they believe will help. I have my own bill to reduce prices that Americans pay for energy, increase efficiency, new refineries, and better infrastructure and all the things we must do.

We cannot deny the basic economic principle that increased supply reduces cost. It is simple. The bill we are debating today will increase domestic supplies of gas and oil. It will do so in ways that are sensitive to the environment, that will make us more secure and bolster economic opportunities. And it represents an agreement between the States that are most directly impacted by gulf coast production.

Too often people complain about the high energy prices and attempt to blame others. We have an opportunity to do something about that cost of energy today. In 6 months' time it will be winter. I am certain that Members will complain about the cost of energy then, too. I am also sure there will be a call for more money to spend on LIHEAP and other programs. I ask that we deal with those problems now and not later.

The American people are paying close attention to this bill and want us to continue with this debate and make some improvement in domestic production.

If we do not increase supply now, the American people will know who to blame. There are, of course, other things that Congress needs to be doing on energy. Coal conversion technologies need our full support. We have over 200 years' worth of coal in the United States that can be cheaply produced. Wyoming supplies a third of our Nation's current coal needs.

We put this coal on railcars and send it across the Nation. That is increasingly becoming expensive. We want to put the coal in pipelines and convert it to diesel and electric power for cleaner power.

Our electric transmission grid needs to be modernized. Several hundred thousand people lost power this last week in California, Missouri, Illinois, and New York. The grid is stressed, and we need to encourage investments to strengthen it.

I would like all of our coasts opened to responsible production. This bill makes 1.3 billion barrels of oil and 5.8 trillion cubic feet of natural gas available. That is a good thing. Let's not forget there is an additional 19.3 billion barrels and 83 trillion cubic feet of oil and gas off our coasts that are currently off limits. This bill does not make those areas available.

Yes, I prefer that revenues from these activities be used to reduce our Nation's debt. There is continued resistance to all of these broader approaches, however.

I hope that lease sale 181 can serve as an example to other coastal States that offshore production works. What we need now is a bill on which we can agree, and we have it before us. We need something that can make a difference in the short term. This bill is a pragmatic approach that achieves these goals. This is something we know can happen. We know how to produce it. It is available. It recognizes the value of increased production and strikes the necessary balance to make those activities a reality.

We are faced with a broad challenge in energy, of course, a long-term challenge. We have all kinds of approaches to it. But here is one before us that we know how to handle, that we can handle, it has an impact, and it is prepared for us to do today. I urge my colleagues to support the bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I will be glad to defer to the distinguished ranking member of the committee. I won't be long. I will go ahead and address this very important issue.

I begin my remarks by thanking the distinguished senior Senator from New Mexico, Mr. DOMENICI, for his leadership in this area. He is one of our more knowledgeable Members. After years of watching him at play, I now refer to him as our No. 1 utility player. Whatever the problem was, he can be helpful. He is knowledgeable on budget issues, energy issues, and also has a practical side: Let's find a way to get it done. Once again, he has done that with this bill.

I know he wants to work with his committee. I know he wants to work with Members on both sides of the aisle. But I know more than anything else he wants to do the right thing for our country. So I thank Senator DOMENICI for his leadership. He has agreed to do some things in ways he would not do it if he could do it in a vacuum. But that is what leadership is all about. In the legislative process, you don't get it 100 percent the way you want it. You have to give a little and get a little to do the right thing, to produce a product for the American people. So that is the main reason I am here. I want to thank you for that.

I also acknowledge the leadership and encouragement of Senator MARTINEZ, the Senator from Florida, and others from Florida who have been helpful in this effort. I have a great admiration for Florida. It is more or less a neighboring State—a little bit of Alabama intervenes between my State, where I actually live, and the Panhandle of Florida—and I haven't been able to understand why they have been so opposed to oil and gas production in the Gulf of Mexico. I understand the concern about coastal areas—the beaches. But there has to be a reasonable and practical way to protect the American people and their needs for this production, and shield our beaches and our tourist industry from harm.

It is easy to say: No, no, I am not going to have it at all. It takes courage and leadership to say: Well, let's work this out in a way that would be the right thing for our military bases in the Panhandle of Florida, and for our tourist industries in Florida, Alabama, Mississippi, Louisiana, and Texas—we all have that—and take advantage of the tremendous resource that will help the American people, that will reduce our dependence on foreign oil. This is what this is all about.

It is not just the prices at the pump today; it is about the long-term plan. We have a problem here. It is a growing problem. Are we going to do something about it? This is a step in the right direction. That is the message here. Will this bill solve the problem tomorrow? No. It will have an impact almost immediately, because people will see we have taken some action and they will act. And it probably will have some impact on natural gas pretty quickly. But it is a clear statement to everyone that we realize there is a problem here and we are going to do something about it.

So I thank Senator MARTINEZ for stepping up. Senator NELSON has been involved, and I hope we are going to have a unified group of Senators from the entire Gulf of Mexico area to endorse this concept. We have worked at that. Florida, Alabama, Mississippi, Louisiana, and Texas, have met and talked on a bipartisan basis about doing the right thing. I have been proud to be a part of that.

Senator LANDRIEU of Louisiana has been relentless—relentless—has she not, I ask the Senator?

Mr. DOMENICI. You bet.

Mr. LOTT. She has worked this issue hard. Senator VITTER has made sure we have done it in the right way. He has looked at the language very carefully. I commend them in particular. Their State has probably been more active involving this issue than any other Gulf States. Their State has also taken some of the negative impact—on the coastal areas—in recent years. Therefore, it is only right that they get a higher percentage of the coastal impact fees and that they be recognized for their effort. Senator HUTCHISON and Senator CORNYN, Senator COCHRAN, Senator SHELBY and Senator SESSIONS also deserve to be recognized. We have all been involved.

The next point I want to make is I don't quite understand why we are finding it harder and harder to produce a result. It is has become so hard to be bipartisan. I admit it is almost impossible to get a bipartisan agreement that is bicameral. Maybe it is just a sign of the times; maybe it is the political season we are in which may be a little more testy than normal. But here we have a perfect example of a bipartisan bill. A wide margin of you vote earlier on the motion to proceed to this bill, and we are now in the debate time on that. I predict when we get to the final vote, it once again will be bipartisan, probably higher than anybody would have thought. But this is the way it can happen. This is the way it should happen. So I am glad we are working in a bipartisan way.

I want to say: Look, we made some progress last year with our Energy Policy Act of 2005. It didn't entirely address our energy needs, obviously, but it was a step in the right direction. Now, here is the next step. For years, I have been stressing that our energy policy in this country has to be balanced. I would prefer to produce our way out of our energy situation. I believe we can have more: more oil, more gas, more hydrogen, more nuclear, probably more wind and solar energy too. We can do it all. But I finally came to the conclusion we are not going to be able to just do one part of this equation: we are going to have to produce more, we are going to have to conserve more, we are going to have to look for alternative fuels, and we are going to have to be innovative. I have made that concession. After all, it makes sense. Why don't we do the whole package?

That is what last year's Energy Policy Act began to do, it made some improvements in nuclear and in hydrogen and alternative fuels. However, we can't do all of those things instantly. Very few places are ready to build a new nuclear plant. My State of Mississippi may have been one of the first to build a new nuclear reactor. That is great. We need to move towards alternatives such as liquefied natural gas, and once again, we have to build the facilities. And that won't happen tomorrow.

In the meantime, while we need to make stronger conservation efforts and come up with more alternatives and innovative ideas, and we need more oil and gas. It is that simple. Now, we can get it some way or the other from Iraq, Venezuela, Nigeria, Iran or we can get our own safely. When I go to my State of Mississippi, people scratch their head and say, why is it that people from a certain part of the United States are determined we are not going to get oil out of ANWR? What is it to them, and what does it mean to the country?

For whatever reason, without impugning anybody's motives, we haven't done it. But we can do it in the gulf. We can do it in the Gulf of Mexico because we know it can be done. We think it will be in the best interests of our States and our people and we think it is in the best interests of America. It is there, it can be obtained safely, miles off the coast.

I want to emphasize right up front: This is not about putting oil rigs or natural gas wells within the sight of the beach, although there have been natural gas wells in plain view from my front porch in Pascagoula, MS. It is not about that. We do not want our beaches to be threatened. This is going to be at least 100 miles away—in the case of Florida 125 miles away from this 181 and the other areas we are going to open. I think it can be done and it will produce very early results.

Look at what we are talking about here, freeing up 1¼ billion barrels of oil that we won't have to get from some unstable government overseas, and almost 6 trillion cubic feet of gas, that is huge. Others in this country ought to be willing to do the same thing in other coastal areas. But I want to emphasize that this is not about any other coastal area; this is just about our area. We are prepared to step out, do the right thing for our country, take the risks. But we also want to get a little of the benefits, a little help in trying to deal with some of the problems we have in the coastal region.

By the way, one little aside: This bill will reduce the Federal deficit by almost $1 billion over 10 years—$1 billion—probably more. I think all of the numbers are understated. I think we are going to get more oil, more gas, more benefits, more money coming into the Federal Treasury and our States. We will do it without raising taxes or fees on anybody. So we get the benefit of additional supply, we get the benefit of impacting our Federal budget, drilling will produce hundreds of jobs, good-paying jobs. I know the people who work on those rigs out there in the Gulf of Mexico, and I know the kind of money they make. Yes, they work hard and they take risks and they are away from their families, but these will be good, new jobs for good, hard-working people—people who need a little help right now, these are the people who have been hammered by Hurricanes Katrina and Rita.

For decades, almost every dime generated from leasing of Gulf of Mexico areas for oil and gas all came to Washington—all of it came to Washington. Mississippi, Louisiana, Texas, and Alabama, the States which permit energy exploration off their coasts, reaped very little benefit, but they incurred a lot of the risks, some of the damage and some of the threats. We provide the infrastructure. These boats don't just take off from nowhere; they have to be built somewhere. All of this goes on—it is not all perfect, let me be honest about that. There are certain challenges. So we feel there should be an equitable distribution of the royalties from the Outer Continental Shelf to those of us who are on the front line.

For years States that allow energy production on Federal land receive 50 percent of the Federal revenues from these activities. Those of us in the gulf: zip—other than what we get indirectly through the Land and Water Conservation Fund and through Federal largess, which, in our area, is not much.

So we think this is important. We are trying to stand up and do what we think is right for our country, but we want to also do the right thing for our States. There is a coastal impact. We all know that. This is an acknowledgment of that. The Gulf States which will be producing this would get under this agreement 37½ percent of the Federal revenues from the new leases entered into after the date of enactment. Twelve and one-half percent, though, of the revenues would go to the Federal

Land and Water Conservation Fund. for all of the States to use. We are not greedy, but we want our fair share for a change. There was a time when we wouldn't stand up, speak up, and fight for what is right for our people. This time, we are going to. It is a win-win. It is right for our country and it is right for us. I think this is a good arrangement.

The money that goes to the States—Senator LANDRIEU and I have felt it shouldn't all go to the States. Our State capitals and our State Governors are quite often not from the marshes of Louisiana or the beaches of Mississippi. We have to make them understand where we are and who we are. Once again, part of the problem over the years has been our own fault because the attitude in the south of Louisiana and the south of Mississippi is: Oh, well, we will do it ourselves. Well, we are trying to get a better rate. We are trying to make more sense. So 20 percent will go to the coastal counties that are impacted.

I know the Senator from New Mexico, Senator BINGAMAN, is here, and he cares about those areas. I want to tell him what these monies will be dedicated to. They will not be frivolously squandered on some project that is not along the coastline. The funds are going to go to coastal conservation, coastal protection, and restoration. Hurricane protection—hello—do we need to do that? By the way, if we don't do it, we know who is going to pay our bill because when we are flat on our back the Federal Government will have to come in again with hundreds of billions of dollars. Let's be proactive. Let's try to do a better job in protecting our coastal areas and our marshes. If we do not take action, the impact on fisheries could be absolutely detrimental. If you don't have these areas of brackish water, you are not going to have the shrimp and the fish we have been trying to develop there. This money will provide for mitigation of natural resource damage.

I firmly believe this will have a great impact in our area. It is the right thing to do. These areas will be better, and in some instances they will be restored. Louisiana is losing land every hour, and although we may not have that big a problem in Mississippi yet, this problem is only going to get worse. We can take action to protect the future.

We have a chance to do some innovative work. In my State of Mississippi, we are not trying to put things back as they were before Hurricane Katrina; we want them to be better. We are coming up with innovative ideas. We are thinking about how can we be better prepared to withstand a hurricane. These funds will make a huge difference in the long run.

I want to make this clear: I think this is a great effort that we will all be able to point to in the future and say that we did something great. This is something that will make a difference. We will be saying to the American people: We understand your pain, we feel it, and we are taking steps to do something about it.

This will not be the last effort. We are going to have to do more. But now is the time to do this. Now is when the people are suffering due to higher prices for oil and for natural gas. It has made it very difficult for people. This legislation will reduce our dependence on foreign oil, it will help us with our budget needs, it will provide more money to protect natural resources, and it will bring much needed funds and jobs to the gulf area which was hammered by Katrina and Rita. This is truly a plan which Congress should pass and be proud of and the President should adopt.

I look forward to working with my colleagues as we go forward in the next couple of days to complete action on this important legislation.

Mr. LOTT. Obviously, people who have the time to look at this believe it has been a very unfair situation, one that for some reason or another we have tolerated for years. When they realize the way it is handled in other parts of the country, they feel very strongly it is time we step up and get some benefit.

It is also further exaggerated and exacerbated by the fact that if we believe that we are on the line, dealing with all the costs and all the potential problems that could go along with this, we ought to get some of the benefits so we can prepare for that.

I want to say that the people in the Senate and the American people have been very concerned, sympathetic, and helpful to us after the hurricane. But they know we have coastal impact problems. We need to address some of those problems now, not later, because they have become very serious. There are areas we are losing that are basically going into the Gulf of Mexico, and we can also take steps to preserve what we have and to better prepare for hurricanes, use for protection and mitigation for the future.

The people feel very strongly about it. It is not just our Governors who see this obviously as one way to help us deal with the future needs we have, but also just the rank-and-file people. We understand we need to get it done.

This proposal, which would give our Gulf States some share for our coastal impact, will give us the benefit of getting some help. Also, the people understand this is something we need to do for our country and are willing to do it in the gulf. I wish the rest of the country would follow our lead. However, we are not going to fuss about that, we are just going to step up and do the job.

Our people do feel very strongly about it. They believe we have not been treated fairly and it is time to do something about it.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BINGAMAN. Mr. President, how much time remains on the two sides?

The PRESIDING OFFICER. The Senator from New Mexico controls 2 hours 23 minutes, and the majority controls 1 hour 50 minutes.

Mr. BINGAMAN. Let me speak for a few minutes to give my view of the legislation.

First, let me just say energy issues are very much on the minds of the American people. Rightly so. We have oil trading at above $75 a barrel. We have the price of gas at the pump above $3 in most parts of this country today. Clearly there are a lot of explanations for that, but that is part of the reason we should be focusing on this set of issues.

We have high and growing demand for energy in the world. We have high prices because not only do we have high demand, we have constrained supply, and we have great uncertainty in the world. All of that affects the price of oil and the price of natural gas as well. Whether the uncertainty is in the Middle East, whether it is in the Nigerian Delta, whether it is threats of curtailed imports from Venezuela—there are all kinds of reasons the price of oil is high.

We need to focus on how do we begin to pursue a strategy that helps solve these problems. The truth is, our country is on the wrong track when it comes to oil and gas. According to the Energy Information Administration Annual Energy Outlook, our projected future demand for oil and natural gas is going to far outstrip our domestic production capabilities, and that circumstance is getting worse, not better. All of the projections are that after the passage of this bill, it will continue to get worse, not better.

We have the opportunity, the Members of the Senate and Members of Congress, to try to make some decisions to get the supply/demand equation better into balance. How can we use oil and gas more efficiently and thereby need less than the projections would indicate we might wind up needing? How do we substitute the alternative fuels in our energy mix on a faster basis, on an accelerated basis? How do we produce more and how do we find ways to be more efficient?

A year ago this coming Saturday, we had final passage of the comprehensive Energy bill we passed last year, the Energy Policy Act of 2005. On balance, I believe—I still believe and believed at that time—that was a good piece of legislation. Mr. President, 74 Senators voted for it. We had a majority of Republicans voting for it. We had a majority of Democrats voting for it. The bill was put together on a bipartisan basis in the Senate Energy Committee under the leadership of its chairman, Senator DOMENICI, from my home State of New Mexico.

When the bill came to the floor, of course, Senators on all sides of the many issues in that bill were given an opportunity to bring their amendments to the floor, to debate those amendments, to have them voted on, and despite the broad sweep of that legislation, we completed that process in 2 weeks.

After passage of the bill, we went ahead and had a very fair and open and inclusive conference with the House of Representatives that resulted in a conference report that enjoyed broad, bipartisan support.

The Energy Policy Act addressed energy production. It addressed energy conservation. It addressed energy technology and renewable energy, and it addressed oil and gas and coastal impact assistance, including assistance to the States which are most interested in this legislation. It made significant strides in the right direction on a host of issues.

I had hoped, frankly, that we could continue to move forward in the energy policy area this year by acting on a series of measures to address the remaining issues. There are clearly remaining issues that need attention. One of those is the lack of effective steps to increase efficiency in the use of oil and natural gas.

We did not do what we should have done in last year's Energy bill to deal with that issue. The Senate version of the bill had some good ideas in it. Unfortunately, they were dropped in the conference. We were not able to persuade the House to agree to those. For that reason, this past May, I joined with a bipartisan group here in the Senate to introduce S. 2747, the Enhanced Energy Security Act. That bill addresses oil savings and alternative fuel infrastructure and provides for a renewable portfolio standard and various other efficiency and conservation measures.

Another energy measure I hoped we could act on this year is S. 2253. That is the bill which would have required the Secretary of the Interior to offer for lease lands within this original lease sale 181 area we have been discussing as part of this legislation. Early this year, I joined with Senator DOMENICI to develop and introduce the bill on a bipartisan basis. The bill would have opened portions of the original lease sale 181 area that had been proposed for leasing in 1997 by the Clinton administration. That proposal by the Clinton administration was made after negotiations with then-Governor Lawton Chiles, our former colleague here in the Senate, Governor Lawton Chiles from Florida.

Those areas had been taken off limits by a decision by the Bush administration. I think some may not realize that we would not even be here today talking about opening lease sale 181 for possible drilling if the Bush administration had followed through on the Clinton administration's schedule for leasing. They proposed to do that, and it was on their schedule when this administration came into office.

The bill Senator DOMENICI and I introduced did nothing to affect areas under congressional moratoria or areas that had been withdrawn by Presidential decree or order. No part of the area to be leased was closer than 100 miles from any point in Florida.

We have a map here that will give people an idea of what was involved with lease sale 181. This is the bill which was reported out of the Energy Committee with bipartisan support. You can see the line there, which is the 100-mile line, showing we are not getting within 100 miles of Florida and showing the additional area that would be open for leasing.

I should point out that between the time Senator DOMENICI and I introduced S. 2253 and the date our committee had a hearing on that bill, the administration published its own draft proposed program for oil and gas leasing for the period 2007 through 2012. That 5-year plan called for a lease sale in the 181 area in the fall of 2007. The area the administration proposed for leasing contained about 3.07 trillion cubic feet of natural gas and 620 million barrels of oil.

The current state of play under current law is that even if this legislation does not become law, the administration plans to open that area for leasing beginning in the fall of 2007. It was good news when we learned the administration intended to proceed to lease this new area. It meant that a substantial new development of oil and gas would take place even if we didn't succeed with the bill Senator DOMENICI and I introduced.

At the hearing we had on S. 2253, I asked the Director of the Minerals Management Service, which is the agency with responsibility for this leasing, Ms. Johnnie Burton, whether the administration's plans would wind up coinciding with what the bill envisioned if passage of the bill was delayed. She replied that that certainly would be the case.

After the Energy Committee reported the bill in early March, we received additional evidence that the plans for leasing new areas in this draft 5-year plan were on fairly solid ground, and the new evidence was that the Congressional Budget Office booked the expected revenues from royalties and bonus bids in the budget baseline for this 10-year period, 2006 through 2016.

Even though a good portion of the oil and gas contemplated in the original bill reported by the Energy Committee was incorporated into the developing plans of the Minerals Management Service, I thought it made sense that with the balance of the initial area opened by S. 2253, we go ahead with the bill and try to enact it. Unfortunately, at least from my perspective, events since the committee reported the bill to the full Senate have changed the bill in very substantial ways. In my view, this is not the bill that we worked on in committee. Several of our colleagues in the Senate took the position that S. 2253 should not move forward without certain modifications.

My colleagues from Florida expressed a desire for a long-term moratorium off the coasts of their State. My colleagues from other Gulf Coast States indicated that they would object to S. 2253 being considered without those States receiving a fixed percentage of the revenues from the oil and gas produced in the Federal Outer Continental Shelf off their coasts.

Both of these demands, which were satisfied in this bill, which has now come to the Senate floor, S. 3711, in my view, have undermined the goals of the original bill. Because S. 3711, which is the bill now pending in the Senate, locks up vast areas of the Outer Continental Shelf off Florida, and because the bill provides for the ceding to 4 of our 50 States billions of dollars of Federal revenues, I find myself in the position of having to oppose the bill.

The chairman of the Energy Committee will point out that S. 3711 opens two new areas in the Gulf of Mexico. That is true. Beyond the area proposed for opening by the new 5-year plan that I talked about, Minerals Management Service, S. 3711 opens a triangular sliver in the area known as "the bulge." You can see that sort of orange area on here. That is new under this legislation. The legislation also opens the so-called 181 south area, which is currently under a congressional moratorium that expires this September 30.

There is also a Presidential withdrawal for that area which is 181 south. That is the lighter orange area down below the area that we have been talking about.

In order to get these additional resources that are provided for in this bill, which amounts to 2.76 trillion cubic feet of gas, S. 2711 puts 21.83 trillion cubic feet of natural gas in the eastern Gulf of Mexico off limits until 2022.

I don't think it is a very good trade for the people of America for us to give up access to 21 trillion cubic feet of natural gas in order to gain access to 2.76 trillion cubic feet. Some of that 21 trillion cubic feet of natural gas that is being put under a 16-year moratorium in this bill is in areas that have never been controversial in Congress. These areas were part of the original lease sale 181 area that every annual congressional moratorium had exempted.

We are talking about this entire yellow area. I think this chart is very similar to the chart that the Senator from Florida. Mr. MARTINEZ, has been using. It shows a very much larger area that is being subjected to this 16-year moratorium than we have ever put under moratorium before.

These yellow moratorium areas that are within the blue of the original lease sale 181 area shown on the chart, these three resource-rich areas are not now under moratorium. If Congress does not enact S. 3711, these areas could be leased under the next 5-year plan, if the administration decided to include them, instead of being locked up until 2022.

Let me, also, for a moment show a chart that our colleague, Senator CRAIG, was using earlier this afternoon. He has a chart showing what is happening south of the area that we are locking up for the next 16 years. This is the thatched area down near Cuba. I think looking at his chart sort of brings home the unfortunate handicap we are putting ourselves under with this legislation. In fact, Senator CRAIG's bill, of which I am a cosponsor, would allow U.S. oil companies to participate in the development of this thatched area, the oil and gas resources in this thatched area down near Cuba, some of which is as close as 50 miles from the State of Florida. But at the same time in this legislation, we are saying we are going to prohibit drilling for the next 16 years in areas as far as 230 miles from the State of Florida. To my mind, that doesn't make good sense.

It would be ironic if Cuba proceeded with drilling in its waters to extract at least 4 billion barrels of oil under its territory, while at same time we were passing legislation saying there would be no drilling in the waters we control through 2022. That is exactly what this legislation says.

Referring again to Senator CRAIG's statement, he talked about the "no zone"—the large "no zone" all around the country, where nobody wants to allow drilling. I will say we are adding to the "no zone" very substantially with this legislation by putting in this yellow area areas that had not been subject to moratorium and certainly have not been subject to anything such as a 16-year moratorium, as we are about to enact here.

In addition to being bad energy supply policy for the long term, S. 3711 is also, in my view, bad fiscal and budgetary policy for the long term.

The bill directs, as I think many have mentioned, 37.5 percent of revenues from new leases to the four States, Texas, Louisiana, Mississippi, and Alabama. Starting in 2017, a second royalty diversion using the same percentage would be applied to new leases in existing areas of the Gulf of Mexico open to production.

We have a chart which makes the case as to what we are talking about. We are saying, in the western Gulf of Mexico and the middle Gulf of Mexico, that we are, in fact, going to cede 37.5 percent of the royalties from production on new wells in those areas to these four States as well; that those are funds which otherwise would go into the Federal Treasury.

In order to avoid a point of order under the Budget Act, S. 3711 purports to cap the revenue sharing, from 2016 to 2035, at $500 million per year. And then it has a very interesting provision. It says "net of receipts." Rather than actually capping the revenue sharing, the bill allows receipts from the 181 and the 181 south area to be added to the $500 million cap. That makes the so-called cap, in my view, at least much higher. However, even with the cap, the amount flowing to the four Gulf States is estimated to be somewhere between $27.5 billion and $30.5 billion during this period. After 2056, the full entitlement comes into play with estimated losses to the Federal Treasury of between $12.5 billion per year and $15 billion in 2056 alone.

This underscores the point which people need to understand—that this legislation calls for this sharing of revenue or ceding of revenue to these four States in perpetuity. This is not in any way sunset. There is no time limit. This is from now on. The legislation says these States will be entitled to the money.

As many of my colleagues know, I have strongly opposed diverting revenues from the Outer Continental Shelf. It is clear to me, in reading the history of this country and the laws of this country, that this is a Federal asset and that ceding of these revenues to State and county treasuries of coastal States is bad policy. The resources of the Outer Continental Shelf belong to the entire Nation. Over the years, there have been several attempts by coastal States to assert some form of ownership rights over the Outer Continental Shelf. In the 1940s, coastal States tried to issue leases to oil companies in these Federal waters. That led to a landmark decision in our Supreme Court in 1947. The Supreme Court ruled in 1947 that offshore lands were, and always had been, owned by the United States as a feature of its national sovereignty.

Having been stopped by the courts, the States turned to Congress to request that it turn these so-called submerged lands over to the States themselves. President Truman strongly objected to this. He vetoed the legislation that was sent to him. Let me read the quotation from his veto statement. He said that he could not:

> approve this joint resolution because it would turn over to certain States as a free gift very valuable lands and mineral resources of the United States as a whole; that is, all the people of the country. I do not believe such an action would be in the national interest. I do not see how any President could fail to oppose it.

That was the basis for his very veto.

President Truman left office and Eisenhower took a different view. He signed the Submerged Lands Act of 1954 that granted the coastal States title to submerged lands within 3 miles of their coasts.

Later that year, Congress also passed the Outer Continental Shelf Lands Act, asserting Federal control over the subsoil and the seabed of the Outer Continental Shelf. The legislative history of these acts is clear. They were intended as a final settlement of the issue of who owned what on the Federal Outer Continental Shelf.

In recent years, as the resources of State waters which were granted under the 1953 act have been depleted, and as the great resource potential of the Federal waters has come into full review, a new drumbeat has arisen. The claim is that coastal States should have a preferential share of the resources of the Outer Continental Shelf over and above other States that, under current law, are equally entitled to these receipts, and under the Supreme Court's view are entitled to these receipts.

We are not talking about trivial sums of money. Oil and gas receipts from the Outer Continental Shelf are the third largest source of income to the United States after taxes and Customs duties.

Over the next several decades, it is estimated that oil and gas royalties from the Outer Continental Shelf will exceed $1.2 trillion. As we look to the future, a future in which we will have large bills coming due at the Federal level, with the retirement of the baby boomer generation, it is unwise, in my opinion, to consider permanently diverting these revenues away from the Federal Treasury to these four coastal States.

I have often heard the argument that we ought to give a percentage of Federal royalties to the Outer Continental Shelf, to the nearby States because Western States, such as my own, New Mexico, receive a portion of the royalties from the Federal lands within their borders.

Let me address what I believe is a false comparison head on. The first obvious point is that the Mineral Leasing Act which has been adopted made provisions for my State to receive 50 percent of the royalties for production on Federal lands. This Mineral Leasing Act does not discriminate against Louisiana, Mississippi, or any other coastal State. To the extent that the Federal Government reduces oil and gas and collects royalties on Federal land within their borders, the Federal Government pays 50 percent of those revenues to the States just as they do in my State, just as they do in Wyoming, just as they do in every other State in the Union.

Indeed, according to the Minerals Management Service, between 1982 and

2003 the Federal Government distributed $14.8 million to Louisiana from onshore Federal leases under the Mineral Leasing Act. The reason Louisiana did not get more was because there is very little Federal land in Louisiana that produces oil and gas. Most onshore oil and gas development in Louisiana takes place on State or private land and not on Federal land.

Louisiana, like any other State, receives 50 percent of the royalties collected by the Federal Government from Federal oil and gas leases. Western States, such as New Mexico, and eastern States have very different histories when it comes to patterns of life ownership. A long time ago, in the 19th century, a large part of States such as Louisiana consisted of public land. But the laws at that time allowed that Federal land to be patented and bought into private ownership or given to the State where it now forms the tax base for those States. That explains why there is relatively little Federal land in a State such as Louisiana. The State enjoys the ability to levee taxes, including severance taxes on all the oil and gas that is produced within the State, which is considerable.

The development of the western States took a very different turn in 1920 when it became clear that there was a significant amount of Federal land that had oil and gas potential. Instead of allowing that land to be patented and brought into private ownership under the mining laws, as had happened in earlier years in States further east, Congress passed a new law—and that is the Mineral Leasing Act I was just referring to. This act forges a very different bargain.

In return for keeping the lands with rich oil and gas resources under Federal ownership, therefore, out of the State's tax base, the Federal Government agreed to give the States a share of the Federal royalties as compensation for the lost tax revenue involved. This compromise represented no injustice to any State that had previously had all of its Federal lands converted into private land through land patents. These eastern States already had what the western States were giving up: that is, the ability to tax all of the economic activity within their borders.

If you read the legislative history of the Mineral Leasing Act of 1920, it is clear that the split of revenues between the Federal Government and the State governments was in compensation for removing lands from the tax base of the States.

So when you recognize the reason for the 50-50 split of royalties on Federal lands within the boundaries of States under the Mineral Leasing Act, it is clear to me that transposing this system to the Outer Continental Shelf makes absolutely no sense. Federal ownership of the Outer Continental Shelf takes nothing away from the tax base of any coastal State. To the contrary, Federal development of national assets on the Outer Continental Shelf actually results in enhanced economic activity, increased tax revenues in adjacent coastal States.

One report that illustrates this fact is published in 2002 by Louisiana Midcontinent Oil and Gas Association. It is entitled "The Energy Sector Still A Giant Economic Engine for the Louisiana Economy." That title is a pretty good thumbnail description of the true impact Outer Continental Shelf activity has on the Gulf Coast States. That activity is a giant engine for their economies.

Here are some of the facts in that report. The report says the energy sector has a $93 billion impact in Louisiana and employs 62,000 people. The energy sector in Louisiana supports $12.5 billion in household earnings. It pays $1.14 billion in State taxes. Workers employed by the offshore oil and gas industry can expect to earn salaries between $75,000 and $100,000 a year. That was in 2002 when the report was issued. Oil exploration and production value-added income already exceeds $17 billion and refined value-added income is nearly $5 billion.

The same facts can be told for each of the coastal States that border the Gulf of Mexico. They derive substantial economic benefit from their strategic location next to these oil and gas deposits that are still owned by the United States.

For these reasons, I cannot support the current proposal to set in motion a permanent and a very large diversion of Federal royalties from the Outer Continental Shelf to these four States. I am sympathetic to the environmental damage that has been caused over the years to coastal wetlands. Much of that damage in the past was from causes other than oil and gas activities. An important source of the future threat is from factors such as global warming.

Last year, in the Energy Policy Act, we enacted a Coastal Impact Assistance Program that directed $1 billion be paid as mandatory spending over 4 years to the Gulf Coast States. I strongly supported that measure. I have strongly supported funding for reconstruction of the gulf coast in the tragic aftermath of Hurricanes Katrina and Rita last summer.

The policy rationale for the permanent revenue diversion proposed in this bill, in my opinion, is highly flawed, just as the energy policy rationale for the bill is also flawed. If you want to have a strong and fiscally solvent Federal Government, you need to be very careful about new spending entitlements and claims on Federal revenues being created by the Congress. The provisions of this bill do not reflect that kind of concern.

If we are to cope with the rising demand for energy, and particularly for natural gas, we must also approach that matter. Strictly giving up, for the long term, access to 21 trillion cubic feet of natural gas just to obtain just over 2 trillion cubic feet is shortsighted, in my view. Undertaking to solve our long-term problems with natural gas supply and demand by focusing just on the supply side I also see as shortsighted.

Let me talk a little bit about the precedent of what we are doing. I see that as another and somewhat separate reason for opposing this legislation. S. 3711 sets bad precedent both in the energy policy area and in the fiscal policy area. There is no reason I can think of why coastal States up and down our seaboards will not demand the same kinds of treatment being demanded by the States that are insistent upon the provisions in this legislation.

Let me put up the chart that shows what we are talking about. The Outer Continental Shelf is the blue area surrounding the country. Of course, this bill just deals with the gulf. We all understand that. But let's just think about the precedent we are setting that will come back to haunt us when we have this issue revisited in the future.

My sincere concern is that if we take the steps that we are proposing to take in this legislation that lock up Florida until 2022, or the areas off the coast of Florida going out at least 125 miles until 2022, we are well on our way to making these other resources unavailable also until 2022.

We are also setting a bad precedent in the fiscal arena, as well. Where production is allowed, other States are likely to demand the treatment that we are here affording to Texas, Louisiana, Mississippi, and Alabama.

Take Alaska, for example. If you do a little reading on where our undeveloped natural gas and oil resources are, much of it is off the coast of Alaska. The Federal Outer Continental Shelf off the coast of Alaska covers a vast area, some 600 million acres. The Outer Continental Shelf off Alaska's coast is more than twice the size of Alaska itself.

To give an idea of the immensity of this OCS area, the onshore lands of the State of Alaska comprise some 366 million acres. The Federal Outer Continental Shelf off Alaska contains vast resources, an estimated 26.6 billion barrels of oil, and 132 trillion cubic feet of gas.

If we start down this road, as this bill does, in my opinion, with respect to the Gulf Coast States, we will certainly be asked to give 37.5 percent of the revenues of producing these Federal resources off Alaska's coast to the State of Alaska. In fact, such a proposal has already been developed. Other States are likely to follow. This is a precedent that I think we will all come to regret.

I know there are strong feelings on the other side of this issue. I understand the sentiments that some have.

but I am persuaded this is bad energy policy for the country, that this is bad fiscal policy for the country, and I hope that we are able to make some changes in this legislation before we finally dispose of it so we can correct these problems.

I yield the floor.

Mr. DOMENICI. Mr. President, I will yield quickly, but I want to try to get the record straight with Senators so they will know where we are timewise. We are in postcloture where every Senator has a certain amount of time. By consent today, we are taking 6 hours, 3 hours to those in favor and 3 hours to those against. I am in charge of the 3 hours in favor, and Senator BINGAMAN, so far, has been the only one who has spoken. But he is in charge of the time on the opposition. He might give us some of his 3 hours today if we run out, or we would ask the leader. I have a lot of speakers.

In any event, Senator BOND asked to be next. He is here. Senator SESSIONS is speaking for our side. We will go back and forth. Senator SESSIONS asked he be next on our side. And the senior Senator from Alabama who is here, also, would like to speak next.

How much time does Senator BOND want?

Mr. BOND. Seven minutes.

Mr. DOMENICI. Senator SESSIONS?

Mr. SESSIONS. Fifteen minutes.

Mr. DOMENICI. Senator SHELBY?

Mr. SHELBY. Ten minutes. I will try to do it in less.

Mr. DOMENICI. I have 1 hour 50 minutes; is that right? And Senator BINGAMAN has how much?

The PRESIDING OFFICER (Mr. MARTINEZ). One hour forty-five minutes.

Mr. DOMENICI. Senator LANDRIEU wants to speak 10 or 15 minutes. We will welcome that. If we add that up, we have plenty of time.

I want the Senators to know we have a schedule. It is not me; Members have to follow each other.

I take a minute and say to Senator BINGAMAN, I am not going to answer now the detailed allegations today. I think two or three are significant, but I am just going to say to the Senate I have the most respect for my colleague. I think everyone knows we work together, shoulder to shoulder. It is good to work with him. I think he must feel the same. We got something great done.

However, I believe there is one flaw in the argument that is imperative. That is, plain and simple, do you want to hang tight with an ideology of the past and get no bill and no new development or do you want to adjust to change and get something significant?

Now, he might not agree, my friend might not agree that I am correct in saying what we are getting, but I truly believe the final product of the path we were going to follow—which was to not share the revenue; and we had not made any arrangement with Florida—was doomed to yield nothing, and we would be back where we were.

Secondly, if we want to wait around for MMS to do their plans and assume that they end up with what they started with, then just look at history. They hardly ever come out anywhere close to what they started with, and they probably would have done it again on this one. We are better off, in my opinion, adjusting a bit to the reality of getting something real than to stand rigid on the philosophy of the past.

Revenues: If you do not drill, you do not get any revenues. We have been in a no-drill posture for the American Treasury for almost 20 years. I do not know how many more years we will be with no revenues and no drilling, so I am not worried about the fiscal policy because I am worried about the effect on the economy and on people of not using the resource.

I can hardly measure that, I say to Senator BOND. It is too big for me to measure as a budgeteer. So I wanted to make that point just in kind of a summary manner, which is part of what my friend and great colleague has been arguing in derogation of this bill on the Senate floor.

Then I had one more observation. As to the big piece of land we are not going to be able to drill in in the future that my friend has alluded to, if you just look at that map, the perpendicular line is a line established in a letter from the military which said they needed, for future use, everything beyond that line. And everybody had been agreeing we would not, without the military's consent, ever drill there. And that is essentially why most of that property is off limits. Now, there is more to the story than that, but that is the biggest portion of the story.

Having said that, I would certainly like to say to my colleague, Senator BINGAMAN, I trust that we are back together soon to get another great Energy bill; and we will. I would feel much better if you and I were together on this, but I feel just as confident, or more so than I did on the Energy bill, that the way to get Outer Continental Shelf drilling is to start with this new precedent and get it going. And I think the ball will roll. If you get this, you will get offshore drilling in real quantities. You will get more than ever to the Treasury and more than ever to the bounty of production. That is what the real ball game is about. And you either do something like that or you sit around and wish. We have been wishing, and it never happens.

So with that, I yield to Senators. I will be off the floor. You can take time in your sequence. I will come back in an hour and a half or so, and if there is time, I will wrap up this afternoon.

Thank you very much.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I just ask that my and Senator SHELBY's time slots be reversed.

Mr. DOMENICI. Sure.

Mr. SESSIONS. He has another appointment, and I would be glad to yield to him and take the slot you originally had for Senator SHELBY.

Mr. DOMENICI. Sure. Senator SHELBY would go right after Senator BOND on the proponents list. And they would be followed by Senator SESSIONS.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, could I just indicate for my colleague, I appreciate his comments. We do have a couple of Senators who are in opposition who are coming to the floor and will wish to speak, too, at some stage. I do not want to line up so many proponents that they are not able to make their statements within a reasonable period of time. So if we can fit them in at some stage in the proceedings, that would be great, as soon as they arrive.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me say to my colleague, that is fine. I noted your staff had apparently gone and checked, and there might be somebody. I would like to ask that they let you know as soon as possible so you do not have people with the expectation of being next because they are right here, and all of a sudden somebody drops in and says: I am next because I am in opposition. I think that would be a little unfair. I wish the Senator would work with us on that.

All right, having said that, I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I rise to offer a compromise and support a compromise. I have agreed to limit my remarks to 7 minutes in the hope, however faint it might be, that people might listen to me.

Secondly, I am here to support a compromise. I am here to support a compromise led by our good friend, Chairman DOMENICI, involving the occupant of the Chair, the Senator from Louisiana, and a distinguished bipartisan group of Senators who are coming together to bring out a compromise that is going to solve a major problem.

We hear—on the floor, and wherever politicians gather, and pundits gather, and at coffee shops—people complain about the high cost of gasoline, the high price of natural gas, and our unhealthy dependence on foreign oil. Well, my gosh, they are all right. They are all correct. We are importing over 60 percent of our petroleum.

We hear lots of people pontificate about the skyrocketing costs of natural gas, heating homes, and how that affects the need for low-income heating assistance programs, and how it squeezes all of us who, like me, depend upon natural gas to heat a house. Once again they are right. Over the last few years, natural gas prices in America have been some of the most expensive in the world. Some people cry out for the need to do something to reduce these high oil and gas prices.

Well, in the past, when it has come down to it, too many people have stood up and said: No, we are not going to do it. The reasons range from "not in my backyard"—they do not want anything produced right near them, whether it is oil or minerals or a manufacturing process—that is called the NIMBY approach. Others are pushing environmental concerns to the extreme, not realizing that modern-day exploration of oil and gas is done with new techniques that are designed to be as friendly to the environment as possible. Then of course, there are others who think that high gas prices make a great campaign issue in an election year, and that it is in their best interest to do nothing before November.

Well, there is a way to begin to reduce the price of oil and natural gas; and that is to increase domestic supplies. Let me point out to my colleagues that for all the laws we pass, we have not been able to repeal the law of supply and demand. If you have more demand than you have supply, the cost goes up. And that is what we have.

Now, we are trying to reduce the demand by conservation, but people continue to make choices, and the economy grows. Not only our economy grows, but the economies of India and China, which are putting real pressure on demand, grow faster. But we are not keeping up with the demand from production in the United States. Thus, our percentage of contribution to supply continues to decline.

The area specified in S. 3711 will open up 8.3 million acres of the Outer Continental Shelf for oil and gas leasing as soon as practicable, but no later than one year from the date of enactment. This area, which includes Lease 181 and an area south of Lease 181, is estimated to contain roughly 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas. The natural gas supply alone made available under this bill is enough to heat and cool 6 million homes for 15 years. That is a good start. We would like to have more, but with the demand for energy so high, and the supply limited, we need to take what steps we can.

With the price of gasoline over $3 a gallon, all of us are looking at the need to conserve, and that is one way we can make a difference: stop driving so much, carpool, walk. People still get there. I used to walk to school, ride a bicycle to school. That is not a bad idea for a lot of kids. It keeps you in better shape.

In addition to the growing demand for energy, disruptions in supply due to geopolitical instability in the middle east and South America have caused energy prices to spike upward. All of these factors have caused the price of gasoline to increase by over 125 percent since 2000. As fighting continues in the Middle East and political instability remains in South America and North Africa, energy analysts warn that $100 barrel oil could indeed be a reality in the future.

The situation with natural gas is no different. To say that we are in a natural gas crisis is an understatement. Why is this the case? Again, the answer is quite simple. Over the years demand for natural gas has skyrocketed while domestic supplies have dwindled. And when that happens, simple economics tells us that prices soar as they have in recent years for natural gas.

We have a lot of demand for natural gas because of the increasing demand for this resource in the generation of electricity. More and more electric utility generation plants have been forced to switch to natural gas. Natural gas is also in short supply because of all the restrictions on its production and delivery, including restrictions on access to these gas supplies and strict environmental regulations, which have pushed a massive expansion of natural gas usage as opposed to the use other energy resources such as coal.

According to a Wall Street Journal editorial, there has been a 40-percent increase in the use of natural gas since 1986, and that accounts for nearly 25 percent of our energy. And it is set to increase by another 40 percent by 2025. We cannot afford to do that. Our production of natural gas has fallen from 19.2 trillion cubic feet to 18.2 trillion cubic feet. That is a 7.2-percent decline. We cannot afford to do that.

We need to liquefy and gasify coal so coal gas can fit in, too. That is some ways down the line. But in the meantime, we have to go ahead with lease 181 and the adjacent areas.

Price increases hurt our economy. They hurt people who drive cars. U.S. consumers spent $200 billion on natural gas in 2005, which is four times as much as we spent in 1999. This has caused both Federal Reserve Chairmen Greenspan and Bernanke to repeatedly warn that "natural gas bottlenecks endanger economic expansion" and "pose risks to both economic activity and inflation."

High natural gas prices cost us manufacturing jobs. The National Association of Manufacturers says that roughly 3 million manufacturing jobs have been lost due in large part to natural gas price increases. Chemical plants are moving overseas along with and fertilizer plants.

According to the U.S. Chemistry Council, it is estimated that from 2000 to 2005, the chemical industry saw the loss of 100,000 jobs and $50 billion to overseas competition. Furthermore, the magazine Business Week reported that of the 120 major chemical facilities in the planning and construction stages around the world, only one is in the United States—50 plants are going up in China.

Job loss due to increased natural gas prices has also had a devastating impact on the fertilizer industry because natural gas is a key component in the production of nitrogen fertilizer. Late last year, Ford B. West of the Fertilizer Institute informed the Senate Appropriations Subcommittee on Interior that sixteen U.S. production facilities have closed permanently and an additional five have been idled due to rising natural gas prices—this represents a 35 percent decline in U.S. fertilizer production

The agricultural sector is also taking it on the chops. The president of the Missouri Farm Bureau, Charlie Kruse, on March 17, 2005, testified that in the last 4 years, the retail nitrogen fertilizer prices, because of the shortage of the supply of natural gas, have skyrocketed from $100 per ton to $350 per ton. These are real costs being put on our farmers.

Analysis from the Food and Agricultural Policy Institute, FAPRI, at the University of Missouri-Columbia indicates that fertilizer prices paid by agricultural producers increased by almost 50 percent between 2002 and 2006, with fuel prices increasing over 100 percent in the same time frame. This leads to cost increases of over $80 per acre for rice, $50 per acre for corn and $10 to $25 per acre for soybeans, wheat and cotton.

Farmers are hurting. These increased costs are going to curtail the availability of our food supply and raise the cost of our food as well. Transportation costs will also rise.

Well, the concern has been raised by the distinguished Senator from New Mexico that this legislation is not the best deal.

I might agree with him, but I will tell you something. Standing here on the floor of the Senate, it is the best looking one of the whole ugly bunch because I have been waiting for a long time to find a way to increase the supply of oil and gas produced in the United States. This is a start. He has pointed out, we need to do a lot more things. Well, I will be there to support whatever we can do to make a reasonable compromise to overcome the objections, so we can start producing gas in deep sea offshore drilling.

I hope one of these days we can go back up to the barren reaches above the Arctic Circle in ANWR. I have been up and watched them drill in Prudhoe Bay. There is no harm to the environment. I will tell you, the caribou and the birds love it. The mosquitos are great. They are just as healthy as they are in southern Alaska.

Tapping the energy resources in the areas specified in this bill can have an immediate impact on both the price of oil and natural gas because these areas are located in the Gulf of Mexico near existing oil and gas production infrastructure. With its proximity to major oil and natural gas transport terminals and pipelines, these new energy resources could be quickly shipped to the market for use.

Well, in closing, I commend Senator DOMENICI for putting together a bipartisan group to support this bill. I laud his efforts. It is going to be done in an environmentally friendly manner. Last year's devastating category 5 hurricane did not cause any significant oil or gas spillage. And this new technology can produce this oil and gas from offshore areas in an environmentally friendly manner and begin to break the logjam where supply cannot keep up with demand.

I urge my colleagues to support S. 3711.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BOND. I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, at this point I rise to discuss the legislation currently before the Senate, S. 3711, the Gulf of Mexico Energy bill. I am an original cosponsor of this bill and strongly support its passage.

Over the last few years, we have seen drastic increases in the prices of crude oil and natural gas. While demand for these products in our country continues to grow, the domestic supply of these commodities remains stagnant at best. This lack of domestic productivity and the volatility of the global energy market are causing the everyday lives of Alabamians and people all across this Nation to become increasingly difficult.

I have no doubt that my colleagues have heard the same stories that I have heard from my constituents in Alabama—that they are having trouble making ends meet because of the prices at the pump. They tell me they cannot afford to commute to and from work, pay their monthly bills—particularly with record high temperatures—or run their small businesses.

These are not luxury costs. These are the basic costs of everyday life. Alabamians have asked that the Congress do something to alleviate the burden of rising energy prices, just as constituents have all over America. While the Gulf of Mexico energy bill will not immediately lower gas prices, it will take a significant step forward in addressing many of the problems that cause rising prices. Whether short or long-term effect, one thing is abundantly clear: The status quo is unacceptable. More importantly is the fact that because we have neglected to tap domestic resources that are currently available to us, we are forced to purchase energy sources from foreign nations that are often hostile to U.S. interests. Economic security is the underpinning of national security. Energy independence, as I have said many times, is vital to economic stability.

To achieve a higher level of energy independence, we must increase domestic capacity and production. While no single solution will immediately solve our current problem, there are immediate steps we can and must take toward that end. I believe the legislation before us, crafted by Senator DOMENICI, myself and other Senators, represents a critical step in that direction.

According to the Minerals Management Service, MMS, S. 3711 would open more than 8.3 million acres on the Outer Continental Shelf in the Gulf of Mexico for oil and gas leasing. MMS estimates these 8.3 million acres contain at least 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas, perhaps more. Tapping these resources would reduce the cost of energy nationwide and serve to move us further down the path of energy independence as we continue to explore and develop new sources of energy.

For Gulf States—and my State of Alabama is one—that choose to allow drilling off their coast, the legislation also contains a long overdue revenuesharing mechanism. Gulf States allowing oil and gas production off their shorelines will receive 37.5 percent of revenues from new leases. In addition, 12.5 percent of the revenues will go to the stateside Land and Water Conservation Fund for the acquisition of parks and recreation facilities across the Nation. The remaining 50 percent will flow into the coffers of the Federal Treasury.

Some in this Chamber will surely object to the provisions of S. 3711. They will say that the legislation diverts needed revenue from the Federal Treasury and bestows upon gulf producing States a financial windfall. It is important to point out that CBO estimates this legislation will produce nearly $1 billion in new and unexpected revenue for the Federal Treasury over the next 10 years. In my view, assertions that the gulf producing States should not receive a share of these revenues assumes that those States have done and sacrificed nothing to deserve a share of the revenues. For too long the gulf producing States have borne the brunt of our Nation's domestic energy needs while receiving virtually nothing in return.

I would also point out that 37.5 percent is less than the 50 percent currently provided to States with onshore production. And I would dare to guess that the impact to our coasts is as significant as any impact from onshore drilling. I would also reiterate that the bill provides 12.5 percent of the stateside LWCF which will be made available to all 50 States. The Gulf States portion will ensure that the States of Alabama, Mississippi, Louisiana, and Texas are compensated for the decades of oil and gas exploration and production that has taken place off their coasts, the impact the production has had on our coastal areas and the billions of dollars this production has brought into the Federal Treasury.

The legislation clearly lays out a formula that compensates the States according to their proximity to drilling as well as their historic production and does so while positively impacting the budget. The legislation also ensures that the coastal counties and parishes that are impacted the most have a dedicated funding source to address the needs of their communities.

This agreement also represents a commitment by the gulf producing States to continue energy exploration and production off their coasts. This commitment contributes to the energy independence of the Nation. It is time that the gulf producing States were rewarded for their contributions and sacrifices. And while it is difficult to estimate what this will mean in the way of revenues over the next 60 years, there is no doubt it will be a great resource to the Nation and provide substantial revenues to Federal and State treasuries.

I have no doubt this legislation will provide billions of dollars to Alabama and its producing partners in the Gulf of Mexico. These funds will be available to our State and local coastal governments to address the problems that come with drilling production and its required infrastructure. It will ensure we can begin to reverse the coastal erosion and begin barrier island restoration that will protect our States from the all-too-familiar hurricanes. These funds will allow Alabama, Mississippi, Texas, and Louisiana to enhance their fisheries and coastal infrastructure and put hurricane mitigation programs in place to help us better prepare for the storms of the future.

The sponsors of this legislation have also worked closely with the State of Florida to address the longstanding concerns of the State regarding offshore drilling on their coast. Specifically, the legislation includes a 125-mile moratorium on drilling off the coast of Florida until the year 2022. I strongly believe all revenues leading to U.S. energy independence should be aggressively pursued. We should continue to develop alternative sources of energy. We should promote energy efficiency. We should encourage refinery capacity expansion, and we certainly should continue to explore and develop resources that are currently available to us. We recognize that some of these options will take time to affect our current crisis. Others, however, remain current capabilities.

S. 3711 provides that leasing must commence in a substantial portion of the 8.3 million acres within at least 1 year of enactment. It says that leasing must occur in the remainder of the 8.3 million acres as soon as practicable. In the context of Federal energy policy, these are tangible measures that would have a considerable and direct effect in the short term on consumers and businesses and on the Nation's economy as a whole.

In closing, this legislation is the product of careful coordination among affected States on behalf of the needs of the entire country. It makes much needed contributions to the Nation's energy supply and compensates participating States justly. At the same time it accommodates the concerns of those who do not want oil and gas production to occur off their shorelines, and it provides a mitigating mechanism for States that elect to participate. The American people rightly expect their elected representatives to act on their behalf to stem the escalation of our current energy crisis. While this measure alone is not sufficient to solve our energy crisis, it is absolutely a necessary component of the overall solution.

I urge my colleagues' strong support for this crucial legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, I yield myself 20 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. REED. Mr. President, the Senate today is considering the Gulf of Mexico Energy Security Act. I believe this legislation is not appropriate energy legislation and also not responsible fiscal policy for the United States, as we face a Federal deficit of $8.4 trillion and looming cuts to many vital programs that the Federal Government must support. Next week we will begin to take up the Defense appropriations bill for this year. As we consider that bill, we will discover huge unmet needs to finance the current operations of our military. If we diminish the Federal Treasury, our ability to respond to that issue and a host of other issues will be contemporaneously diminished.

This legislation would mandate that almost 38 percent of revenue from Federal resources generated by new leases in new areas of production made available by this bill will be given to four Gulf Coast States. Revenues that currently would be provided to the Treasury for the benefit of the Nation as a whole will be diverted to four States. This bill, if passed, will cost the Federal Treasury billions of dollars over time. I am not alone in my opposition to this legislation. Taxpayer advocates and environmentalists share my concerns. I ask unanimous consent that the text of several letters be printed in the RECORD expressing these concerns.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TAXPAYERS FOR COMMON SENSE,
July 24, 2006.

DEAR SENATOR: Taxpayers for Common Sense Action (TCS Action), a non-partisan budget watchdog organization, urges you to oppose S. 3711, the Gulf of Mexico Energy Security Act of 2006. TCS Action is alarmed by provisions in the bill which alter existing federal-state revenue sharing provisions for royalty payments. Royalty payments represent the second largest source of federal revenues after federal taxes. These provisions will siphon off billions of dollars that would have gone to the Treasury, further straining the nation's fiscal health.

TCS Action is not opposed to off-shore oil and gas exploration and development. However, federal waters are owned by all U.S. taxpayers and the public has a right to receive a fair return for the resources they own. Oil and gas resources located within federal waters should not be converted into cash cows benefiting only four Gulf coast states. Gulf coast states currently receive significant royalty payments from waters within 6 miles of their coastline. In fact, under current policy, Louisiana received nearly a billion in revenue from oil and gas royalty payments from 1986–2003.

This legislation would dramatically deplete federal revenue generated by leases in lease sale 181 and 181 south and all leases that are issued after enactment of the bill. Currently royalties from these waters would return entirely to the federal government. Moreover, lease sale 181 would likely be opened in the next several years regardless of this legislation. Despite attempts to disguise this legislation as a revenue generator, opening these tracts of off-shore waters under the proposed royalty-sharing provisions with the four Gulf coast states would have detrimental long-term effects on the federal budget. The Administration has also raised similar concerns to changes in revenue-sharing on current leases and their cost to federal taxpayers.

With the federal debt mounting and oil and gas prices nearing record highs, reducing the federal earnings on our natural resource royalties does not make fiscal sense. We urge you to vote against the S. 3711 and return some fiscal sanity to our nation's energy policy. If you have any questions, please contact Autumn Hanna at (202) 546–8500.

Sincerely,

STEVE ELLIS,
Vice President of Programs.

LEAGUE OF CONSERVATION VOTERS,
July 24, 2006.

Re oppose S. 3711, the so-called Gulf of Mexico Energy Security Act of 2006.

DEAR SENATOR: The League of Conservation Voters (LCV) is the political voice of the national environmental community. Each year, LCV publishes the National Environmental Scorecard, which details the voting records of Members of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide, and the press.

LCV urges you to oppose S. 3711, the so-called Gulf of Mexico Energy Security Act of 2006. This backward-looking legislation fails to address our energy problems, raids the federal treasury, and threatens our coastal economies and ecosystems with pollution and oil spills.

Opening more of our coastlines to drilling is clearly not the answer to our energy problems, especially given that eighty percent of offshore oil and gas resources are already open to drilling, and oil companies currently hold more than 4,000 untapped leases in the Gulf of Mexico. Instead of despoiling our shores and perpetuating our dependence on oil, Congress should pursue faster, cheaper, and more environmentally friendly solutions, including making cars and trucks go further on a gallon of gasoline and increasing our use of clean, renewable energy such as wind and solar power.

Unfortunately, rather than using American ingenuity to advance a new energy future that benefits both the economy and the environment, S. 3711 continues to promote failed policies of the past. It opens eight million acres of Florida's Gulf Coast waters to offshore drilling rigs, including more than six million acres that are currently protected by the bipartisan moratorium on offshore drilling that has been in place for twenty-five years. S. 3711 would also divert tens of billions of dollars in offshore drilling revenues from the federal treasury and give the money to just four states. If the Senate were to pass S. 3711, it would pave the way for a conference with H.R. 4761, the even more harmful House-passed bill that would lift the moratorium on offshore drilling for all of our coastlines across the country.

We urge you to protect our coasts, our environment, and our economy by voting NO on S. 3711, and instead supporting real solutions to our energy problems. LCV has scored votes related to energy policy and coastal protection on numerous occasions in the past few years, and the Political Advisory Committee will strongly consider including votes on this bill in compiling LCV's 2006 Scorecard. If you need more information, please call Tiernan Sittenfeld or Nat Mund at my office at (202) 785–8683.

Sincerely,

GENE KARPINSKI,
President.

SIERRA CLUB,
July 25, 2006.

DEAR SENATOR: On behalf of the nearly 800,000 Sierra Club members, I urge you to defeat The Gulf of Mexico Energy Security Act, sponsored by Senator Domenici, and instead fight for energy solutions that will save American families money and cure our addiction to oil.

The Gulf of Mexico Energy Security Act, S. 3711, will open an area the size ofthe State of Maryland to new oil and gas drilling, approximately 8 million acres in the Gulf of Mexico. This bill would also repeal parts of the offshore drilling moratorium that has protected America's coast for more than 25 years. It would also divert 37.5 percent of the revenues from new oil and gas drilling in the Gulf to just four states, costing the Federal Treasury nearly $20 billion over the next 20 years.

Not only does this bill lift the moratorium on drilling in the eastern Gulf of Mexico, it jeopardizes every other coastal state. The House has already passed an expansive drilling bill that puts the entire Atlantic and Pacific coasts on the chopping block. If the Domenici bill passes the Senate it will certainly get much worse in a House-Senate conference committee, putting our wetlands, marine environments, beaches and coastal economies at risk.

The Sierra Club strongly supports permanent protection for our beaches and coastal waters. Our coasts provide essential habitat for fish and wildlife, a detination for thousands of vacationing families each year, and the economic lifeblood for thousands of tourism and fishing communities.

The Domenici drilling bill continues to lead America away from smart energy solutions. It is estimated that drilling off of Florida's coast would only bring 47 days of oil and 4 months of natural gas, and we wouldn't see any of it for at least 7 years. There are faster, cheaper, cleaner and longerterm energy solutions like energy efficiency and clean, renewable energy that will start saving families and businesses money today.. We do not need to sacrifice our beaches and coastal waters to meet America's energy needs.

Thank you for consideration of our recommendations. If you have questions, please feel free to contact Athan Manuel at 202-548-4580.

Sincerely,

CARL POPE,
Executive Director.

DEFENDERS OF WILDLIFE ACTION FUND,
July 25, 2006.

Re oppose S. 3711, the budget-busting offshore drilling bill.

DEAR SENATOR: The Defenders of Wildlife Action Fund is an independent organization committed to giving conservation issues a political voice on Capitol Hill and around the nation. The Action Fund publishes an annual Conservation Report Card which highlights the voting records of Members of Congress on legislation vital to protecting our nation's wildlife and wild landscapes for future generations.

Protection of marine life in the outer continental shelf is one of Defenders of Wildlife Action Fund's highest priorities. S. 3711, the Gulf of Mexico Energy Security Act, would dismantle the 25 year bipartisan offshore drilling moratorium by opening 6 million acres of currently protected waters in Florida's Gulf coast to oil and gas development. The Action Fund urges you in the strongest possible terms to oppose S. 3711, which will most likely be included in the next Conservation Report Card.

The eight million acres proposed for oil and gas development in the Gulf of Mexico are home to more than 20 species of whales and dolphins, five species of sea turtles, dozens of fish species and hundreds of species of birds. All would be put at risk of collision and exposure to the routine pollution associated with oil and gas drilling if S. 3711 were to pass. An oil spill would further devastate our marine wildlife.

While the bill would threaten our marine wildlife and coastal economies, it would do nothing to lower oil or natural gas prices; it will simply feed our country's unsustainable addiction to oil. From enforcing strict conservation measures to making our cars go farther on a gallon of gas, Defenders of Wildlife Action Fund supports faster, cleaner, cheaper solutions than oil and gas drilling to meet our energy needs.

I further urge you to oppose S. 3711 so that a conference report with HR 4761, the House-passed offshore drilling bill authored by Rep. Richard Pombo (R-CA), never sees the light of day. The House bill lifts the entire offshore drilling moratorium nationwide, and Rep. Pombo has made clear that the House intends on using the conference process to add as many of the House bill's provisions to the Senate bill as possible. We oppose S. 3711 in its own right; a conference with the House bill would be disastrous.

Thank you for your consideration in this matter.

Sincerely,

RODGER SCHLICKEISEN,
President.

Mr. REED. In 1952, President Truman, speaking about proposals to give coastal States Federal offshore oil and gas revenue said:

> If we back down on our determination to hold these rights for all the people, we will act to rob them of this great national asset. That is just what the oil lobby wants. They want us to turn the vast treasure over to a handful of States where the powerful private oil interests hope to exploit it to suit themselves.

Those sentiments are not far off from today. In 1953, Congress enacted the Submerged Land Act. This law provided that each coastal State would have a seaward boundary of at least 3 miles and that the Federal Government would relinquish to the States the interests of the United States in lands beneath the navigable waters within the State boundaries. Importantly, the law affirmed the Federal Government's ownership in lands seaward of the State boundary. Revenues from Outer Continental Shelf drilling belong to the American people in all 50 States. The legislation the Senate is considering today violates this pact with the American people, and it denies the Federal Treasury and the American people essential revenue to address the needs of our Nation.

Again, to quote President Truman, since his comments still ring true today:

> I can see how Members of Congress from [affected areas] might like to have all the offshore oil for their States. But I certainly can't understand how Members of Congress from the other 45 States can vote to give away the interest the people of their own States have in this tremendous asset. It is just over my head and beyond me how any interior Senator or Congressman could vote to give that asset away. I am still puzzled about it. As far as I am concerned, I intend to stand up and fight to protect the people's interest in this matter.

Proponents of this bill argue that their coastal States deserve to share in the Federal revenues because they have tremendous costs and environmental challenges arising from energy development and production that benefits the whole Nation. They argue, with some validity, that they bear costs, although the benefits are shared by the entire Nation. I acknowledge that. I fully acknowledge that energy development is harming our coastal zones, leading to habitat loss and erosion. For this reason, in 2001 Congress authorized a coastal impact assistance program that provided Federal funding to States and local communities for mitigating the impacts of OCS oil and gas development and production. It is also the reason why I supported an amendment to the Energy Policy Act of 2005 that mandated $1 billion over 4 years in direct Federal spending to gulf coast States and other producing States for the purposes of remediating environmental problems caused by the extraction and production of energy. That is the right approach, to appropriate Federal resources, directed to help States address a problem that is caused in large part by production activity.

What I object to is a permanent entitlement that does not state specific eligible uses to mitigate the environmental harm of OCS production. For example, the bill before us today would allow the States to decide to fund a category described as "mitigation of the impacts of Outer Continental Shelf activities through the funding of onshore infrastructure projects." This could cover any appropriate bricks and mortar project in any State along the gulf coast, from schools to highways to community centers, all of which I think could and would be legitimately argued by a State official as somehow mitigating the impacts of outer Continental Shelf activities.

So in a sense what we have opened up here is a general revenue sharing, not a targeted approach to mitigating the specific harms caused by the extraction and production of petroleum and natural gas products.

Nothing in this bill requires the States and communities to report back to taxpayers and the Federal Government how the funds are being used. I don't think there is any appropriate mechanism of routine reporting. I suppose that if you objected to a particular project, you might sue in Federal Court saying they violated the act, but that is hardly an appropriate and routine and rational way to ensure that the spending is appropriate.

Again, reading the very general language in the bill, I would think that you could make a case that a school, community center, and a range of other projects would be infrastructure that would mitigate in some way the broad effects of production of energy in these States. An argument may be made that a vote against the bill is a vote against the communities and people harmed by Hurricanes Katrina and Rita. I don't think that is true. This debate has to be about responsible national energy and responsible fiscal policy.

We in this body have voted to provide $123 billion to help the gulf coast recover. That money, because of our difficult financial situation, is literally being borrowed. The interest on that debt and the principal of that debt will be paid by all Americans. It is an example of why we need Federal resources in difficult times, because there will be other occasions where other Americans will see the same kind of suffering, the same kind of destruction that was visited upon the gulf coast, and we as a Congress have to be able to stand up, not just with words but resources, to help these people. As we diminish the Federal resources by a very narrow revenue-sharing plan for four States, we diminish our capacity to respond.

We have also directed and voted recently for a $2 billion authorization for Louisiana's coastal restoration program as part of the Water Resources Development Act. If more money is necessary to restore the gulf coast, then more money should be provided, and that is not the sentiment of just the people who live there, that is the sentiment of the American people because, frankly, if any part of our country was similarly devastated, we would all be here asking our friends and colleagues to help us, and I think they would respond. What they may not be able to do, if we pass this bill, is respond with the same kind of financial clout because we will have already given Federal resources for the benefit of only four states.

There are other aspects of funding that inure to the benefit of these coastal communities. Section 8(g) of the Outer Continental Shelf Lands Act provides coastal States with a share of the revenues received by the Federal Government from leases on Federal tracts that are adjacent to and within 3 miles of a State's seaward boundary. That is a specialized source of revenue which goes to coastal States. Between 1986 and 2003, Alabama, Louisiana, Mississippi, and Texas received nearly $2 billion in revenues from the Federal Government under section 8(g). This funding is precisely the type of funding that could be used to mitigate the impacts of OCS production.

Further, the Coastal Zone Management Act's "Federal consistency" provision ensures that Federal actions, such as OCS leases for energy production, that are likely to affect any land or water use or natural resources of the coastal zone must be consistent with a coastal State's approved coastal zone management programs. That means that if Gulf Coast States put into place strong coastal zone management plans to protect against erosion and the loss of wetlands and environmental complications, the law would require a Federal OCS lease to be consistent with these plans and make these States less vulnerable to storms. So not only is this an issue of funding, it is an issue of States taking action to ensure that they have strong environmental protections, and these plans, in turn, according to the law, will be imposed upon the OCS leases.

Now, we understand that energy production is a burden to the States, but it is also, in many situations, an economic benefit to these very same States.

The oil and gas industry is central to Louisiana's economy, with an estimated $93 billion impact in 2001. Over $1.3 billion worth of oil and gas is produced annually in Alabama. The State receives direct benefits of approximately $285 million annually in the form of lease bonuses, royalties, trust fund investments, and severance taxes. In 2005, Texas petroleum and coal were valued at $8.89 billion. All of these revenues provide a strong and powerful force of economic progress for all of these communities. I daresay that, as much as a burden is imposed, there would be great reluctance for any of these States to try to curtail this economic production because it benefits the community.

Now, what is also troubling about the legislation is not only the fiscal implications, but also it is proposing a permanent entitlement that is unnecessary to generate new domestic natural gas and oil supplies. There are over 40 million acres of Federal Outer Continental Shelf under lease, but the oil and gas industry is sitting on over 33 million acres of undeveloped leases. They have less than 7 million acres in production, and there is 328 trillion cubic feet of recoverable natural gas in the nonmoratoria areas.

The United States consumes 25 percent of the world's energy, and yet we have less than 3 percent of the world's oil supplies. We cannot drill our way to energy security; yet this bill essentially provides only one way forward—to drill in the Gulf of Mexico. We deserve an energy bill that will reduce our dependency on fossil fuels and strengthen our economy.

On July 20, I joined 40 of my colleagues in sending a letter to the majority leader asking that we consider energy legislation that sets national goals to reduce our overall national dependence on petroleum by increasing fuel efficiency and alternative vehicle technologies, that protects Americans from price-gouging and market manipulation, and that levels the playing field for new renewable and energy efficiency technology and, more specifically to this debate we are having, ensures that new energy proposals that affect spending or revenues must be fiscally responsible and take into account the true long-term impact of these proposals. That is not the bill we are considering today.

I am left wondering why, as the Senate finally takes up energy legislation, we are not debating and voting on a bill to increase fuel efficiency in cars and trucks. Why are we not voting on oil savings provisions? Where are the provisions in our energy legislation to protect consumers from price-gouging or restore lost royalties to the Federal Treasury from oil and natural gas companies making record profits? Where is the mandated Federal funding dedicated to fully funding energy efficiency and renewable energy?

I hope the Senate will get to vote on an increase in fuel efficiency standards. Gasoline consumption in the transportation sector represents about 44 percent of total oil consumption in the United States each year. Including diesel fuel, the number jumps to 57 percent. To bring about any serious reduction in our dependence on foreign oil, we must increase the fuel efficiency of our cars and light trucks, as well as promote the use of hybrids and vehicles that use alternative fuels.

I also hope we will have a chance to amend this bill. I hope we have a chance to have a debate on an energy bill that will include not only supply-side considerations but also demand-side considerations. All of this legislation is important to consider, but I fear we will be constrained to this bill.

Finally, I am concerned that whatever we do in the Senate would open up a conference with the other body. Their legislation, H.R. 4761, the Deep Ocean Energy Resources Act, would lift the moratorium on offshore drilling for all of our coastlines, not just the gulf coast. I believe this would be a serious step, putting in jeopardy fisheries and marine sanctuaries, further depleting the Treasury, further eroding States' current positions with respect to drilling, and undermining environmental mitigation for energy development and production. My Rhode Island coastline, like the coastline of every State, is something we want to preserve and protect, and there is a fear that if the House version prevails, these coastlines will be jeopardized.

We are in a situation where we have a burgeoning energy crisis. We just have to go to the gasoline pump to figure that one out. This burgeoning energy crisis impacts our foreign relations. We have scores of troops across the globe today because of our dependency on oil. But this should not be the occasion to entertain legislation that is unwise in terms of energy policy and potentially very damaging to the fiscal integrity of the United States.

Before we open new lands to development, we need to ensure that the oil and gas industries are putting undeveloped leases into production, and we need to take meaningful action to reduce our consumption and increase renewable energy supplies. We need to be more independent with respect to energy, reduce our consumption of fossil fuels overall. This is an energy policy which we should pursue, and as a fiscal policy, we have to maintain Federal resources for Federal responsibilities.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order of speakers be as follows: SESSIONS, MENENDEZ, COCHRAN, LANDRIEU, and ALEXANDER.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I believe I had asked for 15 minutes. I will try to do it in 10. I ask that I be notified at the end of 10 minutes.

Mr. President, I travel my State, and I know that Senator SHELBY, who spoke earlier, travels Alabama, also. We meet with people and talk with people. I see people back in my hometown in church and in other places, and I get asked about energy prices all the time. People are concerned about it.

I have studied some of the economic numbers in this country, and I am a bit troubled. I think it is a valid concern for our Nation that, while the country is doing well economically and unemployment is down, middle and lower income workers' salaries have not increased as much as we would like them to. In fact, the higher income salaried workers, wage and hour workers, are doing better percentage-wise than the lower income workers. That means the cost of energy impacts them significantly. They ask me to do something about it. I talk about what I have been trying to do since I came to the Senate 10 years ago, which includes voting and working to try to open up the ANWR region, where large reserves exist, and to support nuclear power and clean coal. I have been a supporter of ethanol, and I am hopeful that we will see ethanol, biodiesel and matters of that kind really advance as an option for America.

I have to tell you that the most certain and direct thing we can do is to increase domestic production of oil and gas in this country. That is what we are about to act on now. This legislation is a concrete, direct way that will make a difference in the price of oil and gas in our country.

One of my colleagues mentioned that some people like to use this phrase: Big oil companies. I want to make one thing clear: the reason we should open up production in the Gulf of Mexico is not to help big oil companies. We should open it up if, and only if, it is good for the American consumer and the American economy.

In fact, I am confident that many of the big oil companies will have no interest in producing oil and gas from the Gulf of Mexico. They may be sitting on large reserves of oil and gas right now, and they may be very happy with $75 a barrel. Why should they want a competitor to go out and produce more in some other area if it might reduce the value of the oil and gas reserves that they possess? It is a myth and a falsehood that this has anything to do with oil and gas companies.

What it has to do with is increasing the supply of natural gas and increasing the supply of oil for American consumers, keeping our wealth at home.

One thing is obvious to us: We very much depend on natural gas. Eighteen percent of U.S. electricity comes from natural gas—18 percent—is generated from natural gas. Nuclear power provides 20 percent of our electricity. Nuclear power is the only source of clean, reliable, and affordable electricity. Nineteen applications for nuclear powerplants have been issued since we passed the Energy bill last year. Nineteen applications for new nuclear powerplants have been issued since we passed the Energy bill last year. It will make a big difference, but I have to tell you, I don't expect 18 percent of electricity that comes from natural gas to be reduced any time in the future.

Oil prices are at high levels. On July 14, 2006, the price of crude oil closed around $77 a barrel. Many Wall Street analysts say it may hit $80 if this Mideast crisis continues. By comparison, the price of crude oil 2 years ago was $35 a barrel. That has been an increase of 100-plus percent.

High energy prices, for all practical purposes, result in a tax on the American consumer. And to whom do we pay that tax? We pay it to foreign nations. Many of those nations are hostile to us diplomatically and politically. They are not our greatest friends. In fact, somebody has written an article stating that the more oil wealth a country has, the less friendly that country becomes.

Mr. Bernanke, the Chairman of the Federal Reserve Board, in April of this year said:

> Rising energy prices pose risk to both economic activity and inflation.

On June 15, he said:

> The steep increases in energy prices over the past several years have had significant consequences for households, businesses, and economic policy.

One article I saw recently estimated that higher energy costs have knocked down our growth in GDP by 1 percent this year.

The average price of gasoline has now hit $3.02. It is up from $2.28 a year ago. This hurts families. It hurts consumers. We know that. We hate to see that happen. We know there is a worldwide increase in demand for oil and gas. We know that China and India are growing. I was in South America recently. Almost every country I visited had been having a 5-percent or more increase in growth. That means they will use more oil and gas.

I will tell you it makes a big difference to a working Alabamian, a working man or woman anywhere in this country, who now has to pay an additional $50 a month for gasoline and maybe some more for heating as a result of natural gas.

Natural gas prices have risen dramatically. On July 14 of this year, natural gas in the United States was a little over $6.25 per million Btu's. Not too long ago it was $12. It has dropped about half, which is great news. But in Russia and Oman, for example, natural gas comes in at about $1.25 per million Btu. These higher costs do impact American businesses, particularly, as well as consumers.

The vice president of Nucor Steel in Tuscaloosa, AL, said recently:

> The high price of natural gas significantly impacts our ability to remain competitive and have a productive manufacturing sector.

Some of the natural gas spike in prices is the result of speculation, it is the result of a fear of shortage, a fear that is out there. We have seen that prices have gone up and down in natural gas.

I would say this: Natural gas production in the Gulf of Mexico is at a point where we need to expand our areas of drilling. Natural gas wells produce for a good long time, but they dry up faster than oil wells do. And if we don't constantly replace them, then we have a problem.

We have had a controversy in Alabama recently about LNG, liquefied natural gas. This is natural gas that may be produced in the Middle East. It is liquefied, frozen or brought to a point of liquid by reducing its temperature. It is brought to the United States. A plant is set up, probably offshore, to heat it up and put it into the American pipeline after we pay the foreign shipper, after we pay the people to produce it in the foreign country, after we pay the foreign country for this natural gas. That is what Alan Greenspan told us we will have to do more of, importing LNG. And we will be doing more of that if we're not careful.

How silly it is to do that when right off our own shores we have huge reserves of natural gas. We could keep all that wealth at home in our Nation. We could produce that oil and gas so it goes right into our American pipelines without having to be liquefied. It would go right to the consumers around the country.

Mr. President, 60 percent of our oil comes from foreign sources, including, 49 percent from OPEC nations in all, 14 percent from Saudi Arabia, and 12 percent from Venezuela—boy, they have been taking action recently to see if they can discomfort the United States—10.5 percent from Nigeria, and 6.4 percent from Iraq.

We paid $200 billion last year for foreign oil and gas—$200 billion, wealth that Americans would rather see invested in our country, hiring Americans to produce oil and gas. They would pay taxes and be able to raise their families, have high wages and good retirement plans and good health care plans.

A lot of people have wondered why these companies try to buy up our ports and are buying up American industries. Why are these foreign countries able to do it? One reason is, a number of them are oil-producing nations. These oil-producing nations have wealth they don't know what to do with. They want to invest it wherever they can, and the United States is a good, safe place. I think that is a factor. The transfer of our wealth to foreign nations, many of whom are not our friends or allies, impacts American jobs and American companies.

With regard to where we get our natural gas, less than 20 percent of it is imported. Most of it is imported through pipelines from Canada or Mexico, but only 2.8 percent represents liquefied natural gas. That comes in from Algeria, Egypt, and Trinidad.

So we are, in many ways, a self-contained natural gas community. If we have a real shortage, the price is going to go up. It means if you heat your home with natural gas—and many Americans do—or if your business depends on natural gas for operations—and many American businesses do, their costs are going to go up significantly.

If we produce natural gas off our coast and put it directly in our pipelines, that will help in a dramatic way to contain the price of natural gas in America.

Alan Greenspan recently said:

> Notable cost productions for both liquefication and transportation of LNG—Liquefied natural gas—and high gas prices projected in the American distant futures market have made us a potential very large importer. Access to world natural gas supplies will require a major expansion of LNG terminal import capacity.

He has been warning about that for some time. That is what we are wrestling with in Alabama today: Do we want an LNG plant? We already produce a lot of oil and gas offshore that goes directly into our pipelines. People are comfortable with that. We have had no significant spills in our State. We are comfortable with that. But environmentalists and others are uneasy about this LNG terminal and whether we should go in that direction.

So for every argument, from the environmental argument to the American economy, to reducing the cost, we would do better to use oil and gas offshore.

Conservation, alternative fuels, and domestic production are all important things we need to work on. The Government has had moratoriums on producing from offshore areas. It is something I have been involved in since I have been in the Senate, almost 10 years. We have had debate after debate, vote after vote, but for a whole host of reasons, we have not been able to get around this moratorium. We have not been able to produce more oil and gas in the Gulf of Mexico because of it.

The State of Alabama produces oil and gas in Mobile Bay. I live in Mobile. It is almost close enough to throw a rock at from Fort Morgan Peninsula and hit it. It is right off the coast. We have them in the gulf right off the coast. They produce a lot of oil and gas for this country.

In fact, I will show this chart. It is sort of amusing to me. I used to complain about it back in 2002. We were building a pipeline then. I see Senator COCHRAN from Mississippi is now on the floor. He has seen all this before. We have been producing oil and gas up in Mississippi and Alabama for quite a number of years.

In 2002, our good friends down in Florida, who want no drilling 125 miles or more offshore, objected to new natural gas exploration. But they were perfectly happy to build a pipeline to take our oil and gas down to Tampa, FL, so they can sit out on the dock and have their mint juleps and watch the sunset over the gulf before they go back in their big houses kept cool with air-conditioning run by natural gas. I understand their environmental concerns. But at some point, the producing States have to feel we have been taken here a little as chumps in this deal, getting not 1 cent from the 4,000 wells that exist in the gulf—4,000 wells.

By the way, we have 4,000 wells in the gulf, and this most powerful storm, Katrina, came through so did several other powerful hurricanes last year. Mr. President, over 3,000 of those wells were in the direct paths of those hurricanes, and we never had any significant spill of oil in the gulf. It goes to show how good the technology is, how hard they have worked scientifically to make oil and gas production safer. I think that is why Florida is beginning to reevaluate this and are being more amenable to the idea. Senator MARTINEZ has worked hard to try to protect Florida's interest as much as he can but allow some additional drilling there. I think we have gotten past that. So I would say to my colleagues I have been in the Senate for 10 years and we have been trying to open up additional reserves in the gulf, and we should do that. But we haven't been successful. It hasn't worked. We have tried and tried and tried some more.

Now Chairman DOMENICI has worked his heart out, and Senator LANDRIEU, working on the Democratic side, has met him halfway, and they have worked and planned, and so many other Members of this body have worked on it.

So we have a proposal now which I think will clear this Senate, will open up huge areas, 8 million acres of gulf for production that can produce, and, as we heard from other speakers, large amounts of oil and gas. It will be done in a way that is bipartisan and in a way that we all can be happy about.

We can keep the oil and gas people busy for the period that the oil and gas moratorium on the other parts of the gulf remains in effect. So at that time we will see what happens. If there is a mess or if there is unhappiness—maybe nothing will change. Or, maybe at that point we can decide to open up more land in the gulf for production.

Mr. President, I don't know what my time was.

The PRESIDING OFFICER (Mr. COBURN). The Senator has used 19½ minutes.

Mr. SESSIONS. I have gone beyond the 10 minutes I was looking to speak—far too far. I will wrap up and say I thank each of the Members of this body who has worked hard to reach an accord that will have bipartisan support that should pass. Because this is important to the American consumer; it is important to the American economy; it is important to jobs in this country. It will reduce the transfer of American wealth to foreign nations where we are now sending it to buy the energy we must have.

This is not a little matter; it is a huge matter. Every now and then we have an opportunity to truly do something about an issue that our constituents have raised with us. They have asked us to do something about rising energy prices. This plan will work. It will produce large amounts of oil and gas for our Nation and it will keep us producing energy for quite a number of years.

This is what we should do to fulfill that obligation to our constituents.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. MENENDEZ. Mr. President, I yield myself 20 minutes of Senator BINGAMAN's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MENENDEZ. Mr. President, I rise in strong opposition to this bill which would do little, if anything, to improve the energy situation in this country. It would end up costing the Federal Government tens of billions of dollars in the long run, and it would create an opening for those who want to eliminate coastal protections that tens of millions of Americans want and enjoy.

My primary concern with this bill is the fact that it does absolutely nothing to protect New Jersey. I don't think it does anything for 44 other States, either, but I am here to represent the people of New Jersey, and they are ill-served by the legislation.

We do have a large chemical industry in the State, and I am sensitive to the problems they are facing with the high cost of natural gas, which is a critical feedstock for them. I have received letters from the industry urging me to support this bill, saying we must pass this bill to lower gas prices and put ourselves on the path toward energy independence. But this bill will do nothing of the sort, particularly in the short term. I believe the outside groups supporting this bill know this, and they are hoping this is a ticket into a conference with the bill the House of Representatives passed last month, a bill that is stunning in its disregard for environmental protections.

The bill passed by the House would immediately eliminate the long-standing moratoria that protect our coastlines, not just in one part of the country but everywhere along the Atlantic, along the Pacific, the Arctic, and gulf coasts. Then it would be a free-for-all. States that wanted to could allow drilling a few miles off their shores. Neighboring States that could be heavily impacted by the drilling, particularly in the event of a spill, would have almost no say in the process. States that didn't want to drill would be given 50 miles of protection, way down from the

200 miles we have now. If a State wanted to get an extra 50 miles, it would have to apply to the Federal Government every 5 years for that privilege.

The House bill also has a provision that opens national parks and marine sanctuaries to drilling. As long as your rig is parked outside of a protected area, you are free to directionally drill into that region. No thought is given to the environmental damage that might be occurring, the drill cuttings and toxic metals that can litter the sea floor. But then again, some thought must have been given, because the House bill also provides broad waivers for a number of environmental laws.

One of the fundamental flaws of the House bill is an idea that we can split up the ocean into administrative boxes with each State controlling its offshore territory. But the ocean has no boundaries, and an oil spill will not respect any artificial lines we draw. There is territory off the eastern seaboard less than 75 miles from the coast of New Jersey the administration has already proposed opening to drilling. The House bill is yet another opportunity for that to happen. It is another assault on the Jersey shore, one of the most ecologically sensitive and economically important parts of the State of New Jersey.

Our beaches are part of our $222 billion tourism industry, which is responsible for over 10 percent of the jobs in the State. The New Jersey coastal counties are home to over 1.5 million people.

New Jersey is also home to a huge fishing industry. According to the American Sports Fishing Association, there are over 800,000 recreational anglers in the State, contributing over $1.3 billion and 12,000 jobs to the State economy. Our commercial fisheries are critical as well. The port of Cape May and Wildwood is the fifth largest commercial port in the country, by value. According to the National Marine Fisheries Service, New Jersey landed over 185 million pounds of fish last year, worth over $139 million.

The waters off the coast of New Jersey are home to over 300 species of fish and 300 species of birds, and our beaches are crucial stopping points for countless numbers of migratory birds, including some endangered and threatened ones such as the red knot.

The House bill is a direct threat to all of this, and if S. 3711 passes, the House will have an opportunity to move their bill forward another step toward becoming law.

I know we have been told that the Senate will try to avoid a conference—and I certainly appreciate that—and that we may be able to get the House to accept this bill as is. I have not heard any sort of commitment to that effect from the majority leader, and no one has presented a clear way to this body to avoid a conference with the House. The House, meanwhile, seems quite clear that it doesn't find this bill satisfactory at all. RICHARD POMBO, the chairman of the House Resources Committee who would lead the House delegation in a conference, has been fairly blunt about this. Here are two of his quotes:

> Given the fact that the House bill passed with overwhelming support, it is unlikely that the House would accept the Senate bill without having the opportunity to debate at least a couple of provisions, if not the opportunity to bring it up to par with the House bill.

Referring to the Senate bill:

> It is a third of the bill that the House passed overwhelmingly in a bipartisan fashion just two weeks ago.

Pombo spokesman Brian Kennedy said yesterday:

> The House passed a comprehensive national solution.

Here are two news reports from this week:

> House Resources Committee Chairman Richard Pombo, the lead advocate of the House plan, has scoffed at the idea of simply accepting the Senate plan.
>
> Richard Pombo said that if the Senate passes its bill this week, he plans to work in conference to add as many of the House provisions as possible.

Then yesterday, in an AP report:

> Representative Richard Pombo, a key sponsor of the House bill passed last month, said Tuesday he saw no way the House would accept the limited Senate legislation as a substitute for its bill—no way.

Any Member of this Chamber who believes we can get the House to accept this bill as is should listen to these statements and think again.

But I also don't believe this is all that great a bill to begin with. First, the fact is it doesn't do that much. Let me show you this map of the region we are talking about.

This region outlined in black, the contours of it are lease sale 181. The purple lines are the existing pipelines in the gulf over here, and the gray squares are the oil and gas platforms that already exist. This orange rectangle right here has already been opened. So S. 3711 would open this red area in the middle, and these two tan areas, but the red area is already likely to be open next year by the administration anyway. Congressional action isn't necessary here at all. It is not under a moratorium, it is not under withdrawal, so there is no need for us to act to get that gas.

The only new areas the bill opens are these two tan areas here, a wedge-shaped area in 181, and a bigger area called 181 south. They may look pretty big, particularly this one here in the south, but combined, these two areas have less gas than this red region alone.

Look how far these new regions are from the existing infrastructure in the region. Even if they were opened today, it would take years for companies to start developing them. And once they do start developing them some years down the road, there is not all that much gas there to begin with.

Here is the claim the proponents of this bill make: 5.8 trillion cubic feet of gas opened in this whole bill, which would be enough to heat and cool 6 million homes for 15 years. It would take care of the Nation's needs for 3 months. That is what they say. But how long will it take to get that gas?

Here are the estimates that the Mineral and Mines Management Service say even going out 50 years—even going out 50 years—we only get about 80 percent of that 5.8 trillion cubic feet, about 2½ months' worth.

Looking into the median term, in the next 15 years, this whole bill would open half a trillion cubic feet of gas. That is about 9 days' worth. The new areas, the areas that wouldn't be opened, anyway, provide less than half of that, enough to take care of the country for a cozy Thanksgiving weekend.

But in the near term, in the next 10 years, we get almost nothing out of this bill, and there will be absolutely nothing until 2011.

Take a look at these numbers from the Minerals Management Service and ask yourself, will this have a real effect on natural gas prices, with this type of supply? Will this have any effect on natural gas supply?

Nothing in the short term. But, in exchange for that "nothing," we give away 37.5 percent of the royalties, money that could be used for homeland security, defense, housing, education—or actually helping the coastal States in this region to actually meet their challenges. I do believe we should help them meet their challenges, particularly Louisiana. Senator LANDRIEU has made a powerful argument on behalf of her State and those needs. But the question is, How do we best achieve that? Money for these other priorities we cede to four States, and for those four States it is a great deal, but for New Jersey and the other 45 States, I don't see how it is.

There are some people who might support this bill because of the money that will go directly to the Land and Water Conservation Fund stateside program. But the amount of money in that fund that we will get in the first 10 years is a trifle. These are the funding levels for the stateside grant program for the past 6 years—see where they are—and the amount in this year's Senate Appropriations Committee report. The average over that time is about $82.3 million.

Under the bill we are debating, this new direct funding for the Land and Water Conservation Fund would provide a small fraction of what it had been getting in the past and barely even meet the lower funding levels of recent years. While this does not replace the appropriations process for the

Land and Water Conservation Fund, it could make it harder in the future to get appropriators to provide additional funds to this program, beyond that which is allocated in this bill. This is no windfall for the Land and Water Conservation Fund, and it certainly doesn't make up for the giveaways from the Federal Treasury.

Finally, this bill provides statutory protections for Florida's western coast until 2022. That is unprecedented and treats Florida differently from all other coastal States. I do not begrudge Florida their attempts to get statutory protections to 2022. They deserve the right to try to protect their coastline. But New Jersey also deserves the right to protect our own. While we must fight each year for a 1-year extension to the drilling moratorium and are beholden to the whims of the executive branch which could remove the Presidential withdrawal at any time, Florida would be protected.

We simply seek the same protections Florida is being offered, a continuation of the moratorium until 2022. So I will be filing an amendment, cosponsored by a broad, bipartisan coalition of Members from both coasts, including Senators SNOWE, FEINSTEIN, LAUTENBERG, BOXER, COLLINS, and many others, that would put the Atlantic and Pacific Oceans off limits to oil and gas drilling until 2022.

While we file those amendments, we are being told, unfortunately, that we will not be given the opportunity to offer any amendments to this bill. I believe that is wrong. We have record-high gas prices. We face even higher ones in the future due to instability in the Middle East. We are putting a squeeze on families around the country while allowing oil and gas companies to report new record profits this week. We also have an electric grid in California that is straining under a record heat wave, and global warming threatens to bring us even more heat waves like this in the future. Yet this is the only piece of energy legislation which is likely to move this year, and we are not likely to be given the opportunity to address any of the real energy problems this country faces.

There are a number of excellent amendments that are being filed by people on both sides of the aisle, amendments that would raise fuel efficiency or provide for a real plan to cut down on the amount of oil we use or create new incentives for renewable energy. I will be filing amendments to encourage the production of biofuels and the development of new vehicle technologies, increase the amount of renewable energy the Federal Government is required to purchase, spur the growth of transit-oriented development corridors to help reduce people's dependence on cars, and others.

But at the very least, we should be allowing other coastal States, such as New Jersey, the opportunity to protect their own beaches the same way Florida has already been taken care of in this bill. The complete lack of protections for the New Jersey shore in this bill and the lack of guarantees that something much worse will not come out of a conference with the House forces me to oppose this bill. That is our fundamental problem. I certainly hope, if the bill is to pass the Senate, it certainly does not come back in any way other than its present version, or else we will clearly be forced to do anything and everything necessary to achieve its defeat.

I yield the remainder of my time. I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am pleased to be a cosponsor of the Gulf of Mexico Energy Security Act. The legislation will expedite oil and gas production in areas that are at least 100 miles from the coastlines of Gulf Coast States and will enable our Nation to reduce our dependence on foreign sources of energy. This will improve our national economy and help increase job opportunities for American citizens across the country. It also authorizes the sharing of 37.5 percent of the revenue from new production of oil and gas in the Gulf of Mexico with the States of Alabama, Mississippi, Louisiana, and Texas.

Mr. President, 12.5 percent of the revenue from this production will be shared with all States through the Land and Water Conservation Fund. The sharing of revenue with States is consistent with the way other areas of the country have benefited from oil and gas production, such as the western Rocky Mountain region, where 50 percent of oil and gas revenue goes to the producing States.

The Congressional Budget Office estimates that this legislation will reduce Federal spending by $900 million over the 2008 through 2016 period. It increases domestic energy production and saves the Federal Government money.

The legislation will open 8.3 million acres to production on the Outer Continental Shelf, and it will do it responsibly. The offshore program will be conducted under Federal environmental mandates, including the Outer Continental Shelf Lands Act and the National Environmental Policy Act.

As unrest in the Middle East continues, the development of an uninterrupted supply of domestic energy becomes more and more important to our national interests. Our economic security depends on it. At the present time, 37 percent of our petroleum comes from the Middle East or Africa. This legislation will reduce our dependence on these foreign sources of oil and gas.

American families and businesses feel the impact of increasing energy costs every day. As gasoline prices rise, the heating and cooling of homes becomes more and more costly. The new supply of natural gas which will be made available by the Gulf of Mexico Security Act is enough to heat and cool nearly 6 million homes for 15 years.

Small businesses are strained by unexpected increases in the cost of energy. As the cost of raw materials and fuel rise due to supply not meeting demand, the cost of production and transport of goods is passed on to consumers. Disruptions in our supply mean higher prices, lower productivity, and ultimately the loss of jobs—especially in small and medium size businesses.

American manufacturers face intense competition from foreign companies who have an energy cost advantage. Increased domestic supplies of natural gas would assist our Nation's industries whose competitiveness relies on natural gas as a raw material. The U.S. agricultural industry, for instance, has been facing a natural gas crisis since 1999. Farmers across the country use natural gas for food processing, irrigation, and in the production of crop-protection chemicals and fertilizers. The U.S. fertilizer industry estimates that in the 1990s, 85 percent of its domestic needs were supplied through U.S.-based production. But today, this industry relies on imports for more than 50 percent of natural gas supplies. This adversely affects businesses such as Terra Industries in Yazoo City, MS, which produces nitrogen fertilizer and relies heavily on natural gas as a feedstock.

We must act now to take advantage, in an environmentally acceptable way, of our national resources in the Gulf of Mexico. This legislation will do just that. It is estimated that this legislation will provide us with 5.8 trillion cubic feet of gas and 1.26 billion barrels of oil. The process to begin extracting those resources could begin almost immediately upon the enactment of this legislation.

I compliment the distinguished Senator from New Mexico, Mr. DOMENICI, the chairman of the Energy Committee, for his leadership in bringing this bill to the floor of the Senate. The Gulf of Mexico Energy Security Act is a step in the right direction and will benefit our entire Nation. I encourage its adoption by the Senate.

The PRESIDING OFFICER. Who yields time? The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I intend to speak for about 15 minutes. I think that was part of our unanimous consent agreement earlier. I know there are other Senators who want to speak for and against.

I wish to begin again by thanking Senator DOMENICI for his strong and able leadership. I want to associate myself with the remarks of the chairman of the Appropriations Committee.

the senior Senator from Mississippi. Mr. COCHRAN, who has been a real leader in our effort to pull a coalition of Senators together who are concerned about the Nation's energy supply and our growing dependence on areas of this world that are not friendly to downright dangerous. This coalition of Senators understands how important a partnership is to maintain a long-range, mutually beneficial relationship that helps the coastal States that agree to drill and the Nation that so desperately needs new supplies.

I am going to try to answer some of the charges that were made. As the chairman, the Senator from New Mexico, said, some of them are not worth responding to because they are so weak on their face. But some do need to be responded to.

One of them that I want to set right is President Truman's position. Somebody might say: Senator LANDRIEU, why is it so important to know what President Truman did? We need to look forward, not backward.

But you know, as a leader and as an elected official, I find it very helpful sometimes to understand history—the things we did right and the things we did wrong—because it helps us to make wiser decisions in the future. When so many lives depend on it—300 million, in this case, in the United States, and more in the rest of the world—I think it is important for us, as fast as we move up here, to try to get it right. So I want to get something right for the record. If somebody wants to come down here and debate me, please do, because I have many books about the Tidelands oil controversy with which I am prepared to debate. I have excerpts of the veto letter Truman sent. I read the original law. Why would I do this? Because this is very important to my State.

The truth of the matter is this: In the late 1940s, we didn't know there was oil and gas in the waters off the coast. I think the first well was found in Pennsylvania, maybe the second one in Texas, and the first offshore well was off of a pier in California. I say a pier because that is the way they first were because nobody knew how they could swim out. They made a pier to walk out to put the rig in the water. And lo and behold, they discovered oil and gas. It wasn't soon after that first well, there was a second well offshore in Creole, LA. I know about it because it is in my State, a little town that was virtually destroyed by Katrina and Rita, where a lot of brave souls, pioneers—just like the West is proud of the cowboys and the pioneers and the wagon trains that went out West, those of us along the gulf coast, the roughnecks who started this industry, those who own pirogues and skiffs and flat boats and walked in the marsh are proud of the industry which we developed.

We don't hang our head in shame about it, despite the rambling up here about big oil companies this and big oil companies that. People have made a good living. It helped this country to be the strongest economy in the world and in large measure because of the way we manage our resources. We need to do a better job of that.

President Truman offered the Gulf Coast States 37.5 percent. He said the land belongs to the Federal Government. There is no question it is Federal Government land and it is Federal resources. But as your President, I will agree to share the bounty.

Why? Because he was a smart man. He was an able leader, and wise, and knew that sharing is always better than hoarding. It is the first lesson kids learn in kindergarten. Why we can't learn it in Congress I don't know. But President Truman figured that partnership is better than in lateral taking. So he offered us 37.5 percent and he put a bill in and sent it to the Congress. You can read what happened.

But because of States rights issues and all sorts of other politics of the time, the Congress, for whatever reason, decided the States should get 100 percent. They amended his law that he sent to Congress to give 100 percent and the Federal Government to get nothing. That, of course, didn't make any sense. And President Truman was correct. He vetoed it. I would have, too, if I were the President, and so would THAD COCHRAN, if he were the President back then. It didn't make any sense.

But for Members to come to the floor and read only a part of the history and use it for their argument is not being forthright. That is what history books will say. That is why those of us in Louisiana understood that it was Leander Perez, who was leading the charge for a greater share, 100 percent. We were so angry because we basically ended up with nothing. We should have taken the 37.5 percent.

That is what brings us here 50 years later—not to rob the Federal Treasury, not to ask for something that is not ours but to cut a good deal, a fair deal, a square deal for the people of the gulf coast, for the coastal States, and to honor the wise offer made to us by President Truman.

Here is a picture of it. I would have no such objection to such a provision, which is similar to existing provisions under which the States receive 37.5 percent of revenues from the Federal Government, oil-producing public lands within their borders. Because in the 1920s the record will reflect, when oil was discovered on land, the Minerals Leasing Act gave 37.5 percent to States such as New Mexico, to States such as Wyoming, to States such as Colorado. No oil or gas had been discovered in water. So there was no reason for the coastal States to be included.

The Senator from New Mexico is correct because western States came into the Union under completely different rules than the eastern States. There was a lot more western land. So the Minerals Leasing Act was passed. It was set at 37.5 percent. When oil and gas began to be discovered in little places such as Creole and off the coast of California, there was interest in having the coastal States at 37. But because there was an overreach, we got nothing.

Yes, we have had jobs, we have had economic opportunity. I am not denying that. But what I am saying is a partnership is always better than going it alone. The strategy of going it alone has resulted in not one new refinery being built in this country in the last 30 years and only expansion very recently, no new nuclear powerplants being built until recently, and no new areas opened under leasing because of no partnership.

I wanted to get the Truman issue straight this afternoon.

I also want to say that this bill is good overall energy policy. I know we cannot drill our way out of the situation we are in. But we had better change course. Since 1960, we have been on a course of further dependence on oil and gas. We are building and trying to permit more liquefied natural gas terminals, which is good, but we are building an infrastructure of dependence. We need to build an infrastructure of independence so that we can make wise choices and not be beholding to the suppliers of a commodity and a resource which we need to keep the lights on and to keep this economy moving forward.

This bill comes to the floor not saying it is the solution to all of our energy problems but arguing forcefully that increasing supply is important and saying we have not done that in over 20 years. We need to open areas of new drilling.

As a story, I had a group of French Parliament members from France in my office not too long ago. I cochair the French caucus. We talked about a lot of issues. They were particularly interested in the issue of energy. I put up a map of the United States. And first they asked me about nuclear because, of course, the French are leaders of the world in that. They produce a different kind energy technology than we do, and 80 percent of their energy comes from nuclear sources. They were asking me about that. They also asked me about other aspects of the energy legislation. I showed them a map of the United States. I said this is where we allow drilling, and this is where we don't, but we think we might have reserves in many other places. When they saw the map of how restricted drilling is they were dumbfounded. They said: Senator, why? This is a great country. America has resources. I said: Because we have a backward-looking approach. We have not recognized new technology. We have not recognized that you can drill in places and minimize the footprint and expand opportunities for the economy while making sure that you are protecting the environment.

This is a step in right direction. The gulf coast is our Nation's only energy coast. Three-hundred million Americans depend on this coast to work—and work we do.

This is a picture of a graph that I like to show. I have shown it many times. The red is a natural gas pipeline company, and all the pipeline companies that exist in the Nation. You can see there is a great cluster right here along the Texas coast, Louisiana, Mississippi and Alabama. It comes right here at Mobile Bay. This one lonely little pipeline brings gas right over here to Florida because we are not able to drill for several reasons. That is a subject for another day. But this is the gulf cost compromise. By the nature of it, we all can't get what we want. It is a compromise. These five States—four that are drilling States and one that is a nondrilling State—have come together, Senators MARTINEZ and NELSON, all of us, to say: OK. Let's stop fighting and let us start working for the benefit of the country. Let us give Florida a reasonable buffer, new revenue sharing to these States, open some additional drilling and help the country get the domestic oil and gas it needs. Maybe it makes too much sense for people to vote for, but there is another reason that this money is so critical to Louisiana and Mississippi, Alabama and Texas and, in particular, Louisiana because our topography is different. I know people can't grasp it because you do not see pictures of it very much. We don't have beaches similar to California and Florida. We have only two. They are 7 miles long each—Holly Beach on the west and Grand Island on the east. All the rest of our coast is quite expansive. It is marshland and grassland. It is the home of the mouth of the greatest river—the Mississippi River—system in North America. That river goes all the way through our country. So this land is very fragile. Because of global warming, and because of other things, because of some of the canals that were dredged back in the early days before we understood the degradation that can be caused, this coastal land is eroding. The hurricanes that are coming are more fierce and strong. We lost in Rita and Katrina alone total land equal to 73,000 football fields. We lose the equivalent of one football field every 38 minutes, 73,000 football fields in 48 hours. That is the size of the District of Columbia gone in 2 days because of the great surges from the water and wind from Katrina and Rita.

This money is critical. And unlike our opponents who say there is no direct use of this money, the people of Louisiana are poised to pass a constitutional amendment that all of that money will go to coastal restoration and hurricane protection.

I might add we are happy to do that. It is obviously popular and quite necessary in the State of Louisiana to do that. That is what our State wants to do. I might add that the interior States of New Mexico, Colorado, and Wyoming have no restrictions. The States that share 50 percent of their revenues have no restrictions on the way the money can be spent. They can reduce taxes with it. They can build universities with it. They can build highways with it. They could put it in a trust fund and give out a check to everybody who lives in the State. But we have targeted uses for these funds in this bill. We want them to go for general environmental purposes and to secure our coast—not just for the benefit of the 10 million people who live along the coast but the 300 million people who depend on this coast to be there decades from now, hopefully, centuries from now—a very valuable working coast for the Nation.

Energy comes from this coast, fisheries come from this coast, the Mississippi River empties into the gulf here, and 70 percent of the rain from the Midwest comes down through this river system. It is important that we don't wash it away.

I know my time is up. I will come back again to speak. Maybe there are some other Senators who would like to speak. But I wanted to get President Truman's position straight for the RECORD. I wanted to say that our uses are going to go for environmental purposes and I wanted to say that without this money the coast will wash away.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I ask unanimous consent the order of speakers be as follows: Senators KYL, MURKOWSKI, TALENT, and ALEXANDER, with the understanding that Democrats will be accommodated if they come to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, today I come to the Senate floor to talk briefly about S. 3711, the Gulf of Mexico Energy Security Act of 2006, which will open new federally controlled areas in the gulf to oil and gas leasing. I support the purpose of this bill as a necessary step in securing American oil and natural gas for America's energy consumers. It will start to address the root cause of high energy prices which is, of course, demand outpacing supply.

However, there is one aspect of our Federal oil and gas leasing program that needs fixing. That program is the Royalty Relief Program. I am hoping we will have the opportunity to offer some modest reforms to this part of the program.

Let me first explain how it works. Royalties are collected by the Department of Interior from leases as a fixed percentage of the net value of oil or gas produced from the leased area. The terms of the lease specify the royalty rate that applies to future production from that area, on average, about 15 percent, as well as the conditions under which the lessee may qualify for a royalty holiday, a waiver of royalty payments commonly called royalty relief.

Mandatory royalty relief was provided pursuant to the Deep Water Royalty Relief Act of 1995 as an incentive to companies to undertake investment in the deep waters. The incentive was intended to provide companies that undertook these investments specific volumes of royalty-free production to help recover a portion of their capital costs before starting to pay royalties. The act also gave the Secretary of the Interior the authority to limit royalty relief based on market price. These limits are called price thresholds. Price thresholds act to set a gross revenue ceiling so that companies do not benefit from both high market prices and royalty-free volumes.

These incentives were offered at a time when oil and gas prices were low and interest in deep water exploration and development was lacking. Since the passage of the 1995 act, natural gas production is up 407 percent and oil 386 percent based on figures provided by the American Petroleum Institute.

Despite the program's successes, recent news reports and the administration's own statements suggest that the Government may be unable to collect billions in royalties from leases issued under this act. Many have probably heard the reports to the effect that in 1998 and 1999 the Clinton administration issued leases that did not include price thresholds. Why is this a big deal? It is a big deal because energy prices have skyrocketed and without price thresholds to trigger payment of royalties, we will not see a dime from these leases. GAO estimates that the mistake could cost up to $10 billion in lost revenues.

I wish that were the only problem, but it isn't. A few producers who signed leases in 1997, 1998, and 2000 that did include price thresholds have refused to pay royalty on production even though the thresholds have been exceeded. One of the companies has sued the Department of the Interior, arguing that Interior does not have the authority to establish price thresholds for leases issued between 1995 and 2000. This could have significant implications for royalties already collected. GAO estimates the potential return revenue to be almost $60 billion.

Despite these concerns, the Congress enacted the Energy Policy Act which, again, made royalty relief mandatory in deep water leases but did not require that royalty relief be conditioned upon price thresholds.

This brings me back to the bill under consideration and the modest reforms to the royalty program that I seek to offer to improve the program going forward. First, Congress must require that the Secretary of Interior impose price thresholds in all new leases that include royalty relief. Directing the Secretary to include price thresholds in all leases is an important near-term action that will ensure that the American taxpayer gets a fair return for the oil and gas produced from Federal land. The 1998 and 1999 leases demonstrate that the Interior Department cannot be trusted to do this on its own, and we cannot afford another $10 billion mistake.

Second, Congress must reaffirm the Secretary's authority under the 1995 act to put price thresholds in leases. Congress intended that royalties be paid when prices were high. We must ensure this is the case.

This bill is a natural place to make these fixes to the Royalty Relief Program. After all, any royalty payments made or not made will directly affect the revenues that can be shared under this bill.

I urge my colleagues to work with me on these important reforms. I hope we can all agree that including these reforms in this bill will improve and not hinder the bill.

I conclude by saying that I have spoken with Senator DOMENICI, the author of the bill, and that Senator WYDEN and I have urged some form of this relief be included in the bill. I appreciate very much Senator DOMENICI's leadership on this issue overall and hope that we can reach some kind of agreement.

In conclusion, I ask unanimous consent to have printed in the RECORD a Legislative Notice produced by the Republican Policy Committee on S. 3711.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEGISLATIVE NOTICE

S. 3711—GULF OF MEXICO ENERGY SECURITY ACT OF 2006

Read the second time on July 21, 2006, and placed on the Senate Legislative Calendar under General Orders; no written report.

NOTEWORTHY

On Monday, the Majority Leader filed a cloture petition on the motion to proceed to S. 3711, the Gulf of Mexico Energy Security Act of 2006. As per Senate rules, a vote on cloture on the motion will occur on Wednesday. The Majority Leader has announced his intention to hold the vote prior to the 11:00 a.m. Joint Meeting of Congress.

Americans are facing high energy costs due to supply problems for both oil and natural gas, which are having an adverse effect on the nation's economy. Opening up the Outer Continental Shelf (OCS) to energy development would increase U.S. energy supplies, which in turn would help reduce energy prices.

In April 2006, the Senate Energy Committee reported S. 2253, a bipartisan bill cosponsored by Chairman Domenici and Ranking Member Bingaman, by a vote of 16–5 (with 1 "present" vote), requiring the Secretary of the Interior to offer for oil and gas leasing 3.6-million acres of Original Lease Sale 181.

Concerns over S. 2253 prompted additional negotiations, culminating in a new bill, S. 3711, which was introduced by Chairman Domenici on July 20 with 10 cosponsors, including Senator Landrieu (D–LA), the Senator who had voted "present" on reporting S. 2253.

S. 3711 represents a bipartisan agreement among Gulf State Senators to enact legislation that would increase domestic supplies of oil and natural gas.

HIGHLIGHTS

S. 3711 would:

Require the Secretary to offer a portion of the Gulf of Mexico, including a portion of Lease Sale 181 and an area south of Lease Sale 181, for oil and gas leasing.

Make available to U.S. consumers an additional 1.26 billion barrels of domestically produced oil and 5.83 trillion cubic feet of natural gas.

Put into place a 125-mile buffer until [statutory] 2022 for energy development in waters off the coast of Florida in the Gulf of Mexico.

Put some areas within Original Lease Sale 181, previously available for energy development, under moratoria.

Extend existing moratoria on energy exploration and development in the Gulf from 2012 to 2022.

Distribute 37.5 percent of lease sale revenues (by a formula to be established by the Secretary of the Interior) to Alabama, Louisiana, Mississippi, and Texas. These revenues must be dedicated to coastal protection, restoration, and mitigation.

Distribute 12.5 percent of lease sale revenues to the stateside Land and Water Conservation fund, which provides matching grants to States and local governments for the acquisition and development of public outdoor recreation areas and facilities.

Retain 50 percent of lease sale revenues in the General Treasury.

BACKGROUND

The following background information is drawn from two RPC policy papers issued last month and titled, "Revisiting Energy Development in the Gulf of Mexico," and "Evaluating the Risks of Opening an Area to Energy Development."

EVALUATING THE NEED FOR ENERGY DEVELOPMENT IN THE OCS

Americans are facing high energy costs due to supply problems for both oil and natural gas, which are having an adverse effect on the nation's economy. Crude oil prices, for example, have hovered around $70 per barrel since April and recently reached $77 per barrel. As a result, American consumers have been faced with high gasoline prices, sometimes exceeding $3 per gallon on average.

As high as gasoline prices have been, the high price of natural gas may be having a greater impact on the economy. Throughout most of the 1980s and 1990s, the wholesale price (commonly referred to as the "city gate" price) of natural gas hovered around $3 per thousand cubic feet. By 2004, wholesale prices exceeded $6, and by the end of 2005, they exceeded $10. Since then, the price has moderated somewhat, but it is still high at $6.19 per thousand cubic feet. In 2005, natural gas consumers spent $200 billion on natural gas, which is four times as much as was spent in 1999, the last time natural gas traded within its historic price band (the yearly average wholesale price during the 1980s and 1990s was between $2.78 and $3.95).

High natural gas prices have led directly to job losses, particularly in the manufacturing sector. The U.S. chemical industry, whose products are found in 96 percent of all U.S. manufactured goods, has been hit hard by high natural gas prices. The industry uses natural gas as both an energy input and as a key ingredient in its products (accounting for more than 10 percent of total U.S. consumption). It has been estimated that, from 2000 to 2005, the industry lost $50 billion in business to overseas competition, and reduced U.S. jobs by 100,000 In the same time frame, the National Association of Manufacturers estimates that, overall, the United States lost 2.9 million manufacturing jobs, due in large part to high natural gas prices.

Opening up the OCS to energy development would increase U.S. energy supplies, which in turn would help reduce energy prices. To the extent that energy development would add to the world supply of oil, it would reduce the world price for oil. More importantly, developing domestic natural gas resources would substantially reduce natural gas prices, thereby lowering Americans' heating and electricity bills. It would also help halt job losses in the nation's manufacturing industry and contribute to robust economic growth within that industry and the economy as a whole.

HISTORY OF MORATORIA ON THE OCS

The Outer Continental Shelf (OCS), as a whole, is estimated to contain approximately 60 percent of the remaining undiscovered oil in the U.S., or 75 billion barrels of technically recoverable oil. It also contains as much as half of the remaining undiscovered natural gas, or 362 trillion cubic feet of natural gas. However, much of the OCS, including the U.S. waters off the coasts of New England, California, the Eastern Gulf of Mexico, the Mid-Atlantic, South Atlantic, Alaska's North Aleutian Basin, and the Pacific Northwest have been put off limits by Congressional moratoria or Presidential withdrawal.

Although Congress had enacted moratoria on Interior Department appropriations bills beginning in 1982, the areas covered by the moratoria varied from year to year. The initial action to remove most of the OCS from energy development activities on a more permanent basis began in 1990 when President George H.W. Bush issued an Executive Order prohibiting lease sales off the East and West coasts for 10 years. In 1998, President Clinton, in a memorandum to the Secretary of the Interior, withdrew from leasing through June 30, 2012, those areas of the OCS put under Congressional moratoria in the Department of the Interior and Related Agencies Appropriations Act of 1998. Those areas included those previously put under moratoria by President Bush, as well as the North Aleutian Basin, the eastern Gulf of Mexico, and the Mid-Atlantic and South Atlantic. Not included in either of these Bush or Clinton acts was the Lease Sale 181 area.

HISTORY OF LEASE SALE 181

In November 1996, President Clinton's Secretary of the Interior, Bruce Babbitt, adopted a five-year leasing program (1997–2002) to start the multi-step process to allow for eventual energy exploration and development in the Original Lease Sale 181 area. The Secretary's decision was made after extensive consultations by the federal government with coastal states, including the State of Florida (which, among the Gulf Coast states, has traditionally offered the strongest opposition to energy activities off its coasts).

In June 2001, after President George W. Bush came into office, a Final Environmental Impact Statement was completed for the full 181 area, giving the lease owners the green light to begin development activities. However, within weeks, the U.S. House of Representatives passed an amendment to the FY2002 Interior Appropriations bill (H.R. 2217) to prevent the use of funds to execute a final lease agreement. The amendment passed by a vote of 247–164, but was eventually stripped out in conference. However, the strong opposition demonstrated by the House vote convinced the Administration to offer a compromise proposal to adjust the lease sale area from 5.9 million acres to just 1.5 million, such that every point of the proposed area would be at least 100 miles from the coast of Florida.

In April 2006, the Senate Energy Committee reported S. 2253, a bipartisan bill cosponsored by Chairman Domenici and Ranking Member Bingaman, by a vote of 16–5 (with 1 "present" vote). It required the Secretary of the Interior to offer for oil and gas leasing, within a year of enactment, 3.6 million acres of Original Lease Sale 181 that were not subject to any moratoria or Presidential withdrawal. Concerns over S. 2253 prompted additional negotiations, culminating in a new bill, S. 3711, which was introduced by Energy Committee Chairman Domenici on July 20 with 10 cosponsors, including Senator Landrieu (D-LA), the Senator who had voted "present" on reporting S. 2253.

The Senate Energy and Natural Resources Committee estimated that the area that would have been made available for energy development under S. 2253 contains 930 billion barrels of technically recoverable oil and 6.03 trillion cubic feet of technically recoverable natural gas. This new bill would make available an area for energy development containing 1.26 billion barrels of technically recoverable oil and 5.83 trillion cubic feet of technically recoverable natural gas, according to the Committee.

EVALUATING THE RISKS OF ENERGY DEVELOPMENT IN THE OCS

As with virtually any economic activity, energy development in the OCS carries risk. A major oil spill, for example, theoretically could occur and could reach the U.S. coast, thereby imposing major costs on the affected state. Such a spill could also inflict significant, even irreversible, harm on certain marine species. Nobody denies these possibilities; nor should the mere possibility of harm (no matter how small) justify inaction. Policy makers attempt to weigh risks and benefits—they evaluate the likelihood of harm and then weigh the potential costs of action against the costs of inaction. When framed in this way, sensible decisions can be made on the acceptable level of risk.

An actual analysis of the last 30 years of experience with offshore exploration and production activities shows that any harms are likely to be small in size and cost, and are unlikely to pose a significant threat to the survival of any species populations. Due to advances in exploration and extraction technology, major oil spills associated with U.S. offshore oil and gas production have been virtually eliminated. Indeed, since 1980, there has not been a single, significant oil spill from a U.S. exploration and production platform. The last oil spill to reach U.S. shores occurred 37 years ago, in 1969, in California's Santa Barbara Channel. Further, there is no documented evidence of any oil spill occurring in U.S. waters more than 12 miles from the shore reaching the shore. Moreover, only 2 percent of total petroleum inputs into the U.S. marine environment originates from offshore oil and gas development activities. Rather, fully 63 percent of total petroleum inputs into the U.S. marine environment comes from natural seeps on the ocean floor. This strongly suggests that the risk associated with deepwater energy development is very low.

BILL PROVISIONS

[Note: This Notice includes a map that details the area that would be made available for energy development in the deep waters of the Gulf of Mexico under this bill.]

Section 1—Title: Gulf of Mexico Energy Security Act of 2006.

Section 2—Definitions.

Section 3—Offshore Oil and Gas Leasing in 181 Area and 181 South Area of Gulf of Mexico.

This section requires the Secretary of the Interior to offer the 181 Area (that is, the tan area within the blue border on the map above) for oil and gas leasing not later than 1 year after the date of enactment of this Act. It also directs the Secretary to offer the 181 South Area (tan area outside blue border), previously under moratorium, for leasing as soon as practicable.

Section 4—Moratorium on Oil and Gas Leasing in Certain Areas of Gulf of Mexico.

This section expands the moratorium on oil and gas leasing to include areas previously available for leasing in the Sale 181 Call Area (the full area within the blue border, sometimes referred to as "Original Lease Sale 181") and extends moratorium until June 30, 2022. The moratoria apply to: any area east of the Military Mission Line in the Gulf of Mexico; any area in the Eastern Planning Area (east of the green line) that is within 125 miles of the coastline of the State of Florida; or any area in the Central Planning Area (west of the green line) that is within 100 miles of the coastline of the State of Florida (the yellow area, both inside and outside the 181 area, west of the green line).

This section provides for oil and gas development east of the Military Mission Line after June 30, 2022, though the Secretary of Defense retains authority to veto leasing in these areas.

It also provides that owners of existing oil and gas leases within the areas newly under moratorium may exchange those leases for a bonus or royalty credit that may only be used in the Gulf of Mexico; that the value of the lease to be exchanged will be equal to the amount of the bonus bid and any rent paid for the lease; and that within a year of enactment, the Secretary shall promulgate regulations to govern the lease exchange process.

Section 5—Disposition of Qualified Outer Continental Shelf Revenues From 181 Area, 181 South Area, and 2002-2007 Planning Areas of Gulf of Mexico.

This section provides that 50 percent of revenues derived from lease sale revenues in the OCS be deposited into the general fund of the Treasury and 50 percent shall be deposited into a special account in the Treasury, 75 percent of which (i.e., 37.5 percent of the total) will be disbursed to Gulf producing States and 25 percent of which (i.e., 12.5 percent of the total) will be disbursed to the stateside Land and Water Conservation fund.

The 37.5 percent of total OCS revenues reserved for Gulf producing States shall be distributed according to a formula established by the Secretary of the Interior. The formula will distribute the funds in amounts that are inversely proportional to the distance between the point on the coastline of each Gulf producing State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract. In other words, the further away a Gulf producing State is from the leased tract, the less money it gets. Each Gulf producing State shall receive a minimum allocation of 10 percent in each fiscal year.

Beginning in 2017, the same allocation formula will apply to the 181 Area and the 181 South Area. For leases entered into for the 2002–2007 planning area, starting in 2017 revenues shall be allocated to Gulf producing States in amounts that are inversely proportional to the distance between the points on the coastline of Gulf producing States that are closest to the geographic center of each historical lease site and the geographic center of the historical lease site, as determined by the Secretary. Again, the minimum allocation for Gulf producing States in each fiscal year is 10 percent. Historical lease sites include all leases entered into by the Secretary in the 2002–2007 planning area from October 1, 1982 to December 31, 2015. The ending date will be extended every five years beginning on January 1, 2022. For each of the fiscal years 2016 through 2055, the amount to be distributed from Continental Shelf revenues shall not exceed $500 million.

Twenty percent of the share disbursed to each Gulf producing State shall be paid by the Secretary to the coastal political subdivisions of the Gulf producing States to be allocated according to an existing formula.

Gulf producing States shall use the amount received under this section only for one or more of the following purposes: coastal protection; mitigation and damage to fish, wildlife, or natural resources; implementation of a federally approved marine, coastal, or comprehensive conservation management plan; mitigation of OCS activities through funding of onshore infrastructure projects; and planning assistance and the administrative costs of this section (no more than 3 percent).

COST

The Congressional Budget Office estimates that S. 3711 would reduce direct spending by $926 billion through 2016.

ADMINISTRATION POSITION

A Statement of Administration Policy (SAP) on the bill was not available at press time.

Mr. KYL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, let me ask that my time be taken from the time allotted to Senator BINGAMAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDIAN HEALTH CARE

Mr. DORGAN. Mr. President, I will speak to an issue I spoke about nearly a month ago in the Senate. Because nothing has happened substantially since then, I wanted to raise the issue. We are coming to the end of the legislative session. We will be here the rest of this week and next week. The time for consideration is going to be devoted to legislation the majority leader has already described. Then we are off in August for an August break, back in September, off in October for the election.

The issue I want to talk about is the Indian Health Care Improvement Act. The reason I want to do that is I want to describe something that is happening in this country that very few people think much about, perhaps some don't care much about, but I know that there are some in this Senate who do, and I believe they would agree with me that we need to move forward and pass the Indian Health Care Improvement Act.

Let me describe why this is urgent. Some while ago I came to the Senate and told my colleagues about a young woman—I did that with the consent of the young woman's relatives—a young woman named Avis Littlewind. Avis was, I believe, 14 years old. Avis took her own life. She laid in a bed for 90 days. She was supposed to have been in school. Instead, she lay in a fetal position in bed. At the end of that time she took her own life.

No warning signs went up to anyone, nobody from the school, nobody from the mental health area, the tribe, or the family. Somehow she just escaped attention. She, like her sister, 2 years before her who had also taken her life, decided that life was hopeless, that she was helpless, and she ended her life.

I went to that Indian reservation because there are clusters of teenage suicides on some of these reservations. We had a cluster on the Standing Rock Indian Reservation shortly after that period.

I talked to the folks on this reservation, the school officials, the family members, the classmates, the tribal council. I discovered that had this young woman been referred to treatment, there was very little treatment available, very little mental health capability available to this young girl, and that is the case on most reservations.

Because I have known about the sad situation with respect to health care for American Indians for some long while, I was not particularly surprised at what is happening with respect to mental health treatment on reservations.

We have a trust responsibility for American Indians. We have a trust responsibility for their health care. We fail miserably. We have tried—my colleague, Senator McCAIN, myself, and other members of the Committee on Indian Affairs—to put together a piece of legislation to extend the Indian Health Care Improvement Act and try to make some improvements in delivery of health care to American Indians—yes, for children, but elderly folks and others who are suffering. Yet that piece of legislation languishes. Senator McCAIN and I just talked about it yesterday, and the committee wants to get that legislation through, get it passed, complete it.

Let me describe the circumstances in terms of numbers. Then I will talk about some of the Indian folks who have had some difficulty. We have a responsibility under Medicare. Here is what we provide: The per-person expenditure on Medicare is $5,900 a year. We also have a responsibility, by the way, for health care for Federal prisoners, those whom we arrest and convict and send to Federal prison, putting them away from society. We provide a cell, a bed, and we are required to provide for their health care. With respect to their health care, we spend $3,800 a year for Federal prisoners' health care.

We have a responsibility, a trust responsibility, for the health care of American Indians, as well. That responsibility is met in this manner: Indian Health Care Services medical care, $1,900. We spend exactly one-half of what we spend for Federal prisoners on health care for American Indians. The per capita expenditures are exactly one-half.

I have asked the Indian Health System, the folks in charge, how much health care is delivered versus what is needed. The answer is about 60 percent. Forty percent is not available. So the question is: Who is sick, who is hurting, who is injured, who does not get treatment on these Indian reservations?

I mentioned, when I spoke about this before, that one of the chairmen of the Indian tribes in my State said that you cannot get sick after June. The answer is: Don't get sick after June. If you get sick after June, our contract health money is gone, and you are not going to get any help because then the criteria is the only help you get is life or limb. If you lose a limb or lose your life, you get help; otherwise, hobble around in pain. Whatever that chronic condition is, sorry, tough luck, out of luck, out of money. Don't get sick after June.

What an unbelievable message. This is not a Third World country. This is a big country, and we do a lot of things. But some things we don't do nearly well enough; and that is, keep our promise and keep our trust responsibilities with respect to health care for Native Americans.

A man from the Turtle Mountain Band of Chippewa Indians in my State said: Well, the doctor told me that I needed an MRI urgently on my knee. But he said: The Indian Health System facility on Turtle Mountain has no money, so you don't get an MRI. You have a bad knee, you have trouble, you have pain, but we are sorry, there is no money to find out what the problem is. No MRI.

A member from the Mandan, Hidatsa, and Arikara Tribes had a daughter who was born prematurely and suffered some complications as a result. That child died when she was 2 years old because they did not have any funds, the Indian Health Service had no funds to send that young child to a high-risk hospital, one that could probably begin to treat those conditions.

The chairman of one of the tribes told me one day about being out riding a horse with another tribal member when the other member was injured. He was bleeding severely from his injury. That reservation does not have a 911 emergency service. There was no ambulance to take the man to the hospital, not to mention that the health facility on the reservation is not open after hours anyway. And it is not open on weekends.

On that reservation, there are isolated communities, some 30 minutes, almost an hour from an ambulance or a health care facility. So the chairman of this tribe then tried to play doctor and made a tourniquet and tried to find a way to get this person to a health care facility before the person bled to death.

It is pretty unbelievable what is happening with respect to Indian health care. We have a very serious diabetes issue. The prevalence of diabetes on Indian reservations, in many cases, is not double or triple or quadruple; it is even much higher than that. The Indian diabetes mortality rate is quadruple the diabetes mortality rate among other Americans.

On the Spirit Lake Indian Reservation, a couple of the elders ran out of insulin. It was not a very good beginning to that story. You need insulin if you have diabetes. But it got much worse. They went to the Indian Health Service clinic that serves that reservation, and there was no insulin available—none. They said: We will not get another shipment for 24 hours.

That sort of thing goes on because there is not sufficient resources devoted to meet our responsibility to the Indian health needs.

In addition to the kinds of things I have described—these things are rampant—in addition to that, we have this methamphetamine scourge that has a devastating impact all across this country but especially on Indian reservations. The statistics that describe the problems and the chronic difficulties that the Indian Health Service confronts dealing with methamphetamine is just, as I said, devastating.

At a recent hearing we had in the Indian Affairs Committee, a young woman who is a tribal judge from the Turtle Mountain Chippewa Reservation testified that methamphetamine is related to 90 percent of the cases of tribal individuals who enter treatment on the reservation. And there are very few places to get treatment, as a matter of fact.

The plain fact is, this is an area of responsibility for this Congress, and we are not meeting it. We passed a piece of legislation through the Indian Affairs Committee a long while ago, describing the need and describing the requirement for reauthorizing the Indian Health Care Improvement Act, and that bill languishes. We have lots of things to bring to the floor of the Senate that should not be here and do not need to be here. This Congress often treats the light far too seriously and the serious far too lightly.

This is a serious matter, and we ought to be dealing with it. We ought to deal with it now. We have responsibilities. Go to Indian reservations and take a look at these children and ask yourself whether the health care of these children ought to be a function of whether this Congress decides to appropriate enough money. It ought not be. A sick child is a sick child anywhere in this country and ought to feel, and their parents ought to feel, they have access to decent health care when that child is sick.

So on behalf of myself and Senator McCAIN and other members of the Indian Affairs Committee, I say that I believe this is a priority. This is not a Third World country. I do not want anybody to say to me: In our area the refrain is "Don't get sick after June 1 because there is no money." Let's not have that happen in this country anymore. Let's provide the funding that we require for the Indian Health Service to do what they should do to provide the kind of health care we know is necessary.

Once again, we have responsibility for prisoners whom we incarcerate in Federal prisons, and we have trust responsibility for the health care of American Indians; and we are spending half as much for the health care for American Indians per capita as we spend on Federal prisoners. That, in my judgment, is a shame. I am not suggesting we spend too much on Federal prisoners. They are our charge. They are incarcerated. We are responsible for their health care, but so too are we responsible, under a trust relationship, to help take care of the health care needs of that population.

Mr. President, I hope that with the cooperation of the majority leader and others in this Chamber, that Senator McCAIN and I and others can move this piece of legislation through the Senate and through the House and get it to the President for signature—the sooner the better.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Ms. MURKOWSKI. Thank you, Mr. President.

Mr. President, I rise to speak to the legislation before us, the OCS lease sale 181. I know there have been colleagues before me this afternoon who have spoken to the need for additional oil and gas reserves and resources in this country. The fact is, this Nation badly needs to accelerate its efforts to obtain more natural gas and more oil and doing it domestically.

We have heard the comments that we are addicted to oil, that we need to be looking to renewables, and I do not dispute or doubt that for one moment. We absolutely do. We need to be conserving more. We need to be focused more on renewables and alternatives. That is the next generation. But our reality is we are here and now with a reliance on fossilized fuels. We need to transition out of that to that next generation of fuels. But until we do so, we are in an extremely vulnerable spot, particularly with our oil and our nearly 60 percent dependency on foreign sources and with our natural gas and recognizing the trends in terms of our supply and the demand picture for natural gas.

In the past 5 years, the price of natural gas in this country has more than tripled, rising sevenfold after last summer's hurricanes. We all know the prices at the gasoline pump. There is not a day goes by where there is not some exchange about what somebody was paying somewhere for a gallon of gas at one location or another. And I can tell you, prices in my State—when you get out into the rural communities and you look at paying $4.50 for a gallon of gasoline, I can tell you, the hurt is real. The tripling of natural gas prices has had, of course, a very severe impact. And it is not just on those who heat their homes with natural gas. Manufacturing jobs—we have heard this today—manufacturing jobs have fallen by 3.1 million jobs, 18 percent in the past 6 years.

We talk to those in the petrochemical and chemical industry. Jobs in that industry are being forced to move overseas. We have had over 20 fertilizer plants in this country close. And as has been mentioned already on this floor, America's annual natural gas bill has risen to more than $200 billion a year. This is up from $50 billion, and that was just 6 years ago.

While natural gas prices today, following a warm winter, are temporarily below $6 per 1,000 cubic feet, we know the hurricane season is coming upon us in the gulf, we have global political disruptions, and we could have continued hot summer weather, and that we can anticipate a cold winter, and that any one of these—and certainly a combination of them—could promptly send our natural gas prices skyrocketing again.

I cannot speak to the issue of natural gas without mentioning the opportunity we have in Alaska for incredible quantities of natural gas coming down from Alaska's North Slope. And while we await the construction of a pipeline that can deliver this needed commodity from the North Slope into the lower 48, we have to recognize one of the best ways we can bring down prices that will increase the domestic supplies of gas is to produce more gas from the gulf coast, where the existing infrastructure is in place, and to figure out a way to get that gas to market quickly.

Mr. President, we cannot fool ourselves and say we can just snap our fingers and the price of natural gas is going to go down, we are going to have a ready and available supply just because we pass legislation. We recognize it is a period of time in coming. But what can be sent is the signal to the market that that supply of natural gas is on its way in an expedited manner.

The best way—the best way—to produce more gas quickly, to get it on more quickly, is to open parts of the eastern Gulf of Mexico. This proposal before us is to finally allow OCS development in part of formally proposed lease sale 181 off the Florida, Alabama, and Mississippi coasts and to open acreage south of that sale—some 8.3 million acres in all that have been previously closed in moratoria. In return for speeding such leasing, this bill prevents development within 125 miles of the Florida Peninsula, swaps out existing leases within that buffer, and prevents leasing east of the Military Mission Line to protect the military training facilities, at least until the year 2022.

This proposal, this legislation that we have in front of us, is a reasonable compromise. It was one that was attempted but not completed during the debate last year over the Energy Policy Act of 2005. So what we have in front of us today is an outgrowth of that bill.

In the Energy Policy Act, we allocated billions of dollars to foster energy conservation and greater energy efficiency. We moved toward and we pushed renewable energy development, such as wind, solar, and biomass. We funded new technology to further coal while working to help sequester the carbon. There was a push made on the front of a new generation of nuclear power. We funded hydrogen fuel-cell vehicle development and new transportation and building technology. There were good things contained within that Energy bill. But what was not contained in that legislation—or since that legislation was passed—was an increase in domestic production of fossil fuel.

This legislation will balance last year's Energy bill by actually letting us get up to 5.8 trillion cubic feet of natural gas flowing to the market and, again, flowing to the market in a more expedited manner than might otherwise be seen.

There have been those who have stood on the floor today speaking about the various protections contained in this legislation. There is a protection of Florida's tourism and military bases. It doesn't jeopardize the fisheries. When we look to what happened last year when these massive hurricanes came through the gulf, while there were a few minor spills following those hurricanes, there were no well failures or major pipeline breaks from the record intensity of the hurricanes. So we look to the development that is out there in the OCS area and can really point to environmental integrity.

The proposal before us gives the States of Alabama, Mississippi, Louisiana, and Texas reasonable revenues to offset the impacts of OCS development off of their coasts, particularly, again, in view of what they suffered after Hurricanes Rita and Katrina. It allows the Federal Government to keep 50 percent of the revenues in the Federal Treasury. This is the exact same percentage that it gets from oil and gas development onshore, whether the onshore development is in New Mexico or California or Oklahoma. It gives the coastal States 37.5 percent to offset their cost as being the host for that offshore development. It also shares 12.5 percent of such revenues with all the States for park and habitat improvements through contributions to the stateside Land and Water Conservation Fund. This is an effort to help alleviate the truly chronic underfunding of the Land and Water Conservation Fund without affecting land ownership and private property rights. This money would generally go toward building ballfields, neighborhood parks, recreational opportunities, not buy up the private land or to harm private property rights.

As I have reviewed this legislation and have worked with the sponsors, I do need to certainly give credit to the chairman of the Energy Committee, Mr. DOMENICI, for his efforts in bringing this matter to where we are today, and also to my colleague from Florida, Senator MARTINEZ, who has been working with the chairman to craft legislation that he believes will work for the people of Florida, and certainly to my colleague and friend from Louisiana, who has been working for years to achieve a level of revenue sharing for her State, a battle we know has been waged for many years. That is what I would like to speak to right now.

My only major disappointment with this measure is that it doesn't provide revenue sharing to all the States that choose to allow OCS development off of their coasts. The question has to be asked, why not? Why would you not include all of those States which have made the choice to allow for that development off of their coasts? If they are going to allow for it, why would they not be eligible or able to take advantage of Federal revenue sharing as well? I don't believe there is a rational explanation for not including all the States.

We have heard some of the arguments—that the Federal Government should share revenues with the States only in those waters from 3 to 12 miles offshore where Federal production might drain onshore or State hydrocarbon reservoirs. Again, the question has to be asked: Why is that? For the past three decades, the Federal Government has shared revenues from onshore development with all States. The only possible excuse for not extending that policy to the offshore would be if the coastal States bore no impacts from offshore development. But that would imply that somehow or other the development offshore kind of sprouts magically from nowhere without any onshore activity. We know that is not the case.

I had the opportunity to go to Port Fourchon, LA, which is the jumping-off place for the offshore activity. It is a beehive of activity through there—airports and helicopter pads, all the services that have to come in, whether it is the food or the people moving back and forth, to support that offshore activity. We know that offshore activity just doesn't magically happen without some onshore impact. I know my friend from Louisiana has spoken quite eloquently to the impacts of OCS development in their waters. I will let her and others from the Gulf States speak to that impact.

I wish to talk about the impact of OCS development on my State of Alaska. In Alaska, we have been seeking some sort of Federal revenue sharing to offset the cost of OCS development along our 34,000 miles of shoreline for nearly two decades. For budget reasons, we lost out in the 1991–1992 Energy bill. We lost it again in 1995 with the Conservation and Recovery Act, CARA. It was proposed and debated. It ran into other political hurdles. And we lost again last year in the Energy bill. That was partially because you had certain landlocked States that didn't want to see current Federal revenues go to just the coastal States. But you have to stop and think, if there is not some fair form of revenue sharing to offset the impact costs, why should the coastal States allow OCS production, particularly given the recent ease of obtaining the moratorium to prevent them? And without such production, where are we going to be as a country? Americans will be paying even more when they fill up their cars, their trucks, cook their food, heat their homes. That is reality. That is the consequence.

In Alaska, we currently have OCS production from just one field. This is the Northstar field in the Beaufort Sea. It produced 22.4 million barrels of oil last year. Since it was within 12 miles of the shore, Alaska received $10.8 million in revenue sharing. If that field had been more than 12 miles from the shore, Alaska would have received nothing. There is actually a little bit of an exception to that because last year in the Energy Policy Act, there was a very small amount of aid that was directed to the State for 4 years to assist with the impact onshore of the offshore development.

Previously, Senator BINGAMAN made a point. I believe he was correct when he said that Alaska contains nearly a dozen OCS bases off of our coast, all but one of them—this is the North Aleutian Shelf, down near Alaska's Bristol Bay—being open to leasing. The North Aleutian Shelf is closed by Presidential moratorium. But when we look at Alaska's Outer Continental Shelf, we are looking at the potential of 26.6 billion barrels of oil and 132 trillion cubic feet of natural gas. This is according to the mean estimates. That production would more than double the Nation's known reserves of oil and nearly equal the amount of gas likely along the coasts of the rest of the Nation. But to accommodate OCS development and any proposed future OCS development in the Beaufort and Chukchi Seas—we have other potential areas, in Cook Inlet, the State governmental units—the State of Alaska, the North Slope Borough, local governments have to spend millions of dollars on hosts of services to protect, to regulate, to inspect, and to support the OCS development.

For instance, the State of Alaska's Department of Environmental Conservation spends more than half a million dollars a year to inspect and monitor oil and gas operations. This is just in northern Alaska. The State's Department of Transportation and Public Facilities spends nearly $10 million each year to keep the Dalton Highway going up to the North Slope open so that we can move oil and gas equipment and our supplies north. This also helps to maintain the Deadhorse Airport.

The North Slope Borough spends nearly $1 million for search-and-rescue capabilities. This is not counting the cost to the Alaska State troopers if they have to mobilize to assist oil workers who might perhaps get in trouble. The State of Alaska spends money on coastal zone planning to understand the impacts of OCS development. The State also spends millions of dollars on new infrastructure to handle the arrival and the movement of employees and materials that are needed to support the oil industry offshore.

Last week in Fairbanks, the State broke ground on a $90 million expansion of the Fairbanks International Airport terminal. This expansion is partially needed to accommodate the oil workers who may be jumping off for OCS work. Last year down in Anchorage, the State finished work on a 440,000-square-foot terminal expansion at the airport there, costing well over $100 million. So our airports are clearly impacted by the effects on the industry.

As things are happening, we see the impact within our communities. The local governments, smaller communities from Barrow to Kotzebue, Kenai to Dillingham, and Kodiak to Sitka, are all spending money to prepare for the possible development of the State's coast. The point is to recognize that there are very real costs to offshore development that are borne by the States that serve as service and support bases for the development.

It is true that States sometimes recoup part of the costs through income taxes on workers or through property taxes on businesses that will support the facilities onshore. They may gain a small stipend from Federal coastal zone planning funds. But when you look at how much is gained, it is fair to say that the recovery has seldom covered their costs.

So the question would be to the State: Why would you even welcome OCS development off of your coast? This is where you need to take the bigger picture. Our energy security, reliability, the whole issue surrounding the vulnerability we have as a nation because of our reliance on others for our energy sources, this is why it is essential that we as a nation figure out a way to produce more oil and gas domestically. Sharing oil and gas revenues with States in a fair manner will ensure that energy can get to market. It is that fact which is probably the difficulty with this legislation in terms of passage of a fair revenue-sharing system. That may be because we have some around here who would want to discourage States from allowing any OCS development, perhaps out of environmental concerns, perhaps displaced environmental concerns. But denying coastal States needed revenues is one way to discourage greater offshore oil and gas production.

Last week, Senator STEVENS and I sought to ensure that any revenue sharing proposed in this bill would apply also to Alaska or to any State that allows OCS development off of its shores. We were told at that time that if that provision stays in, it would be a death sentence for this bill.

I have been asked many times in the past few days have I changed my position on this legislation, have I changed my position in support of opening lease sale 181 to exploration and development. I have not. I have not changed that. I remain committed to a sound policy, which I believe this is, that allows for the opening of lease sale 181.

I can appreciate why it was tailored so that revenue from the gulf would only be shared among the Gulf States. I can appreciate where they are coming from. I can appreciate the narrow scope of the Senate version and the delicate negotiation that went into it. But from a matter of equity, from a matter of fairness, for those States that are willing to open their coasts, their States, to allow for the development offshore, it is only right that allowing all the States who have OCS development off their shores to share in some form of revenue.

By structuring the revenue sharing that we have before us in this legislation in this manner, Alaska is the only currently producing OCS State that allows new development that would not receive any aid. It was suggested last week that, well, Alaska is asking for a special deal. That is absolutely not the case. We are asking to be treated the same as any other currently producing State when it comes to revenuesharing. So to those of you who suggested this was something special for Alaska, it was absolutely not. It was equitable for all those States that are currently producing. So by excluding Alaska, we are the only State that is disenfranchised when it comes to the Federal revenue sharing right now.

I have had an opportunity to go down and observe for myself—so I have seen with my own eyes—what is happening in Louisiana, in the gulf, with the erosion. As I was presiding earlier, I was reminded again by the minority leader that Louisiana loses three football fields of land a day. But we also, in the State of Alaska, face serious erosion challenges. We have some 80 villages that are facing coastal erosion problems. I use the word "problems" lightly, because in some of the communities it is an absolute crisis; the villages are dropping into the ocean. We may not be hit by the hurricane forces we see in the gulf that are given names and much publicity through the media, but many parts of coastal Alaska are hit by storms that meet the definition of hurricanes. There are winds exceeding 75 miles an hour, waves and storm surges that can equal those of the hurricanes. The big difference is they are not named as hurricanes. We don't get that attention or that focus. Money from OCS development could help pay for mitigation efforts and perhaps, in some cases, pay for village relocation costs. So Alaska is not unlike the other Gulf States—Louisiana, Mississippi, Alabama, and Texas—for coastal mitigation and habitat protection.

I am sure we will have an opportunity on this floor to discuss a lot more about the coastal erosion problems in Alaska in the future. I do feel strongly that we need to pass a bill to speed oil and natural gas leasing in the Gulf of Mexico. It will provide natural gas for our Nation, while helping the Gulf Coast States gain the revenues they need not just to recover from the hurricanes but to deal with the coastal erosion and wetlands habitat loss issues they face.

I believe the formula for such aid should cover all States that allow OCS development off their coasts, while providing other aid to all States that need it.

I tell my colleagues that, regardless of the outcome of the bill—and I intend to support the measure—I will continue to seek to provide aid to all of the coastal States that allow OCS development, especially since all other States gain an equal sharing of revenues from energy development onshore. It truly is the only equitable thing to do.

With that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TALENT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALENT. Mr. President, I ask unanimous consent that I be allowed to speak on the measure without counting against the time on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALENT. Mr. President, I rise in support of S. 3711, the Gulf of Mexico Energy Security Act, which can certainly be described simply that it will open a portion of the gulf to exploration for oil and natural gas.

I don't want to be understood as criticizing or begrudging anybody their opinions in opposition to the bill, but it seems to me that given what the country has gone through and is going through because of the high cost of energy, it should not be a difficult debate to allow the United States to explore for oil that is within or close to its borders, doing that in a way that is sensitive to the environment and to other considerations in order to produce more oil and natural gas that will lower costs, ease the pressure on our consumers, and allow our economy to grow and continue to produce jobs.

How difficult is it in a time such as this to decide that we are in favor of getting more oil and natural gas? I speak as a person who offered the renewable fuel standard in committee. I am cochairman of the renewable fuels caucus. I am a huge believer that ethanol, biodiesel, and renewable fuel attained through those feedstocks and other feedstocks is the future of this country in terms of energy. It is the way we are going to get energy independence and reduce dependence on foreign oil in the long term.

But our people need relief now, or as soon as we can get it to them. Natural gas prices set record highs last winter.

They exceeded $15 per thousand cubic feet. We are paying much higher than our competitors are paying and, as a result of that, according to the Industrial Energy Consumers of America, since 2001, natural gas prices have significantly contributed to the loss of 3 million manufacturing jobs and the shifting of future investment overseas.

I know this is true. There are people who have come to my office and told me they don't want to send jobs overseas, but they cannot compete because of the high cost of natural gas. The Government has encouraged industry to use natural gas and utilities to use natural gas in producing energy because natural gas is a clean fuel. We have all heard the commercials—and it is true—that natural gas is environmentally very friendly. It makes no sense to pass laws and otherwise encourage producers to rely on natural gas and then not to explore for the natural gas we have available.

It is hurting the American farmer. It hurts the farmers for a lot of reasons. Farmers have to absorb the high energy costs just as any other consumer, but, specifically, most of the price of nitrogen fertilizers—90 percent of the price of nitrogen fertilizers is due to the cost of natural gas, because natural gas is a feedstock in the production of virtually all commercial nitrogen fertilizers manufactured in the United States. It is not just used to power the facilities that produce fertilizers; it is actually part of the fertilizer itself. So in 2002, farmers were paying $250 per ton for anhydrous ammonia, and in 2005, $415 per ton, an increase of well over 50 percent.

Why is this happening? Why is the price of natural gas and oil going up? It is because supply relative to demand is going down. Demand is expected to grow—demand for natural gas—by over 30 percent. Yet, since 1998, even though we are drilling more for natural gas, production has declined by 1.5 percent. That shows we are getting all we can out of the available fields. Yet that is not enough. We must have access to domestic resources and specifically to the easily recovered oil and gas in the Gulf of Mexico.

Energy is vital to any economy. We all know that. We have learned in the last year or two that high energy prices are certainly not a good thing. That is something most of us knew as a matter of common sense, but we have now learned that as a matter of experience.

We can make a difference with this piece of legislation and we can make a difference soon. Resource estimates for the area that would be opened indicate that there are 1.26 billion barrels of oil there and 5.8 trillion cubic feet of natural gas. The natural gas supply made available by this compromise legislation would be enough to heat and cool nearly 6 million homes for 15 years. I don't know why they use 6 million homes for 15 years as a measurement, but that surely seems a lot to me, and certainly it is a lot more natural gas than we now have available.

I have listened to the arguments offered against the legislation. A lot of them have centered around where the revenue from the natural gas exploration is going to go. A lot of it is going to go to the coastal States under this compromise. I certainly would be willing to consider something that directed that revenue somewhere else. But the reality is this is what we have to do in order to get the oil and natural gas in the first place. If we cannot pass this legislation, there is not going to be any exploration. If there is no exploration, there are no revenues. So I am certainly willing to support the legislation on that basis. It will help ease the energy situation for the employees of my manufacturers in Missouri. It will help ease the price of fertilizer for my farmers. It will help ease the energy crisis in this country. Clearly, it seems worth doing to me.

It is certainly not all we need to do. We should not structure our energy policy on the assumption that we can continue to rely on oil and natural gas indefinitely, because we cannot. That is why the Energy bill last year encouraged a production of so many other different kinds of energy—nuclear, renewables, coal, wind. It is all important to the future, but this is important to the future as well. So I am pleased to support the legislation.

I congratulate the Senators who have worked so hard on a bipartisan basis. I know it has not been easy. Certainly, it has been nowhere near as easy as it should have been given the common sense that I think underlies this piece of legislation. I am glad they put it together. I have wanted to do something such as this for some time. It makes no sense when our manufacturers are crying for energy, our farmers are crying for energy, our consumers need energy, to turn down the opportunity to explore for the energy we have right offshore and that we can get in a way that fully protects the environment and other concerns.

Mr. President, I thank the Senate for its indulgence, and I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I ask unanimous consent to speak on behalf of S. 3711 and that the time not be counted against the Republican time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLARD. Mr. President, I rise in support of S. 3711, which is the Gulf of Mexico Energy Security Act. I am heartened by the fact that this is a bipartisan effort, agreed to by those Senators who represent our Gulf States. It is an important step in continuing to reduce our dependence on foreign oil, and we need to increase our supply of domestic oil and gas. Certainly, this is a step in the right direction.

My approach to the energy needs of this country has always been that we need to have a broad-based approach. I was pleased with the Energy bill we passed in the last session of Congress which provided for a broad approach to meet our energy needs in this country.

I think we understood as a body that in order to meet the short-term needs of this country's energy needs, we need to continue to rely on fossil fuels. We need to continue to expand exploration for oil and gas. We need to continue to rely on coal. But in addition, we also need to be looking at additional sources of energy, particularly the renewable energy area, which is wind, solar, geothermal, and biofuels, as well as looking at sources such as hydroelectric and nuclear power.

As I look back on the effects of that bill we passed last session, I am already beginning to see positive effects from that legislation, and I am heartened by that. I can see those energy developments occurring in my own State, which involves new technologies, such as looking at oil shale as a source of a high-grade fuel that requires little refinement.

Our current energy prices clearly still indicate that all is not well with supply, and the demand is still greater than supply. We need to also look at conservation. But right now with this bill, we are concerning ourselves with supply.

While the price of natural gas is well below what it was this time last year, these prices are still well above what we were paying several years ago; and, as my colleague from Missouri mentioned, it is having an adverse impact throughout our economy, not the least of which it is having a serious adverse impact on our agricultural sector.

I believe the fact that prices have decreased at all is directly due to the fact that we passed the Energy Policy Act last year. We have all seen the figures: 27 new ethanol plants have broken ground; 401 E-85 fueling pumps have been installed. These are pumps that provide an ethanol-gasoline mixture. And the number of hybrid vehicles has increased. Between now and the year 2020, the 15 new efficiency standards included in the bill will save 50,000 megawatts of energy, and the amount of electricity generated from renewable sources has increased dramatically. But we need to do more to encourage domestic production of oil and gas.

It is argued—and I think argued well—that we should be reducing our energy consumption and increasing the amounts of energy we get from renewable and alternative sources. I agree. But the reality is that reducing consumption and increasing alternative resources does not happen overnight. I cannot ask my constituents to park the car and turn off the lights until we get there.

The estimates of the resources that will be made available under this proposal are 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas. These are not insignificant amounts. These resources will provide a strong source of domestic energy for our country.

I believe that the compromise struck by this bill is a good one. The fact that almost every Member who represents a coastal State that is affected cosponsored this bill strikes me as significant. I strongly believe in local control, and as part of that, I often defer to Members who represent a State if a bill will directly affect that State. I use the example of wilderness designation. If a bill designating wilderness in a certain State is sponsored and supported by both Members of that State, I see no reason not to support it. The same is true here. If the Members from the coastal States are supportive of this bill, I support them.

I was hopeful that we would have the chance to address an amendment I wanted to offer on funding for the Payment in Lieu of Taxes Program. This particular program is extremely important to States, such as Colorado, that have a high percentage of federally owned land. Many people are unaware of the fact that 35 percent of Colorado is owned by the Federal Government. Federal ownership of these lands can be beneficial, but there is an unseen cost to local communities, to local governments. The Federal Government does not pay property taxes, and this translates into reduced revenue for local governments while there are some costs that they are burdened with in trying to meet the needs of the Federal agencies that are in that county or local community.

For Colorado, it means $129 million each year in lost property tax revenue. This is funding that could be used for education, law enforcement efforts or road building. Unfortunately, PILT, or payment in lieu of taxes, is chronically underfunded, and the amendment I planned on offering would have helped to overcome this annual shortfall.

Regardless of the fact that my amendment will not be considered, I am pleased that we are moving on this bill. I am hopeful that we can continue to put in place policies that will allow us to increase domestic production of all energy sources which will, in turn, reduce our reliance on foreign sources.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold his request?

Mr. ALLARD. I withhold my request, and I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, is there a limit on the amount of time I may speak?

The PRESIDING OFFICER. The Senator needs consent to speak, as the majority's time has expired.

Mr. ALEXANDER. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALEXANDER. Mr. President, 2 years ago, the Senator from South Dakota, Mr. JOHNSON, and I introduced a bill we called the Natural Gas Price Reduction Act. We did that to give focus to the energy debate. We were hearing a lot about the price of gasoline. Gasoline prices were high and remain high because of the huge demand around the world. We know that. We know that is going to continue for a while, most likely. We know that China is growing. We know that India is growing. We know that the United States and our huge economy uses 25 percent of all the oil in the world. And so the supply and the demand are going to require that the price of oil, therefore gasoline, is going to be high for a while.

We wanted to shift the focus to natural gas, which we didn't hear about as much at that time, because natural gas prices in this country had gone from the lowest in the world to the highest in the world. This was a huge problem for our country.

High gasoline prices are a big problem every day. Natural gas prices are a bigger problem every day. They are a bigger problem for farmers who have seen their fertilizer costs go up. They are a bigger problem for homeowners as they pay to heat and cool their homes, and they see their bills go up. They are a bigger problem for blue collar workers in this country, such as the 1 million blue collar and white collar men and women—Americans in good-paying jobs—who work in the chemical industry. These are the kinds of jobs about which we all make speeches. We don't want them to be outsourced. We don't want their jobs to go overseas.

If a chemical plant uses natural gas as a raw material—meaning, for example, as Dow Chemical testified before our Energy Committee that 40 percent of the cost of its product was natural gas—and if the price of natural gas is $14 or $15 a unit in the United States compared to $2 or $3 a unit in some other part of the world that has a good, reasonable economy, guess where that chemical plant is going to end up. It is going to be there, not here. Guess where those 1 million jobs are going to be. They are going to be there, not here.

That is why of the 70 or 80 new chemical plants being built around the world, only one of them is in the United States. There are several reasons for that, but the main reason is the high cost of natural gas.

So for the farmer, for the blue collar worker, for the homeowner, the high price of natural gas is a great big problem. We saw that 2 years ago, and so Senator JOHNSON and I offered our bill to try to lower the price of natural gas.

Energy policy is like a big freight train. It is hard to get started, it takes a long time to get going, and then it is hard to stop.

So the Energy Policy Act that the Congress adopted in a bipartisan way a year ago, which included a great many of the parts of our Natural Gas Price Reduction Act, is just beginning to have some effect. But today as we talk about this deep sea drilling in the Gulf of Mexico, it is important that we put it in the context of the whole picture because this is the whole picture: If we want to reduce the price of natural gas in the United States and lower the cost of home heating and cooling bills, and lower the cost of fertilizer for farmers, and if we want to keep those chemical jobs and other jobs in the United States, then there are several things we need to do.

The first thing we need to do is conservation, and the Energy Policy Act of a year ago had an important section on conservation.

The second thing we need to do is produce large amounts of electricity in some way other than using natural gas. Using natural gas to produce electricity is like burning the antiques in your backyard to make a fire. But most of the new electric powerplants have been using natural gas over the last 10 or 15 years.

The Energy Policy Act had important new sections to encourage the use of nuclear power, which supplies 20 percent of our power while producing no mercury, no sulfur, no hydrogen, and no carbon. It is 70 percent of our carbon-free energy. That affects global warming.

So the first way to reduce the cost of natural gas is conservation. We provided for that.

The second way was to encourage nuclear power, and there has begun to be a renaissance of nuclear power production in the United States.

The third thing we did was to encourage the production of power from clean coal. Fifty percent of our electricity comes from coal. We have a lot of coal. We are the Saudi Arabia of coal—we all say that—but it is dirty. It does produce mercury, it does produce nitrogen, it does produce sulfur, and it does produce carbon. So we need clean coal, and eventually we need to capture the carbon, put it in the ground to store it somewhere, and we need large amounts of energy.

We also had significant dollars in support of renewable energy, whether it was for fuels or for electricity. We also made it easier to import natural gas through LNG terminals from around the world, which we are going to have to do for a while. We also made it easier to refine. All of those things had to do with natural gas. But one thing we didn't do was increase our supply of natural gas at home.

But we have come a long way. Two years ago, you couldn't even talk. You couldn't have a polite conversation on the Senate floor about offshore drilling because it was an unmentionable word. People would run out of the room as if you said something bad. But, last year, when the Energy Policy Act came up, we had a majority of votes on this floor for an offshore drilling provision that would have permitted a State such as Virginia, for example, to drill for gas and oil—with the rigs so far off the coast you couldn't see them—and give a share of the revenues to Virginia, which it might use for education or to lower taxes or for coastal beach refurbishment, and put the rest in the Federal Treasury. That is a pretty good idea, but we couldn't get it passed because here it takes 60 votes to overcome objections from a minority of senators.

We also had the perfectly obvious idea of enlarging the area of drilling in the area called Lease Sale 181 in the Gulf of Mexico, deep sea drilling for natural gas which we are talking about today, but we weren't able to do that a year ago. So what this piece of legislation does—at a time when high natural gas prices still are problems for the homeowner, the blue-collar worker, and the farmer in this country—is to give the most immediate relief we can in terms of supply. It doesn't take the place of conservation. It doesn't take the place of nuclear power. It doesn't take the place of coal or renewable energy or LNG or all of these other things we authorize—but it adds to that, and we ought to do it. Lease Sale 181 means that the four gulf producing States will have a chance to share in the revenues that come; that is coastal assistance in this area damaged by the hurricanes.

Twelve and a half percent of the revenues will go to the Land and Water Conservation Fund, so every State will have that for city parks, soccer fields and other things. That is an appropriate use. The remaining half of the revenues will go to the Federal Treasury.

So I am delighted that this bill has come to the floor. I was delighted with the large vote we had this morning—86 votes—to move ahead. I am very hopeful that with the cloture vote on Monday, we will have more than 60 votes.

I believe this is important for the American people to know that sometimes senators stand up and say: Well, why are we debating this issue or that issue? I see the assistant Democratic leader on the Senate floor. Sometimes I hear the assistant Democratic leader saying things like: Why are we talking about this issue or that issue? Why aren't we talking about gasoline prices or natural gas prices? Mr. President, we are. This legislation is about natural gas prices, this is about blue-collar workers, this is about farmers, and this is about homeowners. This is the way we increase the supply and lower the price.

It is that simple: produce energy here instead of bringing it in from the Middle East or some other part of the world.

Senator DOMENICI deserves an enormous amount of credit for working on this bill, as do Senator MARTINEZ, Senator LANDRIEU, Senator VITTER, and many others. The bill is a limited, sensible step in the right direction. I would like to see us go further and give Virginia the opportunity if it wishes to have offshore drilling, but that would disrupt the consensus we have here, and I don't want to disrupt that consensus.

So it is very important that the American people know that as we continue the debate this week and then come back here Monday and vote, we will be voting on the surest way to increase the supply of natural gas in this country. That will make it more likely for the 10,000 workers at Eastman Chemical in east Tennessee that their jobs will stay in east Tennessee instead of moving to Germany, and that the farmers' jobs will stay in west Tennessee instead of moving to Brazil, and that the homeowners will be able to turn on their heat in the winter and turn up their air-conditioner in the summer and still be able to afford it. That is exactly what this is about. A vote for this legislation is a vote for the blue-collar worker, for the farmer, and for the homeowner, and a vote against it is a vote against the blue-collar worker, against the farmer, and against the homeowner. That is pretty simple. That is pretty straightforward. We have several days to think about it.

I am delighted to see that there are Democrats and Republicans for this. I hope the large number of votes we saw in favor of cloture this morning continues.

We have a big economy, which means we have big energy needs. Yes, we want the conservation we put into law a year ago. We want this renaissance of nuclear power. We want clean coal with carbon recaptured. We want renewable power, we want LNG from overseas, and we want other things. We want more refining capacity. But supply is a part of the picture, and the legislation we are debating today is the most obvious example of increasing supply.

I am pleased to be a cosponsor of this legislation. I am delighted with the way the leadership has presented it to the Senate. It will help the country. I hope the blue-collar workers, the farmers, and the homeowners are listening because this debate and this vote will be about them and their future and their pocketbooks.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I thought my colleague from the great State of Tennessee, Senator ALEXANDER, made an excellent statement. Although I might disagree with some part of it, I really believe he is speaking to this issue in good terms. I was heartened by the fact that the first thing he said about energy was conservation. I believe that is a critical starting place.

I am going to give the Senator from Tennessee four numbers—not for the lottery, for the Powerball or anything, but four numbers to think about. The numbers are 3, 25, 4, and 3 again. Here is what they signify.

We have within our command and control in the United States of America 3 percent of the energy reserves of the world—3 percent. Everything we could possibly turn to and explore and bring out of the Earth, whether offshore or in the continental United States, is 3 percent.

Twenty-five: We consume 25 percent of the world's energy. It is clear that we cannot drill our way into energy independence. It just does not work. The numbers do not come together.

The next number is 4. Four represents the number of months of natural gas which we hope we can bring out of this offshore drilling for the United States—a 4-month supply of natural gas for our country.

The final number, 3, represents a 3-month supply of the oil our country consumes.

So as important as exploration is and finding new sources, you had the right starting point. You hit the nail on the head. We cannot drill our way out of energy dependence, looking at the 3 percent that we have, the 25 percent we consume, and we cannot rely on even offshore drilling to give us more than just a respite from the demands we are going to face in the future, the competition we face around the world.

So my feeling—and I think the feeling of many on both sides of the aisle—is what we should look for is environmentally responsible exploration.

I have made no secret of the fact that I think the notion of drilling in the Arctic National Wildlife Refuge is a terrible idea. It has been rejected by Congress year after year. It is an act of environmental desperation that we would go to a wilderness area—a wildlife refuge area, I should say to be more specific—and say that after a few years, we have to start drilling there because there is no other place for America to go in order to give us confidence we will have energy sources in the future. So I haven't hidden my feelings about that particular project, but I am open to the suggestion that this may work.

I have not made a final commitment on the bill pending before us. I join with my colleagues in moving it forward. Let's move this debate forward. Let's bring this issue to the floor.

A couple of the things mentioned by the Senator from Tennessee are intriguing. Nuclear power—I am not sure nationally how much electricity is generated by nuclear power. It may be a third, it may be a little more.

Mr. ALEXANDER. Mr. President, if the——

Mr. DURBIN. I am happy to yield to the Senator from Tennessee.

Mr. ALEXANDER. The answer is 20 percent of all our electricity in the United States and 70 percent of our carbon-free electricity is produced by nuclear power.

Mr. DURBIN. Mr. President, I thank the Senator from Tennessee. In my home State of Illinois, the number is 50 percent. Fifty percent of our electricity is generated by nuclear power. So for those who say: Get rid of it tomorrow, they better be ready to sit in darkness for a while in my State of Illinois if that is their option.

But I hope the Senator from Tennessee feels as I do, that the future of nuclear power is wedded to two issues we have to deal with forthrightly: what are we going to do with the nuclear waste that is likely to threaten us in some form or another for generations to come, for hundreds, if not thousands, of years; and secondly, how do we promote nuclear power without promoting the production of nuclear weapons?

We are facing that issue everywhere—in North Korea, in Iran. As we look at the world, we worry that countries moving toward nuclear power are, in fact, also creating an option for the production of nuclear weapons, which would make the world perhaps more self-sufficient when it came to electricity but in a more dangerous state if it led to nuclear proliferation.

Those are the two challenges with nuclear power as I see them.

I believe—maybe I am not being realistic here, but I believe they can be addressed and they should be addressed. If we address them in a responsible fashion, the day may come—and I hope it does—when we can say that the spent nuclear fuel rods coming out of the nuclear powerplants are no longer a threat to the health and safety of America and that the production of nuclear power is not an invitation to produce nuclear weapons. Those are two things I think we have to face head-on.

I am lured by the notion that this is carbon-free power—electricity—having seen a production of a documentary by a gentleman from Tennessee by the name of Gore. Al Gore's documentary "An Inconvenient Truth" was an unsettling experience as he laid out in an hour and a half or so, I thought with real clarity and precision, the challenge of global warming and what will happen if we continue to add carbon dioxide to the atmosphere, increasing greenhouse gases and global warming, watching climate change, and all of the things that are likely to occur. It is a challenge to all of us. So I salute the Senator from Tennessee because there are many things he said with which I agree.

I am going to look at this bill carefully. I am troubled; I think the allocation of money to the States is very generous. It is a departure from where we have been in the past for offshore drilling to this extent, this far away from the coast. But I am going to look at it carefully and honestly to see if it is the right approach before I make a final decision. But I thank him for his statement on the floor here this evening relative to energy, and there is probably more that brings us together than divides us on this important issue.

(The remarks of Mr. DURBIN pertaining to the introduction of S. 3744 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DURBIN. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DEMINT). Without objection, it is so ordered.

MORNING BUSINESS

Mr. BENNETT. Mr. President, I ask unanimous consent that there be a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO THE 25TH ANNIVERSARY OF THE TAHOE RIM TRAIL ASSOCIATION

Mr. REID. Mr. President, I rise today to recognize the 25th anniversary of the Tahoe Rim Trail Association—an organization of volunteers that came together to build one of the world's premier trails—the Tahoe Rim Trail. This Saturday, the association will hold a Silver Anniversary Celebration to honor this occasion, and I am pleased to acknowledge their efforts here today.

The Tahoe Rim Trail Association is a successful public-private partnership that was founded in 1981. The original idea was to bring together community leaders, volunteers, and government agencies such as the Forest Service and the Nevada Division of State Parks to establish a trail around the Lake Tahoe Basin. Working hand-in-hand, volunteers created the incredible 165-mile trail that now exists around Lake Tahoe, allowing visitors a new way to experience one of the most magnificent places in America.

Visitors to the Tahoe Rim Trail are struck by the incredible diversity of the landscape and the wealth of wildlife. From the wildflowers of our alpine meadows to the soaring mountain peaks of the Sierra Nevada, the Tahoe Rim Trail offers something for everyone. Visitors to the trail enjoy a diverse range of opportunities from hiking and backpacking to horseback riding and mountain biking. Portions of the trail are also handicapped accessible so that everyone may enjoy this important piece of our State's rich natural heritage.

Although the trail is now complete, the Tahoe Rim Trail Association continues to educate visitors about the trail. Every Tuesday and Saturday during the summer months, the association organizes a group of volunteers to maintain and enhance the trail. These important efforts and community partnerships ensure that Nevadans, Californians, and people from around the world will be able to enjoy the beauty of the Lake Tahoe Basin for generations to come.

I am pleased to recognize the 25th anniversary of the Tahoe Rim Trail Association, and I hope that all of my colleagues will have the opportunity to visit this incredible part of Nevada.

16TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

Mr. HARKIN. Mr. President, today, July 26, marks the 16th anniversary of the signing of the Americans with Disabilities Act.

On this 16th anniversary, we celebrate one of the great, landmark civil rights laws of the 20th century—a long-overdue emancipation proclamation for people with disabilities.

We also celebrate the men and women, from all across America, whose daily acts of protest and persistence and courage moved this law forward to passage 16 years ago.

We celebrate some 50 million Americans with disabilities, who now begin each day with the right to equal opportunity, full participation, independent living, and economic self-sufficiency.

That is the triumph we celebrate today.

That is the spirit that made the Americans with Disabilities Act possible.

And that is the promise that will continue to move this country and the disability community forward.

Our society is so dynamic and so rapidly changing, we are often oblivious to quiet revolutions taking place in our midst. One such a revolution has been unfolding since the Americans with Disabilities Act became law 16 years ago.

How soon we forget that, prior to the ADA, Americans with disabilities routinely faced prejudice, discrimination, and exclusion—not to mention physical barriers to movement and access in their everyday lives. People with disabilities faced blatant discrimination in the workplace. They were often denied employment, no matter how well qualified they were. People in wheelchairs faced a nearly impossible obstacle course of curbs, stairs, and narrow doors.

One of those courageous people who fought for passage of the ADA was a young Iowan with severe cerebral palsy named Danette Crawford. I remember vividly when I first met Danette in 1990, when I was making the final push to get ADA through Congress. She was just 14 and one of the brightest persons I had ever met. I talked to her about what ADA would mean to her in terms of educational and job opportunities—ensuring that she would not be discriminated against in the workplace.

She listened to all this, and in her wonderful way, she said: "That's very nice, very important, Senator. But, you know, all I really want to do is just be able to go out and buy a pair of shoes just like anybody else." And, of course, she was right. That is exactly what the ADA is all about.

The reach—the triumph—of the ADA revolution is all around us. It has become part of America. In May, I attended a convention in downtown Washington of several hundred disability rights advocates, many with severe impairments. They arrived on trains and airplanes built to accommodate people in wheelchairs. They came to the hotel on Metro and in regular busses, all seamlessly accessible by wheelchair. They navigated city streets equipped with curb cuts and ramps. The hotel where the convention took place was equipped in countless ways to accommodate people with disabilities. A woman on the dais translated the speeches into sign language so that people with hearing disabilities could be full participants.

For those of us who are able-bodied, these many changes are all but invisible. For a person who uses a wheelchair, they are transforming and liberating. So are provisions in the ADA outlawing discrimination against qualified individuals with disabilities in the workplace and requiring employers to provide "reasonable accommodations."

Just as important, the ADA has changed attitudes. It used to be perfectly acceptable to treat people with disabilities as second-class citizens, to exclude and marginalize them. I remember my brother, Frank, who was deaf. Frank was the real inspiration behind all of my work in the Senate on the Americans with Disabilities Act. He passed away 6 years ago, a month before the 10th anniversary of ADA. He always said that he was sorry that the ADA was not there for him when he was growing up but that he was very happy that the ADA is here now for young people so they can have a better future.

Frank lost his hearing at an early age. Then he was taken from his home, his family and his community and sent across the State to the Iowa State School for the Deaf. People often referred to it as the school for the "deaf and dumb." Yes, that is the insensitive way that people used to talk. I remember my brother telling me, "I may be deaf, but I am not dumb."

While at school, Frank was told he could be one of three things: a cobbler, a printer's assistant, or a baker. He said he didn't want to be any one of those things. They said: OK, you are going to be a baker. So after he got out of school, Frank became a baker. But that is not what he wanted to do. Frank stubbornly refused to accept the biases and stereotypes that society tried to impose on him. He fought for—and won—a life of dignity.

But I remember how difficult everyday tasks were for him. For example, I remember, as a young boy, going with my older brother Frank to a store. The salesperson, when she found out that Frank was deaf, looked through him like he was invisible and turned to me to ask me what he wanted. I remember when he wanted to get a driver's license, he was told that "deaf people don't drive." So the deck was stacked against Frank in a thousand ways, strictly because he was a person with a disability.

I remember when my brother finally found a job to his liking. He got a job at a manufacturing plant in Des Moines—a good job at Delavan Corporation. Mr. Delavan decided he wanted to hire people with disabilities, and so my brother went to work there. It was a great job. He became a drill press operator making nozzles for jet engines. He took enormous pride in his work.

Later on, when I was in the Navy, I remember coming home on leave for Christmas. I was unmarried at the time, as was Frank. So I went with him to the company where he worked, which was putting on a Christmas dinner. I didn't expect anything special. But it turned out that they were honoring Frank that night because in 10 years at Delevan, he had not missed a single day of work and hadn't been late once.

That is characteristic of how hardworking and dedicated people with disabilities are when they are given a chance in the workplace. Frank worked at that plant for 23 years and missed just 3 days of work, and that was because of a blizzard.

Today the brazen discrimination and prejudice that Frank faced are part of what seems like a medieval past. We have overcome the false dichotomy between "disabled" and "able." We recognize that people with disabilities—like all people—have unique abilities, talents, and aptitudes and that America is better, fairer, and richer when we make full use of those gifts.

We have made amazing progress in just 16 years. For millions of Americans with disabilities, it truly is a revolution. It has been a quiet revolution, but it has also been a profound revolution.

The day that the ADA passed was the proudest day of my legislative career. But every Senator who voted "aye" can look back, 16 years later, with enormous pride in this achievement. We were present at the creation. But our creation now has a robust life of its own. The ADA has been integrated into the fabric of American life. It has changed lives—and changed our Nation. It has made the American Dream possible for tens of millions of people who used to be trapped in a nightmare of prejudice and exclusion. This truly is a triumph.

I am reluctant, in any way, to take away from the celebration of this anniversary, but I am obliged to point out that the ADA revolution is not yet complete.

When we passed the ADA, we set four great national goals for Americans with disabilities: equal opportunity, independent living, full participation, and economic self-sufficiency. There is more work that needs to be done to reach the full promise of these goals.

Right now, 16 years after the passage of the Americans with Disabilities Act, it is a shocking fact that more than 60 percent of people with disabilities are not employed. We need to do a better job of ensuring that people with disabilities have job opportunities—and not just any job but one that is equal to their interests and talents and pays accordingly.

We need to make sure that people with disabilities have access to health care, with accessible medical equipment and properly trained medical professionals. We also need to make sure that they have access to health and wellness programs that focus on their unique needs. Just this week, I introduced a bill—S. 3717—that will go a long way toward accomplishing these goals.

At the same time, we need to continue our progress in reversing the institutional bias in Medicaid. We need to move away from the days when two-thirds of Medicaid long-term-care dollars are spent on institutional services, with only one-third going to community-based care.

My bill, S. 401, also known as MiCASSA—which is short for the Medicaid Community-Based Attendant

Services and Supports Act—would level the playing field by requiring States to cover community services under their Medicaid Programs.

With appropriate community-based services and supports, we can transform the lives of people with disabilities. They can live with family and friends, not strangers. They can be the neighbor down the street, not the person warehoused down the hall. This is not asking too much. This is the bare minimum that we should demand for every human being.

The ADA is to people with disabilities what the Emancipation Proclamation was to African-Americans. But one of the great shames of American history is that it took a full century from the Emancipation Proclamation until the Civil Rights Act actually made good on Lincoln's promise.

I say to my colleagues, we cannot allow history to repeat itself. We cannot wait a century for people with disabilities to be fully integrated into our society and our workforce. We need to fulfill the full promise of the ADA now.

Yes, it takes money to pay for personal attendant services. But I think of my nephew, Kelly, who became a paraplegic while serving in the military. The Veterans Administration pays for his attendant services. This allows Kelly to get up in the morning, go to work, operate his small business, pay his taxes, and be a fully contributing member of our society.

That is what every person with a disability wants. The costs of MiCASSA would be largely offset by the benefit of having people with disabilities who are employed, paying taxes, and contributing to the economy.

It is a disgrace that, as I said, more than 60 percent of people with disabilities do not have jobs. Right now, they are unemployed and dependent. We want them employed and independent. This would be a boon for them. It would be a boon for the economy. And it would be a boon for the budget.

So I cannot think of a better way to celebrate the 16th anniversary of the ADA than by rededicating ourselves to completing the ADA revolution. This means passing MiCASSA. This means passing the Promoting Wellness for Individuals with Disabilities Act. It means giving people with disabilities not just the right to be independent and have a job but the wherewithal to be independent and hold a job.

Mr. President, one final thought: In sign language, there is a wonderful sign for the word "America." It is this: all the fingers in one hand joined tightly together, with the other hand tracing a circle around the joined fingers. This describes an America for all, where we are not separate, where no one is left out, and we are all embraced by a circle, the circle of the American family.

For centuries, Americans with disabilities were tragically left out of that circle. Our American family was not yet whole, not yet fully inclusive. The passage of the ADA 16 years ago rectified that. It brought everyone, including people with disabilities, into the circle. It made our American family—at last—complete.

That is the historic achievement we celebrate today. That is the historic achievement that we must safeguard for generations to come. One America. One inclusive American family that respects the dignity, the value, and the civil rights of all, including Americans with disabilities.

SCHIP AT 10: A DECADE OF COVERING CHILDREN

Mr. CHAFEE. Mr. President, I am pleased to commend the Finance Committee and Senators HATCH and ROCKEFELLER for holding a hearing on the State Children's Health Insurance Program, SCHIP. This program has meant a decade of health care coverage for millions of low-income children who would otherwise be uninsured.

My interest and commitment to the success of the SCHIP program goes back to its inception. My father, the late Senator John H. Chafee, along with Senator ROCKEFELLER, designed and introduced S. 674, the Children's Health Insurance Provides Security, CHIPS, Act on April 30, 1997. With help from a bipartisan coalition of Members, including Senators HATCH and KENNEDY, this effort came to fruition later that year when Congress approved the State Children's Health Insurance Program, SCHIP.

When SCHIP was introduced there were 10 million uninsured children in the United States including 3 million who were eligible for Medicaid but were not enrolled. The SCHIP program sought to alleviate this unmet need by offering States additional Federal funds if they provided Medicaid coverage to children from families whose income was under 150 percent of the Federal poverty level. This would mean coverage for a family of four earning $30,000 per year. The bill also provided grant funds for States to reach out and enroll eligible children.

Although some States were slow to implement their programs, to date all 50 States, the District of Columbia, and the 5 territories have SCHIP programs in operation. The SCHIP program has been a tremendous success; the share of uninsured children has dropped from 23 percent to 15 percent of the population since 1997. Today, more than 4 million low-income children who would otherwise be uninsured have access to doctors, immunizations, and preventative health care through SCHIP. Since 1997, enrollment has steadily increased to the point that 6.2 million children are currently covered.

Rhode Island's program has also been a success story. Since the program began on October 1, 1997, that State has enrolled 25,573 uninsured children. The State has also expanded its income eligibility requirement to cover additional low-income families. One reason for this great success is the SCHIP program's flexibility in benefit structure and design. States are allowed to expand eligibility levels, cover parents of children on SCHIP, and in some cases childless adults. Rhode Island has utilized this flexibility to develop innovative strategies to address its uninsured.

One example of this innovation was Rhode Island's recognition of the importance of covering families. Studies cited by the Kaiser Commission on Medicaid and the Uninsured show that parents are more likely to enroll their children in SCHIP if the entire family is covered. Parents who have the proper health care coverage are more likely to stay healthy and avoid missed days at work. The same is true of their children; preventative screenings and immunizations will allow them to remain healthy, avoid expensive hospitalizations, and stay in school.

States may appeal to the Secretary of Health and Human Services for waivers to expand their program beyond current law requirements. Along with 15 other States, Rhode Island has a waiver that allows it to use SCHIP funds to cope with the growing number of uninsured. States such as Arizona, Idaho, Oregon, Minnesota, New Mexico, and Virginia have similar waivers.

We have a growing crisis with the number of uninsured in this country. Estimates place the number of uninsured at 45 million, up from 41 million a few years ago. We should reward States that use innovative approaches with their SCHIP programs to expand coverage. Until comprehensive solutions are found to help States fill the coverage gaps, we should not penalize them for taking advantage of existing resources and programs.

To this end, I have been proud to support legislation that maintained funding for the SCHIP program and reallocated funding to coverage-expanding States. In 2003 I was the lead Republican on legislation introduced by Senator ROCKEFELLER to keep $2.7 billion in the program until the end of fiscal year 2004 and reallocate funds to other States through fiscal year 2005. This bill also included a provision I fought for that is important to States like Rhode Island. It allows States with expansive Medicaid Programs that covered uninsured children prior to SCHIP's enactment to use 20 percent of SCHIP funds to cover these children. This is significant since SCHIP provides a higher Federal match than Medicaid. States that did the right thing by covering pre-SCHIP children were being penalized by not receiving the higher match.

In closing, I thank Senators ROCKEFELLER and HATCH for holding a hearing on SCHIP and honoring its tremendous accomplishments over the past 10 years. The SCHIP program has been an integral part of our health care safety net. As we turn to reauthorization and the challenges facing the program in fiscal year 2007, I look forward to working with the bipartisan coalition whose vision created the program. We must work together to keep SCHIP strong so that the progress and the innovations made with the program will not be lost.

PASSAGE OF THE VOTING RIGHTS ACT

Mr. COLEMAN. Mr. President, I wish to add my voice to the celebration of a significant event in this Senate: the renewal of the Voting Rights Act for 25 years. This legislation is part of our efforts in the Senate to come together to make sure the America of 2031 is a whole lot more successful at bridging racial divides than we are today.

I grew up in a large Jewish family in New York City. One of my parent's favorite entertainers was a Jewish comedian named Georgie Jessel. I am sure some of my senior colleagues remember him. In the 1950s he was a good friend of the stunning and talented African-American singer and actress Lena Horne. From time to time they would go out to dinner. You should know that even in New York in those days, they had segregated clubs. Well, by chance or by accident, Mr. Jessel scheduled one of their dinner dates in one of those clubs. The maitre'd took one look at her skin color and said indignantly, "Who made your reservation?" Jessel shot back, "Abraham Lincoln."

Lincoln made a reservation for us all. One hundred and forty years later, we are still struggling to keep it.

One of my most vivid experiences since I came to the Senate was a civil rights delegation to Alabama sponsored by the Faith and Politics Institute a couple years ago. Representative JOHN LEWIS helped to lead the delegation, and shared with us his experiences. We stopped at the Rosa Parks Museum at Troy State University in Montgomery and reflected on the bus boycott. We visited the Dexter Avenue King Memorial Baptist Church, where the Reverend Martin Luther King, Jr., used to preach, and the civil rights Memorial. I was struck with the fact that I visited these historic locations in peace and security. A generation ago, the visitors who came from outside the South to these locations endured threats, vilification, and violence.

This visit reminded me of a simple truth: Individuals such as Parks, King and so many others, shape our society. As we look at the challenges and injustices of the world around us, we often ask the question, How can we change the world? I think we often look in the wrong place for change. We look to big government, big business, big entertainment, or big publishing to bring about change. It is comparatively easy to change a speech or a law or a budget. The real challenge is in changing hearts. And that job falls to all of us who are willing to speak out, willing to model understanding and willing to change. Our hope lies in the fact that in America, there are no "ordinary people."

I often like to say that a leader without followers is just a person taking a walk. The Dr. Kings and Rosa Parks are all around us, in need of the followers and workers who will inspire major change.

Every person has the ability to shape our Nation with their vote. As a democracy, this Nation is built on the idea that we look to the people, and the way we do that is by the power of their vote. Voting is the recognition that each person, each individual, each vote, is important. We cannot afford to sustain any impediment to that process. If we do not defend the freedom to vote, the product of our democracy is dulled and diminished—it is not a true reflection of what is America.

Legislation we passed in the Congress has been crucial: the Civil Rights Act, the Voting Rights Act, and a series of additional measures right into our own decade. Vigorous enforcement of those statutes is essential. The Voting Rights Act recognizes that one of the best things that government can do for their people is make them secure to cast their votes. The Voting Rights Act recognizes that in a free society, the people lead.

The United States is unique in world history because we are a nation built upon rights rather than privileges. We believe we have been endowed by our Creator—not our government—with rights such as life, liberty and the pursuit of happiness.

The American concept of rights is a large set. We have the freedom of religion. We have the freedom of speech and assembly. We have the right to be secure against government intrusion in our homes and private affairs. We have a free press. And to a greater degree than ever, we have the freedom to vote in this country and to have those votes count.

If you pull any one of those freedoms out of the set, the whole thing collapses. Each of our rights protects and reinforces all the others. All the American rights get stronger with the passage of this bill and that's something to celebrate.

But we shouldn't pat ourselves on the back for too long. We can deal with voting inequality by strictly and aggressively enforcing this law, but we have a long list of issues of economic inequality to deal with. We have achievement gaps in our schools. We have housing gaps in our home ownership markets. We have health gaps in access to quality care.

Racial equality in America is race without a finish line. We have finished a lap today, but as Robert Frost wrote, "We have promises to keep, and miles to go before we sleep."

TRIBUTE TO FLOYD LANDIS, WINNER OF THE 2006 TOUR DE FRANCE

Mr. SANTORUM. Mr. President, I rise today to commemorate an incredible feat of physical and mental endurance, a feat that was completed on Sunday, July 23. Floyd Landis, a native of Lancaster County, PA, completed the 20th stage of the 2006 Tour de France with an overall time of 89 hours, 39 minutes and 30 seconds, winning the race by 57 seconds in the closest three-way finish in the long history of the tour.

In winning the 93rd Tour de France, Floyd Landis became just the third American cyclist to win this most prestigious of races, joining previous American victors Greg Lemond and Lance Armstrong. He, like them before him, has become the face of American cycling, and, frankly, we could not ask for a better spokesman.

The Tour de France, with this year's race totaling over 2,200 miles, is known around the globe as one of the toughest physical challenges in the sporting world. It is an incredible feat for anyone to finish this grueling, 20-stage race. But that Floyd Landis finished—and that he won—is even more astounding. Landis suffers from osteoporosis of the hip, an ailment so severe he will require hip replacement surgery in the very near future. Yet, in a staggering display of determination and mental toughness, Landis put aside the pain that was, in his words, "bad, it's grinding, it's bone rubbing on bone," to win the race in convincing fashion.

Landis and his Phonak Hearing Systems team also demonstrated that cycling is a mental challenge as much as a physical one. In spite of the temptation to stay as the frontrunner and in the face of various pundits questioning their strategy, Phonak purposely relinquished the overall lead of the race in the 13th stage, conserving their energy for the late push that ultimately resulted in victory.

In the course of the race, Floyd Landis also proved the wisdom of the oft-quoted adage, "Never give up." After struggling through the 16th stage, a stage which saw him lose 10 minutes and fall from first to eleventh place, Landis stunned the field and the pundits with what former champion Lemond aptly described as "the best day I've seen in cycling in years . . . maybe ever," winning the 17th stage by more than 6 minutes and putting himself in prime position to win the race. Landis followed up his epic ride with a strong showing in the final individual time trial, outpacing his closest rival by nearly a minute and a half and regaining the overall lead, a lead he held for the remainder of the race.

Floyd Landis grew up in Farmersville, PA, a small town located about 50 miles to the southeast of Harrisburg. The Landis family was and is a tight-knit, modest group that instilled in Floyd a belief in the merit of working hard. As the story goes, Floyd was often so inundated with chores that the only time he could ride was in the middle of the night—which, of course, he did. Surely, as with so many of us, Floyd Landis's family played an integral role in shaping him into the man he is today and in the successes that he has enjoyed.

Floyd Landis, whom I am proud to call a fellow Pennsylvanian, has proven that with determination and an immense strength of spirit, even the most extreme obstacles can be overcome and success can be attained. He has inspired countless Americans across our Nation, and many more around the world, and I congratulate him on his remarkable achievement.

NOMINATION OF JEROME A. HOLMES

Mr. INHOFE. Mr. President, I ask unanimous consent that these letters in support of Jerome Holmes be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JULY 21, 2006.

Hon. JAMES M. INHOFE,
U.S. Senate,
Washington, DC.

DEAR SENATOR INHOFE: I am writing to encourage the confirmation of the nomination of Jerome A. Holmes to be a United States Circuit Judge for the Tenth Circuit Court of Appeals.

As a U.S. District Judge for over 30 years I have known and worked with many federal law clerks, lawyers, district and circuit judges. I have known first hand of their intelligence, skills, judgment, character, temperament and sense of fairness. In every single one of these criteria Mr. Holmes has uniquely excelled. His scholarship and other credentials are well documented so permit me to emphasize one critically important additional one. Mr. Holmes is dedicated completely to the rule of law, the proper role of the judiciary and to applying and interpreting the law without regard to personal views on given issues. I have seen this commitment guide his every professional task, in civil and criminal cases, as a law clerk, prosecutor and civil practitioner. The Senators and the people of the country can be assured that, if confirmed, Jerome Holmes will be a circuit judge of compassion, fairness and a total commitment to the rule of law. Having personally observed these qualities throughout the years, I could not give a higher recommendation.

Respectfully,

RALPH G. THOMPSON.

JULY 24, 2006.

Senator JIM INHOFE,
U.S. Senate,
Washington, DC.

DEAR SENATOR INHOFE: I write in support of the nomination of Jerome Holmes to be a Judge on the Court of Appeals for the Tenth Circuit. In his many years of public service—including over a decade with the Department of Justice—Jerome has earned a reputation for excellence that few can equal. He served as the Deputy Criminal Chief and the lead prosecutor on some of the most important and challenging investigations and cases in this Office. He was recognized by his fellow career prosecutors for his legal talents, fairness, and fine character.

As Assistant United States Attorneys together, I had the opportunity to work closely with Jerome on counterterrorism, public corruption, and civil rights investigations and cases. I observed first-hand his tremendous dedication, legal acumen, judgment, ethics, professionalism, and commitment to equal justice under the law.

I am confident that, as a Judge on the Court of Appeals, he will continue to serve our Nation with great distinction.

If I can provide you any further information, please do not hesitate to contact me.

Sincerely yours,

JOHN C. RICHTER.

CROWE & DUNLEVY,
Oklahoma City, OK, June 14, 2006.

Hon. JAMES M. INHOFE,
U.S. Senate,
Washington, DC.

DEAR SENATOR INHOFE: I am writing in support of the nomination of Jerome A. Holmes, Esq. to the United States Court of Appeals for the Tenth Circuit. I have know Jerome by reputation since 1991 when I was working for the Honorable Glenn English (D-OK) and personally since 1993 when I moved back to Oklahoma to begin my legal career.

Jerome is a known leader in a multitude of community activities. He currently serves as a Commissioner on the American Bar Association's Commission on Homelessness and Poverty where his local work has translated into national recognition. He also serves as Chairman of the Board for our local City Rescue Mission, a homeless shelter located in Oklahoma City. As a member of the board myself, I can attest to Jerome's devotion to assisting those who are less fortunate and his incredible leadership style culminating in proven results for the homeless of Oklahoma.

Hard work and dedication to his profession are just some of Jerome's hallmarks through which he has earned the respect of his colleagues in the legal profession. He always displays a judicious demeanor and temperament that will serve him and his country well on the Tenth Circuit Court of Appeals. The first person to turn the lights on and the last to turn the lights off at our office, Jerome's unwavering commitment to his chosen profession is evident. I highly recommend Jerome Holmes for confirmation—both personally and professionally—one cannot find a better nominee.

Very truly yours,

WILLIAM H. HOCH,
For the Firm.

CROWE & DUNLEVY,
ATTORNEYS AND COUNSELORS AT LAW,
Oklahoma City, OK, June 14, 2006.

Re Jerome Holmes

Senator JAMES M. INHOFE,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR: I write to support the nomination of Jerome Holmes to serve on the United States Court of Appeals for the Tenth Circuit. Having served as United States Attorney for the years 2001—2005, I am well acquainted with the very high standards expected in the federal judicial system, and I know that Jerome would be an outstanding addition to the bench.

I have known Jerome for many years in the course of us both practicing law in Oklahoma City. I worked closely with Jerome when we were both Assistant U.S. Attorneys in the early 1990s and observed first hand Jerome's work ethic, professional excellence, and intelligence.

Later when I returned to the U.S. Attorney's Office in 2001, I had the opportunity to work very closely with Jerome again. One of Jerome's strengths is his ability to take on and be successful with the hardest and most complex tasks. For example, he served as Anti-Terrorist Coordinator for the Western District of Oklahoma. He made a success of that position because of his ability to analyze the complex issues involved, his ability to work well with many different government agencies, and his outstanding judgment. He also proved himself to be an outstanding administrator in his service as Deputy Chief of the Criminal Division.

One of the most significant cases Jerome prosecuted was a public corruption case involving the Oklahoma Department of Health. In that case, a nursing home owner had been bribing the Deputy Commissioner of the Department of Health. Jerome tried the case, won convictions, and won the appeals. The case was significant not only because it was a complex and difficult public corruption case, but because it led to material reform at the Department of Health and within the nursing home industry in Oklahoma. The case is an example of the dedication Jerome brings to his work as a public servant.

Jerome's character is beyond reproach. He approaches every task with the highest level of professional integrity and ethics. He has the right temperament for service on the bench as well. He can be counted on to be courteous, fair, and reasonable in any endeavor.

Jerome is well liked and well respected within the local bar. His ability to get along with people and inspire trust in others is illustrated in his election as Vice President of the Bar Association for the State of Oklahoma and his selection to serve on prestigious community boards such as the Oklahoma Medical Research Foundation, the Oklahoma Academy for State Goals, and the Oklahoma City National Memorial Foundation.

Jerome would be an outstanding court of appeals judge. He possesses the judgement, intelligence, professional excellence, and integrity to be a truly great judge.

Sincerely yours,

ROBERT G. MCCAMPBELL.

Oklahoma City, OK, July 6, 2006.

Re Nomination of Jerome A. Holmes

Hon. EDWARD M. KENNEDY,
U.S. Senator,
Washington, DC.

DEAR SENATOR KENNEDY: This letter is written to you in your capacity as a member of the Senate Committee on the Judiciary, and in support of the pending nomination of Jerome A. Holmes to the Tenth Circuit Court of Appeals. Under separate cover I have also written to Senator Specter with a copy to Senator Leahy. Rather than merely sending a copy of the other letter to you, I wanted to take time to write to you personally.

For the past 30 years I have had the pleasure of serving as a member of the legal profession, as an active trial lawyer on both the State and Federal level. For 22 of those years, I have also served as the chief municipal judge for the City of The Village, a community located in the northwest quadrant of the Oklahoma City metropolitan area. My practice is not on the appellate level, although, of necessity, I carefully follow the decisions that emanate from the appellate courts.

Since my primary practice involves criminal defense, I have, on numerous occasions, had reason to meet with, oppose and observe Attorney Holmes. There has never been a time when I felt the nominee was anything less than candid, knowledgeable, professional and ethical. He is a worthy opponent, an excellent trial attorney, and has the respect of my fellow defense counsel.

The appellate courts of our country need—and deserve—to have jurists of Attorney Holmes' high caliber. I have absolutely no doubt that the nominee would devote his considerable intellect to ensuring that the Constitution is properly protected and that cases before him are decided based on the law. If he is elevated to the Tenth Circuit, there will undoubtedly be times when I disagree with his opinion, as is always the case. I can, however, assure you that I firmly believe he will never insert personal beliefs or bias into his judicial thoughts.

Please permit me a point of personal privilege as part of this letter.

In 1961 I reported to Marine Barracks, 8th & Eye Streets, as a PFC just out of Parris Island. For the next two years I served as a member of Ceremonial Guard Company.

The highlight of my tour at 8th & Eye was on July 12, 1962 when, as a member of the Silent Drill Team, I had the honor of drilling for President Kennedy, the reviewing officer that evening for the Sunset Parade. I saved the program and sent it to the President. An autographed copy of the program and the transmittal letter from Ms. Lincoln occupy a position of honor on my office wall.

Senator, I am a Democrat, with deep ties to the party. My father was a Central Committeeman in Ohio, and my grandmother was the party's poll watcher in our small town. I imagine Attorney Holmes is a Republican or he would not have been nominated. His party affiliation does not bother me in the least. He is a lawyer first and foremost and will, I believe, continue to bring honor to our profession and Constitutional protection to our clients.

As I told Senator Specter, should an opportunity present itself, I would be honored to personally appear before the Committee to speak on behalf of Jerome Holmes.

Respectfully yours,

Robert A. Manchester, III.

Oklahoma City University,
School of Law,
Oklahoma City, OK, July 21, 2006.

Re Confirmation of Jerome Holmes

Senator James Inhofe,
U.S. Senate,
Washington, DC.

Dear Senator Inhofe: I write in support of the confirmation of Jerome Holmes to serve as a Judge of the United States Court of Appeals for the Tenth Circuit.

I have worked closely with Mr. Holmes over a period of years on an important committee of the Oklahoma Bar Association tasked with revising the rules of professional conduct for lawyers. As co-chair of this committee, I observed him closely. He was always extremely well-prepared, thoughtful, cooperative, and considerate. In addition, as a supervisor of student externs from my law school, he was always conscientious and responsible.

While Mr. Holmes has taken positions on issues with which I disagree, I have no reservations regarding the criteria by which he should be judged in this confirmation: professional competence, integrity, and judicial temperament.

Thus, I hope the Senate will confirm Jerome Holmes for this position.

Sincerely yours,

Lawrence K. Hellman,
Dean and Professor of Law.

Crowe & Dunlevy,
Oklahoma City, OK, July 21, 2006.

Re confirmation of Jerome Holmes.

Dear Senator Inhofe: I wish to voice my support for the confirmation of Jerome Holmes to serve as a Judge of the United States Court of Appeals for the Tenth Circuit.

I have known Jerome Holmes for several years, first when he was an Assistant U.S. Attorney, and most recently when he associated with my firm, Crowe & Dunlevy of Oklahoma City. I know him to be very intelligent, very diligent and to possess a high degree of competence on the functioning of the federal judicial system. His background in the law will serve him well in this position. He is dedicated to serving the justice system and the legal profession.

Although I am a registered Democrat, I believe Jerome Holmes is entitled to non-partisan support because he will be an outstanding jurist who will follow the law, not personal views or beliefs.

I hope the Senate will confirm Jerome Holmes for this very important judicial post.

Sincerely,

William G. Paul,
Past-President, American Bar Association.

Senator James Inhofe
U.S. Senate,
Washington, DC.

Re Nomination of Jerome Holmes.

Dear Jim: I write in support of the nomination of Jerome Holmes to become a Judge of the United States Court of Appeals for the Tenth Circuit.

Jerome is a very bright, capable, and conscientious person. I have known him for many years, and I know that he became a very able prosecutor in the years he served as an Assistant United States Attorney for the United States Western District of Oklahoma. In that position, he demonstrated common sense and fairness in applying the law.

When Robert Macy retired as the District Attorney for Oklahoma County, I served, at the appointment of then Governor Frank Keating, on the committee to select a successor. Jerome Holmes was one of the finalists, and I was assigned the task of doing a workup on his skills, abilities, and suitability for the job. In that capacity, I interviewed several federal judges and several agents of the F.B.I. who had observed and worked with Jerome in his years in the U.S. Attorney's Office. All were high in their praise for Jerome, his dedication, and work ethic.

He has been most helpful in establishing minority scholarships here at the College of Law.

He is a delightful person, and I commend him to you for this judgeship enthusiastically and without reservation.

Andrew M. Coats,
Dean and Professor, College of Law.

County of San Diego,
Department of the Public Defender,
San Diego, CA, June 15, 2006.

Re Jerome A. Holmes

Hon. Arlen Specter,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, DC.

Dear Senator Specter: I am honored to support the nomination of Jerome A. Holmes to the Tenth Circuit Court of Appeals. I am a deputy public defender, Chair of the ABA Commission on Homelessness and Poverty and co-founder of the Homeless Court Program.

Jerome is a member of the ABA Commission on Homelessness and Poverty. Jerome's contributions to the Commission's discussions on homeless and poverty issues are always well reasoned and articulate. He is inquisitive and insightful. Commission members rely on his input and value his contributions. I know Jerome to be thoughtful and deliberative in his approach to a myriad of issues that come before the Commission. He is respectful of diverging viewpoints that come with review of a wide range of issues such as housing, education and people involved with the criminal justice system, to name but a few.

I am confident Jerome will uphold the highest level of judicial decorum and professional integrity as a member of the Tenth Circuit Court of Appeals. I recommend Jerome A. Holmes for appointment to this important judicial position.

If you have any questions, please call me at (619) 338-4708.

Sincerely,

Steven Binder,
Deputy Pubic Defender.

City Rescue Mission,
Oklahoma City, OK, June 21, 2006.

Re Nomination of Jerome A. Holmes, Esq. to the United States Court of Appeals for the Tenth Circuit.

Hon. James M. Inhofe,
U.S. Senate,
Washington, DC.

Dear Senator Inhofe: I am writing in support of the nomination of Jerome A. Holmes, Esq., to the United States Court of Appeals for the Tenth Circuit. I have known Jerome since 2001 when Jerome and I were selected for the class of Oklahoma City Leadership. In 2003, Jerome was asked to serve as a director on the board of City Rescue Mission, a local homeless shelter and rehabilitation center located in Oklahoma City.

Jerome is a recognized leader in many levels of community service. Locally, he currently serves as Chairman of the Board for City Rescue Mission. His leadership has greatly contributed to City Rescue Mission's national recognition as a model rescue mission for the homeless and poor. Nationally, he currently serves as a Commissioner on the American Bar Association's Commission on Homelessness and Poverty where his work has received national recognition. I can personally attest to Jerome's leadership ability seasoned with character and integrity.

Jerome is passionately dedicated to his profession as well as his volunteer leadership roles. He has gained the respected of his colleagues in the legal profession as well as those in the human services realm. I have witnessed Jerome in a variety of leadership situations and have always been greatly impressed with his demeanor, temperament, and thoroughness. Jerome is the first person I call when I need a fair unbiased carefully considered point of view—he leaves no stone unturned. I highly recommend Jerome Holmes for confirmation to the United States Court of Appeals for the Tenth Circuit—he will serve our country well.

Respectfully,

REV. GLENN GRANFIELD,
President/CEO.

OKLAHOMA CITY, OK
July 24, 2006.

Hon. JAMES INHOFE,
U.S. Senate,
Washington, DC.

DEAR SENATOR INHOFE: This letter is written to support the nomination of Jerome Holmes to the 10th Circuit Court of Appeals. I am an African American attorney and active member of the community as well as an adjunct teacher at Douglass High School and I hope that Jerome is confirmed by the U.S. Senate. I have known Jerome for almost 15 years and I am very proud to call him a friend. It was that friendship I relied upon when I asked that he serve as a volunteer coach for the Frederick Douglass High School Mock Trial team which has a predominantly African American student population.

Jerome was very instrumental in helping the Frederick Douglass team in the first year of competition advance in the competition. It was a result of his personal and professional dedication to the students that he was successful in helping inspire these young African American students both male and female to excel in this academic competition. I know Jerome stated that he was greatly enriched by the young men and women that competed on his team.

I strongly believe that Jerome Holmes has the integrity, personal track record and character to represent the 10th Circuit in a successful manner. Jerome Holmes is a good person who has always reflected his strong belief in the American dream. I personally witnessed as he was able to effectively, passionately and successfully share with the Douglass students that the dreams they hold can be realized in the same manner. I am confident that Jerome Holmes if given the opportunity to serve will uphold the Constitution first and foremost and serve in such a manner that I along with the mock trial students at Douglass will celebrate this achievement.

If I can provide additional information please don't hesitate to contact me.

L. DON SMITHERMAN, ESQ.,
Attorney at Law.

RURAL PLANNING ORGANIZATIONS OF AMERICA

Mr. BOND. Mr. President, this past June, the National Association of Development Organizations, NADO, formed the Rural Planning Organizations of America, RPO America, a national voluntary organization, which was designed to strengthen our Nation's rural transportation planning, development, and infrastructure system.

Under the leadership of NADO, RPO America will support rural transportation planners and practitioners by providing professional development, peer networking, research and educational initiatives in order to promote and showcase the benefits and value of transportation planning and infrastructure development throughout our Nation's rural communities.

Investing in our rural roadways and bridges is more than just investing in concrete and steel; it is also an investment in our future. For this reason, it is essential that our Nation's rural transportation professionals be provided with the necessary tools and support to promote and showcase the value, benefits, and accomplishments of rural transportation planning and development.

Efficient transportation infrastructure plays a critical role in a successful and thriving community. Furthermore, a reliable transportation system within our Nation's rural community is not only critical to our rural communities but also to our Nation's economy.

Mr. President, I ask my colleagues to join me in recognizing this newly formed organization that will support the role of rural transportation planners and the efforts to improve rural community access throughout the country.

"DISCOVERY" SPACE SHUTTLE LANDING

Mr. AKAKA. Mr. President, I rise in celebration of the National Aeronautics and Space Administration's successful return to Earth of Space Shuttle *Discovery* and to welcome the crew of flight STS–121 home.

Over the last few decades, NASA has experienced tragic lessons in the dangers of space exploration. That is why it was heartwarming to see Commander Steven Lindsey, Pilot Mark Kelly, and Mission Specialists Michael Fossum, Lisa Nowak, Stephanie Wilson, and Piers Sellers, safely return home after spending 13 days in orbit.

After two weather-related delays, the *Discovery* launched on July 4, 2006, Independence Day. During the STS–121 mission, the crew made critical tests of shuttle safety improvements. In addition, the crew transported European Space Agency astronaut, Thomas Reiter, to the International Space Station where they delivered additional supplies and equipment. During their time on the International Space Station, the STS–121 crew worked in conjunction with the Expedition 13 crew on joint operations. The crew also performed maintenance on the International Space Station's mobile transporter and tested orbiter heat shield repair techniques during their three space walks. The flight marked the 115th space shuttle flight and was the second flight since the 2003 *Columbia* tragedy.

This successful mission is a testament to NASA and our valiant astronauts that continue to strive for excellence. Through current exploration, the lives of those lost in both the *Columbia* and *Challenger* accidents, including Astronaut Ellison Onizuka, who was born and raised in my home State of Hawaii, live on. I am proud of the advances we have made in space exploration and am grateful for all those who have made the dream of space exploration possible. Again, I extend my warm welcome to the *Discovery* crew and congratulate them on completing their mission.

REMEMBERING YVONNE GOODMAN

Mr. GRASSLEY. Mr. President, I rise to pay tribute to Yvonne R. Goodman. Funeral services were held for her this morning. Yvonne served on my Washington, DC, staff in the Senate and in the House of Representatives for a total of 28 years, and she worked for my predecessor in the House of Representatives, Congressman H.R. Gross, for 25 years. She began helping me the first day I arrived on Capitol Hill and continued until she retired in 2002. In total, Yvonne served the people of Iowa for a remarkable 53 years. There is no doubt that Iowans benefited from her loyalty to their representatives in the Congress and her standard of excellence in her work. I was very fortunate to have her on my staff. Yvonne was from Osage, IA. She was a special person and a valuable and trusted employee. She made a great contribution with her selfless and dedicated public service. Her husband Jim is also a friend. He, too, worked in government and shared Yvonne's commitment to the people's business. Yvonne and Jim were an integral part of my office family for 28 years. They touched the lives of so many fellow staffers with their caring ways. They were gardeners who loved to share their beautiful flowers and plants. My wife Barbara joins me today in extending our sympathy to Jim and saluting the life and many good deeds of his beloved Yvonne.

ADDITIONAL STATEMENTS

CRATER LAKE NATIONAL PARK

• Mr. SMITH. Mr. President, on behalf of all Oregonians, I wish to recognize the recent accomplishments of Oregon's first national park at Crater Lake.

President Theodore Roosevelt had never set his eyes on the deep blue waters of Crater Lake when he signed the law in 1902 making Crater Lake the fifth oldest national park in the United States. He was, however, well aware of the 17-year battle fought to make its protection a reality. The father of Crater Lake, William Gladstone Steel, devoted his life to seeing Crater Lake protected and walked these halls of Congress to make sure that the majesty of this Oregon jewel was forever enshrined. Hard work and perseverance have been at the core of the entire storied history of Crater Lake National Park.

On August 25, 2006, the Crater Lake National Park will open the doors to its new Science and Learning Center. Just as William Gladstone Steel spent his early years participating in scientific experiments at Crater Lake, the Science and Learning Center will provide the public with an entry into one of nature's most spectacular laboratories. Scientists, teachers, students, artists and the general public alike will benefit from this new facility at the park, which will be one of a very few National Park Service Learning Centers in the Nation.

The opening of the Crater Lake Science and Learning Center is the culmination of many years of perseverance and hard work from the dedicated staff and partners of Crater Lake National Park. Specifically, I want to recognize the dedication and ingenuity of Crater Lake National Park Superintendent, Charles "Chuck" Lundy. Chuck has gone above and beyond the call of duty and Oregon is lucky to have him at the helm of the Crater Lake "Phantom Ship." During Chuck's 8-year tenure at the Park, he has worked in the spirit of William Gladstone Steel using his innovative mind to mold the future of America's deepest and most pristine lake. The Crater Lake Centennial license plate campaign, under Chuck's direction, has given each and every Oregonian the ability to express just how special Crater Lake is to them and to our State. As of July of 2006, 138,000 license plates have been purchased by Oregonians, with the proceeds going directly to the new Science and Learning Center.

Mr. President, I am extremely proud of the successes being exhibited by the outstanding team of National Park Service employees at Crater Lake National Park. I congratulate them on the opening of the Science and Learning Center and wish them all the best as they continue to preserve and protect the national park Oregonians love so much.•

PASSING OF MAX METZGER

• Mr. COLEMAN. Mr. President, I wish today to recognize the passing of my friend Max Metzger this past Saturday morning. As we grieve the loss for his family, the citizens of St. Paul are grateful for the music he brought to them. As the former mayor of St. Paul, I had the opportunity to become acquainted with Max and was touched by the love of music he brought to our community.

To say Max was an icon in the St. Paul Music scene would be an understatement. For 56 summers he brought music to thousands of Minnesotans, conducting pops concerts at the Como Lakeside Pavilion. He was a gifted musician, director, and entertainer. He was a kind and gentle man with a great sense of humor, a love for his city, and passionately devoted to his wife Nell.

Max Metzger was born in Germany in 1922, and his family emigrated to the United States in 1931. His mother was Mady Metzger-Zeigler, an internationally renowned mezzo-soprano who founded the St. Paul Opera Workshop. Max was involved in the Workshop for several decades, before taking it over upon his mother's death in 1979.

Yet while Max clearly loved music and had a high aptitude for producing and performing, he had not inherited his mother's beautiful voice. In fact, his mother made Max promise never to sing or she would disown him.

So Max found other outlets for his musicality. He started to play the bassoon at a young age. He played with the St. Paul Civic Opera Workshop, directed the Civic Opera orchestra, and played with a symphony orchestra in Duluth.

Max Metzger personified the thriving arts culture in St. Paul for decades, touching innumerable lives. In fact, in appreciation of his amazing deeds and accomplishments, the City of St. Paul dedicated a street in his name in beautiful Como Park. The Nobel Prize winning poet T.S. Eliot once said that "you are the music while the music lasts."

Mr. President, the music will last in the hearts and minds of countless Minnesotans, thanks to Mr. Max Metzger.•

FREDERICK P. GRIFFITH, JR. WATER TREATMENT FACILITY

• Mr. WARNER. Mr. President, today I rise to congratulate the dedicated leadership and employees of Fairfax Water. Their vision and hard work has paved the way for the opening of the Frederick P. Griffith, Jr. Water Treatment Facility on July 15, 2006. The Griffith plant is truly state of the art and we are proud that the Commonwealth has such an entity leading the way and setting such high standards for the rest of the country. Leaders at Fairfax Water truly recognize the importance of protecting our natural resources and preserving the facets of the surrounding area.

I think it is most important to recognize that this new facility embodies our Nation's commitment to homeland security. The Griffith plant is equipped with numerous security measures which go a long way to ensure that Fairfax Water's nearly 1.5 million customers are well protected from potential threats be they natural or manmade. This is comforting to know especially when one considers the large number of critical government facilities which are served by Fairfax Water. These facilities include Fort Belvoir U.S. Army Reservation, Fort Belvoir Proving Grounds, facilities of the Central Intelligence Agency, U.S. Fish and Wildlife Service Laboratories, U.S. Navy Family Housing, U.S. Coast Guard Information Systems Center, facilities of the General Services Administration, facilities of the U.S. Department of State; and office space and warehouses for the U.S. Securities and Exchange Commission. As the senior Senator from the Commonwealth of Virginia, I am proud that these important installations are in my State. They provide many crucial services to all Americans, and have responsibilities beyond the Commonwealth. I am proud that Fairfax Water serves its local and national constituencies so well.

Mr. President, I am sure that my colleagues will join me in offering congratulations and continued success to my friends at Fairfax Water.•

RECOGNIZING ROOSEVELT ELEMENTARY SCHOOL, MANKATO, MINNESOTA

• Mr. DAYTON. Mr. President, today I honor Roosevelt Elementary School, in Mankato, MN, which recently earned an Award for Excellence in Education for its exceptional and innovative achievements in educating children.

Roosevelt Elementary School is truly a model of educational success, in keeping with its mission: "To Educate the Whole Child . . . For Life."

In 2005, the Minnesota Department of Education recognized Roosevelt Elementary as a five-star school in both reading and math, an achievement reached by less than 7 percent of all Minnesota schools. Another source of school pride is the significant progress made in these subjects over the past 7 years.

In 1998, the math and reading scores of Roosevelt's third graders were well below the threshold necessary for the "adequate yearly progress" under the existing State standards. The average math score in 1998 was 1401, and the average reading score was 1361; an average of 1420 was necessary for the State's "adequate yearly progress" designation. Thanks to a concerted "team effort," to improve achievement, test scores have risen dramatically. In 2005, the average reading score was 1594, an increase of 193 points over the 1998 average; the average math score was 1650, an increase of 289 points.

The Roosevelt fifth graders showed similar gains. Their lowest average scores of 1408 in reading and 1395 in math occurred in 1999. In 2005, the average reading score was 1719, an increase of 311 points; the average math score increased to 1641, an increase of 246 points.

Roosevelt attributes its success to the strong team effort, involving teachers, administrators, and parents working closely together to set goals and objectives for the children.

Another component of the success of all of Mankato's schools is the tremendous support from the community. Last fall, Mankato-area voters approved two referenda: to provide $6 million to update many existing buildings throughout the district and to provide $3.5 million over 7 years to update the schools' technology. In 2002, voters approved a $2.5 million per year operating referendum.

Much of the credit for Roosevelt Elementary School's success belongs to its principal, Rick Lund, and the dedicated teachers. The students and staff at Roosevelt Elementary School understand that, in order to be successful, a school must go beyond achieving academic success; it must also provide a nurturing environment where students can develop the knowledge, skills, and attitudes for success throughout life. All of the faculty, staff, and students at Roosevelt Elementary School should be very proud of their accomplishments.

I congratulate Roosevelt Elementary School in Mankato for winning the Award for Excellence in Education and for its exceptional contributions to education in Minnesota.•

RECOGNIZING KENNEDY ELEMENTARY SCHOOL, MANKATO, MINNESOTA

• Mr. DAYTON. Mr. President, today I honor Kennedy Elementary School, in Mankato, MN, which recently earned an Award for Excellence in Education for its exceptional and innovative achievements in educating children.

Kennedy Elementary School is truly a model of educational success. It achieves the goal embodied in its mission statement: "Learning and Succeeding Together for Tomorrow's World."

Kennedy Elementary is implementing Reading First, a 3-year program which provides intensive professional development for all teachers, kindergarten through third grade. One teacher from both the fourth and fifth grades also takes part, to ensure continuity of reading instruction beyond the third grade.

Since 2002, Kennedy teachers have, on their own time, attended study groups that meet for 2 hours each week. They follow a protocol to explore scientifically based reading research, which they apply in their teaching. The teachers regularly review test data to tailor their reading instruction to each child. Teams of teachers, including the classroom teachers, the title I reading teacher, and the English language learner teachers, collaborate to create successful intervention plans for any pupil performing below grade-level benchmarks in reading. During the study groups, teachers also review and critique video clips of each other's teaching. Through this process of reflection, teachers evaluate themselves to improve their instructional techniques and teaching practices.

The North Central Association for Accreditation and School Improvement recently conducted a peer review of Kennedy Elementary School's reading instruction. The school earned a perfect score.

The study and research of the Kennedy Elementary Leadership Team identified early educational interventions and programs to increase achievement. This research resulted in specific changes intended to improve the achievement of all children, including a full-day kindergarten program, hiring an additional English language learner teacher, and adding three reading intervention teachers. In addition, more teachers were hired to reduce class sizes in grades K–3.

Another component of the success of all of Mankato's schools is the tremendous support from the community. Last fall, Mankato-area voters approved two referenda: to provide $6 million to update many existing buildings throughout the district and to provide $3.5 million over 7 years to update the schools' technology. In 2002, voters approved a $2.5 million per year operating referendum.

Much of the credit for Kennedy Elementary School's success belongs to its principal, Greg Stoffel, and the dedicated teachers. The students and staff at Kennedy Elementary School understand that, in order to be successful, a school must go beyond achieving academic success; it must also provide a nurturing environment where students can develop the knowledge, skills, and attitudes for success throughout life. All of the faculty, staff, and students at Kennedy Elementary School should be very proud of their accomplishments.

I congratulate Kennedy Elementary School in Mankato for winning the Award for Excellence in Education and for its exceptional contributions to education in Minnesota.•

RECOGNIZING WASHINGTON ELEMENTARY SCHOOL, MANKATO, MINNESOTA

• Mr. DAYTON. Mr. President, today I honor Washington Elementary School, in Mankato, MN, which recently earned an Award for Excellence in Education for its exceptional and innovative achievements in educating children.

Washington Elementary School is truly a model of educational success. The school is one of 9 elementary schools in Mankato and serves 380 pupils, including a large number of children of diverse backgrounds, and many who settled in Mankato upon arriving from other countries. Thirteen percent of Washington children are English language learners, and 40 percent qualify for free or reduced-price lunches.

The large percentages of English language learners and children from low-income families present a significant challenge to the school; and although Washington Elementary has never failed to make adequate yearly progress relative to the requirements of No Child Left Behind, that success has required a constant focus on academic achievement.

The staff at Washington Elementary consistently strive to make classroom learning more meaningful by finding connections with all other aspects of the children's daily lives. Teachers also demonstrate their belief that the children can and will succeed; they then take time to celebrate their pupils' successes.

At a monthly celebration assembly, a feature of the continuing focus on acknowledging successes, children are publicly recognized for curricular and noncurricular attainments, which can involve such areas as most improved, citizenship, and academic achievement. At each assembly, every teacher recognizes three pupils, who receive student-of-the-month ribbons. Their names are also posted in the school's front lobby. It is a goal that, by the end of the year, every child will have been recognized for some accomplishment. This recognition builds self-esteem, promotes a sense of individual responsibility, and effectively motivates pupils to work hard academically.

Another component of the success of all of Mankato's schools is the tremendous support from the community. Last fall, Mankato-area voters approved two referenda: to provide $6 million to update many existing buildings throughout the district, and to provide $3.5 million over 7 years to update the schools' technology. In 2002, voters approved a $2.5 million per year operating referendum.

Much of the credit for Washington Elementary School's success belongs to its principal, Judi Brandon, and the dedicated teachers. The students and staff at Washington Elementary School understand that, in order to be successful, a school must go beyond achieving academic success; it must also provide a nurturing environment where students can develop the knowledge, skills, and attitudes for success throughout life. All of the faculty, staff, and students at Washington Elementary School should be very proud of their accomplishments.

I congratulate Washington Elementary School in Mankato for winning the Award for Excellence in Education and for its exceptional contributions to education in Minnesota.•

RECOGNIZING THE BREN ROAD EDUCATION CENTER, MINNETONKA, MINNESOTA

• Mr. DAYTON. Mr. President, today I honor the Bren Road Education Center, in Minnetonka, MN, which recently earned an Award for Excellence in Education for its exceptional and innovative achievements in educating children.

The Bren Road Education Center is truly a model of educational success. The center serves high school students, who often present the greatest challenges for educators. Those enrolled at Bren Road have been referred by their school districts and come with behavioral problems, unsuccessful social interactions, and, in some cases, neurobiological disorders and developmental delays. Nearly all students have significant special education needs in the areas of emotional and behavior functioning. Many have substance abuse and/or mental health illnesses or a history of involvement with the juvenile courts. All the teachers and staff at the Bren Road Education Center approach these tremendous challenges with the assumption that their students will succeed.

The Bren Road Education Center opened its doors in September, 2005, with a true sense of excitement and promise. One observer said, "There was a sense of relief that the students at the Bren Road Education Center would now have a new chance, an opportunity for success, and a bright future!"

The staff at Bren Road consider each student to be unique, and they work tirelessly to build relationships with the students by engaging them respectfully. The philosophy at Bren Road is that these young people have often struggled unsuccessfully in traditional, large high schools, because their particular needs had gone unrecognized. Given the right environment, appropriate support, positive relationships with adults, and opportunities to give and receive respect, they can do well in an academic setting.

Bren Road's individualized instruction in reading, writing, and math prepares students to pass State-level proficiency tests. Experimental learning labs including science, art, and independent living labs afford students hands-on learning and vocational experiences. One student was repeatedly suspended from his regular high school, because he could not control his anger. At Bren Road, however, he has developed his interest in woodworking and takes pride in making Adirondack furniture.

Much of the credit for the Bren Road Education Center's success belongs to its supervisor, Jan Joslin, and the dedicated teachers and staff. The students and staff at the Bren Road Education Center understand that, in order to be successful, a school must go beyond achieving academic success; it must also provide a nurturing environment where students can develop the knowledge, skills, and attitudes for success throughout life. All of the faculty, staff, and students at the Bren Road Education Center should be very proud of their accomplishments.

I congratulate the Bren Road Education Center in Minnetonka for winning the Award for Excellence in Education and for its exceptional contributions to education in Minnesota.•

RECOGNIZING THE EDEN PRAIRIE SCHOOL DISTRICT, EDEN PRAIRIE, MINNESOTA

• Mr. DAYTON. Mr. President, today I honor the Eden Prairie School District, in Eden Prairie, MN, which recently earned an Award for Excellence in Education for its exceptional and innovative achievements in educating children.

The Eden Prairie School District is truly a model of educational success. The district takes a systemwide approach to ending a subtle form of racism that can plague schools and other institutions.

Some schools use an approach to teaching that has a bias—an approach that benefits white students and puts black students at a disadvantage. Eden Prairie Schools Superintendent Dr. Melissa Krull, believes the district has made progress toward a solution.

The 2005 Minnesota Comprehensive Assessments, MCA, results for Eden Prairie were impressive: All schools showed dramatic improvements. However, the district found that its Black students were not realizing the same level of success as other students.

Eden Prairie found that even excluding factors such as poverty, learning disabilities, and English as a second language, the district's Black students were still not doing as well as White students, who earned approximately 22 to 25 percentage points more than Black students on the MCAs.

Eden Prairie Schools have made a great commitment of time and resources to eliminating the achievement gap. Eden Prairie administrators base their response on research and data, breaking down test results by racial groups, then determining which schools, classrooms, and students need that extra attention.

The district created a program, at one elementary school, called "The Mom's Club," inviting single mothers to visit and talk with staff and other single mothers while their sons interact with male high school students to establish friendships. Through the district's Somali Liaison Program, a Somali staff member visits new Somali families to answer questions about the schools and show families how to get involved. As part of a Homework Zone Initiative, staff members go to apartment complexes with diverse families and offer free, afterschool tutoring.

Much of the credit for the Eden Prairie School District's success belongs to its superintendent, Dr. Melissa Krull, the dedicated principals, teachers, and other staff. The students and staff within the district understand that, in order to be successful, a district must go beyond achieving academic success; it must also provide a nurturing environment where all students can develop the knowledge, skills, and attitudes for success throughout life. All of the faculty, staff, and students at the Eden Prairie School District should be very proud of their accomplishments.

I congratulate Eden Prairie School District in Eden Prairie for winning the Award for Excellence in Education and for its exceptional contributions to education in Minnesota.•

RECOGNIZING THE ARTS HIGH SCHOOL—PERPICH CENTER FOR ARTS EDUCATION—GOLDEN VALLEY, MINNESOTA

• Mr. DAYTON. Mr. President, today I honor the Arts High School at the Perpich Center for Arts Education, in Golden Valley, MN, which recently earned an Award for Excellence in Education for its exceptional and innovative achievements in educating children.

The Arts High School is truly a model of educational success. The school is a residential, tuition-free, public high school delivering a comprehensive education for eleventh- and twelfth-grade students motivated to focus their studies on the arts. Enrollment is limited to 310 students, affording a relatively small learning environment while allowing students from every part of Minnesota to take advantage of the wonderful arts resources in the Twin Cities. Dedicated and caring staff members furnish 24-hour supervision and coordinate many special activities for dormitory residents. Its 16-year history has demonstrated that the Arts High School is a highly effective means of promoting student achievement and artistic attainment.

In their morning classes, Arts High students study math, science, world languages, English, and social studies. In the afternoon, they delve deeply into their arts area studies; students can concentrate on dance, literary arts, media arts, music, theater, or visual arts. Over the past 5 years, the Arts High has had 9 National Merit Scholarship Finalists, 6 Semifinalists, and 18 Commended Students.

Testimonials from the Arts High School's graduates convey their appreciation of the school's merits. Ashley Wilkinson, class of 2004, says, "My experiences at the Arts High School have given me the confidence to approach any situation and succeed. The extra confidence has made me stronger and prepared me for the world." Brian McManamon, class of 1993, who is an

MFA candidate at the Yale School of Drama, says, "As a student, I found myself continually interested in challenging myself and experiencing not just acting, but taking a risk once in a while and doing something I was not familiar with. I wouldn't be where I am today, if I hadn't gone to the Arts High School."

Much of the credit for the Arts High School's success belongs to its Director, Rie Gilsdorf, and the dedicated teachers. The students and staff at the Arts High School understand that, in order to be successful, a school must go beyond achieving academic success; it must also provide a nurturing environment where students can develop the knowledge, skills, and attitudes for success throughout life. All of the faculty, staff, and students at the Arts High School should be very proud of their accomplishments.

I congratulate the Arts High School in Golden Valley for winning the Award for Excellence in Education and for its exceptional contributions to education in Minnesota.•

RECOGNIZING MANKATO EAST JUNIOR HIGH SCHOOL, MANKATO, MINNESOTA

• Mr. DAYTON. Mr. President, today I honor Mankato East Junior High School, in Mankato, MN, which recently earned an Award for Excellence in Education for its exceptional and innovative achievements in educating children.

Mankato East Junior High School is truly a model of educational success. The school has formed a partnership with the Greater Mankato Diversity Council to augment the community's commitment to creating an environment of inclusiveness. Mankato East Junior High offers the council's prejudice reduction workshops to the seventh and eighth grades. The curriculum's core value is respect.

The seventh grade curriculum at Mankato East Junior High focuses on "Global Awareness/World Mindedness: If the World Were a Village." This workshop identifies inequities in the distribution of resources among the world's people, and it encourages dialogue about how students can contribute to finding a solution to the problem.

The eighth grade workshop, "Vive la Difference," gives students an opportunity to participate in an activity to learn about the feelings and behaviors accompanying inclusion and exclusion.

Mankato East Junior High School also supports P.E.A.C.E. People Experiencing and Accepting Cultures Everywhere. Approximately 50 of the school's 465 seventh and eighth graders participate in the PEACE project, helping them find new ways to increase cultural awareness, promote acceptance among all students, speak out against violence and racism, teach tolerance, lead by positive example, serve the community through special projects, improve self-esteem, and support others.

As part of its efforts to increase awareness and appreciation of other cultures, Mankato East Junior High invites the Mixed Blood Theater to perform for the entire student body. This year's presentation, the "Black Eagle," tells the story of Dr. Ronald McNair, the African-American scientist who was aboard the Space Shuttle Challenger in 1986.

Another component of the success of all of Mankato's schools is the tremendous support from the community. Last fall, Mankato-area voters approved two referenda: to provide $6 million to update many existing buildings throughout the district and to provide $3.5 million over 7 years to update the schools' technology. In 2002, voters approved a $2.5 million per year operating referendum.

Much of the credit for Mankato East Junior High School's success belongs to its principal, Rich Dahman, and the dedicated teachers. The students and staff at Mankato East Junior High School understand that, in order to be successful, a school must go beyond achieving academic success; it must also provide a nurturing environment where students can develop the knowledge, skills, and attitudes for success throughout life. All of the faculty, staff, and students at Mankato East Junior High School should be very proud of their accomplishments.

I congratulate Mankato East Junior High School in Mankato for winning the Award for Excellence in Education and for its exceptional contributions to education in Minnesota.•

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 10:43 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 310. An act to direct the Secretary of the Interior to convey the Newlands Project Headquarters and Maintenance Yard Facility to the Truckee-Carson Irrigation District in the State of Nevada.

H.R. 2977. An act to designate the facility of the United States Postal Service located at 306 2nd Avenue in Brockway, Montana, as the "Paul Kasten Post Office Building".

H.R. 3440. An act to designate the facility of the United States Postal Service located at 100 Avenida RL Rodriguez in Bayamon, Puerto Rico, as the "Dr. Jose Celso Barbosa Post Office Building".

H.R. 3549. An act to designate the facility of the United States Postal Service located at 210 West 3rd Avenue in Warren, Pennsylvania, as the "William F. Clinger, Jr. Post Office Building".

H.R. 3934. An act to designate the facility of the United States Postal Service located at 80 Killian Road in Massupequa, New York, as the "Gerard A. Fiorenza Post Office Building".

H.R. 4101. An act to designate the facility of the United States Postal Service located at 170 East Main Street in Patchogue, New York, as the "Lieutenant Michael P. Murphy Post Office Building".

H.R. 4108. An act to designate the facility of the United States Postal Service located at 3000 Homewood Avenue in Baltimore, Maryland, as the "State Senator Verda Welcome and Dr. Henry Welcome Post Office Building".

H.R. 4456. An act to designate the facility of the United States Postal Service located at 2404 Race Street in Jonesboro, Arkansas, as the "Hattie W. Caraway Station".

H.R. 4561. An act to designate the facility of the United States Postal Service located at 8624 Ferguson Road in Dallas, Texas, as the "Francisco 'Pancho' Medrano Post Office Building".

H.R. 4688. An act to designate the facility of the United States Postal Service located at 1 Boyden Street in Badin, North Carolina, as the "Mayor John Thompson 'Tom' Garrison Memorial Post Office".

H.R. 4786. An act to designate the facility of the United States Postal Service located at 535 Wood Street in Bethlehem, Pennsylvania, as the "H. Gordon Payrow Post Office Building".

H.R. 4995. An act to designate the facility of the United States Postal Service located at 7 Columbus Avenue in Tuckahoe, New York, as the "Roland Bucca Post Office".

H.R. 5245. An act to designate the facility of the United States Postal Service located at 1 Marble Street in Fair Haven, Vermont, as the "Matthew Lyon Post Office Building".

The enrolled bills were subsequently signed by the President pro tempore (Mr. STEVENS).

ENROLLED BILL SIGNED

At 12:30 p.m., a message from the House of Representatives, delivered by one of its clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4472. An act to protect children from sexual exploitation and violent crime, to prevent child abuse and child pornography, to promote Internet safety, and to honor the memory of Adam Walsh and other child crime victims.

The enrolled bill was subsequently signed by the President pro tempore (Mr. STEVENS).

ENROLLED BILL SIGNED

At 1:09 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 9. An act to amend the Voting Rights Act of 1965.

The enrolled bill was subsequently signed by the President pro tempore (Mr. STEVENS).

At 4:46 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4804. An act to modernize the manufactured housing loan insurance program under title I of the National Housing Act.

H.R. 5013. An act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to prohibit the confiscation of firearms during certain national emergencies.

H.R. 5024. An act to require annual oral testimony before the Financial Services Committee of the Chairperson or a designee of the Chairperson of the Securities and Exchange Commission, the Financial Accounting Standards Board, and the Public Company Accounting Oversight Board, relating to their efforts to promote transparency in financial reporting.

H.R. 5068. An act to reauthorize the operations of the Export-Import Bank, and to reform certain operations of the Bank, and for other purposes.

H.R. 5074. An act to amend the Railroad Retirement Act of 1974 to provide for continued payment of railroad retirement annuities by the Department of the Treasury, and for other purposes.

H.R. 5121. An act to modernize and update the National Housing Act and enable the Federal Housing Administration to use risk-based pricing to more effectively reach underserved borrowers, and for other purposes.

H.R. 5187. An act to amend the John F. Kennedy Center Act to authorize additional appropriations for the John F. Kennedy Center for the Performing Arts for fiscal year 2007.

H.R. 5852. An act to amend the Homeland Security Act of 2002 to enhance emergency communications at the Department of Homeland Security, and for other purposes.

The message also announced that the House passed the following bill with amendments, in which it requests the concurrence of the Senate:

S. 3525. An act to amend subpart 2 of part B of title IV of the Social Security Act to improve outcomes for children in families affected by methamphetamine abuse and addiction, to reauthorize the promoting safe and stable families program, and for other purposes.

The message further announced that the House agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 145. Concurrent resolution expressing the sense of Congress in support of a national bike month and in appreciation of cyclists and others for promoting bicycle safety and the benefits of cycling.

H. Con. Res. 235. Concurrent resolution expressing the sense of the Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual.

H. Con. Res. 384. Concurrent resolution recognizing and honoring the 100th anniversary of the founding of the Alpha Phi Alpha Fraternity, Incorporated, the first intercollegiate Greek-letter fraternity established for African Americans.

H. Con. Res. 449. Concurrent resolution commemorating the 60th anniversary of the historic 1946 season of Major League Baseball Hall of Fame member Bob Feller and his return from military service to the United States.

At 5:41 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 456. Concurrent resolution providing for a correction to the enrollment of the bill, S. 203.

At 6:01 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 5865) to amend section 113 of the Social Security Act to temporarily assist United States citizens returned from foreign countries, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 4804. An act to modernize the manufactured housing loan insurance program under title I of the National Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 5024. An act to require annual oral testimony before the Financial Services Committee of the Chairperson or a designee of the Chairperson of the Securities and Exchange Commission, the Financial Accounting Standards Board, and the Public Company Accounting Oversight Board, relating to their efforts to promote transparency in financial reporting; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 5068. An act to reauthorize the operations of the Export-Import Bank, and to reform certain operations of the Bank, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 5074. An act to amend the Railroad Retirement Act of 1974 to provide for continued payment of railroad retirement annuities by the Department of the Treasury, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

H.R. 5121. An act to modernize and update the National Housing Act and enable the Federal Housing Administration to use risk-based pricing to more effectively reach underserved borrowers, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 5852. An act to amend the Homeland Security Act of 2002 to enhance emergency communications at the Department of Homeland Security, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 145. Concurrent resolution expressing the sense of Congress in support of a national bike month and in appreciation of cyclists and others for promoting bicycle safety and the benefits of cycling; to the Committee on Commerce, Science, and Transportation.

H. Con. Res. 235. Concurrent resolution expressing the sense of the Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual; to the Committee on Commerce, Science, and Transportation.

H. Con. Res. 384. Concurrent resolution recognizing and honoring the 100th anniversary of the founding of the Alpha Phi Alpha Fraternity, Incorporated, the first intercollegiate Greek-letter fraternity established for African Americans; to the Committee on the Judiciary.

H. Con. Res. 449. Concurrent resolution commemorating the 60th anniversary of the historic 1946 season of Major League Baseball Hall of Fame member Bob Feller and his return from military service to the United States; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 26, 2006, she had presented to the President of the United States the following enrolled bill:

S. 310. An act to direct the Secretary of the Interior to convey the Newlans Project Headquarters and Maintenance Yard Facility to the Truckee-Carson Irrigation District in the State of Nevada.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-412. A Senate Joint Memorial adopted by the Colorado General Assembly relative to recognition of NASA's space exploration vision; to the Committee on Commerce, Science, and Transportation.

SENATE JOINT MEMORIAL NO. 06 002

Whereas, since its inception in 1958, the National Aeronautics and Space Administration (NASA) has accomplished many great scientific and technological feats, in addition to advancing humankind's knowledge of the earth and the universe; and

Whereas, Colorado, a leader in the aerospace industry, is home to more than 300 aerospace companies, has over 157,000 direct and indirect employees supported by the aerospace industry, and ranks third in the nation in private aerospace absolute employment; and

Whereas, Colorado is home to Air Force Space Command with facilities at Peterson, Schriever, and Buckley Air Force bases as well as the operational home to the Air Force Satellite Control Network and the Global Positioning System (GPS), for accurate navigation, position determination, and timing; and

Whereas, Colorado is also home to Northern Command, and the Army Space Battle Lab, each providing the Department of Defense with leading space technologies and homeland security, aiding in the protection of America from terrorists; and

Whereas, Colorado is home to world-class aerospace companies such as Lockheed Martin Space Systems, Ball Aerospace, Northrop Grumman, Boeing, Raytheon, and hundreds of small and mid-sized companies; and

Whereas, Colorado is home to world-class institutions of higher learning that continue to keep Colorado premier among the states with the most high-tech workers per capita and many astronauts, including the first Native American astronaut, and are the recipients of millions of dollars of federal government space research science and engineering grants and contracts; and

Whereas, Colorado is home to the Space Foundation, where the Aerospace Industry meets and focuses on 21st century education and the economic growth and strength of a broad range of space enterprises; and

Whereas, the desire to explore is part of America's character, and history has shown that space exploration benefits all humankind through new technologies for everyday application, new jobs across the entire economic enterprise, economic contributions through new markets and commercial products, education and inspiration, United States leadership, increased security, and a legacy for future generations; and

Whereas, a Space Exploration Vision has been articulated to affirm the United States' commitment to human space exploration and to give NASA a new focus and clear objectives, including long-term human and robotic programs to explore the solar system and a return to the moon that will ultimately enable future exploration of Mars and other destinations; and

Whereas, the Space Exploration Vision began with NASA returning the space shuttle to safe flight, with the chief purpose of completing assembly on the International Space Station, in addition to developing a new crew exploration vehicle to explore beyond earth's orbit to other worlds; and

Whereas, the Space Exploration Vision has the potential to drive innovation, development, and advancement in the aerospace and other high-technology industries across the nation and in the state of Colorado; Now, therefore, be it

Resolved by the Senate of the Sixty-fifth General Assembly of the State of Colorado, the House of Representatives concurring herein, That the General Assembly of the State of Colorado hereby strongly encourages all members of the United States Congress to support the National Aeronautics and Space Administration's Space Exploration Vision to enable the United States and the State of Colorado to remain leaders in the exploration and development of space; and be it further

Resolved, That copies of this Joint Memorial be sent to George W. Bush, President of the United States; Dick Cheney, Vice President of the United States; the members of Colorado's Congressional delegation; and the National Aeronautics and Space Administration Administrator.

POM-413. A resolution adopted by the Senate of the Legislature of the State of Texas relative to enacting a free trade agreement between the United States and Taiwan; to the Committee on Finance.

SENATE RESOLUTION NO. 720

Whereas, Taiwan is Texas' fifth-largest foreign market, and the agriculture and manufacturing sectors of the Texas economy, most notably the computer and electronic products, chemicals, and machinery industries, would benefit significantly if the United States enacted a free trade agreement with Taiwan; and

Whereas, a free trade agreement between the United States and Taiwan would substantially reduce or eliminate most import quotas, duties, and other trade barriers and expand market opportunities for manufactured goods and agricultural products from Texas and the entire United States; and

Whereas, the United States has completed or is in the process of negotiating free trade agreements with several countries and regions; reasons for pursuing a free trade agreement with Taiwan include its status as the United States' eighth-largest trading partner, its robust economy, and its longstanding educational and cultural ties with the United States; and

Whereas, Taiwan was admitted to the World Trade Organization on January 1, 2001; a free trade agreement between the United States and Taiwan would extend the coverage of World Trade Organization agreements to products, sectors, and conditions of trade that are now not adequately covered, and it would provide a platform to address issues such as Taiwan's 15.2 percent average tariff rate on agricultural imports from the United States; and

Whereas, Public Law 107-210, the Trade Act of 2002, gives the president the authority to enter into trade agreements with foreign countries whenever the president determines that one or more existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States; and

Whereas, President George W. Bush, speaking before the historic signing of the United States-Australia Free Trade Agreement in 2004, emphasized that he supports free and open trade because "it has the power to create new wealth for whole nations and new opportunities for millions of people" and "has a record of creating jobs, raising living standards, and lowering consumer prices"; Now, therefore, be it

Resolved, That the Senate of the State of Texas, 79th Legislature, Hereby respectfully encourage the president of the United States to extend the benefits of free trade by enacting a free trade agreement between the United States and Taiwan; and be it further

Resolved, That the secretary of the senate forward official copies of this Resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress.

POM-414. A Senate Joint Resolution adopted by the Colorado General Assembly relative to the condemnation of the Chinese government's persecution of practitioners of Falun Gong; to the Committee on Foreign Relations.

SENATE JOINT RESOLUTION NO. 06-027

Whereas, Falun Gong is a peaceful spiritual movement that originated in the People's Republic of China and has grown rapidly worldwide, including thousands of practitioners in the United States; and

Whereas, Falun Gong encourages its practitioners to cultivate "truthfulness, compassion, and forbearance"; and

Whereas, the Constitution of the People's Republic of China provides to its citizens freedom of speech, assembly, association, and religious belief; and

Whereas, Falun Gong practitioners, as well as members of pro-democracy groups and advocates of human rights reform, have become targets of severe government persecution in China in violation of China's own laws; and

Whereas, the 2005 United States Department of State's annual report on International Religious Freedom cited the Chinese government's persecution of Falun Gong practitioners in China; and

Whereas, a 2005 press release from the United Nations Special Rapporteur on Torture, Manfred Nowak, referred to continuing ill-treatment and torture of Chinese ethnic minorities, political dissidents, and religious groups, including practitioners of Falun Gong; and

Whereas, Falun Gong practitioners report first-hand of the Chinese government's terror campaign, which survivors say includes persecution, arrests, imprisonment, torture, and murder; and

Whereas, recent reports from Chinese journalists describe a hospital in Sujiatun, a suburb of Shenyeng in northeast China, that serves as a concentration camp for 6,000 Falun Gong practitioners and in which the medical staff performs experiments on detainees, including harvesting organs to be sold; and

Whereas, in addition to persecution in China, Falun Gong followers in the United States report that they have been victims of spying, harassment, intimidation, and violence by agents of the Chinese government; and

Whereas, the United States Constitution guarantees to its citizens freedom of religion, association, and speech, which allows Americans to live without fear and in accordance with their personal beliefs; now, therefore, be it

Resolved by the Senate of the Sixty-fifth General Assembly of the State of Colorado, the House of Representatives concurring herein, (1) That we, the members of the Sixty-fifth General Assembly, strongly urge the government of the People's Republic of China to: (a) End immediately the harassment, detention, physical abuse, and imprisonment of its own citizens who exercise their legitimate rights to freedom of religion, speech, and association; and (b) Cease its interference in the constitutionally guaranteed religious and political freedoms of United States citizens who practice Falun Gong; and (2) That, in order to encourage China to respect the religious freedom of its citizens, we urge the government of the United States to: (a) Issue, an official, public, diplomatic statement to the Chinese Foreign Ministry condemning China's repeated violations of basic human rights protected in international covenants to which the People's Republic of China is a signatory; (b) Work with Chinese human rights activists, including practitioners of Falun Gong, to identify any Chinese authorities who have been responsible for acts of violence and persecution against Falun Gong followers in the United States; and (c) Investigate any illegal acts committed by Chinese consular officials and agents in the United States and determine an appropriate legal response; and be it further

Resolved, That copies of this Joint Resolution be sent to George W. Bush, President of the United States; Richard Cheney, Vice President of the United States; Condoleezza Rice, Secretary of State; Bill Frist, Senate Majority Leader; Dennis Hastert, Speaker of the House of Representatives; His Excellency Zhou Wenzhong, the Ambasador of the People's Republic of China to the United States; Bill Owens, Governor of * * *

POM-415. A joint resolution adopted by the General Assembly of the State of Tennessee relative to the Meth-Endangered Children Protection Act of 2005; to the Committee on Health, Education, Labor, and Pensions.

SENATE JOINT RESOLUTION NO. 750

Whereas, meth trafficking and abuse is on the rise in the United States, and it has increased sharply since 2000; according to the 2003 National Survey on Drug Use and Health, approximately 12.3 million Americans ages 12 and older reported trying meth at least once during their lifetimes; and

Whereas, the Office of National Drug Policy reports that between 2000 and 2003, more than 51,000 illegal meth labs were seized in the United States, and the number of clandestine labs has been rising rapidly; in fact, a high number of state and local governments now consider meth the greatest drug threat in the country; and

Whereas, sadly, thousands of children have become innocent victims of the meth epidemic; approximately 10,600 children in the United States were affected by meth lab seizures and incidents between 2000 and 2003; these children were either present at lab seizures or lived where the labs were seized, often in extremely filthy and neglectful conditions; and

Whereas, another 2,900 children were removed from their homes during the same period because of neglect or abuse by meth-addicted parents; incidents related to meth labs also accounted for injuries to 96 children and the deaths of eight others; in Tennessee alone, law enforcement seized nearly 1,200 labs between 2003 and 2004, representing a 397 percent increase from 2000; Tennessee accounts for 75 percent of the meth lab seizures in the Southeast, and more than 700 children in Tennessee are placed in protective custody each year as a result of meth lab seizures; and

Whereas, children exposed to meth because of a lab in the home often need specialized services to overcome the effects of their exposure; children removed from homes where meth is manufactured can suffer from increased heart rate, agitation, irritability and vomiting, muscle breakdown, fever, ataxia, and seizures; they can also suffer physical, medical, education neglect, and learning disabilities; and

Whereas, many of the children rescued from these environments need specialized medical attention, psychological care, and other services; unfortunately, few states have the funds to provide these services or to provide social workers and other professionals with the specialized training and resources necessary to render appropriate care to children and ensure that subsequent placements in foster or adoptive homes are successful; and

Whereas, the Meth-Endangered Children Protection Act would establish a $10 million annual competitive grant program to support model efforts such as California's DEC program and to assist states in establishing similar programs; grantees would be required to provide matching dollars for federal funds awarded under this grant; and

Whereas, thousands of children have become victims of the rising meth epidemic; through no fault of their own, these children, suffering at the hands of their meth-addicted parents, urgently need medical attention, psychological care, and social services; the Meth-Endangered Children Protection Act is of vital importance in ensuring that our nation's children recover from the ravages of meth abuse; now, therefore, be it

Resolved by the Senate of the 104th General Assembly of the State of Tennessee, the House of Representatives concurring, That we hereby urge the United States Congress to pass the Meth-Endangered Children Protection Act of 2005 to aid the most vulnerable victims of this terrible and destructive drug epidemic; and be it further

Resolved, That an enrolled copy of this resolution be transmitted to the President and the Secretary of the United States Senate, the Speaker and the Clerk of the United States House of Representatives, and each member of Tennessee's Congressional delegation.

POM-416. A joint resolution adopted by the General Assembly of the State of Tennessee relative to the reauthorization of the special provisions of the Voting Rights Act of 1965; to the Committee on the Judiciary.

SENATE JOINT RESOLUTION NO. 911

Whereas, following the Civil War, Congress adopted the Thirteenth Amendment abolishing slavery, the Fourteenth Amendment establishing the citizenship rights of all persons born in the United States and requiring that no one be denied due process or equal protection of the laws, and the Fifteenth Amendment securing the right to vote for all citizens, regardless of a person's race, color, or former condition of servitude; and

Whereas, despite the enactment of these significant constitutional commands, for nearly 100 years, states and local jurisdictions passed laws and instituted practices designed to circumvent the Civil War amendments; many states erected barriers to access to the polls, including infamous poll taxes and literacy or good character tests; African-Americans, Latinos, and other minorities and those who advocated on their behalf often were subjected to severe violence and intimidation or, in some cases, death if they attempted to register to vote or cast a ballot; and

Whereas, confronted with aggressive and relentless defiance of the Constitution, Congress enacted the Voting Rights Act of 1965 in order to ensure that the rights guaranteed by the Fourteenth and Fifteenth Amendments were enforced; and

Whereas, the Voting Rights Act of 1965 is widely viewed as one of the most successful civil rights statutes ever enacted; it bans literacy tests and other discriminatory devices, outlaws discriminatory practices and procedures during the voting process, authorizes the appointment of federal election monitors and observers, and creates various means for protecting and enforcing the rights of American citizens, including racial and language minorities, to vote; and

Whereas, although the struggle to ensure fairness in the electoral process continues, as a result of the Voting Rights Act, racial and language minorities have enjoyed enhanced opportunities to participate in the electoral process, cast votes, and elect their candidates of choice; and

Whereas, in 2007, certain "special provisions" of the Voting Rights Act that were enacted to address discriminatory voting practices and the present effects of those practices could expire if not renewed by Congress; and

Whereas, these provisions include:

Section 2: This provision equips voters with the means to challenge election laws that result in a denial or abridgement of voting rights on account of race, color, or language minority status;

Section 4: The coverage provision, which determines which states and jurisdictions must seek Section 5 pre-clearance; the coverage formula reaches states and jurisdictions with some of the most active histories of discrimination;

Section 5: The federal pre-clearance of voting changes provisions, which requires covered jurisdictions to prove that voting changes are not discriminatory before they may legally take effect;

Sections 6–9: The Federal Examiner/Observer provisions, which set forth criteria for election monitoring by the Department of Justice; and

Section 203: The bilingual voting materials provisions, which mandate that certain voting materials must be translated for language minorities in certain jurisdictions; and

Whereas, by 2007, Congress will vote on whether to extend these "special provisions" of the Voting Rights Act; the effects of the long history of voting discrimination persist; the "special provisions" of the Voting Rights Act continue to be extremely important tools for protecting minority voting; during the reauthorization process, Congress will compile a record that sets forth the continuing effects of the nation's widespread voting discrimination; and

Whereas, voting is the cornerstone of American democracy and, during the reauthorization process, Congress and individuals and organizations concerned with maintaining the protections afforded by the Voting Rights Act of 1965 will have an opportunity to present the evidence necessary to support renewal of the "special provisions" of the Voting Rights Act of 1965; in the meantime, all eligible voters should register, confirm their registration status, and exercise the right to vote so that the long struggle to expand the franchise yields meaningful results: Now, therefore, be it

Resolved by the Senate of the 104th General Assembly of the State of Tennessee, the House of Representatives concurring, That we hereby urge Congress to reauthorize the "special provisions" of the Voting Rights Act of 1965; and be it further

Resolved, That the General Assembly of the State of Tennessee will collaborate with all organizations dedicated to ensuring the reauthorization of the Voting Rights Act of 1965; and be it further

Resolved, That an enrolled copy of this resolution be transmitted to the Speaker and the Clerk of the U.S. House of Representatives, the President and the Secretary of the U.S. Senate, and each member of the Tennessee Congressional Delegation.

POM-417. A resolution adopted by the Senate of the Legislature of the State of Texas relative to memorializing the Congress of the United States to address problems in the Department of Veterans Affairs concerning the provision of health care and benefits, the adjudication of claims, accountability, and outreach and to enact legislation that creates an appropriation formula that ensures predictable and adequate funding for the health care programs of the Veterans Health Administration; to the Committee on Veterans' Affairs.

SENATE RESOLUTION NO. 9

Whereas, military veterans who have served their country honorably and who were promised and have earned health care and benefits from the federal government through the Department of Veterans Affairs are now in need of these benefit; and

Whereas, the funding of the health care programs of the Veterans Health Administration of the Department of Veterans Affairs has failed to reflect the admission of newly eligible veterans in the wake of the Veterans' Health Care Eligibility Reform Act of 1996 and has fallen short of the amount needed to counter soaring medical care inflation, resulting in a funding shortfall of at least $10 billion; and

Whereas, the current discretionary method of funding the health care programs of the Veterans Health Administration is uncertain and is subject annually to the whim and competing priorities of congress, to the detriment of the veterans being served; and

Whereas, the Vietnam Veterans of America organization supports the adoption of a new funding mechanism for the health care programs of the Veterans Health Administration that is indexed to medical inflation and the per capita use of the administration's health care system; and

Whereas, the substantial delay in adjudicating veterans' claims for service-connected disability compensation is the cause of much anguish and anger among veterans and is the result of a lack of funding of the Veterans Benefits Administration of the Department of Veterans Affairs, which has led to an insufficient number of adjudicators and the inadequate training and supervision of adjudicators: and

Whereas, while the vast majority of Department of Veterans Affairs employees are dedicated to serving veterans, it is necessary to ensure that employee accountability standards be strengthened at senior and junior levels; and

Whereas, while more than five million veterans use the Veterans Health Administration of the Department of Veterans Affairs for their health care needs, tens of thousands more are eligible for benefits of which they are unaware due, to inadequate outreach efforts by the department: Now, therefore be it

Resolved, That the Senate of the State of Texas, 79th Legislature, 3rd Called Session, hereby respectfully urge the Congress of the United States to address problems in the Department of Veterans Affairs related to the provision of health care and benefits, the adjudication of claims, accountability, and outreach and to enact legislation that creates an appropriation formula that ensures predictable and adequate funding of the health care programs of the Veterans Health Administration; and be it further

Resolved, That the secretary of the senate forward official copies of this Resolution to the secretary of veterans affairs, the president of the United States, the president of the senate and speaker of the house of representatives of the United States Congress, and all members of the Texas delegation to the congress with the request that this Resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

POM-418. A resolution adopted by the Cook County Board of Commissioners of the State of Illinois relative to extending or making permanent all sections of the Voting Right Act of 1965; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BOND, from the Committee on Appropriations, with an amendment in the nature of a substitute:

H.R. 5576. A bill making appropriations for the Departments of Transportation, Treasury, and Housing and Urban Development, the Judiciary, District of Columbia, and independent agencies for the fiscal year ending September 30, 2007, and for other purposes (Rept. No. 109–293).

By Mr. MCCAIN, from the Committee on Indian Affairs, without amendment:

S. 3526. A bill to amend the Indian Land Consolidation Act to modify certain requirements under that Act (Rept. No. 109–294).

By Mr. SPECTER, from the Committee on the Judiciary:

Report to accompany S. 2703, a bill to amend the Voting Rights Act of 1965 (Rept. No. 109–295).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SPECTER:

S. 3731. A bill to regulate the judicial use of presidential signing statements in the interpretation of Acts of Congress; to the Committee on the Judiciary.

By Mr. PRYOR:

S. 3732. A bill to suspend temporarily the duty on certain liquid crystal divide (LCD) flat panel displays; to the Committee on Finance.

By Mr. PRYOR:

S. 3733. A bill to suspend temporarily the duty on certain plasma flat panel displays; to the Committee on Finance.

By Mr. HATCH (for himself and Mr. Sessions):

S. 3734. A bill to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and for other purposes; to the Committee on the Judiciary.

By Mr. BAUCUS:

S. 3735. A bill to suspend temporarily the duty on vulcanized rubber felt bottom boots for use in waders; to the Committee on Finance.

By Mr. BAUCUS:

S. 3736. A bill to suspend temporarily the duty on vulcanized rubber lug bottom boots for use in fishing waders; to the Committee on Finance.

By Mr. LIEBERMAN (for himself, Mr. Warner, Mr. Biden, Mr. Reed, Mr. Menendez, Mr. Dodd, and Mr. Chafee):

S. 3737. A bill to amend the National Trails System Act to designate the Washington-Rochambeau Route National Historic Trail; to the Committee on Energy and Natural Resources.

By Mr. BAUCUS (for himself and Mr. Menendez):

S. 3738. A bill to amend the Internal Revenue Code of 1986 to provide an additional standard deduction for real property taxes for nonitemizers; to the Committee on Finance.

By Mr. COLEMAN (for himself, Mr. Reed, Mr. Kohl, and Mr. Martinez):

S. 3739. A bill to establish a Consortium on the Impact of Technology in Aging Health Services; to the Committee on Health, Education, Labor, and Pensions.

By Mr. FEINGOLD:

S. 3740. A bill to amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes; to the Committee on Finance.

By Mr. LUGAR (for himself, Mr. Biden, Ms. Stabenow, and Mr. Leahy):

S. 3741. A bill to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes; considered and passed.

By Mr. LOTT (for himself, Mr. Conrad, Mr. Smith, Mr. Crapo, Mr. Inouye, Mr. Hagel, Mr. Nelson of Nebraska, Mr. Isakson, and Mr. Graham):

S. 3742. A bill to amend the Internal Revenue Code of 1986 to provide incentives to encourage investment in the expansion of freight rail infrastructure capacity and to enhance modal tax equity; to the Committee on Finance.

By Mrs. CLINTON (for herself and Mr. Allen):

S. 3743. A bill to amend the Public Health Service Act to improve newborn screening activities, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DURBIN (for himself and Mr. Coleman):

S. 3744. A bill to establish the Abraham Lincoln Study Abroad Program; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 78

At the request of Mrs. Hutchison, the name of the Senator from Louisiana (Mr. Vitter) was added as a cosponsor of S. 78, a bill to make permanent marriage penalty relief.

S. 351

At the request of Mr. Kennedy, the name of the Senator from New Jersey (Mr. Menendez) was added as a cosponsor of S. 351, a bill to amend title XVIII of the Social Security Act to provide for patient protection by limiting the number of mandatory overtime hours a nurse may be required to work in certain providers of services to which payments are made under the Medicare Program.

S. 709

At the request of Mr. DeWine, the name of the Senator from Indiana (Mr. Bayh) was added as a cosponsor of S. 709, a bill to amend the Public Health Service Act to establish a grant program to provide supportive services in permanent supportive housing for chronically homeless individuals, and for other purposes.

S. 1035

At the request of Mr. Inhofe, the name of the Senator from Nevada (Mr. Reid) was added as a cosponsor of S. 1035, a bill to authorize the presentation of commemorative medals on behalf of Congress to Native Americans who served as Code Talkers during foreign conflicts in which the United States was involved during the 20th century in recognition of the service of those Native Americans to the United States.

S. 1112

At the request of Mr. Grassley, the name of the Senator from Arizona (Mr. Kyl) was added as a cosponsor of S. 1112, a bill to make permanent the enhanced educational savings provisions for qualified tuition programs enacted as part of the Economic Growth and Tax Relief Reconciliation Act of 2001.

S. 1376

At the request of Mr. Cochran, the name of the Senator from New Mexico (Mr. Bingaman) was added as a cosponsor of S. 1376, a bill to improve and expand geographic literacy among kindergarten through grade 12 students in the United States by improving professional development programs for kindergarten through grade 12 teachers offered through institutions of higher education.

S. 1537

At the request of Mr. Akaka, the name of the Senator from California (Mrs. Boxer) was added as a cosponsor of S. 1537, a bill to amend title 38, United States Code, to provide for the establishment of Parkinson's Disease Research Education and Clinical Centers in the Veterans Health Administration of the Department of Veterans Affairs and Multiple Sclerosis Centers of Excellence.

S. 1621

At the request of Ms. COLLINS, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. 1621, a bill to amend the Internal Revenue Code of 1986 to increase the above-the-line deduction for teacher classroom supplies and to expand such deduction to include qualified professional development expenses.

S. 1915

At the request of Mr. ENSIGN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1915, a bill to amend the Horse Protection Act to prohibit the shipping, transporting, moving, delivering, receiving, possessing, purchasing, selling, or donation of horses and other equines to be slaughtered for human consumption, and for other purposes.

S. 2284

At the request of Ms. MIKULSKI, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 2284, a bill to extend the termination date for the exemption of returning workers from the numerical limitations for temporary workers.

S. 2305

At the request of Mr. AKAKA, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2305, a bill to amend title XIX of the Social Security Act to repeal the amendments made by the Deficit Reduction Act of 2005 requiring documentation evidencing citizenship or nationality as a condition for receipt of medical assistance under the Medicaid program.

S. 2393

At the request of Mr. COLEMAN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 2393, a bill to amend the Public Health Service Act to advance medical research and treatments into pediatric cancers, ensure patients and families have access to the current treatments and information regarding pediatric cancers, establish a population-based national childhood cancer database, and promote public awareness of pediatric cancers.

S. 2435

At the request of Mr. LUGAR, the names of the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from Illinois (Mr. OBAMA) were added as cosponsors of S. 2435, a bill to increase cooperation on energy issues between the United States Government and foreign governments and entities in order to secure the strategic and economic interests of the United States, and for other purposes.

S. 2590

At the request of Mr. COBURN, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2824

At the request of Mr. DEMINT, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 2824, a bill to reduce the burdens of the implementation of section 404 of the Sarbanes-Oxley Act of 2002.

S. 3499

At the request of Mr. KYL, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 3499, a bill to amend title 18, United States Code, to protect youth from exploitation by adults using the Internet, and for other purposes.

S. 3512

At the request of Mr. SMITH, the name of the Senator from Colorado (Mr. SALAZAR) was added as a cosponsor of S. 3512, a bill to amend the Internal Revenue Code of 1986 to allow an offset against income tax refunds to pay for State judicial debts that are past due.

S. 3535

At the request of Mrs. HUTCHISON, her name was added as a cosponsor of S. 3535, a bill to modernize and update the National Housing Act and to enable the Federal Housing Administration to use risk based pricing to more effectively reach underserved borrowers, and for other purposes.

S. 3647

At the request of Mr. DORGAN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 3647, a bill to amend title XVIII of the Social Security Act to waive the monthly beneficiary premium under a prescription drug plan or an MA-PD plan during months in which an individual enrolled in such a plan has a gap in prescription drug coverage.

S. 3656

At the request of Mrs. FEINSTEIN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 3656, a bill to provide additional assistance to combat HIV/AIDS among young people, and for other purposes.

S. 3680

At the request of Mr. KERRY, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 3680, a bill to amend the Small Business Investment Act of 1958 to reauthorize and expand the New Markets Venture Capital Program, and for other purposes.

S. 3694

At the request of Mr. OBAMA, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 3694, a bill to increase fuel economy standards for automobiles, and for other purposes.

S. 3706

At the request of Mr. MARTINEZ, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 3706, a bill to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules.

S. 3724

At the request of Mr. ROCKEFELLER, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 3724, a bill to enhance scientific research and competitiveness through the Experimental Program to Stimulate Competitive Research, and for other purposes.

S. RES. 312

At the request of Mr. LUGAR, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. Res. 312, a resolution expressing the sense of the Senate regarding the need for the United States to address global climate change through the negotiation of fair and effective international commitments.

S. RES. 407

At the request of Mr. MENENDEZ, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. Res. 407, a resolution recognizing the African American Spiritual as a national treasure.

S. RES. 494

At the request of Mr. SANTORUM, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. Res. 494, a resolution expressing the sense of the Senate regarding the creation of refugee populations in the Middle East, North Africa, and the Persian Gulf region as a result of human rights violations.

S. RES. 540

At the request of Mr. DEMINT, the names of the Senator from Kansas (Mr. BROWNBACK) and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of S. Res. 540, a resolution encouraging all 50 States to recognize and accommodate the release of public school pupils from school attendance to attend off-campus religious classes at their churches, synagogues, houses of worship, and faith-based organizations.

AMENDMENT NO. 4690

At the request of Mr. NELSON of Florida, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of amendment No. 4690 intended to be proposed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 3731. A bill to regulate the judicial use of presidential signing statements in the interpretation of Acts of Congress; to the Committee on the Judiciary.

Mr. SPECTER. Mr. President, I seek recognition today to introduce the Presidential Signing Statements Act of 2006. This bill achieves three important goals.

First, it prevents the President from issuing a signing statement that alters the meaning of a statute by instructing Federal and State courts not to rely on Presidential signing statements in interpreting a statute.

Second, it permits the Congress to seek what amounts to a declaratory judgment on the legality of Presidential signing statements that seek to modify—or even to nullify—a duly enacted statute.

Third, it grants Congress the power to intervene in any case in the Supreme Court where the construction or constitutionality of any act of Congress is in question and a presidential signing statement for that act was issued.

Presidential signing statements are nothing new. Since the days of President James Monroe, Presidents have issued statements when signing bills. It is widely agreed that there are legitimate uses for signing statements. For example, Presidents may use signing statements to instruct executive branch officials how to administer a law. They may also use them to explain to the public the likely effect of a law. And, there may be a host of other legitimate uses.

However, the use of signing statements has risen dramatically in recent years. As of June 26, 2006, President Bush had issued 130 signing statements. President Clinton issued 105 signing statements during his two terms. While the mere numbers may not be significant, the reality is that the way the President has used those statements renders the legislative process a virtual nullity.

The President cannot use a signing statement to rewrite the words of a statute nor can the President use a signing statement to selectively nullify those provisions he does not like. This much is clear from our Constitution. The Constitution grants the President a specific, narrowly defined role in enacting legislation. Article I, section 1 of the Constitution vests "all legislative powers . . . in a Congress." Article I, section 7 of the Constitution provides that when a bill is presented to the President, he may either sign it or veto it with his objections. He may also choose to do nothing, thus rendering a so-called pocket veto. The President cannot veto part of bill, however; he cannot veto certain provisions he does not like.

The Founders had good reason for constructing the legislative process as it is: by creating a bicameral legislature and then granting the President the veto power. According to The Records of the Constitutional Convention, the veto power was designed by our Framers to protect citizens from a particular Congress that might enact oppressive legislation. However, the Framers did not want the veto power to be unchecked, and so, in article I, section 7, they balanced it by allowing Congress to override a veto by two-thirds vote.

As you can see, this is a finely structured constitutional procedure that goes straight to the heart of our system of check and balances. Any action by the President that circumvents this finely structured procedure is an unconstitutional attempt to usurp legislative authority. If the President is permitted to rewrite the bills that Congress passes and cherry pick which provisions he likes and does not like, he subverts the constitutional process designed by our Framers.

The Supreme Court has affirmed that the constitutional process for enacting legislation must be safe guarded. As the Supreme Court explained in INS v. Chahda, "It emerges clearly that the prescription for legislative action in Article I, Section 1, clause 7 represents the Framers' decision that the legislative power of the Federal government be exercised in accord with a single, finely wrought and exhaustively considered, procedure."

So, while signing statements have been commonplace since our country's founding, we must make sure that they are not being used in an unconstitutional manner: a manner that seeks to rewrite legislation, and exercise line item vetoes.

President Bush has used signing statements in ways that have raised some eyebrows. For example, Congress passed the PATRIOT Act after months of deliberation. We debated nearly every provision—often redrafting and revising. Moreover, we worked very closely with the President because we wanted to get it right. We wanted to make sure that we were passing legislation that the executive branch would find workable. In fact, in many ways, the process was an excellent example of the legislative branch and the executive branch working together towards a common goal.

In the end, the bill that was passed by the Senate and the House contained several oversight provisions intended to make sure the FBI did not abuse the special terrorism-related powers to search homes and secretly seize papers. It also required Justice Department officials to keep closer track of how often the FBI uses the new powers and in what type of situations.

The President signed the PATRIOT Act into law, but afterwards, he wrote a signing statement that said he could withhold any information from Congress provided in the oversight provisions if he decided that disclosure would impair foreign relations, national security, the deliberative process of the executive, or the performance of the executive's constitutional duties.

Now, during the entire process of working with the President to draft the PATRIOT Act, he never asked the Congress to include this language in the Act. At a hearing we held on signing statements, I asked an executive branch official, Michelle Boardman from the Office of Legal Counsel, why the President did not ask the Congress to put the signing statement language into the bill. She simply didn't have an answer. I asked her to get back to me with the answer and I still have not gotten a response.

Take another example, the McCain amendment. In that legislation, Congress voted by an overwhelming margin—90 to 9—to ban all U.S. personnel from inflicting cruel, inhuman or degrading treatment on any prisoner held anywhere by the United States. President Bush, who had threatened to veto the legislation, instead invited its prime sponsor, Senator JOHN MCCAIN, to the White House for a public reconciliation and declared they had a common objective: to make it clear to the world that this government does not torture and that we adhere to the international convention of torture.

Now from that, you might conclude that by signing the McCain amendment into law, the Bush administration has fully committed to not using torture. But you would be wrong. After the public ceremony of signing the bill into law, the President issued a signing statement saying his administration would interpret the new law "in a manner consistent with the constitutional authority of the President to supervise the unitary executive branch and as Commander in Chief and consistent with the constitutional limitations on the judicial power." This vague language may mean that—despite the McCain amendment—the administration may still be preserving a right to inflict torture on prisoners and to evade the International Convention Against Torture.

The constitutional structure of enacting legislation must be safeguarded. That is why I am here today to introduce the Presidential Signing Statements Act of 2006. This bill does not seek to limit the President's power—and this bill does not seek to expand Congress's power. Rather, this bill simply seeks to safeguard our constitution.

First, the bill instructs courts not to rely on Presidential signing statements in construing an act. This will provide courts with much-needed guidance on how legislation should be interpreted.

The Supreme Court's reliance on Presidential signing statements has been sporadic and unpredictable. In some cases—such as United States v. Lopez, where the Court struck down the Gun-Free School Zones Act—the Supreme Court has relied on Presidential signing statements as a source of authority, while in other cases, such as the recent military tribunals case, Hamdan v. Rumsfeld, it has conspicuously declined to do so. This inconsistency has the unfortunate effect of rendering the interpretation of Federal law unpredictable.

It is well within Congress's power to resolve judicial disputes such as this by enacting rules of statutory interpretation. This power flows from article I, section 8, clause 18 of the Constitution, which gives Congress the power "To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the government of the United States, or in any department or officer thereof." Rules of statutory interpretation are necessary and proper to execute the legislative power. Moreover, any legislation that sets out rules for interpreting an act makes legislation more clear and precise which is exactly what we aim to achieve here in Congress. Congress can and should exercise this power over the interpretation of Federal statutes in a systematic and comprehensive manner.

Second, this bill permits the Congress to seek a declaratory judgment on the legality of Presidential signing statements that seek to modify—or even to nullify—a duly enacted statute. Again, this simply ensures that signing statements are not used in an unconstitutional manner.

Third, it grants Congress the power to intervene in any case in the Supreme Court where the construction or constitutionality of any act of Congress is in question and a Presidential signing statement for that act was issued. That way, if the court is trying to determine the meaning or the constitutionality of an act, the Congress gets a voice in the debate.

Take for example United States v. Lopez. In that case, the Supreme Court struck down the Gun-Free School Zones Act as beyond Congress's power to regulate commerce. Chief Justice Rehnquist relied, in part, on President George Bush's signing statement to support the Court's conclusion that the plain language of the statute does not suggest that it affects interstate commerce. Now, I do not see, in a case like this, why Congress should not get to explain its side. This bill would allow Congress to intervene and present evidence as to the meaning of an act in question.

This bill does not seek to limit the President's power and it does not seek to expand Congress's power. It simply seeks to put measures in place that will safeguard the constitutional structure of enacting legislation. In preserving this structure, this bill reinforces our system of checks and balances and separation of powers set out in our Constitution and I urge my colleagues to support it.

By Mr. HATCH (for himself and Mr. SESSIONS):

S. 3734. A bill to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and for other purposes; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, I rise today to introduce the Multidistrict Litigation Restoration Act of 2006.

The word "Lexecon" is well known in the Federal judiciary. It refers to the 1998 Supreme Court decision holding that statutory authority does not exist for transferee courts handling cases centralized by the Multidistrict Litigation Panel, or the MDL Panel, to retain these cases for trial. For approximately 30 years, courts receiving cases for pretrial proceedings from the MDL Panel invoked the general venue statute to transfer cases to themselves for trial. The process worked well because the court that had handled the pretrial phase was well-versed in the case's facts and was in the best position to encourage all parties to reach a settlement, or—barring settlement—make a final determination by adjudicating the dispute. But with the Lexecon decision that practice ended, and ever since we have been left with a multidistrict, multiparty, multiforum system that is costly, time-consuming, repetitive, inefficient, and often inconsistent.

As many of my colleagues know, the MDL Panel is an entity comprising seven judges, authorized to transfer civil actions pending in more than one district and involving one or more common questions of fact to any district court for coordinated pretrial proceedings. The MDL Panel authorizes the transfer upon determining that it will be for the convenience of the parties and witnesses, and promote the just and efficient conduct of such actions. Congress established this centralization mechanism in 1968 to avoid duplication of discovery, prevent inconsistent rulings, and conserve the resources of the parties, their counsel, and the judiciary.

Typically, cases centralized by the MDL Panel are numerous and complex. About 150,000 cases with millions of claims have been resolved through the process since its creation. They have included such matters as mass torts, antitrust price fixing, securities fraud, and unfair employment practices. The transferee judge becomes highly knowledgeable about the litigation during his or her consideration of voluminous pretrial proceedings. When all of the cases are remanded to the various transferor courts following completion of pretrial proceedings, those courts know little or nothing about the litigation. Even when all the parties agree to keep the matter that has been transferred in the court it was transferred to, it cannot be done under the current law. In some instances, judges have followed cases to courts outside their judicial circuit to conduct trial, at considerable inconvenience and expense, in order to spare other judges from the nightmare of having such mammoth cases so suddenly thrust upon them.

Let me give you an example of what this means in real terms. In my own State of Utah, there have been nearly 1,000 cases that have been transferred either in or out of Utah's judicial district by the MDL Panel since 1968. In fiscal year 2005, there were nearly 50 cases transferred out of Utah through the MDL process. That is 50 cases that could be dumped back onto our judges in Utah without any warning or preparation. At the same time, there were six MDL cases pending in Utah at the end of 2005. Under the post-Lexecon system, one or more of our judges could be required to follow these cases to other districts throughout the United States for trial. Both of these scenarios would prove to be a serious burden for a small judicial district like Utah, and could hamper or delay justice for the people of my State. This is the same challenge our courts face nationwide as a result of the Lexecon decision.

Congress is the only entity that can solve these problems. Writing for the Court in Lexecon, Justice Souter stated that "the proper venue for resolving the issue remains the floor of Congress." That is why I am introducing the Multidistrict Litigation Restoration Act of 2006 today, to give the Federal judiciary the necessary statutory authority to transfer multidistrict litigation cases for the purposes of trial. This legislation will return the law to what was in effect for almost three decades prior to the Lexecon decision. It will provide the MDL Panel with the most efficient option for resolving complex issues, the best means to encourage universal settlements, and the most consistent approach for rendering decisions.

This legislation is supported by the Judicial Conference of the United States, the policy arm of the Federal judicial branch, as well as the U.S. Department of Justice. The legislation is also supported by the U.S. Chamber of Commerce Institute for Legal Reform.

Moreover, this is not a partisan effort. Proposals to reform multidistrict, multiparty litigation were first advanced by the Carter administration. I introduced similar legislation in the 106th Congress with Senators LEAHY, KOHL, and SCHUMER. That bill passed the Senate by unanimous consent.

This legislation is long overdue. Lexecon was decided 8 years ago. The House has passed a Lexecon fix four times since 1999. In a letter to the chairman of the MDL Panel, Judge Thomas W. Thrash, a Federal district court judge for the Northern District of Georgia, reporting on the disposition of a multidistrict litigation case that he was required to try in Texas because he could not transfer the case to Georgia, summed up the situation well. Judge Thrash wrote, "Needless to say, resolution of this case has been prolonged and involved greater expense to the judiciary . . . because of my inability to transfer the Northern District of Texas case to myself for trial here in the Northern District of Georgia. On the other hand, it would have been almost criminal to dump this case on a new Northern District of Texas judge for trial. . . . I hope that this problem will be fixed by Congress soon."

Mr. President, I share that hope. I urge all of my colleagues to support the Multidistrict Litigation Restoration Act of 2006 and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3734

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Multidistrict Litigation Restoration Act of 2005".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) under section 1407 of title 28, United States Code (enacted April 29, 1968), the Judicial Panel on Multidistrict Litigation (in this section referred to as the "Judicial Panel"), a group of 7 Federal judges selected by the Chief Justice of the United States, assists in the centralization of civil actions which share common questions of fact filed in more than 1 Federal judicial district nationwide;

(2) civil actions described under paragraph (1)—

(A) often arise from mass single-action torts that cause death and destruction in which the plaintiffs are from many different States; and

(B) often involve issues of critical importance to the Nation, including information technology, intellectual property, antitrust, contracts, and products liability cases;

(3) the Judicial Panel—

(A) identifies the 1 United States district court (referred to in this section as the "transferee court") best equipped at adjudicating pretrial matters; and

(B) after pretrial, remands individual civil actions back to the district where the civil action was originally filed unless that action has been previously terminated;

(4)(A) for approximately 3 decades, the transferee court often invoked a general venue statute that authorizes a district court to transfer a civil action in the interest of justice and for the convenience of the parties and witnesses;

(B) in effect, the transferee court simply transferred all of the civil actions for trial to itself; and

(C) this process worked well because the transferee court was well-versed in the facts and law of the centralized litigation and the court could assist all parties to settle when appropriate;

(5) in 1998, the United States Supreme Court held that the plain language of section 1407 of title 28, United States Code, requires the Judicial Panel to remand all civil actions for trial back to the respective districts from which such actions were originally referred;

(6) the absence of authority to transfer a centralized civil action for trial hampers the Judicial Panel and transferee judges in their ability to achieve the important goals of section 1407 of that title promoting the just and efficient conduct of multidistrict litigation;

(7) the Judicial Panel has inherent rulemaking authority to promulgate procedural rules pertaining to multidistrict litigation which the Judicial Panel has already exercised to ensure that when a centralization occurs all civil actions of a similar nature then filed and all later civil actions that may be filed are sent to 1 district court;

(8) Congress has statutorily conferred the Judicial Panel with rulemaking authority for the conduct of its business not inconsistent with the United States Constitution, Acts of Congress, and the Federal Rules of Civil Procedure; and

(9) in civil actions in which punitive damages are to be imposed, individual courts, including transferee courts, must ensure that the measure of punishment is both reasonable and proportionate to the amount of harm to plaintiffs and to the amount of compensatory damages received.

(b) PURPOSE.—The purpose of this Act is to improve the litigation system in the Nation to allow a Federal judge to whom a civil action is transferred under section 1407 of title 28, United States Code, to retain jurisdiction over certain civil actions for trial to determine liability and compensatory and punitive damages, if appropriate, in compliance with due process requirements.

SEC. 3. MULTIDISTRICT LITIGATION.

Section 1407 of title 28, United States Code, is amended—

(1) in the third sentence of subsection (a), by inserting "or ordered transferred to the transferee or other district under subsection (i)" after "terminated"; and

(2) by adding at the end the following:

"(i)(I) Subject to paragraph (2) and except as provided in subsection (j), any action transferred under this section by the panel may be transferred for trial purposes, by the judge or judges of the transferee district to whom the action was assigned, to the transferee or other district in the interest of justice and for the convenience of the parties and witnesses.

"(2) Any action transferred for trial purposes under paragraph (1) shall be remanded by the panel for the determination of compensatory damages to the district court from which it was transferred, unless the court to which the action has been transferred for trial purposes also finds, for the convenience of the parties and witnesses and in the interests of justice, that the action should be retained for the determination of compensatory damages.".

SEC. 4. TECHNICAL AMENDMENT TO MULTIPARTY, MULTI FORM TRIAL JURISDICTION ACT OF 2002.

Section 1407 of title 28, United States Code, as amended by section 3 of this Act, is further amended by adding at the end the following:

"(j)(1) In actions transferred under this section when jurisdiction is or could have been based, in whole or in part, on section 1369 of this title, the transferee district court may, notwithstanding any other provision of this section, retain actions so transferred for the determination of liability and punitive damages. An action retained for the determination of liability shall be remanded to the district court from which the action was transferred, or to the State court from which the action was removed, for the determination of damages, other than punitive damages, unless the court finds, for the convenience of parties and witnesses and in the interest of justice, that the action should be retained for the determination of damages.

"(2) Any remand under paragraph (1) shall not be effective until 60 days after the transferee court has issued an order determining liability and has certified its intention to remand some or all of the transferred actions for the determination of damages. An appeal with respect to the liability determination and the choice of law determination of the transferee court may be taken during that 60-day period to the court of appeals with appellate jurisdiction over the transferee court. In the event a party files such an appeal, the remand shall not be effective until the appeal has been finally disposed of. Once the remand has become effective, the liability determination and the choice of law determination shall not be subject to further review by appeal or otherwise.

"(3) An appeal with respect to determination of punitive damages by the transferee court may be taken, during the 60-day period beginning on the date the order making the determination is issued, to the court of appeals with jurisdiction over the transferee court.

"(4) Any decision under this subsection concerning remand for the determination of damages, other than punitive damages, shall not be reviewable by appeal or otherwise.

"(5) Nothing in this subsection shall restrict the authority of the transferee court to transfer or dismiss an action on the ground of inconvenient forum.".

SEC. 5. EFFECTIVE DATE.

(a) MULTIDISTRICT LITIGATION.—The amendments made by section 3 shall apply to any civil action pending on or brought on or after the date of the enactment of this Act.

(b) TECHNICAL AMENDMENT.—The amendment made by section 4 shall be effective as if enacted in section 11020(b) of the Multiparty, Multiforum Trial Jurisdiction Act of 2002 (Public Law 107-273; 116 Stat. 1826 et seq.).

By Mr. COLEMAN (for himself, Mr. REED, Mr. KOHL, and Mr. MARTINEZ):

S. 3739. A bill to establish a Consortium on the Impact of Technology in Aging Health Services; to the Committee on Health, Education, Labor, and Pensions.

Mr. REED. I am pleased to join my colleagues, Senator COLEMAN, Senator KOHL, Senator MARTINEZ, Congressman RAMSTAD, and Congresswoman ESHOO, today to introduce the Consortium on the Impact of Technology in Health Services Act.

We face a challenging and exciting time in the evolution of America's health care system. Today, roughly 40 million men and women are over age 65. A full doubling of the elderly population is predicted to occur by the year 2030—with the first of the baby boom generation turning 65 in the year 2011—only 5 years from now.

Nowhere is the aging of the population more apparent than in my home State of Rhode Island. We exceed the national average in terms of citizens over the age of 65 as well as those over the age of 85. In a State of slightly more than a million people, almost 15 percent of the population is over the age of 65 today. According to Census Bureau estimates, the number of elderly is expected to increase to 18.8 percent of Rhode Island's population by 2025. Rhode Island also has one of the highest concentrations of persons age 85 and over in the country.

Dramatic increases in life expectancy over the last century can be attributed to tremendous advances in public health and medical research. These demographic changes also pose new challenges to our health care system that require creative and innovative solutions.

In addition to Americans living longer, keeping up with advancements in medical science poses unique burdens and challenges for our health care system. We are facing shortages in a number of critical health care fields—nurses, primary care physicians, and geriatricians—to name a few. These workforce issues further hinder our ability to keep up with the health care needs of aging Americans.

Greater use of technology has the potential to enhance the quality of care to our aging population and enable seniors to remain healthy and live independently longer.

The application of technology in the aging health care services field would also help mitigate the burden on providers by allowing physicians, home health care workers, and family members to keep in regular contact with patients and loved ones. Better monitoring of elderly patients would also serve to identify changes in their health condition before a serious problem arises.

Smarter applications of technology in caring for the aged could also address some of the growing concerns with skyrocketing budget deficits. As we grapple with Medicare and Medicaid taking up a growing proportion of overall Federal spending, we need to carefully balance health care expenditures while also improving the quality of care. We need to be thoughtful and wiser with our health care dollars as well as creative in the provision of services to the elderly.

The Consortium on the Impact of Technology in Health Services Act will bring together experts from the medical, aging, and technology fields to build a vision and a framework for the development and implementation of a 21st century health care system able to meet the needs of our burgeoning aging population.

We need to change the way we think about health care for our Nation's seniors. We need a model that is oriented toward health promotion and disease prevention. This legislation gives us a jumpstart on developing and implementing the tools and strategies needed to serve the senior population of America more effectively and with greater cost savings.

I am pleased to join with my colleagues in introducing this important initiative and hope the Senate will give it careful consideration.

By Mr. FEINGOLD:

S. 3740. A bill to amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes; to the Committee on Finance.

Mr. FEINGOLD. Mr. President, today I will introduce a bill to repair and strengthen the Presidential public financing system. The Presidential Funding Act of 2006 will ensure that this system that has served our country so well for over a generation will continue to fulfill its promise in the 21st century.

The Presidential public financing system was put into place in the wake of the Watergate scandals as part of the Federal Election Campaign Act of 1974. It was held to be constitutional by the Supreme Court in Buckley v. Valeo. The system, of course, is voluntary, as the Supreme Court required. Every major party nominee for President since 1976 has participated in the system for the general election and, prior to 2000, every major party nominee had participated in the system for the primary election, too. In the last election, President Bush and two Democratic candidates, Howard Dean and the eventual nominee JOHN KERRY, opted out of the system for the Presidential primaries. President Bush and Senator KERRY elected to take the taxpayer-funded grant in the general election. President Bush also opted out of the system for the Republican primaries in 2000 but took the general election grant.

It is unfortunate that the matching funds system for the primaries is becoming less viable. The system protects the integrity of the electoral process by allowing candidates to run viable campaigns without becoming overly dependent on private donors. The system has worked well in the past, and it is worth repairing so that it can work in the future. If we don't repair it, the pressures on candidates to opt out because their opponents are opting out will increase until the system collapses from disuse.

This bill makes changes to both the primary and general election public financing system to address the weaknesses and problems that have been identified by both participants in the system and experts on the presidential election financing process. First and most important, it eliminates the State-by-State spending limits in the current law and substantially increases the overall spending limit from the current limit of approximately $45 million to $150 million, of which up to $100 million can be spent before April 1 of the election year. This should make the system much more viable for serious candidates facing opponents who are capable of raising significant sums outside the system. The bill also makes available substantially more public money for participating candidates by increasing the match of small contributions from 1:1 to 4:1.

One very important provision of this bill ties the primary and general election systems together and requires candidates to make a single decision on whether to participate. Candidates who opt out of the primary system and decide to rely solely on private money cannot return to the system for the general election. And candidates must commit to participate in the system in the general election if they want to receive Federal matching funds in the primaries. The bill also increases the spending limits for participating candidates in the primaries who face a nonparticipating opponent if that opponent raises more than 20 percent more than the spending limit. This provides some protection against being far outspent by a nonparticipating opponent. Additional grants of public money are also available to participating candidates who face a nonparticipating candidate spending substantially more than the spending limit.

The bill also sets the general election spending limit at $100 million, indexed for inflation. And if a general election candidate does not participate in the system and spends more than 20 percent more than the combined primary and general election spending limits, a participating candidate will receive a grant equal to twice the general election spending limit.

This bill also addresses what some have called the "gap" between the primary and general election seasons. Presumptive Presidential nominees have emerged earlier in the election year over the life of the public financing system. This had led to some nominees being essentially out of money between the time that they nail down the nomination and the convention where they are formally nominated and become eligible for the general election grant. For a few cycles, soft money raised by the parties filled in that gap, but the Bipartisan Campaign Reform Act of 2002 fortunately has now closed that loophole. This bill allows candidates who are still in the primary race as of April 1 to spend an additional $50 million. In addition, the bill allows the political parties to spend up to $25 million between April 1 and the date that a candidate is nominated and an additional $25 million after the nomination. The total amount of $50 million is over three times the amount allowed under current law. This should allow any gap to be more than adequately filled.

Obviously, these changes make this a more generous system. So the bill also makes the requirement for qualifying more difficult. To be eligible for matching funds, a candidate must raise $25,000 in matchable contributions—up to $200 for each donor—in at least 20 States. That is five times the threshold under current law.

The bill also makes a number of changes in the system to reflect the changes in our Presidential races over the past several decades. For one thing, it makes matching funds available starting on July 1 of the year preceding the election, 6 months earlier than is currently the case. For another, it sets a single date for release of the public grant for the general election—the Friday before Labor Day. This addresses an inequity in the current system, under which the general election grant is released after each nominating convention, which can be several weeks apart.

The bill will also end the political parties' use of soft money for their conventions and requires presidential candidates to disclose bundled contributions. Additional provisions, and those I have discussed in summary form here, are explained in a section-by-section analysis of the bill that I will ask to be printed in the Record, following my statement. I will also ask that a copy of the bill itself be printed in the Record, following my statement.

Mr. President, the purpose of this bill is to improve the campaign finance system, not to advance one party's interests. In fact, with the country looking forward to the first Presidential election since 1952 where both the incumbent President and the sitting Vice-President are not running, this is a perfect time to make changes in the Presidential public funding system. Each party will have numerous candidates in the primaries, and no party can claim it will be helped or hurt by these changes.

Fixing the Presidential public financing system will cost money, but our best calculations at the present time indicate that the changes to the system in this bill can be paid for by raising the income tax check-off on an individual return from $3 to just $10. The total cost of the changes to the system, based on data from the 2004 elections, is projected to be around $360 million over the 4-year election cycle. To offset that increased cost, this bill caps taxpayer subsidies for promotion of agricultural products, including some brand-name goods, by limiting the Market Access Program to $100 million per year.

Though the numbers are large, this is actually a very small investment to make to protect the health of our democracy and integrity of our Presidential elections. The American people do not want to see a return to the pre-Watergate days of unlimited spending on presidential elections and candidates entirely beholden to private donors. We must act now to preserve the crown jewel of the Watergate reforms and ensure the fairness of our elections and the confidence of our citizens in the process.

Mr. President, I ask unanimous consent that the text of the bill and additional materials be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

S. 3740

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Presidential Funding Act of 2006".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Revisions to system of Presidential primary matching payments.
Sec. 3. Requiring participation in primary payment system as condition of eligibility for general election payments.
Sec. 4. Revisions to expenditure limits.
Sec. 5. Additional payments and increased expenditure limits for candidates participating in public financing who face certain nonparticipating opponents.
Sec. 6. Establishment of uniform date for release of payments from Presidential Election Campaign Fund to eligible candidates.
Sec. 7. Revisions to designation of income tax payments by individual taxpayers.
Sec. 8. Amounts in Presidential Election Campaign Fund.
Sec. 9. Repeal of priority in use of funds for political conventions.
Sec. 10. Regulation of convention financing.
Sec. 11. Disclosure of bundled contributions.
Sec. 12. Offset.
Sec. 13. Effective date.

SEC. 2. REVISIONS TO SYSTEM OF PRESIDENTIAL PRIMARY MATCHING PAYMENTS.

(a) Increase in Matching Payments.—

(1) In general.—Section 9034(a) of the Internal Revenue Code of 1986 is amended—

(A) by striking "an amount equal to the amount" and inserting "an amount equal to 400 percent of the amount"; and

(B) by striking "$250" and inserting "$200".

(2) Additional matching payments for candidates after March 31 of the election year.—Section 9034(b) of such Code is amended to read as follows:

"(b) Additional Payments for Candidates After March 31 of the Election Year.—In addition to any payment under subsection (a), an individual who is a candidate after March 31 of the calendar year in which the presidential election is held and who is eligible to receive payments under section 9033 shall be entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such individual after March 31 of the calendar year in which such presidential election is held, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person after such date exceeds $200.".

(3) Conforming amendments.—Section 9034 of such Code, as amended by paragraph (2), is amended—

(A) by striking the last sentence of subsection (a); and

(B) by inserting after subsection (b) the following new subsection:

"(c) Contribution Defined.—For purposes of this section and section 9033(b), the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything of value or anything described in subparagraph (B), (C), or (D) of section 9032(4).".

(b) Eligibility Requirements.—

(1) Amount of aggregate contributions per state.—Section 9033(b)(3) of such Code is amended by striking "$5,000" and inserting "$25,000".

(2) Amount of individual contributions.—Section 9033(b)(4) of such Code is amended by striking "$250" and inserting "$200".

(3) Participation in system for payments for general election.—Section 9033(b) of such Code is amended—

(A) by striking "and" at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting ", and"; and

(C) by adding at the end the following new paragraph:

"(5) if the candidate is nominated by a political party for election to the office of President, the candidate will apply for and accept payments with respect to the general election for such office in accordance with chapter 95, including the requirement that the candidate and the candidate's authorized committees will not incur qualified campaign expenses in excess of the aggregate payments to which they will be entitled under section 9004.".

(c) Period of Availability of Payments.—

(1) In general.—Section 9032(6) of such Code is amended by striking "the beginning of the calendar year" and inserting "July 1 of the calendar year preceding the calendar year".

(2) Conforming amendment.—Section 9034(a) of such Code is amended by striking "the beginning of the calendar year" and inserting "July 1 of the calendar year preceding the calendar year".

SEC. 3. REQUIRING PARTICIPATION IN PRIMARY PAYMENT SYSTEM AS CONDITION OF ELIGIBILITY FOR GENERAL ELECTION PAYMENTS.

(a) Major Party Candidates.—Section 9003(b) of the Internal Revenue Code of 1986 is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3); and

(2) by inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) the candidate received payments under chapter 96 for the campaign for nomination;".

(b) Minor Party Candidates.—Section 9003(c) of such Code is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3); and

(2) by inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) the candidate received payments under chapter 96 for the campaign for nomination;".

SEC. 4. REVISIONS TO EXPENDITURE LIMITS.

(a) INCREASE IN EXPENDITURE LIMITS FOR PARTICIPATING CANDIDATES; ELIMINATION OF STATE-SPECIFIC LIMITS.—

(1) IN GENERAL.—Section 315(b)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(b)(1)) is amended by striking "may make expenditures in excess of" and all that follows and inserting "may make expenditures—

"(A) with respect to a campaign for nomination for election to such office—

"(i) in excess of $100,000,000 before April 1 of the calendar year in which the presidential election is held; and

"(ii) in excess of $150,000,000 before the date described in section 9006(b) of the Internal Revenue Code of 1986; and

"(B) with respect to a campaign for election to such office, in excess of $100,000,000.".

(2) CLERICAL CORRECTION.—Section 9004(a)(1) of the Internal Revenue Code of 1986 is amended by striking "section 320(b)(1)(B) of the Federal Election Campaign Act of 1971" and inserting "section 315(b)(1)(B) of the Federal Election Campaign Act of 1971".

(b) INCREASE IN LIMIT ON COORDINATED PARTY EXPENDITURES.—Section 315(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)(2)) is amended to read as follows:

"(2)(A) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds $25,000,000.

"(B) Notwithstanding the limitation under subparagraph (A), during the period beginning on April 1 of the year in which a presidential election is held and ending on the date described in section 9006(b) of the Internal Revenue Code of 1986, the national committee of a political party may make additional expenditures in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party in an amount not to exceed $25,000,000.

"(C)(i) Notwithstanding subparagraph (B) or the limitation under subparagraph (A), if any nonparticipating primary candidate (within the meaning of subsection (b)(3)) affiliated with the national committee of a political party receives contributions or makes expenditures with respect to such candidate's campaign in an aggregate amount greater than 120 percent of the expenditure limitation in effect under subsection (b)(1)(A)(ii), then, during the period described in clause (ii), the national committee of any other political party may make expenditures in connection with the general election campaign of a candidate for President of the United States who is affiliated with such other party without limitation.

"(ii) The period described in this clause is the period—

"(I) beginning on the later of April 1 of the year in which a presidential election is held or the date on which such nonparticipating primary candidate first receives contributions or makes expenditures in the aggregate amount described in clause (i); and

"(II) ending on the earlier of the date such nonparticipating primary candidate ceases to be a candidate for nomination to the office of President of the United States and is not a candidate for such office or the date described in section 9006(b) of the Internal Revenue Code of 1986.

"(iii) If the nonparticipating primary candidate described in clause (i) ceases to be a candidate for nomination to the office of President of the United States and is not a candidate for such office, clause (i) shall not apply and the limitations under subparagraphs (A) and (B) shall apply. It shall not be considered to be a violation of this Act if the application of the preceding sentence results in the national committee of a political party violating the limitations under subparagraphs (A) and (B) solely by reason of expenditures made by such national committee during the period in which clause (i) applied.

"(D) For purposes of this paragraph—

"(i) any expenditure made by or on behalf of a national committee of a political party and in connection with a presidential election shall be considered to be made in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party; and

"(ii) any communication made by or on behalf of such party shall be considered to be made in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party if any portion of the communication is in connection with such election.

"(E) Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States.".

(c) CONFORMING AMENDMENTS RELATING TO TIMING OF COST-OF-LIVING ADJUSTMENT.—

(1) IN GENERAL.—Section 315(c)(1) of such Act (2 U.S.C. 441(c)(1)) is amended—

(A) in subparagraph (B), by striking "(b), (d)," and inserting "(d)(3)"; and

(B) by inserting at the end the following new subparagraph:

"(D) In any calendar year after 2008—

"(i) a limitation established by subsection (b) or (d)(2) shall be increased by the percent difference determined under subparagraph (A);

"(ii) each amount so increased shall remain in effect for the calendar year; and

"(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.".

(2) BASE YEAR.—Section 315(c)(2)(B) of such Act (2 U.S.C. 441a(c)(2)(B)) is amended—

(A) in clause (i)—

(i) by striking "subsections (b) and (d)" and inserting "subsection (d)(3)"; and

(ii) by striking "and" at the end;

(B) in clause (ii), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new clause:

"(iii) for purposes of subsection (b) and (d)(2), calendar year 2007.".

(d) REPEAL OF EXCLUSION OF FUNDRAISING COSTS FROM TREATMENT AS EXPENDITURES.—Section 301(9)(B)(vi) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(vi)) is amended by striking "in excess of an amount equal to 20 percent of the expenditure limitation applicable to such candidate under section 315(b)" and inserting the following: "who is seeking nomination for election or election to the office of President or Vice President of the United States".

SEC. 5. ADDITIONAL PAYMENTS AND INCREASED EXPENDITURE LIMITS FOR CANDIDATES PARTICIPATING IN PUBLIC FINANCING WHO FACE CERTAIN NONPARTICIPATING OPPONENTS.

(a) CANDIDATES IN PRIMARY ELECTIONS.—

(1) ADDITIONAL PAYMENTS.—

(A) IN GENERAL.—Section 9034 of the Internal Revenue Code of 1986, as amended by section 2, is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) ADDITIONAL PAYMENTS FOR CANDIDATES FACING NONPARTICIPATING OPPONENTS.—

"(1) IN GENERAL.—In addition to any payments provided under subsections (a) and (b), each candidate described in paragraph (2) shall be entitled to—

"(A) a payment under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after July 1 of the calendar year preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination and before the qualifying date, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person exceeds $200, and

"(B) payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the qualifying date, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person exceeds $200.

"(2) CANDIDATES TO WHOM THIS SUBSECTION APPLIES.—A candidate is described in this paragraph if such candidate—

"(A) is eligible to receive payments under section 9033, and

"(B) is opposed by a nonparticipating primary candidate of the same political party who receives contributions or makes expenditures with respect to the campaign—

"(i) before April 1 of the year in which the presidential election is held, in an aggregate amount greater than 120 percent of the expenditure limitation under section 315(b)(1)(A)(i) of the Federal Election Campaign Act of 1971, or

"(ii) before the date described in section 9006(b), in an aggregate amount greater than 120 percent of the expenditure limitation under section 315(b)(1)(A)(ii) of such Act.

"(3) NONPARTICIPATING PRIMARY CANDIDATE.—In this subsection, the term 'nonparticipating primary candidate' means a candidate for nomination for election for the office of President who is not eligible under section 9033 to receive payments from the Secretary under this chapter.

"(4) QUALIFYING DATE.—In this subsection, the term 'qualifying date' means the first date on which the contributions received or expenditures made by the nonparticipating primary candidate described in paragraph (2)(B) exceed the amount described under either clause (i) or clause (ii) of such paragraph.".

(B) CONFORMING AMENDMENT.—Section 9034(b)(2) of such Code, as amended by section 2, is amended by striking "subsection (a)" and inserting "subsections (a) and (c)".

(2) INCREASE IN EXPENDITURE LIMIT.—Section 315(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(b)) is amended by adding at the end the following new paragraph:

"(3)(A) In the case of an eligible candidate, each of the limitations under clause (i) and (ii) of paragraph (1)(A) shall be increased—

"(i) by $50,000,000, if any nonparticipating primary candidate of the same political party as such candidate receives contributions or makes expenditures with respect to the campaign in an aggregate amount greater than 120 percent of the expenditure limitation applicable to eligible candidates under clause (i) or (ii) of paragraph (1)(A) (before the application of this clause), and

"(ii) by $100,000,000, if such nonparticipating primary candidate receives contributions or makes expenditures with respect to the campaign in an aggregate amount greater than 120 percent of the expenditure limitation applicable to eligible candidates under clause (i) or (ii) of paragraph (1)(A) after the application of clause (i).

"(B) Each dollar amount under subparagraph (A) shall be considered a limitation under this subsection for purposes of subsection (c).

"(C) In this paragraph, the term 'eligible candidate' means, with respect to any period, a candidate—

"(i) who is eligible to receive payments under section 9033 of the Internal Revenue Code of 1986;

"(ii) who is opposed by a nonparticipating primary candidate; and

"(iii) with respect to whom the Commission has given notice under section 304(i)(1)(B)(i).

"(D) In this paragraph, the term 'nonparticipating primary candidate' means, with respect to any eligible candidate, a candidate for nomination for election for the office of President who is not eligible under section 9033 of the Internal Revenue Code of 1986 to receive payments from the Secretary of the Treasury under chapter 96 of such Code.".

(b) Candidates in General Elections.—

(1) Additional payments.—

(A) In general.—Section 9004(a)(1) of the Internal Revenue Code of 1986 is amended—

(i) by striking "(1) The eligible candidates" and inserting "(1)(A) Except as provided in subparagraph (B), the eligible candidates"; and

(ii) by adding at the end the following new subparagraph:

"(B) In addition to the payments described in subparagraph (A), each eligible candidate of a major party in a presidential election with an opponent in the election who is not eligible to receive payments under section 9006 and who receives contributions or makes expenditures with respect to the primary and general elections in an aggregate amount greater than 120 percent of the combined expenditure limitations applicable to eligible candidates under section 315(b)(1) of the Federal Election Campaign Act of 1971 shall be entitled to an equal payment under section 9006 in an amount equal to 100 percent of the expenditure limitation applicable under such section with respect to a campaign for election to the office of President.".

(B) Special rule for minor party candidates.—Section 9004(a)(2)(A) of such Code is amended—

(i) by striking "(A) The eligible candidates" and inserting "(A)(i) Except as provided in clause (ii), the eligible candidates"; and

(ii) by adding at the end the following new clause:

"(ii) In addition to the payments described in clause (i), each eligible candidate of a minor party in a presidential election with an opponent in the election who is not eligible to receive payments under section 9006 and who receives contributions or makes expenditures with respect to the primary and general elections in an aggregate amount greater than 120 percent of the combined expenditure limitations applicable to eligible candidates under section 315(b)(1) of the Federal Election Campaign Act of 1971 shall be entitled to an equal payment under section 9006 in an amount equal to 100 percent of the payment to which such candidate is entitled under clause (i).".

(2) Exclusion of additional payment from determination of expenditure limits.—Section 315(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(b)), as amended by subsection (a), is amended by adding at the end the following new paragraph:

"(4) In the case of a candidate who is eligible to receive payments under section 9004(a)(1)(B) or 9004(a)(2)(A)(ii) of the Internal Revenue Code of 1986, the limitation under paragraph (1)(B) shall be increased by the amount of such payments received by the candidate.".

(c) Process for Determination of Eligibility for Additional Payment and Increased Expenditure Limits.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(i) Reporting and Certification for Additional Public Financing Payments for Candidates.—

"(1) Primary candidates.—

"(A) Notification of expenditures by ineligible candidates.—

"(i) Expenditures in excess of 120 percent of limit.—If a candidate for a nomination for election for the office of President who is not eligible to receive payments under section 9033 of the Internal Revenue Code of 1986 receives contributions or makes expenditures with respect to the primary election in an aggregate amount greater than 120 percent of the expenditure limitation applicable to eligible candidates under clause (i) or (ii) of section 315(b)(1)(A), the candidate shall notify the Commission in writing that the candidate has received aggregate contributions or made aggregate expenditures in such an amount not later than 24 hours after first receiving aggregate contributions or making aggregate expenditures in such an amount.

"(ii) Expenditures in excess of 120 percent of increased limit.—If a candidate for a nomination for election for the office of President who is not eligible to receive payments under section 9033 of the Internal Revenue Code of 1986 receives contributions or makes expenditures with respect to the primary election in an aggregate amount greater than 120 percent of the expenditure limitation applicable to eligible candidates under section 315(b) after the application of paragraph (3)(A)(i) thereof, the candidate shall notify the Commission in writing that the candidate has received aggregate contributions or made aggregate expenditures in such an amount not later than 24 hours after first receiving aggregate contributions or making aggregate expenditures in such an amount.

"(B) Certification.—Not later than 24 hours after receiving any written notice under subparagraph (A) from a candidate, the Commission shall—

"(i) certify to the Secretary of the Treasury that opponents of the candidate are eligible for additional payments under section 9034(c) of the Internal Revenue Code of 1986;

"(ii) notify each opponent of the candidate who is eligible to receive payments under section 9033 of the Internal Revenue Code of 1986 of the amount of the increased limitation on expenditures which applies pursuant to section 315(b)(3); and

"(iii) in the case of a notice under subparagraph (A)(i), notify the national committee of each political party (other than the political party with which the candidate is affiliated) of the inapplicability of expenditure limits under section 315(d)(2) pursuant to subparagraph (C) thereof.

"(2) General election candidates.—

"(A) Notification of expenditures by ineligible candidates.—If a candidate in a presidential election who is not eligible to receive payments under section 9006 of the Internal Revenue Code of 1986 receives contributions or makes expenditures with respect to the primary and general elections in an aggregate amount greater than 120 percent of the combined expenditure limitations applicable to eligible candidates under section 315(b)(1), the candidate shall notify the Commission in writing that the candidate has received aggregate contributions or made aggregate expenditures in such an amount not later than 24 hours after first receiving aggregate contributions or making aggregate expenditures in such an amount.

"(B) Certification.—Not later than 24 hours after receiving a written notice under subparagraph (A), the Commission shall certify to the Secretary of the Treasury for payment to any eligible candidate who is entitled to an additional payment under paragraph (1)(B) or (2)(A)(ii) of section 9004(a) of the Internal Revenue Code of 1986 that the candidate is entitled to payment in full of the additional payment under such section.".

SEC. 6. ESTABLISHMENT OF UNIFORM DATE FOR RELEASE OF PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND TO ELIGIBLE CANDIDATES.

(a) In General.—The first sentence of section 9006(b) of the Internal Revenue Code of 1986 is amended to read as follows: "If the Secretary of the Treasury receives a certification from the Commission under section 9005 for payment to the eligible candidates of a political party, the Secretary shall, on the last Friday occurring before the first Monday in September, pay to such candidates of the fund the amount certified by the Commission.".

(b) Conforming Amendment.—The first sentence of section 9006(c) of such Code is amended by striking "the time of a certification by the Comptroller General under section 9005 for payment" and inserting "the time of making a payment under subsection (b)".

SEC. 7. REVISIONS TO DESIGNATION OF INCOME TAX PAYMENTS BY INDIVIDUAL TAXPAYERS.

(a) Increase in Amount Designated.—Section 6096(a) of the Internal Revenue Code of 1986 is amended—

(1) in the first sentence, by striking "$3" each place it appears and inserting "$10"; and

(2) in the second sentence—

(A) by striking "$6" and inserting "$20"; and

(B) by striking "$3" and inserting "$10".

(b) Indexing.—Section 6096 of such Code is amended by adding at the end the following new subsection:

"(d) Indexing of Amount Designated.—

"(1) In general.—With respect to each taxable year after 2006, each amount referred to in subsection (a) shall be increased by the percent difference described in paragraph (2), except that if any such amount after such an increase is not a multiple of $1, such amount shall be rounded to the nearest multiple of $1.

"(2) Percent difference described.—The percent difference described in this paragraph with respect to a taxable year is the percent difference determined under section 315(c)(1)(A) of the Federal Election Campaign Act of 1971 with respect to the calendar year during which the taxable year begins, except that the base year involved shall be 2006.".

(c) Ensuring Tax Preparation Software Does Not Provide Automatic Response to Designation Question.—Section 6096 of such Code, as amended by subsection (b), is amended by adding at the end the following new subsection:

"(e) Ensuring Tax Preparation Software Does Not Provide Automatic Response to Designation Question.—The Secretary shall promulgate regulations to ensure that electronic software used in the preparation or filing of individual income tax returns does not automatically accept or decline a designation of a payment under this section.".

(d) Public Information Program on Designation.—Section 6096 of such Code, as amended by subsections (b) and (c), is amended by adding at the end the following new subsection:

"(f) Public Information Program.—

"(1) In general.—The Federal Election Commission shall conduct a program to inform and educate the public regarding the purposes of the Presidential Election Campaign Fund, the procedures for the designation of payments under this section, and the effect of such a designation on the income tax liability of taxpayers.

"(2) Use of funds for program.—Amounts in the Presidential Election Campaign Fund shall be made available to the Federal Election Commission to carry out the program under this subsection, except that the amount made available for this purpose may not exceed $10,000,000 with respect to any Presidential election cycle. In this paragraph, a 'Presidential election cycle' is the 4-year period beginning with January of the year following a Presidential election.".

(e) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 8. AMOUNTS IN PRESIDENTIAL ELECTION CAMPAIGN FUND.

(a) Determination of Amounts in Fund.—Section 9006(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: "In making a determination of whether there are insufficient moneys in the fund for purposes of the previous sentence, the Secretary shall take into account in determining the balance of the fund for a Presidential election year the Secretary's best estimate of the amount of moneys which will be deposited into the fund during the year, except that the amount of the estimate may not exceed the average of the annual amounts deposited in the fund during the previous 3 years.".

(b) Special Rule for First Campaign Cycle Under This Act.—

(1) In general.—Section 9006 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(d) Special Authority to Borrow.—

"(1) In general.—Notwithstanding subsection (c), there are authorized to be appropriated to the fund, as repayable advances, such sums as are necessary to carry out the purposes of the fund during the period ending on the first presidential election occurring after the date of the enactment of this subsection.

"(2) Repayment of advances.—

"(A) In general.—Advances made to the fund shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury when the Secretary determines that moneys are available for such purposes in the fund.

"(B) Rate of interest.—Interest on advances made to the fund shall be at a rate determined by the Secretary of the Treasury (as of the close of the calendar month preceding the month in which the advance is made) to be equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the anticipated period during which the advance will be outstanding and shall be compounded annually.".

(2) Effective date.—The amendment made by this subsection shall take effect on the date of the enactment of this Act.

SEC. 9. REPEAL OF PRIORITY IN USE OF FUNDS FOR POLITICAL CONVENTIONS.

(a) In General.—Section 9008(a) of the Internal Revenue Code of 1986 is amended by striking the period at the end of the second sentence and all that follows and inserting the following: ", except that the amount deposited may not exceed the amount available after the Secretary determines that amounts for payments under section 9006 and section 9037 are available for such payments.".

(b) Conforming Amendment.—The second sentence of section 9037(a) of such Code is amended by striking "section 9006(c) and for payments under section 9008(b)(3)" and inserting "section 9006".

SEC. 10. REGULATION OF CONVENTION FINANCING.

(a) In General.—Section 323 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441i) is amended by adding at the end the following new subsection:

"(g) National Conventions.—

"(1) In general.—Any person described in subsection (a) or (e) shall not solicit, receive, direct, transfer, or spend any funds in connection with a presidential nominating convention of any political party, including funds for a host committee, civic committee, municipality, or any other person or entity spending funds in connection with such a convention, unless such funds—

"(A) are not in excess of the amounts permitted with respect to contributions to the political committee established and maintained by a national political party committee under section 315; and

"(B) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

"(2) Exception.—Paragraph (1) shall not apply to—

"(A) payments by a Federal, State, or local government if the funds used for the payments are from the general public tax revenues of such government and are not derived from donations made to a State or local government for purposes of any convention; and

"(B) payments by any person for the purpose of promoting the suitability of a city as a convention site in advance of its selection, welcoming convention attendees to the city, or providing shopping or entertainment guides to convention attendees.".

(b) Public Financing.—Subsection (d) of section 9008 of the Internal Revenue Code of 1986 is amended to read as follows:

"(d) Expenditures for Conventions.—

"(1) In general.—The Commission shall not certify any major party or minor party under subsection (g) unless such party agrees that—

"(A) expenses incurred with respect to a presidential nominating convention will only be paid with payments received under subsection (a) or with funds that are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971, and

"(B) the committee will not accept or use any goods or services related to or in connection with any presidential nominating convention that are paid for or provided by any other person.

"(2) Exception.—Paragraph (1) shall not apply to—

"(A) payments by a Federal, State, or local government if the funds used for the payments are from the general public tax revenues of such government and are not derived from donations made to a State or local government for purposes of any convention, and

"(B) payments by any person for the purpose of promoting the suitability of a city as a convention site in advance of its selection, welcoming convention attendees to the city, or providing shopping or entertainment guides to convention attendees.".

SEC. 11. DISCLOSURE OF BUNDLED CONTRIBUTIONS.

(a) In General.—Section 304(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)) is amended—

(1) by striking "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(9) in the case of an authorized committee of a candidate for President, the name, address, occupation, and employer of each person who makes a bundled contribution, and the aggregate amount of the bundled contributions made by such person during the reporting period.".

(b) Bundled Contribution.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following new paragraph:

"(27) Bundled contribution.—The term 'bundled contribution' means a series of contributions that are, in the aggregate, $10,000 or more and—

"(A) are transferred to the candidate or the authorized committee of the candidate by one person; or

"(B) include a written or oral notification that the contribution was solicited, arranged, or directed by a person other than the donor.".

SEC. 12. OFFSET.

(a) In General.—Section 211(c)(1)(A) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641(c)(1)(A)) is amended by striking "and $200,000,000 for each of fiscal years 2006 and 2007" and inserting "$200,000,000 for fiscal year 2006, and $100,000,000 for fiscal year 2007".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

SEC. 13. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by this Act shall apply with respect to elections occurring after January 1, 2006.

There being no objection, the material was ordered to be printed in the Record, as follows:

Presidential Funding Act of 2006—Section-by-Section Analysis

SECTION 1: SHORT TITLE

SECTION 2: REVISIONS TO SYSTEM OF PRESIDENTIAL PRIMARY MATCHING PAYMENTS

(a) Matching Funds: Current law provides for a 1-to-1 match, where up to $250 of each individual's contributions for the primaries is matched with $250 in public funds. Under the new matching system, individual contributions of up to $200 from each individual will be matched at a 4-to-1 ratio, so $200 in individual contribution can be matched with $800 from public funds.

Candidates who remain in the primary race can also receive an additional 1-to-1 match of up to $200 of contributions received after March 31 of a presidential election year. This additional match applies both to an initial contribution made after March 31 and to contributions from individuals who already gave $200 or more prior to April 1.

The bill defines "contribution" as "a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address."

(b) Eligibility for matching funds: Current law requires candidates to raise $5,000 in matchable contributions (currently $250 or less) in 20 states. To be eligible for matching funds under this bill, a candidate must raise $25,000 of matchable contributions (up to $200 per individual donor) in at least 20 states.

In addition, to receive matching funds in the primary, candidates must pledge to apply for public money in the general election if nominated and to not exceed the general election spending limits.

(c) Timing of payments: Current law makes matching funds available on January 1 of a presidential election year. The bill makes such funds available beginning on July 1 of the previous year.

SECTION 3: REQUIRING PARTICIPATION IN PRIMARY PAYMENT SYSTEM AS CONDITION OF ELIGIBILITY FOR GENERAL ELECTIONS PAYMENTS

Currently, candidates can participate in either the primary or the general election public financing system, or both. Under the bill, a candidate must participate in the primary matching system in order to be eligible to receive public funds in the general election.

SECTION 4: REVISIONS TO EXPENDITURE LIMITS

(a) Spending limits for candidates: In 2004, under current law, candidates participating in the public funding system had to abide by a primary election spending limit of about $45 million and a general election spending limit of about $75 million (all of which was public money). The bill sets a total primary spending ceiling for participating candidates in 2008 of $150 million, of which only $100 million can be spent before April 1. State by state spending limits are eliminated. The general election limit, which the major party candidates will receive in public funds, will be $100 million.

(b) Spending limit for parties: Current law provides a single coordinated spending limit for national party committees based on population. In 2004 that limit was about $15 million. The bill provides two limits of $25 million. The first applies after April 1 until a candidate is nominated. The second limit kicks in after the nomination. Any part of the limit not spent before the nomination can be spent after. In addition, the party coordinated spending limit is eliminated entirely until the general election public funds are released if there is an active candidate from the opposing party who has exceeded the primary spending limits by more than 20%.

This will allow the party to support the presumptive nominee during the so-called "gap" between the end of the primaries and the conventions. The entire cost of a coordinated party communication is subject to the limit if any portion of that communication has to do with the presidential election.

(c) Inflation adjustment: Party and candidate spending limits will be indexed for inflation, with 2008 as the base year.

(d) Fundraising expenses: Under the bill, all the costs of fundraising by candidates are subject to their spending limits.

SECTION 5: ADDITIONAL PAYMENTS AND INCREASED EXPENDITURES LIMITS FOR CANDIDATES PARTICIPATING IN PUBLIC FINANCING WHO FACE CERTAIN NONPARTICIPATING OPPONENTS

(a) Primary candidates: When a participating candidate is opposed in a primary by a nonparticipating candidate who spends more than 120 percent of the primary spending limit ($100 million prior to April 1 and $150 million after April 1), the participating candidate will receive a 5–to–1 match, instead of a 4–to–1 match for contributions of less than $200 per donor. That additional match applies to all contributions received by the participating candidate both before and after the nonparticipating candidate crosses the 120 percent threshold. In addition, the participating candidate's primary spending limit is raised by $50 million when a nonparticipating candidate raise spends more than the 120 percent of either the $100 million (before April 1) or $150 million (after April 1) limit. The limit is raised by another $50 million if the nonparticipating candidate spends more than 120 percent of the increased limit. Thus, the maximum spending limit in the primary would be $250 million if an opposing candidate has spent more than $240 million.

(b) General election candidates: When a participating candidate is opposed in a general election by a nonparticipating candidate who spends more than 120 percent of the combined primary and general election spending limits, the participating candidate shall receive an additional grant of public money equal to the amount provided for that election—$100 million in 2008. Minor party candidates are also eligible for an additional grant equal to the amount they otherwise receive (which is based on the performance of that party in the previous presidential election).

(c) Reporting and Certification: In order to provide for timely determination of a participating candidate's eligibility for increased spending limits, matching funds, and/or general election grants, non-participating candidates must notify the FEC within 24 hours after receiving contributions or making expenditures of greater than the applicable 120 percent threshold. Within 24 hours of receiving such a notice, the FEC will inform candidates participating in the system of their increased expenditure limits and will certify to the Secretary of the Treasury that participating candidates are eligible to receive additional payments.

SECTION 6: ESTABLISHMENT OF UNIFORM DATE FOR RELEASE OF PAYMENTS FROM PRESIDENTIAL ELECTIONS CAMPAIGN FUNDS TO ELIGIBLE CANDIDATES

Under current law, candidates participating in the system for the general election receive their grants of public money immediately after receiving the nomination of their party, meaning that the two major parties receive their grants on different dates. Under the bill, all candidates eligible to receive public money in the general election would receive that money on the Friday before Labor Day, unless a candidate's formal nomination occurs later.

SECTION 7: REVISIONS TO DESIGNATION OF INCOME TAX PAYMENTS BY INDIVIDUAL TAXPAYERS

The tax check-off is increased from $3 (individual) and $6 (couple) to $10 and $20. This amount will be adjusted during each tax year after 2006. The amount will be adjusted for inflation, and rounded to the nearest dollar, beginning in 2007.

The IRS shall require by regulation that electronic tax preparation software does not automatically accept or decline the tax checkoff. The FEC is required to inform and educate the public about the purpose of the Presidential Election Campaign Fund ("PECF") and how to make a contribution. Funding for this program of up to $10 million in a four year presidential election cycle, will come from the PECF.

SECTION 8: AMOUNTS IN PRESIDENTIAL ELECTION CAMPAIGN FUND

Under current law, in January of an election year if the Treasury Department determines that there are insufficient funds in the PECF to make the required payments to participating primary candidates, the party conventions, and the general election candidates, it must reduce the payments available to participating primary candidates and it cannot make up the shortfall from any other source until those funds come in. Under the bill, in making that determination the Department can include an estimate of the amount that will be received by the PECF during that election year, but the estimate cannot exceed the past three years' average contribution to the fund. This will allow primary candidates to receive their full payments as long as a reasonable estimate of the funds that will come into the PECF that year will cover the general election candidate payments. The bill allows the Secretary of the Treasury to borrow the funds necessary to carry out the purposes of the fund during the first campaign cycle in which the bill is in effect.

SECTION 9: REPEAL OF PRIORITY IN USE OF FUNDS FOR POLITICAL CONVENTIONS

Current law gives the political parties priority on receiving the funds they are entitled to from the PECF. This means that parties get money for their conventions even if adequate funds are not available for participating candidates. This section would make funds available for the conventions only if all participating candidates have received the funds to which they are entitled.

SECTION 10: REGULATION OF CONVENTION FINANCING

(a) Soft money ban: National political parties and federal candidates and officeholders are prohibited from raising or spending soft money in connection with a nominating convention of any political party, including funds for a host committee, civic committee, or municipality.

(b) Agreement not to spend soft money: To receive public money for its nominating convention, a political party must agree not to spend soft money on that convention and that it will not accept any goods or services donated by any person in connection with the convention.

These soft money prohibitions do not apply to payments by Federal, state or local governments from general tax revenues or payments from any person for the purpose of promoting a particular city as the site for a future convention or to welcome or provide shopping or entertainment guides to convention attendees.

SECTION 11: DISCLOSURE OF BUNDLED CONTRIBUTIONS

(a) Disclosure requirement: The authorized committees of presidential candidate committee must report the name, address, and occupation of each person making a bundled contribution and the aggregate amount of bundled contributions made by that person.

(b) Definition of bundled contribution. A bundled contribution is a series of contributions totaling $10,000 or more that are (1) collected by one person and transferred to the candidate; or (2) delivered directly to the candidate from the donor but include a written or oral communication that the funds were "solicited, arranged, or directed" by someone other than the donor. This covers the two most common bundling arrangements where fundraisers get "credit" for collecting contributions for a candidate.

SECTION 12: EFFECTIVE DATE

Provides that the amendments will apply to presidential elections occurring after January 1, 2006.

By Mrs. CLINTON (for herself and Mr. ALLEN):

S. 3743. A bill to amend the Public Health Service Act to improve newborn screening activities, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, today I am pleased to introduce the SHINE Act of 2006 with my colleague Senator GEORGE ALLEN. This legislation is critical for the health of newborns and children.

Each year in our Nation at least 4 million newborns are screened and severe disorders are detected in 5,000 of them. Although these numbers may seem small, these disorders are often life threatening and can cause mental and physical disabilities if left untreated. Early detection by newborn screening can lessen side effects or completely prevent progression of many of these disorders if medical intervention is started early enough.

I am proud to say that New York has been a leader in newborn screening since 1960 when Dr. Robert Guthrie developed the first newborn screening test. Since then, more than 10 million babies have been tested. In 2004, New York expanded their newborn screening panel from 11 to 44 conditions. These improvements were a concerted effort by State officials and parent advocacy groups like the Newborn Screening Saves Lives and Hunter's Hope Foundation. They share a common goal that every child born with a treatable disease should receive early diagnosis and lifesaving treatment so that they can grow up happy and healthy. Today, we want to ensure that the great strides made by New York can be a model for all States and that New York can continue to make advancements that will benefit the children of New York and around the Nation.

Newborn screening experts suggest States should test for a minimum of 29 treatable core conditions. However, as of today, some States only screen for seven conditions. Every child should have access to tests that may prevent them from a life-threatening disease. Parents should not have to drive across State lines to improve the health of their baby. This bill establishes grant programs so that States can increase their capacity to screen for all the core conditions. Grant funds are also available for States like New York to expand newborn screening panels above and beyond the core conditions by developing additional newborn screening tests.

We should expect equity within newborn screening so that it does not matter where your baby is born. This legislation will establish recommended guidelines for States for newborn screening tests, reporting, and data standards. Our goal should be that affected babies be identified quickly, babies who have the diseases should not be missed, and the number of newborns falsely identified as sick should be minimized. By tracking the prevalence of diseases identified by newborn screening within States, we will be able to meet these goals and improve the long-term health of our children.

I hear from many parents how scary it is to have a sick child and to not have a diagnosis. Many parents spend years trying to find out what is wrong with their child and feel helpless. This legislation will make sure that current information on newborn screening is available and accessible to health providers and parents. The SHINE Act will provide interactive formats so that parents and providers can ask questions and receive answers about the newborn screening test, diagnosis, follow-up and treatment.

Early treatment can prevent negative and irreversible health outcomes for affected newborns. We should be doing all we can to give every child born in our country the opportunity for a happy and healthy life.

I ask unanimous consent that the following letters in support of this legislation from the March of Dimes, Hunter's Hope Foundation, Save Babies Through Screening Foundation, and Blythedale Children's Hospital be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SAVE BABIES THOUGH SCREENING
FOUNDATION, INC.,
Scarsdale, NY, July 24, 2006.

Hon. HILLARY CLINTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR CLINTON: I am writing on behalf of the Save Babies Through Screening Foundation to show our support for the Screening for Health of Infants and NEwborns (SHINE Act). As you know, our organization's mission is to improve the lives of babies by working to prevent disabilities and early death resulting from disorders detectable through newborn screening. Our organization was founded in 1998 and is the only organization solely dedicated to raising awareness in regard to newborn screening.

We believe that this bill will greatly enhance the expansion of newborn screening throughout the United States and will save the lives of thousands of babies—our tiniest citizens. Additionally, this will spare Parents the agonizing pain of watching their children suffer as I can attest to first-hand. With the great expansion of newborn screening, children will be able to live healthy and productive lives.

We thank you for your vision and hard work. Nobody should suffer the loss or impairment of a child when there are tests and treatment available and this bill will put an end to future suffering. Please feel free to contact me if we can be of any assistance.

Regards,

JILL LEVY-FISCH,
President.

HUNTER'S HOPE,
Orchard Park, NY, July 21, 2006.

Hon. HILLARY CLINTON,
U.S. Senate, Washington, DC.

DEAR SENATOR CLINTON: On behalf of the Hunter's Hope Foundation, I respectively submit this letter as our full and complete support for the bill titled "Screening for Health of Infants and NEwborns (SHINE Act)".

The Hunter's Hope Foundation was established in 1997 by Pro Football Hall of Fame member and former Buffalo Bills Quarterback, Jim Kelly, and his wife, Jill, after their infant son, Hunter, was diagnosed with Krabbe (Crab ā) Leukodystrophy, an inherited, fatal, nervous system disease.

The Foundation's mission is to: Increase public awareness of Krabbe disease and other leukodystrophies, support those afflicted and their families, identify new treatments, and ultimately find a cure.

Since 1997, Cord Blood Transplant (CBT) has become a viable treatment for Krabbe disease as well as a few other leukodystrophies. But, CBT is only effective if the child is treated before the disease inflicts irreversible damage to the brain and nervous system. There are many other treatable diseases that if not treated early will cause irreversible damage. And, the number of such diseases continues to increase with advancements in science and technology. We must establish an infrastructure in our country that not only addresses the immediate need, but also creates a system for expansion. The SHINE Act will accomplish this.

Hunter passed away August 5, 2005. Like thousands of other children, if he had been screened at birth, he may be living a healthy life today. Please help these children and their families and pass this bill. We implore you to expedite the passing and implementing of this bill. With each day that passes, children are suffering and dying needlessly.

Thank you from the bottom of our hearts.

Sincerely,

JACQUE WAGGONER,
Board of Directors, Chair.

BLYTHEDALE CHILDREN'S HOSPITAL,
Valhalla, NY, July 25, 2006.

Hon. HILLARY RODHAM CLINTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR CLINTON: We are pleased to write this letter of support for the Screening for Health of Infants and Newborns Act of 2006. We commend you for your leadership in calling for a uniform and comprehensive national approach to screening newborns for the full panel of core conditions recommended by the American College of Medical Genetics and endorsed by the American Academy of Pediatrics. If diagnosed early, these disorders, including metabolic and hearing deficiency, can be managed or treated to prevent severe consequences.

As a hospital which provides a wide array of services to children with special health care needs, we know how important early detection and treatment of conditions can be. We were particularly pleased to see the provisions of this legislation which provide for a Central Clearinghouse of current educational and family support information, critical to assuring a national standard of care.

According to the latest March of Dimes Newborn Screening Report Card, nearly two-thirds of all babies born in the United States this year will be screened for more than 20 life-threatening disorders. However, disparities in state newborn screening programs mean some babies will die or develop brain damage or other severe complications from these disorders because they are not identified in time for effective treatment.

At present, the United States lacks consistent national guidelines for newborn screening, and each state decides how many and which screening tests are required for every baby. As a result, only 9 percent of all babies are screened for all of the 29 recommended conditions. Clearly it is a wise investment to take full advantage of the information available to detect treatable conditions in children.

We commend you for your leadership on this most important issue and look forward to working with you and your colleagues to secure passage of this legislation.

Sincerely,

LARRY LEVINE,
President.
JUDITH WIENER GOODHUE,
Vice Chair, Board of Trustees, Chair, Government Relations Committee.

MARCH OF DIMES,
Washington, DC, July 24, 2006.

Hon. HILLARY CLINTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR CLINTON: On behalf of more than 3 million volunteers and 1,400 staff members of the March of Dimes, I am writing to thank you for introducing the "Screening for Health of Infants and Newborns (SHINE) Act." If enacted, this legislation would authorize grant programs to assist states in expanding the number of conditions screened for at birth and improve the dissemination of educational resources to the public and healthcare providers.

As you know, disparities among states in health screening at birth mean too many babies with serious birth defects are not being diagnosed and treated in time to avoid long term disability or even death. The March of Dimes has endorsed the recommendation of the American College of Medical Genetics that calls for every baby born in the United States to be screened for twenty-nine disorders, including certain metabolic conditions and hearing deficiency. The July 2006 March of Dimes newborn screening report card made clear the need for additional state efforts to expand programs to screen for the full range of the twenty-nine disorders. Specifically, only 9 percent of the babies born in the United States were tested for all of the recommended conditions. The "SHINE Act" will enhance state's capacity to expand the number of screens and provide important newborn screening educational materials to families via the internet.

We at the March of Dimes are sincerely grateful for your efforts related to newborn screening and look forward to working with you, and others in Congress with an interest in newborn screening.

Sincerely,

MARINA L. WEISS,
Senior Vice President,
Public Policy & Government Affairs.

By Mr. DURBIN (for himself and Mr. COLEMAN):

S. 3744. A bill to establish the Abraham Lincoln Study Abroad Program; to the Committee on Foreign Relations.

Mr. DURBIN. Mr. President, I am a lucky politician, a fortunate soul. I am lucky that early in my political life, I met two men who had a dramatic impact on me and on my decision to seek public office and to be involved in public service. The first was a Senator from Illinois named Paul Douglas who served from 1948 to 1966 and decided in the year 1966 to hire a college intern named DURBIN from East St. Louis, IL, who was going to school at Georgetown University. That was the first time I ever walked into a Senate office building, and I tell you, I was swept away by the experience. I knew at that time that I wanted to be a part of the excitement of this life on Capitol Hill and government, and I didn't know how I would ever have a chance to do it. I never dreamed I would run for office. But Paul Douglas, my first mentor in public service and political office, was there at the right moment in my life to inspire me to pursue at least some aspect of public service.

He introduced me to a fellow named Paul Simon who later served as the U.S. Senator from Illinois. Paul was elected in 1984 and served until 1996. During that 12-year period of time, I was a Member of the House of Representatives. For many years before, Paul Simon had been my closest friend and mentor in politics. He gave me my first job out of law school, when my wife Loretta and I packed everything we owned in a very small truck. She took the baby on a plane to fly to Springfield, IL, and I drove the truck out with our dog sitting in the front seat of my U-Haul truck with me and took my first job working for then Lieutenant Governor Paul Simon.

I was lucky. I learned the craft of politics from Paul Simon. I saw in his public service, in his public life, how good this job can be and how important it can be if you realize you need to be driven by some basic principles. Paul Simon used to say—and I have heard the speech so many times; I have even given it—that politics is about two things. First, people expect you to be honest, and I think he meant beyond dollar honesty—issue honesty; people expect you to tell them what you really believe rather than try to hide what your beliefs might be in some political double-talk.

The second thing Paul Simon says is that politics is about helping the helpless. He believed there is some mission to this. He was a son of a Lutheran minister and a proud Christian but reached across to other denominations of religions for his own inspiration. He believed that helping the helpless was an important part of government responsibility.

Mr. President, today I am going to introduce legislation with Senator NORM COLEMAN of Minnesota. It is legislation that reflects the vision of Senator Paul Simon.

After the terrible attack of September 11, 2001, Paul Simon, typical of his outlook on the world, decided that he could imagine a more peaceful world, even in that time of great upheaval. He talked about promoting peace and security through understanding and global awareness. Specifically, he began to lay out a path to a United States that would be populated by Americans who have been abroad and have a personal connection to another part of the world. His vision was to help prepare a generation with greater cultural competence and real life experience in societies unlike our own.

In the months before his untimely death, Senator Paul Simon came back to Washington to talk to me and his former colleagues in the Senate about the need to strengthen this country's international understanding. As a direct result of his work, Congress established the Abraham Lincoln Study Abroad Commission to develop the framework for an international study abroad program for America's college students. I was honored to serve on this bipartisan Lincoln Commission.

Late last year, the Commission published its report recommending the Congress establish a study abroad program for undergraduate students that would help build this global awareness and international understanding. It is a privilege for me to introduce legislation based on the recommendations of this Commission.

Paul Simon, like so many committed to strengthening our ability to lead by investing in the education of young people, struggled with the question of how America could lead while so few of our citizens have an appropriate knowledge and understanding of the world outside of our borders. The United States is a military and economic superpower, yet it is continuously threatened by a serious lack of international competence in an age of growing globalization. When you travel overseas, you cannot help but be struck by the fact that people in other countries know so much more about us than we know about them.

Our lack of world awareness is now seen as a national liability. The challenges we face as Americans are increasingly global in nature, and our youth must be well prepared for its future. Our national security, international economic competitiveness, and diplomatic efforts in working toward a peaceful society rest on our global competence and ability to appreciate language and culture throughout the world.

Today I joined a number of our colleagues who walked across the Rotunda over to the House of Representatives for a joint meeting of Congress where the Prime Minister of Iraq, Mr. al-Maliki, spoke to us. He spoke in inspiring terms about his goals for Iraq, an Iraq that was based on democratic principles, an Iraq that was based on freedom, an Iraq that was free of terrorism.

The United States has made a major investment in that effort. We are now in the fourth year of a war, a war that has claimed over 2,569 American lives, including 102 brave soldiers from my home State of Illinois. Over 20,000 of our soldiers have returned with serious injuries—2,000 of those with brain injuries and lives that will be compromised and more challenging because they agreed to stand and serve and fight for America and they went to Iraq and paid a heavy price.

We have spent some $320 billion of American treasure on the war in Iraq, and we continue to spend, by estimate, $3 billion every single week on Iraq, realizing that the end is not near and there is no end in sight. We hope our troops will start to come home soon, but there is no indication they will.

Yet, the best military leaders in America, when they sit face to face with us here in private meetings, tell us the same thing we have heard from many members of this administration. We will not win in Iraq a military victory. The victory ultimately has to be a political victory, a victory where we convince the Iraqi people that this is a far better course to follow, to move toward self-governance and democracy, freedom and free markets, and to move away from the days of dictatorships and the thinking that led people to a divisive moment in their lives. We need to move away from that.

It suggests, even with the strongest military in the world, giving it their best efforts every single minute of every single day, the ultimate answer in Iraq and so many other countries is not a military answer. It is an answer that brings together political and economic elements that ultimately will spell the success of that nation.

The capacity of the United States to lead in the 21st century, not just in Iraq but all over the world, demands that we school new generations of American citizens who understand the cultural and social realities beyond what they have experienced here at home. Senator Simon understood this. He saw the United States as a large community, part of an even larger world family. When he saw signs that read, "God bless America," Paul Simon used to say, "I wish they would read 'God bless America and the rest of the world.'"

Senator Simon was a great public servant. His service in Congress was exemplary. He was a man with an intrinsic sense of justice and passion for the public good. His deep convictions were matched by a genuine zeal for the work he did here in Washington and back in Illinois.

When he retired from the Senate, there was a little ceremony on the floor of the Senate, the likes of which this Chamber has never seen. The decision was made that since Paul Simon always wore a bow tie, that on one given day all of the Senators would come to the floor wearing bow ties. To Paul's surprise, he walked in here to find so many of his colleagues on both sides of the aisle saluting his retirement by wearing his trademark bow tie.

After he retired from the Senate, Paul Simon carried his vision and his energy for leadership back to Southern Illinois University, founding the Public Policy Institute at that university in Carbondale, IL. In that role, he trained future generations to understand the values he fought for his entire life.

The Abraham Lincoln Study Abroad Fellowship Program, which Paul Simon inspired, is designed to encourage and support the experience of studying overseas in countries whose people, culture, language, government, and religion might be very different from ours. The bill I am introducing today with Senator COLEMAN would create a program that encourages nontraditional students to spend part of their undergraduate careers in nontraditional study abroad destinations. It is said you never understand a country until you visit it and you never appreciate your home until you leave it. The program we envision provides direct fellowships to students but also provides financial incentives to colleges and universities to make internal policy changes that make it easier for students to study abroad.

We believe it is the institutional change that will allow the U.S. to sustain a steady growth in the number of students who experience this learning abroad. As we become a nation whose citizens have studied in other countries, we will become more understanding of the rest of the world and they will come to know us better.

We learned this with the Peace Corps. As I travel around the world, I never cease to be amazed at the impact which the Peace Corps has had on countries, on small villages, and on people. I can recall visiting Nepal. I went to Nepal with a former colleague from the home State of the Presiding Officer, Oklahoma, Mike Synar. We went to a tiny little village way up in the mountains outside of Kathmandu. After we trekked up there at high altitudes, out of breath, we came to this little village and all of the people were there. They had the third eye on their head. There were garlands of flowers around their necks. They were dressed in the best clothes they had, and offered us food. And as we sat down, they asked us if we knew Paul Jones, from Pittsburgh, PA.

Of course, we didn't. But we didn't want to say that right off. We said, "Who was he?"

"Well, you must know him. He was our Peace Corps volunteer. He was here for 2 years. He made such a difference in this village. You must know Paul."

I made up the name, but it goes to show you that the efforts and involvement of Americans overseas not only will help people there but will help those who live through the experience. For so many Peace Corps volunteers that I met, it was a transformative moment, to serve in that Peace Corps at that moment in their life and to go through that experience.

Sending more American students for that overseas experience will not only help those students, it will help others around the world to see who we are. Think of the battle of images going on in the world today even as we speak, images of America that are terrible, images that are distorted, that are being shown to people around the world every day. And they say this is what America looks like when in fact it isn't even close to the truth.

We can become a nation where we use our public education system to expand not only the reach of America's message, but the experience of Americans in other countries. I can think of no more appropriate tribute to honor Paul Simon, a great statesman himself, than to establish this study abroad program.

In the weeks before Senator Simon's death, Senator Simon wrote the following:

> A nation cannot drift into greatness. We must dream and we must be willing to make small sacrifices to achieve those dreams. If I want to improve my home, I must sacrifice a little. If we want to improve our Nation and the world, we must be willing to sacrifice a little. This major national initiative . . . can lift our vision and responsiveness to the rest of the world. Those who read these lines need to do more than nod in agreement [Paul Simon wrote.] This is a battle for understanding that you must help wage.

I ask my colleagues to join Senator COLEMAN and myself in this bipartisan legislation to help keep alive Senator Paul Simon's vision for a culturally aware and a better world.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4695. Mr. MARTINEZ (for Mr. GRASSLEY (for himself and Mr. BAUCUS)) proposed an amendment to the bill H.R. 5865, to amend section 1113 of the Social Security Act to temporarily increase funding for the program of temporary assistance for United States citizens returned from foreign countries, and for other purposes.

SA 4696. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table.

SA 4697. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4698. Mrs. FEINSTEIN (for herself and Ms. Cantwell) submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4699. Mrs. FEINSTEIN (for herself, Ms. Snowe, Mr. Durbin, Mr. Chafee, Mr. Inouye, Ms. Collins, Ms. Cantwell, Mr. Lautenberg, Mrs. Boxer, Mr. Menendez, Mr. Lieberman, and Mr. Reed) submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4700. Ms. SNOWE (for herself, Mrs. Feinstein, and Mr. Kerry) submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4701. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4702. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4703. Mr. SHELBY proposed an amendment to the bill S. 3549, to amend the Defense Production Act of 1950 to strengthen Government review and oversight of foreign investment in the United States, to provide for enhanced Congressional Oversight with respect thereto, and for other purposes.

SA 4704. Mr. HARKIN (for himself, Mr. Johnson, Mr. Bayh, and Mr. Obama) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table.

SA 4705. Mr. HARKIN (for himself, Mr. Lugar, and Mr. Johnson) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4706. Mr. BAYH (for himself, Mr. Brownback, Mr. Lieberman, Mr. Coleman, Mr. Salazar, Mr. Lugar, Mr. Obama, Mr. Chafee, Mr. Akaka, Mrs. Clinton, Ms. Cantwell, Ms. Collins, Mr. Kohl, Mr. Kerry, Mr. Kennedy, Mr. Graham, Mr. Menendez, Mr. Dodd, and Mr. Bingaman) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4707. Mr. BAYH (for himself, Mr. Brownback, Mr. Lieberman, Mr. Coleman, Mr. Salazar, Mr. Lugar, Mr. Obama, Mr. Chafee, Mr. Akaka, Mrs. Clinton, Mr. Dodd, Mr. Kohl, Ms. Cantwell, Mr. Kerry, Mr. Graham, Mr. Menendez, Ms. Collins, and Mr. Bingaman) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4708. Mr. BAYH (for himself, Mr. Brownback, Mr. Lieberman, Mr. Coleman, Mr. Salazar, Mr. Lugar, Mr. Obama, Mr. Chafee, Mr. Akaka, Mrs. Clinton, Mr. Dodd, Mr. Kohl, Ms. Cantwell, Mr. Kerry, Mr. Graham, Mr. Menendez, Ms. Collins, and Mr. Bingaman) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4709. Mr. OBAMA (for himself, Mr. Lugar, Mr. Biden, Mr. Bingaman, Mr. Coleman, Mr. Specter, Mr. Smith, and Mr. Harkin) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4710. Mr. OBAMA (for himself and Mrs. Clinton) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4711. Mr. OBAMA (for himself and Mr. Lugar) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4695. Mr. MARTINEZ (for Mr. Grassley (for himself and Mr. Baucus)) proposed an amendment to the bill H.R. 5865, to amend section 1113 of the Social Security Act to temporarily increase funding for the program of temporary assistance to United States citizens returned from foreign countries, and for other purposes; as follows:

Strike all after the enacting clause and insert

SECTION 1. PAYMENTS FOR TEMPORARY ASSISTANCE TO UNITED STATES CITIZENS RETURNED FROM FOREIGN COUNTRIES.

(a) Increase in Aggregate Payments Limit for Fiscal Year 2006.—Section 1113(d) of the Social Security Act (42 U.S.C. 1313(d)) is amended by inserting ", except that, in the case of fiscal year 2006, the total amount of such assistance provided during that fiscal year shall not exceed $6,000,000" after "2003".

SEC. 2. DISCLOSURE OF INFORMATION IN THE DIRECTORY OF NEW HIRES TO ASSIST ADMINISTRATION OF FOOD STAMP PROGRAMS.

Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended—

(1) by redesignating the second paragraph (7) as paragraph (9); and

(2) by adding at the end the following new paragraph

"(10) Information comparisons and disclosure to assist in administration of food stamp programs.—

"(A) In general.—If, for purposes of administering a food stamp program under the Food Stamp Act of 1977, a State agency responsible for the administration of the program transmits to the Secretary the names and social security account numbers of individuals, the Secretary shall disclose to the State agency information on the individuals and their employers maintained in the National Directory of New Hires, subject to this paragraph.

"(B) Condition on disclosure by the Secretary.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

"(C) Use and disclosure of information by State agencies.—

"(i) In general.—A State agency may not use or disclose information provided under this paragraph except for purposes of administering a program referred to in subparagraph (A).

"(ii) Information security.—The State agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of information obtained under this paragraph and to ensure that access to such information is restricted to authorized persons for purposes of authorized uses and disclosures.

"(iii) Penalty for misuse of information.—An officer or employee of the State agency who fails to comply with this subparagraph shall be subject to the sanctions under subsection (l)(2) to the same extent as if the officer or employee were an officer or employee of the United States.

"(D) Procedural requirements.—State agencies requesting information under this paragraph shall adhere to uniform procedures established by the Secretary governing information requests and data matching under this paragraph.

"(E) Reimbursement of costs.—The State agency shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.".

SA 4696. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

On page 11, line 21, insert after "Treasury" the following: ", from which the Secretary of the Treasury shall transfer to the Secretary such amounts as are necessary to carry out the payment in lieu of taxes program under chapter 69 of title 31, United States Code".

On page 18, after line 17, add the following:

(g) Availability of Payment in Lieu of Taxes Amounts.—Amounts made available for the payment in lieu of taxes program under subsection (a)(1) shall—

(1) be made available without further appropriation;

(2) remain available until expended; and

(3) be in addition to any amounts made available for the payment in lieu of taxes program under—

(A) section 6906 of title 31, United States Code; or

(B) any other provision of law.

SA 4697. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. REFINERY PERMITTING PROCESS.

(a) Short Title.—This section may be cited as the "Domestic Fuel Security Act".

(b) Definitions.—In this section:

(1) Administrator.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) Indian tribe.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(3) Permit.—The term "permit" means any permit, license, approval, variance, or other form of authorization that a refiner is required to obtain—

(A) under any Federal law; or

(B) from a State or Indian tribal government agency delegated authority by the Federal Government, or authorized under Federal law, to issue permits.

(4) REFINER.—The term "refiner" means a person that—

(A) owns or operates a refinery; or

(B) seeks to become an owner or operator of a refinery.

(5) REFINERY.—

(A) IN GENERAL.—The term "refinery" means—

(i) a facility at which crude oil is refined into transportation fuel or other petroleum products; and

(ii) a coal liquification or coal-to-liquid facility at which coal is processed into synthetic crude oil or any other fuel.

(B) INCLUSIONS.—The term "refinery" includes—

(i) an expansion of a refinery;

(ii) a biorefinery; and

(iii) any facility that produces a renewable fuel (as defined in section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1)).

(6) REFINERY EXPANSION.—The term "refinery expansion" means a physical change in a refinery that results in an increase in the capacity of the refinery.

(7) REFINERY PERMITTING AGREEMENT.—The term "refinery permitting agreement" means an agreement entered into between the Administrator and a State or Indian tribe under subsection (d).

(8) REFINERY PROJECT.—The term "refinery project" means a project for—

(A) acquisition or development of a base realignment and closure site for use for a refinery; or

(B) acquisition, development, rehabilitation, expansion, or improvement of refining operations on a base realignment and closure site or in a community affected by a base realignment and closure site.

(9) SECRETARY.—The term "Secretary" means the Secretary of Commerce.

(10) STATE.—The term "State" means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

(c) ECONOMIC DEVELOPMENT ASSISTANCE TO ENCOURAGE PETROLEUM-BASED REFINERY ACTIVITY ON BRAC PROPERTY.—

(1) PRIORITY.—Notwithstanding section 206 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3146), in awarding funds made available to carry out section 209(c)(1) of that Act (42 U.S.C. 3149(c)(1)) pursuant to section 702 of that Act (42 U.S.C. 3232), the Secretary and the Economic Development Administration shall give priority to refinery projects.

(2) FEDERAL SHARE.—Except as provided in paragraph (3)(C)(ii) and notwithstanding the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.), the Federal share of a refinery project shall be 80 percent of the project cost.

(3) ADDITIONAL AWARD.—

(A) IN GENERAL.—The Secretary shall make an additional award in connection with a grant made to a recipient for a refinery project.

(B) AMOUNT.—The amount of an additional award shall be 10 percent of the amount of the grant for the refinery project.

(C) USE.—An additional award under this paragraph shall be used—

(i) to carry out any eligible purpose under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.);

(ii) notwithstanding section 204 of that Act (42 U.S.C. 3144), to pay up to 100 percent of the cost of an eligible project or activity under that Act; or

(iii) to meet the non-Federal share requirements of that Act or any other Act.

(D) NON-FEDERAL SOURCE.—For the purpose of subparagraph (C)(iii), an additional award shall be treated as funds from a non-Federal source.

(E) FUNDING.—The Secretary shall use to carry out this paragraph any amounts made available for economic development assistance programs or under section 702 of that Act (42 U.S.C. 3232).

(d) STREAMLINING OF REFINERY PERMITTING PROCESS.—

(1) IN GENERAL.—At the request of the Governor of a State or the governing body of an Indian tribe, the Administrator shall enter into a refinery permitting agreement with the State or Indian tribe under which the process for obtaining all permits necessary for the construction and operation of a refinery shall be streamlined using a systematic interdisciplinary multimedia approach as provided in this section.

(2) AUTHORITY OF ADMINISTRATOR.—Under a refinery permitting agreement—

(A) the Administrator shall have authority, as applicable and necessary, to—

(i) accept from a refiner a consolidated application for all permits that the refiner is required to obtain to construct and operate a refinery;

(ii) in consultation and cooperation with each Federal, State, or Indian tribal government agency that is required to make any determination to authorize the issuance of a permit, establish a schedule under which each agency shall—

(I) concurrently consider, to the maximum extent practicable, each determination to be made; and

(II) complete each step in the permitting process; and

(iii) issue a consolidated permit that combines all permits issued under the schedule established under clause (ii); and

(B) the Administrator shall provide to State and Indian tribal government agencies—

(i) financial assistance in such amounts as the agencies reasonably require to hire such additional personnel as are necessary to enable the government agencies to comply with the applicable schedule established under subparagraph (A)(ii); and

(ii) technical, legal, and other assistance in complying with the refinery permitting agreement.

(3) AGREEMENT BY THE STATE.—Under a refinery permitting agreement, a State or governing body of an Indian tribe shall agree that—

(A) the Administrator shall have each of the authorities described in paragraph (2); and

(B) each State or Indian tribal government agency shall—

(i) in accordance with State law, make such structural and operational changes in the agencies as are necessary to enable the agencies to carry out consolidated project-wide permit reviews concurrently and in coordination with the Environmental Protection Agency and other Federal agencies; and

(ii) comply, to the maximum extent practicable, with the applicable schedule established under paragraph (2)(A)(ii).

(4) INTERDISCIPLINARY APPROACH.—

(A) IN GENERAL.—The Administrator and a State or governing body of an Indian tribe shall incorporate an interdisciplinary approach, to the maximum extent practicable, in the development, review, and approval of permits subject to this subsection.

(B) OPTIONS.—Among other options, the interdisciplinary approach may include use of—

(i) environmental management practices; and

(ii) third party contractors.

(5) DEADLINES.—

(A) NEW REFINERIES.—In the case of a consolidated permit for the construction of a new refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(i) 360 days after the date of the receipt of the administratively complete application for the consolidated permit; or

(ii) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 90 days after the expiration of the deadline established under clause (i).

(B) EXPANSION OF EXISTING REFINERIES.—In the case of a consolidated permit for the expansion of an existing refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(i) 120 days after the date of the receipt of the administratively complete application for the consolidated permit; or

(ii) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 30 days after the expiration of the deadline established under clause (i).

(6) FEDERAL AGENCIES.—Each Federal agency that is required to make any determination to authorize the issuance of a permit shall comply with the applicable schedule established under paragraph (2)(A)(ii).

(7) JUDICIAL REVIEW.—Any civil action for review of any permit determination under a refinery permitting agreement shall be brought exclusively in the United States district court for the district in which the refinery is located or proposed to be located.

(8) EFFICIENT PERMIT REVIEW.—In order to reduce the duplication of procedures, the Administrator shall use State permitting and monitoring procedures to satisfy substantially equivalent Federal requirements under this title.

(9) SEVERABILITY.—If 1 or more permits that are required for the construction or operation of a refinery are not approved on or before any deadline established under paragraph (5), the Administrator may issue a consolidated permit that combines all other permits that the refiner is required to obtain other than any permits that are not approved.

(10) SAVINGS.—Nothing in this subsection affects the operation or implementation of otherwise applicable law regarding permits necessary for the construction and operation of a refinery.

(11) CONSULTATION WITH LOCAL GOVERNMENTS.—Congress encourages the Administrator, States, and tribal governments to consult, to the maximum extent practicable, with local governments in carrying out this subsection.

(12) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(13) EFFECT ON LOCAL AUTHORITY.—Nothing in this subsection affects—

(A) the authority of a local government with respect to the issuance of permits; or

(B) any requirement or ordinance of a local government (such as a zoning regulation).

(e) EFFICIENCY.—

(1) NATURAL GAS EFFICIENCY PROJECTS.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator shall solicit applications from eligible entities, as determined by the Administrator, for grants under the Natural Gas STAR Program under the Environmental Protection Agency to pay the Federal share of the cost of projects relating to the reduction of methane emissions in the oil and gas industries.

(B) PROJECT INCLUSIONS.—To receive a grant under subparagraph (A), the application of the eligible entity shall include—

(i) an identification of 1 or more technologies used to achieve a reduction in the emission of methane; and

(ii) an analysis of the cost-effectiveness of a technology described in clause (i).

(C) LIMITATION.—A grant to an eligible entity under this paragraph shall not exceed $50,000.

(D) FEDERAL SHARE.—The Federal share of the cost of a project under this paragraph shall not exceed 50 percent.

(E) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $1,000,000 for the period of fiscal years 2006 through 2010.

(2) EFFICIENCY PROMOTION WORKSHOPS.—

(A) IN GENERAL.—The Administrator, in conjunction with the Interstate Oil and Gas Compact Commission, shall conduct a series of technical workshops to provide information to officials in oil- and gas-producing States relating to methane emission reduction techniques.

(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $1,000,000 for the period of fiscal years 2006 through 2010.

(f) FUEL EMERGENCY WAIVERS.—Section 211(c)(4)(C) of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)) (as amended by section 1541 of the Energy Policy Act of 2005 (Public Law 109-58; 119 Stat. 1106)) is amended—

(1) by redesignating the first clause (v) as clause (vi);

(2) by redesignating the second clause (v) as clause (vii); and

(3) by inserting after clause (iv) the following:

"(v) A State shall be held harmless and not be required to revise its State implementation plan under section 110 to account for the emissions from a waiver granted by the Administrator under clause (ii).".

(g) PROCUREMENT OF FUEL DERIVED FROM COAL, OIL SHALE, AND TAR SANDS.—

(1) DEFINITIONS.—In this subsection:

(A) COAL-TO-LIQUID.—The term "coal-to-liquid" means—

(i) with respect to a process or technology, the use of the coal resources of the United States, using the class of chemical reactions known as Fischer-Tropsch, to produce synthetic fuel suitable for transportation; and

(ii) with respect to a facility, the portion of a facility related to the Fischer-Tropsch process, Fischer-Tropsch finished fuel production, or the capture, transportation, or sequestration of byproducts of the use of coal at the Fischer-Tropsch facility, including carbon emissions.

(B) COVERED FUEL.—The term "covered fuel" means fuel that is—

(i) produced, in whole or in part, from coal, oil shale, or tar sands;

(ii) extracted by mining or in-situ methods; and

(iii) refined or otherwise processed in the United States.

(C) SECRETARY.—The term "Secretary" means the Secretary of Defense.

(2) USE OF FUEL TO MEET DEPARTMENT OF DEFENSE NEEDS.—The Secretary shall develop a strategy to use covered fuel to assist in meeting the fuel requirements of the Department of Defense at any time at which the Secretary determines that the use of covered fuel would be in the national interest.

(3) PROCUREMENT AUTHORITY.—

(A) IN GENERAL.—The Secretary may enter into 1 or more contracts or other agreements that meet the requirements of this subsection to procure covered fuel to meet 1 or more fuel requirements of the Department of Defense.

(B) COAL-TO-LIQUID PRODUCTION FACILITIES.—

(i) IN GENERAL.—The Secretary may enter into contracts or other agreements with private and other entities to develop and operate coal-to-liquid facilities on or near military installations.

(ii) CONSIDERATIONS.—In entering into contracts and other agreements under clause (i), the Secretary shall consider land availability, testing opportunities, and proximity of raw materials.

(4) CLEAN FUEL REQUIREMENTS.—A covered fuel may be procured under this subsection only if the covered fuel meets such standards for clean fuel produced from domestic sources as the Secretary, in consultation with the Secretary of Energy, shall establish for purposes of this subsection.

(5) LONG-TERM CONTRACT AUTHORITY.—The Secretary may enter into any contract or other agreement under this subsection for a period of up to 25 years.

(6) FUEL SOURCE ANALYSIS.—To facilitate the procurement by the Department of Defense of covered fuel under this subsection, the Secretary may carry out a comprehensive assessment of current and potential locations in the United States for the supply of covered fuel to the Department of Defense.

(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(h) FISCHER-TROPSCH FUELS.—

(1) IN GENERAL.—In cooperation with the Secretary of Energy, the Secretary of Defense, the Administrator of the Federal Aviation Administration, Secretary of Health and Human Services, and Fischer-Tropsch industry representatives, the Administrator shall—

(A) conduct a research and demonstration program to evaluate the air quality benefits of ultra-clean Fischer-Tropsch transportation fuel, including diesel and jet fuel;

(B) evaluate the use of ultra-clean Fischer-Tropsch transportation fuel as a mechanism for reducing engine exhaust emissions; and

(C) submit recommendations to Congress on the most effective use and associated benefits of these ultra-clean fuel for reducing public exposure to exhaust emissions.

(2) GUIDANCE AND TECHNICAL SUPPORT.—The Administrator shall, to the extent necessary, issue any guidance or technical support documents that would facilitate the effective use and associated benefit of Fischer-Tropsch fuel and blends.

(3) REQUIREMENTS.—The program described in paragraph (1) shall consider—

(A) the use of neat (100 percent) Fischer-Tropsch fuel and blends with conventional crude oil-derived fuel for heavy-duty and light-duty diesel engines and the aviation sector; and

(B) the production costs associated with domestic production of those ultra clean fuel and prices for consumers.

(4) REPORTS.—The Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives—

(A) not later than October 1, 2006, an interim report on actions taken to carry out this subsection; and

(B) not later than December 1, 2007, a final report on actions taken to carry out this subsection.

SA 4698. Mrs. FEINSTEIN (for herself and Ms. CANTWELL) submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

SEC. 6. ENSURING AVAILABILITY OF FLEXIBLE FUEL VEHICLES.

(a) AMENDMENT.—

(1) IN GENERAL.—Chapter 329 of title 49, United States Code, is amended by inserting after section 32902 the following:

"§ 32902A. Requirement to manufacture flexible fuel vehicles

"(a) IN GENERAL.—For each model year, each manufacturer of new motor vehicles (as defined under section 30(c)(2) of the Internal Revenue Code of 1986) described in subsection (b) shall ensure that the percentage of such vehicles manufactured in a particular model year that are flexible fuel vehicles shall be not less than the percentage set forth for that model year in the following table:

"If the model year is:	The percentage of flexible fuel vehicles shall be:
2010	25 percent
2020	50 percent

"(b) MOTOR VEHICLES DESCRIBED.—A motor vehicle is described in this subsection if the vehicle—

"(1) is capable of operating on gasoline or diesel fuel;

"(2) is distributed in interstate commerce for sale in the United States; and

"(3) does not contain certain engines that the Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Energy, may temporarily exclude from the definition because it is technologically infeasible for the engines to have flexible fuel capability at any time during a period that the Secretaries and the Administrator are engaged in an active research program with the vehicle manufacturers to develop that capability for the engines.".

(2) DEFINITION OF FLEXIBLE FUEL VEHICLE.—Section 32901(8) of title 49, United States Code, is amended by inserting "or 'flexible fuel vehicle'" after "'dual fueled automobile'".

(3) CLERICAL AMENDMENT.—The table of sections for chapter 329 of title 49, United States Code, is amended by inserting after the item relating to section 32902 the following:

"Sec. 32902A. Requirements to manufacture flexible fuel vehicles.".

(b) RULEMAKING.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Transportation shall issue regulations to carry out the amendments made by subsection (a).

(2) HARDSHIP EXEMPTION.—The regulations issued pursuant to paragraph (1) shall include a process by which a manufacturer may be exempted from the requirement under section 32902A(a) upon demonstrating that such requirement would create a substantial economic hardship for the manufacturer.

SEC. 7. ALTERNATIVE FUELS INFRASTRUCTURE.

(a) GOAL.—Congress declares that it is the goal of the United States to increase the accessibility of alternative fuels to retail consumers, and to ensure that at least 10 percent of motor vehicle refueling stations provide alternative fuels, by calendar year 2015.

(b) ALTERNATIVE FUEL INFRASTRUCTURE INITIATIVE.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and every 2 years thereafter, the Secretary of Energy, in coordination with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, and in consultation with State and local governments, shall—

(A) subject to subparagraph (B), develop and implement measures to increase the accessibility of alternative fuels to retail consumers to a level sufficient to ensure that at least 10 percent of motor vehicle refueling stations provide alternative fuels by calendar year 2015; and

(B) if the Secretary of Energy determines that there are insufficient legal authorities to achieve the target for calendar year 2015 described in subparagraph (A)—

(i) develop and implement measures to increase the accessibility of alternative fuels to retail consumers, to the maximum extent practicable; and

(ii) submit to Congress by January 1, 2008, proposed legislation or other recommendations to achieve that target.

(2) REQUIREMENT FOR MAJOR INTEGRATED OIL COMPANIES.—

(A) IN GENERAL.—Each major integrated oil company shall install and make available to retail consumers alternative fuels refueling infrastructure at—

(i) not less than 50 percent of the motor vehicle fueling stations owned by the company by not later than December 31, 2010; and

(ii) 100 percent of the motor vehicle refueling stations owned by the company by not later than January 1, 2015.

(B) MEANS OF COMPLIANCE.—A major integrated oil company shall meet the requirements of subparagraph (A) by—

(i) installing alternative refueling infrastructure at motor vehicle fueling stations;

(ii) purchasing alternative refueling infrastructure credits issued under subparagraph (C); or

(iii) carrying out a combination of the actions described in clauses (i) and (ii).

(C) ALTERNATIVE REFUELING INFRASTRUCTURE CREDIT TRADING PROGRAM.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish a credit trading program—

(i) to permit a major integrated oil company that does not install alternative refueling infrastructure to comply with subparagraphs (A) and (B) to achieve that compliance by purchasing sufficient alternative refueling infrastructure credits; and

(ii) under which the Secretary shall issue alternative refueling infrastructure credits to entities that install new alternative refueling infrastructure.

SA 4699. Mrs. FEINSTEIN (for herself, Ms. SNOWE, Mr. DURBIN, Mr. CHAFEE, Mr. INOUYE, Ms. COLLINS, Ms. CANTWELL, Mr. LAUTENBERG, Mrs. BOXER, Mr. MENENDEZ, Mr. LIEBERMAN, and Mr. REED) submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. AUTOMOBILE FUEL ECONOMY AND SAFETY; REDUCTION IN GREENHOUSE GAS EMISSIONS AND DEPENDENCE ON FOREIGN OIL.

(a) AVERAGE FUEL ECONOMY STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—

(1) INCREASED STANDARDS.—Section 32902 of title 49, United States Code, is amended—

(A) in subsection (a)—

(i) by striking the subsection heading and inserting "PRESCRIPTION OF STANDARDS BY REGULATION.—"; and

(ii) by striking "(except passenger automobiles)" and inserting "(except passenger automobiles and light trucks)"; and

(B) by striking subsection (b) and inserting the following:

"(b) STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—

"(1) IN GENERAL.—The Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, shall prescribe average fuel economy standards for passenger automobiles and light trucks manufactured by a manufacturer in each model year beginning with model year 2009 in order to achieve a combined average fuel economy standard for passenger automobiles and light trucks for model year 2017 of at least 35 miles per gallon, or such other number as the Secretary may prescribe under subsection (c).

"(2) ELIMINATION OF SUV LOOPHOLE.—Beginning not later than with model year 2011, the regulations prescribed under this section may not make any distinction between passenger automobiles and light trucks.

"(3) PROGRESS TOWARD STANDARD REQUIRED.—In prescribing average fuel economy standards under paragraph (1), the Secretary shall prescribe appropriate annual fuel economy standard increases for passenger automobiles and light trucks that—

"(A) increase the applicable average fuel economy standard ratably beginning with model year 2009 and ending with model year 2017; and

"(B) require that each manufacturer achieve—

"(i) a fuel economy standard for passenger automobiles manufactured by that manufacturer of at least 31.1 miles per gallon not later than model year 2009; and

"(ii) a fuel economy standard for light trucks manufactured by that manufacturer of at least 23.6 miles per gallon not later than model year 2009.

"(4) FUEL ECONOMY BASELINE FOR PASSENGER AUTOMOBILES.—Notwithstanding the maximum feasible average fuel economy level established by regulations prescribed under subsection (c), the minimum fleetwide average fuel economy standard for passenger automobiles manufactured by a manufacturer in a model year for the domestic fleet and foreign fleet of the manufacturer, as calculated under section 32904 of this title (as in effect before the date of enactment of the Gulf of Mexico Energy Security Act of 2006), shall be the greater of—

"(A) 27.5 miles per gallon; or

"(B) 92 percent of the average fuel economy projected by the Secretary for the combined domestic and foreign fleets manufactured by all manufacturers in that model year.

"(5) DEADLINE FOR REGULATIONS.—The Secretary shall promulgate the regulations required by paragraphs (1) and (2) in final form not later than 18 months after the date of enactment of the Gulf of Mexico Energy Security Act of 2006.".

(b) PASSENGER CAR PROGRAM REFORM.—Section 32902 of title 49, United States Code, is amended—

(1) in subsection (a), by striking the last sentence; and

(2) in subsection (c)—

(A) by striking paragraph (2); and

(B) in paragraph (1)—

(i) in the first sentence—

(I) by striking "(1) Subject to paragraph (2) of this subsection" and inserting the following:

"(1) IN GENERAL.—Not later than 18 months before the beginning of each model year"; and

(II) by striking "the standard under subsection (b) of this section" and inserting "a standard under subsection (b)"; and

(ii) in the second sentence—

(I) by striking "Section" and inserting the following:

"(2) AMENDMENTS.—Section"; and

(II) by striking "the standard" and inserting "any standard prescribed under subsection (b)".

(c) DEFINITION OF WORK TRUCK.—

(1) DEFINITION OF WORK TRUCK.—Section 32901(a) of title 49, United States Code, is amended by adding at the end the following:

"(18) 'work truck' means an automobile that the Secretary determines by regulation—

"(A) is rated at between 8.500 and 10.000 pounds gross vehicle weight; and

"(B) is not a medium duty passenger vehicle, as defined in section 86.1803–01 of title 40, Code of Federal Regulations (or a successor regulation).".

(2) DEADLINE FOR REGULATIONS.—The Secretary of Transportation—

(A) shall issue proposed regulations implementing the amendment made by subsection (a) not later than 1 year after the date of enactment of this Act; and

(B) shall issue final regulations implementing that amendment not later than 18 months after the date of enactment of this Act.

(3) FUEL ECONOMY STANDARDS FOR WORK TRUCKS.—The Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall prescribe standards to achieve the maximum feasible fuel economy for work trucks (as defined in section 32901(a)(18) of title 49, United States Code) manufactured by a manufacturer in each model year beginning in model year 2011.

(d) DEFINITION OF LIGHT TRUCK.—

(1) DEFINITION.—

(A) IN GENERAL.—Section 32901(a) of title 49, United States Code (as amended by subsection (c)), is amended—

(i) by redesignating paragraphs (12) through (16) as paragraphs (13) through (17), respectively; and

(ii) by inserting after paragraph (11) the following:

"(12) 'light truck' means an automobile that the Secretary determines by regulation—

"(A) is manufactured primarily for transporting not more than 10 individuals;

"(B) is rated at not more than 10,000 pounds gross vehicle weight;

"(C) is not a passenger automobile; and

"(D) is not a work truck.".

(B) DEADLINE FOR REGULATIONS.—The Secretary of Transportation—

(i) shall issue proposed regulations implementing the amendment made by subparagraph (A) not later than 1 year after the date of enactment of this Act; and

(ii) shall issue final regulations implementing that amendment not later than 18 months after the date of enactment of this Act.

(C) EFFECTIVE DATE.—Regulations prescribed under subparagraph (A) shall apply beginning with model year 2009.

(2) APPLICABILITY OF EXISTING STANDARDS.—This section does not affect the application of section 32902 of title 49, United States Code, to passenger automobiles or non-passenger automobiles manufactured before model year 2009.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation to carry out chapter 329 of title 49, United States Code, $25,000,000 for each of fiscal years 2007 through 2019.

(e) ENSURING SAFETY OF PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—

(1) IN GENERAL.—The Secretary of Transportation shall exercise such authority under Federal law as the Secretary may have to ensure that—

(A) passenger automobiles and light trucks (as those terms are defined in section 32901 of title 49, United States Code) are safe;

(B) progress is made in improving the overall safety of passenger automobiles and light trucks; and

(C) progress is made in maximizing United States employment.

(2) VEHICLE SAFETY.—Subchapter II of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

"§30129. Vehicle compatibility and aggressivity reduction standard

"(a) STANDARDS.—The Secretary of Transportation shall issue a motor vehicle safety standard to reduce vehicle incompatibility and aggressivity between passenger vehicles and non-passenger vehicles. The standard shall address characteristics necessary to ensure better management of crash forces in multiple vehicle frontal and side impact crashes between different types, sizes, and weights of vehicles with a gross vehicle weight of 10,000 pounds or less in order to decrease occupant deaths and injuries.

"(b) CONSUMER INFORMATION.—The Secretary shall develop and implement a public information side and frontal compatibility crash test program with vehicle ratings based on risks to occupants, risks to other motorists, and combined risks by vehicle make and model.".

(3) RULEMAKING DEADLINES.—

(A) RULEMAKING.—The Secretary of Transportation shall issue—

(i) a notice of a proposed rulemaking under section 30129 of title 49, United States Code, not later than January 1, 2008; and

(ii) a final rule under that section not later than December 31, 2009.

(B) EFFECTIVE DATE OF REQUIREMENTS.—Any requirement imposed under the final rule issued under subparagraph (A) shall become fully effective not later than September 1, 2012.

(4) CONFORMING AMENDMENT.—The chapter analysis for chapter 301 is amended by inserting after the item relating to section 30128 the following:

"30129. Vehicle compatibility and aggressivity reduction standard".

(f) TRUTH IN FUEL ECONOMY TESTING.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency, in consultation with the Secretary of Transportation, shall use, as appropriate, existing emission test cycles and updated adjustment factors to update and revise the process used to determine fuel economy values for labeling purposes as described in sections 600.209-85 and 600.209-95 of title 40, Code of Federal Regulations (or successor regulations), to take into consideration current factors, such as—

(A) speed limits;

(B) acceleration rates;

(C) braking;

(D) variations in weather and temperature;

(E) vehicle load;

(F) use of air conditioning;

(G) driving patterns; and

(H) the use of other fuel-consuming features.

(2) LABELS FOR FUEL ECONOMY MODE DEVICES.—The Administrator of the Environmental Protection Agency shall include fuel economy label information for all fuel economy modes provided by devices described in paragraph (1).

(3) DEADLINE.—In carrying out paragraph (1), the Administrator shall—

(A) issue a notice of proposed rulemaking, or amend the notice of proposed rulemaking for Docket Id. No. OAR-2003-0214, not later than 90 days after the date of enactment of this Act; and

(B) promulgate a final rule not later than 180 days after the date on which the notice under subparagraph (A) is issued.

(4) USE OF COMMON MEASUREMENTS FOR LABELING AND COMPLIANCE TESTING.—Section 32904 of title 49, United States Code, is amended by striking subsection (c) and inserting the following:

"(c) TESTING AND CALCULATION PROCEDURES.—The Administrator shall measure fuel economy for each model and calculate average fuel economy for a manufacturer using the same procedures and factors used by the Administrator for labeling purposes under section 32908 by model year 2015.".

(5) REEVALUATION AND REPORT.—Not later than 3 years after the date of promulgation of the final rule under paragraph (3)(B), and triennially thereafter, the Administrator shall—

(A) reevaluate the fuel economy labeling procedures described in paragraphs (2) and (4) to determine whether changes in the factors used to establish the labeling procedures warrant a revision of that process; and

(B) submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives that describes the results of the reevaluation process.

(g) ONBOARD FUEL ECONOMY INDICATORS AND DEVICES.—

(1) IN GENERAL.—Chapter 329 of title 49, United States Code (as amended by subsection (e)), is further amended by adding at the end the following:

"§32921. Fuel economy indicators and devices

"(a) IN GENERAL.—The Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall prescribe a fuel economy standard for passenger automobiles and light trucks manufactured by a manufacturer in each model year beginning with model year 2013 that requires each such automobile and light truck to be equipped with—

"(1) an onboard electronic instrument that provides real-time and cumulative fuel economy data;

"(2) an onboard electronic instrument that signals a driver when inadequate tire pressure may be affecting fuel economy; and

"(3) a device that will allow drivers to place the automobile or light truck in a mode that will automatically produce greater fuel economy.

"(b) EXCEPTION.—Subsection (a) does not apply to any vehicle that is not subject to an average fuel economy standard under section 32902(b).

"(c) ENFORCEMENT.—Subchapter IV of chapter 301 of this title shall apply to a fuel economy standard prescribed under subsection (a) to the same extent and in the same manner as if that standard were a motor vehicle safety standard under chapter 301.".

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 329 of title 49, United States Code (as amended by subsection (e)), is amended by inserting after the item relating to section 32920 the following:

"32921. Fuel economy indicators and devices".

(h) SECRETARY OF TRANSPORTATION TO CERTIFY BENEFITS.—Beginning with model year 2009, the Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall determine and certify annually to Congress, in accordance with the average fuel economy standards under section 32902 of title 49, United States Code—

(1) the annual reduction in United States consumption of gasoline or petroleum distillates used for vehicle fuel, and

(2) the annual reduction in greenhouse gas emissions.

(i) CREDIT TRADING PROGRAM.—Section 32903 of title 49, United States Code, is amended—

(1) in subsections (a) through (d), by striking "passenger" each place it appears;

(2) in subsections (a), (b), and (c), by striking "section 32902(b)-(d) of this title" each place it appears and inserting "subsection (a), (c), or (d) of section 32902";

(3) in subsection (a)(2), by striking "clause (1) of this subsection" and inserting "paragraph (1)"; and

(4) by striking subsection (e) and inserting the following:

"(e) CREDIT TRADING AMONG MANUFACTURERS.—The Secretary of Transportation may establish, by regulation, a corporate average fuel economy credit trading program to allow manufacturers whose automobiles exceed the average fuel economy standards prescribed under section 32902 of this title to earn credits to be sold to manufacturers whose automobiles fail to achieve the prescribed standards.".

(j) REPORT TO CONGRESS.—Not later than December 31, 2012, the Secretary of Transportation shall submit to Congress a report on the progress made by the automobile manufacturing industry towards meeting the 35 miles per gallon average fuel economy standard required under section 32902(b)(4) of title 49, United States Code.

(k) LABELS FOR FUEL ECONOMY AND GREENHOUSE GAS EMISSIONS.—Section 32908 of title 49, United States Code, is amended—

(1) in subsection (a)(1), by striking the period at the end and inserting ", and a light truck manufactured by a manufacturer in a model year after model year 2009; and"; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by redesignating subparagraph (F) as subparagraph (H); and

(ii) by inserting after subparagraph (E) the following:

"(F) A label (or a logo imprinted on a label required by this paragraph) that—

"(i) reflects the performance of an automobile on the basis of criteria developed by the Administrator to reflect the fuel economy and greenhouse gas and other emissions consequences of operating the automobile over its likely useful life;

"(ii) permits consumers to compare performance results under clause (i) among all passenger automobiles and light duty trucks; and

"(iii) is designed to encourage the manufacture and sale of passenger automobiles and light trucks that meet or exceed applicable fuel economy standards under section 32902.

"(G) A fuelstar under paragraph (5)."; and

(B) by adding at the end the following:

"(4) GREEN LABEL PROGRAM.—

"(A) MARKETING ANALYSIS.—Not later than 2 years after the date of enactment of the Gulf of Mexico Energy Security Act of 2006, the Administrator shall complete a study of social marketing strategies with the goal of maximizing consumer understanding of point-of-sale labels or logos described in paragraph (1)(F).

"(B) ELIGIBILITY.—Not later than 3 years after the date of enactment of the Gulf of Mexico Energy Security Act of 2006, the Administrator shall issue requirements for the label or logo required by paragraph (1)(F) to ensure that a passenger automobile or light truck is not eligible for the label or logo unless it—

"(i) meets or exceeds the applicable fuel economy standard; or

"(ii) will have the lowest greenhouse gas emissions over the useful life of the vehicle of all vehicles in the vehicle class to which it belongs in that model year.

"(C) CRITERIA.—In developing criteria for the label or logo, the Administrator shall also consider, among others as appropriate, the following factors:

"(i) The recyclability of the automobile.

"(ii) Any other pollutants or harmful byproducts related to the automobile, which may include those generated during manufacture of the automobile, those issued during use of the automobile, or those generated after the automobile ceases to be operated.

"(5) FUELSTAR PROGRAM.—

"(A) IN GENERAL.—The Secretary shall establish a program, to be known as the 'fuelstar' program, under which stars shall be imprinted on or attached to the label required by paragraph (1).

"(B) GREEN STARS.—Under the program a manufacturer may place green stars on the label maintained on an automobile under paragraph (1) as follows:

"(i) 1 green star for any automobile that meets the average fuel economy standard for the model year under section 32902.

"(ii) 1 additional green star for each 2 miles per gallon by which the automobile exceeds that standard.

"(C) GOLD STARS.—Under the program a manufacturer may place a gold star on the label maintained on an automobile under paragraph (1) if—

"(i) in the case of a passenger automobile, it obtains a fuel economy of 50 miles per gallon or more; and

"(ii) in the case of a light truck, it obtains a fuel economy of 37 miles per gallon or more.".

SA 4700. Ms. SNOWE (for herself, Mrs. FEINSTEIN, and Mr. KERRY) submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—EXTEND THE EFFICIENCY INCENTIVES ACT OF 2006

SEC. 200. SHORT TITLE; ETC.

(a) SHORT TITLE.—This title may be cited as the "EXTEND the Energy Efficiency Incentives Act of 2006".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Non-Business Energy Improvements

SEC. 201. PERFORMANCE BASED ENERGY IMPROVEMENTS FOR NON-BUSINESS PROPERTY.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 is amended by inserting after section 25D the following new section:

"SEC. 25E. PERFORMANCE BASED ENERGY IMPROVEMENTS.

"(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the amount of qualified energy efficiency expenditures paid or incurred by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) IN GENERAL.—The amount allowed as a credit under subsection (a) shall not exceed—

"(A) in the case of a principal residence that achieves a qualified energy savings of 50 percent or more, $2,000, and

"(B) in the case of a principal residence which achieves a qualified energy savings of less than 50 percent, the product of—

"(i) the qualified energy savings achieved, and

"(ii) $4,000.

"(2) MINIMUM AMOUNT OF QUALIFIED ENERGY SAVINGS.—No credit shall be allowed under subsection (a) with respect to any principal residence which achieves a qualified energy savings of less than 20 percent.

"(c) QUALIFIED ENERGY EFFICIENCY EXPENDITURES.—For purposes of this section:

"(1) IN GENERAL.—The term 'qualified energy efficiency expenditures' means any amount paid or incurred which is related to producing qualified energy savings in a principal residence of the taxpayer which is located in the United States.

"(2) NO DOUBLE BENEFIT FOR CERTAIN EXPENDITURES.—The term 'qualified energy efficiency expenditures' shall not include any expenditure for which a deduction or credit is otherwise allowed to the taxpayer under this chapter.

"(3) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 121, except that—

"(A) no ownership requirement shall be imposed, and

"(B) the period for which a building is treated as used as a principal residence shall also include the 60-day period ending on the 1st day on which it would (but for this subparagraph) first be treated as used as a principal residence.

"(d) QUALIFIED ENERGY SAVINGS.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified energy savings' means, with respect to any principal residence, the amount (measured as a percentage) by which—

"(A) the annual energy use with respect to the principal residence after qualified energy efficiency expenditures are made, as certified under paragraph (2), is less than

"(B) the annual energy use with respect to the principal residence before the qualified energy efficiency expenditures were made, as certified under paragraph (2).

In determining annual energy use under subparagraph (B), any energy efficiency improvements which are not attributable to qualified energy efficiency expenditures shall be disregarded.

"(2) CERTIFICATION.—

"(A) IN GENERAL.—The Secretary, in consultation with the Secretary of Energy, shall prescribe the procedures and methods for the making of certifications under this paragraph based on the Residential Energy Services Network (RESNET) Technical Guidelines in effect on the date of the enactment of this section.

"(B) QUALIFIED INDIVIDUALS.—Any certification made under this paragraph may only be made by an individual who is recognized by an organization certified by the Secretary for such purposes.

"(e) SPECIAL RULES.—For purposes of this section rules similar to the rules under paragraphs (4), (5), (6), (7), (8), and (9) of section 25D(e) and section 25C(e)(2) shall apply.

"(f) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section with respect to any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(g) TERMINATION.—This section shall not apply with respect to any property placed in service after December 31, 2010.".

(b) INTERIM GUIDANCE ON CERTIFICATION.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Secretary of Energy, shall issue interim guidance on—

(A) the procedures and methods for making certifications under sections 25E(d)(2)(A) and 179E(d)(2)(A) of the Internal Revenue Code of 1986, as added by subsection (a) and section 213, respectively; and

(B) the recognition of qualified individuals under sections 25E(d)(2)(B) and 179E(d)(2)(B) of such Code for the purpose of making such certifications.

(2) CONSULTATION WITH STAKEHOLDERS.—

(A) IN GENERAL.—The Secretary of the Treasury, in issuing guidance pursuant to paragraph (1), shall consider comments from energy efficiency experts and other interested parties.

(B) OTHER CONSIDERATIONS.—In the case of guidance issued pursuant to paragraph (1)(B), the Secretary of the Treasury shall also consider—

(i) the Residential Energy Services Network Technical Guidelines and other pertinent guidelines for evaluating energy savings;

(ii) energy modeling software, including software accredited through the Residential Energy Services Network; and

(iii) quality assurance procedures of the Building Performance Institute, Home Performance through Energy Star, and the Residential Energy Services Network.

(c) ALTERNATIVE CERTIFICATION METHODS.—

(1) IN GENERAL.—The Secretary of the Treasury shall establish a procedure for individuals and businesses to petition for the approval of alternative methods of certification under sections 25E(d)(2)(A) and 179E(d)(2)(A) of the Internal Revenue Code of 1986, as added by subsection (a) and section 213, respectively.

(2) DETERMINATION.—The Secretary of the Treasury shall make a determination on the approval or disapproval of such alternative methods of certification not later than 90 days after receiving a petition under paragraph (1).

(d) CONFORMING AMENDMENTS.—

(1) Section 1016(a) is amended by striking "and" at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting ", and", and by adding at the end the following new paragraph:

"(38) to the extent provided in section 25E(f).".

(2) The table of sections for subpart A of part IV of subchapter A chapter 1 is amended by inserting after the item relating to section 25D the following new item:

"Sec. 25E. Performance based energy improvements.".

(e) EFFECTIVE DATES.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after the date of the enactment of this Act.

SEC. 202. EXTENSION AND MODIFICATION OF CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) EXTENSION.—Subsection (g) of section 25C of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "December 31, 2007" and inserting "December 31, 2010".

(b) MODIFICATIONS FOR RESIDENTIAL ENERGY EFFICIENCY PROPERTY EXPENDITURES.—

(1) INCREASED LIMITATION FOR OIL FURNACES AND NATURAL GAS, PROPANE, AND OIL HOT WATER BOILERS.—

(A) IN GENERAL.—Subparagraphs (B) and (C) of section 25C(b)(3) are amended to read as follows:

"(B) $150 for any qualified natural gas furnace or qualified propane furnace, and

"(C) $300 for—

"(i) any item of energy-efficient building property, and

"(ii) any qualified oil furnace, qualified natural gas hot water boiler, qualified propane hot water boiler, or qualified oil hot water boiler.".

(B) CONFORMING AMENDMENT.—Clause (ii) of section 25C(d)(2)(A) is amended to read as follows:

"(ii) any qualified natural gas furnace, qualified propane furnace, qualified oil furnace, qualified natural gas hot water boiler, qualified propane hot water boiler, or qualified oil hot water boiler, or".

(2) MODIFICATIONS OF STANDARDS FOR ENERGY-EFFICIENT BUILDING PROPERTY.—

(A) ELECTRIC HEAT PUMPS.—Subparagraph (B) of section 25C(d)(3) is amended to read as follows:

"(A) an electric heat pump which achieves the highest efficiency tier established by the Consortium for Energy Efficiency, as in effect on January 1, 2007.".

(B) CENTRAL AIR CONDITIONERS.—Section 25C(d)(3)(D) is amended by striking "2006" and inserting "2007".

(C) OIL FURNACES AND HOT WATER BOILERS.—Paragraph (4) of section 25C(d) is amended to read as follows:

"(4) QUALIFIED NATURAL GAS, PROPANE, AND OIL FURNACES AND HOT WATER BOILERS.—

"(A) QUALIFIED NATURAL GAS FURNACE.—The term 'qualified natural gas furnace' means any natural gas furnace which achieves an annual fuel utilization efficiency rate of not less than 95.

"(B) QUALIFIED NATURAL GAS HOT WATER BOILER.—The term 'qualified natural gas hot water boiler' means any natural gas hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 95.

"(C) QUALIFIED PROPANE FURNACE.—The term 'qualified propane furnace' means any propane furnace which achieves an annual fuel utilization efficiency rate of not less than 95.

"(D) QUALIFIED PROPANE HOT WATER BOILER.—The term 'qualified propane hot water boiler' means any propane hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 95.

"(E) QUALIFIED OIL FURNACES.—The term 'qualified oil furnace' means any oil furnace which achieves an annual fuel utilization efficiency rate of not less than 90.

"(F) QUALIFIED OIL HOT WATER BOILER.—The term 'qualified oil hot water boiler' means any oil hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 90.".

(c) MODIFICATION OF QUALIFIED ENERGY EFFICIENCY IMPROVEMENTS.—

(1) IN GENERAL.—Paragraph (1) of section 25C(c) is amended by inserting ", or an asphalt roof with appropriate cooling granules," before "which meet the Energy Star program requirements".

(2) BUILDING ENVELOPE COMPONENT.—Subparagraph (D) of section 25C(c)(2) is amended—

(A) by inserting "or asphalt roof" after "metal roof", and

(B) by inserting "or cooling granules" after "pigmented coatings".

(d) ELIMINATION OF CREDIT FOR QUALIFIED ENERGY EFFICIENCY IMPROVEMENTS IN 2010.—

(1) IN GENERAL.—Subsection (a) of section 25C of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the amount of residential energy property expenditures paid or incurred by the taxpayer during the taxable year.".

(2) CONFORMING AMENDMENTS.—

(A) Section 25C(b) of such Code, as amended by subsection (b)(1), is amended by striking paragraphs (1) and (2) and by redesignating paragraph (3) as paragraph (1).

(B) Section 25C(b)(1) of such Code, as redesignated by subparagraph (A), is amended by striking "by reason of subsection (a)(2)".

(C) Section 25C of such Code is amended by striking subsection (c).

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to property placed in service after December 31, 2006.

(3) SUBSECTION (d).—The amendments made by subsection (d) shall apply to property placed in service after December 31, 2009.

SEC. 203. MODIFICATION OF CREDIT FOR SOLAR ELECTRIC PROPERTY AND SOLAR HOT WATER PROPERTY.

(a) IN GENERAL.—Subsection (a) of section 25D (relating to allowance of credit) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) 100 percent of the qualified solar electric property expenditures made by the taxpayer during such year,

"(2) 100 percent of the qualified solar hot water property expenditures made by the taxpayer during such year, and".

(b) LIMITATIONS.—

(1) IN GENERAL.—Paragraph (1) of section 25D(b) is amended by striking subparagraphs (A) and (B) and inserting the following:

"(A) $2 with respect to each peak watt of capacity of qualified solar electric property for which qualified solar electric property expenditures are made,

"(B) in the case of qualified solar water heating property expenditures, an amount equal to—

"(i) in the case of a dwelling unit which uses electricity to heat water, $0.35 with respect to each kilowatt per year of savings of qualified solar hot water property for which qualified solar water heating property expenditures are made, or

"(ii) in the case of a dwelling unit which uses natural gas to heat water, $7 with respect to each annual Therm of natural gas savings of qualified solar hot water property for which qualified solar water heating property expenditures are made, and".

(2) DETERMINATION OF SAVINGS.—Paragraph (1) of section 25D(b) is amended by adding at the end the following new flush sentence:

"For purposes of subparagraph (B), savings shall be determined under regulations prescribed by the Secretary based on the OG–300 Standard for the Annual Performance of OG–300 Certified Systems of the Solar Rating and Certification Corporation.".

(c) DEFINITIONS.—

(1) IN GENERAL.—Section 25D(d) is amended—

(A) by redesignating paragraph (3) as paragraph (5), and

(B) by striking paragraphs (1) and (2) and inserting the following:

"(1) QUALIFIED SOLAR ELECTRIC PROPERTY EXPENDITURES.—The term ' qualified solar electric property expenditures' means any amount paid or incurred for qualified solar electric property.

"(2) QUALIFIED SOLAR ELECTRIC PROPERTY.—The term 'qualified solar electric property' means solar electric property (as defined in section 179F(c)(2)(B)) installed on or in connection with a dwelling unit located in the United States and used as a residence by the taxpayer.

"(3) QUALIFIED SOLAR WATER HEATING PROPERTY EXPENDITURES.—The term 'qualified solar water heating property expenditures' means any amount paid or incurred for qualified solar hot water property.

"(4) QUALIFIED SOLAR HOT WATER PROPERTY.—The term 'qualified solar hot water property' means solar hot water property (as defined in section 179F(c)(2)(C)) installed on or in connection with a dwelling unit located in the United States and used as a residence by the taxpayer.".

(2) CONFORMING AMENDMENTS.—

(A) Section 25D(e)(2) is amended by striking "property described in paragraph (1) and (2) of subsection (d)" and inserting "qualified solar electric property or qualified solar hot water property".

(B) Section 25D(e)(4)(C) is amended by striking "paragraphs (1), (2), and (3)" and inserting "paragraphs (1),(3), and (5)".

(d) DOLLAR AMOUNTS IN CASE OF JOINT OCCUPANCY.—Clauses (i) and (ii) of section 25D(e)(4)(A) are amended to read as follows:

"(i) $2 in the case of each peak watt of capacity of qualified solar electric property for which qualified solar electric property expenditures are made.

"(ii) in the case of qualified solar water heating property expenditures, an amount equal to—

"(I) in the case of a dwelling unit which uses electricity to heat water, $0.35 with respect to each kilowatt per year of savings of qualified solar hot water property for which qualified solar water heating property expenditures are made, or

"(II) in the case of a dwelling unit which uses natural gas to heat water, $7 with respect to each annual Therm of natural gas savings of qualified solar hot water property for which qualified solar water heating property expenditures are made, and".

(e) Extension of Credit.—Subsection (g) of section 25D is amended by striking "2007" and inserting "2010".

(f) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

Subtitle B—Business-Related Energy Improvements

SEC. 211. EXTENSION AND CLARIFICATION OF NEW ENERGY EFFICIENT HOME CREDIT.

(a) Extension.—Subsection (g) of section 45L (relating to termination) is amended by striking "December 31, 2007" and inserting "December 31, 2010".

(b) Clarification.—

(1) In general.—Paragraph (1) of section 45L(a) is amended by striking "and" at the end of subparagraph (A) and by striking subparagraph (B) and inserting the following:

"(B) acquired by a person from such eligible contractor, and

"(C) used by any person as a residence during the taxable year.".

(2) Effective date.—The amendments made by this subsection shall take effect as if included in section 1332 of the Energy Policy Act of 2005.

SEC. 212. EXTENSION AND MODIFICATION OF DEDUCTION FOR ENERGY EFFICIENT COMMERCIAL BUILDINGS.

(a) Extension.—Subsection (h) of section 179D (relating to termination) is amended to read as follows:

"(h) Termination.—This section shall not apply with respect to property—

"(1) which is certified under subsection (d)(6) after December 31, 2011, or

"(2) which is placed in service after December 31, 2013.".

(b) Increase in Maximum Amount of Deduction.—

(1) In general.—Subparagraph (A) of section 179D(b)(1) is amended by striking "$1.80" and inserting "$2.25".

(2) Partial allowance.—Paragraph (1) of section 179D(d) is amended—

(A) by striking "$.60" and inserting "$0.75", and

(B) by striking "$1.80" and inserting "$2.25".

(c) Modifications to Certain Special Rules.—

(1) Requirements for computer software used in calculating energy and power consumption costs.—Computer software used in preparing a calculation under section 179D(d)(2) of the Internal Revenue Code of 1986 shall automatically—

(A) generate the features, energy use, and energy and power consumption costs of a reference building that meets Standard 90.1-2001 (as defined under section 179D(c)(2) of such Code), and

(B) compare such features, energy use, and consumption costs to the features, energy use, and consumption costs of the building or system with respect to which the calculation is being made.

(2) Targets for partial allowance of credit.—The targets established by the Secretary of Treasury under section 179D(b)(1)(B) of the Internal Revenue Code of 1986 shall be based on prescriptive criteria that can be modeled explicitly.

(d) Effective Date.—The amendments made by this section shall apply to property placed in service in taxable years beginning after the date of the enactment of this Act.

SEC. 213. DEDUCTION FOR ENERGY EFFICIENT LOW-RISE BUILDINGS.

(a) In General.—Part VI of subchapter B of chapter 1 is amended by inserting after section 179D the following new section:

"SEC. 179E. ENERGY EFFICIENT LOW-RISE BUILDINGS DEDUCTION.

"(a) In General.—There shall be allowed as a deduction an amount equal to the amount of qualified energy efficiency expenditures paid or incurred by the taxpayer during the taxable year.

"(b) Limitations.—

"(1) In general.—The amount allowed as a credit under subsection (a) shall not exceed—

"(A) in the case of a qualified low-rise building that achieves a qualified energy savings of 50 percent or more, $6,000, and

"(B) in the case of a qualified low-rise building which achieves a qualified energy savings of less than 50 percent, the product of—

"(i) the qualified energy savings achieved, and

"(ii) $12,000.

"(2) Minimum amount of qualified energy savings.—No credit shall be allowed under subsection (a) with respect to any qualified low-rise building which achieves a qualified energy savings of less than 20 percent.

"(c) Qualified Energy Efficiency Expenditures.—For purposes of this section:

"(1) In general.—The term 'qualified energy efficiency expenditures' means any amount paid or incurred which is related to producing qualified energy savings in a qualified low-rise building of the taxpayer which is located in the United States.

"(2) No double benefit for certain expenditures.—The term 'qualified energy efficiency expenditures' shall not include any expenditure for any property for which a deduction has been allowed to the taxpayer under section 179F.

"(3) Qualified low-rise building.—The term 'qualified low-rise building' means a building—

"(A) with respect to which depreciation is allowable under section 167, and

"(B) which is not within the scope of Standard 90.1-2001 (as defined under section 179D(c)(2)).

"(d) Qualified Energy Savings.—For purposes of this section—

"(1) In general.—The term 'qualified energy savings' means, with respect to any qualified low-rise building, the amount (measured as a percentage) by which—

"(A) the annual energy use with respect to the qualified low-rise building after qualified energy efficiency expenditures are made, as certified under paragraph (2), is less than

"(B) the annual energy use with respect to the qualified low-rise building before the qualified energy efficiency expenditures were made, as certified under paragraph (2).

In determining annual energy use under subparagraph (B), any energy efficiency improvements which are not attributable to qualified energy efficiency expenditures shall be disregarded.

"(2) Certification.—

"(A) In general.—The Secretary, in consultation with the Secretary of Energy, shall prescribe the procedures and method for the making of certifications under this paragraph based on the Residential Energy Services Network (RESNET) Technical Guidelines in effect on the date of the enactment of this Act.

"(B) Qualified individuals.—Any certification made under this paragraph may only be made by an individual who is recognized by an organization certified by the Secretary for such purposes.

"(e) Special Rules.—For purposes of this section, rules similar to the rules under paragraphs (8) and (9) of section 25D(e) shall apply.

"(f) Basis Adjustments.—For purposes of this subtitle, if a credit is allowed under this section with respect to any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(g) Termination.—This section shall not apply with respect to any property placed in service after December 31, 2010.".

(b) Conforming Amendments.—

(1) Section 1016(a), as amended by section 201, is amended by striking "and" at the end of paragraph (37), by striking the period at the end of paragraph (38) and inserting ", and", and by adding at the end the following new paragraph:

"(39) to the extent provided in section 179E(f).".

(2) Section 1245(a) is amended by inserting "179E," after "179D," both places it appears in paragraphs (2)(C) and (3)(C).

(3) Section 1250(b)(3) is amended by inserting "or 179E" after "section 179D".

(4) Section 263(a)(1) is amended by striking "or" at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting ", or", and by inserting after subparagraph (K) the following new subparagraph:

"(L) expenditures for which a deduction is allowed under section 179E.".

(5) Section 312(k)(3)(B) is amended by striking "179, 179A, 179B, 179C, or 179D" each place it appears in the heading and text and inserting "179, 179A, 179B, 179C, 179D, or 179E".

(6) The table of sections for part VI of subchapter B is amended by inserting after the item relating to section 179D the following new item:

"Sec. 179E. Energy efficient low-rise buildings deduction.".

(c) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after the date of the enactment of this Act.

SEC. 214. ENERGY EFFICIENT PROPERTY DEDUCTION.

(a) In General.—Part VI of subchapter B of chapter 1, as amended by section 213, is amended by inserting after section 179E the following new section:

"SEC. 179F. ENERGY EFFICIENT PROPERTY.

"(a) In General.—There shall be allowed as a deduction an amount equal to the energy efficient property expenditures paid or incurred by the taxpayer during the taxable year

"(b) Limitation.—The amount of the deduction allowed under subsection (a) for any taxable years shall not exceed—

"(1) $150 for any advanced main air circulating fan.

"(2) $450 for any qualified natural gas furnace or qualified propane furnace.

"(3) $900 for—

"(A) any item of energy-efficient building property, and

"(B) any qualified oil furnace, qualified natural gas hot water boiler, qualified propane hot water boiler, or qualified oil hot water boiler.

"(4) $9 with respect to each peak watt of capacity of solar electric property,

"(5) in the case of solar hot water property, an amount equal to—

"(A) in the case of a dwelling unit which uses electricity to heat water, $1 with respect to each kilowatt per year of savings of such solar hot water property, or

"(B) in the case of a dwelling unit which uses natural gas to heat water, $21 with respect to each annual Therm of natural gas savings of such solar hot water property.

For purposes of paragraph (5), savings shall be determined under regulations prescribed by the Secretary based on the OG–300 Standard for the Annual Performance of OG–300 Certified Systems of the Solar Rating and Certification Corporation.

"(c) Energy Efficient Property Expenditures.—For purposes of this section—

"(1) In general.—The term 'energy efficient property expenditures' means expenditures paid by the taxpayer for qualified energy property which is—

"(A) of a character subject to the allowance for depreciation, and

"(B) originally placed in service by the taxpayer.

"(2) Qualified energy property.—

"(A) In general.—The term 'qualified energy property' has the meaning given such term by section 25C(d)(2), except that such term shall include solar electric property and solar hot water property.

"(B) Solar electric property.—The term 'solar electric property' means property which uses solar energy to generate electricity.

"(C) Solar hot water property.—The term 'solar hot water property' means property used to heat water if at least half of the energy used by such property for such purpose is derived from the sun.

"(d) Basis Adjustments.—For purposes of this subtitle, if a credit is allowed under this section with respect to any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(e) Termination.—This section shall not apply with respect to any property placed in service after December 31, 2010.".

(b) No Double Benefit.—Section 179D(c) is amended by adding at the end the following new paragraph:

"(3) Certain property excluded.—The term 'energy efficient commercial building property' does not include any property with respect to which a credit has been allowed to the taxpayer under section 179F.".

(c) Conforming Amendments.—

(1) Section 1016(a), as amended by section 213, is amended by striking "and" at the end of paragraph (38), by striking the period at the end of paragraph (39) and inserting ", and", and by adding at the end the following new paragraph:

"(40) to the extent provided in section 179E(e).".

(2) Section 1245(a), as amended by section 213 is amended by inserting "179F," after "179E," both places it appears in paragraphs (2)(C) and (3)(C).

(3) Section 1250(b)(3), as amended by section 213, is amended by inserting "or 179F" after "section 179E".

(4) Section 263(a)(1), as amended by section 213, is amended by striking "or" at the end of subparagraph (K), by striking the period at the end of subparagraph (L) and inserting ", or", and by inserting after subparagraph (L) the following new subparagraph:

"(M) expenditures for which a deduction is allowed under section 179F.".

(5) Section 312(k)(3)(B), as amended by section 213, is amended by striking "179, 179A, 179B, 179C, 179D, or 179E" each place it appears in the heading and text and inserting "179, 179A, 179B, 179C, 179D, 179E, or 179F".

(6) The table of sections for part VI of subchapter B is amended by inserting after the item relating to section 179E the following new item:

"Sec. 179F. Energy efficient property.".

(d) Effective Date.—The amendments made by this section shall apply to property placed in service in taxable years beginning after the date of the enactment of this Act.

SEC. 215. EXTENSION OF INVESTMENT TAX CREDIT WITH RESPECT TO SOLAR ENERGY PROPERTY AND QUALIFIED FUEL CELL PROPERTY.

(a) Solar Energy Property.—Paragraphs (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) are each amended by striking "2008" and inserting "2012".

(b) Eligible Fuel Cell Property.—Paragraph (1)(E) of section 48(c) is amended by striking "2007" and inserting "2011".

Subtitle C—Incentives for Energy Savings Certifications

SEC. 221. CREDIT FOR ENERGY SAVINGS CERTIFICATIONS.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

"SEC. 45N. ENERGY SAVINGS CERTIFICATION CREDIT.

"(a) In General.—For purposes of section 38, the energy savings certification credit determined under this section for any taxable year is an amount equal to the sum of—

"(1) the qualified training and certification costs paid or incurred by the taxpayer which may be taken into account for such taxable year, plus

"(2) the qualified certification equipment expenditures paid or incurred by the taxpayer which may be taken into account for such taxable year.

"(b) Qualified Training and Certification Costs.—

"(1) In general.—The term 'qualified training and certification costs' means costs paid or incurred for training which is required for the taxpayer or employees of the taxpayer to be certified by the Secretary under section 25D(d)(2)(B) or 179E(d)(2)(B) for the purpose of certifying energy savings.

"(2) Limitation.—The qualified training and certification costs taken into account under subsection (a)(1) for the taxable year with respect to any individual shall not exceed $500 reduced by the amount of the credit allowed under subsection (a)(1) to the taxpayer (or any predecessor) with respect to such individual for all prior taxable years.

"(3) Year costs taken into account.—Qualified training and certifications costs with respect to any individual shall not be taken into account under subsection (a)(1) before the taxable year in which the individual with respect to whom such costs are paid or incurred has performed 25 certifications under sections 25E(d)(2)(A) and 179E(d)(2)(A).

"(c) Qualified Certification Equipment Expenditures.—

"(1) In general.—The term 'qualified training equipment expenditures' means costs paid or incurred for—

"(A) blower doors,

"(B) duct leakage testing equipment,

"(C) flue gas combustion equipment, and

"(D) digital manometers.

"(2) Limitation.—

"(A) In general.—The qualified certification equipment expenditures taken into account under subsection (a)(2) with respect to any taxpayer for any taxable year shall not exceed $1,000.

"(B) Limitation on individual items.—The qualified certification equipment expenditures taken into account under subsection (a)(2) shall not exceed—

"(i) $500 with respect to any blower door or duct leakage testing equipment, and

"(ii) $100 with respect to any flue gas combustion equipment or digital manometer.

"(3) Year expenditures taken into account.—The qualified certification equipment expenditures of any taxpayer shall not be taken into account under subsection (a)(2) before the taxable year in which the taxpayer has performed 25 certifications under sections 25E(d)(2)(A) and 179E(d)(2)(A).

"(d) Special Rules.—

"(1) Aggregation rules.—For purposes of this section, all persons treated as a single employer under subsections (a) and (b) of section 52 shall be treated as 1 person.

"(2) Basis reduction.—The basis of any property shall be reduced by the portion of the cost of such property taken into account under subsection (a).

"(3) Denial of double benefit.—

"(A) In general.—No deduction shall be allowed for that portion of the expenses otherwise allowable as a deduction for the taxable year which is equal to the amount taken into account under subsection (a) for such taxable year.

"(B) Amount previously deducted.—No credit shall be allowed under subsection (a) with respect to any amount for which a deduction has been allowed in any preceding taxable year.".

(b) Credit Treated as Part of General Business Credit.—Section 38(b) is amended by striking "and" at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting "plus", and by adding at the end the following new paragraph:

"(31) the energy savings certification credit determined under section 45N(a).".

(c) Conforming Amendments.—

(1) Section 1016(a), as amended by this title, is amended by striking "and" at the end of paragraph (39), by striking the period at the end of paragraph (40) and inserting "and", and by adding at the end the following new paragraph:

"(41) to the extent provided in section 45N(d)(2).".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45M the following new item:

"Sec. 45N. Energy savings certification credit.".

(d) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

SA 4701. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes;

which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . PROHIBITION ON RESTRICTION OF INSTALLATION OF RENEWABLE FUEL PUMPS.

(a) In General.—Title I of the Petroleum Marketing Practices Act (15 U.S.C. 2801 et seq.) is amended by adding at the end the following:

"SEC. 107. PROHIBITION ON RESTRICTION OF INSTALLATION OF RENEWABLE FUEL PUMPS.

"(a) Definition of Franchise-Related Document.—In this section, the term 'franchise-related document' means—

"(1) a franchise under this Act; and

"(2) any other contract or directive of a franchisor relating to terms or conditions of the sale of fuel by a franchisee.

"(b) Prohibitions.—

"(1) In general.—Notwithstanding any provision of a franchise-related document in effect on the date of enactment of this section, no franchisee or affiliate of a franchisee shall be restricted from—

"(A) installing on the marketing premises of the franchisee a renewable fuel pump;

"(B) converting an existing tank and pump on the marketing premises of the franchisee for renewable fuel use;

"(C) advertising (including through the use of signage or logos) the sale of any renewable fuel; or

"(D) selling renewable fuel in any specified area on the marketing premises of the franchisee (including any area in which a name or logo of a franchisor or any other entity appears).

"(2) Enforcement.—Any restriction described in paragraph (1) that is contained in a franchise-related document and in effect on the date of enactment of this section—

"(A) shall be considered to be null and void as of that date; and

"(B) shall not be enforced under section 105.

"(c) Exception to 3-Grade Requirement.—No franchise-related document that requires that 3 grades of gasoline be sold by the applicable franchisee shall prevent the franchisee from selling a renewable fuel in lieu of 1 grade of gasoline.".

(b) Conforming Amendments.—

(1) In general.—Section 101(13) of the Petroleum Marketing Practices Act (15 U.S.C. 2801(13)) is amended by adjusting the indentation of subparagraph (C) appropriately.

(2) Table of contents.—The table of contents of the Petroleum Marketing Practices Act (15 U.S.C. 2801 note) is amended—

(A) by inserting after the item relating to section 106 the following:

"Sec. 107. Prohibition on restriction of installation of renewable fuel pumps.";

and

(B) by striking the item relating to section 202 and inserting the following:

"Sec. 202. Automotive fuel rating testing and disclosure requirements.".

SA 4702. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. REPORT.

Not later than October 31 of each year beginning after the date of enactment of this Act, the President shall submit to Congress a report that describes—

(1) the progress of the agencies of the Federal government (including the Executive Office of the President) in complying with—

(A) the Energy Policy Act of 1992 (42 U.S.C. 13201 et seq.); and

(B) Executive Order 13149 (65 Fed. Reg. 24607; relating to greening the government through Federal fleet and transportation efficiency);

(2) the number of fueling centers operated by each Federal agency;

(3) the number of the fueling centers that are equipped to supply renewable fuels; and

(4) which renewable fuel blends are offered at those fueling centers.

SA 4703. Mr. SHELBY proposed an amendment to the bill S. 3549, to amend the Defense Production Act of 1950 to strengthen Government review and oversight of foreign investment in the United States, to provide for enhanced Congressional Oversight with respect thereto, and for other purposes; as follows:

On page 3, line 8, strike "written notification" and insert the following: "a written request for review by a person involved in the transaction, or by one or more members of CFIUS,".

On page 3, line 10, strike "under this section" and insert "in accordance with paragraph (1)(A)".

On page 3, line 24, strike "entity" and insert "person".

On page 4, beginning on line 19, strike "additional assurances" and insert "assurances provided or renewed with the approval of CFIUS".

On page 4, line 22, strike "and" and insert "or".

On page 5, line 2, insert before the period the following: ", and the issues that could result in an impairment to national security are not resolved through negotiation of assurances between one or more members of CFIUS and the entities involved in the transaction".

On page 5, strike line 22 and all that follows through page 6, line 6 and insert the following:

"'(4) Monitoring of withdrawn transactions.—If the notification or filing with respect to a proposed transaction is withdrawn or rescinded, CFIUS shall continue to monitor such transaction, unless the transaction is terminated by agreement of the parties to the transaction. If CFIUS has reason to believe that the proposed transaction has not been so terminated, CFIUS shall initiate a review or investigation under this section if the parties do not resubmit the notification or filing within an appropriate period of time.".

On page 6, strike lines 7 through 23 and insert the following:

"'(5) Mandatory notification related to certain transactions affecting national security.—The chairperson and vice chairperson of CFIUS shall, not later than 90 days after the date of enactment of the Foreign Investment and National Security Act of 2006, issue rules, including the imposition of appropriate penalties for failure to comply with this paragraph, that require each person controlled by or acting on behalf of a foreign government to notify the chairperson of CFIUS in writing of any proposed transaction involving such person and United States critical infrastructure relating to United States national security.".

On page 8, line 17, strike "(or longer)".

On page 9, line 3, strike "AND CLASSIFICATIONS".

On page 9, line 15, strike "and classifying".

On page 10, line 17, strike "and classification".

On page 15, line 1, strike "ranking" and insert "assessments".

On page 16, line 5, strike "Additional".

On page 17, line 6, insert "of CFIUS" after "vice chairperson".

On page 19, line 12, strike "transaction" and all that follows through line 16 and insert "transaction; and".

On page 20, line 3, insert "does or" before "does not".

On page 23, strike lines 21 through 24.

On page 24, line 1, strike "(vi)" and insert "(v)".

On page 24, line 10, strike "(vii)" and insert "(vi)"

On page 24, line 17, strike "(vii)" and insert "(vii)".

On page 27, line 4, strike "the term" and insert the following: "the term 'assurances' means any term, understanding, commitment, agreement, or limitation, however described, that relates to ameliorating in any way the potential effect of a transaction on the national security;

"(2) the term".

On page 27, line 12, strike "(2)" and insert "(3)".

On page 27, line 19, strike "(3)" and insert "(4)".

On page 27, line 22, strike "(4)" and insert "(5)".

On page 27, line 25, strike the period and all that follows through "The term includes" on page 28, line 1 and insert ", and includes".

On page 28, line 5, strike "(5)" and insert "(6)".

On page 28, line 11, strike "(6)" and insert "(7)".

On page 28, line 14, strike "(7)" and insert "(8)".

SA 4704. Mr. HARKIN (for himself, Mr. Johnson, Mr. Bayh, and Mr. Obama) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6 RENEWABLE FUEL PROGRAM.

Section 211(o)(2) of the Clean Air Act (42 U.S.C. 7545(o)(2)) is amended by striking subparagraph (B) and inserting the following:

"(B) Applicable volume.—For the purpose of subparagraph (A), the applicable volume for calendar years 2007 through 2010 shall be determined, by rule, by the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, in a manner that ensures that the applicable volume for calendar year 2010 and each calendar year thereafter is at least 10,000,000,000 gallons of renewable fuel.".

SA 4705. Mr. HARKIN (for himself, Mr. Lugar, and Mr. Johnson) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. BIOFUELS SECURITY.

(a) SHORT TITLE.—This section may be cited as the "Biofuels Security Act of 2006".

(b) RENEWABLE FUELS.—

(1) RENEWABLE FUEL PROGRAM.—Section 211(o)(2) of the Clean Air Act (42 U.S.C. 7545(o)(2)) is amended by striking subparagraph (B) and inserting the following:

"(B) APPLICABLE VOLUME.—

"(i) IN GENERAL.—For the purpose of subparagraph (A), the applicable volume for calendar year 2010 and each calendar year thereafter shall be determined, by rule, by the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, in a manner that ensures that—

"(I) the requirements described in clause (ii) for specified calendar years are met; and

"(II) the applicable volume for each calendar year not specified in clause (ii) is determined on an annual basis.

"(ii) REQUIREMENTS.—The requirements referred to in clause (i) are—

"(I) for calendar year 2010, at least 10,000,000,000 gallons of renewable fuel;

"(II) for calendar year 2020, at least 30,000,000,000 gallons of renewable fuel; and

"(III) for calendar year 2030, at least 60,000,000,000 gallons of renewable fuel.".

(2) INSTALLATION OF E-85 FUEL PUMPS BY MAJOR OIL COMPANIES AT OWNED STATIONS AND BRANDED STATIONS.—Section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) is amended by adding at the end the following:

"(11) INSTALLATION OF E-85 FUEL PUMPS BY MAJOR OIL COMPANIES AT OWNED STATIONS AND BRANDED STATIONS.—

"(A) DEFINITIONS.—In this paragraph:

"(i) E-85 FUEL.—The term 'E-85 fuel' means a blend of gasoline approximately 85 percent of the content of which is derived from ethanol produced in the United States.

"(ii) MAJOR OIL COMPANY.—The term 'major oil company' means any person that, individually or together with any other person with respect to which the person has an affiliate relationship or significant ownership interest, has not less than 4,500 retail station outlets according to the latest publication of the Petroleum News Annual Factbook.

"(iii) SECRETARY.—The term 'Secretary' means the Secretary of Energy, acting in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Agriculture.

"(B) REGULATIONS.—The Secretary shall promulgate regulations to ensure that each major oil company that sells or introduces gasoline into commerce in the United States through wholly-owned stations or branded stations installs or otherwise makes available 1 or more pumps that dispense E–85 fuel (including any other equipment necessary, such as including tanks, to ensure that the pumps function properly) at not less than the applicable percentage of the wholly-owned stations and the branded stations of the major oil company specified in subparagraph (C).

"(C) APPLICABLE PERCENTAGE.—For the purpose of subparagraph (B), the applicable percentage of the wholly-owned stations and the branded stations shall be determined in accordance with the following table:

Calendar year:	**"Applicable percentage of wholly-owned stations and branded stations (percent):**
2007	5
2008	10
2009	15
2010	20
2011	25
2012	30
2013	35
2014	40
2015	45
2016 and each calendar year thereafter.	50.

"(D) GEOGRAPHIC DISTRIBUTION.—

"(i) IN GENERAL.—Subject to clause (ii), in promulgating regulations under subparagraph (B), the Secretary shall ensure that each major oil company described in subparagraph (B) installs or otherwise makes available 1 or more pumps that dispense E–85 fuel at not less than a minimum percentage (specified in the regulations) of the wholly-owned stations and the branded stations of the major oil company in each State.

"(ii) REQUIREMENT.—In specifying the minimum percentage under clause (i), the Secretary shall ensure that each major oil company installs or otherwise makes available 1 or more pumps described in that clause in each State in which the major oil company operates.

"(E) FINANCIAL RESPONSIBILITY.—In promulgating regulations under subparagraph (B), the Secretary shall ensure that each major oil company described in that subparagraph assumes full financial responsibility for the costs of installing or otherwise making available the pumps described in that subparagraph and any other equipment necessary (including tanks) to ensure that the pumps function properly.

"(F) PRODUCTION CREDITS FOR EXCEEDING E–85 FUEL PUMPS INSTALLATION REQUIREMENT.—

"(i) EARNING AND PERIOD FOR APPLYING CREDITS.—If the percentage of the wholly-owned stations and the branded stations of a major oil company at which the major oil company installs E-85 fuel pumps in a particular calendar year exceeds the percentage required under subparagraph (C), the major oil company earns credits under this paragraph, which may be applied to any of the 3 consecutive calendar years immediately after the calendar year for which the credits are earned.

"(ii) TRADING CREDITS.—Subject to clause (iii), a major oil company that has earned credits under clause (i) may sell credits to another major oil company to enable the purchaser to meet the requirement under subparagraph (C).

"(iii) EXCEPTION.—A major oil company may not use credits purchased under clause (ii) to fulfill the geographic distribution requirement in subparagraph (D).".

(3) MINIMUM FEDERAL FLEET REQUIREMENT.—Section 303(b)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13212(b)(1)) is amended—

(A) in subparagraph (C), by striking "and" after the semicolon;

(B) in subparagraph (D), by striking "fiscal year 1999 and thereafter" and inserting "each of fiscal years 1999 through 2006; and"; and

(C) by inserting after subparagraph (D) the following:

"(E) 100 percent in fiscal year 2007 and thereafter,".

(4) APPLICATION OF GASOHOL COMPETITION ACT OF 1980.—Section 26 of the Clayton Act (15 U.S.C. 26a) is amended—

(A) by redesignating subsection (c) as subsection (d);

(B) by inserting after subsection (b) the following:

"(c) For purposes of subsection (a), restricting the right of a franchisee to install on the premises of that franchisee a renewable fuel pump, such as one that dispenses E85, shall be considered an unlawful restriction."; and

(C) in subsection (d) (as redesignated by subparagraph (A))—

(i) by striking "section," and inserting the following: "section—

"(1) the term";

(ii) by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(2) the term 'gasohol' includes any blend of ethanol and gasoline such as E–85.".

(c) DUAL FUELED AUTOMOBILES.—

(1) REQUIREMENT TO MANUFACTURE DUAL FUELED AUTOMOBILES.—

(A) REQUIREMENT.—

(i) IN GENERAL.—Chapter 329 of title 49, United States Code, is amended by inserting after section 32902 the following:

"§32902A. Requirement to manufacture dual fueled automobiles

"(a) REQUIREMENT.—Each manufacturer of new automobiles that are capable of operating on gasoline or diesel fuel shall ensure that the percentage of such automobiles, manufactured in any model year after model year 2006 and distributed in commerce for sale in the United States, which are dual fueled automobiles is equal to not less than the applicable percentage set forth in the following table:

"**For each of the following model years:**	**The percentage of dual fueled automobiles manufactured shall be not less than:**
2007	10
2008	20
2009	30
2010	40
2011	50
2012	60
2013	70
2014	80
2015	90
2016 and beyond	100.

"(b) PRODUCTION CREDITS FOR EXCEEDING FLEXIBLE FUEL AUTOMOBILE PRODUCTION REQUIREMENT.—

"(1) EARNING AND PERIOD FOR APPLYING CREDITS.—If the number of dual fueled automobiles manufactured by a manufacturer in a particular model year exceeds the number required under subsection (a), the manufacturer earns credits under this section, which may be applied to any of the 3 consecutive model years immediately after the model year for which the credits are earned.

"(2) TRADING CREDITS.—A manufacturer that has earned credits under paragraph (1) may sell credits to another manufacturer to enable the purchaser to meet the requirement under subsection (a).".

(ii) TECHNICAL AMENDMENT.—The table of sections for chapter 329 of title 49, United States Code, is amended by inserting after the item relating to section 32902 the following:

"32902A. Requirement to manufacture dual fueled automobiles.".

(B) ACTIVITIES TO PROMOTE THE USE OF CERTAIN ALTERNATIVE FUELS.—The Secretary of

Transportation shall carry out activities to promote the use of fuel mixtures containing gasoline or diesel fuel and 1 or more alternative fuels, including a mixture containing at least 85 percent of methanol, denatured ethanol, and other alcohols by volume with gasoline or other fuels, to power automobiles in the United States.

(2) MANUFACTURING INCENTIVES FOR DUAL FUELED AUTOMOBILES.—Section 32905(b) of title 49, United States Code, is amended—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(B) by inserting "(1)" before "Except";

(C) by striking "model years 1993-2010" and inserting "model year 1993 through the first model year beginning not less than 18 months after the date of enactment of the Biofuels Security Act of 2006"; and

(D) by adding at the end the following:

"(2) Except as provided in paragraph (5) of this subsection, subsection (d) of this section, or section 32904(a)(2) of this title, the Administrator shall measure the fuel economy for each model of dual fueled automobiles manufactured by a manufacturer in the first model year beginning not less than 30 months after the date of enactment of the Biofuels Security Act of 2006 by dividing 1.0 by the sum of—

"(A) 0.7 divided by the fuel economy measured under section 32904(c) of this title when operating the model on gasoline or diesel fuel; and

"(B) 0.3 divided by the fuel economy measured under subsection (a) when operating the model on alternative fuel.

"(3) Except as provided in paragraph (5) of this subsection, subsection (d) of this section, or section 32904(a)(2) of this title, the Administrator shall measure the fuel economy for each model of dual fueled automobiles manufactured by a manufacturer in the first model year beginning not less than 42 months after the date of enactment of the Biofuels Security Act of 2006 by dividing 1.0 by the sum of—

"(A) 0.9 divided by the fuel economy measured under section 32904(c) of this title when operating the model on gasoline or diesel fuel; and

"(B) 0.1 divided by the fuel economy measured under subsection (a) when operating the model on alternative fuel.

"(4) Except as provided in subsection (d) of this section, or section 32904(a)(2) of this title, the Administrator shall measure the fuel economy for each model of dual fueled automobiles manufactured by a manufacturer in each model year beginning not less than 54 months after the date of enactment of the Biofuels Security Act of 2006 in accordance with section 32904(c) of this title.

"(5) Notwithstanding paragraphs (2) through (4) of this subsection, the fuel economy for all dual fueled automobiles manufactured to comply with the requirements under section 32902A(a) of this title, including automobiles for which dual fueled automobile credits have been used or traded under section 32902A(b) of this title, shall be measured in accordance with section 32904(c) of this title.".

SA 4706. Mr. BAYH (for himself, Mr. BROWNBACK, Mr. LIEBERMAN, Mr. COLEMAN, Mr. SALAZAR, Mr. LUGAR, Mr. OBAMA, Mr. CHAFEE, Mr. AKAKA, Mrs. CLINTON, Ms. CANTWELL, Ms. COLLINS, Mr. KOHL, Mr. KERRY, Mr. KENNEDY, Mr. GRAHAM, Mr. MENENDEZ, Mr. DODD, and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ___—VEHICLE AND FUEL CHOICES FOR AMERICAN SECURITY

SEC. __01. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the United States is dangerously dependent on oil;

(2) that dependence threatens the national security, weakens the economy, and harms the environment of the United States;

(3) the United States currently imports nearly 60 percent of oil needed in the United States, and that percentage is expected to grow to almost 70 percent by 2025 if no actions are taken;

(4) approximately 2,500,000 barrels of oil per day are imported from countries in the Persian Gulf region;

(5) dependence on foreign oil has led to strategic partnerships with some regimes that do not share the democratic values of the United States;

(6) terrorists have identified oil as a strategic vulnerability and have increased attacks against oil infrastructure worldwide;

(7) oil imports comprise nearly 30 percent of the dangerously high United States trade deficit;

(8) it is technically feasible to achieve oil savings of more than 2,500,000 barrels per day by 2017 and 7,000,000 barrels per day by 2026;

(9) those goals can be achieved by establishing a set of flexible policies, including—

(A) increasing the gasoline-efficiency of cars, trucks, tires, and oil;

(B) providing economic incentives for companies and consumers to purchase fuel-efficient vehicles;

(C) encouraging the use of transit and the reduction of truck idling; and

(D) increasing production and commercialization of alternative liquid fuels;

(10) technology available as of the date of enactment of this Act (including popular hybrid-electric vehicle models, the sales of which in the United States increased 173 percent in the first 5 months of 2005 as compared with the same period in 2004) make an oil savings plan eminently achievable;

(11) achieving those goals will benefit consumers and businesses through lower fuel bills and reduction in world oil prices;

(12) achieving those goals will help protect the economy of the United States from high and volatile oil prices; and

(13) it is urgent, essential, and feasible to implement an action plan to achieve oil savings as soon as practicable because any delay in initiating action will—

(A) make achieving necessary oil savings more difficult and expensive; and

(B) increase the risks to the national security, economy, and environment of the United States.

(b) PURPOSES.—The purposes of this title are—

(1) to accelerate market penetration of electric drive and alternative motor vehicles;

(2) to enable the accelerated market penetration of efficient technologies and alternative fuels without adverse impact on air quality while maintaining a policy of fuel neutrality, so as to allow market forces to elect the technologies and fuels that are consumer-friendly, safe, environmentally-sound, and economic;

(3) to provide time-limited financial incentives to encourage production and consumer purchase of oil saving technologies and fuels nationwide; and

(4) to promote a nationwide diversity of motor vehicle fuels and advanced motor vehicle technology, including advanced lean burn technology, hybrid technology, flexible fuel motor vehicles, alternatively fueled motor vehicles, and other oil saving technologies.

Subtitle A—Oil Savings Plan and Requirements

SEC. __11. OIL SAVINGS TARGET AND ACTION PLAN.

Not later than 270 days after the date of enactment of this Act, the Director of the Office of Management and Budget (referred to in this subtitle as the "Director") shall publish in the Federal Register an action plan consisting of—

(1) a list of requirements proposed or to be proposed pursuant to section __12 that are authorized to be issued under law in effect on the date of enactment of this Act, and this Act, that will be sufficient, when taken together, to save from the baseline determined under section __15—

(A) 2,500,000 barrels of oil per day on average during calendar year 2016;

(B) 7,000,000 barrels of oil per day on average during calendar year 2026; and

(C) 10,000,000 barrels per day on average during calendar year 2031; and

(2) a Federal Government-wide analysis of—

(A) the expected oil savings from the baseline to be accomplished by each requirement; and

(B) whether all such requirements, taken together, will achieve the oil savings specified in this section.

SEC. __12. STANDARDS AND REQUIREMENTS.

(a) IN GENERAL.—On or before the date of publication of the action plan under section __11, the Secretary of Energy, the Secretary of Transportation, the Secretary of Defense, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the head of any other agency the President determines appropriate shall each propose, or issue a notice of intent to propose, regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the respective agency using authorities described in subsection (b).

(b) AUTHORITIES.—The head of each agency described in subsection (a) shall use to carry out this section—

(1) any authority in existence on the date of enactment of this Act (including regulations); and

(2) any new authority provided under this Act (including an amendment made by this Act).

(c) FINAL REGULATIONS.—Not later than 18 months after the date of enactment of this Act, the head of each agency described in subsection (a) shall promulgate final versions of the regulations required under this section.

(d) AGENCY ANALYSES.—Each proposed and final regulation promulgated under this section shall—

(1) be designed to achieve at least the oil savings resulting from the regulation under the action plan published under section __11; and

(2) be accompanied by an analysis by the applicable agency describing the manner in

which the regulation will promote the achievement of the oil savings from the baseline determined under section 15.

SEC. _13. INITIAL EVALUATION.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Director shall publish in the Federal Register a Federal Government-wide analysis of the oil savings achieved from the baseline established under section _15.

(b) INADEQUATE OIL SAVINGS.—If the oil savings are less than the targets established under section _11, simultaneously with the analysis required under subsection (a)—

(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and

(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section _12.

(c) FINAL REGULATIONS.—Not later than 180 days after the date on which regulations are proposed under subsection (b)(2), the Secretary of Energy, the Secretary of Transportation, and the Administrator shall promulgate final versions of those regulations.

SEC. 14. REVIEW AND UPDATE OF ACTION PLAN.

(a) REVIEW.—Not later than January 1, 2011, and every 3 years thereafter, the Director shall submit to Congress, and publish, a report that—

(1) evaluates the progress achieved in implementing the oil savings targets established under section 11;

(2) analyzes the expected oil savings under the standards and requirements established under this Act and the amendments made by this Act; and

(3)(A) analyzes the potential to achieve oil savings that are in addition to the savings required by section 11; and

(B) if the President determines that it is in the national interest, establishes a higher oil savings target for calendar year 2017 or any subsequent calendar year.

(b) INADEQUATE OIL SAVINGS.—If the oil savings are less than the targets established under section 11, simultaneously with the report required under subsection (a)—

(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and

(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section _12.

(c) FINAL REGULATIONS.—Not later than 180 days after the date on which regulations are proposed under subsection (b)(2), the Secretary of Energy, the Secretary of Transportation, and the Administrator shall promulgate final versions of those regulations.

SEC. 15. BASELINE AND ANALYSIS REQUIREMENTS.

In performing the analyses and promulgating proposed or final regulations to establish standards and other requirements necessary to achieve the oil savings required by this subtitle, the Secretary of Energy, the Secretary of Transportation, the Secretary of Defense, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the head of any other agency the President determines to be appropriate shall—

(1) determine oil savings as the projected reduction in oil consumption from the baseline established by the reference case contained in the report of the Energy Information Administration entitled "Annual Energy Outlook 2005";

(2) determine the oil savings projections required on an annual basis for each of calendar years 2009 through 2026; and

(3) account for any overlap among the standards and other requirements to ensure that the projected oil savings from all the promulgated standards and requirements, taken together, are as accurate as practicable.

Subtitle B—Fuel Efficient Vehicles for the 21st Century

SEC. 21. TIRE EFFICIENCY PROGRAM.

(a) STANDARDS FOR TIRES MANUFACTURED FOR INTERSTATE COMMERCE.—Section 30123 of title 49, United States Code, is amended—

(1) in subsection (b)—

(A) in the first sentence, by striking "The Secretary" and inserting the following:

"(1) UNIFORM QUALITY GRADING SYSTEM.—

"(A) IN GENERAL.—The Secretary";

(B) in the second sentence, by striking "The Secretary" and inserting the following:

"(2) NOMENCLATURE AND MARKETING PRACTICES.—The Secretary";

(C) in the third sentence, by striking "A tire standard" and inserting the following:

"(3) EFFECT OF STANDARDS AND REGULATIONS.—A tire standard"; and

(D) in paragraph (1), as designated by subparagraph (A), by adding at the end the following:

"(B) INCLUSION.—The grading system established pursuant to subparagraph (A) shall include standards for rating the fuel efficiency of tires designed for use on passenger cars and light trucks."; and

(2) by adding at the end the following:

"(d) NATIONAL TIRE EFFICIENCY PROGRAM.—

"(1) DEFINITION.—In this subsection, the term 'fuel economy', with respect to a tire, means the extent to which the tire contributes to the fuel economy of the motor vehicle on which the tire is mounted.

"(2) PROGRAM.—The Secretary shall develop and carry out a national tire fuel efficiency program for tires designed for use on passenger cars and light trucks.

"(3) REQUIREMENTS.—Not later than March 31, 2008, the Secretary shall issue regulations, which establish—

"(A) policies and procedures for testing and labeling tires for fuel economy to enable tire buyers to make informed purchasing decisions about the fuel economy of tires;

"(B) policies and procedures to promote the purchase of energy efficient replacement tires, including purchase incentives, website listings on the Internet, printed fuel economy guide booklets, and mandatory requirements for tire retailers to provide tire buyers with fuel efficiency information on tires; and

"(C) minimum fuel economy standards for tires.

"(4) MINIMUM FUEL ECONOMY STANDARDS.—In promulgating minimum fuel economy standards for tires, the Secretary shall design standards that—

"(A) ensure, in conjunction with the requirements under paragraph (3)(B), that the average fuel economy of replacement tires is not less than the average fuel economy of tires sold as original equipment;

"(B) secure the maximum technically feasible and cost-effective fuel savings;

"(C) do not adversely affect tire safety;

"(D) incorporate the results from—

"(i) laboratory testing; and

"(ii) to the extent appropriate and available, on-road fleet testing programs conducted by manufacturers; and

"(E) do not adversely affect efforts to manage scrap tires.

"(5) APPLICABILITY.—The policies, procedures, and standards developed under paragraph (3) shall apply to all tire types and models regulated under the uniform tire quality grading standards in section 575.104 of title 49, Code of Federal Regulations (or a successor regulation).

"(6) REVIEW.—

"(A) IN GENERAL.—Not less than once every 3 years, the Secretary shall—

"(i) review the minimum fuel economy standards in effect for tires under this subsection; and

"(ii) subject to subparagraph (B), revise the standards as necessary to ensure compliance with standards described in paragraph (4).

"(B) LIMITATION.—The Secretary may not reduce the average fuel economy standards applicable to replacement tires.

"(7) NO PREEMPTION OF STATE LAW.—Nothing in this section shall be construed to preempt any provision of State law relating to higher fuel economy standards applicable to replacement tires designed for use on passenger cars and light trucks..

"(8) EXCEPTIONS.—Nothing in this section shall apply to—

"(A) a tire or group of tires with the same stock keeping unit, plant, and year, for which the volume of tires produced or imported is less than 15,000 annually;

"(B) a deep tread, winter-type snow tire, space-saver tire, or temporary use spare tire;

"(C) a tire with a normal rim diameter of 12 inches or less;

"(D) a motorcycle tire; or

"(E) a tire manufactured specifically for use in an off-road motorized recreational vehicle.".

(b) CONFORMING AMENDMENT.—Section 30103(b)(1) of title 49, United States Code, is amended by striking "When" and inserting "Except as provided in section 30123(d), if".

(c) TIME FOR IMPLEMENTATION.—Beginning not later than March 31, 2008, the Secretary of Transportation shall administer the national tire fuel efficiency program established under section 30123(d) of title 49, United States Code, in accordance with the policies, procedures, and standards developed under section 30123(d)(3) of such title.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, for each of fiscal years 2007 through 2011, such sums as may be necessary to carry out section 30123(d) of title 49, United States Code, as added by subsection (a).

SEC. 22. REDUCTION OF SCHOOL BUS IDLING.

(a) STATEMENT OF POLICY.—Congress encourages each local educational agency (as defined in section 9101(26) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(26))) that receives Federal funds under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) to develop a policy to reduce the incidence of school bus idling at schools while picking up and unloading students.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Environmental Protection Agency, working in coordination with the Secretary of Education, $5,000,000 for each of fiscal years 2007 through 2012 for use in educating States and local education agencies about—

(1) benefits of reducing school bus idling; and

(2) ways in which school bus idling may be reduced.

SEC. _23. FUEL EFFICIENCY FOR HEAVY DUTY TRUCKS.

Part C of subtitle VI of title 49, United States Code, is amended by inserting after chapter 329 the following:

"CHAPTER 330—HEAVY DUTY VEHICLE FUEL ECONOMY STANDARDS

"CHAPTER 330—HEAVY DUTY VEHICLE FUEL ECONOMY STANDARDS

"Sec.
"33001. Purpose and policy.
"33002. Definition.
"33003. Testing and assessment.
"33004. Standards.
"33005. Authorization of appropriations.

"§ 33001. Purpose and policy

"The purpose of this chapter is to reduce petroleum consumption by heavy duty motor vehicles.

"§ 33002. Definition

"In this chapter, the term 'heavy duty motor vehicle'—

"(1) means a vehicle having a gross vehicle weight rating of at least 10,000 pounds that is driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways; and

"(2) does not include a vehicle operated only on a rail line.

"§ 33003. Testing and assessment

"(a) GENERAL REQUIREMENTS.—The Administrator of the Environmental Protection Agency (referred to in this section as the 'Administrator') shall develop and coordinate a national testing and assessment program to—

"(1) determine the fuel economy of heavy duty vehicles; and

"(2) assess the fuel efficiency attainable through available technology.

"(b) TESTING.—The Administrator shall—

"(1) design a National testing program to assess the fuel economy of heavy duty vehicles (based on the program for light duty vehicles); and

"(2) implement the program described in paragraph (1) not later than 18 months after the date of enactment of this chapter.

"(c) ASSESSMENT.—The Administrator shall consult with the Secretary of Transportation on the assessment of available technologies to enhance the fuel efficiency of heavy duty vehicles to ensure that vehicle use and needs are considered appropriately in the assessment.

"(d) REPORTING.—The Administrator shall—

"(1) not later than 2 years after the date of enactment of this chapter, submit a report to Congress regarding the results of the assessment of available technologies to improve the fuel efficiency of heavy duty vehicles.

"(2) submit a report to Congress, at least biannually, that addresses the fuel economy of heavy duty vehicles; and

"§ 33004. Standards

"(a) GENERAL REQUIREMENTS.—Not later than 18 months after completing the testing and assessments under section 33003, the Secretary of Transportation shall prescribe average heavy duty vehicle fuel economy standards. Each standard shall be the maximum feasible average fuel economy level that the Secretary decides that manufacturers can achieve in that model year. The Secretary may prescribe separate standards for different classes of heavy duty motor vehicles. The standards for each model year shall be completed not later than 18 months before the beginning of each model year.

"(b) CONSIDERATIONS AND CONSULTATION.—In determining maximum feasible average fuel economy, the Secretary shall consider—

"(1) relevant available heavy duty motor vehicle fuel consumption information;

"(2) technological feasibility;

"(3) economic practicability;

"(4) the desirability of reducing United States dependence on oil;

"(5) the effects of average fuel economy standards on vehicle safety;

"(6) the effects of average fuel economy standards on levels of employment and competitiveness of the heavy truck manufacturing industry ; and

"(7) the extent to which the standard will carry out the purpose described in section 33001.

"(c) COOPERATION.—The Secretary may advise, assist, and cooperate with departments, agencies, and instrumentalities of the United States Government, States, and other public and private agencies in developing fuel economy standards for heavy duty motor vehicles.

"(d) 5-YEAR PLAN FOR TESTING STANDARDS.—The Secretary shall establish, periodically review, and continually update a 5-year plan for testing heavy duty motor vehicle fuel economy standards prescribed under this chapter. In developing and establishing testing priorities, the Secretary shall consider factors the Secretary considers appropriate, consistent with the purpose described in section 33001 and the Secretary's other duties and powers under this chapter.

"§ 33005. Authorization of appropriations

"There are authorized to be appropriated, for each of fiscal years 2007 through 2011, such sums as may be necessary to carry out this chapter.".

SEC. 24. NEAR-TERM VEHICLE TECHNOLOGY PROGRAM.

(a) PURPOSES.—The purposes of this section are—

(1) to enable and promote, in partnership with industry, comprehensive development, demonstration, and commercialization of a wide range of electric drive components, systems, and vehicles using diverse electric drive transportation technologies;

(2) to make critical public investments to help private industry, institutions of higher education, National Laboratories, and research institutions to expand innovation, industrial growth, and jobs in the United States;

(3) to expand the availability of the existing electric infrastructure for fueling light duty transportation and other on-road and nonroad vehicles that are using petroleum and are mobile sources of emissions—

(A) including the more than 3,000,000 reported units (such as electric forklifts, golf carts, and similar nonroad vehicles) in use on the date of enactment of this Act; and

(B) with the goal of enhancing the energy security of the United States, reduce dependence on imported oil, and reduce emissions through the expansion of grid supported mobility;

(4) to accelerate the widespread commercialization of all types of electric drive vehicle technology into all sizes and applications of vehicles, including commercialization of plug-in hybrid electric vehicles and plug-in hybrid fuel cell vehicles; and

(5) to improve the energy efficiency of and reduce the petroleum use in transportation.

(b) DEFINITIONS.—In this section:

(1) BATTERY.—The term "battery" means an energy storage device used in an on-road or nonroad vehicle powered in whole or in part using an off-board or on-board source of electricity.

(2) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term "electric drive transportation technology" means—

(A) vehicles that use an electric motor for all or part of their motive power and that may or may not use off-board electricity, including battery electric vehicles, fuel cell vehicles, engine dominant hybrid electric vehicles, plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and electric rail; or

(B) equipment relating to transportation or mobile sources of air pollution that use an electric motor to replace an internal combustion engine for all or part of the work of the equipment, including corded electric equipment linked to transportation or mobile sources of air pollution.

(3) ENGINE DOMINANT HYBRID ELECTRIC VEHICLE.—The term "engine dominant hybrid electric vehicle" means an on-road or nonroad vehicle that—

(A) is propelled by an internal combustion engine or heat engine using—

(i) any combustible fuel;

(ii) an on-board, rechargeable storage device; and

(B) has no means of using an off-board source of electricity.

(4) FUEL CELL VEHICLE.—The term "fuel cell vehicle" means an on-road or nonroad vehicle that uses a fuel cell (as defined in section 3 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990).

(5) NONROAD VEHICLE.—The term "nonroad vehicle" has the meaning given the term in section 216 of the Clean Air Act (42 U.S.C. 7550).

(6) PLUG-IN HYBRID ELECTRIC VEHICLE.—The term "plug-in hybrid electric vehicle" means an on-road or nonroad vehicle that is propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel;

(B) an on-board, rechargeable storage device; and

(C) a means of using an off-board source of electricity.

(7) PLUG-IN HYBRID FUEL CELL VEHICLE.—The term "plug-in hybrid fuel cell vehicle" means a fuel cell vehicle with a battery powered by an off-board source of electricity.

(c) PROGRAM.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for electric drive transportation technology, including—

(1) high capacity, high efficiency batteries;

(2) high efficiency on-board and off-board charging components;

(3) high power drive train systems for passenger and commercial vehicles and for nonroad equipment;

(4) control system development and power train development and integration for plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and engine dominant hybrid electric vehicles, including—

(A) development of efficient cooling systems;

(B) analysis and development of control systems that minimize the emissions profile when clean diesel engines are part of a plug-in hybrid drive system; and

(C) development of different control systems that optimize for different goals, including—

(i) battery life;

(ii) reduction of petroleum consumption; and

(iii) green house gas reduction;

(5) nanomaterial technology applied to both battery and fuel cell systems;

(6) large-scale demonstrations, testing, and evaluation of plug-in hybrid electric vehicles in different applications with different batteries and control systems, including—

(A) military applications;

(B) mass market passenger and light-duty truck applications;

(C) private fleet applications; and

(D) medium- and heavy-duty applications;

(7) a nationwide education strategy for electric drive transportation technologies providing secondary and high school teaching materials and support for university education focused on electric drive system and component engineering;

(8) development, in consultation with the Administrator of the Environmental Protection Agency, of procedures for testing and certification of criteria pollutants, fuel economy, and petroleum use for light-, medium-, and heavy-duty vehicle applications, including consideration of—

(A) the vehicle and fuel as a system, not just an engine; and

(B) nightly off-board charging; and

(9) advancement of battery and corded electric transportation technologies in mobile source applications by—

(A) improvement in battery, drive train, and control system technologies; and

(B) working with industry and the Administrator of the Environmental Protection Agency to—

(i) understand and inventory markets; and

(ii) identify and implement methods of removing barriers for existing and emerging applications.

(d) Goals.—The goals of the electric drive transportation technology program established under subsection (c) shall be to develop, in partnership with industry and institutions of higher education, projects that focus on—

(1) innovative electric drive technology developed in the United States;

(2) growth of employment in the United States in electric drive design and manufacturing;

(3) validation of the plug-in hybrid potential through fleet demonstrations; and

(4) acceleration of fuel cell commercialization through comprehensive development and commercialization of the electric drive technology systems that are the foundational technology of the fuel cell vehicle system.

(e) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $300,000,000 for each of fiscal years 2007 through 2012.

SEC. _25. LIGHTWEIGHT MATERIALS RESEARCH AND DEVELOPMENT.

(a) In General.—As soon as practicable after the date of enactment of this Act, the Secretary of Energy shall establish a research and development program to determine ways in which—

(1) the weight of vehicles may be reduced to improve fuel efficiency without compromising passenger safety; and

(2) the cost of lightweight materials (such as steel alloys and carbon fibers) required for the construction of lighter-weight vehicles may be reduced.

(b) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $60,000,000 for each of fiscal years 2007 through 2012.

SEC. _26. HYBRID AND ADVANCED DIESEL VEHICLES.

(a) Hybrid Vehicles.—The Energy Policy Act of 2005 is amended by striking section 711 (42 U.S.C. 16061) and inserting the following:

"SEC. 711. HYBRID VEHICLES.

"(a) Definitions.—In this section:

"(1) Cost.—The term 'cost' has the meaning given the term 'cost of a loan guarantee' within the meaning of section 502(5)(C) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)(C)).

"(2) Eligible project.—The term 'eligible project' means a project to—

"(A) improve hybrid technologies under subsection (b); or

"(B) encourage domestic production of efficient hybrid and advanced diesel vehicles under section 712(a).

"(3) Guarantee.—

"(A) In general.—The term 'guarantee' has the meaning given the term 'loan guarantee' in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

"(B) Inclusion.—The term 'guarantee' includes a loan guarantee commitment (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)).

"(4) Hybrid technology.—The term 'hybrid technology' means a battery or other rechargeable energy storage system, power electronic, hybrid systems integration, and any other technology for use in hybrid vehicles.

"(5) Obligation.—The term 'obligation' means the loan or other debt obligation that is guaranteed under this section.

"(b) Authorization.—The Secretary shall accelerate efforts directed toward the improvement of hybrid technologies, including through the provision of loan guarantees under subsection (c).

"(c) Loan Guarantees.—

"(1) In general.—The Secretary shall make guarantees under this section for eligible projects on such terms and conditions as the Secretary, in consultation with the Secretary of the Treasury, determines to be appropriate.

"(2) Specific appropriation or contribution.—No guarantee shall be made unless—

"(A) an appropriation for the cost has been made; or

"(B) the Secretary has received from the borrower a payment in full for the cost of the obligation and deposited the payment into the Treasury.

"(3) Amount.—Unless otherwise provided by law, a guarantee by the Secretary shall not exceed an amount equal to 80 percent of the project cost of the hybrid technology that is the subject of the guarantee, as estimated at the time at which the guarantee is issued.

"(4) Repayment.—

"(A) In general.—No guarantee shall be made unless the Secretary determines that there is a reasonable prospect of repayment of the principal and interest on the obligation by the borrower.

"(B) Amount.—No guarantee shall be made unless the Secretary determines that the amount of the obligation (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project.

"(C) Subordination.—The obligation shall be subject to the condition that the obligation is not subordinate to other financing.

"(5) Interest rate.—An obligation shall bear interest at a rate that does not exceed a level that the Secretary determines appropriate, taking into account the prevailing rate of interest in the private sector for similar loans and risks.

"(6) Term.—The term of an obligation shall require full repayment over a period not to exceed the lesser of—

"(A) 30 years; or

"(B) 90 percent of the projected useful life of the physical asset to be financed by the obligation (as determined by the Secretary).

"(7) Defaults.—

"(A) Payment by secretary.—

"(i) In general.—If a borrower defaults on the obligation (as defined in regulations promulgated by the Secretary and specified in the guarantee contract), the holder of the guarantee shall have the right to demand payment of the unpaid amount from the Secretary.

"(ii) Payment required.—Within such period as may be specified in the guarantee or related agreements, the Secretary shall pay to the holder of the guarantee the unpaid interest on, and unpaid principal of the obligation as to which the borrower has defaulted, unless the Secretary finds that—

"(I) there was no default by the borrower in the payment of interest or principal; or

"(II) the default has been remedied.

"(iii) Forbearance.—Nothing in this subsection precludes any forbearance by the holder of the obligation for the benefit of the borrower that may be agreed upon by the parties to the obligation and approved by the Secretary.

"(B) Subrogation.—

"(i) In general.—If the Secretary makes a payment under subparagraph (A), the Secretary shall be subrogated to the rights of the recipient of the payment as specified in the guarantee or related agreements including, where appropriate, the authority (notwithstanding any other provision of law) to—

"(I) complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to the guarantee or related agreements; or

"(II) permit the borrower, pursuant to an agreement with the Secretary, to continue to pursue the purposes of the eligible project, as the Secretary determines to be in the public interest.

"(ii) Superiority of rights.—The rights of the Secretary, with respect to any property acquired pursuant to a guarantee or related agreement, shall be superior to the rights of any other person with respect to the property.

"(iii) Terms and conditions.—A guarantee agreement shall include such detailed terms and conditions as the Secretary determines appropriate to—

"(I) protect the interests of the United States in the case of default; and

"(II) have available all the patents and technology necessary for any person selected, including the Secretary, to complete and operate the eligible project.

"(C) Payment of principal and interest by secretary.—With respect to any obligation guaranteed under this section, the Secretary may enter into a contract to pay, and pay, holders of the obligation, for and on behalf of the borrower, from funds appropriated for that purpose, the principal and interest payments that become due and payable on the unpaid balance of the obligation if the Secretary finds that—

"(i)(I) the borrower is unable to meet the payments and is not in default;

"(II) it is in the public interest to permit the borrower to continue to pursue the purposes of the eligible project; and

"(III) the probable net benefit to the Federal Government in paying the principal and interest will be greater than the benefit that would result in the event of a default;

"(ii) the amount of the payment that the Secretary is authorized to pay will be no greater than the amount of principal and interest that the borrower is obligated to pay under the agreement being guaranteed; and

"(iii) the borrower agrees to reimburse the Secretary for the payment (including interest) on terms and conditions that are satisfactory to the Secretary.

"(D) ACTION BY ATTORNEY GENERAL.—

"(i) NOTIFICATION.—If the borrower defaults on an obligation, the Secretary shall notify the Attorney General of the default.

"(ii) RECOVERY.—On receipt of notification, the Attorney General shall take such action as the Attorney General determines to be appropriate to recover the unpaid principal and interest due from—

"(I) such assets of the defaulting borrower as are associated with the obligation; or

"(II) any other security pledged to secure the obligation.

"(8) FEES.—

"(A) IN GENERAL.—The Secretary shall charge and collect fees for guarantees in amounts the Secretary determines are sufficient to cover applicable administrative expenses.

"(B) AVAILABILITY.—Fees collected under this paragraph shall—

"(i) be deposited by the Secretary into the Treasury; and

"(ii) remain available until expended, subject to such other conditions as are contained in annual appropriations Acts.

"(9) RECORDS; AUDITS.—

"(A) IN GENERAL.—A recipient of a guarantee shall keep such records and other pertinent documents as the Secretary shall prescribe by regulation, including such records as the Secretary may require to facilitate an effective audit.

"(B) ACCESS.—The Secretary and the Comptroller General of the United States, or their duly authorized representatives, shall have access, for the purpose of audit, to the records and other pertinent documents.

"(10) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to provide the cost of guarantees under this section.".

(b) EFFICIENT HYBRID AND ADVANCED DIESEL VEHICLES.—Section 712(a) of the Energy Policy Act of 2005 (42 U.S.C. 16062(a)) is amended in the second sentence by striking "grants to automobile manufacturers" and inserting "grants and the provision of loan guarantees under section 711(c) to automobile manufacturers and suppliers".

SEC. _27. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to foreign tax credit, etc.) is amended by adding at the end the following new section:

"SEC. 30D. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

"(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 35 percent of so much of the qualified investment of an eligible taxpayer for such taxable year as does not exceed $75,000,000.

"(b) QUALIFIED INVESTMENT.—For purposes of this section—

"(1) IN GENERAL.—The qualified investment for any taxable year is equal to the incremental costs incurred during such taxable year—

"(A) to re-equip or expand any manufacturing facility of the eleigible taxpayer to produce advanced technology motor vehicles,

"(B) to re-equip, expand, or establish any manufacturing facility of the eligible taxpayer to produce eligible components,

"(C) for engineering integration performed in the United States of such vehicles and components as described in subsection (d), and

"(D) for research and development performed in the United States related to advanced technology motor vehicles and eligible components.

"(2) ATTRIBUTION RULES.—In the event a facility of the eligible taxpayer produces both advanced technology motor vehicles and conventional motor vehicles, or eligible and non-eligible components, only the qualified investment attributable to production of advanced technology motor vehicles and eligible components shall be taken into account.

"(c) ADVANCED TECHNOLOGY MOTOR VEHICLES AND ELIGIBLE COMPONENTS.—For purposes of this section—

"(1) ADVANCED TECHNOLOGY MOTOR VEHICLE.—The term 'advanced technology motor vehicle' means—

"(A) any new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3)), or

"(B) any new qualified hybrid motor vehicle (as defined in section 30B(d)(3)(A) and determined without regard to any gross vehicle weight rating).

"(2) ELIGIBLE COMPONENTS.—The term 'eligible component' means any component inherent to any advanced technology motor vehicle, including—

"(A) with respect to any gasoline or diesel-electric new qualified hybrid motor vehicle—

"(i) electric motor or generator,

"(ii) power split device,

"(iii) power control unit,

"(iv) power controls,

"(v) integrated starter generator, or

"(vi) battery,

"(B) with respect to any hydraulic new qualified hybrid motor vehicle—

"(i) hydraulic accumulator vessel,

"(ii) hydraulic pump, or

"(iii) hydraulic pump-motor assembly,

"(C) with respect to any new advanced lean burn technology motor vehicle—

"(i) diesel engine,

"(ii) turbocharger,

"(iii) fuel injection system, or

"(iv) after-treatment system, such as a particle filter or NOx absorber, and

"(D) with respect to any advanced technology motor vehicle, any other component submitted for approval by the Secretary.

"(d) ENGINEERING INTEGRATION COSTS.—For purposes of subsection (b)(1)(C), costs for engineering integration are costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks related to—

"(1) establishing functional, structural, and performance requirements for component and subsystems to meet overall vehicle objectives for a specific application,

"(2) designing interfaces for components and subsystems with mating systems within a specific vehicle application,

"(3) designing cost effective, efficient, and reliable manufacturing processes to produce components and subsystems for a specific vehicle application, and

"(4) validating functionality and performance of components and subsystems for a specific vehicle application.

"(e) ELIGIBLE TAXPAYER.—For purposes of this section, the term 'eligible taxpayer' means any taxpayer if more than 50 percent of its gross receipts for the taxable year is derived from the manufacture of motor vehicles or any component parts of such vehicles.

"(f) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

"(1) the sum of—

"(A) the regular tax liability (as defined in section 26(b)) for such taxable year, plus

"(B) the tax imposed by section 55 for such taxable year and any prior taxable year beginning after 1986 and not taken into account under section 53 for any prior taxable year, over

"(2) the sum of the credits allowable under subpart A and sections 27, 30, and 30B for the taxable year.

"(g) REDUCTION IN BASIS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this paragraph) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(h) NO DOUBLE BENEFIT.—

"(1) COORDINATION WITH OTHER DEDUCTIONS AND CREDITS.—Except as provided in paragraph (2), the amount of any deduction or other credit allowable under this chapter for any cost taken into account in determining the amount of the credit under subsection (a) shall be reduced by the amount of such credit attributable to such cost.

"(2) RESEARCH AND DEVELOPMENT COSTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any amount described in subsection (b)(1)(D) taken into account in determining the amount of the credit under subsection (a) for any taxable year shall not be taken into account for purposes of determining the credit under section 41 for such taxable year.

"(B) COSTS TAKEN INTO ACCOUNT IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—Any amounts described in subsection (b)(1)(D) taken into account in determining the amount of the credit under subsection (a) for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

"(i) BUSINESS CARRYOVERS ALLOWED.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (f) for such taxable year, such excess (to the extent of the credit allowable with respect to property subject to the allowance for depreciation) shall be allowed as a credit carryback and carryforward under rules similar to the rules of section 39.

"(j) SPECIAL RULES.—For purposes of this section, rules similar to the rules of paragraphs (4) and (5) of section 179A(e) and paragraphs (1) and (2) of section 41(f) shall apply.

"(k) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

"(l) REGULATIONS.—The Secretary shall prescribe such regulations as necessary to carry out the provisions of this section.

"(m) TERMINATION.—This section shall not apply to any qualified investment after December 31, 2015.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1016(a) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting ", and", and by adding at the end the following new paragraph:

"(37) to the extent provided in section 30D(g).".

(2) Section 6501(m) of such Code is amended by inserting "30D(k)," after "30C(e)(5),".

(3) The table of sections for subpart B of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 30C the following new item:

"Sec. 30D. Advanced technology motor vehicles manufacturing credit.".

(c) Effective Date.—The amendments made by this section shall apply to amounts incurred in taxable years beginning after December 31, 2005.

SEC. 28. CONSUMER INCENTIVES TO PURCHASE ADVANCED TECHNOLOGY VEHICLES.

(a) Elimination on Number of New Qualified Hybrid and Advanced Lean Burn Technology Vehicles Eligible for Alternative Motor Vehicle Credit.—

(1) In general.—Section 30D of the Internal Revenue Code of 1986 is amended by striking subsection (f) and by redesignating subsections (g) through (j) as subsections (f) through (i), respectively.

(2) Conforming amendments.—

(A) Paragraphs (4) and (6) of section 30B(h) of the Internal Revenue Code of 1986 are each amended amended by striking "(determined without regard to subsection (g))" and inserting "determined without regard to subsection (f))".

(B) Section 38(b)(25) of such Code is amended by striking "section 30B(g)(1)" and inserting "section 30B(f)(1)".

(C) Section 55(c)(2) of such Code is amended by striking "section 30B(g)(2)" and inserting "section 30B(f)(2)".

(D) Section 1016(a)(36) of such Code is amended by striking "section 30B(h)(4)" and inserting "section 30B(g)(4)".

(E) Section 6501(m) of such Code is amended by striking "section 30B(h)(9)" and inserting "section 30B(g)(9)".

(b) Extension of Alternative Vehicle Credit for New Qualified Hybrid Motor Vehicles.—Paragraph (3) of section 30B(i) of the Internal Revenue Code of 1986 (as redesignated by subsection (a)) is amended by striking "December 31, 2009" and inserting "December 31, 2010".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

SEC. _29. FEDERAL FLEET REQUIREMENTS.

(a) Regulations.—

(1) In general.—The Secretary of Energy shall issue regulations for Federal fleets subject to the Energy Policy Act of 1992 (42 U.S.C. 13201 et seq.) requiring that not later than fiscal year 2016 each Federal agency achieve at least a 30 percent reduction in petroleum consumption, as calculated from the baseline established by the Secretary for fiscal year 1999.

(2) Requirement.—Not later than fiscal year 2016, of the Federal vehicles required to be alternative fueled vehicles under title V of the Energy Policy Act of 1992 (42 U.S.C. 13251 et seq.), at least 30 percent shall be hybrid motor vehicles (including plug-in hybrid motor vehicles) or new advanced lean burn technology motor vehicles (as defined in section 30B(c)(3) of the Internal Revenue Code of 1986).

(b) Inclusion of Electric Drive in Energy Policy Act of 1992.—Section 508(a) of the Energy Policy Act of 1992 (42 U.S.C. 13258(a)) is amended—

(1) by inserting "(1)" before "The Secretary"; and

(2) by adding at the end the following:

"(2) Not later than January 31, 2007, the Secretary shall—

"(A) allocate credit in an amount to be determined by the Secretary for—

"(i) acquisition of—

"(I) a light-duty hybrid electric vehicle;

"(II) a plug-in hybrid electric vehicle;

"(III) a fuel cell electric vehicle;

"(IV) a medium- or heavy-duty hybrid electric vehicle;

"(V) a neighborhood electric vehicle; or

"(VI) a medium- or heavy-duty dedicated vehicle; and

"(ii) investment in qualified alternative fuel infrastructure or nonroad equipment, as determined by the Secretary; and

"(B) allocate more than 1, but not to exceed 5, credits for investment in an emerging technology relating to any vehicle described in subparagraph (A) to encourage—

"(i) a reduction in petroleum demand;

"(ii) technological advancement; and

"(iii) environmental safety.".

(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section (including the amendments made by subsection (b)) $10,000,000 for the period of fiscal years 2007 through 2012.

SEC. 30. TAX INCENTIVES FOR PRIVATE FLEETS.

(a) In General.—Subpart E of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 48B the following new section:

"SEC. 48C. FUEL-EFFICIENT FLEET CREDIT.

"(a) General Rule.—For purposes of section 46, the fuel-efficient fleet credit for any taxable year is 15 percent of the qualified fuel-efficient vehicle investment amount of an eligible taxpayer for such taxable year.

"(b) Vehicle Purchase Requirement.—In the case of any eligible taxpayer which places less than 10 qualified fuel-efficient vehicles in service during the taxable year, the qualified fuel-efficient vehicle investment amount shall be zero.

"(c) Qualified Fuel-Efficient Vehicle Investment Amount.—For purposes of this section—

"(1) In general.—The term 'qualified fuel-efficient vehicle investment amount' means the basis of any qualified fuel-efficient vehicle placed in service by an eligible taxpayer during the taxable year.

"(2) Qualified fuel-efficient vehicle.—The term 'qualified fuel-efficient vehicle' means an automobile which has a fuel economy which is at least 125 percent greater than the average fuel economy standard for an automobile of the same class and model year.

"(3) Other terms.—The terms 'automobile', 'average fuel economy standard', 'fuel economy', and 'model year' have the meanings given to such terms under section 32901 of title 49, United States Code.

"(d) Eligible Taxpayer.—The term 'eligible taxpayer' means, with respect to any taxable year, a taxpayer who owns a fleet of 100 or more vehicles which are used in the trade or business of the taxpayer on the first day of such taxable year.

"(e) Termination.—This section shall not apply to any vehicle placed in service after December 31, 2010.".

(b) Credit Treated as Part of Investment Credit.—Section 46 of the Internal Revenue Code of 1986 is amended by striking "and" at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting ", and", and by adding at the end the following new paragraph:

"(5) the fuel-efficient fleet credit.".

(c) Conforming Amendments.—

(1) Section 49(a)(1)(C) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of clause (iii), by striking the period at the end of clause (iv) and inserting ", and", and by adding at the end the following new clause:

"(v) the basis of any qualified fuel-efficient vehicle which is taken into account under section 48C.".

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 48 the following new item:

"Sec. 48C. Fuel-efficient fleet credit.".

(d) Effective Date.—The amendments made by this section shall apply to periods after December 31, 2005, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. _31. REDUCING INCENTIVES TO GUZZLE GAS.

(a) Inclusion of Heavy Vehicles in Limitation on Depreciation of Certain Luxury Automobiles.—

(1) In general.—Section 280F(d)(5)(A) of the Internal Revenue Code of 1986 (defining passenger automobile) is amended—

(A) by striking clause (ii) and inserting the following new clause:

"(ii)(I) which is rated at 6,000 pounds unloaded gross vehicle weight or less, or

"(II) which is rated at more than 6,000 pounds but not more than 14,000 pounds gross vehicle weight.",

(B) by striking "clause (ii)" in the second sentence and inserting "clause (ii)(I)".

(2) Exception for vehicles used in farming business.—Section 280F(d)(5)(B) of such Code (relating to exception for certain vehicles) is amended by striking "and" at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

"(iii) any vehicle used in a farming business (as defined in section 263A(e)(4), and".

(3) Effective date.—The amendments made by this subsection shall apply to property placed in service after the date of the enactment of this Act.

(b) Updated Depreciation Deduction Limits.—

(1) In general.—Subparagraph (A) of section 280F(a)(1) of the Internal Revenue Code of 1986 (relating to limitation on amount of depreciation for luxury automobiles) is amended to read as follows:

"(I) Limitation.—The amount of the depreciation deduction for any taxable year shall not exceed for any passenger automobile—

"(i) for the 1st taxable year in the recovery period—

"(I) described in subsection (d)(5)(A)(ii)(I), $4,000,

"(II) described in the second sentence of subsection (d)(5)(A), $5,000, and

"(III) described in subsection (d)(5)(A)(ii)(II), $6,000,

"(ii) for the 2nd taxable year in the recovery period—

"(I) described in subsection (d)(5)(A)(ii)(I), $6,400,

"(II) described in the second sentence of subsection (d)(5)(A), $8,000, and

"(III) described in subsection (d)(5)(A)(ii)(II), $9,600,

"(iii) for the 3rd taxable year in the recovery period—

"(I) described in subsection (d)(5)(A)(ii)(I), $3,850,

"(II) described in the second sentence of subsection (d)(5)(A), $4,800, and

"(III) described in subsection (d)(5)(A)(ii)(II), $5,775, and

"(iv) for each succeeding taxable year in the recovery period—

"(I) described in subsection (d)(5)(A)(ii)(I), $2,325,

"(II) described in the second sentence of subsection (d)(5)(A), $2,900, and

"(III) described in subsection (d)(5)(A)(ii)(II), $3,475.".

(2) YEARS AFTER RECOVERY PERIOD.—Section 280F(a)(1)(B)(ii) of such Code is amended to read as follows:

"(ii) LIMITATION.—The amount treated as an expense under clause (i) for any taxable year shall not exceed for any passenger automobile—

"(I) described in subsection (d)(5)(A)(ii)(I), $2,325,

"(II) described in the second sentence of subsection (d)(5)(A), $2,900, and

"(III) described in subsection (d)(5)(A)(ii)(II), $3,475.".

(3) INFLATION ADJUSTMENT.—Section 280F(d)(7) of such Code (relating to automobile price inflation adjustment) is amended—

(A) by striking "after 1988" in subparagraph (A) and inserting "after 2006", and

(B) by striking subparagraph (B) and inserting the following new subparagraph:

"(B) AUTOMOBILE PRICE INFLATION ADJUSTMENT.—For purposes of this paragraph—

"(i) IN GENERAL.—The automobile price inflation adjustment for any calendar year is the percentage (if any) by which—

"(I) the average wage index for the preceding calendar year, exceeds

"(II) the average wage index for 2005.

"(ii) AVERAGE WAGE INDEX.—The term 'average wage index' means the average wage index published by the Social Security Administration.".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after the date of the enactment of this Act.

(c) EXPENSING LIMITATION FOR FARM VEHICLES.—

(1) IN GENERAL.—Paragraph (6) of section 179(b) of the Internal Revenue Code of 1986 (relating to limitations) is amended to read as follows:

"(6) LIMITATION ON COST TAKEN INTO ACCOUNT FOR FARM VEHICLES.—The cost of any vehicle described in section 280F(d)(5)(B)(iii) for any taxable year which may be taken into account under this section shall not exceed $30,000.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property placed in service after the date of the enactment of this Act.

SEC. _32. INCREASING THE EFFICIENCY OF MOTOR VEHICLES.

(a) DEFINITIONS.—In this section:

(1) ALTERNATIVE FUEL.—The term "alternative fuel" has the meaning given the term in section 32901(a) of title 49, United States Code.

(2) E85.—The term "E85" means a fuel blend containing 85 percent ethanol and 15 percent gasoline or diesel by volume.

(3) FLEXIBLE FUEL MOTOR VEHICLE.—The term "flexible fuel motor vehicle" means a light duty motor vehicle warrantied by the manufacturer of the vehicle to operate on any combination of gasoline, E85, and M85.

(4) HYBRID MOTOR VEHICLE.—The term "hybrid motor vehicle" means a new qualified hybrid motor vehicle (as defined in section 30B(d)(3) of the Internal Revenue Code of 1986) that achieves at least 125 percent of the model year 2002 city fuel economy.

(5) LIGHT-DUTY MOTOR VEHICLE.—The term "light-duty motor vehicle" means, as defined in regulations promulgated by the Administrator of the Environmental Protection Agency in effect on the date of enactment of this Act—

(A) a light-duty truck; or

(B) a light-duty vehicle.

(6) M85.—The term "M85" means a fuel blend containing 85 percent methanol and 15 percent gasoline or diesel by volume.

(7) PLUG-IN HYBRID MOTOR VEHICLE.—The term "plug-in hybrid electric vehicle" means a hybrid motor vehicle that—

(A) has an onboard, rechargeable storage device capable of propelling the vehicle solely by electricity for at least 10 miles; and

(B) achieves at least 125 percent of the model year 2002 city fuel economy.

(8) QUALIFIED MOTOR VEHICLE.—The term "qualified motor vehicle" means—

(A) a new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3) of the Internal Revenue Code of 1986) that achieves at least 125 percent of the model year 2002 city fuel economy;

(B) an alternative fueled automobile (as defined in section 32901(a) of title 49, United States Code);

(C) a flexible fuel motor vehicle;

(D) a new qualified fuel cell motor vehicle (as defined in section 30B(b)(3) of the Internal Revenue Code of 1986);

(E) a hybrid motor vehicle;

(F) a plug-in hybrid motor vehicle; and

(G) any other appropriate motor vehicle that uses substantially new technology and achieve at least 175 percent of the model year 2002 city fuel economy, as determined by the Secretary of Transportation, by regulation.

(b) REQUIREMENTS.—

(1) MODEL YEAR 2012.—Not less than 10 percent of light-duty motor vehicles manufactured for model year 2012 and sold in the United States shall be qualified motor vehicles.

(2) MODEL YEAR 2013.—Not less than 20 percent of light-duty motor vehicles manufactured for model year 2013 and sold in the United States shall be qualified motor vehicles.

(3) MODEL YEAR 2014.—Not less than 30 percent of light-duty motor vehicles manufactured for model year 2014 and sold in the United States shall be qualified motor vehicles.

(4) MODEL YEAR 2015.—Not less than 40 percent of light-duty motor vehicles manufactured for model year 2015 shall be qualified motor vehicles.

(5) MODEL YEAR 2016.—Not less than 50 percent of light-duty motor vehicles manufactured for model year 2016 shall be qualified motor vehicles.

(6) MODEL YEARS 2017 AND THEREAFTER.—Not less than 50 percent of light-duty motor vehicles manufactured for model year 2017 and each model year thereafter and sold in the United States shall be qualified motor vehicles, of which not less than 10 percent shall be—

(A) hybrid motor vehicles;

(B) plug-in hybrid motor vehicles;

(C) new advanced lean burn technology motor vehicles (as defined in section 30B(c)(3) of the Internal Revenue Code of 1986);

(D) new qualified fuel cell motor vehicles (as defined in section 30B(b)(3) of the Internal Revenue Code of 1986); or

(E) any other appropriate motor vehicle that uses substantially new technology and achieve at least 175 percent of the model year 2002 city fuel economy, as determined by the Secretary of Transportation, by regulation.

(c) RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall promulgate regulations to carry out this section.

Subtitle C—Fuel Choices for the 21st Century

SEC. _41. INCREASE IN ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

(a) IN GENERAL.—Subsection (a) of section 30C of the Internal Revenue Code of 1986 is amended by striking "30 percent" and inserting "50 percent".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

SEC. 42. USE OF CAFÉ PENALTIES TO BUILD ALTERNATIVE FUELING INFRASTRUCTURE.

Section 32912 of title 49, United States Code, is amended by adding at the end the following

"(e) ALTERNATIVE FUELING INFRASTRUCTURE TRUST FUND.—(1) There is established in the Treasury of the United States a trust fund, to be known as the Alternative Fueling Infrastructure Trust Fund, consisting of such amounts as are deposited into the Trust Fund under paragraph (2) and any interest earned on investment of amounts in the Trust Fund.

"(2) The Secretary of Transportation shall remit 90 percent of the amount collected in civil penalties under this section to the Trust Fund.

"(3)(A) The Secretary of Energy shall obligate such sums as are available in the Trust Fund to establish a grant program to increase the number of locations at which consumers may purchase alternative fuels.

"(B)(i) The Secretary of Energy may award grants under this paragraph, in an amount equal to not more than $150,000 per fueling station, to—

"(I) individual fueling stations; and

"(II) corporations (including nonprofit corporations) with demonstrated experience in the administration of grant funding for the purpose of alternative fueling infrastructure.

"(ii) In awarding grants under this paragraph, the Secretary shall consider the number of vehicles in service capable of using a specific type of alternative fuel.

"(iii) Grant recipients shall provide a non-Federal match of not less than $1 for every $3 of grant funds received under this paragraph.

"(iv) Each grant recipient shall select the locations for each alternative fuel station to be constructed with grant funds received under this paragraph on a formal, open, and competitive basis.

"(C) Grant funds received under this paragraph may be used to—

"(i) construct new facilities to dispense alternative fuels;

"(ii) purchase equipment to upgrade, expand, or otherwise improve existing alternative fuel facilities; or

"(iii) purchase equipment or pay for specific turnkey fueling services by alternative fuel providers.

"(D) Facilities constructed or upgraded with grant funds under this paragraph shall—

"(i) provide alternative fuel available to the public for a period not less than 4 years;

"(ii) establish a marketing plan to advance the sale and use of alternative fuels;

"(iii) prominently display the price of alternative fuel on the marquee and in the station;

"(iv) provide point of sale materials on alternative fuel;

"(v) clearly label the dispenser with consistent materials;

"(vi) price the alternative fuel at the same margin that is received for unleaded gasoline; and "(vii) support and use all available tax incentives to reduce the cost of the alternative fuel to the lowest possible retail price.

"(E) Not later than the date on which each alternative fuel station begins to offer alternative fuel to the public, the grant recipient that used grant funds to construct such station shall notify the Secretary of Energy of such opening. The Secretary of Energy shall add each new alternative fuel station to the alternative fuel station locator on its Website when it receives notification under this subparagraph.

"(F) Not later than 6 months after the receipt of a grant award under this paragraph, and every 6 months thereafter, each grant recipient shall submit a report to the Secretary of Energy that describes—

"(i) the status of each alternative fuel station constructed with grant funds received under this paragraph;

"(ii) the amount of alternative fuel dispensed at each station during the preceding 6-month period; and

"(iii) the average price per gallon of the alternative fuel sold at each station during the preceding 6-month period.".

SEC. 43. MINIMUM QUANTITY OF RENEWABLE FUEL DERIVED FROM CELLULOSIC BIOMASS.

Section 211(o)(2)(B) of the Clean Air Act (42 U.S.C. 7545(o)(2)(B)) is amended by striking clause (iii) and inserting the following:

"(iii) Minimum quantity derived from cellulosic biomass.—

"(I) In general.—The applicable volume referred to in clause (ii) shall contain a minimum of—

"(aa) for each of calendar years 2010 through 2012, 75,000,000 gallons that are derived from cellulosic biomass; and

"(bb) for calendar year 2013 and each calendar year thereafter, 250,000,000 gallons that are derived from cellulosic biomass.

"(II) Ratio.—For calendar year 2010 and each calendar year thereafter, the 2.5-to-1 ratio referred to in paragraph (4) shall not apply.".

SEC. _44. MINIMUM QUANTITY OF RENEWABLE FUEL DERIVED FROM SUGAR.

(a) In General.—Section 211(o)(2)(B) of the Clean Air Act (42 U.S.C. 7545(o)(2)(B)) is amended by adding at the end the following:

"(v) Minimum quantity derived from sugar.—For calendar year 2008 and each calendar year thereafter, the applicable volume referred to in clause (ii) shall contain a minimum of 100,000,000 gallons that are derived from domestically-grown sugarcane, sugar beets, or sugar components.".

(b) Applicable Volume.—Section 211(o)(2)(B)(i) of the Clean Air Act (42 U.S.C. 7545(o)(2)(B)(i)) is amended—

(1) in the item relating to calendar year 2008, by striking "5.4" and inserting "5.5";

(2) in the item relating to calendar year 2009, by striking "6.1" and inserting "6.2";

(3) in the item relating to calendar year 2010, by striking "6.8" and inserting "6.9";

(4) in the item relating to calendar year 2011, by striking "7.4" and inserting "7.5"; and

(5) in the item relating to calendar year 2012, by striking "7.5" and inserting "7.6".

SEC. 45. BIOENERGY RESEARCH AND DEVELOPMENT.

Section 931(c) of the Energy Policy Act of 2005 (42 U.S.C. 16231(c)) is amended—

(1) in paragraph (1), by striking "$213,000,000" and inserting "$326,000,000";

(2) in paragraph (2), by striking "$251,000,000" and inserting "$377,000,000"; and

(3) in paragraph (3), by striking "$274,000,000" and inserting "$398,000,000".

SEC. _46. PRODUCTION INCENTIVES FOR CELLULOSIC BIOFUELS.

Section 942(f) of the Energy Policy Act of 2005 (42 U.S.C. 16251(f)) is amended by striking "$250,000,000" and inserting "$200,000,000 for each of fiscal years 2007 through 2011".

SEC. 47. LOW-INTEREST LOAN AND GRANT PROGRAM FOR RETAIL DELIVERY OF E-85 FUEL.

(a) Purposes of Loans.—Section 312(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1942(a)) is amended—

(1) in paragraph (9)(B)(ii), by striking "or" at the end;

(2) in paragraph (10), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(11) building infrastructure, including pump stations, for the retail delivery to consumers of any fuel that contains not less than 85 percent ethanol, by volume.".

(b) Program.—Subtitle B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941 et seq.) is amended by adding at the end the following:

"SEC. 320. LOW-INTEREST LOAN AND GRANT PROGRAM FOR RETAIL DELIVERY OF E-85 FUEL.

"(a) In General.—The Secretary shall establish a low-interest loan and grant program to assist farmer-owned ethanol producers (including cooperatives and limited liability corporations) to develop and build infrastructure, including pump stations, for the retail delivery to consumers of any fuel that contains not less than 85 percent ethanol, by volume.

"(b) Terms.—

"(1) Interest rate.—A low-interest loan under this section shall be fixed at not more than 5 percent for each year.

"(2) Amortization.—The repayment of a loan under this section shall be amortized over the expected life of the infrastructure project that is being financed with the proceeds of the loan.

"(c) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(c) Regulations.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to carry out the amendments made by this section.

SEC. 48. TRANSIT-ORIENTED DEVELOPMENT CORRIDORS.

(a) Definitions.—In this section:

(1) Transit-oriented development corridor.—The term "Transit-Oriented Development Corridor" or "TODC" means a geographic area designated by the Secretary under subsection (b).

(2) Other terms.—The terms "fixed guide way", "local governmental authority", "mass transportation", "Secretary", "State", and "urbanized area" have the meanings given the terms in section 5302 of title 49, United States Code.

(b) Transit-Oriented Development Corridors.—

(1) In general.—The Secretary shall develop and carry out a program to designate geographic areas in urbanized areas as Transit-Oriented Development Corridors.

(2) Criteria.—An area designated as a TODC under paragraph (1) shall include rights-of-way for fixed guide way mass transportation facilities (including commercial development of facilities that have a physical and functional connection with each facility).

(3) Number of TODCs.—In consultation with State transportation departments and metropolitan planning organizations, the Secretary shall designate—

(A) not fewer than 10 TODCs by December 31, 2015; and

(B) not fewer than 20 TODCs by December 31, 2025.

(4) Transit grants.—

(A) In general.—The Secretary make grants to eligible states and local governmental authorities to pay the Federal share of the cost of designating geographic areas in urbanized areas as TODCs.

(B) Application.—Each eligible State or local governmental authority that desires to receive a grant under this paragraph shall submit an application to the Secretary, at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require.

(C) Labor standards.—Subchapter IV of chapter 31 of title 40, United States Code shall apply to projects that receive funding under this section.

(D) Federal share.—The Federal share of the cost of a project under this subsection shall be 50 percent.

(c) TODC Research and Development.—To support effective deployment of grants and incentives under this section, the Secretary shall establish a TODC research and development program to conduct research on the best practices and performance criteria for TODCs.

(d) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2007 through 2012.

Subtitle D—Nationwide Energy Security Media Campaign

SEC. _51. NATIONWIDE MEDIA CAMPAIGN TO DECREASE OIL CONSUMPTION.

(a) In General.—The Secretary of Energy, acting through the Assistant Secretary for Energy Efficiency and Renewable Energy (referred to in this section as the "Secretary"), shall develop and conduct a national media campaign for the purpose of decreasing oil consumption in the United States over the next decade.

(b) Contract With Entity.—The Secretary shall carry out subsection (a) directly or through—

(1) competitively bid contracts with 1 or more nationally recognized media firms for the development and distribution of monthly television, radio, and newspaper public service announcements; or

(2) collective agreements with 1 or more nationally recognized institutes, businesses, or nonprofit organizations for the funding, development, and distribution of monthly television, radio, and newspaper public service announcements.

(c) Use of Funds.—

(1) In general.—Amounts made available to carry out this section shall be used for the following:

(A) Advertising costs.—

(i) The purchase of media time and space.

(ii) Creative and talent costs.

(iii) Testing and evaluation of advertising.

(iv) Evaluation of the effectiveness of the media campaign.

(v) The negotiated fees for the winning bidder on requests from proposals issued either by the Secretary for purposes otherwise authorized in this section.

(vi) Entertainment industry outreach, interactive outreach, media projects and activities, public information, news media outreach, and corporate sponsorship and participation.

(B) Administrative costs.—Operational and management expenses.

(2) LIMITATIONS.—In carrying out this section, the Secretary shall allocate not less than 85 percent of funds made available under subsection (e) for each fiscal year for the advertising functions specified under paragraph (1)(A).

(d) REPORTS.—The Secretary shall annually submit to Congress a report that describes—

(1) the strategy of the national media campaign and whether specific objectives of the campaign were accomplished, including—

(A) determinations concerning the rate of change of oil consumption, in both absolute and per capita terms; and

(B) an evaluation that enables consideration whether the media campaign contributed to reduction of oil consumption;

(2) steps taken to ensure that the national media campaign operates in an effective and efficient manner consistent with the overall strategy and focus of the campaign;

(3) plans to purchase advertising time and space;

(4) policies and practices implemented to ensure that Federal funds are used responsibly to purchase advertising time and space and eliminate the potential for waste, fraud, and abuse; and

(5) all contracts or cooperative agreements entered into with a corporation, partnership, or individual working on behalf of the national media campaign.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010.

SA 4707. Mr. BAYH (for himself, Mr. BROWNBACK, Mr. LIEBERMAN, Mr. COLEMAN, Mr. SALAZAR, Mr. LUGAR, Mr. OBAMA, Mr. CHAFEE, Mr. AKAKA, Mrs. CLINTON, Mr. DODD, Mr. KOHL, Ms. CANTWELL, Mr. KERRY, Mr. GRAHAM, Mr. MENENDEZ, Ms. COLLINS, and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE —VEHICLE AND FUEL CHOICES FOR AMERICAN SECURITY

Subtitle A—Oil Savings Plan and Requirements

SEC. 01. OIL SAVINGS TARGET AND ACTION PLAN.

Not later than 270 days after the date of enactment of this Act, the Director of the Office of Management and Budget (referred to in this subtitle as the "Director") shall publish in the Federal Register an action plan consisting of—

(1) a list of requirements proposed or to be proposed pursuant to section _02 that are authorized to be issued under law in effect on the date of enactment of this Act, and this Act, that will be sufficient, when taken together, to save from the baseline determined under section _05—

(A) 2,500,000 barrels of oil per day on average during calendar year 2016;

(B) 7,000,000 barrels of oil per day on average during calendar year 2026; and

(C) 10,000,000 barrels per day on average during calendar year 2031; and

(2) a Federal Government-wide analysis of—

(A) the expected oil savings from the baseline to be accomplished by each requirement; and

(B) whether all such requirements, taken together, will achieve the oil savings specified in this section.

SEC. _02. STANDARDS AND REQUIREMENTS.

(a) IN GENERAL.—On or before the date of publication of the action plan under section 01, the Secretary of Energy, the Secretary of Transportation, the Secretary of Defense, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the head of any other agency the President determines appropriate shall each propose, or issue a notice of intent to propose, regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the respective agency using authorities described in subsection (b).

(b) AUTHORITIES.—The head of each agency described in subsection (a) shall use to carry out this section—

(1) any authority in existence on the date of enactment of this Act (including regulations); and

(2) any new authority provided under this Act (including an amendment made by this Act).

(c) FINAL REGULATIONS.—Not later than 18 months after the date of enactment of this Act, the head of each agency described in subsection (a) shall promulgate final versions of the regulations required under this section.

(d) AGENCY ANALYSES.—Each proposed and final regulation promulgated under this section shall—

(1) be designed to achieve at least the oil savings resulting from the regulation under the action plan published under section 01; and

(2) be accompanied by an analysis by the applicable agency describing the manner in which the regulation will promote the achievement of the oil savings from the baseline determined under section _05.

SEC. 03. INITIAL EVALUATION.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Director shall publish in the Federal Register a Federal Government-wide analysis of the oil savings achieved from the baseline established under section 05.

(b) INADEQUATE OIL SAVINGS.—If the oil savings are less than the targets established under section 01, simultaneously with the analysis required under subsection (a)—

(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and

(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section 02.

(c) FINAL REGULATIONS.—Not later than 180 days after the date on which regulations are proposed under subsection (b)(2), the Secretary of Energy, the Secretary of Transportation, and the Administrator shall promulgate final versions of those regulations.

SEC. 04. REVIEW AND UPDATE OF ACTION PLAN.

(a) REVIEW.—Not later than January 1, 2011, and every 3 years thereafter, the Director shall submit to Congress, and publish, a report that—

(1) evaluates the progress achieved in implementing the oil savings targets established under section 01;

(2) analyzes the expected oil savings under the standards and requirements established under this Act and the amendments made by this Act; and

(3)(A) analyzes the potential to achieve oil savings that are in addition to the savings required by section 01; and

(B) if the President determines that it is in the national interest, establishes a higher oil savings target for calendar year 2017 or any subsequent calendar year.

(b) INADEQUATE OIL SAVINGS.—If the oil savings are less than the targets established under section 01, simultaneously with the report required under subsection (a)—

(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and

(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section 02.

(c) FINAL REGULATIONS.—Not later than 180 days after the date on which regulations are proposed under subsection (b)(2), the Secretary of Energy, the Secretary of Transportation, and the Administrator shall promulgate final versions of those regulations.

SEC. 05. BASELINE AND ANALYSIS REQUIREMENTS.

In performing the analyses and promulgating proposed or final regulations to establish standards and other requirements necessary to achieve the oil savings required by this subtitle, the Secretary of Energy, the Secretary of Transportation, the Secretary of Defense, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the head of any other agency the President determines to be appropriate shall—

(1) determine oil savings as the projected reduction in oil consumption from the baseline established by the reference case contained in the report of the Energy Information Administration entitled "Annual Energy Outlook 2005";

(2) determine the oil savings projections required on an annual basis for each of calendar years 2009 through 2026; and

(3) account for any overlap among the standards and other requirements to ensure that the projected oil savings from all the promulgated standards and requirements, taken together, are as accurate as practicable.

Subtitle B—Fuel Efficient Vehicles for the 21st Century

SEC. _21. TIRE EFFICIENCY PROGRAM.

(a) STANDARDS FOR TIRES MANUFACTURED FOR INTERSTATE COMMERCE.—Section 30123 of title 49, United States Code, is amended—

(1) in subsection (b)—

(A) in the first sentence, by striking "The Secretary" and inserting the following:

"(1) UNIFORM QUALITY GRADING SYSTEM.—

"(A) IN GENERAL.—The Secretary";

(B) in the second sentence, by striking "The Secretary" and inserting the following:

"(2) NOMENCLATURE AND MARKETING PRACTICES.—The Secretary";

(C) in the third sentence, by striking "A tire standard" and inserting the following:

"(3) EFFECT OF STANDARDS AND REGULATIONS.—A tire standard"; and

(D) in paragraph (1), as designated by subparagraph (A), by adding at the end the following:

"(B) INCLUSION.—The grading system established pursuant to subparagraph (A) shall include standards for rating the fuel efficiency of tires designed for use on passenger cars and light trucks."; and

(2) by adding at the end the following:

"(d) NATIONAL TIRE EFFICIENCY PROGRAM.—

"(1) DEFINITION.—In this subsection, the term 'fuel economy', with respect to a tire, means the extent to which the tire contributes to the fuel economy of the motor vehicle on which the tire is mounted.

"(2) PROGRAM.—The Secretary shall develop and carry out a national tire fuel efficiency program for tires designed for use on passenger cars and light trucks.

"(3) REQUIREMENTS.—Not later than March 31, 2008, the Secretary shall issue regulations, which establish—

"(A) policies and procedures for testing and labeling tires for fuel economy to enable tire buyers to make informed purchasing decisions about the fuel economy of tires;

"(B) policies and procedures to promote the purchase of energy efficient replacement tires, including purchase incentives, website listings on the Internet, printed fuel economy guide booklets, and mandatory requirements for tire retailers to provide tire buyers with fuel efficiency information on tires; and

"(C) minimum fuel economy standards for tires.

"(4) MINIMUM FUEL ECONOMY STANDARDS.—In promulgating minimum fuel economy standards for tires, the Secretary shall design standards that—

"(A) ensure, in conjunction with the requirements under paragraph (3)(B), that the average fuel economy of replacement tires is not less than the average fuel economy of tires sold as original equipment;

"(B) secure the maximum technically feasible and cost-effective fuel savings;

"(C) do not adversely affect tire safety;

"(D) incorporate the results from—

"(i) laboratory testing; and

"(ii) to the extent appropriate and available, on-road fleet testing programs conducted by manufacturers; and

"(E) do not adversely affect efforts to manage scrap tires.

"(5) APPLICABILITY.—The policies, procedures, and standards developed under paragraph (3) shall apply to all tire types and models regulated under the uniform tire quality grading standards in section 575.104 of title 49, Code of Federal Regulations (or a successor regulation).

"(6) REVIEW.—

"(A) IN GENERAL.—Not less than once every 3 years, the Secretary shall—

"(i) review the minimum fuel economy standards in effect for tires under this subsection; and

"(ii) subject to subparagraph (B), revise the standards as necessary to ensure compliance with standards described in paragraph (4).

"(B) LIMITATION.—The Secretary may not reduce the average fuel economy standards applicable to replacement tires.

"(7) NO PREEMPTION OF STATE LAW.—Nothing in this section shall be construed to preempt any provision of State law relating to higher fuel economy standards applicable to replacement tires designed for use on passenger cars and light trucks.

"(8) EXCEPTIONS.—Nothing in this section shall apply to—

"(A) a tire or group of tires with the same stock keeping unit, plant, and year, for which the volume of tires produced or imported is less than 15,000 annually;

"(B) a deep tread, winter-type snow tire, space-saver tire, or temporary use spare tire;

"(C) a tire with a normal rim diameter of 12 inches or less;

"(D) a motorcycle tire; or

"(E) a tire manufactured specifically for use in an off-road motorized recreational vehicle.".

(b) CONFORMING AMENDMENT.—Section 30103(b)(1) of title 49, United States Code, is amended by striking "When" and inserting "Except as provided in section 30123(d), if".

(c) TIME FOR IMPLEMENTATION.—Beginning not later than March 31, 2008, the Secretary of Transportation shall administer the national tire fuel efficiency program established under section 30123(d) of title 49, United States Code, in accordance with the policies, procedures, and standards developed under section 30123(d)(3) of such title.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, for each of fiscal years 2007 through 2011, such sums as may be necessary to carry out section 30123(d) of title 49, United States Code, as added by subsection (a).

SEC. 22. REDUCTION OF SCHOOL BUS IDLING.

(a) STATEMENT OF POLICY.—Congress encourages each local educational agency (as defined in section 9101(26) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(26))) that receives Federal funds under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) to develop a policy to reduce the incidence of school bus idling at schools while picking up and unloading students.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Environmental Protection Agency, working in coordination with the Secretary of Education, $5,000,000 for each of fiscal years 2007 through 2012 for use in educating States and local education agencies about—

(1) benefits of reducing school bus idling; and

(2) ways in which school bus idling may be reduced.

SEC. 23. FUEL EFFICIENCY FOR HEAVY DUTY TRUCKS.

Part C of subtitle VI of title 49, United States Code, is amended by inserting after chapter 329 the following:

"CHAPTER 330—HEAVY DUTY VEHICLE FUEL ECONOMY STANDARDS

"CHAPTER 330—HEAVY DUTY VEHICLE FUEL ECONOMY STANDARDS

"Sec.
"33001. Purpose and policy.
"33002. Definition.
"33003. Testing and assessment.
"33004. Standards.
"33005. Authorization of appropriations.

"§ 33001. Purpose and policy

"The purpose of this chapter is to reduce petroleum consumption by heavy duty motor vehicles.

"§ 33002. Definition

"In this chapter, the term 'heavy duty motor vehicle'—

"(1) means a vehicle having a gross vehicle weight rating of at least 10,000 pounds that is driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways; and

"(2) does not include a vehicle operated only on a rail line.

"§ 33003. Testing and assessment

"(a) GENERAL REQUIREMENTS.—The Administrator of the Environmental Protection Agency (referred to in this section as the 'Administrator') shall develop and coordinate a national testing and assessment program to—

"(1) determine the fuel economy of heavy duty vehicles; and

"(2) assess the fuel efficiency attainable through available technology.

"(b) TESTING.—The Administrator shall—

"(1) design a National testing program to assess the fuel economy of heavy duty vehicles (based on the program for light duty vehicles); and

"(2) implement the program described in paragraph (1) not later than 18 months after the date of enactment of this chapter.

"(c) ASSESSMENT.—The Administrator shall consult with the Secretary of Transportation on the assessment of available technologies to enhance the fuel efficiency of heavy duty vehicles to ensure that vehicle use and needs are considered appropriately in the assessment.

"(d) REPORTING.—The Administrator shall—

"(1) not later than 2 years after the date of enactment of this chapter, submit a report to Congress regarding the results of the assessment of available technologies to improve the fuel efficiency of heavy duty vehicles.

"(2) submit a report to Congress, at least biannually, that addresses the fuel economy of heavy duty vehicles; and

"§ 33004. Standards

"(a) GENERAL REQUIREMENTS.—Not later than 18 months after completing the testing and assessments under section 33003, the Secretary of Transportation shall prescribe average heavy duty vehicle fuel economy standards. Each standard shall be the maximum feasible average fuel economy level that the Secretary decides that manufacturers can achieve in that model year. The Secretary may prescribe separate standards for different classes of heavy duty motor vehicles. The standards for each model year shall be completed not later than 18 months before the beginning of each model year.

"(b) CONSIDERATIONS AND CONSULTATION.—In determining maximum feasible average fuel economy, the Secretary shall consider—

"(1) relevant available heavy duty motor vehicle fuel consumption information;

"(2) technological feasibility;

"(3) economic practicability;

"(4) the desirability of reducing United States dependence on oil;

"(5) the effects of average fuel economy standards on vehicle safety;

"(6) the effects of average fuel economy standards on levels of employment and competitiveness of the heavy truck manufacturing industry ; and

"(7) the extent to which the standard will carry out the purpose described in section 33001.

"(c) COOPERATION.—The Secretary may advise, assist, and cooperate with departments, agencies, and instrumentalities of the United States Government, States, and other public and private agencies in developing fuel economy standards for heavy duty motor vehicles.

"(d) 5-YEAR PLAN FOR TESTING STANDARDS.—The Secretary shall establish, periodically review, and continually update a 5-year plan for testing heavy duty motor vehicle fuel economy standards prescribed under this chapter. In developing and establishing testing priorities, the Secretary shall consider factors the Secretary considers appropriate, consistent with the purpose described in section 33001 and the Secretary's other duties and powers under this chapter.

"§ 33005. Authorization of appropriations

"There are authorized to be appropriated, for each of fiscal years 2007 through 2011, such sums as may be necessary to carry out this chapter.".

SEC. _24. NEAR-TERM VEHICLE TECHNOLOGY PROGRAM.

(a) PURPOSES.—The purposes of this section are—

(1) to enable and promote, in partnership with industry, comprehensive development, demonstration, and commercialization of a wide range of electric drive components, systems, and vehicles using diverse electric drive transportation technologies;

(2) to make critical public investments to help private industry, institutions of higher education, National Laboratories, and research institutions to expand innovation, industrial growth, and jobs in the United States;

(3) to expand the availability of the existing electric infrastructure for fueling light duty transportation and other on-road and nonroad vehicles that are using petroleum and are mobile sources of emissions—

(A) including the more than 3,000,000 reported units (such as electric forklifts, golf carts, and similar nonroad vehicles) in use on the date of enactment of this Act; and

(B) with the goal of enhancing the energy security of the United States, reduce dependence on imported oil, and reduce emissions through the expansion of grid supported mobility;

(4) to accelerate the widespread commercialization of all types of electric drive vehicle technology into all sizes and applications of vehicles, including commercialization of plug-in hybrid electric vehicles and plug-in hybrid fuel cell vehicles; and

(5) to improve the energy efficiency of and reduce the petroleum use in transportation.

(b) DEFINITIONS.—In this section:

(1) BATTERY.—The term "battery" means an energy storage device used in an on-road or nonroad vehicle powered in whole or in part using an off-board or on-board source of electricity.

(2) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term "electric drive transportation technology" means—

(A) vehicles that use an electric motor for all or part of their motive power and that may or may not use off-board electricity, including battery electric vehicles, fuel cell vehicles, engine dominant hybrid electric vehicles, plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and electric rail; or

(B) equipment relating to transportation or mobile sources of air pollution that use an electric motor to replace an internal combustion engine for all or part of the work of the equipment, including corded electric equipment linked to transportation or mobile sources of air pollution.

(3) ENGINE DOMINANT HYBRID ELECTRIC VEHICLE.—The term "engine dominant hybrid electric vehicle" means an on-road or nonroad vehicle that—

(A) is propelled by an internal combustion engine or heat engine using—

(i) any combustible fuel;

(ii) an on-board, rechargeable storage device; and

(B) has no means of using an off-board source of electricity.

(4) FUEL CELL VEHICLE.—The term "fuel cell vehicle" means an on-road or nonroad vehicle that uses a fuel cell (as defined in section 3 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990).

(5) NONROAD VEHICLE.—The term "nonroad vehicle" has the meaning given the term in section 216 of the Clean Air Act (42 U.S.C. 7550).

(6) PLUG-IN HYBRID ELECTRIC VEHICLE.—The term "plug-in hybrid electric vehicle" means an on-road or nonroad vehicle that is propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel;

(B) an on-board, rechargeable storage device; and

(C) a means of using an off-board source of electricity.

(7) PLUG-IN HYBRID FUEL CELL VEHICLE.—The term "plug-in hybrid fuel cell vehicle" means a fuel cell vehicle with a battery powered by an off-board source of electricity.

(c) PROGRAM.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for electric drive transportation technology, including—

(1) high capacity, high efficiency batteries;

(2) high efficiency on-board and off-board charging components;

(3) high power drive train systems for passenger and commercial vehicles and for nonroad equipment;

(4) control system development and power train development and integration for plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and engine dominant hybrid electric vehicles, including—

(A) development of efficient cooling systems;

(B) analysis and development of control systems that minimize the emissions profile when clean diesel engines are part of a plug-in hybrid drive system; and

(C) development of different control systems that optimize for different goals, including—

(i) battery life;

(ii) reduction of petroleum consumption; and

(iii) green house gas reduction;

(5) nanomaterial technology applied to both battery and fuel cell systems;

(6) large-scale demonstrations, testing, and evaluation of plug-in hybrid electric vehicles in different applications with different batteries and control systems, including—

(A) military applications;

(B) mass market passenger and light-duty truck applications;

(C) private fleet applications; and

(D) medium- and heavy-duty applications;

(7) a nationwide education strategy for electric drive transportation technologies providing secondary and high school teaching materials and support for university education focused on electric drive system and component engineering;

(8) development, in consultation with the Administrator of the Environmental Protection Agency, of procedures for testing and certification of criteria pollutants, fuel economy, and petroleum use for light-, medium-, and heavy-duty vehicle applications, including consideration of—

(A) the vehicle and fuel as a system, not just an engine; and

(B) nightly off-board charging; and

(9) advancement of battery and corded electric transportation technologies in mobile source applications by—

(A) improvement in battery, drive train, and control system technologies; and

(B) working with industry and the Administrator of the Environmental Protection Agency to—

(i) understand and inventory markets; and

(ii) identify and implement methods of removing barriers for existing and emerging applications.

(d) GOALS.—The goals of the electric drive transportation technology program established under subsection (c) shall be to develop, in partnership with industry and institutions of higher education, projects that focus on—

(1) innovative electric drive technology developed in the United States;

(2) growth of employment in the United States in electric drive design and manufacturing;

(3) validation of the plug-in hybrid potential through fleet demonstrations; and

(4) acceleration of fuel cell commercialization through comprehensive development and commercialization of the electric drive technology systems that are the foundational technology of the fuel cell vehicle system.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $300,000,000 for each of fiscal years 2007 through 2012.

SEC. 25. LIGHTWEIGHT MATERIALS RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Energy shall establish a research and development program to determine ways in which—

(1) the weight of vehicles may be reduced to improve fuel efficiency without compromising passenger safety; and

(2) the cost of lightweight materials (such as steel alloys and carbon fibers) required for the construction of lighter-weight vehicles may be reduced.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $60,000,000 for each of fiscal years 2007 through 2012.

SEC. _26. HYBRID AND ADVANCED DIESEL VEHICLES.

(a) HYBRID VEHICLES.—The Energy Policy Act of 2005 is amended by striking section 711 (42 U.S.C. 16061) and inserting the following:

"SEC. 711. HYBRID VEHICLES.

"(a) DEFINITIONS.—In this section:

"(1) COST.—The term 'cost' has the meaning given the term 'cost of a loan guarantee' within the meaning of section 502(5)(C) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)(C)).

"(2) ELIGIBLE PROJECT.—The term 'eligible project' means a project to—

"(A) improve hybrid technologies under subsection (b); or

"(B) encourage domestic production of efficient hybrid and advanced diesel vehicles under section 712(a).

"(3) GUARANTEE.—

"(A) IN GENERAL.—The term 'guarantee' has the meaning given the term 'loan guarantee' in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

"(B) INCLUSION.—The term 'guarantee' includes a loan guarantee commitment (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)).

"(4) HYBRID TECHNOLOGY.—The term 'hybrid technology' means a battery or other rechargeable energy storage system, power electronic, hybrid systems integration, and any other technology for use in hybrid vehicles.

"(5) OBLIGATION.—The term 'obligation' means the loan or other debt obligation that is guaranteed under this section.

"(b) AUTHORIZATION.—The Secretary shall accelerate efforts directed toward the improvement of hybrid technologies, including through the provision of loan guarantees under subsection (c).

"(c) LOAN GUARANTEES.—

"(1) IN GENERAL.—The Secretary shall make guarantees under this section for eligible projects on such terms and conditions as the Secretary, in consultation with the Secretary of the Treasury, determines to be appropriate.

"(2) SPECIFIC APPROPRIATION OR CONTRIBUTION.—No guarantee shall be made unless—

"(A) an appropriation for the cost has been made; or

"(B) the Secretary has received from the borrower a payment in full for the cost of the obligation and deposited the payment into the Treasury.

"(3) AMOUNT.—Unless otherwise provided by law, a guarantee by the Secretary shall not exceed an amount equal to 80 percent of the project cost of the hybrid technology that is the subject of the guarantee, as estimated at the time at which the guarantee is issued.

"(4) REPAYMENT.—

"(A) IN GENERAL.—No guarantee shall be made unless the Secretary determines that there is a reasonable prospect of repayment of the principal and interest on the obligation by the borrower.

"(B) AMOUNT.—No guarantee shall be made unless the Secretary determines that the amount of the obligation (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project.

"(C) SUBORDINATION.—The obligation shall be subject to the condition that the obligation is not subordinate to other financing.

"(5) INTEREST RATE.—An obligation shall bear interest at a rate that does not exceed a level that the Secretary determines appropriate, taking into account the prevailing rate of interest in the private sector for similar loans and risks.

"(6) TERM.—The term of an obligation shall require full repayment over a period not to exceed the lesser of—

"(A) 30 years; or

"(B) 90 percent of the projected useful life of the physical asset to be financed by the obligation (as determined by the Secretary).

"(7) DEFAULTS.—

"(A) PAYMENT BY SECRETARY.—

"(i) IN GENERAL.—If a borrower defaults on the obligation (as defined in regulations promulgated by the Secretary and specified in the guarantee contract), the holder of the guarantee shall have the right to demand payment of the unpaid amount from the Secretary.

"(ii) PAYMENT REQUIRED.—Within such period as may be specified in the guarantee or related agreements, the Secretary shall pay to the holder of the guarantee the unpaid interest on, and unpaid principal of the obligation as to which the borrower has defaulted, unless the Secretary finds that—

"(I) there was no default by the borrower in the payment of interest or principal; or

"(II) the default has been remedied.

"(iii) FORBEARANCE.—Nothing in this subsection precludes any forbearance by the holder of the obligation for the benefit of the borrower that may be agreed upon by the parties to the obligation and approved by the Secretary.

"(B) SUBROGATION.—

"(i) IN GENERAL.—If the Secretary makes a payment under subparagraph (A), the Secretary shall be subrogated to the rights of the recipient of the payment as specified in the guarantee or related agreements including, where appropriate, the authority (notwithstanding any other provision of law) to—

"(I) complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to the guarantee or related agreements; or

"(II) permit the borrower, pursuant to an agreement with the Secretary, to continue to pursue the purposes of the eligible project, as the Secretary determines to be in the public interest.

"(ii) SUPERIORITY OF RIGHTS.—The rights of the Secretary, with respect to any property acquired pursuant to a guarantee or related agreement, shall be superior to the rights of any other person with respect to the property.

"(iii) TERMS AND CONDITIONS.—A guarantee agreement shall include such detailed terms and conditions as the Secretary determines appropriate to—

"(I) protect the interests of the United States in the case of default; and

"(II) have available all the patents and technology necessary for any person selected, including the Secretary, to complete and operate the eligible project.

"(C) PAYMENT OF PRINCIPAL AND INTEREST BY SECRETARY.—With respect to any obligation guaranteed under this section, the Secretary may enter into a contract to pay, and pay, holders of the obligation, for and on behalf of the borrower, from funds appropriated for that purpose, the principal and interest payments that become due and payable on the unpaid balance of the obligation if the Secretary finds that—

"(i)(I) the borrower is unable to meet the payments and is not in default;

"(II) it is in the public interest to permit the borrower to continue to pursue the purposes of the eligible project; and

"(III) the probable net benefit to the Federal Government in paying the principal and interest will be greater than the benefit that would result in the event of a default;

"(ii) the amount of the payment that the Secretary is authorized to pay will be no greater than the amount of principal and interest that the borrower is obligated to pay under the agreement being guaranteed; and

"(iii) the borrower agrees to reimburse the Secretary for the payment (including interest) on terms and conditions that are satisfactory to the Secretary.

"(D) ACTION BY ATTORNEY GENERAL.—

"(i) NOTIFICATION.—If the borrower defaults on an obligation, the Secretary shall notify the Attorney General of the default.

"(ii) RECOVERY.—On receipt of notification, the Attorney General shall take such action as the Attorney General determines to be appropriate to recover the unpaid principal and interest due from—

"(I) such assets of the defaulting borrower as are associated with the obligation; or

"(II) any other security pledged to secure the obligation.

"(8) FEES.—

"(A) IN GENERAL.—The Secretary shall charge and collect fees for guarantees in amounts the Secretary determines are sufficient to cover applicable administrative expenses.

"(B) AVAILABILITY.—Fees collected under this paragraph shall—

"(i) be deposited by the Secretary into the Treasury; and

"(ii) remain available until expended, subject to such other conditions as are contained in annual appropriations Acts.

"(9) RECORDS; AUDITS.—

"(A) IN GENERAL.—A recipient of a guarantee shall keep such records and other pertinent documents as the Secretary shall prescribe by regulation, including such records as the Secretary may require to facilitate an effective audit.

"(B) ACCESS.—The Secretary and the Comptroller General of the United States, or their duly authorized representatives, shall have access, for the purpose of audit, to the records and other pertinent documents.

"(10) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to provide the cost of guarantees under this section.".

(b) EFFICIENT HYBRID AND ADVANCED DIESEL VEHICLES.—Section 712(a) of the Energy Policy Act of 2005 (42 U.S.C. 16062(a)) is amended in the second sentence by striking "grants to automobile manufacturers" and inserting "grants and the provision of loan guarantees under section 711(c) to automobile manufacturers and suppliers".

SEC. 27. FEDERAL FLEET REQUIREMENTS.

(a) REGULATIONS.—

(1) IN GENERAL.—The Secretary of Energy shall issue regulations for Federal fleets subject to the Energy Policy Act of 1992 (42 U.S.C. 13201 et seq.) requiring that not later than fiscal year 2016 each Federal agency achieve at least a 30 percent reduction in petroleum consumption, as calculated from the baseline established by the Secretary for fiscal year 1999.

(2) REQUIREMENT.—Not later than fiscal year 2016, of the Federal vehicles required to be alternative fueled vehicles under title V of the Energy Policy Act of 1992 (42 U.S.C. 13251 et seq.), at least 30 percent shall be hybrid motor vehicles (including plug-in hybrid motor vehicles) or new advanced lean burn technology motor vehicles (as defined in section 30B(c)(3) of the Internal Revenue Code of 1986).

(b) INCLUSION OF ELECTRIC DRIVE IN ENERGY POLICY ACT OF 1992.—Section 508(a) of the Energy Policy Act of 1992 (42 U.S.C. 13258(a)) is amended—

(1) by inserting "(1)" before "The Secretary"; and

(2) by adding at the end the following:

"(2) Not later than January 31, 2007, the Secretary shall—

"(A) allocate credit in an amount to be determined by the Secretary for—

"(i) acquisition of—

"(I) a light-duty hybrid electric vehicle;

"(II) a plug-in hybrid electric vehicle;

"(III) a fuel cell electric vehicle;

"(IV) a medium- or heavy-duty hybrid electric vehicle;

"(V) a neighborhood electric vehicle; or

"(VI) a medium- or heavy-duty dedicated vehicle; and

"(ii) investment in qualified alternative fuel infrastructure or nonroad equipment, as determined by the Secretary; and

"(B) allocate more than 1, but not to exceed 5, credits for investment in an emerging technology relating to any vehicle described in subparagraph (A) to encourage—

"(i) a reduction in petroleum demand;

"(ii) technological advancement; and

"(iii) environmental safety.".

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section (including the amendments made by subsection (b)) $10,000,000 for the period of fiscal years 2007 through 2012

SEC. 28. INCREASING THE EFFICIENCY OF MOTOR VEHICLES.

(a) DEFINITIONS.—In this section:

(1) ALTERNATIVE FUEL.—The term "alternative fuel" has the meaning given the term in section 32901(a) of title 49, United States Code.

(2) E85.—The term "E85" means a fuel blend containing 85 percent ethanol and 15 percent gasoline or diesel by volume.

(3) FLEXIBLE FUEL MOTOR VEHICLE.—The term "flexible fuel motor vehicle" means a

light duty motor vehicle warrantied by the manufacturer of the vehicle to operate on any combination of gasoline, E85, and M85.

(4) HYBRID MOTOR VEHICLE.—The term "hybrid motor vehicle" means a new qualified hybrid motor vehicle (as defined in section 30B(d)(3) of the Internal Revenue Code of 1986) that achieves at least 125 percent of the model year 2002 city fuel economy.

(5) LIGHT-DUTY MOTOR VEHICLE.—The term "light-duty motor vehicle" means, as defined in regulations promulgated by the Administrator of the Environmental Protection Agency in effect on the date of enactment of this Act—

(A) a light-duty truck; or

(B) a light-duty vehicle.

(6) M85.—The term "M85" means a fuel blend containing 85 percent methanol and 15 percent gasoline or diesel by volume.

(7) PLUG-IN HYBRID MOTOR VEHICLE.—The term "plug-in hybrid electric vehicle" means a hybrid motor vehicle that—

(A) has an onboard, rechargeable storage device capable of propelling the vehicle solely by electricity for at least 10 miles; and

(B) achieves at least 125 percent of the model year 2002 city fuel economy.

(8) QUALIFIED MOTOR VEHICLE.—The term "qualified motor vehicle" means—

(A) a new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3) of the Internal Revenue Code of 1986) that achieves at least 125 percent of the model year 2002 city fuel economy;

(B) an alternative fueled automobile (as defined in section 32901(a) of title 49, United States Code);

(C) a flexible fuel motor vehicle;

(D) a new qualified fuel cell motor vehicle (as defined in section 30B(b)(3) of the Internal Revenue Code of 1986);

(E) a hybrid motor vehicle;

(F) a plug-in hybrid motor vehicle; and

(G) any other appropriate motor vehicle that uses substantially new technology and achieve at least 175 percent of the model year 2002 city fuel economy, as determined by the Secretary of Transportation, by regulation.

(b) REQUIREMENTS.—

(1) MODEL YEAR 2012.—Not less than 10 percent of light-duty motor vehicles manufactured for model year 2012 and sold in the United States shall be qualified motor vehicles.

(2) MODEL YEAR 2013.—Not less than 20 percent of light-duty motor vehicles manufactured for model year 2013 and sold in the United States shall be qualified motor vehicles.

(3) MODEL YEAR 2014.—Not less than 30 percent of light-duty motor vehicles manufactured for model year 2014 and sold in the United States shall be qualified motor vehicles.

(4) MODEL YEAR 2015.—Not less than 40 percent of light-duty motor vehicles manufactured for model year 2015 shall be qualified motor vehicles.

(5) MODEL YEAR 2016.—Not less than 50 percent of light-duty motor vehicles manufactured for model year 2016 shall be qualified motor vehicles.

(6) MODEL YEARS 2017 AND THEREAFTER.—Not less than 50 percent of light-duty motor vehicles manufactured for model year 2017 and each model year thereafter and sold in the United States shall be qualified motor vehicles, of which not less than 10 percent shall be—

(A) hybrid motor vehicles;

(B) plug-in hybrid motor vehicles;

(C) new advanced lean burn technology motor vehicles (as defined in section 30B(c)(3) of the Internal Revenue Code of 1986);

(D) new qualified fuel cell motor vehicles (as defined in section 30B(b)(3) of the Internal Revenue Code of 1986); or

(E) any other appropriate motor vehicle that uses substantially new technology and achieve at least 175 percent of the model year 2002 city fuel economy, as determined by the Secretary of Transportation, by regulation.

(c) RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall promulgate regulations to carry out this section.

Subtitle C—Fuel Choices for the 21st Century

SEC. 31. USE OF CAFÉ PENALTIES TO BUILD ALTERNATIVE FUELING INFRASTRUCTURE.

Section 32912 of title 49, United States Code, is amended by adding at the end the following

"(e) ALTERNATIVE FUELING INFRASTRUCTURE TRUST FUND.—(1) There is established in the Treasury of the United States a trust fund, to be known as the Alternative Fueling Infrastructure Trust Fund, consisting of such amounts as are deposited into the Trust Fund under paragraph (2) and any interest earned on investment of amounts in the Trust Fund.

"(2) The Secretary of Transportation shall remit 90 percent of the amount collected in civil penalties under this section to the Trust Fund.

"(3)(A) The Secretary of Energy shall obligate such sums as are available in the Trust Fund to establish a grant program to increase the number of locations at which consumers may purchase alternative fuels.

"(B)(i) The Secretary of Energy may award grants under this paragraph, in an amount equal to not more than $150,000 per fueling station, to—

"(I) individual fueling stations; and

"(II) corporations (including nonprofit corporations) with demonstrated experience in the administration of grant funding for the purpose of alternative fueling infrastructure.

"(ii) In awarding grants under this paragraph, the Secretary shall consider the number of vehicles in service capable of using a specific type of alternative fuel.

"(iii) Grant recipients shall provide a non-Federal match of not less than $1 for every $3 of grant funds received under this paragraph.

"(iv) Each grant recipient shall select the locations for each alternative fuel station to be constructed with grant funds received under this paragraph on a formal, open, and competitive basis.

"(C) Grant funds received under this paragraph may be used to—

"(i) construct new facilities to dispense alternative fuels;

"(ii) purchase equipment to upgrade, expand, or otherwise improve existing alternative fuel facilities; or

"(iii) purchase equipment or pay for specific turnkey fueling services by alternative fuel providers.

"(D) Facilities constructed or upgraded with grant funds under this paragraph shall—

"(i) provide alternative fuel available to the public for a period not less than 4 years;

"(ii) establish a marketing plan to advance the sale and use of alternative fuels;

"(iii) prominently display the price of alternative fuel on the marquee and in the station;

"(iv) provide point of sale materials on alternative fuel;

"(v) clearly label the dispenser with consistent materials;

"(vi) price the alternative fuel at the same margin that is received for unleaded gasoline; and

"(vii) support and use all available tax incentives to reduce the cost of the alternative fuel to the lowest possible retail price.

"(E) Not later than the date on which each alternative fuel station begins to offer alternative fuel to the public, the grant recipient that used grant funds to construct such station shall notify the Secretary of Energy of such opening. The Secretary of Energy shall add each new alternative fuel station to the alternative fuel station locator on its Website when it receives notification under this subparagraph.

"(F) Not later than 6 months after the receipt of a grant award under this paragraph, and every 6 months thereafter, each grant recipient shall submit a report to the Secretary of Energy that describes—

"(i) the status of each alternative fuel station constructed with grant funds received under this paragraph;

"(ii) the amount of alternative fuel dispensed at each station during the preceding 6-month period; and

"(iii) the average price per gallon of the alternative fuel sold at each station during the preceding 6-month period.".

SEC. _32. MINIMUM QUANTITY OF RENEWABLE FUEL DERIVED FROM CELLULOSIC BIOMASS.

Section 211(o)(2)(B) of the Clean Air Act (42 U.S.C. 7545(o)(2)(B)) is amended by striking clause (iii) and inserting the following:

"(iii) MINIMUM QUANTITY DERIVED FROM CELLULOSIC BIOMASS.—

"(I) IN GENERAL.—The applicable volume referred to in clause (ii) shall contain a minimum of—

"(aa) for each of calendar years 2010 through 2012, 75,000,000 gallons that are derived from cellulosic biomass; and

"(bb) for calendar year 2013 and each calendar year thereafter, 250,000,000 gallons that are derived from cellulosic biomass.

"(II) RATIO.—For calendar year 2010 and each calendar year thereafter, the 2.5-to-1 ratio referred to in paragraph (4) shall not apply.".

SEC. 33. MINIMUM QUANTITY OF RENEWABLE FUEL DERIVED FROM SUGAR.

(a) IN GENERAL.—Section 211(o)(2)(B) of the Clean Air Act (42 U.S.C. 7545(o)(2)(B)) is amended by adding at the end the following:

"(v) MINIMUM QUANTITY DERIVED FROM SUGAR.—For calendar year 2008 and each calendar year thereafter, the applicable volume referred to in clause (ii) shall contain a minimum of 100,000,000 gallons that are derived from domestically-grown sugarcane, sugar beets, or sugar components.".

(b) APPLICABLE VOLUME.—Section 211(o)(2)(B)(i) of the Clean Air Act (42 U.S.C. 7545(o)(2)(B)(i)) is amended—

(1) in the item relating to calendar year 2008, by striking "5.4" and inserting "5.5";

(2) in the item relating to calendar year 2009, by striking "6.1" and inserting "6.2";

(3) in the item relating to calendar year 2010, by striking "6.8" and inserting "6.9";

(4) in the item relating to calendar year 2011, by striking "7.4" and inserting "7.5"; and

(5) in the item relating to calendar year 2012, by striking "7.5" and inserting "7.6".

SEC. _34. BIOENERGY RESEARCH AND DEVELOPMENT.

Section 931(c) of the Energy Policy Act of 2005 (42 U.S.C. 16231(c)) is amended—

(1) in paragraph (1), by striking "$213,000,000" and inserting "$326,000,000";

(2) in paragraph (2), by striking "$251,000,000" and inserting "$377,000,000"; and

(3) in paragraph (3), by striking "$274,000,000" and inserting "$398,000,000".

SEC. 35. PRODUCTION INCENTIVES FOR CELLULOSIC BIOFUELS.

Section 942(f) of the Energy Policy Act of 2005 (42 U.S.C. 16251(f)) is amended by striking "$250,000,000" and inserting "$200,000,000 for each of fiscal years 2007 through 2011".

SEC. _36. LOW-INTEREST LOAN AND GRANT PROGRAM FOR RETAIL DELIVERY OF E-85 FUEL.

(a) PURPOSES OF LOANS.—Section 312(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1942(a)) is amended—

(1) in paragraph (9)(B)(ii), by striking "or" at the end;

(2) in paragraph (10), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(11) building infrastructure, including pump stations, for the retail delivery to consumers of any fuel that contains not less than 85 percent ethanol, by volume.".

(b) PROGRAM.—Subtitle B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941 et seq.) is amended by adding at the end the following:

"SEC. 320. LOW-INTEREST LOAN AND GRANT PROGRAM FOR RETAIL DELIVERY OF E-85 FUEL.

"(a) IN GENERAL.—The Secretary shall establish a low-interest loan and grant program to assist farmer-owned ethanol producers (including cooperatives and limited liability corporations) to develop and build infrastructure, including pump stations, for the retail delivery to consumers of any fuel that contains not less than 85 percent ethanol, by volume.

"(b) TERMS.—

"(1) INTEREST RATE.—A low-interest loan under this section shall be fixed at not more than 5 percent for each year.

"(2) AMORTIZATION.—The repayment of a loan under this section shall be amortized over the expected life of the infrastructure project that is being financed with the proceeds of the loan.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(c) REGULATIONS.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to carry out the amendments made by this section.

SEC. _37. TRANSIT-ORIENTED DEVELOPMENT CORRIDORS.

(a) DEFINITIONS.—In this section:

(1) TRANSIT-ORIENTED DEVELOPMENT CORRIDOR.—The term "Transit-Oriented Development Corridor" or "TODC" means a geographic area designated by the Secretary under subsection (b).

(2) OTHER TERMS.—The terms "fixed guide way", "local governmental authority", "mass transportation", "Secretary", "State", and "urbanized area" have the meanings given the terms in section 5302 of title 49, United States Code.

(b) TRANSIT-ORIENTED DEVELOPMENT CORRIDORS.—

(1) IN GENERAL.—The Secretary shall develop and carry out a program to designate geographic areas in urbanized areas as Transit-Oriented Development Corridors.

(2) CRITERIA.—An area designated as a TODC under paragraph (1) shall include rights-of-way for fixed guide way mass transportation facilities (including commercial development of facilities that have a physical and functional connection with each facility).

(3) NUMBER OF TODCS.—In consultation with State transportation departments and metropolitan planning organizations, the Secretary shall designate—

(A) not fewer than 10 TODCs by December 31, 2015; and

(B) not fewer than 20 TODCs by December 31, 2025.

(4) TRANSIT GRANTS.—

(A) IN GENERAL.—The Secretary make grants to eligible states and local governmental authorities to pay the Federal share of the cost of designating geographic areas in urbanized areas as TODCs.

(B) APPLICATION.—Each eligible State or local governmental authority that desires to receive a grant under this paragraph shall submit an application to the Secretary, at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require.

(C) LABOR STANDARDS.—Subchapter IV of chapter 31 of title 40, United States Code shall apply to projects that receive funding under this section.

(D) FEDERAL SHARE.—The Federal share of the cost of a project under this subsection shall be 50 percent.

(c) TODC RESEARCH AND DEVELOPMENT.—To support effective deployment of grants and incentives under this section, the Secretary shall establish a TODC research and development program to conduct research on the best practices and performance criteria for TODCs.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2007 through 2012.

Subtitle D—Nationwide Energy Security Media Campaign

SEC. 41. NATIONWIDE MEDIA CAMPAIGN TO DECREASE OIL CONSUMPTION.

(a) IN GENERAL.—The Secretary of Energy, acting through the Assistant Secretary for Energy Efficiency and Renewable Energy (referred to in this section as the "Secretary"), shall develop and conduct a national media campaign for the purpose of decreasing oil consumption in the United States over the next decade.

(b) CONTRACT WITH ENTITY.—The Secretary shall carry out subsection (a) directly or through—

(1) competitively bid contracts with 1 or more nationally recognized media firms for the development and distribution of monthly television, radio, and newspaper public service announcements; or

(2) collective agreements with 1 or more nationally recognized institutes, businesses, or nonprofit organizations for the funding, development, and distribution of monthly television, radio, and newspaper public service announcements.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Amounts made available to carry out this section shall be used for the following:

(A) ADVERTISING COSTS.—

(i) The purchase of media time and space.

(ii) Creative and talent costs.

(iii) Testing and evaluation of advertising.

(iv) Evaluation of the effectiveness of the media campaign.

(v) The negotiated fees for the winning bidder on requests from proposals issued either by the Secretary for purposes otherwise authorized in this section.

(vi) Entertainment industry outreach, interactive outreach, media projects and activities, public information, news media outreach, and corporate sponsorship and participation.

(B) ADMINISTRATIVE COSTS.—Operational and management expenses.

(2) LIMITATIONS.—In carrying out this section, the Secretary shall allocate not less than 85 percent of funds made available under subsection (e) for each fiscal year for the advertising functions specified under paragraph (1)(A).

(d) REPORTS.—The Secretary shall annually submit to Congress a report that describes—

(1) the strategy of the national media campaign and whether specific objectives of the campaign were accomplished, including—

(A) determinations concerning the rate of change of oil consumption, in both absolute and per capita terms; and

(B) an evaluation that enables consideration whether the media campaign contributed to reduction of oil consumption;

(2) steps taken to ensure that the national media campaign operates in an effective and efficient manner consistent with the overall strategy and focus of the campaign;

(3) plans to purchase advertising time and space;

(4) policies and practices implemented to ensure that Federal funds are used responsibly to purchase advertising time and space and eliminate the potential for waste, fraud, and abuse; and

(5) all contracts or cooperative agreements entered into with a corporation, partnership, or individual working on behalf of the national media campaign.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010.

SA 4708. Mr. BAYH (for himself, Mr. BROWNBACK, Mr. LIEBERMAN, Mr. COLEMAN, Mr. SALAZAR, Mr. LUGAR, Mr. OBAMA, Mr. CHAFEE, Mr. AKAKA, Mrs. CLINTON, Mr. DODD, Mr. KOHL, Ms. CANTWELL, Mr. KERRY, Mr. GRAHAM, Mr. MENENDEZ, Ms. COLLINS, and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ___—TAX INCENTIVES FOR VEHICLE AND FUEL CHOICES FOR AMERICAN SECURITY

Subtitle A—Fuel Efficient Vehicles for the 21st Century

SEC. _01. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to foreign tax credit, etc.) is amended by adding at the end the following new section:

"SEC. 30D. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

"(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 35 percent of so much of the qualified investment of an eligible taxpayer for such taxable year as does not exceed $75,000,000.

"(b) QUALIFIED INVESTMENT.—For purposes of this section—

"(1) IN GENERAL.—The qualified investment for any taxable year is equal to the incremental costs incurred during such taxable year—

"(A) to re-equip or expand any manufacturing facility of the eleigible taxpayer to produce advanced technology motor vehicles,

"(B) to re-equip, expand, or establish any manufacturing facility of the eligible taxpayer to produce eligible components,

"(C) for engineering integration performed in the United States of such vehicles and components as described in subsection (d), and

"(D) for research and development performed in the United States related to advanced technology motor vehicles and eligible components.

"(2) ATTRIBUTION RULES.—In the event a facility of the eligible taxpayer produces both advanced technology motor vehicles and conventional motor vehicles, or eligible and non-eligible components, only the qualified investment attributable to production of advanced technology motor vehicles and eligible components shall be taken into account.

"(c) ADVANCED TECHNOLOGY MOTOR VEHICLES AND ELIGIBLE COMPONENTS.—For purposes of this section—

"(1) ADVANCED TECHNOLOGY MOTOR VEHICLE.—The term 'advanced technology motor vehicle' means—

"(A) any new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3)), or

"(B) any new qualified hybrid motor vehicle (as defined in section 30B(d)(3)(A) and determined without regard to any gross vehicle weight rating).

"(2) ELIGIBLE COMPONENTS.—The term 'eligible component' means any component inherent to any advanced technology motor vehicle, including—

"(A) with respect to any gasoline or diesel-electric new qualified hybrid motor vehicle—

"(i) electric motor or generator,

"(ii) power split device,

"(iii) power control unit,

"(iv) power controls,

"(v) integrated starter generator, or

"(vi) battery,

"(B) with respect to any hydraulic new qualified hybrid motor vehicle—

"(i) hydraulic accumulator vessel,

"(ii) hydraulic pump, or

"(iii) hydraulic pump-motor assembly,

"(C) with respect to any new advanced lean burn technology motor vehicle—

"(i) diesel engine,

"(ii) turbocharger,

"(iii) fuel injection system, or

"(iv) after-treatment system, such as a particle filter or NOx absorber, and

"(D) with respect to any advanced technology motor vehicle, any other component submitted for approval by the Secretary.

"(d) ENGINEERING INTEGRATION COSTS.—For purposes of subsection (b)(1)(C), costs for engineering integration are costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks related to—

"(1) establishing functional, structural, and performance requirements for component and subsystems to meet overall vehicle objectives for a specific application,

"(2) designing interfaces for components and subsystems with mating systems within a specific vehicle application,

"(3) designing cost effective, efficient, and reliable manufacturing processes to produce components and subsystems for a specific vehicle application, and

"(4) validating functionality and performance of components and subsystems for a specific vehicle application.

"(e) ELIGIBLE TAXPAYER.—For purposes of this section, the term 'eligible taxpayer' means any taxpayer if more than 50 percent of its gross receipts for the taxable year is derived from the manufacture of motor vehicles or any component parts of such vehicles.

"(f) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

"(1) the sum of—

"(A) the regular tax liability (as defined in section 26(b)) for such taxable year, plus

"(B) the tax imposed by section 55 for such taxable year and any prior taxable year beginning after 1986 and not taken into account under section 53 for any prior taxable year, over

"(2) the sum of the credits allowable under subpart A and sections 27, 30, and 30B for the taxable year.

"(g) REDUCTION IN BASIS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this paragraph) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(h) NO DOUBLE BENEFIT.—

"(1) COORDINATION WITH OTHER DEDUCTIONS AND CREDITS.—Except as provided in paragraph (2), the amount of any deduction or other credit allowable under this chapter for any cost taken into account in determining the amount of the credit under subsection (a) shall be reduced by the amount of such credit attributable to such cost.

"(2) RESEARCH AND DEVELOPMENT COSTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any amount described in subsection (b)(1)(D) taken into account in determining the amount of the credit under subsection (a) for any taxable year shall not be taken into account for purposes of determining the credit under section 41 for such taxable year.

"(B) COSTS TAKEN INTO ACCOUNT IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—Any amounts described in subsection (b)(1)(D) taken into account in determining the amount of the credit under subsection (a) for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

"(i) BUSINESS CARRYOVERS ALLOWED.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (f) for such taxable year, such excess (to the extent of the credit allowable with respect to property subject to the allowance for depreciation) shall be allowed as a credit carryback and carryforward under rules similar to the rules of section 39.

"(j) SPECIAL RULES.—For purposes of this section, rules similar to the rules of paragraphs (4) and (5) of section 179A(e) and paragraphs (1) and (2) of section 41(f) shall apply

"(k) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

"(l) REGULATIONS.—The Secretary shall prescribe such regulations as necessary to carry out the provisions of this section.

"(m) TERMINATION.—This section shall not apply to any qualified investment after December 31, 2015.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1016(a) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting ", and", and by adding at the end the following new paragraph:

"(37) to the extent provided in section 30D(g).".

(2) Section 6501(m) of such Code is amended by inserting "30D(k)," after "30C(e)(5),".

(3) The table of sections for subpart B of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 30C the following new item:

"Sec. 30D. Advanced technology motor vehicles manufacturing credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts incurred in taxable years beginning after December 31, 2005.

SEC. 02. CONSUMER INCENTIVES TO PURCHASE ADVANCED TECHNOLOGY VEHICLES.

(a) ELIMINATION ON NUMBER OF NEW QUALIFIED HYBRID AND ADVANCED LEAN BURN TECHNOLOGY VEHICLES ELIGIBLE FOR ALTERNATIVE MOTOR VEHICLE CREDIT.—

(1) IN GENERAL.—Section 30D of the Internal Revenue Code of 1986 is amended by striking subsection (f) and by redesignating subsections (g) through (j) as subsections (f) through (i), respectively.

(2) CONFORMING AMENDMENTS.—

(A) Paragraphs (4) and (6) of section 30B(h) of the Internal Revenue Code of 1986 are each amended amended by striking "(determined without regard to subsection (g))" and inserting "determined without regard to subsection (f))".

(B) Section 38(b)(25) of such Code is amended by striking "section 30B(g)(1)" and inserting "section 30B(f)(1)".

(C) Section 55(c)(2) of such Code is amended by striking "section 30B(g)(2)" and inserting "section 30B(f)(2)".

(D) Section 1016(a)(36) of such Code is amended by striking "section 30B(h)(4)" and inserting "section 30B(g)(4)".

(E) Section 6501(m) of such Code is amended by striking "section 30B(h)(9)" and inserting "section 30B(g)(9)".

(b) EXTENSION OF ALTERNATIVE VEHICLE CREDIT FOR NEW QUALIFIED HYBRID MOTOR VEHICLES.—Paragraph (3) of section 30B(i) of the Internal Revenue Code of 1986 (as redesignated by subsection (a)) is amended by striking "December 31, 2009" and inserting "December 31, 2010".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

SEC. 03. TAX INCENTIVES FOR PRIVATE FLEETS.

(a) IN GENERAL.—Subpart E of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 48B the following new section:

"SEC. 48C. FUEL-EFFICIENT FLEET CREDIT.

"(a) GENERAL RULE.—For purposes of section 46, the fuel-efficient fleet credit for any taxable year is 15 percent of the qualified fuel-efficient vehicle investment amount of an eligible taxpayer for such taxable year.

"(b) VEHICLE PURCHASE REQUIREMENT.—In the case of any eligible taxpayer which places less than 10 qualified fuel-efficient vehicles in service during the taxable year, the qualified fuel-efficient vehicle investment amount shall be zero.

"(c) QUALIFIED FUEL-EFFICIENT VEHICLE INVESTMENT AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified fuel-efficient vehicle investment amount' means the basis of any qualified fuel-efficient vehicle placed in service by an eligible taxpayer during the taxable year.

"(2) QUALIFIED FUEL-EFFICIENT VEHICLE.—The term 'qualified fuel-efficient vehicle' means an automobile which has a fuel economy which is at least 125 percent greater than the average fuel economy standard for an automobile of the same class and model year.

"(3) OTHER TERMS.—The terms 'automobile', 'average fuel economy standard', 'fuel economy', and 'model year' have the meanings given to such terms under section 32901 of title 49, United States Code.

"(d) ELIGIBLE TAXPAYER.—The term 'eligible taxpayer' means, with respect to any taxable year, a taxpayer who owns a fleet of 100 or more vehicles which are used in the trade or business of the taxpayer on the first day of such taxable year.

"(e) TERMINATION.—This section shall not apply to any vehicle placed in service after December 31, 2010.".

(b) CREDIT TREATED AS PART OF INVESTMENT CREDIT.—Section 46 of the Internal Revenue Code of 1986 is amended by striking "and" at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting ", and", and by adding at the end the following new paragraph:

"(5) the fuel-efficient fleet credit.".

(c) CONFORMING AMENDMENTS.—

(1) Section 49(a)(1)(C) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of clause (iii), by striking the period at the end of clause (iv) and inserting ", and", and by adding at the end the following new clause:

"(v) the basis of any qualified fuel-efficient vehicle which is taken into account under section 48C.".

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 48 the following new item:

"Sec. 48C. Fuel-efficient fleet credit.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2005, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 04. REDUCING INCENTIVES TO GUZZLE GAS.

(a) INCLUSION OF HEAVY VEHICLES IN LIMITATION ON DEPRECIATION OF CERTAIN LUXURY AUTOMOBILES.—

(1) IN GENERAL.—Section 280F(d)(5)(A) of the Internal Revenue Code of 1986 (defining passenger automobile) is amended—

(A) by striking clause (ii) and inserting the following new clause:

"(ii)(I) which is rated at 6,000 pounds unloaded gross vehicle weight or less, or

"(II) which is rated at more than 6,000 pounds but not more than 14,000 pounds gross vehicle weight.",

(B) by striking "clause (ii)" in the second sentence and inserting "clause (ii)(I)".

(2) EXCEPTION FOR VEHICLES USED IN FARMING BUSINESS.—Section 280F(d)(5)(B) of such Code (relating to exception for certain vehicles) is amended by striking "and" at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

"(iii) any vehicle used in a farming business (as defined in section 263A(e)(4), and".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after the date of the enactment of this Act.

(b) UPDATED DEPRECIATION DEDUCTION LIMITS.—

(1) IN GENERAL.—Subparagraph (A) of section 280F(a)(1) of the Internal Revenue Code of 1986 (relating to limitation on amount of depreciation for luxury automobiles) is amended to read as follows:

"(I) LIMITATION.—The amount of the depreciation deduction for any taxable year shall not exceed for any passenger automobile—

"(i) for the 1st taxable year in the recovery period—

"(I) described in subsection (d)(5)(A)(ii)(I), $4,000,

"(II) described in the second sentence of subsection (d)(5)(A), $5,000, and

"(III) described in subsection (d)(5)(A)(ii)(II), $6,000,

"(ii) for the 2nd taxable year in the recovery period—

"(I) described in subsection (d)(5)(A)(ii)(I), $6,400,

"(II) described in the second sentence of subsection (d)(5)(A), $8,000, and

"(III) described in subsection (d)(5)(A)(ii)(II), $9,600,

"(iii) for the 3rd taxable year in the recovery period—

"(I) described in subsection (d)(5)(A)(ii)(I), $3,850,

"(II) described in the second sentence of subsection (d)(5)(A), $4,800, and

"(III) described in subsection (d)(5)(A)(ii)(II), $5,775, and

"(iv) for each succeeding taxable year in the recovery period—

"(I) described in subsection (d)(5)(A)(ii)(I), $2,325,

"(II) described in the second sentence of subsection (d)(5)(A), $2,900, and

"(III) described in subsection (d)(5)(A)(ii)(II), $3,475.".

(2) YEARS AFTER RECOVERY PERIOD.—Section 280F(a)(1)(B)(ii) of such Code is amended to read as follows:

"(ii) LIMITATION.—The amount treated as an expense under clause (i) for any taxable year shall not exceed for any passenger automobile—

"(I) described in subsection (d)(5)(A)(ii)(I), $2,325,

"(II) described in the second sentence of subsection (d)(5)(A), $2,900, and

"(III) described in subsection (d)(5)(A)(ii)(II), $3,475.".

(3) INFLATION ADJUSTMENT.—Section 280F(d)(7) of such Code (relating to automobile price inflation adjustment) is amended—

(A) by striking "after 1988" in subparagraph (A) and inserting "after 2006", and

(B) by striking subparagraph (B) and inserting the following new subparagraph:

"(B) AUTOMOBILE PRICE INFLATION ADJUSTMENT.—For purposes of this paragraph—

"(i) IN GENERAL.—The automobile price inflation adjustment for any calendar year is the percentage (if any) by which—

"(I) the average wage index for the preceding calendar year, exceeds

"(II) the average wage index for 2005.

"(ii) AVERAGE WAGE INDEX.—The term 'average wage index' means the average wage index published by the Social Security Administration.".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after the date of the enactment of this Act.

(c) EXPENSING LIMITATION FOR FARM VEHICLES.—

(1) IN GENERAL.—Paragraph (6) of section 179(b) of the Internal Revenue Code of 1986 (relating to limitations) is amended to read as follows:

"(6) LIMITATION ON COST TAKEN INTO ACCOUNT FOR FARM VEHICLES.—The cost of any vehicle described in section 280F(d)(5)(B)(iii) for any taxable year which may be taken into account under this section shall not exceed $30,000.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property placed in service after the date of the enactment of this Act.

Subtitle B—Fuel Choices for the 21st Century

SEC. _11. INCREASE IN ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

(a) IN GENERAL.—Subsection (a) of section 30C of the Internal Revenue Code of 1986 is amended by striking "30 percent" and inserting "50 percent".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

SA 4709. Mr. OBAMA (for himself, Mr. LUGAR, Mr. BIDEN, Mr. BINGAMAN, Mr. COLEMAN, Mr. SPECTER, Mr. SMITH, and Mr. HARKIN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

On page 18, after line 17, add the following:

SEC. 6. FUEL ECONOMY REFORM.

(a) SHORT TITLE.—This section may be cited as the "Fuel Economy Reform Act".

(b) FINDINGS.—Congress makes the following findings:

(1) United States dependence on oil imports imposes tremendous burdens on America's economy, foreign policy, and military.

(2) According to the Energy Information Administration, 60 percent of the crude oil and petroleum products consumed in the United States between April 2005 and March 2006 (12,400,000 barrels per day) was imported. At a cost of $75 per barrel of oil, Americans remit more than $600,000 per minute to other countries for petroleum, money that could have been spent creating domestic jobs and strengthening our Nation's economy.

(3) A significant percentage of these petroleum imports originate in countries controlled by regimes that are unstable or openly hostile to the interests of the United States. Dependence on production from these countries contributes to the volatility of domestic and global markets and the "risk premium" paid by American consumers.

(4) The Energy Information Administration projects that the total petroleum demand in the United States will increase by 23 percent between 2006 and 2026, while domestic crude production is expected to decrease by 11 percent, resulting in an anticipated 28 percent increase in petroleum imports. Absent significant action, our Nation will become more vulnerable to oil price increases, more dependent upon foreign oil, and less able to pursue our national interests.

(5) America's ability to broadly transition to alternative fuels, such as cellulosic ethanol and hydrogen, is predicated upon producing more fuel-efficient vehicles. Failure to do so would tax scarce resources and increase long-term costs.

(6) Two-thirds of all domestic oil use occurs in the transportation sector, which is 97 percent reliant upon petroleum-based fuels. Passenger vehicles, including light trucks under 10,000 pounds gross vehicle weight, represent over 60 percent of the oil used in the transportation sector.

(7) Corporate average fuel economy of all cars and trucks improved by 70 percent between 1975 and 1987. Between 1987 and 2006, fuel economy improvements have stagnated and are much worse than the vehicle fuel economy in many developed countries and some developing countries, including China.

(8) Significant improvements in engine technology occurred between 1986 and 2006. These advances have been used to make vehicles larger and more powerful, rather than to increase fuel economy. Between 1985 and 2005, average vehicle horsepower nearly doubled, average vehicle weight increased by 25 percent, and acceleration times for new vehicles improved by 25 percent. During the same time period, average vehicle fuel economy decreased by 2 percent.

(9) According to a 2002 fuel economy report by the National Academies of Science, improvements in gasoline engine technology offer the opportunity to increase fuel economy by 50 percent, while maintaining vehicle size and performance and improving safety. The fleet analyzed by the Academies would average 37 miles per gallon. When the report was released in 2002, it noted that these technologies could be available for wide use within 10 to 15 years.

(10) The 2002 fuel economy report study clearly states that fuel economy can be increased without negatively impacting the safety of America's cars and trucks. Some new technologies can increase both safety and fuel economy (such as high strength materials, unibody design, lower bumpers). Design changes related to fuel economy also present opportunities to reduce the incompatibility of tall, stiff, heavy vehicles with the majority of vehicles on the road.

(11) A 2004 report by David Greene of Oak Ridge National Labs entitled, "The Effect of Fuel Economy on Automobile Safety: A Reexamination", demonstrates that fuel economy is not linked with increased fatalities. The report notes that, "higher mpg is significantly correlated with fewer fatalities". In other words, a thorough analysis of data from 1966 to 2002 indicates that vehicle manufacturers can simultaneously increase fuel economy and improve vehicle safety.

(12) A 2002 study entitled, "An Analysis of Traffic Deaths by Vehicle Type and Model", by Marc Ross and Tom Wenzel from the University of Michigan, demonstrates that large vehicles do .not have lower fatality rates than smaller vehicles. Ross and Wenzel analyzed Federal accident data between 1995 and 1999 and showed that the Honda Civic and Volkswagen Jetta both had lower fatality rates for the driver than the Ford Explorer, the Dodge Ram, or the Toyota 4Runner. Even the largest vehicles, such as the Chevrolet Tahoe and Suburban, had fatality rates that were no better than the Jetta or the Nissan Maxima. In other words, a well-designed compact car can be safer than an sport-utility vehicle or a pickup truck. Design, rather than weight, is the key to vehicle safety.

(13) Significant change must occur to strengthen the economic competitiveness of the domestic auto industry. According to a recent study by the University of Michigan, a sustained gasoline price of $2.86 per gallon would lead Detroit's Big 3 automakers' profits to shrink by $7,000,000,000 as they absorb 75 percent of the lost vehicle sales. This would put nearly 300,000 Americans out of work.

(14) Opportunities exist to strengthen the domestic vehicle industry while improving fuel economy. A 2004 study performed by the University of Michigan concludes that the provision of $1,500,000,000 in tax incentives over 10 years to enable the retrofit of domestic manufacturing and parts facilities to produce clean cars would lead to a gain of nearly 60,000 domestic jobs and pay for itself through the resulting increase in domestic tax receipts.

(c) DEFINITION OF AUTOMOBILE.—

(1) IN GENERAL.—Section 32901(a)(3) of title 49, United States Code, is amended by striking "rated at—" and all that follows through the period at the end and inserting "rated at not more than 10,000 pounds gross vehicle weight.".

(2) FUEL ECONOMY INFORMATION.—Section 32908(a) of title 49, United States Code, is amended, by striking "section—" and all that follows through "(2)" and inserting "section, the term".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to model year 2009 and each subsequent model year.

(d) AVERAGE FUEL ECONOMY STANDARDS.—

(1) STANDARDS.—Section 32902 of title 49, United States Code, is amended—

(A) in subsection (a)—

(i) in the header, by inserting "MANUFACTURED BEFORE MODEL YEAR 2012" after "NON-PASSENGER AUTOMOBILES"; and

(ii) by adding at the end the following: "This subsection shall not apply to automobiles manufactured after model year 2011.";

(B) in subsection (b)—

(i) in the header, by inserting "MANUFACTURED BEFORE MODEL YEAR 2012" after "PASSENGER AUTOMOBILES";

(ii) by inserting "and before model year 2009" after "1984"; and

(iii) by adding at the end the following: "Such standard shall be increased by 4 percent per year for model years 2009 through 2011 (rounded to the nearest 1/10 mile per gallon)";

(C) by amending subsection (c) to read as follows:

"(c) AUTOMOBILES MANUFACTURED AFTER MODEL YEAR 2011.—(1) Not later than 18 months before the beginning of each model year after model year 2011, the Secretary of Transportation shall prescribe, by regulation—

"(A) an average fuel economy standard for automobiles manufactured by a manufacturer in that model year; or

"(B) based on 1 or more vehicle attributes that relate to fuel economy—

"(i) separate standards for different classes of automobiles; or

"(ii) standards expressed in the form of a mathematical function.

"(2)(A) Except as provided under paragraphs (3) and (4) and subsection (d), standards under paragraph (1) shall attain a projected aggregate level of average fuel economy of 27.5 miles per gallon for all automobiles manufactured by all manufacturers for model year 2012.

"(B) The projected aggregate level of average fuel economy for model year 2013 and each succeeding model year shall be increased by 4 percent from the level for the prior model year (rounded to the nearest 1/10 mile per gallon).

"(C) Notwithstanding subparagraphs (A) and (B), the fleetwide average fuel economy standard for passenger automobiles manufactured by a manufacturer in a model year for that manufacturer's domestic fleet and for its foreign fleet as calculated under section 32904 as in effect before the date of enactment of the Fuel Economy Reform Act shall not be less than 92 percent of the average fuel economy projected by the Secretary for the combined domestic and foreign fleets manufactured by all manufacturers in that model year.

"(3) If the actual aggregate level of average fuel economy achieved by manufacturers for each of 3 consecutive model years is at least 5 percent less than the projected aggregate level of average fuel economy for such model year, the Secretary shall make appropriate adjustments to the standards prescribed under this subsection.

"(4)(A) Notwithstanding paragraphs (1) through (3) and subsection (b), the Secretary of Transportation may prescribe a lower average fuel economy standard for 1 or more model years if the Secretary of Transportation, in consultation with the Secretary of Energy, determines that the minimum standards prescribed under paragraph (2) or (3) or subsection (b) for each model year—

"(i) are technologically unachievable;

"(ii) cannot be achieved without materially reducing the overall safety of automobiles manufactured or sold in the United States; or

"(iii) is shown, by clear and convincing evidence, not to be cost effective.

"(B) If a lower standard is prescribed for a model year under subparagraph (A), such standard shall be the maximum standard that—

"(i) is technologically achievable;

"(ii) can be achieved without materially reducing the overall safety of automobiles manufactured or sold in the United States; and

"(iii) is cost effective.

"(5) In determining cost effectiveness under paragraph (4)(A)(iii), the Secretary of Transportation shall take into account the total value to the Nation of reduced petroleum use, including the value of reducing external costs of petroleum use, using a value for such costs equal to 50 percent of the value of a gallon of gasoline saved or the amount determined in an analysis of the external costs of petroleum use that considers—

"(A) value to consumers;

"(B) economic security;

"(C) national security;

"(D) foreign policy;

"(E) the impact of oil use—

"(i) on sustained cartel rents paid to foreign suppliers;

"(ii) on long-run potential gross domestic product due to higher normal-market oil price levels, including inflationary impacts;

"(iii) on import costs, wealth transfers, and potential gross domestic product due to increased trade imbalances;

"(iv) on import costs and wealth transfers during oil shocks;

"(v) on macroeconomic dislocation and adjustment costs during oil shocks;

"(vi) on the cost of existing energy security policies, including the management of the Strategic Petroleum Reserve;

"(vii) on the timing and severity of the oil peaking problem;

"(viii) on the risk, probability, size, and duration of oil supply disruptions;

"(ix) on OPEC strategic behavior and long-run oil pricing;

"(x) on the short term elasticity of energy demand and the magnitude of price increases resulting from a supply shock;

"(xi) on oil imports, military costs, and related security costs, including intelligence, homeland security, sea lane security and infrastructure, and other military activities;

"(xii) on oil imports, diplomatic and foreign policy flexibility, and connections to geopolitical strife, terrorism, and international development activities;

"(xiii) all relevant environmental hazards under the jurisdiction of the Environmental Protection Agency; and

"(xiv) on well-to-wheels urban and local air emissions of 'pollutants' and their uninternalized costs;

"(F) the impact of the oil or energy intensity of the United States economy on the sensitivity of the economy to oil price changes, including the magnitude of gross domestic product losses in response to short term price shocks or long term price increases;

"(G) the impact of United States payments for oil imports on political, economic, and military developments in unstable or unfriendly oil exporting countries;

"(H) the uninternalized costs of pipeline and storage oil seepage, and for risk of oil spills from production, handling, and transport, and related landscape damage; and

"(I) additional relevant factors, as determined by the Secretary.

"(6) When considering the value to consumers of a gallon of gasoline saved, the Secretary of Transportation may not use a value less than the greatest of—

"(A) the average national cost of a gallon of gasoline sold in the United States during the 12-month period ending on the date on which the new fuel economy standard is proposed;

"(B) the most recent weekly estimate by the Energy Information Administration of the Department of Energy of the average national cost of a gallon of gasoline (all grades) sold in the United States; or

"(C) the gasoline prices projected by the Energy Information Administration for the 20-year period beginning in the year following the year in which the standards are established.

"(7) In prescribing standards under this subsection, the Secretary may prescribe standards for 1 or more model years.

"(8)(A) Not later than December 31, 2016, the Secretary of Transportation, the Secretary of Energy, and the Administrator of the Environmental Protection Agency shall submit a joint report to Congress on the state of global automotive efficiency technology development, and on the accuracy of tests used to measure fuel economy of automobiles under section 32904(c), utilizing the study and assessment of the National Academy of Sciences referred to in subparagraph (B).

"(B) The Secretary shall enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study of the technological opportunities to enhance fuel economy and an analysis and assessment of the accuracy of fuel economy tests used by the Administrator of the Environmental Protection Agency to measure fuel economy for each model under section 32904(c). Such analysis and assessment shall identify any additional factors or methods that should be included in tests to measure fuel economy for each model to more accurately reflect actual fuel economy of automobiles. The Secretary and the Administrator of the Environmental Protection Agency shall furnish, at the request of the Academy, any information which the Academy determines to be necessary to conduct the study, analysis, and assessment under this subparagraph.

"(C) The report submitted under subparagraph (A) shall include—

"(i) the study of the National Academy of Sciences referred to in subparagraph (B); and

"(ii) an assessment by the Secretary of technological opportunities to enhance fuel economy and opportunities to increase overall fleet safety.

"(D) The report submitted under subparagraph (A) shall identify and examine additional opportunities to reform the regulatory structure under this chapter, including approaches that seek to merge vehicle and fuel requirements into a single system that achieves equal or greater reduction in petroleum use and environmental benefits.

"(E) The report submitted under subparagraph (A) shall—

"(i) include conclusions reached by the Administrator of the Environmental Protection Agency, as a result of detailed analysis and public comment, on the accuracy of current fuel economy tests;

"(ii) identify any additional factors that the Administrator determines should be included in tests to measure fuel economy for each model to more accurately reflect actual fuel economy of automobiles; and

"(iii) include a description of options, formulated by the Secretary and the Administrator, to incorporate such additional factors in fuel economy tests in a manner that will not effectively increase or decrease average fuel economy for any automobile manufacturer.

"(F) There is authorized to be appropriated to the Secretary such amounts as are required to carry out the study, analysis, and assessment required by subparagraph (B)."; and

(D) in subsection (g)(2), by striking "(and submit the amendment to Congress when required under subsection (c)(2) of this section)".

(2) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Chapter 329 of title 49, United States Code, is amended—

(i) in section 32903—

(I) by striking "passenger" each place it appears;

(II) by striking "section 32902(b)–(d) of this title" each place it appears and inserting "subsection (c) or (d) of section 32902";

(III) by striking subsection (e); and

(IV) by redesignating subsection (f) as subsection (e); and

(ii) in section 32904(a)—

(I) by striking "passenger" each place it appears; and

(II) in paragraph (1), by striking "subject to" and all that follows through "section 32902(b)–(d) of this title" and inserting "subsection (c) or (d) of section 32902".

(B) EFFECTIVE DATE.—The amendments made by subparagraph (A) shall apply to automobiles manufactured after model year 2011.

(e) CREDIT TRADING AND COMPLIANCE.—

(1) CREDIT TRADING.—Section 32903(a) of title 49, United States Code, is amended—

(A) by inserting "Credits earned by a manufacturer under this section may be sold to any other manufacturer and used as if earned by that manufacturer; except that credits earned by a manufacturer described in section 32904(b)(1)(A)(i) may not be sold to or purchased by a manufacturer described in 32904(b)(1)(A)(ii)," after "earns credits."; and

(B) by striking "3 consecutive model years immediately" each place it appears and inserting "model years".

(2) TREATMENT OF IMPORTS.—

(A) CONFORMING AMENDMENT.—Section 32904(b) is amended by striking "passenger" each place it appears.

(B) APPLICABILITY.—The amendments made by subparagraph (A) shall apply to automobiles manufactured after model year 2011.

(3) MULTI-YEAR COMPLIANCE PERIOD.—Section 32904(c) of such title is amended—

(A) by inserting "(1)" before "The Administrator"; and

(B) by adding at the end the following:

"(2) The Secretary, by rule, may allow a manufacturer to elect a multi-year compliance period of not more than 4 consecutive model years in lieu of the single model year compliance period otherwise applicable under this chapter.".

(f) CONSUMER TAX CREDIT.—

(1) ELIMINATION ON NUMBER OF NEW QUALIFIED HYBRID AND ADVANCED LEAN BURN TECHNOLOGY VEHICLES ELIGIBLE FOR ALTERNATIVE MOTOR VEHICLE CREDIT.—

(A) IN GENERAL.—Section 30B of the Internal Revenue Code of 1986 is amended—

(i) in subsection (c)(2)(A), by inserting "and highway" after "city" in each place it appears;

(ii) in subsection (d)(2)(B)(ii), by inserting "and highway" after "city" in each place it appears;

(iii) by striking subsection (f);

(iv) by redesignating subsections (g) through (j) as subsections (f) through (i), respectively; and

(v) in subsection (g)(2), as redesignated, by inserting "and highway" after "city" in each place it appears.

(B) CONFORMING AMENDMENTS.—

(i) Paragraphs (4) and (6) of section 30B(h) of such Code are each amended by striking "(determined without regard to subsection (g))" and inserting "determined without regard to subsection (f))".

(ii) Section 38(b)(25) of such Code is amended by striking "section 30B(g)(1)" and inserting "section 30B(f)(1)".

(iii) Section 55(c)(2) of such Code is amended by striking "section 30B(g)(2)" and inserting "section 30B(f)(2)".

(iv) Section 1016(a)(36) of such Code is amended by striking "section 30B(h)(4)" and inserting "section 30B(g)(4)".

(v) Section 6501(m) of such Code is amended by striking "section 30B(h)(9)" and inserting "section 30B(g)(9)".

(2) EXTENSION OF ALTERNATIVE VEHICLE CREDIT FOR NEW QUALIFIED HYBRID MOTOR VEHICLES.—Paragraph (3) of section 30B(i) of such Code (as redesignated by paragraph (1)) is amended by striking "December 31, 2009" and inserting "December 31, 2010".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

(g) ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.—

(1) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to foreign tax credit, etc.) is amended by adding at the end the following:

"SEC. 30D. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

"(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 35 percent of the qualified investment of an eligible taxpayer for such taxable year.

"(b) QUALIFIED INVESTMENT.—For purposes of this section—

"(1) IN GENERAL.—The qualified investment for any taxable year is equal to the incremental costs incurred during such taxable year—

"(A) to re-equip, expand, or establish any manufacturing facility in the United States of the eligible taxpayer to produce advanced technology motor vehicles or to produce eligible components,

"(B) for engineering integration performed in the United States of such vehicles and components as described in subsection (d),

"(C) for research and development performed in the United States related to advanced technology motor vehicles and eligible components, and

"(D) for employee retraining with respect to the manufacturing of such vehicles or components (determined without regard to wages or salaries of such retrained employees).

"(2) ATTRIBUTION RULES.—In the event a facility of the eligible taxpayer produces both advanced technology motor vehicles and conventional motor vehicles, or eligible and non-eligible components, only the qualified investment attributable to production of advanced technology motor vehicles and eligible components shall be taken into account.

"(c) DEFINITIONS.—In this section:

"(1) ADVANCED TECHNOLOGY MOTOR VEHICLE.—The term 'advanced technology motor vehicle' means—

"(A) any qualified electric vehicle (as defined in section 30(c)(1)),

"(B) any new qualified fuel cell motor vehicle (as defined in section 30B(b)(3)),

"(C) any new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3)),

"(D) any new qualified hybrid motor vehicle (as defined in section 30B(d)(2)(A) and determined without regard to any gross vehicle weight rating),

"(E) any new qualified alternative fuel motor vehicle (as defined in section 30B(e)(4), including any mixed-fuel vehicle (as defined in section 30B(e)(5)(B)), and

"(F) any other motor vehicle using electric drive transportation technology (as defined in paragraph (3)).

"(2) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term 'electric drive transportation technology' means technology used by vehicles that use an electric motor for all or part of their motive power and that may or may not use off-board electricity, such as battery electric vehicles, fuel cell vehicles, engine dominant hybrid electric vehicles, plug-in hybrid electric vehicles, and plug-in hybrid fuel cell vehicles.

"(3) ELIGIBLE COMPONENTS.—The term 'eligible component' means any component inherent to any advanced technology motor vehicle, including—

"(A) with respect to any gasoline or diesel-electric new qualified hybrid motor vehicle—

"(i) electric motor or generator;

"(ii) power split device;

"(iii) power control unit;

"(iv) power controls;

"(v) integrated starter generator; or

"(vi) battery;

"(B) with respect to any hydraulic new qualified hybrid motor vehicle—

"(i) accumulator or other energy storage device;

"(ii) hydraulic pump;

"(iii) hydraulic pump-motor assembly;

"(iv) power control unit; and

"(v) power controls;

"(C) with respect to any new advanced lean burn technology motor vehicle—

"(i) diesel engine;

"(ii) turbo charger;

"(iii) fuel injection system; or

"(iv) after-treatment system, such as a particle filter or NOx absorber; and

"(D) with respect to any advanced technology motor vehicle, any other component submitted for approval by the Secretary.

"(4) ELIGIBLE TAXPAYER.—The term 'eligible taxpayer' means any taxpayer if more than 20 percent of the taxpayer's gross receipts for the taxable year is derived from the manufacture of motor vehicles or any component parts of such vehicles.

"(d) ENGINEERING INTEGRATION COSTS.—For purposes of subsection (b)(1)(B), costs for engineering integration are costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks related to—

"(1) establishing functional, structural, and performance requirements for component and subsystems to meet overall vehicle objectives for a specific application,

"(2) designing interfaces for components and subsystems with mating systems within a specific vehicle application,

"(3) designing cost effective, efficient, and reliable manufacturing processes to produce components and subsystems for a specific vehicle application, and

"(4) validating functionality and performance of components and subsystems for a specific vehicle application.

"(e) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

"(1) the sum of—

"(A) the regular tax liability (as defined in section 26(b)) for such taxable year, plus

"(B) the tax imposed by section 55 for such taxable year and any prior taxable year beginning after 1986 and not taken into account under section 53 for any prior taxable year, over

"(2) the sum of the credits allowable under subpart A and sections 27, 30, and 30B for the taxable year.

"(f) REDUCTION IN BASIS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this paragraph) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(g) NO DOUBLE BENEFIT.—

"(1) COORDINATION WITH OTHER DEDUCTIONS AND CREDITS.—Except as provided in paragraph (2), the amount of any deduction or other credit allowable under this chapter for any cost taken into account in determining the amount of the credit under subsection (a) shall be reduced by the amount of such credit attributable to such cost.

"(2) RESEARCH AND DEVELOPMENT COSTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any amount described in subsection (b)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year shall not be taken into account for purposes of determining the credit under section 41 for such taxable year.

"(B) COSTS TAKEN INTO ACCOUNT IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—Any amounts described in subsection (b)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

"(h) BUSINESS CARRYOVERS ALLOWED.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (e) for such taxable year, such excess (to the extent of the credit allowable with respect to property subject to the allowance for depreciation) shall be allowed as a credit carryback to each of the 15 taxable years immediately preceding the unused credit year and as a carryforward to each of the 20 taxable years immediately following the unused credit year.

"(i) SPECIAL RULES.—For purposes of this section, rules similar to the rules of section 179A(e)(4) and paragraphs (1) and (2) of section 41(f) shall apply

"(j) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

"(k) REGULATIONS.—The Secretary shall prescribe such regulations as necessary to carry out the provisions of this section.

"(l) TERMINATION.—This section shall not apply to any qualified investment after December 31, 2010.".

(2) CONFORMING AMENDMENTS.—

(A) Section 1016(a) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting ", and", and by adding at the end the following:

"(38) to the extent provided in section 30D(g).".

(B) Section 6501(m) of such Code is amended by inserting "30D(k)," after "30C(e)(5),".

(C) The table of sections for subpart B of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 30C the following:

"Sec. 30D. Advanced technology motor vehicles manufacturing credit.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts incurred in taxable years beginning after December 31, 1999.

SA 4710. Mr. OBAMA (for himself and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ___—HEALTH CARE FOR HYBRIDS

SEC. 01. SHORT TITLE.

This title may be cited as the "Health Care for Hybrids Act".

SEC. 02. FINDINGS.

Congress makes the following findings:

(1) The United States imports over half the oil it consumes.

(2) According to present trends, the United States reliance on foreign oil will increase to 68 percent of its total consumption by 2025.

(3) With only 3 percent of the world's known oil reserves, the health of the United States economy is dependent on world oil prices.

(4) World oil prices are overwhelmingly dictated by countries other than the United States, thus endangering our economic and national security.

(5) Legacy health care costs associated with retiree workers are an increasing burden on the global competitiveness of American industries.

(6) American automakers have lagged behind their foreign competitors in producing hybrid and other energy efficient automobiles.

(7) Innovative uses of new technology in automobiles in the United States will help retain American jobs, support health care obligations for retiring workers in the automotive sector, decrease America's dependence on foreign oil, and address pressing environmental concerns.

Subtitle A—Program

SEC. 11. COORDINATING TASK FORCE.

Not later than 6 months after the date of enactment of this Act, the Secretary of Energy, the Secretary of Health and Human Services, the Secretary of Transportation, and the Secretary of the Treasury shall establish, and appoint an equal number of representatives to, a task force (referred to in this Act as the "task force") to administer the program established under this Act.

SEC. _12. ESTABLISHMENT OF PROGRAM.

(a) In General.—Not later than 1 year after the date of enactment of this Act, the task force established under section _11 shall establish a program to provide financial assistance to eligible domestic automobile manufacturers for the costs incurred in providing health benefits to their retired employees.

(b) Consultation.—In establishing the program under subsection (a), the task force shall consult with representatives from the domestic automobile manufacturers, unions representing employees of such manufacturers, and consumer and environmental groups.

(c) Eligible Domestic Automobile Manufacturer.—To be eligible to receive financial assistance under the program established under subsection (a), a domestic automobile manufacturer shall—

(1) submit an application to the task force at such time, in such manner, and containing such information as the task force shall require;

(2) certify that such manufacturer is providing full health care coverage to all of its domestic employees;

(3) provide an assurance that the manufacturer will invest an amount equal to not less than 50 percent of the amount of health savings derived by the manufacturer as a result of its retiree health care costs being covered under the program under this section, in—

(A) the domestic manufacture and commercialization of petroleum fuel reduction technologies, including alternative or flexible fuel vehicles, hybrids, and other state-of-the-art fuel saving technologies;

(B) the retraining of workers and retooling of assembly lines for such domestic manufacture and commercialization;

(C) research and development, design, commercialization, and other costs related to the diversifying of domestic production of automobiles through the offering of high performance fuel efficient vehicles; and

(D) assisting domestic automobile component suppliers to retool their domestic manufacturing plants to produce components for petroleum fuel reduction technologies, including alternative or flexible fuel vehicles, hybrid, advanced diesel, or other state-of-the-art fuel saving technologies; and

(4) provide additional assurances and information as the task force may require, including information needed by the task force to audit the manufacturer's compliance with the requirements of the program.

(d) Limitation.—The total amount of financial assistance that may be provided each year under the program under this section with respect to any single domestic automobile manufacturer shall not exceed an amount equal to 10 percent of the retiree health care costs of that manufacturer for that year.

SEC. 13. REPORTING.

Not later than 6 months after the date of enactment of this Act, and every 6 months thereafter, the task force shall submit to Congress a report on any financial assistance provided under this program under this Act and the resulting changes in the manufacture and commercialization of fuel saving technologies implemented by auto manufacturers as a result of such financial assistance. Not later than 1 year after the date of enactment of this Act, the task force shall submit a report to Congress on the effectiveness of current consumer incentives available for the purchase of hybrid vehicles in encouraging the purchase of such vehicles and whether these incentives should be expanded.

SEC. 14. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated, such sums as may be necessary in each fiscal year to carry out this Act.

SEC. _15. LIMITATION ON BACKSLIDING.

To be eligible to receive financial assistance under this subtitle, a manufacturer shall provide assurances to the task force that fuel savings achieved with respect its average adjusted fuel economy will not result in decreases with respect to fuel economy elsewhere in the domestic fleet. The task force shall determine compliance with such assurances using accepted measurements of fuel savings.

SEC. _16. TERMINATION OF PROGRAM.

The program established under this subtitle shall terminate on December 31, 2015.

Subtitle B—Offsets

SEC. _21. CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.

(a) In General.—Section 7701 of the Internal Revenue Code of 1986 is amended by redesignating subsection (o) as subsection (p) and by inserting after subsection (n) the following new subsection:

"(o) Clarification of Economic Substance Doctrine; Etc.—

"(1) General rules.—

"(A) In general.—In any case in which a court determines that the economic substance doctrine is relevant for purposes of this title to a transaction (or series of transactions), such transaction (or series of transactions) shall have economic substance only if the requirements of this paragraph are met.

"(B) Definition of economic substance.—For purposes of subparagraph (A)—

"(i) In general.—A transaction has economic substance only if—

"(I) the transaction changes in a meaningful way (apart from Federal tax effects) the taxpayer's economic position, and

"(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

In applying subclause (II), a purpose of achieving a financial accounting benefit shall not be taken into account in determining whether a transaction has a substantial nontax purpose if the origin of such financial accounting benefit is a reduction of income tax

"(ii) Special rule where taxpayer relies on profit potential.—A transaction shall not be treated as having economic substance by reason of having a potential for profit unless—

"(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

"(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

"(C) Treatment of fees and foreign taxes.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

"(2) Special rules for transaction with tax-indifferent parties.—

"(A) Special rules for financing transactions.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction is substantially in excess of the present value of the anticipated economic returns of the person lending the money or providing the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

"(B) Artificial income shifting and basis adjustments.—The form of a transaction with a tax-indifferent party shall not be respected if—

"(i) it results in an allocation of income or gain to the tax-indifferent party in excess of such party's economic income or gain, or

"(ii) it results in a basis adjustment or shifting of basis on account of overstating the income or gain of the tax-indifferent party.

"(3) Definitions and special rules.—For purposes of this subsection—

"(A) Economic substance doctrine.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not allowable if the transaction does not have economic substance or lacks a business purpose.

"(B) Tax-indifferent party.—The term 'tax-indifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

"(C) Exception for personal transactions of individuals.—In the case of an individual, this subsection shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income.

"(D) Treatment of lessors.—In applying paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease—

"(i) the expected net tax benefits with respect to the leased property shall not include the benefits of—

"(I) depreciation,

"(II) any tax credit, or

"(III) any other deduction as provided in guidance by the Secretary, and

"(ii) subclause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

"(4) Other common law doctrines not affected.—Except as specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law, and the requirements of this subsection shall be construed as being in addition to any such other rule of law.

"(5) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection. Such regulations may include exemptions from the application of this subsection.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. __22. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

(a) IN GENERAL.—Subchapter A of chapter 68 of the Internal Revenue Code of 1986 is amended by inserting after section 6662A the following new section:

"SEC. 6662A. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

"(a) IMPOSITION OF PENALTY.—If a taxpayer has an noneconomic substance transaction understatement for any taxable year, there shall be added to the tax an amount equal to 40 percent of the amount of such understatement.

"(b) REDUCTION OF PENALTY FOR DISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '20 percent' for '40 percent' with respect to the portion of any noneconomic substance transaction understatement with respect to which the relevant facts affecting the tax treatment of the item are adequately disclosed in the return or a statement attached to the return.

"(c) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

"(1) IN GENERAL.—The term 'noneconomic substance transaction understatement' means any amount which would be an understatement under section 6662A(b)(1) if section 6662A were applied by taking into account items attributable to noneconomic substance transactions rather than items to which section 6662A would apply without regard to this paragraph.

"(2) NONECONOMIC SUBSTANCE TRANSACTION.—The term 'noneconomic substance transaction' means any transaction if—

"(A) there is a lack of economic substance (within the meaning of section 7701(o)(1)) for the transaction giving rise to the claimed benefit or the transaction was not respected under section 7701(o)(2), or

"(B) the transaction fails to meet the requirements of any similar rule of law.

"(d) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

"(1) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

"(2) APPLICABLE RULES.—The rules of paragraphs (2) and (3) of section 6707A(d) shall apply for purposes of paragraph (1).

"(e) COORDINATION WITH OTHER PENALTIES.—Except as otherwise provided in this part, the penalty imposed by this section shall be in addition to any other penalty imposed by this title.

"(f) CROSS REFERENCES.—

"(1) For coordination of penalty with understatements under section 6662 and other special rules, see section 6662A(e).

"(2) For reporting of penalty imposed under this section to the Securities and Exchange Commission, see section 6707A(e).".

(b) COORDINATION WITH OTHER UNDERSTATEMENTS AND PENALTIES.—

(1) The second sentence of section 6662(d)(2)(A) of the Internal Revenue Code of 1986 is amended by inserting "and without regard to items with respect to which a penalty is imposed by section 6662B" before the period at the end.

(2) Subsection (e) of section 6662A of the Internal Revenue Code of 1986 is amended—

(A) in paragraph (1), by inserting "and noneconomic substance transaction understatements" after "reportable transaction understatements" both places it appears,

(B) in paragraph (2)(A), by inserting "and a noneconomic substance transaction understatement" after "reportable transaction understatement",

(C) in paragraph (2)(B), by inserting "6662B or" before "6663",

(D) in paragraph (2)(C)(i), by inserting "or section 6662B" before the period at the end,

(E) in paragraph (2)(C)(ii), by inserting "and section 6662B" after "This section",

(F) in paragraph (3), by inserting "or noneconomic substance transaction understatement" after "reportable transaction understatement", and

(G) by adding at the end the following new paragraph:

"(3) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this subsection, the term 'noneconomic substance transaction understatement' has the meaning given such term by section 6662B(c).".

(3) Subsection (e) of section 6707A of the Internal Revenue Code of 1986 is amended—

(A) by striking "or" at the end of subparagraph (B), and

(B) by striking subparagraph (C) and inserting the following new subparagraphs:

"(C) is required to pay a penalty under section 6662B with respect to any noneconomic substance transaction, or

"(D) is required to pay a penalty under section 6662(h) with respect to any transaction and would (but for section 6662A(e)(2)(C)) have been subject to penalty under section 6662A at a rate prescribed under section 6662A(c) or under section 6662B.".

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter A of chapter 68 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 6662A the following new item:

"Sec. 6662B. Penalty for understatements attributable to transactions lacking economic substance, etc.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 23. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONECONOMIC SUBSTANCE TRANSACTIONS.

(a) IN GENERAL.—Section 163(m) of the Internal Revenue Code of 1986 (relating to interest on unpaid taxes attributable to nondisclosed reportable transactions) is amended—

(1) by striking "attributable" and all that follows and inserting the following: "attributable to—

"(1) the portion of any reportable transaction understatement (as defined in section 6662A(b)) with respect to which the requirement of section 6664(d)(2)(A) is not met, or

"(2) any noneconomic substance transaction understatement (as defined in section 6662B(c)).''; and

(2) by inserting "and noneconomic substance transactions" after "transactions".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions after the date of the enactment of this Act in taxable years ending after such date.

SA 4711. Mr. OBAMA (for himself and Mr. LUGAR) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes: which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE —ALTERNATIVE FUELS

SEC. ___01. OFFICE OF ENERGY SECURITY.

(a) DEFINITIONS.—In this section:

(1) DIRECTOR.—The term "Director" means the Director of Energy Security appointed under subsection (c)(1).

(2) OFFICE.—The term "Office" means the Office of Energy Security established by subsection (b).

(b) ESTABLISHMENT.—There is established in the Executive Office of the President the Office of Energy Security.

(c) DIRECTOR.—

(1) IN GENERAL.—The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) RATE OF PAY.—The Director shall be paid at a rate of pay equal to level I of the Executive Schedule under section 5312 of title 5, United States Code.

(d) RESPONSIBILITIES.—

(1) IN GENERAL.—The Office, acting through the Director, shall be responsible for overseeing all Federal energy security programs, including the coordination of efforts of Federal agencies to assist the United States in achieving full energy independence.

(2) SPECIFIC RESPONSIBILITIES.—In carrying out paragraph (1), the Director shall—

(A) serve as head of the energy community;

(B) act as the principal advisor to the President, the National Security Council, the National Economic Council, the Domestic Policy Council, and the Homeland Security Council with respect to intelligence matters relating to energy security;

(C) with request to budget requests and appropriations for Federal programs relating to energy security—

(i) consult with the President and the Director of the Office of Management and Budget with respect to each major Federal budgetary decision relating to energy security of the United States;

(ii) based on priorities established by the President, provide to the heads of departments containing agencies or organizations within the energy community, and to the heads of such agencies and organizations, guidance for use in developing the budget for Federal programs relating to energy security;

(iii) based on budget proposals provided to the Director by the heads of agencies and organizations described in clause (ii), develop and determine an annual consolidated budget for Federal programs relating to energy security; and

(iv) present the consolidated budget, together with any recommendations of the Director and any heads of agencies and organizations described in clause (ii), to the President for approval;

(D) establish and meet regularly with a council of business and labor leaders to develop and provide to the President and Congress recommendations relating to the impact of energy supply and prices on economic growth;

(E) submit to Congress an annual report that describes the progress of the United States toward the goal of achieving full energy independence; and

(F) carry out such other responsibilities as the President may assign.

(e) STAFF.—

(1) IN GENERAL.—The Director may, without regard to the civil service laws (including regulations), appoint and terminate such personnel as are necessary to enable the Director to carry out the responsibilities of the Director under this section.

(2) COMPENSATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Director may fix the compensation of personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(B) MAXIMUM RATE OF PAY.—The rate of pay for the personnel appointed by the Director shall not exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 02. CREDIT FOR PRODUCTION OF QUALIFIED FLEXIBLE FUEL MOTOR VEHICLES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

"SEC. 45N. PRODUCTION OF QUALIFIED FLEXIBLE FUEL MOTOR VEHICLES.

"(a) ALLOWANCE OF CREDIT.—For purposes of section 38, the qualified flexible fuel motor vehicle production credit determined under this section for any taxable year is an amount equal to $100 for each qualified flexible fuel motor vehicle produced in the United States by the manufacturer during the taxable year.

"(b) QUALIFIED FLEXIBLE FUEL MOTOR VEHICLE.—For purposes of this section, the term 'qualified flexible fuel motor vehicle' means a flexible fuel motor vehicle—

"(1) the production of which is not required for the manufacturer to meet—

"(A) the maximum credit allowable for vehicles described in paragraph (2) in determining the fleet average fuel economy requirements (as determined under section 32904 of title 49, United States Code) of the manufacturer for the model year ending in the taxable year, or

"(B) the requirements of any other provision of Federal law, and

"(2) which is designed so that the vehicle is propelled by an engine which can use as a fuel a gasoline mixture of which 85 percent (or another percentage of not less than 70 percent, as the Secretary may determine, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) of the volume of consists of ethanol.

"(c) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) MOTOR VEHICLE.—The term 'motor vehicle' has the meaning given such term by section 30(c)(2).

"(2) MANUFACTURER.—The term 'manufacturer' has the meaning given such term in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

"(3) REDUCTION IN BASIS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this paragraph) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(4) NO DOUBLE BENEFIT.—The amount of any deduction or credit allowable under this chapter (other than the credits allowable under this section and section 30B) shall be reduced by the amount of credit allowed under subsection (a) for such vehicle for the taxable year.

"(5) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects to not have this section apply to such vehicle.

"(6) TERMINATION.—This section shall not apply to any vehicle produced after December 31, 2010.

"(7) CROSS REFERENCE.—For an election to claim certain minimum tax credits in lieu of the credit determined under this section, see section 53(e).".

(b) CREDIT ALLOWED AGAINST THE ALTERNATIVE MINIMUM TAX.—Section 38(c)(4)(B) of the Internal Revenue Code of 1986 (defining specified credits) is amended by striking the period at the end of clause (ii)(II) and inserting ", and", and by adding at the end the following new clause:

"(iii) the credit determined under section 45N.".

(c) ELECTION TO USE ADDITIONAL AMT CREDIT.—Section 53 of the Internal Revenue Code of 1986 (relating to credit for prior year minimum tax liability) is amended by adding at the end the following new subsection:

"(e) ADDITIONAL CREDIT IN LIEU OF FLEXIBLE FUEL MOTOR VEHICLE CREDIT.—

"(1) IN GENERAL.—In the case of a taxpayer making an election under this subsection for a taxable year, the amount otherwise determined under subsection (c) shall be increased by any amount of the credit determined under section 45N for such taxable year which the taxpayer elects not to claim pursuant to such election.

"(2) ELECTION.—A taxpayer may make an election for any taxable year not to claim any amount of the credit allowable under section 45N with respect to property produced by the taxpayer during such taxable year. An election under this subsection may only be revoked with the consent of the Secretary.

"(3) CREDIT REFUNDABLE.—The aggregate increase in the credit allowed by this section for any taxable year by reason of this subsection shall for purposes of this title (other than subsection (b)(2) of this section) be treated as a credit allowed to the taxpayer under subpart C.".

(d) CONFORMING AMENDMENTS.—Section 38(b) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting a comma, and by adding at the end the following new paragraph:

"(31) the qualified flexible fuel motor vehicle production credit determined under section 45N, plus".

(e) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 45N. Production of qualified flexible fuel motor vehicles".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to motor vehicles produced in model years ending after the date of the enactment of this Act.

SEC. 03. INCENTIVES FOR THE RETAIL SALE OF ALTERNATIVE FUELS AS MOTOR VEHICLE FUEL.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by inserting after section 40A the following new section:

"SEC. 40B. CREDIT FOR RETAIL SALE OF ALTERNATIVE FUELS AS MOTOR VEHICLE FUEL.

"(a) GENERAL RULE.—The alternative fuel retail sales credit for any taxable year is the applicable amount for each gallon of alternative fuel sold at retail by the taxpayer during such year.

"(b) APPLICABLE AMOUNT.—For purposes of this section, the applicable amount shall be determined in accordance with the following table:

"In the case of any sale:	**The applicable amount for each gallon is:**
Before 2009	35 cents
During 2009 or 2010	20 cents
During 2011	10 cents."

"(c) DEFINITIONS.—For purposes of this section—

"(1) ALTERNATIVE FUEL.—The term 'alternative fuel' means any fuel at least 85 percent (or another percentage of not less than 70 percent, as the Secretary may determine, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) of the volume of which consists of ethanol.

"(2) SOLD AT RETAIL.—

"(A) IN GENERAL.—The term 'sold at retail' means the sale, for a purpose other than resale, after manufacture, production, or importation.

"(B) USE TREATED AS SALE.—If any person uses alternative fuel (including any use after importation) as a fuel to propel any qualified alternative fuel motor vehicle (as defined in this section) before such fuel is sold at retail, then such use shall be treated in the same manner as if such fuel were sold at retail as a fuel to propel such a vehicle by such person.

"(3) QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE.—The term 'new qualified alternative fuel motor vehicle' means any motor vehicle—

"(A) which is capable of operating on an alternative fuel,

"(B) the original use of which commences with the taxpayer,

"(C) which is acquired by the taxpayer for use or lease, but not for resale, and

"(D) which is made by a manufacturer.

"(d) ELECTION TO PASS CREDIT.—A person which sells alternative fuel at retail may elect to pass the credit allowable under this section to the purchaser of such fuel or, in the event the purchaser is a tax-exempt entity or otherwise declines to accept such credit, to the person which supplied such fuel, under rules established by the Secretary.

"(e) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(f) TERMINATION.—This section shall not apply to any fuel sold at retail after December 31, 2011.".

(b) Credit Treated as Business Credit.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) (as amended by section 3(d)) is amended by adding at the end the following new paragraph:

"(32) the alternative fuel retail sales credit determined under section 40B(a).".

(c) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 40A the following new item:

"Sec. 40B. Credit for retail sale of alternative fuels as motor vehicle fuel".

(d) Effective Date.—The amendments made by this section shall apply to fuel sold at retail after the date of enactment of this Act, in taxable years ending after such date.

SEC. ___04. ALTERNATIVE DIESEL FUEL CONTENT OF DIESEL.

(a) Findings.—Congress finds that—

(1) section 211(o) of the Clean Air Act (42 U.S.C. 7535(o)) (as amended by section 1501 of the Energy Policy Act of 2005 (Public Law 109-58)) established a renewable fuel program under which entities in the petroleum sector are required to blend renewable fuels into motor vehicle fuel based on the gasoline motor pool;

(2) the need for energy diversification is greater as of the date of enactment of this Act than it was only months before the date of enactment of the Energy Policy Act (Public Law 109-58; 119 Stat. 594); and

(3)(A) the renewable fuel program under section 211(o) of the Clean Air Act requires a small percentage of the gasoline motor pool, totaling nearly 140,000,000,000 gallons, to contain a renewable fuel; and

(B) the small percentage requirement described in subparagraph (A) does not include the 40,000,000,000-gallon diesel motor pool.

(b) Alternative Diesel Fuel Program for Diesel Motor Pool.—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by inserting after subsection (o) the following:

"(p) Alternative Diesel Fuel Program for Diesel Motor Pool.—

"(1) Definition of alternative diesel fuel.—

"(A) In general.—In this subsection, the term 'alternative diesel fuel' means biodiesel (as defined in section 312(f) of the Energy Policy Act of 1992 (42 U.S.C. 13220(f))) and any blending components derived from alternative fuel (provided that only the alternative fuel portion of any such blending component shall be considered to be part of the applicable volume under the alternative diesel fuel program established by this subsection).

"(B) Inclusions.—The term 'alternative diesel fuel' includes a diesel fuel substitute produced from—

"(i) animal fat;

"(ii) vegetable oil;

"(iii) recycled yellow grease;

"(iv) thermal depolymerization;

"(v) thermochemical conversion;

"(vi) the coal-to-liquid process (including the Fischer-Tropsch process); or

"(vii) a diesel-ethanol blend of not less than 7 percent ethanol.

"(2) Alternative diesel fuel program.—

"(A) Regulations.—

"(i) In general.—Not later than 1 year after the date of enactment of this subsection, the Administrator shall promulgate regulations to ensure that diesel sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains the applicable volume of alternative diesel fuel determined in accordance with subparagraph (B).

"(ii) Provisions of regulations.—Regardless of the date of promulgation, the regulations promulgated under clause (i)—

"(I) shall contain compliance provisions applicable to refineries, blenders, distributors, and importers, as appropriate, to ensure that the requirements of this paragraph are met; but

"(II) shall not—

"(aa) restrict geographic areas in which alternative diesel fuel may be used; or

"(bb) impose any per-gallon obligation for the use of alternative diesel fuel.

"(iii) Requirement in case of failure to promulgate regulations.—If the Administrator fails to promulgate regulations under clause (i), the percentage of alternative diesel fuel in the diesel motor pool sold or dispensed to consumers in the United States, on a volume basis, shall be 0.6 percent for calendar year 2008.

"(B) Applicable volume.—

"(i) Calendar years 2008 through 2015.—For the purpose of subparagraph (A), the applicable volume for any of calendar years 2008 through 2015 shall be determined in accordance with the following table:

"**Applicable volume of Alternative diesel fuel in diesel motor pool (in millions of gallons):**	**Calendar year:**
250	2008
500	2009
750	2010
1,000	2011
1,250	2012
1,500	2013
1,750	2014
2,000	2015.

"(ii) Calendar year 2016 and thereafter.—The applicable volume for calendar year 2016 and each calendar year thereafter shall be determined by the Administrator, in coordination with the Secretary of Agriculture and the Secretary of Energy, based on a review of the implementation of the program during calendar years 2008 through 2015, including a review of—

"(I) the impact of the use of alternative diesel fuels on the environment, air quality, energy security, job creation, and rural economic development; and

"(II) the expected annual rate of future production of alternative diesel fuels to be used as a blend component or replacement to the diesel motor pool.

"(iii) Minimum applicable volume.—For the purpose of subparagraph (A), the applicable volume for calendar year 2016 and each calendar year thereafter shall be equal to the product obtained by multiplying—

"(I) the number of gallons of diesel that the Administrator estimates will be sold or introduced into commerce during the calendar year; and

"(II) the ratio that—

"(aa) 2,000,000,000 gallons of alternative diesel fuel; bears to

"(bb) the number of gallons of diesel sold or introduced into commerce during calendar year 2015.

"(3) Applicable percentages.—

"(A) Provision of estimate of volumes of diesel sales.—Not later than October 31 of each of calendar years 2007 through 2015, the Administrator of the Energy Information Administration shall provide to the Administrator an estimate, with respect to the following calendar year, of the volumes of diesel projected to be sold or introduced into commerce in the United States.

"(B) Determination of applicable percentages.—

"(i) In general.—Not later than November 30 of each of calendar years 2008 through 2015, based on the estimate provided under subparagraph (A), the Administrator shall determine and publish in the Federal Register, with respect to the following calendar year, the alternative diesel fuel obligation that ensures that the requirements of paragraph (2) are met.

"(ii) Required elements.—The alternative diesel fuel obligation determined for a calendar year under clause (i) shall—

"(I) be applicable to refineries, blenders, and importers, as appropriate;

"(II) be expressed in terms of a volume percentage of diesel sold or introduced into commerce in the United States; and

"(III) subject to subparagraph (C), consist of a single applicable percentage that applies to all categories of persons described in subclause (I).

"(C) Adjustments.—In determining the applicable percentage for a calendar year, the Administrator shall make adjustments to prevent the imposition of redundant obligations on any person described in subparagraph (B)(ii)(I).

"(4) Credit program.—

"(A) In general.—The regulations promulgated pursuant to paragraph (2)(A) shall provide for the generation of an appropriate amount of credits by any person that refines, blends, or imports diesel that contains a quantity of alternative diesel fuel that is greater than the quantity required under paragraph (2).

"(B) Use of credits.—A person that generates a credit under subparagraph (A) may use the credit, or transfer all or a portion of the credit to another person, for the purpose of complying with regulations promulgated pursuant to paragraph (2).

"(C) Duration of credits.—A credit generated under this paragraph shall be valid during the 1-year period beginning on the date on which the credit is generated.

"(D) Inability to generate or purchase sufficient credits.—The regulations promulgated pursuant to paragraph (2)(A) shall include provisions allowing any person that is unable to generate or purchase sufficient credits under subparagraph (A) to meet the requirements of paragraph (2) by carrying forward a credit generated during a previous year on the condition that the person, during the calendar year following the year in which the alternative diesel fuel deficit is created—

"(i) achieves compliance with the alternative diesel fuel requirement under paragraph (2); and

"(ii) generates or purchases additional credits under subparagraph (A) to offset the deficit of the previous year.

"(5) Waivers.—

"(A) In general.—The Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, may waive the requirements of paragraph (2) in whole or in part on receipt of a petition of 1 or more States by reducing the national quantity of alternative diesel fuel for the diesel motor pool required under paragraph (2) based on a determination by the Administrator, after public notice and opportunity for comment, that—

"(i) implementation of the requirement would severely harm the economy or environment of a State, a region, or the United States; or "(ii) there is an inadequate domestic supply of alternative diesel fuel.

"(B) PETITIONS FOR WAIVERS.—Not later than 90 days after the date on which the Administrator receives a petition under subparagraph (A), the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall approve or disapprove the petition.

"(C) TERMINATION OF WAIVERS.—

"(i) IN GENERAL.—Except as provided in clause (ii), a waiver under subparagraph (A) shall terminate on the date that is 1 year after the date on which the waiver is provided.

"(ii) EXCEPTION.—The Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, may extend a waiver under subparagraph (A), as the Administrator determines to be appropriate.".

(c) PENALTIES AND ENFORCEMENT.—Section 211(d) of the Clean Air Act (42 U.S.C. 7545(d)) is amended—

(1) in paragraph (1), by striking "or (o)" each place it appears and inserting "(o), or (p)"; and

(2) in paragraph (2), by striking "and (o)" each place it appears and inserting "(o), and (p)".

(d) TECHNICAL AMENDMENTS.—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) in subsection (i)(4), by striking "section 324" each place it appears and inserting "section 325";

(2) in subsection (k)(10), by indenting subparagraphs (E) and (F) appropriately;

(3) in subsection (n), by striking "section 219(2)" and inserting "section 216(2)";

(4) by redesignating the second subsection (r) and subsection (s) as subsections (s) and (t), respectively; and

(5) in subsection (t)(1) (as redesignated by paragraph (4)), by striking "this subtitle" and inserting "this part".

SEC. 05. EXCISE TAX CREDIT FOR CELLULOSIC BIOMASS ETHANOL.

(a) IN GENERAL.—Paragraph (2) of section 6426(b) of the Internal Revenue Code of 1986 (relating to alcohol fuel mixture credit) is amended by adding at the end the following new subparagraph:

"(C) CELLULOSIC BIOMASS ETHANOL.—In the case of an alcohol fuel mixture consisting of cellulosic biomass ethanol (as defined in section 211(o)(1)(A) of the Clean Air Act), the applicable amount is equal to the product of—

"(i) the amount specified in subparagraph (A), times

"(ii) the equivalent number of gallons of renewable fuel specified in section 211(o)(4) of such Act.".

(b) CONFORMING AMENDMENT.—Section 6426(b)(2)(A) of such Code is amended by striking "subparagraph (B)" and inserting "subparagraphs (B) and (C)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after the date of the enactment of this Act.

SEC. 06. INCENTIVE FOR FEDERAL AND STATE FLEETS FOR MEDIUM AND HEAVY DUTY HYBRIDS.

Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended—

(1) in paragraph (3), by striking "or a dual fueled vehicle" and inserting ", a dual fueled vehicle, or a medium or heavy duty vehicle that is a hybrid vehicle";

(2) by redesignating paragraphs (11), (12), (13), and (14) as paragraphs (12), (14), (15), and (16), respectively;

(3) by inserting after paragraph (10) the following:

"(11) the term 'hybrid vehicle' means a vehicle powered both by a diesel or gasoline engine and an electric motor that is recharged as the vehicle operates;"; and

(4) by inserting after paragraph (12) (as redesignated by paragraph (2)) the following:

"(13) the term 'medium or heavy duty vehicle' means a vehicle that—

"(A) in the case of a medium duty vehicle, has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds; and

"(B) in the case of a heavy duty vehicle, has a gross vehicle weight rating of more than 14,000 pounds;".

SEC. ___07. PUBLIC ACCESS TO FEDERAL ALTERNATIVE REFUELING STATIONS.

(a) DEFINITIONS.—In this section:

(1) ALTERNATIVE FUEL REFUELING STATION.—The term "alternative fuel refueling station" has the meaning given the term "qualified alternative fuel vehicle refueling property" in section 30C(c)(1) of the Internal Revenue Code of 1986.

(2) SECRETARY.—The term "Secretary" means the Secretary of Energy.

(b) ACCESS TO FEDERAL ALTERNATIVE REFUELING STATIONS.—Not later than 18 months after the date of enactment of this Act—

(1) except as provided in subsection (d)(1), any Federal property that includes at least 1 fuel refueling station shall include at least 1 alternative fuel refueling station; and

(2) except as provided in subsection (d)(2), any alternative fuel refueling station located on property owned by the Federal government shall permit full public access for the purpose of refueling using alternative fuel.

(c) DURATION.—The requirements described in subsection (b) shall remain in effect until the sooner of—

(1) the date that is 7 years after the date of enactment of this Act; or

(2) the date on which the Secretary determines that not less than 5 percent of the commercial refueling infrastructure in the United States offers alternative fuels to the general public.

(d) EXCEPTIONS.—

(1) WAIVER.—Subsection (b)(1) shall not apply to any Federal property under the jurisdiction of a Federal agency if the Secretary determines that alternative fuel is not reasonably available to retail purchasers of the fuel, as certified by the head of the agency to the Secretary.

(2) NATIONAL SECURITY EXEMPTION.—Subsection (b)(2) does not apply to property of the Federal government that the Secretary, in consultation with the Secretary of Defense, has certified must be exempt for national security reasons.

(e) VERIFICATION OF COMPLIANCE.—The Secretary shall—

(1) monitor compliance with this section by all Federal agencies; and

(2) annually submit to Congress a report describing the extent of compliance with this section.

SEC. 08. PURCHASE OF CLEAN FUEL BUSES.

(a) IN GENERAL.—Chapter 53 of title 49, United States Code, is amended by inserting after section 5325 the following:

"§ 5326. Purchase of clean fuel buses

"(a) DEFINITION OF CLEAN FUEL BUS.—In this section, the term 'clean fuel bus' means a vehicle that—

"(1) is capable of being powered by—

"(A) compressed natural gas;

"(B) liquefied natural gas;

"(C) 1 or more batteries;

"(D) a fuel that is composed of at least 85 percent ethanol (or another percentage of not less than 70 percent, as the Secretary may determine, by rule, to provide for requirements relating to cold start, safety, or vehicle functions);

"(E) electricity (including a hybrid electric or plug-in hybrid electric vehicle);

"(F) a fuel cell; or

"(G) ultra-low sulfur diesel; and

"(2) has been certified by the Administrator of the Environmental Protection Agency to significantly reduce harmful emissions, particularly in a nonattainment area (as defined in section 171 of the Clean Air Act (42 U.S.C. 7501)).

"(b) PURCHASE OF BUSES.—A bus purchased using funds made available from the Mass Transit Account of the Highway Trust Fund shall be a clean fuel bus.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 53 is amended by inserting after the item relating to section 5325 the following:

"5326. Clean fuel buses".

SEC. ___09. DOMESTIC FUELS INFRASTRUCTURE FOR THE DEPARTMENT OF DEFENSE.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program to evaluate the commercial and technical viability of advanced technologies for the production of alternative transportation fuels having applications for the Department of Defense. The program shall include the construction and operation of testing facilities in accordance with subsection (d).

(b) ALTERNATIVE TRANSPORTATION FUELS DEFINED.—For purposes of this section, the term "alternative transportation fuels" means—

(1) denatured ethanol and other alcohols;

(2) mixtures containing at least 85 percent (or another percentage of not less than 70 percent, as the Secretary may determine, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) by volume of denatured ethanol, particularly ethanols derived from cellulosic biomass;

(3) coal-derived liquid fuels, including Fischer-Tropsch fuels;

(4) fuels (other than alcohol) derived from biological materials, including fuels derived from vegetable oils, animal fats, thermal depolymerization, or thermalchemical conversion; and

(5) any other fuel the Secretary determines, by rule, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits.

(c) COORDINATION OF EFFORTS.—

(1) IN GENERAL.—The Secretary of Defense shall carry out the program required by this section through the Under Secretary of Defense for Acquisition, Technology, and Logistics and in consultation with the Director of Defense Research and Engineering, the Advanced Systems and Concepts Office, the Secretary of Agriculture, and the Secretary of Energy.

(2) ROLE OF BIOMASS RESEARCH AND DEVELOPMENT TECHNOLOGIC ADVISORY COMMITTEE.—The consultations under paragraph (1) shall include the participation of the Biomass Research and Development Technical Advisory Committee established under section 306 of the Biomass Research and Development Act of 2000 (title III of Public Law 106–224; 7 U.S.C. 8101 note).

(d) FACILITIES FOR EVALUATING PRODUCTION OF ALTERNATIVE TRANSPORTATION FUELS.—

(1) IN GENERAL.—In carrying out the program required by this section, the Secretary

of Defense shall provide for the construction or capital modification of—

(A) not more than 3 facilities for the purposes of evaluating the production from cellulosic biomass of alternative transportation fuels having applications for the Department of Defense; and

(B) not more than 3 facilities for the purposes of evaluating the production from coal of alternative transportation fuels having applications for the Department of Defense, with not less than one of such facilities utilizing coal resources with a ranking by the American Society for Testing and Materials of high volatile bituminous B and C.

(2) LOCATION OF FACILITIES.—The facilities constructed under paragraph (1) for the purposes of cellulosic biomass shall—

(A) afford the efficient use of a diverse range of fuel sources; and

(B) give initial preference to existing domestic facilities with current or potential capacity for cellulose or coal conversion.

(3) CAPACITY OF FACILITIES.—Each facility constructed under paragraph (1) shall have the flexibility for producing commercial volumes of alternative transportation fuels such that when the facility demonstrates economic viability of the process it can provide commercial production for the region in which it is located.

(4) AUTHORITY TO ENTER INTO TRANSACTIONS FOR FACILITY CONSTRUCTION.—The Secretary of Defense shall seek to construct the facilities required by paragraph (1) at the lowest cost practicable. The Secretary may make grants, enter into agreements, and provide loans or loan guarantees to corporations, cooperatives, and consortia of such entities for such purposes.

(5) EVALUATIONS AT FACILITIES.—Not later than 5 years after the date of enactment of this Act, the Secretary of Defense shall begin at the facilities described in paragraph (1) evaluations of the technical and commercial viability of different processes of producing alternative transportation fuels having Department of Defense applications from cellulosic biomass or coal.

(e) PROGRAM MILESTONES.—In carrying out the program required by this section, the Secretary of Defense shall meet the following milestones:

(1) SELECTION OF TESTING PROCESSES.—Not later than 180 days after the date of enactment of this Act, the Secretary shall select processes for evaluating the technical and commercial viability of producing alternative fuels from cellulosic biomass or coal.

(2) INITIATION OF WORK AT EXISTING FACILITIES.—Not later than one year after the date of enactment of this Act, the Secretary shall enter into agreements to carry out testing under this section at existing facilities.

(3) CONSTRUCTION AGREEMENTS.—Not later than one year after the date of enactment of this Act, the Secretary shall enter into agreements. for the capital modification or construction of facilities under subsection (d)(1).

(4) COMPLETION OF ENGINEERING AND DESIGN WORK.—Not later than three years after the date of enactment of this Act, the Secretary shall complete capital modifications of existing facilities and the engineering and design work necessary for the construction of new facilities under this section.

(f) REPORT ON PROGRAM.—Not later than 18 months after the date of enactment of this Act, and annually thereafter for the next 5 years, the Secretary of Defense shall, in consultation with the Under Secretary of Defense for Acquisition, Technology, and Logistics, submit a report on the implementation and results of the program required by this section to—

(1) the Committees on Armed Services, Energy and Natural Resources, Agriculture, and Appropriations of the Senate; and

(2) the Committees on Armed Services, Energy and Commerce, Agriculture, and Appropriations of the House of Representatives.

(g) FUNDING.—

(1) IN GENERAL.—Of the amounts authorized to be appropriated under this section, $250,000,000 may be available for the program required by this section for fiscal years 2007 through 2012.

(2) AVAILABILITY.—Amounts available under paragraph (1) shall remain available until expended.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition and Forestry be authorized to conduct a hearing during the session of the Senate on July 26, 2006, at 9:30 a.m. In SR-328A, Russell Senate Office Building. The purpose of this committee hearing will be to consider the following nominations: Nancy Johner to be under Secretary of Agriculture for Food, Nutrition, and Consumer Services for the Department of Agriculture and to be a Member of the Board of Directors of the Commodity Credit Corporation; Bruce Knight to be under Secretary of Agriculture for Marketing and Regulatory Programs for the Department of Agriculture and to be a Member of the Board of Directors of the Commodity Credit Corporation; Margo McKay to be an Assistant Secretary of Agriculture for Civil Rights for the Department of Agriculture; and Michael Dunn to be a Commissioner of the Commodity Futures Trading Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Wednesday, July 26, 2006, at 2 p.m., in 215 Dirksen Senate Office Building, to hear testimony on "A Closer Look at the Size and Sources of the Tax Gap."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 26, 2006, at 2:30 p.m. to hold a nominations hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary be authorized to meet to conduct a hearing on "FISA for the 21st Century" on Wednesday, July 26, 2006, at 9 a.m. in Dirksen Senate Office Building Room 226.

Witness list

Panel I: LTG Michael V. Hayden, Director of Central Intelligence Agency, Office of the Director of National Intelligence, Langley, VA; LTG Keith B. Alexander, Director of the National Security Agency, Chief of the Central Security Service, Washington, DC: Steven Bradbury, Acting Assistant Attorney General, Office of Legal Counsel, Department of Justice, Washington, DC.

Panel II: Bryan Cunningham, Partner, Morgan & Cunningham LLC, Denver, CO; Jim Dempsey, Policy Director, Center for Democracy & Technology, Washington, DC; John Schmidt, Partner, Mayer, Brown, Rowe & Maw LLP, Chicago, IL; Mary DeRosa, Senior Fellow, Johns Hopkins Center for Strategic and International Studies, Technology and Public Policy Program, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on July 26, 2006, at 10 a.m. to hold a closed meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Oversight of Government Management, the Federal Workforce and the District of Columbia be authorized to meet on Wednesday, July 26, 2006, at 3:30 p.m. for a hearing entitled, STOP!: A Progress Report on Protecting and Enforcing Intellectual Property Rights Here and Abroad.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. BINGAMAN. On behalf of Senator BAUCUS, I ask unanimous consent that John Schiltz and Tara Rose, interns with the Committee on Finance, be granted floor privileges for the consideration of this Energy bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BINGAMAN. I ask unanimous consent Lauren Guidice and Marcus Williams, interns with the Energy and Natural Resources Committee staff, be granted floor privileges during the remainder of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN INVESTMENT AND NATIONAL SECURITY ACT OF 2006

Mr. SHELBY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 474, S. 3549.

The PRESIDING OFFICER. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (S. 3549) to amend the Defense Production Act of 1950, to strengthen Government review and oversight of foreign investment in the United States, to provide for enhanced Congressional oversight with respect thereto, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. McCAIN. Mr. President, today the Senate will pass S. 3549, the Foreign Investment and National Security Act of 2006. While I have reservations over the legislation as currently drafted, I have agreed to allow the bill to proceed to conference, given the assurances by the Chairman of the Senate Banking Committee, Senator SHELBY, that he will work to address the concerns that I have raised.

The Committee on Foreign Investment in the United States—known as CFIUS—was established 30 years ago to placate concerns in Congress over investments by Middle Eastern countries in American assets. Three decades later, it is once again concern over the Middle East that is driving Congress to overhaul the CFIUS process. This time, the outrage has revolved around the proposed acquisition of port terminal operations in the U.S. by Dubai Ports World, a corporation owned by the government of Dubai, one of the seven emirates that make up the United Arab Emirates.

In the war on terror, the UAE has provided American and Coalition military forces unprecedented access to its ports and territory, overflight clearances, and other critical and important logistical assistance. The UAE has played host to over 700 U.S. Navy ships at its ports, including the Port of Jebel Ali—which is managed by Dubai Ports World—and to the Air Force at al Dhafra Air Base. The country also hosts the UAE Air Warfare Center, the leading fighter training center in the Middle East. The UAE has worked with us to stop terrorist financing and money laundering. Moreover, Dubai was the first Middle Eastern entity to join the Container Security Initiative and the Department of Energy's Megaports Initiative, a program aimed at stopping illicit shipments of nuclear and other radioactive material. But all of these details seem to have been lost in the rush to stop a corporate transaction with a key ally in the war on terror.

Mr. President, there are at least two details in S. 3549 that cannot be ignored because they will not help protect our homeland. Instead, they will only harm America's economy, the strength of which is critical to our national security.

One provision that I believe merits closer scrutiny would require CFIUS to notify several congressional committees, as well as individual members of Congress, of each and every transaction submitted to CFIUS's review. This notification would be required well before CFIUS made any determination about the national security implications, if any, of the proposed transaction.

On its face, this provision would appear to be a reasonable effort to achieve transparency and accountability in the CFIUS process. However, if this provision were enacted, a process that is meant to be a sober analysis of the national security implications of a transaction would become a politically charged debacle. What other goal would be accomplished by providing notice to the members of Congress whose States and districts are impacted by the transaction before any determination is made by CFIUS? The politicization of the CFIUS review process would discourage transactions that might be reviewed by CFIUS for fear of financial or reputational harm. This, in turn, could reduce foreign direct investment or impose a risk premium on such investment that would be detrimental to U.S. businesses seeking investment capital.

A second provision that I believe needs further clarification would require CFIUS to investigate a proposed transaction whenever the matter involves "any possible impairment to national security" resulting from the acquisition of critical infrastructure or "the possibility of an impairment to national security" arising out of any transaction reviewed by CFIUS. Under these standards, many transactions that pose negligible or no risk to national security will nonetheless be forced into an extended 45-day investigation in addition to the initial 30-day review period. According to the Department of Treasury, these standards will lead to a significant increase in the number of investigations conducted by CFIUS. I strongly support a full and fair review of each transaction submitted to CFIUS, and I believe that a transaction that poses a risk to our national security should not be approved, but that is not what the mandatory 45-day investigation provisions would accomplish. In my view, it would be better to use CFIUS resources to investigate transactions that raise genuine national security concerns.

I appreciate the interest of Senator SHELBY and others to modify the CFIUS process, and I certainly do not doubt the sincerity of their desire to protect our Nation from threats abroad. That is why I am confident that my concerns with the legislation will be addressed in conference. If they are not, then I will be forced to object to the conference report.

Mr. SANTORUM. Mr. President, I rise today to support S. 3549, the Foreign Investment and National Security Act of 2006, because it makes great strides in modernizing the Committee on Foreign Investment in the United States, CFIUS, process. I firmly believe that national security is paramount, and confidence must be restored in the CFIUS screening process. CFIUS creates a careful balance between national security and the economic benefits of foreign investment. As such, we must protect our national security while not inadvertently and unnecessarily hurting this job-creating investment.

Over 5 million Americans work for insourcing companies with a payroll of nearly $318 billion. In my State of Pennsylvania, 227,700 people owe their jobs to a foreign-based company. Pennsylvania is a State that has worked hard to attract international companies like Mack Trucks Inc., SAP America, and Sony. That effort has yielded positive results.

With regard to S. 3549, there are a few unresolved issues that were raised in the Banking Committee process that could raise barriers to beneficial foreign investment. While the bill passed the committee unanimously, with my support, it was understood that a couple of outstanding concerns would be addressed before the bill would be signed into law. At this time, these concerns remain.

Two provisions in particular that could have a negative impact on positive foreign direct investment that creates jobs, fosters innovation and sustains U.S. manufacturing are: (1) the extension of the initial 30-day review period to allow an additional 30-day review and (2) the creation of a congressional reporting requirement for individual regulatory filings for each stage of the review process.

Mr. President, I hope that these concerns will be addressed in conference. While I support CFIUS reform, I believe there are issues that need to be addressed prior to passing a final bill to ensure that Congress takes a reasonable approach to reforming this process. I look forward to working with Chairman SHELBY to resolve these issues.

Mr. SHELBY. Mr. President, I ask unanimous consent that the amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4703) was agreed to, as follows:

On page 3, line 8, strike "written notification" and insert the following: "a written request for review by a person involved in the transaction, or by one or more members of CFIUS,".

On page 3, line 10, strike "under this section" and insert "in accordance with paragraph (1)(A)".

On page 3, line 24, strike "entity" and insert "person".

On page 4, beginning on line 19, strike "additional assurances" and insert "assurances provided or renewed with the approval of CFIUS".

On page 4, line 22, strike "and" and insert "or".

On page 5, line 2, insert before the period the following: ", and the issues that could result in an impairment to national security are not resolved through negotiation of assurances between one or more members of CFIUS and the entities involved in the transaction".

On page 5, strike line 22 and all that follows through page 6, line 6 and insert the following:

"'(4) MONITORING OF WITHDRAWN TRANSACTIONS.—If the notification or filing with respect to a proposed transaction is withdrawn or rescinded, CFIUS shall continue to monitor such transaction, unless the transaction is terminated by agreement of the parties to the transaction. If CFIUS has reason to believe that the proposed transaction has not been so terminated, CFIUS shall initiate a review or investigation under this section if the parties do not resubmit the notification or filing within an appropriate period of time.".

On page 6, strike lines 7 through 23 and insert the following:

"'(5) MANDATORY NOTIFICATION RELATED TO CERTAIN TRANSACTIONS AFFECTING NATIONAL SECURITY.—The chairperson and vice chairperson of CFIUS shall, not later than 90 days after the date of enactment of the Foreign Investment and National Security Act of 2006, issue rules, including the imposition of appropriate penalties for failure to comply with this paragraph, that require each person controlled by or acting on behalf of a foreign government to notify the chairperson of CFIUS in writing of any proposed transaction involving such person and United States critical infrastructure relating to United States national security.".

On page 8, line 17, strike "(or longer)".

On page 9, line 3, strike "AND CLASSIFICATIONS".

On page 9, line 15, strike "and classifying".

On page 10, line 17, strike "and classification".

On page 15, line 1, strike "ranking" and insert "assessments".

On page 16, line 5, strike "ADDITIONAL".

On page 17, line 6, insert "of CFIUS" after "vice chairperson".

On page 19, line 12, strike "transaction" and all that follows through line 16 and insert "transaction; and".

On page 20, line 3, insert "does or" before "does not".

On page 23, strike lines 21 through 24.

On page 24, line 1, strike "(vi)" and insert "(v)".

On page 24, line 10, strike "(vii)" and insert "(vi)"

On page 24, line 17, strike "(vii)" and insert "(vii)".

On page 27, line 4, strike "the term" and insert the following: "the term 'assurances' means any term, understanding, commitment, agreement, or limitation, however described, that relates to ameliorating in any way the potential effect of a transaction on the national security;

"(2) the term".

On page 27, line 12, strike "(2)" and insert "(3)".

On page 27, line 19, strike "(3)" and insert "(4)".

On page 27, line 22, strike "(4)" and insert "(5)".

On page 27, line 25, strike the period and all that follows through "The term includes" on page 28, line 1 and insert ", and includes".

On page 28, line 5, strike "(5)" and insert "(6)".

On page 28, line 11, strike "(6)" and insert "(7)".

On page 28, line 14, strike "(7)" and insert "(8)".

The bill (S. 3549), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3549

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Foreign Investment and National Security Act of 2006".

SEC. 2. AMENDMENTS TO THE DEFENSE PRODUCTION ACT OF 1950.

Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended to read as follows:

"SEC. 721. REVIEW AND INVESTIGATION OF TRANSACTIONS INVOLVING FOREIGN PERSONS AND GOVERNMENTS.

"(a) REVIEW OF TRANSACTIONS INVOLVING FOREIGN PERSONS AND GOVERNMENTS.—

"(1) REVIEWS REQUIRED.—

"(A) IN GENERAL.—CFIUS shall review any transaction proposed or pending on or after the date of enactment of this section by, with, or on behalf of a foreign person or foreign government which could result in foreign control of a person engaged in interstate commerce in the United States, for which a review is requested, in the manner prescribed by regulations promulgated under this section.

"(B) PURPOSES.—The purpose of such review shall be to determine the effect on national security of such transaction, whether an investigation of such transaction is required under subsection (b), or both.

"(2) TIMING OF REVIEWS.—

"(A) IN GENERAL.—A review of a proposed or pending transaction described in paragraph (1) shall be completed not later than 30 days after the date of receipt by CFIUS of a written request for review by a person involved in the transaction, or by one or more members of CFIUS, of the proposed or pending transaction, as prescribed by regulations promulgated in accordance with paragraph (1)(A).

"(B) EXTENSIONS UPON REQUEST.—Upon written request by the Secretary, Deputy Secretary, or Under Secretary, or the equivalent thereof, of one or more of the agencies that make up CFIUS (including any agency described in subsection (c)(4)(I)) for additional time to review a case, the 30-day period described in subparagraph (A) shall be extended by not longer than an additional 30 days, if the Secretary, Deputy Secretary, or Under Secretary, or the equivalent thereof, concludes that there is credible evidence to believe that if permitted to proceed with the transaction, the foreign acquiring person may take action that threatens to impair the national security.

"(b) INVESTIGATIONS OF CERTAIN TRANSACTIONS.—

"(1) IN GENERAL.—CFIUS shall undertake an investigation to determine the effects on national security of any transaction described in subsection (a)(1) proposed or pending on or after the date of enactment of this section—

"(A) which would—

"(i) result in control of any person engaged in interstate commerce in the United States by a foreign government, or a person acting by, with, or on behalf of a foreign government; or

"(ii) result in control of any critical infrastructure of or within the United States by, with, or on behalf of any foreign person, if CFIUS determines that any possible impairment to national security has not been mitigated by assurances provided or renewed with the approval of CFIUS, as described in subsection (i), during the review period under subsection (a); or

"(B) if the review by CFIUS under subsection (a) produces sufficient information to indicate the possibility of an impairment to national security, after consideration of the factors listed in subsection (g), and the issues that could result in an impairment to national security are not resolved through negotiation of assurances between one or more members of CFIUS and the entities involved in the transaction.

"(2) TIMING OF INVESTIGATIONS.—An investigation required to be undertaken under this subsection—

"(A) shall commence at such time as CFIUS determines under subsection (a) that such investigation is required, as prescribed by regulations promulgated pursuant to this section; and

"(B) shall be completed not later than 45 days after the date of its commencement.

"(3) RESUBMITTED FILINGS.—An investigation of a transaction under this subsection which is interrupted because the notification or filing is withdrawn by the applicant, and which is subsequently resubmitted, shall require up to a 45-day investigation from the date on which CFIUS receives the new submission. The investigation shall include a review of the rationale for the withdrawal and resubmission of the proposed transaction to CFIUS.

"(4) MONITORING OF WITHDRAWN TRANSACTIONS.—If the notification or filing with respect to a proposed transaction is withdrawn or rescinded, CFIUS shall continue to monitor such transaction, unless the transaction is terminated by agreement of the parties to the transaction. If CFIUS has reason to believe that the proposed transaction has not been so terminated, CFIUS shall initiate a review or investigation under this section if the parties do not resubmit the notification or filing within an appropriate period of time."

"(5) MANDATARY NOTIFICATION RELATED TO CERTAIN TRANSACTIONS AFFECTING NATIONAL SECURITY.—The chairperson and vice chairperson of CFIUS shall, not later than 90 days after the date of enactment of the Foreign Investment and National Security Act of 2006, issue rules, including the imposition of appropriate penalties for failure to comply with this paragraph, that require each person controlled by or acting on behalf of a foreign government to notify the chairperson of CFIUS in writing of any proposed transaction involving such person and United States critical infrastructure relating to United States national security."

"(c) COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES.—

"(1) ESTABLISHMENT.—There is established the Committee on Foreign Investment in the United States, which shall serve as the President's designee for all purposes under this section.

"(2) CHAIRPERSON.—The Secretary of the Treasury shall serve as the chairperson of CFIUS.

"(3) VICE CHAIRPERSON.—The Secretary of Defense shall serve as the vice chairperson of CFIUS.

"(4) MEMBERSHIP.—The members of CFIUS shall include—

"(A) the Secretary of the Treasury;

"(B) the Secretary of State;

"(C) the Secretary of Defense;

"(D) the Secretary of Commerce;

"(E) the Secretary of Homeland Security;

"(F) the Attorney General of the United States;

"(G) the Director of the Office of Management and Budget;

"(H) the Director of National Intelligence; and

"(I) the heads of those other executive departments or agencies as the President determines appropriate, on a case-by-case basis.

"(5) REFERRAL TO APPROPRIATE MEMBERS OF CFIUS.—Upon receipt of notification of a proposed or pending transaction under this section, the chairperson of CFIUS shall assign the appropriate member of CFIUS to lead the review and investigation of such proposed or pending transaction under this section.

"(6) INTELLIGENCE REVIEWS.—The Director of National Intelligence shall—

"(A) direct the intelligence community, to collect and analyze information related to any proposed or pending transaction pursuant to this section, and to prepare a report of its findings, which the Director shall make available to members of CFIUS not later than 15 days after the date of the commencement by CFIUS of a 30-day review of any such transaction under subsection (a), and before the commencement of any investigation under subsection (b); and

"(B) ensure that the intelligence community remains engaged in the collection, analysis, and dissemination to CFIUS of any additional relevant information that may become available during the course of any investigation conducted under subsection (b) with respect to a transaction.

"(7) ASSESSMENTS OF FOREIGN COUNTRIES FOR USE IN REVIEWS AND INVESTIGATIONS.—

"(A) IN GENERAL.—Not later than 120 days after the date of enactment of the Foreign Investment and National Security Act of 2006, the chairperson and vice chairperson of CFIUS, in consultation with the Secretary of State, the Secretary of Commerce, the Secretary of Energy, the Chairman of the Nuclear Regulatory Commission, and the Director of National Intelligence, shall develop and implement a system for assessing individual countries, including—

"(i) an assessment of the adherence of the country to nonproliferation control regimes, including treaties and multilateral supply guidelines, which shall draw on, but not be limited to, the annual report on Adherence to and Compliance with Arms Control, Nonproliferation and Disarmament Agreements and Commitments required by section 403 of the Arms Control and Disarmament Act;

"(ii) an assessment of the relationship of such country with the United States, specifically on its record on cooperating in counter-terrorism efforts, which shall draw on, but not be limited to, the report of the President to Congress under section 7120 of the Intelligence Reform and Terrorism Prevention Act of 2004; and

"(iii) an assessment of the potential for transshipment or diversion of technologies with military applications, including an analysis of national export control laws and regulations.

"(B) CONFIDENTIALITY.—The assessment system required by subparagraph (A) and any information or documentary material maintained or developed thereunder—

"(i) shall be used solely by those agencies involved in reviewing and investigating acquisitions, mergers, and takeovers pursuant to this section;

"(ii) may not be made available to the public; and

"(iii) shall be exempt from disclosure under section 552 of title 5, United States Code.

"(8) STAFF OF CFIUS.—Employees of the Department of the Treasury who serve as staff for CFIUS shall report directly to the Deputy Secretary of the Treasury, and shall perform no official functions other than as CFIUS staff.

"(d) ACTION BY THE PRESIDENT.—

"(1) IN GENERAL.—Subject to subsection (e), the President may take such action for such time as the President considers appropriate to suspend or prohibit any transaction which would result in control of any critical infrastructure or person engaged in interstate commerce in the United States, proposed or pending on or after the date of enactment of this section, by or with a foreign person or government, so that such control will not threaten to impair the national security.

"(2) ANNOUNCEMENT BY THE PRESIDENT.—The President shall announce the decision on whether or not to take action pursuant to this subsection not later than 15 days after an investigation described in subsection (b) is completed.

"(3) ENFORCEMENT.—The President may direct the Attorney General to seek appropriate relief, including divestment relief, in the district courts of the United States in order to implement and enforce this subsection.

"(e) FINDINGS OF THE PRESIDENT.—The President may exercise the authority conferred by subsection (d) only if the President finds that—

"(1) there is credible evidence that leads the President to believe that the foreign interest exercising control might take action that threatens to impair the national security; and

"(2) provisions of law, other than this section and the International Emergency Economic Powers Act, do not, in the judgment of the President, provide adequate and appropriate authority for the President to protect the national security in the matter before the President.

"(f) ACTIONS AND FINDINGS NONREVIEWABLE.—The actions of the President under subsection (d) and the findings of the President under subsection (e) shall not be subject to judicial review.

"(g) FACTORS TO BE CONSIDERED.—For purposes of determining whether to take action under subsection (d) and for purposes of reviews and investigations under this section, the President and CFIUS, respectively, shall consider, among other factors—

"(1) potential effects on United States critical infrastructure, including major energy assets;

"(2) potential effects on United States critical technologies;

"(3) domestic production needed for projected national defense requirements;

"(4) the capability and capacity of domestic industries to meet national defense requirements, including the availability of human resources, products, technology, materials, and other supplies and services;

"(5) the control of domestic industries and commercial activity by foreign citizens as it affects the capability and capacity of the United States to meet the requirements of national security;

"(6) the potential effects of the proposed or pending transaction on sales of military goods, equipment, or technology to any country—

"(A) identified by the Secretary of State—

"(i) under section 6(j) of the Export Administration Act of 1979, as a country that supports terrorism;

"(ii) under section 6(l) of the Export Administration Act of 1979, as a country of concern regarding missile proliferation; or

"(iii) under section 6(m) of the Export Administration Act of 1979, as a country of concern regarding the proliferation of chemical and biological weapons;

"(B) identified by the Secretary of Defense as posing a potential regional military threat to the interests of the United States; or

"(C) listed under section 309(c) of the Nuclear Non-Proliferation Act of 1978, on the 'Nuclear Non-Proliferation-Special Country List' (15 C.F.R. Part 778, Supplement No. 4) or any successor list;

"(7) the potential effects of the proposed or pending transaction on United States international technological leadership in areas affecting United States national security;

"(8) the long term projection of United States requirements for sources of energy and other critical resources and materials; and

"(9) the assessments developed under subsection (c)(7) of the country in which the foreign persons acquiring United States entities are based.

"(h) CONFIDENTIALITY OF INFORMATION.—

"(1) IN GENERAL.—Any information or documentary material filed with CFIUS pursuant to this section shall be exempt from disclosure under section 552 of title 5, United States Code, and no such information or documentary material may be made public, except as may be relevant to any administrative or judicial action or proceeding.

"(2) NOTIFICATION TO GOVERNOR.—Notwithstanding paragraph (1), CFIUS shall notify the Governor of any State regarding a transaction involving critical infrastructure in that State for the purpose of discussing any security concerns that arise or may arise from that transaction. Information or documentary material made available to a Governor under this paragraph may not be made public, including under any law of a State pertaining to freedom of information or otherwise, but the exception in paragraph (3) for disclosures to either House of Congress or Congressional Committees shall not apply to Governors who receive information under this paragraph.

"(3) DISCLOSURE.—Nothing in this subsection shall be construed to prevent disclosure to either House of Congress or to any duly authorized committee or subcommittee of Congress.

"(i) ASSURANCES.—

"(1) IN GENERAL.—This subsection shall govern the provision of any assurances to one or more agencies of the United States in connection with the review or investigation of, or any Presidential decision concerning, any transaction under this section.

"(2) CONDITION TO DETERMINATION.—Any such assurances shall be deemed to be a continuing covenant of the persons on whose behalf such review is sought (and of all persons controlling such person), the observance of which shall be a condition of the determination of CFIUS, the President, or both, on whether to take any action with respect to such transaction.

"(3) CONTRACT WITH THE UNITED STATES.—Such assurances shall be embodied in an agreement executed by the foreign person or foreign government on whose behalf a review of a transaction is sought under this section and the chairperson or vice chairperson of CFIUS, on behalf of the United States.

"(4) MONITORING OF AGREEMENT.—Compliance with assurances provided under this subsection shall be monitored, and may be investigated, in the same manner as a violation of a civil statute, by the agency designated by the chairperson of CFIUS, in consultation with the vice chairperson of CFIUS and the Attorney General of the United States.

"(5) GRANT OF JURISDICTION; REMEDIES.—The United States District Court for the District of Columbia shall have jurisdiction to enforce an agreement referred to in this subsection upon application by the Attorney General. Available remedies shall include divestiture, injunctive relief, enforcing the terms of such agreement, and monetary damages, as appropriate.

"(j) NOTICE AND REPORTS TO CONGRESS.—

"(1) NOTICE REGARDING REVIEWS.—

"(A) NOTICE AT INITIATION OF REVIEW.—CFIUS shall transmit written notice of a proposed or pending transaction subject to this section to the members of Congress specified in paragraph (3)(C), not later than 10 days after the date of receipt of a notice of such proposed or pending transaction, including the identities of all parties involved and any foreign government ownership or control of any such party.

"(B) CERTIFICATION AT COMPLETION OF REVIEW.—Upon completion of a review under subsection (a), the chairperson and vice chairperson of CFIUS and the head of the lead agency assigned under subsection (c)(5), shall transmit a certified notice to the members of Congress specified in paragraph (3)(C).

"(2) NOTICE REGARDING INVESTIGATIONS.—

"(A) NOTICE AT INITIATION OF INVESTIGATIONS.—Upon commencement of an investigation under subsection (b), CFIUS shall notify in writing the members of Congress specified in paragraph (3)(C).

"(B) CERTIFICATION AT COMPLETION OF INVESTIGATIONS.—As soon as practicable after completion of an investigation under subsection (b), the chairperson and vice chairperson of CFIUS and the head of the lead agency assigned under subsection (c)(5), shall transmit to the members of Congress specified in paragraph (3)(C) a certified written report (consistent with the requirements of subsection (h)) on the results of the investigation, unless the matter under investigation has been sent to the President for decision.

"(3) CERTIFICATIONS.—

"(A) IN GENERAL.—Each certified notice and report required by this subsection shall be submitted to the members of Congress specified in subparagraph (C), and shall include—

"(i) information on whether or not an investigation occurred under subsection (b) and has been completed;

"(ii) a description of the actions taken by CFIUS with respect to the transaction; and

"(iii) identification of the determinative factors considered under subsection (g).

"(B) CONTENT OF CERTIFICATION.—Each notice required to be certified by this subsection shall be signed by the chairperson and vice chairperson of CFIUS and the head of the lead agency assigned under subsection (c)(5), and shall contain a specific attestation of each such person that, in the determination of CFIUS, the transaction that is the subject of the notice does or does not impair the national security.

"(C) MEMBERS OF CONGRESS.—The notices and reports required by this subsection shall be transmitted to—

"(i) the Majority Leader and the Minority Leader of the Senate;

"(ii) the chair and ranking member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of any committee of the Senate having oversight over the agency assigned to lead a review or investigation under subsection (c)(5);

"(iii) the Speaker and the Minority Leader of the House of Representatives; and

"(iv) the chair and ranking member of the Committee on Financial Services of the House of Representatives and of any committee of the House of Representatives having oversight over the agency assigned to lead a review or investigation under subsection (c)(5).

"(D) TRANSMITTAL TO OTHER MEMBERS OF CONGRESS.—The Majority Leader or the Minority Leader, in the case of the Senate, and the Speaker or the Minority Leader, in the case of the House of Representatives, may provide the notices and reports required by this paragraph regarding a proposed or pending transaction involving critical infrastructure—

"(i) in the case of the Senate, to members of the Senate from the State in which such critical infrastructure is located; and

"(ii) in the case of the House of Representatives, to a member from a Congressional District in which such critical infrastructure is located.

"(E) LIMITATION ON DELEGATION OF CERTIFICATIONS.—Notices and reports required to be certified under this subsection shall be signed by the chairperson and vice chairperson of CFIUS, and such certification requirement may not be delegated.

"(4) ANNUAL REPORTS.—

"(A) REPORT REQUIRED.—The Secretary of the Treasury, on behalf of and after consultation with the members of CFIUS, shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, on or before March 15 of each year, a written report on the policy of the United States with respect to the preservation of the Nation's defense production and critical infrastructure. The Secretary shall appear before both committees to provide testimony on such reports.

"(B) CONTENTS OF REPORT.—Each report submitted under subparagraph (A) shall contain—

"(i) an analysis of each transaction involving a foreign person or foreign government affecting national security that has occurred during the preceding year to which the report relates, including the nature of the acquisitions and the effect or potential impact of such acquisitions on the United States defense industrial base and critical infrastructure;

"(ii) a similar updated analysis for any transaction that occurred during the 4 years immediately preceding the year dealt with in the report in clause (i), including a separate section discussing the impact of transactions involving foreign governments or persons acting on behalf of or in concert with foreign governments;

"(iii) a detailed discussion of all perceived risks to national security or United States critical infrastructure that CFIUS will take into account in its deliberations during the year in which the report is delivered to the committees;

"(iv) a table showing on a cumulative basis, by sector, product, and country of foreign ownership, the number of acquisitions reviewed, investigated, or both, by CFIUS, to provide a census of production potentially relevant to the Nation's defense industrial base owned or controlled by foreign persons or foreign governments;

"(v) an evaluation of whether there is credible evidence of a coordinated strategy by 1 or more countries or companies to acquire critical infrastructure of or within the United States or United States companies involved in research, development, or production of critical technologies for which the United States is a leading producer;

"(vi) an evaluation of whether there are industrial espionage activities directed or directly assisted by foreign governments against private United States companies aimed at obtaining commercial secrets related to critical technologies or critical infrastructure; and

"(vii) such other matters as are necessary to give a complete disclosure and analysis of the work of CFIUS during the year to which the report relates.

"(C) CLASSIFIED REPORTS.—The evaluations required by clauses (v) and (vi) of subparagraph (B) may be classified. If they are submitted in classified form, an unclassified version of such evaluations shall be made available to the public.

"(D) OTHER INFORMATION WITHHELD FROM PUBLIC REPORTS.—

"(i) PROPRIETARY INFORMATION.—The chairperson of CFIUS, in consultation with the vice chairperson of CFIUS, may withhold from public release other such information as the chairperson determines is proprietary information.

"(ii) RULE OF CONSTRUCTION.—Nothing in this subparagraph shall prohibit such information from being provided to relevant Committees of Congress.

"(5) APPEARANCES BEFORE CONGRESS.—The chairperson and vice chairperson of CFIUS, and the heads of such additional CFIUS member agencies specified in a written request by the Chairman of the Committee on Banking, Housing, and Urban Affairs of the Senate shall annually appear before the Committee on Banking, Housing, and Urban Affairs and the Committee on Financial Services of the House of Representatives to provide testimony on the activities of CFIUS.

"(k) REGULATIONS.—

"(1) IN GENERAL.—The Secretary shall issue regulations to carry out this section. Such regulations shall, to the extent possible, minimize paperwork burdens and shall, to the extent possible, coordinate reporting requirements under this section with reporting requirements under any other provision of Federal law.

"(2) REGULATIONS RELATING TO DEFINITIONS.—Not later than 30 days after the date of enactment of the Foreign Investment and National Security Act of 2006, the Secretary of the Treasury and the Secretary of Defense shall jointly agree to and issue rules concerning the manner in which the definition of the term 'critical infrastructure' in subsection (m)(2) shall be applied to particular acquisitions, mergers, and takeovers, for purposes of the mandatory investigation requirement of subsection (b)(1)(A), except that, until such rules are issued in final form and become effective, such definition shall be applied without regard to any such rules (whether proposed or otherwise).

"(l) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to alter or affect any existing power, process, regulation, investigation, enforcement measure, or review provided by any other provision of law, including the International Emergency Economic Powers Act, or of the President or Congress.

"(m) DEFINITIONS.—As used in this section—

"(1) the term 'assurances' means any term, understanding, commitment, agreement, or limitation, however described, that relates to ameliorating in any way the potential effect of a transaction on the national security;

"(2) the term 'critical infrastructure' means, subject to rules issued under subsection (k)(2), any systems and assets, whether physical or cyber-based, so vital to the United States that the degradation or destruction of such systems or assets would have a debilitating impact on national security, including national economic security and national public health or safety;

"(3) the term 'critical technologies' means technologies identified under title VI of the National Science and Technology Policy, Organization, and Priorities Act of 1976, or other critical technology, critical components, or critical technology items essential to national defense identified pursuant to this section;

"(4) the terms 'Committee on Foreign Investment in the United States' and 'CFIUS' mean the committee established under subsection (c);

"(5) the term 'foreign government' means any government or body exercising governmental functions, other than the Government of the United States or of a State or political subdivision thereof, and includes national, State, provincial, and municipal governments, including their respective departments, agencies, government-owned enterprises, and other agencies and instrumentalities;

"(6) the term 'foreign person' means any non-United States national, any organization owned or controlled by such a person, and any entity organized under the laws of a country other than the United States, and any entity owned or controlled by such entity;

"(7) the term 'intelligence community' has the same meaning as in section 3 of the National Security Act of 1947 (50 U.S.C. 401a); and

"(8) the term 'transaction' means a proposed or pending merger, acquisition, or takeover".

FUNDING AUTHORITY FOR EVACUEES OF LEBANON

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 3741 introduced earlier today.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 3741) to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. BENNETT. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3741) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3741

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FUNDING AUTHORITY.

(a) TRANSFER AUTHORITY.—

(1) AUTHORITY.—

(A) IN GENERAL.—Upon a determination by the Secretary of State described in subparagraph (B), the Secretary may transfer to the "Emergencies in the Diplomatic and Consular Service" account from unobligated amounts in any account under the "Administration of Foreign Affairs" heading such sums as may be necessary—

(i) to cover the costs of facilitating the evacuation under section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671) of persons from Lebanon on or after July 16, 2006; and

(ii) to replenish the "Emergencies in the Diplomatic and Consular Service" account up to the level of funding that existed in such account on July 15, 2006.

(B) DETERMINATION.—A determination referred to in subparagraph (A) is a determination that additional funding for the "Emergencies in the Diplomatic and Consular Service" account is necessary as a result of the extraordinary costs of facilitating the evacuation under section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671) of persons from Lebanon on or after July 16, 2006.

(C) TREATMENT OF FUNDS.—Amounts transferred under subparagraph (A) shall be merged with amounts in the "Emergencies in the Diplomatic and Consular Service" account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such account.

(2) NOTIFICATION REQUIREMENT.—

(A) IN GENERAL.—Except as provided under subparagraph (B), not later than 5 days before transferring funds under paragraph (1), the Secretary of State shall notify the appropriate congressional committees of the proposed transfer.

(B) EXIGENT CIRCUMSTANCES WAIVER.—The Secretary may waive the requirement under subparagraph (A) if exigent circumstances exist. In the event of such a waiver, the Secretary shall provide notice of the transfer of funds to the appropriate congressional committees as early as practicable, but in no event later than 3 days after such transfer, including an explanation of the circumstances necessitating such waiver.

(C) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this paragraph, the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

(b) USE OF CERTAIN FUNDS.—Amounts appropriated or otherwise made available by chapter 8 of title II of division B of Public Law 109–148 under the heading "EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE" and any other unobligated amounts in the "Emergencies in the Diplomatic and Consular Service" account may be made available to cover the costs of facilitating the evacuation under section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671) of persons from Lebanon on or after July 16, 2006.

CARL D. PERKINS CAREER AND TECHNICAL EDUCATION IMPROVEMENT ACT OF 2005—CONFERENCE REPORT

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the conference report to accompany S. 250, the Carl D. Perkins vocational education bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act, having met, have agreed that the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment and the House agree to the same; that the House recede from its amendment to the title of the bill, signed by a majority of the conferees on the part of both Houses.

There being no objection, the Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 25, 2006.)

Mr. ENZI. Mr. President, I rise today in support of the conference report to accompany S. 250, the Carl D. Perkins Career and Technical Education Improvement Act of 2006.

This legislation reflects a lengthy bipartisan effort to strengthen and improve Federal programs designed to support career and technical education. I am very pleased to have worked with my friend and colleague from Massachusetts, Senator KENNEDY, from introduction of the bill in the Senate through today's consideration of the conference report.

This legislation was reported favorably by the Senate Health, Education, Labor, and Pensions Committee last Spring by a unanimous vote. The following day it passed the Senate on a vote of 99 to 0. I am encouraged by the broad support for this legislation and I am pleased to be able to recommend passage of this conference report.

This legislation is important for three reasons. The first reason is the added emphasis on academic achievement. I commend the President and the Governors for raising the issue of high school reform, and I believe this legislation is an important part of that process. Improving and strengthening the academic focus of the Perkins Act is part of a much larger effort to ensure that today's students will be ready for tomorrow's reality, whether it is in college or the workplace.

In 1998, when Congress last reauthorized the Perkins program, additional emphasis on student academic achievement was incorporated into the bill. That emphasis was critical, and the results have been demonstrated in the program. More Perkins students are performing better on national reading and math assessments than ever before. The National Assessment of Adult Literacy, released earlier this year, pointed out that career and technical education students perform better than their peers in both reading and math comprehension.

Another recent study of Arizona career and technical education students showed that students in career and technical training courses were more likely to meet State math proficiency levels than students not enrolled in technical training courses. That is good, because today's jobs are requiring stronger academic preparation than ever before, especially in math and science.

We are also facing a significant problem in terms of today's students completing high school and earning a secondary education degree. A significant amount of research, many college instructors, and employers agree that far too many high school graduates are not prepared for college-level classes and many more do not have the skills to advance beyond entry level jobs.

Only 68 percent of the students entering the ninth grade 4 years ago are expected to graduate this year. For minority students, this number hovers around 50 percent. In addition, we continue to experience an overall dropout rate of 11 percent per year.

The Perkins Act emphasizes high school completion by making academic courses more relevant. According to the National Assessment of Vocational Education, now 2 years old, career and technical education students are three times more likely to apply academic skills to job related tasks than students in academic courses.

The Perkins program can help address the "wasted senior year" by helping to improve student academic achievement. It does that by linking learning to relevant applications and tasks. Students that are excited about learning will always do better, and a great way to get students excited about learning is to show them how they will use the skills they are learning in real life.

For many students, understanding how they will use the skills they learn can mean the difference between completing a high school degree and dropping out. For others, it means greater investment in their studies than they might otherwise have. Making learning relevant is one of the best ways to ensure students stay interested in their coursework, while also preparing them for college and the workforce.

In the bill we are now considering, we have made academic achievement one of several core indicators of performance for programs receiving funds from this act. As States are elevating their expectations for students under No Child Left Behind, we anticipate that career and technical education students will benefit from those same high expectations. We believe that career and technical education programs should be able to take credit for helping students improve their academic achievement in core subject areas, like reading, math, and science.

This legislation also emphasizes the connection to postsecondary education. Many of today's high school students are entering college behind the curve before they even start. Almost a third of all college students are taking some remedial education courses before graduating. We need to make sure that more high school students are receiving the instruction they need before they leave high school in order to be successful in college.

The impact of the need for remedial academic instruction has dramatic consequences. As many as three in four students requiring remedial reading instruction will not complete a postsecondary degree program. Over 60 percent of students requiring remedial math education will not complete a postsecondary degree.

The Perkins program is in a unique position to help prevent the need for additional remedial education at the postsecondary level. Because the program provides funds for both secondary and postsecondary schools, programs are more coordinated, and students have broader exposure to postsecondary education before leaving high school. A number of programs enabling students to earn concurrent credits for high school and college are springing up within the Perkins program, helping students prepare for college and reduce their time to graduation from a postsecondary degree certificate or degree program.

In Casper, WY, right now, the community college and the school district are working on plans to create a hybrid career and technical education center, which will help students earn credit toward a college degree, learn relevant job skills, and meet challenging State academic standards, all through a single sequence of courses. This legislation encourages more schools to begin innovative programs like the one being developed in Casper.

The second reason this legislation is important is because it will help ensure we are preparing students for tomorrow's workforce. We are in the midst of a skills revolution. It is estimated that today's students leaving high school or college will have 14 different careers in their lifetimes. It is also estimated that the top 10 jobs 10 years from now haven't been invented yet. The question that faces all of us, put simply, is "got skills?"

We must equip our workers with the skills the technology-driven economy demands. We need to prepare our students for tomorrow's economy in order to remain competitive in the global marketplace. Nations such as China and India are rapidly catching up to our institutions in terms of quality, and they have a much larger student body from which to draw. The only way we can compete in the changing economy is to graduate students with the highest quality of academic and technical skills.

Earlier this month on the Senate floor we discussed the need for skills training and its impact on wages. I made a speech to the effect that the problem we are facing is one of minimum skills—not minimum wages. The effect may be low wages, but the cause is low skills. We need to address those workers who have few, if any, of the skills they need to compete for a better job and command higher wages. We need to start thinking in terms of skills, the kinds of skills that will help students support themselves and their families in the future.

Research shows that high school dropouts have an unemployment rate two times higher than high school graduates, and three times higher than college graduates. Over time, the earning differential between high school and college graduates has increased as well. In 1980, college graduates earned 50 percent more during their lifetime than high school graduates. Today this differential has increased to 100 percent and continues to expand.

The programs supported by the Perkins Act help students learn and develop the skills they need to compete in the workforce. In the bill before us, we have emphasized the need to prepare students for placement in high skill, high wage, or high demand occupations. These are the types of jobs that will ensure a stronger future for students and will help them become self-sufficient.

Eighty percent of the jobs created over the next 10 years will require some postsecondary education. However, the majority of those jobs will require less than a 4-year degree. This is a critical issue, and we need to start now to meet the needs of the future workforce. I believe that a stronger, more effective Perkins program is an important way to address this issue.

By 2010 we face a projected skilled worker shortage of 5.3 million workers. That's 5.3 million American jobs that can't be filled because our workers don't have the right skills. That is why career and technical education funds are so critical to the supply of skilled labor in this country. These are precisely the types of careers for which the Perkins program is preparing students. Career and technical programs in this country are preparing students with the skills to succeed in health care, information technology, trade, manufacturing, and a host of other careers.

One of the most critical improvements we have made to the Perkins program in this bill is to strengthen the connection of career and technical education programs to the needs of businesses. If we are going to help fill the growing need for skilled workers, we need to ensure Perkins programs are coordinating their instruction with current practices in industry and the needs of the local workforce.

Thousands of examples are available of schools connecting with businesses to help develop the right curriculum for available high skill, high wage jobs. At a roundtable I chaired earlier this year on high school redesign issues, several of the participants described programs that linked academic programs at the high school or community college with the needs of the employers in the area. One such example was a program that prepared students to work in a nearby nuclear energy plant. The area high school offered classes so students in the area could begin the technical training to get a job at the nuclear powerplant, earning more than $40,000 a year to start.

That's the type of relevant instruction that we need to encourage and that we are encouraging through this conference report. I expect that the students performing well in their nuclear power management and safety class are also performing well on State math and science assessments.

The final reason that this legislation is important is because it provides a foundation for the redesign of Federal education policy. We need to structure Federal education policies that provide students and adult learners have access to lifelong education opportunities. In this 21st century economy, learning never ends, and school is never out.

The Perkins Act is one part of a "three-legged stool" of Federal education and training programs, all of which we will have considered during this Congress. The other two key pieces of this approach are the Workforce Investment Act, and the Higher Education Act. This is the first of those three bills to make it through conference, but I hope we will quickly follow with the others.

If we are going to stay competitive, Federal education programs need to help support seamless transitions from education to the workforce, throughout life, from preschool through postsecondary education and beyond. The conference report we are considering takes the first step in that direction by emphasizing the connection between academic and technical education and the workforce and postsecondary education. The Workforce Investment Act and the Higher Education Act will be the next critical steps in ensuring that American students are prepared for today and tomorrow's careers, many which haven't been invented yet.

Today's students are more and more likely to return to school throughout their lives for additional training. Some estimates suggest that as many as 75 percent of today's workers will need additional training just to stay current with their jobs. The modern college student reflects this trend perfectly. Today's average college student is likely to be older than 24, independent, and more likely to be female. They are also likely to have transferred institutions at least once in their postsecondary career.

That snapshot reflects the reality that today's college students are there for training and technical skills acquisition more than anything else. Postsecondary education is one of the fastest means to advancement in today's economy. With a postsecondary education, workers are more likely to keep their jobs and take advantage of opportunities to grow and advance in the workforce, or transition to another occupation as the workforce changes.

Federal policy needs to reflect the 21st century reality: we are in the midst of a jobs revolution. We are going to experience dramatic changes in the workforce over the next 10 to 15 years, and we need to start now if we are going to adapt Federal education and training policy to meet the coming crisis of too few workers with too few skills.

I am pleased that this legislation is now at the final stage of the process. We were able to move this bill quickly through committee and the floor because we were able to work in a bipartisan manner to reauthorize a program that the members of the Health, Education, Labor, and Pensions Committee feel is an important part of the federal education and training system. Although the intervening work took much longer than I would have liked, I am happy to see the conference report taken up in the Senate.

I want to thank Senator KENNEDY and his staff for their hard work, and for the hard work of the Senate conferees. I specifically want to thank Carmel Martin, JD Larock, and Jane Oates from Senator KENNEDY's staff. Although I understand Jane has moved on to greener pastures, she had a significant role to play in helping the legislation get to this point. I also want to thank Mr. MCKEON and Mr. MILLER, as well as the other House conferees, for helping us get to this point, and their staffs: Whitney Rhoades, Stephanie Milburn, Krisann Pearce, Lisa Ross, Denise Forte, Lloyd Horwich and many others. Finally, I want to thank my own staff—Scott Fleming, Beth Buehlmann, Lisa Schunk, Ilyse Schuman and Katherine McGuire—for helping me to move this bill all the way through the legislative process. They have spent many long hours seeking agreement on the provisions of the conference report and have done stellar work.

Mr. President, I urge my colleagues to support adoption of the conference report.

Mr. KENNEDY. Mr. President, I am pleased that we are acting on this bipartisan legislation to reauthorize the Perkins Career and Technical Education Act, and I commend the chairman of our committee, Senator ENZI, for his willingness to have an open, bipartisan process for this legislation. His leadership and the impressive work of his staff helped guide this bill successfully through the conference, and they deserve great credit for their leadership.

One of our highest priorities in Congress is to expand educational opportunities for every American. In this age of globalization, every citizen deserves a chance to acquire the education and skills needed to participate in the modern economy, to fulfill their hopes and dreams, raise healthy families, and contribute to their communities. We will be a fairer and stronger America when every citizen takes part.

In the global economy, the contributions of every American matter. We must equip all our citizens to compete, not by lowering their pay and sending their jobs overseas but by increasing their skills. Career and technical education does that, by preparing students and adults for 21st century jobs. With this reauthorization, career and technical programs will continue to have a vital role in transforming the lives of students and workers, and we will have a stronger economy as a result.

Since the passage of the Smith-Hughes Act in 1917, the Federal Government has recognized the important role of career and technical education in the life of the Nation. As the needs of American business and industry have evolved, the revisions made to the Act over the years have reflected those changes. It is clear that vocational education is no longer the 1950s version. It has evolved from shop classes into courses that use cutting-edge technology and focus on emerging and growing fields that will become the jobs of the future. That is why we now call it career and technical education, and I am pleased to see that change reflected in the new title of this bill.

The Perkins Career and Technical Education Act gives both students and adults the academic course work and training they need to be competitive in the job market. The reauthorization of this legislation is especially important, since more and more people are taking advantage of Perkins programs. Between 2002 and 2004, enrollment in career and technical education programs rose by 26 percent nationally. Enrollment in Tech Prep, the Perkins program that supports some of the most creative efforts in the field, rose by more than a third. Nearly all high school students will take at least one career or technical course during their years in school. About half of all high school students and a third of all college students are involved in vocational programs as a major part of their studies.

Perkins helps adults as well. In 2004, 6 million adults were enrolled in such programs at community, technical, and other colleges, learning new skills and improving opportunities for employment. About 40 million adults participate in short-term occupational training.

Perkins programs do not just help one type of person. New immigrants, struggling adults, women seeking jobs outside the home for the first time—all benefit from the specially designed programs funded by the Perkins Act.

These programs help every kind of learner. In 2004, 10 million middle and high school students were taking courses that enabled them to explore a career and be prepared to succeed in the workplace. The students are from many different backgrounds—from rural and urban areas, from schools large and small, and they studied fields such as agriculture, technology, health occupations, skilled trades and business.

No matter where they are from, the data are clear. Perkins programs are helping them build a better life. According to the most recent National Assessment of Vocational Education by the Department of Education, students earned almost 2 percent more for each high school occupational course they took. That is about $450 per course based on average earnings of $24,000. That adds up, especially for the 45 percent of all high school graduates who take three or more occupational courses.

The data also show that participants in career and technical education at the postsecondary level can benefit from just 1 year's worth of courses. Even those who did not attain a credential still earned between 5 and 8 percent more than high school graduates with similar characteristics.

Today, career and technical education students are better prepared for college. Almost two-thirds of all high school graduates of career and technical programs now enter some form of postsecondary education. When these programs are combined with a college prep curriculum, that number rises to 82 percent.

That is good progress, but we need to do even more. According to a study released last week by the Department of Education, career and technical education students are less likely to take advanced math courses like trigonometry, precalculus, and calculus compared to other high school students. In college, they tend to earn fewer academic credits, and fewer credits overall. And only one-quarter of career and technical education students graduate with a bachelor's degree—most earn associate's degrees or certificates.

That is why the improvements we have made in this reauthorization are so important.

We have maintained our commitment to Tech Prep. Students can enroll as early as the ninth grade in high-tech programs that lead to an associate's degree. Tech Prep is a vital bridge that connects high school to college for many students, and I welcome its role in this bill.

Our focus is on career and technical education programs that lead to increased graduation rates, professional credentials, apprenticeships, and college opportunities. To do so, we have a strong accountability system that measures the progress that programs are making toward these goals.

We have doubled our emphasis on making sure that career and technical education programs reach those who too often have been left out, such as girls, women, and homemakers seeking jobs for the first time.

We have also addressed the needs of career and technical education teachers by giving them new opportunities to spend time in the industries they are teaching about. In a world where cell phones and computers become obsolete in a year, these teachers need the best possible training so that they can continue to prepare students for success. They are preparing the next generation for the workforce, and their knowledge-base must be state of the art.

This reauthorization is a signal to the millions of Americans who benefit from career and technical education that the Federal Government understands how important these programs are. Massachusetts alone has more than 100,000 students at the secondary and postsecondary level participating in Perkins programs. Our Commonwealth's support of technical training is far-reaching today and is rooted in our longstanding commitment to technical education.

At the beginning of the 20th century, Worcester was a national leader in the development of trade and vocational education. Worcester Boys Trade School, founded in 1910, was among the first vocational schools in the Nation, training young men to be machinists, and fulfilling its mission of graduating "well informed citizens and good workmen." Today, Worcester Vocational High School has a waiting list of 300 students. In 2005, 93 percent of its students passed the State assessment.

In August, it will move to a new state-of-the-art facility that will accommodate 1,500 day students and 3,000 working adults in afternoon and evening classes. Without Perkins funding, much of this would not have been possible.

Perkins also supports high school programs that partner with community colleges and local businesses to provide students with the academic and technical skills they need to continue their education or to compete for high-skill, high-wage jobs immediately. The outcomes of these programs are extraordinary. In Massachusetts, 96 percent of the students in the class of 2006 in career and technical education programs passed the MCAS and earned their competency determination. Already, 90 percent of the class of 2007 have done so. Over the last 2 years, every one of the seniors at Blackstone Valley Tech in Upton has passed the MCAS and graduated on time. Last year, it was recognized as a Vanguard Model School by the Massachusetts Insight Education and Research Institute for its efforts to improve student achievement. It was the first vocational technical school to receive this honor.

Because of Perkins, more than 12,000 career and technical education students at risk of failing he MCAS were placed in structured internships at over 5,600 employer sites last year. These internships use work-based learning plans to guide students' learning and productivity on the job, and to measure the impact of the internship on student achievement.

Because of Perkins, every community college in Massachusetts has been able to hire instructional support staff and provide adaptive equipment for students with disabilities enrolled in technical education programs.

Because of Perkins, career and technical educators throughout the Commonwealth receive needed professional development and gain access to curriculum-related resources, technical assistance, and training in a wide range of activities.

Massachusetts's career and technical education programs are impressive, and they are successful because of the Perkins Act. We are proud of the vitality of our career and technical education programs in Massachusetts, and we know they are just a small number of the many strong programs supported by the Perkins Act across the country.

I am pleased that we were able to work together with the House to produce this bipartisan legislation. I commend Chairman ENZI, Chairman McKEON, and all the conferees and their staff for their good work on this needed legislation.

Special thanks go to Scott Fleming, Beth Buehlmann, Lisa Schunk, and Kelly Hastings with Senator ENZI: Allison Dembeck with Senator GREGG: Meredith Davis with Senator FRIST; David Cleary with Senator ALEXANDER; Celia Sims with Senator BURR: Glee Smith with Senator ISAKSON: Lindsay Morris with Senator DEWINE: Lindsay Hunsicker with Senator ENSIGN; Juliann Andreen with Senator HATCH; Liz Stillwell with Senator SESSIONS; Jennifer Swenson with Senator ROBERTS; Mary Ellen McGuire with Senator DODD: Rob Barron with Senator

HARKIN: Dvora Lovinger and Robin Juliano with Senator MIKULSKI; Sherry Kaiman with Senator JEFFORDS; Michael Yudin with Senator BINGAMAN; Jamie Fasteau and Jill Feldstein with Senator MURRAY; Mildred Otero with Senator CLINTON; Kristen Romero and Amy Gaynor from Legislative Counsel, Denise Forte, Lloyd Horwich, and Whitney Rhoades on the House Education Committee, and Carmel Martin, J.D. LaRock, and Liz Maher of my staff.

I especially recognize Jane Oates, who worked on my staff for 8 years and whose expertise, leadership, and persistence ensured that the committee produced a strong, bipartisan reauthorization. Jane's efforts on Perkins are indicative of how she handles all things in life: always giving 100 percent, always being a voice for the voiceless, always committed to finding a solution. Though Jane has not been directly involved in these last few months of the process, her good work in the early stages of this bill has guided my staff and the rest of the committee through conference and to final passage today. Thank you, Jane, for all you have done for the millions of students who benefit from Perkins every year for showing all of us in the Senate how to get the job done.

Mr. DODD. Mr. President, I am here today to support the reauthorization of an education bill designed to ensure the competitiveness of our country's workforce, the Carl D. Perkins Career and Technical Education Act, Perkins. Essential to strengthening the workforce, Perkins not only prepares youth and adults for the careers of today, it prepares them for the careers of tomorrow. It is the first line of defense in ensuring America's competitive advantage worldwide.

We have heard a lot lately about American students losing their competitive edge. In math and science Americans score near the bottom of all industrialized nations on international exams. Our college drop-out rate is one of the highest in the world. We have dropped from first to fifth in the percentage of young adults with a college degree. Singapore has displaced the United States as the leading economy in information technology competitiveness. And the number of patents awarded to Americans is declining. All of this is having a detrimental effect on our global competitiveness.

Clearly, we need to increase our competitiveness from within. The conference agreement before us will help us to do that.

This reauthorization does a number of important things. First and foremost, it emphasizes accountability and improved results. Second, it improves monitoring and enforcement. Third, it disaggregates performance goals and report information by special populations so no one will fall through the cracks. And fourth, it strengthens the ties between industry, high schools, and higher education by ensuring that teachers are well-trained, students are academically ready for college, and high schools are training students for the actual needs of their communities.

The premise of this legislation is that high schools, industry, and higher education institutions need to work together to provide our workforce with the skills they need in order to achieve and compete in the 21st century. This bill works to ensure that American students are not just getting a world class education, but the best education in the world.

I would be remiss in my remarks if I did not mention the President's proposed elimination of the Perkins program in his annual budget for the second year in a row. I hope that the administration understands that our decision to move this legislation forward reflects our unwavering commitment to career and technical education. We will not let this program fall by the wayside. Perkins will not be eliminated.

We often hear the pledge that we will leave no child behind. May I suggest that we also make every effort to ensure that we leave no career and technical education student behind? Passage of these important provisions today will go a long way toward ensuring that career and vocational education students are not left behind in the classroom, that they are being held to high academic standards, that their teachers are provided with the training they need to keep up to date with the latest industry needs, and that high schools, industry and higher education work seamlessly together to provide our workforce with the skills that they need to maintain America's economic dominance in the 21st century.

Career and technical programs are an essential part of keeping students in school and helping our nation train its workforce. And while I would not consider the conference agreement before us perfect, I am confident that it will go a long way in helping another generation of Americans succeed, and in doing so, strengthen the American economy and increase our competitiveness worldwide.

Ms. MIKULSKI. Mr. President, I rise in support of the Carl D. Perkins Career and Technical Education Improvement Act of 2005. To compete in this global economy, we need to make sure our students have 21st century skills for 21st century jobs. Vocational and technical education is an extremely important part of this effort. The Perkins Act, which provides $1.3 billion to help train more than 10 million Americans across the country, is a vital investment in our Nation's high schools, community colleges, and our students.

The Carl D. Perkins Career and Technical program gives a boost to America's workforce development system by providing funds to schools that teach technical skills ranging from auto shop to computer programming. The Perkins Act also supports practical career programs and links between secondary and postsecondary education, helping students to move up the opportunity ladder and prepare them for high-skill, high-wage jobs. Students who have completed Perkins-supported programs are better prepared not only for higher education but for the workplace.

The President has proposed eliminating funding for all vocational and technical education programs. This is the wrong way to go. If Perkins was eliminated, high schools, technical schools, and community colleges in every State would suffer. In Maryland, our schools would lose almost $19 million. Last year, we had more than 150,000 students enrolled in career and technical programs in Maryland. In the United States, 97 percent of high school students take at least one career and technical education course. One-third of college students are involved in career and technical programs. And almost 40 million adults attend short-term occupational training. If these schools had to close their doors or shut down their vocational programs, where would these students go to learn the skills they need to get good paying jobs?

Vocational and technical education provides students across the country with opportunities to develop academic and technical skills that are critical for economic and workforce development. It is our job in the senate to make sure these opportunities are there for the people who need them and to invest in our human capital to create a world class workforce. That is why I strongly support this bipartisan bill and I oppose any cuts to the Perkins Career and Technical Education programs.

Mr. BINGAMAN. Mr. President, I rise today to support the conference report accompanying S. 250, the Carl D. Perkins Career and Technical Education Act of 2006. More than ever, this country needs rigorous, relevant career and technical education programs to help students prepare for postsecondary education and to address the shortage of highly skilled workers necessary to meet the demands of the contemporary workforce. A skilled and flexible workforce is essential to building a strong and dynamic economy and to maintaining our country's ability to compete in a global economy.

According to a recent report issued by the National Academy of Sciences, the scientific and technical building blocks of this Nation's economic strength are eroding at a time when many other nations are gathering strength. As much as 85 percent of this country's per capita growth in income since World War II has come from science and technology. The National Academies projected that while the U.S. economy is doing well today, current trends indicate that the U.S. may not fare as well in the future, particularly in the areas of science and technology, where innovation is spurred and high-wage jobs follow.

We must produce students who are prepared to meet the challenges of the 21st century workforce. I believe this bill provides real opportunities to meet those challenges.

In order to meet those challenges, however, career and technical education—CTE—must be academically rigorous and enhance students' critical thinking and applied skills. I believe this bill makes a number of significant improvements to ensure that CTE students participate in a rigorous and challenging curriculum, and realize positive educational and employment outcomes.

For example, the bill integrates challenging academic and technical standards, aligned with No Child Left Behind and nationally-recognized industry standards, into CTE instruction. In addition, the bill strengthens educational and career pathways for students beyond high school and makes significant strides in building alliances among high schools, 2- and 4-year colleges, business and industry, and community organizations. Further, the bill expands career guidance and academic counseling services so that students have a career plan and career objectives.

Well-prepared CTE teachers and good professional development are essential components of an effective, rigorous CTE curriculum. CTE teachers must possess the knowledge and skills to teach effectively. Hence, this bill dedicates resources to promoting the leadership, initial preparation, and professional development of career and technical education teachers to foster effective practices.

This bill is designed to improve student educational and employment outcomes, including their technical and workplace knowledge and skills. But, we must be able to measure how well CTE programs are meeting the needs of its students. Accordingly, the legislation will require states to identify core indicators of performance that include measures of student achievement on technical assessments and attainment of career and technical skill proficiencies.

Thus, it is essential to develop valid and reliable assessments of technical and career competencies that are aligned with national industry standards and integrate industry certification assessments, if available and appropriate. To address this need for high-quality technical assessments, this bill permits State leadership funds to be used to develop valid and reliable assessments of technical skills that are integrated with industry certification assessments where available.

In addition, the bill includes several new provisions for data collection, utilization, and analysis, including provisions which allow the State allocation to be used to support and develop State data systems, and State leadership funds to be used to develop and enhance data systems to collect and analyze data on postsecondary and employment outcomes.

I am also pleased that this bill makes significant improvements to help Crownpoint Institute of Technology. Crownpoint plays a critical role in ensuring Native American students have the education, skills, and training necessary to compete in the global economy, and this bill helps Crownpoint get the funding they need to serve their students.

Yet, increasing academic and technical rigor alone is not enough to prepare students to enter into and compete in the 21st century workforce. The learning environment students experience also heavily impacts academic performance and student outcomes. When smaller learning communities are in place, students benefit greatly: they experience a greater sense of belonging to their schools and they have fewer discipline, crime, violence, and substance abuse problems.

I would like to highlight two high schools in my home State of New Mexico which demonstrate some of the best practices of rigorous and innovative career and technical education. Rio Rancho High School has served as a model example of how academic rigor, hands-on-learning, strong professional development, defined career pathways, and robust alliances are elements of a successful, quality CTE program. Rio Rancho has created academies of study for all students, which allow students to: pursue career pathways to postsecondary education and beyond; take core courses geared toward interests, skills, and competitive careers; form partnerships with instructors; and become part of a smaller learning community within the larger high school. These academies allow students to explore personal strengths and interests in relationship to career planning and job markets. Rio Rancho has been designated as a Microsoft Center of Innovation and Time Magazine has called Rio Rancho one of the ten most innovative career and technical schools in the Nation.

Another great example of innovative career and technical education can be found at Albuquerque High School. In just a couple of years, the career academies at Albuquerque High School have demonstrated very positive student outcomes. The first students in Albuquerque's Academy of Advanced Technology have lower dropout rates and improved academic achievement.

Accordingly, this legislation recognizes that smaller learning communities and career academies are critical educational investments. As Rio Rancho and Albuquerque High Schools demonstrate, rigorous career and technical education and smaller learning environments enhance students' achievement and motivation to learn.

Unfortunately, the formula as drafted in this bill will have a very negative impact on career and technical education programs in many of our States. While I support the improvements sought in this bill, I am very disappointed that states like New Mexico, Mississippi, Pennsylvania, Iowa, Kansas, Ohio, Wisconsin, Illinois, Connecticut, Louisiana, Alabama, Missouri, and Idaho, just to name a few, will face significant cuts in funding next year alone. In fact, these cuts hit the poorest States in this country the hardest. Assuming this program receives level funding in appropriations in fiscal year 2007, 24 States lose money. If there are any cuts to the program at all, more than 30 States could lose under this formula.

These losses are very real to the students participating in career and technical education at our high schools and community colleges. A junior in high school pursuing a career in medical technology might not be able to finish her program in her senior year if funding is yanked.

Our students depend on programs like Perkins to provide them with essential job skills and training. It is not only unfair to pull funding from our students, but unwise to cut funding from so many States. Strong career and technical education programs are critical to this Nation if we are to ensure a skilled and educated workforce. This formula is simply a step in the wrong direction.

Many of us talk about ensuring America's students are prepared to meet the challenges of the 21st century workforce. We talk about protecting America's competitive edge in the global economy. I firmly believe, however, that taking career and technical education programs away from some of our most needy students does not enhance our economic security. Simply, a loss of funding means a loss of services to students.

Nevertheless, I firmly believe there are many positive aspects of this legislation, and despite the funding formula, I support the overall bill. Effective career and technical education programs are necessary to build a strong and dynamic economy and to maintain a competitive American workforce, and therefore, I support the passage of this legislation.

Mr. REED. Mr. President, I support final passage of S. 250, the Carl D. Perkins Career and Technical Education Improvement Act of 2006.

This important legislation, which reauthorizes the Carl D. Perkins Vocational and Technical Education Act of

1998, will help strengthen both the workforce in my home State of Rhode Island and across the Nation and ensure that our students have the necessary skills and tools to access high-quality, high-wage employment and compete in an ever-expanding global economy.

I am pleased that Congress will reaffirm its overwhelming bipartisan and bicameral support for this program, especially in light of the President's efforts in his last two budget proposals to eliminate funding for Perkins. For the 2006-2007 school year, our State, which is home to 10 Career and Technical Centers and 54 high schools and colleges offering career and technical education programs, would stand to lose an estimated $6.3 million in Perkins basic state and tech prep funding under the President's proposed budget. These cuts are unjustifiable, especially at a time when it is ever more critical that we provide a robust link between students and a highly skilled workforce American business depends on to thrive.

As a cosponsor of the Senate version of this bill, I am pleased that many of its comprehensive provisions on the recruitment, preparation, support, and professional development of career and technical education teachers, which I authored, have been included in the final version of the bill before us today. I believe having a well-trained, qualified, and effective teacher in every classroom is the key for ensuring that students participating in career and technical education programs will achieve their fullest academic and career goals and aspirations.

The bill also contains a number of provisions that address the concerns raised by educators in Rhode Island. First, S. 250 does not combine the tech prep program with the basic State grant program at the Federal level as the House bill proposed. Second, the bill authorizes use of State administration funding at up to 5 percent, funding which supports such essential activities as developing a State plan, monitoring career and technical education program efficiency, and providing technical assistance to districts. Third, S. 250 adds a new State leadership incentive grant I authored for school districts and postsecondary institutions that elect to pool their funds for innovative initiatives, including improving the professional development of career and technical educators and establishing and enhancing systems for accountability data collection.

I thank my colleagues, Senators KENNEDY and ENZI, and their staffs, for their work on this legislation and moving it toward final passage.

I am pleased to support this legislation. A highly skilled workforce not only grows our economy, but maintains our Nation's competitive edge in the world. I look forward to the President quickly signing this bill into law—which will hopefully signal a turnaround in his support for Perkins career and technical education programs—to help ensure that our students remain competitive and have the academic and technical tools to succeed.

Mrs. CLINTON. Mr. President, I am very pleased today to support the Carl D. Perkins Career and Technical Education Improvement Act. I was proud to cosponsor this legislation in the Senate, and I am proud that the Congress is on the eve of passing it into law.

I am extremely pleased that this bill was written in a bipartisan fashion. I want to thank Senator ENZI, Senator KENNEDY, Congressman MCKEON, and Congressman MILLER for working so hard on this legislation. I hope that the HELP Committee will approach other education bills in the same bipartisan process.

The legislation recognizes the important role of career and technical education in the preparation of today's workforce. It rejects the Bush administration's proposal to eliminate the Perkins program, a proposal that would cost New York approximately $65 million a year. The bill before us today is evidence of the strong bipartisan commitment to maintaining and strengthening Perkins.

The Perkins program plays a key role in helping young people and people returning to school gain the skills they need to land high-quality jobs. Perkins is the largest Federal investments in our Nation's high schools. Over 66 percent of all public high schools have at least one vocational and technical education program and 96 percent of high school students in this country take at least one vocational or technical course while in high school.

The Perkins program also plays a key role in postsecondary education. According to the National Center for Education Statistics, nearly 38 percent of all degree-seeking undergraduates are pursuing vocational careers. These programs play a key role in educating our workforce and census data consistently shows that people with higher educational attainment have higher median incomes.

In New York, the demand for business career and technical education programs increased by 44 percent between the 2002–2003 school year and the 2003-2004 school year. In New York City, there was a 211-percent increase in enrollment in the approved business program and a 55-percent increase in the technology and communications programs. And the vast majority of these students are succeeding academically. Eighty-five percent of New York students who completed a career and technical education program passed all of the required regent's exams.

The Carl D. Perkins Career and Technical Education Improvement Act takes the next step in strengthening career and technical education for the 21st century. I am particularly pleased that this bill improves programs and services for women and girls pursuing nontraditional occupations. Families, industries, and our economy as a whole benefit when women and girls pursue non-traditional, traditionally "male" careers—in technology, math, science, and the construction and building trades. Unfortunately, women continue to be significantly underrepresented in these fields. For example, while the number of female carpenters has tripled since 1972, women still represent only 1.7 percent of all carpenters. You can say the same about many other high-skill, high-wage trades.

Many of these skilled trades industries are experiencing a significant labor shortage and experts expect these shortages to get worse over the next two decades as many workers retire. If women were to enter these professions, most of which are unionized and pay a livable paycheck and benefits, women would increase their earnings and standard of living for their families. For example, a journey-level electrician will make over half a million dollars more than a typical cashier in a 30-year career.

This bill requires States to measure students' participation and completion in career and technical programs in nontraditional fields and to disaggregate their data on performance by gender and race. In addition, programs will be required to prepare special populations for high-skill, high-wage occupations that will lead to self-sufficiency. These important provisions will go a long way toward helping more women achieve economic security for their families.

The bill also provides comprehensive professional development for career and technical education teachers and aligns secondary and postsecondary indicators with those established in other programs to ultimately reduce paperwork.

Finally, I am pleased that the bill maintains Tech Prep as a separate program, maintaining the position proposed in the Senate bill. Innovative Tech Prep programs in New York have made a real difference in the lives of students. For example, the Syracuse City Health Center Tech Prep program reduced the achievement gap between ethnic groups—white versus non-white—to 2.8 percent. And at least 65 percent of students in the Syracuse City Health Careers Tech Prep program enroll in health-related professions, where New York has a critical shortage, after high school. In New York State, the average age of nurses is 47 and 80 percent of current nurses will reach retirement age within 10 years.

The Perkins program is extremely important—not just for the numbers of students it serves but for the communities that benefit from a better prepared workforce as a result of these programs. This is why for the last 4 years I have spearheaded a bipartisan letter to the Senate Appropriations Committee requesting additional funding for Perkins. Indeed, I hope that in this budget cycle we will continue to provide adequate funding for the Perkins program.

For all of these reasons, I am thrilled that Congress continues its strong support for this critical program by passing this legislation today.

Mr. ENSIGN. Mr. President, I rise today to support final passage of S. 250, the Carl D. Perkins Career and Technical Education Improvement Act. This legislation represents a bipartisan effort to enhance and strengthen career and technical education programs across the United States.

In my home State of Nevada, career and technical education programs enjoy strong support. Recently, career and technical educators from across the State came together to come up with common course standards for students that focus on certain career and technical education programs. Nevada also has a Career and Technical Education Plan that links these course standards with the academic requirements of the No Child Left Behind Act.

I have always supported the Perkins Career and Technical Education Program because I believe that these programs often catch students that slip through the cracks in traditional education programs. Career and technical education programs provide students with real world applications for what they are learning in the classroom. Students in Nevada have the opportunity to work with state-of-the-art technology in their classrooms to learn the skills they need in the workforce. Too often these are students that would have dropped out of school had career and technical education courses not been available.

During the conference committee on this important legislation, I was honored to work with my colleagues to strengthen this legislation. We worked to ensure that career and technical education programs have strong performance indicators that are linked to meet industry standards as well as academic achievement. The tech-prep grant program was maintained as a separate program to encourage continued innovation in career and technical education programs. This legislation also encourages states to develop articulation agreements and sequences of courses, something Nevada has already worked hard to develop. Finally, this legislation recognizes the importance of strong partnerships between high schools and institutions of higher education that support these programs.

During the conference I worked hard to ensure that funding for the Perkins programs continued to flow to fast-growing States. It is vitally important that funding follow students to their new homes. To that end, we maintained the current hold harmless level at the 1998 level. This allows millions of dollars to move from State to State according to student population counts. As a Senator for one of the fastest growing States in the country, it is my duty to ensure that each of the children in Nevada, whether they were born in Nevada or just recently moved there, are accounted for when Federal funds are allocated to States.

I am pleased that all of my colleagues supported final passage, and look forward to working with career and technical educators in Nevada to implement this important law.

Mr. BENNETT. I ask unanimous consent that the conference report be agreed to and the motion to reconsider be laid upon the table and that any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The conference report was agreed to.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Nos. 771, 772, 774, 775, 776, 777, 778, 779, 780, 781, 782, and 785. I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, and that the President be immediately notified of the Senate's action, and then the Senate return to legislative session.

Before the Chair rules, I note for the record that with respect to Calendar No. 779, the Mishkin nomination, if a vote were held, Senator BUNNING is opposed to the nomination and would have been recorded as a "no" on confirmation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

REFORM BOARD (AMTRAK)

R. Hunter Biden, of Delaware, to be a Member of the Reform Board (Amtrak) for a term of five years.

Donna R. McLean, of the District of Columbia, to be a Member of the Reform Board (Amtrak) for a term of five years.

IN THE COAST GUARD

The following named officers for appointment in the United States Coast Guard to the grade indicated under Title 14, U.S.C., Section 271:

To be rear admiral

Rear Adm. (lh) Gary T. Blore, 3199
Rear Adm. (lh) John P. Currier, 0852
Rear Adm. (lh) Joel R. Whitehead, 5138

EXPORT-IMPORT BANK OF THE UNITED STATES

James Lambright, of Missouri, to be President of the Export-Import Bank of the United States for a term expiring January 20, 2009, vice Philip Merrill, resigned.

Linda Mysliwy Conlin, of New Jersey, to be First Vice President of the Export-Import Bank of the United States for a term expiring January 20, 2009.

J. Joseph Grandmaison, of New Hampshire, to be a Member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 2009. (Reappointment)

FEDERAL HOUSING FINANCE BOARD

Geoffrey S. Bacino, of Illinois, to be a Director of the Federal Housing Finance Board for a term expiring February 27, 2013.

FEDERAL RESERVE SYSTEM

Frederic S. Mishkin, of New York, to be a Member of the Board of Governors of the Federal Reserve System for the unexpired term of fourteen years from February 1, 2000.

DEPARTMENT OF THE TREASURY

Edmund C. Moy, of Wisconsin, to be Director of the Mint for a term of five years.

DEPARTMENT OF EDUCATION

Lawrence A. Warder, of Texas, to be Chief Financial Officer, Department of Education.

Troy R. Justesen, of Utah, to be Assistant Secretary for Vocational and Adult Education, Department of Education.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Ronald S. Cooper, of Virginia, to be General Counsel of the Equal Employment Opportunity Commission for a term of four years.

ORDERS FOR THURSDAY, JULY 27, 2006

Mr. BENNETT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. on Thursday, July 27. I further ask that following the prayer and the pledge, the morning hour be deemed to have expired, the Journal of the proceedings be approved to date, the time for the two leaders be reserved, and the Senate proceed to the consideration of S. 3711, the Gulf of Mexico Energy Security bill, as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BENNETT. Mr. President, today, we invoked cloture on the motion to proceed to the Gulf of Mexico Energy Security bill, and we have had a full day of debate.

Tomorrow, we will be on the bill and Members are encouraged to come to the floor and speak. Again, this is a very carefully crafted bipartisan bill. It is very targeted and will move us closer to energy independence. So we hope we can finish the bill at the earliest time.

We have other important issues to address before we finish our work prior to the August adjournment. Therefore, the leader hopes that we can continue to work on other measures as we process this important energy security measure.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BENNETT. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 7:23 p.m., recessed until Thursday, July 27, 2006, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate: Wednesday, July 26, 2006:

REFORM BOARD (AMTRAK)

R. HUNTER BIDEN, OF DELAWARE, TO BE A MEMBER OF THE REFORM BOARD (AMTRAK) FOR A TERM OF FIVE YEARS.

DONNA R. MCLEAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE REFORM BOARD (AMTRAK) FOR A TERM OF FIVE YEARS.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES COAST GUARD TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 271:

To be rear admiral

REAR ADM. (LH) GARY T. BLORE
REAR ADM. (LH) JOHN P. CURRIER
REAR ADM. (LH) JOEL R. WHITEHEAD

EXPORT-IMPORT BANK OF THE UNITED STATES

JAMES LAMBRIGHT, OF MISSOURI, TO BE PRESIDENT OF THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR A TERM EXPIRING JANUARY 20, 2009.

LINDA MYSLIWY CONLIN, OF NEW JERSEY, TO BE FIRST VICE PRESIDENT OF THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR A TERM EXPIRING JANUARY 20, 2009.

J. JOSEPH GRANDMAISON, OF NEW HAMPSHIRE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR A TERM EXPIRING JANUARY 20, 2009.

FEDERAL HOUSING FINANCE BOARD

GEOFFREY S. BACINO, OF ILLINOIS, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2013.

FEDERAL RESERVE SYSTEM

FREDERIC S. MISHKIN, OF NEW YORK, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR THE UNEXPIRED TERM OF FOURTEEN YEARS FROM FEBRUARY 1, 2000.

DEPARTMENT OF THE TREASURY

EDMUND C. MOY, OF WISCONSIN, TO BE DIRECTOR OF THE MINT FOR A TERM OF FIVE YEARS.

DEPARTMENT OF EDUCATION

LAWRENCE A. WARDER, OF TEXAS, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF EDUCATION.

TROY R. JUSTESEN, OF UTAH, TO BE ASSISTANT SECRETARY FOR VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

RONALD S. COOPER, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR A TERM OF FOUR YEARS.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted Committee of the Senate.

HOUSE OF REPRESENTATIVES—*Wednesday, July 26, 2006*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. PRICE of Georgia).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 26, 2006.

I hereby appoint the Honorable TOM PRICE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Richard K. Barnard, Rector, The Chapel of the Cross, Dallas, Texas, offered the following prayer:

Blessed art Thou, O Lord God, King of the Universe, who hast taught us through Thy servant David that those who rule must be just. Grant to the Members of this House, and to all those to whom we entrust the authority of government, the spirit of wisdom and truth. Direct and prosper all their consultations to the advancement of Thy glory and to the safety, honor and welfare of the people, that there may be peace at home and that we may show forth righteousness among the nations of the Earth. Give to the Members of this House courage, fearlessly to contend against evil and to give no place to oppression. And to the end that they, and all the people of this land, may properly use Thy gift of freedom, help us to employ it in the maintenance of justice, to the glory of Thy holy Name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas (Mr. BURGESS) come forward and lead the House in the Pledge of Allegiance.

Mr. BURGESS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING REVEREND RICHARD K. BARNARD

The SPEAKER pro tempore. Without objection, the gentleman from Texas is recognized for 1 minute.

There was no objection.

Mr. BURGESS. Mr. Speaker, today I rise to welcome my pastor, Reverend Richard Kevin Barnard. I am honored that Father Barnard is here today to lead us in glory and praise of our Almighty. Reverend Barnard has served as rector of The Chapel of the Cross, a Reformed Episcopal Church, since July of 1989. He has also served Reformed Episcopal congregations in New Jersey and New York.

Before coming to The Chapel, Father Barnard was director of communications for the International Bible Society, which was then located in East Brunswick, New Jersey. In that capacity, he was a regular participant in the monthly White House Forum for Religious Organizations during the Reagan administration and represented the Bible Society at public and private events, traveling to Central America, Europe, Africa and Asia.

Father Barnard is the author of two books and numerous articles, and is also a Past Master of the Roy Stanley Masonic Lodge in Dallas.

Before becoming a Reformed Episcopalian, the Reverend Barnard was a Baptist pastor, serving congregations in Missouri, Florida and Tennessee. He is a graduate of Baptist Bible College in Springfield, Missouri, and holds a master of divinity degree from Cummins Theological Seminary, a Reformed Episcopal seminary in Summerville, South Carolina.

Father Barnard is married to the former Miss Paula Ann Henderson of Fort Worth, Texas. They have four children and two grandchildren. Their youngest son, Adam, is currently serving aboard the USS *Los Angeles* stationed at Pearl Harbor.

Father Barnard's gracious presence and true dedication to the work and word of Christ is an instrumental part of my life. He guides his flock diligently and challenges us to remain faithful to pursuing our walk with Christ daily. I am thankful for his leadership and his presence here today. It is truly an honor.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to make an announcement.

After consultation among the Speaker and the majority and minority leaders, the Chair announces that during the joint meeting to hear an address by His Excellency Nouri Al-Maliki, only the doors immediately opposite the Speaker and those on his right and left will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance that is anticipated, the Chair feels the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor, and the cooperation of all Members is requested.

The practice of reserving seats prior to the joint meeting by placard will not be allowed. Members may reserve their seats by physical presence only following the security sweep of the Chamber.

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of Thursday, July 20, 2006, the House stands in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 6 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1051

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY HIS EXCELLENCY NOURI AL-MALIKI, PRIME MINISTER OF THE REPUBLIC OF IRAQ

The Speaker of the House presided.

The Assistant to the Sergeant at Arms, Mr. Bill Sims, announced the Vice President and Members of the U.S. Senate who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort His Excellency Nouri Al-Maliki, Prime Minister of the Republic of Iraq, into the Chamber:

The gentleman from Missouri (Mr. BLUNT);

The gentlewoman from Ohio (Ms. PRYCE);

The gentleman from California (Mr. HUNTER);

The gentlewoman from Florida (Ms. ROS-LEHTINEN);

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The gentleman from Michigan (Mr. HOEKSTRA);

The gentlewoman from California (Ms. PELOSI);

The gentleman from Maryland (Mr. HOYER);

The gentleman from South Carolina (Mr. CLYBURN);

The gentleman from Connecticut (Mr. LARSON); and

The gentleman from California (Mr. LANTOS).

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort His Excellency Nouri Al-Maliki, Prime Minister of the Republic of Iraq, into the House Chamber:

The Senator from Tennessee (Mr. FRIST);

The Senator from Kentucky (Mr. MCCONNELL);

The Senator from Alaska (Mr. STEVENS);

The Senator from Pennsylvania (Mr. SANTORUM);

The Senator from Texas (Mrs. HUTCHISON);

The Senator from Arizona (Mr. KYL);

The Senator from North Carolina (Mrs. DOLE);

The Senator from Montana (Mr. BURNS);

The Senator from Nevada (Mr. REID); and

The Senator from Illinois (Mr. DURBIN).

The Assistant to the Sergeant at Arms announced the Acting Dean of the Diplomatic Corps, His Excellency Jesse Bibiano Marehalau, Ambassador of Micronesia.

The Acting Dean of the Diplomatic Corps entered the Hall of the House of Representatives and took the seat reserved for him.

The Assistant to the Sergeant at Arms announced the Cabinet of the President of the United States.

The Members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 11 o'clock and 6 minutes a.m., the Assistant to the Sergeant at Arms announced His Excellency Nouri Al-Maliki, Prime Minister of the Republic of Iraq.

The Prime Minister of the Republic of Iraq, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, it is my great privilege and I deem it a high honor and a personal pleasure to present to you His Excellency Nouri Al-Maliki, Prime Minister of the Republic of Iraq.

[Applause, the Members rising.]

ADDRESS BY HIS EXCELLENCY NOURI AL-MALIKI, PRIME MINISTER OF THE REPUBLIC OF IRAQ

Prime Minister AL-MALIKI. In the Name of God, the Most Gracious, the Most Merciful.

Your Excellency the Speaker of the House, Mr. Vice President, honorable ladies and gentlemen, Members of Congress, it is with great pleasure that I am able to take this opportunity to be the first democratically and constitutionally elected Prime Minister of Iraq to address you, the elected representatives of the American people, and I thank you for affording me this unique chance to speak at this respected assembly.

Let me begin by thanking the American people through you and on behalf of the Iraqi people for supporting our people in ousting dictatorship. Iraq will not forget those who stood with her and who continue to stand with her in times of need.

Thank you for your continued resolve in helping us fight the terrorists plaguing Iraq, which is a struggle to defend our nascent democracy and our people who aspire to liberty, democracy, human rights and the rule of law. All of those are not Western values. They are universal values for humanity. They are as much for me the pinnacle embodiment of my faith and religion and they are for all free spirits. The war on terror is a real war against those who wish to burn out the flame of freedom. We are in this vanguard for defending the values of humanity.

I know that some of you here question whether Iraq is part of the war on terror. Let me be very clear. This is a battle between true Islam, for which a person's liberty and rights constitute essential cornerstones, and terrorism which wraps itself in a fake Islamic cloak, in reality wages a war on Islam and Muslims and values and spreads hatred between humanity contrary to our Koran which says, We have created you male and female and made you tribes and families that you know each other. Surely the noblest of you in the sight of God is the best conduct. The truth is that terrorism has no religion. Our faith says that who kills an innocent has killed all mankind.

Thousands of lives were tragically lost on September 11 when these imposters of Islam reared their ugly heads. Thousands more continue to die in Iraq today at the hands of the same terrorists who show complete disregard for human life. Your loss on that day was a loss of all mankind and our loss today is a loss for all free people. Wherever humankind suffers a loss at the hands of terrorists, it is a loss for all humanity.

It is your duty and our duty to defeat this terror. Iraq is the front line in this struggle and history will prove that the sacrifices of Iraqis for freedom will not be in vain. Iraqis are your allies in the war on terror and history will record their bravery and humanity. The fate of our country and yours is tied. Should democracy be allowed to fail in Iraq and terror permitted to triumph, then the war on terror will never be won elsewhere.

Mr. Speaker, we are building a new Iraq on a foundation of democracy and are erecting it through our belief in the rights of every individual, just as Saddam has destroyed it through his abuse of all those rights, so that future Iraqi generations can live in peace, prosperity and hope. Iraqis have tasted freedom, and we will defend it absolutely.

Every human possesses inalienable rights which transcend religion as it is stated in the international convention of human rights. They transcend religion, race and gender. God says in the Koran: "And surely we have honored all children of Adam." I believe these human rights are not an artifact construct reserved for the few. They are the divine entitlement for all. It is on this unwavering belief that we are determined to build our nation, a land whose people are free, whose air is liberty and where the rule of law is supreme. This is the new Iraq which is emerging from the ashes of dictatorship and, despite the carnage of extremists, a country which respects international conventions and practices noninterference in the internal affairs of others, relies on dialogue to resolve differences, and strives to develop strong relations with every country that espouses freedom and peace.

We are working diligently so that Iraq returns to take the position it deserves and to play a positive role in its regional and international environment as a key, active player in spreading security and stability, to give an example of a positive relationship between countries through denouncement of violence and resorting to constructive dialogue, solving problems between nations and peoples.

We have made progress and we are correcting the damage inflicted by the politics of the previous regime, in particular with our neighbors. My presence here is a testament of the new politics of a democratic Iraq.

Ladies and gentlemen, in a short space of time, Iraq has gone from a dictatorship to a transitional administration and now to a full-fledged democratic government. This has happened despite the best efforts of the terrorists who are bent on either destroying democracy or Iraq. But by the courage of our people who defied the terrorists every time they were called upon to make a choice by risking their lives for the ballot box, they have stated over and over again with their ink-stained fingers waving in pride that they will always make the same choice——

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. If our honored guest would suspend for a moment.

The Chair notes a disturbance in the gallery.

The Sergeant at Arms will secure order by removing those engaging in disruption.

His Excellency, the Prime Minister, may resume.

Prime Minister AL-MALIKI. Of hope over fear, liberty over oppression, dignity over submission, democracy over dictatorship, federalism over a centralist state. Let there be no doubt. Today Iraq is a democracy which stands firm because of the sacrifices of its people and the sacrifices of all those who stood with us in this crisis from nations and countries. That is why I would like to thank them very much for all their sacrifices.

Iraqis of all persuasions took part in a unanimously democratic election for the first parliament formed under the country's first permanent constitution. After eight decades of temporary constitutions and dictatorships, a constitution written by the elected representatives of the people and ratified by the people, Iraqis succeeded in forming a government of national unity based on an elected parliamentary foundation and includes all of Iraq's religions, ethnicities and political groupings.

The journey has been perilous and the future is not guaranteed. Yet many around the world who underestimated the resolve of Iraq's people were sure that we would never reach this stage. Few believed in us, but you, the American people, did, and we are grateful for this.

The transformation in Iraq can sometimes be forgotten in the daily futile violence. Since liberation, we have witnessed great accomplishments in politics, the economy and civil society. We have gone from a one-party state ruled by a small elite to a multiparty system where politics is the domain of every citizen and parties compete at all levels.

What used to be a state-controlled media is now completely free and uncensored, something Iraq had never witnessed since its establishment as a modern state and something which remains alien to most of the region.

What used to be a command economy in Iraq, we are rapidly transforming into a free market economy. In the past 3 years, our GDP per capita has more than doubled, and it is expected that our economy will continue to grow. The standard of living has been raised for most Iraqis as the markets witness an unprecedented level of prosperity. Many individuals are buying products and appliances which they would never have hoped to afford in the past. In keeping with our economic visions of creating a free market economy, we will be presenting to parliament legislation which will lift current restrictions on foreign companies and investors who wish to come to Iraq.

While we are making great economic strides, the greatest transformation has been on Iraqi society. We have gone from mass graves and torture chambers and chemical weapons to the rule of law and respect for human rights. The human rights and freedoms embodied in the new Iraq and consolidated in the constitution have provided a fertile environment for the ever-growing number of civil society institutions which are increasing in scope and complexity and provide a healthy reflection of what is developing beneath the violence.

The rights chartered in the constitution will also help consolidate the role of women in public life as equals to men and help them to play a greater role in political life. I am proud to say that a quarter of Iraq's council of representatives is made up of women, but we still have much to accomplish.

Mr. Speaker, Mr. Vice President, our nascent democracy faces numerous challenges and impediments, but our resolve is unbreakable and we will overcome them. The greatest threat Iraq's people face is terror, terror inflicted by extremists who value no life and who depend on the fear the wanton murder and destruction creates. They have poured acid into Iraq's dictatorial wounds and created many of their own.

Iraq is free and the terrorists cannot stand this. They hope to undermine our democratically elected government through the random killing of civilians. They want to destroy Iraq's future by assassinating our leading scientific, political and community leaders. Above all, they wish to spread fear.

Do not think that this is an Iraqi problem. This terrorist front is a threat to every free country in the world and their citizens. What is at stake is nothing less than our freedom and liberty. Confronting and dealing with this challenge is the responsibility of every liberal democracy that values its freedom. Iraq is the battle that will determine the war. If through our continued partnership we have the strength of mind and commitment to defeat the terrorists and their ideology in Iraq, they will never be able to recover.

For the sake of success of the political process, I launched the National Reconciliation Initiative which aims to draw in groups willing to accept the logic of dialogue and participation. This olive branch has received the backing of Iraq's parliamentary blocs and support further afield from large segments of the population. I remain determined to see this initiative succeed. But let our enemies not mistake our outstretched hand for forgiveness as a sign of weakness. Whoever chooses violence against the people of Iraq, then the fate that awaits them will be the same as that of the terrorist Zarqawi.

While political and economic efforts are essential, defeating terror in Iraq relies fundamentally on the building of a sound Iraqi force, both in quantity and capability. The completion of Iraq's forces forms the necessary basis for the withdrawal of multinational forces, but only then, only when Iraq's forces are fully capable, will the job of the multinational forces be complete.

Our Iraqi forces have accomplished much and have gained a great deal of field experience to eventually enable them to triumph over the terrorists and to take over the security portfolio and extend peace through the country. The other impediment to Iraq's stability are the armed militias. I have on many occasions stated my determination to disband all militias, without exception, and reestablish a state monopoly on arms and to guarantee citizens' security so that they do not need others to provide it.

It is imperative that the reconstruction starts now. While small sections of central Iraq are unstable, large sections have remained peaceful but ignored for far too long. These were the most deprived areas of Iraq under the previous regime and have been the most valiant in Iraq's struggle for freedom. We need to make an example out of these stable areas as models for the rest of the country.

Reconstruction projects in these areas will tackle unemployment, which will weaken the terrorists. They will become prototypes that other, more volatile, regions aspire to undoubtedly. Reconstruction in these areas will fuel economic growth and show what a prosperous, stable, democratic and federal Iraq would look like.

Members of the Congress, in this effort, we need your help. We need the help of the international community. Much of the budget you had allocated for Iraq's reconstruction ended up paying for security firms and foreign companies whose operating costs were vast. Instead, there needs to be a greater reliance on Iraqis and Iraqi companies, with foreign aid and assistance, to help us rebuild Iraq.

We are rebuilding Iraq on a new, solid foundation, that of liberty, hope and equality.

Iraq's democracy is young, but the will of its people is strong. It is because of this spirit and desire to be free that Iraq has taken the opportunity you gave us and we chose democracy.

We faced tyranny and oppression under the former regime and we now face a different kind of terror. We did not bow then and we will not bow now.

I will not allow Iraq to become a launch pad for al Qaeda and other terrorist organizations. I will not deprive Iraqis of their hopes and dreams. I will not allow terrorists to dictate to us our future.

For decades, we struggled alone for our freedom. In 1991, when Iraqis tried to capitalize on the regime's momentary weakness and rose up, we were alone again.

The people of Iraq will not forget your continued support as we establish a secure, liberal democracy. Let 1991 never be repeated, for history will be most unforgiving.

The coming few days are difficult, and the challenges are considerable. Iraq and America both need each other to defeat the terror engulfing the free world. In partnership we will be triumphant, because we will never be slaves to terror, for God has made us free.

Trust that Iraq will be a grave for terrorism and terrorists. Trust that Iraq will be a graveyard for terrorism and terrorists, for the good of all humanity.

Thank you very much.

[Applause, the Members rising.]

At 11 o'clock and 36 minutes a.m., His Excellency Nouri Al-Maliki, Prime Minister of the Republic of Iraq, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Assistant to the Sergeant at Arms escorted the invited guests from the Chamber in the following order:

The Members of the President's Cabinet;

The Acting Dean of the Diplomatic Corps.

JOINT MEETING DISSOLVED

The SPEAKER. The purpose of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Accordingly, at 11 o'clock and 40 minutes a.m., the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The House will continue in recess until 12:15 p.m.

☐ 1215

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CULBERSON) at 12 o'clock and 15 minutes p.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. POE. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 9. An act to amend the Voting Rights Act of 1965.

The message also announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 5865. An act to amend section 1113 of the Social Security Act to temporarily increase funding for the program of temporary assistance for United States citizens returned from foreign countries, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will now entertain up to 15 requests per side to address the House for 1 minute.

IRAQI PRIME MINISTER ADDRESSES CONGRESS

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, just a few minutes ago, we welcomed His Excellency Nouri Al-Maliki to address the U.S. Congress. We commend him for his sacrifices and efforts to bring peace and democracy to Iraq. Once sentenced to death and thus forced into exile by Saddam Hussein's government, Al-Maliki has devoted his life to ending the tyranny that dominated his country for so long.

I commend His Excellency for his commitment to rebuilding his nation on the principles of freedom, democracy and the rule of law; and we look forward to collaborating with him in this regard. I applaud the Prime Minister for condemning the countless terrorist acts in Iraq; and I encourage him to condemn all acts of terror in the Middle East, including the most recent ones we have seen begun by Hezbollah. As the Prime Minister articulated, we must continue to fight for "liberty over oppression" and "democracy over terrorism" wherever it may occur in the world.

GAS PRICES AND ENERGY INDEPENDENCE

(Mr. ETHERIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, as gas prices hit another record high, I call on this Congress to pass visionary legislation for America's energy independence.

This summer, middle-class families are being squeezed like never before by the high price of gasoline and farmers are watching their profits erode. With the big oil companies pocketing record profits, the only action the Republican Congress has taken is more giveaways to Big Oil. We need a new direction in this country that will once and for all put us on the path to energy independence and free us from our reliance on foreign oil sources.

Rural America feels this crisis every day; and as cochairman of the Rural Working Group, I have worked with my colleagues to draft legislation to secure America's energy independence through the bounty of American agriculture. The answer to the energy crisis is growing on our farms, and H.R. 5372 will upgrade our infrastructure to tap these homegrown resources. Specifically, the Biofuel Act will facilitate the production of vehicles that can run on E-85, ethanol-based fuel and soybean diesel and provide tax credits to encourage gas station owners to update their equipment to handle these new environmentally friendly fuels.

Mr. Speaker, it is time for a new direction for America; and Congress must take action now to secure America's energy future.

COMPETITION

(Mr. BONNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONNER. Mr. Speaker, I rise today to talk about the value of competition in our Department of Defense acquisition process. Without competition, we have no choices, innovation does not exist, we have no bargaining position relative to costs, and the capability of our military stagnates.

Some would argue that we must protect our industrial base. I would suggest that competition does just that. We live in a global economy, and when U.S. industry does not produce competitive products, our entire industrial base suffers. If we are to continue to procure the best military equipment for the best value the taxpayer dollar can afford, we must preserve the competitive process. In today's global economy, that means we must not shy away from our allies' participation.

Air refueling is the key enabler to our global military might, and we need to get the competition for the KC-135 replacement program right. Otherwise, we will never know whether competition was true competition or whether our warfighters have received the best possible capability.

CALLING FOR ABOLITION OF NUCLEAR WEAPONS

(Mr. KUCINICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KUCINICH. Mr. Speaker, in the Hindu religion, Brahma, the Creator; Vishnu, the Preserver; and Shiva, the Destroyer exist simultaneously and represent the multiplicity of God.

Today, we are going to be called upon to determine which of the principles, Creator, Preserver or Destroyer, shall work through each of us. If we continue to pursue nuclear proliferation embodied in the nuclear agreement with India, we will be open to the principles of destruction. At this moment when world tensions are rising and violence is cycling higher, we need to take the direction of preserving the peace and creating a new opening through abolishing all nuclear weapons.

August 6, 2006, will mark the 61st anniversary of the bombing of Hiroshima which obliterated the city and killed about 140,000 people. Today, 30,000 nuclear weapons remain in the world. Many nuclear weapons are deployed. Any use of nuclear weapons would be unthinkable devastation. The only way to prevent the use of nuclear destruction is to abolish all nuclear weapons.

To that end, I will be introducing legislation today.

REPARATIONS FOR VICTIM

(Mr. POE asked and was given permission to address the House for 1 minute.)

Mr. POE. Mr. Speaker, it was described as "more than 2 hours in hell." Those are the only words a central Texas sheriff could utter about the brutal attack of an 18-year-old girl.

Driving home one night, she was run off the road by two illegals just fired from their jobs for showing up to work hung over. She was corralled just 2 miles from her house near Mexia, Texas, but she couldn't have been further from safety. They forced her into their vehicle, then drove around as they raped, beat and stabbed her numerous times. When they had finished their sinful crime, they tossed her bloody body in a ditch and left her for dead.

When she reached a house nearby after crawling over a half mile, she lay on the porch and the woman inside heard her say, "I'm going to die." The woman who found her covered in blood said she would never as long as she lived get that look on her face out of her mind.

Javier Martinez of Mexico and Noel Hernandez of Honduras will have their day of judgment in a Texas courthouse very soon. But the two countries these outlaws come from should be held accountable and pay reparations to the victim of this assault.

And that's just the way it is.

IRAQI PRIME MINISTER ADDRESSES CONGRESS

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, I sat here before and listened to the speech of Prime Minister Al-Maliki of Iraq. Quite frankly, I was underwhelmed. I am glad that he condemned terrorism by al Qaeda in Iraq, but we heard not a word of condemnation about Hezbollah and their terrorism against Israel.

I guess, according to the Prime Minister, terrorism against Iraq is no good, but terrorism against Israel is acceptable. I am also sorry he didn't take the opportunity to set the record straight involving his criticism of Israel this week or to condemn the speaker of the parliament of Iraq and his vicious anti-Semitic and anti-Jewish diatribe and tirade earlier this week. Unfortunately, none of that was forthcoming.

If we are to take the Iraqi leadership seriously in condemnation of terror, they have to condemn terror wherever it rears its ugly head, against Iraq, against Israel, or against any other nation. Only then will I truly believe that they are democrats and care about democracy and really care about the war on terror.

IRAQ AND FREEDOM

(Mr. McHENRY asked and was given permission to address the House for 1 minute.)

Mr. McHENRY. Mr. Speaker, this House in a joint session of Congress listened to the new Prime Minister of our ally, Iraq, earlier today. The Prime Minister outlined his plan for freedom and security for the Iraqi people and for a free, safe and secure Iraq.

As an ally, we in the United States have an obligation to see this through. We have an obligation to ensure freedom and democracy. However imperfect it may be, as freedom and democracy always is, we have an obligation to see that through in Iraq, today, tomorrow and for years to come.

Beyond that, Mr. Speaker, I think it is important to note that the United States, Israel and Iraq have the same mutual enemy, and those are Islamic extremists, in our country, in Israel, in Iraq and around the world, and we have to fight together for freedom today, freedom tomorrow, freedom forever.

BIG OIL HAS ANOTHER GREAT QUARTER WHILE THE CONSUMER IS GOUGED AT THE PUMP

(Mrs. McCARTHY asked and was given permission to address the House for 1 minute.)

Mrs. McCARTHY. Big Oil has another great quarter while the consumers are gouged at the pumps.

Mr. Speaker, the numbers are already pouring in. All week, Big Oil and Gas will tout their profits during the second quarter. The real question now is, will they break the records of the first quarter, more than $16 billion just for the Big Three.

B P announced its profits earlier this week, bringing in $6.1 billion during the second quarter. We will hear the rest of the numbers later this week.

Mr. Speaker, America can do better. We have the technology. We have the willpower. But we have to work together. It is basically Democrats that actually have the answers on what we can do to reduce oil prices in this country. This isn't short term. It's long term. We need to work together. We need to get this done.

Consumers at home are hurting. Middle-income families are hurting when you have expensive oil on Long Island where I live, $3.29, it has been that way for quite a while, and that is only for the economy fuel. It is raising our fuel prices. It is raising everything. And they wonder why the economy, which is supposed to be, quote, doing well, our middle-income families are not. They are hurting.

SMALL BUSINESS

(Mrs. KELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KELLY. Mr. Speaker, this Congress needs to continue the tax relief and economic policies that have helped small businesses create new jobs and foster strong economic growth across our country. I have been pushing a five-point agenda to help small businesses succeed:

One, continue the tax cuts for small businesses, which we accomplished earlier this year by passing the Tax Relief Extension Reconciliation Act into law.

Two, we need to make health care costs more affordable for small businesses and their employees. The Senate, like the House, needs to pass legislation to create small business health plans that will lower their premiums by up to 30 percent.

Three, we need to level the playing field for small businesses. The Senate can help us do this by approving two of my bills that have been overwhelmingly passed in the House to help small businesses earn interest on their checking accounts and gain increased access to capital.

Four, the Senate, like the House, needs to vote to permanently end the death tax on small businesses and family farms.

Five, we need to stop excessive and redundant Federal regulations on small businesses.

Mr. Speaker, I urge the House to immediately consider my bill that has passed the Government Reform Committee and would help prevent Federal agencies from imposing unnecessary regulations that suffocate small businesses.

Mr. Speaker, let's fully demonstrate our commitment to small businesses by passing these legislative solutions to help small businesses in New York's Hudson Valley and all over the Nation.

TIME FOR A NEW DIRECTION IN IRAQ

(Mr. McGOVERN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McGOVERN. Mr. Speaker, sadly, the war in Iraq is escalating daily. In the first 6 months of 2006, more than 350 American soldiers were killed in action and over 2,400 wounded. This means the United States lost the equivalent of five battalions' worth of ground forces during the period Iraqi political leaders squabbled over how to form a government.

And while forming a government was a positive step, it has made little difference in the daily lives of most Iraqis. Violence has escalated and claims more and more Iraqi lives. According to the U.N., over 14,000 Iraqi civilians were killed in the first 6 months of 2006, including 5,800 in May and June alone. States of emergency, curfews and military operations have not stabilized the country. There are more insurgents, more foreign fighters and more attacks. The signs of sectarian and ethnic cleansing are everywhere. President Bush has said he is going to deploy more troops into Baghdad.

Mr. Speaker, 2006 was supposed to be a year of significant transition in Iraq. But the U.S. remains on the defensive, caught in a civil war.

Mr. Speaker, this war is a miserable failure. It is time for a new direction in Iraq.

□ 1230

SUPPORT OUR SCOUTS ACT

(Mr. FITZPATRICK of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, the Boy Scouts of America is one of the most wholesome organizations in this Nation's history, which is why it has earned the Congressional Charter. The Scouts have provided a way for children from the inner city and the country to learn more about themselves, their environment and their role as citizens through active engagement in outdoor and service activities.

Unfortunately, the city of Philadelphia is considering a move that would seriously hinder scouting in southeastern Pennsylvania. Philadelphia Mayor John Street has told the Cradle of Liberty Council, which serves 87,000 inner city and suburban Scouts, to either pay market value for or vacate the headquarters it has used rent-free since 1928.

Mayor Street has chosen to focus on the differences of opinion he has with the Boy Scouts, rather then embracing and fostering greater cooperation on the issues we can agree on. This is an unfortunate turn of events for the scouting community in my district and the Philadelphia region, especially when the city is in crisis; violent crime and drug use are at all-time highs.

I call on Mayor Street to work with the Scouts to work out an equitable solution to their dispute, and I call on my colleagues to cosponsor H.R. 1337, The Support Our Scouts Act, which will reaffirm the Federal Government's commitment to scouting.

PREPAREDNESS FIRST ACT

(Ms. LORETTA SANCHEZ of California asked and was given permission to address the House for 1 minute.)

Ms. LORETTA SANCHEZ of California. Mr. Speaker, America needs to be prepared. Whether it is for a commuter train attack or a hurricane, it is clear America must get serious about all hazards preparedness, and that is preparing for all emergencies, whether they are natural or manmade.

Today I am introducing the Preparedness First Act to authorize critical grant programs that our State and local governments already depend upon for all hazards emergency preparedness. The premise of this bill? To ensure that States and localities will have a basic level of preparedness so that they can protect their citizens, communicate with each other and work with the Federal Government during any type of emergency, from earthquakes to terrorist attacks.

Under this bill, all States would receive a base of preparedness funding. This would guarantee that the Federal Government would have an able partner in every State to coordinate preparedness activities. Additional resources would then be made available to address the unique risk and manmade disasters that are posed in each area.

I urge my colleagues to support this bill and put all hazards preparedness first for all Americans.

ISLAMIST PRESENCE IN SOMALIA

(Mr. ROYCE asked and was given permission to address the House for 1 minute.)

Mr. ROYCE. Mr. Speaker, recently the subcommittee on international terrorism and nonproliferation that I chair held a hearing on the growing Islamist terrorist threat in Somalia. The country's unsecured borders and proximity to the Arabian Peninsula provide a potential transit point and safe haven for terrorists there. Especially worrying is the powerful presence of the Union of Islamic Courts, which took over Mogadishu last month.

This group is headed by a known associate of al Qaeda and aims to introduce Sharia law throughout Somalia. Mr. Speaker, we are living in an age in which threats in faraway places can hit us at home.

The events unfolding in Somalia mark a critical point in our struggle against Islamist terrorism. Afghanistan is the lesson. I remember those on Afghanistan that said that the Taliban offered stability in that country because the country was deeply divided.

I remember testifying that the Taliban and their support for terror training could lead to more World Trade Center-style attacks on America. That was 11 years ago. Now Somalia demands our focused attention.

IRAQI GOVERNMENT'S TROUBLING COMMENTS ON ISRAEL

(Mr. PASCRELL asked and was given permission to address the House for 1 minute.)

Mr. PASCRELL. Mr. Speaker, do not think there was an epiphany this morning when the leader of Iraq, duly elected, met at the White House to say that he would join, his country would join with other Arab states condemning terror. You would have thought the word "terror" was invented this morning. The audacity for him to look at us and say, for those who are skeptical about the war on terror, there is nobody skeptical in this House, either side, about the war on terror.

But when his legislature condemns Israel, "we need to stop the Israeli criminal aggression," and they voted on that unanimously, you come into our house, as we would say in the Bronx, even though I am from New Jersey, and think that we are supposed to forget everything.

There is terror in Iraq, and there is terror in Israel. And if you think Hezbollah is the Guardian Angels, you are quite mistaken. And we need to understand what is going on in this House. Turn the country back around again. Sixty-five percent of the American people say we are going in the wrong direction, and we continued this morning.

CREATIVE FEDERALISM IN HEALTH CARE

(Mr. PRICE of Georgia asked and was given permission to address the House for 1 minute.)

Mr. PRICE of Georgia. Mr. Speaker, everyone understands that we have a real challenge in health care with over 45 million Americans without adequate insurance coverage. And Washington is in a logjam with a national solution elusive.

Yesterday, we took a great step in meeting this challenge with the introduction by a bipartisan group of a significant measure to help cover the uninsured. As a physician, I understand that one-size-fits-all does not work in health care.

Our bipartisan working group respects greatly the principle of federalism. And our proposal will empower States to develop methods that best suit their unique populations.

H.R. 5864, the Health Partnership Through Creative Federalism Act holds real promise to increase the number of Americans with health insurance coverage. By empowering States to develop methods that best suit their unique needs, we are putting patients first which should be the foundation of any reform. This bold initiative takes this inherent knowledge into account and gives States the flexibility to find solutions to cover the uninsured.

I encourage my colleagues on both sides to sign on as a cosponsor and support this innovative solution.

REPUBLICANS IGNORE RISING ENERGY COSTS

(Mr. FILNER asked and was given permission to address the House for 1 minute.)

Mr. FILNER. Mr. Speaker, gas prices are once again at record highs. According to the Bush administration's own Energy Department, the average national price at the pump is now over $3 a gallon. We are facing the biggest price rise since Hurricane Katrina 11 months ago.

Yet this Republican Do-Nothing Congress, this Do-Nothing Congress is prepared to leave at the end of the week for a 5-week recess without passing any legislation that will help consumers with prices at the pump. What is the holdup—beside the giant heist of American people?

Why will House Republicans not work with us to hold Big Oil's feet to the fire for any price gouging that is now going on? Why will these House Republicans not join us in repealing $20 billion in tax breaks and subsidies that they gave Big Oil last year? Why won't they join us in taking that money and investing in new energies of the future so we can end our dependence on foreign oil?

The answer, I think, has everything to do with their cozy relationship with Big Oil. It is no wonder that most people think that the letters GOP mean Gas, Oil and Petroleum.

Mr. Speaker, Americans have dealt with high gas prices all summer long. It is time this House started listening to their needs rather than the needs of the special interests in the gas and oil industry.

DO-NOTHING CONGRESS

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute.)

Ms. SCHAKOWSKY. Mr. Speaker, the Republican do-nothing Congress is unwilling to tackle the issues of importance to the American people. At a time when hardworking Americans are finding it more and more difficult to make ends meet, at a time when a weak economy is creating very few jobs, at a time when gas prices are at record levels, the Republican do-nothing Congress has frittered away scarce time on meaningless and divisive proposals that were never even intended to become law.

No wonder the American people are so disgusted with Washington. There is so much that this Congress should be doing, and yet the House Republicans refuse to act. We could raise the minimum wage for the first time in 9 years and give 7 million Americans a pay raise.

We could give the Federal Government the ability to negotiate prescription drugs on behalf of America's seniors in order to fill the gap in coverage that millions of seniors will soon face in their drug coverage. We could finally go after Big Oil and guarantee the American consumer is not to be gouged at the pump.

Mr. Speaker, there is a lot we could do. The problem is Republicans are out of ideas. It is time we lead America in a new direction.

OIL PRICES ARE A NATIONAL SECURITY ISSUE

(Mr. DAVIS of Tennessee asked and was given permission to address the House for 1 minute.)

Mr. DAVIS of Tennessee. Mr. Speaker, Congress cannot afford to wait another day to address our Nation's energy crisis. Record gas prices are not only causing pain for American consumers every time they pull up at the pump, but high prices are also seriously threatening our national security.

Consider $5 a barrel increase for a barrel of oil. That translates into $85 million that goes directly to Iran every week, which can then be sent to Hezbollah or to support the escalating sectarian violence in Iraq.

Neither the Bush administration nor congressional Republicans have done enough to wean us off foreign oil. For 5 years now, we have refused to come up with bold new ideas. Instead, their answer last year was to give oil and gas companies $20 billion in tax breaks and subsidies.

The former top aide to Secretary of State Rice told The New York Times yesterday, I do not think any of us have done a terribly good job of thinking through, and how far behind the eight ball we are on these issues.

For 5 years now, Washington Republicans have been unwilling to think outside of the box for fear that they will irritate their special interest friends in Big Oil. I think it is time that we lead America in a new direction.

RAISE THE MINIMUM WAGE

(Mr. BERRY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BERRY. Mr. Speaker, as millions of Americans struggle to get by making the lowest real value minimum wage in 50 years, Republicans in this body are preparing to adjourn the House for a 5-week summer vacation without providing them with any financial relief.

Despite numerous attempts by the Democratic Members, Republicans still refuse to increase the minimum wage to a living wage. It is time for a new direction.

Six million people who would benefit from an increase in the minimum wage deserve better than a Congress that rewards the wealthiest while punishing those who need assistance the most and are willing to work for it. Eighty-six percent of Americans support increasing the minimum wage, because they know, just as Democrats in this body know, that it is simply wrong for a full-time worker with a full-time job to live in poverty in this great Nation.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later today.

NATIONAL SECURITY FOREIGN INVESTMENT REFORM AND STRENGTHENED TRANSPARENCY ACT OF 2006

Mr. OXLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5337) to ensure national security while promoting foreign investment and the creation and maintenance of jobs, to reform the process by which such investments are examined for any effect they may have on national security, to establish the Committee on Foreign Investment in the United States, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5337

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Security Foreign Investment Reform and Strengthened Transparency Act of 2006".

SEC. 2. UNITED STATES SECURITY IMPROVEMENT AMENDMENTS; CLARIFICATION OF REVIEW AND INVESTIGATION PROCESS.

Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by striking subsections (a) and (b) and inserting the following new subsections:

"(a) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) COMMITTEE.—The term 'Committee' means the Committee on Foreign Investment in the United States.

"(2) CONTROL.—The term 'control' has the meaning given to such term in regulations which the Committee shall prescribe.

"(3) COVERED TRANSACTION.—The term 'covered transaction' means any merger, acquisition, or takeover by or with any foreign person which could result in foreign control of any person engaged in interstate commerce in the United States.

"(4) FOREIGN GOVERNMENT-CONTROLLED TRANSACTION.—The term 'foreign government-controlled transaction' means any covered transaction that could result in the control of any person engaged in interstate commerce in the United States by a foreign government or an entity controlled by or acting on behalf of a foreign government.

"(5) CLARIFICATION.—The term 'national security' shall be construed so as to include those issues relating to 'homeland security', including its application to critical infrastructure.

"(b) NATIONAL SECURITY REVIEWS AND INVESTIGATIONS.—

"(1) NATIONAL SECURITY REVIEWS.—

"(A) IN GENERAL.—Upon receiving written notification under subparagraph (C) of any covered transaction, or on a motion made under subparagraph (D) with respect to any covered transaction, the President, acting through the Committee, shall review the covered transaction to determine the effects on the national security of the United States.

"(B) CONTROL BY FOREIGN GOVERNMENT.—If the Committee determines that the covered transaction is a foreign government-controlled transaction, the Committee shall conduct an investigation of the transaction under paragraph (2).

"(C) WRITTEN NOTICE.—

"(i) IN GENERAL.—Any party to any covered transaction may initiate a review of the transaction under this paragraph by submitting a written notice of the transaction to the Chairperson of the Committee.

"(ii) WITHDRAWAL OF NOTICE.—No covered transaction for which a notice was submitted under clause (i) may be withdrawn from review unless—

"(I) a written request for such withdrawal is submitted by any party to the transaction; and

"(II) the request is approved in writing by the Chairperson, in consultation with the Vice Chairpersons, of the Committee.

"(iii) CONTINUING DISCUSSIONS.—The approval of a withdrawal request under clause (ii) shall not be construed as precluding any party to the covered transaction from continuing informal discussions with the Committee or any Committee member regarding possible resubmission for review pursuant to this paragraph.

"(D) UNILATERAL INITIATION OF REVIEW.—The President, the Committee, or any member of the Committee may move to initiate a review under subparagraph (A) of—

"(i) any covered transaction;

"(ii) any covered transaction that has previously been reviewed or investigated under this section, if any party to the transaction submitted false or misleading material information to the Committee in connection with the review or investigation or omitted material information, including material documents, from information submitted to the Committee; or

"(iii) any covered transaction that has previously been reviewed or investigated under this section, if any party to the transaction or the entity resulting from consummation of the transaction intentionally materially breaches a mitigation agreement or condition described in subsection (l)(1)(A), and—

"(I) such breach is certified by the lead department or agency monitoring and enforcing such agreement or condition as an intentional material breach; and

"(II) such department or agency certifies that there is no other remedy or enforcement tool available to address such breach.

"(E) TIMING.—Any review under this paragraph shall be completed before the end of the 30-day period beginning on the date of the receipt of written notice under subparagraph (C) by the Chairperson of the Committee, or the date of the initiation of the review in accordance with a motion under subparagraph (D).

"(2) NATIONAL SECURITY INVESTIGATIONS.—

"(A) IN GENERAL.—In each case in which—

"(i) a review of a covered transaction under paragraph (1) results in a determination that—

"(I) the transaction threatens to impair the national security of the United States and that threat has not been mitigated during or prior to the review of a covered transaction under paragraph (1); or

"(II) the transaction is a foreign government-controlled transaction;

"(ii) a roll call vote pursuant to paragraph (3)(A) in connection with a review under paragraph (1) of any covered transaction results in at least 1 vote by a Committee member against approving the transaction; or

"(iii) the Director of National Intelligence identifies particularly complex intelligence concerns that could threaten to impair the national security of the United States and Committee members were not able to develop and agree upon measures to mitigate satisfactorily those threats during the initial review period under paragraph (1),

the President, acting through the Committee, shall immediately conduct an investigation of the effects of the transaction on the national security of the United States and take any necessary actions in connection with the transaction to protect the national security of the United States.

"(B) TIMING.—

"(i) IN GENERAL.—Any investigation under subparagraph (A) shall be completed before the end of the 45-day period beginning on the date of the investigation commenced.

"(ii) EXTENSIONS OF TIME.—The period established under subparagraph (B) for any investigation of a covered transaction may be extended with respect to any particular investigation by the President or by a rollcall vote of at least 2/3 of the members of the Committee involved in the investigation by the amount of time specified by the President or the Committee at the time of the extension, not to exceed 45 days, as necessary to collect and fully evaluate information relating to—

"(I) the covered transaction or parties to the transaction; and

"(II) any effect of the transaction that could threaten to impair the national security of the United States.

"(3) APPROVAL OF CHAIRPERSON AND VICE CHAIRPERSONS REQUIRED.—

"(A) IN GENERAL.—A review or investigation under this subsection of a covered transaction shall not be treated as final or complete until the findings and the report resulting from such review or investigation are approved by a majority of the members of the Committee in a roll call vote and signed by the Secretary of the Treasury, the Secretary of Homeland Security, and the Secretary of Commerce (and such authority of each such Secretary may not be delegated to any person other than the Deputy Secretary of the Treasury, the Deputy Secretary of Homeland Security, or the Deputy Secretary of Commerce, respectively).

"(B) ADDITIONAL ACTION REQUIRED IN CERTAIN CASES.—In the case of any roll call vote pursuant to subparagraph (A) in connection with an investigation under paragraph (2) of any foreign government-controlled transaction in which there is at least 1 vote by a Committee member against approving the transaction, the investigation shall not be treated as final or complete until the findings and report resulting from such investigation are signed by the President (in addition to the Chairperson and the Vice Chairpersons of the Committee under subparagraph (A)).

"(4) ANALYSIS BY DIRECTOR OF NATIONAL INTELLIGENCE.—

"(A) IN GENERAL.—The Director of National Intelligence shall expeditiously carry out a thorough analysis of any threat to the national security of the United States of any covered transaction, including making requests for information to the Director of the Office of Foreign Assets Control within the Department of the Treasury and the Director of the Financial Crimes Enforcement Network. The Director of National Intelligence also shall seek and incorporate the views of all affected or appropriate intelligence agencies.

"(B) 30-DAY MINIMUM.—The Director of National Intelligence shall be provided no less than 30 days to complete the analysis required under subparagraph (A), except in any instance described in paragraph (2)(A)(iii).

"(C) INDEPENDENT ROLE OF DIRECTOR.—The Director of National Intelligence shall not be a member of the Committee and shall serve no policy role with the Committee other than to provide analysis under subparagraph (A) in connection with a covered transaction.

"(5) RESUBMITTALS OF NOTICE AND REQUESTS FOR ADDITIONAL REVIEW OR INVESTIGATION.—

"(A) IN GENERAL.—No provision of this subsection shall be construed as prohibiting any party to a covered transaction from—

"(i) submitting additional information concerning the transaction, including any proposed restructuring of the transaction or any modifications to any agreements in connection with the transaction, while any review or investigation of the transaction is on-going; or

"(ii) requesting a review or investigation of the transaction after any previous review or investigation of the same or a similar transaction has become final if information material to the prior review or investigation and not previously submitted to the Committee becomes known or if any material change in circumstances to the covered transaction has occurred since the review or investigation.

"(B) APPROVAL OF REQUEST.—In the case of a request referred to in subparagraph (A)(ii), the Committee shall determine by consensus whether to grant a request.

"(6) REGULATIONS.—Regulations prescribed under this section shall include standard procedures for—

"(A) submitting any notice of a proposed or pending covered transaction to the Committee;

"(B) submitting a request to withdraw a proposed or pending covered transaction from review; and

"(C) resubmitting a notice of proposed or pending covered transaction that was previously withdrawn from review.".

SEC. 3. STATUTORY ESTABLISHMENT OF THE COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES.

(a) IN GENERAL.—Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by striking subsection (k) and inserting the following new subsection:

"(k) COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES.—

"(1) ESTABLISHMENT.—The Committee on Foreign Investment in the United States established pursuant to Executive Order No. 11858 shall be a multi-agency committee to carry out this section and such other assignments as the President may designate.

"(2) MEMBERSHIP.—The Committee shall be comprised of the following members or the designee of any such member:

"(A) The Secretary of the Treasury.

"(B) The Secretary of Homeland Security.

"(C) The Secretary of Commerce.

"(D) The Secretary of Defense.

"(E) The Secretary of State.

"(F) The Attorney General.

"(G) The Secretary of Energy.

"(H) The Chairman of the Council of Economic Advisors.

"(I) The United States Trade Representative.

"(J) The Director of the Office of Management and Budget.

"(K) The Director of the National Economic Council.

"(L) The Director of the Office of Science and Technology Policy.

"(M) The President's Assistant for National Security Affairs.

"(N) Any other designee of the President from the Executive Office of the President.

"(3) CHAIRPERSON; VICE CHAIRPERSONS.—The Secretary of the Treasury shall be the Chairperson of the Committee. The Secretary of Homeland Security and the Secretary of Commerce shall be the Vice Chairpersons of the Committee.

"(4) OTHER MEMBERS.—Subject to subsection (b)(4)(B), the Chairperson of the Committee shall involve the heads of such other Federal departments, agencies, and independent establishments in any review or investigation under subsection (b) as the Chairperson, after consulting with the Vice Chairpersons, determines to be appropriate on the basis of the facts and circumstances of the transaction under investigation (or the designee of any such department or agency head).

"(5) MEETINGS.—The Committee shall meet upon the direction of the President or upon the call of the Chairperson of the Committee without regard to section 552b of title 5, United States Code (if otherwise applicable).

"(6) COLLECTION OF EVIDENCE.—Subject to subsection (c), the Committee may, for the purpose of carrying out this section—

"(A) sit and act at such times and places, take such testimony, receive such evidence, administer such oaths; and

"(B) require the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Chairperson of the Committee may determine advisable.

"(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Treasury for each of fiscal years 2007, 2008, 2009, and 2010, expressly and solely for the operations of the Committee that are conducted by the Secretary, the sum of $10,000,000.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The first sentence of section 721(c) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(c)) is amended—

(1) by striking "material filed with" and inserting "material, including proprietary business information, filed with, or testimony presented to,"; and

(2) by striking "or documentary material" the 2nd place such term appears and inserting ", documentary material, or testimony".

SEC. 4. ADDITIONAL FACTORS REQUIRED TO BE CONSIDERED.

Section 721(f) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(f)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "may" and inserting "shall"; and

(B) by striking "among other factors";

(2) by striking "and" at the end of paragraph (4);

(3) by striking the period at the end of paragraph (5) and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

"(6) whether the covered transaction has a security-related impact on critical infrastructure in the United States;

"(7) whether the covered transaction is a foreign government-controlled transaction; and

"(8) such other factors as the President or the President's designee may determine to be appropriate, generally or in connection with a specific review or investigation.".

SEC. 5. NONWAIVER OF SOVEREIGN IMMUNITY.

Section 721(d) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(d)) is amended by adding at the end the following new sentence: "The United States shall not be held liable for any losses or other expenses incurred by any party to a covered transaction as a result of actions taken under this section after a covered transaction has been consummated if the party did not submit a written notice of the transaction to the Chairperson of the Committee under subsection (b)(1)(C) or did not wait until the completion of any review or investigation under subsection (b), or the end of the 15-day period referred to in this subsection, before consummating the transaction.".

SEC. 6. MITIGATION, TRACKING, AND POST-CONSUMMATION MONITORING AND ENFORCEMENT.

Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by inserting after subsection (k) (as amended by section 3 of this Act) the following new subsection:

"(l) MITIGATION, TRACKING, AND POSTCONSUMMATION MONITORING AND ENFORCEMENT.—

"(1) MITIGATION.—

"(A) IN GENERAL.—The Committee or any agency designated by the Chairperson and Vice Chairpersons may negotiate, enter into or impose, and enforce any agreement or condition with any party to a covered transaction in order to mitigate any threat to the national security of the United States.

"(B) RISK-BASED ANALYSIS REQUIRED.—Any agreement entered into or condition imposed under subparagraph (A) shall be based on a risk-based analysis of the threat to national security of the covered transaction.

"(2) TRACKING AUTHORITY FOR WITHDRAWN NOTICES.—

"(A) IN GENERAL.—If any written notice of a covered transaction that was submitted to the Committee under this section is withdrawn before any review or investigation by the Committee under subsection (b) is completed, the Committee shall establish, as appropriate—

"(i) interim protections to address specific concerns with such transaction that have been raised in connection with any such review or investigation pending any resubmission of any written notice under this section with respect to such transaction and further action by the President under this section;

"(ii) specific timeframes for resubmitting any such written notice; and

"(iii) a process for tracking any actions that may be taken by any party to the transaction, in connection with the transaction, before the notice referred to in clause (ii) is resubmitted.

"(B) DESIGNATION OF AGENCY.—The Committee may designate an appropriate Federal department or agency, other than any entity of the intelligence community (as defined in the National Security Act of 1947), as the lead agency to carry out the requirements of subparagraph (A) with respect to any covered transaction that is subject to such subparagraph.

"(3) NEGOTIATION, MODIFICATION, MONITORING, AND ENFORCEMENT.—

"(A) DESIGNATION OF AGENCY.—The Committee shall designate a Federal department or agency as the lead agency to negotiate, modify, monitor, and enforce any agreement entered into or condition imposed under paragraph (1) with respect to a covered transaction based on the expertise with and knowledge of the issues related to such transaction on the part of the designated department or agency.

"(B) REPORTING BY DESIGNATED AGENCY.—

"(i) IMPLEMENTATION REPORTS.—The Federal department or agency designated by the Committee as a lead agency under subparagraph (A) in connection with any agreement entered into or condition imposed under paragraph (1) with respect to a covered transaction shall—

"(I) provide periodic reports to the Chairperson and Vice Chairpersons of the Committee on the implementation of such agreement or condition; and

"(II) require, as appropriate, any party to the covered transaction to report to the head of such department or agency (or the designee of such department or agency head) on the implementation or any material change in circumstances.

"(ii) MODIFICATION REPORTS.—The Federal department or agency designated by the Committee as a lead agency under subparagraph (A) in connection with any agreement entered into or condition imposed with respect to a covered transaction shall—

"(I) provide periodic reports to the Chairperson and Vice Chairpersons of the Committee on any modification to any such agreement or condition imposed with respect to the transaction; and

"(II) ensure that any significant modification to any such agreement or condition is reported to the Director of National Intelligence and to any other Federal department or agency that may have a material interest in such modification.".

SEC. 7. INCREASED OVERSIGHT BY THE CONGRESS.

(a) REPORT ON ACTIONS.—Section 721(g) of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended to read as follows:

"(g) REPORTS TO THE CONGRESS.—

"(1) REPORTS ON COMPLETED COMMITTEE INVESTIGATIONS.—

"(A) IN GENERAL.—Not later than 5 days after the completion of a Committee investigation of a covered transaction under subsection (b)(2), or, if the President indicates an intent to take any action authorized under subsection (d) with respect to the transaction, after the end of 15-day period referred to in subsection (d), the Chairperson or a Vice Chairperson of the Committee shall submit a written report on the findings or actions of the Committee with respect to such investigation, the determination of whether or not to take action under subsection (d), an explanation of the findings under subsection (e), and the factors considered under subsection (f), with respect to such transaction, to—

"(i) the Majority Leader and the Minority Leader of the Senate;

"(ii) the Speaker and the Minority Leader of the House of Representatives; and

"(iii) the chairman and ranking member of each committee of the House of Representatives and the Senate with jurisdiction over any aspect of the covered transaction and its possible effects on national security, including the Committee on International Relations, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives.

"(B) NOTICE AND BRIEFING REQUIREMENT.—If a written request for a briefing on a covered transaction is submitted to the Committee by any Senator or Member of Congress who receives a report on the transaction under subparagraph (A), the Chairperson or a Vice Chairperson (or such other person as the Chairperson or a Vice Chairperson may designate) shall provide 1 classified briefing to each House of the Congress from which any such briefing request originates in a secure facility of appropriate size and location that shall be open only to the Majority Leader and the Minority Leader of the Senate, the Speaker and the Minority Leader of the House of Representatives, (as the case may be) the chairman and ranking member of each committee of the House of Representatives or the Senate (as the case may be) with jurisdiction over any aspect of the covered transaction and its possible effects on national security, including the Committee on International Relations, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives, and appropriate staff members who have security clearance.

"(2) APPLICATION OF OTHER PROVISION.—

"(A) IN GENERAL.—The disclosure of information under this subsection shall be consistent with the requirements of subsection (c). Members of Congress and staff of either House or any committee of the Congress shall be subject to the same limitations on disclosure of information as are applicable under such subsection.

"(B) PROPRIETARY INFORMATION.—Proprietary information which can be associated with a particular party to a covered transaction shall be furnished in accordance with subparagraph (A) only to a committee of the Congress and only when the committee provides assurances of confidentiality, unless such party otherwise consents in writing to such disclosure.".

(b) SEMI-ANNUAL REPORT.—Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by inserting after subsection (l) (as added by section 6 of this Act) the following new subsection:

"(m) SEMI-ANNUAL REPORT TO THE CONGRESS.—

"(1) IN GENERAL.—The Chairperson of the Committee shall transmit a report to the chairman and ranking member of each committee of the House of Representatives and the Senate with jurisdiction over any aspect of the report, including the Committee on International Relations, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives, before January 31 and July 31 of each year on all the reviews and investigations of covered transactions conducted under subsection (b) during the 6-month period covered by the report.

"(2) CONTENTS OF REPORT RELATING TO COVERED TRANSACTIONS.—The report under paragraph (1) shall contain the following information with respect to each covered transaction:

"(A) A list of all notices filed and all reviews or investigations conducted during the period with basic information on each party to the transaction, the nature of the business activities or products of all pertinent persons, along with information about the status of the review or investigation, information on any withdrawal from the process, any rollcall votes by the Committee under this section, any extension of time for any investigation, and any presidential decision or action under this section.

"(B) Specific, cumulative, and, as appropriate, trend information on the numbers of filings, investigations, withdrawals, and presidential decisions or actions under this section.

"(C) Cumulative and, as appropriate, trend information on the business sectors involved in the filings which have been made, and the countries from which the investments have originated.

"(D) Information on whether companies that withdrew notices to the Committee in accordance with subsection (b)(1)(C)(ii) have later re-filed such notices, or, alternatively, abandoned the transaction.

"(E) The types of security arrangements and conditions the Committee has used to mitigate national security concerns about a transaction.

"(F) A detailed discussion of all perceived adverse effects of covered transactions on the national security or critical infrastructure of the United States that the Committee will take into account in its deliberations during the period before delivery of the next such report, to the extent possible.

"(3) CONTENTS OF REPORT RELATING TO CRITICAL TECHNOLOGIES.—

"(A) IN GENERAL.—In order to assist the Congress in its oversight responsibilities with respect to this section, the President and such agencies as the President shall designate shall include in the semi-annual report submitted under paragraph (1) the following:

"(i) An evaluation of whether there is credible evidence of a coordinated strategy by 1 or more countries or companies to acquire United States companies involved in research, development, or production of critical technologies for which the United States is a leading producer.

"(ii) An evaluation of whether there are industrial espionage activities directed or directly assisted by foreign governments against private United States companies aimed at obtaining commercial secrets related to critical technologies.

"(B) CRITICAL TECHNOLOGIES DEFINED.—For purposes of this paragraph, the term 'critical technologies' means technologies identified under title VI of the National Science and Technology Policy, Organization, and Priorities Act of 1976 or other critical technology, critical components, or critical technology items essential to national defense or national security identified pursuant to this section.

"(C) RELEASE OF UNCLASSIFIED STUDY.—That portion of the semi-annual report under paragraph (1) that is required by this paragraph may be classified. An unclassified version of that portion of the report shall be made available to the public.".

(c) INVESTIGATION BY INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Department of the Treasury shall conduct an independent investigation to determine all of the facts and circumstances concerning each failure of the Department of the Treasury to make any report to the Congress that was required under section 721(k) of the Defense Production Act of 1950 (as in effect before the date of the enactment of this Act).

(2) REPORT TO THE CONGRESS.—Before the end of the 270-day period beginning on the date of the enactment of this Act, the Inspector General of the Department of the Treasury shall submit a report to the chairman and ranking member of each committee of the House of Representatives and the Senate with jurisdiction over any aspect of the report, including the Committee on International Relations, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives, on the investigation under paragraph (1) containing the findings and conclusions of the Inspector General.

(d) STUDY AND REPORT.—

(1) STUDY REQUIRED.—Before the end of the 120-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Secretary of State and the Secretary of Commerce, shall conduct a study on investments in the United States, especially investments in critical infrastructure and industries affecting national security, by—

(A) foreign governments, entities controlled by or acting on behalf of a foreign government, or persons of foreign countries which comply with any boycott of Israel; or

(B) foreign governments, entities controlled by or acting on behalf of a foreign government, or persons of foreign countries which do not ban organizations designated by the Secretary of State as foreign terrorist organizations.

(2) REPORT.—Before the end of the 30-day period beginning upon completion of the study under paragraph (1) or in the next semi-annual report under section 721(m) of the Defense Production Act of 1950 (as added by subsection (b)), the Secretary of the Treasury shall submit a report to the Congress, for transmittal to all appropriate committees of the Senate and the House of Representatives, containing the findings and conclusions of the Secretary with respect to the study, together with an analysis of the effects of such investment on the national security of the United States and on any efforts to address those effects.

SEC. 8. CERTIFICATION OF NOTICES AND ASSURANCES.

Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by inserting after subsection (m) (as added by section 7(b) of this Act) the following new subsection:

"(n) CERTIFICATION OF NOTICES AND ASSURANCES.—Each notice required to be submitted, by a party to a covered transaction, to the President or the President's designee under this section and regulations prescribed under such section, and any information submitted by any such party in connection with any action for which a report is required pursuant to paragraph (3)(B)(ii) of subsection (l) with respect to the implementation of any mitigation agreement or condition described in paragraph (1)(A) of such subsection, or any material change in circumstances, shall be accompanied by a written statement by the chief executive officer or the designee of the person required to submit such notice or information certifying that, to the best of the person's knowledge and belief—

"(1) the notice or information submitted fully complies with the requirements of this section or such regulation, agreement, or condition; and

"(2) the notice or information is accurate and complete in all material respects.".

SEC. 9. REGULATIONS.

Section 721(h) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(h)) is amended to read as follows:

"(h) REGULATIONS.—The President shall direct the issuance of regulations to carry out this section. Such regulations shall, to the extent possible, minimize paperwork burdens and shall to the extent possible coordinate reporting requirements under this section with reporting requirements under any other provision of Federal law.".

SEC. 10. EFFECT ON OTHER LAW.

Section 721(i) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(i)) is amended to read as follows:

"(i) EFFECT ON OTHER LAW.—No provision of this section shall be construed as altering or affecting any other authority, process, regulation, investigation, enforcement measure, or review provided by or established under any other provision of Federal law, including the International Emergency Economic Powers Act, or any other authority of the President or the Congress under the Constitution of the United States.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. OXLEY) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OXLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to urge all Members to support H.R. 5337, the National Security FIRST Act, which makes important reforms to the process by which the Committee on Foreign Investment of the United States scrutinizes purchases of U.S. businesses by foreign ones, to ensure that there is no threat to national security.

As we consider this legislation, we must remember that the result of foreign investment in the United States has been spectacular. U.S. subsidiaries of foreign-owned companies employ nearly 5½ million Americans. The average salary for those workers is a healthy $60,000 and a third of those jobs are in manufacturing.

At a time when we are concerned about our balance of trade, it is important to note that more than 20 percent of U.S. exports are produced by U.S. subsidiaries of foreign companies. Mr. Speaker, we all know why we are here today.

Congress and the country went through a very difficult period this spring after we learned about the Dubai Ports sale.

□ 1245

As a response, in one of the best examples of bipartisanship I have seen in my tenure here, H.R. 5337 was introduced by Majority Whip BLUNT, Chairwoman PRYCE, Mrs. MALONEY and Mr. CROWLEY and now has nearly 90 cosponsors. It is a very good bill that addresses what some see as flaws in the CFIUS process without creating new problems or barriers to investment.

I would particularly like to compliment Chairwoman PRYCE for her leadership on this complex issue. In three very thorough hearings, she made certain members were well-versed in the details of the CFIUS process before any legislating was done. The result was a unanimous 64–0 vote for passage in the Financial Services Committee.

The language we are considering today is nearly identical, with a manager's amendment that makes only a few changes made to further strengthen the process. Among those changes are the addition of Commerce Secretary as a second Vice Chair of CFIUS; the addition of the Energy Secretary to CFIUS itself; clarification that CFIUS reviews are to be done to determine the effects of a transaction on national security; the requirement that the 30-day review period end with a roll call vote, with any single dissenting vote sending the transaction into the 45-day investigative period; and further clarification of the role of the Director of National Intelligence in the CFIUS process.

Mr. Speaker, what we need to accomplish is to strengthen the national security in two ways: by increasing administration accountability and by improving the ability of Congress to perform necessary oversight. This bill does both. The result will be a process that stops what should be disapproved and gives a green light to what should be approved, including, of course, any modifications needed to protect against the loss of the defense industrial base or a critical technology.

This is a strong and effective bill here that corrects exactly what was wrong with the CFIUS process without overreaching and causing further problems. It continues to give CFIUS the flexibility to exercise discretion, allowing it to focus on investments that raise national security concerns. I do not and will not support some of the other proposals that have been put forward, such as any additional time delays or directly involving Congress in the decisionmaking process. I believe we need to take great care to refrain from inserting politics into the consideration process, and that goal has been achieved here.

Mr. Speaker, we must protect our national security, but national security includes economic security. Let's remember that it is our economic security and prosperity that give us the resources to provide adequately for our internal and external defenses. We simply must not drive off those who want to make the wise investment in our great economy.

Our friends in the other body should understand that no bill would be a preferable alternative to a bad bill, and we in the House will not sacrifice American prosperity and job growth when there is no real improvement to American security.

Mr. Speaker, this is an excellent bill; and I think the CFIUS process and our national security would be improved by enacting it exactly as written.

Mr. Speaker, I reserve the balance of my time.

Mrs. MALONEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am delighted to join my colleagues, Representatives OXLEY, PRYCE, CROWLEY and Majority Whip BLUNT in bipartisan support of H.R. 5337, the National Security FIRST Act.

After the Dubai Ports World disaster, it was clear that there was a pressing need to reform the process by which the United States Government reviews foreign acquisitions of businesses in the United States for national security threats, the Committee for Foreign Investment in the United States, or CFIUS.

This bill was unanimously approved by the Financial Services Committee and has received strong bipartisan support in the Homeland Security Committee. It also reflects the input of the Energy and Commerce, Armed Services and International Relations Committees.

We have all worked hard together to achieve a strong and sensible bill, and I would like to thank the members and staff of these committees as well as my own staff for their support and hard work.

H.R. 5337, the National Security FIRST Act, is widely recognized as a balanced approach which protects national security, first, while continuing to encourage safe and important foreign investment, to create American jobs and improve our economy.

Many observers, both domestic and foreign, think our bill has struck this balance successfully. The National Security FIRST Act incorporates and builds on a bipartisan bill I introduced earlier, based on reforms proposed by the General Accounting Office even before Dubai Ports World brought this issue into the spotlight. These recommendations of the GAO were obviously not knee-jerk reactions to the Dubai crisis but addressed structural problems in the CFIUS process and so provided a sound and farsighted basis for long-term reform.

This bill addresses three core issues.

First, the bill strengthens national security protections. All foreign government-controlled entities must go through a 45-day rigorous investigation in addition to the 30-day review. This is necessary because government-controlled entities could have agendas other than profit and can pay whatever they want to accomplish them. Private companies would not be able to compete.

To ensure greater accountability and better judgment, all reviews and investigations by CFIUS will require sign-off at the highest levels. The Secretary or Deputy Secretary of Treasury, Homeland Security and Commerce must sign the CFIUS recommendation. The Dubai Ports deal was approved by 12 people and agencies. No one had ever heard of these particular people. This bill makes Cabinet officers responsible to the American people for their decisions.

Also important, all reviews and investigations will be analyzed by the Director of National Intelligence, whose input is required under the bill.

For the first time, CFIUS will have a set of mandatory factors to consider in determining whether the purchase could affect national security, including whether it affects critical infrastructure such as ports, energy transmission or voting machines.

Second, the bill builds in congressional oversight by requiring twice-annual reporting to Congress of all completed actions by CFIUS. In order to ensure that this administration does not evade its responsibility by only reporting to one or two members, the bill specifies that both majority and minority members of the relevant committees will be notified.

Additionally, Congress would be notified promptly of any extensive investigation or transaction involving a foreign government purchase.

Involving Congress can help the CFIUS agencies be more aware of transactions that raise a red flag. For example, recently I wrote a letter to Secretary Snow urging CFIUS to review a transaction in which a company with strong Venezuelan ties acquired a major electronic voting company in the United States. Treasury says it is conducting a pre-review of whether the company is owned by the Venezuelan Government and whether the deal puts our electoral system at risk. Regardless of the outcome, this is a good example of why this bill is needed.

The third impact of the bill is to strengthen the CFIUS enforcement and monitoring systems. In many cases, the U.S. Government enters into a contract with a foreign purchaser to ensure U.S. Government concerns regarding national security are met. This bill strengthens these contracts and adds provisions to follow up on whether the foreign purchasers are complying.

Also, the bill provides for greater oversight of withdrawals from the CFIUS process. The GAO, the Government Accountability Office, noted a pattern of applicants withdrawing if they needed or received indications of concern and then going ahead with the flawed transaction anyway without the CFIUS approval. These off-the-radar deals pose great risk and great incentives, and we need to adopt better monitoring of them.

In sum, this bill is a sensible, balanced approach to making sure foreign acquisitions do not jeopardize our national security, while not killing foreign investment in our country. I urge my colleagues to support the bill. Ninety of our colleagues are cosponsors.

Mr. Speaker, I reserve the balance of my time.

Mr. OXLEY. Mr. Speaker, I am pleased now to yield 4 minutes to the gentleman from Missouri (Mr. BLUNT), the majority whip and the lead sponsor of this important legislation.

Mr. BLUNT. Mr. Speaker, I thank the chairman for yielding time and for the great work he has done on this bill, the work that his committee has done, particularly the work that Chairman PRYCE and her subcommittee has done not only to look at this bill carefully in hearings but have significant input and then crafting what a bill would look like that protects our country in a post-9/11 world but still also protects our economy and American companies and American pension plans and others that invest in those companies. The tremendous efforts that Mrs. MALONEY has made and is making again today on the floor, as well as the efforts of Mr. CROWLEY, have all been significant in trying to take a problem and create the right solution. Chairman BARTON, Chairman KING, Chairman HOEKSTRA, all original cosponsors of the bill and who have all helped this bill as it worked its way through the process. Chairman HYDE and Chairman HUNTER had significant input. Certainly the ranking member of the Financial Services Committee, Mr. FRANK, had input and was very helpful in what I think is a product that we can be pleased with here, as was Mr. SMITH from Texas.

A few months ago, the country and, frankly, many Members, virtually everybody in the legislature, and even more frankly almost everybody in the administration, was surprised when the announcement was made that this particular decision had been made regarding one of our ports. That called attention to the fact that the CFIUS process was a process that might have worked well in a previous time, but the Committee on Foreign Investment in the United States was not designed to meet our time. The attacks on September 11 changed that. That world needs to be balanced with a global economy, where even if you don't know that you own stock in an American company that may be the subject of purchase, your pension plan may be very dependent on the value of that company.

So what this bill does, Mr. Speaker, is I think arrive at the right balance that, first and foremost, does protect our security but does that in a way that doesn't needlessly impact the value of American companies and American assets in the marketplace.

The points that have been made by the previous speakers are certainly the points that need to be made. Congress reaffirmed the intent of the Congress to look more carefully at companies that are owned by foreign governments in light of particularly some of the examples that have been given. The example that was just given by Mrs. MALONEY would be an example.

We have increased the accountability of CFIUS by establishing the process more fully in statute, by adding the Department of Homeland Security and the Secretary of Homeland Security, the Secretary of Commerce as vice chairmen. We have also added the Department of Energy to the committee and formalized the importance of each of the agencies in reaching a conclusion. We have increased congressional oversight and done the right things here.

I think the key to this legislation as it hopefully moves forward today is the tremendous bipartisan effort that has been made. If our colleagues approve this bill today, I know we all look forward to working with Senators SHELBY and SARBANES in conference and getting this problem solved in this Congress. We have a tough bill on the floor today. We improve our security in the right way.

And, again, before, as I close, I would like to thank the staff that has worked so hard: Joe Pinder, Bob Foster, Jackie Moran, Sam Geduldig on my staff, and many other staffers on all of these committees whose chairmen have been mentioned who have worked this bill in a way that solves a complicated problem in the right way.

Mrs. MALONEY. Mr. Speaker, I yield 3½ minutes to the gentleman from Massachusetts (Mr. FRANK), ranking member of the Financial Services Committee.

□ 1300

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the gentlewoman. She and the gentleman from New York (Mr. CROWLEY) and others on our committee on both sides of the aisle worked constructively on a good bill. I appreciate the kind words of the majority whip.

There was a threatening climate towards foreign direct investment a few months ago as a result of the reaction to the Dubai Ports. I thought it was a mistake to allow Dubai to be able to buy those ports, but I did think that the reaction against that threatened to jeopardize a very important source of support for the American economy, and that is foreign direct investment.

There was among some of our colleagues a kind of reaction to say, "We don't want them bringing their money in here and investing in America." That was unwise, and I think cooler heads on both sides of the aisle have prevailed, and we have a bill that recognizes that foreign direct investment, the foreign investment in building plants and running enterprises in America, is a good thing.

Many Americans complain when American corporations invest their money in physical facilities overseas. Well, it then does not make sense to complain about the reciprocal. Yes, we want to make sure that nothing is done that jeopardizes our security.

I think we have a bill today that improves the situation without any kind of drastic change of a sort that would have endangered foreign direct investment, and I have to say there was a terrible mistake made by the Bush administration, in my judgment, in not shutting down the Dubai Ports thing before we got to it.

I do think we should be very clear, though, we have to differentiate between laws which are badly administered and laws which are badly structured. We have had cases, in my view, where this administration has messed up on a number of occasions. I think they badly handled Katrina. They made a terrible mistake with Dubai, but if we were going to drastically wrench out of shape every law that this administration administers poorly, we would not be taking an August recess. That would keep us busier than we already are.

What we have to do is make a separation. We have to be able to differentiate between the incompetence of an administration and a structural failing in the law.

Now, we have done that in this case. I understand the bipartisanship extends here to the restructuring, in a reasonable way, in the law and not to recognition in my part on the incompetency of the administration. I do not mean to include my colleagues in saying that, but I do think this is the principle we have tried to follow on our side.

When this administration messes something up, we should not overreact and wrench the structure out of shape. We should make those structural changes that might be called for. That is what we are doing here, and we are preserving the role that foreign direct investment can play in the United States. We can express the hope that this administration in its remaining time will not misadminister this as badly as they did before.

Mr. OXLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio (Ms. PRYCE), the chairman of the appropriate subcommittee who has shown enormous leadership on this issue.

Ms. PRYCE of Ohio. Mr. Speaker, I want to thank the chairman for yielding me the time and his invaluable leadership on this piece of legislation. His leadership led us very thoughtfully through this process, and we did not have a knee-jerk reaction that so often happens around here. Your valued experience and insights have made this much better legislation. Thank you.

Over the last few months, we have heard very much about CFIUS. Media reports of CFIUS transactions such as the Dubai Ports deal have given pause to most Americans and awakened this Congress to the need to reform the process of allowing foreign investment in the United States. Congress has taken a strong position on national security since 9/11, and this legislation updates CFIUS for a post-9/11 world where national security and homeland security need to be considered much more strongly than in years past. National security, however, is not mutually exclusive of economic security. This legislation strives to ensure national security while promoting the creation and maintenance of jobs.

This legislation institutes vice chair positions in CFIUS to be filled by the Secretary of Homeland Security and the Secretary of Commerce. We believe it shows how America continues to think globally for investment and locally for security.

While strengthening our security, we have also continued our work to strengthen our relationships and open markets with nations abroad. These countries have a growing appetite for foreign goods and products, American products and American investments.

American companies and brand names that we all recognize have grown exponentially because of these market openings, and growing American companies mean growing American jobs.

In Ohio, we have seen the benefits of open markets and foreign investment, welcoming into our communities Siemens, Sodexho, Honda, Lexis-Nexis, and many, many more.

Honda Motor Corporation has become the largest auto producer in Ohio beginning production in 1979 with an initial investment of $35 million in Marysville, Ohio. To date, Honda's capital investment in Ohio tops $6.3 billion over 26 years. Honda's North American plants purchased more than $6.5 billion in parts from 150 different Ohio suppliers just in 2005. Honda's investment in the people of Ohio keeps approximately 8,500 people employed.

When a foreign company looks to invest in the U.S., they are looking to grow their business, and that equals growing jobs in the United States. The U.S. Commerce Department says that foreign firms doing business in the U.S. employed nearly 5.1 million employees in 2004, slightly less than one out of every 20 workers in the private sector.

This process of reforming CFIUS has the potential to undercut the United States' long-standing support for capital market access and the free movement of capital. Thanks to the chairman's leadership and a very thoughtful approach to this reform effort, I believe this legislation continues to focus our efforts in securing our Nation, while remaining committed to free trade as one of the greatest engines of prosperity.

In recent months, the Treasury Department has made strides in congressional notification of pending deals that could potentially affect national security, but that is simply not enough. This legislation ensures that a Dubai Ports World situation does not happen again in a post-9/11 world. When questions of national security or foreign government ownership arise, accountability is clear, and the transaction moved immediately to investigation.

The American people can feel confident that this legislation institutes the oversight and protections needed to determine if a foreign investment transaction is in the best interests of the United States' national security.

In a world intertwined by global companies, it is important we continue to protect U.S. national and economic security while promoting foreign investment. This issue touches every American who wants to know that each day they are safe.

I want to thank the chairman and Ranking Member FRANK, my good friend, Ranking Member MALONEY, our whip, Mr. BLUNT, and Representative CROWLEY and everyone who worked so hard on this, and I urge support.

Mrs. MALONEY. Mr. Speaker, I yield 3½ minutes to the gentleman from New York (Mr. CROWLEY) who has worked very hard on this bill.

Mr. CROWLEY. Mr. Speaker, I thank the gentlewoman from New York for yielding me the time, and I rise in strong support of this bipartisan piece of legislation.

I want to commend the work of Majority Whip BLUNT, a good friend, as well as Representative PRYCE and Representative MALONEY for their leadership of working on this legislation. I also want to recognize the outgoing chairman and my good friend, Mike Oxley, for all of his work on this and the many pieces of legislation we have worked together on in a bipartisan way, and particularly BARNEY FRANK, who saw through all of this, cut through the politics and right to the chase and worked very hard in seeing that this important bill passed today.

H.R. 5337 works to keep the flow of direct foreign investment in the U.S.A. strong while putting national security first. This is a good jobs bill, pro-business. It is pro-labor, and this bill does all things to help to secure our Nation, yet not stop investment here in the United States. I am pleased to say this bill enjoyed unanimous support in the Committee on Financial Services, passing on a 64–0 vote.

This bill enjoys the support of everyone from the Center for American Progress to the Chamber of Commerce.

This bill is about keeping the flow of foreign investment coming to the U.S. and not driving these funds and their subsequent jobs out of the country.

But H.R. 5337 includes new, tough safeguards put in place to ensure the security of America first. This entire legislative initiative, which has been pursued in a bipartisan fashion, is a result of the botched handling of the DPW transaction, the Dubai Ports deal. That transaction involved a government-owned company from Dubai buying into various port assets here in the United States.

As a result, a significant and appropriate focus of the committee has been to toughen the scrutiny for acquisitions by government-owned companies since some government-owned companies will make decisions based on government interests and not commercial interests. No job, no deal, no transaction is worth threatening the safety of Americans, and this bill puts those conditions in place. We all know this to be true, but being from New York City, it is even more true.

This bill will provide strong, new safeguards to ensure our Nation's security and protect critical infrastructure, but also continues to give CFIUS flexibility to exercise discretion, allowing CFIUS to focus on the deals that raise real national security issues and not get bogged down into those deals with no national security implications at all.

For example, this bill will allow CFIUS to go straight to an investigation phase if CFIUS so decides that the concerns are so serious as to merit this.

This is a good bill, protecting national security, guaranteeing the flow of direct foreign investment in the U.S., and ensuring we will not have another Dubai Ports debacle, and I, therefore, urge its passage in the House today.

And finally, I understand the Senate is in the process of moving their bill forward, and I look forward to a constructive conference with the Senate, but this issue is far too important to compromise our national security or our Nation's economic security on backroom wheeling and dealing.

We, in the House, in a bipartisan manner, recognize the diligence that went into crafting this bill, and we will work for this to be the lead text in any conference.

The Senate bill does not meet our important threshold on national or economic security. This bill does, and I know we in House who have worked as hard as we have will fight in conference for a good bill or we will take no bill at all.

I urge a "yes" vote on this bill. It protects national security, enhances the ability of more foreign investment here in the U.S.A. and ensures the transparency of CFIUS.

Mr. OXLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FOLEY), a distinguished member of the Ways and Means Committee.

Mr. FOLEY. Mr. Speaker, I thank the chairman for his work on this, as well as many, many others.

We know how we got here on this important bill, and it was the Dubai Ports deal. It shocked America, and it shocked me as a member of the Ways and Means Committee. Not that we were thumbing our noses at investors who would feel comfortable investing in the United States. That was not the question. It was not a question about our support for their efforts in the war on terrorism. We support their efforts.

But as was stated by Mr. CROWLEY, it was a foreign government, and foreign governments behave differently than foreign corporations. Corporations do not care about the politics. They care about the profits. Governments take a different view of the world and have to think of external and internal political calculations.

What startled me about the deal was the fact when then-Secretary of the Treasury, John Snow, appeared before our panel, when the news first broke about this transaction, when I asked him what was involved in the vetting process, he looked at me as if he had no idea about the transaction at all. Then we came to find out mid-level managers at the Department decided this on their own. They had not properly vetted it through the necessary agencies to ensure that we had covered the gamut of questions that may have arose from this transaction.

Fortunately, based on the leadership that has been displayed here in crafting this bill in a bipartisan fashion, we will now have a process by which we can analyze and investigate and give comfort to the American public that a transaction involving six strategic ports or any other facility will have the proper authorities reviewing the intricacy of the details.

They always say the devil's in the details. In this transaction, we knew very little about the intentions of the port companies, their expansion capabilities, their leasehold interests, how they may be transferrable to other entities. We had a blank slate on which to review this transaction.

This bill brings to the floor and to the process transparency, clarity and an ability to tell our constituents we know the transaction.

Mrs. MALONEY. Mr. Speaker, may I inquire as to the time remaining.

The SPEAKER pro tempore. The gentlewoman from New York (Mrs. MALONEY) has 7 minutes remaining. The gentleman from Ohio (Mr. OXLEY) has 7 minutes remaining.

Mrs. MALONEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentlewoman for yielding, and I rise in support of H.R. 5337 and want to add some important history and context to our discussion.

The Omnibus Trade Act of 1988 was referred to the Committee on Energy and Commerce on which I sit. During its consideration, our committee produced the Exon-Florio provision which determines what can be bought in the United States by foreign entities, and it was included in the final version of the Omnibus Trade Act.

Exon-Florio authorized the President to suspend or prohibit the acquisition of a U.S. corporation by a foreign entity. Responsibility for executing Exon-Florio was delegated to the Committee on Foreign Investment in the United States, CFIUS, the interagency committee that was formed to protect the United States' economic well-being and national security.

☐ 1315

In the past, the Energy and Commerce Committee has conducted numerous oversight hearings, aggressively evaluating how well CFIUS has complied with the requirements of Exon-Florio. When the Senate amended Exon-Florio and passed the Byrd amendment in 1993, members of Energy and Commerce were conferees for those provisions.

While I am pleased that the Energy and Commerce Committee conducted a hearing on CFIUS and considered it in open markup, and while we support the legislation, we are disappointed that a number of the provisions we added to the bill are not in the version we are considering today. These are matters of the utmost importance to our economic and national security. As we proceed, I encourage my colleagues to be vigilant and consider these matters carefully.

I look forward to continuing our work in the Committee on Energy and Commerce, consistent with its long-standing involvement with this issue, and working with my other colleagues in the House who have also put much thought and effort into this legislation.

Mr. OXLEY. Mr. Speaker, I am now pleased to yield 2 minutes to the gentleman from Florida (Mr. STEARNS) of the aforementioned Energy and Commerce Committee.

Mr. STEARNS. Mr. Speaker, I rise, like my other colleagues, in support of H.R. 5337, the Reform of National Security Reviews of Foreign Direct Investments Act. Obviously, we all agree this is a bill that will strengthen the American economy by encouraging others to invest in America, while at the same time, fortifying our national security.

Myself and Ranking Member SCHAKOWSKY had a hearing dealing with this bill, which showed the importance of it. We had a very small part. I think the Department of Commerce is now co-vice chair in the bill, but I want to commend Mr. BLUNT for his leadership on this, and also for the continuing leadership of Chairman OXLEY, who did all the vitally important work for this. We had a very small part in it, my subcommittee, which is the Subcommittee on Commerce, Consumer Protection, and Trade.

We all know that open investment policy has made the United States a favorite destination for foreign direct investment, with over $115 billion invested in 2004, supporting over 5 million American jobs found in every State of this union, from car manufacturing plants in Missouri to aircraft production in my home State of Florida.

This bill will ensure that the United States is and will remain the world's benchmark for open, transparent investment policy. This openness and this transparency in our vibrant markets at home has basically allowed American companies to export those principles abroad, principles that ultimately increase prosperity and, most importantly, encourage better acceptance of the democratic and free markets, principles that form the bedrock of the American way of life.

So, again, I support this bill, I urge my colleagues to do so, and I thank my colleague for the time.

Mrs. MALONEY. Mr. Speaker, I take this opportunity to thank Chairman OXLEY for his distinguished service to this body and to this country. He has been a very fine chairman of the Financial Services Committee, on which I serve. An example of his leadership is the bill that is before us today, which had very strong bipartisan input, was balanced, took into consideration concerns first of all for national security but also for the business community and all concerned.

In sum, the bill has over 90 cosponsors. It is a balanced approach, making sure that foreign acquisitions do not jeopardize our national security while continuing to encourage appropriate foreign investment.

Mr. Speaker, I reserve the balance of my time.

Mr. OXLEY. Mr. Speaker, I am now pleased to yield 1 minute to the distinguished chairman of the Armed Services Committee, the gentleman from California (Mr. HUNTER).

Mr. HUNTER. I thank the gentleman for yielding, and I just wanted to say that I am going to support this legislation. We have several important issues that we think were decided in the right way, particularly the one that gives the Secretary of Defense a veto of the process if he finds that national security interests are impaired or are affected. And that is very, very important to us.

There are several issues that we think still need to be resolved that are important to the Armed Services Committee, but we support the bill in terms of moving it forward into the conference and getting this very important legislation, intended to tighten up the CFIUS process, in place so that we can apply it to pending transactions.

So, Mr. Speaker, I intend to vote "yes" on this, but to work very closely with the gentleman from Ohio, my good friend, and with all the other Members who have been putting this legislation together as we move through conference to try to firm up a few other important defense issues as we go through the conference.

Mrs. MALONEY. Mr. Speaker, I do not have any further requests at this time, and I yield back the balance of my time and urge a "yes" vote.

Mr. OXLEY. Mr. Speaker, I will be brief. I do not think anybody could have predicted, certainly not me, that a few weeks after the firestorm that came about with the announcement of the Dubai Ports deal that we would be on the floor today debating legislation that was considered by our committee and others and passed in our committee overwhelmingly with a 64–0 bipartisan vote, with cooperation on both sides of the aisle, to deal with a real problem.

Even though I personally felt there was a great deal of overreaction about the Dubai Ports deal, the fact is that it revealed some very deep concerns that people like the gentleman from California had, and others, about how the CFIUS process works. We set about with great care, working with Mr. FRANK, our ranking member, Mrs. MALONEY and Mr. CROWLEY, to craft a bill under the guidance of Chairwoman PRYCE and Mr. BLUNT from Missouri, to craft a bill that met the balance, met the test of dealing with our very real concerns about national security and, at the same time, encouraging foreign investment into our country.

I have to say that of all the bills I have been involved in since I have been chairman, and, frankly, all the bills I have been involved in since I have been here in 25 years, this was one that gave me a great deal of satisfaction because it showed the legislative process at its very best, with input from people who had a great deal of knowledge, who worked very hard on the issue, from the staff to the Members, to craft this legislation and stand here today, just a few weeks after that firestorm, with a product that is going to pass overwhelmingly in this House and that really says that this House, when we want to, can deal in a bipartisan way with some very difficult issues in a very professional manner.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. OXLEY. I will be glad to yield to my friend from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I would just like to note that I agree with what the chairman has just said. But this is not the first example of a bill coming out of the Financial Services Committee on a subject which could have been very contentious but, in fact, came to the floor in a form that reflected a very good process, a very open process, with hearings and subcommittee, committee markups, and full participation and, as a result, received overwhelming votes.

We saw this on the GSE bill, we saw it in the bill dealing with the extension of credit, called the FACT Act, and we have seen it on a number of bills, and the chairman deserves a great deal of credit on this. And as his career here draws to a close, I just want to note that this is a very good example of the chairman's willingness to help us bring out the best in ourselves in this process.

And he is correct, this could have been the source of a lot of demagoguery, a lot of political sniping, of frankly some destabilization to the economy because of the negative impact a badly handled bill could have had. So I just want to acknowledge that as the ranking member, it has been my privilege to work with the gentleman from Ohio, and this is only one of a series of bills where we have worked together, under his leadership, to take subjects that, as I said, could have been contentious and destabilizing, and brought the House a product with overwhelming support.

I thank the gentleman for yielding.

Mr. OXLEY. I can't match the eloquence of the gentleman from Massachusetts, so I yield back

Mr. LANTOS. Mr. Speaker, I rise in support of H.R. 5337, the National Security Foreign Investment Reform and Strengthened Transparency Act of 2006.

As we have seen over the past year, greater oversight is needed regarding foreign investment in the United States. I have expressed serious concern regarding the acquisition of U.S. port operating companies by foreign companies. I want to commend Chairman OXLEY and Ranking Democratic Member FRANK for the work they have done to bring this legislation to the floor.

Mr. Speaker, I want to call attention to one critical issue, the acquisition of U.S. domestic oil companies by Russian firms with close ties to the Russian Government. News reports suggest that Russian oil interests seek to acquire U.S. pipelines and liquefied gas facilities in order to control the entire supply chain of Russian gas exports to the United States, from extraction to consumer sales and distribution. At the same time, however, Russia is preventing American and other foreign oil companies from acquiring more than a 49 percent stake in all but the country's smallest oil and gas fields.

This effort to gain political control of energy markets is not surprising, but it is totally unacceptable.

Acquisition by Russian firms of portions of our energy distribution system poses an extremely serious national security threat to the United States. Russian energy companies such as Gazprom and Rosneft are state-controlled entities and are not simply foreign-owned companies that act as independent commercial entities. These Russian energy firms are run by friends and former colleagues of Russian President Vladimir Putin and their officers include individuals who occupy high level positions in the Putin administration. For example, Rosneft Chairman Igor Sechin is Putin's Deputy Chief of Staff.

These state-dominated companies operate as tools of the Russian Government and the strategy to use Russia's vast oil and gas exports as an instrument of political and economic power. One needs to remember the problems faced earlier this year when Russian firms briefly cut off natural gas to Ukraine, and this irresponsible action raised serious concerns about political manipulation of Russian energy supplies throughout Western Europe.

Mr. Speaker, Putin effectively re-nationalized the Russian energy industry in 2003 by expropriating the assets of Russia's largest privately-owned energy company, Yukos, and by failing to pay appropriate compensation to its owners. Yukos shares were held by numerous United States citizens and shareholders, and they lost some $6 billion.

Rosneft's acquisition of assets from Yukos, a publicly traded company, violated the basic norms of a free market. Public accounts of the transaction suggest that Rosneft's senior officers and directors, some of whom are senior officials of the Russian Government, personally profited from the theft of these assets through their involvement in a sham transaction. In that transaction, a front-company of unknown ownership acquired the assets at billions of dollars below their market value in a forced auction arranged by these very officials, who in turn secured the prompt transfer of these assets from the front-company to Rosneft—a sequence of events that has raised serious questions of corruption.

The Council on Foreign Relations recently released a report on Russia's slide toward authoritarianism that called the Russian Government's forced breakup of Yukos and the long-term imprisonment of its senior officials on charges of tax evasion as "the most consequential single episode in the refashioning of the Russian state in this decade."

Mr. Speaker, I am pleased that the Financial Services Committee recognizes the seriousness of these issues. The Committee report on H.R. 5337 makes clear that the Congress expects the acquisitions of U.S. energy assets or companies by foreign governments or companies controlled by foreign governments will be reviewed closely for their national security impact. I fully endorse the Committee's view that Congress should continue its longstanding efforts to ensure that U.S. investors are treated fairly in foreign markets and that foreign governments honor their commitments in international agreements.

Mr. Speaker, I urge careful consideration of any future acquisition of U.S. oil interests by Russian firms, and I urge my colleagues to support this legislation.

Mr. BARTON of Texas. Mr. Speaker, I rise in support of H.R. 5337, the Reform of National Security Reviews of Foreign Direct Investment Act. I want more foreign investment in America, not less, but I do not want the kind that threatens our security. CFIUS exists to make the distinction, and we need to know that it's doing a good job.

We don't automatically fear foreign investors here in America. The money provided by foreign investors creates jobs, growth, and opportunity here at home. I just want to ensure the investment we attract does not jeopardize national security.

H.R. 5337 provides consistent criteria with appropriate discretion and will improve the review process without impairing our ability to attract significant and needed foreign investment.

Mr. Speaker, the Energy and Commerce Committee shares jurisdiction over this matter and we marked up the bill in my Committee with some changes. While the amended bill we are considering today contains some differences than the version my Committee reported, I support it. Importantly, it provides for mandatory review of foreign government-controlled transactions. Additionally, it provides clear and consistent review criteria for all other commercial investments, it adds the Secretary of Energy to the Committee, and it makes the Secretary of Commerce a co-vice chair of the Committee. Most important, it adds transparency in the process for Congressional oversight and establishes new reporting requirements many of us feel are essential to this process.

I support H.R. 5337 and urge my colleagues to approve the measure.

Mr. THOMPSON of Mississippi. Mr. Speaker, I stand here today as Ranking Member of the Committee on Homeland Security in support of H.R. 5337, the Reform of National Security Reviews of Foreign Investments Act. This bill provides needed reform by formalizing and streamlining the structure and duties of the Committee on Foreign Investment in the United States (CFIUS). Indeed, this bill addresses many of the concerns raised about CFIUS during the past 6 months, especially its current lack of transparency and oversight. This bill rectifies these concerns by formally establishing CFIUS, its membership, streamlines how and when a CFIUS review will be conducted.

Mr. Speaker, the bill formalizes the CFIUS membership and requires the following to serve: (1) Secretaries of Treasury, Homeland Security, Commerce, Defense, State, and Energy; (2) Attorney General; Chair of the Council of Economic Advisors; the U.S. Trade Representative; Director of Office of Management and Budget; Director of National Economic Council; and (3) The Director of Office of Science and Technology Policy; the President's assistant for national security affairs; and any other designee of the President from the Executive Office.

Under this bill, the Treasury Department will be the Chair with the Secretaries of Commerce and Homeland Security as the Vice Chairs. CFIUS will conduct a review of any national security related business transaction in which the outcome could result in foreign control of any business engaged in interstate commerce in the U.S. After reviewing the proposed business transaction, CFIUS will make a determination, the outcome of which could require conducting a full investigation if one of three circumstances exists: transaction involves a foreign government-controlled entity; transaction threatens to impair national security and the review cannot mitigate concerns; or National Intelligence Director identifies intelligence concerns and CFIUS could not agree upon methods to mitigate the concerns.

Incidents such as the Dubai Ports World (DPW) and the China National Offshore Oil Corporation's attempted bid for control of oil company Unocal raised and increased awareness around transactions that should receive CFIUS review. These incidents highlighted the need for meaningful CFIUS reform.

The bill balances the need for continued foreign investment in the United States, but reviewing that investment to determine if it would impair or threaten national security or critical infrastructure.

This bill establishes accountability to key Cabinet level agencies and, much like other corporate reform, requires personal action by the Secretaries of Treasury, Commerce, and Homeland Security. Congressional Research Service's independent report found that for all merger and acquisition activity in 2005, 13 percent of it was from foreign firms acquiring U.S. firms. This is up from 9 percent almost 10 years before. This statistic shows that foreign investment in the U.S. is vital to the economy.

Only through this legislation will CFIUS have a formal budget, membership, and clear mission—protecting American security while maintaining a free and growing economy.

In closing, let me thank my colleagues on the Financial Services Committee for their leadership on this legislation, especially my Democratic colleagues Representative CAROLYN MALONEY and JOSEPH CROWLEY of New York for their efforts. Congresswoman MALONEY actually testified before the Committee on Homeland Security on this legislation, explaining its necessity and importance.

Mr. BARTON of Texas. Mr. Speaker, although the legislation adds the Secretary of the Department of Homeland Security as a co-Vice Chair of CFIUS, I would like to enter into the RECORD a letter from Chairman KING of the Homeland Security Committee. The letter states that this designation does not affect, alter, or add to that Committee's jurisdiction.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
Washington, DC, July 19, 2006.

Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.

DEAR CHAIRMAN OXLEY: I write in regard to H.R. 5337, Reform of National Security Reviews of Foreign Direct Investments Act.

I understand that nothing in H.R. 5337 or the amendments to H.R. 5337 affects, alters, or adds to the jurisdiction of the Committee on Homeland Security. Specifically, H.R. 5337's designation of the Department of Homeland Security as a vice-chairperson of CFIUS and the imposition of any additional duties associated with the appointment of the Department of Homeland Security as a vice-chairperson does not affect, alter, or add to my Committee's jurisdiction.

I'm pleased that we can continue to move this bill forward, and I look forward to working with you in that process.

Sincerely,

PETER T. KING,
Chairman.

Ms. WATERS. Mr. Speaker, I rise in strong support of, H.R. 5337, the Reform of National Security Reviews of Foreign Investments bill. First, I want to once again acknowledge the work of the distinguished gentleman, Mr. OXLEY, Chairman of the Committee on Financial Services for supporting this bill, and Ranking Member FRANK for recognizing the importance of this issue. Let me congratulate Chairwoman PRYCE, of the Subcommittee on Domestic and International Monetary Policy, Trade and Technology, for working to move this legislation through the Committee and onto the Floor. The bill we consider today represents a comprehensive set of reforms to the Committee on Foreign Investment in the United States' (CFIUS) procedures. It is a testament to the diligence of the Subcommittee Chair and its Members that there is strong bipartisan support for H.R. 5337, also sponsored by the Subcommittee Ranking Member Ms. MALONEY, Mr. CROWLEY and Mr. BLUNT.

It has been more than 4 months since we were made aware of the Committee of Foreign Investment's (CFIUS) activities related to Dubai World Ports and the implications of the proposed deal for national security. I can genuinely say that the Members of the Committee on Financial Services have been deeply involved in this issue since the deal was analyzed by Congress. H.R. 5337 is designed to reform the CFIUS process based on the information gleaned from hearings on the subject. I am the first to say that no one is interested in cutting off foreign direct investment in the U.S., but we do expect such investments to be prudently made and that they are in the best interest of the country. As the leader of the world economy, it would be foolish to assume that we could take such steps to prohibit foreign direct investment. What we really need are safeguards to ensure that the CFIUS process is consistent with the original Congressional intent about national security and investments.

This bill will guarantee that CFIUS operates within the law, and it makes clear who is responsible for what, since it was revealed that no one was sure who was responsible for the Ports decision. Another critical issue is how decisions are actually made and what entity is principally responsible for protecting the national security interests of the nation as they pertain to foreign direct investment. The bill enables CFIUS to unilaterally initiate a review where an national security issue is raised; any foreign government backed deal would be subject to review; both the Secretaries of Treasury and Homeland Security must sign off on reviews, while the Homeland Security Secretary would be vice-chair of the Committee; and all reviews are subject to review by the Director of National intelligence.

Most importantly, everyone knows that transparency and accountability were, in part, at the heart of Congress' uproar over the Dubai World Ports deal. H.R. 5337 requires that CFIUS report bi-annually to Congress on its activities, which should prevent Congress from being alerted to such deals after the fact. I would submit that this is strong legislation that will only make Congress' job less difficult on the issue of national security and foreign direct investment. Therefore, I urge my Colleagues to support this major reform bill.

Mr. BACA. Mr. Speaker, I rise in strong support as a cosponsor of H.R. 5337, National Security Foreign Investment Reform and Strengthened Transparency Act of 2006.

This legislation clarifies and strengthens the authority of the Committee on Foreign Investment in the United States to ensure that foreign acquisitions of U.S. companies or assets do not threaten national security.

As the tragic events of September 11, 2001 demonstrate, the threats to the security of the United States have increased and evolved in ways that could not have been anticipated when Congress enacted the Exon-Florio provision in 1988. As a result, we can no longer view national security only through the lens of conventional military threats. We must also guard against other types of threats that could seriously harm our Nation such as a disruption of U.S. energy supplies.

With global energy supplies tight, and oil and gas prices skyrocketing, a major disruption of U.S. energy supplies would pose a grave danger to the Nation's economy and the safety and security of the American people. This bill recognizes this fact and includes strong measures to ensure that foreign takeovers of U.S. energy companies or assets do not threaten the energy security of the United States.

The Committee's Report states: "H.R. 5337 makes clear that national security encompasses threats to critical U.S. infrastructure, including energy-related infrastructure. The Committee expects that acquisitions of U.S. energy companies or assets by foreign governments or companies controlled by foreign governments will be reviewed closely for their national security impact. If such acquisitions raise legitimate concerns about threats to U.S. national security, appropriate protections as set forth in the statute should be instituted including potentially the prohibition of the transaction."

Russia is a perfect example. Russia has made it clear that it wants to acquire pipelines and natural gas conversion facilities in the United States. I strongly believe, however, the United States should tread very carefully before permitting such acquisitions. Here's why.

In 2003, Russian President Vladimir Putin reasserted government control over Russia's energy industry through the expropriation of Russia's largest privately-owned energy company, Yukos, without paying any compensation to its owners, including U.S. shareholders who lost approximately $6 billion.

As a result, Russian energy companies such as Gazprom and Rosneft are controlled by friends and associates of Putin, including individuals who occupy high level positions in the Putin Administration. Putin appears to be using these companies to implement his strategy of using Russia's oil and gas exports as an instrument of political and economic coercion to advance the interests of the Kremlin. If these Russian government-controlled companies gain control of U.S. energy assets, U.S. energy security could easily be put at risk just as was the case when Russia cut off natural gas supplies to Ukraine in January, and later this spring, when Gazprom not-so-subtlety warned European leaders that Russia would sell its natural gas to Asia instead of Europe if they tried to interfere in Russia's plans to control the entire sales and distribution of natural gas throughout Europe.

Mr. Speaker, this would be a disaster for America. We must not let this happen to the United States.

Mr. SHAYS. Mr. Speaker, I rise in strong support of H.R. 5337, the National Security Foreign Investment Reform and Strengthened Transparency Act.

I am an original cosponsor of this legislation, which would require that all transactions involving state-owned companies be automatically subject to a full 45-day investigation. The legislation would also name make the Homeland Security secretary the vice chairman of the Committee for Foreign Investment in the United States (CFIUS), which is chaired by the Treasury Department.

The recent attempt by Dubai Ports World (DP World), a port operations company owned by the government of the United Arab Emirates (UAE), to purchase operating terminals at six U.S. ports, was a clear indicator we must reform the CFIUS process.

Whenever a foreign investment affects homeland security, it deserves greater scrutiny. This legislation strikes the proper balance between strengthening our economy and protecting the American people.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. MORAN of Virginia. Mr. Speaker, I support H.R. 5337, and I would like to applaud the floor managers of the bill for their efforts on the legislation. The CFIUS process is in need of reform, and this bill provides reforms that effectively balance the country's need for strong national security protections with its need for continued foreign investment.

While our national security objectives must be paramount in this area, I do have some concern about the time CFIUS could take under the bill's provisions to review an acquisition that it ultimately determines presents no national security issues. The bill allows for a CFIUS review period of up to 30 days, followed by an investigation of up to 45 days when certain conditions specified in the bill are determined to be present. The investigation period can then be extended under certain circumstances. Notably, there is a mandatory investigation of all acquisitions by state-owned companies even in the absence of any showing of a possible national security concern.

I would prefer to see the process shortened where it is apparent at an early stage that national security is not an issue, and I urge my colleagues to consider changes in this regard in conference. It would be unfortunate if CFIUS resources were diverted from acquisitions with real national security implications to those with no such implications. I am comforted on this point, however, by the fact that the review and investigation provisions would not preclude a person from petitioning CFIUS to dispense with the initial review period and to go directly to the investigative stage, thereby shortening the process in situations that do not present significant security risks. My understanding is that such a petition could be filed under the current CFIUS regime, and I do not read the bill as changing the law in that regard. I would assume that CFIUS would consider any such petition on a case-by-case basis and would decide whether or not to grant it depending on various factors affecting national security. Such factors, I assume, would include whether the acquirer had established its national security credentials in previous CFIUS proceedings or otherwise, whether in the case of a government-owned acquirer the government was a U.S. ally, and many other factors bearing one way or another on national security. I am also encouraged by the fact that the bill's review and investigation provisions prescribe a maximum, not a minimum, number of days.

Mr. Speaker, again I want to compliment the floor managers on a bill that puts national security first but that also will allow our continued need for foreign investment to be satisfied rather than ignored.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 5337, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. OXLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

PROVIDING FOR AN ADJOURNMENT OR RECESS OF THE TWO HOUSES

Mr. SHADEGG. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 454) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 454

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Thursday, July 27, 2006, or Friday, July 28, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Wednesday, September 6, 2006, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on Thursday, August 3, 2006, Friday, August 4, 2006, or Saturday, August 5, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, September 5, 2006, or such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

UNITED STATES-ISRAEL ENERGY COOPERATION ACT

Mr. SHADEGG. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2730) to establish a grant program to fund eligible joint ventures between United States and Israeli businesses and academic persons, to establish the International Energy Advisory Board, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2730

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Israel Energy Cooperation Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) it is in the highest national security interests of the United States to ensure secure access to reliable energy sources;

(2) the United States relies heavily on the foreign supply of crude oil to meet the energy needs of the United States, currently importing 58 percent of the total oil requirements of the United States, of which 45 percent comes from member states of the Organization of Petroleum Exporting Countries (OPEC);

(3) revenues from the sale of oil by some of these countries directly or indirectly provide funding for terrorism and propaganda hostile to the values of the United States and the West;

(4) in the past, these countries have manipulated the dependence of the United States on the oil supplies of these countries to exert undue influence on United States policy, as during the embargo of OPEC during 1973 on the sale of oil to the United States, which became a major factor in the ensuing recession;

(5) research by the Energy Information Administration of the Department of Energy has shown that the dependence of the United States on foreign oil will increase by 33 percent over the next 20 years;

(6) a rise in the price of imported oil sufficient to increase gasoline prices by 10 cents per gallon at the pump would result in an additional outflow of $18,000,000,000 from the United States to oil-exporting nations;

(7) for economic and national security reasons, the United States should reduce, as soon as practicable, the dependence of the United States on nations that do not share the interests and values of the United States;

(8) the State of Israel has been a steadfast ally and a close friend of the United States since the creation of Israel in 1948;

(9) like the United States, Israel is a democracy that holds civil rights and liberties in the highest regard and is a proponent of the democratic values of peace, freedom, and justice;

(10) cooperation between the United States and Israel on such projects as the development of the Arrow Missile has resulted in mutual benefits to United States and Israeli security;

(11) the special relationship between Israel and the United States has been and continues to be manifested in a variety of jointly-funded cooperative programs in the field of scientific research and development, such as—

(A) the United States-Israel Binational Science Foundation (BSF);

(B) the Israel-United States Binational Agricultural Research and Development Fund (BARD); and

(C) the Israel-United States Binational Industrial Research and Development (BIRD) Foundation;

(12) these programs, supported by the matching contributions from the Government of Israel and the Government of the United States and directed by key scientists and academics from both countries, have made possible many scientific breakthroughs in the fields of life sciences, medicine, bioengineering, agriculture, biotechnology, communications, and others;

(13) on February 1, 1996, United States Secretary of Energy Hazel R. O'Leary and Israeli Minister of Energy and Infrastructure Gonen Segev signed the Agreement Between the Department of Energy of the United States of America and the Ministry of Energy and Infrastructure of Israel Concerning Energy Cooperation, to establish a framework for collaboration between the United

States and Israel in energy research and development activities;

(14) Israeli scientists and researchers have long been at the forefront of research and development in the field of alternative renewable energy sources;

(15) many of the top corporations of the world have recognized the technological and scientific expertise of Israel by locating important research and development facilities in Israel;

(16) among the technological breakthroughs made by Israeli scientists and researchers in the field of alternative, renewable energy sources are—

(A) the development of a cathode that uses hexavalent iron salts that accept 3 electrons per ion and enable rechargeable batteries to provide 3 times as much electricity as existing rechargeable batteries;

(B) the development of a technique that vastly increases the efficiency of using solar energy to generate hydrogen for use in energy cells; and

(C) the development of a novel membrane used in new and powerful direct-oxidant fuel cells that is capable of competing favorably with hydrogen fuel cells and traditional internal combustion engines; and

(17) cooperation between the United States and Israel in the field of research and development of alternative renewable energy sources would be in the interests of both countries, and both countries stand to gain much from such cooperation.

SEC. 3. GRANT PROGRAM.

(a) AUTHORITY.—Pursuant to the responsibilities described in section 102(10), (14), and (17) of the Department of Energy Organization Act (42 U.S.C. 7112(10), (14), and (17)) and section 103(9) of the Energy Reorganization Act of 1974 (42 U.S.C. 5813(9)), the Secretary, in consultation with the BIRD or BSF, shall award grants to eligible entities.

(b) APPLICATION.—

(1) SUBMISSION OF APPLICATIONS.—To receive a grant under this section, an eligible entity shall submit an application to the Secretary containing such information and assurances as the Secretary, in consultation with the BIRD or BSF, may require.

(2) SELECTION OF ELIGIBLE ENTITIES.—The Secretary, in consultation with the Directors of the BIRD and BSF, may review any application submitted by any eligible entity and select any eligible entity meeting criteria established by the Secretary, in consultation with the Advisory Board, for a grant under this section.

(c) AMOUNT OF GRANT.—The amount of each grant awarded for a fiscal year under this section shall be determined by the Secretary, in consultation with the BIRD or BSF.

(d) RECOUPMENT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish procedures and criteria for recoupment in connection with any eligible project carried out by an eligible entity that receives a grant under this section, which has led to the development of a product or process which is marketed or used.

(2) AMOUNT REQUIRED.—

(A) Except as provided in subparagraph (B), such recoupment shall be required as a condition for award and be proportional to the Federal share of the costs of such project, and shall be derived from the proceeds of royalties or licensing fees received in connection with such product or process.

(B) In the case where a product or process is used by the recipient of a grant under this section for the production and sale of its own products or processes, the recoupment shall consist of a payment equivalent to the payment which would be made under subparagraph (A).

(3) WAIVER.—The Secretary may at any time waive or defer all or some of the recoupment requirements of this subsection as necessary, depending on—

(A) the commercial competitiveness of the entity or entities developing or using the product or process;

(B) the profitability of the project; and

(C) the commercial viability of the product or process utilized.

(e) PRIVATE FUNDS.—The Secretary may accept contributions of funds from private sources to carry out this Act.

(f) OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY.—The Secretary shall carry out this section through the existing programs at the Office of Energy Efficiency and Renewable Energy.

(g) REPORT.—Not later than 180 days after receiving a grant under this section, each recipient shall submit a report to the Secretary—

(1) documenting how the recipient used the grant funds; and

(2) evaluating the level of success of each project funded by the grant.

SEC. 4. INTERNATIONAL ENERGY ADVISORY BOARD.

(a) ESTABLISHMENT.—There is established in the Department of Energy an International Energy Advisory Board.

(b) DUTIES.—The Advisory Board shall advise the Secretary on—

(1) criteria for the recipients of grants awarded under section 3(a);

(2) the total amount of grant money to be awarded to all grantees selected by the Secretary, in consultation with the BIRD; and

(3) the total amount of grant money to be awarded to all grantees selected by the Secretary, in consultation with the BSF, for each fiscal year.

(c) MEMBERSHIP.—

(1) COMPOSITION.—The Advisory Board shall be composed of—

(A) 1 member appointed by the Secretary of Commerce;

(B) 1 member appointed by the Secretary of Energy; and

(C) 2 members who shall be Israeli citizens, appointed by the Secretary of Energy after consultation with appropriate officials in the Israeli Government.

(2) DEADLINE FOR APPOINTMENTS.—The initial appointments under paragraph (1) shall be made not later than 60 days after the date of enactment of this Act.

(3) TERM.—Each member of the Advisory Board shall be appointed for a term of 4 years.

(4) VACANCIES.—A vacancy on the Advisory Board shall be filled in the manner in which the original appointment was made.

(5) BASIC PAY.—

(A) COMPENSATION.—A member of the Advisory Board shall serve without pay.

(B) TRAVEL EXPENSES.—Each member of the Advisory Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions of subchapter I of chapter 57 of title 5, United States Code.

(6) QUORUM.—Three members of the Advisory Board shall constitute a quorum.

(7) CHAIRPERSON.—The Chairperson of the Advisory Board shall be designated by the Secretary of Energy at the time of the appointment.

(8) MEETINGS.—The Advisory Board shall meet at least once annually at the call of the Chairperson.

(d) TERMINATION.—Section 14(a)(2)(B) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Board.

SEC. 5. DEFINITIONS.

In this Act:

(1) ADVISORY BOARD.—The term "Advisory Board" means the International Energy Advisory Board established by section 4(a).

(2) BIRD.—The term "BIRD" means the Israel-United States Binational Industrial Research and Development Foundation.

(3) BSF.—The term "BSF" means the United States-Israel Binational Science Foundation.

(4) ELIGIBLE ENTITY.—The term "eligible entity" means a joint venture comprised of both Israeli and United States private business entities or a joint venture comprised of both Israeli academic persons (who reside and work in Israel) and United States academic persons, that—

(A) carries out an eligible project; and

(B) is selected by the Secretary, in consultation with the BIRD or BSF, using the criteria established by the Secretary, in consultation with the Advisory Board.

(5) ELIGIBLE PROJECT.—The term "eligible project" means a project to encourage cooperation between the United States and Israel on research, development, or commercialization of alternative energy, improved energy efficiency, or renewable energy sources.

(6) SECRETARY.—The term "Secretary" means the Secretary of Energy, acting through the Assistant Secretary of Energy for Energy Efficiency and Renewable Energy.

SEC. 6. TERMINATION.

The grant program authorized under section 3 and the Advisory Board shall terminate upon the expiration of the 7-year period which begins on the date of the enactment of this Act.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

The Secretary is authorized to expend not more than $20,000,000 to carry out this Act for each of fiscal years 2006 through 2012 from funds previously authorized to the Office of Energy Efficiency and Renewable Energy.

SEC. 8. CONSTITUTIONAL AUTHORITY.

The Constitutional authority on which this Act rests is the power of Congress to regulate commerce with foreign nations as enumerated in Article 1, Section 8 of the United States Constitution.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. SHADEGG) and the gentleman from New York (Mr. ENGEL) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona.

☐ 1330

GENERAL LEAVE

Mr. SHADEGG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. SHADEGG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2730, the United States-Israel

Energy Cooperation Act and urge my colleagues to support its passage. The U.S.-Israel Energy Cooperation Act will help curb America's reliance on foreign oil and increase our use of new energy technologies.

As the gentleman knows, the price of gasoline has risen to well above $3 a gallon across America. Indeed, it is drastically affecting the pocketbooks of all Americans and all American businesses. It affects every aspect of our economy; and, indeed, the rising cost of energy threatens the American economy. That is at least one of the reasons why the United States and Israel need to work together in partnership to look for ways that we can reduce our reliance on foreign sources of energy and particularly on foreign oil.

This bill utilizes the critical and close relationship between the United States and Israel on a common area of interest, that is, energy and energy independence by creating a vehicle for innovation and security.

Mr. Speaker, every American is aware that the United States is too dependent on foreign sources of energy. Every American should realize the danger this creates for us as a Nation. The United States Government predicts that by 2025 America will import almost 68 percent of its oil; and, increasingly, this oil comes from dangerous parts of the world. It comes from unstable areas, including the increasingly unstable Middle East.

Global fuel and consumption, however, is projected to increase by 100 to 150 percent over the next 20 years, driven largely by the rapidly growing Chinese and Indian economies; and this growth and this increase in demand will force prices even higher.

If the United States is to protect itself from the economic and the political threats created by this excessive dependence, we must reduce our reliance on foreign energy sources and on foreign oil as quickly and as efficiently as possible.

But there is a common interest between the United States and Israel in this work. Israel, too, is too dependent on foreign sources of energy; and this legislation takes care of that issue. It allows the United States Department of Energy to invest up to $20 million annually in joint energy projects between American and Israeli businesses, scientists and academics. Eligible products include research, development and commercialization of alternative energy sources, improved energy efficiency and renewable energy sources.

It is important, Mr. Speaker, to understand that legislation is not a handout, unlike other similar programs. Every single recipient of funds under this legislation is required, by the terms of the legislation, to pay back the American taxpayers in proportion to the Federal Government's share of the overall investment in the project. What that means is that if a successful project is developed as a result of these funds and if an energy source is found, according to rules provided by the Secretary of Energy, the Treasury of the United States will be repaid in proportion to the Federal Government's investment in the research involved or in the project which created this new energy.

H.R. 2730 has wide bipartisan support, including more than 100 Members of this House. It passed the Energy and Commerce Committee unanimously. I believe it is a critically important piece of legislation, and that that view is shared not only by those of us in this Congress but also by the people of Israel.

Not long ago, Mr. Speaker, the Prime Minister, Ehud Olmert, addressed a joint session of the United States Congress here in this Chamber. In his speech to the United States Congress just a few weeks ago, he expressed his support for this legislation, stating that "through the United States-Israel Energy Cooperation Act, in collaboration with our U.S. counterparts, Israel will increase its efforts to find advanced scientific and technological solutions designed to develop new energy sources and encourage conservation."

I would suggest it is not common for the Prime Minister of another nation to call on the United States to join them in the passage of a specific piece of legislation which will benefit both nations.

The United States and Israel are both at the cutting edge of research in energy technologies, but we must do more to end our dependence on foreign energy, and we have every reason to cooperate. For example, in my own State of Arizona, an Israeli scientist is working with an Arizona company on a demonstration project involving a very fast-growing algae which can be used to power a biomass energy plan.

By passing this legislation, the United States and Israel are fostering a partnership dedicated to scientific breakthroughs and improvements in energy innovation. This modest investment in scientific research will help both the United States and Israel in our efforts to develop new energy technologies, and it will help both of our countries reduce our reliance on foreign sources of energy.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield myself as much time as I may consume.

I want to commend my friend from Arizona for his remarks. I certainly concur with everything he said.

Mr. Speaker, I rise today in strong support of the United States-Israel Energy Cooperation Act. As an original cosponsor of this legislation, I am pleased that Congress is moving it forward today. I would like to thank the gentleman from Arizona (Mr. SHADEGG) and the gentleman from California (Mr. SHERMAN) for their great leadership in introducing this bill, as well as Chairman BARTON and Ranking Member DINGELL for supporting it in our committee.

As the gentleman from Arizona pointed out, the bill did pass the Energy and Commerce Committee unanimously, which shows the strong bipartisan support that it has. We will all benefit from our mutual commitment to this legislation; and, more importantly, our country will benefit.

Today, the United States consumes nearly 21 million barrels of oil per day, demands 25 percent of global oil production and holds only 3 percent of the global oil supply. This has made our Nation dangerously dependent on unstable and hostile nations for fuel and illustrates just how important it is for the United States to continue to build upon partnerships with other nations for developing alternative energy sources. Simply put, initiatives like this will help strengthen United States national security.

Israel has always been a close friend and ally of the United States, and this legislation simply builds upon both nations' history of innovation and cooperation on scientific research. We have already worked together on the United States-Israel Binational Science Foundation and the United States-Israel Binational Industrial Research and Development Foundation.

As some of you may remember, during consideration of the Energy Policy Act of 2005, I had a provision successfully adopted into the law, section 986, which requires the Secretary of Energy to report regularly on energy collaboration between the United States and Israel. We received the first report in November of 2005, and today's legislation will certainly expand opportunities for us to work together on achieving energy independence through the development and deployment of environmentally friendly energy technologies.

As a result of H.R. 2730, the Secretary of Energy will establish a grant program for joint ventures composed of Israeli and U.S. businesses and academics devoted to improving and expanding research on alternative energy, improved the energy efficiency, or renewable energy sources.

Our Nation is long overdue for a national energy policy that provides reliable, secure, affordable and environmentally responsible supplies of energy for our growing economy. While the small grants authorized in this program certainly cannot alone wean us off our addiction on oil in the short term, working with the highly advanced scientific sector in Israel, we can move in the right direction and affirm our hopes for what can be discovered and created through the mutual cooperation of our two great nations.

Again, I want to say that it is imperative that the United States take steps to wean itself off of its dependence on oil, and Middle Eastern oil in particular. Our national security and our energy needs are intertwined, and this bill will go a great step in moving in that direction.

So, Mr. Speaker, I strongly support the U.S.-Israel Energy Cooperation Act and urge its adoption today.

Mr. Speaker, I reserve the balance of my time.

Mr. SHADEGG. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN).

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman for yielding me time.

I rise today in strong support of this bill introduced by my distinguished colleague and friend, Mr. SHADEGG of Arizona.

This measure establishes a grant program to fund joint ventures between American and Israeli businesses and scholars and calls for the creation of an International Energy Advisory Board comprised of U.S. and Israeli representatives working in tandem toward the diversification of our sources of energy.

Today, due to our reliance on the foreign supply of oil, the United States is in a troubling position that is quickly escalating. As reported by the Department of Energy, U.S. dependence on foreign oil will increase by 33 percent in the next 20 years.

What makes the situation even worse is that frequently the money invested in foreign oil to meet our energy needs is then manipulated to fund terrorists who aim to attack us and our closest allies.

Part of the solution to this problem is simple: eliminating our dependency on Middle Eastern sources of energy and developing alternative energy sources to meet our needs.

Although developing alternative energy sources, that is, forms of energy, is far from easy, it is necessary for our continued security. Working together with Israel on developing such alternatives and on improving energy efficiency makes perfect sense.

Israel is a close and much valued friend of the United States, one with whom we share a deep bond based on mutual values of freedom, justice and democracy and one with whom we stand side by side in our struggle against terror.

Israeli scientists have developed some of the world's most advanced technology, contributing greatly to breakthroughs in vital fields. One of Israel's many technological breakthroughs in the field of renewable energy sources includes a technique that significantly increases the efficiency of using solar energy to generate hydrogen for use in energy cells.

Mutual collaboration would yield great benefits for both the United States and Israel in an effort to develop technological solutions to our energy dependency problem.

Mr. Speaker, by supporting this bill, the United States Congress will enhance the cooperation between our two countries and will jump-start the creative process for the development of innovative approaches to a critical issue with domestic and national security implications.

And I thank the gentleman, the sponsor, for his time.

Mr. ENGEL. Mr. Speaker, I yield 6 minutes to the gentleman from California (Mr. SHERMAN), my friend who worked hard on this legislation.

Mr. SHERMAN. Mr. Speaker, there is no greater problem in this world than our dependence on petroleum. There is no greater problem for our Nation.

There is no greater problem for our economy than the fact that we have to import so much oil, sending billions of dollars every year to other countries, thereby impacting our balance of payments.

There is no greater problem for families than paying for gasoline and paying to cool or heat their homes.

There is no greater problem for the environment than the pollution caused when we burn petroleum, and there is no greater problem for the environment than global warming and the production of carbon dioxide and other greenhouse gases.

There is no greater problem for our national security than our reliance on foreign petroleum, first, the physical security of that petroleum and, second, the fact that the rest of the world, if not the United States, finds it necessary in order to acquire petroleum to give money to such countries as Iran and others who use that money for nefarious purposes.

Therefore, there is nothing that we can do that is more important than weaning the United States and the world off its dependence of petroleum. And the first step is research, and an important part of that research is cooperative research with other countries similarly dedicated to finding alternative energy.

□ 1345

There is perhaps no better partner than Israel. For the prime minister of Israel just a couple months ago, as the gentleman from Arizona pointed out, stood in this hall and said, "Both Israel and the United States share a desire for energy security and prevention of global warming. Therefore, through the United States-Israel Energy Cooperation Act, in collaboration with our U.S. counterparts, Israel will increase its efforts to find advanced scientific and technological solutions designed to develop new energy sources and encourage conservation."

As the prime minister pointed out, Israel and the United States have a strong mutual interest in advanced alternative energy research. Both countries are on the cutting edge of this scientific research. With modest investment, we can help stimulate joint efforts between American and Israeli private sector institutions and academic institutions to work toward the development of technology that reduces the world's dependence on petroleum.

In the 108th Congress, I introduced a very similar bill to the one that is before us today. It has been a pleasure to work with the gentleman from Arizona in introducing this bill last year, an improved version of the bill, and to work with so many, including the gentleman from New York, to see that that bill would reach this floor.

H.R. 2730 would allow the Department of Energy to invest up to $20 million annually to provide joint ventures between the U.S. and Israeli business and academic researchers both for alternative energy sources and for energy conservation. The Federal Government could recoup some or all of the monies so appropriated since, as the gentleman from Arizona pointed out, under each grant is an obligation for the grantee to pay the money back if the investment is successful and revenues are obtained.

Now, this legislation builds on existing cooperative efforts, including the United States-Israel Binational Science Foundation and the United States-Israel Binational Research and Development Foundation. These two entities have already made scientific breakthroughs in a variety of fields, including the life sciences, medicine, bioengineering, agriculture, and communications. Now it is time to redouble these efforts and to focus on energy. As the gentleman from New York pointed out, we have already had cooperative efforts with Israel on energy and he had added language in a bill passed last year to redouble those efforts. It is now time to pass the U.S.-Israel Energy Cooperation Act so that we would have a vehicle to move forward and work with Israel to use its cutting-edge scientific knowledge, and ours, to wean the world one step at a time off the need for consumption of petroleum.

Mr. SHADEGG. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. CONAWAY).

Mr. CONAWAY. Mr. Speaker, I thank the chairman for yielding.

I want to support this bill, H.R. 2730, for four reasons. One, it strengthens our ties between our Nation and Israel. These are mutually beneficial ties, and it is important that we continue to strengthen those ties on every level.

I will also support this legislation because it promotes research across three very broad areas: One, alternative sources of energy, increases or improvements to energy efficiency, and then renewable sources of energy. Breakthroughs in any of these three can have a dramatic impact on the way we use fuel.

The third reason I am going to support this is that while it does authorize $20 million a year over a 7-year period, there are payback or buyback provisions in the bill that allow for companies who benefit from seed money if they develop commercial applications of this research, they will pay this money back.

And the fourth reason is that the authors have included a sunset provision in the bill that after 7 years it goes away.

So for these important reasons, I am going to support this bill and encourage my colleagues to support it as well.

Mr. ENGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from Nevada (Ms. BERKLEY).

Ms. BERKLEY. Mr. Speaker, I would like to thank the gentleman from New York, Mr. ELIOT ENGEL, not only for yielding but for being a leader on this issue and so many others.

Mr. Speaker, I rise in strong support of H.R. 2730, the United States-Israel Energy Cooperation Act. We need only glance at today's headlines about conflict in the Middle East and soaring oil prices to know why this legislation is so important to the future of the United States and Israel, so important to the future of the entire world.

This bill will provide the resources to enable top scientists, academic institutions, and entrepreneurs in the field of renewable energy to develop breakthrough technologies both in the United States and in Israel. These two allies, through this legislation, are making a major commitment to break our addiction to oil through the development of abundant, secure, clean, and renewable sources of energy. I believe the United States-Israel Energy Cooperation Act will be recognized in the coming years as a major step towards energy independence and it will serve as a model for international cooperation we so desperately need if the world is to move beyond our dangerous dependence on oil.

Mr. SHADEGG. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan, my colleague from the Commerce Committee, the chairman of the Subcommittee on Telecommunications and the Internet (Mr. UPTON).

Mr. UPTON. Mr. Speaker, I thank the gentleman from Arizona for yielding.

I rise in strong support of this legislation. I would note that it passed without dissent in the Energy and Commerce Committee some time ago. But I also refer back to the Energy Policy Act of 2005, section 986, the one we remember so well. It did call for a report to Congress on U.S.-Israel cooperative energy research and projects, and this bill takes that one step further, and it funds cooperative joint ventures to promote energy efficiency, renewable energy, and alternative energy sources.

We have an energy crunch, a crisis. We should be working together. That is what this bill does. It expands the opportunities for companies and universities and different bodies in both countries to work together to develop new technologies, whether it be solar or other different projects, where consumers, citizens from both countries, will benefit. It is good bipartisan legislation. I would like to think that we can pass it without dissent this afternoon, move it to the Senate.

And, again, it was part of the energy bill that the President signed last year. This is a step in the right direction. It is good policy. That is why the Energy and Commerce Committee passed it out on such a strong bipartisan vote, and I would like to think that we will pass it without further ado this afternoon.

Mr. ENGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to again commend the gentleman from Arizona (Mr. SHADEGG) for his leadership on this bill.

I think that all the points that have been made on both sides of the aisle have been very important and very relevant, and that is why this bill is really a no-brainer. It is good for the United States, first and foremost. It is good for our relationship with the beleaguered State of Israel. And we know that to move forward, we need to find alternatives to oil, and this bill goes a long, long way. I am convinced that the technology is out there.

I am convinced that we can be free of our addiction to oil, that we can take care of our energy needs without oil. I am doing other legislation with the gentleman from Georgia (Mr. KINGSTON) in that regard. And I believe that in the next decade, our attention is really going to have to be focused on finding alternative ways of energy for this country.

This bill is an absolute win for everybody, and I urge my colleagues to support it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SHADEGG. Mr. Speaker, I yield myself such time as I may consume.

At this point, I will insert in the RECORD an exchange of letters between the chairman of the Commerce and Energy Committee and the chairman of the Science Committee on the issue of jurisdiction over this legislation.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE,
Washington, DC, June 29, 2006.

Hon. JOE BARTON,
Chairman, Committee on Energy and Commerce,
Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the jurisdictional interest of the Science Committee in H.R. 2730, the United States-Israel Energy Cooperation Act. The Science Committee acknowledges the importance of H.R. 2730 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over the bill, I agree not to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forgo a sequential referral waives, reduces or otherwise affects the jurisdiction of the Science Committee, and that a copy of this letter and of your response will be included in the Committee report and in the CONGRESSIONAL RECORD when the bill is considered on the House Floor.

The Science Committee also expects that you will support our request to be conferees on any provisions over which we have jurisdiction during any House-Senate conference on this legislation.

Thank you for your attention to this matter.

Sincerely,

SHERWOOD BOEHLERT,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, June 29, 2006.

Hon. SHERWOOD L. BOEHLERT,
Chairman, Committee on Science,
House of Representatives, Washington, DC.

DEAR CHAIRMAN BOEHLERT: Thank you for your letter in regards to H.R. 2730, The United States-Israel Cooperation Act.

I acknowledge and appreciate your willingness not to exercise your jurisdiction over the bill. In doing so, I agree that your decision to forgo further action on the bill will not prejudice the Committee on Science with respect to its jurisdictional prerogatives on this legislation or similar legislation. Further, I recognize your right to request conferees on those provisions within the Committee on the Science's jurisdiction should they be the subject of a House-Senate conference on this or similar legislation.

I will include your letter and this response in the Committee Report and I look forward to working with you as the bill moves to the House Floor.

Sincerely,

JOE BARTON,
Chairman.

Mr. Speaker, I want to begin by thanking my colleagues Mr. SHERMAN and Mr. ENGEL for their work on this bill. Mr. SHERMAN was the lead cosponsor of the legislation. He has, as he mentioned, worked very hard on the issue in a prior Congress. I am pleased to have been able to work with him on this legislation in this Congress and now to bring it to fruition. I appreciate his comments that he feels the current bill is an improved version and, in any event, believe it is a very important step forward.

I also want to thank my colleague from New York for his cooperation and his support of this legislation.

I believe it is a strong piece of legislation that will help move America forward and help move Israel forward. It will enable us to partner together and to address a problem which confronts both nations in regard to our excessive dependence on foreign sources of energy.

I think it is also important to note the unique nature of this legislation, as has been discussed in the debate here today, and that is the payback provision. Lots of times, government funds research, that research is phenomenally successful, but the government never sees and the taxpayers never see a payback. I am pleased we were able to negotiate language which calls for, under this legislation, a payback provision so that if any of the work done under the auspices of these funding programs produces a financial success, the taxpayers are repaid proportionally according to their investment.

I think it is critically important legislation. I call on my colleagues to support its passage

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to support H.R. 2730, the United States-Israel Energy Cooperation Act, introduced by my colleagues Congressman SHERMAN and Congressman SHADEGG.

The bill uses two existing cooperative efforts, United States-Israel Binational Science Foundation (BSF) and the United States-Israel Binational Industrial Research and Development (BIRD) Foundation, to establish a $20 million/year grant program administered by the Department of Energy. This program is intended to encourage American and Israeli businessmen and academics to pursue projects that would reduce our dependence on current energy resources and explore ways to increase energy efficiency.

Research by the Energy Information Administration of the Department of Energy has shown that the dependence of the United States on foreign oil will increase by 33 percent over the next 20 years. We are familiar with our Nation's "addiction to oil," as President Bush phrased it in the State of the Union, and the need to wean ourselves off of foreign energy dependence and onto more efficient energy resources.

As we watch the Middle East transform before our eyes once again, we must remember that in Israel we not only have a strategic ally. Israel is also a leader in technology innovation and research, a resilient and strong economic partner, and a nation that shares our interest in the development of energy alternatives development. Israel has the highest proportion in the world of scientists and engineers within the working population, as well as the highest proportion of published scientific papers and patents.

The United States and Israel share an unease about depleting energy resources, as well as a concern of the environment, and the importance of conservation initiatives. Although our politics and diplomacy are clearly actively engaged on a different stage of history in the Middle East. We must explore opportunities to increase our energy security, and pursue scientific advancements with the American and Israeli private and public sectors.

This venture is in our economic interest and our national security interest.

I urge my colleagues to support this bill.

Mr. SHADEGG. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. SHADEGG) that the House suspend the rules and pass the bill, H.R. 2730, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "To authorize funding for eligible joint ventures between United States and Israeli businesses and academic persons, to establish the International Energy Advisory Board, and for other purposes.".

A motion to reconsider was laid on the table.

FUEL CONSUMPTION EDUCATION ACT

Mr. SHADEGG. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5611) to provide for the establishment of a partnership between the Secretary of Energy and appropriate industry groups for the creation of a transportation fuel conservation education campaign, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited at the "Fuel Consumption Education Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) today's gasoline prices are taking a severe toll on the pocketbooks of all Americans;

(2) a large number of factors contribute to the price of gasoline, including worldwide demand for crude oil, taxes, international conflicts, regional supply chains, environmental regulations, and refining capacity;

(3) individuals can take steps to address rising demand by using a few simple gas saving tips; and

(4) increased driving efficiency will lower the demand for gasoline and thereby lower prices in the short term.

SEC. 3. PARTNERSHIP.

(a) IN GENERAL.—The Secretary of Energy, through the existing programs at the Office of Energy Efficiency and Renewable Energy, shall enter into a partnership with interested industry groups, including groups from the automotive, gasoline refining, and oil industries, to carry out a public education campaign that provides information to United States drivers about immediate measures that may be taken to conserve transportation fuel. This public-private partnership shall include a five member advisory board, to be chaired by the Secretary or his designee, which shall include representatives from the Department of Energy, the oil industry, the automotive industry, and the Congress, to be appointed by the Secretary. The Secretary shall appoint the advisory board not later than 30 days after the date of enactment of this Act.

(b) ACCESSIBILITY.—The public information campaign under this section shall be targeted to reach the widest audience possible. The education campaign shall include television, print, Internet website, or any other method designed to maximize the dissemination of transportation fuel savings information to drivers.

(c) FUNDING.—The Secretary is authorized to expend not more than $10,000,000 to carry out this section from funds previously authorized to the Office of Energy Efficiency and Renewable Energy, but shall provide no more than 50 percent of the cost of carrying out this section.

SEC. 4. PARTNERSHIP ON FUEL SUPPLY FOR EVACUATIONS.

(a) IN GENERAL.—The Secretary of Energy, through the exisiting programs at the Office of Energy Efficiency and Renewable Energy, shall enter into a partnership with interested industry groups and State and local governments, including groups from the gasoline refining and marketing industries, to carry out an education campaign that provides information to the State and local governments and the private sector about best practices to ensure adequate fuel supplies during emergency evacuations. This public-private partnership shall include a five member advisory board, to be chaired by the Secretary or his designee, which shall include representatives from the Department of Energy, the gasoline refining industry, the gasoline marketing industry, a State government, and a unit of local government. The Secretary shall appoint the advisory board not later than 30 days after the date of enactment of this Act.

(b) FUNDING.—The Secretary is authorized to expend not more than $3,000,000 to carry out this section from funds previously authorized to the Office of Energy Efficiency and Renewable Energy.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. SHADEGG) and the gentleman from New York (Mr. ENGEL) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona.

GENERAL LEAVE

Mr. SHADEGG. Mr. Speaker. I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. SHADEGG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 5611, the Fuel Consumption and Education Act.

I would begin by noting that in the debate on the last bill and, indeed, in the 1-minute speeches which occurred in this Chamber just this morning, it was noted that the cost of gasoline across America is spiking. Indeed, it is imposing a severe financial burden on every single American family and on every single American business. Rightfully, the American people have asked Congress to solve this problem and to solve it quickly, and yet I think most Americans understand, indeed, survey data show that they understand, that there is no single silver bullet that we can enact and solve this problem overnight.

But, Mr. Speaker, there are steps we can take. And this legislation, the Fuel Consumption and Education Act, takes one of those important steps. The rising cost of gasoline is a hardship, and this bill goes right at how we might address that hardship, and that is to reduce unnecessary demand for gasoline and gasoline products through a cooperative effort to understand how we can reduce that demand.

Indeed, the problem of high cost is, in part, specifically that, a result of excessive demand and inadequate or insufficient supply. This bill establishes a fuel conservation public service education campaign aimed at lowering demand for gasoline in the short term. And, indeed, it can work. Using mass media to influence energy consumption behavior across the country has been proven to work in the past.

□ 1400

Let me give you some examples.

In January of 2000, increased energy demand led to rolling blackouts in California. A part of the effort to combat those rising energy costs and to avoid rolling blackouts was a government-funded, public-private cooperative campaign undertaken to help reduce demand. Over the course of the year, Californians reduced peak demand by 89 percent. That is a fact. That is not a mistake. Californians, through this education program, reduced peak demand by 89 percent. They reduced total consumption by 6.7 percent in that year.

There are many things that can be done to reduce consumption, from properly inflating the tires of a vehicle, to making sure that the engine is tuned, to making sure that the air cleaner for the vehicle is replaced when it should be, to making sure that the fuel filter for the vehicle is replaced when it should be.

Mr. Speaker, there are many steps that we can take, that the average consumer, the average automobile driver does not understand and does not routinely do. All of that causes demand to go up, and all of that forces prices higher.

I urge my colleagues to support this legislation. I believe it is critically important. I want to commend my colleague from Texas, Mr. CONAWAY, for introducing this legislation and bringing it forward. It is the kind of step that we can do immediately to address both our excessive demand and the high prices.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 5611, the Fuel Conservation Education Act. Again, I find myself agreeing with my friend from Arizona in everything he said, which is why the bill is having strong support from all the members of the Energy and Commerce Committee on both sides of the aisle.

Mr. Speaker, during this time of record gasoline prices, over $3 a gallon in my home State of New York and in most States of this Union, we have to be smarter about the way we conserve energy. As individuals, we have a responsibility to make informed choices about what we drive, how we drive and what fuel we put in our cars.

In a recent Energy and Commerce Committee markup, our committee considered several bills to help consumers make decisions about how to improve the fuel economy of their cars. One of these was H.R. 5611, the Fuel Conservation Education Act, which we are debating today, which will direct the Department of Energy to establish a public-private partnership with industry on a conservation education program and campaign, teaching drivers about simple steps they can take to achieve real results. Education is clearly a necessary component of our national commitment to improving fuel economy.

During the same committee markup, our committee considered a bill by Congressman SHIMKUS, Congressman ALLEN and myself that would establish a National Tire Education Program. Right now, consumers have no way of knowing how efficient the replacement tires they purchase are or even that proper maintenance of tires will improve the fuel economy of these tires and of their automobile. It has been estimated that you can improve fuel economy by anywhere from 1 to 3 percent per year if tires are kept properly inflated. This could lead to savings of 1 to 2 billion gallons of fuel per year.

So it is all about education, and that is what this bill is about.

So, Mr. Speaker, while we must work on long-term solutions to our energy challenges that will have a significant impact on gasoline prices, we should also promote programs in the short term that will empower individuals to make informed choices about fuel economy. That is what this bill does, and that is why I urge the adoption of H.R. 5611 today.

Mr. Speaker, I reserve the balance of my time.

Mr. SHADEGG. Mr. Speaker, I yield 8 minutes to the distinguished gentleman from Texas (Mr. CONAWAY), the author of this legislation.

Mr. CONAWAY. Mr. Speaker, I appreciate that high praise indeed. I appreciate members of the Energy and Commerce Committee moving this bill along and moving it to the floor today with bipartisan support. I also want to thank the cosponsors of the bill, FRED UPTON, RALPH HALL, ED TOWNS and GENE GREEN, who helped work on this modest attempt to address the usage of gasoline in this country.

Several speakers ahead of us this morning during the one minutes spoke very eloquently about the rising cost of gasoline. I think yesterday there was a report that it hit a record $3.02 a gallon on average across the United States. It seems as though we as consumers will begin to make decisions at $3 a gallon that we won't make at $2 a gallon, decisions we ought to make at $2 a gallon, but the concern about the money is not there in our heads to make that happen.

This effort of a joint public-private educational effort has shown results in the past, as Mr. SHADEGG has already mentioned, in California, the dramatic results they had; people just making informed decisions, decisions that they ought to make day in and day out, but they don't.

There is a recent headline in the USA Today which said natural gas prices, not gasoline prices, but natural gas prices went down dramatically. Let me read one sentence out of that. "Prices have fallen because natural gas supplies are far above normal after a mild winter and lower demand, leading to an inventory surge."

Here is what we are trying to effect. If each one of us, each of us who drives a car in America this coming week and for the foreseeable future, would use just one gallon less of gasoline, you would see that impact. Inventories would begin to surge, and the prices would come down.

When I am out at town halls and other places in the district, even from a district that represents Midland and Odessa, the crude oil and natural gas production capital of the world, that may be a bit over the top, but, nevertheless, an awful lot of crude oil produced in West Texas, even there, people complain about high gasoline prices.

If all of us would collectively do small things, Mr. SHADEGG mentioned a couple of those, several of them, we could have a dramatic impact on total gasoline demand. As demand goes down, inventories would rise; and as those inventories go up, the law of supply and demand takes over and the prices go down.

We would have two benefits from that. One, the benefit we would get directly by actually spending less money on the gasoline for powering our cars; and then collectively we would benefit, the economy benefits as well as the ecology benefits.

2004, the last time we had statistics on that, we drove in America 2,962 billion miles, vehicle miles. You add all the cars up, the 243 million registered cars and trucks in this country, collectively we drove those many miles. With a volume of that size, modest reductions in the usage of gasoline or modest improvements in the efficiency of the usage of that gasoline can yield dramatic results.

Each one of us, on average, drives about 12,000 miles a year. It works out to about 234 miles a week. If we could begin to do the things that would improve the efficiency with which we drive those miles, or simply drive a few miles less, on average, it is about 17 miles to the gallon. If we just drove next week 17 miles less in our car than we did this week, if all of us did it, then the impact we want to achieve on this would begin to happen.

We are going to try to begin to convince the American gasoline users of this idea through media, print, television, Internet, Web sites, a variety of ways, to communicate the benefits of being smarter when you drive. Benefits like driving sensibly. If you are an aggressive driver, if you accelerate aggressively from stop signs and run the tachometer on your car above 2,000 RPMs, you will use more gasoline than you need to. So if you make a conscious effort to keep your tachometer below 2,000 RPMs a minute, you will use dramatically less gasoline. On average, the savings would be between 5 and 30 percent, which would save up to between 8 and 52 billion gallons of gasoline a year.

If you observe the speed limit, something that we all do here in this body, I am sure, religiously, but if you simply observe the speed limit, you could save economy fuel benefits between 7 and 23 percent, another 12 to 40 billion gallons of gasoline a year.

Excessive weight. These are some small things that most of us don't think about. But all that extra stuff that you haul around in the trunk of your car that ought to be stored in the garage, if you will take that weight out, you will improve your gasoline efficiency. In fact, the smaller your car, the greater that weight, then the differential is even bigger. So take all that extra weight out of the trunk of your car, and you will have savings there.

If you also keep your car tuned and the filters changed, there are dramatic savings in those regards as well. Keeping the tires inflated, our colleague on the other side has mentioned the importance of tires and the impact that they have.

So every one of these issues, each of us can choose to do our own. Particularly on our side of the aisle, we talk an awful lot about less government regulation, freedoms and personal choices. That is what we are talking about here. These are personal choices that you and I can make, not walking into work or not riding bicycles, not doing draconian kinds of things that really aren't going to work in the long run, but smart things that we can do, day in and day out, to begin to form a habit that allows us to use a little bit less gasoline than we would have otherwise used and also to keep money that we would spend on that gasoline.

So I encourage my colleagues to support this legislation. It is a modest attempt to address the problem. The overall problem of gasoline costs and usage in this country needs a long-term solution. This is not what that is about. This is about something we can begin to do today and tomorrow to affect this problem.

So I appreciate the Energy and Commerce Committee moving this bill forward, and I appreciate the sponsors that have helped with it.

Mr. ENGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GENE GREEN).

Mr. GENE GREEN of Texas. Mr. Speaker, I am a proud cosponsor of H.R. 5611. I serve on the Committee on Energy and Commerce, and I am glad our committee reported this bill to the floor.

It does basically two things: One, it creates these public-private partnerships so we can deal with the demand side. That benefits all Americans. I am honored to represent a district where we make a lot of gasoline that fuels our cars, but we also have to pay that high price at the pump. We can control our own destiny if we use public-private partnerships that this bill will allow between the Department of Energy and different groups. They will really help to show how we can lower our number of miles we need to drive and do a lot of other things, some of them are being done right now.

Making the Department of Energy more proactive with these private-public partnerships, will lower our demand side and hopefully lower our individual costs we have to pay for fuel. Also, if we lower demand, the price will come down. Because the reason we are paying over $3 a gallon, at least in my area and some areas of the country, is because of the high demand.

The other part of the bill I think is really good, and I am glad Mr. CONAWAY included it, the partnership on fuel supply for evacuations. I don't think there is any secret that in the Houston-Harris County area last year when Rita just barely missed us, it went to the east and hit both Congressman TED POE's district and Congressman KEVIN BRADY's, but we were concerned enough that we had almost 2 million people trying to evacuate, and the supply side for evacuations was not there.

The State of Texas and our local community is doing some planning now in anticipation. But, in hindsight, it really is the Department of Energy's responsibility to be able to look at this and make sure that in emergencies we have a plan in place for supply for evacuations but also after the fact.

In the Houston area, we have a number of refineries, and we actually shut those down because we thought Rita was going to be in the Houston Ship Channel and we were going to have 5 feet of water in those refineries. To get that refining capacity back up, we have to have some assistance; and I want the DOE to be a partner in that.

I support the bill and thank you, Mr. CONAWAY, for introducing it

Mr. SHADEGG. Mr. Speaker, at this time I yield 3 minutes to the gentleman from Michigan (Mr. ROGERS).

Mr. ROGERS of Michigan. Mr. Speaker, I thank the gentleman. I appreciate it.

I want to compliment Mr. CONAWAY from Texas for his introduction and pushing this bill, H.R. 5611, to the forefront. It is an important part of what we are doing in this House.

We get to the point where Asia has used more oil last year than North America, and India is yet to come online fully in its oil consumption. There is only going to be more pressure on the oil produced around the world.

So this House has taken some important steps to try to steady our supply. We have invested in the policy changes for domestic production and expansion of our refinery capability. We have invested in alternative fuels, not only in research and development but trying to make sure there is refining capability for ethanol across the country.

Lastly, we talk about conservation, when I recall back to being a young child and my parents coming home and telling us about President Nixon's challenge to every American to lower their thermostat in their house to help conserve energy, and it worked.

What this bill does is really present some very commonsense options for all of us that we get to follow. It is a true partnership from all of the players who have really the most to gain by conservation. It will lower demand, number one; and it will reduce our dependency on foreign oil, number two. They are small, commonsense things that we can do individually that add up to big solutions. That is what is important about this bill.

Just a few examples, Mr. Speaker, if I may. Replacing your clogged air filter can improve your car's gas mileage by as much as 10 percent. You can improve gas mileage by around 3 percent by keeping your tires inflated to the proper pressure. You can increase your gas mileage by 2 percent by using the recommended grade of motor oil by your car's manufacturer.

These are commonsense, simple things. But Americans need to understand how important those small things are in adding up to big savings of barrels of oil consumed every year, which means, at the end of the day, lower prices, less dependence on foreign oil.

□ 1415

Every family has sat at the table and talked about the consumption of their budget by gas prices. If you stop to fill up your pump on the way to take your kids to school, or to go to work, or run an errand, you know how painful it is today.

If we continue on the path of this House with good energy policy and domestic supply and alternative fuels, and individual conservation, Mr. Speaker, we will ensure that we have an energy supply for the future that is both affordable and meets the demands of an American economy that is on the move.

Mr. ENGEL. Mr. Speaker, I yield 6 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, this bill that we are debating right now was supposed to be a part of a comprehensive Republican Energy Week that we were going to have here at the end of July, showing how committed the Republican Party was to dealing with the energy crisis in our country.

And this is energy week for the Republicans, although I would spell "weak," w-e-a-k, because that is really what this bill is. This is a conservation, efficiency, education bill.

Now, it turns out that if you go to the Department of Energy Web site, you find out that they are already doing almost everything that is in this bill. It is already on their Web site. What I think the American people understand is that they should not expect the Republican Party to actually stand up to do something about energy efficiency.

Because, after all, we put 70 percent of all of the oil which we consume into gasoline tanks. So you would think that they would be out here on the floor, we would be having a huge debate about how to increase the fuel economy for the automotive fleet in our country, which has gone backwards over the last 20 years, to a standard that we met in 1981.

Now, the problem is that America now imports 61 percent of all of the oil which we consume. We put 70 percent of that oil into gasoline tanks. Now, if we just improve the fuel economy standards for our country to 33 miles per gallon over the next 10 years, that would be all of the oil that we actually import from the Persian Gulf. Thirty-three miles per gallon is all of the oil from the Persian Gulf.

Instead, we are back down at 25 miles per gallon in the United States, with this huge challenge knowing that the United States only has 3 percent of the oil reserves in the world.

So this bill out here educating the public as to how to drive their vehicle better or inflate their tires, that is all fine. But it is already out there. The Department of Energy is already doing it. Consumers are already trying to save the price of gasoline at the pump, because they know that OPEC and the oil industry is tipping them upside down and shaking money out of their pockets every time they go in to refill their tank.

By the way, when it comes to appliances, when it comes to electric consumption in our country, the Bush administration, over the first 6 years, has yet to promulgate a regulation on making the devices which we use in our country more efficient. They keep putting it back and back and back. And what they do is they tell us that the first one might be issued in September of 2007, and the last of the backlogged standards will not come out until 2011 and will not go into effect until 2016.

That will be the energy efficiency legacy of the Bush administration, of the Republicans, because, ladies and gentlemen, all of the coal-fired, oil-fired, nuclear-fired power plants that are built in America are nothing more than that electrical generation which is built so that we can plug in toasters, refrigerators, stoves, computers, have light bulbs go on.

But the Bush administration does not want to ensure that the industries that make these devices have to make them more efficient. So as a result we have more pollution, more health problems, and when it comes to automobiles and the importation of 70 percent of the oil, which we consume, by the way it was only 30 percent of the oil that we consumed in 1975 at the first oil crisis.

We are now up to 61 percent getting deeper and deeper. Since the Republicans took over the Congress in 1995, we have gone from 45 percent dependence on imported oil to 61 percent dependence upon imported oil, a 16 percent increase. Goes up about 1½ percent every year that the Republicans control the House and the Senate, and it really accelerates when they take over the Presidency, which they have had for the last 6 years.

They are saying today that they are not going to do anything about the fuel economy standards for SUVs and for automobiles. They are not going to improve the efficiency over the next 10 years, next 20 years, no plan in place. Same thing is true for the appliances which we use, the devices which consume electricity, no plan. But you can go to the Web site. That is what their bill will do. You can find out how to make more efficient the inefficient devices which you now have. That is the plan.

Mr. Speaker, I will tell you it is about as dangerous an abdication of responsibility on any issue that our country has ever seen. We just had the new President of Iraq address the Congress today. Is there a connection between the volatility in the price of oil for Americans at the gas pump and his presence here today?

The pictures that we see every night in Lebanon? All of it is related to the unfortunately crazy, speculative marketplace that is now opening up on the price of oil, because people believe that chaos is breaking out. Who is the victim? Each and every American who has to pay these exorbitantly high prices for energy because there is no Republican energy plan.

This is energy week for the Republicans, w-e-a-k. That is what we have on the floor debated this afternoon. I urge a "no" vote on this ineffectual, redundant, unnecessary piece of legislation

Mr. SHADEGG. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. UPTON).

Mr. UPTON. Mr. Speaker, I guess it was about 2 months or so ago that my friend and colleague from the good State of Texas (Mr. CONAWAY) came up to me with a piece of legislation that he thought would really help consumers, an education plan that promoted, in fact, could save lots of gasoline that we would not have to import.

Mr. CONAWAY wanted to do this the right way. He said, you know, this is such a good idea, obviously it is going to be referred to the Energy and Commerce Committee. He wanted it to be bipartisan. And as a new Member, he was not quite sure what his relationship was with some of the members on our committee, particularly on the other side of the aisle.

He asked for some advice. And he went and shopped that piece of legislation before he introduced it. As it turned out, he got every person that he asked to be a cosponsor of the bill.

Now, Mr. TOWNS, Mr. GENE GREEN, a whole number of different Members. The bill moved through our committee. And it passed without dissent. Had a hearing. It passed without dissent and here it is today.

Mr. Speaker, we have an energy crisis. We do. There is a host of things that we as individuals can do ourselves to help our own family budget, particularly as it relates to the fuel efficiency of our vehicles.

Some of us know some of these things already: Going the speed limit, removing the excess weight. But a whole number of different things, and, yes, the Department of Energy talks about it on its Web site. I think we can do a better job. That is what this bill is about, how can we do better?

Working with industry, working with the Department of Energy, working with our constituents trying to promote a whole number of things that collectively make an awful lot of sense. But the bottom line is that we can save, perhaps, if we did them all, if we were in violation of all of these things, perhaps save us as much as 25 or 30 percent of the income that we otherwise use for gasoline.

Mr. Speaker, I would urge my colleagues to support this bipartisan legislation. I endorse wholeheartedly what our colleague, Mr. CONAWAY, does. I would like to think that it will pass with a very strong vote this afternoon.

Mr. ENGEL. Mr. Speaker, I yield 4 minutes to our Democratic whip, my friend, the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I think this bill, the Fuel Conservation Education Act, is a worthwhile piece of legislation. I am going to support it. This bill calls for a public education campaign by the Department of Energy and industry groups to provide U.S. motorists with information about measures that they may take to conserve fuel. I think that is important information.

Many of the measures, from observing speed limits to keeping tires properly inflated, of course, are already well known.

I believe that even the cosponsors of the bill acknowledge that it is no substitute, however, for a real, proactive energy policy that seeks to wean our Nation from its dependence on foreign oil.

Thus, today, I want to take this occasion to call the Members' attention to legislation that seeks to do precisely that. I call it the PROGRESS Act, a program for real energy security.

I, along with others, unveiled this proposal yesterday, along with the dean of the House, Congressman DINGELL; the ranking Democrat on the Transportation Committee, Congressman OBERSTAR; and Congressmen UDALL, HERSETH, HOLT, BLUMENAUER, and SCHIFF.

In short, the PROGRESS Act seeks to initiate a robust, vigorous, focused national program, akin to the Manhattan Project, this one focused on energy independence.

The PROGRESS Act would establish a National Energy Security Commission, bringing together government, industry and academic leaders to develop consensus national goals on energy.

Well, that sounds very good, another commission. But it is, in fact, like the Base Closure Commission, because they will then submit through the President its proposals, and the Congress will have to act on those in an expedited fashion, as is true with Base Closure.

It would establish as well a new Manhattan Center for high efficiency vehicles, seeking to double the current average vehicles' efficiency, and to diversify fuel types. America, the greatest innovator on the face of the Earth, ought to be producing cars that are 60-, 70-mile-per-gallon cars, and selling them to India and China, as opposed to the other way around.

It would establish a national biofuels infrastructure development program, establishing a grant program to encourage the private sector to invest in wholesale and retail biofuel pumps, tanks, and related distribution equipment.

It will do us no good to produce biofuels if we cannot deliver them to biofuel-capable vehicles. The PROGRESS Act calls for a stimulus package to upgrade the pipeline for biofuels. You cannot ship them through pipelines, they are a different chemical make-up and they eat up pipelines.

The freight rail system, while also providing grants to promote conservation alternatives, such as public transit and commuter rail, the freight rail systems are critical.

This bill would also increase the use of alternative fuels in Federal fleets. Federal fleets are the largest users of petroleum products in the world. The largest single user in the world. Many of our vehicles are flex fuel vehicles. The problem is, there is no delivery of flex fuel infrastructure in place, and therefore they do not use it.

Mr. Speaker, I urge the Members to review the PROGRESS Act, this program for real energy security, which will be introduced tomorrow.

□ 1430

Energy independence is inextricably linked to our national security, our economic well-being and our environmental integrity. So, from a security point of view on national security, from an economics point of view in terms of the growth of our economy and from an environmental standpoint, we must apply America's technological capability to producing clean-burning alternative fuels that are energy efficient and sell them to China and India. Because if China and India do not have that capability as well, they will choke us to death. So it is not just what we do but what these two behemoth societies, growing industrial societies in our globe are doing. We must act now.

That is the point the gentleman from Massachusetts was making. I disagree with him on whether we are for or against this bill. I am going to vote for this bill. There is nothing wrong with this bill. Educating consumers is a good thing to do. To the extent that they are more knowledgeable in saving fuel, that is a positive step for us to take; and I am going to vote for it.

But the point that the gentleman from Massachusetts was making is it is not enough nor is it a substitute for very focused, comprehensive action. That is what the PROGRESS Act is all about. I hope that you will look at it, and I hope that you can help us pass it, perhaps not this year but in the very early part of the next session of the Congress of the United States.

Mr. SHADEGG. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. FITZPATRICK).

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, I rise as one Member on this side of the aisle that in the past has supported Mr. MARKEY's calls for increased fuel efficiency standards and voted for his amendments but believe that it would be foolish to so vote and not also support this demand side plan presented by Mr. CONAWAY from Texas, which also has a proven track record, and urge my colleagues to support H.R. 5611, the Fuel Education Conservation Act.

I just want to point out one fact, that, over one year, Californians reduced peak demand by 89 percent and total consumption by 6.7 percent. I would submit, if we can do it in California, we can do it across America. So I would urge my colleagues to support the bill.

Mr. ENGEL. Mr. Speaker, I have no further speakers. Again, I urge our colleagues to support the bill, and I yield back the balance of my time.

Mr. SHADEGG. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I rise in strong support of this bill. It is a constructive suggestion. And I am sorry to say that at least at one point in this debate it was proven that any issue, sadly, any issue that is brought to this floor can be made partisan.

It seems to me that the famous quote by Roosevelt applies here, and that is that it is always easy to point out how the strong man stumbled or how the doer of deeds might have done them better. It is always possible to come in and say, well, this isn't good enough. You should have done this. You should have done that.

But, as that quote suggests, the credit belongs not to the critic but to the man who is in the arena struggling and trying to do the right thing. In this case, Mr. Speaker, that is my colleague, Mr. CONAWAY of Texas.

Now, some people say facetiously, oh, this is energy week for the Republicans; and they criticize that we haven't done enough. I would note that some of those people oppose drilling in ANWR where we might find additional resource. They oppose even rational proposals to do offshore drilling. They oppose rational proposals called for by the industry to incentivize additional refineries.

Indeed, I worked very hard to increase hydroelectric energy; and the same people who are today here criticizing this bill opposed the construction of additional hydroelectric production facilities. Indeed, they say we should tear down existing dams that produce hydroelectric energy.

One of the speakers on this bill said, well, this really is unnecessary. Indeed, it is a waste of time. Because in point of fact there is already an Energy Department Web site which tells consumers this information.

Well, unfortunately, that misapprehends what this bill does. This bill doesn't just create a Web site. This bill calls for a cooperative effort to advertise to American consumers what they can do.

Perhaps the gentleman who made that argument knows that every single person residing in his congressional district understands already that using their cruise control on the highway can help maintain a constant speed and save gas.

Perhaps the gentleman understands, or in his congressional district every single consumer understands, that aggressive driving can reduce mileage by 33 percent.

Presumably, in that particular Member's district, every single member observes the speed limit and understands that for each five miles per hour over the 60 miles an hour that you drive, you are increasing the cost of gasoline by 21 cents a gallon.

Perhaps, indeed, I assume, every single consumer in that congressional district understands that a single 100 pounds of extra weight in your vehicle can cost you an additional 2 percent each year.

Perhaps in that congressional district every consumer understands that fixing a car that is not timed properly can save you 4 percent of the gasoline you need to consume. Indeed, fixing a serious maintenance problem can save you 40 percent.

And perhaps every consumer in that congressional district understands that if you keep your tires properly inflated you will save 3.3 percent.

But I would suggest that not all Americans do understand those things. I would suggest that this is good legislation. I would suggest that it is indeed the right thing to do, to help educate consumers; and I am, quite frankly, stunned that an opponent would come to the floor and say we do not need to educate America's consumers on the cost of excessive consumption of gasoline.

This is good legislation. I commend the gentleman from Texas (Mr. CONAWAY) for his effort. I appreciate the support of some of my colleagues on the other side, and I urge that all of the Members pass this legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BONILLA). The question is on the motion offered by the gentleman from Arizona (Mr. SHADEGG) that the House suspend the rules and pass the bill, H.R. 5611, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A Bill to authorize a partnership between the Secretary of Energy and appropriate industry groups for the creation of a transportation fuel conservation education campaign, and for other purposes.".

A motion to reconsider was laid on the table.

DELETING ONLINE PREDATORS ACT OF 2006

Mr. UPTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5319) to amend the Communications Act of 1934 to require recipients of universal service support for schools and libraries to protect minors from commercial social networking websites and chat rooms, as amended.

The Clerk read as follows:

H.R. 5319

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Deleting Online Predators Act of 2006".

SEC. 2. FINDINGS.

The Congress finds that—

(1) sexual predators approach minors on the Internet using chat rooms and social networking websites, and, according to the United States Attorney General, one in five children has been approached sexually on the Internet;

(2) sexual predators can use these chat rooms and websites to locate, learn about, befriend, and eventually prey on children by engaging them in sexually explicit conversations, asking for photographs, and attempting to lure children into a face to face meeting; and

(3) with the explosive growth of trendy chat rooms and social networking websites, it is becoming more and more difficult to monitor and protect minors from those with devious intentions, particularly when children are away from parental supervision.

SEC. 3. CERTIFICATIONS TO INCLUDE PROTECTIONS AGAINST COMMERCIAL SOCIAL NETWORKING WEBSITES AND CHAT ROOMS.

(a) CERTIFICATION BY SCHOOLS.—Section 254(h)(5)(B) of the Communications Act of 1934 (47 U.S.C. 254(h)(5)(B)) is amended by striking clause (i) and inserting the following:

"(i) is enforcing a policy of Internet safety for minors that includes monitoring the online activities of minors and the operation of a technology protection measure with respect to any of its computers with Internet access that—

"(I) protects against access through such computers to visual depictions that are—

"(aa) obscene;

"(bb) child pornography; or

"(cc) harmful to minors; and

"(II) protects against access to a commercial social networking website or chat room unless used for an educational purpose with adult supervision; and".

(b) CERTIFICATION BY LIBRARIES.—Section 254(h)(6)(B) of such Act (47 U.S.C. 254(h)(6)(B)) is amended by striking clause (i) and inserting the following:

"(i) is enforcing a policy of Internet safety that includes the operation of a technology protection measure with respect to any of its computers with Internet access that—

"(I) protects against access through such computers to visual depictions that are—

"(aa) obscene;

"(bb) child pornography; or

"(cc) harmful to minors; and

"(II) protects against access by minors without parental authorization to a commercial social networking website or chat room, and informs parents that sexual predators can use these websites and chat rooms to prey on children; and".

(c) DEFINITIONS.—Section 254(h)(7) is amended by adding at the end the following new subparagraph:

"(J) COMMERCIAL SOCIAL NETWORKING WEBSITES; CHAT ROOMS.—Within 120 days after the date of enactment of the Deleting Online Predators Act of 2006, the Commission shall by rule define the terms 'social networking website' and 'chat room' for purposes of this subsection. In determining the definition of a social networking website, the Commission shall take into consideration the extent to which a website—

"(i) is offered by a commercial entity;

"(ii) permits registered users to create an on-line profile that includes detailed personal information;

"(iii) permits registered users to create an on-line journal and share such a journal with other users;

"(iv) elicits highly-personalized information from users; and

"(v) enables communication among users.".

(d) DISABLING DURING ADULT OR EDUCATIONAL USE.—Section 254(h)(5)(D) of such Act is amended—

(1) by inserting "OR EDUCATIONAL" after "DURING ADULT" in the heading; and

(2) by inserting before the period at the end the following: "or during use by an adult or by minors with adult supervision to enable access for educational purposes pursuant to subparagraph (B)(i)(II)".

SEC. 4. FTC CONSUMER ALERT ON INTERNET DANGERS TO CHILDREN.

(a) INFORMATION REGARDING CHILD PREDATORS AND THE INTERNET.—Not later than 180 days after the date of enactment of this Act, the Federal Trade Commission shall—

(1) issue a consumer alert regarding the potential dangers to children of Internet child predators, including the potential danger of commercial social networking websites and chat rooms through which personal information about child users of such websites may be accessed by child predators; and

(2) establish a website to serve as a resource for information for parents, teachers and school administrators, and others regarding the potential dangers posed by the use of the Internet by children, including information about commercial social networking websites and chat rooms through which personal information about child users of such websites may be accessed by child predators.

(b) COMMERCIAL SOCIAL NETWORKING WEBSITES.—For purposes of the requirements under subsection (a), the terms "commercial social networking website" and "chat room" have the meanings given such terms pursuant to section 254(h)(7)(J) of the Communications Act of 1934 (47 U.S.C. 254(h)(7)(J)), as amended by this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. UPTON) and the gentleman from Massachusetts (Mr. MARKEY) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

GENERAL LEAVE

Mr. UPTON. Mr. Speaker, I would ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. UPTON. Mr. Speaker, I would yield myself 5 minutes.

Mr. Speaker, I rise in strong support of H.R. 5319, the Deleting Online Predators Act of 2006, which was introduced by Representatives Fitzpatrick and Kirk, along with Representatives Miller of Michigan, Weldon of Pennsylvania, English of Pennsylvania, Davis of Kentucky, and Castle.

I would note that under the leadership of Chairman WHITFIELD and Chairman BARTON, the Oversight and Investigation Subcommittee has held multiple hearings exposing the appalling sexual exploitation of children on the Internet. This includes the dark underside of social networking Web sites, which have been stalking grounds for sexual predators who are preying on children all across the Nation; and we have had many and such cases in my home State of Michigan, way too many.

Federal law enforcement officials have described the sexual abuse and exploitation of our Nation's youth as an epidemic propagated by the unlimited access of the Internet. The statistics are alarming. The FBI has seen better than a 2,000 percent increase in its caseload of online sexual predators the last 10 years. And of the estimated 24 million child Internet users, one in five kids has received unwanted sexual solicitations. It is estimated that, at any given moment, 50,000 predators are prowling for children online, many of whom are lurking within social networks.

At a minimum, what our hearings have taught us is that both kids and parents need to be better educated about the dangers of social networking Web sites, and parents need to police their children's online use at home to guard against sexual predators.

However, to the extent that children are using the Internet outside the home, particularly at school or at a public library, parents have not been able to monitor their child's online use, and that is the situation that H.R. 5319 is designed to address.

Earlier this month, the Telecommunications and Internet Subcommittee held a legislative hearing on this bill; and as a result of many constructive suggestions that we heard from our witnesses and Members alike, particularly those representing schools and libraries, the legislation before us today I think reflects much improvement.

At its heart, the bill before us today would require schools which receive e-rate funding, and I would note that I am a strong supporter of e-rate funding, to enforce a policy of Internet safety for minors that includes monitoring their online activities and the protection measures to protect against access to commercial social networking Web sites or chat rooms, unless used for an educational purpose with adult supervision.

Additionally, this bill would require libraries which receive e-rate funding to enforce a policy of Internet safety that includes the operation of a technology protection measure that protects against access by minors to commercial social networking Web sites or chat rooms unless they have parental authorization and the library informs parents that sexual predators can use those Web sites and chat rooms to prey on kids.

The approach taken by this legislation is not dissimilar to the approach taken by the Children's Internet Protection Act through which Congress requires schools and libraries that receive e-rate funding to impose filtering technology to protect kids from online visual depictions of an inappropriate sexual nature.

Mr. Speaker, I support the e-rate. I continue to do so. I often visit a school, virtually every week. I have seen the tremendous educational value which the Internet has brought to students throughout our district, and I recognize the importance of the e-rate in making that a reality.

However, as with all technologies, the Internet is a double-edged sword, and Congress does have the responsibility to ensure that, to the extent that a Federal program is involved, like the e-rate, it is doing all that it can to ensure that children are protected from online dangers. This bill represents another step in making sure that online experiences at school and the library are safe.

I want to congratulate Mr. KIRK, Mr. FITZPATRICK, and Ms. BEAN for their leadership on this issue. I urge all of my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MARKEY. Mr. Speaker, I yield myself such time as I may consume; and I rise in support of this legislation. I do so simply to move this process along and to indicate to families across the country that protecting children from online exploitation and from child predators is a serious issue that warrants attention.

This is an issue upon which Democrats and Republicans agree, because these issues affect families regardless of party affiliation. I do not, however, believe that this legislation will actually adequately address these issues, nor do I support the way in which this bill was brought to the floor today.

The hearing that we had on this bill highlighted several serious deficiencies and won't be effective in combating online predators. The Attorney General from Texas, for example, testified that just going after schools and libraries wouldn't achieve a whole lot. The initial bill would have had the Federal Government create a blacklist of forbidden Web sites. A law enforcement official and an Internet security expert testified that the bill would do little to protect children.

So how did the majority react to problems highlighted in the hearing? They decided to skip a subcommittee and a full committee markup. They opted to rewrite this bill without public input or consultation with the Democratic side, and they decided to rush it to the floor today.

Not surprisingly, the bill continues to have several flaws. It remains overbroad and ambiguous. I continue to have reservations about utilizing the e-rate funding mechanism as the legislative hook for Federal involvement in this area. That is because the e-rate program was not designed to be a cop on the beat in the front lines battling child predators. Rather, it was designed to enhance Internet access and bridge the digital divide.

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As a result, it is a program which may not help us assist all K-12 schools at any time or individual schools in every funding cycle. In other words, if the goal is protecting children and combating child exploitation, why should these requirements only apply in schools receiving e-rate funding?

And this bill does nothing for families when the kids online are at home. If the goal is to address the issue of online predators, this bill proposes an ineffectual remedy.

Moreover, the whole process by which this bill was brought to the floor today puts in jeopardy the prospects of legislating successfully on a serious issue.

Mr. Speaker, I believe that parents need and deserve better education and tools to protect their children, and the Democrats stand ready to work with our colleagues when they feel they are ready to truly address this issue with proposals that are meaningful and enforceable.

In that spirit, I intend to vote for this bill in order to move the process forward, but ultimately, I think that we will need to explore other additional solutions and further revisions.

Mr. DINGELL, the ranking member of the full Energy and Commerce Committee, will be here in a few moments in order to speak to these issues of concern as well. I thank you for your attention.

Mr. Speaker, I reserve the balance of my time.

Mr. UPTON. Mr. Speaker, I yield 1 minute to the gentleman from the good State of Texas (Mr. POE).

Mr. POE. Mr. Speaker, I want to thank Mr. UPTON for his work on this bill.

As co-founder of the Victims Rights Caucus, I strongly support this bill.

Our Attorney General Gonzales says that one out of every five children in America is approached sexually on the Internet. In recent months, Congress and the national news media have put intense focus on the problem of Internet predators. Parents obviously have a responsibility to monitor what their kids see at home, but they leave home. They go to school, they go to libraries, and this bill helps parents parent better.

Social networking sites such as MySpace and chat rooms have allowed sexual predators to sneak into homes and solicit kids, and this bill requires schools and libraries to establish those protections to prevent children from accessing MySpace and chat rooms while in school and libraries unless parents are there or unless there is supervision.

The bill also requires the Federal Trade Commission to issue consumer alerts and establish a Web site alerting and educating parents and teachers about Internet sexual predators. Those people live among us. They prey on our youngest, our children, and they will do anything in their power to solicit those children.

So this raises the awareness and the protection of our children, and I strongly support this bill.

Mr. MARKEY. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. STUPAK), a member of the committee.

Mr. STUPAK. Mr. Speaker, for the second straight day I come to the floor objecting strongly to the process by which bills are being brought to the floor on suspension without proper consideration.

Today, the House is considering two bills that were not properly considered by the Energy and Commerce Committee. Both the U.S.-Israel Energy Cooperation Act and the Deleting Online Predators Act were rewritten behind closed doors by the majority and were not marked up before going to the floor.

On the other hand, our committee marked up a bill today, and this is not a joke, but to protect consumers from misleading thread counts for wool suits. We mark up a bill to protect people from wool suits but not from online child predators.

Mr. Speaker, I take a back seat to no one when it comes to my dedication to tracking down, prosecuting and locking up child predators. I have helped lead the child predator investigation in the House, and I have participated in six hearings on this issue.

Unfortunately, child predators are not the target of today's bill. This bill will not delete online predators. Rather, it will delete legitimate Web content from schools and libraries. Schools and libraries that serve students are the target of this legislation.

The bill is an attempt to protect children in schools and libraries from online predators. It is important to note that during the six oversight hearings we had, hearing from 38 witnesses on the issue, there was not one mention of online child exploitation being a problem at schools or libraries. Perhaps this is because there is already a law on the books that requires schools and libraries who receive e-rate funding to monitor children's Internet use and to employ technology blocking children or preventing children from viewing obscene and harmful content.

Many schools and libraries already block Web sites such as MySpace. This legislation is largely redundant and raises many constitutional concerns.

The National School Boards Association opposes this bill saying, "NSBA is concerned that the bill would not substantially improve safety of students, and would place an added and unnecessary burden on schools. Furthermore, the legislation does not address the real issue of educating children about the dangers of the Internet and how to use it responsibly and wisely."

The American Library Association also opposes this bill, saying the bill "denies access to constitutionally protected speech."

This bill will not tackle the real threat to our children. Our committee learned from teens, experts and law enforcement that the real threat lies in children using these sites in their rooms without adult supervision.

This legislation will actually drive children to go to unsupervised places, unsupervised sites to go online, where they will become more vulnerable to child predators.

Finally, and importantly, legislation before us today does nothing to hold Internet service providers accountable. We learned from our hearings that ISPs vary widely in what they do to empower children and parents, how they report online predators to authorities, and actively seek and block illegal content from their networks.

The bottom line is that Members can vote for this bill, but we should not give parents the false hope that this bill will keep their children safe. This bill will increase the risk to children as we drive children away from supervised sites to unsupervised sites.

Finally, Mr. Speaker, I am profoundly disappointed that this issue that should not be a partisan issue is becoming one.

I will enter into the RECORD at this point the letter of opposition from the American Library Association.

AMERICAN LIBRARY ASSOCIATION,
Washington, DC, July 26, 2006.

To: United States House of Representatives.
Re opposition to H.R. 5319, the Deleting Online Predators Act (DOPA).

DEAR REPRESENTATIVE: On behalf of the American Library Association (ALA), I write to indicate our continued opposition to H.R. 5319, the Deleting Online Predators Act (DOPA). We understand this bill may come to the House floor this afternoon and ask that you oppose this bill as it presently reads.

No profession or community is more concerned about the safety of children than our Nation's librarians. Librarians in public libraries and school library media centers work continuously to assure that children have appropriate and safe access to the materials and information services they need so that each young person can become literate and educated with the skills and knowledge to succeed in the digital and online world.

ALA had hoped following the July 11th hearing on H.R. 5319 before the Commerce Committee's Subcommittee on Telecommunications and the Internet, that an amended version would seek to resolve some of the problems we expressed in ALA's testimony. Unfortunately, the revised language we received only last night does not make the necessary changes that we believe would better serve the public interest and contribute to true online safety for young people. We urge opposition to H.R. 5319 for several reasons:

1. The terminology used in DOPA is still overly broad and unclear. As written, this legislation would block access to many valuable websites that utilize this type of communication, websites whose benefits outweigh their detriments.

2. DOPA still ignores the value of Interactive Web applications. New Internet-based applications for collaboration, business and learning are becoming increasingly important, and young people must be prepared to thrive in a work atmosphere where meetings take place online, where online networks are essential communication tools.

3. Education, not laws blocking access, is the key to safe use of the Internet. Libraries and schools are where kids learn essential information literacy skills that go far beyond computer instruction and web searching. Indeed, DOPA would block usage of these sites in the very environments where librarians and teachers can instruct students about how to use all kinds of applications safely and effectively and where kids can learn how to report and avoid unsafe sites.

4. Local decision-making—not federal law—is the way to solve the problems addressed by DOPA. Such decisions are already being made locally, in part due to the requirements of the Children's Online Protection Act (CIPA) for E-rate recipients. This additional requirement is not necessary.

5. DOPA would restrict access to technology in the communities that need public access most. H.R. 5319 still, as presently drafted, would require libraries and schools receiving E-rate discounts through the Universal Service Program to block computer users from accessing Interactive Web applications of all kinds, thereby limiting opportunities for those who do not have Internet access at home. This unfairly denies the students and library users in schools and libraries in the poorest communities from accessing appropriate content and from learning how best to safely manage their own Internet access in consultation with librarians and teachers.

It should also be noted that key witnesses at the July 11th hearing testified that limiting access to social networking sites in E-rate schools and libraries will have little impact on the overall problem since young people access these collaborative sites from many locations and over a period of time.

If you have any questions, please call our office at 202-628-8410. Thank you for your consideration.

Sincerely,

LYNNE E. BRADLEY,
Director, Office of Government Relations, American Library Association—WO.

Mr. UPTON. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. FITZPATRICK), the sponsor of the legislation.

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, I want to thank Chairman JOE BARTON and Subcommittee Chairman FRED UPTON for their leadership in shepherding this legislation, the Deleting Online Predators Act, from the Energy and Commerce Committee to the floor today. I want to especially thank Congressman MARK KIRK and all of the members of the Suburban Caucus for the commitment they have shown in addressing the needs of American families in the suburbs.

Monitoring our children's use of emerging technologies is a huge task for parents across the Nation, and the Internet remains the focus of many parents' concerns. The growth of the Internet has opened the door to many new applications that tear down the walls that once prevented communication across vast distances. One set of applications in particular has created a huge following online, but have also created an equal amount of danger, and they are social networking sites.

Social networking sites, best known by the popular examples of MySpace, Friendster and Facebook, have literally exploded in popularity in just a few short years. MySpace alone has over 90 million users and it is growing every day. While these sites were designed to allow their users to share virtual profiles of themselves to friends and like-minded users, the sites at most have become a haven for online sexual predators who have made these corners of the Web their own virtual hunting ground.

The dangers our children are exposed to by these sites is clear and compelling. According to a study conducted by the National Center for Missing and Exploited Children, in 1998, there were 3,267 tips reporting child pornography. Since then, the number has risen by over 3,000 percent to an outstanding 106,119 tips in 2004.

The Department of Justice recognizes child pornography as a precursor for pedophiles and is often linked to online predators. According to Attorney General Gonzales, one in five children has been approached sexually on the Internet. Mr. Speaker, one in five. Worse still, a survey conducted by the Crimes Against Children Research Center found that less than one in four children told their parents about the sexual solicitation they received.

On their face, these numbers are startling. Even more startling, however, has been the visual evidence offered to millions of Americans through the news outlets like NBS Dateline's "To Catch a Predator" series. Throughout his investigations, Chris Hansen proved time and again with disturbing regularity that child predators are ready and willing and able to approach the prey they stalk online.

What would have happened in these circumstances if the children these predators were to meet were not decoys and Chris Hansen was not there? How many assaults, rapes and ruined lives would have resulted in these encounters?

Mr. Speaker, the fact, however disturbing it may be, is that child predators have harnessed the power and anonymity that social networking sites provide to hunt their prey.

I want to make the intention very clear about my legislation. This legislation is directed at limiting the access of minors to chat rooms and social networking sites in public schools and libraries receiving Federal universal service funding. My legislation is not designed to limit speech or infringe on the rights of law-abiding adults.

Under H.R. 5319, schools may disable protection measures in order to allow use by students with adult supervision for educational purposes. In addition, libraries may disable protection measures to allow use by children with parental authorization. Nothing will ever prevent adults from using these sites in schools and libraries. Most importantly, children would remain able to use these sites at home under the supervision of their parents.

This legislation is not a substitute for parental supervision, which remains the first line of defense for our children's safety. That is why H.R. 5319 would require the Federal Trade Commission to create a Web site and issue consumer alerts to inform parents, teachers and school officials about the potential dangers on the Internet, specifically online sexual predators and their ability to contact children through social networking sites and chat rooms.

Mr. Speaker, this bill is only part of the solution. I fear that no one law can stop the threat from sexual predators. Instead, it will take the combined commitment of the Congress, the Department of Justice, as well as State and local law enforcement to track, investigate and prosecute these offenders. Congress must stand with law enforcement to provide them with the tools that they need to accomplish this goal.

Finally, I stood with Representative NANCY JOHNSON to add $3.3 million for the FBI's Innocent Images Program, the FBI's anchor program for its effort to stop online sexual predators. I wrote to Chairman WOLF to increase funding for the Internet Crimes Against Children Task Force and for the addition of 26 new U.S. Attorney positions to increase the rate of child exploitation prosecutions. I am committed to combating this growing threat, and I call on my colleagues to help me in this fight, and to do so now before the start of a new school year.

Mr. MARKEY. Mr. Speaker, I yield 4 minutes to the gentlewoman from California (Ms. WATSON).

Ms. WATSON. Mr. Speaker, I rise today in opposition to H.R. 5319, the Deleting Online Predators Act, because it sends the wrong message to our children, our parents, teachers and librarians. The bill would curb Internet usage as a means to protect children, a counterproductive method to achieving such an important goal.

Rather than restricting Internet usage, parents, teachers and librarians need to teach children how to use our ever changing technology. The information age in which we live offers so much potential to our children, if they know how to use it.

Last month, I met with Sister Elizabeth Thoman, one of my constituents, who founded the Center for Media Literacy. It is an organization that creates and implements innovative tools to educate children on the art of media literacy. Just like students need to know how to differentiate between good research and bad research on Web sites, they need to know how to utilize chat rooms and other media so they will not become victims of online predators. Her "Media Lit Kit/A Framework for Learning and Teaching in a Media Age" is offered in the Los Angeles Unified School District with much success. It is also available on her Web site free of charge.

Rather than adding an extra administrative task to already overworked teachers and librarians, we should be providing grant moneys to implement programs like Sister Thoman's so our children can learn right from wrong and good information from bad information.

Yes, safeguards for our children need to be in place.

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MySpace.com is working to create tougher controls for adults to e-mail children. Yes, we need to fully fund police departments across the Nation to monitor online predators; and, yes, consumer alerts and learning tools need to be offered to parents and teachers alike to inform students of the dangers of the Internet; and, yes, parents and teachers and librarians need to take an active role in monitoring students; but a law aimed at universal service-run schools is not the answer. It is parents and teachers and librarians who should decide where children in their care should be able to access.

As another constituent in my district pointed out in a recent e-mail, school districts and libraries already have the power to block access to social networking sites and chat rooms, and many of them have done so already. I worry that a bill of this magnitude will send us down the slippery slope of legislating even more Web sites and infringing on our right to information.

We live in busy times, and I know many homes in my district and across the Nation are single-parent households, with some parents working two or even three jobs. I understand parents can't be with their children all the time, but it is the responsibility of parents and teachers and librarians to impose rules in their own homes and schools. Just like teaching children how to cross the street to avoid hazards, parents need to be able to teach their children how to cross an Internet Web site without getting hit.

Mr. UPTON. Mr. Speaker, I yield myself 30 seconds.

I just want to say that as I learn more and more about this legislation, part of it was because of the gentleman from Illinois (Mr. KIRK) and the gentlewoman from Illinois (Ms. BEAN). We share a media market together, me in southwest Michigan, they, of course, in Chicago, and the concern by so many in talk radio and the news is really something else.

I have to say that just a couple years no one knew about the online predators like we do today, and that is why we have had a number of hearings in the Oversight Subcommittee chaired by Mr. WHITFIELD.

Mr. Speaker, I yield 5 minutes to one of the coauthors of the bill, along with Mr. FITZPATRICK of Pennsylvania, Mr. KIRK of Illinois.

Mr. KIRK. Mr. Speaker, to respond to my Democratic colleague, I agree with her that parents cannot be with their children all of the time, but sexual predators should not be with the children at any time, and that is the principle by which this legislation stands. Americans have a right to send their children to safe schools and libraries.

In Lake County, Illinois, we have seen what can happen when Internet predators make contact with children. Last October, Joseph Caprigno molested a 14-year-old boy that he met on the Internet. Caprigno, a 40-year-old man, arranged to meet the boy in a 7-11 parking lot through an Internet chat room.

In January, a 20-year-old man, Michael Zbonski, molested a 16-year-old he met on MySpace.com. Frighteningly, he not only communicated with this girl for 2 years via MySpace, he also admitted to sexual relationships with one of the victim's underage friends.

The Deleting Online Predators Act is a commonsense piece of legislation that empowers parents to play a more active role in their children's activities online. This bill calls on the Federal Trade Commission to issue consumer alerts and to establish a unique Web site to better educate parents as to the dangers posed from Internet predators. Parents are the first and most important line of defense against these predators, but it is imperative to arm them with timely and accurate information to protect their children.

This bill also requires schools to prevent children from accessing social networking sites and chat rooms unless they are doing so for legitimate educational purposes under adult supervision. We have invested hundreds of millions of dollars across America in locking school doors and controlling the access to children. This bill takes the commonsense step to make sure that predators cannot sneak in through the library computer.

Our legislation also requires public libraries to provide the same levels of protection to children. I believe this is an entirely appropriate action to help parents determine where their children go and what they do online. It seems foolish for the taxpayer to subsidize what amounts to a loophole that sexual predators can exploit.

Mr. Speaker, Lake County offers one other case that plainly demonstrates the need for this legislation. The Lake County State's Attorney recently filed aggravated criminal sexual abuse charges against two teachers who were accused of soliciting and arranging to molest underage students at a school where they were taught. Jason Glick and James Lobitz didn't just molest two underage students, they arranged to do so using school-owned computer equipment and resources during school hours. The cases against Jason Glick and James Lobitz are still pending, but by passing this bill today we send a message to parents that we will close every loophole sexual predators will use to roam the virtual halls at school.

Mr. Speaker, this is the second suburban agenda bill to pass the House. Tomorrow, Representative JON PORTER's bill will become law, allowing schools to check national felon databases before hiring a coach or a teacher. Tomorrow, we will take up a third suburban agenda item, accelerating the deployment of fully electronic medical records for all Americans.

Mr. Speaker, by tomorrow night, half of the suburban agenda legislation will have passed the House of Representatives. But today I want to thank Chairman BARTON, Chairman UPTON, and Congresswoman MELISSA BEAN for their help on a bipartisan basis in supporting this legislation. I also want to thank Howard Waltzman of the committee staff for his invaluable assistance. But, most importantly, I want to thank the gentleman from Pennsylvania (Mr. FITZPATRICK) for becoming an outstanding leader of protecting American children from online predators.

The SPEAKER pro tempore (Mr. REHBERG). Without objection, the gentleman from Michigan (Mr. DINGELL) will control the time of the gentleman from Massachusetts (Mr. MARKEY).

There was no objection.

Mr. DINGELL. Mr. Speaker, how much time remains on the two sides?

The SPEAKER pro tempore. The gentleman from Michigan (Mr. DINGELL) has 9½ minutes remaining, and the gentleman from Michigan (Mr. UPTON) has 5 minutes remaining.

Mr. DINGELL. Mr. Speaker, I yield 3 minutes to my distinguished friend from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, I hate to spoil this garden party, but this is not, in truth, suburban legislation, it is substandard legislation. And the reason for that is that it is, in effect, a good press release, but it is not effective legislation addressing a huge problem threatening our children.

The reason I say that is, after sitting through many hearings in the Commerce Committee about this enormous problem, I reached one conclusion. After listening to those thousands of children who are being abused on these horrendous occasions across this country, I concluded that this legislation would not save one single child one single time.

What we learned is that the problem is not in our schools. These kids are not hanging in the library with these sexual predators. They are hanging around in their dens, in their basements, in their living rooms, and in their upstairs bedrooms. That is where we have to get to the problem.

If you look at the problem here on this chart, only 10 percent of the abused kids are online and hardly any of them from schools. A tiny, tiny, infinitesimal portion. This will not solve the problem.

Now, there are things we can do, but, unfortunately, this legislation doesn't do a single one of them. I used to prosecute cases, so I know a little bit about law enforcement. I raised three kids, so I know a little bit about the terror of worrying about your children. But what this legislation does not do is the three things we need to do.

Number one, we have to give resources to law enforcement to prosecute these horrendous monsters. We had detective after detective come to our hearings and say, give us some money; we can prosecute these people. This doesn't give them a penny.

Number two, we need to protect the data. What the detectives told us is that this data, once it disappears, they can't find the culprits. Now we could require the data to be maintained for a year or two, like we are trying to do. This bill doesn't do that.

Third, what this bill could do is provide some real meaningful tools for our schools to educate our children on how to avoid these monsters on the Internet. This doesn't do that.

The three effective things that we could do to really save our kids is not done in this legislation.

Now, why is this such a pathetic wave at trying to do something? Why has Congress failed so miserably here? There is a reason for that. The reason is we want press releases, without having to do the hard work to do legislation. That is why we didn't go through the Commerce Committee to have a markup on this bill so they could rush this thing to the floor and have their suburban agenda.

Well, speaking as a parent who represents 650,000 people, and probably 200,000 parents in suburbia, I think suburban parents, urban parents, rural parents, big-city parents and little-city parents deserve real legislation to stomp out the monstrosity that is going on on the Internet and not these little press releases. We can't go home and just say that we are heroes without having really done something.

When I go home, I am going to tell my constituents that, yes, maybe there are some headlines, but there wasn't real relief. And I look forward to the day when this Congress gets down to the nitty-gritty and really does something about this terrible problem.

Mr. DINGELL. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, I oppose these Internet predators. My good friend, for whom I have great respect, the chairman of this subcommittee from Michigan, opposes them. Everybody else in the Chamber opposes them. Every right-thinking and decent American opposes this practice. What we need, however, is good legislation which will address the problem. What we need is legislation which will be effective.

The Committee on Energy and Commerce had a number of hearings on these matters. It is interesting to note that, in the process of that, you can't find anything about there being a problem at schools and libraries. Now, this legislation has attracted both the strong opposition of the schools and the libraries and the Chamber of Commerce, which points out to us that this bill needs more work. In other words, Mr. Speaker, this bill is not ready for prime time.

The unfortunate thing about this legislation is that, rather than dealing with the real problem, which is kids and young people who are making these communications with sexual predators from their own home or their own den or from their own basement or from their own room, it deals with schools and libraries. Now, that is very fine if we had some record which would show that this is a real problem or that there is not a better cure somewhere else, which in fact there is.

The regrettable thing about this legislation is its rush to the floor. I can't tell whether it is a bunch of Republicans who are panicky about the next election or whether it is a situation in which everybody is trying to rush to get out of town to go on an August vacation. But the simple fact of the matter is this legislation is not going to do anything to stop the abuses about which there is a very legitimate complaint.

So here we are passing legislation, I suspect, to help some of my panicky Republican colleagues save themselves in a difficult election, or which will let people go home and say, oh, look what we did. But this process has not only been flawed, it has guaranteed that the matters that we discuss now do not really address the situation which confronts us.

□ 1515

And worse than that, we are going to be right back here at some future time, after the folks at home tell us what a sorry job we did in dealing with this matter. Because the problem of sexual predators continuing to work the young people is going to continue under this legislation, unabated; and we are going to come back here with red faces and say how we have made a mistake and we have to do more.

The simple fact of the matter is this legislation was sprung on us. I am told that it was written last night. We barely saw it before the process on the floor started. And the committee process, which enables us to look at legislation in a sound and responsible way, and the committee process, which enables us to work together to put good legislation on the floor, legislation which is carefully thought out and which the wisdom of all of the Members is brought to bear on the question, is not something which we find in the process in which we are now engaged.

So now we are on the floor with a piece of legislation poorly thought out, with an abundance of surprises, which carries with it that curious smell of partisanship and panic, but which is not going to address the problems.

We have a piece of legislation on which we have less than an hour to talk, and we have no opportunity whatsoever to amend the proposal. We can vote "yes" or we can vote "no." Well, most Members, I suspect, will do the politically wise thing, and I will join them in it, and that is, I am going to hold my nose and vote for this legislation in the full awareness that it is not going to address the problem at all and that it is a political placebo for a very, very, serious problem.

This is, essentially, a shin plaster on a cancer. This is a piece of legislation which is going to be notorious for its ineffectiveness and, of course, for its political benefits to some of the Members hereabout.

It is, in a nutshell, Mr. Speaker, going to be as useful as side pockets on a cow in addressing the problem about which we are all deeply concerned, where we have a duty to our constituents to legislate strongly and well and where we have a duty to have an open process to hear the comments of our people, those that we serve, about what the legislation does to find out how we do the best job of serving the American people. Those events are absolutely not to be found in the history of this legislation.

I really regret that my colleagues on the other side have chosen to behave this way, but it seems to be a characteristic of this House under the leadership with which we are afflicted. Good legislation is withheld, poor legislation is written, and the opportunity for the people to be heard or for the legislation to be protected is totally unavailable.

The process stinks. The legislation is weak. The legislation will be ineffective, it will accomplish nothing, and we will all share red faces about this bumbling endeavor.

Mr. Speaker, I yield back the balance of my time.

Mr. UPTON. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I would just like to say to the gentleman from the great State of Michigan, and my good friend, Mr. MARKEY, as well, that I know that both Chairman BARTON and myself look forward to working with both gentlemen on strengthening this legislation down the road and looking to close as many loopholes as we can to protect our children. Because the bottom line is this, better than a 2,000 percent increase in the FBI caseload of online predators.

This is not the end-all. We know that. But we know that sexual predators should not have the ability to use our schools or our libraries; and we should take away that avenue, if we can, for their evil deeds. And that is precisely what this legislation is intended to do.

And I would note that even though this was introduced some 2 months or so ago, we have nearly 40 cosponsors of the legislation. MELISSA BEAN has been a great leader from the Democratic side of the aisle, as well as the Republicans that have been mentioned earlier during the debate and that have participated. And I know that in the oversight and investigation hearings that we have had, not only as well as in New Jersey but the legislative hearing that we had with many witnesses, including the Attorney General from Texas, who did a marvelous job of explaining what was going on in Texas, they all strongly endorsed the intent and the legislation as it was introduced.

I think we have a better bill today than perhaps was introduced by taking into consideration the many constructive comments that were made by my friend, Mr. MARKEY, Mr. DINGELL, and others on the committee.

With school starting for many as early as next month, August, knowing that the Congress, at least the House, is likely to adjourn this week, the Senate still has another week, I would like to think that with a strong vote this afternoon the Senate may take up this legislation perhaps next week, perhaps, and we actually may get the bill to the President's desk so that it will be in place for kids as they start school.

So that is one of the reasons, I think, why this legislation was, indeed, rushed to the floor. But, again, I know that we took in many good comments by those at the legislative hearing that we had, and I think that the proof will be in the pudding.

Mr. Speaker, I yield, for a brief minute, to the gentleman from Illinois (Mr. KIRK).

Mr. KIRK. Mr. Speaker, I will just say, also, this legislation responds to a rapidly growing phenomenon in America. Over 25 million American children have their personal data on these sites. These sites are now the number one sites on the Internet, and we are applying a tried and true principle of our jurisprudence, now 800 years old, that when you make money off of children, as these sites do, we have always recognized a higher duty of care in the protection of children, and that is the principle that this legislation stands for.

Mr. UPTON. Mr. Speaker, I would say, too, I believe it was over the Fourth of July week break that "Dateline" had the big expose; and I know our office was flooded with calls and letters, as I was home in Michigan. There were a good number of parents and others that expressed their concern about some of these different online services that were there; and if we can close the loophole on schools and libraries, I think that it is a good thing.

I think that, because of that, I would hope that most Members, when we vote on this later this afternoon, in all likelihood would vote "yes" on the bill. Again, it is bipartisan, and that is why it is here before us this afternoon

Mrs. BIGGERT. Mr. Speaker, I rise today as a cosponsor of H.R. 5319, the Deleting Online Predators Act.

As a mother of four and a grandmother of six, the safety of our children is a priority of mine. When most of us were children, our parents told us to never talk to strangers. Now as parents and grandparents, our message must change with technology to include strangers on the Internet.

We all were horrified by the story of the teenage girl from Michigan who traveled across the world to the West Bank town of Jericho to meet a man she had been communicating with on the networking Web site, MySpace.com. Even worse are stories that involve internet pedophiles preying on children from all over the Nation, including my district.

Naperville, a city that has twice been voted by Money Magazine as the Top City in the Nation to Raise Children, has witnessed two high profile cases in the last three months involving young teenagers and men they have met on MySpace.com.

It is easy to see why networking Web sites are popular among teens. A recent poll by the Pew Internet & American Life Project shows that 87 percent of those aged 12 to 17 use the Internet on a regular basis. Of this 87 percent, approximately 61 percent report having personal profiles on networking Web sites like MySpace, Facebook or Xanga. These profiles contain photographs, e-mail addresses, hobbies as well as other personal information that would be easy for a child predator to manipulate.

With more than 90 million users, MySpace.com and other networking Web sites have become new hunting grounds for child predators. Something clearly has to be done. This bill is a good start. At least let's give parents some comfort that their children won't fall prey while using the Internet at schools and libraries that receive Federal funding for Internet services. That is why I urge all Members to support H.R. 5319, the Deleting Online Predators Act.

Mr. SHAYS. Mr. Speaker, I rise in strong support of H.R. 5319, the Deleting Online Predators Act.

I am a cosponsor of this legislation, which requires schools and libraries to monitor the internet activities and implement technology to protect children from accessing commercial social networking sites like MySpace.com and chat rooms that provide an avenue for dangerous individuals to make personal contact with unsuspecting underage children.

The popularity of social network sites have soared, especially among our children, in recent years. These sites allow users to post photos, chat and interact with other users online.

However, the popularity of these sites have also become a haven for child predators. A recent Department of Justice study found that one in five children received an unwanted solicitation online.

This legislation takes an important step towards protecting our children from these online predators. The bill will still allow teens to access social networking sites under their parent's supervision, and yet protects them when they are online alone. The rise in online solicitations by child predators must be countered by a strong response, and H.R. 5319 takes such action.

Mr. Speaker, I urge my colleagues to support this legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 5319, a bill that would amend the Communications Act of 1934 to require schools and libraries that receive universal service support to prohibit and block access to social networking websites and chat rooms. In doing so, H.R. 5319 will protect adolescents from communicating with potentially harmful strangers. The bill will prevent adolescents from accessing obscene or indecent material and also from illegal, online sexual advances from strangers. Thus, the bill will help to safeguard our children, and put simply, will prevent them from accessing any material that is potentially harmful.

As many of you may know from watching "Dateline" NBC's "To Catch a Predator," the United States has a countless number of sexual predators. It is very hard to profile a sexual predator, and it is also very hard to cure one. This is why H.R. 5319 is a necessity; it will tackle this mammoth issue by preventing any kind of potentially harmful communication with strangers in school networking sites and chat rooms. I believe that it is hard to keep sexual predators away from our children, but with this bill, it will be easy to keep our children away from sexual predators.

I strongly support H.R. 5319, and I urge my colleagues to join me in supporting it.

Mr. UPTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. UPTON) that the House suspend the rules and pass the bill, H.R. 5319, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

EXPRESSING THE SENSE OF THE HOUSE OF REPRESENTATIVES THAT A NATIONAL HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK SHOULD BE ESTABLISHED

Mr. BOUSTANY. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 928) expressing the sense of the House of Representatives that a National Historically Black Colleges and Universities Week should be established, as amended.

The Clerk read as follows:

H. RES. 928

Whereas there are 103 historically Black colleges and universities in the United States;

Whereas historically Black colleges and universities provide the quality education essential to full participation in a complex, highly technological society;

Whereas historically Black colleges and universities have a rich heritage and have played a prominent role in the history of the United States;

Whereas historically Black colleges and universities have allowed many underprivileged students to attain their full potential through higher education;

Whereas the achievements and goals of historically Black colleges and universities are deserving of national recognition; and

Whereas the Senate, in S. Res. 528 passed on July 13, 2006, designated the week beginning September 10, 2006, as "National Historically Black Colleges and Universities Week": Now, therefore, be it

Resolved, That the House of Representatives—

(1) recognizes the achievements and goals of historically Black colleges and universities in the United States;

(2) supports the designation of an appropriate week as "National Historically Black Colleges and Universities Week"; and

(3) requests the President to issue a proclamation designating such a week, and calling on the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs to demonstrate support for historically Black colleges and universities.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. BOUSTANY) and the gentleman from New York (Mr. OWENS) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana.

GENERAL LEAVE

Mr. BOUSTANY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H. Res. 928.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOUSTANY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Res. 928, recognizing the contributions of Historically Black Colleges and Universities; and I want to thank the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), my colleague, for introducing this resolution. Ms. JOHNSON certainly recognizes the important role that Historically Black Colleges and Universities play in the postsecondary education environment.

The HBCU community is extremely diverse. The community of Historically Black Colleges and Universities includes 2- and 4-year institutions, public and private institutions, as well as single sex and co-ed institutions. Even with this diversity of student body, geographical location and population served, the principal mission of all these institutions is unified, and that is to provide a quality education for African Americans. It is also important to remember that these institutions, in many instances, serve some of our most disadvantaged students.

The contributions made by Historically Black Colleges and Universities deserve recognition. While comprising less than 3 percent of the Nation's 2- and 4-year institutions, Historically Black Colleges and Universities are responsible for producing a significant number of all bachelor's, master's and professional degrees earned by African Americans. In many instances, Historically Black Colleges and Universities do not have access to the resources or endowment income that other institutions can draw upon. Yet they are still able to provide quality education to an underserved population.

Since 1995, we have worked to improve the Nation's support for Historically Black Colleges and Universities. The Higher Education Amendments of 1998 made improvements to the programs designed to aid Historically Black Colleges and Universities in strengthening their institutions and graduate and professional programs. These changes included allowing institutions to use Federal money to build their endowments and to provide scholarships and fellowships for needy graduate and professional students.

Between 1995 and 2006, congressional funding for the strengthening Historically Black Colleges and Universities program rose from $109 million to $238 million, a 118 percent increase. And what is more, funding for Historically Black Colleges and Universities graduate programs increased from $19.6 million to $57.9 million, an increase of 195 percent.

It is important that we pause to recognize the contributions of Historically Black Colleges and Universities and their graduates by celebrating Historically Black Colleges and Universities Week. My State of Louisiana is home to five of such institutions: Grambling State University, Southern University A&M College, Southern University at New Orleans, Dillard University, and Xavier University. These institutions have dramatically improved the quality of life and economic opportunities on the gulf coast. These institutions provide valuable leadership and excellence in education, and they certainly should be commended.

I was pleased to see that the White House Initiative on Historically Black Colleges and Universities is coordinating a 3-day national conference in September where they will continue to discuss the progress of gulf coast recovery efforts.

I urge my colleagues to recognize the important contributions made by Historically Black Colleges and Universities and their graduates and to vote "yes" on this worthy resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. OWENS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to congratulate the distinguished Member from Texas, EDDIE BERNICE JOHNSON, and all the cosponsors of this important legislation.

I am quite pleased to be able to state, at this point, after my 23 years in Congress, I will be retiring at the end of this year, that my association with Historically Black Colleges and Universities is one of the most uplifting experiences of my career.

I came in 1986, early, and I am proud of the fact that it was as a result of bipartisan support that the Historically Black Colleges and Universities were funded for the first time by the Federal Government. So this designation today is not empty ceremonial action.

I am pleased to support the congressional acknowledgement of the importance of Historically Black Colleges and Universities, but Congress has already done something to help these institutions. There is great substance behind this designation.

Historically, Black Colleges and Universities will have the benefit of. have the designation of September 10, 2006, as National Historically Black Colleges and Universities Week as a result of this legislation. But I just want to highlight some of the things that Congress has already done before I yield to the sponsor of the bill.

HBCUs continue to serve, as you said before, a critical role in our Nation; and HBCUs have had the support of Congress over the last 20 years, since 1986.

□ 1530

In 1986, Black Colleges and Universities faced a time of significant, almost desperate, financial turmoil. Several old schools had been shut down by 1986. Of the approximately 4,000 such institutions of higher learning in America, all the institutions of higher learning, only 135 both historic and predominantly black are black founded and administered, and at that time, only about 107 Historically Black Colleges existed.

After conducting a hearing at Atlanta University, where 13 of these college presidents testified, the Owens title IIIB amendment received both authorization and appropriation in 1986. Since 1986, with the support of both parties, the Congress has provided $3.9 billion. I want to repeat: 3.9 billion has flowed as direct aid to black colleges. This is a wise investment for a small but vital sector of our much-needed accelerated mobilization for education.

Later on, I will indicate some of the kinds of money that has been received by these colleges, one or two which would not still be in existence had they not had the Federal funding.

Mr. Speaker, I reserve the balance of my time.

Mr. BOUSTANY. Mr. Speaker, I thank the gentleman for the passion he brings to this debate and for the hard work he has done to help Historically Black Colleges and Universities.

Mr. Speaker, I reserve the balance of my time.

Mr. OWENS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas, the sponsor of the bill (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I am pleased to be able to offer this resolution recognizing National Historically Black Colleges and Universities Week, and I want to thank Mr. OWENS for all of his efforts over the years and thanks to all the cosponsors.

For over 170 years, our Historically Black Colleges and Universities have been on the forefront of preparing our Nation's youth for a bright path and successful future. Many struggling, almost closing, and some did close, but determined to finish their mission.

Originally founded for the purpose of providing educational opportunities for

African Americans, HBCUs have profoundly changed the American economic and social climate. The fact is that until 1964, HBCUs represented one of the only opportunities African American students had to obtain a degree in higher education. HBCUs have changed the face of this Nation and have opened the doors for many generations of African American students.

Today America's HBCUs continue to provide excellent educational opportunities for all Americans. Over 200,000 diverse students across the United States attend HBCUs today.

I am proud to represent Paul Quinn College, the oldest historical black college west of the Mississippi River. For over 130 years, Paul Quinn has provided their student with the tools to become successful leaders. Because of their unique resources, HBCUs continue to be extremely effective in graduating African American students and preparing them to compete in the global economy. While they may start behind going into the college, they have always been able to compete equally and competitively on the graduate level. HBCU graduates over half of all American professionals, and 50 percent of all African American school teachers graduate from HBCUs. Additionally, the Historically Black Colleges and Universities remain extremely successful in graduating African American Ph.D.s and scientists.

The fact is that we cannot move forward as a country until all of our children have the opportunity to succeed academically. Each day, HBCUs help us bridge that achievement gap. Celebrated the week of September 10, National Historically Black Colleges and Universities Week allows us to reflect upon the impact these institutions have had on our history and to celebrate their continued commitment for outstanding education.

I would like to thank the House leadership and the Education and the Workforce Committee for allowing me to bring this important resolution to the floor, and I request the support of all my colleagues of Resolution 928.

Mr. BOUSTANY. Mr. Speaker, I yield myself such time as I may consume.

I commend the gentlewoman again for bringing this resolution to the floor.

Let me just say that as we recover on the gulf coast, and I mentioned the Historically Black Colleges and Universities in my home State of Louisiana, they played a vital role in the leadership in helping us recover.

So, again, I thank the gentlewoman from Texas for bringing this valuable resolution to the floor.

Mr. Speaker, I reserve the balance of my time.

Mr. OWENS. Mr. Speaker, I yield myself such time as I may consume.

I want to just note the fact that as Congresswoman JOHNSON mentioned, the Paul Quinn College is one of the oldest HBCUs in the country. Since 1996, they have received $15.753 million from title IIIB of the Higher Education Assistance Act, title IIIB, which funds HBCUs.

Texas, in general, has received money for several colleges: Huston-Tillotson, which is relatively small; Prairie View A&M University received $38 million since 1986; St. Phillip's College has received $42 million since 1986. The largest of all rewards, I think, has been to the big Texas Southern University, which has received $47 million since 1986.

This is not an empty resolution, as I said before. Congress can be proud of the fact that it has been involved in maintaining these colleges, which were financially strapped in 1986 and still struggle financially.

I think Alabama receives the most aid of the colleges. They have a long list. Alabama State University, $37 million; Alabama A&M University, $35 million. Miles College, I would like to note, is one of the colleges that was almost about to go under. Because my office in 1986 and 1987 had many conversations with the administration of Miles College, and if there had not been a title IIIB funding, Miles College may not be here. They have received $21 million over the last 20 years. In Alabama, also, we have the smallest university that has received aid. I do not think they exist anymore. That is Selma University. They had received $3 million over the course of the funding period.

Also, I think significant, in Florida the largest amount of money has been received by Florida A&M University; $59.268 million has been received. Georgia does very well with Albany State College, $31 million; Clark Atlanta University, $33 million. These are relatively small colleges that are known throughout the whole country. Morehouse College, $25 million; and Spelman College, $26 million.

In Louisiana, as mentioned before, most of these colleges receiving aid from title IIIB were colleges affected by Katrina and the subsequent flood: Dillard University, over the years, has received $25.846 million; Grambling State University, $47.179 million; Southern University, $24 million; Southern University A&M College, $57 million; Southern University at New Orleans, $34 million; and Xavier University, $31 million.

So I think we have certainly supported those colleges up to date, and they need extra help, as everybody knows, now.

We also have Virginia, which has done very well: Hampton University, which had one of the largest private endowments, has still received $33 million; Norfolk State University, $44 million; and Virginia State University, $30 million.

So we have an impressive record over the 20-year period of title IIIB funding for Historically Black Colleges and Universities. And I will submit this list for the RECORD.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, let me just, first of all, thank the gentleman from New York for yielding. And I also want to thank and commend the gentlewoman from Texas for her introduction of this resolution. I want to commend the gentleman from New York because for as long as I have been a Member of Congress, he has been the chief spokesperson for the Congressional Black Caucus on issues of higher education.

Mr. OWENS, you have represented us well and done an outstanding job, and I commend you.

This is one of the most delightful moments that I have had since I have been a Member of Congress because had it not been for a Historically Black College, I would not be here. There is no doubt in my mind. I left home on my 16th birthday to attend what was then Arkansas A&M College at Pine Bluff, which is now the University of Arkansas at Pine Bluff. Following me were six of my brothers and sisters who also attended the University of Arkansas at Pine Bluff. Three nephews, one niece, and a half dozen first cousins.

We lived in the southeast corner of the State, which was a rural area in Arkansas. The money that Representative OWENS talked about is so important because when I got there, I had $20 in my pocket and a $50 scholarship. The scholarship, of course, was good as long as you maintained a B average, and if you ever fell below, then you no longer had the $50 scholarship.

It was not uncommon for friends of mine and myself to actually skip classes on light days and go out and pick cotton so that we would have money to purchase our books.

So the Historically Black Colleges and Universities, as all black colleges and universities, have played a significant role. They provide a rich heritage and lay the foundation for men and women of color. W.E.B. Du Bois, who is considered the father of sociology due to his thesis called the "Study of the Philadelphia Negro," is a product of Fisk University in Nashville, Tennessee, a Historically Black College. Dr. Martin Luther King, Jr., all of his eloquence and analysis of social problems came from his experiences not only in the black church, but also came from the education that he received at Morehouse, located in Atlanta, Georgia, a Historically Black College.

Thurgood Marshall, the first black Chief Justice of the United States Supreme Court, is the product of Lincoln University in Chester, Pennsylvania, which is historically known as the first

Historically Black College founded in 1854.

These institutions are not only necessary for individuals who come from certain economic backgrounds, but they contain a great deal of the history and culture. So when Representative OWENS talks about how important the money is that we have been able to provide for them, many of them provide the kind of nurturing environment that students often cannot get from a big university. So they get the special help.

This, Mr. OWENS, and the work that you have done and the introduction of this resolution by Representative EDDIE BERNICE JOHNSON make all of the work that we do to try to keep these institutions alive and vibrant.

And I also want to thank my CBCF intern, who is currently attending Fisk University, Dante Pope, and is a singer with the renowned Fisk Jubilee Singers, who traveled all over the world to raise money so that Fisk could continue to exist.

I thank all of those who will support this resolution.

☐ 1545

Mr. BOUSTANY. Mr. Speaker, I reserve the balance of my time.

Mr. OWENS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I will comment on Mr. DAVIS' comments about going to the University of Arkansas at Pine Bluff. Since 1986, the University of Arkansas at Pine Bluff has received $31 million from the title IIIB congressional funding, and I think that his story is a story of many of my generation.

I was a child in a family of eight. Our father worked in a furniture factory as a laborer. He never made more than minimum wage, and I think the minimum wage at that time was less than $3. He was often laid off. We were very poor, and I had determined that I would never go to college.

I was a lucky one. The Ford Foundation had an experiment at that time going where they would allow youngsters who had talent to take a test, and they could come out of college even from the 10th or 11th grade and get 2 years of college before they were eligible for the Korean War draft. The Korean War draft was under way at that time, and they were going to give bright youngsters a chance to get at least 2 years of college.

I took the test, and I had all of my expenses paid to Morehouse College in Atlanta, Georgia. For the first 2 years, all of my expenses were paid, and I was on a partial scholarship for the second 2 years.

But that was a pattern which was not experienced by most of my colleagues at college. They had to struggle much harder to maintain themselves. Tuition was kept very low. The entire regimen of the college understood the students were poor and was geared to many of the problems that we had financially at home and the problems we had coming from schools that often had not prepared us for college work. So it is just personal experience that is certainly very relevant here.

I would like to note that at the time of the funding for the Historically Black Colleges title IIIB, I said that these few jewels in the crown all deserve to be preserved. The fact that there are only 135 Historically Black Colleges of 170 total black colleges in the United States right now, in a constellation of 4,000, they deserve to be preserved, and they serve a great purpose.

Such schools before 1986 were welcome to apply for competitive higher education grants, but they had to compete with Harvard, Yale and 4,000 other institutions. There was no direct channel for Federal funding to this special category. The historic and unique struggle for the creation and maintenance of such schools was accorded no official recognition.

Fortunately, we went to Atlanta and had a hearing. As a result of that hearing, 13 college presidents testified; and we won the support of the Education and Labor Committee members and later on the support of members of the Appropriations Committee. In that very same year, 1986, we authorized and had an appropriation which started the process of funding the Historically Black Colleges.

I will submit for the RECORD a statement prepared for the National Association of Equal Opportunity in Higher Education along with my list of actual funding for each college.

[Statement from National Association for Equal Opportunity In Higher Education]

OUR CHAMPION: CONGRESSMAN MAJOR OWENS

Congressman Major Owens has been a tremendous champion for blacks in higher education and has served a distinguished 24-year congressional tenure. Elected to the United States House of Representatives in 1982 from New York's 11th Congressional District. Representative Owens is a member of the vitally necessary Education and the Workforce Committee, which guides all Federal involvement in education, job training, labor law, employee safety and pensions, programs for the aging and people with disabilities, and equal employment opportunities. As Chairman of the Subcommittee on Select Education and Civil Rights for six years, Representative Owens' record for passing legislation was second only in New York to Adam Clayton Powell.

In 1986, Historically Black Colleges and Universities (HBCUs) faced a time of significant financial turmoil. Several old schools had been forced to shut down. Of the approximately 4 thousand U.S. institutions of higher learning only 107 had been established specifically to educate Blacks and most were located in the South.

"These few jewels in the crown all deserve to be preserved," counseled Congressman Major Owens, the only graduate of an HBCU (Morehouse College, '56) on the Education and Labor Committee. While such schools were welcomed to apply for competitive higher education grants along with Harvard, Yale and the four thousand other institutions, there was no direct channel for Federal funding to this special category. The historic and unique struggle for the creation and maintenance of such schools was accorded no official recognition. When Congressman Owens offered Title IIIB as a modest but vital possible funding stream, the first obstacle encountered was a gross lack of familiarity in Washington.

Fortunately, then Chairman of the Education and Labor Committee, Augustus Hawkins, was curious and supportive and agreed to allow Owens to hold a hearing in Atlanta, Georgia, at Atlanta University's Robert W. Woodruff Library. The first witness was then mayor of Atlanta, Andy Young. The presidents of thirteen other Southern Black colleges followed Mr. Young in testifying. Chairman Hawkins and other Education and Labor Committee members became enthusiastic converts following that historic session. Beyond the expectations of Congressman Owens there was a smooth passage of the authorizing legislation with five graduate schools added to the original list. As a major force on the Appropriations Committee, Congressman Lou Stokes obtained an immediate appropriation. Funds are disbursed on the basis of a formula and every HBCU is guaranteed an annual allocation.

Since the passage of the legislation in 1986, HBCUs went from zero dollars in Federal funding to receiving a total of $3,988,099,314.00 billion dollars. In his year of retirement, Congressman Owens has worked diligently to introduce legislation that would afford Predominately Black Institutions similar support to other Title IIIA schools.

Congressman Owens has been a stalwart guardian and advocate of predominately and historically black colleges and universities throughout his congressional tenure. He is the leader of the CBC's Braintrust on Education and in this regard has been and continues to be the opinion shaper on higher education issues impacting Black America. The entire Nation owes him a great deal of gratitude for keeping important issues regarding black colleges and blacks in higher education at the center of the national education policy debate. As Congressman Owens completes his final term, we commend and honor him for his tremendous contributions to the black higher education community. Thank you, Mr. Owens!

HBCU GRANT AWARDS—ALL YEARS (PROVIDED BY THE U.S. DEPARTMENT OF EDUCATION)

Name and total award:

AL

Alabama A&M University, $35,025,655.

Alabama State University, $37,542,317.

Bishop State Community College—Carver, $8,735,616.

Bishop State Community College—Main, $26,169,993.

Concordia College, $11,346,530.

Drake State Technical College, $10,042,970.

Gadsden State Community College, $4,000,000.

Lawson State Community College, $21,071,295.

Miles College, $21,329,445.

Oakwood College, $22,003,819.

Selma University, $3,812,613.

Shelton State Community College—Fredd, $10,796,218.

Stillman College, $21,147,196.

Talladega College, $22,110,197.

Trenholm State Technical College, $15,591,117.
Tuskegee Institute, $27,846,409.
Tuskegee Institute/School of Veterinary Medicine, $27,846,409.

AR

Arkansas Baptist College, $12,014,978.
Philander Smith College, $20,686,358.
Shorter College, $4,600,000.
University of Arkansas—Pine Bluff, $31,215,415.

CA

Charles R. Drew Postgraduate Medical School, $31,215,415.

DC

University of the District of Columbia, $14,154,703.

DE

Delaware State College, $22,548,466.

FL

Bethune-Cookman College, $28,805,940.
Edward Waters College, $17,018,109.
Florida A & M University, $59,268,976.
Florida Memorial College, $27,232,176.

GA

Albany State College, $31,594,007.
Clark Atlanta University, $33,405,088.
Clark College, $1,910,402.
Fort Valley State College, $27,642,764.
Morehouse College, $25,258,383.
Morehouse School of Medicine, $25,258,383
Morris Brown College, $18,302,808.
Paine College, $17,802,444.
Savannah State College, $30,008,363.
Spelman College, $26,518,676.

KY

Kentucky State University, $24,646,607

LA

Dillard University, $25,846,205.
Grambling State University, $47,179,192.
Southern University—Shreveport, $24,513,595.
Southern University A&M College, $57,825,446.
Southern University at New Orleans, $34,052,351.
Xavier University (LA), $31,083,299.

MD

Bowie State College, $27,868,586.
Coppin State College, $26,592,478.
Morgan State University, $39,864,381.
U. of Maryland at Eastern Shore, $24,913,973.

MI

Lewis College of Business, $8,600,000.

MO

Harris Stowe State University, $16,561,308.
Lincoln University (MO), $22,686,379.

MS

Alcorn State University, $31,713,845.
Coahoma Junior College, $20,371,062.
Hinds Community College—Utica, $17,332,613.
Jackson State University, $49,271,302.
Mary Holmes College, $7,373,526.
Mississippi Valley State University, $29,887,936.
Rust College, $18,899,685.
Tougaloo College, $27,068,054.

NC

Barber-Scotia College, $10,257,592.
Bennett College, $21,724,937.
Elizabeth City State University, $23,121,455.
Fayetteville State University, $30,642,331.
Johnson C. Smith University, $21,726,429.
Livingstone College, $17,552,027.
North Carolina A&T State University, $41,453,835.
North Carolina Central University, $33,105,047.
Saint Augustine's College, $20,257,510.
Shaw University, $25,273,249.
Winston-Salem State University, $30,923,188.

OH

Central State University, $23,180,576.
Wilberforce University, $17,022,616.

OK

Langston University, $33,625,920.

PA

Cheyney University of Pennsylvania, $18,145,471.
Lincoln University (PA), $20,185,526.

SC

Allen University, $11,285,912.
Benedict College, $26,898,694.
Claflin College, $21,109,208.
Clinton Junior College, $2,500,000.
Denmark Technical College, $18,814,336.
Morris College, $19,589,202.
South Carolina State College, $34,425,031.
Voorhees College, $18,607,148.

TN

Fisk University, $21,687,270.
Knoxville College, $6,060,849.
Knoxville College/Morristown Campus, $2,200,000.
Lane College, $19,874,712.
Lemoyne Owens College, $17,950,926.
Meharry Medical School, $17,950,926.
Tennessee State University, $44,357,510.

TX

Huston-Tillotson College, $20,628,663.
Jarvis Christian College, $12,074,442.
Paul Quinn College, $15,753,746.
Prairie View A&M University, $38,062,884.
Southwestern Christian College, $8,600,000.
St. Phillip's College, $42,621,299.
Texas College, $12,617,407.
Texas Southern University, $47,668,765.
Wiley College, $12,716,011.

VA

Hampton University, $33,604,102.
Norfolk State University, $44,940,874.
St. Paul's College, $12,022,412.
Virginia State University, $30,584,815.
Virginia Union University, $21,436,802.
Virginia University of Lynchburg, $1,000,000.

VI

University of Virgin Islands, $18,468,085.

WV

Bluefield State College, $25,888,689.
West Virginia State College, $27,965,546.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Florida (Ms. CORRINE BROWN).

Ms. CORRINE BROWN of Florida. Mr. Speaker, I rise in strong support of Ms. JOHNSON's bill, House Resolution 928. This bill, which expresses the sense of the House of Representatives that our Nation adopt a week each year to honor our Nation's Historically Black Colleges and Universities, is a measure that would serve as an outstanding tribute to Historically Black Colleges and Universities.

There are four HBCUs in the State of Florida: Florida Memorial in Miami; Florida Agriculture and Mechanical University in Tallahassee, of which I am a graduate; Edward College, which is in the heart of my district; and Bethune Cookman College, a great institution in Daytona Beach, a school I work very closely with.

The importance and the outstanding work HBCUs do around the country is most noteworthy. In addition to educating African American students nationwide, they provide resources for our communities, such as mentoring and tutoring programs for our youth.

Nationwide, HBCUs enroll 14 percent of all African American students in higher education, even though they make up just 3 percent of our Nation's 4,000 institutions of higher education. HBCUs have awarded master's degrees and first professional degrees to about one in every six African American men and women, and awarded 24 percent of all baccalaureate degrees earned by African Americans nationwide.

I commend Ms. JOHNSON in her efforts on behalf of the Historically Black Colleges and Universities, and I strongly support House passage of this bill.

I also want to commend you, Mr. Ranking Member and Mr. Education, for all the work that you have done to help black colleges throughout the years. I do know that we have representatives on the Hill today, and they have been so important working with black colleges. I want to welcome them to their Capitol.

Mr. BOUSTANY. Mr. Speaker, I reserve the balance of my time.

Mr. OWENS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I just wanted to comment that I have a statement here called "Black Colleges: Tiny But Still Jewels in the Crown," which I would like to submit also for the RECORD, which talks about the role that black colleges play in the larger need for an overall national mobilization for education.

I again want to thank the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON, and the other sponsors and cosponsors of this important bill, which in recognizing Historically Black Colleges and Universities will recognize the contribution that black colleges can make in general to higher education throughout America

[From the Congressional Black Caucus Foundation Newsletter]

BLACK COLLEGES: TINY BUT STILL JEWELS IN THE CROWN

(By Major R. Owens)

In 1986 Black colleges and universities faced a time of significant, almost desperate, financial turmoil. Several old schools had been shut down. Of the approximately four thousand such U.S. institutions of higher learning only abut 135 are Black founded and administered. After conducting a hearing in Atlanta University, where thirteen college presidents testified, the Owens' title IIIB amendment received support for both authorization and appropriation. Since 1986, with the support of both parties, the Congress has provided 3.9 billion dollars in direct aid to Black colleges. This is a wise investment for a small but vital sector in our much needed accelerated mobilization for education.

Our nation must more fervently embrace its duty to the mission of indispensable leadership for our earth civilization. Education must be at the core of the comprehensive plan, strategy, mobilization which accomplishes this vital goal. Economic competitiveness, cultural creativity, governance genius, freedom of outlook, the determination to pursue happiness, stubbornness in philosophy and ideology, and the continuing commitment to the spiritual and moral belief that we are born to serve a purpose beyond day-to-day individual survival; these are objectives which cannot be achieved without a massive and ongoing dynamic emphasizing education.

Military shock and awe can defend us from fanatics and guarantee that we never lose a violent war. Winning, prevailing in the effort to keep humankind moving more rapidly away from our savage animal roots toward a paradise on earth can be achieved only if we accept education as the heart and blood of our political and social body. Aspiring toward such a healthy national physique must make use of every organ and resource we possess. The brainpower in our inner cities and poor rural areas we can no longer allow to be wasted. Like the small veins in the heart or the tiny hormone producing glands in the throat, Black colleges have an unseen but critical role to play.

The brainpower deposited among the uneducated poor and minorities is the great untapped human resource of America. To better recognize the need for this resource consider the following: A generally accepted barometer of degrees of global competitiveness is the size of a nation's "middle class." Beyond mere income, "middle class" should be defined as the segment of society able to earn a decent living for themselves and also capable of contributing something of value to society. Those who are not in this class would be persons lacking the capacity to support themselves and even in extreme cases becoming dysfunctional threats to society. Of its 1.2 billion populace China is predicted to have one fourth or 300 million people in its middle class by the end of this decade. India will have the same number or more—and they speak English. Add the very potent middle classes of Russia, Japan and Europe and you will see an overwhelming imbalance against the potential middle class of the United States. These are the workers who will be our well-prepared competitors in the global market-place. These "middle class" citizens will challenge our present lead in hi-tech products and services.

Consider the following:

Our total population is only 300 million. To maintain a position of global competitiveness our entire populace must become "middle class." Japan and Ireland have achieved this level. It is not an impossibility but a massive education mobilization must be mounted for the U.S. to catch up. And one great untapped brainpower resource is in the Black community. Black colleges and universities can be the catalysts for saving and developing this diamond mine.

Republican and Democratic bi-partisan support for Black colleges over the last twenty years has paid off and this investment could yield far more profitable results if we expand it.

Mr. BOUSTANY. Mr. Speaker, I yield 1 minute to my friend, the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Speaker, I thank my friend from Louisiana. I appreciate it very much.

I just rise to thank MAJOR OWENS for his steadfastness, not only in this particular area but in the area of education generally. The time is coming when MAJOR will not shepherd any longer any of these measures, but certainly all of us are grateful to him.

Also, I am grateful to my classmate and colleague for bringing this legislation to the floor. Quite frankly, Mr. Speaker, I can join the list. I heard DANNY DAVIS, my good friend from Illinois, speak of his experiences.

In 1953, I left Sanford, Florida, on a train for Nashville to attend Fisk University, one of the Historically Black Colleges that has been recognized. I left there and came here to Howard University and left there and went to Florida A&M University, where I achieved my JD degree.

Ms. BROWN, my colleague and classmate, spoke momentarily about Florida's schools. I have taught at Florida Memorial, been a Board of Trustee member at Bethune, and I am a graduate of Florida A&M University.

If it were not for those Historically Black Colleges, I would not be here. That may be something that a lot of people wish didn't happen, but it happened, and I am proud of it, and I thank my colleagues.

Mr. BOUSTANY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank all my colleagues on the other side of the aisle for the hard work that they are doing to ensure that all Americans have access to education. I urge my colleagues to recognize the important contributions made by Historically Black Colleges and Universities and their graduates and to vote "yes" on this worthy resolution.

Mr. JEFFERSON. Mr. Speaker, I am here today to speak in support of establishing a National Historically Black Colleges and Universities Week. I am not only the product of an HBCU—Southern A&M College in Baton Rouge—but I represent three of these colleges in my district, Xavier, Dillard and Southern University in New Orleans.

These universities are the leaders in Louisiana in graduating African-Americans. Xavier graduates more black pharmacists than any university in the country and has a near 100 percent bar passage rate. The university also sends more African-Americans than any other university to medical school. Dillard University is nationally known for its nursing program and Southern University educates nearly 100 percent New Orleans residents who may not have received a college degree if SUNO was not open. These universities, as well as the other schools in the Southern University system and Grambling State University, have been vital in producing the best and brightest African-Americans in the American workforce. For their work in educating African-American students for over 100 years and their continued need for those who may not have the opportunity to go to college otherwise, they certainly should be recognized.

The Historically black institutions in my district were the hardest hit of our university system in New Orleans after Hurricane Katrina. SUNO is operating out of a trailer campus and Dillard will reopen this spring in the Hilton Hotel again. And all of the universities are struggling to recruit and retain students. We need the continued support of Congress to recognize the importance of these institutions in our community. Graduates of these universities often stay in New Orleans to work as teachers, doctors, or nurses in underserved communities because they want to give back to the community in which they have fostered an education. We need this to continue. Furthermore, these universities are critical to the recovery of our professional workforce in New Orleans. We could not rebuild our community without the support of the students who come to learn in our city or the professors who commit to stay in our city.

This resolution is important to me personally because without Southern A&M College, I might not be here today. But beyond that, the continued need for the opportunity that HBCU's provide and the local need for these universities to be involved in the recovery of the Gulf Coast region makes this resolution even more timely and necessary and I encourage all of my colleagues to support it.

Mr. BOUSTANY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana (Mr. BOUSTANY) that the House suspend the rules and agree to the resolution, H. Res. 928, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 5682, UNITED STATES AND INDIA NUCLEAR COOPERATION PROMOTION ACT OF 2006

Mr. BISHOP of Utah. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 947 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 947

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 5682) to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations. After general debate the bill shall be considered for amendment under the five-minute rule. The amendment in the nature of a substitute recommended by the Committee on International Relations now printed in the bill, modified by the amendment printed in part A of the report of the

Committee on Rules accompanying this resolution, shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment and shall be considered as read. Notwithstanding clause 11 of rule XVIII, no further amendment to the bill, as amended, shall be in order except those printed in part B of the report of the Committee on Rules. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Utah (Mr. BISHOP) is recognized for 1 hour.

Mr. BISHOP of Utah. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 947 provides for a structured rule, with 1 hour of general debate equally divided and controlled between the chairman and ranking minority member of the Committee on International Relations, and waives all points of order against consideration of this bill, and provides for a motion to recommit with or without instructions.

This rule also makes in order several amendments brought forward to the Rules Committee, two of which are Democrat amendments, two are Republican, and two are bipartisan amendments, so the rule is fair in allowing a wide range of debate on issues that will be affecting nuclear technology, U.S. foreign policy and our strategic partnership between the world's two largest democracies, India and the United States.

Mr. Speaker, there was a time when I acted in a great many plays, one of which was the children's theater "Willy Wonka and the Chocolate Factory." And Willy Wonka has a song that he sings in there called "Pure Imagination," with the wonderful lyrics like "there is no life I know that compares with pure imagination," which may work well for the stage or for a children's book after which it was based but not in the reality of our partnership between India and the United States.

There we must face reality, and the reality is India has had nuclear technology for four decades, they are a nuclear power, they have been in the possession of that technology since 1974 when they conducted their first nuclear test, they have never signed the nuclear nonproliferation treaty, nor do they have the international Atomic Energy Agency safeguards, and since that time they have sought to increase the development of nuclear energy to support the needs of their large population.

In June of last year, President Bush announced an agreement with Prime Minister Singh of India on increasing cooperation on various fronts, including civilian energy production, which will hopefully ensure that India will join with the rest of the world and with us in the nonproliferation mainstream.

This underlying bill, H.R. 5682, builds upon those principles outlined in the President's agreement with India and grants the President certain prerogatives to waive restrictions of the Atomic Energy Act of 1954 to facilitate transfers of civilian nuclear technology and materials, while specifically preserving the right of the Congress to ultimately approve or disapprove those waivers by requiring an unamendable joint resolution of approval by Congress in order for any of the formal detailed agreements to be entered into force.

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In that regard, the Committee did well in protecting the rights and prerogatives of Congress. The bill also increases congressional oversight of nuclear cooperation with India by requiring detailed annual reports on India's activities.

Finally, the legislation requires the President, prior to requesting a waiver of the Atomic Energy Act prohibitions to certify to Congress very specific conditions that have been met by India, which would include: A credible plan for a separation of India's civilian and military facilities, increased safeguards and inspection of India's nuclear facilities, strengthened controls on India's export of nuclear technology, and an agreement that India will work with the United States towards the FMC treaty, which will also certify that the NSG has consensus agreement on the guideline modifications that will be enacted.

Mr. Speaker, as the ranking member on the International Relations Committee said at the Rules Committee hearing yesterday on this bill, it is perhaps the single most important bill in this area of international relations that this Congress will have acted upon.

Our country has much to gain by working cooperatively with India in exchange for tighter controls than by not engaging them on these matters at all.

Without this agreement, India could move unilaterally into a nuclear realm without our Nation's consent or cooperation. Since September 11, 2001, India has demonstrated that it is an important partner with the United States in combating the war on terror. It is a nation of strategic and economic interests, and it is one in which we need to further our cooperation with India.

One of the most concise yet persuasive concepts for us to consider as well is that by facilitating civilian nuclear energy in India through cooperative agreements with our country, we will also have a significant influence on the international impact of oil, of emissions and jobs.

This is one of those bills, unlike some of the others we do, that does not expand the scope of government, it does not impose a mandate, has congressional authority, and if you are watching or reading one of the newspapers passed around this Hill today was supported by eight different veterans groups today.

Mr. Speaker, H.R. 5682 is a bipartisan bill. It enjoys a broad range of support. I urge the adoption of the rule and the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume. I thank my friend from Utah (Mr. BISHOP) for the time.

Mr. Speaker, I rise today in strong support of the U.S.-India Nuclear Cooperation Promotion Act. As our colleague, Chairman HYDE, said yesterday in the House Rules Committee, this is the single most important piece of legislation that has come through the International Relations Committee this year.

We must do everything in our power to pass it today. India, the world's largest democracy, and the United States, the world's oldest democracy, must come together and strengthen their friendship. After centuries of an unsteady relationship, there has been dramatic improvement starting with the Clinton administration and continuing today.

This bill tells India that we believe in them, and that we want to support them just like they have consistently supported us. The civilian nuclear initiative will deepen the U.S.-India strategic partnership. The initiative reflects U.S. trust in India as a global tactical partner, and indicates our admiration for India's democratic traditions, her commitment to tolerance and her commitment to freedom.

I, as well as many of our colleagues, have had the great pleasure of traveling to the country of India on several different occasions. Any person who goes to India recognizes the crucial necessity of clean energy.

This legislation will provide productions of clean energy, and can potentially reduce further pollution on the environment through decreasing the dependency on fossil fuels.

Civil nuclear cooperation is vital to the development of a clean and safe environment for our Indian friends. As our distinguished colleague, the ranking member of International Relations, Tom Lantos, said in the Rules Committee yesterday, India is a nuclear nonproliferator.

India has pledged to identify and separate her civil and military nuclear facilities and programs and place the civil portions under IAEA safeguards. I would urge my colleagues who have some hesitancy about this legislation to pay particular attention to that particular part of the legislation.

This bill will bring India closer to the international nonproliferation mainstream. India has ensured that 65 percent of her current and planned power reactors will come under IAEA safeguards. This, in the legislation, would rise to as high as 90 percent in future years as India constructs new reactors.

Without this initiative, 81 percent of India's current power reactors and all future power programs would remain unclear. Energy power and clean air are necessities for the Republic of India, especially because the excessive harm of global warming that is affecting India and indeed the world every day.

The amount of carbon dioxide emitted through the combustion of fossil fuels, otherwise known as the carbon footprint, is constantly upsetting this region.

Their need for alternative sources of energy is staggering, and we must pass this legislation to make a change in this region possible. India, America's strongest ally in the Southeast Asia region, is on the verge of an energy crisis. India is the sixth largest energy consumer in the world.

But in order to maintain their strong economic growth, India's energy consumption will need to increase substantially. The facts are astounding, and civilian nuclear cooperation is the only way India's energy can remain secure.

On a note of personal privilege, Mr. Speaker, I would like to thank Sonal Patel, a young woman who is interning in my office this summer. She worked hard on this issue, and she and other young Indian nationals who are interning here on the Hill this summer worked very actively, along with my friends, Mr. CROWLEY, Mr. PALLONE and others, to bring to the floor the legislation dealing with the condemnation of the horrible bombing incidents that took place in India.

This is a year where many of our interns are demonstrating staff-like work, and certainly, she qualifies in that category. The facts are astounding, and civilian nuclear cooperation is the only way India's energy can remain secure.

Mr. Speaker, I urge my colleagues to vote for the rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. BISHOP of Utah. Mr. Speaker, I yield 7 minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN), the chairwoman of the subcommittee, and one of the experts we have here in the House on international relations.

Ms. ROS-LEHTINEN. Mr. Speaker, I thank my good friend for yielding me time.

Mr. Speaker, as an original cosponsor of this legislation, as well as the cochair of the Congressional Caucus on India and Indian Americans, I rise in strong support of House Resolution 5682, the United States and India Nuclear Cooperation Promotion Act.

I would like to thank Chairman HYDE and Ranking Member LANTOS for their dedicated work on this important issue, and for their willingness to work with me as well as other Members of the House International Relations Committee to ensure that the bill before us today achieves that delicate balance between strengthening our democratic ally, India, and expanding our bilateral strategic efforts, while promoting U.S. nonproliferation priorities.

Given the overwhelming positive committee vote on this measure, I am confident that we have achieved this balance, Mr. Speaker. By providing the legal foundation for full civilian nuclear cooperation, this bill supports the strategic objectives for our global partnership with India, and that was signed a year ago by President Bush and Prime Minister Singh.

As India stands firm with the United States and our efforts to confront and eliminate the scourge of global terrorism, and to prevent the spread of dangerous nuclear technology, this bill seeks to reward and recognize India's commitment, while building upon our bilateral cooperation and strategic relationship to address broader U.S. national security priorities.

Mr. Speaker, this is not a proposal that we would offer to just any nation. It is a venture we would only enter with our most trusted and proven democratic allies. As such, the bill we will be considering today clearly notes that India is a special case. It outlines the record of achievement that distinguishes India from the pack, and that has earned India this special treatment.

Notably, I am referring to section 2 of the bill, Mr. Speaker, which defines certain criteria that are crucial to the U.S. and which India has met. Section 2 recognizes that India is a country that has demonstrated responsible behavior with respect to the nonproliferation of technology related to weapons of mass destruction programs, and the means to deliver them; that India is working with the United States in key foreign policy initiatives related to nonproliferation.

India's commitment to cooperate with us on such major issues as the spread of nuclear weapons material and technology to groups and countries of concern, such as Iran, advances the strategic security interests of us in the United States.

However, to reiterate, Mr. Speaker, this bill seeks to go beyond the status quo, and it builds upon existing commitments and cooperation. Section 3 of the bill focuses our policy on securing India's full and active involvement in dissuading, isolating, and if necessary, sanctioning and containing Iran for its efforts to acquire chemical, biological and nuclear weapons capability, and the means to deliver those deadly unconventional weapons.

This section also establishes, as U.S. official policy, the need to secure India's participation in the Proliferation Security Initiative, including a formal commitment to the statement of interdiction principles.

It also calls for the achievement of a moratorium by India, by Pakistan, and by China, of fissile materials for nuclear explosives purposes. Furthermore, Mr. Speaker, this bill ensures that Congress can exercise its congressional oversight, and it outlines a number of steps that the President must determine and report to the Congress that have taken place before we consider the final agreement.

Among other conditions, the certification under section 4 requires that India provide the U.S. and the International Atomic Energy Agency with a credible plan to separate its nuclear facilities, and that India file a declaration with the IAEA regarding the civilian sites.

It calls for India and the International Atomic Energy Agency to have concluded an agreement that subjects these nuclear facilities to perpetual safeguards. The President must also certify that India is taking concrete steps to prevent the spread of dangerous nuclear-related technology, such as by enacting and enforcing comprehensive export controls and regulations that are in keeping with the highest regional and international standards, such as those of the Nuclear Suppliers Club.

More importantly, Mr. Speaker, Congress will be able to review and approve the final framework agreement for U.S.-India nuclear agreements. Lastly, H.R. 5682 calls on the U.S. Government to provide Congress with detailed annual reports on implementation of this deal and on U.S. nonproliferation policy throughout South Asia.

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In short, nuclear cooperation under this proposed legislation could enhance not just U.S. security but actually international security as a whole.

In light of the vital implications of this legislation, Mr. Speaker, I urge my colleagues in joining me and voting "yes" on the U.S. and India Nuclear Cooperation Promotion Act. I thank my good friend for the time.

The SPEAKER pro tempore (Mr. KLINE). Without objection, the gentleman from Massachusetts (Mr. MCGOVERN) will control the time of the gentleman from Florida (Mr. HASTINGS).

There was no objection.

Mr. McGOVERN. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. CROWLEY), a member of the International Relations Committee, one of the distinguished former co-chairs of the House India Caucus.

Mr. CROWLEY. Mr. Speaker, I rise in strong support of the rule for the India Nuclear Cooperation Promotion Act, and I thank the gentleman from Massachusetts for yielding me this time.

This rule provides debate for relevant amendments to the proposed civilian nuclear cooperation deal between the United States and India. I strongly support the passage of this bill, as do many former Clinton administration officials.

Former Defense Secretary Richard Cohen said, and I quote, "The most important strategic agreement that we will have reached in recent times has been that of the United States and India on this non-nuclear agreement."

Former Assistant Secretary of State for South Asia Rick Inderfurth said, and I quote, "It is the right call for us in the world, really. This is a way to bring India into a global nonproliferation regime, rather than leaving it on the outside."

Former Ambassador and career Foreign Service Officer Terestia Schaffer said, and I quote, "The nuclear system will be much more robust and potentially more effective with India on the inside than on the outside."

And today former Ambassadors to India Tom Pickering and Frank Wisner wrote an op/ed supporting the deal, which I would like to ask unanimous consent to have added to the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

[From the Washington Times, July 26, 2006]

Triumphant India Policy

(By Tom Pickering/Frank Wisner)

When the House of Representatives votes today on civil nuclear cooperation with India, President Bush, marching hand-in-hand with Congress, will be a step closer to a foreign policy trophy commensurable with Nixon's opening to China: a flourishing strategic partnership with India. Cementing this partnership would overcome decades of unrealistic and futile attempts to force India to abandon its nuclear arsenal while sandwiched between two nuclear-armed rivals.

The House International Relations Committee earlier voted by an overwhelming bipartisan majority of 37-5 to approve the civil nuclear cooperation bill (H.R. 5682), and the Senate Foreign Relations Committee has approved a companion bill by 16-2. The terms of the legislation have been scrupulously crafted in a collaborative endeavor between the executive and legislative branches to answer nonproliferation concerns, among other issues.

Civil nuclear cooperation with India would catalyze alignment of the two great democracies for the 21st century. Prospects for enactment are sanguine during the 106th Congress. It demonstrates how much a president can accomplish in foreign and national security affairs if Congress gets a ticket for the take-off as well as for the landing, to borrow from former Sen. Arthur Vandenberg, Michigan Republican.

Virtually every member of Congress understands the centrality of India to U.S. national security interests. India appreciates the horror of international terrorism because it has suffered on a scale reminiscent of September 11, 2001: hundreds of casualties recently in Mumbai from bombs planted on six commuter trains; an attack on India's parliament; and recurrent horrors in Kashmir.

When India's prime minister addressed the U.S. Congress last year, he vowed: "We must fight terrorism wherever it exists, because terrorism anywhere threatens democracy everywhere." During a return trip to India, President Bush responded: "He is right. And so America and India are allies in the war against terror."

India generally supports the U.S. over Iran's nuclear ambitions, peace in the Middle East, reconstruction of Afghanistan, and spread of democracy in Nepal and elsewhere. The two countries are co-founders of the Global Democracy Initiative.

India is a secular democracy, featuring religious pluralism. It is a majority Hindu nation with a Muslim president, a Sikh prime minister, and a Christian leader of its largest political party. Its permanent interests on energy, free enterprise, the environment and nonproliferation, and a balance of power in Asia converge with those of the United States.

The U.S-India strategic partnership has been frustrated more than 30 years by a rigid statutory prohibition on sharing civil nuclear technology with India, whereas sharing is permitted with China and other less friendly or responsible nations. India has felt estranged and demeaned. The pending legislation would pluck the "cinder in the eye" of the U.S.-India relationship on terms eminently fair to both.

India would join the international nonproliferation framework. It would place all of its civilian reactors under International Atomic Energy Agency (IAEA) inspections to prevent diversion of nuclear assistance to military use. It would upgrade its export controls on missile and nuclear technology to the standards of the Missile Technology Control Regime and the Nuclear Suppliers Group. It would continue its moratorium on nuclear testing, and negotiate in tandem with the United States a multilateral Fissile Material Cut-Off Treaty.

The legislation has elicited the enthusiastic support of two directors general of the IAEA, the G-8, and Great Britain, France and Russia. IAEA Director General and Nobel Prize winner Mohamed ElBaradei has effused: "The agreement . . . would bring India closer as an important partner in the nonproliferation regime. It would be a milestone, timely for ongoing efforts to consolidate the nonproliferation regime, combat nuclear terrorism and strengthen nuclear safety."

Contrary to detractors, the prospective U.S.-India civil nuclear cooperation has not diminished international opposition to the nuclear adventurism of Iran or North Korea. It has not provoked any nation to consider withdrawal from the Nuclear Nonproliferation Treaty, because the legislation harmonizes with its terms and objectives. It has not ignited an arms race in South Asia.

By any sensible nonproliferation measure, the legislation for civil nuclear cooperation with India will make the world safer. India's already commendable export control record would further improve. It has not proliferated to third countries, unlike the A.Q. Khan network. Its indigenous development of nuclear weapons was consistent with its international obligations and an understandable response to the NPT's tilt in favor of five defined nuclear-weapons states: China, Russia, the United States, Great Britain and France. And nuclear assistance to India's civilian sector will not "free up" indigenous uranium to boost its military arsenal because India's uranium reserves are enough for both programs, as Secretary of State Condoleezza Rice has told Congress.

In sum, to vote for civil nuclear cooperation with India is to vote on the right side of history, for nonproliferation, and in the U.S. supreme national interests.

Mr. CROWLEY. Mr. Speaker, NPT, the Nonproliferation Treaty, is something that we all hold in great respect. But I believe, as do many of my colleagues, the "T" needs to stand for tent. We need to find a way to bring India into the tent of nonproliferators, as she has always been a nonproliferating country. She has never once proliferated beyond her borders, unlike some of her neighbors.

If you want to have a similar deal as has been struck between the United States and India, you need to act as GARY ACKERMAN says, like India.

I urge all my colleagues to support the rule and final passage of a clean bill.

Mr. BISHOP of Utah. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Louisiana (Mr. BOUSTANY).

Mr. BOUSTANY. Mr. Speaker, I rise in strong support of H.R. 5682 and the rule for this legislation, the U.S. and India Nuclear Cooperation Promotion Act of 2006.

I want to also compliment the distinguished chairman of the House International Relations Committee, Mr. HYDE, and ranking member, Mr. LANTOS, for their leadership in bringing forward this important implementing legislation.

I also want to commend the administration for recognizing that we can learn from our mistakes, a mistake whereby we have failed in the past to link our foreign policy with our energy policy, and this is a very good first step to correcting such mistakes.

This is a very far-reaching agreement whereby the world's oldest democracy will join with the world's largest democracy to work together on foreign policy and energy policy. This is a model for the future where we can work on energy, cooperative agreements, and also fit within our strategic framework.

India for the past 32 years has been a nonproliferator, and we should reward India for that historic effort. In recent years, India has certainly been a critically important ally in the global war on terror. It has proven to be a reliable and secure state when it comes to nonproliferation. We need to build on this relationship and this new-found trust, and this implementing legislation that will allow us to do this is a critical first step in deepening this cooperation.

India, in working with the IAEA to increase inspections of existing and future reactors and maintaining India's moratorium on weapons testing, and given their assurances to work with us to prevent proliferation throughout the region, will prove to be a great example for other countries in the region to follow.

This is not only just a good bill for India. It is also good for American business. It allows us to increase energy trade, which really has not happened in the past three decades with India.

This is great for the environment. It helps us reduce carbon emissions by some 300 million tons, more than half the total Kyoto protocols; and it is going to reduce India's dependence on foreign sources of energy such as natural gas, which it is heavily dependent upon.

This is a very important piece of foreign policy and energy policy. I urge its passage. I urge passage of the rule so that we can move forward.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 3 minutes to my good friend and colleague on the Rules Committee, the distinguished gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, I thank my friend, the gentleman from Florida, for yielding me the time.

Mr. Speaker, I am not going to talk about the underlying bill. We will do that a little later on today. But, instead, I want to take a couple of minutes to speak about the rule and about what I believe is a flawed process that Members of this House are forced to operate within.

It is easy in this Congress to get as much time as you want to debate trivial issues. We spend hours and hours honoring sports teams, we name post offices, we do all kinds of things like that. But when it comes to serious issues, all of a sudden there never seems to be the time.

There were a number of amendments that were proposed in the Rules Committee last night. Some of them were not made in order, and I regret the fact that those amendments were not made in order. But a number of those that were made in order have been limited to 10 minutes, 10 minutes, to talk about issues dealing with nuclear proliferation and arms control, 10 minutes to talk about issues that impact U.S. treaty obligations, 10 minutes to talk about how we prevent this world from being extinguished in one terrible nuclear flash.

That is what the leadership of this House thinks about issues of arms control and nuclear nonproliferation, 10 minutes; 5 minutes pro, 5 minutes against.

My colleagues, Congressman BERMAN and Congresswoman TAUSCHER, have an amendment that restricts exports of nuclear reactor fuel to India until the President determines that India has halted the production of fissile material for the use in nuclear weapons. It is a serious issue. Regardless of whether you believe it should be part of this underlying bill or not, it is an issue that deserves debate and that the more debate that it gets on the floor the more of an indication we are going to send to our negotiators and to the Government of India that these issues are important to those of us in this Congress.

Congressman MARKEY and Congressman UPTON had an amendment that essentially would require the President to determine that the U.S. has received India's support in preventing Iran from acquiring weapons of mass destruction before the U.S. engages in nuclear cooperation with India.

The President and Members of this Congress take to this well constantly to talk about how we are concerned about Iran possibly acquiring weapons of mass destruction. This seems like a reasonable amendment. It was not made in order, so now we are forced to use it as a motion to recommit. We get 10 minutes to debate that, 5 minutes in favor, 5 minutes against.

We need to get our priorities straight in this House. We give resolutions honoring sports teams 40 minutes, 40 minutes; and we can only give 10 minutes to deal with amendments that are dealing with issues of whether or not we are going to see this arms race proliferate throughout this world? We need to get our priorities straight.

For that reason, Mr. Speaker, I am going to vote against this rule. Regardless of how you want to vote on the final passage of this bill, we should demand, all of us, Republicans and Democrats, that serious issues that get debated, get debated with enough time on this floor, at least as much as we give to these trivial issues like honoring sports teams.

Mr. BISHOP of Utah. Mr. Speaker, I reserve my time.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 2½ minutes to my good friend, the distinguished gentleman from Ohio (Mr. KUCINICH) and former mayor of Cleveland.

Mr. KUCINICH. I rise in opposition to the rule and the underlying bill. This proposal would threaten global security and unilaterally modify the Nuclear Nonproliferation Treaty.

This administration has pursued contradictory policies with respect to the NPT, both misusing and disregarding the NPT to suit its stumbling interests. Regarding Iran, for example, the administration cited Iran for minor breaches of the NPT and are trying to rally support based on that for a military attack. At the same time, the administration itself undermines the NPT by this proposal which would help develop nuclear weapons.

The NPT requires that nuclear weapons states keep their weapons to themselves and allows nonweapons states to receive civilian nuclear technology only in exchange for their refusal to produce nuclear weapons. Yet this deal, in this deal the U.S. will provide India with civilian nuclear technology even though India is not a signatory to the NPT, is known to possess nuclear weapons and has no intention of limiting its nuclear weapons cache or production capability.

Moreover, since the U.S. will supply India with uranium fuel, India will be able to use more of its own limited uranium reserves to produce nuclear weapons. It is estimated India will be able to produce dozens more nuclear weapons per year under this deal.

We are going in the wrong direction here. At this time of great crisis in the world, we should be looking towards nuclear disarmament, nuclear abolition, saving the world, not ramping up for Armageddon by nuclear proliferation.

Mr. BISHOP of Utah. Mr. Speaker, on the rule for the bill that was passed out by a bipartisan vote of 37–5, I reserve my time.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased at this time to yield to my good friend from New Jersey, the distinguished gentleman, Mr. PALLONE, 1 minute.

Mr. PALLONE. Mr. Speaker, I rise in support of the rule and in support of the bill.

India has been a strong U.S. ally and should be viewed as a credible and worthy nation of our help and support. India is ready to accept all the responsibilities of the world's leading states with respect to advanced nuclear technology.

India has no record of proliferating dual-use nuclear technology to other countries. It understands the danger of the proliferation of weapons of mass destruction and has agreed to key international nonproliferation requirements. India has committed to separate its military and peaceful programs and adhere to international nuclear and missile control restrictions. It is actively working with the Nuclear Suppliers Group and the International

Atomic Energy Agency to place all of its nuclear facilities under international safeguards.

This nuclear agreement strengthens energy security for the U.S. and India and promotes the development of stable and efficient energy markets in India. Development and expansion of U.S.-India civil nuclear cooperation should over time lessen India's dependence on imported hydrocarbons, including those from Iran.

Today, the world's two largest democracies have established a remarkable strategic partnership. A civil nuclear cooperation would be a great accomplishment. Its implementation is important for national security and for U.S.-India relations. I urge my colleagues to vote an "aye" on this bill.

I want to commend the chairman and the ranking member for their hard work in constructing a bill that both the administration and the House could support. Their version will set the process by which Congress will in the future review and vote on the final framework agreement to implement the nuclear cooperation deal.

Based on their shared values of diversity, democracy and prosperity, the United States and India have a natural connection. Recently, we fostered a transformed relationship that is central to the future success of the international community; and this important legislation would solidify this relationship.

Mr. BISHOP of Utah. Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I am going to yield myself such time as I may consume: and I am going to take just a small amount of time hoping that colleagues who have demonstrated an interest would have time to get to the floor.

Mr. Speaker, one of the things that has not been mentioned by anyone that I believe that this legislation will assist in is providing safe reactors.

I had the misfortune and at the same time distinguished privilege to serve as the lead election monitor of the elections in Belarus, and while there I had an opportunity to see the horrible effects of a nuclear disaster. Some folks who remember Chernobyl think of it as Ukrainian and Russian in terms of the damage that was done, but the downwind aspects of that disaster fell on Belarusians, and it was devastating, and the effects of that are still showing.

□ 1630

We have had, with the exception of the Three Mile Island incident in Pennsylvania, extremely safe nuclear reactors in the United States, and our technology, indeed, some of technology in the world, may very well provide for even safer reactors. Thus, bringing India under the aegis of the IAEA can only assist in providing safe reactors.

Additionally, as we well know, Indian scientists are extremely resourceful. The residual from nuclear technology has produced the waste that the world needs to determine how best to handle. I believe, without knowing, nor do I think this legislation standing alone will cause that to occur, but I believe that Indian scientists, working with others throughout the world, may very well assist in developing the technology that will handle the nuclear waste that is such a tremendous problem, not only for this country, but indeed the world.

So there are other benefits that may be derived from this legislation, in addition to civilian pursuits that will help to reduce the carbon footprint.

Mr. Speaker, I did take enough time to let one of my colleagues arrive, and that said, I am very pleased to yield 2 minutes to my classmate and good friend, the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, there seems to be something missing from the debate today. It is like the elephant in the room, no one wants to talk about it. Whatever happens to the United States' own commitment to nonproliferation?

Yesterday, I went before the Rules Committee, and I had an amendment that was quite simple. It stated that until the President has implemented and observed all of our NPT obligations and revised its own policies relating to them, no item may be transferred to India, including exports of nuclear and nuclear-related material, equipment or technology. Unfortunately, my amendment was not included in this restrictive rule.

As many of my colleagues have stated, this objection is not about the deal or our alliance with India. This is about how the Bush administration has made a mockery of the NPT and encouraged other countries to go around the treaty. Basically, the bill says that if a country ignores the NPT, the United States will cut a deal down the road.

If anything, the U.S. is contributing to global nuclear proliferation with this agreement.

Vote against the rule because in a world that is becoming more, not less, violent by the day we must face the facts. Until the United States lives up to its nonproliferation obligations, how can we possibly ask others to do so?

Today, I will vote against this misguided bill. I will vote against the rule. I urge my colleagues to do the same.

Mr. BISHOP of Utah. Mr. Speaker, I yield myself such time as I may consume.

Just to illustrate what the Rules Committee actually did do, there were 10 amendments that were proposed to the Rules Committee, one withdrawn, two not germane. The one recently referred to was ruled not germane because it referred to all NPTs, not specifically this particular one. Of the seven that were remaining, six were actually made in order.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, without further closing, in light of the fact that I have already, I yield back the balance of our time.

Mr. BISHOP of Utah. Mr. Speaker, I appreciate my good friend, the gentleman from Florida (Mr. HASTINGS), and his presentation. I am very proud that I was able to go through this entire discussion and I hope to say "nuclear" correctly. It was the biggest fear I had.

I support the rule; I urge all those to support this rule and the consideration for H.R. 5682.

Mr. Speaker, I yield back my time and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. KLINE). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BISHOP of Utah. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order: Suspending the rules on H.R. 5337, by the yeas and nays; suspending the rules on H.R. 5319, by the yeas and nays; agreeing to H. Res. 947, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

NATIONAL SECURITY FOREIGN INVESTMENT REFORM AND STRENGTHENED TRANSPARENCY ACT OF 2006

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 5337, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 5337, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 424, nays 0, not voting 8, as follows:

[Roll No. 404]

YEAS—424

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—8

Capito
Davis, Jo Ann
Deal (GA)
Evans
Istook
Lewis (GA)
McKinney
Wexler

☐ 1704

Mr. FRANKS of Arizona changed his vote from "nay" to "yea."

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DELETING ONLINE PREDATORS ACT OF 2006

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 5319, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. UPTON) that the House suspend the rules and pass the bill, H.R. 5319, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 410, nays 15, not voting 7, as follows:

[Roll No. 405]

YEAS—410

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holden
Holt
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup

Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NAYS—15

Conyers
Grijalva
Hinchey
Honda
Kucinich
Lee
Lofgren, Zoe
McDermott
Payne
Schakowsky
Scott (VA)
Serrano
Stark
Watson
Woolsey

NOT VOTING—7

Capito
Davis, Jo Ann
Deal (GA)
Evans
Istook
McKinney
Wexler

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 1715

Mr. PAYNE changed his vote from "yea" to "nay."

Mr. WAXMAN changed his vote from "nay" to "yea."

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 5682, UNITED STATES AND INDIA NUCLEAR COOPERATION PROMOTION ACT OF 2006

The SPEAKER pro tempore. The pending business is the vote on adoption of H. Res. 947, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 311, nays 112, not voting 9, as follows:

[Roll No. 406]

YEAS—311

Ackerman
Aderholt
Akin
Alexander
Baca
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Berkley
Biggert
Bilbray
Bilirakis
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Cardoza
Carnahan
Carson
Carter
Castle
Chabot
Chandler
Chocola
Clay
Coble
Cole (OK)
Conaway
Costa
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Everett
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutierrez
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Keller
Kelly
Kennedy (MN)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Meek (FL)
Meeks (NY)
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moore (KS)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Otter
Oxley
Pallone
Paul
Pearce
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (WI)
Ryun (KS)
Salazar
Schakowsky
Schiff
Schmidt
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Smith (WA)
Sodrel
Souder
Stearns
Strickland
Sullivan
Sweeney
Tancredo
Tanner
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—112

Abercrombie
Allen
Andrews
Baird
Baldwin
Barrow
Becerra
Berman
Berry
Bishop (GA)
Blumenauer
Brady (PA)
Brown, Corrine
Capps
Capuano
Cardin
Case
Cleaver
Clyburn
Conyers
Cooper
Costello
Cummings
DeFazio
DeGette
Delahunt
Dingell
Doggett
Doyle
Etheridge
Farr
Fattah
Ford
Frank (MA)
Green, Al
Grijalva
Harman
Hastings (FL)
Hinchey
Holt
Honda
Jefferson
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kucinich
Langevin
Larson (CT)
Lee
Lipinski
Lofgren, Zoe
Lowey
Lynch
Markey
Matsui
McDermott
McGovern
McNulty
Meehan
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (WI)
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pascrell
Pastor
Payne
Peterson (MN)
Price (NC)
Rahall
Rothman
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schwartz (PA)
Serrano
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Watson
Watt
Waxman
Weiner
Woolsey
Wu
Wynn

NOT VOTING—9

Capito
Davis, Jo Ann
Deal (GA)
Evans
Green, Gene
Istook
McKinney
Saxton
Wexler

□ 1723

Mrs. MALONEY and Ms. SCHAKOWSKY changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GENE GREEN of Texas. Mr. Speaker, on rollcall No. 406, had I been present, I would have voted "yea."

Mrs. JONES of Ohio. Mr. Speaker, on rollcall No. 406, had I been present, I would have voted "yea."

CORRECTING THE ENROLLMENT OF S. 203

Mr. PEARCE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 456) providing for a correction to the enrollment of the bill, S. 203.

The Clerk read as follows:

H. CON. RES. 456

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill, S. 203, the Secretary of the Senate shall make the following correction: After section 702 insert the following new section (and amend the table of contents accordingly):

SEC. 703. NEW JERSEY COASTAL HERITAGE TRAIL ROUTE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Public Law 100–515 (16 U.S.C. 1244 note) is amended by striking section 6 and inserting the following:

"SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this Act.

"(b) USE OF FUNDS.—

"(1) IN GENERAL.—Amounts made available under subsection (a) shall be used only for—

"(A) technical assistance; and

"(B) the design and fabrication of interpretative materials, devices, and signs.

"(2) LIMITATIONS.—No funds made available under subsection (a) shall be used for—

"(A) operation, repair, or construction costs, except for the costs of constructing interpretative exhibits; or

"(B) operation, maintenance, or repair costs for any road or related structure.

"(3) COST-SHARING REQUIREMENT.—

"(A) FEDERAL SHARE.—The Federal share of any project carried out with amounts made available under subsection (a)—

"(i) may not exceed 50 percent of the total project costs; and

"(ii) shall be provided on a matching basis.

"(B) FORM OF NON-FEDERAL SHARE.—The non-Federal share of carrying out a project with amounts made available under subsection (a) may be in the form of cash, materials, or in-kind services, the value of which shall be determined by the Secretary.

"(c) TERMINATION OF AUTHORITY.—The authorities provided to the Secretary under this Act shall terminate on September 30, 2007.".

(b) STRATEGIC PLAN.—

(1) IN GENERAL.—Not later than 3 years after the date on which funds are made available, the Secretary of the Interior shall prepare a strategic plan for the New Jersey Coastal Heritage Trail Route.

(2) CONTENTS.—The strategic plan shall describe—

(A) opportunities to increase participation by national and local private and public interests in the planning, development, and administration of the New Jersey Coastal Heritage Trail Route; and

(B) organizational options for sustaining the New Jersey Coastal Heritage Trail Route.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico (Mr. PEARCE) and the gentleman from New Jersey (Mr. PALLONE) each will control 20 minutes.

The Chair recognizes the gentleman from New Mexico.

Mr. PEARCE. Mr. Speaker, this concurrent resolution directs the Clerk of the Senate to make a simple enrollment correction to S. 203, passed by the House of Representatives on Monday by an overwhelming vote of 323–39.

I urge adoption of the resolution.

Mr. Speaker, I yield back the balance of my time.

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the majority has already explained the purpose of H. Con. Res. 456, which would correct an inadvertent error in the House-passed version of S. 203 involving the New Jersey Coastal Heritage Trail Route.

Correcting this error would ensure the proper inclusion of language from H.R. 472, introduced by my colleague from New Jersey, Mr. LOBIONDO. I was proud to join the rest of the New Jersey congressional delegation in being an original cosponsor of this bill, which would reauthorize appropriations for the route and requires the Secretary of the Interior to develop a strategic plan.

The Coastal Heritage Trail extends for nearly 300 miles from Perth Amboy south to Cape May, then along the Delaware Bay to the Delaware Memorial Bridge. It is a partnership between the National Park Service and the State of New Jersey, with the help of other organizations working to preserve the natural and cultural heritage of the New Jersey coastline.

The Coastal Heritage Trail program has done a great deal to help New Jersey residents and tourists better understand the Shore area, and it is critical that it be reauthorized.

Mr. Speaker, we support H. Con. Res. 456. I urge its adoption by the House today.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico (Mr. PEARCE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 456.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a joint resolution of the House of the following title:

H.J. Res. 86. Joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes.

The message also announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 3549. An act to amend the Defense Production Act of 1950, to strengthen Government review and oversight of foreign investment in the United States, to provide for enhanced Congressional oversight with respect thereto, and for other purposes.

RETURNED AMERICANS PROTECTION ACT OF 2006

Mr. HERGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5865) to amend section 1113 of the Social Security Act to temporarily increase funding for the program of temporary assistance for United States citizens returned from foreign countries, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. PAYMENTS FOR TEMPORARY ASSISTANCE TO UNITED STATES CITIZENS RETURNED FROM FOREIGN COUNTRIES.

(a) INCREASE IN AGGREGATE PAYMENTS LIMIT FOR FISCAL YEAR 2006.—Section 1113(d) of the Social Security Act (42 U.S.C. 1313(d)) is amended by inserting ", except that, in the case of fiscal year 2006, the total amount of such assistance provided during that fiscal year shall not exceed $6,000,000" after "2003".

SEC. 2. DISCLOSURE OF INFORMATION IN THE DIRECTORY OF NEW HIRES TO ASSIST ADMINISTRATION OF FOOD STAMP PROGRAMS.

Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended—

(1) by redesignating the second paragraph (7) as paragraph (9); and

(2) by adding at the end the following new paragraph

"(10) INFORMATION COMPARISONS AND DISCLOSURE TO ASSIST IN ADMINISTRATION OF FOOD STAMP PROGRAMS.—

"(A) IN GENERAL.—If, for purposes of administering a food stamp program under the Food Stamp Act of 1977, a State agency responsible for the administration of the program transmits to the Secretary the names and social security account numbers of individuals, the Secretary shall disclose to the State agency information on the individuals and their employers maintained in the National Directory of New Hires, subject to this paragraph.

"(B) CONDITION ON DISCLOSURE BY THE SECRETARY.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

"(C) USE AND DISCLOSURE OF INFORMATION BY STATE AGENCIES.—

"(i) IN GENERAL.—A State agency may not use or disclose information provided under this paragraph except for purposes of administering a program referred to in subparagraph (A).

"(ii) INFORMATION SECURITY.—The State agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of information obtained under this paragraph and to ensure that access to such information is restricted to authorized persons for purposes of authorized uses and disclosures.

"(iii) PENALTY FOR MISUSE OF INFORMATION.—An officer or employee of the State agency who fails to comply with this subparagraph shall be

subject to the sanctions under subsection (l)(2) to the same extent as if the officer or employee were an officer or employee of the United States.

"(D) PROCEDURAL REQUIREMENTS.—State agencies requesting information under this paragraph shall adhere to uniform procedures established by the Secretary governing information requests and data matching under this paragraph.

"(E) REIMBURSEMENT OF COSTS.—The State agency shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.".

Mr. HERGER (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 5865. The purpose of the bill is to increase the funds in the program aiding Americans currently fleeing the crisis in the Middle East from $1 million to $6 million. It is important to help these Americans get out of harm's way and to provide them with the assistance they need to return to their homes in the United States.

However, when we considered this bill on the House floor, we learned that provisions within it allowed it to pass only on the condition that the program, established under the Social Security Act, is terminated. I thank my colleague Mr. MCDERMOTT for his comments on this matter and his criticism of this condition.

I am pleased that the Senate added an amendment to allow this valuable program to continue after this year. This is absolutely essential to the well-being of all Americans who may find themselves in such a situation in the future and look to their government for help. The United States received enough criticism already for mobilizing less quickly to assist our citizens in leaving war-ravaged areas of Lebanon. It is our job to protect them and help them return home, and I am pleased to give my support to this new version of the bill.

I urge my colleagues to vote in favor of H.R. 5685 to let the American people know that their representatives in Congress are concerned about their safety. Let us send a clear message that we will do all we can to help them get out of harm's way should they find themselves in such a crisis situation overseas.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HERGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include any extraneous material on the bill, H.R. 5865.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1730

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the bill, H.R. 5682.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

UNITED STATES AND INDIA NUCLEAR COOPERATION PROMOTION ACT OF 2006

The SPEAKER pro tempore. Pursuant to House Resolution 947 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5682.

□ 1731

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5682) to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India, with Mr. DUNCAN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) each will control 30 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 5682, the U.S.-India Nuclear Cooperation Promotion Act of 2006, which the Committee on International Relations ordered reported by a vote of 37–5 on June 28. This, therefore, is truly a bipartisan effort.

This bill is based on the administration's original proposal, H.R. 4974, which Mr. LANTOS and I introduced last fall at the request of Secretary Rice. Current law does not permit civil nuclear trade with India. That legislation would have authorized the President to waive a number of provisions of the Atomic Energy Act of 1954, as amended, to allow him to negotiate an agreement establishing civil nuclear cooperation with India.

This agreement will permit the U.S. to sell technology to India for nuclear power development. In return, India will open up for inspection its civilian nuclear program to international inspections and also agree not to test nuclear weapons and abide by nuclear export controls.

H.R. 5682 takes the President's bill as a starting point and amends it in several key ways. The most important of these is that the process of congressional consideration has been reversed, meaning that the agreement cannot go into effect unless Congress approves it. This seemingly small change actually has great ramifications for the role of Congress as it ensures that we will retain a substantive role in the negotiation and implementation of this historic and far-reaching agreement.

Other major improvements in this bill include strengthening the conditions which the President must certify. The original, vague generalities have been made more specific and require a number of conditions to have already been met instead of being open-ended. The most important of these include:

That India has provided the United States and the International Atomic Energy Agency with a credible plan to separate its civilian and military facilities;

India has concluded a safeguards agreement with the IAEA regarding its civilian nuclear facilities;

India and the IAEA are making "substantial progress" toward concluding an Additional Protocol, which is a set of enhanced safeguards and inspection measures that the United States is urging all countries to negotiate for themselves;

India and the United States are working toward a multilateral Fissile Material Cutoff Treaty;

India is working with the United States to prevent the spread of enrichment and reprocessing technology;

India is taking steps to secure its nuclear and other sensitive materials and technology through enhanced export control legislation and harmonizing its export control laws, regulations and procedures with international standards; and the Nuclear Suppliers Group, also known as the NSG, has voted to change its guidelines to allow civil nuclear trade with India.

As many of you know, the NSG is a voluntary group of countries that export nuclear materials and technology and that coordinate their export policies regarding other countries. Currently, those guidelines do not permit nuclear trade with India.

In addition, the legislation requires detailed annual reports on the implementation of the U.S.-India agreement and on U.S. nonproliferation policy with respect to South Asia. There are also sections on Sense of Congress and Statements of Policy that, although containing many useful provisions, I will not take the time to describe in detail now.

Taken together, the committee believes that this bill represents a judicious balancing of competing priorities and will help lay the foundation for an historic rapprochement between the United States and India, while also protecting the global nonproliferation regime.

Having described the major components of the bill, let me take a brief moment to address some of the arguments made by supporters and opponents.

I have yet to hear any objection raised by any Member regarding the desirability of improving U.S.-India relations in general. She is the largest democracy in the world, with 1.1 billion people.

The announcement on July 18 of last year by President Bush and Indian Prime Minister Singh of a new global partnership between our two countries has been almost universally praised in this country and is rightly regarded as an historic achievement and one that is long overdue.

That partnership embraces many elements, from combating the AIDS epidemic to collaboration on scientific research to closer cooperation and ensuring stability in South Asia and other regions. Among other benefits, the agreement on nuclear cooperation that this bill will make possible will help India address its pressing energy needs by allowing it to build several nuclear reactors to supply electricity and lessening the need for petroleum.

A major argument in favor, however, is that a closer relationship with India is needed to offset the rising power of China. There is much to this view, and it is clear that the U.S. will need to draw upon new resources to handle the challenges of this new century.

In the end, this is a good deal for both the U.S. and India. While the world has known that India possesses nuclear weapons, India has not had a seat at the table of nuclear stakeholders. The agreement calls for the U.S. to sell technology to India for nuclear power development. In return, India will open its 14 civilian nuclear reactors to international inspections, agree not to test nuclear weapons and abide by nuclear export controls. This brings India into the mainstream with other accountable countries, giving rise to the same benefits and responsibilities as such other countries.

It is important to note that this deal would improve international nuclear security and at the same time expand relations between the U.S. and one of the most important emerging nations in the world. It will enable India to make energy cheaper, cleaner and more accountable. It would create more customers for U.S. firms and, in the end, both countries will benefit.

I urge support of this important legislation.

I want to acknowledge the indispensable collaboration of Mr. LANTOS and his marvelous staff, matched only in talent and zeal by my marvelous staff. This is truly a product of very desirable bipartisanship, and I thank them and salute them for their contribution.

Mr. Chairman, I reserve the balance of my time.

Mr. LANTOS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the legislation. This is no ordinary vote. Historians will regard what we do today as a tidal shift in relations between India and the United States. This will be known as the day when Congress signaled definitively the end of the Cold War paradigm governing interactions between New Delhi and Washington.

A few weeks ago, by a vote of 37–5, the International Relations Committee resoundingly approved this legislation backing the civilian nuclear accord with India. This was nothing short of a vote of confidence in the long-term future of relations between India and the United States.

President Clinton laid the foundation for this process with his historic trip to India 6 years ago. He demonstrated that the United States was launching a new era of mutual respect and cooperation.

A year ago, this vision was brought to full realization as the President and Prime Minister Singh issued a joint statement on an array of new initiatives spanning the fields of high technology, space exploration, counterterrorism, defense cooperation and energy security.

Today, Mr. Chairman, the House of Representatives steps forth into the spotlight to offer its judgment on one critical element of this new relationship, the United States and India Nuclear Cooperation Promotion Act of 2006, the first key step to create the statutory authority to expand nuclear research, civilian nuclear power and nonproliferation cooperation New Delhi.

Our legislation represents a nonproliferation victory for the United States. As part of the agreement, India has committed to continue its moratorium on its own nuclear tests. It will also adhere to international nuclear and missile control restrictions, and India has agreed to place its civil nuclear facilities for the first time under international safeguards.

Mr. Chairman, this, of course, is not a perfect agreement. No agreement between two sovereign nations can ever be perfect, because the agreements arise from hard negotiations. Compromise was necessary on all sides. But we must not let the siren song of perfection deafen us to this chance for dramatically strengthening an important and valued ally.

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Mr. Chairman, I understand the criticisms of this agreement on nonproliferation grounds. But I would like to assure the House that the International Relations Committee has thoroughly examined these issues during our five extensive hearings since last September on this initiative.

And, Mr. Chairman, our bill addresses those concerns thoroughly. It requires the President to make several determinations to Congress. Among these, the President must determine that India has concluded a credible plan to separate civilian and military nuclear facilities; that India has concluded a safeguards agreement with the International Atomic Energy Agency that will apply safeguards in perpetuity to India's civil nuclear facilities, materials, and programs; that India is harmonizing its export control laws and regulations to match those of the so-called Nuclear Suppliers Group, and that India is actively supporting U.S. efforts to conclude a fissile material cut-off treaty.

It is worth repeating, Mr. Chairman, that the International Relations Committee came to the determination that this agreement advances our Nation's nonproliferation goals, and our committee approved the bill by an overwhelming, bipartisan vote of 37–5.

Mr. Chairman, this legislation has been carefully crafted to protect our nonproliferation interests, and to ensure direct congressional oversight. Members will recall that the administration wanted Congress to approve the India deal in advance, without seeing the details of a still-to-be-negotiated nuclear cooperation agreement.

There would have been no effective subsequent review by the Congress. We rejected that approach. Our agreement ensures that Congress will have the final word on whether or not the agreement for cooperation with India can become law. Under our approach, Congress must vote a second time before there can be any civilian nuclear cooperation with India.

Congress must approve the completed cooperation agreement. But congressional oversight does not end there, Mr. Chairman. Our legislation also requires that the President make detailed annual reports on U.S. nonproliferation policy with respect to South Asia and the implementation of the U.S.-India agreement. And it includes certain guarantees that India will adhere to international standards for maintaining a safe civilian nuclear program.

Mr. Chairman, it is my deep pleasure to see the United States and India finally emerging from decades of distrust and aloofness. Today, we are at the hinge of history, as we seek to build a fundamentally new relationship based on our common values and our common interests.

Our legislation, which is before this House, is a concrete and meaningful element of this new and dynamic relationship. I urge my colleagues to give their full support to this legislation and to help usher in a new day in U.S.-India relations.

Mr. Chairman, I reserve the balance of my time.

Mr. HYDE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Chairman, I thank Mr. HYDE and Mr. LANTOS for their hard work on this bill. I think they have covered the details of the bill rather well.

The reason I wanted to take 1 minute was to say that I met with Prime Minister Singh in Delhi, India, along with some of his cabinet members, oh, a couple of months ago.

And although I have not always been in accord with some of things India has done, I am sure that they want to work with us on this nuclear agreement. They have assured me, and I am confident they will keep their word, that there will be a clear demarcation between civil use of nuclear energy, nuclear technology we might sell to them and their nuclear weapons program.

And there is about 800 million people in India that are living on less than $2 a day. And when you go through Delhi and you see how they are living, under horrible, horrible conditions, little children running around with no place to go, burning cow chips for the heat that they need to stay warm at night, you realize the need for energy that they have and they need it so badly.

So this nuclear technology we are going to sell them for civil use will be very helpful, not only for job creation over there, but for making the quality of life better for all the people in India.

Mr. LANTOS. Mr. Chairman, I yield to the gentleman from Illinois (Mr. DAVIS) for the purpose of making a unanimous consent request.

Mr. DAVIS of Illinois. Mr. Chairman, I rise in support of H.R. 5682, the United States and India Nuclear Cooperation Promotion Act of 2006.

Mr. Chairman, "India," Mark Twain wrote, "is the cradle of the human race, the birthplace of human speech, the mother of history, the grandmother of legend, and the great grandmother of tradition." Now, this remarkable country is asking for our assistance as it develops its civilian nuclear program.

The possibilities for nuclear technological innovation in India are limitless. Domestic infrastructure improvements in water supply, power generation, and other industries will substantially improve the quality of life for over one billion Indian people.

Cooperating with India as it develops stable nuclear technology will strengthen the bond between India and the United States. Offering our expertise will increase the environmental protections in production and promote the responsible discard of nuclear waste. Bringing India's nuclear program under international guidelines will ensure a safer nuclear program.

The security and stability of India's nuclear program security is of the utmost importance. The International Atomic Energy Agency and the Indian Government have been working together to apply safeguards in accordance with International Atomic Energy Agency practices as well as formulating a plan to ensure the separation of civil and military facilities, materials, and programs. Furthermore, India is supporting international efforts to prevent the spread of enrichment and reprocessing technology. India is ensuring that the necessary steps are being taken to secure nuclear materials and technology through the application of comprehensive export control legislation and regulations through harmonization and adherence to Missile Technology Control Regime and Nuclear Suppliers Group guidelines.

India is a flourishing democracy that seeks to develop its nuclear program for purely peaceful reasons. It should be congratulated for that. Cooperating with India as it develops a civilian nuclear program will help India fulfill its civilian energy needs while creating a strategic partner for the United States in a volatile region.

Mr. LANTOS. Mr. Chairman, I yield 2¼ minutes to the gentleman from California (Mr. BERMAN) our distinguished colleague who has made invaluable contributions to the development of this legislation.

Mr. BERMAN. Mr. Chairman, I want to commend the chairman and the ranking member of the committee, both Mr. HYDE and Mr. LANTOS, and their staffs for their hard work on this legislation.

There is no question that this bill is a major improvement over the administration's legislative proposal, as Mr. LANTOS mentioned. Because of the changes they have made, we will have an opportunity to decide whether or not to approve the nuclear cooperation agreement by a majority vote after the agreement is negotiated, after we see the IAEA safeguards agreement with India, and after the Nuclear Suppliers Group has reached a consensus.

Notwithstanding that, I do remain deeply concerned about this nuclear deal, because I fear that it will complicate our efforts to prevent the spread of weapons of mass destruction. Not because I think India is going to be a major proliferator, but because once you change the long-established nonproliferation rules for the benefit of one country, even a friendly democracy like India, then it becomes much easier for the other countries to justify carve-outs for their special friends.

I would not be so concerned about setting a bad precedent if there was some compelling nonproliferation gain, but I just do not see it here. Later today, Representative TAUSCHER and I will offer an amendment to provide that missing piece of the proposal. Our amendment, based on a proposal by former Senator Sam Nunn, would allow exports of nuclear reactors and other technology to India after a nuclear cooperation agreement has been approved by the Congress.

But it would restrict exports of uranium and other nuclear reactor fuel, until the President determines that India has halted the production of fissile material for use in nuclear weapons. Otherwise, we incentivize this.

Mr. Chairman, I come at this as someone who is unabashedly pro-India. I strongly support efforts to strengthen the U.S.-India strategic partnership. I also accept the fact that India has nuclear weapons, will never give up those weapons, and will probably never sign the Nuclear Nonproliferation Treaty.

Mr. Chairman, I welcome civilian nuclear cooperation with India, as long as it is done in a responsible way that does not undermine our credibility as a leader in the fight against proliferation. I believe the Tauscher-Berman amendment will help to achieve that goal.

Mr. HYDE. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Chairman, I rise in strong support of this legislation, allowing for a nuclear cooperation agreement with India. The last two administrations have forged closer ties with India. And India is a nation now of over 1 billion people. The last two administrations frankly have overcome the chilly relations of the Cold War with India.

And last July's joint statement committed each country to a global partnership which has accelerated our cooperation on many issues, including on counterterrorism. As we saw 2 weeks ago, when a series of commuter train bombings hit Mumbai, killing over 200 Indian people, India is a frontline state in the struggle against Islamist terrorism.

Congress has played a leading role promoting U.S.-India relations. There is an India Caucus which I cochaired in the 107th Congress. In 2001, I led a congressional delegation to India's earthquake-shattered Gujarat region. Other Members have focused on India. But nothing we have done is as significant as the civilian nuclear cooperation agreement that we are debating today.

As our distinguished chairman has noted, the International Relations Committee has given this agreement close and extensive review. We held five hearings, which is certainly warranted given the high stakes.

Supporters and detractors alike recognize the great significance of this policy shift that the Bush administration has engineered. I would like to commend Chairman HYDE. He took a weak administration legislative proposal, one dismissive of congressional prerogative and turned it around. I want to commend Ranking Member LANTOS, too, for his detailed work on this challenging issue.

While nuclear energy is controversial in the United States, it is not in India.

Like in several other countries, nuclear energy is widely viewed as a critical technology, one central to uplifting hundreds of millions of impoverished Indians. So India will develop its nuclear energy sector, not as easily or as quickly without this deal, but it will nonetheless. And India will not relinquish its nuclear weapons at this point in time, which is understandable, given its security situation.

So right now, many Indians view the United States as blocking India's technological and developmental aspirations by our opposition to their acquiring nuclear material and technology. With its growing economy, India is consuming more and more oil. It is competing on the world market, competing with American consumers for limited hydrocarbon resources.

This gives Americans an interest in helping India expand its nuclear power industry, which this legislation does. It also encourages India to move away from burning its abundance of highly polluting coal. By passing this legislation, we also take a step toward internationalizing India's nuclear industry, which I believe would make it safer.

Young Indian scientists and engineers in the nuclear field are interested in collaborating with their American counterparts. Today they are isolated. I would rather know more rather than less about India's nuclear work. Some have raised legitimate concerns about the impact of this agreement upon the Nuclear Nonproliferation Treaty and the Indian nuclear weapons arsenal. I am not prepared, at this point, to call this agreement a nonproliferation plus, as some do, but neither is it the clear setback some opponents describe.

For one, this agreement forces a separation between India's civilian and military nuclear programs. This is a good step. The agreement also is likely to increase India's cooperation with us in confronting countries seeking to break their NPT commitment by developing nuclear weapons.

In my view, this agreement is more likely a wash in the nonproliferation category, while its broad benefits, primarily cultivating a more influential relationship with India, are big pluses.

Mr. LANTOS. Mr. Chairman, I yield 2 minutes to distinguished Democratic whip, my good friend from Maryland (Mr. HOYER).

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Mr. HOYER. I thank Mr. LANTOS for yielding the time, Mr. Chairman. I support this important bipartisan legislation, and I urge my colleagues to do the same.

It is critical to note that this bill creates a two-vote process for Congress to approve this Civil Nuclear Cooperation Agreement with India. While the bill allows the necessary waivers to the Atomic Energy Act for this pact, it also requires that the President submit a final agreement to Congress for a second up or down vote. I want to congratulate the gentleman from California for getting us a process that gives us that opportunity.

In short, I believe a Civil Nuclear Cooperation Agreement with India will serve America's strategic interests and strengthen global nonproliferation regimes by bringing the majority of India's nuclear reactors under International Atomic Energy Agency oversight for the first time.

In addition, this bill will strengthen the relationship between our two great democracies. A civilian nuclear agreement will help India's burgeoning economy continue to grow, and it will provide India with a clean source of energy.

Now, it is true that India is not a signatory to the Nuclear Nonproliferation Treaty, an international accord that I strongly support. But it is also true that India has honored the spirit of that treaty and has been a responsible nuclear nation for the past 32 years, unlike Pakistan, North Korea and Iran, I might observe.

Under this bill, the President is allowed to waive provisions of the Atomic Energy Act only after he sends Congress a determination that India has a credible plan to separate civil and military nuclear facilities. The President must also send to Congress a determination of an agreement between India and the IAEA requiring that agency to safeguard in perpetuity India's civil nuclear facilities, materials, and programs. In addition, the legislation requires detailed annual reports on the implementation of this agreement.

Mr. Chairman, I believe the House bill represents a policy that recognizes our Indian allies' responsible actions over more than three decades and our two nations' strong and deepening relationship. I thank the gentleman from California and Mr. ROYCE for their work on this bill and rise, as I said at the outset, in support of it.

Mr. ROYCE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, I rise in support of this legislation which will further the cause of civilian nuclear cooperation with India, and I would like to thank Mr. LANTOS and Chairman HYDE for the work that they put into this, again demonstrating the bipartisan cooperation that is possible even in the arena of international affairs which sometimes gets rather testy.

Let me note that the United States-India relations got off to a very bad start shortly after India became independent of Great Britain. India basically sided with Russia in the Cold War. Well, the Cold War is over, and we should be making up for lost time, which is exactly what this bill is all about.

This is dramatically in the interests of both of our countries. Economically, a prosperous, democratic India with an expanding middle class is a dream market for American entrepreneurs, manufacturers and, yes, technologists. This agreement is designed to provide India the energy it needs to achieve its economic goals but in a way that will not damage America or other western democracies' economy by fencing off and consuming limited energy resources or using high-pollution energy resources of their own.

The high-temperature gas reactor, my subcommittee had a hearing on this, noting that there are new nuclear alternatives like the high-temperature gas reactor and other type of nuclear power systems that offer a safe method of providing India the energy it needs to uplift the standard of living of its people. This legislation is pro-prosperity, pro-energy; and, if we are vigilant, it will not be contrary to the interests of the nonproliferation movement. But it is up to us to work with India to make sure that nonproliferation remains a high priority for our countries, both of us together.

Finally, let me note, Mr. Chairman, that we need to have a strong relationship for it with India, yes, with Japan and, yes, with the former Soviet Union, if we are to have peace in this world. There is a danger looming in the future. Hopefully, China will some day democratize. Until then, we must have alliances with the world's democracies like India in order to preserve the peace of the world.

Mr. LANTOS. Mr. Chairman, I am very pleased to yield 3 minutes to my good friend from New York (Mr. ACKERMAN), a distinguished colleague and valued member of the International Relations Committee.

Mr. ACKERMAN. Mr. Chairman, today the House has an opportunity to make an historic choice of great proportions. For 30 years, Mr. Chairman, U.S. policy toward India has been defined and constrained by our insistence on punishing India for its sovereign decision not to sign the Nuclear Nonproliferation Treaty.

The truth be told, had India conducted its nuclear tests earlier, it would have been treated the way we treat France and Britain and Russia and China and ourselves. In short, it would have been grandfathered in as a member of the nuclear weapons club. But they did not test earlier, and they have been treated differently. And nothing that we have tried over the last three decades has convinced them to give up their nuclear status, and nothing that we would say over the next three decades would convince them, either.

The time has come for the United States to deal with the reality of South Asia as it is and not as a fanciful wish. India lives in a difficult neighborhood.

next to Pakistan, which continues to produce nuclear weapons unchecked, and China, whose commitment to a fissile material cutoff is suspect, at best. If India didn't exist in that neighborhood, we would have to invent them.

India has been a responsible nuclear power and deserves to be treated that way. The bill before us does just that.

Critics have expressed concerns regarding the bill's impact on our nonproliferation policy; and, clearly Iran, Pakistan and North Korea are looking for clues as to what it means for them and their nuclear programs.

What do you tell Pakistan and Iran and North Korea? Well, you tell them this: If you want to be treated like India, be like India. Be a responsible international actor with regard to weapons of mass destruction technologies. Don't sell your nuclear technologies to the highest bidder. Don't provide it to terrorists. Be a democracy, a real democracy like India, and work with us on important foreign policy objectives and not against us.

Iran and North Korea signed the NPT and are now running away from their freely entered into obligation and away from IAEA inspections. India did not sign the NPT, and yet is embracing the IAEA and embracing global nonproliferation. India's attitude should be recognized and commended and congratulated.

There are two options before us today: One, don't pass the bill. We do that, and we allow India to pursue its national interests unimpeded, as it has been doing outside of the nonproliferation mainstream.

The other is to make a deal with India and give to the United States and the international community a window in perpetuity into two-thirds of India's nuclear facilities and all of its future nuclear facilities, under safeguards, in compliance, transparent.

I think the choice is clear: If you want the IAEA to inspect India's civilian nuclear facilities, then you are for the bill. If you want India to be obligated to adhere to the missile technologies control regime for the first time, then you are for the bill. If you want them to comply for the first time with the nuclear suppliers' groups guidelines for the first time, then you are for the bill. If you want to send a clear message to nuclear rogue states about how to behave, then you are for the bill. And, if you want a broad, deep, and enduring strategic relationship with India, then you are for the bill.

Mr. Chairman, it is time for a 21st century policy towards India, one that supports and encourages India's emergence as a global, responsible power and solidifies U.S.-India bilateral relations for decades to come. The bill before us today is that new policy. I urge our colleagues to vote "yes" on H.R. 5682.

Mr. ROYCE. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina (Mr. WILSON).

Mr. WILSON of South Carolina. Mr. Chairman, I rise today as an original cosponsor of the civilian nuclear agreement. As a member of the International Relations Committee and past cochair of the Congressional Caucus on India and Indian Americans, this is an issue I have enthusiastically supported. I want to thank Chairman Henry Hyde, Ranking Member Tom Lantos, Chairman Ed Royce, Caucus Cochairs Gary Ackerman and Joe Crowley, and all other members of the committee who have crafted well-balanced, bipartisan legislation.

Some incorrectly believe this agreement will have a negative impact on nonproliferation. In contrast, it will greatly strengthen our current nonproliferation system. India has long been outside of the international nonproliferation regimes. Under this agreement, India will place 14 of 22 existing and planned nuclear facilities under IAEA safeguards.

For 30 years, India has protected its nuclear programs. It has not allowed proliferation of its nuclear technology. India is the world's largest democracy, with the 11th largest economy. It is treated uniquely because of its history of maintaining a successful nuclear nonproliferation regime. I saw firsthand on a visit to India in December the vibrant future of India as America's partner in the codel led by Dan Burton.

Passage of this agreement promotes meaningful mutual economic benefits for India and America. Secretary Rice has noted that as many as 5,000 direct jobs and 15,000 indirect jobs could be created as a result of this agreement. In addition, India will be better positioned to compete in the global economy, and trade between our countries will continue to grow at a record pace, such as in 2005 when we recorded a 30 percent increase in exports to India.

In conclusion, God bless our troops and we will never forget September 11.

Mr. LANTOS. Mr. Chairman, I am delighted to yield 2 minutes to my good friend from Nevada (Ms. BERKLEY) so she may engage in a colloquy.

Ms. BERKLEY. Mr. Chairman, I would like to thank Mr. LANTOS and Mr. ROYCE for engaging in this colloquy with me.

I fully appreciate the importance and significance of this historic piece of legislation. However, I rise today to discuss two amendments that were adopted by the committee.

I am sure that you are all aware that for over 20 years Nevada has fought to keep nuclear waste out of Yucca Mountain. This is a most compelling issue for the people of the State of Nevada. I am very pleased that the committee agreed with my arguments that, before we enter into any agreement to support a proliferation of nuclear power, we should know where the nuclear waste is going to be stored.

Nevada certainly doesn't want to store the nuclear waste that is generated in our own country, much less the nuclear waste that is generated in other countries, and that includes India.

I am pleased that an amendment that I sponsored ensuring that spent fuel from India's civilian nuclear reactors cannot be transferred to the United States without congressional oversight, that was passed by the committee. Another amendment that requires the President to issue an annual report describing the disposal of nuclear waste from India's civilian nuclear program was also approved by the committee.

I believe these are critical provisions that the final bill simply must contain. Both of these provisions passed without objection during the committee markup of this legislation. I would ask the chairman whether he can assure me that he will work to maintain these provisions in the final bill as the legislative process goes forward.

I yield to the distinguished subcommittee chairman.

Mr. ROYCE. I thank the gentlewoman for yielding.

I supported the gentlewoman's amendment in committee. And while not necessarily concurring with all the views that she expressed in committee, I supported her amendment; and hers are helpful amendments which I will work to maintain in the final bill.

Ms. BERKLEY. I thank the chairman.

I yield to the ranking member of the committee.

Mr. LANTOS. I want to thank the gentlewoman for her excellent work on this legislation. I will do my utmost to work to keep this provision in the legislation.

Mr. ROYCE. Mr. Chairman, I reserve the balance of my time for closing.

Mr. LANTOS. Mr. Chairman, I am delighted to yield 2½ minutes to my good friend from South Carolina (Mr. SPRATT), the distinguished ranking member on our Budget Committee.

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Mr. SPRATT. Mr. Chairman, I thank the gentleman for yielding.

I would like to engage my colleagues and managers of this bill, Mr. ROYCE and Mr. LANTOS, in a colloquy on the issue of India's nuclear testing moratorium.

Section 129 of the Atomic Energy Act provides that, "No nuclear materials and equipment or sensitive nuclear technology shall be exported to any non-nuclear weapon state that is found by the President to have detonated a nuclear device." It is my understanding that section 4(a)(3)(A) of H.R. 5682 waives this restriction for any nuclear test that occurred before July 18, 2005, effectively allowing nuclear cooperation in spite of India's past nuclear tests, but not for any detonation or tests after that day.

Therefore, if India were to do so, continued nuclear cooperation would be in jeopardy. Is that an accurate assessment?

Mr. ROYCE. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from California.

Mr. ROYCE. Mr. Chairman, the gentleman from South Carolina is indeed correct. It is our intent that section 129 of the Atomic Energy Act should apply prospectively to India. Should India conduct a nuclear test in the future, one likely consequence would be the discontinuation of nuclear fuel and technology sharing by the United States with India.

Mr. LANTOS. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from California.

Mr. LANTOS. Mr. Chairman, I agree with my friend, Congressman ROYCE. Nuclear tests by India would put the U.S.-India nuclear cooperation agreement in serious jeopardy.

Mr. SPRATT. I thank my colleagues for that clarification. As a further point of clarification, India's prime minister has reported to his parliament that, "the United States will support an Indian effort to develop a strategic reserve of nuclear fuel to guard against any disruption of supply over the lifetime of India's reactor." A sizeable fuel reserve could conceivably minimize the impact of a U.S. decision to cut off fuel supplies should India conduct a nuclear test.

Mr. ROYCE and Mr. LANTOS, is it your understanding that aiding in the development of a fuel reserve is not intended to facilitate a decision by the government of India to resume nuclear testing? I yield to the gentleman.

Mr. ROYCE. That is our understanding.

Mr. LANTOS. And I agree with that interpretation.

Mr. SPRATT. Finally, would the gentlemen then agree with me that any fuel reserve provided to the Indians for use in safeguarded, civilian nuclear facilities should be sized in a way that maintains continued fuel supply as a deterrent to Indian nuclear testing? I yield to the gentlemen.

Mr. ROYCE. Any fuel reserve should be intended to give India protections against short-term fluctuations in the supply of nuclear fuel.

Mr. LANTOS. I agree with Mr. ROYCE on this point.

Mr. SPRATT. I thank Mr. ROYCE and Mr. LANTOS for that clarification and commend you for your excellent work on this important legislation.

Mr. LANTOS. Mr. Chairman, I am very pleased to yield $2\frac{1}{4}$ minutes to our distinguished colleague from American Samoa (Mr. FALEOMAVAEGA), my good friend.

Mr. FALEOMAVAEGA. Mr. Chairman, I rise in support of H.R. 5682, the U.S. and India Nuclear Cooperation Promotion Act, and I want to certainly commend Chairman HENRY HYDE and Ranking Member TOM LANTOS for their leadership in moving this legislation forward. This proposed legislation is a classic example of what bipartisanship is all about, and I, again, commend our chairman and ranking member and their staffs for their statesmanship and initiative in bringing this bill to the floor for consideration.

I also want to compliment my colleague from New York (Mr. ACKERMAN) for giving our colleagues a little historical perspective about this whole question of non-proliferation, and I want to share with my colleagues a historical perspective of why India did not and could not sign the nuclear nonproliferation treaty.

Mr. Chairman, while some of our critics may argue that India has not signed the NPT, I submit that had it not been for our own country's indifference, I call it benign neglect, if you will, India may have been a member of the nuclear club and our discussion about the NPT would have been a moot point.

In the early 1960s, despite having a civilian nuclear program, India called for a global disarmament, but nations with nuclear weapons turned a deaf ear. In 1962, China attacked India claiming it was responding to border provocation. The United States responded by saying it might protect India against a future attack, but when China exploded its first nuclear bomb in 1964, the U.S. welcomed China as a member of the nuclear club, and we also supported China becoming a permanent member of the United Nations Security Council.

It may be of interest to our colleagues, Mr. Chairman, that India had a civilian nuclear program in place prior to the NPT being open for signatures in 1968, and at the time, India was only months away from possessing nuclear weapons. So while critics may argue that India has not signed the NPT, I agree with India's position that the NPT is, and has always been, flawed and discriminatory.

Therefore, it is little wonder that India exploded its first nuclear device in 1974. Recent U.S. State Department declassified documents on U.S. foreign policy show that India had little choice given the hostile attitude assumed by our country towards India during the Nixon-Kissinger years.

I commend President Bush and Prime Minister Singh for bringing this initiative to the table. I also applaud the effort of Under Secretary of State Nicholas Burns who was our chief negotiator in development of this agreement. He did an outstanding job and showed true statesmanship.

I also want to thank Mr. Sanjay Puri, a great leader in our Indian American community for all that he has done to rally support for this bill.

I urge my colleagues to support this legislation.

Mr. Chairman, I rise in support of H.R. 5682, the U.S. and India Nuclear Cooperation Promotion Act and I commend Chairman HENRY HYDE and Ranking Member TOM LANTOS for their leadership in moving this legislation forward. This proposed legislation is a classic example of what bipartisanship is all about and I again commend our chairman and ranking member and their staffs for their statesmanship and initiative in bringing this bill to the floor for consideration. I want to share with my colleagues a historical perspective why India did not and could not sign the Nuclear Non-proliferation Treaty.

Mr. Chairman, while some of our critics may argue that India has not signed the Nuclear Non-Proliferation Treaty, NPS, I submit that had it not been for our country's indifference or, benign neglect, if you will, India may have been a member of the nuclear club and our discussion about the NPT would be a moot point. In the early 1960s, despite having a civilian nuclear program, India called for global disarmament but nations with nuclear weapons turned a deaf ear.

In 1962, China attacked India claiming it was responding to border provocation. The U.S. responded by saying it might protect India against a future attack. But when China exploded its first nuclear bomb in 1964, the U.S. welcomed China as a member of the nuclear club and we also supported China to become a permanent member of the United Nations Security Council. It may be of interest to our colleagues that India had a civilian nuclear program in place prior to the NPT being opened for signature in 1968 and, at the time, India was only months away from possessing nuclear weapons. So while critics may argue that India has not signed the Nuclear Non-Proliferation Treaty, NPS, I agree with India's position that the NPT is, and has always been, flawed and discriminatory. Therefore, it is little wonder that India exploded its first nuclear device in 1974. Recent U.S. State Department declassified documents on U.S. foreign policy show that India had little choice given the hostile attitude assumed by the United States towards India during the Nixon/Kissinger years.

In 1965, believing India was weakened from its war with China, Pakistan attacked India. In response, the U.S. remained neutral while China outspokenly supported Pakistan. Concerned for its own security and having little reason to rely on the U.S., India announced in 1966 that it would produce nuclear weapons within 18 months. But, in 1967, the U.S. joined with the Soviet Union in crafting a nuclear non-proliferation treaty which to this day states that only the United States, Russia, the United Kingdom, China, and France are permitted to own nuclear weapons because only these five nations possessed nuclear weapons at the time the treaty was open for signature in 1968.

As we all can agree, India then and India today lives in one of the world's toughest regions and it is a bit Eurocentric for the U.S. to treat India as if she is beholden to us for the safety, protection, and well-being of her people. It is no grand gesture on our part that we now offer India civil nuclear cooperation. Instead, U.S.-India civil nuclear cooperation is long overdue and, quite frankly, the deal is as good for us as it is for India.

Mr. Chairman, I commend President Bush and Prime Minister Singh for bringing this initiative to the table. I also applaud the efforts of Under Secretary of State Nicholas Burns who was our chief negotiator in the development of this agreement. As the lead negotiator, Secretary Burns has represented our Nation's interest with distinction and true statesmanship, and I am honored to have worked with him during these critical months leading up to today's historic deliberation of this important bill.

I also want to thank Mr. Sanjay Puri, a great leader in our Indian-American community for all that he has done to rally support for this bill.

I urge my colleagues to vote in favor of H.R. 5682.

Mr. ROYCE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of this legislation and of the growing strategic partnership between the United States, the world's oldest democracy, and India, the world's largest. The hard work by Members and the staff on the IR Committee under the leadership of the chairman and ranking member have produced a bill that better attempts to address legitimate nonproliferation concerns and respects congressional authority to approve agreements.

During the markup, the committee adopted an amendment I offered to minimize the risk that our nuclear exports would assist India's nuclear weapons programs.

Under this amendment, the President would be required to submit to Congress a report on the steps he is taking to ensure our exports do not contribute to India's nuclear weapons program. In addition, my amendment declared that it is U.S. policy to encourage India not to increase its production of fissile material in military facilities.

Taken together with the other statements by the administration, this amendment makes clear that it is U.S. policy to promote the prompt negotiation of a fissile material production cutoff treaty; that pending entry into force of such a treaty, to press for the earliest possible achievement of a multilateral moratorium to accomplish this purpose; and to urge India to refrain from increasing its rate of production of fissile materials for nuclear weapons.

Mr. Chairman, the final bill must contain these provisions, and I would ask my colleague and the manager of the bill, Mr. ROYCE, whether he can assure me that he will work to maintain these provisions and their stated intent in the final bill as the legislative process goes forward.

Mr. ROYCE. Mr. Chairman, will the gentleman yield?

Mr. SCHIFF. I yield to the gentleman from California.

Mr. ROYCE. Mr. Chairman, yes. I supported the gentleman's amendment in committee, and I will work with him to maintain it in the final bill.

Mr. SCHIFF. I thank the gentleman.

Mr. LANTOS. Mr. Chairman, will the gentleman yield?

Mr. SCHIFF. I yield to the gentleman from California.

Mr. LANTOS. Mr. Chairman, I want to thank the gentleman for his excellent work on this legislation, and I intend to work to keep this provision in the legislation.

Mr. SCHIFF. I thank both of you gentlemen. I intend to support the legislation.

Mr. LANTOS. Mr. Chairman, I am delighted to yield 2 minutes to the gentleman from Massachusetts (Mr. MARKEY), my very dear friend and our most distinguished colleague.

Mr. MARKEY. Mr. Chairman, this agreement pours nuclear fuel on the fire of an India-Pakistan nuclear arms race. This agreement will free up 40 to 50 bombs worth of nuclear fuel for Indian nuclear bombs, and the consequence of that will be that Pakistan will respond, and Pakistan will respond with A.Q. Khan under house arrest in Islamabad, the Johnny Appleseed of nuclear weapons spread from Iran to Libya to North Korea.

And how do we know that? We know that because in Monday's Washington Post we learned from an outside source that Pakistan is building a facility that can create 50 plutonium nuclear bombs a year. We should be debating that out here on the House floor tonight.

This House has 2 days to reject a sale of 36 F–16 bombers that can take the 50 nuclear bombs which Pakistan can make each year in a radius of 1,500 kilometers, but we are not going to debate that. We are not going to debate Pakistan's nuclear program, which Congress was not told about, the American public was not told about.

Who is in Pakistan? A.Q. Khan is in Pakistan. Osama bin Laden is in Pakistan. Al Qaeda is in Pakistan.

This agreement is going to fuel an arms race, a nuclear arms race in southeast Asia, and it is going to spread across the world, and instead of debating an F–16 bill, 36 of them to Pakistan, with this abomination of a nuclear program which they have, we are instead fueling it with this India program which Pakistan knows is cynical because it will free up 50 bombs worth of civilian domestic Indian nuclear fuel for their bomb program.

We must halt, we must stop this nuclear arms race in southeast Asia. We must vote "no" on this proposal. It is absurd. We should be debating Pakistan's nuclear program, Pakistan's F–16 program tonight, or else we will look back on this as an historic failure.

Mr. ROYCE. Mr. Chairman, I yield myself such time as I may consume.

I think we are all very concerned about the reports on Pakistan's programs that appeared this week. I think it was Monday in the Washington Post, but I think it is important to also note that that report stated that the construction on this facility in Pakistan to make these bombs began sometime in the year 2000. So this is not something that I think can be characterized as a reaction to this new initiative with India.

I do have concerns about a nuclear arms buildup in Asia. Again, this is something that the administration should be doing more on, working towards a fissile material cutoff treaty.

However, I would just respond by pointing out that this agreement gives us a chance to be engaged with India on their program instead of being on the outside as we have been for decades.

Mr. Chairman, I yield for the purposes of a unanimous consent request to the gentleman from Iowa (Mr. LEACH), the chairman of the Asia Subcommittee.

Mr. LEACH. Mr. Chairman, at the outset I would like to recognize Chairman HYDE and the distinguished Ranking Member, Mr. LANTOS, for their leadership in improving the Administration's draft proposal for facilitating civil nuclear cooperation between the United States and India.

In particular, I appreciate their efforts to lessen the nonproliferation risks inherent in this initiative and to ensure that Congress remains a full partner with the Executive Branch as we move forward with this endeavor.

Nonetheless, while the issue at hand is a close call, in my judgment this particular initiative does not strike the right balance between two competing American national security interests: the important goal of improving relations with a rising India and the critical priority of preventing the spread of nuclear weapons and fissile material in an era hallmarked by the global threat of terrorism. Let me explain why.

There is nothing more difficult than to attempt to put perspective on events of day because so many issues can only be understood clearly, if at all, with the passage of time. For example, if we ask what is new on the Asian landscape over the last several years there is a tendency to emphasize troubling developments: the scourge of terrorism, North Korea, tensions over Taiwan, and America's growing trade deficit with China. But on the positive side little is more consequential than America's deepening ties with India.

The growing warmth between our two countries has its roots in the common values and the increasingly congruent interests of democratic societies committed to the ideal of liberty, social tolerance, representative government and the fight against terrorism, as well as other transnational threats—such as the spread of weapons of mass destruction, illicit narcotics, and the scourge of HIV/AIDS. In this regard all Americans condemn the recent horrific bomb attacks in Kashmir and Mumbai, and we stand with the people and government of India in their opposition to anarchistic acts of terror.

Our deepening government-to-government relationship is complemented by a rich mosaic of expanding people-to-people ties. In many ways, the more than 2 million Indian-Americans have become a living bridge between our two great democracies, bringing together our two peoples, as well as greatly enlarging our understanding of one another.

From a Congressional perspective, it should be underscored that America's commitment to this robust and multi-faceted relationship is fully bipartisan. As underscored by the debate on this measure, there is virtually no dissent in Washington from the precept that India and the United States should become increasingly close strategic partners with compelling incentives over time to develop convergent perspectives on a host of regional and global policy concerns.

By any objective measure, U.S.-India relations have never been on more solid footing. From new agreements on defense cooperation to expanded high technology trade and space cooperation, the relationship has been moving forward in an impressive fashion. On the economic front, America is India's largest trading partner and largest foreign investor. In many ways, however, what is impressive is how marginal, not how significant, is our trade. Economic and commercial ties between the U.S. and India are at an incipient, not end stage, and arguably deserve priority emphasis at this point in our relationship.

In this context, many in Washington and elsewhere around the world were caught by surprise with the Administration's offer last July to extend full civilian nuclear cooperation to India; a proposal which presented Congress with a fait accompli, notwithstanding the fact that implementation would require legislative action.

By background, when Prime Minister Singh was set to visit Washington last summer, the Administration was weighing two policy options to help ensure maximum success for this important summit with the President.

One option would have been to announce unequivocal U.S. support for India's claim to a permanent seat on the United Nations Security Council; a stance clearly in the interest of India and also compatible with the interests of the United States. Bizarrely, however, the Administration position then and now has been that Washington is unprepared to take a firm position in support of Indian membership until the U.S. achieves certain goals related to UN administrative and management reform, none of which are as critical as the case for Security Council enlargement to reflect the new balance of power in world affairs.

Frankly, I am flabbergasted by the Administration's ideological rigidity, as well as its lack of preparation to support India on this issue. I regard the U.S. position as awkward philosophically, illogical, and incompatible with sound strategic judgment.

Instead of supporting India's aspirations for Security Council membership, the Administration instead chose to peremptorily re-write the rules of the global nonproliferation that have well-served U.S. interests for over three decades.

To be sure, I acknowledge that there are a number of credible rationales for this agreement: to earn trust and goodwill with policymakers in Delhi, and the Indian public; to help accelerate the development of a strategic partnership between our two countries; to promote the use of nuclear power as an environmentally-friendly alternative to the use of coal and other scarce fossil fuels; and to emulate an Eisenhower-style atoms-for-peace initiative.

Nevertheless, as strong as the case for this initiative may be, I remain deeply concerned that the agreement negotiated by the Administration fundamentally undermines the Nuclear Non-Proliferation Treaty (NPT), the linchpin of U.S.led international efforts to stem the spread of nuclear weapons.

Administration officials assert that the exceptional treatment being accorded to India is unique and un-replicable. Once an exception to treaty law is made, however, the door is opened for a whole spectrum of governments, including close friends and alliance partners, to come forward to make comparable claims for special treatment—whether they be Brazil, Egypt, Japan, Saudi Arabia, South Korea, Pakistan, and even Taiwan.

If India were the only consideration, it would be a no-brainer to support this agreement. Unfortunately, at issue is the rule of law as it applies to us and others as well.

In particular a number of other countries, with whom we currently do not have amicable relations, such as Iran and North Korea, can be expected to similarly press the international community to recognize their legitimacy as nuclear weapons states. And if we unilaterally declare the right to ignore international law, other countries, including nuclear weapon states, can not be expected to go along with an exclusive American right to take exception to treaties.

This agreement thus creates opportunity for countries to use commercial or geopolitical rationales to expand forms of nuclear cooperation otherwise prohibited by existing international norms (such as the NPT) or procedures (such as those developed by the multilateral Nuclear Suppliers Group).

For example, in the immediate wake of the President's announcement of a policy shift, before either the Congress or the multilateral NSG could consider the proposal, Moscow moved to preempt Washington by announcing it would provide New Delhi with uranium reactor fuel in contravention of NSG guidelines.

In other words, the mere announcement of an Executive Branch-initiated proposal has had the effect of undercutting the NPT and precipitated another nation-state to implement key aspects of Washington's initiative.

Similarly, the government of Pakistan announced it would be obligated to match any expansion in India's nuclear weapons program.

The reason we have an NPT is to restrain nuclear weapons development. Based on news reports this past week from Pakistan, it is clear that one of the consequences of breaking international law is the precipitation of an arms race on the Indian Subcontinent. But as unfortunate as this arms race is, the consequence of the U.S.-led unraveling of the NPT is the spiraling of nuclear weapons development elsewhere.

Mr. Chairman, in a philosophical context this agreement is a reflection of an Administration approach to foreign policy rooted in the so-called doctrine of American Exceptionalism, which neo-cons do not define as refining a shining city on a Hill but as the right of a superpower to place itself above the legal and institutional restraints applied to others.

In the neo-con world, values are synonymous with power. The implicit assumption in that American security can be bought and managed alone, in many cases without allies, and without consideration of contrasting international views or the effect of our policies on others. Treaties like a Comprehensive Test Ban, which every President since Eisenhower has propounded, have been rejected, as have negotiations to strengthen the verification provisions of the Biological Weapons Convention.

Now the Administration proposes to weaken the NPT, perhaps fatally, which despite its weaknesses has helped limit the number of nuclear weapon states to a relative handful instead of 20 or 30 or even more.

As much as I support the Administration's desire to more rapidly advance a warming of relations with India, I cannot in good conscience support a weakening of the global nonproliferation regime or the breaching of United States obligations under international law. I therefore cannot support the legislation in its current form.

Mr. LANTOS. Mr. Chairman, I am delighted to yield 1 minute to the gentlewoman from California (Ms. PELOSI), the distinguished Democratic leader, my friend and neighbor.

Ms. PELOSI. Mr. Chairman, I thank the distinguished gentleman from California for yielding, for his tremendous leadership in making our country strong and respected throughout the world.

I am pleased to join him in paying tribute to the chairman of the committee, HENRY HYDE. What a wonderful honor that this bill is named for him. He, too, has been a champion to promote a values-based diplomacy for our country. We have all fought many years with him in support of human rights throughout the world. This is probably one of the last bills that will be completed on issues that relate to national security and the respect with which we are held in the world. So appropriately, it is named for Mr. HYDE.

Both Mr. HYDE and Mr. LANTOS have presented the House with legislation that is a vast improvement, frankly, over the bill that the President requested earlier this year, and it is a tribute to their leadership that we can all come together on this legislation this evening.

The bill before us establishes a two-step process for the India nuclear agreement. It is a process and legislation, which I support, that allows Congress to reserve final judgment on the agreement until the specifics are known. It requires that before Congress votes on the agreement, India and the International Atomic Energy Agency will have had to establish a process through which IAEA safeguards will be applied forever to India's civilian nuclear facilities, programs and materials.

Therefore, if an agreement is ultimately approved, Congress will retain the ability to monitor it through the required annual reports on U.S. nonproliferation policies in South Asia and on the implementation of the U.S.-India nuclear deal.

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This legislation is important because it recognizes that the prospect of greater nuclear cooperation with a nation that has not signed the Nuclear Nonproliferation Treaty raises serious concerns. As one who came to Congress intent on improving international nonproliferation regimes, I appreciate those concerns. One of the most significant, the issue of the production by India of fissile material, is addressed by an amendment to be offered by the gentleman from California (Mr. BERMAN).

The Berman amendment, which I support, conditions the provision of nuclear fuel by the U.S. on a presidential determination that India has halted fissile material production. But even if the Berman amendment is not adopted, I hope that the agreement that will be presented to Congress for approval when negotiations are concluded contains a promise by India to halt the production of fissile material. Such a promise would improve the agreement and go a long way to convincing those who cannot support today's legislation that their concerns have been heard and that the Bush administration and the government of India has sought to respond to them.

The legislation before us clearly endorses the philosophy behind India's nuclear initiative; a judgment that security would be promoted by bringing India into the nuclear nonproliferation mainstream. On balance, I believe that judgment to be correct, and I thank you, Mr. LANTOS and Mr. HYDE, for putting that balance here.

Although not bound by the NPT, India has a strong record of supporting nonproliferation goals. They have never ever violated the NPT. India has demonstrated by its actions a commitment to safeguarding nuclear technology. That commitment will be strengthened by India's adherence to the Nuclear Suppliers Group guidelines and the Missile Technology Control Regime guidelines as required by the nuclear initiative.

A close relationship with the democratic India is critical for the United States. There is a wide range of significant issues on which our shared values and shared interests will enable productive collaboration for the betterment of the world. This legislation reflects the strength of our current relationship with India and our hopes for its future. It is an expression of trust on matters relating to nuclear technology based on 3 decades of experience.

I urge my colleagues to support it. Even though there may be some questions and some amendments which may pass or not prevail today, on balance, I believe this legislation as presented here is worthy of our support.

I hope that the agreement that comes back to us is one that will be without controversy and will again be a reflection of the close bond between India and America. It was but a week ago when we were all gathered here to extend our sympathy to the people and the government of India because of the tragedy at Mumbai. Many of us expressed the love that we have for India and appreciation for the gifts that India has given to America, a vibrant dynamic Indo-American community which has contributed enormously to the economic success of our country and to our competitiveness in the world.

They have also contributed much to us in terms of our own social justice. We owe much to India as the source of nonviolence as a philosophy, espoused and practiced by Mahatma Gandhi. I said last week that when Reverend Martin Luther King, Jr. and Coretta Scott King went to India to study nonviolence, they received a gift from India that would serve our country well and be important and fundamental to our own civil rights movement; that nonviolence was a strength that again improved America, and for which we all should be indebted to India and we should never forget.

I also personally join Mr. LANTOS, because I know of his history on the subject in expressing appreciation to India for its hospitality to His Holiness the Dalai Lama, a great leader in the world. And I am enormously appreciative of the fact that his, I don't want to call it government in exile, but whatever the term of art is, in Darussalam in India.

The list goes on and on, we can name them over and over, again whether it is again the contributions of the Indo-American community, the philosophy that sprang from India that is so important to us, or the support for human rights. But on target for today is India's commitment, which it has never violated, to support the principles of the Nuclear Nonproliferation Treaty, which although it is not a party to that treaty, has been a supporter of its principles.

Again, for that reason, I hope that all of our colleagues will vote in support of this legislation so that we can go to the next step and that we can go into the future continuing a long and beneficial relationship with India for us all.

Mr. LANTOS. Mr. Chairman, before yielding time, I want to express my regret to all of my colleagues that the stringent requirements will enable me to yield no more than 1 minute to each of our speakers.

Mr. Chairman, I am very pleased to yield 1 minute to a distinguished member of the committee, my good friend from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Chairman, India is a democracy that understands the role of this Congress. They have negotiated a deal that dramatically loosens the controls on their nuclear weapons program, and they know that it is the role of this Congress to make that deal one step tighter.

Our job is to protect the nonproliferation interests of the United States. The job of India is to say that any amendment we offer is a "killer amendment." Do not be fooled. They know and they expect that this Congress will do its job and make this deal one step better when it comes to controlling nuclear weapons.

India did not sign the Nuclear Nonproliferation Treaty. We should not punish India for becoming a nuclear power, but this deal in its present form facilitates building additional nuclear weapons by India. It will allow them to build twice as many nuclear weapons per year as they are doing now.

That is why I will be offering an amendment that will help India's civilian nuclear program, without helping their military program.

Mr. ROYCE. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. CROWLEY).

Mr. LANTOS. Mr. Chairman, I am pleased to yield 1 minute to the gentleman.

Mr. CROWLEY. Mr. Chairman, I thank the gentleman from California.

Mr. Chairman, I rise in strong support of the India Nuclear Cooperation Promotion Act, and I want to commend Chairman HYDE and Ranking Member LANTOS for the work they put into crafting this bipartisan legislation that we have before us today. And I would like to thank the current chairs of the caucus on India and Indian Americans, Representative GARY ACKERMAN from Queens and my good friend ILEANA ROS-LEHTINEN from Florida for the support they have given to the passage of this agreement. I must also recognize the Indian-American community for the incredible advocacy work they have done to educate Members of Congress on the importance of this agreement.

I want it to be clear that this vote sets the stage for allowing the cooperation, but the actual exchange of civilian nuclear cooperation will not take place until Congress is provided with the details of the relevant negotiations and takes a second up-or-down vote.

We will be taking an historic step in our relations today by passing this agreement. This is about nuclear power access, not nuclear weapons enhancement. By passing this agreement, we will be bringing an India that has remained outside the nonproliferation regime for the past 32 years under the nonproliferation tent.

Some of my colleagues have argued we are destroying the Nuclear Nonproliferation Treaty, also known as the NPT, by passing this agreement. But while I have the deepest respect for the treaty and those who support it, we must be realistic in understanding why this deal needs to be done.

India cannot sign the NPT unless it were to give up its nuclear weapons, which is unrealistic to ask a nation who finds themselves surrounded by nuclear-armed nations they have fought wars against. India has been punished for the past 32 years for testing a nuclear weapon, and during these 32 years of NPT limbo they have not externally proliferated, while remaining a true democracy with a strong rule of law.

We need to use India as an example of what a nation should be doing to gain the respect and inclusion by the international community. I urge my colleagues to end India's nuclear isolation and allow them to be brought into the nonproliferation tent with the rest of the responsible states who seek safe and efficient civilian nuclear technology.

I support this legislation because I support the relationship that our two countries should and will be sharing. If we expect India to be our ally in the 21st century, we must treat them as an equal, which is what this cooperation will provide. I trust my colleagues will recognize what our future with India holds and vote for final passage of this legislation.

Mr. LANTOS. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. MEEKS), our distinguished colleague.

Mr. MEEKS of New York. Mr. Chairman, I too want to congratulate Chairman HYDE and Ranking Member LANTOS for the strong bipartisan bill.

This initiative really talks about and reflects confidence in India as a global strategic partner. You know, the world is flat, and we have to have these partners in the world. What this does is, it says to India, because it is one of the world's largest democracies, that we understand and we recognize that.

Also, we have to remember that this is about civil nuclear power. India has over a billion people and we have to figure out how we also make sure that we protect and preserve our environment. So what this does is recognize that the production of clean energy can reduce further pollution of the environment and decrease dependency on fossil fuels.

In fact, if you look at the Indian CO_2 emission, a threefold increase in India nuclear capacity by 2015 would result in a reduction of over 170 million tons annually, or approximately the total current CO_2 emissions of the Netherlands. So I strongly support this bill.

Mr. LANTOS. Mr. Chairman, I am very pleased to yield the balance of my time to my good friend from California, Congresswoman BARBARA LEE.

The Acting CHAIRMAN (Mr. GUTKNECHT). The gentlewoman from California is recognized for 2½ minutes.

Ms. LEE. Mr. Chairman, I want to thank the gentleman for yielding and for his leadership and for really crafting a bill that I think is much better than what it was prior to the hearing, but I must rise to oppose this bill.

I had the privilege to visit India a few years ago with Mr. CROWLEY, and I witnessed firsthand the brilliance, the spirit, and the commitment to democracy of the Indian people. And like many of my colleagues, I strongly believe that it is in our country's best interest to strengthen our relationship with India. But to suggest that we can only do so at the expense of the international nonproliferation standards, as this legislation before us would, I think that is both dishonest and it is dangerous.

Let us be clear. This is not about India. As far as I am concerned, there is no country, and I mean no country, for which it would be acceptable to sacrifice our international standards. The problem with the deal, as it is currently written, is that it will do lasting harm to more than 30 years of international efforts to stop the spread of nuclear weapons.

This deal creates a double standard that undermines our efforts with countries like Iran and North Korea from developing nuclear weapons. It creates incentives for withdrawing from the Nuclear Nonproliferation Treaty. Why have countries like Brazil and South Korea spent all these years playing by the rules and not building nuclear weapons in exchange for civilian technology when India gets both?

It sets a dangerous precedent. In explaining Beijing's rationale for potentially pursuing a deal with Pakistan, Professor Shen Dingli of China's Fudan University has already argued this. He said, "If the United States can violate the nuclear rules, then we can violate them also." We should be fighting to save what is left of the international nonproliferation framework, not just throwing it away.

We should insist that India formally commit to the goals and restrictions on the international nonproliferation framework and sign the Nonproliferation Treaty. Short of that, we should at least insist on specific nonproliferation safeguards, as specified in an amendment that I offered, which of course was not ruled in order. It would have required, however, India to commit to the basic principles consistent with the NPT. Again, unfortunately, this amendment was not made in order.

We should not pass any type of a nuclear deal, a nuclear, quite frankly business deal, without these safeguards. I don't think we should throw them away. We need to go back to the drawing board and we need to make sure that international nonproliferation goals are adhered to.

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Mr. ROYCE. Mr. Chairman, you know, while the United States is, in fact, leading the way on this agreement, it is a multilateral agreement in the sense that the NSG, 45 nations, must concur with this agreement; and Congress must approve a nuclear cooperation agreement that the administration is negotiating with India before technology is actually transferred.

So I also want to make the point here that Congress is going to have a second crack at this agreement when it comes back. But here is the choice that we face: Either we continue to try to box in India and hope for the best, or we make this move, we engage India, and we hope to use our influence to move this increasingly important country in our direction. And this will help make India a true partner, a true partner as we enter what will be a decades-long struggle, I fear, against Islamist terrorism.

This is not an ideal agreement, and the administration should be more aggressively pursuing an international fissile material cutoff. But this agreement is a good one which works through a difficult nonproliferation situation to strengthen an important relationship for us.

That is why I ask my colleagues to approve this legislation. Frankly, it is a chance to strengthen an important relationship for us at a time when we need more strong relationships, especially with regional powers such as India; and, I will remind my colleagues, it strengthens a relationship with a democracy, based on the rule of law, a democracy that has a good record on nonproliferation.

This deal is controversial in India. The coalition government of Prime Minister Singh has come under intense attack from the political extremes and from political opponents. He has been charged with selling out India, opening its nuclear facilities to international inspection, agreeing to check India's nuclear weapons production.

So far the center has held. Let's not deliver India's Marxist and xenophobic forces a victory. They would like us to kill this deal. Let's pass this legislation. As Chairman HYDE argued and as the ranking member explained, let's pass this legislation. Let the administration negotiate a nuclear sharing agreement with India, and then look again and decide whether or not to proceed.

I urge my colleagues to support this legislation.

Ms. HARMAN. Mr. Chairman, I oppose the India Nuclear Cooperation Promotion Act

(H.R. 5682). The bill has substantially improved since it was first introduced in this body, but it still has a long way to go. I am particularly concerned about the failure of the bill to slow down a potentially catastrophic arms race in South Asia.

This bill would allow the President to enter into a nuclear cooperation agreement with India, the world's largest democracy and an important strategic ally of the United States. Under the proposed agreement, the United States would transfer fissile material and nuclear technology to India in exchange for India's promise to separate its civilian and military nuclear programs, subject its civilian programs to a host of international inspections and controls, and continue its moratorium on nuclear weapons testing.

As is an all too common habit of this administration, the key parameters of this agreement were negotiated with little or no congressional input. Congress was forced to add in protections against proliferation of nuclear technology and to ensure nuclear safety largely after the fact.

To this end, the House International Relations Committee has done an outstanding job in reasserting Congress' constitutional prerogatives. Thanks to the hard work of the Committee, the bill now requires that the President report to Congress on the progress that India has taken toward separating its civilian and military programs, toward placing its civilian programs under international supervision, otherwise living up to its end of the bargain. Congress then must vote to grant the President the authority to enter into this agreement. I welcome these improvements.

I also commend Congressman HOWARD BERMAN for his tireless efforts to give arms control protections in the agreement some teeth. Mr. BERMAN was instrumental in adding provisions that would automatically cease U.S. transfers of fissile material if India transferred missile or nuclear technology to third parties in violation of the Missile Technology Control Regime or the Nuclear Suppliers Group regulations. These provisions are vital to ensuring that U.S. nuclear technology and materials do not end up in the hands of terrorists or rogue nations.

But as far as this bill has come, it has not come far enough. The bill still allows the President to transfer fissile material to India without ensuring that India first cease its domestic production. It would therefore allow India to use U.S.-provided uranium for its civilian programs, while diverting all of its domestic production of uranium to the development of nuclear weapons. If India chose to divert its domestic material to its military programs, some commentators have estimated that it could build an additional 50 nuclear weapons every year.

This bill could thus fuel an already accelerating arms race in South Asia. India and Pakistan have engaged in intermittent hostilities for years, and both already have nuclear weapons. Adding hundreds of new nuclear weapons to this equation will unacceptably increase the risk of a nuclear exchange. Pakistan has already hinted that it would increase its production of nuclear weapons if this agreement is approved. We must do all in our power to stop this train while it is still in the station.

I am sympathetic to India's needs for clean, affordable power. I also recognize that India is a crucial ally of the United States. But we cannot allow an arms race to spiral out of control.

Both India and the administration have time to allay these concerns before Congress will hold its final vote on this agreement. I look forward to reviewing the President's report, and will withhold final judgment on this agreement until then.

Mr. STARK. Mr. Chairman, I rise in opposition to H.R. 5682, the United States and India Nuclear Cooperation Promotion Act.

Were India to sign the Nuclear Nonproliferation Treaty (NPT), the primary international tool for limiting the proliferation of nuclear weapons, I would gladly support the agreement. My district is home to a large Indian-American population, whose opinions I value and whose support I have long enjoyed. I regret having to disagree with many of them today.

But I am—and have always been—an ardent proponent of nuclear nonproliferation. I believe that the fewer nuclear weapons that exist in the world, the better. Unfortunately, America's unilateral agreement will encourage an arms race on the Indian subcontinent, promote weak export controls around the world, and undermine the NPT.

This week, it was revealed that Pakistan is constructing a new plutonium-production reactor that will massively increase its bomb-making capacity. Rather than adding fuel to the fire by offering India a deal that will allow and encourage it to also increase weapons production, the United States should work to end the production of all fissile material in South Asia.

A unilateral agreement with India could also undermine the cohesiveness of the Nuclear Suppliers Group. If the United States exempts India from nuclear nonproliferation controls, China would likely feel it appropriate to make a similar agreement and export civilian nuclear technology to Iran or North Korea.

I am aware that as part of the agreement, India has opted to allow some of its reactors to be inspected. This concession, however, is largely symbolic. The reactors that will continue to be off limits could make more plutonium for weapons than India will ever need. Furthermore, the precedent of working outside the NPT is dangerous. If India can secure the benefits of NPT membership without adhering to the treaty's limitations, other countries will have little incentive to remain in the NPT.

I urge my colleagues to stand up for nonproliferation and join me in voting "no."

Mr. BLUMENAUER. Mr. Chairman, having visited India following the Southeast Asia tsunami, I am more convinced than ever of the benefits of a stronger U.S.-India partnership. There is no relationship more important than that between the world's largest democracy, India, and the world's oldest democracy, the United States. I believe that, as the world's largest democracy and a responsible regional power, India deserves a permanent seat on the UN Security Council. Support for such an arrangement would have been a sensible centerpiece to a new strategic partnership.

However, I am skeptical about elements of the proposed nuclear cooperation agreement between the U.S. and India. I am particularly concerned that this attempt to create an exception to international nonproliferation norms for India may make our efforts in Iran more difficult, or even encourage other countries to make their own exceptions to the rules for assistance to the supposedly civilian nuclear programs of less responsible countries.

I am pleased that the legislation crafted by the leadership of our House International Relations Committee minimizes the risks associated with this agreement and provides for close congressional oversight, though I support additional amendments to strengthen it. I do not wish to stand in the way of this legislation's progress and intend to follow developments closely for the up-or-down vote that this bill authorizes.

I believe that the more pressing issue is developing an effective strategy for cooperation to address India's growing energy needs. Increased reliance on nuclear energy will only have a marginal impact on India's consumption of fossil fuels and levels of global warming pollution emitted. To make an immediate impact, we should be helping India with conservation, renewable energy technologies, and strategies to reduce pollution such as coal gasification.

Mr. CARDIN. Mr. Chairman, I rise in support of H.R. 5682, the U.S. and India Nuclear Cooperation Promotion Act.

India is the largest democracy in the world today, and is rightly viewed as an emerging global power in the 21st century. I was pleased to listen to Indian Prime Minister Manmohan Singh address a Joint Session of Congress in July 2005 and describe his vision of future cooperation between India and the United States. I will continue to encourage our government to strengthen our ties to India, in areas such as high-technology, immigration, trade, space, and the military.

Today the United States and India can take an important step to lay the foundation for our countries to greatly expand nuclear research, nuclear power, and nonproliferation cooperation with each other. India is facing enormous challenges in providing sufficient energy to its growing population. India has more people living in abject poverty than do Latin America and Africa combined.

This legislation establishes a two-step process under which the United States may enter into a nuclear cooperation agreement with India. I am pleased that the Committee on International Relations has significantly amended this legislation, as compared to the version initially proposed by the Administration. The legislation today preserves the important oversight role of Congress. Under this legislation, the President must make a number of determinations before India can be exempted from restrictions contained in the Atomic Energy Act of 1954 (AEA). Most notably, the President must determine that India has provided the International Atomic Energy Agency (IAEA) with a credible plan to separate civilian and military nuclear programs, and that India and the IAEA have concluded an agreement requiring the permanent application of IAEA safeguards to India's civil nuclear facilities.

Once the President has made the determinations required by this legislation, Congress must approve a joint resolution to ratify the final negotiated text of a nuclear cooperation agreement with India. I also support the provision in the bill that requires additional consultation between the Administration and Congress, including regular detailed reports on nonproliferation matters and the implementation of this agreement.

I look forward to working with the Administration to implement this nuclear cooperation program between the United States and India, consistent with this legislation and the intent of Congress.

Mr. HOLT. Mr. Chairman, I rise today to oppose H.R. 5682. I do this reluctantly, because I am a strong supporter of India. But I cannot turn my back on my life's work on nuclear non-proliferation.

Prior to coming to Congress, I worked at the U.S. Department of State as an arms control expert. I spent each day there trying to reduce the threat our nation faced from proliferation of nuclear weapons. I also learned first hand how effectively the international non-proliferation regime monitors existing nuclear states and prevents sensitive nuclear technology from falling into the wrong hands. I also worked for 10 years at the Princeton Plasma Physics Laboratory to research and develop fusion energy, because it would be an abundant source of energy that would not lead to the proliferation of nuclear weapons.

I am also a lifelong supporter of India. In fact, I first traveled to India more than 30 years ago. When I came to Congress, the first caucus I joined was the Congressional Caucus on India and Indian-Americans. Since then, my interest in India and my respect for its citizens have only grown. That is why I believe it is essential that our nation increase its cooperation with India.

India is our friend and a strong ally. The ties that bind our nations go to the core of our democratic values. India is the world's largest democracy, she possesses a vibrant economy, and she has an unwavering commitment to ending terrorism. America is fortunate to have an ally that shares our common vision and we need to grow our relationship by increasing cooperation on other economic, educational, and security concerns. But I have strong reservations about making individual exceptions in our nation's laws for nuclear export to India or any other state.

The non-proliferation regime we have is far from perfect, but it has proven to be remarkably successful in deterring the spread of nuclear material. The Nuclear Nonproliferation Treaty (NPT) of 1970 is the centerpiece of international nuclear nonproliferation structure. The NPT ensured that today we are dealing with only a handful of problematic states, such as Iran, rather than the dozens of nuclear states that might have existed otherwise. These historical successes highlight the essential role that the international non-proliferation regime has played and why it must not be undermined.

The United States was instrumental in creating the NPT, and now is not the time to stop our leadership on this important issue. The United States should not send the wrong message to the global community. We must continue to be a leader on nuclear non-proliferation if we hope to prevent Iran, North Korea, or others from acquiring nuclear weapons.

During the 2004 presidential campaign, both President Bush and Senator KERRY agreed on one thing: nuclear proliferation and nuclear terrorism are the gravest threat that our country faces. The threat of nuclear terrorism is underscored today because of the recent actions of Iran and the continued work by North Korea to develop nuclear technology.

That is why we need to be doing more to strengthen and support the international nuclear non-proliferation structure, not weaken it. Some non-proliferation experts have raised concerns that this bill would violate Article I of the NPT. Additionally this bill would create an exception to the rule, and thereby create a new rule.

I have been impressed by India and I do believe that she has been one of the most responsible nuclear states in the world. And unlike her neighbor, India has not engaged in wholesale proliferation of nuclear technology.

The bill before us today would make changes to the Atomic Energy Act which would allow for the transfer of U.S. nuclear technology and material to India. This would be the first time the conditions for nuclear cooperation in the Act were changed for an individual state. We should not make these changes lightly. We need to understand the implications of what we are doing for the international nuclear non-proliferation regime.

As well, we must also be clear. This is not the final vote the House will take on this important issue. Under the provisions contained in this bill, Congress will again have to review and vote to support nuclear cooperation once the final text of the cooperation agreement is finalized. For that reason, I remain unsure why Congress is considering or approving these significant changes to our nuclear non-proliferation structure. The Nuclear Suppliers Group still needs to give its approval to this proposed nuclear cooperation agreement. As well, India needs to complete its negotiations with the International Atomic Energy Agency on a new safeguards agreement. These are not just minor points, not just iotas in the agreement. They are central to the issue. What would be wrong with waiting for the final text to be negotiated and these important steps to be taken before we change our nation's laws to allow for nuclear material transfer?

That said, I remain troubled that providing nuclear technology to India would create a double standard. Historically, the United States has only provided nuclear technology to states that are parties to the NPT. This bill would allow for cooperation with India, despite the fact the India has not signed or ratified the NPT, and had previously developed a secret nuclear weapons program.

Additionally, I am worried that this legislation does not require India to cap or even limit its fissile material production. The United States, the United Kingdom, Russia, and France have all publicly announced that they are no longer producing fissile material for military use. Even China is believed to have stopped producing fissile material. Without a requirement to limit fissile material production, the United States is tacitly endorsing further production. We should not help any state in the world increase its stockpile of nuclear weapons, especially at a time when we are reducing our own stockpile.

I am also concerned that this legislation does not require that all of India's nuclear reactors be placed under international safeguards. That means that some of India's reactors will be used for military purposes and kept outside safeguards and the nonproliferation regime. The whole purpose of safeguards is to ensure that fissile material is not diverted to build nuclear weapons secretly. We need full scope safeguards on all of India's reactors to ensure that U.S. technology or nuclear material is not being diverted for military purposes. In effect, we would be giving approval to the existence of undeclared, uninspected production of fissile material.

Further, India is not required to classify her new reactors as civilian rather than military. Some have argued that nuclear cooperation is needed to help meet India's growing energy needs. If that is the case then every single new reactor should be civilian energy producing facilities. We should be doing more to discourage India from expanding her military nuclear program, rather than making it easier.

This bill makes some improvements on the legislation that the Administration submitted, and I am glad that some of my colleagues who share my concerns tried to improve it. Yet, even with these changes I do not think it wise to shred one of the few nonproliferation instruments we have. I am sorry that before they came to us the Administration did not negotiate a better agreement which would not jeopardize decades of nonproliferation work. I am also sorry we have not approached this matter to obtain the active partnership of such a respected and important country as India in the effort to prevent nuclear proliferation around the world. India teamed with us and other countries could be a most influential leader in reducing the threat of nuclear weapons around the world. I remain convinced that nuclear cooperation could be achieved with India, however this is not the proper way to do so.

For these reasons, I cannot support this bill which would undermine the NPT and our nation's long history of nuclear nonproliferation. I would oppose this deal if it was with any country outside of the NPT because I would have the same concerns. But I also know that despite my vote on this bill it will be approved by wide margins. I hope I am proven wrong, that this bill will not undermine our nation's nonproliferation efforts, but I regret that I cannot see how that can be.

Mr. JINDAL. Mr. Chairman, I rise to speak in support of H.R. 5682, the United States and India Nuclear Cooperation Promotion Act of 2006. The bill would facilitate the sharing of civilian nuclear technology in an attempt to decrease competition for scarce energy resources and strengthen relations between the two nations.

With the receding of the global divisions established during the Cold War era, there has been increasing recognition that significant benefits can be obtained from closer cooperation between the U.S. and India. H.R. 5682 reflects broad agreement that peaceful nuclear cooperation with India can serve U.S. foreign policy and national security objectives and also minimize potential risks to the nonproliferation regime. This ranges from shared strategic interests, such as enhanced stability and security in South Asia and the international system as a whole, to more specific priorities, such as combating global terrorism.

Today, the chief threat to our security and the security of our allies worldwide is posed by violent acts of terrorism by extremists and rogue nations engaged in nuclear experimentation to the detriment of the principles of freedom worldwide. As we witnessed recently by the bombing of Mumbai's subway system earlier this month, global terrorism is a threat that India shares with the United States. We need India's ongoing partnership in the fight against terrorism. Furthermore, by engaging in this agreement with India, we are able to strengthen the international nonproliferation regime by placing a majority of India's nuclear plants under international inspection. This is a more practical and realistic shift in U.S. nuclear policy that should be viewed as a victory for nonproliferation advocates compared to our previous policy of forced abandonment which yielded little towards achieving greater international security.

For our own sake, if for no other reason, it is imperative that we help countries like India and China curb their increasing consumption of oil and natural gas for domestic and commercial use. This, in turn, will help us curtail the cost of oil and natural gas, while helping India develop its own nuclear power sources sufficient to meet their growing demand. The result is that prices worldwide will decrease as overall supply of oil and natural gas increase, thus helping our own economy by preserving many of the industries that have been forced to close their doors because of high production costs.

Our relationship with India is unique—the United States and India are the oldest and largest democracies in the world. While we cannot foresee that China will share common political principles in the near future, because India's history is rooted in Democracy they are an ideal partner for achieving our goals of creating international and economic security. Passing H.R. 5682 is an important step toward cementing the great strides we have made in the past year in establishing this strategic partnership.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise today in support of H.R. 5682, the United States and India Nuclear Cooperation Promotion Act.

India is a strategic friend and ally of the United States. Indian Americans have made an indelible mark upon the culture and diversity of our nation and I was proud to sponsor H. Res. 227 that recognized the contributions of Indian Americans to our nation, which the House passed earlier this year.

India and the United States have a strong history of cooperation. Directly after the September 11, 2001 terrorist attacks, India was one of the first countries to offer immediate aid to the United States. As the two largest pluralistic, free-market democracies in the world, it is only natural for the United States and India to seek to strengthen our bilateral relationship.

Last July, President Bush and Prime Minister Sing issued a Joint Statement declaring a new era of respect, reciprocity and cooperation, spanning the fields of high technology, space exploration, counter-terrorism, defense cooperation and energy security.

This legislation lays the statutory foundation to expand nuclear research, nuclear power and nonproliferation cooperation with India that would allow full trade in civil nuclear energy. In exchange for such trade, India has agreed to separate its military and civilian nuclear programs over the next eight years, placing 14 of its 22 reactors under permanent international safeguards, as well as all future civilian thermal and breeder reactors. It has also agreed to maintain its unilateral moratorium on nuclear testing and to work with the United States toward a fissile material cutoff treaty.

Mr. Chairman, the United States should seize this opportunity to forge a strategic alliance with India to expand civil nuclear energy production in that country. In closing, I thank the leadership for allowing this legislation to come to the floor today and urge an aye vote.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in support of the United States and India Nuclear Cooperation Promotion Act of 2006. With the receding of the Cold War's global divisions and the new realities of globalization and trans-national terrorism, for more than a decade there has been increasing recognition in both countries of the significant benefits to be obtained from closer cooperation across a broad spectrum. To that end, on July 15, 2005 President Bush and Prime Minister Manmohan Singh issued a joint statement announcing a "global partnership" between the two countries that embraces cooperation across a wide range of subjects.

I am in support of this bill because this legislation reflects broad agreement consensus among Members of Congress that peaceful nuclear cooperation with India can serve multiple U.S. foreign policy objectives, but must be approached in a manner that minimizes potential risks to the nonproliferation regime. Among the most important considerations are ensuring that Nuclear Suppliers Group (NSG) guidelines and consensus decision-making are upheld and that a U.S. nuclear cooperation agreement and subsequent U.S. nuclear exports are consistent with decisions, policies, and guidelines of the NSG. Equally important is the need to ensure that U.S. cooperation does not assist the Indian nuclear weapons program directly, or indirectly, in order to avoid contributing to a nuclear arms race in South Asia and because of U.S. obligations under the Nonproliferation of Nuclear Weapons (NPT).

There are two other noteworthy provisions in this bill which I consider very crucial in the United States' relationship with India regarding nuclear weapons. The bill contains reporting requirements and a provision that calls for termination of exports in the event of violations of certain commitments and seeks to uphold existing statutory Congressional oversight of U.S. nuclear cooperation and exports. At a time when the world appears to be considering nuclear energy as a viable and desirable alternative to carbon-based energy sources, oversight of its expansion is crucial.

The President took a bold step by cutting a deal with India on nuclear cooperation and it is now up to Congress to make the necessary fixes without undermining the deal. India has proven itself deserving of an understanding of cooperation with the United States regarding nuclear weapons. India has been punished for the last thirty-two years, but over that time they have shown a responsible foreign policy, and a commitment to democracy and rule of law. This deal would also provide India with some of its energy needs to continue to grow her economy and lower the use of coal burning power plants.

We cannot forget about our Indian American citizens during our talks of a nuclear cooperation with India. There are about two million Indian Americans living in the United States and the majority of them support this nuclear deal. We must let the Indian American community know that we hear them, we stand with them, and are both working towards the mutual goals of democracy. This deal will strengthen our long term relationship with India in hopes that they will continue to be one of our strongest allies in the War on Terrorism. This agreement will benefit the United States as well as India in monitoring nuclear weapons in helping to stabilize our world's economy and safety and I urge my colleagues to support this bill.

I will be introducing an amendment that urges Congress to continue its policies of engagement, collaborations, and exchanges with India and Pakistan. My bipartisan amendment is consistent with many U.S. foreign policy objectives. It will also draw the United States closer to this vitally important and strategic democracy.

Mr. KNOLLENBERG. Mr. Chairman, I support the legislation before the House of Representatives today, H.R. 5682, the United States and India Nuclear Cooperation Promotion Act of 2006. A civil nuclear cooperation agreement will make citizens of America and India more safe and secure, while providing increased stability around the world.

Since coming to Congress, I have felt that it is appropriate for the United States and India to have a close relationship. Last year, when President Bush and Indian Prime Minister Singh announced that the two countries would seek cooperation on its civil nuclear programs, I was immediately encouraged and supportive of their efforts. The improved relations stemming from this agreement will lead to untold benefits for the American and Indian people and enhance our mutual interests.

The U.S.-India relationship is strong and growing stronger because of our shared principles and goals. We remain the two largest democracies in the world, committed to political freedom protected by a representative government, and we share a commitment to free-market principles. These principles—bolstered by one of the world's largest consumer markets and a growing skilled labor force—have helped India in its development into a global economic power.

However, that growing economy depends on energy. Nuclear energy, unlike other energy sources, is truly a "green" energy source. It does not emit any carbon dioxide emissions or greenhouse gases. It also requires less geographic area to produce energy than other energy sources. Nuclear power is under-utilized and we should promote, not hamper, its growth.

Since the establishment of the Indian nuclear program in 1974, there has been no international oversight of India's nuclear program. A civilian nuclear cooperation agreement will provide India with much of the energy it needs while also bringing their civilian nuclear program under international review.

With this agreement, the majority of India's civilian program will be under supervision of the International Atomic Energy Agency.

We always must be mindful of nuclear proliferation and nuclear materials falling into the wrong hands. The Indian government remains committed to peace and stability in the region and the world and they realize the danger of allowing the proliferation of nuclear technology and material.

Sadly, this danger is all too real to the people of India because—like the U.S.—India has not been immune to terror attacks. The train bombing earlier this month and the attack on their parliament 5 years ago remains a constant reminder of terror and has forced them to reevaluate their civilian nuclear program and their status in the international community.

Mr. Chairman, H.R. 5682 will strengthen the U.S.-India relationship, promote a clean energy source, and make global nuclear materials more secure. For all these reasons, I strongly support the bill and encourage my colleagues to do so as well.

Mr. FOLEY. Mr. Chairman, I rise in strong support of H.R. 5682, the U.S. and India Nuclear Cooperation Promotion Act. At a time when world energy reserves and production are just barely keeping up with current capacity, I believe that this bill is the right policy for both our countries.

India is currently the sixth largest energy consumer in the world and continues to grow exponentially in its population. With only 3 percent of India's energy consumption being derived from nuclear energy, it is depending heavily on foreign energy sources. By helping India with its civilian nuclear power industry, and thereby reducing its dependency on other fuel sources, Americans ultimately should experience lower energy costs as available fuel sources increase.

This bill also will further strengthen India's commitment to nuclear nonproliferation. India has committed to following International Atomic Energy Agency safeguards, allowing for additional inspections, and has produced a plan to separate its civilian and military nuclear facilities.

In this uncertain world, and with India in the middle of a volatile region, it is imperative that the world's largest democracy have access to a constant and inexpensive source of energy. Mr. Chairman, I believe this legislation will help solidify our ongoing and deepening relationship with our friends in India and I urge all of my colleagues to support it.

Mr. HOLT. Mr. Chairman, there will be a time when the history of the spread of nuclear weapons of mass destruction is written and we will look back and see when the last thread of the nuclear non-proliferation regime was shredded. We can all talk at length about the details of this cooperative agreement. We can talk about what a good friend India is and how responsible they have been. We can talk about the so-called reality of an imperfect ability to control the militarization of nuclear reactions. But the history will say that with this agreement the world lost the last bit of an international tool to control the spread of nuclear weapons of mass destruction. The regime will have been killed. All we will have left is our ability to jawbone with our allies and threaten our enemies. Countries will work out whatever deals they can, two by two. This is a very dangerous moment.

If we really believe that nuclear proliferation and loose nukes are the greatest threat to world peace and security, as I do, then we should be holding on to every tool we can find to prevent that threat. We should also be working with India to strengthen the nuclear non-proliferation regime, not collaborating with India to destroy it.

Mr. UDALL of Colorado. Mr. Chairman, I rise in qualified support of this legislation.

India is the world's largest and most diverse democracy and a strong ally and friend of the United States. As a member of the India Caucus, I recognize the benefits of increased economic, security, and cultural cooperation between India and the United States and am proud that in recent years the relationship between our two countries has made rapid advances in so many areas.

Because of the growing importance of that relationship, it made sense for the Bush Administration to consider expanding the U.S.-India strategic partnership to include civilian nuclear energy development. In the context of our friendship with India, I support the concept of civilian nuclear cooperation, and I will support this legislation today.

U.S. law prohibits nuclear cooperation with countries that have not pledged under the Nuclear Nonproliferation Treaty—like India—to forgo nuclear weapons. H.R. 5682 carves out an exception for India to allow it to gain access to long-denied civilian nuclear technology in exchange for opening 14 out of 22 of its nuclear facilities to inspections under the International Atomic Energy Agency. Importantly, the bill requires that India and the International Atomic Energy Agency negotiate a safeguards agreement and that the Nuclear Suppliers Group approve an exemption for India before Congress votes on the final cooperation agreement. That means Congress will have a chance to vote up or down once more, this time on the final negotiated agreement. I think that's the right approach.

In exchange for getting access to sensitive nuclear technology and fuel supplies, India has promised to continue the moratorium on nuclear weapons testing, to separate its civilian and military nuclear programs and not to transfer the nuclear technology to third parties.

But the deal would not prevent India from ramping up its military nuclear program. Whether or not India actually begins building more nuclear arms is less important than the fact that it will have the capability to do so, and it is unclear what actions countries like China and Pakistan might take in response to that new reality.

I tend to agree the statement by Rep. BERMAN (D–CA) in his additional views on H.R. 5682 that "only a halt on fissile material production would make this deal a net plus for nonproliferation." In the July 2005 joint statement between President Bush and Prime Minister Manmohan Singh, India committed to "assume the practices and responsibilities" of other advanced nuclear powers. With four of the five recognized nuclear weapons states already having stopped producing fissile material for nuclear weapons and China believed to have halted production, it would seem that India should be able to "assume" this important practice.

Yet the agreement itself does not include any promise by India to cease its production of fissile materials. So I remain concerned about the potential effects of the agreement on our broader nonproliferation goals, since the real has ramifications far beyond the U.S.-India relationship. That's why I supported an amendment based on a proposal by former Senator Sam Nunn to allow the exports of nuclear reactors and technology to India but not the transfers of reactor fuel until it had been determined that India had halted the production of fissile material for its weapons program.

We must try to strike the right balance between strengthening our relationship with India and also maintaining our robust and time-tested international nuclear nonproliferation regime. I will support the bill today, but once the agreement has been negotiated and before Congress takes its final vote on the deal, I plan to carefully scrutinize the agreement to ensure that it strikes a balance I can support.

Mr. McDERMOTT. Mr. Chairman, as a long time supporter of India and one of the cofounders of the India Caucus I have watched with gratification over the past decade as India and the United States have emerged as strategic partners. I believe the world's oldest and largest democracies have a lot to learn from and share with one another.

I am concerned, however, that the Bush administration seems to have focused all of the energy in this bilateral relationship on the recent proposal to commence nuclear cooperation. I understand India's growing energy demands and shortages (a crisis which we in the United States also face) and I believe that our two countries should cooperate and share technologies to promote energy independence. That is why, despite serious reservations about the proposed U.S.-India nuclear cooperation agreement and the Bush administration's ability to properly implement it, I cosponsored H.R. 5682. I believe it is important that we continue to engage India on this important issue, and I supported this legislation to move this process along.

But I have serious concerns with the agreement as it stands. India has not signed the Nuclear Non-Proliferation Treaty (NPT), and this type of arrangement with a nonsignatory to the treaty is unprecedented. Exporting American nuclear fuel to India has the potential to supplant the domestic uranium India is currently using to generate civilian nuclear power, freeing up this uranium for military purposes. I worry about the message this arrangement would send to the region and the world, and I do not believe further production of nuclear weapons is in India's or the South Asian region's best interests.

Nuclear weapons remain the most dangerous threat to mankind, and I worry about a mistake in Mumbai or Islamabad. The idea that these weapons can be used tactically or surgically is nonsense; we should be working to scale down nuclear weapon production in the region, not escalate it.

I do not believe this agreement is unworkable, but I do feel that there is one very important thing that India needs to do to move this forward: end its production of fissile material. This would show the U.S. and the world that this agreement is truly going to address India's domestic energy needs and not going to enhance its nuclear arsenal. To this end, I voted in support of the Berman/Tauscher amendment, which would withhold exports of nuclear reactor fuel to India until India stops producing fissile material for nuclear weapons.

However, the Berman/Tauscher amendment failed. In the absence of an Indian commitment to end fissile material production, I cannot support moving forward at this time with this agreement. I hope that those of us who do not support an agreement in the absence of such a commitment do not send the wrong message to our Indian friends. We will continue to support India and there are many areas in which our two countries can continue to engage, including trade, space exploration, anti-terrorism, and other defense cooperation. But I cannot in good conscience support an agreement that, even indirectly, increases India's nuclear weapons arsenal. I don't believe that serves India, the U.S., or the South Asian region well.

Mr. ISRAEL. Mr. Chairman, I rise in support of H.R. 5682, the United States and India Nuclear Cooperation Promotion Act of 2006.

In January of 2004, I had the opportunity to visit India with my wife and colleagues. During that trip I spoke with Defense Minister George Fernandes, and we discussed closer military cooperation between India and the United States. Even at that time, India favored closer military cooperation, but there were too many regulations, restrictions and laws on the books in a post 9–11 world. These laws inhibited closer military strategic cooperation. Fernandes explained that India and the United States hadn't been able to pursue a defense relationship because of outdated and insufficient export control policies. This, he said, had compelled India to develop a defense partnership with other nations. Until recently, approximately 70 percent of India's imported military equipment was from Russia.

One cannot help but ask why this is so? While we were having that conversation the United States military was conducting hip to hip joint military exercises with the Indian military in the Indian Ocean to fight against the global war on terror. If our men and women in uniform can conduct military exercises side by side with India's men and women against the enemies of democracy—we can develop a partnership between the Indian defense industry and the U.S. defense industry. We are partners. We share the same values. We share a partnership on the war on terror.

And in a short time that relationship has advanced. The two countries have been working closely on joint technology developments. And we need to expand that partnership, not only on a security basis, but also as we look at another key challenge we face: energy.

India, America's strongest ally in the region, is on the verge of energy insecurity: India does not have the domestic energy resources to sustain its rapidly growing economy, and consequently must meet its requirements through foreign energy resources. India's oil demand has doubled between 1990 and 2003 and will double again within the next 25 years. As India consumes more energy from the world's finite energy supply, the cost for energy for ordinary Americans will increase significantly. Two-thirds of India's annual oil consumption is imported, and it is projected that India will import over 90 percent of its annual oil requirements within the next 15 years. Currently, nuclear energy only comprises 3 percent of India's energy consumption, and this number cannot increase substantially without civilian nuclear cooperation with the United States. That is why I think that along with civilian nuclear cooperation, a renewable energy partnership is equally as important. Many people don't realize that this deal will help keep energy costs down for ordinary Americans by reducing demand in the global oil market.

So I would like to spend a few minutes speaking on U.S.-India renewable energy cooperation. Something that is extremely important for both countries. After 6 years in Congress I have found that every single threat we face here at home is either derived from or based on one thing: our dependence on foreign oil. Renewable energy cooperation between the U.S. and India would help both countries tremendously.

When we dropped 2,500 pound bombs on Abu Musab Al Zarqawi, the order was given to 2 fighter planes. Only one could respond, because the other was in mid-air refueling. What better metaphor for the dangers of our current energy reliance!

Before leaving for India in 2004 I read the book "India" by Stanley Wolpert. In his book he wrote—"if India ever learns to harness its solar energy economically, the desert states of Rajasthan and Madhya Pradesh could become valuable centers of power generation and transmission. Even as oil reserves have catapulted Arabia to affluence, solar power might launch central India into an age of rich growth and development, especially were it used to help tap mother Ganga's Perennial flow. India's major liability might then become her greatest asset."

We have some plans in place but we need to keep pushing to make sure that the two countries work together.

The Indian minister of non-conventional energy sources (MNES) recently met with experts at the National Renewable Energy Lab to discuss potential areas of collaboration. These areas include solar thermal power generation, low wind speed technology research & development, renewable energy resource assessment and the use of resource data in relevant analysis tools. The Indian Oil Corporation (IOC) has proposed a memorandum of understanding (MOU) with DOE'S National Renewable Energy Laboratory to focus on hydrogen and biofuels research. This MOU will be the basis for future joint research. I am asking that Congress fully fund these programs and bring them to fruition, and work with India.

Mr. Chairman, we will need democratic partners in meeting threats and defending our national security. We will need democratic friends and allies with shared values and principles.

I saw that demonstrated last July not in India, but on the floor of the House of Representatives.

I was one of the Members who urged the congressional leadership to allow Prime Minister Singh to address a joint session of congress.

There it was for the whole world to see. the head of the largest democracy on earth (India) . . . speaking in the Congress of the oldest democracy on earth (America). That gave me great hope that we will triumph over our mutual challenges of terrorism and energy dependence.

Ms. DEGETTE. Mr. Chairman, I rise in support of H.R. 5682, the "United States and India Nuclear Cooperation Promotion Act of 2006."

As the world's largest democracy in a strategically important part of the world, India is a critical ally for the United States. Continuing the process of improving our relationship is thus very important. This agreement, H.R. 5682, will help us build a stronger partnership with India by allowing the United States to provide nuclear technology and fuel in order that India may meet its growing energy needs.

This agreement also is an improvement over the current situation with respect to India and the threat posed by the spread of nuclear weapons. As a nonsignatory to the Nuclear Nonproliferation Treaty (NPT), India is outside the international nuclear nonproliferation scheme. This agreement provides incentives to gain its cooperation because under H.R. 5682 the United States can only provide India nuclear assistance if the President certifies that India is taking certain specific steps to reduce the spread of nuclear weapons. These steps include the provision of a credible plan to separate its civilian and military nuclear programs, an agreement with the International Atomic Energy Agency (IAEA) to apply IAEA safeguards to its civilian nuclear apparatus, and the taking of steps to prevent the export of sensitive nuclear materials or technology.

Furthermore, after the President makes the necessary certifications, Congress still has to approve any nuclear supply agreement with India before it can go forward. This provides an opportunity for Congress to make its own independent analysis of the extent to which India has followed through on its commitment to nuclear nonproliferation.

I do have some concerns about this legislation. It does not provide as many protections against the proliferation of nuclear weapons as I would have liked. And, I would have preferred that as a condition for aid India would at least have been required to agree to halt or limit its production of fissile material used for nuclear weapons. I will support the amendments offered by Representatives SHERMAN and BERMAN which would achieve this later goal.

Despite the fact that it is not perfect, H.R. 5682 is a net plus for the United States and the world. This legislation and the resulting nuclear supply agreements with India should improve an important strategic relationship and reduce the likelihood nuclear weapons will fall into the hands of those wish to do us harm, including rogue states and terrorists.

Mrs. MALONEY. Mr. Chairman, I rise today in support of H.R. 5682, the "United States and India Nuclear Cooperation Promotion Act of 2006."

The close relationship between the U.S. and India is crucial to world stability. We share a common system of government, common constitutions, and common values. The two nations work closely together on a wide range of issues including building peace and security in

South Asia, increasing bilateral trade and investment, meeting global environmental challenges, fighting disease, and eradicate poverty.

India is an important partner in the ongoing struggle to fight terrorism. Just last week the House of Representatives passed a resolution, which I cosponsored, expressing sympathy for the people of India in the aftermath of the deadly terrorist attacks in Mumbai on July 11, 2006. The resolution also expressed our solidarity with the government and people of India in fighting and defeating terrorism in all its forms.

Today, we have a historic opportunity to advance and deepen relations with India with the passage of the bill before us. Under this pact, India would open up its civilian nuclear facilities to international inspections. This legislation contains important conditions including that the President must determine that the International Atomic Energy Agency and India are working to ensure that there are more inspections of nuclear facilities and that India is working with the United States to prevent the spread of enrichment and reprocessing technology.

India is a vital friend and ally and by approving this bill we will make that relationship even stronger.

I commend Chairman HYDE and Ranking Member LANTOS for their leadership on this issue, and I urge my colleagues to support this legislation.

Ms. McCOLLUM of Minnesota. Mr. Chairman, I rise to express my concerns with the United States and India Nuclear Cooperation Promotion Act of 2006, H.R. 5682. While I intend to vote in support of this legislation, I do so with serious concerns that must be articulated to the administration.

The President and the State Department failed to seriously consult with Congress prior to announcing this proposed partnership, and therefore left little room for Congress to either voice concern or make any substantial change to the proposed partnership. Without any serious congressional discussions on the issue, the administration felt it acceptable to announce last July that it would seek to bypass the global nonproliferation regime that has served to provide international security for decades. The White House's tacit acknowledgement that such a proposition would require legislative approval once again shows how this administration lacks any respect for the balance of powers enumerated in Constitution, and the principle that Congress is an equal branch of government.

In the face of this serious lapse of judgment on the part of the administration, the Committee on International Relations should be commended for its bipartisan work undertaken to strengthen this legislation, and improve upon the poor proposal the administration originally proposed. Chairman HYDE and Ranking Member LANTOS took the serious concerns expressed by many members, both those on the committee and those not, into consideration to drastically improve the bill now before us, guaranteeing Congress the right to see the agreement prior to final congressional approval. In addition, India will open its civilian nuclear facilities to the International Atomic Energy Agency for inspections, and should India perform any weapons tests in the future, all U.S. cooperation would cease, permanently. India must work with the U.S. to conclude a Fissile Material Cut-Off Treaty as well.

The overarching goal of this legislation, to increase positive diplomatic ties between the U.S. and India, is laudable. India is the world's largest democracy, and is a growing economic and political influence not only in Southeast Asia, but in the greater global community. There is bipartisan agreement that India is a friendly and growing partner of the U.S. in many respects. When India reached out to the United States in the 1960s, seeking partnership and increased friendly relations with us, we rebuffed them. It was a mistake to do so then, and it would be a mistake to do so now and allow an opportunity to warm relations with India to slip by.

However, I have serious concerns that prior to any civil nuclear agreement can move forward, safeguards be in place to ensure that India does not use any of this technology to further its production of nuclear weapons. This legislation fails to ensure that India does not divert its domestic supply of enriched uranium to its weapons program, nor does it place India's military facilities under IAEA inspections, all regrettable. In addition, despite the fact that the five current nuclear weapons states are believed to have suspended the production of fissile material, this proposed agreement does not force India to do the same and operate under these same guidelines.

I am extremely disturbed by recent media reports, however, that the administration was aware of two Indian firms that had sold missile parts to Iran, but failed to inform Congress prior to this bill being debated before us. The fact that the administration failed to present to Congress on July 1 a mandated report regarding weapons suppliers to Iran and Syria, is a case of neglect, but the timing of this severe neglect of duty could not have been worse. The administration, despite its assertions that India has an impeccable nonproliferation record, has deemed it proper to sanction the two companies, but did not feel that it would be prudent for Congress to know this information prior to this vote. This oversight demonstrates a serious lack of judgment on the part of the administration, and calls into question all given assurances of security safeguards on the proposed nuclear deal. Had this information been available prior to this debate, I believe it would have greatly influenced not only the content of the legislation before us, but the outcome of the vote we are about to take.

I voted in favor of this legislation in committee, and intend to support, this legislation now, in the hopes that the administration would continue working to obtain assurances from the Indian Government that there will be no transfer of nuclear technology, either deliberate or accidental, to either the Indian weapons program, or to rogue regimes who are attempting to develop weapons of mass destruction. I strongly urge the administration to urge that all Indian facilities be placed under IAEA inspections, and that the Indian government voluntarily halt the production of fissile material.

Mr. ROYCE. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN (Mr. GUTKNECHT). All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill, modified by the amendment printed in part A of House Report 109-599, is adopted. The bill, as amended, shall be considered as an original bill for the purpose of further amendment under the 5-minute rule and shall be considered read.

The text of the bill, as amended, is as follows:

H.R. 5682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States and India Nuclear Cooperation Promotion Act of 2006".

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) preventing the proliferation of nuclear weapons, other weapons of mass destruction, the means to produce them, and the means to deliver them are critical objectives for United States foreign policy;

(2) sustaining the NPT and strengthening its implementation, particularly its verification and compliance, is the keystone of United States nonproliferation policy;

(3) the NPT has been a significant success in preventing the acquisition of nuclear weapons capabilities and maintaining a stable international security situation;

(4) countries that have never become a party to the NPT and remain outside that treaty's legal regime pose a potential challenge to the achievement of the overall goals of global nonproliferation, because those countries have not undertaken the NPT's international obligation to prohibit the spread of dangerous nuclear technologies;

(5) it is in the interest of the United States to the fullest extent possible to ensure that those countries that are not NPT members are responsible with any nuclear technology they develop;

(6) it may be in the interest of the United States to enter into an agreement for nuclear cooperation as set forth in section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) with a country that has never been an NPT member with respect to civilian nuclear technology if—

(A) the country has demonstrated responsible behavior with respect to the nonproliferation of technology related to weapons of mass destruction programs and the means to deliver them;

(B) the country has a functioning and uninterrupted democratic system of government, has a foreign policy that is congruent to that of the United States, and is working with the United States in key foreign policy initiatives related to non-proliferation;

(C) such cooperation induces the country to implement the highest possible protections against the proliferation of technology related to weapons of mass destruction programs and the means to deliver them, and to refrain from actions that would further the development of its nuclear weapons program; and

(D) such cooperation will induce the country to give greater political and material support to the achievement of United States global and regional nonproliferation objectives, especially with respect to dissuading, isolating, and, if necessary, sanctioning and containing states that sponsor terrorism and terrorist groups, that are seeking to acquire a nuclear weapons capability or other weapons of mass destruction capability and the means to deliver such weapons; and

(7)(A) India meets the criteria described in this subsection; and

(B) it is in the national security interest of the United States to deepen its relationship with India across a full range of issues, including peaceful nuclear cooperation.

SEC. 3. STATEMENTS OF POLICY.

(a) IN GENERAL.—The following shall be the policies of the United States:

(1) Oppose the development of a capability to produce nuclear weapons by any non-nuclear weapon state, within or outside of the Treaty on the Non-Proliferation of Nuclear Weapons (21 UST 483; commonly referred to as the "Nuclear Non-Proliferation Treaty" or the "NPT").

(2) Encourage states party to the NPT to interpret the right to "develop research, production and use of nuclear energy for peaceful purposes", as described in Article IV of the NPT, as being a qualified right that is conditioned by the overall purpose of the NPT to prevent the spread of nuclear weapons and nuclear weapons capability, including by refraining from all nuclear cooperation with any state party that has not demonstrated that it is in full compliance with its NPT obligations, as determined by the IAEA.

(3) Strengthen the Nuclear Suppliers Group guidelines concerning consultation by members regarding violations of supplier and recipient understandings by instituting the practice of a timely and coordinated response by NSG members to all such violations, including termination of nuclear transfers to an involved recipient, that discourages individual NSG members from continuing cooperation with such recipient until such time as a consensus regarding a coordinated response has been achieved.

(b) WITH RESPECT TO SOUTH ASIA.—The following shall be the policies of the United States with respect to South Asia:

(1) Achieve a moratorium on the production of fissile material for nuclear explosive purposes by India, Pakistan, and the People's Republic of China at the earliest possible date.

(2) Achieve, at the earliest possible date, the conclusion and implementation of a treaty banning the production of fissile material for nuclear weapons to which both the United States and India become parties.

(3) Secure India's—

(A) full participation in the Proliferation Security Initiative;

(B) formal commitment to the Statement of Interdiction Principles;

(C) public announcement of its decision to conform its export control laws, regulations, and policies with the Australia Group and with the Guidelines, Procedures, Criteria, and Control Lists of the Wassennaar Arrangement;

(D) demonstration of satisfactory progress toward implementing the decision described in subparagraph (C); and

(E) ratification of or accession to the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997.

(4) Secure India's full and active participation in United States efforts to dissuade, isolate, and, if necessary, sanction and contain Iran for its efforts to acquire weapons of mass destruction, including a nuclear weapons capability (including the capability to enrich or process nuclear materials), and the means to deliver weapons of mass destruction.

(5) Seek to halt the increase of nuclear weapon arsenals in South Asia, and to promote their reduction and eventual elimination.

(6) To ensure that spent fuel generated in India's civilian nuclear power reactors is not transferred to the United States except pursuant to the Congressional review procedures required under section 131 f. of the Atomic Energy Act of 1954 (42 U.S.C. 2160 f.).

(7) Pending implementation of a multilateral moratorium, encourage India not to increase its production of fissile material at unsafeguarded nuclear facilities.

SEC. 4. WAIVER AUTHORITY AND CONGRESSIONAL APPROVAL.

(a) IN GENERAL.—Notwithstanding any other provision of law, if the President makes the determination described in subsection (b), the President may—

(1) exempt a proposed agreement for nuclear cooperation with India (arranged pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153)) from the requirement in section 123 a.(2) of such Act, and such agreement for cooperation may only enter into force in accordance with subsection (f);

(2) waive the application of section 128 of the Atomic Energy Act of 1954 (42 U.S.C. 2157) with respect to India, provided that such waiver shall cease to be effective if the President determines that India has engaged in any activity described section 129 of such Act (42 U.S.C. 2158), other than section 129 a.(1)(D) or section 129 a.(2)(C) of such Act, at any time after the date of the enactment of this Act; and

(3) with respect to India—

(A) waive the restrictions of section 129 a.(1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2158 a.(1)(A)) for any activity that occurred on or before July 18, 2005; and

(B) section 129 a.(1)(D) of such Act.

(b) DETERMINATION BY THE PRESIDENT.—The determination referred to in subsection (a) is a determination by the President that the following actions have occurred:

(1) India has provided the United States and the International Atomic Energy Agency with a credible plan to separate civil and military nuclear facilities, materials, and programs, and has filed a declaration regarding its civil facilities with the IAEA.

(2) India and the IAEA have concluded an agreement requiring the application of IAEA safeguards in perpetuity in accordance with IAEA standards, principles, and practices (including IAEA Board of Governors Document GOV/1621 (1973)) to India's civil nuclear facilities, materials, and programs as declared in the plan described in paragraph (1), including materials used in or produced through the use of India's civil nuclear facilities.

(3) India and the IAEA are making substantial progress toward concluding an Additional Protocol consistent with IAEA principles, practices, and policies that would apply to India's civil nuclear program.

(4) India is working actively with the United States for the early conclusion of a multilateral Fissile Material Cutoff Treaty.

(5) India is working with and supporting United States and international efforts to prevent the spread of enrichment and reprocessing technology.

(6) India is taking the necessary steps to secure nuclear and other sensitive materials and technology, including through—

(A) the enactment and enforcement of comprehensive export control legislation and regulations;

(B) harmonization of its export control laws, regulations, policies, and practices with the policies and practices of the Missile Technology Control Regime and the Nuclear Suppliers Group; and

(C) adherence to the MTCR and the NSG in accordance with the procedures of those regimes for unilateral adherence.

(7) The NSG has decided by consensus to permit supply to India of nuclear items covered by the guidelines of the NSG and such decision does not permit civil nuclear commerce with any other non-nuclear weapon state that does not have IAEA safeguards on all nuclear materials within its territory, under its jurisdiction, or carried out under its control anywhere.

(c) SUBMISSION TO CONGRESS.—

(1) IN GENERAL.—The President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate information concerning any determination made pursuant to subsection (b), together with a report detailing the basis for the determination.

(2) INFORMATION TO BE INCLUDED.—To the fullest extent available to the United States, the information referred to in paragraph (1) shall include the following:

(A) A summary of the plan provided by India to the United States and the IAEA to separate India's civil and military nuclear facilities, materials, and programs, and the declaration made by India to the IAEA identifying India's civil facilities to be placed under IAEA safeguards, including an analysis of the credibility of such plan and declaration, together with copies of the plan and declaration.

(B) A summary of the agreement that has been entered into between India and the IAEA requiring the application of safeguards in accordance with IAEA practices to India's civil nuclear facilities as declared in the plan described in subparagraph (A), together with a copy of the agreement, and a description of the progress toward its full implementation.

(C) A summary of the progress made toward conclusion and implementation of an Additional Protocol between India and the IAEA, including a description of the scope of such Additional Protocol.

(D) A description of the steps that India is taking to work with the United States for the conclusion of a multilateral treaty banning the production of fissile material for nuclear weapons, including a description of the steps that the United States has taken and will take to encourage India to identify and declare a date by which India would be willing to stop production of fissile material for nuclear weapons unilaterally or pursuant to a multilateral moratorium or treaty.

(E) A description of the steps India is taking to prevent the spread of nuclear-related technology, including enrichment and reprocessing technology or materials that can be used to acquire a nuclear weapons technology, as well as the support that India is providing to the United States to further United States objectives to restrict the spread of such technology.

(F) A description of the steps that India is taking to secure materials and technology applicable for the development, acquisition, or manufacture of weapons of mass destruction and the means to deliver such weapons through the application of comprehensive export control legislation and regulations, and through harmonization and adherence to Missile Technology Control Regime, the Nuclear Suppliers Group, the Australia Group, Wassennaar guidelines, and United Nations Security Council Resolution 1540, and participation in the Proliferation Security Initiative.

(G) A description of the decision taken within the Nuclear Suppliers Group relating to nuclear cooperation with India, including whether nuclear cooperation by the United States under an agreement for cooperation arranged pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) is consistent with the decision, practices, and policies of the NSG.

(H) A description of the scope of peaceful cooperation envisioned by the United States and India that will be implemented under the Agreement for Nuclear Cooperation, including whether such cooperation will include the provision of enrichment and reprocessing technology.

(I) A description of the steps taken to ensure that proposed United States civil nuclear assistance to India will not directly, or in any other

way, assist India's nuclear weapons program, including—

(i) the use of any United States equipment, technology, or nuclear material by India in an unsafeguarded nuclear facility or nuclear-weapons related complex;

(ii) the replication and subsequent use of any United States technology in an unsafeguarded nuclear facility or unsafeguarded nuclear weapons-related complex, or for any activity related to the research, development, testing, or manufacture of nuclear explosive devices; and

(iii) the provision of nuclear fuel in such a manner as to facilitate the increased production of highly-enriched uranium or plutonium in unsafeguarded nuclear facilities.

(d) RESTRICTIONS ON NUCLEAR TRANSFERS TO INDIA.—

(1) IN GENERAL.—Pursuant to the obligations of the United States under Article I of the NPT, nothing in this Act, or any agreement pursuant to this Act, shall be interpreted as permitting any civil nuclear cooperation between the United States and India that would in any way assist, encourage, or induce India to manufacture or otherwise acquire nuclear weapons or nuclear explosive devices.

(2) NSG TRANSFER GUIDELINES.—Notwithstanding the entry into force of an agreement for cooperation with India pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) and approved pursuant to this Act, no item subject to such agreement or subject to the transfer guidelines of the NSG may be transferred to India if such transfer would violate the transfer guidelines of the NSG as in effect on the date of the transfer.

(3) TERMINATION OF NUCLEAR TRANSFERS TO INDIA.—Notwithstanding the entry into force of an agreement for nuclear cooperation with India (arranged pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153)), exports of nuclear and nuclear-related material, equipment, or technology to India shall be terminated if India makes any materially significant transfer of—

(A) nuclear or nuclear-related material, equipment, or technology that does not conform to NSG guidelines, or

(B) ballistic missiles or missile-related equipment or technology that does not conform to MTCR guidelines,

unless the President determines that cessation of such exports would be seriously prejudicial to the achievement of United States nonproliferation objectives or otherwise jeopardize the common defense and security.

(4) PROHIBITION ON NUCLEAR TRANSFERS TO INDIA.—If nuclear transfers to India are restricted pursuant to this Act, the Atomic Energy Act of 1954, or the Arms Export Control Act, the President should seek to prevent the transfer to India of nuclear equipment, materials, or technology from other participating governments in the NSG or from any other source.

(e) APPROVAL OF AGREEMENT FOR NUCLEAR COOPERATION REQUIRED.—

(1) IN GENERAL.—Subject to subsection (h), an agreement for nuclear cooperation between the United States and India submitted pursuant to this section may become effective only if—

(A) the President submits to Congress the agreement concluded between the United States and India, including a copy of the safeguards agreement entered into between the IAEA and India relating to India's declared civilian nuclear facilities, in accordance with the requirements and procedures of section 123 of the Atomic Energy Act of 1954 (other than section 123 a.(2) of such Act) that are otherwise not inconsistent with the provisions of this Act; and

(B) after the submission under subparagraph (A), the agreement is approved by a joint resolution that is enacted into law.

(2) CONSULTATION.—Beginning one month after the date of the enactment of this Act and every month thereafter until the President submits to Congress the agreement referred to in paragraph (1), the President should consult with the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate regarding the status of the negotiations between the United States and India with respect to civilian nuclear cooperation and between the IAEA and India with respect to the safeguards agreement described in subsection (b)(2).

(f) JOINT RESOLUTION OF APPROVAL.—For purposes of this section, a joint resolution referred to in subsection (e)(1)(B) is a joint resolution of the two Houses of Congress—

(1) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the Agreement for Nuclear Cooperation Between the United States of America and the Republic of India submitted by the President on ________________*.", with the blank space being filled with the appropriate date;*

(2) which does not have a preamble; and

(3) the title of which is as follows: "Joint Resolution Approving an Agreement for Nuclear Cooperation Between the United States and India".

(g) CONSIDERATION OF JOINT RESOLUTION OF APPROVAL.—The provisions of paragraphs (2) through (6) of section 130 i. of the Atomic Energy Act of 1954 (42 U.S.C. 2159 i.) shall apply to a joint resolution under subsection (f) of this section to the same extent as such provisions apply to a joint resolution under section 130 i. of such Act. No amendment to, or motion to recommit, a joint resolution under subsection (f) of this section is in order.

(h) SECTION 123 OF ATOMIC ENERGY ACT OF 1954 NOT AFFECTED.—Notwithstanding subsection (e)(1), this section does not preclude the approval, under section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153), of an agreement for cooperation in which India is the cooperating party.

(i) SUNSET.—The procedures under this section shall cease to be effective upon the enactment of a joint resolution under this section.

(j) REPORTS.—

(1) POLICY OBJECTIVES.—The President shall, not later than January 31, 2007, and not later than January 31 of each year thereafter, submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report on—

(A) the extent to which each policy objective in section 3(b) has been achieved;

(B) the steps taken by the United States and India in the preceding calendar year to accomplish those objectives;

(C) the extent of cooperation by other countries in achieving those objectives; and

(D) the steps the United States will take in the current calendar year to accomplish those objectives.

(2) NUCLEAR EXPORTS TO INDIA.—

(A) IN GENERAL.—Not later than one year after the date on which an agreement for nuclear cooperation between the United States and India is approved by Congress under section 4(f) and every year thereafter, the President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report describing United States exports to India for the preceding year pursuant to such agreement and the anticipated exports to India for the next year pursuant to such agreement.

(B) NUCLEAR FUEL.—The report described in subparagraph (A) shall also include (in a classified form if necessary)—

(i) an estimate for the previous year of the amount of uranium mined in India;

(ii) the amount of such uranium that has likely been used or allocated for the production of nuclear explosive devices;

(iii) the rate of production of—

(I) fissile material for nuclear explosive devices; and

(II) nuclear explosive devices; and

(iv) an analysis as to whether imported uranium has affected such rate of production of nuclear explosive devices.

(C) UNSAFEGUARDED NUCLEAR FACILITIES.—The report described in subparagraph (A) shall also include (in a classified form if necessary) a description of whether United States civil nuclear assistance to India is directly, or in any other way, assisting India's nuclear weapons program, including—

(i) the use of any United States equipment, technology, or nuclear material by India in an unsafeguarded nuclear facility or nuclear-weapons related complex;

(ii) the replication and subsequent use of any United States technology in an unsafeguarded nuclear facility or unsafeguarded nuclear weapons-related complex, or for any activity related to the research, development, testing, or manufacture of nuclear explosive devices; and

(iii) the provision of nuclear fuel in such a manner as to facilitate the increased production of highly-enriched uranium or plutonium in unsafeguarded nuclear facilities.

(3) NEW NUCLEAR REACTORS OR FACILITIES.—Not later than one year after the date of the enactment of this Act and annually thereafter, the President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report describing any new nuclear reactors or nuclear facilities that the Government of India has designated as civilian and placed under inspections or has designated as military.

(4) DISPOSAL OF SPENT NUCLEAR FUEL.—Not later than one year after the date on which an agreement for nuclear cooperation between the United States and India is approved by Congress under section 4(f) and every year thereafter, the President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report describing the disposal of spent nuclear fuel from India's civilian nuclear program.

(k) DEFINITIONS.—In this Act:

(1) IAEA.—The term "IAEA" means the International Atomic Energy Agency.

(2) MTCR.—The term "MTCR" means the Missile Technology Control Regime.

(3) NPT.—The term "NPT" means the Treaty on the Non-Proliferation of Nuclear Weapons.

(4) NPT MEMBER.—The term "NPT member" means a country that is a party to the NPT.

(5) NSG.—The term "NSG" means the Nuclear Suppliers Group.

The Acting CHAIRMAN. No further amendment is in order except those printed in part B of the report. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

PREFERENTIAL MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I have a preferential motion at the desk.

The Clerk read as follows:

Mr. OBEY moves that the Committee do now rise and report the bill back to the

House with the recommendation that the enacting clause be stricken.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. OBEY. Mr. Chairman, I regret very much that this legislation is before us this afternoon. In my view, this is a badly conceived and most especially a badly timed action which will weaken the nonproliferation regime over the long haul and, in the end, wind up encouraging the production of more nuclear weapons by Pakistan, China and India.

It also is, in my view, spectacularly badly timed because it will give Iran a greater excuse, as if they needed any, but it will give Iran a greater excuse than they now have to continue to proceed with their own nuclear program. I believe it is a profound mistake.

I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, we are being told that we shouldn't worry, that this won't lead to a nuclear arms race.

Now, India is not a signatory to the nuclear nonproliferation treaty. This agreement is in violation of the Nonproliferation Act of 1978 here in Congress. All of their facilities are not being put under full-scope safeguards.

Experts say that when we supply the nuclear fuel for their civilian program, it is going to free up nuclear fuel for their nuclear weapons program. It makes sense. But we are told, don't worry.

Now, right now, India makes about seven nuclear bombs a year, on average. That is the magnitude. That is the scope of their program. But experts say it will free up 40 to 50 bombs' worth of nuclear material if they wanted to build more nuclear bombs. We are told, don't worry.

But here is what else is going on. This week in the world, A.Q. Khan, under house arrest in Islamabad, this nuclear merchant that should be on trial in the world court for what he has done in spreading nuclear weapons materials around the world but yet the Bush administration has turned a blind eye to him and allowed Musharraf just to keep him under house arrest in a palace. Well, A.Q. Khan and his people now have a new program, it turns out, on the front page of the Washington Post this week, that will make it possible for them to build 40 to 50 plutonium nuclear bombs per year. Now they are going to do it. They are going to do it because they only have two to three nuclear bombs capacity per day right now, and they can scale up to 40 to 50.

Now what is interesting about these two charts about India and Pakistan, they are each now going to be capable of going from between two and seven up to 40 to 50.

We are told, don't worry. Well, I am worrying; and I think we should all worry. The Bush administration has not made public at all the fact that they have known for at least 2 years that Pakistan has this clandestine plutonium nuclear bomb program. It is the place where we should all be concerned that that al Qaeda operative buys a nuclear bomb and moves it into the Middle East, moves it to New York City, moves it to Washington, D.C. And instead we are told, don't worry.

Well, what kind of signal are we sending to the world when Iran, which is a signatory to the Nuclear Proliferation Treaty, is on trial at the Security Council to comply with the nonproliferation treaty because they are violating it, and we are turning a blind eye to what India and Pakistan, nonsignatories to the nonproliferation treaty, are doing or will do if this deal goes through? We will make a mockery of the nonproliferation regime in the world.

And we know that President Bush doesn't care about it. Otherwise, we would know more about this Pakistani program which they have had satellite evidence of its existence for the last 2 years. We know that he doesn't care about it. Otherwise, he would be forcing India to put the full nuclear program in India under safeguards. He would be extracting a ban on the production of fissile material in India, in the same way that the United States and Russia and China and England and France now don't produce any more fissile material.

But, no, the President is allowing an exemption. This deal is like throwing a tinder onto an already raging fire in the most dangerous part of the world and pretending that there is no relationship between what we do here today and the response of Pakistan and Iran and other nations around the world.

Mr. ROYCE. Mr. Chairman, I rise in opposition to the motion.

The Acting CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. ROYCE. Mr. Chairman, I would make several points.

One, in terms of the program that is being laid out in the Washington Post, I think it was this Monday, explaining Pakistan's ambitions with respect to its nuclear buildup, that is clearly not something that can be characterized as a reaction to this new initiative with India. The reason I say that is because a careful reading of that Washington Post report shows that the construction of this very facility site began in the year 2000. The construction of the facility began 6 years ago.

I will also point out that the supposition that it could be used for 40 to 50 nuclear bombs a year, the information we have is that is probably two or three. Yet the very existence of the facility itself shows why a fissile cutoff is, frankly, not practical to enforce, to attempt to enforce on India, except through negotiation.

And I think, lastly, in conclusion, the attempt to equate Pakistan's efforts, now 6 years old, and tie that and say that that is in response to a deal that we are negotiating with India of less than a year old is clearly not germane to the argument that we have before us today.

So I oppose the motion of the gentleman from Wisconsin.

The Acting CHAIRMAN. The question is on the preferential motion offered by the gentleman from Wisconsin (Mr. OBEY).

The preferential motion was rejected.

AMENDMENT NO. 1 OFFERED BY MR. ROYCE

The Acting CHAIRMAN. It is now in order to consider amendment No. 1 printed in part B of House Report 109-599.

Mr. ROYCE. Mr. Chairman, as the designee of Mr. HYDE, I offer the Hyde-Lantos amendment which is made in order by the rule.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. ROYCE:

Page 3, line 12, strike "may be" and insert "is".

Page 4, beginning line 21, strike "this subsection" and insert "paragraph (6)".

Page 11, line 3, strike "and" and all that follows through line 8 and insert a period.

Page 15, line 22, insert "nuclear" before "cooperation".

Page 16, line 3, after "violate" insert "or be inconsistent with".

Page 16, beginning line 6, strike "Notwithstanding the entry into force of an agreement for nuclear cooperation with India (arranged pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153))" and insert "Notwithstanding the entry into force of an agreement for nuclear cooperation with India pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) and approved pursuant to this Act".

Page 17, line 8, strike "Subject to subsection (m), an" and insert "An".

MODIFICATION TO AMENDMENT NO. 1 OFFERED BY MR. ROYCE

Mr. ROYCE. Mr. Chairman, I ask unanimous consent that the Hyde-Lantos amendment made in order by the rule be modified in the form which I have caused to be placed at the desk.

The Acting CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 1 offered by Mr. ROYCE:

Page 2, line 4, strike "United States" and insert "Henry J. Hyde United States".

Page 3, line 12, strike "may be" and insert "is".

Page 4, beginning line 21, strike "this subsection" and insert "paragraph (6)".

Page 11, line 3, strike "and" and all that follows through line 8 and insert a period.

Page 15, line 22, insert "nuclear" before "cooperation".

Page 16, line 3, after "violate" insert "or be inconsistent with".

Page 16, beginning line 6, strike "Notwithstanding the entry into force of an agreement for nuclear cooperation with India (arranged pursuant to section 123 of the Atomic

Energy Act of 1954 (42 U.S.C. 2153))" and insert "Notwithstanding the entry into force of an agreement for nuclear cooperation with India pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) and approved pursuant to this Act".

Page 17, line 8, strike "Subject to subsection (m), an" and insert "An".

Mr. ROYCE (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The Acting CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. MARKEY. Mr. Chairman, I object.

The Acting CHAIRMAN. Objection is heard.

The Clerk will continue reading.

The Clerk continued to read.

Mr. MARKEY. Mr. Chairman, I ask unanimous consent to withdraw my objection.

The Acting CHAIRMAN. Without objection, the reading is dispensed with.

There was no objection.

The Acting CHAIRMAN. Without objection, the amendment is modified.

There was no objection.

The Acting CHAIRMAN. Pursuant to House Resolution 947, the gentleman from California (Mr. ROYCE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

Mr. ROYCE. Mr. Chairman, the only change in this amendment is to name this bill after our distinguished chairman, HENRY HYDE. The underlying amendment contains a series of technical and conforming changes which were needed to ensure the bill was properly drafted.

I reserve the balance of my time.

Mr. LANTOS. Mr. Chairman, I strongly support naming this historic legislation after our distinguished chairman as a small token of our respect and appreciation for his enormous contributions to the national security of the United States and to the sound conduct of U.S. foreign policy.

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Mr. MARKEY. Mr. Chairman, I rise in opposition to the amendment.

The Acting CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

If all that the manager's amendment included was the naming of this legislation after HENRY HYDE, then I would be at the front of the line to ensure that I would be praising him to the heavens. And I want the gentleman from Illinois to understand that because he does deserve all the accolades which he is receiving.

But there is just a little bit more in this manager's amendment than naming it after the distinguished gentleman from Illinois.

The reason that I am opposed to this amendment is that it would strike part of one of the seven conditions being placed on the India nuclear deal.

Here is the full language of the condition. It is No. 7: "The Nuclear Suppliers Group has decided by consensus to permit supply to India of nuclear items covered by the guidelines of the NSG and such decision does not permit civil nuclear commerce with any other non-nuclear weapon state that does not have IAEA." International Atomic Energy Agency, "safeguards on all nuclear materials within its territory, under its jurisdiction, or carried out under its control anywhere."

The manager's amendment would strike the words "and such decision does not permit civil nuclear commerce with any other non-nuclear weapon state that does not have International Atomic Energy Agency safeguards on all nuclear materials within its territory, under its jurisdiction, or carried out under its control anywhere." The impact of that change in the language is that it would free the Nuclear Suppliers Group to also allow nuclear commerce with other nations that have not agreed to full-scope IAEA safeguards on their nuclear facilities, such as Pakistan.

I see absolutely no justification for opening the door to China to come into the Nuclear Suppliers Group with a proposal to give Pakistan the same deal that the administration is proposing to give India. That is a bad idea. It invites a further weakening of the international nuclear nonproliferation regime and an expansion of commerce with countries that do not allow full-scope international safeguards. We should be very careful here. We should be very cautious.

The ostensible justification for the initiation of the war in Iraq is that we did not want the next terrorist attack to come in the form of a mushroom cloud. As we make these changes, they seem slight. They are not. They are historic in terms of the safeguards that we have in place to ensure that we are securing these nuclear materials, that proper procedures are in place to make sure that countries and subnational groups that should not have them in their possession are denied them.

This is a weakening amendment, and I urge the Members to oppose it.

Mr. Chairman, I yield back the balance of my time.

Mr. ROYCE. Mr. Chairman, I yield myself the balance of my time.

It is my understanding that a member of the committee, the gentleman from California (Mr. SHERMAN) offered an amendment in committee that was passed on voice vote. However, upon further reflection, I understand the Member has asked that the amendment language be removed. And what is happening here is that the committee is honoring that request. I would note, however, that the heart of the section 4(b)(7), and this is the section that the gentleman is concerned about, which states that the President must determine that the Nuclear Suppliers Group has decided by consensus, that remains intact, and that is the practice at the NSG.

And let me just quote from the bill: "The NSG has decided by consensus to permit supply to India of nuclear items covered by the guidelines of the NSG."

So the heart of the determination remains intact. And, again, the removal of that particular language was at the request of a member of the committee, Mr. SHERMAN of California, who offered the original amendment that was accepted in committee.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from California (Mr. ROYCE).

The amendment, as modified, was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. STEARNS

The Acting CHAIRMAN. It is now in order to consider amendment No. 2 printed in part B of House Report 109-599.

Mr. STEARNS. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. STEARNS:

In section 2(6)(D), strike "and" after the semicolon.

In section 2(7)(B), strike the period at the end and insert "; and".

In section 2, add at the end the following new paragraph:

(8) the United States Government, pursuant to the restrictions in this Act, shall not participate in, or contribute to, the manufacture or acquisition of nuclear weapons or nuclear explosive devices.

The Acting CHAIRMAN. Pursuant to House Resolution 947, the gentleman from Florida (Mr. STEARNS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. STEARNS. Mr. Chairman, I yield myself such time as I may consume.

My amendment to this bill would clarify and reinforce the intent of Congress that nuclear cooperation into which the governments of the United States and India would enter is for peaceful and productive purposes and not military purposes. And I think a lot of us who view this bill have some concerns.

Now, the intent of this amendment is obviously woven throughout this legislation, but I thought an elevated position by a sense of Congress in what we are talking about perhaps would alleviate some of the colleagues, particularly the gentleman from Massachusetts. It bears reiterating that this country stands for peace and not war.

While India has agreed to allow monitoring at 14 of their nuclear reactors to ensure fuel is not used for weapons, my colleagues, there are eight other reactors and an unknown number of future reactors that can produce material for military purposes, free of any oversight or control. It is, indeed, obviously, an improvement in the status quo for India to open up any of its reactors to oversight, but the dangers inherent in further assisting India's nuclear development are clear.

These are unsettling times in nuclear proliferation. Iran and North Korea, for example, have violated their responsibilities under the Nuclear Nonproliferation Treaty and are producing or attempting to produce significant arsenals of nuclear weapons. Pakistan was aided and abetted with nuclear capability.

Support for today's legislation, and for broader cooperation with India, crosses party lines. We all understand that. We all support India. It is a burgeoning multiethnic, multireligious, free market democracy, has a firm rule of law and respect for personal liberties. These are all good. As such, India presents a hearty example, like the United States, for the world to follow. Clearly, the nation of India is and should be our friend, and we respect it.

However, my colleagues, India has refused to sign, as mentioned before, the 1968 Nuclear Nonproliferation Treaty. It refuses to accept full scope of the International Atomic Energy Agency safeguards over all its nuclear facilities, and India continues to produce fissile materials for its growing nuclear arsenal. These have been brought to our attention.

But, moreover, India is no stranger to violating international nuclear commitments to use nuclear assistance for civilian purposes. In 1974, it detonated a nuclear bomb manufactured using plutonium from a Canadian-supplied nuclear reactor, with heavy water provided by the U.S. Both countries had provided India with nuclear technology based on commitment to peaceful use.

Now, my colleagues, the former chairman of the Armed Services Committee, Sam Nunn, wrote recently in The Wall Street Journal: "There is every reason to suspect that Pakistan and China will react to this deal by ratcheting up their own suspicions and nuclear activities, including making additional weapons material and weapons."

So, Mr. Chairman, we should avoid fanning the flames here of a regional nuclear arms race. I think all of us remember President Reagan's words when he mentioned in a radio address on April 17, 1982, "A nuclear war cannot be won and must never be fought . . ."

So I think this amendment is basically a sense of Congress, a straightforward sense, to give us more assurance that what we are trying to do here is to help them in a peaceful way. We seek friendship and peace with all nations, particularly India, but we will not purchase this friendship with nuclear arms.

Mr. ROYCE. Mr. Chairman, will the gentleman yield?

Mr. STEARNS. I yield to the gentleman from California.

Mr. ROYCE. Mr. Chairman, I thank the gentleman for yielding, and I thank him for his amendment.

During consideration of this agreement in committee, members expressed some of the same concerns raised by the gentleman from Florida, and we added language to the underlying bill to alleviate those concerns. I offered an amendment, a successful amendment, in committee that explicitly states that nothing in this bill shall violate our article I NPT obligation, not to, in any way, assist, encourage, or induce India to manufacture or otherwise acquire nuclear weapons or nuclear explosive devices.

Now, the gentleman's amendment further clarifies that the aiding of India's strategic program is not Congress's intent. And with that, we are quite prepared to accept the gentleman's amendment.

Mr. STEARNS. That is very good. I appreciate that. Can I just ask you a question? Nowhere in the bill does it mention anything about private corporations or corporations in the United States of America.

The Acting CHAIRMAN. The gentleman from Florida's time has expired.

Mr. LANTOS. Mr. Chairman, I ask unanimous consent to claim the time in opposition to the amendment.

The Acting CHAIRMAN. Without objection, the gentleman from California is recognized for 5 minutes.

There was no objection.

Mr. LANTOS. Mr. Chairman, I am pleased to accept the gentleman's amendment.

This amendment restates longstanding U.S. policy that the United States will not support the manufacture or acquisition of nuclear weapons. This is, of course, longstanding U.S. policy. And we all agree that it should continue.

I urge all of my colleagues to support this amendment.

Mr. Chairman, I yield 2 minutes to my good friend from California, distinguished former ambassador of the United States, Congresswoman DIANE WATSON.

Ms. WATSON. Mr. Chairman, I thank Congressman LANTOS for yielding.

The United States has few, if any, better friends than India. And I feel strongly that the United States and India are destined to be great partners as they seek to meet the challenges of the 21st century. One of these challenges is the need to develop new sources of energy. The Indian economy is growing by leaps and bounds, offering new opportunities not only for India itself but for India's partners as well. India will need to develop tens of thousands of megawatts of new power capacity in the next few years to meet this need and lift India's poorest from poverty.

But there is another 21st century challenge that India and the United States must meet together, and that is the challenge of nuclear proliferation, particularly the threat of nuclear weapons in the hands of extremist governments and terrorist movements.

India is, and has been, a trusted partner in meeting this challenge. As much as any ally of the United States, India knows the dangers posed by terrorism. We were so sadly reminded of this again, only a few weeks ago, when extremists murdered over 200 Indian commuters in Mumbai. My sincerest sympathies go out to the people of Mumbai and all of India. Together, I have no doubt we will eventually defeat the ideologies that spark such terror attacks as well as defeat the poverty and marginalization which fuels it.

I have no doubt that India is a reliable steward of nuclear technology. But my concerns extends beyond India. I do not fear India with nuclear power. I do fear a world where both India and the United States must face a nuclear Iran or a nuclear North Korea. Our key tool for constraining the nuclear design of Iran and North Korea has been the Nuclear Nonproliferation Treaty. But I fear that this legislation will damage the NPT to the point that we will make it harder to stop the Iranian and North Korea nuclear programs.

The U.S./India partnership is too strong to be harmed by one piece of legislation. I believe that, if we continue working with India, we can find ways to address our mutual security concerns and energy needs. But I feel this legislation fails to meet either challenge.

Furthermore, I have concerns about our own constitutional processes here in the United States. Acceptance or rejection of any arrangement with India must include a full role for the United States Congress. The President cannot change American law without Congress's consent. I believe any such agreement with any foreign country must be approved by Congress.

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Mr. LANTOS. Mr. Chairman, I yield the balance of my time to our distinguished colleague, the gentleman from New York (Mr. ENGEL).

The Acting CHAIRMAN. The gentleman from New York is recognized for 2½ minutes.

Mr. ENGEL. Mr. Chairman, I thank my good friend, Mr. LANTOS. I want to commend you and Chairman HYDE for your leadership on this very, very important bill.

I strongly support the bill. I support Mr. STEARNS' amendment, because I think it dovetails very nicely with the bill, and I support a new strategic partnership with India. This is extremely important for the United States in the 21st century.

India being the largest democracy and the United States being the oldest democracy have so much in common, and this is a chance for us to prove it. We have similar geopolitical interests in the region. We understand the fact that India and the United States have much in common. What may have kept us apart during the Cold War no longer is relevant.

We have a strong Indian-American community in the United States, further strengthening the ties between our two great nations; and we have a common battle in the fight against terrorism. India, of course, experienced that terrible bombing on the railroad; and we in the United States understand what terrorism is as well.

India is a nuclear power. It is a reality. It is a fact of life. And the fact that India is willing to cooperate with the United States with nuclear power is a plus for us.

We should not treat friends and adversaries alike. People who say, well, you know, if you are going to help India, how can you tell Iran not to have nuclear power? That analogy is, frankly, ridiculous, because India has shown time and time again it is a peaceful, loving nation, with the same interests as the United States, whereas Iran is continuing its mischief. We know that Iran and North Korea should not be treated the same as India.

So I think what the Congress is doing, what Mr. LANTOS and Mr. HYDE have done with their bill, is a very tremendous asset to this country's future in working with India. India has more than a billion people, and India is growing in leaps and bounds in every step of the way.

This strategic partnership will not only be with nuclear, but it will be with all things, because we will continue to build up trust with India, we will continue to build up a working relationship with India.

Again, we don't have wishes to quarrel with any country, but when it comes to the region in Asia, India has the same concerns, and there are many, that we do, and that is why it pays to work with India and particularly with nuclear power.

I support Mr. STEARNS' amendment, I support the underlying bill, H.R. 5682, and I urge my colleagues to vote "yes" on both.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. STEARNS).

The question was taken; and the Acting Chairman announced that the ayes appeared to have it.

Mr. STEARNS. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Florida will be postponed.

AMENDMENT NO. 3 OFFERED BY MS. JACKSON-LEE OF TEXAS

The Acting CHAIRMAN. It is now in order to consider amendment No. 3 printed in part B of House Report 109-599.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Ms. JACKSON-LEE of Texas:

In section 2(6)(D), strike "and" after the semicolon.

In section 2(7)(B), strike the period at the end and insert "; and".

In section 2, add at the end the following new paragraph:

(8) the South Asia region is so important that the United States should continue its policy of engagement, collaboration, and exchanges with and between India and Pakistan.

The Acting CHAIRMAN. Pursuant to House Resolution 947, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed will each control 5 minutes.

The Chair recognizes the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am proud to offer this amendment, along with my distinguished colleague, Mr. BURTON of Indiana. Might I say that I also add my support for the manager's amendment which draws upon the change that focuses on naming the bill after Chairman HYDE. I add my appreciation for his service as well.

Mr. Chairman, I also rise to speak on behalf of H.R. 5682 as I offer my amendment and offer the amendment with Mr. BURTON, and that is that this particular legislation, the United States and India Nuclear Cooperation Promotion Act, is an opportunity. It is an opportunity for further negotiation. It is an opportunity for friendship and the continuation of that friendship. It is a recognition that even though India has not signed the nonproliferation agreement, it has peacefully utilized nuclear energy for the many years of its utilization. It is a democracy.

So my amendment speaks to the whole concept of the importance of South Asia; and it says that former President Clinton got it right when we traveled with him to that region, Members of Congress, a small delegation of eight. We went to India and we went to Pakistan because we believed in the cohesion and the importance of that particular region.

Might I note that in particular, as it relates to this legislation, the Nuclear Supply Group, NSG, still is maintained in this bill, and the guidelines and consensus decisionmaking are upheld. So, again, I emphasize that it is an opportunity.

My amendment builds on that opportunity. Its language is direct. What it says is that South Asia is an important region and that it is in our national interests to continue our policy of engagement, collaboration, exchanges with and between India and Pakistan, particularly since this has served the Nation well. It goes on to emphasize the importance of that relationship.

Why is that relationship important? Because we have seen in these latter years the working relationship between them and the United States. Pakistan has been a loyal and unwavering ally in our global war on terror and has played a decisive role in helping to remove the Taliban regime from Pakistan and the capture of hundreds of wanted al Qaeda terrorists. Pakistan has suffered thousands of casualties and has been a victim of numerous terrorist acts.

In addition, the founder of Pakistan, Dr. Jinnah, premised the basis of this country on democratic principles. The alliance of the United States with the nation in South Asia should continue and the U.S. should emphasize in its foreign policy the importance of the region, India, Pakistan, Bangladesh. South Asia is important to the United States and the amendment further supports the need for encouraging collaboration and engagement with and between India and Pakistan by the U.S.

Mr. Chairman, I am happy to yield to the distinguished gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Let me just say I support the amendment.

I have been concerned about the problems between India and Pakistan for a long, long time, particularly in the area of Kashmir. They are talking now. Prime Minister Singh and President Musharraf have been trying to work out some differences. I know it is a very thorny issue and one that is going to take some time, but they are talking. They have opened up not only a dialogue but a small opening in the area between Pakistan and India in the Kashmiri area.

This is a problem that must be solved. It should be solved. It could be a flash point for another war over there. Since India and Pakistan are both nuclear powers, anything we can do to reduce that threat and make sure peace reigns is very important.

I support the gentlewoman's amendment and am proud to be a cosponsor.

Mr. ROYCE. Mr. Chairman, will the gentleman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from California.

Mr. ROYCE. Mr. Chairman, I thank the gentlelady for yielding; and I just wanted to say I thank her and Mr. BURTON for their amendment. I think it is very important that the United States be engaged on the subcontinent, and I think the gentlewoman from Texas and the gentleman from Indiana should be commended for their good work on this amendment. We are prepared to accept that amendment.

Mr. LANTOS. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the distinguished ranking member from California.

Mr. LANTOS. Mr. Chairman, I want to commend my good friend from Texas for yet another constructive step. She makes so many in this body. I am strongly in support of her amendment and urge my colleagues to do likewise.

Ms. JACKSON-LEE of Texas. Mr. Chairman, reclaiming my time, I thank the distinguished gentlemen.

Just for the record, I know there has been mention of an arms race. We don't see an arms race with India. The recent comment of a spokesperson from Pakistan indicated they do not want an arms race in the region.

So I would say that this is an important step. We need to engage. We need to work with India and Pakistan together. I ask my colleagues to support this amendment.

Mr. Chairman, the United States' relationship with India and Pakistan is of paramount importance to our nations' political and economic future. With the receding of the Cold War's global divisions and the new realities of globalization and trans-national terrorism, we have embarked on a new era of promise, possibility and uncertainty. This means the United States, the world's only superpower, bears an especially heavy responsibility to remain engaged in all regions of the world, with all nation-states.

Mr. Chairman, my amendment is simple. My amendment is important. My amendment is necessary. And my amendment is bipartisan. Due to the strategic political and economic importance of the South Asia region, it is imperative to our national interest to continue our policy of engagement collaboration, and exchanges with and between India and Pakistan, particularly since this has served the nation well in the past.

My amendment, which is endorsed and cosponsored by Congressman BURTON, and which is not opposed by either the Majority or Minority of the Committee on International Relations, simply states that the "South Asia region is so important that the United States should continue its policy of engagement, collaboration, and exchanges with and between India and Pakistan."

Peaceful nuclear cooperation with India can serve multiple U.S. foreign policy objectives so long as it is undertaken in a manner that minimizes potential risks to the nonproliferation regime. This will be best achieved by sustained and active engagement and cooperation between India and the United States.

Similarly, Pakistan has been a critical ally in the global war on terror. Pakistan has been a good friend to the people of the United States. Although H.R. 5682 signals no change in this country's relationship with Pakistan, it is not difficult to understand why it may give pause to some supporters of Pakistan. This is another reason why it is vital for the United States to continue to engage both Pakistan and India in ongoing political engagement, economic and technological collaborations, and personal exchanges, which will bring the United States closer to these two vitally important democracies in the South Asia region and will bring India and Pakistan closer to each other.

As a founding Co-Chair of the Congressional Pakistan Caucus, I am wholeheartedly committed to the political, economic, and social amelioration of Pakistan for the Pakistani people and the ascendancy of Pakistan in the international community. Pakistan has been a loyal and unwavering ally in our global war on terror, which has played a decisive role in helping to remove the Taliban regime from Afghanistan and the capture of hundreds of wanted al-Qaeda terrorists. Pakistan has suffered thousands of casualties and has been a victim of numerous terrorist acts on their own soil because of their steadfast alliance with our nation in the global war on terror.

In order to get a proper perspective on Pakistan, I believe we must take a look back at the luminary individual who is singularly responsible for its creation. Pakistan, one of the largest Muslim states in the world, is a living and exemplary monument of Muhammad Ali Jinnah. Becoming an architect of a dream first articulated by poet-philosopher Muhammed Allama Iqbal, a brilliant young lawyer named Muhammad Ali Jinnah valiantly dedicated his life to achieving an independent Pakistan for Indian Muslims. Revered as the father of Pakistan, Muhammad Ali Jinnah inspired the adulation of his people through his eloquence, perseverance and dauntless courage. For over 30 years, Muhammad Ali Jinnah was the prominent leader of Indian Muslims who articulately gave expression, coherence, and direction to their legitimate aspirations and transformed their dreams into a concrete reality. A visionary leader who was ahead of his time, Muhammad Ali Jinnah was a great constitutionalist and nation-builder who called for the equal rights of all Pakistani citizens without regard to their religion.

In the past six decades, the people and nation of Pakistan has come a long way. The bonds of friendship which began with Muhammad Ali Jinnah continue today with President Musharraf. I am grateful to the people and government of Pakistan, who in the aftermath of the devastation and loss of innocent life which occurred on 9/11, and on the eve of the 5 year anniversary of 9/11, continue to support our efforts to stamp out international terrorism. Similarly, I think it is critical that we continue our policy of engagement, collaboration, and exchanges with and between the people and the governments of Pakistan and India.

I urge my colleagues to support my amendment.

The Acting CHAIRMAN. Does anyone claim time in opposition to the amendment?

If not, the question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. SHERMAN

The Acting CHAIRMAN. It is now in order to consider amendment No. 4 printed in part B of House Report 109–599.

Mr. SHERMAN. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. SHERMAN:

In section 4(b), add at the end the following new paragraph:

(8) The amount of domestic uranium used in India's military program during a 12-month period ending on the date of the determination is equal to or less than the amount of domestic uranium used in India's military program during the 12-month period ending on July 18, 2005.

In section 4, insert after subsection (o) the following new subsection (and redesignate subsequent subsections accordingly):

(p) ANNUAL CERTIFICATION; TERMINATION OF COOPERATION.—Nuclear cooperation with India shall be terminated unless one year after making the determination described in subsection (b)(8), and annually thereafter, the president certifies that during the previous 12-month period the amount of domestic uranium used in India's military program is equal to or less than the amount of domestic uranium used in India's military program during the 12-month period ending on July 18, 2005.

The Acting CHAIRMAN. Pursuant to House Resolution 947, the gentleman from California (Mr. SHERMAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

Mr. SHERMAN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, India is a democracy and it knows that this Congress has a role to play. They negotiated a deal which is better than the deal they need. That deal which they negotiated with our State Department is very loose on the issue of nonproliferation of nuclear weapons. India knows, or at least expects, that this Congress will do its job and make the agreement better, tighten the agreement so that it does not help India to build additional nuclear weapons.

The question is whether this Congress will do its job or surprise the Indians and simply be a rubber stamp for the agreement that has already been negotiated. I hope we do our job, and here is why.

India did not sign the Nonproliferation Treaty. They are not in violation of it. They exploded nuclear weapons. I do not believe that we should punish India for its decision to become a nuclear power, but we should not facilitate India in building additional nuclear weapons.

India's problem is this: They can only produce a limited amount of uranium from domestic sources, basically 300 tons. What they get out of this deal is nuclear fuel and uranium.

How does India use its 300 tons, which it produces domestically? They use half of it for their civilian reactors already existing. They certainly lose money if they fail to run those reactors as scheduled at full capacity. But they are doing just that. They are running their existing civilian reactors at less than capacity because they only use 150 tons of uranium for that purpose. The other 150 tons goes to India's nuclear weapons program.

What will this bill do if we fail to amend it? It will allow India to buy uranium for all of its civilian needs from other countries. The result will be that India will be able to use all 300 tons of its domestic production for the construction of nuclear weapons.

That is not what we mean to do. We mean to help India develop its civilian program. But since uranium is fungible, we also do not mean that our help to India in giving it fuel for its civilian program is not supposed to, so we are told, help India double its production of nuclear weapons. That is why this bill needs an amendment.

What my amendment would do is simply require that, for the deal to go forward, India keeps doing what it has been doing, using 150 tons of its uranium for its existing civilian plants instead of diverting that 150 tons toward its military production. That is to say, we would make sure that this deal did not hamper, but did not help, India's nuclear weapons program.

I hope the amendment will enjoy support.

Mr. ROYCE. Mr. Chairman, I claim the time in opposition.

The Acting CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. ROYCE. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the International Relations Committee, the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, this is a killer amendment. If you vote for it, you vote to kill this entire initiative, because this imposes limits on India's nuclear weapons program, but India already possesses nuclear weapons and is extremely unlikely to give them up. Recognizing this fact is recognizing reality.

This is a restriction imposed by the Sherman amendment that we impose on no other nuclear power, with the exception of North Korea, which may have nuclear weapons. This, as I have said, is a deal killer. Both India has said so and the administration has said so, and a vote for this amendment is a vote to kill the agreement.

So, with respect, I urge defeat of this amendment.

□ 1930

Mr. ROYCE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Chairman, I thank my friend for yielding me time.

Mr. Chairman, I oppose this amendment. Mr. Chairman, this amendment was presented to the Committee on International Relations and was overwhelmingly defeated because it is a killer amendment. It would kill the entire nuclear cooperation agreement with India.

Legislation already provides that we should be proceeding with a multilateral moratorium or treaty to ban the production of fissile material. The legislation before us already states this. The underlying legislation requires detailed reporting on the steps India and the United States are taking to complete such a ban. It also requires reports on India's production of fissile material, so that we can try to conduct oversight over this important issue.

The Fortenberry amendment that the House is considering today will strengthen this reporting even further. In reality, however, this amendment is intended as a deal killer. I urge all of my colleagues to rely on the underlying text, and I firmly oppose this amendment.

Mr. SHERMAN. Mr. Chairman, I yield 30 seconds to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Chairman, this is a great amendment. Because right now this is how much nuclear material is needed by India to produce nuclear electricity in their country. It is used for electricity. However, once we provide them all of this nuclear material for their nuclear electricity, it is going to free up the same amount to make nuclear bombs.

So they can go from 7 a year to 40 to 50 nuclear bombs a year. Well, they are saying they do not want to do that. And the proponents of this treaty are saying, they are not going to do that. What the Sherman amendment says is, the President must certify each year that they do not do that. That is why the Sherman amendment is the deal maker, because it proves what is being said is actually the truth.

Mr. ROYCE. Mr. Chairman, I reserve the balance of my time.

Mr. SHERMAN. Mr. Chairman, I yield 30 seconds to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, as Congressman MARKEY just said, as this proposal now stands, there is nothing stopping India from using more and more of its domestic uranium for weapons program. Without the safeguards provided by the Sherman amendment, India could produce dozens more nuclear weapons per year under the U.S.-India deal, which would surely lead to an arms race with neighboring rival Pakistan.

Mr. Chairman, I am a great supporter of India and of stronger U.S.-India relations. India is the world's largest democracy. It has contributed measurably to the legacy of peace of the great leader Mahatma Ghandi. India's longstanding goal of universal nuclear disarmament has not been acknowledged enough in this debate

This proposal will be harmful to security in India, in the region and the world. And this proposal will be harmful to the people of India in that it could escalate an arms race between India and Pakistan.

I support Representative SHERMAN'S amendment, which requires the President to certify annually that India is not dedicating more domestic uranium to its weapons program, as a condition for the U.S. to cooperate with India on nuclear technology.

Pakistan wants a deal with the U.S. on nuclear technology, but the U.S. has refused. Instead, Pakistan has turned to China for this technology. To add fuel to the fire, it was just reported that Pakistan has begun building a powerful new reactor for producing plutonium, signaling a major expansion of the country's nuclear weapons capabilities.

Instead of giving India more uranium to develop nuclear weapons, the United States should take leadership in preventing an arms race in the region. A good first step would be to pass the Sherman amendment.

Mr. SHERMAN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me respond to the arguments. They say that India claims this is a killer amendment. This a negotiating tactic. Any amendment I don't like is a killer amendment. I use the negotiating tactic myself.

We are told this imposes a requirement on India that we do not impose on the other nuclear powers. All the other nuclear powers sign the nonproliferation treaty. India deliberately puts itself in a class by itself.

We are told that this bill, this amendment is designed to be a killer amendment. I don't think the gentleman meant that as an attack on my belief and integrity. I voted for the bill. I do not intend to kill the bill.

The Democratic leader was on this floor endorsing another amendment that India says is a killer amendment. I do not think she intends to kill the bill. She said she was going to vote for it. Those of us who want to improve the bill want to improve it. And if we are nothing more than a rubber stamp for a deal which by its terms will allow India to double its nuclear weapons production, all in the name of generating electricity, then we are not doing our job. Please vote for the amendment.

Mr. ROYCE. Mr. Chairman, I rise in opposition to this amendment. I will note that the base text of this bill, in section 402, already asks for a classified report on India's domestic uranium usage. But the gentleman's amendment would make such a certification a condition for the deal.

Let me also say that people recognize that India has great demand for expanding its energy grid to create electricity for its people. Let me say that the gentleman has taken a unique approach to this issue for which he should be commended. We sympathize with his concerns.

However, I do not see the amendment as even workable. I do not know that such a determination with a high degree of confidence could even be made. So I am concerned about terminating the agreement with India on such a certification that cannot even be made with any certitude.

Mr. Chairman, for some of these reasons, this amendment was defeated in committee by a vote of 10–32 when it was offered. I urge the House to do the same.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. SHERMAN).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. SHERMAN. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California will be postponed.

AMENDMENT NO. 5 OFFERED BY MR. BERMAN

The Acting CHAIRMAN. It is now in order to consider amendment No. 5 printed in part B of House Report 109–599.

Mr. BERMAN. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. BERMAN

In section 4(d), add at the end the following new paragraph:

(5) LIMITATION ON NUCLEAR TRANSFERS TO INDIA.—Notwithstanding any other provision of law, and notwithstanding the entry into force of an agreement for nuclear cooperation with India pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) and approved pursuant to this Act, nuclear transfers to India shall not include source material and special nuclear material (as defined in section 11 of such Act (42 U.S.C. 2014)) unless the President determines that India—

(A) is adhering to a unilateral moratorium on the production of fissile material for nuclear weapons;

(B) is adhering to a multilateral moratorium on the production of fissile material for nuclear weapons; or

(C) has signed and is adhering to a multilateral treaty prohibiting the production of fissile material for nuclear weapons.

The Acting CHAIRMAN. Pursuant to House Resolution 947, the gentleman from California (Mr. BERMAN) and the gentleman from California (Mr. ROYCE) each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. BERMAN).

Mr. BERMAN. Mr. Chairman, I yield 2½ minutes to my co-author of this amendment, the gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Chairman, I thank Mr. BERMAN for his hard work with me on this issue. I commend Chairman HYDE, for whom I have tremendous affection, for having this bill named after him.

Mr. Chairman, the amendment that Mr. BERMAN and I are offering is the single strongest step Congress can take to ensure that the civilian nuclear cooperation agreement with India does not lead to a nuclear arms race in South Asia.

Our amendment would allow exports of nuclear reactors and other technology to India, our good friend. But it would prevent the export of nuclear reactor fuel until India has ceased production of fissile material for use in nuclear weapons. The United States and the other original nuclear weapons states have all agreed to a voluntary moratorium on fissile material production.

But under the bill as currently written, India will receive all of the benefits of a nuclear state under the nonproliferation treaty without being obligated to halt the production of fissile material, without having to sign a comprehensive test ban treaty, or to take other steps toward disarmament.

Requiring that India commit to ceasing the production of bomb material, in exchange for all of the benefits of nuclear trade, without asking for it to take any other responsibilities of a nuclear power is the bare minimum we should require to improve United States' national security.

The bill before us makes drastic exceptions to established nonproliferation rules. Currently India's production of weapons-grade plutonium is constrained by the requirements of its nuclear power reactors and its limited supply of natural uranium. But the civil-military separation plan offered by India excludes from national international inspection military facilities and spent fuel.

This provides India with a substantial capability to increase its nuclear weapons arsenal. If the bill goes ahead as is, the foreign supply of nuclear fuel to India would free up their existing limited capacity of highly enriched uranium and plutonium for weapons.

It is therefore responsible and prudent for Congress to ensure through this legislation that as a simple price of having access to sensitive nuclear technology, India declare a moratorium on productions of fissile material, just as the U.S. and other nuclear powers have.

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. BERMAN. Mr. Chairman, I reserve the balance of my time.

Mr. ROYCE. Mr. Chairman, I yield 2 minutes to the distinguished chairman of the International Relations Committee (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I announce my difficulty in opposing my good friends, Mr. BERMAN and Mrs. TAUSCHER. They are both very learned in this field.

However, this amendment is very similar to Mr. SHERMAN's amendment and should be defeated for virtually the same reasons. India already possesses nuclear weapons, and is very unlikely to dispose of them or be divested of them.

This is a restriction that the U.S. imposes on no other nuclear power. Therefore, instead of proliferating good will it would proliferate bad will to impose this on India.

This is the proverbial deal killer, as the Sherman amendment was. A vote for this amendment is a vote to kill the agreement even if the bill passes. So, with considerable regret I must urge the defeat of this amendment

Mr. ROYCE. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Chairman, I regret but I must strongly oppose this amendment offered by my good friend from California. This amendment was carefully considered by the International Relations Committee and was overwhelming defeated on a bipartisan vote.

It is a killer amendment, which would destroy this historic piece of legislation, and I think it would be irresponsible for us to hazard that strong probability.

Mr. Chairman, I urge all of my colleagues to oppose this amendment.

Mr. ROYCE. Mr. Chairman, I reserve the balance of my time.

Mr. BERMAN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, first I point out that while this amendment was defeated decisively, it was not defeated overwhelming.

Secondly, and I say this with great respect both to Chairman HYDE and Ranking Member LANTOS, who not only do great work here, but made this a significantly better bill by virtue of their efforts.

Let's review the bidding here. The U.S. went into this discussion saying, India, we want you to cut off fissile material production. India said no. The administration backed off its position.

I now offer an amendment that simply denies the fuel until such time as they cut off their fissile material production. The administration says it is a killer amendment. The language that they proposed in a weakened form now, they call a killer amendment.

Let's test the proposition here. Give a good vote to this amendment. As Mr. SHERMAN and Mr. MARKEY pointed out, we are incentivizing, if we provide the fuel, we are incentivizing a massive potential increases in India's nuclear weapon production.

What is China going to do? I am not that worried about India. But India has minimal deterrent capabilities against China right now. What is China going to do? China right now has halted its fissile material production. Will they continue to do that once this passes?

What will they do with Pakistan in the Nuclear Suppliers Group? At least, thank heavens, we will have a chance to see this agreement when it is finally negotiated after the Nuclear Suppliers Group has decided.

□ 1945

But don't just accept the words it is a killer amendment. Give this a good vote. Let India know we are very serious about this. Reinforce the administration's commitment to this issue which wavered in the negotiation of India. This issue goes far beyond U.S.-India relationships. It goes on with what happens with the nuclear powers and with the spread of nuclear weapons. It will have ramifications far beyond the U.S.-India relationship.

This is a modest amendment. This is the amendment Sam Nunn proposes. This allows reactor technology and all of the other facets of a civilian nuclear cooperation to go ahead. It just says no fuel until you have decided to cut off fissile material production.

Mr. ROYCE. Mr. Chairman, I would like to yield 1 minute to the chairman of the International Relations Committee.

Mr. HYDE. I was simply going to suggest to my good friend, Mr. BERMAN, that while you are looking for patterns of conduct, think of the Libya example. Mr. Khadaffi might just turn in all their weapons. That is entirely possible.

Mr. BERMAN. Well, I do. But it wasn't because we gave Libya civilian nuclear cooperation. But I wouldn't compare India and Libya. They are very different countries. And the gain for Libya was a great gain for nonproliferation, I agree. But now we are in a different situation. Think of China, think of Pakistan, think of Iran, think of North Korea.

Mr. ROYCE. Reclaiming my time, Mr. Chairman.

I rise in opposition to the Berman amendment. I would like to commend the gentleman from California for bringing this issue before the House today, and I know that he does so having studied this issue very closely.

The gentleman's amendment would prevent the full realization of this agreement until India has put in place a cap, either unilaterally or multilateral, on its fissile material production. That is a highly unlikely or even an implausible scenario given the dynamics in the region in South Asia.

This should, frankly, be a goal, and the administration should be doing more on that front. But it should not be a mandate for this agreement.

This amendment is not without merit. I offered a successful amendment in committee that states that nothing in this bill shall violate our Article I NPT obligation not to in any way assist, encourage, or induce India to manufacture or otherwise acquire nuclear weapons or nuclear explosive devices. So I think Congress has made it clear that this is not the intent of the agreement.

The gentleman is right that the language in the underlying bill is not as strenuous as his proposal, but there is also an international component to this agreement. We are opening the door for this cooperation with India not only for the United States but for other countries as well, and I don't see how the gentleman's amendment would prevent the nuclear supplier group from approving such trade for other countries, excluding only the U.S.

Let me also say I do believe that fulfilling this relationship with India is in the interest of the United States. Indeed, and here is my final point, if this amendment were to pass, it could in fact be detrimental to U.S. interests from that perspective

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. ROYCE. I yield to the gentleman from California.

Mr. BERMAN. I thank the gentleman for yielding.

But the Nuclear Suppliers Group operates on a consensus. If this amendment is in the agreement, the United States will not support a consensus position that allows another country to send nuclear fuel to India

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. BERMAN).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. BERMAN. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California will be postponed.

AMENDMENT NO. 6 OFFERED BY MR. FORTENBERRY

The Acting CHAIRMAN. It is now in order to consider amendment No. 6 printed in part B of House Report 109-599.

Mr. FORTENBERRY. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. FORTENBERRY

In section 4(o), add at the end the following new paragraph:

(5) GROWTH IN INDIA'S MILITARY FISSILE MATERIAL PRODUCTION.—

(A) IN GENERAL.—Not later than one year after the date on which an agreement for nuclear cooperation between the United States and India is approved by Congress under section 4(f) and every year thereafter, the President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report that—

(i) measures the effectiveness of the civil nuclear cooperation agreement in achieving the goals and objectives described in section 2; and

(ii) assesses the relative level of India's nuclear fissile material production compared to the previous year.

(B) CONTENTS.—The report described in subparagraph (A) shall also include information relating to—

(i) the amount of natural uranium India has mined and milled during the previous year;

(ii) the amount of electricity India's civilian reactors have produced during the previous year;

(iii) the amount of domestic natural uranium India has used to produce electricity during the previous year;

(iv) the amount of fissile material India has produced for military purposes during the previous year;

(v) the amount of domestic natural uranium and domestic enrichment capacity India has used to produce such fissile material;

(vi) the amount of domestic uranium India has otherwise stockpiled for possible civil or military use;

(vii) an identification of any changes with regard to these quantities from the previous year; and

(viii) any additional qualitative factors determined to be relevant with respect to subparagraph (A), as appropriate, such as the location of production facilities.

(C) PREPARATION; FORM OF REPORT.—The report should rely on public information to the extent possible. The report shall include a classified annex if necessary.

(D) HEARINGS.—The Committees specified in subparagraph (A) may, after consideration of each report under this paragraph, hold hearings with government and non-government witnesses as each Committee determines necessary to evaluate each report.

MODIFICATION TO AMENDMENT NO. 6 OFFERED BY MR. FORTENBERRY

Mr. FORTENBERRY. Mr. Chairman, I ask unanimous consent to modify the amendment with the modification placed at the desk.

The Acting CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 6 offered by Mr. FORTENBERRY:

In section 4(o), add at the end the following new paragraph:

(5) GROWTH IN INDIA'S MILITARY FISSILE MATERIAL PRODUCTION.—

(A) IN GENERAL.—Not later than one year after the date on which an agreement for nuclear cooperation between the United States and India is approved by Congress under section 4(f) and every year thereafter, the President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report that—

(i) measures the effectiveness of the civil nuclear cooperation agreement in achieving the goals and objectives described in section 2; and

(ii) assesses the relative level of India's nuclear fissile material production compared to the previous year.

(B) CONTENTS.—The report described in subparagraph (A) shall also include information relating to—

(i) the amount of natural uranium India has mined and milled during the previous year;

(ii) the amount of electricity India's civilian reactors have produced during the previous year;

(iii) the amount of domestic natural uranium India has used in its declared civilian reactors to produce electricity during the previous year;

(iv) the amount of fissile material India has produced for military purposes during the previous year;

(v) the amount of domestic natural uranium and domestic enrichment capacity India has used to produce such fissile material;

(vi) the amount of domestic uranium India has otherwise stockpiled for possible civil or military use;

(vii) an identification of any changes with regard to these quantities from the previous year; and

(viii) any additional qualitative factors determined to be relevant with respect to subparagraph (A), as appropriate, such as the location of production facilities.

(C) PREPARATION; FORM OF REPORT.—The report should rely on public information to the extent possible. The report shall include a classified annex if necessary.

Mr. FORTENBERRY (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The Acting CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Acting CHAIRMAN. Without objection, the amendment is modified.

There was no objection.

The Acting CHAIRMAN. Pursuant to House Resolution 947, the gentleman from Nebraska (Mr. FORTENBERRY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Nebraska.

Mr. FORTENBERRY. Mr. Chairman, I yield myself as much time as I may consumed.

Mr. Chairman, thank you for the opportunity to offer this amendment to H.R. 5682, the United States and India Nuclear Cooperation Promotion Act of 2006. The purpose of this amendment is to provide Congress with the ability to assess, to the extent possible, whether U.S. civilian nuclear cooperation with India may potentially contribute to growth in India's military fissile material production. The amendment is straightforward. It simply calls for a report each year to ensure that the United States is not unintentionally complicit in the growth of India's nuclear weapons capabilities.

First of all, let me express my appreciation to Chairman HYDE and Ranking Member LANTOS and the House International Relations Committee staff for their efforts to address a wide variety of concerns expressed by members of the International Relations Committee.

Given the global significance of this potential agreement, I believe it is important to remain diligent in the conduct of our oversight responsibilities.

Mr. Chairman, civil nuclear cooperation with India is a bilateral initiative with wide-ranging multilateral implications. The nonproliferation, energy and environmental objectives of this proposed agreement with India are laudable; and the Committee on International Relations has emphasized the need to ensure that such an agreement would not result in unintended consequences which may undermine its purpose and directly or indirectly result in boosting India's military nuclear capabilities.

It is my expectation that the International Relations Committee will avail itself of this opportunity to hold as many hearings as necessary to examine the content of this report and the potential implications for the U.S. compliance with Article I of the Treaty on the Nonproliferation of Nuclear Weapons as referenced in the bill.

This is particularly important in light of the recent news regarding the discovery of a reactor project which would enable Pakistan to make many more nuclear weapons each year. This news highlights very real concerns about a potential arms race in South Asia. It is up to Congress to ensure that any U.S.-India civil nuclear agreement remains just that, a civil nuclear agreement which will have no impact on the production of nuclear weapons.

Mr. Chairman, I understand that Chairman HYDE and Ranking Member LANTOS are in support of this amendment, and I am grateful for their support.

Mr. Chairman, I yield to the gentleman from California.

Mr. ROYCE. Mr. Chairman, I thank the gentleman for yielding.

As we have noted before, the underlying bill in section 402 already asks for a classified report on India's domestic uranium usage. The gentleman from Nebraska's amendment asks for an additional report building on the report in the underlying bill. We are willing to accept that amendment

Mr. LANTOS. Mr. Chairman, will the gentleman yield?

Mr. FORTENBERRY. I yield to the gentleman from California.

Mr. LANTOS. Mr. Chairman, I want to commend my friend from Nebraska. We are pleased to accept his amendment. It strengthens the underlying legislation. I urge all of my colleagues to support it.

Mr. FORTENBERRY. I thank the gentleman and appreciate all of his hard work.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. Does anyone claim time in opposition to the amendment?

The question is on the amendment, as modified, offered by the gentleman from Nebraska (Mr. FORTENBERRY).

The amendment, as modified, was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in part B of House Report 109-599 on which further proceedings were postponed, in the following order:

Amendment No. 2 by Mr. STEARNS of Florida.

Amendment No. 4 by Mr. SHERMAN of California.

Amendment No. 5 by Mr. BERMAN of California.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

AMENDMENT NO. 2 OFFERED BY MR. STEARNS

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Florida (Mr. STEARNS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 414, noes 0, not voting 18, as follows:

[Roll No. 407]

AYES—414

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney

Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—18

Boustany
Davis, Jo Ann
Deal (GA)
Evans
Ford
Gonzalez
Istook
Jones (OH)
Kelly
McHenry
McKinney
Miller (FL)
Murphy
Nussle
Olver
Pryce (OH)
Sweeney
Wexler

☐ 2017

Mr. GEORGE MILLER of California changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Mr. SWEENEY. Mr. Chairman, on rollcall No. 407, I was unavoidably detained. Had I been present, I would have voted "aye."

Mr. MILLER of Florida. Mr. Chairman, on rollcall No. 407, I was unavoidably detained. Had I been present, I would have voted "aye."

Mr. MURPHY. Mr. Chairman, on rollcall No. 407, I was unavoidably detained. Had I been present, I would have voted "aye."

AMENDMENT NO. 4 OFFERED BY MR. SHERMAN

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. SHERMAN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 155, noes 268, not voting 9, as follows:

[Roll No. 408]

AYES—155

Abercrombie
Allen
Baca
Baird
Baldwin
Barton (TX)
Becerra
Berman
Berry
Bishop (NY)
Blumenauer
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Carson
Clay
Clyburn
Coble
Conyers
Costello
Cummings
Davis (CA)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Eshoo
Etheridge
Farr
Fattah
Filner
Fitzpatrick (PA)
Fortenberry
Garrett (NJ)
Gerlach
Gilchrest
Gohmert
Goode
Green, Al
Grijalva
Gutierrez
Harman
Hefley
Hinchey
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Jefferson
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Leach
Lee
Lewis (GA)
LoBiondo
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meehan
Michaud
Millender-McDonald
Miller, George
Moore (KS)
Moore (WI)
Moran (KS)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Otter
Owens
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pitts
Platts
Pomeroy
Price (NC)
Ramstad
Ross
Rothman
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Serrano
Sherman
Slaughter
Smith (NJ)
Solis
Spratt
Stark
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Tierney
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Woolsey
Wu

NOES—268

Ackerman
Aderholt
Akin
Alexander
Andrews
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Bass
Bean
Beauprez
Berkley
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Cleaver
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Davis (AL)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Gibbons
Gillmor
Gingrey
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Gene
Gutknecht
Hall
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Lantos
Latham
LaTourette
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Meek (FL)
Meeks (NY)
Melancon
Mica
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moran (VA)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Ortiz
Osborne
Oxley
Pallone
Pearce
Pence
Peterson (PA)
Pickering
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roybal-Allard

Royce
Ruppersberger
Rush
Ryan (WI)
Ryun (KS)
Salazar
Schmidt
Schwarz (MI)
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (TX)
Smith (WA)
Snyder
Sodrel
Souder
Stearns
Strickland
Sullivan
Sweeney
Tancredo
Tanner
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Towns
Turner
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—9

Davis, Jo Ann
Deal (GA)
Evans
Ford
Gonzalez
Istook
McKinney
Nussle
Wexler

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 2028

Messrs. WU, GUTIERREZ, and POMEROY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded

AMENDMENT NO. 5 OFFERED BY MR. BERMAN

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. BERMAN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 184, noes 241, not voting 7, as follows

[Roll No. 409]

AYES—184

Abercrombie
Allen
Andrews
Baca
Baird
Baldwin
Barton (TX)
Becerra
Berman
Berry
Bishop (NY)
Blumenauer
Boehlert
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown-Waite, Ginny
Butterfield
Capps
Capuano
Cardin
Cardoza
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Coble
Conyers
Cooper
Costa
Costello
Cummings
Davis (CA)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doyle
Edwards
Emerson
Eshoo
Etheridge
Farr
Fattah
Filner
Fitzpatrick (PA)
Fortenberry
Frank (MA)
Garrett (NJ)
Gerlach
Gilchrest
Gohmert
Gonzalez
Goode
Green, Al
Green, Gene
Grijalva
Harman
Hefley
Herseth
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Inslee
Jefferson
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Leach
Lee
Lewis (CA)
Lewis (GA)
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meehan
Michaud
Millender-McDonald
Miller, George
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Nunes
Oberstar
Obey
Olver
Otter
Owens
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pitts
Platts
Price (NC)
Ramstad
Ross
Rothman
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Serrano
Sherman
Sherwood
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stupak
Tauscher
Taylor (MS)
Taylor (NC)
Thompson (CA)
Tierney
Towns
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Wolf
Woolsey
Wu

NOES—241

Ackerman
Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Bass
Bean
Beauprez
Berkley
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown, Corrine
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carnahan
Carter
Castle
Chabot
Chocola
Cole (OK)
Conaway
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Davis (AL)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emanuel
Engel
English (PA)
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gibbons
Gillmor
Gingrey
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutierrez
Gutknecht
Hall
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Higgins
Hoekstra
Hulshof
Hunter
Hyde
Inglis (SC)
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Lantos
Latham
LaTourette
Levin
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Meek (FL)
Meeks (NY)
Melancon
Mica
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Ortiz
Osborne
Oxley
Pallone
Pearce
Pence
Peterson (PA)
Pickering
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (WI)
Ryun (KS)
Salazar
Saxton
Schmidt
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Simmons
Simpson
Smith (TX)
Smith (WA)
Sodrel
Strickland
Sullivan
Sweeney
Tancredo
Tanner
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Turner
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wynn
Young (AK)
Young (FL)

NOT VOTING—7

Davis, Jo Ann
Deal (GA)
Evans
Istook
McKinney
Nussle
Wexler

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised that 2 minutes remain in this vote.

☐ 2036

Mr. MEEK of Florida changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded

The Acting CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BISHOP of Utah) having assumed the chair, Mr. GUTKNECHT, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5682) to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India, pursuant to House Resolution 947, he reported the bill, as amended pursuant to that rule, back to the House with further sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MARKEY. In its current form, I am opposed to the bill.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Markey moves to recommit the bill H.R. 5682 to the Committee on International Relations with instructions to report the same back to the House forthwith with the following amendment:
>
> In section 4(b), add at the end the following new paragraph:
>
> (8) India is fully and actively participating in United States efforts to dissuade, isolate, and, if necessary, sanction and contain Iran for its efforts to acquire weapons of mass destruction, including a nuclear weapons capability (including the capability to enrich or process nuclear materials), and the means to deliver weapons of mass destruction.

Mr. MARKEY (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes

Mr. MARKEY. Mr. Speaker, this recommittal motion requires that nuclear cooperation with India can only commence after the President has determined that India is fully and actively participating in United States' efforts to dissuade, isolate and, if necessary, sanction and contain Iran for its efforts to acquire weapons of mass destruction, including a nuclear weapons capability, including the capability to enrich or process nuclear materials and the means to deliver weapons of mass destruction.

The motion does not kill or delay this bill in any way. If the House approves this motion, the Committee on International Relations will report the amended bill back to the House forthwith, meaning immediately. We will go to final passage of the legislation.

As the Members know, the U.S. Government has made a determination that Iran's nuclear program is a cover for a military program; and the International Atomic Energy Agency has found Iran to be in violation of their international safeguards commitments. The U.N. Security Council is about to consider what action to take in response.

Even Russia and China have now said that they would support action at the Security Council, potentially even sanctions, a position that could not have been imagined previously. India is now the only global power that has yet to get on board with the United States policy on Iran.

Clearly, preventing Iran from acquiring nuclear weapons is a paramount U.S. national security goal. A nuclear-armed Iran is a threat to our national security; and it is a threat to the security, indeed, the very survival of our closest ally in the Middle East, the State of Israel.

Let me at this time, Mr. Speaker, yield 1 minute to the gentleman from Michigan (Mr. UPTON).

The SPEAKER pro tempore. The gentleman has not been recognized for a period of controlled debate and may not allocate or reserve time. The gentleman may reclaim his time after 1 minute.

Mr. UPTON. Mr. Speaker, I don't often speak or vote for motions to recommit, but occasionally they do pass. And I would note that if this motion to recommit does pass, the bill still comes to us in its final form.

The gentleman from Massachusetts (Mr. MARKEY) and I tried to offer this amendment in the Rules Committee. I must say that in our testimony in the Rules Committee upstairs yesterday, I thought we had pretty good support on both sides of the aisle for this amendment from those that were there.

Iran is a bad player. This bill helps India. Why don't we have India on our side as we work against Iran in the world community? That is what this motion to recommit says. It says that the President has to certify that India is on our side as they work for nuclear capability in the world community and to keep Iran on the other side. Why aren't we working together, India and the United States, as we look at Iran in terms of more of the mischief that they are promoting around the world?

Mr. MARKEY. I thank the gentleman.

I yield 30 seconds to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Speaker, I strongly support this motion. In committee deliberations, we have made it clear to India that they must make a choice between Tehran and Washington. They have done so twice at votes in Vienna at the International Atomic Energy Agency. This recommittal motion dramatically strengthens the underlying legislation. I urge all of my colleagues to vote for it.

Mr. MARKEY. I thank the gentleman.

Could I ask the Chair how much time is remaining.

The SPEAKER pro tempore. The gentleman from Massachusetts has 1½ minutes remaining of the 5.

Mr. MARKEY. I yield myself the remainder of my time.

As the gentleman from Michigan and the gentleman from California have pointed out, there has been a series of statements made by the Indian government that have left a great deal of ambiguity with regard to how strong they will stand with us in our effort to take Iran to the Security Council to ensure that Iran does not use its uranium and plutonium programs in order to develop a clandestine nuclear weapons program.

The recommittal motion that I am propounding here this evening just follows up on the statements that have been made out of the Indian government so that they can understand what we expect from them, and we will send a signal from this Congress to our negotiators as to what we expect from them in eliciting from the Indian government. So I hope on a bipartisan basis we can all agree that this Iranian nuclear program is the very top foreign policy and defense threat not only to our country but to countries throughout the Middle East.

I urge an "aye" vote on the recommittal motion.

☐ 2045

Mr. ROYCE. Mr. Speaker, I rise to oppose the motion to recommit.

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. ROYCE. Mr. Speaker, during the course of the committee's five hearings on this agreement members closely scrutinized the relationship between India and Iran, and I think it is fair to say that our committee helped influence India's thinking on Iran. And I think we should all remember that we are getting India's cooperation on Iran. We got two IAEA votes out of India, including a critical vote to get the Iran file to New York. That is the fact about cooperation.

We share the gentleman's concern about Iran, but our point is that India is cooperating on Iran. And as we continue to engage India, and this agreement is about India's growing energy needs, as we engage India, we move them away from states like Iran. Rejection of the agreement itself, frankly, could push India, theoretically, back towards countries like Iran.

Also, we have Mr. MARKEY's theme in the bill itself. The bill itself says to "secure India's full and active participation in United States efforts to dissuade, isolate, and, if necessary, sanction and contain Iran for its efforts to acquire weapons of mass destruction, including a nuclear weapons capability, and the means to deliver weapons of mass destruction." If India breaks this agreement, then we, the United States, will break our agreement with India.

And I think also it is important to remember that India and the administration both say that they are cooperating on Iran quietly behind the scenes. Why? Because this is the most effective way to do it. And we have seen the positive results. But diplomacy cannot be certified. The purpose of this agreement is to help establish broad cooperation, to establish a partnership between India and the United States. You do not compel a partner to cooperate. So this amendment is both unworkable and contrary to the spirit of the new relationship we are trying to establish with India.

How important is that relationship? Well, we have had two administrations.

the Clinton administration and the Bush administration, forge closer ties with India and overcoming what we remember only too well, the chilly relations of the Cold War. And last July's joint statement committed each country to a global partnership which has accelerated our cooperation on many issues, including counterterrorism, including Iran.

The International Relations Committee have given this agreement close and extensive review. While nuclear energy is controversial in the United States, it is not in India. Like in several other countries, nuclear energy is widely viewed as a critical technology for their electricity, one central to uplifting hundreds of millions of impoverished Indians. So India will develop its nuclear energy sector, not as easily or as quickly without this deal, but it will nonetheless. So this deal needs to go forward.

With its growing economy, India is consuming more and more oil. It is competing on the world market, competing with American consumers, for limited hydrocarbon resources. This gives Americans an interest in helping India expand its nuclear power industry, which this legislation does. It also encourages India to move away from burning its highly polluting coal, which is in our interest.

By passing this legislation, we also take a step toward internationalizing India's nuclear industry, which I believe would make it safer. The agreement also is likely to increase India's cooperation with us in confronting countries seeking to break their NPT commitment by developing nuclear weapons, as it already has with Iran.

India must take more steps, including developing a credible plan to separate its civilians and military nuclear facilities under the agreement. Congress must approve a nuclear cooperation agreement that the administration is negotiating with the Indians before the technology is actually transferred. And as I said, should India break the conditions of the agreement, the U.S. breaks off the agreement itself.

So either we continue to try to box in India and hope for the best, or we make this move, we engage India and hope to use our influence to move this increasingly important country in our direction, making India a true partner as we enter what will be a decades-long struggle against Islamist terrorism.

That is why I ask my colleagues to please oppose this motion to recommit and please vote for the U.S. and India Nuclear Cooperation Promotion Act

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MARKEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 192, noes 235, not voting 6, as follows

[Roll No. 410]

AYES—192

Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Carnahan
Carson
Case
Clay
Cleaver
Clyburn
Coble
Conyers
Costa
Costello
Cramer
Cummings
Davis (CA)
Davis (FL)
Davis (TN)
DeFazio
DeGette
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Emerson
Eshoo
Etheridge
Farr
Fattah
Filner
Fitzpatrick (PA)
Ford
Fortenberry
Frank (MA)
Gerlach
Gilchrest
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Harman
Hastings (FL)
Hefley
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Israel
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meehan
Melancon
Michaud
Millender-McDonald
Miller, George
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Ney
Oberstar
Obey
Olver
Ortiz
Otter
Owens
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Platts
Pomeroy
Price (NC)
Rahall
Ramstad
Reyes
Ross
Rothman
Roybal-Allard
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Tierney
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Wilson (NM)
Woolsey
Wu
Wynn

NOES—235

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Cardoza
Carter
Castle
Chabot
Chandler
Chocola
Cole (OK)
Conaway
Cooper
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Davis (AL)
Davis (IL)
Davis (KY)
Davis, Tom
Delahunt
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Engel
English (PA)
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gibbons
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutierrez
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Issa
Jackson (IL)
Jenkins
Jindal
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Meek (FL)
Meeks (NY)
Mica
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Northup
Norwood
Nunes
Nussle
Osborne
Oxley
Pallone
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rangel
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ruppersberger
Rush
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Smith (TX)
Smith (WA)
Sodrel
Souder
Stearns
Strickland
Sullivan
Tancredo
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Towns
Turner
Walden (OR)
Walsh
Wamp
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—6

Davis, Jo Ann
Deal (GA)
Evans
Istook
McKinney
Wexler

□ 2108

Mr. DENT changed his vote from "aye" to "no."

Mr. JOHNSON of Illinois changed his vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MARKEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 359, noes 68, not voting 6, as follows:

[Roll No. 411]

AYES—359

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeGette
Delahunt
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutierrez
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holden
Honda
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Mack
Maloney
Manzullo
Marchant
Matheson
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Olver
Ortiz
Osborne
Otter
Oxley
Pallone
Pearce
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sanchez, Linda T.
Sanchez, Loretta
Saxton
Schakowsky
Schiff
Schmidt
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (TX)
Smith (WA)
Snyder
Sodrel
Souder
Spratt
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Upton
Van Hollen
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Watt
Weiner
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NOES—68

Abercrombie
Baldwin
Becerra
Blumenauer
Capps
Conyers
Costello
Cummings
DeFazio
DeLauro
Dingell
Doggett
Farr
Goode
Grijalva
Harman
Hefley
Hinchey
Holt
Hooley
Jones (NC)
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kucinich
Langevin
Leach
Lee
Lewis (GA)
Lynch
Markey
Marshall
Matsui
McDermott
McNulty
Miller, George
Moore (WI)
Moran (KS)
Nadler
Oberstar
Obey
Owens
Pascrell
Pastor
Paul
Payne
Peterson (MN)
Rothman
Sanders
Schwartz (PA)
Serrano
Slaughter
Smith (NJ)
Solis
Stark
Tauscher
Taylor (MS)
Taylor (NC)
Thompson (CA)
Udall (NM)
Velázquez
Waters
Watson
Waxman
Weldon (PA)
Woolsey
Wu

NOT VOTING—6

Davis, Jo Ann
Deal (GA)
Evans
Istook
McKinney
Wexler

□ 2117

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON FINANCIAL SERVICES TO HAVE UNTIL 5 P.M., AUGUST 11, 2006 TO FILE REPORT ON H.R. 5637, NONADMITTED AND REINSURANCE REFORM ACT OF 2006

Mr. PRICE of Georgia. Mr. Speaker, I ask unanimous consent that the Committee on Financial Services have until 5 p.m. on Friday, August 11, 2006, to file a report on H.R. 5637, Nonadmitted and Reinsurance Reform Act of 2006.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken tomorrow.

EXPRESSING SENSE OF CONGRESS THAT VENEZUELA SHOULD SUPPORT STRATEGIES FOR ENSURING SECURE AIRPORT FACILITIES

Mr. BURTON of Indiana. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 400) expressing the sense of Congress that the Government of Venezuela should actively support strategies for ensuring secure airport facilities that meet international certifications to prevent trafficking of controlled substances, narcotics, and laundered money, as amended.

The Clerk read as follows:

H. CON. RES. 400

Whereas the United States is strongly committed to working with countries in Latin America and the Caribbean that have a shared interest in promoting regional stability;

Whereas the United States is strongly committed to working with countries in Latin America and the Caribbean that are combating the scourge of drugs and the violence and social degradation caused by narcotics trafficking;

Whereas the Bolivarian Republic of Venezuela is a party to the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988 UN Drug Convention);

Whereas Venezuela is a key transit point for drugs leaving Colombia—the world's primary source of cocaine and South America's top producer of heroin;

Whereas drug trafficking through Venezuela significantly increased in 2005;

Whereas weak law enforcement, corruption, and a weak judicial system in Venezuela allow criminal organizations to act with impunity;

Whereas the Department of State's International Narcotics Control Strategy Report of 2006 reports that Colombian cartels, guerrilla groups, and paramilitary organizations and Venezuelan criminal organizations (among other smugglers) routinely exploit a variety of routes and methods to move hundreds of tons of illegal drugs into Venezuela every year, and organized crime in Venezuela has begun to set up operations in foreign countries to receive and distribute drugs in addition to providing transportation services;

Whereas in September 2005, the Government of the United States determined that Venezuela had failed demonstrably to meet its counternarcotics obligations and that Venezuela could no longer be certified as an ally in the war on drugs;

Whereas the promulgation by Venezuela of two new laws in October 2005, the "Law against Organized Crime" and the "Law against the Trafficking and Consumption of Narcotics and Psychotropic Substances", brought Venezuelan law into compliance with the 1988 UN Drug Convention; however, it is not certain, according to the Department of State, whether Venezuela's political and judicial institutions are up to the task of vigorous and impartial implementation of such new laws;

Whereas on April 11, 2006, a commercial plane originating in Venezuela was seized in Mexico at the airport of Ciudad del Carmen, carrying 5.6 tons of cocaine with an estimated street value of $100 million;

Whereas seizure statistics at the Simon Bolivar International Airport in Caracas are not available because the Government of Venezuela does not publicize such statistics;

Whereas estimates indicate that as much as 90 percent of the cocaine and heroin trafficked through the Simon Bolivar International Airport over the last 12 months was not intercepted;

Whereas the Government of Venezuela continues to fail to effectively utilize several airport security systems provided by the United States specifically aimed at increasing the Simon Bolivar International Airport counternarcotics capabilities;

Whereas the Government of Venezuela has not taken any steps unilaterally to prosecute any corrupt airport officials relating to cases of money laundering or drug trafficking at the airport despite credible intelligence estimates that there is potentially millions of dollars in narcotics proceeds passing through Simon Bolivar International Airport and Venezuela; and

Whereas the Government of Venezuela and the Venezuela National Anti-Drug Office (ONA) have officially reported only two seizures of currency in 2006, one for $13,865 in United States currency and the other for 7,000 euros: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That—

(1) Congress—

(A) strongly condemns the actions and inactions of the Government of the Bolivarian Republic of Venezuela which have created fertile ground for criminal drug trafficking organizations;

(B) strongly condemns the failures on the part of the Government of Venezuela to stem the flow of illicit narcotics through its territory; and

(C) strongly condemns the complicity of senior Venezuelan Government law enforcement officials and transportation officials who are effectively enabling large scale shipments of both cocaine and heroin at the Simon Bolivar International Airport and other transit points; and

(2) it is the sense of Congress that—

(A) it should continue to be the policy of the United States to support cooperation between Venezuela and partners in the Andean region to combat trafficking in narcotics and other controlled substances;

(B) steps should continue to be taken to restore bilateral law enforcement cooperation between Venezuela and the United States Drug Enforcement Administration;

(C) it should continue to be the policy of the United States to work with the international community, including the Organization of American States (OAS), to assist with a thorough review of the measures in place at the Simon Bolivar International Airport in Caracas;

(D) it should continue to be the policy of the United States to work with other member states of OAS to bring Venezuela into compliance and fully adhere to OAS conventions and comprehensive treaties to prevent, punish, and eliminate narco-terrorism, which constitutes "a serious threat to democratic values and to international peace and security";

(E) the Secretary of Transportation should provide to Congress not later than 180 days after the date of the adoption of this resolution, on behalf of the Department of State, Department of Homeland Security, Department of Justice, and the Department of Transportation, a report with an assessment of the process undertaken by the Government of Venezuela toward restoring airport security measures and controls that meet international standards of safety; and

(F) the Secretary of State should provide to Congress not later than 180 days after the date of the adoption of this resolution a report on Venezuela's compliance with its responsibilities under international counternarcotics treaties.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana (Mr. BURTON) and the gentleman from Massachusetts (Mr. DELAHUNT) each will control 20 minutes.

The Chair recognizes the gentleman from Indiana.

GENERAL LEAVE

Mr. BURTON of Indiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BURTON of Indiana. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. MACK).

Mr. MACK. Mr. Speaker, I rise today in strong support of the resolution that is in front of us. Hugo Chavez every step of the way has gone against the grain when it comes to the ideals that we believe in as Americans. The ideals of freedom and democracy, liberty, the rule of law, and the trusting of people.

Hugo Chavez from the beginning has tried to make an enemy of the United States. In his own words, he talks about anti-American, anti-freedom. In his own words, out of his own mouth. Today's resolution is about drug trafficking.

Over 30 percent of the cocaine that comes into the United States comes through Venezuela. That is a huge number. We can no longer allow Hugo Chavez to manipulate the minds and the hearts and the dreams of not only his own people, but the people of the United States.

Mr. Chairman, whether it is siding with Iran in trying to purchase military aircraft and weapons, his desire for nuclear technology, trying to intimidate the media in his own country, Hugo Chavez is not a friend of the United States.

In fact, he is doing everything he can to turn away from freedom and democracy. I strongly support the resolution in front of us. I hope that Hugo Chavez will wake up and understand that it is better to be a friend with the United States, it is better to be a friend and believer in the ideals of freedom, security and prosperity. I hope one day that he will understand that he has made major mistakes and that it is time to come back to what was once a Venezuela that believed in freedom and democracy.

Mr. DELAHUNT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the resolution. While I have disagreements with some of the provisions in the preamble, and with the accusatory tone of some of the "resolves" clauses, what concerns me most is the timing of its consideration. Because a draft agreement between the Drug Enforcement Agency of the United States, and the Venezuelan antidrug office hangs in the balance.

Now, there has been considerable time and effort invested by both sides in this initiative, which I believe and I know others do, would be mutually beneficial to both Venezuela and the United States. But the passage of this resolution puts that at risk.

Because we all know that what we do here tonight will be interpreted in Caracas as a political statement to embarrass and intimidate the Chavez Government. That is simply the reality. And to think otherwise would be naive in the extreme.

Let us be candid. And my friend and colleague from Florida touched on many aspects of the relationship. But every one on the planet knows that the relationship between the Presidents of the United States, and Venezuela is poor. Prior to the coup in 2002, it was practically nonexistent.

But when it appeared to the Venezuelans that the Bush administration appeared to applaud the coup, that relationship proceeded to deteriorate to the point where it can only be described as bitter and hostile.

The rhetoric has become incendiary and insulting. And every action on either side is perceived to be motivated by hostility and political calculation. The unfortunate result is that what has evolved is a relationship that is hardened into profound mutual animosity that is having long-lasting and real world implications, whether it implicates terrorism, or drugs or anything.

We all know that while this resolution will be hardly noticed in this country, its language condemning the Chavez Government will provoke headlines in Venezuela, that will be used by Chavez's opponents in the forthcoming presidential campaign, and undoubtedly there will be a reaction from the Chavez Government.

Without a working, transparent and viable relationship between the Drug Enforcement Agency and Venezuela, there will be serious consequences to both countries. As I just said, I have no doubt that what we do here today will be interpreted in Caracas as yet another insult, which will provoke more inflammatory rhetoric, and make any potential constructive relationship on this particular issue much more difficult to achieve.

Now, let me be very clear. I know that that is not the intention of the chairman who has offered this resolution. But I am also confident, and I hope I am wrong, that this draft agreement will be the victim of this poisonous relationship and atmosphere that exists.

Let me emphasize, I am not giving up on the agreement. Earlier today I had a conversation with my friend and colleague from New York, Representative MEEKS. We agreed that this is simply too important. This agreement is simply too important not to make a final effort.

And we will go down, and we will encourage the government of Venezuela to finally sign the agreement, which hopefully will restore a working relationship between the DEA and the anti-drug office in Venezuela.

□ 2130

But I am not hopeful. Because I believe that the language in this resolution, whether it is intended or not, will exacerbate the tension that clearly exists. And the tragedy is that the people in both countries will pay a price, and that is sad.

Mr. Speaker, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Speaker, before I yield to my vice chairman of the committee, Mr. WELLER, let me just make a couple of points.

First of all, I have high regard for my Democrat friend from Massachusetts. He and I are friends. We have a strong disagreement on this issue.

Let me just make a couple of points.

First of all, we were told by the Venezuelan government and the DEA was told by the Venezuelan government that they were going to work to reach an agreement on this draft agreement some time ago. Then they asked for an extension to July 8. And we were going to bring this resolution to the floor some time ago, and we decided, okay, we will wait until July 8. My friend from Massachusetts and Mr. MEEKS asked me to hold up on this. I think Mr. MEEKS asked. I can't remember. Mr. DELAHUNT did. And we held the resolution until July 8. We pulled it off the calendar and held it until July 8.

July 8 came, and we were told by the DEA that they refused to sign it, and Hugo Chavez said that he was not going to give us a time frame within which he would even consider signing it. So they asked for more time, we gave them more time, and when the time came they refused to sign, it and they won't give us a date to sign it now.

Now we are not trying to embarrass the government of Venezuela, but they have done such things as accused our DEA agents, who are fighting the drug war for the people of this country, of being spies for the United States. They have done everything they can to hamper the DEA's operation down there. And there have been $100 million of cocaine that was confiscated at the Mexican airport that came from the Caracas Venezuela airport. And so we have not had any cooperation whatsoever.

I don't know much about what kind of publicity this is going to generate in Venezuela, but the fact of the matter is Mr. Chavez needs to be put on notice that the American people are not going to stand idly by and let Venezuela be a transit point for drugs into this country and killing American people.

Mr. Speaker, I will now yield to my colleague, Mr. WELLER, for 2½ minutes.

Mr. WELLER. Mr. Speaker, I rise today in strong support of H. Con. Res. 400 and commend my chairman, Mr. BURTON, for his leadership on this issue.

This important resolution expresses this Congress's concern and frustration about the rising proliferation of narcotics from Venezuela and reaffirms the United States' commitment to stability and freedom in the Western Hemisphere.

Venezuela historically has the potential to be a key ally in the global war against the narcotics trade. However, its government is not stepping up to the plate. According to the State Department, approximately 150 metric tons of cocaine and increasing quantities of heroin move through its territory annually. Mr. Speaker, Venezuela is becoming a safe haven for the drug trade and those who profit from it.

Corruption is a growing problem in the Venezuelan government, and the airports are not immune. Simon Bolivar International Airport is becoming a haven for crime, where personal property theft, muggings and "express kidnappings" have become the norm. One of the nation's main transportation hubs, this airport has millions of dollars of narcotics flowing through it annually, and in the past year an estimated 90 percent of the cocaine and heroin trafficked through this airport have not been intercepted. These illicit drugs are headed to locations through our hemisphere and pose a significant threat to the health and safety of U.S. citizens.

The Government of Venezuela has failed to adhere to its obligations under international narcotics agreements; and, despite credible evidence that the airport is a transit point for the trade, they have not taken any unilateral steps on their part to prosecute corrupt airport officials involved in drug trafficking.

Mr. Speaker, the Government of Venezuela has repeatedly assured us they would sign the new DEA Implementing Accord, an affirmation that Venezuelan and U.S. law enforcement would cooperate to combat trafficking and distribution of narcotics. The signing date for this accord has come and gone with no satisfactory explanation and no new firm signing date. With this resolution, we are expressing our apprehension over the lack of law enforcement cooperation the Government of Venezuela will allow and our concern about the growing use of Venezuelan territory as a transit route for drug trade in our hemisphere.

Mr. Speaker, the United States and Venezuela cooperated successfully historically in the past; and we need to continue to do so in the future. Narcotrafficking is a direct threat to democracy, a threat to peace, a threat to security within the Western Hemisphere, and together the U.S. and Venezuela must work together to combat it.

I sincerely hope that Venezuela will step up to its responsibility as a leader in our hemisphere by restoring cooperation with U.S. law enforcement and fulfilling its obligation to combat narcotrafficking within its own borders.

Mr. DELAHUNT. Mr. Speaker, I yield as much time as he may consume to my friend and colleague who serves on the Western Hemisphere Subcommittee and has spent considerable time in Venezuela and is familiar with the nuances of that relationship, my friend, Mr. MEEKS.

Mr. MEEKS of New York. Mr. Speaker, I understand the concerns of the chairman; and I believe I understand his intent for introducing this piece of legislation. But the bottom line is we have got to make sure that we accomplish something here.

The real deal here is not about the chatter between President Chavez and President Bush and the statements that have gone back and forth. The bottom line here is, what do we do to make sure that we are stopping the flow of drugs?

While we are here debating the merits of this resolution, the experts are still in Venezuela completing the specifics of an agreement that would reestablish the relationship between the Drug Enforcement Agency and the appropriate Venezuelan authorities. The fact that we are debating it on the floor today, as Mr. DELAHUNT says, it really threatens our relationship and makes it so that the possibility of getting this thing done becomes remote at best.

We don't need to continue to politicize this issue. What we need to do is to make sure that we are staying out of it, actually, and allowing the experts to really sit down to work to complete their job.

The Department of State's Bureau of International Narcotics and Law Enforcement Affairs of 2006 reported and identified 20 countries as major drug transit or major illicit drug-producing countries, despite increased drug seizures during the past 4 years; and these are the real facts.

In an effort to reduce the proliferation of drugs throughout the region and into the United States, the presidents of Venezuela and Colombia have started a process of military modernization to shore up the fence along their countries' borders; and Venezuela has extradited a number of leading armed actors from the ELN and the FARC to Colombia.

In fact, I spoke with DEA officials in my office, and I know they want this agreement signed so that they can continue to do their jobs. I also have been in communication with the Venezuelans; and they have expressed, I believe, a sincere desire to finally get this agreement signed.

Our actions today condemning the Venezuelan government for being complicit in efforts to secure airport facilities to prevent trafficking of controlled substances, narcotics and laundered money does not fit the action of negotiating in good faith to finalize this agreement. We cannot play into the hands of being somewhat obstructionist and widen the gap between our two governments, which already has a very strained relationship.

In the resolution itself, Mr. Speaker, it urges Venezuela to support strategies for ensuring secure airport facilities that meet international certifications to prevent trafficking of controlled substances, narcotics and laundered money. However, when the data-sharing agreement is signed, according to the DEA mandate, title 21, chapter 13, subchapter 1, part E, this concern will be addressed and covered. So passage of this resolution will either prevent or substantially delay this agreement from being signed.

The resolution also, you know, there is some truth, but sometimes the truths are half-truths. It states, drug trafficking through Venezuela significantly increased in 2005, when in fact over 25 percent of drug seizures occurred at the Simon Bolivar Airport in 2005, and 2005 also witnessed a 58 percent increase in drug seizures compared to the previous year. In addition, drug seizures are up in Venezuela compared to this time last year by as much as 30 percent.

The resolution further identified that on April 11 of this year, a commercial plane originating in Venezuela was seized in Mexico at the airport of Ciudad del Carmen, carrying 5.6 tons of cocaine with an estimated street value of $100 million. Well, Mr. Speaker, the truth of the matter is, according to Mexico's Defense Department, the army was waiting for the plane on Monday at the Airport del Carmen 550 miles east of Mexico City after receiving information from the Venezuelan Government and U.S. authorities; and this is according to Mexican Army General Carlos Gaytan.

Mr. Speaker, I have a newspaper article that I would ask unanimous consent to have added to the RECORD indicating the very same with quotations from the general.

The SPEAKER pro tempore (Mr. MACK). Is there objection to the request of the gentleman from New York?

There was no objection.

MEXICO ARMY SEIZES HUGE COCAINE HAUL ON PLANE

MEXICO CITY.—Mexican soldiers seized 5½ tons of cocaine worth more than $100 million from a commercial plane arriving from Venezuela, Mexico's Defense Department announced Tuesday.

The army was waiting for the plane on Monday at the airport of Cuidad de Carmen, 550 miles east of Mexico City, after receiving information from Venezuelan and U.S. authorities, Gen. Carlos Gaytan told a news conference.

The cocaine was stacked in 128 black suitcases marked private.

Soldiers arrested Colombian Miguel Vazquez, 47, who was the plane's co-pilot, but the pilot escaped, Gaytan said. There were no passengers.

The soldiers also arrested two Mexicans who were waiting at the airport with another plane.

Gaytan said airport officials initially stopped soldiers from approaching the plane, claiming there was an oil leak and that it might explode. The officials are being investigated to see if they were in league with the traffickers, said Mexico's top drug prosecutor, Jose Luis Santiago Vasconcelos.

U.S. and Mexican officials say that cocaine and heroin is increasingly passing from Colombia through Venezuela to Mexico where it is smuggled into the United States. While drug traffickers used planes to smuggle large quantities of drugs in the 1990s, most Mexican traffickers now use land and sea routes.

A U.S. State Department report released in March said that Venezuela has become a key transit point for drugs because of "rampant corruption at the highest levels of law enforcement and a weak judicial system."

Venezuelan President Hugo Chavez suspended cooperation with the U.S. Drug Enforcement Administration in August, accusing its agents of spying.

Mr. MEEKS of New York. Mr. Speaker, we are also told that statistics on drug seizures at the Simon Bolivar International Airport in Caracas are not available, but the truth of the matter is no one must have asked for the information. Because I called and asked for the information, and they provided me with the following, and I have charts that I would like to present for the RECORD.

There is a chart identifying where seizures took place in 2005, two charts define how much cocaine and heroin was seized at the airport and at Santiago Marino Airport since 2002. I have a chart identifying nationality of individuals involved in drugs and have been caught since 2002. And I have several charts identifying the type of drug and the quantity confiscated in Venezuela in 2005, the number of security agencies and personnel involved in drug confiscation throughout Venezuela, persons from Venezuela arrested for drugs in Venezuela, and the number of foreigners arrested for drugs in Venezuela. So I have all of these that I would also like to submit at the end for the RECORD. Their information is available. They have been sharing this with us.

This resolution further threatens the delicate relationship between our two countries. And, consequently, for me, I am really concerned. I happen to represent an international airport, JFK, John F. Kennedy International Airport; and I understand the importance of keeping drugs out. To me, that is what the bottom line is. This isn't about us against them. For me, it is about securing our country so that we can keep the drugs from coming in and doing what we have to do.

The resolution basically I think, and I hope I am wrong, as Mr. DELAHUNT said, what it will do is it will assure that we won't have an agreement. And if we don't have an agreement, then what we have accomplished is that there can be more drugs getting into this country.

We have got to do just the opposite. We have got to make sure that we do everything that we possibly can to secure and to prevent drugs from entering into the United States of America. I think that this is the wrong way of doing it, so therefore I will oppose this resolution and ask all Members that, if you truly want to stop drugs, we need to get an agreement with Venezuela.

Mr. BURTON of Indiana. Mr. Speaker, before I yield to my colleague from California, let me just take 1 minute.

First of all, when my colleague and good friend (Mr. MEEKS) says that we have a delicate relationship with Venezuela, I would like to point out to him that President Chavez is in Tehran today. He is over there talking to the ayatollahs who he has invited to Venezuela. He has been buying thousands of AK–47s. He is trying to expand his military operation down there. He goes on television every Sunday for 5 hours, and he calls the President of the United States a donkey and other names.

So if you are talking about a delicate relationship being in jeopardy, let me just say the reason for the delicate relationship being in jeopardy is because Mr. Chavez is shooting off his mouth. I have met with him several times with you folks, and he always says he is going to tone down the rhetoric, and he never does.

Regarding the $100 million of cocaine that came out of Venezuela into the Mexican airport, we have talked to intelligence sources and they said there was no information coming from Venezuela about that shipment. They said that is totally false.

Mr. Speaker, I yield to my good friend from California (Mr. ROYCE) for 2 minutes.

☐ 2145

Mr. ROYCE. Mr. Speaker, I thank the chairman for yielding.

Let me say that last week the Subcommittee on International Terrorism that I chair held a hearing on Venezuela's link to terrorism. On May 15, the State Department designated Venezuela as not cooperating fully with U.S. anti-terrorism efforts. Mr. Speaker, from what we heard from the Department officials, it is not that Venezuela is not cooperating fully, it is that Venezuela is not cooperating at all.

Disconcerting was the testimony we heard from the State Department that Venezuelan passports can be forged with child-like ease and that the U.S. is detaining at our borders an increasing number of third country aliens carrying false Venezuelan documents. According to a 2003 U.S. news report, thousands of Venezuelan identity documents are being distributed to foreigners from Middle Eastern nations including Syria, Pakistan, Egypt and Lebanon.

It is not just anti-terrorism in which we see no cooperation, as pointed out in this resolution, it is also counternarcotics, and today, Hugo Chavez, President Chavez, is in Moscow signing a multibillion dollar agreement for advanced fighter jets for attack helicopters, for 100,000 Kalashnikov assault rifles and a license to build a Kalashnikov factory in Venezuela. He is trying to negotiate two or three submarines, and frankly, these are not helpful in terms of regional stability.

It is not helpful that he is traveling to Iran and to North Korea, and it is not helpful when he says he is trying to create a common ideological front against the United States.

Frankly, these weapons are to allow his self-described socialist revolution to become a military force to be reckoned with in Latin America. This resolution is an important one, and I urge its adoption.

Mr. DELAHUNT. Mr. Speaker, I yield myself such time as I may consume.

I intend to yield to the gentleman from Ohio, but I am very glad that my friends raise the issue of Iran and Tehran, because the gentleman that spoke here today, that spoke in this, to this House, in this institution, has yet to denounce the military cooperation agreement between Iran and Iraq that exists as we speak.

Let me remind my friends, too, that the foreign minister of Iraq by the name of Zebari made this statement to the international community: We should not press Tehran about their nuclear program because they tell us that it is for peaceful purposes. We do not need a guarantee, let us just simply accept, accept what they say.

I am really glad you brought up Tehran because what I am beginning to see is an emerging relationship, if not an alliance, between Iraq and Iran. It is clear that there is a huge Iranian influence in Iraq today, a place where we have lost over 2,500 men and women, where we have expended hundreds of billions of dollars. And yet what do we hear? Nothing about Iran. We hear no condemnation of Hezbollah, none whatsoever.

I am glad you brought up Iran. Go back and check about that bilateral military cooperation agreement. I know one does not currently exist between Iran and Venezuela, but it does between our friends in Iraq and Iran. We have really created a hegemony in the Middle East, Iran.

But also, I think it is important that because the chairman spoke about the DEA, and I am sure they have gone through and I understand they have verified or they have had serious consultations. As a matter of record, if the chairman tells me, I will accept it, does the Drug Enforcement Administration believe that the passage of this resolution will accelerate the signing of this agreement?

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DELAHUNT. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, in answer to your question, I do not think anything is going to accelerate this until Mr. Chavez decides what he wants to do, and Mr. Chavez was given, if the gentleman will let me finish, Mr. Chavez and you, my good friend, asked for us to give them an extension to July 8. We did that, and on July 8, they did not sign it, and they would not give us a date after that. You know that.

So what we are trying to do is point out to the United States and the Venezuelan people that they reneged on their commitment.

Mr. DELAHUNT. Reclaiming my time, there was, and I would remind my friend that there was a very tense issue between Venezuela and the United States regarding air traffic between our countries. Quiet diplomacy, patience, restraint resulted in the resolution of that problem. So that today between Venezuela and the United States, there is air travel, it is working. So accord can happen.

I share the frustration of my friend from Indiana. I know that he is someone who is a very can-do kind of guy, and at times, one might describe his temperament as somewhat impetuous. Unfortunately, diplomacy does not necessarily work that way.

Now, I understand, too, that the State Department INL had this to say. I am quoting from our own State Department. This is after all of the problems that you described between the DEA and the anti-drug officer of Venezuela. This is a quote. "In spite of the political tensions, DEA continued working with its law enforcement contacts, developing information and leads that have contributed," listen carefully, "have contributed to record seizures by Venezuelan law enforcement." The DEA is acknowledging that there have been record seizures, according to their own official report, the INL. "After decertification, political sniping faded and government officials expressed renewed willingness to cooperate. Government of Venezuela officials have linked cooperation to the signing of a new bilateral counternarcotics working arrangement."

That is what we all want, and if we can achieve that, we have done something positive. We know the rhetoric is going to fly back and forth. We know there is going to be finger-pointing and all kinds of nasty words spoken on either side, but what is most important, what is most important is that we protect our own children.

I think the decertification process, I wonder if we have any standards for ourselves. In the last 6 years, have we taken steps to adequately decline, to adequately reduce the demand that fuels the narcotics coming in to this country?

Mr. Speaker, with that, I yield the balance of my time to the gentleman from Ohio (Mr. KUCINICH), my friend.

Mr. KUCINICH. Mr. Speaker, I thank the gentleman.

When you look at the resolution, and it says in part, "steps should continue to be taken to restore cooperation between Venezuela and the United States Drug Enforcement Administration," I think everyone in this Congress would readily agree with that, but the language and condemnation actually separates us from that goal.

I think this is a consistent problem that we face here in the Congress. We desire a certain type of behavior from another government and then we tear them to shreds with our rhetoric. So it may be that we need to think again about our approach towards diplomacy and the approach that we take in these resolutions.

I understand the intention of my friend from Indiana who is a good man and who has been consistent in challenging illegal drug trafficking into the country, but I also understand that we need to look at the approach we are taking and see if this kind of approach is where a resolution is going to be most effective.

Echoing what Mr. DELAHUNT said, we need to also take a look very deep into our souls about what is driving this demand in this country for cocaine.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. BURTON of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Speaker, I thank my friend for yielding.

Concerning, Mr. Speaker, the relationship between Hugo Chavez and Iran, let me explain why this is actually problematic, and we had an effort to bring pressure at the IAEA. We had the board of governors in an attempt by countries to pressure Iran not to go forward with its nuclear proliferation program. It was Venezuela, along with Cuba and one other country, I think it was Belarus, that voted against that effort.

Why are these points important? In the fall, there will be a seat on the Security Council that will open up. Venezuela is actively lobbying for that seat.

In light of this type of conduct, it is quite important that we point out the facts about the current efforts with Venezuela.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

I have listened to with great interest the rhetoric coming from the other side, and now I intend to get to the facts of the matter. So I hope my friend from Massachusetts will indulge me and listen to me as attentively as I have listened to him.

First of all, let me just show, we have here a map from the maritime authorities, the Joint Interagency Task Force, showing from January 1 to December 31, 2005, the number of maritime trips involving drug activity originating in Venezuela, and it is 385 times.

Suspected air activity from January 1 to December 31, 2005, again from the Joint Interagency Task Force, 137 trips involving drug trafficking originating in Venezuela.

Let me just go through some of the issues that are very, very important to this debate.

First of all, DEA agents in August 2005 were accused of being spies for the United States and not doing their job as DEA agents. The fact of the matter is that was not the case. Nobody has proven or really indicated with any degree of authority that our DEA agents are doing anything more than trying to interdict drugs coming into the United States.

We received credible reports that traffickers are paying Venezuelan airport authorities a percentage of the money and drugs transported through the Simon Bolivar International Airport. Furthermore, the government of Venezuela has not taken any steps, any at all, unilaterally to prosecute any corrupt airport officials.

There are estimates that as much as 2,000 kilograms of cocaine and 200 kilograms of heroin were seized at the Simon Bolivar International Airport over the last 12 months. There are almost estimates there are 10 times that amount of cocaine, perhaps 20 times that amount of heroin, could be smuggled through that airport.

Seizure statistics at the Simon Bolivar Airport are not produced by the Venezuelans. The Venezuelan government does not track those statistics. Information regarding any seizures at the airport were not shared by the Venezuelan government with the DEA last year.

□ 2200

On April 11, 2006, a commercial plane, which we talked about earlier, originating in Caracas was seized in Mexico carrying 5.6 tons, tons of cocaine with an estimated street value of $100 million. Counternarcotics experts who we consulted agreed a 5.6 ton load of cocaine is not a test run. We can only speculate how this route was exploited by traffickers previously, how many millions of dollars and hundreds of tons of cocaine came through that route. And we know, as I said, there were 137 trips on that route last year.

The Venezuelan government has claimed the interdiction in Mexico was the result of a Venezuelan tip-off. That is what they said. So we checked. We have received assurances from our intelligence sources and other intelligence sources that those claims are categorically false. The Mexican police and government found that when that plane landed. They were not tipped off by anybody in Venezuela. Quite the contrary. The belief is that the Venezuelan people who are working at the airport were involved in the transport of these drugs amounting to $100 billion.

It is widely reported that the government of Venezuela is providing safe haven and logistical support to members of the Revolutionary Armed Forces of Colombia, FARC, the FARC guerrillas, which is designated as a foreign terrorist organization and was in 1997. And there is strong evidence that the Venezuelans are supporting the Revolutionary Armed Forces of Colombia, the FARC, with ammunition, safe houses, documentation, training, and weapons.

There is no formal mechanism to designate entities as drug trafficking organizations, but links between the FARC and drug trafficking were evident as far back as the mid to late 1980s, according to our State Department. It is precisely through this support for the FARC that we have estimates of as much as half of the Colombian cocaine moving to the United States and Europe as passing through Venezuela. Almost half of the cocaine coming into this country is coming through Venezuela.

You know, I have had the opportunity, with Mr. DELAHUNT and Mr. MEEKS, to go down and meet with President Chavez in Venezuela, and at the U.N. in New York. He is a very engaging fellow. He is Clintonesque, if you will, in the way he meets people. He was very engaging. I was impressed with the fella. When we talked to him about toning down the rhetoric that would lead to a better relationship, or a relationship between Venezuela and the United States, he said he was going to do that. But he didn't.

Every week on television, for 5 hours, and I watched the tapes and I have listened to the translations, he maligns and beats up on not only the President but the Secretary of State. He says very demeaning things about Condoleezza Rice, our Secretary of State, and they are things that don't lead to any kind of a relationship between us and the Venezuelan leadership.

In addition to that, he is tied in very closely and he considers Fidel Castro, a Communist leader who wanted to revolutionize all of South America, he sent Che Guevara down there back in the 1980s to try to destroy any semblance of democracy throughout our hemisphere, and Che Guevara was killed. Now Chavez' mentor is Fidel Castro.

He is also tied in with Daniel Ortega and Mr. Morales of Bolivia, and all of these people want to move the South American continent to the left. And these are things we cannot tolerate. So the drug trafficking is only part of it.

Regarding Chavez' current trip, he is going to North Korea, he is going to Tehran, and he is meeting with what we consider the cabal of terrorists. He has also invited these people to visit him in Venezuela. In addition, as my colleague from California said a while ago, he is buying all kinds of military equipment, which really isn't necessary because there is no big threat to him down there, all kinds of military equipment to build up a huge military operation in South America and Venezuela.

We have got big problems down there. We want to talk to Mr. Chavez. We want to work with Mr. Chavez, but when we say to him we have an agreement that we have worked out, and his people hammered out the agreement with us, and he said he needed more time, until July 8, and you asked me for more time, Mr. DELAHUNT, we gave them more time, and when July 8 came, they would not sign the agreement nor would they give us a date certain when they would sign the agreement, and that is why this resolution is here on the floor tonight.

We want to have peace in our hemisphere. We want to work with all the presidents in our hemisphere, but we don't want revolution and we certainly don't want drugs coming through Venezuela into the United States damaging

American women and children and hurting their families.

Mr. DELAHUNT. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I will yield for one question, yes.

Mr. DELAHUNT. First of all, my friend made a misstatement about Chavez going to North Korea, but that is irrelevant to the revolution.

Mr. BURTON of Indiana. He is not going to North Korea?

Mr. DELAHUNT. He is not going to North Korea, but let me focus on something.

Mr. BURTON of Indiana. He is not going to Tehran, either?

Mr. DELAHUNT. He has been to Tehran, like Mr. Maliki has been to Tehran, and Mr. Zebari and Mr. Chalabi, all of the friends of the neoconservative movement, they have lived in Tehran for a considerable period of time.

But let us talk about this today. The rhetoric that we have heard about is about terrorists, it is about, this is not within the purview of this thing. But I have to tell you something, when this plays down in Caracas, like I said in my opening remarks, it is just going to make it impossible.

Mr. BURTON of Indiana. Reclaiming my time, and I just want to say this. If there is a problem that has evolved out of this discussion tonight, it lays at the feet of Hugo Chavez. It lays at his feet. Because there was an agreement that was hammered out between his people and the DEA here in the United States. He asked for more time, we gave them more time. He wouldn't sign it nor would he give us a date certain when he would sign it.

How long do you wait? How long do you wait for drugs to continue to come into the United States before we get an agreement saying we are going to allow the DEA to do their job?

Mr. DELAHUNT. Today is the 26th of July, Mr. Speaker. The 26th of July. You know that I, and hopefully accompanied by others, was going to go to Caracas this August, have a conversation, and come back with a signed agreement. That is the hope. But with this language in this particular resolution. I will tell you what we have done. We have buried that agreement. And that is a tragedy because drugs will come into this country. That is the sadness.

Mr. BURTON of Indiana. Well, I didn't yield any more time to my colleague, he just started talking. But that is okay, I have a high regard for him.

Let me just say once again that we have gone the extra mile on this agreement with Mr. Chavez. He wouldn't sign it, nor would he give us a date certain when he would sign it. We adhered to my colleague and others' requests to extend the time period, he wouldn't sign it, and that is why we have this resolution tonight.

I don't know how it is going to play in Caracas, all I can say is it is time we get an agreement, and the DEA needs to be able to do its job.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H. Con. Res. 400, to express my concern that the government of Venezuela do what it can to secure its airport facilities from the trafficking of illegal goods. It is always essential to restrict the transport of these substances and the transport of laundered money from their sales.

International certifications in airport facilities help to ensure that such restrictions are in place. Recent evidence shows a general lack of enforcement in Venezuela of the measures necessary to avoid the trafficking of narcotics and other controlled substances. Especially in light of the discovery in April of a Venezuelan plane filled with narcotics en route to Mexico, we must seriously question the compliance of Venezuela's airports with such standards. I ask that my colleagues join me in requesting that the government of Venezuela exercise more effort in the future to ensure the security of their airport facilities.

This resolution would also express our wish to work closely with Venezuela and the other nations of this region that are so severely affected by this issue to combat the trafficking of narcotics and other controlled substances. It is not only out of concern for the welfare of our own Nation if illegal substances and laundered money are allowed safe passage here; we must also express our concern for the welfare of Venezuelans and others around the world. The control of harmful substances is an international effort in which we must all take part.

It should be the policy of the United States to work with the international community in ensuring adherence to the Organization of American States conventions and comprehensive treaties on narco-terrorism. This concurrent resolution serves to respect this and to assist in a review of the Simon Bolivar International Airport in Caracas in particular, in light of recent events.

I thank my colleagues on the Western Hemisphere Subcommittee of the Committee on International Relations for drafting this resolution and urge my other colleagues in the House to support this legislation.

Mr. Speaker, I rise today to revise my previous statement regarding H. Con. Res. 400. I rise in opposition to H. Con. Res. 400. While I believe the United States should address the issue of drug trafficking from Venezuela, this resolution is too harsh a condemnation of the Government of Venezuela.

It should be the goal of the United States to work closely with Venezuela and the other nations of this region to combat the trafficking of narcotics and other controlled substances. It is not only out of concern for the welfare of our own Nation if illegal substances and laundered money are allowed safe passage here; we must also express our concern for the welfare of Venezuelans and others around the world. The control of harmful substances is an international effort in which we must all take an active and engaged role.

I am deeply committed to fighting our international war on drugs. However, the United States diplomacy has been entirely too weak in this regard, and we must recognize that Venezuela is an ally, not an enemy. Our foreign policy must be governed by what is best for the American people rather than by what party is in power. Recent evidence shows a general lack of enforcement in Venezuela of the measures necessary to avoid the trafficking of narcotics and other controlled substances. However, instead of delivering a political attack to a nation for a lack of customs control in an international airport, we must be constructive and pragmatic in our call for stricter enforcement.

I support the message of this resolution to ensure the compliance of the international community with the Organization of American States conventions and comprehensive treaties on narco-terrorism. However, we would benefit from more constructive engagement in diplomatic relations with our allies in the Western Hemisphere rather than simply issuing a reprimand.

I urge my colleagues to vote against this resolution and support better diplomatic relations with the Government of Venezuela.

Mr. BURTON of Indiana. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. BURTON) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 400, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

AMENDING THE IRAN AND LIBYA SANCTIONS ACT OF 1996

Ms. ROS-LEHTINEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5877) to amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006.

The Clerk read as follows:

H.R. 5877

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORITIES UNDER THE IRAN AND LIBYA SANCTIONS ACT OF 1996.

Section 13(b) of the Iran and Libya Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note) is amended by striking "on the date that is 10 years after the date of the enactment of this Act" and inserting "on September 29, 2006".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the gentleman from Massachusetts (Mr. DELAHUNT) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida.

GENERAL LEAVE

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume, and I rise in strong support of H.R. 5877, a bill I introduced yesterday with Chairman HYDE of the House International Relations Committee; Mr. LANTOS, coauthor of the Iran Freedom Support Act and ranking member of the International Relations Committee; and my ranking member on the Subcommittee on the Middle East and Central Asia, Mr. ACKERMAN.

This bill is a simple housekeeping measure to, on one hand, prevent the original Iran and Libya Sanctions Act from lapsing; and, on the other hand, to afford additional time for the House and Senate to reach an agreement on the final text of the comprehensive Iran legislation, the Iran Freedom Support Act.

The focus of the Congress continues to be that articulated through the Iran Freedom Support Act, which is to address the totality of the Iranian threat and strengthen our approach to this rogue state; to hold Iran accountable for its threatening policies; and to induce greater cooperation from our allies to compel Iran to cease and desist in its pursuit of nuclear weapons capabilities.

To achieve that end, Mr. Speaker, we need H.R. 5877, which would extend the original ILSA until September 29 of this year, affording us the additional time to finalize the text of the Iran Freedom Support Act to be sent to the President for his signature.

I ask for a "yes" vote on this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. DELAHUNT. Mr. Speaker, I rise in strong support of this legislation, and I yield myself such time as I may consume.

Mr. Speaker, the Iran and Libya Sanctions Act is scheduled to lapse within days, and the legislation before the House will extend it until September 29. This reauthorization for a brief duration is necessitated by the fact that the House and Senate are still negotiating language on a new legislative construction of the Iran Libya Sanctions Act.

We hope to complete this process soon with the passage of new legislation that will strengthen sanctions against Iran and remove from law the outdated references to sanctions on Libya, sanctions which anyway no longer apply because Libya has fulfilled the required conditions.

I urge passage of this legislation.

Mr. Speaker, I yield 4 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, as the work of the committee continues on this temporary reauthorization, I think it is important to have a few reflections. This is the 10th anniversary of the original sanctions law, and I think it would behoove us to ask what those sanctions have accomplished. This legislation seeks to renew for a period of 2 months a confusing, ineffective and, at best, counterproductive, at worst, counterproductive sanctions policy against Iran.

Iran justly remains a focal point of security concerns for our Nation. It supports those who use violence as a means of settling political disputes. It is threatening rhetoric with respect to Israel. And there is world concerns about its desire to ramp up nuclear production. All these things, in my judgment, make it mandatory the United States seek immediate talks with Iran.

We must reach out to parties in the region to begin to negotiate an end to the violence and the beginning of a peace process leading to a permanent resolution. Now, our leaders haven't taken that approach. They are seeking to isolate Iran, and instead we are starting to isolate ourselves.

These sanctions are indirect. They are not targeted at objectionable behavior. According to Anthony Wayne, the Assistant Secretary For Economic and Business Affairs, U.S. Department of State, testifying before the Senate Committee on Banking, Housing and Urban Affairs on June 28, 2001, talking about the Libya and Iran Sanctions Act, he says that "it focuses on investment in order to limit revenue, rather than focusing directly on actions by Iran to procure weapons of mass destruction and support terrorism." He goes on to say that "it goes against some of the friendly countries whose cooperation we need in working towards nonproliferation and counterterrorism goals."

So these sanctions haven't been effective. There is a question about whether any sanctions are going to be effective here. These sanctions add to the price of gasoline in the United States. We are paying for these failed sanctions every time we fill up our tank.

Iran has the third largest oil reserves after Saudi Arabia and Canada, according to the U.S. Energy Information Administration, equaling 132.5 billion barrels. Iran has the second largest natural gas reserves after Russia, equaling 16 percent of the world's reserves. The administration hasn't done anything meaningful to break our country of its dependence on petroleum, so the reality is that sanctions against investments in Iran's oil and gas fields will cause U.S. consumers to pay higher prices for gasoline and natural gas.

High prices protect the Iranian government from economic consequences of decreased investment. A military strike against Iran, which this country seems to be nodding towards, could send oil to $130 per barrel, according to CNN, making the $3 a gallon currently look like the good old days.

Now, we have to take a new direction. The same geniuses who brought us the war in Iraq, who are standing by while violence overwhelms the Middle East, these same geniuses have this plan to keep sanctions on Iran, which will drive up the price of oil, so Iran can make more money selling their oil to other countries, and the oil industry in the U.S. isn't complaining about it because they are making record profits.

□ 2215

We need to take a new approach. That approach is to engage Iran directly and to stop isolating them and to bring them to a peaceful resolution of the issues that are currently inflaming so much of the world. This is a time for us to take a new direction. I don't think that we are headed that way, but I think that when we are looking at renewal of a sanctions regime we ought to be talking about whether or not it is in the best interests of this country to take the direction we are taking.

Ms. ROS-LEHTINEN. Mr. Speaker, I am attaching an exchange of letters between Chairman HYDE and Chairman THOMAS concerning the bill H.R. 5877. "To amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006".

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 26, 2006.

Hon. HENRY J. HYDE,
Chairman, Committee on International Relations, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN HYDE: I am writing regarding H.R. 5877, a bill "To amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006," which is scheduled for floor consideration on Wednesday, July 26, 2006.

Because H.R. 5877 would amend the Iran and Libya Sanctions Act of 1996 (ILSA) to have the effect of extending the application of an import ban, it falls within the jurisdiction of the Committee on Ways and Means. However, in order to expedite this legislation for floor consideration, the Committee will forgo action on this bill. This is being done with the understanding that this legislation is being expedited in order to ensure that ILSA does not lapse while the Congress is considering additional changes to ILSA such as those contained in H.R. 282, the Iran Freedom Support Act, which was passed by the House of Representatives on April 26, 2006. This action is also being done with the understanding that it does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on H.R. 5877, H.R. 282, or similar legislation.

I would appreciate your response to this letter, confirming this understanding, and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration.

Best regards,

BILL THOMAS,
Chairman.

CONGRESS OF THE UNITED STATES,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, July 26, 2006.

Hon. WILLIAM M. THOMAS,
Chairman, Committee on Ways and Means,
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter concerning H.R. 5877, a bill "To amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006," which is scheduled for floor consideration on Wednesday, July 26, 2006.

I concur that the underlying Iran and Libya Sanctions Act (ILSA) contains provisions relating to imports, which fall within the jurisdiction of your Committee, as does H.R. 5877, which would extend the Act. I appreciate your willingness to waive consideration of this legislation by your Committee in order to ensure that ILSA does not lapse while the Congress is considering additional changes to ILSA such as those contained in H.R. 282, the Iran Freedom Support Act, which was passed by the House of Representatives on April 26, 2006. I also concur that your Committee's willingness to forego consideration does not in any way prejudice it with respect to the appointment of conferees or jurisdictional prerogatives on H.R. 5877, H.R. 282, or similar legislation.

As you have requested, I will place a copy of our exchange of letters on this matter in the CONGRESSIONAL RECORD during floor consideration.

With best wishes,
Sincerely,

HENRY J. HYDE,
Chairman.

Mr. DELAHUNT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MACK). The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and pass the bill, H.R. 5877.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CONGRATULATING THE INTERNATIONAL AIDS VACCINE INITIATIVE

Ms. ROS-LEHTINEN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 844) congratulating the International AIDS Vaccine Initiative on ten years of significant achievement in the search for an HIV/AIDS vaccine, and for other purposes, as amended.

The Clerk read as follows:

H. RES. 844

Whereas HIV/AIDS has killed over 25,000,000 people worldwide and poses a serious threat to the economic and political stability of the countries hit hardest by this terrible epidemic;

Whereas the International AIDS Vaccine Initiative (IAVI) was founded in 1996 as a public-private partnership with a mission to ensure the development of safe, effective, accessible, preventive HIV/AIDS vaccines for use throughout the world, with a particular focus on developing countries, where the need is most urgent;

Whereas the International AIDS Vaccine Initiative's research and policy programs have galvanized scientific efforts and substantially increased financial and political support for this vital effort;

Whereas since its founding, the International AIDS Vaccine Initiative has advanced six vaccine candidates from concept to clinical trials, targeting the subtypes of HIV circulating in the developing world—a record matched only by one large pharmaceutical company;

Whereas ten years ago only a few developing countries had participated in HIV/AIDS vaccine trials, but today several countries in sub-Saharan Africa and Asia are actively participating in HIV/AIDS vaccine trials, a reflection of the International AIDS Vaccine Initiative's activism and commitment to working collaboratively with developing country partners;

Whereas the model of the International AIDS Vaccine Initiative, which closely links clinical trial site investigators to product developers, has resulted in the first HIV/AIDS vaccine trials being conducted in Kenya, Rwanda, and India, as well as trials in Uganda and South Africa;

Whereas the International AIDS Vaccine Initiative is a founding member of the Global HIV/AIDS Vaccine Enterprise, recognized by the G–8 as an important actor in the quest for a vaccine; is an affiliated member of the National Institutes of Health's Partnership for AIDS Vaccine Evaluation; and is hosting NIH trials at International AIDS Vaccine Initiative sites in Africa;

Whereas the International AIDS Vaccine Initiative's Core Clinical Immunology Laboratory was the first Good Clinical Laboratory Practices (GCLP) accredited laboratory in the world to assess HIV/AIDS vaccines, and the International AIDS Vaccine Initiative's laboratory in Uganda was the first to receive such accreditation in Africa; and

Whereas the International AIDS Vaccine Initiative established a ground-breaking Neutralizing Antibody Consortium to address one of the key scientific challenges to vaccine design: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the International AIDS Vaccine Initiative on ten years of significant achievement in the search for an HIV/AIDS vaccine;

(2) recognizes the role of the International AIDS Vaccine Initiative in raising awareness and increasing financial and political support for this important cause;

(3) admires the commitment of the International AIDS Vaccine Initiative to collaborating with developing country researchers, governments, and civil society in the common goal of finding a vaccine;

(4) expresses support for the continued success of the International AIDS Vaccine Initiative; and

(5) directs the Clerk of the House of Representatives to transmit an enrolled copy of this resolution to the International AIDS Vaccine Initiative.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the gentleman from New York (Mr. ENGEL) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida.

GENERAL LEAVE

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

I rise tonight to request the support of my colleagues for House Resolution 844, a resolution congratulating the International AIDS Vaccine Initiative on 10 years of achievement in advancing the search for an HIV/AIDS vaccine.

Since emerging in 1981, HIV/AIDS has viciously spread across the globe, compromising economic and political stability in developing countries and indiscriminately taking the lives of over 25 million men, women and children. The cost of HIV/AIDS has been staggering.

Thankfully, the global response has accelerated. From the beginning, countless organizations and individuals took up the battle against HIV/AIDS, committing extensive resources and giving deeply of themselves to fight an epidemic which would prove to be a formidable foe. Until 1996, however, insufficient attention and resources were being devoted to the development of a preventive HIV/AIDS vaccine, a development that would have the potential to end a plague that has devastated much of our world for a quarter century. It was this realization, Mr. Speaker, that led to the founding of the International AIDS Vaccine Initiative in 1996.

Founded as a public-private partnership, the Initiative's mission is the development of safe, effective and accessible HIV/AIDS vaccines, especially in developing countries where the need is greatest. With a philosophy that has galvanized scientists, academics, nonprofit organizations, governments and faith communities, the Initiative's progress has been substantial. The Initiative has opened a Core Clinical Immunology Laboratory and a network of field laboratories throughout the countries hit worst by HIV/AIDS, conducting numerous vaccine trials in countries such as Kenya, India and South Africa. As a testament to their vitality, activism and commitment, the majority of new HIV/AIDS vaccine candidates are due in large part to the efforts of the International AIDS Vaccine Initiative.

We are reminded that HIV/AIDS is a global obstacle which continues to challenge our collective goal of a free, prosperous and peaceful world. In the struggle against this disease which infects nearly 14,000 people a day, the Initiative's work is of tremendous importance and its progress has been notable.

I urge my colleagues to support this resolution to extend the House's congratulations to the International AIDS Vaccine Initiative on 10 years of achievement.

With that, Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I rise in support of H. Res. 844, and I yield myself as much time as I may consume.

Mr. Speaker, I am pleased that the House of Representatives will honor the 10th anniversary of the founding of the International AIDS Vaccine Initiative (IAVI) today. This important nonprofit scientific and advocacy organization, founded in 1996, is working to develop safe, effective and accessible HIV vaccines for use around the world but especially for use in developing countries. IAVI is headquartered in New York, with offices in Nairobi, Johannesburg, New Delhi and Amsterdam, and conducts research and advocacy activities in a total of 23 countries.

As you are well aware, the HIV/AIDS pandemic continues to decimate lives and families worldwide. AIDS has already claimed the lives of 25 million people, and there are currently nearly 40 million people living with HIV/AIDS today.

The United States has demonstrated our commitment to fighting the AIDS crisis by significantly increasing funding for treatment and care for the worst affected countries. Ultimately, however, a vaccine to prevent the spread of this disease will have a greater effect to slow and eventually halt new infections. IAVI's work focuses on four areas: accelerating scientific research on an AIDS vaccine; mobilizing public support through advocacy and education; encouraging industrial involvement in AIDS vaccine development; and assuring rapid global access to a vaccine.

This resolution is timely because in a few weeks an estimated 20,000 scientists, health care providers, community and business leaders, journalists, government, nongovernmental and intergovernmental representatives and people living with HIV/AIDS will meet at the 16th international AIDS conference held this year in Toronto, Ontario, Canada. With over 400 sessions, meetings and workshops dedicated to exploring the latest developments in HIV science, policy and practice, this is sure to provide a meaningful discourse on the global AIDS crisis.

Mr. Speaker, I am proud to honor the International AIDS Vaccine Initiative's 10 years of outstanding work. I urge the adoption of this measure. It is a pleasure to once again sponsor this and speak on this with my good friend and partner, the gentlewoman from Florida, Ms. ILEANA ROS-LEHTINEN, with whom I have had the pleasure of working on so much important legislation.

Mr. LANTOS. Mr. Speaker, I would first like to commend my good friend and colleague from New York, ELIOT ENGEL, for introducing this important resolution. His leadership in Congress on the global battle against HIV/AIDS is greatly appreciated.

Mr. Speaker, over 14,000 people are infected with the deadly HIV/AIDS virus each day. Let me repeat that statistic, Mr. Speaker—14,000 individuals each day are infected with HIV/AIDS.

HIV/AIDS has infected 65 million people and killed nearly 25 million since June 1981 when it was first detected.

For many in the developing world, contracting the HIV/AIDS virus is a death sentence. No drugs. No doctors. No hospitals. No hope.

And for family members left behind—often young children—there is equally little hope. Many will be forced to live with over-burdened and impoverished extended family, in understaffed orphanages or on the streets.

Treatment has brought the promise of life back to many individuals who were on the brink of death. However, palliative care is not a long term solution to relieve the suffering from this deadly disease.

That is why there is an absolute moral imperative to develop a vaccine to stop the transmission of the HIV/AIDS virus. A successful vaccine will literally save millions of lives in the poorest countries of the world, restore people to their livelihoods, and prevent children around the globe from becoming AIDS orphans.

The resolution before the House brings attention to the intensive work over the past decade to develop a successful HIV/AIDS vaccine. The International AIDS Vaccine Initiative has built bridges between the developed and developing world that did not exist before. It also has conducted vitally important vaccine trials in the developing world that hopefully will lead to a successful vaccine in the near future.

I commend the Bill and Melinda Gates Foundation for recently awarding $23.7 million towards financing this network of committed researchers working around the clock to find a cure.

Mr. Speaker, there will be a successful HIV/AIDS vaccine one day, and it is our collective hope that this will occur before millions more of the world's citizens lose their lives. This resolution congratulates the International AIDS Vaccine Initiative for 10 years of significant achievement in the search for an HIV/AIDS vaccine towards this goal.

Mr. Speaker, I urge my colleagues to supports its passage.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today in support for H.R. 844.

AIDS is the greatest worldwide health crisis of our time. Presently, there are more than 40 million people that are either infected with the HIV virus or are living with AIDS. At least 14,000 people are infected each day. Putting an end to AIDS is one of the most pressing humanitarian challenges we must face. For this reason, the development of a preventive vaccine has been a stepping-stone toward achieving this end.

The International AIDS Vaccine Initiative has been working for the past ten years to create a safe and effective HIV/AIDS vaccine. They have worked hard with the public and private sector to garner financial and political support in order to make the vaccine accessible to all those in need, especially in the developing world, where ninety-five percent of those infected with the virus live.

Today, I am honored to congratulate the International AIDS Vaccine Initiative for its advances in scientific progress, which have been instrumental in bringing about a worldwide effort and support for this important cause. It is their research and devotion to finding an HIV/AIDS vaccine that brings hope of ending an epidemic that has already killed more than 25 million people worldwide. However, there is more to be done. We must take this opportunity to commit ourselves to fighting for the dignity and lives of our brothers and sisters around the world by promoting innovative research in finding a cure.

AIDS is presently a formidable adversary—one that cannot be ignored, one that does not only exist in faraway places, but one that is here, in our neighborhoods and homes, infecting 40,000 of our people each year. The efforts of the International AIDS Vaccine Initiative have brought us closer to the day when we will live in a world that is free from AIDS.

Ms. LEE. Mr. Speaker, I rise in support of H. Res. 844 to congratulate the International AIDS Vaccine Initiative.

As an original co-sponsor of this resolution and a strong supporter of IAVI, I want to thank my colleagues, Representative ELIOT ENGEL and Representative PETER KING, for working in a bipartisan manner to introduce and shepherd it to the floor.

IAVI was funded 10 years ago as a public-private partnership to help develop a safe and effective vaccine to prevent HIV/AIDS.

Today IAVI operates in over 23 countries with a variety of partners and is in the testing phases for several vaccine candidates.

In addition to working on the hard science, IAVI has also worked to lay the groundwork to ensure that a future vaccine is affordable and accessible to all who need it, especially in the developing world.

This year Representative PALLONE and I spearheaded a $35 million appropriations request for IAVI in the FY07 Foreign Ops bill, along with the support of many members of this committee. While the House has approved a $29 million funding level for IAVI this year, the same as FY06, I am hopeful that in conference my colleagues will support the Senate funding level of $31 million.

While the search for an AIDS vaccine has so far eluded us, the partnership represented by IAVI is in many ways our best hope at finding a cure. I urge my colleagues to support this resolution.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to congratulate the International AIDS Vaccine Initiative (IAVI) on their 10 years of hard work in searching for an HIV/AIDS vaccine. HIV/AIDS has taken the lives of over 250,000 people worldwide and poses a serious threat to the economic and political stability of the countries hit hardest by this terrible epidemic. The IAVI was founded 10 years ago as a public-private partnership with a mission to ensure the development of safe, effective, accessible, preventive HIV/AIDS vaccines for use throughout the world. The IAVI had a particular focus on developing countries, since their need is most urgent regarding care.

Unfortunately, 10 years ago insufficient attention and resources were devoted to the need for, and advantages of, a vaccine to bring an end to this disease. Currently, we are armed with increasingly powerful knowledge and treatments, and yet we face an ever steeper climb toward victory. HIV/AIDS is no longer a scary, unknown entity. A diagnosis is no longer the sealing of fate, even if it means the beginning of a battle. We know enough to educate, even if we do not yet know enough to cure.

The groundbreaking research and policy programs of the IAVI have galvanized scientific efforts and substantially increased financial and political support for this vital effort. Today, the majority of newly designed HIV/AIDS vaccine candidates are focused on preventing HIV/AIDS in the developing world, in large part due to the efforts of the International AIDS Vaccine Initiative. The IAVI has also received accolades from the G8 as being an important actor in the quest for a vaccine, after they became a founding member of the Global HIV/AIDS Vaccine Enterprise.

Today over 42 million individuals are infected with HIV/AIDS globally and 1 million here in the United States. Fifty percent of these cases in the United States are in young adults between the ages of 15 and 24. Every year, 40,000 new cases are diagnosed. Thankfully, the IAVI has continued to work effortlessly to unite scientists, academics, nonprofit organizations, and governments from the north and south, including communities of faith, communities of color, and many others, in an effort to develop a vaccine to stop global HIV infection rates of 14,000 a day.

We all admire the commitment of the IAVI in discovering a vaccine and I want to again express my support for the continued success of the International AIDS Vaccine Initiative.

Mr. ENGEL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I also have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. POE). The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 844, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Ms. ROS-LEHTINEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

CELEBRATING ACHIEVEMENTS OF UMMA COMMUNITY CLINIC ON ITS 10TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

Ms. WATERS. Mr. Speaker, I come before the House tonight to celebrate the achievements of the UMMA Community Clinic upon the occasion of its 10th anniversary. The UMMA Community Clinic is a community health facility that serves uninsured and impoverished families in my congressional district.

The UMMA Clinic was established by Muslim medical students at UCLA who wanted to put their faith and their patriotism into action by serving their community and their country. UMMA is an acronym for the University Muslim Medical Association. In Arabic, the world "umma" means "community," an appropriate name for this extraordinary institution.

The students who founded UMMA were inspired by their Islamic faith, a faith which told them to help their neighbor, a faith which told them that if they saw something wrong, they must fix it. And today the UMMA Clinic is fixing people's lives with its healing hands, every day, quietly and tirelessly.

When the UMMA Clinic opened 10 years ago, it was the first charitable medical facility in the United States founded by Muslim Americans. At a time when Muslim Americans face unfair discrimination and scrutiny, the UMMA Clinic allows Muslims to put their faith into action through service, selflessness and compassion. The UMMA Clinic provides Muslim Americans with an institution in which they can take pride, one that enriches the community with services that save lives.

The UMMA Clinic serves as a primary health care source for over 15,000 children and adults in South Los Angeles, many of whom otherwise would have no access to primary health care services. It has a patient clientele from every conceivable faith, culture and background. Over 95 percent of the beneficiaries of UMMA's services are not Muslim.

UMMA takes a comprehensive approach to health care. At the UMMA Clinic, patients can see a regular family doctor who knows them and who cares about them. They can return again and again to the same family doctor who helps them stay one step ahead of illness by encouraging them to eat properly and live a healthy lifestyle and making certain they get all of their physicals, vaccinations, lab tests, mammograms and other health screenings.

The UMMA Clinic has received funding and support from several other organizations, including Kaiser Permanente, the California Endowment, and Islamic Relief.

UMMA has also become a committed advocate for the fundamental rights of all citizens to have access to quality health care services, regardless of their race, religion or socioeconomic status.

The UMMA Clinic is one of the many ways that Muslim Americans serve their country. Muslim Americans have made contributions in many different fields. They are our clerks and laborers, our doctors and lawyers, our teachers and researchers. They work in our government, and they serve honorably in our military.

UMMA represents the best of the Muslim American community. UMMA embodies high ethics and moral standards, and it was founded as a result of the obligation Muslim Americans feel to ensure the well-being of everyone in society. If you want to see what Muslim Americans truly represent, go to the UMMA Community Clinic in my district and you will see it there.

Charitable organizations like the UMMA Clinic cannot solve the Nation's health crisis alone, but their efforts are making an invaluable contribution by healing countless people who have been relegated to society's margins.

□ 2230

I am proud to congratulate the UMMA Community Clinic upon its 10th anniversary for the critical health services it provides to the medically underserved in Los Angeles. I salute the UMMA Community Clinic and all of the people who run it, and I salute the Muslim American community for making it possible.

I am honored to be joined in Washington today by several founders of the UMMA Community Clinic and other individuals who are affiliated with the UMMA Clinic. These individuals met with me today to discuss the work that they are doing at UMMA.

1. Yasser Aman, 2. Mansur Khan, 3. Altaf Kazi, 4. Rushdi Abdulcader, 5. Nishi Abdulcader, 6. Aisha Siddiq, 7. Safia Siddiq, 8. Raziya Shaikh, 9. Charles Sadler, 10. Hoori Sadler, 11. Ahmed Elbendary, 12. Jill Elbendary, 13. Angela Coron, 14. Mahdy Bray, and 15. Diana Bonta.

I welcome these people to our nation's Capitol and I congratulate them for the founding of the UMMA Community Clinic and for their continuing commitment to provide quality health care to uninsured and impoverished families in my congressional district.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. LINCOLN DIAZ-BALART of Florida, from the Committee on Rules, submitted a privileged report (Rept. No. 109-602) on the resolution (H. Res. 951) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4157, HEALTH INFORMATION TECHNOLOGY PROMOTION ACT OF 2006

Mr. LINCOLN DIAZ-BALART of Florida, from the Committee on Rules, submitted a privileged report (Rept. No. 109-603) on the resolution (H. Res. 952) providing for consideration of the bill (H.R. 4157) to amend the Social Security Act to encourage the dissemination, security, confidentiality, and usefulness of health information technology, which was referred to the House Calendar and ordered to be printed.

THE FARM ANIMAL STEWARDSHIP ACT: HUMANE TREATMENT OF FARM ANIMALS

Mr. SHAYS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from Connecticut is recognized for 5 minutes.

There was no objection.

Mr. SHAYS. Mr. Speaker, on June 29, 2006, the Friends of Animals Caucus held a groundbreaking event on farm animal welfare.

Members of the caucus were joined by a distinguished and diverse panel of speakers: representatives of three major animal protection organizations, a noted legal scholar, a family farmer, and representatives of the religious and environmental communities.

The way a society treats its animals speaks to the core values and priorities of its citizens.

PETER DEFAZIO and I recently introduced legislation, H.R. 5557, the Farm Animal Stewardship Act, which we hope will lead to more humane treatment of farm animals raised for consumption. Additionally, I am developing bills to address the issues of labeling and animal cruelty that exists in America.

Some species have become our companions, some play important roles in sensitive ecosystems, and some are raised for food. It is our duty to protect and care for all of these animals.

Matthew Scully, former special assistant and deputy director of speechwriting to President George W. Bush, was unable to attend, but he submitted his article "Fear Factories: The Case for Compassionate Conservatism—for Animals," which was published in the May 23, 2005, issue of the American Conservative. He asked that it be included as a summary of his views on this subject.

Before ending my comments, let me highlight some of the views expressed by Matthew Scully because it expresses what I believe.

Mr. Scully states: " . . . the persistent animal welfare questions of our day center on institutional cruelties on the vast and systematic mistreatment of animals that most of us never see."

" . . . all of factory farming proceeds by a massive denial of reality, the reality that pigs and other animals are not just production units to be endlessly exploited but living creatures with natures and needs."

He continues: "Conservatives are supposed to revere tradition. Factory farming has no tradition, no rules, no codes of honor, no little decencies to spare for a fellow creature.

"The whole thing is an abandonment of rural values and a betrayal of honorable animal husbandry."

He further continues by saying: " . . . we cannot just take from these creatures; we must give them something in return. We owe them a merciful death and we owe them a merciful life. And when human beings cannot do something humanely, without degrading both creatures and ourselves, then we should not do it at all."

The importance of this issue is evident, as over 100 people attended the hearing to examine the issue of the humane treatment of farm animals.

The Friends of Animals Caucus will continue to work on a bipartisan basis to help protect animals at the Federal level.

THE GROUND TRUTH

Ms. WOOLSEY. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Without objection, the gentlewoman from California is recognized for 5 minutes.

There was no objection.

Ms. WOOLSEY. Mr. Speaker, this evening I saw a film called "The Ground Truth." It was about Marines in the infantry who had been sent to Iraq. These Marines were from all over the United States of America.

It began introducing individual Marines, individual soldiers. And these individuals knew why they had enlisted. They were trusting their decision. They were feeling comfortable that they knew with who their enemy was and our enemy was dangerous and the danger was to the United States of America. They also knew that joining was their way out. Out of their towns, out of their neighborhoods, out of current dead-end situations; or up for training and/or education that would not be available to them outside of the military.

Their eyes were clear. Their voices were firm. Their resolve was intact. They went off to boot camp.

Boot camp gave them the steel they needed in their backbones. It gave them the practice they needed so they would be able to kill, kill their enemy. And they knew that that enemy was dangerous to the United States of America.

Their heads were shaved. Their voices were hard. Their anger was stirred. They knew their enemy and they were ready to fight.

So off they went to war. They went to Iraq or they went to Afghanistan. They got there. They went into battle against people, Iraqi people, recruits like themselves whom they considered were clearly their enemy. But then they found themselves killing children, running over them with their vehicles, on command firing on children, burning children. And women, one Marine told the story of mistakenly shooting a woman just before she waved a white handkerchief to show that they she was not an enemy. And men, men who could have been, or not, part of the insurgency. Never clear if they were killing innocents or if they were fighting the enemy. Their eyes became confused. Their voices became uncertain. Their resolve questioning.

And while they were moving through these emotions from certainty to uncertainty, they and their buddies were being physically and mentally wounded. Those who were not killed or injured were likely to become victims of PTSD, posttraumatic stress disorder. But they did come home if they were not killed. They came home with sad, sad eyes. They came home feeling like outsiders in their homes, in their communities, because they could not share what they had been living with the last 9 months to 1½ years. They were confused and they were ashamed by what they had done. They were questioning their mission. They were embarrassed because their families thought they were heroes and they saw themselves as pretty bad people.

These men and these women, Mr. Speaker, were victims. They did what they were trained and commanded to do. In fact, one infantryman in the film said that at the end of the day, those who had not killed that day were chided by the others in their unit.

Of course, Mr. Speaker, you can be certain that these young people were in desperate need of help. Physical, which is obvious; and mental, which is harder to assess because their needs were labeled "behavior disorders."

So these individuals joined the military, did their jobs, no longer liked themselves when they came home, but came home in great need of help to find it was very difficult and sometimes absolutely impossible to get the help they needed. One soldier hung himself. Others drank or used drugs, acted out in anger, made life impossible for their loved ones until they began to patch themselves up and their lives back together again, or did not.

Mr. Speaker, these are only a few examples of what war does to those who are trained to kill, who do their job and are left feeling guilty. We must end all war. We do not want to put other individuals through this.

ISRAEL: AMERICA STANDS WITH YOU

Mr. FRANKS of Arizona. Mr. Speaker, I ask unanimous consent to address the House out of order.

The SPEAKER pro tempore. Without objection, the gentleman from Arizona is recognized for 5 minutes.

There was no objection.

Mr. FRANKS of Arizona. Mr. Speaker, a tyrannical government cares not about the fate of an individual citizen. But in a free country to murder a single innocent citizen is to provoke a fight with the entire nation. This is one of the great differentiations between Hezbollah and Israel. While desperately trying to retrieve two of her soldiers who were abducted by Hezbollah terrorists, Israel takes great lengths to minimize civilian casualties. Conversely, Hezbollah takes great lengths to maximize civilian casualties in Israel while making breathing barricades out of the innocent men, women, and children in Lebanon.

Time and again Israel has made efforts for peace. Israel fully withdrew from Lebanon. Then she uprooted from Gaza. She was thanked with rockets, mayhem, and bloodbath.

The recent kidnapping and murder of Israeli citizens and soldiers were definitive acts of war. Hezbollah terrorists, along with the nations of Syria and Iran, who support them, are the aggressors, Mr. Speaker. And now as Israel has risen up to defend herself, along with each of the individual citizens whom she loves, we hear cries from the U.N. and other quarters for Israel to restrain herself.

What if, on 9/11, Mr. Speaker, the outcry was for the United States to restrain ourselves? Or what if Israel had listened to such calls for restraint 15 years ago when she learned that Saddam Hussein was building a nuclear reactor? The United States and our coalition forces would have faced terrorists with nuclear weapons when we lifted the iron hand of Saddam Hussein in 2003.

You see, Mr. Speaker, Israel understands that the entire world faces an evil, poisonous ideology that causes mothers to leap for joy when their children blow themselves to pieces in order to kill other innocent human beings. Israel understands that a dark ideology like that must never be allowed to gain nuclear weapons.

And why does the rest of the world not seem to understand that? This is the same ideology that murdered Olympic athletes in 1972, that took American hostages in Iran, that murdered Marines in their barracks in 1993, that bombed the World Trade Center in 1993, Riyadh in 1995, the Khobar Towers in 1996, the embassy in 1998, and the USS *Cole* in 2000.

And then, Mr. Speaker, this murderess ideology massacred nearly 3,000 Americans on September 11.

And today this is the same ideology that is launching rockets into Israel to kill innocent civilians. And, Mr. Speaker, lest we forget, it is the same ideology that is working feverishly to gain nuclear weapons, to terrorize the Western world in ways that we cannot yet imagine.

Seven decades ago, Mr. Speaker, another murderess ideology arose in the world. The dark shadow of the swastika fell first upon the Jewish people of Germany. And because the world did not respond to such an evil, it began to spread across Europe until it lit the fires of World War II's hell on Earth, which saw atomic bombs fall on cities and over 50 million people dead worldwide. All because, Mr. Speaker, the world's free people did not respond in time.

□ 2245

History has taught us that evil ideologies must ultimately be defeated in the minds of human beings. But in the meantime, in the meantime, Mr. Speaker, they must often be defeated upon the battlefield.

The battle Israel fights in these days is a battle to protect all of humanity from an evil ideology that has no respect for innocent human life anywhere on the Earth. That is why, Mr. Speaker, Israel's war is our war, and if there is hope for peace and freedom in this world, free peoples across this world just unite to defeat this hellish ideology of terrorism. This time, Mr. Speaker, we must not wait too long.

So may the people of Israel take comfort in these days, knowing that America stands with you. May you find victory, and may the light of God's peace shine down upon the streets of Jerusalem, forever.

CONCERN ABOUT U.S. ARMS SALE TO PAKISTAN

Mr. PALLONE. Mr. Speaker, I ask unanimous consent to take the time of the gentlewoman from New York.

The SPEAKER pro tempore. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. PALLONE. Mr. Speaker, I rise this evening to express concern about the Bush administration's $5 billion arms sale to Pakistan. Though little can be done to stop the deal, I believe the plan is misguided.

Considering the recent linkage of the Mumbai bombing to terrorist groups operating in Pakistan, this sale may further slow a 2-year peace process between India and Pakistan.

The government of India has made a strong commitment to fighting terrorism all over the world. Like the United States, nothing has deterred their firm policy to fight this regional and global menace. Unfortunately, Pakistan has not yet figured out a way to deter terrorist cells from growing within their borders.

We have to be careful where we are sending such highly sophisticated weaponry. While Pakistan has been an ally in the global war on terror, the government has simply watched while terrorist groups such as Lashkar-e-Tayyaba committed terrorist acts in Jammu and Kashmir and other parts of India. Its actions within its own country proved themselves not fit for receiving these arms.

Mr. Speaker, foreign military assistance to Pakistan has been used against India in the past. This new U.S. policy of military sales to Pakistan will contribute to increasing security concerns throughout South Asia, particularly in India. This material is not being used against al Qaeda, but there is a potential that it would be used in a war against India. We don't need to reward Pakistan for being our friend in the war on terrorism by giving them advanced weapons systems that are not likely to be used in that effort.

Pakistan has also faltered on proliferation in the past. In fact, just last week Pakistan announced that it is increasing its capacity to produce nuclear fuel, a move which signals a major expansion of the country's nuclear weapons capabilities. These reactors paired with some of our most highly technological jets and materials could be disastrous to the region.

Mr. Speaker, we may be supporting the Pakistani military, but we may also be increasing the rift in peace relations between India and Pakistan and in the South Asia region.

Mr. Speaker, economic assistance is certainly necessary to reform Pakistan's schools, provide health care programs and support economic restructuring that will stop Pakistan from being a breeding ground for terrorists. But military assistance is another matter. Allowing this sale sends the wrong message to the government and the people of India. I fear that it will mean a step backwards in U.S.-India relations and in South Asia's regional stability.

TACKLING THE IMPOSSIBLE? LAWMAKERS ADDRESS PHYSICIAN PAYMENT OVERHAUL

Mr. BURGESS. Mr. Speaker, I ask unanimous consent to speak out of order for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. BURGESS. Mr. Speaker, I come to the House floor tonight to talk to my colleagues about a bill, H.R. 5866. This is a bill that will repeal the SGR, the formula by which physicians are paid under Medicare, and replace it with a more sustainable, more market-friendly Medicare economic index which in fact reflects the actual costs of input for the physician delivering the care.

Mr. Speaker, the Medicare Physician Payment Reform and Quality Improvement Act of 2006 has four main goals: First, to ensure that physicians receive full and fair payment for services rendered; secondly, to create quality performance measures that allow patients to be informed consumers when choosing their Medicare provider; thirdly, to improve Quality Improvement Organization accountability and flexibility; and, fourth, to find reasonable methods of paying for these benefits.

Current law calculates an annual update for physician services based on the sustained growth rate, or SGR, as well as the Medicare economic index and the adjustment to bring the MEI update in line with the SGR target. When expenditures exceed the SGR target, the update for a future year is reduced. If expenditures fall short, the update for future years is increased. This is an economic incentive for physicians to limit health care spending.

Unfortunately, Mr. Speaker, the system simply doesn't work. Healthcare spending continues to grow and physicians exceed their target expenditures every year. Subsequently, Medicare reimburses them less and less. The net result is that patients have less and less access to their physicians, and those patients covered by Medicare arguably are our nation's most frail and complex patients.

This bill just introduced ends the application of the SGR January 1, 2007. Instead, we propose using a single conversion factor for Medicare reimbursement: The MEI, Medicare economic index, minus 1 percent. This eliminates the negative feedback loop that constantly creates a deficit in healthcare funding and introduces a more market sensitive system.

Regarding quality measures, the American Medical Association and other physician organizations have been working to create a relevant evaluation system for outpatient healthcare. In conjunction with these organizations, we propose creating a voluntary system of evidence-based quality measures.

Each physician specialty organization will create their own quality measures applicable to core clinical services which they will submit to a consensus building organization. Taken as a whole, these measures should provide a balanced overview of the performance. They will allow patients to better understand the quality of the healthcare providers they choose and be a fair assessment to reduce healthcare disparities across groups and regions. This will arm patients with critical information related to quality of care giving and give physicians a yardstick to measure their own performance and make improvements.

Additionally, these provisions largely follow the spirit of an agreement brokered between medicine and leaders on the Hill when finalizing negotiations on the Deficit Reduction Act.

To offset the cost of these changes, we are looking at multiple options: Redirecting the stabilization fund from the Medicare Modernization Act provides some funds. Also Medicare currently pays for indirect costs of medical education twice, directly and by inflating payments to Medicare Advantage plans. By paying only once, we can find additional money.

Mr. Speaker, I would submit that there are other cost saving measures that can be employed, and we are certainly encouraging many groups across the healthcare spectrum to partner with us on this.

A recent article in CQ Healthbeat News from January 25th talks about the changes that might occur in the SGR. We had a hearing on Tuesday. The article says, "Tuesday's hearing may have marked progress of sorts, because not only were lawmakers at least talking about what was seemingly an intractable issue, but they actually offered some ideas for a down payment on a long-term fix.

"Offering a road map on the issue was legislation, H.R. 5866, that would erase the scheduled payment cuts while arming Medicare beneficiaries with more information on the quality of physician care.

"The bill would lower the MEI by 1 percentage point, which in 2007 would mean a payment increase of 2.7 percent. The Medicare Payment Advisory Commission called for an update based on the MEI of 3.7 percent in 2007 minus an adjustment fact of 0.9 percent, essentially the same number.

"The bill would also enact recommendations by the Institute of Medicine to improve Quality Improvement Organizations which contract with Medicare to improve quality of care under the program. The bill would make the quality improvement activities of QIOs available to all providers, guarantee a minimum of funding for QIOs and a required review of their resources when the organization's duties are expanded."

Mr. Speaker, I think this is a worthwhile bill. I think this Congress owes it to the patients and the physicians in this country that depend upon the Medicare system. We have done some great things with expanding the prescription drug program, but it is time to address some of the other shortcomings of the program.

THE TRUE FACTS IN REGARD TO PROGRESS IN IRAQ

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Georgia (Mr. GINGREY) is recognized for one-half the remaining time until midnight as the designee of the majority leader.

Mr. GINGREY. Mr. Speaker, today was an historic day on this House floor when we heard in a joint session of Congress from the Prime Minister of Iraq, Nouri Al-Maliki. The Iraqi people have spoken and their prime minister has spoken.

Last night during our special hour, Mr. Speaker, two of my colleagues from Georgia talked about the economic activity of this country and how well we have done under the policies of this President and this Republican leadership, and they termed that hour the truth hour as presented by the truth squad, to make sure the facts are presented to our colleagues and to the American people, the true facts.

What I would like to do in this short time that we have tonight, Mr. Speaker, is to talk about the true facts in regard to Iraq and the Iraqi people and why we need to continue to support them and not consider for a moment to bail out in these difficult times that they are continuing to go through.

Mr. Speaker, I want to just talk about some of the progress that we have made. I have got a couple of slides here that I would like to present.

First, just talking about the security in Iraq. Iraq's brutal former dictator, Saddam Hussein, as we all know, is behind bars and has been for the past couple of years. Just in the last couple of months, Mr. Speaker, the infamous, the notorious Abu Musab al-Zarqawi, the leader of al Qaeda in Iraq, was eliminated by United States troops, with the help, I might add, Mr. Speaker, of the Iraqi people, from actionable intelligence that we obtained from them.

The Iraqi Security Forces now number over 260,000, and they are participating in more than 90 percent, 90 percent, of all security operations in their Nation. The Iraqi citizens are coming forth, as I say, with tips about insurgents like al-Zarqawi and terrorist activities, more than 4,500 tips in March of this year alone.

Of course, Mr. Speaker, this infamous photograph of Zarqawi is recognized by every Member in this Chamber. And listen to his quote. "Americans are the most cowardly of God's creatures. They are an easy quarry. Praise be to God. We ask God to enable us to kill and capture them." This was a letter to al Qaeda in February of 2004. Thank our God that this infamous Zarqawi no longer exists and is no longer a threat to the Iraqi people and to our brave military that are fighting in Iraq.

Let me just speak a little bit about democracy, and, of course, the prime minister spoke to that so well today. Prime Minister Maliki serves as a democratically elected prime minister of Iraq. More than 70 percent of Iraq's citizens voted in a series of free and fair elections. The Iraqi citizens ratified a constitution and they elected the Iraqi National Unity Government. For the first time, women are part of the political process, holding 31 percent of the assembly seats. The number of judges has increased seven-fold.

Let's speak just a little bit about the society in Iraq. Mr. Speaker, this shows a picture, that famous picture of an Iraqi woman holding up that victory sign with that blue ink on her finger signifying that she has voted, having stood in line all day long. There were lots of terrorist attacks that day, yet the Iraqi people voted in a higher percentage than we Americans vote in a presidential election year.

Our troops are continuing to help the Iraqi people in building schools, sanitation projects and medical centers.

□ 2300

The Iraqi people can now watch commercial television and read independent newspapers, signs of a growing freedom of speech.

Primary school enrollment has increased by nearly 3 million children. Iraqi medical schools are graduating 2,250 doctors each year. Unemployment is down dramatically. In the past 3 years, Iraq's GDP per capita has more than doubled.

More than 40 countries and international groups have established embassies or missions in Iraqi to assist the developing democracy. Listen, Mr. Speaker, to some of the excerpts of the prime ministers speech to Congress today on the floor of this House, as he thanked the American people.

"Iraq will not forget those who stood with her and who continue to stand with her in times of need. Thank you for your continued resolve in helping us fight the terrorists plaguing Iraq, which is a struggle to defend our nascent democracy, and our people who aspire to liberty, democracy, human rights, and the rule of law. All of those are not just western values, they are universal values for humanity. They are as much for me the pinnacle embodiment of my faith and religion and they are for all free spirits".

I quote further. "Today Iraq is a democracy which stands firm because of the sacrifices of its people, and the sacrifices of all those who stood with us in this crisis. And that is why I thank you. I would like to thank them very much for all their sacrifices".

Again, this is the prime minister speaking today from the floor of this House to the American people. He goes on. "The journey has been perilous and the future is not guaranteed. Yet many around the world who underestimated that resolve of Iraq's people and were sure that we would never reach this stage. Few believed in us. But you the American people did and we are grateful for this".

I want to just go on briefly before I call on one of my colleagues, the gentleman from Iowa (Mr. KING), who has joined me and would also like to talk about the success that we have had in Iraq and why we need to continue to stay the course.

The prime minister further said, "I know some of you here question whether Iraq is part of the War on Terror. Let me be very clear. This is a battle between true Islam, for which a person's liberty and rights constitute essential cornerstones, and terrorism, which wraps itself in a fake Islamic cloak, in reality wages a war on Islam and Muslims and values and spreads hatred between humanity".

That quote from prime minister Maliki today. And that is exactly right. He continues by saying, "wherever human kind suffers a loss at the hands of terrorists is a loss for all humanity. It is your duty and our duty to defeat this terror. Iraq is the front line in this struggle, and history will prove that the sacrifices of Iraqis for freedom will not be in vain. Iraqis are your allies in the War on Terror".

So, Mr. Speaker, let us put to rest this question of doubt, of the resolve of the Iraqi people and their commitment. Sure, we have made tremendous sacrifices in 2,6000 of our soldiers who have been killed, and probably 12,000 to 14,000 that have been severely injured in trying to fight this Global War on Terror, and bring a form of democracy to these people who are striving so hard for the principles of freedom.

We have paid a sacrifice. But they have paid a tremendous sacrifice. And the estimate could be as many as 40,000 killed, if not more, many of them innocent Iraqi citizens, and many of them women and children.

Mr. Speaker, it is a very important time today on the heels of the prime minister's visit and speech to the Congress today that we talk about this tonight. And, yes, once again the Truth Squad needs to speak loudly on this issue.

Mr. Speaker, with that I would like to call on my colleague from Iowa (Mr. KING) for his remarks.

Mr. KING of Iowa. Mr. Speaker, I thank Mr. GINGREY for leading this special order hour tonight and for stepping up front to stand up for freedom and liberty for the American people, for the Iraqi people, and one day, I hope and pray it is for all people on this planet.

If there was a theme that came out of prime ministers Al-Maliki's speech today, it was that theme, that theme of freedom and liberty, and that theme that ties us all together when he told that freedom is not an American value, but it is a value that God gives to all humanity.

One of the statements that he made, I am not sure if you might have already made this statement, Mr. GINGREY, but I want to emphasize it. And this is one that gripped me when I heard it said this afternoon. Prime Minister Maliki: "The fate of our country and yours is tied. Should democracy be allowed to fail in Iraq and terror permitted to triumph, then the War on Terror will never be won elsewhere".

Mr. Speaker, we must win this battle in this Global War on Terror, this battleground that is Iraq. There is no alternative but victory. In fact, we are moving down this path in a successful fashion. You just cannot simply every day take a measure of it. It is kind of like going on a diet in the morning and weighing yourself at noon and deciding you want to change your diet. We need to look at milestones.

There have been milestones after milestones that have flowed out of Iraq. And there been three elections with 70 percent of the people going to the polls, more people going to the polls in some of the elections, than came to the polls in a U.S. national election.

That ought to tell you where their commitment is. And the picture of the lady with the purple fingers and shining it in victory, that says what is going on there. It is a very, very proud thing that they stepped up to freedom.

When I asked them, the Iraqis, are you first an Iraqi, or are you first a Kurd or a Sunni or a Shiia, invariably they will are ay, I am an Iraqi first. They want to have a unified nation, they want to have a free nation, they want to be a free people.

Part of the rest of the speech was, as Al-Maliki said, "this terrorist front is a threat to every free country in the world and their citizens. What is at stake is nothing less than our freedom and liberty. Confronting and dealing with this challenge is a responsibility of every liberal democracy that values its freedom. Iraqi is the battle that will determine the war. If in continued partnership we have the strength of mind and commitment to defeat the terrorists and their ideology in Iraq, they will never be able to recover".

Which brings me to mind a meeting that I had in Iraq my last time there with General Casey and General Abizaid, when General Casey made the statement, "the enemy cannot win if the politicians stay in the fight".

That means the people here in Washington, D.C., the politician all across America. That means the politicians in western Europe and all across the world. That means the politicians in Iraq as well. They have all got to stay in this fight.

When I look these solders in the eye that are over there in that 125 and 130 degree heat today, they will say to me, "I am proud to serve my country. I am proud to stand here, and I am willing to put my life on the line for a year or more if necessary. But why do I have to fight the United States news media too"?

Well, no soldier or marine should have to do that. In fact, that is our job. And we take that on and we put the facts out here on this floor. And we do so in press conferences. That is our way of fighting this war.

The object of war, according to Klauswitz is to destroy the enemy's will and ability to conduct war. The object of war, according to Steve King is, war is over when the losing side realizes that they have lost.

And if voices come out of this Congress that seek to convince them otherwise, that works against the cause and does not support our troops. In the end, it costs American lives. And that has happened. And the cemeteries have brave Americans that would otherwise be living a normal life that have given their lives for freedom that would not have had to, if we stuck together as a people in this country.

But a core of us are together, a majority of us, a vast majority of us are together and we will stick this out. You know, I would rather be on this side as I listen to the pessimism that comes sometimes from the other side of the aisle, then I would be on the other side of this battle in Iraq. I would a lot rather be on the side of freedom, on the side of the Iraqi military and the coalition troops than I would be on the side of al-Qaeda and the terrorists in Iraq.

Just to state that, I believe it was a year ago. It must have been April of 2004 when Zarqawi wrote a letter, about a 17-page letter full of lamentations. And he said then this was not like Vietnam, that they did not have mountains or forests to hide in, the only place they could hide was in the homes of the Iraqi people that would be willing to take them in, and the Iraqis that were willing to hide al-Qaeda were, "as rare as red sulfur".

I am just going to presume that red sulfur is quite rare, maybe like frogs or chickens teeth, but quite rare. I have never seen any red sulfur over there, and I have looked around quite a lot. I am sure he meant it was awfully hard to find a place to lay down and get some rest in a country like Iraq when the people do not want to take in al-Qaeda. That was a couple of years ago.

Now, Zarqawi has gone on to meet his eternal reward, justly so. And I have visions of what that might be like for him. But rather than paint those on this floor and perhaps be gaveled down, Mr. Speaker, I point out what it looks today like for the survivors that are still on the side of al-Qaeda.

How bad must it be over there to try to find optimism when you are losing as badly as they are. Other folks would like to convince us that we are losing. In fact, there is nothing that supports that. How bad are they losing? Well, one of the latest blows to al-Qaeda in Iraq, this is an excerpt from a May 8, 2006 Associated Press, could not get more credible than the Associated Press article, about documents captured during mid-April's raid south of Baghdad.

The highlights of disorganization that already existed in Iraq, and the disorganization for al-Qaeda and the terrorists that continues to this day. It is this way. "Every year is worse than the previous year". That is a quote from captured documents of al-Qaeda and the terrorists. "Every year is worse than the previous year."

The strategy document complains that, "the strength of the brothers in Baghdad, is based mostly on car bombs and groups of assassins lacking any organized military capabilities".

We will go on with the AP article. The writer complains that the Americans and the Iraqi government forces were able to absorb our painful blows, raise new recruits and take control of Baghdad as well as other areas one another.

There is why every year is worse than the previous year, as far as the Mujahadin's control and influence over Baghdad, according to the document that was captured. That should give the American people a sense of what it is like on the other side, on the losing side.

And if we sang from the same hymnal, sang the same chorus, carried forth the same message, which is we are in this thing for victory, Iraq is a battleground in a Global War on Terror, we will stick this thing out, not only to put this issue away and behind us and make sure that there is a platform and a climate for freedom for the Iraqi people, but as far and as long as we have to go so that we can secure the safety and the security for the American people and for all freedom-loving people all around the globe.

Today we are watching about the 14th or probably the 15th day of the battleground in Israel, where they were attacked from both sides, from the south in Gaza and the north out of Lebanon. By Hamas in the south and Hezbollah in the north. At the directive and order, I believe, of the mullahs in Iran and Ahmadinejad.

Because they wanted to change the subject on the United Nations pressure on Iran for violating nuclear proliferation agreements, and UN Resolution 1559. So they started a war, and their number one enemy, the people that Ahmadinejad said should be wiped from the face of the earth. There is no question that that is their commitment, Mr. Speaker, to do that.

Iran has been fomenting violence in Iraq for years. And we have tolerated it far more than we should. And I do not know that we can resolve the issue in Iraq as long as Iran is sending munitions, supplies and money and providing training for terrorists to go into Iraq.

But it is happening. It has been going on for more than 2 years, perhaps more than 3 years. And there has been a big price paid for that. Syria also to a lesser extent.

□ 2315

But I don't know anybody that believes that if you could have taken Syria and Iran out of this equation with Iraq, if the border essentially had been sealed and they stayed out of that involvement, I don't know anybody that believes the issue wouldn't have been resolved in Iraq, that there wouldn't be peaceful passivity there and a solid, stable government and this economy that is now growing to the point where they have doubled their GDP since the time of liberation would have been even greater than it is today. The soil supplies would be greater. The electrical production would be greater.

But a lot of that progress with that was not yet made in Iraq, has been held back by the terrorists that are trained and funded and supported by Iran. And I remember what our President said: If you are terrorist, you are an enemy. If you support a terrorist, house a terrorist, fund a terrorist, train a terrorist, you are our enemy. It doesn't matter where you are or who you are.

Iran fits in that category. Syria fits in that category. Now the pressure is up, and the world's spotlight, the world stage is Iraq and Israel.

Now, imagine a free Iranian people, a free Iranian people that next month, just the fifth of next month, will be celebrating a constitution that was established, however briefly, 100 years ago that defends their freedom and their rights the same way that our rights and our freedom are defended by our Constitution. I will say close to that. They have something to celebrate.

And as that centennial roles around on August 5, next month, I am hopeful that will be an inspiration for the Iranian people that one day soon they can rise up and they can grab ahold of control of Iran and again be a free people inspired by that constitution from a century ago, inspired by a free Iraq and a prosperous Iraqi people and inspired by the potential for a world across the Middle East where all people breathe free.

If that happens, that has cured the type of habitat that breeds terror. Freedom doesn't breed terror. Free people never go to war against other free people. There is a bright future there in that part of the world. Freedom can echo across those Arab countries the same way it echoed across Eastern Europe when the wall went down in 1989. That is my prayer and that is my hope, Mr. Speaker.

I appreciate the gentleman from Georgia yielding to me, and I appreciate his presentation.

Mr. GINGREY. Mr. Speaker, I want to say the gentleman from Iowa in just a brief colloquy with him, and of course thanking him for being with us tonight, that I am sure that he would agree that our Commander-in-Chief needs to rely on the combatant commanders. Certain today of course is General Casey, before that General Sanchez, before that General Franks, to let him know in regard to how many troops need to be on the ground and where they need to be positioned and how long they need to stay.

I know that we have heard a lot from Members on the other side of the aisle particularly calling for a date certain for a troop withdrawal or reduction or redeployment 6,000 miles away, to Okinawa or whatever.

Mr. Speaker, I am sure my colleague from Iowa would agree that this is a call that we need to leave to the combatant commanders to make these decisions. I know that because of the insurgency, the up tick in the insurgency, as these Islamic extremists continue to struggle in their death throes post-Zarqawi, there is going to be some tough times; and this is certainly not the time to give them your playbook. Would you not agree with that?

Mr. KING of Iowa. I would absolutely agree.

I think pretty soon fall football practice will start, and I can't imagine a football coach inviting the other coach in to watch your fall drills, or "Here is my playbook. Here is how we run these plays and here is how I call them." You would never do it. You would never sit down to a poker game and play your hole cards face up.

When you are at war, intelligence is a big part of it. And to be able to tip your hand to say, no, we are going to pull out of here on such and such a date, the enemy could go underground, hole up. They could use that period of time to store more weapons, more ammunitions, do more training, just stay out of combat; and then, when that moment comes, come back out of their holes in the ground and turn around and attack Americans and Coalition troops and Iraqis.

This is such a solid concept that you are addressing here. It is such a solid concept that I am surprised that there is anyone on the other side of the aisle that promotes and supports such a thing.

About a week ago, former President Clinton also stood with you on this issue and with me on this issue on how ridiculous it would be to establish a date certain to pull out of Iraq.

You illustrated that first year, some months ago, the statement was made that we should pull troops back to the horizon. Now I envision that to be kind of back there where the sun sets on the hill or rises on the hill. Either way it would be a horizon. And it does turn out that the horizon was Okinawa. I don't think anybody in the world imagined that the horizon really meant Okinawa.

Mr. GINGREY. I thank again the gentleman from Iowa.

My good friend, the gentleman from Virginia (Mr. GOODE), has joined us at this late hour. At this time, I would like to call on him for his remarks concerning the Iraqi situation.

Mr. GOODE. I thank the gentleman.

I would like to restate some of the comments that we heard earlier today from the new Prime Minister of Iraq and make some of the points he said about how Iraq of today is different than what the Iraq of a few years ago was.

He said, "We have gone from a small one-party state ruled by a dictator and a small elite to a multi-party system where politics is the domain of every citizen and parties compete at all levels. What used to be a state-controlled media is now completely free and uncensored; something Iraq had never witnessed since its establishment as a modern state, and something which remains alien to most of the region. What used to be a command economy in Iraq we are rapidly transforming into a free market economy. In the past 3 years, our gross domestic product per capita has more than doubled, and it is expected that our economy will continue to grow."

He went on to say, "While small sections of central Iraq are unstable, large sections have remained peaceful but ignored for far too long. They were the most deprived areas of Iraq under the previous regime and have been the most valiant in Iraq's struggle for freedom. We need to make an example out of these stable areas as models for the rest of the country.

"Reconstruction projects in these areas will tackle unemployment, which will weaken the terrorists. They will become prototypes for other, more volatile regions to aspire to. Undoubtedly, reconstruction in these areas will fuel economic growth and show what a prosperous, stable, democratic, and federal Iraq would look like."

Today, Saddam Hussein is in prison awaiting the end of his trial. Zarqawi, the leader of the al Qaeda in Iraq, was eliminated by United States troops. Iraqi security forces now number over 265,000 and are participating in more than 90 percent of all security operations in the country. Iraqi citizens are coming forth with tips about insurgents and terrorist activities. More than 70 percent of Iraqi citizens voted in a series of free and fair elections. Those figures are some that those of us in this country could be envious of.

The progress in Iraq has not been without cost. This past week, a citizen of the Fifth District of Virginia from Greene County, a little community of Ruckersville, was killed by an IED. He was Corporal Adam Fargo. He went to William Monroe High School. He volunteered for service in the United States Army. He, like so many of us who have volunteered on behalf of our country, has made the positive statistics and the statements and the changes in Iraq possible. But it is not just for the country of Iraq, it is for the United States of America.

We have indeed been fortunate in this country. Over the last 200 some odd years since our Nation was founded, rarely have there been attacks upon our homeland. Most of the fighting in World War II was abroad. All of the fighting in World War I was abroad. In Korea, the fighting was abroad. In Vietnam, the fighting was in Asia. And now, when we are in the Middle East, back in the Gulf War of 1990, 1991, the fighting was there. We liberated Kuwait. And now today, following September 11 when we were hit on our own soil, in Afghanistan men and women in our Armed Forces are standing up for America, and some have given their lives, have given their all for our Nation.

Our Nation is a beacon on a hill. It is the land of the free and the home of the brave because of those persons like Adam Fargo who have stood by our country and made those of us who are in the United States of America far safer and given us the ability to enjoy democracy and the greatest freedom in the world.

We need to thank all of our troops, and particularly those for whom we can never express enough gratitude for they have given their lives so that all of us may be free and that our democracy can be a shining light for the rest of the world.

Mr. GINGREY. I thank the gentleman from Virginia. I don't think anyone could possibly say it any better.

We must not break faith with those who have died for this cause and those who have been severely injured and their families. We have an obligation to them and to the Iraqi people.

I know all my colleagues on both sides of the aisle were comforted to have the opportunity today to hear from the Iraqi Prime Minister and to have him answer some of these tough questions in regard to their commitment as well as our commitment. Because, as he said, we are a freedom-loving people throughout the world. They feel the same about liberty as we do, and their commitment to it is there, and it is strong, and their deep appreciation.

Mr. Speaker, I thank the leadership for giving this opportunity to spend about 30 minutes with our colleagues; and now we will turn it over to our friends on the other side of the aisle for their time.

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. MEEK) is recognized for the remaining time until midnight as the designee of the minority leader.

Mr. MEEK of Florida. Mr. Speaker, it is an honor to address the House tonight. The 30-Something Working Group is always prepared to come to the floor not only to share with the Members but the American people about some of the issues that we would love for the entire Congress to work on, Mr. Speaker, if we worked in a bipartisan way.

My friends on the other side of the aisle who just finished talking about Iraq, the beautiful thing about our democracy is that we have the opportunity to voice our opinion in the way we see it.

I think it is also important for us to realize what the reality is not only here in America but in Iraq and the Middle East and what is going on right here in the Midwest, Ms. WASSERMAN SCHULTZ, or what is not going on as it relates to investing in the Midwest, making sure that we invest in America, using coal for energy, innovation, and also making sure that we can work with our farmers here in the United States so we don't have to depend on Middle East oil and we don't have to send our men and women into harm's way to make sure that we are able to put gas in our tanks here in the United States.

As you know, in our innovation agenda and also energizing America agenda, in our new direction for America, here in this side of the aisle we are for investing in the United States, we are for making sure that we can cut our dependency on Middle East oil so that we don't find ourselves in the middle of these conflicts that we are in right now.

As you know, we have been talking for several weeks about our new direction for America. I am glad Ms. WASSERMAN SCHULTZ is here again tonight, as she always is, and it is great. It is like old times.

We have been working together for I know 12 years since I have been elected. You have been an elected official for 14 years. I met you when I came into the Florida House of Representatives. Mr. Speaker, Ms. WASSERMAN SCHULTZ was the chair of the Education Committee when I showed up in Florida legislature, and I know that she is going to have a bright future here in the House of Representatives.

But I can tell you what the good news is. It is that we have the will and the desire on this side of the aisle to stand up on behalf of the American people, making sure we raise the minimum wage for working families and those that go to work every day, punch in and punch out, know what it means to have a 15-minute break in the morning and a 15-minute break in the evening.

☐ 2330

For those individuals that are working the midnight shift, we are with those families. We want to make sure that they are making a livable wage, and when we raise the minimum wage, that means that those individuals that are making over the minimum wage, those that are making $8 or $9 or $10 an hour, those individuals in big corporate America are going to have to look at what they are paying them, Mr. Speaker, if we raise the minimum wage.

That is not what is going to happen, and I think as long as the Republican majority is in place that is not going to happen.

If I can, before I yield to my good friend and colleague and a true good friend, Ms. WASSERMAN SCHULTZ, our districts are right next to each other in the State of Florida, we work together, like I said, Mr. Speaker, for a period of years, of giving the American people what we have received.

What we received on this floor and what we call, well, we the opportunity to give ourselves raises. We do not have to petition the Congress to receive a raise. The American people want a raise, those hourly workers that are out there. They want a raise, and hopefully, we can talk a little bit about that tonight and a number of issues they are facing.

We are going to talk a little bit about Iraq and the realities of Iraq. Members can come to the floor, God bless them, and give their opinion or their view of what they think is going on in Iraq and in other parts of this world, but I think it is important for us to, just as simple as picking up the paper or watching the news or talking to our constituents, they are saying, Congressman, Congresswoman, my son is going off to war on his fourth or fifth deployment or my daughter is going to off to war on the fourth or fifth deployment and you are saying on the majority side, and from the White House, stay the course, stay the course. To do what? And where is the plan?

But let me just get back to what I was saying about how we give ourselves raises here in this House. The Republican majority has made it abundantly clear that they do not have the will nor the desire to give the American people what they have given themselves, and the good thing, Mr. Speaker, about this side and the reason why I can speak truth to power and that I can come to this floor with a straight face and all of my colleagues, Republican, Democrats and one Independent we have in this House, I can boldly say here on the floor of the U.S. House of Representatives that veterans have fought for us to salute one flag. Those individuals that are in Arlington Cemetery right now, that all we have is their memory and their commitment to this country, that if we have the audacity to give ourselves raises, Republican majority leading the effort to give raises to Members of Congress and vote "no" to allow individuals that are working for $5 and pennies every day, punching in and punching out, with all of the gas prices, all of the issues of the price of milk, the price of bread, the price of college tuition, we are able to do better for our kids and our families because the Republican majority said, hey, that is fine, we can give ourselves raises, but let not us give it to these others folks.

Let me say this to those other folks, the American people. Since 1997 there has not been a Federal increase in the minimum wage. Here are the facts, and that is why we come to the floor, Mr. Speaker, to just give the facts to the Members.

This is a Congressional Research Service report April 18, 2006. Any Member of Congress, Democrat, Republican, Independent, American, that is paying attention to what we are saying right now can go on housedemocrats.gov and get this information.

1998, Members of Congress received $3,100 in a raise; minimum wage workers, zero. 2000, Members of Congress, $4,600 raise that the Republican majority has given Members of Congress; minimum wage workers, zero. 2001, $3,800 for Members of Congress, pay increase, what we call cost of living, that is a nice way to dress it up; minimum wage workers, zero. Members of Congress in 2002, $4,900 increase, just got in 2001 remember a $3,800 raise, $4,900; minimum wage, zero. 2003, $4,700; minimum wage workers, zero. 2004, $3,400; minimum wage workers, zero. 2005, $4,000, Members just received a $3,400 raise; minimum wage workers, zero. 2006, $3,100 in the present year; minimum wage workers, zero.

The Republican leadership has pretty much said over our you know what body we will not give minimum wage workers an increase. Meanwhile, here in the House, there are plans that are already drawn for Members of Congress in 2007, if the American people allow it to happen and not evaluate every Member of Congress, because even if you do not make the minimum wage, you have to have a conscience about, well, we have individuals that are out there. Gas prices have gone up. If you make

$8, $12, even $18 an hour, you have to have a conscience about these individuals that have to pay the same price you have to pay for gas, have to pay the same price you have to pay for health care. If you are struggling, imagine what someone that is making $5 and pennies have to go through.

So I think it is important and it is very pivotal that we are here at 11:37 eastern standard time after other Members of Congress have gone back to their homes, either resting with their families, in their office working, what have you, we are here on the floor carrying the water on behalf of the American people.

Ms. WASSERMAN SCHULTZ. That is absolutely right, and we are here because it is imperative that we move this country in a new direction. Americans are begging us to take us off the course we are on now.

It is such a privilege to be here with you. We have been good friends for more than a dozen years now. It is just a privilege to share a community with you, to share constituents who really have been clamoring not just in south Florida where we live but all across the country. You and I travel the country talking to Americans in so many places, and it does not matter. What I found and I know you have, too, it does not matter what walk of life they come from. It does not matter whether they are wealthy or middle class or lower income. No one that I have spoken to says, Debbie, yes, yes, you know, let us keep it right the way we are going, you know, just keep going in the same direction because everything is great. It is almost laughable to say that.

The minimum wage is a perfect thing to highlight in terms of the example that we need to throw out there to show where our priorities would be if we were in control, and we know we are not, versus where the Republicans' priorities are. We try to use third party validators so it is not just the KENDRICK MEEK, TIM RYAN, BILL DELAHUNT, DEBBIE WASSERMAN SCHULTZ show. We want to make sure we use legitimate references to demonstrate and back up the things we say.

Many time what we talk about here can seem like inside baseball. The terminology we use can seem a little esoteric so we try to boil it down for folks.

Let us take the minimum wage. You talked about the minimum wage historically and what it means in terms of real dollars today. Let us talk about the minimum wage and the fact that it has not been raised in 9 years, what that impact is on the average family in terms of the difference of what things cost in the last 9 years.

So, if you take a look at this chart, this is what real economic change under President Bush has been like. While we have not increased the minimum wage since 1997, as you referred to a few minutes ago, there are plenty of things that have increased in cost.

Over on the left-hand part of the chart, the minimum wage has not increased at all, yet whole milk has increased 24 percent since 1997. Bread, 25 percent. A 4-year public college education has increased 77 percent. Health insurance has increased 97 percent, and that is if you can even get it because there are 46 million Americans that do not have health insurance and millions of small business employers who have dropped their insurance coverage for their employees because it has reached the point of unaffordability, with upwards of 15 percent increases every single year.

Let us look at the price of regular gas. It has gone up, while the minimum wage has not, 136 percent. And so what does that mean? Sometimes people cannot get their mind around percentages and what those mean.

So let us take a look at what Americans are paying for in terms of gas prices. The Americans now are paying 100 percent more for gas than when President Bush first took office, and he has the nerve to stand in this chamber and to give speeches across this country talking about how he thinks that America is addicted to foreign oil and we need to get a handle on how we are going to expand alternative energy resources. Really? With what funding? Where is the initiative? Where is the proposal? Where is the legislation? Because all of it just gets rubber stamped here. When we propose any of those things as a solution as a Democrats, what do Republicans do? They vote "no." No, no, Mr. President; yes, Mr. President. Just the bobblehead Republicans do whatever is asked of them, and it is certainly not to expand the opportunity to invest in the Midwest in terms of our energy resources versus the Mideast.

So, if you look at the price of a gallon of gas, when President Bush began his term, January 20, 2001, the average price of a gallon of gas was $1.45 and today, it is $3.01.

Now, what I attribute that to, and what I attribute the seeming indifference on the part of the Republicans and their leadership here towards this problem, it has got to be because there is no other explanation that they are not filling their own gas tank. It has really got to be that they are not the ones that are actually putting the gas in their car themselves because, if they were, they would realize that now, instead of pennies, remember when we were younger and our parents would fill the gas tank and the fastest number that scrolled on the gas tank itself was a penny? Well, now, it is dimes because that is how much prices have increased in terms of gas.

The only thing I can think of, Mr. Speaker, that I can attribute the indifference of Republicans towards the energy crisis and the gas prices that Americans are facing is that they have not filled their cars with gas since gas pumps looked like this.

This is a gas pump or at least an example of a gas pump and what one looked like in the 1950s, and perhaps it is just that it was so long ago that they filled their gas tanks themselves. I am not sure who is filling their gas tanks. Maybe they all have drivers. They really only focus on the needs of the wealthy. So perhaps people are driving them around. That really, for me, is the only explanation.

I really fail to understand why they continue to allow oil companies the ability to not pay royalties to the Federal Government in exchange for utilizing our oil reserves, the ability and the right to drill into the ocean floor and draw up oil that is on land owned by the Federal Government. They are supposed to pay subsidies and royalties. We have passed legislation on at least two occasions since I have been here, and I am only a freshman, that have essentially forgiven those royalties and given mutli-millions of dollars back to the oil companies and into the pockets of the CEOs and the wealthiest few people. It is absolutely mindboggling to me.

We, as Democrats, have the priorities of the American people straight. We understand that we need to move the country in a new direction, Mr. Speaker. We need to make sure that we expand access to health care. We want to make sure that we actually invest in alternative energy resources so that we can truly, within 10 years, become independent of foreign oil resources and invest in the Midwest instead of in the Middle East.

We want to make sure that we can get a handle on this deficit. You and I have young children, and right now, if we stay the course and continue in the direction that this President and this Republican leadership has taken us in, our children and our children's children will be saddled with the deficit and the Nation's debt that this President has mired us in, all by himself, and by his Republican rubber stamp colleagues that we work in this chamber with.

If something is not done, our children, I fear for the world that they grow up in, not just in terms of foreign policy but in terms of domestic policy.

☐ 2345

What is going to happen to our kids when they grow up in a world where we are underfunding education, where they do not have access to health insurance, where gas prices are so out of control and there is no mass transit for them to use as an alternative so that they can get to work? What are they going to do in a world where the deficit is continuing to skyrocket and we are going further and further in debt to other countries? What are they going to do?

Hopefully, we are going to be able to get this country back on track after the November elections.

I yield to my friend.

Mr. MEEK of Florida. Well, Ms. WASSERMAN SCHULTZ, I talk to my constituents, and I talk to the American people that are walking through the halls of Congress. You know, this is the summertime, Mr. Speaker, and, as you know, we have a number of visitors that visit the Capitol of the United States here. We wear these congressional pins. And last night when we left at 12 midnight there were Girl Scouts out front.

Ms. WASSERMAN SCHULTZ. That is right.

Mr. MEEK of Florida. You are a Brownie Troop leader, or a Girl Scout leader.

Ms. WASSERMAN SCHULTZ. No. I am a Brownie Troop leader.

Mr. MEEK of Florida. I used to be a Boy Scout Troop leader in Scott Homes some years back in Miami. But those little girls were at the foot of the steps taking pictures of the front of this Capitol of the United States, the Capitol of our great country. And, Ms. WASSERMAN SCHULTZ, I have children, you have children, but this is really not about our children, because they are going to be okay, Mr. Speaker.

Ms. WASSERMAN SCHULTZ's children have names that end with Wasserman Schultz. They will get into the schools they need to get into. They will get the access they need for education. Doors will open for them that would not open for other children in our districts.

My children's last names end with Meek, and they will be treated differently than other children, need it be Johnson or Hermanowski, or what have you. They will be treated differently than them.

So this is not about our children. This is about the folks that elected us to come here to this U.S. House of Representatives to represent them. This is about making sure that they have a fair chance at life, just like our children.

Members of Congress, a number of them in the House and Senate, our children are going to be okay. They are going to be okay because their last names end with the names of Members of Congress. But what about those individuals that woke up early one Tuesday morning to vote for representation? What about those individuals that walk in here as employees into this Capitol, Ms. WASSERMAN SCHULTZ, to serve the American people? Will they get the same access that we have? Will they have the same access that Members of Congress have as it relates to health care? Will someone open the doors for them?

I will answer that question. No. And I am not saying every person should be treated the same as Members of Congress. But the way things are going now, if you are a Republican, a Democrat, an Independent, and you are thinking of voting in the next election, you have to be concerned.

Mr. Speaker, there are prominent Republicans that are referring to their colleagues as "they." The former Speaker of this House is referring to his Republican colleagues in Congress as "they," because he doesn't want to be associated with them. I will tell you why, Mr. Speaker. And I am going to break out this chart again. And you know something, I can break this chart out every 5 minutes of the day, every 5 minutes of the day, because it is so revealing and it takes it home as to exactly what we are talking about.

This is why I am here a few minutes before midnight. That is the reason why I think it is important we continue to share with the American people what is going on, and with Members of Congress. I have my colleagues on the Republican side of the aisle that say, Congressman, that little red, white, and blue chart you break out every day, aren't you tired of it? And my answer is, no. It is the hard reality of what is going on in the republic, as we stand now as a country.

We have other countries that are looking at us in a different way. And, Ms. WASSERMAN SCHULTZ, everyone looks at the United States of America, and just because the Republican majority says that everything is fine doesn't necessarily mean that it is. Because here are the hard facts.

The hard facts are these, Mr. Speaker. President Bush and the Republican majority has borrowed $1.05 trillion, $1.05 trillion, from foreign nations. Historic. And my next chart tells you who we are borrowing it from, and they are owning a part of the American apple pie not because they had to pay $56 to fill up their F–10 pickup truck, not because of their indiscretions, but because of the indiscretions of the Republican majority.

We have 224 years of history in this country, with 42 presidents before this President, and they were only able to borrow $1.01 trillion. Those are the facts. That is from the U.S. Department of the Treasury. It is not the Kendrick Meek report or the Debbie Wasserman Schultz report or the 30-something report because we think it works towards our position and not leveling with the American people.

I can tell you without looking at this chart, Mr. Speaker, I can tell you exactly what is on it because I have read it so many times to so many groups and here on this floor.

Who are we borrowing it from? Who is owning a piece of the American apple pie? Japan, at $682 billion; China, at $249.8 billion; the U.K., at $223.2 billion; the Caribbean, at $115.3 billion; Taiwan, at $71.3 billion; and the OPEC nations, that I can go on and talk about these countries that we have issues with, Iran, Syria, oil-producing Middle Eastern countries that we are borrowing money from that we have issues with. They own a piece of the American pie at $67.8 billion; Germany, $65.7 billion; Korea, $66.5 billion; Canada, $53.8 billion.

These are the countries that are buying our debt. And it is not because of what the American people have done but what the Republican majority has allowed to happen. They have rubber-stamped everything the President of the United States has sent to this floor. And that is not what article one, section one of the U.S. Constitution calls for.

We use the Constitution as guiding principles on behalf of this country. I am not here on behalf of the House Democrats. I am here on behalf of the American people, and Ms. WASSERMAN SCHULTZ is here on behalf of the American people. There is a reason why prominent Republicans are saying that they are totally lost at what the Republican majority has done, Mr. Speaker, and that is that fact that the American spirit will rise up out of partisan politics.

Ms. WASSERMAN SCHULTZ. Will the gentleman yield?

Mr. MEEK of Florida. I will definitely yield, Ms. WASSERMAN SCHULTZ.

Ms. WASSERMAN SCHULTZ. Thank you. Because with everything that we have laid out here over the last 20 or so minutes, what is clear is that we are moving in the wrong direction. The priorities of the Republican leadership here are completely out of step with the priorities of the American people. So, instead, what the Republicans here have attempted to do is to shift the focus and attention away from what is really going on and engaging in the politics of distraction.

Now this that I have in my hand is about to become a scarcity. It is a social studies textbook, an American history textbook, which, Mr. Speaker, I would argue that in our high schools will soon be obsolete. We won't have any reason to use these any more, particularly the section on how a bill becomes a law. Because last week we actually brought a bill to the floor that was defeated in the Judiciary Committee, a bill that related to court stripping, stripping the courts of the right to review cases related to the Pledge of Allegiance and whether under God was constitutional or not.

Now that question can be debated all day, and there are varying degrees of opinions on that subject. But we teach our children in public schools the concept of how a bill becomes a law, as created by our Founding Fathers, this system of checks and balances and the separation of powers. And because the Republicans are moving this country in the wrong direction and don't share the priorities of the American people, they have had to deflect attention away from what is really going on here and focus on things like the Pledge of Allegiance, gay marriage, and flag burning.

Today in Judiciary we literally spent, Mr. MEEK, 6½ hours on one bill and one amendment related to the separation of church and state. Now, Mr. MEEK, when you go home, do your constituents, does the father of four who leaves for work in the morning, when you see him on the street, does he stop you and say, KENDRICK, I really want you to go to the Congress and focus on the Pledge of Allegiance? Or do you think it is more likely, and in your experience, do they tell you, you know, I just wasn't sure how I was going to fill my gas tank today?

Or how about the parents of kids who are fighting over in Iraq? Do you think they are really worried about whether we amend the Constitution to ban gay marriage? Is that at the top of those parents' list, or is it more likely that at the top of their list that their baby comes home to them?

What is going on here?

Mr. MEEK of Florida. Will the gentlewoman yield?

Ms. WASSERMAN SCHULTZ. Absolutely, I would be happy to yield.

Mr. MEEK of Florida. I think what is important here, at least when I go to speak to the American people, and even in my own district, and as you know we travel. We defeated the privatization of Social Security, to allow individuals on Wall Street that were looking forward to receiving over $500 billion under the President's plan to privatize Social Security. We had over 500 town hall meetings throughout this country. You had town hall meetings in your district.

Ms. WASSERMAN SCHULTZ. We had over a thousand.

Mr. MEEK of Florida. A thousand. Okay. I am glad you corrected me, because we want to make sure we give facts, not fiction.

I think it is important, Mr. Speaker, that we make an important note here, and I am asking the Members and the American people, Mr. Speaker, to vote principle over politics. You have to vote principle over politics.

Ms. WASSERMAN SCHULTZ. Mr. MEEK, from what I have seen here, that is impossible for these people.

Mr. MEEK of Florida. I just want to make a point here, Ms. WASSERMAN SCHULTZ. This is to the Members, to place on their conscience what the American people may very well think

Let's say I am a dyed-in-the-wool Democrat, and I am a voter, and I am paying more for gas. There is a war going on that my leaders are telling me we are going to stay the course, but no plan, and energy independence and innovation is not a priority.

If we were in the majority, let's just say for instance that we are in the majority and this is not happening. Let's say I am a veteran, and I have to wait in rural America for the clinic that is only open 3 days a month, then I have to think about the principle over politics. Maybe I am going to vote for the other person this time because my family is suffering. Maybe my kids are not getting what they need as it relates to education. Maybe that is not in line with the principle of what we are talking about here.

So I think it is important, Ms. WASSERMAN SCHULTZ, as you point this out, that Members of Congress and the American people will have to think this time. I told you I have given up on the Republican majority. They have had all the time in the world to do what they have to do.

Look at what we are paying on the debt because of the irresponsible spending of the Republican majority and giving tax cuts to billionaires and millionaires. Look at the debt we are paying because we have borrowed all that debt from foreign countries. Look what we are doing on education. Look how far down it is for every teacher, for every mother or grandmother or grandfather, what have you, who wants to see their generation of children and grandchildren have a better opportunity than what they have had.

Look at what the Federal Government is investing in their education. Look at what is happening in homeland security. Republican Members of Congress on the majority side can burn all kind of jet fuel, at taxpayers' expense, flying down to the border talking about how we are going to get tough on immigration. But look at what they are doing for homeland security and look at veterans.

Hello! We are saluting one flag, and I talked about this earlier, those that have made the ultimate sacrifice, those that are away from their families. Look at what the Republican majority is investing in their future and what they have promised in terms of providing health care and other benefits. Look at what they are investing versus what we are paying on the debt.

So just because, Ms. WASSERMAN SCHULTZ, as I yield back to you before we close, just because they say it doesn't necessarily mean it is true.

Ms. WASSERMAN SCHULTZ. Four months, Mr. MEEK. Less than 4 months. This may be the last evening that we spend as the 30-something Working Group until we come back from the August recess. The 30-something Working Group has an opportunity each night to talk about the direction we want to move this country on behalf of Democrats and the next generation.

All of the charts and information that we have talked about tonight are available on our Web site, www.housedemocrats.gov/30something. We appreciate the privilege that the leader gives us each night to talk about the priorities of the Democratic caucus and the American people, and it is a privilege to be here with you once again.

Mr. MEEK of Florida. Thank you, Ms. WASSERMAN SCHULTZ. It was good coming back to the floor with you.

As you know, in the 30-something Working Group, we not only come to the floor but we meet every week. We have staff evaluate things for factual purposes, and I am glad that we are coming to level with the American people about what is going on.

Mr. Speaker, before closing out, we would like to honor Tim Frieman, who has worked here in the Democratic cloakroom for 30 years. We appreciate his contributions and all that he has done. We had a great reception. Members, bipartisan, went down here in the Capitol and honored him. We appreciate him and his family for their contributions

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. CAPITO (at the request of Mr. BOEHNER) for today from 3:00 to 8:00 p.m. on account of business in the district.

Mrs. JO ANN DAVIS of Virginia (at the request of Mr. BOEHNER) for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Mr. EMANUEL, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Mrs. MCCARTHY, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. WEINER, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

(The following Members (at the request of Ms. ROS-LEHTINEN) to revise and extend their remarks and include extraneous material:)

Mr. FRANKS of Arizona, for 5 minutes, today.

Mr. GARRETT of New Jersey, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BURGESS, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3549. An act to amend the Defense Production Act of 1950, to strengthen Government review and oversight of foreign investment in the United States, to provide for enhanced Congressional oversight with respect thereto, and for other purposes to the Committee on Financial Services in addition to the Committee on International Relations and the Committee on Energy and Commerce for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ENROLLED BILLS SIGNED

Mrs. Haas, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 9. An act to amend the Voting Rights Act of 1965.

H.J. Res. 86. Joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes.

H.R. 4019. An act to amend title 4 of the United States Code to clarify the treatment of self-employment for purposes of the limitation on State taxation of retirement income.

H.R. 4472. An act to protect children from sexual exploitation and violent crime, to prevent child abuse and child pornography, to promote Internet safety, and to honor the memory of Adam Walsh and other child crime victims.

H.R. 5865. An act to amend section 1113 of the Social Security Act to temporarily increase funding for the program of temporary assistance for United States citizens returned from foreign countries, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1496. An act to direct the Secretary of the Interior to conduct a pilot program under which up to 15 States may issue electronic Federal migratory bird hunting stamps.

BILLS PRESENTED TO THE PRESIDENT

Karen L. Haas, Clerk of the House reports that on July 26, 2006, she presented to the President of the United States, for his approval, the following bills.

H.R. 9. To amend the Voting Rights Act of 1965.

H.R. 2977. To designate the facility of the United States Postal Service located at 306 2nd Avenue in Brockway, Montana, as the "Paul Kasten Post Office Building".

H.R. 3440. To designate the facility of the United States Postal Service located at 100 Avenida RL Rodriguez in Bayamon, Puerto Rico, as the "Dr. Jose Celso Barbosa Post Office Building".

H.R. 3934. To designate the facility of the United States Postal Service located at 80 Killian Road in Massapequa, New York, as the "Gerard A. Fiorenza Post Office Building".

H.R. 4101. To designate the facility of the United States Postal Service located at 170 East Main Street in Patchogue, New York, as the "Lieutenant Michael P. Murphy Post Office Building".

H.R. 4108. To designate the facility of the United States Postal Service located at 3000 Homewood Avenue in Baltimore, Maryland, as the "State Senator Verda Welcome and Dr. Henry Welcome Post Office Building".

H.R. 4456. To designate the facility of the United States Postal Service located at 2404 Race Street in Jonesboro, Arkansas, as the "Hattie W. Caraway Station".

H.R. 4472. An act to protect children from sexual exploitation and violent crime, to prevent child abuse and child pornography, to promote Internet safety, and to honor the memory of Adam Walsh and other child crime victims.

H.R. 4561. To designate the facility of the United States Postal Service located at 8624 Ferguson Road in Dallas, Texas, as the "Francisco 'Pancho' Medrano Post Office Building".

H.R. 4688. To designate the facility of the United States Postal Service located at 1 Boyden Street in Badin, North Carolina, as the "Mayor John Thompson 'Tom' Garrison Memorial Post Office".

H.R. 4786. To designate the facility of the United States Postal Service located at 535 Wood Street in Bethlehem, Pennsylvania, as the "H. Gordon Payrow Post Office Building".

H.R. 4995. To designate the facility of the United States Postal Service located at 7 Columbus Avenue in Tuckahoe, New York, as the "Ronald Bucca Post Office".

H.R. 5245. To designate the facility of the United States Postal Service located at 1 Marble Street in Fair Haven, Vermont, as the "Matthew Lyon Post Office Building."

ADJOURNMENT

Mr. MEEK of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at midnight), the House adjourned until today, Thursday, July 27, 2006, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8777. A letter from the Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-26, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Saudi Arabia for defense articles and services, pursuant to 22 U.S.C. 2776(b); to the Committee on Armed Services.

8778. A letter from the Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-36, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Saudi Arabia for defense articles and services, pursuant to 22 U.S.C. 2776(b); to the Committee on Armed Services.

8779. A letter from the Under Secreary for Personnel and Readiness, Department of Defense, transmitting authorization of Rear Admiral (lower half) David J. Dorsett to wear the insignia of the grade of rear admiral in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

8780. A letter from the Under Secretary for Personnel and Readiness, Department of Defense, transmitting authorization of the enclosed list of officers to wear the insignia of the grade of rear admiral accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

8781. A letter from the Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule — Amdt. of Pt. 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Intro. of New Adv. Wireless Services, Including Third Generation Wireless Systems [ET Docket No. 00-258]; Amdts. to Pts. 1, 2, 27 and 90 of the Commission's Rules to License Services in the 216-220 MHz, 1390-1395 MHz, 1427-1429 MHz, 1429-1432 MHz, 1432-1435 MHz, 1670-1675 MHz, and 2385-2390 MHz Government Transfer Bands [WT Docket No. 02-8] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8782. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Arnold and City of Angels, California) [MB Docket No. 05-316; RM-11294] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8783. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (Allegan, Otsego and Mattawan, Michigan) [MB Docket No. 05-269; RM-11267] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8784. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Churchville and Keswick, Virginia and Marlington, West Virginia) [MB Docket No. 05-292; RM-11281] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8785. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Enfield, New Hampshire; Hartford and White River Junction, Vermont; and Keeseville and Morrisonville, New York) [MB Docket No. 05-162; RM-11227; RM-11295] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8786. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Alturas, California) [MB Docket No. 05-123; RM-11191] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8787. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the

Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Weaverville, Palo Cedro, and Alturas, California) [MB Docket No. 05-125; RM-11176] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8788. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations. (Louisburg and Hillsborough, North Carolina) [MB Docket No. 04-375; RM-11038] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8789. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Wilburton, Okemah, and McAlester, Oklahoma) [MB Docket No. 05-166; RM-11228] received July 10, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8790. A letter from the Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-25, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Saudi Arabia for defense articles and services; to the Committee on International Relations.

8791. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-24, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Bahrain for defense articles and services; to the Committee on International Relations.

8792. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to Section 620C(c) of the Foreign Assistance Act of 1961, as amended, and in accordance with section 1(a)(6) of Executive Order 13313, a report prepared by the Department of State and the National Security Council on the progress toward a negotiated solution of the Cyprus question covering the period April 1, 2006 through May 31, 2006; to the Committee on International Relations.

8793. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(d) of the Arms Export Control Act, certification regarding the proposed retransfer of defense articles or services to the Government of Gabon (Transmittal No. DDTC 022-06); to the Committee on International Relations.

8794. A letter from the Secretary, Department of the Treasury, transmitting as required by section 401(c) of the National Emergency Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and pursuant to Executive Order 13313 of July 31, 2003, a six-month periodic report on the national emergency with respect to terrorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995; to the Committee on International Relations.

8795. A letter from the General Counsel, Department of Housing and Urban Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8796. A letter from the General Counsel, Department of Housing and Urban Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8797. A letter from the General Counsel, Department of Housing and Urban Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8798. A letter from the Attorney Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8799. A letter from the Office of the District of Columbia Auditor, transmitting a report entitled, "Auditor's Examination of Contracts for Four Consumers Under the Care of Mental Retardation and Developmental Disabilities Administration"; to the Committee on Government Reform.

8800. A letter from the Office of the District of Columbia Auditor, transmitting a report entitled, "Letter Report: Certification of the Sufficiency of the Washington Convention Center Authority's Projected Revenues and Excess Reserve to Meet Projected Operating and Debt Service Expenditures and Reserve Requirements for Fiscal Year 2007"; to the Committee on Government Reform.

8801. A letter from the Office of the District of Columbia Auditor, transmitting a report entitled, "Auditor's Examination of Parking Meter Contract Administration and Financial Management"; to the Committee on Government Reform.

8802. A letter from the Assistant Administrator, Bureau for Legislative and Public Affairs, United States Agency for International Development, transmitting the Agency's report on the amount of acquisitions made from entities that manufacture the articles, materials, or supplies outside the United States in Fiscal Year 2005; to the Committee on Government Reform.

8803. A letter from the Librarian of Congress, Library of Congress, transmitting the Annual Report of the Library of Congress, for the fiscal year ending September 30, 2005, pursuant to 2 U.S.C. 139; to the Committee on House Administration.

8804. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States; Pacific Coast Groundfish Fishery; Specifications and Management Measures; Inseason Adjustments [Docket No. 051014263-6028-03; I.D. 062706B] received July 17, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8805. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — International Fisheries; Pacific Tuna Fisheries; Restrictions for 2006 Longline Fisheries in the Eastern Tropical Pacific Ocean; Fishery Closure [Docket No. 050719189-5286-03; I.D. 062706A] (RIN: 0648-AT33) received July 13, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8806. A letter from the Assistant Administrator, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Endangered and Threatened Species: Final Listing Determinations for Elkhorn Coral and Staghorn Coral [Docket No. 050304058-6116-03; I.D. No. 060204C] (RIN: 0648-XB29) received June 8, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8807. A letter from the Assistant Administrator, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Atlantic Highly Migratory Species; Atlantic Bluefin Tuna Quota Specifications and Effort Controls [Docket No. 060216041-6137-02; I.D. 020206C] (RIN: 0648-AT72) received June 8, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8808. A letter from the Acting Deputy Asst. Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Recordkeeping and Reporting; Tagged Pacific Halibut and Tagged Sablefish [Docket No. 040610180-6173-03; I.D. 030806A] (RIN: 0648-AR09) received July 12, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8809. A letter from the Acting Deputy Asst. Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Groundfish, Crab, Salmon, and Scallop Fisheries of the Bering Sea and Aleutian Islands Management Area and Gulf of Alaska [Docket No. 060223050-6162-02; I.D. 013006I] (RIN: 0648-AT09) received July 12, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8810. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States; Coastal Pelagic Species Fisheries; Amendment 11 [Docket No. 051028280-6160-02; I.D. 102105A] (RIN: 0648-AT11) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8811. A letter from the Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Allocating Bering Sea and Aleutian Islands King and Tanner Crab Fishery Resources [Docket No. 060404093-6177-02; I.D. 033106A] (RIN: 0648-AU24) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8812. A letter from the Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Bering Sea and Aleutian Islands King and Tanner Crab Fishery Resources; Crab Economic Data Reports [Docket No. 060420106-6163-02; I.D. 041706B] (RIN: 0648-AU44) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8813. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Western Regulatory Area of the Gulf of Alaska [Docket No. 060216044-6044-01; I.D. 071006F] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8814. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Aleutian Islands Management Area

[Docket No. 060216045-6045-01; I.D. 070706B] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8815. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the West Yakutat District of the Gulf of Alaska [Docket No. 060216044-6044-01; I.D. 071106B] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8816. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Regulatory Area of the Gulf of Alaska [Docket No. 060216044-6044-01; I.D. 070606A] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8817. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Eastern Aleutian District of the Bering Sea and Aleutian Islands Management Area [Docket No. 060216045-6045-01; I.D. 070506A] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8818. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Atlantic Sea Scallop Fishery; Closure of the Nantucket Lightship Scallop Access Area to General Category Scallop Vessels [Docket No. 060314069-6069-01; I.D. 071106A] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8819. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Shrimp Fishery of the Gulf of Mexico; Texas Closure [I.D. 070306A] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8820. A letter from the Assistant Attorney General, Department of Justice, transmitting a copy of a report required by Section 202(a)(1)(C) of Pub. L. 107-273, the "21st Century Department of Justice Appropriations Authorization Act," related to certain settlements and injunctive relief; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BARTON of Texas: Committee on Energy and Commerce. H.R. 4157. A bill to amend the Social Security Act to encourage the dissemination, security, confidentiality, and usefulness of health and information technology; with amendments (Rept. 109-601, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMAS. Committee on Ways and Means. H.R. 4157. A bill to amend the Social Security Act to encourage the dissemination, security, confidentiality, and usefulness of health information technology; with an amendment (Rept. 109-601, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. BISHOP of Utah: Committee on Rules. House Resolution 951. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 109-602). Referred to the House Calendar.

Mr. LINCOLN DIAZ-BALART of Florida: Committee on Rules. House Resolution 952. Resolution providing for consideration of the bill (H.R. 4157) to amend the Social Security Act to encourage the dissemination, security, confidentiality, and usefulness of health information technology (Rept. 109-603). Referred to the House Calendar.

REPORTED BILL SEQUENTIALLY REFERRED

Under clause 2 of rule XII, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 5830. A bill to amend section 29 of the International Air Transportation Competition Act of 1979 relating to air transportation to and from Love Field, Texas (Rept. 109-600, Pt. 1); referred to the Committee on the Judiciary for a period ending not later than September 15, 2006, for consideration of such provisions of the bill as fall within the jurisdiction of that committee pursuant to clause 1(l), rule X Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. JONES of Ohio (for herself and Mr. English of Pennsylvania):

H.R. 5889. A bill to amend the Internal Revenue Code of 1986 to exempt from the harbor maintenance tax certain commercial cargo loaded or unloaded at United States ports in the Great Lakes Saint Lawrence Seaway System; to the Committee on Ways and Means.

By Mr. NUNES (for himself, Mr. Cardoza, Mr. Shimkus, Mr. Costa, Mr. Pombo, Mr. Rehberg, Mr. Lewis of Kentucky, Mr. Kingston, Mr. English of Pennsylvania, Mr. Pickering, Mr. Hall, Mr. Barton of Texas, Mr. Whitfield, Mr. Cuellar, Mr. Davis of Tennessee, Mr. Ross, Mr. Cramer, Mr. Boren, Mrs. Capito, Mr. Melancon, Mr. Boozman, Mr. Peterson of Minnesota, and Mr. Murphy):

H.R. 5890. A bill to establish the American-Made Energy Trust Fund, to increase the tax credits for cellulosic biomass ethanol, to extend tax incentives for solar and fuel cell property, to promote coal-to-liquid fuel activities, to direct the Secretary of the Interior to establish and implement a competitive oil and gas leasing program for the Coastal Plain of Alaska, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Resources, Energy and Commerce, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. WASSERMAN SCHULTZ (for herself, Mr. Castle, Mr. Melancon, Mr. McHenry, Mrs. McCarthy, Ms. Hooley, Mr. Ackerman, Mr. Israel, Mr. Bishop of New York, and Mr. Crowley):

H.R. 5891. A bill to establish a bipartisan commission on insurance reform; to the Committee on Financial Services.

By Mr. ADERHOLT:

H.R. 5892. A bill to amend the Internal Revenue Code of 1986 to provide special rules for the exchange or installment sale of certain agricultural property; to the Committee on Ways and Means.

By Mr. ANDREWS:

H.R. 5893. A bill to amend the Intelligence Reform and Terrorism Prevention Act of 2004 to require the Secretary of Homeland Security to provide for National Crime Information Center criminal history records checks of the employees and prospective employees of providers of private security services and to require such providers to employ only those employees whose records checks do not show a history of certain offenses; to the Committee on Education and the Workforce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HERSETH:

H.R. 5894. A bill to amend title 5, United States Code, to establish certain protections for preference eligibles selected for involuntary geographic reassignment; to the Committee on Government Reform.

By Mr. HINCHEY (for himself, Mr. Larson of Connecticut, Mr. Oberstar, Mr. Serrano, Mr. Moran of Virginia, Mr. Snyder, Mr. Weldon of Pennsylvania, and Mr. Castle):

H.R. 5895. A bill to amend the National Trails System Act to designate the Washington-Rochambeau Revolutionary Route National Historic Trail; to the Committee on Resources.

By Mr. HINOJOSA:

H.R. 5896. A bill to authorize appropriations for the Housing Assistance Council; to the Committee on Financial Services.

By Ms. HOOLEY:

H.R. 5897. A bill to extend the period during which members of the Armed Forces deployed in contingency operations may request and receive reimbursement for helmet pads, which are designed to better protect the wearer from bomb blasts than military-issued pads, that are purchased by or for the use of such members; to the Committee on Armed Services.

By Mr. KOLBE (for himself and Mr. Grijalva):

H.R. 5898. A bill to expand the boundary of Saguaro National Park, to study additional land for potential inclusion or removal from the boundary of the park, and for other purposes; to the Committee on Resources.

By Mr. LARSEN of Washington:

H.R. 5899. A bill to provide additional flood control storage at the Upper and Lower Baker Dams; to the Committee on Transportation and Infrastructure.

By Mr. KIND (for himself, Mr. Saxton, Mr. Thompson of California, and Mr. Castle):

H.R. 5900. A bill to protect, conserve, and restore native fish, wildlife, and their natural habitats at national wildlife refuges through cooperative, incentive-based grants to control, mitigate, and eradicate harmful nonnative species, and for other purposes; to the Committee on Resources.

By Mrs. MALONEY (for herself and Mr. SERRANO):

H.R. 5901. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to improve Federal response efforts after a terrorist strike or other major disaster affecting homeland security, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Energy and Commerce, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY:

H.R. 5902. A bill to prohibit the proposed sale to Pakistan of F-16 aircraft and related defense articles and defense services unless Pakistan has halted construction of a certain plutonium production reactor; to the Committee on International Relations.

By Mr. MARSHALL:

H.R. 5903. A bill to direct the Secretary of Education to extend the same level of increased flexibility to all rural local educational agencies under part A of title I of the Elementary and Secondary Education Act of 1965; to the Committee on Education and the Workforce.

By Mr. MATHESON (for himself, Mr. OTTER, Mr. SALAZAR, and Mr. UDALL of Colorado):

H.R. 5904. A bill to amend the Internal Revenue Code of 1986 to allow public school districts to receive no interest loans for the purchase of renewable energy systems, and for other purposes; to the Committee on Ways and Means.

By Mr. MEEHAN (for himself and Mr. SHAYS):

H.R. 5905. A bill to amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes; to the Committee on House Administration, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RAMSTAD (for himself, Ms. ESHOO, and Mr. KENNEDY of Minnesota):

H.R. 5906. A bill to establish a Consortium on the Impact of Technology in Aging Health Services; to the Committee on Energy and Commerce.

By Mr. RAMSTAD:

H.R. 5907. A bill to amend title XVIII of the Social Security Act to reduce cost-sharing under part D of such title for certain non-institutionalized full-benefit dual eligible individuals; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ROGERS of Michigan (for himself and Mr. EHLERS):

H.R. 5908. A bill to amend title 49, United States Code, to permit certain revenues of private vanpool contractors received from providing public transportation to be used for the purpose of acquiring rolling stock that is not funded, in part, by Federal, State, or local government assistance, and to permit certain expenditures of private vanpool contractors to be credited toward the local matching share of the costs of public transportation projects; to the Committee on Transportation and Infrastructure.

By Mr. RYUN of Kansas (for himself, Mr. TIAHRT, Mr. MORAN of Kansas, and Mr. MOORE of Kansas):

H.R. 5909. A bill to promote public safety and improve the welfare of captive big cats, and for other purposes; to the Committee on Agriculture.

By Ms. LORETTA SANCHEZ of California:

H.R. 5910. A bill to amend the Homeland Security Act of 2002 to provide funding for emergency planning and management and emergency response providers, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Energy and Commerce, and Homeland Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of New Jersey:

H.R. 5911. A bill to establish the United States Commission to Monitor Slavery and its Eradication in Sudan; to the Committee on International Relations.

By Mr. STEARNS (for himself, Mr. MATHESON, and Mr. McINTYRE):

H.R. 5912. A bill to direct the Federal Trade Commission to prescribe rules to prohibit deceptive conduct in the rating of video and computer games; to the Committee on Energy and Commerce.

By Mr. TANCREDO:

H.R. 5913. A bill to amend the Help America Vote Act of 2002 to require an individual to provide proof that the individual is a citizen of the United States and to present a government-issued photo identification as a condition of casting a ballot in an election for Federal office, and for other purposes; to the Committee on House Administration, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WU:

H.R. 5914. A bill to amend the Elementary and Secondary Education Act of 1965 to reduce class size through the use of fully qualified teachers, and for other purposes; to the Committee on Education and the Workforce.

By Mr. SHADEGG:

H. Con. Res. 454. Concurrent resolution providing for an adjournment or recess of the two Houses; which was considered and postponed.

By Mr. POMBO:

H. Con. Res. 456. Concurrent resolution providing for a correction to the enrollment of the bill, S. 203; considered and agreed to.

By Mr. HYDE:

H. Res. 949. A resolution commending the people and Government of Romania, on the occasion of the visit of Romanian President Traian Basescu to the United States, for the strong relationship between Romania and the United States; to the Committee on International Relations.

By Mr. KUCINICH (for himself, Mr. McGOVERN, Mr. STARK, Ms. NORTON, Ms. WOOLSEY, Ms. BALDWIN, Mr. CONYERS, Ms. LEE, Ms. MOORE of Wisconsin, Mr. HINCHEY, and Mr. MORAN of Virginia):

H. Res. 950. A resolution calling for the abolition of all nuclear weapons; to the Committee on International Relations.

By Mr. BILIRAKIS (for himself, Mr. LANTOS, Mr. RAHALL, Mrs. MALONEY, Mr. SHAYS, Mr. SIMMONS, Mr. WELDON of Pennsylvania, Mr. TERRY, Mr. ROTHMAN, Mr. CONYERS, Mr. HOLDEN, Mr. HOLT, Mr. HASTINGS of Florida, Mr. McGOVERN, Mr. McNULTY, Ms. WATSON, Mr. PAYNE, Mr. McCOTTER, Mr. NEY, Mr. PALLONE, Mr. SPRATT, Mr. FOLEY, Mr. PEARCE, Mr. CROWLEY, Ms. LINDA T. SÁNCHEZ of California, Mr. MEEHAN, Mr. YOUNG of Florida, Mr. ENGLISH of Pennsylvania, Mr. SHAW, Mr. ANDREWS, Mr. SCOTT of Virginia, and Mr. SCHIFF):

H. Res. 953. A resolution commending the Republic of Cyprus and thanking the Cypriot people for their support and assistance in the evacuation of Americans fleeing Lebanon; to the Committee on International Relations.

By Mr. LEACH:

H. Res. 954. A resolution urging the President to appoint a Special Envoy for Middle East Peace; to the Committee on International Relations.

By Mr. FARR:

H. Res. 955. A resolution calling for sustainable peace in the Middle East; to the Committee on International Relations.

By Mr. MORAN of Kansas (for himself, Mr. TIAHRT, Mr. RYUN of Kansas, and Mr. MOORE of Kansas):

H. Res. 956. A resolution congratulating the Department of Agronomy in the College of Agriculture at Kansas State University for 100 years of excellent service to Kansas agriculture; to the Committee on Agriculture.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

422. The SPEAKER presented a memorial of the General Assembly of the State of Tennessee, relative to Senate Joint Resolution No. 750 urging the Congress of the United States to pass the Meth-Endangered Children Protection Act of 2005; to the Committee on Energy and Commerce.

423. Also, a memorial of the General Assembly of the State of Tennessee, relative to Senate Joint Resolution No. 750 urging the Congress of the United States to pass the Meth-Endangered Children Protection Act of 2005; to the Committee on Energy and Commerce.

424. Also, a memorial of the Senate of the State of Louisiana, relative to Senate Resolution No. 141 memorializing the Congress of the United States to authorize appropriations for the cooperative enforcement initiative in the Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006 for five years increasing levels of funding each year; to the Committee on Resources.

425. Also, a memorial of the Senate of the State of Tennessee, relative to Senate Resolution No. 158 memorializing the Congress of the United States to enact the "Constitutional Restoration Act of 2005"; to the Committee on the Judiciary.

426. Also, a memorial of the General Assembly of the State of Tennessee, relative to Senate Joint Resolution No. 911 urging the reauthorization of the special provisions of the Voting Rights Act of 1965; to the Committee on the Judiciary.

427. Also, a memorial of the Legislature of the Commonwealth of Guam, relative to Resolution No. 138 supporting the passage of H.R. 4259, otherwise known as the "Veterans' Right to Know Act" and other similar acts pending before the Congress of the United States; jointly to the Committees on Armed Services and Rules.

428. Also, a memorial of the Senate of the State of Louisiana, relative to Senate Resolution No. 117 memorializing the Congress of the United States to appropriate funding for the recovery of the shrimp industry and to vote against the repeal of the "Byrd Amendment"; jointly to the Committees on Ways and Means and Resources.

429. Also, a memorial of the House of Representatives of the State of Louisiana, relative to House Resolution No. 117 memorializing the Congress of the United States to appropriate sufficient funds for the recovery of the shrimp industry and to vote against the repeal of the "Byrd Amendment"; jointly to the Committees on Ways and Means and Resources.

ADDITIONAL SPONSORS TO PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 98: Mr. ENGLISH of Pennsylvania.
H.R. 111: Mr. BILBRAY.
H.R. 284: Mr. WHITFIELD.
H.R. 363: Mr. ETHERIDGE.
H.R. 500: Mrs. WILSON of New Mexico.
H.R. 517: Ms. GINNY BROWN-WAITE of Florida.
H.R. 552: Mr. KNOLLENBERG.
H.R. 583: Mr. MILLER of North Carolina.
H.R. 817: Mr. LIPINSKI, Mr. TIBERI, Mr. MICA, Mr. DEAL of Georgia, Mr. MCKEON, Mr. MCHENRY, Mr. KIND, Mr. CAMPBELL of California, Mr. KUHL of New York, Mrs. MUSGRAVE, Mr. FOSSELLA, Mr. HAYWORTH, Mr. WALSH, Mr. VISCLOSKY, Mr. RYUN of Kansas, Mr. YOUNG of Alaska, Mr. MCHUGH, Ms. HERSETH, Mr. HASTINGS of Washington, Mr. PETERSON of Pennsylvania, Mr. SOUDER, Mr. MCINTYRE, Mr. DAVIS of Alabama, Mr. BRADLEY of New Hampshire, Mr. ABERCROMBIE, Mr. KNOLLENBERG, Mr. LATHAM, Mr. HOLDEN, and Mr. CLEAVER.
H.R. 819: Mr. BOUSTANY.
H.R. 910: Mr. BROWN of Ohio.
H.R. 916: Ms. WOOLSEY.
H.R. 998: Mr. ETHERIDGE.
H.R. 1078: Mr. DINGELL, Ms. ESHOO, and Mr. BURGESS.
H.R. 1182: Mr. COOPER.
H.R. 1227: Mr. SOUDER.
H.R. 1288: Mr. FOLEY.
H.R. 1298: Mr. JACKSON of Illinois.
H.R. 1306: Mr. RENZI, Mr. HEFLEY, Mr. CAMP of Michigan, and Mr. FARR.
H.R. 1384: Mr. GOODLATTE and Mr. FOLEY.
H.R. 1431: Mr. MEEHAN.
H.R. 1438: Mr. WELDON of Florida.
H.R. 1471: Mr. OBERSTAR, Mr. EMANUEL, Mr. MEEK of Florida, Ms. KILPATRICK of Michigan, Mr. NADLER, Mr. PETERSON of Minnesota, Mr. VISCLOSKY, and Mr. KIRK.
H.R. 1498: Mr. GOODLATTE.
H.R. 1548: Mr. CANTOR.
H.R. 1632: Mr. GERLACH and Mr. HINOJOSA.
H.R. 1634: Mr. MILLER of North Carolina and Mr. CULBERSON.
H.R. 1876: Mr. DAVIS of Illinois.
H.R. 2345: Mrs. LOWEY.
H.R. 2421: Ms. HART.
H.R. 2429: Mr. BOSWELL.
H.R. 2488: Mr. HIGGINS.
H.R. 2562: Mr. CONYERS.
H.R. 2567: Mr. CAMPBELL of California.
H.R. 2568: Mr. ENGLISH of Pennsylvania.
H.R. 2679: Mr. FEENEY, Mr. BONNER, and Mr. GARRETT of New Jersey.
H.R. 2727: Mr. CAPUANO.
H.R. 2808: Mrs. NORTHUP and Mr. DANIEL E. LUNGREN of California.
H.R. 2832: Mr. ENGLISH of Pennsylvania.
H.R. 2861: Mr. POMEROY.
H.R. 2945: Mr. REHBERG.
H.R. 2989: Mr. RAHALL.
H.R. 3195: Mr. HONDA, Mr. STARK, and Mr. SOUDER.
H.R. 3427: Mrs. DRAKE.
H.R. 3625: Mr. BAIRD.
H.R. 3828: Mr. MCCOTTER.
H.R. 3957: Mr. COLE of Oklahoma and Mrs. SCHMIDT.
H.R. 4033: Mr. GUTKNECHT.
H.R. 4174: Ms. JACKSON-LEE of Texas and Mr. SERRANO.
H.R. 4235: Ms. DEGETTE, Mr. TANCREDO, and Mr. SALAZAR.
H.R. 4291: Ms. JACKSON-LEE of Texas.
H.R. 4366: Mr. MEEK of Florida.
H.R. 4517: Mr. SOUDER.
H.R. 4562: Mrs. CAPITO, Mr. OSBORNE, Mr. TAYLOR of North Carolina, Mr. BONNER, Mr. WALDEN of Oregon, Mr. FORD, Mr. DINGELL, Mr. PUTNAM, Mr. AL GREEN of Texas, Mr. DEFAZIO, Mr. SESSIONS, Mr. RADANOVICH, Mr. COSTELLO, Mr. YOUNG of Florida, Ms. GRANGER, Mr. CAMP of Michigan, Mrs. MILLER of Michigan, Mr. BOYD, Mrs. CUBIN, Mr. INGLIS of South Carolina, Mr. STUPAK, and Mr. NEUGEBAUER.
H.R. 4666: Mr. SHAYS.
H.R. 4725: Mr. POE.
H.R. 4766: Mr. PEARCE.
H.R. 4767: Ms. KAPTUR.
H.R. 4901: Mr. LANTOS.
H.R. 4927: Ms. CORRINE BROWN of Florida, Mr. WAXMAN, Mr. KILDEE, and Mr. MOORE of Kansas.
H.R. 4956: Mr. KIND, Mr. LEWIS of Georgia, Mr. COOPER, and Mr. SHERMAN.
H.R. 4987: Mr. ENGLISH of Pennsylvania.
H.R. 5005: Mr. ORTIZ, Mr. ISSA, Mr. GOODLATTE, and Mr. BERRY.
H.R. 5022: Ms. WATERS, Mr. MCCAUL of Texas, and Mrs. TAUSCHER.
H.R. 5052: Mr. MARKEY.
H.R. 5056: Mr. HAYWORTH.
H.R. 5106: Mr. ANDREWS.
H.R. 5139: Mr. KIND.
H.R. 5140: Mr. KIND.
H.R. 5156: Mr. PEARCE.
H.R. 5171: Mrs. MILLER of Michigan and Mr. SOUDER.
H.R. 5230: Mr. EHLERS.
H.R. 5249: Mr. DEAL of Georgia, Mr. HAYES, Mr. MILLER of Florida, and Mr. ENGLISH of Pennsylvania.
H.R. 5292: Mr. PEARCE.
H.R. 5304: Mr. REICHERT.
H.R. 5312: Mr. KENNEDY of Rhode Island.
H.R. 5321: Mr. POMEROY.
H.R. 5371: Mr. SCHIFF.
H.R. 5382: Mr. PRICE of North Carolina.
H.R. 5453: Mr. MCCOTTER.
H.R. 5482: Ms. SCHAKOWSKY and Mr. DEFAZIO.
H.R. 5485: Ms. MATSUI.
H.R. 5539: Mr. FORD and Mr. ENGLISH of Pennsylvania.
H.R. 5552: Mr. MCKEON and Mr. OSBORNE.
H.R. 5575: Mr. HONDA.
H.R. 5587: Ms. GINNY BROWN-WAITE of Florida.
H.R. 5597: Mr. POE.
H.R. 5598: Mr. JACKSON of Illinois.
H.R. 5602: Mr. WALDEN of Oregon.
H.R. 5608: Mr. PASCRELL, Mr. MORAN of Virginia, Mr. RAHALL, and Mr. JACKSON of Illinois.
H.R. 5635: Mr. SANDERS, Ms. DELAURO, Mr. GEORGE MILLER of California, and Mr. PASCRELL.
H.R. 5667: Mr. CASE and Mr. PASCRELL.
H.R. 5675: Mr. WALDEN of Oregon.
H.R. 5702: Mr. SCOTT of Georgia.
H.R. 5704: Mr. MCHUGH and Mr. POE.
H.R. 5733: Mr. REICHERT, Mr. MILLER of Florida, Mr. RANGEL, and Mr. FOLEY.
H.R. 5739: Mr. POE.
H.R. 5740: Mr. SHAYS.
H.R. 5755: Mr. RENZI, Mr. LATHAM, Mr. RYAN of Ohio, and Mr. ISRAEL.
H.R. 5757: Mr. HONDA.
H.R. 5770: Mr. WYNN, Mr. THOMPSON of Mississippi, and Mr. PAYNE.
H.R. 5772: Mr. LATHAM and Mrs. EMERSON.
H.R. 5805: Mr. WELLER, Mr. CHANDLER, Mr. SOUDER, Mr. FORTUÑO, MRS. MILLER of Michigan, Mr. CASE, Mr. PUTNAM, Mr. NEY, and Mr. LINDER.
H.R. 5806: Mr. JEFFERSON, Ms. WOOLSEY, Mr. MOORE of Kansas, Mr. PAYNE, Mr. MCGOVERN, Mr. FARR, and Mr. OWENS.
H.R. 5815: Ms. BERKLEY.
H.R. 5834: Mr. MCDERMOTT.
H.R. 5835: Mr. CAMP of Michigan, Mr. SOUDER, Mr. ENGLISH of Pennsylvania, Mr. YOUNG of Florida, and Mr. HIGGINS.
H.R. 5836: Mr. GENE GREEN of Texas, Mr. PAYNE, and Ms. LEE.
H.R. 5837: Mr. ISRAEL, Mr. HINOJOSA, and Mr. AL GREEN of Texas.
H.R. 5878: Mr. HONDA, Mr. CARNAHAN, Mr. MCGOVERN, and Ms. MOORE of Wisconsin.
H.R. 5887: Mr. MEEHAN and Mr. BURTON of Indiana.
H. Con. Res. 179: Mr. PITTS.
H. Con. Res. 415: Mr. PAYNE.
H. Con. Res. 450: Ms. MOORE of Wisconsin.
H. Res. 79: Ms. MCCOLLUM of Minnesota, Mr. TAYLOR of Mississippi, Mr. MORAN of Virginia, Mr. NEAL of Massachusetts, Ms. LORETTA SANCHEZ of California, Ms. ESHOO, Mr. FILNER, Mr. WU, Mr. STUPAK, Mr. PASCRELL, and Mr. THOMPSON of California.
H. Res. 222: Mr. GARRETT of New Jersey.
H. Res. 295: Mr. MOORE of Kansas.
H. Res. 335: Mr. KENNEDY of Rhode Island.
H. Res. 533: Mr. BUTTERFIELD.
H. Res. 745: Mr. SESSIONS.
H. Res. 759: Mr. FOSSELLA.
H. Res. 776: Mr. POE.
H. Res. 790: Mr. DAVIS of Alabama and Ms. WATSON.
H. Res. 823: Ms. FOXX, Ms. HARRIS, Mr. CALVERT, and Mrs. DRAKE.
H. Res. 844: Mr. SERRANO.
H. Res. 888: Mr. STARK, Mr. JACKSON of Illinois, and Ms. NORTON.
H. Res. 894: Mr. FARR.
H. Res. 928: Mr. DAVIS of Illinois and Ms. MCCOLLUM of Minnesota.
H. Res. 931: Ms. WATSON, Ms. MCCOLLUM of Minnesota, Mr. BROWN of Ohio, Mr. MCNULTY, Ms. MATSUI, and Ms. LEE.
H. Res. 935: Mr. AL GREEN of Texas and Mr. JACKSON of Illinois.
H. Res. 948: Mr. WU, Mr. UDALL of Colorado, and Mr. CALVERT.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

133. The SPEAKER presented a petition of the City Council of Atlanta, Georgia, relative to Resolution 06-R-0928 recognizing the thirty one years of contributions made to the City of Atlanta by the Community Development Block Grant Program and supporting its continuation; to the Committee on Financial Services.

134. Also, a petition of the Legislature of Orange County, New York, relative to Resolution No. 133 opposing the construction of the New York Regional Interconnection Power Transmission Line and urging the

Congress of the United States and the United States Department of Energy and the Federal Energy Regulatory Commission to deny the application of New York Regional Interconnect for designation of a certain route in New York as a national interest electric transmission corridor; to the Committee on Energy and Commerce.

135. Also, a petition of the Commission of Cook County, Illinois, relative to a resolution urging the President of the United States and the Congress of the United States to make universal healthcare a priority and to take the measures necessary for it to become a reality, which is consistent with the goals set forth in the "Healthy People 2010" initiative; to the Committee on Energy and Commerce.

136. Also, a petition of the City Council of Atlanta, Georgia, relative to Resolution 06-R-0932 urging the Congress of the United States to investigate atrocities of the harvesting of human organs in the United States and China; and urging the Congress of the United States not to accept denials at face value and requesting the President of the United States question Hu Jin Tao, the President of China; to the Committee on International Relations.

137. Also, a petition of the Board of Commissioners of Cook County, Illinois, relative to a Resolution urging the Congress of the United States to uphold the decree of equal justice for all through either extending or making permanent all sections fo the Voting Rights Act; to the Committee on the Judiciary.

138. Also, a petition of Mr. Gregory T. Howard, a Citizen of Toledo, Ohio, relative to a letter discussing a legal matter; to the Committee on the Judiciary.

139. Also, a petition of Mr. Gregory T. Howard, a Citizen of Toledo, Ohio, relative to a letter discussing a legal matter; to the Committee on the Judiciary.

140. Also, a petition of Mr. Gregory T. Howard, a Citizen of Toledo, Ohio, relative to a letter discussing a legal matter; to the Committee on the Judiciary.

141. Also, a petition of Rev. Wes Carroll, a citizen of Dallas, Pennsylvania, relative to a request for all records concerning lawsuits, criminal activities and violations of citizens consitutional rights; to the Committee on the Judiciary.

142. Also, a petition of Mr. Dennis L. Schultz, a citizen of Spokane, Washington, relative to a notice of treason, and petitioning the United States Congress for redress of grievances; to the Committee on the Judiciary.

143. Also, a petition of the Council of the Township of Rockaway, New Jersey, relative to Resolution AJR88 opposing the New York/New Jersey/Philadelphia Metropolitan Airspace Redesign Proposals; to the Committee on Transportation and Infrastructure.

144. Also, a petition of the City Council of Northampton, Massachusetts, relative to a resolution requesting a congressional inquiry to investigate President George W. Bush and Vice President Richard Cheney for administrative abuses of power; to the Committee on Rules.

145. Also, a petition of the Veterans Federation of the Philippines, relative to Resolution No. 06-31 conveying its appreciation to the Members of the United States House of Representatives for honoring the Filipino Veterans of World War II by considering H.R. 4574, the Filipino Veterans Equity Act of 2006; to the Committee on Veterans' Affairs.

146. Also, a petition of Mr. James N. Thivierge, a citizen of Amesbury, Massachusetts, relative to a petition to the Congress of the United States to take certain action in regards to Income Tax; to the Committee on Ways and Means.

147. Also, a petition of the Board of County Commissioners, Franklin County, Ohio, relative to Resolution No. 361-06 urging reconsideration of the sign-up deadline for Medicare Part D beyond May 15, 2006; jointly to the Committees on Energy and Commerce and Ways and Means.

148. Also, a petition of the Legislature of Tompkins County, New York, relative to Resolution No. 63 supporting changes in Medicare Part D; jointly to the Committees on Energy and Commerce and Ways and Means.

149. Also, a petition of the Legislature of Tompkins County, New York, relative to Resolution No. 114 urging President Bush to stop Warrantless Surveillance of Americans and to Follow the Foreign Intelligence Surveillance Act; jointly to the Committees on the Judiciary and Intelligence (Permanent Select).

EXTENSIONS OF REMARKS

RECOGNIZING THE 2006 TENNESSEE STATE GOSPEL SINGING CONVENTION

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. GORDON. Mr. Speaker, I rise today to recognize the 2006 Tennessee State Gospel Singing Convention. For 72 years, this convention has been celebrating the State's rich gospel singing tradition. This year, the two-day event will be held in Carthage, TN, which I am proud to represent in this esteemed body.

This statewide convention began in 1934 with the goal of honoring Tennessee's historical roots in the gospel movement. By building on traditions of county music festivals, the convention drew a crowd of more than 6,000 people just 4 years later.

Since then, the festival has drawn several noted performers from across Tennessee and surrounding States. Along with quality entertainment, the convention also boasts a string of acclaimed leaders, including Sergeant Alvin C. York, who once served as vice president of the convention.

Today, the Tennessee State Gospel Singing Convention draws hundreds of people and continues to honor the tradition of gospel music in Tennessee. I am sure this year's convention will be a wonderful event and I commend all involved for their commitment to preserving Tennessee culture.

IN HONOR OF THE FIRST BAPTIST CHURCH OF PINE CITY'S 100TH ANNIVERSARY

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. BERRY. Mr. Speaker, I rise here today to recognize the First Baptist Church of Pine City which will celebrate its 100th anniversary this August. This is a significant milestone for a church community dedicated to fellowship and service.

The First Baptist Church of Pine City was founded in 1906 under the guidance of Rev. John Smith. The congregation spent the first decade worshiping in temporary locations throughout Pine City, including a brush harbor on Rev. Smith's farm, the Beaten School, and even an old house. The church community finally bought land for a church on November 4, 1916 from Parker C. and Georgia Ewans for just $10.00. Once the sale was finalized, the congregation came together to build a church, pitching in to cut down trees and haul lumber from the saw mill.

When the congregation outgrew this facility in 1954, the community came together once again to build the current First Baptist Church of Pine City. Members raised money for the new building by selling dinner plates on Sundays after the church service, donating daily salaries earned by picking cotton in the fields, and even raffling off a bale of cotton. The congregation has made many improvements to the church over the years and looks forward to continuing these improvements in the future.

A total of 21 preachers have served the First Baptist Church of Pine City over the last 100 years including the current pastor, Rev. I.E. Holland, Sr., who has led the community in worship for 22 years. On August 13, 2006, the First Baptist Church of Pine City will gather to celebrate the 100th anniversary of their church community.

I ask my colleagues in the U.S. House of Representatives to join me in recognizing the congregation on this important day and sending our best wishes for many more years of worship and service to the Lord.

TRIBUTE TO AUSTIN COUNTY REPUBLICANS

HON. MICHAEL T. McCAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. MCCAUL of Texas. Mr. Speaker, I rise tonight to honor the great County of Austin in my home State of Texas.

There are few places in our great Nation where the people of one county take such pride and interest in their politics and the issues which affect their lives. Austin County is one of those few and special places.

I am particularly fortunate to represent the Republicans of Austin County. It is from this special group of people that I am able to gain insight and perspective on the issues we deal with everyday right here in our Nation's Capitol.

This exceptional community of loyal Americans strongly supports America's efforts against terrorism, both at home and abroad in places like Iraq and Afghanistan.

The Republicans of Austin County also respect the traditional and American values that we work so hard to protect here in Washington.

In Austin County, they know marriage is between one man and one woman, and they know the words "Under God" belong in the Pledge of Allegiance to the flag which flies over our great land.

Austin County Republicans also appreciate and understand the need to secure America's borders. I know when we discuss real ways to solidify the security of our borders, this Congress has the full support of the Austin County GOP.

I know we have their backing when we explore ways to stop the growing problem of illegal immigrants breaking into our Nation.

And, I know the elected leaders of our land have the support of Austin County Republicans when we pass laws aimed at providing legal citizens with America's social services, and not those in our Nation illegally.

But it's not just about immigration and protecting America's values.

The Republicans of Austin County are a fiscally sound and smart bunch of men and women who care very deeply about America's financial welfare. This is why we have their full support for tax cuts which keep more money in American pockets, and their support for legislation that has added more than 5 million new jobs to our economy.

Mr. Speaker, when we pass legislation to help make our Nation more secure and prosperous, we are doing so for people like my friends in Austin County, TX.

When we develop new and cheaper ways to power our homes and cars as we have in this Congress, we are doing so for people like those living in Austin County.

So Mr. Speaker, it is my hope you will join me tonight in honoring those hard working and God fearing people of Austin County, TX's GOP.

Each day they work very hard to help the Members of this body keep the United States a secure and prosperous nation, and for that they deserve our continued appreciation.

PERSONAL EXPLANATION

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Ms. CARSON. Mr. Speaker, I was unable to record my rollcall vote 397. Due to a fender bender on my way to votes, I was unable to record my rollcall votes 400–402. Had I been present I would have voted "yes" on all votes.

A TRIBUTE TO THE 2006 ELLIS ISLAND MEDAL OF HONOR RECIPIENTS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. BURTON of Indiana. Mr. Speaker, I rise today to congratulate the 2006 recipients of the Ellis Island Medal of Honor. This medal—created in 1986—aptly named for Ellis Island, an enduring symbol of the diversity that characterizes our great Nation, commemorates and recognizes Americans of all ethnic backgrounds who have made significant contributions through their own perseverance and sacrifice to our society and culture. By honoring these outstanding individuals, we honor all

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

who share their origins and we acknowledge the contributions they and other groups have made to America.

The Ellis Island Medal of Honor is presented annually by the National Ethnic Coalition of Organizations (NECO), representing more than 250 organizations that span the spectrum of ethnic heritages, cultures and religions. Since 1986, approximately 1,700 American citizens have received Ellis Island Medals of Honor, including six American Presidents, several United States Senators, Congressmen, Nobel Laureates, outstanding athletes, artists, clergy, and military leaders. Collectively they represent a remarkable fraternity of individuals who have distinguished themselves as outstanding human beings and exemplary citizens of the United States. In addition, NECO awards one International Ellis Island Medal of Honor each year. This year's international honoree was Martin J. Sullivan, President and Chief Executive Officer of American International Group, Inc. Mr. Sullivan is British.

When the immigrant station at Ellis Island, New York, opened on January 1, 1892, it admitted 700 immigrants into the United States on just its first day of operation. By the time the center closed in 1954, 17 million immigrants had passed through its doors. The Ellis Island administration and staff, on average, processed up to 5,000 people per day. Many of these newcomers had little or no knowledge of English, hardly any money, and many arrived with only the clothes on their backs. They arrived risking their lives in exchange for freedom and a better way of life.

I, once again, commend NECO and its Board of Directors headed by my good friend, Nasser J. Kazeminy, for honoring these truly outstanding individuals for their tireless efforts to foster dialogue and build bridges between different ethnic groups, as well as promote unity and a sense of common purpose in our Nation. As Rosemarie Taglione, Executive Director of NECO, so eloquently said in connection with this year's awards ceremony: "NECO's message of tolerance and harmony among diverse ethnic groups is, perhaps, even more important today than it was 20 years ago."

Mr. Speaker, I ask all of my colleagues to join me in recognizing the good works of NECO, and congratulating all of the 2006 recipients of the Ellis Island Medals of Honor.

Elizabeth Agbabian, Cesar Baez, Vartkes Barsam, Harry E. Bovay, Jr., Dawn Bryan, Fredy Bush, Joseph R. Calabrese, M.D., Tykye Camaras, Charles Carey, Edmund N. Carpenter II, Josip Cermin, Vahan Chamlian, Yong Jin Chang, George Chimples, Benjamin B. Choi, Esq., Dr. Deepak Chopra, Maxine Chou, Richard Corkery, Frank Corvino, Rita Cosby, John R. Costantino, Robert E. Courtney, Esq., Ed Cox, Long Deng, Vlade Divac, Kathleen M. Donahue, Ali Ebrahimi, George Elias Jr., Nijad Fares, BG Margrit M. Farmer, Lu-Jean Feng, MD, Siegfried Fischbacher, Col. David Fitzgerald, Aldo G. Frustaci, Esq., Fred Grapstein, C. Joseph Grignaffini, Sang-Ki Han, William Hanna, Richard Hayden, Roy Horn, Mori Hosseini, Jirair S. Hovnanian, Irwin Jacobs, Chief Joanne Jaffe, Thomas F. Kane, Kathleen Kennedy Townsend, Charles Evans Kilbourne III, Kwang Sung Kim, Peter Koo, Nat LaCour, Shau-wai Lam, Dean Lampros, Thomas D. Lee, Hon. John Lehman, George G. Makris, Roberta Mann, Hon. Rafi Manoukian, Col. Rick Martin, Ronald Martino, Jamie Masada, Fariborz Maseeh, Martin G. McGuinn, Dr. Navin C. Mehta, Jose Mejia, Edward Miller, Hamid Moghadam, VADM Kevin J. Moran, Dr. Navin Nanda, Luke Nasta, Frank Newell, MD, William C. Norris, Antranig M. Ouzoonian, Dinesh Patel, Hon. Tim Pawlenty, RADM David Pekoske, Fred Pezeshkan, Mark Pigott, Robert Price, Hon. Thomas Ridge, Imelda Roberts, Col. Angela Salinas, Frank Sciame, Niranjan Shah, John Shall, Thomas Nunziato Shannon, Jr., Dr. Hosein Shokouh-Amiri, Dr. Grace Shu, Dr. William T. Smith, Bruce A. Smith, Lewis T. Smoak Esq., Klaus-Peter Statz, Mitchell Steinhause, Michael Stern, Martin J. Sullivan, Ramon M. Tallaj, MD, Dr. William Tansey III, Michael Tong, Rev. Nicholas Triantafilou, Lester Trilla, Manny Villafana, and Walter Wang.

CELEBRATING HUGO, MINNESOTA'S CENTENNIAL

HON. MARK R. KENNEDY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. KENNEDY of Minnesota. Mr. Speaker, I rise today to recognize the centennial anniversary of the city of Hugo, Minnesota, located in my district.

Originally settled on a small plot of land in the 1850s, the town of Hugo was formally established in 1906 around a railroad and a post office.

Although its beginnings were modest, by 1917, this small town, populated by residents who made their living cutting and hauling wood to the railroad, had its own hotel, store, and school, and had begun to build its reputation for quality agriculture.

One hundred years later, Hugo has remained true to its roots, and is still known for its commitment to its rich farmland.

Mr. Speaker, I am pleased to join the residents of Hugo in celebrating its first one hundred years. It is solid communities like this which make Minnesota great.

WELCOMING IRAQI PRIME MINISTER AL-MALIKI TO WASHINGTON

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. WILSON of South Carolina. Mr. Speaker, just 3½ years ago, Iraq was controlled by a brutal dictator who killed an average of 300 people a day. Iraq has now been liberated, and a fledgling democracy has taken root. The Iraqi people—in the face of terrorist threats—turned out in droves to ratify a constitution and elect their representatives. Today, this Congress and the American people have heard from the democratically elected leader of Iraq, Prime Minister Nouri al-Maliki.

I am grateful for the Prime Minister's address, as I appreciate his message of hope and progress. The training of Iraqi Security Forces is advancing rapidly. The parliamentary cabinet has been completed. Iraq has become a civil society.

Having visited Iraq six times, I have witnessed firsthand the progress being made. While there is still a long road ahead, the United States will continue to stand with the Iraqi people which protects American families. We will together make Iraq the graveyard of terrorists.

In conclusion, God bless our troops, and we will never forget September 11th.

COMPETITION

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. BONNER. Mr. Speaker, I rise today to talk about the value of competition in our Department of Defense acquisition process. Without competition in the acquisition process we have no choices. Without competition, innovation does not exist. Without competition we have no bargaining position relative to costs. Without competition the capability of our military stagnates.

Some would argue that we must protect our industrial base. I would suggest that competition does that very thing. We live in a global economy and, when U.S. industry does not produce competitive products, our industrial base suffers. It is true in virtually every industry.

If we are to continue to procure the best military equipment for best value the taxpayer dollar can afford, we must preserve the competitive process. In today's global economy that means we must not shy away from our allies' participation. Rather we should learn the lessons of the commercial sector and embrace the value of their partnership.

Ultimately, what does competition mean? It means a fair and open competition through an objective, quantifiable process. Secretary Rumsfeld for 6 years has espoused a capabilities based acquisition process. It is time to execute those words and follow the documented process.

Air refueling is the key enabler to our global military might and we need to get the competition for the KC–135 Replacement program right. That means the Defense Acquisition System needs to prove that its selection process understands capabilities-based evaluation and appropriately weighs the system's key performance parameters. Otherwise, we'll never know whether the competition was a true competition and whether our warfighters have received the best possible capability.

TRIBUTE TO CINDY CREAMER

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. VAN HOLLEN. Mr. Speaker, I rise today to honor Col. Cindy Creamer, a thirty-year veteran of the City of Takoma Park Police Department, on the occasion of her retirement. As an officer and police chief, Col. Creamer has worked tirelessly over the past three decades to ensure the safety and security of Takoma Park residents, and her dedication to this vital task deserves our sincere gratitude and appreciation.

Sworn in as a police officer on her 21st birthday, Chief Creamer served in every division of the Takoma Park Police Department. She began her career as a Communications Dispatcher in 1976, then went on to serve in and eventually command both the patrol and criminal investigation divisions. Chief Creamer was selected as Officer of the Year in 1980 while serving as a patrol officer, and she received the honor again in 1990 for her criminal investigating skills. As the first female sergeant and lieutenant in the agency, she received numerous other honors, including Supervisor of the Year.

Chief Creamer has served the residents of the City of Takoma Park and Montgomery County with dedication and commitment. She has made a difference in the quality of life throughout our county. Although she is retiring from active duty on the Takoma Park police force, I am delighted that Chief Creamer will continue to serve our community as deputy chief for patrol at the WSSC Police Department. I am confident that her many years of active experience will ensure her success in this role.

Mr. Speaker, I am pleased to represent Chief Cindy Creamer in the U.S. Congress and to extend my congratulations and thanks to her for her service to our community.

TRIBUTE TO THE REV. G. VINCENT LEWIS, CHIEF MINISTERIAL OFFICER AND EXECUTIVE PASTOR OF ANTIOCH MISSIONARY BAPTIST CHURCH OF CAROL CITY

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. MEEK of Florida. Mr. Speaker, I rise to pay tribute to one of our community's most outstanding and experienced church leaders, the Rev. G. Vincent Lewis, Executive Pastor of Antioch Missionary Baptist Church. The members and supporters of the congregation celebrated the 30th Anniversary of his pastorate on Sunday, July 23, 2006, in a happy event held at Antioch Missionary Baptist Church of Carol City.

Rev. Lewis represents the vocation of a Good Shepherd who attends to his flock in ways we can never fathom. As Executive Pastor and Chief Ministerial Officer, he exudes the knowledge and pragmatism of a man who is capable of making good things happen in the corporal world while also teaching the ways of God. He has tirelessly worked to enlighten our community on the agenda of spiritual wisdom and good governance impacting our duties and responsibilities to the less fortunate.

Rev. Lewis' timely and persevering leadership at Antioch Missionary Baptist Church of Carol City is genuinely commendable. As a man of God and as a community leader, he has indeed earned our deepest respect and admiration.

We congratulate Reverend Lewis and thank him for his many years of service in the Vineyard of the Lord. He continues to teach us to live by the noble ethic of loving God and by serving our fellow human beings, and our fervent hope is for his continued health and success as be begins his fourth decade of service.

INTRODUCTION OF THE COMMUNITY PROTECTION AND RESPONSE ACT

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mrs. MALONEY. Mr. Speaker, today I am introducing the Community Protection and Response Act of 2006 to eliminate confusion in terrorist prevention and response.

One of the major lessons learned in the aftermath of the September 11th attacks is that timely response is critical. Any delay complicates short-, medium-, and long-term recovery efforts. Sadly, many of the lessons that we have learned have gone without an appropriate response.

In response to the attacks of September 11th, Congress took a series of actions to bring relief to affected areas. These legislative actions along with existing statutes, including the Robert T. Stafford Relief and Emergency Act and the Disaster Mitigation Act of 2000, formed the framework for the Federal Government's response. The magnitude of the attacks and the need for Congress to take action before certain relief could be delivered added to the challenge of the recovery efforts and exposed critical weaknesses in Federal authority to respond.

The Community Protection and Response Act would amend the Stafford Act along with other statutes and would give the President a series of policy options to choose from following a homeland security event. A homeland security event is defined as an event that poses a significant risk to the security of people and property and is in such a magnitude that effective response is beyond the scope and capability of the affected State and local government. Many of these options are based on congressional action following September 11th or other policy suggestions in reports by the Congressional Research Service, the General Accounting Office and the New York branch of the Federal Reserve. Specifically, in the event of a homeland security event, the President can provide grants for lost tax revenue, aid to school systems, and assistance to medical facilities and utility companies. The bill also establishes guidelines to ensure the public health of area residents and disaster workers.

Specifically this legislation would do the following:

COMMUNITY PROTECTION AND RESPONSE ACT OF 2006 (CPR)

EXPANSION OF DEFINITIONS IN THE STAFFORD ACT/ AMENDMENTS TO EXISTING STATUTES

1. Expands the definition of "major disaster" to include terrorist attacks, dispersions of radioactive or other contaminants, dispersion of hazardous substances, or other catastrophic event.
2. In the event of a homeland security event expands definition to include private for-profit utilities (including power, water, telecommunications and phone services).
3. Defines "Homeland Security Event" as a major disaster that poses a significant risk to the people and property of the Nation and it is such severity and magnitude that effective response is beyond the capability of the affected State and local government. Designation requested by Governor and made by President.
4. Changes definition of critical services to include education systems, providers of counseling assistance, and providers of assistance to the homeless.
5. Removes $5 million restriction for loans as a result of lost taxes or other revenues. Forgives interest in the event of a Homeland Security Event.
6. Removes requirement of "direct" impact for assistance.

HOMELAND SECURITY EVENTS NEW AUTHORITIES GIVEN TO THE PRESIDENT

After declaration, the President is authorized, but not required, to do the following:

1. Establish a coordinating office and appoint a Disaster Recovery Director.
2. Reimburse State and local governments to respond to high security alerts.
3. Provide grants to local governments which may suffer a loss of tax and other revenues.
4. Reimburse school systems for lost instructional time, mental health and trauma counseling and clean up cost.
5. Authorizes EPA to perform all indoor air testing and undertake remedial actions.

STANDARDS AND REPORTING

Directs OMB to establish standards for reporting disaster relief efforts regarding each agency that assists in disaster relief efforts following a homeland security event. Reports such data to Congress.

MONITORING OF HEALTH RISKS

1. Instructs President to appoint a special commission to study the authorities available to the Environmental Protection Agency (EPA) following a homeland security event. Including the monitoring of the environment.
2. Works with the EPA and the Centers for Disease Control (CDC) to develop guidelines regarding health risks for affected areas and instructs the CDC to provide information in the case of biological materials.
3. Provides for standardization, rapid collection and analysis, and communication following a homeland security event.
4. Authorizes the Secretary of Health and Human Services to make awards to private entities to collect health data in the aftermath

of an event. These awards can be made in advance of the event for immediate response.

SUPPORT FOR THE BREAST CANCER PATIENT PROTECTION ACT

HON. LUIS FORTUÑO

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. FORTUÑO. Mr. Speaker, today I express my strong support for H.R. 1849, the Breast Cancer Patient Protection Act. Breast cancer adversely affects hundreds of thousands of American women and their families each year. Introduced by Representatives SUE KELLY and ROSA DELAURO, this bill would require that health plans provide coverage for a minimum hospital stay for mastectomies, lumpectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations. H.R. 1849, in conjunction with its Senate companion bill, S. 901, represents an important bicameral effort to improve and ensure the health of American women.

I strongly believe that H.R. 1849 is a valuable tool to provide effective health care and recovery support to those impacted by breast cancer.

IN HONOR OF REVEREND RICHARD KEVIN BARNARD

HON. MICHAEL C. BURGESS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. BURGESS. Mr. Speaker, today I rise to welcome my pastor, Reverend Richard Kevin Barnard. I am honored Father Barnard is here today to lead us in glory and praise of our Almighty. Reverend Barnard has served as Rector of The Chapel of the Cross—a Reformed Episcopal Church—since July of 1989. He has also served Reformed Episcopal Congregations in New Jersey and New York.

Before coming to The Chapel, Father Barnard was Director of Communications for the International Bible Society, which was then located in East Brunswick, NJ. In that capacity he was a regular participant in the monthly White House Forum for Religious Organizations during the Reagan Administration and represented the Bible Society at public and private events, traveling to Central America, Europe, Africa and Asia.

Father Barnard is the author of two books and numerous articles, and is also a Past Master of Roy Stanley Masonic Lodge in Dallas.

Before becoming a Reformed Episcopalian, the Reverend Barnard was a Baptist pastor, serving congregations in Missouri, Florida and Tennessee. He is a graduate of Baptist Bible College, Springfield, MO, and holds the Master of Divinity Degree from Cummins Theological Seminary, a Reformed Episcopal seminary in Summerville, SC.

Father Barnard is married to the former Miss Paula Ann Henderson of Fort Worth, TX. They have four children and two grandchildren. Their youngest son, Adam, is currently serving aboard in USS *Los Angeles* (SSN 688), stationed at Pearl Harbor.

Father Barnard's gracious presence and true dedication to the work and word of Christ is an instrumental part of my life. He guides his flock diligently and challenges us to remain faithful to pursuing our walk with Christ daily. I am thankful for his leadership and his presence here today. It is truly and honor.

RECOGNIZING THE BETHLEHEM CENTERS OF NASHVILLE AS ONE OF THE TOP RATED CHILD CARE CENTERS IN THE COUNTRY

HON. JIM COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. COOPER. Mr. Speaker, today I wish to recognize Bethlehem Centers of Nashville and express my heartfelt congratulations on their fourth year to receive a three-star rating from Tennessee Department of Human Services for their child care services.

Founded in 1894 as the United Methodist Neighborhood Centers, today the Bethlehem Centers of Nashville serve thousands of children, young adults, adult women and senior citizens in the North Nashville and downtown neighborhoods. Bethlehem Centers provide a variety of services designed to support individuals regardless of their economic background.

With the goal of helping individuals toward becoming strong, independent and contributing members of their family and community, Bethlehem Centers provide Nashvillians with life skills training, tutoring, nutrition counseling, senior outreach programs, business and career training, GED preparation, mentoring, and even daily hot lunches.

In addition to these community programs, Bethlehem Centers have earned a three-star rating for their high quality child care services from the Tennessee Department of Human Services. This is their fourth year to receive the highest rating awarded by the State and to be placed among the top rated child care centers in the Nation.

I am proud to send my heartiest congratulations to Bethlehem Centers' Joyce Searcy and all the dedicated staff members who have committed themselves to bettering Nashville's communities.

I join with everyone in Tennessee's Fifth District in applauding the Bethlehem Centers of Nashville for all that they do for the community and I commend everyone at Bethlehem Centers of Nashville who make it a special place to learn, play and grow.

TRIBUTE TO NATIONAL RECREATION AND PARKS MONTH

HON. DANIEL LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. LIPINSKI. Mr. Speaker, I rise today to honor the essential contributions of employees and volunteers across the country and abroad who maintain our nation's public parks and recreation facilities. In addition, I would like to commemorate National Recreation and Parks Month, celebrated annually since 1984 throughout the month of July. The purpose of National Recreation and Parks Month is not only to celebrate the start of summer programs but also to advocate for parks and recreation by encouraging communities to engage in outdoor physical activities and volunteering.

Recently, I have undertaken a bipartisan proposal to stop the dumping of sewage into the Great Lakes. Initiatives like these are only the beginning. Through the efforts of Congress and the National Recreation and Park Association, America moves toward a brighter horizon in environmental policy. National Recreation and Parks Month is an important occasion to remind us of our dedication to the preservation of the environment, and serves as an aide-mémoire for all Americans to enjoy the natural wonders of our nation.

As a member of the National Parks Caucus, it is my honor to recognize the collective efforts of volunteers and staff alike whose contributions and involvement with the nation's public parks and recreation facilities continue to shape American communities as well as the environment. Today, we celebrate the National Recreation and Park Association's accomplishments and persistent efforts to preserve our environment and show appreciation for the nation's public parks and recreation facilities. The NRPA's initiative, along with support provided by volunteers and staff, truly sow the seeds for communal growth. Such achievements deserve recognition not just during this month, but at every opportunity throughout the year.

TRIBUTE TO CORA T. WALKER

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. THOMPSON of Mississippi. Mr. Speaker, I would like to honor the life and legacy of Ms. Cora T. Walker. Cora Thomasina Walker was born on June 20, 1922, in Charlotte, N.C., one of nine children of William and Benetta Jones Walker. The family moved to the Bronx when she was a child. When she was an adolescent, her parents separated, leaving her, her mother and her siblings dependent on public assistance.

After graduating from James Monroe High School in the Bronx, Ms. Walker promptly informed the Welfare Department that their help was no longer required: she would support the family. She took a night job as a teletype operator with Western Union and also sold Christmas cards.

At the same time, Ms. Walker was enrolled at St. John's University, then in Brooklyn, in a special 6-year program in which students earned both a bachelor's degree and a law degree. She received a bachelor's degree in accounting from St. John's in 1945 and a law degree the next year.

For much of her career, Ms. Walker was active in the National Bar Association, a historically black organization. She helped found the association's Corporate Counsel Conference, an annual meeting sponsored by its commercial law section. In 1947, when Ms. Walker was admitted to the New York bar, she found the doors of the city's law firms tightly shut. (One firm relented and offered her a position—as a secretary.) So she struck out on her own.

Active in Republican politics, Ms. Walker ran unsuccessfully for the New York State Senate in 1958 and 1964. In 1970, The New York Times included her—the only woman—on a list of the most powerful leaders in Harlem.

In 1960, Cora Walker became the first woman to serve as president of the Harlem Lawyers Association. Until recently her law firm was located in Harlem, first on 125th Street and later from a renovated brownstone on Lenox Avenue. Ms. Walker was the first woman to run for president of the NBA. This is a little known fact by the younger lawyers.

A recipient of numerous awards, the annual Black Law Student's Association's Breakfast held at the annual NBA Convention is named in her honor. She retired from the practice of law in 1999. The same year the New York County Lawyers' Association installed a plaque outside her Lenox Avenue law office commemorating her half-century of practicing law.

In 1988, she helped found the Corporate Counsel Conference which is still sponsored annually by the Commercial Law and Corporate Law Section of the NBA. Her first client was an undertaker, for whom she did collections. Before her retirement, her firm was representing corporate clients such as Conrail, the Ford Motor Company, Texas Instruments and Kentucky Fried Chicken. Although she was representing corporate clients, she continued to draft wills and represent the "plain, ordinary, not elegant people" .

Cora T. Walker made an impact on the lives of many black lawyers across the country. She will be dearly missed, but not forgotten. It gives me great pleasure to give tribute to Ms. Cora T. Walker.

HONORING THE 200TH ANNIVERSARY OF OVERTON COUNTY

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. GORDON. Mr. Speaker, I rise today to recognize the 200th anniversary of Overton County, Tennessee, which I have the honor of representing in this esteemed body. The Upper Cumberland community will commemorate its bicentennial with a 3-day celebration in September.

The area of Overton County was originally encompassed in North Carolina as part of the 13 original colonies. The location was ideal for settlers due to its fresh water, fertile soil, abundant wild game and moderate climate. The area had been a heralded Native American hunting ground for many years.

As the community grew and prospered, the General Assembly of Tennessee named the area Overton County on September 11th, 1806. The county was named for Judge John Overton, a personal friend of Andrew Jackson. Since then, the lines of the county have changed significantly, but the community has maintained its commitment to an outstanding quality of life.

County Mayor Kenneth Copeland, Livingston Mayor Frank Martin and the Overton County Bicentennial Committee will lead the celebration in September. They have done an outstanding job in organizing this event and leading the community into the 21st Century. I wish them well and hope the next 200 years are as prosperous and progressive as the first 200 years.

IN HONOR OF THE GIBBINS' 75TH WEDDING ANNIVERSARY

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. BERRY. Mr. Speaker, I rise here today to pay tribute to a special couple from England, Arkansas, Eityhel and Luvesta Gibbins, who celebrated their 75th wedding anniversary on July 3, 2006. This is a significant milestone and one that only a very few are fortunate enough to celebrate in their lifetime.

Eityhel and Luvesta Gibbins met as children in Fairbanks, Arkansas, and decided to marry in the summer of 1931. The couple made their home in Lonoke County, Arkansas and spent the next forty-five years growing cotton, soybeans, and wheat. Throughout the years, the Gibbins' were blessed with four children—Van D. Gibbins, Ulyes F. Gibbins, Lynn E. Gibbins, and Joe C. Gibbins—and now have the pleasure of spending time with seven grandchildren and eight great-grandchildren.

Their love for each other and their family extends to their neighbors as well, where they continue to stay involved in their community. They remain active members of the Coy Church of Christ and are often seen participating in local activities and events. Their energy is truly remarkable and perhaps the secret to a long and fulfilling life.

A 75th wedding anniversary reminds us that marriage is not an instant achievement but a covenant that requires love, patience, and respect. Eityhel and Luvesta Gibbins have perfected this commitment to each other and are truly blessed to have a strong marriage, their family, and a lifetime of memories. As they live each day by their wedding vows, they continue to inspire all who are fortunate to know them.

On July 3rd, 2006, Eityhel and Luvesta Gibbins joined their family at a celebration to honor their 75 years of marriage. I ask my colleagues to join me in congratulating them on this joyous occasion and sending our best wishes for many more years of love and happiness.

RECOGNIZING THE COMMUNITY OF BURNS, KANSAS

HON. JERRY MORAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. MORAN of Kansas. Mr. Speaker, I rise today to recognize the citizens of Burns, Kansas for continuing efforts to sustain and revitalize their community.

With a population of approximately 450, the citizens of Burns and the surrounding area demonstrate pride in their community through action.

Over the course of many years, steps have been taken to ensure that the future of Burns is a bright one.

In October of 2002, ground was broken on a new community center. With assistance from the Kansas Department of Commerce Kan-Step Program, the building was completed in March of 2003. During that five-month period, crews of volunteers worked on the center on a daily basis. Cabinets and More, a local business, volunteered more than 300 hours of labor to build and install cabinets. A donation of $18,000 was made by the Burns school alumni for window blinds and furniture. Twenty tables and 200 chairs were provided at cost—saving the community $7,000. The end result is a building that sports a wellness center, youth room, a place for seniors to quilt and a great kitchen. The center is constantly reserved for civic events and private gatherings. Carolyn Koehn, former city clerk and coordinator of the community center project, believes the facility demonstrates a collective willingness to enhance Burns' quality of life—today and for future generations. "This project would have not succeeded without the culture of volunteerism and the acceptance of change and new ideas in the Burns community," Koehn said.

More recently, residents banded together to transform the former post office into a new community library and city hall. Grant funding from USDA Rural Development covered $50,000 of the project expense. Impressively, more than $95,000 was raised by the Burns Public Library Board from private sources. Approximately half that amount came from local and area residents. The fundraising effort consisted of phone calls, an ice cream social by the Burns United Methodist Church and an 800 letter fundraising campaign. The new city hall and library was completed in May of 2006. Barb Stuhlsatz, library board president, is excited by the additional opportunities that the new facility affords area residents. "We now have a state-of-the-art library that provides reading programs, GED assistance and computer access to residents of Burns and the surrounding area," Stuhlsatz said.

The Burns PRIDE committee is always searching for ways to promote the community. Sandy Heyman, a committee member, came up with a unique way to achieve this goal. She initiated the sale of two-foot tall concrete roosters to local businesses and residents. Upon sale, the roosters were then creatively decorated. In May of 2004, Burns hosted its first ever Rooster Parade. In all, more than 60 roosters have been sold, decorated and are on display. In recognition of the project's success, the local Lions Club has purchased a four-foot rooster that serves as a welcome sign on the way into town. Sandy is proud of how the roosters have united her hometown. "It is amazing how many people participated in the project," Heyman said. "The roosters really brought people together."

Additional art can be found in the Prairie Arts store, an arts and crafts mall that attracts visitors from across the country. A local group of artists and craftsmen organized the business, which displays intricate wheat weavings, beautiful quilts, handcrafted wood items and much more. The arts and crafts mall is one of more than 20 businesses that call the Burns area home.

Local residents developed a new memorial park, which includes a pavilion, picnic tables, walking path, horseshoe pit, basketball goal and restroom. In addition, volunteers installed new city street signs, made improvements to the local ball field and constructed a new gazebo.

Since 1954, families in Burns have hosted international students in their homes over the Thanksgiving holiday. The program was initiated by Betty Grimwood and Bonnie Lohrentz, who thought it would be great if foreign students could experience rural, American culture. In recognition of how thoroughly the community embraced the idea, Burns received a Distinguished Service Award from the Institute of International Education in 1959. The award was presented by then Vice President Richard Nixon. Over the last 52 years, more than 60 local families have served as student hosts. In excess of 500 people representing 110 countries have visited Burns. Today, local resident Tom Grimwood carries on his mother's international legacy. Tom and his wife Nedy teach Spanish and Italian at American companies. They also welcome foreign students into their home every Thanksgiving. Tom is proud of the reputation that the program has developed over the years. "One of our students told us that Burns is the smallest town with the biggest diplomatic service in the world," Grimwood said.

In her 21 years as a resident, Mayor Mary Glenn has witnessed first hand how her community pulls together in order to achieve a goal. "All of our accomplishments are made possible because of a tremendous volunteer effort," Glenn said.

Stuhlsatz knows that her hometown is special. "The people of Burns are awesome," Stuhlsatz said. "They are like a family and whether they still live here or not, they work together to keep Burns a place you want to come home to."

For rural communities to survive and prosper into the future, citizens must be willing to create their own opportunities for success. Ongoing efforts to revitalize Burns are an example of how hard work, vision and community support can create such opportunities. Citizens throughout Kansas are working together to enhance the quality of life in their communities. Burns is a success story that demonstrates how teamwork and creative thinking can make a positive difference in rural America.

TRIBUTE TO DR. PETER G. MEHAS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. RADANOVICH. Mr. Speaker, I rise today to recognize a friend and a great leader in my community back home. Dr. Peter G. Mehas is retiring after 44 years in education as Superintendent of the Fresno County Schools. Dr. Mehas dedicated his life to ensuring our children thrive both in and out of the classroom. As an educator, administrator, public servant, community leader, father, husband, and grandfather, Dr. Mehas gives nothing less than his absolute best.

A small glimpse into the long list of Dr. Mehas's achievements reveals his unwavering dedication to education. Not often enough are educators recognized for their unselfish devotion to bettering the future of California's children. These teachers and administrators put in countless hours at school, at home and on their weekends. They deserve our greatest respect and gratitude for their efforts.

Throughout his distinguished career Dr. Mehas served as an instructor at Roosevelt High School and taught at Edison High School before moving to Clovis Unified School District. He worked his way up from assistant principal at Clovis High to principal, then assistant superintendent and finally associate superintendent.

From 1984 to 1987, Mehas established and served as the legislative advocate in Sacramento and Washington, DC, for the State Center Community College District, Fresno County and Modoc County Offices of Education and a consortium of 36 school districts throughout Central California.

In 1987, Mehas was appointed by Governor Deukmejian as his Chief Advisor on public education in the state, as well as all private and independent schools and universities.

Dr. Mehas was elected Fresno County Superintendent of Schools in 1990 and subsequently served three more terms. Being a superintendent is never an easy job, but to do the job for 16 years, and do the job as well as Dr. Mehas has done, is remarkable. We will miss his invaluable contributions.

In September 1991, President George Bush appointed Dr. Mehas to a 17-member advisory commission to implement his executive order on Latino education, a task Dr. Mehas was thrilled to have been given and excelled at. Later, Dr. Mehas was appointed by Governor Pete Wilson to the California Community College Board of Governors.

Most recently, Dr. Mehas was appointed, in 2005, by Governor Arnold Schwarzenegger, to serve on the Governor's Advisory Committee on Education Excellence.

As you can see, Dr. Mehas has committed the majority of his adult life to advancing education. Thanks in large part to Dr. Mehas, the children of the San Joaquin Valley are better prepared to face the challenges of the future.

Throughout the years, I have also had the privilege of working with Dr. Mehas on a variety of issues. Pete, we wish you well, as you embark on a new phase of your life. You may be retiring, but your contributions to education will endure.

TRIBUTE TO UTMB

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PAUL. Mr. Speaker, I wish to commend the University of Texas Medical Branch of Galveston (UTMB), Texas, which is in my congressional district, on being named by the Environmental Protection Agency and the Department of Transportation one of the best workplaces for commuters among colleges and universities. UTMB earned this recognition because of its efforts to improve both the environment and the quality of life for commuters. UTMB has also recently received Graduate Assistance in Areas of National Need grant to support seven fellowships for nursing students who intend to teach nursing at the university level. UTMB only applied for funding for three nursing fellowships, but the Department of Education awarded UTMB funding for seven fellowships. I am sure I do not have to tell my colleagues how unusual it is for a college to be awarded more funding than they requested.

Working closely with UTMB as I do, I am not surprised that it is in the forefront of both nursing education and efforts to improve the lives of commuters. The people of UTMB are consistently working to improve the lives and health of Texans and all Americans.

UTMB is one of the major centers of medical research in Texas and in the Nation. UTMB features a multidisciplinary environment that enables scientists and clinicians to work on projects that often have immediate application to patient care. Among UTMB's areas of strength are neuroscience; pain management and stroke treatment; gastrointestinal health; environmental health and asthma; infectious diseases; vaccine development; cancer; molecular medicine; aging; and diabetes. Among its numerous activities, UTMB hosts summer science programs for middle school, high school, and undergraduate students to help encourage and develop the research work force of tomorrow.

A recent, and particularly noteworthy, UTMB program is Center for Biodefense and Emerging Infectious Diseases, a key component in the efforts to protect the American people from the threat of bioterroism. Established in 2002, the center has two main objectives: (1) To reduce the vulnerability of the U.S. and other nations to the use of biological weapons for warfare and terrorism, and (2) to alleviate suffering from emerging and tropical infectious diseases through application of basic, applied, and field research, and education.

While UTMB's research program is impressive, many Texans primarily think of UTMB as a leading provider of quality health care. This is because UTMB offers services ranging from primary to specialized diagnostic care. Particularly impressive is UTMB's pioneering telemedicine programs. For example, UTMB has recently begun a new telemedicine program to bring medical services to the residents of Jamaica Beach, Texas. UTMB has established telemedicine connections for special-needs children in east Texas, for workers on offshore oil rigs in the Gulf of Mexico, for employees of a Galveston-based insurance company, and for passengers of a cruise ship that will travel worldwide.

In conclusion, Mr. Speaker, I congratulate the University of Texas Medical Branch at Galveston being named one of the best workplaces for commuters and for receiving funding for seven nursing fellowships from the Graduate Assistance in Areas of National Need grant program. I also extend my gratitude, on behalf of all the people of my district, for all that the people of UTMB are doing in both the field of medical research and in delivering quality health care to the people of Texas.

IN RECOGNITION OF THE SISTER CITIES ORGANIZATION OF CRIVITZ, WI. AND CRIVITZ, GERMANY

HON. MARK GREEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. GREEN of Wisconsin. Mr. Speaker, today I'd like to recognize the Sister Cities Organization of Crivitz, Wisconsin and Crivitz, Germany, which is celebrating five years of friendship and diplomacy.

President Dwight D. Eisenhower established the People to People program in 1956 to promote cultural awareness and diplomacy through the actions of ordinary citizens. As the program expanded, Sister Cities International was founded to encourage sister-city partnerships between the U.S. and international communities.

Today we celebrate the partnership of two towns who share one name. The northeastern Wisconsin community of Crivitz was founded in 1883 and named after F.J. Bartels's hometown in northeastern Germany. While the two communities are separated by many miles, they share a proud heritage and desire to further connect their citizens not only through a shared name, but with a cross-cultural relationship that continues to grow and expand.

It is truly an honor and pleasure to recognize the Sister Cities Organization of Crivitz, WI and Crivitz, Germany, and thank the citizens who continue to promote President Eisenhower's vision of peace through understanding.

IN HONOR OF LOUIS N. HADDAD

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. FARR. Mr. Speaker, I rise today to honor Louis N. Haddad, a fine public servant and dear family friend who passed away on April 21, 2006. Throughout his 82 years, Lou served in the U.S. military, realized professional success, held numerous public offices, involved himself in various community groups, and raised a wonderful family with his wife, Martha.

Born in Beggs, OK, in 1923, Lou joined the Army in 1940 at age of 16. As a member of the 12th Regiment of the 1st Cavalry Division during World War II, Lou saw action in the North African campaign, the capture of Sicily, and the invasions of Anzio and southern France. He also served honorably in the Korean war as a member of the Green Berets. Lou followed his lengthy and distinguished military career by entering the professional world, successfully embarking on a second career as private businessman.

Lou later began what would become a long and interesting career as a public servant. He served the city of Seaside as planning commissioner and Architectural Review Board member from 1962 to 1964, and became the Area Planning Commission chairman from 1966 to 1967. Lou was a city councilman from 1964 to 1966 and then again from 1978 to 1980. He was the mayor of Seaside from 1966 to 1972. Lou served as vice chair for Monterey Regional Water Pollution Control Agency and Monterey County Local Agencies Formation Commission, chairman of the Tri-County Board of the California Council on Justice, director of the Association of Monterey Bay Area Governments, and the Monterey Peninsula Water Management District. Lou's public service was not limited to government agencies but extended to the greater community as well.

Lou always remained very involved in community organizations, serving as president of both the Rotary and Lions Clubs. He was a member of the Elks Lodge, Knights of Columbus, and the Kiwanis Club, as well as a charter member of the Monterey Peninsula Boys and Girls Club and director for the Alliance on the Aging. Lou was also a member of the Military Order of the World Wars, U.S. Navy League, and the Nisei Veterans of Foreign Wars.

Lou spent much of his life serving his fellow citizens, He proudly fought for the United States of America in two wars, devoted his time and energy to multiple public offices, and supported his community through his membership in numerous citizen groups. Lou Haddad, through the life he led and the person he became, demonstrated the potential impact that one individual can have on his community and country. He influenced people and events on so many levels, and came to represent the positive, compassionate and, above all, human force that many strive for but few actually become. I enjoyed being on his talk shows and working on many of his projects. He was a citizen of public service.

While Lou is remembered for his success as a soldier, businessman, public servant, and community activist, he will be remembered most as a loving and supportive husband and father to his wife, Martha, and his children, Charles, Shirley, and Carole.

Mr. Speaker, on behalf of the United States Congress, I would like to honor the many accomplishments of Louis N. Haddad and express sincere gratitude for his accomplishments and contributions to our community and our country.

HONORING DANIEL F. EGAN, JR., AND HIS WORK ON BEHALF OF CREDIT UNIONS IN NEW ENGLAND

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. CAPUANO. Mr. Speaker, Daniel F. Egan, Jr., president of the Massachusetts Credit Union League, New Hampshire Credit Union League, and the Rhode Island Credit Union League, has devoted 25 years his professional life to promotion, protection, and prosperity of the credit union movement.

Mr. Egan first distinguished himself as an attorney and legislative advocate for the credit unions of Massachusetts working diligently to ensure that the credit unions of Massachusetts operate in a legal and regulatory environment conducive to providing outstanding financial service to the people of Massachusetts. He continued his service to credit unions, rising to the position of president of the Massachusetts, New Hampshire, and Rhode Island Credit Union Leagues and through his efforts to provide service to credit unions through unique and forward looking programs he has earned national recognition as credit union leader and visionary.

Through this leadership the credit union leagues of Massachusetts, New Hampshire, and Rhode Island joined together in a ground breaking cooperative management agreement, allowing them to share resources, while maintaining the distinct character of each organization. Mr. Egan has been and continues to be committed to the expansion of the credit union movement throughout the world demonstrated by his support of the World Council of Credit Unions, his field work in Uganda to help establish credit unions there and through the central role he played in creating a relationship between the Massachusetts Credit Union League and the Bahamas Cooperative League to share the experience and expertise of the Massachusetts Credit Union community with the credit unions of the Bahamas.

During his tenure as president of the Massachusetts Credit Union League, New Hampshire Credit Union League, and the Rhode Island Credit Union Leagues, each of those organizations have brought together their member credit union to provide impressive levels of support to the Massachusetts Coalition for the Homeless, the Make-A-Wish Foundation of New Hampshire and Special Olympics of Rhode Island.

Mr. Egan has continually and eloquently voiced his deep and profound conviction that credit unions make it possible for Americans in all walks of life to lead better, happier and more productive lives and has done so in public, legislative, and educational forums. He has actively participated in fostering the growth and development of credit union leagues nationwide through his active participation in and leadership of the American Association of Credit Union Leagues, serving at various times as an officer and president of that group.

Mr. Egan has, through his commitment to the credit union movement, financial education, and charitable causes, helped to greatly improve the lives of the people of Massachusetts, New Hampshire, and Rhode Island,

Therefore, Mr. Speaker, I want to commend Dan Eagan for his long and distinguished career in public service and to thank him for his continuing commitment to numerous charitable causes that have clearly helped improve the lives of the people of Massachusetts, New Hampshire, and Rhode Island.

IN HONOR OF THE 16TH ANNIVERSARY OF THE ADA

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. ENGEL. Mr. Speaker, I rise today to commemorate the 16th anniversary of the passage of the Americans with Disabilities Act (ADA). Since the inception of this landmark legislation in 1990, the ADA has afforded broad anti-discrimination protection for disabled Americans.

The ADA ensures that people with disabilities can access employment, public services, and transportation. By making sure that disabled citizens are hired on the basis of their abilities rather than their disabilities, this law has given millions of Americans the chance to be treated equally in the workplace. Disabled Americans can no longer be denied access to public places solely on the basis of their handicap. In addition, those who feel that they have been discriminated against have legal recourse to address potential discrimination. These opportunities have established a sense of empowerment where such a sense did not exist before.

Though this legislation has helped countless people, there is surely more work to be done. According to the U.S. Census Bureau, 70 percent of working-age Americans with significant disabilities are unemployed. This is the highest unemployment rate of any group of Americans, regardless of their education or qualifications. Many employers are wary of hiring disabled employees for fear of having to make expensive accommodations. Even worse, there still exists a prejudice against those with disabilities simply because of their disabilities. We must educate employees about the enormous potential they are missing or ignoring.

The Americans with Disabilities Act is one of the most comprehensive civil rights laws to have ever been enacted. On this the 6th anniversary, we should acknowledge the noble goal of equality that the ADA aims to achieve. I urge Congress to continue to support this legislation and fight against discrimination throughout our society.

DECLARATION BY 5.2 MILLION IRAQIS IN SUPPORT OF THE IRANIAN MOJAHEDIN KHALQ (MEK)

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. TOWNS. Mr. Speaker, on June 17, 2006, more than 10,000 Iraqis accompanied by delegates from 121 parties and associations took part in the Iraqi people solidarity congress in Ashraf City, Iraq, the declaration by 5.2 million Iraqi citizens, 121 political parties and social groups, 700,000 women, 14,000 lawyers and jurists, 19,000 physicians, 35,000 engineers, 320 clerics, 540 professors, 2,000 tribal sheikhs and 300 local officials were among the signatories of the declaration.

Following is an excerpt from the declaration by 5.2 million Iraqis, partly printed in the New York Times, on June 23, 2006.

The Iranian regime's leaders have repeatedly declared that they have been the first winners of the war in Iraq. Mahmoud Ahmadinejad said, "God placed the fruit of the occupation of both our neighboring countries (Iraq and Afghanistan) on Iran's lap." He concluded, "We must be prepared to run the world." (January 5, 2006)

After the elections in Iraq, Iran's Interior Minister announced, "From the ballot boxes in Baghdad and Iraqi provinces, one can hear the Slogans of the Muslim people of Iran." He said, "This major historic Phenomenon attests to the realization" of Khomeini's motto "of conquering Qods (Jerusalem) via Karbala." (Mostafa Pour-Mohammadi, December 22, 2005)

As Iran's rulers acknowledge, nuclear weapons are the strategic Guarantee for their survival. Would nuclear weapons not also empower them to separate the oil-rich southern territory in Iraq?

As a result:

A. The Iranian regime prevents the establishment of security, Stability and democracy in Iraq and poses an immediate threat to our Country's integrity and liberty. It is the main obstacle to our Independence and the quick departure of the Multi-National Force.

B. Presently, the main dispute is between democracy and Dictatorship. The first and most important political alignment in Iraq is between democratic and patriotic forces with their various inclinations and thoughts on the one hand and affiliates of the Iranian regime on the other.

C. During the elections and formation of the new government of Iraq, an Iraqi alternative was formed against the option presented by Iran's ruling mullahs, thus providing an encouraging prospect for the country.

D. In this geopolitical situation and in this juncture of History, democracy in Iraq and democracy in Iran are interdependent, Guaranteeing each other's survival.

E. The solution and the only encouraging prospect for Neutralizing these threats come through eviction of the Iranian regime from Iraq and recognition of the status of the People's Mojahedin Organization of Iran, which is the principal bulwark against the Iranian regime's interventions. Similarly, the MEK's disarmament upset the strategic balance in this sensitive region of the world in favor of the Iranian regime.

The Iranian regime, however, launched an astounding demonizing and Disinformation campaign against the MEK. Iran's agents in the Interior Ministry kidnapped MEK members while others discontinued the government's allocation of food rations, medicine and fuel for residents of Ashraf City contrary to all Islamic and Iraqi traditions. Through the Iraqi National Security Advisor, the government announced that the MEK "may not even use their allocation of food." (November 18, 2005)

The Iranian regime's fingerprints are evident in paragraph C of Article 21 of the Constitution. Contrary to all international laws on Asylum, this paragraph disentitles the accused of the right to asylum merely based on the unverified charge of terrorism.

Repeated calls by the Iranian regime and its operatives in Iraq for Retribution of the MEK and confiscation of their property (ex. Asshahed weekly, April 4, 2005), the Iranian embassy's advertisements in the Iraqi press demanding "retribution of members of this organization as a more important opening for democracy in Iraq", setting their "prosecution" or at least "expulsion" as a "test" for the government of Iraq (Badr weekly, September 5 and November 27, 2005) and urging their referral to the "Criminal Court" (Asshahed weekly, January 15, 2006) are the most obvious signs of collusion with the Iranian regime.

Having investigated the MEK's 20-year residence in Iraq and stressing their readiness to defend the rights of the MEK in any court of law, over 12,000 Iraqi jurists declared in January 2006, "The MEK has never interfered in Iraq's internal affairs and the claim that the Organization participated in the suppression of the Kurds or Shiites is a sheer lie fabricated by the Iranian regime to tarnish the image of its opposition and alternative."

We urge the following:

1. Agreement of the government of Iraq with the People's Mojahedin Organization of Iran and the coalition of National Council of Resistance of Iran on a worthwhile legal and political status for them in Iraq;

2. Acknowledgment of MEK members' right to political asylum in Iraq and ensuring respect for their right to own their places and Properties;

3. Modification of article 21C of the Constitution in the Course of reviewing this clause, so that the Iranian regime would not be able to manipulate it against its opposition;

4. Commitment of the government of Iraq to international laws, conventions and agreements on the status of the MEK in Iraq. Particularly with regards to the principle of "non-refoulement" in relocating people from one country to another as verified by the International Committee of the Red Cross (ICRC) and the Multi-National Force-Iraq (MNF-I) in the case of the MEK;

5. Coordinated measures by the government of Iraq and the MNF-I to secure the release of the two abducted MEK members.

We declare that:

The terrorist designation of the People's Mojahedin Organization of Iran, 120,000 of whose members and sympathizers have been murdered by the Iranian regime and is the prime victim of state-sponsored terrorism is neither legitimate nor credible and should not be regarded as a basis for relations with this organization.

PAYING TRIBUTE TO WALTER LLOYD BELL

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor the life of Walter Lloyd Bell, one of the founding fathers of the Las Vegas Metropolitan Police Department. Known to his family and friends as Lloyd, he passed away on Saturday, July 15, 2006, at the age of 80.

After serving his country in the Navy during World War II, Lloyd returned to Las Vegas and began his career in law enforcement at the Clark County Sheriff's Office. In 1955, at the age of 29, Lloyd became the youngest person to become County Undersheriff. Three years later, he graduated from the FBI Academy, the first member of the department to do so.

Lloyd served on the Nevada Gaming Control Board from 1961 until 1963, when he rejoined the law enforcement community. In 1968, he served on the committee that created the Las Vegas Metropolitan Police Department by uniting the Las Vegas Police Department and the Clark County Sheriff's Office.

Lloyd retired from the Sheriff's Office in 1973 and moved on to the private sector, owning 13 shoe stores and a beauty salon. The ambition and dedication that allowed Lloyd to make such a positive impact on the law enforcement community in Las Vegas made him a successful business owner, as well.

Lloyd was a devoted husband and a proud father who enjoyed spending time with his family. He and his wife Patricia raised two daughters, Ashley Bell and Courtney Bell Vincent.

Mr. Speaker, I am proud to honor Lloyd Bell for his accomplishments and his law enforcement service. I thank him for his participation in the ambitious task of creating the Las Vegas Metropolitan Police Department and I applaud his long record of distinguished service. He has truly had a great impact on the safety and well-being of the Las Vegas community, and he will be greatly missed.

TRIBUTE TO THE NUGENT FAMILY OF HERNANDO COUNTY, FL

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor Rich and Wendy Nugent and their three sons, Ryan, Kyle, and Casey. The Nugent family is being honored by the Disabled American Veterans of Brooksville, Florida for their outstanding service and commitment to the military.

Rich and Wendy Nugent moved from Chicago to Hernando County, Florida in 1984. After receiving their respective degrees in public administration and education, rich joined the police force and Wendy joined the Hernando County school system. Both immediately excelled in their careers, yet remained dedicated to their sons' activites and their family values. Rich and Wendy have continued to be very involved in their sons' lives. All parents understand the difficutly in balancing time between work and family and greatly respect and admire Rich and Wendy for their active commitment and devotion to raising their children.

In 2004, Rich and Wendy's oldest son, Ryan, 25, graduated from West Point Army Academy with a degree in Information Systems Engineering. He has since returned from his service in Korea where he served in the 4th Brigade, 73rd Cavalry, and 82nd Airborne. After earning rank as 1st Lieutenant at pre-Ranger school in Ft. Bragg, North Carolina, Ryan is currently a lieutenant in the Army taking Ranger courses.

Kyle, 19, graduated from Springstead High School in 2005 with a four-year Army ROTC scholarship to the University of Tampa, where he is currently a sophomore studying Criminology. Having served as commander of the Civil Air Patrol and Chief of Operations for the Air Force ROTC, Kyle has decided to continue his involvement with the military in Tampa. Kyle was also the former captain of Springstead's swim and track team, and was named Athlete of the Year prior to his graduation. Kyle's success in athletics has led him to an esteemed position as the coxswain on the four-man and eight-man rowing team at the University of Tampa.

In 2006, Casey, 18, also graduated from Springstead High School where he served as commander of the Color Guard of the Air Force ROTC and Corps Commander. Following in both of his brothers' footsteps, Casey was captain of Springstead's swim team and active in the Civil Air Patrol. He entered West Point Academy on June, 26 and I am very proud and honored to have sponsored his nomination.

With their excellent guidance and active involvement in Ryan, Kyle, and Casey's lives, Rich and Wendy Nugent have raised three very well-rounded and mature young men. In today's society, it is a joy to see a family dedicated to such high family values and committed to serving their country.

Mr. Speaker, it is my pleasure to honor the Nugents, as they truly exemplify what our Nation stands for. Rich and Wendy are admirable parents who deserve recognition for demonstrating the importance of American values and service. Ryan, Kyle, and Casey have become extraordinary young men who are proud and eager to "be all they can be." I would like to thank the Nugents for their exceptional dedication to the United States, and I wish Ryan, Kyle, and Casey the best of luck in their future endeavors. I know they will succeed on whatever path they wish to embark upon.

PAYING TRIBUTE TO DALE ANTONICH

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Dale Antonich, who is retiring after 33 years of service with the National Park Service.

Dale began his career with the National Park Service as a seasonal park ranger at the Grand Canyon in 1972. For the next four years, Dale held a variety of seasonal laborer, park technician and ranger jobs. His seasonal employment included assignments in the Grand Canyon, Lake Mead National Recreation Area (NRA) and Death Valley National Park. In 1977, he accepted a full-time career position as a park technician at Golden Gate National Park. Dale accepted a promotion in 1981 as a park ranger in the Santa Monica Mountains NRA. In 1984, Dale moved from the Santa Monica Mountains NRA to the Grand Teton National Park, accepting a promotion to law enforcement specialist park ranger. In 1986, Dale was selected for the Chief Ranger position at Death Valley National Park. He became the Chief Ranger at Lake Mead NRA in 1991, a position he held for the remainder of his career.

Over the course of his 33 year career, Dale has received a number of awards: the Commendation for a Rescue at Grand Canyon, and the Member of Unit Citation for Rescue at Lake Mead in 1974; he received the Commendation for Rescue performed at Golden Gate National Park in 1978; the Sustained Superior Performance Award in 1984; and the U.S. Department of the Interior Award for Rescue in 1991. Dale also received the highest award that can be bestowed upon a ranger by his peers, the Henry Yount Award. He received this award in 1999 from then-Vice President Al Gore.

Dale has dedicated his professional career to the mission of the National Parks Service. He has committed his life to the resources, park visitors, park staff and our partners. He has provided leadership in the development and management of emerging operations, and the professionalization of ranger positions within the National Park System.

Mr. Speaker, I am proud to honor Dale Antonich for his years spent the National Park Service. Dale's experience, commitment, contributions and dedication to his job will be surely missed. I wish him the best with his retirement.

PROCTER & GAMBLE'S MEHOOPANY, PENNSYLVANIA PLANT

HON. DON SHERWOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. SHERWOOD. Mr. Speaker, I want to bring to the attention of my colleagues a very important and significant economic milestone in northeastern Pennsylvania that will be celebrated in August. Procter & Gamble's Mehoopany, Pennsylvania, paper products facility, which has been in operation since 1966, will be commemorating its 40th year with an open house and anniversary ceremonies on August 17, 18 and 19.

The Mehoopany plant is the largest P&G plant in North America. It was the first paper products plant built by Procter & Gamble after the company's acquisition of the Charmin

Paper Products Company in 1957. It is one of seven P&G paper products plants in the United States and one of more than 70 plants of all products.

I am very proud of the contribution the plant and its workforce provide to our regional and national economy. As a lifelong resident of Wyoming County, where the plant is located, I have seen friends and neighbors for the past four decades benefit from wonderful career opportunities and the ability to earn an honest, stable living at the Mehoopany plant.

The plant is a cornerstone of economic growth and stability in my region with its 2,300 employees and payroll of $175,000,000. In addition, there are another 4,000 people employed as suppliers and vendors. Plant employees live in six northeastern Pennsylvania counties—Bradford, Lackawanna, Luzerne, Sullivan, Susquehanna and Wyoming.

Procter & Gamble gives back to the people of the region with community and charitable giving of nearly $450,000.

The people of my region are very proud of the role the Mehoopany plant plays in providing essential products to the daily lives of our nation's citizens. Consumers in this country benefit from the fine array of paper products, including Bounty towels and napkins, Charmin toilet tissue and Pampers and Luvs Diapers. Products produced at the facility reach over 1,000,000 consumers each day.

I want to offer my congratulations to the employees and management of the Procter & Gamble Mehoopany plant as they celebrate their first 40 years, meet current challenges and look forward to the continued growth of the plant.

PAYING TRIBUTE TO COLONEL JOHN F. GROOM

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor the life of Colonel John F. Groom, who passed away on Tuesday, July 11, 2006. He will be buried at Arlington National Cemetery on August 8, 2006.

John was originally from Rochester, NY where he attended Brockport State University earning a bachelor's degree. He later attended Syracuse Law School but received his law degree from Western Law School in San Diego after he retired from the military.

Col. Groom had a long and distinguished career with the United States Air Force, highlighted by his command of the Thunderbirds aerial demonstration team at Nellis Air Force Base in 1962 and service as an airstrike adviser to Army General William Westmoreland in Vietnam. Col. Groom was in training during World War II, and flew B–29s during the Korean War. In 1965, Col. Groom served as director of inland airstrikes under an effort codenamed Tiger Hound. Later, he attended the National War College at Fort McNair in Washington, DC. He went on to become the last commander of Wheelus Air Base in Tripoli, Libya, before it closed in 1970. Col. Groom was a key player in the evacuation of Tripoli and was responsible for getting American citizens out of the city following the coup d'Etat led by Moammar Kadafi in 1970.

John spent the last fifteen years of his life living in Las Vegas. John leaves behind his wife Barbara, sons John Jr. and Tom, four grandchildren and five great grandchildren.

Mr. Speaker I am proud to honor the life of Col. John F. Groom. His service to this country is admirable and shows that he was truly a patriot. He will surely be missed.

CONGRATULATING COMMANDER WILLIAM "BO" STEWART ON THE OCCASION OF HIS RETIREMENT FROM THE UNITED STATES NAVY

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. MILLER of Florida. Mr. Speaker, today I rise to recognize and pay tribute to Commander William "Bo" Stewart, United States Navy, on the occasion of his retirement from active duty. I commend Commander Stewart for his 21 years of faithful and selfless service to the United States Navy, and I salute him for his dedication to protecting freedom, ensuring liberty and defending the principles of this country.

A 1983 Citadel graduate, Commander Stewart joined the Navy in 1985. In addition to earning a Masters' Degree in Business Management from Troy State, his formal military education included Aviation Officer Candidate School, where he earned his "Wings of Gold" as a Naval Aviator, SH–3H "Sea King" training and UH–1N training at HC–16.

In 1987 Commander Stewart reported to San Diego, CA for his first assignment with Helicopter Squadron Fourteen, the "Chargers." After completing his tour aboard the USS *Ranger* with the "Chargers," Commander Stewart was stationed at NAS Whiting Field for his first shore tour as a flight instructor for Helicopter Training Squadron Eight. In 1993, he returned to sea duty aboard the USS *Nassau* serving as the Assistant Air Officer and Aircraft Handling Officer, deploying to Haiti and the Adriatic Sea. Following this assignment, he was ordered back to shore in Jacksonville, FL where he served as the Officer in Charge of the Surface Rescue Swimmer School and as an instructor pilot in the SH–3H and SH–60F/H at Helicopter Antisubmarine Squadron One (HS–1), the "Sea Horses."

Commander Stewart returned to sea in 1997 joining Helicopter Antisubmarine Squadron Five, the "Night Dippers," as the Maintenance Officer, deploying from USS *John C. Stennis* and USS *John F. Kennedy*. In 1999, Commander Stewart went to the Naval Personnel Command where he served as Deputy Director and Director of Restricted Line and Staff Corps Distribution and Special Placement Division. In February of 2003, Commander Stewart assumed his final post as Executive Officer of Naval Air Station Pensacola, FL.

Commander Stewart's personal awards include the Meritorious Service Medal, the Navy Commendation Medal (five awards), and the Navy Achievement Medal, along with other personal and unit citations. During his naval career, Commander Stewart accumulated over 4,000 hours of flight time in the following airframes: SH–60F/H, SH–3H/D, UH–1, TH–57, and T–34C.

Mr. Speaker, Commander Stewart answered the call to duty with an unmatched determination. Through his honorable service he gave so much to Pensacola, our Navy, and our Nation. He will be missed by the United States Navy, but he leaves a great legacy behind for future generations to follow.

PAYING TRIBUTE TO MICHAEL MURPHY

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor my good friend, Michael Murphy, for his service as Clark County Coroner and recognition as the 2006 Clark County Director of the Year.

Before embarking on a law enforcement career, Michael earned a doctorate in Business Administration from California Pacific University. He began his service career in Kansas City, Kansas as a police officer, and after moving to Nevada, Michael became a captain with the Boulder City Police Department. He later served as the Chief of Police for nine years with the City of Mesquite Police Department. He then moved on to the position of Commander at the City of Las Vegas Department of Detention and Enforcement, and was quickly promoted to Deputy Chief.

In addition to his law enforcement service, Michael takes the time to share his expertise with others as a guest lecturer and instructor, including speaking to law enforcement agencies in Russia, China, and Azerbaijan.

Currently, as Clark County Coroner, Michael uses his thirty years of experience to manage programs, staff, and policy objectives, among other things. Michael is intrigued by the science of his office, despite his lack of scientific training. Since his appointment as Coroner in May of 2003, he has led the coroner's office in establishing a Cold Case Unit, which has since closed an amazing 29 cases. He also served for six months as acting Director of the Department of Juvenile Justice Services until a new director was found. Despite the long and taxing hours required by his position, he finds his work as Coroner to be one of the most fulfilling jobs he's had.

In June of 2006, during the Clark County Employee Service Awards, where the unwavering efforts of those who serve the public and efficiently spend taxpayer dollars are recognized, Michael's innovation and hard work earned him the title of "Director of the Year."

Of all that Michael has to be proud of, his family tops the list. His 26-year-old son, Brandon, and his daughter-in-law, Megan, are expecting their first daughter, to be named Caitlin, in August.

Mr. Speaker, I am proud to honor Michael Murphy for his outstanding service as Clark

County Coroner. I congratulate him on being named Clark County Director of the Year, and commend his dedication to law enforcement in Nevada. Michael is a very good friend and serves as a role model for us all.

EXPRESSING GRATITUDE FOR RICHARD SCHNEIDER'S SERVICE TO WEST TENNESSEE

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. TANNER. Mr. Speaker, I rise today to recognize a gentleman who has become an important leader in west Tennessee, a journalist who has helped bring together a community, and a good friend of mine, Richard Schneider. After 14 years as executive editor of the Jackson Sun, Dick is moving to Florida to fill that same position at the Pensacola News Journal.

Since Dick came to Jackson in 1992, the Sun has moved from an afternoon paper to a morning paper, launched its Web site, broadened its coverage and publications, expanded its circulation and changed the way west Tennesseans get their news and information.

When our region was hit by tornadoes—first in 1999, again in May 2003 and yet again in April of this year—the Sun's news staff, under Dick's leadership, provided excellent and in-depth coverage of the storms, the fatalities they caused, the lives they touched, the communities they devastated and the rebuilding that still continues today. West Tennesseans will always appreciate the information they received from the Jackson Sun during those trying times.

The paper has also provided thorough coverage on other issues facing our area, including crime, health care, mortality, religion, veterans care, and race relations. Dick and the Jackson Sun have been recognized nationally by Gannett, the Associated Press and other organizations for the innovative ways the newspaper has increased its community outreach.

I have also enjoyed getting to know Dick on a personal level over the years. Jackson will miss Dick and his wife Lea, as well as their three children, Troy, Ashley, and Nicole. They have been important to our community over the years, and we wish them all the best.

Mr. Speaker, please join our colleagues and me in thanking Richard Schneider for his service to west Tennessee and congratulating him on his new opportunity.

PAYING TRIBUTE TO WALTER CUCHINE

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Walter Cuchine for earning the Distinguished Nevadan Award, the most prestigious award given by the Nevada System of Higher Education Board of Regents. The award recognizes the achievements of those who have contributed to the cultural, scientific, or social advancement of Nevada.

Walter has helped to preserve the history of Nevada, especially Hawthorne, Lovelock, Ely, Fallon, and Lincoln County, as a Humanist-in-Residence, sponsored by the Nevada Humanities Committee. His experience studying Nevada's environment and history helped him to become the Director of the Bristlecone Convention Center in Ely, and since 1993 he has served as the Eureka County Facilities Director, where he is responsible for programming at the Eureka Opera House and the Eureka Sentinel Museum. Through his position with Eureka County and as Humanist-in-Residence, Walter works with the Rural Presenters Network, the Nevada Commission on Tourism, and other organizations to encourage numerous groups to visit Eureka and enjoy its history and cultural sites.

Walter's passion for Nevada's history has also led him to become one of the foremost collectors of contemporary Nevada art and the owner of a book collection featuring Nevada-related works. Last summer, the Nevada Historical Society presented an exhibit featuring his art collection, which broke all of the society's previous attendance records.

Mr. Speaker, I am proud to congratulate Walter Cuchine, winner of the Distinguished Nevadan Award and supporter of Nevada's historic and cultural needs. His fundraising efforts and foundation of the Emerald Society have made a tremendous impact on the Las Vegas community.

A PROCLAMATION HONORING MR. AND MRS. JAMES RUSSELL CASH, III

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. NEY. Mr. Speaker,

Whereas, J.R. and Allison Cash were united in marriage June 3, 2006 in Cadiz, Ohio; and

Whereas, J.R. and Allison Cash have dedicated their lives to each other; and

Whereas, J.R. and Allison Cash shared their wedding day with family and friends; and

Whereas, J.R. and Allison Cash have illustrated the love and commitment necessary to live a long and beautiful life together.

Therefore, I join with their family, friends, and the entire 18th Congressional District of Ohio in congratulating J.R. and Allison Cash on the occasion of their marriage.

PAYING TRIBUTE TO LEONARD GOODALL

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Leonard Goodall for earning the Distinguished Nevadan Award, the most prestigious award given by the Nevada System of Higher Education Board of Regents. The award recognizes the achievements of those who have contributed to the cultural, scientific, or social advancement of Nevada.

Leonard has a long history of service in education. He began his career as a professor at Arizona State University in 1962. He moved on to become Vice Chancellor of the University of Illinois-Chicago and then Chancellor of the University of Michigan-Dearborn. Leonard moved to Las Vegas in 1979, where he served as University of Nevada, Las Vegas President and as a professor of Public Administration. Since his retirement, Leonard has served on the Nevada System of Higher Education's Retirement Plan Alternatives Committee.

Leonard has also had an impressive career as a writer, authoring or co-authoring eight books and countless articles on economics, government, and public administration. After his experiences living and working in Las Vegas, he co-authored "Nevada Government and Politics: Conservatism in an Open Society" and "Reinventing the System: Higher Education in Nevada."

Leonard has also been active in the community. He has served on the board of local chapters of numerous organizations, including the American Red Cross, the American Society for Public Administration, the Nevada Development Authority, and the Boulder Dam Council of Boy Scouts. He aided in the foundation of the Commercial Bank of Nevada, currently serving as its chairman of the board of directors, and he was appointed by the Clark County Commission to serve as the chairman of the Community Growth Task Force, a position he currently holds.

Mr. Speaker, I am proud to honor Leonard Goodall, a role model to the community and accurately named Distinguished Nevadan. His dedication to educating our future leaders and his passion for community service are truly admirable.

IN RECOGNITION OF CHIEF MARK LAYHEW

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. GALLEGLY. Mr. Speaker, I rise in recognition, and with thanks, for the 31½ years of exemplary service Police Chief Mark Layhew has given to the City of Simi Valley, California, as he prepares for his retirement next month.

Mr. Speaker, Simi Valley is my home. I served as mayor there for seven years before being elected to Congress. I am proud of the fact that Simi Valley is routinely recognized as one of the safest cities in the United States. That recognition is in large part due to the caliber of the men and women of the Simi Valley Police Department.

Mark has the distinction of the being the first Simi Valley police officer to rise from the ranks as an entry level officer to Chief of Police. In many ways he epitomizes the maturity and professionalism of the department. Mark began with the department just four years after the city incorporated and he helped to shape it. He is not only the face of the Simi Valley Police Department, he is very much its soul.

Mark acquired his sense of duty from his late father, who gave a lifetime of dedicated service to his country as an FBI agent.

During his three decades with the department, Mark Layhew served in virtually every position. He served as an Operations Division Captain, Support Services Division Captain, Detective Unit Commander, SWAT Commander, Traffic Unit Commander, Watch Commander, and Special Administrative Commands.

And that's just as a lieutenant and captain.

As a sergeant, he served as a Patrol Field Supervisor, Field Training Program Manager, and Detective Supervisor. As an officer, he served as a Patrol Officer, Traffic Officer, Field Training Officer, Rangemaster, Academy Staff Officer, Planning and Research Officer, and Background Investigator.

Mark earned a bachelor's degree from California State University, Northridge, and is a graduate of POST Command College Class #26, Simi Valley Leadership Class of 1999, and the 2004 POST Executive Development Course. In his spare time, he serves as a member of the Simi Sunrise Rotary and is a board member of the Simi Valley Education Foundation and the Simi Valley Police Foundation.

Mr. Speaker, I know my colleagues will join me in thanking my friend Mark Layhew for his decades of service to the City of Simi Valley and his country, and in wishing him, his wife, Holly, and their children Godspeed.

PAYING TRIBUTE TO KEVIN PAGE

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Kevin Page for earning the Distinguished Nevadan Award, the most prestigious award given by the Nevada System of Higher Education Board of Regents. The award recognizes the achievements of those who have contributed to the cultural, scientific, or social advancement of Nevada.

Kevin has had an impressive academic career, graduating from the University of Nevada, Las Vegas with a bachelor's degree in finance in 1986 and an MBA one year later. He continued his involvement with UNLV through 2005 as a member of the Alumni Board, and served as board president for three of those years.

As a founding member of the Police and Fire Emerald Society of Nevada, he has been committed to helping children and youth succeed, caring for families in need, and honoring fallen heroes. From 2001 to 2004, he led Run for Heroes in raising scholarship money for the families of fallen law enforcement members and fire fighters, and helped shift some of that fundraising to the Golf for Heroes program in 2004.

Kevin's interest in helping students goes beyond the families of law enforcement and fire officials. Through his Kiwanis Club membership, he has raised more scholarship money for high school Key Clubs and to support Clark County School District Varsity Quiz programs.

Mr. Speaker, I am proud to congratulate Kevin Page, winner of the Distinguished Nevadan Award and dedicated volunteer. His fundraising efforts and foundation of the Emerald Society have made a tremendous impact on the Las Vegas community.

TRIBUTE TO MONTGOMERY COUNTY, MARYLAND

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. VAN HOLLEN. Mr. Speaker, it is with great pleasure that I rise to congratulate Montgomery County, Maryland, on being recognized for the third straight year by the U.S. Environmental Protection Agency's Green Power Partnership as one of the Nation's top ten local government green power purchasers.

For many years, Montgomery County has set a precedent for the consumption of renewable energy sources. Its buying group, which is now at the forefront of an innovative and unique wind energy purchase, was noted by the EPA as one of the top 25 largest national purchasers of green power. Its pioneering purchases have promoted a cleaner and more environmentally-safe approach to energy consumption in our community. Furthermore, this purchase also represents the Nation's first effort on the part of a local government to include renewable energy in the State's plan to implement air quality improvements under the federal Clean Air Act.

Montgomery County has long been a leader in the field of clean energy. In 2004, under Montgomery County Executive Douglas M. Duncan's leadership, the County began purchasing five percent of its energy from wind. In April 2006, County Executive Duncan and the County Council committed to increasing the County's renewable energy purchase to 20 percent of its total electricity use over the next 5 years. Significantly, Montgomery County has been actively encouraging residents to join these efforts by purchasing clean energy for their homes, businesses, and community organizations.

Mr. Speaker, I urge my colleagues to join me in saluting Montgomery County, Maryland, for its groundbreaking commitment to increasing the overall consumption of renewable energy sources now and in the years to come.

PAYING TRIBUTE TO MARIE McMILLAN

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Marie Stever Daly McMillan for earning the Distinguished Nevadan Award, the most prestigious award given by the Nevada System of Higher Education Board of Regents. The award recognizes achievements of those who have contributed to the cultural, scientific, or social advancement of Nevada.

In 1957, Marie and her husband, Duke Daly, moved to Nevada to work at the Nevada Test Site during the pioneering nuclear testing era, and developed and implemented protocols for the management of classified documents. Her work in this capacity was vital, as the nuclear information had to be kept secret, but still available to the scientists working on the projects.

Although her work to preserve the confidentiality of nuclear secrets was important, her aviation career is what she is best known for. In 1978, Marie learned that the U.S. Aeronautic Association was looking for pilots to break records in honor of the 75th anniversary of the Wright brothers' flight. She decided not to break a record, but to set a new one. On December 16, 1978, she set her first record for speed between two cities. Over the next 10 years, Marie set hundreds more, and she currently holds 656 aviation records.

In addition to setting records, Marie has served as the U.S. Delegate to numerous Federation Aeronautique International Conferences, and she has won many awards and honors. She served as a flight instructor for over 25 years, where she taught people, from teenagers and Las Vegas Metropolitan Police Officers, how to fly. She also served for 10 years as Clark County Department of Aviation public information representative to McCarran Airport, where she had the opportunity to teach schoolchildren about aviation careers.

Dedicated to encouraging young women to pursue careers in aviation and technical fields, Marie has developed a local "Wings" program as a part of the Girl Scouts. She also has devoted countless hours and her plane to carry medical personnel and supplies to Mexico and, through Wings for Direct Relief, transported supplies to California so they could be shipped to South America.

Mr. Speaker, I am proud to congratulate Marie McMillan, winner of the Distinguished Nevadan Award and aviation pioneer. I commend her dedication to the community, which exemplifies her strong character, innovation, leadership, and service.

PAYING TRIBUTE TO ALISON KASNER

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor my dear friend Alison Kasner for her dedication to education and for her outstanding service to southern Nevada.

Alison has served as the principal of Helen J. Stewart School for the past 5 years and is retiring this summer from a distinguished career with the Clark County School District. She began teaching school in southern Nevada at the age of 20. During her career, Alison served the school district in a variety of capacities. She has taught elementary through high school age students and also served as a transitional counselor before becoming principal at Helen J. Stewart School

Although Alison Kasner has devoted a great deal of her life to education, what is perhaps most impressive about her is her dedication to special needs students. Helen J. Stewart School is a very special school within the Clark County School District that serves the educational needs of students between the ages of 6 and 22 who have significant mental and developmental challenges. The school's mission is to provide an education specifically tailored to the needs of its students so that all students have the opportunity to reach optimum development and become as self-sufficient as possible.

Alison first became acquainted with Stewart School and its mission after visiting the campus on a field trip her freshman year of high school. As a result of that experience, Alison volunteered at Helen J. Stewart throughout high school and remained involved with the school throughout her career. Since becoming principal of the school, Alison has served her students and her colleagues with vision, determination and a commitment to achieving excellence. Her compassion for others, her desire to serve and her enthusiasm for special education has made an indelible impact on our community.

Mr. Speaker, I am proud to honor Alison Kasner for her service as an educator and for her dedication to special needs students. Although she will certainly be missed at Helen J. Stewart School, I know that she will continue to contribute her time, talent, and perspective in ways that will benefit and enrich the world around her. I wish Alison the very best in her retirement and in all her future endeavors.

PAYING TRIBUTE TO CHARLES KENNY LEAVITT

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 26, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor my good friend for more than 20 years, Charles "Charlie" Leavitt. Charlie will be retiring from a career in general engineering contracting on August 15, 2006.

Charlie was born on "the old Stewart Ranch" in Las Vegas, Nevada, on August 24, 1942. His class of 1960 was Rancho High School's first graduating class. After graduation, he worked as a parking attendant for many of the hotel and casinos up and down the Las Vegas Strip, including the Stardust Hotel and the Dunes Hotel and Casino, which is now the Bellagio Hotel and Casino. He then went to work on the Virgin River Gorge Project as an engineer. This project provides a transportation route from Las Vegas, through Arizona, and into Utah.

In 1974, Charlie joined the Warrants Division of the Las Vegas Metropolitan Police Department and served until 1979. He then went to the Caesar's Palace Hotel and Casino as a doorman and parking attendant. After running the front of that hotel for many years, he, along with his brother and nephews, moved to the Tropicana Hotel to help with their failing parking situation.

After marrying the love of his life Margaret "Peggy" on March 16, 1984, he started his own excavation company called Charles K. Leavitt Excavation in 1987, now known as CLK Incorporated. CKL Inc. serves the Las Vegas, Henderson, and Boulder City areas.

Charlie is very active in the community, serving in the Sunrise Rotary, and has served in many leadership positions in the Church of Jesus Christ of Latter-Day Saints. He is an avid and accomplished golfer, and has won the Boulder City Men's Club Tournament.

His greatest accomplishment is being the proud father of his four sons Michael Glen, Christopher Keoni, Glen Kaimi, and Charles Kelley. He also loves his daughters-in-law, Leanna and Rebecca. However, his greatest joy comes from spending time with his six grandchildren Tommy (19), Connor (8), Garret (6), Olivia (4), Rory (3), Wyatt (2), and one on the way Delaney, who will be born in August.

Mr. Speaker, I am honored to recognize Charles Leavitt on the floor of the House. I commend him for his contributions to southern Nevada and congratulate him on his retirement.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 27, 2006 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 28

9:30 a.m.

Homeland Security and Governmental Affairs

Federal Financial Management, Government Information, and International Security Subcommittee

To hold hearings to examine recovery and reconstitution of critical networks relating to cyber security, focusing on immediate steps that Department of Homeland Security and the private sector can take to formalize a partnership and to ensure effective response and recovery to major cyber network disruption.

SD–342

JULY 31

3 p.m.

Foreign Relations

To hold hearings to examine the nomination of Mark R. Dybul, of Florida, to be Coordinator of United States Government Activities to Combat HIV/AIDS Globally, with the rank of Ambassador.

SD–419

AUGUST 1

9 a.m.

Homeland Security and Governmental Affairs

Investigations Subcommittee

To hold hearings to examine the issue of tax havens and offshore abuses which are undermining the integrity of the Federal tax system, focusing on case histories on the use of offshore trusts and corporations to circumvent U.S. tax, securities and anti-money laundering laws.

SD–106

10 a.m.

Health, Education, Labor, and Pensions

To hold hearings to examine the nominations of Andrew von Eschenbach, of Texas, to be Commissioner of Food and Drugs, Department of Health and Human Services, and Paul DeCamp, of Virginia, to be Administrator of the Wage and Hour Division, Department of Labor; to be followed by a business meeting to consider pending nominations.

SD–430

2 p.m.

Judiciary

To hold hearings to examine judicial nominations.

SD–226

2:15 p.m.

Foreign Relations

Business meeting to consider Treaty Between the United States and the Oriental Republic Of Uruguay Concerning the Encouragement and Reciprocal Protection of Investment, with Annexes and Protocol, signed at Mar Del Plata, Argentina, on November 4, 2005 (Treaty Doc. 109-9), United Nations Convention Against Corruption (the "Corruption Convention"), adopted by the United Nations General Assembly on October 31, 2003 (Treaty Doc. 109-6), and the nominations of Richard E. Hoagland, of the District of Columbia, to be Ambassador to the Republic of Armenia, Christina B. Rocca, of Virginia, for the rank of Ambassador during her tenure of service as U.S. Representative to the Conference on Disarmament, and a Foreign Service Officer Promotion List.

S–116, Capitol

2:30 p.m.

Armed Services

To hold hearings to examine the Boeing Company Global Settlement Agreement.

SH–216

Environment and Public Works

Fisheries, Wildlife, and Water Subcommittee

To hold hearings to examine interpreting the effect of the U.S. Supreme Court's recent decision in the joint cases of Rapanos v. United States and Carabell v. U.S. Army Corps of Engineers on "The Waters of the United States".

SD–406

AUGUST 2

9 a.m.

Agriculture, Nutrition, and Forestry

Forestry, Conservation, and Rural Revitalization Subcommittee

To hold hearings to examine H.R. 4200, to improve the ability of the Secretary of Agriculture and the Secretary of the Interior to promptly implement recovery treatments in response to catastrophic events affecting Federal lands under their jurisdiction, including the removal of dead and damaged trees and the implementation of reforestation treatments, to support the recovery of non-Federal lands damaged by catastrophic events, to revitalize Forest Service experimental forests.

SR–328A

9:30 a.m.

Environment and Public Works

To hold oversight hearings to examine the Toxic Substances Control Act and the chemicals management program at Environmental Protection Agency.

SD–406

Judiciary

To hold hearings to examine the authority to prosecute terrorists under the war crime provisions of Title 18.

SD–226

10 a.m.

Homeland Security and Governmental Affairs

To hold hearings to examine the status of Iraq construction, focusing on contracting and procurement issues.

SD–342

11:30 a.m.

Energy and Natural Resources

Business meeting to consider the nominations of John Ray Correll, of Indiana, to be Director of the Office of Surface Mining Reclamation and Enforcement, and Mark Myers, of Alaska, to be Director of the United States Geological Survey, both of the Department of the Interior, and Drue Pearce, of Alaska, to be Federal Coordinator for Alaska Natural Gas Transportation Projects, Federal Energy Regulatory Commission, and other pending calendar business.

SD–628

2:30 p.m.

Judiciary

Constitution, Civil Rights and Property Rights Subcommittee

To hold hearings to examine creating a fair standard for attorney's fee awards in establishment clause cases.

SD–226

Banking, Housing, and Urban Affairs

Housing and Transportation Subcommittee

To hold hearings to examine efforts to meet the housing needs of veterans.

SD–538

AUGUST 3

10 a.m.

Energy and Natural Resources

To hold hearings to examine S. 2589, to enhance the management and disposal of spent nuclear fuel and high-level radioactive waste, to ensure protection of public health and safety, to ensure the territorial integrity and security of the repository at Yucca Mountain.

SD–628

POSTPONEMENTS

AUGUST 1

9:30 a.m.

Judiciary

To hold hearings to examine the Thompson Memorandum's effect on the right to counsel in corporate investigations.

SD–226

HOUSE OF REPRESENTATIVES—*Thursday, July 27, 2006*

The House met at 10 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God of every age, Your people have always turned to You, especially in their darkest hours of need. Today we call upon Your Holy Name and pray for world peace. Only by mounting the forces of prayer, goodness, and compassionate love can we overcome the hopeless battles of distrust and violence.

When human limitations are finally admitted and nations stand apart from each other, each on its own precipice of disastrous decisions, then the remnant of Your believing people must assemble and cry out to You, O Lord, for wisdom and consolation.

Because repeated conflicts and broad-based negativity can form a vortex which, like a giant vacuum, robs people everywhere of strength and initiative, Your faithful must believe in You and claim a vision of realistic reconciliation which transcends the frontiers of culture, civilizations, nations and history.

Before You and in You we are already one people, and You have promised to be with us now and forever.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from Connecticut (Ms. DELAURO) come forward and lead the House in the Pledge of Allegiance.

Ms. DELAURO led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

> S. 3741. An act to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 250) "An Act to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act."

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain up to ten 1-minute speeches on each side.

BORDER SECURITY, "DO-NOTHING" DEMOCRATS

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, House Republicans are working hard to produce a strong security bill to send to President Bush's desk, while Democrats continue their tired strategy of voting against border security legislation, while failing to offer a plan of their own.

Republicans passed the REAL ID Act which made it more difficult for potential terrorists to obtain driver's licenses, and helped deport criminals for terrorism related offenses. 152 House Democrats voted against it.

The Republicans passed the Border Protection, Anti-terrorism and Illegal Immigration Control Act which increased border security by authorizing 1,000 new border inspectors and ended the "catch and release" of illegal aliens. 164 House Democrats voted against that.

Finally, 187 Democrats voted against an amendment which would have added teeth to a Federal law that requires governments at all levels to comply with Federal immigration laws.

Mr. Speaker, I have been listening to the other side of the aisle complain about the "do-nothing Congress." It is actually a case of the "do-nothing" Democrats. Republicans have a strong record of accomplishment on border security. Too bad the Democrats can't say the same thing.

BREAST CANCER PATIENT PROTECTION

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, I rise today in support of every woman who has ever had to leave the hospital within 24 hours after undergoing a mastectomy, and to urge that the House consider the Breast Cancer Patient Protection Act. It is a bipartisan bill which will ensure that patients have the health care that they need following breast cancer surgery.

The statistics say it all. A woman in the United States has a 1-in-7 chance of developing breast cancer. It is the second leading cause of cancer deaths for women in America. And just this year, over 269,000 women will receive a diagnosis of invasive breast cancer.

Despite these numbers, women are often forced by their insurance companies to leave the hospital less than a day after mastectomy surgery, when they are still in pain, groggy from anesthesia, and with drainage tubes that require professional attention.

Mr. Speaker, the last thing that any woman should be doing at this time is fighting with her insurance company. Two days of recovery time in the hospital should not be negotiable. Just 2 days. And ultimately that decision should be up to the patient and her doctor.

We should pass into law the Breast Cancer Patient Protection Act to ensure that women do not have to fight for their recovery time in the hospital.

LONE STAR VOICES—TIM AND SUSAN JACOB

(Mr. POE asked and was given permission to address the House for 1 minute.)

Mr. POE. Mr. Speaker, illegal entry into our homeland negatively affects our economic security. Illegals are driving up the costs for health care, education, Social Security and other Social Services. Americans pick up the tab for these bills because illegals do not pay their way.

Tim and Susan Jacob of Groves, Texas speak out on this fact. They say, "It should be evident more than ever that the U.S. does not have the infrastructure for 12 to 20 million illegals. This summer we are seeing rolling blackouts, complete power outages, gasoline above $3 a gallon, Houston streets are overloaded with automobiles and illegals driving without insurance. We have hospital closings and poor performance of the public school system. Shut down the borders, enforce the existing laws and prosecute employers who hire illegals."

Mr. Speaker, common sense rings true again. We cannot ignore the negative impact of illegal entry. It is morally wrong to make Americans pay the

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

costs for foreigners illegally in our Nation.

And that's just the way it is.

RISING GAS PRICES HURT MINIMUM WAGE EARNERS

(Ms. LORETTA SANCHEZ of California asked and was given permission to address the House for 1 minute.)

Ms. LORETTA SANCHEZ of California. Mr. Speaker, gas prices in this country have just risen to hit yet another record high, reminding us all of how difficult it can be to make ends meet today. This is especially true for the millions of Americans who are struggling to survive and support their families while making the minimum wage.

Although it has not been increased since 1997, and it is currently at its lowest level in 50 years when adjusted for inflation, Republicans still refuse to raise the minimum wage from $5.15 an hour. That means if you make $5.15 an hour and you work all year round, you would make $10,700. In fact, it would take you a full day just to fill up your gas tank. With the kind of money you make on minimum wage, there is very little left to support a household, something three-quarters of the people who make minimum wage must do.

Mr. Speaker, Democrats believe that no one who works hard at a full-time job should be in poverty. It is time to raise the minimum wage. Congress should not go on vacation without giving these workers their first pay raise in 9 years.

RECOGNIZING THE SACRIFICE OF PFC DEREK PLOWMAN

(Mr. BOOZMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOOZMAN. Mr. Speaker, I rise today to recognize the sacrifice made by PFC Derek Plowman of Everton, Arkansas. On July 20 he died from a gunshot wound while serving with the Arkansas Army National Guard's 142nd Fires Brigade in Iraq.

Friends and family say that Derek was passionate about everything that he did. He was known to be a selfless man that was always more worried about other people than himself.

Last year he had just returned from basic training when he learned that his unit was being mobilized, but he commented that "he had a job to do," and willingly deployed to Iraq with his fellow Arkansans.

Derek comes from a large family with nine brothers and sisters. He had dreams of becoming a psychiatrist, and joined the National Guard during his senior year at Valley Springs High School to earn money for college.

Mr. Speaker, at the young age of 20, Derek made the ultimate sacrifice for his country. He is a true American hero. I ask my colleagues to keep Derek's family in their thoughts and prayers as they mourn the loss of this outstanding young man.

OIL COMPANY PROFITS

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. Well, Mr. Speaker, the numbers are in. ExxonMobil's quarterly profits up 32 percent, Shell, 34 percent, BP, 29 percent. The three largest oil companies made $200 million a day profit by gouging consumers. This is extraordinary, and the Republicans have very little to say about this because they are sharing in the profits. Eighty-five percent of the political contributions from oil and gas companies go to the Republican party.

Now, they are so awash in money that the retired CEO of ExxonMobil, while Americans struggle to fill up their gas tanks and afford that and go on vacation, well, Lee Raymond, the retired ExxonMobil chief who got $400 million for a retirement gift very recently, he is personally buying oil and gas fields. So American workers, people who work for ExxonMobil, can't afford to go on vacation and fill up their tank, and their CEO is personally purchasing oil and gas fields in the Middle East and Africa. It's a great country.

□ 1015

BREAST CANCER PATIENT PROTECTION ACT

(Mrs. KELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KELLY. Mr. Speaker, I rise, along with several of my colleagues, this morning to urge this House to pass a bill I am sponsoring called the Breast Cancer Patient Protection Act. I appreciate the co-leadership of the gentlewoman from Connecticut (Ms. DELAURO) on this important bipartisan bill.

We are here today seeking to improve treatment coverages and access to inpatient care for women suffering from breast cancer. No woman should be forced to fight breast cancer and red tape at the same time. It is our responsibility in Congress to make sure that necessary laws are in place to protect a breast cancer patient. We need to guarantee the best treatment and support possible.

A breast cancer diagnosis is scary and stressful for a woman. Insurance restrictions and difficult cost-saving decisions only complicate her fear and stress.

By passing our bill, we can eliminate undue anxiety and ensure that a woman and her doctor are in control of her treatment decisions. More than 175 cosponsors of our bill have recognized the need to help more than 200,000 women diagnosed with breast cancer every year. But we believe every Member of this body should be cosponsoring our legislation.

Together, this Congress can make a positive difference in the lives of women suffering from breast cancer by passing the Breast Cancer Patient Protection Act.

IN SUPPORT OF THE BREAST CANCER PATIENT PROTECTION ACT

(Ms. SLAUGHTER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, I rise in support of the Breast Cancer Patient Protection Act and urge its passage before the August recess.

Breast cancer is so pervasive that it touches every American family. The diagnosis of breast cancer is frightening enough not to have to fight the insurance companies, as has been said before. One in eight women is going to be diagnosed with breast cancer during her lifetime, and it remains the number one cause of death in women between the ages of 30 and 54.

In my congressional district, there are almost 1,500 instances of breast cancer and nearly 300 women die every year. And rushing a woman through a hospital stay after a mastectomy and pressuring her to return to her normal life almost immediately hampers her recovery. That is why it is imperative that we pass the Breast Cancer Patient Protection Act.

We must also support research into better breast cancer detection methods. Mammographies, which is the only tool we have had for 40 years, miss too many women and cannot suffice as our gold standard. But instead of passing legislation to stop drive-through mastectomies or supporting funding increases for research and development, we have become a drive-through Congress, rushing to pass what is politically divisive.

This bill deserves passage.

IN SUPPORT OF FORMER CONGRESSMAN BOB MATHIAS

(Mr. NUNES asked and was given permission to address the House for 1 minute.)

Mr. NUNES. Mr. Speaker, some of you may know that former Congressman and two-time Olympic Gold Medalist Bob Mathias has been battling cancer for the past few years.

As many in this Chamber know, Bob is a fighter and is determined to beat it. As Bob continues his fight, I ask that we keep him and his family in our thoughts and prayers.

THE BREAST CANCER PATIENT PROTECTION ACT

(Ms. WASSERMAN SCHULTZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WASSERMAN SCHULTZ. Mr. Speaker, breast cancer does not discriminate based on health care coverage.

Statistics tell us that one in seven American women will develop breast cancer; yet no one ever expects these things. No one plans or prepares to be diagnosed with breast cancer. No one preemptively investigates their health insurance coverage in the event that they require a mastectomy or a lumpectomy.

Suddenly these women, our mothers, our sisters, our daughters, are faced not only with a terrible, deadly diagnosis but with unnerving treatment decisions.

I am a cosponsor of the Breast Cancer Patient Protection Act to ensure one thing: that women don't have to worry about their health insurance plan during this terrifying experience. This is the law in Florida, and it should be the law of the land. While serving in the Florida legislature, I passed similar legislation, and my commitment has not wavered.

This bill mandates that women be covered for a 48-hour hospital stay after a mastectomy and a 24-hour stay for a lumpectomy. What is more, it ensures full coverage for follow-up care.

Asking anyone coping with a deadly disease to lose sleep over health insurance is outrageous. As a public servant, I believe I have a responsibility to stand up on this issue so that women facing this trying ordeal can focus on what really matters: their family, their faith, and their future.

ISRAEL/IRAN

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, the United States and our ally Israel stand at an important and historic juncture.

Iran's continued efforts to establish a nuclear weapons program and their continued efforts to assist Hezbollah, an internationally recognized terrorist organization, is in defiance of their obligations to a free and stable world.

Today I stand united with my friends in Israel, who face a constant threat by Iranian-sponsored Hezbollah terrorists.

The House has acted by passing H.R. 282, the Iran Freedom Support Act. If this bill is passed, a strong set of economic sanctions will begin to hold Iran responsible for their actions in the Middle East. It is critical that the Senate act on this companion legislation that is pending before them.

Congress must confront Iran's continued belligerence by halting that country's nuclear aspirations and work to prevent their further sponsorship of terrorists.

A TRIBUTE TO ANDREW VELEZ

(Mr. NEUGEBAUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEUGEBAUER. Mr. Speaker, this morning I come to this House with a very heavy heart. Earlier this week, PFC Andrew Velez was killed while tracking Osama bin Laden in Afghanistan.

It is always a tragedy when we lose one of our young soldiers, but this loss is especially tragic because less than 2 years ago, Andrew's older brother, Freddy, was also killed while protecting this country in fighting the war on terrorism.

The Velez family now has made the ultimate sacrifice for freedom and democracy not once, but twice. Andrew and Freddy Velez are American heroes. We must never forget the sacrifice of these two brothers for freedom.

My thoughts and prayers go out to Andrew's father, Roy; his stepmother, Carmen; Andrew's wife, Veronica; and his three children, Jasmine, Jordan, and Jacob as they mourn the loss of their son and their husband and their dad.

Mr. Speaker, the price of freedom has never been cheap, but I have to say that the Velez family has given an extra measure for freedom and democracy. I hold them in my prayers and ask all Americans to do so at the same time.

SECURITY FIRST

(Mr. STEARNS asked and was given permission to address the House for 1 minute.)

Mr. STEARNS. Mr. Speaker, it is imperative that we secure our southern border immediately. One overlooked reason is the Department of Homeland Security has issued data which indicates that each year, hundreds of aliens from countries known to harbor terrorists or who promote terrorism are apprehended attempting to enter this country illegally. Since 2002, the number of non-Mexicans apprehended while trying to enter the United States illegally has increased 343 percent.

This is of great concern to me and to others. In the words of former Deputy Secretary ADM James Loy of Homeland Security: "Entrenched human smuggling and corruption in areas beyond our borders can be exploited by terrorist organizations."

There have been reports, Mr. Speaker, that terrorist organizations, including al Qaeda, have been operating, recruiting members, and maybe training terrorists in South American countries, including Argentina, Brazil, and Paraguay. This is particularly alarming when you consider that attempts to enter our country illegally from Brazil has increased 900 percent over the last 3 years.

It is imperative that we secure our borders now.

THE VIOLENCE IN THE MIDDLE EAST

(Mr. KUCINICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KUCINICH. Mr. Speaker, casualties are mounting on all sides in the Middle East, and yet our government, representing the most powerful Nation in the world, stands aside and watches as civilian casualties mount everywhere.

Why in God's name aren't we getting involved to call for an end to the violence, to bring the parties together so that they can find a way to create peace?

We are required, by virtue of our standing in the world, to bring people together. Not to create more isolation, not to create more war, but to bring people together. We must get involved as this continues to spiral out of control. The whole world is watching and the entire world is at risk.

THE REPUBLICAN MAJORITY'S SECURITY AGENDA

(Mrs. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BLACKBURN. Mr. Speaker, this Republican majority is dedicated to the security agenda. We have created a plan of action for leading that addresses the issues facing America today.

As part of our security agenda, we are promoting border security that halts illegal entry into the country. We are strengthening our national security by fighting terrorism in the Middle East where it begins, not on our own soil after an attack.

We are also promoting economic growth and job creation by lowering taxes and reducing regulation in order that families can plan for their very own secure future.

Energy security means America must harness our own domestic oil resources, expand oil refining capacity that is limited due to red tape, and at the same time carry out research and development for alternative energy sources while we focus on conservation's best practices.

We are fighting to defend the moral infrastructure that has made America great as part of our moral security agenda.

Mr. Speaker, we invite everyone to join us in a thoughtful process of securing America's future.

THE MINIMUM WAGE

(Mr. MCGOVERN asked and was given permission to address the House for 1 minute.)

Mr. MCGOVERN. Mr. Speaker, the Federal minimum wage has been stuck at $5.15 for 9 years. A minimum-wage worker working full time earns about $10.712 a year. A minimum-wage worker has to work an entire day in order to be able to afford to fill their tank with gas.

Mr. Speaker, Members of Congress have awarded themselves eight pay raises since the last time we increased the Federal minimum wage. That is about $35,000 in pay raises.

Mr. Speaker, 35 percent of workers who receive a minimum wage are their families' sole earners. Sixty-one percent are women and one-third of those women are raising children.

Here is the deal. I say to my Republican colleagues: have a heart. And if you are not going to allow us to have a clean vote up or down on the minimum wage, then bring to the floor a bill that repeals your pay raise. It is not right for Members of Congress to get a pay raise while they force millions of Americans to continue to live in poverty.

VAT ACCOMPLISHMENTS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, as we head into August, it is worth noting our record so far this year in defense of traditional values.

Last month this body affirmed the role of fathers by passing a resolution to promote responsible fatherhood in America. Also in June, we got serious about enforcing broadcast decency standards by increasing fines for violating the law tenfold. Just this week the President signed the Freedom to Display the American Flag Act.

Last week we defended the Pledge of Allegiance from the whims of activist judges who seek to ban it from our schools. Although the Marriage Protection Amendment failed to get two-thirds support, it gained votes in both the House and Senate this year. Earlier this month we passed legislation to enforce laws prohibiting illegal online gambling. And last week we affirmed the dignity of human life by rejecting taxpayer funding of human embryo-destroying research.

Mr. Speaker, it has been a good first half of the year for millions of Americans who wish to see traditional American values defended on Capitol Hill. And I look forward to future successes when we reconvene after August.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 250, CARL D. PERKINS CAREER AND TECHNICAL EDUCATION IMPROVEMENT ACT OF 2006

Mr. BISHOP of Utah. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 946 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 946

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report to accompany the bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. KUHL of New York). The gentleman from Utah (Mr. BISHOP) is recognized for 1 hour.

Mr. BISHOP of Utah. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

House Resolution 946 provides for the consideration of the conference report to accompany Senate 250, the Carl D. Perkins Career and Technical Education Improvement Act of 2006 and waives all points of order against its consideration.

□ 1030

Mr. Speaker, I am actually proud to stand in support of this rule the underlying legislation, which reauthorizes important vocational education loans and programs. In our ever-changing economy, it is clear that education and training is more vital than ever before to both our Nation's economic growth and competitiveness, as well as the quality of life for individuals and their families.

This conference agreement will, among other things, direct the States to assess the effectiveness of State programs for career and technical education, with an emphasis on math and science, and also establishes performance indicators for those programs.

It will enhance coordination between secondary and post-secondary vocational programs and strengthen the role of the States in administering these programs, and this is a funding of a legislative priority.

This legislation allows for increased flexibility for States who choose the option to combine the Perkins State Grant with the Tech-Prep programs into one program, leading to greater program efficiencies. This once again is a State option.

It allows for the States to provide "incentive grants" to encourage and recognize exemplary performances in carrying out career and technical education programs.

It also will ensure the continued access to teachers for professional development certification.

Mr. Speaker, in 1917, the government first funded training for vocational programs relating to national defense. In 1963, we passed the first Vocational Education Act. It was modified in 1984 as the Carl Perkins Program, and again in 1990. So this program has been here in some way for 90 years in this Nation helping those vocational programs and training our citizens for their future.

I urge my colleagues to support this rule and the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from Utah (Mr. BISHOP) for yielding me the customary 30 minutes.

Mr. Speaker, today this House is considering the conference report for the Carl D. Perkins Career and Technical Education Improvement Act. This is a good bill, a worthy bill. This bill addresses the needs of America's changing workforce and hopefully it will help close the gaps that threaten our long-term ability to compete in the global economy.

I want to express my appreciation and my respect for the leadership and hard work invested over the past 15 months by House Education and Workforce Committee Chairman BUCK MCKEON and ranking member GEORGE MILLER in moving these vital issues forward and that resulted in this strong, bipartisan supported bill.

Mr. Speaker, the conference report successfully improves several aspects of the programs authorized under the Perkins Act. It provides for more effective accountability for these programs. It establishes stronger links to businesses and stronger partnerships between high schools, colleges and businesses, including small businesses. It creates better links and sequences of courses from high school to college and it promotes a much stronger academic focus, consistent with other Federal K-12 educational programs.

Mr. Speaker, I am a very strong supporter of vocational, career and technical education, and I am not alone in Central Massachusetts in believing in the importance of vocational and technical education.

Let me share with my colleagues an important milestone that took place just last month in Worcester, Massachusetts. On June 8, the last class to occupy the old Worcester Vocational High School graduated, ending an era that began in 1910 when the Boys Trade School opened its doors to 29 ironworkers and 23 woodworkers.

That evening, 204 graduating seniors who attended classes in that 1910 building received their high school diplomas in subjects as diverse as telecommunications, cosmetology and hotel management. These students represent a well-educated workforce.

In the past 5 years, in Worcester alone, the number of vocational technical graduates attending college has nearly tripled, from 24 percent in 2001 to 68 percent this year. It is not surprising, therefore, to know that the scores of these students on the Massachusetts mandatory State test, which has formidable high standards, have risen significantly, a testament to the hard work of students, faculty, school administrators and parents.

This coming September, a new era will begin for Worcester's vocational and technical students when they start classes in a new state-of-the-art school, the Worcester Technical High School. I have had the opportunity to tour this new school, the first vocational high school in the Commonwealth of Massachusetts to be built in the last 30 years. I can assure my colleagues that the goals and programs outlined in today's reauthorization bill will find fertile ground and flourish at Worcester Technical High School.

But, Mr. Speaker, it takes more than just a good framework like the one provided by this conference report to ensure a quality education. It takes resources. It takes money. And, quite frankly, Mr. Speaker, that worries me.

I worry whether this House has the same bipartisan dedication and commitment that so successfully negotiated this conference agreement to make sure that these same programs are adequately funded in the future. Every year President Bush recommends the elimination of the Perkins vocational education programs in his budget. Every year, Mr. Speaker, every year he does this.

Will the Republican leadership of this House pledge to organize a bipartisan effort and convince the President that he must include full funding for the Perkins Act in his budget?

Each year when the President has eliminated the Perkins vocational and technical programs, the Republican majority of this House passes a budget resolution that matches the President's request, which means it also eliminates the funding for the Perkins Act programs.

Where does that leave us, Mr. Speaker? It leaves us with an appropriations allocation for education that is so low it is impossible to adequately fund our Federal education programs. In order to restore $1.3 billion to the Perkins program, we are forced to steal money from other critical K–12 and higher education programs.

This year is no exception. In the FY 2007 Labor-HHS-Education Appropriations Act, which has been waiting in the wings for 6 weeks since June 13 for a chance to come to the House floor, we once again see damaging cuts in education funding. For the second year in a row, funding for the Department of Education has been cut, this time $404 million below FY 2006 levels and $1 billion below FY 2005 levels. While the appropriations bill provides $1.3 billion for vocational education programs, this is the same level as last year. This means vocational education grants will have lost $83 million in real purchasing power since FY 2005.

Mr. Speaker, nearly half of all high school students and about one-third of all college students take vocational education courses to be ready for today's world of work. We cannot keep freezing the funding for these programs. The result is a de facto cut in resources at exactly the time when this authorization increases standards and accountability for vocational and technical schools.

So I hope that my colleagues on the other side of the aisle will finally commit themselves not just to authorizing these critical programs, but to working in a bipartisan, all-out effort to make sure that they are adequately funded. Otherwise, nothing we do here today matters.

Finally, Mr. Speaker, I have to admit I am a little bit confused. Only July 12, this House voted 260–159 in favor of a motion to instruct the conferees appointed to negotiate on this conference report to state clearly that when this authorizing bill describes as its purpose to prepare students for high wage jobs, that those jobs should, in no case, pay less than $7.25 an hour. 260–159, Mr. Speaker. That is an overwhelming vote. Sixty-four Republicans joined every single Democrat and Independent in this House in support of this language. But somehow, Mr. Speaker, it does not appear in the conference report.

High skilled jobs are important, Mr. Speaker. High wage jobs matter. And so does raising the minimum wage. The minimum wage was established 63 years ago to alleviate poverty. Today, the minimum wage condemns workers and their families to a life of poverty. That is more than 6.5 million hardworking American workers. I thought that was why 260 members of this House voted 2 weeks ago to demand that the conferees include in this bill that the phrase "high wage" means no less than $7.25 an hour.

Did the House conferees not take the Members of this House seriously? Did they fight during negotiations to include these words in the final conference report? Because, if so, then why isn't it there?

Mr. Speaker, I have worked in this House for a while now, 10 years as a Member of Congress and 13 years before that as a Congressional aid. I remember when motions to instruct conferees were taken seriously by Members appointed to the conference committee.

The Republican leadership will not allow this House to act on the FY 2007 Labor-HHS-Education Appropriations Act because it contains an increase in the minimum wage. Every Health, Education and Labor Department program is being held hostage to the Republican majority's determination to keep 6.5 million hardworking Americans in poverty.

Now they will not allow a handful of words, supported so strongly by Members of this House, to be included in this conference report. What are they so afraid of?

As we take up the Carl D. Perkins Career and Technical Education Improvement Act conference report, we can all be proud of our support of vocational, technical and career education. But with all due respect, Mr. Speaker, what we do today is meaningless. It is worthless if we fail to ensure adequate appropriations for these programs and if we continue to let the minimum wage stagnate and willingly and deliberately condemn more and more American workers to lives of poverty.

In closing, I will support this bill because it does authorize a number of good programs. But let me repeat so my colleagues on the other side of the aisle can hear this loud and clear: It is not enough to authorize programs. We need to fund them. And this President has consistently tried to eliminate funding for important vocational educational programs and this Congress passes budgets that also eliminate funding for these programs. And, quite frankly, the funding that we do provide is inadequate.

Finally, let me repeat to all Members of this House, that it is a disgrace that we are about to recess for our August vacation without increasing the Federal minimum wage. It has been stuck at $5.15 an hour for nearly 9 years. During that same period of time, Members of this House have increased their pay eight different times, totaling about $35,000.

If this Republican leadership does not want to allow Members of this House a clean, straight, up-or-down vote on the minimum wage, then they should at least have the decency to bring to the floor a resolution to repeal this pay raise. It is wrong to increase our pay and, at the same time, refuse to do anything about the millions of American workers who are stuck in poverty. If you work in this country, you should get paid enough so you don't have to live in poverty.

Again, vocational education is important, but we need to fund these programs. That is something that this Republican Congress has failed to do.

Mr. Speaker, I yield back the balance of my time.

Mr. BISHOP of Utah. Mr. Speaker, in closing, I wish to try and address my remarks to the bill we have before us and hopefully keep them germane to the particular issue we have in front of us.

We have a very good conference report. It is a conference report which is just what a conference report is, a negotiated compromise between both parties and both Houses of this Congress, which means, in essence, we have 535 different opinions and we have compromised down to one bill, which I think satisfies the base needs of all of us, or at least the vast majority of us who are in Congress right now.

This is legislation that reflects legislative priorities as to funding for vocational education.

□ 1045

It provides more funds than perhaps the programs that have been assigned to us by the Constitution would do to this particular body. But it does reflect those priorities.

Mr. Speaker, I urge my colleagues to support this resolution because a "yes" vote moves us forward. A "no" vote on this resolution would harm kids. Mr. Speaker, I support the resolution and the underlying legislation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 4157, HEALTH INFORMATION TECHNOLOGY PROMOTION ACT OF 2006

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 952 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 952

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4157) to amend the Social Security Act to encourage the dissemination, security, confidentiality, and usefulness of health information technology. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour, with 35 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce and 25 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments recommended by the Committees on Energy and Commerce and Ways and Means now printed in the bill, the amendment in the nature of a substitute printed in part A of the report of the Committee on Rules accompanying this resolution, modified by the amendment printed in part B of such report, shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against provisions in the bill, as amended, are waived. Notwithstanding clause 11 of rule XVIII, no amendment to the bill, as amended, shall be in order except those printed in part C of the report of the Committee on Rules. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. After passage of H.R. 4157, it shall be in order to consider in the House S. 1418. All points of order against the Senate bill and against its consideration are waived. It shall be in order to move to strike all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions of H.R. 4157 as passed by the House. All points of order against that motion are waived. If the motion is adopted and the Senate bill, as amended, is passed, then it shall be in order to move that the House insist on its amendments to S. 1418 and request a conference with the Senate thereon.

SEC. 3. House Resolution 924 is laid upon the table.

The SPEAKER pro tempore. The gentleman from Florida (Mr. LINCOLN DIAZ-BALART) is recognized for 1 hour.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from California (Ms. MATSUI), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, the rule provides 1 hour of general debate with 35 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce and 25 minutes equally divided and controlled by the chairman and ranking minority member on the Committee on Ways and Means. The rule also provides one motion to recommit with or without instructions.

Mr. Speaker, the information age has greatly changed our economy by bringing about increased efficiencies in productivity. Virtually every sector of our economy benefits from the use of new information technologies.

Right here in Congress, for example, the use of technology has opened up access to the workings of our democracy like never before. Technology allows our constituents to quickly view the status of a bill or to look up our voting records.

Mr. Speaker, the health care industry has not fully embraced the advantages and benefits of information technology. According to a study by the RAND Corporation, only 15 percent of physicians and 20 percent of hospitals use computerized patient files.

Broad use of information technology in the health care system would certainly improve the quality and efficiency of health care delivery.

The use of health information technology is increasingly necessary to deliver the best care possible to individuals with chronic illnesses. The use of health care IT would also promote interoperability between providers and payers.

Efficiencies from coordinated development of health IT will accelerate and advance private and public efforts to improve quality, lower costs, reduce fraud and abuse, and promote the coordination of care. The synergy of these efficiencies will help achieve better health outcomes for patients.

The Health Information Technology Promotion Act, which we bring to the floor today, will improve the quality of care Americans receive through national adoption of electronic medical records and e-prescribing systems.

The legislation promotes the adoption and use of interoperable health information technology that prevents medical and prescription errors and costly duplicate tests, eliminates lost medical records, simplifies our administrative system, and improves medical care and the treatment of chronic illnesses.

The legislation we bring to the floor today provides grants for the use of health information technology to coordinate care among the uninsured and to implement technology in small physician practices. It also updates diagnostic coding, systems for the digital age, and provides for an expedited process to update standards.

Mr. Speaker, this legislation was introduced by Congresswoman NANCY JOHNSON, my dear friend, who is a true expert in the field of health care. It was reported out of the House Energy and Commerce Committee. We believe it is time that the health care industry moves to a digital future, and this legislation is an important step in seeing that to reality.

Mr. Speaker, I would like to thank Congresswoman JOHNSON and Chairman BARTON and Chairman THOMAS for their leadership on this important issue. I urge my colleagues to support the rule that brings this legislation forth as well as the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I thank my good friend, the gentleman from Florida, for yielding me time; and I yield myself such time as I may consume.

Mr. Speaker, every Member of Congress recognizes the importance of health information technology. It holds the potential to save lives by reducing medical errors, and it can make our health care system more efficient by providing better care while keeping costs down.

In short, we could revolutionize the way our health care is delivered. What exactly is the potential? Physicians could have access to every relevant part of a patient's medical history at the precise moment a life-or-death decision needs to be made.

It is the tens of thousands of lives saved because of fewer medical errors. It means the newest "Physicians Desks Reference" and the most cutting-edge medical research on a hand-held device that a doctor can have at the patient's bedside.

This is not pie-in-the-sky ambition. Some health care leaders have already begun to adopt these ideas with great success. In the year 2000, the Veterans Administration implemented the most advanced electronic medical records system in the United States.

A recent article in Business Week noted that "while studies show that 3 to 8 percent of the Nation's prescriptions are filed erroneously, the VA's prescription accuracy rate is greater than 99.99 percent, a level most hospitals only dream about."

It should not be surprising that while many patients lost their paper medical records in the terrible aftermath of Hurricane Katrina, veterans did not. Veterans living in New Orleans were able to access their medical records at other VA hospitals because of health information technology.

Another example comes from my hometown of Sacramento. The UC Davis Medical Center has a world-renowned telemedicine program which connects patients in 80 rural areas across California to an immense amount of specialty care in Sacramento.

Let me tell you the story of Levi, a child who lives on a ranch in a nine-person town 60 miles north of Sacramento. After accidentally suffering third-degree burns on his leg, his parents took him to the closest hospital. Because of UC Davis's telemedicine program, Levi was treated by one of the few pediatric burn specialists in this country remotely from Sacramento.

Information technology could make this amazing program even better. Widespread adoption of this technology would enhance this expert advice by allowing the rural doctor to send Levi's medical history to the specialists at UC Davis instantly.

UC Davis has begun to implement electronic medical records, but many of these outlying areas cannot afford this technology without seed money.

That is the goal of establishing a national health information infrastructure. But we know such a comprehensive program isn't cheap. It could cost individual hospitals several million dollars and individual physicians $20,000 or $30,000 apiece.

So the issue needs more than Federal guidelines. It needs Federal financial support, seed money in a sense. Unfortunately, the bill we will debate today falls far short. It provides only $40 million in Federal grants. In a $1.3 trillion health care system, this does not even scratch the service.

In fact, the nonpartisan Congressional Budget Office, CBO, says the bill, as written, will do almost nothing to encourage health information technology. According to their analysis, it will not significantly influence the rate at which health information technology is adopted, nor will it ensure better quality technology.

Democrats have proposed a more effective proposal, backed by Federal seed money, just like the bipartisan Senate bill does. We would also add new privacy laws to strengthen patient protections. This would prepare us for the health information age.

It would require patients to give their consent before their health information could be shared with other people. It also requires data encryption to protect these health information networks from hackers.

It sides with patients by making sure that everyone, every individual and every health entity, complies with privacy protections.

Unfortunately, late last night the Rules Committee denied the House the opportunity to debate the Democratic alternative on the floor. As a result, I will be urging my colleagues to defeat the previous question and defeat this rule.

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Mr. Speaker, information technology will bring our Nation's health care system tremendous benefits, but the devil is often in the details. This technology will not install itself. It will spread only with the right kind of Federal leadership. So I urge my colleagues to support the Democratic substitute and support the responsible approach to national health information technology.

Mr. Speaker, I reserve the balance of my time.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 2 minutes to my good friend, the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. I thank my colleague for yielding.

Mr. Speaker, I rise in strong opposition to the rule for H.R. 4157. As a nurse, of course I want to see the expanded use of health information technology, such as electronic medical records. Expanded use of health IT holds great promise for facilitating better care, reducing medical errors, and eliminating burdensome paperwork, but the bill before us today has a glaring omission: It has no privacy protection for patients.

A privacy amendment I sponsored along with Representatives MARKEY, EMANUEL, DOGGETT, and KENNEDY was killed by the Republicans on the Rules Committee even though there is bipartisan support for this measure. As usual, the House won't be voting on a measure because the Republican leadership opposes it but is afraid that if we debate and vote on it in the House, they might lose the vote.

Let's be clear, there is no comprehensive privacy protection in this bill before us today. That means your personal sensitive health information is vulnerable. That means there is no recourse you could take to hold individuals accountable if they improperly obtain or disclose your most personal private information.

Opponents of privacy protection will argue that current HIPAA regulations are adequate. That argument is flawed. The lack of enforcement of privacy protections is widely known in the health community. Because of that, surveys show fewer entities are complying with HIPAA because they fear no consequences for privacy violations. And, these violations are occurring. Our privacy amendment would have guaranteed that you would be notified if your information is improperly disclosed and it would have allowed you recourse.

The amendment should have been made in order because its provisions are essential to protecting patients' rights during the nationwide adoption of health information technology. So I urge my colleagues to oppose the rule until we are allowed to consider a bill that protects our rights as patients and, indeed, the rights of all patients.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 3 minutes to the gentlewoman from California, my good friend (Ms. ESHOO).

Ms. ESHOO. I thank our distinguished member of the Rules Committee.

Mr. Speaker, I rise this morning in opposition to the rule and in opposition to the bill, and I want to state very clearly why. I believe that this bill is deeply deficient. And I am very disappointed because I had high hopes for this bill. At one time I was a cosponsor of it, but I removed my name from the bill when I saw what the deficiencies were and that the majority would not address them.

My colleague, Mrs. CAPPS, has just eloquently outlined the deep deficiency relative to privacy. If you ask any American about privacy and if they want it protected in their financial records and their medical records, there will be a resounding yes. This bill has no protection for the American people relative to privacy.

The second point, which is really a shame, that an HIT, health information technology bill, does not assure interoperability. My colleague from Florida mentioned this in his statement. There isn't going to be any point, it won't matter if every doctor, every hospital in our country has invested in robust IT technology if they can't communicate with one another. What this bill provides is that down the road, down the road 3 years, 5 years there may be interoperability. Does the majority not understand that in the market in terms of information technology that products change 6 months, 8 months. And so there isn't anything in the bill that assures that interoperability is going to take place.

I offered an amendment in the Rules Committee that was turned down. It ensured that purchasers and vendors in the HIT marketplace will be able to rely on representations about compliance with the interoperability standards adopted under this legislation by creating a voluntary certification process for HIT products.

Dr. David Brailer, the first national coordinator for health IT, said last month that if the government does not immediately employ interoperability standards in its purchasing, the adoption of the standards in the marketplace could take 5 to 7 years instead of 1 or 2 to implement.

So this is a wonderful vehicle, it sounds terrific, it is all shiny and waxed up. Everyone looks at it and says, doesn't this look terrific? I hate to dampen your spirits, but there isn't any gas in the engine and this dog is not going to hunt. It is an opportunity that has been squandered, and I reluctantly oppose the rule and the bill.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 4½ minutes to my good friend the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. I thank the gentlewoman. The great Irish poet, William Butler Yeats, used to say that, "In dreams begins responsibility."

There is a dream here that we can place all of the medical records of all Americans online, that can have an IT world where for the sake of patients we can move medical information across hundreds, thousands of miles to save the patient's life. And that is great. That is a great dream. But that dream will replace something that exists today, which is that when each of us goes in to visit a physician, when our family member's private medical records are inside a cabinet with a nurse that has a key that can open that drawer and pull out your family's private records, that you have confidence that that physician, that that nurse is not going to tell everyone else in town what the secrets are of your husband, of your wife, of your child, of your mother or your father, that there are protections, that privacy is sacred, that your physician is a privacy keeper and not a data mining information seeker.

As we move to this new era where information is being abrogated by medical insurance companies, HMOs, medical consultants, medical data mining companies, that we build in at the beginning of this era the privacy protections, the guarantees that each individual's family has a right to say, "I don't want my family's psychiatric records, I don't want my child's medical records, I don't want this information, mental health, prescription drug records or other personal medical data put online without my permission. I just don't want it spread around without my permission, without my family's permission."

So I went to the Rules Committee, and Congressmen KENNEDY, EMANUEL, DOGGETT, CAPPS, we requested that we have that debate here on the House floor, and the Republican leadership said no. No, we are just going to listen to the insurance industry. We are going to listen to the HMO industry. We are not going to allow a debate on medical privacy on the House floor as we move to this new era.

And I will tell you something, this is about as serious an issue as people can imagine affecting their family, and there are 84 million good reasons why we should have this debate: Because 84 million is the number of times over the last 2 years we have seen the compromise of the financial records of American people, from the ChoicePoint scandal, these you can go right down the whole line. But now we have the big enchilada, and that is the medical records of people's families.

And, by the way, this is not an issue that divides along Democrat or Republican lines, liberal or conservative lines. It polls out at over 80 percent of all Americans that want the right to be able to protect their own personal medical records.

So what has happened then? Well, what has happened is the Republican party is ignoring the fact that it polls out at 80 percent Democrat and Republican. And what they decided to do is to side with the insurance industry, side with the HMOs who want to use our personal medical records as a product, as something that allows them to go through and to identify useful information for the insurance industry, for HMOs.

William Butler Yeats once said that, "In dreams begins responsibility." That should happen here on the House floor today. But the Republicans are abdicating that responsibility. They are saying, let's give the HMOs, let's give the data miners, let's give these consultants, let's give these insurance companies what they want now, and we will come back and revisit the privacy issue after there is a catastrophic compromise of privacy affecting millions of American families. That is not exercising the responsibility that should be exercised. Vote "no" on this rule. Vote "no" on this bill.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Yeats wrote many wonderful, beautiful things. We in the Rules Committee deal with reality. The reality of the rule that we bring to the floor today in order to bring the underlying legislation on information technology for the health care industry brings forth and authorizes six amendments, six amendments to be debated by this House.

Our function is to listen, and we listened hour after hour after hour after hour, with great respect, in the Rules Committee to our colleagues who come forth with multiple ideas. We bring forth six amendments for the consideration of this entire body today. Of the six amendments, four are authored by Members of the opposition, of the Democrat Party; one is a bipartisan amendment, Republican and Democrat; and one is a Republican amendment. We think we are being fair, Mr. Speaker.

So we seek not to bring forth the beauty of Yeats, but in dealing with reality, in dealing with listening to hours of testimony from our colleagues, in authorizing four amendments of Democrats, one of a Republican, one of a bipartisan nature, we think we have done a fair job. And that is what we have authorized for consideration, for debate by this House in the rule that brings forward this very important legislation that we will be hearing about, and we will be hearing about as the authors of the legislation explain it in detail.

I am very proud to be a supporter of the legislation. It is important that information technology reach as much of the health care industry, patients, as possible so that mistakes are avoided, and so that access to the great advances of technology are made available to the largest number of people. There are important issues that this legislation is going to be bringing forth and dealing with and that this debate will entail.

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Now, obviously in order for debate to begin, we have to pass the rule which sets the terms of the debate. We are proud of those terms of debate, the extraordinarily fair nature of the terms of that debate. As I have said, Mr. Speaker, four amendments made in order are Democrat amendments, one is a Republican amendment, one is a bipartisan amendment.

Mr. Speaker. I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 4 minutes to my good friend, the gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Speaker. I thank the gentlewoman for yielding me this time.

Mr. Speaker, I have been working on this issue for several years. I have met with countless groups across this country. I have forged bipartisan relationships to bring a solid piece of legislation before this House, and today I am disappointed to say that this legislation does not meet the mark.

The Congressional Budget Office itself has said this legislation, quote, would not significantly affect either the rate at which the use of health technology will grow or how well that technology will be designed and implemented.

So what is the point? If we cannot get this technology in the hands of the providers, what are we doing here? This legislation does not require us to adopt standards that are interoperability standards for all on a date certain. We need to do this within the next year and a half. We could do this within the next year.

We should be taking this opportunity and passing real health care information technology legislation: but, instead, we are passing a shadow of a bill that misses the opportunity to pass real opportunities for savings, both in people's lives and in countless dollars across this country.

Mr. Speaker, we spend twice what every other industrialized nation spends on health care. It is the worst system when it comes to employers paying incredible premiums. We see employees paying incredible premiums. We are seeing providers complain. Nobody is happy with the current health care system; and, yet, what are we doing about it? We are missing the opportunity today.

We could provide technology today that would help us implement quality standards so that when you are being treated, whether it is in Iowa or Rhode Island or New York, you get the same standard of care. But are those quality provisions in this bill? No, they are not.

We can make sure that we have provisions in this bill to have the privacy protections in place, as Mr. MARKEY just talked about. Are they in this bill? No, they are not.

How can we have an IT bill that does not set a date certain for technology, that does not have quality provisions in place so that we can use technology to bring the best and evidence-based medicines to the bedside? How can we not have provisions to protect privacy in an age when we are going electronic in health care records?

Mr. Speaker, this bill falls way short of our opportunities to make a fundamental change in our health care system. I am sorry I am going to have to oppose this rule. I am going to have to oppose this bill because I think it falls way short of the opportunities we have been given to make the most of this chance to get a better health care system today. We are squandering that chance. For that reason, I will oppose the rule and oppose the underlying bill.

Ms. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am asking Members to vote "no" on the previous question so I can amend this rule and allow the House to consider the Dingell-Rangel substitute. This substitute was offered in the Rules Committee last night, but was blocked on a straight party-line vote.

Mr. Speaker, I ask unanimous consent to print the text of the amendment and extraneous materials immediately prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. PRICE of Georgia). Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. MATSUI. Mr. Speaker, I believe the Dingell-Rangel substitute offers Members a far better choice than the underlying bill.

This substitute is based on the bipartisan bill that was introduced by Senators FRIST, ENZI, KENNEDY and CLINTON and passed unanimously by the Senate last November. This substitute also contains important privacy protections necessary in this new electronic world.

The Democratic substitute requires the Federal Government to take a leading role in the adoption of standards for technology and adopting technology that will permit providers and others to communicate to each other electronically. This substitute will provide $257 million in grants and loans for providers and regional collaboratives to buy and implement health information technology.

This substitute also provides privacy protections beyond those in current law to ensure that patients' health information is secure. It requires that all individuals and entities with access to personal health information must comply with privacy protections to maintain patient confidentiality. The substitute also requires data encryption to prevent security breaches and the notification of patients in case of a security breach. Finally, it allows patients to seek redress when their privacy is breached.

I want Members to be aware that a "no" vote will not stop us from considering H.R. 4157. A "no" vote will simply allow the Dingell-Rangel substitute to be considered by this House by an up-or-down vote.

Vote "no" on the previous question so we can consider this important and responsible substitute.

Mr. Speaker, I yield back the balance of my time.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I yield myself such time as I may consume.

I thank all of my colleagues who have participated in this very interesting debate today. Much has been made by opponents of the legislation of arguments with regard to privacy protections. I think it is relevant and should be pointed out that the very significant and extensive privacy protections contained in the Health Insurance Portability and Accountability Act of 1996 are not reduced in any way by this legislation that we bring forth to the floor today.

In fact, the American Psychiatric Association, the American Psychological Association, the National Association of Social Workers, the National Mental Health Association have said in a letter to the Energy and Commerce Committee, "The Energy and Commerce language ensures that the current protections in the Health Insurance Portability and Accountability Act of 1996 are maintained, and we wish to commend the approach to privacy protections that the Energy and Commerce Committee proposes to take."

I mean, it is relevant to point this out because much has been said that would seem or could be interpreted to contradict what I have just read from the American Psychiatric Association, the American Psychological Association, the National Association of Social Workers, the National Mental Health Association, very responsible entities that look out for the interests of many citizens who receive health care.

So, Mr. Speaker, urging the support of the underlying legislation, I also urge all of my colleagues to support this rule, which is very fair, makes more than twice as many amendments by Democrats than by Republicans in order. It is precisely in our interest to go the extra mile for fairness.

Mr. DINGELL. Mr. Speaker, I rise in strong opposition to this rule. There once was a time when we considered legislation under open rules. Any Member could offer an amendment. That was the way I, as chairman of the Committee on Energy and Commerce, brought bills to the House floor.

Eventually amendments were limited, perhaps under the guise of efficiency. But certainly the minority should be allowed to offer an alternative. Democrats brought an alternative to the Committee on Rules. It was supported by every Democrat on our committee.

It was not a radical alternative. It was identical to the bill that passed the Senate unanimously, with the addition of language to protect patient privacy. Yet this rule blocks the offering of our proposal.

If my Republican colleagues disagree with this substitute, fine—vote against it, but don't hide behind a rule that prevents us from offering it.

If we had an open rule, we could fairly debate this important issue. All of us want to improve health information technology. One hundred Senators voted for a bill to do so, but under this closed rule, if a Member of the House wanted to offer that Senate bill, which was sponsored by Republican Majority Leader FRIST, along with Senator ENZI, KENNEDY, and CLINTON, he or she could not do so.

That's right—my rubber stamp Republican colleagues are about to pass a rule that makes sure that a bill that passed unanimously in the Senate cannot even get a vote in the House. It is a closed rule and that means only amendments that the Republican leaders can accept will get a vote.

I have read that many of my Republican colleagues are trying to distance themselves from the policies of the House Republican leadership. Well, here is your chance. Reject a rule that prohibits Members from offering a substitute that consists of a bill passed unanimously by 100 Senators. Reject a rule that prohibits an amendment dealing with the privacy of personal medical records.

But we know the fix is in. Why else did not a single Republican Member go to the Rules Committee to ask for a rule to allow them to offer a bill supported by 100 Senators? Why else did not a single Republican Member care to offer an amendment to protect the privacy of medical records?

A vote for this closed rule is, quite simply, a vote against bipartisanship. It is a vote against privacy protections for Americans. And it is a vote against getting a bill signed into law this Congress.

The material previously referred to by Ms. MATSUI is as follows:

PREVIOUS QUESTION FOR H. RES. 952—H.R. 4157 HEALTH INFORMATION TECHNOLOGY PROMOTION ACT OF 2006

At the end of the resolution, add the following:

SEC. 4. Notwithstanding any other provision of this resolution the amendment specified in section 5 shall be in order as though printed after the amendment numbered 6 in the report of the Committee on Rules if offered by Representative Dingell of Michigan or Representative Rangel of New York or a designee. That amendment shall be debatable for 30 minutes equally divided and controlled by the proponent and an opponent.

SEC. 5. The amendment referred to in section 2 is as follows:

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 4157, AS REPORTED

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wired for Health Care Quality Act".

SEC. 2. IMPROVING HEALTH CARE QUALITY, SAFETY, AND EFFICIENCY.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by adding at the end the following:

"TITLE XXIX—HEALTH INFORMATION TECHNOLOGY AND QUALITY

"SEC. 2901. DEFINITIONS.

"In this title:

"(1) HEALTH CARE PROVIDER.—The term 'health care provider' means a hospital, skilled nursing facility, home health entity, health care clinic, federally qualified health center, group practice (as defined in section 1877(h)(4) of the Social Security Act), a pharmacist, a pharmacy, a laboratory, a physician (as defined in section 1861(r) of the Social Security Act), a practitioner (as defined in section 1842(b)(18)(CC) of the Social Security Act), a health facility operated by or pursuant to a contract with the Indian Health Service, a rural health clinic, and any other category of facility or clinician determined appropriate by the Secretary.

"(2) HEALTH INFORMATION.—The term 'health information' has the meaning given such term in section 1171(4) of the Social Security Act.

"(3) HEALTH INSURANCE PLAN.—The term 'health insurance plan' means—

"(A) a health insurance issuer (as defined in section 2791(b)(2));

"(B) a group health plan (as defined in section 2791(a)(1)); and

"(C) a health maintenance organization (as defined in section 2791(b)(3)).

"(4) INDIVIDUALLY IDENTIFIABLE HEALTH INFORMATION.—The term 'individually identifiable health information' has the meaning given such term in section 1171 of the Social Security Act.

"(5) LABORATORY.—The term 'laboratory' has the meaning given that term in section 353.

"(6) PHARMACIST.—The term 'pharmacist' has the meaning given that term in section 804 of the Federal Food, Drug, and Cosmetic Act.

"(7) QUALIFIED HEALTH INFORMATION TECHNOLOGY.—The term 'qualified health information technology' means a computerized system (including hardware and software) that—

"(A) protects the privacy and security of health information;

"(B) maintains and provides permitted access to health information in an electronic format;

"(C) incorporates decision support to reduce medical errors and enhance health care quality;

"(D) complies with the standards adopted by the Federal Government under section 2903; and

"(E) allows for the reporting of quality measures under section 2908.

"(8) STATE.—The term 'State' means each of the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

"SEC. 2902. OFFICE OF THE NATIONAL COORDINATOR OF HEALTH INFORMATION TECHNOLOGY.

"(a) OFFICE OF NATIONAL HEALTH INFORMATION TECHNOLOGY.—There is established within the Office of the Secretary an Office of the National Coordinator of Health Information Technology (referred to in this section as the 'Office'). The Office shall be headed by a National Coordinator who shall be appointed by the Secretary and shall report directly to the Secretary.

"(b) PURPOSE.—It shall be the purpose of the Office to coordinate with relevant Federal agencies and private entities and oversee programs and activities to develop a nationwide interoperable health information technology infrastructure that—

"(1) ensures that patients' individually identifiable health information is secure and protected;

"(2) improves health care quality, reduces medical errors, and advances the delivery of patient-centered medical care;

"(3) reduces health care costs resulting from inefficiency, medical errors, inappropriate care, and incomplete information;

"(4) ensures that appropriate information to help guide medical decisions is available at the time and place of care;

"(5) promotes a more effective marketplace, greater competition, and increased choice through the wider availability of accurate information on health care costs, quality, and outcomes;

"(6) improves the coordination of care and information among hospitals, laboratories, physician offices, and other entities through an effective infrastructure for the secure and authorized exchange of health care information;

"(7) improves public health reporting and facilitates the early identification and rapid response to public health threats and emergencies, including bioterror events and infectious disease outbreaks;

"(8) facilitates health research; and

"(9) promotes prevention of chronic diseases.

"(c) DUTIES OF THE NATIONAL COORDINATOR.—The National Coordinator shall—

"(1) serve as the principal advisor to the Secretary concerning the development, application, and use of health information technology, and coordinate and oversee the health information technology programs of the Department;

"(2) facilitate the adoption of a nationwide, interoperable system for the electronic exchange of health information;

"(3) ensure the adoption and implementation of standards for the electronic exchange of health information to reduce cost and improve health care quality;

"(4) ensure that health information technology policy and programs of the Department are coordinated with those of relevant executive branch agencies (including Federal commissions) with a goal of avoiding duplication of efforts and of helping to ensure that each agency undertakes health information technology activities primarily within the areas of its greatest expertise and technical capability;

"(5) to the extent permitted by law, coordinate outreach and consultation by the relevant executive branch agencies (including Federal commissions) with public and private parties of interest, including consumers, payers, employers, hospitals and other health care providers, physicians, community health centers, laboratories, vendors and other stakeholders;

"(6) advise the President regarding specific Federal health information technology programs; and

"(7) prepare the reports described under section 2903(i) (excluding paragraph (4) of such section).

"(d) DETAIL OF FEDERAL EMPLOYEES.—

"(1) IN GENERAL.—Upon the request of the National Coordinator, the head of any Federal agency is authorized to detail, with or without reimbursement from the Office, any of the personnel of such agency to the Office to assist it in carrying out its duties under this section.

"(2) EFFECT OF DETAIL.—Any detail of personnel under paragraph (1) shall—

"(A) not interrupt or otherwise affect the civil service status or privileges of the Federal employee; and

"(B) be in addition to any other staff of the Department employed by the National Coordinator.

"(3) ACCEPTANCE OF DETAILEES.—Notwithstanding any other provision of law, the Office may accept detailed personnel from other Federal agencies without regard to whether the agency described under paragraph (1) is reimbursed.

"(e) Rule of Construction.—Nothing in this section shall be construed to require the duplication of Federal efforts with respect to the establishment of the Office, regardless of whether such efforts were carried out prior to or after the enactment of this title.

"(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $5,000,000 for fiscal year 2007, $5,000,000 for fiscal year 2008, and such sums as may be necessary for each of fiscal years 2009 through 2011.

"SEC. 2903. AMERICAN HEALTH INFORMATION COLLABORATIVE.

"(a) Purpose.—The Secretary shall establish the public-private American Health Information Collaborative (referred to in this section as the 'Collaborative') to—

"(1) advise the Secretary and recommend specific actions to achieve a nationwide interoperable health information technology infrastructure;

"(2) serve as a forum for the participation of a broad range of stakeholders to provide input on achieving the interoperability of health information technology; and

"(3) recommend standards (including content, communication, and security standards) for the electronic exchange of health information (including for the reporting of quality data under section 2908) for adoption by the Federal Government and voluntary adoption by private entities.

"(b) Composition.—

"(1) In general.—The Collaborative shall be composed of members of the public and private sectors to be appointed by the Secretary, including representatives from—

"(A) consumer or patient organizations;

"(B) organizations with expertise in privacy and security;

"(C) health care providers;

"(D) health insurance plans or other third party payors;

"(E) information technology vendors; and

"(F) purchasers or employers.

"(2) Participation.—In appointing members under paragraph (1), and in developing the procedures for conducting the activities of the Collaborative, the Secretary shall ensure a balance among various sectors of the health care system so that no single sector unduly influences the recommendations of the Collaborative.

"(3) Terms.—Members appointed under paragraph (1) shall serve for 2 year terms, except that any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve for not to exceed 180 days after the expiration of such member's term or until a successor has been appointed.

"(4) Outside involvement.—With respect to the functions of the Collaborative, the Secretary shall ensure an adequate opportunity for the participation of outside advisors, including individuals with expertise in—

"(A) health information privacy;

"(B) health information security;

"(C) health care quality and patient safety, including individuals with expertise in utilizing health information technology to improve health care quality and patient safety;

"(D) data exchange; and

"(E) developing health information technology standards and new health information technology.

"(c) Recommendations and Policies.—Not later than 1 year after the date of enactment of this title, and annually thereafter, the Collaborative shall recommend to the Secretary uniform national policies for adoption by the Federal Government and voluntary adoption by private entities to support the widespread adoption of health information technology, including—

"(1) protection of individually identifiable health information through privacy and security practices;

"(2) measures to prevent unauthorized access to health information, including unauthorized access through the use of certain peer-to-peer file-sharing applications;

"(3) methods to notify patients if their individually identifiable health information is wrongfully disclosed;

"(4) methods to facilitate secure patient access to health information;

"(5) fostering the public understanding of health information technology;

"(6) the ongoing harmonization of industry-wide health information technology standards;

"(7) recommendations for a nationwide interoperable health information technology infrastructure;

"(8) the identification and prioritization of specific use cases for which health information technology is valuable, beneficial, and feasible;

"(9) recommendations for the establishment of an entity to ensure the continuation of the functions of the Collaborative; and

"(10) other policies (including recommendations for incorporating health information technology into the provision of care and the organization of the health care workplace) determined to be necessary by the Collaborative.

"(d) Standards.—

"(1) Existing standards.—The standards adopted by the Consolidated Health Informatics Initiative shall be deemed to have been recommended by the Collaborative under this section.

"(2) First year review.—Not later than 1 year after the date of enactment of this title, the Collaborative shall—

"(A) review existing standards (including content, communication, and security standards) for the electronic exchange of health information;

"(B) identify deficiencies and omissions in such existing standards; and

"(C) identify duplication and overlap in such existing standards;

and recommend new standards and modifications to such existing standards as necessary.

"(3) Ongoing review.—Beginning 1 year after the date of enactment of this title, and annually thereafter, the Collaborative shall—

"(A) review existing standards (including content, communication, and security standards) for the electronic exchange of health information;

"(B) identify deficiencies and omissions in such existing standards; and

"(C) identify duplication and overlap in such existing standards;

and recommend new standards and modifications to such existing standards as necessary.

"(4) Limitation.—The standards and timeframe for adoption described in this section shall be consistent with any standards developed pursuant to the Health Insurance Portability and Accountability Act of 1996.

"(e) Federal Action.—Not later than 90 days after the issuance of a recommendation from the Collaborative under subsection (d)(2), the Secretary of Health and Human Services, the Secretary of Veterans Affairs, and the Secretary of Defense, in collaboration with representatives of other relevant Federal agencies, as determined appropriate by the Secretary, shall jointly review such recommendations. If appropriate, the Secretary shall provide for the adoption by the Federal Government of any standard or standards contained in such recommendation.

"(f) Coordination of Federal Spending.—

"(1) In general.—Not later than 1 year after the adoption by the Federal Government of a recommendation as provided for in subsection (e), and in compliance with chapter 113 of title 40, United States Code, no Federal agency shall expend Federal funds for the purchase of any new health information technology or health information technology system for clinical care or for the electronic retrieval, storage, or exchange of health information that is not consistent with applicable standards adopted by the Federal Government under subsection (e).

"(2) Rule of construction.—Nothing in paragraph (1) shall be construed to restrict the purchase of minor (as determined by the Secretary) hardware or software components in order to modify, correct a deficiency in, or extend the life of existing hardware or software.

"(g) Coordination of Federal Data Collection.—Not later than 3 years after the adoption by the Federal Government of a recommendation as provided for in subsection (e), all Federal agencies collecting health data for the purposes of quality reporting, surveillance, epidemiology, adverse event reporting, research, or for other purposes determined appropriate by the Secretary, shall comply with standards adopted under subsection (e).

"(h) Voluntary Adoption.—

"(1) In general.—Any standards adopted by the Federal Government under subsection (e) shall be voluntary with respect to private entities.

"(2) Rule of construction.—Nothing in this section shall be construed to require that a private entity that enters into a contract with the Federal Government adopt the standards adopted by the Federal Government under this section with respect to activities not related to the contract.

"(3) Limitation.—Private entities that enter into a contract with the Federal Government shall adopt the standards adopted by the Federal Government under this section for the purpose of activities under such Federal contract.

"(i) Reports.—The Secretary shall submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate and the Committee on Energy and Commerce and the Committee on Ways and Means of the House of Representatives, on an annual basis, a report that—

"(1) describes the specific actions that have been taken by the Federal Government and private entities to facilitate the adoption of an interoperable nationwide system for the electronic exchange of health information;

"(2) describes barriers to the adoption of such a nationwide system;

"(3) contains recommendations to achieve full implementation of such a nationwide system; and

"(4) contains a plan and progress toward the establishment of an entity to ensure the continuation of the functions of the Collaborative.

"(j) Application of FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Collaborative, except that the term provided for under section 14(a)(2) shall be 5 years.

"(k) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require the duplication of Federal efforts with respect to the establishment of the Collaborative, regardless of whether such efforts were carried out prior to or after the enactment of this title.

"(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $4,000,000 for fiscal year 2007, $4,000,000 for fiscal year 2008, and such sums as may be necessary for each of fiscal years 2009 through 2011.

"SEC. 2904. IMPLEMENTATION AND CERTIFICATION OF HEALTH INFORMATION STANDARDS.

"(a) IMPLEMENTATION.—

"(1) IN GENERAL.—The Secretary, based upon the recommendations of the Collaborative, shall develop criteria to ensure uniform and consistent implementation of any standards for the electronic exchange of health information voluntarily adopted by private entities in technical conformance with such standards adopted under this title.

"(2) IMPLEMENTATION ASSISTANCE.—The Secretary may recognize a private entity or entities to assist private entities in the implementation of the standards adopted under this title using the criteria developed by the Secretary under this section.

"(b) CERTIFICATION.—

"(1) IN GENERAL.—The Secretary, based upon the recommendations of the Collaborative, shall develop criteria to ensure and certify that hardware and software that claim to be in compliance with applicable standards for the electronic exchange of health information adopted under this title have established and maintained such compliance in technical conformance with such standards.

"(2) CERTIFICATION ASSISTANCE.—The Secretary may recognize a private entity or entities to assist in the certification described under paragraph (1) using the criteria developed by the Secretary under this section.

"(c) OUTSIDE INVOLVEMENT.—The Secretary, through consultation with the Collaborative, may accept recommendations on the development of the criteria under subsections (a) and (b) from a Federal agency or private entity.

"SEC. 2905. PRIVACY AND SECURITY PROTECTIONS.

"(a) IN GENERAL.—The Secretary shall provide for standards for health information technology (as such term is used in this title) that include the following privacy and security protections:

"(1) Except as provided in succeeding paragraphs, each entity must—

"(A) expressly recognize the individual's right to privacy and security with respect to the electronic disclosure of such information;

"(B) permit individuals to exercise their right to privacy and security in the electronic disclosure of such information to another entity by obtaining the individual's written or electronic informed consent, which consent may authorize multiple disclosures;

"(C) permit an individual to prohibit access to certain categories of individuals (as defined by the Secretary) of particularly sensitive information, including data relating to infection with the human immunodeficiency virus (HIV), to mental health, to sexually transmitted diseases, to reproductive health, to domestic violence, to substance abuse treatment, to genetic testing or information, to diabetes, and other information as defined by the Secretary after consent has been provided under subparagraph (B).

"(2) Informed consent may be inferred, in the absence of a contrary indication by the individual—

"(A) to the extent necessary to provide treatment and obtain payment for health care in emergency situations;

"(B) to the extent necessary to provide treatment and payment where the health care provider is required by law to treat the individual;

"(C) if the health care provider is unable to obtain consent due to substantial barriers to communicating with the individual and the provider reasonably infers from the circumstances, based upon the exercise of professional judgment, that the individual does not object to the disclosure or that the disclosure is in the best interest of the individual; and

"(D) to the extent that the information is necessary to carry out or otherwise implement a medical practitioner's order or prescription for health services, medical devices or supplies, or pharmaceuticals.

"(3) The protections must prohibit the improper use and disclosure of individually identifiable health information by any entity.

"(4) The protections must provide any individual a right to obtain damages and other relief against any entity for the entity's improper use or disclosure of individually identifiable health information.

"(5) The protections must require the use of reasonable safeguards, including audit capabilities, encryption and other technologies that make data unusable to unauthorized persons, and other measures, against the risk of loss or unauthorized access, destruction, use, modification, or disclosure of individually identifiable health information.

"(6) The protections must provide for notification to any individual whose individually identifiable health information has been lost, stolen, or used for an unauthorized purpose by the entity responsible for the information and notification by the entity to the Secretary.

"(b) LIST OF ENTITIES.—The Secretary shall maintain a public list identifying entities whose health information has been lost, stolen, or used in an unauthorized purpose as described in subsection (a)(6) and how many patients were affected by such action.

"(c) CONSTRUCTION.—Nothing in this section shall be construed as superseding, altering, or affecting (in whole or in part) any statute, regulation, order, or interpretation in effect in any State that affords any person privacy and security protections greater than that the privacy and security protections described in subsection (a), as determined by the Secretary.

"SEC. 2906. GRANTS TO FACILITATE THE WIDESPREAD ADOPTION OF INTEROPERABLE HEALTH INFORMATION TECHNOLOGY.

"(a) COMPETITIVE GRANTS TO FACILITATE THE WIDESPREAD ADOPTION OF HEALTH INFORMATION TECHNOLOGY.—

"(1) IN GENERAL.—The Secretary may award competitive grants to eligible entities to facilitate the purchase and enhance the utilization of qualified health information technology systems to improve the quality and efficiency of health care.

"(2) ELIGIBILITY.—To be eligible to receive a grant under paragraph (1) an entity shall—

"(A) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require;

"(B) submit to the Secretary a strategic plan for the implementation of data sharing and interoperability measures;

"(C) be a—

"(i) not for profit hospital, including a federally qualified health center (as defined in section 1861(aa)(4) of the Social Security Act);

"(ii) individual or group practice; or

"(iii) another health care provider not described in clause (i) or (ii);

"(D) adopt the standards adopted by the Federal Government under section 2903;

"(E) implement the measures adopted under section 2908 and report to the Secretary on such measures;

"(F) agree to notify patients if their individually identifiable health information is wrongfully disclosed;

"(G) demonstrate significant financial need; and

"(H) provide matching funds in accordance with paragraph (4).

"(3) USE OF FUNDS.—Amounts received under a grant under this subsection shall be used to facilitate the purchase and enhance the utilization of qualified health information technology systems and training personnel in the use of such technology.

"(4) MATCHING REQUIREMENT.—To be eligible for a grant under this subsection an entity shall contribute non-Federal contributions to the costs of carrying out the activities for which the grant is awarded in an amount equal to $1 for each $3 of Federal funds provided under the grant.

"(5) PREFERENCE IN AWARDING GRANTS.—In awarding grants under this subsection the Secretary shall give preference to—

"(A) eligible entities that are located in rural, frontier, and other underserved areas as determined by the Secretary;

"(B) eligible entities that will link, to the extent practicable, the qualified health information system to local or regional health information plan or plans; and

"(C) with respect to an entity described in subsection (a)(2)(C)(iii), a nonprofit health care provider.

"(b) COMPETITIVE GRANTS TO STATES FOR THE DEVELOPMENT OF STATE LOAN PROGRAMS TO FACILITATE THE WIDESPREAD ADOPTION OF HEALTH INFORMATION TECHNOLOGY.—

"(1) IN GENERAL.—The Secretary may award competitive grants to States for the establishment of State programs for loans to health care providers to facilitate the purchase and enhance the utilization of qualified health information technology.

"(2) ESTABLISHMENT OF FUND.—To be eligible to receive a competitive grant under this subsection, a State shall establish a qualified health information technology loan fund (referred to in this subsection as a 'State loan fund') and comply with the other requirements contained in this section. A grant to a State under this subsection shall be deposited in the State loan fund established by the State. No funds authorized by other provisions of this title to be used for other purposes specified in this title shall be deposited in any State loan fund.

"(3) ELIGIBILITY.—To be eligible to receive a grant under paragraph (1) a State shall—

"(A) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require;

"(B) submit to the Secretary a strategic plan in accordance with paragraph (4);

"(C) establish a qualified health information technology loan fund in accordance with paragraph (2);

“(D) require that health care providers receiving such loans—

“(i) link, to the extent practicable, the qualified health information system to a local or regional health information network;

“(ii) consult with the Health Information Technology Resource Center established in section 914(d) to access the knowledge and experience of existing initiatives regarding the successful implementation and effective use of health information technology; and

“(iii) agree to notify patients if their individually identifiable health information is wrongfully disclosed;

“(E) require that health care providers receiving such loans adopt the standards adopted by the Federal Government under section 2903;

“(F) require that health care providers receiving such loans implement the measures adopted under section 2908 and report to the Secretary on such measures; and

“(G) provide matching funds in accordance with paragraph (8).

“(4) STRATEGIC PLAN.—

“(A) IN GENERAL.—A State that receives a grant under this subsection shall annually prepare a strategic plan that identifies the intended uses of amounts available to the State loan fund of the State.

“(B) CONTENTS.—A strategic plan under subparagraph (A) shall include—

“(i) a list of the projects to be assisted through the State loan fund in the first fiscal year that begins after the date on which the plan is submitted;

“(ii) a description of the criteria and methods established for the distribution of funds from the State loan fund; and

“(iii) a description of the financial status of the State loan fund and the short-term and long-term goals of the State loan fund.

“(5) USE OF FUNDS.—

“(A) IN GENERAL.—Amounts deposited in a State loan fund, including loan repayments and interest earned on such amounts, shall be used only for awarding loans or loan guarantees, or as a source of reserve and security for leveraged loans, the proceeds of which are deposited in the State loan fund established under paragraph (1). Loans under this section may be used by a health care provider to facilitate the purchase and enhance the utilization of qualified health information technology and training of personnel in the use of such technology.

“(B) LIMITATION.—Amounts received by a State under this subsection may not be used—

“(i) for the purchase or other acquisition of any health information technology system that is not a qualified health information technology system;

“(ii) to conduct activities for which Federal funds are expended under this title, or the amendments made by the Wired for Health Care Quality Act; or

“(iii) for any purpose other than making loans to eligible entities under this section.

“(6) TYPES OF ASSISTANCE.—Except as otherwise limited by applicable State law, amounts deposited into a State loan fund under this subsection may only be used for the following:

“(A) To award loans that comply with the following:

“(i) The interest rate for each loan shall be less than or equal to the market interest rate.

“(ii) The principal and interest payments on each loan shall commence not later than 1 year after the loan was awarded, and each loan shall be fully amortized not later than 10 years after the date of the loan.

“(iii) The State loan fund shall be credited with all payments of principal and interest on each loan awarded from the fund.

“(B) To guarantee, or purchase insurance for, a local obligation (all of the proceeds of which finance a project eligible for assistance under this subsection) if the guarantee or purchase would improve credit market access or reduce the interest rate applicable to the obligation involved.

“(C) As a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the State if the proceeds of the sale of the bonds will be deposited into the State loan fund.

“(D) To earn interest on the amounts deposited into the State loan fund.

“(7) ADMINISTRATION OF STATE LOAN FUNDS.—

“(A) COMBINED FINANCIAL ADMINISTRATION.—A State may (as a convenience and to avoid unnecessary administrative costs) combine, in accordance with State law, the financial administration of a State loan fund established under this subsection with the financial administration of any other revolving fund established by the State if otherwise not prohibited by the law under which the State loan fund was established.

“(B) COST OF ADMINISTERING FUND.—Each State may annually use not to exceed 4 percent of the funds provided to the State under a grant under this subsection to pay the reasonable costs of the administration of the programs under this section, including the recovery of reasonable costs expended to establish a State loan fund which are incurred after the date of enactment of this title.

“(C) GUIDANCE AND REGULATIONS.—The Secretary shall publish guidance and promulgate regulations as may be necessary to carry out the provisions of this subsection, including—

“(i) provisions to ensure that each State commits and expends funds allotted to the State under this subsection as efficiently as possible in accordance with this title and applicable State laws; and

“(ii) guidance to prevent waste, fraud, and abuse.

“(D) PRIVATE SECTOR CONTRIBUTIONS.—

“(i) IN GENERAL.—A State loan fund established under this subsection may accept contributions from private sector entities, except that such entities may not specify the recipient or recipients of any loan issued under this subsection.

“(ii) AVAILABILITY OF INFORMATION.—A State shall make publicly available the identity of, and amount contributed by, any private sector entity under clause (i) and may issue letters of commendation or make other awards (that have no financial value) to any such entity.

“(8) MATCHING REQUIREMENTS.—

“(A) IN GENERAL.—The Secretary may not make a grant under paragraph (1) to a State unless the State agrees to make available (directly or through donations from public or private entities) non-Federal contributions in cash toward the costs of the State program to be implemented under the grant in an amount equal to not less than $1 for each $1 of Federal funds provided under the grant.

“(B) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—In determining the amount of non-Federal contributions that a State has provided pursuant to subparagraph (A), the Secretary may not include any amounts provided to the State by the Federal Government.

“(9) PREFERENCE IN AWARDING GRANTS.—The Secretary may give a preference in awarding grants under this subsection to States that adopt value-based purchasing programs to improve health care quality.

“(10) REPORTS.—The Secretary shall annually submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate, and the Committee on Energy and Commerce and the Committee on Ways and Means of the House of Representatives, a report summarizing the reports received by the Secretary from each State that receives a grant under this subsection.

“(c) COMPETITIVE GRANTS FOR THE IMPLEMENTATION OF REGIONAL OR LOCAL HEALTH INFORMATION TECHNOLOGY PLANS.—

“(1) IN GENERAL.—The Secretary may award competitive grants to eligible entities to implement regional or local health information plans to improve health care quality and efficiency through the electronic exchange of health information pursuant to the standards, protocols, and other requirements adopted by the Secretary under sections 2903 and 2908.

“(2) ELIGIBILITY.—To be eligible to receive a grant under paragraph (1) an entity shall—

“(A) demonstrate financial need to the Secretary;

“(B) demonstrate that one of its principal missions or purposes is to use information technology to improve health care quality and efficiency;

“(C) adopt bylaws, memoranda of understanding, or other charter documents that demonstrate that the governance structure and decisionmaking processes of such entity allow for participation on an ongoing basis by multiple stakeholders within a community, including—

“(i) physicians (as defined in section 1861(r) of the Social Security Act), including physicians that provide services to low income and underserved populations;

“(ii) hospitals (including hospitals that provide services to low income and underserved populations);

“(iii) pharmacists or pharmacies;

“(iv) health insurance plans;

“(v) health centers (as defined in section 330(b)) and Federally qualified health centers (as defined in section 1861(aa)(4) of the Social Security Act);

“(vi) rural health clinics (as defined in section 1861(aa) of the Social Security Act);

“(vii) patient or consumer organizations;

“(viii) employers; and

“(ix) any other health care providers or other entities, as determined appropriate by the Secretary;

“(D) demonstrate the participation, to the extent practicable, of stakeholders in the electronic exchange of health information within the local or regional plan pursuant to paragraph (2)(C);

“(E) adopt nondiscrimination and conflict of interest policies that demonstrate a commitment to open, fair, and nondiscriminatory participation in the health information plan by all stakeholders;

“(F) adopt the standards adopted by the Secretary under section 2903;

“(G) require that health care providers receiving such grants implement the measures adopted under section 2908 and report to the Secretary on such measures;

“(H) agree to notify patients if their individually identifiable health information is wrongfully disclosed;

“(I) facilitate the electronic exchange of health information within the local or regional area and among local and regional areas;

"(J) prepare and submit to the Secretary an application in accordance with paragraph (3); and

"(K) agree to provide matching funds in accordance with paragraph (5).

"(3) APPLICATION.—

"(A) IN GENERAL.—To be eligible to receive a grant under paragraph (1), an entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

"(B) REQUIRED INFORMATION.—At a minimum, an application submitted under this paragraph shall include—

"(i) clearly identified short-term and long-term objectives of the regional or local health information plan;

"(ii) a technology plan that complies with the standards adopted under section 2903 and that includes a descriptive and reasoned estimate of costs of the hardware, software, training, and consulting services necessary to implement the regional or local health information plan;

"(iii) a strategy that includes initiatives to improve health care quality and efficiency, including the use and reporting of health care quality measures adopted under section 2908;

"(iv) a plan that describes provisions to encourage the implementation of the electronic exchange of health information by all physicians, including single physician practices and small physician groups participating in the health information plan;

"(v) a plan to ensure the privacy and security of personal health information that is consistent with Federal and State law;

"(vi) a governance plan that defines the manner in which the stakeholders shall jointly make policy and operational decisions on an ongoing basis;

"(vii) a financial or business plan that describes—

"(I) the sustainability of the plan;

"(II) the financial costs and benefits of the plan; and

"(III) the entities to which such costs and benefits will accrue; and

"(viii) in the case of an applicant entity that is unable to demonstrate the participation of all stakeholders pursuant to paragraph (2)(C), the justification from the entity for any such nonparticipation.

"(4) USE OF FUNDS.—Amounts received under a grant under paragraph (1) shall be used to establish and implement a regional or local health information plan in accordance with this subsection.

"(5) MATCHING REQUIREMENT.—

"(A) IN GENERAL.—The Secretary may not make a grant under this subsection to an entity unless the entity agrees that, with respect to the costs to be incurred by the entity in carrying out the infrastructure program for which the grant was awarded, the entity will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than 50 percent of such costs ($1 for each $2 of Federal funds provided under the grant).

"(B) DETERMINATION OF AMOUNT CONTRIBUTED.—Non-Federal contributions required under subparagraph (A) may be in cash or in kind, fairly evaluated, including equipment, technology, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(d) REPORTS.—Not later than 1 year after the date on which the first grant is awarded under this section, and annually thereafter during the grant period, an entity that receives a grant under this section shall submit to the Secretary a report on the activities carried out under the grant involved. Each such report shall include—

"(1) a description of the financial costs and benefits of the project involved and of the entities to which such costs and benefits accrue;

"(2) an analysis of the impact of the project on health care quality and safety;

"(3) a description of any reduction in duplicative or unnecessary care as a result of the project involved;

"(4) a description of the efforts of recipients under this section to facilitate secure patient access to health information; and

"(5) other information as required by the Secretary.

"(e) REQUIREMENT TO ACHIEVE QUALITY IMPROVEMENT.—The Secretary shall annually evaluate the activities conducted under this section and shall, in awarding grants, implement the lessons learned from such evaluation in a manner so that awards made subsequent to each such evaluation are made in a manner that, in the determination of the Secretary, will result in the greatest improvement in quality measures under section 2908.

"(f) LIMITATION.—An eligible entity may only receive one non-renewable grant under subsection (a), one non-renewable grant under subsection (b), and one non-renewable grant under subsection (c).

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—For the purpose of carrying out this section, there is authorized to be appropriated $116,000,000 for fiscal year 2007, $141,000,000 for fiscal year 2008, and such sums as may be necessary for each of fiscal years 2009 through 2011.

"(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available through fiscal year 2011.

"SEC. 2907. DEMONSTRATION PROGRAM TO INTEGRATE INFORMATION TECHNOLOGY INTO CLINICAL EDUCATION.

"(a) IN GENERAL.—The Secretary may award grants under this section to carry out demonstration projects to develop academic curricula integrating qualified health information technology systems in the clinical education of health professionals. Such awards shall be made on a competitive basis and pursuant to peer review.

"(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

"(1) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require;

"(2) submit to the Secretary a strategic plan for integrating qualified health information technology in the clinical education of health professionals and for ensuring the consistent utilization of decision support software to reduce medical errors and enhance health care quality;

"(3) be—

"(A) a health professions school;

"(B) a school of nursing; or

"(C) an institution with a graduate medical education program;

"(4) provide for the collection of data regarding the effectiveness of the demonstration project to be funded under the grant in improving the safety of patients, the efficiency of health care delivery, and in increasing the likelihood that graduates of the grantee will adopt and incorporate health information technology, and implement the quality measures adopted under section 2908, in the delivery of health care services; and

"(5) provide matching funds in accordance with subsection (c).

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—With respect to a grant under subsection (a), an eligible entity shall—

"(A) use grant funds in collaboration with 2 or more disciplines; and

"(B) use grant funds to integrate qualified health information technology into community-based clinical education.

"(2) LIMITATION.—An eligible entity shall not use amounts received under a grant under subsection (a) to purchase hardware, software, or services.

"(d) MATCHING FUNDS.—

"(1) IN GENERAL.—The Secretary may award a grant to an entity under this section only if the entity agrees to make available non-Federal contributions toward the costs of the program to be funded under the grant in an amount that is not less than $1 for each $2 of Federal funds provided under the grant.

"(2) DETERMINATION OF AMOUNT CONTRIBUTED.—Non-Federal contributions under paragraph (1) may be in cash or in kind, fairly evaluated, including equipment or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such contributions.

"(e) EVALUATION.—The Secretary shall take such action as may be necessary to evaluate the projects funded under this section and publish, make available, and disseminate the results of such evaluations on as wide a basis as is practicable.

"(f) REPORTS.—Not later than 1 year after the date of enactment of this title, and annually thereafter, the Secretary shall submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate, and the Committee on Energy and Commerce and the Committee on Ways and Means of the House of Representatives a report that—

"(1) describes the specific projects established under this section; and

"(2) contains recommendations for Congress based on the evaluation conducted under subsection (e).

"(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $5,000,000 for fiscal year 2007, and such sums as may be necessary for each of fiscal years 2008 through 2010.

"(h) SUNSET.—This section shall not apply after September 30, 2010.

"SEC. 2908. QUALITY MEASURES.

"(a) IN GENERAL.—The Secretary shall develop quality measures, including measures to assess the effectiveness, timeliness, patient self-management, patient centeredness, efficiency, and safety, for the purpose of measuring the quality of care patients receive.

"(b) REQUIREMENTS.—The Secretary shall ensure that the quality measures developed under this section comply with the following:

"(1) MEASURES.—

"(A) REQUIREMENTS.—In developing the quality measures under this section, the Secretary shall, to the extent feasible, ensure that—

"(i) such measures are evidence based, reliable, and valid;

"(ii) such measures are consistent with the purposes described in section 2902(b);

"(iii) such measures include measures of clinical processes and outcomes, patient experience, efficiency, and equity; and “(iv) such measures include measures of overuse and underuse of health care items and services.

“(2) Priorities.—In developing the quality measures under this section, the Secretary shall ensure that priority is given to—

“(A) measures with the greatest potential impact for improving the quality and efficiency of care provided under this Act;

“(B) measures that may be rapidly implemented by group health plans, health insurance issuers, physicians, hospitals, nursing homes, long-term care providers, and other providers; and

“(C) measures which may inform health care decisions made by consumers and patients.

“(3) Risk adjustment.—The Secretary shall establish procedures to account for differences in patient health status, patient characteristics, and geographic location. To the extent practicable, such procedures shall recognize existing procedures.

“(4) Maintenance.—The Secretary shall, as determined appropriate, but in no case more often than once during each 12-month period, update the quality measures, including through the addition of more accurate and precise measures and the retirement of existing outdated measures.

“(5) Relationship with programs under the Social Security Act.—The Secretary shall ensure that the quality measures developed under this section—

“(A) complement quality measures developed by the Secretary under programs administered by the Secretary under the Social Security Act, including programs under titles XVIII, XIX, and XXI of such Act; and

“(B) do not conflict with the needs and priorities of the programs under titles XVIII, XIX, and XXI of such Act, as set forth by the Administrator of the Centers for Medicare & Medicaid Services.

“(c) Required Considerations in Developing and Updating the Measures.—In developing and updating the quality measures under this section, the Secretary may take into account—

“(1) any demonstration or pilot program conducted by the Secretary relating to measuring and rewarding quality and efficiency of care;

“(2) any existing activities conducted by the Secretary relating to measuring and rewarding quality and efficiency;

“(3) any existing activities conducted by private entities, including health insurance plans and payors;

“(4) the report by the Institute of Medicine of the National Academy of Sciences under section 238(b) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003; and

“(5) issues of data collection and reporting, including the feasibility of collecting and reporting data on measures.

“(d) Solicitation of Advice and Recommendations.—On and after July 1, 2007, the Secretary shall consult with the following regarding the development, updating, and use of quality measures developed under this section:

“(1) Health insurance plans and health care providers, including such plans and providers with experience in the care of the frail elderly and individuals with multiple complex chronic conditions, or groups representing such health insurance plans and providers.

“(2) Groups representing patients and consumers.

“(3) Purchasers and employers or groups representing purchasers or employers.

“(4) Organizations that focus on quality improvement as well as the measurement and reporting of quality measures.

“(5) Organizations that certify and license health care providers.

“(6) State government public health programs.

“(7) Individuals or entities skilled in the conduct and interpretation of biomedical, health services, and health economics research and with expertise in outcomes and effectiveness research and technology assessment.

“(8) Individuals or entities involved in the development and establishment of standards and certification for health information technology systems and clinical data.

“(9) Individuals or entities with experience with—

“(A) urban health care issues;

“(B) safety net health care issues; and

“(C) rural and frontier health care issues.

“(e) Use of Quality Measures.—

“(1) In general.—For purposes of activities conducted or supported by the Secretary under this Act, the Secretary shall, to the extent practicable, adopt and utilize the quality measures developed under this section.

“(2) Collaborative agreements.—With respect to activities conducted or supported by the Secretary under this Act, the Secretary may establish collaborative agreements with private entities, including group health plans and health insurance issuers, providers, purchasers, consumer organizations, and entities receiving a grant under section 2906, to—

“(A) encourage the use of the quality measures adopted by the Secretary under this section; and

“(B) foster uniformity between the health care quality measures utilized by private entities.

“(3) Reporting.—The Secretary shall implement procedures to enable the Department of Health and Human Services to accept the electronic submission of data for purposes of—

“(A) quality measurement using the quality measures developed under this section and using the standards adopted by the Federal Government under section 2903; and

“(B) for reporting measures used to make value-based payments under programs under the Social Security Act.

“(f) Dissemination of Information.—Beginning on January 1, 2008, in order to make comparative quality information available to health care consumers, health professionals, public health officials, researchers, and other appropriate individuals and entities, the Secretary shall provide for the dissemination, aggregation, and analysis of quality measures collected under section 2906 and the dissemination of recommendations and best practices derived in part from such analysis.

“(g) Technical Assistance.—The Secretary shall provide technical assistance to public and private entities to enable such entities to—

“(1) implement and use evidence-based guidelines with the greatest potential to improve health care quality, efficiency, and patient safety; and

“(2) establish mechanisms for the rapid dissemination of information regarding evidence-based guidelines with the greatest potential to improve health care quality, efficiency, and patient safety.

“(h) Rule of Construction.—Nothing in this title shall be construed as prohibiting the Secretary, acting through the Administrator of the Centers for Medicare & Medicaid Services, from developing quality measures (and timing requirements for reporting such measures) for use under programs administered by the Secretary under the Social Security Act, including programs under titles XVIII, XIX, and XXI of such Act.”.

SEC. 3. LICENSURE AND THE ELECTRONIC EXCHANGE OF HEALTH INFORMATION.

(a) In General.—The Secretary of Health and Human Services shall carry out, or contract with a private entity to carry out, a study that examines—

(1) the variation among State laws that relate to the licensure, registration, and certification of medical professionals; and

(2) how such variation among State laws impacts the secure electronic exchange of health information—

(A) among the States; and

(B) between the States and the Federal Government.

(b) Report and Recommendations.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall publish a report that—

(1) describes the results of the study carried out under subsection (a); and

(2) makes recommendations to States regarding the harmonization of State laws based on the results of such study.

SEC. 4. ENSURING PRIVACY AND SECURITY.

Nothing in this Act (or the amendments made by this Act) shall be construed to affect the scope, substance, or applicability of—

(1) section 264 of the Health Insurance Portability and Accountability Act of 1996;

(2) sections 1171 through 1179 of the Social Security Act; and

(3) any regulation issued pursuant to any such section.

SEC. 5. GAO STUDY.

Not later than 6 months after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on the necessity and workability of requiring health plans (as defined in section 1171 of the Social Security Act (42 U.S.C. 1320d)), health care clearinghouses (as defined in such section 1171), and health care providers (as defined in such section 1171) who transmit health information in electronic form, to notify patients if their individually identifiable health information (as defined in such section 1171) is wrongfully disclosed.

SEC. 6. STUDY OF REIMBURSEMENT INCENTIVES.

The Secretary of Health and Human Services shall carry out, or contract with a private entity to carry out, a study that examines methods to create efficient reimbursement incentives for improving health care quality in Federally qualified health centers, rural health clinics, and free clinics.

SEC. 7. HEALTH INFORMATION TECHNOLOGY RESOURCE CENTER.

Section 914 of the Public Health Service Act (42 U.S.C. 299b-3) is amended by adding at the end the following:

“(d) Health Information Technology Resource Center.—

“(1) In general.—The Secretary, acting through the Director, shall develop a Health Information Technology Resource Center to provide technical assistance and develop best practices to support and accelerate efforts to adopt, implement, and effectively use interoperable health information technology in compliance with section 2903 and 2908.

“(2) Purposes.—The purpose of the Center is to—

"(A) provide a forum for the exchange of knowledge and experience;

"(B) accelerate the transfer of lessons learned from existing public and private sector initiatives, including those currently receiving Federal financial support;

"(C) assemble, analyze, and widely disseminate evidence and experience related to the adoption, implementation, and effective use of interoperable health information technology.

"(D) provide for the establishment of regional and local health information networks to facilitate the development of interoperability across health care settings and improve the quality of health care;

"(E) provide for the development of solutions to barriers to the exchange of electronic health information; and

"(F) conduct other activities identified by the States, local or regional health information networks, or health care stakeholders as a focus for developing and sharing best practices.

"(3) SUPPORT FOR ACTIVITIES.—To provide support for the activities of the Center, the Director shall modify the requirements, if necessary, that apply to the National Resource Center for Health Information Technology to provide the necessary infrastructure to support the duties and activities of the Center and facilitate information exchange across the public and private sectors.

"(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to require the duplication of Federal efforts with respect to the establishment of the Center, regardless of whether such efforts were carried out prior to or after the enactment of this subsection.

"(e) TECHNICAL ASSISTANCE TELEPHONE NUMBER OR WEBSITE.—The Secretary shall establish a toll-free telephone number or Internet website to provide health care providers and patients with a single point of contact to—

"(1) learn about Federal grants and technical assistance services related to interoperable health information technology;

"(2) learn about qualified health information technology and the quality measures adopted by the Federal Government under sections 2903 and 2908;

"(3) learn about regional and local health information networks for assistance with health information technology; and

"(4) disseminate additional information determined by the Secretary.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, such sums as may be necessary for each of fiscal years 2007 and 2008 to carry out this subsection.".

SEC. 8. REAUTHORIZATION OF INCENTIVE GRANTS REGARDING TELEMEDICINE.

Section 330L(b) of the Public Health Service Act (42 U.S.C. 254c-18(b)) is amended by striking "2002 through 2006" and inserting "2007 through 2011".

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual: Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. MATSUI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 25 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1202

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SIMPSON) at 12 o'clock and 2 minutes p.m.

PROVIDING FOR CONSIDERATION OF H.R. 4157, HEALTH INFORMATION TECHNOLOGY PROMOTION ACT OF 2006

The SPEAKER pro tempore. The pending business is the vote on ordering the previous question on House Resolution 952, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 223, nays 193, not voting 16, as follows:

[Roll No. 412]

YEAS—223

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Issa
Jenkins

Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Marchant
McCaul (TX)
McCotter
McCrery
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—193

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Eshoo
Etheridge
Farr
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wu
Wynn

NOT VOTING—16

Crowley
Cubin
Davis, Jo Ann
Deal (GA)
Emanuel
Evans
Fattah
Fossella
Istook
Lewis (GA)
Manzullo
McHenry
McKinney
Nussle
Pelosi
Wexler

☐ 1228

Messrs. TAYLOR of Mississippi, DAVIS of Tennessee, CHANDLER and CLEAVER changed their vote from "yea" to "nay."

Mr. McCAUL of Texas changed his vote from "nay" to yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. BOEHNER was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. BOEHNER. Mr. Speaker, I know a lot of Members are interested in what the schedule is. I think all of you know that today we will move to consider the conference report on the Carl Perkins vocational education program. We will then move to the health IT bill. We expect that that will take us to late afternoon/early evening.

The reason I stood up is that it is pretty clear that we are in fact going to have votes tomorrow. There are a number of Members, though, from New York who want to go to former Representative Tom Manton's funeral. We will work with those Members to carve out a window so that those Members who want to go to New York can come back.

But we will have votes tomorrow. I wish I could tell you what those votes would be, but I expect we are going to have votes tomorrow.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Without objection, 5-minute voting will resume.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. MATSUI. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 224, noes 188, not voting 20, as follows:

[Roll No. 413]

AYES—224

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cuellar
Culberson
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—188

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Cummings
Davis (AL)
Davis (CA)

Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Eshoo
Etheridge
Farr
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Neal (MA)
Oberstar
Obey
Olver
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Owens
Pallone
Pascrell
Pastor
Payne
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
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Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
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Watt
Waxman
Weiner
Woolsey
Wu
Wynn

NOT VOTING—20

Burton (IN)
Cardoza
Crowley
Cubin
Davis (TN)
Davis, Jo Ann
Deal (GA)
Emanuel
Evans
Fattah
Fossella
Green, Gene
Istook
Lewis (GA)
Manzullo
McKinney
Napolitano
Pelosi
Strickland
Wexler

☐ 1238

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 250, CARL D. PERKINS CAREER AND TECHNICAL EDUCATION IMPROVEMENT ACT OF 2006

Mr. McKEON. Mr. Speaker, pursuant to House Resolution 946, I call up the conference report to accompany the Senate bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Pursuant to House Resolution 946, the conference report is considered read.

(For conference report and statement, see proceedings of the House of July 25, 2006, at page H5773.)

The SPEAKER pro tempore. The gentleman from California (Mr. McKEON) and the gentleman from California (Mr. GEORGE MILLER) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. McKEON).

GENERAL LEAVE

Mr. McKEON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the conference report to accompany S. 250.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr McKEON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this conference report and ask my colleagues to join me in doing the same. The Carl D. Perkins Career and Technical Education Improvement Act will strengthen and improve career and technical education to help ensure academic success for students, whether they are pursuing postsecondary education or other venues.

Let me begin by recognizing Education Reform Subcommittee Chairman CASTLE and thanking him for his hard work and commitment to improving educational opportunities for students participating in career and technical education.

In January of 2005, he and our committee's former chairman, Majority Leader BOEHNER, introduced a bipartisan bill that was overwhelmingly backed by the House. I commend him for his leadership in crafting that reform legislation and for reaching across the aisle in the process. It is because of his work then that we are presenting such a strong conference report to the House today.

Mr. Speaker, I would also like to thank my committee's senior Democrat, Mr. GEORGE MILLER, for his work and to recognize and thank our additional House conferees, Mr. SOUDER, Mr. OSBORNE, Mrs. MUSGRAVE, Ms. WOOLSEY, and Mr. KIND. Their efforts over the past year have made this conference report a reality.

Career and technical education is fundamental to our efforts to improve academic achievement at all levels so our Nation remains competitive in the face of a rapidly changing global economy. Each year, millions of students enrich their secondary and postsecondary educational opportunities through participation in career and technical education.

Nearly all students, about 97 percent in fact, leave public high school having taken some career and technical education. Furthermore, nearly half of all high school students and one-third of college students are involved in career and technical programs as a major part of their studies.

In short, it is a priority for millions and this conference report honors our commitment to them. The conference report before us will help States better utilize Federal funds for secondary and postsecondary career education programs, increase accountability, and emphasize student achievement and strengthen opportunities for coordination between secondary and postsecondary career and technical education.

In 1998, reforms made to the Perkins Act were aimed at increasing the focus on both technical skills and rigorous academic knowledge and helped us move further away from the school-to-work model. Our goal in this Congress was to build on that success.

Our principles at the outset of this reauthorization effort were straightforward, and I am proud to say that more than a year later, they are unchanged. The pillars of this conference report are: we're maintaining a focus on rigorous student academic and technical achievement; we're protecting the role of States and local communities and asking for results in exchange for the money we are already spending at the Federal level; and we are seeking more opportunities for coordination between secondary and postsecondary career and technical education.

There are growing concerns across the country about the performance level of our high schools. The fundamental question remains, Are we preparing our young people to succeed in a globally competitive world? The legislation before us today helps us address that question, and speaks to the new realities of a changing economy and workplace.

Mr. Speaker, this conference report is a solid piece of reform legislation that is worthy of our support. I encourage my colleagues to join me in supporting it.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Without objection, the gentlewoman from California (Ms. WOOLSEY) will control the time of the gentleman from California (Mr. GEORGE MILLER).

There was no objection.

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise also in support of this conference report. It has been more than a year since we passed H.R. 366, the Carl D. Perkins Career and Technical Education Act. I am certain people were actually starting to think that this day would never come. But here we are, and we are here in a bipartisan posture.

You see, Mr. Speaker, miracles can happen. Then-Chairman BOEHNER and now-Chairman McKEON and Subcommittee Chairman CASTLE need to be thanked and honored for getting us this far. But most importantly to me, I want to thank the hard work of the committee ranking member, Congressman GEORGE MILLER.

Having voted for H.R. 366, which passed the House almost unanimously, I believe that today's conference report significantly improves the bill.

□ 1245

Particularly pleasing is that this bill not only has expanded math, science, and technical programs, it also has continued and strengthened the Perkins Act commitment to preparing women and men for occupations that are nontraditional to them, to ensuring access to career and technical education for special populations who face unique challenges, and to preparing those students for careers that will lead them to self-sufficiency.

In this competitive global economy, Mr. Speaker, we can't afford to waste the potential of any of our people, so these provisions will help to ensure that this does not happen.

When this bill was in committee, I offered an amendment to ensure that States had sufficient administrative funding to carry out their increased responsibility under the bill. My amendment was not included in the House bill, but it is in the conference report.

Finally, the conference report improves accountability for and integration of strong academic measures and programs for career and technical education. It is important, however, to note that although Congress has rejected the President's proposals to eliminate career and technical education, we must do more. We need to provide our schools with the resources they need to carry out these programs. That means we need to increase funding for the Perkins Act while keeping our promises to fully funding the No Child Left Behind Act because when it comes to no child left behind, this President and this Congress has fallen $55 billion short.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Without objection, the gentleman from Delaware (Mr. CASTLE) will control the time of the gentleman from California (Mr. MCKEON).

There was no objection.

Mr. CASTLE. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, it obviously gives me great pleasure to be here today and to rise in support of the conference report to the Carl D. Perkins Career and Technical Education Improvement Act of 2006. I want to thank the gentleman from California (Mr. MCKEON) for his leadership in getting us to this end point, and the majority leader who is no longer head of the committee (Mr. BOEHNER) for his work, the gentleman and gentlewoman from California both present here right now, Mr. MILLER and Ms. WOOLSEY, for their bipartisan spirit, and our colleagues in the other body. I am blessed to be on a couple of committees where there is bipartisan spirit at least some of the time, and we are able to get a few things done and this is one of them.

The Perkins Act aims to prepare youth and adults for the future by building their academic and technical skills in preparation for postsecondary education and/or employment. The bill we are considering today enhances Perkins by ensuring both secondary and post-secondary students participating in the program are acquiring rigorous academic and technical skills, and will have the opportunity to transition into further education and/or successful employment.

The Perkins Act governs widely supported programs of both the secondary and postsecondary level. For example, nearly all high school students complete at least one vocational education course, and approximately 26 percent of students are considered vocational concentrators, those students who focus on a single occupational area. In my home State of Delaware, we have five career and technical high schools that enroll a total of 5,500 of the 29,500 total high school students. At the postsecondary level, the Perkins Act supports a broad array of options primarily at the community college level, including Delaware Technical & Community College.

In the 1999–2000 school year, over 50 percent of all students enrolled at the less than 4-year postsecondary level reported that they were majoring in vocational areas.

Today's conference report seeks to build upon reforms made in past reauthorizations, and seeks to enhance this popular program to ensure its success in years to come. The legislation before us today makes significant reforms to academic achievement and accountability to ensure students have the skills necessary to enter the workforce or continue to an institution of higher learning.

As I mentioned, there are five career and technical high schools in Delaware. While all these schools met adequately yearly progress under the No Child Left Behind Act, there is more to be done in academic achievement in these schools and schools across the country. Today, we will improve vocational and technical education by increasing the focus on academics in conjunction with the skill attainment that is incumbent of the program.

One of the unique attributes of vocational and technical education programs is their ability to show students a path that could end in a certificate, credential, employment, military, or postsecondary education. The Tech-Prep program within the Perkins Act is intended to focus on a well-defined link between high school and at least 2 years of postsecondary education. Research has shown, however, that funds are rarely, if ever, used to meet this goal. Rather, funds are often used for purposes within the larger vocational and technical education program. Therefore, the conference agreement revises requirements of the program in order to ensure articulation agreements between secondary and postsecondary institutions are, in fact, being implemented.

Along this same track, we include a new requirement for State development of career and technical programs of study for career and technical program areas. These sequences, of course, will incorporate a nonduplicative progression of both secondary and postsecondary elements which will include both academic and vocational and technical content. Local recipients at both the secondary and postsecondary level would adopt at least one model sequence of courses as developed by the State. I believe this will also help drive program improvements by ensuring that States clarify the progression of academic and vocational technical courses needed for the postsecondary education, training, or employment of a students choice.

It is clear that we are making some significant and positive changes for the schools and students impacted by this program. One of the biggest changes that I think we are making is for Congress to finally make the switch from vocational and technical education to career and technical education. In my opinion, this was an important statement for the Congress to make.

While the President has proposed another avenue for high school reform in the Perkins Act, I believe strongly that the reforms we consider today go a long way in driving program improvement and ultimate success for students across the country. The dialogue surrounding high school reform is important and is happening in earnest. I trust that the conference agreement will complement these efforts as a result of the changes in the bill. I believe it will help States, community colleges, and other postsecondary education institutions and local educational agencies to better meet the needs of students participating in career and technical education. I urge my colleagues to support this report so we may send this bill to the President for his signature.

Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield as much time as he may consume to the gentleman from California, the ranking member of this committee (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I want to thank the gentlewoman for yielding and also thank her for all of her work on this legislation, along with Chairman BOEHNER and Chairman MCKEON and Chairman Castle. And, of course, with the diligent work of our staffs on both sides of the aisle, I think we have crafted a measure that maintains the integrity of the program while responding to the changes in the career and the technical education programs across the country.

While the President has chosen to put forward a proposal to dismantle this critical program, we saw an opportunity to make high school matter for many young people, offer college students pathways into productive employment, and new hope for displaced homemakers and workers reentering the workforce.

The conference report before us signals that we will not retreat on our investment in career education and training. The global economy demands a high skilled workforce, and the Perkins Act, has been instrumental in building today's workforce and the workforce of the future.

Today, these programs are changing in the face of secondary and postsecondary education, and they equip America's workforce with the skills they need to compete in a global economy. More important, career tech programs acknowledge that we must be preparing students and adults for high wage, high skill jobs that exist in this new economy. To do this, however, we need a system that is challenging and academically sound and a system expands the secondary and postsecondary programs, offering students a pathway toward those kinds of careers.

I am pleased that the conference agreement mirrors the recommendations we have heard, that we must pay more attention to math and science and technology to increase our competitiveness. We also know that this is what the high paying jobs require, with these advanced skills.

The conference agreement continues the Tech-Prep program. Tech-Prep has been a model of career and technical education with demonstrated outcomes. In California, students, teachers, and administrators benefit from the connections made between secondary and postsecondary programs, and career and technical programs. Successful Tech-Prep programs offer a challenging and rigorous coursework at the high school level that is coordinated with postsecondary career technical programs. And Tech-Prep students obtain better paying jobs because they have the academic and technical credentials that businesses want for their workforce.

We made important strides in the area of professional development. This conference agreement strengthens the instructional connection between academic and career technical programs. We heard from numerous teachers that successful career tech programs allow academic and vocational teachers to develop curriculums together to teach together so that students can apply the academic content to the real world context.

This conference agreement contains new measures of accountability for career and technical education systems. I do not doubt that some programs may have difficulties in meeting this new system. However, there have been too many programs that have chosen the status quo, to the detriment of our workforce competitiveness. Successful career and technical education programs produce students that outperform their counterparts and make higher wages. We must demand that all programs work toward this same goal. The accountability systems move us in that direction.

I want to point out two other areas where the conference agreement improves upon the House passed bill: Graduation and career plans. Under the agreement, local programs may use Perkins funds to create graduation and career plans for students. These plans can be tools for students and parents to help focus the student on the student's future goals, making sure that the actions that we take will lead to the outcome they desire. And, also, the special populations and nontraditional careers.

The conference agreement also strengthens the provisions, and the gentlewoman from California has been a hawk on these issues for her entire career on this committee, and that is to improve the opportunities for women and men to gain access to nontraditional careers, and ensures that displaced homemakers and individuals with disabilities have access to career and technical education. In this global economy, we can't afford to waste the potential of any of our people, and these provisions will help ensure that that doesn't happen.

Mr. Chairman, the Perkins Act is a critical workforce development tool, and the bill before us represents a sound career and technical education policy.

I want to thank our staff again for their efforts in bringing this conference agreement together, and I look forward to a quick passage of this conference report. And I also want to comment that this continues a long tradition in this committee where we have been able to work on a bipartisan basis on the most critical education issues confronting this country, both in the development of high performing students and professional individuals and high performing career opportunities for those individuals, and I want to thank all of my colleagues for their efforts on this legislation and urge a passage of this conference report.

Mr. CASTLE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. REGULA), who is the chairman of the appropriations subcommittee that handles education funding and is probably as interested in education as anyone in this building.

Mr. REGULA. Mr. Speaker, I just want to congratulate the Members, my colleagues, and the staff for doing a terrific job. I am very much aware of this topic. We have a technical school in my district (Stark State College) of approximately 8,000 students with a placement rate of about 96 percent, and they are working with the high schools; they are doing what you are envisioning in this conference report.

To me, this is one of the most important pieces of legislation that will come out of this session, because education is the future and this legislation gives an opportunity and expands the horizons of many students that otherwise would not get that chance. I do have to say that one of the most grievous things to me is the dropout rate in this country. An average of thirty-two percent of our students nationwide do not finish high school. Part of it is because they are bored, part of it is because they don't learn to read, part of it is a whole lot of different things. They are attracted to get out early and get some kind of a job and buy a car or whatever.

This legislation will help to reduce the dropout rate. If the schools across this country will work out the programs that are envisioned in this report, I think our schools will make giant strides in reducing dropouts, because it will allow students at the high school to get a vision of what can be achieved, what they can do in technical education and what they can do in employment opportunities and what a better future they can have. This should be billed as a hope bill, it is a future bill.

Again, I congratulate my colleagues and the staff for constructing a terrific piece of legislation, certainly it will mean a lot to the future of this Nation. If you read Tom Friedman's book "The World is Flat," you realize how important it is as a Nation that we give educational opportunity to everybody that we utilize the resources of all our people.

Ms. WOOLSEY. Mr. Speaker, I reserve the balance of my time.

Mr. CASTLE. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. SOUDER), another member of the committee who is always fighting for children in a whole variety of ways, be it dealing with drugs and those things, or education itself.

□ 1300

Mr. SOUDER. Mr. Speaker, I want to thank Chairman McKEON for his leadership and Mr. MILLER for his leadership in working in a bipartisan effort with this.

But I want to say, first off, that it affirms what career and technical educational programs in my district are already doing. They are ensuring that all current technical education programs include rigorous and challenging academic courses; offer career and technical programs of study known as career majors; offer dual enrollment in secondary and postsecondary courses;

and permit private and home school students to participate in career and technical education programs. Additionally, I am pleased that the bill allows for increased funding flexibility at the State level, as well as the promotion of State incentive grants to programs with exemplary performance.

It is a little unusual in the sense I represent a district that still makes things. In my congressional district, we have the highest percent manufacturing left in America as far as what people do. Other people can go on vacation in other places. They can get a service job in other places, run credit card companies in other places; but we still make things.

Vocational education, if it is going to compete, I remember years ago, because I am old now, in the 1960s, my father at our small retail store always took students who they were afraid were going to drop out and started trying to teach them different crafts and trades and get them into the workforce.

I know that when I was a student reporter in college and did some stories on local high schools even out in the ag communities, Woodland High School had a big area where they had a combine and other things so kids could get experience working in farming.

But we are at a whole other technical level. Even at my rural high schools in Angola, Indiana, a small high school, they have worked with TriState College to hook up an ethernet-type of Internet connection so they can take courses after school, to get courses after school to work with the plastics industry, the largest employer in my district, so kids can go out and learn technical skills.

If they are going to compete with China, if they are going to compete with India, if they are going to compete worldwide, they are not going to have the old things where my grandpa did it this way and my great-grandpa did it this way, and I am going to have pensions and health care forever. It is going to be a lot more competitive. It is going to take constant cross-training for advanced skills, for basic entry skills, and basic entry things in these manufacturing companies in my district.

If they cannot figure out how to work a computer, if they cannot figure out how to multitask, if they cannot figure out how to be flexible when a contract changes just like that, that company is gone. It is not anymore just to Mexico. It is to China.

So vocational education plays such a critical role at the college level, just like continuing education does, and this bill gives us more flexibility to work in this program, to adjust to the new technologies we are seeing, the online, the constant education, the interrelationship between industry and our universities and high schools.

The one thing I would strongly urge, and I continue to urge, the NFIB; the NAM, the National Association of Manufacturing; the U.S. Chamber, that the retailers engage in their local schools. They always come to me and everybody comes and says we are worried about our workforce, we are worried that we cannot get the quality. Well, engage the schools, hire these kids, train these kids, take advantage of these programs, because that is the only way we are going to keep jobs in America.

Mr. Speaker, I rise today in strong support of S. 250, the Carl D. Perkins Career and Technical Education Improvement Act of 2006. I'd also like to thank the Chairman of the Education and the Workforce Committee, Mr. McKEON, for his hard work on this legislation. S. 250 will help strengthen and improve career and technical education programs across the country by helping states better utilize federal funding, increasing accountability, emphasizing student academic and technical achievement, and improving coordination between secondary and postsecondary career and technical education.

In today's world, career and technical education is an important component of most any student's education as it helps prepare high school students for either a transition to the workforce or a postsecondary degree. The programs help students begin thinking about different careers of interest, provide opportunities for exploring those career options, and start students down a path toward accomplishing their career goals. Moreover, the program helps students see a connection between the academic subjects in the classroom and the application of that knowledge in the working world. For many students, this connection is critical to their decision to stay in high school and graduate with a diploma.

I am pleased today to support the conference report on S. 250 and urge my colleagues to vote in favor of its passage. While I would have liked to have seen additional reforms—particularly in the areas of private school and home school participation—this bill represents significant bipartisan agreement in how to strengthen the Perkins program.

It affirms in many ways what career and technical education programs in my district are already doing: ensuring that all career and technical education programs include rigorous and challenging academic courses; offering career and technical programs of study—known as career majors; offering dual enrollment in secondary and postsecondary courses; and permitting private and home school students to participate in career and technical education programs. Additionally, I am pleased that the bill allows for increased funding flexibility at the state level as well as the promotion of state incentive grants to programs with exemplary performance,

Career and technical education is an important part of America's K–12 education system, and I would urge my colleagues to vote in favor of S. 250 today. This legislation will help improve both our education system and our nation's ever-changing economy as students are more prepared to enter either the workforce or some form of post-secondary education following their graduation from a local career and technical education program.

My congressional district has the highest percent manufacturing in America. But even manufacturing is changing. In order to compete with China, India and other worldwide nations the same old approach will not work. We need flexible and creative education programs to complete the needs.

Mr. CASTLE. Mr. Speaker, I thank the gentleman. I yield 3 minutes to the gentleman from Nebraska (Mr. OSBORNE), another individual who has probably done as much for young people as anybody in this country and in his lifetime in a variety of capacities.

Mr. OSBORNE. Mr. Speaker, I would like to thank Subcommittee Chairman CASTLE and Mr. MILLER and Ms. WOOLSEY and Chairman McKEON for their work on this bill and rise in support of it.

I am especially pleased that Congress has shown such strong support for the Perkins program in view of the fact that it has been zeroed out on successive years by the administration, and it seems that people in this body understand the importance of a vocational technical education, particularly important in my State of Nebraska which is largely rural. In rural America, if you do not have vocational technical education you have real problems. So this has been critical.

Also, we currently lack the skilled workforce in our country to maintain our economy; and a big key to this, of course, is vocational training.

This bill improves vocational technical education in several key areas. As has been mentioned, it requires greater academic rigor, especially in math and science. I think a few years ago I read someplace where the United States ranked 19th out of 21 nations in advanced math and science. This is an area we cannot afford to continue to fall behind in. So this academic rigor will certainly help.

As has been mentioned, it requires greater coordination between high school and postsecondary courses in vocational and technical education. So often in high school someone will take a vocational course and then go to community college; it would be the same course or there would be no coordination between the two. This allows for a smooth transition from high school into community colleges and 4-year colleges in the vocational technical area which we think is important.

Greater accountability is critical, and a new use we were able to put in this bill which is something I was really in favor of was an allowable use as entrepreneurial education as part of the Perkins grants.

So in the areas that I focus on right now in rural America, we are losing our young people at a rapid rate. If you teach them entrepreneurial skills, how to write a grant, how to write a business plan, how to market, particularly how to market using the Internet, and you give them those skills, sometimes they can find a way to stay in a small town and make a living. So we think that entrepreneurial skills are going to be critical as a part of this program.

As has already been mentioned, the flexibility is critical at the State and local levels because what constitutes vocational education in one State or one region may not be similar to what another region needs, and that flexibility is critical.

So, again, I just want to express strong support. I think it is a very good bill, very good conference report and want to thank Mr. CASTLE and all those involved again, and the staff particularly.

Ms. WOOLSEY. In closing, Mr. Speaker, I would like to remind everybody that more than 11,000 high schools and regional technical centers and 2,600 postsecondary schools provide career and technical programs to high school students and adults who are returning to the workforce or wishing to learn new skills. That supports our goal that all students should have access to career and technical programs that give them a strong academic foundation and technical proficiency. This provides opportunity for jobs that pay a livable wage. It prevents dropouts, and it gives a path into college-level education should an individual choose.

This legislation today renews our commitment to prepare our workforce for the global economy. It solidly rejects the President's proposal to eliminate the program.

So, finally, it was wonderful to hear Mr. REGULA, his words in support of vocational education, because he is the ranking member of the subcommittee on appropriations that we go to to fund these programs, because we know that none of this works, none of it works, Mr. Speaker, unless we provide the needed funding.

Mr. Speaker, I yield back the remainder of my time.

Mr. CASTLE. Mr. Speaker, I yield myself such time as I may consume in closing.

Mr. Speaker, the conference report before us is a good one and one worthy of very strong support here. Passage of it will demonstrate our commitment to the millions of students who count on the career and technical education programs we are aiming to strengthen.

Career and technical education is a fundamental part of our efforts to improve academic achievement at all levels so our Nation remains competitive in the 21st century global economy. And this conference report sharpens the Perkins program's focus on both rigorous academics and technical achievement. It protects and enhances local control at a State and community level. And it seeks more opportunities for coordination between secondary and postsecondary career and technical education.

This conference report would not be possible if not for some key staff members at the Education and the Workforce Committee: Whitney Rhoades, Stephanie Milburn, Lucy House, Rich Stombres, and Susan Ross on the committee staff, and Denise Forte and Lloyd Horwich from the minority staff have worked tirelessly to get to this point where we are today. I would like to thank Sara Rittling of my staff who has worked on this as well.

For those not familiar with the process around here, without that staff, I am sure Ms. WOOLSEY and I would probably agree, we would probably never get a bill like this written. Their work is exemplary in this particular case. And I would just like to thank them for their determination and expertise.

Again, I thank my colleagues on the committee on both sides of the aisle for their efforts on this conference report, and I do urge its final passage.

Mr. KIND. Mr. Speaker, I rise today in support of the Reauthorization of the Carl D. Perkins Career and Technical Education Improvement Act. As a member of the Education and the Workforce Committee and having served on the Conference Committee, I am pleased we have reached an agreement to ensure the continuation of this important program.

Research shows that secondary students who participate in career and technical education achieve better employment and earnings outcomes than other students. Further, these students are more likely to pursue postsecondary education, have a higher grade point average in college, and are less likely to drop out in the first year of college.

Recognizing the positive contributions of career and technical education, I support swift passage of this bill. This legislation is the product of considerable and effective bipartisan negotiations.

While I intend to continue working with my colleagues on the Senate side to improve the particular funding levels for Wisconsin through the appropriations process, I am satisfied with the overall bill. A lot of time and work by committee members and staff have been put into drafting the best bill possible that everyone can support.

Specifically, I am glad that S. 250 retains a separate authorization for the Tech Prep program. The House-passed bill eliminated this separate funding and during committee consideration of the bill, Representative TIERNEY and I offered an amendment to restore Tech Prep as a separate authorization.

Tech Prep creates seamless pathways for secondary students to transition into post-secondary education programs in the high-skill, high-wage technical fields. These academically and technically prepared graduates are critical to the economic growth, productivity and internal competitiveness of the United States. Knowing how critical this funding is to our local communities, I am pleased funding for the Tech Prep program has been kept separate from the Perkins block grant.

In addition to protecting Tech Prep, the conference report increases the role of math, science and technology in career and technical education programs and encourages the expanded use of technology by teachers and faculty. Increasing the emphasis given to science, technology, and mathematics is critical for the United States to retain its global competitiveness. We cannot afford to ignore growing competition from other countries by directing our resources away from these fields of study.

Again, I would like to thank all those in the education community who participated in reauthorization for their input and work on this bill. I am particularly pleased to acknowledge Dr. Bill Ihlenfeldt, President of the Chippewa Valley Technical College in Eau Claire, WI, who testified before the Education and the Workforce Committee in May of 2004. His thoughts and perspective on reauthorization of the Carl D. Perkins Career and Technical Education Improvement Act were invaluable in addressing the needs of our country. His insight was especially helpful in considering issues of importance for the 53,000 students attending technical schools in my district—Western Technical College, Chippewa Valley Technical College, and Southwest Tech—as well as the countless career and technical secondary students in the Third Congressional District of western Wisconsin. I urge my colleagues to vote yes.

Mr. BLUMENAUER. Mr. Speaker, as the Portland region and our global economy demands a highly trained and skilled workforce the reauthorization of the Carl D. Perkins Career and Technical Education Improvement Act will become even more important. Congress, in this instance, understands the important role technical and skilled education plays in preparing our workforce for the future.

The Carl D. Perkins Career and Technical Education Improvement Act is a good federal investment, which will increase the role of math, science and technology in career and technical education programs and encourages the expanded use of technology by teachers and faculty. It strengthens the relationship between academic and technical instruction and ensures access for students in secondary and postsecondary programs across the country.

Thousands of Oregonians have lost their jobs over the past several years and many are holding down jobs that pay less and provide fewer benefits. I have heard from businesses and job seekers about the challenges facing the region. High-tech manufacturing represents about 30 percent of the jobs in the Portland region, however, we do not have enough skilled labor. We desperately need to be preparing and training our students for these types of skilled jobs. It is expected by 2020, the U.S. will experience a shortage of up to 12 million college-educated workers.

This bill is a step in the right direction to help prepare Oregon for a 21st century workforce.

Mr. TIERNEY. Mr. Speaker, I rise today in support of the conference report for the Perkins vocational education program.

I am pleased to see that Tech Prep was maintained as a separate authorization from the state grants program.

Tech Prep is a program of study which begins in high school, continues at a postsecondary institution and culminates in an associate degree, two-year certificate, apprenticeship, or further postsecondary study in a career and technical field.

Tech Prep in my home state of Massachusetts serves 12,865 secondary school students and 3,450 post-secondary students. One hundred and forty secondary schools, 45 post-secondary institutions and 180 business and industry members partner together to help provide a smooth transition from secondary school to post-secondary education.

These are not idle statistics but real students who may transition into high-skill, high-wage technical fields for which there is an escalating labor market demand. These academically and technically prepared graduates of Tech Prep programs are critical to the economic growth, productivity and internal competitiveness of the United States.

Regrettably, the House bill eliminated the separate funding stream for Tech Prep programs and merged the funding into the Basic State Grant. Such a move could have led to a loss of federal funding for—and reduction of congressional focus on—this important program.

My democratic colleague RON KIND and I sought to restore and retain the integrity of Tech Prep because we—and a number of concerned education groups—feared that the language in the House version would have led to a loss of funds for Perkins overall and could have impacted existing Tech Prep partnerships and innovation in career and technical education.

I am pleased that the conference report rejects the House bill's position and maintains Tech Prep as a separate title in the law.

I am also pleased that the Congress has stood up to the Administration and soundly rejected the President's proposal to eliminate vocational education.

I would like to thank Chairman MCKEON, Ranking Member MILLER, as well as Senator ENZI and Senator KENNEDY for their cooperative work on this bill.

Mr. Speaker, this is a good bill before us today. I urge my colleagues to join me in supporting its passage.

Mr. HINOJOSA. Mr. Speaker, I am pleased to support the Conference Report for S. 250, legislation to reauthorize the Carl Perkins Vocational and Technical Education Act. This conference report is the product of an all too rare, bipartisan, good faith effort to pass real legislation that makes a difference in our communities across the Nation. This conference report also sends an important message to the President who has proposed to eliminate federal career and vocational education programs: These programs work and we are united in our support for them.

I am particularly pleased that this bill includes my amendment to encourage schools to develop individual graduation and career plans for students in career and technical education programs. Including graduation and career planning as an allowable activity under Perkins is one small step in addressing the pressing issue of our low graduation rates. These plans will help ensure that high school students graduate prepared for postsecondary education and the workplace.

Action is urgently needed to improve our high school graduation rates. The Manhattan Institute, the Harvard Civil Rights Project, and the Urban Institute have analyzed the data and come to the same conclusion—roughly 30 percent of all students who should be earning high school diplomas aren't. For African American and Hispanic students that number jumps to nearly 50 percent. Furthermore, only a fraction of students leaving our high schools are prepared for college. The Manhattan Institute found that nationally only 34 percent of students left high school prepared to enter a four-year college. Only 23 percent of African American students and only 20 percent of Hispanic students left high school prepared for college. We must mobilize our efforts across all of our education programs to turn this situation around. This legislation can be an important component of what I hope will be a national strategy to improve high schools.

I would also like to commend the House and Senate conferees for reaching an agreement to protect the integrity of the Tech Prep Program. This program has been tremendously successful in my district and across the State of Texas. Tech Prep programs have provided countless opportunities for our students to gain access to a rigorous academic curriculum, cutting edge technology, and college credit while still enrolled in high school.

I congratulate all of the members of the conference committee for their fine work, especially the committee chairmen and ranking members. This is legislation that we can all be proud to support.

Mr. DAVIS of Illinois. Mr. Speaker, I had hoped that, today, we would have passed the Carl D. Perkins Career and Technical Educational Improvement Act. It is unfortunate that, yet again, we have not been able to muster enough support to discuss the vitality of Vocational and Technical Education in our country. Education has always been the golden key to a democracy. Our forefathers realized this, and we must realize this as we continue to move forward into this information age. There is no excuse, in this day and age, for a government to be derelict in its duties to provide education and opportunity to its citizens. It is even more important today, as jobs dwindle from the bombardment of cheap foreign competition, to realize that the welfare of our nation rests upon the shoulders of the educated and skilled laborers. The Carl D. Perkins Act is a giant step in realizing our duty, as Congress, to Americans. It is a pathway that guides the vast resources of America to the Americans who need them.

It is not a coincidence that Illinois and twenty-two other States were awarded incentive grants from the Department of Education in 2003 for exceeding their performance level—our programs are working, but they need to be improved. With an unemployment level of 4.5 percent in Illinois and 4.6 percent throughout United States, it is essential for us to work now to create comprehensive plans to prepare our youth and adults for the future, by building their academic and technical skills.

Furthermore, we must not stop with youth and adult education and job training; we must expand the discussion of education an job opportunities to other Americans—those who are incarcerated and who will later be released. It has been reported that 62 percent of those individuals released from state prisons will be rearrested within three years. If we do not tackle this dire issue with real solutions we will have silently condoned a vicious cycle that destroys communities.

As we begin our recess, it is important to recognize that we can no longer afford to put the discussion of education on the back burner. It is, and always will be, one of my top priorities.

Mr. CASTLE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CASTLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. BARTON of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material on H.R. 4157.

The SPEAKER pro tempore (Mr. CASTLE). Is there objection to the request of the gentleman from Texas?

There was no objection.

HEALTH INFORMATION TECHNOLOGY PROMOTION ACT OF 2006

The SPEAKER pro tempore. Pursuant to House Resolution 952 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4157.

□ 1311

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4157) to amend the Social Security Act to encourage the dissemination, security, confidentiality, and usefulness of health information technology, with Mr. SIMPSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

General debate shall not exceed 1 hour, with 35 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, and 25 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

The gentleman from Texas (Mr. BARTON) and the gentleman from New Jersey (Mr. PALLONE) each will control 17½ minutes, and the gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from California (Mr. STARK) each will control 12½ minutes.

The Chair recognizes the gentleman from Texas.

Mr. BARTON of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased that the House today is going to consider H.R. 4157, the Health Information Technology Promotion Act of 2006. This legislation should help move our health care system into the modern era and the modern information age.

We all remember a time when e-mail was a dream and getting the legislative text from the House of Representatives Web site was impossible because it simply did not exist. As information systems have moved into the digital age, Congress and most of the private sector have embraced it. We have found that we could get information much more efficiently and quickly at much less cost.

The health care system, for whatever reason, has not done that. For all of its medical genius and astonishing technology in terms of surgery and orthopedics and diagnosis, American health care is still stuck back in the 19th century, with a paper record system that is inefficient, wasteful, error-prone and occasionally dangerous. The legislation before us today should change that.

With H.R. 4157, records that have been stuffed in a file cabinet and illegible prescriptions that nobody can read scrawled on pieces of paper will finally give way to digital medical records, electronic prescribing, and efficient coordination of care. Sick patients will get better and everybody should save money.

The bill before us sets out a framework for endorsing core interoperability guidelines and mandates compliance for a Federal information system within 3 years of endorsement of such guidelines. Of vital importance are provisions contained in the legislation that create safe harbors to the Stark and Anti-kickback laws for the provision of health information technology and services to better coordinate care between hospitals and providers. These changes are long overdue.

Hospitals and other health care entities that have invested in systems that are tested and work well should be able to share their experience and purchasing power with physicians. Current laws have prevented these reasonable steps to better coordinate patient care by not allowing the sharing of health information technology systems.

Also, I would like to express support for the Secretary of Health and Human Services to look at the list of entities that we make eligible for this safe harbor and to expand upon it, specifically, to include independent clinical laboratories which carry a great deal of health data that should be shared electronically.

□ 1315

These safe harbors will allow for economical sharing of health information technology to better coordinate care, reduce medical error, and improve patient outcomes.

Medical science in recent years has produced tremendous discoveries that have revolutionized how we treat disease and care for patients. Unfortunately, the medical record information technologies needed to take advantage of these discoveries remain locked in an era of paper and filing cabinets. We can do better, and the legislation before us today will do better.

Mr. Chairman, I reserve the balance of my time.

Mr. PALLONE. Mr. Chairman, I yield myself 3 minutes.

Our Nation's health care system is arguably the most inefficient and costly system in the industrialized world. We spend approximately $1.7 billion annually on health care, and yet many of our citizens are in poorer health than the citizens of countries that spend far less. That is because our Nation's health care system is wrought with problems, including skyrocketing costs that make it difficult for Americans to afford the care that they need, inconsistent quality, and huge disparities in care and access. Clearly, the status quo is not working and something has to be done to fix these problems. Health care experts around the country agree that health information technology, or HIT, could provide a partial solution to our problems.

Now, while estimates vary, the potential savings from HIT could reach between $81 billion and $170 billion annually by improving coordination of care, patient safety, disease management, and prevention efforts. Under the Republican bill we are debating today, however, none of these savings will be realized. That is because the bill will do nothing to move our Nation forward on health information technology.

The CBO agrees with the Democrats, and I quote, "CBO estimates that enacting H.R. 4157 would not significantly affect either the rate at which the use of health technology will grow or how well that technology will be designed and implemented." So I don't want anybody to be fooled here today. Don't let the Republicans sell you this lemon.

My friends on the other side of the aisle would have us believe that this bill is going to transform our health care system into a model of efficiency, and it is all a bunch of hype. Let me mention a few ways in which this bill is flawed.

First of all, there is virtually no funding, and I stress that, virtually no funding to help providers, such as physicians or hospitals, to purchase this technology. The meager amount of funding authorized in this bill will barely make a dent in advancing the use of HIT. Instead of making grants or loans available to doctors to help them purchase equipment or train employees. Republicans have decided to roll back anti-kickback and self-referral protections so that doctors will have to rely on other types of providers for this technology. Make no mistake about it, this is going to open the door for fraud and abuse to run rampant and will eventually add to our health care costs.

Secondly, this bill does nothing to improve protections for medical privacy. Electronic health information systems that make it easier to exchange medical information require new privacy protections to be implemented and strongly enforced. In spite of the privacy breaches we saw this year at the Veterans Administration, and also at CMS, Republicans don't seem to think there is a need to strengthen our Nation's privacy laws. But I have to tell you, Americans are not going to stand for this. They are not going to want their most personal information floating around cyberspace without any reasonable safeguards.

There are a number of other problems with this bill, Mr. Chairman, but let me finally talk about the process in which this bill was developed. House Republicans have taken an opportunity for all of us to work together on an important issue and they have squandered it. The Senate was able to pass a bipartisan bill that would accomplish a lot more than the bill we are debating today. They authorize grants and loans, they don't roll back fraud and abuse protections, and they ensure interoperability. But they did this all on a bipartisan basis in the Senate.

Democrats in the House tried to offer that bill as a substitute in the Rules Committee yesterday, but we were denied the substitute. And it is a shame that House Republicans couldn't follow the Senate's lead and work with Democrats to move our Nation forward on HIT and improve the health of all Americans.

I urge my colleagues to vote "no" on this bill, because although we think that health information technology is very important, this bill will not accomplish the goal.

Mr. Chairman, I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mr. BARTON of Texas. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his inquiry.

Mr. BARTON of Texas. Mr. Chairman, how is time going to be rotated?

Do we do all the Energy and Commerce time and then the Ways and Means time; or do we rotate in sequence?

The CHAIRMAN. The Chair would accommodate the wishes of the managers.

Mr. BARTON of Texas. Okay. Congresswoman JOHNSON says the Energy and Commerce Committee goes first.

Mr. PALLONE. I think, Mr. Chairman, we were told in advance that we would do Energy and Commerce first, so that is the way we would prefer to proceed.

Mr. BARTON of Texas. Okay. That is what Congresswoman JOHNSON also says. I was not informed of that.

Mr. Chairman, I yield 3 minutes to a distinguished physician member of the Committee on Energy and Commerce, Dr. MURPHY of Pennsylvania.

Mr. MURPHY. I thank the chairman and the Members for an opportunity to talk about this vitally important bill.

Years ago, when I was working at Children's Hospital in Pittsburgh, I happened to be walking by the emergency room when a resident called me urgently in on a case that was there. It was a child who was having out-of-control behavior, rapid heart rate, rapid breathing, and she merely commented that this child's behavior was out of control. That could have been a symptom of anything. Was the child having a seizure? Was the child poisoned? Was the child having a drug problem, a neurological crisis, a heart problem, or a whole host of issues?

As it was, I happened to recognize the child as a patient of mine and we quickly came to the conclusion that one of the aspects may be a medication overdose, or a bad medication reaction. The parents had not yet arrived and we had not yet accessed his medical records. Why? Because the medical records were in a file somewhere back in my office in another section of the hospital and were ones that the emergency room staff could not acquire.

Think of this, too. If one of us, any of us, any American is traveling in a town somewhere in America and a medical crisis hits them, for someone who is diabetic or perhaps has heart disease or some other problems, where do we get the records to determine what to do? It is for this reason that we recognize about $162 billion a year is lost in health care, according to the RAND Corporation, and you include all the other paperwork and problems that come with hospital care, perhaps $290 plus billion is spent on that. Why? Because of medical records.

The current medical records system is this: Room after room after room in a hospital filled with paper files. What happens if we move to electronic medical records where it is, instead of here, it is in a computer? This is what that room looks like. It is now in a computer, accessible to physicians in a hospital, with pass codes and access codes that keep it secure, because HIPAA laws say it must be secure; that people can't have that, and then it becomes records that look more like this.

Again, a doctor with clear authorization ahead of time could find a patient's name, see their status, see what is going on, and move towards that and pull these records out. Otherwise, you end up in a situation of medical crisis. Patients can carry this information in a credit card or on a zip drive they can carry on their key chain. All this is critically important because it saves lives and saves money.

The best doctors and the best hospitals in America, if they cannot get the patient information they need when they need it, it can lead to morbid consequences: Higher mortality. And that is what ultimately this bill is about. This is a huge step forward because we have to have standards and other things moving forward. Hospitals all across America are moving towards some level of electronic medical records. But if we don't find ways of making them able to talk to each other, with uniform standards, interoperability, et cetera, we are essentially creating a medical Tower of Babel. We have more information, but they can't talk to each other.

At that moment of crisis in a health care center, whatever that is, whether you are at home or far away, no matter how good your doctor and hospital is, you want them to have that information. Patients can preauthorize that information. They can carry that with them. But this is the new technology, and if we don't do this, we will see many lives lost, and that is something we cannot afford to do. That is why I urge the passage of this bill.

Mr. PALLONE. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, we should not pass H.R. 4157 without including essential privacy protections for the health information of American consumers. Privacy protection should go hand-in-hand with efforts to promote health information technology, yet the Republican leadership refused to include appropriate privacy protections or allow consideration of privacy amendments.

Our health care system will not be effective if privacy fears deter Americans from seeking appropriate treatment. Unfortunately, survey after survey demonstrates that American consumers lack confidence that the privacy of their personal health information will be protected.

Just last year, the California Health Care Foundation found that nearly two-thirds of Americans polled were concerned about the privacy of their health information, and one out of eight had taken steps that could have put their health at risk simply because of privacy concerns. Moving health records into electronic form is only likely to increase their fears unless we act to ensure appropriate privacy protections are in place.

Recent incidents involving security threats to medical information have underscored the vulnerability of electronically maintained data. In June, we learned that Medicare data on 17,000 beneficiaries enrolled in a Medicare prescription drug plan had been put at risk due to inappropriate security protections on a computer file. And then the Department of Veterans Affairs' computer that was stolen several months ago contained sensitive information that included disability ratings for some veterans and notes about some veterans' health conditions.

In fact, according to the Privacy Rights Clearinghouse, nearly 90 million electronic data records of U.S. residents have been compromised because of security breaches in just the past year and a half.

This administration's lax approach to enforcing existing medical privacy requirements has raised additional concerns. A recent Washington Post article reported that the administration has not imposed a single civil fine under the Federal medical privacy rule despite nearly 20,000 complaints of violations over the 3 years the rule has been in effect.

It is irresponsible for Congress to promote the development and use of health information technology without ensuring that necessary privacy and security for health information are in place.

I thank the gentleman from New Jersey for yielding to me so I could point out these specific concerns that I have with this legislation, and I wish we could address them.

Mr. BARTON of Texas. Mr. Chairman, I yield myself 30 seconds before I yield to Mr. CASTLE.

Under the current law, called HIPAA, we have very strict privacy protection guidelines. Those guidelines are currently under review. There have been over 50,000 comments filed with HHS for some proposed changes in those. Nothing in the Senate bill, that is a companion bill to this bill, deals with privacy.

Privacy is an important issue, but more important is that we get a health information system technology in place, and that is what this bill does.

Mr. Chairman, I yield 2 minutes to the former Governor of the First State, the great State of Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Chairman, I would like to thank Chairman BARTON for yielding, but I also want to thank him for his great work on this important legislation, H.R. 4157, which I support; and also the gentlewoman from Connecticut (Mrs. JOHNSON) has worked on this for some time, and will be speaking shortly.

With recent reports estimating that medical errors may be responsible for up to 98,000 deaths and 1.5 million medication errors each year, there is no doubt in my mind that the time has come to move towards an electronic health records system.

I am pleased this legislation officially establishes the Office of the National Coordinator for Health Information Technology, because it is absolutely vital that the Federal Government take the leading role in establishing such a system. Without a strategic Federal plan, I worry that each State will be left to their own devices and we will end up with a patchwork system. I am hopeful that the standards which are set will be easily adaptable for the States and regions that are already working on such connectivity.

In my State of Delaware, we have established the Delaware Health Information Network. It has secured a $4 million contract with the Agency for Health Care Research and Quality to establish an e-health system in our hospitals, physicians' offices, and laboratories. Eventually, we hope this will be extended to our nursing homes and community health centers as well.

Because Delaware is such a small State, it is quite possible that our network can spread across the Mid-Atlantic region to include New Jersey, Pennsylvania, and Maryland, and that is why we have been working so hard to get it right and to make sure interoperability truly exists.

A national health electronic infrastructure could truly be lifesaving for the millions of patients who access our health care system every day, as we have seen in our VA hospitals. There is real opportunity here to have electronic patient records, with appropriate private protections, electronic prescribing, real-time understanding of prescription interactions, and improved outcomes.

I am hopeful this bill will be swiftly conferenced with the Senate version so every State may get involved. Real achievement only comes when we improve health care, reduce costs, and start saving lives.

Mr. PALLONE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GENE GREEN of Texas. Mr. Chairman, I rise in opposition to the Health Information Technology Promotion Act. Health IT, as we call it, has the potential to revolutionize our health care system by improving health outcomes through increased efficiency and accuracy. Despite the bill's title, however, this legislation would do little to actually promote the adoption of health IT among the providers who would most benefit from it.

Most importantly, the bill fails to include adequate funding to help providers invest in this promising technology. The $30 million in grant funding is only a drop in the bucket, so to speak, and will be stretched thin among the many providers who need financial assistance with health IT adoption.

☐ 1330

Unfortunately, the Rules Committee failed to make in order either the Dingell/Rangel substitute or my amendment, which would have gone a long way to facilitating widespread health IT adoption. Specific to my amendment, which I submitted with my colleagues on our committee, Mr. GONZALEZ and Mr. RUSH, would authorize a Medicare add-on payment, a competitive grant and a State loan program to help providers invest in this technology.

If health IT is a priority of the Federal Government, then we need to put our money where our mouth is.

The bill is also sorely lacking in privacy protections. If patients are going to buy in to the benefits of health IT, we must ensure that personal health information is as secure as possible.

We already know from nationwide surveys that two-thirds of Americans are concerned about security of their personal health information.

The very nature of health IT is at risk of privacy breach; therefore, the proliferation of health IT must be accompanied by increased privacy protections.

Unfortunately the Rules Committee failed to allow the Markey/Capps amendment to be considered. That important amendment would have required patient consent before their health records were shared, as well as patient notification in the event of a privacy breach. This commonsense amendment would have closed a glaring loophole that we currently have in HIPAA.

In doing so, it would have given patients the privacy assurance they need to share important health information and to maximize the benefits of health IT to their personal health.

It is not often I advocate that the House should follow the Senate's lead, however, we should have better served our constituents if we take up the Senate bill.

Passed unanimously by the Senate, that bipartisan health IT bill will provide the necessary resources and pave the way for Americans to benefit from the promised health IT.

I encourage my colleagues to vote against this bill.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to another distinguished member of the Energy and Commerce Committee, who is also a medical physician, Dr. BURGESS of Texas.

Mr. BURGESS. Mr. Chairman, thank you for bringing this important bill to the floor.

The bill, 4157, will codify and expand the authorities and duties of the office of the National Coordinator for Health Information Technology, Department of Health and Human Services. This includes a number of responsibilities, such as endorsing the interoperability guidelines under a schedule, conducting a national survey on the information exchange capabilities of certain entities, and reviewing Federal information systems and security practices.

The bill requires that certain Federal health information collection systems be capable of receiving information in a form consistent with any guidelines endorsed by the National Coordinator, within 3 years of endorsement.

We have heard some discussion about the issues of grants. Currently there are grants through both CMS and my own Texas medical foundation back in Texas. But indeed, this bill authorizes targeted grants to help integrated health systems relay information and better coordinate the delivery of care for uninsured, under insured and medically underserved populations.

The bill also contains a demonstration program to promote the adoption of health IT in the small physician setting, absolutely critical in many of our rural markets.

My colleague, Dr. MURPHY, was up here a moment ago and showed a picture of a medical record, an old paper medical records system in a hospital. I actually want to tell you that that is pretty far from the truth. Normally you go in medical records department, it is nowhere near that clean. There are records stacked on the floor. They are stacked by dictation machines. Oftentimes a critical record is hard to find.

But contrast that with what I saw in New Orleans, Louisiana when we had a hearing down there earlier this year. The records room of Charity Hospital is absolute chaos. There is still water on the floor. There are records all over that room. There is black mold growing up the sides of the records. Clearly, those records are unusable in any form or any hope to be usable in the future. That is why this legislation is so critical. Lives, as well as money and time can be saved if we make these important steps towards enacting this legislation.

Mr. PALLONE. Mr. Chairman, I yield 4 minutes to our ranking member of the full committee, the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Well, Mr. Chairman, here we are again. Bad legislation, bad procedure, unfair behavior by the majority, and the inability to have a proper discussion of the matter before us or to have an honest chance to amend a bad bill.

My Republican colleagues are wasting a fine opportunity to make real progress in an area in which most Members of Congress are highly supportive, health information technology. We have a chance not only to save money and time, but we also have a chance to save lives. But we won't even allow a proper discussion or fair and decent amendments.

We have a chance to help providers to transform their practices so that they could better serve the needs of their patients and so that there could be electronic communications with providers, health plans and with the government.

The Democrats sought a substitute to the committee bill under the rules. The Rules Committee, as usual, rejected it. So we are functioning under a gag rule. This alternative was identical to the bill the Senate passed unanimously last November with strong privacy protections, and with bipartisan sponsorship and support. The Senate bill, S. 1418, was jointly introduced after being negotiated between Senators FRIST, CLINTON, ENZI and KENNEDY. But we won't be permitted to vote on it today. We must hear from our Republicans as to why it is they are afraid to allow proper debate, or why it is that they won't allow a proper vote on matters which could strongly, broadly and importantly affect their constituents and mine.

The bill before us falls short. First, it makes no progress towards protecting the privacy and security of health information. Expanded use of electronic health care systems clearly has a great potential benefit, but it also poses serious threats to patients' privacy by creating greater amounts of personal information susceptible to thieves, rascals, rogues and unauthorized users.

President Bush said something to my Republican colleagues, and I hope every once in a while they listen to their leader. He said this: "I presume I am like most Americans. I think my medical records should be private. I don't want people prying into them. I don't want people looking at them. I don't want people opening them up unless I say it's fine for you to do so."

Well, why is it that you won't protect, then, the records of people and share the concerns of the President?

Second, H.R. 4157 fails to include sufficient Federal funding to foster the adoption and implementation of health information technology such as electronic medical records. Start-up costs are a very significant failure and a barrier that physicians face.

Third, H.R. 4157 goes too far in undermining fraud and abuse laws as its response to needed investment. The exceptions provided in this bill to the Stark self-referral and anti-kickback statutes potentially encourage biased decision making about a patient's treatment, and it sets up a situation where a doctor may be compelled to be confined in a system run by a particular hospital or health care provider.

Fourth, the bill falls short in establishing comprehensive standards. It does little or nothing to promote the adoption of standards by providers. The fastest way to accomplish this would be to have the Federal Government to abide by the standards that it adopts for electronic communications so that others in the private sector will follow. H.R. 4157 does none of this.

The bill fails seriously on issues of patient privacy, funding for health information technology, providing and promoting electronic communications between providers, and protecting against fraud. This is a bad bill. A chance to write good law has been rejected. The bill should be rejected, and I urge my colleagues to vote "no."

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the Vice Chairman of the Energy and Commerce Committee, the brightest bloom to come out of Laurel, Mississippi, CHIP PICKERING.

Mr. PICKERING. Mr. Chairman, I rise today in support of very significant legislation. Too often in this place we are faced with dilemmas and difficult choices of trying to find savings that could diminish care, the quality of care, the availability, the accessibility of care. But this is actually an opportunity for us, in this Chamber, and as we go through the legislative process in the House and the Senate, to have significant savings to allow a stronger, more sustainable Medicare Medicaid health care system, that instead of reducing the quality of care, improves the quality of care, reduces errors and improves the efficiency of how health care is delivered. This is a great opportunity and it should be an opportunity of bipartisan support. I do believe that when we get to the final product, that when we finish the House and the Senate conference, that this is something where we can have broad consensus. We do not necessarily need partisan division on something that has such great promise and potential to save money, the resources that we so desperately need in our health care system, but, more importantly, to protect and promote and to heal the individuals and the lives across the country.

Just coming out of Katrina, we have seen in hospitals and health clinics and community health centers across Mississippi, the loss of medical records. If we have electronic records in place, that will not happen in future storms. This is a critical protection to the records which are vital to the health care of our citizens. Those that are poor and low income, electronic records in community health centers and in Medicaid systems and in VA systems have seen and will see tremendous benefits. This is an area in health care policy where we should not be divided, where we should find agreement, and we should accomplish good things together.

Mr. Chairman, I support this legislation, and thank you for your leadership on this issue.

Mr. PALLONE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. RUSH).

Mr. RUSH. Mr. Chairman, I was disappointed with this bill during the mark-up in the Energy and Commerce Committee, and I remain disappointed with the final version on the floor today. With information technology, this Congress has an opportunity to revolutionize the way health care is delivered in this country, but this bill is weak and it merely props up the status quo. And, Mr. Chairman, this bill could actually make things worse.

My main concern is that underserved communities would not be a part of the health care information technology revolution. Too often communities such as those I represent where a disproportionate number are minority Americans and are the last to garner the benefits of new technological developments. As such, it is vital that any serious HIT bill have a funding component that aids low income providers. Unfortunately, this bill does virtually nothing to address this very serious problem.

Nor does this bill have adequate requirements for interoperability which is, of course, a very huge flaw. Many low-income residents in densely populated urban environments do not have a primary care doctor that serves as a consistent medical provider. Instead, these citizens often go from provider to provider, from clinic to clinic, and receive their health care only sporadically. As such, it is vital that all of these providers are connected to interoperable information systems, such that they are all able to communicate with each other and share necessary medical information. Without interoperability requirements, we are left with the possibility of a network of fragmented health care delivery systems that are not able to talk to each other and coordinate care.

Mr. Chairman, I must oppose this bill, and I urge my colleagues to oppose it also.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to a distinguished congressman from the Pelican State of Louisiana, who is a cardiovascular surgeon, Dr. BOUSTANY.

Mr. BOUSTANY. Mr. Chairman, during my career as a cardiovascular surgeon, I saw far too many nurses, physicians and patients waste valuable time on paperwork. And I saw situations where available critical information was not available during a crisis.

Immediately following Hurricane Katrina and Rita, the need for portable electronic medical records became undeniable when thousands of patients' records were destroyed or inaccessible. But we did see some hope in that the New Orleans VA Hospital, despite being flooded, had records for 50,000 patients that survived because of the electronic nature of the records and the backup system that was available.

We also saw a secure Web site, Katrinahealth.org, established through a private/public partnership that was another promising example.

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When it comes to the use of information technology, America's health care sector has lagged far behind other economic sectors for decades. Our inefficiencies also squander billions of health care dollars that could otherwise go to helping patients.

This legislation pending before the House today is critical. It will help overcome one of the most significant barriers to the adoption of health IT. Small physician practices find it financially difficult to invest in health IT equipment. The investment can run as high as $120,000 per physician. Federal statutes currently make it illegal for these providers to accept this equipment from a hospital or an insurance partner. To address this problem, this bill would provide the adequate safe harbor so that organizations could donate equipment to physicians without violating law.

H.R. 4157 will help empower patients. It does preserve State privacy laws. It limits skyrocketing costs. And it will improve quality. Failure to modernize our health system is simply unacceptable, particularly given the aging population, the rising health care costs, and the prospects of future natural disasters.

So I urge passage of this very important legislation.

Mr. PALLONE. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I thank my colleague for yielding.

I rise in strong opposition to H.R. 4157. Rather than move our health care system into the 21st century, this bill does little other than bestow gifts upon the insurance companies and big businesses. HIT does have great promise, great opportunity. And as a nurse, I know very well the importance, for example, of electronic medical records. But if the leadership was really serious about facilitating wider-spread adoption of HIT that is able to deliver better quality health care for patients, this bill would have contained the following:

A timeline for achieving interoperability; funding so that hospitals and physicians could afford to purchase the technology; and, as I mentioned when I spoke against the rule, privacy protections. What good is health information technology if providers cannot communicate with each? What good is the existence of health IT if nobody can afford to use it? And what good is making our personal, private, sensitive information vulnerable to improper access and disclosure?

Unfortunately, we are still in an age where individuals may be discriminated against because of health conditions. Here is our chance in a bill to protect personal information from being used to discriminate against people. And my colleagues on the other side of the aisle have indicated they do not care about patients' rights to privacy. If you look carefully at the organizations supporting privacy protections, you will notice they are patient advocates, consumer groups, health professionals.

Those opposing it? The industry.

Whom are we passing this bill for today? I thought it was supposed to be for patients so that they could receive better care and for the health professionals so they could provide better care. But it is clear to me that this bill before us disregards patients' needs.

We need to start over and do a better job. HIT is that important. But not this bill. I, therefore, oppose H.R. 4157 and urge my colleagues to vote "no."

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to a member of the committee, the distinguished majority whip from the Show-Me State of Missouri, the Honorable Mr. BLUNT.

Mr. BLUNT. Mr. Chairman, I thank Chairman BARTON for yielding and for bringing this bill to the floor.

The chairman and members of our committee, particularly Mrs. JOHNSON from Connecticut on the Ways and Means Committee, have been so instrumental in getting this bill to the floor today. This is a critically important start.

As I sat here and listened to the debate, it is clearly like we are debating two different bills: one that wants to change the entire world in one bill and one that wants to step forward.

On the privacy issue, this does not do anything to change current privacy standards, but what it does is allow the information that people have about their health to be shared in a way that helps them. And in terms of the cost, taxpayers pay an awful lot of the health care cost in the country today. And as my good friend Mr. PICKERING pointed out, this is a way to minimize cost and maximize benefits to patients at the same time. That does not happen very often.

Mr. Chairman, we have a little town in my district, Branson, Missouri, and it has lots of tourists. Seven or eight million people come there ever year. Last year, last August, I was sitting at lunch beside the hospital administrator, and he shared with me that particularly in about the fall, most of the tourists that come are retired. Many of them come as part of a package travel situation. And he said, If you are retired and you paid for a package travel, if you feel like getting on the bus, getting on the airplane, you more often than not make an effort to make that trip, and more times than you would expect, the first stop on that trip is the hospital. For somebody who is on that motor coach who should not have probably gotten on but they get to Branson, Missouri, not feeling all that well, with the right kind of ability to get their health information shared, a 3-day visit to the hospital could be a 3-hour visit to the hospital.

We need to start this process. Chairman BARTON understands that. Mrs. JOHNSON understands that. Our committee understands that. This is the way to do it today. I am pleased to see this bill on the floor. It is an important first step. You can never get there if you do not take the first step. This is a great first step.

And, Chairman BARTON, I applaud your efforts to get this bill on the floor.

Mr. PALLONE. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I just wanted to say, from personal experience in my home State of New Jersey over the last few months, I have visited a number of hospitals throughout the State and looked at their health IT, and I have also talked to a number of physicians. The reason that this legislation is not going to accomplish the goal of really expanding health IT, and I can tell just from my experiences with these hospitals, first of all, most of the doctors say that even for a small group practice, they probably have to invest about $50,000 or more into health IT. And given the reimbursement rates and what is happening right now, most physicians, particularly small group physicians in rural areas and in urban areas, are not able to make that kind of investment. So that is why we need a funding source.

This bill has very little funding, minimal. And the substitute, which is based on the Senate bill, on a bipartisan basis, would provide the funding to make a meaningful difference so that we would have an increase in health IT. That is what this is all about. That is why we should reject this bill and adopt something like the Senate bill.

In addition, with regard to the privacy provisions, when I visited the hospitals in New Jersey, it was very clear to me that when you start to move with a lot of these electronic and high-tech systems, there is going to be a real problem with privacy that may not exist now with traditional systems. Moving to an electronic system, you have to have additional privacy guarantees. And we feel, again, the Democratic substitute that was rejected by the Rules Committee had those privacy guarantees. I think they are going to be part of our motion to recommit.

This is the time to address the privacy issue in the context of this bill, and I would ask that we reject the legislation.

Mr. BARTON of Texas. Mr. Chairman, before I yield to Congressman CLAY of Missouri, let me compliment

Subcommittee Chairman DEAL for his efforts on this bill. He cannot be here today because his mother is ill, but he worked very hard.

Mr. Chairman, I yield 1 minute to the distinguished congressman from Missouri (Mr. CLAY).

Mr. CLAY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise today in support of H.R. 4157, the Health Information Technology Promotion Act of 2006. I believe the bill before us is a thoughtful and measured approach for establishing the Federal Government's role in promoting the adoption of a national health information network.

The bill before us takes the logical step of codifying the Office of the National Coordinator for Health IT at HHS. This will ensure long-term stability and continuity in the establishment of policies and programs relating to network interoperability, product certification, and adoption throughout the health care stakeholder community. It will also prove beneficial to both providers and public health agencies nationwide as vital clinical, prescribing, and laboratory information will be accessible through one integrated network.

I want to thank Congresswoman JOHNSON and Congressman DEAL for their good work.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself 5 minutes.

I rise in strong support of the legislation and would submit my opening statement for the RECORD.

I would like to comment on some of the comments of my colleagues made earlier. Before I do that, let me just take a moment to thank Chairman BARTON and Representative NATHAN DEAL and my own chairman, Chairman BILL THOMAS, for their support and effort in the development of this bill. But instead of doing my opening statement, let me comment on some of the things that have been said to this point.

First of all, on the issue of privacy, this bill sets the groundwork to improve privacy by putting in place a study of State privacy laws and Federal privacy laws so we can see what is working, what is not working, how similar are the State laws, where might their differences inhibit the security of a nationwide system. In other words, it gives us the knowledge we need to upgrade our HIPAA system if, indeed, that is necessary. It may tell us that is not necessary. But it would be absolutely irresponsible to move ahead without the information that will be developed as a result of this legislation. HIPAA already provides absolute protection of our health information.

What we want to know is when you do what this bill envisions, that is, you create a nationwide interoperable health information system to put that in place and secure personal health data, are there changes you need to make in Federal law? Are there commonalities in State laws that need to be brought closer? Are there any changes, indeed, that need to be made to absolutely secure individual personal health data as we move to this system? That is the issue on privacy.

Secondly, this bill adopts a whole new coding system, the ICD–10 system. Under today's system, you cannot tell whether a hospital has made a great leap forward in quality because they are doing a better job or simply because they have changed an operative technique from an invasive operation to a noninvasive approach to that surgical procedure. So we have to know more about what we are doing so we can talk honestly to ourselves about quality, so we can upgrade quality, and so we can pay accurately. This bill does that.

This bill sets up an Office of Technology, and we need that office to assure that the public and private sectors work together to create an environment in which great companies in America compete to provide the best possible technology, all of which becomes interoperable.

So without a Federal office involved, without standards being set, we will not have that interoperable system that we know is going to be so important to improve the quality of our health care system.

Not only do we need to have standards; we need to accelerate dissemination because the power of health information technology is not in a single provider. It is in the system-wide impact of it. So this bill helps disseminate that technology in part through its grant provision. But, realistically, the government is not going to pay for this. The system is going to do it because it creates such system efficiencies that it pays the system back. However, in addition to grants we encourage the system to be able to dissiminate technology by allowing consortium to develop, by allowing a hospital in a small town to work with the big employers in that town, the big insurers in that town, to get together to get a good deal on technology or on several technologies so that technologies are appropriate to the providers but are interoperable.

So this not only deals with the development of standards, with the dissemination of technology, with building the knowledge base we need to ensure the privacy of personal health information. It moves to a more modern coding system, and it will deliver to us a dramatic revolutionary increase in the quality of health care available in America. It will not only reduce medical errors and eliminate adverse drug interactions, saving millions of dollars, reduce administrative costs by billions, but also allow us to do chronic disease management for our seniors, care management for the severely ill, and upgrade the quality of diagnosis and treatment and return ourselves to a patient-centered affordable health care system.

So this is an important bill that sets the foundation for the future. And I am astounded at my colleagues on the other side of the aisle opposing it because it does not do things we are not yet prepared to do.

Today the House of Representatives has the opportunity to pass legislation that will lay the foundation for a new era in health care. Systemwide adoption of health information technology will dramatically improve the quality of care. It will reduce medical errors, reduce duplication and unnecessary care, and bring cutting edge information to the service of doctors as they diagnose and treat their patients. It will also eliminate many of the administrative inefficiencies that characterize the American health system and strengthen and protect the security and confidentiality of health information systems. In short it will fundamentally advance the practice of medicine and improve the quality of care all Americans will have access to.

Unfortunately, the adoption of health information technology has been frustratingly slow. Since the full potential of this technology can only be harnessed if it is widely disseminated amongst all types and sizes of providers, it is imperative to pass H.R. 4157 to speed the adoption and diffusion of health information technology.

This legislation is modest in scope. It lays the groundwork for fundamental change by removing the barriers to private sector adoption. It provides for a national framework for the development and widespread dissemination of interoperable health information technology by creating an office to coordinate the development of a national health information system. It promotes common-sense cooperation between doctors and hospitals and other providers by allowing entities to provide physicians and others with hardware, software, training or IT support services. It updates diagnosis coding systems for the digital age and provides an expedited process for ongoing updating of technology standards. It begins a process for creating greater commonality amongst state and federal security and confidentiality laws and regulations in order to better protect and strengthen the exchange and health information. Additionally, it provides grants for the adoption of health information technology to coordinate care among the uninsured and to implement technology in small physician practices. Finally, it includes studies and reports on the expansion of telehealth services in Medicare.

Health information technology touches every aspect of the health care system. It will enable us to provide disease management for all those with chronic illnesses, care management for those with severe, complex illnesses, and provide access to preventive and appropriate care for the uninsured. It will reduce medical errors, adverse drug interactions, and decisive support to improve the quality of diagnosing and treating patients.

The role technology can play in the systems of health care will be as revolutionary as the role technology has played in health care research and treatments. H.R. 4157 removes barriers to greater adoption of information technology in the health system so the long overdue potential of technology can be realized in health care.

Mr. Chairman, I reserve the balance of my time.

□ 1400

Mr. STARK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am going to start with three fairy tales. I had four, but my staff made me cut one out, fairy tales your mother would tell you.

One, if you didn't clean your ears, potatoes would grow in your ears. The second fairy tale my mother told me was if you ate too many watermelon seeds, a watermelon vine would grow out of your belly button. The third fairy tale is that this bill will do one blessed thing to help information technology.

I am not surprised that my colleagues on the other side of the aisle spin every issue in a partisan way, but it is a shame that you are now using health information technology as a pawn to advance your bankrupt ideology. The promise that information technology holds to save lives and money is vast, but H.R. 4157 forestalls that promise.

It is a lousy bill. It does nothing. H.R. 4157 doesn't provide for the development of or the adoption of interoperability standards; it does not provide funding to help providers transition to an electronic medical records system; and it does not strengthen privacy protections.

It does do one thing: It weakens Medicare's fraud and abuse laws. My colleague from Louisiana on the Ways and Means Committee acknowledged in our full committee markup that if the fraud and abuse provisions were removed from this bill, it would accomplish nothing. Zip. That is a Republican who said that.

CBO says, "CBO estimates that enacting H.R. 4157 would not significantly affect either the rate at which the use of health technology will grow or how well that technology will be designed and implemented."

The reason that it has no cost is it doesn't do a bloody thing.

People who I often disagree with, America's Health Insurance Plans, representing the for-profit hospitals and plans, wrote to us and said, "The pending legislation falls short of its stated goals and will lead to serious unintended consequences for consumers. We have consistently shared these concerns, and cannot support the legislation with the following provisions as currently drafted."

I don't know what my colleagues across the aisle think they are doing. We offered some amendments to address the serious failings of this bill and we were opposed on party line votes. Mrs. JOHNSON, Mr. SHAW and Mr. HAYWORTH voted against adding funding so that doctors could afford to transition. These same people, Mrs. JOHNSON, Mr. SHAW and Mr. HAYWORTH voted against adding provisions that contain waste, fraud and abuse. They opposed setting a date certain for the implementation of interoperability and standards. And they opposed, Mr. SHAW, Mr. HAYWORTH and Mrs. JOHNSON, an amendment to make sure that people's private medical records were protected. Unfortunately, these amendments, all rejected on party line votes, would have improved the bill somewhat.

This does not have to be a partisan issue. The Senate was able to pass unanimously a bill that is greatly better than this bad bill.

I have spent countless hours reading and discussing this issue with physicians and other experts. I spent a day at the VA to learn about their system. On numerous occasions, I have reached across the aisle in an attempt to come up with some vision about how we might move forward.

Sadly, this is just a fig leaf, a political statement for campaigns that does absolutely nothing to improve the future of information technology, which is sadly needed by our medal providers. Indeed, it does harm to that. I hope we can reject this bill, come back after the elections when there is a better climate for bipartisan work and report a bill out that will do some good.

I urge my colleagues to oppose 4157.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH of Pennsylvania. Mr. Chairman, I want to thank the gentlelady for yielding.

I rise today in support of H.R. 4157, which is not a panacea, but is an important starting point on this very important topic.

This legislation would work to ensure interoperability standards for health IT are adopted, stimulating investment in electronic health records, electronic prescribing and other forms of IT that have been demonstrated to make health care safer and more efficient.

Only through a truly interoperable, nationwide system will the benefits of health information technology be fully realized. The widespread adoption of health IT holds great promise to reduce medical errors and administrative costs, which can lead it to a dramatic improvement in the quality, the delivery and the cost of health care.

A couple of years ago in my district, I established a Health Care Cost Containment Task Force which identified preventable mistakes and physician errors as a significant source of health care costs in the system. One of my task force's recommendations was to help curb the rise of preventable medical errors through the implementation of health information technology.

I am very pleased with the work that our subcommittee and its chairman have done in this area. This is a very important initiative because, compared to other industries, health care has a neolithic perspective when it comes to information technology.

The core idea, Mr. Chairman, behind an electronic health care system, is that doctors in one State treating an emergency room patient visiting from another State should be able to access that patient's records on a nationwide health care technology system. In this way, the patient will be better protected, the doctors will be able to treat the patient more quickly and more effectively, which would cut down on errors, and the Nation will save on health care spending.

By supporting this legislation, we make a significant move forward in bringing health care information technology fully into the 21st century and, in the process, saving lives and resources as well.

Mr. STARK. Mr. Chairman, I am pleased to yield 2 minutes to my colleague from the Virgin Islands, Dr. CHRISTENSEN, who knows firsthand how important the issue is before us today.

Mrs. CHRISTENSEN. Mr. Chairman, I thank Mr. STARK for yielding.

Mr. Chairman, there is no doubt that health information technology, or HIT, holds great promise in helping us solve some of our most pressing health care issues, such as reducing escalating health care costs and medical errors.

Yesterday I appeared before the Rules Committee to request that an amendment to H.R. 4157 be made in order which would ensure that HIT monitor and measure the racial, ethnic and geographic health disparities. The amendment, like others, was not accepted, and the committee lost an opportunity to make this bill better, to improve the health of millions of hardworking Americans who it is proven are discriminated against in health care and further reduce the health care costs caused by disparities.

Disparities that cause, for example, the maternal mortality rate for African American women to be almost five times higher than that for their white counterparts; or the infant mortality rate in African Americans and American Indian/Alaska Natives to be more than two times higher; or although they account for just one-quarter of the total U.S. population, for Latino and African Americans to account for more than two-thirds of newly reported AIDS patients.

A recent IOM report noted that anywhere from 44,000 to 98,000 deaths were caused each year by medical errors, but another report by former Surgeon General Dr. David Satcher found that health disparities caused more than 85,000 preventable deaths in African Americans every year.

The amendment I sponsored would have played a key role in helping providers, executives and administrators in the health care system better ensure an equity in the delivery of health care that does not now exist, while at the same time, further reducing unnecessary health care costs.

So today before us is a bill that doesn't have the needed privacy protections; it is underfunded, which ensures inequity will exist across the country; and does nothing to correct the greatest injustice of our time, the health care disparities that cause premature and preventable deaths and disability every day in this country that has the wherewithal to do better.

I encourage my colleagues to oppose H.R. 4157.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself 40 seconds.

Mr. Chairman, my colleagues on the other side of the aisle are acting as if we had technology that, if we only had the money, we could implement. That just isn't so. Secretary Levitt and Dr. Brailer have led a phenomenal aggressive, strong effort and through their effort, working with the public and private sector, they have established standards for electronic health records and for E-prescribing.

But there are a lot more standards to be set. And in this bill, we do have a date certain, but it is way off in 2009. I think we will get there before then. But, as important, we put in this bill a very progressive, accelerated way of updating those standards, because this is going to be about continuous improvement.

My colleagues on the other side of the aisle that talk about minority health are absolutely right. Unless we get health information technology implanted and we move to chronic disease management and health care management, we cannot meet the needs of care our minority population need. That is why this bill is so important.

Mr. STARK. Mr. Chairman I am pleased at this time to yield 2 minutes to the gentleman from Rhode Island (Mr. KENNEDY), who has been a champion on the issue of information technology.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I thank Mr. STARK for his leadership on this issue.

Mr. Chairman, we are talking today about the potential to revolutionize our health care system by means of technology that we are using in almost every other industry currently in our society except the industry that probably could benefit the most from it, and that is our health care system.

We are after this for many different reasons, but one of the reasons I am after it for is because I want to reduce the cost of health care for my constituents. My constituents, whether they be businesses that are paying exorbitant premiums for their workers, or the workers who are paying high premiums themselves, or whether it is not only the consumer, but it is even the providers that are getting shortchanged on their reimbursement, no one is happy with the current health care system.

So, Mr. Chairman, what we could do today is do what has been already outlined by the Rand report, which says we could save $162 billion in direct costs because we would now not have to duplicate care if we have care now that is tracked, so we don't have to go to four different doctors and not have each doctor repeat the same test.

We can now make sure that the best in care gets to everybody, because now the evidence base will be available to all doctors, no matter where they live in this country, so people will get the same and the best of care.

But, frankly, Mr. Chairman, this bill doesn't do it. This bill doesn't do it. Why? Because it doesn't implement the quality standards to ensure that people get that good care. It doesn't ensure that we move quickly to the adoption, because, one, it sets up the adoption date too far in the future. Why are we waiting? If we are acknowledging this is important, why are we putting this off?

Next, when it comes to making sure that there is privacy, I don't frankly understand how we can go into an electronic age in medical records and not ensure that people's personal medical privacy is protected.

For those reasons, I will be voting against this legislation.

Mrs. JOHNSON of Connecticut. Mr. Chairman, yield 2 minutes to the gentleman from Missouri (Mr. HULSHOF).

Mr. HULSHOF. Mr. Chairman, I would like to thank the Chair of the Health Subcommittee, especially for her bold initiative and leadership on this bill, for really trying to wrestle with a very important issue and looking ahead and being a visionary as far as employing technology and how we can improve health care in this country. It is a good bill. I am proud to be an original cosponsor.

I would especially like to touch some the telemedicine, telehealth, provisions. I appreciate very much that Mr. THOMPSON of California and I have put together a bill where the bottom line, Mr. Chairman, is that with advancements in telecommunications, health care providers in small communities can now access resources that are available in the finest hospitals and academic institutions in the country.

The quality of one's health care should not be dictated by one's ZIP Code. So I am very excited about the fact that technologies like interactive video conferencing, the Internet, satellite, are already systematically changing the face of our Nation's health care.

This legislation directs the Secretary to work with the telehealth community, especially as far as services across State lines. We know that that is an issue. We want to expand the origination and consulting sites so that more of our underserved communities will have access to the best health care that the community has to offer.

□ 1415

I would like to brag a little bit, Mr. Chairman, because telehealth patients from small towns throughout my district in Missouri have been receiving specialist care or services from a variety of specialists, including mental health providers. I know that is certainly a hot-button issue for many here, without having to take available time, maybe, away for caring for a loved one or from work or for school or for other parental duties.

Right now there are 2,000 patients in Missouri that are cared for using Missouri's telehealth network. It is estimated over 40,000 radiological examinations have been performed. In fact, one example: a critical-access hospital in the small town of Macon, Missouri, unexpectedly lost the only radiologist in the area. There was not another specialist within that underserved area.

Fortunately, the University of Missouri stepped in to provide coverage during this 4-month period of time so this small community could have access to a qualified radiologist. Again, there are lots of good things in this bill. But telemedicine is one piece of it. I commend the chairwoman and I urge everyone to support it.

I thank the chair of the Health Subcommittee, on which I serve, for her bold leadership on this bill and improving health information technology in this country.

H.R. 4157 will launch the American healthcare system into full capacity to take advantage of the best technology. This will give all Americans better health care, more accessible medical records, and better quality of care.

It is a good bill of which I am proud to be an original cosponsor.

I would like to touch on the telemedicine provisions of the bill.

The Health Information Technology Promotion Act includes important provisions for the advancement of telehealth services—Requires the Secretary of HHS to take steps that expedite the provision of telehealth services across State lines by taking a closer look at State licensure issues; requires the Secretary to conduct two studies: (1) a study on the use of store and forward technology in the provision of telehealth services; and (2) a study on the coverage of telehealth services provided in home health agencies, county mental health clinics and other publicly funded mental health facilities.

Advancement in telecommunications now allows health care providers in small communities to access the resources available in the finest hospitals and academic institutions. Individuals in this country should receive the health care they need regardless of where they live. A person's address should not dictate the state of their health. Technologies such as interactive videoconferencing, the Internet and satellite are already systematically changing the face of our Nation's health care.

In 2000, the Congressional Budget Office estimated that the telehealth provisions of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, BIPA, would cost $150 million over 5 years. In June I asked CMS to provide me with information on how much the Federal Government has spent to date to get an idea of how close we are to CBO projections. I was astonished to find that since October 1, 2001 Medicare has only reimbursed for approximately $1.2 million total for telehealth services and originating site facility fees. This illustrates that the Federal Government has made a minor contribution compared to what we were expected to spend. And more needs to be done.

This legislation highlights the capabilities of telemedicine by directing the Secretary to work with the telehealth community to find solutions to the services across State lines issue, and expanding origination and consulting sites so more of our underserved communities will have access to the best health care this country has to offer.

I would also like to brag on how, because of telehealth, patients from small towns throughout my district are able to receive services from a variety of specialists, including mental health providers, without having to take valuable time away from work, school or parental duties.

Currently in Missouri, over 2,000 patients per year are cared for using the Missouri Telehealth Network and it is estimated that over 40,000 radiology exams have been performed. In fact, in my district, a Critical Access Hospital in the town of Macon unexpectedly lost its only radiologist, leaving the area without a specialist in this area. Fortunately, the University of Missouri stepped in to provide coverage through the telehealth network for a 4-month period until a new radiologist was hired. Without this option, Macon residents would have been forced to either commute or simply go without radiological care.

It is my hope that via this legislation, rural and underserved areas in my district and across the country will be able to find the same successes experienced with the Missouri Telehealth Network.

Mr. STARK. Mr. Chairman, I yield 2½ minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, during the 12 years that Republicans have controlled this House, they have done very little to address the real concerns of families confronted with a health care crisis. This afternoon during rush hour, some family, in fact probably many families, will suffer a severe auto accident on the way home.

Perhaps a mom will be found to have breast cancer, or a child a serious childhood disease. And as these health care challenges emerge, tens of thousands of families across America will end up not only driven into despair but into bankruptcy.

And yet Republicans have not offered real solutions to address those kinds of problems. Recognizing their failures earlier this year, both Senate and House Republican leaders declared there would be a "health care week." Well, the Senate took up their "health care week," and every old, retread Republican proposal that they had was rejected.

So I guess too embarrassed to have "health care week" here in the House, even though they declared it, the Republicans canceled "health care week," just like they have canceled so many of the commitments that they made back in 1994 to the American people.

And what they have left as their one new idea for the crisis that American families face in health care is this pitiful proposal. They have discovered that the answer to the problems American families face with health care is not what the American families thought was their problem about getting access to affordable, quality health care. No, it is bad handwriting. Yes. We all know the legendary bad handwriting of physicians that is the subject of cartoons and stories.

But by golly, they are solving that. All of these physicians, and the hospitals and the clinics, will be using electronic records and solve that penmanship problem. Well, that is not a bad idea. It is just that they do not put their money where their mouth is.

They tell the physicians and the clinics, you figure out how to pay for this technology. And in the process of this transformation, once again, as they have done with our library records and our phone records and our veterans records, they couldn't really care less about privacy.

Think about whether you want your psychiatric records, your prescription records on the Internet for other people to see. Because this legislation does not provide the guarantee of privacy. And so fearful are they of a true debate about protecting the privacy rights of Americans to their medical records, to their health care records, that may affect their future employment, that may affect their future family relations, that may affect their ability to get insurance.

So fearful are they of a debate about that, they refuse to let us offer even one amendment to address patient privacy.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I ask how much time is remaining.

The CHAIRMAN. The gentlewoman has 2½ minutes remaining.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. FERGUSON).

Mr. FERGUSON. Mr. Chairman, I thank the gentlewoman for yielding me time.

Mr. Chairman, I rise today in favor of a bill that would help us usher in 21st-century medicine into the doctors' offices of our country. By encouraging the dissemination of health information technology, we move full speed ahead toward establishing an infrastructure necessary to create an environment where errors are reduced and care is improved.

This bill promotes cooperation between doctors and hospitals and provides physicians with the IT support services they need to establish this infrastructure. In particular, I am pleased this bill includes an amendment that I sponsored in the Energy and Commerce Committee with Congressman TOWNS that would provide grants for the use of health information technology to coordinate care for the uninsured.

These grants are targeted to integrated health systems that have demonstrated success in the past for treating the uninsured and underinsured populations in underserved communities. This is just one example of how this bill helps to provide the necessary framework for health IT for all Americans.

Mr. Chairman, I invite all of our colleagues to support this commonsense legislation. It will help establish a framework of care for all Americans as we head into the 21st century.

Mr. STARK. Mr. Chairman, to close debate for our side, I yield 1 minute to the gentleman from Maryland (Mr. HOYER), the distinguished minority whip, who supports information technology, but realizes this bill does nothing to help it.

Mr. HOYER. Mr. Chairman, Democrats worked with the health care and technology industries to write a bill that would lead to the widespread use of information technology in medicine, a necessity. The effective use of it can reduce medical errors, health care costs, and save lives.

Mr. Chairman, we should be taking up the Dingell-Rangel bill today, a bill that was virtually identical to the bill that passed unanimously in the United States Senate. Instead, we are voting on a Republican bill that fails to provide for the development or adoption of interoperability standards, that fails to provide funding to help providers transition to an electronic medical records system, and that fails to strengthen privacy protections.

What a shame. What a missed opportunity. We should oppose this bill, and we should bring the Rangel bill to the floor.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania (Mr. MURPHY).

Mr. MURPHY. Mr. Chairman, for the record I would like to note that the HIPAA laws do apply to this with regard to privacy, whereby there would be fines up to $250,000 and up to 10 years in prison for disclosure or obtaining health information in many of these areas. So it does apply.

The second is the CBO report which is being taken out of context. It mentioned that there can be savings for Medicare in this. And as hospitals learn to adapt to health information technology, if they do not adapt right, that may be more costly; but overall there are many savings in this.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield the balance of our time to the gentleman from Illinois (Mr. KIRK).

Mr. KIRK. Mr. Chairman, I rise in support of this legislation because it will dramatically improve civilian health care, the way this technology has already done for veterans across America. When Katrina hit New Orleans, many civilian hospital record rooms were wiped out, including the medical history of thousands.

Meanwhile, American veterans already had fully electronic medical records, and their medical histories were seamlessly transmitted to other VA hospitals in Baton Rouge or Houston for complete care.

There is a reason why Senator CLINTON and Speaker Gingrich both so strongly support a full deployment of electronic medical records. They reduce medical errors and improve care as they already have demonstrated to do so heavily in the VA.

Our Federal law already sanctions any violation of medical privacy with up to 10 years in jail and $250,000 fines.

This legislation is the third part of our suburban agenda. commonsense reforms to improve the health care for all American patients.

Mr. CLAY. Mr. Chairman, I rise today in support of H.R. 4157, the Health Information Technology Promotion Act of 2006. I believe the bill before us is a thoughtful and measured approach for establishing the Federal government's role in promoting the adoption of a national health information network.

The bill before us takes the logical step of codifying the Office of the National Coordinator for Health IT at HHS. This will ensure long-term stability and continuity in the establishment of policies and programs relating to network interoperability, product certification, and adoption throughout the health care stakeholder community. It will also prove beneficial to both providers and public health agencies nationwide, as vital clinical, prescribing, and laboratory information will be accessible through one integrated network.

Just last week, the Institute of Medicine released its report on the number error rates involved with prescribing patient medications, and how the use of e-prescribing would contribute to reducing the number of annual errors in hospitals by 400,000 and save an estimated $3.5 billion this year alone. Utilizing health IT is not only economically beneficial, but will also prevent many costly and unnecessary patient injuries relating to drug interactions.

I realize the bill before us is not a perfect one, and I agree with my friends who have stated that stronger protections for the security and privacy of personal health information are desperately needed. Let me be clear that I'm very disappointed that some thoughtful amendments offered by my Democratic colleagues on security and privacy will not be considered today. I do not believe, however, that health IT platforms used for the preservation or transmission of identifiable patient information are any more vulnerable to security breaches than modern paper-based record systems.

In fact, many providers, insurers, and hospitals have already transitioned from paper based records to electronic health record systems, while taking internal steps to ensure that appropriate security and access controls are built into their IT systems and are compliant with current law. All we are doing today is taking the next step to ensure that all who choose to utilize health IT have a blueprint for system standards to ensure optimal functionality for all participants.

I thank Congresswoman JOHNSON and Congressman DEAL for their good work.

Mr. CARDIN. Mr. Chairman, I rise in opposition to this bill. I am disappointed that the House has missed an opportunity to promote in a meaningful way our health care system's transition from a paper-based medical records system to an electronic one. Congress is in nearly unanimous agreement that this move is necessary, and that it is in the best interest of patients, providers, and health care quality over all.

But it appears that we have before us legislation that will do little to move the Nation toward that goal, and that in some respects, may be harmful. As a member of the Ways and Means Committee, which considered this bill earlier this year, I had the opportunity to vote on several amendments that would have strengthened this bill, that would have enabled our Committee to bring this bill to the floor with bipartisan support. Those amendments would have added funding so that doctors could afford to transition to electronic medical records; removed provisions that expand fraud and abuse, set a date certain for the implementation of interoperability standards, and guaranteed the confidentiality of personal health information. Unfortunately, each was defeated on a party-line vote.

So the bill before us today still contains several fundamental problems. The first is the lack of strong privacy protections. Mr. Chairman, I wonder how many breaches of supposedly secure electronic medical records must occur before we get serious about enacting strong privacy protections into law. In two weeks, we will mark the 10th anniversary of the Health Insurance Portability and Accountability Act. Privacy regulations stemming from that law were finally issued in 2001. Ten years ago, Americans' familiarity with electronic communication and electronic transfer of information was quite limited. HIPAA does not protect individuals.

The second is a lack of funding. My colleagues, Mr. WYNN, Mr. ENGEL, and Ms. SCHAKOWSKY and I offered an amendment that would have provided grants for community health centers and hospitals with high numbers of low-income patients. These are the facilities that already face severe financial strains. They include many community health centers in Baltimore and larger facilities such as Prince George's Hospital Center in my home state of Maryland. They do not have extra money to implement expensive health information technology systems. Our amendment would have given them needed help to take advantage of health information technology for their patients, many of whom face significant health challenges due to chronic illnesses. If adopted, our amendment would have helped these facilities leap the financial hurdles that will otherwise prevent the spread of health information technology. Unfortunately, the Rules Committee refused to allow our amendment to be made in order.

Mr. Chairman, many of my colleagues have made this point, but it bears repeating: The nonpartisan Congressional Budget Office estimates that enacting this bill in its present form "would not significantly affect either the rate at which the use of health technology will grow or how well that technology will be designed and implemented." The lack of funding is one of the primary reasons why.

I am also very concerned about the exceptions to the Stark anti-self-referral and anti-kickback laws contained in the underlying bill. These provisions would serve to seriously weaken these important consumer protection laws. In H.R. 4157 as it is being considered today, physicians could be offered free or discounted technology in exchange for referring their patients to a facility or for a particular service. According to the Congressional Budget Office, these exceptions would raise health care costs.

Mr. Chairman, I will vote for the motion to recommit, which will protect medical privacy. It will ensure that patients can keep their medical records out of electronic databases unless they first give their permission. It will require patient notification if their health information is misused, lost, or stolen. It requires the use of encryption and other safeguards against theft. Importantly, it would permit patients to limit access to particularly sensitive information, such as mental health data. Finally it would protect state privacy laws that may be more protective of patient confidentiality.

I support the provisions of the bipartisan bill passed by the Senate, and I would hope that, for the sake of improved patient care, for better access to health information technology, for better privacy standards, that is the bill that emerges from conference. I urge my colleagues to join me in opposition to H.R. 4157.

Mr. VAN HOLLEN. Mr. Chairman, I rise today in reluctant opposition to H.R. 4157, the Information Technology Promotion Act of 2005. It is unfortunate that the House Republican leadership refused to allow this Congress the opportunity to strengthen this bill and protect the privacy of patients.

Like many of my colleagues, I support moving our health care system into the "information age"—it holds the promise of saving lives, saving money, and saving time. However, I am concerned that H.R. 4157 does not adequately protect the privacy of patients. In light of millions of electronic data records being exposed due to recent high-profile security breaches, it is troubling that this legislation does not adequately address this critical issue.

Unfortunately, the House Republican leadership would not allow us the opportunity to vote on an alternative bill that was based on the bipartisan Senate health information technology legislation (S. 1418)—which unanimously passed that chamber. This alternative proposal included safeguards for Americans to protect their personal medical records from identity thieves.

Mr. Chairman, health information technology should not be a partisan issue. Congress should not miss the opportunity to transition our health care into the 21st century, but it must be done in a manner that will protect the sensitive health information of millions of Americans. I am hopeful that the final version of the legislation will be fashioned in a bipartisan, bicameral fashion by the House-Senate Conference.

Mr. KIND. Mr. Chairman, I rise in appreciation that House Leadership has at last brought a health information technology bill to the Floor. As a cochair of the New Democrat Coalition, I have been a long-time supporter of health IT. I believe health IT, if done correctly, will highlight the need for personal accountability in health care, advance technological innovation, promote fiscal responsibility and, most importantly, improve health and save lives. Additionally, great strides can be made in homeland security as well as tracking disease and infection.

I am pleased that H.R. 4157 will codify in law the Office of the National Coordinator for Health Information Technology and that the coordinator will be tasked with devising a national strategic plan for implementing health IT. Additionally, the grant money authorized by the bill is a worthwhile, if small, step in the right direction. Representing western Wisconsin, I know too well how difficult it is for small medical practices to afford the purchase and upkeep of software and hardware needed for electronic medical records. The $5 million in grants to rural or underserved urban areas is the first of many such grants Congress must facilitate.

While I am pleased the bill is moving forward, I am disappointed that negotiations were not done in a more bipartisan manner. It is good to see that harmful and invasive policies on privacy issues were removed from the bill, and I am hopeful that when the House and Senate meet in conference, members will take a hard look at strengthening further the bill's privacy provisions.

Mr. Chairman, I plan on voting for this health IT bill and look forward to working with the Senate on improving it. America's doctors, nurses, and patients deserve 21st century technology in the health care system, and it is past time for Congress to be acting on this issue.

Mr. EMANUEL. Mr. Chairman, I believe there is great potential in the widespread adoption of health information technology. By expanding the use of health information technology, we can reduce medical errors, improve the quality of care and patient safety, enhance efficiency and significantly reduce health care costs.

However, the bill before us fails to make any progress toward greater adoption of health information technology.

H.R. 4157 fails to provide for the development or adoption of interoperability standards. It also fails to provide adequate funding to assist providers transitioning to an electronic medical records system, and it greatly weakens Medicare's fraud and abuse laws.

The RAND Corporation recently estimated that by implementing health information technology, we can save as much as $162 billion per year. Unfortunately, H.R. 4157 accomplishes so little that we would fail to yield any of these potential savings.

The most troubling aspect of this bill is its failure to protect an individual's medical privacy.

Even the President of the United States, believes an individual's medical information should be protected. On January 27, 2005, the President stated, "I presume I'm like most Americans—I think my medical records should be private." And on May 22, 2006, the President stated, "Our goal, by the way, is for every American to have an electronic medical record. And—but, by the way, with a guarantee of privacy."

During the committee process, Mr. DOGGETT and I offered an amendment that would have strengthened privacy protections for individuals. Specifically, the amendment: (1) expressly recognized the right of an individual to privacy and security; (2) required individuals to consent to having their information shared; (3) allowed individuals to prohibit access to particularly sensitive information in their health record (i.e., HIV, mental health, genetic information); (4) required individuals to be notified if their health record has been breached, and (5) allowed individuals to obtain damages from an entity that wrongfully uses or discloses identifiable health information.

Unfortunately, our Republican colleagues did not share these goals and voted against these provisions on numerous occasions. Yesterday, we joined our colleagues from the Energy and Commerce Committee and offered a similar amendment again before the Rules Committee. The amendment was blocked there as well.

As we move forward on health information technology, it is absolutely essential that an individual's most personal and vulnerable information is protected. In a digital environment, HIPPA is just not enough.

Mr. Chairman, I strongly believe in the potential of health information technology. Unfortunately, I cannot support the legislation before us because it fails to truly make any progress in achieving that goal.

Mr. KIND. Mr. Chairman, I rise in appreciation that House Leadership has at last brought a health information technology bill to the floor. As a cochair of the New Democrat Coalition, I have been a long-time supporter of health IT. I believe health IT, if done correctly, will highlight the need for personal accountability in health care, advance technological innovation, promote fiscal responsibility and, most importantly, improve health and save lives. Additionally, great strides can be made in homeland security as well as tracking disease and infection.

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While I am pleased the bill is moving forward, I am disappointed that negotiations were not done in a more bipartisan manner. It is good to see that harmful and invasive policies on privacy issues were removed from the bill, and I am hopeful that when the House and Senate meet in conference, members will take a hard look at strengthening further the bill's privacy provisions.

Mr. Chairman, I plan on voting for this health IT bill and look forward to working with the Senate on improving it. America's doctors, nurses, and patients deserve 21st century technology in the health care system, and it is past time for Congress to be acting on this issue.

Mr. PAUL. Mr. Chairman, as an OB–GYN with over 40 years experience in medical practice, I understand the need to improve the health care system's efficiency by increasing the use of electronic medical records. However, H.R. 4157 is neither a constitutional nor a wise means of achieving this worthy goal.

Creating a new federal department to develop a "national strategic plan" for the use of electronic health care records will inevitably lead to the imposition of a "one-size-fits all" standard and will discourage private parties from exploring other more innovative means of storing medical records electronically. By stifling private sector innovation, H.R. 4157 guarantees that the American people will have an inferior health information technology system. Mr. Chairman, I ask my colleagues: when has a government system ever performed as well as a system developed by the private sector? In fact, Mr. Chairman, based on my 40 years of experience, I would say a major reason the health profession lags behind other professions in using information technology is the excessive government intervention in, and control of, America's health care system!

Those who are concerned with the increasing erosion of medical privacy should also oppose H.R. 4157. H.R. 4157 facilitates the invasion of medical privacy by explicitly making electronic medical records subject to the misnamed federal "medical privacy" regulation. Mr. Chairman, many things in Washington are misnamed, however this regulation may be the most blatant case of false advertising I have come across in all my years in Congress. Rather than protect an individual right to medical privacy, these regulations empower government officials to determine how much medical privacy an individual needs.

The so-called "medical privacy" regulation not only reduce individuals" ability to determine who has access to their personal medical information, but actually threatens medical privacy and constitutionally protected liberties. For example, these regulations allow law enforcement and other government officials' access to a citizen's private medical record without having to obtain a search warrant.

Allowing government officials to access a private person's medical records without a warrant is a violation of the Fourth Amendment to the United States Constitution, which protects American citizens from warrantless searches by government officials. The requirement that law enforcement officials obtain a warrant from a judge before searching private documents is one of the fundamental protections against abuse of the government's power to seize an individual's private documents. While the Fourth Amendment has been interpreted to allow warrantless searches in emergency situations, it is hard to conceive of a situation where law enforcement officials would be unable to obtain a warrant before electronic medical records would be destroyed.

By creating a new federal bureaucracy to establish a "national strategic plan" for the adoption of electronic health care records, H.R. 4157 discourages private sector innovation and expands government control of the medical profession. H.R. 4157 also facilities the violation of medical privacy. Therefore, I urge my colleagues to reject this bill.

Mrs. MALONEY. Mr. Chairman, I rise in opposition to H.R. 4157, the Health Information Technology Promotion Act. While I strongly support improving and advancing health information technology, I am disappointed that the Majority chose to bring this inadequate bill to the House Floor instead of offering the Enzi-Kennedy-Frist-Clinton bipartisan Senate-passed bill.

H.R. 4157 does not provide for the development or adoption of interoperability standard. It does not provide funding to help providers transition to an electronic medical records system. And it does not provide privacy protections which will ensure that patients can control access to their own sensitive electronic health information. In fact, the Congressional Budget Office has stated that "enacting H.R. 4157 would not significantly affect either the rate at which the use of health technology will grow or how well that technology will be designed and implemented."

Mr. Chairman, all of this makes you wonder why the Majority insisted on bringing this bill to the floor and refused to consider the Dingell-Rangel substitute. The Dingell-Rangel substitute was the bipartisan Senate-passed bill with additional key privacy protections. It authorized necessary funding to help providers adopt health IT and it removed provisions that expanded waste, fraud and abuse.

Mr. Chairman, we must bring our healthcare system into the 21st century. To do so, we must have a comprehensive, interoperable technology-based system that will also protect patient privacy. With this, we will improve efficiency, ensure patient care, and reduce medical error. Unfortunately, this bill has too many flaws and does little to improve upon our outmoded pen and pad system. I am disappointed that the Majority did not allow us to vote on a bill that will make a difference. Americans deserve better.

Ms. MCCOLLUM of Minnesota. Mr. Chairman, I rise today disappointed that I must oppose the Republican Health Care Information Technology Promotion Act. Developing and implementing a health information technology system that reflects the needs of patients and providers should be a priority for Congress and should be an issue that can be handled in a bipartisan manner. Unfortunately, once again the Republican Majority has rejected common-sense and strong public policy and instead chosen to support a sham piece of legislation that even the Congressional Budget Office states will "not significantly affect either the rate at which the use of health technology will grow or how well that technology will be designed and implemented".

Information Technology (IT) reform would help decrease medical mistakes and would increase the efficiency and effectiveness of our health care system. However, we must work hard to strike the delicate balance between increasing use of electronic medical records and maintaining individuals' privacy. It is critical that we ensure patients' personal health information is secure and confidential when they go to the doctor or check into a hospital.

The Health Information Technology Promotion Act would codify the Office of the Health Information Technology Coordinator within the Department of Health and Human Services (HHS)—basically maintaining the status quo. This legislation fails to contain adequate funding for providers to implement EMR, it fails to provide for interoperability of system, it fails to address patient privacy protections, and could unfortunately open new opportunities for fraud and abuse by providing waivers for anti-kickback laws.

Congress must find a way to move forward with the implementation of health technology and protect the American public. For this reason, I supported the Dingell-Rangel substitute. This amendment included grants for providers, opportunities to leverage private dollars, strong patient protections and it maintains our anti-fraud laws. In addition, this proposal is nearly identical to the legislation that has already passed the Senate unanimously. Unfortunately, the Republican Majority is so unwilling to have a full and open discussion about our health care system on the House floor, that this amendment was not even allowed to be considered during today's debate.

I oppose H.R. 4157 and urge my colleagues to do the same. Lets reject this do-nothing legislation and have a real debate about the health care challenges facing American families.

Mr. LANGEVIN. Mr. Chairman, I rise to express some concerns with the bill before us, but also to urge my colleagues to find ways to encourage the careful development of meaningful health information technology systems. It is critical that we move rapidly toward the development and implementation of an electronic health information system, but it also is critical that this be done with great forethought and integrity.

I regret that I cannot support the bill before us today because it fails to include critical components mandating quality in our health care technology systems. Furthermore, I echo the concerns of my colleagues regarding the need for patient privacy standards and important consumer protections.

This is a missed opportunity for our nation's health care system. The goal of moving health care from pen and paper to the digital age has enjoyed bipartisan support. I am troubled that the bill presented to the House of Representatives today fails to meet the standards of the bipartisan coalition spearheaded by my colleague, PATRICK KENNEDY.

In recent years, I have been proud to see the health care community in Rhode Island come together to accelerate the use of health information technology in our state. One project in particular—and this is just one of many—called EHR–RI, has brought together physicians, hospital administrators and insurance company representatives to focus on the goals of getting this technology into physicians' offices and aiding in the often-complicated transition to new systems. The health care community recognizes the need to compromise and work in collaboration to achieve the goals of using technology to help patients and their families.

Because the efficient use of technology is central to our efforts to control costs and increase quality in health care, I urge my colleagues in Congress to follow their lead. Support stronger legislation that would truly advance the electronic health information exchange in our nation's health care system.

The CHAIRMAN. All time for general debate has expired.

In lieu of the amendments recommended by the Committees on Energy and Commerce and Ways and Means printed in the bill, the amendment in the nature of a substitute printed in part A of House Report 109–603, modified by the amendment printed in part B of the report, is adopted. The bill, as amended, shall be considered as the original bill for purpose of further amendment under the 5-minute rule and shall be considered as read.

The text of the bill, as amended, is as follows:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Health Information Technology Promotion Act of 2006".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Preserving privacy and security laws.

TITLE I—COORDINATION FOR, PLANNING FOR, AND INTEROPERABILITY OF HEALTH INFORMATION TECHNOLOGY

Sec. 101. Office of the National Coordinator for Health Information Technology.
Sec. 102. Report on the American Health Information Community.
Sec. 103. Interoperability planning process; Federal information collection activities.
Sec. 104. Grants to integrated health systems to promote health information technologies to improve coordination of care for the uninsured, underinsured, and medically underserved.
Sec. 105. Small physician practice demonstration grants.

TITLE II—TRANSACTION STANDARDS, CODES, AND INFORMATION

Sec. 201. Procedures to ensure timely updating of standards that enable electronic exchanges.
Sec. 202. Upgrading ASC X12 and NCPDP standards.
Sec. 203. Upgrading ICD codes; coding and documentation of non-medical information.
Sec. 204. Strategic plan for coordinating implementation of transaction standards and ICD codes.
Sec. 205. Study and report to determine impact of variation and commonality in State health information laws and regulations.

TITLE III—PROMOTING THE USE OF HEALTH INFORMATION TECHNOLOGY TO BETTER COORDINATE HEALTH CARE

Sec. 301. Safe harbors to antikickback civil penalties and criminal penalties for provision of health information technology and training services.
Sec. 302. Exception to limitation on certain physician referrals (under Stark) for provision of health information technology and training services to health care professionals.
Sec. 303. Rules of construction regarding use of consortia.

TITLE IV—ADDITIONAL PROVISIONS

Sec. 401. Promotion of telehealth services.
Sec. 402. Study and report on expansion of home health-related telehealth services.
Sec. 403. Study and report on store and forward technology for telehealth.
Sec. 404. Methodology for reporting uniform price data for inpatient and outpatient hospital services.
Sec. 405. Inclusion of uniform price data.
Sec. 406. Ensuring health care providers participating in PHSA programs, Medicaid, SCHIP, or the MCH program may maintain health information in electronic form.
Sec. 407. Ensuring health care providers participating in the Medicare program may maintain health information in electronic form.
Sec. 408. Study and report on State, regional, and community health information exchanges.

SEC. 2. PRESERVING PRIVACY AND SECURITY LAWS.

Nothing in this Act (or the amendments made by this Act) shall be construed to affect the scope, substance, or applicability of section 264(c) of the Health Insurance Portability and Accountability Act of 1996 and any regulation issued pursuant to such section.

TITLE I—COORDINATION FOR, PLANNING FOR, AND INTEROPERABILITY OF HEALTH INFORMATION TECHNOLOGY

SEC. 101. OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY.

(a) IN GENERAL.—Title II of the Public Health Service Act is amended by adding at the end the following new part:

"PART D—HEALTH INFORMATION TECHNOLOGY

"SEC. 271. OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY.

"(a) ESTABLISHMENT.—There is established within the Department of Health and Human Services an Office of the National Coordinator for Health Information Technology that shall be headed by the National Coordinator for Health Information Technology (referred to in this part as the 'National Coordinator'). The National Coordinator shall be appointed by and report directly to the Secretary. The National Coordinator shall be paid at a rate equal to the rate of basic pay for level IV of the Executive Schedule.

"(b) GOALS OF NATIONWIDE INTEROPERABLE HEALTH INFORMATION TECHNOLOGY INFRASTRUCTURE.—The National Coordinator shall perform the duties under subsection (c) in a manner consistent with the development of a nationwide interoperable health information technology infrastructure that—

"(1) improves health care quality, promotes data accuracy, reduces medical errors, increases the efficiency of care, and advances the delivery of appropriate, evidence-based health care services;

"(2) promotes wellness, disease prevention, and management of chronic illnesses by increasing the availability and transparency of information related to the health care needs of an individual for such individual;

"(3) promotes the availability of appropriate and accurate information necessary to make medical decisions in a usable form at the time and in the location that the medical service involved is provided;

"(4) produces greater value for health care expenditures by reducing health care costs that result from inefficiency, medical errors, inappropriate care, and incomplete or inaccurate information;

"(5) promotes a more effective marketplace, greater competition, greater systems analysis, increased consumer choice, enhanced quality, and improved outcomes in health care services;

"(6) with respect to health information of consumers, advances the portability of such information and the ability of such consumers to share and use such information to assist in the management of their health care;

"(7) improves the coordination of information and the provision of such services through an effective infrastructure for the secure and authorized exchange and use of health care information;

"(8) is consistent with legally applicable requirements with respect to securing and protecting the confidentiality of individually identifiable health information of a patient;

"(9) promotes the creation and maintenance of transportable, secure, Internet-based personal health records, including promoting the efforts of health care payers and health plan administrators for a health plan, such as Federal agencies, private health plans, and third party administrators, to provide for such records on behalf of members of such a plan;

"(10) promotes access to and review of the electronic health record of a patient by such patient;

"(11) promotes health research and health care quality research and assessment; and

"(12) promotes the efficient and streamlined development, submission, and maintenance of electronic health care clinical trial data.

"(c) DUTIES OF THE NATIONAL COORDINATOR.—

"(1) STRATEGIC PLANNER FOR INTEROPERABLE HEALTH INFORMATION TECHNOLOGY.—The National Coordinator shall provide for a strategic plan for the nationwide implementation of interoperable health information technology in both the public and private health care sectors consistent with subsection (b).

"(2) PRINCIPAL ADVISOR TO THE SECRETARY.—The National Coordinator shall serve as the principal advisor to the Secretary on the development, application, and use of health information technology, and shall coordinate the policies and programs of the Department of Health and Human Services for promoting the use of health information technology.

"(3) INTRAGOVERNMENTAL COORDINATOR.—The National Coordinator shall ensure that health information technology policies and programs of the Department of Health and Human Services are coordinated with those of relevant executive branch agencies and departments with a goal to avoid duplication of effort, to align the health information architecture of each agency or department toward a common approach, to ensure that each agency or department conducts programs within the areas of its greatest expertise and its mission in order to create a national interoperable health information system capable of meeting national public health needs effectively and efficiently, and to assist Federal agencies and departments in security programs, policies, and protections to prevent unauthorized access to individually identifiable health information created, maintained, or in the temporary possession of that agency or department. The coordination authority provided to the National Coordinator under the previous sentence shall supercede any such authority otherwise provided to any other official of the Department of Health and Human Services. For the purposes of this paragraph, the term 'unauthorized access' means access that is not authorized by that agency or department including unauthorized employee access.

"(4) ADVISOR TO OMB.—The National Coordinator shall provide to the Director of the Office of Management and Budget comments and advice with respect to specific Federal health information technology programs.

"(5) PROMOTER OF HEALTH INFORMATION TECHNOLOGY IN MEDICALLY UNDERSERVED COMMUNITIES.—The National Coordinator shall—

"(A) identify sources of funds that will be made available to promote and support the planning and adoption of health information technology in medically underserved communities, including in urban and rural areas, either through grants or technical assistance;

"(B) coordinate with the funding sources to help such communities connect to identified funding; and

"(C) collaborate with the Agency for Healthcare Research and Quality and the Health Services Resources Administration and other Federal agencies to support technical assistance, knowledge dissemination, and resource development, to medically underserved communities seeking to plan for and adopt technology and establish electronic health information networks across providers.".

(b) TREATMENT OF EXECUTIVE ORDER 13335.—Executive Order 13335 shall not have any force or effect after the date of the enactment of this Act.

(c) TRANSITION FROM ONCHIT UNDER EXECUTIVE ORDER.—

(1) IN GENERAL.—All functions, personnel, assets, liabilities, administrative actions, and statutory reporting requirements applicable to the old National Coordinator or the Office of the old National Coordinator on the date before the date of the enactment of this Act shall be transferred, and applied in the same manner and under the same terms and conditions, to the new National Coordinator and the Office of the new National Coordinator as of the date of the enactment of this Act.

(2) RULE OF CONSTRUCTION.— Nothing in this section or the amendment made by this section shall be construed as requiring the duplication of Federal efforts with respect to the establishment of the Office of the National Coordinator for Health Information Technology, regardless of whether such efforts are carried out before or after the date of the enactment of this Act.

(3) ACTING NATIONAL COORDINATOR.—Before the appointment of the new National Coordinator, the old National Coordinator shall act as the National Coordinator for Health Information Technology until the office is filled as provided in section 271(a) of the Public

Health Service Act, as added by subsection (a). The Secretary of Health and Human Services may appoint the old National Coordinator as the new National Coordinator.

(4) DEFINITIONS.—For purposes of this subsection:

(A) NEW NATIONAL COORDINATOR.—The term "new National Coordinator" means the National Coordinator for Health Information Technology appointed under section 271(a) of the Public Health Service Act, as added by subsection (a).

(B) OLD NATIONAL COORDINATOR.—The term "old National Coordinator" means the National Coordinator for Health Information Technology appointed under Executive Order 13335.

SEC. 102. REPORT ON THE AMERICAN HEALTH INFORMATION COMMUNITY.

Not later than one year after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the work conducted by the American Health Information Community (in this section referred to as "AHIC"), as established by the Secretary. Such report shall include the following:

(1) A description of the accomplishments of AHIC, with respect to the promotion of the development of national guidelines, the development of a nationwide health information network, and the increased adoption of health information technology.

(2) Information on how model privacy and security policies may be used to protect confidentiality of health information, and an assessment of how existing policies compare to such model policies.

(3) Information on the progress in—

(A) establishing uniform industry-wide health information technology standards;

(B) achieving an internet-based nationwide health information network;

(C) achieving interoperable electronic health record adoption across health care providers; and

(D) creating technological innovations to promote security and confidentiality of individually identifiable health information.

(4) Recommendations for the transition of AHIC to a longer-term or permanent advisory and facilitation entity, including—

(A) a schedule for such transition;

(B) options for structuring the entity as either a public-private or private sector entity;

(C) the collaberative role of the Federal Government in the entity;

(D) steps for—

(i) continued leadership in the facilitation of guidelines or standards;

(ii) the alignment of financial incentives; and

(iii) the long-term plan for health care transformation through information technology; and

(E) the elimination or revision of the functions of AHIC during the development of the nationwide health information network.

SEC. 103. INTEROPERABILITY PLANNING PROCESS; FEDERAL INFORMATION COLLECTION ACTIVITIES.

Part D of title II of the Public Health Service Act, as added by section 101(a), is amended by adding at the end the following new section:

"SEC. 272. INTEROPERABILITY PLANNING PROCESS; FEDERAL INFORMATION COLLECTION ACTIVITIES.

"(a) STRATEGIC INTEROPERABILITY PLANNING PROCESS.—

"(1) ASSESSMENT AND ENDORSEMENT OF CORE STRATEGIC GUIDELINES.—

"(A) IN GENERAL.—Not later than December 31, 2006, the National Coordinator shall publish a strategic plan, including a schedule, for the assessment and the endorsement of core interoperability guidelines for significant use cases consistent with this subsection. The National Coordinator may update such plan from time to time.

"(B) ENDORSEMENT.—

"(i) IN GENERAL.—Consistent with the schedule under this paragraph and not later than one year after the publication of such schedule, the National Coordinator shall endorse a subset of core interoperability guidelines for significant use cases. The National Coordinator shall continue to endorse subsets of core interoperability guidelines for significant use cases annually consistent with the schedule published pursuant to this paragraph, with endorsement of all such guidelines completed not later than August 31, 2009.

"(ii) CONSULTATION.—All such endorsements shall be in consultation with the American Health Information Community and other appropriate entities.

"(iii) VOLUNTARY COMPLIANCE.—Compliance with such guidelines shall be voluntary, subject to subsection (b)(1).

"(C) CONSULTATION WITH OTHER PARTIES.—The National Coordinator shall develop and implement such strategic plan in consultation with the American Health Information Community and other appropriate entities.

"(D) DEFINITIONS.—For purposes of this section:

"(i) INTEROPERABILITY GUIDELINE.—The term 'interoperability guideline' means a guideline to improve and promote the interoperability of health information technology for purposes of electronically accessing and exchanging health information. Such term includes named standards, architectures, software schemes for identification, authentication, and security, and other information needed to ensure the reproducible development of common solutions across disparate entities.

"(ii) CORE INTEROPERABILITY GUIDELINE.—The term 'core interoperability guideline' means an interoperability guideline that the National Coordinator determines is essential and necessary for purposes described in clause (i).

"(iii) SIGNIFICANT USE CASE.—The term 'significant use case' means a category (as specified by the National Coordinator) that identifies a significant use or purpose for the interoperability of health information technology, such as for the exchange of laboratory information, drug prescribing, clinical research, and electronic health records.

"(2) NATIONAL SURVEY.—

"(A) IN GENERAL.—Not later than August 31, 2008, the National Coordinator shall conduct one or more surveys designed to measure the capability of entities (including Federal agencies, State and local government agencies, and private sector entities) to exchange electronic health information by appropriate significant use case. Such surveys shall identify the extent to which the type of health information, the use for such information, or any other appropriate characterization of such information may relate to the capability of such entities to exchange health information in a manner that is consistent with methods to improve the interoperability of health information and with core interoperability guidelines.

"(B) DISSEMINATION OF SURVEY RESULTS.—The National Coordinator shall disseminate the results of such surveys in a manner so as to—

"(i) inform the public on the capabilities of entities to exchange electronic health information;

"(ii) assist in establishing a more interoperable information architecture; and

"(iii) identify the status of health information systems used in Federal agencies and the status of such systems with respect to interoperability guidelines.

"(b) FEDERAL HEALTH INFORMATION COLLECTION ACTIVITIES.—

"(1) REQUIREMENTS.—With respect to a core interoperability guideline endorsed under subsection (a)(1)(B) for a significant use case, the President shall take measures to ensure that Federal activities involving the broad collection and submission of health information are consistent with such guideline within three years after the date of such endorsement.

"(2) PROMOTING USE OF NON-IDENTIFIABLE HEALTH INFORMATION TO IMPROVE HEALTH RESEARCH AND HEALTH CARE QUALITY.—

"(A) IN GENERAL.—Where feasible, and consistent with applicable privacy or security or other laws, the President, in consultation with the Secretary, shall take measures to allow timely access to useful categories of non-identifiable health information in records maintained by the Federal government, or maintained by entities under contract with the Federal government, to advance health care quality and health research where such information is in a form that can be used in such research. The President shall consult with appropriate Federal agencies, and solicit public comment, on useful categories of information, and appropriate measures to take. The President may consider the administrative burden and the potential for improvements in health care quality in determining such appropriate measures. In addition, the President, in consultation with the Secretary, shall encourage voluntary private and public sector efforts to allow access to such useful categories of non-identifiable health information to advance health care quality and health research.

"(B) NON-IDENTIFIABLE HEALTH INFORMATION DEFINED.—For purposes of this paragraph, the term 'non-identifiable health information' means information that is not individually identifiable health information as defined in rules promulgated pursuant to section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-2 note), and includes information that has been de-identified so that it is no longer individually identifiable health information, as defined in such rules.

"(3) ANNUAL REVIEW AND REPORT.—For each year during the five-year period following the date of the enactment of this section, the National Coordinator shall review the operation of health information collection by and submission to the Federal government and the purchases (and planned purchases) of health information technology by the Federal government. For each such year and based on the review for such year, the National Coordinator shall submit to the President and Congress recommendations on methods to—

"(A) streamline (and eliminate redundancy in) Federal systems used for the collection and submission of health information;

"(B) improve efficiency in such collection and submission;

"(C) increase the ability to assess health care quality; and

"(D) reduce health care costs.".

SEC. 104. GRANTS TO INTEGRATED HEALTH SYSTEMS TO PROMOTE HEALTH INFORMATION TECHNOLOGIES TO IMPROVE COORDINATION OF CARE FOR THE UNINSURED, UNDERINSURED, AND MEDICALLY UNDERSERVED.

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end the following:

"SEC. 330M. GRANTS FOR IMPROVEMENT OF THE COORDINATION OF CARE FOR THE UNINSURED, UNDERINSURED, AND MEDICALLY UNDERSERVED.

"(a) In General.—The Secretary may make grants to integrated health care systems, in accordance with this section, for projects to better coordinate the provision of health care through the adoption of new health information technology, or the significant improvement of existing health information technology, to improve the provision of health care to uninsured, underinsured, and medically underserved individuals (including in urban and rural areas) through health-related information about such individuals, throughout such a system and at the point of service.

"(b) Eligibility.—

"(1) Application.—To be eligible to receive a grant under this section, an integrated health care system shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

"(A) a description of the project that the system will carry out using the funds provided under the grant;

"(B) a description of the manner in which the project funded under the grant will advance the goal specified in subsection (a); and

"(C) a description of the populations to be served by the adoption or improvement of health information technology.

"(2) Optional reporting condition.—The Secretary may also condition the provision of a grant to an integrated health care system under this section for a project on the submission by such system to the Secretary of a report on the impact of the health information technology adopted (or improved) under such project on the delivery of health care and the quality of care (in accordance with applicable measures of such quality). Such report shall be at such time and in such form and manner as specified by the Secretary.

"(c) Integrated Health Care System Defined.—For purposes of this section, the term 'integrated health care system' means a system of health care providers that is organized to provide care in a coordinated fashion and has a demonstrated commitment to provide uninsured, underinsured, and medically underserved individuals with access to such care.

"(d) Priorities.—In making grants under this section, the Secretary shall give priority to an integrated health care system—

"(1) that can demonstrate past successful community-wide efforts to improve the quality of care provided and the coordination of care for the uninsured, underinsured, and medically underserved; or

"(2) if the project to be funded through such a grant—

"(A) will improve the delivery of health care and the quality of care provided; and

"(B) will demonstrate savings for State or Federal health care benefits programs or entities legally obligated under Federal law to provide health care from the reduction of duplicative health care services, administrative costs, and medical errors.

"(e) Limitation, Matching Requirement, and Conditions.—

"(1) Limitation on use of funds.—None of the funds provided under a grant made under this section may be used for a project providing for the adoption or improvement of health information technology that is used exclusively for financial record keeping, billing, or other non-clinical applications.

"(2) Matching requirement.—To be eligible for a grant under this section an integrated health care system shall contribute non-Federal contributions to the costs of carrying out the project for which the grant is awarded in an amount equal to $1 for each $5 of Federal funds provided under the grant.

"(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2007 and 2008.".

SEC. 105. SMALL PHYSICIAN PRACTICE DEMONSTRATION GRANTS.

Part D of title II of the Public Health Service Act, as added by section 101(a) and amended by section 103, is amended by adding at the end the following new section:

"SEC. 273. SMALL PHYSICIAN PRACTICE DEMONSTRATION GRANTS.

"(a) In General.—The Secretary shall establish a demonstration program under which the Secretary makes grants to small physician practices (including such practices that furnish services to individuals with chronic illnesses) that are located in rural areas or medically underserved urban areas for the purchase and support of health information technology.

"(b) Eligibility.—To be eligible to receive a grant under this section, an applicant shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information, as the Secretary may require.

"(c) Reporting.—

"(1) Required reports by small physician practices.—A small physician practice receiving a grant under subsection (a) shall submit to the Secretary an evaluation on the health information technology funded by such grant. Such evaluation shall include information on—

"(A) barriers to the adoption of health information technology by the small physician practice;

"(B) issues for such practice in the use of health information technology;

"(C) the effect health information technology will have on the quality of health care furnished by such practice; and

"(D) the effect of any medical liability rules on such practice.

"(2) Report to congress.—Not later than January 1, 2009, the Secretary shall submit to Congress a report on the results of the demonstration program under this section.

"(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2007 and 2008.".

TITLE II—TRANSACTION STANDARDS, CODES, AND INFORMATION

SEC. 201. PROCEDURES TO ENSURE TIMELY UPDATING OF STANDARDS THAT ENABLE ELECTRONIC EXCHANGES.

Section 1174(b) of the Social Security Act (42 U.S.C. 1320d-3(b)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by inserting "and in accordance with paragraph (3)" before the period; and

(B) by adding at the end the following new sentence: "For purposes of this subsection and section 1173(c)(2), the term 'modification' includes a new version or a version upgrade."; and

(2) by adding at the end the following new paragraph:

"(3) Expedited procedures for adoption of additions and modifications to standards.—

"(A) In general.—For purposes of paragraph (1), the Secretary shall provide for an expedited upgrade program (in this paragraph referred to as the 'upgrade program'), in accordance with this paragraph, to develop and approve additions and modifications to the standards adopted under section 1173(a) to improve the quality of such standards or to extend the functionality of such standards to meet evolving requirements in health care.

"(B) Publication of notices.—Under the upgrade program:

"(i) Voluntary notice of initiation of process.—Not later than 30 days after the date the Secretary receives a notice from a standard setting organization that the organization is initiating a process to develop an addition or modification to a standard adopted under section 1173(a), the Secretary shall publish a notice in the Federal Register that—

"(I) identifies the subject matter of the addition or modification;

"(II) provides a description of how persons may participate in the development process; and

"(III) invites public participation in such process.

"(ii) Voluntary notice of preliminary draft of additions or modifications to standards.—Not later than 30 days after the date of the date the Secretary receives a notice from a standard setting organization that the organization has prepared a preliminary draft of an addition or modification to a standard adopted by section 1173(a), the Secretary shall publish a notice in the Federal Register that—

"(I) identifies the subject matter of (and summarizes) the addition or modification;

"(II) specifies the procedure for obtaining the draft;

"(III) provides a description of how persons may submit comments in writing and at any public hearing or meeting held by the organization on the addition or modification; and

"(IV) invites submission of such comments and participation in such hearing or meeting without requiring the public to pay a fee to participate.

"(iii) Notice of proposed addition or modification to standards.—Not later than 30 days after the date of the date the Secretary receives a notice from a standard setting organization that the organization has a proposed addition or modification to a standard adopted under section 1173(a) that the organization intends to submit under subparagraph (D)(iii), the Secretary shall publish a notice in the Federal Register that contains, with respect to the proposed addition or modification, the information required in the notice under clause (ii) with respect to the addition or modification.

"(iv) Construction.—Nothing in this paragraph shall be construed as requiring a standard setting organization to request the notices described in clauses (i) and (ii) with respect to an addition or modification to a standard in order to qualify for an expedited determination under subparagraph (C) with respect to a proposal submitted to the Secretary for adoption of such addition or modification.

"(C) Provision of expedited determination.—Under the upgrade program and with respect to a proposal by a standard setting organization for an addition or modification to a standard adopted under section 1173(a), if the Secretary determines that the standard setting organization developed such addition or modification in accordance with the requirements of subparagraph (D) and the National Committee on Vital and Health Statistics recommends approval of such addition or modification under subparagraph (E), the Secretary shall provide for expedited treatment of such proposal in accordance with subparagraph (F).

"(D) REQUIREMENTS.—The requirements under this subparagraph with respect to a proposed addition or modification to a standard by a standard setting organization are the following:

"(i) REQUEST FOR PUBLICATION OF NOTICE.—The standard setting organization submits to the Secretary a request for publication in the Federal Register of a notice described in subparagraph (B)(iii) for the proposed addition or modification.

"(ii) PROCESS FOR RECEIPT AND CONSIDERATION OF PUBLIC COMMENT.—The standard setting organization provides for a process through which, after the publication of the notice referred to under clause (i), the organization—

"(I) receives and responds to public comments submitted on a timely basis on the proposed addition or modification before submitting such proposed addition or modification to the National Committee on Vital and Health Statistics under clause (iii);

"(II) makes publicly available a written explanation for its response in the proposed addition or modification to comments submitted on a timely basis; and

"(III) makes public comments received under clause (I) available, or provides access to such comments, to the Secretary.

"(iii) SUBMITTAL OF FINAL PROPOSED ADDITION OR MODIFICATION TO NCVHS.—After completion of the process under clause (ii), the standard setting organization submits the proposed addition or modification to the National Committee on Vital and Health Statistics for review and consideration under subparagraph (E). Such submission shall include information on the organization's compliance with the notice and comment requirements (and responses to those comments) under clause (ii).

"(E) HEARING AND RECOMMENDATIONS BY NATIONAL COMMITTEE ON VITAL AND HEALTH STATISTICS.—Under the upgrade program, upon receipt of a proposal submitted by a standard setting organization under subparagraph (D)(iii) for the adoption of an addition or modification to a standard, the National Committee on Vital and Health Statistics shall provide notice to the public and a reasonable opportunity for public testimony at a hearing on such addition or modification. The Secretary may participate in such hearing in such capacity (including presiding ex officio) as the Secretary shall determine appropriate. Not later than 120 days after the date of receipt of the proposal, the Committee shall submit to the Secretary its recommendation to adopt (or not adopt) the proposed addition or modification.

"(F) DETERMINATION BY SECRETARY TO ACCEPT OR REJECT NATIONAL COMMITTEE ON VITAL AND HEALTH STATISTICS RECOMMENDATION.—

"(i) TIMELY DETERMINATION.—Under the upgrade program, if the National Committee on Vital and Health Statistics submits to the Secretary a recommendation under subparagraph (E) to adopt a proposed addition or modification, not later than 90 days after the date of receipt of such recommendation the Secretary shall make a determination to accept or reject the recommendation and shall publish notice of such determination in the Federal Register not later than 30 days after the date of the determination.

"(ii) CONTENTS OF NOTICE.—If the determination is to reject the recommendation, such notice shall include the reasons for the rejection. If the determination is to accept the recommendation, as part of such notice the Secretary shall promulgate the modified standard (including the accepted proposed addition or modification accepted) as a final rule under this subsection without any further notice or public comment period.

"(iii) LIMITATION ON CONSIDERATION.—The Secretary shall not consider a proposal under this subparagraph unless the Secretary determines that the requirements of subparagraph (D) (including publication of notice and opportunity for public comment) have been met with respect to the proposal.

"(G) EXEMPTION FROM PAPERWORK REDUCTION ACT.—Chapter 35 of title 44, United States Code, shall not apply to a final rule promulgated under subparagraph (F).

"(H) TREATMENT AS SATISFYING REQUIREMENTS FOR NOTICE-AND-COMMENT.—Any requirements under section 553 of title 5, United States Code, relating to notice and an opportunity for public comment with respect to a final rule promulgated under subparagraph (F) shall be treated as having been met by meeting the requirements of the notice and opportunity for public comment provided under provisions of subparagraphs (B)(iii), (D), and (E).

"(I) NO JUDICIAL REVIEW.—A final rule promulgated under subparagraph (F) shall not be subject to judicial review.".

SEC. 202. UPGRADING ASC X12 AND NCPDP STANDARDS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall provide by notice published in the Federal Register for the following replacements of standards to apply to transactions occurring on or after April 1, 2009:

(1) ACCREDITED STANDARDS COMMITTEE X12 (ASC X12) STANDARD.—The replacement of the Accredited Standards Committee X12 (ASC X12) version 4010 adopted under section 1173(a) of such Act (42 U.S.C. 1320d-2(a)) with the ASC X12 version 5010, as reviewed by the National Committee on Vital Health Statistics.

(2) NATIONAL COUNCIL FOR PRESCRIPTION DRUG PROGRAMS (NCPDP) TELECOMMUNICATIONS STANDARDS.—The replacement of the National Council for Prescription Drug Programs (NCPDP) Telecommunications Standards version 5.1 adopted under section 1173(a) of such Act (42 U.S.C. 1320d-2(a)) with whichever is the latest version of the NCPDP Telecommunications Standards that has been approved by such Council and reviewed by the National Committee on Vital Health Statistics as of April 1, 2007.

(b) NO JUDICIAL REVIEW.—The implementation of subsection (a), including the determination of the latest version under subsection (a)(2), shall not be subject to judicial review.

SEC. 203. UPGRADING ICD CODES; CODING AND DOCUMENTATION OF NON-MEDICAL INFORMATION.

(a) UPGRADING ICD CODES.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall provide by notice published in the Federal Register for the replacement of the International Classification of Diseases, 9th revision, Clinical Modification (ICD-9-CM) under the regulation promulgated under section 1173(c) of the Social Security Act (42 U.S.C. 1320d-2(c)), including for purposes of part A of title XVIII of such Act, with both of the following:

(A) The International Classification of Diseases, 10th revision, Clinical Modification (ICD-10-CM).

(B) The International Classification of Diseases, 10th revision, Procedure Coding System (ICD-10-PCS).

(2) APPLICATION.—The replacement made by paragraph (1) shall apply, for purposes of section 1175(b)(2) of the Social Security Act (42 U.S.C. 1320d-4(b)(2)), to services furnished on or after October 1, 2010.

(3) RULES OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed—

(A) as affecting the application of classification methodologies or codes, such as CPT or HCPCS codes, other than under the International Classification of Diseases (ICD); or

(B) as superseding the authority of the Secretary of Health and Human Services to maintain and modify the coding set for ICD-10-CM and ICD-10-PCS, including under the amendments made by section 201.

(b) CODING AND DOCUMENTATION OF NON-MEDICAL INFORMATION.—In any regulation or other action implementing the International Classification of Diseases, 10th revision, Clinical Modification (ICD-10-CM), the International Classification of Diseases, 10th revision, Procedure Coding System (ICD-10-PCS), or other version of the International Classification of Diseases, 10th revision, the Secretary of Health and Human Services shall ensure that no health care provider is required to code to a level of specificity that would require documentation of non-medical information on the external cause of any given type of injury.

SEC. 204. STRATEGIC PLAN FOR COORDINATING IMPLEMENTATION OF TRANSACTION STANDARDS AND ICD CODES.

Not later than the date that is 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services, in consultation with relevant public and private entities, shall develop a strategic plan with respect to the need for coordination in the implementation of—

(1) transaction standards under section 1173(a) of the Social Security Act, including modifications to such standards under section 1174(b)(3) of such Act, as added by section 201; and

(2) any updated versions of the International Classification of Diseases (ICD), including the replacement of ICD-9 provided for under section 203(a).

SEC. 205. STUDY AND REPORT TO DETERMINE IMPACT OF VARIATION AND COMMONALITY IN STATE HEALTH INFORMATION LAWS AND REGULATIONS.

Part C of title XI of the Social Security Act is amended by adding at the end the following new section:

"STUDY AND REPORT TO DETERMINE IMPACT OF VARIATION AND COMMONALITY IN STATE HEALTH INFORMATION LAWS AND REGULATIONS

"SEC. 1180. (a) STUDY.—For purposes of promoting the development of a nationwide interoperable health information technology infrastructure consistent with section 271(b) of the Public Health Service Act, the Secretary shall conduct a study of the impact of variation in State security and confidentiality laws and current Federal security and confidentiality standards on the timely exchanges of health information in order to ensure the availability of health information necessary to make medical decisions at the location in which the medical care involved is provided. Such study shall examine—

"(1)(A) the degree of variation and commonality among the requirements of such laws for States; and

"(B) the degree of variation and commonality between the requirements of such laws and the current Federal standards;

"(2) insofar as there is variation among and between such requirements, the strengths and weaknesses of such requirements; and

"(3) the extent to which such variation may adversely impact the secure, confidential, and timely exchange of health information among States, the Federal government, and public and private entities, or may otherwise impact the reliability of such information.

"(b) REPORT.—Not later than 18 months after the date of the enactment of this section, the Secretary shall submit to Congress a report on the study under subsection (a) and shall include in such report the following:

"(1) ANALYSIS OF NEED FOR GREATER COMMONALITY.—A determination by the Secretary on the extent to which there is a need for greater commonality of the requirements of State security and confidentiality laws and current Federal security and confidentiality standards to better protect, strengthen, or otherwise improve the secure, confidential, and timely exchange of health information among States, the Federal government, and public and private entities.

"(2) RECOMMENDATIONS FOR GREATER COMMONALITY.—Insofar as the Secretary determines under paragraph (1) that there is a need for greater commonality of such requirements, recommendations on the extent to which (and how) the current Federal security and confidentiality standards should be changed in order to provide the commonality needed to better protect, strengthen, or otherwise improve the secure, confidential, and timely exchange of health information.

"(3) SPECIFIC RECOMMENDATION ON LEGISLATIVE CHANGES FOR GREATER COMMONALITY.—A specific recommendation on the extent to which and how such standards should supersede State laws, in order to provide the commonality needed to better protect or strengthen the security and confidentiality of health information in the timely exchange of such information and legislative language in the form of a bill to effectuate such specific recommendation.

"(c) CONGRESSIONAL CONSIDERATION OF LEGISLATION PROVIDING FOR GREATER COMMONALITY.—

"(1) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This subsection is enacted by the Congress—

"(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a greater commonality bill defined in paragraph (4), and they supersede other rules only to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(2) INTRODUCTION.—On the date on which the final report is submitted under subsection (b)(3)—

"(A) a greater commonality bill shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and

"(B) a greater commonality bill shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate.

If either House is not in session on the day on which such a report is submitted, the greater commonality bill shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which the House is in session.

"(3) REFERRAL.—A greater commonality bill shall be referred by the Presiding Officers of the respective House to the appropriate committee (or committees) of such House, in accordance with the rules of that House.

"(4) GREATER COMMONALITY BILL DEFINED.—For purposes of this section, the term 'greater commonality bill' means a bill—

"(A) the title of which is the following: 'A Bill to provide the commonality needed to better protect, strengthen, or otherwise improve the secure, confidential, and timely exchange of health information'; and

"(B) the text of which, as introduced, consists of the text of the bill included in the report submitted under subsection (b)(3).

"(d) DEFINITIONS.—For purposes of this section:

"(1) CURRENT FEDERAL SECURITY AND CONFIDENTIALITY STANDARDS.—The term 'current Federal security and confidentiality standards' means the Federal privacy standards established pursuant to section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-2 note) and security standards established under section 1173(d) of the Social Security Act.

"(2) STATE.—The term 'State' has the meaning given such term when used in title XI of the Social Security Act, as provided under section 1101(a) of such Act (42 U.S.C. 1301(a)).

"(3) STATE SECURITY AND CONFIDENTIALITY LAWS.—The term 'State security and confidentiality laws' means State laws and regulations relating to the privacy and confidentiality of health information or to the security of such information.".

TITLE III—PROMOTING THE USE OF HEALTH INFORMATION TECHNOLOGY TO BETTER COORDINATE HEALTH CARE

SEC. 301. SAFE HARBORS TO ANTIKICKBACK CIVIL PENALTIES AND CRIMINAL PENALTIES FOR PROVISION OF HEALTH INFORMATION TECHNOLOGY AND TRAINING SERVICES.

(a) FOR CIVIL PENALTIES.—Section 1128A of the Social Security Act (42 U.S.C. 1320a-7a) is amended—

(1) in subsection (b), by adding at the end the following new paragraph:

"(4) For purposes of this subsection, inducements to reduce or limit services described in paragraph (1) shall not include the practical or other advantages resulting from health information technology or related installation, maintenance, support, or training services."; and

(2) in subsection (i), by adding at the end the following new paragraph:

"(8) The term 'health information technology' means hardware, software, license, right, intellectual property, equipment, or other information technology (including new versions, upgrades, and connectivity) designed or provided primarily for the electronic creation, maintenance, or exchange of health information to better coordinate care or improve health care quality, efficiency, or research.".

(b) FOR CRIMINAL PENALTIES.—Section 1128B of such Act (42 U.S.C. 1320a-7b) is amended—

(1) in subsection (b)(3)—

(A) in subparagraph (G), by striking "and" at the end;

(B) in the subparagraph (H) added by section 237(d) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108-173; 117 Stat. 2213)—

(i) by moving such subparagraph 2 ems to the left; and

(ii) by striking the period at the end and inserting a semicolon;

(C) in the subparagraph (H) added by section 431(a) of such Act (117 Stat. 2287)—

(i) by redesignating such subparagraph as subparagraph (I);

(ii) by moving such subparagraph 2 ems to the left; and

(iii) by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following new subparagraph:

"(J) any nonmonetary remuneration (in the form of health information technology, as defined in section 1128A(i)(8), or related installation, maintenance, support or training services) made to a person by a specified entity (as defined in subsection (g)) if—

"(i) the provision of such remuneration is without an agreement between the parties or legal condition that—

"(I) limits or restricts the use of the health information technology to services provided by the physician to individuals receiving services at the specified entity;

"(II) limits or restricts the use of the health information technology in conjunction with other health information technology; or

"(III) conditions the provision of such remuneration on the referral of patients or business to the specified entity;

"(ii) such remuneration is arranged for in a written agreement that is signed by the parties involved (or their representatives) and that specifies the remuneration solicited or received (or offered or paid) and states that the provision of such remuneration is made for the primary purpose of better coordination of care or improvement of health quality, efficiency, or research; and

"(iii) the specified entity providing the remuneration (or a representative of such entity) has not taken any action to disable any basic feature of any hardware or software component of such remuneration that would permit interoperability."; and

(2) by adding at the end the following new subsection:

"(g) SPECIFIED ENTITY DEFINED.—For purposes of subsection (b)(3)(J), the term 'specified entity' means an entity that is a hospital, group practice, prescription drug plan sponsor, a Medicare Advantage organization, or any other such entity specified by the Secretary, considering the goals and objectives of this section, as well as the goals to better coordinate the delivery of health care and to promote the adoption and use of health information technology.".

(c) EFFECTIVE DATE AND EFFECT ON STATE LAWS.—

(1) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date that is 120 days after the date of the enactment of this Act.

(2) PREEMPTION OF STATE LAWS.—No State (as defined in section 1101(a) of the Social Security Act (42 U.S.C. 1301(a)) for purposes of

title XI of such Act) shall have in effect a State law that imposes a criminal or civil penalty for a transaction described in section 1128A(b)(4) or section 1128B(b)(3)(J) of such Act, as added by subsections (a)(1) and (b), respectively, if the conditions described in the respective provision, with respect to such transaction, are met.

(d) Study and Report to Assess Effect of Safe Harbors on Health System.—

(1) In general.—The Secretary of Health and Human Services shall conduct a study to determine the impact of each of the safe harbors described in paragraph (3). In particular, the study shall examine the following:

(A) The effectiveness of each safe harbor in increasing the adoption of health information technology.

(B) The types of health information technology provided under each safe harbor.

(C) The extent to which the financial or other business relationships between providers under each safe harbor have changed as a result of the safe harbor in a way that adversely affects or benefits the health care system or choices available to consumers.

(D) The impact of the adoption of health information technology on health care quality, cost, and access under each safe harbor.

(2) Report.—Not later than three years after the effective date described in subsection (c)(1), the Secretary of Health and Human Services shall submit to Congress a report on the study under paragraph (1).

(3) Safe harbors described.—For purposes of paragraphs (1) and (2), the safe harbors described in this paragraph are—

(A) the safe harbor under section 1128A(b)(4) of such Act (42 U.S.C. 1320a-7a(b)(4)), as added by subsection (a)(1); and

(B) the safe harbor under section 1128B(b)(3)(J) of such Act (42 U.S.C. 1320a-7b(b)(3)(J)), as added by subsection (b).

SEC. 302. EXCEPTION TO LIMITATION ON CERTAIN PHYSICIAN REFERRALS (UNDER STARK) FOR PROVISION OF HEALTH INFORMATION TECHNOLOGY AND TRAINING SERVICES TO HEALTH CARE PROFESSIONALS.

(a) In General.—Section 1877(b) of the Social Security Act (42 U.S.C. 1395nn(b)) is amended by adding at the end the following new paragraph:

"(6) Information technology and training services.—

"(A) In general.—Any nonmonetary remuneration (in the form of health information technology or related installation, maintenance, support or training services) made by a specified entity to a physician if—

"(i) the provision of such remuneration is without an agreement between the parties or legal condition that—

"(I) limits or restricts the use of the health information technology to services provided by the physician to individuals receiving services at the specified entity;

"(II) limits or restricts the use of the health information technology in conjunction with other health information technology; or

"(III) conditions the provision of such remuneration on the referral of patients or business to the specified entity;

"(ii) such remuneration is arranged for in a written agreement that is signed by the parties involved (or their representatives) and that specifies the remuneration made and states that the provision of such remuneration is made for the primary purpose of better coordination of care or improvement of health quality, efficiency, or research; and

"(iii) the specified entity (or a representative of such entity) has not taken any action to disable any basic feature of any hardware or software component of such remuneration that would permit interoperability.

"(B) Health information technology defined.—For purposes of this paragraph, the term 'health information technology' means hardware, software, license, right, intellectual property, equipment, or other information technology (including new versions, upgrades, and connectivity) designed or provided primarily for the electronic creation, maintenance, or exchange of health information to better coordinate care or improve health care quality, efficiency, or research.

"(C) Specified entity defined.—For purposes of this paragraph, the term 'specified entity' means an entity that is a hospital, group practice, prescription drug plan sponsor, a Medicare Advantage organization, or any other such entity specified by the Secretary, considering the goals and objectives of this section, as well as the goals to better coordinate the delivery of health care and to promote the adoption and use of health information technology.".

(b) Effective Date; Effect on State Laws.—

(1) Effective date.—The amendment made by subsection (a) shall take effect on the date that is 120 days after the date of the enactment of this Act.

(2) Preemption of state laws.—No State (as defined in section 1101(a) of the Social Security Act (42 U.S.C. 1301(a)) for purposes of title XI of such Act) shall have in effect a State law that imposes a criminal or civil penalty for a transaction described in section 1877(b)(6) of such Act, as added by subsection (a), if the conditions described in such section, with respect to such transaction, are met.

(c) Study and Report to Assess Effect of Exception on Health System.—

(1) In general.—The Secretary of Health and Human Services shall conduct a study to determine the impact of the exception under section 1877(b)(6) of such Act (42 U.S.C. 1395nn(b)(6)), as added by subsection (a). In particular, the study shall examine the following:

(A) The effectiveness of the exception in increasing the adoption of health information technology.

(B) The types of health information technology provided under the exception.

(C) The extent to which the financial or other business relationships between providers under the exception have changed as a result of the exception in a way that adversely affects or benefits the health care system or choices available to consumers.

(D) The impact of the adoption of health information technology on health care quality, cost, and access under the exception.

(2) Report.—Not later than three years after the effective date described in subsection (b)(1), the Secretary of Health and Human Services shall submit to Congress a report on the study under paragraph (1).

SEC. 303. RULES OF CONSTRUCTION REGARDING USE OF CONSORTIA.

(a) Application to Safe Harbor From Criminal Penalties.—Section 1128B(b)(3) of the Social Security Act (42 U.S.C. 1320a-7b(b)(3)) is amended by adding after and below subparagraph (J), as added by section 301(b)(1), the following: "For purposes of subparagraph (J), nothing in such subparagraph shall be construed as preventing a specified entity, consistent with the specific requirements of such subparagraph, from forming a consortium composed of health care providers, payers, employers, and other interested entities to collectively purchase and donate health information technology, or from offering health care providers a choice of health information technology products in order to take into account the varying needs of such providers receiving such products.".

(b) Application to Stark Exception.—Paragraph (6) of section 1877(b) of the Social Security Act (42 U.S.C. 1395nn(b)), as added by section 302(a), is amended by adding at the end the following new subparagraph:

"(D) Rule of construction.—For purposes of subparagraph (A), nothing in such subparagraph shall be construed as preventing a specified entity, consistent with the specific requirements of such subparagraph, from—

"(i) forming a consortium composed of health care providers, payers, employers, and other interested entities to collectively purchase and donate health information technology; or

"(ii) offering health care providers a choice of health information technology products in order to take into account the varying needs of such providers receiving such products.".

TITLE IV—ADDITIONAL PROVISIONS

SEC. 401. PROMOTION OF TELEHEALTH SERVICES.

(a) Facilitating the Provision of Telehealth Services Across State Lines.—The Secretary of Health and Human Services shall, in coordination with physicians, health care practitioners, patient advocates, and representatives of States, encourage and facilitate the adoption of State reciprocity agreements for practitioner licensure in order to expedite the provision across State lines of telehealth services.

(b) Report.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the actions taken to carry out subsection (a).

(c) State Defined.—For purposes of this subsection, the term "State" has the meaning given that term for purposes of title XVIII of the Social Security Act.

SEC. 402. STUDY AND REPORT ON EXPANSION OF HOME HEALTH-RELATED TELEHEALTH SERVICES.

(a) Study.—The Secretary of Health and Human Services shall conduct a study to determine the feasibility, advisability, and the costs of—

(1) including coverage and payment for home health-related telehealth services as part of home health services under title XVIII of the Social Security Act; and

(2) expanding the list of sites described in paragraph (4)(C)(ii) of section 1834(m) of the Social Security Act (42 U.S.C. 1395m(m)) to include county mental health clinics or other publicly funded mental health facilities for the purpose of payment under such section for the provision of telehealth services at such clinics or facilities.

(b) Specifics of Study.—Such study shall demonstrate whether the changes described in paragraphs (1) and (2) of subsection (a) will result in the following:

(1) Enhanced health outcomes for individuals with one or more chronic conditions.

(2) Health outcomes for individuals furnished telehealth services or home health-related telehealth services that are at least comparable to the health outcomes for individuals furnished similar items and services by a health care provider at the same location of the individual or at the home of the individual, respectively.

(3) Facilitation of communication of more accurate clinical information between health care providers.

(4) Closer monitoring of individuals by health care providers.

(5) Overall reduction in expenditures for health care items and services.

(6) Improved access to health care.

(c) HOME HEALTH-RELATED TELEHEALTH SERVICES DEFINED.—For purposes of this section, the term "home health-related telehealth services" means technology-based professional consultations, patient monitoring, patient training services, clinical observation, patient assessment, and any other health services that utilize telecommunications technologies. Such term does not include a telecommunication that consists solely of a telephone audio conversation, facsimile, electronic text mail, or consultation between two health care providers.

(d) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the study conducted under subsection (a) and shall include in such report such recommendations for legislation or administration action as the Secretary determines appropriate.

SEC. 403. STUDY AND REPORT ON STORE AND FORWARD TECHNOLOGY FOR TELEHEALTH.

(a) STUDY.—The Secretary of Health and Human Services, acting through the Director of the Office for the Advancement of Telehealth, shall conduct a study on the use of store and forward technologies (that provide for the asynchronous transmission of health care information in single or multimedia formats) in the provision of telehealth services. Such study shall include an assessment of the feasibility, advisability, and the costs of expanding the use of such technologies for use in the diagnosis and treatment of certain conditions.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the study conducted under subsection (a) and shall include in such report such recommendations for legislation or administration action as the Secretary determines appropriate.

SEC. 404. ENSURING HEALTH CARE PROVIDERS PARTICIPATING IN PHSA PROGRAMS, MEDICAID, SCHIP, OR THE MCH PROGRAM MAY MAINTAIN HEALTH INFORMATION IN ELECTRONIC FORM.

Part D of title II of the Public Health Service Act, as added by section 101(a) and amended by sections 103 and 105, is further amended by adding at the end the following new section:

"SEC. 274. ENSURING HEALTH CARE PROVIDERS MAY MAINTAIN HEALTH INFORMATION IN ELECTRONIC FORM.

"(a) IN GENERAL.—Any health care provider that participates in a health care program that receives Federal funds under this Act, or under title V, XIX, or XXI of the Social Security Act, shall be deemed as meeting any requirement for the maintenance of data in paper form under such program (whether or not for purposes of management, billing, reporting, reimbursement, or otherwise) if the required data is maintained in an electronic form.

"(b) RELATION TO STATE LAWS.—Beginning on the date that is one year after the date of the enactment of this section, subsection (a) shall supersede any contrary provision of State law.

"(c) CONSTRUCTION.—Nothing in this section shall be construed as—

"(1) requiring health care providers to maintain or submit data in electronic form;

"(2) preventing a State from permitting health care providers to maintain or submit data in paper form; or

"(3) preventing a State from requiring health care providers to maintain or submit data in electronic form.".

SEC. 405. ENSURING HEALTH CARE PROVIDERS PARTICIPATING IN THE MEDICARE PROGRAM MAY MAINTAIN HEALTH INFORMATION IN ELECTRONIC FORM.

Section 1871 of the Social Security Act (42 U.S.C. 1395hh) is amended by adding at the end the following new subsection:

"(g)(1) Any provider of services or supplier shall be deemed as meeting any requirement for the maintenance of data in paper form under this title (whether or not for purposes of management, billing, reporting, reimbursement, or otherwise) if the required data is maintained in an electronic form.

"(2) Nothing in this subsection shall be construed as requiring health care providers to maintain or submit data in electronic form.".

SEC. 406. STUDY AND REPORT ON STATE, REGIONAL, AND COMMUNITY HEALTH INFORMATION EXCHANGES.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study on issues related to the development, operation, and implementation of State, regional, and community health information exchanges. Such study shall include the following, with respect to such health information exchanges:

(1) Profiles detailing the current stages of such health information exchanges with respect to the progression of the development, operation, implementation, organization, and governance of such exchanges.

(2) The impact of such exchanges on healthcare quality, safety, and efficiency, including—

(A) any impact on the coordination of health information and services across healthcare providers and other organizations relevant to health care;

(B) any impact on the availability of health information at the point-of-care to make timely medical decisions;

(C) any benefits with respect to the promotion of wellness, disease prevention, and chronic disease management;

(D) any improvement with respect to public health preparedness and response;

(E) any impact on the widespread adoption of interoperable health information technology, including electronic health records;

(F) any contributions to achieving an Internet-based national health information network;

(G) any contribution of health information exchanges to consumer access and to consumers' use of their health information; and

(H) any impact on the operation of—

(i) the Medicaid and Medicare programs;

(ii) the State Children's Health Insurance Program (SCHIP);

(iii) disproportionate share hospitals described in section 1923 of the Social Security Act;

(iv) Federally-qualified health centers; or

(v) managed care plans, if a significant number of the plan's enrollees are beneficiaries in the Medicaid program or SCHIP.

(3) Best practice models for financing, incentivizing, and sustaining such health information exchanges.

(4) Information identifying the common principles, policies, tools, and standards used (or proposed) in the public and private sectors to support the development, operation, and implementation of such health information exchanges.

(5) A description of any areas in which Federal government leadership is needed to support growth and sustainability of such health information exchanges.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the study described in subsection (a), including such recommendations as the Secretary determines appropriate to facilitate the development, operation, and implementation of health information exchanges.

The CHAIRMAN. No further amendment to the bill, as amended, is in order except those printed in part C of the report. Each amendment may be offered only in the order printed in the report, by a member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. HINOJOSA

The CHAIRMAN. It is now in order to consider amendment No. 1 printed in part C of House Report 109–603.

Mr. HINOJOSA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. HINOJOSA:

In section 271(b)(8) of the Public Health Service Act, as added by section 101(a) of the Bill, strike "is consistent" and insert "provides for the confidentiality and security of individually identifiable health information, consistent".

In section 271(b) of the Public Health Service Act, as added by section 101(a) of the Bill, strike "and" at the end of paragraph (11), strike the period at the end of paragraph (12) and insert "; and", and add at the end the following new paragraph:

"(13) improves the availability of information and resources for individuals with low or limited literacy or language skills.".

The CHAIRMAN. Pursuant to House Resolution 952, the gentleman from Texas (Mr. HINOJOSA) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. HINOJOSA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment to help ensure equal access to our health care system. All too often a lack of education can limit the quality of life of an individual. This is especially true when considering issues that govern one's health and well being.

To change this fact, I am offering an amendment that would help ensure that all citizens would benefit from advances in our medical technology and new information. My amendment directs the national coordinator for the health information technology to increase information and medical resources for individuals with low literacy.

Passage of this amendment would create a new national priority for bridging the literacy gap in health care resources and assign responsibility of that goal to the new national coordinator.

The new priority is especially important in the race to cure diabetes. In my congressional district, over 100,000 individuals suffer from this disease. And while our Nation is constantly working to find new ways of combating diabetes, most of those inventions rely heavily on medical technology that requires its users to have a certain level of mathematical skills, access to the Internet, and in some cases, at a minimum, a high school level of literacy.

While at first these requirements may seem ordinary and readily available, in districts such as mine, this is all but impossible. It is impossible because a large number of citizens who suffer from diabetes are undereducated, or they are elderly and lack computer skills. In some cases they live in poverty.

Simply put, the most effective treatments for individuals with diabetes and other illnesses remain out of the reach of citizens who need it most. Due to the lack of focus and the creation of our technology, millions die each year.

Additionally, according to a study sponsored by the American Diabetes Association, an organization that has endorsed this amendment, our Nation pays over $100 billion a year in lost wages, lost productivity, emergency room visits and care.

A clear example of what is at risk if we fail to launch an aggressive effort geared at removing literacy barriers to health care information and technology can be witnessed in my own district's 41 percent diabetes mortality rate.

That means that due to health care literacy barriers, one in two citizens diagnosed with diabetes in my district will die from diabetes complications.

To help change this fact, I urge my colleagues to support this amendment.

Mr. Chairman, may I inquire how much time I have remaining.

The CHAIRMAN. The gentleman has 2 minutes remaining.

Does any Member claim time in opposition to the amendment?

Mrs. JOHNSON of Connecticut. Mr. Chairman, I claim time in opposition to the amendment. I don't intend to oppose the amendment. I am just claiming the time.

The CHAIRMAN. Without objection, the gentlewoman from Connecticut will control 5 minutes.

There was no objection.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I think the gentleman's amendment points out why health information technology is so terribly important to making the next leap forward in quality that medical science has made available to us.

It will take a lot more teaching of patients. It will take a much different relationship between nurses and medical personnel and patients to make sure that they have the guidance and support they need to prevent their disease from getting worse or to follow a regimen that will prevent their chronic illness from compromising their lives.

□ 1430

So this issue of communication is going to be a bigger issue in the next round of the American health care system even than it is today.

But I would like to yield to the gentleman from Pennsylvania for some questions.

Mr. MURPHY. I thank the gentlewoman, and I have a question for the distinguished gentleman from Texas just to help clarify this, because my assumption is the amendment would be one that would help those who have problems with illiteracy or language skills, perhaps English language is not of good grasp to them and they may be in a hospital where the staff may not be aware of that, and one of the importance of an electronic medical record is the files would be there on record. So even if the person had limited abilities, the doctor would have access. But I want to just ask a clarifying question to make sure this is what you meant by this amendment.

By this, I am assuming it is not a matter that would impede in any way the doctor's ability to have information on record, that would have swift and high standards of medical care there, in no way would this impede; such as the records would have to be written in multiple languages for doctors who wouldn't necessarily understand that. I am assuming that is the case in this, that you are saying that the best interest of the patient is what you have in mind here so that the records are always available, that the doctor could understand them clearly even if the patient has difficulty communicating. Am I correct in that, sir?

Mr. HINOJOSA. In my opinion, if the patient gives permission that that information be released, I have no problem with that.

Mr. MURPHY. I am assuming that is what you meant. It is important that hospitals not see this as something that they, for example, have to constantly rewrite records in ways that would impair understanding between physicians as well. And along those lines, I think it is an excellent idea to provide it, because it does provide access of information for the doctors.

Mr. HINOJOSA. If the gentleman will allow me to explain. I think that the intent of my amendment is to be able to acknowledge that there are people out there who can not get one of these new machines that we use now to measure the glucose, if I am a diabetic, and be able to take it and follow the instructions if they are limited English proficient, for example. In many cases, the lower the level of education attainment, the more difficult it is to use some of this modern equipment that is available in technology. And so the intent of Congress would be to address that group, regardless of the size, the percentage of people who need that extra assistance with the training necessary to use the modern equipment.

Mr. MURPHY. Reclaiming my time, that makes sense, because I work with many patients who are disabled, who have literacy problems, and it is important that the medical community works to help those patients. I just want to make sure also the electronic medical records then serve both purposes, to help those patients, but certainly to make sure the primary aspects of having the medical records there electronically is to help doctors communicate quickly and swiftly with accurate data. Along those lines, I think it is an excellent idea.

Mr. HINOJOSA. Mr. Chairman, I would like to hear Congresswoman NANCY JOHNSON's thoughts on being able to work with us on this amendment, because it is very important not only in South Texas, but throughout the country.

Mrs. JOHNSON of Connecticut. Mr. Chairman, we certainly are willing to accept the gentleman's amendment. It is a very thoughtful and important one.

Mr. HINOJOSA. I thank the gentlewoman for accepting this amendment and working with me to eliminate the literacy barriers from our health care system.

Mr. Chairman, I yield back the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. HINOJOSA).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. TOWNS

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in part C of House Report 109–603.

Mr. TOWNS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. TOWNS:

Add at the end of section 101 the following:

(d) STUDY OF HEALTH INFORMATION TECHNOLOGY IN MEDICALLY UNDERSERVED COMMUNITIES.—

(1) STUDY.—The National Coordinator for Health Information Technology shall conduct a study on the development and implementation of health information technology in medically underserved communities. The study shall—

(A) identify barriers to successful implementation of health information technology in these communities;

(B) examine the impact of health information technology on providing quality care and reducing the cost of care to these communities;

(C) examine urban and rural community health systems and determine the impact that health information technology may have on the capacity of primary health providers; and

(D) assess the feasibility and the costs associated with the use of health information technology in these communities.

(2) REPORT.—Not later than 18 months after the date of the enactment of this Act, the National Coordinator shall submit to Congress a report on the study conducted under paragraph (1) and shall include in such report such recommendations for legislation or administrative action as the Coordinator determines appropriate.

The CHAIRMAN. Pursuant to House Resolution 952, the gentleman from New York (Mr. TOWNS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. TOWNS. Mr. Chairman, I am really concerned that, in implementing any health information technology initiative, that we will not have the best information to address the needs of medically underserved areas. My amendment to H.R. 4157 creates a critically important study that would give us the benchmarks to use in implementing this technology in these communities, both urban and rural.

First, the proposed study will examine and determine the impact of health information technology on improving the capacity of primary care providers in medically underserved communities.

Second, the study would identify the barriers to the implementation of health information technology in these communities.

Third, the study will assess the feasibility and costs associated with implementing health information technology in these communities.

Some of the Nation's finest foundations have done tremendous work in how health information technology can be used in hard-to-reach and difficult areas to serve in our Nation. They include the Markle Foundation, the Robert Wood Johnson Foundation, and the Henry J. Kaiser Family Foundation. We want to incorporate this work and other's work done by the Agency For Health Care Research and Quality, and make sure it is applied to the development and implementation of health information technology and medically underserved.areas.

For these reasons, Mr. Speaker, I believe that this study is vital to the assessment, examination, and implementation of health information, technology in medically underserved areas in this Nation. And I do believe that my amendment adds considerable value to the health information technology bill. I have worked in a bipartisan fashion on this bill with Representative FERGUSON of New Jersey to present the portion of the bill related to grants in medically underserved areas.

Mr. Chairman, I do feel that this amendment strengthens this bill and is something that we really need to do if we want to reach the hard-to-reach areas and to be able to have the kind of data and have the kind of information to give them quality health care.

On that note, Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Who claims time in opposition?

Mrs. JOHNSON of Connecticut. I rise to support this amendment.

The CHAIRMAN. Does the gentlewoman claim time in opposition?

Mrs. JOHNSON of Connecticut. I claim time in opposition.

The CHAIRMAN. Without objection, the gentlewoman will control 5 minutes.

There was no objection.

Mrs. JOHNSON of Connecticut. I claim time to say we accept the amendment. It is a very thoughtful amendment and an important one, and we thank the gentleman from New York (Mr. TOWNS).

Mr. TOWNS. I want to thank the gentlewoman from Connecticut for supporting the amendment.

Mr. Chairman, I yield back the balance of my time,

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. TOWNS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. PALLONE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York will be postponed.

AMENDMENT NO. 3 OFFERED BY MR. JACKSON OF ILLINOIS

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in part C of House Report 109–603.

Mr. JACKSON of Illinois. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. JACKSON of Illinois:

In section 102, add at the end the following new paragraph:

(5) Recommendations on the inclusion of emergency contact or next-of-kin information (including name and phone number) in interoperable electronic health records.

The CHAIRMAN. Pursuant to House Resolution 952, the gentleman from Illinois (Mr. JACKSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. JACKSON of Illinois. Mr. Chairman, my amendment simply states that emergency contact or next-of-kin information should be included in the interoperable electronic health records.

Mr. Chairman, in an instant, a wrong turn, a sudden fall, a missed step, someone, indeed anyone, can find themselves in a crisis and in need of emergency medical care. Nationwide, nearly 1 million people arrive in emergency rooms each year unconscious or physically unable to give informed consent for their care.

Consider the story of Elaine Sullivan. A very active 71-year-old woman. Elaine fell at home while trying to get into her bathtub. When paramedics arrived, she realized that injuries to her mouth and head made her unable to communicate and give informed consent for her own care. Although stable for the first few days, she began to slip into critical condition. The hospital failed to notify her family for 6 days, and tragically Elaine Sullivan died alone in the hospital.

In the aftermath of this tragedy, Elaine Sullivan's daughter, Jan, and granddaughter, Laura, turned their personal pain to public action. Jan and Laura Greenwald went to work to make sure that that never happened to their loved ones or anyone else's loved one again.

In Elaine Sullivan's memory and honor, I introduced H.R. 2560 so that in the future phone calls to loved ones will always be made. This amendment, Mr. Chairman, which includes a provision of H.R. 2560, is a modest step to ensure that this situation doesn't happen again.

Let me be clear. Most hospitals notify the next of kin of unconscious emergency room arrivals relatively quickly. However, emergency rooms are extremely high pressure and sometimes chaotic environments. In the hustle and bustle of the ER, despite the professionalism and the dedication of staff, there are real risks that a simple phone call may or may not be able to be made in a timely fashion.

Consider for a moment just one distressing but relevant scenario. Your loved one is out of town on a business trip. On the way they are involved in a serious head-on collision, unconscious and unable to communicate. They are rushed to the nearest hospital, and unbeknownst to you they lie comatose fighting for their life miles from home. Doctors and nurses work feverishly to provide emergency medical care to a patient who is only the name on a license, but to you they are the love of your life.

If your electronic health records contained emergency contact or next-of-kin information, this could help hospital staff quickly notify you about your loved one's condition. You could rush to be by their side and possibly share critical medical history and information. Emergency contact and next-of-kin information should be included in electronic medical records to ensure that family members are notified and informed decisions are made during a medical emergency.

Mr. Chairman, I ask for an "aye" vote on the Jackson amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentlewoman from Connecticut claim the time in opposition?

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in opposition.

The CHAIRMAN. Without objection, the gentlewoman from Connecticut will control 5 minutes.

There was no objection.

Mrs. JOHNSON of Connecticut. First of all, the gentleman from Illinois has brought a very thoughtful amendment to this bill. The information that he wants included in electronic health record is extremely important information, and I support your amendment.

Mr. JACKSON of Illinois. I thank the gentlewoman for supporting our amendment, Mr. Chairman.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. JACKSON).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. CUELLAR

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in part C of House Report 109–603.

Mr. CUELLAR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 printed in House Report 109–603 offered by Mr. CUELLAR:

In section 330M(d) of the Public Health Service Act, as added by section 104 of the Bill, strike "or" at the end of paragraph (1), strike the period at the end of paragraph (2) and insert "; or", and add at the end the following new paragraph:

"(3) if the project to be funded through such a grant will emphasize the improvement of access to medical care and medical care for medically underserved populations which are geographically isolated or located in underserved urban areas.".

The CHAIRMAN. Pursuant to House Resolution 952, the gentleman from Texas (Mr. CUELLAR) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. CUELLAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment to H.R. 4157 emphasizes the priority of funding grants which would improve access, coordination, and the provision of health care to the uninsured, underinsured, and medically underserved areas in both rural and urban areas in the State and in the country.

This amendment will add priority antiquated health system grant proposals which improve medical care access and health care by way of health information technology to patients in underserved rural and urban areas. In my district, which encompasses both rural and urban areas, I have seen the need for health IT to promote better health care and accessibility.

In some of my rural counties, citizens are faced with few health care options and in many cases, are forced to travel great distances to see doctors, specialists, and go to a hospital or care facility which can address their individual health needs. In my hometown of Laredo, Texas, a major South Texas urban area, there is a great need for health IT to better coordinate and provide the care to the uninsured and underinsured, and of course, the underserved patients.

Citizens in America's remote and rural isolated areas and urban areas, which often lack sufficient medical services, face very difficult challenges to access quality health care and treatment. New health information technology, including the health IT to be funded by grants to be integrated with the health care systems, and this particular bill, a bill that I support, lays the essential groundwork for a new era of sensibility and quality health care that all Americans deserve regardless of where they call home.

Mr. Chairman, I ask for favorable consideration of my amendment, and I believe this amendment is acceptable to Mrs. JOHNSON.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of the amendment. I understand there are some technical adjustments that your staff and our staff talked about that we will work on.

Mr. CUELLAR. And I will work with your staff in conference committee to address those technical points. I am in agreement with that. I believe my staff has been working with your staff.

Mrs. JOHNSON of Connecticut. With that understanding, I am pleased to support the gentleman's amendment.

Mr. CUELLAR. I thank the gentlewoman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Does any Member claim time in opposition to the amendment?

The question is on the amendment offered by the gentleman from Texas (Mr. CUELLAR).

The amendment was agreed to.

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AMENDMENT NO. 5 OFFERED BY MR. PRICE OF GEORGIA

The CHAIRMAN. It is now in order to consider amendment No. 5 printed in part C of House Report 109–603.

Mr. PRICE of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. PRICE of Georgia:

Add at the end of title II the following new section:

SEC. 206. REPORT ON APPROPRIATENESS OF CLASSIFICATION METHODOLOGIES AND CODES FOR ADDITIONAL PURPOSES.

Not later than the date that is 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report that evaluates—

(1) the applicability of health care classification methodologies and codes for purposes beyond the coding of services for diagnostic documentation or billing purposes;

(2) the usefulness, accuracy, and completeness of such methodologies and codes for such purposes; and

(3) the capacity of such methodologies and codes to produce erroneous or misleading information, with respect to such purposes.

The CHAIRMAN. Pursuant to House Resolution 952, the gentleman from Georgia (Mr. PRICE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia.

Mr. PRICE of Georgia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to thank both the chairman of the committee and Chairman DREIER and the Rules Committee members.

As a physician, I know the importance of having appropriate information available in order to make quality health care decisions, and I am cautiously optimistic about the prospects in that portion of the bill.

My amendment addresses section 203, the area of the bill that seeks to upgrade the ICD codes.

ICD, or international classification of diseases, codes are diagnostic codes, series of letters and numbers that identify with some specificity the various diseases or conditions for which a patient is being treated.

ICD codes can be very useful in tracking various patients with similar conditions. They may be helpful in research that may aid in the future treatment of patients with the same disease.

ICD codes are diagnostic codes. They were intended to be used to identify as accurately as possible the diagnosis that a particular patient has.

ICD codes were not designed to be used for anything beyond documentation of a diagnosis.

However, they are being used, in combination with other codes, particularly CPT or billing codes, to evaluate various kinds of treatment and whether that treatment is appropriate or efficient or of quality.

There are many people who are providing health care for our citizens, who are taking care of our families, who have significant reservations regarding the use of those codes for purposes for which they were never designed.

It is possible that the use of these codes for other needs may, in fact, result in conclusions that are at best misleading, and worse, incorrect, thereby having the possible outcome of harming the treatment of future patients.

Consequently, my amendment calls for a report from the Secretary of Health and Human Services to Congress that would determine the applicability, usefulness, accuracy and completeness of the use of these codes.

It also asks for information on the capacity of the use of these codes to produce erroneous or misleading information.

Science relies on the accuracy of information in order to make correct judgments, determinations and decisions on how one should proceed. We here in Congress should do no less.

The consequences of our decisions can be significant, and it is imperative that we have accurate data upon which to make those decisions. The information that will result from this amendment will allow us to make those decisions with greater confidence in their benefit to our constituents.

I ask my colleagues for their support in assisting us in gaining greater insight into this important matter. I ask for their support on this amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does any Member claim the time in opposition to the amendment?

Mrs. JOHNSON of Connecticut. Yes, I claim time in opposition to the amendment. Although I do not oppose the amendment, I would like to comment.

The CHAIRMAN. Without objection, the gentlewoman from Connecticut will control the time.

There was no objection.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself such time as I may consume.

I would like to comment on the amendment. Mr. PRICE has been a very active and fine mind as we developed this bill, and I welcome his amendment.

I do think we need to evaluate new methodologies and procedures very carefully; and as a physician, he brings to this issue a lot of information and a lot of concern about both advances and also problems that could develop.

I will say one of the strengths of the bill that has not been talked about on the floor here today is that it does move us to the ICD 10 system from the ICD 9 system, and that will give us a great deal more ability to look at quality, to judge quality, to pay for quality, to analyze actually what series of symptoms responded best to precisely what treatment approach.

But there are also shoals in every water, and I think your study is very appropriate. The ICD 10 system is now not only more glandular, but we also think it will help us to reduce fraud and abuse. But no matter how many positive things we think it will contribute, it is also wise to know and watch for and evaluate whether or not it is creating problems that we did not anticipate.

So I welcome this study, and I thank Mr. PRICE for his contribution.

Mr. Chairman, I yield back the balance of my time.

Mr. PRICE of Georgia. Mr. Chairman, I yield myself such time as I may consume.

I appreciate those comments, and I would agree. I think it is important that we move forward with a more specific ICD coding system. ICD 10 will do that, and hopefully it will be adopted in a timely fashion.

This report will be back prior to the installation of those new codes, and so I look forward to seeing the results of this report and hopefully making some recommendation at that time, and urge my colleagues to support this amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. PRICE).

The amendment was agreed to.

AMENDMENT NO. 6 OFFERED BY MISS MC MORRIS

The CHAIRMAN. It is now in order to consider amendment No. 6 printed in part C of House Report 109–603.

Miss MCMORRIS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Miss MCMORRIS:

At the end of title IV, insert the following new section:

SEC. 409. PROMOTING HEALTH INFORMATION TECHNOLOGY AS A TOOL FOR CHRONIC DISEASE MANAGEMENT.

(a) IN GENERAL.—The Secretary of Health and Human Services shall establish a two-year project to demonstrate the impact of health information technology on disease management for individuals entitled to medical assistance under a State plan under title XIX of the Social Security Act.

(b) STRUCTURE OF PROJECT.—The project under subsection (a) shall—

(1) create a web-based virtual case management tool that provides access to best practices for managing chronic disease; and

(2) provide chronic disease patients and caregivers access to their own medical records and to a single source of information on chronic disease.

(c) COMPETITION.—Not later than the date that is 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall seek proposals from States to carry out the project under subsection (a). The Secretary shall select not less than four of such proposals submitted, and at least one proposal selected shall include a regional approach that features access to an integrated hospital information system in at least two adjoining States and that permits the measurement of health outcomes.

(d) REPORT.—Not later than the date that is 90 days after the last day of the project under subsection (a), the Secretary of Health and Human Services shall submit to Congress a report on such project and shall include in such report the amount of any cost-savings resulting from the project and such recommendations for legislation or administrative action as the Secretary determines appropriate.

The CHAIRMAN. Pursuant to House Resolution 952, the gentlewoman from Washington (Miss MCMORRIS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Washington.

Miss MCMORRIS. Mr. Chairman, I yield myself as much time as I may consume.

I rise to offer the McMorris-Smith MAP IT amendment, the Medicaid Access Project through Information Technology proposal. This amendment is supported by the Healthcare Information and Management Systems, the Society Information Technology Industry Council, the American Health Information Management Association, the American Hospital Association, the Federation of American Hospitals, the American Medical Association, and the U.S. Chamber of Commerce.

The McMorris-Smith amendment and the underlying bill will help fulfill President Bush's goal of most Americans having an electronic health record by the year 2014.

I am pleased to offer this bipartisan amendment which strengthens the Health Information Technology Promotion Act and its goal of encouraging the adoption of health information technology into our health care system. As I have traveled throughout eastern Washington, I have seen the need for health information technology and the potential that it has not just to improve health care delivery but also save costs.

Information technology has the power to revolutionize the delivery of health care. This bill is a first step toward encouraging the utilization of health IT on a national level, and I applaud the efforts of Chairman DEAL and Chairman JOHNSON for leading this effort.

This bill represents collaboration between health care providers, payers, patient advocates and the IT community and will pave the way for better access to quality health care for Americans.

As we move forward to set these new standards in place, it is crucial that we take steps to include health information technology in government-funded health programs like Medicare and Medicaid. Health information technology will increase effectiveness, efficiency, overall quality, and promote cost savings in the long run.

This amendment strengthens the underlying bill by incorporating a Web-based tool to manage chronic disease populations within Medicaid. This provision will allow for the creation of a virtual case management program that provides patients and providers access to a real-time electronic medical record. We need to seriously study the effects of using health IT to better serve patients and taxpayers.

Modest estimates show that medical errors cause around 400,000 avoidable injuries and fatalities annually and more than 800,000 in elderly care centers and over a half a million befall Medicare patients in outpatient care. The cost incurred from correcting and treating medication-related errors occurring in hospitals, not counting doctors' offices and other facilities, was projected to be at least $3.5 billion annually. These staggering numbers can and should change.

The United States spends more than 2½ times any other country on health care. We need to ensure that we are maximizing our resources and getting a high return on our investment. A study published in August of 2005 by the Institute for Public Policy and Economic Analysis at Eastern Washington University found that for every dollar spent on a technology-enabled disease management program, it provided up to $10 in medical savings and even more in terms of nonmedical cost savings. At a time when most States are facing increased taxes or cutting Medicaid benefits, increasing outcomes and cutting costs is a win-win situation.

The McMorris-Smith amendment would allow us to more fully study the cost savings and patient benefits of utilizing health information technology within one of Medicaid's most costly populations, chronic disease sufferers. Any piece of comprehensive health information technology legislation must help address the cost and care of this population that consumes 80 percent of the Medicaid resources, yet that is just 20 percent of the Medicaid population.

We can address this issue. This amendment takes savings and quality theories and provides a vehicle for practical application now.

Thank you for your consideration. I urge Members to adopt the McMorris-Smith amendment and support the underlying bill.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Who claims time in opposition to the amendment?

Mr. SMITH of Washington. Mr. Chairman, I am not in opposition to the amendment, but I would claim the time unless somebody is.

The CHAIRMAN. Without objection, the gentleman from Washington will control the time in opposition.

There was no objection.

Mr. SMITH of Washington. Mr. Chairman, I yield to myself as much time as I may consume.

I want to thank Representative McMORRIS for her leadership on this bipartisan issue.

This amendment really gets at the heart of why health care information technology is important in the first place, and there are really two big reasons. Number one, it can significantly improve the quality of care for patients; and, number two, it can significantly reduce health care inflation. Right now, if you want to do anything to improve the quality of health care in this country getting inflation under control is job one so that people can access that.

That is what health care information technology has the promise to do; and this amendment, in particular, focuses on one aspect of it where it could really reduce the costs and improve the quality of care, helping a specific class of patients get the best information possible for the best disease management possible.

All across the world, information is being developed even as we sit here on how to better deal with all kinds of different diseases. But how do we make sure that both patients and providers have real-time access to that best information and employ it? That is what this amendment aims to do. For diabetes patients with Medicaid, it can give us a real case example of how we can save money and improve the quality of care for these patients.

I think there is unbelievable potential if we have the best information possible. Too often now patients do not know what the best care is. Too often providers do not even know at the moment what the best care is; and as a consequence, they do not get it and the patients do not receive it. Health care quality goes down and costs go up, as procedures are either repeated or the wrong procedures are done.

This amendment gives us a great opportunity to do an isolated case study on how to make this work in disease management to improve the quality of care and get costs under control.

Mr. Chairman, I reserve the balance of my time.

Miss McMORRIS. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania (Mr. MURPHY), my friend.

Mr. MURPHY. Mr. Chairman, I thank the gentlewoman for putting this important amendment in.

Previously, it has been cited that the CBO report did not show a savings. Let me mention three things that chronic care management does. 300,000 asthmatic children were studied with chronic care and found that lowered rehospitalization by 34 percent. University of Pittsburgh Medical Center reduced rehospitalization of diabetics by 75 percent. Washington Hospital, Washington, PA, reduced rehospitalization of chronic heart disease by 50 percent.

I suggest the CBO look at how electronic medical records can save money in this.

I have listed a lot of these things in a report entitled, "Critical Condition, the State of the Union's Health Care," which I have available at my Web site; and I urge my colleagues to look at that, and I urge the CBO to read it as well. They might learn something.

Mr. SMITH of Washington. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois (Ms. BEAN).

Ms. BEAN. Mr. Chairman, I rise in strong support of this Smith-McMorris amendment to establish a 2-year health IT demonstration project for Medicaid patients with chronic diseases.

This bill is a step in the right direction, but the Smith-McMorris amendment would actually speed the implementation of health IT in a crucial and tangible way. It will not only improve efficiency and quality, but will also help control the growing costs for Medicaid patients with chronic health conditions.

Mr. Chairman, these patients often have complex medical conditions, relying on multiple doctors and numerous medications.

This amendment would put patients in better control of their medical information, provide improved access and more information for caregivers, and create a Web-based resource to promote best practices for chronic care management.

Mr. Chairman, the need for health IT is well established and will both save lives and billions of dollars. This body talks often about the need to improve quality of care and reduce inefficient spending under Medicaid. The Smith-McMorris amendment promises us an opportunity to move beyond rhetoric and actually better care and more responsible return on our tax dollars.

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Mr. SMITH of Washington. Mr. Chairman, may I inquire how much time I have left.

The CHAIRMAN. The gentleman has 2½ minutes remaining.

Mr. SMITH of Washington. Mr. Chairman, I yield myself 15 seconds to close and to once again thank Representative McMORRIS and to point out how important chronic disease management is in saving money. This is an outstanding opportunity for us to use technology to do that, and I urge adoption of the amendment.

Mr. Chairman, I yield the balance of my time to Representative McMORRIS.

Miss McMORRIS. Mr. Chairman, I yield my good friend from South Carolina (Mr. WILSON) 1 minute.

Mr. WILSON of South Carolina. I want to congratulate Congresswoman McMORRIS on her leadership with Congressman SMITH on this issue.

As a person who has a son who is a doctor in California, I am very grateful to be here and support the amendment, which will create a Web-based virtual case management tool that provides access to the best practices for managing chronic disease.

Additionally, this amendment would provide for chronic disease patients and caregivers to have access to their own medical records and to a single source of information on chronic disease.

Further, it directs the Secretary to select at least four proposals from those submitted by States and at least one proposal selected to include a regional approach featuring access to an integrated hospital information system in at least two adjoining States that permits the measurement of outcomes.

I know personally that our family has benefited from the best of health care. One of our sons has been a cancer survivor. And I just want to congratulate, again, Congresswoman McMorris on her leadership; and I urge adoption of the amendment.

Miss McMORRIS. Mr. Chairman, may I inquire as to how much time remains.

The CHAIRMAN. The gentlewoman has 1¾ minutes remaining.

Miss McMORRIS. Mr. Chairman. I yield 1 minute to my good friend from Georgia (Mr. Gingrey).

Mr. GINGREY. Mr. Chairman. I am very happy to rise in support of the amendment of the gentlewoman from Washington. A little disappointed my own great amendments were not made in order but very happy to support hers.

As a physician, having practiced 30 years of clinical medicine, there is no question that the cost of chronic disease management is the most costly, and particularly under Medicaid. I think the gentlewoman has the exact right idea, to be able to monitor this information on a real-time basis so that physicians know exactly what they are spending and what is cost effective.

I was very happy as a member of the Rules Committee to recommend her amendment be made in order. Thank goodness it was, and I proudly stand here today to recommend this amendment to all of my colleagues on both sides of the aisle. I commend her for the good job she has done.

Miss McMORRIS. Mr. Chairman. I yield to the great chairman of the subcommittee who, without her support, we would not be having this amendment before us today.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of this amendment. First of all, of all the systems in America that really need this kind of attention, it is our Medicaid system because they deal mostly with elderly and poor whose health has long been neglected.

So I know this is going to give us a lot of very good insight and information into how we can both improve the quality and reduce the cost of care in our Medicaid system, and I congratulate the gentlewoman and her cosponsors for bringing this before us today.

Miss McMORRIS. Mr. Chairman, please consider the attached letters of support for the McMorris-Smith MAP IT Amendment to H.R. 4157 as included in my remarks.

July 27, 2006.

Hon. J. Dennis Hastert,
Speaker, U.S. House of Representatives,
Washington, DC.

Dear Mr. Speaker: Congress has made substantial progress in moving health information technology (HIT) legislation this year. We urge you to expeditiously pass this legislation now as a critical step toward realizing the President's goal of electronic health records for most Americans.

There is one amendment to this legislation that HIMSS would like for you to consider when this legislation is brought up on the House floor today that will be offered by Ms. Cathy McMorris and Mr. Adam Smith of Washington. This amendment would direct the Secretary of Health and Human Services to establish a two year project to demonstrate the impact of health information technology on disease management for chronic disease sufferers within the Medicaid population; create a web-based virtual case management tool that provides access to best practices for managing chronic disease; and require that the Secretary of Health and Human Services submit to Congress a report on the project conducted and include in the report the amount of cost-savings resulting from the project and such recommendations for legislation or administrative action as the Secretary determines appropriate. There is no funding authorized for this amendment. HIMSS supports this amendment as it is consistent with our HIMSS Legislative Principle of encouraging the best use of information technology to improve the quality of health care while lowering the cost.

HIMSS believes that H.R. 4157 and the addition of this amendment will help fulfill President Bush's goal of most Americans having an electronic health record by the year 2014. The passage of health information technology legislation is critical to moving us towards these benefits. With that in mind, we urge you to pass H.R. 4157 and the McMorris/Smith amendment by the August break so that a conference report with the Senate can be completed and the Congress can pass meaningful healthcare reform this year.

Sincerely,

H. Stephen Lieber,
CAE President/CEO.

July 27, 2006.

Hon. Cathy McMorris,
1708 Longworth Office Building,
Washington, DC.

Hon. Adam Smith,
227 Cannon Building,
Washington, DC.

Dear Congresswoman McMorris and Congressman Smith: The American Health Information Management Association (AHIMA) thanks you for your strong support of health information technology and your efforts to improve healthcare quality, increase patient safety, and to reduce unnecessary costs and administrative burdens in our healthcare system. AHIMA strongly supports H.R. 4157, the "Health Information Technology Promotion Act," and supports the inclusion of your amendment, the Medicaid Access Project through Information Technology (MAP IT) legislation.

Experts report that two of the simplest ways to reduce health care costs include the utilization of health information technology and more effective chronic disease management. Your amendment effectively merges these two methods together, and requires the Secretary to report to Congress the amount of cost-savings resulting from the project.

Along with your amendment, AHIMA strongly supports all of the provisions of H.R. 4157, especially those that address the timely updating of standards that enable electronic exchange and the critical need to upgrade our inefficient and ambiguous ICD-9 coding system to ICD–10–CM and ICD–10-PCS by October 1, 2010. This compliance date is more than 4 years from today and nearly 8 years from when the National Committee on Vital and Health Statistics concluded in 2003, after several years of hearings, that ICD-9-CM was "increasingly unable to address the needs for accurate data for health care billing, quality assurance, and health services research," and that it was "in the best interests of the country" to move expeditiously to replace it.

Coded health data serves as the foundation for billing, claims processing, payment and pricing. The current classification, ICD–9–CM, was developed and implemented in the 1970s and can no longer capture today's medical knowledge and cannot support the transition to an interoperable health data exchange in the United States. In addition, the procedural coding component of ICD–9–CM is fast running out of space and in the near future, will exhaust these codes requiring that existing non-discrete codes be assigned to new procedures. Dr. Mark McClellan, CMS Administrator, publicly stated last month that it is imperative that the United States implement ICD–10 as soon as possible because he described the current coding system as "bursting at the seams." Furthermore, many of the codes now in use do not accurately describe the diagnosis or procedure concepts they are assigned to represent. Combined with the exhaustion of codes, this will have serious implications for quality reporting, research and appropriate payment for advancements in medical technology.

Thank you for advancing the MAP IT amendment and for supporting an important and good bill. We look forward to continuing our work with you. If you have any questions, please do not hesitate to contact me.

Sincerely,

Don Asmonga,
Director of Government Relations,
American Health Information Management Association.

July 27, 2006.

Hon. J. Dennis Hastert,
Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: Thank you for the consideration of H.R. 4157 today on the floor of the House of Representatives. Advancing health information technology (HIT) is of critical importance to bettering patient quality, evidence-based medicine, and modernizing our industry.

Northwest Physicians Network (NPN) is the largest delegated independent physicians association in the Northwest. We represent approximately 450 physicians in Washington State and over 17,000 patient lives for which we contract for managed care. NPN has made HIT a cornerstone of our investment in the future of our patients' care and our physicians' practices, so it is with some anticipation that we have followed the House's progress on H.R. 4157.

In particular, I am writing in support of an amendment brought to the floor by Rep. Adam Smith and Rep. Cathy McMorris. This amendment would direct the Secretary of Health and Human Services to establish a 2-year project to demonstrate the impact of health information technology on disease management for chronic disease sufferers within the Medicaid population. It would create a web-based virtual case management tool that provides access to best practices for managing chronic disease. Also, this amendment requires that the Secretary of Health and Human Services submit to Congress a report on the project conducted and include in the report the amount of cost-savings resulting from the project and such recommendations for legislation or administrative action as the Secretary determines appropriate. There is no funding authorized for this amendment.

Both Ms. McMorris and Mr. Smith are leaders among our Pacific Northwest delegation on the topic of HIT. Their bipartisan collaboration on this measure speaks to the common-sense approach of the amendment itself. I urge your support and the House's adoption of this important legislation.

Sincerely,

PATRICIA C. BRIGGS,
Chief Executive Officer,
Northwest Physicians Network.

Mr. CARNAHAN. Mr. Chairman, I rise today in support of this amendment, which is being offered by Congressman SMITH and Congresswoman McMORRIS.

This amendment, which establishes a 2-year project to demonstrate the impact of HIT on chronic disease management within the Medicaid population, will add a vital component to the underlying bill.

I applaud Congressman SMITH and Congresswoman McMORRIS for their leadership on this issue.

I also rise today in strong support of forward movement on the implementation of health information technology, which has the potential to save the United States billions of dollars in health care costs each year.

The bill before us today is not perfect, but it's a start. I look forward to continuing the debate on this issue and improving this bill in conference.

Miss McMORRIS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Washington (Miss McMORRIS).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. TOWNS

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, the pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. TOWNS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 417, noes 1, not voting 14, as follows:

[Roll No. 414]

AYES—417

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—1

Paul

NOT VOTING—14

Clyburn
Crowley
Cubin
Davis, Jo Ann
Deal (GA)
Evans
Everett
Fossella
Holt
Istook
Lewis (GA)
McKinney
Millender-McDonald
Wexler

☐ 1529

Messrs. WELDON of Florida, CUMMINGS, and INSLEE changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. FEENEY) having assumed the chair, Mr. SIMPSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4157) to amend the Social Security Act to encourage the dissemination, security, confidentiality, and usefulness of health information technology, pursuant to House Resolution 952, he reported the bill, as amended pursuant to that rule, back to the House with further sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DOGGETT

Mr. DOGGETT. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentlemen opposed to the bill?

Mr. DOGGETT. I certainly am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Doggett moves to recommit the bill H.R. 4157 to the Committees on Energy and Commerce and Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Amend section 205 to read as follows:

SEC. 205. PRIVACY AND SECURITY PROTECTIONS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall provide for standards for health information technology (as such term is used in this Act) that include the following privacy and security protections:

(1) Except as provided in succeeding paragraphs, each entity must—

(A) expressly recognize the individual's right to privacy and security with respect to the electronic disclosure of such information;

(B) permit individuals to exercise their right to privacy and security in the electronic disclosure of such information to another entity by obtaining the individual's written or electronic informed consent, which consent may authorize multiple disclosures; and

(C) permit an individual to prohibit access to certain categories of individuals (as defined by the Secretary) of particularly sensitive information, including data relating to infection with the human immunodeficiency virus (HIV), to mental health, to sexually transmitted diseases, to reproductive health, to domestic violence, to substance abuse treatment, to genetic testing or information, to diabetes, and other information as defined by the Secretary after consent has been provided under subparagraph (B).

(2) Informed consent may be inferred, in the absence of a contrary indication by the individual—

(A) to the extent necessary to provide treatment and obtain payment for health care in emergency situations;

(B) to the extent necessary to provide treatment and payment where the health care provider is required by law to treat the individual;

(C) if the health care provider is unable to obtain consent due to substantial barriers to communicating with the individual and the provider reasonably infers from the circumstances, based upon the exercise of professional judgment, that the individual does not object to the disclosure or that the disclosure is in the best interest of the individual; and

(D) to the extent that the information is necessary to carry out or otherwise implement a medical practitioner's order or prescription for health services, medical devices or supplies, or pharmaceuticals.

(3) The protections must prohibit the improper use and disclosure of individually identifiable health information by any entity.

(4) The protections must provide any individual a right to obtain damages and other relief against any entity for the entity's improper use or disclosure of individually identifiable health information.

(5) The protections must require the use of reasonable safeguards, including audit capabilities, encryption and other technologies that make data unusable to unauthorized persons, and other measures, against the risk of loss or unauthorized access, destruction, use, modification, or disclosure of individually identifiable health information.

(6) The protections must provide for notification to any individual whose individually identifiable health information has been lost, stolen, or used for an unauthorized purpose by the entity responsible for the information and notification by the entity to the Secretary.

(b) LIST OF ENTITIES.—The Secretary shall maintain a public list identifying entities whose health information has been lost, stolen, or used in an unauthorized purpose as described in subsection (a)(6) and how many patients were affected by such action.

(c) CONSTRUCTION.—Nothing in this section shall be construed as superseding, altering, or affecting (in whole or in part) any statute, regulation, order, or interpretation in effect in any State that affords any person privacy and security protections greater than that the privacy and security protections described in subsection (a), as determined by the Secretary.

Mr. DOGGETT (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. DOGGETT. Mr. Speaker, this is an important motion for a modest bill. It leaves this bill with an opportunity to move forward today with just one important change, and that is the addition of vital personal privacy protection of what should be genuinely personal medical records.

In my youth, there was a popular song called "I Heard it Through the Grapevine." These days, it's "I saw it on the Internet." In this busy world of busy bodies and identity theft and commercial snooping, I believe what a patient confides to a physician about an ailment, what a young couple tells a psychologist about their marriage, what prescription a pharmacist provides, that highly personal information should not be spread and read on the Internet.

The consequences of unwanted disclosure of personal health information is more than embarrassment or humiliation. It may mean the loss of a job or a promotion. It may mean that an individual refuses to confide necessary information to their doctor or avoids health care and critical medical tests because of fear that the information will be disclosed without her consent.

This Administration has shown little interest in personal privacy, whether it was the privacy of library records or phone conversations or veterans' records.

The Federal Government scored a D-plus on the 2005 Computer Security Report Card, with the Departments of Health and Human Services, Veterans Affairs, and Homeland Security scoring an F. And the Administration's record on health care privacy is even worse. As the Post disclosed last month, there have been 19,420 complaints during the Bush Administration about privacy violations. There have, during this Administration, been almost 20,000 complaints about invasions of privacy with medical records, and all of that has not resulted in a single civil fine anywhere in this country under the protections that are available there, and only two criminal cases out of that 20,000.

This is not an adequate performance, and that is why Dr. Deborah Peel, one of my Texas neighbors, and a host of professional and public health organizations have urged us to adopt meaningful privacy protections in this bill.

Mr. Speaker, I yield 1 minute to the gentleman from Rhode Island (Mr. KENNEDY), who has been such an advocate on this.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I want to ask a few questions to my colleagues about this privacy law.

Do you think it should be a violation of Federal health privacy law to be able to hack into an electronic database for health information? I think it should be against the law. But it is not against the law.

If a hospital employee accesses your health record, for example, for a famous movie star and sells it to a tabloid, do you think that is wrong? Well, that is not against the law now. If you can allow a hospital information to be accessible through an information network, this is now permissible.

All of these things are permissible under the HIPAA law. And if you do not like that, you are going to hate what this bill does to HIPAA, which is going to magnify it 100 times. There is going to be no protection for privacy whatsoever.

And that is why I ask all of you to join us in the motion to recommit. Your constituents will thank you for it if you vote for the motion to recommit.

Mr. DOGGETT. Mr. Speaker, I thank the gentleman, and I yield the balance of my time to the gentleman from Massachusetts (Mr. MARKEY), who has led the way on privacy issues across this country.

Mr. MARKEY. Mr. Speaker, I thank the gentleman from Texas for his leadership on this issue.

There is no privacy protection in this bill. We are about to move to an era where all of your drug records, all of your psychiatric records, all of your children's medical records are going online. William Butler Yeats, the great Irish poet, said that in dreams begin responsibility. We have a responsibility to have privacy protections built into this bill.

What do the Republicans say? They say trust the Department of Health and Human Services. This year TOM DAVIS, the Government Reform Committee, gave a grade to all agencies in the protection of privacy. Do you know what grade TOM DAVIS and your Government Reform Committee gave to the Department of Health and Human Services? An F. Now, that is Medicare and Medicaid. That is one quarter of all Americans. Now we are taking all private citizens as well and the Republicans are saying "trust the Department of Health and Human Services."

What our motion to recommit says is that every American has the right to say that their children's medical records do not have to be put online; that everyone does not have to know about it; that they have a right to say no, they don't want those records online; that each family can make that decision for themselves.

Vote "aye" on the Doggett motion to recommit.

Mr. BARTON of Texas. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. BARTON of Texas. Mr. Speaker, I want to compliment my good friends who have spoken on this motion to recommit. I know all three of the gentlemen, and they are fine fellows and fine public servants and believe passionately in what they speak of. If I were a doctor on this debate, I believe I would have to recommend they take a Valium and just calm down. We do not get this fixed if there is a problem.

Whatever the law is today on medical record privacy, the law is going to be tomorrow on medical record privacy. Nothing in this bill changes that. This is a health information technology bill. We are actually trying to get medical records in our country, the greatest Nation the world has ever known, to use technology that many other industries and many other groups have already incorporated into their daily business routine.

Now, there is an ongoing study at HHS on privacy. They have received over 50,000 public comments so far. This bill before us, if it becomes law, has an implementation period. There is going to be adequate time to come back, if we need to, with a specific medical technology privacy bill.

In past Congresses, Mr. MARKEY and I have been co-chairmen of the Privacy Caucus in the House, along with Senator SHELBY and Senator DODD in the Senate. I am as strong an advocate of protecting personal privacy as anybody in this body. I would say Mr. MARKEY and others share the passion just as strongly as I do.

The bill before us today is not a privacy bill. This motion to recommit is a privacy amendment. We should reject it and then move the underlying bill. And if and when we need to address medical privacy as a stand-alone issue, there will be adequate time and adequate resources devoted to that.

Mr. KENNEDY of Rhode Island. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Companies that are in the business of storing patient health information online are not covered under HIPAA. Are not covered under HIPAA.

Mr. BARTON of Texas. Mr. Speaker, reclaiming my time, they are covered under adequate laws, and HIPAA is the medical privacy law.

Please vote against the motion to recommit.

Mr. Speaker, I yield the balance of my time to the subcommittee chairman from the Ways and Means Committee, who has worked so tirelessly on this bill, Mrs. JOHNSON of Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Speaker, remember, adoption of HIPAA was a multi-year process, very controversial, very difficult, 50,000 comments just on the regulations.

The SPEAKER pro tempore. The gentlewoman will suspend.

In debate on a motion to recommit, time is not controlled. Therefore, although the gentleman may yield as he pleases, he must remain on his feet.

Mr. BARTON of Texas. I know the rules. I'm supposed to be standing up. I apologize.

Mrs. JOHNSON of Connecticut. My legislation explicitly does not change HIPAA.

The behavior described of hacking in and revealing what would be under HIPAA is a fine of $250,000 and 10 years in jail. So HIPAA is there. It protects our privacy.

What this bill does is to put in place a study to look at what has happened in the States, what has happened between State law and Federal law, to look and see if there are things that need to be done to create greater commonality amongst all these laws so that the nationwide interoperable health information system will protect health information to the current or a higher standard. So in the bill it has to be to a higher standard. But we maintain current law. There is absolute protection.

And, remember, this specific approach was rejected by Donna Shalala and President Clinton; so do not take this vote lightly, folks. What you are voting for is a radical change in a law that is terribly important to all of us and we maintain in this bill.

Mr. BARTON of Texas. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DOGGETT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 4157, if ordered, and the motion to instruct on H.R. 2830.

The vote was taken by electronic device, and there were—ayes 198, noes 222, not voting 12, as follows:

[Roll No. 415]

AYES—198

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Conyers
Costa
Costello
Cramer
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)

Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wu
Wynn

NOES—222

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cooper
Crenshaw
Culberson
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—12

Clyburn
Crowley
Cubin
Davis, Jo Ann
Deal (GA)
Evans
Fossella
Istook
Lewis (GA)
McKinney
Thomas
Wexler

☐ 1603

Mr. BOOZMAN changed his vote from "aye" to "no."

Mr. BLUMENAUER changed his vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mrs. JOHNSON of Connecticut. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 270, noes 148, not voting 14, as follows:

[Roll No. 416]

AYES—270

Aderholt
Akin
Alexander
Allen
Bachus
Baird
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Berkley
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carnahan
Carson
Carter
Castle
Chabot
Chocola
Clay
Cleaver
Coble
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Cuellar
Culberson
Davis (FL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Drake
Dreier
Edwards
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hinojosa
Hobson
Hoekstra
Hooley
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Larsen (WA)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marshall
Matheson
McCarthy
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Meeks (NY)
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moore (KS)
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Ortiz
Osborne
Oxley
Pearce
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sanchez, Loretta
Saxton
Schmidt
Schwartz (PA)
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauscher
Taylor (NC)
Terry
Thompson (CA)
Thornberry
Tiahrt
Tiberi
Towns
Turner
Udall (CO)
Upton
Walden (OR)
Walsh
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Young (AK)
Young (FL)

NOES—148

Abercrombie
Ackerman
Andrews
Baca
Baldwin
Becerra
Berman
Berry
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Case
Chandler
Conyers
Costello
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
DeGette
Delahunt
DeLauro
Dingell
Doggett
Doyle
Duncan
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Flake
Ford
Frank (MA)
Garrett (NJ)
Gingrey
Green, Al
Green, Gene
Grijalva
Gutierrez
Hastings (FL)
Higgins
Hinchey
Holden
Holt
Honda
Hostettler
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kucinich
Langevin
Lantos
Larson (CT)
Lee
Levin
Lowey
Lynch
Maloney
Markey
Matsui
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (WI)
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Rush
Ryan (OH)
Sánchez, Linda T.
Sanders
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Slaughter
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Taylor (MS)
Thompson (MS)
Tierney
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wynn

NOT VOTING—14

Clyburn
Crowley
Cubin
Davis, Jo Ann
Deal (GA)
Evans
Fossella
Istook
Lewis (GA)
McKinney
Payne
Pence
Thomas
Wexler

☐ 1611

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A Bill to promote a better health information system.".

A motion to reconsider was laid on the table.

MOTION TO INSTRUCT CONFEREES ON H.R. 2830, PENSION PROTECTION ACT OF 2005

The SPEAKER pro tempore. The unfinished business is the vote on the motion to instruct on H.R. 2830 offered by the gentleman from California (Mr. GEORGE MILLER) on which the yeas and nays are ordered.

The Clerk will redesignate the motion.

The Clerk redesignated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 285, nays 126, not voting 21, as follows:

[Roll No. 417]

YEAS—285

Abercrombie
Aderholt
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bartlett (MD)
Bean
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Calvert
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chandler
Clay
Cleaver
Coble
Conyers
Cooper
Costa
Costello
Cramer
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doyle
Dreier
Duncan
Edwards
Emerson
Engel
Eshoo
Etheridge
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Frank (MA)
Gallegly
Gerlach
Gibbons
Gilchrest
Gohmert
Gonzalez
Goode
Gordon
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutknecht
Harman
Hart
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hunter
Hyde
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kingston
Kirk
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
LaTourette
Leach
Lee
Levin
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lynch
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCotter
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Pelosi
Peterson (MN)
Pickering
Platts
Poe
Pombo
Pomeroy
Porter
Price (NC)
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Rogers (MI)
Rohrabacher
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Shaw
Shays
Sherman
Sherwood
Simmons
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Stark
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (FL)

NAYS—126

Akin
Alexander
Bachus
Baker
Barrett (SC)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Burton (IN)
Buyer
Camp (MI)
Campbell (CA)
Cannon
Cantor
Chabot
Chocola
Cole (OK)
Conaway
Crenshaw
Culberson
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Ehlers
English (PA)
Feeney
Flake
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gillmor
Gingrey
Goodlatte
Granger
Graves
Hall
Harris
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hulshof
Inglis (SC)
Issa
Johnson (CT)
Johnson, Sam
Keller
King (IA)
Kline
Knollenberg
Kolbe
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Marchant
McCaul (TX)
McCrery
McHenry
McKeon
McMorris
Mica
Miller (FL)
Miller, Gary
Musgrave
Myrick
Neugebauer
Northup
Norwood
Nunes
Osborne
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pitts
Price (GA)
Pryce (OH)
Putnam
Radanovich
Reynolds
Rogers (AL)
Rogers (KY)
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Simpson
Smith (TX)
Stearns
Terry
Thomas
Tiahrt
Tiberi
Walden (OR)
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (SC)
Young (AK)

NOT VOTING—21

Ackerman
Clyburn
Crowley
Cubin
Davis, Jo Ann
Deal (GA)
Emanuel
Evans
Fossella
Gutierrez
Hoekstra
Istook
Larson (CT)
Lewis (GA)
McKinney
Melancon
Payne
Spratt
Strickland
Thornberry
Wexler

☐ 1621

Mr. MARCHANT changed his vote from "yea" to "nay."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING REPAIR OF MACE OF HOUSE OF REPRESENTATIVES

Mr. BOEHNER. Mr. Speaker, I offer a resolution (H. Res. 957) and I ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved,

SECTION 1. REPAIR OF MACE OF HOUSE OF REPRESENTATIVES.

(a) DELIVERY FOR REPAIR.—The Sergeant at Arms of the House of Representatives is authorized and directed, on behalf of the House of Representatives, to deliver the mace of the House of Representatives, following an adjournment of the House pursuant to concurrent resolution, to the Secretary of the Smithsonian Institution only for the purpose of having necessary repairs made to the mace and under such circumstances as will assure that the mace is properly safeguarded.

(b) RETURN.—The mace shall be returned to the House of Representatives before noon on the day before the House next reconvenes pursuant to concurrent resolution or at any sooner time when so directed by the Speaker of the House of Representatives.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON TOMORROW

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CALLING FOR CEASE-FIRE IN LEBANON

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, yesterday a number of countries met in Rome and they discussed what ought to happen between or in Lebanon, and they came to a decision there ought to be a cease-fire, except one country said no, it was the United States of America.

Mr. Speaker, how can it be that the United States of America can condone the continuation of people dying on both sides of the line? The explanation of who started it or who won't stop or who is at fault or when it started or all that must be decided at a peace table. As long as people are dying, the peace table is going to be harder and harder and harder to work out. The sooner we bring the parties to the table, the better off the whole world will be, not just Lebanese, not Israelis, everyone in the world will be better off if we have a cease-fire. Please, Mr. President, listen to us.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

HONORING TIM FRIEDMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, I rise today to talk about Tim Friedman who is leaving this body to start a new life, one a lot more relaxing I am sure. But I can tell him, he won't be surrounded by as many people that absolutely admire and like him like he is day in and day out here.

I have gotten to know this man. He has been here for 30 years, but I have gotten to know him over the past 2 years while I have come to the floor 165 times to bring 5-minute special orders on bringing our troops home from Iraq. But what I have learned about him because he is here every night while we are doing our Special Orders, that his job in keeping this House floor together, to keep Members on the straight and narrow and knowing what we are doing and what we are not supposed to do, like talking on our cell phones on the floor, he does with good humor, he does with good grace.

But his most important chore, and I think he has always known this with me, has been to find my fountain pens when I lose them. Actually, he can find a real fountain pen. I have a bit of a fetish for nice fountain pens. He finds other people's, and he thinks they are mine because I so often lose mine. But he also finds things that other Members of the House lose. He is a real sleuth, and he finds them, he knows who they belong to, he lets us know that he has got them.

Mr. Speaker, even though he is starting a new chapter in his life, even though he is leaving us, we know that he has been here and we will always remember how he has treated every single one of us. I am glad that he was part of this chapter in my life.

Mr. ROTHMAN. Mr. Speaker, will the gentlewoman yield?

Ms. WOOLSEY. I yield to the gentleman from New Jersey.

Mr. ROTHMAN. Mr. Speaker, I would like to join the gentlewoman from California in acknowledging and honoring our friend, Tim Friedman, for all his 30-plus years of service to the House of Representatives.

I have been here now 10 years, Mr. Speaker, and I can you I have asked a great deal of Mr. Friedman, how to get from place to place, what the votes are going to be, asking him his advice on all kinds of family matters, frankly, to whether to go home for that soccer game or that school play. And he always gave me the right answer: Go home and be with your kids, and we will take care of the institution.

Mr. Friedman has been an exemplary servant to this institution and to this country. And for 30-plus years of service, I want to thank him and his family for all of the sacrifice that he has expended on behalf of our country.

□ 1630

I want to say one other word. Tim is part of a team on our side of the aisle that makes our work possible. I know on the other side of the aisle there is a terrific team of people helping our friends on the other side of the aisle. So Tim represents the finest in public service, and I want to wish him and his family a wonderful retirement, and from the bottom of my heart, Tim, a sincere and grateful thank you for all you have done for me and for the Democratic Party, for the Democrats here, for the United States Congress and the people of this country.

Thank you, Tim Friedman.

Ms. KAPTUR. Mr. Speaker, will the gentlewoman yield?

Ms. WOOLSEY. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Speaker, I thank the gentlewoman for yielding to me, and I want to add my words of great compliment and appreciation to Tim Friedman, a true gentleman who has served this House with such distinction for over three decades of his life. His career here represents the highest level of public service, and members of his family, his children, his relatives, all of his friends here, all the Members of Congress that he has served and the American people should know this man because so many of the really top quality staff members who serve the Nation do not get the kind of recognition that they genuinely deserve.

I want to thank him for his gentlemanly demeanor, being a true man of the House, and for helping us build a better Nation and world. Your service has been exemplary. Thank you on behalf of the Nation and thank you on behalf of the people of Ohio as well, all of whom you have served with such distinction. Congratulations. God bless you and may the future be even brighter than the years that you spent here.

Mr. Speaker, I thank the gentlewoman from California for yielding to me on behalf of such a fine and good man.

Ms. WOOLSEY. Mr. Speaker, in conclusion, Tim, thank you for taking care of us. Thank you for being you, and thank you for being in this chapter of my life.

THREE FATHERS—THREE STOLEN CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE. Mr. Speaker, I want to talk about three stolen children and three fathers.

Adam Walsh, a 6-year-old in Hollywood, Florida, disappeared on July 27, 1981, from a shopping store. His mother told him to play video games while she paid for a lamp. When she turned around, he had disappeared from the store. Apparently, the management had told him to leave.

On August 10, 1981, Adam's decapitated head was found in the water at Vero Beach, Florida. The rest of his remains have never been found.

Otis Toole, a serial killer, confessed to killing Adam in 1983. Police were not sure he was the killer, although he confessed again, but later recanted. Toole died in 1996 on death row for other crimes, and Adam's murder technically remains unsolved.

His father, John Walsh, partner in a hotel management company, lived the "All-American Dream" with his family in Hollywood, Florida, but the effect of his son's death, Adam, was devastating. He lost everything, not only his business, his home, but his pride, Adam Walsh.

He began campaigning for missing and exploited children, and his drive created the Missing Children Assistance Act of 1984, which established the National Center for Missing and Exploited Children. Also, John and his wife established the Adam Walsh Child Resource Center, and he has been host on "America's Most Wanted" since 1988. This TV program helps capture the worst criminals in America. He still is married and he has three children now, and he works daily to protect our children.

Polly Klaas was abducted from her bedroom in the middle of the night on October 1, 1993, by Richard Allen Davis in California. He later strangled her and sexually assaulted her, and in December of that year, Davis led police to her body, and they discovered that she had been buried alive. Davis, a previously convicted felon, was sentenced to death in September 1996. He is on death row now in California waiting to be executed, as he needs to be.

Marc Klaas, her father, worked in a Hertz car rental center in San Francisco prior to her death. Memories of his daughter Polly were sitting on the couch, watching her favorite show "The Simpsons." She had a love for performing. She also loved to play her clarinet and would have loved to have been an actress.

But the effect of her death, Mr. Speaker, in the words of her father, Marc, he said, "I wanted to be dead for 10 years. No one has affected my life so positively and nothing has affected my life so negatively."

After her abduction and murder, Marc gave up his business and dedicated his life to protecting our children. He is the founder of the Klaaskids Foundation, a nonprofit organization; and in 1994, he was instrumental in establishing the "three strikes, you're out" law in California. A third felony conviction means those criminals go to prison for 25 years to life.

Mr. Speaker, number three, Jessica Lunsford, 9-year-old girl in Florida. She was abducted also from her bedroom on February 23, 2005, by a repeat sex offender, John Couey. This occurred in Homosassa, Florida. He repeatedly sexually assaulted her, and then he buried her alive in his backyard.

It is interesting to note that "America's Most Wanted" helped capture this individual.

On March 18, 2005, Couey confessed to raping and killing Jessica and told police where she was buried. He is waiting trial; and, hopefully, the folks in Florida will administer their corrective punishment, the death penalty, in his case.

Mark Lunsford, her father, normal guy. In fact, he moved to Florida to protect his children. He was in the Army after high school and he loved his kids. He just worked as a heavy equipment operator at a recycling center. He says about his daughter that she loved to work with him and operate this heavy equipment. They took care of each other because that is what families do.

The effect of her death has helped him to also work for children. He is helping get Jessica's Law passed in 18 States, which increases the minimum penalty for sex offenders to 25 years for first offenders.

Mr. Speaker, these three fathers from three different backgrounds had a child stolen from them by a child predator. As a father of four and a grandfather of five, there would be nothing worse than to have a child murdered.

I know all three of these fathers. In fact, two of them are in Washington today. They are still fighting for kids, and they are here today because the President signed the Adam Walsh Child Safety Act to toughen up registration of child predators.

Twenty-five years ago today, Adam Walsh was kidnapped.

Mr. Speaker, children are our greatest resource, and every time a child is born, God is making a bet on the future of our culture. We are not judged by the way we treat the rich, the famous, the powerful, the influential. We as a society are judged by the way we treat the weak, the innocent, the children.

The voices of these three children, the roll call of the dead, Jessica, Polly and Adam, call from the graves for justice. America must be the land that concerns itself with the protection of its children, and we must win this war against those child terrorists who steal the lives of our children.

And that's just the way it is.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 109–606) on the resolution (H. Res. 958) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

ENERGY BILL ANNIVERSARY BRINGS PAIN AT THE PUMP

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, tomorrow is the first anniversary of the House passage of the Bush energy bill.

Our Republican colleagues probably want to take a victory lap, but they just cannot afford the gas. Gas prices, you see, in that 1 year are 71 cents higher today than they were 12 months ago.

The Republican energy bill fails American consumers by design.

They moved it a year ago, even though they knew it would grow our dependence on foreign oil because it offered $85 billion in consumer subsidies to Big Oil and the other Republican corporate campaign donors.

It has paid off. Eighty-four percent of Big Oil's more than $10 million in political contributions for this November's elections have gone to Republicans, 84 percent. Is it any wonder who the Republican energy bill really serves?

Too many of my Republican colleagues are addicted to oil company campaign contributions.

We need to reject the failed policies of the past. We need to build a brighter future of greater energy independence by using energy smarter, investing in new, job-creating energy technologies and, for instance, making my State of Ohio the Silicon Valley of alternative energy.

HONORING DR. ROCH DOLIVEUX

Mr. GINGREY. Mr. Speaker, I ask unanimous consent to speak out of turn.

The SPEAKER pro tempore. Without objection, the gentleman from Georgia is recognized for 5 minutes.

There was no objection.

Mr. GINGREY. Mr. Speaker, today I rise to commend a fine constituent of the 11th District of Georgia, Dr. Roch Doliveux. Dr. Doliveux is the chief executive officer of UCB, Incorporated, a leading global biopharmaceutical company with facilities in my district, the 11th of Georgia, in the town of Smyrna.

Earlier this year, Dr. Doliveux received the Epilepsy Foundation's Distinguished Achievement Award in New York City. The Epilepsy Foundation annually recognizes individuals who have made outstanding efforts on the behalf of those living with epilepsy.

As the CEO of UCB, Incorporated, Dr. Doliveux has spearheaded his company's efforts to raise awareness of this disease, and he has leveraged its resources to develop and provide medicines to help patients return to their daily activities.

In our country, epilepsy affects 2.7 million Americans and their families. Mr. Speaker, epilepsy is a seizure disorder that can develop at any time in life, and it can stem from a variety of causes; but it is always a costly and frequently debilitating disease.

That is why, as a physician Member, I am so proud to stand on the floor of this body and extend my congratulations to Dr. Doliveux for his fine work on behalf of the Epilepsy Foundation.

IS PEACE POSSIBLE?

Ms. KAPTUR. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER pro tempore. Without objection, the gentlewoman from Ohio is recognized for 5 minutes.

There was no objection.

Ms. KAPTUR. Mr. Speaker, I rise this evening to tell a little story.

This week, a wonderful family from my district in Ohio brought to Washington a little sketch that they left with me. It is a scene from inside a home, and a little boy is standing at a window holding what looks like a prayer book. He is looking out this window into a sunlit day, and outside the window are these beautiful, beautiful apple trees.

You do not realize as you are looking at this child, who may be 4 years old or so, looking outside his window, you do not realize that what is walking by his window are bayonets pointed straight up, because in the way the artist has drawn the picture, the gun butts parallel the trunks of the apple trees.

You look at this picture and it causes you to pause, and in the distance in the sky, you see a small bird flying, a bird of peace.

As I watch what is happening in the Middle East and the carnage that comes over our television screens every evening. I cannot help but ask myself, what is wrong with humankind that we cannot stop the killing? Is the United States of America so strong militarily that it also cannot be strong morally and stand up and say to those involved, Cease fire? Cease fire on all sides, now, now. Would the world not stand with us? Why should the United States not just be silent but step away, step away for all the thousands and thousands and thousands of young people whose futures are being destroyed, whose countries are being leveled?

In the Palestinian Authority, in Israel, in Lebanon, I say to myself, what is it about human nature that makes us as creatures so marauding and so hateful and apparently so incapable of saying drop the bayonets, just for a day, just to see if peace is possible?

I am just appalled at what is happening. I look at our world, I look at all of its leaders, I look at all of our material wealth, all of the arms, the bunker-buster bombs that are on their way, and I say to myself, I thought the 20th century was the century of utter destruction and that we had finally contained those forces in the world that were so harmful to human life, and that when we turned the new page on the new millennium, we would usher in a millennium of peace, and now this.

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I would urge the President of the United States to not just look at the military side of the equation but to deeply consider both political and diplomatic efforts, initially through back channels. No country should be isolated, whether it is Lebanon or Syria, or Jordan or Iran. Because out of isolation, even in a marriage, comes an icy standoff and no resolution. It is no different with countries. You cannot have that kind of icy standoff and think the world will be at peace.

I can tell you that the southern part of Lebanon that is the object of the invasion right now is an area where development was not allowed to occur, where the west literally backed away and allowed the forces of Hezbollah to gain greater and greater footing. And we are yielding the policies of isolation that allowed this to occur.

So I would say to my colleagues, I would say to people of good conscience everywhere, now is the time to stand up to stop the killing on all sides in a part of the world where the soils are blood drenched from Bethlehem to Gaza to northern Israel, and Haifa now, to southern Lebanon again. Haven't we had enough of killing one another?

I would urge the Secretary of State, the President of the United States, the Members of this Congress who are going to be leaving Washington tomorrow in this House and I guess next week in the other body, to devote your August to thinking how we can all be voices to stop the killing and to call for a ceasefire on all sides for the sake of the world. Surely we are destroying a part of the earth that will take generations to restore, and we every day are watching young people and innocence killed by the hundreds and thousands. Can't the world do better than this?

I think about the drawing of the little boy looking out the window at a beautiful sky and apple trees with the bayonets walking by.

U.N. OIL FOR FOOD SCANDAL

Mr. GARRETT of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. GARRETT of New Jersey. Mr. Speaker, recently in a Manhattan Federal Court, we saw the first conviction worldwide in the Iraqi Oil-for-Food scandal. Billions of dollars illicitly passed between one of the world's most notorious dictators, Saddam Hussein, over 2,200 companies worldwide, and top officials of the U.N. Now, more than 3 years after the scandal was brought to light, Tongsun Park, a Korean national, is now the only individual who has been tried for those gross crimes.

Mr. Park is a familiar player in the game of corruption, having been heavily involved in the 1970s Congressional bribery scandal known as Koreagate. In that case, he saved himself from prison by turning States evidence, but instead of taking this near miss as a lesson, 20 years later, he became involved again in a decidedly more devious scheme that kept a murderous dictator living in high style with his millions of dollars from Saddam Hussein to take care of his "expenses" and his "people," as he called them.

During this time that he was on Saddam Hussein's payroll, Park met 20 times with U.N. Secretary General Boutros-Ghali at his personal residence. Apparently, despite his corrupt past, his friendship and guidance were sought by Boutros-Ghali and his Under Secretary, Maurice Strong.

The Oil-for-Food program was the brain child of Boutros-Ghali and Strong. And shortly before the program was finalized, Strong took nearly $1 million from Park. A payment that Strong forgot until he was shown the check. Mr. Strong went on to serve Kofi Annan in a high-ranking capacity as his personal envoy to the Korean peninsula, where he was advised on North Korean issues by Park.

In all likelihood, Park, at 71 years of age, will serve extensive prison time for his crimes. Further trials for his coconspirators are scheduled for this November.

Unfortunately, the U.N. continues to protect some of the most egregious offenders, including Oil-for-Food Director Ben Sevan, who allegedly took some $147,000 in payoffs. Sevan has claimed that he is innocent, but he has fled to Cyprus to avoid extradition. The innocent defend themselves in the court of public opinion or the court of law, but Mr. Sevan, instead, chooses to hide, living off his illicit gains.

Hundreds of other individuals inside and outside the U.N. were involved in the kickbacks and payoffs of the Oil-for-Food scandal, so I applaud the work of the Federal prosecutors who will continue to bring down indictments, but they need full cooperation of the U.N. if they are to bring justice to those individuals who contributed to Saddam Hussein's reign of terror.

Now, despite the fact that the corruption reached the highest levels of the U.N., the U.N. has yet to take up important reforms that would prevent such problems in the future. Reform, though badly needed throughout this organization, has been stalled by a group of countries that include some of the worst human rights offenders in the world, those who daily ignore the lofty goals of the U.N. If the U.N. is to fulfill its mandate to be an organization that promotes peace, freedom, and prosperity, then it must set an example of clean ethnics and not of dirty corruption that keeps men and women around the world in poverty and slavery.

The Oil-for-Food scandal completely undermined the work of the sanctions against Iraq and provided the means that, in all likelihood, continue to fuel the work of terrorists in Iraq. There must be justice for Saddam's victims, and the U.N. should not stand in the way of that justice being administered.

OIL COMPANIES REPORT RECORD PROFITS

Mr. DEFAZIO. Mr. Speaker, I ask unanimous consent to replace Mr. EMANUEL.

The SPEAKER pro tempore. Without objection, the gentleman from Oregon is recognized for 5 minutes.

There was no objection.

Mr. DEFAZIO. Well, today was a big day on Wall Street. The oil companies, the three biggest oil companies, have reported record profits. They are up an average of 30 percent over this quarter last year. They are making $200 million a day in profit.

Now, you would think if the price of crude oil went up, it might squeeze their margins a little bit. No, they are working hand in glove with OPEC and the other producers around the world, and they actually get a premium. For every dollar a barrel it goes up, they add on a little bit more at the pump.

They have closed down a large number of refineries across America at the recommendation of the American Petroleum Institute. They had a memo 10 years ago that they sent out to all their members in the oil industry saying there are too many refineries; the profits aren't there. If you close down some of these refineries, you could claim there was insufficient capacity and you could drive up your profits dramatically.

In the last year, profits for refineries are up 60 percent in 1 year. Now, that is $200 million a day out of the pockets of American consumers, American business, stifling our economy, causing families to cancel vacations or change their plans, and people are having a hard time filling up their tank that live in rural areas in my district just to get to work.

But the oil company execs and their stockholders, why, they are doing just fine. Exxon Mobil has so much cash on hand they don't know what to do with it; over $20 billion of cash. They are not investing in new production, new sources of energy, or new refineries. Hey, they like it the way it is with the so-called refinery shortage. It is a good excuse to gouge people at the pump.

No, they are just plowing it back into their execs pockets and hanging onto cash and then buying back stock to drive up the value of their stock options. The recently retired CEO of Exxon Mobil, Lee Raymond, just retired a couple of months ago, they gave him a $400 million retirement. And now, Mr. Raymond, Americans are struggling to fill up their gas tanks; right? It is hard to afford 50 bucks if you are driving an SUV.

But Mr. Raymond, well, he isn't too worried about that. He is out buying oil fields and gas fields in the Middle East and in Africa. An individual, one guy, got so much money from ExxonMobil from them bleeding extortionate profits out of the American people, that he can afford to buy his own oil and gas fields. And certainly, I am sure, he will sell the capacity to his former employer, ExxonMobil, who will then mark it up handsomely, and they all come out ahead. The only losers are the American consumers.

We need both a short-term and a long-term plan. We need a short-term plan to stop the profiteering and price gouging. We need to regulate oil trading like we do other commodities. We need to put a windfall tax on these companies unless they are investing their ill-gotten gains, their excess profits in new refinery capacity, in new production, and in alternate fuels.

And then we need a long-term plan to make America energy independent and energy efficient. The so-called Bush energy plan will have us importing more oil from the Middle East. Imagine that, more oil from the Middle East 10 years from today than we are today. That is a great place to be dependent upon.

The Iranians are profiting tens of billions of dollars from these high prices. Aren't they part of the axis of evil? The Bush policy is facilitating billions of dollars to the mullahs in Iran.

It is time for America to get smart, and it is time for our government to lead the way to energy efficiency, energy independence, and clamp down on big oil. But we know that won't happen, because 85 percent of the contributions of the oil and gas industry went to the Republican Party. And they were incredibly generous to the President in his last election. And, of course, both he and DICK CHENEY are from that industry.

But with a change in Congress and a change in direction, all those things could happen here and, hopefully, they will, in the interest of our country and not a treasured few of the President's friends.

CHANGING THE DEPARTMENT OF THE NAVY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that I might speak for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from North Carolina is recognized for 5 minutes.

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I have the privilege of representing Camp Lejeune Marine Base and also Cherry Point Marine Air Station, and for 3 years this House of Representatives, in a bipartisan way, has offered and accepted and passed legislation that would create the opportunity to rename the Department of Navy to be Navy and Marine Corps.

I do not need to speak today on the history of the great Marine Corps, just like the United States Army, the United States Navy, and the United States Air Force, but, Mr. Speaker, I will say that I am hoping this year in the conference between the House and the Senate that the Senate will accept the House position.

Let me just take a couple of moments to read a comment. Again, this bill has been introduced for 3 years and the bill number has changed for 3 years, but this statement I want to read is from the Honorable Wade Sanders, Deputy Assistant Secretary of the Navy for Reserve Affairs from 1993-1998. This is what the Honorable Wade Sanders said.

"As a combat veteran and former Naval officer, I understand the importance of the team dynamic, and the importance of recognizing the contribution of team components. The Navy and Marine Corps team is just that, a dynamic partnership, and it is important to symbolically recognize the balance of that partnership."

Mr. Speaker, there has been an Internet site that has been established, not by me or by my office, but by an independent entity. Today, I went on that Internet site and I want to read, again for the record, a statement from First Lieutenant Marine Corps Retired General Merna.

He said, "I am one of five brothers who served in the military: Three Marines, all Korean War veterans; I am also a Vietnam veteran; two Navy brothers, one a Korean War veteran and the other paid the supreme sacrifice in World War II when his LST-577 was sunk by a Japanese submarine. Our uncle was a World War II Marine, and even our Dad spent a brief time in the Army Air Corps in World War II. It may be difficult for non-Marine families to understand why this long overdue legislation is such a burning issue for Marines; it is of paramount interest to our community of Marines.

The reasoning for this legislation comes close to explaining why this needs to be done. Simply put, Marines have earned the right to their own identity, while loving and recognizing our brothers and sisters in arms from all of the military services who already have this distinction."

The point that he was making is, if you think about it, we have a Department of Army and a Secretary of Army. Think about it, we have a Department of the Air Force with a Secretary of the Air Force. You think about the Department of Navy, which the Navy and the Marines are a team, and yet it is a Department of Navy and a Secretary of Navy.

Mr. Speaker, I have to my left orders for a citation of a Silver Star for a Marine that was killed in Nasiriyah during this war in Iraq.

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And it is so ironic to me that this Marine, who gave his life for this country, when his family received the letter from the Secretary of the Navy, what does it say at the top, Mr. Speaker, but the Secretary of the Navy, Washington, D.C., with the Navy flag, recognizing that Michael Bitz gave his life for this country and that Michael Bitz was a Marine, a proud Marine.

Mr. Speaker, what we are trying to do in this House of Representatives, in a bipartisan way, is to say that this is a partnership and has been for the history of the Navy and Marine Corps, and that both should be recognized equally as a team.

And I bring to the floor again to show you what could happen, and would happen if Michael Bitz's family had received this citation of his bravery in Iraq, and that we had a Department of Navy and Marine Corps, what you would have, Mr. Speaker, and what it says here is, the Secretary of the Navy and Marine Corps, and it has the Navy flag and it has the Marine flag. That is what we are trying to do in this House of Representatives is to pay respect to the team. The team is a Navy and Marine Corps team. And I hope that the Senate this year, after 3 years will accept the House position.

Mr. Speaker, with that, before I yield back my time. I want to please ask God to bless our men and women in uniform, to please bless the families of our men and women in uniform, and to ask God to continue to bless America.

COST OF THE OCCUPATION OF IRAQ

Mr. FARR. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore (Mr. KUHL of New York). Without objection, the gentleman from California is recognized for 5 minutes.

There was no objection.

Mr. FARR. Mr. Speaker, I rise tonight because in a moment, we are going to have a historical presentation here on the House floor. It is the 165th time that there has been a consistent voice about getting our troops out of Iraq and ending the war in Iraq. And I know that the voice of the distinguished colleague from California, LYNN WOOLSEY, is being listened to because, eventually, we are going to follow her advice. It is just a question of when. I hope it is not going to take another 165 days.

I would like it yield the remainder of my time to the distinguished Congresswoman representing Marin and Sonoma Counties in California for her 165th presentation on the House floor on this issue.

Ms. WOOLSEY. Mr. Speaker, I would like to thank my colleague. Thank you, Congressman FARR, for those nice words and for standing here with me this evening.

Mr. Speaker, tonight I come to the floor again, for the 165th time, to discuss the costs of the occupation of Iraq. Unfortunately, we all know too well the human cost of the occupation. More than 2,550 of our brave fighting men and women have died. Nearly 100 Iraqi civilians are killed every day.

One might be able to justify these losses if the cause were justified, if Americans were safer because of our action in Iraq. Instead, the architect of the September 11 attacks, Osama Bin Laden, is still at large. The Middle East is literally going up in flames. Terrorism is increasing throughout the world.

And when we turn our eyes home to America, we see so many squandered opportunities as a result of the Iraq occupation. If we hadn't been spending nearly $.5 trillion in Iraq, just think of what we could have done to strengthen our economy and our very own people. Think of the investments we could have made in our future right here at home.

Think about the unmet needs of our children. For the cost of 15 days of the Iraq occupation, we could immunize every child in the United States against serious childhood diseases with all recommended vaccines for the cost of $4 billion.

For the cost of almost 2 months of the occupation in Iraq, we could hire 460,000 teachers across America to lower average class sizes to 18 students, at the cost of $15 billion.

For the cost of just over 2 months of the occupation of Iraq, we could provide basic health insurance to every American child currently making due without coverage. That cost would be $17 billion.

For the cost of little more than 2 months of the occupation of Iraq, we could pay 1 year of tuition and fees at a 4-year public university for the 3 million high school seniors who graduated this spring.

For the cost of just over 5 months of the occupation of Iraq, this could provide a 20 percent pay raise to 3 million public school teachers.

Mr. Speaker, when will we learn?

Congress, over my objections and those of many of my colleagues, gave the President the authorization to go to war. We did not give him permission to occupy Iraq, nor did we give him permission to neglect American children and jeopardize their future.

It is time to bring our troops home from Iraq. It is time to focus on the education and health care of our Nation's children. The Congress can do this by passing my legislation, H.R. 5875, a bill to repeal the President's Iraq war powers. Tonight, I urge my colleagues to cosponsor this legislation. And I urge the leadership to consider this bill before we head home for the August break, before one more penny is wasted on occupying Iraq.

RECOGNIZING MR. JONATHAN STRICKLAND

Ms. MILLENDER-McDONALD. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Without objection, the gentlewoman from California is recognized for 5 minutes.

There was no objection.

Ms. MILLENDER-McDONALD. Mr. Speaker, today I rise to recognize an intelligent, gifted and courageous young man, Jonathan Strickland, who is a 14-year-old African American California resident who began his training to fly airplanes and helicopters at the age of 10 at Tomorrow's Aeronautical Museum. This museum is located in my district at the Compton Woodley Airport in Compton, California, and is a nonprofit organization that strives to give adolescents the opportunity to reach their goal of flight. All program participants are able to receive free training, as long as they perform local community service. The museum director and an accomplished flight instructor, Robin Petgrave, saw fit to create this program that would serve youth in poverty stricken neighborhoods and provide them with a positive alternative away from the streets.

Jonathan Strickland has clearly benefited from Tomorrow's Aeronautical Museum. I am proud to recognize his incredible achievements. He broke four world records in June, including being the youngest person to solo both a plane and a helicopter on the same day, being the youngest African American to solo a helicopter, and to fly a helicopter internationally. He also flew a helicopter round trip internationally.

On July 1, 2006, Jonathan successfully landed back at Compton Woodley Airport and was greeted by his family, friends, the Compton Mayor Perrodin, well wishers, the media, as well as the original members of the Tuskegee Airmen. He was also presented with an application for future employment with the Los Angeles County Fire Department Operations Division.

Ambitious and brave, Jonathan Strickland was able to live his dream because of Tomorrow's Aeronautical Museum. I am proud that this wonderful program is in my Congressional district, and that it is changing young people's lives and creating ways for them to reach their potential and excel.

Jonathan's future goals include becoming a test pilot, attending the Air Force Academy, and eventually becoming a commercial pilot. And as already a world record setter, I am confident that he will surpass every goal he sets for himself.

He has recently graduated from St. Francis Cabrini School, and will enter Cleveland High School as a freshman in September of 2006. I am anxious to see what records he will set and break as a high school student.

I join with his family, friends, his community, his supporters, and the Nation who are rightfully very proud of his accomplishments and have recognized him for his outstanding achievements.

The President has also received a letter outlining those achievements. We are extremely proud of this young man.

HOUSE BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the following titles:

May 12, 2006:

H.R. 3351. An Act to make technical corrections to laws relating to Native Americans, and for other purposes.

May 17, 2006:

H.R. 4297. An Act to provide for reconciliation pursuant to section 201(b) of the concurrent resolution on the budget for fiscal year 2006.

May 18, 2006:

H.J. Res. 83. A joint resolution to memorialize and honor the contribution of Chief Justice William H. Rehnquist.

May 29, 2006:

H.R. 1499. An Act to amend the Internal Revenue Code of 1986 to allow members of the Armed Forces serving in a combat zone to make contributions to their individual retirement plans even if the compensation on which such contribution is based is excluded from gross income.

H.R. 5037. An Act to amend titles 38 and 18, United States Code, to prohibit certain demonstrations at cemeteries under the control of the National Cemetery Administration and at Arlington National Cemetery, and for other purposes.

June 15, 2006:

H.R. 1953. An Act to require the Secretary of the Treasury to mint coins in commemoration of the Old Mint at San Francisco, otherwise known as the "Granite Lady", and for other purposes.

H.R. 3829. An Act to designate the Department of Veterans Affairs Medical Center in Muskogee, Oklahoma, as the Jack C. Montgomery Department of Veterans Affairs Medical Center.

H.R. 4939. An Act making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

H.R. 5401. An Act to amend section 308 of the Lewis and Clark Expedition Bicentennial Commemorative Coin Act to make certain clarifying and technical amendments.

June 30, 2006:

H.R. 5603. An Act to temporarily extend the programs under the Higher Education Act of 1965, and for other purposes.

July 3, 2006:

H.R. 5403. An Act to improve protections for children and to hold States accountable for the safe and timely placement of children across State lines, and for other purposes.

July 10, 2006:

H.R. 4912. An Act to amend section 242 of the National Housing Act to extend the exemption for critical access hospitals under the FHA program for mortgage insurance for hospitals.

July 11, 2006:

H.R. 889. An Act to authorize appropriations for the Coast Guard for fiscal year 2006, to make technical corrections to various laws administered by the Coast Guard, and for other purposes.

July 24, 2006:

H.R. 42. An Act to ensure that the right of an individual to display the flag of the United States on residential property not be abridged.

SENATE BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the Senate of the following titles:

May 5, 2006:

S. 592. An Act to amend the Irrigation Project Contract Extension Act of 1998 to extend certain contracts between the Bureau of Reclamation and certain irrigation water contractors in the States of Wyoming and Nebraska.

S.J. Res. 28. A joint resolution approving the location of the commemorative work in the District of Columbia honoring former President Dwight D. Eisenhower.

May 12, 2006:

S. 584. An Act to require the Secretary of the Interior to allow the continued occupancy and use of certain land and improvements within Rocky Mountain National Park.

May 18, 2006:

S. 1382. An Act to require the Secretary of the Interior to accept the conveyance of certain land to be held in trust for the benefit of the Puyallup Indian tribe.

May 25, 2006:

S. 1165. An Act to provide for the expansion of the James Campbell National Wildlife Refuge, Honolulu County, Hawaii.

S. 1869. An Act to reauthorize the Coastal Barrier Resources Act, and for other purposes.

May 31, 2006:

S. 1736. An Act to provide for the participation of employees in the judicial branch in the Federal leave transfer program for disasters and emergencies.

June 15, 2006:

S. 193. An Act to increase the penalties for violations by television and radio broadcasters of the prohibitions against transmission of obscene, indecent, and profane language.

S. 1235. An Act to amend title 38, United States Code, to improve and extend housing, insurance, outreach, and benefits programs provided under the laws administered by the Secretary of Veterans Affairs, to improve and extend employment programs for veterans under laws administered by the Secretary of Labor, and for other purposes.

S. 2803. An Act to amend the Federal Mine Safety and Health Act of 1977 to improve the safety of mines and mining.

June 23, 2006:

S. 1445. An Act to designate the facility of the United States Postal Service located at 520 Colorado Avenue in Arriba, Colorado, as the "William H. Emery Post Office".

July 19, 2006:

S. 3504. An Act to amend the Public Health Service Act to prohibit the solicitation or acceptance of tissue from fetuses gestated for research purposes, and for other purposes.

July 25, 2006:

S.J. Res. 40. A joint resolution authorizing the printing and binding of a supplement to, and revised edition of, Senate Procedure.

July 26, 2006:

S. 655. An Act to amend the Public Health Service Act with respect to the National Foundation for the Centers for Disease Control and Prevention.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CROWLEY (at the request of Ms. PELOSI) for today after noon and the balance of the week.

Mr. SALAZAR (at the request of Ms. PELOSI) for today after 4:00 p.m. and the balance of the week on account of attending a funeral.

Mrs. JO ANN DAVIS of Virginia (at the request of Mr. BOEHNER) for today and the balance of the week on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

Mr. WEINER, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

(The following Member (at the request of Mr. PEARCE) to revise and extend his remarks and include extraneous material:)

Mr. GILCHREST, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. GINGREY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. GARRETT of New Jersey, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, today.

Mr. FARR, for 5 minutes, today.

ADJOURNMENT

Ms. MILLENDER-McDONALD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, July 28, 2006, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8821. A letter from the Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule — Recognition of Multilateral Clearing Organizations—received July 19, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8822. A letter from the Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule — Market and Large Trader Reporting (RIN: 3038-AC22) received July 19, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8823. A letter from the Director, Regulatory Review Group, Department of Agriculture, transmitting the Department's final rule — Regulations Regarding Employee Conflicts of Interest (RIN: 0560-AH57) received July 19, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8824. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule — Gypsy Moth; Regulated Articles [Docket No. 00-067-2] (RIN: 0579-AB55) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8825. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule — Asian Longhorned Beetle; Removal of Quarantined Area in Illinois [Docket No. APHIS-2006-0105] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8826. A letter from the Chief, Program Analysis and Monitoring Board, Department of Agriculture, transmitting the Department's final rule — Child Nutrition Programs: Uniform Federal Assistance Regulations; Nondiscretionary Technical Amendments (RIN: 0584-AD16) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8827. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule — Brucellosis in Cattle; State and Area Classifications; Idaho [Docket No. APHIS-2006-0001] received July 6, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8828. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule — Imported Fire Ant; Addition of Counties in Arkansas and Tennessee to the List of Quarantines Areas [Docket No. APHIS-2006-0080] received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8829. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—2-Propenoic Acid, 2-Methyl, Polymer with Butyl 2-Propenoate, Methyl 2-Methyl-2-Propenoate, Methyl 2-Propenoate and 2-Propenoic Acid, Graft, Compound with 2-Amino-2-Methyl-1- Propanol; Tolerance Exemption [EPA-HQ-OPP-2006-0555; FRL-8077-4] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8830. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — 2-Propenoic, 2-Methyl-, Polymers with Ethyl Acrylate and Polythylene Glycol Methlacrylate C 18-22 Alkyl Ethers; Tolerance Exemption [EPA-HQ-OPP-2006-0550; FRL-8078-3] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8831. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Butene, Homopolymer; Tolerance Exemption [EPA-HQ-OPP-2006-0552; FRL-8075-8] received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8832. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the Board's Report to Congress on the Plutonium Storage at the Department of Energy's Savannah River Site, pursuant to Public Law 107-314, section 3183; to the Committee on Armed Services.

8833. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Types of Contracts [DFARS Case 2003-D078] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8834. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the Board's semiannual Monetary Policy Report pursuant to Pub. L. 106-569; to the Committee on Financial Services.

8835. A letter from the Secretary, Division of Market Regulation, Securities and Exchange Commission, transmitting the Commission's final rule — Commission Guidance Regarding Client Commission Practices Under Section 28(e) of the Securities Exchange Act of 1934 [Release No. 34-54165; File No. S7-13-06] received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8836. A letter from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting the Department's final rule — Electronic Filing of Annual Reports (RIN: 1210-AB04) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8837. A letter from the Secretary, Department of Energy, transmitting the Department's Annual Report for the Strategic Petroleum Reserve, covering calendar year 2005, pursuant to 42 U.S.C. 6245(a); to the Committee on Energy and Commerce.

8838. A letter from the Secretary, Department of Energy, transmitting a copy of draft legislation to extend the authorization for the Federal contribution to the Uranium Enrichment Decontamination and Decommissioning (UED&D) Fund; to the Committee on Energy and Commerce.

8839. A letter from the Attorney, Office of Assistant General Counsel for Legislation and Regulatory Law, Department of Energy, transmitting the Department's final rule — Computer Security; Access to Information on Department of Energy Computers and Computer Systems (RIN: 1992-AA27) received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8840. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule — National Institutes of Health Training Grants (RIN: 0925-AA28) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8841. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — National Perchloroethylene Air Emission Standards for Dry Cleaning Facilities [EPA-HQ-OAR-2005-0155; FRL-8200-2] (RIN: 2060-AK18) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8842. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Implementation Plans; New York Ozone State Implementation Plan Revision; [Docket No. EPA-R02-OAR-2006-0303, FRL-8191-3] received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8843. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Protection of Stratospheric Ozone; Minor Amendments to the Regulations Implementing the Allowance System for Controlling HCFC Protection, Import, and Export [EPA-HQ-OAR-2003-0130] (RIN: 2060-AL90) received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8844. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Tennessee; Update to Materials Incorporated by Reference [TN-200602; FRL-8197-2] received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8845. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — National Emission Standards for Hazardous Air Pollutants: Organic Liquids Distribution (Non-Gasoline) [EPA-HQ-OAR-2003-0138; FRL-8202-4] (RIN: 2060-AM77) received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8846. A letter from the General Counsel, Federal Energy Regulatory Commission, transmitting the Commission's final rule — Promoting Transmission Investment through Pricing Reform [Docket No. RM06-4-000; Order No. 679] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8847. A letter from the Director, International Cooperation, Department of Defense, transmitting Pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, Transmittal No. 18-06 informing of an intent to sign the C-130J Block 7, 8, and 9 Upgrade Project Arrangement with Australia, Denmark, Italy, and the United Kingdom; to the Committee on International Relations.

8848. A letter from the Director, International Cooperation, Department of State, transmitting Pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, Transmittal No. 17-06 informing of an intent to sign the Research, Development, Test and Evaluation Memorandum of Agreement (MOA) between the United States and Italy; to the Committee on International Relations.

8849. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that effective April 16, 2006, the 15% Danger Pay Allowance for Sarajevo, Bosnia-Herzegovina was terminated based on improved security conditions, pursuant to 5 U.S.C. 5928; to the Committee on International Relations.

8850. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of defense articles and services to the Government of the United Kingdom (Transmittal No. DDTC 010-06); to the Committee on International Relations.

8851. A letter from the Secretary, Department of Transportation, transmitting the Semiannual Report of the Office of Inspector General for the period ending March 31, 2006, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8852. A letter from the Chief Human Capital Officer, Corporation for National & Community Service, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8853. A letter from the Assistant Director, Executive & Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8854. A letter from the Assistant Director, Executive & Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8855. A letter from the General Counsel, Department of Housing and Urban Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8856. A letter from the Special Assistant to the Secreary, White House Liaison, Department of Veterans Affairs, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8857. A letter from the Special Assistant to the Secretary, White House Liaison, Department of Veterans Affairs, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8858. A letter from the Director, Strategic Human Resources Policy Division, Office of Personnel Management, transmitting the Office's final rule — Implementation of Title II of the Notification and Federal Employee Antidiscrimination and Realitation Act of 2002 — Notification & Training (RIN: 3206-AK38) received July 25, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8859. A letter from the Under Secretary for Oceans and Atmosphere, Department of Commerce, transmitting the Department's report regarding the activities of the Northwest Atlantic Fisheries Organization for 2005, pursuant to 16 U.S.C. 5601 et. seq.; to the Committee on Resources.

8860. A letter from the Director, Minerals Management Service, Department of the Interior, transmitting the Department's final rule — Oil, Gas, and Sulfur Operations and Leasing in the Outer Continental Shelf (OCS) — Recovery of Costs Related to the Regulation of Oil and Gas Activities on the OCS (RIN: 1010-AD23) received July 19, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8861. A letter from the Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Pacific Halibut Fisheries; Guideline Harvest Levels for the Guided Recreational Halibut Fishery; Correction [Docket No. 060215036-6178-02, I.D. 101501A] (RIN: 0648-AU30) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8862. A letter from the Deputy Assistant Administrator for Operations, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States; Coastal Pelagic Species Fisheries; Annual Specifications [Docket No. 30109004-6164-02; I.D. 010406E] (RIN: 0648-AT76) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8863. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Agency's final rule — Fisheries of the Northeastern United States; Final 2006-2008 Specifications for the Spiny Dogfish Fishery [Docket No. 060418103-6181-02; I.D. 040706F] (RIN: 0648-AT59) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8864. A letter from the Staff Director, United States Sentancing Commission, transmitting a copy of the 2005 Annual Report and Sourcebook of Federal Sentancing Statistics, pursuant to 28 U.S.C. 994(w)(3); to the Committee on the Judiciary.

8865. A letter from the Assistant Secretary for the Army for Civil Works, Department of Defense, transmitting a legislative proposal regarding the financing of a capital improvement project at the Washington Aqueduct drinking water facility in support of the President's Fiscal Year 2007 Budget; to the Committee on Transportation and Infrastructure.

8866. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety and Security Zones; Tall Ships Celebration 2006, Great Lakes, Cleveland, Ohio, Bay City, Michigan, Green Bay, Wisconsin, Sturgeon Bay, Wisconsin, Chicago, Illinois [CGD09-06-032] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8867. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Coast Guard Organization; Activities Europe [USCG-2006-24520] (RIN: 1625-AB03) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8868. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Special Local Regulations for Marine Events; Chesapeake Bay, Cape Charles, VA [CGD05-06-036] (RIN: 1625-AA08) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8869. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Special Local Regulations for Marine Events; Pamlico River, Washington, North Carolina [CGD05-06-033] (RIN: 1625-AA08) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8870. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Special Local Regulations for Marine Events; Atlantic Ocean, Atlantic City, NJ [CGD05-06-037] (RIN: 1625-AA08) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8871. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Special Local Regulations for Marine Events; Mill Creek, Fort Monroe, Hampton, Virginia [CGD05-06-025] (RIN: 1625-AA08) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8872. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulation; Broward County Bridges, Atlantic Intracoastal Waterway, Broward County, FL [CGD07-04-136] (RIN: 1625-AA09) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8873. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Atlantic Intracoastal Waterway (AICW), Elizabeth River, Southern Branch, Virginia [CGD05-05-041] (RIN: 1625-AA09) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8874. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; James River, between Isle of Wight and Newport News, VA [CGD05-06-039] (RIN: 1625-AA09) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8875. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Long Island, New York Inland Waterway from East Rockaway Inlet to Shinnecock Canal, Jones Beach, NY [CGD01-06-078] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8876. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Long Island, New York Waterway from East Rockaway Inlet to Shinnecock Canal, Hempstead, NY [CGD01-06-077] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8877. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Long Island, New York Inland Waterway from East Rockaway Inlet to Shinnecock Canal, Jones Beach, NY [CGD01-06-76] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8878. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Potomac River, between Maryland and Virginia [CGD05-06-070] (RIN: 1625-AA09) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8879. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Potomac River, between Maryland and Virginia [CGD05-06-071] (RIN: 1625-AA09) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8880. A letter from the Docket Clerk, FRA, Department of Transportation, transmitting the Department's final rule — Locomotive Crashworthiness [Docket No. FRA-2004-17645; Notice No. 3] (RIN: 2130-AB23) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8881. A letter from the Attorney, PHMSA, Department of Transportation, transmitting the Department's final rule — Hazardous Materials: Infectious Substances; Harmonization with the United Nations Recommendations [Docket No. PHMSA-2004-16895 (HM-226A)] (RIN: 2137-AD93) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8882. A letter from the Program Analyst, NHTSA, Department of Transportation, transmitting the Department's final rule — Motorcyclist Safety Grant Program [Docket No. NHTSA-2006-23700] (RIN: 2127-AJ86) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8883. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule —

Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30494; Amdt. No. 3167] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8884. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Standard Instrument Approach Procedures; Weather Takeoff Minimums; Miscellaneous Amendments [Docket No. 30493; Amdt. No. 3166] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8885. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — IFR Altitudes; Miscellaneous Amendments [Docket No. 30495; Amdt. No. 461] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8886. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Amendment of Class D Airspace; Pompano Beach, FL; Amendment of Class D Airspace; Fort Lauderdale Executive Airport, FL [Docket No. FAA-2006-24424; Airspace Docket No. 06-ASO-6] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8887. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Vandenberg AFB, CA [Docket No. FAA-2006-24064; Airspace Docket No. 06-AWP-3] (RIN: 2120-AA66) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8888. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Removal of Class D and E Airspace; Roosevelt Roads, PR Amendment of Class E Airspace; Isla de Vieques, PR [Docket No. FAA-2006-24391; Airspace Docket No. 06-ASO-5] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8889. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Offshore Airspace Area; Control 1487L; AK [Docket No. FAA-2005-22024; Airspace Docket No. 06-AAL-08] (RIN: 2120-AA66) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8890. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Control 1234L Offshore Airspace Area; AK [Docket No. FAA-2006-23708; Airspace Docket No. 06-AAL-1] (RIN: 2120-AA66) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8891. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Amendment to Class E Airspace; Jackson, WY [Docket No. FAA-2005-22665; Airspace Docket No. 05-ANM-13] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8892. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Wellington Municipal Airport, KS [Docket No. FAA-2006-24869; Airspace Docket No. 06-ACE-4] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8893. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Herlong, CA [Docket No. FAA-2004-19684; Airspace Docket No. 04-ANM-24] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8894. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Offshore Airspace Area 1485L and Revision of Control 1485H; Barrow, AK [Docket No. FAA-2006-23872; Airspace Docket No. 06-AAL-9] (RIN: 2120-AA66) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8895. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Revocation of Low Altitude Reporting Point; AK [Docket No. FAA-2005-225010; Airspace Docket No. 06-AAL-17] (RIN: 2120-AA66) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8896. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Keokuk Municipal Airport, IA [Docket No. FAA-2006-25009; Airspace Docket No. 06-ACE-7] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8897. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Scottsbluff, Western Nebraska Regional Airport/William B. Helig Field, NE [Docket No. FAA-2006-25007; Airspace Docket No. 06-ACE-5] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8898. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Togiak Village, AK [Docket No. FAA-2006-23713; Airspace Docket No. 06-AAL-06] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8899. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Legal Description of Class D and E Airspace; Fairbanks, Fort Wainwright Army Airfield, AK [Docket No. FAA-2006-24813; Airspace Docket No. 06-AAL-16] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8900. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Huslia, AK [Docket No. FAA-2006-24004; Airspace Docket No. 06-AAL-13] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8901. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Legal Description of Class D and E Airspace; Fairbanks, Fort Wainwright Army Airfield, AK [Docket No. FAA-2006-24813; Airspace Docket No. 06-AAL-16] received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8902. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of VOR Federal Airways; and Establishment of Area Navigation Route; NC [Docket No. FAA-2006-24027; Airspace Docket No. 06-ASO-1] (RIN: 2120-AA66) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8903. A letter from the Attorney, Pipeline and Hazardous Materials Safety Administration, Department of Transportation, transmitting the Department's final rule — Hazardous Materials: Preemption Determinations; Procedural Regulations [Docket No. PHMSA-2006-24824] (RIN: 2137-AE18) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8904. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Area Navigation Instrument Flight Rules Terminal Transition Route (RITTR); T-210; Jacksonville, FL [Docket No. FAA-2005-23436; Airspace Docket No. 05-ASO-10] (RIN: 2120-AA66) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8905. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Area Navigation Instrument Flight Rules Terminal Transition Route (RITTR) T-210; Jacksonville, FL [Docket No. FAA-2005-23436; Airspace Docket No. 05-ASO-10] (RIN: 2120-AA66) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8906. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Engine Components Inc. (ECi) Reciprocating Engine Cylinder Assemblies [Docket No. FAA-2005-22358; Directorate Identifier 2005-NE-20-AD; Amendment 39-14632; AD 2006-12-07] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8907. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Eurocopter France Model AS350B, BA, B1, B2, B3, C, D, and D1 Helicopters [Docket No. FAA-2006-23888; Directorate Identifier 2005-SW-03-AD; Amendment 39-14622; AD 2006-11-17] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8908. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 767-200 and -300 Series Airplanes [Docket No. FAA-2005-22488; Directorate Identifier 2005-NM-151-AD; Amendment 39-14637; AD 2000-11-19-R1] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8909. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A300 B4 Series Airplanes; Model A300 B4-600 Series Airplanes; Model A300 C4-605R Variant F Airplanes; Model A310-200 Series Airplanes; and

Model A310-300 Series Airplanes [Docket No. FAA-2006-24200; Directorate Identifier 2006-NM-012-AD; Amendment 39-14630; AD 2006-12-05] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8910. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 737-300, -400, -500, -700, and -800 Series Airplanes; Model 747-400 and -400F Series Airplanes; Model 757-200 Series Airplanes; Model 767-300 Series Airplanes; and Model 777-300 Series Airplanes; and Model 777-300 Series Airplanes Equipped with Certain Driessen or Showa Galleys or Driessen Closets [Docket No. FAA-2005-22628; Directorate Identifier 2005-NM-056-AD; Amendment 39-14631; AD 2006-12-06] (RIN: 2120-AA64) Received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8911. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; DORNIER LUFTFAHRT GmbH Models 228-100, 228-101, 228-200, 228-201, 228-202, and 282-212 Airplanes [Docket No. FAA-2006-24095; Directorate Identifier 2006-CE-21-AD; Amendment 39-14624; AD 2006-11-19] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8912. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Pacific Aerospace Corporation Ltd. Model 750XL Airplanes [Docket No. FAA-2006-24081; Directorate Identifier 2006-CE-15-AD; Amendment 39-14623; AD 2006-11-18] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8913. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 737-200C Series Airplanes [Docket No. FAA-2006-24245; Directorate Identifier 2005-NM-166-AD; Amendment 39-14643; AD 2006-12-17] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8914. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A300 B2 and A300 B4 Series Airplanes; A300 B4-600, B4-600R, and F4-600R Series Airplanes; and Model C4-605R Variant F Airplanes (Collectively Called A300-600 Series Airplanes) [Docket No. FAA-2004-19002; Directorate Identifier 2003-NM-27-AD; Amendment 39-14639; AD 2006-12-13] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8915. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira del Aeronautica S.A. (EMBRAER) Model EMB-120, -120ER, -120FC, -120QC, and -120RT Airplanes [Docket No. FAA-2006-24076; Directorate Identifier 2006-NM-015-AD; Amendment 39-14640; AD 2006-12-14] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8916. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Hamilton Sundstrand Model 14RF-19 Propellers [Docket No. FAA-2005-21691; Directorate Identifier 2005-NE-13-AD; Amendment 39-14645; AD 2006-12-19] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8917. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier Model DHC-8-400 Series Airplanes [Docket No. FAA-2006-24365; Directorate Identifier 2006-NM-022-AD; Amendment 39-14641; AD 2006-12-15] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8918. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-100, 747-100B, 747-100B SUD, 747-200B, 747-200C, 747-300, 747-400, 747-400D, and 747SR Series Airplanes [Docket No. FAA-2006-24102; Directorate Identifier 2005-NM-244-AD; Amendment 39-14638; AD 2006-12-12] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8919. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A300 B4-600R Series Airplanes, A300 C4-605R Variant F Airplanes, A300 F4-600R Series Airplanes; and Model A310-300 Series Airplanes [Docket No. FAA-2006-24103; Directorate Identifier 2005-NM-241-AD; Amendment 39-14625; AD 2006-12-01] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8920. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; BAE Systems (Operations) Limited Model BAe 146 and Avro 146-RJ Airplanes [Docket No. FAA-2005-23284; Directorate Identifier 2005-NM-163-AD; Amendment 39-14634; AD 2006-12-09] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8921. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-400 Series Airplanes [Docket No. FAA-2005-23250; Directorate Identifier 2005-NM-150-AD; Amendment 39-14635; AD 2006-12-10] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8922. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Goodrich Evacuation Systems Approved Under Technical Standard Order (TSO) TSO-C69b and Installed on Airbus Model A330-200 and -300 Series Airplanes, Model A340-200 and -300 Series Airplanes, and Model A340-541 and -642 Airplanes [Docket No. FAA-2006-23890; Directorate Identifier 2005-NM-229-AD; Amendment 39-14633; AD 2006-12-08] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8923. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 737-600, -700, -700C, -800, and -900 Series Airplanes [Docket No. FAA-2005-20626; Directorate Identifier 2004-NM-243-AD; Amendment 39-14636; AD 2006-12-11] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8924. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier Model DHC-8-102, -103, -106, -201, -202, -301, -311, -314, and -315 Airplanes; Equipped with Certain Cockpit Door Installations [Docket No. FAA-2006-24411; Directorate Identifier 2006-NM-033-AD; Amendment 39-14642; AD 2006-12-16] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8925. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Goodrich Evacuation Systems Approved Under Technical Standard Order (TSO) TSO-C69b and Installed on Airbus Model A330-200 and -300 Series Airplanes, Model A340-200 and -300 Series Airplanes, and Model A340-541 and -642 Airplanes [Docket No. FAA-2006-23890; Directorate Identifier 2005-NM-229-AD; Amendment 39-14633; AD 2006-12-08] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8926. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 757-200 Series Airplanes Modified by Supplemental Type Certificate (STC) SA979NE [Docket No. FAA-2006-25175; Directorate Identifier 2006-NM-099-AD; Amendment 39-14670; AD 2006-13-17] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8927. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bell Helicopter Textron Canada Model 222, 222B, 222U, 230, and 430 Helicopters [Docket No. FAA-2006-25098; Directorate Identifier 2006-SW-12-AD; Amendment 39-14667; AD 2006-13-14] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8928. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A318, A319, A320, and A321 Airplanes [Docket No. FAA-2006-24949; Directorate Identifier 2006-NM-110-AD; Amendment 39-14626; AD 2006-12-02] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8929. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 737-100, -200, -200C, -300, -400, and -500 Series Airplanes [Docket No. FAA 2006-25030; Directorate Identifier 2006-NM-109-AD; Amendment 39-14649; AD 2006-12-23] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8930. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A318, A319, A320, and A321 Airplanes [Docket No. FAA-2006-24949; Directorate Identifier 2006-

NM-110-AD; Amendment 39-14626; AD 2006-12-02] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8931. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Raytheon Model HS.125 Series 700A and 700B Airplanes; Model BAe.125 Series 800A (including variants C-29A and U-125), 800B, 1000A, and 1000B Airplanes; and Hawker 800 (including variant U-125A), 800XP, and 1000 Airplanes [Docket No. FAA-2006-25011; Directorate Identifier 2006-NM-118-AD; Amendment 39-14646; AD 2006-12-20] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8932. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Eurocopter France Model EC130 B4 Helicopters [Docket No. FAA-2006-24807; Directorate Identifier 2005-SW-41-AD; Amendment 39-14603; AD 2006-10-19] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8933. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Eurocopter France Model AS355E, F, F1, F2, and N Helicopters [Docket No. 2003-SW-10-AD; Amendment 39-14621; AD 2003-21-09 R1] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8934. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Sikorsky Aircraft Corporation Model S-92A Helicopters [Docket No. FAA-2006-24875; Directorate Identifier 2006-SW-03-AD; Amendment 39-14618; AD 2006-11-14] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8935. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Gulfstream Aerospace LP Model Galaxy and Model Gulfstream 200 Airplanes [Docket No. FAA-2005-23478; Directorate Identifier 2005-NM-175-AD; Amendment 39-14602; AD 2006-10-18] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8936. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Honeywell International Inc. T5311A, T5311B, T5313B, T5317A, T5317A-1, and T5317B Series Turboshaft Engines and Lycoming Former Military T53-L-11B, T53-L-11D, T53-L-13B, T53-L-13B/D, and T53-L-703 Series Turboshaft Engines [Docket No. 98-ANE-72-AD; Amendment 39-14620; AD 2006-11-16] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8937. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747 Airplanes [Docket No. FAA-2005-22510; Directorate Identifier 2004-NM-32-AD; Amendment 39-14600; AD 2006-10-16] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8938. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; McDonnell Douglas Model DC-9-10, DC-9-20, DC-9-30, DC-9-40, and DC-9-50 Series Airplanes; Model DC-9-81 (MD-81), DC-9-82, (MD-82), DC-9-83 (MD-83), and DC-9-87 (MD-87) Airplanes; Model MD-88 Airplanes; Model MD-90-30 Airplanes; and Model 717-200 Airplanes [Docket No. FAA-2005-22254; Directorate Identifier 2005-NM-001-AD; Amendment 39-14598; AD 2006-10-14] (RIN: 2120-AA64) received 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8939. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; BAE Systems (Operations) Limited Model BAe 146 Airplanes and Model Avro 146-RJ Airplanes [Docket No. FAA-2005-23215; Directorate Identifier 2005-NM-212-AD; Amendment 39-14596; AD 2006-10-12] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8940. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 767-200, -300, and -300F Series Airplanes [Docket No. FAA-2005-22529; Directorate Identifier 2005-NM-099-AD; Amendment 39-14592; AD 2006-10-08] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8941. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Hamilton Sundstrand Model 14RF-9 Propellers [Docket No. FAA-2006-24517; Directorate Identifier 2006-NE-18-AD; Amendment 39-14591; AD 2006-10-07] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8942. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-200B, 747-200C, 747-200F, 747-300, 747-400, and 747SP Series Airplanes [Docket No. FAA-2006-23819; Directorate Identifier 2005-NM-223-AD; Amendment 39-14588; AD 2006-10-04] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8943. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Saab Model SAAB-Fairchild SF340A (SAAB/SF340A) and SAAB 340B Airplanes [Docket No. FAA-2006-24075; Directorate Identifier 2005-NM-235-AD; Amendment 39-14589; AD 2006-10-05] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8944. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier Model CL-600-2B19 (Regional Jet Series 100 & 440) Airplanes [Docket No. FAA-2006-23936; Directorate Identifiier 2005-NM-215-AD; Amendment 39-14590; AD 2006-10-06] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8945. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Pratt & Whitney Canada (PWC) PW535A Turboshaft Engines [Docket No. FAA-2006-24117; Directorate Identifier 2006-NE-07-AD; Amendment 39-14570; AD 2006-08-13] (RIN: 2120-AA64) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8946. A letter from the Chief, Regulations Mgt., Office of Regulation Policy T Mgt., Department of Veterans Affairs, transmitting the Department's final rule — Definition of Psychosis for Certain VA Purposes (RIN: 2900-AK21) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

8947. A letter from the Deputy Director, Regulations & Rulings Div., Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting the Department's final rule — Expansion of the Livermore Valley Viticultural Area (2002R-202R) [T.D. TTB-47; Re: Notice No. 43] (RIN: 1513-AA54) received July 12, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8948. A letter from the Director, Regulations and Rulings Division, Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting the Department's final rule — Expansion of San Francisco Bay and Central Coast Viticultural Areas (2002R-202R) [T.D. TTB-48; Re: Notice No. 44] (RIN: 1513-AA55) received July 12, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8949. A letter from the Director, Regulations and Rulings Division, Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting the Department's final rule — Realignment of the Santa Lucia Highlands and Arroyo Seco Viticultural Areas (2003R-083R) [T.D. TTB-49; Re: Notice No. 29 and 35] (RIN: 1513-AA72) received July 12, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8950. A letter from the Director, Regulations and Rulings Division, Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting the Department's final rule — Establishment of the Saddle Rock-Malibu Viticultural Area (2003R-110P) [T.D. TTB-52; Re: Notice No. 55] (RIN: 1513-AB15) received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8951. A letter from the Director, Regulations and Rulings Division, Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting the Department's final rule — Establishment of the Eola-Amity Hills Viticultural Area (2002R-216P) received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8952. A letter from the Director, Regulations and Rulings Division, Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting the Department's final rule — Establishment of the Alta Mesa, Borden Ranch, Clements Hills, Cosumnes River, Jahant, Mokelumne River, and Sloughhouse Viticultural Areas [T.D. TTB-50; RE: Notice No. 50] (RIN: 1513-1182) received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8953. A letter from the Assistant Chief Counsel, Employee Benefits, Internal Revenue Service, transmitting the Service's final rule — Interim Guidance on the Application of Section 409A to Accelerated Payments to Satisfy Federal Conflict of Interest

Requirements [Notice 2006-64] received July 6, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8954. A letter from the Assistant Chief Counsel, Employee Benefits, Internal Revenue Service, transmitting the Service's final rule — Industry Issue Resolution Regarding the Work Opportunity and Welfare-to-Work Tax Credits (Announcement 2006-49) received July 6, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8955. A letter from the Assistant Chief Counsel, Employee Benefits, Internal Revenue Service, transmitting the Service's final rule — Definition of "amount involved" and "correction" (Rev. Rul. 2006-38) received July 6, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8956. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule – Field Directive on Asset Class and Depreciation for Casino Construction Costs — received July 13, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8957. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule – Effect of Elections in Certain Multi-Step Transactions [TD 9271] (RIN: 1545-BB68) received July 13, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8958. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule – Disclosures of Return Information by Certain Officers and Employees for Investgative Purposes [TD 9274] (RIN: 1545-BB16) received July 13, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8959. A letter from the Chief, Publications & Regulations Branch, Internal Revenue Service, transmitting the Service's final rule – Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property (Rev. Rul. 2006-39) received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8960. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Reporting of Gross Proceeds Payments to Attorneys [TD 9270] (RIN: 1545-AW72) received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8961. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule – Excise Taxes With Respect To Prohibited Tax Shelter Transactions to Which Tax-Exempt Entities Are Parties and Related Disclosure Requirements [Notice 2006-65] received July 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8962. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule – Employer Comparable Contributions to Health Savings Accounts under Section 4980G [TD 9277] (RIN: 1545-BE30) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8963. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule – Weighted Average Interest Rate Update [Notice 2006-66] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8964. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Coordinated Issue: Claim Revenue under a Long-term Contract (Uniform Issue List Number: 460.02-04) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8965. A letter from the Secretary, Department of Agriculture, transmitting the Department's report on the Department's contracting out policies, including agency budgets for contracting out, as required by Pub. L. 109-97, Title 1; jointly to the Committees on Appropriations and Government Reform.

8966. A letter from the Secretary, Department of Agriculture, transmitting the Department's report on the Department's contracting out policies, including agency budgets for contracting out, as required by Pub. L. 109-97, Title 1; jointly to the Committees on Appropriations and Government Reform.

8967. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report assessing the voting practices of the governments of UN members states in the General Assembly and Security Council for 2005, and evaluating the actions and responsiveness of those governments to United States policy on issues of special importance to the United States, pursuant to Public Law 101-167, section 527(a) Public Law 101-246, section 406; jointly to the Committees on International Relations and Appropriations.

8968. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 7(a) of the Jerusalem Embassy Act of 1995 (Pub. L. 104-45), a copy of Presidential Determination No. 2006-15 suspending the limitation on the obligation of the State Department Appropriations contained in sections 3(b) and 7(b) of that Act for six months as well as the periodic report provided for under Section 6 of the Act covering the period from December 15, 2005 to the present; jointly to the Committees on International Relations and Appropriations.

8969. A letter from the Ambassador, Department of State, transmitting a report required by Section 653(a) of the Foreign Assistance Act of 1961, as amended, for the funds appropriated by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2004, as enacted in Public Law 108-199, for Development Assistance and Child Survival and Health Programs; jointly to the Committees on International Relations and Appropriations.

8970. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a Determination and Memorandum of Justification pursuant to Section 589 of the Foreign Operations, Export Financing and Related Program Appropriations Act of 2006, Pub. L. 109-102; jointly to the Committees on International Relations and Appropriations.

8971. A letter from the Deputy Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting the Commission's Annual Report on the Federal Work Force for Fiscal Year 2005, pursuant to 42 U.S.C. 2000e-4(e); jointly to the Committees on Government Reform and Education and the Workforce.

8972. A letter from the President & CEO, Overseas Private Investment Corporation, transmitting the Corporation's annual Management Report for FY 2005, Performance Budget for FY 2007, Performance and Accountability Report for FY 2005, and Report on Development and U.S. Effects on OPIC's FY 2005 projects and Report on Cooperation with Private Insurers, pursuant to 31 U.S.C. 9106; jointly to the Committees on Government Reform and International Relations.

8973. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of a draft bill entitled, "To implement the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean"; jointly to the Committees on Resources and the Judiciary.

8974. A letter from the Director, Office of National Drug Control Policy, transmitting the Administration's Synthetic Drug Control Strategy; jointly to the Committees on the Judiciary and Energy and Commerce.

8975. A letter from the Secretary, Department of Homeland Security, transmitting notification of the actions the Secretary has taken regarding security measures at Port-au-Prince International Airport, Port-au-Prince, Haiti, pursuant to 49 U.S.C. 44907(d)(1); jointly to the Committees on Transportation and Infrastructure and International Relations.

8976. A letter from the Secretary, Department of Labor, transmitting a copy of a draft bill entitled, "Unemployment Compensation Program Integrity Act of 2006"; jointly to the Committees on Ways and Means and Government Reform.

8977. A letter from the Chairman, Medicare Payment Advisory Commission, transmitting a copy of the Commission's "June 2006 Report to the Congress: Increasing the Value of Medicare"; jointly to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 5039. A bill to establish a program to revitalize rural multifamily housing assisted under the Housing Act of 1949; with an amendment (Rept. 109–604). Referred to the Committee of the Whole House on the State of the Union.

Mr. OXLEY: Committee on Financial Services. H.R. 5347. A bill to reauthorize the HOPE VI program for revitalization of public housing projects (Rept. 109–605). Referred to the Committee of the Whole House on the State of the Union.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 958. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 109–606). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. KENNEDY of Minnesota (for himself and Mr. CASE):

H.R. 5915. A bill to require that the Teacher Incentive Fund of the Department of Education and other programs to support merit-based teacher compensation systems award its grant funds to support compensation systems that are based primarily or exclusively on student learning gains or maintenance of high student learning gains, or both; to the Committee on Education and the Workforce.

By Mr. DINGELL (for himself, Mr. Brown of Ohio, Mr. Waxman, Mr. Markey, Mr. Boucher, Mr. Towns, Mr. Pallone, Mr. Gordon, Mr. Rush, Ms. Eshoo, Mr. Stupak, Mr. Engel, Mr. Wynn, Mr. Gene Green of Texas, Mr. Strickland, Ms. DeGette, Mrs. Capps, Mr. Doyle, Mr. Allen, Mr. Davis of Florida, Ms. Schakowsky, Ms. Solis, Mr. Gonzalez, Mr. Inslee, Ms. Baldwin, and Mr. Ross):

H.R. 5916. A bill to amend part B of title XVIII of the Social Security Act to provide for an increase in payment for physicians' services under the Medicare Program for 2007 and 2008; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SODREL (for himself, Mr. Hunter, Mr. McHenry, Mr. Rohrabacher, Mr. Kuhl of New York, Mrs. Blackburn, Mr. Pence, Mr. Simmons, Mr. Gerlach, Mr. Paul, and Ms. Harris):

H.R. 5917. A bill to amend the Internal Revenue Code of 1986 to provide that tips received for certain services shall not be subject to income or employment taxes; to the Committee on Ways and Means.

By Mr. PITTS (for himself, Mr. Lantos, Mr. Pence, Mr. Smith of New Jersey, Mr. Souder, Mr. McGovern, Mr. Honda, Mr. Wamp, Mr. McCotter, Mr. Boehlert, Mr. Payne, and Mr. Rohrabacher):

H.R. 5918. A bill to amend the Immigration and Nationality Act to protect vulnerable refugees and asylum seekers; to the Committee on the Judiciary.

By Mr. LIPINSKI (for himself and Mr. Osborne):

H.R. 5919. A bill to empower parents to protect children from increasing depictions of indecent material on television; to the Committee on Energy and Commerce.

By Mr. WOLF (for himself, Mr. Schwarz of Michigan, Mr. Tom Davis of Virginia, Mr. Moran of Virginia, Mr. Van Hollen, Mr. Hoyer, Mr. Lincoln Diaz-Balart of Florida, Mr. Jones of North Carolina, Ms. Norton, Mr. McCotter, and Mr. Simmons):

H.R. 5920. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income certain combat zone compensation of civilian employees of the United States; to the Committee on Ways and Means.

By Mr. SENSENBRENNER (for himself, Mr. Coble, and Mr. Smith of Texas):

H.R. 5921. A bill to amend titles 17 and 18, United States Code, to strengthen the protection of intellectual property, and for other purposes; to the Committee on the Judiciary.

By Mr. MARKEY:

H.R. 5922. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish additional authorities to ensure the safe and effective use of drugs, to establish whistleblower protections for certain individuals, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ACKERMAN (for himself, Mr. Bishop of New York, Mr. Israel, Mr. King of New York, Mrs. McCarthy, Mr. Meeks of New York, Mr. Crowley, Mr. Nadler, Mr. Weiner, Mr. Towns, Mr. Owens, Ms. Velázquez, Mr. Fossella, Mrs. Maloney, Mr. Rangel, Mr. Serrano, Mr. Engel, Mrs. Lowey, Mrs. Kelly, Mr. Sweeney, Mr. McNulty, Mr. Hinchey, Mr. McHugh, Mr. Boehlert, Mr. Walsh, Mr. Reynolds, Mr. Higgins, Ms. Slaughter, and Mr. Kuhl of New York):

H.R. 5923. A bill to designate the facility of the United States Postal Service located at 29-50 Union Street in Flushing, New York, as the "Dr. Leonard Price Stavisky Post Office"; to the Committee on Government Reform.

By Mr. BAKER:

H.R. 5924. A bill to amend the Small Business Act to provide for loan guarantees for certain private disaster loans; to the Committee on Small Business.

By Mr. BARTLETT of Maryland:

H.R. 5925. A bill to provide for Federal research, development, demonstration, and commercial application activities to enable the development of farms that are net producers of both food and energy, and for other purposes; to the Committee on Science, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. BERKLEY:

H.R. 5926. A bill to provide for the energy independence of the United States; to the Committee on Ways and Means, and in addition to the Committees on Resources, Energy and Commerce, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CARDIN:

H.R. 5927. A bill to provide energy independence to Americans, to increase the efficiency and decrease the environmental impact of America's energy policy, to increase America's research and development in energy, and to encourage the development and use of renewable forms of energy; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Transportation and Infrastructure, Government Reform, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CHANDLER (for himself, Mr. George Miller of California, Ms. Woolsey, Ms. McCollum of Minnesota, Mr. Conyers, Mr. Holt, Mr. Hinojosa, Mr. Gonzalez, Mr. Case, Mr. Owens, Mr. Holden, Mr. Davis of Illinois, Mrs. Tauscher, Mr. Moore of Kansas, Mr. Stark, Mr. Costa, and Mr. Payne):

H.R. 5928. A bill to direct the Secretary of Education to make grants and low-interest loans to local educational agencies for the construction, modernization, or repair of public kindergarten, elementary, and secondary educational facilities, and for other purposes; to the Committee on Education and the Workforce.

By Mr. COSTELLO (for himself and Mr. Clay):

H.R. 5929. A bill to designate the facility of the United States Postal Service located at 950 Missouri Avenue in East St. Louis, Illinois, as the "Katherine Dunham Post Office Building"; to the Committee on Government Reform.

By Mr. CRAMER:

H.R. 5930. A bill to establish the Muscle Shoals National Heritage Area in the State of Alabama, and for other purposes; to the Committee on Resources.

By Mr. DOYLE (for himself, Mrs. Bono, Mr. Van Hollen, Mr. Wynn, and Mr. McHugh):

H.R. 5931. A bill to improve efficiency in the Federal Government through the use of high-performance green buildings, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Government Reform, Science, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EVERETT (for himself, Mr. Bonner, and Mr. Rogers of Alabama):

H.R. 5932. A bill to amend the Internal Revenue Code of 1986 to authorize agricultural producers to establish and contribute to tax-exempt farm risk management accounts in lieu of obtaining federally subsidized crop insurance or noninsured crop assistance, to provide for contributions to such accounts by the Secretary of Agriculture, to specify the situations in which amounts may be paid to producers from such accounts, and to limit the total amount of such distributions to a producer during a taxable year, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FEENEY (for himself and Mr. Meeks of New York):

H.R. 5933. A bill to provide for the admission to the United States of nonimmigrant business facilitation visitors; to the Committee on the Judiciary.

By Mr. GOODE:

H.R. 5934. A bill to amend the Small Business Act to revise the definition of a HUBZone with respect to counties that are highly rural but adjacent to urban areas; to the Committee on Small Business.

By Mr. GREEN of Wisconsin:

H.R. 5935. A bill to amend title XVIII of the Social Security Act to provide for an adjustment to the reduction of Medicare resident positions based on settled cost reports; to the Committee on Ways and Means.

By Mrs. LOWEY:

H.R. 5936. A bill to amend title II of the Social Security Act to credit prospectively individuals serving as caregivers of dependent relatives with deemed wages for up to five years of such service; to the Committee on Ways and Means.

By Mrs. LOWEY:

H.R. 5937. A bill to assure equitable treatment in health care coverage of prescription drugs under group health plans, health insurance coverage, Medicare and Medicaid managed care arrangements, Medigap insurance coverage, and health plans under the Federal employees' health benefits program (FEHBP); to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and the Workforce, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. LOWEY:

H.R. 5938. A bill to reduce childhood obesity, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DANIEL E. LUNGREN of California (for himself, Mr. COBLE, Mr. SMITH of Texas, and Mr. FORBES):

H.R. 5939. A bill to amend title 18, United States Code, to improve the criminal law relating to terrorism, and for other purposes; to the Committee on the Judiciary.

By Mrs. MALONEY (for herself, Mr. OSBORNE, and Mr. HINCHEY):

H.R. 5940. A bill to direct the Secretary of Health and Human Services to conduct or support a comprehensive study comparing total health outcomes, including risk of autism, in vaccinated populations in the United States with such outcomes in unvaccinated populations in the United States, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. MALONEY (for herself, Mr. GEORGE MILLER of California, Mr. BECERRA, Ms. DELAURO, Mr. GRIJALVA, Mr. CLAY, Mr. MCDERMOTT, Mr. SHAYS, and Mr. SANDERS):

H.R. 5941. A bill to establish certain requirements relating to the continuation of the Survey of Income and Program Participation; to the Committee on Government Reform.

By Mr. MARSHALL:

H.R. 5942. A bill to require Congressional approval for implementation of a severity-adjusted inpatient prospective payment system for rural hospitals under the Medicare Program; to the Committee on Ways and Means.

By Mr. MCCAUL of Texas (for himself, Mr. KING of New York, Mr. ROGERS of Alabama, Mr. REICHERT, Mr. POE, and Mr. JINDAL):

H.R. 5943. A bill to amend the Homeland Security Act of 2002 to prevent waste, fraud, and abuse in emergency assistance programs administered by the Department of Homeland Security; to the Committee on Homeland Security, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NADLER:

H.R. 5944. A bill to amend title 18, United States Code, to protect our children from child pornographers; to the Committee on the Judiciary.

By Mr. PALLONE (for himself and Mr. STARK):

H.R. 5945. A bill to amend title XI of the Social Security Act to protect the privacy of drug prescriber information; to the Committee on Energy and Commerce.

By Mr. POMBO (for himself, Mr. ABERCROMBIE, Mr. YOUNG of Alaska, Mr. SAXTON, and Mr. GILCHREST):

H.R. 5946. A bill to amend Magnuson-Stevens Fishery Conservation and Management Act to authorize activities to promote improved monitoring and compliance for high seas fisheries, or fisheries governed by international fishery management agreements, and for other purposes; to the Committee on Resources.

By Mr. SCOTT of Virginia (for himself, Mr. GRIJALVA, Mr. BISHOP of Georgia, Mrs. MALONEY, Mr. MCGOVERN, Mr. LYNCH, Mr. PAYNE, Mr. CONYERS, Ms. LEE, and Mr. CLEAVER):

H.R. 5947. A bill to correct an inequity in eligibility for military retired pay based on nonregular service in the case of certain members of the reserve components completing their reserve service before 1966, and for other purposes; to the Committee on Armed Services.

By Mr. SMITH of New Jersey (for himself, Mr. LANTOS, and Mr. MCCOTTER):

H.R. 5948. A bill to reauthorize the Belarus Democracy Act of 2004; to the Committee on International Relations, and in addition to the Committees on the Judiciary, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of Washington (for himself and Mr. DICKS):

H.R. 5949. A bill to authorize a major medical facility project for the Department of Veterans Affairs at the Department of Veterans Affairs Medical Center, American Lake, Washington; to the Committee on Veterans' Affairs.

By Mr. UDALL of New Mexico:

H.R. 5950. A bill to repeal certain tax subsidies enacted by the Energy Policy Act of 2005 for oil and gas, to allow a credit against income tax for farm diesel expenses, and to allow a credit to farmers who produce biodiesel and agri-biodiesel; to the Committee on Ways and Means.

By Mr. UDALL of New Mexico (for himself, Ms. WOOLSEY, and Mr. MORAN of Virginia):

H.R. 5951. A bill to improve the health of Americans and reduce health care costs by reorienting the Nation's health care system toward prevention, wellness, and self care; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and the Workforce, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. VELÁZQUEZ (for herself, Mr. OWENS, Mr. SERRANO, Mr. RANGEL, Mr. LIPINSKI, and Ms. BORDALLO):

H.R. 5952. A bill to increase access to and consumption of fresh fruits, vegetables, and healthy alternatives in low-income communities with high incidences of obesity and obesity-related disease; to the Committee on Energy and Commerce, and in addition to the Committees on Small Business, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WYNN (for himself, Mrs. BONO, Mr. DENT, Mr. TERRY, Mr. CALVERT, Mr. BUYER, Mr. INGLIS of South Carolina, Mr. RUSH, Mr. MEEHAN, Mr. ROSS, and Mr. LARSON of Connecticut):

H.R. 5953. A bill to provide for the establishment of the Commission for the Deployment of Hydrogen and Fuel Cells, and for other purposes; to the Committee on Science, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JO ANN DAVIS of Virginia:

H. Con. Res. 455. Concurrent resolution recognizing the role of the National Guard and State volunteers in protecting our Nation's borders; to the Committee on Armed Services.

By Mrs. LOWEY:

H. Con. Res. 457. Concurrent resolution supporting the goals and ideals of National Celiac Awareness Month, and for other purposes; to the Committee on Energy and Commerce.

By Mr. VAN HOLLEN:

H. Con. Res. 458. Concurrent resolution congratulating the National Library of Medicine on the occasion of its 50th anniversary; to the Committee on Energy and Commerce.

By Mr. BOEHNER:

H. Res. 957. A resolution directing the Sergeant at Arms of the House of Representatives to deliver the mace of the House of Representatives to the Secretary of the Smithsonian Institution for necessary repairs; considered and agreed to.

By Mr. CAMP of Michigan (for himself, Mr. HERGER, Mr. MCDERMOTT, Mr. OBERSTAR, Ms. GINNY BROWN-WAITE of Florida, Mr. WILSON of South Carolina, Mr. CARNAHAN, Mr. ROGERS of Michigan, Mr. SHAW, and Mr. ENGLISH of Pennsylvania):

H. Res. 959. A resolution recognizing and supporting the success of the Adoption and Safe Families Act of 1997 in increasing adoption and the efforts the Act has spurred including National Adoption Day and National Adoption Month, and encouraging adoption throughout the year; to the Committee on Ways and Means.

By Mr. FLAKE (for himself, Mr. PENCE, Mrs. MYRICK, and Mr. CASE):

H. Res. 960. A resolution amending the Rules of the House of Representatives to limit gifts to Members, officers, and employees of the House from State and local governments; to the Committee on Rules.

By Ms. ROS-LEHTINEN (for herself, Mr. GENE GREEN of Texas, Mr. TIBERI, Mr. MACK, Mr. MCINTYRE, Mr. MCNULTY, Mr. WAXMAN, Mr. PALLONE, Mr. GRIJALVA, Mr. DOGGETT, Ms. JACKSON-LEE of Texas, Mr. HINCHEY, Mr. JEFFERSON, Mr. SCOTT of Georgia, Mr. PAYNE, Mr. ORTIZ, Mr. FITZPATRICK of Pennsylvania, Mr. BONNER, Mr. HAYWORTH, Mr. MCCOTTER, Mr. SHAW, Mr. WEXLER, Mr. RAMSTAD, and Mr. LINCOLN DIAZ-BALART of Florida):

H. Res. 961. A resolution encouraging the establishment of programs to increase public awareness of vision disorders in children; to the Committee on Energy and Commerce.

By Mr. STEARNS:

H. Res. 962. A resolution recognizing the 200th anniversary of the sovereignty of the Principality of Liechtenstein, and expressing the support for efforts by the United States to continue to strengthen its relationship with that country; to the Committee on International Relations.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

430. The SPEAKER presented a memorial of the House of Representatives of the State of Texas, relative to House Resolution No. 1300 memorializing the Congress of the United States to enact legislation relating to the assessment of penalties by a financial institution for an insufficient funds check; to the Committee on Financial Services.

431. Also, a memorial of the Legislature of the State of Idaho, relative to House Joint

Memorial No. 18 urging support for and adoption of amendments proposed to the No Child Left Behind Act contained in H.R. 1177; to the Committee on Education and the Workforce.

432. Also, a memorial of the Senate of the State of Texas, relative to a letter supporting H.R. 9, the Fannie Lou Hamer, Rosa Parks, and Coretta Scott King Voting Rights Act Reauthorization and Amendments Act of 2006; to the Committee on the Judiciary.

433. Also, a memorial of the House of Representatives of the State of Texas, relative to House Resolution No. 106 memorializing the Congress of the United States to posthumously bewtow the Congressional Medal of Honor upon Doris "Dorie" Miller and to request the U.S. Postal Service issue a commemorative postage stamp to honor Miller; jointly to the Committees on Armed Services and Government Reform.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 328: Mr. Rahall.

H.R. 550: Mr. Fortuño, and Mr. Davis of Alabama.

H.R. 566: Mr. Serrano, Mr. Sanders, and Mr. Brown of Ohio.

H.R. 615: Mr. Wamp.

H.R. 668: Mr. Sanders and Ms. DeLauro.

H.R. 699: Mr. Stupak and Mr. Kucinich.

H.R. 791: Mr. LoBiondo.

H.R. 808: Ms. Bean.

H.R. 817: Mr. Tiahrt, Mr. Shuster, Mr. LaHood, Mrs. Cubin, Mr. Costa, Mrs. Myrick, Mr. Walden of Oregon, Mr. Hoekstra, Mr. Osborne, Mrs. Blackburn, Mr. Beauprez, Mr. Serrano, Mrs. Jo Ann Davis of Virginia, Mr. Sherwood, Mr. Gutknecht, Mr. Boozman, and Miss McMorris.

H.R. 901: Mr. Hyde.

H.R. 952: Mr. Rahall.

H.R. 1227: Mr. Jackson of Illinois and Mr. Shaw.

H.R. 1298: Mrs. Wilson of New Mexico.

H.R. 1356: Mr. LoBiondo.

H.R. 1384: Mr. Latham, Mr. Porter, Mr. Gene Green of Texas, and Mr. Keller.

H.R. 1405: Ms. Jackson-Lee of Texas.

H.R. 1413: Mr. Smith of Washington.

H.R. 1441: Mr. Lynch and Mr. Kirk.

H.R. 1451: Mr. LoBiondo.

H.R. 1471: Mr. Jackson of Illinois, Mr. Inslee, Mr. Higgins, and Mr. Larsen of Washington.

H.R. 1578: Mr. Case and Mr. Boucher.

H.R. 1615: Mr. Markey.

H.R. 1849: Mr. Shays.

H.R. 1872: Mr. Smith of New Jersey.

H.R. 1940: Mrs. Miller of Michigan and Mr. Engel.

H.R. 1946: Mr. Miller of North Carolina.

H.R. 2103: Mr. Burton of Indiana.

H.R. 2231: Mr. Stupak, Mr. Ross, and Mr. Franks of Arizona.

H.R. 2671: Mr. Rush and Mr. Smith of New Jersey.

H.R. 2841: Mr. Gene Green of Texas.

H.R. 2842: Mr. Fossella, Mr. Tiahrt, Mr. Bishop of Utah, Mr. Radanovich, Mr. Souder, Mr. Pitts, and Mr. Sensenbrenner.

H.R. 2868: Mr. Larsen of Washington.

H.R. 2869: Mr. Kucinich.

H.R. 3011: Mr. Tom Davis of Virginia.

H.R. 3034: Mr. Jackson of Illinois.

H.R. 3055: Mr. Jackson of Illinois.

H.R. 3195: Mrs. Emerson.

H.R. 3248: Mr. Boucher.

H.R. 3284: Mr. Boucher.

H.R. 3323: Ms. DeLauro.

H.R. 3478: Mr. Hastings of Florida, Mr. Ross, Mr. McCaul of Texas, Mr. Chabot, and Ms. Woolsey.

H.R. 3547: Mr. Boucher.

H.R. 3584: Mr. Rothman.

H.R. 3616: Mr. Ryan of Ohio.

H.R. 3795: Mrs. McCarthy.

H.R. 3854: Mrs. Capps.

H.R. 3875: Mr. Upton.

H.R. 4063: Mr. Miller of North Carolina, Mr. Upton, and Mrs. Biggert.

H.R. 4215: Ms. Jackson-Lee of Texas.

H.R. 4293: Mr. Filner.

H.R. 4315: Mr. Jindal and Mr. Andrews.

H.R. 4341: Mr. Marshall and Mr. Green of Wisconsin.

H.R. 4537: Mr. Al Green of Texas.

H.R. 4547: Mr. Ortiz, Mr. Foley, and Mr. Whitfield.

H.R. 4560: Ms. Moore of Wisconsin.

H.R. 4562: Mr. Reichert, Mr. Green of Wisconsin, Mr. Bachus, Mr. Brady of Texas, Mr. Gutknecht, Mr. Ehlers, Mr. Pitts, Mr. Herger, Mr. Frelinghuysen, Ms. Velázquez, and Mr. Ruppersberger.

H.R. 4597: Mrs. Christensen, Mr. Sam Johnson of Texas, Mr. Daniel E. Lungren of California, Mr. McDermott, Mr. Neugebauer, Mr. Taylor of North Carolina, Mr. Udall of New Mexico, Ms. Watson, and Mr. Schwarz of Michigan.

H.R. 4618: Mr. Feeney.

H.R. 4747: Mr. Kucinich.

H.R. 4766: Mr. Udall of New Mexico and Mr. Udall of Colorado.

H.R. 4829: Mr. English of Pennsylvania.

H.R. 4896: Mr. Waxman, Ms. Zoe Lofgren of California, and Mr. Lipinski.

H.R. 4910: Mr. Terry.

H.R. 4922: Ms. Ros-Lehtinen and Mr. Fossella.

H.R. 4927: Mr. Larsen of Washington.

H.R. 4949: Mr. Crowley.

H.R. 4953: Mr. Higgins.

H.R. 4956: Mr. Butterfield, Ms. Bordallo, Mr Larson of Connecticut, Mr. Tanner, Mr. Udall of New Mexico, Mr. Udall of Colorado, and Mrs. Tauscher.

H.R. 4982: Mr. Holt and Mr. Spratt.

H.R. 5022: Mr. Rohrabacher, Mr. Pastor, and Mr. Jackson of Illinois.

H.R. 5092: Mr. Goodlatte, Mr. Beauprez, Mr. Franks of Arizona, Mr. Whitfield, Mr. Dingell, Mr. McHenry, Mr. Tancredo, and Mr. Ortiz.

H.R. 5134: Mrs. Napolitano.

H.R. 5139: Mr. Miller of North Carolina.

H.R. 5140: Mr. Miller of North Carolina.

H.R. 5150: Mr. Berry.

H.R. 5182: Mrs. Myrick and Mr. Wu.

H.R. 5249: Mr. Beauprez and Mr. Weldon of Pennsylvania.

H.R. 5316: Mr. Boucher, Mr. Holt, and Ms. Woolsey.

H.R. 5348: Mr. McGovern and Mr. McNulty.

H.R. 5371: Mr. Spratt.

H.R. 5436: Mr. Davis of Illinois and Mr. Carnahan.

H.R. 5496: Mr. Saxton, Mr. LoBiondo, and Mr. Garrett of New Jersey.

H.R. 5519: Mr. Berry.

H.R. 5539: Mr. Melancon and Mr. Miller of North Carolina.

H.R. 5552: Mrs. Myrick and Mr. Beauprez.

H.R. 5558: Mr. Mack, Mrs. Bono, Mr. McCaul of Texas, Mr. Bachus, Miss McMorris, and Mr. Cole of Oklahoma.

H.R. 5562: Mr. Crowley.

H.R. 5578: Mr. Kildee.

H.R. 5588: Mr. Jackson of Illinois.

H.R. 5605: Mr. Price of North Carolina.

H.R. 5608: Mr. Price of North Carolina.

H.R. 5613: Mr. Fortuño.

H.R. 5635: Mr. Grijalva, Ms. Jackson-Lee of Texas, Mr. Ross, Mr. McNulty, Mr. Stark, Ms. Carson, Mr. Visclosky, and Mr. Gene Green of Texas.

H.R. 5642: Mr. Cummings, Mr. Becerra, Ms. Woolsey, Mr. Allen, Mr. Owens, Mr. Nadler, and Mr. Neal of Massachusetts.

H.R. 5669: Mr. Jackson of Illinois and Ms. Baldwin.

H.R. 5680: Mr. Royce.

H.R. 5688: Mrs. Cubin, Mr. Pitts, and Mr. Poe.

H.R. 5701: Mr. Burton of Indiana.

H.R. 5702: Mr. Fortuño.

H.R. 5704: Mr. Shays, Mr. Gohmert, Mr. Price of North Carolina, and Mr. Jindal.

H.R. 5731: Ms. Woolsey and Mr. Brady of Pennsylvania.

H.R. 5735: Mr. Stark.

H.R. 5751: Mr. Carter, Mr. McCaul of Texas, Mr. Kuhl of New York, Mr. Kennedy of Minnesota, and Mr. McCotter.

H.R. 5755: Mr. Calvert, Mr. Lynch, Mr. Saxton, Mr. Hunter, Mr. Skelton, Miss McMorris, and Mr. Wilson of South Carolina.

H.R. 5771: Ms. Watson, Mr. Kennedy of Rhode Island, Mr. Serrano, Ms. Solis, and Mr. Smith of Washington.

H.R. 5791: Mr. Akin, Mr. Platts, Mr. Shays, Mr. McCotter, Mr. Ryan of Ohio, Mr. McNulty, Mr. Berry, and Mr. Rush.

H.R. 5795: Ms. Roybal-Allard, Ms. Schwartz of Pennsylvania, Mrs. McCarthy, Mr. McDermott, Ms. Berkley, Ms. Jackson-Lee of Texas, Mr. DeFazio, Ms. Woolsey, Ms. DeGette, and Mr. Jackson of Illinois.

H.R. 5805: Mr. Calvert, Ms. Jackson-Lee of Texas, Mr. Schwarz of Michigan, and Mr. Kuhl of New York.

H.R. 5807: Mr. Ackerman.

H.R. 5825: Mr. Schwarz of Michigan, Mr. Miller of Florida, and Mrs. Myrick.

H.R. 5835: Mr. Smith of Washington, Mr. Calvert, Mr. Schwarz of Michigan, and Mr. Kuhl of New York.

H.R. 5837: Mr. Hinchey.

H.R. 5853: Mr. Petri.

H.R. 5858: Mr. Payne, Ms. Jackson-Lee of Texas, Mr. Serrano, Mrs. Napolitano, Mr. McDermott, and Mr. Case.

H.R. 5862: Mr. McHenry, Mr. Goode, Mr. Price of Georgia, Mr. Pence, Mr. Pitts, Mr. Sam Johnson of Texas, Mrs. Myrick, Mr. Gutknecht, Mr. Gingrey, Mr. Tiahrt, Mr. Carter, Mr. Kuhl of New York, and Mr. Sodrel.

H.R. 5866: Mr. Burton of Indiana and Mr. Kuhl of New York.

H.R. 5875: Mr. Olver.

H.R. 5878: Mr. Miller of North Carolina.

H.R. 5886: Mr. Jackson of Illinois, Mr. Payne, and Ms. Kaptur.

H.R. 5890: Mr. Green of Wisconsin.

H.J. Res. 89: Mr. Olver and Mr. Tierney.

H. Con. Res. 179: Mrs. Bono.

H. Con. Res. 222: Mr. Beauprez.

H. Con. Res. 340: Mr. Garrett of New Jersey and Mr. Allen.

H. Con. Res. 390: Mr. Calvert.

H. Con. Res. 404: Mr. Gordon, Mr. Miller of North Carolina, Mr. McDermott, Mr. Boehlert, Mr. Edwards, Ms. Berkley, Ms. Jackson-Lee of Texas, Mr. Emanuel, Mr. Moore of Kansas, Mr. McNulty, Mr. Inslee, Mr. Dingell, and Mr. Al Green of Texas.

H. Con. Res. 416: Mr. Schwarz of Michigan, Ms. Corrine Brown of Florida, and Mr. Jones of North Carolina.

H. Con. Res. 447: Mr. Stark.

H. Con. Res. 450: Ms. McKinney.

H. Res. 415: Mrs. Tauscher, Mr. Hinchey, Mr. Israel, Mr. Higgins, Ms. Solis, Mr.

Tierney, Ms. Linda T. Sánchez of California, Mr. Honda, Mr. Peterson of Minnesota, and Ms. Woolsey.

H. Res. 622: Ms. Watson, Mr. Wilson of South Carolina, Mr. Case, Mr. Calvert, and Mr. Hyde.

H. Res. 760: Mrs. Davis of California.

H. Res. 776: Mr. Beauprez and Mr. Case.

H. Res. 931: Mr. Scott of Georgia, Mr. Cardin, Mr. Cleaver, Ms. Carson, Ms. Jackson-Lee of Texas, and Mr. Moore of Kansas.

H. Res. 938: Ms. Watson, Mr. Doyle, Mr. Levin, Mr. McIntyre, Mr. Ramstad, Mr. Weldon of Pennsylvania, Mr. Terry, Mr. Farr, and Mr. Higgins.

H. Res. 942: Mr. McCotter.

H. Res. 950: Ms. Kaptur.

H. Res. 953: Mrs. Capps, Mr. Hinchey, Mr. Kennedy of Rhode Island, Mr. Fossella, Mr. Kucinich, Mrs. Napolitano, and Mr. Schwarz of Michigan.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

150. The SPEAKER presented a petition of Mr. Gregory T. Howard, a Citizen of Toledo, Ohio, relative to a letter discussing a legal matter; to the Committee on the Judiciary.

151. Also, a petition of the California Veterans Board, relative to a resolution opposing the unfair provisions of H.R. 4297 and relating to Qualified Veterans Mortgage Bonds issued by the California Department of Veterans Affairs; to the Committee on Ways and Means.

152. Also, a petition of the Legislature of Rockland County, New York, relative to Resolution No. 350 calling upon the President of the United States, the Congress of the United States and the Department of Homeland Security to immediately restore Homeland Security and Anti-Terrorism funds to the New York Metropolitan Area and to reconsider Rockland County's exclusion from the Urban Areas Security Initiative for the New York Metropolitan Area; to the Committee on Homeland Security.

SENATE—*Thursday, July 27, 2006*

(Legislative day of Wednesday, July 26, 2006)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN CORNYN, a Senator from the State of Texas.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Eternal Father, strong to save, we commit to You the Members of this legislative body. Make them faithful in their work and dependent upon Your providence. Guide them in their decisions. Strengthen them for each task. In their moments of perplexity, remind them of their responsibility to bring deliverance to captives and relief to the oppressed.

May they faithfully discharge their duties to You and to country. Let Your blessings rest upon their labors and give them Your peace.

We pray in Your holy Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN CORNYN led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore(Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 27, 2006.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN CORNYN, a Senator from the State of Texas, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. CORNYN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

GULF OF MEXICO ENERGY SECURITY ACT OF 2006

The ACTING PRESIDENT pro tempore. Under the previous order, the motion to proceed to S. 3711 is agreed to and the Senate will proceed to consideration of the measure, which the clerk will report.

The legislative clerk read as follows:

> A bill (S. 3711) to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

The ACTING PRESIDENT pro tempore. In my capacity as Senator from Texas, I note the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. GREGG. On behalf of the leader, I will read the following statement:

This morning the Senate begins consideration of S. 3711, the Gulf of Mexico Energy Security bill. I now ask unanimous consent that when the bill is reported, it be subject to debate only until 10:45 this morning, with the time equally divided between the two leaders or their designees, and that at 10:45 the majority leader be recognized.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GREGG. Yesterday we had a full day of debate in relation to the Energy Security bill. We anticipate a number of Senators coming to the floor today in order to speak on the substance of the measure. The majority leader has indicated that the Senate could turn to other legislative items today if we are able to reach time agreements on those bills.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I ask to be recognized on the minority time relative to the debate on S. 2711.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, pending before the Senate is a bill that will allow us to drill in areas of the Gulf of Mexico that currently are not being explored for oil and gas. There is some controversy attached to this proposal—whether this is an environmentally sound decision to go into these areas. The fact is in many parts of the Gulf of Mexico there is currently exploration and drilling for oil and gas, so it is not the same as the debate on the Arctic National Wildlife Refuge in Alaska, where the administration was proposing that we drill in areas that have been protected for over half a century. This area of the world and off the coast of the United States has been explored for quite some period of time, and oil and gas have been brought out of it.

It is going to be an interesting debate and a legitimate debate over whether this is the appropriate amount of exploration and whether it is environmentally responsible to do it in this fashion. But we should never believe that this debate is about creating America's energy policy. Sadly, America today—with gasoline prices going through the roof, with no certainty about our future when it comes to energy—does not have a national energy policy.

This administration, for 6 years now, has had an opportunity to come forward with a proposal that would move America away from dependence on foreign oil, but the administration has not done so. The only proposals we have received from them relate to very isolated, narrow issues. One of them I referred to earlier, whether the United States should now start drilling for oil and gas in the Arctic National Wildlife Refuge.

The House and the Senate have rejected that idea on a bipartisan basis. Their belief, which I share, is that we have reached a rather desperate moment in American history if the only way we can look forward in terms of energy self-sufficiency is to start drilling in some of the most environmentally sensitive places in America. That is why I have opposed drilling in ANWR in Alaska. That is why it has been defeated. The majority has felt this is not the way we should go.

This is a different issue. This is about drilling in the Gulf of Mexico.

We will debate it this week and vote on it next week. But we should not believe that passage of this bill is the creation of a national energy policy. The fact is if we pass this bill next week, it will have literally no impact on gasoline prices today and no impact on our dependence on foreign oil. If we are

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

going to address that, we have to do it in a larger context. On the Democratic side of the Senate, we have proposed a bill that will move us forward, looking at the national energy picture and moving us toward breaking our dependence on foreign sources of energy in the future. That is important for us to do.

Today we are so dependent on foreign sources of oil that we are at the mercy of the OPEC cartel, and at the mercy of the major producers we are doing business with in countries around the world buying their oil and gas—and these countries are virtually our sworn enemies. There are many countries in the world that we send billions of dollars to as we buy their oil and gas that turn around and use the money we send against us in the war on terrorism. That is as horrifying as I can think of at the moment, that we would send American dollars to these countries to subsidize terrorist activities. Yet it is happening because we are so dependent on these foreign sources.

What can we do? What should we do? First, we should look at the obvious. Sixty percent of all the oil we bring into the United States of America is used for our cars and trucks. All of us are burning that oil as we drive around America. Sadly, the vehicles we drive in are less fuel efficient and get less fuel economy every single year. The vehicles are heavier, less fuel efficient, and we burn more gallons of gasoline each year to travel the same number of miles we went last year. I am speaking on average. There are some people who have fuel-efficient vehicles, but by and large, when you look at cars and trucks in America, that is the story. It doesn't have to be this way.

In 1975, we faced long lines at gasoline stations with the prospect that OPEC was going to cut off oil to the United States, and our Government made a decision that the first thing we needed to do was to have more fuel-efficient cars and trucks. At that moment in time, the average fuel efficiency of the fleets across America was about 14 miles a gallon. The Government mandated that over the next 10 years manufacturers had to have an average fleet fuel economy of cars that would virtually double to almost 28 miles a gallon in 10 years. The manufacturers of cars and trucks—particularly those in the United States—said it was an impossible goal which we could never reach, and that if we did, it would compromise the safety of the cars we would drive and would invite importation of automobiles into the United States. We did it anyway. We imposed the standard to increase fuel efficiency in America. Between 1975 and 1985 the average fuel economy of cars in America went from 14 miles a gallon to 27.5 miles a gallon. We achieved our goal. We did it without all of the terrible outcomes the opponents had suggested.

What has happened in the 21 years since then? What has happened since 1985 when we reached an average of about 28 miles a gallon for cars in America? Sadly, the fuel efficiency of cars in America has gone down progressively. Now it is around 22 miles a gallon, or 21 miles a gallon, meaning we are driving less fuel-efficient cars today than we were 21 years ago. And, of course, there was the truck loophole. We said when it came to fuel economy we would make an exemption for trucks. Someone invented the concept of a sports utility vehicle, SUV, and we called it a truck. It escaped the requirements of fuel efficiency. We all know those SUVs we are glutting the used car lots in America with, have some of the worst fuel efficiency of any vehicles we drive. They have helped to drive down our efficiency in America and driven up our dependence on imported oil.

A national energy policy has to include more fuel efficiency and fuel economy of cars and trucks we drive—and it can do it.

Recently, my wife and I made a decision about a car. We wanted to buy American and we wanted a hybrid. So we bought a Ford Escape hybrid. It is a good car, clean burning. We get about 28 miles a gallon, which is good but not great. I think we can do a lot better. Many of the cars that are coming in from overseas manufacturers get much better mileage. The people who make cars in America tell us there is no appetite for fuel-efficient cars in the United States. How wrong can they be? Toyota is about to come out with a Camry with a hybrid engine which will get better fuel mileage than most cars in the United States, and there is a 10-month waiting list to buy their cars. It tells me there is an appetite for obvious reasons. People understand gasoline is extremely expensive. If they can reduce their consumption of gasoline, they not only save money, but I think they know intuitively it is a good thing. It reduces the pollution and the greenhouse emissions.

Our failure to have a national energy policy leaves us in a position where we have foreign automobile manufacturers making fuel-efficient cars and hybrid cars and bringing them into the United States and selling them to American consumers who are anxious to buy their products.

The obvious question is, Why don't we have the leadership in Washington on a bipartisan basis that would create standards for fuel efficiency and fuel economy that would move the United States in the right direction on national energy policy? That is an important question. It is not addressed by this bill.

If we are talking about a national energy policy, this bill is not a national energy policy. There are other things which we should do as well. We have a situation in the United States where the oil companies are making outrageous profits. You can always tell when they have stepped over the line because when you open the morning paper, there will be a full-page ad where the major oil companies are explaining that they warrant that profit. Really?

ExxonMobil's second quarter profit jumped to the second highest level for any company in the history of the United States. ExxonMobil said today that it earned $10.36 billion in the second quarter, the second largest quarterly profit ever recorded by a publicly traded U.S. company. The earnings figures were 36 percent above the profit it reported 1 year ago. High oil prices, according to this Associated Press story, helped boost the company's revenue by 12 percent to a level just short of a quarterly record.

Think of this when you go to fill up at the gas pump. You reach into your pocket, pull out your wallet or your purse and pull out the credit card to pay for the gasoline, and the money that is coming right out of your checking account is going to record profits of the oil companies across America.

What has been done in Washington to try to contain these profits, to try to say that the oil companies are going too far by creating burdens and handicaps on individuals and families and businesses across America? The answer is nothing. Nothing has happened informally. The President has not called in the leaders of these oil companies and said it is not healthy for America's economy for you to be taking so much money out of this economy, driving up inflation, making the cost of business go up so that they have to lay off employees and can't expand if they would like to, and making the burdens for families who have to drive on a regular basis unbearable. The President has not done this. Other Presidents in history have. This President refuses to.

When it comes to the more formal means of turning to those Federal agencies that have the power over these oil companies, they have been virtually silent as Americans and consumers are fuming over what is happening at their gas stations.

I would say to my colleagues in Congress when they go home over this August recess to take some time and talk to the people they represent. Gasoline prices, frankly, are one of the biggest issues that trouble the people across America.

ExxonMobil's report of earnings comes a day after ConocoPhillips said it earned more than $5 billion in the quarter at a time when many drivers in the United States are paying $3 a gallon for gas—and more. ExxonMobil, the world's largest oil company by market cap, said earnings amounted to $1.72 a share in the April-June quarter compared with the profit of $7.64 billion or

$1.20 a share a year ago. These results top even Wall Street's expectations. The oil companies are raking in this money at the expense of consumers and businesses across America.

If we want a healthy business climate in this country, we cannot allow one industry—the oil industry—to make outrageous profits at the expense of other businesses as well as the families and individuals across America.

I think what we have before us is a bill that is worthy of debate about drilling in the Gulf of Mexico. It is something we will debate, but we shouldn't believe at the end of the day, even if it is passes, that we have addressed the most serious challenge facing America. We still need a national energy policy.

We should remember two numbers as we engage in this debate. The numbers are 3 and 25. If you look at all of the energy available in the world, the United States has access in the continental United States and offshore to 3 percent of the energy reserves of the world. Yet every year the United States economy consumes 25 percent of the energy that is produced in the world.

We cannot drill our way out of this situation. We have to have environmentally responsible exploration and production, but we also have to deal with conservation and efficiency. It is not just a matter of reducing costs and reducing consumption. There is not another issue that is as important as energy. It is the issue of the environment. We have to understand that as we burn energy, as we destroy this energy for our economic purposes—carbon fuels, for example—we are releasing emissions into the environment. Carbon dioxide, for example, which ultimately form a cloud over our globe, this greenhouse effect which captures the heat of the Sun and warming the planet we live on to the point where we are seeing dramatic climate change in America and around the world. We are finding from those in the private sector who look at this in cold economic terms that decisions are made which suggest we are facing serious problems if we don't do something about it.

When the major insurance companies announce they are not going to write property insurance for many businesses on the gulf coast of the United States because of the severity of the hurricanes we have seen in the last few years, it is a wake-up call to America. When we know that the glaciers are melting, when we know the temperature is going up on this globe we live on, when we know species such as the polar bear are doomed to extinction if we don't make some serious changes, we have to combine this debate on a national energy policy with the national environmental policy that sets a standard—that says to the world engage us in this effort to protect the planet on which we live.

S. 3711 is an interesting and important bill. I am glad we are debating it. But make no mistake; it is not a national energy policy.

I reserve the remainder of my time and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. ISAKSON. Mr. President, I ask unanimous consent that immediately following my speech and the speech of the Senator from Georgia, Senator CHAMBLISS, that Senator CORNYN be recognized.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. ISAKSON and Mr. CHAMBLISS pertaining to the submission of S. Res. 541 are printed in today's RECORD under "Submitted Resolutions.")

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Texas.

Mr. CORNYN. Madam President, the Senate is now taking up a very important piece of legislation that would open a huge area in the Gulf of Mexico for deepwater exploration for oil and natural gas. I am proud to be a cosponsor of this important legislation and believe it is long overdue.

At the same time, I am amazed when I hear our friends on the other side of the aisle. The Democratic whip this morning said this was an interesting proposal and he hoped we would have a good debate. I agree with both of those things. What he said I disagree with is that this is not about a national energy policy. He criticized the Federal Government not having a national energy policy.

This is about a national energy policy. This is about eliminating the moratoria we have created ourselves that have prevented the United States from relying more on domestic production of oil and gas and relying less on imported energy from places in trouble, regions of the world such as the Middle East.

As the current occupant of the chair knows, she and the senior Senator from Alaska have been fighting for years to open the Arctic National Wildlife Refuge for exploration and development. This is something that not only do Alaskans support but that would provide a tremendous boom to the United States in terms of our ability to develop domestic energy resources.

However, time and time again, for countless years, our friends on the other side of the aisle have said no, we cannot do that because it will damage the environment, it will disturb the flora and the fauna in that region of the world.

The fact is, it is possible for us to explore and develop domestic energy supplies in an environmentally sound way. Modern drilling techniques and production techniques are entirely compatible with preserving the environment and avoiding the kind of calamities that some want to scare the American people into believing would be routine.

I suggest this bill is all about developing a national energy policy. It is important to reducing our dependence on imported energy. In fact, it is estimated when lease 181 is developed, it will produce 1.26 billion barrels of oil, oil that is now selling for $75 a barrel on the open market.

We all know Congress can pass a lot of laws. We can repeal a lot of laws. But the one law we cannot repeal is the law of supply and demand. In a booming economy in the United States, and countries such as China growing at a rate of 10 percent, we know the demand for oil and gas has increased. The problem is, the supply has not. This would pinpoint the solution at the only way we know we can deal with this in terms of supply, and that is increase it by 1.26 billion barrels of oil and—this is significant, too—5.8 trillion cubic feet of natural gas.

Natural gas is not only important because it is relatively clean burning, but it also is feedstock in a number of critical manufacturing industries in the United States. It is critical for our farmers and ranchers, but the price of natural gas has gone through the roof—again, because of huge demand and limited supply.

So it is absolutely critical to our ability to reduce our dependence on imported energy to both improve our national security and improve the prospects for our economy that we pass this legislation.

My colleague from Illinois, the distinguished Democratic whip, also said the answer is not to open places such as ANWR, it is to pass mandates from Washington on more fuel-efficient vehicles. I am all for people having the choice to buy vehicles that give them extended gas mileage, but I am against Washington, DC, mandating through some directive that says to my constituents in Texas, you can only drive a certain kind of car. I believe we ought to have the freedom of choice and that Congress should not be in the business of mandating what kind of cars we drive in my State or any State.

Finally, he mentioned that big bugaboo we hear and read so much about, global warming, another scare tactic that is used often to convince people that, no, we can't develop our domestic energy supply, we can't contribute more to the production of CO_2 in the atmosphere because it will exacerbate global warming. We are all worried about global warming. The fact is, there is some debate in science about what the causes of the current warming of the atmosphere are, whether they are periodic and we are seeing a spike now, a small spike now, but it will work out.

The main problem with the solutions that have been offered to address global warming is that most of the proponents penalize the United States and damage the American economy by subjecting us to onerous regulations that would not apply to some of our major competitors in the world, countries such as China and India that would not be subject, for example, to the Kyoto Treaty that was overwhelmingly rejected by the Senate the last time we considered that issue.

Rather than saying no, rather than blocking and blaming, what S. 3711 does is enormously positive. It has done a great job. I have to give a lot of credit to the Senator from Louisiana who has helped shepherd this bill to this point so far. This is a bipartisan bill which is the way we should do things more often, but this provides a very real solution to a very real problem. It is true we cannot rely on developing more oil and gas supply, but that is certainly what we have to do in the near term to midterm. We cannot rely solely on conservation.

I am all for conserving our energy supply, avoiding waste that can be avoided. I also think we ought to look for alternative fuels such as ethanol. They make a lot of sense as part of an overall energy diversity program. I think energy diversity should be our national policy because if we rely on one type of fuel or if we rely on one policy, such as conservation, we cannot hope to get ahead of the curve when it comes to the growing demand not just in the United States of America but countries such as China that are growing at the rate of 10 percent a year, and other competitors in the world economy.

So we have to look at conservation. We have to look at additional supply. We have to look at alternative forms of fuels, renewables. Texas just moved ahead of California in terms of production of wind energy. That certainly has a lot of promise. It is not the only solution, but it is a part of the overall solution. Then, of course, we have to look at developing nuclear energy in this country. France, hardly a model that I would hold up in some areas, is a model when it comes to dealing with nuclear energy. America produces about 20 percent of our electricity from nuclear power. France, on the other hand, produces 80 percent of their electricity using nuclear power. They have figured out that one way to address the environmental concerns but also produce the kind of energy that a growing economy needs is nuclear power.

Thank goodness in the Energy bill we passed last year, we have now the prospect of nuclear energy taking over more and more of the demand for our energy supply in the United States.

So I believe this is an enormously important piece of legislation. It does provide a part of the solution to our overall challenge. It will have a very direct impact on the prices that consumers pay at the gas pump because most of the cost of gasoline is related to the price of oil. We know that is not the only cause of high gas prices. Another problem is we have seen some block the development of refinery capacity, and we have had no new refineries which are what transmute the oil into gasoline. We have not had any new refineries built in this country since the early 1970s, although we have seen a recent expansion of existing refining capacity which has helped.

But, here again, America is no longer the principal consumer of energy in the world. We are just one of a number of large competitors for the same scarce supply. So it is absolutely critical we undertake measures such as this as part of our national energy policy. So I would disagree respectfully with my colleague from Illinois, the distinguished Democratic whip. This is all about a national energy policy, and it is a part of what we must do if we are going to keep our commitments to the American people to try to help them keep more of the money they earn and let them spend it as they see fit and not have to spend it on rapidly escalating gasoline prices and other energy prices that not only hurt consumers but also make America less competitive in the global economy.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Madam President, we are on a subject that is near and dear to the heart of the Senator from Florida—both Senators from Florida. It is a subject of which, a year ago, in bringing up an energy bill, there was an attempt to drill off the coast of Florida, and this Senator had to start his first filibuster. We were able to resolve that with the help of the distinguished senior Senator from New Mexico, Mr. DOMENICI, who, true to his word, let the Energy bill go on without bringing up the portions with regard to drilling off of Florida when it went to conference with the House of Representatives. And I have thanked Senator DOMENICI many times on this floor for being a man of his word.

I must say, in the negotiations that have brought this legislation to the floor now, I give great credit to the senior Senator from Louisiana, Ms. LANDRIEU, in looking out for the interests of her State in receiving revenue—what would come from new drilling that this legislation addresses not only for Texas, Alabama, Mississippi, but especially for Louisiana. It addresses those revenue needs that the State needs since it is losing all of those wetlands. We saw the results of that in the great tragedy of Hurricane Katrina a year ago. So I give great credit to Senator LANDRIEU.

But I also give great credit to Senator LANDRIEU because she knew the interests of Florida had to be protected in order for her to get an agreement because both Senators from Florida were willing to filibuster any legislation that threatened the interests of Florida. To her great credit—Senator LANDRIEU's—she worked with the two Senators from Florida. She also worked with the other gulf coast Senators. And what has been crafted is a piece of legislation that addresses just the Gulf of Mexico.

Now, you might wonder: Why does Florida not want its waters off the coast of Florida to be drilled? Well, this Senator is going to explain that. Certainly, there are economic interests with a $57 billion a year tourism industry that depends on pristine beaches. Certainly, there is the delicate environment—the 10,000 Islands, the Big Bend area, the bays and estuaries, Apalachicola Bay—all of these environmental areas that are so delicate to the ecology of the oceans where so much marine life is spawned.

But there is another big reason that most people do not understand, and it is right here as shown on this chart. Most people do not realize that the entire Gulf of Mexico off of Florida is restricted airspace. Why? Because this is the largest testing and training area in the world for the U.S. military. All of this area has restricted air use and naval use.

You wonder: When the U.S. Atlantic fleet training in Vieques—the little island off the eastern end of Puerto Rico—when it was shut down, why did most of that training come to Florida? It is because you can do combined air-sea exercises and land exercises from Eglin Air Force Base, Pensacola NAS—Naval Air Station Pensacola. Squadrons of Navy F–18s come down and spend 2 weeks, 3 weeks at a time, and are stationed there because when they lift off out of Key West NAS, within 2 minutes they are over restricted airspace where they can go about their training.

So here is a large part of the reason—as shown right here on the chart—why there is no drilling off the west coast of Florida in the Gulf of Mexico. The importance of what is called the Eglin Air Force Base Gulf Test and Training Range has been emphasized in the letter that was received by the Senate Armed Services Committee, signed by the Secretary of Defense, Don Rumsfeld. That letter was delivered to the committee last November, in which he says: You cannot have oil and gas rigs out here where we are testing and training sophisticated weapons systems, and where we are training our pilots—Air Force and Navy pilots—and where we now will have the F–35 all-pilot training for the new Joint Strike Fighter, the F–35 for all branches of service, all out here because of that restricted space. So Secretary Rumsfeld made it very clear: You cannot have oil and gas rigs.

I remember the Senator from New York, Mr. SCHUMER, one day said: Why should Florida be protected? Here, this is the reason. This is the historical reason, in addition to the reasons of the environment, as well as the economy of Florida in protecting our tourism industry.

So this is what we are dealing with, as shown on this chart. All of the yellow on this chart off the State of Florida is going to be protected until the year 2022. That is three planning periods of 5 years each. That is 15 years after the planning period of 2007 kicks in. All of that area—which is 125 miles from Fort Walton, it is 100 miles from Perdido Key, 100 miles off of the Alabama coast right here. Then it comes around, and it then follows this critical line, this black line that is called the military mission line, a military mission line that was established in 1981 by the Department of Defense in that they said they wanted no drilling east of that line. Therefore, that line becomes the critical line, of which you see that most of the area of Florida, then, is protected from drilling. And that is all the way through the year 2022.

That area, by the way—from this point off of Clearwater, which is in the Tampa Bay area—is 235 miles due west of the Tampa Bay area beaches. For Naples, it is in excess of 300 miles. No drilling. So you can see the protection for Florida also happens to be the protection for the U.S. military in these ranges.

Now, we have had people come to the floor and say they are concerned about this going down to the House. The House-passed bill basically lifts the moratorium for drilling off the Outer Continental Shelf of the entire United States—the Pacific coast, the Atlantic coast, and so forth.

I want to speak about the assurances I have been given when this bill will leave here and go to the House of Representatives. But let me tell you why this bill only deals with the Gulf of Mexico. From Florida's standpoint, from the military's standpoint, from the Nation's defense standpoint, we do not want to lift the moratorium and have drilling off the east coast of Florida and the rest of the southeastern United States because, look right here on this chart. Here is another major Air Force and Navy training area off the northeast coast of Florida and off the east coast of Georgia. In addition, right there is a place called Cape Canaveral. The Cape Canaveral Air Force Station is where we launch our rockets to put all of our satellites, our defense satellites, into equatorial orbit.

You can't have oil rigs out here where you are dropping the first stages of the expendable booster rockets that are putting our highly sophisticated and highly classified defense payloads into equatorial orbit. Just to the north of Cape Canaveral is a place called the Kennedy Space Center. It happens to have launch pad 39A and launch pad 39B from which we launch the space shuttle and, after the year 2012, it is estimated we will launch the new space vehicle called the Crew Exploration Vehicle. You can't have oil rigs out here where we are dropping the solid rocket boosters from the space shuttle when we launch, those two big candlesticks on either side of the external tank of the space shuttle. After they have expended their fuel 2 minutes into flight, they separate from the space shuttle and parachute back into the Atlantic Ocean. They are then brought back in, refurbished, and reused. You can't have oil rigs out here.

So as people talk about wanting drilling off the east coast of Florida, which this legislation in front of us does not address but the House bill does address, you can't do that out here with an interest of the Nation at stake—the military preparedness plus the defense of this country, with the important payloads that we are launching out of the Cape Canaveral Air Force Station, as well as the Kennedy Space Center. When people say that this legislation we are passing in the Senate does not address protections of the east coast, the east coast isn't a threat. Right now the east coast is under a moratorium until the year 2012. That is not where the threat is. The threat is here in the Gulf of Mexico. That is why we have the legislation before us that we do. That is why this Senator is coming to the floor to announce my support for this legislation, which I have helped craft and on which I have waited until today, until I had assurances that this legislation was not going to be in any significant way changed when it leaves this Chamber and goes down to the House.

What are those assurances? I have been authorized to say from the majority leader, Senator FRIST—and I am reading from an e-mail to me. This is a quote Senator FRIST sent to me today—

> The Senate bill is a carefully crafted compromise and I believe it represents what is achievable in the Senate this year. I will not bring a bill back before the Senate that does not provide adequate protections to the State of Florida. I look forward to working with both Florida Senators to achieve this goal.

Yesterday, I spoke personally to Senator FRIST on the telephone. He told me he would do everything within his ability to keep it to the Senate version when the bill returns to the Senate. That is a pretty good assurance for this Senator to protect the interests of Florida.

I went to our leader on this side of the aisle, the Democratic leader, and Senator REID has written a letter to me:

> Dear Senator Nelson:
>
> It is my expectation that the House of Representatives will accept S. 3711 as passed by the Senate without amending it and without modifying it in a conference committee. If the House does not accept the Senate bill as passed, I will join other Senators and Senator Nelson and produce the votes to sustain a filibuster to prevent the passage of the bill when it would return to the Senate.

That is the end of the quote from Senator REID's letter.

Around here, you have to take a man at his word. I accept the word and the assurances of the two great leaders of our two great parties in protecting the interests of Florida. I am prepared to come and support this legislation and to thank the leadership on both sides as they have worked with the two Senators from Florida to try to do what is right for the country.

In the legislation that addresses the drilling, there is another important component for Florida: that is, there are a few leases out in this area from years past, decades past, that have never been drilled because they have never gotten the permits because of all that we have been going through, keeping these waters protected in a moratorium. Senator LANDRIEU has crafted a portion of the bill that revenue will go to four Gulf States from the revenue generated to the Federal Government from new leases. The interest of Florida, since there won't be drilling, is to get rid of the ancient leases that are never going to be drilled. So there is a provision in the legislation that will allow the swapping of these leases by their value for new leases in the area that can be drilled in what is called lease sale 181, and other leases in the central and western Gulf of Mexico, new leases that we want to be drilled where a swap would occur.

The PRESIDING OFFICER. The minority's time has expired.

Mr. NELSON of Florida. People say that is voluntary for the oil companies.

The PRESIDING OFFICER. The time of the minority has expired.

Mr. NELSON of Florida. I ask unanimous consent for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Florida. You would ask, if it is voluntary, why would they do it? Because there is a financial incentive for oil companies who want to pay for new drilling in 181 or elsewhere in the central or western gulf, not to pay that by swapping out their financial interest in these ancient leases that are still here. They are of minor value compared to the entire value of the leases elsewhere in the Gulf of Mexico, but nevertheless that is there.

Why it is important that we keep the Senate bill intact and not expand it with any version of the House is because the House-passed legislation works for the Gulf of Mexico, but the House-passed version lifts the moratorium for the entire country and allows, with State legislative approval, drilling to come up to 3 miles off the coast of a State. Of course, Atlantic seaboard Senators, Pacific Ocean Senators, would be violently opposed to that, and then the Senators who start realizing that it starts getting into their military-restricted areas, their defense-restricted areas, would find that enormously objectionable. That is another reason we need to keep this legislation intact as it goes to the House and then comes back to the Senate.

My colleague from Florida, Senator MARTINEZ, has made several statements on the floor—and it is my understanding that he will again—that he is given assurances that the protection of Florida will be there when this legislation comes back from the House. It is the privilege of this Senator from Florida to support this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Madam President, I am glad to hear the remarks of the Senator from Florida, and I am glad that he feels able to support this legislation. It is something I have worked on for quite a number of years and supported as a Senator from Alabama. We have a lot of oil and gas right off our coast. We believe this could be done safely and be great for the country economically. I am pleased that the distinguished Senator believes he can support this bill. We do have to work with the House of Representatives. They do have input in the legislation. But, hopefully, when all that is settled, we will have something we can pass. It is critical for our economy.

I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SESSIONS are located in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Madam President, we are on the Gulf of Mexico energy security bill, a bill that has been very carefully crafted in a bipartisan way. It has been our approach from the outset. One of the real challenges we have is taking a bill which is delicate, in the sense that it has been carefully crafted, vetted, and addressed for the last year—and there are many other people who would like to add other energy amendments or bills to this single, focused step, this being built upon the comprehensive energy bill, a bipartisan bill that was passed a year ago this week. So it is a challenge to keep the body focused on this issue. In doing so, there are procedures here shortly that are important to accomplish delivering as many as a billion barrels of oil to the American people and over 5 trillion cubic feet of natural gas, enough gas to heat or cool 6 million homes for 15 years. We have it within our grasp.

We had a good vote yesterday morning in terms of getting on the legislation, which we are on, and now, from a leadership standpoint, we have to stay focused on this bill, even though there are a lot of other good ideas out there, and complete this step and our action in the Senate. Thus, I will go through a series of steps here, and we will have comments on that.

AMENDMENT NO. 4713

Mr. FRIST. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. FRIST] proposes an amendment numbered 4713.

Mr. FRIST. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end insert the following:

The effective date shall be 2 days after the date of enactment.

Mr. FRIST. Madam President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4714 TO AMENDMENT NO. 4713

Mr. FRIST. Madam President, I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. FRIST] proposes an amendment numbered 4714 to amendment No. 4713.

Mr. FRIST. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On line 1, strike "2 days" and insert "1 day".

CLOTURE MOTION

Mr. FRIST. Madam President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report the cloture motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 529, S. 3711: A bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

Bill Frist, Pete Domenici, Richard G. Lugar, Mitch McConnell, Kay Bailey Hutchison, Jim Bunning, Trent Lott, Christopher S. Bond, Tom Coburn, Wayne Allard, David Vitter, Mel Martinez, Thad Cochran, Jim DeMint, John Cornyn, Lindsey Graham, Jeff Sessions.

Mr. FRIST. Madam President, I ask unanimous consent that the live quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Madam President, this cloture vote will occur on Monday. We have not set the specific timing, but I anticipate that vote would be at 5:30. We will set the exact time later today.

This will be a very important vote, and it is critical that Senators be here, and they should prepare to be here at 5:30. We will announce the specific time later today. I ask them to adjust their schedules accordingly. In all likelihood, we will be voting on Monday. I hope they have adjusted their schedules accordingly.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. REID. Madam President, I have expressed to the majority leader my disappointment in not allowing amendments on this bill. We had agreed to just have five, with time agreements on each of those. The leader decided not to do that. I think that is unfortunate. I hope that, moving beyond that, we can have a better idea of what we are going to do for the rest of the work period.

The majority leader indicated to me that he has a very important meeting shortly after lunch, and he will indicate to me at that time more of a direction as to what we can expect this afternoon, tomorrow, and the rest of the work period before the August recess.

I also want the record to reflect, as I said yesterday, that I appreciate the cooperation of Senator BINGAMAN. Without his agreement, this parliamentary situation we find ourselves in would not have occurred until late this evening. This will allow us this afternoon the possibility of doing other work. So I appreciate very much Senator BINGAMAN being his normal cooperative person. He has strong feelings about this legislation. He expressed them to me personally and on the Senate floor. But he is always someone who works for the good of the Senate. I appreciate that very much.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Madam President, while the majority leader is still here, I understand the procedure he has followed, and that is to do what we refer to here as "filling the tree" with amendments so that other amendments cannot be offered.

I ask unanimous consent that the pending amendment be set aside so that I may be able to offer an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. Madam President, reserving the right to object, filling the tree is the procedure I have used in order to accomplish what is a very important next step in building on, as I said, the comprehensive Energy bill the managers worked for last year, which has been tremendously successful as we look at alternative energy, such as ethanol or, in the future, nuclear and biomass, looking at the supply side and the consumption side of the equation. What is challenging in floor management is being able to now build upon that bill from last year and take one step at a time.

As we are commenting on this now, there are so many good proposals, substantive proposals, that would help our dependence on foreign sources of oil. We are 60 percent dependent today on foreign sources of oil. We have to change that by lessening our energy dependence with homegrown energy. That is what we will be able to do on the floor today in this carefully crafted, focused, very discrete bill that looks at the Gulf of Mexico, which has revenue sharing that has been carefully worked out with Members in this body for the last 6 to 7 months in terms of the specifics. With that, we will be able to deliver this bill to the American people and address the squeeze we know they are feeling today when they are filling up the tractor or the car or preparing to go on vacation or air-conditioning their homes or heating their homes at other times of the year.

With that being the approach, I will object to setting aside the amendments because it would mean actually trying to decide among many good proposals that would come to the floor—and it is not that they are not good or they won't be addressed in the future. We are going to keep this bill focused, tight, and clean.

I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BINGAMAN. Hearing objection, I wish to take a few minutes and explain the amendment I was intending to offer so that Senators will understand what the alternatives are that we could be considering today.

Madam President, just to pick up on the point the majority leader was making, I certainly want to build on the good work we did in this body last year with the passage of the Energy Act of 2005. I believe very strongly that the way to do that is to have an open process, allow Members to offer amendments, allow those amendments to be voted on, and see what the will of the Senate is. Unfortunately, that is not the process which is being used in connection with S. 3711.

I stated extensively yesterday the substantive reasons I think S. 3711 is not good legislation, and I will repeat a few of those points.

Let me talk about the amendment I wanted to offer this morning. The amendment I was going to offer consists of the text of S. 2253, which is the legislation we reported out of the Senate Energy and Natural Resources Committee on a bipartisan basis in March. My amendment would take that language and it would modify it to add the so-called 181 south area for leasing.

Let me put up a chart so everybody knows what is involved here. The white area on this chart, the box there, is the area that we proposed in our Energy Committee bill that we reported to the floor to open for leasing. That thatched area to the right of that, to the east of that on the map, is an area which would be open with the consent of the Secretary of Defense or under appropriate circumstances and conditions which would be specified by the Secretary of Defense. That is what our bill called for.

As I say, I would propose in this amendment, if I were able to offer it, to add the yellow area below that which is now being referred to as 181 south.

The legislation we came out of committee with and I would desire to have us consider on the floor today would require that the lease sale be conducted within a year. It would provide that leasing in the 181 area south be done as soon as practicable after the date of enactment.

Overall, the amendment I would like to have been able to offer would make available 7.37 trillion cubic feet of natural gas and 1.58 billion barrels of oil. These are substantially more energy resources than the 5.83 trillion cubic feet of natural gas and the 1.26 billion barrels of oil made available under the pending legislation; that is, S. 3711.

At the same time, the legislation we came out of committee with and that I wish we were able to consider on the floor would provide there would be no leasing closer than 100 miles from the Florida coast at any point and leasing east of the military mission line under the bill, as I indicated, could only occur with the prior consent and agreement of the Secretary of Defense.

The 1-year timeframe for conducting the lease sale in this 181 area is intended to allow for full compliance with all environmental laws. The amendment does not impose any new leasing moratorium, such as the pending bill would. Also, it does not divert revenue from the Federal Treasury to four coastal States, as the pending bill proposes to do.

Earlier this year, I was pleased to work with Senator DOMENICI to develop and introduce S. 2253. That is the basis of the amendment I am offering. We had a hearing on the bill in committee. We reported the bill with a very strong bipartisan vote.

However, after the committee reported its legislation, several colleagues indicated they had problems with this bill, in particular my colleagues from Florida, who sought a new long-term moratorium off the Florida coast, which has been agreed to by those who are now advocating the pending legislation—this is a 16-year moratorium in a very large area—and my colleagues from other Gulf Coast States have insisted upon a provision that cedes to their States Federal revenues for oil and gas produced in the Federal Outer Continental Shelf off their coasts. Thus, S. 3711, which was written by Senators DOMENICI, LANDRIEU, and others, includes significant new provisions that I believe undermine the goals of our original bill.

I am disappointed we did not have a chance to vote on the bill which was reported out of the committee. I believe the Senate would have acted favorably on that bill had it been given an opportunity to do so.

S. 2253 is good energy policy; it is responsible fiscal policy. S. 2253 would have resulted in oil and gas being produced without locking up vast areas of the Outer Continental Shelf and without raiding the Federal Treasury at the same time.

As I stated in the Senate yesterday, because S. 3711, which is the pending bill, locks up these vast areas of the Outer Continental Shelf off the coast of Florida, and because the bill provides for the sharing of billions of dollars in Federal revenues, I must strongly oppose it.

The pending bill, S. 3711, expands areas under moratoria and sets precedence for imposing new long-term congressional moratoria.

This next chart is the one many Senators have been using to make many different arguments on the Senate floor, but the point is very clear when one looks at this chart. There is a vast area, the yellow area on the chart, that is being put off limits to oil and gas development for a very substantial period, 16 years, longer than virtually any of us are likely to be in the Senate.

The Department proposed, as I understand it, in return for gaining access to 2.76 trillion cubic feet of natural gas over what the Interior Department proposed—this bill currently pending in the Senate puts 21.83 trillion cubic feet of natural gas off limits until 2022. I think that is a mistake. I think it is a bad deal for America.

Two of these areas within the original 181 lease sale area that are more than 100 miles off the Florida coast would be offered for lease under my amendment. And most importantly, my amendment would not impose any new moratoria on Outer Continental Shelf leasing.

Likewise, the amendment I would offer would not include the ceding of Federal revenues to the four Gulf Coast States.

Let me make it very clear: I recognize there are needs to protect the wetlands along the gulf coast, and I recognize that the Federal Government should provide assistance to these States to accomplish that wetland restoration and protection work. But I believe very strongly that should be money that comes out of the Federal Treasury. We should not be taking a stream of revenue that has historically always gone into the Federal Treasury—that is, royalty from production in the Outer Continental Shelf—we should not take that stream of revenue and divert a substantial portion of it directly to those States. We should, instead, bring those funds into the Federal Treasury, determine what the needs are for those States and for other communities in the country, and then appropriate the funds appropriately to meet those needs.

That is my strong view. That is what the amendment I would have offered would contemplate, that is what current law contemplates, and that is what the Supreme Court has always said was the appropriate course. Of course, I cited former President Truman and his strong position, which is consistent with the position I am advocating today.

In summary, the amendment I would like to have offered this morning, if the majority leader had not blocked our ability procedurally to offer amendments, would open this area called 181 south and also a larger portion of the 181 area originally than the pending legislation proposes to do. There would be an additional 1.5 trillion cubic feet of natural gas made available. There would be an additional 300 million barrels of oil made available for our Nation over and above what is being made available under S. 3711.

The amendment would accomplish this in a manner that protects Florida's coast without imposing new leasing moratoria. It would also do so in a manner that protects the fiscal interests of our Nation. I regret I am not able to offer the amendment today for consideration.

Moreover, the amendment would achieve greater oil and gas production without setting dangerous precedents. I think one of the most disturbing things about what the Senate is preparing to do, if it goes forward and adopts S. 3711, is that we are setting precedents, both for putting areas off limits to production for long periods of time—a 16-year statutory moratorium—for areas that have not been subject to statutory moratorium, in some cases at all. I think that is a big mistake. I think the precedent we are setting with regard to so-called revenuesharing or ceding of revenues, Federal production revenues and royalties to coastal States is also a very major mistake, and it sets a very bad precedent which will come back to haunt us.

I know very well that the other Senators who represent coastal States will in the future come to this Senate floor and insist, as the Senators from these four Gulf Coast States have insisted, that if production is going forward off their coasts, their States are entitled to Federal revenue as well.

This is bad policy. This is bad energy policy. It is bad fiscal policy. It is a course of action that I believe the Nation will regret in future years if we go forward with it.

I am disappointed that there is no place in this debate for us to offer amendments to correct the policy. I am also disappointed that there is no place in this debate for us to address other important energy-related issues. We should be proposing amendments to this legislation with regard to energy efficiency. We should be considering the legislation that Senators OBAMA and LUGAR have proposed with regard to vehicle fuel efficiency. We should be considering a variety of bills—S. 2747, the Enhanced Energy Security Act, which tries to put in place a variety of provisions that would add to the efficiency with which we use energy in this country. All of those are legitimate issues we should be able to address by amendment to the Energy bill on the Senate floor.

In fact, if we were building on the Energy Policy Act work this Congress did last year in the first session of this Congress, we would be, in fact, allowing those other very meritorious amendments to be considered as part of our debate as well.

I regret that. I regret the decision of the majority leader to deny us the right to offer amendments.

Madam President, I ask unanimous consent my amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(Purpose: To provide a complete substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. OFFSHORE OIL AND GAS LEASING IN 181 AREA AND 181 SOUTH AREA OF GULF OF MEXICO.

(a) DEFINITIONS.—In this section:

(1) 181 AREA.—The term "181 Area" means the area identified in map 15, page 58, of the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002 of the Minerals Management Service.

(2) 181 SOUTH AREA.—The term "181 South Area" means any area—

(A) located—

(i) south of the 181 Area;

(ii) west of the Military Mission Line; and

(iii) in the Central Gulf of Mexico Planning Area of the outer Continental Shelf, as designated in the document entitled "Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012", dated February 2006;

(B) excluded from the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002, dated August 1996, of the Minerals Management Service; and

(C) included in the areas considered for oil and gas leasing, as identified in map 8, page 37 of the document entitled "Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012", dated February 2006.

(3) MILITARY MISSION LINE.—The term "Military Mission Line" means the north-south line at 86°41′ W. longitude.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Minerals Management Service.

(b) 181 AREA LEASE SALE.—Except as otherwise provided in this section, the Secretary shall offer the 181 Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable, but not later than 1 year, after the date of enactment of this Act.

(c) 181 SOUTH AREA LEASE SALE.—The Secretary shall offer the 181 South Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable after the date of enactment of this Act.

(d) EXCLUDED AREAS.—In carrying out this section, the Secretary shall not offer for oil and gas leasing—

(1) any area east of the Military Mission Line, unless the Secretary of Defense agrees in writing before the area is offered for lease that the area can be developed in a manner that will not interfere with military activities; or

(2) any area that is within 100 miles of the coastline of the State of Florida.

(e) LEASING PROGRAM.—The 181 Area and 181 South Area shall be offered for lease under this section notwithstanding the omission of the 181 Area or the 181 South Area from any outer Continental Shelf leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344).

(f) CONFORMING AMENDMENT.—Section 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 522) is amended by inserting "(other than the 181 South Area (as defined in section 2 of the Gulf of Mexico Energy Security Act of 2006))" after "lands located outside Sale 181".

Mr. BINGAMAN. I yield the floor.

The PRESIDING OFFICER (Mr. ENSIGN). The Senator from Louisiana.

Mr. VITTER. Mr. President, I rise today in strong support of S. 3711, and I specifically rise in strong support of the majority leader's actions to ensure that we have a focused debate on the carefully crafted provisions of S. 3711 and not be thrown off track by numerous amendments about all sorts of ancillary energy and other issues because I rise in support of actually doing something, not merely talking about everything, as the Senate so often wants to do, and at the end of the day doing nothing. That is the choice we have.

The choice is what we so often do: Talk about everything under the Sun, have wide-ranging debates. This body is a great debating society, but at the end of the day does nothing. The other choice is focusing on the carefully crafted provisions of S. 3711, having a fair debate on those provisions and passing it into law, doing something concrete, real, meaningful, that will have an impact soon on people's wallets, on people's pocketbooks, on our energy future.

That is what this choice is all about, and I stand strongly for doing something and not just talking a good game. What is it we would be doing, Mr. President?

Well, S. 3711 would be doing more to secure our supply of domestic energy than anything we have done in a long time. It is not everything under the Sun, it is not a silver bullet, it is not a magic wand, but it is a major, concrete, specific step forward that would help secure our energy future. What is that? It is 8.3 million acres of area in the gulf opened to exploration and production for the first time ever; 1.26 billion barrels of oil, brandnew production; and 5.83 trillion cubic feet of natural gas, brandnew production. That is doing something, and that is doing something that will have an impact on our energy future—not in 20 years, not in 10 years, but very soon.

We will see this production in a few years and we could see its impact on prices even sooner than that. As folks in the energy industry recognize that we are opening this brandnew area to both oil and gas exploration, we could see a positive impact, bringing prices down even sooner than the production would begin.

So I am in support of doing something strong, concrete, and meaningful—not just talking a good game and, at the end of the day, doing nothing.

The distinguished Senator from New Mexico made some points in opposition to this proposal. He said it was very regrettable that he and others were not completely open to propose any amendment with regard to this bill. Let's not kid ourselves. Let's understand what is going on here. The distinguished Senator is absolutely flat out against the central provisions of this bill. His effort is to gut this attempt at moving us forward in terms of energy independence. He would take out of this bill one of its most central and important components: royalty share.

It is easy for him to take this position. His State of New Mexico gets enormous Federal revenue from production onshore on Federal land. Everything that is produced on Federal land in his State—as in any other State—his State gets 50 percent of that royalty. So it is very easy for him to take the position that offshore should be a completely different situation; offshore should be zero. That doesn't affect his constant revenue stream for States such as his in New Mexico or for States such as Wyoming, where 50 percent of the revenue from onshore mineral production royalty is going directly to his State coffers.

In addition, if you look at the 50-percent Federal share, most of that goes to a Federal fund that goes back to the States in terms of land reclamation as well, so that all told, 90 percent of that royalty produced on Federal land in his State essentially goes back to the States. So he has a very convenient situation in his State which has been that way for years. It is very easy for him to protect that but, at the same time, block coastal States from having a similar situation.

But there is no good reason we should do that. We should equalize the playing field. We should make Federal policy equal and right. Look at last year, 2005. Federal offshore production yielded, in terms of Federal revenue, $6.32 billion. Of that enormous total—$6.32 billion—only $75 million went to the States in terms of a royalty share. Compare that to the situation of the Senator from New Mexico. Federal onshore revenue for that same year yielded $3.5 billion of royalties, and half of that went to the States—$1.75 billion went to the States of New Mexico and Wyoming and many other States.

So, of course, it is easy for the Senator from New Mexico to protect what he already has but try to deny it to coastal States. The fact is the impacts are the same, and the impacts are dramatic. He talked about them himself, the dramatic negative impacts with regard to coastal erosion and other impacts on the Louisiana coastline and all of the coastlines of the Gulf States. That is one of the primary reasons we have royalty share at the heart of this bill, which the Senator from New Mexico would strip out with his amendment.

But that is not the only reason we have that royalty-sharing provision in the bill. The predominant reason is the overarching national reason, the reason that will promote our energy independence in the future, and that is simple. If we allow coastal States to share in the royalty obtained from production off their shores, we can change the dynamics dramatically. That will change the not-in-my-backyard attitude of so many coastal States and usher in more domestic production in the future. That is the model we are building with S. 3711, the positive model that will do, over time, even more than what this bill alone does, opening up 8.3 million acres, 5.83 trillion cubic feet of natural gas, and 1.26 billion barrels of oil. That is what the bill itself does. That is significant. That is concrete and positive. But when we put this model in place of sharing royalties with the appropriate coastal States, then we open possibilities in the future even more. That is why this royalty-sharing provision is so central and so important to this bill. It is a new model to get us to greater energy independence, to get us away from the pervasive not-in-my-backyard mentality that has gripped virtually every State around the country and has shut off area after area after area to offshore oil and gas production.

This bill will do all of those things in a fair and reasonable way. It will open new areas of land to production, it will open enormous new energy assets, and it will create this model that we can build on in the future to create more energy independence for our Nation. That is what we so desperately lack.

As I said at the beginning, this body is very good at debating, at talking, endlessly sometimes, about every proposal under the Sun, but so often at the end of the day we do nothing after those endless debates. This is an opportunity to do something real and concrete, and to create a model that will provoke even more action in the future. Because we can have endless debates in this Chamber about securing our energy independence, and every Senator here in the context of this debate will likely come to the floor and talk about his or her commitment to securing our energy independence, what are we going to do about it? If we don't change the dynamics of our energy policy, the not-in-my-backyard mentality, which has put a stranglehold on us for years, will continue to survive. But if we change the model, if we allow coastal States to share in the royalties produced from production off their own shores, give them the decision and give them some of the benefits, then we will change the dynamics and, in my opinion, over the next 10 years open significant new areas to offshore oil and gas production and significantly increase our energy independence.

That is why S. 3711 is so important. It does something real and meaningful and concrete right away. We are acting, not just talking. Even more importantly, we are building a model for the future, a positive model that will promote our energy independence by allowing us to go after those resources, including offshore, where the vast majority of our energy assets are in the future.

Mr. President, I yield the floor.

Mr. BROWNBACK. Mr. President, if I could inquire of my colleague from Washington—and I have my colleague from Alabama who seeks recognition—maybe we can get some order set up here. I have a 15-minute presentation. I believe my colleague from Alabama is seeking recognition, if I could inquire.

Mr. SESSIONS. Mr. President, 5 minutes would allow me to complete remarks I began earlier this morning when the majority leader and the Democratic leader appeared.

Mr. BROWNBACK. I would inquire of my colleague from Washington a timeframe she would want, in an effort to establish some order.

Mrs. MURRAY. Mr. President, I want 15 minutes as in morning business. We could go back and forth. I think we could accommodate that quite easily if the Senator from Kansas wants to speak. I ask unanimous consent that following the Senator from Kansas, if I could have 15 minutes in morning business, and then go back to the other side.

Mr. BROWNBACK. If my colleague from Washington would be willing to allow 5 minutes for my colleague from Alabama to finish up his comments? Is that asking too much? I don't want to press it too far.

The PRESIDING OFFICER. Will the Senator modify her unanimous consent request to be that following your remarks, the Senator from Alabama would be recognized?

Mrs. MURRAY. Following my remarks, if the Senator from Alabama wants to go, I would be happy to agree to that.

Mr. SESSIONS. Mr. President, I think what the Senator from Kansas was asking is if I could sort of utilize his time for 5 minutes to complete my remarks and then go to the Senator from Washington.

Mrs. MURRAY. Mr. President, I revise my request and ask that following the remarks of the Senator from Kansas for 15 minutes, the Senator from Alabama for 5 minutes, and then I would be recognized for 15 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BROWNBACK. I thank my colleague from Washington in particular for allowing us to do this. It is very much appreciated.

Mrs. HUTCHISON. Mr. President, I ask the Senator from Kansas to yield for a unanimous consent request that I be placed in line after the Senator from Kansas and the Senator from Washington to speak on this bill?

The PRESIDING OFFICER. Does the Senator yield?

Mrs. HUTCHISON. If the Senator yields, can I then make that proposal?

Mr. BROWNBACK. I am happy to yield to the Senator from Texas.

Mrs. HUTCHISON. I ask unanimous consent I be recognized after the Senator from Kansas and the Senator from Washington.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Kansas.

Mr. BROWNBACK. I believe I am to be recognized for 15 minutes. If the Presiding Officer will notify me when 2 minutes remain?

The PRESIDING OFFICER. The Chair will do so.

Mr. BROWNBACK. Mr. President, I rise to speak on the pending business before the Senate, the Gulf of Mexico Energy Act, S. 3711. I wholeheartedly support this bill. We face a dire situation in this country regarding our energy dependence.

I believe this debate is about two numbers and those numbers are 3 and 75—$3-a-gallon gasoline and $75-a-barrel oil. That is what this debate is about, 3 and 75.

We are reminded about this every day. There are probably places in this country paying well over $3 a gallon for gasoline. The price of oil hit $75 this past Friday. There is a good possibility it will even go up from there. We need more domestic drilling to take place. We must reduce our foreign dependency, our dependency on foreign oil. In the future and in the near term as well we have to reduce our dependency on oil.

Things are striking. In the United States we burn 10,000 gallons of oil per second. The United States uses four times more oil than any other nation. Relative to economic output, the United States consumes 7.5 gallons of oil for every thousand dollars of GDP. Oil imports cost us—this is a 2003 number, so they are higher now—oil imports cost us $10 billion a month, as a nation. Those are 2003 numbers.

Energy economists estimate that since World War II, oil price spikes have cost the economy 15 percent growth and $1.2 trillion in direct losses. There is a $7.4 billion increase in the U.S. oil bill per year for each $1 increase in the price of oil. Imagine what that adds up to when you push $75-a-barrel oil. A $1 increase in the price of oil costs U.S. companies and consumers about $828 million in trucking costs each year.

In addition to these facts, we get a large amount of our oil from regions that are unstable at best and unfriendly at worst; 65.3 percent of the world's proven oil reserves are in the Middle East. The Middle East OPEC States already supply the United States with 2.5 million barrels per day, 25 percent of our daily imports.

Further, every day, 26 million barrels of oil flow through two points. One of those points is the Straits of Hormuz in the Persian Gulf. We know the instability that can happen there. A few targeted strikes against one of these two states or against oil facilities in Saudi Arabia, which holds a quarter of the world's oil reserves and essentially all spare capacity—if you can consider any of the capacity spare today—it could take several million barrels of oil off the global market every day for months and send oil prices soaring.

These facts, coupled with the increases in demand that are taking place in countries such as China and India, do not bode well for our national and economic security.

There will be very difficult if not potentially disastrous consequences to our economy if we do not reduce our dependence on foreign oil and, in the future, oil period. If we remain so dependent on foreign oil, we court disaster.

Currently, we have these two mega numbers, 3 and 75; $3-a-gallon gasoline and $75-a-barrel oil.

This bill, the Gulf of Mexico Energy Act, will help lessen the dire situation we are currently in. It opens up 8.3 million acres of the Gulf of Mexico for oil and natural gas exploration. It is something we need to do, we must do now to be able to help reduce our demand for oil products, for foreign oil.

I want to also talk about the midterm of what we need to do. This is something we have to do now to mitigate the situation we are currently in. We really need to do it. But on a midterm basis, we have to reduce our dependence on oil, period. That is why a bipartisan group of 28 Senators has put forward the Vehicle and Fuel Choices for America Security Act, S. 2025. I urge my colleagues to look at cosponsoring this legislation. I think it is the most bipartisan and comprehensive energy legislation pending in front of the Senate today.

We filed it as an amendment on this bill, but as I understand the procedural situation we are in, it is unlikely this is going to come up now. It is still important that we look at this legislation and others to reduce our long-term dependence on oil. It is appropriate Members of Congress from every region of the country and every political stripe—conservative, liberal, everything in between—have all arrived at this same point. For our national security and our economic security, we must reduce our dependency on oil.

It is common sense to reduce our oil consumption, and it is doable. This bill uses new ideas and does not visit old debates or fights. We know the edges of this debate where we divide this body. This doesn't go there. It says what areas can we agree upon, and let's press forward there. For too long our foreign policy has been dictated in part by our need for foreign oil. It is in the interest of America's security for us to look at ways of lessening our dependence on foreign oil, and it is also in the interests of our economy. The pocketbook of every American is affected when the price of oil goes up.

We can create market incentives to use the technology available today to deal with the problem that we are facing right now. We don't have to wait for any new inventions. We can start solving the problem today simply by sending the marketplace the correct signals. There is broad public support for reducing our oil consumption.

This, to me, is one of those American-type problems. We have a problem and it needs to be addressed and we can do it with good, old-fashioned American ingenuity. It exists. The great thing about this bill, S. 2025, is that our 10-year goal is for reduction in oil consumption of 2.5 million barrels per day. That is roughly 10 percent of our total oil consumption and the same amount we import daily from the Persian Gulf region.

How do we do it? Ethanol and renewable fuels must play a clear role in this fight. They are homegrown. We need to be more dependent on the Midwest than the Middle East. Therefore, this helps keep the money at home. We ventured down this road before, but we have never fully committed as a nation to renewable fuels. Now is the time to do it.

I am encouraged by the fact that so many people are literally buying into ethanol today, and into biodiesel—soybean-based diesel fuel. Bill Gates has invested over $100 million of his own money into ethanol. Richard Branson of the Virgin Empire, famous for his success in venture capitalism, is investing in ethanol. These are great signs for the future of renewable fuels, as it is an industry that needs capital investment.

As a government and as a people, we need to fully commit to make renewable fuels a viable alternative to petroleum-based fuel. As long as oil remains above $70 a barrel, the economics of renewable fuels makes good sense. It makes sense for us to continue to push its development, and it makes clear sense regarding our foreign policy and security needs.

Biodiesel is another renewable fuel option and is a farm success story. After Operation Desert Storm in the early 1990s, soybean farmers were struggling to maintain profitability. I was the Secretary of Agriculture in my State of Kansas at that time. Because of high energy prices and low commodity prices, the farmers were struggling. The soybean farmers started investments in the development of biodiesel. It was a priority for farmers eager to contribute to our energy supply and develop a new market for soybeans. Farmers invested more than $50 million of their check-off dollars. These are dollars they tax themselves to be able to promote their industry. They did this to be able to conduct research and development in biodiesel.

As a result, the biodiesel industry has shown slow but steady success since the early 1990s. However, in the past 2 years it has grown exponentially. In 2004 there were approximately 25 million gallons of biodiesel sales. That increased to 90 million gallons in 2005, and currently it is on track to exceed 150 million gallons this year.

Likewise, we went from 22 biodiesel plants in 2004 to more than 60 biodiesel plants currently, and there are over 40 more plants currently under construction.

Congress has, and continues to put in place, policies that enhance our Nation's energy security. Renewable fuels are playing a significant role in helping to achieve this objective while providing economic benefits to farmers and rural communities.

Another key element to freeing ourselves from our foreign oil dependency is to introduce electricity as a transportation fuel option. Recently, I and many of my colleagues in the House and Senate test drove plug-in hybrid vehicles on Capitol Hill. These cars drive exclusively on electricity for the first 30 miles of every trip. After 30 miles, these cars switch to a normal combustion engine. Over 50 percent of all Americans drive less than 30 miles each day. That means we could have over half of our drivers in America driving exclusively on electricity, not using any oil at all.

The good news is that our electricity generation is produced here in America, whether it is coal, natural gas, nuclear, or renewable sources such as water power and wind. We would be fueling a majority of our transportation sector with American sources of energy as opposed to foreign oil. Plugging in your car during offpeak hours when power is in a surplus and cheaper would soon just become part of the modern daily routine like plugging in your cell phone before you go to bed. Offpeak electricity can be the equivalent of 50-cent-a-gallon gasoline.

The car I sat in, and other Members drove, went 100 miles a gallon by using the plug-in technology, the hybrid technology in the car, and fuel in a combustion engine—100 miles to the gallon, a car available today.

This was a modified Prius. I don't want to tell everybody that this is broadly available. But the people who have modified it to include plug-in technology were using this hybrid vehicle.

Not only will we be sending out money to countries that dislike us, but we will be buying American-made power instead.

Another great bit of news is that we already have the infrastructure in place to produce electricity as a transportation tool. All you will need is an extension cord and a wall outlet. We can't drill enough domestic oil to break our addiction to foreign oil.

However, this bill takes an innovative market-based approach to solve these problems. We can provide tax credits for the production and purchase of advanced technology cars. We expand the renewable fuels infrastructure through a variety of means. We also expand research and development in critical areas such as light-weight materials and cellulosic ethanol. This ethanol, instead of being made out of grain, is made of plant fibers or out of woodchips. We amend the Federal fleet requirements to reduce oil consumption by allowing electric drive technology to qualify under the EPA act.

We require 30 percent of the Federal fleet requirements to be met by advanced diesel, hybrids, or electric plug-in hybrids by 2006.

We also provide tax credits for companies that have fleets of 100 or more vehicles to purchase more fuel-efficient vehicles.

We are all solidly behind the ideas in this bill. It has 28 cosponsors, and we look forward to moving these ideas forward because it is critical for our national and economic security and our economy and our future that we do so, plus it is just good old American ingenuity that we would do something like this and lead the world in moving toward an important electric renewable source fleet of vehicles for our consumers.

Clearly, if we are to continue to live freely in this country, we must figure out a solution to our rising dependency on foreign oil.

That is part of my support for S. 3711. Near term, we have to do more production. Longer term, we have to reduce our dependency and our addiction to oil, period. Here is a bill and a way we can do it. As we observe what is taking place in the Middle East—even today we can see volatility in that region. As we observe what is taking place in our marketplace, I believe you can see a yearning for vehicles that get higher mileage and we can use with plug-in technology.

I think we have to pass S. 3711, and then in the future let's move this car fleet to be based more on renewables and to be based on plug-in technology using electricity.

I look forward to working with my colleagues to be able to accomplish that. I urge us in the near term to do what we have to do—pass this bill which is before us today.

I yield the floor.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. BROWNBACK. I would be happy to yield during the remainder of my time.

The PRESIDING OFFICER. The Senator from Kansas has 50 seconds.

Mr. DOMENICI. Mr. President, I ask unanimous consent to have 1 minute to ask a question.

The PRESIDING OFFICER. The Senator has 40 seconds.

Mr. DOMENICI. Mr. President, I chair the Energy and Natural Resources Committee.

First, I thank the Senator for supporting this measure. It is vitally important that we tell the American people that the price of natural gas rose dramatically today again. There is a big demand.

I think it is exciting to see some Senator like yourself, who has a vision for other things besides this, saying let's do this because we can do it now.

That is a point I want to make as chairman. Let's do this because it will break the mold, break the precedent of moratoria of no deepwater mining, deepwater drilling, and get on with great production. But I want to say to the Senator that I am aware of his bill. I am aware of some of the great ideas in it. I heard him mention it. We had a hearing on parts of it, as he probably knows.

I think it is fair to tell him that the truth is, with this short session, in this Senator's opinion—I really worked hard to get energy legislation passed and was able to pass a comprehensive bill that did some terrific things. He knows that—ethanol, even in the area of cars he is speaking of. We made some giant strides with that Energy bill—I don't believe we could start with the Energy bill this late in the session with the Senator's bill or somebody else's bill without doing nothing and just getting bogged down. I thought: Let's take what we can do and do it. But I don't want the Senator to think the great ideas that he has have been forgotten.

Mr. BROWNBACK. I thank the chairman.

The PRESIDING OFFICER. The Senator from Washington is recognized.

GREENLANE MARITIME CARGO SECURITY ACT

Mrs. MURRAY. Mr. President, we have waited day after day in the Senate on political issues when we should be taking the Senate's time to make America more secure.

Last week, the majority leader mentioned port security in a long list of issues to be debated before the August recess.

While Senator FRIST continues to pay lip service to this important priority, I remain concerned that with only a week left before the August recess we have no firm schedule or commitment to bring this bill to the floor.

I am worried that while the majority says it wants to act, it refuses to put any action behind that rhetoric.

And here's the bottom line—if God forbid there is an incident at one of our ports—the fingers will point to this Chamber.

And people will want to know: Why did the Senate sit on a bill that passed the full House and passed the Senate Homeland Security Committee? Why didn't we make these ports secure when we had the chance?

The only thing keeping the GreenLane bill from protecting us is the Senate's failure to take it up. We have to bring up and pass this bill before it's too late.

I am here today because nearly 5 years after 9/11 our country is still vulnerable to a terrorist attack.

Just this week, an article in the Seattle Times showed us that our ports are not secure.

A reporter was able to enter two West Coast ports simply by hiding in trucks that were entering those ports.

The reported walked around cargo containers in areas that are supposed to be secure.

In this case, the security gaps appeared to be on the "land side," but as the article notes—an incident at any port—whether from the land or sea side—could shut down all of our ports. Time is not on our side.

Each year, 6 million cargo containers enter U.S. seaports. And that number is expected to quadruple in the next 20 years. These cargo containers carry the building blocks of our economy.

But without adequate security, they can also provide an opportunity for terrorists to deliver a deadly one-two punch to our country.

The first punch would create an untold number of American casualties.

The second punch would bring our economy to a halt.

Today, we are not doing enough to keep America safe. Standing in this Chamber, it can feel like the dangers at our ports are a distant concern. But given that our ports are connected to our Nation's transportation system and are often close to major population centers, the threat is never far away.

A recent example makes this threat crystal clear. On March 21, a container ship called the Hyundai Fortune was traveling off the coast of Yemen when an explosion occurred in the rear of the ship.

About 90 containers were blown off the side of the ship, creating a debris field 5 miles long. Thankfully there were no fatalities, and the crew was rescued. Fortunately, this incident does not appear to be terrorist-related.

Now I want to imagine this same burning ship sitting just a few feet from our shores—in New York harbor or Puget Sound, off the coast of Los Angeles or Charleston, Miami, Portland, Hampton Roads, the Delaware Bay, or the Gulf of Mexico.

Now imagine that we are not just dealing with a conventional explosion. We are dealing with a dirty bomb that has exploded on America's shores.

Let me walk through what would happen next. First, there would be an immediate loss of life. Many of our ports are located near major cities. If a nuclear device exploded at a major port, up to 1 million people could be killed.

If this was a chemical weapon exploding in Seattle, the chemical plume could contaminate the rail system, Interstate 5, and SeaTac Airport, not to mention the entire downtown business and residential district.

At the port, there would be tremendous confusion. People would try to contain the fire, but it's unclear who—if anyone—would in charge.

Then—when word spreads that it's a dirty bomb—panic would likely set in. There would be chaos as first responders try to react, and residents try to flee.

Next, our government would shut down every port in America to make sure there weren't other bombs on other containers in other cities.

That shutdown would be the equivalent of driving our economy into a brick wall. It could even spark a global recession. Day by day, we would feel the painful economic impact of the attack. American factories would not be able to get the supplies they need. They would shut their doors and lay off workers. Stores around the country would not be able to get the products they need to stock their shelves. Prices for these goods would spike, as demand began to outweigh the supply. And consumers would not be able to afford the items they rely on every day.

In 2002, we saw what the closure of a few ports on the west coast would do. It cost our economy about $1 billion a day. Imagine if we shut down all our ports.

One study concluded that if U.S. ports were shut down for just 9 days, it would cost our economy $58 billion.

Next, we'd realize we have no plan for resuming trade after an attack—no protocol for what would be searched, what would be allowed in, and even who would be in charge. There would be a mad scramble to create a new system in a crisis atmosphere.

Eventually, we would begin the slow process of manually inspecting all the cargo that's waiting to enter the U.S. One report found it could take as long as 4 months to get them all inspected and moving again.

Finally, we'd have to set up a new regime for port security. And you can bet that any new, rushed plan would not balance strong security with efficient trade. Unfortunately, the scenario I just outlined is not the stuff of fantasy. Rather, it is a realistic portrayal of events that could happen tomorrow.

Nearly 5 years after September 11, we still have not closed a major loophole that threatens our lives and our economy. Time is not on our side. We must act, and we must act now.

I approach this as someone who understands the importance of both improving security and maintaining the flow of commerce. My home State of Washington is the most trade-dependent State in the Nation. We know what's at stake if there were an incident at one of our ports.

That is why I wrote and funded Operation Safe Commerce to help us find where we're vulnerable and to evaluate the best security practices.

It is why I have worked to boost funding for the Coast Guard and have fought to keep the Port Security Grant program from being eliminated year after year.

Right after 9/11, I started talking with security and trade experts to find out what we need to be doing to both improve security and keep commerce flowing.

Last year, I sought out Senator COLLINS as a partner in this effort. I approached Senator COLLINS because I knew she cared about the issue. I knew she had done a lot of work on it already, and I knew she was someone who could get things done.

Since that day, we have worked hand-in-hand to develop a bill and move it forward. I am also grateful to Senators LIEBERMAN and COLEMAN for their tremendous work.

We know we are vulnerable. Terrorists have many opportunities to introduce deadly cargo into a container. It could be tampered with anytime from when it leaves a foreign factory overseas to when it arrives at a consolidation warehouse and moves to a foreign port. It could be tampered with while it's en route to the U.S.

And there are several dangers. I outlined what would happen if terrorists exploded a container, but they could just as easily use cargo containers to transport weapons or personnel into the United States to launch an attack anywhere on American soil.

In fact, in April, 22 Chinese stowaways were found at the Port of Seattle. They had reached the United States inside a cargo container. In that case, they were just stowaways. Imagine if they had been terrorists sneaking into our country.

The programs we have in place today are totally inadequate. Last year, thanks to the insistence of Senators COLLINS and COLEMAN, the Government Accountability Office found that C-TPAT, the program in place, was not checking to see if companies were doing what they promised in their security plans. Even when U.S. Customs inspectors do find something suspicious in a foreign port, they cannot force a container to be inspected.

We have a very clear and very deadly threat. We know today that current programs are inadequate. What are we going to do about it? We could manually inspect every container coming into this country, but that would cripple our economy.

The real challenge is to make trade more secure without slowing it to a crawl. That is why Senators COLLINS, COLEMAN, LIEBERMAN, and I have been working with all the stakeholders and the experts to strike the right balance. The result was the GreenLane Maritime Cargo Security Act. It provides a comprehensive blueprint for how we can improve security while keeping our trade efficient.

At its heart, this challenge is about keeping the good things about trade—speed and efficiency—without being vulnerable to the bad things about trade—the potential for terrorists to use our engines of commerce.

Mr. DOMENICI. Would the Senator yield for a minute without her statement being interrupted?

Mrs. MURRAY. I am happy to do that if I can have additional time to answer the Senator's question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I ask that following the remarks of the Senator, Senator HUTCHINSON of Texas be recognized for 5 minutes.

The PRESIDING OFFICER. That is already part of the order.

Mr. DOMENICI. And that I, the Senator from New Mexico, follow her for up to 20 minutes.

The PRESIDING OFFICER. Under the previous unanimous consent request, the Senator has already been recognized, but no specific time amount was set for the Senator from Texas. Following the Senator from Texas, the Senator from New Mexico will be recognized for 20 minutes.

Mr. DOMENICI. I thank the Chair.

Mrs. MURRAY. Mr. President, the GreenLane Maritime Security Cargo Act does five things.

First of all, it creates tough new standards for all of our cargo. Today, we don't have any standards for cargo security.

Second, it creates the GreenLane, which provides an even higher level of security. Companies have the option to follow those higher standards of the GreenLane, and their cargo—those companies which agree to that—will be tracked and monitored from the moment it leaves a factory floor overseas until it reaches the United States. We will know where that cargo has been, we will know every person who has touched it, and we will know if it has been tampered with. The GreenLane will simply push the borders out by conducting inspections overseas before cargo is ever loaded onto a ship bound for the United States. And we will provide incentives for companies to use those higher standards of the GreenLane.

Third, our bill sets up a much needed plan to resume trade quickly and safely to minimize the impact on our economy.

Fourth, our bill will secure our ports at home by funding port security grants at $400 million. That funding will help our ports and our port operators to develop and implement security plans. They can use this funding to strengthen their perimeter of security, which would have helped prevent a number of security lapses that were highlighted this week in the Seattle Times article.

Finally, our bill will hold DHS accountable for improving cargo security. The Department of Homeland Security is long overdue in establishing cargo security standards and transportation worker credentials. We need to hold them accountable. The bill we have written provides the infrastructure to ensure accountability and coordination.

I take a minute to thank Senator COLLINS for her tremendous leadership on this critically important issue. I thank Senator COLEMAN for his leadership and work as chairman of the Permanent Subcommittee on Investigations. Senator COLEMAN has helped expose our vulnerabilities, and he has worked with us to develop solutions. I also thank Senator LIEBERMAN for his leadership on this issue. I commend all the other cosponsors of our bill: Senators FEINSTEIN, SNOWE, DEWINE, SALAZAR, SANTORUM, GRAHAM, CANTWELL, DURBIN, and BYRD.

We are seeing tremendous progress on the House side with the Safe Port Act. I thank Representatives DAN LUNGREN and JANE HARMAN for their bipartisan leadership.

Finally, I thank the numerous Federal, State, and local officials as well as all the industry representatives for their tremendous assistance in crafting this legislation. Those people truly are the front lines of securing our Nation's ports. I have been very proud to work with all of them.

Right now, today, we have a choice about how we deal with cargo security and the challenges facing us. If we wait for a disaster, our choices are going to be very stark. We should make those changes now on our terms before there is a deadly incident.

Let's protect America before an image like this hits our television screens. Let's not wait until a terrorist incident strikes again to protect our people and our economy.

Earlier this year, the American people woke up and spoke out when they heard that a foreign government-owned company could be running our ports. That sparked a critical debate. Now we need to set up a security regime that will actually make us safer. Until we do, none of us should be sleeping well at night. A terrible image like this, a burning container ship with a dirty bomb in one of America's harbors, could be on our TV screens tomorrow.

This Congress needs to act today. We have heard the majority leader say we need to address port security, but words will not protect us from terrorists, words are not going to help us find a bomb that is hidden in a cargo container, and words won't help us tell which containers could be holding a group of terrorists who are trying to sneak into our country. We need more than words. The Senate needs to take up and pass the GreenLane Maritime Cargo Security Act. We only have a few days left before we can do this. We need to act. I urge the leadership, before the August break, to finally bring up and pass the GreenLane Maritime Cargo Security Act before it is too late.

I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I rise today to speak in support of the Gulf of Mexico Energy Security Act of 2006. I was very encouraged by the strong vote to proceed to debate on this bill. I hope we can do this for the people of America to begin to see the energy prices in this country start coming down.

I am a cosponsor of this bill. It is a compromise and reflects much hard work from all of the gulf coast producing States, including Florida. I especially want to mention Senators LANDRIEU and VITTER from Louisiana, who have pushed for a long time for this kind of proposal.

The people of America are not interested in political rhetoric. They want Congress to take action on the rising energy costs in this country. This is a potential near-term solution for a long-term problem.

For too long, we have neglected our own resources in this country, including those in the Gulf of Mexico. This bill will bring access to more than 8.3 million acres in the Gulf of Mexico for oil and natural gas, with the production in leases 181 and 181 south. It will provide access to over 1.26 billion barrels of oil in these areas.

To put this in perspective, the average annual fuel consumption for cars and light trucks, according to the Federal Highway Administration, is 14.5 barrels of gasoline; that is, 607 gallons. This 1.26 billion barrels of oil is enough energy to fuel approximately 87 million vehicles for a year.

We cannot afford to stand by and allow our import costs of oil to continue to increase. Since 2001, those prices have gone up 150 percent. Additionally, the bill will provide access to 5.8 trillion cubic feet of natural gas.

To put that figure in perspective, it is six times the amount of LNG we import every year, three times the amount of gas currently in storage, and enough natural gas to serve 107 million households.

America's yearly natural gas bill has risen from $50 billion to $200 billion over the last 6 years. This increase impacts farmers, ranchers, business owners and households. We must continue to discover and support alternative energy proposals. Congress has done that. Congress passed a bill last year, signed by the President, that focused on other sources of energy besides oil and gas. We gave credits for solar power, biofuel, ethanol, wind energy, all of which are renewable sources of energy that are safe and environmentally clean. That has made a difference. Even wind energy has now become almost 10 percent of the electricity used in my home State of Texas. We know if we put together a number of different kinds of renewable sources of energy such as corn and soybeans, it can be an alternative that takes a tremendous burden off oil and gas, which has been the largest supplier.

I am also encouraged that some of our largest integrated oil companies are moving toward those kinds of alternative fuels. I opened a biodiesel plant in Galveston, TX, a couple of weeks ago. That is a step in the right direction. It was being opened by Chevron. We are doing some good things.

The global demand for oil and natural gas is rising at a rapid rate. That is what is causing the prices to go up. We have to look to our own resources. One of those major resources is the Gulf of Mexico. I also hope we eventually will look at other resources, such as Alaska, which contains comparable resources to that of the Gulf of Mexico.

We can do something ourselves with the resources of our own country if we combine the research and new emerging sources of energy as well as the old standard oil and natural gas sources we also have. If we don't act, we are jeopardizing our economic and national security.

This bill also helps the States that are allowing drilling to mitigate the costs this production brings to their States. In my State of Texas, we have 367 miles of coastline which has sustained impacts from production. Texas has helped finance and support much of the gulf coast production. The entire Nation has benefitted from lower fuel costs due to these investments. This production, however, has had an impact on my State and the coastal areas of my State. This bill will begin to help mitigate those impacts. It provides the gulf producing States, beginning in 2007, with 37.5 percent of revenues. Fifty percent will go to the U.S. Treasury, and the rest, 12.5 percent, will be shared among all the States of our country. Every State is going to benefit from passing this legislation.

Today, a barrel of oil is selling above $74.

Every American is feeling the impact. This is a piece of legislation that can have a very positive impact very quickly. I urge my colleagues to support this legislation. Let's send it to the President. Those leases will soon be ready for bid. It is our responsibility to do that.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Thank you, Mr. President. Thank you, fellow Senators.

First, Mr. President, and fellow Americans, for those who have watched the Senate over the last couple days, it must have been a pretty enjoyable time because Senator after Senator came to the floor—maybe 12 or 15 versus 2 or 3 opposed—12 or 15, all positive and for something, for a change, sending a signal here in the waning days of this session before we go home for a recess when it is hot out there and the price of natural gas is going up. The people know it, and they are hearing rumors that pretty soon we are going to be importing natural gas from all over the world, where we used to be a totally self-reliant country on natural gas.

We have made a mistake. In the last 17 years, every new powerplant we built—because we were frightened to death of nuclear power—we built for natural gas. We took this fantastic ingredient, this beautiful product of nature—natural gas—and we poured it into the powerplants. And we are still doing some. I did not think we were, but we are still building a couple. Rather interesting. I do not want to even insinuate by saying where, but we are building some.

In the meantime, millions of American homes have done what everybody thought was right, and that was to hook on to natural gas. Then across this land we built a manufacturing base, huge in size, made up of, for example, the chemical industry. I assume the occupant of the Chair knows about industries like that. Many Senators do, and they probably have been contacted by their industries—the fertilizer industry, the plastics industry, involving thousands of workers. What raw product do they use for manufacturing so they can employ and sell products? Natural gas.

So what happened? We used it up. All of a sudden, we had a big problem in the gulf and the price went through the roof. And we had some rigging and a few other things occurring that we found out about with that Houston company. But, in any event, what happened is the price of natural gas skyrocketed and the supply produced by Americans for Americans became insufficient to meet our needs, and we began to say: We are going to have to go buy natural gas around the world.

What a frightening thing. We just got through this huge problem of gradual dependence upon foreign crude oil to where we are more than 60 percent dependent, and there is nothing we can do about it. We cannot produce sufficient crude oil to change that equation, the crude oil needed to run America's transportation needs.

And when we complain, remember the old idea of Pogo: "We have met the enemy and he is us." The transportation needs are 70 percent of the oil used. And that is your cars, ladies and gentlemen, your SUVs, the trucks and buses. That is 70 percent of the oil.

Now here we grow dependent for that. And here in America we grow more and more dependent upon natural gas. And here sits—while all of this is happening—along the seaboard of America a giant sea of natural gas and crude oil which has been taken off the market by what have been commonly called moratoria or moratoriums, saying: Do not touch that because it is off the sea coast of California; do not touch that because it is off the coast of New Jersey. In this case, we have a small piece of Federal real estate. I am not going to put the maps up again today, but it is 8.3 million acres. Sounds like a lot, but, believe me, when you look at the coast, it is small.

We are looking in this bill at 8.3 million acres, which we cannot put out to bid for American companies, large and small, to go drill for what is known to be there. What is known to be there? Oil: 1.2 billion barrels. What else? Natural gas, that thing I just talked about that builds an industry, that builds a manufacturing base, that keeps the price down. Right? It makes supply more rational.

There sits 6 trillion cubic feet of natural gas in that property. Well, that does not sound like anything except it is enough energy to take care of 6 million houses for 15 years. That is pretty good if you look at that as an average American.

So what we decided was: Yes, we surely, last year, passed a great energy bill—which I will talk about in a moment—but we couldn't get this one done, so let's get this one done this year for the American people. I regret to say we were moving forward with, again, locked arms with my colleague from New Mexico, Senator BINGAMAN, to get this done when we had to break. We had to break paths because I decided to stand for the past would get us the fruits of the past, which would be nothing, so that if we did not share some of the revenue with the surrounding States, we would still get no oil and gas, we would still be in moratoria, and we would get no revenue for the Treasury and no revenue for the States. But, most importantly, that beautiful product, natural gas, and the crude oil that is there with it would still be there and nobody could touch it.

So with that in mind, we worked and we worked and we worked, with the help of the great Senator, MEL MARTINEZ, from Florida, who was courageous, and we protected his State sufficiently, I think admirably, for him to say yes. Today I understand his co-Senator said yes. Thank you, Senator. Thank you very much, Senator NELSON. He came here and said yes. Four coastal States said yes. They had been saying no more, and now we have an opportunity.

We do not need to wait around and say: Let's add 20 other items for the American people. You cannot add 20 more items. They still have to go to the House. They do not have 20 items waiting around. So whatever great ideas are pending, we cannot pass them, first, because if you keep adding them, it means you will not pass this bill, and, secondly, they do not go anywhere.

So let's do this one for the American people. And if this happens, it says, put that land out to the American drilling companies now, and a big portion of it will be available within a year—within a year.

Now, I will respond to Senator BINGAMAN's points in opposition.

I do believe that every point he made in opposition is refutable, and I will refute them later. But I want to say the simple fact is we had to go our own ways for one simple proposition. Both of us understood we needed to go ahead and deepwater drill this land, although with the passage of negotiations beyond the time that he and I—Senator BINGAMAN and I—had reached accord, we added substantial property to this arrangement. But the point of it is, we broke on the proposition of: Shall we bring a bill to the floor with no revenuesharing with the States—which I concluded will never pass; we will not get it done, and we will be right back where we were—or do we do what we have done here and say the abutting surrounding States get a portion?

Now, let's get this straight: The Federal Government still gets the majority. They get 50 percent straight up of the royalty. And 12.5 percent is for the Statewide Land and Water Conservation Fund. And then 37.5 percent over time—which is not much in the beginning, but over time is substantial—is shared with the States that abut so they can say: We are sharing in the burdens while we are joining in sharing in the wealth.

We believe the precedent will flow, once this is done, and we will begin to look to other States, such as the State of Virginia, perhaps the Carolinas, perhaps Georgia, et cetera, and say: What about similar arrangements later? But right now let's give the people a gift of what is theirs now by passing this measure.

Now, there is one very positive thing that is happening that is big on the scene for the American people that is hard to appreciate because it takes time. That is the impact of the Energy Policy Act that is a year old this August. The energy policy bill is beginning to take hold. I regret to say the higher the price of crude oil, the more breakthroughs will occur on the part of innovators and technologists and companies that are making breakthroughs in terms of new kind of cars, new kinds of technology, because the price of crude oil is saying to them it is worth the investment and the risk in something new.

So the high price is bringing on new things. But the act we passed is bringing on huge results. We are in a renaissance period on nuclear power. I wish I could come here and show you the dedication of the next plant, but that takes a while. But 25 applications have taken place since that act, 25 applications for nuclear powerplants. So the Senators who come down here and say: Why do this bill; why don't we do more things; we did more things in this huge bill we passed. We created a nuclear renaissance in the United States.

Second, we have a revolution in biomass which is going to change rural areas into a more vibrant and diverse economic rural America because we are going to use farm products to fill our gasoline tanks with ethanol instead of crude oil. That is all in the Energy bill. The targets are set. The huge mandate is set. And we are rolling with 29 new plants having been built.

One of our Senators implied we should not be so narrow and take just this bill. Just this bill? Just this bill is pretty much—the one we are talking about, right? It is big. It was said: We should not do this. We should do many other things. We did the other things. I am trying to tell you, we did many of them, and we probably should start with a second round next year. But if we start trying to get more instead of this, we will get nothing for the American people, nothing for natural gas supply, nothing for our consumers to rely upon in terms of bringing the price of natural gas down. And that is what I want to do and want to get done.

So the Energy Policy Act did what I have described, and many more things, some of which I will describe later. But I am very proud that in the period of 12 months we will have passed an energy bill that has done all these significant things. They are moving along.

Right now we are wondering about the reliability of electricity on the grid. I can tell you that in the Energy Act the studies are just about completed. Within a month to 2 months they will be ready. And they will tell us how to fix the grid so it will be totally reliable, and the exchanges between the various portions of the electricity distribution system will all be made reliable so you will not have the kind of blackouts we talk about.

That is because of the Energy Act. But you cannot do it immediately. It is in the mill. That is happening, too. So when you look at it, Congress has done some important work in the energy field. Hybrid cars are coming on in large quantities because of the credit, plus the high price of crude oil.

We can continue, but in a nutshell this bill is good for the people who are burdened with the high cost of natural gas, the high cost of oil. It is their property. We ought to develop it and do it now. So it has been my privilege, having served here for quite some time, to be the leader in this particular area. Of that I am very pleased, proud, and grateful.

I remind everyone, while natural gas was taking a little bit of a back seat to the rising costs of energy, it has now joined a parade of increases. Today, my staff informs me that the price of natural gas reached a 5-week high, just in time for us to remind you that you better put this piece of property on the development table so that it can be rendered a productive piece which will, in fact, cause that price to continue to stop rising and to abate over time.

Mr. President, I have said on a number of occasions that passing this bill is the most important thing that we can do in the short term to move toward correcting the supply and demand imbalance of natural gas. I would like to take the time to refute some of the specific criticisms made against this bill by a handful of people.

First, I would tell you that if we do not develop our resources domestically, this revenue sharing question will be moot—because we will not have revenues to share. The capital will be spent overseas for foreign exploration and development and we will continue the cycle of sending our American dollars abroad for our energy sources for use here at home. The Gulf of Mexico Energy Security Act begins to address this problem.

Now, it is argued by a few that this bill is not worth doing because the

Minerals Management Service is proposing to open parts of the 181 area in its recently published 5-year plan. Critics argue that since the administration has announced intentions or plans to open parts of 181 equal to 2 million acres—containing approximately 620 billion barrels of oil and 3 trillion cubic feet of natural gas—it is not worth passing this bill which opens over 8 million acres with 1.26 billion barrels of oil and almost 6 trillion cubic feet of natural gas. Even if I were to entertain that logic as being sound, let me tell you the pitfalls of assuming that the administration lease sale will go through as planned.

It starts with the very point that the critics make. In November 1996, the MMS announced and approved a 5-year plan that included an intention to offer 6 million acres known as the original lease sale 181 area for oil and gas leasing. The decision to include this area was the culmination of extensive consultation between the Federal Government and the State of Florida. However, in 2001 when the Department of the Interior went to lease this 6 million-acre area, the administration reduced the lease sale to 1.5 million acres. So recent past tells us that if we hang our hats on the draft plan as critics seek today, we will be disappointed. Critics say—trust the very process that disappointed us a few years earlier in the very same area. I say—in this bill—direct the Secretary to lease the area. I say—make it clear, make it direct and we will get all the resources, and there will be no doubt.

I ask this to those who would rely on a draft plan as a certainty. Since the time you were in school, have you ever written a draft that was the exact same as the final product? A draft is just that—a draft. It represents what could be opened, not necessarily what will be opened. History shows us the peril of assuming that a draft plan will be followed out to completion.

Furthermore, we should not assume that coastal states will sit by and go along with leasing without the compensation needed to fix the energy infrastructure and coastal environment that is so critical to our domestic energy survival. Last week, the State of Louisiana filed suit in Federal district court to block the upcoming lease sale 200 off of Louisiana. They did so because they claim that our flawed policies were inconsistent with their State coastal plans. This should be a warning to all of us. Today marks the beginning of the end of the days of turning our backs on our coastal States while we turn our energy dollars over to hostile regimes.

The critics of this bill will also say that we took too much property off the table in the Eastern Gulf of Mexico to get the resources in 181 and 181 south. They point to the areas east of the military mission line off the Florida coast and say that we have given up access to 21 trillion cubic feet of natural gas off of Florida's coast. But this argument is illusory.

We do not have access to these areas currently. With or without this bill these areas are under executive moratorium—that has been set forth by two Presidents, one Republican and one Democrat—through 2012, and these areas have been under this executive withdrawal since 1990. Furthermore, for each of the past 16 years, Congress has placed an additional moratorium on these areas without a whisper of challenge. To say that this bill locks up these areas is not forthright.

These areas are locked up until 2012 and ultimately, under the authority granted to the President over 50 years ago in the Outer Continental Shelf Lands Act, the President can continue this moratorium at any time. The current executive moratorium expires in 2012 in the Eastern Gulf of Mexico. This bill extends this time on certain areas to 2022. Does anyone assume that the moratorium will be removed anytime soon? Does anyone see a viable path toward lifting this moratorium in the Eastern Gulf of Mexico off Florida in the near term? The answer, for the time being, is unequivocally—no.

Furthermore, Secretary Rumsfeld is on record as saying that, while the Department of Defense is fully supportive of the national goal of exploration and production of oil and gas offshore, the Department of Defense believes that any such activities east of the military mission line would conflict with essential military activities. Critics say that it is my bill that locks up these areas when in fact, these areas are deemed essential to our Nation's military needs. Until the President, Secretary of Defense, and both Houses of Congress render a different decision about this area, it is specious to suggest that this bill is locking up these areas to production.

Unquestionably, this bill opens up 8.3 million new acres to development of nearly 6 trillion cubic feet of natural gas and 1.26 billion barrels of oil. The proof of the substantive merits of this bill lie in its broad support around the Nation from America's agricultural community, manufacturing community, producers of chemicals and plastics, the textile industry, the utility sector, and small businesses. Literally, thousands of consumer groups representing millions of Americans and millions of American jobs say the same thing—that S. 3711 provides the much needed relief for the American people. I know that I only addressed a few of the criticisms of this bill, but I dismissed them, because they are not real. If I had all day to myself, I would continue to dismiss the criticisms one by one. I will leave that to my many distinguished colleagues who support this measure.

But I will say this—the criticisms are not based in fact, but rather cling to a flawed philosophy of the past. Over the next couple of days, people will trot out quotes, cases, statutes, and general precedent from years gone by. Mind you, all of this data and precedent will come from a time when we did not import 13.5 million barrels of petroleum per day from unstable regions of the world. All of this data and precedent will come from a time when we did not consume 22.2 trillion cubic feet of natural gas and pay more than 3 times the price for it that nations competing for our jobs pay. All of this data will come pre-Katrina and Rita, when our Nation's energy coast that hosts nearly 50 percent our refining infrastructure was ravaged by natural disaster. I ask the critics to rethink their policy of the past, to reexamine this precedent in light of the facts as they exist today, not as they would wish for them to exist.

This compromise agreement is the best thing that we can do now in the short term, to relieve the cost burden on the American consumer. America is watching.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. DEMINT. Mr. President, I come to the Chamber today proud to be part of a Republican majority that is working to build a future of hope by securing our homeland, securing our prosperity, and securing our values.

This week, we are debating a bill that will lower the cost of living for all Americans by cutting the cost of gasoline, natural gas, and heating oil. By opening additional oil and natural gas reserves in the Gulf of Mexico, this legislation will secure our homeland by reducing our dependence on foreign oil and securing our prosperity by providing real relief to millions of Americans who are struggling to keep up with their rising cost of living.

Unfortunately, while there are some Democrats who are working with us on this bill, most are threatening to obstruct this important legislation even though it would help lower energy costs for American families and increase our energy independence. We cannot allow a few extreme environmental lobbying groups to continue to hold our country hostage.

American businesses, both large and small, are feeling the pinch. Recent estimates show that since the year 2000, 3.1 million high-wage manufacturing jobs have been eliminated or moved overseas, where energy supplies are plentiful and costs are lower.

American families are also struggling to make ends meet. In a recent survey, nearly 80 percent thought the rising cost of energy was hurting our economy and threatening jobs; 90 percent of those polled said high energy costs were impacting their family budget. Despite having been through the warmest winter on record, heating bills for homes that are heated with natural gas and oil went up nearly 25 percent. Last year, the percentage of credit card bills 30 days or more past due reached the highest level since the American Banking Association began recording this information in 1973. The ABA's chief economist cited high gasoline prices as a major factor.

We recently had good news that Republican tax cuts continue to produce strong economic growth and have helped to create 5.4 million new jobs since 2003. But even as the economy grows and wages rise, family checkbooks still feel the pressure. If you get a $25-a-week raise but you have to spend $50 a week more than you did before for gas, food, or medical care, you are still $25 worse off than you were before. It is no wonder that Americans' optimism about their economic future has faded as concern over their cost of living has increased.

There is no quick fix to this dilemma, but there are many things that will work together to secure our economic prosperity. We can address rising health care prices by making health insurance more affordable for small businesses and individuals and by returning control to patients by ensuring that every American has a health plan they can afford, own, and keep.

Unfortunately, so far this year the Democrats have succeeded in obstructing these key things which would lower the cost of health care.

We can also invest in the flexibility and choice necessary to train the best workforce in the world, so that we can attract the best jobs in the world.

Our goal as Republicans is maximum wage, not minimum wage. Unfortunately, again, the Democrats are obstructing ways that we can create more alternatives and choices to improve the quality of our workforce and the amount of pay people earn.

We can also work to increase our natural gas and oil supplies and to reduce the cost of gas, increase America's supply of energy, while we encourage conservation and reduce our dependence on foreign oil.

The good news is that Republicans are working—one step at a time—to secure our prosperity. We understand the American people need real solutions, not more Democrat obstruction.

Some say there has been no coherent Democratic energy strategy since early in the Clinton administration. Well, I disagree. They have a strategy; it is just the wrong one. As you can see from the chart behind me, the Democratic energy "policy" is built on two key principles: raise taxes and block real solutions.

The Democrats, back in 1993, attempted to raise the taxes on gasoline by 7.5 cents a gallon. They were unsuccessful there. But with the Democratic majority and President Clinton in the White House, they were able to add 4.3 cents a gallon to gasoline later in 1993.

The Democrats have blocked energy solutions by refusing to write a national energy policy of their own during the whole 8 years of President Clinton's administration. They have tried to block President Bush's comprehensive national energy policy, and they succeeded for 4 years. As we heard from our chairman, last year, we were able to pass a comprehensive energy bill despite Democratic obstruction. The Democrats have continuously opposed our developing oil supplies in Alaska.

Let's look at one chart to show what happened over the last couple of decades. This makes the point about what this does to energy prices. Our graph shows the increase in gas prices since 1991. At every point along the way is when we voted to expand our oil supplies from Alaska, and at every point along the way the Democrats have blocked this and obstructed it and attempted to blame Republicans when gas prices continued to go up.

Let's go back to the other chart. The Democrats have blocked expanding our refinery capacity, which we know is a key element in increasing the cost of gasoline. We look at boutique fuels, which are the regulation that has required refineries to produce different fuel blends for a number of different States. That raises the price. When we tried to change that, they blocked it.

Coming up to today, the Democrats have blocked energy solutions that would lower the cost of gasoline for Americans and then they attempt to come down here on the floor of the Senate to blame President Bush and the Republicans when it doesn't get done. It is clear that active Democratic obstruction has escalated the American energy crisis and increased the cost of gas.

Republicans recognize that our energy problems didn't occur overnight and they won't be fixed overnight. But we understand that if we fail to address rising American energy costs, we will create yet another incentive for businesses to locate overseas and leave American workers behind.

To keep the United States competitive, we must transform our energy policy to meet pressing short-term supply needs, while exploring new alternative solutions to meet the long-term needs for abundant, affordable, emission-free energy.

In the Energy Policy Act of 2005, we did just that, despite Democratic obstruction. Now, our natural gas capacity has expanded by 1.34 billion cubic feet a day, and 25 new nuclear facilities are being planned. If these 25 plants are built, experts estimate that 15 million households will be powered by this zero-emission source of energy, and 120 new, clean, coal-based facilities are in various stages of being planned.

These are a lot of facts and figures to be sure, but the bottom line is that all these numbers translate into real savings both now and in the future for American families.

But we must do more. To address the short-term issue of constantly fluctuating energy prices, we must eliminate Government-imposed regulatory roadblocks in order to increase our energy supply and get these resources to consumers quickly and affordably. We can unshackle American entrepreneurs—the best in the world—and allow them to fully develop our natural resources and still protect our environment.

Our long-term energy policy must focus on creating a diverse energy infrastructure that includes new technologies such as hydrogen, fuel cells, and other alternative forms of energy. Many of these technologies—currently in early stages of development—have shown great promise and can revolutionize the way we fuel our cars, homes, and businesses.

Mr. President, energy costs are on the rise and the ball is in the Democrats' court. For years they have complained about high energy prices and then blocked the very solutions that would lower them.

Republicans have real solutions on the table, such as the deep sea exploration in the gulf that we are debating today. We know it would diversify our energy infrastructure, and it would increase our supply of affordable, abundant, and environmentally friendly energy. Most importantly, it would reduce the cost of living for Americans and stretch their paychecks all the way to the end of the month.

I ask my Democratic colleagues to reject their leaders' tired strategy of blocking real solutions and then blaming Republicans for the problems that remain. Working together, we can bring down the cost of living for all Americans by reducing the cost of gas, increasing America's supply of energy, encouraging conservation, and reducing our dependence on foreign oil.

With that, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. CANTWELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VITTER). Without objection, it is so ordered.

Ms. CANTWELL. Mr. President, I rise today to join the discussion about the Gulf of Mexico Energy Security Act, and I want to say at the outset that I support legislation to open up lease sale 181 as reported out of the Senate Energy Committee, and I support new environmentally responsible energy exploration in the gulf.

Obviously, this legislation before us differs from what we passed out of the Energy Committee, and we are still looking at the various impacts of this particular legislation. Some of my colleagues have come to the floor to talk about the larger energy debate, and I wanted to make sure I came down and expressed my concerns and comments about what we need to do to move forward on not just having a piece of energy legislation come to the floor that only has one particular provision in response to our energy needs, but what we can do for a broader energy strategy.

Many of my colleagues may have also turned on the television and seen that oil companies continue to report astronomical profit, and the public has a right to ask why. I hope that next week, when we take up the legislation dealing with the reauthorization of the Commodities Futures Trading Act, we might be able to discuss the issue of price gouging and what we can do to protect the public from those kinds of activities. I know many people in America are shocked to see, again, quarter profits from companies like Exxon jump 36 percent, and that is over last year's $10 billion record profit. So a lot of people in America want to know what we are going to do not only in the short term, but also in the long term on this energy issue.

I know that while we are only discussing this particular proposed piece of legislation on one issue, this Senator thinks it is very important to bring up a broader global context to the challenges that the United States faces in this energy crisis and why it is imperative, with everything going on in the Middle East, that we continue to be very aggressive about a U.S. energy policy that will get us off of our focus on oil and get us on to being a leader in the world economy not just in the United States on energy technology but around the globe.

Earlier this month, I spoke to the Washington Council on International Trade. That is in Seattle. It happened to coincide with the 33rd anniversary that Senator Magnuson had taken a trip to China to visit with the Foreign Minister. Maggie led that congressional delegation after President Nixon opened up the door to China, and he had a 2-hour meeting with the Foreign Minister there. It is interesting because there are notes from that meeting in which Senator Magnuson said he was going to talk about everything from the Pacific Northwest to energy issues, but he happened to scribble a little phrase on a piece of paper that is still recorded in history, which says that China can no longer be an island in the world. I certainly believe that China can no longer be an island in the world. Three decades ago, this policy was correct, but it is even more important today as it relates to our global energy needs and the United States and China working together.

It is no surprise that China's influence has come to the forefront of the global economy debate and that everybody realizes that we are tied together in so many ways. President Hu was recently in Seattle, and we discussed a variety of issues between the Pacific Northwest and, obviously, we have a great economic relationship in selling airplanes, coffee, software, and a variety of agricultural products to China. We continued those discussions.

What we see today is that the global energy issues are prevalent in our trading relationship with China, and they are also important to our national security issues and, obviously, to our environmental issues. That is why I believe it is time for us to take up and establish a formalized, high-level dialog between the United States and China on energy policy. There are various accidents of geology in this world, and I think I have said many times on the Senate floor that the United States only has 3 percent of the world's oil reserves. So when it comes to that situation, basically, China and the United States have landed in the same boat; that is, neither one of us can drill our way to energy security within our borders. But both of our economies have grown increasingly susceptible to these global energy spikes, and we need to act aggressively together to address these issues from a global security perspective.

As a result, I think it is in our mutual interest not to view ourselves as competitors for scarce energy resources but as global partners in the race to move beyond the petroleum dependency. Establishing a sustained cooperative relationship with China on energy policy will open up new markets for new American technologies and companies that we can help create and foster with our energy policy here.

Recently, Thomas Friedman wrote that you can, with these new markets, "turn Red China into green China," providing America with economic opportunity and a long-term environmental benefit.

But here are some of the facts: Today, China accounts for 40 percent of the increase in oil demand. The number of passenger vehicles on the Chinese roads have more than tripled since 2001 and may equal the United States by 2030. So China faces a massive transportation infrastructure modernization. We know there are still 30 million Chinese who didn't, in 2004, have electricity. So trying to keep pace with the growing demand, China is essentially adding a huge 1,000-megawatt coal-fired plant to its grid each week. That is like adding the capacity every year to serve the entire country of Spain.

These new coal plants have created problems such as widespread pollution. Sixteen of the world's 20 most air-polluted cities are in China.

Even with the influx of plants and patchworks to the grid, there are various areas of the country that still have uncertain access to power. In 2004, China had a power shortage in 24 of its 31 provinces. They are struggling with the mammoth task of trying to keep pace with their energy needs. Since 2001, their consumption has grown at a rate 1½ times the growth of its overall economy. So we see that China, because it was poorly endowed with natural resources—except for coal—has increasingly become dependent on oil imports.

Now China relies on the Middle East for half of its oil, which is similar to our circumstances. Beijing has been racing around the world trying to lock in production for oil and gas in Canada and Saudi Arabia, and they are looking at suppliers for a variety of energy needs. Unlike the United States, they are looking in places such as Sudan, Angola, Burma, and Iran. As one of our distinguished international national security experts, Henry Kissinger, has suggested, energy resources may cause international conflict in the coming years.

So what do we need to do about that? I believe we need to get serious about this effort here and that the United States and China share concerns about high oil prices. We have a common interest in working together to mitigate global supply shocks and resulting price spikes.

Both nations need to work harder to increase energy efficiencies and to achieve continued economic growth. There is no reason the United States and China should not work together on the same side in virtually all international energy negotiations.

Currently, this is far from the case. Today, China views the United States as a competitor in these energy markets, and we look at them the same way.

The congressionally chartered U.S.-China Economic and Security Review Commission warned of a "petroleum collision course well before the world's aggregate petroleum supply is exhausted."

I think they are saying that because they realize this collision course could be avoided if we work aggressively.

This Senator believes we must take three concrete steps that will put us on a proactive path for engagement and cooperation.

First, President Bush should work with President Hu to convene a U.S.-China energy summit.

Second, we should put at the top of our agenda an effort to establish a U.S.-China working group with Cabinet-level leadership from the administration. Establishing such a group was one of the major recommendations of the U.S.-China Economic and Security Review Commission in a report to Congress in 2005.

Specifically, this proposal reinvigorated a 1995 U.S.-China energy efficiency and renewable protocol which I think we should get back to.

At the time, over 30 U.S. firms were involved in activities and programs which were designed to strengthen the bilateral cooperation and advance the role of the private sector by the United States in China's energy development.

A permanent working group would also be necessary to oversee any kind of joint R&D effort and could serve as an arbiter and negotiator for technology transfer issues.

And, third, I believe, in addition to the bilateral engagement, we should work to bring China into a membership of the International Energy Agency.

I know the Presiding Officer has thought a great deal about energy issues, energy cooperation, and protocols. The International Energy Agency is an intergovernmental organization with 26 different member organizations which prepares and seeks information about how to mitigate global supply and shocks.

In recent years, this organization has served as a clearinghouse for information on global energy prices and technologies. With China's membership in this organization, I believe we would see a lot more cooperation and information that could help us mitigate some of these spikes.

Some people have looked at China's energy policy and called it "mercantilistic" as they go around and buy up these resources at the wellheads in various regions of the marketplace. Encouraging them instead to be involved in the IEA would move Beijing to be a more constructive player in the global energy marketplace.

Clearly, these initiatives—a Presidential summit, establishing a direct U.S.-China working group, and promoting China's engagement in the International Energy Agency—are just a few steps down a very long road to a complicated energy security issue.

But it is clear that the economies of the United States and China are now intertwined, and our energy security should be considered with a common purpose.

This issue will color our relationship with China for decades to come, but if we are direct and proactive in our engagement, there is also opportunity, and an opportunity for the United States in meeting China's energy needs is key to their domestic stability and economic growth. Improved cooperation between our nations could have significant economic benefits for both countries.

Let me talk about that innovation for a second.

The reason I am raising this issue within the context of today's debate is because we are missing an opportunity today. Rather than simply focusing on drilling, we should be debating what is going to give America and American companies the lead in 21st century energy technology.

Because there is an opportunity on the horizon in China and other growing economies, there is a huge opportunity to export American technologies and products, but we need to seize the technology lead to do so.

Earlier, I spoke about the challenges China faces with its incredible growth in demand. Modernizing China's domestic energy infrastructure will require a $35 billion investment. That is every year for the foreseeable year—$35 billion in investment every year for the foreseeable future.

So we must work to open up these Chinese markets to grid management software, smart metering technology, new transmission technology, biomass and biofuels, and related innovations. These things are emerging technologies in the United States, which we could further accelerate not just for our domestic benefit, but also as a supplier for that growing, demanding Chinese market.

Given the evolving nature of China's energy industry from its complete state-controlled entities into more hybrid models, we can help crack open these markets, I believe, overnight, and gaining entry, once again, requires us to be very proactive and engaged, with a sustained commitment. I believe whoever develops these technologies that break through to these economies will hold the key to the 21st century. I want the United States to be the technology leader there, and I want us to continue to look for these huge market opportunities to do so.

Essentially, China today has a 20-percent more fuel-efficient target than we do. The 2005 renewable energy law mandates that 15 percent of China's energy comes from renewables by 2020, and the plant also sets a 20-percent savings standard for new appliances and other technologies.

Consistent bilateral involvement with U.S. counterparts through a U.S.-China energy working group could help foster the changes that we would like to see with U.S. technology companies and could help us grow those businesses and opportunities.

Figuring out how to navigate these barriers, as I said, I believe requires greater cooperation and greater administration involvement in making sure there is a U.S.-China relationship.

The International Energy Agency estimates that China will spend $2.3 trillion over the next 25 years to meet its growing energy demands, and that just modernizing its electricity grid would require $37 billion annually, a figure that I referred to a few moments ago.

So these are great opportunities for U.S. markets. They are great opportunities to show that we can work together to be effective. For example, already some organizations on the west coast are working together with private foundations and public-private partnerships. For example, last year the State of California signed a pact with a sister province in China to provide technical assistance to work together on demand-side technologies. The agreement came in large part due to the work of the U.S.-China Efficiency Alliance, a nonprofit group that counts as its founding members and leaders various State officials, academics, environmentalists, and, obviously, some of the large utilities.

The reason China is a huge market for these kinds of opportunities and that this is taking place, obviously, from the west coast perspective is because the west coast has already had an aggressive trade relationship with China and also has been aggressive about these clean energy technologies. So this is happening to a certain degree already on the west coast, but it is a great economic opportunity for our entire Nation if we continue to accelerate it.

The question I have in mind today is, why are we ignoring this larger debate and opportunity? Why are we not debating a larger energy bill for the 21st century in which we continue to promote the energy innovation that can lead to a cleaner environment, better energy security, and certainly greater national security?

Fourteen years before he went to China, Senator Magnuson told the Seattle PI newspaper that failing to trade with China was basically "pretending 700 million people in the world don't exist."

Thirty-three years later, it is about time that the United States really understand that phrase. It is time that we understand the internal transformation and opportunity to work together on energy policy to solve some of our common problems and realize some of our great economic opportunities.

I hope next week we will continue to discuss various energy policies. I hope we will continue to open up this legislation to further amendments so that we can get to other issues that will really help the United States succeed in addressing our energy challenges.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALEXANDER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. Mr. President, I have come to the floor again today to speak about the bill Senator DOMENICI and many of us have brought before the Chamber. The Presiding Officer has been a great leader in this effort to fashion a bill that has many fine points and good points and needed points for the country.

One, it would provide us with a new source of oil and gas that will help us increase supply in hopes of reducing and stabilizing the price of oil and gas in this country. The other fine and wonderful point of the bill is that it takes a portion of the revenues that are now going into the Federal Treasury—but future revenues—and dedicates them to a conservation royalty, because Mother Nature every now and then needs its share, too. Being from Tennessee, Mr. President, and a leader in the environmental area, you most certainly can appreciate the value of that.

Of course, the great point for Louisiana, the gulf coast—not that those two points aren't very exciting to us as well—is the chance to have a new source of revenue to actually reverse decades of loss of precious and valuable wetlands. These wetlands not only protect the 10 to 15 million people who live along the gulf coast from Texas to Alabama, but also that will restore the wetlands, which we in Louisiana call America's wetlands because it is the mouth of the greatest river system in North America. So many of these wetlands help the industries of trade, commerce, oil, gas, fisheries, and the general environment for the whole Nation.

But today I wish to speak a little bit more about the history of how we got where we are today and then talk about the value to the Nation of taking such a positive step forward, a big step, a positive step and a step absolutely in the right direction. Yesterday, Senator DOMENICI, the chairman of the committee, and I spent some time clarifying the record regarding President Truman. The fact is, this was not MARY LANDRIEU's idea, as much as I would like to take credit for it; this was Harry Truman's idea: to establish a partnership with the States when oil and gas was first discovered, knowing it would take a strong partnership to sustain this effort over time, and an interest on the part of the Federal Government, the local government, and the State government to engage in the technology necessary and the financial wherewithal necessary to pursue this frontier, basically, whether it was the frontier of the West or the frontier on the Outer Continental Shelf, to get the natural resources to make this country great.

Now, of course, President Truman, having come from the experience of the Second World War, really understood what he was talking about because although our military and the allied forces were quite spectacular in winning that war, sometimes I think we forget that it was the steel workers and the iron workers and the shipbuilders and the boat builders and the women and the families who sacrificed at home, saving their pennies to send every spare item we could for the machinery necessary to win a war. Yes, it takes bravery. Yes, it takes men and women in uniform. But it also takes a lot of steel, a lot of supplies, a lot of petroleum, and a lot of natural resources to win a war. America won that war in large measure because we had the natural resources and the military might combined to provide the strength to the allied forces to win the great war.

It was America's oil production—America's oil production—that Winston Churchill said made him transfer the British fleet from coal-powered to oil. Here is a nation literally under siege, and a great leader makes a strategic decision. He would rather depend on American oil than maybe his supplies of coal in Europe to give him the staying power to sustain that war. In the Second World War, German tanks stalled for lack of fuel, and Japan had to cut the operations of her fleet. It was America's natural resources that propelled our allies to victory.

I think perhaps sometimes in this world in which we live, where everything seems so automatic and you just turn on a switch and the lights come on, you plug in your computer and it gets booted up, you turn your coffee on in the morning and it automatically smells beautiful in your house, it takes a lot of effort to produce the energy which is necessary to make our lives the most comfortable the world has ever known and perhaps will ever know. But in the Second World War, they understood they needed lots of things to win that war, and one of them was the natural resources of oil and gas. We didn't know too much about the environmental aspects of it back then but, frankly, all we cared about was getting our troops home, beating the Germans, winning the war, and saving the world for democracy, which we did.

Then, through the 1950s and 1960s, we got smarter, just as you should if you are growing all the time and you learn, and we understood better about the environment. Then something went wrong in the 1960s. Something happened in the 1960s. We forgot where we came from. We forgot the sacrifices that had been made. We had a very dramatic spill off the coast of California—not a pretty picture. The country was on fairly good financial footing, and we just sort of started backing up. In my mind, we have been backing up ever since.

We need to get in a forward gear with a proper mindset to move this country back in the direction of natural resource production, with all the benefits of the new technology, with all the benefits of knowing the mistakes we made—no turning our back on them—not pretending the spills didn't happen, and not pretending oil and gas isn't a dangerous business at times.

I can remember seeing on television one night—I think it might have been on the Discovery Channel, which is a wonderful channel my family enjoys watching—they were talking about how we first designed hot water heaters. Of course, we take hot water coming in our house, clean water in America and hot water, for granted. It happens so frequently, we don't think about it. But when I was watching this on television, the story was saying we didn't always have hot water in our houses and it was quite a feat to try to get hot water heaters.

In the beginning, when people had them—and I am sorry I can't remember the year—they kept blowing up, and they would just blow people's houses up and people got hurt and people died. But nobody said: Oh my gosh, we just can't have hot water. We pursued and developed the technology, and now we take for granted the most amazing thing which is in almost every house in America: you can turn on the faucet—not in New Orleans, where you can't get any water pressure today, but in most places you turn on the faucet and get clean hot or cold water, to the temperature of your choice. But it didn't happen because there weren't accidents or problems, but we learned and we perfected the technology. You can say a thousand times how that happened in America, but for some reason we got stuck on this natural resource issue and can't get off of it.

We have an opportunity this week to move past the 1960s and 1970s and to be responsible at a time when our country needs more gas and oil. Now, we are going to move beyond petroleum. We are going to develop new technologies. If Senator DOMENICI has his way, he would have the 15 new programs we authorized in the last Energy bill funded to actually invest in new technologies.

We are good in this Chamber about talking about things, but actually we don't put the money to them. So we sort of pretend we are doing things. But even saying that, we are making progress. I would support more investments in alternative energies and real money for real projects to move in that direction. But until we do and as we are doing that, we need to drill for oil and gas where we can.

I want to show you here in America what the pipeline systems look like today. This is the pipeline system: an extraordinary network of private sector—with government support—pipelines that bring gas from Canada, that bring gas in from the northwest part of Canada, bring a multitude of riches from the gulf, the gas connections that move up through your State, Mr. President, all the way up to the Northeast. And then you can see another in north Texas, in Dallas. Oklahoma gasfields, because, of course, Oklahoma and Texas understand gas. They have a lot of it. It is shallow in large measure.

but they are producing a great amount of gas for the Nation. This is what it looks like now.

This is the area which we along the gulf coast understand is rich in natural resources, and we have almost perfected the technology to reduce the footprint, to drill far down into the floor of the ocean, deep into the coastal areas here that are abundant in resources and provide the gas necessary to keep people cool in the summer, warm in the winter, and to keep the manufacturing sector of this country competitive because we have competitors now, big competitors—China and India—and if we don't want to lose every manufacturing job in America, and we are on track in some measure to do that, we better find some gas and oil somewhere here.

But in the 1960s, as I said, we got stuck in a place that has been dangerous for this country and went from being a net exporter to win the greatest war ever fought. But in the 1960s, the situation flip-flopped and the United States became a net importer of oil, a situation which has deteriorated to the point where today we import 60 percent of our oil. It would be bad enough if we were importing that oil from friends because when you deal with friends, maybe they would give you a good price and maybe, even if it was tough for them to produce it, they would still give it to you because they are your friends. But we are importing oil from places in the world that are not friendly, that are dangerous. When the price goes up, they are happy if it goes up higher because they know we are dependent on it. I don't know if Americans feel as strongly as I do, but I know people in Louisiana do. We are happy to have a mutual dependence, I guess. We don't think we live on an island, but we don't like to feel dependent. We like to feel strong. We like to have choices. When you owe people a lot of money or you get your oil and gas from people and can't get it yourself, it puts you in a dependent position—not a good place to be most of the time. That is the place we are in right now in America. So one of the reasons this bill is so important is that it reverses 30 years of drift, 30 years of not clear thinking about what dependency really means, and we have to make the change.

I would like to see this bill be a little broader in its scope, but it has been a compromise, and that is the nature of our political system. This is not a dictatorship, it is a democracy. We on the gulf coast have worked out a system that seems to work pretty well, protecting Louisiana and Mississippi and Alabama, and respecting our friends in Florida who have chosen a different path for this time, and that is just the situation we are in right now.

I think as we open this 8 million new acres here and we can see more of the benefits for the whole Nation, that perhaps, as some of us continue to speak and travel the country and speak about the benefits of being less dependent on foreign oil and gas and more independent, more self-sufficient, and developing alternatives and conserving where we can as well, maybe the situation will change. But this is the step which needs to be taken.

Some people say: Oh my goodness, there is just not enough oil and gas here. I want to tell you how much there is. It contains enough natural gas to heat and cool 6 million homes for 15 years. It holds six times the amount of liquefied natural gas imports we are importing today. It represents more oil than we import from Saudi Arabia, and it will produce more oil than found in the reserves of Wyoming and Oklahoma combined. So I know when you look at the whole country and you see just this little 8,337,000 acres, people say: Oh my goodness, that is not very much. But it is more than the reserves of Wyoming and Oklahoma combined. This is a very rich area, and Americans deserve to benefit from the natural resources that belong to them.

Believe me, people around the country, some people think: Well, they must not care about their environment.

I do not have a statistic about this, but I bet people in Louisiana and Mississippi and Alabama and parts of Texas spend more time in the water than anywhere else because we are hot most of the time and we like to swim. We swim in our bayous and we swim in our lakes and we swim in our gulf water, and we swim all year because it is warm all the time. Our temperatures are good throughout the year.

I do not have statistics on it, but I bet you we fish more per capita. We have more fish than we know what to do with. I laughed when I told my children—I took them out fishing in the West—not to be critical of the West. It is beautiful, of course. But we fished in a stream, and the rule was, after you caught three fish, you had to throw them back. My son, who is 10 years old, said: Mother, I have never been to a place where you have to throw the fish back, because where we fish, we have limits, but they are pretty good limits. You can catch 30 redfish, lots of trout, and you keep them and then you eat them that night. This would be a sad world if you had to throw back every fish you caught. It is a matter of managing your resources. We do that very well.

People look at me, and they think: MARY, you are not saying the truth. But I am. The best fishing is around the rigs. The best fishing is around the rigs. And when you are on these rigs—these big platforms—you can look down, and you can see the fish. I do not need to read this in a statistic. You can see the fish around the rigging. Why? Because it acts as an artificial reef, and it creates a food supply, and the fish naturally gather there. So we have been doing this a long time in Louisiana. We would not suggest it.

We do have beaches. We do not have the same kind of beaches as Florida, but we have a proud and beautiful wetlands. We are concerned about our environment, and we know that while there every now and then are mistakes, the technology is getting better and better and better, and we can get American gas so we do not have to talk to Iran, if we do not want to, we do not have to send our troops to Iraq unless there is good reason, and we can keep our business right here in America.

I want my colleagues to know how appreciative I am, and Senator VITTER, for the help and support for this bill and what it will mean to the gulf coast and for Louisiana to save our wetlands. But I also want to say that for the Nation, as a Senator, I know this is the right thing. And it is long overdue. We have to open up resources in this Nation and use the technology.

Now, I do not know when we got off this track. I do not know when it happened. I do not know if it was gradual. But we have to be confident in our ability to move forward and to not be afraid but to be bold and press this technology so we can have the independence and energy we know we must have.

I look forward to the day when I do not think my children will have to be dependent on either China for financing or the Mideast for oil and gas, that they can be like my parents' generation: pretty darn independent. We better get back to that independency in this country. We can make friends when we want to, but we do not have to when we do not need to or do not want to.

In addition, I say to the Presiding Officer, because you have been so good about this issue, I want to say something about a program. There is a program—we have tried to make it a trust fund. We did not succeed. But in 1965 some very bold, progressive-thinking individuals created the Land and Water Conservation Fund because they knew the American population was going to grow exponentially.

We now have almost 300 million people in this country, and many people around the world who want to come and live here, as you know. So we created the Land and Water Conservation Fund, a little program relative to the billions of dollars we spend up here—only $450 million for the State side and $450 million for the Federal side—to try to provide some—in the scheme of things, it is pennies—to provide for parks and recreation and the expansion of bike trails and walking trails and to preserve the great outdoors.

I say to the Presiding Officer, you have been a great leader on the outdoors. When you think about the beauty of the Smoky Mountains and you think about the beauty of the Rocky Mountains in the West, you think: Please, God, don't let us ruin that. Let us keep it.

Well, the way you keep it is not by wishing for it but by paying for it. And the way you pay for it is to put it in your budget. We tried that, but it did not work. So in 1965 we spent $10 million in the whole country. In 1982, we spent nothing because it got zeroed out. Then, in the 1980s, it went back up. You can see basically the high point was in the late 1970s, at $350 million. One time, 1 year, we sent $350 million out to all the States, which is not very much money per State, to help them with parks and recreation. Even though this was not much, I will tell you what this money did. It built thousands of parks and thousands of ballparks for our kids to play in and helped shore up the urban parks in New York and New Orleans and Memphis. It saved the redwoods. It helped to establish the great wilderness in the Smoky Mountains. You could go on and on with what this little money has done because it got sent to the States. They stretched those dollars, and they made it work.

In this bill, we have a plan to fund this gradually until it will go up to, hopefully, $450 million out of new revenues. So it does not contribute to the deficit. It does not take one penny against any other program. But it helps us to build the parks and recreational areas so my children and grandchildren can continue to swim in those bayous, can continue to enjoy Lake Pontchartrain, and whether they are in an urban area in a little pocket park or in the great Smoky Mountains where they could walk for days without seeing a person and only a few bears—wherever they are, they can enjoy it.

So that is a great thing this bill does. I hope it survives the conference and the negotiations because sometimes Mother Nature does not have the advocates she needs here in Washington. This bill we have presented is not only good energy policy—because we need more production—it is good environmental policy, and it is good economic policy.

One final argument I would make for the bill is this: I know anytime you bring a bill to the floor, everybody has an important amendment. I have several other amendments. People could not believe it, but I want to have several other amendments on this bill. I know my colleagues have some great ideas. And they say: Well, why can't we debate all sorts of other things? Why do we have to debate the focus of this bill?

I have an answer for that. Because we debated, for the last 6 years, an energy bill. We debated for 6 years—day after day, month after month, for 6 years—up until a few months ago an energy bill. We had CAFE amendments. We had alternative fuels. We had reliability amendments. We had nuclear power. We had amendments about how to distribute the waste from nuclear power. Should we use electricity? We debated and debated everything about it.

So I do not want people to be left with the impression that those of us who are on the Energy Committee provided no opportunity for people to debate. We literally took 6 years to pass—10 years—10 years, excuse me, to pass the last Energy bill. So 10 years we debated. We do not have 10 years. We have until August. We have until September. We have to limit the debate. I know it is unusual, but we have to take, in my view and in Senator DOMENICI's view, a positive step forward. We have time again to debate CAFE. We debated it for the last 10 years, and we will debate it again.

But right now let's take this time to remember our history, to remember the great strength natural resources are for the country, to not think of this as helping the gulf coast, which most certainly needs help, but that it is the right thing for America at the right time for America, and in a way that honors the spirit of this body, which is open to debate. We do many debates, and will continue, but for this bill, let's pass it. Let's send a signal to the American people that we are changing course.

Today's debate is focused on 8.3 million acres of submerged land in the Gulf of Mexico, but it is really about something much broader and much more important. It is about our country's future.

It is hard to believe today, given the complete turnaround in circumstances, but the energy reserves of this country were once the security blanket for Western democracies.

When Winston Churchill, as First Lord of the Admiralty, transferred the British fleet from coal power to oil, he did so knowing that it was American oil production that he would rely upon in a crisis.

In the Second World War, as German tanks stalled for lack of fuel, and Japan had to cut the operations of her fleet, it was American natural resources that propelled the allies to victory.

U.S. energy production was a strategic asset that allowed our economy to hum in the 1950s and become the envy of our competitors during the cold war.

Yet sadly, we allowed this great strategic advantage to slip away.

Economics played its part. At the same time as U.S. energy resources became more scarce, readily accessible oil from the Middle East started to come online.

By the 1960s the situation had flip-flopped. The United States became a net oil importer—a situation that has deteriorated to the point where the United States must import 60 percent of the oil, making us the largest consumer of energy in the world.

The truly frightening thing is that this country is bracing to allow the same circumstance in natural gas. With seemingly no one guiding our strategic energy direction, this Nation is now preparing to double the amount of natural gas imported into this Nation by 2014. The country is faced with 45 planned or proposed liquified natural gas terminals. While it is obvious we need them, we must also acknowledge that we are building the infrastructure of dependence.

So one of the reasons this bill is so important, is that it reverses 30 years of drift, 30 years of policy avoidance masquerading as an energy policy. We are sending a signal to the American public and the world that we are serious about regaining the strategic initiative in energy.

We are in a hole that took a long time to dig, so we must understand it is going to take us a while to dig ourselves out.

But we are not going to allow American security to be crippled by this strategic weakness any longer. The idea that we can do this by additional exploration and drilling alone is false on its face. But it is equally false to say that the step we take today will not help.

For the first time in 20 years, America is taking approximately 6 million acres of land that is currently under moratoria out of moratoria. That is a signal that we are getting serious. Furthermore, we are opening up a resource-rich region of the coast. It contains enough natural gas to heat and cool nearly 6 million homes for 15 years. It holds six times the amount of our annual LNG imports. It represents more oil than we imported today from Saudi Arabia. It will produce more oil than found in the reserves of Wyoming and Oklahoma combined.

That is an important step, and it sends an important signal to the world.

A couple of months ago, I hosted a group of French Senators who are involved in energy issues for their nation. When I showed them a map of the coastal resources that we have put off limits in this country, their mouths dropped. They could not believe that we would place so much of our security in foreign hands, while tying the hands of American production behind its back.

We have taken an attitude that somehow drilling and tourism are incompatible no matter the distance involved. Do you know that our colleagues in France are drilling for oil on the outskirts of Paris? Now that is making energy independence a priority.

Richard Holbrooke is well known to Members of this Chamber and has engendered real respect in the foreign policy community. He stated that our failure to reduce our dependence on foreign oil is the greatest failing of this country over the last 25 years. I agree.

We can only wonder what an American foreign policy not hobbled by dependence on foreign oil would look like. I promise you this, everyone in the world would sleep a little safer.

Iran derives 50 percent its revenue, and almost all of its hard currency, from the sale of oil. We know where those revenues go. They go to Katushka rockets, they go to Hezbollah terrorists, they go to a covert nuclear weapons program.

It is fine to say that the United States does not buy oil from Iran. But oil is a global market. It does not matter if it is Americans who buy the oil from Iran or the Chinese. If demand is high, Iran will derive huge revenues.

The truly sick piece of this policy is that the American public pays twice. First, they pay at the gas pump, and then they pay taxes so that our Government can spend billions of dollars trying to undue the evil that Iran propagates around the world. It is like giving money to the neighborhood burglar so that he can buy a gun.

It is time that our country retake the high ground and the strategic initiative on energy. This is only the first step of many. Conservation, alternative energy, nuclear power must also all receive consideration and attention from Congress. But this is a step that we can take today.

It took the Congress a decade to pass an energy bill—we did it with bipartisan leadership last year. Imagine the signal we are sending by passing another important piece of energy legislation within a year of that effort.

Mr. President, I yield the time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. COLEMAN). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak in morning business for as much time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DORGAN are printed in today's RECORD under "Morning Business.")

Mr. DORGAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALAZAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I rise today to discuss S. 3711, the Gulf of Mexico energy bill which is before the Senate.

At the outset of my remarks, I say I come to the Senate today to speak about this particular bill with a heavy heart. It is a heavy heart because the approach which the Senate Committee on Energy and Natural Resources has taken over the last year and a half has been a good template for how we ought to do the business of our country; that is, bringing Republicans and Democrats together to try to work out an agenda in the best interests of America.

In this particular circumstance with this bill, with the opening of the gulf coast of Mexico, we did have a bipartisan bill that emerged from the Senate Committee on Energy and Natural Resources. Unfortunately, from the time it came out of the Senate Energy and Natural Resources Committee until today, it has been changed in some significant ways.

The concerns that have been raised by ranking members are legitimate concerns for several reasons. One is a reason related to the relationships in this Senate and how we get along with each other to try to come up with solutions to face the common problems we face in America today. We were able last year in the Senate Committee on Energy and Natural Resources and the Energy Policy Act of 2005 to put together the kind of broad bipartisan coalition that emerged in a good bill. It was not a perfect bill, but it was a good bill.

I hope the relationships that carried us to a successful conclusion with the Energy Policy Act of 2005 will be more the norm around here than the exception. I am hoping, as we work our way through this particular legislation, that those positive relationships will also be restored.

From my point of view, when we worked on the national Energy Policy Act of 2005, I saw that as an effort, as a Democratic and Republican effort to build a house of energy independence for America. I saw the house of energy independence being built on cornerstones that are important for us to achieve energy independence.

We knew then and we know today that we could do much better with conservation. The experts at the Department of Energy tell us in the Senate, oftentimes in our Senate Energy and Natural Resources Committee, that we waste 62 percent of the energy we consume in America today. We in America can do better. We can do a lot better with conservation.

The experts also say we are at the dawn of a whole new revolution with respect to biofuels. There are many Members of the Senate who have worked to advance the cause of biofuels over the last several years. That renewable energy future for America has great potential to help build this house of energy independence.

Third, a key cornerstone is the new technology being advanced and explored throughout our country, including the possibility of looking at things such as coal gasification. We know coal for the United States is no different for us than oil is to Saudi Arabia. We have vast resources of coal. The only problem we have with coal is when we burn it, there are environmental problems created. As we have the technological breakthroughs in coal gasification, we can take advantage of one of the greatest natural resources we have in our Nation. So technology is one of the cornerstones, one of the keys that will help get us to energy independence.

Finally, the development of our natural resources is very important. For instance, on the gulf coast or mountain lands of my State of Colorado, it is important that we develop those natural resources in a way which is sensitive to the environmental impacts created from that development.

As we move forward and look at the possibility of the increase in the modest production which will come from the opening of lease 181 and the area to the south, we ought to look at other issues relating to energy and energy independence.

With gas prices over $3 a gallon and with growing instability in the Middle East and a deepening dependence on foreign oil, today should be the day in the Senate where we are talking about the broad array of ideas relating to energy independence. We ought not to be so narrowly focused on a very small development in the Gulf of Mexico—an important development, but nonetheless, in the grand scheme of getting us to energy independence, it is simply a small step in that direction.

Now is a time for this Nation to embrace new ideas with regard to energy. Now is a time for a real discussion of energy in this Senate. It is time for a new direction for America as we look at the future of energy for this country and for our world.

Gas prices today have jumped 25 percent in just a little over a year. And let's not forget they have doubled in the last 3 years. Today we are paying twice as much for gas at the pump as we were 3 years ago.

Second, we remember, at the near anniversary of Hurricane Katrina, the great disruptions that were caused across America because of Hurricane Katrina, those disruptions showed the vulnerabilities of our oil and gas infrastructure.

Third, today we are facing a deepening cycle of violence and confrontation in the Middle East, making it a stark reminder to all of us that our overdependence on foreign oil brings grave risks and dangers to America's security.

The American people and a large bipartisan group of Senators in the Senate share a vision for an energy-independent America. That vision is one which is powered by renewable energy. It is a vision which recognizes the new generation of clean coal and energy-efficient technologies. Unfortunately, because we are not allowed to amend this bill, we will not have the chance to have that discussion about these ideas which have been generated by many of the Senators in this institution. We should allow those ideas to come.

I will highlight four ideas I believe we should be considering in the Senate today.

First, we should create a national renewable electricity standard. We passed a renewable portfolio standard less than 2 years ago in Colorado. It is a modest standard. It was not a standard that required 30 or 40 percent; it required 10 percent of the power the utility companies deliver to come from renewable resources by the year 2037. That forward-thinking initiative has already spurred a boom in renewable energy production in our State, creating jobs and revitalizing rural economies. You see them in the wind farms in Logan County. You see it in the solar energy utility farms now being built across my State. We can do the same thing on a national level. In fact, Senator BINGAMAN's renewable portfolio standard that passed in the Senate last year but was rejected in a conference with the House was a step in the right direction. We should have that kind of a standard, or perhaps we could try flexible renewable electricity standards that account for regional differences in our country. There is no doubt that a renewable electricity standard would usher in a new era in renewable energy production across the country. That would, in turn, reduce our dependence on fossil fuels.

Second, we should establish aggressive goals for reducing our dependence on foreign oil. We should employ the full force of our policies in our Nation to achieve them. S. 2025, the Vehicle and Fuel Choices for American Security Act, which has 25 sponsors, Democrats and Republicans alike, establishes achievable goals of saving 2.5 million barrels of oil a day by the year 2015, 7 million barrels a day by 2026, and 10 million barrels a day by the year 2030. We should be having a debate on S. 2025 in the Senate today.

Third, we know we must do a lot more with biofuels. We must also do more to put biofuel-powered vehicles on the road. Right now, the United States consumes about 20 million barrels of oil a day. Two-thirds of the oil we consume is for transportation. We need to substitute that oil with biofuels, biofuels grown right here in America, on our farms and in our fields. To do this, we need to bring more gallons of biofuels to the market. We need to give consumers access to alternative fuels at filling stations.

We need to retool America's vehicle fleet to run more efficiently and on alternative fuels. S. 2025 does this, and we should bring to the floor that legislation so that we can have a discussion about the positive contribution that would make on our road to energy independence.

Finally, we should have a candid discussion of how we can improve the fuel economy of our vehicles. A number of proposals are circulating in this Chamber that would, for example, raise CAFE standards or implement a "feebate" program. Last week, Senator COLEMAN, along with Senator OBAMA, and others, introduced a bill that takes a somewhat different approach to raising fuel standards—one that moves us in an honest direction to have a much more efficient national vehicle fleet for America.

Mr. President, there are many other great energy legislative initiatives circulating in this body. You see them in the Clean EDGE Act, the Vehicle and Fuel Choices for American Security Act, the Enhanced Energy Security Act of 2006, the Alternative Energy Refueling System Act, and other bills that have yet to receive appropriate attention. We should bring them forward to the floor. It is not as if they belong to one party or the other. The Roman philosopher Seneca once wrote: "The best ideas are common property."

We ought to be thinking about energy independence, not as Democratic or Republican ideas. We should be thinking about them as American ideas. The question is, How do we as an institution, as the Senate, move forward in a new direction to get us to energy independence?

It is time that we write an additional chapter in the energy future of America that takes the building blocks of the Energy Policy Act of 2005 and moves forward with the great ideas that have been developed by so many Senators over the last year.

Mr. President, may I ask how much time I have remaining?

The PRESIDING OFFICER. The Senator has the floor.

Mr. SALAZAR. Mr. President, I see my colleague from New Jersey. Through the Chair, may I ask the Senator how long he will be?

Mr. LAUTENBERG. Mr. President, recognizing that our colleague from the other side is here, traditionally, we switch sides on recognition. I ask that after our colleague from Wyoming speaks, that I have 20 minutes to make mine.

Mr. WYDEN. Mr. President, I ask unanimous consent that after Senator SALAZAR finishes his remarks, and Senators THOMAS and LAUTENBERG finish, I may speak as in morning business. I will revise that. I ask unanimous consent that after Senator SALAZAR is done and Senator THOMAS is done and Senator LAUTENBERG is done, that I may speak, unless another Republican comes to the floor, and that if another Republican comes to the floor, that I be allowed to speak after that in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I thank my colleagues. I think that order makes sense as we proceed with the discussion and debate.

I want to make a point about the contributions of my State of Colorado to oil and gas development for our country. We know natural gas prices are spiraling out of control, hurting families and farmers all across this country. Colorado farmers, for whom natural gas is an essential ingredient for their fertilizer, are already suffering under the weight of very high gas and diesel prices. Now they are also having to pay record prices for fertilizer. Needless to say, they are struggling to make ends meet.

Colorado is doing more than its fair share, much like Wyoming, to help our country produce more natural gas. There are currently some 29,000 producing natural gas wells in Colorado, and industry estimates project that between 24,000 and 27,000 new domestic gas wells will be developed every year to meet the growing natural gas demand in our country.

I am proud that Colorado is home to such a wealth of resources and that we can help our country through this energy crisis. But we have also paid a price for these contributions. We know the development must be done in an environmentally responsible way, but the rapid pace of exploration and development is having a huge impact on Colorado's land, water, and communities. The vast open spaces of the Rocky Mountain West are home to pump jacks, pipelines, roads, and compressor stations. Many communities are very concerned. Hunters and anglers are seeing habitat loss and wildlife depletion. Local communities are fighting to protect their watersheds from lease sales that could jeopardize the safety of their drinking water.

While I am proud that Colorado can help satisfy the Nation's energy needs, we should also be pursuing balanced production of our resources in the Gulf of Mexico. As much as possible, the country should share the benefits and burdens of our energy production, including the production and revenues from the Gulf of Mexico.

As I have said before, S. 3711 will make modest additions to our oil and gas supplies with additional leasing in the Gulf of Mexico. It is not, however, a perfect bill.

I deeply respect the concerns that Senator BINGAMAN and several other colleagues have made about the fiscal implications of this bill. The new areas being opened for leasing, they point out, come at a high price. These leases will be on Federal submerged lands on the Outer Continental Shelf, which belong to the taxpayers of all 50 States. Yet 37.5 percent of the revenues from those leases will be paid directly to only four Gulf Coast States—Texas, Alabama, Louisiana, and Mississippi.

I appreciated hearing Senator BINGAMAN's thoughtful presentation on the fiscal repercussions of this revenue distribution, and I applaud his work on the OCS issue, both in this debate and in the consideration of S. 2253, which was a bipartisan bill that emerged from the Energy Committee.

As I said, this bill is not perfect, but it does, for the first time, establish direct funding for the Land and Water Conservation Fund stateside grant program. It is truly historic that we are finally creating an honest to goodness conservation royalty for offshore leases. I appreciate Senator LAMAR ALEXANDER's work on this initiative.

In 1964, Congress passed the Land and Water Conservation Fund Act, which said that if we are going to drill for oil and gas in the OCS, we should be reinvesting a part of those revenues in parks, trails, and open space for the use and enjoyment of the American people.

President Kennedy's vision and Congress' vision was a bold one in the early 1960s. They authorized $450 million a year for the Land and Water Conservation Fund stateside grants program to be provided to States and local communities as matching grants, to help them build ball fields and trails, to help protect wildlife and open spaces across America.

Unfortunately, what was envisioned as a conservation royalty has been subject to the budgetary whims of Congress. This meant that the program has been consistently underfunded. Year after year, Congress has appropriated far too little money—an average of $94 million over the program's 42-year history. In the last 2 years, the President has proposed eliminating the program down to zero.

With this bill today, we finally create a permanent funding mechanism—a conservation royalty—that Congress envisioned in 1964. This is a new chapter in the history of the Land and Water Conservation Fund. It is the first step—only the first step—toward securing full and permanent funding for this overwhelmingly successful program.

As it is drafted, this bill does not provide the level of funding for LWCF stateside that the program needs.

I want to point to this chart, Mr. President, which indicates with the red bar on the left side that the authorization amount for the LWCF program stateside is $450 million. It averaged about $94 million. About 98 percent of the counties of America benefited from the grass from the stateside program. The amount of money projected to be supplied in the LWCF through this legislation is only $15 million a year. When you take that $15 million a year and divide it among the 50 States, every State would get approximately $300,000 per year on average. That is not a significant contribution relative to the historic amounts that have been made available to the States through the assistance of the stateside Land and Water Conservation Fund program. So it is important that, as we look at this issue and this legislation, we recognize that we should not be taking away the historic appropriations that have been made to the stateside Land and Water Conservation Fund. I am hopeful that we can ensure that those higher levels of funding for LWCF can, in fact, be made.

Mr. President, the prospect for LWCF stateside funding after 2017 is a little less clear. Because spending after 2017 is outside the budget window, it is not included in CBO's score of the bill. But based on available estimates of revenues and direct spending under the bill, it is likely that, beginning in 2017, stateside LWCF will receive at least $125 million per year. Indeed, it appears likely that beginning in 2018—12 years from now—stateside LWCF will receive additional funding from "new receipts" from the area 181 and 181 south.

Mr. President, Senator ALEXANDER and I introduced legislation, S. 3562, that would fully fund the stateside LWCF. I have prepared an amendment that echoes that. It would provide at least $125 million per year of funding for the stateside LWCF program beginning in 2007 and at least $450 million per year beginning in 2017. My amendment would direct revenues from the renegotiation of leases issued for the production of oil and gas from the OCS that provides royalty relief without the necessary price thresholds.

The Federal Treasury is owed billions of dollars for those leases. Those leases mistakenly have provided royalty relief without these price thresholds. My amendment, with its $125 million annually between 2007 and 2016 and up to $450 million per year beginning in 2017, would ensure that stateside LWCF will be adequately funded.

Mr. President, I wish we were having a larger debate on the energy policy for our country. I wish we were bringing some of the new ideas on energy legislation to the floor. I believe the American people deserve a great public debate on our energy future and they deserve a comprehensive forward-thinking energy policy. But for now, we must satisfy ourselves with what is at hand: a bill that includes modest increases in production in the Gulf of Mexico and, I am proud to say, a conservation royalty.

Mr. President, I ask unanimous consent that Senator PRYOR be the next Democrat to speak following Senator WYDEN, with the understanding that we will go back and forth to a Republican Senator in between them if a Republican Senator is here.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, we have had a long and important discussion about energy. Indeed, there is nothing more important to this country than to proceed with that. I am proud to say we have an energy policy that is quite broad. Of course, our challenge now is to implement that policy.

I rise today in support of S. 3711, the Gulf of Mexico Energy Security Act. I begin by saying that the economy is doing well; that we require greater supplies of energy is proof of that fact. There is more demand than there has been in the past because our economy is strong. This is not to say that Americans are not struggling with the costs of energy. Of course, they are. We are. The price of gas, the cost of heating and cooling their homes, the need for electricity provides for difficult problems. This is true in Wyoming, where we must drive long distances, and we have cold winter seasons. We know how to solve the problem. We need to increase our supplies.

The bill we are discussing today will provide 1.26 billion barrels, 5.8 trillion cubic feet of American oil and natural gas.

There are, of course, many other things we must pursue. I understand as well as anyone that we cannot drill our way out of the energy problems we face. We must support alternative fuels, renewable energy, clean coal plants, new nuclear capacity, and increased efficiencies.

Many of these efforts will take place over the longer term. Hydrogen cars, FutureGen, and the next generation of nuclear plants will take time. There are plenty of good ideas to look for in the future. It is important, however, that we be realistic about what we can and should do to provide for our needs in the meantime.

Many of my colleagues have their own energy proposals. I have introduced a bill that would reduce the cost of energy for Americans, and it would do so comprehensively by addressing production, refining, infrastructure mileage standards, and other conservation measures.

We need to pass the measure before us today, however. The bill we are debating is a delicately crafted compromise. Chairman DOMENICI is to be applauded for his hard work on the measure.

The bill we are debating today will increase domestic supplies of oil and gas. It will do so in a way that is sensitive to the environment. It will make us more secure and strengthen our economy, and that, of course, is the goal. It represents an agreement between the States that are most directly impacted by the gulf coast production.

The timing of this debate coincides with the release of second quarter financial statements. We heard this morning from the distinguished minority whip about energy company profits. I feel compelled to respond to the issue.

As I said before, there are many Members who have energy proposals. Some of them are bad ideas. Among the bad ideas is a windfall profits tax, and that is one of the worst. It does not work. I raise this because the idea or the notion of punishing companies is a knee-jerk reaction we deal with every time another fiscal quarter comes to an end. It should go away.

As we talk about the massive profits energy companies reap, we need to remember these are massive companies. It is inaccurate and misleading to look at the dollar amounts. A more accurate measure is to look at how the energy industry is doing relative to other sectors of the economy. Let's take a look at the second quarter of the last year as an example. In terms of cents earned per dollar sales, the average across the U.S. industry was 7.9 cents per dollar. Oil and natural gas earned 7.6 cents on the dollar, a reasonable return on investment. Insurance companies earned 10.7 cents on the dollar. Software companies earned 17 cents on the dollar. Pharmaceutical companies earned 18.6 cents on the dollar.

If we are going to talk about placing punitive taxes on successful businesses that bring so much prosperity to my State, that is fine. Please know that I will ensure the inclusion of Connecticut's insurance firms, California's software industry, and New Jersey's pharmaceutical companies in that discussion as well.

Energy companies are making massive investments. Drilling rigs, pipelines, refineries, exploration, and other business requirements are not cheap. They do profit from having made these investments, but it is not out of proportion to other industries that operate in our global economy. That is the truth.

Unfortunately, this sort of talk is not only part of our discussion that must be further clarified.

When we talk about reducing prices for consumers in the short to midterm, it is clear that increasing supplies is the effective way to do so.

It is troublesome that those who complain most loudly about energy costs are the same ones who stand in the way of responsible and effective measures to do something about it.

Wyoming has been doing its part in the national supply of energy for a good long time. We need other States to follow. If you are not part of the production solution, don't stand in the way of States that are.

It is in fashion to oppose new development, for some reason. People do so under the auspices of protecting the environment. We can produce energy with very minimal impacts. We do it every day in my home State of Wyoming. It would be possible in places such as ANWR, too, if a minority of Members would not stand in the way.

We talk about NIMBY, the "not in my backyard" mentality. Now we are going to be told that it can't happen in someone else's backyard. We should respect that in much the same way we are respecting the concerns of Florida in this bill, and we should respect the other Gulf States desiring to allow development off their coasts.

Yes, they stand to benefit from the revenues generated by new production under this bill. I understand this production happens as far away as 50 miles from their shores. These energy products have to make their way onshore at some point, however. That requires infrastructure and ship traffic to maintain the rigs. There are impacts associated with that. We ought to help States with those impacts if they are willing to produce energy for our country.

These States are host to a significant amount of offshore infrastructure as well. The 4,000 offshore platforms in the gulf are accompanied by dozens of refineries and countless production, transportation, and marketing facilities.

Personally, I would like to see the revenues from offshore production used to reduce the national debt. We must base these decisions on the realities that exist, however. We must recognize the burdens to be shouldered by the producing Gulf States. They provide nearly 30 percent of our oil and 20 percent of our natural gas. If we act in good faith toward them, I am hopeful other States will recognize the value and benefits of taking part in offshore production as well.

There are 19.3 billion barrels of oil and 83.5 trillion cubic feet of natural gas in the ocean that are completely off limits right now. This does not make sense. We need those resources.

But what we need more right now is a bill on which we can agree. We need something that can make a difference in the short term. This bill achieves that goal. It recognizes the value of increased production and strikes the necessary balance to make those activities a reality.

I look forward to the passage of this bill, to move it forward to have more production, to increase production and reduce the costs to American users.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, today we heard some interesting news. I would have used the term startling, but based on the news we are seeing from the various war fronts, it is hard to find anything more startling.

The reference I make to this news is brought about by a report. I come out of the corporate world, so I am interested in corporate performance in this country. I saw the report. If you watch television or read the papers—ExxonMobil, I would say, had a pretty good year. Their profit for this quarter was $10.4 billion—for the quarter. That is up from $7.65 billion the same quarter last year.

That is pretty stunning news. It is the largest quarterly earnings of any corporation in America, save one. That is in the history of this country. In the history of this country, ExxonMobil, the quarter just ended in June, was the second highest in the history of the country.

If they were selling widgets or some product, we would say: OK, that is a pretty good job. But when they are selling a commodity that people are literally begging for by way of availability, it is a different picture.

This oil and gas is so much a part of our life that it is almost like the air we breathe or the water we drink. It is incredible.

That then spurred my curiosity. I am, going to file an amendment to the Energy bill. I send it to the desk.

The PRESIDING OFFICER (Mr. MARTINEZ). Is there objection to setting aside the pending amendment?

In my capacity as a Senator from the State of Florida, I object.

Mr. LAUTENBERG. I am sorry?

The PRESIDING OFFICER. In my capacity as a Senator from the State of Florida, I object.

Mr. LAUTENBERG. I am not offering the amendment, Mr. President. I am simply filing it.

The PRESIDING OFFICER. The Chair was not clear. The Senator may submit an amendment.

Mr. LAUTENBERG. I thank the Presiding Officer.

This amendment is to change the bill's title, to call it the "Lee Raymond Oil Profitability Act." I propose that we rename the Energy bill to reflect Mr. Raymond's profitability courtesy of ExxonMobil.

It is quite a thing. As we look at the turmoil this country is going through while people struggle at minimum wage jobs and we see the kinds of profits that are being made off the backs of working people, it struck me, as I dug further into the history of the company—it is a pretty well-run company, but it is so profitable because Americans are going to the pump and buying gasoline at over $3 a gallon typically. I have seen it as high as $3.35 a gallon. People who work in these gas stations can't even afford to buy the gas they are pumping. That is how extraordinary this pricing is.

I come from the corporate world and I ran a very successful company. The company is called ADP. It has been in business 50 years. I started it with a couple of other fellows, and we watched our profits carefully. So I know how to read a financial statement.

When I see this, while people are stuck at minimum wage of $5.15 for 9 years—I am going to detail some of the extraordinary results Mr. Raymond got as a result of his leadership in that company. The profits, I think, are unconscionable. I don't understand where Board of Directors' conscience is, as I read his benefits program. There is no conscience, and there is no soul at all.

At the end of 2005, Mr. Lee Raymond retired from the chairmanship and CEO position of ExxonMobil. He was working and got a decent week's pay. I think his salary was running about $500.000 a week. That permits a lot of things to be acquired. But he also then held $151 million in stock options and holdings. His total compensation for 2005, including salaries, stock options, and pension, totaled $140 million. He made $140 million running a gasoline company where prices typically have gone, since January 2002, from $2.24—and any of the audience that sees this should mark it in their mind—it was $2.24 at the beginning of this calendar year; it is now $3. That is the average price. So it has risen some 36 percent I think is what the number works out to be.

It is incredible that during this period of time, while the average working person is struggling and things are getting harder and harder, the cost for gasoline, which is a requirement for virtually every family in this country—whether they have a car or are using fuel oil in their homes—it is outrageous that Mr. Raymond, in addition to those things I just mentioned, has seen his package of stock ownership and stock options go from $151 million in this period of time—$151 million he had at the end of 2005—to $250 million now, so it is a $100 million boost. Remember, he made $25 million in salary. But the absurdity of it all and the offensiveness of it all, is that Exxon's board also agreed to pick up Mr. Raymond's country club fees so he could make sure he could buy enough golf balls for a round of golf. Country club fees, use of the company aircraft, and still pay him another $1 million to stay on as a consultant for another year. Where is their conscience? I don't understand it.

So that is why my amendment would rename this bill the "Lee R. Raymond Oil Profitability Act." That is what it ought to be called, so everybody knows what is happening in this country of ours. People are struggling for a living with a $5.15 minimum wage, which has been in place for 9 years. Those people are making $206 a week, if they are working at minimum wage, and they haven't had a raise in 9 years. That doesn't matter. Big business is the interest served by this Government and by the Bush administration. It is incredible.

When President Bush took over, gas was $1.06 a gallon. That was back at the end of 2000: $1.06. Now it is over $3 a gallon. Two years ago, President Bush threatened that if JOHN KERRY was elected President of the United States, he would tax gasoline. Look at this: From $2.24 up to $3, this year alone. There is no limit. But that doesn't bother the conscience of the board members of ExxonMobil, and it doesn't bother the conscience of Mr. Raymond. If he asks for country club dues to be paid on top of everything else, to have an airplane for his private use, he feels entitled to it. These are company expenses, and because they are company expenses, they are tax deductible. It is shameful, I think, and I hope we will do something about it.

I rise to speak against this so-called energy bill. The bill is simply another gift to the oil industry. It is dressed up as some kind of benefit to consumers. I know the media likes to talk about who is winning the debate on this issue or that issue. But you don't see these commentators saying: Let's look back at the effects of legislation after it is passed. So here we are considering a second Republican energy bill. We should ask: What was the effect of the first Republican energy bill? My colleagues across the aisle said of the first energy bill that it would lower gas prices as it goes into effect. Well, here is what we have seen happen in just this year alone: up by 36 percent.

A few months after President Bush signed the first Republican energy bill, gas prices started to soar. So now we know what happens when you take care of the oil companies: Tax breaks and subsidies, and everyday Americans get charged more, pay through the nose, as we say, and now we are ready for a repeat performance.

Will this bill help get gas prices over $4 a gallon? Think about that, for the average family. Spend 80 bucks to fill up your gas tank. Right now you have to spend over $60 to fill up a 20-gallon tank. We have to do a reality check about who is writing these bills. President Bush and Vice President CHENEY are both former oil company executives. They focus on helping their friends in the oil business. Big oil companies want to open up our coastline to oil drilling, to platforms, pipelines, and tankers.

Everyone jumps to attention in the Cabinet room there and they say: Yes, sir, as they do here on the Republican side of the aisle. And the oil companies' profits continue to explode.

Just this week, BP announced its largest quarterly profit in their history: $7.27 billion. BP is a piker compared to Exxon, which made over $10 billion. This was 30 percent more than the same period a year ago.

I remember hearing in the Commerce Committee when we asked about price gouging and so forth, and the oil company executives denied it: Oh, we don't price gouge, no. Well, somebody is making a heck of a lot of money while people who struggle for a living have to pay more than they can afford just to buy gasoline. Other big oil firms continue to enjoy record profits as well. Royal Dutch announced second quarter profits of $7.3 billion, almost $2 billion more than the same quarter a year ago. While Shell's profits increased 40 percent, its total revenue increased less than 1 percent. So look what has happened. Their profits increased 40 percent, but their revenues increased less than 1 percent. I would like to hear an economist or an accountant explain how wonderful their management is, how good management must have been to pull that trick. In other words, sales were relatively constant, but profits jumped significantly.

Then there is our favorite, the poster company, ExxonMobil. In 2005 ExxonMobil raked in a record $36 billion in profits. That translates to almost $100 million a day in profit and more than $4 million every hour in profit for one oil company. And while all of these oil companies profit, consumers pay.

Now, as this Congress winds down its work for the year, the majority and the administration have proposed nothing that will lower gas prices at any time in the near future. They have nothing to offer in the way of a serious idea or a plan to reduce consumption, to improve efficiency, or to develop renewable sources of energy.

Whatever the question, the answer for this administration and the majority in this Congress is always the same: Hand over some more money to their friends in the oil industry, and give them more opportunities to drill and explore in environmentally sensitive areas. What do we get in return? Higher and higher gas prices. And now they want permission to drill in areas that are sensitive, areas where an oil spill could be disastrous. We had an oil spill in the Delaware River that separates Pennsylvania from New Jersey, and it didn't look too bad, but the cost to clean it up was $267 million. So there are a lot of risks with drilling in these areas. Higher prices aren't the only negative consequence of this bill.

The bill is going to harm our grandchildren's birthright to enjoy the natural beauty of our coastlines and beaches. I have seen the worst of oil spills. I was sent to Alaska with the Coast Guard 3 days after the *Exxon Valdez* ran aground. Exxon paid approximately $4 billion in compensatory damages and the punitive award was $5 billion, and that was in 1989. So we are looking at 17 years ago, and Exxon has yet to pay a dime on the punitive damages. The company has smart lawyers, and they have kept it bottled up in court. They say: Don't pay the bill, whatever you do. ExxonMobil makes $10.4 billion in a quarter, and the company is still trying to get out of paying the $5 billion that resulted from the court decision.

It is clear the plan is to pass this bill in the Senate, and then combine it with the House bill that opens up the coastal waters of New Jersey, Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida, California, Oregon, and Washington State to oil and gas drilling.

The effects of even one spill off the shore of New Jersey would be devastating. Tourism, a principal business for us, is a $26 billion industry in New Jersey, and it supports 390,000 jobs. My State has already seen how much economic damage can result from threats to our shore. In 1988, a bag of medical waste washed up on the New Jersey shore. The incident was widely reported in the media and we lost a third of our tourism revenues that year—one-third of our tourism revenue.

We can be sure of one thing: If we drill for oil, we will spill oil, and New Jersey and other States cannot afford to have oil washing up on their shores or polluting their water. States that depend on beaches and marine recreation and clean water for fishing and other activities can't afford to have oil spills along those shores. Our commercial and recreational fishing industries in New Jersey are worth hundreds of millions of dollars. An economic catastrophe would result from an oil spill that reaches our shores, whether the drill rigs are located in the waters off New Jersey or Massachusetts or Virginia.

In short, it is absolutely certain that the current bill can only go from bad to worse. This bill is a Trojan horse and it should be rejected by any Senators who are concerned about protecting their coastlines and their coastal economies. It also should be rejected by Senators who care about developing a long-term, sustainable energy policy, and by any Senator who has a vision for our country which says we owe our children and our grandchildren a clean environment. We owe them relief from what we see now. I have not even discussed fossil fuels and global warming.

In the Netherlands last week, they reported the hottest temperature in June—this past June—ever since temperatures have been recorded: 1704, I believe, was the year. The hottest month ever since that time, since 1704. We see evidence of global warming all over the place. I don't hear anybody on the Republican side standing up here and saying: My gosh, we have to find a way to get these temperatures normalized. We have to find a way to reduce the number of hurricanes. We have to find a way to reduce the ferocity of these hurricanes. We don't want any more Hurricane Katrinas. But here we are, big oil companies are soaking the public with $3 per gallon for gasoline. It is not fair. We can do better than "more of the same." I hope my colleagues will hear from their constituents back home and oppose this bill.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, am I recognized?

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

(The remarks of Mr. BYRD are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, we are debating the Energy bill, the bill that would allow drilling in deep sea waters off the coast of the United States in the Gulf of Mexico. We have heard a lot of conversation about that. I don't want to repeat all of the arguments that have been made, but I want to put it in a perspective that I think might be useful to some who would be watching.

Of course, we have this debate against the backdrop of $3-a-gallon gas. Everyone gets excited about that, and they say it is caused by $75-a-barrel oil, and what can we do to bring down the price of oil? The law of supply and demand determines what the price might be.

There are those who think that is determined ultimately by oil costs, but that is not true. It is determined by the world market, and the United States is only one country that is drawing on the world market and asking for this oil to fuel our economy.

We must start with the understanding that the world runs on oil right now in a variety of ways and in a variety of places, which means that everyone in the world—whether they are in China or India, in Europe or the United States—needs oil.

Why oil? Why don't we have other kinds of energy? The answer is that historically oil has been the cheapest source of the energy we need. People said: Well, let's have wind, let's have solar. Wind and solar up until now have been unable to survive unless there is a serious government subsidy for it. As soon as the subsidy is withdrawn, all of a sudden we can't afford to generate energy from these other sources because it is cheaper to generate it from oil. So we have the infrastructure for oil built up, we have the infrastructure for gasoline for our transportation system built up, and it would take an enormous investment and a great deal of time to try to change it. So people need oil.

All right. There is plenty of oil in the world, and it is relatively cheap to produce in some parts of the world. But what is known as the lifting cost—that is, what it costs to lift a barrel of oil out of the ground and put it into that tanker—for Saudi Arabia is about $1.50. You can produce a barrel of oil at a cost of about $1.50 in Saudi Arabia. The lifting costs elsewhere are much higher than that.

If we come to my home State of Utah, where we have more oil than they have in Saudi Arabia, the lifting cost to get all of that oil is around $30 to $40 a barrel because the oil is locked up in rocks known as oil shale. That is why we don't produce oil from oil shale—not because it isn't there but because it can be produced more cheaply someplace else.

Since it is a world market, people put their oil on the world markets, and the world law of supply and demand determines what will be paid for it. The key number to keep your eye on to determine what the oil is going to cost is the excess capacity that is available. Let me explain with some numbers.

Right now, the world as a whole is using about 85 million barrels of oil a day. The world capacity to produce oil is about 86 million barrels a day. These figures are not exact. They never are. They change from day to day. But let us use them as representative figures to illustrate the point.

All right. If you are in a position where you have to be sure you can get your oil for your future needs and you look at the world situation and say: You know, there is only a million barrels a day of excess capacity out there, and that million barrels a day could disappear with the snap of a finger—a problem in Iran, a decision by the oil minister in Saudi Arabia, another outburst—explosion, if you will—by the new President of Venezuela. A million barrels a day is not enough excess capacity to guarantee me that my oil will be there when I need it, so I will bid a higher price than I normally would pay just for the certainty that the oil will be there when I need it.

So the oil goes from $50 a barrel to $60 a barrel to $70 a barrel. We have seen it approaching $80 a barrel. Then when word comes out: Well, that excess capacity is a little more than a million barrels a day. Well, I may not want to bid quite so much for the oil. And the price will settle down a little. When there are indications that the supply of oil will be more secure in the future, the price starts to come down.

This is what we see in what is called the futures markets because people are buying oil for the future. They are making long-term contracts.

All right. The key ingredient in bringing the price of oil down is to make sure the surplus capacity above the amount of oil we use gets bigger and bigger. Right now, as I say, it is only about a million barrels per day. If it were 2 million barrels a day, if there were an additional source of oil, then the price would come down because you would have a bigger cushion to be sure you can get your oil in the future.

Look, there is overcapacity of 2 million a day. Back in the days when oil was available for $30 a barrel or $25 a barrel, the excess capacity was 5, 6 and 7 million barrels a day. People were comfortable making long-term contracts because they knew that excess capacity would make the oil available to them.

Just as a side note, in this body, we approved, along with the House of Representatives, back some 6 years ago authority to drill in Alaska. President Clinton vetoed that bill. It takes about 6 years for that kind of investment to bring oil on line. If the bill President Clinton vetoed had been signed, we would have an additional million barrels a day of oil on line in the world right now. That would virtually double the amount of excess capability that is currently available. But that was not done. We are where we are.

That is why this bill we are debating is so important—not just for the amount of oil that is there but for the amount of increased capacity it will deliver to the world markets when it comes on line. And then what happens? Then, by virtue of that amount of excess capacity above the amount the world is using, the futures price for oil will start to come down. That is the way the law of supply and demand works. Around here we have never been able to figure out a way to repeal the law of supply and demand. That particular law trumps virtually everything else we do.

That is one of the reasons I am supporting this bill, to say the time has come for the United States to have that impact on the world price of oil by virtue of our ability to produce that additional capacity.

But there is something else here as important as oil with respect to what is available to us in what we call area 181, and I am talking about natural gas. The same thing that I have to say about the impact of excess capacity on oil applies to natural gas. Natural gas is something more than just energy. This is why natural gas is doubly important. Yes, we use natural gas to heat our homes. We use natural gas to cook our meals. We use natural gas to generate electricity. Natural gas is the fossil fuel of choice. Everyone wants it. Everyone says it is clean, it is plentiful. Historically, it is cheap. Let's put in natural gas. When everyone wants it, that means the demand for it goes up, that means the supply gets tight.

We discovered a few years ago something about natural gas that is very obvious but that some people had not realized. Natural gas is the one form of energy we cannot import. Natural gas gets imported by pipeline. The only place we can bring in natural gas once we have tapped all of the natural gas available in the continental United States is by pipeline from Canada and Mexico. There is a lot of natural gas elsewhere in the world, but we cannot bring it to the United States because it comes in by pipeline.

Now, it can be liquefied. It can be put on a ship. It can come here as LNG, liquefied natural gas, but we don't have that many ports that can receive LNG. It is a very major financial investment to build the port, to equip the port to handle LNG, to build the tankers that can handle LNG. There are those who are doing that, but in the meantime the amount of natural gas available in the American economy is confined by the rising demand.

Natural gas, the petrochemicals in natural gas, are a critical element of the chemical industry. When the price of natural gas goes up, the price of all of our chemicals goes up. It is a critical element in the fertilizer industry. We are proud of our capacity to produce enough food to feed all of America and still make it a major export, but we cannot do it if the cost of fertilizer drives farmers off the land. And the cost of fertilizer is tied to the cost of natural gas.

When you realize that in area 181 there is not only enough oil to change the balance of the overcapacity that can bring down the futures market in oil, there is also enough natural gas to have a significant impact on the price of natural gas and help us with lower costs in the chemical industry, lower costs in agriculture, lower costs with fertilizer across the board, you realize that opening this area for exploration and drilling is something that should have been done a long time ago.

We know one of the main reasons why it was not. It has to do with State interests and State concerns about what will go on. This bill very cleverly and carefully crafts a series of royalty incentives to get the States on board.

With Senator McCONNELL, I went down to Mississippi and then to New Orleans to see firsthand the devastation. In the presentation that Senator McCONNELL and I received was an exposition of the damage out in the Gulf of Mexico to those lands that have acted as some kind of a barrier for future hurricanes. That area desperately needs to be rebuilt. It needs to be rebuilt for economic reasons, it needs to be rebuilt for environmental reasons. It is in serious trouble. The State can't afford to rebuild.

But with the revenues that are in this bill for the State of Louisiana, there is a possibility that they can start to rebuild and produce enormous benefits for all of their people and for all of the country. This becomes a source of revenue that can be dedicated to that particular ecological activity that is good environmentally and good economically.

So you put it all together, you have a bill that I think should pass unanimously. I know it won't. We never do anything unanimously around here unless it is completely noncontroversial, and something of this kind always has a little controversy connected to it. It probably comes as close to being the right bill at the right time in the right place as anything we have seen.

A year ago we passed a comprehensive energy bill that has us started down the road toward increased nuclear activity with respect to creating electric power. This bill, coming a year later, is a logical companion piece to the bill we passed a year ago because it starts us down the road toward alleviating the upward pressure, the constant upward pressure on the price of oil and the price of natural gas and doing it in a way that those States that have previously resisted this kind of economic activity now say we understand and we will participate in a beneficial way. That is why this bill is bipartisan. That is why it is supported by the Senators from the States most heavily hit by Katrina and the other hurricanes that occurred.

One of the things Katrina taught us that should give us further comfort as we debate this bill is that our technology for deepwater drilling is sufficiently stable that it can withstand a hurricane of Katrina's force and not produce any kind of an oil spill, not produce any kind of an ecological difficulty.

It is interesting to recognize the greatest ecological damages from oil spills have come from tankers bringing oil across the ocean, rather than from oil platforms drilled in the ocean. If we want to reduce our dependence upon the oil being shipped in the most dangerous way in terms of the environment, we should pass this bill and proceed with this activity.

It comes as no surprise that I express my strong support for this bill for economic reasons, for environmental reasons, and for long-term planning reasons. It is, as I say, the right bill at the right time and in the right place.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I ask unanimous consent to speak as in morning business for up to 20 minutes.

The PRESIDING OFFICER (Mr. CORNYN). Without objection, it is so ordered.

(The remarks of Mr. WYDEN are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I have enjoyed hearing my distinguished friend from Oregon, who is always an effective and enthusiastic advocate. We worked together on many things, and I hope we will on many more things in the future.

I want to talk a little bit about the price of natural gas and how we can get it down. We have an opportunity to do that next week in the Senate. The Senate is considering the Gulf of Mexico Energy Security Act of 2006. It directs new oil and gas leasing in 8.3 million acres of the Gulf of Mexico. It directs the Department of the Interior to begin oil and gas leasing in designated parts of what we call lease sale 181—that is just the name of a geographic area—no later than 1 year after the bill becomes law, and directs leasing in 181 south, an area below the one just described, as soon as practical.

From the revenues that come from that, we will deal with those in the traditional way. First, there is a royalty, and 37.5 percent of the royalty will go to the affected States, which I assume includes Louisiana and Mississippi and Alabama, and perhaps the Presiding Officer's State of Texas. Then 12.5 percent will go to the State side of the Land and Water Conservation Fund under an arrangement that has been in the law for 40 years, to take some of the money we use from offshore drilling and use it for State parks, soccer fields, city parks. The money goes to the States.

We do a lot of things here in the Senate, and some may sound more relevant than others. But this is legislation next week that will affect blue-collar workers in America, it will affect homeowners, and it will affect farmers. It could affect the price of gasoline. The price of gasoline is set by the world marketplace, as the natural gas price is as well. But the major effect, I think, will be on the price of natural gas. Let me explain for a few minutes why I am talking about natural gas instead of gasoline.

If you stop and think about natural gas, one could easily argue that an extraordinarily high price for natural gas has more of an effect upon the lives of Americans than an extraordinarily high price of gasoline. A year ago, when the price of natural gas was about $15 a unit—to put that into comparison, that would be about the same thing as if gasoline were at $7 a gallon. That would be about the same thing. Now, imagine that. What if gasoline were $7 a gallon across the United States? We would have revolutions from Odessa, TX, to Mountain City, TN, and North and South, and in every direction. People would say: We can't stand that.

Well, we were having a very hard time a year ago with the natural gas prices at $15 a unit. Now, fortunately, they are back down to a little below $7 a unit. But this economy of ours, this United States of America, was built on a natural gas price of about $2. So it is three times as high as we were accustomed to it being.

And what difference does that make? Well, if we pass this legislation next week, we can reduce—or at least begin to stabilize—the price of natural gas, and that helps American workers. A lot of speeches are made here—and the Presiding Officer has heard as many as I have—saying no more outsourcing. Let's not send jobs overseas. Don't let them go to Germany, India, and China. Why don't we adopt policies that stop that?

Here is a good way to stop jobs from going overseas. There are 1 million jobs in the chemical industry in the United States today. These are good, high-paying jobs. Most of them are blue collar, but many are white collar. These are manufacturing jobs in the United States of America, millions of them. A place like Eastman Chemical in Kingsport, TN, is an example. Eastman Chemical, as far as we are concerned in Tennessee, has been there about as long as the Great Smoky Mountains. My uncle used to work there. In the Appalachian part of Tennessee, where income has never been high, for a long time Eastman has paid a good, high, steady wage to families. It has transformed the area. There are good schools, good roads, strong families, and good communities, with 10,000, 12,000, or 15,000 jobs right there in that area. People drive 50 to 80 miles to go to work. Some have been working there three and four generations. Eastman makes chemicals. Out of what? The major raw material for chemicals at Eastman is natural gas.

The president of Dow Chemical testified before the Energy Committee that natural gas, used as a raw material, accounts for 40 percent of Dow's costs. So if the price of natural gas goes from $2 to nearly $7, as it is today, or to $15, as it was last year, what do you suppose happens? If Eastman is going to expand, or if Dow or another company is going to build another plant, are they going to build it in the United States? No, those jobs will go overseas, and they have been. There are maybe 100 chemical plants being built around the world. Only one is being built in the United States, and the major reason is the high cost of the raw material, natural gas.

So there is the first reason the vote we are having on Monday afternoon at 5:30 makes a difference to the average American and to all Americans. Well, none of us are average. We are all individuals. We like our jobs. There are a lot of jobs at stake, and it is not just the chemical industry that is affected by the high cost of natural gas.

A year ago, the Tennessee Farm Bureau joined me in sponsoring a roundtable on natural gas prices when they were at $15. One of those who was at the roundtable was the president of Saturn. The General Motors Saturn plant came to Tennessee when I was Governor. It is an innovative plant, and we are proud that they chose Tennessee. At the roundtable, the president of Saturn said to me: We have done about all we can, in terms of efficiency, to deal with this incredible cost of natural gas in our automobile plant. After this, it is going to begin to affect the cost of our cars.

If the cost of auto parts suppliers and the cost of automobiles that are manufactured in the United States goes up, the jobs go overseas. If you can put an engine plant in Germany, or some other kind of supplier in Mexico, they will do that because of the high cost of natural gas. So it affects manufacturing.

The Tennessee Farm Bureau was helping me host that roundtable because the high cost of natural gas affects farming. Farming uses a lot of energy and uses a lot of fertilizer. The biggest raw material in fertilizer is usually natural gas. So the price of fertilizer doubles when the price of natural gas goes up like that.

The rising price of natural gas affects millions of Americans—workers, farmers, and also those who are heating and cooling homes with natural gas. What do you suppose the local gas company does after a while when the price of natural gas goes from $2 to $15? What do you think that will do to your local bill? It is going to go right through the roof. For retired families, for low-income families, the high price of natural gas hurts. So the vote we are having on Monday is about blue collar workers, about farm families, and it is about all the families who heat and cool with natural gas. That is the importance of natural gas prices.

Now, I see my friend from Arkansas here. I assure him that I am not going to be too extensive in my remarks. I look forward to his. I have a few more things I would like to say.

The second point I want to make is that the bill we are dealing with Monday is part of a comprehensive plan. I have heard a few colleagues come here and say we cannot drill our way out of this big problem we have with oil. They are absolutely right about that. Everybody in this Senate knows that because we spent 10 years working on a comprehensive energy bill—the Energy Policy Act—which we enacted about a year ago after weeks and weeks of debate. It could have been called the "Natural Gas Price Reduction Act." I am not going to stand here and say that bill is the reason the natural gas price has gone from $15 last summer to $7 today, but I hope it helped.

Market forces override all of that. But the Energy Policy Act surely put us on the right path, because to reduce the price of natural gas and to begin to stabilize the price of oil and make sure this big country of ours, which uses 25 percent of all of the energy in the world, has a steady supply of reliable, low-cost energy that is clean and as carbon-free as possible, we set this country on a different path by passing that comprehensive energy legislation a year ago, and we started with conservation.

We need to be more aggressive about conservation, and there may be a conservation bill that we ought to enact later this year or next year. We also aggressively moved to encourage nuclear power because nuclear power produces 20 percent of all of the electricity in America and 70 percent of the carbon-free electricity in America. That means it is our major weapon against global warming. If my friend and fellow Tennessean, Al Gore, were to do a sequel to "Inconvenient Truth" and call it "Inconvenient Truth II," it would be about nuclear power. That is the solution to global warming.

So, first, we encouraged conservation. Then we began what is turning out to be a renaissance of interest in nuclear power.

Third, the Energy Policy Act included incentives for clean coal. We have a lot of coal. So if we make more electricity by nuclear power and more electricity by coal and we conserve to begin with, then there is less demand for electricity made from natural gas and the price goes down. Almost all of our new electric powerplants over the last 10 years were made by natural gas. That is like burning antiques in the fireplace to heat your home. That is a pretty dumb way to go about the business of producing electricity.

Let's conserve, build nuclear powerplants, encourage the use of clean coal, recapture the carbon, deal with global warming, reduce the price of natural gas, and that is not all. We also made it easier in the bill last year to import liquefied natural gas from overseas. That is a complicated process. We don't want to get into the same shape in natural gas that we are with oil, where we get most of it from overseas, but we can increase imports of LNG. Bringing it into terminals here and piping it into our system helps increase our supply, and that lowers the price and, apparently, that has begun to work.

Renewables help. There are some things we can do in that area. We can make ethanol from corn. We can make biodiesel from soybeans. I held a roundtable in Tennessee on biodiesel the other day. I even heard in a hearing that a factory is opening in Oak Ridge that will make ethanol from coal. We can make fuels from other sources, but we need a lot of fuel for cars and trucks, and we need a lot of fuel for electricity in this country that uses 25 percent of all of the energy in the world.

One thing we did not do last year was take any significant step to increase the supply of natural gas that comes from the United States. I think any logical person would say if you are going to take a comprehensive look at the high price of gasoline and the high price of natural gas and its affect upon Americans, you would want to include increasing the supply while we are transitioning to other forms of energy production. This is going to take us 5 or 10 years. In the meantime, we don't want to pay $7 for gasoline and $15 for natural gas. One way to do it is to increase our supply.

That is why we are voting on Monday on deep sea exploratory drilling in one of the most promising areas in the world for more natural gas. That is what we call Lease Sale 181. Someone said on the Senate floor there wasn't much gas down there. I heard the Senator from Louisiana say the following, and I believe this is true: It is enough to heat 6 million homes for 15 years.

It is six times the amount of the liquefied natural gas that we are importing today in the United States. That is a lot of gas. It is more oil than we import from Saudi Arabia, our principal supplier of overseas oil. It is more oil reserves than Wyoming and Oklahoma combined.

So in our great big economy, where we use 25 percent of all the energy in the world, it may only be a small part of our overall needs, but it is a lot when you think about heating 6 million homes for 15 years. And I suspect that if we move ahead aggressively to tap this new supply of natural gas and oil, it will help to stabilize the price of natural gas and might even move it down a little and help the blue collar worker, the farmer, and the homeowner.

Some say that energy independence is not a real goal. I don't agree with that. What I mean by energy independence is that the United States will not ever again be held hostage by some other country. It doesn't mean we won't buy oil from Mexico or natural gas from Canada. But we don't want to have to do that if we don't want to. So that is why, in the comprehensive Energy bill last year, we accelerated research for hydrogen fuel cell vehicles and gave incentives for hybrid cars. We want to reduce our dependence of oil overseas and transform our economy permanently. We don't want to drill our way out of the problem. We all know we can never do that.

Over the next 5 or 10 years, we'd better make sure we use the oil and natural gas we have available in this country if we want people to be able to drive their cars, work their farms, keep their jobs, and pay their bills. That is what we will be voting about Monday at 5:30.

We have been extremely careful with the environmental impact of this bill. I am very proud of Senator DOMENICI and others for what they have done on this issue. These rigs will be 125 miles away from Florida. You can only see about 20 miles out to sea. So that is a long way out. They are out of the way of airplanes and military craft. The technology we have means there is more natural leakage of oil from the sea floor than from all these rigs out there. So the environmental damage is minimal. Plus, we are going to take half the revenues from this drilling and use it for environmental purposes. I think that is great. Mr. President, 37½ percent goes for wetlands and other areas in the Gulf Coast heavily damaged by hurricanes, and 12½ percent is an outdoor recreation and conservation royalty. It is not a lot of money, but it begins to say that we are going to have an environmental benefit. It is a balanced formula that a majority of Senators can easily support.

Mr. President, this is a focused bill. This is a little left over work that we didn't get done last year when we passed a comprehensive piece of energy legislation that put that "freight train" energy policy moving slowly down the track in the right direction, toward large amounts of clean, low-cost, reliable, domestic-produced energy.

We had in that bill conservation, nuclear power, clean coal, and we made it easier to import natural gas. We had extensive support for renewables, but we didn't do anything about domestic supply. This finishes the job. So that is why this is a focused bill.

There are many other great ideas about energy, and whenever we subject ourselves to an energy debate, it will take us a long time because we have many good ideas and opinions. But from time to time, we need to take a focused idea about which there is emerging consensus and do it.

Two years ago, you could not even mention the idea of offshore drilling here. Last year, we had a majority of votes in the Senate for it, but we could not get to 60. This year, we got 86 votes on the motion to proceed, and we have a broad bipartisan consensus. I suspect in future years we will find other ways to permit, say, Virginia, for example, if it chooses, to permit drilling for oil and gas in certain areas offshore where the rigs cannot be seen, and use some of those revenues from drilling to create a trust fund for education, use them to lower taxes, or use them to improve the coastlines of Virginia. I know if I were Governor of a coastal State, I would do that in a minute. I would rather not have an income tax, and I would rather have the best and biggest trust fund for my university system. That is exactly what Virginia could do, but we are not doing that here. We will address that when there is a consensus about it. There is a consensus about this.

As we move toward the end of the week and as people begin to think about what the Senate is doing that affects their lives, if you are a manufacturing worker in this country, we are going to affect your life at 5:30 on Monday afternoon. If you are homeowner paying your bill for 105-degree heat with natural gas, we are going to affect our life at 5:30 on Monday afternoon. If you are a farmer and have seen the price of fertilizer double, we are going to affect your life at 5:30 on Monday afternoon. We are going to vote for you if we vote for the energy security bill on Monday.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I rise today in support of S. 3711. I found the comments of our colleague from Tennessee, the distinguished junior Senator from Tennessee, very interesting. Basically, he and I are on the same page on this issue; that is, I hope S. 3711 is part of a larger, smarter energy policy for this Nation.

There are really two sides of this equation, and then there are some complications in between. Basically, the two sides are supply and demand.

We have not done a lot on the supply side in the last few years, so I think it is important for us to look at drilling as an option. Certainly lease area 181 makes a lot of sense. We have infrastructure there. Generally speaking, we know how much oil and natural gas is in lease area 181. It is not a big stretch for people in those industries to get out there and find that oil and gas and get it to the marketplace. So traditional drilling in that sense makes a lot of sense, in my mind.

Also, I hope the Senate will continue to work on legislation to encourage alternative fuels, such as biofuels—I know the President in his State of the Union Address mentioned cellulosic fuel, and that is important—ethanol, agriculture products, animal waste, et cetera. That is just smart energy policy, and it creates a supply of energy. And that is very important.

On the other hand, we need to look at demand and we need to look at conservation. Certainly, this country can do much more with regard to conservation, with some industries and some aspect of our economy, and also efficiency. We need to become more efficient and smarter and use technology to try to get smarter on our energy usage.

I certainly concur with what the Senator from Tennessee talked about, supply and demand. We know under the current conditions gas prices will not go down by themselves. We are going to have to do some things in this country to help the oil markets get where the American public want them to be.

Also, S. 3711 on offshore drilling makes a lot of sense because it is narrowly focused and narrowly tailored. It is the right policy at the right time. Maybe one of the more controversial parts of this bill is revenue sharing. I am from an interior State. Under the circumstances as presented today, I don't have any objection to revenue sharing. I know Arkansas will not benefit as much as the States on the coast, but that is OK. We know the devastation the hurricanes caused in that region of the country, and we understand that one of our 50 States—Louisiana, in particular—has been dramatically impacted and maybe forever altered by Hurricane Katrina. Certainly Alabama and Mississippi have had their share of hardship.

When we look at New Orleans and look at that coastal area of Louisiana, we understand they are in dire straits. We understand this is a unique time in history, and we need to get the resources to the gulf coast to help right now rebuild the gulf coast but also help with future storms.

The other point I like about S. 3711 is that it recognizes that the cost of energy ripples throughout all of our economy. A few moments ago, we heard someone mention that with regard to farmers and fertilizer, about 90 percent of the cost of fertilizer is the cost of natural gas. If we look at the plastic that is in this pen, some of that cost is in the petroleum and natural gas that is required to make this product. All that eventually, ultimately, gets passed on through the economy. So when we see very high natural gas prices and very high oil prices, we know it is inflationary and we know the damage those high prices can do to our Nation's economy.

Arkansans—and I think all Americans—feel squeezed right now. If a family used heat in the wintertime, if they cooked with natural gas, they paid an average of $920 in natural gas last year. That is a lot of money. That is an increase of $178 just over the winter months I am talking about. That is a lot of money. Those are real dollars to people in my State and I know people around the country.

The price of natural gas, which supplies a quarter of the energy used by Americans, has more than doubled in the past year, and demand is going to continue to rise. Demand will rise about 40 percent over the next 20 years. This is significant. This dynamic is something which we as policymakers need to be aware of and we need to work with that reality.

About a quarter of all natural gas is used to produce electricity. The rest is to manufacture plastics, cars, computers, medical equipment, and all sorts of products, even bottled water. Those bottles are made with natural gas.

This week, the price of natural gas was $6.15 per million Btu. We think about that and we may not have anything to compare it to, but let me tell you, Mr. President, in countries that we compete with for jobs, that we compete with for manufacturing, places such as Russia, natural gas is $1.25 per million Btu's. It is $6.15 here to $1.25 there. Look at the comparisons around the world. For whatever reason, we are paying more for natural gas, and it is putting the U.S. economy at a disadvantage.

We see transportation costs have doubled. We know how important trucking and other transportation is in this country. That is overall in the economy. But when we look at transportation costs for a family, the average household with children will spend about $3,815 on fuel this year. That is a lot of money. There again, that is going to increase by about 100 percent as compared to 5 or 6 years ago. The people in my State and the people around the country certainly are feeling the squeeze. If you book an airline ticket today, it is probably going to be 11 percent higher, and a big piece of that is the cost of jet fuel.

One of the last couple of points I wish to mention about this legislation is that it is a compromise. It is a compromise in maybe the best sense of the word. We have a lot of competing interests, a lot of good ideas that have come into this discussion. Many of those ideas were included either in whole or in part in this legislation.

This bill will open 8.3 million acres in the Gulf of Mexico, and it lifts production bans in lease area 181. Again, I think that is the right policy at the right time. At the same time, it bans drilling within 125 miles, and that is good until 2022. Again, I think that makes sense. Congress is trying to be very sensitive to various States' needs, trying to respect those needs and those desires. We are attempting to do that, and I think we are accomplishing that in this bill.

Back to natural gas, lease area 181 in this bill will add about 5.83 trillion cubic feet, and that is a lot of natural gas. Right now, we use about 23 trillion cubic feet a year. So this is a significant help over time. It will take a couple, 3 years before that actually hits the market, but it will help. Also, it will produce about 1.26 billion barrels of oil.

The last point I would make is that this is a narrowly tailored bill. But there is one person who I think has shown complete tenacity in trying to get us to where we are today, where we will be Monday, and that is Senator LANDRIEU of Louisiana. She has been amazing. Of course, her State has been forever altered by Hurricane Katrina. Certainly, we join her in saying we want Louisiana to come back stronger than ever. New Orleans is one of the great American cities, it is one of the cultural centers of this country, and we want it to come back stronger than ever.

Sometimes we forget how important that New Orleans area is to the entire country. It is one of the largest ports in the United States, and the fact that it is sitting right at the mouth of the Mississippi is critically important to the entire midsection of the country. If you live west of the Appalachians or east of the Rockies, you are impacted by what happens in New Orleans because that whole system, that entire Mississippi River basin or watershed, all the rainwater, all the floods—everything—eventually goes down the Mississippi. If the Mississippi is not functioning correctly down near New Orleans, it has a very adverse impact on flood control, on agriculture, on industry, on hydroelectric power, and on any number of things up and down this entire watershed, which is the largest watershed in North America.

I thank Senator LANDRIEU for her tenacity, for the example she set for all of us in fighting for her State and fighting for her country in a time when we need her leadership. She has shown that time and time again. I bet every Member of this body at some point or another has spoken with Senator MARY LANDRIEU about how important it is to rebuild the gulf coast area and Louisiana specifically. She has done a fantastic job. Even if I disagreed with this policy, which I don't, out of respect for her and the great work she has done, I would support her legislation because I know how important it is to her.

The bottom line is, Louisiana is one of the 50 States. It is a sister State. We came to the aid of New York after 9/11, and we should have. We have come to the aid of many States in specific regions after disasters and catastrophe, and we should. That is part of being one Nation, one people, E pluribus unum. It is time for us to come to the aid of Louisiana. It is a long-term proposition. Louisiana does not have an easy solution where we throw a few dollars at it and it is done. There are major infrastructure investments we have to make there. We also have to make them along the rest of the coastline in Mississippi and Alabama.

So I think this is an important first step. As I said, I hope that S. 3711 is part of a larger and smarter U.S. energy policy. I hope next year we will come back and revisit some of these very good ideas the Senators have talked about this week and in the previous months when we have been looking at this lease area 181 bill, because there are a lot of good ideas out there. I know Senator WARNER and I have one that would open the entire OCS, and it is something we would love to have included here, but we understand we may have to wait until another time. But there are a lot of good ideas out there, and I think it is time for us to think long term and think about energy policy that makes sense for everybody.

Mr. ROBERTS. Mr. President, I rise today in support of S. 3711, the Gulf of Mexico Energy Security Act.

S. 3711 takes a much needed and long overdue step forward in our Nation's energy policy. For too long we have looked to others to supply our growing demand for energy. Too many of our energy resources are imported from unfriendly and unstable places in the world like Nigeria and Venezuela. We can no longer afford to rely upon the Hugo Chavezes of the world to fill up our gas tanks, heat our homes, or provide fertilizer to grow our crops.

Today we have the opportunity to look in our own back yard for the resources necessary to sustain our economy's growth.

S. 3711 opens roughly 8.3 million acres to oil and gas exploration. An area with roughly 5.8 trillion cubic feet of natural gas and 1.26 billion barrels of oil. One sector of our economy in desperate need of increased oil and gas production in the Gulf of Mexico is agriculture.

Mr. President, farm country is struggling to find our next generation of farmers. Agriculture's future depends on motivating young people to enter into a business with increasing input costs and stagnant product prices. Without a revitalized wave of young producers, our Nation's food suppliers will continue to face an uphill battle. Alleviating high natural gas prices is one way to help current producers and entice young farmers to return to the fields.

Agriculture depends on significant amounts of natural gas for irrigation, food processing, crop drying, heating homes and farm buildings, and producing fertilizers which are necessary for plant growth.

For agriculture, natural gas is not just an energy source, but it is also a feedstock in the production of nitrogen fertilizer. Natural gas accounts for roughly 90 percent of the cost to produce one ton of nitrogen fertilizer.

In 2005, natural gas prices rose to $15.00 per million BTU's. In the past 6 years, the U.S. has gone from spending $50 billion per year on natural gas to $200 billion per year. These high prices have hit the nitrogen fertilizer industry hard. Since 1999, 17 ammonia plants permanently closed due to the high cost of natural gas. The result is a fertilizer industry that recently received 85 percent of its feedstock from domestic sources to one that now relies on foreign imports to supply 50 percent of their natural gas needs.

Much attention in Congress has turned to alternative sources of energy to meet our demand. Ethanol used to be a word spoken only in farm country. Now ethanol is part of the daily jargon on the streets of New York and Los Angeles.

What some folks may not understand about ethanol produced primarily from corn is that farmers in many parts of the country use nitrogen fertilizer and irrigation systems to grow corn—two inputs heavily influenced by the price of natural gas.

You see, Mr. President, if we do not increase the amount of domestically produced natural gas, our renewable fuels industry will grow more and more dependant on imports from volatile parts of the world.

Now is the time to change our attitude about our energy supply. Domestic, environmentally safe production can and should take place on American soil and off our shores. S. 3711 moves our Nation's energy policy in the right direction. One that leads to greater energy independence and price stability. I encourage my colleagues to support our agricultural industry and vote for S. 3711.

Mr. President, I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER (Mr. CHAFEE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I would like to speak on the energy production bill that is on the floor. Is that appropriate at this time?

The PRESIDING OFFICER. The Senator is recognized.

Mr. SESSIONS. Mr. President, I am a resident of Mobile, AL, on the gulf coast. We drive down to the beaches periodically. What I would like to convey to my colleagues is that Alabama, Mississippi, and Louisiana have always allowed production of oil and gas offshore. We even allow production very close inshore. The beautiful Mobile Bay, a fragile estuary, has a number of very large oil rigs in those estuaries that have produced very large amounts of oil and gas. We have never had a problem of any serious nature of an environmental negative impact.

As we begin to discuss this subject, we need to ask ourselves, what is the opposition to drilling in an expanded area of the deep Gulf of Mexico, 125 miles or so south of Alabama and Florida, and 200 miles west of Florida's western beaches of Tampa? What is the opposition to it? I ask that question.

Is it a sincere environmental objection or is it just a persistent opposition to the utilization of oil and gas that many people have in America today? Is it some sort of hostility to oil companies? Is that what is making people have a hesitation?

I would like to discuss those areas a little bit.

Let's talk about the environment. We have at this time 4,000 producing wells in the Gulf of Mexico—4,000. We have had one of the most devastating hurricanes ever to hit in Katrina last year. We had several other hurricanes that had very high winds—not quite as big.

but their winds at times were nearly as strong as Hurricane Katrina's—that came through the gulf.

Official reports have indicated that 3,000 of those 4,000 wells that are existing now in the Gulf of Mexico were in the direct path of one of those hurricanes last year, and we had not a single spill of any sizable amount. Several of the platforms, large as they are, were damaged. But they have, in ways that I am not able to fully explain, shut-in valves down under the water, at the ground, and it shuts off the oil from the well, and no matter what happens to the rig there is no spill of oil.

In fact, only about 2 percent of the oil in our waters around the U.S. come from oil production, or maybe less. But 63 percent comes from natural seepage. Most of it comes from runoff from storm sewers and things on the land. All that is really very small. It is not a huge impact in any way.

I would just say to my colleagues, when you go fishing in the Gulf of Mexico, as I like to do when I can, which isn't often, you tend to fish around these rigs. Just over Memorial Day weekend I was out with my brother-in-law and nephew. We went fishing around the oil rigs and had a little luck. That is where people fish. It provides a structure that allows growth of foods, sources that feed smaller fish, and larger fish feed around them, and that is where people fish. Nobody worries about that or expects any kind of problem with it. They have been there for decades now.

So the environmental question is not a real one, in my view. It has, to a degree, been settled more than we can imagine.

But I would say this: The same people who may be worried about drilling in the gulf don't seem to be very worried about drilling in the lake at Venezuela, or the Persian Gulf, or the Caspian Sea. These are smaller bodies of water, self-contained, in which a spill would be even more dangerous. That is where we are getting much of our oil and gas today, from those areas of the globe. Many of those areas that we produce oil and gas are far more subject to being damaged, perhaps, than if we had a spill in the vast Gulf of Mexico.

Then there is this argument: We don't like the oil companies. You are trying to help the big oil companies.

I want to dispute that and dispute that unequivocally. My goal is to serve my constituents. How do I serve my constituents? I help them receive the necessary, critical oil and gas that they need to carry on with their lives at as low a price as possible.

I don't think it healthy or justifiable to say to my constituents in Alabama: We are not going to let you produce oil and gas off the coast of Alabama, Mississippi, Texas, Florida.

We are not going to let you get any gas and oil from there. We are going to require you to buy it from Hugo Chavez in Venezuela. We are going to require you to buy it on the markets of the world where it may have come from Iran, and certainly Saudi Arabia, or Iraq, or other countries. Some of those haven't been friendly to us. They charge whatever they can charge. A couple of years ago, it was $35 a barrel and now it is $70-plus a barrel.

What kind of sense is that? If some big oil company has a long-term contract with one of those foreign countries to buy oil at $35 a barrel that was signed 2 years ago, why would they want production in the gulf? In fact, they may not.

I don't see the oil companies demanding increased drilling in the gulf. This is coming from people who can add dollars and cents, people such as this Senator who travels the State, talks to our constituents, listens to what their concerns are, goes to church, and goes out on the street shopping, and people come up to you and they talk about the high cost of gasoline. That is what they are talking to me about. I look them in the eye, and I say I am going to do what I can to make these prices lower.

We tried putting in a law that sets prices, and that was a total failure. You can't fix prices by statute. It is a marketplace out there. And what do you do to make the marketplace work on your side? You increase production. Frankly, it doesn't require a huge increase in production to make a big price adjustment.

If the world demand is here but the supply is a little more than demand, surpluses build up, and all of a sudden the prices start falling. People have oil in their tanks. They cannot sell. So they cut their price to sell more. Somebody else has to cut the price, and it drops down. If you have a world supply here and demand is a little above the supply, and the world is out here and can't meet it, people have shortages, and they have to bid the price up to get more. Then you have a problem. Even small amounts can make a big difference in prices. That is all I am trying to say to my colleagues.

I emphasize again that the reason to produce within the Gulf of Mexico, as I believe ANWR and several other areas of this country, is because that money stays at home. It doesn't go to Hugo Chavez or others. It helps generate our economy. It creates jobs in our economy. People who make money pay taxes to our Government, not to some foreign government. The pipes and that kind of thing work. And the transportation costs are less because it is much closer.

These are factors which are relevant to any policymaker in our Nation.

We have artificially denied our Nation the right to produce this oil and gas that is right off our shore for far too long. It is time for that to end and to go forward with this production which will help our economy, help create jobs, help contain and actually reduce whatever the price of oil and gas may be in the future. It will be less cost to produce in the gulf than it would be otherwise. I have no doubt.

I see the distinguished majority leader. I will be pleased to yield to him, and at this point I thank him for his understanding of this critical issue. He has been steadfast and clear about it ever since I have been in the Senate, 10 years. And now we are at a point where we might get something done this time.

I thank him for his leadership, and I am pleased that both Senators from Florida are supporting the bill, so we have some cause for optimism.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, while my distinguished colleague from Alabama is on the floor, I thank him for his leadership on this particular issue because it gives us that opportunity to act with meaningful solutions to problems everyone is feeling. So many things that we do here are issues that seem so macro, so big. I am sure when people are watching C-SPAN or television or they even read about what we do, they wonder, are those people up in Washington doing anything to address the issues that affect me, the squeeze that I feel, the cost of living that we know has to be addressed?

Then you say, What are those things? Where is that squeeze coming from, despite the record low unemployment rate of 4.6 or 4.7 percent and the creation of 5 million jobs?

It comes back again and again—those energy costs, filling up that gasoline tank, getting ready to go on vacation, or altering your vacation, or paying that heating bill, or this time of year that air conditioning bill. And it comes back to energy.

Now we are acting and we are acting in a way that in the past has been stopped—and that is by looking right here at home at the good old American homegrown supply.

Everybody knows that ultimately in the market-based system there is supply and demand. Now we are addressing supply directly, as my colleague mentioned, in a way that is very protective of our environment, of our coastlines, that is environmentally sensitive but in a way that we know will open as much as a million or more barrels.

I thank my colleague for his leadership and also for his explanation so people fully understand the impact of that legislation which is now on the floor.

There is a lot going on. I want to make a couple of comments because there are some things going on right now. The House of Representatives will probably be out tomorrow. We will be in session tomorrow. We are working on a whole range of issues in conference and in our discussions as we look ahead for the next week that we will be here, and then the 4 weeks in September when we come back. I am very hopeful that the House will pass the pensions conference report and sometime here in the next 24 hours. I know our colleagues from the Senate who are on the conference are working very hard to get the House Members to move ahead on the issue that we know is very important to the American people. Individual retirement security. Again, it goes back to this cost of living and the squeeze that people feel. That is what this pensions bill is all about.

Other issues that are being addressed are so-called tax extenders because we have to act now every year. We would like to make these tax cuts permanent, but we have to act every year and extend them for 1 year or 2 years.

What is also interesting in terms of message is the great impact that tax cuts put forward by this body under the leadership of President Bush have had—a huge impact on individuals and families.

One of interesting things that I find when you say we are going to make the tax cuts permanent and extend them for 3 or 4 years, people do not understand fully what that means and how it affects them as individuals. But 3½ years from now for a family of four making a median income of $62,000 or $63,000, what percentage of this Federal tax will go up if we don't act to make these tax cuts permanent? Usually, when I ask a crowd of people if the Bush tax cuts are not made permanent, if the Senate doesn't act for whatever reason, or it is obstructed from acting, they say, Maybe my taxes will go up 10 percent or 20 percent, or 30 percent. Not many people say 30 percent. But the fact is, if we don't act in this Senate to make those tax cuts permanent, for a family of four, their Federal taxes will go up, 3½ years from now, 58 percent. And now people say: I see the importance of what you are doing in Washington, DC, why you are following President Bush in terms of his tremendous leadership in cutting taxes, keeping taxes low, and working hard to make those tax cuts permanent. Then it comes together.

We are looking at a tax extender package, and we are also looking at what my colleagues feel strongly about—a permanent solution to the death tax.

First of all, the death tax does not make sense. It is not fair. It discourages savings and discourages thrift. Therefore, we need to have a permanent solution. I say bury it forever, but the will of the Senate is not to bury it forever and eliminate it totally. Therefore, we are working with what is a very reasonable compromise position. So there is a lot of discussion on that underway.

What we have is crazy. We have a death tax. It used to be high and is coming down. In 2010 it disappears, and in 2011 it goes back up to 55 percent. Talk about things that do not make sense, that does not make sense. We need to fix that. I hope we can do that in the next 6 to 8 weeks.

One last thing I comment on because there has been huge progress today in the House of Representatives which allows us to move forward on an issue that will affect just about everyone listening to me now, an issue we have acted on with meaningful solutions to a real problem, is health information technology. The House today passed a health information technology bill. We have passed one in the past. Now we can marry those two in conference. And we will save lives.

Medicines cure, but medicines can also kill. Last week, the National Academy Institute of Medicine, which we all respect, we all look to, which looks at things very objectively—the committees they put together are experienced, have broad expertise, and take current issues that are challenging and address them in an environment that is very constructive. They released the most extensive report ever done on drug or medication, medicine errors, mistakes that are made, whether they are inadvertent or mistakes just made. The report is fascinating.

Why do I say it affects everyone? Right now, four out of five American adults today—so in all likelihood, everyone listening to me—take one medicine, at least one medicine over the counter or a prescription. One out of three adults listening to me now take five medicines. That is amazing. Being a physician, it wasn't true 10 years ago, it wasn't true 20 years ago. When my dad began to practice medicine 70 years ago, no one would believe the power we have in medicines today—the power to cure but, if misused or mishandled, the power to kill.

This report just came out last week, and it is fascinating. The report addresses lots of things. I will come back and cite some of them. I will look at findings. How these medicines are administered, if not done correctly, with real care, can result in serious injury, hurt the patient, can cause death—all related to how they are administered, the dosage they are administered in.

Before coming to the Senate, I spent 18 years in hospitals, always 5 days a week and 95 percent of the time 6 days a week, working in hospitals, taking care of people. There you see it all. You see doctors inadvertently writing prescriptions for drugs that interact and are not compatible with certain drugs. Maybe they didn't know the patient was on that particular drug or they just didn't know there would be an interaction of the two drugs, and it hurts the patients. Nurses or health care providers mistakenly put the wrong medication in the IV bag, the intravenous bag that runs into your hand, or administer the wrong blood type. A pharmacist might dispense a 100-milligram pill instead of a 50-milligram pill. These errors are wasteful, obviously, but can also be harmful and can be deadly.

The Institutes of Medicine found that at least 1.5 million Americans are sickened, injured, or killed each year by errors in either processing, dispensing, or taking medications. These errors are widespread. The IOM report found on average a hospital patient is subjected to one medication error every day they are in the hospital. That is pretty amazing. A hospital patient is subjected to one medication error each day he or she occupies a hospital bed.

That is costly. Not only does it occur, and it occurs frequently, it costs a lot. The IOM report estimates the extra expense of treating drug-related injuries in hospitals alone is $3.5 billion a year.

The report—again, it just came out last week—is the most comprehensive report today. It sends a very clear signal; that is, we need to act.

The good news is that we have acted with a first step in this Senate, and as I mentioned earlier the House acted today, which means together we can produce a bill, and have the President sign it, which will make a difference.

The IOM report offered several recommendations to prevent these errors. In many ways, the recommendations they put forward reinforce my vision or a vision I believe is very important as to where we need to be in health care in the future. We have to start today in that direction. That is what the recommendations do.

That vision is really pretty simple. It is a vision of a health care system that is not centered on HMOs, bureaucrats, Washington, or hospitals or clinics. It is centered on the patient. The patient is in the middle of the system.

In this system also is the importance of having the driving force of the consumer. You have the patient, and it is driven by decisions being made by consumers all over the country.

The third component is that it needs to be provider friendly. You need physicians participating, nurse practitioners participating, nurses and other health care providers, technicians, the people who draw the blood, and the lab technicians all participating in a way that there is a comfortable exchange of both information services as well as trust. So it is a patient-centered, consumer-driven, provider-friendly system.

Now, the engine to that system has got to be value, has got to be outcome, has got to be results. When I say "value," I really mean almost in simple terms of the product, the outcome, in terms of value, divided by how many dollars you put in. So you want as much health produced per dollar injected into the system. That has to be the engine of this system, and it has to be fueled by three things.

That is where the exciting part comes in. That is where this health information technology plays such an important role. It has to be driven by information, 21st-century information that simply was not around the last century. It really was not around when I was doing heart transplants every week 10 years ago, 12 years ago. You just didn't have that sort of information generated. It was the knowledge revolution, the explosion of information, computers, the Internet. That knowledge is out there today.

The second fuel has to be choice. You have to have people out there making prudent decisions for themselves each and every day. Obviously, that is very consistent with my principles as a Republican in terms of maximizing choice. The 21st-century information, with empowerment of the consumer by choice, and third, some element of control.

The control really comes in if people have to have resources to make those decisions or, if not, need to be assisted. You have to have a strong safety net for a patient-centered, consumer-driven, provider-friendly system based on values, driven by information and choice and technology. You have to have a seamless flow of information which is privacy-protected and which is secure.

No single piece of legislation incorporates all of that, and no single piece of legislation incorporates all the IOM recommendations. But there are things we can do to move in the direction toward that vision.

I have sponsored bills in this Senate and urged industry-wide changes that made considerable progress that caused us to move toward achieving that.

Last summer, on this floor, I publicly called on the pharmaceutical companies to implement a voluntary 2-year restriction on direct-to-consumer advertising for newly released drugs. What is direct-to-consumer advertising? It is what you see on television each night or over the course of today in terms of the drug ads, in magazines. It is the full-blown pictures you see every day—newspaper ads—where the advertising is directly to the consumer, to the individual, to the patient.

What I called upon the pharmaceutical companies to do is to review their procedures and on a voluntary basis give a 2-year restriction on direct-to-consumer advertising for lots of reasons. I will come back do that.

I also publicly asked the GAO, the Government Accountability Office, to analyze the Food and Drug Administration oversight of such advertising. Are we doing enough to make sure that information which comes out to the consumer is filtered appropriately, to make sure it is accurate, that it is honest, that it shows the pluses but also shows the dangers and the weaknesses as well?

Spending on direct-to-consumer advertising and prescription drugs was steady over the years. In recent years, it has skyrocketed. Why? Because you put advertisements out there and people buy the drugs. The problem is, and the reason I brought it up in the Senate and made this public call, this advertising can lead to inappropriate use of drugs using too many of these drugs, using them for the wrong indications, overuse and underuse of the drugs. It could be an underselling of the risks that are actually in a drug. You see all the good things and the beautiful pictures and people running through fields, but at the same time you really do not see the dangers, the side effects that could be harmful, that could compromise your safety, the patient's safety and care.

The good news, based on that call, at least in part, is the pharmaceutical industry responded and I would say responded fairly aggressively. They soon after issued a set of guidelines for prescription drug advertising on newly released drugs. They got together and talked about the importance of their responsibility in this direct-to-consumer advertising, the fact that it is not just to improve their bottom line but it is health care, it is patient-centered, that you have to have the strengths but you have to give weaknesses of these drugs when you put them forward. So I applaud them. And that response is making a difference. That is one example. That is sort of a first step in guaranteeing patient safety and care.

I mentioned the GAO report. It has not come back yet. I look forward to receiving their findings, their results on the FDA's oversight, to come soon.

Other progress: Last summer, we passed the Patient Safety and Quality Improvement Act. It became law July 29, exactly a year ago, 2005. It also contributed to this patient-centered system which is consumer driven. It helps improve the quality and gets rid of the waste. When I say value, that is results, as I said, per dollar of input. You want to maximize that. So you want to get rid of the waste. You want to get rid of the abuse. You want to get rid of inefficiency. And we did a lot in that regard.

What this Patient Safety and Quality Improvement Act did was to help both improve quality and weed out waste by minimizing the fear of litigation. Now, why does that matter? It really comes down to—and I oversimplified it a little bit, but if you are a physician or you are a nurse and you are in a hospital and you make a mistake, and you feel bad about it, you should be able to share that information with other people so they can learn from your mistakes.

Quality improvement: We see it in airlines. We see it in general aviation. But we do not see it in health care—or we didn't before passing this particular bill. What we have been able to do in that particular bill is basically ease—without fear of a lawsuit coming after you. The reason it is not shared is because you know some greedy, predatory trial lawyer is out there and saying: Oh, there is a mistake. Let's go after them. What it does is put a barrier up there so no longer does that individual practitioner, doctor, or nurse have to have the fear of sharing information of an inadvertent mistake so others can learn.

The IOM report's most striking finding was that many providers do fail to report these medication errors that ultimately don't result in an injury. They fear these lawsuits. But without reporting this information, clearly, we cannot learn from our mistakes. That is what the Patient Safety and Quality Improvement Act addressed.

That brings me, finally, to information technology. The Senate passed a health information technology bill. It was bipartisan. I thank Senators KENNEDY and ENZI and CLINTON, all of whom worked with me and all of our colleagues in producing this bill—a bill called the Wired for Health Care Quality Act. What it does is it promotes the use of electronic medical records. It jump-starts America's transition to this 21st century system based on choice and based on value and based on outcomes by having a seamless network that is fully interoperable in terms of the transmission of health information, so doctor can communicate with hospital, can communicate with pharmacy, can communicate with patient in a seamless way, where records can be stored electronically. They can be transmitted electronically. If you are in Nashville, TN, and you live in Princeton, NJ, and you have an automobile accident as you are on I–41 through Nashville and you are taken to Vanderbilt Hospital, they can push a button, and in a secure, privacy-protected way, your record instantaneously shows up at the Vanderbilt emergency room and they can see what allergies you have, what medicines you have, whether you had previous heart disease, whether you can tolerate anesthesia—instantaneously; otherwise, they would have to repeat all those tests. They might not even be able to get that information.

That is the power. What it does is it builds a platform for the interoperable transfer of information—interoperability standards—that has the ability to transform the practice of medicine. That is how big these bills potentially are.

Doctors write about 2 billion prescriptions each year. We still write them, for the most part, by hand. And that spelling, what you look at, unfortunately, is misinterpreted. And as the IOM report documents, a lot of errors are still being made in that transmission of reading what a doctor had written at the pharmacy or at wherever the hospital might be distributing those drugs and then delivering it to the nurse and having the nurse give it to the patient. You get rid of all that—not all of it but most of it—by having that seamless flow of electronic information.

I think back to transplantation. I would have a patient. I would transplant the heart in Nashville and take care of them and have them on a drug called cyclosporine. And they would go back home, maybe 2 or 3 hours away, where another doctor would take care of them. If they got a cold, the local family doctor might put them on erythromycin, not knowing—because transplants were so new at the time—that if you put somebody on cyclosporine on erythromycin, their liver would fail. But it happened. They may not know that cyclosporine was there. Well, with the electronic transfer of information, that physician would know that patient is on cyclosporine, and it would be instantaneous and immediate. If he wanted to put a patient on erythromycin and tried to prescribe it, a red flag would come up and say: No, you can't do that because the patient is on cyclosporine.

All this makes so much sense. Medical records today are stuck in the stone age. But every other sector of our economy has information presented in what is the information age. It is now time to bring medicine—it is amazing that medicine is still stuck in the stone age—into this information age.

I will close on all this, but, as you can see, I am very excited about it. This particular bill which we passed and which will be married with the House bill helps fix all of that. It is going to go a long way to addressing the concerns that were in this IOM report last week.

Electronic medical records will improve health care. They will promote the secure exchange of privacy-protected information, and they will seamlessly integrate quality standards with information technology, all of which means to say better care, lower costs, greater accessibility, the elimination of waste, elimination of inefficiency as well as the medical errors themselves.

So the House has moved. We have moved. Now it is time to get to conference as soon as we possibly can. And if we do that, we will move our system toward that vision of the patient-centered system which is driven by consumers and 21st century information. It will save lives.

UNANIMOUS-CONSENT REQUEST—H.R. 5683

Mr. SESSIONS. Madam President, I recently introduced a bill to preserve the cross that stands at the center of the Mt. Soledad Veterans Memorial in San Diego, CA, that is under attack by the ACLU to remove the cross. This bill would preserve that cross by having the U.S. Government purchase the property, as it stands, from the city of San Diego. This acquisition is the action that the U.S. Department of Justice tells us is needed to preserve this cross as a part of a memorial that has secular monuments also.

Congressman DUNCAN HUNTER has led the effort in the House. He is a San Diego Representative, chairman of the Armed Services Committee in the House. It passed 349 to 74 in the House. So we are trying to pass that in the Senate. It was called up for clearance by unanimous consent recently—I believe last night—and there was an objection from the Democratic side.

It is time for us to move forward. I don't think there will be overwhelming opposition to it, as there was not in the House of Representatives.

Therefore, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5683, the House bill, which was received from the House. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. NELSON of Florida. I object. It has not been cleared.

The PRESIDING OFFICER. Objection is heard.

Mr. SESSIONS. Madam President, I understand that. I know the Senator from Florida is a strong advocate of veterans. I am sure this represents an objection from the Democratic side somewhere else. I am urging my colleagues to look at this legislation. It is a time-sensitive matter because they have been sued. A Federal judge has ordered that, under California law, a $5,000 fine be imposed daily for failure to take this down, a symbol that has been up in the Mt. Soledad area for 54 years. Justice Kennedy of the U.S. Supreme Court has stayed that penalty to give us a chance to do something like this. I believe it is the right thing to do, and I want to share a few comments about it.

In 1954, this 29-foot cross was erected by the Mt. Soledad Memorial Association to honor veterans of World War I, World War II, and the Korean war. It has stood on Mt. Soledad in San Diego, CA. The memorial now serves to honor American veterans of all wars, not just veterans of World War I, World War II, and Korea.

Since 2000, the memorial association has added significant improvements to the property. The cross is surrounded by six granite walls. They are covered with over 1,600 plaques honoring individual veterans, with surrounding small pillars and brick pavers honoring veterans groups and supporters of the memorial, and community groups. A flagpole proudly flies the American flag.

It is very important that we as a nation understand that we are free today and have the liberties we have because people have sacrificed. Our Nation is still able—although some apparently around the world may not be—to call on its people to sacrifice for a common national good, and all over America veterans groups and community action groups have created memorials since the beginning of the Republic to honor those who place their lives at risk for the liberty we are so happy to have today.

It was not until 1989 that any person challenged the legality of this monument. At that time, Philip Paulson, a San Diego resident, sued the city, claiming that the cross display was unconstitutional and violated his civil rights.

In 1991, a Federal judge agreed with him and prohibited the display of the cross on city property as a violation of the California Constitution, which guarantees the "free exercise and enjoyment of religion without discrimination or preference." That is different from the language we have in the U.S. Constitution. So the city attempted to meet the court's demand and protect the integrity of the memorial by selling or donating the property to a private party. But Mr. Paulson challenged every potential transfer of the property to a private party, revealing that his true objection was not to the city's ownership of the display but to the cross itself—something he personally did not like.

In 1992, 76 percent of the people of San Diego, CA, showed their support for keeping the cross at the Mount Soledad Veterans Memorial by voting to support "Proposition F" to authorize the city to transfer the property to a private nonprofit organization, so it would not implicate public matters. What is wrong with that?

After Proposition F passed, the memorial association did successfully bid for the property. It chose to keep the cross up but also made $1 million worth of significant improvements to the memorial, including the granite walls, plaques, pavers, flagpole, and American flag. Even after the improvements were completed, Mr. Paulson was still challenging the sale.

In 2002, the Ninth Circuit Court of Appeals on the west coast—considered the most activist circuit of all in the country and the most reversed by the U.S. Supreme Court—found that the method of the sale violated the "no aid to religion clause" of the California

State constitution. They transferred it to a private, nonprofit, nonreligious organization, but they said this aided religion.

I believe this is something on which we can all agree. I know the Senators from California, Senators FEINSTEIN and BOXER, have indicated they believe this memorial should remain. I think we will be able to work through these difficulties and get this legislation passed.

Mr. President, following up on the Mount Soledad Memorial legislation to deal with the court ruling that has imposed a $5,000 fine per day on the city of San Diego, a ruling stayed by Justice Kennedy on the U.S. Supreme Court, that ruling deals with the cross that was maintained by the Mt. Soledad Memorial Association on property originally owned by the city of San Diego. Some 35 years after it was placed there, someone objected, and the city sold the property to the memorial association, putting it in the hands of a nongovernmental, private entity.

As a result of that action, a lawsuit was commenced anyway and still said it was improper, and the court reached a ruling that was sort of breathtaking and said they still couldn't do it. I would note that in 1992, 76 percent of the people in San Diego voted to support keeping the cross there, and voted in support of Proposition F to transfer the property to a private organization. But still they didn't stop, and we have continued to see the litigation go on and on. Some of it arises from the case law and the very strong constitutional provisions unique to California.

In 2002, the Ninth Circuit had a ruling on it, and this is what they ruled: that the "no aid to religion" clause of the California Constitution prohibited California from transferring this property to a private association because any buyer who did not desire to keep the cross that was there would be required to pay for its removal, whereas an entity who wanted to buy and did not want to take the cross down would not have any expense; therefore, this aided religion. Now, that is the theory of it. I think that is not a sound analysis.

The Ninth Circuit is the most activist circuit in the country and we continue to have problems with them. They are reversed by the U.S. Supreme Court more often than any other circuit. Some years they have been reversed more often than all of the other circuits combined. One year it was 26 out of 27 cases the Supreme Court considered, they reversed. So that is what causes this problem.

A plan has been devised. Congressman HUNTER, who represents San Diego, and Congressman BRIAN BILBRAY, who represents the Mt. Soledad district, have worked hard to prepare legislation that would transfer it to the Federal Government, because this wouldn't be unconstitutional under Federal law. It passed in the House by an overwhelming vote of 349 to 74. We want to see that pass here. It has been called up and cleared on the Republican side of the aisle, and it is now being objected to by some on the Democratic side. So I would ask my colleagues on the Democratic side to work through this thing and see if we can get it passed. It would allow the veterans to be able to continue to have the memorial on Federal property that has been in place for 54 years. It does not establish a religion. On Federal property, it is consistent with the wishes of those veterans and their families for over a half a century.

I would note we have Democratic support for this concept. I notice that in one of the news articles from the Copley News Service here, Senator BARBARA BOXER, a California Senator, and one of the other Democratic Members, said:

> [T]he monument is a historic memorial to our veterans and should be allowed to stay.

Senator DIANNE FEINSTEIN, the other Senator from California, has said:

> [B]ecause of the history and significance of this monument to so many veterans and San Diegans, it should be preserved.

So the Congressmen there, the people of San Diego, and the Senators from California are in favor of this. It is as a result of this complex history and the obsession by the courts, it appears, to just eliminate any reference, any expression of religion whatsoever from the public square, even if it is not consistent with the U.S. Constitution, in my view.

I believe this legislation is important and should be passed. We can make this happen. I ask my colleagues to review it. I will plan to come back and deal with it some more if we cannot get it cleared. We need to have a vote on it, if it cannot be cleared voluntarily. I hope we can avoid that.

Mr. President, I note there are other Senators here wishing to speak. We are on the drilling offshore bill in the gulf, and that is a very important piece of legislation.

I, again, note I have asked this morning that this be cleared. We have another objection. We will continue to persist with this until we get everybody's attention and maybe they can review it and see fit to clear it. I think they will. If not, I will be asking the leader to invoke cloture on the legislation.

I further add, Senator MCCAIN has also offered legislation similar to mine. It would do the same thing. But the bill we are asking clearance on is the bill that came from the House, H.R. 5683.

I yield the floor.

MOUNT SOLEDAD CROSS

Mr. MCCAIN. Mr. President, I would like to express my strong support for passage of H.R. 5683, legislation passed by the House last week to preserve the Mount Soledad Veterans Memorial in Diego, CA. I want to associate myself with the comments made by my colleague, Senator SESSIONS. He and I both have introduced legislation similar to H.R. 5683 and I am pleased that Senator GRAHAM also has joined us in advocating a legislative solution to this important matter.

Since 1913, a series of crosses have stood on top of Mount Soledad, property owned by the city of San Diego. In April of 1954, the site was designated to commemorate the sacrifices made by members of the armed forces who served in World War II, as well as the Korean war.

In 1989, one individual filed suit against the city claiming that the display of the cross by the city was unconstitutional and, therefore, violated his civil rights. In 1991, a Federal judge issued an injunction prohibiting the permanent display of the cross on city property. Since that time, the city has repeatedly tried to divest itself of the property through sale or donation. But the plaintiff continued to mount legal challenges to every attempted property transfer. The legal wrangling over this memorial continues today.

The Mount Soledad Memorial is a remarkably popular landmark. In fact, I had the pleasure of visiting the Memorial during the Fourth of July recess and can personally attest to the profound impression it can leave on its visitors.

It is also of great importance to the local community. On two different occasions, the voters of San Diego have overwhelming passed ballot measures designed to transfer the property to entities which could maintain the cross. Given the many years of legal disputes regarding this memorial, I believe it is past time that this issue be resolved.

The bill that we are seeking to pass would bring the Mount Soledad cross under the control of the Federal Government, and specifically, the Department of Defense and would allow for the just compensation for the property in question. It also would address the required maintenance for the memorial and the surrounding property through a memorandum of understanding between the Secretary of Defense and the Mount Soledad Memorial Association. The minimal financial commitment required in this legislation will ensure the endurance of this memorial which serves as a reminder of the hundreds of thousands of men and women who made enormous sacrifices when our country called upon them.

I understand the bill has cleared on our side, and that we are awaiting for the other side to allow its approval. I can only hope that all of my colleagues will join us in supporting this legislation, and ensure the preservation of an important tribute to our men and women of the Armed Forces.

THE WAR IN IRAQ

Mr. BYRD. Mr. President, yesterday the Prime Minister of Iraq addressed a joint meeting of Congress. In his speech, he stressed his view that great progress has been made in his country in the past months and equated the violence in Iraq to the al-Qaida attacks on the United States on September 11, 2001. With the Prime Minister's comments in mind, it is worth taking stock of how this war began 3 years, 4 months, and 1 week ago. Let me say that again. It is worth taking stock of how this war began 3 years, 4 months, and 1 week ago.

The war in Iraq, that is what I am talking about. The war in Iraq. There is a war going on there, and we are involved in it. Our men and women are over there in harm's way. They die every day. The war in Iraq was initiated on the false promise of securing our country from the threat of weapons of mass destruction. That was a false promise. There have been many efforts to try to rewrite history. You can't do it. But there have been efforts to try to rewrite history and to try to find a new justification for the invasion of Iraq. But one need look no further than the use of force authorization passed by the Congress—when? On October 11, 2002. Look at that use of force resolution.

That resolution contains 23 "whereas" clauses. You can count them. Ten of those "whereas" clauses pertained to Iraq's efforts to develop weapons of mass destruction. The idea that Iraq could threaten our country with weapons of mass destruction was the keystone of the argument for war. It was the one allegation at the center of nearly all the cases that were made for war.

I didn't fall for that. I didn't fall for that reason because I didn't believe it was there. I didn't believe that Iraq was a threat to the security of this country. I didn't believe it. I had reasons for not believing it, and I have said them many times.

The agencies that produced the intelligence to build the case for war have admitted that they made massive errors. Intelligence was massaged. Did you get that? Intelligence was massaged to remove most of the dissenting views. Dissenting views were not listened to very well. Congress, in 2004, even rushed to reorganize the CIA and the rest of our intelligence agencies based upon these massive failures—failures that built a flawed and discredited case for U.S. entry into that war.

I did not buy into the hype and the rush to war. I didn't buy into that. I didn't buy into that case. I didn't believe we had that case for war. I did not believe Iraq posed an imminent threat to the security of this country. I did not believe it. I said so. And therefore I voted against turning this whole thing—lock, stock, and barrel—over to one man, the President of the United States. Congress relegated itself to the sidelines, and it has never gotten itself off the sidelines, really. We are still there.

I did not believe Congress should have passed the resolution to allow the President—any President, not just this President, any President—to decide where, when, and why to launch an attack on Iraq. I did not believe then, I do not believe now, that one man, Democratic or Republican, or one woman, acting as the chief executive of our country, should be handed the authority to decide on his own to shed the precious blood of our sons and daughters, husbands and wives—to shed their blood.

The American people at this point should pause and reflect now on where our Nation stands in this war. Where does our Nation stand in this war in Iraq? As of today, July 27, 2,564—2,564—American men and women have been killed—dead. Upwards of $318 billion—that is a lot of money—upwards of $318 billion has been drained from our Treasury. Talk persists of more than 100,000 of our troops remaining in Iraq for many years to come—many years to come. Most ominously, the violence in Iraq appears to have entered a new phase. Mr. President, 2½ months after the killing of the terrorist leader Zarqawi, an average of 100 Iraqis are being killed every day, according to a new report by the United Nations.

Who is responsible for this violence in Iraq? Is it Osama bin Laden or some other nefarious outside force? Is it the same terrorists who plotted the attack on the World Trade Center? Is it the same miscreants responsible for the train bombings in London and Madrid? The answer is no. This wave of violence which has crashed over Iraq is the result of Iraqis fighting and killing Iraqis. Militias and death squads are carrying out a brutal campaign of violence against fellow Iraqis. Shiites are fighting Sunnis. Sunnis are killing Shiites. The Kurds of the north are under attack. No one is safe from these indiscriminate killings—not doctors, not teachers, not even children. Iraq is being ripped apart from the inside out.

Could there be any doubt that there is a civil war in Iraq? Statistics gathered by the Iraqi Government: 2,669 Iraqi civilians were killed in May; another 3,149 Iraqi civilians were killed in June. Government figures show that 14,338 civilians were killed in Iraq in the first 6 months of this year. At least 100,000 Iraqis are refugees in their own country. Yes, there is a civil war going on in Iraq. It is a civil war that has been brewing, brewing, brewing since we first opened this Pandora's box by invading Iraq in March of 2003.

I didn't vote for that invasion.

The question is, What are our troops doing in the middle of this civil war? What are American troops doing in the middle of this civil war? The American people should take notice of what is happening in Iraq. The American people—it is their sons and daughters, yes. Our troops are increasingly being thrust into this fighting with no plan for success. It is time to stop, look, and listen, and time to ask questions about where we are headed. Are our troops on the way out of Iraq or are they on their way in? Are they being drawn deeper into this civil war? Is there any chance for our troops to win a decisive victory on the battlefield or is the fate of our soldiers tied to the political fortunes of untested Iraqi politicians? Does anyone in this administration have a plan for how to deal with this civil war which is going on in Iraq?

These are not inconsequential questions. These are important questions. These are important questions for the people of our country. But instead of telling the American people how we are going to disentangle ourselves from the sectarian violence in Iraq, we learn this week that the President plans to send more American troops into Baghdad to take sides in the Iraqi-on-Iraqi fighting that is tearing that country part. The President announced on Tuesday—yes, he did—that he is sending thousands more U.S. troops into Baghdad, which is the center of the storm of violence.

So I say to the people out there watching through those electronic lenses, is this our plan? Is this our plan for dealing with an Iraqi civil war? When I asked Secretary Rumsfeld at an Appropriations Committee hearing on March 9 about his plan if civil war were to break out in Iraq, he said, "The plan is to prevent a civil war, and to the extent one were to occur, to have the . . . Iraqi security forces deal with it, to the extent they are able to."

Those are quotations. You can look at the Appropriations Committee hearings and find these words for yourselves.

The plan to have Iraqis deal with their own civil war appears to be on its way out the window. The Iraqi Prime Minister's attempts to pacify Baghdad with Iraqi troops has failed. In fact, the Prime Minister, in his speech to Congress, pleaded for more foreign aid and urged our troops to stay until Iraqis are ready to take up the fight to defend their Government.

Sending more U.S. troops to deal with domestic strife is not the right course. What we are seeing in Iraq is mission creep, mission creep, creep, creep, creep of the worst kind. The mission to overthrow Saddam Hussein is transforming before our very eyes into a mission to take sides between warring ethnic factions. This is a plan for disaster.

Our troops have bravely served in Iraq for more than 3 years. They have done everything that has been asked of them. Our troops did not ask to be sent to war, but the call to service has gone out and our servicemembers have responded. They have fought, they have been wounded, they have bled, and they have died for what our country has asked them to do. But we owe it to our troops to be judicious in what we ask them to do. We owe it to our troops not to send them headlong into fighting when there is no plan for victory. We owe it to our troops not to send them into the center of a civil war without raising so much as a question, without raising so much as a question about whether they belong there.

We cannot allow the escalating war in Lebanon to distract us from the deteriorating situation in Iraq. Look at what is going on. Open your eyes. The fighting between Israel and Lebanon has dominated our attention, but the administration is on the verge of making irreversible decisions about how deeply our troops will be involved in Iraq's civil war.

Before more of our troops are sent to Baghdad, the Senate must ask tough questions of Secretary Rumsfeld and our military commanders about whether they have a plan for dealing with the civil war in Iraq. The Armed Services Committee on which I serve must have a chance to exercise its oversight responsibilities before more of our troops are ordered to take sides in a fight that is pitting Iraqi against Iraqi. We have seen before the disastrous consequences of ordering our troops into the middle of civil wars. Do we remember the 241 marines who were killed in Beirut in 1983? Do we remember that? Let us remember the bloody battle in Somalia in 1993.

Let us have more wisdom, more caution, and a coherent strategy before we marshal our forces to send them once more into the breach in Baghdad. We owe that much to our brave troops. We owe that much to their moms and their dads, their wives and their children anxiously awaiting their safe return home.

I yield the floor.

DISCRIMINATION ON THE INTERNET

Mr. WYDEN. Mr. President, several weeks ago I came to the Senate to announce I will do everything in my power to block this Senate from considering the major overhaul of the telecommunications legislation until that legislation includes specific provisions to ensure that there is no discrimination on the Internet. A discrimination-free Internet essentially is what the net neutrality debate is all about.

Certainly colleagues have been hearing a great deal about this subject as those who oppose net neutrality have spent millions and millions of dollars trying to convince the American people and the Congress that somehow discrimination on the net is a good thing. They have made a big point of trying to say that net neutrality is a very complicated issue, it is one involving technical issues of communications law, and it ought to be something left to lawyers and lobbyists to sort out in Washington, DC.

That is not good enough for me and I don't think it is good enough for the American people. In fact, more than 500 organizations with views all across the political spectrum have come together to support net neutrality and a discrimination-free Internet.

This is the fourth time I have come to the Senate to outline examples of what will happen if discrimination is allowed on the Internet and also to respond to some of the most directly asked questions about what net neutrality is all about.

Today I begin my discussion with a new development just reported by the Reuters News Service. Reuters News Service reported this week that the profits of the AT&T company were up by 35 percent, bolstered "by strong growth in wireless and high speed Internet services."

I am of the view this is excellent news. I want to see American companies be profitable. I believe in markets. I believe in wealth creation. When our companies do well, of course, they pay taxes. They pay taxes to the American Government and that can be used for health care, education, and other services our citizens have such a great interest in. It is free enterprise that makes markets work.

When Reuters reports that AT&T has made a 35-percent profit primarily due to wireless and high-speed Internet services, the digital part of the economy, that is good news.

However, there are other implications with respect to the news this week about AT&T profits. It seems to me what the news highlights this week is that AT&T can make money with an Internet that is discrimination free. They have been arguing, as part of the discussion involving telecommunications, that somehow it will not be possible for them to make the profits that are necessary for broadband and sophisticated communication services to get to all the people of this country.

The news this week shows that AT&T and other companies can be profitable with an Internet that is discrimination free. They do not need to throw net neutrality into the trash can in order to do well. The events of this past week have proved that AT&T does not need to discriminate in order to make money.

To continue with the discussion I have begun over the last few weeks, I also want to go to the question of "won't consumers just get their broadband from companies that do not discriminate on the net if somehow we don't have net neutrality." This is an excellent question. The answer is simple. If there were a competitive market for high-speed Internet services, the market would guarantee net neutrality. Consumers would insist that the Internet remain free of discrimination and they could take their business elsewhere if they didn't happen to approve of discrimination.

Unfortunately, there is not a competitive market today for high-speed Internet. Until there is, strong net neutrality protections are needed. What is the market for high-speed Internet? According to the Government Accountability Office, in 2005, about 30 million Americans had broadband service. However, most of these Americans have a choice of perhaps only two broadband providers, the local phone company and the local cable company.

Some may have only one provider. Others may have no options at all. No choice, limited choice, certainly is not my view of a competitive market. A choice between two is only one step beyond a monopoly. Most experts say at least four providers are needed in a market for it to be truly competitive. Today's market is still a long way away from the kind of competitive model we need to best serve our citizens with the communications services they deserve.

Many of my colleagues have stressed the possibilities of satellite, broadband over power line, or wireless as competitors to what is called DSL and cable. These offerings are not real competitors. Satellite high-speed Internet is too expensive for the consumer to be a real competitor with today's services. Both wireless and broadband over power line are new technologies, and we all hope that someday they are going to develop into competitive options to the phone and cable company offerings. They ought to be encouraged. However, they are still new, and until they become widespread and priced at a competitive level with cable, for example, the market for high-speed Internet will remain limited or will remain a duopoly.

A second question I am often asked is: As a small business, what does all this Net neutrality stuff mean to me? Last week, I came to the Senate floor and explained what it means for consumers. Small businesses, of course, are just one type of consumer in the market. And no Net neutrality is going to mean the same thing for the millions of small businesses that it means for consumers: a double-barreled discrimination with less choice and a higher price. Small businesses also have a second concern: They use the Net not just as a consumer but also as a market for their business. They have

Web sites. Small businesses across the country use the Net to market their products. Through Web sites such as NexTag and Yahoo Shopping, small retail shops are able to reach millions and millions of homes that they could not otherwise access. A bed and breakfast, say, in central Oregon, in Bend, OR, is able to market itself on the Net and compete with a Holiday Inn. For the small businesses, the prospect of a two-tiered discriminatory Internet, where they will have to pay priority access fees to network operators, is daunting.

For a small business, the fees that the large Bells and cable companies would charge could have a chilling effect on their ability to do business online. While large businesses can afford to take on these additional costs with only a small hit to their overall profitability, many small businesses are not going to be able to pay these extra fees. This would mean they would either get stuck on the Internet slow lane or have to mark up their prices more than big businesses. Either way, without an Internet free of discrimination, these small businesses are going to be at a competitive disadvantage.

In my previous discussions on the floor, in addition to trying to respond to some of the major questions people are asking about Net neutrality, I have tried to bring out several specific examples of the kind of discrimination that would be allowed under the bill that was passed by the Senate Commerce Committee recently. So today I want to outline two additional examples of what could happen to our small businesses if legislation allowing discrimination on the Net were allowed to move forward.

Let's say, for the purpose of the first example, we have a family known as the Taylors. The Taylors own an inn on the Oregon coastline. Occupancy has been lower lately because a large new national chain hotel opened up down the road. George Taylor's son Mike comes up with an idea to save the inn by reaching out to new customers: They ought to start a Web site to market their inn and take reservations online.

In a world with Net neutrality, the Taylor family, with that small inn, would pay to access the Net, create a Web page, and they would be off to the races, up and running, marketing their business. Under the Commerce Committee bill, in order to launch their Web page in the fast lane so they could get priority access to customers across the country and around the world, that small business would have to pay an additional fee to hundreds, if not thousands, of Internet access providers around the country. The priority access fees are a drop in the bucket to that big national chain of hotels that is hurting their business, but if the Taylor family cannot pay the extra fees, they are not going to be able to compete.

A second example of how the absence of Net neutrality would hurt small business—this one involves a business owner who I am calling Jessica Myers. Ms. Myers owns a small legal placement firm with eight employees. In a world with Net neutrality, she saves money on her phone bills as a Vonage customer. She buys all her office supplies on line from another small business she found at Shopzilla, and saved thousands of dollars on new computer equipment from Buy.com. Her employees are able to navigate law firm Web pages, learning of open jobs and potential clients to market these openings to.

Under the Commerce Committee bill, Jessica's business is going to see a huge increase in her costs. Vonage no longer works properly, causing her to pay extra for phone service from the local phone company. The office supply store is no longer on line because they could not afford to pay for priority access and cannot compete without it. Her computer equipment at Buy.com is now more expensive, maybe 10 percent more, because Buy.com is passing on the costs they pay the network operators for priority access. Her employees are much less effective because they now spend hours every day waiting for law firm Web sites to load that are stuck in the Internet's slow lane. Her costs go up. Her productivity and her profits go down.

In each of these two new examples I have outlined of the consequences for our small businesses, the large businesses that own the Internet pipes are going to be extending their reach to the detriment of small business. According to the business plans of the big phone and cable companies, and what they have told Wall Street, what has been outlined in the Wall Street Journal newspaper, that is the direction they are heading. Without Net neutrality, neither of the small businesses in the examples I have cited is going to be able to use the Net in the way they do now, and they are going to be disadvantaged at a time when they are a big part of America's future in competing in the global marketplace.

The big cable and phone companies have spent millions—more than $40 million since January of this year—to try to make the American people think that Net neutrality is, to quote one Verizon lobbyist, a "lose-lose proposition." The absence of Net neutrality will be the lose-lose for consumers. Discrimination will be seen in Internet content, and we will see higher prices for consumers. That is why more than 500 groups of all political philosophies and persuasions have come together to draw a line in the sand and say: We are going to insist that the Internet remain discrimination free.

At the end of the day, this issue of Net neutrality, despite what the opponents and the lobbyists want the Senate to think, isn't that complicated. Today, the way the Net works is you go with your browser where you want, when you want, and everybody is treated equally. Those who oppose Net neutrality want to change all that. They want to make it possible for phone companies and cable companies to play favorites. They will be in a position to charge some people more and some people less. They are people who want to change the way the Net works today, which is that everybody gets a fair shake.

And that is, again, the point of my citing this afternoon AT&T's profits that come from wireless services. I repeat, I am glad to see AT&T do well. I believe in markets, and markets are what make our country's free enterprise system go. But AT&T is doing well with an Internet that is based on the principle of equality, Net neutrality, and no American facing discrimination on line.

I see the distinguished Senator from Tennessee here, and he remembers our discussion about taxation and on-line services and on-line businesses. The Senate worked together on a bipartisan basis, and we have kept the Internet free of discrimination as it relates to taxation. I think it makes no sense at all for the Senate to say we are going to let the Internet prosper as it relates to taxation—and taxation is a big factor, obviously, in business opportunities and business sales—it makes no sense to keep the Internet free of discrimination as it relates to taxation and then to throw Net neutrality in the trash can and allow discrimination as it relates to so many other aspects of on-line business and services that are important to the American people.

So this is the fourth time I have come to the floor to discuss this issue. I do not want to see consumers face the double barrel of discrimination and higher prices on line. It is my intent to keep my hold on that overhaul of the telecommunications legislation on until I see that bill has been changed, until I see it has been altered and revised to ensure the core principle of the Internet—that everybody gets a fair shake and that the Internet is free of discrimination. My hold stays until that bill is altered so we can preserve an Internet free of discrimination for all Americans in the years ahead.

Mr. President, I yield the floor.

HONEST LEADERSHIP AND ACCOUNTABILITY CONTRACTING ACT OF 2006

Mr. DORGAN. Mr. President, this is a piece of legislation which we offered previously during this Congress, unsuccessfully, I might add, that I and others intend to offer once again.

I want to describe it and describe why we intend to offer it again as we find additional legislation on the floor of the Senate with which to offer it as an amendment. It deals with accountability in contracting. The legislation we have introduced is called Honest Leadership and Accountability in Contracting Act of 2006. I introduced it on March 2, S. 2361. The bill is sponsored by 30 of my colleagues here in the Senate. Senator REID joined me in announcing the legislation that day. The bill includes contributions from a number of Members of the Senate and the work they did on issues relating to this which we have put in the bill.

I want to describe the bill briefly. It is a bill that will punish war profiteers with substantial penalties for profiteering during wartime contracts. It is a bill that will crack down on defense contract cheaters by restoring a rule on suspension and debarment, to say we are not satisfied any longer when we see someone cheating on a contract and cheating the American taxpayer to say, Well, you get a slap on the wrist and a pat on the back and a new contract. This gets tough. It cracks down on contract cheaters. It will force real contract competition, and it will do so by prohibiting the awarding of large monopoly, sole-source, no-bid contracts.

The legislation has a number of other provisions as well, but it is important legislation. I want to describe why, and I want to describe some of the things I have been doing.

Let me start by saying this is not about Democrats or Republicans. It is not about conservatives or liberals. Waste is not part of it. Waste is just waste. Contract abuse is not partisan. It is just abuse of the American taxpayer. Let me describe a couple of things to begin this discussion.

This is April 30, 2006, in the New York Times. The United States pays for 150 Iraqi clinics and manages to build 20.

A $243 million program led by the United States Army Corps of Engineers to build 150 health clinics in Iraq has in some cases produced little more than empty shells of crumbling concrete and shattered bricks cemented together in uneven walls.

What is that about? It is about a huge contract, a contract to produce 150 health care clinics in Iraq, and now we see the money is gone, but the health care clinics weren't built—not 150 of them. Only 20 of them were built. Yet the money is gone. Let me talk about these issues and go back to the beginning of what piqued my interest.

In February of 2004, I began hearing from some whistleblowers who said: We want to tell our story. So as chairman of the Democratic Policy Committee, we convened some hearings and listened to them. We held eight oversight hearings on the issue of contracting abuses in Iraq and heard from whistleblowers. I will describe them.

We had two oversight hearings on the response to Hurricane Katrina, and I will describe just a bit of that. But let me describe this, going back to February of 2004, almost 2½ years ago. This is a description of what is happening in contracts in Iraq.

Henry Bunting is a fellow who came to see me. He worked in Kuwait. He worked for Kellogg, Brown and Root, which is a subsidiary of Halliburton. You might recall, they got big no-bid, sole-source contracts and made a lot of money. He worked as a field buyer in Kuwait.

He told us they spent up to $7,500 a month to rent ordinary cars and trucks. Think of that. American taxpayers pay for that.

The company had purchased monogrammed towels for $7.50 apiece when they could have cost $2.50. These are hand towels for American soldiers. The company that was buying them told Henry: We want the company name embroidered on the towel.

That more than doubled the cost to the taxpayer. The company said: It doesn't matter, this is cost-plus; the American taxpayer is going to pick up the tab.

It is almost unbelievable.

Another thing Henry told us, 25 tons of nails, that is 50,000 pounds of nails, were ordered and delivered to Iraq. They were the wrong size. They are laying in the sand.

It doesn't matter. The American taxpayer is going to pick up the tab.

Henry came forward. I wonder what kind of courage it took for Henry to come forward and tell us that, but he did it and good for him. It piqued my interest, however, in February 2004, to hear whistleblowers talk about what was going on with respect to contracting in Iraq. Then, in subsequent stories we would hear about contracting abuses.

> "Pentagon auditors found that Halliburton cannot properly document more than $1.8 billion in work under its contracts," Army officials said yesterday. The $1.8 billion amounts to about 42 percent of the $4.3 billion the company has billed to the U.S. Government under the contracts.

Among other things, they were charging the U.S. Government for feeding 42,000 soldiers every day. It turns out they were only feeding 14,000 soldiers. I can understand missing a cheeseburger or two, but 28,000 meals? Overcharging by 28,000 meals a day? I don't think that is just missing a meal or two.

So we began having some hearings because the committees of jurisdiction, the authorizing committees where this money was spent, were not having oversight hearings.

We had a woman named Bunnatine Greenhouse come to Congress. I want to tell you what Bunnatine Greenhouse said. Bunnatine Greenhouse was the highest civilian official in the Corps of Engineers, the Army Corps of Engineers, in the Pentagon. She was the highest civilian official, highest ranking procurement official in the Corps of Engineers. She was in charge of all procurement.

She had the courage to go public. Here is what she said:

> I can unequivocally state that the abuse related to contracts awarded to KBR represents the most blatant and improper contract abuse I have witnessed during the course of my professional career.

Let me tell you about this woman. Every evaluation ever given her said she is outstanding, she is exceptional. Now she doesn't have her job any longer. She lost that job because she had the courage to speak out. They are investigating that now at the Pentagon. But that is what she said.

Instead of taking the company to task, instead of taking the folks in the Corps of Engineers to task, they took to task the woman who had the courage to come here and speak the truth.

Bunnatine Greenhouse has been replaced. I mentioned she was demoted. She lost her job. She has been replaced by an American who has no experience in procurement. Isn't that interesting? They bring in a person with 40 years government experience and no experience in procurement. They are actually sending her to school to learn about procurement.

I don't understand this. We have seen what happens when you bring in people without experience. We saw it in FEMA, filling top jobs with cronies who had no experience with disaster preparedness or relief, and it just collapsed.

Now we have the top civilian contracting official in Iraq who pays for it with her job when she speaks out. She says what is going on is wrong, and we don't have to take her word for it; just look at the headlines. It is wrong. She pays for it with her job, and she is replaced by someone who doesn't have experience in contracting. It just baffles me that somehow this is continuing.

I mentioned we have had a good many hearings. I have not preferred to have the hearings, but I have said if the authorization committee of jurisdiction isn't going to hold oversight hearings, and there are whistleblowers who want to speak, I am perfectly willing to hear them on behalf of the American taxpayers. The hearings have shown us just a dramatic amount of waste, fraud, and abuse. Much of it is being investigated.

The fellow working for the U.S. Department of Defense for 30 years who ran the fuel operation to get fuel to the soldiers wherever they are in the world retired. Then he came to us publicly, and he said: What the American taxpayer is being charged to fuel those army trucks in Iraq is unbelievable. They are being so overcharged.

This is from the guy who used to do it all over the world for 30 years.

We had a fellow named Rory show up at a hearing. Rory was a food service supervisor in Iraq. Rory actually testified by Internet. He was a food supervisor, worked for KBR, Halliburton.

He said: You know, we had all kinds of food that was transported in to feed the troops in Iraq. We had food brought in that had expired date stamps on it: This food is expired. Don't serve after this date. Our supervisor said it doesn't matter what the date stamp says, serve the food. Put the food on the table. It doesn't matter that it is expired. He said that was routine.

Second, he said he was told and others were told: Don't you dare talk to government investigators. When they come around, if you talk to a government investigator one of two things are going to happen. You are going to get fired or you are going to get sent to an area where there is significant hostile action.

This man named Rory talked to investigators, and guess where he ended up. He ended up in Fallujah, during hostilities. It is pretty unbelievable to me that we have contractors who tell employees don't dare talk to a government auditor if they show up.

Let me show a picture of some money. This is a picture of a transaction in the country of Iraq. This fellow came and wanted to testify. He was a fellow who was in Iraq, in this room.

This, by the way, is $2 million in cash in one-hundred-dollar bills wrapped in Saran wrap. He is the fellow who dispensed the money, early on. He had all these contracts going on. This money went to a company called Custer Battles. We had a hearing on that as well. This $2 million went to Custer Battles.

Two guys show up in Iraq with not much experience and very little money and they decide to get contracts. They get contracts. It is the Wild West. This guy says it is like the Wild West. They say: You bring a bag because we pay in cash. That is the way we operate.

Custer Battles gets a contract to provide security at the Baghdad airport. Among other things, it is alleged they took the forklifts, took them over to a warehouse, painted them blue, and then resold them to the Provisional Authority, which was Uncle Sam. But that is part of the story. They ended up getting $100 million, and this is $2 million of that. This fellow said we actually played football with these things. We pay in cash, bring a bag, it is like the old West. He said it was unbelievable.

Let me show what the Baghdad airport director of security said about the company that got this money. He said:

> Custer Battles have shown themselves to be unresponsive, uncooperative, incompetent, deceitful, manipulative and war profiteers. Other than that, they are swell fellows.

This is from the director of security, in a memo to the U.S. Federal Government, then called the Coalition Provisional Authority. The Baghdad airport director of security, here is what he said about the people who were getting our money.

I look at all these things, and I ask the question: What is going on? How can they do this?

Just the other day, the Pentagon finally announced that we are going to now require some bidding on contracts—billions of dollars late. Let me show you what they said. "Army to end expansive, exclusive Halliburton deal."

I am not just talking about Halliburton. It happens most of these press things are about Halliburton, KBR, but there are others—Custer Battles and others as well. Whenever you have this much money being thrown out there with no-bid contracts and sole-source contracts, I am telling you it is like a hog in a crick. All you hear is grunting, there is a lot of shoving, and everybody wants the money.

"Army to end expansive exclusive Halliburton deal," It says:

> Army is discontinuing a controversial multibillion dollar deal with oil services giant Halliburton to provide logistical support to U.S. troops worldwide, a decision that could cut deeply.

Understand, the Army says very late: OK, now we will start bidding. We will have several companies bid. And by the way, once the bidding is done, we will have another company oversee the company that gets the bid.

Oversight is the responsibility of the Pentagon. When they put out a contract, it is their responsibility to provide oversight. Our responsibility is to figure out what we are spending in Congress, who is spending it, with what efficiency, and if it is wasted, to call into account those who are wasting it.

Let me go back to the first chart that I showed today. This is yet another company. This company is Parsons.

> A $243 million program led by the United States Army Corps of Engineers, through a contractor, to build 150 health care clinics in Iraq and has in some cases produced little more than empty shells of crumbling concrete and shattered bricks cemented together into uneven walls.

We pay for 150 clinics and we get 20. The money is gone. The question is, Where did the money go and why? Who has it? What did we get for it? Is there accountability to the taxpayer for this sort of thing.

I understand in wartime money is spent in a way that is different, from time to time, than it is spent in peacetime. Sometimes you just have to spend extra money to get things done. But $45 for a case of Coca-Cola; $7,600 a month to rent vehicles? I don't think so. I mean, that is just the tiny little tip of the iceberg.

The question is, What comes of all of this? How do we stop all of this? How do we decide, on behalf of the American taxpayers, that this matters and we are not going to let this happen again? We have some people coming tomorrow who are going to talk about this contract, people who were in Iraq and watched this happen. We are going to evaluate what happened.

As has been the case in every circumstance, we will refer what we find to the Department of Defense and ask why.

We held a hearing on the subject of water. I know the Presiding Officer, in fact, in his subcommittee has taken a look at this and has asked some tough questions and is trying to figure out what was happening there.

We have never quite figured out what has happened because the contractor and the Defense Department each point fingers and say nothing happened. Then they say the other side made it happen.

About this water circumstance, we had people come to testify, saying: We were there.

Here is the report. The report says they were hooking up for nonpotable water—that water which is used by soldiers in Iraq to brush their teeth, to wash their faces, to take showers—they were hooking up hoses that had water that was more dangerous than water that came right out of the Euphrates River, water with no disinfectant at all.

In fact, we had an e-mail from an Army physician who is in Iraq. She said: I have seen this. In fact, I went and tracked the hoses to find out where this water was coming from and what the contractor was doing with it. It was contaminated water that was worse quality than the water you take if you dip a pail in the Euphrates.

It is unbelievable. People get paid for this, they are incompetent, and they decide it doesn't matter? The person in charge of all the water in Iraq to be served to U.S. troops for Halliburton wrote an internal memorandum that I have made public. He said this was a near miss for us. It could have been mass sickness or even death. That was Will Granger, the top water quality manager, on May 13, last year.

Remember, this is a company which says this didn't happen. The Pentagon says it didn't happen. This is the internal Halliburton company report:

> This event should be considered a "NEAR MISS" as the consequences of these actions could have been very SEVERE, resulting in mass sickness or death.

Officially, this company still insists this didn't happen. Their internal reports by their own employees in Iraq demonstrate it not only happened, it was very serious.

I don't do this because I am trying to make life miserable for somebody. I do this because we need to protect the American troops, first and foremost; and second, we need to protect the American taxpayers.

I much prefer that the authorization committees of jurisdiction through which this money moves would hold tough accountability hearings, call people in, put them under oath. But that has not happened. As a result, I have held a series of hearings as chairman of the Policy Committee. Such a hearing will occur in the morning on this issue of health care clinics.

My hope is that at some point, we will find an appetite in this Senate from people on both sides. This is not a Republican or a Democratic issue. I hope we will find an appetite by everyone in this Senate to decide we are going to insist on people being accountable for the money that is spent and for what is done with respect to providing for American soldiers and doing what is necessary to be done under these contracts.

These contractors have fallen far short. The American taxpayers have been fleeced. They have taken a bath as a result of these kinds of actions. I know as I say this that there are undoubtedly some very good contractors. They have some good workers who risk their lives. They have done some good work. I say, God bless them. But when I see stories such as this, it makes my blood boil.

Harry Truman served in this Chamber. In fact, the first desk I had was a desk sat in by Harry Truman. He sat in this Chamber back in the early 1940s when we were at war. A President of his own party was in the White House. Harry Truman said: There is too much waste, fraud, and abuse in the Pentagon, in military spending, and they established the Truman Committee. He went all around the country holding hearings. They found billions of dollars of waste, fraud, and abuse. That was the legacy of the Truman Committee.

We ought to have one again. I have offered in the Senate, and I have been voted down. I think I have offered it now three times. By the way, I will offer it again. A good idea does not have to die a natural death. At some point, it can survive and succeed.

But more than the Truman Committee, I believe we ought to pass the legislation I described as I started. That legislation is legislation I introduced on March 3 of this year. It is now the end of July. On March 2, Senator REID, myself, and 30 of my colleagues introduced legislation called the Honest Leadership and Accountability In Contracting Act of 2006. It is long past the time for this Congress to have done what we should have done a month or 2 ago, 3 months ago; that is, pass this legislation, punish war profiteers, and do so aggressively. End cronyism in these key positions, especially in contracting, crack down on contract cheaters, and force real contract competition, real competition that gives the taxpayer the best price and holds accountable those contractors for getting the job done and getting it done in the right way.

I am going to pursue this, as I have indicated, with additional hearings, if necessary. I would much prefer they be done by the authorizing committees. One way or another, we are going to pursue these questions and ask for accountability and demand accountability.

As I said when I started, none of this is about politics. Republicans and Democrats work together on things from time to time in this Senate. This is one we can and should and I hope will work together on to fix for the good of this country and for the good of the American people.

RETIREMENT OF MARTY BERMAN

Mr. FRIST. Mr. President, the Senate community is losing a longtime and valued employee. After 18 years of loyal and distinguished service, Marty Berman is retiring from the Senate Recording Studio. Marty played an integral part in the television broadcast of the Senate's proceedings and in helping facilitate the audio and video needs of Senators and their staffs.

His service to his country really started 45 years ago. Marty served faithfully, enlisting twice in a military career that began when he was 17 and lasted 6 years from 1961 to 1967. Before leaving the military he was a communications specialist with duty in Vietnam.

Marty brought extensive television experience to his job at SRS. In the private sector he worked at Satellite News Network, CNN, and finally at CBS. His work for Charles Kuralt and CBS Sunday Morning was nominated for an Emmy. A 13-minute-long story he had photographed was aired, which is the television equivalent of a long book.

His career at the recording studio began in 1988 where he quickly came to specialize in audio operations. However, his contributions were not just technical. He also had just the right personal touch with Senators. It isn't always easy to get up in front of TV cameras and lights to speak, even for Senators, but Marty had the ability to put any Senator at ease. When floor directing, he spoke to each Senator easily and with warmth, and they trusted him. He was never intimidated but he was always respectful.

Marty can be a bit feisty, but his bark is much worse than his bite. To those who have gotten to know him, he is warm and caring, too.

Marty ended where he had started, working the Senate television shift. In 18 years he braved many long days and late nights through the Senate's always unpredictable schedule. Throughout his time at the studio, Marty could always be counted on to be at his post. That included his work as chief STV audio operator where for most days during his shift he started up in the audio booth, assuring that the Senators could always be heard in the Chamber and on television.

Marty has two grown sons, Eric and Alex. The two have been the pride of his life and have become responsible and caring adults. His marriage to Darlene has brought him much happiness. Both share the same three hobbies: antique collecting, antique collecting and more antique collecting. Their home is a somewhat cluttered but fascinating museum of American Western and American Indian artifacts, pottery, Big Little Books and just about anything else you can think of. Last but not least, there are four others who hold a place in his heart. They are Hoover the yellow lab, Clarence the bassett hound, Crystal the cat, and Birdie the cockatiel. Birdie likes to lie back and listen to the blues with Marty and Darlene and can even whistle "Bridge on the River Kwai."

Marty's unique personality, loyalty, and dedication will be missed. We all join to wish Marty the best as he begins this next adventure in his life and know he will enjoy the newfound time for family, friends, pets, and antique collecting.

CARL PERKINS CAREER AND TECHNICAL EDUCATION IMPROVEMENT ACT OF 2006

Mrs. MURRAY. Mr. President, I rise today to applaud the passage of the Carl D. Perkins Career and Technical Education Improvement Act of 2006. Perkins, the Federal Government's largest investment in our Nation's high schools, provides critical resources for students pursuing career and technical education at the secondary and postsecondary levels. Although the President has proposed eliminating the program in recent budget requests, Perkins has enjoyed a long history of bipartisan support. More than 11 million students are currently enrolled in some form of career and technical education and I am confident this reauthorization will improve the programs and services available to help them realize their goals.

I am particularly heartened by this bill's heightened focus on individualized student counseling and the use of graduation and career plans. For too many students, high school graduation and postsecondary education seem out of reach. That is why I have introduced my Pathways for All Students to Succeed, PASS, Act. The PASS Act provides assistance for schools to hire and train mathematics and literacy coaches; supports the collection and reporting of accurate graduation rates; and targets funding for struggling schools to implement reforms. It also dedicates resources to increase the number of academic counselors working in schools. Research has shown that providing early high school students with guidance boosts the likelihood that they will graduate with a diploma. Early, individualized planning also helps students obtain the coursework and training they need to achieve their professional aspirations. I applaud the increased focus on individualized student counseling and planning in Perkins, which will reach career and technical education students earlier in their schooling and put them on a track to graduate.

This Perkins reauthorization retains and strengthens the Tech Prep program, which encourages states to design and implement innovative programs that combine secondary and postsecondary activities into a coherent set of courses. In my home State of Washington, it is estimated that workforce training at community and technical colleges increases a student's lifetime earnings by more than $150,000. Federal Perkins dollars, matched by States and localities, are precisely the kind of government investment that pays off over a lifetime and I salute the continuation of these important programs.

In addition, I am heartened by several of the major changes we made to update the bill. We strengthened the emphasis on assisting students in preparing for high skill, high wage or high demand occupations, ensuring that we provide our students with skills they need to remain competitive in today's global marketplace. We promoted partnerships among high schools, community colleges, local workforce investment boards, business and industry, with the twin goals of providing students with pathways toward skilled occupations and producing the trained workers that employers need. We promoted professional development opportunities for career and technical education teachers, counselors, and administrators, so that those leading our classrooms and schools remain on the cutting edge of ever-changing workplaces and economy.

I commend this bill for bolstering the reporting requirements for Perkins programs, extending this level of transparency to the local level and requiring disaggregation for important population subgroups, including individuals with disabilities; students from economically disadvantaged families, including foster children; people preparing for nontraditional training and employment; and single parents, including single pregnant women. I am pleased that States now are required to report on student rates of attainment of diplomas and GEDs, as well as annual graduation rates. Valid and reliable data serves both an accountability and diagnostic function, and I am pleased to see that this reauthorization requires states to collect and publicize this information.

I would like to thank Senator KENNEDY, Chairman ENZI, Chairman MCKEON, and Congressman MILLER for their leadership on this bill. I also want to thank Carmel Martin, Jane Oates, J.D. LaRock, Beth Buehlmann, Scott Fleming, Whitney Rhoades, and Denise Forte for their hard work. The time and effort dedicated by members and staff is evident in the quality of the final product and I am pleased to support the reauthorization of the act.

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VOTING RIGHTS ACT REAUTHORIZATION AND AMENDMENTS ACT OF 2006

Mr. LEAHY. Mr. President, I have been advised by Chairman SPECTER's staff that the chairman is correcting the RECORD regarding some materials that were inserted last Thursday, July 20, 2006, during debate on reauthorization of the Voting Rights Act. I thank the chairman for correcting the RECORD. Contrary to how it appeared in the RECORD, those materials did not reflect work of the bipartisan staff of the Judiciary Committee.

I understand that the chairman filed a committee report last night on S. 2703, the Senate bill reported by the committee last Wednesday. I have yet to see a copy of that final report, nor is it yet publicly available. Indeed, no draft committee report on S. 2703 was circulated to the committee until July 24, 2006, 5 days after the Judiciary Committee unanimously voted to report it and the chairman had reported it, and four days after the Senate unanimously passed H.R. 9, the bill that President Bush signed into law this morning. That draft report did not contain findings based on the extensive record created in both the House and Senate.

In this highly unusual development, as the report filed should indicate, it does not reflect the views of a majority of the Senate Judiciary Committee. This, in spite of the fact that all members voted to report the bill favorably.

Fortunately, we had the foresight to include legislative findings in the body of the legislation itself. Those findings, based on the record, were adopted by the House and unanimously by the Senate last week. I want to thank Chairman SENSENBRENNER, Ranking Member CONYERS, Congressmen WATT and LEWIS, and all those who worked so hard to assemble and consider that record in the House. Their outstanding work gave us in the Senate a great start, which we supplemented with nine additional hearings. The findings remained the same and were adopted in identical form by both Houses. It is that bill and those findings, based on the extensive record that 18 members of the Judiciary Committee voted to report as part of S. 2703 last Wednesday, July 19 and that 98 Senators voted for in adopting H.R. 9 last Thursday, July 20.

With regard to committee consideration, after nine hearings, the committee held a special business meeting at my request to debate S. 2703 on July 19. At our business meeting, the committee debated and voted on only one substantive amendment, Senator COBURN's amendment related to section 203 of the Voting Rights Act. It was debated and then defeated. Other than an amendment I offered at Senator SALAZAR's suggestion to add the name of César Chávez to the short title, which was adopted, no other amendments were offered. The record is the record. As reported by The Houston Chronicle the next day, Senator CORNYN said: "I decided that any amendments would be defeated, so I decided not to offer any."

As Chairman SPECTER's deadline approached yesterday for filing views to be included in a highly unusual committee report, the Democratic Senators learned that the document the chairman was prepared to sign and file had changed dramatically from the document he had circulated as a draft report on July 24, 2006. As sponsors of the Senate legislation who have supported it pressed for its enactment and voted for it, we felt compelled to file views registering our disappointment that the views then being circulated did not reflect our views, did not properly reflect the record supporting our bill, and did not fully endorse the bill we introduced, sponsored and that we and all members of the committee voted to report favorably to the Senate. After we filed our views, I understand the report was revised even further to incorporate what had previously been styled as supplemental views into a new and not previously circulated version.

I will ask unanimous consent to have printed in the RECORD a copy of the signature page showing that even then only nine Republican members of the committee, less than a majority, endorsed the report.

Of course, at the time of floor debate and consideration of H.R. 9 in the Senate, no Senate committee report on S. 2703 was available to Senators. Fortunately at the time of Senate floor debate and consideration of H.R. 9 in the Senate last week, Senators had available to them an extensive record to inform their votes. We had the voluminous Senate Judiciary Committee record, including thousands of pages of testimony. We had the full record before the House of Representatives, including thousands of pages of testimony. We had the House Committee Report and the full debate on the floor of the House of Representatives, including debate surrounding four substantive amendments to H.R. 9 that were all rejected.

Leading up to final passage of the Voting Rights Act reauthorization, I provided the Senate with some of the extensive evidence received in the Judiciary Committee about the persistence of discriminatory practices in covered jurisdictions that supports reauthorization of this crucial provision. I provided evidence regarding the need for fixes to two Supreme Court decisions to clarify Congress's intent regarding the Voting Rights Act to reinforce the original purpose of the act. I also pointed to evidence supporting the extension of the act's critical bilingual language assistance provisions. I included statements in the CONGRESSIONAL RECORD from Tuesday and Wednesday and available to all Senators during the course of the debate. I referred to that evidence early in the debate last Thursday.

Most importantly, of course, at the time we voted, all Senators had before them the detailed findings in section 2 of the legislation based on the record and all Senators endorsed those findings with their votes. For example, those findings explicitly include:

> "Evidence of continued discrimination includ[ing] . . . the hundreds of objections interposed, requests for more information submitted followed by voting changes withdrawn from consideration by jurisdictions covered by the Voting Rights Act of 1965, and section 5 enforcement actions undertaken by the Department of Justice in covered jurisdictions since 1982 that prevented election practices, such as annexation, at-large voting, and the use of multi-member districts, from being enacted to dilute minority voting strength: . . . the number of requests for declaratory judgments denied by the United States District Court for the District of Columbia; . . . the continued filing of section 2 cases that originated in covered jurisdictions; and . . . the litigation pursued by the Department of Justice since 1982 to enforce sections 4(e), 4(f)(4), and 203 of such Act to ensure that all language minority citizens have full access to the political process." In addition, those findings include, "[t]he continued evidence of racially polarized voting in each of the jurisdictions covered by the expiring provisions of the Voting Rights Act of 1965 demonstrates that racial and language minorities remain politically vulnerable, warranting the continued protection of the Voting Rights Act of 1965."

These findings the Senate adopted in its unanimous vote for H.R. 9 and as a reauthorization measure also incorporated the statutory findings within the following provisions of the Voting Rights Act of 1965: section 203(a); section 4(f)(1); section 10(a); and section 202(a).

By passing the legislation, Congress has adopted and reaffirmed the detailed findings in H.R. 9. The Senate unanimously adopted these findings. Nothing inserted in the RECORD thereafter can diminish the force of those findings contained within the enacted legislation itself. As several courts have properly recognized, postpassage "legislative history" is a contradiction in terms.

Earlier today, we celebrated the reauthorization and revitalization of the Voting Rights Act when President Bush signed that bill into law. I know that many in his party are unhappy with him, but I think he did the right thing. The Voting Rights Act is one of the most important laws Congress has ever passed. I am proud to say that our democracy and our Nation have been better and richer for it.

The Voting Rights Act is the keystone in the foundation of civil rights laws and is one of the most important methods of protecting all Americans' foundational right to vote. Several generations have kept the chain of support for the Voting Rights Act unbroken, and now our generation has done its part to continue that legacy and revitalize the act.

Keeping the Voting Rights Act intact is important, but enforcing it is equally important. Now that Congress has passed this bill—and the President has signed it—it is up to the President to ensure that this law and all of its provisions are enforced fully and faithfully. I was pleased today to hear the President commit to aggressive enforcement and to defend the act from legal attacks. Article I of the Constitution provides for the Congress to write the laws, and article II provides for the President to enforce them. Congress has done its part, and now the President must do his. I commend him for saying that he will. That was the most important thing the President said today.

The President has not always been a supporter of this important civil rights law. While Governor of Texas, President Bush fought against some of the key antidiscrimination provisions Congress just reauthorized, as noted in a front page story in today's Washington Times. Today the President acted on behalf of all Americans and did the right thing despite the backbiting and criticism within his party. I commend him.

Now his responsibility is to faithfully execute the law and aggressively enforce its provisions. I trust we will not see another after-the-fact Presidential signing statement undercutting the commitment he made today in his public statement and by signing the Fannie Lou Hamer, Rosa Parks and Coretta Scott King Voting Rights Act Reauthorization and Amendments Act of 2006.

The enactment of this law is a triumph for all Americans and a testament to efforts of its supporters in the House and Senate. On several occasions there were attempts by some to derail this bill. Those efforts continue. Fortunately, the findings in the act itself and the record we have built supports this important measure. We know that effective enforcement of these provisions is vital in stamping out discrimination that, unfortunately, still exists in this Nation today. As the President has acknowledged, the wound is not healed and there is more to do to protect the rights of all Americans to vote and have their votes count.

I ask unanimous consent that the signature page to which I referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Arlen Specter
Orrin Hatch
Chuck Grassley
Jon Kyl
Jeff Sessions
Lindsey Graham
John Cornyn
Sam Brownback
Tom Coburn

NOMINATION OF FREDERIC S. MISHKIN

Mr. BUNNING. Mr. President, I wish to speak briefly about the nomination of Dr. Frederic Mishkin to be a Federal Reserve Governor and why I voted against him.

I do not think Professor Mishkin is the right choice for the Federal Reserve. I am not convinced that he will be an independent voice.

I met with Professor Mishkin a few weeks ago and found Professor Mishkin to be a pleasant and intelligent man. I do not question his integrity or his qualifications for the job. He has spent his entire career studying and writing about monetary policy and economics. And his passion is evident.

To me, the question is not about Professor Mishkin's qualifications but about the kind of Fed we need. I do not hold Professor Mishkin's long friendship with Chairman Bernanke against him, nor do I think he will have problems speaking his mind to the chairman when they disagree. My concern is that those disagreements will be few and far between, and that the chairman hand picked him for that reason.

More than that, I am afraid the Fed has too many people with the same background. Many Fed members have spent a great deal of time studying central bank actions, but too few have experience dealing with the real-world consequences of those actions. Even Fed Chairman Ben Bernanke recently agreed that having people with different backgrounds on the Fed is healthy, and he stated his support for the next nominee to come from the financial services industry.

However, Professor Mishkin will only continue the trend toward an ivory-tower, academic Fed. Because of that, I voted "no".

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On January 23, 1981, in Chicago, IL, Stevie Lynch, a mentally retarded man, was attacked while walking to a friend's house. According to police, two men stopped Lynch on the street taunting him about his disability and trying to make him drink beer. They then pulled him into a passageway punching him and beating his head against the wall. Lynch suffered fractures to his skull and jaw. His disability appeared to be the sole motivation for the attack.

I believe that the Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

THE PROBLEM WITH ILLEGAL GUNS

Mr. LEVIN. Mr. President, over the last 10 years, there have been more than 3.7 million crimes committed with firearms in this country. That is an average of 100 violent gun crimes every day, with almost 60 percent of these violent gun crimes occurring in our Nation's major cities.

America's major cities have been flooded with illegal guns. The underground market for guns is largely a product of the diversion of massive numbers of guns from licensed gun shops into the hands of criminals. A variety of sources supply the illegal market, including theft, unlicensed sellers who buy guns for the purpose of reselling them, corrupt Federal firearms licensees, and straw purchasers who buy guns for other unlicensed sellers, criminal users, and juveniles. Based on its own gun trafficking investigations, the Bureau of Alcohol, Tobacco, Firearms and Explosives, ATF, has concluded that corrupt gun dealers are the source of the largest number of firearms diverted to the illegal market. In 1998, the ATF found that 56 percent of dealers and 30 percent of pawnbrokers who sold 50 or more guns, had Federal firearms violations. In addition, 18 percent of the dealers and 45 percent of the pawnbrokers had guns missing from their inventory.

Despite the fact that the ATF inspections often reveal multiple illegal acts by gun dealers, the revocation of a dealer's license is a rare and difficult event. In 2003, the ATF conducted 1,812 inspections that uncovered regulatory violations with an average of over 80 violations per dealer. Despite this large number of dealers with multiple violations, the ATF issued only 54 notices of license revocation that year.

I have consistently supported commonsense legislation to help stop the flow of guns to the black market. Unfortunately, the failure of Congress to act on several commonsense bills has allowed criminals and terrorists continued easy access to guns. In addition to endangering our families and communities here in the United States, congressional inaction may also be helping to fuel international trafficking of powerful firearms.

If we make it harder for criminals to get guns, there will be fewer gun violence victims. By helping to keep guns out of the wrong hands, we can save lives.

HONORING BOB FELLER

Mr HARKIN. Mr. President, I rise today in support of Senate Concurrent Resolution 110, sponsored by my friend, the senior Senator from Ohio, which honors an American hero, Iowa's own Bob Feller.

Robert William Andrew Feller, better known to baseball fans as "Bullet Bob" or "Rapid Robert," will forever be recognized for his talent, courage, and heart. Throughout his life, Feller has achieved tremendous success. Born on a farm in Van Meter, Iowa, in 1918, Feller began his baseball career playing American Legion, amateur and semi-pro baseball on fields across the State.

He signed a contract to pitch for the Cleveland Indians in 1935 at the age 16. In his first major league start in 1936 he struck out 15 batters, showing the entire league that he was not just a kid but a true talent that could play with the big names. As anticipated by fellow coaches, players, and fans, Feller only progressed. He was the first pitcher to win 20 or more games by the age of 21 and pitched the only opening day no-hitter in major league baseball history. At the height of his astounding career, Feller put his loyalty to his country above all and enlisted in the U.S. Navy 2 days after the Japanese attack on Pearl Harbor. While putting his big-time baseball career on hold and valiantly serving in the Armed Forces for nearly 4 years, Feller earned eight battle stars working primarily aboard the USS *Alabama* in the gunnery department.

After being discharged, Feller was ready to go back to the game he loved. Having not played for 4 years, there was much speculation that he would not be the recordbreaking pitcher he once was. That year, he proved they were wrong. His 1946 season was the most successful of Feller's career. Throwing pitches clocked as fast as 109 miles per hour, Feller completed 36 of the 42 games he started while compiling a 2.18 earned run average. He also pitched his second career no-hitter against the New York Yankees, pitched a shutout victory for the American League in the All Star Game, and, for good measure, saved four out of six games in relief for the Indians. Feller overwhelmingly led the American League that year in wins, shutouts, strikeouts, games pitched, and innings. In 1962, 6 years after his last season, Bob Feller was inducted into the Baseball Hall of Fame in recognition for his extraordinary abilities, on and off the field.

It is my honor today to stand in support of Senate Concurrent Resolution 110, commemorating the 60th anniversary of the 1946 season of Iowa's native son, Bob Feller and his heroic military service to the United States.

ABRAHAM LINCOLN STUDY ABROAD PROGRAM

Mr. COLEMAN. Mr. President, I am honored to join Senator DURBIN in introducing the Abraham Lincoln Study Abroad Act which focuses on the important issue of preparing future generations to live and work in an increasingly interconnected and complicated world. My colleague and I strongly believe that in order for the United States to effectively confront global challenges, to compete successfully in a global economy, and to lead responsibly in the world, we must dramatically increase the number of Americans gaining international experience through study abroad.

In 2004, Congress recognized the value of study abroad when it formed the Commission on the Abraham Lincoln Study Abroad Fellowship Program. The Commission issued a report in November 2005 calling for a national study abroad program to greatly increase and diversify the number of U.S. students participating in study abroad while at the same time addressing the institutional barriers which hinder many students from studying abroad. Again, the Senate recognized the significance of the study abroad experience when it declared 2006 as the "Year of Study Abroad," and encouraged initiatives to promote and expand study abroad opportunities.

With this legislation, my colleague and I move this important agenda one step further by sponsoring a bill that will change the country. It will enable our students to graduate with skills necessary to work effectively in today's global society by making study abroad an integral part of the undergraduate educational experience.

Today, only 1 percent of all enrolled undergraduate students spend time living and studying abroad for academic credit. And only approximately one-third of those students chose to study in locations outside Western Europe, even though an estimated 95 percent of the world's population growth will occur outside that area in the next 50 years. The percentages of minorities among individuals studying abroad are extremely low, and underrepresentative of the numbers of those students in the general student population.

Minnesota ranks third in the Nation for study abroad participation rates. During the 2003–2004 school year, 8073 students enrolled in Minnesotan colleges and universities studied abroad, which is a little less than 3 percent of the overall enrolled undergraduate student population in the State. I would like to see this number grow—study abroad opportunities will help make the next generation of Minnesotans and all Americans more competitive in the global marketplace.

The reality of the global environment commands that far more of our students study abroad, regardless of their field of study, ethnicity, socioeconomic status or gender, and that more of them study in nontraditional destinations. In order for graduates to be effective in the increasingly interconnected global society, they must better understand the broad world, not just a small part of it.

Study abroad should become the norm, not the exception for U.S. college students. It can only be good for our campuses, our communities and our Nation to have more U.S. students understanding more about the rest of the world.

ADDITIONAL STATEMENTS

TRIBUTE TO PERRY M. ZIMMERMAN

• Mrs. BOXER. Mr. President, I am pleased and honored to salute labor leader Perry Zimmerman, the distinguished business manager of the International Brotherhood of Electrical Workers, IBEW, Local 1245, and a vice president of the California Labor Federation, AFL–CIO. Perry is retiring after 5 years as IBEW Local 1245 business manager and more than 40 years of outstanding service to the labor community in California, Nevada, Oregon, Washington, and Idaho.

Perry Zimmerman began his career at Pacific Gas and Electric Company in 1962. During his 19 years there, he was an active union member, serving as a shop steward, unit chairman, and advisory council member.

In 1981, Perry joined the staff of IBEW Local 1245 as business representative, where he served members in Sacramento and the San Francisco Bay Area. After 11 years, he was promoted to assistant business manager and served area members in both the private and public sectors.

Perry was elected business manager/financial secretary of IBEW Local 1245 in 2001. He was reelected in 2004 and has held this post ever since. As the leader of more than 18,000 members working for over 50 employers and 100 contractors, Perry Zimmerman is the voice of energy and communication workforces in 5 Western States. During this time, he was also a vice president of the California Labor Federation, AFL–CIO.

Throughout his career, Perry has demonstrated great enthusiasm and compassion for his fellow workers. As business manager, Perry was committed to being in regular touch with members, informing them of leadership decisions and requesting their opinions. He has said this was his favorite part of his job.

After more than 40 years of service to working families, Perry Zimmerman deserves some time off. Along with his friends and admirers throughout the Western United States, I wish him a long and pleasurable retirement.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 9:31 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 1496. An act to direct the Secretary of the Interior to conduct a pilot program under which up to 15 States may issue electronic Federal migratory bird hunting stamps.

H.R. 4019. An act to amend title 4 of the United States Code to clarify the treatment of self-employment for purposes of the limitation on State taxation of retirement income.

H.R. 5865. An act to amend section 1113 of the Social Security Act to temporarily increase funding for the program of temporary assistance for United States citizens returned from foreign countries, and for other purposes.

H.J. Res. 86. An act approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore (Mr. STEVENS).

At 11:38 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 5682. An act to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India.

H.R. 5877. An act to amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 400. Concurrent resolution expressing the sense of Congress that the Government of Venezuela should actively support strategies for ensuring secure airport facilities that meet international certifications to prevent trafficking of controlled substances, narcotics, and laundered money.

At 12:47 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2730. An act to authorize funding for eligible joint ventures between United States and Israeli businesses an academic persons, to establish the International Energy Advisory Board, and for other purposes.

H.R. 5319. An act to amend the Communications Act of 1934 to require recipients of universal service support for schools and libraries to protect minors from commercial social networking websites and chat rooms.

H.R. 5337. An act to ensure national security while promoting foreign investment and the creation and maintenance of jobs, to reform the process by which such investments are examined for any effect they may have on national security, to establish the Committee on Foreign Investment in the United States, and for other purposes.

H.R. 5611. An act to authorize a partnership between the Secretary of Energy and appropriate industry groups for the creation of a transportation fuel conservation education campaign, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2730. An act to establish a grant program to fund eligible joint ventures between United States and Israeli businesses and academic persons, to establish the International Energy Advisory Board, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 5319. An act to amend the Communications Act of 1934 to require recipients of universal service support for schools and libraries to protect minors from commercial social networking websites and chat rooms; to the Committee on Commerce, Science, and Transportation.

H.R. 5611. An act to provide for the establishment of a partnership between the Secretary of Energy and appropriate industry groups for the creation of a transportation fuel conservation education campaign, and for other purposes; to the Committee on Energy and Natural Resources.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 400. Concurrent resolution expressing the sense of Congress that the Government of Venezuela should actively support strategies for ensuring secure airport facilities that meet international certifications to prevent trafficking of controlled substances, narcotics, and laundered money; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 5337. An act to ensure national security while promoting foreign investment and the creation and maintenance of jobs, to reform the process by which such investments are examined for any effect they may have on national security, to establish the Committee on Foreign Investment in the United States, and for other purposes.

H.R. 5682. An act to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–7657. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Gypsy Moth; Regulated Articles" ((RIN0579–AB55) (Doc. No. 00-067-2)) received on July 21, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7658. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Asian Longhorned Beetle; Removal of Quarantined Area in Illinois" (Doc. No. APHIS-2006-0105) received on July 21, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7659. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Chronic Wasting Disease Herd Certification Program and Interstate Movement of Farmed or Captive Deer, Elk, and Moose" ((RIN0579–AB35) (Doc. No. 00-108-3)) received on July 24, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7660. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Imported Fire Ant; Addition of Counties in Arkansas and Tennessee to the List of Quarantined Areas" (Doc. No. APHIS–2006–0080) received on July 26, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7661. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "2-Propenoic Acid, 2-Methl-, Polymer with Butyl 2-Propenoate, Methyl 2-Methyl-Propenoate, Methyl 2-Propenoate and 2-Propenoic Acid, Graft, Compound with 2-Amino-2Methyl-1-Propanol; Tolerance Exemption" (FRL No. 8077–4) received on July 25, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7662. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "2-Propenoic, 2-Methyl-, Polymers with Ethyl Acrylate and Polyethylene Glycol Methylacrylate C18-22alkyl Ethers; Tolerance Exemption" (FRL No. 8078-3) received on July 25, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7663. A communication from the Director, Regulatory Review Group, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Revisions of Delegations of Authority" (RIN0560-AE51) received on July 26, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7664. A communication from the Acting Assistant Secretary of the Navy (Installations and Environment), transmitting, pursuant to law, a report relative to conducting a standard competition of the Laundry and Dry Cleaning Operations function performed by civilian personnel in the Department of the Navy for possible performance by private contractors; to the Committee on Armed Services.

EC–7665. A communication from the Acting Assistant Secretary of the Navy (Installations and Environment), transmitting, pursuant to law, a report of the beginning of preliminary planning under Office of Management and Budget Circular A-76 for the possible competition of Naval Facilities Engineering Command recycling functions; to the Committee on Armed Services.

EC–7666. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting, authorization of Rear Admiral (lower half) David J. Dorsett, United States Navy, to wear the insignia of the grade of rear admiral in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

EC–7667. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting, the report of (4) officers authorized to wear the insignia of rear admiral in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

EC–7668. A communication from the Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Transitional Assistance Management Program; Early Eligibility for TRICARE for Certain Reserve Component Members" (RIN0720–AA90) received on July 26, 2006; to the Committee on Armed Services.

EC–7669. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a six-month periodic report on the national emergency with respect to terrorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995; to the Committee on Banking, Housing, and Urban Affairs.

EC–7670. A communication from the Under Secretary for Domestic Finance, Department of the Treasury, transmitting, pursuant to law, the annual report on the Resolution Funding Corporation for the calendar year 2005; to the Committee on Banking, Housing, and Urban Affairs.

EC–7671. A communication from the General Counsel, Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled "No. 2006-10: Data Reporting Requirements for the Federal Home Loan Banks" (RIN3069–AB28) received on July 26, 2006; to the Committee on Banking, Housing, and Urban Affairs.

EC–7672. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "Third-Party Servicing of Indirect Vehicle Loans" (12 CFR Parts 701 and 741) received on July 26, 2006; to the Committee on Banking, Housing, and Urban Affairs.

EC–7673. A communication from the Secretary of the Interior, transmitting, pursuant to law, the Department's Annual Report for Fiscal Year 2005 entitled "Outer Continental Shelf Lease Sales: Evaluation of Bidding Results"; to the Committee on Energy and Natural Resources.

EC–7674. A communication from the Chairman, Defense Nuclear Facilities Safety Board, transmitting, pursuant to law, a report entitled "Plutonium Storage at the Department of Energy's Savannah River Site"; to the Committee on Energy and Natural Resources.

EC–7675. A communication from the Attorney, Office of Assistant General Counsel for Legislation and Regulatory Law, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Computer Security; Access to Information on Department of Energy Computers and Computer Systems" (RIN1992–AA27) received on July 24, 2006; to the Committee on Energy and Natural Resources.

EC–7676. A communication from the General Counsel, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Promoting Transmission Investment through Pricing Reform" (Docket No. RM06-4-000) received on July 24, 2006; to the Committee on Energy and Natural Resources.

EC–7677. A communication from the General Counsel, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Rate Regulation of Certain Natural Gas Storage Facilities" (Docket Nos. RM05–23–000 and AD04–11–000) received on July 26, 2006; to the Committee on Energy and Natural Resources.

EC–7678. A communication from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, a report entitled "The Superfund Innovative Technology Evaluation Program: Annual Report to Congress FY 2003"; to the Committee on Environment and Public Works.

EC–7679. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Perchloroethylene Air Emission Standards for Dry Cleaning Facilities" ((RIN2060-AK18) (FRL No. 8200-2)) received on July 25, 2006; to the Committee on Environment and Public Works.

EC–7680. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Applicable Federal Rates—August 2006" (Rev. Rul. 2006-39) received on July 21, 2006; to the Committee on Finance.

EC–7681. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the

Treasury, transmitting, pursuant to law, the report of a rule entitled "Excise Taxes With Respect To Prohibited Tax Shelter Transactions to Which Tax-Exempt Entities Are Parties and Related Disclosure Requirements" (Notice 2006-65) received on July 21, 2006; to the Committee on Finance.

EC-7682. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Reporting of Gross Proceeds Payments to Attorneys" (RIN1545-AW72) received on July 21, 2006; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CRAIG, from the Committee on Veterans' Affairs, without amendment:

S. 2562. A bill to increase, effective as of December 1, 2006 , the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans (Rept. No. 109-296).

By Mr. CRAIG, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 2694. A bill to amend title 38, United States Code, to remove certain limitation on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, and for other purposes (Rept. No. 109-297).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Ms. COLLINS for the Committee on Homeland Security and Governmental Affairs.

*Jennifer M. Anderson, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

*Anna Blackburne-Rigsby, of the District of Columbia, to be Associate Judge of the District of Columbia Court of Appeals for the term of fifteen years.

*Phyllis D. Thompson, of the District of Columbia, to be Associate Judge of the District of Columbia Court of Appeals for the term of fifteen years.

*Mickey D. Barnett, of New Mexico, to be a Governor of the United States Postal Service for a term expiring December 8, 2013.

*Katherine C. Tobin, of New York, to be a Governor of the United States Postal Service for a term expiring December 8, 2012.

*Ellen C. Williams, of Kentucky, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 2007.

*Paul A. Denett, of Virginia, to be Administrator for Federal Procurement Policy.

By Mr. SPECTER for the Committee on the Judiciary.

Kimberly Ann Moore, of Virginia, to be United States Circuit Judge for the Federal Circuit.

R. Alexander Acosta, of Florida, to be United States Attorney for the Southern District of Florida for the term of four years.

Steven G. Bradbury, of Maryland, to be an Assistant Attorney General.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Ms. STABENOW (for herself and Mr. LEVIN):

S. 3745. A bill to amend the Internal Revenue Code of 1986 to allow a tax credit for certain employer-provided retiree health care coverage, and for other purposes; to the Committee on Finance.

By Mrs. BOXER (for herself and Mrs. FEINSTEIN):

S. 3746. A bill to authorize the Secretary of the Interior and the Secretary of Agriculture to make grants to facilitate the establishment of the National Ag Science Center in Stanislaus County, California; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ROCKEFELLER (for himself, Mr. KERRY, Mr. KENNEDY, and Mr. SARBANES):

S. 3747. A bill to amend title XVIII of the Social Security Act and the Employee Retirement Income Security Act of 1974 to provide access to Medicare benefits for individuals ages 55 to 65, to amend the Internal Revenue Code of 1986 to allow a refundable and advanceable credit against income tax for payment of such premiums, and for other purposes; to the Committee on Finance.

By Mr. NELSON of Florida (for himself and Mr. MARTINEZ):

S. 3748. A bill to require the Secretary of the Army to publish a supplement to the major rehabilitation report for the Herbert Hoover Dike system, and for other purposes; to the Committee on Environment and Public Works.

By Mrs. FEINSTEIN:

S. 3749. A bill to suspend temporarily the duty on certain parts and accessories for measuring or checking instruments; to the Committee on Finance.

By Mrs. FEINSTEIN:

S. 3750. A bill to suspend temporarily the duty on certain printed circuit assemblies for measuring equipment for telecommunications; to the Committee on Finance.

By Mrs. FEINSTEIN:

S. 3751. A bill to suspend temporarily the duty on certain subassemblies for measuring equipment for telecommunications; to the Committee on Finance.

By Mrs. FEINSTEIN:

S. 3752. A bill to liquidate or reliquidate certain entries of frozen fish fillets; to the Committee on Finance.

By Mr. BAUCUS:

S. 3753. A bill to provide emergency assistance to agricultural producers that have incurred losses during calendar year 2006 due to fires; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MARTINEZ (for himself and Mr. COLEMAN):

S. 3754. A bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance, and for other purposes; to the Committee on Finance.

By Mr. SCHUMER:

S. 3755. A bill to establish the Niagara Falls National Heritage Area in the State of New York, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MENENDEZ:

S. 3756. A bill to study and improve the air quality inside school buses, and for other purposes; to the Committee on Environment and Public Works.

By Mr. OBAMA (for himself and Mr. DURBIN):

S. 3757. A bill to designate the facility of the United States Postal Service located at 950 Missouri Avenue in East St. Louis, Illinois, as the "Katherine Dunham Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

By Mr. REED (for himself, Mr. ROCKEFELLER, Mr. KENNEDY, Mr. BINGAMAN, and Mr. KERRY):

S. 3758. A bill to establish certain requirements relating to the continuation of the Survey of Income and Program Participation; to the Committee on Commerce, Science, and Transportation.

By Mr. BURNS:

S. 3759. A bill to name the Armed Forces Readiness Center in Great Falls, Montana, in honor of Captain William Wylie Galt, a recipient of the Congressional Medal of Honor; to the Committee on Armed Services.

By Mr. KYL (for himself and Mr. DEWINE):

S. 3760. A bill to prohibit the suspension of royalties under certain circumstances and to clarify the authority to impose price thresholds for certain leases; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ISAKSON (for himself, Mr. CHAMBLISS, and Mr. ROCKEFELLER):

S. Res. 541. A resolution congratulating Spelman College on its 125th anniversary; considered and agreed to.

By Mr. CRAPO (for himself and Mr. DORGAN):

S. Res. 542. A resolution supporting the goals and ideas of National Peripheral Arterial Disease Awareness Week; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LOTT:

S. Res. 543. A resolution temporarily suspending the Rules for the Regulation of the Senate Wing of the United States Capitol and Senate Office Buildings for the purpose of permitting the taking of photographs in the area of the Daily Press Gallery; considered and agreed to.

ADDITIONAL COSPONSORS

S. 146

At the request of Mr. INOUYE, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 146, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Scouts to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

S. 267

At the request of Mr. CRAIG, the names of the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from Florida (Mr. MARTINEZ) were added as cosponsors of S. 267, a bill to reauthorize the Secure Rural Schools and Community Self-Determination Act of 2000, and for other purposes.

S. 489

At the request of Mr. ALEXANDER, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 489, a bill to amend chapter 111 of title 28, United States Code, to limit the duration of Federal consent decrees to which State and local governments are a party, and for other purposes.

S. 537

At the request of Mr. BINGAMAN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 537, a bill to increase the number of well-trained mental health service professionals (including those based in schools) providing clinical mental health care to children and adolescents, and for other purposes.

S. 914

At the request of Mr. ALLARD, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 914, a bill to amend the Public Health Service Act to establish a competitive grant program to build capacity in veterinary medical education and expand the workforce of veterinarians engaged in public health practice and biomedical research.

S. 1263

At the request of Mr. BOND, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 1263, a bill to amend the Small Business Act to establish eligibility requirements for business concerns to receive awards under the Small Business Innovation Research Program.

S. 1537

At the request of Mr. AKAKA, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1537, a bill to amend title 38, United States Code, to provide for the establishment of Parkinson's Disease Research Education and Clinical Centers in the Veterans Health Administration of the Department of Veterans Affairs and Multiple Sclerosis Centers of Excellence.

S. 1774

At the request of Mr. CORNYN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1774, a bill to amend the Public Health Service Act to provide for the expansion, intensification, and coordination of the activities of the National Heart, Lung, and Blood Institute with respect to research on pulmonary hypertension.

S. 2048

At the request of Mr. OBAMA, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2048, a bill to direct the Consumer Product Safety Commission to classify certain children's products containing lead to be banned hazardous substances.

S. 2354

At the request of Mr. NELSON of Florida, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2354, a bill to amend title XVIII of the Social Security Act to reduce the coverage gap in prescription drug coverage under part D of such title based on savings to the Medicare program resulting from the negotiation of prescription drug prices.

S. 2491

At the request of Mr. CORNYN, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 2491, a bill to award a Congressional gold medal to Byron Nelson in recognition of his significant contributions to the game of golf as a player, a teacher, and a commentator.

S. 2590

At the request of Mr. COBURN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2707

At the request of Mr. SUNUNU, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 2707, a bill to amend the United States Housing Act of 1937 to exempt qualified public housing agencies from the requirement of preparing an annual public housing agency plan.

S. 2791

At the request of Mr. STEVENS, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 2791, a bill to amend title 46 and 49, United States Code, to provide improved maritime, rail, and public transportation security, and for other purposes.

S. 3523

At the request of Mrs. FEINSTEIN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 3523, a bill to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending.

S. 3535

At the request of Mr. TALENT, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 3535, a bill to modernize and update the National Housing Act and to enable the Federal Housing Administration to use risk based pricing to more effectively reach underserved borrowers, and for other purposes.

S. 3677

At the request of Mr. BINGAMAN, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 3677, a bill to amend title XVIII of the Social Security Act to eliminate the in the home restriction for Medicare coverage of mobility devices for individuals with expected long-term needs.

S. 3681

At the request of Mr. DOMENICI, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 3681, a bill to amend the Comprehensive Environmental Response Compensation and Liability Act of 1980 to provide that manure shall not be considered to be a hazardous substance, pollutant, or contaminant.

S. 3722

At the request of Mr. LUGAR, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 3722, a bill to authorize the transfer of naval vessels to certain foreign recipients.

S.J. RES. 7

At the request of Mr. KENNEDY, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S.J. Res. 7, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

S. CON. RES. 84

At the request of Mr. KYL, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. Con. Res. 84, a concurrent resolution expressing the sense of Congress regarding a free trade agreement between the United States and Taiwan.

S. CON. RES. 97

At the request of Mr. GRASSLEY, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. Con. Res. 97, a concurrent resolution expressing the sense of Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should provide from renewable resources not less than 25 percent of the total energy consumed in the United States and continue to produce safe, abundant, and affordable food, feed, and fiber.

S. RES. 359

At the request of Ms. LANDRIEU, the names of the Senator from North Carolina (Mr. BURR) and the Senator from North Carolina (Mrs. DOLE) were added as cosponsors of S. Res. 359, a resolution concerning the Government of Romania's ban on intercountry adoptions and the welfare of orphaned or abandoned children in Romania.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. BOXER (for herself and Mrs. FEINSTEIN):

S. 3746. A bill to authorize the Secretry of the Interior and the Secretary of Agriculture to make grants to facilitate the establishment of the National Ag Science Center in Stanislaus County, California; to the committee on Agriculture, Nutrition, and Forestry.

Mrs. BOXER. Mr. President, I rise today with my colleague Senator FEINSTEIN to introduce a bill authorizing the Secretaries of Agriculture and Interior to make grants to facilitate the establishment of the National Ag Science Center in Stanislaus County, California. This bill will create a facility that will help teach visitors from all across the country about the significance of agriculture in our Nation's culture and economy, the importance of science in agriculture, and California's role as the Nation's preeminent agricultural State.

This bill will designate $10 million in total grant funding to help fund construction costs of the center, with the federal share limited to 33 percent of the total cost. I am happy to report that the center is making great progress on raising private donations to complete its share of the construction funding.

The center will help promote California's place as the Nation's most diverse and productive agricultural State. With the farmers, growers, and ranchers of our State producing over 350 different crops and commodities, and nearly 80,000 active farming operations, agriculture is one of California's most important industries. From our vineyards and wineries, to the almond, stone fruit, strawberry, cotton, and rice farms, to the citrus groves of central and southern California, to the dairy and cattle ranches across the State, farming and agriculture are ubiquitous in California and impact all of our communities in an important way.

The farms, large and small, produce half of America's produce and are exported all across the globe, providing billions of dollars to our economy and balance of trade.

The center's mission will place an emphasis on agricultural science education, with interactive, high-technology exhibits designed to foster an understanding of the importance of agriculture, and how science plays an essential role in the farm-to-food process. There will also be a strong focus on highlighting the important relationship between agriculture, conservation, and the environment.

I would also like to thank Representatives CARDOZA, MATSUI and RADANOVICH for introducing a companion bill in the House of Representatives.

By Mr. ROCKEFELLER (for himself, Mr. KERRY, Mr. KENNEDY, and Mr. SARBANES):

S. 3747. A bill to amend title XVIII of the Social Security Act and the Employee Retirement Income Security Act of 1974 to provide access to Medicare benefits for individuals ages 55 to 65, to amend the Internal Revenue Code of 1986 to allow a refundable and advanceable credit against income tax for payment of such premiums, and for other purposes; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, in 2004, 45.8 million Americans were without health insurance. That is 15.7 percent of our population, an increase of over 800,000 people in just one year. Yet this number doesn't even reflect the true extent of the problem, as at least another 16 million adults and children are underinsured. This means that even though they have insurance, they are not able to access quality health care when they need it because of high deductibles, soaring co-payments, and unreasonable health benefit restrictions.

As I have said many times before, it is unacceptable that a world superpower such as ours has so many people that are uninsured. Lacking or having inadequate health insurance has been shown over and over to be associated with poorer health and quality of life. The uninsured are over 40 percent more likely to be diagnosed with late stage breast and prostate cancers and more than twice as likely to be diagnosed with late stage melanoma. They are hospitalized more often for avoidable conditions such as pneumonia and uncontrolled diabetes.

The Institute of Medicine estimates that 18,000 people die every year because they lack health coverage. Thousands more suffer unnecessary pain and disability because they can't get the health care they need when they need it. We cannot allow so many of our fellow citizens to just fall through the cracks of a deficient health care system. We can and must do better.

I have introduced several bills to this Congress to provide greater access to health insurance coverage in this country. These bills include the MediKids Health Insurance Act to improve coverage for kids, the TAA Health Coverage Improvement Act to offer insurance options to trade displaced workers, and the Small Employers Health Benefits Plan Act to offer more affordable health care to small business owners and their employees. Today, I join Senators KERRY, KENNEDY, and SARBANES in introducing yet another key piece of legislation to reduce the number of uninsured Americans—the Medicare Early Access Act of 2006.

The Medicare Early Access Act of 2006, which has also been introduced in the House of Representatives by Congressman PETE STARK, provides a new coverage option for our Nation's near elderly. This legislation would allow people aged 55 through 64, who are not otherwise eligible for coverage under a group health plan or Federal health insurance program, to buy into Medicare. It also provides a 75 percent tax credit for Medicare early access premiums to make coverage more affordable for the broadest range of near elderly individuals.

Insurance coverage for the near-elderly, the 29 million people between the ages of 55 and 64, is particularly critical. The near elderly are the fastest growing group of uninsured Americans—almost one in seven are uninsured. And, we know the risk of serious illness for adults increases with age, requiring more frequent contact with the health care system and the related financial obligations. Over 50 percent of near-elderly Americans have at least one serious health problem, including diabetes, cancer, chronic lung disease, heart problems, or stroke. Without adequate access to health care, these individuals typically delay care until more serious complications develop that could require high-cost hospital care or even lead to premature death.

With job layoffs, early retirement, and the dwindling number of employers offering health insurance, the near-elderly now face greater hurdles to maintaining adequate health care coverage. In March of this year, a major American automotive company offered 113,000 of its employees up to $140,000 to leave the company with no claims to future benefits. It is predicted that more large employers will follow suit in the near future, while other companies continue to seek bankruptcy court approval to set aside long-standing benefit programs. The greatest impact of these types of buyouts and benefit restrictions will be on the near-elderly age group, who do not yet have the safety net of Medicare.

Some of my colleagues might argue that Medicare buy-in legislation is unnecessary because the near elderly can get coverage in the individual market. I would say to my colleagues that the near elderly have an extremely difficult time buying insurance in the individual market. Because this group tends to have pre-existing chronic illnesses, private insurers often deny them coverage or offer them coverage at unaffordable rates. So the individual market actually fails to be an option for most near elderly individuals and they bear the risk of forgoing coverage altogether.

Lack of insurance and gaps in coverage affect us all, not just the uninsured person in need of care. When an uninsured person goes to a hospital, clinic, or emergency room and cannot pay for the cost of his or her care, the unpaid balances are passed on to those who have insurance or other means to pay. Insurance rates go up as do our taxes to support public programs. Whether through higher insurance premiums or taxes supporting our public insurance programs, we all pay, one way or another, for not doing more to address the problem of the uninsured. Failure to achieve a solution now to this burgeoning problem will surely cost us more if we wait, both in human life and in dollars.

The Medicare Early Access Act of 2006 may not be the total solution to solving America's crisis of the uninsured, but it is an earnest attempt to address the problem of the health care access for one of the most vulnerable segments of our population-the near elderly. These individuals often have the greatest need and the least choice when it comes to affordable health insurance coverage. By offering the near-elderly access to comprehensive health benefits through Medicare, we can hopefully reduce the long-term costs to our health care system. I urge my colleagues to join us in taking this important step toward making health insurance and personal dignity a reality for all Americans.

By Mr. OBAMA (for himself and Mr. DURBIN):

S. 3757. A bill to designate the facility of the United States Postal Service located at 950 Missouri Avenue in East St. Louis, Illinois, as the "Katherine Dunham Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

Mr. OBAMA. Mr. President, today, I am introducing legislation, along with Senator DURBIN, to honor the lifetime achievements and legacy of one of Illinois' most treasured figures, Katherine Dunham, who passed away on May 21, 2006. Our bill would name the post office on Missouri Avenue in East St. Louis, the "Katherine Dunham Post Office Building."

Katherine Dunham was born in Glen Ellyn, IL, on June 22, 1909, to Albert Millard Dunham and Fanny June Taylor. Her father was a descendant of slaves from Madagascar and West Africa, and her mother was French Canadian. Her diverse background would foreshadow her lifelong commitment to exploring and teaching the history of culture around the world.

Katherine Dunham's trailblazing life began at an early age when she entered the University of Chicago as one of the first African Americans to attend the school. She eventually earned bachelor, master's and doctoral degrees in anthropology, and participated in the Rosenwald Fellowship. Under this program she completed work on Caribbean and Brazilian dance anthropology, the first time significant work was done in the field. In 1931, Dunham opened her first dance school, which would become one of the most successful dance programs in American and European theater, and eventually led to her lead role in musicals, operas, and cabarets throughout the world.

Dunham first appeared in London in June 1948 with her company in "Caribbean Rhapsody" as part of the first tour to bring black dance as an art form, and American modern dance to the European public. After her return to the U.S., Dunham continued to dance, choreograph and direct on Broadway with her production, "Katharine Dunham and Her Company and Bamboche."

When "Aida" premiered in 1963, Dunham became the first African American to choreograph for the Metropolitan Opera, further establishing her stature in the dance community. Beginning in 1940, Dunham also appeared in several films, including, "Carnival of Rhythm", "Cabin in the Sky", "Star Spangled Rhythm", "Stormy Weather", and "Casbah". Dunham also produced the choreography for "Pardon My Sarong".

What's more, Katherine Dunham's legacy doesn't stop on the dance stage. She used her notoriety to focus the public's attention to social injustices around the world. At the age of 82, Ms. Dunham undertook a 47-day hunger strike in 1993, which helped shift public awareness to the international relationship between America and Haiti, ultimately assisting in the return of Haiti's first democratically elected President.

In 1967, Dunham moved to East St. Louis, where she helped open a performing arts training center and established a dance anthropology program at the innercity branch of southern Illinois University that was eventually named the Katherine Dunham Centers for the Arts and Humanities.

Katherine Dunham was a woman far ahead of her time and her contributions earned her the recognition and admiration of her peers. Among her many honors are the Presidential Medal of Arts, Kennedy Center Honors, French Legion of Honor, Southern Cross of Brazil, Grand Cross of Haiti, NAACP Lifetime Achievement Award, Lincoln Academy Laureate, and the Urban League's Lifetime Achievement Award. Dunham was one of 75 women whose lives were celebrated in the book, "I Have A Dream".

At one of the major highlights of her career, Dunham received the Albert Schweitzer Music Award "for a life's work dedicated to music and devoted to humanity," in front of a packed house at New York's Carnegie Hall.

I ask my colleagues to join me in celebrating the life and legacy of Katherine Dunham and her efforts to bring the cultures of the world to the community of East St. Louis, by naming the post office on Missouri Avenue in East St. Louis, the "Katherine Dunham Post Office Building."

Mr. DURBIN. Mr. President, post offices are often designated in honor of individuals who have made valuable contributions to their Nation. Today, I am pleased to honor Ms. Katherine Dunham, the world-renowned dancer, choreographer, teacher, and social activist, by cosponsoring legislation that designates the U.S. Post Office at 950 Missouri Avenue in East St. Louis, IL, as the "Katherine Dunham Post Office Building."

Born in Chicago and raised in Joliet, IL, Ms. Dunham began dancing while in high school. She became one of the first African Americans to attend the University of Chicago and later earned her bachelor's and master's degrees in anthropology. In 1938, Dunham was hired as dance director for Chicago's Federal Theatre Project, where her fiery style would mark her work for several decades.

In the spring of 1938, Ms. Dunham formed her own company, the Dunham Dance Company, and began to explore the connection of Caribbean dance to its African roots. In 1940, the company traveled to New York and performed a program titled "Tropics and Le Jazz Hot." New York Times critic John Martin said: "Her performance may very well become a historic occasion." Dunham's company undertook a national tour and performed on Broadway and in Hollywood. In 1945, Dunham opened the Katherine Dunham School of Arts and Research in New York. That same year, the company toured Europe with a program called "Caribbean Rhapsody," which was already a success in the United States. It was the first time Europe had seen Black dance as an art form and also the first time that special elements of American modern dance appeared outside America. In 1963, Dunham secured her place in artistic history by becoming the first black choreographer at the Metropolitan Opera, where she helped stage the new production of "Aida."

Dunham shut down her dance company in 1965 to become adviser to the cultural ministry of Senegal. She attended the first World Festival of Negro Arts in Senegal as an official representative from the United States.

In 1967, Dunham opened the Performing Arts Training Center, an African-American cultural center for local youngsters, in East St. Louis, IL. She later expanded the program to include senior citizens.

Except for a brief appearance in 1965, Dunham did not perform regularly after 1962 as she focused on her choreography. One of her major works was choreographing and directing Scott Joplin's opera "Treemonisha" in 1972.

In February 1992, at the age of 82, Dunham again became the subject of international attention when she began a 47-day fast at her East St. Louis home. Because of her age, her involvement with Haiti, and the respect accorded her as an activist and artist, Dunham became the center of a movement that coalesced to protest the

United States' deportations of Haitian boat-refugees fleeing to the United States after the military overthrow of Haiti's democratically-elected President Jean-Bertrand Aristide. She agreed to end her fast only after Aristide visited her and personally requested her to stop.

Ms. Dunham is the recipient of many coveted awards, including the Alvin Ailey American Dance Theater Dance Pioneer Award, the National Medal of Arts, Kennedy Center Honors, the French Legion of Honor, the Southern Cross of Brazil, the Grand Cross of Haiti, the NAACP Lifetime Achievement Award, the Lincoln Academy Laureate, the Urban League's Lifetime Achievement Award, and numerous honorary degrees. She was also one of 75 women whose lives were celebrated in the book, "I Have a Dream".

I ask my colleagues to join me in honoring Ms. Dunham's humanitarian, artistic, and intellectual contributions to the world of dance. She revolutionized American dance and used her fame to bring public attention to social injustices at home and abroad. It is appropriate to express our appreciation to Katherine Dunham for her service to the East St. Louis community and to the world by naming an East St. Louis post office in her honor.

By Mr. REED (for himself, Mr. Rockefeller, Mr. Kennedy, Mr. Bingaman, and Mr. Kerry).

S. 3758. A bill to establish certain requirements relating to the continuation of the Survey of Income and Program Participation; to the Committee on Commerce, Science, and Transportation.

Mr. REED. Mr. President, I am joined by Mr. Rockefeller, Mr. Kennedy, Mr. Bingaman, and Mr. Kerry in introducing important legislation regarding the Survey of Income and Program Participation, SIPP. This legislation is also being introduced in the other body by Mrs. Maloney.

The SIPP is the only large-scale longitudinal survey that provides data for evaluating the effectiveness of programs like Social Security, Medicaid, unemployment insurance, food stamps, and Temporary Assistance for Needy Families, TANF. There is no other survey that provides the richness and detail of the data that the SIPP collects. The survey provides essential information on the extent to which programs meet families' basic needs and promote upward mobility.

Unfortunately, the President, in his fiscal year 2007 budget, proposed the elimination of the SIPP, followed by a redesign that would not be ready until 2009 at the earliest. In the meantime, there would be an irretrievable loss of data.

By eliminating the SIPP, we not only abandon significant research investments by government and private researchers but we would also lose the ability to examine family outcomes over time. Without access to the SIPP's consistent time-series data, we will have to wait years, if not decades, to understand the implications of current policy decisions. Researchers and policymakers would no longer have an accurate dynamic picture of living standards in America.

It is important that we create a process to ensure that we do not lose valuable resources for assessing program effectiveness and economic well-being. As such, our legislation would create a SIPP Commission whose members would be required to review any proposals to change or eliminate the SIPP. This would allow for necessary input from users of the SIPP. The bill would also prevent the administration from unilaterally discontinuing or changing the survey.

Mr. President, this survey helps Congress to make good policy choices and to be good stewards of American tax dollars. Proposals to cut or eliminate this survey need to be taken seriously and considered carefully.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESTRICTIONS.

The Secretary of Commerce may not—

(1) discontinue the Survey of Income and Program Participation,

(2) make any change in the design or content of such Survey, or

(3) allow any of the foregoing,

unless the discontinuation or change involved has first been approved in accordance with section 2.

SEC. 2. PROPOSED ACTIONS.

(a) In General.—Whenever in the judgment of the Secretary of Commerce it becomes necessary to discontinue the Survey of Income and Program Participation or to make any change in the design or content of the Survey of Income and Program Participation, he shall prepare a written proposal under this subsection. Such proposal—

(1) shall include—

(A) a description of the specific actions proposed to be taken;

(B) the date or schedule for their proposed implementation; and

(C) the reasons or justification for each proposed action; and

(2) shall be submitted by the Secretary of Commerce to the SIPP Commission (established by section 3) in such time, form, and manner as the Commission may require.

(b) Consideration and Decision.—The SIPP Commission shall promptly consider any proposal received under subsection (a) and, after appropriate deliberation, shall transmit its decision to approve or disapprove such proposal to the Secretary of Commerce in timely fashion. Any such decision shall be in writing and shall include a statement of reasons and justification.

SEC. 3. ESTABLISHMENT OF COMMISSION.

(a) In General.—There is established a commission to be known as the "Commission on the Survey of Income and Program Participation" (in this Act referred to as the "SIPP Commission" or the "Commission").

(b) Composition.—The Commission shall be composed of—

(1) the Director of the Office of Management and Budget, who shall serve ex officio;

(2) 1 member from the Department of Agriculture, who shall be appointed by the Secretary of Agriculture;

(3) 1 member from the Department of Labor, who shall be appointed by the Secretary of Labor;

(4) 1 member from the Department of Energy, who shall be appointed by the Secretary of Energy;

(5) 1 member from the Department of Health and Human Services, who shall be appointed by the Secretary of Health and Human Services;

(6) 1 member from the Social Security Administration, who shall be appointed by the Commissioner of Social Security;

(7) 1 member from the Bureau of the Census, who shall be appointed by the Secretary of Commerce in consultation with the Director of the Census; and

(8) 2 members from the National Academy of Sciences, who shall be appointed by the Director of the Office of Management and Budget from among individuals recommended by the Council of the National Academy of Sciences.

All appointments to the Commission shall be made from among social scientists and statisticians who have experience analyzing longitudinal household data on economic well-being and participation in government programs.

(c) Terms of Appointees.—

(1) In general.—Except as provided in paragraph (2), each member who is appointed to the Commission shall be appointed for a term of 2 years.

(2) Vacancies.—

(A) In general.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term.

(B) Service after term ends.—A member may serve after the expiration of that member's term until a successor has taken office.

(C) Manner of appointment.—A vacancy among any of the appointed members shall be filled in the manner in which the original appointment was made.

(d) Chairman.—The Director of the Office of Management and Budget shall serve as Chairman of the Commission.

(e) Functions.—

(1) In general.—It shall be the function of the Commission to consider and act on any proposal relating to the Survey of Income and Program Participation (described in section 2(a)) in accordance with section 2(b).

(2) Nondelegable functions.—The functions of the Director of the Office of Management and Budget under this Act shall be nondelegable.

(f) Procedures.—The Commission shall meet at the call of the Chairman of the Commission. A majority of the members of the Commission who are eligible to vote shall constitute a quorum. All members except those under paragraphs (1) and (8), respectively, of subsection (b) shall be eligible to vote.

(g) Compensation.—Members of the Commission shall serve as such without pay, but shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as persons serving intermittently in Government service are allowed travel expenses under section 5703 of title 5, United States Code.

SEC. 4. EFFECTIVE DATE.

This Act shall take effect as of the date of the enactment of this Act or September 30, 2006, whichever is earlier.

By Mr. BURNS:

S. 3759. A bill to name the Armed Forces Readiness Center in Great Falls, Montana, in honor of Captain William Wylie Galt, a recipient of the Congressional Medal of Honor; to the Committee on Armed Services.

Mr. BURNS. Mr. President, I rise today to pay tribute to the Galt family from my home State of Montana. The Galt family first came to Montana in 1910 settling in Judith Basin County. They have been leaders in their communities ever since.

One member of the Galt family paid the ultimate sacrifice for his country at the young age of 24. U.S. Army CPT William Wylie Galt was awarded the Medal of Honor posthumously for his brave actions in 1944. The Medal of Honor is the highest award for valor in action against an enemy force that can be bestowed upon an individual serving in the armed services of the United States.

Captain Galt's citation reads:

> For conspicuous gallantry and intrepidity above and beyond the call of duty. Capt. Galt, Battalion S3, at a particularly critical period following 2 unsuccessful attacks by his battalion, of his own volition went forward and ascertained just how critical the situation was. He volunteered, at the risk of his life, personally to lead the battalion against the objective. When the lone remaining tank destroyer refused to go forward, Capt. Galt jumped on the tank destroyer and ordered it to precede the attack. As the tank destroyer moved forward, followed by a company of riflemen, Capt. Galt manned the .30-caliber machinegun in the turret of the tank destroyer, located and directed fire on an enemy 77mm. anti-tank gun, and destroyed it. Nearing the enemy positions, Capt. Galt stood fully exposed in the turret, ceaselessly firing his machinegun and tossing hand grenades into the enemy zigzag series of trenches despite the hail of sniper and machinegun bullets ricocheting off the tank destroyer. As the tank destroyer moved, Capt. Galt so maneuvered it that 40 of the enemy were trapped in one trench. When they refused to surrender, Capt. Galt pressed the trigger of the machinegun and dispatched every one of them. A few minutes later an 88mm shell struck the tank destroyer and Capt. Galt fell mortally wounded across his machinegun. He had personally killed 40 Germans and wounded many more. Capt. Galt pitted his judgment and superb courage against overwhelming odds, exemplifying the highest measure of devotion to his country and the finest traditions of the U.S. Army.

In 2005, the Base Realignment and Closure Commission, BRAC, decided to permanently close Galt Hall U.S. Army Reserve Center on Gore Hill in Great Falls, MT, and relocate units to a new Armed Forces Readiness Center near Malmstrom Air Force Base across town. The U.S. Army Reserve Center on Gore Hill was dedicated to Captain Galt in 1958.

I believe it is a fitting tribute to name the U.S. Armed Forces Readiness Center in Great Falls, MT, "The Captain William Wylie Galt Great Falls Armed Forces Readiness Center" to carry on the history of this brave Montanan.

Captain Galt may be gone, but with the naming of the Armed Forces Readiness Center in Great Falls after him, the memory of this true hero will live on and remind us that freedom is never free.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 541—CONGRATULATING SPELMAN COLLEGE ON ITS 125TH ANNIVERSARY

Mr. ISAKSON (for himself, Mr. CHAMBLISS, and Mr. ROCKEFELLER) submitted the following resolution, which was considered and agreed to:

Whereas, in 1881, Spelman College was established by Sophia B. Packard and Harriet E. Giles, school teachers and Baptist missionaries, in Atlanta, Georgia, for the purpose of educating African-American women and girls;

Whereas as a result of the benevolence of John D. Rockefeller, Sr., and Laura Spelman Rockefeller, the name of the institution was changed from "Atlanta Baptist Female Seminary" to "Spelman Seminary" in honor of the Spelman family;

Whereas the curriculum expanded to include high school and college classes, and the seminary conferred its first high school diplomas in 1887, and its first college degrees in 1901;

Whereas in 1924, Spelman Seminary officially became Spelman College and grew to become a leading undergraduate institution for African-American women;

Whereas Spelman College was ranked among the top 75 Best Liberal Arts Colleges according to U.S. News & World Report, 2005 edition;

Whereas the Association of Medical Colleges ranks Spelman College fifth among undergraduate programs for African-American students accepted to medical school, and Spelman is 1 of 6 institutions designated by the National Science Foundation and the National Aeronautics and Space Administration as a Model Institution for Excellence in undergraduate science and math education;

Whereas Spelman's ninth President, Beverly Daniel Tatum, has initiated a strategic plan for Spelman ("Spelman ALIVE") that includes 5 goals: Academic excellence, Leadership development, Improving the infrastructure, Visibility of accomplishments of the campus community, and Exemplary customer service, all designed to create a vision for Spelman of "Nothing Less Than the Best"; and

Whereas Spelman College has prepared more than 6 generations of African American women to reach the highest levels of academic, community, and professional achievement: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates Spelman College on 125th anniversary; and

(2) commends the President of Spelman College, Dr. Beverly Daniel Tatum, and the administration, faculty, staff, students, and alumnae of the College for their outstanding achievements and contribution to African American education, history, and culture.

SENATE RESOLUTION 542—SUPPORTING THE GOALS AND IDEAS OF NATIONAL PERIPHERAL ARTERIAL DISEASE AWARENESS WEEK

Mr. CRAPO (for himself, Mr. DORGAN) submitted the following resolution, which was referred to the Committee on Health, Education, Labor, and Pensions:

S. RES. 542

Whereas peripheral arterial disease is a vascular disease that occurs when narrowed arteries reduce the blood flow to the limbs;

Whereas peripheral arterial disease is a significant vascular disease that can be as serious as a heart attack or stroke;

Whereas peripheral arterial disease affects approximately 8,000,000 to 12,000,000 Americans;

Whereas patients with peripheral arterial disease are at increased risk of heart attack and stroke and are 6 times more likely to die within 10 years than are patients without peripheral arterial disease;

Whereas the survival rate for individuals with peripheral arterial disease is worse than the outcome for many common cancers;

Whereas peripheral arterial disease is a leading cause of lower limb amputation in the United States;

Whereas many patients with peripheral arterial disease have walking impairment that leads to a diminished quality of life and functional capacity;

Whereas a majority of patients with peripheral arterial disease are asymptomatic and less than half of individuals with peripheral arterial disease are aware of their diagnoses;

Whereas African-American ethnicity is a strong and independent risk factor for peripheral arterial disease, and yet this fact is not well known to those at risk;

Whereas effective treatments are available for people with peripheral arterial disease to reduce heart attacks, strokes, and amputations and to improve quality of life;

Whereas many patients with peripheral arterial disease are still untreated with proven therapies;

Whereas there is a need for comprehensive educational efforts designed to increase awareness of peripheral arterial disease among medical professionals and the greater public in order to promote early detection and proper treatment of this disease to improve quality of life, prevent heart attacks and strokes, and save lives and limbs; and

Whereas September 18 through September 22, 2006, would be an appropriate week to observe National peripheral arterial disease Awareness Week: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals and ideals of National Peripheral Arterial Disease Awareness Week;

(2) acknowledges the critical importance of peripheral arterial disease awareness to improve national cardiovascular health;

(3) supports raising awareness of the consequences of undiagnosed and untreated peripheral arterial disease and the need to seek appropriate care as a serious public health issue; and

(4) calls upon the people of the United States to observe the week with appropriate programs and activities.

SENATE RESOLUTION 543—TEMPORARILY SUSPENDING THE RULES FOR THE REGULATION OF THE SENATE WING OF THE UNITED STATES CAPITOL AND SENATE OFFICE BUILDINGS FOR THE PURPOSE OF PERMITTING THE TAKING OF PHOTOGRAPHS IN THE AREA OF THE DAILY PRESS GALLERY

Mr. LOTT submitted the following resolution, which was considered and agreed to:

S. RES. 543

Resolved, That—

(1) paragraph 1 of rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol and Senate Office Buildings (prohibiting the taking of pictures in the Senate Chamber) shall be temporarily suspended for the purpose of permitting the taking of photographs in the area of the Daily Press Gallery;

(2) photographs permitted under paragraph (1) may only be taken at a time when the Senate is in recess;

(3) photographs permitted to be taken under paragraph (1) may only be used in relation to United States District Court Civil Action No. 04-0026; and

(4) the Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements for implementation of paragraph (1), which arrangements shall provide that there will be no disruption to the business of the Senate.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4712. Mr. COLEMAN (for himself and Mr. TALENT) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table.

SA 4713. Mr. FRIST proposed an amendment to the bill S. 3711, supra.

SA 4714. Mr. FRIST proposed an amendment to amendment SA 4713 proposed by Mr. FRIST to the bill S. 3711, supra.

SA 4715. Mr. LAUTENBERG (for himself, Mr. MENENDEZ, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4716. Mr. LAUTENBERG (for himself, Mr. MENENDEZ, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4717. Mr. LAUTENBERG (for himself, Mr. MENENDEZ, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4718. Mr. LAUTENBERG (for himself and Mr. MENENDEZ) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4719. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4720. Mr. MENENDEZ (for himself, Ms. CANTWELL, Mr. LIEBERMAN, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4721. Mr. MENENDEZ (for himself, Ms. SNOWE, Mrs. FEINSTEIN, Ms. COLLINS, Mr. LAUTENBERG, Mrs. BOXER, Mr. REED, Mr. NELSON, of Florida, Mr. LIEBERMAN, Ms. CANTWELL, Mr. KERRY, Mr. SARBANES, Mr. DODD, Mr. KENNEDY, and Mr. BIDEN) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4722. Mr. MENENDEZ (for himself, Mr. LIEBERMAN, Mr. LAUTENBERG, and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4723. Mr. MENENDEZ (for himself, Mr. LIEBERMAN, Ms. CANTWELL, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4724. Mr. MENENDEZ (for himself, Mr. LAUTENBERG, Mr. LIEBERMAN, and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4725. Mr. MENENDEZ (for himself, Mr. LAUTENBERG, Ms. CANTWELL, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4726. Mr. MENENDEZ (for himself, Ms. CANTWELL, Mr. LAUTENBERG, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4727. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4728. Mrs. BOXER (for herself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4729. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4730. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4731. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4732. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4733. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4734. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4735. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4736. Mr. BIDEN submitted an amendment intended to be proposed to amendment SA 4713 proposed by Mr. FRIST to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4737. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4738. Mr. KYL (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4712. Mr. COLEMAN (for himself and Mr. TALENT) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

On page 18, after line 17, add the following:

SEC. 6. ENERGY SECURITY.

(a) SHORT TITLE.—This section may be cited as the "Transforming Energy Now Act of 2006".

(b) TAX CREDITS.—

(1) INCREASE IN ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.—Section 30C(a) of the Internal Revenue Code of 1986 is amended by striking "30 percent" and inserting "50 percent".

(2) AMT RELIEF.—

(A) PERSONAL CREDIT.—Paragraph (2) of section 30C(d) of the Internal Revenue Code of 1986 is amended by striking "the excess (if any) of" and all that follows and inserting "the excess of—

"(A) the sum of the regular tax liability (as defined under section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under subpart A and sections 27, 30, and 30B.".

(B) BUSINESS CREDIT AMOUNT.—Subparagraph (B) of section 38(c)(4) of the Internal Revenue Code of 1986 is amended—

(i) in clause (i), by striking "and" at the end;

(ii) in clause (ii)(II), by striking the period at the end and inserting ", and"; and

(iii) by adding at the end the following:

"(iii) the portion of the credit under section 30C which is treated as a credit under this section by reason of section 30C(d)(1).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

(c) USE OF CAFE PENALTIES TO BUILD ALTERNATIVE FUELING INFRASTRUCTURE.—Section 32912 of title 49, United States Code, is amended by adding at the end the following:

"(e) ALTERNATIVE FUELING INFRASTRUCTURE GRANT PROGRAM.—

"(1) TRUST FUND.—

"(A) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund, to be known as the Alternative Fueling Infrastructure Trust Fund (referred to in this subsection as the 'Trust Fund'), consisting of such amounts as are deposited into the Trust Fund under subparagraph (B) and any interest earned on investment of amounts in the Trust Fund.

"(B) TRANSFERS OF CIVIL PENALTIES.—The Secretary of Transportation shall remit 90 percent of the amount collected in civil penalties under this section to the Trust Fund.

"(2) ESTABLISHMENT OF GRANT PROGRAM.—

"(A) IN GENERAL.—The Secretary of Energy shall obligate such sums as are available in the Trust Fund to establish a grant program to increase the number of locations at which consumers may purchase alternative transportation fuels.

"(B) ALLOCATION TO CORPORATE AND NONPROFIT ENTITIES.—The Secretary shall allocate such sums from the Trust Fund as the Secretary considers appropriate to corporations (including nonprofit corporations) with demonstrated experience in the administration of grant funding. Corporations shall use funds received under this paragraph to award grants to owners and operators of fueling stations for the purpose of developing alternative fueling infrastructure for specific types of alternative fuels that can be used in at least 50,000 vehicles produced in the United States in the prior vehicle production year.

"(C) CONSIDERATIONS.—In making allocations under subparagraph (A), the Secretary shall—

"(i) give priority to recognized nonprofit corporations that have proven experience and demonstrated technical expertise in the establishment of alternative fueling infrastructure;

"(ii) consider the number of vehicles produced for sale in the preceding production year capable of using each specific type of alternative fuel; and

"(iii) identify 1 primary group per alternative fuel.

"(D) MATCHING REQUIREMENT.—The Secretary may not allocate funds to a corporation under this paragraph unless such corporation agrees to provide $1 of non-Federal contributions for every $3 of Federal funding received under this paragraph.

"(E) LIMITATION ON ADMINISTRATIVE EXPENSES.—A corporation may not expend more than 5 percent of the total allocation provided under this paragraph on administrative expenses.

"(F) TECHNICAL AND MARKETING ASSISTANCE.—Corporations receiving an allocation under subparagraph (A) shall provide grant recipients under paragraph (3) with technical and marketing assistance, including—

"(i) technical advice for compliance with applicable Federal and State environmental requirements;

"(ii) assistance in identifying alternative fuel supply sources; and

"(iii) point of sale and labeling materials.

"(3) ADMINISTRATION OF GRANTS.—

"(A) DIRECT GRANTS TO FUEL STATION OWNERS AND OPERATORS.—The Secretary of Energy shall award grants directly to owners and operators of fueling stations for the purpose of installing alternative fuel infrastructure for specific types of alternative fuels that can be used in fewer that 50,000 vehicles produced in the United States in the prior vehicle production year.

"(B) GRANT RECIPIENT.—Corporations receiving an allocation under paragraph (2), and the Secretary of Energy under subparagraph (A), shall award grants to owners and operators of fueling stations in an amount not greater than—

"(i) $150,000 per site; or

"(ii) $500,000 per entity.

"(C) SELECTION.—Grant recipients under this paragraph shall be selected on a formal, open, and competitive basis, based on—

"(i) the public demand for each alternative fuel in a particular county based on state registration records showing the number of vehicles that can be operated with alternative fuel; and

"(ii) the opportunity to create or expand corridors of alternative fuel stations along interstate or State highways.

"(D) USE OF FUNDS.—Grant funds received under this paragraph may be used to—

"(i) construct new facilities to dispense alternative fuels;

"(ii) purchase equipment to upgrade, expand, or otherwise improve existing alternative fuel facilities; or

"(iii) purchase equipment or pay for specific turnkey fueling services by alternative fuel providers.

"(E) MATCHING REQUIREMENT.—A recipient of a grant under this paragraph shall agree to provide $1 of non-Federal contributions for every $1 of grant funds received under this paragraph.

"(F) LIMITATION ON ADMINISTRATIVE EXPENSES.—A grant recipient may not expend more than 3 percent of any grant provided under this paragraph on administrative expenses.

"(4) OPERATION OF ALTERNATIVE FUEL STATIONS.—Facilities constructed or upgraded with grant funds received under this subsection shall—

"(A) provide alternative fuel available to the public for a period of not less than 4 years;

"(B) establish a marketing plan to advance the sale and use of alternative fuels;

"(C) prominently display the price of alternative fuel on the marquee and in the station;

"(D) provide point of sale materials on alternative fuel;

"(E) clearly label the dispenser with consistent materials;

"(F) price the alternative fuel at the same margin that is received for unleaded gasoline; and

"(G) support and use all available tax incentives to reduce the cost of the alternative fuel to the lowest possible retail price.

"(5) NOTIFICATION REQUIREMENTS.—

"(A) OPENING.—Not later than the date on which each alternative fuel station begins to offer alternative fuel to the public, the grant recipient that used grant funds to construct such station shall notify the Secretary of Energy of such opening. The Secretary of Energy shall add each new alternative fuel station to the alternative fuel station locator on its Website when it receives notification under this subparagraph.

"(B) SEMI-ANNUAL REPORT.—Not later than 6 months after the receipt of a grant award under this subsection, and every 6 months thereafter, each grant recipient shall submit a report to the Secretary of Energy that describes—

"(i) the status of each alternative fuel station constructed with grant funds received under this subsection;

"(ii) the amount of alternative fuel dispensed at each station during the preceding 6-month period; and

"(iii) the average price per gallon of the alternative fuel sold at each station during the preceding 6-month period.

"(6) ALTERNATIVE FUEL DEFINED.—For the purposes of this subsection, the term 'alternative fuel' means—

"(A) any fuel of which at least 85 percent (or such percentage, but not less than 70 percent, as determined by the Secretary, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) of the volume consists of ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas, or hydrogen; or

"(B) any mixture of biodiesel and diesel fuel determined without regard to any use of kerosene that contains at least 20 percent biodiesel.".

(d) LOW-INTEREST LOAN AND GRANT PROGRAM FOR RETAIL DELIVERY OF E–85 FUEL.—

(1) PURPOSES OF LOANS.—Section 312(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1942(a)) is amended—

(A) in paragraph (9)(B)(ii), by striking "or" at the end;

(B) in paragraph (10), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(11) building infrastructure, including pump stations, for the retail delivery to consumers of any fuel that contains not less than 85 percent ethanol, by volume.".

(2) PROGRAM.—Subtitle B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941 et seq.) is amended by adding at the end the following:

"SEC. 320. LOW-INTEREST LOAN AND GRANT PROGRAM FOR RETAIL DELIVERY OF E-85 FUEL.

"(a) IN GENERAL.—The Secretary shall establish a low-interest loan and grant program to assist farmer-owned ethanol producers (including cooperatives and limited liability corporations) to develop and build infrastructure, including pump stations, that is directly related to the retail delivery to consumers of any fuel that contains not less than 85 percent ethanol, by volume.

"(b) LOAN TERMS.—

"(1) AMORTIZATION.—The repayment of a loan received under this section shall be amortized over the expected life of the infrastructure project that is being financed with the proceeds of the loan.

"(2) INTEREST RATE.—The annual interest rate of a loan received under this section shall be fixed at not more than 5 percent.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(3) REGULATIONS.—As soon as practicable after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to carry out the amendments made by this subsection.

SA 4713. Mr. FRIST proposed an amendment to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; as follows:

At the end insert the following:

The effective date shall be 2 days after the date of enactment.

SA 4714. Mr. FRIST proposed an amendment to amendment SA 4713 proposed by Mr. FRIST to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes: as follows:

On line 1, strike "2 days" and insert "1 day".

SA 4715. Mr. LAUTENBERG (for himself, Mr. MENENDEZ, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. STATE APPROVAL.

Notwithstanding any other provision of this Act, the Secretary shall not approve offshore oil or natural gas preleasing, leasing, exploration, or drilling activities in waters that are located in the Mid-Atlantic planning area, North Atlantic planning area, South Atlantic planning area, Straits of Florida planning area, Washington/Oregon planning area, Northern California planning area, Central California planning area, or Southern California planning area without the written approval of the Governor of each coastal State located within 200 miles of the State that has approved, or has requested the Secretary to approve, the oil or natural gas preleasing, leasing, exploration, or drilling activities.

SA 4716. Mr. LAUTENBERG (for himself, Mr. MENENDEZ, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. REMEDIATION OF OIL AND GAS SPILLS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, for any spill that occurs as a result of exploration or drilling in waters in, or the transport of oil or gas from, the Mid-Atlantic planning area, North Atlantic planning area, South Atlantic planning area, Straits of Florida planning area, Washington/Oregon planning area, Northern California planning area, Central California planning area, Southern California planning area, or any other area seaward of any coastal State adjacent to those planning areas—

(1) 50 percent of the economic damages and environmental restoration costs for any State affected by the spill (including injury to the environment or natural resources of the United States (including the environment or natural resources of a national marine sanctuary, national estuarine research reserve, or national wildlife refuge) or of the coastal State) and any costs of removal and remediation associated with the spill, shall be paid by the 1 or more companies responsible for the exploration, drilling, or transport; and

(2) 50 percent of the economic damages and environmental restoration costs for any State affected by the spill shall be paid by the State that approved the preleasing, leasing, exploration, or drilling activities off of the coast of the State.

(b) LIABILITY.—The 1 or more companies and any State responsible for the applicable activity or the approval of the applicable activity under paragraph (1) and (2) of subsection (a), respectively, shall be strictly liable for any injuries, damages, and removal, remediation, and restoration costs from the spill.

(c) REIMBURSEMENT OF FEDERAL EXPENSES.—The 1 or more companies and any State responsible for the applicable activity or the approval of the applicable activity under paragraph (1) and (2) of subsection (a), respectively, shall reimburse the United States for any Federal funds expended to restore or remove the oil or gas, including funds made available—

(1) from the Oil Spill Liability Trust Fund established by section 9509 of the Internal Revenue Code of 1986;

(2) from the land and water conservation fund established under section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–5); and

(3) under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

SA 4717. Mr. LAUTENBERG (for himself, Mr. MENENDEZ, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. APPROVAL OF ATLANTIC STATES MARINE FISHERIES COMMISSION AND PACIFIC FISHERY MANAGEMENT COUNCIL.

(a) ATLANTIC STATES MARINE FISHERIES COMMISSION.—Notwithstanding any other provision of this Act, the Secretary shall not approve offshore oil or natural gas preleasing, leasing, exploration, or drilling activities in waters that are located in the Mid-Atlantic planning area, North Atlantic planning area, South Atlantic planning area, Straits of Florida planning area, or any other area seaward of any coastal State adjacent to the planning areas without a unanimous vote of approval of the proposed activities by the Atlantic States Marine Fisheries Commission.

(b) PACIFIC FISHERY MANAGEMENT COUNCIL.—Notwithstanding any other provision of this Act, the Secretary shall not approve offshore oil or natural gas preleasing, leasing, exploration, or drilling activities in the Washington/Oregon planning area, Northern California planning area, Central California planning area, Southern California planning area, or any other area seaward of any coastal State adjacent to the planning areas without a unanimous vote of approval of the proposed activities by the Pacific Fishery Management Council.

SA 4718. Mr. LAUTENBERG (for himself and Mr. MENENDEZ) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. APPROVAL OF MID-ATLANTIC FISHERY MANAGEMENT COUNCIL.

Notwithstanding any other provision of this Act, the Secretary shall not approve offshore oil or natural gas preleasing, leasing, exploration, or drilling activities in the Mid-Atlantic planning area, the South Atlantic planning area, or any other area seaward of any coastal State adjacent to the Mid-Atlantic or South Atlantic planning areas, without receiving a unanimous vote of approval of the proposed activities by the Mid-Atlantic Fishery Management Council.

SA 4719. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. OFFSHORE OIL AND GAS LEASING IN 181 AREA AND 181 SOUTH AREA OF GULF OF MEXICO.

(a) DEFINITIONS.—In this section:

(1) 181 AREA.—The term "181 Area" means the area identified in map 15, page 58, of the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002 of the Minerals Management Service.

(2) 181 SOUTH AREA.—The term "181 South Area" means any area—

(A) located—

(i) south of the 181 Area;

(ii) west of the Military Mission Line; and

(iii) in the Central Gulf of Mexico Planning Area of the outer Continental Shelf, as designated in the document entitled "Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012", dated February 2006;

(B) excluded from the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002, dated August 1996, of the Minerals Management Service; and

(C) included in the areas considered for oil and gas leasing, as identified in map 8, page 37 of the document entitled "Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012", dated February 2006.

(3) MILITARY MISSION LINE.—The term "Military Mission Line" means the north-south line at 86°41′ W. longitude.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Minerals Management Service.

(b) 181 AREA LEASE SALE.—Except as otherwise provided in this section, the Secretary shall offer the 181 Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable, but not later than 1 year, after the date of enactment of this Act.

(c) 181 SOUTH AREA LEASE SALE.—The Secretary shall offer the 181 South Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable after the date of enactment of this Act.

(d) EXCLUDED AREAS.—In carrying out this section, the Secretary shall not offer for oil and gas leasing—

(1) any area east of the Military Mission Line, unless the Secretary of Defense agrees in writing before the area is offered for lease that the area can be developed in a manner that will not interfere with military activities; or

(2) any area that is within 100 miles of the coastline of the State of Florida.

(e) LEASING PROGRAM.—The 181 Area and 181 South Area shall be offered for lease under this section notwithstanding the omission of the 181 Area or the 181 South Area from any outer Continental Shelf leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344).

(f) CONFORMING AMENDMENT.—Section 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 522) is amended by inserting "(other than the 181 South Area (as defined in section 2 of the Gulf of Mexico Energy Security Act of 2006))" after "lands located outside Sale 181".

SA 4720. Mr. MENENDEZ (for himself, Ms. CANTWELL, and Mr. LIEBERMAN, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. FEDERAL REQUIREMENT TO PURCHASE ELECTRICITY GENERATED BY RENEWABLE ENERGY.

Section 203 of the Energy Policy Act of 2005 (42 U.S.C. 15852) is amended by striking subsection (a) and inserting the following:

"(a) REQUIREMENT.—The President, acting through the Secretary, shall ensure that, of the total quantity of electric energy the Federal Government consumes during any fiscal year, the following amounts shall be renewable energy:

"(1) Not less than 5 percent in each of fiscal years 2008 and 2009.

"(2) Not less than 7.5 percent in each of fiscal years 2010 through 2012.

"(3) Not less than 10 percent in fiscal years 2013 and each fiscal year thereafter.".

SA 4721. Mr. MENENDEZ (for himself, Ms. SNOWE, Mrs. FEINSTEIN, Ms. COLLINS, Mr. LAUTENBERG, Mrs. BOXER, Mr. REED, Mr. NELSON of Florida, Mr. LIEBERMAN, Ms. CANTWELL, Mr. KERRY, Mr. SARBANES, Mr. DODD, Mr. KENNEDY, and Mr. BIDEN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

On page 9, line 5, strike "or".

On page 9, line 17, strike the period at the end and insert a semicolon.

On page 9, between lines 17 and 18, insert the following:

(4) any area in the Mid-Atlantic planning area;

(5) any area in the North Atlantic planning area;

(6) any area in the South Atlantic planning area;

(7) any area in the Straits of Florida planning area;

(8) any area in the Washington/Oregon planning area;

(9) any area in the Northern California planning area;

(10) any area in the Central California planning area; or

(11) any area in the Southern California planning area.

SA 4722. Mr. MENENDEZ (for himself, Mr. LIEBERMAN, Mr. LAUTENBERG, and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. FEDERAL FLEET CONSERVATION REQUIREMENTS.

(a) IN GENERAL.—Part J of title IV of the Energy Policy and Conservation Act (42 U.S.C. 6374 et seq.) is amended by adding at the end the following:

"SEC. 400FF. FEDERAL FLEET CONSERVATION REQUIREMENTS.

"(a) MANDATORY REDUCTION IN PETROLEUM CONSUMPTION.—

"(1) IN GENERAL.—The Secretary shall issue regulations for Federal fleets subject to section 400AA requiring that not later than October 1, 2009, each Federal agency achieve at least a 20 percent reduction in petroleum consumption, as calculated from the baseline established by the Secretary for fiscal year 1999.

"(2) PLAN.—

"(A) REQUIREMENT.—The regulations shall require each Federal agency to develop a plan to meet the required petroleum reduction level.

"(B) MEASURES.—The plan may allow an agency to meet the required petroleum reduction level through—

"(i) the use of alternative fuels;

"(ii) the acquisition of vehicles with higher fuel economy, including hybrid vehicles;

"(iii) the substitution of cars for light trucks;

"(iv) an increase in vehicle load factors;

"(v) a decrease in vehicle miles traveled;

"(vi) a decrease in fleet size; and

"(vii) other measures.

"(C) REPLACEMENT TIRES.—The regulations shall include a requirement that each Federal agency purchase energy-efficient replacement tires for the respective fleet vehicles of the agency.

"(b) FEDERAL EMPLOYEE INCENTIVE PROGRAMS FOR REDUCING PETROLEUM CONSUMPTION.—

"(1) IN GENERAL.—Each Federal agency shall actively promote incentive programs that encourage Federal employees and contractors to reduce petroleum through the use of practices such as—

"(A) telecommuting;

"(B) public transit;

"(C) carpooling; and

"(D) bicycling.

"(2) MONITORING AND SUPPORT FOR INCENTIVE PROGRAMS.—The Administrator of the General Services Administration, the Director of the Office of Personnel Management, and the Secretary of the Department of Energy shall monitor and provide appropriate support to agency programs described in paragraph (1).".

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Energy Policy and Conservation Act (42 U.S.C. prec. 6201) is amended by adding at the end of the items relating to part J of title III the following:

"Sec. 400FF. Federal fleet conservation requirements.".

SA 4723. Mr. MENENDEZ (for himself, Mr. LIEBERMAN, Ms. CANTWELL, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. ASSISTANCE TO STATES TO REDUCE SCHOOL BUS IDLING.

(a) STATEMENT OF POLICY.—Congress encourages each local educational agency (as defined in section 9101(26) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(26))) that receives Federal funds under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) to develop a policy to reduce the incidence of school bus idling at schools while picking up and unloading students.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy, working in coordination with the Secretary of Education, $5,000,000 for each of fiscal years 2007 through 2012 for use in educating States and local education agencies about—

(1) benefits of reducing school bus idling; and

(2) ways in which school bus idling may be reduced.

SA 4724. Mr. MENENDEZ (for himself, Mr. LAUTENBERG, Mr. LIEBERMAN, and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. TRANSIT-ORIENTED DEVELOPMENT CORRIDORS.

(a) DEFINITIONS.—In this section:

(1) SECRETARY.—The tern "Secretary" means the Secretary of Transportation.

(2) TRANSIT-ORIENTED DEVELOPMENT CORRIDOR.—The term "Transit-Oriented Development Corridor" or "TODC" means a geographic area designated by the Secretary under subsection (b).

(3) OTHER TERMS.—The terms "fixed guide way", "local governmental authority", "mass transportation", "Secretary", "State", and "urbanized area" have the meanings given the terms in section 5302 of title 49, United States Code.

(b) TRANSIT-ORIENTED DEVELOPMENT CORRIDORS.—

(1) IN GENERAL.—The Secretary shall develop and carry out a program to designate geographic areas in urbanized areas as Transit-Oriented Development Corridors.

(2) CRITERIA.—An area designated as a TODC under paragraph (1) shall include rights-of-way for fixed guide way mass transportation facilities (including commercial development of facilities that have a physical and functional connection with each facility).

(3) NUMBER OF TODCS.—In consultation with State transportation departments and metropolitan planning organizations, the Secretary shall designate—

(A) not fewer than 10 TODCs by December 31, 2015; and

(B) not fewer than 20 TODCs by December 31, 2025.

(4) TRANSIT GRANTS.—

(A) IN GENERAL.—The Secretary make grants to eligible states and local governmental authorities to pay the Federal share of the cost of designating geographic areas in urbanized areas as TODCs.

(B) APPLICATION.—Each eligible State or local governmental authority that desires to receive a grant under this paragraph shall submit an application to the Secretary, at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require.

(C) LABOR STANDARDS.—Subchapter IV of chapter 31 of title 40, United States Code shall apply to projects that receive funding under this section.

(D) FEDERAL SHARE.—The Federal share of the cost of a project under this subsection shall be 50 percent.

(c) TODC RESEARCH AND DEVELOPMENT.—To support effective deployment of grants and incentives under this section, the Secretary shall establish a TODC research and development program to conduct research on the best practices and performance criteria for TODCs.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2007 through 2012.

SA 4725. Mr. MENENDEZ (for himself, Mr. LAUTENBERG, Ms. CANTWELL, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. EXPANSION OF RESOURCES TO WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.

(a) IN GENERAL.—Section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resources) is amended by striking "and" at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting ", and", and by adding at the end the following new subparagraph:

"(I) wave, current, tidal, and ocean thermal energy."

(b) DEFINITION OF RESOURCES.—Section 45(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(10) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.—The term 'wave, current, tidal, and ocean thermal energy' means electricity produced from any of the following:

"(A) Free flowing ocean water derived from tidal currents, ocean currents, waves, or estuary currents.

"(B) Ocean thermal energy.

"(C) Free flowing water in rivers, lakes, man made channels, or streams."

(c) FACILITIES.—Section 45(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(11) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL FACILITY.—In the case of a facility using resources described in subparagraph (A), (B), or (C) of subsection (c)(10) to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service after the date of the enactment of this paragraph and before January 1, 2015, but such term shall not include a facility which includes impoundment structures or a small irrigation power facility."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SA 4726. Mr. MENENDEZ (for himself, Ms. CANTWELL, Mr. LAUTENBERG, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. DEPLOYMENT OF NEW TECHNOLOGIES TO REDUCE OIL USE IN TRANSPORTATION.

(a) FUEL FROM CELLULOSIC BIOMASS.—

(1) IN GENERAL.—The Secretary of Energy shall provide deployment incentives under this subsection to encourage a variety of projects to produce transportation fuel from cellulosic biomass, relying on different feedstocks in different regions of the United States.

(2) PROJECT ELIGIBILITY.—Incentives under this subsection shall be provided on a competitive basis to projects that produce fuel that—

(A) meet United States fuel and emission specifications;

(B) help diversify domestic transportation energy supplies; and

(C) improve or maintain air, water, soil, and habitat quality.

(3) INCENTIVES.—Incentives under this subsection may consist of—

(A) loan guarantees under section 1510 of the Energy Policy Act of 2005 (42 U.S.C. 16501), subject to section 1702 of that Act (22 U.S.C. 16512), for the construction of production facilities and supporting infrastructure; or

(B) production payments through a reverse auction in accordance with paragraph (4).

(4) REVERSE AUCTION.—

(A) IN GENERAL.—In providing incentives under this subsection, the Secretary of Energy shall—

(i) issue regulations under which producers of fuel from cellulosic biomass may bid for production payments under paragraph (3)(B); and

(ii) solicit bids from producers of different classes of transportation fuel, as the Secretary of Energy determines to be appropriate.

(B) REQUIREMENT.—The rules under subparagraph (A) shall require that incentives be provided to the producers that submit the lowest bid (in terms of cents per gallon) for each class of transportation fuel from which the Secretary of Energy solicits a bid.

(b) ADVANCED TECHNOLOGY VEHICLES MANUFACTURING INCENTIVE PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) ADJUSTED FUEL ECONOMY.—The term "adjusted fuel economy" means the average fuel economy of a manufacturer for all light duty motor vehicles produced by the manufacturer, adjusted such that the fuel economy of each vehicle that qualifies for a credit shall be considered to be equal to the average fuel economy for the weight class of the vehicle for model year 2002.

(B) ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE.—The term "advanced lean burn technology motor vehicle" means a passenger automobile or a light truck with an internal combustion engine that—

(i) is designed to operate primarily using more air than is necessary for complete combustion of the fuel;

(ii) incorporates direct injection; and

(iii) achieves at least 125 percent of the city fuel economy of vehicles in the same size class as the vehicle for model year 2002.

(C) ADVANCED TECHNOLOGY VEHICLE.—The term "advanced technology vehicle" means a light duty motor vehicle that—

(i) is a hybrid motor vehicle or an advanced lean burn technology motor vehicle; and

(ii) meets—

(I) the Bin 5 Tier II emission standard established in regulations issued by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)), or a lower-numbered Bin emission standard;

(II) any new emission standard for fine particulate matter prescribed by the Administrator under that Act (42 U.S.C. 7401 et seq.); and

(III) at least 125 percent of the base year city fuel economy for the weight class of the vehicle.

(D) ENGINEERING INTEGRATION COSTS.—The term "engineering integration costs" includes the cost of engineering tasks relating to—

(i) incorporating qualifying components into the design of advanced technology vehicles; and

(ii) designing new tooling and equipment for production facilities that produce qualifying components or advanced technology vehicles.

(E) HYBRID MOTOR VEHICLE.—The term "hybrid motor vehicle" means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are—

(i) an internal combustion or heat engine using combustible fuel; and

(ii) a rechargeable energy storage system.

(F) QUALIFYING COMPONENTS.—The term "qualifying components" means components that the Secretary of Energy determines to be—

(i) specially designed for advanced technology vehicles; and

(ii) installed for the purpose of meeting the performance requirements of advanced technology vehicles.

(2) MANUFACTURER FACILITY CONVERSION AWARDS.—The Secretary of Energy shall provide facility conversion funding awards under this subsection to automobile manufacturers and component suppliers to pay not more than 30 percent of the cost of—

(A) reequipping or expanding an existing manufacturing facility in the United States to produce—

(i) qualifying advanced technology vehicles; or

(ii) qualifying components; and

(B) engineering integration performed in the United States of qualifying vehicles and qualifying components.

(3) PERIOD OF AVAILABILITY.—An award under paragraph (2) shall apply to—

(A) facilities and equipment placed in service before December 30, 2017; and

(B) engineering integration costs incurred during the period beginning on the date of enactment of this Act and ending on December 30, 2017.

(4) IMPROVEMENT.—The Secretary of Energy shall issue regulations that require

that, in order for an automobile manufacturer to be eligible for an award under this subsection during a particular year, the adjusted average fuel economy of the manufacturer for light duty vehicles produced by the manufacturer during the most recent year for which data are available shall be not less than the average fuel economy for all light duty motor vehicles of the manufacturer for model year 2002.

SA 4727. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. CELLULOSIC ETHANOL RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM.

(a) In General.—There is established in the Department of Energy a program under which the Secretary of Energy shall provide to eligible entities, as determined by the Secretary, grants for the conduct of research, development, and demonstration projects on the use of cellulosic ethanol for vehicle fuel.

(b) Priority.—In providing grants under subsection (a), the Secretary of Energy shall give priority to projects that use alternative or renewable energy sources in producing cellulosic ethanol.

(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $500,000,000 for the period of fiscal years 2007 through 2013.

SA 4728. Mrs. BOXER (for herself and Mrs. Feinstein) submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

SEC. 6. PROHIBITION OF OIL AND GAS LEASING IN CERTAIN AREAS OF THE OUTER CONTINENTAL SHELF.

Section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) is amended by adding at the end the following:

"(q) Prohibition of Oil and Gas Leasing in Certain Areas of the Outer Continental Shelf.—

"(1) In general.—Notwithstanding any other provision of this Act or any other law and except as provided in paragraph (2), beginning on the date of enactment of this subsection, the conduct of oil and gas preleasing, leasing, and related activities is prohibited in areas of the outer Continental Shelf located off the coast of the State of California.

"(2) Effect.—Nothing in this subsection affects any rights under leases issued under this Act before the date of enactment of this subsection.".

SEC. 7. COMPREHENSIVE INVENTORY OF OUTER CONTINENTAL SHELF OIL AND NATURAL GAS RESOURCES.

Section 357(a) of the Energy Policy Act of 2005 (42 U.S.C. 15912(a)) is amended by inserting after "Continental Shelf" the following: "(other than the areas of the outer Continental Shelf off the coast of the State of California)".

SA 4729. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. FEDERAL FLEET FUEL ECONOMY.

Section 32917 of title 49, United States Code, is amended by adding at the end the following:

"(a) New Vehicles.—

"(1) In general.—Except as provided in paragraph (2), each passenger vehicle purchased, or leased for at least 60 consecutive days, by an executive agency after the date of the enactment of the Gulf of Mexico Energy Security Act of 2006 shall be as fuel efficient as possible.

"(2) Waiver.—An executive agency may submit a written request to Congress for a waiver of the requirement under paragraph (1) in an emergency situation.".

SA 4730. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. ASSISTANT SECRETARY FOR ADVANCED ENERGY RESEARCH, TECHNOLOGY DEVELOPMENT, AND DEPLOYMENT.

(a) Establishment.—

(1) In general.—The Secretary of Energy shall establish in the Department of Energy the position of Assistant Secretary for Advanced Energy Research, Technology Development, and Deployment (referred to in this section as the "Assistant Secretary"), to be headed by, and to report to, the Secretary.

(2) Qualifications.—The Assistant Secretary shall be an individual with—

(A) an advanced education degree in energy technology; and

(B) substantial commercial research and technology development and deployment experience.

(b) Mission.—The mission of the Assistant Secretary is—

(1) to implement an innovative energy research, technology development, and deployment program to—

(A) increase national security by significantly reducing petroleum and imported fuels consumption;

(B) significantly improve the efficiency of electricity use and the reliability of the electricity system; and

(C) significantly reduce greenhouse gas emissions; and

(2) to sponsor a diverse portfolio of cutting-edge, high-payoff research, development, and deployment projects to carry out the program.

(c) Experimental Personnel Authority.—The Assistant Secretary may staff the office of the Assistant Secretary primarily using a program of experimental use of special personnel management authority in order to facilitate recruitment of eminent experts in science or engineering for management of research and development projects and programs administered by the Assistant Secretary under similar terms and conditions as the authority is exercised under section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 5 U.S.C. 3104 note), as determined by the Assistant Secretary.

(d) Transactions Other Than Contracts and Grants.—To carry out projects under this section, the Assistant Secretary may enter into transactions to carry out advanced research projects under this subsection under similar terms and conditions as the authority is exercised under section 646(g) of the Department of Energy Organization Act (42 U.S.C. 7256(g)).

(e) Prizes for Advanced Technology Achievements.—

(1) In general.—Subject to paragraphs (2) through (4), the Assistant Secretary may carry out a program to award cash prizes in recognition of outstanding achievements in basic, advanced, and applied research, technology development, and prototype development that have the potential to advance the mission described in subsection (b) under similar terms and conditions as the authority is exercised under section 1008 of the Energy Policy Act of 2005 (42 U.S.C. 16396).

(2) Competition requirements.—In carrying out this subsection, the Assistant Secretary shall—

(A) use a competitive process for the selection of recipients of cash prizes; and

(B) conduct widely-advertised solicitation of submissions of research results, technology developments, and prototypes.

(3) Maximum amount for all cash prizes.—The total amount of all cash prizes awarded for a fiscal year under this subsection may not exceed $50,000,000.

(4) Maximum amount of individual cash prizes.—The amount of an individual cash prize awarded under this subsection may not exceed $10,000,000 unless the amount of the award is approved by the Secretary of Energy.

(f) Annual Reports.—As soon as practicable after the end of each fiscal year for which the Assistant Secretary receives funds under subsection (h), the Assistant Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce, and the Committee on Science, of the House of Representatives a report on the progress, challenges, future milestones, and strategic plan of the Assistant Secretary, including—

(1) a description of, and rationale for, any changes in the strategic plan;

(2) the adequacy of human and financial resources necessary to achieve the mission described in subsection (b); and

(3) in the case of cash prizes awarded under subsection (e), a description of—

(A) the applications of the research, technology, or prototypes for which prizes were awarded;

(B) the total amount of the prizes that were awarded;

(C) the methods used for solicitation and evaluation of submissions and an assessment of the effectiveness of those methods; and

(D) recommendations to improve the prize program.

(g) Relationship to Other Authority.—The program under this section may be carried out in conjunction with, or in addition to, the exercise of any other authority of the Assistant Secretary to acquire, support, or stimulate basic, advanced, and applied research, technology development, or prototype projects.

(h) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section—

(1) $1,000,000,000 for fiscal year 2007; and

(2) $2,000,000,000 for each of fiscal years 2008 through 2011.

SA 4731. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) Retention of Savings.—Section 546(c) of the National Energy Conservation Policy Act (42 U.S.C. 8256(c)) is amended by striking paragraph (5).

(b) Financing Flexibility.—Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)) is amended by adding at the end the following:

"(E) Separate contracts.—In carrying out a contract under this title, a Federal agency may—

"(i) enter into a separate contract for energy services and conservation measures under the contract; and

"(ii) provide all or part of the financing necessary to carry out the contract.".

(c) Definition of Energy Savings.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and indenting appropriately;

(2) by striking "means a reduction" and inserting "means—

"(A) a reduction";

(3) by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(B) the increased efficient use of an existing energy source by cogeneration or heat recovery, and installation of renewable energy systems;

"(C) the sale or transfer of electrical or thermal energy generated on-site, but in excess of Federal needs, to utilities or non-Federal energy users; and

"(D) the increased efficient use of existing water sources in interior or exterior applications.".

(d) Energy and Cost Savings in Nonbuilding Applications.—

(1) Definitions.—In this subsection:

(A) Nonbuilding application.—The term "nonbuilding application" means—

(i) any class of vehicles, devices, or equipment that is transportable under the power of the applicable vehicle, device, or equipment by land, sea, or air and that consumes energy from any fuel source for the purpose of—

(I) that transportation; or

(II) maintaining a controlled environment within the vehicle, device, or equipment; and

(ii) any federally-owned equipment used to generate electricity or transport water.

(B) Secondary savings.—

(i) In general.—The term "secondary savings" means additional energy or cost savings that are a direct consequence of the energy savings that result from the energy efficiency improvements that were financed and implemented pursuant to an energy savings performance contract.

(ii) Inclusions.—The term "secondary savings" includes—

(I) energy and cost savings that result from a reduction in the need for fuel delivery and logistical support;

(II) personnel cost savings and environmental benefits; and

(III) in the case of electric generation equipment, the benefits of increased efficiency in the production of electricity, including revenues received by the Federal Government from the sale of electricity so produced.

(2) Study.—

(A) In general.—As soon as practicable after the date of enactment of this Act, the Secretary of Energy and the Secretary of Defense shall jointly conduct, and submit to Congress and the President a report of, a study of the potential for the use of energy savings performance contracts to reduce energy consumption and provide energy and cost savings in nonbuilding applications.

(B) Requirements.—The study under this subsection shall include—

(i) an estimate of the potential energy and cost savings to the Federal Government, including secondary savings and benefits, from increased efficiency in nonbuilding applications;

(ii) an assessment of the feasibility of extending the use of energy savings performance contracts to nonbuilding applications, including an identification of any regulatory or statutory barriers to such use; and

(iii) such recommendations as the Secretary of Energy and Secretary of Defense determine to be appropriate.

SA 4732. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United Statese by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—ELIMINATING UNNECESSARY OIL TAX BREAKS

SEC. 201. ELIMINATION OF DEDUCTION FOR INTANGIBLE DRILLING AND DEVELOPMENT COSTS FOR MAJOR OIL COMPANIES.

(a) In General.—Section 263(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentences: "This subsection shall not apply during any taxable year with respect to a major integrated oil company (as defined in section 43(f)(2)) if during the preceding taxable year for the production of oil, the average price of crude oil in the United States is greater than $34.71 per barrel, and for the production of natural gas, the average wellhead price of natural gas in the United States is greater than $4.34 per 1,000 cubic feet. For purposes of the preceding sentence, the Secretary shall determine average prices, taking into consideration the most recent data reported by the Energy Information Administration. For taxable years beginning after December 31, 2007, each dollar amount specified in this subsection shall be adjusted to reflect changes for the 12-month period ending the preceding September 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 202. ELIMINATION OF ENHANCED OIL RECOVERY CREDIT FOR MAJOR OIL COMPANIES.

(a) In General.—Section 43 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(f) Nonapplication of Section.—

"(1) In general.—This section shall not apply during any taxable year with respect to a major integrated oil company if during the preceding taxable year for the production of oil, the average price of crude oil in the United States is greater than $34.71 per barrel. For purposes of the preceding sentence, the Secretary shall determine average prices, taking into consideration the most recent data reported by the Energy Information Administration. For taxable years beginning after December 31, 2007, the dollar amount specified in this paragraph shall be adjusted to reflect changes for the 12-month period ending the preceding September 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

"(2) Major integrated oil company.—For purposes of this subsection, the term 'major integrated oil company' means, with respect to any taxable year, a producer of crude oil—

"(A) which has an average daily worldwide production of crude oil of at least 500,000 barrels for the taxable year,

"(B) which had gross receipts in excess of $1,000,000,000 for its last taxable year ending during calendar year 2005, and

"(C) to whom subsection (c) of section 613A does not apply by reason of paragraph (4) of section 613A(d), determined—

"(i) by substituting '15 percent' for '5 percent' each place it occurs in paragraph (3) of section 613A(d), and

"(ii) without regard to whether subsection (c) of section 613A does not apply by reason of paragraph (2) of section 613A(d).

For purposes of subparagraphs (A) and (B), all persons treated as a single employer under subsections (a) and (b) of section 52 shall be treated as 1 person and, in case of a short taxable year, the rule under section 448(c)(3)(B) shall apply.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 203. OIL AND GAS ROYALTY-RELATED AMENDMENTS.

(a) Repeal.—Sections 344 through 346 of the Energy Policy Act of 2005 (42 U.S.C. 15902 et seq.) are repealed.

(b) Termination of Alaska Offshore Royalty Suspension.—Section 8(a)(3)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(B)) is amended by striking "and in the Planning Areas offshore Alaska".

SEC. 204. EXTENSION OF ELECTION TO EXPENSE CERTAIN REFINERIES.

(a) Extension.—

(1) In general.—Section 179C(c)(1) of the Internal Revenue Code of 1986 (defining qualified refinery property) is amended—

(A) by striking "and before January 1, 2012" in subparagraph (B) and inserting "and, in the case of any qualified refinery described in subsection (d)(1), before January 1, 2012", and

(B) by inserting "if described in subsection (d)(1)" after "of which" in subparagraph (F)(i).

(2) CONFORMING AMENDMENT.—Subsection (d) of section 179C of the Internal Revenue Code of 1986 is amended to read as follows:

"(d) QUALIFIED REFINERY.—For purposes of this section, the term 'qualified refinery' means any refinery located in the United States which is designed to serve the primary purpose of processing liquid fuel from—

"(1) crude oil, or

"(2) qualified fuels (as defined in section 45K(c))."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the amendment made by section 1323(a) of the Energy Policy Act of 2005.

(b) NONAPPLICATION FOR MAJOR OIL COMPANIES.—

(1) IN GENERAL.—Section 179C of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(i) NONAPPLICATION OF SECTION.—

"(1) IN GENERAL.—This section shall not apply during any taxable year with respect to a major integrated oil company if during the preceding taxable year for the production of oil, the average price of crude oil in the United States is greater than $34.71 per barrel. For purposes of the preceding sentence, the Secretary shall determine average prices, taking into consideration the most recent data reported by the Energy Information Administration. For taxable years beginning after December 31, 2007, the dollar amount specified in this paragraph shall be adjusted to reflect changes for the 12-month period ending the preceding September 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

"(2) MAJOR INTEGRATED OIL COMPANY.—For purposes of this subsection, the term 'major integrated oil company' means, with respect to any taxable year, a producer of crude oil—

"(A) which has an average daily worldwide production of crude oil of at least 500,000 barrels for the taxable year,

"(B) which had gross receipts in excess of $1,000,000,000 for its last taxable year ending during calendar year 2005, and

"(C) to whom subsection (c) of section 613A does not apply by reason of paragraph (4) of section 613A(d), determined—

"(i) by substituting '15 percent' for '5 percent' each place it occurs in paragraph (3) of section 613A(d), and

"(ii) without regard to whether subsection (c) of section 613A does not apply by reason of paragraph (2) of section 613A(d).

For purposes of subparagraphs (A) and (B), all persons treated as a single employer under subsections (a) and (b) of section 52 shall be treated as 1 person and, in case of a short taxable year, the rule under section 448(c)(3)(B) shall apply.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 205. ELIMINATION OF AMORTIZATION OF GEOLOGICAL AND GEOPHYSICAL EXPENDITURES FOR MAJOR OIL COMPANIES.

(a) IN GENERAL.—Section 167(h) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(5) NONAPPLICATION OF SECTION.—

"(A) IN GENERAL.—This subsection shall not apply during any taxable year with respect to a major integrated oil company if during the preceding taxable year for the production of oil, the average price of crude oil in the United States is greater than $34.71 per barrel, and for the production of natural gas, the average wellhead price of natural gas in the United States is greater than $4.34 per 1,000 cubic feet. For purposes of the preceding sentence, the Secretary shall determine average prices, taking into consideration the most recent data reported by the Energy Information Administration. For taxable years beginning after December 31, 2007, each dollar amount specified in this subparagraph shall be adjusted to reflect changes for the 12-month period ending the preceding September 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

"(B) MAJOR INTEGRATED OIL COMPANY.—For purposes of this paragraph, the term 'major integrated oil company' means, with respect to any taxable year, a producer of crude oil—

"(i) which has an average daily worldwide production of crude oil of at least 500,000 barrels for the taxable year,

"(ii) which had gross receipts in excess of $1,000,000,000 for its last taxable year ending during calendar year 2005, and

"(iii) to whom subsection (c) of section 613A does not apply by reason of paragraph (4) of section 613A(d), determined—

"(I) by substituting '15 percent' for '5 percent' each place it occurs in paragraph (3) of section 613A(d), and

"(II) without regard to whether subsection (c) of section 613A does not apply by reason of paragraph (2) of section 613A(d).

For purposes of subparagraphs (A) and (B), all persons treated as a single employer under subsections (a) and (b) of section 52 shall be treated as 1 person and, in case of a short taxable year, the rule under section 448(c)(3)(B) shall apply.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on and after the date of the enactment of this Act.

SEC. 206. REVALUATION OF LIFO INVENTORIES OF MAJOR INTEGRATED OIL COMPANIES.

(a) GENERAL RULE.—Notwithstanding any other provision of law, if a taxpayer is a major integrated oil company for its last taxable year ending in calendar year 2005, the taxpayer shall—

(1) increase, effective as of the close of such taxable year, the value of each historic LIFO layer of inventories of crude oil, natural gas, or any other petroleum product (within the meaning of section 4611) by the layer adjustment amount, and

(2) decrease its cost of goods sold for such taxable year by the aggregate amount of the increases under paragraph (1).

If the aggregate amount of the increases under paragraph (1) exceed the taxpayer's cost of goods sold for such taxable year, the taxpayer's gross income for such taxable year shall be increased by the amount of such excess.

(b) LAYER ADJUSTMENT AMOUNT.—For purposes of this section—

(1) IN GENERAL.—The term "layer adjustment amount" means, with respect to any historic LIFO layer, the product of—

(A) $18.75, and

(B) the number of barrels of crude oil (or in the case of natural gas or other petroleum products, the number of barrel-of-oil equivalents) represented by the layer.

(2) BARREL-OF-OIL EQUIVALENT.—The term "barrel-of-oil equivalent" has the meaning given such term by section 29(d)(5) (as in effect before its redesignation by the Energy Tax Incentives Act of 2005).

(c) APPLICATION OF REQUIREMENT.—

(1) NO CHANGE IN METHOD OF ACCOUNTING.—Any adjustment required by this section shall not be treated as a change in method of accounting.

(2) UNDERPAYMENTS OF ESTIMATED TAX.—No addition to the tax shall be made under section 6655 of the Internal Revenue Code of 1986 (relating to failure by corporation to pay estimated tax) with respect to any underpayment of an installment required to be paid with respect to the taxable year described in subsection (a) to the extent such underpayment was created or increased by this section.

(d) MAJOR INTEGRATED OIL COMPANY.—For purposes of this section, the term "major integrated oil company" has the meaning given such term by section 43(f)(2) of the Internal Revenue Code of 1986.

SEC. 207. MODIFICATIONS OF FOREIGN TAX CREDIT RULES APPLICABLE TO MAJOR INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.

(a) IN GENERAL.—Section 901 of the Internal Revenue Code of 1986 (relating to credit for taxes of foreign countries and of possessions of the United States) is amended by redesignating subsection (m) as (n) and by inserting after subsection (l) the following new subsection:

"(m) SPECIAL RULES RELATING TO MAJOR INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.—

"(1) GENERAL RULE.—Notwithstanding any other provision of this chapter, any amount paid or accrued by a dual capacity taxpayer which is a major integrated oil company to a foreign country or possession of the United States for any period shall not be considered a tax—

"(A) if, for such period, the foreign country or possession does not impose a generally applicable income tax, or

"(B) to the extent such amount exceeds the amount (determined in accordance with regulations) which—

"(i) is paid by such dual capacity taxpayer pursuant to the generally applicable income tax imposed by the country or possession, or

"(ii) would be paid if the generally applicable income tax imposed by the country or possession were applicable to such dual capacity taxpayer.

Nothing in this paragraph shall be construed to imply the proper treatment of any such amount not in excess of the amount determined under subparagraph (B).

"(2) DUAL CAPACITY TAXPAYER.—For purposes of this subsection, the term 'dual capacity taxpayer' means, with respect to any foreign country or possession of the United States, a person who—

"(A) is subject to a levy of such country or possession, and

"(B) receives (or will receive) directly or indirectly a specific economic benefit (as determined in accordance with regulations) from such country or possession.

"(3) GENERALLY APPLICABLE INCOME TAX.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'generally applicable income tax' means an income tax (or a series of income taxes) which is generally imposed under the laws of a foreign country or possession on income derived from the conduct of a trade or business within such country or possession.

"(B) EXCEPTIONS.—Such term shall not include a tax unless it has substantial application, by its terms and in practice, to—

"(i) persons who are not dual capacity taxpayers, and

"(ii) persons who are citizens or residents of the foreign country or possession.

"(4) MAJOR INTEGRATED OIL COMPANY.—For purposes of this subsection, the term 'major integrated oil company' has the meaning given such term by section 43(f)(2).".

(b) Effective Date.—

(1) In general.—The amendments made by this section shall apply to taxes paid or accrued in taxable years beginning after the date of the enactment of this Act.

(2) Contrary treaty obligations upheld.—The amendments made by this section shall not apply to the extent contrary to any treaty obligation of the United States.

SEC. 208. DENIAL OF DEDUCTION FOR INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION OF OIL, NATURAL GAS, OR PRIMARY PRODUCTS THEREOF.

(a) In General.—Subparagraph (B) of section 199(c)(4) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by inserting after clause (iii) the following new clause:

"(iv) in the case of any major integrated oil company (as defined in section 43(f)(2)), the production, refining, processing, transportation, or distribution of oil, natural gas, or any primary product thereof during any taxable year described in section 167(h)(5)(A).".

(b) Conforming Amendments.—Section 199(c)(4) of the Internal Revenue Code of 1986 is amended—

(1) in subparagraph (A)(i)(III) by striking "electricity, natural gas," and inserting "electricity", and

(2) in subparagraph (B)(ii) by striking "electricity, natural gas," and inserting "electricity".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 209. RULES RELATING TO FOREIGN OIL AND GAS INCOME.

(a) Separate Basket for Foreign Tax Credit.—

(1) Years before 2007.—Paragraph (1) of section 904(d) of the Internal Revenue Code of 1986 (relating to separate application of section with respect to certain categories of income), as in effect for years beginning before 2007, is amended by striking 'and' at the end of subparagraph (H), by redesignating subparagraph (I) as subparagraph (J), and by inserting after subparagraph (H) the following new subparagraph:

"(I) foreign oil and gas income, and".

(2) 2007 and after.—Paragraph (1) of section 904(d) of such Code, as in effect for years beginning after 2006, is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following:

"(C) foreign oil and gas income.".

(b) Definition.—

(1) Years before 2007.—Paragraph (2) of section 904(d) of the Internal Revenue Code of 1986, as in effect for years beginning before 2007, is amended by redesignating subparagraphs (H) and (I) as subparagraphs (I) and (J), respectively, and by inserting after subparagraph (G) the following new subparagraph:

"(H) Foreign oil and gas income.—The term 'foreign oil and gas income' has the meaning given such term by section 954(g).".

(2) 2007 and after.—Section 904(d)(2) of such Code, as in effect for years after 2006, is amended by redesignating subparagraphs (J) and (K) as subparagraphs (K) and (L) and by inserting after subparagraph (I) the following:

"(J) Foreign oil and gas income.—For purposes of this section—

"(i) In general.—The term 'foreign oil and gas income' has the meaning given such term by section 954(g).

"(ii) Coordination.—Passive category income and general category income shall not include foreign oil and gas income (as so defined).".

(c) Conforming Amendments.—

(1) Section 904(d)(3)(F)(i) of the Internal Revenue Code of 1986 is amended by striking "or (E)" and inserting "(E), or (I)".

(2) Section 907(a) of such Code is hereby repealed.

(3) Section 907(c)(4) of such Code is hereby repealed.

(4) Section 907(f) of such Code is hereby repealed.

(d) Effective Dates.—

(1) In general.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

(2) Years after 2006.—The amendments made by paragraphs (1)(B) and (2)(B) shall apply to taxable years beginning after December 31, 2006.

(3) Transitional rules.—

(A) Separate basket treatment.—Any taxes paid or accrued in a taxable year beginning on or before the date of the enactment of this Act, with respect to income which was described in subparagraph (I) of section 904(d)(1) of such Code (as in effect on the day before the date of the enactment of this Act), shall be treated as taxes paid or accrued with respect to foreign oil and gas income to the extent the taxpayer establishes to the satisfaction of the Secretary of the Treasury that such taxes were paid or accrued with respect to foreign oil and gas income.

(B) Carryovers.—Any unused oil and gas extraction taxes which under section 907(f) of such Code (as so in effect) would have been allowable as a carryover to the taxpayer's first taxable year beginning after the date of the enactment of this Act (without regard to the limitation of paragraph (2) of such section 907(f) for first taxable year) shall be allowed as carryovers under section 904(c) of such Code in the same manner as if such taxes were unused taxes under such section 904(c) with respect to foreign oil and gas extraction income.

(C) Losses.—The amendment made by subsection (c)(3) shall not apply to foreign oil and gas extraction losses arising in taxable years beginning on or before the date of the enactment of this Act.

SEC. 210. ELIMINATION OF DEFERRAL FOR FOREIGN OIL AND GAS EXTRACTION INCOME.

(a) General Rule.—Paragraph (1) of section 954(g) of the Internal Revenue Code of 1986 (defining foreign base company oil related income) is amended to read as follows:

"(1) In general.—Except as otherwise provided in this subsection, the term 'foreign oil and gas income' means, in the case of any major integrated oil company (as defined in section 43(f)(2)) during any taxable year described in section 167(h)(5)(A), any income of a kind which would be taken into account in determining the amount of—

"(A) foreign oil and gas extraction income (as defined in section 907(c)), or

"(B) foreign oil related income (as defined in section 907(c)).".

(b) Conforming Amendments.—

(1) Subsections (a)(5), (b)(5), and (b)(6) of section 954, and section 952(c)(1)(B)(ii)(I) of the Internal Revenue Code of 1986, are each amended by striking "base company oil related income" each place it appears (including in the heading of subsection (b)(8)) and inserting "oil and gas income".

(2) Subsection (b)(4) of section 954 of such Code is amended by striking "base company oil-related income" and inserting "oil and gas income".

(3) The subsection heading for subsection (g) of section 954 of such Code is amended by striking "Foreign Base Company Oil Related Income" and inserting "Foreign Oil and Gas Income".

(4) Subparagraph (A) of section 954(g)(2) of such Code is amended by striking "foreign base company oil related income" and inserting "foreign oil and gas income".

(c) Effective Date.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after the date of the enactment of this Act, and to taxable years of United States shareholders ending with or within such taxable years of foreign corporations.

TITLE III—EXPANDING ENERGY EFFICIENCY

SEC. 301. EXTENSION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

Section 179D(h) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "2007" and inserting "2014".

SEC. 302. EXTENSION AND EXPANSION OF NEW ENERGY EFFICIENT HOME CREDIT.

(a) Extension.—Section 45L(g) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "2007" and inserting "2014".

(b) Inclusion of 30 Percent Homes.—

(1) In general.—Section 45L(c) of the Internal Revenue Code of 1986 (relating to energy saving requirements) is amended—

(A) by striking "or" at the end of paragraph (2);

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following new paragraph:

"(3) certified—

"(A) to have a level of annual heating and cooling energy consumption which is at least 30 percent below the annual level described in paragraph (1), and

"(B) to have building envelope component improvements account for at least 1/3 of such 30 percent, or.".

(2) Applicable amount of credit.—Section 45L(a)(2) is amended by striking "paragraph (3)" and inserting "paragraph (3) or (4)".

(3) Effective date.—The amendments made by this subsection shall apply to qualified new energy efficient homes acquired after the date of the enactment of this Act.

SEC. 303. EXTENSION OF NONBUSINESS ENERGY PROPERTY CREDIT.

Section 25C(g) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "2007" and inserting "2014".

SEC. 304. EXTENSION AND MODIFICATION OF RESIDENTIAL ENERGY EFFICIENT PROPERTY CREDIT.

(a) Extension.—Section 25D(g) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "2007" and inserting "2014".

(b) Modification of Maximum Credit.—Paragraph (1) of section 25D(b) of the Internal Revenue Code of 1986 (relating to limitations) is amended to read as follows:

"(1) Maximum credit.—The credit allowed under subsection (a) for any taxable year shall not exceed—

"(A) $1,000 with respect to each half kilowatt of capacity of qualified photovoltaic property for which qualified photovoltaic property expenditures are made,

"(B) $2,000 with respect to any qualified solar water heating property expenditures, and

"(C) $500 with respect to each half kilowatt of capacity of qualified fuel cell property (as defined in section 48(c)(1)) for which qualified fuel cell property expenditures are made.".

(c) Credit Allowed Against Alternative Minimum Tax.—

(1) In general.—Section 25D(b) of the Internal Revenue Code of 1986 (as amended by subsection (b)) is amended by adding at the end the following new paragraph:

"(3) Credit allowed against alternative minimum tax.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under subpart A of part IV of subchapter A and section 27 for the taxable year.".

(2) Conforming amendment.—Subsection (c) of section 25D of such Code is amended to read as follows:

"(c) Carryforward of Unused Credit.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by subsection (b)(3) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 305. ENERGY CREDIT FOR COMBINED HEAT AND POWER SYSTEM PROPERTY.

(a) In general.—Section 48(a)(3)(A) of the Internal Revenue Code of 1986 (defining energy property) is by striking "or" at the end of clause (iii), by inserting "or" at the end of clause (iv), and by adding at the end the following new clause:

"(v) combined heat and power system property.";

(b) Combined Heat and Power System Property.—Section 48 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(d) Combined Heat and Power System Property.—For purposes of subsection (a)(3)(A)(v)—

"(1) Combined heat and power system property.—The term 'combined heat and power system property' means property comprising a system—

"(A) which uses the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications),

"(B) which has an electrical capacity of not more than 15 megawatts or a mechanical energy capacity of not more than 2,000 horsepower or an equivalent combination of electrical and mechanical energy capacities,

"(C) which produces—

"(i) at least 20 percent of its total useful energy in the form of thermal energy which is not used to produce electrical or mechanical power (or combination thereof), and

"(ii) at least 20 percent of its total useful energy in the form of electrical or mechanical power (or combination thereof),

"(D) the energy efficiency percentage of which exceeds 60 percent, and

"(E) which is placed in service before January 1, 2015.

"(2) Special rules.—

"(A) Energy efficiency percentage.—For purposes of this subsection, the energy efficiency percentage of a system is the fraction—

"(i) the numerator of which is the total useful electrical, thermal, and mechanical power produced by the system at normal operating rates, and expected to be consumed in its normal application, and

"(ii) the denominator of which is the higher heating value of the primary fuel sources for the system.

"(B) Determinations made on btu basis.—The energy efficiency percentage and the percentages under paragraph (1)(C) shall be determined on a Btu basis.

"(C) Input and output property not included.—The term 'combined heat and power system property' does not include property used to transport the energy source to the facility or to distribute energy produced by the facility.

"(D) Certain exception not to apply.—The first sentence of the matter in subsection (a)(3) which follows subparagraph (D) thereof shall not apply to combined heat and power system property.

"(3) Systems using bagasse.—If a system is designed to use bagasse for at least 90 percent of the energy source—

"(A) paragraph (1)(D) shall not apply, but

"(B) the amount of credit determined under subsection (a) with respect to such system shall not exceed the amount which bears the same ratio to such amount of credit (determined without regard to this paragraph) as the energy efficiency percentage of such system bears to 60 percent.

"(4) Nonapplication of certain rules.—For purposes of determining if the term 'combined heat and power system property' includes technologies which generate electricity or mechanical power using back-pressure steam turbines in place of existing pressure-reducing valves or which make use of waste heat from industrial processes such as by using organic rankin, stirling, or kalina heat engine systems, paragraph (1) shall be applied without regard to subparagraphs (C) and (D) thereof .".

(c) Effective Date.—The amendments made by this section shall apply to periods after December 31, 2005, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 306. THREE-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED ENERGY MANAGEMENT.

(a) In General.—Section 168(e)(3)(A) of the Internal Revenue Code of 1986 (defining 3-year property) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and," and by adding at the end the following new clause:

"(iv) any qualified energy management device.".

(b) Definition of Qualified Energy Management Device.—Section 168(i) of the Internal Revenue Code of 1986 (relating to definitions and special rules) is amended by inserting at the end the following new paragraph:

"(18) Qualified energy management device.—

"(A) In general.—The term 'qualified energy management device' means any energy management device which is placed in service before January 1, 2015, by a taxpayer who is a supplier of electric energy or a provider of electric energy services.

"(B) Energy management device.—For purposes of subparagraph (A), the term 'energy management device' means any meter or metering device which is used by the taxpayer—

"(i) to measure and record electricity usage data on a time-differentiated basis in at least 4 separate time segments per day, and

"(ii) to provide such data on at least a monthly basis to both consumers and the taxpayer.".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 307. THREE-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED WATER SUBMETERING DEVICES.

(a) In General.—Section 168(e)(3)(A) of the Internal Revenue Code of 1986 (defining 3-year property), as amended by section 306, is amended by striking "and" at the end of clause (iii), by striking the period at the end of clause (iv) and inserting ", and," and by adding at the end the following new clause:

"(v) any qualified water submetering device.".

(b) Definition of Qualified Water Submetering Device.—Section 168(i) of the Internal Revenue Code of 1986 (relating to definitions and special rules), as amended by section 306, is amended by inserting at the end the following new paragraph:

"(19) Qualified water submetering device.—

"(A) In general.—The term 'qualified water submetering device' means any water submetering device which is placed in service before January 1, 2015, by a taxpayer who is an eligible resupplier with respect to the unit for which the device is placed in service.

"(B) Water submetering device.—For purposes of this paragraph, the term 'water submetering device' means any submetering device which is used by the taxpayer—

"(i) to measure and record water usage data, and

"(ii) to provide such data on at least a monthly basis to both consumers and the taxpayer.

"(C) Eligible resupplier.—For purposes of subparagraph (A), the term 'eligible resupplier' means any taxpayer who purchases and installs qualified water submetering devices in every unit in any multi-unit property.".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SA 4733. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. DEPLOYMENT OF NEW TECHNOLOGIES TO REDUCE OIL USE IN TRANSPORTATION.

(a) Fuel From Cellulosic Biomass.—

(1) In general.—The Secretary of Energy shall provide deployment incentives under this subsection to encourage a variety of projects to produce transportation fuel from

cellulosic biomass, relying on different feedstocks in different regions of the United States.

(2) PROJECT ELIGIBILITY.—Incentives under this subsection shall be provided on a competitive basis to projects that produce fuel that—

(A) meet United States fuel and emission specifications;

(B) help diversify domestic transportation energy supplies; and

(C) improve or maintain air, water, soil, and habitat quality.

(3) INCENTIVES.—Incentives under this subsection may consist of—

(A) loan guarantees under section 1510 of the Energy Policy Act of 2005 (42 U.S.C. 16501), subject to section 1702 of that Act (22 U.S.C. 16512), for the construction of production facilities and supporting infrastructure; or

(B) production payments through a reverse auction in accordance with paragraph (4).

(4) REVERSE AUCTION.—

(A) IN GENERAL.—In providing incentives under this subsection, the Secretary of Energy shall—

(i) issue regulations under which producers of fuel from cellulosic biomass may bid for production payments under paragraph (3)(B); and

(ii) solicit bids from producers of different classes of transportation fuel, as the Secretary of Energy determines to be appropriate.

(B) REQUIREMENT.—The rules under subparagraph (A) shall require that incentives be provided to the producers that submit the lowest bid (in terms of cents per gallon) for each class of transportation fuel from which the Secretary of Energy solicits a bid.

(b) ADVANCED TECHNOLOGY VEHICLES MANUFACTURING INCENTIVE PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) ADJUSTED FUEL ECONOMY.—The term "adjusted fuel economy" means the average fuel economy of a manufacturer for all light duty motor vehicles produced by the manufacturer, adjusted such that the fuel economy of each vehicle that qualifies for a credit shall be considered to be equal to the average fuel economy for the weight class of the vehicle for model year 2002.

(B) ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE.—The term "advanced lean burn technology motor vehicle" means a passenger automobile or a light truck with an internal combustion engine that—

(i) is designed to operate primarily using more air than is necessary for complete combustion of the fuel;

(ii) incorporates direct injection; and

(iii) achieves at least 125 percent of the city fuel economy of vehicles in the same size class as the vehicle for model year 2002.

(C) ADVANCED TECHNOLOGY VEHICLE.—The term "advanced technology vehicle" means a light duty motor vehicle that—

(i) is a hybrid motor vehicle or an advanced lean burn technology motor vehicle; and

(ii) meets—

(I) the Bin 5 Tier II emission standard established in regulations issued by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)), or a lower-numbered Bin emission standard;

(II) any new emission standard for fine particulate matter prescribed by the Administrator under that Act (42 U.S.C. 7401 et seq.); and

(III) at least 125 percent of the base year city fuel economy for the weight class of the vehicle.

(D) ENGINEERING INTEGRATION COSTS.—The term "engineering integration costs" includes the cost of engineering tasks relating to—

(i) incorporating qualifying components into the design of advanced technology vehicles; and

(ii) designing new tooling and equipment for production facilities that produce qualifying components or advanced technology vehicles.

(E) HYBRID MOTOR VEHICLE.—The term "hybrid motor vehicle" means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are—

(i) an internal combustion or heat engine using combustible fuel; and

(ii) a rechargeable energy storage system.

(F) QUALIFYING COMPONENTS.—The term "qualifying components" means components that the Secretary of Energy determines to be—

(i) specially designed for advanced technology vehicles; and

(ii) installed for the purpose of meeting the performance requirements of advanced technology vehicles.

(2) MANUFACTURER FACILITY CONVERSION AWARDS.—The Secretary of Energy shall provide facility conversion funding awards under this subsection to automobile manufacturers and component suppliers to pay not more than 30 percent of the cost of—

(A) reequipping or expanding an existing manufacturing facility in the United States to produce—

(i) qualifying advanced technology vehicles; or

(ii) qualifying components; and

(B) engineering integration performed in the United States of qualifying vehicles and qualifying components.

(3) PERIOD OF AVAILABILITY.—An award under paragraph (2) shall apply to—

(A) facilities and equipment placed in service before December 30, 2017; and

(B) engineering integration costs incurred during the period beginning on the date of enactment of this Act and ending on December 30, 2017.

(4) IMPROVEMENT.—The Secretary of Energy shall issue regulations that require that, in order for an automobile manufacturer to be eligible for an award under this subsection during a particular year, the adjusted average fuel economy of the manufacturer for light duty vehicles produced by the manufacturer during the most recent year for which data are available shall be not less than the average fuel economy for all light duty motor vehicles of the manufacturer for model year 2002.

SA 4734. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

Finding—

(1) While Americans are forced to pay over $3.00 per gallon of gasoline, and the minimum wage has been stuck at $5.15 an hour for the last nine years, former Exxon Mobil CEO Lee R. Raymond was provided with a golden parachute from his former company totaling $398 million.

SA 4735. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

Amend the title so as to read: "Lee R. Raymond Oil Profitability Act.".

SA 4736. Mr. BIDEN submitted an amendment intended to be proposed to amendment SA 4713 proposed by Mr. FRIST to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REPEAL OF 2005 ENERGY ACT FOSSIL FUEL ENERGY TAX INCENTIVES.

(a) REPEAL.—The provisions of, and the amendments made by, subtitle B of title XIII of the Energy Policy Act of 2005 are repealed and the Internal Revenue Code of 1986 shall be applied and administered as if such provisions and amendments had never been enacted.

(b) EFFECTIVE DATE.—This section shall take effect as if the provisions described in subsection (a) had never been included in the Energy Policy Act of 2005.

SA 4737. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. RENEWABLE FUELS PROMOTION.

(a) PROHIBITION ON RESTRICTION OF INSTALLATION OF RENEWABLE FUEL PUMPS.—

(1) IN GENERAL.—Title I of the Petroleum Marketing Practices Act (15 U.S.C. 2801 et seq.) is amended by adding at the end the following:

"SEC. 107. PROHIBITION ON RESTRICTION OF INSTALLATION OF RENEWABLE FUEL PUMPS.

"(a) DEFINITION OF FRANCHISE-RELATED DOCUMENT.—In this section, the term 'franchise-related document' means—

"(1) a franchise under this Act; and

"(2) any other contract or directive of a franchisor relating to terms or conditions of the sale of fuel by a franchisee.

"(b) PROHIBITIONS.—

"(1) IN GENERAL.—Notwithstanding any provision of a franchise-related document in effect on the date of enactment of this section, no franchisee or affiliate of a franchisee shall be restricted from—

"(A) installing on the marketing premises of the franchisee a renewable fuel pump;

"(B) converting an existing tank and pump on the marketing premises of the franchisee for renewable fuel use;

"(C) advertising (including through the use of signage or logos) the sale of any renewable fuel; or

"(D) selling renewable fuel in any specified area on the marketing premises of the franchisee (including any area in which a name or logo of a franchisor or any other entity appears).

"(2) ENFORCEMENT.—Any restriction described in paragraph (1) that is contained in a franchise-related document and in effect on the date of enactment of this section—

"(A) shall be considered to be null and void as of that date; and

"(B) shall not be enforced under section 105.

"(c) EXCEPTION TO 3-GRADE REQUIREMENT.—No franchise-related document that requires that 3 grades of gasoline be sold by the applicable franchisee shall prevent the franchisee from selling a renewable fuel in lieu of 1 grade of gasoline.".

(2) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Section 101(13) of the Petroleum Marketing Practices Act (15 U.S.C. 2801(13)) is amended by adjusting the indentation of subparagraph (C) appropriately.

(B) TABLE OF CONTENTS.—The table of contents of the Petroleum Marketing Practices Act (15 U.S.C. 2801 note) is amended—

(i) by inserting after the item relating to section 106 the following:

"Sec. 107. Prohibition on restriction of installation of renewable fuel pumps.";

and

(ii) by striking the item relating to section 202 and inserting the following:

"Sec. 202. Automotive fuel rating testing and disclosure requirements.".

(b) REFUELING.—The Energy Policy Act of 1992 is amended by inserting after section 304 (42 U.S.C. 13213) the following:

"SEC. 304A. FEDERAL FLEET FUELING CENTERS.

"(a) IN GENERAL.—Not later than January 1, 2008, the appropriate Federal agency shall install not less than 1 renewable fuel pump at every Federal fleet fueling center in the United States.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(c) REPORT.—Not later than October 31 of each year beginning after the date of enactment of this Act, the President shall submit to Congress a report that describes the progress of the agencies of the Federal government (including the Executive Office of the President) in complying with—

(1) the Energy Policy Act of 1992 (42 U.S.C. 13201 et seq.);

(2) Executive Order 13149 (65 Fed. Reg. 24595; relating to greening the government through Federal fleet and transportation efficiency); and

(3) the Federal fleet fueling center requirement under section 304A of the Energy Policy Act of 1992 (as added by subsection (b)).

SA 4738. Mr. KYL (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. ROYALTY RELIEF FOR PRODUCTION OF OIL AND GAS.

(a) PRICE THRESHOLDS.—Notwithstanding any other provision of law, the Secretary shall place limitations based on market price on the royalty relief granted under any lease for the production of oil or natural gas on Federal land (including submerged land) entered into by the Secretary on or after the date of enactment of this Act.

(b) CLARIFICATION OF AUTHORITY TO IMPOSE PRICE THRESHOLDS FOR CERTAIN LEASE SALES.—Congress reaffirms the authority of the Secretary under section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(H)) to vary, based on the price of production from a lease, the suspension of royalties under any lease subject to section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (Public Law 104-58; 43 U.S.C. 1337 note).

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DEMINT. Mr. President, I ask unanimous consent that the Subcommittee on Forestry, Conservation, and Rural Revitalization of the Committee on Agriculture, Nutrition and Forestry be authorized to conduct a hearing during the session of the Senate on July 27, 2006, at 10 a.m. in SR-328A, Russell Senate Office Building. The purpose of this subcommittee hearing will be to conduct an oversight hearing on the U.S. Department of Agriculture use of technical service providers.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on July 27, 2006, at 10 a.m., in open session to consider the following nomination: Lieutenant General James T. Conway, USMC, for appointment to the grade of General and to be Commandant of the Marine Corps.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DEMINT. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation meet to consider the following nominations on Thursday, July 27, 2006, at 11 a.m.:

Charles Nottingham to be a Member of the Surface Transportation Board; Robert Sumwalt to be a Member of the National Transportation Safety Board; Nathaniel Wienecke to be Assistant Secretary for Legislative and Intergovernmental Affairs, Department of Commerce; Jay Cohen to be Under Secretary for Science and Technology, Department of Homeland Security; and Sean Connaughton to be Administrator of the Maritime Administration, Department of Transportation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. DEMINT. Mr. President, I ask unanimous consent that on Thursday, July 27th, 2006, at 9:30 a.m. the Committee on Environment and Public Works be authorized to hold a hearing to discuss the Stafford Act: A Path Forward for the Nation's Emergency Preparedness and Response System.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Thursday, July 27, 2006, at 10 a.m. in 215 Dirksen Senate Office Building, to review and make recommendations on proposed legislation implementing the U.S.-Peru Trade Promotion Agreement, and to consider favorably reporting S. 3495, to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Vietnam.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 27, 2006, at 9:30 a.m. to hold a nominations hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 27, 2006, at 2:30 p.m. to hold a nominations hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to hold a hearing during the session of the Senate on Thursday, July 27, 2006, at 10 a.m. in SD-430.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet on Thursday, July 27, 2006, at 10 a.m. for a business meeting to consider pending committee business.

Agenda

Legislation

1. S. 2590, Federal Funding Accountability and Transparency Act of 2006;

2. S. , Post-Katrina Emergency Management Reform Act of 2006;

3. S. 1838, Federal and District of Columbia Government Real Property Act of 2005;

4. S. 3492, Federal Workforce Performance Appraisal and Management Improvement Act of 2006;

5. S. 3584, Federal Supervisor Training Act of 2006.

Post Office Naming Bills

1. S. 3613, to designate the facility of the USPS located at 2951 New York Highway 43 in Averill Park, New York, as the "Major George Quamo Post Office Building;"

2. H.R. 4246, to designate the facility of the USPS located at 8135 Forest Lane in Dallas, Texas, as the "Dr. Robert E. Price Post Office Building;"

3. H.R. 5104, to designate the facility of the USPS located at 1750 16th Street South in St. Petersburg, Florida, as the "Morris W. Milton Post Office;"

4. H.R. 5169, to designate the facility of the USPS located at 1310 Highway 64 NW in Ramsey, Indiana, as the "Wilfred Edward 'Cousin Willie' Sieg, Sr. Post Office;"

5. H.R. 5540, to designate the facility of the USPS located at 217 Southeast 2nd Street in Dimmitt, Texas, as the "Sergeant Jacob Dan Dones Post Office."

Post Office Naming Bills—Tentative

1. H.R. 4646, to designate the facility of the U.S. Postal Service located at 7320 Reseda Boulevard in Reseda, California, as the "Coach John Wooden Post Office Building;"

2. S. 2555, to designate the facility of the U.S. Postal Service located at 2633 11th Street in Rock Island, Illinois, as the "Lane Evans Post Office Building;"

3. S. 2719/H.R. 5107, to designate the facility of the U.S. Postal Service located at 1400 West Jordan Street in Pensacola, Florida, as the "Earl D. Hutto Post Office Building."

Nominations

1. Paul A. Denett to be Administrator for Federal Procurement Policy, Office of Management and Budget;

2. The Honorable Anna Blackburne-Rigsby to be Associate Judge, District of Columbia Court of Appeals;

3. Phyllis D. Thompson to be Associate Judge, District of Columbia Court of Appeals;

4. Jennifer M. Anderson to be Associate Judge, Superior Court of the District of Columbia;

5. The Honorable Mickey D. Barnett to be Governor, U.S. Postal Service;

6. Katherine C. Tobin to be Governor, U.S. Postal Service;

7. Ellen C. Williams to be Governor, U.S. Postal Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, July 27, 2006, at 10:45 a.m. in Senate Dirksen Building Room 226.

Tentative Agenda

I. Nominations

Kimberly Ann Moore, to be U.S. Circuit Judge for the Federal Circuit; Frances M. Tydingco-Gatewood, to be Judge for the District Court of Guam; Steven G. Bradbury, to be an Assistant Attorney General for the Office of Legal Counsel; R. Alexander Acosta, to be U.S. Attorney for the Southern District of Florida.

II. Bills

S. 2453, National Security Surveillance Act of 2006, Specter;

S. 2455, Terrorist Surveillance Act of 2006, DeWine, Graham;

S. 2468, A bill to provide standing for civil actions for declaratory and injunctive relief to persons who refrain from electronic communications through fear of being subject to warrantless electronic surveillance for foreign intelligence purposes, and for other purposes, Schumer;

S. 3001, Foreign Intelligence Surveillance Improvement and Enhancement Act of 2006, Specter, Feinstein;

S. 2831, Free Flow of Information Act of 2006, Lugar, Specter, Graham, Schumer, Biden, Grassley;

S. 155, Gang Prevention and Effective Deterrence Act of 2005, Feinstein, Hatch, Grassley, Cornyn, Kyl, Specter;

S. 1845, Circuit Court of Appeals Restructuring and Modernization Act of 2005, Ensign, Kyl;

S. 2679, Unsolved Civil Rights Crime Act, Talent, DeWine, Cornyn.

III. Matters

Subpoenas Relating to ABA Reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Small Business and Entrepreneurship be authorized to meet during the session of the Senate for a markup on "The Small Business Reauthorization and Improvements Act of 2006," on Thursday, July 27, 2006, beginning at 10 a.m., in room 428A of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Thursday, July 27, 2006, to hold a hearing to consider the nominations of Patrick W. Dunne to be Assistant Secretary for Policy & Planning and Thomas E. Harvey to be Assistant Secretary for Congressional Affairs, Department of Veterans' Affairs. The hearing will take place in room 418 of the Russell Senate Office Building at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Thursday, July 27, 2006, to hold a markup to consider the nominations of Patrick W. Dunne to be Assistant Secretary for Policy & Planning and Thomas E. Harvey to be Assistant Secretary for Congressional Affairs, Department of Veterans' Affairs.

The meeting will take place in the Reception Room off the Senate floor in the Capitol following the first rollcall of the Senate after 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DEMINT. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on July 27, 2006, at 2:30 p.m., to hold a closed meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. DEMINT. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet tomorrow, July 27, 2006, from 10 a.m.–1 p.m. in Dirksen 106 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Federal Financial Management, Government Information, and International Security be authorized to meet on Thursday, July 27, 2006, at 2:30 p.m., for a hearing regarding "Responsible Resource Management at the Nation's Health Access Agency".

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY, AND HOMELAND SECURITY

Mr. DEMINT. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Terrorism, Technology and Homeland Security be authorized to meet to conduct a hearing on "Detecting Smuggled Nuclear Weapons" on Thursday, July 27, 2006, at 2:30 p.m. in Dirksen 226. The witness list will be provided when it becomes available.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. DEMINT. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the

Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, July 27, 2006, at 2:30 p.m.

The purpose of the hearing is to receive testimony on S. 3638, to encourage the Secretary of the Interior to participate in projects to plan, design, and construct water supply projects and to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to encourage the design, planning, and construction of projects to treat impaired surface water, reclaim, and reuse impaired groundwater, and provide brine disposal in the State of California; S. 3639, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Prado Basin Natural Treatment System Project, to authorize the Secretary to carry out a program to assist agencies in projects to construct regional brine lines in California, to authorize the Secretary to participate in the Lower Chino Dairy Area Desalination Demonstration and Reclamations Project, and for other purposes; H.R. 2341, to amend the Reclamation Wastewater and Goundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of a project to reclaim and reuse wastewater within and outside of the service area of the City of Austin Water and Wastewater Utility, Texas; and H.R. 3418, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the central Texas water recycling and reuse project, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. BINGAMAN. I ask unanimous consent that Ana Romero Jurrison and Lesley Henderson, interns in my office, be permitted privileges of the floor during the consideration of S. 3711.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, thank you very much. First, I want to do a housekeeping piece of business. I ask unanimous consent that Kristina Rolph, a staffer with the Energy Committee, be granted floor privileges for the consideration of S. 3711.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I ask unanimous consent that during the debate on S. 3711, Amy Jasperson and David Mitchell, fellows in the office of Senator BILL NELSON, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRATULATING SPELMAN COLLEGE ON ITS 125TH ANNIVERSARY

Mr. ISAKSON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 541 which was submitted earlier today.

The ACTING PRESIDENT pro tempore. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 541) congratulating Spelman College upon its 125th anniversary.

There being no objection, the Senate proceeded to consider the resolution.

Mr. ISAKSON. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution (S. Res. 541) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 541

Whereas, in 1881, Spelman College was established by Sophia B. Packard and Harriet E. Giles, school teachers and Baptist missionaries, in Atlanta, Georgia, for the purpose of educating African-American women and girls;

Whereas as a result of the benevolence of John D. Rockefeller, Sr., and Laura Spelman Rockefeller, the name of the institution was changed from "Atlanta Baptist Female Seminary" to "Spelman Seminary" in honor of the Spelman family;

Whereas the curriculum expanded to include high school and college classes, and the seminary conferred its first high school diplomas in 1887, and its first college degrees in 1901;

Whereas in 1924, Spelman Seminary officially became Spelman College and grew to become a leading undergraduate institution for African-American women;

Whereas Spelman College was ranked among the top 75 Best Liberal Arts Colleges according to U.S. News & World Report, 2005 edition;

Whereas the Association of Medical Colleges ranks Spelman College fifth among undergraduate programs for African-American students accepted to medical school, and Spelman is 1 of 6 institutions designated by the National Science Foundation and the National Aeronautics and Space Administration as a Model Institution for Excellence in undergraduate science and math education;

Whereas Spelman's ninth President, Beverly Daniel Tatum, has initiated a strategic plan for Spelman ("Spelman ALIVE") that includes 5 goals: Academic excellence, Leadership development, Improving the infrastructure, Visibility of accomplishments of the campus community, and Exemplary customer service, all designed to create a vision for Spelman of "Nothing Less Than the Best"; and

Whereas Spelman College has prepared more than 6 generations of African American women to reach the highest levels of academic, community, and professional achievement: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates Spelman College on 125th anniversary; and

(2) commends the President of Spelman College, Dr. Beverly Daniel Tatum, and the administration, faculty, staff, students, and alumnae of the College for their outstanding achievements and contribution to African American education, history, and culture.

Mr. ISAKSON. Mr. President, I am pleased to rise today and be joined by my fellow Senator from Georgia, Senator CHAMBLISS, in recognition of the 125th anniversary of Spelman College.

Spelman College is a historically Black college in the State of Georgia and a part of the Atlanta University complex which is the largest consortium of historically Black universities and colleges in the United States of America.

The resolution congratulates the student body, the faculty, the founders, and in particular Dr. Beverly Daniel Tatum, and the administration, the faculty, and staff of Spelman College.

Spelman College was founded in Atlanta, GA, 1881 by Baptist missionaries and teachers Sophia B. Packard and Harriet E. Giles for the purpose of educating African-American women and girls.

Due to the benevolence of John D. Rockefeller, Sr.—Senator ROCKEFELLER's great-grandfather—and Laura Spelman Rockefeller, the name of the institution was changed from Atlanta Baptist Female Seminary to Spelman Seminary in honor of the Spelman family.

A Rockefeller has since sat on the Spelman College Board of Trustees, including Senator ROCKEFELLER's daughter, Valerie Rockefeller Wayne, who currently sits on the Board of Trustees.

Spelman later expanded its curriculum to include high school and college classes, and conferred its first high school degree in 1887, and its first college degree in 1901.

In 1924 Spelman Seminary became Spelman College and grew to become a leading undergraduate institution for African-American women.

Spelman is ranked among the top 75 best liberal arts college according to U.S. News and World Report, 2005 edition.

The Association of Medical Colleges ranks Spelman fifth among undergraduate programs for African-American students accepted to medical school; and not surprisingly Spelman is one of six institutions designated by the National Science Foundation and NASA as a Model Institution for Excellence in undergraduate science and math.

The resolution also commends Dr. Tatum for her excellent work and vision of the future for the college. It further calls attention to her initiation of a strategic plan for Spelman called "Spelman ALIVE" that includes five goals designated to create a vision of Spelman of academic, community, and professional achievement: academic excellence, leadership development, improving the infrastructure, visibility of accomplishments of the campus community, and exemplary customer service.

It is both an honor and privilege for me today on behalf of the State of Georgia and I think the Senate to unanimously commend Spelman College on its achievement of 125 continuous years of service to African-American women in the United States.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, I rise today to join my friend and colleague, Senator ISAKSON from Georgia, to congratulate Spelman College, the country's oldest historically Black college for women on its 125th anniversary.

Spelman College was established in 1881 by two school teachers and Baptist missionaries, Sophia B. Packard and Harriet E. Giles, for the purpose of educating African-American women and girls. Located in Atlanta, GA, and started in the basement of the Friendship Baptist Church, the college has come a long way from its beginnings, growing into a 32-acre campus. Spelman is also a member of the largest group of historically black institutions in the world including Morehouse University, the Morehouse School of Medicine, Clark Atlanta University, and the Interdenominational Theological Center.

Spelman has a very diverse student population with 2,100 students from 41 States and 15 foreign countries. In 2005, Spelman ranked among the top 75 liberal arts colleges according to U.S. News & World Report. Eighty-four percent of the faculty at Spelman hold a Ph.D. or higher, and the student teacher ratio is 11 to 1, making Spelman a top choice for African-American women to obtain an undergraduate degree. Many of their students seek advance degrees. In 2000, Spelman ranked second in the country in placing African-American students in medical schools.

The Federal Government has seen the promise that the students and faculty at Spelman possess and, in 2003, the National Institutes of Health National Center for Minority Health and Health Disparities awarded the college a $4.2 million grant for research to help eliminate health disparities among minority groups. Spelman was one of only six institutions to receive this funding. Also in 2003, National Aeronautics and Space Administration, NASA Awarded the college with a $4.5 million grant to enhance its Women in Science and Engineering, WISE, scholars program.

Spelman College also realizes the need to give back to the African-American community. With the help of Federal funding, the school created the Spelman College Health and Wellness Initiative. This program is helping to gain a better understanding of the many factors that impact the health of young African-American women. The Health and Wellness Initiative is also helping to create preventive strategies for the unique circumstances that apply to all African-American women. These strategies are currently being developed and used to prevent cancer, cardiovascular diseases, diabetes, and HIV/AIDS in African-American women.

In 2005, six Spelman women qualified for the International RoboCup 2005 Four-Legged Robot soccer competition in Osaka, Japan. The students created computer programs for the robots to compete in the soccer tournament, requiring the robots play without human intervention. Of the 24 teams that qualified internationally, the SpelBots, as the team is called, were the first and only Historically Black College and University, the only all women institution, and the only United States undergraduate institution to qualify for the tournament. When looking back years from now at historically Black colleges and robotics research, all searches will lead to Spelman.

Spelman graduates have gone on to be professionals such as doctors, nurses, lawyers, teachers, engineers, and chemists. I want to congratulate Spelman College on their success and developing thousands of young women into strong business and community leaders over the past 125 years.

I would also like to recognize the president of Spelman College, my friend, Dr. Beverly Daniel Tatum, and the administration, faculty, staff, students and alumnae of the college for their leadership, outstanding achievements, and contributions that have made Spelman such a fine institution and a great citizen of our State. It is my most sincere hope that Spelman will continue to thrive and prosper for many years to come.

Mr. ROCKEFELLER. Mr. President, today I rise with my colleagues from Georgia, Mr. ISAKSON and Mr. CHAMBLISS, to congratulate Spelman College on the occasion of its 125th anniversary.

Spelman College, then known as "Atlanta Baptist Female Seminary," was established in 1881 in Atlanta, GA, by Sophia B. Packard and Harriet E. Giles, schoolteachers and Baptist missionaries, who created the school for the purpose of educating African-American women and girls. The institution kindly thanked my great-grandparents John D. Rockefeller, Sr. and Laura Spelman Rockefeller after their donation to the school by changing the school's name to "Spelman Seminary" in honor of the Spelman family in 1924. I am enormously proud that my family has been associated with this school for the last 80-plus years and of the achievements by the school and especially its alumnae. Today, my daughter, Valerie Rockefeller Wayne, serves on the board of trustees and she continues our family's proud connection to this important institution.

The school grew to include high school and college classes and bestowed its first high school diplomas in 1887 and its first college degrees in 1901. The school expanded to become a leading undergraduate institution for African-American women. In the 2005 edition of U.S. News and World Report, Spelman College was ranked among the top 75 best liberal arts colleges. The Association of Medical Colleges ranks Spelman College fifth among undergraduate programs for Black students accepted to medical school and Spelman is one of six institutions designated by the National Science Foundation and the National Aeronautics and Space Administration as a Model Institution for Excellence in undergraduate science and math education.

We commend Spelman's ninth president, Beverly Daniel Tatum, who has initiated a strategic plan for Spelman titled "Spelman ALIVE" that includes five goals: academic excellence, leadership development, improving the infrastructure, visibility of accomplishments of the campus community, and exemplary customer service, all designed to create a vision for Spelman of "Nothing Less than the Best." For 125 years, Spelman has been at the forefront of education in our Nation, and with this plan I am confident it will continue to grow and thrive.

Spelman College has prepared more than six generations of African-American women to reach the highest levels of academic, community, and professional achievement. My cosponsors Mr. ISAKSON and Mr. CHAMBLISS and I also thank the administration, faculty, staff, students, and alumnae of the college for their outstanding achievements and contribution to African-American education, history, and culture.

SENATE PHOTOGRAPHS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 543, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 543) temporarily suspending the Rules for the Regulation of the Senate Wing of the United States Capitol and Senate Office Buildings for the purpose of permitting the taking of photographs in the area of the Daily Press Gallery.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 543) was agreed to, as follows:

S. Res. 543

Resolved, That—

(1) paragraph 1 of rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol and Senate Office Buildings (prohibiting the taking of pictures in the Senate Chamber) shall be temporarily suspended for the purpose of permitting the taking of photographs in the area of the Daily Press Gallery;

(2) photographs permitted under paragraph (1) may only be taken at a time when the Senate is in recess;

(3) photographs permitted to be taken under paragraph (1) may only be used in relation to United States District Court Civil Action No. 04-0026; and

(4) the Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements for implementation of paragraph (1), which arrangements shall provide that there will be no disruption to the business of the Senate.

GOVERNMENT OF ROMANIA'S BAN ON INTERCOUNTRY ADOPTIONS AND THE WELFARE OF ORPHANED OR ABANDONED CHILDREN IN ROMANIA

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 359.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 359) concerning the Government of Romania's ban on intercountry adoptions and the welfare of orphaned or abandoned children in Romania.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 359) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 359

Whereas following the execution of Romanian President Nicolae Ceausescu in 1989, it was discovered that more than 100,000 underfed, neglected children throughout Romania were living in hundreds of squalid and inhumane institutions;

Whereas citizens of the United States responded to the dire situation of these children with an outpouring of compassion and assistance to improve conditions in those institutions and to provide for the needs of abandoned children in Romania;

Whereas, between 1990 and 2004, citizens of the United States adopted more than 8,200 Romanian children, with a similar response from the citizens of Western Europe;

Whereas the United Nations Children's Fund (UNICEF) reported in March 2005 that more than 9,000 children a year are abandoned in Romania's maternity wards or pediatric hospitals and that child abandonment in Romania in "2003 and 2004 was no different from that occurring 10, 20, or 30 years ago";

Whereas there are approximately 37,000 orphaned or abandoned children in Romania today living in state institutions, an additional 49,000 living in temporary arrangements, such as foster care, and an unknown number of children living on the streets and in maternity and pediatric hospitals;

Whereas, on December 28, 1994, Romania ratified the Hague Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption which recognizes that "intercountry adoption may offer the advantage of a permanent family to a child for whom a suitable family cannot be found in his or her State of origin";

Whereas intercountry adoption offers the hope of a permanent family for children who are orphaned or abandoned by their biological parents;

Whereas UNICEF's official position on intercountry adoption, in pertinent part, states: "For children who cannot be raised by their own families, an appropriate alternative family environment should be sought in preference to institutional care, which should be used only as a last resort and as a temporary measure. Inter-country adoption is one of a range of care options which may be open to children, and for individual children who cannot be placed in a permanent family setting in their countries of origin, it may indeed be the best solution. In each case, the best interests of the individual child must be the guiding principal in making a decision regarding adoption.";

Whereas unsubstantiated allegations have been made about the fate of children adopted from Romania and the qualifications and motives of those who adopt internationally;

Whereas in June 2001, the Romanian Adoption Committee imposed a moratorium on intercountry adoption, but continued to accept new intercountry adoption applications and allowed many such applications to be processed under an exception for extraordinary circumstances;

Whereas on June 21, 2004, the Parliament of Romania enacted Law 272/2004 on "the protection and promotion of the rights of the child", which creates new requirements for declaring a child legally available for adoption;

Whereas on June 21, 2004, the Parliament of Romania enacted Law 273/2004 on adoption, which prohibits intercountry adoption except by a child's biological grandparent or grandparents;

Whereas there is no European Union law or regulation restricting intercountry adoptions to biological grandparents or requiring that restrictive laws be passed as a prerequisite for accession to the European Union;

Whereas the number of Romanian children adopted domestically is far less than the number abandoned and has declined further since enactment of Law 272/2004 and 273/2004 due to new, overly burdensome requirements for adoption;

Whereas prior to enactment of Law 273/2004, 211 intercountry adoption cases were pending with the Government of Romania in which children had been matched with adoptive parents in the United States, and approximately 1,500 cases were pending in which children had been matched with prospective parents in Western Europe; and

Whereas the children of Romania, and all children, deserve to be raised in permanent families: Now, therefore, be it

Resolved, That the Senate—

(1) supports the desire of the Government of Romania to improve the standard of care and well-being of children in Romania;

(2) urges the Government of Romania to complete the processing of the intercountry adoption cases which were pending when Law 273/2004 was enacted;

(3) urges the Government of Romania to amend its child welfare and adoption laws to decrease barriers to adoption, both domestic and intercountry, including by allowing intercountry adoption by persons other than biological grandparents;

(4) urges the Secretary of State and the Administrator of the United States Agency for International Development to work collaboratively with the Government of Romania to achieve these ends; and

(5) requests that the European Union and its member states not impede the Government of Romania's efforts to place orphaned or abandoned children in permanent homes in a manner that is consistent with Romania's obligations under the Hague Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption.

EXECUTIVE SESSION

MUTUAL LEGAL ASSISTANCE TREATY WITH GERMANY

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following treaty on today's Executive Calendar: No. 13. I further ask unanimous consent that the treaty be considered as having passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification; that any statements be printed in the CONGRESSIONAL RECORD as if read; and that the Senate proceed to a vote on the resolution of ratification; and further, that when the resolution of ratification is voted on, the motion to reconsider be laid upon the table, the President be notified of the Senate's action, and that following the disposition of the treaty, the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I support the Treaty on Mutual Legal Assistance with Germany, a close and trusted partner with the United States on law enforcement matters.

I would like to address one issue that arose during the review of the treaty. Article 12(1) of the treaty provides that "Each Party may at the request of the other Party, within its possibilities and under the conditions prescribed by its domestic law . . . take the necessary steps for the surveillance of telecommunications."

After the revelation last December of the program of warrantless surveillance by the National Security Agency, NSA, the question arose whether the treaty would provide another purported legal authority for the NSA program. My view is that it does not. But the President's lawyers have proffered highly dubious theories for the program, and the Senate should not make assumptions about what the executive branch thinks about a treaty, because ultimately it is the President, not the Senate, who is charged with "faithfully executing" it. So I asked the executive branch its legal view about whether the treaty provides any additional legal authority for electronic surveillance—whether for the NSA program or any other program.

On April 6, 2006, I wrote the Attorney General of the United States to ask him to confirm that the treaty does not authorize warrantless surveillance. On July 3, after nearly 3 months of deliberation, the Department of Justice responded to my letter. Why it took so long to answer this simple question is unclear. But the response itself is clear: the Justice Department letter concludes that the treaty with Germany would "in no way expand current authority under U.S. law to conduct electronic surveillance."

I welcome the Justice Department's response. While I may disagree with the Department about the scope of the current authority under U.S. law to conduct electronic surveillance, I agree with the Department's interpretation that Article 12(1) does not expand that authority.

I urge all Senators to support this treaty.

I ask unanimous consent that both letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, April 6, 2006.

Hon. ALBERTO R. GONZALES,
Attorney General of the United States,
Washington, DC.

DEAR JUDGE GONZALES: Pending before the Senate is a Treaty on Mutual Legal Assistance in Criminal Matters with Germany (Treaty Doc. 108-27).

Article 12(1) of the Treaty provides that each party may request that the other party, "under the conditions prescribed by its domestic law, take the necessary steps for the surveillance of telecommunications."

I write to request that you confirm that the Treaty does not authorize warrantless surveillance, including any surveillance authorized by the program of surveillance on which you testified before the Committee on the Judiciary on February 6, 2006.

Sincerely,
JOSEPH R. BIDEN, Jr.,
Ranking Minority Member.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington DC, July 3, 2006.

Hon. JOSEPH R. BIDEN, Jr.,
Ranking Minority Member, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR SENATOR BIDEN: This responds to your letter, dated April 6, 2006, to the Attorney General inquiring whether Article 12(1) of the Treaty on Mutual Legal Assistance in Criminal Matters with Germany would authorize warrantless surveillance, including under the Terrorist Surveillance Program described by the President.

By its terms, Article 12 would provide that "[e]ach Party may at the request of the other Party, within its possibilities and under the conditions of its domestic law[(1)] take the necessary steps for the surveillance of telecommunications." (Emphasis added.). Accordingly, the Treaty would not enlarge existing surveillance authorities.

The Terrorist Surveillance Program is a narrowly focused early warning system, targeting for interception only those international communications for which there is probable cause to believe that at least one of the parties to the communication is a member or agent of al Qaeda or an affiliated terrorist organization. It is a critical intelligence tool for protecting the United States from another catastrophic al Qaeda attack in the midst of an armed conflict. It is not a means of collecting information for foreign criminal investigations.

In sum, the MLAT with Germany would in no way expand current authority under U.S. law to conduct electronic surveillance. We hope this information is helpful. Please do not hesitate to contact this office if we may be of assistance with future matters.

Sincerely,
WILLIAM E. MOSCHELLA,
Assistant Attorney General.

Mr. FRIST. Mr. President, I ask for a division vote on the resolution of ratification.

The PRESIDING OFFICER (Mr. ALLEN). A division is requested. Senators in favor of the resolution of ratification will rise and stand until counted.

Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification reads as follows:

Resolved (two-thirds of the Senators present concurring therein),

The Senate advised and consents to the ratification of the Treaty between the United States of America and the Federal Republic of Germany on Mutual Legal Assistance in Criminal Matters, signed at Washington on October 14, 2003, and a related exchange of notes (Treaty Doc. 108-27).

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR FRIDAY, JULY 28, 2006

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Friday, July 28. I further ask unanimous consent that following the prayer and pledge, the time for the two leaders be reserved, and the Senate proceed to a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, today the Senate continued consideration of S. 3711, the gulf coast Energy bill. This morning we filed cloture on the bill, and that cloture vote will occur at 5:30 p.m. on Monday. I encourage Senators to come to the floor on Friday to speak on the Energy bill.

I notified all Senators actually about a week ago that we would be voting for sure next Monday. Although we are doing our best to accommodate Senators, it is a very important vote, and we will be having it at 5:30 p.m. on Monday. I ask Senators to adjust their schedules so they can be here.

ADAM WALSH BILL

Mr. FRIST. Mr. President, I opened my remarks tonight to say there are a lot of issues being considered. Let me in closing mention a great event we had today for a bill that will get a fair amount of attention—but not the attention it deserves—in affecting people's lives in a very direct way. It is called the Adam Walsh bill, named for a little boy, 6 years of age, who died 25 years ago today.

The bill addresses an issue that has been highlighted a lot, most recently on television, that has to do with sexual predators which had been facilitated a lot by the Internet. This bill establishes two registries. One is for sexual predators. Right now there are about 500,000 we know of in this country; 100,000 we don't know where they are. It establishes a registry across the country, a national registry.

In addition, it will develop a child abuse registry which builds on the recommendations and sponsorship initially of a wonderful nonprofit group that focuses on the tragedy associated with child abuse, but also more constructively and optimistically about what we need to do. That is called Childhelp, stationed in Arizona. Senator KYL is very familiar with it.

One huge disappointment, though, that occurred this week is that we passed another bill 2 days ago, the Child Custody Protection Act, which focuses on a real tragedy that occurs today, and that is young girls taken, not by their parents, across State lines in order to get an abortion without notifying their parents, flouting the law and not notifying their parents or getting the consent of their parents.

We passed that bill overwhelmingly, with 65 votes, on the floor of the Senate. It passed the House of Representatives months ago, and we are ready to go to conference on that particular bill.

It is very important we go to conference to put an end to this tragedy which occurs all too often in this country. We tried to go to conference. The Democrats on the other side specifically rejected our proposal to go to conference. We put forth a unanimous consent request which was denied, and that is a real tragedy.

I will not proffer that unanimous consent request again right now, but we will be doing so over the coming days. The Democrats have made it very clear that they are going to obstruct the regular order of business in going to conference. I am very disappointed, and I think it is absolutely wrong.

ORDER FOR RECESS

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess under the previous order, following the remarks of Senator SESSIONS for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

GULF OF MEXICO ENERGY BILL

Mr. SESSIONS. Mr. President, I thank the leader, and I join with him in his excitement in seeing the health care technology bill move. I know how much work he has put into it as a member of the HELP Committee. I have watched that bill for some time, and it would be a tremendous thing. It will save lives and reduce errors. Errors mean people stay in hospitals longer and become disabled more, and many of them die. So reducing errors is a great thing and will help us maintain this fabulous health care system we have, and at the same time, not have costs go through the roof. So I am excited about that also.

Mr. President, I asked the question earlier: What are people objecting to about this Energy bill? We went through the environmental concerns, and I pointed out that we have 4,000 wells which survived some vicious hurricanes, and we haven't had spills. The technology has increased incredibly well. There has not been a significant spill in 26 years, and that one was such that it did not reach the shores of the United States. The last spill that resulted at all from a well impacting the coastal areas was 37 years ago in California, and that ended the drilling off the coast. But we are so much better today. We have so many ways to avoid that, and it is just not happening.

Also, we dealt with the allegation that this is all for big oil companies.

That is exactly wrong.

All of the oil companies will not bid on the lands in the gulf that will be allowed for production under this legislation. Most of them—probably most of them—won't even bid on it. A number will and a number won't. Those who don't bid already have reserves somewhere else, and sizable increases in production of natural gas or oil from the Gulf of Mexico will drive down the value of their reserves. They probably don't even want the oil and gas produced out there, if they already have substantial reserves. That is a bogus argument, the kind that I hope is beyond the Senate. But I hear it is still echoing a bit.

I think some maybe just hate fossil fuels, so they don't want us to have fossil fuels anymore in America. I would like to see us move to nuclear and do some other things, too. Why don't they object to us going down to Venezuela and paying hundreds of millions of dollars to Hugo Chavez for his oil that we bring over here or Saudi Arabia or Iran's oil or Middle Eastern oil in any number of areas or Russian oil and gas. We are not going to stop this. We are going to use oil and gas in America, so why don't we produce it on our lands and keep our money at home.

I would just note that last year, in the balance of payments deficit that we have, the record balance of payments deficit, $200 billion of that deficit was our money we spent in other countries for oil and gas—$200 billion. That is a lot. A big part of our trade deficit is on this one resource. So why in the world wouldn't we want to keep that money at home to produce jobs here, to produce incomes to Americans who will pay taxes to the U.S. Government instead of having to go to these other countries.

Oddly, I just have to note parenthetically that we have done something after many years of battling that is important. In the Energy bill we passed last year, we had some improvements in the law relating to nuclear power. Nuclear power can reduce our demands for natural gas significantly. There was a long battle over a number of years. Senator DOMENICI worked on it hard. We made those changes, we put them in the law, and at that time we had not a single preliminary request for building a nuclear power plant in this country. Since that Energy bill passed, there are now 18 out there—18 preliminary requests—to consider building a nuclear powerplant in America. We haven't built one in 30 years in this country.

What I am saying to the American people who may be listening tonight, and to my colleagues, is that our job is not to help nuclear power companies. Our job is not to help oil companies.

Our job is to try to provide safe and environmentally good energy sources to our people at the lowest possible rate. When the price of gasoline goes up substantially, people who are paying $150 a month for their gasoline now may be paying $225 a month. They may be paying $75 more each month out of their paycheck, money that they want to spend on their children, money they need to repair their vehicle, money they need to pay their rent. People are struggling. We need to be thinking of ways to reduce the cost of energy. Nuclear power is one of those ways.

I have just had a recent meeting with the people at TVA, the Tennessee Valley Authority, created by Government agents, created by Franklin Roosevelt. They are producing nuclear power at about 1.2 cents a kilowatt hour—1.2 cents. Coal is about 1.8 cents. That is 50 percent more expensive. Nuclear power is 50 percent less expensive than coal. And natural gas that is being used quite a bit is about 6 cents—five times as much. So we need more nuclear power and we need to burn a lot less natural gas for electricity and we can burn less coal also because it is not a very clean fuel. We are doing better with coal, but it is still not nearly as clean as nuclear power.

So I say there is a whole host of things we can do to meet the legitimate pleas of our constituents to do something about the high cost of energy.

Natural gas heats a great many homes in America. It provides the energy for all kinds of industrial production. I visited a chemical plant recently. They are exceedingly concerned about the additional costs they have sustained simply as a result of the doubling of the price of natural gas. Trust me. If these wells are producing in the gulf, as will be authorized by this bill, it will significantly impact the price of natural gas in the United States. So that is the kind of approach we are trying to bring to bear on producing more at home.

Then there is one other argument that people have complained about, and that is revenue sharing. They say that States should not get any of the money out of this. We have been trying to expand the gulf drilling for quite a number of years and had no success, really. It is time to get serious about it. I believe we can make a breakthrough this year. We got, now, both Senators from Florida to say they would support this bill. They studied it very carefully, as strongly as Florida is committed to environmental purity along their coast. I respect it, but I am telling you they are very committed to it. They want us to produce our oil and gas off our coast and put it in that pipeline that runs from Mobile, AL, to Tampa, FL. That is what we are doing right now. They built, in 2002, an oil and gas pipeline right off our coast, and shipped it over there. But they do not want oil drilling 150 miles from their coast.

We are working this out now. We are giving them a guaranteed protection of 125 miles. The Governor, Jeb Bush, is on board now and Senators are on board so maybe we are making progress. I think we have more protection than is justified. But it will allow us, probably, to have as much territory available to drill in as we could drill in for the foreseeable future. So maybe that will be acceptable under all the circumstances.

But they object to revenue sharing so States get a little part of it. One of our Senators, Mr. BINGAMAN from New Mexico, has complained about it. We should not have any revenue sharing.

We had 4,000 wells out there, all these deep gulf wells, and the States don't get a dime out of it—not a dime. But a State like New Mexico that has a lot of oil and gas and a great deal of federally owned lands in those States, what do they get? They get 50 percent of that. This will be just a little over a third; 37 percent would be shared with the coastal States and would be earmarked for coastal funds—12 percent for the Land and Water Conservation Fund nationwide, and 50 percent to the Federal Government. These are moneys, new moneys coming into the Treasury of the United States that do not exist today. Until we get this approval and this moratorium lifted, we are not going to have any money. You know, until we reach accord here and lift this moratorium and allow the drilling to occur, we are not going to have any money.

So it is not a taking from the Treasury of the United States. It is an increase to the Treasury of the United States, and we should see it in that fashion.

The gulf coast has environmental problems of quite a large degree. We had severe hurricane damages on our coast. The whole area—whole areas in Louisiana are sinking, and we will have to spend large amounts of money to deal with that. So there are a lot of things that this money could be used for that benefit, not just the people of those States but all the many hundreds and thousands—millions, really—of visitors that come to the gulf coast areas every year. We will set up estuaries, wetlands, and things that will just make the area better. We would like to do that for the Nation and not just Alabama.

I think the objections are not substantial. I believe it is time for us to complete this step. We are at record prices for oil. How do we get our oil? Sixty percent of it we obtain from foreign sources. So we pay this world price, transferring $200 billion in American wealth out of our country to those countries when we could keep it at home by producing large amounts off our gulf coast.

Just to mention those amounts, they are quite huge. It is 1.3 billion barrels of oil that are projected to be in the Gulf of Mexico. That exceeds the proven reserves of Oklahoma and Wyoming combined, two of our largest oil-producing States. There are almost 6 trillion cubic feet of natural gas, enough to heat and cool 6 million homes for 15 years, for example. These supplies are significant enough that they will impact prices. I can't say what the prices will be a few years from now when this oil and gas comes on line, but whatever it is, it will be less if this oil and gas is coming on line than if it is not.

That will redound to the benefit of the American consumers that we represent—the ones who have sent us here and asked us to do something about energy prices. All of us have told them we are going to do something about it. This is one vote about which you can have no doubt. If you vote to produce oil and gas off the coast of America, you will help reduce the price of oil and gas in America. Not only that, you will keep at home billions of dollars that might otherwise be sent to foreign nations, some of which are hostile to us. It is the right thing to do. We need to follow through on it.

I am optimistic more than I have been in quite a number of years. It is particularly thrilling to see Senator MARTINEZ of Florida, who has worked so hard on this issue, and Senator BILL NELSON from Florida, who earlier today said he would support the Senate bill.

So we are moving to make this a reality. It will be a positive step for this country. The only thing we have to fear is there will be some on the other side for what reason I can only imagine who will want to filibuster this legislation. Hopefully that won't happen. I hope not. We need to move it forward and pass it this year.

I thank the Presiding Officer and I yield the floor.

RECESS UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until Friday, 10 a.m., July 28, 2006.

Thereupon, the Senate, at 7:26 p.m., recessed until Friday, July 28, 2006, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 27, 2006:

DEPARTMENT OF JUSTICE

DEBORAH JEAN JOHNSON RHODES, OF ALABAMA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF ALABAMA FOR THE TERM OF FOUR YEARS, VICE DAVID PRESTON YORK, RESIGNED.

RODGER A. HEATON, OF ILLINOIS, TO BE UNITED STATES ATTORNEY FOR THE CENTRAL DISTRICT OF ILLINOIS FOR THE TERM OF FOUR YEARS, VICE JAN PAUL MILLER, RESIGNED.

PUBLIC HEALTH SERVICE

THE FOLLOWING CANDIDATES FOR PERSONNEL ACTION IN THE REGULAR COMPONENT OF THE PUBLIC HEALTH SERVICE SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW AND REGULATIONS:

To be senior surgeon

JUDITH LOUISE BADER
VICTOR M. CACERES
MICHAEL A. CAROME
DAVID K. ESPEY
WALTER G. HLADY
ROLAND HOWARD LAMKIN
ANTHONY W. MOUNTS
BRENT PENNINGTON
DOUGLAS B. TROUT

To be surgeon

TECORA DENEICE BALLOM
STEPHANIE ROSE BIALEK
MARIA VICTORIA CANO
SCOTT K. FRIDKIN
DAVID M. FRUCHT
DAVID PHILIP GOLDMAN
JAMES P. HENDRICKS
JOHN K. ISKANDER
CHARLES EDWARD LEE
MICHAEL TIMOTHY MARTIN
CATHERINE ANNA MCLEAN
JONATHAN H. MERMIN
LORI MARIE NEWMAN
NANCY E. ROSENSTEIN
TARAZ SAMANDARI
BRUCE COLLIER TIERNEY
WEIGONG ZHOU

To be senior assistant surgeon

DANIEL SETH BUDNITZ
SOJU CHANG
CATHERINE CHIA-SHINE CHOW
NANCY WATSON KNIGHT
DIANNA L. MAHONEY
JAY KUMAR VARMA

To be senior dental surgeon

WILLIAM F. CATELLI II
ELMER J. GUERRERO
SUZANNE KAY SAVILLE

To be dental surgeon

ANITA FARUQI ARNOLD
MOHAMED K. AWAD
MICHAEL J. MCLAUGHLIN
AARON R. MEANS, SR.
ROSS W. SILVER
RICHARD DEAN STRICKLIN

To be senior assistant dental surgeon

SCOTT WILLIAM BROWN
STEPHANIE M. BURRELL
WILLIAM J. ESPOSITO
LAURA REGINA FUENTES
PAMELA F. HAMILTON
CRAIG S. KLUGER
ANTHONY LAWRENCE LIKES
MICHAEL JEFFREY OVERBECK
ANGIE J. ROACH
JAMES W. SULLIVAN
BRIDGET R. SWANBERG-AUSTIN
LEIRA A. VARGA-DEL TORO
MELISSA JEAN WAGES
RANDLE LEE WELLS
STELLA YUK KWAN LAU WISNER

To be senior nurse officer

JEFFRY L. BRINKLEY
SHEILA D. CARNES
MARY HARDING
ROSA F. MYERS
LAURA E. SHAY
JEANETTE P. STUBBERUD

To be nurse officer

LARRY ALONSO
LYDIA ALVAREZ
YVONNE L. ANTHONY
LINDA JO BELSITO
PAULA ANITA BRIDGES
ANNETTE ROSEMARY DEBISETTE
DAVID J. DINTELMAN
ALEX GARZA
WANDA W. GONZALEZ
TIMOTHY G. GRUBER
BLONDELL W. JOHNSON
RUTH KAWANO
KATHLEEN L. KNECHT
DOROTHEA E. LEVENHAGEN
SUZANNE V. LIPKE
DONNA M. RIBBONS
LINDA M. SCOTT
BEVERLY ANN SMITH
MICHAEL M. STEELE

To be senior assistant nurse officer

DAWN ANN-MARIE ANDERSON-GARY
VALENE NANCY BARTMESS
MARIE A. CASEY
WANDA D. CHESTNUT
SUSANNA NANSHIM CHOI
PAMELA M. COOK
SEAN TYLER CREIGHTON
EILEEN MARY FALZINI
SUZANNE S. M. FILLIPPI
REBECCA ANNE FOX
DION ERIC FRANKLUND
EDDIE L. FRAZIER
ANDREA M. GRIEP
TROY L. JOHNSON
CHARLES MICHAEL KERNS
TERRY KILPATRICK
JEFFREY D. KROUSKOP
THEL MOORE, JR.
FERREL V. NELSON
ANITA E. POLLARD
WILLIAM F. REKWARD
SHERBET LENORA SAMUELS
TANIA EVA SCHUPPIUS
HELEN S. THIRY-CHMELA
SEAN-DAVID A. WATERMAN
JENNIFER L. WILLIAMS
TRACIE L. WRIGHT

To be assistant nurse officer

GERI L. TAGLIAFERRI

To be senior engineer officer

DANA JAY BAER

To be engineer officer

MARC M. FLEETWOOD
ROBIN M. HOLDEN
SCOTT R. SNELL

To be senior assistant engineer officer

NEIL W. AUSTIN
SEAN M. BOYD
CHRISTEN P. GLIME
LEONARD E. HOTHAM
ERIC R. LINDMAN
JOHN DAVID MAZORRA
THOMAS J. MOELLER
JENNIFER E. MOSSER
MARK A. NASI
KENNETH J. RAMONDO
JONATHAN KENNEDY RASH

To be senior scientist

DEBORAH A. LEVY
REBECCA L. SHEETS

To be scientist

CHRISTINE JEAN BENALLY
HEIDI LYNN BLANCK
JOHN JOSEPH ECKERT
LAURENCE M. GRUMMER-STRAWN

To be senior assistant scientist

BORIS R. APONTE
ANGELA DINKINS COLEMAN
RHONDA LYNN KOCH
LISA NICOLE PEALER
DAVID ALAN THOMPSON
BETH CARLTON TOHILL

To be sanitarian

CHRIS B. BUCHANAN
MARSHALL S. GRAY, JR.
PATRICK J. HINTZ
GARY DAVID PERLMAN
EDWIN VAZQUEZ

To be senior assistant sanitarian

JASON EDWARD BARR
MARK A. BYRD
DAVID B. CRAMER
CELESTE L. DAVIS
THOMAS M. FAZZINI
JENNIFER A. FREED
BRIAN K. JOHNSON
TINA J. LANKFORD
DINO ANTHONY MATTORANO
ROBERT E. MCCLEERY
STEPHEN ROBERT PIONTKOWSKI
KEITH A. SCHWARTZ
JOHN W. SPRIGGS
MARK TURNER STRAUSS
CRAIG RICHARD UNGERECHT

To be senior veterinary officer

CLARA JOSTING WITT

To be veterinary officer

KIM D. TAYLOR

To be senior assistant veterinary officer

PRINCESS ROSE CAMPBELL

To be senior pharmacist

DANIEL A. DIGGINS, JR.
MURRAY F. POTTER

To be pharmacist

CHRISTINE S. CASTILLO
MICHELLE DILLAHUNT
SAMUEL LOREN FOSTER
SUSAN J. FREDERICKS
MARY ELIZABETH KREMZNER
NITIN KANTILAL PATEL
DAVID L. RANSOM
JILL G. REID
NITA SOOD
TODD MICHAEL STANKEWICZ
BRENDA LUCY STODART
MELVIN P. TEMPEL
TODD A. WARREN
CHRISTINE HEEKYUNG YU

To be senior assistant pharmacist

IRENE AHLSTROM
MITZIE ALTHEA ALLEN
ROBIN ANN BARTLETT
BRADLEY MICHAEL BISHOP
MICHAEL P. BOURG
TIMOTHY R. BOWMAN
RENU CHHABRA
SHANNON LIN CORNELL
DARYL K. DINEYAZHE-TOYA
MICHAEL A. EDDY
DARYL K. GARVIN
DEAN TREVOR GOROSKI
ROBERT W. HAYES
GARY BRENT HOBBS
MARCI CATALANO KIESTER
CHRISTOPHER CLAYTON LAMER
JOY ELLEN LEE
MICHAEL P. LEE
CHRISTINA CATHERINE MEAD
NINA CYNTHIA MEZU-NWABA
JEFFREY TAUFIC MOUAKKET
TIMOTHY MICHAEL MURRAY
BRIAN MATTHEW NAROG
AMY L. OSBORN
LAURA LEA PINCOCK
VASAVI TIRUMURA REDDY
NORA LYNN ROSELLE
KENNETH R. SAY
RYAN RUSSELL SCHUPBACH
NATHALIE RENEE SEOLDO
MAYA ANGELOU THOMPSON
QUYEN TINH TIEN
TAMI N. VAUGHAN
GERARDO ZENON VAZQUEZ
BRIAN R. WREN
CATHERINE C. YU
MARYJO ZUNIC

To be dietitian

ANN MARIE STATEN

To be senior assistant dietitian

JANIS RAE ARMENDARIZ

To be therapist

RITA BAKSHI SHAPIRO
GARY WILLIAM SHELTON

To be senior assistant therapist

MARIA LEOLA BACILIO
KAREN EMI KAJIWARA-NELSON
JON MICHAEL SCHULTZ
JODI ANNE TANZILLO

To be health services officer

MARCIA FAYE BRITT
VALERIE ANTOINETTE DARDEN
GAIL ANN DAVIS
RAFAEL ALBERTO DUENAS
SHANNON B. FARR
WANDA L. FINCH
JANELLE M. FROELICH
JANET LYNNE HAWKINS
SHARYN MARIE HEALY
JOHN DENNIS JAWORSKI
DANA CORNELIUS JONES
STEPHEN CHRISTOPHER KELLER
ARNOLD KETCHUM
ELIJAH K. MARTIN, JR.
BARBARA A. MASSEY
SHEILA PACK MERRIWEATHER
DAVID JOSEPH MORRISSETTE
DENNIS SCOTT SLATE
GAIL S. WILLIAMS
GINA BURROUGHS WOODLIEF

To be senior assistant health services officer

LORRAINE NINO ALEXANDER
MARK A. BRYANT
JENNIFER MARIE CARD
MICHELLE ANDERSON COLLEDGE
ALI BEY DANNER
DIONE MARIE HARJO
NANCY RENATA MAUTONE-SMITH
RHONDA LYNN PLAKE
JAMES R. REID II
CATHERINE T. SALISBURY
JAMIE ROBERT SELIGMAN
TORRIS CRAIG SMITH
SHERRY L. TAYLOR

To be assistant health services officer

TRACY JACINDA BRANCH
JENNIFER ANN DIPIETRA
RAQUEL ANTONIA PEAT

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

CARROLL F. POLLETT, 9096

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SERVICE CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

DAVID W. WILSON, 6341

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

LISA M. WEIDE, 8994

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY AND FOR REGULAR APPOINTMENT UNDER TITLE 10, U.S.C., SECTIONS 531 AND 624:

To be major

KERRY K KING, 1917

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SERVICE CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be major

LAWRENCE N. PETZ, 3990

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY NURSE CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be colonel

YOLANDA RUIZISALES, 5770

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203 AND 12211:

To be colonel

PAUL G. ARBOUR, 9030
RALPH E. BAILEY, 2549
THOMAS H. BLACKSTOCK, JR., 3068
MARTA CARCANA, 0806
DAVID W. CAREY, 0112
KENNENTH T. CHAMBERLAIN, 2927
RICHARD T. CURRY, 2823
GORDON L. ELLIS, 2957
RUSSEKK N. FEASTER, 5410
WENDUL G. HAGLER II, 4041
DANIEL R. HOKANSON, 5288
DAVID W. MAJOR, 0802
CLIFFORD D. MCCABE, 3594
DENNIS R. MILLER, 8260
BRIAN A. MONTAGUE, 2274
GREGORY C. PORTER, 7143
JAMES E. PORTER, JR., 1409
SCOTT H. SCHOFIELD, 9688
SCOTT R. SMITH, 9228
RONNIE M. STRONG, 2335
DAVID A. STUCKEY, 1591
JAMES E. TAYLOR, 2634
DAVID S. VISSER, 0128
WILBUR E. WOLF III, 8066
JAMES P. WONG, 8066
JAMES M. ZARLENGO, 4823

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS AND FOR REGULAR APPOINTMENT UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be major

ROBERT J. GALLAGHER, 8977

IN THE NAVY

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be commander

GEORGE A. QUIROA, 9747

To be lieutenant commander

JASON O. HEATON, 3280
PATRICK M. MCGILL, 7744
JOYCE C. ROSS, 9875

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

CRISTAL B. CALER, 1963
KEVIN L. CRABBE, 4084
TRENT R. DEMOSS, 8961
MARK DOVER, 3846
ROBERT B. FARMER, 6921
DAVID FERREIRA, 5001
ALBERT R. MEDFORD, 5036
CHARLES K. NIXON, 7750
KIMBERLY J. SCHULZ, 5301

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

MATTHEW L. BORBASH, 8719
MARC C. ECKARDT, 7495
MICHAEL A. KUYPERS, 1834
BRETT S. MARTIN, 9665
CATHERINE MCDOUGALL, 5553
MICHAEL J. ROTH, 2963
FRANK M. SCHENK, JR., 5001
WILLIAM L. SOMMER, 4940
TROY J. TWOREK, 4509
ROBERT W. WITZLEB, 9497

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

LARRY J. CARPENTER, 7918
JEFF A. DAVID, 4335
JEFFREY D. GORDON, 4296
BRENDA K. MALONE, 4433
CARLA M. MCCARTHY, 4543
JENSIN W. SOMMER, 8745
PAULINE A. STORUM, 6040

EXTENSIONS OF REMARKS

RECOGNIZING MARY SCOTT-HALL

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Mary Scott-Hall of Saint Joseph, Missouri. Mary is a leader in the Girl Scouts, representing the Midland Empire for over seven years, and she has been chosen to receive the YWCA Women of Excellence Award for Women in Volunteerism.

As a leader in the Girl Scouts, Mary has gone beyond her expected role, helping to grow the community's interest and excitement for the Girl Scouts. She has organized a variety of service projects for her troop, including donations to the YWCA Women's Abuse Shelter and America's Second Harvest Food Bank. As the Day Camp director for the St. Joseph area, she has provided exceptional programs to over 100 girls each summer. Additionally donating her time to Camp Woodland, she was responsible for preparing meals and programs for up to 150 girls and adults.

Her achievements to the Girl Scouts are highly recognized. Her troop built the Manley Tillison Outdoor Classroom, a part of the troop's Silver Medal Award project. In addition, she has been given the Girl Scouts Outstanding Volunteer Pin by her peers and received the Service to Mankind Award from the St. Joseph Downtown Sertoma Club.

Mr. Speaker, I proudly ask you to join me in recognizing Mary Scott-Hall. Her commitment to the Girl Scouts and service in the community are to be admired. I am honored to represent her in the United States Congress.

IN RECOGNITION OF THE CARLSON COMPANIES INC., AMERICAN SOCIETY OF TRAVEL AGENTS, FLAMINGO TRAVEL, AND ELA BRASIL TOURS

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mrs. MALONEY. Mr. Speaker, sex tourism and more specifically the sexual commercial exploitation of children has increasingly become a serious problem. The International Labor Organization estimates that approximately 550,000–700,000 children are forced into sexual exploitation each year. I, therefore, rise to salute the Carlson Companies Inc., the American Society of Travel Agents, ASTA, Flamingo Travel in Philadelphia and Ela Brasil in New York City for signing the Code of Conduct for the Protection of Children From Sexual Commercial Exploitation in Travel and Tourism. They have taken a bold stand against the sexual exploitation of children and should be recognized for their actions

The Code of Conduct for the Protection of Children From Sexual Commercial Exploitation in Travel and Tourism was developed by End Child Prostitution Child Pornography and Trafficking of Children for Sexual Purposes, ECPAT, along with World Tourism Organization, WTO, and has been funded by the United Nations Children's Fund (UNICEF). By signing the Code of Conduct, travel and tourism companies commit to take a series of steps to ensure that they are not facilitating the trafficking of children for purposes of prostitution. Law enforcement cannot do it alone. It takes a multifaceted approach to discourage sex tourism.

The Code of Conduct requires that the tourism or travel company establish an ethical policy regarding sexual exploitation of children; train its personnel in the country of origin and travel destinations; introduce a clause in contracts with suppliers requiring that they repudiate commercial sexual exploitation of children; provide information to travelers by means of catalogues, brochures, inflight films, and ticket slips; provide information to local "key persons" at the destinations; and report annually to the Code International Steering Committee and the Secretariat at the WTO.

By reporting yearly, the companies share their experiences and allow for annual monitoring and evaluation of the progress and outcomes of their endeavors. A Steering Committee made up of international independent and voluntary representatives along with ECPAT supervise the Code implementation.

Internationally, more than two hundred companies have signed the Code of Conduct. The United States, however, has lagged far behind. That is why the willingness of Carlson Companies Inc., Flamingo Travel, Ela Brasil and ASTA to sign the Code is so significant. The Carlson Companies Inc. is ranked as one of the largest privately held corporations in America. Among its brands and services are Regent International Hotels, Radisson Hotels, Country Inns and Suites, Park Plaza, Carlson Wagonlit Travel, Cruise Holidays, Results Travel, Raddison Seven Seas Cruises, and Carlson Marketing Group.

Since signing the Code of Conduct, Carlson Companies Inc. has put information about sex tourism and commercial exploitation of children on its company website, has run ads and included editorial content in its hotel publications, and has included information about this issue on their ticket stock. Flamingo Travel, Ela Brasil and ASTA have taken similar steps in implementing the Code of Conduct.

These companies are trailblazers in combating the commercial sexual exploitation of children. Their bold stand could save lives. Significantly their forthright commitment on this issue puts pressure on other American companies in travel and tourism to sign the Code of Conduct as well.

Mr. Speaker, for all the foregoing reasons, I ask my the colleagues to join me in applauding the Carlson Companies Inc., ASTA, Flamingo Travel, and Ela Brasil for their commitment to implementing the Code of Conduct and fighting one of the world's cruelest and most devastating industries.

DISTURBING ECONOMIC TRENDS IN PUERTO RICO

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. TOWNS. Mr. Speaker, I rise today to call attention to the disturbing economic trends in Puerto Rico detailed in recently released reports by the General Accountability Office (GAO), and the Joint Committee on Taxation (JCT). Taken together, these finely written and well-documented studies paint a bleak picture of an island that—instead of being a model of economic development—has fallen further behind the 50 states.

Nothing could be clearer from these reports than that we have failed the U.S. citizens of Puerto Rico miserably for over 50 years. Not because of bad intentions, or because of some sort of benign neglect, but because of failed policies that have provided few, if any, of their promised benefits. These studies vividly demonstrate the need for a different approach that will more directly benefit the residents of Puerto Rico, including making them eligible for the refundable portion of the child tax credit, which I proposed in legislation introduced earlier this Congress (H.R. 4451).

These studies paint a fairly stark picture of the ways in which Federal policies have markedly neglected working Americans in Puerto Rico, by denying them basic support accorded to families in the rest of the United States who are struggling to make ends meet.

The focus of the GAO report is the economy of Puerto Rico during the phase-out of the Possessions Tax Credit ("Sec. 936"), the cornerstone of the U.S. tax policy in Puerto Rico until Congress repealed it in 1996. GAO (and an independent study by the Brookings Institution), determined that the repeal of Sec. 936 to a significant degree did not cause the companies that had previously taken advantage of the program to flee the island; instead concluding that "a substantial amount of possession corporation activity has been continued by other types of businesses," primarily by the companies conversion to controlled foreign corporations, which do not have to pay taxes on their PR source income. As such, the GAO provides the most comprehensive and objective assessment that while corporate structures have changed, underlying economic activity has not markedly changed during the Sec. 936 phase-out.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The bottom line conclusion is that the tax policies that have been in place have failed to put Puerto Rico on a path toward equality with the mainland. Growth has been insufficient to reduce the gap in per capita income (one third that of the mainland), living standards (four times the number of people live below the poverty level) and unemployment (twice as high as the mainland)—nor improve the abysmally low labor force participation rate. Clearly the data supports the conclusion that the past approach has had little—if any—direct and positive effect on the welfare of individuals living and working on the island.

The JCT study points out that tax incentives such as Sec. 936 cannot be permanent additions to the Internal Revenue Code, and that there are market distortions associated with these incentives. While not opining on a preferred approach, JCT states that other options might gain a higher rate of return. JCT surveys some of these options, putting them in the context of the various political status alternatives. Unfortunately, JCT articulates the costs, but dodges the really big question of measuring the possible economic benefits of the different status options (independence, statehood, or continued commonwealth status).

Most importantly, the JCT study points out how much misguided federal tax policies have neglected the people of Puerto Rico—and point to a direction that would clearly have a measurable, positive, impact on the very people who need it most: the working poor of Puerto Rico. This is through application of work incentives available to working families in the 50 states: the per-child tax credit (CTC) and Earned Income Credit (EIC), both of which are available to working families on the mainland to offset payroll taxes (which are also paid by residents of Puerto Rico).

By paying payroll taxes for Social Security and Medicare without receiving the earned income tax credit, working families in Puerto Rico face a heavily regressive tax burden. To illustrate, a Puerto Rican on the island who files as a head of household with two children and $20,000 of income has a total Federal tax liability of $792. Yet that filer's brother in New York with the same income and family circumstances would receive a tax refund of $3,708. According to the JCT study, simply making Puerto Ricans eligible for the EITC would provide an annual fiscal stimulus of $540 million directly to the local economy, which some estimates show would reduce tax burdens on over 90 percent of taxpayers (about 950,000 taxpayer returns).

My legislation, making families eligible for the child tax credit (now applicable only to families of 3 or more), would further reduce taxes for another 32 percent of all tax filers or about 560,000 taxpayers (and add another $180 million, annually, to the local economy). Independent analysis shows that these targeted tax credits would be up to 40 percent more effective in stimulating the economy than failed subsidies we have tried, which amount to billions of dollars every year (and continue to this day).

In closing, let me say, I applaud GAO and JCT for drawing our attention to the problem of Puerto Rico's economy. The ball is now in our court. It is the responsibility of this Congress to implement new policies. I am not sure what all these policies should be, but do know that what we have tried did not work, and that we should consider a range of options—including my own legislation—with an eye toward what would best serve the nearly four million U.S. citizens in Puerto Rico, who need and deserve our help. I urge my colleagues to move forward expeditiously in this effort.

BELARUS DEMOCRACY REAUTHORIZATION ACT OF 2006

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing the Belarus Democracy Reauthorization Act of 2006, a bipartisan measure to provide support for the promotion of democracy, human rights and the rule of law in the Republic of Belarus, as well as encourage the consolidation and strengthening of Belarus' sovereignty and independence. I am pleased to be joined by my colleagues, Representives LANTOS and MCCOTTER, as original cosponsors.

Three years ago, I introduced the Belarus Democracy Act which passed the House and Senate with overwhelming support and was signed into law by President Bush in October 2004. At that time, the situation in Belarus with respect to democracy and human rights was already abysmal. Belarus continues to have the worst rights record of any European state, rightly earning the country the designation as Europe's last dictatorship. Bordering on the EU and NATO, Belarus is truly an anomaly in a democratic, free Europe.

The need for a sustained U.S. commitment to foster democracy and respect for human rights and to sanction the regime of Belarus' tyrant, Alexander Lukashenka, is clear from the intensified anti-democratic policies pursued by the current leadership in Minsk. Mr. Speaker, I am pleased to note that the United States is not alone in this noble cause. Countries throughout Europe have joined in a truly trans-Atlantic effort to bring hope of freedom to the beleaguered people of Belarus. Prompt passage of the Belarus Democracy Reauthorization Act of 2006 will help maintain the momentum sparked by adoption of the 2004 law and the further deterioration of the situation on the ground in Belarus. Indeed, with the further deterioration in Belarus with the massive arrests of recent weeks, this bill is needed now more than ever.

One of the primary purposes of the Belarus Democracy Reauthorization Act of 2006 is to demonstrate sustained U.S. support for Belarus' independence and for those struggling to promote democracy and respect for human rights in Belarus despite the formidable pressures and personal risks they face from the anti-democratic regime. The bill authorizes $20 million in assistance for each of fiscal years 2007 and 2008 for democracy-building activities such as support for non-governmental organizations, including youth groups, independent trade unions and entrepreneurs, human rights defenders, independent media, democratic political parties, and international exchanges.

The bill also authorizes $7.5 million for each fiscal year for surrogate radio and television broadcasting to the people of Belarus. While I am encouraged by the recent U.S. and EU initiatives with respect to radio broadcasting, much more needs to be done to break through Lukashenka's stifling information blockade.

In addition, this legislation would impose sanctions against the Lukashenka regime, and deny senior officials of the regime—as well as those engaged in human rights and electoral abuses, including lower-level officials—entry into the United States. In this context, I welcome the targeted punitive sanctions by both the Administration and the EU against officials, including judges and prosecutors, involved in electoral fraud and other human rights abuses.

Strategic exports to the Government of Belarus would be prohibited, except for those intended for democracy building or humanitarian purposes, as well as U.S. Government financing and other foreign assistance, except for humanitarian goods and agricultural or medical products. The U.S. Executive Directors of the international financial institutions would be encouraged to vote against financial assistance to the Government of Belarus except for loans and assistance that serve humanitarian needs. Furthermore, the bill would block Belarus Government and senior leadership and their surrogates' assets in property and interests in property in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons. To this end, I welcome the Treasury Department's April 10 advisory to U.S. financial institutions to guard against potential money laundering by Lukashenka and his cronies and strongly applaud President Bush's June 19 "Executive Order Blocking Property of Certain Persons Undermining Democratic Processes or Institutions in Belarus."

Mr. Speaker, I want to make it absolutely clear that these sanctions are aimed not at the people of Belarus, whose desire to be free we unequivocally support, but at a regime that displays contempt for the dignity and rights of its citizens even as the corrupt leadership moves to further enrich itself at the expense of the people.

Mr. Speaker, Belarus stands out as an even greater anomaly following Ukraine's historic Orange Revolution and that country's March 26th free and fair parliamentary elections which stand in glaring contrast to Belarus' presidential elections held just one week earlier. The Belarusian elections can only be described as a farce. The Lukashenka regime's wholesale arrests of more than one thousand opposition activists, before and after the elections, and violent suppression of post-election protests underscore the utter contempt of the Belarusian authorities toward the people of Belarus.

Illegitimate parliamentary elections in 2004 and the recently held presidential "elections" in Belarus brazenly flaunted democratic standards. As a result of these elections, Belarus has the distinction of lacking legitimate presidential and parliamentary leadership, which contributes to that country's self-imposed isolation.

Lukashenka, the Bully of Belarus, has repeatedly unleashed his security thugs to trample on the rights of their fellow citizens. Indeed, they demonstrated what Lukashenka truly thinks about his own people. Nevertheless, courageous peaceful protesters on Minsk's central October Square stood up to the regime with dignity and determination. Almost daily repressions constitute a profound abuse of power by a regime that has blatantly manipulated the system to remain in power.

Albeit safely ensconced in power, Lukashenka has not let up on the democratic opposition. On July 17, in a particularly punitive display against those who dare oppose Lukashenka, former presidential candidate Aleksandr Kozulin was sentenced to an obviously politically motivated 5½ years' term of imprisonment for alleged "hooliganism" and disturbing the peace. Democratic opposition leaders such as Anatoly Lebedka and Vincuk Viachorka have been arbitrarily detained and sentenced to jail terms which have been as much as 15 days. Last month, opposition activists Artur Finkevich received a two-year corrective labor sentence and Mikalay Rozumau was sentenced to three years of corrective labor for allegedly libeling Lukashenka. Other opposition activists, including Syarhey Lyashkevich and Ivan Kruk have received jail sentences of up to six months.

In a patent attempt to discourage domestic observation of the fraudulent March 19 presidential elections, authorities arrested activists of the nonpartisan domestic election monitoring initiative "Partnerstva"—Tsimafei Dranchuk, Enira Branitskaya, Mikalay Astreyka and Alyaksandr Shalayka. They have been in pre-trial detention since February 21, charged with participation in an unregistered organization.

Lukashenka's pattern of anti-democratic behavior began a decade ago, and this pattern has only intensified. Through an unconstitutional 1996 referendum, he usurped power, while suppressing the duly-elected legislature and the judiciary. His regime has repeatedly violated basic freedoms of speech, expression, assembly, association and religion. In its May 3 annual report, the U.S. Commission on International Religious Freedom included Belarus on its watch list, as Belarus appears to be adopting tougher sanctions against those who take part in unregistered religious activity. The democratic opposition, nongovernmental organizations and independent media have been subject to intimidation and a variety of punitive measures, including closure. Political activists and journalists have been beaten, detained and imprisoned. Independent voices are unwelcome in Lukashenka's Belarus and anyone who, through their promotion of democracy, would stand in the way of the Belarusian dictator puts their personal and professional security on the line. Their courage deserves our admiration, and, more importantly, our support.

Moreover, we have seen no progress on the investigation of the disappearances of political opponents—perhaps not surprisingly, as credible evidence points at the involvement of the Lukashenka regime in their murders. I welcome President Bush's decision to personally meet with two of the widows in the Oval Office to discuss the situation on Belarus. An Administration report mandated by the Belarus Democracy Act and finally issued on March 17 of this year reveals Lukashenka's links with rogue regimes such as Iran, Sudan and Syria, and his cronies' corruption. Despite efforts by the U.S. Government, working closely with the European Union, the Organization for Security and Cooperation in Europe (OSCE) and other European organizations, and non-governmental organizations, the regime of Lukashenka continues its grip on power with impunity and to the detriment of the Belarusian people.

Colleagues, it is my hope that the Belarus Democracy Reauthorization Act of 2006 and efforts by allies in Europe will help put an end to the pattern of clear, gross and uncorrected violations of OSCE commitments by the Lukashenka regime and will serve as a catalyst to facilitate independent Belarus' integration into democratic Europe in which democratic principles and human rights are respected and the rule of law is paramount. The Belarusian people deserve better than to live under an autocratic regime reminiscent of the Soviet Union, and they deserve our support in their struggle for democracy and freedom.

TRIBUTE TO MR. CHARLES "BUSTER" BOWEN

HON. MARILYN N. MUSGRAVE

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mrs. MUSGRAVE. Mr. Speaker, I rise today to honor the memory and courageous patriotism of Mr. Charles "Buster" Bowen. As a navigator on a B–25 Bomber, Mr. Bowen proudly served his country in the Army Air Corps during the Second World War. The sacrifices he made to ensure the liberty and freedom of future generations will never be forgotten.

In the late autumn of 1941, Buster Bowen was a senior studying accounting at the University of Texas. He was undoubtedly eager for graduation and full of enthusiasm for the future. However, like many young men and women of his generation, Mr. Bowen's world was unalterably changed following the attack on Pearl Harbor.

After graduating from the University of Texas in June 1942, Mr. Bowen volunteered for military service. His military career began in the spring of 1943 at Kelley Field near San Antonio, Texas. After completing his training, Mr. Bowen was assigned to the 345th Bombardment Group and sent to the Pacific. In a letter to his concerned mother, Mr. Bowen assured her he was assigned an office job—he didn't mention that his office was a small table under the turret of a B–25 Bomber.

The crews of the 345th frequently flew low-level bombing runs over enemy targets. On one such mission over Formosa on June 15, 1945, a 40 millimeter explosive shell struck the escape hatch of Mr. Bowen's B–25 Bomber. The shrapnel from the shell pierced the fuselage and badly injured Engineer Harold Warnick and Mr. Bowen. Mr. Warnick sustained injuries to his foot and Mr. Bowen to his back. Even after being injured, Mr. Bowen plotted a course to an auxiliary air base in northern Luzon so that Mr. Warnick could receive the medical attention he needed.

For the injuries sustained by Mr. Bowen in June of 1945, he was awarded the Purple Heart. His squadron commander even displayed Mr. Bowen's bloodied shirt in the squad room to emphasize the importance of flight crews wearing the uncomfortable flak jackets.

Following his injuries, Mr. Bowen was taken off flying status, but began flying once again before the end of the war. After hostilities in the Pacific ended, Mr. Bowen was stationed on the northern Japanese island of Hokkaido as part of the American occupation force.

Mr. Speaker, like so many other young members of this Greatest Generation, Mr. Bowen set aside his ambitions and risked his life to ensure the continued freedom of our great nation. I urge my colleagues to join me in recognizing the patriotic service of Mr. Charles "Buster" Bowen.

INTRODUCTORY STATEMENT FAMILY FARM ENERGY RELIEF ACT

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. UDALL of New Mexico. Mr. Speaker, rising costs tied to current energy prices are adversely impacting family farmers rendering some farms unsustainable. In fact, I have heard from some constituents in my home state of New Mexico who cannot afford to plant crops this year due to energy prices. We are in danger of losing family farms.

That is why I rise today to introduce the Family Farm Energy Relief Act. This legislation proposes to repeal tax incentives to oil and gas companies from the Energy Policy Act of 2005 to instead provide energy rebates to family farmers.

The Energy Policy Act of 2005 provided approximately $2.633 billion in tax breaks for oil and gas companies over the next 11 years. During times of high gas prices and record profits for oil and gas companies these tax breaks are wholly unnecessary. In fact, the current administration has agreed that they are unnecessary. President Bush recently stated Congress has got to understand that these energy companies don't need unnecessary tax breaks . . . I'm looking forward to Congress to take about $2 billion of these tax breaks out of the budget over a 10-year period of time. Cash flows are up. Taxpayers don't need to be paying for certain of these expenses on behalf of the energy companies.

The Family Farm Energy Relief Act legislation redirects the monies from the Energy Policy Act to family farmers to help pay the cost of farm diesel over the next three years. Approximately 3.4 billion gallons of farm diesel were sold in the United States in 2004, 35 million gallons to New Mexican farmers and ranchers.

The rebate program gives a tax credit to qualified family farmers equaling 10 percent of yearly farm diesel expenses. Additionally, qualified family farmers who produce biodiesel for sale or personal use would receive an additional 10 cents per gallon credit.

The program will redistribute approximately $870 million per year in tax credits for farm diesel expenditures and approximately $8 million per year in tax credits for biodiesel production over three years. Expenditures from this program will not exceed the $2.633 billion oil and gas tax incentives from the Energy Policy Act.

Mr. Speaker, family farmers and the Agriculture sector have been a staple of the American economy since before we were a nation. Many family farmers already face great obstacles to success and may have already succumbed to large agriculture conglomerates. The Family Farm Energy Relief Act is not meant to be a substitute for the long-term energy solutions we all seek for our Nation. As much as each of us understands the necessity of a comprehensive and balanced approach to energy development, so too should we realize that in every state there are hard-working family farmers whose monthly budgets are being stretched to the breaking point by energy costs. While we must approach this country's energy demand with the willingness to make the tough, long-range choices demanded of us, it is equally important that we heed the suffering being caused by the current high prices. Let us help ease the increasing burden of fuel costs and help ensure that these farmers remain one of the backbones of our country and our country's economy.

STATEMENT OF INTRODUCTION HELP AMERICA ACT

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. UDALL of New Mexico. Mr. Speaker, health care promotion programs have the potential to improve health, improve quality of life, reduce health care costs, and boost productivity. Unfortunately, a very small percentage of health care spending is devoted to health promotion. The national investment in prevention is currently estimated to be less than 5 percent of annual health care costs. Our Nation needs a new approach to healthcare—one that puts prevention front and center.

That is why I rise today to introduce the Healthier Lifestyles and Prevention America Act, also known as the HeLP America Act. My legislation is very similar to S. 1074, a bill of the same name, which was introduced by Senator HARKIN. Both Senator HARKIN's bill and my bill are designed to reduce health care costs and improve health outcomes by reorienting our nation's health care system towards prevention, wellness, and self care.

The HeLP America Act is a comprehensive approach to prevention and health promotion. It provides tools .and incentives for schools to improve their nutrition programs. It provides tax incentives for employers to implement wellness programs. It provides grants for communities to implement activities to prevent and reduce the incidence of obesity, and chronic diseases associated with this condition. My bill also gives the FDA the authority to regulate tobacco products, and requires nutrition labeling on menus in chain restaurants. These are just a few of the provisions included in the legislation designed to attack the problem of skyrocketing health care costs associated with the increasing rates of obesity, diabetes, and other chronic illnesses.

Adaptable lifestyle factors such as smoking, sedentary lifestyle, poor nutrition, unmanaged stress, and obesity account for approximately half of premature deaths in the United States. Spending on chronic diseases related to lifestyle and other preventable diseases account for an estimated 75 percent of total health care spending. And Mr. Speaker, as you and all of our colleagues know, our nation's total amount of health care spending is no small sum. In fact, according to the Centers for Medicare and Medicaid Services, total health care spending in 2004 was $1.8 trillion. Furthermore Mr. Speaker, CMS estimates that this number will double by 2014. For those keeping score at home, that means in 2014 total health care expenditures will be $3.6 trillion.

With a greater focus on prevention, we will be able to greatly reduce the number of individuals who suffer from all types of ailments, including diabetes, cancer, heart disease, and strokes just to name a few areas where preventive health care can make the difference. It will improve health outcomes, improve people's lives, and help cut down on our exploding healthcare expenditures. As is noted in the findings of this legislation, per capita health spending in the United States is 56 percent greater than the median for countries in the Organization for Economic Cooperation and Development. Mr. Speaker, this is unacceptable. We need to get more bang for our healthcare buck and we need to look no further than focusing on prevention. As the saying goes, an ounce of prevention is worth a pound of cure.

Mr. Speaker, I urge my colleagues to join me in seeking a new and more effective approach to the health of our nation by cosponsoring the HeLP Act.

RECOGNIZING THE STENNIS CONGRESSIONAL INTERN PROGRAM

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. GORDON. Mr. Speaker, I rise today to recognize the participants in the Stennis Congressional Intern Program. For many years, the John C. Stennis Center for Public Service has enhanced the experience of a select group of summer interns working in congressional offices. The interns are provided with an insiders view of Congress through meetings with senior staff members and other experts to discuss the relationships Congress has with the legislative and executive branches, the media, the public and the private sector.

The program is a joint effort of the Stennis Center and a group of current and former senior staff members who serve as Senior Stennis Fellows. These insiders draw on their experience and expertise in creating the program and participating in sessions with the interns.

The outstanding interns selected to participate are chosen based on their college record, community service background and interest in a career in public service. This year, 30 interns, most of them juniors and seniors in college, have been working in personal and committee offices in the House and Senate.

I congratulate these students for being chosen to participate in this exceptional program, and I thank the Stennis Center and the senior fellows for providing such a unique experience for these interns and for encouraging them to consider a future career in public service.

This year's participants are David Benson-Staebler of St. Olaf College, interning in the office of Representative JIM OBERSTAR; Zeke Berzoff-Cohen of Goucher College, interning in the office of Representative JOHN OLIVER; Elizabeth Brady of the University of North Colorado, interning in the office of Senator MIKE ENZI; Tenisha Callender of Loyola University, interning in the office of Representative JAMES MCGOVERN; Paul Cenoz of the University of Southern California, interning in the office of Representative JOHN CAMPBELL; Jessica Cohen of Syracuse University, interning in the office of Senator HILLARY RODHAM CLINTON; Rachel Dillard of Clemson University, interning in the office of Senator JIM DEMINT; Stephanie Dreyer of Boston University, interning in the office of Senator CHARLES SCHUMER; Brittany Erickson of the University of Pennsylvania, interning in the office of Senator KENT CONRAD; David Evans of Wake Forest University, interning in the office of Senator MEL MARTINEZ; Jason Feld of the University of Pennsylvania, interning in the office of Representative LYNN WOOLSEY; Whitney Fogg of Yale University, interning in the office of Representative CONNIE MACK; Clark Fonda of the University of Southern California, interning in the office of Representative JOHN CAMPBELL; Sarah Hackett of Dickinson College, interning in the office of Senator PATRICK LEAHY; JC Hendrickson of American University, interning in the office of Representative MAURICE HINCHEY; Andrew Hill of Vanderbilt University, interning in the office of Representative CHARLIE NORWOOD; Abby Kirkbride of John Brown University, interning in the office of Senator MIKE ENZI; Anne Kouri of Creighton University, interning in the office of Representative RAY LAHOOD; Mark Ladley of The Citadel, interning in the office of Representative ALLYSON SCHWARTZ; Cassandra Long of the University of Central Florida, interning in the office of Senator BILL NELSON; Jonathan Lowrey of Northwest Missouri State, interning in the office of Representative SAM GRAVES; Meghan McCarthy of the College of William and Mary, interning in the office of Representative RUSH HOLT; Chris Nielsen of the University of South Dakota, interning in the office of Senator TIM JOHNSON; Edward Parkinson of the University of Witwatersrand, interning in the House Committee on Homeland Security; Sara Rafferty of the University of Oklahoma, interning in the office of Representative PHIL ENGLISH; Joshua Root of Cornell University, interning in the office of Representative JOHN OLVER; Eric Sandberg-Zakian of Yale University, interning in the office of Representative RUSH HOLT; Matt Seager of the College of Charleston, interning in the office of Senator PATRICK LEAHY; Eli Sevcik-Timberg of Wesleyan University, interning in the office of

Representative MEL WATT; and Elizabeth Tran of Boston University, interning in the office of Representative NEIL ABERCROMBIE.

IN HONOR OF ROY D. HOKE—32 YEARS OF SERVICE AND COMMITMENT

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. BISHOP of Georgia. Mr. Speaker, I rise today to honor a man who has spent the last 32 years of his life serving this body in the Paint Shop. Roy D. Hoke has become a friend of mine and a friend of my office staff. Through his years he has worked to make each and every one of our offices more beautiful—not for us, but for our constituents and honored guests. Rarely have I seen a man more dedicated to his work, and more filled with pride at a job well-done.

He has served in the House under six U.S. Presidents, and 16 sessions of Congress. Prior to his service in the House, Mr. Hoke served America in the U.S. Army in Vietnam.

This year, Roy Hoke has become very close to my staff. My office took part in the Housewide program to refurbish our offices, and Roy played a major role in painting my office. He was always there to make it look perfect. Roy was never satisfied with his job—he kept coming back to make it look better. After 32 years, he was not done making the House of Representatives a more wonderful place to work.

On Friday, May 26, 2006 Roy was doing his work as he always does. He was in my office touching-up when the security alarms went off and the Capitol Police ordered the building locked-down. Roy spent the next six hours in my office with my staff, sharing in conversation, and Coca-Cola and peanuts from my home state of Georgia. Although I was not in the building, my staff tells me that Roy was a joy to be around that day. No one enjoyed the unfortunate situation that developed that day, but Roy was an individual who made the hours pass by more smoothly. He was unflinching in his manner and helped to keep a startled office calm—even as the frightening circumstances hit close to home.

Since that day in May, my office has truly had a new friend. He has become a regular visitor and his constant smile will be missed. Roy's hard work and dedication are rare traits. We thank him for his years of service to our Nation, to this House, and we wish him luck and God speed in the next phase of his life.

RECOGNIZING THE 15TH ANNIVERSARY OF UKRAINE'S INDEPENDENCE

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. WILSON of South Carolina. Mr. Speaker, on August 24, Ukraine will celebrate the 15th anniversary of its independence. As we continue to strengthen relations with allies around the world, the importance of a democratic Ukraine cannot be overstated.

Since the fall of the Soviet Union, Ukraine has made steady progress toward the creation of democratic institutions and a free-market economy. While past political instability proved challenging to the Ukrainian economy, reforms implemented under the leadership of President Viktor Yushchenko have brought greater success and prosperity to the people of Ukraine. I was honored to attend President Yushchenko's historic speech before a Joint Session of Congress last April.

Moreover, Ukraine has cultivated a civil society, showing greater respect for human rights, maintaining peaceful relationships with its neighbors, and investing in its citizens' prosperity.

I am very grateful that my home church, the First Presbyterian Church of Columbia, South Carolina, has entered into a strong and vibrant partnership with Maximovicha Baptist Church in Vinnitsa, Ukraine. Both churches are promoting exchanges of citizens who, sharing their experiences are promoting democracy. The inspiring heritage and culture of Ukraine is being appreciated by the people of South Carolina. The United States is proud to call Ukraine a friend. We will continue to seek Ukraine's support in world affairs and remain committed to helping the people of Ukraine compete in the global economy for the increased prosperity of its citizens.

RECOGNIZING HEARTLAND HEALTH

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Heartland Health of Saint Joseph, Missouri. Heartland Health has been recognized as a strong advocate for women in the workplace and has been chosen to receive the YWCA Employer of Excellence Award.

Heartland Health has been recognized by the YWCA as one of the best places to work in the St. Joseph area. Heartland maintains a flexible work environment that bases advancement on employee performance. As a result, many women have been able to obtain positions in the senior leadership of the organization. Heartland Health is very supportive of families and has developed programs to help working mothers and assist in continuing education. These are benefits that have produced a very committed and productive workforce.

Mr. Speaker, I proudly ask you to join me in recognizing Heartland Health. Heartland has developed into a business that manages to serve employees as well as the community. I am honored to represent Heartland and its employees in the United States Congress.

IN COMMEMORATION OF THE NATIONAL ORGANIZATION FOR WOMEN ON ITS 40TH ANNIVERSARY

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mrs. MALONEY. Mr. Speaker, I rise today to celebrate the 40th anniversary of the founding of the National Organization for Women (NOW), our Nation's paramount champion of women's rights.

The National Organization for Women has been a pioneer in the fight for women's equality and is one of our Nation's foremost institutions for social justice and social change. For the past 40 years, NOW has been at the forefront of every major effort to advance women's rights and promote equality between the sexes.

The National Organization for Women was founded in 1966 with the $5 contributions of 28 women. These women came together in recognition of the need to bring women into equal partnership with men as part of a worldwide human rights movement. In the last 40 years, NOW has expanded this vision to local and campus chapters in all 50 states and the District of Columbia and grown its membership to roughly 500,000.

As the largest feminist organization in the United States, NOW's continued success is due to its leaders' commitment to innovative and diverse avenues of activism. From local rallies and mass marches to political lobbying and Supreme Court battles, NOW works to achieve advancement for women. Its current primary concerns are promoting passage of the Equal Rights Amendment, eradication of violence against women, championing reproductive freedom and other women's health issues, opposition to racism and bigotry against lesbians and gays and advocating for economic and educational equality.

Since 1967, NOW has dedicated itself to passage of the Equal Rights Amendment. The organization tirelessly led efforts to lobby Congress for the amendment's passage until both Houses ratified the ERA in 1971. NOW then led the campaign for ratification in the states and fought for the extension of the amendment's deadline.

Since 1969, NOW has brought lawsuits to our Nation's courts to fight sex discrimination in the workplace. In one of the first cases to apply Title VII of the Civil Rights Act to a sex discrimination case, NOW won women access to positions previously denied to them because of biased and unnecessary strength tests.

Recognizing that economic security means little to women who are not secure in their homes, NOW pioneered the founding of battered women's shelters and rape crisis centers. By organizing the first Take Back the Night rallies, NOW activists provided women with a platform to confront threats of violence and empowered them to speak out against their offenders. In 1994, NOW's efforts to end women's victimization culminated in the passage of the Violence Against Women Act.

Since its founding, NOW has led the battle for women's reproductive freedom. NOW was the first national organization to call for the legalization of abortion and has committed itself to safeguarding the right to choose secured by Roe v. Wade. For 20 years NOW fought to use federal anti-racketeering laws to protect abortion clinics and their clients from harassment by militant anti-abortionists. In 2004, NOW cosponsored the March for Women's Lives to demonstrate Americans unequivocal support for women's reproductive rights. The march drew 1.15 million people to Washington, D.C. for the largest civil rights demonstration in U.S. history.

NOW was an early and vocal supporter of lesbian rights. NOW activists supported the rights of lesbians and their families in Belmont v. Belmont, the landmark case that awarded a lesbian mother custody of her children. Rosemary Dempsey, the defendant, later served as NOW's Vice President of Action. ill 1975, lesbian rights became one of NOW's priority issues and has since been the theme of two of its national conferences.

Opposed to bigotry and discrimination of all kinds, NOW has also been a champion and defender of affirmative action policies. In 1996, 50,000 activists gathered in San Francisco in defense of affirmative action for NOW's March to Fight the Right. NOW has also adopted a hiring policy that reflects its dedication to diversity and commitment to eradicating racial disparities in the work place.

Today, NOW's President, Kim Gandy, follows in the footsteps of the organization's inaugural president, the late Betty Friedan. Under Ms. Gandy's leadership, NOW remains committed to the passage of the Equal Rights Amendment and has risen to the unique challenges of our time. Advocating for pay equity, affordable quality daycare, women-friendly workplaces, and a fair minimum wage, NOW, with unfaltering determination, continues to lead our country on the march towards women's equality.

Mr. Speaker, as the National Organization for Women celebrates 40 years as our country's preeminent voice for the advancement of women, I ask that my distinguished colleagues join me in recognizing the essential role that NOW has played in leading efforts to create positive social and political change.

DR. AULAKH. PRESIDENT OF COUNCIL OF KHALISTAN, MAKES PRESENTATION AT LONDON INSTITUTE OF SOUTH ASIA

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. TOWNS. Mr. Speaker, recently the London Institute of South Asia held an event to honor author Professor Gurtej Singh, who has a significant book on the repression in India. In connection with that, they held a seminar on the topic of a separate electorate in India for minorities. Dr. Gunnit Singh Aulakh, President of the Council of Khalistan, spoke at the Institute in connection with the seminar. He spoke about the struggle to liberate Khalistan, the Sikh homeland. As you know, Mr. Speaker, Khalistan declared its independence on October 7, 1987. Yet Indian repression of the Sikh Nation continues to this day.

Dr. Aulakh spoke out against a separate electorate within India for the Sikhs, arguing that only full independence will allow the Sikhs to live in peace, prosperity, dignity, and freedom. He said that independence for Khalistan is inevitable, noting the recent marches, seminars, and other events showing the rising tide of support for freedom for Khalistan. And the politicians in Punjab have noticed and are beginning to speak out for Khalistan. That is a good sign. Even the Congress Party government of Punjab explicitly asserted the sovereignty of Punjab when it cancelled the agreements allowing the transfer of Punjabi water to non-riparian states last year.

He reported on the repression of the Sikhs that continues to show up in the form of the Indian Government destroying Sikh farms with bulldozers, farms that Sikh farmers had worked their lives for, only to see a lifetime of work destroyed by the Indian regime. This repression takes the form of arresting people for raising the flag of Khalistan, even though the Indian courts have ruled that wearing the saffron of Khalistan or raising a flag is not a crime. But the Indian Government apparently believes that it is not bound by the law, a position held not by democratic, but totalitarian governments. As my friend from California has said, for minorities, "India may as well be Nazi Germany."

Mr. Speaker, we cannot sit idly by and let this repression continue. I know that there are many pressing problems on the world stage that require our attention, such as the situation in Lebanon and the continuing fight against terrorism in Iraq and Afghanistan. But we must not let the necessity of attention and action in these important situations allow us to let Indian repression slip under the radar. It is our duty to the principles on which this country was founded to support freedom everywhere in the world, not just in the hot spots. It is time to take action, Mr. Speaker. America should cut off aid and trade with India until all people there are allowed to live in freedom. And we should support real democracy, the kind India claims to believe in, in the form of a free and fair plebiscite in Punjab, Khalistan, in Nagalim, in Kashmir, and wherever people seek their freedom in South Asia.

Mr. Speaker, I would like to place the Council of Khalistan's press release on Dr. Aulakh's visit to the London Institute of South Asia into the RECORD at this time.

DR. AULAKH SPEAKS TO LONDON INSTITUTE OF SOUTH ASIA—BOOK AWARD TO PROFESSOR GURTEJ SINGH

WASHINGTON, D.C., JULY 12, 2006.—Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, spoke last month at the London Institute of South Asia (LISA.) He went there for a ceremony honoring Professor Gurtej Singh IAS for his book, Tandev of the Centaur, which won the LISA Book Award. The seminar addressed the topic of a separate electorate for Indian. minorities. Dr. Aulakh spoke on the topic of the liberation of Khalistan. He said that the idea of CI separate election could be good for some minorities but was something that would hold back the struggle for freedom of minority nations that are dominant in their areas. He gave four radio interviews on Punjabi stations that are listened to worldwide.

Professor Gurtej Singh said, "As part of my narration [for the book], I found myself suggesting a theory indicating the spurious nature of India's struggle for freedom. I am aware that it renders the main activities of the Congress Party and its leaders to an exercise in collaboration. But I am in good company in coming to that conclusion. Michael Edwards, in his The Myth of the Mahatma. has clearly shown that the British really feared the 'Western style revolutionaries' whom Gandhi effectively neutralized. The Administration considered Gandhi as an ally of the British as a neutralizer of rebellion."

"This book does not clarify everything, but it clarifies a lot," said Brigadier Usman Khalid, Director of LISA. "It lays the foundation for friendship between two irrepressible nations of the subcontinent—the Muslims and the Sikhs. The national cohesion that exists within the Muslims and the Sikhs cannot be replicated in the caste based Brahminic society," Brigadier Khalid said, "Indian secularism is 'fraudulent; Indian nationalism is a pious hope without foundation or purpose. The book nails those lies. It is a great starting point for the 'freedom for all in South Asia.'"

"Despite the Indian Government's massive efforts over two decades to crush the Khalistani freedom movement and the other freedom movements, there remains strong support for Khalistan in Punjab and the surrounding Sikh areas," Dr. Aulakh said. He noted the anniversary of the attack on the Golden Temple and the atrocities that were committed in Operation Bluestar. He took note of the arrests of Sikh leaders in Punjab for making speeches and hoisting the flag. He noted that Khalistan slogans were raised inside the Golden Temple recently. He noted the seminars organized by Atinder Pal Singh and took note of the atrocities committed by the Indian government. such as the kidnapping and murder of Jaswant Singh Khalra, the murder of Akal Takht Jathedar Gurdev Singh Kaunke, tearing apart the driver of Saba Charan Singh, and the mass cremation of Sikhs. He cited the Chithisinghpora massacre, the bombing of an Indian Airlines flight in 1985, and other atrocities committed by the Indian government.

A report issued by the Movement Against State Repression (MASR) shows that India admitted that it held 52,268 political prisoners under the repressive "Terrorist and Disruptive Activities Act" (TADA) even though it expired in 1995. Many have been in illegal custody since 1984. There as been no list published of those who were acquitted under TADA and those who are still rotting in Indian jails. Additionally, according to Amnesty International, there are tens of thousands of other minorities being held as political prisoners. The MASR report quotes the Punjab Civil Magistracy as writing "if we add up the figures of the last few years the number of innocent persons killed would run into lakhs [hundreds of thousands.]" The Indian government has murdered over 250,000 Sikhs since 1984, more than 300,000 Christians in Nagaland, over 90,000 Muslims in Kashmir, tens of thousands of Christians and Muslims throughout the country, and tens of thousands of Tamils, Assamese, Manipuris, and others. The Indian Supreme Court called the Indian government's murders of Sikhs "worse than a genocide."

Government-allied Hindu militants have burned down Christian churches and prayer halls, murdered priests, and raped nuns. The Vishwa Hindu Parishad (VHP) described the rapists as "patriotic youth" and called the nuns "antinational elements." Hindu radicals, members of the Bajrang Dal, burned missionary Graham Stewart Staines and his two sons, ages 10 and 8, to death while they surrounded the victims and chanted 'Victory to Hannuman," the Hindu monkey-faced God. The Bajrang Dal is the youth arm of the RSS. The VHP is a militant Hindu Nationalist organization that is under the umbrella of the RSS.

"The genocidal policies of the Indian government are aimed at eliminating all these groups," Dr. Aulakh said. "Self-determination must be the standard," he said. "Short of that, it is hard to see how the freedom of all people in South Asia will be protected."

We thank the London Institute of South Asia for including Dr. Aulakh in its presentations. We would like to thank General Khalid, Dr. Awatar Singh Sekhon, V.T. Rajshekar, and all the trustees of the Institute for inviting Dr. Aulakh to make this presentation.

PRESIDENT NIYAZOV INTENSIFIES REPRESSION IN TURKMENISTAN

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. SMITH of New Jersey. Mr. Speaker, as Co-Chairman of the U.S. Helsinki Commission, I want to bring to the attention of the Congress a number of alarming arrests recently made by the Government of Turkmenistan. Last month between June 16–18, three human rights defenders were detained by Turkmen security forces and have been held for over a month. Considering Turkmenistan's abysmal human rights record, I greatly fear for their safety as they are certainly at risk of torture.

Amankurban Amanklychev, Ogulsapar Muradova, and Sapardurdy Khajiev are affiliated with the Turkmenistan Helsinki Foundation, a non-governmental organization that monitors human rights in Turkmenistan. In addition, Ms. Muradova has served as a journalist for Radio Liberty, a private communications service funded by the Congress through the Broadcasting Board of Governors.

Apparently Turkmen authorities arrested these three individuals because of their connection to a documentary about President Saparmurat Niyazov's cult of personality and their use of hidden video equipment in making this film. The three now face the trumped-up charges of illegal weapons possession and allegations of "espionage." Given the absence of any media or speech freedoms in Turkmenistan,. the government's allegations are simply not credible, and the detentions are unjustifiable.

Human rights organizations report that the detainees are being abused. Most troubling are allegations of psychotropic drugs being administered to Amanklychev and Muradova in an effort to force their confession to "subversive activities." The reports concerning psychotropic drugs are quite believable, as Turkmenistan is known to use these drugs in psychiatric hospitals to punish individuals.

In April, 54 members of the United States Senate and House of Representatives wrote to President Niyazov, urging the unconditional release of a prisoner of conscience held in a psychiatric hospital. While that individual was released, soon thereafter Congress learned of an almost identical case—69-year-old Kakabay Tedzhenov. He has been held in incommunicado detention in a psychiatric hospital since January 2006 for peacefully protesting government policies. Considering that just three months ago a significant number of Senators and Members of the House wrote President Niyazov about this barbaric practice, I am particularly disappointed that the Turkmen President continues to allow the misuse of psychiatric institutions as prisons for political dissidents and that Mr. Tedzhenov remains jailed.

With Ms. Muradova's ties to Radio Liberty and the Congress, as well as the letter from 54 Members of Congress to Niyazov regarding the use of psychiatric hospitals, the continuation of these inexcusable actions will affect the relations between Turkmenistan and the U.S. Congress.

Mr. Speaker, I am urging President Niyazov to ensure the immediate and unconditional release of Amankurban Amanklychev, Ogulsapar Muradova, and Sapardurdy Khajiev, as well as Kakabay Tedzhenov.

TRIBUTE TO MR. RALPH BOZELLA

HON. MARILYN N. MUSGRAVE

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mrs. MUSGRAVE. Mr. Speaker, I rise today to honor the patriotism and military service of Mr. Ralph Bozella of Longmont, Colorado.

Soon after graduating with his teaching certificate during the tumultuous years of the Vietnam war, Mr. Bozella's life forever changed one Monday in the late summer of 1970. The ink was barely dry on the teaching contract he signed the Friday before when Mr. Bozella received notice that he had been drafted for service in Vietnam.

Before long, Mr. Bozella found himself at Bien Hoa Air Base near Saigon, Vietnam. From there he was sent to Chu Lai and assigned to a light infantry brigade within the Americal Infantry Division. Mr. Bozella was assigned to search and patrol the area to protect nearby villages during the rice harvest.

On these patrols into the Vietnamese jungles Mr. Bozella courageously volunteered to be the patrol's point man. In this capacity he walked first to find booby traps before they found the rest of the patrol.

Eventually, Mr. Bozella transferred to the U.S. Army Education Center where he taught and tested soldiers in a GED program. With his background in education, Mr. Bozella was grateful that he was able to positively impact soldiers in such an incredibly difficult situation.

Following Mr. Bozella's return from the horrors of the war in Vietnam, he encountered an unsupportive society and was ostracized by his peers. Despite these difficulties, Mr. Bozella earned a masters degree in adult and community education from Colorado State University and went on to serve his community in various roles as an educator and administrator.

Mr. Bozella has been intimately involved in several veterans' organizations, serving as chairman of the Colorado Board of Veterans Affairs and as a State officer with the American Legion.

Mr. Speaker, I am grateful for Mr. Bozella's selfless service to our Nation. I urge my colleagues to join me in recognizing a man worthy of our honor, Mr. Ralph Bozella. I am deeply saddened by the way he was treated when he came home from Vietnam. After the passing of the years I hope that the respect and honor that his is afforded today will help heal those wounds.

HONORING NANCY ALLEN'S SERVICE TO RUTHERFORD COUNTY

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. GORDON. Mr. Speaker, today I rise to recognize Nancy Allen for her service to Rutherford County, Tennessee, as County Mayor for 12 years.

Recently, the Tennessee General Assembly changed her title from County Executive to County Mayor. Her title was not the only thing to change recently. Population projects from the 2000 Census to 2005 show Rutherford County has gained more than 36,000 new residents. Money Magazine recently named Murfreesboro, the county seat and my hometown, as 84th out of the top 100 places to live in the United States. These figures and accolades are due in part to Nancy's leadership ability and the collective vision of the Rutherford County Board of Commissioners over which she has presided and previously served 4 years.

In addition to serving as Chair of the Board of Commissioners, Nancy also chairs the Rutherford County Correctional Work Center Board, Community Care of Rutherford County, Inc., and Regional Transportation Authority. Nancy is a founding member of Recycle Rutherford and a member of the Sam Davis Memorial Association, League of Women Voters, the Oakland Association, and the Rutherford County Chapter of the Middle Tennessee State University Alumni Association and recipient of the 1996 Trailblazer Award. The aforementioned awards and memberships are only a highlight of Nancy's commitment to her community.

I know Nancy will not retire completely from performing public service. It is my hope that she will now have more time to spend on personal pursuits, which will likely include her always supportive family, husband Jerry and daughter Melinda. Thank you, Nancy, for a job well done.

IN MEMORY OF APOSTLE ISAIAH REVILLS, MAN OF GOD PREACHER OF THE WORD

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. BISHOP of Georgia. Mr. Speaker, I rise today to honor the memory of a man who I am proud to have called a friend, a constituent, and an inspiration: Chief Apostle Isaiah Revills.

Apostle Revills was born on August 23, 1931 in Moultrie, Georgia, the son of sharecroppers. At the tender age of nine years old, Isaiah's father was murdered by the Ku Klux Klan. His mother was forced to lead the family of nine children, but her rock-solid faith in God saw her through.

Isaiah went on to the Moultrie High School for Negro Youth, where he met a young woman named Ullainee Sanders. Ullainee became his sweetheart and his partner, and on June 4, 1955, Isaiah and Ullainee were married. For the last 51 years, they have been partners in every sense of the word—sharing equally in the joys and burdens of the journey of life.

The young couple moved to Milledgeville, Georgia shortly after their marriage, and there Isaiah began to serve as the pastor of his first church. In 1958 they moved to Albany, Georgia, where together they conducted prayer meetings from house to house. So successful were these meetings that they opened a mission in 1959. Isaiah preached the Gospel there, and as far away as Harlem, as his ministry grew. His congregants grew rapidly in number and they moved to a new facility in the Masonic Hall. Apostle Revills fasted for forty days, a mission that led him to another church building, lovingly called "The Shanty." But the growth continued! Isaiah, a brick mason by trade, built the new church with his own two hands. Shortly thereafter, he went into the ministry fulltime with the constant support of Ullainee.

At the time, Newton, Georgia had a difficult racial climate, but Apostle Revills had a vision from God, and traveled there for a tent crusade. That meeting led him across Georgia, Florida, Alabama, Mississippi, North Carolina, South Carolina, and all the way to California. Apostle Revills was anointed by God in 1966 and went on to many more tent crusades, the largest of which became the annual Camp Meeting in the City of Albany, that ended every year with a baptism at the Mercer Mill.

His ministry grew so large, that in 1981 they opened a new 5,000-seat Cathedral and organized into ten distinct operating districts. Apostle Revills began publishing his Miracle Guiding Star Magazine, and took to the radio and television to preach the Word. He preached in Kenya, Haiti and Israel. In 1991, he was justly recognized as one of Georgia's ten most prominent black pastors.

In 1995, Apostle Revills was formally and publicly ordained as an Apostle of Jesus Christ. He received an honorary Doctorate of Divinity and his ring, staff, and crown—official symbols of his position. I was fortunate enough to have worshipped with him at this, and several other services, throughout my time as his Congressman.

I remember when I first campaigned for Congress in July of 1992, all of my local political advisors told me I must meet and pray for the blessings of Apostle Revills. His ability to reach out and touch those he met showed that he was truly anointed by God. He was a man of great stature physically, and a giant spiritually. Apostle Revills was a true friend of mine and I will greatly miss his friendship and his guidance—both spiritual and otherwise.

Mr. Speaker, as I rise today to honor Chief Apostle Revills. I also honor his darling wife Ullainee for her service to God and humanity, and for her loving marriage to Isaiah. Together they had five children and five adopted children, and now have 20 grandchildren and several great-grandchildren. Apostle Revills' legacy will surely live on in all of them, and in the faith of his followers.

Mr. Speaker, Apostle Revills is a legend in Southwest Georgia and will be remembered for truthfully speaking the Word of God. I stand here today to honor his legacy and thank him for his friendship. He was truly a man of God and I was blessed to know him.

TAKING OUR CASE TO THE AMERICAN PEOPLE

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. WILSON of South Carolina. Mr. Speaker, on Monday I will join Chairman SAM JOHNSON and colleagues on the House Education and Workforce Subcommittee on Employer—Employee Relations for a field hearing in Plano, Texas. This hearing will address a key issue in the debate surrounding illegal immigration: employee verification systems and employer enforcement.

The House border security bill incorporates stringent measures for verifying and complying with employee eligibility. Such provisions are sadly absent from the Reid-Kennedy Senate bill.

Throughout August, we will take our case to the American public. With various field hearings, we will differentiate our border- first approach from the Reid-Kennedy amnesty plan.

Chairman ED ROYCE held two such hearings in July. Mr. Speaker, the response was overwhelming—the American people are on our side!

As we continue to debate this issue, I hope Senate Democrats will realize what the average American already understands: We cannot address illegal immigration without addressing border security.

In conclusion, God bless our troops, and we will never forget September 11th.

RECOGNIZING HANNAH BARNETT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Hannah Barnett of Saint Joseph, Missouri. Hannah is a student at Benton High School and she has been chosen to receive the YWCA Women of Excellence Future Leader Award.

Hannah is recognized as one of the most sincere and compassionate students at Benton High School. She has been involved in Student Council for four years, was elected homecoming queen, and served as Vice President of both her class and the entire student body.

As an athlete, Hannah has lettered in four varsity sports. She has played on three District Champion basketball teams, served as the captain of the soccer team that advanced to the State Playoffs, and served as captain of the volleyball team. These achievements earned her the honor of being named the Female Scholar Athlete for St. Joseph Sports, Inc.

Academically, she is one of the best and brightest. She is an academic leader who has challenged herself with the most rigorous classes in preparation for her future. She has maintained the balance between her class work and extracurricular activities, while obtaining the rank of second in her class.

Mr. Speaker, I proudly ask you to join me in recognizing Hannah Barnett. She is an outstanding member of our community and I wish her the best in her bright future. I am honored to represent her in the United States Congress.

HONORING THE LIFE OF STAN MOSKOWITZ

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mrs. MALONEY. Mr. Speaker, I rise to express deep and profound sadness at the passing of Stan Moskowitz, CIA Director of Congressional Affairs and integral partner to the Interagency Working Group on Nazi War Crimes, IWG. Mr. Moskowitz passed away suddenly, after playing tennis, on June 29, 2006. It was a great shock to many who were privileged and fortunate to work with him.

Mr. Moskowitz played an integral role in ensuring the disclosure of documents related to the Nazi war crimes. When the Nazi War Crimes Disclosure Act was extended for 2 years in February 2005, then Director of Central Intelligence Porter Goss asked Mr. Moskowitz, who at the time was retiring as CIA's Director of Congressional Affairs, to help him guide the Agency toward a full disclosure of the historical record as captured in CIA files. Based on Porter Goss's commitment, Mr. Moskowitz promised the IWG that CIA would do the following: Declassify information on all Nazis; Declassify operational files associated with those Nazis; Re-review material that had been redacted; Undertake such additional searches that historians or the CIA thought necessary as the work progressed.

Under the leadership of Mr. Moskowitz, the CIA has made good on each of these promises. He played a key role in ensuring the success of the CIA's work during the 2-year extension and made a quick, sensitive, and good humored shift from all of his prior responsibilities to an entirely, new, important and difficult role.

I first learned of Mr. Moskowitz's death from those of us working with the IWG in an effort to release U.S. Government records related to crimes committed by the Nazi and Japanese Governments during World War II. The response to the news was immediate and heartfelt. Since his colleagues conveyed Stan Moskowitz's remarkable character and the important contribution he made to history, I would like to share with you some of their thoughts. One person wrote: "Stan was a man whose broad experience, character and personality drew you in as few have the ability to do. He just radiated intelligence, understanding, empathy, insight, and yes, wit. I will miss Stan." Another wrote: "Stan was a major reason for our success. He may not have always agreed with our conclusions, but he wanted to be sure that the historical record was as complete as possible." Finally: "What terrible, shocking news. Stan was a wonderful person who was unswervingly dedicated to pursuing truth, and he performed great service to his country in a long and distinguished career. He will be greatly missed.

Mr. Speaker, these are just a few of the statements from those who knew and worked with Mr. Moskowitz. I think they speak volumes of this man who contributed significantly to our Nation's history. Most recently, I met Stan Moskowitz at the IWG press conference on June 6. As usual, his comments were informative and insightful. He truly was a national treasure.

I would like to note that Mr. Moskowitz earned many high honors including two Presidential Distinguished Officer Awards, the Director's Medal, the Distinguished Career Intelligence Medal, the Distinguished Intelligence Medal, and the Intelligence Community Medal of Merit. Mr. Speaker, Stan Moskowitz served his Agency, his government, and the people of the United States loyally and with honor. I would like to offer Mr. Moskowitz's family my deepest condolences. He truly will be missed.

COUNCIL OF KHALISTAN PRESIDENT ADDRESSES LONDON INSTITUTE OF SOUTH ASIA

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. TOWNS. Mr. Speaker, Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, recently spoke at the London Institute of South Asia, which was holding a seminar on separate electorate in India. He also contributed an article to the Journal of the London Institute of South Asia. Both presentations were on the same theme: freedom for Khalistan, the sovereign Sikh state that declared its independence from India on October 7, 1987, and has been under Indian occupation ever since then.

Dr. Aulakh stressed that a separate electorate within India, although it might help some of the oppressed minorities there, would not be appropriate for the Sikh nation, which is separate and distinct from India. He said that the achievement of full sovereignty and independence for Khalistan is inevitable. He took note of the Sikh farmers whose farms were bulldozed earlier this year by the Government. He discussed the Sikh activists who were arrested for raising the Khalistani flag. "How can India claim it is a democracy and continue to hold political prisoners?" he asked. "How can a democratic, secular state make it a crime to raise a flag and make speeches? Would America arrest people for raising the Confederate flag? Would the United Kingdom arrest people for speaking in support of Scottish independence?" And the answer is that of course we wouldn't. We may not like these things, but they are not crimes. Yet in India the equivalent act gets you arrested.

Dr. Aulakh noted several other acts of tyranny against the Sikhs, including the kidnapping of human-rights activist Jaswant Singh Khalra, the murder of former Jathedar of the Akal Takht Gurdev Singh Kaunke, the killing of the driver for Sikh religious leader Baba Charan Singh, who was tied to two Jeeps which drove in different directions, tearing this human being apart, and many other atrocities. These things are the mark of a tyrannical, totalitarian regime, Mr. Speaker. Dr. Aulakh writes that in light of these atrocities, "independence for Khalistan is inevitable."

Dr. Aulakh takes note of the rising support for Khalistan in Punjab. He notes the marches being organized, that politicians and other Sikh leaders are speaking out for Khalistan, the seminars held by a former member of Parliament on the subject, and other activities in support of freedom for Khalistan.

Mr. Speaker, the essence of democracy is the right to self-determination. All people and all nations have a right to be free. That is the idea that gave birth to America. As such, we must be active and vigilant in supporting freedom around the world. We should stop our aid and trade with India, which is only propping up the repressive regime. The time has come to put the U.S. Congress on record in support of a free and fair plebiscite in Khalistan and all the minority nations that seek their freedom in South Asia.

Mr. Speaker, I would like to place Dr. Aulakh's article from the Journal of the London Institute of South Asia into the RECORD at this time.

[From the Journal of the London Institute of South Asia, July, 2006]

FLAME OF FREEDOM BURNS IN KHALISTAN: ESTABLISHMENT OF A SOVEREIGN SIKH STATE IS INEVITABLE

(By Dr. Gurmit Singh Aulakh)

January 2006 was not a good month for the Sikh farmers in Uttaranchal Pradesh, India. Their farms were bulldozed and they were thrown out of the state. They had worked peacefully all their lives, but now everything they had worked for was destroyed. Once again, the government had decided to make Sikhs the victims. This continues a pattern of repression that has kept the Sikh Nation from living in freedom or prosperity. Since 1984, over a quarter of a million Sikhs have been murdered at the hands of the Indian government.

There is no way for these farmers to gain redress within the Indian system. They have lost their life's work with no way of making themselves whole. And they have no means to begin again. They received no compensation for their bulldozed property. This is just a recent example of why Sikhs need their own independent country, Khalistan.

Khalistan, the Sikh homeland, declared its independence from India on October 7, 1987. Since then, India's brutal repression of the Sikh nation has intensified. Last year on Republic Day, 35 Sikhs were arrested for making speeches in support of Khalistan and raising the flag of Khalistan. This past June, even more Sikhs were arrested for hoisting a flag and making speeches. They join at least 52,268 Sikh political prisoners that India admitted to holding, according to the Movement Against State Repression (MASR) (as well as tens of thousands of other political prisoners, according to Amnesty International.)

India proclaims itself the world's largest democracy. How can India claim it is a democracy and continue to hold political prisoners? How can a democratic, secular state make it a crime to raise a flag and make speeches? Would America arrest people for raising the Confederate flag? Would the United Kingdom arrest people for speaking in support of Scottish independence?

The Sikhs are a separate people from India—culturally, linguistically, and religiously distinct. As such, the Sikh Nation is logically and morally a separate nation, a separate people. Every day Sikhs pray "Raj Kare Ga Khalsa," meaning "the Khalsa shall rule." It is part of the Sikh consciousness that we are either rulers or we are in rebellion.

Since 1947, the Indian government has been enslaving the Sikh Nation. Under Indian rule, Sikhs are slaves. They are exploited, tortured, and killed for the convenience of the rulers. Despite India's repression of the Sikhs 'symbolized by half a million troops enforcing the peace of the bayonet' the Sikhs are reclaiming the freedom that is our birthright. The record of India's treatment of the Sikhs makes it clear that there is no place for the Sikhs in 'India's democracy'.

In 1995, human-rights activist Jaswant Singh Khalra published a report exposing India's policy of secret cremations of Sikhs under which Sikh men are picked up, tortured, and murdered, then their bodies are declared 'unidentified' and secretly cremated. Khalra did his work by studying several cremation grounds in Punjab. He established about 25,000 Sikhs who have been secretly cremated. Follow-up work has established that the number is around 50,000. Their bodies have never been given to their families. For his work, Sardar Khalra was murdered in police custody; no wonder his body also disappeared.

The one witness to the Khalra kidnapping, Rajiv Singh Randhawa, has been consistently harassed by the Indian regime. He even got arrested for trying to hand information about the repression of the Sikhs to the British Home Minister outside the Golden Temple.

Former Jathedar of the Akal Takht Gurdev Singh Kaunke was murdered by police official Swaran Singh Ghotna. He has never been brought to justice. The driver for Sikh religious leader Baba Charan Singh was killed when his legs were tied to two jeeps which then drove in different directions. The cases of torture by rolling heavy rollers over the legs of Sikh prisoners are too numerous to mention. In 1994, the U.S. State Department reported that the Indian government paid out over 41,000 cash bounties to police officers for killing Sikhs.

The only way that Sikhs will be able to live in freedom, peace, stability, dignity, and prosperity, without constantly fearing for their lives, is by liberating Khalistan.

The establishment of an independent Khalistan is inevitable. Support for an independent Khalistan is rising in Punjab. Last November, Khalistan slogans were raised at Nankana Sahib during the celebration of Guru Nanak's birthday and at a subsequent seminar. More than 25,000 people were in attendance for the birthday celebration. There have been numerous marches demanding freedom for Khalistan in Punjab. Former Member of Parliament Atinder Pal Singh held a seminar on Khalistan. Even when the Punjab Legislative Assembly canceled the agreements that had allowed Punjabi water to be diverted to other states, they openly asserted the sovereignty of the state of Punjab. It seems that the Indian government is aware and afraid of the rising tide of support for Khalistan.

As Steve Forbes wrote in Forbes Magazine in 2002, "India is not a homogeneous state. Neither was the Austro-Hungarian Empire. It attacked Serbia in the summer of 1914 in the hopes of destroying this irritating state after Serbia had committed a spectacular terrorist act against the Hapsburg monarchy. The empire ended up splintering, and the Hapsburgs lost their throne." India is doomed to a similar fate. It is not a single, homogeneous state, but many countries thrown together under one umbrella by the British colonial rulers for their convenience. It has 18 official languages. Such countries historically fall apart. The Soviet Union, Czechoslovakia, and Yugoslavia are other examples from recent history.

Even former Home Minister L.K. Advani has acknowledged the instability of India, saying in Parliament: "if Kashmir goes, India goes." At a seminar in Lahore in November 2005, I predicted that India will break up into five or six different countries. This caused the Akali leaders present to walk out, betraying the interests of the Sikh Nation once again. Sikhs are willing to sit down and negotiate the borders of a free and independent Khalistan, as long as that is the sole subject for negotiation.

The Sikh Nation has a long and distinguished history of freedom and secularism. Guru Gobind Singh Sahib established the Khalsa Nation in 1699 at the historic Vaisakhi Congregation in Anandpur Sahib. This event is celebrated every April on the Sikh holiday of Vaisakhi Day. By his action, Guru Gobind Singh Sahib firmly established a distinct identity for the Khalsa Panth. He gave the Khalsa the blessing of sovereignty and independence: Ain grieb Sikhin ko deon Patshahi. 'Khalsa Bagi Yan Badshah.'

The Gurus laid down the correct way for the Sikh Nation by their example. Guru Nanak Sahib, the first Sikh Guru, confronted the atrocities of the first Mogul ruler Babar against the innocent population. Guru Arun Dev Ji Sahib became a martyr in defense of his principles and acceptance of the will of God. Guru Teg Bahadur Singh Sahib sacrificed his life in defense of the weak and other religions, defending Hindus from forced conversions. Today, it is nationalist Hindus who are carrying out forced conversions, more precisely forced reconversions of those who have converted to another religion.

The tenth and last Guru, Guru Gobind Singh Sahib, completed Guru Nanak Dev Ji Sahib's mission. He infused a new spirit into the Sikh Nation and designed a new road map for the Sikhs. He initiated the Sacrament of Steel (khande de pahul), ordained the first five Sikhs as Singhs B the Panj Piaras, or Five Beloved Ones B and instituted the Order of the Khalsa. From then on, Guru Gobind Singh Sahib commanded the Sikhs to mark their distinct identity known through five symbols: unshorn hair, symbolizing natural and saintly appearance (worn under a turban); a special comb to keep the hair clean; a steel bracelet symbolizing discipline and gentility; the Kirpan, or sword, a symbol of courage and commitment to justice, truth, freedom, and human dignity; and special knee-length under shorts, symbolizing chastity.

In 1706 Guru Gobind Singh left this world for his heavenly abode. Just two ears later, Banda Singh Bahadur established a Sikh Raj. It lasted from 1710 until 1716. From 1716 to 1765, Sikhs went through horrible persecution by the Mogul ruler Aurang Zeb. During that period, Sikhs experienced the chhota ghalugara (small holocaust) and the wadde ghalugara (large holocaust) In 1762, one third of the Sikh population was killed in three days.

In 1765, Sikhs again established Sikh rule in several Sikh missals (free cantonal republics) as well as the principalities of Patiala, Nabha, Faridkote, Kapurthala, Jind, and Kalsia. This lasted until 1799 when Maharajah Ranjit Singh established Khalsa Raj in Punjab by uniting the missals and principalities. They marched into the capital city of Lahore and hoisted the Sikh flag, manifesting the spirit of liberty reaffirmed at the Vaisakhi of 1699. This Khalsa Raj lasted until 1849 when the British conquered the Sub-continent. This Sikh nation of Punjab was recognized by most of the Western powers of the time. The contemporary struggle to liberate the Sikh homeland, Punjab, Khalistan, is part of the same historical process.

Maharajah Ranjit Singh's rule was the Golden Age for Punjab. Sikhs destroyed Mogul rule and stopped invasions from the Afghan rulers to the west. Under the command of Hari Singh Nerwa, Sikhs defeated the Afghans and occupied Kabul. Nelwa left Kabul after securing the promise from the Afghans that they would not cross east of the Khyber Pass. Maharajah Ranjit Singh and Hari Singh Nerwa invaded Kashmir, which was part of Afghanistan, and annexed it to Punjab in 1819. India and Pakistan owe a debt of gratitude to the Sikhs, as both countries claim Kashmir as their own.

During Maharajah Ranjit Singh's rule, Hindus, Muslims, and Christians all had a share of power alongside the Sikhs. All of them were represented as ministers in his Cabinet. The Faqir brothers, who were Muslims, were trusted ministers in the inner circle of Maharajah Ranjit Singh. General Ventura, a Christian, was in charge of the artillery. The Hindu Dogras (Dhian Singh Dogra and his brother Lal Singh Dogra) wielded enormous power with Maharajah Ranjit Singh.

The Dogras betrayed the Sikhs and connived with the British in the defeat of the Sikh army.

When Hari Singh Nalwa took a lone bullet from an Afghan, he wrote his last letter in blood rather than ink to bid his last fateh to Maharajah Ranjit Singh. Nalwa had previously asked for more troops but those letters were intercepted by the Dogra brothers, who kept the requests to themselves instead of telling Maharajah Ranjit Singh. They wanted Hari Singh Nalwa to be killed.

Nalwa instructed the messenger to give his letter to Maharajah Ranjit Singh personally and to no one else. The messenger arrived early in the morning. Maharajah Ranjit Singh and Dhian Singh Dogra were out for a morning walk. When the messenger tried to give the letter to Maharajah Ranjit Singh, Dogra tried to intercept it. The messenger told Maharajah Ranjit Singh that he was instructed to give the letter to him personally. When Maharajah Ranjit Singh read the letter, he was so angry with Dhian Sigh Dogra that he hit Dogra with his water bucket. Then he instructed the army to get ready to march towards Afghanistan.

They arrived at the River Attack. It was flooded. It had overflowed its banks. The Sikhs wanted to wait until the flood was over, but Maharajah Ranjit Singh led his horse into the river. The water went down and the Sikhs crossed the river. Maharajah Ranjit Singh fought the Afghans and defeated them. That stopped the incursion of the Afghans into the Sikh territory of Punjab.

After the demise of Maharajah Ranjit Singh in 1839, the British infiltrated their agents like the Dogra brothers and others into the Sikh Raj. Sikh rulers were murdered, one after the other. The Sikhs gave the British a tough fight in the Anglo-Sikh wars, but the Sikhs lost the war through the betrayal of the Dogra brothers and the British annexed Punjab in 1849.

The Sikh Nation's desire for sovereignty has not diminished. Sikhs always recite the couplet 'Raj Kare Ga Khalsa' after their morning and evening Ardas (prayers.) The Sikhs actively participated in the Indian struggle for independence from the British. Although Sikhs were just 1.5 percent of the population, they gave over 80 percent of the sacrifices in the freedom struggle. 2,125 Indians were executed during the freedom struggle. Of these, more than 1,500 were Sikhs. Out of 2,645 exiled by the British, 2,147 were Sikhs.

At the time of India's independence in 1947, the Hindus of India and the Muslims of Pakistan received sovereign, independent states. Sikhs were supposed to be a party to the arrangement and receive their own state as well. But the Sikh leadership of the time accepted the false promise of Jawahar Lal Nehru (reaffirmed in resolutions of the Indian National Congress) that they would have 'the glow of freedom' in Punjab and no law affecting Sikh rights would be passed without Sikh consent. On this basis Sikhs took their share with India.

However, soon after the independence of India, the Sikhs discovered that they had been betrayed. The Indian leaders had no intention of giving them what they had promised. Home Minister Patel shamefully sent out a memo describing Sikhs as a 'criminal tribe'. The repression of the Sikh Nation began with that memo and continues to this day.

The time has come for Sikhs to break free of the repressive Indian regime. This is the only way that their human rights will ever be respected. And the world is beginning to notice. In the United States Congress, the Congressional Record is serving as a vehicle to keep an accurate record of the repression and to defeat India's effort to whitewash the situation and the history of the Sikhs and other minorities. The Congressional Record carries repeated calls for a free and fair plebiscite on the independence of Khalistan and the other nations seeking their freedom from India. There are also repeated calls for a cut off of U.S. aid to India until human rights are respected. The pressure is mounting for human rights and freedom in South Asia. How soon will India collapse under the pressure? It is only a matter of time.

RECOGNIZING CHERYL HALE

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Cheryl Hale of Saint Joseph, Missouri. Cheryl has enjoyed a successful banking career spanning 28 years and has been chosen to receive the YWCA Women of Excellence Award for Women in the Workplace.

Cheryl truly built her career from the ground up. At the age of 22, Cheryl already had a family to support, yet she had little education and experience. She took the initiative and obtained her General Education Degree. She then took her first job working as a bookkeeper, while she began taking college classes at night. In 1990, Cheryl graduated Summa Cum Laude from Missouri Western State College with a degree in Business Administration.

As a member of the community, Cheryl has been a major advocate of the "Profit in Education" program. She has audited books for several Parents and Teachers Association's in the area, and served on the boards of Band Boosters and The Coalition for Achievement. Currently, she serves on the Clarence J. Carpenter Memorial Fund Board and is very active in the Pony Express Chapter of the American Business Women's Association.

Mr. Speaker, I proudly ask you to join me in recognizing Cheryl Hale. Her commitment to education, business, and the community are truly remarkable. I am honored to represent her in the United States Congress.

TRIBUTE TO CHATHAM TOWNSHIP

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today to honor Chatham Township, in Morris County, NJ a vibrant community I am proud to represent. On September 9, 2006, the good citizens of Chatham Township are commemorating their bicentennial anniversary celebration with a day long extravaganza featuring a Fireman's Parade and an old-fashioned country fair.

In 1806 the Commonwealth of New Jersey officially incorporated the 23 square miles of land to the north and east of the Great Swamp and west of the Passaic River as the Township of Chatham. It originally included the areas that are now the boroughs of Chatham, Madison and Florham Park. The coming of the Morris and Essex Railroad in 1837 led to sharp increases in the population of the township which resulted in incorporating Chatham, Madison and Florham Park as separate boroughs.

In the late 1870s and 1880s the area became a center of the rose-growing industry. The specialty of one of the greenhouses was the American Beauty rose with a 5-foot-long stem. At Christmas they were sent to European royalty. Fifty were also sent to Queen Victoria in recognition of her golden anniversary.

After a 5-year construction ban during World War II, large farms gave way to luxurious home sites. Former rose farms became two major shopping centers at the corner known as Hickory Tree, named for a hickory tree planted during President James Madison's term.

In 1959 the Port Authority of New Jersey and New York considered the Great Swamp to be the ideal location for a major metropolitan airport. Through the massive efforts of area residents, the Great Swamp was secured through donations as a federally protected wilderness area now known as the Great Swamp Wildlife Refuge, a national treasure.

High above the Passaic River on the east side of town, the Little Red School House was built in 1860. A school until 1928, the building eventually became the property of the township and housed the police and administrative offices until 1988. Today the historic building appropriately houses the Township Museum and Historical Society.

Today Chatham Township consists of 9 square miles housing 10,000 people. The horse farms, dairy farms and rose greenhouses are gone, but the five-person township committee form of government continues as it was in 1806.

Mr. Speaker, I urge you and my colleagues to join me in congratulating the residents of Chatham Township on the celebration of 200 years of rich history and the building of one of New Jersey's finest municipalities.

TRIBUTE TO MUNCIE SHERIFF IN SNIPER ARREST

HON. MIKE PENCE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. PENCE. Mr. Speaker, a tragic tale of death and sniper shootings over the weekend has turned into a bittersweet success story for law enforcement in my home state of Indiana.

Early Sunday morning, after leaving a relative's hunting party on a Washington County farm, Zachariah Blanton, a 17-year-old Gaston, Indiana native, committed four shootings—two along Interstate 65 in Jackson County and another pair along Interstate 69 in Delaware County.

The previous two left Jerry Ross, age 40 of New Albany, dead and another man injured.

Mr. Speaker, this tale is all too familiar to those living in the 50-mile radius of this very Chamber from which we speak today. For it was October of 2002 when the hearts of the American people were troubled by barbaric acts of terror that felled innocent women, men, and even children, in the vicinity of our Nation's Capital.

Whatever the motivation, the acts of John Allen Muhammad in Washington and Zachariah Blanton are acts of terror. These perpetrators defied civilized behavior and believed they could defy the finest local, State, and Federal law enforcement in the world. How wrong they were.

Mr. Speaker, Zachariah Blanton was apprehended by Indiana law enforcement on Tuesday of this week, just two days after his heinous crimes.

Compared to the sad slayings that paralyzed Washington for nearly two months in 2002, one can only stand in honor and amazement at the quick end to the events of this week in the Hoosier State.

Mr. Speaker, I applaud the coordination efforts of the Indiana State Police with Jackson County officials, but rise with particular deference to Sheriff George Sheridan and his Delaware County Department of whom the residents of East Central Indiana are most proud this morning.

Mr. Speaker, the nation is watching Delaware County and Sheriff George Sheridan, and the nation is impressed.

On behalf of the residents of east central Indiana, I offer a heartfelt thanks to Sheriff George Sheridan and all law enforcement officials across the Hoosier State. God Bless you for your hard work.

HONORING SANDY AUGLIERE ON HER 90TH BIRTHDAY

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to honor Sandy Augliere on her 90th birthday and recognize her many accomplishments as well as her years of dedication to the Lake Barcroft community.

Sandy Augliere was born Mary Margaret Reed in Marion, N.C., but most everyone who has met her knows her simply as Sandy. Through her engaging personal demeanor and business acumen, Sandy has become an institution in the Lake Barcroft real estate community. In addition, Sandy has been a dedicated and loving wife to her husband Vince, and mother to her four children, Carol, Noel, Reed and Tom.

The senior associate broker at Long and Foster, Sandy has been in the real estate business for some 50 years. She has been in the top 1 percent of Realtors nationally and is a lifetime Million Dollar Club member. In the course of her impressive career, she has sold or re-sold approximately 700 to 800 of the 1,044 houses in the Lake Barcroft. Even today, Sandy works seven days a week, and has no plans to quit.

In establishing her impressive real estate accomplishments, she led opponents of discrimination against African Americans in the home buying market. Sandy sold homes to a diverse group of individuals and families, including Supreme Court Justice Thurgood Marshall and Attorney General of the United States Ramsey Clark.

Throughout her ongoing success, she has never advertised on television. Instead, she depends on friends and word of mouth. If asked, Sandy is quick to point out that her personal touch has always been a hallmark of her success. This same personal touch has been felt in Lake Barcroft through her community service as Lake Barcroft Association president and Woman's Club president.

Mr. Speaker, in closing, I would like to extend my heartfelt thanks to Sandy Augliere for her contributions to the Lake Barcroft community. She is an exemplary model of success and citizenship. I call upon my colleagues to join me in recognizing her on the occasion of her 90th birthday.

TRIBUTE TO 100TH ANNIVERSARY OF OLD TIMERS DAY

HON. MELISSA A. HART

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Ms. HART. Mr. Speaker, I would like to take this opportunity to acknowledge the 100th Anniversary of Old Timers Day, a city tradition in New Castle, Pennsylvania, since 1906.

The first annual Old Timers picnic took place at Cascade Park on August 23, 1906, drawing in 7,000 residents of New Castle and has continued as an annual affair. The second year's picnic drew 11,000 people, and by the third year, attendance jumped to 17,000. The figures have fluctuated throughout the years, but this event has always been a success and an important community event.

This year's festivities will be no exception, thanks to the chairmen and the community leaders who have planned the event. Activities will include: dancing, refreshments, prizes, and souvenirs.

I ask my colleagues in the United States House of Representatives to join me in honoring the "Old Timers" of New Castle and their families. It is an honor to represent the Fourth Congressional District of Pennsylvania and a pleasure to salute the achievements and fine traditions that truly improve the lives of the senior citizens of the New Castle and neighboring communities.

REPUBLICAN FISCAL POLICY IS WORKING

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. KNOLLENBERG. Mr. Speaker, earlier this month the White House Office of Management and Budget handed down good news in its mid-year budget update—the Republican fiscal policy is working. This year's budget deficit is now forecasted at $296 billion, which is 30 percent lower than the February projections.

We have made great progress in eliminating the budget deficit through fiscal responsibility and through increased tax revenues brought on by lower taxes.

Since the President's tax cuts were fully implemented in 2003, we have seen consistent and substantial growth in tax revenue. This reaffirms our knowledge that when we ease the tax burden on the American people, we become more productive. As we face future budget challenges it is important to keep that fact in mind.

We must do what is best for Americans. As we all can see by the new forecasts . . . cutting spending and reducing taxes produces real results.

INTRODUCTION OF THE PATIENTS' ACCESS TO PHYSICIANS ACT (PAPA)

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. DINGELL. Mr. Speaker, this legislation responds to the fact that physicians are currently scheduled to receive a significant reduction in their Medicare payments over the next 5 to 10 years. The Medicare Trustees have projected that Medicare payments to physicians will be cut by 4.6 percent in January. And, if Congress does not act, physicians will see a cumulative cut of approximately 37 percent through 2015. Providers in Michigan alone stand to lose $8 billion over this time period if the cuts that are forecast are allowed to take effect.

My legislation would provide a temporary halt to these Medicare physician payment cuts. It would provide a positive physician update, expected to be between 2 and 3 percent, in both 2007 and 2008. The update would reflect physician practice cost inflation. This follows the advice of the Medicare Payment Advisory Commission's recommended formula of increases in physician practice costs minus productivity adjustment.

This legislation would also protect beneficiaries from any additional premium increases that would otherwise be caused by this change in physician payments for these 2 years. For seniors living on fixed incomes, unexpected increases in their living expenses can impose hardship. The Part B premium already consumes 9 percent of the average Social Security check. Thus, the bill ensures that beneficiaries would not see an increase in beneficiary premiums due to Congressional action to increase physician payments.

It is critical that Congress protect the right of beneficiaries to see their doctor in Medicare. The vast majority of seniors and people with disabilities are and will remain in Medicare where they have the freedom to choose their own doctor and get the care that is right for them.

While ideally we will develop a new payment system that integrates payment and quality, we do not have enough information and data to implement such a system at this time. My legislation would provide a temporary increase for doctors while Congress continues to work toward a permanent solution.

IN HONOR OF MARY LOU McCUTCHEON'S SERVICE TO THE SENIOR CITIZENS OF SUSSEX COUNTY, NEW JERSEY

HON. SCOTT GARRETT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. GARRETT of New Jersey. Mr. Speaker, for 15 years, Mary Lou McCutcheon has served the senior citizens of Sussex County with integrity, dedication and pride. Under her leadership, first at the County Office on Aging and then at the Division of Senior Services, seniors in Sussex County have seen an improved quality of life financially, medically, and socially. She has always put forth extra effort, going far beyond what was required of her job, to address the needs of the elderly in Sussex communities with true compassion.

Mary Lou has also served as a spokesperson for the elderly on both the state and national level. Just last year, Mary Lou was appointed by the Governor to be part of the New Jersey delegation to attend the White House Conference on Aging.

Her achievements have been too numerous to list and will not be forgotten anytime soon. Without a doubt, Mary Lou has touched the lives of many through her public service in Sussex County. Upon the occasion of her retirement, I extend my warmest appreciation to Mary Lou for her years of service and my best wishes for a happy retirement.

CELEBRATING THE LIFE OF AL BROUNSTEIN

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. THOMPSON of California. Mr. Speaker, I rise today to celebrate the beautiful and inspirational life of a true American icon. Al Brounstein, a longtime leader in California's Napa Valley and producer of some of the world's finest wines for over 30 years, passed away on June 26.

While Al's name may not be easily recognized in these halls of Congress, millions of the constituents we represent have benefited from the extraordinary quality, high standards and international recognition he has brought to the American wine industry.

Al Brounstein's single vineyard Diamond Creek cabernets have set the industry standard for quality and enduring structure for more than three decades. National and international wine critics have long credited Diamond Creek's unmatched success with Al's pioneering efforts in bringing the French tradition of "Terroir" to our shores. But to those of us who have had the pleasure of getting to know Al, it is at best naive to ignore the fact that more than any other single ingredient, Al's character was responsible for the works of art he bottled. The land and the climate were only a part. It was Al. Or as I like to call it: It was the Napa Valley tradition of "Al'oir."

I had the honor and extreme pleasure of knowing Al and his wonderful wife Boots for many years. While the world outside of our valley may have known him for his wine, those fortunate enough to be a part of his community knew him for his sense of humor, his love of life, his loyal friendship and his heroic, 23-year battle against a debilitating neurological disease.

Mr. Speaker, I know I am not the first and I certainly will not be the last public official to express his disappointment over a newspaper account. But I was angered to read a recently printed report regarding Al, stating he had passed away after "losing his battle with Parkinson's." Those of us who knew Al well know that he did not "lose" one darn thing to Parkinson's. Parkinson's may have picked the fight, but it was Al who ended up kicking its backside.

Al fought it with a sense of humor and a wry wit that remains unmatched. He also fought it with his commitment and tireless efforts that raised millions of dollars to fund research for a cure.

Mr. Speaker, if there is one disease in our modern time that knows it was in a fight, it is Parkinson's and it has Al's boot prints all over it. Every time he refused to complain about his illness, it took a kick. Every time he created another original painting that would be auctioned for research, it took a kick. And every time he tried to put his visitors at ease by shrugging off his tremors with a funny quip, he gave it another swift kick.

All of us were so very proud of Al and Boots when he was recognized for his leadership in this field by winning the "Buddy" Award for Enduring Spirit at the Annual Morris K. Udall National Awards Ceremony just a few years ago.

And Al's vision went far beyond making great wine and fighting disease. He had an equally unbridled vision and passion to make friends with nearly everyone he met. And, like his wine, he just did not simply make them, he nurtured and cared for them.

Mr. Speaker, nearly a thousand of these very special friends are gathered today at the Culinary Institute of America to celebrate Al's remarkable life. They represent diverse backgrounds and many uncommon occupations brought together by one common influence.

Al liked to refer to the famous budwood he creatively brought into California from France to start his vineyard as "suitcase clones." Whether you knew him as a salesman in his early days or as a vintner, artist neighbor, national spokesman or loving family member, we all carry a little of Al with us today. We, in a sense, could be considered his budwood. And we, in a sense, have a responsibility to spread the spirit and vitality that defined this American icon.

Al has encouraged us to be proud of what we do, focus on what matters, strive for quality, and always remember that we are all part of something that is much larger than ourselves.

Like his wines, the powerful concentration of his vision and the enduring structure of his character will continue to last for a very long time through the lives he has touched.

TRIBUTE TO THE SESQUICENTENNIAL OF THE CITY OF BRODHEAD, WISCONSIN

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Ms. BALDWIN. Mr. Speaker, it is with great pride that I rise today to recognize the sesquicentennial celebration of the city of Brodhead, Wisconsin. I am indeed fortunate to represent such a great city.

Brodhead is a proud and progressive community of 3,200 found in the beautiful countryside of southern Wisconsin. This peaceful city offers several unique tourist attractions. The most notable is the 23-mile long Sugar River Bike Trail, which includes a ride under the National Award Winning Clarence Covered Bridge replica constructed by the Brodhead Jaycees. Brodhead sponsors an annual festival in honor of the bridge, Covered Bridge Days, which features a tractor pull and flea market.

The city was formally founded during the spring of 1856, and named in honor of engineer Edward Brodhead, who was the mastermind behind the Milwaukee and Minnesota Railroad. Only a year later the infamous Brodhead Band was founded. The bandwagon was pulled by six horses and traveled far to Freeport, Illinois, for the Lincoln-Douglas debate. They even enlisted in the Civil War and marched in the Grand Review in Washington at the end of the war.

Residents point to the Half-Way Tree as their city's most recognized feature. The bur oak tree is located south of the city, and marks the halfway point from the Great Lakes to the Mississippi River. It is believed that Native Americans planted the tree purposefully there in the 19th century.

Brodhead's rich history in manufacturing and industry has and continues to provide the city with a solid economic foundation. Most recently, Stoughton Trailers, Kuhn Knight, Inc., and Woodbridge Corporation have helped to contribute to Brodhead's prosperity.

The celebration for this momentous milestone will start on August 11 with an opening ceremony followed by a city-wide street dance. The residents of Brodhead will continue to commemorate 150 years through the weekend, finishing on August 13 with tractor pulls and fireworks. The festivities' theme of "Pride in the Past, Faith in the Future" is a perfect representation of all that this wonderful city encompasses. The people of Brodhead deserve recognition for their great contributions to the state of Wisconsin, and I congratulate them on reaching this historic benchmark.

TRIBUTE TO CORPORAL MATTHEW WALLACE

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. HOYER. Mr. Speaker, the tragic death of a young soldier from St. Mary's County, Maryland, who gave the ultimate measure of sacrifice in the global war on terror, saddens all of us. As we continue to fight this war, the loss of each and every service member is a tragedy.

St. Mary's County, the State of Maryland, and our Nation lost a great hero when Army Corporal Matthew Wallace of Lexington Park died from his injuries after being hit by a roadside bomb on July 16th.

Matthew Wallace is the 50th Marylander killed in the war in Iraq.

Matthew told his family that he dreamed of becoming a soldier. Today, a grateful Nation thanks him for sacrificing his life in the pursuit of enduring freedom.

He served in the Army's 10th Cavalry Regiment, 2nd Brigade Combat Team, 4th Infantry Division at Fort Hood, Texas. Often working at the front of his larger unit, he earned distinctions as a marksman and earned the Army Achievement Medal.

In correspondence with his family, Wallace expressed his hope that he was helping the Iraqi people. Unquestionably, his efforts gave generations of Iraqis the dream of democracy.

Wallace attended Great Mills High School, earned his GED, and worked at several local businesses in his hometown of Lexington Park, including Linda's Cafe and a local convenience store where his co-workers praised his maturity and sense of commitment. He enlisted in the Army in early 2004.

When he deployed to Iraq in December, he was well aware of the danger he would be facing. "He chose to do this," his mother said proudly. His sister Jessica recalled flying home from Basic Training with Matthew, who was still in full uniform, and a man came up to him and thanked him for his service. His older sister said she then realized, "he was now America's son, America's brother."

Matthew's service to our Nation was source of great pride to his parents, Keith and Mary, as well as his sisters, Jessica, Abigail and Micah. Matthew was a Top Gunner for a Bradley Vehicle for his unit in Iraq who once told his mother "he was going to fight the war on terror so his sisters' children never had to." He felt compelled by the events of September 11 to do something more for his Nation.

Indeed, Matthew Wallace gave his life for all of us. As his Representative in Congress, I am grateful for his patriotism and his sacrifice. The Fifth District of Maryland and all Americans join the Wallace family in mourning the loss of this fine young man a real hero.

STATEMENT RECOGNIZING THE 32ND ANNIVERSARY OF TURKEY'S INVASION OF CYPRUS

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. LANGEVIN. Mr. Speaker, as a proud member of the Hellenic Caucus, I wish to recognize the 32nd Anniversary of the Turkish invasion of Cyprus. On July 20, 1974, under the pretense of peace-keeping operations, Turkish forces occupied northern Cyprus and gained de facto control in the annexed territory. Today we remember those who lost their lives, the barrier that was erected, and the political upheaval it created. Sadly, despite attempts by the United Nations for a reunification settlement, the country remains divided.

On this anniversary, in addition to mourning and remembering, let us also look forward as positive developments have recently occurred. Earlier this month, Cypriot President Tassos Papadopoulos and Turkish Cypriot leader Mehmet Ali Talat agreed to begin a process of bilateral discussions to find a comprehensive settlement to the ongoing Cyprus problem. Both sides recognize that the status quo is deplorable and its prolongation will continue to have negative consequences for both Turkish and Greek Cypriots. The Set of Principles agreed to by the leaders includes a commitment to the unification of Cyprus based on a bizonal, bi-communal federation and political equality, as set out in Security Council resolutions. Discussions would immediately commence to focus upon issues that affect the day-to-day life of the people while addressing those that concern substantive issues, both of which will contribute to a comprehensive settlement. This momentous agreement is the first step to engage in direct negotiations since Cyprus's admission to the European Union on May 1, 2004.

Recent events represent great triumphs for the Cyprus state and affirm Cyprus's willingness and determination to diplomatically resolve the decades-old inter-communal conflict. U.S. support, in conjunction with the U.N. and EU, will play an integral role in ensuring successful Cypriot negotiations. The United States must consider Cyprus as one of our nation's top foreign policy priorities. As Americans, we must guarantee that our foreign policy reflects our values of justice, equality and responsibility, and promoting a lasting peace and stability in Cyprus will help further those values. The United States holds a unique position of trust with both Greece and Turkey, and we must use our influence to work toward a solution that is acceptable and equitable to all of Cyprus's residents.

The European Union will also play an important role in charting the future of Cyprus. I was a strong advocate of Cyprus's admission to the EU because Cyprus, like the United States, shares a commitment to democracy, human rights, and the concept of equal justice under the law. Also, the EU's consideration of Turkey's application for membership provides a prime opportunity for needed reforms. If Turkey wishes to increase its global profile and to gain the world's respect, it must earn it by demonstrating its commitment to peace in Cyprus, as well as other important priorities such as ending the blockade of Armenia. Members of the EU have expressed similar concerns, and I have urged Secretary Rice to emphasize those factors as the EU continues its deliberations.

Despite the obstacles and disappointments we have experienced in the past, we cannot abandon our vision of a Cyprus that is again unified and able to reach its fullest potential in the international arena. The United States has stood beside her in the past, and we will undoubtedly maintain this strong relationship for years to come.

Again, I thank my colleagues on the Hellenic Caucus for their recognition of this important event.

TRIBUTE TO DR. GLORIA JEAN McCUTCHEON

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to a community leader, university professor, and accomplished scientist, Dr. Gloria Sanders McCutcheon. After a distinguished career spanning over 30 years, Dr. McCutcheon is retiring from Clemson University. Throughout her tenure in academia, she has blazed trails for future generations and has provided steadfast support to her community.

Renowned scientist Dr. George Washington Carver once said, "When you do the common things in life in an uncommon way, you will command the attention ofthe world." Dr. McCutcheon has taken this admonition to heart. Born and raised in Denmark, SC, she is a product of its public schools. She is the daughter of Mr. David Sanders, Sr. and the late Mrs. Hattie Mines Sanders, who taught her the value of hard work, a good education, and a close personal relationship with the Almighty. She completed her secondary education at Voorhees High School, and the bachelor and masters degrees at Clemson University, B.S. zoology and M.S. entomology.

With that foundation, Dr. McCutcheon decided to take a different path in her professional life, becoming a pioneer in the field of entomology. In 1987, she received a doctorate from the University of Georgia, becoming the first African American to earn a Ph.D. in entomology from that institution. After returning to her native South Carolina, Dr. McCutcheon became an integral part of the Clemson University faculty.

Dr. McCutcheon currently serves as a research scientist and professor emerita in the Department of Entomology, Soils, and Plant Sciences at Clemson University. Her research has contributed greatly to the decrease in pesticide usage in soybean, cotton, and vegetable production. She has published over 75 papers in scientific journals and extension manuals, as well as two book chapters as Encyclopedia Entries.

She is a Kellogg Fellow and has traveled throughout the U.S. and to South America, Central America, Europe and Africa to study and teach environmental entomology. She has been honored with the Award for Faculty Excellence by the Clemson University Board of Trustees in both 2002 and 2004. She has served as president of the South Carolina Entomological Society and has served on numerous committees with the Entomological Society of America.

Dr. McCutcheon serves as president of Gamma Zeta Chapter of Zeta Phi Beta Sorority, Inc. in Charleston, SC. She has participated in several units of United Methodist Women, UMW, and is currently serving as historian for the UMW at Trinity UMC in Orangeburg. She recently completed 12 years as a member of the Board of Trustees at Columbia College and participated in a Roundtable with Policy Makers televised from Washington, DC in 1995, "Shortchanging Girls, Shortchanging America." Dr. McCutcheon was awarded the Unsung Hero Award for Outreach by the Congressional Black Caucus for her contributions to the community.

Married to Rev. Larry D. McCutcheon, she continues to grow and share in their ministry at Trinity United Methodist Church. They have been blessed with two wonderful adult daughters: Priscilla is a political scientist and Ph.D. graduate student at the University of Georgia; Carmen is an attorney specializing in health policy.

Mr. Speaker, I ask you and my colleagues to join me in congratulating Dr. Gloria McCutcheon upon her retirement from Clemson University and for her extraordinary achievements. She has stayed true to the vision of her parents and her community service, and has commanded great attention by her words and deeds.

STATEMENT RECOGNIZING THE SUCCESS OF BUILDING SAFETY WEEK

HON. JOHN J.H. "JOE" SCHWARZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. SCHWARZ of Michigan. Mr. Speaker, I rise today to recognize the success of Building Safety Week 2006, an annual, nationwide event sponsored by the International Code Council, ICC, that took place from May 7 to 13. The goal of Building Safety Week is to increase awareness of building safety and fire prevention issues through a variety of activities on the national, State and local levels.

This year, the ICC Board of Directors and members of the ICC Government Relations Advisory Committee, GRAC, gathered here in Washington, DC and spent a day visiting with Members of Congress to help spread their message of public safety. I personally met with one of my constituents, Mr. Henry Green of Lansing, MI, who serves as president of the Board of Directors. It is my hope that my colleagues here in the House and the Senate will carefully consider the legislative priorities presented to us in these meetings.

I would like to thank these men and women for their service and dedication to ensuring that we all live, work and play in a safe built environment. Along with Mr. Green, these individuals include: Immediate Past President Frank Hodge, Vice President Wally Bailey, Secretary/Treasurer Steven Shapiro, Jimmy Brothers, Terrence Cobb, John Darnall, Gerald Geroge, John LaTorra, Ron Piester, Ed Berkel, Bill Duck, Bill Dupler, Greg Johnson, Barbara Koffron, Ron Lynn, Tim Ryan, Adolf Zubia, GRAC Chairman Ron Nienaber, Becky Baker, Bill Chambless, Ross Montelbano, Betts Nixon, Emory Rodgers, Lynn Underwood and George Wiggins.

Congratulations again to the hardworking and dedicated members of the ICC.

IN RECOGNITION OF JOHN HARRIS FOR BEING NAMED THE 2006 AGRICULTURIST OF THE YEAR BY THE CALIFORNIA STATE FAIR

HON. JIM COSTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. COSTA. Mr. Speaker, I rise today to honor John Harris of Coalinga, CA, the recipient of the 2006 California State Fair Agriculturist of the Year Award.

John has been a lifelong farmer, businessman and Fresno County resident. He graduated from University of California, Davis, where he received a bachelor of science degree in agricultural production in 1965. He served as an officer in the United States Army from 1966 to 1968 and returned to the family's farming operation in 1968.

Becoming a true icon for California agriculture, John Harris strived for excellence since day one at the family farm. Currently, he runs an extremely diversified company growing over a dozen crops, feeding approximately 200,000 cattle a year, which are processed at Harris Ranch and sold throughout the west. In addition to his farming and cattle business, John Harris oversees the well-known Harris Ranch Restaurant and Inn located in the outskirts of the city of Coalinga in west Fresno County. As an avid horse-racing supporter, John also manages a large thoroughbred breeding farm and racing stable. John Harris is committed to bringing acclamation to the California's thoroughbred horse-raising industry. Mr. Harris is certainly a man who exemplifies an extraordinary ability to embark on new endeavors and be very successful at bringing many projects to fruition.

Aside from his businessman talents, John is a strong philanthropic supporter of his community and region as a whole. He is a member of many local community boards and contributes immensely to local groups and organizations with various missions to enhance the quality of life of Valley residents. Some of these include the National Beef Board, the California Beef Council, the California Cattlemen's Association, and the Pacific Legal Foundation. Some of the community organizations he has contributed to include the Fresno Metropolitan Museum and the University of California at Davis, specifically the Veterinary School.

John Harris is a living legacy of what California agriculture should strive to be as an industry in order to coexist with other booming industries and our environment. He works hard to incorporate high technology innovations to his business practices to protect the air and the environment as much as possible. All the trucks used in his feedlot and meat packing plant run on biodiesel and both the feedlot and the meat-packing plant are state-of-the-art model buildings for the industry.

John Harris is a man of integrity, honesty and compassion. He genuinely cares for his community and is willing to share his vast knowledge with others. In addition, he and I share the same passion for the well-being of California's Central Valley. For this and so much more, I am honored to consider John Harris as a friend and certainly commend him for all his accomplishments and extend my most sincere congratulations for receiving this prestigious award from the California State Fair.

TRIBUTE TO THE 75TH ANNIVERSARY OF WALL DRUG

HON. STEPHANIE HERSETH

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Ms. HERSETH. Mr. Speaker, I rise today to commemorate a milestone in the history of one of South Dakota's and the nation's most beloved and recognizable roadside landmarks. This fall, the Wall Drug Store will be celebrating its 75th year of continuous operation near Badlands National Park in Wall, South Dakota. Each year, hundreds of thousands of weary road travelers simply follow the billboards to enjoy a refreshing glass of ice cold water and experience a bit of small-town South Dakota.

Dorothy and Ted Hustead began their version of the American Dream when they moved to tiny Wall, South Dakota and purchased a drug store in 1931. The Husteads set out on their own in search of a small town with a Catholic church that needed a pharmacist and found it among the 362 residents of Wall. At a time when much of the plains were devastated by drought and the depression, running a small business was a difficult enterprise. In 1936, Dorothy Hustead came up with the idea to put up signs along the road offering free ice water to travelers on the hot, dusty prairie. Well, the signs did the trick, and more and more travelers came by the store. So they put up more signs on the highway, and from that point on business was booming. Before long, the Husteads were serving upwards of 20,000 cups of ice water per day and they had signs and billboards for hundreds of miles in every direction. Today, Wall Drug signs appear all over the world, places such as London, Moscow, and even the South Pole.

Seventy-five years after Wall Drug began, not much has changed. Wall is still a small town with a population of 818. Wall Drug is still run by a man named Ted Hustead, although he is the founder's grandson, and there is still a working pharmacist on site. However, Wall Drug now occupies 76,000 square feet and is one of the leading tourist attractions in South Dakota. The store has become a leading retailer of authentic western art and memorabilia, from cowboy boots to original oil paintings to "genuine" stuffed jackalopes. As such, it is a major part of the economy of western South Dakota, contributing tax revenue to the town and acting as one of Wall's major employers. In fact, in the summer, Wall Drug provides 230 jobs in this town of 818 people.

I want to congratulate the Husteads and the community of Wall on the 75th anniversary of Wall Drug. Wall Drug is an important part of our state's history, and I wish them the best on their next 75 years of success.

Mr. Speaker, the next time you or any of my other colleagues find yourself in western South Dakota, on your way to visit Mount Rushmore or the Black Hills, I encourage you to stop by Wall Drug to enjoy a refreshing cup of ice water and take in a little bit of western culture. I assure you it won't be hard to find; just follow the signs.

INTRODUCTION OF THE FEDERAL EMPLOYEE COMBAT ZONE TAX PARITY ACT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. WOLF. Mr. Speaker, today I am introducing the Federal Employee Combat Zone Tax Parity Act, which would provide parity by extending the tax credit currently received by military personnel to the civilian Federal employees working along side them.

Just the other day I received an e-mail from a constituent who is currently stationed in Afghanistan. She said: "I am completing a one year tour with the U.S. Army Corps of Engineers in Kabul, Afghanistan. I work with the U.S. military and I live in the same residences with the U.S. military. During the riots on Memorial Day, I listened to the same gunfire as the U.S. military and I wore the same 30 pounds of Individual Body Armor and the Kevlar Helmet as the U.S. military."

It is only equitable that both military and civilian employees who are serving side by side receive the same tax treatment. In fact, even contract employees can get a tax break through the foreign earned investment tax credit, but Federal employees are specifically exempted from that tax credit.

As a former Federal employee, I am keenly aware of the invaluable contributions Federal employees make to our country. I believe we must ensure that our Federal workforce is treated with fairness and respect.

The Pentagon stated in the proposed regulations for the new National Security Personnel System that "NSPS is essential to the department's efforts to create an environment in which the total force, uniformed personnel and civilians, think and operates as one cohesive unit." What kind of message does it send to civilian employees if they receive disparate tax status from their military colleagues?

Just as military personnel, Federal employees serving in combat zones must leave their families behind and this can increase the financial burdens on families. Families with two working parents suddenly have only one parent able to care for the needs of the family. Military personnel in combat zones were given a tax credit back in 1913 to help alleviate their tax burden, but Federal employees were left out.

Since 9/11 it has become ever more vital to have a thriving civil service participating in our efforts to fight the war on terrorism. Now more than ever in our nation's history we must take action that reflects the contributions both our civilian and military employees are making—in the war on terrorism and as well as the daily operations of the Federal Government in providing the services upon which every American relies.

Federal employees are on the front lines of the war against terror.

The first American to die in Afghanistan was a CIA agent from my district.

Federal employees are in Iraq helping the Iraqi people to build a free nation.

Throughout the world, America's civil servants are serving our government and our people, often in dangerous locations.

How can we tell them we will not give them a fair and equitable tax credit that recognizes their hard work, dedication, and sacrifice?

We are asking Federal employees to take on more and more responsibility every day. They are on the ground in the war on terrorism taking over new roles to relieve military personnel of tasks civilian employees can perform. They are all playing a vital role in keeping us safe and deserve to be treated with respect and fairness.

We have a long tradition in the Congress of recognizing the valuable contributions of our federal employees in both the military service and in the civil service by providing fair and equitable treatment. This is not the time to shirk our duty to the civil service.

I urge my colleagues to join me in support of the Federal Employee Combat Zone Tax Parity Act.

TRIBUTE TO FRANK ROMERO

HON. JOHN T. SALAZAR

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. SALAZAR. Mr. Speaker, I rise today to pay tribute to an upstanding member of my community. Frank Romero passed away on Monday, July 24, 2006. He was 77.

Frank was a good man whom I knew well. He was a man committed to his family, his community and the Lord.

Frank spent 20 years as the treasurer for Conejos County. In that time, he produced some of the best audit reports the county had ever seen.

Frank was a tireless advocate for agriculture in the San Luis Valley. A farmer and rancher himself, Frank was connected to the land and knew the value of a hard day's work.

In our community, Frank was a servant in the true sense of the word through his work in the Knights of Columbus and other organizations.

Frank will be remembered as a loving family man, a devoted public servant and a genuinely good man. He enjoyed fishing, hunting, dancing, welding, traveling, reading, working on his ranch, snowmobiling and all outdoor activities with his family.

My heart goes out to Frank's family including his wife Philomena and his many children and grandchildren. I would like to express my personal gratitude for Frank's friendship.

TRIBUTE TO GREATER PHILADELPHIA HEALTH ACTION, INC.

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise to pay tribute to Greater Philadelphia Health Action, Inc. (GPHA) as it joins community health centers nationwide in celebrating "National Health Center Week," August 6–12.

National Health Center Week highlights the importance of community health centers as a vital part of health care systems in medically underserved areas. "Celebrating Patient Voice and Community Choice," is the theme of this year's campaign. The theme emphasizes the vital role that community boards of directors provide related to the delivery of health care to the community and determining the range of affordable services provided by the centers.

GPHA was founded in 1970 by the late Carl Moore, a long-time community activist who came together with other community leaders to form GPHA, one of the first medical managed care programs in Philadelphia. It is a community-based, grass roots effort whose mission is to provide quality comprehensive primary health care, health education, human services and child development services to families and individuals throughout the Delaware Valley, regardless of a patient's ability to pay.

The celebration of National Health Care Week also affords the opportunity to highlight the contributions of Mr. Moore and GPHA CEO Ron Heigler, recently elected chair of the Pennsylvania Primary Health Care Forum and his committed staff. All are to be congratulated for continuing to carry on Mr. Moore's vision of providing quality health care to the underserved.

Today GPHA operates six full-service health centers and a behavioral health program, as well as the Woodland Academy Child Development Center in Southwest Philadelphia. The centers also offer specialized treatment and patient education related to asthma, hypertension, heart disease, diabetes and HIV/AIDS.

There is no doubt that GPHA and the nation's community health centers fill a major void in our Nation's health care safety net.

TRIBUTE TO CHIEF PATROL AGENT SIMON GARZA, JR.

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. BONILLA. Mr. Speaker, I rise today to honor a great American soon scheduled to end his lifelong career of service to our Nation—U.S. Customs and Border Protection Border Patrol Marfa Sector Chief Patrol Agent Simon Garza, Jr.

Born in Laredo, Texas, Chief Garza has spent his entire career fighting to secure our borders and ensure our freedoms. Chief Garza began his career, after studying engineering at the University of Houston, by serving in the United States Army, including service in the Republic of Vietnam in 1969 and 1970. In 1975 he joined the United States Border Patrol as a member of the 107th Session at Port Isabel, Texas. After graduation from the Border Patrol Academy, he received his first assignment in his home State in the Del Rio Sector. After much hard work and determination, Chief Garza was promoted in 1985 to Supervisory Border Patrol Agent. By 1990 he was again promoted to Patrol Agent in Charge, and by 1994 he was part of the senior staff at the Del Rio Sector Headquarters, serving as Assistant Chief Patrol Agent.

One year later Chief Garza's leadership role dramatically expanded when he was named Deputy Chief of the United States Border Patrol in Washington, D.C. There he represented the Border Patrol across the world, including in the Middle East, where he shared his valuable insight and experience with foreign leaders and governments.

After serving in Washington, DC, Chief Garza returned back to the field to lead the Marfa Sector as Chief Patrol Agent. During his tenure as Chief Patrol Agent, Chief Garza has modernized his sector to respond to the growing threats to our national security by utilizing mission-oriented technology and transitioning the Sector Intelligence Unit to a pro-active organization. Day in and day out, Chief Garza and his well-trained staff put their lives on the line to tirelessly work to protect our country.

I am proud to commend my good friend—and a hero to our Nation—Chief Simon Garza, Jr., for his distinguished and honorable career. His straightforward and unwavering leadership will be greatly missed. Congratulations on a job well done, Chief.

INTRODUCTION OF THE STEVENS-INOUYE INTERNATIONAL FISHERIES MONITORING AND COMPLIANCE LEGACY ACT

HON. RICHARD W. POMBO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. POMBO. Mr. Speaker, today, my colleagues, NEIL ABERCROMBIE, DON YOUNG, JIM SAXTON and I are introducing the Stevens-Inouye International Fisheries Monitoring and Compliance Legacy Act. This legislation will amend the Magnuson-Stevens Fishery Conservation and Management Act—the Nation's premier fishery conservation statute—and Title IV of the High Seas Driftnet Fishing Moratorium Protection Act to promote additional measures to reduce Illegal, Unreported and Unregulated fishing activities. In addition, the bill will implement two international fisheries treaties—the Western and Central Pacific Fisheries Convention and the Agreement between the Governments of the United States and Canada on Pacific Hake/Whiting.

This legislation continues to build on the United States' tradition of implementing fishery conservation and management measures domestically and internationally. The United States has been a leader at many international fora to move forward policies that require countries to enforce conservation measures on their flag vessels.

Some international fisheries commissions have been more successful than others in passing resolutions recommending the implementation of conservation measures for fish species in international waters and tying to these measures adequate enforcement provisions. Title I of the Stevens-Inouye International Fisheries Monitoring and Compliance Legacy Act requires the Secretary of Commerce to work toward getting all international fisheries commissions to adopt effective enforcement provisions for species of fish under their jurisdiction.

The effective enforcement of conservation measures for vessels fishing in international waters will help reduce and work toward eliminating the illegal, unreported and unregulated fishing activities occurring in many high seas areas. This legislation would require the Secretary to work with international fishery commissions to adopt market-based incentives, use vessel monitoring systems, and create international vessel registries as ways to eliminate unregulated fishing activities.

Title II and III of this legislation would implement the Western and Central Pacific Fisheries Convention and the Agreement between the Governments of the United States and Canada on Pacific Hake/Whiting, respectively. These two titles will allow for U.S. participation in these important international fishery commissions. As in Title I of this legislation, U.S. participation at these international commissions is critical to moving forward U.S. policies to further conserve Pacific Highly Migratory Species and Pacific Whiting and the adoption of effective enforcement measures.

The Senate Commerce Committee, led by Co-Chairmen STEVENS and INOUYE, have been leaders on this issue and have passed similar legislation through the Senate and the short title of the bill recognizes their leadership in this area.

This is an important piece of legislation and I look forward to working with my House Colleagues and my Senate Colleagues to pass this bill to the President before the end of the year.

CELEBRATING THE 75TH ANNIVERSARY OF THE IRVING G. BERGMAN AMERICAN LEGION POST IN BANNING, CALIFORNIA

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. LEWIS of California. Mr. Speaker, the American Legion is one of the most respected institutions in our Nation, honoring our veterans and providing service to local communities. This is especially true of the Irving G. Bergman Post 428 in Banning, California, which is celebrating its 75th anniversary in August.

Post 428 was chartered as the San Gorgonio Pass Post of the American Legion in August 1931, to serve the veterans living in the Riverside County cities of Banning, Beaumont, Cabazon, Cherry Valley and Calimesa. Over the years, the Post has also become a community resource in the rapidly growing area.

More than 200 veterans from World War II, Korea, Vietnam and the Persian Gulf are active members of the Post, which refurbished a building in downtown Banning for its headquarters. My colleagues will be pleased to know that a flag flown over our Capitol waves over the Post each day.

Members of the Post provide service to disabled veterans at the Jerry L. Pettis Memorial VA Medical Center in nearby Loma Linda. The Post is a frequent host for ceremonies on Veterans Day, Memorial Day and other observances. Members have sponsored widely recognized salutes, including a Salute to Blue Star Families and a communitywide Welcome Home to Troops which drew hundreds of area residents to honor California National Guard members returning from fighting the War on Terrorism. The Post also helped completely refurbish the local Armory.

Post 428 is especially active in the community, with members visiting schools to talk about patriotism and what it means to be a veteran, presenting small flags to students and large flags to be flown at the schools. Members have also participated in safety fairs and local parades.

I am particularly grateful to the past commander of Post 428, Rees Lloyd, who has been a strong advocate for protection of the Mojave Cross Veteran's Memorial in the Mojave National Preserve in the desert area of my congressional district. Although it is in a remote location and has a clear history as a veterans memorial, the cross has been challenged by the American Civil Liberties Union, which sued the National Park Service to remove it. Through the efforts of Mr. Lloyd, who is now commander of all Riverside County Posts, the American Legion has taken a strong stand in support of maintaining the cross. With their support, I am hopeful we will prevail in keeping this memorial to our veterans.

Mr. Speaker, the American Legion motto is "Still Serving God and Country," and I believe that is especially true of Post 428. Please join me in thanking them for their public service, and congratulating them on their 75th anniversary.

KOREAN WAR ARMISTICE DAY

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, July 27 marks a historic day.

On this date in 1953, the United States signed an armistice with China and North Korea. This agreement ended the hostilities of the Korean War. Unfortunately, most Americans forget this date.

Sandwiched between the second World War and Vietnam, the Korean War can easily be overshadowed. This is a tragedy. Thousands of American soldiers gave their lives in defense of freedom halfway around the world.

As Members of Congress, we have an obligation to ensure that their memory does not fade into obscurity.

On this day, I ask that all Americans take a moment to remember the enormous sacrifices made by our soldiers during the Korean War.

I also want to extend my heartfelt thanks to our nation's Korean War veterans.

RESOLUTION HONORING PURPLE HEART DAY IN SAN ANTONIO, TEXAS

HON. HENRY CUELLAR

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. CUELLAR. Mr. Speaker,

Whereas, on August 7, 1782 in Newburgh, New York, General George Washington began the time-honored tradition of awarding the valor of our soldiers with his creation of a badge of distinction, known as a Purple Heart, to be given to enlisted men and noncommissioned officers.

Whereas, on January 7, 1931, a new design of the Purple Heart was created by Ms. Elizabeth Will, an army heraldic specialist in the Office of the Quarter. The design consisted of a purple enameled heart within a bronze quarter inch border showing a profile of President George Washington.

Whereas, on this day, we celebrate Purple Heart Day on the anniversary of its creation on August 7, 1782, as a part of our patriotic duty to remember and recognize our soldiers willing to serve our country.

Be it hereby resolved, that Congressman HENRY CUELLAR commends the City of San Antonio for recognizing the importance of Purple Heart Day and for honoring our veterans on this day.

PERSONAL EXPLANATION

HON. TIM MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. MURPHY. Mr. Speaker, on rollcall No. 407, the Stearns of Florida Amendment to H.R. 5682, the United States and India Nuclear Cooperation Promotion Act of 2006. Had I been present, I would have voted "aye".

A TRIBUTE TO SRI CHINMOY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. ACKERMAN. Mr. Speaker, I consider it an honor and a distinct privilege today to rise and offer birthday congratulations to a man many in this country and the world have come to respect and admire, Sri Chinmoy, who on August 27, will be celebrating his 75th birthday in New York City. He is a selfless individual who has dedicated himself to nurturing world harmony and to the creative expression of the limitless potential of the human spirit.

Sri Chinmoy's many contributions to American life and culture have been expressed through teaching, athletics, art, music, poetry and literature. He combines the contemplative traditions of his native India with the dynamism of his adopted America to serve humanity through programs such as the World Harmony Run torch relay, The Oneness-Heart

Tears and Smiles worldwide humanitarian service, and the Lifting Up the World with a Oneness-Heart awards program. Through these initiatives for world harmony, he has touched countless lives and offered hope to thousands of individuals worldwide.

Mr. Speaker, Sri Chinmoy Kumar Ghose was born on August 27,1931, in India in East Bengal, the present day Bangladesh. On April 13, 1964, he arrived in this country from Southern India, where he had received his education and training in the ancient methods of yoga at the Sri Aurobindo Ashram.

When he came to this country, he founded the Sri Chinmoy Centre, headquartered in Jamaica, Queens. The first Centres were established in 1966 in Puerto Rico and New York, and have since grown to include branches all over the United States and 73 other countries worldwide. The Centres are dedicated to the twin goals of public service and personal spiritual growth through the use of meditation. The students of Sri Chinmoy include individuals from all faiths and walks of life who seek to cultivate harmony and goodwill both in themselves and in their communities. They also compose the community of volunteers who carry out, at the grass-roots level, Sri Chinmoy's vision of loving service through such varied projects as humanitarian aid and the sponsorship of musical concerts and athletic events.

Considered one of the world's foremost authorities on Eastern philosophy, which is a systematic method of expanding consciousness through meditation, prayer and selfless service, Sri Chinmoy has lectured on this topic at many of the major universities in the United States. His first lecture tour began at Yale on December 4, 1968 and included talks at all 8 Ivy League Universities. In the early 1970s he lectured at 20 universities on topics of Indian wisdom and philosophy. In 1974, he spoke at universities in all 50 states.

He continues to lecture here and around the world. In his writings and speeches, he endeavors to share eastern light for the western mind. A prolific writer and poet, Sri Chinmoy has written over 1,550 books of essays, poems and short stories. The largest university library collection of his works is at Harvard Divinity School.

Meditation classes under Sri Chinmoy's guidance are always provided free of charge. He offered his first public meditation at Columbia University on April 23, 1971, and his first meditation in Congress at the Rayburn House Office Building on May 23, 1979, under the sponsorship of my former colleague, the distinguished late New York Congressman Joseph P. Addabbo.

Mr. Speaker, Sri Chinmoy believes that sport is a powerful instrument for promoting global harmony. He has long found that athletics can be an invaluable source of motivation and enrichment for thousands of people, young and old alike. In 1976 he was recognized with a commendation from the President's Council on Physical Fitness for his role in inspiring young Americans to run the 50-State, 9,000-mile "Liberty Torch" relay held in honor of the U.S. Bicentennial. He founded the Sri Chinmoy Marathon Team in 1977. In 1982, several of his students organized "America's Freedom-Ride," a 50-State public participation bicycle relay that celebrated the 200th anniversary of the U.S. Constitution.

The lessons of these early 50-State American relays became the foundation for the Sri Chinmoy Marathon Team to organize a global torch relay. Now known as the World Harmony Run, it was held from April to August on a biennial basis from 1987 to 2001 and resumed as a yearly event in 2005. The World Harmony Run seeks to promote international friendship and understanding. This year, an international team of runners will carry a flaming torch, symbolizing the human aspiration for oneness, through more than 80 countries around the globe together with a 10,500-mile, fifty State U.S.A. route. The event serves to connect thousands of grassroots efforts for world harmony taking place in communities across the globe. It does not seek to raise money or promote any political cause, but rather to create good will among peoples and nations.

The Sri Chinmoy Marathon Team has made a city block in my district world famous. It's where the longest running race in the world takes place around the shortest course—a half-mile certified loop on paved sidewalks adjacent to the Grand Central Parkway. To complete the Self-Transcendence 3,100 Mile Race, participants run 5,648.688 laps around the block, a distance equivalent to more than 118 marathons. The Tenth Annual edition began on June 11 and continues into August with the largest field yet of 15 ultra-distance runners. As in all his endeavors, Sri Chinmoy sets the highest standards of organization, logistics and support to help ultra-marathon runners achieve their greatest potential. We can expect of this race to see new world records and personal bests.

A decathlon and 100-meter sprinting champion in his youth, Sri Chinmoy believes in the necessity of a sound mind and a sound body. He began his own long-distance running career in Golden Gate Park in San Francisco on June 1, 1978. In March 1979, he ran his first marathon in Chico, California, and, later that month, his fastest marathon in 3:55:07 at the Heart-Watchers Marathon in Toledo, Ohio. He has completed 22 marathons and 5 ultra marathons and now, at age 75, still regularly exercises.

Mr. Speaker, Sri Chinmoy first began weightlifting on June 26, 1986, and embarked on a new dimension in his weightlifting career 2 years later when he inaugurated "Lifting Up the World with a Oneness-Heart." This is his way of recognizing individuals from all walks of life who inspire humanity and excel in their respective fields. At these programs, Sri Chinmoy lifts each honoree overhead on a special platform, symbolically reflecting their own uplifting contributions to the world.

Bill Pearl of Oregon, a Five-time Mr. Universe, was the first person lifted in this fashion. Sri Chinmoy has lifted Members of the U.S. Senate and House of Representatives, heads of state, ambassadors, Nobel laureates, university professors, spiritual leaders from all faiths, Olympic athletes, citizens serving their communities, and school children whose dreams are so important to our future. In Hawaii, on December 23, 1990, he lifted Senator Hiram L. Fong, who was Hawaii's first Senator at the time of statehood.

On July 10, 2001, in the Rayburn Gold Room, Sri Chinmoy simultaneously lifted my esteemed New York colleague Benjamin Gilman and me on a two-platform lifting apparatus, one of us with each arm. If I had not experienced it, I could not imagine this to be possible. In a day-long lifting program at Boeing Field Auditorium in Washington State on July 13, 2003, held to celebrate the centenary of the Wright brothers first flight, Sri Chinmoy lifted 123 airplane pilots in appreciation of their dedicated services in carrying humanity into the skies. From 1988 to 2006, Sri Chinmoy has honored more than 8,000 individuals from many countries with this award.

Mr. Speaker, The Oneness-Heart Tears and Smiles is the voluntary humanitarian service program of the Sri Chinmoy Centre. Since 1991, centre members worldwide have collected and shipped tons of humanitarian supplies to countries in need including South Africa, Angola, Mozambique, India, and, after the tsunami, Sri Lanka. It responds to disaster relief requests, health and education needs, and regional development projects. The program obtains and distributes medical, domestic and educational supplies and toys, working closely with other aid agencies, local NGOs, community groups and corporations.

One would think that this busy schedule and numerous interests would be enough for one man, but not so for Sri Chinmoy. An accomplished composer of music for choir and instruments with 13,000 songs composed in his native Bengali and 7,000 in English, Sri Chinmoy has performed his music free of charge at over 750 concerts worldwide since 1984. Last year, to celebrate his 74th birthday, he played his original compositions on 74 different pianos at an outdoor concert in Queens.

Senators Daniel Patrick Moynihan of New York and Claiborne Pell of Rhode Island sponsored an art exhibit of Sri Chinmoy's soul-bird drawings in the Russell Rotunda of the U.S. Senate in 1995.

All told, Sri Chinmoy has written 20,000 songs, taught 300 university lectures, authored 1,550 books, including 112,000 poems, penned 15 million bird drawings, and completed 200,000 "Jharna-Kala" paintings ("Fountain of Art" in his native Bengali).

He has dedicated his life to inspiring and serving all those trying to make the world a better place, whether ordinary citizens or those entrusted with the stewardship of a nation.

Mr. Speaker, on this, the celebration of Sri Chinmoy's upcoming Diamond Jubilee 75th birthday, I ask all my colleagues in the House of Representatives to please join me as I wish Sri Chinmoy success in the years ahead and best wishes for a long and continuingly fruitful life.

INTRODUCTION OF A RESOLUTION CONGRATULATING THE NATIONAL LIBRARY OF MEDICINE ON ITS 50TH ANNIVERSARY

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. VAN HOLLEN. Mr. Speaker, today I am introducing a resolution congratulating the National Library of Medicine on the occasion of its 50th anniversary.

The National Library of Medicine, which is located on the National Institutes of Health campus and is in my Congressional district, was created in 1956 by the National Library of Medicine Act. Before 1956, the National Library of Medicine was known as the Armed Forces Medical Library.

The National Library of Medicine provides invaluable tools for medical librarians such as the Medical Librarian Association, health consumers, and health professionals to support information access and high-quality health care. With its vast collections in all areas of biomedicine and health care, the National Library of Medicine is the world's largest medical library with more than 8 million items.

Through its extramural grant programs, outreach programs, health information technology research programs, and databases such as Medline/PubMed Central and ClinicalTrials.gov, the National Library of Medicine works to provide the highest quality, most relevant, and timely health information for health professionals and health consumers.

Mr. Speaker, I salute the National Library of Medicine on its 50th anniversary and commend it for its leadership in the health sciences information field.

THE "SWIFT APPROVAL, FULL EVALUATION (SAFE) DRUG ACT"

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. MARKEY. Mr. Speaker, I rise today to introduce the Swift Approval, Full Evaluation (SAFE) Drug Act. This bill is designed to ensure that the FDA can balance the need to get important life-saving drugs to the market quickly while ensuring the drugs get the full evaluation they need to ensure the safety of those products. A strong postmarketing study system allows the FDA to achieve a careful balance between speed of approval and careful scrutiny of the products. However, as both the GAO and the Inspector General of HHS recently reported, the system to ensure that postmarketing studies are conducted and completed is broken and the FDA has not made reform a priority.

Postmarketing studies are important because they prevent death, detrimental reliance and waste. They provide critical information about the risks and benefits of a drug after it has been approved and on the market. They can also provide additional information about optimal use of the product and what groups of people are most likely to benefit (or not benefit) from use. Since the long-term effects of products are not usually studied prior to approval, postmarketing studies provide critical information about the risks or benefits of long-term use. Postmarketing studies allow the FDA to approve drugs for to consumers who need them quickly while ensuring that scientists will continue to investigate the best uses of the drug. These studies are particularly important when, in the interest of speeding drugs to consumers, the drugs are approved under the FDA's accelerated approval process.

In 1992, the Food and Drug Administration, FDA, established a process that amounted to a trade-off between its mission to ensure drug safety and effectiveness and the need to speed promising new drugs to market to increase treatment options for life-threatening illnesses. Called accelerated approval, this process allows FDA to approve a drug on an expedited basis using promising but limited information about its safety and effectiveness, but only on the condition that the company agrees to conduct further studies to confirm the safety and effectiveness of the product. Under the law, drug companies are required to do additional studies to confirm that the drug is safe, effective and works for its approved indication.

The importance of conducting postmarketing studies to ensure the safety of drugs approved through accelerated approval is illustrated by the example of encainide and flecainide. In the 1980's encainide and flecainide were approved to treat ventricular arrhythmia after myocardial infarcation. Arrhythmias are a risk factor for heart attacks and encainide and flecainide are very good at suppressing arrhythmias. People assumed that because the drugs were good at suppressing arrhythmias, they would also prevent heart attacks. While this treatment was on the market between 250,000 and 500,000 people were prescribed the drug every year to prevent heart attacks. When the postmarketing clinical trial was conducted to confirm that encainide and flecainide did in fact reduce heart attacks, the study found these drugs actually tripled the rate of death. The drugs were withdrawn from the market. If the postmarketing study had never been completed, doctors would have continued to prescribe a drug that they thought was beneficial but was actually killing people.

Postmarketing studies are also important to ensure that drugs approved through accelerated approval actually work. In May 2003, Iressa, which is manufactured by AstraZeneca, was approved under the accelerated approval process for treatment of non-small cell lung cancer in individuals who have failed to respond to two or more courses of chemotherapy. Iressa showed promise in early studies. The FDA approved Iressa, on the condition that AstraZeneca continue research on the drug to confirm the early results. Complying with the FDA's mandate, AstraZeneca conducted a postmarketing study and found that, for most people, Iressa was not effective. The drug was withdrawn from the market. This trial provided critical information to both physicians and patients who are trying to determine the best course of treatment for this horrible disease. If the postmarketing study had never been completed, doctors would have continued to prescribe it and patients would have continued to spend $1,800 a month for a drug that is ineffective for most patients when there are alternative treatments available.

Unfortunately, many companies fail to conduct the postmarketing studies they promised to complete as a condition of approval on a timely basis and the public may go years without knowing whether the drugs approved through accelerated approval are really safe and effective. According to information provided by the FDA to my staff on March 30, 2005, drug companies take a very long time before they even initiate postmarketing studies that are required as a condition of approval as of March 9, 2005; companies with outstanding trials had been selling these products to the public for an average of 1 year and 10 months and up to 6 years and 9 months without even initiating the required studies.

Despite the fact that companies often wait years before starting required postmarketing studies, the FDA has never used the only mechanism it has to enforce compliance with the requirement: withdrawal of the product. According to the HHS IG, "Currently, short of withdrawing a drug from the market—a remedy available to FDA only in limited circumstances—the only short-term, practical options available to FDA in dealing with drug applicants that do not comply with the terms of their commitments are sending letters and placing phone calls. Providing FDA reviewers with additional tools, such as the ability to impose monetary fines, may send a signal to drug applicants that there are consequences when postmarketing study commitments are not fulfilled." The SAFE Drug Act will provide additional enforcement mechanisms.

The system of tracking postmarket safety issues and monitoring and enforcing postmarketing studies is broken and failing to ensure patient safety. The SAFE Drug Act will address these problems by:

(1) Providing the FDA with authority to require postmarketing studies and enforce the prompt completion of those studies;

(2) Providing the FDA with mechanisms to help monitor the progress of postmarketing studies;

(3) Providing the Secretary with the authority to require that the label include specific wording to ensure safe and effective use of a product including special labeling to help consumers identify accelerated approved drugs or biologics until converted to full approval;

(4) Restricting direct to consumer advertising for accelerated approved drugs or biologics until converted to full approval;

(5) Providing FDA employees with enhanced whistleblower protections if they are retaliated against for reporting violations of laws or regulations or a significant threat to public health and safety to Congress, GAO, Federal Agencies, or their bosses; and

(6) Requires reports to Congress on the systems to track postmarketing safety issues and approvals that are based on Non-Inferiority Trials.

According to a recent Wall Street Journal Online/Harris Interactive health-care poll, a majority of the American public is concerned about the FDA's ability to ensure the safety and efficacy of drugs. We need to stop the erosion of public confidence in the FDA, reform the system of postmarketing studies, and ensure that FDA balances the desire to speed drugs to market with its critical role as the watchdog of public health. I urge my colleagues to support the SAFE Drug Act.

TRIBUTE TO RUKERT TERMINALS CORPORATION'S 85TH ANNIVERSARY

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. CARDIN. Mr. Speaker, it is with great honor that I rise today to commemorate the Rukert Terminals Corporation's 85th Anniversary. Located in Baltimore, Maryland, Rukert Terminals Corporation, which specializes in salts, metals, ores, and fertilizers, is one of the city's premier privately owned marine terminal operators.

Since its foundation in 1921 by William G. Norman or "Cap" Rukert, Rukert Terminals has been a hard-working, family owned business that has thrived due to its strong commitment to quality service. Due to the leadership of Norman Rukert and his son, Rukert Terminals has developed over the years from a single truck and stable business to occupying more than one million square feet of storage space. Through the use of the most modern techniques, Rukert Terminals handles the nation's dry and break-bulk cargoes to ensure transfer and storage of the highest caliber. For several decades, the company has continuously provided quality jobs to the citizens of Baltimore.

The city of Baltimore is an excellent place to live, filled with hard-working, dedicated citizens. The Port of Baltimore's economic contributions have been tremendous, generating $2 billion in revenue annually, and employing 19,000 Marylanders in direct jobs, and another 87,000 in indirect and maritime-related occupations. Rukert Terminals is part of the success of this port city, supplying superior warehousing, stevedoring, and vessel transfer services for the region.

I urge my colleagues in the U.S. House of Representatives to join me today in honoring this third generation family business, which for eighty-five years has provided quality marine services to one of America's premier cities while maintaining a standard for excellence that is a model for the rest.

RECOGNITION OF LIEUTENANT COLONEL KEVIN STODDARD OF THE UNITED STATES ARMY

HON. MELISSA L. BEAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Ms. BEAN. Mr. Speaker, I rise today to pay tribute to Lieutenant Colonel Kevin Stoddard of the U.S. Army who is the Program Manager for Crew Served Weapons.

Col. Stoddard has set a standard of excellence for himself and his office, constantly striving to ensure that our troops are issued the best equipment possible during the Global War on Terrorism. Though he has had many great achievements, Col. Stoddard should be recognized for his contributions to the Common Remotely Operated Weapon Station, or CROWS project.

Col. Stoddard has had the individual responsibility for ushering this innovative piece of technology out of development and into the hands of our Soldiers. His steadfast commitment to protecting the force has ensured that today's standard for Humvee convoys in Iraq and Afghanistan is a soldier operating CROWS from behind life saving armor, protected from lethal IEDs and gun fire.

Col. Stoddard used firsthand feedback from Soldiers to lead his program office and partner contractors in ensuring that the CROWS developed today is the technology soldiers want and need. His high standards of leadership and commitment to program excellence brought him to Iraq where he personally observed CROWS in combat to prove his concept and vision. Indeed, Col. Stoddard is personally responsible for saving the lives of many Soldiers currently deployed overseas.

Mr. Speaker, Col. Stoddard and CROWS have truly been a force protection success story for the Army and our soldiers. He embodies the highest tenants of leadership, acquisition reform, and the Army's innovative rapid fielding initiative and is worthy of our commendation today.

TRIBUTE TO REVEREND JAMES A. HARRIS

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. VAN HOLLEN. Mr. Speaker, I rise today to congratulate my constituent, the Reverend James A. Harris, on his 80th birthday, which he will celebrate on August 25, 2006.

Reverend Harris has led a life of distinction and accomplishment. After growing up in Des Moines, Iowa, he served as a combat pilot with the famed Tuskegee Airmen during World War II. He went on to receive Bachelor of Fine Arts and Master of Fine Arts degrees at Drake University and later earned post-graduate degrees at Drake Divinity College, Oklahoma A&M University, and American University.

Reverend Harris's numerous accomplishments and contributions to our community include his service as the first African American male President of the National Education Association (1974–75) and as a principal in the D.C. Public School system from 1975–88. He is a lifetime educator and scholar and a lifetime member of Kappa Alpha Psi fraternity. His career as a founder and pastor of Faith Community Baptist Church in Silver Spring, Maryland has enabled him to make a difference in countless lives. Named one of the "100 Most Influential Black Americans" by Ebony Magazine in 1975, Reverend Harris has been known for his humility and service to Montgomery County, Maryland for more than 25 years. His leadership has had a tremendous impact on countless individuals throughout our community.

Mr. Speaker, I am pleased to take this opportunity to thank Reverend Harris for his many years of service to our community and to our nation. I extend my heartiest congratulations to him on the occasion of his 80th birthday, and I hope his celebrations this year and in the years to come are filled with the love and happiness of his family and friends.

INTRODUCTION OF SURVEY OF INCOME AND PROGRAM PARTICIPATION LEGISLATION

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mrs. MALONEY. Mr. Speaker, today I, along with Senator JACK REED (D–RI) in the Senate, introduce legislation that will establish a Commission on the Survey of Income and Program Participation. The President has proposed eliminating the SIPP in his FY 2007 Budget, with a redesigned survey to take its place in 2009. This is careless, as it takes away one of the most valuable sources of data on the economic well-being of American families. The SIPP Commission represents a fair process for changing or eliminating the survey if the need arises. Should someone wish to change the SIPP, a detailed proposal outlining the change, its justification, and the timetable on which it should take place, will be submitted to the SIPP Commission for evaluation. Members of the Commission would include the Director of the Office of Management and Budget, one appointed member from Department of Agriculture, the Department of Labor, the Department of Energy, the Department of Health and Human Services, the Social Security Administration, the Bureau of the Census, and two members from the National Academy of Sciences.

RECOGNIZING THE SERVICE OF THE STAFF OF THE JAMES HALEY VA MEDICAL CENTER'S POLYTRAUMA REHABILITATION CENTER

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. BILIRAKIS. Mr. Speaker, the James Haley VA Medical Center, VAMC, in Tampa, FL, is one of the busiest veterans' medical facilities in the country and provides care to approximately 142,000 veterans in Central Florida. The Tampa VAMC is also home to one of four designated polytrauma rehabilitation centers in the country where the most severely injured service members are treated.

Military service personnel wounded in Iraq and Afghanistan may have serious traumatic brain injuries alone or in combination with amputation, visual impairments, orthopedic injuries, hearing disorders and mental health concerns. The unique nature of these severe multiple injuries has created the need for a blast injury program that can address the medical, psychological, rehabilitation, and prosthetic needs of these individuals.

The Tampa VAMC has been recognized as a Center of Excellence in Rehabilitation and Spinal Cord Medicine. At the Tampa Polytrauma Rehabilitation Center, a team of as many as 10 specialists assess the needs of the catastrophically injured and their families, to determine a comprehensive treatment plan which will help each person reach the highest level of physical, emotional, and social independence in the home, workplace and community. More than 2,500 outpatients and 140 inpatients have been treated at the Tampa Polytrauma Center since the program began.

Throughout my tenure in Congress, I have spent a great deal of time at the James Haley VAMC, which serves many of the veterans who reside in my congressional district. Over the years, I have been impressed by the dedication of the men and women who work at the medical center, providing quality care and services to our Nation's veterans. Dr. Steven Scott, the chief of the Physical Medicine and Rehabilitation Service, and his polytrauma team should certainly be counted among the dedicated staff of the VAMC.

The Veterans' Affairs Oversight and Investigations Subcommittee, which I chair, has visited the Tampa Polytrauma Rehabilitation Center. We had an opportunity to spend time with some of our wounded Operation Iraqi Freedom and Operation Enduring Freedom service members being treated at the Polytrauma Center. We also heard from their family members who repeatedly praised the polytrauma staff for the compassionate and professional care their loved ones were receiving.

One of the things that stood out when we visited the Tampa Polytrauma Rehabilitation Center was the positive outlook of the patients and their families—despite everything they had already been through and the daunting road of rehabilitation that still lay ahead of them. In part, I think they were able to maintain this positive attitude because of the tremendous dedication and caring work of the Polytrauma Center staff.

Dr. Scott and his staff have also been vocal advocates for their patients, raising issues to my subcommittee's attention which have improved the quality of care and services provided to polytrauma patients.

On August 5, 2006, Dr. Scott and his staff are being recognized for their service to our Nation's wounded service members and veterans. I want to take this opportunity to extend my sincere appreciation to each of them and commend them for the tremendous service they provide to our wounded military personnel and veterans.

Members of the James Haley polytrauma team: Forest Farley, Jr., hospital director; Dr. Steven Scott, D.O., chief, Polytrauma Center; Dr. John Merritt, M.D., chief, Spinal Cord Injury; Dr. Joel Scholten, M.D.; Dr. Cecille Pope, M.D.; Dr. Gail Latlief, D.O.; Dr. Faiza Humayun, M.D.; Dr. Rebecca Kayo, Ph.D.; MAJ Steve Moten, U.S. Army, DoD Liaison; SGM Vincent Conti, U.S. Army, DoD Liaison; Carolyn Clark, public affairs officer; Barbara Darkangelo, P.T.; Judith Pink-Goldin, O.T.; Marti Veneman, R.N. and nurse manager; Nancy Kronawetter, R.N.; Diana Cronin, R.N.; Karen Meigs, R.N.; Lea Rashka, R.N.; Joann Estep, L.P.N.; Barbara Collas, L.P.N.; Patrice Thompson, L.P.N.; Annies Joy, L.P.N.; Paula O'Keefe, R.N.; Bernice Willis, R.N.; Chaplain David LeFavor; Ivan Colon, R.N.; Frank Bormet, R.N.; Debra Banks, R.N.; Elizabeth Butron, R.N.; Pamela Keckler, L.P.N.; Ryan Baker, L.P.N.; Earl Gray, N.A.; Tracey Vaness, V.R.T.; James MacAulay, V.R.T.; Laura Manore, A.A.; Deborah Studer, S.W.; Margaret Veneman, N.M.; Douglas Gephart, P.M.R. coord.; Leslie Rothman, recreational therapy; Linda Picon, S.L.P.; Laurel Adams, O.T.; Juan Jose Villeda, P.T.; Steve Klemz, S.W.; Felicia Santos, S.W.; Jeanetta Sheppard, S.W.; Diana Phillpotts, S.W.; June Demaree, S.W.; Abby Wolf, recreational therapy; Laureen Doloresco, assistant chief, nursing; Sandra Janzen, ACOS nursing service.

INTRODUCTION OF THE PREPAREDNESS FIRST ACT

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Ms. LORETTA SANCHEZ of California. Mr. Speaker, America needs to be prepared. Whether for a commuter train attack, as we saw recently in India, or a hurricane, like we are still rebuilding from in New Orleans, it is clear America must get serious about all-hazards preparedness, that is preparing for all emergencies—be they natural or man-made.

Yesterday I introduced the Preparedness First Act to authorize critical grant programs that our State and local governments already depend on for all-hazards emergency preparation.

The premise of H.R. 5910 is to ensure that States and localities will have a basic level of preparedness, so they can protect their citizens, communicate with each other, and work with the Federal Government during any type of emergency, from earthquakes to hurricanes to terrorist attacks.

The legislation starts by authorizing the Emergency Management Performance Grants Program, EMPG. The EMPG program provides broad base grants to ensure that States and localities have adequate, coordinated and up-to-date plans to respond to all-hazards emergencies.

In my bill, eligibility for all project grants is linked to their inclusion in these emergency plans. This will help ensure that projects will be vetted, remain a priority, and fit in with an overall plan of preparedness.

Next, the bill authorizes the State Homeland Security Grant Program, SHSGP, which awards block grants to States based on the risk of natural and man-made disasters. These grant funds buy the materials and supplies States need according to their emergency plans.

The bill also authorizes the Metropolitan Medical Response System, MMRS, to give regions the tools they need to respond to major medical emergencies caused by either natural disasters or a terrorist attack.

Finally, we authorize the Urban Area Security Initiative, UASI, to give the added resources which are specifically needed for larger cities to respond to terrorism. Approval of UASI grants, like all of the grants in H.R. 5910, is tied to the inclusion of projects in State and local emergency plans.

Under my bill, all States would receive a base of preparedness funding. This would guarantee the Federal Government an able partner in every State to coordinate preparedness activities. Additional resources would then be made available to address the unique risk of natural and man-made disasters that are posed to each area.

This Federal and regional coordination is exactly what emergency managers have been calling for. I urge my colleagues to support H.R. 5910 and put all-hazard preparedness first for all Americans.

HONORING MR. JAMES J. PADILLA ON THE OCCASION OF HIS RETIREMENT FROM FORD MOTOR COMPANY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 27, 2006

Mr. DINGELL. Mr. Speaker, I rise today to pay tribute to my dear friend, Mr. James J. Padilla, as he retires from a rewarding career with Ford Motor Company, where he served as President and Chief Operating Officer.

Born in Detroit, Mr. Padilla earned his bachelor's and master's degrees in chemical engineering, as well as a master's degree in economics all from the University of Detroit. Mr. Padilla started his career with Ford Motor Company in 1966 as a quality control engineer. Ten years later, he accepted the first of what would be many managerial positions he would hold during the balance of his tenure with Ford.

On his way to becoming the President and Chief Operating Officer of Ford Motor Company, Mr. Padilla served as Manufacturing Operations Manager for several of Ford's most successful lines of cars. He is also largely to thank for the dramatic turnaround of the Jaguar line, for which he served as Director of Engineering and Manufacturing.

As Ford's Executive Vice President of the America's, Mr. Padilla spearheaded Ford Motor Company's North American recovery, vastly improving the quality and innovation of this division's products.

In 2004, Mr. Padilla became the President and Chief Operating Officer of Ford Motor Company and took his seat on the Company's Board of Directors. In his final post with Ford, Mr. Padilla was responsible for the global automotive business, overseeing marketing, manufacturing, engineering and other operations in more than 200 markets with over 327,000 employees.

Over the course of Mr. Padilla's illustrious career, he has received numerous honors including Mexico's Ohtli Award, the Society of Plastics Engineers 2004 Executive Leadership Award, and the Society of Automotive Engineers' Manufacturing Leadership Award. Mr. Padilla is also a member of the Hispanic Engineer National Achievement Awards Conference Hall of Fame. In 2003, Mr. Padilla was honored by the Gabriel Richards Historical Society for his outstanding vision and leadership toward the revitalization of Detroit and the surrounding communities.

As James J. Padilla enters his retirement years, I wish him and his wife, Alice, the best and I sincerely hope that he can enjoy a relaxing and rewarding future. I thank him for everything he has done for Ford Motor Company and the State of Michigan.

Mr. Speaker, I would like you to join me and all of my colleagues in honoring James J. Padilla for his leadership, dedication, and drive over the course of his 40 years of loyal service with Ford Motor Company.

SENATE—*Friday, July 28, 2006*

(Legislative day of Thursday, July 27, 2006)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable JOHNNY ISAKSON, a Senator from the State of Georgia.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Father, thank You for today. May we receive the gift of this day thoughtfully, graciously, and gratefully. Thank You for the love of family, for the joy of good health, for the thirst for goodness and truth.

Sustain our Senators in their work. May they be stewards of love, grace, compassion, and patience. Let them never lack the courage or the will to do Your work. Show them the things that must be changed that they may not hinder Your plan. Illumine their path so that they will know how to live for Your glory.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHNNY ISAKSON led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS.)

The legislative clerk read as follows:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, July 28, 2006.*
>
> *To the Senate:*
>
> Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHNNY ISAKSON, a Senator from the State of Georgia, to perform the duties of the Chair.
>
> TED STEVENS,
> *President pro tempore.*

Mr. ISAKSON thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business with Senators permitted to speak therein for up to 10 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority whip is recognized.

SCHEDULE

Mr. McCONNELL. Mr. President, today, as you just announced, we have a period of morning business. Senators may wish to come to the floor to continue debate on the Gulf of Mexico Energy Security bill. I remind everyone we will have a vote on Monday on the motion to invoke cloture on the energy bill. That is Monday afternoon. Senators should anticipate the vote will occur around 5:30. Again, that is Monday afternoon. Therefore, all Senators should adjust their schedules to be here for this extremely important vote. This is one of the more significant measures we will be dealing with here in the Senate this year. This critically important vote will be at 5:30 Monday afternoon.

I will have more to say on Monday's schedule later when we wrap up the session.

I yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VIOLENCE IN THE MIDDLE EAST

Ms. STABENOW. Mr. President, I rise today with a heavy heart concerning the violence taking place in Israel and Lebanon. On July 12, Hezbollah committed a reckless act of aggression against Israel by killing eight soldiers and kidnapping two others.

Following this outrageous act, I joined with all of my colleagues in the Senate to support a resolution reaffirming Israel's rights to defend itself. I stand by that commitment, because Hezbollah and its large cache of arms is a threat to Israel and to America.

But I also watched the last 2 weeks, and those last 2 weeks have brought bloodshed on both sides of the Israel-Lebanon border—innocent people dying, families being torn apart, communities being destroyed. It has gone on too long, and it must stop.

I am proud to represent the great State of Michigan. When you come from Michigan, violence in the Middle East isn't just a news story. It isn't just "over there." It is here, and it affects thousands of people—friends of mine, people whom I know and respect. In the case of Lebanon and Israel, this violence affects mothers, fathers, sisters, brothers, children, and whole communities on both sides.

Some people call Bint Jubail a Hezbollah stronghold—and I understand that. But 15,000 of my constituents call it their hometown. In fact, Dearborn, MI is home to the Bint Jubail Cultural Center that provides sort of a home away from home for many families.

Tragically, many Michigan families, their relatives, and their loved ones are trapped in Bint Jubail at this moment. They are caught in heavy fighting between Hezbollah and Israel, and people are dying on both sides. Today I pray for them and grieve with their families.

The lucky ones were able to get out—such as Rania Horani from Dearborn who was vacationing with her family in Bint Jubail when the fighting broke out. Fortunately, Rania was evacuated, but she spoke to the Associated Press about this terrifying experience. She said:

> You're waiting, you're scared, you don't know if you are going to die. But you have to get out because you're going to die either from starvation, fear, stress, or a bomb. Thank God we're [in Cyprus].

We share that sentiment.

But the tragedy continues for hundreds of others stuck in Bint Jubail right now. The State Department must not stop the evacuations until every American and their family is safely out of Lebanon.

Last evening I spoke with one of the assistant Secretaries of State about American citizens and their family members who are still there. And I appreciate the attention of the assistant Secretary and of the Embassy, but we can not stop the ships.

We can not stop the rescue missions until all Americans and their families can come home. Too many people are still stuck there.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

On the Israeli side, there is also too much destruction and loss of life. I understand how they must feel. Thousands of Americans fear for their families. Thousands of people in Michigan, friends of mine, hundreds of Michigan teenagers were evacuated in the middle of a summer trip to Israel because they were close to Hezbollah rocket attacks. I know their families and the fear of their moms and dads about whether their children would come home safely from a summer trip.

Brandon Lebowitz, a student at West Bloomfield High School, was a few miles away from the bombings in Tiberius. He talked about his harrowing experience:

> We saw the missiles hitting the city and the smoke and we heard them from across the sea. We were pretty close to the missiles exploding.

I know how I would feel if that were my son.

Innocent Americans from both sides of the Israeli-Lebanese border have fled to Michigan, have come back home to escape the violence, watch the news every day, waiting to see what will happen to their families.

Unfortunately, many civilians did not escape the violence. Over 400 Israelis and Lebanese have died in the fighting. This has got to stop. The U.S. Government must push hard to stop the hostilities and the violence against innocent citizens. Innocent citizens are being killed in Lebanon and in Israel. I believe it is our responsibility to stand up and do everything possible to bring that violence to an end. That is why I am pleased to be a cosponsor of a resolution with Senator DODD, my colleague, Senator LEVIN, and Senator SUNUNU that expresses support to attain a cessation in hostilities between Hezbollah and Israel. We know this is not easy, but we know innocent people—families, Americans—are counting on us to show leadership.

Regrettably, over the last 5 years our Government has not played the leadership role so critical in the Middle East, the leadership role played by every other administration, whether Democrat or Republican. It is time to assert our leadership and put a stop to the violence as soon as possible. The innocent people of Lebanon and Israel have had enough of the violence and bloodshed. It is time for them to be able to live their lives in peace.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, what is the parliamentary situation in the Senate?

The ACTING PRESIDENT pro tempore. The Senate is in morning business with 10 minutes for Senators to speak therein.

THE AUGUST RECESS

Mr. LEAHY. Mr. President, I thank the distinguished Presiding Officer. I commend him for his duty in the chair on a Friday morning where the smell of jet fumes have proven an allure to many of our colleagues in both parties who have headed off. I might say to my friend, the distinguished Presiding Officer, I do realize he cannot respond from the chair, but all of us look forward to that time. I am willing to spend the month of August in my own State of Vermont.

I said to somebody that we make sacrifices in these jobs, and they suggested the idea of being in Vermont for a month, which is one of the prettiest times of the year up there, was probably not the world's greatest sacrifice. I invite the Presiding Officer and anybody else to come up and visit. You don't have to wear a tie, and you can go to county fairs. Most of the people at the county fairs are Republicans, but most of them vote for me, so I am delighted to go there. They would vote for the distinguished Presiding Officer, too.

PRESIDENTIAL SIGNING STATEMENTS

Mr. LEAHY. Mr. President, today, I sent a letter to President Bush. In it I urged him to cease and desist from what has become an abuse of Presidential signing statements. I first began drawing attention to these matters 4 years ago, in 2002. I hoped they would end at that time; instead, the abuses have mounted. Outstanding reporters, such as Charles Savage of the Boston Globe, have taken note of this important matter. They have reported on particular examples of egregious signing statements by which the President attempts to rewrite our laws. Editorial boards across the country have become increasingly critical, and I would say increasingly alarmed.

This week, a distinguished bipartisan task force of the American Bar Association, made up of Republicans and Democrats, all across the political spectrum, released a unanimous report that was highly critical of the President's practice as "contrary to the rule of law and our constitutional system of separation of powers."

With my letter today, I am trying to point the President to a better way. I urge him to raise any constitutional concerns he has with legislation with those of us in Congress while the legislation is pending and early in the process. If we agree with his analysis, we will work together to fix it. But, ultimately, under the Constitution, Congress writes the laws, not the President. Article I of the Constitution gives Congress the powers to write the laws. Article II of the Constitution requires the President to faithfully execute those laws. His oath of office very specifically says he will faithfully execute the laws, not make them.

I speak on this topic again today because of its immediate importance to the reauthorization and revitalization of the Voting Rights Act that we unanimously passed last week. The President signed it into law yesterday. It was 98 to 0 in the Senate. It was passed by an overwhelming bipartisan margin in the other body. I felt privileged to be there when the President signed that law. I talked with him prior to the signing and again after he signed. I complimented him for the words he used in the ceremony when he signed the law. He sounded like a man fully on board and supportive of the findings, purposes and provisions of the law. I said after the signing, while I was there at the White House, that what really struck me the most was the President's saying his administration would "vigorously enforce the provisions of this law and we will defend it in court." I praised President Bush for this statement. I did so again yesterday when the Judiciary Committee met.

I am told that next week the President will issue a Presidential signing statement on the Voting Rights Act reauthorization. I am urging that this not be one of those infamous signing statements where he says something else, seeks to undercut the law, reinterpret it or in any way reduce his responsibility for fully and vigorously enforcing the law and defending and upholding its provisions in legal challenges—the Voting Rights Act especially. This act is something we don't just do for our generation, we do it for our children and our grandchildren in all parts of this country.

What greater right do we have as Americans than the right to vote? We fought a revolution to have that right. We praise other nations when they toss off the shackles of dictatorship and can now vote. Yet in this country, for many decades, generations, large groups of people, because of the color of their skin, were not allowed to vote. Artificial obstructions were placed in the way so they could not vote. We came together, Republicans and Democrats, to say these people would be allowed to vote. The color of their skin will not make a difference. Their ethnic background will not make a difference. They will be able to vote. That is what was signed yesterday on the lawn of the White House.

The Constitution places the lawmaking power, "All Legislative Powers," in the Congress. That is an Article I power. I believe our Founders made article I to, first and foremost, put the Congress first; the President came next.

We are at a pivotal moment in our Nation's history, where Americans are faced with a President who makes sweeping claims for almost unchecked Executive power.

This administration is now routinely using signing statements to proclaim which parts of the law the President will follow, which parts he will ignore, and which he will reinterpret. This is what I have called "cherry picking." It is wrong.

This President also used signing statements to challenge laws banning torture, laws on affirmative action, and laws that prohibit the censorship of scientific data. In fact, time and time again, this President has stood before the American people and signed laws enacted by their representatives in Congress, while all along crossing his fingers behind his back. I don't want the Voting Rights Act to fall into this area.

Under our constitutional system of Government, when Congress passes a bill and the President signs it into law, that should be the end of the story. At that moment, the President's constitutional duty is to "take care that the Laws be faithfully executed." In fact, that is his duty, which he acknowledged yesterday with respect to the Voting Rights Act. I commend him for that because his article II power, Executive power, is to execute the laws. He doesn't have a legislative power.

I remind the President and this administration of this—and I have been here with six Presidents, Democrats, and Republicans, and I have never seen anything like this in my 32 years in the Senate. I have never seen such a case where an administration has a sense that it is a unitary executive. It is not a unitary executive. The legislative power is vested in the Congress. The judicial power is vested in the judiciary. The power to execute the laws is in the administration. But the Constitution and the President's oath of office say I "shall faithfully execute."

When the President uses signing statements to unilaterally rewrite the laws enacted by the people's Representatives in Congress, he undermines the rule of law and our constitutional checks and balances designed to protect the rights of the American people.

These signing statements are a diabolical device, but this President will continue to use and abuse them if the Republican-controlled Congress lets him. So far, the Congress has done exactly that.

I say this with all due respect to my friends on the other side of the aisle. The Republican-controlled Congress has become a rubberstamp. It does not show the checks and balances that it should. Actually, the President has not been helped because he is falling into the trap of assuming that whatever he does is going to be rubberstamped by the Republican-controlled Congress. I think America can do better. I think America should have a choice. I think America should have a voice. I don't think America should have a rubberstamp for a Congress because whether it is torture, warrantless eavesdropping on American citizens, or the unlawful treatment of military prisoners, the Republican-led Congress has been willing to turn a blind eye and rubberstamp the questionable actions of this administration, regardless of the consequences to our Constitution and civil liberties.

Mr. President, I mentioned that this issue of signing statements is something that has concerned me since 2002. That was also the year that the Bush-Cheney administration was writing secret legal memoranda seeking to justify another form of lawlessness by postulating an unfounded and unconstitutional Commander in Chief override to our laws, and they did this to justify the use of torture.

When that memorandum was exposed to the light of day, not by the rubberstamp Congress, but by the press, the administration had to withdraw it. But we read in a front-page story in the Washington Post today of another ominous development. Apparently, the Bush-Cheney administration lawyers are meeting with Republicans and the Republican-controlled Congress to write immunities and amnesties into the law and to renege on this country's commitment to human rights and the Geneva Convention.

Mr. President, I say, for shame. To think that you can use a rubberstamp Congress to renege on this country's proud commitment to human rights is another aspect of the lawlessness of this administration. But it will succeed if the Republican-led Congress continues to act as a wholly owned subsidiary of the White House, instead of fulfilling its responsibility as a separate and independent branch of Government intended by the Founders and established by the Constitution to serve as a check on the Executive. I helped write the war crimes law that the Bush-Cheney administration is trying to undermine. In 1996 and 1997, we acted with the support of the Department of Defense to include expressly in our laws culpability for violating human rights in the Geneva Conventions. The United States did that so we could serve as a world leader and as a moral leader.

We have set standards for conduct that we demand others around the world follow. We cannot credibly ask others to meet standards we are unwilling to meet ourselves. Why diminish the moral leadership of the United States by trying to quietly carve out an exception for us, telling the rest of the world to do this but then saying we won't? We have insisted on human rights and the rights of Americans, civilian and military, throughout the world. Let's not tell the rest of the world: It is do as we say, not as we do. More recently, we have seen Abu Ghraib reported detainee abuses, investigations into the deaths of detainees and civilians in war zones, and indictments of American service personnel and contractors. These have all combined to stain America's reputation and role. We must not retreat from the fight for human rights. We must not "cut and run" from our responsibilities as the world leader and the world's only superpower.

The American military men and women are the finest in the world. They have been trained to respect human rights, and they do so. They need not fear laws against brutality and inhumanity. We, the United States, helped develop and then endorse the Geneva Conventions to set standards to protect our own troops. To walk away from these protections would be to "cut and run" and walk away from our men and women in uniform. Pulling a thread from this cloak of protection risks beginning a process of unraveling the entire fabric to the detriment of our troops and to the great shame of the United States.

It is disheartening to read that the highest law enforcement officer in the country is leading an effort to undercut the rule of law. Rather than enforce the law as he is sworn to do, he is reportedly seeking to undermine it. Instead of ignoring the laws we have long honored, our leaders should be obeying them, not obfuscating or creating loopholes in them. They should be saying nobody, not even the President of the United States, is above the law. The Attorney General of the United States is not an in-house counsel to the President or consigliere to the Vice President and Secretary of Defense. His constitutional responsibility is to enforce the law. They seem to have forgotten this, and I am speaking today to remind them of their sworn duty.

Mr. President, before yielding the floor, I ask that a series of items be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, July 28, 2006.

President GEORGE W. BUSH,
The White House,
Washington, DC.

DEAR PRESIDENT BUSH: This week a distinguished Task Force on Presidential Signing Statements and the Separation of Powers Doctrine of the American Bar Association reported. The Task Force unanimously opposed a President's issuance of signing statements to claim the authority to state the intention to disregard or decline to enforce all or part of a law he has signed, or to interpret such a law in a manner inconsistent with the clear intent of Congress as "contrary to the rule of law and our constitutional system of separation of powers." The Senate Judiciary Committee held a hearing on the matter last month. I have spoken to the issue on a number of occasions, including this week on the floor of the Senate.

You have produced more signing statements containing challenges to bills you have signed into law than all prior Presidents in our history combined. I understand that you have produced more than 800 challenges to the bills you have signed into law, including many challenges related to your theory of the "unitary executive."

I write to urge you to cease and desist from this practice. I urge you to recognize that our Constitution vests "All legislative Powers" in the Congress and that the President's constitutional responsibility is to "take Care that the Laws be faithfully executed."

I offer the following constructive suggestion. Rather than wait until a bill is passed, why not provide those of us elected to Congress with any constitutional concerns you may have regarding pending legislation at the earliest opportunity. That would allow legislators to consider your concerns during the legislative process.

Respectfully,

PATRICK LEAHY,
Ranking Democratic Member.

[From the New York Times, May 5, 2006]

Veto? Who Needs a Veto?

One of the abiding curiosities of the Bush administration is that after more than five years in office, the president has yet to issue a veto. No one since Thomas Jefferson has stayed in the White House this long without rejecting a single act of Congress. Some people attribute this to the Republicans' control of the House and the Senate, and others to Mr. Bush's reluctance to expend political capital on anything but tax cuts for the wealthy and the war in Iraq. Now, thanks to a recent article in The Boston Globe, we have a better answer.

President Bush doesn't bother with vetoes; he simply declares his intention not to enforce anything he dislikes. Charlie Savage at The Globe reported recently that Mr. Bush had issued more than 750 "presidential signing statements" declaring he wouldn't do what the laws required. Perhaps the most infamous was the one in which he stated that he did not really feel bound by the Congressional ban on the torture of prisoners.

In this area, as in so many others, Mr. Bush has decided not to take the open, forthright constitutional path. He signed some of the laws in question with great fanfare, then quietly registered his intention to ignore them. He placed his imperial vision of the presidency over the will of America's elected lawmakers. And as usual, the Republican majority in Congress simply looked the other way. Many of the signing statements reject efforts to curb Mr. Bush's out-of-control sense of his powers in combating terrorism. In March, after frequent pious declarations of his commitment to protecting civil liberties, Mr. Bush issued a signing statement that said he would not obey a new law requiring the Justice Department to report on how the F.B.I. is using the Patriot Act to search homes and secretly seize papers if he decided that such reporting could impair national security or executive branch operations.

In another case, the president said he would not instruct the military to follow a law barring it from storing illegally obtained intelligence about Americans. Now we know, of course, that Mr. Bush had already authorized the National Security Agency, which is run by the Pentagon, to violate the law by eavesdropping on Americans' conversations and reading Americans' e-mail without getting warrants.

We know from this sort of bitter experience that the president is not simply expressing philosophical reservations about how a particular law may affect the war on terror. The signing statements are not even all about national security. Mr. Bush is not willing to enforce a law protecting employees of nuclear-related agencies if they report misdeeds to Congress. In another case, he said he would not turn over scientific information "uncensored and without delay" when Congress needed it. (Remember the altered environmental reports?) Mr. Bush also demurred from following a law forbidding the Defense Department to censor the legal advice of military lawyers. (Remember the ones who objected to the torture-is-legal policy?) Instead, his signing statement said military lawyers are bound to agree with political appointees at the Justice Department and the Pentagon.

The founding fathers never conceived of anything like a signing statement. The idea was cooked up by Edwin Meese III, when he was the attorney general for Ronald Reagan, to expand presidential powers. He was helped by a young lawyer who was a true believer in the unitary presidency, a euphemism for an autocratic executive branch that ignores Congress and the courts. Unhappily, that lawyer, Samuel Alito Jr., is now on the Supreme Court.

Since the Reagan era, other presidents have issued signing statements to explain how they interpreted a law for the purpose of enforcing it, or to register narrow constitutional concerns. But none have done it as profligately as Mr. Bush. (His father issued about 232 in four years, and Bill Clinton 140 in eight years.) And none have used it so clearly to make the president the interpreter of a law's intent, instead of Congress, and the arbiter of constitutionality, instead of the courts.

Like many of Mr. Bush's other imperial excesses, this one serves no legitimate purpose. Congress is run by a solid and iron-fisted Republican majority. And there is actually a system for the president to object to a law: he vetoes it, and Congress then has a chance to override the veto with a two-thirds majority. That process was good enough for 42 other presidents. But it has the disadvantage of leaving the chief executive bound by his oath of office to abide by the result. This president seems determined not to play by any rules other than the ones of his own making. And that includes the Constitution.

[From the Tennessean.com, July 3, 2006]

President Can't Ignore Laws He Doesn't Like

When children lie or make promises they have no intention of keeping, they cross their fingers behind their back in a gesture that means "not really."

The signing statement is President Bush's equivalent of crossed fingers. He signs bills passed by Congress, then attaches his own language saying how and whether he intends to enforce them.

Last week, members of Congress from both sides of the aisle took after the president for his use of signing statements. The Bush administration defends the practice, saying presidents as far back as James Monroe have used signing statements. That is technically correct but woefully misleading.

Signing statements began as a way for presidents to signal their interpretation of legislation. But President Bush has issued signing statements affecting 750 statutes—more than all other presidents combined. And his statements can only be read as signaling his intention to ignore provisions in the laws. He attached signing statements to a bill banning torture, a measure requiring the administration to supply data on the use of the Patriot Act and a bill governing affirmative action.

Lawmakers were particularly irked that Mr. Bush, who hasn't vetoed a single bill in six years, seems to be using signing statements instead of vetoes. If he vetoed legislation he opposed, the bill would return to Congress for further debate and an attempted override vote. Congress would get a chance to fight the president's position. With a signing statement, there is no debate, no second vote and no fight.

There is just government by fiat.

The irony in the signing statement issue is that the Bush administration has gotten virtually everything it has sought from Congress. With few exceptions—the torture ban being one—President Bush could have persuaded Republican lawmakers to include or omit certain provisions, crafting legislation to his liking on the front end.

But such a public and candid approach would have required some degree of congressional debate and public discussion. That may not be this president's style, but it is the democratic way. Congress should not let him get away with this power grab.

[From the Boston Globe July 25, 2006]

Ending Back-Door Vetoes

Over the last five years, congressional leaders have barely squawked as President Bush signed bills and then quietly but explicitly declared his intention to discount key provisions of them. He has attached such statements to more than 800 laws, at last count. Left unchallenged, the president's so-called "signing statements" would represent a unilateral change to the structure of the U.S. government, a change that no one outside the White House played any role in enacting.

Yesterday, a bipartisan task force of the American Bar Association concluded that these statements violate the constitutional separation of powers. And the panel called for federal legislation that would allow for judicial review of any statement in which the president claims the authority to disregard all or part of a law.

The bar association's House of Delegates has yet to vote on the recommendations, but endorsing them should be virtually automatic for a group of lawyers. Whether the White House or congressional leaders will act on the proposal is another story. For decades, presidents asked the bar association, which represents the nation's lawyers, to evaluate the credentials of judicial nominees, but the current President Bush put an end to that practice. His administration treats the bar association as just another interest group, to be humored or ignored as he pleases.

But the task force has a point. Bush has employed signing statements more often and more aggressively than any of his predecessors, as the Globe's Charlie Savage documented in a series of articles this spring. The laws in question touch on fundamental values, such as whether U.S. military interrogators should be allowed to torture detainees.

The administration's defenders say the president is merely objecting to unconstitutional provisions specifically, ones that infringe on the rightful powers of the executive within otherwise desirable legislation. But even if the Bush administration were correct on that point, back-door vetoes only relieve Congress of its obligation to make laws that are constitutional. The task force notes that deciding constitutionality is up to the federal courts. "The Constitution is not what the President says it is," the panel's report declares.

Congress was right to prohibit the use of torture by American interrogators. If the president opposed that ban, he had the right to veto it. That, of course, would have looked bad, both at home and around the world. But while a veto-by-signing-statement might have been more convenient politically, no part of the Constitution gives the president the right to have it both ways to enforce parts of laws that magnify the power of the executive branch and then ignore the rest.

[From the Boston Globe, May 30, 2006]

EQUAL POWER FAILURE

No congressional dander was raised when the Bush Pentagon incarcerated hundreds of uncharged men at Guantanamo Bay, Cuba. Spaniel-like, the lawmakers hustled up legislation that attempted to legitimize some of the illegal jailings long after the fact.

Did electronic surveillance of American citizens, in direct violation of the law Congress passed in 1978 setting clear guidelines for such activity, provoke outrage on Capitol Hill? No problem, said the leaders. We will allow the attorney general to duck questions on it, and promote the general who implemented it.

How about the shameful torture and humiliation of prisoners in Iraq? Congress barely worked up enough gumption to express its disapproval. And then, when President Bush attached a "signing statement" to the anti-torture legislation, saying he really wasn't buying it, Congress yawned.

And when the Globe's Charlie Savage reported that Bush had added such statements to more than 750 bills, claiming the right to disobey their mandates, Congress tucked in its tail and went to sleep.

Or so it seemed.

Now it is clear that the lawmakers simply viewed these actions as trifling infringements of their prerogatives. They were just waiting for the right issue to come along so that they could assert boldly and forcefully the co-equality of the legislative branch. They were looking for something they considered big. And they found it.

One of their own, Representative William J. Jefferson, Democrat of Louisiana, was accused of taking a $100,000 bribe, $90,000 of which was found in his freezer. When the response to FBI subpoenas was slow, agents got a warrant and raided his Capitol office. Republican and Democratic leaders howled in unison, but for what reason?

First, it is pretty clear that Congress has no immunity from criminal searches. The Constitution does say members are "privileged from arrest during their attendance at the session," but not in cases of "treason, felony, and breach of the peace." Floor debate is protected; bribery is not.

Second, the chorus of objections to the FBI raid was a bipartisan public relations blunder. The public has a low enough opinion of the skulduggery that goes on all over Washington without Congress officially declaring Capitol Hill a cop-free zone.

Most frustrating is Congress's choice of irritants. Many Americans will cheer if Congress stands up on two feet and defends its constitutionally sacrosanct right to legislate. This right is under serious attack, but the attack is coming from the president of the United States, not from a few FBI gumshoes.

[From the Washingtonpost.com, Friday July 28, 2006]

SIGNING OFF

Across a wide range of areas, President Bush has asserted a grandiose vision of presidential power, one to which Congress has largely acquiesced. From domestic surveillance to holding detainees in the war on terrorism, the administration has generally ignored the legislature, brushed aside inconvenient statutes and proceeded unilaterally. All of this, as we have argued many times, warrants grave concern and a strenuous response. But it is worth separating that issue from the ongoing controversy over the president's aggressive use of what are called "signing statements"—those formal documents that accompany the signing of a bill into law.

Ever since the Boston Globe reported this year that the president had used such statements to question the constitutionality of more than 750 provisions of law, critics across the political spectrum have been up in arms. The Senate Judiciary Committee held hearings, and this week a task force of the American Bar Association issued a report accusing the president of usurping legislative powers.

President Bush brought this skirmish on himself. He has used signing statements—which indicate that he will interpret new laws so as to avoid the constitutional problems he has flagged within them—far more frequently than other presidents. In some areas, he has used them to articulate deeply troubling views of presidential authority. Most infamously, in signing the amendment by Sen. JOHN MCCAIN (R-Ariz.) banning American personnel from using "cruel, inhuman or degrading" treatment on detainees, he stated that his administration would interpret the new law "in a manner consistent with the constitutional authority of the President to supervise the unitary executive branch and as Commander in Chief and consistent with the constitutional limitations on the judicial power"—apparently reserving for himself the power to override the prohibition.

Still, it is important not to let Mr. Bush's ugly signing statements bring the presidential practice into disrepute. Signing statements are actually a useful device for transparent and open government.

Presidents have long used signing statements to identify particular provisions of law as potentially unconstitutional. They have just as long declined to enforce provisions of law they regarded as unconstitutional. Particularly since the Carter and Reagan administrations, the use of signing statements has been on the upswing, and that's generally a good thing. These statements give the public and Congress fair warning about which laws the president intends to ignore or limit through interpretation. They thereby permit criticism and more vibrant debate. And they have no legal consequences over and above the president's powers to instruct the executive branch as to how to interpret a law—which he could do privately in any case.

While Mr. Bush has been particularly aggressive about issuing signing statements, a great many break no new ground but merely articulate constitutional views that the executive branch has held across many administrations. The problem is not that Mr. Bush reserves the right to state his views; it is the dangerous substance of the views he sometimes states.

Mr. LEAHY. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAYTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DAYTON. Mr. President, may I inquire, are we in a period of morning business?

The ACTING PRESIDENT pro tempore. The Senate is in morning business, with Senators allowed to speak for up to 10 minutes.

VIOLENCE IN THE MIDDLE EAST

Mr. DAYTON. Mr. President, I rise this morning first to commend the Secretary of State, Condoleezza Rice, for her efforts to negotiate a cease-fire between Israel and Hezbollah and to engage other countries in helping to make and keep peace there. I salute her for her expressed willingness to return to that region as soon as it is practical to achieve her goals.

I am appalled, as all civilized people are, by the terrorists' destruction and the maiming and loss of human life in Israel, in Lebanon, and in Gaza. That is why I found it so disturbing that the Lebanese Prime Minister, Fuad Siniora, and his Speaker rejected Secretary Rice's proposals before she had even left their country and was on her way to Israel.

The Lebanese Government and the Lebanese people cannot have it both ways. They cannot want an immediate cease-fire on the one hand, yet continue to support Hezbollah as it kidnaps Israeli soldiers inside Israel to start this war and then rain destruction on Israel's cities and civilians. As long as Hezbollah keeps those kidnapped Israeli soldiers and continues to fire its rockets into Israel, there can be no cease-fire and there can be no peace for Lebanon. As long as the Lebanese people and their Government house terrorists who have sworn the total destruction and the elimination of the democratic State of Israel, support the terrorist acts in that country and against Israeli citizens, and allow their own country to be used as a staging area for those terrorist acts, there can be no peace for Lebanon.

Just as the Lebanese Government and people must stand up for their country and themselves and demand that those who want to continue the acts of violence and the repercussions for their fellow Lebanese citizens must cease and desist or leave their country.

so must the Government and people of Iraq stand up for their own country and for their own future.

Earlier this week, just as Iraqi Prime Minister al-Maliki was engaged in a public relations tour of Washington, DC, President Bush announced the redeployment of American troops back into Baghdad because of the failure of the Iraqi Government to run even its own capital city, much less its own country, and the failure of the Iraqi security forces to protect that city, in addition to other significant areas of Iraq. There are further reports that the U.S. military command had to replace the supposedly top Iraqi units because of their failure to stand up effectively against the insurgents. I submit the only cutting and running in Iraq is by the Iraqis and that President Bush's plan of "stand up, stand down" is failing miserably. It has become: Iraqis stand down and U.S. stay.

I voted just a couple of weeks ago against this body establishing arbitrary timelines and deadlines for the redeployment of U.S. forces from Iraq because I respect that our military commanders and our soldiers there have terribly dangerous and difficult missions to perform. I believe it is imperative that we give them what they say they need in order to carry out those missions. But the fact that they need more troops, or at least no fewer American troops, is further evidence of the miserable failure of this administration's policies and plans for Iraq. After all, the U.S. forces there are carrying out the mission that has been assigned them by their Commander in Chief, the President of the United States. It is a mission that is defined by his policy, and that policy is failing.

It is past time that we admit that failure, that the administration, starting with the President, admits that failure and tells us how he proposes to correct it. It is time we send an emphatic message to the Prime Minister and the Government of Iraq: Quit your dickering, your squabbling, your posturing, and get down to the business of running your own country and running it successfully. Stop opining about others' actions elsewhere in the Middle East, condemning Israel and fanning the flames there, which is counterproductive to Secretary Rice's efforts to negotiate a cease-fire there. Take note of the fact that a country such as Israel, located in the same region of the world, with the same kind of barren terrain, without even the oil resources Iraq enjoys, is able to run its own country, provide prosperity and, most of the time, peace for its own citizens, defend its borders, and provide for the internal security within its country. That is a model which the Government of Iraq as well as the Government of Lebanon should be following and trying to respect and build upon rather than denigrate.

I don't know what the future holds for Iraq. But I do know that it has become one where their lack of effort—or at least the lack of success—seems to be condoned and enabled by this administration's policy. As long as the Iraqis know they have carte blanche, as long as they know our forces will be there to back up their efforts, to correct their mistakes, to stand up as they are standing down, I don't see how that country—its government and its security forces—are going to make the progress necessary for them to become an independent and viable nation.

I do know it is their responsibility. We have been there for almost 3½ years, since the overthrow of Saddam Hussein's evil regime. We have given them more than enough time. We have shed more than enough American blood—lives lost forever, lives maimed and altered forever.

All this administration is telling us is to stay the course, stay the course, stay the course. I submit that to stay the course only makes sense when there is an end to that course. It only makes sense when it is part of a successful stand up/stand down strategy. But it is so clearly demonstrated now that that strategy not only is not working but it is going in the wrong direction, that it is time for this administration to tell the American people what it intends to do and how it intends to reverse that failed course, and what "stay the course" is going to mean absent that turnaround, and what we must do to achieve it.

We need to enlist the rest of the world, as Secretary Rice, to her credit, is attempting to do in the situation involving Israel and Hezbollah. We need to admit that we need the active assistance of the United Nations, of other nations that have stood back because of the cavalier way in which the Bush administration went into this war, rejecting any common effort. It is understandable they don't want to put their troops, their own citizens—sons and daughters—into those perilous conditions that are the creation of this administration and that persist as a result of its failure to correct them. But we must enlist their help. We must enlist the help of everyone in the world necessary to bring about true peace in Iraq and the rest of the Middle East.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DESIGNATING SEPTEMBER 20, 2006, AS "NATIONAL ATTENTION DEFICIT DISORDER AWARENESS DAY"

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 544, submitted earlier today.

The ACTING PRESIDENT pro tempore. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 544) to designate September 20, 2006, as "National Attention Deficit Disorder Awareness Day."

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution (S. Res. 544) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 544

Whereas Attention Deficit/Hyperactivity Disorder (also known as ADHD or ADD), is a chronic neurobiological disorder that affects both children and adults, and can significantly interfere with the ability of an individual to regulate activity level, inhibit behavior, and attend to tasks in developmentally appropriate ways;

Whereas ADHD can cause devastating consequences, including failure in school and the workplace, antisocial behavior, encounters with the criminal justice system, interpersonal difficulties, and substance abuse;

Whereas ADHD, the most extensively studied mental disorder in children, affects an estimated 3 to 7 percent (4,000,000) of young school-age children and an estimated 4 percent (8,000,000) of adults across racial, ethnic, and socio-economic lines;

Whereas scientific studies indicate that between 10 and 35 percent of children with ADHD have a first-degree relative with past or present ADHD, and that approximately one-half of parents who had ADHD have a child with the disorder, suggesting that ADHD runs in families and inheritance is an important risk factor;

Whereas despite the serious consequences that can manifest in the family and life experiences of an individual with ADHD, studies indicate that less than 85 percent of adults with the disorder are diagnosed and less than half of children and adults with the disorder receive treatment and, furthermore, poor and minority communities are particularly underserved by ADHD resources;

Whereas the Surgeon General, the American Medical Association, the American Psychiatric Association, the American Academy of Child and Adolescent Psychiatry, the American Psychological Association, the American Academy of Pediatrics, the Centers for Disease Control and Prevention, and the National Institutes of Mental Health, among others, recognize the need for proper diagnosis, education, and treatment of ADHD;

Whereas the lack of public knowledge and understanding of the disorder play a significant role in the overwhelming numbers of undiagnosed and untreated cases of ADHD, and the dissemination of inaccurate, misleading information contributes as an obstacle for diagnosis and treatment;

Whereas lack of knowledge combined with issues of stigma have a particularly detrimental effect on the diagnosis and treatment of the disorder;

Whereas there is a need for education of health care professionals, employers, and educators about the disorder and a need for well-trained mental health professionals capable of conducting proper diagnosis and treatment activities; and

Whereas studies by the National Institute of Mental Health and others consistently reveal that through proper comprehensive diagnosis and treatment, the symptoms of ADHD can be substantially decreased and quality of life can be improved: Now, therefore, be it

Resolved, That the Senate—

(1) designates September 20, 2006 as "National Attention Deficit Disorder Awareness Day";

(2) recognizes Attention Deficit/Hyperactivity Disorder (ADHD) as a major public health concern;

(3) encourages all Americans to find out more about ADHD, support ADHD mental health services, and seek the appropriate treatment and support, if necessary;

(4) expresses the sense of the Senate that the Federal Government has a responsibility to—

(A) endeavor to raise awareness about ADHD; and

(B) continue to consider ways to improve access and quality of mental health services dedicated to improving the quality of life of children and adults with ADHD; and

(5) calls on Federal, State, and local administrators and the people of the United States to observe the day with appropriate programs and activities.

DESIGNATING AUGUST 16, 2006, AS "NATIONAL AIRBORNE DAY"

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of and the Senate now proceed to consider S. Res. 405.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will report the resolution by title.

The assistant legislative clerk read as follows: .

A resolution (S. Res. 405) designating August 16, 2006, as "National Airborne Day."

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the amendment at the desk be agreed to; the resolution, as amended, be agreed to; the preamble be agreed to; and the motion to reconsider be laid upon the table.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 4739) was agreed to, as follows:

On page 5, strike lines 1–5 and insert:

"(2) calls on the people of the United States to observe "National Airborne Day" with appropriate programs, ceremonies, and activities."

The resolution (S. Res. 405), as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, with its preamble, reads as follows:

S. RES. 405

Whereas the airborne forces of the United States Armed Forces have a long and honorable history as units of adventuresome, hardy, and fierce warriors who, for the national security of the United States and the defense of freedom and peace, project the effective ground combat power of the United States by Air Force air transport to the far reaches of the battle area and, indeed, to the far corners of the world;

Whereas August 16, 2006, marks the anniversary of the first official validation of the innovative concept of inserting United States ground combat forces behind the battle line by means of a parachute;

Whereas the United States experiment of airborne infantry attack began on June 25, 1940, when the Army Parachute Test Platoon was first authorized by the United States Department of War, and was launched when 48 volunteers began training in July of 1940;

Whereas the Parachute Test Platoon performed the first official Army parachute jump on August 16, 1940;

Whereas the success of the Parachute Test Platoon in the days immediately preceding the entry of the United States into World War II led to the formation of a formidable force of airborne units that, since then, have served with distinction and repeated success in armed hostilities;

Whereas among those units are the former 11th, 13th, and 17th Airborne Divisions, the venerable 82nd Airborne Division, the versatile 101st Airborne Division (Air Assault), and the airborne regiments and battalions (some as components of those divisions, some as separate units) that achieved distinction as the elite 75th Ranger Regiment, the 173rd Airborne Brigade, the 187th Infantry (Airborne) Regiment, the 503rd, 507th, 508th, 517th, 541st, and 542nd Parachute Infantry Regiments, the 88th Glider Infantry Regiment, the 509th, 551st, and 555th Parachute Infantry Battalions, and the 550th Airborne Infantry Battalion;

Whereas the achievements of the airborne forces during World War II provided a basis of evolution into a diversified force of parachute and air assault units that, over the years, have fought in Korea, Vietnam, Grenada, Panama, the Persian Gulf Region, and Somalia, and have engaged in peacekeeping operations in Lebanon, the Sinai Peninsula, the Dominican Republic, Haiti, Bosnia, and Kosovo;

Whereas the modern-day airborne force that has evolved from those World War II beginnings is an agile, powerful force that, in large part, is composed of the 82nd Airborne Division, the 101st Airborne Division (Air Assault), and the 75th Ranger Regiment which, together with other units, comprise the quick reaction force of the Army's XVIII Airborne Corps when not operating separately under a regional combatant commander;

Whereas that modern-day airborne force also includes other elite forces composed entirely of airborne trained and qualified special operations warriors, including Army Special Forces, Marine Corps Reconnaissance units, Navy SEALs, Air Force combat control teams, all or most of which comprise the forces of the United States Special Operations Command;

Whereas in the aftermath of the terrorist attacks on the United States on September 11, 2001, the 75th Ranger Regiment, special forces units, and units of the 82nd Airborne Division and the 101st Airborne Division (Air Assault), together with other units of the Armed Forces, have been prosecuting the war against terrorism by carrying out combat operations in Afghanistan, training operations in the Philippines, and other operations elsewhere;

Whereas in the aftermath of the President's announcement of Operation Iraqi Freedom in March 2003, the 75th Ranger Regiment, special forces units, and units of the 82nd Airborne Division, the 101st Airborne Division (Air Assault) and the 173rd Airborne Brigade, together with other units of the Armed Forces, have been prosecuting the war against terrorism, carrying out combat operations, conducting civil affair missions, and assisting in establishing democracy in Iraq;

Whereas the airborne forces are and will continue to be at the ready and the forefront until the Global War on Terrorism is concluded;

Whereas of the members and former members of the United States combat airborne forces, all have achieved distinction by earning the right to wear the airborne's "Silver Wings of Courage", thousands have achieved the distinction of making combat jumps, 69 have earned the Medal of Honor, and hundreds have earned the Distinguished-Service Cross, Silver Star, or other decorations and awards for displays of such traits as heroism, gallantry, intrepidity, and valor;

Whereas the members and former members of the United States combat airborne forces are members of a proud and honorable fraternity of the profession of arms that is made exclusive by those distinctions which, together with their special skills and achievements, distinguish them as intrepid combat parachutists, special operation forces, and (in former days) glider troops; and

Whereas the history and achievements of the members and former members of the airborne forces of the United States Armed Forces warrant special expressions of the gratitude of the American people as the airborne community celebrates August 16, 2006, as the 66th anniversary of the first official jump by the Army Parachute Test Platoon: Now, therefore, be it

Resolved, That the Senate—

(1) designates August 16, 2006, as "National Airborne Day"; and

(2) calls on the people of the United States to observe "National Airborne Day" with appropriate programs, ceremonies, and activities.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 12:34 p.m., recessed subject to the call of the Chair and reassembled at 4:26 p.m., when called to order by the Presiding Officer (Mr. SESSIONS).

ALTERNATIVE FUEL INFRASTRUCTURE

Mr. THUNE. Mr. President, I rise today along with my colleague from Colorado, Senator SALAZAR, to inform our colleagues of our efforts to expand the availability of alternative fuel infrastructure to assist American consumers who are increasingly looking to buy automobiles that can run on alternative fuels such as biodiesel, E–85 ethanol, natural gas, and other such fuels.

American automakers—Ford, GM, Daimler Chrysler—alternative energy groups, and environmental organizations have all expressed to Congress that the leading hurdle to allowing consumers greater access to vehicles that run on alternative fuels is the fact that there just aren't enough refueling stations across the country.

For instance, while there are over 6 million flex-fuel vehicles nationwide that can run on either gasoline or E–85 ethanol, less than 1 percent of all gas stations provide consumers with the option of fueling up with an alternative fuel that is American made, cleaner for the environment, and reduces our Nation's overreliance on foreign sources of oil.

On Monday of this week, the House of Representatives, by a vote of 355 to 9, overwhelmingly passed a bill by Congressman MIKE ROGERS from Michigan—H.R. 5534—that authorizes grants up to $30,000 for gas stations, and other eligible entities under the Clean Cities Program at the Department of Energy—including Government entities—that place in service alternative fuel infrastructure.

Subject to annual appropriations, Congressman ROGERS' bill authorizes the use of penalties that are collected annually from foreign automakers who violate the CAFE standard for fuel efficiency.

This House-passed bill is currently being held at the Senate desk and Senator SALAZAR and I, along with Senators TALENT and HAGEL, have a substitute amendment that has the support of the majority leader and has been cleared by the chairman of the Commerce Committee. Again, I reiterate that this is simply an authorization and has no mandatory spending.

Our goal is to pass this substitute proposal by unanimous consent and send it back to the House of Representatives—which has indicated that they are prepared to pass the modified proposal so it can be enacted into law.

Mr. President, for the information of my colleagues, while the Senate is currently debating a bill to expand the availability of oil and natural gas that is located off the coast of the U.S., we shouldn't miss the opportunity to pass a modified version of the alternative fuel grant legislation that the House overwhelmingly passed earlier this week.

RAILROAD RETIREMENT BENEFITS

Mr. SANTORUM. Mr. President, I am pleased to have introduced the Railroad Retirement Technical Improvement Act that would ensure that the Department of the Treasury continues to distribute retirement benefits rather than a nongovernmental disbursing agent. This legislation is similar to a bill that was introduced in the House of Representatives by Transportation and Infrastructure Committee chairman DON YOUNG of Alaska. I urge my colleagues to support this legislation, which will continue to allow our Nation's retired railroad employees to securely receive the benefits for which they have worked so hard.

The Railroad Retirement and Survivors' Improvement Act of 2001 calls for a nongovernmental financial institution to replace the Treasury Department as the disbursing agent of retirement benefits. While I have consistently supported greater efficiency in government by allowing the private sector a greater role in providing some services, I believe that further analysis of this issue has shown that the Treasury Department is the most efficient and secure conduit to distribute these important benefits.

While the Treasury Department has a long track record of disbursing checks on a massive scale, very few private disbursing agents would have the ability to handle this load at the same costs incurred by the Treasury. It has been estimated that the average cost of using a nongovernmental benefit disbursing agent would total $2.9 million each year. In contrast, having the Treasury maintain its role as disbursing agent would only cost $800,000 annually, a $2.1 million annual savings.

In addition to the fiscal concerns that have arisen regarding transferring disbursing responsibilities for benefits, identity theft is a looming threat because of the need to transfer personal information of private individuals from the Treasury Department to the private sector. The specter of this threat is growing, and I do not believe our Nation's retirees should be concerned with who may have access to their personal information.

A benefit in addition to cost savings and security is that unlike a private vendor, the Treasury Department has the ability to use debt collection tools such as withholding tax refunds that are not available to the private sector. The Treasury Department's ability to make collections on overpaid benefits is easier, cheaper, and more efficient than having a private sector agent make the same collections.

The advantages of securing benefits for our retired railroad workers and saving taxpayer dollars are obvious. The maintenance of these benefits under the realm of the Treasury Department is a cost-efficient and secure means of distributing benefits, and I urge my colleagues to support this legislation.

ADDITIONAL STATEMENTS

IN HONOR OF THE RETIREMENT OF COLONEL BRUCE W. SUDDUTH

• Mr. NELSON of Nebraska. Mr. President, I rise today to honor the retirement of Col. Bruce W. Sudduth from the U.S. Air Force.

A father, a husband, a teacher, and a decorated Air Force colonel—on July 28, 2006, Colonel Sudduth will retire from the Air Force after honorably serving for 25 years. During that time, he has earned the Defense Superior Service Medal, the Defense Meritorious Service Medal, the Meritorious Service Medal with three oak leaf clusters, the Air Force Commendation Medal with one oak leaf cluster, and the Combat Readiness Medal.

Colonel Sudduth began his illustrious military career in 1981 when he entered the Air Force through Officer Training School. His first assignment was as an intercontinental ballistic missile launch officer at Whiteman Air Force Base in Missouri, where he earned wing responsibilities as a weapon system instructor, standardization evaluation, and flight commander. In 1985, he was selected for project TOP HAND at Vandenberg Air Force Base in California. In 1988, he was selected for the last ASTRA class and was assigned to Air Force Studies and Analysis; later he was assigned to the Air Force Chief of Staff's staff group.

In 1990, Colonel Sudduth attended the last class of Armed Forces Staff College at Norfolk, VA. He was then assigned to the Joint Strategic Target Planning Staff, JSTPS, Future Concepts Branch at Offutt Air Force Base, NE. Upon the elimination of JSTPS and the creation of the United States Strategic Command, USSTRATCOM, he was assigned to the Strategy and Policy Division. In 1993, Colonel Sudduth was assigned as the 341st field missile maintenance supervisor at Malmstrom Air Force Base, MT. In 1994, he assumed command of the 490th Missile Squadron at Malmstrom AFB. Under his direction, the 490th participated in combat operations after 3 years of noncombat duty. He was selected in 1996 to attend the Naval War College at Newport, RI. In 1997, he was assigned to the USSTRATCOM Strategy and Policy Division as the chief of the Strategy Branch. Upon selection for colonel, he served as USSTRATCOM senior controller, standardization evaluation chief. That same year, in addition to his duties as colonel, he earned a master's degree in national security studies from the Naval War College.

In April 2001, Colonel Sudduth assumed command of the 91st Operations

Group, Minot Air Force Base, ND. In April 2003, he was assigned as the senior special assistant to the commander, USSTRATCOM. Colonel Sudduth became the executive director of the Strategic Advisory Group in June 2004.

Colonel Sudduth graduated from Southeastern Oklahoma State University in 1973, earning a bachelor of science in education. He received a master of education in administration and supervision at Central Missouri State University in 1983. Prior to joining the Air Force, in another service to our Nation, he taught high school math and science for 7 years in Oklahoma.

I would like to congratulate Col. Bruce W. Sudduth; his wife, Rita; and his two sons, Todd and Paul, on this day of his retirement. Colonel Sudduth's noble, dedicated service to the United States of America has greatly contributed to the safety and well-being of all Americans, and is to be respected and appreciated by all. I wish him and his family the best as they embark on their new adventures in life, and I thank him again for his service.●

TRIBUTE TO LEONARD H. ROBINSON, JR.

● Mr. LUGAR. Mr. President, I take this opportunity today to honor the memory of a good friend, Leonard H. Robinson, Jr., president and CEO of the Africa Society of the National Summit on Africa, who died suddenly on Tuesday here in Washington.

Leonard's remarkable achievements have been recognized across America and the world. Throughout his nearly 40-year career, Leonard distinguished himself in many roles. He brought knowledge, commitment, and experience to his work at the State Department, the African Development Foundation, and the U.S. Agency for International Development. For many years, he devoted his abundant energy to promoting understanding and opportunities in Africa. It all started, however, as a Peace Corps volunteer in India from 1964–1967. He surprised one of my staff members recently by conversing in fluent Hindi, one of many languages Leonard had taken the time to master.

Leonard Robinson was also a visiting professor and lecturer at several universities including Boston University and the University of Virginia, where he was the university's first diplomat-in-residence. Through his membership on a variety of commissions and councils, including the Council on Foreign Relations, he gave clear voice to important issues, and others responded in kind. He had the ability to bring together broad coalitions of partners, including businesses, NGOs, academics, and civil society groups, who otherwise might not have recognized their mutual interests. He influenced numerous individuals in America and around the world to see the potential of Africa.

Leonard Robinson's work on African affairs was always based on the conviction that it was important to correct the frequently negative perceptions about Africa that inhibited genuine interaction with that continent. His tireless efforts to educate all Americans on the rich history and diversity of Africa and its people culminated in the establishment of the Africa Society, of which he was a founder, president, and CEO.

There will be a memorial service in honor of Leonard Robinson at 10:30 a.m. on Tuesday August 15, 2006, at the Washington National Cathedral where his friends and colleagues will recognize his accomplishments and celebrate his legacy. I will continue to support his most recent effort in dialog on Capitol Hill, where Congressman DONALD PAYNE and I have cochaired the Conversation and Dinner with African Ambassadors Series.

My sympathy is with Leonard's family and many friends, especially his two daughters Rani and Kemberley, his mother Winnie, and his brother Michael. This exemplary statesman was a great representative of his country and a standard bearer for the advancement of Africa, and he added something very noble to Washington discourse. We will miss his wisdom and grace.●

MESSAGE FROM THE HOUSE

At 12:24 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4157. An act to promote a better health information system.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 28, 2006, she had presented to the President of the United States the following enrolled bill:

S. 1496. An act to direct the Secretary of the Interior to conduct a pilot program under which up to 15 States may issue electronic Federal migratory bird hunting stamps.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of committee was submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

[Treaty Doc. 107–21: Convention on Supplementary Compensation on Nuclear Damage with a declaration and a condition (Ex. Rept. 109–15)]

The text of the committee-recommended resolution of advice and consent to ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein),

Section 1. Senate Advice and Consent Subject to Declaration and Condition.

The Senate advises and consents to the ratification of the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997 (Treaty Doc. 107–21), subject to the declaration in section 2, and the condition in section 3.

Section 2. Declaration.

The advice and consent of the Senate under section 1 is subject to the following declaration, which shall be included in the United States instrument of ratification:

As provided for in paragraph 3 of Article XVI, the United States of America declares that it does not consider itself bound by either of the dispute settlement procedures provided for in paragraph 2 of that Article, but reserves the right in a particular case to agree to follow the dispute settlement procedures of the Convention or any other procedures.

Section 3. Condition.

The advice and consent of the Senate under section 1 is subject to the following condition:

Not later than 180 days after entry into force of the Convention for the United States, and annually thereafter for four additional years, the Secretary of State shall submit a report to the Committees on Energy and Natural Resources and Foreign Relations of the Senate, and the Committees on Energy and Commerce and International Relations of the House of Representatives that includes the following:

(a) RATIFICATION.—A list of countries that have become a Contracting Party to the Convention and the dates of entry into force for each country.

(b) DOMESTIC LEGISLATION.—A description of the domestic laws enacted by each Contracting Party to the Convention that implement the obligations under Article III of the Convention.

(c) U.S. DIPLOMACY.—A description of United States diplomatic efforts to encourage other nations to become Contracting Parties to the Convention, particularly those nations that have signed it.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Ms. STABENOW (for herself, Mr. DOMENICI, Mr. JOHNSON, and Mr. DURBIN):

S. 3761. A bill to amend the Agriculture and Consumer Protection Act of 1973 to assist the neediest of senior citizens by modifying the eligibility criteria for supplemental foods provided under the commodity supplemental food program to take into account the extraordinarily high out-of-pocket medical expenses that senior citizens pay, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MCCAIN (for himself and Mr. KYL):

S. 3762. A bill to designate segments of Fossil Creek, a tributary to the Verde River in the State of Arizona, as wild and scenic rivers; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. CANTWELL (for herself and Mr. DURBIN):

S. Res. 544. A resolution designating September 20, 2006, as "National Attention Deficit Disorder Awareness Day"; considered and agreed to.

ADDITIONAL COSPONSORS

S. 666

At the request of Mr. DEWINE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 666, a bill to protect the public health by providing the Food and Drug Administration with certain authority to regulate tobacco products.

S. 1840

At the request of Mr. THUNE, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1840, a bill to amend section 340B of the Public Health Service Act to increase the affordability of inpatient drugs for Medicaid and safety net hospitals.

S. 2440

At the request of Ms. CANTWELL, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2440, a bill to provide the Coast Guard and NOAA with additional authorities under the Oil Pollution Act of 1990, to strengthen the Oil Pollution Act of 1990, and for other purposes.

S. 2475

At the request of Mr. SALAZAR, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 2475, a bill to establish the Commission to Study the Potential Creation of a National Museum of the American Latino Community, to develop a plan of action for the establishment and maintenance of a National Museum of the American Latino Community in Washington, DC, and for other purposes.

S. 2491

At the request of Mr. CORNYN, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 2491, a bill to award a Congressional gold medal to Byron Nelson in recognition of his significant contributions to the game of golf as a player, a teacher, and a commentator.

S. 2590

At the request of Mr. COBURN, the names of the Senator from South Dakota (Mr. THUNE) and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2663

At the request of Mr. DODD, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 2663, a bill to amend the Public Health Service Act to establish grant programs to provide for education and outreach on newborn screening and coordinated followup care once newborn screening has been conducted, to reauthorize programs under part A of title XI of such Act, and for other purposes.

S. 3128

At the request of Mr. BURR, the name of the Senator from South Carolina (Mr. GRAHAM) was added as a cosponsor of S. 3128, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for uniform food safety warning notification requirements, and for other purposes.

S. 3703

At the request of Mr. WYDEN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 3703, a bill to provide for a temporary process for individuals entering the Medicare coverage gap to switch to a plan that provides coverage in the gap.

S. 3705

At the request of Mr. KENNEDY, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 3705, a bill to amend title XIX of the Social Security Act to improve requirements under the Medicaid program for items and services furnished in or through an educational program or setting to children, including children with developmental, physical, or mental health needs, and for other purposes.

S. 3737

At the request of Mr. LIEBERMAN, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 3737, a bill to amend the National Trails System Act to designate the Washington-Rochambeau Route National Historic Trail.

S. RES. 531

At the request of Mr. LIEBERMAN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. Res. 531, a resolution to urge the President to appoint a Presidential Special Envoy for Sudan.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTONS

By Ms. STABENOW (for herself, Mr. DOMENICI, Mr. JOHNSON, and Mr. DURBIN):

S. 3761. A bill to amend the Agriculture and Consumer Protection Act of 1973 to assist the neediest of senior citizens by modifying the eligibility criteria for supplemental foods provided under the commodity supplemental food program to take into account the extraordinarily high out-of-pocket medical expenses that senior citizens pay, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Ms. STABENOW. Mr. President, I rise today to introduce the Senior Nutrition Act, which will make needed improvements to the Commodity Supplemental Food Program to prevent our seniors from having to make the difficult choice between food and medicine as they try to balance their budgets.

I am pleased to have the support of my friend, Senator DOMENICI of New Mexico, who has been one of the Senate's strongest supporters of CSFP. Also I am pleased to have the support of Senators JOHNSON and DURBIN.

Nationally, 32 States and the District of Columbia participate in CSFP, which works to improve the health of both women with children and seniors by supplementing their diets with nutritious USDA commodity foods. According to USDA, more than half a million people each month participated in CSFP during fiscal year 2005, with the overwhelming majority being seniors.

My State of Michigan has one of the largest and oldest CSFP network in the Nation. Last year, over 80,000 people in Michigan benefited from this important program.

The bill I am introducing today will make the following important changes to CSFP.

First, categorical eligibility is granted for seniors for CSFP if the individual participates or is eligible to participate in the Food Stamp Program. No further verification of income would be necessary in such cases. The Food Stamp Program provides a medical expense deduction, which seniors may use to account for their high prescription drug costs.

Second, this bill says that the same income standard that is currently used to determine eligibility for women, infants, and children in CSFP—185 percent of the poverty income guidelines—would be applied to seniors as well. The current income eligibility standard for seniors has been capped at just 130 percent. Under the current Federal poverty guidelines, a single senior cannot earn more than $12,740 per year to qualify. By raising the standard to 185 percent of poverty, the same senior can earn as much as $18,130 to qualify for food. This will make a major difference in the lives of so many seniors who are struggling with the high cost of prescription drugs.

This bill has been endorsed by the National CSFP Association as well as several national and Michigan senior advocacy and faith-based groups. I ask unanimous consent that a copy of these support letters be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL CSFP ASSOCIATION,
Farmington, NM, August 17, 2005.

Hon. DEBBIE STABENOW,
U.S. Senate,
Washington, DC.

DEAR SENATOR STABENOW: Thank you for your continuing support of the Commodity

Supplemental Food Program (CSFP) which provides an important buffer for our vulnerable children and seniors each month. Your support has made a difference and we appreciate your tireless efforts.

The National CSFP Association strongly supports your efforts to re-introduce and pass the Senior Nutrition Act and will work diligently to see that it happens this year. As you know nearly 90% of our recipients are now seniors living below 130% of Federal Poverty Level. For a household of one, this is a maximum of $1,037 per month. While some changes have been made in Medicare to help seniors buy prescriptions, the rising fuel costs are still of great concern to those on fixed incomes and many of those seniors qualifying for food stamps due to medical cost deductions will lose the deductions to income and subsequently the food stamps. By amending the eligibility criteria for seniors served by CSFP through the Senior Nutrition Act, the neediest of seniors will continue to receive nutrition assistance, which is crucial if they are to remain in good health.

Again, thank you for championing our nation's children and seniors.

Sincerely,

VICKI METHENY,
ECHO, Inc., Food Programs Supervisor, President, National CSFP Association.

MICHIGAN ASSOCIATION OF UNITED WAYS,
Lansing, MI, September 28, 2005.

Re commodity foods for seniors legislation.

Hon. DEBBIE STABENOW,
U.S. Senator,
Washington, DC.

DEAR SENATOR STABENOW: The Michigan Association of United Ways enthusiastically supports your efforts to introduce legislation to make it easier for seniors to receive commodity foods. Your legislation will enable seniors to receive assistance from the Commodity Supplemental Food Program if seniors receive Food Stamps or have income up to 185 percent of poverty.

On August 30, 2005 the U.S. Census released its annual report on income, poverty, and health insurance coverage in the United States. The statistics are alarming. 1.1 million more people fell into poverty, bringing the ranks of poor Americans to 37 million. This is 12.7 percent of the population in 2004, compared to 35.9 million (12.5 percent) in 2003.

The 63 United Ways in Michigan help to meet the basics needs of vulnerable people of all ages. United Ways must partner with government to protect the social safety net for seniors. United Ways are well aware that many low-income seniors run out of money before the end of the month and need help. Your legislation will help insure that low-income seniors receive the support that they deserve.

Thank you for your continuing concerns for all low-income families in Michigan.

Sincerely,

ROBERT E. PARKS,
Director of Membership Services.

ELDER LAW OF MICHIGAN, INC.,
Lansing, MI, September 28, 2005.

Senator DEBBIE STABENOW,
133 Hart Senate Office Building,
Washington, DC.

DEAR SENATOR STABENOW: On behalf of Elder Law of Michigan, Inc. I want to voice our strong support for the re-introduction of Senate bill 486 to increase the eligibility for free commodity food for seniors from 130% of the poverty level to 185% of the poverty level. In our public law practice, we see thousands of Michigan seniors each year who are going without food to pay for their other living and health care expenses. We anticipate that rising automobile/gas and home heating costs will dramatically erode older citizens' ability to pay for their basic needs of food, shelter, and medicine.

Increasingly we see seniors face the pressure to financially support children and grandchildren in our state. The pressure on these families due to the economic conditions in our state and limited job opportunities set the stage for financial exploitation and elder abuse. Providing additional access to commodity food can alleviate some of the pressure these low-income, multigenerational families experience.

Food is a basic human right. Thank you for your leadership on this issue. Please contact me if I can provide any additional support on this or other issues to improve the well being of seniors in Michigan and the United States.

Sincerely,

KATE BIRNBRYER WHITE,
Executive Director.

CENTER FOR CIVIL JUSTICE,
Saginaw, MI, September 21, 2005.

Re legislation to help seniors access commodities.

Hon. DEBBIE STABENOW,
U.S. Senator,
Washington, DC.

DEAR SENATOR STABENOW: The Center for Civil Justice was pleased to hear that you will be co-sponsoring a new version of S. 468 (from the 108th Congress). The proposed legislation will enable seniors to receive help from the Commodity Supplemental Food Program (CFSP) if the seniors receive Food Stamps or have income up to 185% of poverty.

I am writing to express our support for this initiative. The Center for Civil Justice assists thousands of people each year who call our Food and Nutrition Program Helpline for information about federal food programs. We also work with community organizations throughout Michigan who provide emergency food and services to those in need. Through this work, we are well aware that there are many seniors who need help with food and who could benefit from the commodities program.

In Michigan, seniors comprise approximately 17% of the Food Stamp households. We know from talking to the seniors who call our Food and Nutrition Helpline that many of these households are struggling to pay for medical care and higher gas bills. These expenses reduce the money they have available to buy food. These seniors will benefit from increased access to supplemental food commodities as a result of the legislation.

Thank you for your continuing concern with assuring adequate food for Michigan's most vulnerable households.

Sincerely yours,

TERRI L. STANGL,
Executive Director.

NETWORK,
Washington, DC, September 20, 2005.

Hon. DEBBIE STABENOW,
U.S. Senate,
Washington, DC.

DEAR SENATOR STABENOW: NETWORK, a National Catholic Social Justice Lobby, is pleased to learn that you are introducing a senior nutrition bill. We strongly support the bill we have seen in draft. We understand that the bill will increase to 185% of the poverty threshold, the level at which a senior will be eligible for commodity supplemental food program. There are many seniors in this nation who struggle with decisions concerning purchase of food and medication, or payment of household utilities. A program supporting a greater number to benefit from supplemental nutritious foods seems critical.

The U.S. Census Bureau report: Income, Poverty, and Health Insurance Coverage in the United States: 2004, states that nearly 3.5 million seniors lived at or below the poverty threshold of $8,825 (individual) or $11,122 (couple) in 2004. The current level of 130% of the poverty threshold ($11,472 or $14,458) severely limits what a person/couple is able to purchase. The proposed level of 185% ($16,326 or $20,575) seems far more acceptable for ensuring that more seniors receive food supplements which supply a more nutritious diet.

NETWORK is anxious to assist you in gaining passage of this bill. Those who have gone before us, cared for us and raised the present younger generations deserve to live in dignity, without question of meeting basic needs. We hearken back to the words of Leviticus, "You shall rise up before the gray haired and defer to one who is elder" (19:32), and of Matthew, "Truly I tell you, just as you did it to one of the least of these who are members of my family, you did it to me." (25:40). Catholic Social Teaching further specifies that, "the poor have the single most urgent economic claim on the conscience of the nation" (Economic Justice for All).

When the bill is dropped, we will elicit the support of our membership toward its passage. Please, let us know anything else we can do to further assist in the passage of this bill.

Sincerely,

SIMONE CAMPBELL,
National Coordinator.

By Mr. McCAIN (for himself and Mr. KYL):

S. 3762. A bill to designate segments of Fossil Creek, a tributary to the Verde River in the State of Arizona, as wild and scenic rivers; to the Committee on Energy and Natural Resources.

Mr. McCAIN. Mr. President, I am pleased to be joined by my colleague, Senator KYL, in introducing a bill to designate Fossil Creek as a "wild and scenic river." A companion measure is being introduced today by Congressman RENZI and other members of the Arizona congressional delegation.

Fossil Creek it is a thing of beauty. With its picturesque scenery, lush riparian ecosystem, unique geological features, and deep iridescent blue pools and waterfalls, this tributary to the Wild and Scenic Verde River and Lower Colorado River Watershed stretches 14 miles through east central Arizona. It is home to a wide variety of wildlife, some of which are threatened or endangered species. Over 100 bird species inhabit the Fossil Creek area and use it to migrate between the range lowlands and the Mogollon-Colorado Plateau highlands. Fossil Creek also supports a variety of aquatic species and is one of the few perennial streams in Arizona with multiple native fish.

Fossil Creek was named in the 1800s when early explorers described the fossil-like appearance of creek-side rocks and vegetation coated with calcium carbonate deposits from the creek's water. In the early 1900s, pioneers recognized the potential for hydroelectric power generation in the creek's constant and abundant spring-fed baseflow. They claimed the channel's water rights and built a dam system and generating facilities known as the Childs-Irving hydro-project. Over time, the project was acquired by Arizona Public Service, APS, one of the State's largest eclectic utility providers serving more than a million Arizonans. Because Childs-Irving produced less then half of 1 percent of the total power generated by APS, the decision was made ultimately to decommission the aging dam and restore Fossil Creek to its presettlement conditions.

APS has partnered with various environmental groups, Federal land managers, and State, tribal, and local governments to safely remove the Childs-Irving power generating facilities and restore the riparian ecosystem. In 2005, APS removed the dam system and returned full flows to Fossil Creek. Researchers predict Fossil Creek will soon become a fully regenerated Southwest native fishery providing a most valuable opportunity to reintroduce at least six threatened and endangered native fish species as well as rebuild the native populations presently living in the creek.

There is a growing need to provide additional protection and adequate staffing and management at Fossil Creek. Recreational visitation to the riverbed is expected to increase dramatically, and by the Forest Service's own admission, they aren't able to manage current levels of visitation or the pressures of increased use. While responsible recreation and other activities at Fossil Creek are to be encouraged, we must also ensure the long-term success of the ongoing restoration efforts. Designation under the Wild and Scenic Rivers Act would help to ensure the appropriate level of protection and resources are devoted to Fossil Creek. Already, Fossil Creek has been found eligible for "wild and scenic" designation by the Forest Service and the proposal has widespread support from surrounding communities. All of the lands potentially affected by a designation are owned and managed by the Forest Service and will not affect private property owners.

Mr. President, Fossil Creek is a unique Arizona treasure and would benefit greatly from the protection and recognition offered through "wild and scenic" designation. I urge my colleagues to support this bill.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 544—DESIGNATING SEPTEMBER 20, 2006, AS "NATIONAL ATTENTION DEFICIT DISORDER AWARENESS DAY"

Ms. CANTWELL (for herself and Mr. DURBIN) submitted the following resolution; which was considered and agreed to:

S. RES. 544

Whereas Attention Deficit/Hyperactivity Disorder (also known as ADHD or ADD), is a chronic neurobiological disorder that affects both children and adults, and can significantly interfere with the ability of an individual to regulate activity level, inhibit behavior, and attend to tasks in developmentally appropriate ways;

Whereas ADHD can cause devastating consequences, including failure in school and the workplace, antisocial behavior, encounters with the criminal justice system, interpersonal difficulties, and substance abuse;

Whereas ADHD, the most extensively studied mental disorder in children, affects an estimated 3 to 7 percent (4,000,000) of young school-age children and an estimated 4 percent (8,000,000) of adults across racial, ethnic, and socio-economic lines;

Whereas scientific studies indicate that between 10 and 35 percent of children with ADHD have a first-degree relative with past or present ADHD, and that approximately one-half of parents who had ADHD have a child with the disorder, suggesting that ADHD runs in families and inheritance is an important risk factor;

Whereas despite the serious consequences that can manifest in the family and life experiences of an individual with ADHD, studies indicate that less than 85 percent of adults with the disorder are diagnosed and less than half of children and adults with the disorder receive treatment and, furthermore, poor and minority communities are particularly underserved by ADHD resources;

Whereas the Surgeon General, the American Medical Association, the American Psychiatric Association, the American Academy of Child and Adolescent Psychiatry, the American Psychological Association, the American Academy of Pediatrics, the Centers for Disease Control and Prevention, and the National Institutes of Mental Health, among others, recognize the need for proper diagnosis, education, and treatment of ADHD;

Whereas the lack of public knowledge and understanding of the disorder play a significant role in the overwhelming numbers of undiagnosed and untreated cases of ADHD, and the dissemination of inaccurate, misleading information contributes as an obstacle for diagnosis and treatment;

Whereas lack of knowledge combined with issues of stigma have a particularly detrimental effect on the diagnosis and treatment of the disorder;

Whereas there is a need for education of health care professionals, employers, and educators about the disorder and a need for well-trained mental health professionals capable of conducting proper diagnosis and treatment activities; and

Whereas studies by the National Institute of Mental Health and others consistently reveal that through proper comprehensive diagnosis and treatment, the symptoms of ADHD can be substantially decreased and quality of life can be improved: Now, therefore, be it

Resolved, That the Senate—

(1) designates September 20, 2006 as "National Attention Deficit Disorder Awareness Day";

(2) recognizes Attention Deficit/Hyperactivity Disorder (ADHD) as a major public health concern;

(3) encourages all Americans to find out more about ADHD, support ADHD mental health services, and seek the appropriate treatment and support, if necessary;

(4) expresses the sense of the Senate that the Federal Government has a responsibility to—

(A) endeavor to raise awareness about ADHD; and

(B) continue to consider ways to improve access and quality of mental health services dedicated to improving the quality of life of children and adults with ADHD; and

(5) calls on Federal, State, and local administrators and the people of the United States to observe the day with appropriate programs and activities.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4739. Mr. MCCONNELL (for Mr. HAGEL) proposed an amendment to the resolution S. Res. 405, designating August 16, 2006, as "National Airborne Day".

SA 4740. Mr. JOHNSON (for himself, Mrs. LINCOLN, and Mr. TALENT) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table.

SA 4741. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4739. Mr. MCCONNELL (for Mr. HAGEL) proposed an amendment to the resolution S. Res. 405, designating August 16, 2006, as "National Airborne Day", as follows:

On page 5, strike lines 1-5 and insert:

"(2) calls on the people of the United States to observe "National Airborne Day" with appropriate programs, ceremonies, and activities."

SA 4740. Mr. JOHNSON (for himself, Mrs. LINCOLN, and Mr. TALENT) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

On page 18, after line 17, add the following:

(g) ALLOCATION TO WILDLIFE CONSERVATION AND RESTORATION ACCOUNT.—Notwithstanding subsection (a)(2), before making the disbursements under subparagraphs (A) and (B) of subsection (a)(2), the Secretary shall, for each of fiscal years 2016 through 2055, transfer to the Federal aid to wildlife restoration fund established under section 3 of the Pittman-Robertson Wildlife Restoration

Act (16 U.S.C. 669b), for deposit in the Wildlife Conservation and Restoration Account, 25 percent of all rentals, royalties, bonus bids, and other sums due and payable to the United States from leases entered into on or after the date of enactment of this Act for the 181 South Area.

SA 4741. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE II—OIL AND GAS

SEC. 201. SHORT TITLE.

This title may be cited as the "Oil and Gas Industry Antitrust Act of 2006".

SEC. 202. PROHIBITION ON UNILATERAL WITHHOLDING.

The Clayton Act (15 U.S.C. 12 et seq.) is amended—

(1) by redesignating section 28 as section 29; and

(2) by inserting after section 27 the following:

"SEC. 28. OIL AND NATURAL GAS.

"(a) In General.—Except as provided in subsection (b), it shall be unlawful for any person to refuse to sell, or to export or divert, existing supplies of petroleum, gasoline, or other fuel derived from petroleum, or natural gas with the primary intention of increasing prices or creating a shortage in a geographic market.

"(b) Considerations.—In determining whether a person who has refused to sell, or exported or diverted, existing supplies of petroleum, gasoline, or other fuel derived from petroleum or natural gas has done so with the intent of increasing prices or creating a shortage in a geographic market under subsection (a), the court shall consider whether—

"(1) the cost of acquiring, producing, refining, processing, marketing, selling, or otherwise making such products available has increased; and

"(2) the price obtained from exporting or diverting existing supplies is greater than the price obtained where the existing supplies are located or are intended to be shipped.".

SEC. 203. REVIEW OF CLAYTON ACT.

(a) In General.—The Attorney General and the Chairman of the Federal Trade Commission shall conduct a study, including a review of the report submitted under section 204, regarding whether section 7 of the Clayton Act should be amended to modify how that section applies to persons engaged in the business of exploring for, producing, refining, or otherwise processing, storing, marketing, selling, or otherwise making available petroleum, gasoline or other fuel derived from petroleum, or natural gas.

(b) Report.—Not later than 270 days after the date of enactment of this Act, the Attorney General and the Chairman of the Federal Trade Commission shall submit a report to Congress regarding the findings of the study conducted under subsection (a), including recommendations and proposed legislation, if any.

SEC. 204. STUDY BY THE GOVERNMENT ACCOUNTABILITY OFFICE.

(a) Definition.—In this section, the term "covered consent decree" means a consent decree—

(1) to which either the Federal Trade Commission or the Department of Justice is a party;

(2) that was entered by the district court not earlier than 10 years before the date of enactment of this Act;

(3) that required divestitures; and

(4) that involved a person engaged in the business of exploring for, producing, refining, or otherwise processing, storing, marketing, selling, or otherwise making available petroleum, gasoline or other fuel derived from petroleum, or natural gas.

(b) Requirement for a Study.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study evaluating the effectiveness of divestitures required under covered consent decrees.

(c) Requirement for a Report.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit a report to Congress, the Federal Trade Commission, and the Department of Justice regarding the findings of the study conducted under subsection (b).

(d) Federal Agency Consideration.—Upon receipt of the report required by subsection (c), the Attorney General or the Chairman of the Federal Trade Commission, as appropriate, shall consider whether any additional action is required to restore competition or prevent a substantial lessening of competition occurring as a result of any transaction that was the subject of the study conducted under subsection (b).

SEC. 205. JOINT FEDERAL AND STATE TASK FORCE.

The Attorney General and the Chairman of the Federal Trade Commission shall establish a joint Federal-State task force, which shall include the attorney general of any State that chooses to participate, to investigate information sharing (including through the use of exchange agreements and commercial information services) among persons in the business of exploring for, producing, refining, or otherwise processing, storing, marketing, selling, or otherwise making available petroleum, gasoline or other fuel derived from petroleum, or natural gas (including any person about which the Energy Information Administration collects financial and operating data as part of its Financial Reporting System).

SEC. 206. NO OIL PRODUCING AND EXPORTING CARTELS.

(a) Short Title.—This section may be cited as the "No Oil Producing and Exporting Cartels Act of 2006" or "NOPEC".

(b) Sherman Act.—The Sherman Act (15 U.S.C. 1 et seq.) is amended—

(1) by redesignating section 8 as section 9; and

(2) by inserting after section 7 the following:

"SEC. 8. OIL PRODUCING CARTELS.

"(a) In General.—It shall be illegal and a violation of this Act for any foreign state, or any instrumentality or agent of any foreign state, in the circumstances described in subsection (b), to act collectively or in combination with any other foreign state, any instrumentality or agent of any other foreign state, or any other person, whether by cartel or any other association or form of cooperation or joint action—

"(1) to limit the production or distribution of oil, natural gas, or any other petroleum product;

"(2) to set or maintain the price of oil, natural gas, or any petroleum product; or

"(3) to otherwise take any action in restraint of trade for oil, natural gas, or any petroleum product.

"(b) Circumstances.—The circumstances described in this subsection are an instance when an action, combination, or collective action described in subsection (a) has a direct, substantial, and reasonably foreseeable effect on the market, supply, price, or distribution of oil, natural gas, or other petroleum product in the United States.

"(c) Sovereign Immunity.—A foreign state engaged in conduct in violation of subsection (a) shall not be immune under the doctrine of sovereign immunity from the jurisdiction or judgments of the courts of the United States in any action brought to enforce this section.

"(d) Inapplicability of Act of State Doctrine.—No court of the United States shall decline, based on the act of state doctrine, to make a determination on the merits in an action brought under this section.

"(e) Enforcement.—The Attorney General of the United States may bring an action to enforce this section in any district court of the United States as provided under the antitrust laws, as defined in section 1(a) of the Clayton Act (15 U.S.C. 12(a)).".

(c) Sovereign Immunity.—Section 1605(a) of title 28, United States Code, is amended—

(1) in paragraph (6), by striking "or" at the end;

(2) in paragraph (7), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(8) in which the action is brought under section 8 of the Sherman Act.".

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Federal Financial Management, Government Information, and International Security be authorized to meet on Friday, July 28, 2006, at 9:30 a.m. for a hearing regarding "Cyber Security: Recovery and Reconstitution of Critical Networks".

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider Calendar Nos. 751 and 811. I further ask unanimous consent that the nominations be confirmed en bloc, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

DEPARTMENT OF STATE

Earl Anthony Wayne, of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

EXECUTIVE OFFICE OF THE PRESIDENT

Stephen S. McMillin, of Texas, to be Deputy Director of the Office of Management and Budget.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

MEASURES CONSIDERED READ THE FIRST TIME

Mr. McCONNELL. Mr. President, I ask unanimous consent that notwithstanding the recess or adjournment of the Senate, when it receives from the House a bill relating to pension reform and a bill relating to estate tax, the bills be considered as read the first time during today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, JULY 31, 2006

Mr. McCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 2 p.m. on Monday, July 31. I further ask that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate proceed to a period for the transaction of morning business for up to 1 hour, with the time equally divided between the majority and minority; further, that at 3 p.m., the Senate resume consideration of S. 3711, the gulf coast energy security bill, with the time equally divided between the two managers or their designees until 5:30 p.m; further, that at 5:30 p.m., the Senate proceed to a vote on the motion to invoke cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. McCONNELL. Mr. President, on Monday, we will resume debate on the gulf coast energy security bill. Senators are reminded that we will have a vote on the motion to invoke cloture on the bill at 5:30 Monday afternoon. This will be the first vote of the week, and Senators should make their plans accordingly. We expect to finish this bill next week. We have other important items to consider, as we all know, before we leave for the August recess, hopefully at the end of next week. Therefore, it is expected that we will have a full week all of next week with lots of business before the Senate prior to the August recess.

ADJOURNMENT UNTIL 2 P.M., MONDAY, JULY 31, 2006

Mr. McCONNELL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 4:29 p.m., adjourned until Monday, July 31, 2006, at 2 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate Friday, July 28, 2006:

DEPARTMENT OF STATE

EARL ANTHONY WAYNE, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ARGENTINA.

EXECUTIVE OFFICE OF THE PRESIDENT

STEPHEN S. MCMILLIN, OF TEXAS, TO BE DEPUTY DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET.

The above nominations were approved subject to the nominmees' commitment to respond to request to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Friday, July 28, 2006*

The House met at 10 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, in whom we live, move and have our being, send forth Your spirit upon the Members of the House of Representatives today.

As they try to finish the work You have set before them in this 109th Congress, we hope that civil discourse, rightful compromise and mutual learning from one another may produce lasting results for Your people.

And when they take leave of committee staffs and each other for the August break, may all Members find peace awaiting them at home. Together with family and friends, may they enjoy summer days and quiet evenings so their souls are renewed and lasting values are embraced with greater fortitude for the good of all Americans and the future of this Nation.

Lord, we pray for an end of terrorism and an atmosphere of world peace be established to free all people of anxiety and foster better family life and stable communities.

May the Lord go before you to prepare your way. May the Lord be above you with every blessing; and may the Lord carry you safely until you return. For He lives and reigns as Sovereign Lord now and forever.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas (Mr. POE) come forward and lead the House in the Pledge of Allegiance.

Mr. POE led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

BORDER SECURITY

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, America cannot be a secure Nation without first having secure borders. Inadequate border security not only opens up America to the abuses of illegal immigration, it also leaves our Nation vulnerable to criminal and even terrorist activity.

House Republicans have taken a strong stance on this issue. Democrats, on the other hand, support the Reid-Kennedy bill, a soft piece of legislation that would do little to discourage the lawlessness that we have encroaching into our Nation. It would require illegal immigrants to pay taxes for only 3 of the 5 years they have been in our country, and would guarantee Social Security benefits to illegals for the time they have been in the country unlawfully.

The Reid-Kennedy bill is just as unjust as it is dangerous. If a current American citizen tried to pay taxes 3 out of every 5 years, he would be put in jail. Why do we extend this privilege to people who aren't even citizens? It is simply ludicrous.

During August, Republicans will hold 21 hearings across the country on immigration. We hope these hearings will help us get a strong border security bill on the President's desk.

EXXONMOBIL PROFITS

(Mr. KUCINICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KUCINICH. Mr. Speaker, ExxonMobil profits surged 36 percent to $10.4 billion in just the last 3 months. That means they made $1,310 a second in profit. In the 1 minute I have to address this Congress, ExxonMobil will make $79,080 in profit. In 1 minute they will make more than most hard-working Americans make in a year.

As consumers are being gouged at the pump, Big Oil runs the administration, bringing us war and environmental disaster and economic decline. Oil was at about $23 a barrel at the start of this administration. Now it is at $74 a barrel. If this administration goes ahead and attacks Iran, it will go to $130 a barrel and about $5 a gallon for gas.

This Congress must do more than genuflect with tax breaks and subsidies to Big Oil. It is time we took the side of the consumers whose budgets are being crushed and mobility being crushed by $3 a gallon gas. It is time for a 100 percent excess profit tax on the oil companies. That is what my bill, H.R. 2070, does. It will lower the price of gas because it will tax excess profits of oil companies and it won't increase the price of gasoline.

My minute is up, but the oil companies' profits are eternal, unless we stop the price gouging with a 100 percent excess profits tax.

ELIMINATING PREVENTABLE MEDICATION ERRORS

(Mr. MURPHY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MURPHY. Mr. Speaker, a recent study by the Institute of Medicine reported preventable medication errors injure over 1.5 million patients and cost over $3.5 billion each year. In other studies these costs are even higher. One stated it cost Medicare $29 billion per year in health care costs.

Medication errors include adverse drug reactions or errors of dosage or type of medication. A misspelled drug name, illegible handwriting, or if the physician is not aware of a patient's other prescriptions, these can all lead to problems.

Yesterday, the House passed the Health Information Technology Promotion Act to help doctors and hospitals work together to eliminate drug errors. Computerized prescriptions instantaneously give physicians vital information and double-check all prescriptions to put patient safety first.

To learn more about eliminating preventable medication errors, or other ways we can save lives and save money in health care, I would urge my colleagues to visit my Web site at murphy.house.gov.

DO-LESS-THAN-DO-NOTHING CONGRESS LEAVES AGAIN WITHOUT ADDRESSING AMERICA'S PRIORITIES

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, as the Republicans prepare to leave on a 5-week vacation, this Congress is best described as the "do-less-than-do-nothing Congress."

Despite the fact that the minimum wage has not been increased in 9 years, House Republicans refuse to allow a clean vote on the minimum wage, which will prevent 6 million Americans from receiving a much needed pay raise. If Republicans were really interested in raising the minimum wage, they wouldn't attach it to bills they know will never be signed into law.

And despite the fact that Republicans have been critical of border security, they continue to refuse to come

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

to the negotiating table so that we can pass a comprehensive immigration and border security bill into law this year.

And despite the fact that gas prices are once again at record highs, House Republicans have yet to pass a tough price gouging bill into law, and refuse to join us in repealing $20 billion in tax breaks and subsidies to their friends in Big Oil.

Mr. Speaker, the American people have every reason to be disgusted with this House. It is time we take America in a new direction. The American people want a Congress that works for them.

NATIONAL MOTTO: IN GOD WE TRUST

(Mr. POE asked and was given permission to address the House for 1 minute.)

Mr. POE. Mr. Speaker, this House has much tradition and history. We start each day every day with a prayer to the Almighty, the Pledge, and the flag is displayed in the center of this House. Above that flag, appropriately so, is the phrase, "In God We Trust."

Fifty years ago this month, President Eisenhower signed legislation declaring this to be our national motto. Our great leaders believed in this self-evident truth.

Benjamin Franklin said at the Constitutional Convention, "The longer I live, the more convinced I see this truth. God governs the affairs of men, and if a sparrow cannot fall to the ground without his notice, is it probable that an empire can rise without his aid?"

President George Washington, in his first inaugural address said: "It would be improper to omit in this first official act, my fervent supplications to the Almighty Being who rules this universe, who presides in the councils of nations."

And finally, Thomas Jefferson said, "Our liberties are the gift of God."

Mr. Speaker, we must and shall preserve, believe and uphold America's motto, "In God We Trust."

And that's just the way it is.

MINIMUM WAGE INCREASE

(Ms. SOLIS asked and was given permission to address the House for 1 minute.)

Ms. SOLIS. Good morning, Mr. Speaker. Today I would like to talk about the Republican leadership and the fact that they are ignoring the needs of millions of Americans who right now are making minimum wage. They haven't seen an increase in over 10 years.

They are holding the pay raise for American workers hostage by adding partisan poison pills that will damage and ruin a clean minimum-wage bill that the Democrats support.

Americans deserve a straight up-or-down vote on increasing the minimum wage for working families, most of whom are women, single head of household with children.

Mr. Speaker, our constituents know that you can't fool them. They know that the Republicans' attempt to pass a minimum-wage bill that includes harmful, unrelated legislation is just not going to pass this House.

Come November, Democrats are going to stand up, and they are going to fight with us, and we are going to take back this House.

I urge all my colleagues to reject the proposed Republican poison bills and allow a clean vote up or down on the minimum-wage bill.

□ 1015

COMMENDING THE U.S. COAST GUARD

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, as we approach the 1-year anniversary of Hurricane Katrina, it is appropriate that we remember the valiant service of the U.S. Coast Guard. During our Nation's most destructive natural disaster, these men and women went above and beyond the call of duty.

The sheer magnitude of the Guard's response was astounding. One-third of its air fleet was deployed in the Gulf region. Six years of search-and-rescue operations were completed in 1 week. More than 33,520 lives were saved.

Mr. Speaker, it is important to note that these servicemembers were not unaffected bystanders. Sixty-nine percent of Coast Guard members were themselves victims of the hurricane; yet they put their own distress aside to save those in need. These men and women are truly American heroes, despite negative, false reporting by the drive-by media.

In conclusion, God bless our troops, and we will never forget September 11.

ATTACKING OIL COMPANY PROFITS

(Mr. EMANUEL asked and was given permission to address the House for 1 minute.)

Mr. EMANUEL. Mr. Speaker, yesterday Exxon reported its second-highest quarterly profit ever. Net income, $10 billion, up 36 percent. But they are not the only ones raking in the cash. Shell reported a 40-percent increase in profit. BP, a 30-percent increase. ConocoPhilips, a 65-percent increase in profit.

And whom does this oil industry have to thank? Lee Raymond and his outsized $400 million retirement package? No. The oil companies have the Republican Congress to thank for their huge bank accounts. In 2005, the oil and gas companies spent $86 million lobbying the United States Congress, and they received $14.5 billion in taxpayer-funded handouts. You cannot get that type of return on Wall Street or in Vegas. $86 million for lobbying, $14.5 billion in corporate welfare. So Americans are paying twice, once when they fill up their tanks, and then again on April 15.

We must stop handing out welfare checks to Big Oil. It is high time big oil companies got off the taxpayer dole.

Mr. Speaker, it is time for a change. And it is time for a new direction.

MEDICARE PHYSICIAN PAYMENT HEARING

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to advise and extend his remarks.)

Mr. BURGESS. Mr. Speaker, maybe it is because I am also a physician, but one of the questions I get most frequently at town hall meetings or just after the town hall meeting is: How come I turned 65 and I have got to change doctors?

The reason, Mr. Speaker, is because we are relying on a formula, a 10-year-old formula, a failed formula that does not adequately reimburse physicians' offices for what it costs them to deliver the care to our Medicare patients.

To that end, a bill has been introduced, H.R. 5866, and I would encourage other Members to spend some time over the August break to look at this bill. Yes, it is a little long. Yes, it is a little complex. But it is important work. It ensures that physicians receive full and fair payment for their services based on the cost of the inputs that costs them to run their practice. It creates quality performance measures that allows patients to be informed consumers. It builds on the quality improvement that we have done in this Congress and that private medicine has done throughout the country for the last decade. And, finally, it seeks to find reasonable methods of paying for these benefits within the bill.

Mr. Speaker, the time has come to revise this failed formula that serves no one good. We need to provide physicians with regular, stable, predictable updates to the cost of their practices.

CREDIT UNION REGULATORY IMPROVEMENTS ACT

(Mr. UDALL of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UDALL of Colorado. Mr. Speaker, we all recognize the importance of the financial services industry, including both banks and credit unions, to our economy. I support and applaud the steps they have taken toward better services and improved products, but I think there is some need for some changes.

That is why I have introduced a bill dealing with credit cards and am cosponsoring H.R. 2317, to update the regulation of credit unions. My support for credit unions does not reflect hostility to banks because I do not think credit unions represent a threat to the continued success of banks.

In 2005, bank profits reached a record level. Banks have a 94 percent share of the financial services industry, and the net growth in bank assets in 2005 was nearly as much as the combined total assets of all credit unions in the country. So I do not think modest changes that are in H.R. 2317 represent a real threat to the continued success of the banking industry.

When we return in September, we should have an opportunity to consider both H.R. 2317 and my bill, H.R. 5383, the Credit Card Accountability, Responsibility, and Disclosure Act.

HOUSE ACCOMPLISHMENTS

(Mr. GINGREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGREY. Mr. Speaker, I rise today to proudly reflect upon the accomplishments of this Congress. As we head into the August district work period, let us look back on all we have achieved for the American people.

Under Republican leadership this House has passed legislation to bolster our economy and prevent a tax increase on millions of Americans, including small business owners, seniors, and families.

We have worked to pass a fiscally responsible budget. We have funded the War on Terror, giving our servicemen and women the tools and support they need to take the fight to the enemy. Equally important, we have worked to secure this homeland.

We have passed legislation helping American families. We got tough on child exploitation over the Internet and voted to increase funding and resources to fight methamphetamine in all our communities. We have passed legislation to protect our Pledge of Allegiance, to curb illegal Internet gambling, and to protect our right to display the American flag.

Mr. Speaker, the list goes on and on and on. This Congress is working for the American people, and I ask that you join me in praising all that we have accomplished.

RECESS

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 21 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1705

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. THORNBERRY) at 5 o'clock and 5 minutes p.m.

GENERAL LEAVE

Mr. BURTON of Indiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

HONORING DAN GETZ

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute.)

Mr. BURTON of Indiana. Mr. Speaker, last night we had a terrible tragedy occur in my office. My assistant for foreign policy, Dan Getz, who was age 37, dropped dead of a heart attack.

Dan was an outstanding young man. He worked very, very hard in dealing with foreign policy issues, and he was a real credit to everybody that works here in the House.

One of the things that Members and the people of the country don't realize sometimes is how hard the people behind the scenes work. The staff people here and the staff on the committees work very, very hard day and night to make sure we are ready for debate on the floor of the House and our committee meetings. And Dan was one of the people that I thought did exemplary work. He worked so hard for us.

In fact, this week we had two hearings, and he didn't have assistants to help him, and he did it all by himself. And I feel a little guilty that he had to work so hard. So we were going to give him today off so that he could recuperate from all the hard work.

He went home last night to his beautiful wife, Lydia, and his two daughters, Nova and Sonia, who are both very, very young. I think they are very young children. And evidently he was resting and he keeled over with a heart attack; and before the rescue team could get there, he passed away.

So I would just like to say to his wife and his children how sorry we are. And I want to make this commitment to them, that if there is anything they need, I and my staff will do everything we can to make sure that they are taken care of, and that means financially as well.

And we will miss you, Dan. And the Good Lord willing, we will see you in heaven.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 5 o'clock and 7 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1810

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. THORNBERRY) at 6 o'clock and 10 minutes p.m.

WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 958 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 958

Resolved, That the requirement of clause 6(a) of rule XIII for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported on the legislative day of July 28, 2006, providing for consideration or disposition of any of the following measures:

(1) A conference report to accompany the bill (H.R. 2830) to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to reform the pension funding rules, and for other purposes.

(2) A bill to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

(3) A bill to provide economic security for all Americans, and for other purposes.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, House Resolution 958 is a same-day rule waiving clause 6(a) of rule XIII (requiring a two-thirds vote to consider a rule on the same day it is reported from the Rules Committee) against certain resolutions reported from the Rules Committee.

This resolution applies a waiver to any special rule reported on the legislative day of July 28, 2006, providing for the consideration or disposition of any of the following measures:

A conference report to accompany the bill (H.R. 2830) to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to reform the pension funding rules, and for other purposes.

A bill to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5 million, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

A bill to provide economic security for all Americans, and for other purposes.

Mr. Speaker, this is the last week before Congress will recess for the month of August so that Members can return home and spend their time meeting and working with those they represent. As such, we will not be returning to Washington, D.C., to conduct legislative business until September 6. Currently, there are several pieces of legislation of vital importance to the American people that are being worked on and are near completion.

It is imperative that we pass this same-day rule so that the House can consider these measures before the August recess. Once the House completes consideration, these measures can be sent to the Senate for deliberation before it recesses next week.

These important measures include a conference report to accompany the Pension Protection Act and legislation providing permanent estate tax relief and extending several important tax provisions in order to allow workers and families to keep more of their hard-earned money.

Mr. Speaker, the House Committee on Rules may meet later today to provide rules for the consideration of these measures once they are completed. House Resolution 958 will help facilitate the timely consideration of certain measures today.

Mr. Speaker, I urge my colleagues to support the same-day rule so that we can move forward to consideration of additional rules later today and eventually on the all important must-pass bills for the American people.

Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, I want to thank my good friend from Washington (Mr. HASTINGS) for yielding me the customary 30 minutes. I yield myself 5½ minutes.

Mr. Speaker, I rise in strong opposition to this martial law rule. For weeks and weeks and weeks, this House has wasted valuable time. We have spent short workdays during short workweeks passing meaningless legislation without doing a thing to actually help the American people.

□ 1815

Today, the day before the August recess, this Republican leadership is bringing to the floor legislation that will actually be harmful to America's working families.

The martial law rule before us, passed last night by the Republicans in the Rules Committee, makes three bills in order: first, the pension conference report, which will lead to benefit cuts for millions of workers; second, a tax cut bill mostly for the rich, including an estate tax cut that affects only the very wealthiest in the country; and third, this is my favorite, "a bill to provide economic security for all Americans, and for other purposes." Okay. Can anybody in this House tell me what that means? Of course not.

Apparently, the Republican leadership will be presenting a minimum wage bill that will be loaded down with sweetheart tax deals for the wealthy and the corporate special interests, the same special interests that call the shots in the Republican House.

So here we are voting on a rule to bring up bills that appeared literally just an hour ago which no one has read, 1,200 pages of legislation, Mr. Speaker, that the Members of this House have not had an opportunity to review, 1,200 pages.

This is what passes for the legislative process in the House these days, and it would be laughable if it were not so sad.

The Republican strategy is as apparent as it is cynical. They want to clutter the minimum wage bill with so many giveaways to the wealthiest Americans and to corporations that it will never actually become law. That way, the dozens and dozens of vulnerable Republican incumbents can claim that they voted to increase the minimum wage, while the corporate special interests can claim victory for killing it.

Senate tax writes have already rejected, on a bipartisan basis, proposals that combine the estate tax with a tax extenders package, which is exactly what the House Republican leadership has put forward today as an attachment to the minimum wage.

The losers in this mess are hardworking American families who deserve to make a wage that keeps them out of poverty.

No wonder the American people are so sick and tired of politics as usual in Washington. For months, years even, a clear bipartisan majority has existed in the House to support an increase in the minimum wage with no strings attached. The Republican leadership has been dragged kicking and screaming to this point. It is an amazing thing to watch.

I would ask my Republican colleagues, why is it so impossible for you to do anything good for working families? Why does it cause you such pain and anguish and hand-wringing?

Congress has not raised the minimum wage since 1997. That is 9 years. During that same period, Congress has raised its own salary eight times. Now, that is what I call out of touch.

A Republican House staffer told the Columbus, Ohio, Dispatch, "Not too many people work at minimum wage anymore. I don't think it gets you anywhere politically."

Mr. Speaker, maybe I missed it and Columbus, Ohio, is on a different planet these days because nearly 15 million Americans will benefit from a minimum wage increase, 6.6 million directly and 8.3 million indirectly. Almost 60 percent of these workers are women; 40 percent are people of color.

The average corporate CEO, who will benefit, of course, from the estate tax cut, earns more before lunchtime than a minimum wage worker earns all year.

Mr. Speaker, I cannot say it more plainly. The priorities of this Republican leadership are not the priorities of the American people. What the American people want and what they deserve is a clean up-or-down vote on increasing the minimum wage, period. They will not be getting it today.

I am sick and tired of the priorities of this Republican Congress being determined by who has the fattest checkbook, by who contributes the most money to their campaigns.

Low-income workers do not have high-priced lobbyists. They do not contribute huge amounts of money to politicians or political parties, but these are the people who make this country work, Mr. Speaker. These are the people who do the hard labor, each and every day to keep this country running. They deserve a break. They deserve a raise. They deserve the ability to provide for their families.

For once, just once, I urge my Republican colleagues to do the right thing. Reject this martial law rule.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve my time.

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GENE GREEN).

Mr. GENE GREEN of Texas. Mr. Speaker, I thank my colleague for yielding to me.

Mr. Speaker, this is Keystone Cops legislation. I fully expect to see the Marx Brothers, Larry, Curly and Moe, as Members of Congress here today.

Today, or tonight, we do not know if are going to vote on pension reform, associated health plans, repealing of the estate tax, tax extensions, or a minimum wage increase, or any combination or all of the above. It will be late on Friday night before we vote on any of these vital issues. Our constituents cannot be fooled by this late night flim-flam.

We should have an up-and-down vote on a minimum wage increase, not a vote on minimum wage increase and the estate tax at the same time or pension reform or whatever else the leadership feels convenient to add to this bill.

It is hard to hit a moving target, and rather than playing games, we should remember that there are people in this country who make $5.10 an hour. This is a real issue that impacts real people.

We have not raised the minimum wage since 1997. When adjusted for inflation, the minimum wage is the lowest it has been in 50 years. When it takes a full day's pay to fill up your gas tank, something is wrong.

A minimum wage earner makes only $10,700 a year. This is well below the poverty threshold for a family of three which is $16,600 a year.

We need to lift these hardworking Americans out of poverty and have a true vote on the minimum wage.

The estate tax may be part of the package. It is clear that my Republican colleagues do not really want to pass a minimum wage bill. The Senate has not been able to muster the 60 votes to pass the estate tax bill in years. I do not know why we want to create an illusion that we are passing the minimum wage law when we know that this law is going to fail in the Senate.

Let us stop playing games with people's lives. Let us have a straight up-and-down vote on the minimum wage so hardworking Americans can see who stands with them and who stands against them.

I urge my colleagues to vote against this martial law legislation, but also against any flim-flam or Larry, Curly and Moe legislation that they may want to bring up in the middle of the night.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, in the bill that we will be considering later on that has the minimum wage provisions as my friend from Texas was talking about, it also has some very important tax, what we call tax extenders bills, that would otherwise expire.

One of those extenders is something I know is very important to the citizens of Texas in that it allows sales tax deductibility for those States that do not have a State income tax. The Speaker pro tempore is one of those, my State is one of those, and my friend from Texas also has that.

So I would hope that while we have the minimum wage in the same bill as the sales tax, it seems to me to be a pretty attractive package.

Mr. Speaker, I reserve my time.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Let me just respond to the gentleman. What is frustrating to us here tonight is the fact that for months and months and months we have been trying to get a straight up-or-down vote on the minimum wage. We think it is an absolute disgrace that the minimum wage has not been raised since 1997, 9 years, and in those 9 years, Congress has given itself eight pay raises. We think there is something wrong with that, and we want to see passed and enacted into law an increase in the Federal minimum wage.

So we want a straight up-or-down vote because we think that is the best way you can get that.

Instead, what you do, you bring a minimum wage bill to floor to provide some of your more vulnerable Members cover, and you bring it in a package that you know probably is not going to go anywhere in the Senate because the previous combination of the estate tax and the tax extenders package has not gone anywhere in the Senate.

So this is about cover, political cover, and not about giving millions and millions of Americans, hardworking Americans who have been neglected by the Republican Congress for years, the raise that they deserve.

The minimum wage has not been raised since 1997, and adjusted for inflation, the current minimum wage is at its lowest level in more than 50 years. Minimum wage earners working 40 hours per week, 52 weeks per year, make $10,712. That is nearly $6,000 below the poverty line for a family of three. Thirty-five percent of those workers are their family's sole wage earners; 61 percent are women; and almost one-third of those women are raising children.

The average annual cost of family health insurance is more than a minimum wage worker's income for a whole year, and given the cost of gasoline, it takes a full day's pay for a minimum wage earner to fill just one tank of gas.

What we want is not political cover. What we want is to give these hardworking Americans, millions and millions and millions of Americans, who constantly get neglected by this Congress, who always get a cold shoulder when it comes to trying to provide them some help, what we want to do is give them a raise.

If Members of the House deserve a raise, these low-income wage earners also deserve a raise.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentleman for his leadership.

Wars are raging on the borders of Israel and Lebanon; wars are raging in Iraq; our soldiers are being redeployed not once, not two times and three times. I met with a young lady just recently. She has relatives who have been redeployed three times or more. Funds for the war are increasing, and my good friends on the other side, rather than stay here and work on the issues of the day, will put forward legislation that will have no place and go nowhere in the other body.

Frankly, the package that is being put through today under this martial rule will cost $800 billion. Right now, I filed legislation to provide humanitarian aid to Lebanon to help those who are noncombatants get out safely, to find a way to help Americans who are stranded in Lebanon to get safely home, and we are addressing legislation that makes no sense.

I voted for a sales tax relief for the State of Texas. I am a Texan, and I sure believe in helping home and many other States that suffer under the burden of excessive taxes. But you cannot give an $800 billion tax relief that no one is going to address, in the Senate, in regular order. It has to pass in the Senate and then the President signs it. And at the same time, we fail to entertain livable wages for Americans, a minimum wage increase for Americans, while we, of course, have increases.

So when you look at this package and you see this, this is going nowhere. This is to put Members on the line to be embarrassed or to go home and say why did you vote against the sales tax. I voted for it many times. I want it to pass, but it is not going to pass this way. It is going to have to pass in negotiation between the House and the Senate because Texas does deserve relief, but so do the millions of those who are not being able to make ends meet.

What about your soldiers that are on food stamps, the very soldiers who are on the front lines in Iraq? The privates are on food stamps, and we have got $800 billion in tax relief to the richest of Americans who do not even need it.

That is what the problem is with this legislation. We waited here all day. I do not have a problem. We can be here all night. We can be here until tomorrow. We can pass H.R. 945, the Lebanon Humanitarian Relief, so we can protect those noncombatants who are being bombed and who cannot even defend themselves. I am not concerned about protecting Hezbollah, but I am concerned about mothers and children and babies who cannot even get out because they are on the road and they are being bombed. We need a corridor that gives us that kind of separation.

But Mr. Speaker, this is no explanation. Let us get an up-or-down vote on minimum wage. Let us try to address the crisis in the Mideast. Let us help by getting real pension reform. Let us speak to the American people. Let us not play jokes here in the Congress of the United States of America.

Mr. MCGOVERN. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, as a former welfare mom, I know what it is like to try to get by on a paycheck that is not enough to make ends meet.

Today's minimum wage earner is trying to live on a wage that has not been raised for 9 years. Minimum wage has not been raised in 9 years, but you can be sure the cost of food has gone up over that period of time. The cost of health care has skyrocketed. The price of gas is higher than most people ever imagined it could be. Over 6 million people are trying to live in the year 2006 earning $1,997.

So what is the Republican majority's solution to solving the problems for those who do not have enough?

□ 1830

They want to give more tax cuts to those who have more wealth than the average American can even imagine. They want to excuse the richest 7,500 families in this country from contributing like they ought to. It is time we stand up for those who don't have enough. It is time we say no to those who want too much.

I urge my colleagues to oppose creating an American aristocracy by repealing the estate tax. Vote "no" on this rule until we have a clean up-or-down vote on the minimum wage.

Mr. MCGOVERN. Mr. Speaker, I want to state for the record, just so there is no question as to where the Republican majority is coming from, let me read to you a quote that appeared in a June 22 story of the Associated Press entitled "GOP-Run Senate Kills Minimum Wage." This is a quotation from our House Majority Leader.

He says, and I quote, "I have been in this business for 25 years and I have never voted for an increase in the minimum wage. I am opposed to it, and I think a vast majority of our rank and file is opposed to it."

That is what the other side thinks about the minimum wage, and that is why we need to demand an up-or-down vote.

Mr. Speaker, I yield 3½ minutes to the gentleman from Maryland, our distinguished whip, Mr. HOYER.

Mr. HOYER. I thank the gentleman from Massachusetts. I agree with what the gentleman has just said. The Republican leadership is opposed to raising the minimum wage, opposed to lifting 6.6 million people out of poverty. No Member of the House should harbor any illusions about what the Republican leadership is doing, therefore.

Today, the Republican leadership is engaging in a political stunt, in my opinion; a cynical sham, a cruel ploy to undermine a long overdue increase in the Federal minimum wage, an increase that would benefit literally millions of American workers and their families. Democrats have continually fought for a clean up-or-down vote on increasing the minimum wage from $5.15 to $7.25 per hour over 2 years, the first increase in 10 years.

Hear me: Groceries have not been frozen in price. Gasoline hasn't been frozen in price. Rents haven't been frozen in price. But wages of minimum-wage workers have been frozen for 10 years, and we continue to fight today about this.

The fact is, I believe a majority of the Members of this body support an increase in the minimum wage, even if the Speaker, the Majority Leader, and the majority of the House Republicans do not. But the will of the House will be thwarted today if this rule passes.

On June 12, the Appropriations Committee adopted on a bipartisan vote an amendment to the Labor, Health and Human Services and Education appropriation bill that would increase the minimum wage by $2.10 per hour over 2 years. That bill has been languishing unconsidered for the last 2 months. In response, the Republican leadership has refused to bring that appropriation bill up for a vote.

On July 13, 64 Republicans joined all Democrats in indicating their support for an increase in the minimum wage by voting for a Democratic motion to instruct on the vocational education bill. But instead of providing for a fair up-and-down vote on the minimum wage, the Republican leadership today has combined an increase in the hourly rate with an estate tax cut that will benefit the heirs of the wealthiest estates in America and drive our Nation hundreds of billions, approximately $800 billion further into debt.

If nothing else, Mr. Speaker, this bill certainly tells the American people precisely where the Republican priorities lie. Their priorities lie with Paris Hilton and other heirs of the super wealthy, not the hard-working Americans who work 40 hours a week earning a minimum wage and are living in poverty in the richest Nation on the face of the earth.

Mr. Speaker, this Republican bill wreaks of cynicism. It is a political stunt designed to give vulnerable Republicans in tough elections the opportunity to say they voted to raise the minimum wage, even though they know this bill is a shell game. We will give with one hand and take with the other.

The estate tax will not pass. It has not passed. We have already passed it. We don't need to pass it again. But it is put on this bill as a poison pill to kill it because the Republican leadership opposes raising the minimum wage. What a shame.

Mr. MCGOVERN. Mr. Speaker, I yield 1¼ minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I have served here 26 years. Eight years before that I was in the State legislature. And before that, I studied legislatures. They are a subject of fascination to me because I believe deeply in democracy. I have never seen democracy so degraded in a purportedly legitimate institution as by this bill today.

It is solely intended to allow Members of your party, Mr. Speaker, to pretend to be for an increase in the minimum wage to get them safely past an election. There are plenty of ways, if they were really for increasing the minimum wage, they could join and give us the majority to do it. But you are allowing them to be dishonest.

This proposal that links the estate tax and the minimum wage in a bill that you know is not going to pass the Senate is the most ethically repugnant, intellectually dishonest, morally bankrupt ploy I have ever seen in a legislative body. For you, Mr. Speaker, and your party to perpetrate this conscious, deliberate deception, not just on the American people, but particularly on the poorest and hardest working among them, is something I would have thought previously even you would have been ashamed to do.

Apparently, shame has become entirely irrelevant to you and your party.

Mr. HASTINGS of Washington. Mr. Speaker, I feel a great deal of respect for my friend that just spoke, and I want to go on record as saying that I am one of those that is not in favor of raising the minimum wage. I have never voted for that. And my State, by the way, has, if not the highest, one of the highest minimum wages in the country.

But I am going to vote for this bill. And I am going to vote for this bill not because I embrace the minimum wage, I am going to vote for this bill because it has the estate tax provision in there. I am going to vote for this bill because it has the sales tax deduction for Washington State and other States that don't have sales tax deductibility. And my expectation is, my expectation is that the other body will vote accordingly and pass the bill, therefore, we will have the minimum wage increase that my friend from Massachusetts talked about.

It seems to me it is the best of all worlds in the give and take of the legislative process as we near a recess.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentleman for his honesty. He is against the minimum wage, so he is going to vote for this bill. I would simply point out that I am for the minimum wage so I am going to vote against this sham.

Mr. HASTINGS of Washington. Well, reclaiming my time, I am glad the gentleman told me that.

Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, at this time, I yield 2 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. We are mixing our symbols here. You have heard of Christmas in July and you heard the gentleman before me. This is truly Christmas in July for the wealthiest among us, those who have estates worth more than $10 million, so they won't have to carry a share of the burden of paying for our country.

But this is really more of an April Fools in July. The calendar lies to us. Because the Republicans are saying that there is some equivalence between raising the minimum wage, something in 10 years of Republican rule that has never been raised, from $5.15 an hour. Three million kids are dependent upon sole wage earners who earn the minimum wage, living in abject poverty at $10,000 a year.

Some of them are pumping gas into the limousine of Lee Raymond. Who is Lee Raymond? He is the guy who just retired from ExxonMobil with a $400 million pension extorted from the American people by gouging at the gas pump. Guess how much this bill would be worth to Mr. Raymond's heirs if he died next year? $128 million. A $128 million tax savings for one individual in this proposal, which will be financed on the backs of working Americans for the next 30 years.

Because, guess what, we are running a deficit. So if we are going to give Mr. Raymond's heirs a $128 million tax break, then we are going to have to borrow the money to do it. We would borrow $80 billion a year to give the Paris Hiltons and, yes, the Lee Raymonds, and the others who have estates worth more than $10 million a bye. And they say that is a trade-off for after 10 years of delay and disassembling to give a tiny increase that still won't bring 6 million Americans up to the poverty level who are earning the minimum wage.

Shame on you for Christmas for the wealthiest among us in July and shame on you for April Fools on working Americans.

Mr. McGOVERN. Mr. Speaker, I would like to yield 3 minutes to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. I thank the gentleman for yielding. And as I listened to my friend from Oregon, I was thinking that we are helping the wealthiest of Americans by borrowing from China, by borrowing from China to subsidize that tax cut and further adding to the deficit.

But, Mr. Speaker, by the time I am finished speaking, Exxon will have made $158,160 in profits, as opposed to 17 cents earned for the 2 minutes worked by the gas station attendant. In the hour allotted to the debate, Exxon will have made over $4,744,800. And if you are currently paid the minimum wage, you will have made $5.15. In a 40-hour week, Exxon will make a staggering $189,792,000 compared to the $206 earned by someone on minimum wage. Of course that is before taxes. Welcome to Wonderland, Alice.

It has been 10 years since the Federal minimum wage was last adjusted, the longest period of time in which Congress has refused an increase. During that time, the price for gas has skyrocketed a whopping 136 percent, health care costs for working families have jumped 97 percent, college tuition has ballooned 77 percent, and the price of bread and milk has risen 25 percent.

Far too many families are struggling to make ends meet, living paycheck to paycheck and going deeper and deeper into debt. It is not about paying at the pump any more, now working families are feeling it in the aisles of the local supermarket or when they visit the drugstore.

We will not have a straight up-or-down vote on a clean minimum wage bill to help our working families, many of whom face a bleak future thanks to the Draconian budget cuts proposed by the administration and passed by this Congress. Instead, if we want to see the minimum wage addressed in this session of Congress, we are being forced to approve tax cuts that benefit the wealthiest among us and the Nation's corporations. That is just wrong.

Mr. HASTINGS of Washington. Mr. Speaker, how much time remains on both sides?

The SPEAKER pro tempore. The gentleman from Washington has 25 minutes remaining, and the gentleman from Massachusetts has 5¼ minutes remaining.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, at this time I would like to yield 2 minutes to the gentleman from Washington (Mr. MCDERMOTT).

Mr. McDERMOTT. Mr. Speaker, a number of Members have come to this floor and have wondered why there isn't moral outrage. Well, when you have a President who leads you into war on all kinds of misrepresentations, when we have now lost 2,500 Americans, and when we have spent $400 billion with no moral outrage about that, who would expect there to be moral outrage about the fact that somebody is making $5.15 an hour in this country?

□ 1845

Now, we have Members of Congress, of course, who have indexed their salary to inflation. And this year we are all going to pick up $3,300. Nobody is going to blink. That is a third of what a minimum-wage worker makes working all year.

If we had indexed the minimum wage to inflation, they would be making almost $13 an hour. But, of course, we can't think of doing something like that. That would be humane to the people that we have kicked off welfare and all the other things we have done in this society.

We have taken away pensions. We have put companies in bankruptcy. We have shifted jobs overseas, and the few that are working in this country, we want them working for as little as possible.

Well, the Republicans found a cure for that. They waited till after the news had closed for Friday. In the darkness of the night, on a Friday, they are going to pass a bill that they are going to use for their press releases on Monday when they get home to their districts: I voted to raise the minimum wage. I care about the working people of my district, they will proclaim in loud voices.

But the fact is, they know this bill isn't going to pass. And what is going to pass, they hope, is the $300 billion for the richest among us, those poor rich people who can hardly get by. Their hearts are bleeding, but the Republicans are taking care of it. Don't worry, you rich folks. They have got you in mind. They don't care what happens to the poor.

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, this bill is a sham concealing an insult hiding a hypocrisy. It is a sham legislative process to bring a bill of thousands of pages, which has yet to be distributed to any of us, for a midnight vote.

It is an insult to turn to the hard-working people working for $5.15 an hour and tell them that, first, you will get a little bit more, but it still will be less purchasing power than you had decades ago. But second, you will get it only if it is tied to relief for those who pay the estate tax.

You know, people have misnamed the estate tax the death tax. It is really and literally the millionaire's tax. The tax falls only on those who are heirs. It reduces the amount they will inherit, and only on those who are heirs to estates of over $7 million a family.

We Democrats have proposed that we permanently lift the estate tax on all families on the first $7 million. That would cost about $22 billion a year.

This bill has provisions virtually abolishing the millionaire's tax and, therefore, will cost this country, when fully phased in, $66 billion a year.

So a few quarters an hour to those who are earning the minimum wage, and $44 billion a year to those who are heirs of estates above $7 million a family.

That would be an insult. But don't worry about it, because it is shrouded in a hypocrisy. You see, this bill isn't designed to go anywhere. It is designed to come to the floor, we vote on it at midnight, then the Senate won't pass it.

If you have voted against raising the minimum wage a dozen times, as most of the Republicans in this House have, don't think you can get well by voting for this bill.

Mr. HASTINGS of Washington. Mr. Speaker, I have no more speakers, if the gentleman is prepared to close.

Mr. McGOVERN. How much time do I have left, Mr. Speaker?

The SPEAKER pro tempore. The gentleman has 1¼ minutes.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me urge all my colleagues, both Republican and Democrat, to oppose this rule. This is a martial law rule. There are 1,200 pages of legislation that nobody has read. This is not the way this House should be run.

People who are watching this on TV are scratching their heads and wondering how in the world can Members of Congress vote on legislation that they have never seen, that they haven't had a chance to read. But that is exactly what we are being asked to do tonight, and that is wrong.

What is happening right now is a deliberate attempt to, essentially, give people cover on the minimum wage, on a bill that will die.

This is not going to be enacted into law. We know that because the Senate has already made it clear that they are not going to support this legislation. And so this is political cover for Republicans who are afraid that they are going to be criticized for not voting for the minimum wage.

If you want a minimum wage, then vote for it up or down. Don't clutter it up with tax breaks for millionaires and for special corporate interests.

The fact of the matter is that it takes a full day's pay for a minimum-wage earner to fill just one tank of gas. The average CEO earns 821 times more than a minimum-wage worker. The average CEO earns more before lunchtime than a minimum-wage worker earns all year.

Let's not be cynical. Let's defeat this martial law rule. Let's give the Members of this House an opportunity to vote on the minimum wage up or down. That is what the American people deserve. Vote "no" on this martial law rule.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself the balance of time.

Mr. Speaker, this rule allows for consideration of two very important bills, bills that have been worked on extremely hard on both sides of the aisle and on both sides of the rotunda. One of them is the pension reform bill that has been worked on by the respective committees for 5 or 6 years on a bipartisan basis. The bill that we will take up later on pension reform is the conference report. But because of the timing and some logistics, this is the best way to address this issue is to take the bill up and pass it so that the Senate can act on it next week.

The other bill is a minimum-wage increase bill. I don't know how many times this body, in the last several months, has had procedural motions regarding the minimum wage. So we are going to have a minimum-wage bill before us later on tonight. And with that bill, with the expectation that the other body will talk about it and will pass it favorably, will be something that this body has addressed several times.

The estate tax, or the death tax, has been addressed by this Congress on two occasions. The first occasion was to totally eliminate it. And it passed this body on a bipartisan basis. The second time was a cap that we will take up, very similar to what we will take up later on. It also passed on a bipartisan basis. So the issues that we are taking up and allowing to take up with this rule aren't new to this body.

So I urge my colleagues to vote for this same-day rule and to vote, later on, for the rule that will allow consideration of these two measures that I just talked about. They are important to our constituents; and the sooner we do it, the better off we will be.

And I must say too, Mr. Speaker, the expectation is that both of these measures that we will take up later on tonight will be passed by the other body next week and they will become law. And amongst that is the minimum-wage increase that my friends on the other side of the aisle have been talking about.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. McGOVERN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 217, nays 192, not voting 24, as follows:

[Roll No. 418]

YEAS—217

Abercrombie
Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Nussle
Osborne
Otter
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—192

Ackerman
Allen
Andrews
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt

Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—24

Baca
Bilirakis
Boehlert
Buyer
Coble
Davis, Jo Ann
Deal (GA)
Evans
Gohmert
Istook
Jones (NC)
Lewis (GA)
Linder
McKinney
Meehan
Meeks (NY)
Northup
Norwood
Nunes
Oxley
Payne
Platts
Salazar
Stark

□ 1929

Messrs. CARDOZA, AL GREEN of Texas and BARROW changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. NUNES. Mr. Speaker, on the legislative day of Friday, July 28, 2006, I was unavoidably detained and was unable to cast a vote on rollcall vote No. 418. Had I been present, I would have voted "yea" on this vote.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5970, ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006 AND H.R. 4, PENSION PROTECTION ACT OF 2006

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 109–613) on the resolution (H. Res. 966) providing for consideration of the bill (H.R. 5970) to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes; and consideration of the bill (H.R. 4) to provide economic security for all Americans, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□ 1930

PROVIDING FUNDING AUTHORITY TO FACILITATE EVACUATION OF PERSONS FROM LEBANON

Mr. WOLF. Mr. Speaker, I ask unanimous consent that the Senate bill (S. 3741) to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes, be taken from the Speaker's table, amended in the form that I have placed at the desk, and hereby passed; that the amendment placed at the desk be considered as read; and that the motion to reconsider be laid upon the table.

The Clerk read the title of the Senate bill.

The text of the Senate bill is as follows:

S. 3741

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FUNDING AUTHORITY.

(a) TRANSFER AUTHORITY.—

(1) AUTHORITY.—

(A) IN GENERAL.—Upon a determination by the Secretary of State described in subparagraph (B), the Secretary may transfer to the "Emergencies in the Diplomatic and Consular Service" account from unobligated amounts in any account under the "Administration of Foreign Affairs" heading such sums as may be necessary—

(i) to cover the costs of facilitating the evacuation under section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671) of persons from Lebanon on or after July 16, 2006; and

(ii) to replenish the "Emergencies in the Diplomatic and Consular Service" account up to the level of funding that existed in such account on July 15, 2006.

(B) DETERMINATION.—A determination referred to in subparagraph (A) is a determination that additional funding for the "Emergencies in the Diplomatic and Consular Service" account is necessary as a result of the extraordinary costs of facilitating the evacuation under section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671) of persons from Lebanon on or after July 16, 2006.

(C) TREATMENT OF FUNDS.—Amounts transferred under subparagraph (A) shall be merged with amounts in the "Emergencies in the Diplomatic and Consular Service" account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such account.

(2) NOTIFICATION REQUIREMENT.—

(A) IN GENERAL.—Except as provided under subparagraph (B), not later than 5 days before transferring funds under paragraph (1), the Secretary of State shall notify the appropriate congressional committees of the proposed transfer.

(B) EXIGENT CIRCUMSTANCES WAIVER.—The Secretary may waive the requirement under subparagraph (A) if exigent circumstances exist. In the event of such a waiver, the Secretary shall provide notice of the transfer of funds to the appropriate congressional committees as early as practicable, but in no event later than 3 days after such transfer, including an explanation of the circumstances necessitating such waiver.

(C) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this paragraph, the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

(b) USE OF CERTAIN FUNDS.—Amounts appropriated or otherwise made available by chapter 8 of title II of division B of Public Law 109–148 under the heading "EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE" and any other unobligated amounts in the "Emergencies in the Diplomatic and Consular Service" account may be made available to cover the costs of facilitating the evacuation under section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671) of persons from Lebanon on or after July 16, 2006.

The text of the amendment is as follows:

Amendment offered by Mr. WOLF:

Strike subsection (a) and insert the following new subsection:

(a) INCREASE IN AVAILABLE FUNDS FOR EMERGENCY EVACUATIONS.—Notwithstanding the transfer restrictions under section 402 of the Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006 (Public Law 109–108), the second proviso under the headings "DEPARTMENT OF STATE AND RELATED AGENCY – DEPARTMENT OF STATE – ADMINISTRATION OF FOREIGN AFFAIRS – DIPLOMATIC AND CONSULAR PROGRAMS" is amended by striking "$4,000,000" and inserting "$19,000,000".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. OBEY. Mr. Speaker, reserving the right to object, I think especially in the closing days of the session, that Members ought to have an understanding of what is going on, even though this is martial law time.

So I would ask if the gentleman would please explain to the House what this action would do.

Mr. WOLF. Mr. Speaker, this amendment simply gives the permissive authority to the Secretary of State to access these and other previously appropriated funds to cover the evacuation of Lebanon.

Mr. OBEY. Mr. Speaker, continuing under my reservation, could I ask the gentleman, has the administration given us any indication of where they are likely to take funds from in order to accomplish this?

Mr. WOLF. Mr. Speaker, they have been in discussion with the staff as to some ideas. But their priority was to get this legislation passed because there are going to be more evacuations taking place.

So as of now I cannot tell you the exact places.

Mr. OBEY. Mr. Speaker, continuing under my reservation, I would hope that the administration would let the

Congress know as quickly as possible where it is planning to take funds from, so that if the Congress has any concerns, we might express those concerns before we are facing a fait accompli.

Mr. OBEY. Mr. Speaker, I withdraw my reservation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Ms. JACKSON-LEE of Texas. Mr. Speaker, reserving the right to object, though I may not object, just a few days ago, I filed H. Res. 945, the Lebanon Humanitarian Relief Act with a number of cosponsors. And I raise the question to the distinguished gentleman of whether or not what we are doing today will also include a cessation of targeting infrastructure of noncombatants, and whether or not it will also establish or give the Secretary of State the ability to, if you will, negotiate safe corridors for evacuees to be able to be evacuated.

This is a crucial time in the history of our Nation, and as well in the issues dealing with the Mideast. And I am concerned that as we consider funding for the evacuation of innocent Lebanese citizens, as has been noted, several incidents have occurred where evacuees unfortunately suffered injury or death trying to escape, therefore we should instruct the Secretary of State to negotiate with the United Nations and the participants in this conflict safe corridors for the Lebanese evacuees and also a cessation of firing on noncombat structures such as airports, hospitals, schools and otherwise.

I yield to the gentleman to know if there are any instructions in this UC with respect to any of those items.

Mr. WOLF. Mr. Speaker, no, there are not. It would merely ensure that the State Department could use the existing funds to get American citizens out of harm's way and to pay the debts that they have obligated both for cruises, for ships and for other things whereby they are taking people to Cypress and other points of safety, so they can pay their bills.

Ms. JACKSON-LEE of Texas. Mr. Speaker, further reserving the right to object, let me say that I applaud the gentleman. That is an important task, if you will. With that in mind, I will simply say, I hope that we will hear from the administration, and that this Congress will proceed in August to be able to provide direct humanitarian relief to Lebanon, and as well provide for the safe passage of those who are noncombatants innocent civilians trying to escape and to protect those structures which are not involved in this conflict.

With that, I would ask the leadership of this House to support H. Res. 945 and to bring it up immediately.

H. RES. 945

Whereas, since the commencement of hostilities, over 350 Lebanese civilians, one third of whom are children according to the United Nations Emergency Relief Coordinator, and 17 Israeli civilians, have been killed;

Whereas vital infrastructure, including hospitals, power plants, bridges, roads, and food and milk factories in Lebanon have been destroyed;

Whereas over 600,000 people in Lebanon and hundreds of thousands of people in Israel have been displaced;

Whereas President George W. Bush has expressed great concern over the welfare of the people of Lebanon;

Whereas United Nations Secretary General Kofi Annan has called for an immediate cease-fire;

Whereas the United Nations Emergency Relief Coordinator has warned of a humanitarian disaster in Lebanon;

Whereas the Government of Lebanon has urgently appealed for an immediate cessation to hostilities; and

Whereas the international community has expressed support for a humanitarian corridor to Lebanon to be opened immediately to get desperately-needed humanitarian supplies to the suffering people of Lebanon: Now, therefore, be it

Resolved, That the House of Representatives—

(1) calls for the cessation of the targeting by any side of infrastructure vital to noncombatants, which also increases the likelihood of the loss of innocent civilian life;

(2) calls for a secure humanitarian corridor to be opened immediately via the seaports and airports of Lebanon to alleviate the unnecessary suffering of the people of Lebanon;

(3) calls for an immediate cease-fire in line with the urgent appeals of the Government of Lebanon and the United Nations Secretary General; and

(4) urges a comprehensive and just solution to the Arab-Israeli conflict to ensure that the peoples of the Middle East can live in peace, freedom, and prosperity.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I withdraw my reservation, hoping for debate on humanitarian aid directly to Lebanon.

The SPEAKER pro tempore. Without objection, the amendment is agreed to.

There was no objection.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 5970, ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006 AND H.R. 4, PENSION PROTECTION ACT OF 2006

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 966 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 966

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 5970) to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes. The bill shall be considered as read. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit.

SEC. 2. Upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 4) to provide economic security for all Americans, and for other purposes. The bill shall be considered as read. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate equally divided among and controlled by the chairman and ranking minority member of the Committee on Ways and Means and the chairman and ranking minority member of the Committee on Education and the Workforce; and (2) one motion to recommit.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 966 is a closed rule providing for consideration of H.R. 5970. The rule provides 1 hour of general debate on H.R. 5970 in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

It also waives all points of order against the consideration of H.R. 5970 and provides one motion to recommit H.R. 5970.

House Resolution 966 also provides for the consideration of H.R. 4 under a closed rule. It provides 1 hour of general debate on H.R. 4 in the House equally divided among and controlled by the chairman and ranking minority member of the Committee on Ways and Means and the chairman and ranking minority member of the Committee on Education and the Workforce.

The rule waives all points of order against consideration of H.R. 4, and provides one motion to recommit.

This rule allows for consideration, Mr. Speaker, of two very important measures. The first deals with protecting the pensions of American workers. Mr. Speaker, the recent financial troubles and pension terminations of several large companies underscore the need for fundamental pension reform. The underlying bill is an agreement struck between the House and the Senate conferees on H.R. 2830, the Pension Security and Transparency Act.

The underlying bill will ensure that millions of hard-working Americans who rely on single and multi-employer pension benefits can continue to count on them. I would like to congratulate the majority leader, Mr. BOEHNER for his tireless efforts in bringing this conference report before the House today.

Mr. BOEHNER has worked on legislation to better protect the pension of workers for over 5 years now, and I commend him for his hard work on this issue. It is vital, Mr. Speaker, that we modernize current pension laws by strengthening worker's retirement security and reduce——

Mr. POMEROY. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from North Dakota.

Mr. POMEROY. Mr. Speaker, I heard the gentleman say now, as well during the debate on the martial law rule, that the rule brings forward the conference report on the pension bill.

Now, I was unaware that the pension bill had been reported out of the conference. And, indeed, I do not believe the conference report has ever been signed. If that is the case—

Mr. HASTINGS of Washington. Mr. Speaker, reclaiming my time, I would just tell my friend from North Dakota that that was the rule that we worked on. But there are three provisions. It was for the conference report, it was for the minimum wage bill, and it was for another bill. We are taking up the second two of those bills under that rule.

In other words, the first portion that was provided in the rule, while it is provided, is not applicable to what we are taking up tonight.

Mr. POMEROY. If gentleman would further yield. This would conclude my question. I will make a point on debate.

In my understanding of how Congress works, there is no conference report until the report has been signed by the conferees representing agreement between the House and the Senate.

Mr. HASTINGS of Washington. Mr. Speaker, reclaiming my time. Again, there was a conference report, my understanding was agreed by all but it was not signed. The gentleman is correct on that.

The underlying bill that we are taking up is that bill that was agreed by all parties on a bipartisan, bicameral basis. That is what this rule provides for.

Mr. Speaker, it is vital that we modernize the current pension laws by strengthening the workers' retirement and reducing the prospect of future multi-billion dollar tax bailouts.

In recent years, we have seen participants mistakenly believe that their pension plans are well funded only to be surprised when their plan is abruptly terminated. This legislation is intended to end that.

The underlying bill encourages workers to increase their personal savings by permanently extending several provisions to enhance pension participation and retirement savings that are set to expire in 2010.

Mr. Speaker, without a comprehensive fix to our outdated Federal pension laws, more companies will default on their work and pension plans, and more will stop pension plans for workers entirely. Now is the time for Congress to act on this important legislation.

The other measure, Mr. Speaker, that this rule will allow for will continue our ongoing commitment to American workers and taxpayers by providing economic security, enacting permanent estate tax relief, and extending numerous tax provisions that have passed the House in the past with bipartisan support.

This bill includes extending the sales tax deductibility, research and development credits and higher education incentives.

In 2001, Congress enacted, in a bipartisan fashion, to gradually phase out the death tax and fully eliminate it by 2010. However, if Congress does not extend this relief, in 2011, small business owners and family farmers will once again be assessed the full death tax up to a maximum 2001 rate of 55 percent.

The House of Representatives has acted twice in this the 109th Congress to enact a permanent solution to this form of double taxation, but unfortunately, our efforts have been blocked by the other body. Today, the House of Representatives will once again act to help families suffering the loss of a loved one from having to worry about losing the family farm or business in order to pay the Internal Revenue Service.

The expectation this time is that the other body will take up the bill and pass the bill. This legislation will provide estate and gift tax relief to America's small business owners and family farmers. Specifically, the bill would increase the exemption amount and index it for inflation, and would lower the amount of taxation on estates.

Mr. Speaker, last year, I, along with 271 other Members of Congress, supported a measure that would permanently and fully eliminate the death tax. While permanent elimination of this tax is what I will continue to work with my colleagues on, this measure is a step, in my view, in the right direction.

With permanent tax relief from this tax, many farmers and business owners will have a sense of security that they need to plan for the financial future of their business or their farm for their family.

Another important provision in the underlying bill is an extension of the State and local sales tax deduction from the Federal income tax. My State of Washington is one of nine States that do not have a State income tax.

For nearly 20 years, residents of these States have been unfairly disadvantaged by the IRS code which allows for Federal tax deductions for State income taxes, but not States that have sales tax deductions.

In 2004, my colleagues on both sides of the aisle and I fought to restore fairness to residents of States without an income tax by restoring the sales and local sales tax deduction.

I would like to thank the chairman of the Ways and Means Committee, Mr. THOMAS, for his efforts to include a State and local sales tax extension, which allow every taxpayer that chooses to itemize deductions in the States with no income tax the opportunity to continue deducting sales tax from his or her Federal tax bill.

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By passing the underlying legislation, we will be restoring fairness for those who live, work, and raise families in those States. This will allow workers in Washington and others to keep more of their own money to spend and invest as they see fit.

While continuing to work to fight to make the State and local sales tax deduction permanent, this extension for 2 years will provide billions of dollars of relief to taxpayers in Washington and those other States, and I think it is a step in the right direction.

I am also pleased that this legislation creates a new 60 percent deduction for qualified timber capital gains through 2008. In my State of Washington, there are 8½ million acres of privately owned forests, and the forest products industry is the State's largest manufacturing sector. However, the current Tax Code puts our timber industry at a distinct disadvantage against international competition by subjecting corporate timber and forest product industries to a significantly higher income tax than their overseas competitors. Included in H.R. 5970 is a provision that lowers the timber tax and supports an industry that provides good jobs in many rural communities while strengthening its international competitiveness.

Another key provision of this bill extends the research and experimentation tax credit for 2 years. Technological innovation is vital to America's continued economic prosperity and research, and research and development is the lifeblood of innovation. However, research and development activities are expensive, and businesses generally cannot capture all of the returns on their investments. The Federal Government must continue to encourage private businesses to innovate by extending and enhancing tax incentives. The underlying bill does just that.

The underlying bill also extends several tax incentives to improve the affordability of higher education, including tax deferred education savings accounts and tax credits for post-secondary education. Specifically, it allows all taxpayers to deduct up to $4,000 of higher education expenses, which will help more students go to college.

Mr. Speaker, with about one month left before school starts, teachers will begin preparing and purchasing classroom supplies. Unless Congress acts, an important above-the-line tax deduction that expired this year will not be available to teachers when they go back to school. This bill will help teachers contain the costs of out-of-pocket expenses like books, supplies, and computer equipment while allowing them to deduct $250 from their Federal tax bill.

In an effort to encourage savings and stable retirement security, the underlying bill allows lower-income families that contribute to an individual retirement account and pension plans to continue receiving a Federal match in the form of an income tax credit for the first $2,000 of annual contributions. This encourages families to save and plan for their own retirement.

There is no question that allowing families to keep more of their hard-earned money spurs economic growth. Earlier this month, revised budget estimates projected that a recent surge in tax revenue will help shrink the Federal deficit more than previously expected. Not acting would raise taxes on millions of workers and families. We must continue the policy to grow our economy and keep our tax bills from rising.

The House of Representatives has previously passed these tax provisions on a bipartisan basis, and last December the House of Representatives passed H.R. 2830, the Pension Protection Act, by a bipartisan vote of 294–132. I would encourage my colleagues to support House Resolution 966 and both underlying bills.

Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, I want to thank the gentleman from Washington for yielding me the customary 30 minutes. I yield myself 5 minutes.

Mr. Speaker, Democrats have been saying again and again and again and again the American people want and deserve a clean up-or-down vote on raising the minimum wage, and this rule does not provide for such a vote. Minimum-wage workers want and deserve a clean up-or-down vote. A clear bipartisan majority of this House wants and deserves a clean up-or-down vote, not a cynical maneuver to provide political cover for certain vulnerable Republican Members, a maneuver that the majority knows full well will kill any chance of an increase in the minimum wage this year.

Let me say to my colleagues on the other side of the aisle, maybe you can fool your constituents in August, but let me tell you, the American people will not be fooled in November.

What the Republican leadership is presenting is a bill that clutters up the minimum-wage vote with, surprise, surprise, tax cuts for the wealthy. Actually, it isn't a surprise at all. The Republican answer to every problem is more tax cuts for the wealthy. Medicare prescription drugs? Tax cuts for the wealthy drug companies and HMOs. An energy bill? Tax cuts for the oil and gas industry, despite their record-breaking profits. And, now, an increase in the minimum wage with estate tax cuts for the wealthiest few attached.

The Republicans believe that low-wage workers don't deserve a raise unless Paris Hilton also gets a big tax cut. No wonder the American people are so sick and tired of politics as usual in Washington.

I would ask my Republican colleagues, why is it so impossible for you to do anything good for working families? Why does it cause you such pain and anguish and hand-wringing? Why can't you just do the right thing?

Congress has not raised the minimum wage since 1997. That is 9 years. During that same period of time, Congress has raised its own salary eight times. Now, that is what I call out of touch. The congressional pay raise, just the amount of the pay raise in the last 9 years has been $30,000, almost triple what a minimum-wage worker earns in an entire year. The average corporate CEO, who will benefit of course from the estate tax cut, earns more before lunchtime than a minimum-wage worker earns all year. A Republican staffer told the Columbus Ohio Dispatcher: "Not too many people work at minimum wage anymore. I don't think it gets you anywhere politically."

Mr. Speaker, politics aren't the point. The point is to make sure that people who work hard every day in this country have enough money to feed their families and pay their rent and fill up their gas tanks.

Nearly 15 million Americans will benefit from a minimum-wage increase, 6.6 million directly and 8.3 million indirectly. Almost 60 percent of those workers are women, 40 percent are people of color, 35 percent of them are their family's sole wage earners. You want to talk about family values, about helping children? Just raise the minimum wage.

Even worse, Mr. Speaker, the massive estate tax cut being tacked onto this bill will actually harm those hardworking families by adding millions of dollars to the national debt. The children of today's minimum-wage worker will have to pay that debt. They will have to deal with increased interest rates; they will have to deal with China and other countries controlling the debt of this country. They will have to deal with the cuts in education and health care. It is outrageous, Mr. Speaker.

In addition, this rule makes in order a pension bill that not only misses an important opportunity to deal with this country's retirement security crisis; it also will lead to benefit cuts for millions of American workers.

And let me again clarify it for the record so there is no mistake: this is not a conference report that we are voting on here tonight. I want to make it clear, because there is some misunderstanding. This is not the result of the conference negotiations that we have this bill before us tonight.

The pension bill fails to encourage companies to keep offering traditional pensions to their workers, it fails companies from using bankruptcy to dump worker pension plans, and it fails to stop companies from awarding lavish retirement compensation packages to executives at the same time they cut workers' benefits.

I can't say it any more plainly, Mr. Speaker, the priorities of this Republican leadership are not the priorities of the American people. What the American people want and what they deserve is a clean up-or-down vote on increasing the minimum wage. We have voted on this issue in various procedural votes over and over and over and over. We want a clean vote. We want this to become the law of the land. We want to make sure that low-income wage earners get the raise that they deserve so they can get out of poverty. And what the American people also want and deserve is a pension bill that protects them. They won't be getting any of that today, Mr. Speaker, so I urge my colleagues to reject this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to the Republican conference Chair, the gentlewoman from Ohio (Ms. PRYCE).

Ms. PRYCE of Ohio. Mr. Speaker, I want to thank the gentleman, my friend, for yielding.

The agreement we have reached at long last tonight will benefit millions of hardworking Americans. This is a landmark achievement. We have attained unprecedented unity, and I am grateful for the hard work of the leadership and for our Members' commitment to getting this done for America.

Our friends on the other side of the aisle are already calling this political, but they are wrong. It is another example of House Republicans getting things done for the American people. The bill before us tonight will raise the minimum wage more than $2, to $7.25 an hour, a 41 percent increase, a provision that I am very proud to support.

Ohio workers where I live deserve a raise, and tonight that is what we are giving them, and we are doing it in a way that won't stifle job creation; but more importantly, we are doing it in a way that will be able to pass and become law. A clean up-or-down vote would never get through the Senate, the other body, and would never become law.

This legislation will also benefit family businesses by burying the death tax for good. Because of this crippling tax that has been on our books for so long, more than 70 percent of family businesses and family farms don't even make it through the second generation, and 87 percent don't even make it to the third. The death tax relief included in this bill will protect these businesses and allow them to continue to create jobs for hardworking Americans.

Mr. Speaker, this bill will also support our Nation's teachers. Teachers often contribute more than their time and talent to educate our students, frequently dipping into their own pockets to provide essential classroom supplies. The Apples for Teachers provision which I introduced years ago is expiring, but today we will extend it and these expenses will continue to be tax deductible.

Mr. Speaker, this is a vote for our teachers, for our families, for our small businesses, for our farmers, and for all hardworking Americans. I encourage my colleagues on both sides of the aisle to vote in favor of it.

Mr. McGOVERN. Mr. Speaker, with all due respect to the previous speaker, give me a break. The Republicans know that this is dead on arrival when it goes to the Senate. They know that there will be no increase in the minimum wage if this is the combination that goes before the United States Senate. They had to be dragged kicking and screaming here. The only reason why we are here right now is because the American people are demanding action on this issue, and they are trying to find political cover. This is beyond cynical. This is disgraceful what they are doing here on the House floor today.

Mr. Speaker I yield 4 minutes to the gentlewoman from California, a distinguished member of the Rules Committee (Ms. MATSUI).

Ms. MATSUI. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

Mr. Speaker, before we begin this debate, I urge each Member to ask themselves, why did you first seek election to this House? It is my hope that it is similar to my reason: to represent my hometown, to craft laws and policies that will serve the best interests of the families and businesses of that community, and to ensure that the world we leave behind is better than the world you and I inherited. Of late, I think Congress has forgotten that.

When I compare the laundry list of items important to my constituents and the American people to what Congress is doing, a disconnect is apparent. An overwhelming majority of Americans think it is long past due to increase the minimum wage. Over the past 6 years, this Congress has done little, if anything, to help those earning the minimum wage and the families who depend on them.

The buying power of the minimum wage is now at its lowest point in 57 years. At the same time, the cost of key necessities like health care, education, and gas have been rising faster than inflation. Yet during the past 8 years, Members of Congress have raised their own pay seven times by nearly $30,000. In those same years, minimum-wage workers have not gotten a single raise. They continue to earn an average of $10,700 a year.

Raising the minimum wage is a real tangible policy decision to significantly help 7.5 million Americans who this Congress has virtually ignored. We can make this choice only by allowing an up-or-down vote on Congressman MILLER's bipartisan bill. This bill would gradually raise the minimum wage from $5.15 an hour to $7.25 an hour.

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Since February, nearly 200 Members have signed the petition that would force and up-or-down vote on this measure, and that is what we should have today.

The only reason we have not had a vote on it is because of the Republican leadership. They resisted the will of the American people and a bipartisan coalition of Members.

And now that the minimum wage increase will finally be debated by the House, it has once again been loaded down with poison pills. If the Republican leadership really cared about raising the minimum wage, they would not have waited until the eleventh hour before the House leaves for recess. This is a transparent election-year ploy. I am confident the American people will see it for what it is.

When a party holds three votes to roll back the estate tax, but refuses to allow a clean vote on the minimum wage, it is clear where its priorities are.

While raising the minimum wage will help millions of Americans, the estate measure will primarily benefit just 7,500 families.

Looking at the majority's record, we should not be surprised.

There is the series of tax cuts that benefit the wealthiest among us, the massively flawed Medicare prescription drug benefit and subsidies for oil and gas companies. But for those in the middle class and working families, there is not much to talk about, nothing to help get access to decent health care or build on the promise of stem cell research, or lower the price of gas or make college more affordable. At the end of today, the majority certainly cannot claim to have made a good faith effort to raise the minimum wage.

And that is truly a shame, because you have squandered an opportunity to help the constituents that need your help the most.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to the gentlewoman from West Virginia (Mrs. CAPITO), my colleague on the Rules Committee.

Mrs. CAPITO. Mr. Speaker, I would like to thank my colleague and gentleman from Washington for yielding me time, and I rise today in strong support of the rule and the underlying legislation.

First, I would like to thank our leadership for having the foresight and leadership to bring this excellent compromise before the House. I am delighted to have been part of the 48 Republicans that have pushed through letters and meetings and other methods to ask our leadership to bring a vote on the minimum wage to this floor.

I just heard a minute ago these words, "just raise the minimum wage," well, guess what. That is what this bill does.

Let me be clear, with the passage of this legislation, we will raise the minimum wage over the next 3 years to $7.25. This is real relief for those workers who are trying to support a family on a minimum wage job, bringing it closer to a true living wage. I have supported raising the minimum wage for years, and I am glad to see that on this day this vote is coming to the floor.

I am also pleased that we are including death tax relief in this measure. Unlike some of my colleagues, I see this tax relief and minimum wage bill as complementary. The death tax is a punitive measure that unfairly burdens small business owners and farmers. The sustaining of small businesses by keeping their vital assets will allow those making the minimum wage to continue working and hopefully provide greater resources to bring them above the minimum wage.

This is a jobs bill, and I encourage all of my colleagues to support this step forward for workers and the businesses that employ them.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume.

All we want is a clean up-or-down vote on the minimum wage. We want this to become law. We do not want to make a political statement. This is not about a press release.

Why do we have to bog the minimum wage bill down with language to benefit the heirs of the Wal-Mart family, the Mars family? Or give Paris Hilton another tax cut? Why can we not just do what is right, which is to give low-wage income earners in this country the raise that they deserve?

We are tired of the political posturing. We want action.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, if my colleague that just spoke on the other side of the aisle cared about the minimum wage, she would have signed the discharge petition so we could have had an up-or-down vote on the minimum wage.

Mr. Speaker, if ever the American people needed evidence that the Republican Congress is putting politics before what is good for the American people, this is it. This is a cynical gimmick. It is designed to kill any increase in the minimum wage. It is an excuse for vulnerable Republicans to go home this August claiming they cast a vote in support of raising the minimum wage without actually impacting the life of a single family earning it.

Mr. Speaker, why must we make this debate about an estate tax that the country cannot afford, one which would benefit 7,500 families nationwide? Only 7,500 families.

What we want and what we need is an economy that produces a rising living standard for most American families, and right now, with rising interest rates, high gas prices, skyrocketing health care costs and a slowing housing market, it makes no sense whatsoever for the Congress to tether a modest increase in the minimum wage to billions of dollars in an estate tax cut for those who do not need them.

This measure shows contempt for the public interest, especially when the minimum wage has not been raised since 1997, when its purchasing power stands at its lowest in a half century.

Meanwhile, the Congress has voted to increase its own pay nine times since 1997. I cannot remember a single time this body's attached its own pay increase to controversial legislation that the other party rejects outright, and I suspect it is not an accident.

For Democrats, this is simple. If this Congress can get a raise, the American people ought to be able to get one as well, and we should be able to vote on that with a clear up-or-down vote, no attachments, no gimmicks. Oppose this rule.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Florida (Mr. KELLER).

Mr. KELLER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise today in support of the rule and of the underlying tax bill.

Mr. Speaker, if I was listening to this debate at home, I would think that we were discussing something super controversial. I would wonder if we were putting a nuclear waste site on a school playground or something to that effect. Well, nothing could be further from the truth. A lot of the criticism we are hearing today is election-year demagoguery. Here is some straight talk.

This legislation increases the minimum wage, expands the deductions for college tuition and repeals the death tax for most family-owned small businesses. That is it. That is the heart of this legislation, and let me be real specific.

The minimum wage will go from $5.15 to $7.25 an hour. College tuition will be expanded, and you can deduct up to $4,000 per year. The death tax will be repealed for those people with estates of $5 million or less. After that, it will be taxed at 15 percent.

Now, most of the controversy, supposed controversy, is addressed towards this minimum wage increase being linked to the death tax repeal for most people. Now, why do we do that? Seventy percent of all new jobs in this country are created by small business people. If we are going to increase the minimum wage, we do not want these employees to be laid off. We do not want the small businessman to be forced with an increased payroll to have no choice but to lay folks off.

We want, on the other hand, these small businesses to be successful and continue to operate. It always mystifies me why some people on the other side pretend to love jobs, yet they hate the employers who provide these jobs.

Now, how does this help? One-third of family-owned small businesses are forced to liquidate because of the death tax. We want, on the other hand, these businesses to continue to operate from one generation to the next. This is the current law if we do nothing.

In the year 2010, the death tax will be zero. In the year 2011, it will go back up to a 55 percent tax rate, 55 percent, even though the money has been taxed once at the income level. Unfortunately, the only family-owned business in America that knows for sure that their patriarch will die in 2010 is the Sopranos.

Now, I have been listening to some other comments the other side has made. They said that we are fooling our constituents; that these are just tax cuts for the wealthy like Paris Hilton; that we must be in the hip pocket of the special interests. Well, let me tell you what they did not say. Forty-three Democrats voted for this same exact death tax repeal. Are those Democrats fooling their constituents? Are they only caring about tax cuts for Paris Hilton? Are they in the hip pocket of special interests? Or are they a few people that decided to stand up to the liberal leadership and say I am an American first and I want to do what is best for small businesspeople?

We need less demagoguery, less political shenanigans, less pessimism, and what we need is more straight talk, more commonsense and more optimism.

I urge my colleagues to vote "yes" for the rule and "yes" for the bill.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Let us have a little straight talk. My colleagues on the other side of the aisle are tying the minimum wage to all these special tax breaks and tax breaks for Paris Hilton absolutely. They are doing this for one reason, because they know it will be dead on arrival in the Senate. That is cynical, and this is politics at its worst.

Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL), the distinguished ranking member of the Ways and Means Committee.

Mr. RANGEL. Mr. Speaker, I have been in this place a long time, but I do not remember even this close to an election seeing the type of hypocrisy that we see today.

There is only one ship that they would like to see get on the waters, and that is the estate tax relief, and it is only going to provide relief for a fraction of 1 percent, of some 7,500 individuals in the country. That is the wealthiest of the wealthy. Most Americans cannot even dream about getting to the status that they are going to be liable for taxes, and why would they want this? They want this because if you want campaign contributions, you go where the money is, and believe me, this is the cream of the crop of the money that we have in the United States of America.

They know the bill stinks to high heaven. That is why it is not on its own two feet. If this were a great thing for America and democracy, one, we would not wait until midnight to talk about it; and two, we would be so proud of it. The Star Spangled Banner would be here, the lights would be shining and we would talk about estate tax relief.

But it stinks so heavy, they try to sweeten it up by putting other tax bills on it. There must be around 40 extenders here that do good work, and so they say if you want the extenders, you got to buy this stinking rule, but that is not enough. Whatever you do for the corporations or the rich folks, but why hold millions of Americans that cannot get an increase in minimum wage, why would you put them on top of this? Why would you hold them hostage?

And whether or not the bill passes in the other House, do we not have any shame? Are not all of these issues important enough for this august body to take them up one by one?

It is almost like having a child talk about I want so badly to increase the minimum wage for them, and then you put these concrete shoes on them, as you throw them into the ocean alone and not being able to swim.

If you care about poor folks, act like it. Give them a day by themselves. Do not mix their problems up with the richest of the rich of this country. Hypocrisy, I have now seen it all.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to my colleague from Washington (Mr. REICHERT).

Mr. REICHERT. Mr. Speaker, I thank my good friend and fellow Washingtonian for yielding.

Mr. Speaker, I rise in support of this rule and the underlying bill, specifically H.R. 5970. This legislation includes some tax provisions that are very important to Washington State, including an extension of the State and local sales tax deduction.

The Internal Revenue Code has long allowed residents of States that have an income tax to deduct their income tax on their Federal return. However, for too long, the code penalized residents of States like mine, Washington State, which uses the sales tax as its revenue base. I am pleased that the authors of this bill have included an extension of the deductibility of State and local sales tax.

Additionally, the timber tax provision is of great importance to companies like Weyerhaeuser in Washington State.

I also rise to express my strong support for the provision in this bill which extends the research and development tax credit, which is so important to our Nation's high-tech industry and to all companies that innovate, companies in my district like Microsoft and Ramgen, which is a company conducting alternative energy research and creating cutting edge technology and products, which in turn creates jobs.

As we all know, in the 21st century the United States is competing in a global economic environment. We as a Congress must take all reasonable steps to enable American businesses to compete. Also, the kind of jobs produced in the research-driven economy are often high-paying jobs. Consumers are the beneficiaries of new and improved products.

While I support legislation to make this credit permanent, short of that, I applaud the authors of this bill for extending the credit for 2 years.

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. LEVIN), a member of the Ways and Means Committee.

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Mr. LEVIN. They say legislation is like making sausages. You have heard that. This legislation is worse, because as far as I know, sausages do not have poison pills in them. This legislation does.

It links action to help struggling families, working families with tax breaks for the very wealthy. And why the linkage? It is clear. Because the estate tax provisions can't pass on their own.

Secondly, contrary to what has been said here, a clean bill on minimum wages would be passed by the House and Senate; but when you link it, it won't happen. And that is what the majority party in this House wants, no increase in minimum wages.

And just let us think about fiscal responsibility. The estate tax change, and these are the estimates. You bring this up at the last minute, it is a little hard to have exact dollar estimates, but here they are. Over 10 years the estate tax change would cost $270 billion, and over a full 10 years, when fully into effect, $700 billion.

And, look, what would happen is not only would it be $10 million joint filers would have no estate tax, but a major break for estates between $5 million and $25 million, $10 million and $50 million for joint filers, and those above that: they still get a break. So what this does is eat up hundreds of billions of dollars, and not for family farmers and not for small businesses. Ninety-nine percent of the estates would be exempted under present law.

No, this is for the very, very wealthy. But I say this: the desperate Republicans are not going to be saved by these maneuvers. The public, fellow and sister Republicans, will not be fooled by your antics this night.

Mr. HASTINGS of Washington. Mr. Speaker, how much time remains on both sides?

The SPEAKER pro tempore (Mr. BOOZMAN). The gentleman from Washington has 11 minutes and the gentleman from Massachusetts has 13½ minutes.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding, and I rise to oppose this rule. It is, on its very face, absurd.

The bills this rule would allow to the floor include the obscene proposition that Congress must allow a massive tax break for the wealthiest few multi-millionaire families in this country in order to get an increase in the $5.15 per hour minimum wage paid to the lowest-income workers in this country.

The rule also allows to the floor a pension bill which has been falsely labeled as the conference report between the House and the Senate. Twenty million Americans in the workforce today have pensions. They are counting on a pension check to sustain them in old age, yet month after month of non-transparent legislative wheeling and dealing and the pension bill now in conference committee is stuck.

It has been an ugly process. The debate has been hot. The games played have been silly, and the differences have been personal and intense. And that is just within the Republican Party. Let me read to you from today's edition of CQ a description of last night's conference committee action:

"Anger Erupts As House GOP Snubs Pension Vote: After days of tense negotiation over pension legislation, tempers flared Thursday night when House Republicans boycotted a vote on a conference report proposal, provoking the scorn of their Senate counterparts and leaving the bill in jeopardy.

"'I wonder why you wouldn't have guts enough to come forward and vote,' said an emotional Senator."

Have you ever seen such foolishness? The fate of workers' pensions hangs in the balance and our House Republicans stage a walkout on the conference and refuse even to vote. They didn't vote "yes"; they didn't vote "no." Basically, they thumbed their nose at America's workers and they thumbed their noses at the United States Senate.

And tonight they bring a new bill on pensions, a bill never voted on in the House, never voted on in the Senate, never seen any legislative committee markup, and they have the brazen gall to call it the conference report.

Our workers counting on their pensions deserve so much better than this rancorous game of legislative brinksmanship. Some may be inclined to write this whole evening off as the frantic egocentric last throes of a powerful chairman about to lose his power in retirement. But that is no justification for this nonsense.

My colleagues, let the games stop and stop right now. Reject this rule and get that conference committee on pensions back to work and let's pass a minimum wage for the lowest paid workers without being held to ransom in giving massive tax relief to the wealthiest multi-millionaire families in this country.

Mr. McGOVERN. Mr. Speaker, at this time I would like to yield 1 minute to the gentleman from Texas (Mr. AL GREEN).

Mr. AL GREEN of Texas. Mr. Speaker, it is written that ye shall know the truth and the truth shall set you free.

The truth is that this bill is not about raising the minimum wage; it is really about an inheritance tax break of around $800 billion for the wealthiest. It is not about those who work at $5.15 an hour, who work through Easter, work through Thanksgiving, work through Christmas, and at the end of the year make $10,712. It is not really about them. It is not about the least, the last, and the lost. It is about the well-off, the well-heeled, and the well-to-do.

In this country, one out of every 110 persons is a millionaire. In this country, we spend $177 million per day on the war, yet we haven't raised the minimum wage since 1997. It is not time to raise it; it is past time to raise it. And it is time to do it without tagging it to an inheritance tax break for the wealthiest.

Mr. McGOVERN. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. WATSON).

Ms. WATSON. Mr. Speaker, what a fraud, what a sham. I am embarrassed to be part of a House where they spring on us a bill that neither the American people nor few of my colleagues have had a chance to review.

American workers and their families have been waiting 9 long years for an increase in the minimum wage. I represent those people. Maybe you don't. The real inflation-adjusted value of the minimum wage is at its lowest point in 50 years.

Democrats have been desperately trying for years to bring an increase in the minimum wage to the floor, but the Republican leadership has sought to block it at every turn. While working families have seen their wages fall, the U.S. Congress has received nine wage raises.

Mr. Speaker, as a result, this bill will not become law and, hence, we will not help any of the almost 15 million minimum-wage earners in the United States. What a fraud. Shame on us.

Mr. McGOVERN. Mr. Speaker, I would like to yield 2 minutes to the gentleman from Maryland (Mr. VAN HOLLEN).

Mr. VAN HOLLEN. Mr. Speaker, I thank my colleague. This rule and the underlying bill are the kind of cynical ploy that unfortunately make Americans lose faith in their government.

Americans know that Democrats have pushed for years to increase the minimum wage from $5.15 to $7.25, a wage that has not been raised since 1996. Yet in the last 10 years, the Republican leadership has never allowed an up-or-down vote on that simple proposition, and tonight they still don't have the guts to do it.

Here is what they say to the American people: in order for American families who work at the minimum wage and earn $10,000 a year to get a small wage increase, you have got to give the 7,500 American families with estates over $7 million a big tax break.

Now, who are the losers tonight? Well, the big losers are everybody else. If you earn more than $10,000 a year, but you don't come from one of the 7,500 families with $7 million estates, you're a loser. And that is most of America. Why are you a loser? Because you are going to be paying billions of dollars on the interest by this additional borrowing.

And here is the double standard: every year since 1996, this Republican leadership has had an up-or-down vote on congressional pay raises. They have never held their pay raise hostage to another piece of legislation. But when it comes to increasing the wages for working Americans, families earning $10,000 a year, oh, they are different from us Members of Congress. When it comes to giving them a pay raise, we are going to hold it hostage. We are going to hold it hostage to giving 7,500 American families with $7 million estates a tax break.

That is unconscionable, it is shameful, and the American people understand what is going on. The game is up. Shame on the Republican leadership.

Mr. McGOVERN. Mr. Speaker, at this time I would like to yield 2 minutes to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, you have to ask why Members of the U.S. Congress would hold working families ransom for a very modest increase in the minimum wage after so much time has passed. Why would Members of Congress do that? How could they possibly deny people who work in our nursing homes and care for our families, people who work cleaning up our schools, people who work laboring under the hot sun on various sites, how could Members of the U.S. Congress hold them hostage? To get what their special interests, the wealthiest among us, what they want: these million dollar tax breaks.

How could they possibly do that? Well, the best explanation I can come up with is that those same Members who are holding these working families hostage tonight have had over $30,000 pay raises in the last several years themselves. Eight times they have received pay raises. Eight times their families have been well clothed and well fed. Eight times they have gone on trips on airplanes. Eight times they have had their health care needs met without worrying how they are going to pay for their kids' appendectomy. They are conditioned to be able to allow their families, the working families of this country, to tell them to go fish.

It is a moral outrage to tell the working families of this country tonight, in the darkness of night, where evil is traditionally done in human affairs, that you can tell these families that they can just go fish and not get a tiny little raise in the minimum wage unless these, the well-heeled, the special interests, those who have influence in here get their piece of the action.

Well, let me tell you, there is something in the Good Book that says by their acts ye shall know them. And by your votes you shall know them. There is a group here in Congress that thinks there is only a special group that counts in this country, and that our genius is only the wealthy.

We are the group who believes that working people are just as entitled to the respect of this Congress as those who are well off. Reject this rule and pass the minimum wage as we should.

Mr. HASTINGS of Washington. Mr. Speaker, how much time remains on both sides?

The SPEAKER pro tempore. The gentleman from Washington has 11 minutes remaining, and the gentleman from Massachusetts has 4½ minutes.

Mr. HASTINGS of Washington. I continue to reserve my time, Mr. Speaker.

Mr. McGOVERN. Mr. Speaker, I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. I thank the gentleman for his courtesy.

I heard my friend from Puget Sound in Washington talk about how this was a good deal. You have heard speaker after speaker after speaker talk about how this is a sham, that it is not a direct vote to be able to deal with the minimum wage; but it is worse than that, because those people in Puget Sound who are tipped employees, who work for the minimum wage are going to see a $2.48 an hour cut under the Republican bill intent.

In the State of Oregon, where we have indexed the minimum wage, our people are going to see a $1.75 an hour reduction. The Republican bill cuts the wages of hundreds of thousands, perhaps millions, of workers in the States of Alaska, California, Minnesota, Montana, Nevada, Oregon, and Washington by preempting the State minimum-wage laws where a State has disallowed the employer tip tax credit.

Mr. HASTINGS of Washington. Mr. Speaker, before I yield time to my friend from Tennessee, I would remind my friend from Oregon that the minimum wage in Washington State is, if not the highest, is the second highest in the country. It is $7.63.

Mr. Speaker, I yield 3 minutes to my friend from Tennessee (Mr. WAMP).

☐ 2030

Mr. WAMP. I thank the gentleman for yielding. I had no intention of speaking, but I do think that some balance and reason needs to set in here. I hate to see people I respect on the other side of the aisle say things that have really dumbed down this entire debate because I will tell you what this rule and the underlying legislation actually represents. It represents a responsible way for us to address real problems in this economy when wages haven't gone up from the bottom in 9 years, with a strong economy.

I went to my conference this week, and I said to our conference that corporate leaders haven't been responsible enough and the economy is strong. And I will tell you one reason it's strong is because our tax policy has been good for America and the economy is growing. Just this week in my home city, record construction, strong economy, low unemployment. And so this is something we want to address.

The other side says all the time, Well, you run this place. You've got majorities in the House and the Senate. And I want to remind them that we do. And if we didn't want to do this, we wouldn't do it. But we are doing it this way because this is the better way to do it. Because the small businesspeople and the family farmers need certainty in terms of this estate tax. We eliminated it, but it comes back. It is an onerous tax, it is an unfair tax, and when you raise wages, which is a fixed cost in business, you have to compensate that with smart business investments through tax policy.

Our tax policy has been good for America. Our economic policy is good for America. And frankly this wage increase is a savvy way to put it all together and make this medicine for America go down smooth and keep our economy strong. Because this will force some fixed costs up in small business and you can't just throw it on them without some people losing their jobs, and this is a fair and responsible way to do it.

I know why you are so mad and why you say things you don't really mean, because you have seen us really outfox you on this issue tonight. That is what we are doing today, is bringing a very crafty, smart, good-for-America, good-for-the-economy package and still allow the minimum wage to go up.

I hope it passes this body, the other body, because it is going to be good for America in the aggregate, not individual pieces. Right now would be an excellent time to actually put this package forward together, and I believe the country will be much better off.

I am proud of this majority that we figured out the best way to do this and do it right now. It is an excellent time. I thank our leadership for bringing this to the floor tonight. And it is not in the middle of the night. As a matter of fact, it is broad daylight here in Washington, and it is going to be that way through this entire debate across most of America.

Mr. McGOVERN. Let me say to my friend from Tennessee, I mean every word I say.

Mr. Speaker, I yield 15 seconds to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. With all due respect to my good friend from the State of Washington, what I said was because your bill intends to take away the tip credit provisions, you are going to cut the minimum wage for thousands and thousands and thousands of Washington employees who are minimum wage who, because of the tip credit provision, you are going to cut it $1.75 an hour immediately upon effect. And that is wrong.

Mr. McGOVERN. Mr. Speaker, may I ask how much time I have left.

The SPEAKER pro tempore. The gentleman has 3¼ minutes.

Mr. McGOVERN. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. This is a sham procedure. A 1,000-page bill. No time to read it. It is an insulting bill. In order to provide a tiny increase in the minimum wage, we have to give billions of dollars of tax cuts to those who are inheriting from families with over a $7 million estate.

But there is a special hypocrisy here. You see, this minimum-wage bill has a poison pill. They know it won't pass the Senate. There is only one pay-increase bill that is supposed to become law. That is the one that includes our pay raise. Our pay raise went through on a clean bill. They knew it would pass the Senate. The minimum-wage increase goes with a poison pill that is dead on arrival in the Senate. We know which pay raise they want, and which pay raise they don't want.

Mr. McGOVERN. Mr. Speaker, I yield 1 minute to our distinguished Democratic leader, the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. I thank the gentleman for yielding, and I thank him for his leadership on these very important issues before us that affect the lives of America's working families, the minimum wage, the pension bill, that are part of this rule. I also thank him for meaning what he says on the floor of the House.

Mr. Speaker, the bill before us this evening is an insult to the intelligence of the American people. It is also an insult to the over 7 million Americans who depend on an increase in the minimum wage to live from paycheck to paycheck. It is a political stunt. It isn't a sincere effort to give an increase in the minimum wage. Republicans boast that they have held out for 9 years to keep the minimum wage at $5.15 an hour. That is their proud boast. Don't take it from me. Look at the public record. And so for them to come to this floor to try to give the illusion that they are sincerely trying to raise the minimum wage when they know that this bill is dead on arrival at the United States Senate is, again, an insult to the intelligence of the American people and the hard work of the American people as well.

Just think of what it is to have a bill that says to minimum-wage workers, we'll raise your minimum wage, but only if we can give an estate tax cut to the 7,500 wealthiest families in America. This isn't about wealth. This is about super, superwealth. The only way you will get an increase in the minimum wage is if they can get a tax cut.

If there has ever been a values debate on the floor of the Congress, this certainly must be it. This should be part of the values agenda of Congress, to reward work, to pay a decent wage to people so that they can raise their families.

Democrats have a better idea. In our new direction for America, a new direction for all Americans, not just the privileged few, we make raising the minimum wage a key part of that. In addition to that, we also repeal what the Republicans have in place, which is an incentive for companies to send jobs overseas.

But back to the minimum wage. A working family, two wage-earners working full time making $5.15 an hour bring home the sum total of $20,000 a year. They are below the poverty line. I almost hope that no children are listening to this tonight, because we tell children about the work ethic, that it is important to work hard, it is important in their lives, it is important to our country's competitiveness, it is an important strength, that the middle class is a part of our democracy in our country and that the middle class must grow and be expanded instead of having a lid on what some people can aspire to in our country.

Our better idea also includes what the gentleman from North Dakota (Mr. POMEROY) offered a few weeks ago on the floor of the House. He wasn't allowed to put it in motion here, they wouldn't even allow it to be heard, but we insisted on some of the debate, anyway. And that was a cut in the estate tax that affected 99.7 percent of all Americans who file the estate tax; 99.7 percent of all filers. This .3 percent, the 7,500 wealthiest families in America, must have done something quite wonderful for the Republicans that they wouldn't even allow that to be debated on the floor and that they hook it on to this increase in the minimum wage.

Again, it is a political ploy. It's a joke. It's a hoax. It's a sham. It doesn't even rise to the level of that, so low is it in its intention.

A couple of times in the past couple of months, I have quoted from the latest papal encyclical, "God is Love." It was released April 2006 by Pope Benedict. I am just drawn to it all of the time because it talks about justice, and it talks about justice in a way that affects elected officials.

In this encyclical, Pope Benedict says: "St. Augustine wrote, 'A state which is not governed according to justice would be just a bunch of thieves.'" That is a pope quoting a saint. A saint: "A state which is not governed according to justice would be just a bunch of thieves."

The Pope goes on to write, and in this part of the encyclical he is talking about the responsibility of elected officials and those responsible for governing, he says, "How do you define justice? What is justice?" He warns of the danger, this is the Pope, warns of the danger of the ethical blindness caused by the dazzling effect of power and special interests. The dazzling effect of power and special interests and the ethical blindness that that causes.

Does that sound familiar, my colleagues? Can you relate to that in this body? Is that not at work here tonight? One of our colleagues said, this is about truth. I think many of our colleagues have. Yes, this is a moment of truth. With all of these votes of this kind, we define ourselves as a Congress. We define ourselves as a country. When the American people listen in to this debate, we are either relevant to their lives or we are not. And I think no place, well, the competition for this honor is so keen that it is hard to tell which is the worst piece of legislation the Republicans have brought to the floor, but this certainly ranks right up there, to prove how out of touch the Republicans are with the American people, how out of touch they are with people, the middle class, who are sweating it out this summer in more ways than one.

Sweating out the price of gasoline at the pump, a bill born of corruption in this body.

Seniors sweating it out in terms of paying for prescription drugs at the pharmacy where middle-income seniors are paying more for their prescription drugs.

Sweating it out in terms of the college tuition that they are going to have to paste together to send their children to college while the Republicans pass legislation that gives tax breaks to the 7,500 wealthiest families in America and freezes Pell Grants and also cuts billions of dollars out of the student loan program. Paycheck to paycheck, trying to make ends meet, to make the future better for their children. But this Congress proves over and over again it has no relationship to that challenge. None.

And so I hope my colleagues in this moment of truth will remember the words of His Holiness when he quoted a saint, St. Augustine, who many years ago said: "Unless government promotes justice, you're just a bunch of thieves." I can't think of a more appropriate analogy than that for what is happening here today. We are robbing the future of America's families who are struggling for a better future for their children in order to give a tax cut of $800 billion. Not only is this a burden to these low-income families; they are saying to them, your children and future generations and everyone alive and paying taxes today will be paying for $800 billion added to our national debt.

Values? Foisting that onto our children and onto the American taxpayer. Values? Putting a sham bill together to give political cover for the cowards who won't stand up and bring a clean bill to this floor to see where the choice would be? I have no doubt that there are some right-thinking Republicans who would support a clean increase in the minimum wage. But we will soon find out when the motion to recommit is brought to the floor later this evening which will have a clean increase in the minimum wage and will also have the extenders.

□ 2045

Interesting about the extenders. The Republicans are using them as an excuse to get votes for their political ploy they have here tonight. They have been expired for 6 months. They have needed to be extended for 6 months. But the Republicans always want to wheel them out so they can attract votes to, as Mr. RANGEL called, their stinkeroo of a bill.

But, my colleagues, this is deadly serious. We are here to get the job done for the American people. We are not here to give money, a transfer of wealth, a transfer of wealth, to the wealthiest people in America. And who pays the price? The middle class. Well, if we are going to survive as a democracy, a healthy democracy which is a model to the world, it is about time we understood that central to that democracy is a thriving, expanding middle class whose job we are here to do. Let us have tax cuts for them, not for the wealthiest people in the country and send the tax bill to the middle class.

Let us remember the words of His Holiness, "promote justice." Oppose this rule. Oppose this bill. And let us get serious about helping the American people.

Mr. McGOVERN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, people in this country are tired of politics as usual, and what is before us today is politics as usual. It is cynical and it is wrong. This is a press release. This is a political stunt. My friends on the other side of the aisle know that there will be no minimum wage increase when you tie it to tax cuts for Paris Hilton. It is just not going to happen. The Senate has already said that this is going nowhere. You know that.

To my Republican friends who have taken to the floor today to say that they support the minimum wage, to the 20 Republicans who signed a letter to their leader asking that we bring the minimum wage to the floor, let me say that it is not enough to go through the motions. If you really believe that we should have an increase in the minimum wage, which has been stuck at $5.15 for 9 years, then you need to demand action. And what we are doing today is not demanding action.

Mr. Speaker, during those 9 years since we last raised the minimum wage, this Congress has given itself eight pay raises. There is something fundamentally wrong when we can give ourselves pay raise after pay raise, but we cannot raise the minimum wage for those who are making $5.15 an hour. These families work hard. They are working every day. They are living in poverty.

Mr. Speaker, do the right thing. Let us have a clean up-or-down vote on the minimum wage. Vote against this rule.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this rule provides for consideration of two very important bills. One bill is a pension reform bill that has been worked on for over 5 years on a bipartisan, bicameral basis. It is a very important piece of legislation and it needs to pass. The other bill is a bill that has two very important provisions: tax provisions dealing with the death tax and raising the minimum wage.

And I have to say, Mr. Speaker, I am curious by hearing the debate. I kept hearing on the other side of the aisle their talking about "just give us an up-or-down vote." Well, I think we are sent here by our constituents to do more than vote. We are here to enact legislation. And the expectation, the expectation is that the second dealing with the tax provisions and the minimum wage will pass not only this body, but will pass the other body and become law.

I think that is much, much better service to our constituents rather than just saying give us a vote up or down and knowing that it may not pass both bodies. This will pass both bodies.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. HASTINGS of Washington. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

PROVIDING FOR AN ADJOURNMENT OR RECESS OF THE TWO HOUSES

Mr. HASTINGS of Washington. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 459) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 459

Resolved by the House of Representatives (the Senate concurring), That, in consonance with section 132(a) of the Legislative Reorganization Act of 1946, when the House adjourns on the legislative day of Friday, July 28, 2006, or Saturday, July 29, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Wednesday, September 6, 2006, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day from Thursday, August 3, 2006, through Monday, August 7, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, September 5, 2006, or such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. McGOVERN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order: adoption of H. Res. 966, by the yeas and nays; adoption of H. Con. Res. 459, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. The next electronic vote will be conducted as a 5-minute vote.

PROVIDING FOR CONSIDERATION OF H.R. 5970, ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006 AND H.R. 4, PENSION PROTECTION ACT OF 2006

The SPEAKER pro tempore. The pending business is the vote on adoption of House Resolution 966, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The vote was taken by electronic device, and there were—yeas 217, nays 194, not voting 22, as follows:

[Roll No. 419]

YEAS—217

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Osborne
Otter
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—194

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—22

Baca
Bilirakis
Boehlert
Buyer
Coble
Davis, Jo Ann
Deal (GA)
Evans
Gohmert
Istook
Jones (NC)
Lewis (GA)
Linder
Lungren, Daniel E.
McKinney
Meehan
Northup
Oxley
Payne
Salazar
Stark
Waxman

□ 2116

Mr. POMEROY changed his vote from "yea" to "nay."

Mr. HEFLEY changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR AN ADJOURNMENT OR RECESS OF THE TWO HOUSES

The SPEAKER pro tempore. The pending business is the vote on adoption of House Concurrent Resolution 459, on which the yeas and nays were ordered.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the concurrent resolution.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 219, nays 189, not voting 25, as follows:

[Roll No. 420]

YEAS—219

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown Waite, Ginny
Burgess
Burton (IN)
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot

Chocola
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Osborne
Otter
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Udall (CO)
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—189

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—25

Baca
Bilirakis
Boehlert
Buyer
Calvert
Clay
Coble
Davis, Jo Ann
Deal (GA)
Evans
Feeney
Gohmert
Istook
Jones (NC)
Kilpatrick (MI)
Lewis (GA)
Linder
McKinney
Meehan
Northup
Oxley
Payne
Salazar
Stark
Waxman

☐ 2128

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PENSION PROTECTION ACT OF 2006

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 966, I call up the bill (H.R. 4) to provide economic security for all Americans, and for other purposes. and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Pension Protection Act of 2006".

(b) TABLE OF CONTENTS.—The table of contents for this Act (other than so much of title XIV as follows section 1401) is as follows:

Sec. 1. Short title and table of contents.

TITLE I—REFORM OF FUNDING RULES FOR SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

Subtitle A—Amendments to Employee Retirement Income Security Act of 1974

Sec. 101. Minimum funding standards.
Sec. 102. Funding rules for single-employer defined benefit pension plans.
Sec. 103. Benefit limitations under single-employer plans.
Sec. 104. Special rules for multiple employer plans of certain cooperatives.
Sec. 105. Temporary relief for certain PBGC settlement plans.
Sec. 106. Special rules for plans of certain government contractors.
Sec. 107. Technical and conforming amendments.

Subtitle B—Amendments to Internal Revenue Code of 1986

Sec. 111. Minimum funding standards.
Sec. 112. Funding rules for single-employer defined benefit pension plans.
Sec. 113. Benefit limitations under single-employer plans.
Sec. 114. Technical and conforming amendments.
Sec. 115. Modification of transition rule to pension funding requirements.
Sec. 116. Restrictions on funding of nonqualified deferred compensation plans by employers maintaining underfunded or terminated single-employer plans.

TITLE II—FUNDING RULES FOR MULTIEMPLOYER DEFINED BENEFIT PLANS AND RELATED PROVISIONS

Subtitle A—Amendments to Employee Retirement Income Security Act of 1974

Sec. 201. Funding rules for multiemployer defined benefit plans.
Sec. 202. Additional funding rules for multiemployer plans in endangered or critical status.
Sec. 203. Measures to forestall insolvency of multiemployer plans.
Sec. 204. Withdrawal liability reforms.
Sec. 205. Prohibition on retaliation against employers exercising their rights to petition the Federal government.
Sec. 206. Special rule for certain benefits funded under an agreement approved by the Pension Benefit Guaranty Corporation.

Subtitle B—Amendments to Internal Revenue Code of 1986

Sec. 211. Funding rules for multiemployer defined benefit plans.
Sec. 212. Additional funding rules for multiemployer plans in endangered or critical status.
Sec. 213. Measures to forestall insolvency of multiemployer plans.
Sec. 214. Exemption from excise taxes for certain multiemployer pension plans.

Subtitle C—Sunset of Additional Funding Rules

Sec. 221. Sunset of additional funding rules.

TITLE III—INTEREST RATE ASSUMPTIONS

Sec. 301. Extension of replacement of 30-year Treasury rates.
Sec. 302. Interest rate assumption for determination of lump sum distributions.
Sec. 303. Interest rate assumption for applying benefit limitations to lump sum distributions.

TITLE IV—PBGC GUARANTEE AND RELATED PROVISIONS

Sec. 401. PBGC premiums.
Sec. 402. Special funding rules for certain plans maintained by commercial airlines.
Sec. 403. Limitation on PBGC guarantee of shutdown and other benefits.
Sec. 404. Rules relating to bankruptcy of employer.
Sec. 405. PBGC premiums for small plans.

Sec. 406. Authorization for PBGC to pay interest on premium overpayment refunds.
Sec. 407. Rules for substantial owner benefits in terminated plans.
Sec. 408. Acceleration of PBGC computation of benefits attributable to recoveries from employers.
Sec. 409. Treatment of certain plans where cessation or change in membership of a controlled group.
Sec. 410. Missing participants.
Sec. 411. Director of the Pension Benefit Guaranty Corporation.
Sec. 412. Inclusion of information in the PBGC annual report.

TITLE V—DISCLOSURE

Sec. 501. Defined benefit plan funding notice.
Sec. 502. Access to multiemployer pension plan information.
Sec. 503. Additional annual reporting requirements.
Sec. 504. Electronic display of annual report information.
Sec. 505. Section 4010 filings with the PBGC.
Sec. 506. Disclosure of termination information to plan participants.
Sec. 507. Notice of freedom to divest employer securities.
Sec. 508. Periodic pension benefit statements.
Sec. 509. Notice to participants or beneficiaries of blackout periods.

TITLE VI—INVESTMENT ADVICE, PROHIBITED TRANSACTIONS, AND FIDUCIARY RULES

Subtitle A—Investment Advice

Sec. 601. Prohibited transaction exemption for provision of investment advice.

Subtitle B—Prohibited Transactions

Sec. 611. Prohibited transaction rules relating to financial investments.
Sec. 612. Correction period for certain transactions involving securities and commodities.

Subtitle C—Fiduciary and Other Rules

Sec. 621. Inapplicability of relief from fiduciary liability during suspension of ability of participant or beneficiary to direct investments.
Sec. 622. Increase in maximum bond amount.
Sec. 623. Increase in penalties for coercive interference with exercise of ERISA rights.
Sec. 624. Treatment of investment of assets by plan where participant fails to exercise investment election.
Sec. 625. Clarification of fiduciary rules.

TITLE VII—BENEFIT ACCRUAL STANDARDS

Sec. 701. Benefit accrual standards.
Sec. 702. Regulations relating to mergers and acquisitions.

TITLE VIII—PENSION RELATED REVENUE PROVISIONS

Subtitle A—Deduction Limitations

Sec. 801. Increase in deduction limit for single-employer plans.
Sec. 802. Deduction limits for multiemployer plans.
Sec. 803. Updating deduction rules for combination of plans.

Subtitle B—Certain Pension Provisions Made Permanent

Sec. 811. Pensions and individual retirement arrangement provisions of Economic Growth and Tax Relief Reconciliation Act of 2001 made permanent.
Sec. 812. Saver's credit.

Subtitle C—Improvements in Portability, Distribution, and Contribution Rules

Sec. 821. Clarifications regarding purchase of permissive service credit.
Sec. 822. Allow rollover of after-tax amounts in annuity contracts.
Sec. 823. Clarification of minimum distribution rules for governmental plans.
Sec. 824. Allow direct rollovers from retirement plans to Roth IRAs.
Sec. 825. Eligibility for participation in retirement plans.
Sec. 826. Modifications of rules governing hardships and unforseen financial emergencies.
Sec. 827. Penalty-free withdrawals from retirement plans for individuals called to active duty for at least 179 days.
Sec. 828. Waiver of 10 percent early withdrawal penalty tax on certain distributions of pension plans for public safety employees.
Sec. 829. Allow rollovers by nonspouse beneficiaries of certain retirement plan distributions.
Sec. 830. Direct payment of tax refunds to individual retirement plans.
Sec. 831. Allowance of additional IRA payments in certain bankruptcy cases.
Sec. 832. Determination of average compensation for section 415 limits.
Sec. 833. Inflation indexing of gross income limitations on certain retirement savings incentives.

Subtitle D—Health and Medical Benefits

Sec. 841. Use of excess pension assets for future retiree health benefits and collectively bargained retiree health benefits.
Sec. 842. Transfer of excess pension assets to multiemployer health plan.
Sec. 843. Allowance of reserve for medical benefits of plans sponsored by bona fide associations.
Sec. 844. Treatment of annuity and life insurance contracts with a long-term care insurance feature.
Sec. 845. Distributions from governmental retirement plans for health and Long-Term care insurance for public safety officers.

Subtitle E—United States Tax Court Modernization

Sec. 851. Cost-of-living adjustments for Tax Court judicial survivor annuities.
Sec. 852. Cost of life insurance coverage for Tax Court judges age 65 or over.
Sec. 853. Participation of Tax Court judges in the Thrift Savings Plan.
Sec. 854. Annuities to surviving spouses and dependent children of special trial judges of the Tax Court.
Sec. 855. Jurisdiction of Tax Court over collection due process cases.
Sec. 856. Provisions for recall.
Sec. 857. Authority for special trial judges to hear and decide certain employment status cases.
Sec. 858. Confirmation of authority of Tax Court to apply doctrine of equitable recoupment.
Sec. 859. Tax Court filing fee in all cases commenced by filing petition.
Sec. 860. Expanded use of Tax Court practice fee for pro se taxpayers.

Subtitle F—Other Provisions

Sec. 861. Extension to all governmental plans of current moratorium on application of certain nondiscrimination rules applicable to State and local plans.
Sec. 862. Elimination of aggregate limit for usage of excess funds from black lung disability trusts.
Sec. 863. Treatment of death benefits from corporate-owned life insurance.
Sec. 864. Treatment of test room supervisors and proctors who assist in the administration of college entrance and placement exams.
Sec. 865. Grandfather rule for church plans which self-annuitize.
Sec. 866. Exemption for income from leveraged real estate held by church plans.
Sec. 867. Church plan rule.
Sec. 868. Gratuitous transfer for benefits of employees.

TITLE IX—INCREASE IN PENSION PLAN DIVERSIFICATION AND PARTICIPATION AND OTHER PENSION PROVISIONS

Sec. 901. Defined contribution plans required to provide employees with freedom to invest their plan assets.
Sec. 902. Increasing participation through automatic contribution arrangements.
Sec. 903. Treatment of eligible combined defined benefit plans and qualified cash or deferred arrangements.
Sec. 904. Faster vesting of employer nonelective contributions.
Sec. 905. Distributions during working retirement.
Sec. 906. Treatment of certain pension plans of Indian tribal governments.

TITLE X—PROVISIONS RELATING TO SPOUSAL PENSION PROTECTION

Sec. 1001. Regulations on time and order of issuance of domestic relations orders.
Sec. 1002. Entitlement of divorced spouses to railroad retirement annuities independent of actual entitlement of employee.
Sec. 1003. Extension of tier II railroad retirement benefits to surviving former spouses pursuant to divorce agreements.
Sec. 1004. Requirement for additional survivor annuity option.

TITLE XI—ADMINISTRATIVE PROVISIONS

Sec. 1101. Employee plans compliance resolution system.
Sec. 1102. Notice and consent period regarding distributions.
Sec. 1103. Reporting simplification.
Sec. 1104. Voluntary early retirement incentive and employment retention plans maintained by local educational agencies and other entities.
Sec. 1105. No reduction in unemployment compensation as a result of pension rollovers.
Sec. 1106. Revocation of election relating to treatment as multiemployer plan.
Sec. 1107. Provisions relating to plan amendments.

TITLE XII—PROVISIONS RELATING TO EXEMPT ORGANIZATIONS

Subtitle A—Charitable Giving Incentives

Sec. 1201. Tax-free distributions from individual retirement plans for charitable purposes.
Sec. 1202. Extension of modification of charitable deduction for contributions of food inventory.
Sec. 1203. Basis adjustment to stock of S corporation contributing property.
Sec. 1204. Extension of modification of charitable deduction for contributions of book inventory.
Sec. 1205. Modification of tax treatment of certain payments to controlling exempt organizations.
Sec. 1206. Encouragement of contributions of capital gain real property made for conservation purposes.
Sec. 1207. Excise taxes exemption for blood collector organizations.

Subtitle B—Reforming Exempt Organizations

PART 1—GENERAL REFORMS

Sec. 1211. Reporting on certain acquisitions of interests in insurance contracts in which certain exempt organizations hold an interest.
Sec. 1212. Increase in penalty excise taxes relating to public charities, social welfare organizations, and private foundations.
Sec. 1213. Reform of charitable contributions of certain easements in registered historic districts and reduced deduction for portion of qualified conservation contribution attributable to rehabilitation credit.
Sec. 1214. Charitable contributions of taxidermy property.
Sec. 1215. Recapture of tax benefit for charitable contributions of exempt use property not used for an exempt use.
Sec. 1216. Limitation of deduction for charitable contributions of clothing and household items.
Sec. 1217. Modification of recordkeeping requirements for certain charitable contributions.
Sec. 1218. Contributions of fractional interests in tangible personal property.
Sec. 1219. Provisions relating to substantial and gross overstatements of valuations.
Sec. 1220. Additional standards for credit counseling organizations.
Sec. 1221. Expansion of the base of tax on private foundation net investment income.
Sec. 1222. Definition of convention or association of churches.
Sec. 1223. Notification requirement for entities not currently required to file.
Sec. 1224. Disclosure to State officials relating to exempt organizations.
Sec. 1225. Public disclosure of information relating to unrelated business income tax returns.
Sec. 1226. Study on donor advised funds and supporting organizations.

PART 2—IMPROVED ACCOUNTABILITY OF DONOR ADVISED FUNDS

Sec. 1231. Excise taxes relating to donor advised funds.
Sec. 1232. Excess benefit transactions involving donor advised funds and sponsoring organizations.
Sec. 1233. Excess business holdings of donor advised funds.
Sec. 1234. Treatment of charitable contribution deductions to donor advised funds.
Sec. 1235. Returns of, and applications for recognition by, sponsoring organizations.

PART 3—IMPROVED ACCOUNTABILITY OF SUPPORTING ORGANIZATIONS

Sec. 1241. Requirements for supporting organizations.
Sec. 1242. Excess benefit transactions involving supporting organizations.
Sec. 1243. Excess business holdings of supporting organizations.
Sec. 1244. Treatment of amounts paid to supporting organizations by private foundations.
Sec. 1245. Returns of supporting organizations.

TITLE XIII—OTHER PROVISIONS

Sec. 1301. Technical corrections relating to mine safety.
Sec. 1302. Going-to-the-sun road.
Sec. 1303. Exception to the local furnishing requirement of the tax-exempt bond rules.
Sec. 1304. Qualified tuition programs.

TITLE XIV—TARIFF PROVISIONS

Sec. 1401. Short title; table of contents.

TITLE I—REFORM OF FUNDING RULES FOR SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

Subtitle A—Amendments to Employee Retirement Income Security Act of 1974

SEC. 101. MINIMUM FUNDING STANDARDS.

(a) REPEAL OF EXISTING FUNDING RULES.—Sections 302 through 308 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1082 through 1086) are repealed.

(b) NEW MINIMUM FUNDING STANDARDS.—Part 3 of subtitle B of title I of such Act (as amended by subsection (a)) is amended by inserting after section 301 the following new section:

"SEC. 302. MINIMUM FUNDING STANDARDS.

"(a) REQUIREMENT TO MEET MINIMUM FUNDING STANDARD.—

"(1) IN GENERAL.—A plan to which this part applies shall satisfy the minimum funding standard applicable to the plan for any plan year.

"(2) MINIMUM FUNDING STANDARD.—For purposes of paragraph (1), a plan shall be treated as satisfying the minimum funding standard for a plan year if—

"(A) in the case of a defined benefit plan which is a single-employer plan, the employer makes contributions to or under the plan for the plan year which, in the aggregate, are not less than the minimum required contribution determined under section 303 for the plan for the plan year,

"(B) in the case of a money purchase plan which is a single-employer plan, the employer makes contributions to or under the plan for the plan year which are required under the terms of the plan, and

"(C) in the case of a multiemployer plan, the employers make contributions to or under the plan for any plan year which, in the aggregate, are sufficient to ensure that the plan does not have an accumulated funding deficiency under section 304 as of the end of the plan year.

"(b) LIABILITY FOR CONTRIBUTIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the amount of any contribution required by this section (including any required installments under paragraphs (3) and (4) of section 303(j)) shall be paid by the employer responsible for making contributions to or under the plan.

"(2) JOINT AND SEVERAL LIABILITY WHERE EMPLOYER MEMBER OF CONTROLLED GROUP.—If the employer referred to in paragraph (1) is a member of a controlled group, each member of such group shall be jointly and severally liable for payment of such contributions.

"(c) VARIANCE FROM MINIMUM FUNDING STANDARDS.—

"(1) WAIVER IN CASE OF BUSINESS HARDSHIP.—

"(A) IN GENERAL.—If—

"(i) an employer is (or in the case of a multiemployer plan, 10 percent or more of the number of employers contributing to or under the plan is) unable to satisfy the minimum funding standard for a plan year without temporary substantial business hardship (substantial business hardship in the case of a multiemployer plan), and

"(ii) application of the standard would be adverse to the interests of plan participants in the aggregate,

the Secretary of the Treasury may, subject to subparagraph (C), waive the requirements of subsection (a) for such year with respect to all or any portion of the minimum funding standard. The Secretary of the Treasury shall not waive the minimum funding standard with respect to a plan for more than 3 of any 15 (5 of any 15 in the case of a multiemployer plan) consecutive plan years.

"(B) EFFECTS OF WAIVER.—If a waiver is granted under subparagraph (A) for any plan year—

"(i) in the case of a single-employer plan, the minimum required contribution under section 303 for the plan year shall be reduced by the amount of the waived funding deficiency and such amount shall be amortized as required under section 303(e), and

"(ii) in the case of a multiemployer plan, the funding standard account shall be credited under section 304(b)(3)(C) with the amount of the waived funding deficiency and such amount shall be amortized as required under section 304(b)(2)(C).

"(C) WAIVER OF AMORTIZED PORTION NOT ALLOWED.—The Secretary of the Treasury may not waive under subparagraph (A) any portion of the minimum funding standard under subsection (a) for a plan year which is attributable to any waived funding deficiency for any preceding plan year.

"(2) DETERMINATION OF BUSINESS HARDSHIP.—For purposes of this subsection, the factors taken into account in determining temporary substantial business hardship (substantial business hardship in the case of a multiemployer plan) shall include (but shall not be limited to) whether or not—

"(A) the employer is operating at an economic loss,

"(B) there is substantial unemployment or underemployment in the trade or business and in the industry concerned,

"(C) the sales and profits of the industry concerned are depressed or declining, and

"(D) it is reasonable to expect that the plan will be continued only if the waiver is granted.

"(3) WAIVED FUNDING DEFICIENCY.—For purposes of this part, the term 'waived funding deficiency' means the portion of the minimum funding standard under subsection (a) (determined without regard to the waiver) for a plan year waived by the Secretary of the Treasury and not satisfied by employer contributions.

"(4) SECURITY FOR WAIVERS FOR SINGLE-EMPLOYER PLANS, CONSULTATIONS.—

"(A) SECURITY MAY BE REQUIRED.—

"(i) IN GENERAL.—Except as provided in subparagraph (C), the Secretary of the Treasury may require an employer maintaining a defined benefit plan which is a single-employer plan (within the meaning of section 4001(a)(15)) to provide security to such plan as a condition for granting or modifying a waiver under paragraph (1).

"(ii) SPECIAL RULES.—Any security provided under clause (i) may be perfected and enforced only by the Pension Benefit Guaranty Corporation, or at the direction of the Corporation, by a contributing sponsor (within the meaning of section 4001(a)(13)), or a member of such sponsor's controlled group (within the meaning of section 4001(a)(14)).

"(B) CONSULTATION WITH THE PENSION BENEFIT GUARANTY CORPORATION.—Except as provided in subparagraph (C), the Secretary of the Treasury shall, before granting or modifying a waiver under this subsection with respect to a plan described in subparagraph (A)(i)—

"(i) provide the Pension Benefit Guaranty Corporation with—

"(I) notice of the completed application for any waiver or modification, and

"(II) an opportunity to comment on such application within 30 days after receipt of such notice, and

"(ii) consider—

"(I) any comments of the Corporation under clause (i)(II), and

"(II) any views of any employee organization (within the meaning of section 3(4)) representing participants in the plan which are submitted in writing to the Secretary of the Treasury in connection with such application.

Information provided to the Corporation under this subparagraph shall be considered tax return information and subject to the safeguarding and reporting requirements of section 6103(p) of the Internal Revenue Code of 1986.

"(C) EXCEPTION FOR CERTAIN WAIVERS.—

"(i) IN GENERAL.—The preceding provisions of this paragraph shall not apply to any plan with respect to which the sum of—

"(I) the aggregate unpaid minimum required contributions for the plan year and all preceding plan years, and

"(II) the present value of all waiver amortization installments determined for the plan year and succeeding plan years under section 303(e)(2),

is less than $1,000,000.

"(ii) TREATMENT OF WAIVERS FOR WHICH APPLICATIONS ARE PENDING.—The amount described in clause (i)(I) shall include any increase in such amount which would result if all applications for waivers of the minimum funding standard under this subsection which are pending with respect to such plan were denied.

"(iii) UNPAID MINIMUM REQUIRED CONTRIBUTION.—For purposes of this subparagraph—

"(I) IN GENERAL.—The term 'unpaid minimum required contribution' means, with respect to any plan year, any minimum required contribution under section 303 for the plan year which is not paid on or before the due date (as determined under section 303(j)(1)) for the plan year.

"(II) ORDERING RULE.—For purposes of subclause (I), any payment to or under a plan for any plan year shall be allocated first to unpaid minimum required contributions for all preceding plan years on a first-in, first-out basis and then to the minimum required contribution under section 303 for the plan year.

"(5) SPECIAL RULES FOR SINGLE-EMPLOYER PLANS.—

"(A) APPLICATION MUST BE SUBMITTED BEFORE DATE 2½ MONTHS AFTER CLOSE OF YEAR.—In the case of a single-employer plan, no waiver may be granted under this subsection with respect to any plan for any plan year unless an application therefor is submitted to the Secretary of the Treasury not later than the 15th day of the 3rd month beginning after the close of such plan year.

"(B) SPECIAL RULE IF EMPLOYER IS MEMBER OF CONTROLLED GROUP.—In the case of a single-employer plan, if an employer is a member of a controlled group, the temporary substantial business hardship requirements of paragraph (1) shall be treated as met only if such requirements are met—

"(i) with respect to such employer, and

"(ii) with respect to the controlled group of which such employer is a member (determined by treating all members of such group as a single employer).

The Secretary of the Treasury may provide that an analysis of a trade or business or industry of a member need not be conducted if such Secretary determines such analysis is not necessary because the taking into account of such member would not significantly affect the determination under this paragraph.

"(6) ADVANCE NOTICE.—

"(A) IN GENERAL.—The Secretary of the Treasury shall, before granting a waiver under this subsection, require each applicant to provide evidence satisfactory to such Secretary that the applicant has provided notice of the filing of the application for such waiver to each affected party (as defined in section 4001(a)(21)). Such notice shall include a description of the extent to which the plan is funded for benefits which are guaranteed under title IV and for benefit liabilities.

"(B) CONSIDERATION OF RELEVANT INFORMATION.—The Secretary of the Treasury shall consider any relevant information provided by a person to whom notice was given under subparagraph (A).

"(7) RESTRICTION ON PLAN AMENDMENTS.—

"(A) IN GENERAL.—No amendment of a plan which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan shall be adopted if a waiver under this subsection or an extension of time under section 304(d) is in effect with respect to the plan, or if a plan amendment described in subsection (d)(2) has been made at any time in the preceding 12 months (24 months in the case of a multiemployer plan). If a plan is amended in violation of the preceding sentence, any such waiver, or extension of time, shall not apply to any plan year ending on or after the date on which such amendment is adopted.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to any plan amendment which—

"(i) the Secretary of the Treasury determines to be reasonable and which provides for only de minimis increases in the liabilities of the plan,

"(ii) only repeals an amendment described in subsection (d)(2), or

"(iii) is required as a condition of qualification under part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986.

"(8) CROSS REFERENCE.—For corresponding duties of the Secretary of the Treasury with regard to implementation of the Internal Revenue Code of 1986, see section 412(c) of such Code.

"(d) MISCELLANEOUS RULES.—

"(1) CHANGE IN METHOD OR YEAR.—If the funding method, the valuation date, or a plan year for a plan is changed, the change shall take effect only if approved by the Secretary of the Treasury.

"(2) CERTAIN RETROACTIVE PLAN AMENDMENTS.—For purposes of this section, any amendment applying to a plan year which—

"(A) is adopted after the close of such plan year but no later than 2½ months after the close of the plan year (or, in the case of a multiemployer plan, no later than 2 years after the close of such plan year),

"(B) does not reduce the accrued benefit of any participant determined as of the beginning of the first plan year to which the amendment applies, and

"(C) does not reduce the accrued benefit of any participant determined as of the time of adoption except to the extent required by the circumstances,

shall, at the election of the plan administrator, be deemed to have been made on the first day of such plan year. No amendment described in this paragraph which reduces the accrued benefits of any participant shall take effect unless the plan administrator files a notice with the Secretary of the Treasury notifying him of such amendment and such Secretary has approved such amendment, or within 90 days after the date on which such notice was filed, failed to disapprove such amendment. No amendment described in this subsection shall be approved by the Secretary of the Treasury unless such Secretary determines that such amendment is necessary because of a temporary substantial business hardship (as determined under subsection (c)(2)) or a substantial business hardship (as so determined) in the case of a multiemployer plan and that a waiver under subsection (c) (or, in the case of a multiemployer plan, any extension of the amortization period under section 304(d)) is unavailable or inadequate.

"(3) CONTROLLED GROUP.—For purposes of this section, the term 'controlled group' means any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986.".

(c) CLERICAL AMENDMENT.—The table of contents in section 1 of such Act is amended by striking the items relating to sections 302 through 308 and inserting the following new item:

"Sec. 302. Minimum funding standards.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after 2007.

SEC. 102. FUNDING RULES FOR SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS.

(a) IN GENERAL.—Part 3 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (as amended by section 101 of this Act) is amended by inserting after section 302 the following new section:

"SEC. 303. MINIMUM FUNDING STANDARDS FOR SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS.

"(a) MINIMUM REQUIRED CONTRIBUTION.—For purposes of this section and section 302(a)(2)(A), except as provided in subsection (f), the term 'minimum required contribution' means, with respect to any plan year of a single-employer plan—

"(1) in any case in which the value of plan assets of the plan (as reduced under subsection (f)(4)(B)) is less than the funding target of the plan for the plan year, the sum of—

"(A) the target normal cost of the plan for the plan year, "(B) the shortfall amortization charge (if any) for the plan for the plan year determined under subsection (c), and

"(C) the waiver amortization charge (if any) for the plan for the plan year as determined under subsection (e); or

"(2) in any case in which the value of plan assets of the plan (as reduced under subsection (f)(4)(B)) equals or exceeds the funding target of the plan for the plan year, the target normal cost of the plan for the plan year reduced (but not below zero) by such excess.

"(b) TARGET NORMAL COST.—For purposes of this section, except as provided in subsection (i)(2) with respect to plans in at-risk status, the term 'target normal cost' means, for any plan year, the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year. For purposes of this subsection, if any benefit attributable to services performed in a preceding plan year is increased by reason of any increase in compensation during the current plan year, the increase in such benefit shall be treated as having accrued during the current plan year.

"(c) SHORTFALL AMORTIZATION CHARGE.—

"(1) IN GENERAL.—For purposes of this section, the shortfall amortization charge for a plan for any plan year is the aggregate total (not less than zero) of the shortfall amortization installments for such plan year with respect to the shortfall amortization bases for such plan year and each of the 6 preceding plan years.

"(2) SHORTFALL AMORTIZATION INSTALLMENT.—For purposes of paragraph (1)—

"(A) DETERMINATION.—The shortfall amortization installments are the amounts necessary to amortize the shortfall amortization base of the plan for any plan year in level annual installments over the 7-plan-year period beginning with such plan year.

"(B) SHORTFALL INSTALLMENT.—The shortfall amortization installment for any plan year in the 7-plan-year period under subparagraph (A) with respect to any shortfall amortization base is the annual installment determined under subparagraph (A) for that year for that base.

"(C) SEGMENT RATES.—In determining any shortfall amortization installment under this paragraph, the plan sponsor shall use the segment rates determined under subparagraph (C) of subsection (h)(2), applied under rules similar to the rules of subparagraph (B) of subsection (h)(2).

"(3) SHORTFALL AMORTIZATION BASE.—For purposes of this section, the shortfall amortization base of a plan for a plan year is—

"(A) the funding shortfall of such plan for such plan year, minus

"(B) the present value (determined using the segment rates determined under subparagraph (C) of subsection (h)(2), applied under rules similar to the rules of subparagraph (B) of subsection (h)(2)) of the aggregate total of the shortfall amortization installments and waiver amortization installments which have been determined for such plan year and any succeeding plan year with respect to the shortfall amortization bases and waiver amortization bases of the plan for any plan year preceding such plan year.

"(4) FUNDING SHORTFALL.—For purposes of this section, the funding shortfall of a plan for any plan year is the excess (if any) of—

"(A) the funding target of the plan for the plan year, over

"(B) the value of plan assets of the plan (as reduced under subsection (f)(4)(B)) for the plan year which are held by the plan on the valuation date.

"(5) EXEMPTION FROM NEW SHORTFALL AMORTIZATION BASE.—

"(A) IN GENERAL.—In any case in which the value of plan assets of the plan (as reduced under subsection (f)(4)(A)) is equal to or greater than the funding target of the plan for the plan year, the shortfall amortization base of the plan for such plan year shall be zero.

"(B) TRANSITION RULE.—

"(i) IN GENERAL.—Except as provided in clauses (iii) and (iv), in the case of plan years beginning after 2007 and before 2011, only the applicable percentage of the funding target shall be taken into account under paragraph (3)(A) in determining the funding shortfall for the plan year for purposes of subparagraph (A).

"(ii) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

"**In the case of a plan year beginning in calendar year:**	**The applicable percentage is**
2008	92
2009	94
2010	96.

"(iii) LIMITATION.—Clause (i) shall not apply with respect to any plan year after 2008 unless the shortfall amortization base for each of the preceding years beginning after 2007 was zero (determined after application of this subparagraph).

"(iv) TRANSITION RELIEF NOT AVAILABLE FOR NEW OR DEFICIT REDUCTION PLANS.—Clause (i) shall not apply to a plan—

"(I) which was not in effect for a plan year beginning in 2007, or

"(II) which was in effect for a plan year beginning in 2007 and which was subject to section 302(d) (as in effect for plan years beginning in 2007), determined after the application of paragraphs (6) and (9) thereof.

"(6) EARLY DEEMED AMORTIZATION UPON ATTAINMENT OF FUNDING TARGET.—In any case in which the funding shortfall of a plan for a plan year is zero, for purposes of determining the shortfall amortization charge for such plan year and succeeding plan years, the shortfall amortization bases for all preceding plan years (and all shortfall amortization installments determined with respect to such bases) shall be reduced to zero.

"(d) RULES RELATING TO FUNDING TARGET.—For purposes of this section—

"(1) FUNDING TARGET.—Except as provided in subsection (i)(1) with respect to plans in at-risk status, the funding target of a plan for a plan year is the present value of all benefits accrued or earned under the plan as of the beginning of the plan year.

"(2) FUNDING TARGET ATTAINMENT PERCENTAGE.—The 'funding target attainment percentage' of a plan for a plan year is the ratio (expressed as a percentage) which—

"(A) the value of plan assets for the plan year (as reduced under subsection (f)(4)(B)), bears to

"(B) the funding target of the plan for the plan year (determined without regard to subsection (i)(1)).

"(e) WAIVER AMORTIZATION CHARGE.—

"(1) DETERMINATION OF WAIVER AMORTIZATION CHARGE.—The waiver amortization charge (if any) for a plan for any plan year is the aggregate total of the waiver amortization installments for such plan year with respect to the waiver amortization bases for each of the 5 preceding plan years.

"(2) WAIVER AMORTIZATION INSTALLMENT.—For purposes of paragraph (1)—

"(A) DETERMINATION.—The waiver amortization installments are the amounts necessary to amortize the waiver amortization base of the plan for any plan year in level annual installments over a period of 5 plan years beginning with the succeeding plan year.

"(B) WAIVER INSTALLMENT.—The waiver amortization installment for any plan year in the 5-year period under subparagraph (A) with respect to any waiver amortization base is the annual installment determined under subparagraph (A) for that year for that base.

"(3) INTEREST RATE.—In determining any waiver amortization installment under this subsection, the plan sponsor shall use the segment rates determined under subparagraph (C) of subsection (h)(2), applied under rules similar to the rules of subparagraph (B) of subsection (h)(2).

"(4) WAIVER AMORTIZATION BASE.—The waiver amortization base of a plan for a plan year is the amount of the waived funding deficiency (if any) for such plan year under section 302(c).

"(5) EARLY DEEMED AMORTIZATION UPON ATTAINMENT OF FUNDING TARGET.—In any case in which the funding shortfall of a plan for a plan year is zero, for purposes of determining the waiver amortization charge for such plan year and succeeding plan years, the waiver amortization bases for all preceding plan years (and all waiver amortization installments determined with respect to such bases) shall be reduced to zero.

"(f) REDUCTION OF MINIMUM REQUIRED CONTRIBUTION BY PREFUNDING BALANCE AND FUNDING STANDARD CARRYOVER BALANCE.—

"(1) ELECTION TO MAINTAIN BALANCES.—

"(A) PREFUNDING BALANCE.—The plan sponsor of a single-employer plan may elect to maintain a prefunding balance.

"(B) FUNDING STANDARD CARRYOVER BALANCE.—

"(i) IN GENERAL.—In the case of a single-employer plan described in clause (ii), the plan sponsor may elect to maintain a funding standard carryover balance, until such balance is reduced to zero.

"(ii) PLANS MAINTAINING FUNDING STANDARD ACCOUNT IN 2007.—A plan is described in this clause if the plan—

"(I) was in effect for a plan year beginning in 2007, and

"(II) had a positive balance in the funding standard account under section 302(b) as in effect for such plan year and determined as of the end of such plan year.

"(2) APPLICATION OF BALANCES.—A prefunding balance and a funding standard carryover balance maintained pursuant to this paragraph—

"(A) shall be available for crediting against the minimum required contribution, pursuant to an election under paragraph (3),

"(B) shall be applied as a reduction in the amount treated as the value of plan assets for purposes of this section, to the extent provided in paragraph (4), and

"(C) may be reduced at any time, pursuant to an election under paragraph (5).

"(3) ELECTION TO APPLY BALANCES AGAINST MINIMUM REQUIRED CONTRIBUTION.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), in the case of any plan year in which the plan sponsor elects to credit against the minimum required contribution for the current plan year all or a portion of the prefunding balance or the funding standard carryover balance for the current plan year (not in excess of such minimum required contribution), the minimum required contribution for the plan year shall be reduced as of the first day of the plan year by the amount so credited by the plan sponsor. For purposes of the preceding sentence, the minimum required contribution shall be determined after taking into account any waiver under section 302(c).

"(B) COORDINATION WITH FUNDING STANDARD CARRYOVER BALANCE.—To the extent that any plan has a funding standard carryover balance greater than zero, no amount of the prefunding balance of such plan may be credited under this paragraph in reducing the minimum required contribution.

"(C) LIMITATION FOR UNDERFUNDED PLANS.—The preceding provisions of this paragraph shall not apply for any plan year if the ratio (expressed as a percentage) which—

"(i) the value of plan assets for the preceding plan year (as reduced under paragraph (4)(C)), bears to

"(ii) the funding target of the plan for the preceding plan year (determined without regard to subsection (i)(1)),

is less than 80 percent. In the case of plan years beginning in 2008, the ratio under this subparagraph may be determined using such methods of estimation as the Secretary of the Treasury may prescribe.

"(4) EFFECT OF BALANCES ON AMOUNTS TREATED AS VALUE OF PLAN ASSETS.—In the case of any plan maintaining a prefunding balance or a funding standard carryover balance pursuant to this subsection, the amount treated as the value of plan assets shall be deemed to be such amount, reduced as provided in the following subparagraphs:

"(A) APPLICABILITY OF SHORTFALL AMORTIZATION BASE.—For purposes of subsection (c)(5), the value of plan assets is deemed to be such amount, reduced by the amount of the prefunding balance, but only if an election under paragraph (2) applying any portion of the prefunding balance in reducing the minimum required contribution is in effect for the plan year.

"(B) DETERMINATION OF EXCESS ASSETS, FUNDING SHORTFALL, AND FUNDING TARGET ATTAINMENT PERCENTAGE.—

"(i) IN GENERAL.—For purposes of subsections (a), (c)(4)(B), and (d)(2)(A), the value of plan assets is deemed to be such amount, reduced by the amount of the prefunding balance and the funding standard carryover balance.

"(ii) SPECIAL RULE FOR CERTAIN BINDING AGREEMENTS WITH PBGC.—For purposes of subsection (c)(4)(B), the value of plan assets shall not be deemed to be reduced for a plan year by the amount of the specified balance if, with respect to such balance, there is in effect for a plan year a binding written agreement with the Pension Benefit Guaranty Corporation which provides that such balance is not available to reduce the minimum required contribution for the plan year. For purposes of the preceding sentence, the term 'specified balance' means the prefunding balance or the funding standard carryover balance, as the case may be.

"(C) AVAILABILITY OF BALANCES IN PLAN YEAR FOR CREDITING AGAINST MINIMUM REQUIRED CONTRIBUTION.—For purposes of paragraph (3)(C)(i) of this subsection, the value of plan assets is deemed to be such amount, reduced by the amount of the prefunding balance.

"(5) ELECTION TO REDUCE BALANCE PRIOR TO DETERMINATIONS OF VALUE OF PLAN ASSETS AND CREDITING AGAINST MINIMUM REQUIRED CONTRIBUTION.—

"(A) IN GENERAL.—The plan sponsor may elect to reduce by any amount the balance of the prefunding balance and the funding standard carryover balance for any plan year (but not below zero). Such reduction shall be effective prior to any determination of the value of plan assets for such plan year under this section and application of the balance in reducing the minimum required contribution for such plan for such plan year pursuant to an election under paragraph (2).

"(B) COORDINATION BETWEEN PREFUNDING BALANCE AND FUNDING STANDARD CARRYOVER BALANCE.—To the extent that any plan has a funding standard carryover balance greater than zero, no election may be made under subparagraph (A) with respect to the prefunding balance.

"(6) PREFUNDING BALANCE.—

"(A) IN GENERAL.—A prefunding balance maintained by a plan shall consist of a beginning balance of zero, increased and decreased to the extent provided in subparagraphs (B) and (C), and adjusted further as provided in paragraph (8).

"(B) INCREASES.—

"(i) IN GENERAL.—As of the first day of each plan year beginning after 2008, the prefunding balance of a plan shall be increased by the amount elected by the plan sponsor for the plan year. Such amount shall not exceed the excess (if any) of—

"(I) the aggregate total of employer contributions to the plan for the preceding plan year, over—

"(II) the minimum required contribution for such preceding plan year.

"(ii) ADJUSTMENTS FOR INTEREST.—Any excess contributions under clause (i) shall be properly adjusted for interest accruing for the periods between the first day of the current plan year and the dates on which the excess contributions were made, determined by using the effective interest rate for the preceding plan year and by treating contributions as being first used to satisfy the minimum required contribution.

"(iii) CERTAIN CONTRIBUTIONS NECESSARY TO AVOID BENEFIT LIMITATIONS DISREGARDED.—The excess described in clause (i) with respect to any preceding plan year shall be reduced (but not below zero) by the amount of contributions an employer would be required to make under paragraph (1), (2), or (4) of section 206(g) to avoid a benefit limitation which would otherwise be imposed under such paragraph for the preceding plan year. Any contribution which may be taken into account in satisfying the requirements of more than 1 of such paragraphs shall be taken into account only once for purposes of this clause.

"(C) DECREASE.—The prefunding balance of a plan shall be decreased (but not below zero) by—

"(i) as of the first day of each plan year after 2008, the amount of such balance credited under paragraph (2) (if any) in reducing the minimum required contribution of the plan for the preceding plan year, and

"(ii) as of the time specified in paragraph (5)(A), any reduction in such balance elected under paragraph (5).

"(7) FUNDING STANDARD CARRYOVER BALANCE.—

"(A) IN GENERAL.—A funding standard carryover balance maintained by a plan shall consist of a beginning balance determined under subparagraph (B), decreased to the extent provided in subparagraph (C), and adjusted further as provided in paragraph (8).

"(B) BEGINNING BALANCE.—The beginning balance of the funding standard carryover balance shall be the positive balance described in paragraph (1)(B)(ii)(II).

"(C) DECREASES.—The funding standard carryover balance of a plan shall be decreased (but not below zero) by—

"(i) as of the first day of each plan year after 2008, the amount of such balance credited under paragraph (2) (if any) in reducing the minimum required contribution of the plan for the preceding plan year, and

"(ii) as of the time specified in paragraph (5))(A), any reduction in such balance elected under paragraph (5).

"(8) ADJUSTMENTS FOR INVESTMENT EXPERIENCE.—In determining the prefunding balance or the funding standard carryover balance of a plan as of the first day of the plan year, the plan sponsor shall, in accordance with regulations prescribed by the Secretary of the Treasury, adjust such balance to reflect the rate of return on plan assets for the preceding plan year. Notwithstanding subsection (g)(3), such rate of return shall be determined on the basis of fair market value and shall properly take into account, in accordance with such regulations, all contributions, distributions, and other plan payments made during such period.

"(9) ELECTIONS.—Elections under this subsection shall be made at such times, and in such form and manner, as shall be prescribed in regulations of the Secretary of the Treasury.

"(g) VALUATION OF PLAN ASSETS AND LIABILITIES.—

"(1) TIMING OF DETERMINATIONS.—Except as otherwise provided under this subsection, all determinations under this section for a plan year shall be made as of the valuation date of the plan for such plan year.

"(2) VALUATION DATE.—For purposes of this section—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the valuation date of a plan for any plan year shall be the first day of the plan year.

"(B) EXCEPTION FOR SMALL PLANS.—If, on each day during the preceding plan year, a plan had 100 or fewer participants, the plan may designate any day during the plan year as its valuation date for such plan year and succeeding plan years. For purposes of this subparagraph, all defined benefit plans which are single-employer plans and are maintained by the same employer (or any member of such employer's controlled group) shall be treated as 1 plan, but only participants with respect to such employer or member shall be taken into account.

"(C) APPLICATION OF CERTAIN RULES IN DETERMINATION OF PLAN SIZE.—For purposes of this paragraph—

"(i) PLANS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of the first plan year of any plan, subparagraph (B) shall apply to such plan by taking into account the number of participants that the plan is reasonably expected to have on days during such first plan year.

"(ii) PREDECESSORS.—Any reference in subparagraph (B) to an employer shall include a reference to any predecessor of such employer.

"(3) DETERMINATION OF VALUE OF PLAN ASSETS.—For purposes of this section—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the value of plan assets shall be the fair market value of the assets.

"(B) AVERAGING ALLOWED.—A plan may determine the value of plan assets on the basis of the averaging of fair market values, but only if such method—

"(i) is permitted under regulations prescribed by the Secretary of the Treasury,

"(ii) does not provide for averaging of such values over more than the period beginning on the last day of the 25th month preceding the month in which the valuation date occurs and ending on the valuation date (or a similar period in the case of a valuation date which is not the 1st day of a month), and

"(iii) does not result in a determination of the value of plan assets which, at any time, is lower than 90 percent or greater than 110 percent of the fair market value of such assets at such time.

Any such averaging shall be adjusted for contributions and distributions (as provided by the Secretary of the Treasury).

“(4) ACCOUNTING FOR CONTRIBUTION RECEIPTS.—For purposes of determining the value of assets under paragraph (3)—

“(A) PRIOR YEAR CONTRIBUTIONS.—If—

“(i) an employer makes any contribution to the plan after the valuation date for the plan year in which the contribution is made, and

“(ii) the contribution is for a preceding plan year,

the contribution shall be taken into account as an asset of the plan as of the valuation date, except that in the case of any plan year beginning after 2008, only the present value (determined as of the valuation date) of such contribution may be taken into account. For purposes of the preceding sentence, present value shall be determined using the effective interest rate for the preceding plan year to which the contribution is properly allocable.

“(B) SPECIAL RULE FOR CURRENT YEAR CONTRIBUTIONS MADE BEFORE VALUATION DATE.—If any contributions for any plan year are made to or under the plan during the plan year but before the valuation date for the plan year, the assets of the plan as of the valuation date shall not include—

“(i) such contributions, and

“(ii) interest on such contributions for the period between the date of the contributions and the valuation date, determined by using the effective interest rate for the plan year.

“(h) ACTUARIAL ASSUMPTIONS AND METHODS.—

“(1) IN GENERAL.—Subject to this subsection, the determination of any present value or other computation under this section shall be made on the basis of actuarial assumptions and methods—

“(A) each of which is reasonable (taking into account the experience of the plan and reasonable expectations), and

“(B) which, in combination, offer the actuary's best estimate of anticipated experience under the plan.

“(2) INTEREST RATES.—

“(A) EFFECTIVE INTEREST RATE.—For purposes of this section, the term ‘effective interest rate’ means, with respect to any plan for any plan year, the single rate of interest which, if used to determine the present value of the plan's accrued or earned benefits referred to in subsection (d)(1), would result in an amount equal to the funding target of the plan for such plan year.

“(B) INTEREST RATES FOR DETERMINING FUNDING TARGET.—For purposes of determining the funding target and normal cost of a plan for any plan year, the interest rate used in determining the present value of the benefits of the plan shall be—

“(i) in the case of benefits reasonably determined to be payable during the 5-year period beginning on the first day of the plan year, the first segment rate with respect to the applicable month,

“(ii) in the case of benefits reasonably determined to be payable during the 15-year period beginning at the end of the period described in clause (i), the second segment rate with respect to the applicable month, and

“(iii) in the case of benefits reasonably determined to be payable after the period described in clause (ii), the third segment rate with respect to the applicable month.

“(C) SEGMENT RATES.—For purposes of this paragraph—

“(i) FIRST SEGMENT RATE.—The term ‘first segment rate’ means, with respect to any month, the single rate of interest which shall be determined by the Secretary of the Treasury for such month on the basis of the corporate bond yield curve for such month, taking into account only that portion of such yield curve which is based on bonds maturing during the 5-year period commencing with such month.

“(ii) SECOND SEGMENT RATE.—The term ‘second segment rate’ means, with respect to any month, the single rate of interest which shall be determined by the Secretary of the Treasury for such month on the basis of the corporate bond yield curve for such month, taking into account only that portion of such yield curve which is based on bonds maturing during the 15-year period beginning at the end of the period described in clause (i).

“(iii) THIRD SEGMENT RATE.—The term ‘third segment rate’ means, with respect to any month, the single rate of interest which shall be determined by the Secretary of the Treasury for such month on the basis of the corporate bond yield curve for such month, taking into account only that portion of such yield curve which is based on bonds maturing during periods beginning after the period described in clause (ii).

“(D) CORPORATE BOND YIELD CURVE.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘corporate bond yield curve’ means, with respect to any month, a yield curve which is prescribed by the Secretary of the Treasury for such month and which reflects the average, for the 24-month period ending with the month preceding such month, of monthly yields on investment grade corporate bonds with varying maturities and that are in the top 3 quality levels available.

“(ii) ELECTION TO USE YIELD CURVE.—Solely for purposes of determining the minimum required contribution under this section, the plan sponsor may, in lieu of the segment rates determined under subparagraph (C), elect to use interest rates under the corporate bond yield curve. For purposes of the preceding sentence such curve shall be determined without regard to the 24-month averaging described in clause (i) . Such election, once made, may be revoked only with the consent of the Secretary of the Treasury.

“(E) APPLICABLE MONTH.—For purposes of this paragraph, the term ‘applicable month’ means, with respect to any plan for any plan year, the month which includes the valuation date of such plan for such plan year or, at the election of the plan sponsor, any of the 4 months which precede such month. Any election made under this subparagraph shall apply to the plan year for which the election is made and all succeeding plan years, unless the election is revoked with the consent of the Secretary of the Treasury.

“(F) PUBLICATION REQUIREMENTS.—The Secretary of the Treasury shall publish for each month the corporate bond yield curve (and the corporate bond yield curve reflecting the modification described in section 205(g)(3)(B)(iii)(I)) for such month and each of the rates determined under subparagraph (B) for such month. The Secretary of the Treasury shall also publish a description of the methodology used to determine such yield curve and such rates which is sufficiently detailed to enable plans to make reasonable projections regarding the yield curve and such rates for future months based on the plan's projection of future interest rates.

“(G) TRANSITION RULE.—

“(i) IN GENERAL.—Notwithstanding the preceding provisions of this paragraph, for plan years beginning in 2008 or 2009, the first, second, or third segment rate for a plan with respect to any month shall be equal to the sum of—

“(I) the product of such rate for such month determined without regard to this subparagraph, multiplied by the applicable percentage, and

“(II) the product of the rate determined under the rules of section 302(b)(5)(B)(ii)(II) (as in effect for plan years beginning in 2007), multiplied by a percentage equal to 100 percent minus the applicable percentage.

“(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the applicable percentage is 33⅓ percent for plan years beginning in 2008 and 66⅔ percent for plan years beginning in 2009.

“(iii) NEW PLANS INELIGIBLE.—Clause (i) shall not apply to any plan if the first plan year of the plan begins after December 31, 2007.

“(iv) ELECTION.—The plan sponsor may elect not to have this subparagraph apply. Such election, once made, may be revoked only with the consent of the Secretary of the Treasury.

“(3) MORTALITY TABLES.—

“(A) IN GENERAL.—Except as provided in subparagraph (C) or (D), the Secretary of the Treasury shall by regulation prescribe mortality tables to be used in determining any present value or making any computation under this section. Such tables shall be based on the actual experience of pension plans and projected trends in such experience. In prescribing such tables, the Secretary of the Treasury shall take into account results of available independent studies of mortality of individuals covered by pension plans.

“(B) PERIODIC REVISION.—The Secretary of the Treasury shall (at least every 10 years) make revisions in any table in effect under subparagraph (A) to reflect the actual experience of pension plans and projected trends in such experience.

“(C) SUBSTITUTE MORTALITY TABLE.—

“(i) IN GENERAL.—Upon request by the plan sponsor and approval by the Secretary of the Treasury, a mortality table which meets the requirements of clause (iii) shall be used in determining any present value or making any computation under this section during the period of consecutive plan years (not to exceed 10) specified in the request.

“(ii) EARLY TERMINATION OF PERIOD.—Notwithstanding clause (i), a mortality table described in clause (i) shall cease to be in effect as of the earliest of—

“(I) the date on which there is a significant charge in the participations in the plan by reason of a plan spinoff or merger or otherwise, or

“(II) the date on which the plan actuary determines that such table does not meet the requirements of clause (iii).

“(iii) REQUIREMENTS.—A mortality table meets the requirements of this clause if—

“(I) there is a sufficient number of plan participants, and the pension plans have been maintained for a sufficient period of time, to have credible information necessary for purposes of subclause (II), and

“(II) such table reflects the actual experience of the pension plans maintained by the sponsor and projected trends in general mortality experience.

“(iv) ALL PLANS IN CONTROLLED GROUP MUST USE SEPARATE TABLE.—Except as provided by the Secretary of the Treasury, a plan sponsor may not use a mortality table under this subparagraph for any plan maintained by the plan sponsor unless—

“(I) a separate mortality table is established and used under this subparagraph for each other plan maintained by the plan sponsor and if the plan sponsor is a member of a controlled group, each member of the controlled group, and

“(II) the requirements of clause (iii) are met separately with respect to the table so established for each such plan, determined by only taking into account the participants of such plan, the time such plan has been in existence, and the actual experience of such plan.

“(v) DEADLINE FOR SUBMISSION AND DISPOSITION OF APPLICATION.—

“(I) SUBMISSION.—The plan sponsor shall submit a mortality table to the Secretary of the Treasury for approval under this subparagraph at least 7 months before the 1st day of the period described in clause (i).

“(II) DISPOSITION.—Any mortality table submitted to the Secretary of the Treasury for approval under this subparagraph shall be treated as in effect as of the 1st day of the period described in clause (i) unless the Secretary of the Treasury, during the 180-day period beginning on the date of such submission, disapproves of such table and provides the reasons that such table fails to meet the requirements of clause (iii). The 180-day period shall be extended upon mutual agreement of the Secretary of the Treasury and the plan sponsor.

“(D) SEPARATE MORTALITY TABLES FOR THE DISABLED.—Notwithstanding subparagraph (A)—

“(i) IN GENERAL.—The Secretary of the Treasury shall establish mortality tables which may be used (in lieu of the tables under subparagraph (A)) under this subsection for individuals who are entitled to benefits under the plan on account of disability. The Secretary of the Treasury shall establish separate tables for individuals whose disabilities occur in plan years beginning before January 1, 1995, and for individuals whose disabilities occur in plan years beginning on or after such date.

“(ii) SPECIAL RULE FOR DISABILITIES OCCURRING AFTER 1994.—In the case of disabilities occurring in plan years beginning after December 31, 1994, the tables under clause (i) shall apply only with respect to individuals described in such subclause who are disabled within the meaning of title II of the Social Security Act and the regulations thereunder.

“(iii) PERIODIC REVISION.—The Secretary of the Treasury shall (at least every 10 years) make revisions in any table in effect under clause (i) to reflect the actual experience of pension plans and projected trends in such experience.

“(4) PROBABILITY OF BENEFIT PAYMENTS IN THE FORM OF LUMP SUMS OR OTHER OPTIONAL FORMS.—For purposes of determining any present value or making any computation under this section, there shall be taken into account—

“(A) the probability that future benefit payments under the plan will be made in the form of optional forms of benefits provided under the plan (including lump sum distributions, determined on the basis of the plan's experience and other related assumptions), and

“(B) any difference in the present value of such future benefit payments resulting from the use of actuarial assumptions, in determining benefit payments in any such optional form of benefits, which are different from those specified in this subsection.

“(5) APPROVAL OF LARGE CHANGES IN ACTUARIAL ASSUMPTIONS.—

“(A) IN GENERAL.—No actuarial assumption used to determine the funding target for a plan to which this paragraph applies may be changed without the approval of the Secretary of the Treasury.

“(B) PLANS TO WHICH PARAGRAPH APPLIES.—This paragraph shall apply to a plan only if—

“(i) the plan is a single-employer plan to which title IV applies,

“(ii) the aggregate unfunded vested benefits as of the close of the preceding plan year (as determined under section 4006(a)(3)(E)(iii)) of such plan and all other plans maintained by the contributing sponsors (as defined in section 4001(a)(13)) and members of such sponsors' controlled groups (as defined in section 4001(a)(14)) which are covered by title IV (disregarding plans with no unfunded vested benefits) exceed $50,000,000, and

“(iii) the change in assumptions (determined after taking into account any changes in interest rate and mortality table) results in a decrease in the funding shortfall of the plan for the current plan year that exceeds $50,000,000, or that exceeds $5,000,000 and that is 5 percent or more of the funding target of the plan before such change.

“(i) SPECIAL RULES FOR AT-RISK PLANS.—

“(1) FUNDING TARGET FOR PLANS IN AT-RISK STATUS.—

“(A) IN GENERAL.—In the case of a plan which is in at-risk status for a plan year, the funding target of the plan for the plan year shall be equal to the sum of—

“(i) the present value of all benefits accrued or earned under the plan as of the beginning of the plan year, as determined by using the additional actuarial assumptions described in subparagraph (B), and

“(ii) in the case of a plan which also has been in at-risk status for at least 2 of the 4 preceding plan years, a loading factor determined under subparagraph (C).

“(B) ADDITIONAL ACTUARIAL ASSUMPTIONS.—The actuarial assumptions described in this subparagraph are as follows:

“(i) All employees who are not otherwise assumed to retire as of the valuation date but who will be eligible to elect benefits during the plan year and the 10 succeeding plan years shall be assumed to retire at the earliest retirement date under the plan but not before the end of the plan year for which the at-risk funding target and at-risk target normal cost are being determined.

“(ii) All employees shall be assumed to elect the retirement benefit available under the plan at the assumed retirement age (determined after application of clause (i)) which would result in the highest present value of benefits.

“(C) LOADING FACTOR.—The loading factor applied with respect to a plan under this paragraph for any plan year is the sum of—

“(i) $700, times the number of participants in the plan, plus

“(ii) 4 percent of the funding target (determined without regard to this paragraph) of the plan for the plan year.

“(2) TARGET NORMAL COST OF AT-RISK PLANS.—In the case of a plan which is in at-risk status for a plan year, the target normal cost of the plan for such plan year shall be equal to the sum of—

“(A) the present value of all benefits which are expected to accrue or be earned under the plan during the plan year, determined using the additional actuarial assumptions described in paragraph (1)(B), plus

“(B) in the case of a plan which also has been in at-risk status for at least 2 of the 4 preceding plan years, a loading factor equal to 4 percent of the target normal cost (determined without regard to this paragraph) of the plan for the plan year.

“(3) MINIMUM AMOUNT.—In no event shall—

“(A) the at-risk funding target be less than the funding target, as determined without regard to this subsection, or

“(B) the at-risk target normal cost be less than the target normal cost, as determined without regard to this subsection.

“(4) DETERMINATION OF AT-RISK STATUS.—For purposes of this subsection—

“(A) IN GENERAL.—A plan is in at-risk status for a plan year if—

“(i) the funding target attainment percentage for the preceding plan year (determined under this section without regard to this subsection) is less than 80 percent, and

“(ii) the funding target attainment percentage for the preceding plan year (determined under this section by using the additional actuarial assumptions described in paragraph (1)(B) in computing the funding target) is less than 70 percent.

“(B) TRANSITION RULE.—In the case of plan years beginning in 2008, 2009, and 2010, subparagraph (A)(i) shall be applied by substituting the following percentages for ‘80 percent’:

“(i) 65 percent in the case of 2008.

“(ii) 70 percent in the case of 2009.

“(iii) 75 percent in the case of 2010.

In the case of plan years beginning in 2008, the funding target attainment percentage for the preceding plan year under subparagraph (A)(ii) may be determined using such methods of estimation as the Secretary of the Treasury may provide.

“(C) SPECIAL RULE FOR EMPLOYEES OFFERED EARLY RETIREMENT IN 2006.—

“(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the additional actuarial assumptions described in paragraph (1)(B) shall not be taken into account with respect to any employee if—

“(I) such employee is employed by a specified automobile manufacturer,

“(II) such employee is offered a substantial amount of additional cash compensation, substantially enhanced retirement benefits under the plan, or materially reduced employment duties on the condition that by a specified date (not later than December 31, 2010) the employee retires (as defined under the terms of the plan),

“(III) such offer is made during 2006 and pursuant to a bona fide retirement incentive program and requires, by the terms of the offer, that such offer can be accepted not later than a specified date (not later than December 31, 2006), and

“(IV) such employee does not elect to accept such offer before the specified date on which the offer expires.

“(ii) SPECIFIED AUTOMOBILE MANUFACTURER.—For purposes of clause (i), the term ‘specified automobile manufacturer’ means—

“(I) any manufacturer of automobiles, and

“(II) any manufacturer of automobile parts which supplies such parts directly to a manufacturer of automobiles and which, after a transaction or series of transactions ending in 1999, ceased to be a member of a controlled group which included such manufacturer of automobiles.

“(5) TRANSITION BETWEEN APPLICABLE FUNDING TARGETS AND BETWEEN APPLICABLE TARGET NORMAL COSTS.—

“(A) IN GENERAL.—In any case in which a plan which is in at-risk status for a plan year has been in such status for a consecutive period of fewer than 5 plan years, the applicable amount of the funding target and of the target normal cost shall be, in lieu of the amount determined without regard to this paragraph, the sum of—

“(i) the amount determined under this section without regard to this subsection, plus “(ii) the transition percentage for such plan year of the excess of the amount determined under this subsection (without regard to this paragraph) over the amount determined under this section without regard to this subsection.

“(B) TRANSITION PERCENTAGE.—For purposes of subparagraph (A), the transition percentage shall be determined in accordance with the following table:

“If the consecutive number of years (including the plan year) the plan is in at-risk status is—	The transition percentage is—
1	20
2	40
3	60
4	80.

“(C) YEARS BEFORE EFFECTIVE DATE.—For purposes of this paragraph, plan years beginning before 2008 shall not be taken into account.

“(6) SMALL PLAN EXCEPTION.—If, on each day during the preceding plan year, a plan had 500 or fewer participants, the plan shall not be treated as in at-risk status for the plan year. For purposes of this paragraph, all defined benefit plans (other than multiemployer plans) maintained by the same employer (or any member of such employer's controlled group) shall be treated as 1 plan, but only participants with respect to such employer or member shall be taken into account and the rules of subsection (g)(2)(C) shall apply.

“(j) PAYMENT OF MINIMUM REQUIRED CONTRIBUTIONS.—

“(1) IN GENERAL.—For purposes of this section, the due date for any payment of any minimum required contribution for any plan year shall be 8½ months after the close of the plan year.

“(2) INTEREST.—Any payment required under paragraph (1) for a plan year that is made on a date other than the valuation date for such plan year shall be adjusted for interest accruing for the period between the valuation date and the payment date, at the effective rate of interest for the plan for such plan year.

“(3) ACCELERATED QUARTERLY CONTRIBUTION SCHEDULE FOR UNDERFUNDED PLANS.—

“(A) FAILURE TO TIMELY MAKE REQUIRED INSTALLMENT.—In any case in which the plan has a funding shortfall for the preceding plan year, the employer maintaining the plan shall make the required installments under this paragraph and if the employer fails to pay the full amount of a required installment for the plan year, then the amount of interest charged under paragraph (2) on the underpayment for the period of underpayment shall be determined by using a rate of interest equal to the rate otherwise used under paragraph (2) plus 5 percentage points.

“(B) AMOUNT OF UNDERPAYMENT, PERIOD OF UNDERPAYMENT.—For purposes of subparagraph (A)—

“(i) AMOUNT.—The amount of the underpayment shall be the excess of—

“(I) the required installment, over

“(II) the amount (if any) of the installment contributed to or under the plan on or before the due date for the installment.

“(ii) PERIOD OF UNDERPAYMENT.—The period for which any interest is charged under this paragraph with respect to any portion of the underpayment shall run from the due date for the installment to the date on which such portion is contributed to or under the plan.

“(iii) ORDER OF CREDITING CONTRIBUTIONS.—For purposes of clause (i)(II), contributions shall be credited against unpaid required installments in the order in which such installments are required to be paid.

“(C) NUMBER OF REQUIRED INSTALLMENTS; DUE DATES.—For purposes of this paragraph—

“(i) PAYABLE IN 4 INSTALLMENTS.—There shall be 4 required installments for each plan year.

“(ii) TIME FOR PAYMENT OF INSTALLMENTS.—The due dates for required installments are set forth in the following table:

In the case of the following required installment:	The due date is:
1st	April 15
2nd	July 15
3rd	October 15
4th	January 15 of the following year.

“(D) AMOUNT OF REQUIRED INSTALLMENT.—For purposes of this paragraph—

“(i) IN GENERAL.—The amount of any required installment shall be 25 percent of the required annual payment.

“(ii) REQUIRED ANNUAL PAYMENT.—For purposes of clause (i), the term ‘required annual payment’ means the lesser of—

“(I) 90 percent of the minimum required contribution (determined without regard to this subsection) to the plan for the plan year under this section, or

“(II) 100 percent of the minimum required contribution (determined without regard to this subsection or to any waiver under section 302(c)) to the plan for the preceding plan year.

Subclause (II) shall not apply if the preceding plan year referred to in such clause was not a year of 12 months.

“(E) FISCAL YEARS AND SHORT YEARS.—

“(i) FISCAL YEARS.—In applying this paragraph to a plan year beginning on any date other than January 1, there shall be substituted for the months specified in this paragraph, the months which correspond thereto.

“(ii) SHORT PLAN YEAR.—This subparagraph shall be applied to plan years of less than 12 months in accordance with regulations prescribed by the Secretary of the Treasury.

“(4) LIQUIDITY REQUIREMENT IN CONNECTION WITH QUARTERLY CONTRIBUTIONS.—

“(A) IN GENERAL.—A plan to which this paragraph applies shall be treated as failing to pay the full amount of any required installment under paragraph (3) to the extent that the value of the liquid assets paid in such installment is less than the liquidity shortfall (whether or not such liquidity shortfall exceeds the amount of such installment required to be paid but for this paragraph).

“(B) PLANS TO WHICH PARAGRAPH APPLIES.—This paragraph shall apply to a plan (other than a plan described in subsection (g)(2)(B)) which—

“(i) is required to pay installments under paragraph (3) for a plan year, and

“(ii) has a liquidity shortfall for any quarter during such plan year.

“(C) PERIOD OF UNDERPAYMENT.—For purposes of paragraph (3)(A), any portion of an installment that is treated as not paid under subparagraph (A) shall continue to be treated as unpaid until the close of the quarter in which the due date for such installment occurs.

“(D) LIMITATION ON INCREASE.—If the amount of any required installment is increased by reason of subparagraph (A), in no event shall such increase exceed the amount which, when added to prior installments for the plan year, is necessary to increase the funding target attainment percentage of the plan for the plan year (taking into account the expected increase in funding target due to benefits accruing or earned during the plan year) to 100 percent.

“(E) DEFINITIONS.—For purposes of this paragraph—

“(i) LIQUIDITY SHORTFALL.—The term ‘liquidity shortfall’ means, with respect to any required installment, an amount equal to the excess (as of the last day of the quarter for which such installment is made) of—

“(I) the base amount with respect to such quarter, over

“(II) the value (as of such last day) of the plan's liquid assets.

“(ii) BASE AMOUNT.—

“(I) IN GENERAL.—The term ‘base amount’ means, with respect to any quarter, an amount equal to 3 times the sum of the adjusted disbursements from the plan for the 12 months ending on the last day of such quarter.

“(II) SPECIAL RULE.—If the amount determined under subclause (I) exceeds an amount equal to 2 times the sum of the adjusted disbursements from the plan for the 36 months ending on the last day of the quarter and an enrolled actuary certifies to the satisfaction of the Secretary of the Treasury that such excess is the result of nonrecurring circumstances, the base amount with respect to such quarter shall be determined without regard to amounts related to those nonrecurring circumstances.

“(iii) DISBURSEMENTS FROM THE PLAN.—The term ‘disbursements from the plan’ means all disbursements from the trust, including purchases of annuities, payments of single sums and other benefits, and administrative expenses.

“(iv) ADJUSTED DISBURSEMENTS.—The term ‘adjusted disbursements’ means disbursements from the plan reduced by the product of—

“(I) the plan's funding target attainment percentage for the plan year, and

“(II) the sum of the purchases of annuities, payments of single sums, and such other disbursements as the Secretary of the Treasury shall provide in regulations.

“(v) LIQUID ASSETS.—The term ‘liquid assets’ means cash, marketable securities, and such other assets as specified by the Secretary of the Treasury in regulations.

“(vi) QUARTER.—The term ‘quarter’ means, with respect to any required installment, the 3-month period preceding the month in which the due date for such installment occurs.

“(F) REGULATIONS.—The Secretary of the Treasury may prescribe such regulations as are necessary to carry out this paragraph.

“(k) IMPOSITION OF LIEN WHERE FAILURE TO MAKE REQUIRED CONTRIBUTIONS.—

“(1) IN GENERAL.—In the case of a plan to which this subsection applies (as provided under paragraph (2)), if—

“(A) any person fails to make a contribution payment required by section 302 and this section before the due date for such payment, and

“(B) the unpaid balance of such payment (including interest), when added to the aggregate unpaid balance of all preceding such payments for which payment was not made before the due date (including interest), exceeds $1,000,000,

then there shall be a lien in favor of the plan in the amount determined under paragraph (3) upon all property and rights to property, whether real or personal, belonging to such person and any other person who is a member of the same controlled group of which such person is a member.

"(2) PLANS TO WHICH SUBSECTION APPLIES.—This subsection shall apply to a single-employer plan covered under section 4021 for any plan year for which the funding target attainment percentage (as defined in subsection (d)(2)) of such plan is less than 100 percent.

"(3) AMOUNT OF LIEN.—For purposes of paragraph (1), the amount of the lien shall be equal to the aggregate unpaid balance of contribution payments required under this section and section 302 for which payment has not been made before the due date.

"(4) NOTICE OF FAILURE; LIEN.—

"(A) NOTICE OF FAILURE.—A person committing a failure described in paragraph (1) shall notify the Pension Benefit Guaranty Corporation of such failure within 10 days of the due date for the required contribution payment.

"(B) PERIOD OF LIEN.—The lien imposed by paragraph (1) shall arise on the due date for the required contribution payment and shall continue until the last day of the first plan year in which the plan ceases to be described in paragraph (1)(B). Such lien shall continue to run without regard to whether such plan continues to be described in paragraph (2) during the period referred to in the preceding sentence.

"(C) CERTAIN RULES TO APPLY.—Any amount with respect to which a lien is imposed under paragraph (1) shall be treated as taxes due and owing the United States and rules similar to the rules of subsections (c), (d), and (e) of section 4068 shall apply with respect to a lien imposed by subsection (a) and the amount with respect to such lien.

"(5) ENFORCEMENT.—Any lien created under paragraph (1) may be perfected and enforced only by the Pension Benefit Guaranty Corporation, or at the direction of the Pension Benefit Guaranty Corporation, by the contributing sponsor (or any member of the controlled group of the contributing sponsor).

"(6) DEFINITIONS.—For purposes of this subsection—

"(A) CONTRIBUTION PAYMENT.—The term 'contribution payment' means, in connection with a plan, a contribution payment required to be made to the plan, including any required installment under paragraphs (3) and (4) of subsection (j).

"(B) DUE DATE; REQUIRED INSTALLMENT.—The terms 'due date' and 'required installment' have the meanings given such terms by subsection (j), except that in the case of a payment other than a required installment, the due date shall be the date such payment is required to be made under section 303.

"(C) CONTROLLED GROUP.—The term 'controlled group' means any group treated as a single employer under subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986.

"(l) QUALIFIED TRANSFERS TO HEALTH BENEFIT ACCOUNTS.—In the case of a qualified transfer (as defined in section 420 of the Internal Revenue Code of 1986), any assets so transferred shall not, for purposes of this section, be treated as assets in the plan.".

(b) CLERICAL AMENDMENT.—The table of sections in section 1 of such Act (as amended by section 101) is amended by inserting after the item relating to section 302 the following new item:

"Sec. 303. Minimum funding standards for
single-employer defined benefit
pension plans.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning after 2007.

SEC. 103. BENEFIT LIMITATIONS UNDER SINGLE-EMPLOYER PLANS.

(a) FUNDING-BASED LIMITS ON BENEFITS AND BENEFIT ACCRUALS UNDER SINGLE-EMPLOYER PLANS.—Section 206 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056) is amended by adding at the end the following new subsection:

"(g) FUNDING-BASED LIMITS ON BENEFITS AND BENEFIT ACCRUALS UNDER SINGLE-EMPLOYER PLANS.—

"(1) FUNDING-BASED LIMITATION ON SHUTDOWN BENEFITS AND OTHER UNPREDICTABLE CONTINGENT EVENT BENEFITS UNDER SINGLE-EMPLOYER PLANS.—

"(A) IN GENERAL.—If a participant of a defined benefit plan which is a single-employer plan is entitled to an unpredictable contingent event benefit payable with respect to any event occurring during any plan year, the plan shall provide that such benefit may not be provided if the adjusted funding target attainment percentage for such plan year—

"(i) is less than 60 percent, or

"(ii) would be less than 60 percent taking into account such occurrence.

"(B) EXEMPTION.—Subparagraph (A) shall cease to apply with respect to any plan year, effective as of the first day of the plan year, upon payment by the plan sponsor of a contribution (in addition to any minimum required contribution under section 303) equal to—

"(i) in the case of subparagraph (A)(i), the amount of the increase in the funding target of the plan (under section 303) for the plan year attributable to the occurrence referred to in subparagraph (A), and

"(ii) in the case of subparagraph (A)(ii), the amount sufficient to result in a funding target attainment percentage of 60 percent.

"(C) UNPREDICTABLE CONTINGENT EVENT.—For purposes of this paragraph, the term 'unpredictable contingent event benefit' means any benefit payable solely by reason of—

"(i) a plant shutdown (or similar event, as determined by the Secretary of the Treasury), or

"(ii) an event other than the attainment of any age, performance of any service, receipt or derivation of any compensation, or occurrence of death or disability.

"(2) LIMITATIONS ON PLAN AMENDMENTS INCREASING LIABILITY FOR BENEFITS.—

"(A) IN GENERAL.—No amendment to a defined benefit plan which is a single-employer plan which has the effect of increasing liabilities of the plan by reason of increases in benefits, establishment of new benefits, changing the rate of benefit accrual, or changing the rate at which benefits become nonforfeitable may take effect during any plan year if the adjusted funding target attainment percentage for such plan year is—

"(i) less than 80 percent, or

"(ii) would be less than 80 percent taking into account such amendment.

"(B) EXEMPTION.—Subparagraph (A) shall cease to apply with respect to any plan year, effective as of the first day of the plan year (or if later, the effective date of the amendment), upon payment by the plan sponsor of a contribution (in addition to any minimum required contribution under section 303) equal to—

"(i) in the case of subparagraph (A)(i), the amount of the increase in the funding target of the plan (under section 303) for the plan year attributable to the amendment, and

"(ii) in the case of subparagraph (A)(ii), the amount sufficient to result in an adjusted funding target attainment percentage of 80 percent.

"(C) EXCEPTION FOR CERTAIN BENEFIT INCREASES.—Subparagraph (A) shall not apply to any amendment which provides for an increase in benefits under a formula which is not based on a participant's compensation, but only if the rate of such increase is not in excess of the contemporaneous rate of increase in average wages of participants covered by the amendment.

"(3) LIMITATIONS ON ACCELERATED BENEFIT DISTRIBUTIONS.—

"(A) FUNDING PERCENTAGE LESS THAN 60 PERCENT.—A defined benefit plan which is a single-employer plan shall provide that, in any case in which the plan's adjusted funding target attainment percentage for a plan year is less than 60 percent, the plan may not pay any prohibited payment after the valuation date for the plan year.

"(B) BANKRUPTCY.—A defined benefit plan which is a single-employer plan shall provide that, during any period in which the plan sponsor is a debtor in a case under title 11, United States Code, or similar Federal or State law, the plan may not pay any prohibited payment. The preceding sentence shall not apply on or after the date on which the enrolled actuary of the plan certifies that the adjusted funding target attainment percentage of such plan is not less than 100 percent.

"(C) LIMITED PAYMENT IF PERCENTAGE AT LEAST 60 PERCENT BUT LESS THAN 80 PERCENT.—

"(i) IN GENERAL.—A defined benefit plan which is a single-employer plan shall provide that, in any case in which the plan's adjusted funding target attainment percentage for a plan year is 60 percent or greater but less than 80 percent, the plan may not pay any prohibited payment after the valuation date for the plan year to the extent the amount of the payment exceeds the lesser of—

"(I) 50 percent of the amount of the payment which could be made without regard to this subsection, or

"(II) the present value (determined under guidance prescribed by the Pension Benefit Guaranty Corporation, using the interest and mortality assumptions under section 205(g)) of the maximum guarantee with respect to the participant under section 4022.

"(ii) ONE-TIME APPLICATION.—

"(I) IN GENERAL.—The plan shall also provide that only 1 prohibited payment meeting the requirements of clause (i) may be made with respect to any participant during any period of consecutive plan years to which the limitations under either subparagraph (A) or (B) or this subparagraph applies.

"(II) TREATMENT OF BENEFICIARIES.—For purposes of this clause, a participant and any beneficiary on his behalf (including an alternate payee, as defined in section 206(d)(3)(K)) shall be treated as 1 participant. If the accrued benefit of a participant is allocated to such an alternate payee and 1 or more other persons, the amount under clause (i) shall be allocated among such persons in the same manner as the accrued benefit is allocated unless the qualified domestic relations order (as defined in section 206(d)(3)(B)(i)) provides otherwise.

"(D) EXCEPTION.—This paragraph shall not apply to any plan for any plan year if the terms of such plan (as in effect for the period beginning on September 1, 2005, and ending with such plan year) provide for no benefit accruals with respect to any participant during such period.

"(E) PROHIBITED PAYMENT.—For purpose of this paragraph, the term 'prohibited payment' means—

"(i) any payment, in excess of the monthly amount paid under a single life annuity (plus any social security supplements described in the last sentence of section 204(b)(1)(G)), to a participant or beneficiary whose annuity starting date (as defined in section 205(h)(2)) occurs during any period a limitation under subparagraph (A) or (B) is in effect,

"(ii) any payment for the purchase of an irrevocable commitment from an insurer to pay benefits, and

"(iii) any other payment specified by the Secretary of the Treasury by regulations.

"(4) LIMITATION ON BENEFIT ACCRUALS FOR PLANS WITH SEVERE FUNDING SHORTFALLS.—

"(A) IN GENERAL.—A defined benefit plan which is a single-employer plan shall provide that, in any case in which the plan's adjusted funding target attainment percentage for a plan year is less than 60 percent, benefit accruals under the plan shall cease as of the valuation date for the plan year.

"(B) EXEMPTION.—Subparagraph (A) shall cease to apply with respect to any plan year, effective as of the first day of the plan year, upon payment by the plan sponsor of a contribution (in addition to any minimum required contribution under section 303) equal to the amount sufficient to result in an adjusted funding target attainment percentage of 60 percent.

"(5) RULES RELATING TO CONTRIBUTIONS REQUIRED TO AVOID BENEFIT LIMITATIONS.—

"(A) SECURITY MAY BE PROVIDED.—

"(i) IN GENERAL.—For purposes of this subsection, the adjusted funding target attainment percentage shall be determined by treating as an asset of the plan any security provided by a plan sponsor in a form meeting the requirements of clause (ii).

"(ii) FORM OF SECURITY.—The security required under clause (i) shall consist of—

"(I) a bond issued by a corporate surety company that is an acceptable surety for purposes of section 412 of this Act,

"(II) cash, or United States obligations which mature in 3 years or less, held in escrow by a bank or similar financial institution, or

"(III) such other form of security as is satisfactory to the Secretary of the Treasury and the parties involved.

"(iii) ENFORCEMENT.—Any security provided under clause (i) may be perfected and enforced at any time after the earlier of—

"(I) the date on which the plan terminates,

"(II) if there is a failure to make a payment of the minimum required contribution for any plan year beginning after the security is provided, the due date for the payment under section 303(j), or

"(III) if the adjusted funding target attainment percentage is less than 60 percent for a consecutive period of 7 years, the valuation date for the last year in the period.

"(iv) RELEASE OF SECURITY.—The security shall be released (and any amounts thereunder shall be refunded together with any interest accrued thereon) at such time as the Secretary of the Treasury may prescribe in regulations, including regulations for partial releases of the security by reason of increases in the funding target attainment percentage.

"(B) PREFUNDING BALANCE OR FUNDING STANDARD CARRYOVER BALANCE MAY NOT BE USED.—No prefunding balance or funding standard carryover balance under section 303(f) may be used under paragraph (1), (2), or (4) to satisfy any payment an employer may make under any such paragraph to avoid or terminate the application of any limitation under such paragraph.

"(C) DEEMED REDUCTION OF FUNDING BALANCES.—

"(i) IN GENERAL.—Subject to clause (iii), in any case in which a benefit limitation under paragraph (1), (2), (3), or (4) would (but for this subparagraph and determined without regard to paragraph (1)(B), (2)(B), or (4)(B)) apply to such plan for the plan year, the plan sponsor of such plan shall be treated for purposes of this Act as having made an election under section 303(f) to reduce the prefunding balance or funding standard carryover balance by such amount as is necessary for such benefit limitation to not apply to the plan for such plan year.

"(ii) EXCEPTION FOR INSUFFICIENT FUNDING BALANCES.—Clause (i) shall not apply with respect to a benefit limitation for any plan year if the application of clause (i) would not result in the benefit limitation not applying for such plan year.

"(iii) RESTRICTIONS OF CERTAIN RULES TO COLLECTIVELY BARGAINED PLANS.—With respect to any benefit limitation under paragraph (1), (2), or (4), clause (i) shall only apply in the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers.

"(6) NEW PLANS.—Paragraphs (1), (2) and (4) shall not apply to a plan for the first 5 plan years of the plan. For purposes of this paragraph, the reference in this paragraph to a plan shall include a reference to any predecessor plan.

"(7) PRESUMED UNDERFUNDING FOR PURPOSES OF BENEFIT LIMITATIONS.—

"(A) PRESUMPTION OF CONTINUED UNDERFUNDING.—In any case in which a benefit limitation under paragraph (1), (2), (3), or (4) has been applied to a plan with respect to the plan year preceding the current plan year, the adjusted funding target attainment percentage of the plan for the current plan year shall be presumed to be equal to the adjusted funding target attainment percentage of the plan for the preceding plan year until the enrolled actuary of the plan certifies the actual adjusted funding target attainment percentage of the plan for the current plan year.

"(B) PRESUMPTION OF UNDERFUNDING AFTER 10TH MONTH.—In any case in which no certification of the adjusted funding target attainment percentage for the current plan year is made with respect to the plan before the first day of the 10th month of such year, for purposes of paragraphs (1), (2), (3), and (4), such first day shall be deemed, for purposes of such paragraph, to be the valuation date of the plan for the current plan year and the plan's adjusted funding target attainment percentage shall be conclusively presumed to be less than 60 percent as of such first day.

"(C) PRESUMPTION OF UNDERFUNDING AFTER 4TH MONTH FOR NEARLY UNDERFUNDED PLANS.—In any case in which—

"(i) a benefit limitation under paragraph (1), (2), (3), or (4) did not apply to a plan with respect to the plan year preceding the current plan year, but the adjusted funding target attainment percentage of the plan for such preceding plan year was not more than 10 percentage points greater than the percentage which would have caused such paragraph to apply to the plan with respect to such preceding plan year, and

"(ii) as of the first day of the 4th month of the current plan year, the enrolled actuary of the plan has not certified the actual adjusted funding target attainment percentage of the plan for the current plan year,

until the enrolled actuary so certifies, such first day shall be deemed, for purposes of such paragraph, to be the valuation date of the plan for the current plan year and the adjusted funding target attainment percentage of the plan as of such first day shall, for purposes of such paragraph, be presumed to be equal to 10 percentage points less than the adjusted funding target attainment percentage of the plan for such preceding plan year.

"(8) TREATMENT OF PLAN AS OF CLOSE OF PROHIBITED OR CESSATION PERIOD.—For purposes of applying this part—

"(A) OPERATION OF PLAN AFTER PERIOD.—Unless the plan provides otherwise, payments and accruals will resume effective as of the day following the close of the period for which any limitation of payment or accrual of benefits under paragraph (3) or (4) applies.

"(B) TREATMENT OF AFFECTED BENEFITS.—Nothing in this paragraph shall be construed as affecting the plan's treatment of benefits which would have been paid or accrued but for this subsection.

"(9) TERMS RELATING TO FUNDING TARGET ATTAINMENT PERCENTAGE.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'funding target attainment percentage' has the same meaning given such term by section 303(d)(2).

"(B) ADJUSTED FUNDING TARGET ATTAINMENT PERCENTAGE.—The term 'adjusted funding target attainment percentage' means the funding target attainment percentage which is determined under subparagraph (A) by increasing each of the amounts under subparagraphs (A) and (B) of section 303(d)(2) by the aggregate amount of purchases of annuities for employees other than highly compensated employees (as defined in section 414(q) of the Internal Revenue Code of 1986) which were made by the plan during the preceding 2 plan years.

"(C) APPLICATION TO PLANS WHICH ARE FULLY FUNDED WITHOUT REGARD TO REDUCTIONS FOR FUNDING BALANCES.—

"(i) IN GENERAL.—In the case of a plan for any plan year, if the funding target attainment percentage is 100 percent or more (determined without regard to this subparagraph and without regard to the reduction in the value of assets under section 303(f)(4)), the funding target attainment percentage for purposes of subparagraphs (A) and (B) shall be determined without regard to such reduction.

"(ii) TRANSITION RULE.—Clause (i) shall be applied to plan years beginning after 2007 and before 2011 by substituting for '100 percent' the applicable percentage determined in accordance with the following table:

"In the case of a plan year beginning in calendar year:	**The applicable percentage is**
2008	92
2009	94
2010	96.

"(iii) LIMITATION.—Clause (ii) shall not apply with respect to any plan year after 2008 unless the funding target attainment percentage (determined without regard to this subparagraph) of the plan for each preceding plan year after 2007 was not less than the applicable percentage with respect to such preceding plan year determined under clause (ii).

"(10) SPECIAL RULE FOR 2008.—For purposes of this subsection, in the case of plan years beginning in 2008, the funding target attainment percentage for the preceding plan year may be determined using such methods of estimation as the Secretary of the Treasury may provide.".

(b) Notice Requirement.—

(1) In general.—Section 101 of such Act (29 U.S.C. 1021) is amended—

(A) by redesignating subsection (j) as subsection (k); and

(B) by inserting after subsection (i) the following new subsection:

"(j) Notice of Funding-Based Limitation on Certain Forms of Distribution.—The plan administrator of a single-employer plan shall provide a written notice to plan participants and beneficiaries within 30 days—

"(1) after the plan has become subject to a restriction described in paragraph (1) or (3) of section 206(g)),

"(2) in the case of a plan to which section 206(g)(4) applies, after the valuation date for the plan year described in section 206(g)(4)(B) for which the plan's adjusted funding target attainment percentage for the plan year is less than 60 percent (or, if earlier, the date such percentage is deemed to be less than 60 percent under section 206(g)(7)), and

"(3) at such other time as may be determined by the Secretary of the Treasury.

The notice required to be provided under this subsection shall be in writing, except that such notice may be in electronic or other form to the extent that such form is reasonably accessible to the recipient.".

(2) Enforcement.—Section 502(c)(4) of such Act (29 U.S.C. 1132(c)(4)) is amended by striking "section 302(b)(7)(F)(iv)" and inserting "section 101(j) or 302(b)(7)(F)(iv)".

(c) Effective Dates.—

(1) In general.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

(2) Collective bargaining exception.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before January 1, 2008, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the later of—

(i) the date on which the last collective bargaining agreement relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(ii) the first day of the first plan year to which the amendments made by this subsection would (but for this subparagraph) apply, or

(B) January 1, 2010.

For purposes of subparagraph (A)(i), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

SEC. 104. SPECIAL RULES FOR MULTIPLE EMPLOYER PLANS OF CERTAIN COOPERATIVES.

(a) General Rule.—Except as provided in this section, if a plan in existence on July 26, 2005, was an eligible cooperative plan for its plan year which includes such date, the amendments made by this subtitle and subtitle B shall not apply to plan years beginning before the earlier of—

(1) the first plan year for which the plan ceases to be an eligible cooperative plan, or

(2) January 1, 2017.

(b) Interest Rate.—In applying section 302(b)(5)(B) of the Employee Retirement Income Security Act of 1974 and section 412(b)(5)(B) of the Internal Revenue Code of 1986 (as in effect before the amendments made by this subtitle and subtitle B) to an eligible cooperative plan for plan years beginning after December 31, 2007, and before the first plan year to which such amendments apply, the third segment rate determined under section 303(h)(2)(C)(iii) of such Act and section 430(h)(2)(C)(iii) of such Code (as added by such amendments) shall be used in lieu of the interest rate otherwise used.

(c) Eligible Cooperative Plan Defined.—For purposes of this section, a plan shall be treated as an eligible cooperative plan for a plan year if the plan is maintained by more than 1 employer and at least 85 percent of the employers are—

(1) rural cooperatives (as defined in section 401(k)(7)(B) of such Code without regard to clause (iv) thereof), or

(2) organizations which are—

(A) cooperative organizations described in section 1381(a) of such Code which are more than 50-percent owned by agricultural producers or by cooperatives owned by agricultural producers, or

(B) more than 50-percent owned, or controlled by, one or more cooperative organizations described in subparagraph (A).

A plan shall also be treated as an eligible cooperative plan for any plan year for which it is described in section 210(a) of the Employee Retirement Income Security Act of 1974 and is maintained by a rural telephone cooperative association described in section 3(40)(B)(v) of such Act.

SEC. 105. TEMPORARY RELIEF FOR CERTAIN PBGC SETTLEMENT PLANS.

(a) General Rule.—Except as provided in this section, if a plan in existence on July 26, 2005, was a PBGC settlement plan as of such date, the amendments made by this subtitle and subtitle B shall not apply to plan years beginning before January 1, 2014.

(b) Interest Rate.—In applying section 302(b)(5)(B) of the Employee Retirement Income Security Act of 1974 and section 412(b)(5)(B) of the Internal Revenue Code of 1986 (as in effect before the amendments made by this subtitle and subtitle B), to a PBGC settlement plan for plan years beginning after December 31, 2007, and before January 1, 2014, the third segment rate determined under section 303(h)(2)(C)(iii) of such Act and section 430(h)(2)(C)(iii) of such Code (as added by such amendments) shall be used in lieu of the interest rate otherwise used.

(c) PBGC Settlement Plan.—For purposes of this section, the term "PBGC settlement plan" means a defined benefit plan (other than a multiemployer plan) to which section 302 of such Act and section 412 of such Code apply and—

(1) which was sponsored by an employer which was in bankruptcy, giving rise to a claim by the Pension Benefit Guaranty Corporation of not greater than $150,000,000, and the sponsorship of which was assumed by another employer that was not a member of the same controlled group as the bankrupt sponsor and the claim of the Pension Benefit Guaranty Corporation was settled or withdrawn in connection with the assumption of the sponsorship, or

(2) which, by agreement with the Pension Benefit Guaranty Corporation, was spun off from a plan subsequently terminated by such Corporation under section 4042 of the Employee Retirement Income Security Act of 1974.

SEC. 106. SPECIAL RULES FOR PLANS OF CERTAIN GOVERNMENT CONTRACTORS.

(a) General Rule.—Except as provided in this section, if a plan is an eligible government contractor plan, this subtitle and subtitle B shall not apply to plan years beginning before the earliest of—

(1) the first plan year for which the plan ceases to be an eligible government contractor plan,

(2) the effective date of the Cost Accounting Standards Pension Harmonization Rule, or

(3) January 1, 2011.

(b) Interest Rate.—In applying section 302(b)(5)(B) of the Employee Retirement Income Security Act of 1974 and section 412(b)(5)(B) of the Internal Revenue Code of 1986 (as in effect before the amendments made by this subtitle and subtitle B) to an eligible government contractor plan for plan years beginning after December 31, 2007, and before the first plan year to which such amendments apply, the third segment rate determined under section 303(h)(2)(C)(iii) of such Act and section 430(h)(2)(C)(iii) of such Code (as added by such amendments) shall be used in lieu of the interest rate otherwise used.

(c) Eligible Government Contractor Plan Defined.—For purposes of this section, a plan shall be treated as an eligible government contractor plan if it is maintained by a corporation or a member of the same affiliated group (as defined by section 1504(a) of the Internal Revenue Code of 1986), whose primary source of revenue is derived from business performed under contracts with the United States that are subject to the Federal Acquisition Regulations (Chapter 1 of Title 48, C.F.R.) and that are also subject to the Defense Federal Acquisition Regulation Supplement (Chapter 2 of Title 48, C.F.R.), and whose revenue derived from such business in the previous fiscal year exceeded $5,000,000,000, and whose pension plan costs that are assignable under those contracts are subject to sections 412 and 413 of the Cost Accounting Standards (48 C.F.R. 9904.412 and 9904.413).

(d) Cost Accounting Standards Pension Harmonization Rule.—The Cost Accounting Standards Board shall review and revise sections 412 and 413 of the Cost Accounting Standards (48 C.F.R. 9904.412 and 9904.413) to harmonize the minimum required contribution under the Employee Retirement Income Security Act of 1974 of eligible government contractor plans and government reimbursable pension plan costs not later than January 1, 2010. Any final rule adopted by the Cost Accounting Standards Board shall be deemed the Cost Accounting Standards Pension Harmonization Rule.

SEC. 107. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Miscellaneous Amendments to Title I.—Subtitle B of title I of such Act (29 U.S.C. 1021 et seq.) is amended—

(1) in section 101(d)(3), by striking "section 302(e)" and inserting "section 303(j)";

(2) in section 103(d)(8)(B), by striking "the requirements of section 302(c)(3)" and inserting "the applicable requirements of sections 303(h) and 304(c)(3)";

(3) in section 103(d), by striking paragraph (11) and inserting the following:

"(11) If the current value of the assets of the plan is less than 70 percent of—

"(A) in the case of a single-employer plan, the funding target (as defined in section 303(d)(1)) of the plan, or

"(B) in the case of a multiemployer plan, the current liability (as defined in section 304(c)(6)(D)) under the plan,

the percentage which such value is of the amount described in subparagraph (A) or (B).";

(4) in section 203(a)(3)(C), by striking "section 302(c)(8)" and inserting "section 302(d)(2)";

(5) in section 204(g)(1), by striking "section 302(c)(8)" and inserting "section 302(d)(2)";

(6) in section 204(i)(2)(B), by striking "section 302(c)(8)" and inserting "section 302(d)(2)";

(7) in section 204(i)(3), by striking "funded current liability percentage (within the meaning of section 302(d)(8) of this Act)" and inserting "funding target attainment percentage (as defined in section 303(d)(2))";

(8) in section 204(i)(4), by striking "section 302(c)(11)(A), without regard to section 302(c)(11)(B)" and inserting "section 302(b)(1), without regard to section 302(b)(2)";

(9) in section 206(e)(1), by striking "section 302(d)" and inserting "section 303(j)(4)", and by striking "section 302(e)(5)" and inserting "section 303(j)(4)(E)(i)";

(10) in section 206(e)(3), by striking "section 302(e) by reason of paragraph (5)(A) thereof" and inserting "section 303(j)(3) by reason of section 303(j)(4)(A)"; and

(11) in sections 101(e)(3), 403(c)(1), and 408(b)(13), by striking "American Jobs Creation Act of 2004" and inserting "Pension Protection Act of 2006".

(b) Miscellaneous Amendments to Title IV.—Title IV of such Act is amended—

(1) in section 4001(a)(13) (29 U.S.C. 1301(a)(13)), by striking "302(c)(11)(A)" and inserting "302(b)(1)", by striking "412(c)(11)(A)" and inserting "412(b)(1)", by striking "302(c)(11)(B)" and inserting "302(b)(2)", and by striking "412(c)(11)(B)" and inserting "412(b)(2)";

(2) in section 4003(e)(1) (29 U.S.C. 1303(e)(1)), by striking "302(f)(1)(A) and (B)" and inserting "303(k)(1)(A) and (B)", and by striking "412(n)(1)(A) and (B)" and inserting "430(k)(1)(A) and (B)";

(3) in section 4010(b)(2) (29 U.S.C. 1310(b)(2)), by striking "302(f)(1)(A) and (B)" and inserting "303(k)(1)(A) and (B)", and by striking "412(n)(1)(A) and (B)" and inserting "430(k)(1)(A) and (B)";

(4) in section 4062(c) (29 U.S.C. 1362(c)), by striking paragraphs (1), (2), and (3) and inserting the following:

"(1) the sum of the shortfall amortization charge (within the meaning of section 303(c)(1) of this Act and 430(d)(1) of the Internal Revenue Code of 1986) with respect to the plan (if any) for the plan year in which the termination date occurs, plus the aggregate total of shortfall amortization installments (if any) determined for succeeding plan years under section 303(c)(2) of this Act and section 430(d)(2) of such Code (which, for purposes of this subparagraph, shall include any increase in such sum which would result if all applications for waivers of the minimum funding standard under section 302(c) of this Act and section 412(c) of such Code which are pending with respect to such plan were denied and if no additional contributions (other than those already made by the termination date) were made for the plan year in which the termination date occurs or for any previous plan year), and

"(2) the sum of the waiver amortization charge (within the meaning of section 303(e)(1) of this Act and 430(e)(1) of the Internal Revenue Code of 1986) with respect to the plan (if any) for the plan year in which the termination date occurs, plus the aggregate total of waiver amortization installments (if any) determined for succeeding plan years under section 303(e)(2) of this Act and section 430(e)(2) of such Code.";

(5) in section 4071 (29 U.S.C. 1371), by striking "302(f)(4)" and inserting "303(k)(4)";

(6) in section 4243(a)(1)(B) (29 U.S.C. 1423(a)(1)(B)), by striking "302(a)" and inserting "304(a)", and, in clause (i), by striking "302(a)" and inserting "304(a)";

(7) in section 4243(f)(1) (29 U.S.C. 1423(f)(1)), by striking "303(a)" and inserting "302(c)";

(8) in section 4243(f)(2) (29 U.S.C. 1423(f)(2)), by striking "303(c)" and inserting "302(c)(3)"; and

(9) in section 4243(g) (29 U.S.C. 1423(g)), by striking "302(c)(3)" and inserting "304(c)(3)".

(c) Amendments to Reorganization Plan No. 4 of 1978.—Section 106(b)(ii) of Reorganization Plan No. 4 of 1978 (ratified and affirmed as law by Public Law 98–532 (98 Stat. 2705)) is amended by striking "302(c)(8)" and inserting "302(d)(2)", by striking "304(a) and (b)(2)(A)" and inserting "304(d)(1), (d)(2), and (e)(2)(A)", and by striking "412(c)(8), (e), and (f)(2)(A)" and inserting "412(c)(2) and 431(d)(1), (d)(2), and (e)(2)(A)".

(d) Repeal of Expired Authority for Temporary Variances.—Section 207 of such Act (29 U.S.C. 1057) is repealed.

(e) Effective Date.—The amendments made by this section shall apply to plan years beginning after 2007.

Subtitle B—Amendments to Internal Revenue Code of 1986

SEC. 111. MINIMUM FUNDING STANDARDS.

(a) New Minimum Funding Standards.—Section 412 of the Internal Revenue Code of 1986 (relating to minimum funding standards) is amended to read as follows:

"SEC. 412. MINIMUM FUNDING STANDARDS.

"(a) Requirement To Meet Minimum Funding Standard.—

"(1) In general.—A plan to which this section applies shall satisfy the minimum funding standard applicable to the plan for any plan year.

"(2) Minimum funding standard.—For purposes of paragraph (1), a plan shall be treated as satisfying the minimum funding standard for a plan year if—

"(A) in the case of a defined benefit plan which is not a multiemployer plan, the employer makes contributions to or under the plan for the plan year which, in the aggregate, are not less than the minimum required contribution determined under section 430 for the plan for the plan year,

"(B) in the case of a money purchase plan which is not a multiemployer plan, the employer makes contributions to or under the plan for the plan year which are required under the terms of the plan, and

"(C) in the case of a multiemployer plan, the employers make contributions to or under the plan for any plan year which, in the aggregate, are sufficient to ensure that the plan does not have an accumulated funding deficiency under section 431 as of the end of the plan year.

"(b) Liability for Contributions.—

"(1) In general.—Except as provided in paragraph (2), the amount of any contribution required by this section (including any required installments under paragraphs (3) and (4) of section 430(j)) shall be paid by the employer responsible for making contributions to or under the plan.

"(2) Joint and several liability where employer member of controlled group.—If the employer referred to in paragraph (1) is a member of a controlled group, each member of such group shall be jointly and severally liable for payment of such contributions.

"(c) Variance From Minimum Funding Standards.—

"(1) Waiver in case of business hardship.—

"(A) In general.—If—

"(i) an employer is (or in the case of a multiemployer plan, 10 percent or more of the number of employers contributing to or under the plan is) unable to satisfy the minimum funding standard for a plan year without temporary substantial business hardship (substantial business hardship in the case of a multiemployer plan), and

"(ii) application of the standard would be adverse to the interests of plan participants in the aggregate,

the Secretary may, subject to subparagraph (C), waive the requirements of subsection (a) for such year with respect to all or any portion of the minimum funding standard. The Secretary shall not waive the minimum funding standard with respect to a plan for more than 3 of any 15 (5 of any 15 in the case of a multiemployer plan) consecutive plan years

"(B) Effects of waiver.—If a waiver is granted under subparagraph (A) for any plan year—

"(i) in the case of a defined benefit plan which is not a multiemployer plan, the minimum required contribution under section 430 for the plan year shall be reduced by the amount of the waived funding deficiency and such amount shall be amortized as required under section 430(e), and

"(ii) in the case of a multiemployer plan, the funding standard account shall be credited under section 431(b)(3)(C) with the amount of the waived funding deficiency and such amount shall be amortized as required under section 431(b)(2)(C).

"(C) Waiver of amortized portion not allowed.—The Secretary may not waive under subparagraph (A) any portion of the minimum funding standard under subsection (a) for a plan year which is attributable to any waived funding deficiency for any preceding plan year.

"(2) Determination of business hardship.—For purposes of this subsection, the factors taken into account in determining temporary substantial business hardship (substantial business hardship in the case of a multiemployer plan) shall include (but shall not be limited to) whether or not—

"(A) the employer is operating at an economic loss,

"(B) there is substantial unemployment or underemployment in the trade or business and in the industry concerned,

"(C) the sales and profits of the industry concerned are depressed or declining, and

"(D) it is reasonable to expect that the plan will be continued only if the waiver is granted.

"(3) Waived funding deficiency.—For purposes of this section and part III of this subchapter, the term 'waived funding deficiency' means the portion of the minimum funding standard under subsection (a) (determined without regard to the waiver) for a plan year waived by the Secretary and not satisfied by employer contributions.

"(4) Security for waivers for single-employer plans, consultations.—

"(A) Security may be required.—

"(i) In general.—Except as provided in subparagraph (C), the Secretary may require an employer maintaining a defined benefit plan which is a single-employer plan (within the meaning of section 4001(a)(15) of the Employee Retirement Income Security Act of 1974) to provide security to such plan as a condition for granting or modifying a waiver under paragraph (1).

"(ii) Special rules.—Any security provided under clause (i) may be perfected and enforced only by the Pension Benefit Guaranty Corporation, or at the direction of the Corporation, by a contributing sponsor (within the meaning of section 4001(a)(13) of the Employee Retirement Income Security Act of 1974), or a member of such sponsor's controlled group (within the meaning of section 4001(a)(14) of such Act).

“(B) CONSULTATION WITH THE PENSION BENEFIT GUARANTY CORPORATION.—Except as provided in subparagraph (C), the Secretary shall, before granting or modifying a waiver under this subsection with respect to a plan described in subparagraph (A)(i)—

“(i) provide the Pension Benefit Guaranty Corporation with—

“(I) notice of the completed application for any waiver or modification, and

“(II) an opportunity to comment on such application within 30 days after receipt of such notice, and

“(ii) consider—

“(I) any comments of the Corporation under clause (i)(II), and

“(II) any views of any employee organization (within the meaning of section 3(4) of the Employee Retirement Income Security Act of 1974) representing participants in the plan which are submitted in writing to the Secretary in connection with such application.

Information provided to the Corporation under this subparagraph shall be considered tax return information and subject to the safeguarding and reporting requirements of section 6103(p).

“(C) EXCEPTION FOR CERTAIN WAIVERS.—

“(i) IN GENERAL.—The preceding provisions of this paragraph shall not apply to any plan with respect to which the sum of—

“(I) the aggregate unpaid minimum required contributions (within the meaning of section 4971(c)(4)) for the plan year and all preceding plan years, and

“(II) the present value of all waiver amortization installments determined for the plan year and succeeding plan years under section 430(e)(2),

is less than $1,000,000.

“(ii) TREATMENT OF WAIVERS FOR WHICH APPLICATIONS ARE PENDING.—The amount described in clause (i)(I) shall include any increase in such amount which would result if all applications for waivers of the minimum funding standard under this subsection which are pending with respect to such plan were denied.

“(5) SPECIAL RULES FOR SINGLE-EMPLOYER PLANS.—

“(A) APPLICATION MUST BE SUBMITTED BEFORE DATE 2½ MONTHS AFTER CLOSE OF YEAR.—In the case of a defined benefit plan which is not a multiemployer plan, no waiver may be granted under this subsection with respect to any plan for any plan year unless an application therefor is submitted to the Secretary not later than the 15th day of the 3rd month beginning after the close of such plan year.

“(B) SPECIAL RULE IF EMPLOYER IS MEMBER OF CONTROLLED GROUP.—In the case of a defined benefit plan which is not a multiemployer plan, if an employer is a member of a controlled group, the temporary substantial business hardship requirements of paragraph (1) shall be treated as met only if such requirements are met—

“(i) with respect to such employer, and

“(ii) with respect to the controlled group of which such employer is a member (determined by treating all members of such group as a single employer).

The Secretary may provide that an analysis of a trade or business or industry of a member need not be conducted if the Secretary determines such analysis is not necessary because the taking into account of such member would not significantly affect the determination under this paragraph.

“(6) ADVANCE NOTICE.—

“(A) IN GENERAL.—The Secretary shall, before granting a waiver under this subsection, require each applicant to provide evidence satisfactory to the Secretary that the applicant has provided notice of the filing of the application for such waiver to each affected party (as defined in section 4001(a)(21) of the Employee Retirement Income Security Act of 1974). Such notice shall include a description of the extent to which the plan is funded for benefits which are guaranteed under title IV of the Employee Retirement Income Security Act of 1974 and for benefit liabilities.

“(B) CONSIDERATION OF RELEVANT INFORMATION.—The Secretary shall consider any relevant information provided by a person to whom notice was given under subparagraph (A).

“(7) RESTRICTION ON PLAN AMENDMENTS.—

“(A) IN GENERAL.—No amendment of a plan which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan shall be adopted if a waiver under this subsection or an extension of time under section 431(d) is in effect with respect to the plan, or if a plan amendment described in subsection (d)(2) has been made at any time in the preceding 12 months (24 months in the case of a multiemployer plan). If a plan is amended in violation of the preceding sentence, any such waiver, or extension of time, shall not apply to any plan year ending on or after the date on which such amendment is adopted.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to any plan amendment which—

“(i) the Secretary determines to be reasonable and which provides for only de minimis increases in the liabilities of the plan,

“(ii) only repeals an amendment described in subsection (d)(2), or

“(iii) is required as a condition of qualification under part I of subchapter D, of chapter 1.

“(d) MISCELLANEOUS RULES.—

“(1) CHANGE IN METHOD OR YEAR.—If the funding method, the valuation date, or a plan year for a plan is changed, the change shall take effect only if approved by the Secretary.

“(2) CERTAIN RETROACTIVE PLAN AMENDMENTS.—For purposes of this section, any amendment applying to a plan year which—

“(A) is adopted after the close of such plan year but no later than 2½ months after the close of the plan year (or, in the case of a multiemployer plan, no later than 2 years after the close of such plan year),

“(B) does not reduce the accrued benefit of any participant determined as of the beginning of the first plan year to which the amendment applies, and

“(C) does not reduce the accrued benefit of any participant determined as of the time of adoption except to the extent required by the circumstances,

shall, at the election of the plan administrator, be deemed to have been made on the first day of such plan year. No amendment described in this paragraph which reduces the accrued benefits of any participant shall take effect unless the plan administrator files a notice with the Secretary notifying him of such amendment and the Secretary has approved such amendment, or within 90 days after the date on which such notice was filed, failed to disapprove such amendment. No amendment described in this subsection shall be approved by the Secretary unless the Secretary determines that such amendment is necessary because of a temporary substantial business hardship (as determined under subsection (c)(2)) or a substantial business hardship (as so determined) in the case of a multiemployer plan and that a waiver under subsection (c) (or, in the case of a multiemployer plan, any extension of the amortization period under section 431(d)) is unavailable or inadequate.

“(3) CONTROLLED GROUP.—For purposes of this section, the term ‘controlled group’ means any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414.

“(e) PLANS TO WHICH SECTION APPLIES.—

“(1) IN GENERAL.—Except as provided in paragraphs (2) and (4), this section applies to a plan if, for any plan year beginning on or after the effective date of this section for such plan under the Employee Retirement Income Security Act of 1974—

“(A) such plan included a trust which qualified (or was determined by the Secretary to have qualified) under section 401(a), or

“(B) such plan satisfied (or was determined by the Secretary to have satisfied) the requirements of section 403(a).

“(2) EXCEPTIONS.—This section shall not apply to—

“(A) any profit-sharing or stock bonus plan,

“(B) any insurance contract plan described in paragraph (3),

“(C) any governmental plan (within the meaning of section 414(d)),

“(D) any church plan (within the meaning of section 414(e)) with respect to which the election provided by section 410(d) has not been made,

“(E) any plan which has not, at any time after September 2, 1974, provided for employer contributions, or

“(F) any plan established and maintained by a society, order, or association described in section 501(c)(8) or (9), if no part of the contributions to or under such plan are made by employers of participants in such plan.

No plan described in subparagraph (C), (D), or (F) shall be treated as a qualified plan for purposes of section 401(a) unless such plan meets the requirements of section 401(a)(7) as in effect on September 1, 1974.

“(3) CERTAIN INSURANCE CONTRACT PLANS.—A plan is described in this paragraph if—

“(A) the plan is funded exclusively by the purchase of individual insurance contracts,

“(B) such contracts provide for level annual premium payments to be paid extending not later than the retirement age for each individual participating in the plan, and commencing with the date the individual became a participant in the plan (or, in the case of an increase in benefits, commencing at the time such increase becomes effective),

“(C) benefits provided by the plan are equal to the benefits provided under each contract at normal retirement age under the plan and are guaranteed by an insurance carrier (licensed under the laws of a State to do business with the plan) to the extent premiums have been paid,

“(D) premiums payable for the plan year, and all prior plan years, under such contracts have been paid before lapse or there is reinstatement of the policy,

“(E) no rights under such contracts have been subject to a security interest at any time during the plan year, and

“(F) no policy loans are outstanding at any time during the plan year.

A plan funded exclusively by the purchase of group insurance contracts which is determined under regulations prescribed by the Secretary to have the same characteristics as contracts described in the preceding sentence shall be treated as a plan described in this paragraph.

"(4) CERTAIN TERMINATED MULTIEMPLOYER PLANS.—This section applies with respect to a terminated multiemployer plan to which section 4021 of the Employee Retirement Income Security Act of 1974 applies until the last day of the plan year in which the plan terminates (within the meaning of section 4041A(a)(2) of such Act).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

SEC. 112. FUNDING RULES FOR SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS.

(a) IN GENERAL.—Subchapter D of chapter 1 of the Internal Revenue Code of 1986 (relating to deferred compensation, etc.) is amended by adding at the end the following new part:

"PART III—MINIMUM FUNDING STANDARDS FOR SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

"SEC. 430. MINIMUM FUNDING STANDARDS FOR SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS.

"(a) MINIMUM REQUIRED CONTRIBUTION.—For purposes of this section and section 412(a)(2)(A), except as provided in subsection (f), the term 'minimum required contribution' means, with respect to any plan year of a defined benefit plan which is not a multiemployer plan—

"(1) in any case in which the value of plan assets of the plan (as reduced under subsection (f)(4)(B)) is less than the funding target of the plan for the plan year, the sum of—

"(A) the target normal cost of the plan for the plan year,

"(B) the shortfall amortization charge (if any) for the plan for the plan year determined under subsection (c), and

"(C) the waiver amortization charge (if any) for the plan for the plan year as determined under subsection (e);

"(2) in any case in which the value of plan assets of the plan (as reduced under subsection (f)(4)(B)) equals or exceeds the funding target of the plan for the plan year, the target normal cost of the plan for the plan year reduced (but not below zero) by such excess.

"(b) TARGET NORMAL COST.—For purposes of this section, except as provided in subsection (i)(2) with respect to plans in at-risk status, the term 'target normal cost' means, for any plan year, the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year. For purposes of this subsection, if any benefit attributable to services performed in a preceding plan year is increased by reason of any increase in compensation during the current plan year, the increase in such benefit shall be treated as having accrued during the current plan year.

"(c) SHORTFALL AMORTIZATION CHARGE.—

"(1) IN GENERAL.—For purposes of this section, the shortfall amortization charge for a plan for any plan year is the aggregate total (not less than zero) of the shortfall amortization installments for such plan year with respect to the shortfall amortization bases for such plan year and each of the 6 preceding plan years.

"(2) SHORTFALL AMORTIZATION INSTALLMENT.—For purposes of paragraph (1)—

"(A) DETERMINATION.—The shortfall amortization installments are the amounts necessary to amortize the shortfall amortization base of the plan for any plan year in level annual installments over the 7-plan-year period beginning with such plan year.

"(B) SHORTFALL INSTALLMENT.—The shortfall amortization installment for any plan year in the 7-plan-year period under subparagraph (A) with respect to any shortfall amortization base is the annual installment determined under subparagraph (A) for that year for that base.

"(C) SEGMENT RATES.—In determining any shortfall amortization installment under this paragraph, the plan sponsor shall use the segment rates determined under subparagraph (C) of subsection (h)(2), applied under rules similar to the rules of subparagraph (B) of subsection (h)(2).

"(3) SHORTFALL AMORTIZATION BASE.—For purposes of this section, the shortfall amortization base of a plan for a plan year is—

"(A) the funding shortfall of such plan for such plan year, minus

"(B) the present value (determined using the segment rates determined under subparagraph (C) of subsection (h)(2), applied under rules similar to the rules of subparagraph (B) of subsection (h)(2)) of the aggregate total of the shortfall amortization installments and waiver amortization installments which have been determined for such plan year and any succeeding plan year with respect to the shortfall amortization bases and waiver amortization bases of the plan for any plan year preceding such plan year.

"(4) FUNDING SHORTFALL.—For purposes of this section, the funding shortfall of a plan for any plan year is the excess (if any) of—

"(A) the funding target of the plan for the plan year, over

"(B) the value of plan assets of the plan (as reduced under subsection (f)(4)(B)) for the plan year which are held by the plan on the valuation date.

"(5) EXEMPTION FROM NEW SHORTFALL AMORTIZATION BASE.—

"(A) IN GENERAL.—In any case in which the value of plan assets of the plan (as reduced under subsection (f)(4)(A)) is equal to or greater than the funding target of the plan for the plan year, the shortfall amortization base of the plan for such plan year shall be zero.

"(B) TRANSITION RULE.—

"(i) IN GENERAL.—Except as provided in clauses (iii) and (iv), in the case of plan years beginning after 2007 and before 2011, only the applicable percentage of the funding target shall be taken into account under paragraph (3)(A) in determining the funding shortfall for the plan year for purposes of subparagraph (A).

"(ii) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

"**In the case of a plan year beginning in calendar year:**	**The applicable percentage is**
2008	92
2009	94
2010	96.

"(iii) LIMITATION.—Clause (i) shall not apply with respect to any plan year after 2008 unless the shortfall amortization base for each of the preceding years beginning after 2007 was zero (determined after application of this subparagraph).

"(iv) TRANSITION RELIEF NOT AVAILABLE FOR NEW OR DEFICIT REDUCTION PLANS.—Clause (i) shall not apply to a plan—

"(I) which was not in effect for a plan year beginning in 2007, or

"(II) which was in effect for a plan year beginning in 2007 and which was subject to section 412(l) (as in effect for plan years beginning in 2007), determined after the application of paragraphs (6) and (9) thereof.

"(6) EARLY DEEMED AMORTIZATION UPON ATTAINMENT OF FUNDING TARGET.—In any case in which the funding shortfall of a plan for a plan year is zero, for purposes of determining the shortfall amortization charge for such plan year and succeeding plan years, the shortfall amortization bases for all preceding plan years (and all shortfall amortization installments determined with respect to such bases) shall be reduced to zero.

"(d) RULES RELATING TO FUNDING TARGET.—For purposes of this section—

"(1) FUNDING TARGET.—Except as provided in subsection (i)(1) with respect to plans in at-risk status, the funding target of a plan for a plan year is the present value of all benefits accrued or earned under the plan as of the beginning of the plan year.

"(2) FUNDING TARGET ATTAINMENT PERCENTAGE.—The 'funding target attainment percentage' of a plan for a plan year is the ratio (expressed as a percentage) which—

"(A) the value of plan assets for the plan year (as reduced under subsection (f)(4)(B)), bears to

"(B) the funding target of the plan for the plan year (determined without regard to subsection (i)(1)).

"(e) WAIVER AMORTIZATION CHARGE.—

"(1) DETERMINATION OF WAIVER AMORTIZATION CHARGE.—The waiver amortization charge (if any) for a plan for any plan year is the aggregate total of the waiver amortization installments for such plan year with respect to the waiver amortization bases for each of the 5 preceding plan years.

"(2) WAIVER AMORTIZATION INSTALLMENT.—For purposes of paragraph (1)—

"(A) DETERMINATION.—The waiver amortization installments are the amounts necessary to amortize the waiver amortization base of the plan for any plan year in level annual installments over a period of 5 plan years beginning with the succeeding plan year.

"(B) WAIVER INSTALLMENT.—The waiver amortization installment for any plan year in the 5-year period under subparagraph (A) with respect to any waiver amortization base is the annual installment determined under subparagraph (A) for that year for that base.

"(3) INTEREST RATE.—In determining any waiver amortization installment under this subsection, the plan sponsor shall use the segment rates determined under subparagraph (C) of subsection (h)(2), applied under rules similar to the rules of subparagraph (B) of subsection (h)(2).

"(4) WAIVER AMORTIZATION BASE.—The waiver amortization base of a plan for a plan year is the amount of the waived funding deficiency (if any) for such plan year under section 412(c).

"(5) EARLY DEEMED AMORTIZATION UPON ATTAINMENT OF FUNDING TARGET.—In any case in which the funding shortfall of a plan for a plan year is zero, for purposes of determining the waiver amortization charge for such plan year and succeeding plan years, the waiver amortization bases for all preceding plan years (and all waiver amortization installments determined with respect to such bases) shall be reduced to zero.

"(f) REDUCTION OF MINIMUM REQUIRED CONTRIBUTION BY PREFUNDING BALANCE AND FUNDING STANDARD CARRYOVER BALANCE.—

"(1) ELECTION TO MAINTAIN BALANCES.—

"(A) PREFUNDING BALANCE.—The plan sponsor of a defined benefit plan which is not a multiemployer plan may elect to maintain a prefunding balance.

"(B) FUNDING STANDARD CARRYOVER BALANCE.—

"(i) IN GENERAL.—In the case of a defined benefit plan (other than a multiemployer plan) described in clause (ii), the plan sponsor may elect to maintain a funding standard carryover balance, until such balance is reduced to zero.

"(ii) PLANS MAINTAINING FUNDING STANDARD ACCOUNT IN 2007.—A plan is described in this clause if the plan—

"(I) was in effect for a plan year beginning in 2007, and

"(II) had a positive balance in the funding standard account under section 412(b) as in effect for such plan year and determined as of the end of such plan year.

"(2) APPLICATION OF BALANCES.—A prefunding balance and a funding standard carryover balance maintained pursuant to this paragraph—

"(A) shall be available for crediting against the minimum required contribution, pursuant to an election under paragraph (3),

"(B) shall be applied as a reduction in the amount treated as the value of plan assets for purposes of this section, to the extent provided in paragraph (4), and

"(C) may be reduced at any time, pursuant to an election under paragraph (5).

"(3) ELECTION TO APPLY BALANCES AGAINST MINIMUM REQUIRED CONTRIBUTION.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), in the case of any plan year in which the plan sponsor elects to credit against the minimum required contribution for the current plan year all or a portion of the prefunding balance or the funding standard carryover balance for the current plan year (not in excess of such minimum required contribution), the minimum required contribution for the plan year shall be reduced as of the first day of the plan year by the amount so credited by the plan sponsor as of the first day of the plan year. For purposes of the preceding sentence, the minimum required contribution shall be determined after taking into account any waiver under section 412(c).

"(B) COORDINATION WITH FUNDING STANDARD CARRYOVER BALANCE.—To the extent that any plan has a funding standard carryover balance greater than zero, no amount of the prefunding balance of such plan may be credited under this paragraph in reducing the minimum required contribution.

"(C) LIMITATION FOR UNDERFUNDED PLANS.—The preceding provisions of this paragraph shall not apply for any plan year if the ratio (expressed as a percentage) which—

"(i) the value of plan assets for the preceding plan year (as reduced under paragraph (4)(C)), bears to

"(ii) the funding target of the plan for the preceding plan year (determined without regard to subsection (i)(1)),

is less than 80 percent. In the case of plan years beginning in 2008, the ratio under this subparagraph may be determined using such methods of estimation as the Secretary may prescribe.

"(4) EFFECT OF BALANCES ON AMOUNTS TREATED AS VALUE OF PLAN ASSETS.—In the case of any plan maintaining a prefunding balance or a funding standard carryover balance pursuant to this subsection, the amount treated as the value of plan assets shall be deemed to be such amount, reduced as provided in the following subparagraphs:

"(A) APPLICABILITY OF SHORTFALL AMORTIZATION BASE.—For purposes of subsection (c)(5), the value of plan assets is deemed to be such amount, reduced by the amount of the prefunding balance, but only if an election under paragraph (2) applying any portion of the prefunding balance in reducing the minimum required contribution is in effect for the plan year.

"(B) DETERMINATION OF EXCESS ASSETS, FUNDING SHORTFALL, AND FUNDING TARGET ATTAINMENT PERCENTAGE.—

"(i) IN GENERAL.—For purposes of subsections (a), (c)(4)(B), and (d)(2)(A), the value of plan assets is deemed to be such amount, reduced by the amount of the prefunding balance and the funding standard carryover balance.

"(ii) SPECIAL RULE FOR CERTAIN BINDING AGREEMENTS WITH PBGC.—For purposes of subsection (c)(4)(B), the value of plan assets shall not be deemed to be reduced for a plan year by the amount of the specified balance if, with respect to such balance, there is in effect for a plan year a binding written agreement with the Pension Benefit Guaranty Corporation which provides that such balance is not available to reduce the minimum required contribution for the plan year. For purposes of the preceding sentence, the term 'specified balance' means the prefunding balance or the funding standard carryover balance, as the case may be.

"(C) AVAILABILITY OF BALANCES IN PLAN YEAR FOR CREDITING AGAINST MINIMUM REQUIRED CONTRIBUTION.—For purposes of paragraph (3)(C)(i) of this subsection, the value of plan assets is deemed to be such amount, reduced by the amount of the prefunding balance.

"(5) ELECTION TO REDUCE BALANCE PRIOR TO DETERMINATIONS OF VALUE OF PLAN ASSETS AND CREDITING AGAINST MINIMUM REQUIRED CONTRIBUTION.—

"(A) IN GENERAL.—The plan sponsor may elect to reduce by any amount the balance of the prefunding balance and the funding standard carryover balance for any plan year (but not below zero). Such reduction shall be effective prior to any determination of the value of plan assets for such plan year under this section and application of the balance in reducing the minimum required contribution for such plan for such plan year pursuant to an election under paragraph (2).

"(B) COORDINATION BETWEEN PREFUNDING BALANCE AND FUNDING STANDARD CARRYOVER BALANCE.—To the extent that any plan has a funding standard carryover balance greater than zero, no election may be made under subparagraph (A) with respect to the prefunding balance.

"(6) PREFUNDING BALANCE.—

"(A) IN GENERAL.—A prefunding balance maintained by a plan shall consist of a beginning balance of zero, increased and decreased to the extent provided in subparagraphs (B) and (C), and adjusted further as provided in paragraph (8).

"(B) INCREASES.—

"(i) IN GENERAL.—As of the first day of each plan year beginning after 2008, the prefunding balance of a plan shall be increased by the amount elected by the plan sponsor for the plan year. Such amount shall not exceed the excess (if any) of—

"(I) the aggregate total of employer contributions to the plan for the preceding plan year, over—

"(II) the minimum required contribution for such preceding plan year.

"(ii) ADJUSTMENTS FOR INTEREST.—Any excess contributions under clause (i) shall be properly adjusted for interest accruing for the periods between the first day of the current plan year and the dates on which the excess contributions were made, determined by using the effective interest rate for the preceding plan year and by treating contributions as being first used to satisfy the minimum required contribution.

"(iii) CERTAIN CONTRIBUTIONS NECESSARY TO AVOID BENEFIT LIMITATIONS DISREGARDED.—The excess described in clause (i) with respect to any preceding plan year shall be reduced (but not below zero) by the amount of contributions an employer would be required to make under paragraph (1), (2), or (4) of section 206(g) to avoid a benefit limitation which would otherwise be imposed under such paragraph for the preceding plan year. Any contribution which may be taken into account in satisfying the requirements of more than 1 of such paragraphs shall be taken into account only once for purposes of this clause.

"(C) DECREASES.—The prefunding balance of a plan shall be decreased (but not below zero) by the sum of—

"(i) as of the first day of each plan year after 2008, the amount of such balance credited under paragraph (2) (if any) in reducing the minimum required contribution of the plan for the preceding plan year, and

"(ii) as of the time specified in paragraph (5)(A), any reduction in such balance elected under paragraph (5).

"(7) FUNDING STANDARD CARRYOVER BALANCE.—

"(A) IN GENERAL.—A funding standard carryover balance maintained by a plan shall consist of a beginning balance determined under subparagraph (B), decreased to the extent provided in subparagraph (C), and adjusted further as provided in paragraph (8).

"(B) BEGINNING BALANCE.—The beginning balance of the funding standard carryover balance shall be the positive balance described in paragraph (1)(B)(ii)(II).

"(C) DECREASES.—The funding standard carryover balance of a plan shall be decreased (but not below zero) by—

"(i) as of the first day of each plan year after 2008, the amount of such balance credited under paragraph (2) (if any) in reducing the minimum required contribution of the plan for the preceding plan year, and

"(ii) as of the time specified in paragraph (5)(A), any reduction in such balance elected under paragraph (5).

"(8) ADJUSTMENTS FOR INVESTMENT EXPERIENCE.—In determining the prefunding balance or the funding standard carryover balance of a plan as of the first day of the plan year, the plan sponsor shall, in accordance with regulations prescribed by the Secretary of the Treasury, adjust such balance to reflect the rate of return on plan assets for the preceding plan year. Notwithstanding subsection (g)(3), such rate of return shall be determined on the basis of fair market value and shall properly take into account, in accordance with such regulations, all contributions, distributions, and other plan payments made during such period.

"(9) ELECTIONS.—Elections under this subsection shall be made at such times, and in such form and manner, as shall be prescribed in regulations of the Secretary.

"(g) VALUATION OF PLAN ASSETS AND LIABILITIES.—

"(1) TIMING OF DETERMINATIONS.—Except as otherwise provided under this subsection, all determinations under this section for a plan year shall be made as of the valuation date of the plan for such plan year.

"(2) VALUATION DATE.—For purposes of this section—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the valuation date of a plan for any plan year shall be the first day of the plan year.

"(B) EXCEPTION FOR SMALL PLANS.—If, on each day during the preceding plan year, a plan had 100 or fewer participants, the plan may designate any day during the plan year as its valuation date for such plan year and succeeding plan years. For purposes of this subparagraph, all defined benefit plans (other than multiemployer plans) maintained by the same employer (or any member of such employer's controlled group) shall be treated as 1 plan, but only participants with respect to such employer or member shall be taken into account.

"(C) APPLICATION OF CERTAIN RULES IN DETERMINATION OF PLAN SIZE.—For purposes of this paragraph—

"(i) PLANS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of the first plan year of any plan, subparagraph (B) shall apply to such plan by taking into account the number of participants that the plan is reasonably expected to have on days during such first plan year.

"(ii) PREDECESSORS.—Any reference in subparagraph (B) to an employer shall include a reference to any predecessor of such employer.

"(3) DETERMINATION OF VALUE OF PLAN ASSETS.—For purposes of this section—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the value of plan assets shall be the fair market value of the assets.

"(B) AVERAGING ALLOWED.—A plan may determine the value of plan assets on the basis of the averaging of fair market values, but only if such method—

"(i) is permitted under regulations prescribed by the Secretary,

"(ii) does not provide for averaging of such values over more than the period beginning on the last day of the 25th month preceding the month in which the valuation date occurs and ending on the valuation date (or a similar period in the case of a valuation date which is not the 1st day of a month), and

"(iii) does not result in a determination of the value of plan assets which, at any time, is lower than 90 percent or greater than 110 percent of the fair market value of such assets at such time.

Any such averaging shall be adjusted for contributions and distributions (as provided by the Secretary).

"(4) ACCOUNTING FOR CONTRIBUTION RECEIPTS.—For purposes of determining the value of assets under paragraph (3)—

"(A) PRIOR YEAR CONTRIBUTIONS.—If—

"(i) an employer makes any contribution to the plan after the valuation date for the plan year in which the contribution is made, and

"(ii) the contribution is for a preceding plan year,

the contribution shall be taken into account as an asset of the plan as of the valuation date, except that in the case of any plan year beginning after 2008, only the present value (determined as of the valuation date) of such contribution may be taken into account. For purposes of the preceding sentence, present value shall be determined using the effective interest rate for the preceding plan year to which the contribution is properly allocable.

"(B) SPECIAL RULE FOR CURRENT YEAR CONTRIBUTIONS MADE BEFORE VALUATION DATE.—If any contributions for any plan year are made to or under the plan during the plan year but before the valuation date for the plan year, the assets of the plan as of the valuation date shall not include—

"(i) such contributions, and

"(ii) interest on such contributions for the period between the date of the contributions and the valuation date, determined by using the effective interest rate for the plan year.

"(h) ACTUARIAL ASSUMPTIONS AND METHODS.—

"(1) IN GENERAL.—Subject to this subsection, the determination of any present value or other computation under this section shall be made on the basis of actuarial assumptions and methods—

"(A) each of which is reasonable (taking into account the experience of the plan and reasonable expectations), and

"(B) which, in combination, offer the actuary's best estimate of anticipated experience under the plan.

"(2) INTEREST RATES.—

"(A) EFFECTIVE INTEREST RATE.—For purposes of this section, the term 'effective interest rate' means, with respect to any plan for any plan year, the single rate of interest which, if used to determine the present value of the plan's accrued or earned benefits referred to in subsection (d)(1), would result in an amount equal to the funding target of the plan for such plan year.

"(B) INTEREST RATES FOR DETERMINING FUNDING TARGET.—For purposes of determining the funding target of a plan for any plan year, the interest rate used in determining the present value of the liabilities of the plan shall be—

"(i) in the case of benefits reasonably determined to be payable during the 5-year period beginning on the first day of the plan year, the first segment rate with respect to the applicable month,

"(ii) in the case of benefits reasonably determined to be payable during the 15-year period beginning at the end of the period described in clause (i), the second segment rate with respect to the applicable month, and

"(iii) in the case of benefits reasonably determined to be payable after the period described in clause (ii), the third segment rate with respect to the applicable month.

"(C) SEGMENT RATES.—For purposes of this paragraph—

"(i) FIRST SEGMENT RATE.—The term 'first segment rate' means, with respect to any month, the single rate of interest which shall be determined by the Secretary for such month on the basis of the corporate bond yield curve for such month, taking into account only that portion of such yield curve which is based on bonds maturing during the 5-year period commencing with such month.

"(ii) SECOND SEGMENT RATE.—The term 'second segment rate' means, with respect to any month, the single rate of interest which shall be determined by the Secretary for such month on the basis of the corporate bond yield curve for such month, taking into account only that portion of such yield curve which is based on bonds maturing during the 15-year period beginning at the end of the period described in clause (i).

"(iii) THIRD SEGMENT RATE.—The term 'third segment rate' means, with respect to any month, the single rate of interest which shall be determined by the Secretary for such month on the basis of the corporate bond yield curve for such month, taking into account only that portion of such yield curve which is based on bonds maturing during periods beginning after the period described in clause (ii).

"(D) CORPORATE BOND YIELD CURVE.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'corporate bond yield curve' means, with respect to any month, a yield curve which is prescribed by the Secretary for such month and which reflects the average, for the 24-month period ending with the month preceding such month, of monthly yields on investment grade corporate bonds with varying maturities and that are in the top 3 quality levels available.

"(ii) ELECTION TO USE YIELD CURVE.—Solely for purposes of determining the minimum required contribution under this section, the plan sponsor may, in lieu of the segment rates determined under subparagraph (C), elect to use interest rates under the corporate bond yield curve. For purposes of the preceding sentence such curve shall be determined without regard to the 24-month averaging described in clause (i) . Such election, once made, may be revoked only with the consent of the Secretary.

"(E) APPLICABLE MONTH.—For purposes of this paragraph, the term 'applicable month' means, with respect to any plan for any plan year, the month which includes the valuation date of such plan for such plan year or, at the election of the plan sponsor, any of the 4 months which precede such month. Any election made under this subparagraph shall apply to the plan year for which the election is made and all succeeding plan years, unless the election is revoked with the consent of the Secretary.

"(F) PUBLICATION REQUIREMENTS.—The Secretary shall publish for each month the corporate bond yield curve (and the corporate bond yield curve reflecting the modification described in section 417(e)(3)(D)(i) for such month and each of the rates determined under subparagraph (B) for such month. The Secretary shall also publish a description of the methodology used to determine such yield curve and such rates which is sufficiently detailed to enable plans to make reasonable projections regarding the yield curve and such rates for future months based on the plan's projection of future interest rates.

"(G) TRANSITION RULE.—

"(i) IN GENERAL.—Notwithstanding the preceding provisions of this paragraph, for plan years beginning in 2008 or 2009, the first, second, or third segment rate for a plan with respect to any month shall be equal to the sum of—

"(I) the product of such rate for such month determined without regard to this subparagraph, multiplied by the applicable percentage, and

"(II) the product of the rate determined under the rules of section 412(b)(5)(B)(ii)(II) (as in effect for plan years beginning in 2007), multiplied by a percentage equal to 100 percent minus the applicable percentage.

"(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the applicable percentage is 33⅓ percent for plan years beginning in 2008 and 66⅔ percent for plan years beginning in 2009.

"(iii) NEW PLANS INELIGIBLE.—Clause (i) shall not apply to any plan if the first plan year of the plan begins after December 31, 2007.

"(iv) ELECTION.—The plan sponsor may elect not to have this subparagraph apply. Such election, once made, may be revoked only with the consent of the Secretary.

"(3) MORTALITY TABLES.—

"(A) IN GENERAL.—Except as provided in subparagraph (C) or (D), the Secretary shall by regulation prescribe mortality tables to be used in determining any present value or making any computation under this section. Such tables shall be based on the actual experience of pension plans and projected trends in such experience. In prescribing such tables, the Secretary shall take into account results of available independent studies of mortality of individuals covered by pension plans.

"(B) PERIODIC REVISION.—The Secretary shall (at least every 10 years) make revisions in any table in effect under subparagraph (A) to reflect the actual experience of pension plans and projected trends in such experience.

‘‘(C) SUBSTITUTE MORTALITY TABLE.—

‘‘(i) IN GENERAL.—Upon request by the plan sponsor and approval by the Secretary, a mortality table which meets the requirements of clause (iii) shall be used in determining any present value or making any computation under this section during the period of consecutive plan years (not to exceed 10) specified in the request.

‘‘(ii) EARLY TERMINATION OF PERIOD.—Notwithstanding clause (i), a mortality table described in clause (i) shall cease to be in effect as of the earliest of—

‘‘(I) the date on which there is a significant change in the participants in the plan by reason of a plan spinoff or merger or otherwise, or

‘‘(II) the date on which the plan actuary determines that such table does not meet the requirements of clause (iii).

‘‘(iii) REQUIREMENTS.—A mortality table meets the requirements of this clause if—

‘‘(I) there is a sufficient number of plan participants, and the pension plans have been maintained for a sufficient period of time, to have credible information necessary for purposes of subclause (II), and

‘‘(II) such table reflects the actual experience of the pension plans maintained by the sponsor and projected trends in general mortality experience.

‘‘(iv) ALL PLANS IN CONTROLLED GROUP MUST USE SEPARATE TABLE.—Except as provided by the Secretary, a plan sponsor may not use a mortality table under this subparagraph for any plan maintained by the plan sponsor unless—

‘‘(I) a separate mortality table is established and used under this subparagraph for each other plan maintained by the plan sponsor and if the plan sponsor is a member of a controlled group, each member of the controlled group, and

‘‘(II) the requirements of clause (iii) are met separately with respect to the table so established for each such plan, determined by only taking into account the participants of such plan, the time such plan has been in existence, and the actual experience of such plan.

‘‘(v) DEADLINE FOR SUBMISSION AND DISPOSITION OF APPLICATION.—

‘‘(I) SUBMISSION.—The plan sponsor shall submit a mortality table to the Secretary for approval under this subparagraph at least 7 months before the 1st day of the period described in clause (i).

‘‘(II) DISPOSITION.—Any mortality table submitted to the Secretary for approval under this subparagraph shall be treated as in effect as of the 1st day of the period described in clause (i) unless the Secretary, during the 180-day period beginning on the date of such submission, disapproves of such table and provides the reasons that such table fails to meet the requirements of clause (iii). The 180-day period shall be extended upon mutual agreement of the Secretary and the plan sponsor.

‘‘(D) SEPARATE MORTALITY TABLES FOR THE DISABLED.—Notwithstanding subparagraph (A)—

‘‘(i) IN GENERAL.—The Secretary shall establish mortality tables which may be used (in lieu of the tables under subparagraph (A)) under this subsection for individuals who are entitled to benefits under the plan on account of disability. The Secretary shall establish separate tables for individuals whose disabilities occur in plan years beginning before January 1, 1995, and for individuals whose disabilities occur in plan years beginning on or after such date.

‘‘(ii) SPECIAL RULE FOR DISABILITIES OCCURRING AFTER 1994.—In the case of disabilities occurring in plan years beginning after December 31, 1994, the tables under clause (i) shall apply only with respect to individuals described in such subclause who are disabled within the meaning of title II of the Social Security Act and the regulations thereunder.

‘‘(iii) PERIODIC REVISION.—The Secretary shall (at least every 10 years) make revisions in any table in effect under clause (i) to reflect the actual experience of pension plans and projected trends in such experience.

‘‘(4) PROBABILITY OF BENEFIT PAYMENTS IN THE FORM OF LUMP SUMS OR OTHER OPTIONAL FORMS.—For purposes of determining any present value or making any computation under this section, there shall be taken into account—

‘‘(A) the probability that future benefit payments under the plan will be made in the form of optional forms of benefits provided under the plan (including lump sum distributions, determined on the basis of the plan's experience and other related assumptions), and

‘‘(B) any difference in the present value of such future benefit payments resulting from the use of actuarial assumptions, in determining benefit payments in any such optional form of benefits, which are different from those specified in this subsection.

‘‘(5) APPROVAL OF LARGE CHANGES IN ACTUARIAL ASSUMPTIONS.—

‘‘(A) IN GENERAL.—No actuarial assumption used to determine the funding target for a plan to which this paragraph applies may be changed without the approval of the Secretary.

‘‘(B) PLANS TO WHICH PARAGRAPH APPLIES.—This paragraph shall apply to a plan only if—

‘‘(i) the plan is a defined benefit plan (other than a multiemployer plan) to which title IV of the Employee Retirement Income Security Act of 1974 applies,

‘‘(ii) the aggregate unfunded vested benefits as of the close of the preceding plan year (as determined under section 4006(a)(3)(E)(iii) of the Employee Retirement Income Security Act of 1974) of such plan and all other plans maintained by the contributing sponsors (as defined in section 4001(a)(13) of such Act) and members of such sponsors' controlled groups (as defined in section 4001(a)(14) of such Act) which are covered by title IV (disregarding plans with no unfunded vested benefits) exceed $50,000,000, and

‘‘(iii) the change in assumptions (determined after taking into account any changes in interest rate and mortality table) results in a decrease in the funding shortfall of the plan for the current plan year that exceeds $50,000,000, or that exceeds $5,000,000 and that is 5 percent or more of the funding target of the plan before such change.

‘‘(i) SPECIAL RULES FOR AT-RISK PLANS.—

‘‘(1) FUNDING TARGET FOR PLANS IN AT-RISK STATUS.—

‘‘(A) IN GENERAL.—In the case of a plan which is in at-risk status for a plan year, the funding target of the plan for the plan year shall be equal to the sum of—

‘‘(i) the present value of all benefits accrued or earned under the plan as of the beginning of the plan year, as determined by using the additional actuarial assumptions described in subparagraph (B), and

‘‘(ii) in the case of a plan which also has been in at-risk status for at least 2 of the 4 preceding plan years, a loading factor determined under subparagraph (C).

‘‘(B) ADDITIONAL ACTUARIAL ASSUMPTIONS.—The actuarial assumptions described in this subparagraph are as follows:

‘‘(i) All employees who are not otherwise assumed to retire as of the valuation date but who will be eligible to elect benefits during the plan year and the 10 succeeding plan years shall be assumed to retire at the earliest retirement date under the plan but not before the end of the plan year for which the at-risk funding target and at-risk target normal cost are being determined.

‘‘(ii) All employees shall be assumed to elect the retirement benefit available under the plan at the assumed retirement age (determined after application of clause (i)) which would result in the highest present value of benefits.

‘‘(C) LOADING FACTOR.—The loading factor applied with respect to a plan under this paragraph for any plan year is the sum of—

‘‘(i) $700, times the number of participants in the plan, plus

‘‘(ii) 4 percent of the funding target (determined without regard to this paragraph) of the plan for the plan year.

‘‘(2) TARGET NORMAL COST OF AT-RISK PLANS.—In the case of a plan which is in at-risk status for a plan year, the target normal cost of the plan for such plan year shall be equal to the sum of—

‘‘(A) the present value of all benefits which are expected to accrue or be earned under the plan during the plan year, determined using the additional actuarial assumptions described in paragraph (1)(B), plus

‘‘(B) in the case of a plan which also has been in at-risk status for at least 2 of the 4 preceding plan years, a loading factor equal to 4 percent of the target normal cost (determined without regard to this paragraph) of the plan for the plan year.

‘‘(3) MINIMUM AMOUNT.—In no event shall—

‘‘(A) the at-risk funding target be less than the funding target, as determined without regard to this subsection, or

‘‘(B) the at-risk target normal cost be less than the target normal cost, as determined without regard to this subsection.

‘‘(4) DETERMINATION OF AT-RISK STATUS.—For purposes of this subsection—

‘‘(A) IN GENERAL.—A plan is in at-risk status for a plan year if—

‘‘(i) the funding target attainment percentage for the preceding plan year (determined under this section without regard to this subsection) is less than 80 percent, and

‘‘(ii) the funding target attainment percentage for the preceding plan year (determined under this section by using the additional actuarial assumptions described in paragraph (1)(B) in computing the funding target) is less than 70 percent.

‘‘(B) TRANSITION RULE.—In the case of plan years beginning in 2008, 2009, and 2010, subparagraph (A)(i) shall be applied by substituting the following percentages for '80 percent':

‘‘(i) 65 percent in the case of 2008.

‘‘(ii) 70 percent in the case of 2009.

‘‘(iii) 75 percent in the case of 2010.

In the case of plan years beginning in 2008, the funding target attainment percentage for the preceding plan year under subparagraph (A)(ii) may be determined using such methods of estimation as the Secretary may provide.

‘‘(C) SPECIAL RULE FOR EMPLOYEES OFFERED EARLY RETIREMENT IN 2006.—

‘‘(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the additional actuarial assumptions described in paragraph (1)(B) shall not be taken into account with respect to any employee if—

‘‘(I) such employee is employed by a specified automobile manufacturer,

‘‘(II) such employee is offered a substantial amount of additional cash compensation, substantially enhanced retirement benefits under the plan, or materially reduced employment duties on the condition that by a specified date (not later than December 31, 2010) the employee retires (as defined under the terms of the plan),

"(III) such offer is made during 2006 and pursuant to a bona fide retirement incentive program and requires, by the terms of the offer, that such offer can be accepted not later than a specified date (not later than December 31, 2006), and

"(IV) such employee does not elect to accept such offer before the specified date on which the offer expires.

"(ii) Specified automobile manufacturer.—For purposes of clause (i), the term 'specified automobile manufacturer' means—

"(I) any manufacturer of automobiles, and

"(II) any manufacturer of automobile parts which supplies such parts directly to a manufacturer of automobiles and which, after a transaction or series of transactions ending in 1999, ceased to be a member of a controlled group which included such manufacturer of automobiles.

"(5) Transition between applicable funding targets and between applicable target normal costs.—

"(A) In general.—In any case in which a plan which is in at-risk status for a plan year has been in such status for a consecutive period of fewer than 5 plan years, the applicable amount of the funding target and of the target normal cost shall be, in lieu of the amount determined without regard to this paragraph, the sum of—

"(i) the amount determined under this section without regard to this subsection, plus

"(ii) the transition percentage for such plan year of the excess of the amount determined under this subsection (without regard to this paragraph) over the amount determined under this section without regard to this subsection.

"(B) Transition percentage.—For purposes of subparagraph (A), the transition percentage shall be determined in accordance with the following table:

"

"If the consecutive number of years (including the plan year) the plan is in at-risk status is—	The transition percentage is—
1	20
2	40
3	60
4	80.

"(C) Years before effective date.—For purposes of this paragraph, plan years beginning before 2008 shall not be taken into account.

"(6) Small plan exception.—If, on each day during the preceding plan year, a plan had 500 or fewer participants, the plan shall not be treated as in at-risk status for the plan year. For purposes of this paragraph, all defined benefit plans (other than multiemployer plans) maintained by the same employer (or any member of such employer's controlled group) shall be treated as 1 plan, but only participants with respect to such employer or member shall be taken into account and the rules of subsection (g)(2)(C) shall apply.

"(j) Payment of Minimum Required Contributions.—

"(1) In general.—For purposes of this section, the due date for any payment of any minimum required contribution for any plan year shall be 8½ months after the close of the plan year.

"(2) Interest.—Any payment required under paragraph (1) for a plan year that is made on a date other than the valuation date for such plan year shall be adjusted for interest accruing for the period between the valuation date and the payment date, at the effective rate of interest for the plan for such plan year.

"(3) Accelerated quarterly contribution schedule for underfunded plans.—

"(A) Failure to timely make required installment.—In any case in which the plan has a funding shortfall for the preceding plan year, the employer maintaining the plan shall make the required installments under this paragraph and if the employer fails to pay the full amount of a required installment for the plan year, then the amount of interest charged under paragraph (2) on the underpayment for the period of underpayment shall be determined by using a rate of interest equal to the rate otherwise used under paragraph (2) plus 5 percentage points.

"(B) Amount of underpayment, period of underpayment.—For purposes of subparagraph (A)—

"(i) Amount.—The amount of the underpayment shall be the excess of—

"(I) the required installment, over

"(II) the amount (if any) of the installment contributed to or under the plan on or before the due date for the installment.

"(ii) Period of underpayment.—The period for which any interest is charged under this paragraph with respect to any portion of the underpayment shall run from the due date for the installment to the date on which such portion is contributed to or under the plan.

"(iii) Order of crediting contributions.—For purposes of clause (i)(II), contributions shall be credited against unpaid required installments in the order in which such installments are required to be paid.

"(C) Number of required installments; due dates.—For purposes of this paragraph—

"(i) Payable in 4 installments.—There shall be 4 required installments for each plan year.

"(ii) Time for payment of installments.—The due dates for required installments are set forth in the following table:

In the case of the following required installment:	The due date is:
1st	April 15
2nd	July 15
3rd	October 15
4th	January 15 of the following year.

"(D) Amount of required installment.—For purposes of this paragraph—

"(i) In general.—The amount of any required installment shall be 25 percent of the required annual payment.

"(ii) Required annual payment.—For purposes of clause (i), the term 'required annual payment' means the lesser of—

"(I) 90 percent of the minimum required contribution (determined without regard to this subsection) to the plan for the plan year under this section, or

"(II) 100 percent of the minimum required contribution (determined without regard to this subsection or to any waiver under section 302(c)) to the plan for the preceding plan year.

Subclause (II) shall not apply if the preceding plan year referred to in such clause was not a year of 12 months.

"(E) Fiscal years and short years.—

"(i) Fiscal years.—In applying this paragraph to a plan year beginning on any date other than January 1, there shall be substituted for the months specified in this paragraph, the months which correspond thereto.

"(ii) Short plan year.—This subparagraph shall be applied to plan years of less than 12 months in accordance with regulations prescribed by the Secretary.

"(4) Liquidity requirement in connection with quarterly contributions.—

"(A) In general.—A plan to which this paragraph applies shall be treated as failing to pay the full amount of any required installment under paragraph (3) to the extent that the value of the liquid assets paid in such installment is less than the liquidity shortfall (whether or not such liquidity shortfall exceeds the amount of such installment required to be paid but for this paragraph).

"(B) Plans to which paragraph applies.—This paragraph shall apply to a plan (other than a plan described in subsection (g)(2)(B)) which—

"(i) is required to pay installments under paragraph (3) for a plan year, and

"(ii) has a liquidity shortfall for any quarter during such plan year.

"(C) Period of underpayment.—For purposes of paragraph (3)(A), any portion of an installment that is treated as not paid under subparagraph (A) shall continue to be treated as unpaid until the close of the quarter in which the due date for such installment occurs.

"(D) Limitation on increase.—If the amount of any required installment is increased by reason of subparagraph (A), in no event shall such increase exceed the amount which, when added to prior installments for the plan year, is necessary to increase the funding target attainment percentage of the plan for the plan year (taking into account the expected increase in funding target due to benefits accruing or earned during the plan year) to 100 percent.

"(E) Definitions.—For purposes of this paragraph—

"(i) Liquidity shortfall.—The term 'liquidity shortfall' means, with respect to any required installment, an amount equal to the excess (as of the last day of the quarter for which such installment is made) of—

"(I) the base amount with respect to such quarter, over

"(II) the value (as of such last day) of the plan's liquid assets.

"(ii) Base amount.—

"(I) In general.—The term 'base amount' means, with respect to any quarter, an amount equal to 3 times the sum of the adjusted disbursements from the plan for the 12 months ending on the last day of such quarter.

"(II) Special rule.—If the amount determined under subclause (I) exceeds an amount equal to 2 times the sum of the adjusted disbursements from the plan for the 36 months ending on the last day of the quarter and an enrolled actuary certifies to the satisfaction of the Secretary that such excess is the result of nonrecurring circumstances, the base amount with respect to such quarter shall be determined without regard to amounts related to those nonrecurring circumstances.

"(iii) Disbursements from the plan.—The term 'disbursements from the plan' means all disbursements from the trust, including purchases of annuities, payments of single sums and other benefits, and administrative expenses.

"(iv) Adjusted disbursements.—The term 'adjusted disbursements' means disbursements from the plan reduced by the product of—

"(I) the plan's funding target attainment percentage for the plan year, and

"(II) the sum of the purchases of annuities, payments of single sums, and such other disbursements as the Secretary shall provide in regulations.

"(v) LIQUID ASSETS.—The term 'liquid assets' means cash, marketable securities, and such other assets as specified by the Secretary in regulations.

"(vi) QUARTER.—The term 'quarter' means, with respect to any required installment, the 3-month period preceding the month in which the due date for such installment occurs.

"(F) REGULATIONS.—The Secretary may prescribe such regulations as are necessary to carry out this paragraph.

"(k) IMPOSITION OF LIEN WHERE FAILURE TO MAKE REQUIRED CONTRIBUTIONS.—

"(1) IN GENERAL.—In the case of a plan to which this subsection applies, if—

"(A) any person fails to make a contribution payment required by section 412 and this section before the due date for such payment, and

"(B) the unpaid balance of such payment (including interest), when added to the aggregate unpaid balance of all preceding such payments for which payment was not made before the due date (including interest), exceeds $1,000,000,

then there shall be a lien in favor of the plan in the amount determined under paragraph (3) upon all property and rights to property, whether real or personal, belonging to such person and any other person who is a member of the same controlled group of which such person is a member.

"(2) PLANS TO WHICH SUBSECTION APPLIES.—This subsection shall apply to a defined benefit plan (other than a multiemployer plan) covered under section 4021 of the Employee Retirement Income Security Act of 1974 for any plan year for which the funding target attainment percentage (as defined in subsection (d)(2)) of such plan is less than 100 percent.

"(3) AMOUNT OF LIEN.—For purposes of paragraph (1), the amount of the lien shall be equal to the aggregate unpaid balance of contribution payments required under this section and section 412 for which payment has not been made before the due date.

"(4) NOTICE OF FAILURE; LIEN.—

"(A) NOTICE OF FAILURE.—A person committing a failure described in paragraph (1) shall notify the Pension Benefit Guaranty Corporation of such failure within 10 days of the due date for the required contribution payment.

"(B) PERIOD OF LIEN.—The lien imposed by paragraph (1) shall arise on the due date for the required contribution payment and shall continue until the last day of the first plan year in which the plan ceases to be described in paragraph (1)(B). Such lien shall continue to run without regard to whether such plan continues to be described in paragraph (2) during the period referred to in the preceding sentence.

"(C) CERTAIN RULES TO APPLY.—Any amount with respect to which a lien is imposed under paragraph (1) shall be treated as taxes due and owing the United States and rules similar to the rules of subsections (c), (d), and (e) of section 4068 of the Employee Retirement Income Security Act of 1974 shall apply with respect to a lien imposed by subsection (a) and the amount with respect to such lien.

"(5) ENFORCEMENT.—Any lien created under paragraph (1) may be perfected and enforced only by the Pension Benefit Guaranty Corporation, or at the direction of the Pension Benefit Guaranty Corporation, by the contributing sponsor (or any member of the controlled group of the contributing sponsor).

"(6) DEFINITIONS.—For purposes of this subsection—

"(A) CONTRIBUTION PAYMENT.—The term 'contribution payment' means, in connection with a plan, a contribution payment required to be made to the plan, including any required installment under paragraphs (3) and (4) of subsection (j).

"(B) DUE DATE; REQUIRED INSTALLMENT.—The terms 'due date' and 'required installment' have the meanings given such terms by subsection (j), except that in the case of a payment other than a required installment, the due date shall be the date such payment is required to be made under section 430.

"(C) CONTROLLED GROUP.—The term 'controlled group' means any group treated as a single employer under subsections (b), (c), (m), and (o) of section 414.

"(l) QUALIFIED TRANSFERS TO HEALTH BENEFIT ACCOUNTS.—In the case of a qualified transfer (as defined in section 420), any assets so transferred shall not, for purposes of this section, be treated as assets in the plan.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning after December 31, 2007.

SEC. 113. BENEFIT LIMITATIONS UNDER SINGLE-EMPLOYER PLANS.

(a) PROHIBITION OF SHUTDOWN BENEFITS AND OTHER UNPREDICTABLE CONTINGENT EVENT BENEFITS UNDER SINGLE-EMPLOYER PLANS.—

(1) IN GENERAL.—Part III of subchapter D of chapter 1 of the Internal Revenue Code of 1986 (relating to deferred compensation, etc.) is amended—

(A) by striking the heading and inserting the following:

"PART III—RULES RELATING TO MINIMUM FUNDING STANDARDS AND BENEFIT LIMITATIONS

"SUBPART A. MINIMUM FUNDING STANDARDS FOR PENSION PLANS.

"SUBPART B. BENEFIT LIMITATIONS UNDER SINGLE-EMPLOYER PLANS.

"Subpart A—Minimum Funding Standards for Pension Plans

"Sec. 430. Minimum funding standards for single-employer defined benefit pension plans.", and

(B) by adding at the end the following new subpart:

"Subpart B—Benefit Limitations Under Single-Employer Plans

"Sec. 436. Funding-based limitation on shutdown benefits and other unpredictable contingent event benefits under single-employer plans.

"SEC. 436. FUNDING-BASED LIMITS ON BENEFITS AND BENEFIT ACCRUALS UNDER SINGLE-EMPLOYER PLANS.

"(a) GENERAL RULE.—For purposes of section 401(a)(29), a defined benefit plan which is a single-employer plan shall be treated as meeting the requirements of this section if the plan meets the requirements of subsections (b), (c), (d), and (e).

"(b) FUNDING-BASED LIMITATION ON SHUTDOWN BENEFITS AND OTHER UNPREDICTABLE CONTINGENT EVENT BENEFITS UNDER SINGLE-EMPLOYER PLANS.—

"(1) IN GENERAL.—If a participant of a defined benefit plan which is a single-employer plan is entitled to an unpredictable contingent event benefit payable with respect to any event occurring during any plan year, the plan shall provide that such benefit may not be provided if the adjusted funding target attainment percentage for such plan year—

"(A) is less than 60 percent, or

"(B) would be less than 60 percent taking into account such occurrence.

"(2) EXEMPTION.—Paragraph (1) shall cease to apply with respect to any plan year, effective as of the first day of the plan year, upon payment by the plan sponsor of a contribution (in addition to any minimum required contribution under section 303) equal to—

"(A) in the case of paragraph (1)(A), the amount of the increase in the funding target of the plan (under section 430) for the plan year attributable to the occurrence referred to in paragraph (1), and

"(B) in the case of paragraph (1)(B), the amount sufficient to result in a funding target attainment percentage of 60 percent.

"(3) UNPREDICTABLE CONTINGENT EVENT.—For purposes of this subsection, the term 'unpredictable contingent event benefit' means any benefit payable solely by reason of—

"(A) a plant shutdown (or similar event, as determined by the Secretary), or

"(B) any event other than the attainment of any age, performance of any service, receipt or derivation of any compensation, or occurrence of death or disability.

"(c) LIMITATIONS ON PLAN AMENDMENTS INCREASING LIABILITY FOR BENEFITS.—

"(1) IN GENERAL.—No amendment to a defined benefit plan which is a single-employer plan which has the effect of increasing liabilities of the plan by reason of increases in benefits, establishment of new benefits, changing the rate of benefit accrual, or changing the rate at which benefits become nonforfeitable may take effect during any plan year if the adjusted funding target attainment percentage for such plan year is—

"(A) less than 80 percent, or

"(B) would be less than 80 percent taking into account such amendment.

"(2) EXEMPTION.—Paragraph (1) shall cease to apply with respect to any plan year, effective as of the first day of the plan year (or if later, the effective date of the amendment), upon payment by the plan sponsor of a contribution (in addition to any minimum required contribution under section 430) equal to—

"(A) in the case of paragraph (1)(A), the amount of the increase in the funding target of the plan (under section 430) for the plan year attributable to the amendment, and

"(B) in the case of paragraph (1)(B), the amount sufficient to result in an adjusted funding target attainment percentage of 80 percent.

"(3) EXCEPTION FOR CERTAIN BENEFIT INCREASES.—Paragraph (1) shall not apply to any amendment which provides for an increase in benefits under a formula which is not based on a participant's compensation, but only if the rate of such increase is not in excess of the contemporaneous rate of increase in average wages of participants covered by the amendment.

"(d) LIMITATIONS ON ACCELERATED BENEFIT DISTRIBUTIONS.—

"(1) FUNDING PERCENTAGE LESS THAN 60 PERCENT.—A defined benefit plan which is a single-employer plan shall provide that, in any case in which the plan's adjusted funding target attainment percentage for a plan year is less than 60 percent, the plan may not pay any prohibited payment after the valuation date for the plan year.

"(2) BANKRUPTCY.—A defined benefit plan which is a single-employer plan shall provide that, during any period in which the plan sponsor is a debtor in a case under title 11, United States Code, or similar Federal or State law, the plan may not pay any prohibited payment. The preceding sentence shall not apply on or after the date on which the enrolled actuary of the plan certifies that the adjusted funding target attainment percentage of such plan is not less than 100 percent.

“(3) LIMITED PAYMENT IF PERCENTAGE AT LEAST 60 PERCENT BUT LESS THAN 80 PERCENT.—

“(A) IN GENERAL.—A defined benefit plan which is a single-employer plan shall provide that, in any case in which the plan's adjusted funding target attainment percentage for a plan year is 60 percent or greater but less than 80 percent, the plan may not pay any prohibited payment after the valuation date for the plan year to the extent the amount of the payment exceeds the lesser of—

“(i) 50 percent of the amount of the payment which could be made without regard to this section, or

“(ii) the present value (determined under guidance prescribed by the Pension Benefit Guaranty Corporation, using the interest and mortality assumptions under section 417(e)) of the maximum guarantee with respect to the participant under section 4022 of the Employee Retirement Income Security Act of 1974.

“(B) ONE-TIME APPLICATION.—

“(i) IN GENERAL.—The plan shall also provide that only 1 prohibited payment meeting the requirements of subparagraph (A) may be made with respect to any participant during any period of consecutive plan years to which the limitations under either paragraph (1) or (2) or this paragraph applies.

“(ii) TREATMENT OF BENEFICIARIES.—For purposes of this subparagraph, a participant and any beneficiary on his behalf (including an alternate payee, as defined in section 414(p)(8)) shall be treated as 1 participant. If the accrued benefit of a participant is allocated to such an alternate payee and 1 or more other persons, the amount under subparagraph (A) shall be allocated among such persons in the same manner as the accrued benefit is allocated unless the qualified domestic relations order (as defined in section 414(p)(1)(A)) provides otherwise.

“(4) EXCEPTION.—This subsection shall not apply to any plan for any plan year if the terms of such plan (as in effect for the period beginning on September 1, 2005, and ending with such plan year) provide for no benefit accruals with respect to any participant during such period.

“(5) PROHIBITED PAYMENT.—For purpose of this subsection, the term ‘prohibited payment’ means—

“(A) any payment, in excess of the monthly amount paid under a single life annuity (plus any social security supplements described in the last sentence of section 411(a)(9)), to a participant or beneficiary whose annuity starting date (as defined in section 417(f)(2)) occurs during any period a limitation under paragraph (1) or (2) is in effect,

“(B) any payment for the purchase of an irrevocable commitment from an insurer to pay benefits, and

“(C) any other payment specified by the Secretary by regulations.

“(e) LIMITATION ON BENEFIT ACCRUALS FOR PLANS WITH SEVERE FUNDING SHORTFALLS.—

“(1) IN GENERAL.—A defined benefit plan which is a single-employer plan shall provide that, in any case in which the plan's adjusted funding target attainment percentage for a plan year is less than 60 percent, benefit accruals under the plan shall cease as of the valuation date for the plan year.

“(2) EXEMPTION.—Paragraph (1) shall cease to apply with respect to any plan year, effective as of the first day of the plan year, upon payment by the plan sponsor of a contribution (in addition to any minimum required contribution under section 430) equal to the amount sufficient to result in an adjusted funding target attainment percentage of 60 percent.

“(f) RULES RELATING TO CONTRIBUTIONS REQUIRED TO AVOID BENEFIT LIMITATIONS.—

“(1) SECURITY MAY BE PROVIDED.—

“(A) IN GENERAL.—For purposes of this section, the adjusted funding target attainment percentage shall be determined by treating as an asset of the plan any security provided by a plan sponsor in a form meeting the requirements of subparagraph (B).

“(B) FORM OF SECURITY.—The security required under subparagraph (A) shall consist of—

“(i) a bond issued by a corporate surety company that is an acceptable surety for purposes of section 412 of the Employee Retirement Income Security Act of 1974,

“(ii) cash, or United States obligations which mature in 3 years or less, held in escrow by a bank or similar financial institution, or

“(iii) such other form of security as is satisfactory to the Secretary and the parties involved.

“(C) ENFORCEMENT.—Any security provided under subparagraph (A) may be perfected and enforced at any time after the earlier of—

“(i) the date on which the plan terminates,

“(ii) if there is a failure to make a payment of the minimum required contribution for any plan year beginning after the security is provided, the due date for the payment under section 430(j), or

“(iii) if the adjusted funding target attainment percentage is less than 60 percent for a consecutive period of 7 years, the valuation date for the last year in the period.

“(D) RELEASE OF SECURITY.—The security shall be released (and any amounts thereunder shall be refunded together with any interest accrued thereon) at such time as the Secretary may prescribe in regulations, including regulations for partial releases of the security by reason of increases in the funding target attainment percentage.

“(2) PREFUNDING BALANCE OR FUNDING STANDARD CARRYOVER BALANCE MAY NOT BE USED.—No prefunding balance under section 430(f) or funding standard carryover balance may be used under subsection (b), (c), or (e) to satisfy any payment an employer may make under any such subsection to avoid or terminate the application of any limitation under such subsection.

“(3) DEEMED REDUCTION OF FUNDING BALANCES.—

“(A) IN GENERAL.—Subject to subparagraph (C), in any case in which a benefit limitation under subsection (b), (c), (d), or (e) would (but for this subparagraph and determined without regard to subsection (b)(2), (c)(2), or (e)(2)) apply to such plan for the plan year, the plan sponsor of such plan shall be treated for purposes of this title as having made an election under section 430(f) to reduce the prefunding balance or funding standard carryover balance by such amount as is necessary for such benefit limitation to not apply to the plan for such plan year.

“(B) EXCEPTION FOR INSUFFICIENT FUNDING BALANCES.—Subparagraph (A) shall not apply with respect to a benefit limitation for any plan year if the application of subparagraph (A) would not result in the benefit limitation not applying for such plan year.

“(C) RESTRICTIONS OF CERTAIN RULES TO COLLECTIVELY BARGAINED PLANS.—With respect to any benefit limitation under subsection (b), (c), or (e), subparagraph (A) shall only apply in the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers.

“(g) NEW PLANS.—Subsections (b), (c), and (e) shall not apply to a plan for the first 5 plan years of the plan. For purposes of this subsection, the reference in this subsection to a plan shall include a reference to any predecessor plan.

“(h) PRESUMED UNDERFUNDING FOR PURPOSES OF BENEFIT LIMITATIONS.—

“(1) PRESUMPTION OF CONTINUED UNDERFUNDING.—In any case in which a benefit limitation under subsection (b), (c), (d), or (e) has been applied to a plan with respect to the plan year preceding the current plan year, the adjusted funding target attainment percentage of the plan for the current plan year shall be presumed to be equal to the adjusted funding target attainment percentage of the plan for the preceding plan year until the enrolled actuary of the plan certifies the actual adjusted funding target attainment percentage of the plan for the current plan year.

“(2) PRESUMPTION OF UNDERFUNDING AFTER 10TH MONTH.—In any case in which no certification of the adjusted funding target attainment percentage for the current plan year is made with respect to the plan before the first day of the 10th month of such year, for purposes of subsections (b), (c), (d), and (e), such first day shall be deemed, for purposes of such subsection, to be the valuation date of the plan for the current plan year and the plan's adjusted funding target attainment percentage shall be conclusively presumed to be less than 60 percent as of such first day.

“(3) PRESUMPTION OF UNDERFUNDING AFTER 4TH MONTH FOR NEARLY UNDERFUNDED PLANS.—In any case in which—

“(A) a benefit limitation under subsection (b), (c), (d), or (e) did not apply to a plan with respect to the plan year preceding the current plan year, but the adjusted funding target attainment percentage of the plan for such preceding plan year was not more than 10 percentage points greater than the percentage which would have caused such subsection to apply to the plan with respect to such preceding plan year, and

“(B) as of the first day of the 4th month of the current plan year, the enrolled actuary of the plan has not certified the actual adjusted funding target attainment percentage of the plan for the current plan year,

until the enrolled actuary so certifies, such first day shall be deemed, for purposes of such subsection, to be the valuation date of the plan for the current plan year and the adjusted funding target attainment percentage of the plan as of such first day shall, for purposes of such subsection, be presumed to be equal to 10 percentage points less than the adjusted funding target attainment percentage of the plan for such preceding plan year.

“(i) TREATMENT OF PLAN AS OF CLOSE OF PROHIBITED OR CESSATION PERIOD.—For purposes of applying this title—

“(1) OPERATION OF PLAN AFTER PERIOD.—Unless the plan provides otherwise, payments and accruals will resume effective as of the day following the close of the period for which any limitation of payment or accrual of benefits under subsection (d) or (e) applies.

"(2) TREATMENT OF AFFECTED BENEFITS.—Nothing in this subsection shall be construed as affecting the plan's treatment of benefits which would have been paid or accrued but for this section.

"(j) TERMS RELATING TO FUNDING TARGET ATTAINMENT PERCENTAGE.—For purposes of this section—

"(1) IN GENERAL.—The term 'funding target attainment percentage' has the same meaning given such term by section 430(d)(2).

"(2) ADJUSTED FUNDING TARGET ATTAINMENT PERCENTAGE.—The term 'adjusted funding target attainment percentage' means the funding target attainment percentage which is determined under paragraph (1) by increasing each of the amounts under subparagraphs (A) and (B) of section 430(d)(2) by the aggregate amount of purchases of annuities for employees other than highly compensated employees (as defined in section 414(q)) which were made by the plan during the preceding 2 plan years.

"(3) APPLICATION TO PLANS WHICH ARE FULLY FUNDED WITHOUT REGARD TO REDUCTIONS FOR FUNDING BALANCES.—

"(A) IN GENERAL.—In the case of a plan for any plan year, if the funding target attainment percentage is 100 percent or more (determined without regard to this paragraph and without regard to the reduction in the value of assets under section 430(f)(4)(A)), the funding target attainment percentage for purposes of paragraph (1) shall be determined without regard to such reduction.

"(B) TRANSITION RULE.—Subparagraph (A) shall be applied to plan years beginning after 2007 and before 2011 by substituting for '100 percent' the applicable percentage determined in accordance with the following table:

"In the case of a plan year beginning in calendar year:	**The applicable percentage is**
2008	92
2009	94
2010	96.

"(C) LIMITATION.—Subparagraph (B) shall not apply with respect to any plan year after 2008 unless the funding target attainment percentage (determined without regard to this paragraph) of the plan for each preceding plan year after 2007 was not less than the applicable percentage with respect to such preceding plan year determined under subparagraph (B).

"(k) SPECIAL RULE FOR 2008.—For purposes of this section, in the case of plan years beginning in 2008, the funding target attainment percentage for the preceding plan year may be determined using such methods of estimation as the Secretary may provide.".

(2) CLERICAL AMENDMENT.—The table of parts for subchapter D of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"PART III—RULES RELATING TO MINIMUM FUNDING STANDARDS AND BENEFIT LIMITATIONS".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

(2) COLLECTIVE BARGAINING EXCEPTION.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before January 1, 2008, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the later of—

(i) the date on which the last collective bargaining agreement relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(ii) the first day of the first plan year to which the amendments made by this subsection would (but for this subparagraph) apply, or

(B) January 1, 2010.

For purposes of subparagraph (A)(i), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

SEC. 114. TECHNICAL AND CONFORMING AMENDMENTS.

(a) AMENDMENTS RELATED TO QUALIFICATION REQUIREMENTS.—

(1) Section 401(a)(29) of the Internal Revenue Code of 1986 is amended to read as follows:

"(29) BENEFIT LIMITATIONS ON PLANS IN AT-RISK STATUS.—In the case of a defined benefit plan (other than a multiemployer plan) to which the requirements of section 412 apply, the trust of which the plan is a part shall not constitute a qualified trust under this subsection unless the plan meets the requirements of section 436.".

(2) Section 401(a)(32) of such Code is amended—

(A) in subparagraph (A), by striking "412(m)(5)" each place it appears and inserting "section 430(j)(4)", and

(B) in subparagraph (C), by striking "section 412(m)" and inserting "section 430(j)".

(3) Section 401(a)(33) of such Code is amended—

(A) in subparagraph (B)(i), by striking "funded current liability percentage (within the meaning of section 412(l)(8))" and inserting "funding target attainment percentage (as defined in section 430(d)(2))",

(B) in subparagraph (B)(iii), by striking "subsection 412(c)(8)" and inserting "section 412(c)(2)", and

(C) in subparagraph (D), by striking "section 412(c)(11) (without regard to subparagraph (B) thereof)" and inserting "section 412(b)(2) (without regard to subparagraph (B) thereof)".

(b) VESTING RULES.—Section 411 of such Code is amended—

(1) by striking "section 412(c)(8)" in subsection (a)(3)(C) and inserting "section 412(c)(2)",

(2) in subsection (b)(1)(F)—

(A) by striking "paragraphs (2) and (3) of section 412(i)" in clause (ii) and inserting "subparagraphs (B) and (C) of section 412(e)(3)", and

(B) by striking "paragraphs (4), (5), and (6) of section 412(i)" and inserting "subparagraphs (D), (E), and (F) of section 412(e)(3)", and

(3) by striking "section 412(c)(8)" in subsection (d)(6)(A) and inserting "section 412(e)(2)".

(c) MERGERS AND CONSOLIDATIONS OF PLANS.—Subclause (I) of section 414(l)(2)(B)(i) of such Code is amended to read as follows:

"(I) the amount determined under section 431(c)(6)(A)(i) in the case of a multiemployer plan (and the sum of the funding shortfall and target normal cost determined under section 430 in the case of any other plan), over".

(d) TRANSFER OF EXCESS PENSION ASSETS TO RETIREE HEALTH ACCOUNTS.—

(1) Section 420(e)(2) of such Code is amended to read as follows:

"(2) EXCESS PENSION ASSETS.—The term 'excess pension assets' means the excess (if any) of—

"(A) the lesser of—

"(i) the fair market value of the plan's assets (reduced by the prefunding balance and funding standard carryover balance determined under section 430(f)), or

"(ii) the value of plan assets as determined under section 430(g)(3) after reduction under section 430(f), over

"(B) 125 percent of the sum of the funding shortfall and the target normal cost determined under section 430 for such plan year.".

(2) Section 420(e)(4) of such Code is amended to read as follows:

"(4) COORDINATION WITH SECTION 430.—In the case of a qualified transfer, any assets so transferred shall not, for purposes of this section and section 430, be treated as assets in the plan.".

(e) EXCISE TAXES.—

(1) IN GENERAL.—Subsections (a) and (b) of section 4971 of such Code are amended to read as follows:

"(a) INITIAL TAX.—If at any time during any taxable year an employer maintains a plan to which section 412 applies, there is hereby imposed for the taxable year a tax equal to—

"(1) in the case of a single-employer plan, 10 percent of the aggregate unpaid minimum required contributions for all plan years remaining unpaid as of the end of any plan year ending with or within the taxable year, and

"(2) in the case of a multiemployer plan, 5 percent of the accumulated funding deficiency determined under section 431 as of the end of any plan year ending with or within the taxable year.

"(b) ADDITIONAL TAX.—If—

"(1) a tax is imposed under subsection (a)(1) on any unpaid required minimum contribution and such amount remains unpaid as of the close of the taxable period, or

"(2) a tax is imposed under subsection (a)(2) on any accumulated funding deficiency and the accumulated funding deficiency is not corrected within the taxable period,

there is hereby imposed a tax equal to 100 percent of the unpaid minimum required contribution or accumulated funding deficiency, whichever is applicable, to the extent not so paid or corrected.".

(2) Section 4971(c) of such Code is amended—

(A) by striking "the last two sentences of section 412(a)" in paragraph (1) and inserting "section 431", and

(B) by adding at the end the following new paragraph:

"(4) UNPAID MINIMUM REQUIRED CONTRIBUTION.—

"(A) IN GENERAL.—The term 'unpaid minimum required contribution' means, with respect to any plan year, any minimum required contribution under section 430 for the plan year which is not paid on or before the due date (as determined under section 430(j)(1)) for the plan year.

"(B) ORDERING RULE.—Any payment to or under a plan for any plan year shall be allocated first to unpaid minimum required contributions for all preceding plan years on a first-in, first-out basis and then to the minimum required contribution under section 430 for the plan year.".

(3) Section 4971(e)(1) of such Code is amended by striking "section 412(b)(3)(A)" and inserting "section 412(a)(1)(A)".

(4) Section 4971(f)(1) of such Code is amended—

(A) by striking "section 412(m)(5)" and inserting "section 430(j)(4)", and

(B) by striking "section 412(m)" and inserting "section 430(j)".

(5) Section 4972(c)(7) of such Code is amended by striking "except to the extent that such contributions exceed the full-funding limitation (as defined in section 412(c)(7), determined without regard to subparagraph (A)(i)(I) thereof)" and inserting "except, in the case of a multiemployer plan, to the extent that such contributions exceed the full-funding limitation (as defined in section 431(c)(6))".

(f) REPORTING REQUIREMENTS.—Section 6059(b) of such Code is amended—

(1) by striking "the accumulated funding deficiency (as defined in section 412(a))" in paragraph (2) and inserting "the minimum required contribution determined under section 430, or the accumulated funding deficiency determined under section 431,", and

(2) by striking paragraph (3)(B) and inserting:

"(B) the requirements for reasonable actuarial assumptions under section 430(h)(1) or 431(c)(3), whichever are applicable, have been complied with.".

SEC. 115. MODIFICATION OF TRANSITION RULE TO PENSION FUNDING REQUIREMENTS.

(a) IN GENERAL.—In the case of a plan that—

(1) was not required to pay a variable rate premium for the plan year beginning in 1996,

(2) has not, in any plan year beginning after 1995, merged with another plan (other than a plan sponsored by an employer that was in 1996 within the controlled group of the plan sponsor); and

(3) is sponsored by a company that is engaged primarily in the interurban or interstate passenger bus service,

the rules described in subsection (b) shall apply for any plan year beginning after December 31, 2007.

(b) MODIFIED RULES.—The rules described in this subsection are as follows:

(1) For purposes of section 430(j)(3) of the Internal Revenue Code of 1986 and section 303(j)(3) of the Employee Retirement Income Security Act of 1974, the plan shall be treated as not having a funding shortfall for any plan year.

(2) For purposes of—

(A) determining unfunded vested benefits under section 4006(a)(3)(E)(iii) of such Act, and

(B) determining any present value or making any computation under section 412 of such Code or section 302 of such Act,

the mortality table shall be the mortality table used by the plan.

(3) Section 430(c)(5)(B) of such Code and section 303(c)(5)(B) of such Act (relating to phase-in of funding target for exemption from new shortfall amortization base) shall each be applied by substituting "2012" for "2011" therein and by substituting for the table therein the following:

In the case of a plan year beginning in calendar year:	The applicable percentage is:
2008	90 percent
2009	92 percent
2010	94 percent
2011	96 percent.

(c) DEFINITIONS.—Any term used in this section which is also used in section 430 of such Code or section 303 of such Act shall have the meaning provided such term in such section. If the same term has a different meaning in such Code and such Act, such term shall, for purposes of this section, have the meaning provided by such Code when applied with respect to such Code and the meaning provided by such Act when applied with respect to such Act.

(d) SPECIAL RULE FOR 2006 AND 2007.—

(1) IN GENERAL.—Section 769(c)(3) of the Retirement Protection Act of 1994, as added by section 201 of the Pension Funding Equity Act of 2004, is amended by striking "and 2005" and inserting ", 2005, 2006, and 2007".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to plan years beginning after December 31, 2005.

(e) CONFORMING AMENDMENT.—

(1) Section 769 of the Retirement Protection Act of 1994 is amended by striking subsection (c).

(2) The amendment made by paragraph (1) shall take effect on December 31, 2007, and shall apply to plan years beginning after such date.

SEC. 116. RESTRICTIONS ON FUNDING OF NONQUALIFIED DEFERRED COMPENSATION PLANS BY EMPLOYERS MAINTAINING UNDERFUNDED OR TERMINATED SINGLE-EMPLOYER PLANS.

(a) AMENDMENTS OF INTERNAL REVENUE CODE.—Subsection (b) of section 409A of the Internal Revenue Code of 1986 (providing rules relating to funding) is amended by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3) TREATMENT OF EMPLOYER'S DEFINED BENEFIT PLAN DURING RESTRICTED PERIOD.—

"(A) IN GENERAL.—If—

"(i) during any restricted period with respect to a single-employer defined benefit plan, assets are set aside or reserved (directly or indirectly) in a trust (or other arrangement as determined by the Secretary) or transferred to such a trust or other arrangement for purposes of paying deferred compensation of an applicable covered employee under a nonqualified deferred compensation plan of the plan sponsor or member of a controlled group which includes the plan sponsor, or

"(ii) a nonqualified deferred compensation plan of the plan sponsor or member of a controlled group which includes the plan sponsor provides that assets will become restricted to the provision of benefits under the plan in connection with such restricted period (or other similar financial measure determined by the Secretary) with respect to the defined benefit plan, or assets are so restricted,

such assets shall, for purposes of section 83, be treated as property transferred in connection with the performance of services whether or not such assets are available to satisfy claims of general creditors. Clause (i) shall not apply with respect to any assets which are so set aside before the restricted period with respect to the defined benefit plan.

"(B) RESTRICTED PERIOD.—For purposes of this section, the term 'restricted period' means, with respect to any plan described in subparagraph (A)—

"(i) any period during which the plan is in at-risk status (as defined in section 430(i));

"(ii) any period the plan sponsor is a debtor in a case under title 11, United States Code, or similar Federal or State law, and

"(iii) the 12-month period beginning on the date which is 6 months before the termination date of the plan if, as of the termination date, the plan is not sufficient for benefit liabilities (within the meaning of section 4041 of the Employee Retirement Income Security Act of 1974).

"(C) SPECIAL RULE FOR PAYMENT OF TAXES ON DEFERRED COMPENSATION INCLUDED IN INCOME.—If an employer provides directly or indirectly for the payment of any Federal, State, or local income taxes with respect to any compensation required to be included in gross income by reason of this paragraph—

"(i) interest shall be imposed under subsection (a)(1)(B)(i)(I) on the amount of such payment in the same manner as if such payment was part of the deferred compensation to which it relates,

"(ii) such payment shall be taken into account in determining the amount of the additional tax under subsection (a)(1)(B)(i)(II) in the same manner as if such payment was part of the deferred compensation to which it relates, and

"(iii) no deduction shall be allowed under this title with respect to such payment.

"(D) OTHER DEFINITIONS.—For purposes of this section—

"(i) APPLICABLE COVERED EMPLOYEE.—The term 'applicable covered employee' means any—

"(I) covered employee of a plan sponsor,

"(II) covered employee of a member of a controlled group which includes the plan sponsor, and

"(III) former employee who was a covered employee at the time of termination of employment with the plan sponsor or a member of a controlled group which includes the plan sponsor.

"(ii) COVERED EMPLOYEE.—The term 'covered employee' means an individual described in section 162(m)(3) or an individual subject to the requirements of section 16(a) of the Securities Exchange Act of 1934.".

(b) CONFORMING AMENDMENTS.—Paragraphs (4) and (5) of section 409A(b) of such Code, as redesignated by subsection (a) of this subsection, are each amended by striking "paragraph (1) or (2)" each place it appears and inserting "paragraph (1), (2), or (3)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers or other reservation of assets after the date of the enactment of this Act.

TITLE II—FUNDING RULES FOR MULTIEMPLOYER DEFINED BENEFIT PLANS AND RELATED PROVISIONS

Subtitle A—Amendments to Employee Retirement Income Security Act of 1974

SEC. 201. FUNDING RULES FOR MULTIEMPLOYER DEFINED BENEFIT PLANS.

(a) IN GENERAL.—Part 3 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (as amended by this Act) is amended by inserting after section 303 the following new section:

"MINIMUM FUNDING STANDARDS FOR MULTIEMPLOYER PLANS

"SEC. 304. (a) IN GENERAL.—For purposes of section 302, the accumulated funding deficiency of a multiemployer plan for any plan year is—

"(1) except as provided in paragraph (2), the amount, determined as of the end of the plan year, equal to the excess (if any) of the total charges to the funding standard account of the plan for all plan years (beginning with the first plan year for which this part applies to the plan) over the total credits to such account for such years, and

"(2) if the multiemployer plan is in reorganization for any plan year, the accumulated funding deficiency of the plan determined under section 4243.

"(b) FUNDING STANDARD ACCOUNT.—

"(1) ACCOUNT REQUIRED.—Each multiemployer plan to which this part applies shall establish and maintain a funding standard account. Such account shall be credited and charged solely as provided in this section.

"(2) CHARGES TO ACCOUNT.—For a plan year, the funding standard account shall be charged with the sum of—

"(A) the normal cost of the plan for the plan year,

"(B) the amounts necessary to amortize in equal annual installments (until fully amortized)—

"(i) in the case of a plan which comes into existence on or after January 1, 2008, the unfunded past service liability under the plan on the first day of the first plan year to which this section applies, over a period of 15 plan years,

"(ii) separately, with respect to each plan year, the net increase (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 15 plan years,

"(iii) separately, with respect to each plan year, the net experience loss (if any) under the plan, over a period of 15 plan years, and

"(iv) separately, with respect to each plan year, the net loss (if any) resulting from changes in actuarial assumptions used under the plan, over a period of 15 plan years,

"(C) the amount necessary to amortize each waived funding deficiency (within the meaning of section 302(c)(3)) for each prior plan year in equal annual installments (until fully amortized) over a period of 15 plan years,

"(D) the amount necessary to amortize in equal annual installments (until fully amortized) over a period of 5 plan years any amount credited to the funding standard account under section 302(b)(3)(D) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006), and

"(E) the amount necessary to amortize in equal annual installments (until fully amortized) over a period of 20 years the contributions which would be required to be made under the plan but for the provisions of section 302(c)(7)(A)(i)(I) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006).

"(3) CREDITS TO ACCOUNT.—For a plan year, the funding standard account shall be credited with the sum of—

"(A) the amount considered contributed by the employer to or under the plan for the plan year,

"(B) the amount necessary to amortize in equal annual installments (until fully amortized)—

"(i) separately, with respect to each plan year, the net decrease (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 15 plan years,

"(ii) separately, with respect to each plan year, the net experience gain (if any) under the plan, over a period of 15 plan years, and

"(iii) separately, with respect to each plan year, the net gain (if any) resulting from changes in actuarial assumptions used under the plan, over a period of 15 plan years,

"(C) the amount of the waived funding deficiency (within the meaning of section 302(c)(3)) for the plan year, and

"(D) in the case of a plan year for which the accumulated funding deficiency is determined under the funding standard account if such plan year follows a plan year for which such deficiency was determined under the alternative minimum funding standard under section 305 (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006), the excess (if any) of any debit balance in the funding standard account (determined without regard to this subparagraph) over any debit balance in the alternative minimum funding standard account.

"(4) SPECIAL RULE FOR AMOUNTS FIRST AMORTIZED IN PLAN YEARS BEFORE 2008.—In the case of any amount amortized under section 302(b) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006) over any period beginning with a plan year beginning before 2008, in lieu of the amortization described in paragraphs (2)(B) and (3)(B), such amount shall continue to be amortized under such section as so in effect.

"(5) COMBINING AND OFFSETTING AMOUNTS TO BE AMORTIZED.—Under regulations prescribed by the Secretary of the Treasury, amounts required to be amortized under paragraph (2) or paragraph (3), as the case may be—

"(A) may be combined into one amount under such paragraph to be amortized over a period determined on the basis of the remaining amortization period for all items entering into such combined amount, and

"(B) may be offset against amounts required to be amortized under the other such paragraph, with the resulting amount to be amortized over a period determined on the basis of the remaining amortization periods for all items entering into whichever of the two amounts being offset is the greater.

"(6) INTEREST.—The funding standard account (and items therein) shall be charged or credited (as determined under regulations prescribed by the Secretary of the Treasury) with interest at the appropriate rate consistent with the rate or rates of interest used under the plan to determine costs.

"(7) SPECIAL RULES RELATING TO CHARGES AND CREDITS TO FUNDING STANDARD ACCOUNT.—For purposes of this part—

"(A) WITHDRAWAL LIABILITY.—Any amount received by a multiemployer plan in payment of all or part of an employer's withdrawal liability under part 1 of subtitle E of title IV shall be considered an amount contributed by the employer to or under the plan. The Secretary of the Treasury may prescribe by regulation additional charges and credits to a multiemployer plan's funding standard account to the extent necessary to prevent withdrawal liability payments from being unduly reflected as advance funding for plan liabilities.

"(B) ADJUSTMENTS WHEN A MULTIEMPLOYER PLAN LEAVES REORGANIZATION.—If a multiemployer plan is not in reorganization in the plan year but was in reorganization in the immediately preceding plan year, any balance in the funding standard account at the close of such immediately preceding plan year—

"(i) shall be eliminated by an offsetting credit or charge (as the case may be), but

"(ii) shall be taken into account in subsequent plan years by being amortized in equal annual installments (until fully amortized) over 30 plan years.

The preceding sentence shall not apply to the extent of any accumulated funding deficiency under section 4243(a) as of the end of the last plan year that the plan was in reorganization.

"(C) PLAN PAYMENTS TO SUPPLEMENTAL PROGRAM OR WITHDRAWAL LIABILITY PAYMENT FUND.—Any amount paid by a plan during a plan year to the Pension Benefit Guaranty Corporation pursuant to section 4222 of this Act or to a fund exempt under section 501(c)(22) of the Internal Revenue Code of 1986 pursuant to section 4223 of this Act shall reduce the amount of contributions considered received by the plan for the plan year.

"(D) INTERIM WITHDRAWAL LIABILITY PAYMENTS.—Any amount paid by an employer pending a final determination of the employer's withdrawal liability under part 1 of subtitle E of title IV and subsequently refunded to the employer by the plan shall be charged to the funding standard account in accordance with regulations prescribed by the Secretary of the Treasury.

"(E) ELECTION FOR DEFERRAL OF CHARGE FOR PORTION OF NET EXPERIENCE LOSS.—If an election is in effect under section 302(b)(7)(F) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006) for any plan year, the funding standard account shall be charged in the plan year to which the portion of the net experience loss deferred by such election was deferred with the amount so deferred (and paragraph (2)(B)(iii) shall not apply to the amount so charged).

"(F) FINANCIAL ASSISTANCE.—Any amount of any financial assistance from the Pension Benefit Guaranty Corporation to any plan, and any repayment of such amount, shall be taken into account under this section and section 302 in such manner as is determined by the Secretary of the Treasury.

"(G) SHORT-TERM BENEFITS.—To the extent that any plan amendment increases the unfunded past service liability under the plan by reason of an increase in benefits which are not payable as a life annuity but are payable under the terms of the plan for a period that does not exceed 14 years from the effective date of the amendment, paragraph (2)(B)(ii) shall be applied separately with respect to such increase in unfunded past service liability by substituting the number of years of the period during which such benefits are payable for '15'.

"(c) ADDITIONAL RULES.—

"(1) DETERMINATIONS TO BE MADE UNDER FUNDING METHOD.—For purposes of this part, normal costs, accrued liability, past service liabilities, and experience gains and losses shall be determined under the funding method used to determine costs under the plan.

"(2) VALUATION OF ASSETS.—

"(A) IN GENERAL.—For purposes of this part, the value of the plan's assets shall be determined on the basis of any reasonable actuarial method of valuation which takes into account fair market value and which is permitted under regulations prescribed by the Secretary of the Treasury.

"(B) ELECTION WITH RESPECT TO BONDS.—The value of a bond or other evidence of indebtedness which is not in default as to principal or interest may, at the election of the plan administrator, be determined on an amortized basis running from initial cost at purchase to par value at maturity or earliest call date. Any election under this subparagraph shall be made at such time and in such manner as the Secretary of the Treasury shall by regulations provide, shall apply to all such evidences of indebtedness, and may be revoked only with the consent of such Secretary.

"(3) ACTUARIAL ASSUMPTIONS MUST BE REASONABLE.—For purposes of this section, all costs, liabilities, rates of interest, and other factors under the plan shall be determined on the basis of actuarial assumptions and methods—

"(A) each of which is reasonable (taking into account the experience of the plan and reasonable expectations), and

"(B) which, in combination, offer the actuary's best estimate of anticipated experience under the plan.

"(4) TREATMENT OF CERTAIN CHANGES AS EXPERIENCE GAIN OR LOSS.—For purposes of this section, if—

"(A) a change in benefits under the Social Security Act or in other retirement benefits created under Federal or State law, or

"(B) a change in the definition of the term 'wages' under section 3121 of the Internal Revenue Code of 1986, or a change in the amount of such wages taken into account under regulations prescribed for purposes of section 401(a)(5) of such Code,

results in an increase or decrease in accrued liability under a plan, such increase or decrease shall be treated as an experience loss or gain.

"(5) Full funding.—If, as of the close of a plan year, a plan would (without regard to this paragraph) have an accumulated funding deficiency in excess of the full funding limitation—

"(A) the funding standard account shall be credited with the amount of such excess, and

"(B) all amounts described in subparagraphs (B), (C), and (D) of subsection (b) (2) and subparagraph (B) of subsection (b)(3) which are required to be amortized shall be considered fully amortized for purposes of such subparagraphs.

"(6) Full-funding limitation.—

"(A) In general.—For purposes of paragraph (5), the term 'full-funding limitation' means the excess (if any) of—

"(i) the accrued liability (including normal cost) under the plan (determined under the entry age normal funding method if such accrued liability cannot be directly calculated under the funding method used for the plan), over

"(ii) the lesser of—

"(I) the fair market value of the plan's assets, or

"(II) the value of such assets determined under paragraph (2).

"(B) Minimum amount.—

"(i) In general.—In no event shall the full-funding limitation determined under subparagraph (A) be less than the excess (if any) of—

"(I) 90 percent of the current liability of the plan (including the expected increase in current liability due to benefits accruing during the plan year), over

"(II) the value of the plan's assets determined under paragraph (2).

"(ii) Assets.—For purposes of clause (i), assets shall not be reduced by any credit balance in the funding standard account.

"(C) Full funding limitation.—For purposes of this paragraph, unless otherwise provided by the plan, the accrued liability under a multiemployer plan shall not include benefits which are not nonforfeitable under the plan after the termination of the plan (taking into consideration section 411(d)(3) of the Internal Revenue Code of 1986).

"(D) Current liability.—For purposes of this paragraph—

"(i) In general.—The term 'current liability' means all liabilities to employees and their beneficiaries under the plan.

"(ii) Treatment of unpredictable contingent event benefits.—For purposes of clause (i), any benefit contingent on an event other than—

"(I) age, service, compensation, death, or disability, or

"(II) an event which is reasonably and reliably predictable (as determined by the Secretary of the Treasury),

shall not be taken into account until the event on which the benefit is contingent occurs.

"(iii) Interest rate used.—The rate of interest used to determine current liability under this paragraph shall be the rate of interest determined under subparagraph (E).

"(iv) Mortality tables.—

"(I) Commissioners' standard table.—In the case of plan years beginning before the first plan year to which the first tables prescribed under subclause (II) apply, the mortality table used in determining current liability under this paragraph shall be the table prescribed by the Secretary of the Treasury which is based on the prevailing commissioners' standard table (described in section 807(d)(5)(A) of the Internal Revenue Code of 1986) used to determine reserves for group annuity contracts issued on January 1, 1993.

"(II) Secretarial authority.—The Secretary of the Treasury may by regulation prescribe for plan years beginning after December 31, 1999, mortality tables to be used in determining current liability under this subsection. Such tables shall be based upon the actual experience of pension plans and projected trends in such experience. In prescribing such tables, such Secretary shall take into account results of available independent studies of mortality of individuals covered by pension plans.

"(v) Separate mortality tables for the disabled.—Notwithstanding clause (iv)—

"(I) In general.—The Secretary of the Treasury shall establish mortality tables which may be used (in lieu of the tables under clause (iv)) to determine current liability under this subsection for individuals who are entitled to benefits under the plan on account of disability. Such Secretary shall establish separate tables for individuals whose disabilities occur in plan years beginning before January 1, 1995, and for individuals whose disabilities occur in plan years beginning on or after such date.

"(II) Special rule for disabilities occurring after 1994.—In the case of disabilities occurring in plan years beginning after December 31, 1994, the tables under subclause (I) shall apply only with respect to individuals described in such subclause who are disabled within the meaning of title II of the Social Security Act and the regulations thereunder.

"(vi) Periodic review.—The Secretary of the Treasury shall periodically (at least every 5 years) review any tables in effect under this subparagraph and shall, to the extent such Secretary determines necessary, by regulation update the tables to reflect the actual experience of pension plans and projected trends in such experience.

"(E) Required change of interest rate.—For purposes of determining a plan's current liability for purposes of this paragraph—

"(i) In general.—If any rate of interest used under the plan under subsection (b)(6) to determine cost is not within the permissible range, the plan shall establish a new rate of interest within the permissible range.

"(ii) Permissible range.—For purposes of this subparagraph—

"(I) In general.—Except as provided in subclause (II), the term 'permissible range' means a rate of interest which is not more than 5 percent above, and not more than 10 percent below, the weighted average of the rates of interest on 30-year Treasury securities during the 4-year period ending on the last day before the beginning of the plan year.

"(II) Secretarial authority.—If the Secretary of the Treasury finds that the lowest rate of interest permissible under subclause (I) is unreasonably high, such Secretary may prescribe a lower rate of interest, except that such rate may not be less than 80 percent of the average rate determined under such subclause.

"(iii) Assumptions.—Notwithstanding paragraph (3)(A), the interest rate used under the plan shall be—

"(I) determined without taking into account the experience of the plan and reasonable expectations, but

"(II) consistent with the assumptions which reflect the purchase rates which would be used by insurance companies to satisfy the liabilities under the plan.

"(7) Annual valuation.—

"(A) In general.—For purposes of this section, a determination of experience gains and losses and a valuation of the plan's liability shall be made not less frequently than once every year, except that such determination shall be made more frequently to the extent required in particular cases under regulations prescribed by the Secretary of the Treasury.

"(B) Valuation date.—

"(i) Current year.—Except as provided in clause (ii), the valuation referred to in subparagraph (A) shall be made as of a date within the plan year to which the valuation refers or within one month prior to the beginning of such year.

"(ii) Use of prior year valuation.—The valuation referred to in subparagraph (A) may be made as of a date within the plan year prior to the year to which the valuation refers if, as of such date, the value of the assets of the plan are not less than 100 percent of the plan's current liability (as defined in paragraph (6)(D) without regard to clause (iv) thereof).

"(iii) Adjustments.—Information under clause (ii) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.

"(iv) Limitation.—A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (6)(D) without regard to clause (iv) thereof).

"(8) Time when certain contributions deemed made.—For purposes of this section, any contributions for a plan year made by an employer after the last day of such plan year, but not later than two and one-half months after such day, shall be deemed to have been made on such last day. For purposes of this subparagraph, such two and one-half month period may be extended for not more than six months under regulations prescribed by the Secretary of the Treasury.

"(d) Extension of Amortization Periods for Multiemployer Plans.—

"(1) Automatic extension upon application by certain plans.—

"(A) In general.—If the plan sponsor of a multiemployer plan—

"(i) submits to the Secretary of the Treasury an application for an extension of the period of years required to amortize any unfunded liability described in any clause of subsection (b)(2)(B) or described in subsection (b)(4), and

"(ii) includes with the application a certification by the plan's actuary described in subparagraph (B),

the Secretary of the Treasury shall extend the amortization period for the period of time (not in excess of 5 years) specified in the application. Such extension shall be in addition to any extension under paragraph (2).

"(B) Criteria.—A certification with respect to a multiemployer plan is described in this subparagraph if the plan's actuary certifies that, based on reasonable assumptions—

"(i) absent the extension under subparagraph (A), the plan would have an accumulated funding deficiency in the current plan year or any of the 9 succeeding plan years,

"(ii) the plan sponsor has adopted a plan to improve the plan's funding status,

"(iii) the plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the amortization period as extended, and

"(iv) the notice required under paragraph (3)(A) has been provided.

"(C) TERMINATION.—The preceding provisions of this paragraph shall not apply with respect to any application submitted after December 31, 2014.

"(2) ALTERNATIVE EXTENSION.—

"(A) IN GENERAL.—If the plan sponsor of a multiemployer plan submits to the Secretary of the Treasury an application for an extension of the period of years required to amortize any unfunded liability described in any clause of subsection (b)(2)(B) or described in subsection (b)(4), the Secretary of the Treasury may extend the amortization period for a period of time (not in excess of 10 years reduced by the number of years of any extension under paragraph (1) with respect to such unfunded liability) if the Secretary of the Treasury makes the determination described in subparagraph (B). Such extension shall be in addition to any extension under paragraph (1).

"(B) DETERMINATION.—The Secretary of the Treasury may grant an extension under subparagraph (A) if such Secretary determines that—

"(i) such extension would carry out the purposes of this Act and would provide adequate protection for participants under the plan and their beneficiaries, and

"(ii) the failure to permit such extension would—

"(I) result in a substantial risk to the voluntary continuation of the plan, or a substantial curtailment of pension benefit levels or employee compensation, and

"(II) be adverse to the interests of plan participants in the aggregate.

"(C) ACTION BY SECRETARY OF THE TREASURY.—The Secretary of the Treasury shall act upon any application for an extension under this paragraph within 180 days of the submission of such application. If such Secretary rejects the application for an extension under this paragraph, such Secretary shall provide notice to the plan detailing the specific reasons for the rejection, including references to the criteria set forth above.

"(3) ADVANCE NOTICE.—

"(A) IN GENERAL.—The Secretary of the Treasury shall, before granting an extension under this subsection, require each applicant to provide evidence satisfactory to such Secretary that the applicant has provided notice of the filing of the application for such extension to each affected party (as defined in section 4001(a)(21)) with respect to the affected plan. Such notice shall include a description of the extent to which the plan is funded for benefits which are guaranteed under title IV and for benefit liabilities.

"(B) CONSIDERATION OF RELEVANT INFORMATION.—The Secretary of the Treasury shall consider any relevant information provided by a person to whom notice was given under paragraph (1).".

(b) SHORTFALL FUNDING METHOD.—

(1) IN GENERAL.—A multiemployer plan meeting the criteria of paragraph (2) may adopt, use, or cease using, the shortfall funding method and such adoption, use, or cessation of use of such method, shall be deemed approved by the Secretary of the Treasury under section 302(d)(1) of the Employee Retirement Income Security Act of 1974 and section 412(d)(1) of the Internal Revenue Code of 1986.

(2) CRITERIA.—A multiemployer pension plan meets the criteria of this clause if—

(A) the plan has not used the shortfall funding method during the 5-year period ending on the day before the date the plan is to use the method under paragraph (1); and

(B) the plan is not operating under an amortization period extension under section 304(d) of such Act and did not operate under such an extension during such 5-year period.

(3) SHORTFALL FUNDING METHOD DEFINED.—For purposes of this subsection, the term "shortfall funding method" means the shortfall funding method described in Treasury Regulations section 1.412(c)(1)-2 (26 C.F.R. 1.412(c)(1)-2).

(4) BENEFIT RESTRICTIONS TO APPLY.—The benefit restrictions under section 302(c)(7) of such Act and section 412(c)(7) of such Code shall apply during any period a multiemployer plan is on the shortfall funding method pursuant to this subsection.

(5) USE OF SHORTFALL METHOD NOT TO PRECLUDE OTHER OPTIONS.—Nothing in this subsection shall be construed to affect a multiemployer plan's ability to adopt the shortfall funding method with the Secretary's permission under otherwise applicable regulations or to affect a multiemployer plan's right to change funding methods, with or without the Secretary's consent, as provided in applicable rules and regulations.

(c) CONFORMING AMENDMENTS.—

(1) Section 301 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1081) is amended by striking subsection (d).

(2) The table of contents in section 1 of such Act (as amended by this Act) is amended by inserting after the item relating to section 303 the following new item:

"Sec. 304. Minimum funding standards for multiemployer plans.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after 2007.

(2) SPECIAL RULE FOR CERTAIN AMORTIZATION EXTENSIONS.—If the Secretary of the Treasury grants an extension under section 304 of the Employee Retirement Income Security Act of 1974 and section 412(e) of the Internal Revenue Code of 1986 with respect to any application filed with the Secretary of the Treasury on or before June 30, 2005, the extension (and any modification thereof) shall be applied and administered under the rules of such sections as in effect before the enactment of this Act, including the use of the rate of interest determined under section 6621(b) of such Code.

SEC. 202. ADDITIONAL FUNDING RULES FOR MULTIEMPLOYER PLANS IN ENDANGERED OR CRITICAL STATUS.

(a) IN GENERAL.—Part 3 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (as amended by the preceding provisions of this Act) is amended by inserting after section 304 the following new section:

"ADDITIONAL FUNDING RULES FOR MULTIEMPLOYER PLANS IN ENDANGERED STATUS OR CRITICAL STATUS

"SEC. 305. (a) GENERAL RULE.—For purposes of this part, in the case of a multiemployer plan in effect on July 16, 2006—

"(1) if the plan is in endangered status—

"(A) the plan sponsor shall adopt and implement a funding improvement plan in accordance with the requirements of subsection (c), and

"(B) the requirements of subsection (d) shall apply during the funding plan adoption period and the funding improvement period, and

"(2) if the plan is in critical status—

"(A) the plan sponsor shall adopt and implement a rehabilitation plan in accordance with the requirements of subsection (e), and

"(B) the requirements of subsection (f) shall apply during the rehabilitation plan adoption period and the rehabilitation period.

"(b) DETERMINATION OF ENDANGERED AND CRITICAL STATUS.—For purposes of this section—

"(1) ENDANGERED STATUS.—A multiemployer plan is in endangered status for a plan year if, as determined by the plan actuary under paragraph (3), the plan is not in critical status for the plan year and, as of the beginning of the plan year, either—

"(A) the plan's funded percentage for such plan year is less than 80 percent, or

"(B) the plan has an accumulated funding deficiency for such plan year, or is projected to have such an accumulated funding deficiency for any of the 6 succeeding plan years, taking into account any extension of amortization periods under section 304(d).

For purposes of this section, a plan shall be treated as in seriously endangered status for a plan year if the plan is described in both subparagraphs (A) and (B).

"(2) CRITICAL STATUS.—A multiemployer plan is in critical status for a plan year if, as determined by the plan actuary under paragraph (3), the plan is described in 1 or more of the following subparagraphs as of the beginning of the plan year:

"(A) A plan is described in this subparagraph if—

"(i) the funded percentage of the plan is less than 65 percent, and

"(ii) the sum of—

"(I) the fair market value of plan assets, plus

"(II) the present value of the reasonably anticipated employer contributions for the current plan year and each of the 6 succeeding plan years, assuming that the terms of all collective bargaining agreements pursuant to which the plan is maintained for the current plan year continue in effect for succeeding plan years,

is less than the present value of all nonforfeitable benefits projected to be payable under the plan during the current plan year and each of the 6 succeeding plan years (plus administrative expenses for such plan years).

"(B) A plan is described in this subparagraph if—

"(i) the plan has an accumulated funding deficiency for the current plan year, not taking into account any extension of amortization periods under section 304(d), or

"(ii) the plan is projected to have an accumulated funding deficiency for any of the 3 succeeding plan years (4 succeeding plan years if the funded percentage of the plan is 65 percent or less), not taking into account any extension of amortization periods under section 304(d).

"(C) A plan is described in this subparagraph if—

"(i)(I) the plan's normal cost for the current plan year, plus interest (determined at the rate used for determining costs under the plan) for the current plan year on the amount of unfunded benefit liabilities under the plan as of the last date of the preceding plan year, exceeds

"(II) the present value of the reasonably anticipated employer and employee contributions for the current plan year,

"(ii) the present value, as of the beginning of the current plan year, of nonforfeitable benefits of inactive participants is greater than the present value of nonforfeitable benefits of active participants, and

"(iii) the plan has an accumulated funding deficiency for the current plan year, or is projected to have such a deficiency for any of the 4 succeeding plan years, not taking into account any extension of amortization periods under section 304(d).

"(D) A plan is described in this subparagraph if the sum of—

"(i) the fair market value of plan assets, plus

"(ii) the present value of the reasonably anticipated employer contributions for the current plan year and each of the 4 succeeding plan years, assuming that the terms of all collective bargaining agreements pursuant to which the plan is maintained for the current plan year continue in effect for succeeding plan years,

is less than the present value of all benefits projected to be payable under the plan during the current plan year and each of the 4 succeeding plan years (plus administrative expenses for such plan years).

"(3) ANNUAL CERTIFICATION BY PLAN ACTUARY.—

"(A) IN GENERAL.—Not later than the 90th day of each plan year of a multiemployer plan, the plan actuary shall certify to the Secretary of the Treasury and to the plan sponsor—

"(i) whether or not the plan is in endangered status for such plan year and whether or not the plan is or will be in critical status for such plan year, and

"(ii) in the case of a plan which is in a funding improvement or rehabilitation period, whether or not the plan is making the scheduled progress in meeting the requirements of its funding improvement or rehabilitation plan.

"(B) ACTUARIAL PROJECTIONS OF ASSETS AND LIABILITIES.—

"(i) IN GENERAL.—In making the determinations and projections under this subsection, the plan actuary shall make projections required for the current and succeeding plan years of the current value of the assets of the plan and the present value of all liabilities to participants and beneficiaries under the plan for the current plan year as of the beginning of such year. The actuary's projections shall be based on reasonable actuarial estimates, assumptions, and methods that, except as provided in clause (iii), offer the actuary's best estimate of anticipated experience under the plan. The projected present value of liabilities as of the beginning of such year shall be determined based on the most recent of either—

"(I) the actuarial statement required under section 103(d) with respect to the most recently filed annual report, or

"(II) the actuarial valuation for the preceding plan year.

"(ii) DETERMINATIONS OF FUTURE CONTRIBUTIONS.—Any actuarial projection of plan assets shall assume—

"(I) reasonably anticipated employer contributions for the current and succeeding plan years, assuming that the terms of the one or more collective bargaining agreements pursuant to which the plan is maintained for the current plan year continue in effect for succeeding plan years, or

"(II) that employer contributions for the most recent plan year will continue indefinitely, but only if the plan actuary determines there have been no significant demographic changes that would make such assumption unreasonable.

"(iii) PROJECTED INDUSTRY ACTIVITY.—Any projection of activity in the industry or industries covered by the plan, including future covered employment and contribution levels, shall be based on information provided by the plan sponsor, which shall act reasonably and in good faith.

"(C) PENALTY FOR FAILURE TO SECURE TIMELY ACTUARIAL CERTIFICATION.—Any failure of the plan's actuary to certify the plan's status under this subsection by the date specified in subparagraph (A) shall be treated for purposes of section 502(c)(2) as a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary under section 101(b)(4).

"(D) NOTICE.—

"(i) IN GENERAL.—In any case in which it is certified under subparagraph (A) that a multiemployer plan is or will be in endangered or critical status for a plan year, the plan sponsor shall, not later than 30 days after the date of the certification, provide notification of the endangered or critical status to the participants and beneficiaries, the bargaining parties, the Pension Benefit Guaranty Corporation, and the Secretary.

"(ii) PLANS IN CRITICAL STATUS.—If it is certified under subparagraph (A) that a multiemployer plan is or will be in critical status, the plan sponsor shall include in the notice under clause (i) an explanation of the possibility that—

"(I) adjustable benefits (as defined in subsection (e)(8)) may be reduced, and

"(II) such reductions may apply to participants and beneficiaries whose benefit commencement date is on or after the date such notice is provided for the first plan year in which the plan is in critical status.

"(iii) MODEL NOTICE.—The Secretary shall prescribe a model notice that a multiemployer plan may use to satisfy the requirements under clause (ii).

"(c) FUNDING IMPROVEMENT PLAN MUST BE ADOPTED FOR MULTIEMPLOYER PLANS IN ENDANGERED STATUS.—

"(1) IN GENERAL.—In any case in which a multiemployer plan is in endangered status for a plan year, the plan sponsor, in accordance with this subsection—

"(A) shall adopt a funding improvement plan not later than 240 days following the required date for the actuarial certification of endangered status under subsection (b)(3)(A), and

"(B) within 30 days after the adoption of the funding improvement plan—

"(i) shall provide to the bargaining parties 1 or more schedules showing revised benefit structures, revised contribution structures, or both, which, if adopted, may reasonably be expected to enable the multiemployer plan to meet the applicable benchmarks in accordance with the funding improvement plan, including—

"(I) one proposal for reductions in the amount of future benefit accruals necessary to achieve the applicable benchmarks, assuming no amendments increasing contributions under the plan (other than amendments increasing contributions necessary to achieve the applicable benchmarks after amendments have reduced future benefit accruals to the maximum extent permitted by law), and

"(II) one proposal for increases in contributions under the plan necessary to achieve the applicable benchmarks, assuming no amendments reducing future benefit accruals under the plan, and

"(ii) may, if the plan sponsor deems appropriate, prepare and provide the bargaining parties with additional information relating to contribution rates or benefit reductions, alternative schedules, or other information relevant to achieving the applicable benchmarks in accordance with the funding improvement plan.

For purposes of this section, the term 'applicable benchmarks' means the requirements applicable to the multiemployer plan under paragraph (3) (as modified by paragraph (5)).

"(2) EXCEPTION FOR YEARS AFTER PROCESS BEGINS.—Paragraph (1) shall not apply to a plan year if such year is in a funding plan adoption period or funding improvement period by reason of the plan being in endangered status for a preceding plan year. For purposes of this section, such preceding plan year shall be the initial determination year with respect to the funding improvement plan to which it relates.

"(3) FUNDING IMPROVEMENT PLAN.—For purposes of this section—

"(A) IN GENERAL.—A funding improvement plan is a plan which consists of the actions, including options or a range of options to be proposed to the bargaining parties, formulated to provide, based on reasonably anticipated experience and reasonable actuarial assumptions, for the attainment by the plan during the funding improvement period of the following requirements:

"(i) INCREASE IN PLAN'S FUNDING PERCENTAGE.—The plan's funded percentage as of the close of the funding improvement period equals or exceeds a percentage equal to the sum of—

"(I) such percentage as of the beginning of such period, plus

"(II) 33 percent of the difference between 100 percent and the percentage under subclause (I).

"(ii) AVOIDANCE OF ACCUMULATED FUNDING DEFICIENCIES.—No accumulated funding deficiency for any plan year during the funding improvement period (taking into account any extension of amortization periods under section 304(d)).

"(B) SERIOUSLY ENDANGERED PLANS.—In the case of a plan in seriously endangered status, except as provided in paragraph (5), subparagraph (A)(i)(II) shall be applied by substituting '20 percent' for '33 percent'.

"(4) FUNDING IMPROVEMENT PERIOD.—For purposes of this section—

"(A) IN GENERAL.—The funding improvement period for any funding improvement plan adopted pursuant to this subsection is the 10-year period beginning on the first day of the first plan year of the multiemployer plan beginning after the earlier of—

"(i) the second anniversary of the date of the adoption of the funding improvement plan, or

"(ii) the expiration of the collective bargaining agreements in effect on the due date for the actuarial certification of endangered status for the initial determination year under subsection (b)(3)(A) and covering, as of such due date, at least 75 percent of the active participants in such multiemployer plan.

"(B) SERIOUSLY ENDANGERED PLANS.—In the case of a plan in seriously endangered status, except as provided in paragraph (5), subparagraph (A) shall be applied by substituting '15-year period' for '10-year period'.

"(C) COORDINATION WITH CHANGES IN STATUS.—

"(i) Plans no longer in endangered status.—If the plan's actuary certifies under subsection (b)(3)(A) for a plan year in any funding plan adoption period or funding improvement period that the plan is no longer in endangered status and is not in critical status, the funding plan adoption period or funding improvement period, whichever is applicable, shall end as of the close of the preceding plan year.

"(ii) Plans in critical status.—If the plan's actuary certifies under subsection (b)(3)(A) for a plan year in any funding plan adoption period or funding improvement period that the plan is in critical status, the funding plan adoption period or funding improvement period, whichever is applicable, shall end as of the close of the plan year preceding the first plan year in the rehabilitation period with respect to such status.

"(D) Plans in endangered status at end of period.—If the plan's actuary certifies under subsection (b)(3)(A) for the first plan year following the close of the period described in subparagraph (A) that the plan is in endangered status, the provisions of this subsection and subsection (d) shall be applied as if such first plan year were an initial determination year, except that the plan may not be amended in a manner inconsistent with the funding improvement plan in effect for the preceding plan year until a new funding improvement plan is adopted.

"(5) Special rules for seriously endangered plans more than 70 percent funded.—

"(A) In general.—If the funded percentage of a plan in seriously endangered status was more than 70 percent as of the beginning of the initial determination year—

"(i) paragraphs (3)(B) and (4)(B) shall apply only if the plan's actuary certifies, within 30 days after the certification under subsection (b)(3)(A) for the initial determination year, that, based on the terms of the plan and the collective bargaining agreements in effect at the time of such certification, the plan is not projected to meet the requirements of paragraph (3)(A) (without regard to paragraphs (3)(B) and (4)(B)), and

"(ii) if there is a certification under clause (i), the plan may, in formulating its funding improvement plan, only take into account the rules of paragraph (3)(B) and (4)(B) for plan years in the funding improvement period beginning on or before the date on which the last of the collective bargaining agreements described in paragraph (4)(A)(ii) expires.

"(B) Special rule after expiration of agreements.—Notwithstanding subparagraph (A)(ii), if, for any plan year ending after the date described in subparagraph (A)(ii), the plan actuary certifies (at the time of the annual certification under subsection (b)(3)(A) for such plan year) that, based on the terms of the plan and collective bargaining agreements in effect at the time of that annual certification, the plan is not projected to be able to meet the requirements of paragraph (3)(A) (without regard to paragraphs (3)(B) and (4)(B)), paragraphs (3)(B) and (4)(B) shall continue to apply for such year.

"(6) Updates to funding improvement plan and schedules.—

"(A) Funding improvement plan.—The plan sponsor shall annually update the funding improvement plan and shall file the update with the plan's annual report under section 104.

"(B) Schedules.—The plan sponsor shall annually update any schedule of contribution rates provided under this subsection to reflect the experience of the plan.

"(C) Duration of schedule.—A schedule of contribution rates provided by the plan sponsor and relied upon by bargaining parties in negotiating a collective bargaining agreement shall remain in effect for the duration of that collective bargaining agreement.

"(7) Imposition of default schedule where failure to adopt funding improvement plan.—

"(A) In general.—If—

"(i) a collective bargaining agreement providing for contributions under a multiemployer plan that was in effect at the time the plan entered endangered status expires, and

"(ii) after receiving one or more schedules from the plan sponsor under paragraph (1)(B), the bargaining parties with respect to such agreement fail to agree on changes to contribution or benefit schedules necessary to meet the applicable benchmarks in accordance with the funding improvement plan,

the plan sponsor shall implement the schedule described in paragraph (1)(B)(i)(I) beginning on the date specified in subparagraph (B).

"(B) Date of implementation.—The date specified in this subparagraph is the earlier of the date—

"(i) on which the Secretary certifies that the parties are at an impasse, or

"(ii) which is 180 days after the date on which the collective bargaining agreement described in subparagraph (A) expires.

"(8) Funding plan adoption period.—For purposes of this section, the term 'funding plan adoption period' means the period beginning on the date of the certification under subsection (b)(3)(A) for the initial determination year and ending on the day before the first day of the funding improvement period.

"(d) Rules for Operation of Plan During Adoption and Improvement Periods.—

"(1) Special rules for plan adoption period.—During the funding plan adoption period—

"(A) the plan sponsor may not accept a collective bargaining agreement or participation agreement with respect to the multiemployer plan that provides for—

"(i) a reduction in the level of contributions for any participants,

"(ii) a suspension of contributions with respect to any period of service, or

"(iii) any new direct or indirect exclusion of younger or newly hired employees from plan participation,

"(B) no amendment of the plan which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan may be adopted unless the amendment is required as a condition of qualification under part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986 or to comply with other applicable law, and

"(C) in the case of a plan in seriously endangered status, the plan sponsor shall take all reasonable actions which are consistent with the terms of the plan and applicable law and which are expected, based on reasonable assumptions, to achieve—

"(i) an increase in the plan's funded percentage, and

"(ii) postponement of an accumulated funding deficiency for at least 1 additional plan year.

Actions under subparagraph (C) include applications for extensions of amortization periods under section 304(d), use of the shortfall funding method in making funding standard account computations, amendments to the plan's benefit structure, reductions in future benefit accruals, and other reasonable actions consistent with the terms of the plan and applicable law.

"(2) Compliance with funding improvement plan.—

"(A) In general.—A plan may not be amended after the date of the adoption of a funding improvement plan so as to be inconsistent with the funding improvement plan.

"(B) No reduction in contributions.—A plan sponsor may not during any funding improvement period accept a collective bargaining agreement or participation agreement with respect to the multiemployer plan that provides for—

"(i) a reduction in the level of contributions for any participants,

"(ii) a suspension of contributions with respect to any period of service, or

"(iii) any new direct or indirect exclusion of younger or newly hired employees from plan participation.

"(C) Special rules for benefit increases.—A plan may not be amended after the date of the adoption of a funding improvement plan so as to increase benefits, including future benefit accruals, unless the plan actuary certifies that the benefit increase is consistent with the funding improvement plan and is paid for out of contributions not required by the funding improvement plan to meet the applicable benchmark in accordance with the schedule contemplated in the funding improvement plan.

"(e) Rehabilitation Plan Must Be Adopted for Multiemployer Plans in Critical Status.—

"(1) In general.—In any case in which a multiemployer plan is in critical status for a plan year, the plan sponsor, in accordance with this subsection—

"(A) shall adopt a rehabilitation plan not later than 240 days following the required date for the actuarial certification of critical status under subsection (b)(3)(A), and

"(B) within 30 days after the adoption of the rehabilitation plan—

"(i) shall provide to the bargaining parties 1 or more schedules showing revised benefit structures, revised contribution structures, or both, which, if adopted, may reasonably be expected to enable the multiemployer plan to emerge from critical status in accordance with the rehabilitation plan, and

"(ii) may, if the plan sponsor deems appropriate, prepare and provide the bargaining parties with additional information relating to contribution rates or benefit reductions, alternative schedules, or other information relevant to emerging from critical status in accordance with the rehabilitation plan.

The schedule or schedules described in subparagraph (B)(i) shall reflect reductions in future benefit accruals and adjustable benefits, and increases in contributions, that the plan sponsor determines are reasonably necessary to emerge from critical status. One schedule shall be designated as the default schedule and such schedule shall assume that there are no increases in contributions under the plan other than the increases necessary to emerge from critical status after future benefit accruals and other benefits (other than benefits the reduction or elimination of which are not permitted under section 204(g)) have been reduced to the maximum extent permitted by law.

"(2) Exception for years after process begins.—Paragraph (1) shall not apply to a plan year if such year is in a rehabilitation plan adoption period or rehabilitation period by reason of the plan being in critical status for a preceding plan year. For purposes of this section, such preceding plan year shall be the initial critical year with respect to the rehabilitation plan to which it relates.

“(3) REHABILITATION PLAN.—For purposes of this section—

“(A) IN GENERAL.—A rehabilitation plan is a plan which consists of—

“(i) actions, including options or a range of options to be proposed to the bargaining parties, formulated, based on reasonably anticipated experience and reasonable actuarial assumptions, to enable the plan to cease to be in critical status by the end of the rehabilitation period and may include reductions in plan expenditures (including plan mergers and consolidations), reductions in future benefit accruals or increases in contributions, if agreed to by the bargaining parties, or any combination of such actions, or

“(ii) if the plan sponsor determines that, based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures, the plan can not reasonably be expected to emerge from critical status by the end of the rehabilitation period, reasonable measures to emerge from critical status at a later time or to forestall possible insolvency (within the meaning of section 4245).

A rehabilitation plan must provide annual standards for meeting the requirements of such rehabilitation plan. Such plan shall also include the schedules required to be provided under paragraph (1)(B)(i) and if clause (ii) applies, shall set forth the alternatives considered, explain why the plan is not reasonably expected to emerge from critical status by the end of the rehabilitation period, and specify when, if ever, the plan is expected to emerge from critical status in accordance with the rehabilitation plan.

“(B) UPDATES TO REHABILITATION PLAN AND SCHEDULES.—

“(i) REHABILITATION PLAN.—The plan sponsor shall annually update the rehabilitation plan and shall file the update with the plan's annual report under section 104.

“(ii) SCHEDULES.—The plan sponsor shall annually update any schedule of contribution rates provided under this subsection to reflect the experience of the plan.

“(iii) DURATION OF SCHEDULE.—A schedule of contribution rates provided by the plan sponsor and relied upon by bargaining parties in negotiating a collective bargaining agreement shall remain in effect for the duration of that collective bargaining agreement.

“(C) IMPOSITION OF DEFAULT SCHEDULE WHERE FAILURE TO ADOPT REHABILITATION PLAN.—

“(i) IN GENERAL.—If—

“(I) a collective bargaining agreement providing for contributions under a multiemployer plan that was in effect at the time the plan entered critical status expires, and

“(II) after receiving one or more schedules from the plan sponsor under paragraph (1)(B), the bargaining parties with respect to such agreement fail to adopt a contribution or benefit schedules with terms consistent with the rehabilitation plan and the schedule from the plan sponsor under paragraph (1)(B)(i),

the plan sponsor shall implement the default schedule described in the last sentence of paragraph (1) beginning on the date specified in clause (ii).

“(ii) DATE OF IMPLEMENTATION.—The date specified in this clause is the earlier of the date—

“(I) on which the Secretary certifies that the parties are at an impasse, or

“(II) which is 180 days after the date on which the collective bargaining agreement described in clause (i) expires.

“(4) REHABILITATION PERIOD.—For purposes of this section—

“(A) IN GENERAL.—The rehabilitation period for a plan in critical status is the 10-year period beginning on the first day of the first plan year of the multiemployer plan following the earlier of—

“(i) the second anniversary of the date of the adoption of the rehabilitation plan, or

“(ii) the expiration of the collective bargaining agreements in effect on the date of the due date for the actuarial certification of critical status for the initial critical year under subsection (a)(1) and covering, as of such date at least 75 percent of the active participants in such multiemployer plan.

If a plan emerges from critical status as provided under subparagraph (B) before the end of such 10-year period, the rehabilitation period shall end with the plan year preceding the plan year for which the determination under subparagraph (B) is made.

“(B) EMERGENCE.—A plan in critical status shall remain in such status until a plan year for which the plan actuary certifies, in accordance with subsection (b)(3)(A), that the plan is not projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method and taking into account any extension of amortization periods under section 304(d).

“(5) REHABILITATION PLAN ADOPTION PERIOD.—For purposes of this section, the term ‘rehabilitation plan adoption period’ means the period beginning on the date of the certification under subsection (b)(3)(A) for the initial critical year and ending on the day before the first day of the rehabilitation period.

“(6) LIMITATION ON REDUCTION IN RATES OF FUTURE ACCRUALS.—Any reduction in the rate of future accruals under the default schedule described in paragraph (1)(B)(i) shall not reduce the rate of future accruals below—

“(A) a monthly benefit (payable as a single life annuity commencing at the participant's normal retirement age) equal to 1 percent of the contributions required to be made with respect to a participant, or the equivalent standard accrual rate for a participant or group of participants under the collective bargaining agreements in effect as of the first day of the initial critical year, or

“(B) if lower, the accrual rate under the plan on such first day.

The equivalent standard accrual rate shall be determined by the plan sponsor based on the standard or average contribution base units which the plan sponsor determines to be representative for active participants and such other factors as the plan sponsor determines to be relevant. Nothing in this paragraph shall be construed as limiting the ability of the plan sponsor to prepare and provide the bargaining parties with alternative schedules to the default schedule that established lower or higher accrual and contribution rates than the rates otherwise described in this paragraph.

“(7) AUTOMATIC EMPLOYER SURCHARGE.—

“(A) IMPOSITION OF SURCHARGE.—Each employer otherwise obligated to make contributions for the initial critical year shall be obligated to pay to the plan for such year a surcharge equal to 5 percent of the contributions otherwise required under the applicable collective bargaining agreement (or other agreement pursuant to which the employer contributes). For each succeeding plan year in which the plan is in critical status for a consecutive period of years beginning with the initial critical year, the surcharge shall be 10 percent of the contributions otherwise so required.

“(B) ENFORCEMENT OF SURCHARGE.—The surcharges under subparagraph (A) shall be due and payable on the same schedule as the contributions on which the surcharges are based. Any failure to make a surcharge payment shall be treated as a delinquent contribution under section 515 and shall be enforceable as such.

“(C) SURCHARGE TO TERMINATE UPON COLLECTIVE BARGAINING AGREEMENT RENEGOTIATION.—The surcharge under this paragraph shall cease to be effective with respect to employees covered by a collective bargaining agreement (or other agreement pursuant to which the employer contributes), beginning on the effective date of a collective bargaining agreement (or other such agreement) that includes terms consistent with a schedule presented by the plan sponsor under paragraph (1)(B)(i), as modified under subparagraph (B) of paragraph (3).

“(D) SURCHARGE NOT TO APPLY UNTIL EMPLOYER RECEIVES NOTICE.—The surcharge under this paragraph shall not apply to an employer until 30 days after the employer has been notified by the plan sponsor that the plan is in critical status and that the surcharge is in effect.

“(E) SURCHARGE NOT TO GENERATE INCREASED BENEFIT ACCRUALS.—Notwithstanding any provision of a plan to the contrary, the amount of any surcharge under this paragraph shall not be the basis for any benefit accrual under the plan.

“(8) BENEFIT ADJUSTMENTS.—

“(A) ADJUSTABLE BENEFITS.—

“(i) IN GENERAL.—Notwithstanding section 204(g), the plan sponsor shall, subject to the notice requirements in subparagraph (C), make any reductions to adjustable benefits which the plan sponsor deems appropriate, based upon the outcome of collective bargaining over the schedule or schedules provided under paragraph (1)(B)(i).

“(ii) EXCEPTION FOR RETIREES.—Except in the case of adjustable benefits described in clause (iv)(III), the plan sponsor of a plan in critical status shall not reduce adjustable benefits of any participant or beneficiary whose benefit commencement date is before the date on which the plan provides notice to the participant or beneficiary under subsection (b)(3)(D) for the initial critical year.

“(iii) PLAN SPONSOR FLEXIBILITY.—The plan sponsor shall include in the schedules provided to the bargaining parties an allowance for funding the benefits of participants with respect to whom contributions are not currently required to be made, and shall reduce their benefits to the extent permitted under this title and considered appropriate by the plan sponsor based on the plan's then current overall funding status.

“(iv) ADJUSTABLE BENEFIT DEFINED.—For purposes of this paragraph, the term ‘adjustable benefit’ means—

“(I) benefits, rights, and features under the plan, including post-retirement death benefits, 60-month guarantees, disability benefits not yet in pay status, and similar benefits,

“(II) any early retirement benefit or retirement-type subsidy (within the meaning of section 204(g)(2)(A)) and any benefit payment option (other than the qualified joint-and survivor annuity), and

“(III) benefit increases that would not be eligible for a guarantee under section 4022A on the first day of initial critical year because the increases were adopted (or, if later, took effect) less than 60 months before such first day.

"(B) NORMAL RETIREMENT BENEFITS PROTECTED.—Except as provided in subparagraph (A)(iv)(III), nothing in this paragraph shall be construed to permit a plan to reduce the level of a participant's accrued benefit payable at normal retirement age.

"(C) NOTICE REQUIREMENTS.—

"(i) IN GENERAL.—No reduction may be made to adjustable benefits under subparagraph (A) unless notice of such reduction has been given at least 30 days before the general effective date of such reduction for all participants and beneficiaries to—

"(I) plan participants and beneficiaries,

"(II) each employer who has an obligation to contribute (within the meaning of section 4212(a)) under the plan, and

"(III) each employee organization which, for purposes of collective bargaining, represents plan participants employed by such an employer.

"(ii) CONTENT OF NOTICE.—The notice under clause (i) shall contain—

"(I) sufficient information to enable participants and beneficiaries to understand the effect of any reduction on their benefits, including an estimate (on an annual or monthly basis) of any affected adjustable benefit that a participant or beneficiary would otherwise have been eligible for as of the general effective date described in clause (i), and

"(II) information as to the rights and remedies of plan participants and beneficiaries as well as how to contact the Department of Labor for further information and assistance where appropriate.

"(iii) FORM AND MANNER.—Any notice under clause (i)—

"(I) shall be provided in a form and manner prescribed in regulations of the Secretary,

"(II) shall be written in a manner so as to be understood by the average plan participant, and

"(III) may be provided in written, electronic, or other appropriate form to the extent such form is reasonably accessible to persons to whom the notice is required to be provided.

The Secretary shall in the regulations prescribed under subclause (I) establish a model notice that a plan sponsor may use to meet the requirements of this subparagraph.

"(9) ADJUSTMENTS DISREGARDED IN WITHDRAWAL LIABILITY DETERMINATION.—

"(A) BENEFIT REDUCTIONS.—Any benefit reductions under this subsection shall be disregarded in determining a plan's unfunded vested benefits for purposes of determining an employer's withdrawal liability under section 4201.

"(B) SURCHARGES.—Any surcharges under paragraph (7) shall be disregarded in determining an employer's withdrawal liability under section 4211, except for purposes of determining the unfunded vested benefits attributable to an employer under section 4211(c)(4) or a comparable method approved under section 4211(c)(5).

"(C) SIMPLIFIED CALCULATIONS.—The Pension Benefit Guaranty Corporation shall prescribe simplified methods for the application of this paragraph in determining withdrawal liability.

"(f) RULES FOR OPERATION OF PLAN DURING ADOPTION AND REHABILITATION PERIOD.—

"(1) COMPLIANCE WITH REHABILITATION PLAN.—

"(A) IN GENERAL.—A plan may not be amended after the date of the adoption of a rehabilitation plan under subsection (e) so as to be inconsistent with the rehabilitation plan.

"(B) SPECIAL RULES FOR BENEFIT INCREASES.—A plan may not be amended after the date of the adoption of a rehabilitation plan under subsection (e) so as to increase benefits, including future benefit accruals, unless the plan actuary certifies that such increase is paid for out of additional contributions not contemplated by the rehabilitation plan, and, after taking into account the benefit increase, the multiemployer plan still is reasonably expected to emerge from critical status by the end of the rehabilitation period on the schedule contemplated in the rehabilitation plan.

"(2) RESTRICTION ON LUMP SUMS AND SIMILAR BENEFITS.—

"(A) IN GENERAL.—Effective on the date the notice of certification of the plan's critical status for the initial critical year under subsection (b)(3)(D) is sent, and notwithstanding section 204(g), the plan shall not pay—

"(i) any payment, in excess of the monthly amount paid under a single life annuity (plus any social security supplements described in the last sentence of section 204(b)(1)(G)),

"(ii) any payment for the purchase of an irrevocable commitment from an insurer to pay benefits, and

"(iii) any other payment specified by the Secretary of the Treasury by regulations.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to a benefit which under section 203(e) may be immediately distributed without the consent of the participant or to any makeup payment in the case of a retroactive annuity starting date or any similar payment of benefits owed with respect to a prior period.

"(3) ADJUSTMENTS DISREGARDED IN WITHDRAWAL LIABILITY DETERMINATION.—Any benefit reductions under this subsection shall be disregarded in determining a plan's unfunded vested benefits for purposes of determining an employer's withdrawal liability under section 4201.

"(4) SPECIAL RULES FOR PLAN ADOPTION PERIOD.—During the rehabilitation plan adoption period—

"(A) the plan sponsor may not accept a collective bargaining agreement or participation agreement with respect to the multiemployer plan that provides for—

"(i) a reduction in the level of contributions for any participants,

"(ii) a suspension of contributions with respect to any period of service, or

"(iii) any new direct or indirect exclusion of younger or newly hired employees from plan participation, and

"(B) no amendment of the plan which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan may be adopted unless the amendment is required as a condition of qualification under part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986 or to comply with other applicable law.

"(g) EXPEDITED RESOLUTION OF PLAN SPONSOR DECISIONS.—If, within 60 days of the due date for adoption of a funding improvement plan or a rehabilitation plan under subsection (e), the plan sponsor of a plan in endangered status or a plan in critical status has not agreed on a funding improvement plan or rehabilitation plan, then any member of the board or group that constitutes the plan sponsor may require that the plan sponsor enter into an expedited dispute resolution procedure for the development and adoption of a funding improvement plan or rehabilitation plan.

"(h) NONBARGAINED PARTICIPATION.—

"(1) BOTH BARGAINED AND NONBARGAINED EMPLOYEE-PARTICIPANTS.—In the case of an employer that contributes to a multiemployer plan with respect to both employees who are covered by one or more collective bargaining agreements and employees who are not so covered, if the plan is in endangered status or in critical status, benefits of and contributions for the nonbargained employees, including surcharges on those contributions, shall be determined as if those nonbargained employees were covered under the first to expire of the employer's collective bargaining agreements in effect when the plan entered endangered or critical status.

"(2) NONBARGAINED EMPLOYEES ONLY.—In the case of an employer that contributes to a multiemployer plan only with respect to employees who are not covered by a collective bargaining agreement, this section shall be applied as if the employer were the bargaining party, and its participation agreement with the plan were a collective bargaining agreement with a term ending on the first day of the plan year beginning after the employer is provided the schedule or schedules described in subsections (c) and (e).

"(i) DEFINITIONS; ACTUARIAL METHOD.—For purposes of this section—

"(1) BARGAINING PARTY.—The term 'bargaining party' means—

"(A)(i) except as provided in clause (ii), an employer who has an obligation to contribute under the plan; or

"(ii) in the case of a plan described under section 404(c) of the Internal Revenue Code of 1986, or a continuation of such a plan, the association of employers that is the employer settlor of the plan; and

"(B) an employee organization which, for purposes of collective bargaining, represents plan participants employed by an employer who has an obligation to contribute under the plan.

"(2) FUNDED PERCENTAGE.—The term 'funded percentage' means the percentage equal to a fraction—

"(A) the numerator of which is the value of the plan's assets, as determined under section 304(c)(2), and

"(B) the denominator of which is the accrued liability of the plan, determined using actuarial assumptions described in section 304(c)(3).

"(3) ACCUMULATED FUNDING DEFICIENCY.—The term 'accumulated funding deficiency' has the meaning given such term in section 304(a).

"(4) ACTIVE PARTICIPANT.—The term 'active participant' means, in connection with a multiemployer plan, a participant who is in covered service under the plan.

"(5) INACTIVE PARTICIPANT.—The term 'inactive participant' means, in connection with a multiemployer plan, a participant, or the beneficiary or alternate payee of a participant, who—

"(A) is not in covered service under the plan, and

"(B) is in pay status under the plan or has a nonforfeitable right to benefits under the plan.

"(6) PAY STATUS.—A person is in pay status under a multiemployer plan if—

"(A) at any time during the current plan year, such person is a participant or beneficiary under the plan and is paid an early, late, normal, or disability retirement benefit under the plan (or a death benefit under the plan related to a retirement benefit), or

"(B) to the extent provided in regulations of the Secretary of the Treasury, such person is entitled to such a benefit under the plan.

"(7) Obligation to contribute.—The term 'obligation to contribute' has the meaning given such term under section 4212(a).

"(8) Actuarial method.—Notwithstanding any other provision of this section, the actuary's determinations with respect to a plan's normal cost, actuarial accrued liability, and improvements in a plan's funded percentage under this section shall be based upon the unit credit funding method (whether or not that method is used for the plan's actuarial valuation).

"(9) Plan sponsor.—In the case of a plan described under section 404(c) of the Internal Revenue Code of 1986, or a continuation of such a plan, the term 'plan sponsor' means the bargaining parties described under paragraph (1).

"(10) Benefit commencement date.—The term 'benefit commencement date' means the annuity starting date (or in the case of a retroactive annuity starting date, the date on which benefit payments begin).".

(b) Enforcement.—Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132) is amended—

(1) in subsection (a)(6) by striking "(6), or (7)" and inserting "(6), (7), or (8)";

(2) by redesignating subsection (c)(8) as subsection (c)(9); and

(3) by inserting after subsection (c)(7) the following new paragraph:

"(8) The Secretary may assess against any plan sponsor of a multiemployer plan a civil penalty of not more than $1,100 per day—

"(A) for each violation by such sponsor of the requirement under section 305 to adopt by the deadline established in that section a funding improvement plan or rehabilitation plan with respect to a multiemployer which is in endangered or critical status, or

"(B) in the case of a plan in endangered status which is not in seriously endangered status, for failure by the plan to meet the applicable benchmarks under section 305 by the end of the funding improvement period with respect to the plan.".

(c) Cause of Action To Compel Adoption or Implementation of Funding Improvement or Rehabilitation Plan.—Section 502(a) of the Employee Retirement Income Security Act of 1974 is amended by striking "or" at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting "; or" and by adding at the end the following:

"(10) in the case of a multiemployer plan that has been certified by the actuary to be in endangered or critical status under section 305, if the plan sponsor—

"(A) has not adopted a funding improvement or rehabilitation plan under that section by the deadline established in such section, or

"(B) fails to update or comply with the terms of the funding improvement or rehabilitation plan in accordance with the requirements of such section,

by an employer that has an obligation to contribute with respect to the multiemployer plan or an employee organization that represents active participants in the multiemployer plan, for an order compelling the plan sponsor to adopt a funding improvement or rehabilitation plan or to update or comply with the terms of the funding improvement or rehabilitation plan in accordance with the requirements of such section and the funding improvement or rehabilitation plan.".

(d) No Additional Contributions Required.—Section 302(b) of the Employee Retirement Income Security Act of 1974, as amended by this Act, is amended by adding at the end the following new paragraph:

"(3) Multiemployer plans in critical status.—Paragraph (1) shall not apply in the case of a multiemployer plan for any plan year in which the plan is in critical status pursuant to section 305. This paragraph shall only apply if the plan adopts a rehabilitation plan in accordance with section 305(e) and complies with the terms of such rehabilitation plan (and any updates or modifications of the plan).".

(e) Conforming Amendment.—The table of contents in section 1 of such Act (as amended by the preceding provisions of this Act) is amended by inserting after the item relating to section 304 the following new item:

"Sec. 305. Additional funding rules for multiemployer plans in endangered status or critical status.".

(f) Effective Dates.—

(1) In general.—The amendments made by this section shall apply with respect to plan years beginning after 2007.

(2) Special rule for certain notices.—In any case in which a plan's actuary certifies that it is reasonably expected that a multiemployer plan will be in critical status under section 305(b)(3) of the Employee Retirement Income Security Act of 1974, as added by this section, with respect to the first plan year beginning after 2007, the notice required under subparagraph (D) of such section may be provided at any time after the date of enactment, so long as it is provided on or before the last date for providing the notice under such subparagraph.

(3) Special rule for certain restored benefits.—In the case of a multiemployer plan—

(A) with respect to which benefits were reduced pursuant to a plan amendment adopted on or after January 1, 2002, and before June 30, 2005, and

(B) which, pursuant to the plan document, the trust agreement, or a formal written communication from the plan sponsor to participants provided before June 30, 2005, provided for the restoration of such benefits,

the amendments made by this section shall not apply to such benefit restorations to the extent that any restriction on the providing or accrual of such benefits would otherwise apply by reason of such amendments.

SEC. 203. MEASURES TO FORESTALL INSOLVENCY OF MULTIEMPLOYER PLANS.

(a) Advance Determination of Impending Insolvency Over 5 Years.—Section 4245(d)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1426(d)(1)) is amended—

(1) by striking "3 plan years" the second place it appears and inserting "5 plan years"; and

(2) by adding at the end the following new sentence: "If the plan sponsor makes such a determination that the plan will be insolvent in any of the next 5 plan years, the plan sponsor shall make the comparison under this paragraph at least annually until the plan sponsor makes a determination that the plan will not be insolvent in any of the next 5 plan years.".

(b) Effective Date.—The amendments made by this section shall apply with respect to determinations made in plan years beginning after 2007.

SEC. 204. WITHDRAWAL LIABILITY REFORMS.

(a) Update of Rules Relating to Limitations on Withdrawal Liability.—

(1) Increase in limits.—Section 4225(a)(2) of such Act (29 U.S.C. 1405(a)(2)) is amended by striking the table contained therein and inserting the following new table:

"If the liquidation or distribution value of the employer after the sale or exchange is—	The portion is—
Not more than $5,000,000	30 percent of the amount.
More than $5,000,000, but not more than $10,000,000	$1,500,000, plus 35 percent of the amount in excess of $5,000,000.
More than $10,000,000, but not more than $15,000,000	$3,250,000, plus 40 percent of the amount in excess of $10,000,000.
More than $15,000,000, but not more than $17,500,000	$5,250,000, plus 45 percent of the amount in excess of $15,000,000.
More than $17,500,000, but not more than $20,000,000	$6,375,000, plus 50 percent of the amount in excess of $17,500,000.
More than $20,000,000, but not more than $22,500,000	$7,625,000, plus 60 percent of the amount in excess of $20,000,000.
More than $22,500,000, but not more than $25,000,000	$9,125,000, plus 70 percent of the amount in excess of $22,500,000.
More than $25,000,000	$10,875,000, plus 80 percent of the amount in excess of $25,000,000.".

(2) Plans using attributable method.—Section 4225(a)(1)(B) of such Act (29 U.S.C. 1405(a)(1)(B)) is amended to read as follows:

"(B) in the case of a plan using the attributable method of allocating withdrawal liability, the unfunded vested benefits attributable to employees of the employer.".

(3) Effective date.—The amendments made by this subsection shall apply to sales occurring on or after January 1, 2007.

(b) Withdrawal Liability Continues if Work Contracted Out.—

(1) In general.—Clause (i) of section 4205(b)(2)(A) of such Act (29 U.S.C. 1385(b)(2)(A)) is amended by inserting "or to an entity or entities owned or controlled by the employer" after "to another location".

(2) Effective date.—The amendment made by this subsection shall apply with respect to work transferred on or after the date of the enactment of this Act.

(c) Application of Rules to Plans Primarily Covering Employees in the Building and Construction Industry.—

(1) In general.—Section 4210(b) of such Act (29 U.S.C. 1390(b)) is amended—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively.

(2) Fresh start option.—Section 4211(c)(5) of such Act (29 U.S.C. 1391(c)(5)) is amended by adding at the end the following new subparagraph:

"(E) Fresh start option.—Notwithstanding paragraph (1), a plan may be amended to provide that the withdrawal liability method described in subsection (b) shall be applied by substituting the plan year which is specified in the amendment and for which the plan has no unfunded vested benefits for the plan year ending before September 26, 1980.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to plan withdrawals occurring on or after January 1, 2007.

(d) PROCEDURES APPLICABLE TO DISPUTES INVOLVING PENSION PLAN WITHDRAWAL LIABILITY.—

(1) IN GENERAL.—Section 4221 of Employee Retirement Income Security Act of 1974 (29 U.S.C. 1401) is amended by adding at the end the following:

"(g) PROCEDURES APPLICABLE TO CERTAIN DISPUTES.—

"(1) IN GENERAL.—If—

"(A) a plan sponsor of a plan determines that—

"(i) a complete or partial withdrawal of an employer has occurred, or

"(ii) an employer is liable for withdrawal liability payments with respect to such complete or partial withdrawal, and

"(B) such determination is based in whole or in part on a finding by the plan sponsor under section 4212(c) that a principal purpose of any transaction which occurred after December 31, 1998, and at least 5 years (2 years in the case of a small employer) before the date of the complete or partial withdrawal was to evade or avoid withdrawal liability under this subtitle,

then the person against which the withdrawal liability is assessed based solely on the application of section 4212(c) may elect to use the special rule under paragraph (2) in applying subsection (d) of this section and section 4219(c) to such person.

"(2) SPECIAL RULE.—Notwithstanding subsection (d) and section 4219(c), if an electing person contests the plan sponsor's determination with respect to withdrawal liability payments under paragraph (1) through an arbitration proceeding pursuant to subsection (a), through an action brought in a court of competent jurisdiction for review of such an arbitration decision, or as otherwise permitted by law, the electing person shall not be obligated to make the withdrawal liability payments until a final decision in the arbitration proceeding, or in court, upholds the plan sponsor's determination, but only if the electing person—

"(A) provides notice to the plan sponsor of its election to apply the special rule in this paragraph within 90 days after the plan sponsor notifies the electing person of its liability by reason of the application of section 4212(c); and

"(B) if a final decision in the arbitration proceeding, or in court, of the withdrawal liability dispute has not been rendered within 12 months from the date of such notice, the electing person provides to the plan, effective as of the first day following the 12-month period, a bond issued by a corporate surety company that is an acceptable surety for purposes of section 412 of this Act, or an amount held in escrow by a bank or similar financial institution satisfactory to the plan, in an amount equal to the sum of the withdrawal liability payments that would otherwise be due under subsection (d) and section 4219(c) for the 12-month period beginning with the first anniversary of such notice. Such bond or escrow shall remain in effect until there is a final decision in the arbitration proceeding, or in court, of the withdrawal liability dispute, at which time such bond or escrow shall be paid to the plan if such final decision upholds the plan sponsor's determination.

"(3) DEFINITION OF SMALL EMPLOYER.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'small employer' means any employer which, for the calendar year in which the transaction referred to in paragraph (1)(B) occurred and for each of the 3 preceding years, on average—

"(i) employs not more than 500 employees, and

"(ii) is required to make contributions to the plan for not more than 250 employees.

"(B) CONTROLLED GROUP.—Any group treated as a single employer under subsection (b)(1) of section 4001, without regard to any transaction that was a basis for the plan's finding under section 4212, shall be treated as a single employer for purposes of this subparagraph.

"(4) ADDITIONAL SECURITY PENDING RESOLUTION OF DISPUTE.—If a withdrawal liability dispute to which this subsection applies is not concluded by 12 months after the electing person posts the bond or escrow described in paragraph (2), the electing person shall, at the start of each succeeding 12-month period, provide an additional bond or amount held in escrow equal to the sum of the withdrawal liability payments that would otherwise be payable to the plan during that period.

"(5) The liability of the party furnishing a bond or escrow under this subsection shall be reduced, upon the payment of the bond or escrow to the plan, by the amount thereof."

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to any person that receives a notification under section 4219(b)(1) of the Employee Retirement Income Security Act of 1974 on or after the date of enactment of this Act with respect to a transaction that occurred after December 31, 1998.

SEC. 205. PROHIBITION ON RETALIATION AGAINST EMPLOYERS EXERCISING THEIR RIGHTS TO PETITION THE FEDERAL GOVERNMENT.

Section 510 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1140) is amended by inserting before the last sentence thereof the following new sentence: "In the case of a multiemployer plan, it shall be unlawful for the plan sponsor or any other person to discriminate against any contributing employer for exercising rights under this Act or for giving information or testifying in any inquiry or proceeding relating to this Act before Congress."

SEC. 206. SPECIAL RULE FOR CERTAIN BENEFITS FUNDED UNDER AN AGREEMENT APPROVED BY THE PENSION BENEFIT GUARANTY CORPORATION.

In the case of a multiemployer plan that is a party to an agreement that was approved by the Pension Benefit Guaranty Corporation prior to June 30, 2005, and that—

(1) increases benefits, and

(2) provides for special withdrawal liability rules under section 4203(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1383),

the amendments made by sections 201, 202, 211, and 212 of this Act shall not apply to the benefit increases under any plan amendment adopted prior to June 30, 2005, that are funded pursuant to such agreement if the plan is funded in compliance with such agreement (and any amendments thereto).

Subtitle B—Amendments to Internal Revenue Code of 1986

SEC. 211. FUNDING RULES FOR MULTIEMPLOYER DEFINED BENEFIT PLANS.

(a) IN GENERAL.—Subpart A of part III of subchapter D of chapter 1 of the Internal Revenue Code of 1986 (as added by this Act) is amended by inserting after section 430 the following new section:

"SEC. 431. MINIMUM FUNDING STANDARDS FOR MULTIEMPLOYER PLANS.

"(a) IN GENERAL.—For purposes of section 412, the accumulated funding deficiency of a multiemployer plan for any plan year is—

"(1) except as provided in paragraph (2), the amount, determined as of the end of the plan year, equal to the excess (if any) of the total charges to the funding standard account of the plan for all plan years (beginning with the first plan year for which this part applies to the plan) over the total credits to such account for such years, and

"(2) if the multiemployer plan is in reorganization for any plan year, the accumulated funding deficiency of the plan determined under section 4243 of the Employee Retirement Income Security Act of 1974.

"(b) FUNDING STANDARD ACCOUNT.—

"(1) ACCOUNT REQUIRED.—Each multiemployer plan to which this part applies shall establish and maintain a funding standard account. Such account shall be credited and charged solely as provided in this section.

"(2) CHARGES TO ACCOUNT.—For a plan year, the funding standard account shall be charged with the sum of—

"(A) the normal cost of the plan for the plan year,

"(B) the amounts necessary to amortize in equal annual installments (until fully amortized)—

"(i) in the case of a plan which comes into existence on or after January 1, 2008, the unfunded past service liability under the plan on the first day of the first plan year to which this section applies, over a period of 15 plan years,

"(ii) separately, with respect to each plan year, the net increase (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 15 plan years,

"(ii) separately, with respect to each plan year, the net increase (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 15 plan years,

"(iii) separately, with respect to each plan year, the net experience loss (if any) under the plan, over a period of 15 plan years, and

"(iv) separately, with respect to each plan year, the net loss (if any) resulting from changes in actuarial assumptions used under the plan, over a period of 15 plan years,

"(C) the amount necessary to amortize each waived funding deficiency (within the meaning of section 412(c)(3)) for each prior plan year in equal annual installments (until fully amortized) over a period of 15 plan years,

"(D) the amount necessary to amortize in equal annual installments (until fully amortized) over a period of 5 plan years any amount credited to the funding standard account under section 412(b)(3)(D) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006), and

"(E) the amount necessary to amortize in equal annual installments (until fully amortized) over a period of 20 years the contributions which would be required to be made under the plan but for the provisions of section 412(c)(7)(A)(i)(I) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006).

"(3) CREDITS TO ACCOUNT.—For a plan year, the funding standard account shall be credited with the sum of—

"(A) the amount considered contributed by the employer to or under the plan for the plan year,

"(B) the amount necessary to amortize in equal annual installments (until fully amortized)—

“(i) separately, with respect to each plan year, the net decrease (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 15 plan years,

“(ii) separately, with respect to each plan year, the net experience gain (if any) under the plan, over a period of 15 plan years, and

“(iii) separately, with respect to each plan year, the net gain (if any) resulting from changes in actuarial assumptions used under the plan, over a period of 15 plan years.

“(C) the amount of the waived funding deficiency (within the meaning of section 412(c)(3)) for the plan year, and

“(D) in the case of a plan year for which the accumulated funding deficiency is determined under the funding standard account if such plan year follows a plan year for which such deficiency was determined under the alternative minimum funding standard under section 412(g) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006), the excess (if any) of any debit balance in the funding standard account (determined without regard to this subparagraph) over any debit balance in the alternative minimum funding standard account.

“(4) SPECIAL RULE FOR AMOUNTS FIRST AMORTIZED IN PLAN YEARS BEFORE 2008.—In the case of any amount amortized under section 412(b) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006) over any period beginning with a plan year beginning before 2008 in lieu of the amortization described in paragraphs (2)(B) and (3)(B), such amount shall continue to be amortized under such section as so in effect.

“(5) COMBINING AND OFFSETTING AMOUNTS TO BE AMORTIZED.—Under regulations prescribed by the Secretary, amounts required to be amortized under paragraph (2) or paragraph (3), as the case may be—

“(A) may be combined into one amount under such paragraph to be amortized over a period determined on the basis of the remaining amortization period for all items entering into such combined amount, and

“(B) may be offset against amounts required to be amortized under the other such paragraph, with the resulting amount to be amortized over a period determined on the basis of the remaining amortization periods for all items entering into whichever of the two amounts being offset is the greater.

“(6) INTEREST.—The funding standard account (and items therein) shall be charged or credited (as determined under regulations prescribed by the Secretary of the Treasury) with interest at the appropriate rate consistent with the rate or rates of interest used under the plan to determine costs.

“(7) SPECIAL RULES RELATING TO CHARGES AND CREDITS TO FUNDING STANDARD ACCOUNT.—For purposes of this part—

“(A) WITHDRAWAL LIABILITY.—Any amount received by a multiemployer plan in payment of all or part of an employer's withdrawal liability under part 1 of subtitle E of title IV of the Employee Retirement Income Security Act of 1974 shall be considered an amount contributed by the employer to or under the plan. The Secretary may prescribe by regulation additional charges and credits to a multiemployer plan's funding standard account to the extent necessary to prevent withdrawal liability payments from being unduly reflected as advance funding for plan liabilities.

“(B) ADJUSTMENTS WHEN A MULTIEMPLOYER PLAN LEAVES REORGANIZATION.—If a multiemployer plan is not in reorganization in the plan year but was in reorganization in the immediately preceding plan year, any balance in the funding standard account at the close of such immediately preceding plan year—

“(i) shall be eliminated by an offsetting credit or charge (as the case may be), but

“(ii) shall be taken into account in subsequent plan years by being amortized in equal annual installments (until fully amortized) over 30 plan years.

The preceding sentence shall not apply to the extent of any accumulated funding deficiency under section 4243(a) of such Act as of the end of the last plan year that the plan was in reorganization.

“(C) PLAN PAYMENTS TO SUPPLEMENTAL PROGRAM OR WITHDRAWAL LIABILITY PAYMENT FUND.—Any amount paid by a plan during a plan year to the Pension Benefit Guaranty Corporation pursuant to section 4222 of such Act or to a fund exempt under section 501(c)(22) pursuant to section 4223 of such Act shall reduce the amount of contributions considered received by the plan for the plan year.

“(D) INTERIM WITHDRAWAL LIABILITY PAYMENTS.—Any amount paid by an employer pending a final determination of the employer's withdrawal liability under part 1 of subtitle E of title IV of such Act and subsequently refunded to the employer by the plan shall be charged to the funding standard account in accordance with regulations prescribed by the Secretary.

“(E) ELECTION FOR DEFERRAL OF CHARGE FOR PORTION OF NET EXPERIENCE LOSS.—If an election is in effect under section 412(b)(7)(F) (as in effect on the day before the date of the enactment of the Pension Protection Act of 2006) for any plan year, the funding standard account shall be charged in the plan year to which the portion of the net experience loss deferred by such election was deferred with the amount so deferred (and paragraph (2)(B)(iii) shall not apply to the amount so charged).

“(F) FINANCIAL ASSISTANCE.—Any amount of any financial assistance from the Pension Benefit Guaranty Corporation to any plan, and any repayment of such amount, shall be taken into account under this section and section 412 in such manner as is determined by the Secretary.

“(G) SHORT-TERM BENEFITS.—To the extent that any plan amendment increases the unfunded past service liability under the plan by reason of an increase in benefits which are not payable as a life annuity but are payable under the terms of the plan for a period that does not exceed 14 years from the effective date of the amendment, paragraph (2)(B)(ii) shall be applied separately with respect to such increase in unfunded past service liability by substituting the number of years of the period during which such benefits are payable for ‘15’.

“(c) ADDITIONAL RULES.—

“(1) DETERMINATIONS TO BE MADE UNDER FUNDING METHOD.—For purposes of this part, normal costs, accrued liability, past service liabilities, and experience gains and losses shall be determined under the funding method used to determine costs under the plan.

“(2) VALUATION OF ASSETS.—

“(A) IN GENERAL.—For purposes of this part, the value of the plan's assets shall be determined on the basis of any reasonable actuarial method of valuation which takes into account fair market value and which is permitted under regulations prescribed by the Secretary.

“(B) ELECTION WITH RESPECT TO BONDS.—The value of a bond or other evidence of indebtedness which is not in default as to principal or interest may, at the election of the plan administrator, be determined on an amortized basis running from initial cost at purchase to par value at maturity or earliest call date. Any election under this subparagraph shall be made at such time and in such manner as the Secretary shall by regulations provide, shall apply to all such evidences of indebtedness, and may be revoked only with the consent of the Secretary.

“(3) ACTUARIAL ASSUMPTIONS MUST BE REASONABLE.—For purposes of this section, all costs, liabilities, rates of interest, and other factors under the plan shall be determined on the basis of actuarial assumptions and methods—

“(A) each of which is reasonable (taking into account the experience of the plan and reasonable expectations), and

“(B) which, in combination, offer the actuary's best estimate of anticipated experience under the plan.

“(4) TREATMENT OF CERTAIN CHANGES AS EXPERIENCE GAIN OR LOSS.—For purposes of this section, if—

“(A) a change in benefits under the Social Security Act or in other retirement benefits created under Federal or State law, or

“(B) a change in the definition of the term ‘wages’ under section 3121, or a change in the amount of such wages taken into account under regulations prescribed for purposes of section 401(a)(5),

results in an increase or decrease in accrued liability under a plan, such increase or decrease shall be treated as an experience loss or gain.

“(5) FULL FUNDING.—If, as of the close of a plan year, a plan would (without regard to this paragraph) have an accumulated funding deficiency in excess of the full funding limitation—

“(A) the funding standard account shall be credited with the amount of such excess, and

“(B) all amounts described in subparagraphs (B), (C), and (D) of subsection (b) (2) and subparagraph (B) of subsection (b)(3) which are required to be amortized shall be considered fully amortized for purposes of such subparagraphs.

“(6) FULL-FUNDING LIMITATION.—

“(A) IN GENERAL.—For purposes of paragraph (5), the term ‘full-funding limitation’ means the excess (if any) of—

“(i) the accrued liability (including normal cost) under the plan (determined under the entry age normal funding method if such accrued liability cannot be directly calculated under the funding method used for the plan), over

“(ii) the lesser of—

“(I) the fair market value of the plan's assets, or

“(II) the value of such assets determined under paragraph (2).

“(B) MINIMUM AMOUNT.—

“(i) IN GENERAL.—In no event shall the full-funding limitation determined under subparagraph (A) be less than the excess (if any) of—

“(I) 90 percent of the current liability of the plan (including the expected increase in current liability due to benefits accruing during the plan year), over

“(II) the value of the plan's assets determined under paragraph (2).

“(ii) ASSETS.—For purposes of clause (i), assets shall not be reduced by any credit balance in the funding standard account.

“(C) FULL FUNDING LIMITATION.—For purposes of this paragraph, unless otherwise provided by the plan, the accrued liability under a multiemployer plan shall not include benefits which are not nonforfeitable under the plan after the termination of the plan (taking into consideration section 411(d)(3)).

"(D) CURRENT LIABILITY.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'current liability' means all liabilities to employees and their beneficiaries under the plan.

"(ii) TREATMENT OF UNPREDICTABLE CONTINGENT EVENT BENEFITS.—For purposes of clause (i), any benefit contingent on an event other than—

"(I) age, service, compensation, death, or disability, or

"(II) an event which is reasonably and reliably predictable (as determined by the Secretary),

shall not be taken into account until the event on which the benefit is contingent occurs.

"(iii) INTEREST RATE USED.—The rate of interest used to determine current liability under this paragraph shall be the rate of interest determined under subparagraph (E).

"(iv) MORTALITY TABLES.—

"(I) COMMISSIONERS' STANDARD TABLE.—In the case of plan years beginning before the first plan year to which the first tables prescribed under subclause (II) apply, the mortality table used in determining current liability under this paragraph shall be the table prescribed by the Secretary which is based on the prevailing commissioners' standard table (described in section 807(d)(5)(A)) used to determine reserves for group annuity contracts issued on January 1, 1993.

"(II) SECRETARIAL AUTHORITY.—The Secretary may by regulation prescribe for plan years beginning after December 31, 1999, mortality tables to be used in determining current liability under this subsection. Such tables shall be based upon the actual experience of pension plans and projected trends in such experience. In prescribing such tables, the Secretary shall take into account results of available independent studies of mortality of individuals covered by pension plans.

"(v) SEPARATE MORTALITY TABLES FOR THE DISABLED.—Notwithstanding clause (iv)—

"(I) IN GENERAL.—The Secretary shall establish mortality tables which may be used (in lieu of the tables under clause (iv)) to determine current liability under this subsection for individuals who are entitled to benefits under the plan on account of disability. The Secretary shall establish separate tables for individuals whose disabilities occur in plan years beginning before January 1, 1995, and for individuals whose disabilities occur in plan years beginning on or after such date.

"(II) SPECIAL RULE FOR DISABILITIES OCCURRING AFTER 1994.—In the case of disabilities occurring in plan years beginning after December 31, 1994, the tables under subclause (I) shall apply only with respect to individuals described in such subclause who are disabled within the meaning of title II of the Social Security Act and the regulations thereunder.

"(vi) PERIODIC REVIEW.—The Secretary shall periodically (at least every 5 years) review any tables in effect under this subparagraph and shall, to the extent such Secretary determines necessary, by regulation update the tables to reflect the actual experience of pension plans and projected trends in such experience.

"(E) REQUIRED CHANGE OF INTEREST RATE.—For purposes of determining a plan's current liability for purposes of this paragraph—

"(i) IN GENERAL.—If any rate of interest used under the plan under subsection (b)(6) to determine cost is not within the permissible range, the plan shall establish a new rate of interest within the permissible range.

"(ii) PERMISSIBLE RANGE.—For purposes of this subparagraph—

"(I) IN GENERAL.—Except as provided in subclause (II), the term 'permissible range' means a rate of interest which is not more than 5 percent above, and not more than 10 percent below, the weighted average of the rates of interest on 30-year Treasury securities during the 4-year period ending on the last day before the beginning of the plan year.

"(II) SECRETARIAL AUTHORITY.—If the Secretary finds that the lowest rate of interest permissible under subclause (I) is unreasonably high, the Secretary may prescribe a lower rate of interest, except that such rate may not be less than 80 percent of the average rate determined under such subclause.

"(iii) ASSUMPTIONS.—Notwithstanding paragraph (3)(A), the interest rate used under the plan shall be—

"(I) determined without taking into account the experience of the plan and reasonable expectations, but

"(II) consistent with the assumptions which reflect the purchase rates which would be used by insurance companies to satisfy the liabilities under the plan.

"(7) ANNUAL VALUATION.—

"(A) IN GENERAL.—For purposes of this section, a determination of experience gains and losses and a valuation of the plan's liability shall be made not less frequently than once every year, except that such determination shall be made more frequently to the extent required in particular cases under regulations prescribed by the Secretary.

"(B) VALUATION DATE.—

"(i) CURRENT YEAR.—Except as provided in clause (ii), the valuation referred to in subparagraph (A) shall be made as of a date within the plan year to which the valuation refers or within one month prior to the beginning of such year.

"(ii) USE OF PRIOR YEAR VALUATION.—The valuation referred to in subparagraph (A) may be made as of a date within the plan year prior to the year to which the valuation refers if, as of such date, the value of the assets of the plan are not less than 100 percent of the plan's current liability (as defined in paragraph (6)(D) without regard to clause (iv) thereof).

"(iii) ADJUSTMENTS.—Information under clause (ii) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.

"(iv) LIMITATION.—A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (6)(D) without regard to clause (iv) thereof).

"(8) TIME WHEN CERTAIN CONTRIBUTIONS DEEMED MADE.—For purposes of this section, any contributions for a plan year made by an employer after the last day of such plan year, but not later than two and one-half months after such day, shall be deemed to have been made on such last day. For purposes of this subparagraph, such two and one-half month period may be extended for not more than six months under regulations prescribed by the Secretary.

"(d) EXTENSION OF AMORTIZATION PERIODS FOR MULTIEMPLOYER PLANS.—

"(1) AUTOMATIC EXTENSION UPON APPLICATION BY CERTAIN PLANS.—

"(A) IN GENERAL.—If the plan sponsor of a multiemployer plan—

"(i) submits to the Secretary an application for an extension of the period of years required to amortize any unfunded liability described in any clause of subsection (b)(2)(B) or described in subsection (b)(4), and

"(ii) includes with the application a certification by the plan's actuary described in subparagraph (B),

the Secretary shall extend the amortization period for the period of time (not in excess of 5 years) specified in the application. Such extension shall be in addition to any extension under paragraph (2).

"(B) CRITERIA.—A certification with respect to a multiemployer plan is described in this subparagraph if the plan's actuary certifies that, based on reasonable assumptions—

"(i) absent the extension under subparagraph (A), the plan would have an accumulated funding deficiency in the current plan year or any of the 9 succeeding plan years,

"(ii) the plan sponsor has adopted a plan to improve the plan's funding status,

"(iii) the plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the amortization period as extended, and

"(iv) the notice required under paragraph (3)(A) has been provided.

"(C) TERMINATION.—The preceding provisions of this paragraph shall not apply with respect to any application submitted after December 31, 2014.

"(2) ALTERNATIVE EXTENSION.—

"(A) IN GENERAL.—If the plan sponsor of a multiemployer plan submits to the Secretary an application for an extension of the period of years required to amortize any unfunded liability described in any clause of subsection (b)(2)(B) or described in subsection (b)(4), the Secretary may extend the amortization period for a period of time (not in excess of 10 years reduced by the number of years of any extension under paragraph (1) with respect to such unfunded liability) if the Secretary makes the determination described in subparagraph (B). Such extension shall be in addition to any extension under paragraph (1).

"(B) DETERMINATION.—The Secretary may grant an extension under subparagraph (A) if the Secretary determines that—

"(i) such extension would carry out the purposes of this Act and would provide adequate protection for participants under the plan and their beneficiaries, and

"(ii) the failure to permit such extension would—

"(I) result in a substantial risk to the voluntary continuation of the plan, or a substantial curtailment of pension benefit levels or employee compensation, and

"(II) be adverse to the interests of plan participants in the aggregate.

"(C) ACTION BY SECRETARY.—The Secretary shall act upon any application for an extension under this paragraph within 180 days of the submission of such application. If the Secretary rejects the application for an extension under this paragraph, the Secretary shall provide notice to the plan detailing the specific reasons for the rejection, including references to the criteria set forth above.

"(3) ADVANCE NOTICE.—

"(A) IN GENERAL.—The Secretary shall, before granting an extension under this subsection, require each applicant to provide evidence satisfactory to such Secretary that the applicant has provided notice of the filing of the application for such extension to each affected party (as defined in section 4001(a)(21) of the Employee Retirement Income Security Act of 1974) with respect to the affected plan. Such notice shall include a description of the extent to which the plan is funded for benefits which are guaranteed under title IV of such Act and for benefit liabilities.

"(B) CONSIDERATION OF RELEVANT INFORMATION.—The Secretary shall consider any relevant information provided by a person to whom notice was given under paragraph (1).".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after 2007.

(2) SPECIAL RULE FOR CERTAIN AMORTIZATION EXTENSIONS.—If the Secretary of the Treasury grants an extension under section 304 of the Employee Retirement Income Security Act of 1974 and section 412(e) of the Internal Revenue Code of 1986 with respect to any application filed with the Secretary of the Treasury on or before June 30, 2005, the extension (and any modification thereof) shall be applied and administered under the rules of such sections as in effect before the enactment of this Act, including the use of the rate of interest determined under section 6621(b) of such Code.

SEC. 212. ADDITIONAL FUNDING RULES FOR MULTIEMPLOYER PLANS IN ENDANGERED OR CRITICAL STATUS.

(a) IN GENERAL.—Subpart A of part III of subchapter D of chapter 1 of the Internal Revenue Code of 1986 (as amended by this Act) is amended by inserting after section 431 the following new section:

"SEC. 432. ADDITIONAL FUNDING RULES FOR MULTIEMPLOYER PLANS IN ENDANGERED STATUS OR CRITICAL STATUS.

"(a) GENERAL RULE.—For purposes of this part, in the case of a multiemployer plan in effect on July 16, 2006—

"(1) if the plan is in endangered status—

"(A) the plan sponsor shall adopt and implement a funding improvement plan in accordance with the requirements of subsection (c), and

"(B) the requirements of subsection (d) shall apply during the funding plan adoption period and the funding improvement period, and

"(2) if the plan is in critical status—

"(A) the plan sponsor shall adopt and implement a rehabilitation plan in accordance with the requirements of subsection (e), and

"(B) the requirements of subsection (f) shall apply during the rehabilitation plan adoption period and the rehabilitation period.

"(b) DETERMINATION OF ENDANGERED AND CRITICAL STATUS.—For purposes of this section—

"(1) ENDANGERED STATUS.—A multiemployer plan is in endangered status for a plan year if, as determined by the plan actuary under paragraph (3), the plan is not in critical status for the plan year and, as of the beginning of the plan year, either—

"(A) the plan's funded percentage for such plan year is less than 80 percent, or

"(B) the plan has an accumulated funding deficiency for such plan year, or is projected to have such an accumulated funding deficiency for any of the 6 succeeding plan years, taking into account any extension of amortization periods under section 431(d).

For purposes of this section, a plan shall be treated as in seriously endangered status for a plan year if the plan is described in both subparagraphs (A) and (B).

"(2) CRITICAL STATUS.—A multiemployer plan is in critical status for a plan year if, as determined by the plan actuary under paragraph (3), the plan is described in 1 or more of the following subparagraphs as of the beginning of the plan year:

"(A) A plan is described in this subparagraph if—

"(i) the funded percentage of the plan is less than 65 percent, and

"(ii) the sum of—

"(I) the fair market value of plan assets, plus

"(II) the present value of the reasonably anticipated employer contributions for the current plan year and each of the 6 succeeding plan years, assuming that the terms of all collective bargaining agreements pursuant to which the plan is maintained for the current plan year continue in effect for succeeding plan years,

is less than the present value of all nonforfeitable benefits projected to be payable under the plan during the current plan year and each of the 6 succeeding plan years (plus administrative expenses for such plan years).

"(B) A plan is described in this subparagraph if—

"(i) the plan has an accumulated funding deficiency for the current plan year, not taking into account any extension of amortization periods under section 431(d), or

"(ii) the plan is projected to have an accumulated funding deficiency for any of the 3 succeeding plan years (4 succeeding plan years if the funded percentage of the plan is 65 percent or less), not taking into account any extension of amortization periods under section 431(d).

"(C) A plan is described in this subparagraph if—

"(i)(I) the plan's normal cost for the current plan year, plus interest (determined at the rate used for determining costs under the plan) for the current plan year on the amount of unfunded benefit liabilities under the plan as of the last date of the preceding plan year, exceeds

"(II) the present value of the reasonably anticipated employer and employee contributions for the current plan year,

"(ii) the present value, as of the beginning of the current plan year, of nonforfeitable benefits of inactive participants is greater than the present value of nonforfeitable benefits of active participants, and

"(iii) the plan has an accumulated funding deficiency for the current plan year, or is projected to have such a deficiency for any of the 4 succeeding plan years, not taking into account any extension of amortization periods under section 431(d).

"(D) A plan is described in this subparagraph if the sum of—

"(i) the fair market value of plan assets, plus

"(ii) the present value of the reasonably anticipated employer contributions for the current plan year and each of the 4 succeeding plan years, assuming that the terms of all collective bargaining agreements pursuant to which the plan is maintained for the current plan year continue in effect for succeeding plan years,

is less than the present value of all benefits projected to be payable under the plan during the current plan year and each of the 4 succeeding plan years (plus administrative expenses for such plan years).

"(3) ANNUAL CERTIFICATION BY PLAN ACTUARY.—

"(A) IN GENERAL.—Not later than the 90th day of each plan year of a multiemployer plan, the plan actuary shall certify to the Secretary and to the plan sponsor—

"(i) whether or not the plan is in endangered status for such plan year and whether or not the plan is or will be in critical status for such plan year, and

"(ii) in the case of a plan which is in a funding improvement or rehabilitation period, whether or not the plan is making the scheduled progress in meeting the requirements of its funding improvement or rehabilitation plan.

"(B) ACTUARIAL PROJECTIONS OF ASSETS AND LIABILITIES.—

"(i) IN GENERAL.—In making the determinations and projections under this subsection, the plan actuary shall make projections required for the current and succeeding plan years of the current value of the assets of the plan and the present value of all liabilities to participants and beneficiaries under the plan for the current plan year as of the beginning of such year. The actuary's projections shall be based on reasonable actuarial estimates, assumptions, and methods that, except as provided in clause (iii), offer the actuary's best estimate of anticipated experience under the plan. The projected present value of liabilities as of the beginning of such year shall be determined based on the most recent of either—

"(I) the actuarial statement required under section 103(d) of the Employee Retirement Income Security Act of 1974 with respect to the most recently filed annual report, or

"(II) the actuarial valuation for the preceding plan year.

"(ii) DETERMINATIONS OF FUTURE CONTRIBUTIONS.—Any actuarial projection of plan assets shall assume—

"(I) reasonably anticipated employer contributions for the current and succeeding plan years, assuming that the terms of the one or more collective bargaining agreements pursuant to which the plan is maintained for the current plan year continue in effect for succeeding plan years, or

"(II) that employer contributions for the most recent plan year will continue indefinitely, but only if the plan actuary determines there have been no significant demographic changes that would make such assumption unreasonable.

"(iii) PROJECTED INDUSTRY ACTIVITY.—Any projection of activity in the industry or industries covered by the plan, including future covered employment and contribution levels, shall be based on information provided by the plan sponsor, which shall act reasonably and in good faith.

"(C) PENALTY FOR FAILURE TO SECURE TIMELY ACTUARIAL CERTIFICATION.—Any failure of the plan's actuary to certify the plan's status under this subsection by the date specified in subparagraph (A) shall be treated for purposes of section 502(c)(2) of the Employee Retirement Income Security Act of 1974 as a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary under section 101(b)(4) of such Act.

"(D) NOTICE.—

"(i) IN GENERAL.—In any case in which it is certified under subparagraph (A) that a multiemployer plan is or will be in endangered or critical status for a plan year, the plan sponsor shall, not later than 30 days after the date of the certification, provide notification of the endangered or critical status to the participants and beneficiaries, the bargaining parties, the Pension Benefit Guaranty Corporation, and the Secretary of Labor.

"(ii) PLANS IN CRITICAL STATUS.—If it is certified under subparagraph (A) that a multiemployer plan is or will be in critical status, the plan sponsor shall include in the notice under clause (i) an explanation of the possibility that—

“(I) adjustable benefits (as defined in subsection (e)(8)) may be reduced, and

“(II) such reductions may apply to participants and beneficiaries whose benefit commencement date is on or after the date such notice is provided for the first plan year in which the plan is in critical status.

“(iii) MODEL NOTICE.—The Secretary of Labor shall prescribe a model notice that a multiemployer plan may use to satisfy the requirements under clause (ii).

“(c) FUNDING IMPROVEMENT PLAN MUST BE ADOPTED FOR MULTIEMPLOYER PLANS IN ENDANGERED STATUS.—

“(1) IN GENERAL.—In any case in which a multiemployer plan is in endangered status for a plan year, the plan sponsor, in accordance with this subsection—

“(A) shall adopt a funding improvement plan not later than 240 days following the required date for the actuarial certification of endangered status under subsection (b)(3)(A), and

“(B) within 30 days after the adoption of the funding improvement plan—

“(i) shall provide to the bargaining parties 1 or more schedules showing revised benefit structures, revised contribution structures, or both, which, if adopted, may reasonably be expected to enable the multiemployer plan to meet the applicable benchmarks in accordance with the funding improvement plan, including—

“(I) one proposal for reductions in the amount of future benefit accruals necessary to achieve the applicable benchmarks, assuming no amendments increasing contributions under the plan (other than amendments increasing contributions necessary to achieve the applicable benchmarks after amendments have reduced future benefit accruals to the maximum extent permitted by law), and

“(II) one proposal for increases in contributions under the plan necessary to achieve the applicable benchmarks, assuming no amendments reducing future benefit accruals under the plan, and

“(ii) may, if the plan sponsor deems appropriate, prepare and provide the bargaining parties with additional information relating to contribution rates or benefit reductions, alternative schedules, or other information relevant to achieving the applicable benchmarks in accordance with the funding improvement plan.

For purposes of this section, the term ‘applicable benchmarks’ means the requirements applicable to the multiemployer plan under paragraph (3) (as modified by paragraph (5)).

“(2) EXCEPTION FOR YEARS AFTER PROCESS BEGINS.—Paragraph (1) shall not apply to a plan year if such year is in a funding plan adoption period or funding improvement period by reason of the plan being in endangered status for a preceding plan year. For purposes of this section, such preceding plan year shall be the initial determination year with respect to the funding improvement plan to which it relates.

“(3) FUNDING IMPROVEMENT PLAN.—For purposes of this section—

“(A) IN GENERAL.—A funding improvement plan is a plan which consists of the actions, including options or a range of options to be proposed to the bargaining parties, formulated to provide, based on reasonably anticipated experience and reasonable actuarial assumptions, for the attainment by the plan during the funding improvement period of the following requirements:

“(i) INCREASE IN PLAN'S FUNDING PERCENTAGE.—The plan's funded percentage as of the close of the funding improvement period equals or exceeds a percentage equal to the sum of—

“(I) such percentage as of the beginning of such period, plus

“(II) 33 percent of the difference between 100 percent and the percentage under subclause (I).

“(ii) AVOIDANCE OF ACCUMULATED FUNDING DEFICIENCIES.—No accumulated funding deficiency for any plan year during the funding improvement period (taking into account any extension of amortization periods under section 304(d)).

“(B) SERIOUSLY ENDANGERED PLANS.—In the case of a plan in seriously endangered status, except as provided in paragraph (5), subparagraph (A)(i)(II) shall be applied by substituting ‘20 percent’ for ‘33 percent’.

“(4) FUNDING IMPROVEMENT PERIOD.—For purposes of this section—

“(A) IN GENERAL.—The funding improvement period for any funding improvement plan adopted pursuant to this subsection is the 10-year period beginning on the first day of the first plan year of the multiemployer plan beginning after the earlier of—

“(i) the second anniversary of the date of the adoption of the funding improvement plan, or

“(ii) the expiration of the collective bargaining agreements in effect on the due date for the actuarial certification of endangered status for the initial determination year under subsection (b)(3)(A) and covering, as of such due date, at least 75 percent of the active participants in such multiemployer plan.

“(B) SERIOUSLY ENDANGERED PLANS.—In the case of a plan in seriously endangered status, except as provided in paragraph (5), subparagraph (A) shall be applied by substituting ‘15-year period’ for ‘10-year period’.

“(C) COORDINATION WITH CHANGES IN STATUS.—

“(i) PLANS NO LONGER IN ENDANGERED STATUS.—If the plan's actuary certifies under subsection (b)(3)(A) for a plan year in any funding plan adoption period or funding improvement period that the plan is no longer in endangered status and is not in critical status, the funding plan adoption period or funding improvement period, whichever is applicable, shall end as of the close of the preceding plan year.

“(ii) PLANS IN CRITICAL STATUS.—If the plan's actuary certifies under subsection (b)(3)(A) for a plan year in any funding plan adoption period or funding improvement period that the plan is in critical status, the funding plan adoption period or funding improvement period, whichever is applicable, shall end as of the close of the plan year preceding the first plan year in the rehabilitation period with respect to such status.

“(D) PLANS IN ENDANGERED STATUS AT END OF PERIOD.—If the plan's actuary certifies under subsection (b)(3)(A) for the first plan year following the close of the period described in subparagraph (A) that the plan is in endangered status, the provisions of this subsection and subsection (d) shall be applied as if such first plan year were an initial determination year, except that the plan may not be amended in a manner inconsistent with the funding improvement plan in effect for the preceding plan year until a new funding improvement plan is adopted.

“(5) SPECIAL RULES FOR SERIOUSLY ENDANGERED PLANS MORE THAN 70 PERCENT FUNDED.—

“(A) IN GENERAL.—If the funded percentage of a plan in seriously endangered status was more than 70 percent as of the beginning of the initial determination year—

“(i) paragraphs (3)(B) and (4)(B) shall apply only if the plan's actuary certifies, within 30 days after the certification under subsection (b)(3)(A) for the initial determination year, that, based on the terms of the plan and the collective bargaining agreements in effect at the time of such certification, the plan is not projected to meet the requirements of paragraph (3)(A) (without regard to paragraphs (3)(B) and (4)(B)), and

“(ii) if there is a certification under clause (i), the plan may, in formulating its funding improvement plan, only take into account the rules of paragraph (3)(B) and (4)(B) for plan years in the funding improvement period beginning on or before the date on which the last of the collective bargaining agreements described in paragraph (4)(A)(ii) expires.

“(B) SPECIAL RULE AFTER EXPIRATION OF AGREEMENTS.—Notwithstanding subparagraph (A)(ii), if, for any plan year ending after the date described in subparagraph (A)(ii), the plan actuary certifies (at the time of the annual certification under subsection (b)(3)(A) for such plan year) that, based on the terms of the plan and collective bargaining agreements in effect at the time of that annual certification, the plan is not projected to be able to meet the requirements of paragraph (3)(A) (without regard to paragraphs (3)(B) and (4)(B)), paragraphs (3)(B) and (4)(B) shall continue to apply for such year.

“(6) UPDATES TO FUNDING IMPROVEMENT PLANS AND SCHEDULES.—

“(A) FUNDING IMPROVEMENT PLAN.—The plan sponsor shall annually update the funding improvement plan and shall file the update with the plan's annual report under section 104 of the Employee Retirement Income Security Act of 1974.

“(B) SCHEDULES.—The plan sponsor shall annually update any schedule of contribution rates provided under this subsection to reflect the experience of the plan.

“(C) DURATION OF SCHEDULE.—A schedule of contribution rates provided by the plan sponsor and relied upon by bargaining parties in negotiating a collective bargaining agreement shall remain in effect for the duration of that collective bargaining agreement.

“(7) IMPOSITION OF DEFAULT SCHEDULE WHERE FAILURE TO ADOPT FUNDING IMPROVEMENT PLAN.—

“(A) IN GENERAL.—If—

“(i) a collective bargaining agreement providing for contributions under a multiemployer plan that was in effect at the time the plan entered endangered status expires, and

“(ii) after receiving one or more schedules from the plan sponsor under paragraph (1)(B), the bargaining parties with respect to such agreement fail to agree on changes to contribution or benefit schedules necessary to meet the applicable benchmarks in accordance with the funding improvement plan,

the plan sponsor shall implement the schedule described in paragraph (1)(B)(i)(I) beginning on the date specified in subparagraph (B).

“(B) DATE OF IMPLEMENTATION.—The date specified in this subparagraph is the earlier of the date—

“(i) on which the Secretary of Labor certifies that the parties are at an impasse, or

“(ii) which is 180 days after the date on which the collective bargaining agreement described in subparagraph (A) expires.

“(8) FUNDING PLAN ADOPTION PERIOD.—For purposes of this section, the term ‘funding plan adoption period’ means the period beginning on the date of the certification under subsection (b)(3)(A) for the initial determination year and ending on the day before the first day of the funding improvement period.

"(d) RULES FOR OPERATION OF PLAN DURING ADOPTION AND IMPROVEMENT PERIODS.—

"(1) SPECIAL RULES FOR PLAN ADOPTION PERIOD.—During the funding plan adoption period—

"(A) the plan sponsor may not accept a collective bargaining agreement or participation agreement with respect to the multiemployer plan that provides for—

"(i) a reduction in the level of contributions for any participants,

"(ii) a suspension of contributions with respect to any period of service, or

"(iii) any new direct or indirect exclusion of younger or newly hired employees from plan participation,

"(B) no amendment of the plan which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan may be adopted unless the amendment is required as a condition of qualification under part I of subchapter D of chapter 1 or to comply with other applicable law, and

"(C) in the case of a plan in seriously endangered status, the plan sponsor shall take all reasonable actions which are consistent with the terms of the plan and applicable law and which are expected, based on reasonable assumptions, to achieve—

"(i) an increase in the plan's funded percentage, and

"(ii) postponement of an accumulated funding deficiency for at least 1 additional plan year.

Actions under subparagraph (C) include applications for extensions of amortization periods under section 431(d), use of the shortfall funding method in making funding standard account computations, amendments to the plan's benefit structure, reductions in future benefit accruals, and other reasonable actions consistent with the terms of the plan and applicable law.

"(2) COMPLIANCE WITH FUNDING IMPROVEMENT PLAN.—

"(A) IN GENERAL.—A plan may not be amended after the date of the adoption of a funding improvement plan so as to be inconsistent with the funding improvement plan.

"(B) NO REDUCTION IN CONTRIBUTIONS.—A plan sponsor may not during any funding improvement period accept a collective bargaining agreement or participation agreement with respect to the multiemployer plan that provides for—

"(i) a reduction in the level of contributions for any participants,

"(ii) a suspension of contributions with respect to any period of service, or

"(iii) any new direct or indirect exclusion of younger or newly hired employees from plan participation.

"(C) SPECIAL RULES FOR BENEFIT INCREASES.—A plan may not be amended after the date of the adoption of a funding improvement plan so as to increase benefits, including future benefit accruals, unless the plan actuary certifies that the benefit increase is consistent with the funding improvement plan and is paid for out of contributions not required by the funding improvement plan to meet the applicable benchmark in accordance with the schedule contemplated in the funding improvement plan.

"(e) REHABILITATION PLAN MUST BE ADOPTED FOR MULTIEMPLOYER PLANS IN CRITICAL STATUS.—

"(1) IN GENERAL.—In any case in which a multiemployer plan is in critical status for a plan year, the plan sponsor, in accordance with this subsection—

"(A) shall adopt a rehabilitation plan not later than 240 days following the required date for the actuarial certification of critical status under subsection (b)(3)(A), and

"(B) within 30 days after the adoption of the rehabilitation plan—

"(i) shall provide to the bargaining parties 1 or more schedules showing revised benefit structures, revised contribution structures, or both, which, if adopted, may reasonably be expected to enable the multiemployer plan to emerge from critical status in accordance with the rehabilitation plan, and

"(ii) may, if the plan sponsor deems appropriate, prepare and provide the bargaining parties with additional information relating to contribution rates or benefit reductions, alternative schedules, or other information relevant to emerging from critical status in accordance with the rehabilitation plan.

The schedule or schedules described in subparagraph (B)(i) shall reflect reductions in future benefit accruals and adjustable benefits, and increases in contributions, that the plan sponsor determines are reasonably necessary to emerge from critical status. One schedule shall be designated as the default schedule and such schedule shall assume that there are no increases in contributions under the plan other than the increases necessary to emerge from critical status after future benefit accruals and other benefits (other than benefits the reduction or elimination of which are not permitted under section 411(d)(6)) have been reduced to the maximum extent permitted by law.

"(2) EXCEPTION FOR YEARS AFTER PROCESS BEGINS.—Paragraph (1) shall not apply to a plan year if such year is in a rehabilitation plan adoption period or rehabilitation period by reason of the plan being in critical status for a preceding plan year. For purposes of this section, such preceding plan year shall be the initial critical year with respect to the rehabilitation plan to which it relates.

"(3) REHABILITATION PLAN.—For purposes of this section—

"(A) IN GENERAL.—A rehabilitation plan is a plan which consists of—

"(i) actions, including options or a range of options to be proposed to the bargaining parties, formulated, based on reasonably anticipated experience and reasonable actuarial assumptions, to enable the plan to cease to be in critical status by the end of the rehabilitation period and may include reductions in plan expenditures (including plan mergers and consolidations), reductions in future benefit accruals or increases in contributions, if agreed to by the bargaining parties, or any combination of such actions, or

"(ii) if the plan sponsor determines that, based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures, the plan can not reasonably be expected to emerge from critical status by the end of the rehabilitation period, reasonable measures to emerge from critical status at a later time or to forestall possible insolvency (within the meaning of section 4245 of the Employee Retirement Income Security Act of 1974).

A rehabilitation plan must provide annual standards for meeting the requirements of such rehabilitation plan. Such plan shall also include the schedules required to be provided under paragraph (1)(B)(i) and if clause (ii) applies, shall set forth the alternatives considered, explain why the plan is not reasonably expected to emerge from critical status by the end of the rehabilitation period, and specify when, if ever, the plan is expected to emerge from critical status in accordance with the rehabilitation plan.

"(B) UPDATES TO REHABILITATION PLAN AND SCHEDULES.—

"(i) REHABILITATION PLAN.—The plan sponsor shall annually update the rehabilitation plan and shall file the update with the plan's annual report under section 104 of the Employee Retirement Income Security Act of 1974.

"(ii) SCHEDULES.—The plan sponsor shall annually update any schedule of contribution rates provided under this subsection to reflect the experience of the plan.

"(iii) DURATION OF SCHEDULE.—A schedule of contribution rates provided by the plan sponsor and relied upon by bargaining parties in negotiating a collective bargaining agreement shall remain in effect for the duration of that collective bargaining agreement.

"(C) IMPOSITION OF DEFAULT SCHEDULE WHERE FAILURE TO ADOPT REHABILITATION PLAN.—

"(i) IN GENERAL.—If—

"(I) a collective bargaining agreement providing for contributions under a multiemployer plan that was in effect at the time the plan entered critical status expires, and

"(II) after receiving one or more schedules from the plan sponsor under paragraph (1)(B), the bargaining parties with respect to such agreement fail to adopt a contribution or benefit schedules with terms consistent with the rehabilitation plan and the schedule from the plan sponsor under paragraph (1)(B)(i),

the plan sponsor shall implement the default schedule described in the last sentence of paragraph (1) beginning on the date specified in clause (ii).

"(ii) DATE OF IMPLEMENTATION.—The date specified in this clause is the earlier of the date—

"(I) on which the Secretary of Labor certifies that the parties are at an impasse, or

"(II) which is 180 days after the date on which the collective bargaining agreement described in clause (i) expires.

"(4) REHABILITATION PERIOD.—For purposes of this section—

"(A) IN GENERAL.—The rehabilitation period for a plan in critical status is the 10-year period beginning on the first day of the first plan year of the multiemployer plan following the earlier of—

"(i) the second anniversary of the date of the adoption of the rehabilitation plan, or

"(ii) the expiration of the collective bargaining agreements in effect on the date of the due date for the actuarial certification of critical status for the initial critical year under subsection (a)(1) and covering, as of such date at least 75 percent of the active participants in such multiemployer plan.

If a plan emerges from critical status as provided under subparagraph (B) before the end of such 10-year period, the rehabilitation period shall end with the plan year preceding the plan year for which the determination under subparagraph (B) is made.

"(B) EMERGENCE.—A plan in critical status shall remain in such status until a plan year for which the plan actuary certifies, in accordance with subsection (b)(3)(A), that the plan is not projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method and taking into account any extension of amortization periods under section 431(d).

“(5) REHABILITATION PLAN ADOPTION PERIOD.—For purposes of this section, the term ‘rehabilitation plan adoption period’ means the period beginning on the date of the certification under subsection (b)(3)(A) for the initial critical year and ending on the day before the first day of the rehabilitation period.

“(6) LIMITATION ON REDUCTION IN RATES OF FUTURE ACCRUALS.—Any reduction in the rate of future accruals under the default schedule described in paragraph (1)(B)(i) shall not reduce the rate of future accruals below—

“(A) a monthly benefit (payable as a single life annuity commencing at the participant's normal retirement age) equal to 1 percent of the contributions required to be made with respect to a participant, or the equivalent standard accrual rate for a participant or group of participants under the collective bargaining agreements in effect as of the first day of the initial critical year, or

“(B) if lower, the accrual rate under the plan on such first day.

The equivalent standard accrual rate shall be determined by the plan sponsor based on the standard or average contribution base units which the plan sponsor determines to be representative for active participants and such other factors as the plan sponsor determines to be relevant. Nothing in this paragraph shall be construed as limiting the ability of the plan sponsor to prepare and provide the bargaining parties with alternative schedules to the default schedule that established lower or higher accrual and contribution rates than the rates otherwise described in this paragraph.

“(7) AUTOMATIC EMPLOYER SURCHARGE.—

“(A) IMPOSITION OF SURCHARGE.—Each employer otherwise obligated to make a contribution for the initial critical year shall be obligated to pay to the plan for such year a surcharge equal to 5 percent of the contribution otherwise required under the applicable collective bargaining agreement (or other agreement pursuant to which the employer contributes). For each succeeding plan year in which the plan is in critical status for a consecutive period of years beginning with the initial critical year, the surcharge shall be 10 percent of the contribution otherwise so required.

“(B) ENFORCEMENT OF SURCHARGE.—The surcharges under subparagraph (A) shall be due and payable on the same schedule as the contributions on which the surcharges are based. Any failure to make a surcharge payment shall be treated as a delinquent contribution under section 515 of the Employee Retirement Income Security Act of 1974 and shall be enforceable as such.

“(C) SURCHARGE TO TERMINATE UPON COLLECTIVE BARGAINING AGREEMENT RENEGOTIATION.—The surcharge under this paragraph shall cease to be effective with respect to employees covered by a collective bargaining agreement (or other agreement pursuant to which the employer contributes), beginning on the effective date of a collective bargaining agreement (or other such agreement) that includes terms consistent with a schedule presented by the plan sponsor under paragraph (1)(B)(i), as modified under subparagraph (B) of paragraph (3).

“(D) SURCHARGE NOT TO APPLY UNTIL EMPLOYER RECEIVES NOTICE.—The surcharge under this paragraph shall not apply to an employer until 30 days after the employer has been notified by the plan sponsor that the plan is in critical status and that the surcharge is in effect.

“(E) SURCHARGE NOT TO GENERATE INCREASED BENEFIT ACCRUALS.—Notwithstanding any provision of a plan to the contrary, the amount of any surcharge under this paragraph shall not be the basis for any benefit accrual under the plan.

“(8) BENEFIT ADJUSTMENTS.—

“(A) ADJUSTABLE BENEFITS.—

“(i) IN GENERAL.—Notwithstanding section 204(g), the plan sponsor shall, subject to the notice requirement under subparagraph (C), make any reductions to adjustable benefits which the plan sponsor deems appropriate, based upon the outcome of collective bargaining over the schedule or schedules provided under paragraph (1)(B)(i).

“(ii) EXCEPTION FOR RETIREES.—Except in the case of adjustable benefits described in clause (iv)(III), the plan sponsor of a plan in critical status shall not reduce adjustable benefits of any participant or beneficiary whose benefit commencement date is before the date on which the plan provides notice to the participant or beneficiary under subsection (b)(3)(D) for the initial critical year.

“(iii) PLAN SPONSOR FLEXIBILITY.—The plan sponsor shall include in the schedules provided to the bargaining parties an allowance for funding the benefits of participants with respect to whom contributions are not currently required to be made, and shall reduce their benefits to the extent permitted under this title and considered appropriate by the plan sponsor based on the plan's then current overall funding status.

“(iv) ADJUSTABLE BENEFIT DEFINED.—For purposes of this paragraph, the term ‘adjustable benefit’ means—

“(I) benefits, rights, and features under the plan, including post-retirement death benefits, 60-month guarantees, disability benefits not yet in pay status, and similar benefits,

“(II) any early retirement benefit or retirement-type subsidy (within the meaning of section 411(d)(6)(B)(i)) and any benefit payment option (other than the qualified joint-and survivor annuity), and

“(III) benefit increases that would not be eligible for a guarantee under section 4022A of the Employee Retirement Income Security Act of 1974 on the first day of initial critical year because the increases were adopted (or, if later, took effect) less than 60 months before such first day.

“(B) NORMAL RETIREMENT BENEFITS PROTECTED.—Except as provided in subparagraph (A)(iv)(III), nothing in this paragraph shall be construed to permit a plan to reduce the level of a participant's accrued benefit payable at normal retirement age.

“(C) NOTICE REQUIREMENTS.—

“(i) IN GENERAL.—No reduction may be made to adjustable benefits under subparagraph (A) unless notice of such reduction has been given at least 30 days before the general effective date of such reduction for all participants and beneficiaries to—

“(I) plan participants and beneficiaries,

“(II) each employer who has an obligation to contribute (within the meaning of section 4212(a)) under the plan, and

“(III) each employee organization which, for purposes of collective bargaining, represents plan participants employed by such an employer.

“(ii) CONTENT OF NOTICE.—The notice under clause (i) shall contain—

“(I) sufficient information to enable participants and beneficiaries to understand the effect of any reduction on their benefits, including an estimate (on an annual or monthly basis) of any affected adjustable benefit that a participant or beneficiary would otherwise have been eligible for as of the general effective date described in clause (i), and

“(II) information as to the rights and remedies of plan participants and beneficiaries as well as how to contact the Department of Labor for further information and assistance where appropriate.

“(iii) FORM AND MANNER.—Any notice under clause (i)—

“(I) shall be provided in a form and manner prescribed in regulations of the Secretary of Labor,

“(II) shall be written in a manner so as to be understood by the average plan participant, and

“(III) may be provided in written, electronic, or other appropriate form to the extent such form is reasonably accessible to persons to whom the notice is required to be provided.

The Secretary of Labor shall in the regulations prescribed under subclause (I) establish a model notice that a plan sponsor may use to meet the requirements of this subparagraph.

“(9) ADJUSTMENTS DISREGARDED IN WITHDRAWAL LIABILITY DETERMINATION.—

“(A) BENEFIT REDUCTIONS.—Any benefit reductions under this subsection shall be disregarded in determining a plan's unfunded vested benefits for purposes of determining an employer's withdrawal liability under section 4201 of the Employee Retirement Income Security Act of 1974.

“(B) SURCHARGES.—Any surcharges under paragraph (7) shall be disregarded in determining an employer's withdrawal liability under section 4211 of such Act, except for purposes of determining the unfunded vested benefits attributable to an employer under section 4211(c)(4) of such Act or a comparable method approved under section 4211(c)(5) of such Act.

“(C) SIMPLIFIED CALCULATIONS.—The Pension Benefit Guaranty Corporation shall prescribe simplified methods for the application of this paragraph in determining withdrawal liability.

“(f) RULES FOR OPERATION OF PLAN DURING ADOPTION AND REHABILITATION PERIOD.—

“(1) COMPLIANCE WITH REHABILITATION PLAN.—

“(A) IN GENERAL.—A plan may not be amended after the date of the adoption of a rehabilitation plan under subsection (e) so as to be inconsistent with the rehabilitation plan.

“(B) SPECIAL RULES FOR BENEFIT INCREASES.—A plan may not be amended after the date of the adoption of a rehabilitation plan under subsection (e) so as to increase benefits, including future benefit accruals, unless the plan actuary certifies that such increase is paid for out of additional contributions not contemplated by the rehabilitation plan, and, after taking into account the benefit increase, the multiemployer plan still is reasonably expected to emerge from critical status by the end of the rehabilitation period on the schedule contemplated in the rehabilitation plan.

“(2) RESTRICTION ON LUMP SUMS AND SIMILAR BENEFITS.—

“(A) IN GENERAL.—Effective on the date the notice of certification of the plan's critical status for the initial critical year under subsection (b)(3)(D) is sent, and notwithstanding section 411(d)(6), the plan shall not pay—

“(i) any payment, in excess of the monthly amount paid under a single life annuity (plus any social security supplements described in the last sentence of section 411(b)(1)(A)),

“(ii) any payment for the purchase of an irrevocable commitment from an insurer to pay benefits, and "(iii) any other payment specified by the Secretary by regulations.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to a benefit which under section 411(a)(11) may be immediately distributed without the consent of the participant or to any makeup payment in the case of a retroactive annuity starting date or any similar payment of benefits owed with respect to a prior period.

"(3) ADJUSTMENTS DISREGARDED IN WITHDRAWAL LIABILITY DETERMINATION.—Any benefit reductions under this subsection shall be disregarded in determining a plan's unfunded vested benefits for purposes of determining an employer's withdrawal liability under section 4201 of the Employee Retirement Income Security Act of 1974.

"(4) SPECIAL RULES FOR PLAN ADOPTION PERIOD.—During the rehabilitation plan adoption period—

"(A) the plan sponsor may not accept a collective bargaining agreement or participation agreement with respect to the multiemployer plan that provides for—

"(i) a reduction in the level of contributions for any participants,

"(ii) a suspension of contributions with respect to any period of service, or

"(iii) any new direct or indirect exclusion of younger or newly hired employees from plan participation, and

"(B) no amendment of the plan which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan may be adopted unless the amendment is required as a condition of qualification under part I of subchapter D of chapter 1 or to comply with other applicable law.

"(g) EXPEDITED RESOLUTION OF PLAN SPONSOR DECISIONS.—If, within 60 days of the due date for adoption of a funding improvement plan or a rehabilitation plan under subsection (e), the plan sponsor of a plan in endangered status or a plan in critical status has not agreed on a funding improvement plan or rehabilitation plan, then any member of the board or group that constitutes the plan sponsor may require that the plan sponsor enter into an expedited dispute resolution procedure for the development and adoption of a funding improvement plan or rehabilitation plan.

"(h) NONBARGAINED PARTICIPATION.—

"(1) BOTH BARGAINED AND NONBARGAINED EMPLOYEE-PARTICIPANTS.—In the case of an employer that contributes to a multiemployer plan with respect to both employees who are covered by one or more collective bargaining agreements and employees who are not so covered, if the plan is in endangered status or in critical status, benefits of and contributions for the nonbargained employees, including surcharges on those contributions, shall be determined as if those nonbargained employees were covered under the first to expire of the employer's collective bargaining agreements in effect when the plan entered endangered or critical status.

"(2) NONBARGAINED EMPLOYEES ONLY.—In the case of an employer that contributes to a multiemployer plan only with respect to employees who are not covered by a collective bargaining agreement, this section shall be applied as if the employer were the bargaining party, and its participation agreement with the plan were a collective bargaining agreement with a term ending on the first day of the plan year beginning after the employer is provided the schedule or schedules described in subsections (c) and (e).

"(i) DEFINITIONS; ACTUARIAL METHOD.—For purposes of this section—

"(1) BARGAINING PARTY.—The term 'bargaining party' means—

"(A)(i) except as provided in clause (ii), an employer who has an obligation to contribute under the plan; or

"(ii) in the case of a plan described under section 404(c), or a continuation of such a plan, the association of employers that is the employer settlor of the plan; and

"(B) an employee organization which, for purposes of collective bargaining, represents plan participants employed by an employer who has an obligation to contribute under the plan.

"(2) FUNDED PERCENTAGE.—The term 'funded percentage' means the percentage equal to a fraction—

"(A) the numerator of which is the value of the plan's assets, as determined under section 431(c)(2), and

"(B) the denominator of which is the accrued liability of the plan, determined using actuarial assumptions described in section 431(c)(3).

"(3) ACCUMULATED FUNDING DEFICIENCY.—The term 'accumulated funding deficiency' has the meaning given such term in section 412(a).

"(4) ACTIVE PARTICIPANT.—The term 'active participant' means, in connection with a multiemployer plan, a participant who is in covered service under the plan.

"(5) INACTIVE PARTICIPANT.—The term 'inactive participant' means, in connection with a multiemployer plan, a participant, or the beneficiary or alternate payee of a participant, who—

"(A) is not in covered service under the plan, and

"(B) is in pay status under the plan or has a nonforfeitable right to benefits under the plan.

"(6) PAY STATUS.—A person is in pay status under a multiemployer plan if—

"(A) at any time during the current plan year, such person is a participant or beneficiary under the plan and is paid an early, late, normal, or disability retirement benefit under the plan (or a death benefit under the plan related to a retirement benefit), or

"(B) to the extent provided in regulations of the Secretary, such person is entitled to such a benefit under the plan.

"(7) OBLIGATION TO CONTRIBUTE.—The term 'obligation to contribute' has the meaning given such term under section 4212(a) of the Employee Retirement Income Security Act of 1974.

"(8) ACTUARIAL METHOD.—Notwithstanding any other provision of this section, the actuary's determinations with respect to a plan's normal cost, actuarial accrued liability, and improvements in a plan's funded percentage under this section shall be based upon the unit credit funding method (whether or not that method is used for the plan's actuarial valuation).

"(9) PLAN SPONSOR.—In the case of a plan described under section 404(c), or a continuation of such a plan, the term 'plan sponsor' means the bargaining parties described under paragraph (1).

"(10) BENEFIT COMMENCEMENT DATE.—The term 'benefit commencement date' means the annuity starting date (or in the case of a retroactive annuity starting date, the date on which benefit payments begin)."

(b) EXCISE TAXES ON FAILURES RELATING TO MULTIEMPLOYER PLANS IN ENDANGERED OR CRITICAL STATUS.—

(1) IN GENERAL.—Section 4971 of the Internal Revenue Code of 1986 is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following:

"(g) MULTIEMPLOYER PLANS IN ENDANGERED OR CRITICAL STATUS.—

"(1) IN GENERAL.—Except as provided in this subsection—

"(A) no tax shall be imposed under this section for a taxable year with respect to a multiemployer plan if, for the plan years ending with or within the taxable year, the plan is in critical status pursuant to section 432, and

"(B) any tax imposed under this subsection for a taxable year with respect to a multiemployer plan if, for the plan years ending with or within the taxable year, the plan is in endangered status pursuant to section 432 shall be in addition to any other tax imposed by this section.

"(2) FAILURE TO COMPLY WITH FUNDING IMPROVEMENT OR REHABILITATION PLAN.—

"(A) IN GENERAL.—If any funding improvement plan or rehabilitation plan in effect under section 432 with respect to a multiemployer plan requires an employer to make a contribution to the plan, there is hereby imposed a tax on each failure of the employer to make the required contribution within the time required under such plan.

"(B) AMOUNT OF TAX.—The amount of the tax imposed by subparagraph (A) shall be equal to the amount of the required contribution the employer failed to make in a timely manner.

"(C) LIABILITY FOR TAX.—The tax imposed by subparagraph (A) shall be paid by the employer responsible for contributing to or under the rehabilitation plan which fails to make the contribution.

"(3) FAILURE TO MEET REQUIREMENTS FOR PLANS IN ENDANGERED OR CRITICAL STATUS.—If—

"(A) a plan which is in seriously endangered status fails to meet the applicable benchmarks by the end of the funding improvement period, or

"(B) a plan which is in critical status either—

"(i) fails to meet the requirements of section 432(e) by the end of the rehabilitation period, or

"(ii) has received a certification under section 432(b)(3)(A)(ii) for 3 consecutive plan years that the plan is not making the scheduled progress in meeting its requirements under the rehabilitation plan,

the plan shall be treated as having an accumulated funding deficiency for purposes of this section for the last plan year in such funding improvement, rehabilitation, or 3-consecutive year period (and each succeeding plan year until such benchmarks or requirements are met) in an amount equal to the greater of the amount of the contributions necessary to meet such benchmarks or requirements or the amount of such accumulated funding deficiency without regard to this paragraph.

"(4) FAILURE TO ADOPT REHABILITATION PLAN.—

"(A) IN GENERAL.—In the case of a multiemployer plan which is in critical status, there is hereby imposed a tax on the failure of such plan to adopt a rehabilitation plan within the time prescribed under section 432.

"(B) AMOUNT OF TAX.—The amount of the tax imposed under subparagraph (A) with respect to any plan sponsor for any taxable year shall be the greater of—

"(i) the amount of tax imposed under subsection (a) for the taxable year (determined without regard to this subsection), or “(ii) the amount equal to $1,100 multiplied by the number of days during the taxable year which are included in the period beginning on the first day of the 240-day period described in section 432(e)(1)(A) and ending on the day on which the rehabilitation plan is adopted.

“(C) LIABILITY FOR TAX.—

“(i) IN GENERAL.—The tax imposed by subparagraph (A) shall be paid by each plan sponsor.

“(ii) PLAN SPONSOR.—For purposes of clause (i), the term ‘plan sponsor’ in the case of a multiemployer plan means the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan.

“(5) WAIVER.—In the case of a failure described in paragraph (2) or (3) which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by this subsection. For purposes of this paragraph, reasonable cause includes unanticipated and material market fluctuations, the loss of a significant contributing employer, or other factors to the extent that the payment of tax under this subsection with respect to the failure would be excessive or otherwise inequitable relative to the failure involved.

“(6) TERMS USED IN SECTION 432.—For purposes of this subsection, any term used in this subsection which is also used in section 432 shall have the meaning given such term by section 432.”.

(2) CONTROLLED GROUPS.—Section 4971(c)(2) of such Code is amended—

(A) by striking “In the case of a plan other than a multiemployer plan, if the” and inserting “If an”, and

(B) by striking “or (f)” and inserting “(f), or (g)”.

(c) NO ADDITIONAL CONTRIBUTION REQUIRED.—Section 412(b) of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new paragraph:

“(3) MULTIEMPLOYER PLANS IN CRITICAL STATUS.—Paragraph (1) shall not apply in the case of a multiemployer plan for any plan year in which the plan is in critical status pursuant to section 432. This paragraph shall only apply if the plan adopts a rehabilitation plan in accordance with section 432(e) and complies with such rehabilitation plan (and any modifications of the plan).”.

(d) CLERICAL AMENDMENT.—The table of sections for subpart A of part III of subchapter D of chapter 1 of such Code is amended by adding at the end the following new item:

“Sec. 432. Additional funding rules for multiemployer plans in endangered status or critical status.”.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to plan years beginning after 2007.

(2) SPECIAL RULE FOR CERTAIN NOTICES.—In any case in which a plan's actuary certifies that it is reasonably expected that a multiemployer plan will be in critical status under section 305(b)(3) of the Employee Retirement Income Security Act of 1974, as added by this section, with respect to the first plan year beginning after 2007, the notice required under subparagraph (D) of such section may be provided at any time after the date of enactment, so long as it is provided on or before the last date for providing the notice under such subparagraph.

(3) SPECIAL RULE FOR CERTAIN RESTORED BENEFITS.—In the case of a multiemployer plan—

(A) with respect to which benefits were reduced pursuant to a plan amendment adopted on or after January 1, 2002, and before June 30, 2005, and

(B) which, pursuant to the plan document, the trust agreement, or a formal written communication from the plan sponsor to participants provided before June 30, 2005, provided for the restoration of such benefits,

the amendments made by this section shall not apply to such benefit restorations to the extent that any restriction on the providing or accrual of such benefits would otherwise apply by reason of such amendments.

SEC. 213. MEASURES TO FORESTALL INSOLVENCY OF MULTIEMPLOYER PLANS.

(a) ADVANCE DETERMINATION OF IMPENDING INSOLVENCY OVER 5 YEARS.—Section 418E(d)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking “3 plan years” the second place it appears and inserting “5 plan years”; and

(2) by adding at the end the following new sentence: “If the plan sponsor makes such a determination that the plan will be insolvent in any of the next 5 plan years, the plan sponsor shall make the comparison under this paragraph at least annually until the plan sponsor makes a determination that the plan will not be insolvent in any of the next 5 plan years.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to the determinations made in plan years beginning after 2007.

SEC. 214. EXEMPTION FROM EXCISE TAXES FOR CERTAIN MULTIEMPLOYER PENSION PLANS.

(a) IN GENERAL.—Notwithstanding any other provision of law, no tax shall be imposed under subsection (a) or (b) of section 4971 of the Internal Revenue Code of 1986 with respect to any accumulated funding deficiency of a plan described in subsection (b) of this section for any taxable year beginning before the earlier of—

(1) the taxable year in which the plan sponsor adopts a rehabilitation plan under section 305(e) of the Employee Retirement Income Security Act of 1974 and section 432(e) of such Code (as added by this Act); or

(2) the taxable year that contains January 1, 2009.

(b) PLAN DESCRIBED.—A plan described under this subsection is a multiemployer pension plan—

(1) with less than 100 participants;

(2) with respect to which the contributing employers participated in a Federal fishery capacity reduction program;

(3) with respect to which employers under the plan participated in the Northeast Fisheries Assistance Program; and

(4) with respect to which the annual normal cost is less than $100,000 and the plan is experiencing a funding deficiency on the date of enactment of this Act.

Subtitle C—Sunset of Additional Funding Rules

SEC. 221. SUNSET OF ADDITIONAL FUNDING RULES.

(a) REPORT.—Not later than December 31, 2011, the Secretary of Labor, the Secretary of the Treasury, and the Executive Director of the Pension Benefit Guaranty Corporation shall conduct a study of the effect of the amendments made by this subtitle on the operation and funding status of multiemployer plans and shall report the results of such study, including any recommendations for legislation, to the Congress.

(b) MATTERS INCLUDED IN STUDY.—The study required under subsection (a) shall include—

(1) the effect of funding difficulties, funding rules in effect before the date of the enactment of this Act, and the amendments made by this subtitle on small businesses participating in multiemployer plans,

(2) the effect on the financial status of small employers of—

(A) funding targets set in funding improvement and rehabilitation plans and associated contribution increases,

(B) funding deficiencies,

(C) excise taxes,

(D) withdrawal liability,

(E) the possibility of alternatives schedules and procedures for financially-troubled employers, and

(F) other aspects of the multiemployer system, and

(3) the role of the multiemployer pension plan system in helping small employers to offer pension benefits.

(c) SUNSET.—

(1) IN GENERAL.—Except as provided in this subsection, notwithstanding any other provision of this Act, the provisions of, and the amendments made by, sections 201(b), 202, and 212 shall not apply to plan years beginning after December 31, 2014.

(2) FUNDING IMPROVEMENT AND REHABILITATION PLANS.—If a plan is operating under a funding improvement or rehabilitation plan under section 305 of such Act or 432 of such Code for its last year beginning before January 1, 2015, such plan shall continue to operate under such funding improvement or rehabilitation plan during any period after December 31, 2014, such funding improvement or rehabilitation plan is in effect and all provisions of such Act or Code relating to the operation of such funding improvement or rehabilitation plan shall continue in effect during such period.

TITLE III—INTEREST RATE ASSUMPTIONS

SEC. 301. EXTENSION OF REPLACEMENT OF 30-YEAR TREASURY RATES.

(a) AMENDMENTS OF ERISA.—

(1) DETERMINATION OF RANGE.—Subclause (II) of section 302(b)(5)(B)(ii) of the Employee Retirement Income Security Act of 1974 is amended—

(A) by striking “2006” and inserting “2008”, and

(B) by striking “**AND 2005**” in the heading and inserting “**, 2005, 2006, AND 2007**”.

(2) DETERMINATION OF CURRENT LIABILITY.—Subclause (IV) of section 302(d)(7)(C)(i) of such Act is amended—

(A) by striking “or 2005” and inserting “, 2005, 2006, or 2007”, and

(B) by striking “**AND 2005**” in the heading and inserting “**, 2005, 2006, AND 2007**”.

(3) PBGC PREMIUM RATE.—Subclause (V) of section 4006(a)(3)(E)(iii) of such Act is amended by striking “2006” and inserting “2008”.

(b) AMENDMENTS OF INTERNAL REVENUE CODE.—

(1) DETERMINATION OF RANGE.—Subclause (II) of section 412(b)(5)(B)(ii) of the Internal Revenue Code of 1986 is amended—

(A) by striking “2006” and inserting “2008”, and

(B) by striking “**AND 2005**” in the heading and inserting “**, 2005, 2006, AND 2007**”.

(2) DETERMINATION OF CURRENT LIABILITY.—Subclause (IV) of section 412(l)(7)(C)(i) of such Code is amended—

(A) by striking “or 2005” and inserting “, 2005, 2006, or 2007”, and

(B) by striking “**AND 2005**” in the heading and inserting “**, 2005, 2006, AND 2007**”.

(c) PLAN AMENDMENTS.—Clause (ii) of section 101(c)(2)(A) of the Pension Funding Equity Act of 2004 is amended by striking “2006” and inserting “2008”.

SEC. 302. INTEREST RATE ASSUMPTION FOR DETERMINATION OF LUMP SUM DISTRIBUTIONS.

(a) AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Paragraph (3) of section 205(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055(g)(3)) is amended to read as follows:

“(3)(A) For purposes of paragraphs (1) and (2), the present value shall not be less than the present value calculated by using the applicable mortality table and the applicable interest rate.

“(B) For purposes of subparagraph (A)—

“(i) The term ‘applicable mortality table’ means a mortality table, modified as appropriate by the Secretary of the Treasury, based on the mortality table specified for the plan year under subparagraph (A) of section 303(h)(3) (without regard to subparagraph (C) or (D) of such section).

“(ii) The term ‘applicable interest rate’ means the adjusted first, second, and third segment rates applied under rules similar to the rules of section 303(h)(2)(C) for the month before the date of the distribution or such other time as the Secretary of the Treasury may by regulations prescribe.

“(iii) For purposes of clause (ii), the adjusted first, second, and third segment rates are the first, second, and third segment rates which would be determined under section 303(h)(2)(C) if—

“(I) section 303(h)(2)(D) were applied by substituting the average yields for the month described in clause (ii) for the average yields for the 24-month period described in such section,

“(II) section 303(h)(2)(G)(i)(II) were applied by substituting ‘section 205(g)(3)(B)(iii)(II)’ for ‘section 302(b)(5)(B)(ii)(II)’, and

“(III) the applicable percentage under section 303(h)(2)(G) were determined in accordance with the following table:

In the case of plan years beginning in:	The applicable percentage is:
2008	20 percent
2009	40 percent
2010	60 percent
2011	80 percent.”.

(b) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Paragraph (3) of section 417(e) of the Internal Revenue Code of 1986 is amended to read as follows:

“(3) DETERMINATION OF PRESENT VALUE.—

“(A) IN GENERAL.—For purposes of paragraphs (1) and (2), the present value shall not be less than the present value calculated by using the applicable mortality table and the applicable interest rate.

“(B) APPLICABLE MORTALITY TABLE.—For purposes of subparagraph (A), the term ‘applicable mortality table’ means a mortality table, modified as appropriate by the Secretary, based on the mortality table specified for the plan year under subparagraph (A) of section 430(h)(3) (without regard to subparagraph (C) or (D) of such section).

“(C) APPLICABLE INTEREST RATE.—For purposes of subparagraph (A), the term ‘applicable interest rate’ means the adjusted first, second, and third segment rates applied under rules similar to the rules of section 430(h)(2)(C) for the month before the date of the distribution or such other time as the Secretary may by regulations prescribe.

“(D) APPLICABLE SEGMENT RATES.—For purposes of subparagraph (C), the adjusted first, second, and third segment rates are the first, second, and third segment rates which would be determined under section 430(h)(2)(C) if—

“(i) section 430(h)(2)(D) were applied by substituting the average yields for the month described in clause (ii) for the average yields for the 24-month period described in such section,

“(ii) section 430(h)(2)(G)(i)(II) were applied by substituting ‘section 417(e)(3)(A)(ii)(II)’ for ‘section 412(b)(5)(B)(ii)(II)’, and

“(iii) the applicable percentage under section 430(h)(2)(G) were determined in accordance with the following table:

In the case of plan years beginning in:	The applicable percentage is:
2008	20 percent
2009	40 percent
2010	60 percent
2011	80 percent.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning after December 31, 2007.

SEC. 303. INTEREST RATE ASSUMPTION FOR APPLYING BENEFIT LIMITATIONS TO LUMP SUM DISTRIBUTIONS.

(a) IN GENERAL.—Clause (ii) of section 415(b)(2)(E) of the Internal Revenue Code of 1986 is amended to read as follows:

“(ii) For purposes of adjusting any benefit under subparagraph (B) for any form of benefit subject to section 417(e)(3), the interest rate assumption shall not be less than the greatest of—

“(I) 5.5 percent,

“(II) the rate that provides a benefit of not more than 105 percent of the benefit that would be provided if the applicable interest rate (as defined in section 417(e)(3)) were the interest rate assumption, or

“(III) the rate specified under the plan.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to distributions made in years beginning after December 31, 2005.

TITLE IV—PBGC GUARANTEE AND RELATED PROVISIONS

SEC. 401. PBGC PREMIUMS.

(a) VARIABLE-RATE PREMIUMS.—

(1) CONFORMING AMENDMENTS RELATED TO FUNDING RULES FOR SINGLE-EMPLOYER PLANS.—Section 4006(a)(3)(E) of the Employee Retirement Income and Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended by striking clauses (iii) and (iv) and inserting the following:

“(iii) For purposes of clause (ii), the term ‘unfunded vested benefits’ means, for a plan year, the excess (if any) of—

“(I) the funding target of the plan as determined under section 303(d) for the plan year by only taking into account vested benefits and by using the interest rate described in clause (iv), over

“(II) the fair market value of plan assets for the plan year which are held by the plan on the valuation date.

“(iv) The interest rate used in valuing benefits for purposes of subclause (I) of clause (iii) shall be equal to the first, second, or third segment rate for the month preceding the month in which the plan year begins, which would be determined under section 303(h)(2)(C) if section 303(h)(2)(D) were applied by using the monthly yields for the month preceding the month in which the plan year begins on investment grade corporate bonds with varying maturities and in the top 3 quality levels rather than the average of such yields for a 24-month period.”.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply with respect to plan years beginning after 2007.

(b) TERMINATION PREMIUMS.—

(1) REPEAL OF SUNSET PROVISION.—Subparagraph (E) of section 4006(a)(7) of such Act is repealed.

(2) TECHNICAL CORRECTION.—

(A) IN GENERAL.—Section 4006(a)(7)(C)(ii) of such Act is amended by striking “subparagraph (B)(i)(I)” and inserting “subparagraph (B)”.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall take effect as if included in the provision of the Deficit Reduction Act of 2005 to which it relates.

SEC. 402. SPECIAL FUNDING RULES FOR CERTAIN PLANS MAINTAINED BY COMMERCIAL AIRLINES.

(a) IN GENERAL.—The plan sponsor of an eligible plan may elect to either—

(1) have the rules of subsection (b) apply, or

(2) have section 303 of the Employee Retirement Income Security Act of 1974 and section 430 of the Internal Revenue Code of 1986 applied to its first taxable year beginning in 2008 by amortizing the shortfall amortization base for such taxable year over a period of 10 plan years (rather than 7 plan years) beginning with such plan year.

(b) ALTERNATIVE FUNDING SCHEDULE.—

(1) IN GENERAL.—If an election is made under subsection (a)(1) to have this subsection apply to an eligible plan and the requirements of paragraphs (2) and (3) are met with respect to the plan—

(A) in the case of any applicable plan year beginning before January 1, 2008, the plan shall not have an accumulated funding deficiency for purposes of section 302 of the Employee Retirement Income Security Act of 1974 and sections 412 and 4971 of the Internal Revenue Code of 1986 if contributions to the plan for the plan year are not less than the minimum required contribution determined under subsection (e) for the plan for the plan year, and

(B) in the case of any applicable plan year beginning on or after January 1, 2008, the minimum required contribution determined under sections 303 of such Act and 430 of such Code shall, for purposes of sections 302 and 303 of such Act and sections 412, 430, and 4971 of such Code, be equal to the minimum required contribution determined under subsection (e) for the plan for the plan year.

(2) ACCRUAL RESTRICTIONS.—

(A) IN GENERAL.—The requirements of this paragraph are met if, effective as of the first day of the first applicable plan year and at all times thereafter while an election under this section is in effect, the plan provides that—

(i) the accrued benefit, any death or disability benefit, and any social security supplement described in the last sentence of section 411(a)(9) of such Code and section 204(b)(1)(G) of such Act, of each participant are frozen at the amount of such benefit or supplement immediately before such first day, and

(ii) all other benefits under the plan are eliminated,

but only to the extent the freezing or elimination of such benefits would have been permitted under section 411(d)(6) of such Code and section 204(g) of such Act if they had been implemented by a plan amendment adopted immediately before such first day.

(B) INCREASES IN SECTION 415 LIMITS.—If a plan provides that an accrued benefit of a participant which has been subject to any limitation under section 415 of such Code will be increased if such limitation is increased, the plan shall not be treated as meeting the requirements of this section unless, effective as of the first day of the first applicable plan year (or, if later, the date of the enactment of this Act) and at all times thereafter while an election under this section is in effect, the plan provides that any such increase shall not take effect. A plan shall not fail to meet the requirements of section 411(d)(6) of such Code and section 204(g) of such Act solely because the plan is amended to meet the requirements of this subparagraph.

(3) RESTRICTION ON APPLICABLE BENEFIT INCREASES.—

(A) IN GENERAL.—The requirements of this paragraph are met if no applicable benefit increase takes effect at any time during the period beginning on July 26, 2005, and ending on the day before the first day of the first applicable plan year.

(B) APPLICABLE BENEFIT INCREASE.—For purposes of this paragraph, the term "applicable benefit increase" means, with respect to any plan year, any increase in liabilities of the plan by plan amendment (or otherwise provided in regulations provided by the Secretary) which, but for this paragraph, would occur during the plan year by reason of—

(i) any increase in benefits,

(ii) any change in the accrual of benefits, or

(iii) any change in the rate at which benefits become nonforfeitable under the plan.

(4) EXCEPTION FOR IMPUTED DISABILITY SERVICE.—Paragraphs (2) and (3) shall not apply to any accrual or increase with respect to imputed service provided to a participant during any period of the participant's disability occurring on or after the effective date of the plan amendment providing the restrictions under paragraph (2) (or on or after July 26, 2005, in the case of the restrictions under paragraph (3)) if the participant—

(A) was receiving disability benefits as of such date, or

(B) was receiving sick pay and subsequently determined to be eligible for disability benefits as of such date.

(c) DEFINITIONS.—For purposes of this section—

(1) ELIGIBLE PLAN.—The term "eligible plan" means a defined benefit plan (other than a multiemployer plan) to which sections 302 of such Act and 412 of such Code applies which is sponsored by an employer—

(A) which is a commercial airline passenger airline, or

(B) the principal business of which is providing catering services to a commercial passenger airline.

(2) APPLICABLE PLAN YEAR.—The term "applicable plan year" means each plan year to which the election under subsection (a)(1) applies under subsection (d)(1)(A).

(d) ELECTIONS AND RELATED TERMS.—

(1) YEARS FOR WHICH ELECTION MADE.—

(A) ALTERNATIVE FUNDING SCHEDULE.—If an election under subsection (a)(1) was made with respect to an eligible plan, the plan sponsor may select either a plan year beginning in 2006 or a plan year beginning in 2007 as the first plan year to which such election applies. The election shall apply to such plan year and all subsequent years. The election shall be made—

(i) not later than December 31, 2006, in the case of an election for a plan year beginning in 2006, or

(ii) not later than December 31, 2007, in the case of an election for a plan year beginning in 2007.

(B) 10 YEAR AMORTIZATION.—An election under subsection (a)(2) shall be made not later than December 31, 2007.

(C) ELECTION OF NEW PLAN YEAR FOR ALTERNATIVE FUNDING SCHEDULE.—In the case of an election under subsection (a)(1), the plan sponsor may specify a new plan year in such election and the plan year of the plan may be changed to such new plan year without the approval of the Secretary of the Treasury.

(2) MANNER OF ELECTION.—A plan sponsor shall make any election under subsection (a) in such manner as the Secretary of the Treasury may prescribe. Such election, once made, may be revoked only with the consent of such Secretary.

(e) MINIMUM REQUIRED CONTRIBUTION.—In the case of an eligible plan with respect to which an election is made under subsection (a)(1)—

(1) IN GENERAL.—In the case of any applicable plan year during the amortization period, the minimum required contribution shall be the amount necessary to amortize the unfunded liability of the plan, determined as of the first day of the plan year, in equal annual installments (until fully amortized) over the remainder of the amortization period. Such amount shall be separately determined for each applicable plan year.

(2) YEARS AFTER AMORTIZATION PERIOD.—In the case of any plan year beginning after the end of the amortization period, section 302(a)(2)(A) of such Act and section 412(a)(2)(A) of such Code shall apply to such plan, but the prefunding balance and funding standard carryover balance as of the first day of the first of such years under section 303(f) of such Act and section 430(f) of such Code shall be zero.

(3) DEFINITIONS.—For purposes of this section—

(A) UNFUNDED LIABILITY.—The term "unfunded liability" means the unfunded accrued liability under the plan, determined under the unit credit funding method.

(B) AMORTIZATION PERIOD.—The term "amortization period" means the 17-plan year period beginning with the first applicable plan year.

(4) OTHER RULES.—In determining the minimum required contribution and amortization amount under this subsection—

(A) the provisions of section 302(c)(3) of such Act and section 412(c)(3) of such Code, as in effect before the date of enactment of this section, shall apply,

(B) a rate of interest of 8.85 percent shall be used for all calculations requiring an interest rate, and

(C) the value of plan assets shall be equal to their fair market value.

(5) SPECIAL RULE FOR CERTAIN PLAN SPINOFFS.—For purposes of subsection (b), if, with respect to any eligible plan to which this subsection applies—

(A) any applicable plan year includes the date of the enactment of this Act,

(B) a plan was spun off from the eligible plan during the plan year but before such date of enactment,

the minimum required contribution under paragraph (1) for the eligible plan for such applicable plan year shall be an aggregate amount determined as if the plans were a single plan for that plan year (based on the full 12-month plan year in effect prior to the spin-off). The employer shall designate the allocation of such aggregate amount between such plans for the applicable plan year.

(f) SPECIAL RULES FOR CERTAIN BALANCES AND WAIVERS.—In the case of an eligible plan with respect to which an election is made under subsection (a)(1)—

(1) FUNDING STANDARD ACCOUNT AND CREDIT BALANCES.—Any charge or credit in the funding standard account under section 302 of such Act or section 412 of such Code, and any prefunding balance or funding standard carryover balance under section 303 of such Act or section 430 of such Code, as of the day before the first day of the first applicable plan year, shall be reduced to zero.

(2) WAIVED FUNDING DEFICIENCIES.—Any waived funding deficiency under sections 302 and 303 of such Act or section 412 of such Code, as in effect before the date of enactment of this section, shall be deemed satisfied as of the first day of the first applicable plan year and the amount of such waived funding deficiency shall be taken into account in determining the plan's unfunded liability under subsection (e)(3)(A). In the case of a plan amendment adopted to satisfy the requirements of subsection (b)(2), the plan shall not be deemed to violate section 304(b) of such Act or section 412(f) of such Code, as so in effect, by reason of such amendment or any increase in benefits provided to such plan's participants under a separate plan that is a defined contribution plan or a multiemployer plan.

(g) OTHER RULES FOR PLANS MAKING ELECTION UNDER THIS SECTION.—

(1) SUCCESSOR PLANS TO CERTAIN PLANS.—If—

(A) an election under paragraph (1) or (2) of subsection (a) is in effect with respect to any eligible plan, and

(B) the eligible plan is maintained by an employer that establishes or maintains 1 or more other defined benefit plans (other than any multiemployer plan), and such other plans in combination provide benefit accruals to any substantial number of successor employees,

the Secretary of the Treasury may, in the Secretary's discretion, determine that any trust of which any other such plan is a part does not constitute a qualified trust under section 401(a) of the Internal Revenue Code of 1986 unless all benefit obligations of the eligible plan have been satisfied. For purposes of this paragraph, the term "successor employee" means any employee who is or was covered by the eligible plan and any employees who perform substantially the same type of work with respect to the same business operations as an employee covered by such eligible plan.

(2) SPECIAL RULES FOR TERMINATIONS.—

(A) PBGC LIABILITY LIMITED.—Section 4022 of the Employee Retirement Income Security Act of 1974, as amended by this Act, is amended by adding at the end the following new subsection:

"(h) SPECIAL RULE FOR PLANS ELECTING CERTAIN FUNDING REQUIREMENTS.—If any plan makes an election under section 402(a)(1) of the Pension Protection Act of 2006 and is terminated effective before the end of the 10-year period beginning on the first day of the first applicable plan year—

"(1) this section shall be applied—

"(A) by treating the first day of the first applicable plan year as the termination date of the plan, and

"(B) by determining the amount of guaranteed benefits on the basis of plan assets and liabilities as of such assumed termination date, and

"(2) notwithstanding section 4044(a), plan assets shall first be allocated to pay the amount, if any, by which—

"(A) the amount of guaranteed benefits under this section (determined without regard to paragraph (1) and on the basis of plan assets and liabilities as of the actual date of plan termination), exceeds

"(B) the amount determined under paragraph (1).".

(B) TERMINATION PREMIUM.—In applying section 4006(a)(7)(A) of the Employee Retirement Income Security Act of 1974 to an eligible plan during any period in which an election under subsection (a)(1) is in effect—

(i) "$2,500" shall be substituted for "$1,250" in such section if such plan terminates during the 5-year period beginning on the first day of the first applicable plan year with respect to such plan, and

(ii) such section shall be applied without regard to subparagraph (B) of section 8101(d)(2) of the Deficit Reduction Act of 2005 (relating to special rule for plans terminated in bankruptcy).

The substitution described in clause (i) shall not apply with respect to any plan if the Secretary of Labor determines that such plan terminated as a result of extraordinary circumstances such as a terrorist attack or other similar event.

(3) Limitation on deductions under certain plans.—Section 404(a)(7)(C)(iv) of the Internal Revenue Code of 1986, as added by this Act, shall not apply with respect to any taxable year of a plan sponsor of an eligible plan if any applicable plan year with respect to such plan ends with or within such taxable year.

(4) Notice.—In the case of a plan amendment adopted in order to comply with this section, any notice required under section 204(h) of such Act or section 4980F(e) of such Code shall be provided within 15 days of the effective date of such plan amendment. This subsection shall not apply to any plan unless such plan is maintained pursuant to one or more collective bargaining agreements between employee representatives and 1 or more employers.

(h) Exclusion of Certain Employees From Minimum Coverage Requirements.—

(1) In general.—Section 410(b)(3) of such Code is amended by striking the last sentence and inserting the following: "For purposes of subparagraph (B), management pilots who are not represented in accordance with title II of the Railway Labor Act shall be treated as covered by a collective bargaining agreement described in such subparagraph if the management pilots manage the flight operations of air pilots who are so represented and the management pilots are, pursuant to the terms of the agreement, included in the group of employees benefitting under the trust described in such subparagraph. Subparagraph (B) shall not apply in the case of a plan which provides contributions or benefits for employees whose principal duties are not customarily performed aboard an aircraft in flight (other than management pilots described in the preceding sentence)."

(2) Effective date.—The amendment made by this subsection shall apply to years beginning before, on, or after the date of the enactment of this Act.

(i) Extension of Special Rule for Additional Funding Requirements.—In the case of an employer which is a commercial passenger airline, section 302(d)(12) of the Employee Retirement Income Security Act of 1974 and section 412(l)(12) of the Internal Revenue Code of 1986, as in effect before the date of the enactment of this Act, shall each be applied—

(1) by substituting "December 28, 2007" for "December 28, 2005" in subparagraph (D)(i) thereof, and

(2) without regard to subparagraph (D)(ii).

(j) Effective Date.—Except as otherwise provided in this section, the provisions of and amendments made by this section shall apply to plan years ending after the date of the enactment of this Act.

SEC. 403. LIMITATION ON PBGC GUARANTEE OF SHUTDOWN AND OTHER BENEFITS.

(a) In General.—Section 4022(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322(b)) is amended by adding at the end the following:

"(8) If an unpredictable contingent event benefit (as defined in section 206(g)(1)) is payable by reason of the occurrence of any event, this section shall be applied as if a plan amendment had been adopted on the date such event occurred.".

(b) Effective Date.—The amendment made by this section shall apply to benefits that become payable as a result of an event which occurs after July 26, 2005.

SEC. 404. RULES RELATING TO BANKRUPTCY OF EMPLOYER.

(a) Guarantee.—Section 4022 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322) is amended by adding at the end the following:

"(g) Bankruptcy Filing Substituted for Termination Date.—If a contributing sponsor of a plan has filed or has had filed against such person a petition seeking liquidation or reorganization in a case under title 11, United States Code, or under any similar Federal law or law of a State or political subdivision, and the case has not been dismissed as of the termination date of the plan, then this section shall be applied by treating the date such petition was filed as the termination date of the plan.".

(b) Allocation of Assets Among Priority Groups in Bankruptcy Proceedings.—Section 4044 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1344) is amended by adding at the end the following:

"(e) Bankruptcy Filing Substituted for Termination Date.—If a contributing sponsor of a plan has filed or has had filed against such person a petition seeking liquidation or reorganization in a case under title 11, United States Code, or under any similar Federal law or law of a State or political subdivision, and the case has not been dismissed as of the termination date of the plan, then subsection (a)(3) shall be applied by treating the date such petition was filed as the termination date of the plan.".

(c) Effective Date.—The amendments made this section shall apply with respect to proceedings initiated under title 11, United States Code, or under any similar Federal law or law of a State or political subdivision, on or after the date that is 30 days after the date of enactment of this Act.

SEC. 405. PBGC PREMIUMS FOR SMALL PLANS.

(a) Small Plans.—Paragraph (3) of section 4006(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)) is amended—

(1) by striking "The additional" in subparagraph (E)(i) and inserting "Except as provided in subparagraph (H), the additional", and

(2) by inserting after subparagraph (G) the following new subparagraph:

"(H)(i) In the case of an employer who has 25 or fewer employees on the first day of the plan year, the additional premium determined under subparagraph (E) for each participant shall not exceed $5 multiplied by the number of participants in the plan as of the close of the preceding plan year.

"(ii) For purposes of clause (i), whether an employer has 25 or fewer employees on the first day of the plan year is determined by taking into consideration all of the employees of all members of the contributing sponsor's controlled group. In the case of a plan maintained by two or more contributing sponsors, the employees of all contributing sponsors and their controlled groups shall be aggregated for purposes of determining whether the 25-or-fewer-employees limitation has been satisfied."

(b) Effective Dates.—The amendment made by this section shall apply to plan years beginning after December 31, 2006.

SEC. 406. AUTHORIZATION FOR PBGC TO PAY INTEREST ON PREMIUM OVERPAYMENT REFUNDS.

(a) In General.—Section 4007(b) of the Employment Retirement Income Security Act of 1974 (29 U.S.C. 1307(b)) is amended—

(1) by striking "(b)" and inserting "(b)(1)", and

(2) by inserting at the end the following new paragraph:

"(2) The corporation is authorized to pay, subject to regulations prescribed by the corporation, interest on the amount of any overpayment of premium refunded to a designated payor. Interest under this paragraph shall be calculated at the same rate and in the same manner as interest is calculated for underpayments under paragraph (1)."

(b) Effective Date.—The amendments made by subsection (a) shall apply to interest accruing for periods beginning not earlier than the date of the enactment of this Act.

SEC. 407. RULES FOR SUBSTANTIAL OWNER BENEFITS IN TERMINATED PLANS.

(a) Modification of Phase-In of Guarantee.—Section 4022(b)(5) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322(b)(5)) is amended to read as follows:

"(5)(A) For purposes of this paragraph, the term 'majority owner' means an individual who, at any time during the 60-month period ending on the date the determination is being made—

"(i) owns the entire interest in an unincorporated trade or business,

"(ii) in the case of a partnership, is a partner who owns, directly or indirectly, 50 percent or more of either the capital interest or the profits interest in such partnership, or

"(iii) in the case of a corporation, owns, directly or indirectly, 50 percent or more in value of either the voting stock of that corporation or all the stock of that corporation. For purposes of clause (iii), the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1986 (other than paragraph (3)(C) thereof) shall apply, including the application of such rules under section 414(c) of such Code.

"(B) In the case of a participant who is a majority owner, the amount of benefits guaranteed under this section shall equal the product of—

"(i) a fraction (not to exceed 1) the numerator of which is the number of years from the later of the effective date or the adoption date of the plan to the termination date, and the denominator of which is 10, and

"(ii) the amount of benefits that would be guaranteed under this section if the participant were not a majority owner."

(b) Modification of Allocation of Assets.—

(1) Section 4044(a)(4)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1344(a)(4)(B)) is amended by striking "section 4022(b)(5)" and inserting "section 4022(b)(5)(B)".

(2) Section 4044(b) of such Act (29 U.S.C. 1344(b)) is amended—

(A) by striking "(5)" in paragraph (2) and inserting "(4), (5),", and

(B) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3) If assets available for allocation under paragraph (4) of subsection (a) are insufficient to satisfy in full the benefits of all individuals who are described in that paragraph, the assets shall be allocated first to benefits described in subparagraph (A) of that paragraph. Any remaining assets shall then be allocated to benefits described in subparagraph (B) of that paragraph. If assets allocated to such subparagraph (B) are insufficient to satisfy in full the benefits described in that subparagraph, the assets shall be allocated pro rata among individuals on the basis of the present value (as of the termination date) of their respective benefits described in that subparagraph."

(c) CONFORMING AMENDMENTS.—

(1) Section 4021 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1321) is amended—

(A) in subsection (b)(9), by striking "as defined in section 4022(b)(6)", and

(B) by adding at the end the following new subsection:

"(d) For purposes of subsection (b)(9), the term 'substantial owner' means an individual who, at any time during the 60-month period ending on the date the determination is being made—

"(1) owns the entire interest in an unincorporated trade or business,

"(2) in the case of a partnership, is a partner who owns, directly or indirectly, more than 10 percent of either the capital interest or the profits interest in such partnership, or

"(3) in the case of a corporation, owns, directly or indirectly, more than 10 percent in value of either the voting stock of that corporation or all the stock of that corporation. For purposes of paragraph (3), the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1986 (other than paragraph (3)(C) thereof) shall apply, including the application of such rules under section 414(c) of such Code."

(2) Section 4043(c)(7) of such Act (29 U.S.C. 1343(c)(7)) is amended by striking "section 4022(b)(6)" and inserting "section 4021(d)".

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to plan terminations—

(A) under section 4041(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341(c)) with respect to which notices of intent to terminate are provided under section 4041(a)(2) of such Act (29 U.S.C. 1341(a)(2)) after December 31, 2005, and

(B) under section 4042 of such Act (29 U.S.C. 1342) with respect to which notices of determination are provided under such section after such date.

(2) CONFORMING AMENDMENTS.—The amendments made by subsection (c) shall take effect on January 1, 2006.

SEC. 408. ACCELERATION OF PBGC COMPUTATION OF BENEFITS ATTRIBUTABLE TO RECOVERIES FROM EMPLOYERS.

(a) MODIFICATION OF AVERAGE RECOVERY PERCENTAGE OF OUTSTANDING AMOUNT OF BENEFIT LIABILITIES PAYABLE BY CORPORATION TO PARTICIPANTS AND BENEFICIARIES.—Section 4022(c)(3)(B)(ii) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322(c)(3)(B)(ii)) is amended to read as follows:

"(ii) notices of intent to terminate were provided (or in the case of a termination by the corporation, a notice of determination under section 4042 was issued) during the 5-Federal fiscal year period ending with the third fiscal year preceding the fiscal year in which occurs the date of the notice of intent to terminate (or the notice of determination under section 4042) with respect to the plan termination for which the recovery ratio is being determined."

(b) VALUATION OF SECTION 4062(c) LIABILITY FOR DETERMINING AMOUNTS PAYABLE BY CORPORATION TO PARTICIPANTS AND BENEFICIARIES.—

(1) SINGLE-EMPLOYER PLAN BENEFITS GUARANTEED.—Section 4022(c)(3)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 13) is amended to read as follows:

"(A) IN GENERAL.—Except as provided in subparagraph (C), the term 'recovery ratio' means the ratio which—

"(i) the sum of the values of all recoveries under section 4062, 4063, or 4064, determined by the corporation in connection with plan terminations described under subparagraph (B), bears to

"(ii) the sum of all unfunded benefit liabilities under such plans as of the termination date in connection with any such prior termination.".

(2) ALLOCATION OF ASSETS.—Section 4044 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1362) is amended by adding at the end the following new subsection:

"(e) VALUATION OF SECTION 4062(c) LIABILITY FOR DETERMINING AMOUNTS PAYABLE BY CORPORATION TO PARTICIPANTS AND BENEFICIARIES.—

"(1) IN GENERAL.—In the case of a terminated plan, the value of the recovery of liability under section 4062(c) allocable as a plan asset under this section for purposes of determining the amount of benefits payable by the corporation shall be determined by multiplying—

"(A) the amount of liability under section 4062(c) as of the termination date of the plan, by

"(B) the applicable section 4062(c) recovery ratio.

"(2) SECTION 4062(c) RECOVERY RATIO.—For purposes of this subsection—

"(A) IN GENERAL.—Except as provided in subparagraph (C), the term 'section 4062(c) recovery ratio' means the ratio which—

"(i) the sum of the values of all recoveries under section 4062(c) determined by the corporation in connection with plan terminations described under subparagraph (B), bears to

"(ii) the sum of all the amounts of liability under section 4062(c) with respect to such plans as of the termination date in connection with any such prior termination.

"(B) PRIOR TERMINATIONS.—A plan termination described in this subparagraph is a termination with respect to which—

"(i) the value of recoveries under section 4062(c) have been determined by the corporation, and

"(ii) notices of intent to terminate were provided (or in the case of a termination by the corporation, a notice of determination under section 4042 was issued) during the 5-Federal fiscal year period ending with the third fiscal year preceding the fiscal year in which occurs the date of the notice of intent to terminate (or the notice of determination under section 4042) with respect to the plan termination for which the recovery ratio is being determined.

"(C) EXCEPTION.—In the case of a terminated plan with respect to which the outstanding amount of benefit liabilities exceeds $20,000,000, the term 'section 4062(c) recovery ratio' means, with respect to the termination of such plan, the ratio of—

"(i) the value of the recoveries on behalf of the plan under section 4062(c), to

"(ii) the amount of the liability owed under section 4062(c) as of the date of plan termination to the trustee appointed under section 4042 (b) or (c).

"(3) SUBSECTION NOT TO APPLY.—This subsection shall not apply with respect to the determination of—

"(A) whether the amount of outstanding benefit liabilities exceeds $20,000,000, or

"(B) the amount of any liability under section 4062 to the corporation or the trustee appointed under section 4042 (b) or (c).

"(4) DETERMINATIONS.—Determinations under this subsection shall be made by the corporation. Such determinations shall be binding unless shown by clear and convincing evidence to be unreasonable."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply for any termination for which notices of intent to terminate are provided (or in the case of a termination by the corporation, a notice of determination under section 4042 under the Employee Retirement Income Security Act of 1974 is issued) on or after the date which is 30 days after the date of enactment of this section.

SEC. 409. TREATMENT OF CERTAIN PLANS WHERE CESSATION OR CHANGE IN MEMBERSHIP OF A CONTROLLED GROUP.

(a) IN GENERAL.—Section 4041(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341(b)) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR CERTAIN PLANS WHERE CESSATION OR CHANGE IN MEMBERSHIP OF A CONTROLLED GROUP.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), if—

"(i) there is transaction or series of transactions which result in a person ceasing to be a member of a controlled group, and

"(ii) such person immediately before the transaction or series of transactions maintained a single-employer plan which is a defined benefit plan which is fully funded,

then the interest rate used in determining whether the plan is sufficient for benefit liabilities or to otherwise assess plan liabilities for purposes of this subsection or section 4042(a)(4) shall be not less than the interest rate used in determining whether the plan is fully funded.

"(B) LIMITATIONS.—Subparagraph (A) shall not apply to any transaction or series of transactions unless—

"(i) any employer maintaining the plan immediately before or after such transaction or series of transactions—

"(I) has an outstanding senior unsecured debt instrument which is rated investment grade by each of the nationally recognized statistical rating organizations for corporate bonds that has issued a credit rating for such instrument, or

"(II) if no such debt instrument of such employer has been rated by such an organization but 1 or more of such organizations has made an issuer credit rating for such employer, all such organizations which have so rated the employer have rated such employer investment grade, and

"(ii) the employer maintaining the plan after the transaction or series of transactions employs at least 20 percent of the employees located in the United States who were employed by such employer immediately before the transaction or series of transactions.

"(C) FULLY FUNDED.—For purposes of subparagraph (A), a plan shall be treated as fully funded with respect to any transaction or series of transactions if—

"(i) in the case of a transaction or series of transactions which occur in a plan year beginning before January 1, 2008, the funded current liability percentage determined under section 302(d) for the plan year is at least 100 percent, and

"(ii) in the case of a transaction or series of transactions which occur in a plan year beginning on or after such date, the funding target attainment percentage determined under section 303 is, as of the valuation date for such plan year, at least 100 percent.

"(D) 2 YEAR LIMITATION.—Subparagraph (A) shall not apply to any transaction or series of transaction if the plan referred to in subparagraph (A)(ii) is terminated under section 4041(c) or 4042 after the close of the 2-year period beginning on the date on which the first such transaction occurs."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to any transaction or series of transactions occurring on and after the date of the enactment of this Act.

SEC. 410. MISSING PARTICIPANTS.

(a) IN GENERAL.—Section 4050 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1350) is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

"(c) MULTIEMPLOYER PLANS.—The corporation shall prescribe rules similar to the rules in subsection (a) for multiemployer plans covered by this title that terminate under section 4041A.

"(d) PLANS NOT OTHERWISE SUBJECT TO TITLE.—

"(1) TRANSFER TO CORPORATION.—The plan administrator of a plan described in paragraph (4) may elect to transfer a missing participant's benefits to the corporation upon termination of the plan.

"(2) INFORMATION TO THE CORPORATION.—To the extent provided in regulations, the plan administrator of a plan described in paragraph (4) shall, upon termination of the plan, provide the corporation information with respect to benefits of a missing participant if the plan transfers such benefits—

"(A) to the corporation, or

"(B) to an entity other than the corporation or a plan described in paragraph (4)(B)(ii).

"(3) PAYMENT BY THE CORPORATION.—If benefits of a missing participant were transferred to the corporation under paragraph (1), the corporation shall, upon location of the participant or beneficiary, pay to the participant or beneficiary the amount transferred (or the appropriate survivor benefit) either—

"(A) in a single sum (plus interest), or

"(B) in such other form as is specified in regulations of the corporation.

"(4) PLANS DESCRIBED.—A plan is described in this paragraph if—

"(A) the plan is a pension plan (within the meaning of section 3(2))—

"(i) to which the provisions of this section do not apply (without regard to this subsection), and

"(ii) which is not a plan described in paragraphs (2) through (11) of section 4021(b), and

"(B) at the time the assets are to be distributed upon termination, the plan—

"(i) has missing participants, and

"(ii) has not provided for the transfer of assets to pay the benefits of all missing participants to another pension plan (within the meaning of section 3(2)).

"(5) CERTAIN PROVISIONS NOT TO APPLY.—Subsections (a)(1) and (a)(3) shall not apply to a plan described in paragraph (4).".

(b) CONFORMING AMENDMENTS.—Section 206(f) of such Act (29 U.S.C. 1056(f)) is amended—

(1) by striking "title IV" and inserting "section 4050"; and

(2) by striking "the plan shall provide that,".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after final regulations implementing subsections (c) and (d) of section 4050 of the Employee Retirement Income Security Act of 1974 (as added by subsection (a)), respectively, are prescribed.

SEC. 411. DIRECTOR OF THE PENSION BENEFIT GUARANTY CORPORATION.

(a) IN GENERAL.—Title IV of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1301 et seq.) is amended—

(1) by striking the second sentence of section 4002(a) and inserting the following: "In carrying out its functions under this title, the corporation shall be administered by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall act in accordance with the policies established by the board."; and

(2) in section 4003(b), by—

(A) striking "under this title, any member" and inserting "under this title, the Director, any member"; and

(B) striking "designated by the chairman" and inserting "designated by the Director or chairman".

(b) COMPENSATION OF DIRECTOR.—Section 5314 of title 5, United States Code, is amended by adding at the end the following new item:

"Director, Pension Benefit Guaranty Corporation.".

(c) JURISDICTION OF NOMINATION.—

(1) IN GENERAL.—The Committee on Finance of the Senate and the Committee on Health, Education, Labor, and Pensions of the Senate shall have joint jurisdiction over the nomination of a person nominated by the President to fill the position of Director of the Pension Benefit Guaranty Corporation under section 4002 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1302) (as amended by this Act), and if one committee votes to order reported such a nomination, the other shall report within 30 calendar days, or be automatically discharged.

(2) RULEMAKING OF THE SENATE.—This subsection is enacted by Congress—

(A) as an exercise of rulemaking power of the Senate, and as such it is deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of a nomination described in such sentence, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

(d) TRANSITION.—The term of the individual serving as Executive Director of the Pension Benefit Guaranty Corporation on the date of enactment of this Act shall expire on such date of enactment. Such individual, or any other individual, may serve as interim Director of such Corporation until an individual is appointed as Director of such Corporation under section 4002 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1302) (as amended by this Act).

SEC. 412. INCLUSION OF INFORMATION IN THE PBGC ANNUAL REPORT.

Section 4008 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1308) is amended by—

(1) striking "As soon as practicable" and inserting "(a) As soon as practicable"; and

(2) adding at the end the following:

"(b) The report under subsection (a) shall include—

"(1) a summary of the Pension Insurance Modeling System microsimulation model, including the specific simulation parameters, specific initial values, temporal parameters, and policy parameters used to calculate the financial statements for the corporation;

"(2) a comparison of—

"(A) the average return on investments earned with respect to assets invested by the corporation for the year to which the report relates; and

"(B) an amount equal to 60 percent of the average return on investment for such year in the Standard & Poor's 500 Index, plus 40 percent of the average return on investment for such year in the Lehman Aggregate Bond Index (or in a similar fixed income index); and

"(3) a statement regarding the deficit or surplus for such year that the corporation would have had if the corporation had earned the return described in paragraph (2)(B) with respect to assets invested by the corporation.".

TITLE V—DISCLOSURE

SEC. 501. DEFINED BENEFIT PLAN FUNDING NOTICE.

(a) IN GENERAL.—Section 101(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(f)) is amended to read as follows:

"(f) DEFINED BENEFIT PLAN FUNDING NOTICES.—

"(1) IN GENERAL.—The administrator of a defined benefit plan to which title IV applies shall for each plan year provide a plan funding notice to the Pension Benefit Guaranty Corporation, to each plan participant and beneficiary, to each labor organization representing such participants or beneficiaries, and, in the case of a multiemployer plan, to each employer that has an obligation to contribute to the plan.

"(2) INFORMATION CONTAINED IN NOTICES.—

"(A) IDENTIFYING INFORMATION.—Each notice required under paragraph (1) shall contain identifying information, including the name of the plan, the address and phone number of the plan administrator and the plan's principal administrative officer, each plan sponsor's employer identification number, and the plan number of the plan.

"(B) SPECIFIC INFORMATION.—A plan funding notice under paragraph (1) shall include—

"(i)(I) in the case of a single-employer plan, a statement as to whether the plan's funding target attainment percentage (as defined in section 303(d)(2)) for the plan year to which the notice relates, and for the 2 preceding plan years, is at least 100 percent (and, if not, the actual percentages), or

"(II) in the case of a multiemployer plan, a statement as to whether the plan's funded percentage (as defined in section 305(i)) for the plan year to which the notice relates, and for the 2 preceding plan years, is at least 100 percent (and, if not, the actual percentages),

"(ii)(I) in the case of a single-employer plan, a statement of—

"(aa) the total assets (separately stating the prefunding balance and the funding standard carryover balance) and liabilities of the plan, determined in the same manner as under section 303, for the plan year for which the latest annual report filed under section 104(a) was filed and for the 2 preceding plan years, as reported in the annual report for each such plan year, and

"(bb) the value of the plan's assets and liabilities for the plan year to which the notice relates as of the last day of the plan year to which the notice relates determined using the asset valuation under subclause (II) of section 4006(a)(3)(E)(iii) and the interest rate under section 4006(a)(3)(E)(iv), and

"(II) in the case of a multiemployer plan, a statement of the value of the plan's assets and liabilities for the plan year to which the notice relates as the last day of such plan year and the preceding 2 plan years,

"(iii) a statement of the number of participants who are—

"(I) retired or separated from service and are receiving benefits,

"(II) retired or separated participants entitled to future benefits, and

"(III) active participants under the plan,

"(iv) a statement setting forth the funding policy of the plan and the asset allocation of investments under the plan (expressed as percentages of total assets) as of the end of the plan year to which the notice relates,

"(v) in the case of a multiemployer plan, whether the plan was in critical or endangered status under section 305 for such plan year and, if so—

"(I) a statement describing how a person may obtain a copy of the plan's funding improvement or rehabilitation plan, as appropriate, adopted under section 305 and the actuarial and financial data that demonstrate any action taken by the plan toward fiscal improvement, and

"(II) a summary of any funding improvement plan, rehabilitation plan, or modification thereof adopted under section 305 during the plan year to which the notice relates,

"(vi) in the case of any plan amendment, scheduled benefit increase or reduction, or other known event taking effect in the current plan year and having a material effect on plan liabilities or assets for the year (as defined in regulations by the Secretary), an explanation of the amendment, schedule increase or reduction, or event, and a projection to the end of such plan year of the effect of the amendment, scheduled increase or reduction, or event on plan liabilities,

"(vii)(I) in the case of a single-employer plan, a summary of the rules governing termination of single-employer plans under subtitle C of title IV, or

"(II) in the case of a multiemployer plan, a summary of the rules governing reorganization or insolvency, including the limitations on benefit payments,

"(viii) a general description of the benefits under the plan which are eligible to be guaranteed by the Pension Benefit Guaranty Corporation, along with an explanation of the limitations on the guarantee and the circumstances under which such limitations apply,

"(ix) a statement that a person may obtain a copy of the annual report of the plan filed under section 104(a) upon request, through the Internet website of the Department of Labor, or through an Intranet website maintained by the applicable plan sponsor (or plan administrator on behalf of the plan sponsor), and

"(x) if applicable, a statement that each contributing sponsor, and each member of the contributing sponsor's controlled group, of the single-employer plan was required to provide the information under section 4010 for the plan year to which the notice relates.

"(C) OTHER INFORMATION.—Each notice under paragraph (1) shall include—

"(i) in the case of a multiemployer plan, a statement that the plan administrator shall provide, upon written request, to any labor organization representing plan participants and beneficiaries and any employer that has an obligation to contribute to the plan, a copy of the annual report filed with the Secretary under section 104(a), and

"(ii) any additional information which the plan administrator elects to include to the extent not inconsistent with regulations prescribed by the Secretary.

"(3) TIME FOR PROVIDING NOTICE.—

"(A) IN GENERAL.—Any notice under paragraph (1) shall be provided not later than 120 days after the end of the plan year to which the notice relates.

"(B) EXCEPTION FOR SMALL PLANS.—In the case of a small plan (as such term is used under section 303(g)(2)(B)) any notice under paragraph (1) shall be provided upon filing of the annual report under section 104(a).

"(4) FORM AND MANNER.—Any notice under paragraph (1)—

"(A) shall be provided in a form and manner prescribed in regulations of the Secretary,

"(B) shall be written in a manner so as to be understood by the average plan participant, and

"(C) may be provided in written, electronic, or other appropriate form to the extent such form is reasonably accessible to persons to whom the notice is required to be provided.".

(b) REPEAL OF NOTICE TO PARTICIPANTS OF FUNDING STATUS.—

(1) IN GENERAL.—Title IV of such Act (29 U.S.C. 1301 et seq.) is amended by striking section 4011.

(2) CLERICAL AMENDMENT.—Section 1 of such Act is amended in the table of contents by striking the item relating to section 4011.

(c) MODEL NOTICE.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Labor shall publish a model version of the notice required by section 101(f) of the Employee Retirement Income Security Act of 1974. The Secretary of Labor may promulgate any interim final rules as the Secretary determines appropriate to carry out the provisions of this subsection.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2007, except that the amendment made by subsection (b) shall apply to plan years beginning after December 31, 2006.

(2) TRANSITION RULE.—Any requirement under section 101(f) of the Employee Retirement Income Security Act of 1974 (as amended by this section) to report the funding target attainment percentage or funded percentage of a plan with respect to any plan year beginning before January 1, 2008, shall be treated as met if the plan reports—

(A) in the case of a plan year beginning in 2006, the funded current liability percentage (as defined in section 302(d)(8) of such Act) of the plan for such plan year, and

(B) in the case of a plan year beginning in 2007, the funding target attainment percentage or funded percentage as determined using such methods of estimation as the Secretary of the Treasury may provide.

SEC. 502. ACCESS TO MULTIEMPLOYER PENSION PLAN INFORMATION.

(a) FINANCIAL INFORMATION WITH RESPECT TO MULTIEMPLOYER PLANS.—

(1) IN GENERAL.—Section 101 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021), as amended by section 103, is amended—

(A) by redesignating subsection (k) as subsection (l); and

(B) by inserting after subsection (j) the following new subsection:

"(k) MULTIEMPLOYER PLAN INFORMATION MADE AVAILABLE ON REQUEST.—

"(1) IN GENERAL.—Each administrator of a multiemployer plan shall, upon written request, furnish to any plan participant or beneficiary, employee representative, or any employer that has an obligation to contribute to the plan—

"(A) a copy of any periodic actuarial report (including any sensitivity testing) received by the plan for any plan year which has been in the plan's possession for at least 30 days,

"(B) a copy of any quarterly, semi-annual, or annual financial report prepared for the plan by any plan investment manager or advisor or other fiduciary which has been in the plan's possession for at least 30 days, and

"(C) a copy of any application filed with the Secretary of the Treasury requesting an extension under section 304 of this Act or section 431(d) of the Internal Revenue Code of 1986 and the determination of such Secretary pursuant to such application.

"(2) COMPLIANCE.—Information required to be provided under paragraph (1)—

"(A) shall be provided to the requesting participant, beneficiary, or employer within 30 days after the request in a form and manner prescribed in regulations of the Secretary,

"(B) may be provided in written, electronic, or other appropriate form to the extent such form is reasonably accessible to persons to whom the information is required to be provided, and

"(C) shall not—

"(i) include any individually identifiable information regarding any plan participant, beneficiary, employee, fiduciary, or contributing employer, or

"(ii) reveal any proprietary information regarding the plan, any contributing employer, or entity providing services to the plan.

"(3) LIMITATIONS.—In no case shall a participant, beneficiary, or employer be entitled under this subsection to receive more than one copy of any report or application described in paragraph (1) during any one 12-month period. The administrator may make a reasonable charge to cover copying, mailing, and other costs of furnishing copies of information pursuant to paragraph (1). The Secretary may by regulations prescribe the maximum amount which will constitute a reasonable charge under the preceding sentence.".

(2) ENFORCEMENT.—Section 502(c)(4) of such Act (29 U.S.C. 1132(c)(4)) is amended by striking "section 101(j)" and inserting "subsection (j) or (k) of section 101".

(3) REGULATIONS.—The Secretary shall prescribe regulations under section 101(k)(2) of the Employee Retirement Income Security Act of 1974 (as added by paragraph (1)) not later than 1 year after the date of the enactment of this Act.

(b) NOTICE OF POTENTIAL WITHDRAWAL LIABILITY TO MULTIEMPLOYER PLANS.—

(1) IN GENERAL.—Section 101 of such Act (as amended by subsection (a)) is amended—

(A) by redesignating subsection (l) as subsection (m); and

(B) by inserting after subsection (k) the following new subsection:

"(l) NOTICE OF POTENTIAL WITHDRAWAL LIABILITY.—

"(1) IN GENERAL.—The plan sponsor or administrator of a multiemployer plan shall, upon written request, furnish to any employer who has an obligation to contribute to the plan a notice of—

"(A) the estimated amount which would be the amount of such employer's withdrawal liability under part 1 of subtitle E of title IV if such employer withdrew on the last day of the plan year preceding the date of the request, and

"(B) an explanation of how such estimated liability amount was determined, including the actuarial assumptions and methods used to determine the value of the plan liabilities and assets, the data regarding employer contributions, unfunded vested benefits, annual changes in the plan's unfunded vested benefits, and the application of any relevant limitations on the estimated withdrawal liability.

For purposes of subparagraph (B), the term 'employer contribution' means, in connection with a participant, a contribution made by an employer as an employer of such participant.

"(2) Compliance.—Any notice required to be provided under paragraph (1)—

"(A) shall be provided in a form and manner prescribed in regulations of the Secretary to the requesting employer within—

"(i) 180 days after the request, or

"(ii) subject to regulations of the Secretary, such longer time as may be necessary in the case of a plan that determines withdrawal liability based on any method described under paragraph (4) or (5) of section 4211(c); and

"(B) may be provided in written, electronic, or other appropriate form to the extent such form is reasonably accessible to employers to whom the information is required to be provided.

"(3) Limitations.—In no case shall an employer be entitled under this subsection to receive more than one notice described in paragraph (1) during any one 12-month period. The person required to provide such notice may make a reasonable charge to cover copying, mailing, and other costs of furnishing such notice pursuant to paragraph (1). The Secretary may by regulations prescribe the maximum amount which will constitute a reasonable charge under the preceding sentence.".

(2) Enforcement.—Section 502(c)(4) of such Act (29 U.S.C. 1132(c)(4)) is amended by striking "section 101(j) or (k)" and inserting "subsection (j), (k), or (l) of section 101".

(c) Notice of Amendment Reducing Future Accruals.—

(1) Amendment of ERISA.—Section 204(h)(1) of such Act (29 U.S.C. 1054(h)(1)) is amended by inserting at the end before the period the following: "and to each employer who has an obligation to contribute to the plan.".

(2) Amendment of Internal Revenue Code.—Section 4980F(e)(1) of such Code is amended by adding at the end before the period the following: "and to each employer who has an obligation to contribute to the plan.".

(d) Effective Date.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

SEC. 503. ADDITIONAL ANNUAL REPORTING REQUIREMENTS.

(a) Additional Annual Reporting Requirements With Respect to Defined Benefit Plans.—

(1) In general.—Section 103 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1023) is amended—

(A) in subsection (a)(1)(B), by striking "subsections (d) and (e)" and inserting "subsections (d), (e), and (f)"; and

(B) by adding at the end the following new subsection:

"(f) Additional Information With Respect to Defined Benefit Plans.—

"(1) Liabilities under 2 or more plans.—

"(A) In general.—In any case in which any liabilities to participants or their beneficiaries under a defined benefit plan as of the end of a plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under 2 or more pension plans as of immediately before such plan year, an annual report under this section for such plan year shall include the funded percentage of each of such 2 or more pension plans as of the last day of such plan year and the funded percentage of the plan with respect to which the annual report is filed as of the last day of such plan year.

"(B) Funded percentage.—For purposes of this paragraph, the term 'funded percentage'—

"(i) in the case of a single-employer plan, means the funding target attainment percentage, as defined in section 303(d)(2), and

"(ii) in the case of a multiemployer plan, has the meaning given such term in section 305(i)(2).

"(2) Additional information for multiemployer plans.—With respect to any defined benefit plan which is a multiemployer plan, an annual report under this section for a plan year shall include, in addition to the information required under paragraph (1), the following, as of the end of the plan year to which the report relates:

"(A) The number of employers obligated to contribute to the plan.

"(B) A list of the employers that contributed more than 5 percent of the total contributions to the plan during such plan year.

"(C) The number of participants under the plan on whose behalf no contributions were made by an employer as an employer of the participant for such plan year and for each of the 2 preceding plan years.

"(D) The ratios of—

"(i) the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the plan year, to

"(ii) the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during each of the 2 preceding plan years.

"(E) Whether the plan received an amortization extension under section 304(d) of this Act or section 431(d) of the Internal Revenue Code of 1986 for such plan year and, if so, the amount of the difference between the minimum required contribution for the year and the minimum required contribution which would have been required without regard to the extension, and the period of such extension.

"(F) Whether the plan used the shortfall funding method (as such term is used in section 305) for such plan year and, if so, the amount of the difference between the minimum required contribution for the year and the minimum required contribution which would have been required without regard to the use of such method, and the period of use of such method.

"(G) Whether the plan was in critical or endangered status under section 305 for such plan year, and if so, a summary of any funding improvement or rehabilitation plan (or modification thereto) adopted during the plan year, and the funded percentage of the plan.

"(H) The number of employers that withdrew from the plan during the preceding plan year and the aggregate amount of withdrawal liability assessed, or estimated to be assessed, against such withdrawn employers.

"(I) In the case of a multiemployer plan that has merged with another plan or to which assets and liabilities have been transferred, the actuarial valuation of the assets and liabilities of each affected plan during the year preceding the effective date of the merger or transfer, based upon the most recent data available as of the day before the first day of the plan year, or other valuation method performed under standards and procedures as the Secretary may prescribe by regulation.".

(2) Guidance by Secretary of Labor.—Not later than 1 year after the date of enactment of this Act, the Secretary of Labor shall publish guidance to assist multiemployer defined benefit plans to—

(A) identify and enumerate plan participants for whom there is no employer with an obligation to make an employer contribution under the plan; and

(B) report such information under section 103(f)(2)(D) of the Employee Retirement Income Security Act of 1974 (as added by this section).

(b) Additional Information in Annual Actuarial Statement Regarding Plan Retirement Projections.—Section 103(d) of such Act (29 U.S.C. 1023(d)) is amended—

(1) by redesignating paragraphs (12) and (13) as paragraphs (13) and (14), respectively; and

(2) by inserting after paragraph (11) the following new paragraph:

"(12) A statement explaining the actuarial assumptions and methods used in projecting future retirements and forms of benefit distributions under the plan.".

(c) Repeal of Summary Annual Report Requirement for Defined Benefit Plans.—

(1) In general.—Section 104(b)(3) of such Act (29 U.S.C. 1024(b)(3)) is amended by inserting "(other than an administrator of a defined benefit plan to which the requirements of section 103(f) applies)" after "the administrators".

(2) Conforming amendments.—Section 101(a)(2) of such Act (29 U.S.C. 1021(a)(2)) is amended by inserting "subsection (f) and" before "sections 104(b)(3) and 105(a) and (c)".

(d) Furnishing Summary Plan Information to Employers and Employee Representatives of Multiemployer Plans.—Section 104 of such Act (29 U.S.C. 1024) is amended—

(1) in the header, by striking "**PARTICIPANTS**" and inserting "**PARTICIPANTS AND CERTAIN EMPLOYERS**";

(2) redesignating subsection (d) as subsection (e); and

(3) inserting after subsection (c) the following:

"(d) Furnishing Summary Plan Information to Employers and Employee Representatives of Multiemployer Plans.—

"(1) In general.—With respect to a multiemployer plan subject to this section, within 30 days after the due date under subsection (a)(1) for the filing of the annual report for the fiscal year of the plan, the administrators shall furnish to each employee organization and to each employer with an obligation to contribute to the plan a report that contains—

"(A) a description of the contribution schedules and benefit formulas under the plan, and any modification to such schedules and formulas, during such plan year;

"(B) the number of employers obligated to contribute to the plan;

"(C) a list of the employers that contributed more than 5 percent of the total contributions to the plan during such plan year;

"(D) the number of participants under the plan on whose behalf no contributions were made by an employer as an employer of the participant for such plan year and for each of the 2 preceding plan years;

"(E) whether the plan was in critical or endangered status under section 305 for such plan year and, if so, include—

"(i) a list of the actions taken by the plan to improve its funding status; and

"(ii) a statement describing how a person may obtain a copy of the plan's improvement or rehabilitation plan, as applicable, adopted under section 305 and the actuarial and financial data that demonstrate any action taken by the plan toward fiscal improvement;

"(F) the number of employers that withdrew from the plan during the preceding plan year and the aggregate amount of withdrawal liability assessed, or estimated to be assessed, against such withdrawn employers, as reported on the annual report for the plan year to which the report under this subsection relates;

"(G) in the case of a multiemployer plan that has merged with another plan or to which assets and liabilities have been transferred, the actuarial valuation of the assets and liabilities of each affected plan during the year preceding the effective date of the merger or transfer, based upon the most recent data available as of the day before the first day of the plan year, or other valuation method performed under standards and procedures as the Secretary may prescribe by regulation;

"(H) a description as to whether the plan—

"(i) sought or received an amortization extension under section 304(d) of this Act or section 431(d) of the Internal Revenue Code of 1986 for such plan year; or

"(ii) used the shortfall funding method (as such term is used in section 305) for such plan year; and

"(I) notification of the right under this section of the recipient to a copy of the annual report filed with the Secretary under subsection (a), summary plan description, summary of any material modification of the plan, upon written request, but that—

"(i) in no case shall a recipient be entitled to receive more than one copy of any such document described during any one 12-month period; and

"(ii) the administrator may make a reasonable charge to cover copying, mailing, and other costs of furnishing copies of information pursuant to this subparagraph.

"(2) Effect of subsection.—Nothing in this subsection waives any other provision under this title requiring plan administrators to provide, upon request, information to employers that have an obligation to contribute under the plan.".

(e) Model Form.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Labor shall publish a model form for providing the statements, schedules, and other material required to be provided under section 101(f) of the Employee Retirement Income Security Act of 1974, as amended by this section. The Secretary of Labor may promulgate any interim final rules as the Secretary determines appropriate to carry out the provisions of this subsection.

(f) Effective Date.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

SEC. 504. ELECTRONIC DISPLAY OF ANNUAL REPORT INFORMATION.

(a) Electronic Display of Information.—Section 104(b) of such Act (29 U.S.C. 1024(b)) is amended by adding at the end the following:

"(5) Identification and basic plan information and actuarial information included in the annual report for any plan year shall be filed with the Secretary in an electronic format which accommodates display on the Internet, in accordance with regulations which shall be prescribed by the Secretary. The Secretary shall provide for display of such information included in the annual report, within 90 days after the date of the filing of the annual report, on an Internet website maintained by the Secretary and other appropriate media. Such information shall also be displayed on any Intranet website maintained by the plan sponsor (or by the plan administrator on behalf of the plan sponsor) for the purpose of communicating with employees and not the public, in accordance with regulations which shall be prescribed by the Secretary.".

(b) Effective Date.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

SEC. 505. SECTION 4010 FILINGS WITH THE PBGC.

(a) Change in Criteria for Persons Required To Provide Information to PBGC.—Section 4010(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1310(b)) is amended by striking paragraph (1) and inserting the following:

"(1) the funding target attainment percentage (as defined in subsection (d)) at the end of the preceding plan year of a plan maintained by the contributing sponsor or any member of its controlled group is less than 80 percent;".

(b) Additional Information Required.—Section 4010 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1310) is amended by adding at the end the following new subsection:

"(d) Additional Information Required.—

"(1) In general.—The information submitted to the corporation under subsection (a) shall include—

"(A) the amount of benefit liabilities under the plan determined using the assumptions used by the corporation in determining liabilities;

"(B) the funding target of the plan determined as if the plan has been in at-risk status for at least 5 plan years; and

"(C) the funding target attainment percentage of the plan.

"(2) Definitions.—For purposes of this subsection:

"(A) Funding target.—The term 'funding target' has the meaning provided under section 303(d)(1).

"(B) Funding target attainment percentage.—The term 'funding target attainment percentage' has the meaning provided under section 302(d)(2).

"(C) At-risk status.—The term 'at-risk status' has the meaning provided in section 303(i)(4).

"(e) Notice to Congress.—The corporation shall, on an annual basis, submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate and the Committee on Education and the Workforce and the Committee on Ways and Means of the House of Representatives, a summary report in the aggregate of the information submitted to the corporation under this section.".

(c) Effective Date.—The amendments made by this section shall apply with respect to years beginning after 2007.

SEC. 506. DISCLOSURE OF TERMINATION INFORMATION TO PLAN PARTICIPANTS.

(a) Distress Terminations.—

(1) In general.—Section 4041(c)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341(c)(2)) is amended by adding at the end the following:

"(D) Disclosure of termination information.—

"(i) In general.—A plan administrator that has filed a notice of intent to terminate under subsection (a)(2) shall provide to an affected party any information provided to the corporation under subsection (a)(2) not later than 15 days after—

"(I) receipt of a request from the affected party for the information; or

"(II) the provision of new information to the corporation relating to a previous request.

"(ii) Confidentiality.—

"(I) In general.—The plan administrator shall not provide information under clause (i) in a form that includes any information that may directly or indirectly be associated with, or otherwise identify, an individual participant or beneficiary.

"(II) Limitation.—A court may limit disclosure under this subparagraph of confidential information described in section 552(b) of title 5, United States Code, to any authorized representative of the participants or beneficiaries that agrees to ensure the confidentiality of such information.

"(iii) Form and manner of information; charges.—

"(I) Form and manner.—The corporation may prescribe the form and manner of the provision of information under this subparagraph, which shall include delivery in written, electronic, or other appropriate form to the extent that such form is reasonably accessible to individuals to whom the information is required to be provided.

"(II) Reasonable charges.—A plan administrator may charge a reasonable fee for any information provided under this subparagraph in other than electronic form.

"(iv) Authorized representative.—For purposes of this subparagraph, the term 'authorized representative' means any employee organization representing participants in the pension plan.".

(2) Conforming amendment.—Section 4041(c)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341(c)(1)) is amended in subparagraph (C) by striking "subparagraph (B)" and inserting "subparagraphs (B) and (D)".

(b) Involuntary Terminations.—

(1) In general.—Section 4042(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1342(c)) is amended by—

(A) striking "(c) If the" and inserting "(c)(1) If the";

(B) redesignating paragraph (3) as paragraph (2); and

(C) adding at the end the following:

"(3) Disclosure of termination information.—

"(A) In general.—

"(i) Information from plan sponsor or administrator.—A plan sponsor or plan administrator of a single-employer plan that has received a notice from the corporation of a determination that the plan should be terminated under this section shall provide to an affected party any information provided to the corporation in connection with the plan termination.

"(ii) Information from corporation.—The corporation shall provide a copy of the administrative record, including the trusteeship decision record of a termination of a plan described under clause (i).

"(B) Timing of disclosure.—The plan sponsor, plan administrator, or the corporation, as applicable, shall provide the information described in subparagraph (A) not later than 15 days after—

"(i) receipt of a request from an affected party for such information; or

"(ii) in the case of information described under subparagraph (A)(i), the provision of any new information to the corporation relating to a previous request by an affected party.

"(C) CONFIDENTIALITY.—

"(i) IN GENERAL.—The plan administrator and plan sponsor shall not provide information under subparagraph (A)(i) in a form which includes any information that may directly or indirectly be associated with, or otherwise identify, an individual participant or beneficiary.

"(ii) LIMITATION.—A court may limit disclosure under this paragraph of confidential information described in section 552(b) of title 5, United States Code, to authorized representatives (within the meaning of section 4041(c)(2)(D)(iv)) of the participants or beneficiaries that agree to ensure the confidentiality of such information.

"(D) FORM AND MANNER OF INFORMATION; CHARGES.—

"(i) FORM AND MANNER.—The corporation may prescribe the form and manner of the provision of information under this paragraph, which shall include delivery in written, electronic, or other appropriate form to the extent that such form is reasonably accessible to individuals to whom the information is required to be provided.

"(ii) REASONABLE CHARGES.—A plan sponsor may charge a reasonable fee for any information provided under this paragraph in other than electronic form.".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to any plan termination under title IV of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1301 et seq.) with respect to which the notice of intent to terminate (or in the case of a termination by the Pension Benefit Guaranty Corporation, a notice of determination under section 4042 of such Act (29 U.S.C. 1342)) occurs after the date of enactment of this Act.

(2) TRANSITION RULE.—If notice under section 4041(c)(2)(D) or 4042(c)(3) of the Employee Retirement Income Security Act of 1974 (as added by this section) would otherwise be required to be provided before the 90th day after the date of the enactment of this Act, such notice shall not be required to be provided until such 90th day.

SEC. 507. NOTICE OF FREEDOM TO DIVEST EMPLOYER SECURITIES.

(a) IN GENERAL.—Section 101 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021), as amended by this Act, is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following:

"(m) NOTICE OF RIGHT TO DIVEST.—Not later than 30 days before the first date on which an applicable individual of an applicable individual account plan is eligible to exercise the right under section 204(j) to direct the proceeds from the divestment of employer securities with respect to any type of contribution, the administrator shall provide to such individual a notice—

"(1) setting forth such right under such section, and

"(2) describing the importance of diversifying the investment of retirement account assets.

The notice required by this subsection shall be written in a manner calculated to be understood by the average plan participant and may be delivered in written, electronic, or other appropriate form to the extent that such form is reasonably accessible to the recipient."

(b) PENALTIES.—Section 502(c)(7) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)(7)) is amended by striking "section 101(i)" and inserting "subsection (i) or (m) of section 101".

(c) MODEL NOTICE.—The Secretary of the Treasury shall, within 180 days after the date of the enactment of this subsection, prescribe a model notice for purposes of satisfying the requirements of the amendments made by this section.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2006.

(2) TRANSITION RULE.—If notice under section 101(m) of the Employee Retirement Income Security Act of 1974 (as added by this section) would otherwise be required to be provided before the 90th day after the date of the enactment of this Act, such notice shall not be required to be provided until such 90th day.

SEC. 508. PERIODIC PENSION BENEFIT STATEMENTS.

(a) AMENDMENTS OF ERISA.—

(1) IN GENERAL.—Section 105(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025(a)) is amended to read as follows:

"(a) REQUIREMENTS TO PROVIDE PENSION BENEFIT STATEMENTS.—

"(1) REQUIREMENTS.—

"(A) INDIVIDUAL ACCOUNT PLAN.—The administrator of an individual account plan (other than a one-participant retirement plan described in section 101(i)(8)(B)) shall furnish a pension benefit statement—

"(i) at least once each calendar quarter to a participant or beneficiary who has the right to direct the investment of assets in his or her account under the plan,

"(ii) at least once each calendar year to a participant or beneficiary who has his or her own account under the plan but does not have the right to direct the investment of assets in that account, and

"(iii) upon written request to a plan beneficiary not described in clause (i) or (ii).

"(B) DEFINED BENEFIT PLAN.—The administrator of a defined benefit plan (other than a one-participant retirement plan described in section 101(i)(8)(B)) shall furnish a pension benefit statement—

"(i) at least once every 3 years to each participant with a nonforfeitable accrued benefit and who is employed by the employer maintaining the plan at the time the statement is to be furnished, and

"(ii) to a participant or beneficiary of the plan upon written request.

Information furnished under clause (i) to a participant may be based on reasonable estimates determined under regulations prescribed by the Secretary, in consultation with the Pension Benefit Guaranty Corporation.

"(2) STATEMENTS.—

"(A) IN GENERAL.—A pension benefit statement under paragraph (1)—

"(i) shall indicate, on the basis of the latest available information—

"(I) the total benefits accrued, and

"(II) the nonforfeitable pension benefits, if any, which have accrued, or the earliest date on which benefits will become nonforfeitable,

"(ii) shall include an explanation of any permitted disparity under section 401(l) of the Internal Revenue Code of 1986 or any floor-offset arrangement that may be applied in determining any accrued benefits described in clause (i),

"(iii) shall be written in a manner calculated to be understood by the average plan participant, and

"(iv) may be delivered in written, electronic, or other appropriate form to the extent such form is reasonably accessible to the participant or beneficiary.

"(B) ADDITIONAL INFORMATION.—In the case of an individual account plan, any pension benefit statement under clause (i) or (ii) of paragraph (1)(A) shall include—

"(i) the value of each investment to which assets in the individual account have been allocated, determined as of the most recent valuation date under the plan, including the value of any assets held in the form of employer securities, without regard to whether such securities were contributed by the plan sponsor or acquired at the direction of the plan or of the participant or beneficiary, and

"(ii) in the case of a pension benefit statement under paragraph (1)(A)(i)—

"(I) an explanation of any limitations or restrictions on any right of the participant or beneficiary under the plan to direct an investment,

"(II) an explanation, written in a manner calculated to be understood by the average plan participant, of the importance, for the long-term retirement security of participants and beneficiaries, of a well-balanced and diversified investment portfolio, including a statement of the risk that holding more than 20 percent of a portfolio in the security of one entity (such as employer securities) may not be adequately diversified, and

"(III) a notice directing the participant or beneficiary to the Internet website of the Department of Labor for sources of information on individual investing and diversification.

"(C) ALTERNATIVE NOTICE.—The requirements of subparagraph (A)(i)(II) are met if, at least annually and in accordance with requirements of the Secretary, the plan—

"(i) updates the information described in such paragraph which is provided in the pension benefit statement, or

"(ii) provides in a separate statement such information as is necessary to enable a participant or beneficiary to determine their nonforfeitable vested benefits.

"(3) DEFINED BENEFIT PLANS.—

"(A) ALTERNATIVE NOTICE.—In the case of a defined benefit plan, the requirements of paragraph (1)(B)(i) shall be treated as met with respect to a participant if at least once each year the administrator provides to the participant notice of the availability of the pension benefit statement and the ways in which the participant may obtain such statement. Such notice may be delivered in written, electronic, or other appropriate form to the extent such form is reasonably accessible to the participant.

"(B) YEARS IN WHICH NO BENEFITS ACCRUE.—The Secretary may provide that years in which no employee or former employee benefits (within the meaning of section 410(b) of the Internal Revenue Code of 1986) under the plan need not be taken into account in determining the 3-year period under paragraph (1)(B)(i)."

(2) CONFORMING AMENDMENTS.—

(A) Section 105 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025) is amended by striking subsection (d).

(B) Section 105(b) of such Act (29 U.S.C. 1025(b)) is amended to read as follows:

"(b) LIMITATION ON NUMBER OF STATEMENTS.—In no case shall a participant or beneficiary of a plan be entitled to more than 1 statement described in subparagraph (A)(iii) or (B)(ii) of subsection (a)(1), whichever is applicable, in any 12-month period."

(C) Section 502(c)(1) of such Act (29 U.S.C. 1132(c)(1)) is amended by striking "or section

101(f)" and inserting "section 101(f), or section 105(a)".

(b) MODEL STATEMENTS.—

(1) IN GENERAL.—The Secretary of Labor shall, within 1 year after the date of the enactment of this section, develop 1 or more model benefit statements that are written in a manner calculated to be understood by the average plan participant and that may be used by plan administrators in complying with the requirements of section 105 of the Employee Retirement Income Security Act of 1974.

(2) INTERIM FINAL RULES.—The Secretary of Labor may promulgate any interim final rules as the Secretary determines appropriate to carry out the provisions of this subsection.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2006.

(2) SPECIAL RULE FOR COLLECTIVELY BARGAINED AGREEMENTS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of the enactment of this Act, paragraph (1) shall be applied to benefits pursuant to, and individuals covered by, any such agreement by substituting for "December 31, 2006" the earlier of—

(A) the later of—

(i) December 31, 2007, or

(ii) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after such date of enactment), or

(B) December 31, 2008.

SEC. 509. NOTICE TO PARTICIPANTS OR BENEFICIARIES OF BLACKOUT PERIODS.

(a) IN GENERAL.—Section 101(i)(8)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(i)(8)(B)) is amended by striking clauses (i) through (iv), by redesignating clause (v) as clause (ii), and by inserting before clause (ii), as so redesignated, the following new clause:

"(i) on the first day of the plan year—

"(I) covered only one individual (or the individual and the individual's spouse) and the individual (or the individual and the individual's spouse) owned 100 percent of the plan sponsor (whether or not incorporated), or

"(II) covered only one or more partners (or partners and their spouses) in the plan sponsor, and".

(b) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the provisions of section 306 of Public Law 107–204 (116 Stat. 745 et seq.).

TITLE VI—INVESTMENT ADVICE, PROHIBITED TRANSACTIONS, AND FIDUCIARY RULES

Subtitle A—Investment Advice

SEC. 601. PROHIBITED TRANSACTION EXEMPTION FOR PROVISION OF INVESTMENT ADVICE.

(a) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) EXEMPTION FROM PROHIBITED TRANSACTIONS.—Section 408(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(b)) is amended by adding at the end the following new paragraph:

"(14) Any transaction in connection with the provision of investment advice described in section 3(21)(A)(ii) to a participant or beneficiary of an individual account plan that permits such participant or beneficiary to direct the investment of assets in their individual account, if—

"(A) the transaction is—

"(i) the provision of the investment advice to the participant or beneficiary of the plan with respect to a security or other property available as an investment under the plan,

"(ii) the acquisition, holding, or sale of a security or other property available as an investment under the plan pursuant to the investment advice, or

"(iii) the direct or indirect receipt of fees or other compensation by the fiduciary adviser or an affiliate thereof (or any employee, agent, or registered representative of the fiduciary adviser or affiliate) in connection with the provision of the advice or in connection with an acquisition, holding, or sale of a security or other property available as an investment under the plan pursuant to the investment advice; and

"(B) the requirements of subsection (g) are met.".

(2) REQUIREMENTS.—Section 408 of such Act is amended further by adding at the end the following new subsection:

"(g) PROVISION OF INVESTMENT ADVICE TO PARTICIPANT AND BENEFICIARIES.—

"(1) IN GENERAL.—The prohibitions provided in section 406 shall not apply to transactions described in subsection (b)(14) if the investment advice provided by a fiduciary adviser is provided under an eligible investment advice arrangement.

"(2) ELIGIBLE INVESTMENT ADVICE ARRANGEMENT.—For purposes of this subsection, the term 'eligible investment advice arrangement' means an arrangement—

"(A) which either—

"(i) provides that any fees (including any commission or other compensation) received by the fiduciary adviser for investment advice or with respect to the sale, holding, or acquisition of any security or other property for purposes of investment of plan assets do not vary depending on the basis of any investment option selected, or

"(ii) uses a computer model under an investment advice program meeting the requirements of paragraph (3) in connection with the provision of investment advice by a fiduciary adviser to a participant or beneficiary, and

"(B) with respect to which the requirements of paragraph (4), (5), (6), (7), (8), and (9) are met.

"(3) INVESTMENT ADVICE PROGRAM USING COMPUTER MODEL.—

"(A) IN GENERAL.—An investment advice program meets the requirements of this paragraph if the requirements of subparagraphs (B), (C), and (D) are met.

"(B) COMPUTER MODEL.—The requirements of this subparagraph are met if the investment advice provided under the investment advice program is provided pursuant to a computer model that—

"(i) applies generally accepted investment theories that take into account the historic returns of different asset classes over defined periods of time,

"(ii) utilizes relevant information about the participant, which may include age, life expectancy, retirement age, risk tolerance, other assets or sources of income, and preferences as to certain types of investments,

"(iii) utilizes prescribed objective criteria to provide asset allocation portfolios comprised of investment options available under the plan,

"(iv) operates in a manner that is not biased in favor of investments offered by the fiduciary adviser or a person with a material affiliation or contractual relationship with the fiduciary adviser, and

"(v) takes into account all investment options under the plan in specifying how a participant's account balance should be invested and is not inappropriately weighted with respect to any investment option.

"(C) CERTIFICATION.—

"(i) IN GENERAL. The requirements of this subparagraph are met with respect to any investment advice program if an eligible investment expert certifies, prior to the utilization of the computer model and in accordance with rules prescribed by the Secretary, that the computer model meets the requirements of subparagraph (B).

"(ii) RENEWAL OF CERTIFICATIONS.—If, as determined under regulations prescribed by the Secretary, there are material modifications to a computer model, the requirements of this subparagraph are met only if a certification described in clause (i) is obtained with respect to the computer model as so modified.

"(iii) ELIGIBLE INVESTMENT EXPERT.—The term 'eligible investment expert' means any person—

"(I) which meets such requirements as the Secretary may provide, and

"(II) does not bear any material affiliation or contractual relationship with any investment adviser or a related person thereof (or any employee, agent, or registered representative of the investment adviser or related person).

"(D) EXCLUSIVITY OF RECOMMENDATION.—The requirements of this subparagraph are met with respect to any investment advice program if—

"(i) the only investment advice provided under the program is the advice generated by the computer model described in subparagraph (B), and

"(ii) any transaction described in subsection (b)(14)(B)(ii) occurs solely at the direction of the participant or beneficiary.

Nothing in the preceding sentence shall preclude the participant or beneficiary from requesting investment advice other than that described in subparagraph (A), but only if such request has not been solicited by any person connected with carrying out the arrangement.

"(4) EXPRESS AUTHORIZATION BY SEPARATE FIDUCIARY.—The requirements of this paragraph are met with respect to an arrangement if the arrangement is expressly authorized by a plan fiduciary other than the person offering the investment advice program, any person providing investment options under the plan, or any affiliate of either.

"(5) ANNUAL AUDIT.—The requirements of this paragraph are met if an independent auditor, who has appropriate technical training or experience and proficiency and so represents in writing—

"(A) conducts an annual audit of the arrangement for compliance with the requirements of this subsection, and

"(B) following completion of the annual audit, issues a written report to the fiduciary who authorized use of the arrangement which presents its specific findings regarding compliance of the arrangement with the requirements of this subsection.

For purposes of this paragraph, an auditor is considered independent if it is not related to the person offering the arrangement to the plan and is not related to any person providing investment options under the plan.

"(6) DISCLOSURE.—The requirements of this paragraph are met if—

"(A) the fiduciary adviser provides to a participant or a beneficiary before the initial provision of the investment advice with regard to any security or other property offered as an investment option, a written notification (which may consist of notification by means of electronic communication)—

"(i) of the role of any party that has a material affiliation or contractual relationship with the financial adviser in the development of the investment advice program and in the selection of investment options available under the plan,

"(ii) of the past performance and historical rates of return of the investment options available under the plan,

"(iii) of all fees or other compensation relating to the advice that the fiduciary adviser or any affiliate thereof is to receive (including compensation provided by any third party) in connection with the provision of the advice or in connection with the sale, acquisition, or holding of the security or other property,

"(iv) of any material affiliation or contractual relationship of the fiduciary adviser or affiliates thereof in the security or other property,

"(v) the manner, and under what circumstances, any participant or beneficiary information provided under the arrangement will be used or disclosed,

"(vi) of the types of services provided by the fiduciary adviser in connection with the provision of investment advice by the fiduciary adviser,

"(vii) that the adviser is acting as a fiduciary of the plan in connection with the provision of the advice, and

"(viii) that a recipient of the advice may separately arrange for the provision of advice by another adviser, that could have no material affiliation with and receive no fees or other compensation in connection with the security or other property, and

"(B) at all times during the provision of advisory services to the participant or beneficiary, the fiduciary adviser—

"(i) maintains the information described in subparagraph (A) in accurate form and in the manner described in paragraph (8),

"(ii) provides, without charge, accurate information to the recipient of the advice no less frequently than annually,

"(iii) provides, without charge, accurate information to the recipient of the advice upon request of the recipient, and

"(iv) provides, without charge, accurate information to the recipient of the advice concerning any material change to the information required to be provided to the recipient of the advice at a time reasonably contemporaneous to the change in information.

"(7) OTHER CONDITIONS.—The requirements of this paragraph are met if—

"(A) the fiduciary adviser provides appropriate disclosure, in connection with the sale, acquisition, or holding of the security or other property, in accordance with all applicable securities laws,

"(B) the sale, acquisition, or holding occurs solely at the direction of the recipient of the advice,

"(C) the compensation received by the fiduciary adviser and affiliates thereof in connection with the sale, acquisition, or holding of the security or other property is reasonable, and

"(D) the terms of the sale, acquisition, or holding of the security or other property are at least as favorable to the plan as an arm's length transaction would be.

"(8) STANDARDS FOR PRESENTATION OF INFORMATION.—

"(A) IN GENERAL.—The requirements of this paragraph are met if the notification required to be provided to participants and beneficiaries under paragraph (6)(A) is written in a clear and conspicuous manner and in a manner calculated to be understood by the average plan participant and is sufficiently accurate and comprehensive to reasonably apprise such participants and beneficiaries of the information required to be provided in the notification.

"(B) MODEL FORM FOR DISCLOSURE OF FEES AND OTHER COMPENSATION.—The Secretary shall issue a model form for the disclosure of fees and other compensation required in paragraph (6)(A)(iii) which meets the requirements of subparagraph (A).

"(9) MAINTENANCE FOR 6 YEARS OF EVIDENCE OF COMPLIANCE.—The requirements of this paragraph are met if a fiduciary adviser who has provided advice referred to in paragraph (1) maintains, for a period of not less than 6 years after the provision of the advice, any records necessary for determining whether the requirements of the preceding provisions of this subsection and of subsection (b)(14) have been met. A transaction prohibited under section 406 shall not be considered to have occurred solely because the records are lost or destroyed prior to the end of the 6-year period due to circumstances beyond the control of the fiduciary adviser.

"(10) EXEMPTION FOR PLAN SPONSOR AND CERTAIN OTHER FIDUCIARIES.—

"(A) IN GENERAL.—Subject to subparagraph (B), a plan sponsor or other person who is a fiduciary (other than a fiduciary adviser) shall not be treated as failing to meet the requirements of this part solely by reason of the provision of investment advice referred to in section 3(21)(A)(ii) (or solely by reason of contracting for or otherwise arranging for the provision of the advice), if—

"(i) the advice is provided by a fiduciary adviser pursuant to an eligible investment advice arrangement between the plan sponsor or other fiduciary and the fiduciary adviser for the provision by the fiduciary adviser of investment advice referred to in such section,

"(ii) the terms of the eligible investment advice arrangement require compliance by the fiduciary adviser with the requirements of this subsection, and

"(iii) the terms of the eligible investment advice arrangement include a written acknowledgment by the fiduciary adviser that the fiduciary adviser is a fiduciary of the plan with respect to the provision of the advice.

"(B) CONTINUED DUTY OF PRUDENT SELECTION OF ADVISER AND PERIODIC REVIEW.—Nothing in subparagraph (A) shall be construed to exempt a plan sponsor or other person who is a fiduciary from any requirement of this part for the prudent selection and periodic review of a fiduciary adviser with whom the plan sponsor or other person enters into an eligible investment advice arrangement for the provision of investment advice referred to in section 3(21)(A)(ii). The plan sponsor or other person who is a fiduciary has no duty under this part to monitor the specific investment advice given by the fiduciary adviser to any particular recipient of the advice.

"(C) AVAILABILITY OF PLAN ASSETS FOR PAYMENT FOR ADVICE.—Nothing in this part shall be construed to preclude the use of plan assets to pay for reasonable expenses in providing investment advice referred to in section 3(21)(A)(ii).

"(11) DEFINITIONS.—For purposes of this subsection and subsection (b)(14)—

"(A) FIDUCIARY ADVISER.—The term 'fiduciary adviser' means, with respect to a plan, a person who is a fiduciary of the plan by reason of the provision of investment advice referred to in section 3(21)(A)(ii) by the person to the participant or beneficiary of the plan and who is—

"(i) registered as an investment adviser under the Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.) or under the laws of the State in which the fiduciary maintains its principal office and place of business,

"(ii) a bank or similar financial institution referred to in section 408(b)(4) or a savings association (as defined in section 3(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(1)), but only if the advice is provided through a trust department of the bank or similar financial institution or savings association which is subject to periodic examination and review by Federal or State banking authorities,

"(iii) an insurance company qualified to do business under the laws of a State,

"(iv) a person registered as a broker or dealer under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.),

"(v) an affiliate of a person described in any of clauses (i) through (iv), or

"(vi) an employee, agent, or registered representative of a person described in clauses (i) through (v) who satisfies the requirements of applicable insurance, banking, and securities laws relating to the provision of the advice.

For purposes of this part, a person who develops the computer model described in paragraph (3)(B) or markets the investment advice program or computer model shall be treated as a person who is a fiduciary of the plan by reason of the provision of investment advice referred to in section 3(21)(A)(ii) to the participant or beneficiary and shall be treated as a fiduciary adviser for purposes of this subsection and subsection (b)(14), except that the Secretary may prescribe rules under which only 1 fiduciary adviser may elect to be treated as a fiduciary with respect to the plan.

"(B) AFFILIATE.—The term 'affiliate' of another entity means an affiliated person of the entity (as defined in section 2(a)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(3))).

"(C) REGISTERED REPRESENTATIVE.—The term 'registered representative' of another entity means a person described in section 3(a)(18) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(18)) (substituting the entity for the broker or dealer referred to in such section) or a person described in section 202(a)(17) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(17)) (substituting the entity for the investment adviser referred to in such section).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to advice referred to in section 3(21)(A)(ii) of the Employee Retirement Income Security Act of 1974 provided after December 31, 2006.

(b) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—

(1) EXEMPTION FROM PROHIBITED TRANSACTIONS.—Subsection (d) of section 4975 of the Internal Revenue Code of 1986 (relating to exemption from tax on prohibited transactions) is amended—

(A) in paragraph (15), by striking "or" at the end;

(B) in paragraph (16), by striking the period at the end and inserting ";or"; and

(C) by adding at the end the following new paragraph:

"(17) Any transaction in connection with the provision of investment advice described in subsection (e)(3)(B) to a participant or beneficiary in a plan and that permits such participant or beneficiary to direct the investment of plan assets in an individual account, if—

"(A) the transaction is—

"(i) the provision of the investment advice to the participant or beneficiary of the plan with respect to a security or other property available as an investment under the plan,

"(ii) the acquisition, holding, or sale of a security or other property available as an investment under the plan pursuant to the investment advice, or

"(iii) the direct or indirect receipt of fees or other compensation by the fiduciary adviser or an affiliate thereof (or any employee, agent, or registered representative of the fiduciary adviser or affiliate) in connection with the provision of the advice or in connection with an acquisition, holding, or sale of a security or other property available as an investment under the plan pursuant to the investment advice; and

"(B) the requirements of subsection (f)(8) are met.".

(2) REQUIREMENTS.—Subsection (f) of such section 4975 (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

"(8) PROVISION OF INVESTMENT ADVICE TO PARTICIPANT AND BENEFICIARIES.—

"(A) IN GENERAL.—The prohibitions provided in subsection (c) shall not apply to transactions described in subsection (b)(14) if the investment advice provided by a fiduciary adviser is provided under an eligible investment advice arrangement.

"(B) ELIGIBLE INVESTMENT ADVICE ARRANGEMENT.—For purposes of this paragraph, the term 'eligible investment advice arrangement' means an arrangement—

"(i) which either—

"(I) provides that any fees (including any commission or other compensation) received by the fiduciary adviser for investment advice or with respect to the sale, holding, or acquisition of any security or other property for purposes of investment of plan assets do not vary depending on the basis of any investment option selected, or

"(II) uses a computer model under an investment advice program meeting the requirements of subparagraph (C) in connection with the provision of investment advice by a fiduciary adviser to a participant or beneficiary, and

"(ii) with respect to which the requirements of subparagraphs (D), (E), (F), (G), (H), and (I) are met.

"(C) INVESTMENT ADVICE PROGRAM USING COMPUTER MODEL.—

"(i) IN GENERAL.—An investment advice program meets the requirements of this subparagraph if the requirements of clauses (ii), (iii), and (iv) are met.

"(ii) COMPUTER MODEL.—The requirements of this clause are met if the investment advice provided under the investment advice program is provided pursuant to a computer model that—

"(I) applies generally accepted investment theories that take into account the historic returns of different asset classes over defined periods of time,

"(II) utilizes relevant information about the participant, which may include age, life expectancy, retirement age, risk tolerance, other assets or sources of income, and preferences as to certain types of investments,

"(III) utilizes prescribed objective criteria to provide asset allocation portfolios comprised of investment options available under the plan,

"(IV) operates in a manner that is not biased in favor of investments offered by the fiduciary adviser or a person with a material affiliation or contractual relationship with the fiduciary adviser, and

"(V) takes into account all investment options under the plan in specifying how a participant's account balance should be invested and is not inappropriately weighted with respect to any investment option.

"(iii) CERTIFICATION.—

"(I) IN GENERAL.—The requirements of this clause are met with respect to any investment advice program if an eligible investment expert certifies, prior to the utilization of the computer model and in accordance with rules prescribed by the Secretary of Labor, that the computer model meets the requirements of clause (ii).

"(II) RENEWAL OF CERTIFICATIONS.—If, as determined under regulations prescribed by the Secretary of Labor, there are material modifications to a computer model, the requirements of this clause are met only if a certification described in subclause (I) is obtained with respect to the computer model as so modified.

"(III) ELIGIBLE INVESTMENT EXPERT.—The term 'eligible investment expert' means any person which meets such requirements as the Secretary of Labor may provide and which does not bear any material affiliation or contractual relationship with any investment adviser or a related person thereof (or any employee, agent, or registered representative of the investment adviser or related person).

"(iv) EXCLUSIVITY OF RECOMMENDATION.—The requirements of this clause are met with respect to any investment advice program if—

"(I) the only investment advice provided under the program is the advice generated by the computer model described in clause (ii), and

"(II) any transaction described in subsection (b)(14)(B)(ii) occurs solely at the direction of the participant or beneficiary.

Nothing in the preceding sentence shall preclude the participant or beneficiary from requesting investment advice other than that described in clause (i), but only if such request has not been solicited by any person connected with carrying out the arrangement.

"(D) EXPRESS AUTHORIZATION BY SEPARATE FIDUCIARY.—The requirements of this subparagraph are met with respect to an arrangement if the arrangement is expressly authorized by a plan fiduciary other than the person offering the investment advice program, any person providing investment options under the plan, or any affiliate of either.

"(E) AUDITS.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if an independent auditor, who has appropriate technical training or experience and proficiency and so represents in writing—

"(I) conducts an annual audit of the arrangement for compliance with the requirements of this paragraph, and

"(II) following completion of the annual audit, issues a written report to the fiduciary who authorized use of the arrangement which presents its specific findings regarding compliance of the arrangement with the requirements of this paragraph.

"(ii) SPECIAL RULE FOR INDIVIDUAL RETIREMENT AND SIMILAR PLANS.—In the case of a plan described in subparagraphs (B) through (F) (and so much of subparagraph (G) as relates to such subparagraphs) of subsection (e)(1), in lieu of the requirements of clause (i), audits of the arrangement shall be conducted at such times and in such manner as the Secretary of Labor may prescribe.

"(iii) INDEPENDENT AUDITOR.—For purposes of this subparagraph, an auditor is considered independent if it is not related to the person offering the arrangement to the plan and is not related to any person providing investment options under the plan.

"(F) DISCLOSURE.—The requirements of this subparagraph are met if—

"(i) the fiduciary adviser provides to a participant or a beneficiary before the initial provision of the investment advice with regard to any security or other property offered as an investment option, a written notification (which may consist of notification by means of electronic communication)—

"(I) of the role of any party that has a material affiliation or contractual relationship with the financial adviser in the development of the investment advice program and in the selection of investment options available under the plan,

"(II) of the past performance and historical rates of return of the investment options available under the plan,

"(III) of all fees or other compensation relating to the advice that the fiduciary adviser or any affiliate thereof is to receive (including compensation provided by any third party) in connection with the provision of the advice or in connection with the sale, acquisition, or holding of the security or other property,

"(IV) of any material affiliation or contractual relationship of the fiduciary adviser or affiliates thereof in the security or other property,

"(V) the manner, and under what circumstances, any participant or beneficiary information provided under the arrangement will be used or disclosed,

"(VI) of the types of services provided by the fiduciary adviser in connection with the provision of investment advice by the fiduciary adviser,

"(VII) that the adviser is acting as a fiduciary of the plan in connection with the provision of the advice, and

"(VIII) that a recipient of the advice may separately arrange for the provision of advice by another adviser, that could have no material affiliation with and receive no fees or other compensation in connection with the security or other property, and

"(ii) at all times during the provision of advisory services to the participant or beneficiary, the fiduciary adviser—

"(I) maintains the information described in clause (i) in accurate form and in the manner described in subparagraph (H),

"(II) provides, without charge, accurate information to the recipient of the advice no less frequently than annually,

"(III) provides, without charge, accurate information to the recipient of the advice upon request of the recipient, and

"(IV) provides, without charge, accurate information to the recipient of the advice concerning any material change to the information required to be provided to the recipient of the advice at a time reasonably contemporaneous to the change in information.

"(G) OTHER CONDITIONS.—The requirements of this subparagraph are met if—

"(i) the fiduciary adviser provides appropriate disclosure, in connection with the sale, acquisition, or holding of the security or other property, in accordance with all applicable securities laws,

"(ii) the sale, acquisition, or holding occurs solely at the direction of the recipient of the advice, "(iii) the compensation received by the fiduciary adviser and affiliates thereof in connection with the sale, acquisition, or holding of the security or other property is reasonable, and

"(iv) the terms of the sale, acquisition, or holding of the security or other property are at least as favorable to the plan as an arm's length transaction would be.

"(H) STANDARDS FOR PRESENTATION OF INFORMATION.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if the notification required to be provided to participants and beneficiaries under subparagraph (F)(i) is written in a clear and conspicuous manner and in a manner calculated to be understood by the average plan participant and is sufficiently accurate and comprehensive to reasonably apprise such participants and beneficiaries of the information required to be provided in the notification.

"(ii) MODEL FORM FOR DISCLOSURE OF FEES AND OTHER COMPENSATION.—The Secretary of Labor shall issue a model form for the disclosure of fees and other compensation required in subparagraph (F)(i)(III) which meets the requirements of clause (i).

"(I) MAINTENANCE FOR 6 YEARS OF EVIDENCE OF COMPLIANCE.—The requirements of this subparagraph are met if a fiduciary adviser who has provided advice referred to in subparagraph (A) maintains, for a period of not less than 6 years after the provision of the advice, any records necessary for determining whether the requirements of the preceding provisions of this paragraph and of subsection (d)(17) have been met. A transaction prohibited under section 406 shall not be considered to have occurred solely because the records are lost or destroyed prior to the end of the 6-year period due to circumstances beyond the control of the fiduciary adviser.

"(J) DEFINITIONS.—For purposes of this paragraph and subsection (d)(17)—

"(i) FIDUCIARY ADVISER.—The term 'fiduciary adviser' means, with respect to a plan, a person who is a fiduciary of the plan by reason of the provision of investment advice by the person to the participant or beneficiary of the plan and who is—

"(I) registered as an investment adviser under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) or under the laws of the State in which the fiduciary maintains its principal office and place of business,

"(II) a bank or similar financial institution referred to in section 408(b)(4) or a savings association (as defined in section 3(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(1)), but only if the advice is provided through a trust department of the bank or similar financial institution or savings association which is subject to periodic examination and review by Federal or State banking authorities,

"(III) an insurance company qualified to do business under the laws of a State,

"(IV) a person registered as a broker or dealer under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.),

"(V) an affiliate of a person described in any of subclauses (I) through (IV), or

"(VI) an employee, agent, or registered representative of a person described in subclauses (I) through (V) who satisfies the requirements of applicable insurance, banking, and securities laws relating to the provision of the advice.

For purposes of this title, a person who develops the computer model described in subparagraph (C)(ii) or markets the investment advice program or computer model shall be treated as a person who is a fiduciary of the plan by reason of the provision of investment advice referred to in subsection (e)(3)(B) to the participant or beneficiary and shall be treated as a fiduciary adviser for purposes of this paragraph and subsection (d)(17), except that the Secretary of Labor may prescribe rules under which only 1 fiduciary adviser may elect to be treated as a fiduciary with respect to the plan.

"(ii) AFFILIATE.—The term 'affiliate' of another entity means an affiliated person of the entity (as defined in section 2(a)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(3))).

"(iii) REGISTERED REPRESENTATIVE.—The term 'registered representative' of another entity means a person described in section 3(a)(18) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(18)) (substituting the entity for the broker or dealer referred to in such section) or a person described in section 202(a)(17) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(17)) (substituting the entity for the investment adviser referred to in such section).".

(3) DETERMINATION OF FEASIBILITY OF APPLICATION OF COMPUTER MODEL INVESTMENT ADVICE PROGRAMS FOR INDIVIDUAL RETIREMENT AND SIMILAR PLANS.—

(A) SOLICITATION OF INFORMATION.—As soon as practicable after the date of the enactment of this Act, the Secretary of Labor, in consultation with the Secretary of the Treasury, shall—

(i) solicit information as to the feasibility of the application of computer model investment advice programs for plans described in subparagraphs (B) through (F) (and so much of subparagraph (G) as relates to such subparagraphs) of section 4975(e)(1) of the Internal Revenue Code of 1986, including soliciting information from—

(I) at least the top 50 trustees of such plans, determined on the basis of assets held by such trustees, and

(II) other persons offering computer model investment advice programs based on nonproprietary products, and

(ii) shall on the basis of such information make the determination under subparagraph (B).

The information solicited by the Secretary of Labor under clause (i) from persons described in subclauses (I) and (II) of clause (i) shall include information on computer modeling capabilities of such persons with respect to the current year and preceding year, including such capabilities for investment accounts maintained by such persons.

(B) DETERMINATION OF FEASIBILITY.—The Secretary of Labor, in consultation with the Secretary of the Treasury, shall, on the basis of information received under subparagraph (A), determine whether there is any computer model investment advice program which may be utilized by a plan described in subparagraph (A)(i) to provide investment advice to the account beneficiary of the plan which—

(i) utilizes relevant information about the account beneficiary, which may include age, life expectancy, retirement age, risk tolerance, other assets or sources of income, and preferences as to certain types of investments,

(ii) takes into account the full range of investments, including equities and bonds, in determining the options for the investment portfolio of the account beneficiary, and

(iii) allows the account beneficiary, in directing the investment of assets, sufficient flexibility in obtaining advice to evaluate and select investment options.

The Secretary of Labor shall report the results of such determination to the committees of Congress referred to in subparagraph (D)(ii) not later than December 31, 2007.

(C) APPLICATION OF COMPUTER MODEL INVESTMENT ADVICE PROGRAM.—

(i) CERTIFICATION REQUIRED FOR USE OF COMPUTER MODEL.—

(I) RESTRICTION ON USE.—Subclause (II) of section 4975(f)(8)(B)(i) of the Internal Revenue Code of 1986 shall not apply to a plan described in subparagraph (A)(i).

(II) RESTRICTION LIFTED IF MODEL CERTIFIED.—If the Secretary of Labor determines under subparagraph (B) or (D) that there is a computer model investment advice program described in subparagraph (B), subclause (I) shall cease to apply as of the date of such determination.

(ii) CLASS EXEMPTION IF NO INITIAL CERTIFICATION BY SECRETARY.—If the Secretary of Labor determines under subparagraph (B) that there is no computer model investment advice program described in subparagraph (B), the Secretary of Labor shall grant a class exemption from treatment as a prohibited transaction under section 4975(c) of the Internal Revenue Code of 1986 to any transaction described in section 4975(d)(17)(A) of such Code with respect to plans described in subparagraph (A)(i), subject to such conditions as set forth in such exemption as are in the interests of the plan and its account beneficiary and protective of the rights of the account beneficiary and as are necessary to—

(I) ensure the requirements of sections 4975(d)(17) and 4975(f)(8) (other than subparagraph (C) thereof) of the Internal Revenue Code of 1986 are met, and

(II) ensure the investment advice provided under the investment advice program utilizes prescribed objective criteria to provide asset allocation portfolios comprised of securities or other property available as investments under the plan.

If the Secretary of Labor solicits any information under subparagraph (A) from a person and such person does not provide such information within 60 days after the solicitation, then, unless such failure was due to reasonable cause and not wilful neglect, such person shall not be entitled to utilize the class exemption under this clause.

(D) SUBSEQUENT DETERMINATION.—

(i) IN GENERAL.—If the Secretary of Labor initially makes a determination described in subparagraph (C)(ii), the Secretary may subsequently determine that there is a computer model investment advice program described in subparagraph (B). If the Secretary makes such subsequent determination, then the class exemption described in subparagraph (C)(ii) shall cease to apply after the later of—

(I) the date which is 2 years after such subsequent determination, or

(II) the date which is 3 years after the first date on which such exemption took effect.

(ii) REQUESTS FOR DETERMINATION.—Any person may request the Secretary of Labor to make a determination under this subparagraph with respect to any computer model investment advice program, and the Secretary of Labor shall make a determination with respect to such request within 90 days. If the Secretary of Labor makes a determination that such program is not described in subparagraph (B), the Secretary shall, within 10 days of such determination, notify the Committee on Ways and Means and the Committee on Education and the Workforce of the House of Representatives and the Committee on Finance and the Committee on Health, Education, Labor, and Pensions of the Senate of such determination and the reasons for such determination.

(E) EFFECTIVE DATE.—The provisions of this paragraph shall take effect on the date of the enactment of this Act.

(4) EFFECTIVE DATE.—Except as provided in this subsection, the amendments made by this subsection shall apply with respect to advice referred to in section 4975(c)(3)(B) of the Internal Revenue Code of 1986 provided after December 31, 2006.

(c) COORDINATION WITH EXISTING EXEMPTIONS.—Any exemption under section 408(b) of the Employee Retirement Income Security Act of 1974 and section 4975(d) of the Internal Revenue Code of 1986 provided by the amendments made by this section shall not in any manner alter existing individual or class exemptions, provided by statute or administrative action.

Subtitle B—Prohibited Transactions

SEC. 611. PROHIBITED TRANSACTION RULES RELATING TO FINANCIAL INVESTMENTS.

(a) EXEMPTION FOR BLOCK TRADING.—

(1) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 408(b) of such Act (29 U.S.C. 1108(b)), as amended by section 601, is amended by adding at the end the following new paragraph:

"(15)(A) Any transaction involving the purchase or sale of securities, or other property (as determined by the Secretary), between a plan and a party in interest (other than a fiduciary described in section 3(21)(A)) with respect to a plan if—

"(i) the transaction involves a block trade,

"(ii) at the time of the transaction, the interest of the plan (together with the interests of any other plans maintained by the same plan sponsor), does not exceed 10 percent of the aggregate size of the block trade,

"(iii) the terms of the transaction, including the price, are at least as favorable to the plan as an arm's length transaction, and

"(iv) the compensation associated with the purchase and sale is not greater than the compensation associated with an arm's length transaction with an unrelated party.

"(B) For purposes of this paragraph, the term 'block trade' means any trade of at least 10,000 shares or with a market value of at least $200,000 which will be allocated across two or more unrelated client accounts of a fiduciary.".

(2) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—

(A) IN GENERAL.—Subsection (d) of section 4975 of the Internal Revenue Code of 1986 (relating to exemptions), as amended by section 601, is amended by striking "or" at the end of paragraph (16), by striking the period at the end of paragraph (17) and inserting ", or", and by adding at the end the following new paragraph:

"(18) any transaction involving the purchase or sale of securities, or other property (as determined by the Secretary of Labor), between a plan and a party in interest (other than a fiduciary described in subsection (e)(3)(B)) with respect to a plan if—

"(A) the transaction involves a block trade,

"(B) at the time of the transaction, the interest of the plan (together with the interests of any other plans maintained by the same plan sponsor), does not exceed 10 percent of the aggregate size of the block trade,

"(C) the terms of the transaction, including the price, are at least as favorable to the plan as an arm's length transaction, and

"(D) the compensation associated with the purchase and sale is not greater than the compensation associated with an arm's length transaction with an unrelated party.".

(B) SPECIAL RULE RELATING TO BLOCK TRADE.—Subsection (f) of section 4975 of such Code (relating to other definitions and special rules), as amended by section 601, is amended by adding at the end the following new paragraph:

"(9) BLOCK TRADE.—The term 'block trade' means any trade of at least 10,000 shares or with a market value of at least $200,000 which will be allocated across two or more unrelated client accounts of a fiduciary.".

(b) BONDING RELIEF.—Section 412(a) of such Act (29 U.S.C. 1112(a)) is amended—

(1) by redesignating paragraph (2) as paragraph (3),

(2) by striking "and" at the end of paragraph (1), and

(3) by inserting after paragraph (1) the following new paragraph:

"(2) no bond shall be required of any entity which is registered as a broker or a dealer under section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) if the broker or dealer is subject to the fidelity bond requirements of a self-regulatory organization (within the meaning of section 3(a)(26) of such Act (15 U.S.C. 78c(a)(26)).".

(c) EXEMPTION FOR ELECTRONIC COMMUNICATION NETWORK.—

(1) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 408(b) of such Act, as amended by subsection (a), is amended by adding at the end the following:

"(16) Any transaction involving the purchase or sale of securities, or other property (as determined by the Secretary), between a plan and a party in interest if—

"(A) the transaction is executed through an electronic communication network, alternative trading system, or similar execution system or trading venue subject to regulation and oversight by—

"(i) the applicable Federal regulating entity, or

"(ii) such foreign regulatory entity as the Secretary may determine by regulation,

"(B) either—

"(i) the transaction is effected pursuant to rules designed to match purchases and sales at the best price available through the execution system in accordance with applicable rules of the Securities and Exchange Commission or other relevant governmental authority, or

"(ii) neither the execution system nor the parties to the transaction take into account the identity of the parties in the execution of trades,

"(C) the price and compensation associated with the purchase and sale are not greater than the price and compensation associated with an arm's length transaction with an unrelated party,

"(D) if the party in interest has an ownership interest in the system or venue described in subparagraph (A), the system or venue has been authorized by the plan sponsor or other independent fiduciary for transactions described in this paragraph, and

"(E) not less than 30 days prior to the initial transaction described in this paragraph executed through any system or venue described in subparagraph (A), a plan fiduciary is provided written or electronic notice of the execution of such transaction through such system or venue.".

(2) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—Subsection (d) of section 4975 of the Internal Revenue Code of 1986 (relating to exemptions), as amended by subsection (a), is amended by striking "or" at the end of paragraph (17), by striking the period at the end of paragraph (18) and inserting ", or", and by adding at the end the following new paragraph:

"(19) any transaction involving the purchase or sale of securities, or other property (as determined by the Secretary of Labor), between a plan and a party in interest if—

"(A) the transaction is executed through an electronic communication network, alternative trading system, or similar execution system or trading venue subject to regulation and oversight by—

"(i) the applicable Federal regulating entity, or

"(ii) such foreign regulatory entity as the Secretary of Labor may determine by regulation,

"(B) either—

"(i) the transaction is effected pursuant to rules designed to match purchases and sales at the best price available through the execution system in accordance with applicable rules of the Securities and Exchange Commission or other relevant governmental authority, or

"(ii) neither the execution system nor the parties to the transaction take into account the identity of the parties in the execution of trades,

"(C) the price and compensation associated with the purchase and sale are not greater than the price and compensation associated with an arm's length transaction with an unrelated party,

"(D) if the party in interest has an ownership interest in the system or venue described in subparagraph (A), the system or venue has been authorized by the plan sponsor or other independent fiduciary for transactions described in this paragraph, and

"(E) not less than 30 days prior to the initial transaction described in this paragraph executed through any system or venue described in subparagraph (A), a plan fiduciary is provided written or electronic notice of the execution of such transaction through such system or venue.".

(d) EXEMPTION FOR SERVICE PROVIDERS.—

(1) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 408(b) of such Act (29 U.S.C. 1106), as amended by subsection (c), is amended by adding at the end the following new paragraph:

"(17)(A) Transactions described in subparagraphs (A), (B), and (D) of section 406(a)(1) between a plan and a person that is a party in interest other than a fiduciary (or an affiliate) who has or exercises any discretionary authority or control with respect to the investment of the plan assets involved in the transaction or renders investment advice (within the meaning of section 3(21)(A)(ii)) with respect to those assets, solely by reason of providing services to the plan or solely by reason of a relationship to such a service provider described in subparagraph (F), (G), (H), or (I) of section 3(14), or both, but only if in connection with such transaction the plan receives no less, nor pays no more, than adequate consideration.

"(B) For purposes of this paragraph, the term 'adequate consideration' means—

"(i) in the case of a security for which there is a generally recognized market—

"(I) the price of the security prevailing on a national securities exchange which is registered under section 6 of the Securities Exchange Act of 1934, taking into account factors such as the size of the transaction and marketability of the security, or

"(II) if the security is not traded on such a national securities exchange, a price not less favorable to the plan than the offering price for the security as established by the current bid and asked prices quoted by persons independent of the issuer and of the party in interest, taking into account factors such as the size of the transaction and marketability of the security, and

"(ii) in the case of an asset other than a security for which there is a generally recognized market, the fair market value of the asset as determined in good faith by a fiduciary or fiduciaries in accordance with regulations prescribed by the Secretary.".

(2) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—

(A) IN GENERAL.—Subsection (d) of section 4975 of the Internal Revenue Code of 1986 (relating to exemptions), as amended by subsection (c), is amended by striking "or" at the end of paragraph (18), by striking the period at the end of paragraph (19) and inserting ", or", and by adding at the end the following new paragraph:

"(20) transactions described in subparagraphs (A), (B), and (D) of subsection (c)(1) between a plan and a person that is a party in interest other than a fiduciary (or an affiliate) who has or exercises any discretionary authority or control with respect to the investment of the plan assets involved in the transaction or renders investment advice (within the meaning of subsection (e)(3)(B)) with respect to those assets, solely by reason of providing services to the plan or solely by reason of a relationship to such a service provider described in subparagraph (F), (G), (H), or (I) of subsection (e)(2), or both, but only if in connection with such transaction the plan receives no less, nor pays no more, than adequate consideration.".

(B) SPECIAL RULE RELATING TO SERVICE PROVIDERS.—Subsection (f) of section 4975 of such Code (relating to other definitions and special rules), as amended by subsection (a), is amended by adding at the end the following new paragraph:

"(10) ADEQUATE CONSIDERATION.—The term 'adequate consideration' means—

"(A) in the case of a security for which there is a generally recognized market—

"(i) the price of the security prevailing on a national securities exchange which is registered under section 6 of the Securities Exchange Act of 1934, taking into account factors such as the size of the transaction and marketability of the security, or

"(ii) if the security is not traded on such a national securities exchange, a price not less favorable to the plan than the offering price for the security as established by the current bid and asked prices quoted by persons independent of the issuer and of the party in interest, taking into account factors such as the size of the transaction and marketability of the security, and

"(B) in the case of an asset other than a security for which there is a generally recognized market, the fair market value of the asset as determined in good faith by a fiduciary or fiduciaries in accordance with regulations prescribed by the Secretary of Labor.".

(e) RELIEF FOR FOREIGN EXCHANGE TRANSACTIONS.—

(1) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 408(b) of such Act (29 U.S.C. 1108(b)), as amended by subsection (d), is amended by adding at the end the following new paragraph:

"(18) FOREIGN EXCHANGE TRANSACTIONS.—Any foreign exchange transactions, between a bank or broker-dealer (or any affiliate of either), and a plan (as defined in section 3(3)) with respect to which such bank or broker-dealer (or affiliate) is a trustee, custodian, fiduciary, or other party in interest, if—

"(A) the transaction is in connection with the purchase, holding, or sale of securities or other investment assets (other than a foreign exchange transaction unrelated to any other investment in securities or other investment assets),

"(B) at the time the foreign exchange transaction is entered into, the terms of the transaction are not less favorable to the plan than the terms generally available in comparable arm's length foreign exchange transactions between unrelated parties, or the terms afforded by the bank or broker-dealer (or any affiliate of either) in comparable arm's-length foreign exchange transactions involving unrelated parties,

"(C) the exchange rate used by such bank or broker-dealer (or affiliate) for a particular foreign exchange transaction does not deviate by more or less than 3 percent from the interbank bid and asked rates for transactions of comparable size and maturity at the time of the transaction as displayed on an independent service that reports rates of exchange in the foreign currency market for such currency, and

"(D) the bank or broker-dealer (or any affiliate of either) does not have investment discretion, or provide investment advice, with respect to the transaction.".

(2) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Subsection (d) of section 4975 of the Internal Revenue Code of 1986 (relating to exemptions), as amended by subsection (d), is amended by striking "or" at the end of paragraph (19), by striking the period at the end of paragraph (20) and inserting ", or", and by adding at the end the following new paragraph:

"(21) any foreign exchange transactions, between a bank or broker-dealer (or any affiliate of either) and a plan (as defined in this section) with respect to which such bank or broker-dealer (or affiliate) is a trustee, custodian, fiduciary, or other party in interest person, if—

"(A) the transaction is in connection with the purchase, holding, or sale of securities or other investment assets (other than a foreign exchange transaction unrelated to any other investment in securities or other investment assets),

"(B) at the time the foreign exchange transaction is entered into, the terms of the transaction are not less favorable to the plan than the terms generally available in comparable arm's length foreign exchange transactions between unrelated parties, or the terms afforded by the bank or broker-dealer (or any affiliate of either) in comparable arm's-length foreign exchange transactions involving unrelated parties,

"(C) the exchange rate used by such bank or broker-dealer (or affiliate) for a particular foreign exchange transaction does not deviate by more or less than 3 percent from the interbank bid and asked rates for transactions of comparable size and maturity at the time of the transaction as displayed on an independent service that reports rates of exchange in the foreign currency market for such currency, and

"(D) the bank or broker-dealer (or any affiliate of either) does not have investment discretion, or provide investment advice, with respect to the transaction.".

(f) DEFINITION OF PLAN ASSET VEHICLE.—Section 3 of such Act (29 U.S.C. 1002) is amended by adding at the end the following new paragraph:

"(42) the term 'plan assets' means plan assets as defined by such regulations as the Secretary may prescribe, except that under such regulations the assets of any entity shall not be treated as plan assets if, immediately after the most recent acquisition of any equity interest in the entity, less than 25 percent of the total value of each class of equity interest in the entity is held by benefit plan investors. For purposes of determinations pursuant to this paragraph, the value of any equity interest held by a person (other than such a benefit plan investor) who has discretionary authority or control with respect to the assets of the entity or any person who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person, shall be disregarded for purposes of calculating the 25 percent threshold. An entity shall be considered to hold plan assets only to the extent of the percentage of the equity interest held by benefit plan investors. For purposes of this paragraph, the term 'benefit plan investor' means an employee benefit plan subject to part 4, any plan to which section 4975 of the Internal Revenue Code of 1986 applies, and any entity whose underlying assets include plan assets by reason of a plan's investment in such entity.".

(g) EXEMPTION FOR CROSS TRADING.—

(1) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 408(b) of such Act (29 U.S.C. 1108(b)), as amended by subsection (e), is amended by adding at the end the following new paragraph:

"(19) CROSS TRADING.—Any transaction described in sections 406(a)(1)(A) and 406(b)(2) involving the purchase and sale of a security between a plan and any other account managed by the same investment manager, if—

"(A) the transaction is a purchase or sale, for no consideration other than cash payment against prompt delivery of a security for which market quotations are readily available,

"(B) the transaction is effected at the independent current market price of the security (within the meaning of section 270.17a–7(b) of title 17, Code of Federal Regulations),

"(C) no brokerage commission, fee (except for customary transfer fees, the fact of which is disclosed pursuant to subparagraph (D)), or other remuneration is paid in connection with the transaction,

"(D) a fiduciary (other than the investment manager engaging in the cross-trades or any affiliate) for each plan participating in the transaction authorizes in advance of any cross-trades (in a document that is separate from any other written agreement of the parties) the investment manager to engage in cross trades at the investment manager's discretion, after such fiduciary has received disclosure regarding the conditions under which cross trades may take place (but only if such disclosure is separate from any other agreement or disclosure involving the asset management relationship), including the written policies and procedures of the investment manager described in subparagraph (H),

"(E) each plan participating in the transaction has assets of at least $100,000,000, except that if the assets of a plan are invested in a master trust containing the assets of plans maintained by employers in the same controlled group (as defined in section 407(d)(7)), the master trust has assets of at least $100,000,000,

"(F) the investment manager provides to the plan fiduciary who authorized cross trading under subparagraph (D) a quarterly report detailing all cross trades executed by the investment manager in which the plan participated during such quarter, including the following information, as applicable: (i) the identity of each security bought or sold;

(ii) the number of shares or units traded, (iii) the parties involved in the cross-trade; and (iv) trade price and the method used to establish the trade price,

"(G) the investment manager does not base its fee schedule on the plan's consent to cross trading, and no other service (other than the investment opportunities and cost savings available through a cross trade) is conditioned on the plan's consent to cross trading,

"(H) the investment manager has adopted, and cross-trades are effected in accordance with, written cross-trading policies and procedures that are fair and equitable to all accounts participating in the cross-trading program, and that include a description of the manager's pricing policies and procedures, and the manager's policies and procedures for allocating cross trades in an objective manner among accounts participating in the cross-trading program, and

"(I) the investment manager has designated an individual responsible for periodically reviewing such purchases and sales to ensure compliance with the written policies and procedures described in subparagraph (H), and following such review, the individual shall issue an annual written report no later than 90 days following the period to which it relates signed under penalty of perjury to the plan fiduciary who authorized cross trading under subparagraph (D) describing the steps performed during the course of the review, the level of compliance, and any specific instances of non-compliance.

The written report under subparagraph (I) shall also notify the plan fiduciary of the plan's right to terminate participation in the investment manager's cross-trading program at any time.".

(2) AMENDMENTS OF INTERNAL REVENUE CODE OF 1986.—Subsection (d) of section 4975 of the Internal Revenue Code of 1986 (relating to exemptions), as amended by subsection (e), is amended by striking "or" at the end of paragraph (20), by striking the period at the end of paragraph (21) and inserting ", or", and by adding at the end the following new paragraph:

"(22) any transaction described in subsection (c)(1)(A) involving the purchase and sale of a security between a plan and any other account managed by the same investment manager, if—

"(A) the transaction is a purchase or sale, for no consideration other than cash payment against prompt delivery of a security for which market quotations are readily available,

"(B) the transaction is effected at the independent current market price of the security (within the meaning of section 270.17a–7(b) of title 17, Code of Federal Regulations),

"(C) no brokerage commission, fee (except for customary transfer fees, the fact of which is disclosed pursuant to subparagraph (D)), or other remuneration is paid in connection with the transaction,

"(D) a fiduciary (other than the investment manager engaging in the cross-trades or any affiliate) for each plan participating in the transaction authorizes in advance of any cross-trades (in a document that is separate from any other written agreement of the parties) the investment manager to engage in cross trades at the investment manager's discretion, after such fiduciary has received disclosure regarding the conditions under which cross trades may take place (but only if such disclosure is separate from any other agreement or disclosure involving the asset management relationship), including the written policies and procedures of the investment manager described in subparagraph (H),

"(E) each plan participating in the transaction has assets of at least $100,000,000, except that if the assets of a plan are invested in a master trust containing the assets of plans maintained by employers in the same controlled group (as defined in section 407(d)(7) of the Employee Retirement Income Security Act of 1974), the master trust has assets of at least $100,000,000,

"(F) the investment manager provides to the plan fiduciary who authorized cross trading under subparagraph (D) a quarterly report detailing all cross trades executed by the investment manager in which the plan participated during such quarter, including the following information, as applicable: (i) the identity of each security bought or sold; (ii) the number of shares or units traded, (iii) the parties involved in the cross-trade; and (iv) trade price and the method used to establish the trade price,

"(G) the investment manager does not base its fee schedule on the plan's consent to cross trading, and no other service (other than the investment opportunities and cost savings available through a cross trade) is conditioned on the plan's consent to cross trading,

"(H) the investment manager has adopted, and cross-trades are effected in accordance with, written cross-trading policies and procedures that are fair and equitable to all accounts participating in the cross-trading program, and that include a description of the manager's pricing policies and procedures, and the manager's policies and procedures for allocating cross trades in an objective manner among accounts participating in the cross-trading program, and

"(I) the investment manager has designated an individual responsible for periodically reviewing such purchases and sales to ensure compliance with the written policies and procedures described in subparagraph (H), and following such review, the individual shall issue an annual written report no later than 90 days following the period to which it relates signed under penalty of perjury to the plan fiduciary who authorized cross trading under subparagraph (D) describing the steps performed during the course of the review, the level of compliance, and any specific instances of non-compliance.

The written report shall also notify the plan fiduciary of the plan's right to terminate participation in the investment manager's cross-trading program at any time.".

(3) REGULATIONS.—No later than 180 days after the date of the enactment of this Act, the Secretary of Labor, after consultation with the Securities and Exchange Commission, shall issue regulations regarding the content of policies and procedures required to be adopted by an investment manager under section 408(b)(19) of the Employee Retirement Income Security Act of 1974.

(h) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to transactions occurring after the date of the enactment of this Act.

(2) BONDING RULE.—The amendments made by subsection (b) shall apply to plan years beginning after such date.

SEC. 612. CORRECTION PERIOD FOR CERTAIN TRANSACTIONS INVOLVING SECURITIES AND COMMODITIES.

(a) AMENDMENT OF EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 408(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(b)), as amended by sections 601 and 611, is further amended by adding at the end the following new paragraph:

"(20)(A) Except as provided in subparagraphs (B) and (C), a transaction described in section 406(a) in connection with the acquisition, holding, or disposition of any security or commodity, if the transaction is corrected before the end of the correction period.

"(B) Subparagraph (A) does not apply to any transaction between a plan and a plan sponsor or its affiliates that involves the acquisition or sale of an employer security (as defined in section 407(d)(1)) or the acquisition, sale, or lease of employer real property (as defined in section 407(d)(2)).

"(C) In the case of any fiduciary or other party in interest (or any other person knowingly participating in such transaction), subparagraph (A) does not apply to any transaction if, at the time the transaction occurs, such fiduciary or party in interest (or other person) knew (or reasonably should have known) that the transaction would (without regard to this paragraph) constitute a violation of section 406(a).

"(D) For purposes of this paragraph, the term 'correction period' means, in connection with a fiduciary or party in interest (or other person knowingly participating in the transaction), the 14-day period beginning on the date on which such fiduciary or party in interest (or other person) discovers, or reasonably should have discovered, that the transaction would (without regard to this paragraph) constitute a violation of section 406(a).

"(E) For purposes of this paragraph—

"(i) The term 'security' has the meaning given such term by section 475(c)(2) of the Internal Revenue Code of 1986 (without regard to subparagraph (F)(iii) and the last sentence thereof).

"(ii) The term 'commodity' has the meaning given such term by section 475(e)(2) of such Code (without regard to subparagraph (D)(iii) thereof).

"(iii) The term 'correct' means, with respect to a transaction—

"(I) to undo the transaction to the extent possible and in any case to make good to the plan or affected account any losses resulting from the transaction, and

"(II) to restore to the plan or affected account any profits made through the use of assets of the plan.".

(b) AMENDMENT OF INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—Subsection (d) of section 4975 of the Internal Revenue Code of 1986 (relating to exemptions), as amended by sections 601 and 611, is amended by striking "or" at the end of paragraph (21), by striking the period at the end of paragraph (22) and inserting ", or", and by adding at the end the following new paragraph:

"(23) except as provided in subsection (f)(11), a transaction described in subparagraph (A), (B), (C), or (D) of subsection (c)(1) in connection with the acquisition, holding, or disposition of any security or commodity, if the transaction is corrected before the end of the correction period.".

(2) SPECIAL RULES RELATING TO CORRECTION PERIOD.—Subsection (f) of section 4975 of such Code (relating to other definitions and special rules), as amended by sections 601 and 611, is amended by adding at the end the following new paragraph:

"(11) CORRECTION PERIOD.—

"(A) IN GENERAL.—For purposes of subsection (d)(23), the term 'correction period' means the 14-day period beginning on the date on which the disqualified person discovers, or reasonably should have discovered, that the transaction would (without regard to this paragraph and subsection (d)(23)) constitute a prohibited transaction.

"(B) Exceptions.—

"(i) Employer securities.—Subsection (d)(23) does not apply to any transaction between a plan and a plan sponsor or its affiliates that involves the acquisition or sale of an employer security (as defined in section 407(d)(1)) or the acquisition, sale, or lease of employer real property (as defined in section 407(d)(2)).

"(ii) Knowing prohibited transaction.—In the case of any disqualified person, subsection (d)(23) does not apply to a transaction if, at the time the transaction is entered into, the disqualified person knew (or reasonably should have known) that the transaction would (without regard to this paragraph) constitute a prohibited transaction.

"(C) Abatement of tax where there is a correction.—If a transaction is not treated as a prohibited transaction by reason of subsection (d)(23), then no tax under subsection (a) and (b) shall be assessed with respect to such transaction, and if assessed the assessment shall be abated, and if collected shall be credited or refunded as an overpayment.

"(D) Definitions.—For purposes of this paragraph and subsection (d)(23)—

"(i) Security.—The term 'security' has the meaning given such term by section 475(c)(2) (without regard to subparagraph (F)(iii) and the last sentence thereof).

"(ii) Commodity.—The term 'commodity' has the meaning given such term by section 475(e)(2) (without regard to subparagraph (D)(iii) thereof).

"(iii) Correct.—The term 'correct' means, with respect to a transaction—

"(I) to undo the transaction to the extent possible and in any case to make good to the plan or affected account any losses resulting from the transaction, and

"(II) to restore to the plan or affected account any profits made through the use of assets of the plan.".

(c) Effective Date.—The amendments made by this section shall apply to any transaction which the fiduciary or disqualified person discovers, or reasonably should have discovered, after the date of the enactment of this Act constitutes a prohibited transaction.

Subtitle C—Fiduciary and Other Rules

SEC. 621. INAPPLICABILITY OF RELIEF FROM FIDUCIARY LIABILITY DURING SUSPENSION OF ABILITY OF PARTICIPANT OR BENEFICIARY TO DIRECT INVESTMENTS.

(a) In General.—Section 404(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104(c)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and by inserting "(A)" after "(c)(1)",

(B) in subparagraph (A)(ii) (as redesignated by paragraph (1)), by inserting before the period the following: ", except that this clause shall not apply in connection with such participant or beneficiary for any blackout period during which the ability of such participant or beneficiary to direct the investment of the assets in his or her account is suspended by a plan sponsor or fiduciary", and

(C) by adding at the end the following new subparagraphs:

"(B) If a person referred to in subparagraph (A)(ii) meets the requirements of this title in connection with authorizing and implementing the blackout period, any person who is otherwise a fiduciary shall not be liable under this title for any loss occurring during such period.

"(C) For purposes of this paragraph, the term 'blackout period' has the meaning given such term by section 101(i)(7)."; and

(2) by adding at the end the following:

"(4)(A) In any case in which a qualified change in investment options occurs in connection with an individual account plan, a participant or beneficiary shall not be treated for purposes of paragraph (1) as not exercising control over the assets in his account in connection with such change if the requirements of subparagraph (C) are met in connection with such change.

"(B) For purposes of subparagraph (A), the term 'qualified change in investment options' means, in connection with an individual account plan, a change in the investment options offered to the participant or beneficiary under the terms of the plan, under which—

"(i) the account of the participant or beneficiary is reallocated among one or more remaining or new investment options which are offered in lieu of one or more investment options offered immediately prior to the effective date of the change, and

"(ii) the stated characteristics of the remaining or new investment options provided under clause (i), including characteristics relating to risk and rate of return, are, as of immediately after the change, reasonably similar to those of the existing investment options as of immediately before the change.

"(C) The requirements of this subparagraph are met in connection with a qualified change in investment options if—

"(i) at least 30 days and no more than 60 days prior to the effective date of the change, the plan administrator furnishes written notice of the change to the participants and beneficiaries, including information comparing the existing and new investment options and an explanation that, in the absence of affirmative investment instructions from the participant or beneficiary to the contrary, the account of the participant or beneficiary will be invested in the manner described in subparagraph (B),

"(ii) the participant or beneficiary has not provided to the plan administrator, in advance of the effective date of the change, affirmative investment instructions contrary to the change, and

"(iii) the investments under the plan of the participant or beneficiary as in effect immediately prior to the effective date of the change were the product of the exercise by such participant or beneficiary of control over the assets of the account within the meaning of paragraph (1).".

(b) Effective Date.—

(1) In general.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

(2) Special rule for collectively bargained agreements.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of the enactment of this Act, paragraph (1) shall be applied to benefits pursuant to, and individuals covered by, any such agreement by substituting for "December 31, 2007" the earlier of—

(A) the later of—

(i) December 31, 2008, or

(ii) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after such date of enactment), or

(B) December 31, 2009.

SEC. 622. INCREASE IN MAXIMUM BOND AMOUNT.

(a) In General.—Section 412(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1112), as amended by section 611(b), is amended by adding at the end the following: "In the case of a plan that holds employer securities (within the meaning of section 407(d)(1)), this subsection shall be applied by substituting '$1,000,000' for '$500,000' each place it appears."

(b) Effective Date.—The amendment made by this section shall apply to plan years beginning after December 31, 2007.

SEC. 623. INCREASE IN PENALTIES FOR COERCIVE INTERFERENCE WITH EXERCISE OF ERISA RIGHTS.

(a) In General.—Section 511 of the Employment Retirement Income Security Act of 1974 (29 U.S.C. 1141) is amended—

(1) by striking "$10.000" and inserting "$100,000", and

(2) by striking "one year" and inserting "10 years".

(b) Effective Date.—The amendments made by this section shall apply to violations occurring on and after the date of the enactment of this Act.

SEC. 624. TREATMENT OF INVESTMENT OF ASSETS BY PLAN WHERE PARTICIPANT FAILS TO EXERCISE INVESTMENT ELECTION.

(a) In General.—Section 404(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104(c)), as amended by section 622, is amended by adding at the end the following new paragraph:

"(5) Default investment arrangements.—

"(A) In general.—For purposes of paragraph (1), a participant in an individual account plan meeting the notice requirements of subparagraph (B) shall be treated as exercising control over the assets in the account with respect to the amount of contributions and earnings which, in the absence of an investment election by the participant, are invested by the plan in accordance with regulations prescribed by the Secretary. The regulations under this subparagraph shall provide guidance on the appropriateness of designating default investments that include a mix of asset classes consistent with capital preservation or long-term capital appreciation, or a blend of both.

"(B) Notice requirements.—

"(i) In general.—The requirements of this subparagraph are met if each participant—

"(I) receives, within a reasonable period of time before each plan year, a notice explaining the employee's right under the plan to designate how contributions and earnings will be invested and explaining how, in the absence of any investment election by the participant, such contributions and earnings will be invested, and

"(II) has a reasonable period of time after receipt of such notice and before the beginning of the plan year to make such designation.

"(ii) Form of notice.—The requirements of clauses (i) and (ii) of section 401(k)(12)(D) of the Internal Revenue Code of 1986 shall apply with respect to the notices described in this subparagraph.".

(b) Effective Date.—

(1) In general.—The amendments made by this section shall apply to plan years beginning after December 31, 2006.

(2) Regulations.—Final regulations under section 404(c)(5)(A) of the Employee Retirement Income Security Act of 1974 (as added by this section) shall be issued no later than 6 months after the date of the enactment of this Act.

SEC. 625. CLARIFICATION OF FIDUCIARY RULES.

(a) In General.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Labor shall issue final regulations clarifying that the selection of an annuity contract as an optional form of distribution from an individual account plan to a participant or beneficiary—

(1) is not subject to the safest available annuity standard under Interpretive Bulletin 95–1 (29 C.F.R. 2509.95–1), and

(2) is subject to all otherwise applicable fiduciary standards.

(b) Effective Date.—This section shall take effect on the date of enactment of this Act.

TITLE VII—BENEFIT ACCRUAL STANDARDS

SEC. 701. BENEFIT ACCRUAL STANDARDS.

(a) Amendments to the Employee Retirement Income Security Act of 1974.—

(1) Rules relating to reduction in rate of benefit accrual.—Section 204(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(b)) is amended by adding at the end the following new paragraph:

"(5) Special rules relating to age.—

"(A) Comparison to similarly situated younger individual.—

"(i) In general.—A plan shall not be treated as failing to meet the requirements of paragraph (1)(H)(i) if a participant's accrued benefit, as determined as of any date under the terms of the plan, would be equal to or greater than that of any similarly situated, younger individual who is or could be a participant.

"(ii) Similarly situated.—For purposes of this subparagraph, a participant is similarly situated to any other individual if such participant is identical to such other individual in every respect (including period of service, compensation, position, date of hire, work history, and any other respect) except for age.

"(iii) Disregard of subsidized early retirement benefits.—In determining the accrued benefit as of any date for purposes of this clause, the subsidized portion of any early retirement benefit or retirement-type subsidy shall be disregarded.

"(iv) Accrued benefit.—For purposes of this subparagraph, the accrued benefit may, under the terms of the plan, be expressed as an annuity payable at normal retirement age, the balance of a hypothetical account, or the current value of the accumulated percentage of the employee's final average compensation.

"(B) Applicable defined benefit plans.—

"(i) Interest credits.—

"(I) In general.—An applicable defined benefit plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the terms of the plan provide that any interest credit (or an equivalent amount) for any plan year shall be at a rate which is not greater than a market rate of return. A plan shall not be treated as failing to meet the requirements of this subclause merely because the plan provides for a reasonable minimum guaranteed rate of return or for a rate of return that is equal to the greater of a fixed or variable rate of return.

"(II) Preservation of capital.—An interest credit (or an equivalent amount) of less than zero shall in no event result in the account balance or similar amount being less than the aggregate amount of contributions credited to the account.

"(III) Market rate of return.—The Secretary of the Treasury may provide by regulation for rules governing the calculation of a market rate of return for purposes of subclause (I) and for permissible methods of crediting interest to the account (including fixed or variable interest rates) resulting in effective rates of return meeting the requirements of subclause (I).

"(ii) Special rule for plan conversions.—If, after June 29, 2005, an applicable plan amendment is adopted, the plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the requirements of clause (iii) are met with respect to each individual who was a participant in the plan immediately before the adoption of the amendment.

"(iii) Rate of benefit accrual.—Subject to clause (iv), the requirements of this clause are met with respect to any participant if the accrued benefit of the participant under the terms of the plan as in effect after the amendment is not less than the sum of—

"(I) the participant's accrued benefit for years of service before the effective date of the amendment, determined under the terms of the plan as in effect before the amendment, plus

"(II) the participant's accrued benefit for years of service after the effective date of the amendment, determined under the terms of the plan as in effect after the amendment.

"(iv) Special rules for early retirement subsidies.—For purposes of clause (iii)(I), the plan shall credit the accumulation account or similar amount with the amount of any early retirement benefit or retirement-type subsidy for the plan year in which the participant retires if, as of such time, the participant has met the age, years of service, and other requirements under the plan for entitlement to such benefit or subsidy.

"(v) Applicable plan amendment.—For purposes of this subparagraph—

"(I) In general.—The term 'applicable plan amendment' means an amendment to a defined benefit plan which has the effect of converting the plan to an applicable defined benefit plan.

"(II) Special rule for coordinated benefits.—If the benefits of 2 or more defined benefit plans established or maintained by an employer are coordinated in such a manner as to have the effect of the adoption of an amendment described in subclause (I), the sponsor of the defined benefit plan or plans providing for such coordination shall be treated as having adopted such a plan amendment as of the date such coordination begins.

"(III) Multiple amendments.—The Secretary of the Treasury shall issue regulations to prevent the avoidance of the purposes of this subparagraph through the use of 2 or more plan amendments rather than a single amendment.

"(IV) Applicable defined benefit plan.—For purposes of this subparagraph, the term 'applicable defined benefit plan' has the meaning given such term by section 203(f)(3).

"(vi) Termination requirements.—An applicable defined benefit plan shall not be treated as meeting the requirements of clause (i) unless the plan provides that, upon the termination of the plan—

"(I) if the interest credit rate (or an equivalent amount) under the plan is a variable rate, the rate of interest used to determine accrued benefits under the plan shall be equal to the average of the rates of interest used under the plan during the 5-year period ending on the termination date, and

"(II) the interest rate and mortality table used to determine the amount of any benefit under the plan payable in the form of an annuity payable at normal retirement age shall be the rate and table specified under the plan for such purpose as of the termination date, except that if such interest rate is a variable rate, the interest rate shall be determined under the rules of subclause (I).

"(C) Certain offsets permitted.—A plan shall not be treated as failing to meet the requirements of paragraph (1)(H)(i) solely because the plan provides offsets against benefits under the plan to the extent such offsets are allowable in applying the requirements of section 401(a) of the Internal Revenue Code of 1986.

"(D) Permitted disparities in plan contributions or benefits.—A plan shall not be treated as failing to meet the requirements of paragraph (1)(H) solely because the plan provides a disparity in contributions or benefits with respect to which the requirements of section 401(l) of the Internal Revenue Code of 1986 are met.

"(E) Indexing permitted.—

"(i) In general.—A plan shall not be treated as failing to meet the requirements of paragraph (1)(H) solely because the plan provides for indexing of accrued benefits under the plan.

"(ii) Protection against loss.—Except in the case of any benefit provided in the form of a variable annuity, clause (i) shall not apply with respect to any indexing which results in an accrued benefit less than the accrued benefit determined without regard to such indexing.

"(iii) Indexing.—For purposes of this subparagraph, the term 'indexing' means, in connection with an accrued benefit, the periodic adjustment of the accrued benefit by means of the application of a recognized investment index or methodology.

"(F) Early retirement benefit or retirement-type subsidy.—For purposes of this paragraph, the terms 'early retirement benefit' and 'retirement-type subsidy' have the meaning given such terms in subsection (g)(2)(A).

"(G) Benefit accrued to date.—For purposes of this paragraph, any reference to the accrued benefit shall be a reference to such benefit accrued to date.".

(2) Determinations of accrued benefit as balance of benefit account or equivalent amounts.—Section 203 of such Act (29 U.S.C. 1053) is amended by adding at the end the following new subsection:

"(f) Special Rules for Plans Computing Accrued Benefits by Reference to Hypothetical Account Balance or Equivalent Amounts.—

"(1) In general.—An applicable defined benefit plan shall not be treated as failing to meet—

"(A) subject to paragraph (2), the requirements of subsection (a)(2), or

"(B) the requirements of section 204(c) or section 205(g) with respect to contributions other than employee contributions,

solely because the present value of the accrued benefit (or any portion thereof) of any participant is, under the terms of the plan, equal to the amount expressed as the balance in the hypothetical account described in paragraph (3) or as an accumulated percentage of the participant's final average compensation.

"(2) 3-year vesting.—In the case of an applicable defined benefit plan, such plan shall be treated as meeting the requirements of subsection (a)(2) only if an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

"(3) Applicable defined benefit plan and related rules.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'applicable defined benefit plan' means a defined benefit plan under which the accrued benefit (or any portion thereof) is calculated as the balance of a hypothetical account maintained for the participant or as an accumulated percentage of the participant's final average compensation.

"(B) REGULATIONS TO INCLUDE SIMILAR PLANS.—The Secretary of the Treasury shall issue regulations which include in the definition of an applicable defined benefit plan any defined benefit plan (or any portion of such a plan) which has an effect similar to an applicable defined benefit plan.".

(b) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) RULES RELATING TO REDUCTION IN RATE OF BENEFIT ACCRUAL.—Subsection (b) of section 411 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULES RELATING TO AGE.—

"(A) COMPARISON TO SIMILARLY SITUATED YOUNGER INDIVIDUAL.—

"(i) IN GENERAL.—A plan shall not be treated as failing to meet the requirements of paragraph (1)(H)(i) if a participant's accrued benefit, as determined as of any date under the terms of the plan, would be equal to or greater than that of any similarly situated, younger individual who is or could be a participant.

"(ii) SIMILARLY SITUATED.—For purposes of this subparagraph, a participant is similarly situated to any other individual if such participant is identical to such other individual in every respect (including period of service, compensation, position, date of hire, work history, and any other respect) except for age.

"(iii) DISREGARD OF SUBSIDIZED EARLY RETIREMENT BENEFITS.—In determining the accrued benefit as of any date for purposes of this clause, the subsidized portion of any early retirement benefit or retirement-type subsidy shall be disregarded.

"(iv) ACCRUED BENEFIT.—For purposes of this subparagraph, the accrued benefit may, under the terms of the plan, be expressed as an annuity payable at normal retirement age, the balance of a hypothetical account, or the current value of the accumulated percentage of the employee's final average compensation.

"(B) APPLICABLE DEFINED BENEFIT PLANS.—

"(i) INTEREST CREDITS.—

"(I) IN GENERAL.—An applicable defined benefit plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the terms of the plan provide that any interest credit (or an equivalent amount) for any plan year shall be at a rate which is not greater than a market rate of return. A plan shall not be treated as failing to meet the requirements of this subclause merely because the plan provides for a reasonable minimum guaranteed rate of return or for a rate of return that is equal to the greater of a fixed or variable rate of return.

"(II) PRESERVATION OF CAPITAL.—An interest credit (or an equivalent amount) of less than zero shall in no event result in the account balance or similar amount being less than the aggregate amount of contributions credited to the account.

"(III) MARKET RATE OF RETURN.—The Secretary may provide by regulation for rules governing the calculation of a market rate of return for purposes of subclause (I) and for permissible methods of crediting interest to the account (including fixed or variable interest rates) resulting in effective rates of return meeting the requirements of subclause (I).

"(ii) SPECIAL RULE FOR PLAN CONVERSIONS.—If, after June 29, 2005, an applicable plan amendment is adopted, the plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the requirements of clause (iii) are met with respect to each individual who was a participant in the plan immediately before the adoption of the amendment.

"(iii) RATE OF BENEFIT ACCRUAL.—Subject to clause (iv), the requirements of this clause are met with respect to any participant if the accrued benefit of the participant under the terms of the plan as in effect after the amendment is not less than the sum of—

"(I) the participant's accrued benefit for years of service before the effective date of the amendment, determined under the terms of the plan as in effect before the amendment, plus

"(II) the participant's accrued benefit for years of service after the effective date of the amendment, determined under the terms of the plan as in effect after the amendment.

"(iv) SPECIAL RULES FOR EARLY RETIREMENT SUBSIDIES.—For purposes of clause (iii)(I), the plan shall credit the accumulation account or similar amount with the amount of any early retirement benefit or retirement-type subsidy for the plan year in which the participant retires if, as of such time, the participant has met the age, years of service, and other requirements under the plan for entitlement to such benefit or subsidy.

"(v) APPLICABLE PLAN AMENDMENT.—For purposes of this subparagraph—

"(I) IN GENERAL.—The term 'applicable plan amendment' means an amendment to a defined benefit plan which has the effect of converting the plan to an applicable defined benefit plan.

"(II) SPECIAL RULE FOR COORDINATED BENEFITS.—If the benefits of 2 or more defined benefit plans established or maintained by an employer are coordinated in such a manner as to have the effect of the adoption of an amendment described in subclause (I), the sponsor of the defined benefit plan or plans providing for such coordination shall be treated as having adopted such a plan amendment as of the date such coordination begins.

"(III) MULTIPLE AMENDMENTS.—The Secretary shall issue regulations to prevent the avoidance of the purposes of this subparagraph through the use of 2 or more plan amendments rather than a single amendment.

"(IV) APPLICABLE DEFINED BENEFIT PLAN.—For purposes of this subparagraph, the term 'applicable defined benefit plan' has the meaning given such term by section 411(a)(13).

"(vi) TERMINATION REQUIREMENTS.—An applicable defined benefit plan shall not be treated as meeting the requirements of clause (i) unless the plan provides that, upon the termination of the plan—

"(I) if the interest credit rate (or an equivalent amount) under the plan is a variable rate, the rate of interest used to determine accrued benefits under the plan shall be equal to the average of the rates of interest used under the plan during the 5-year period ending on the termination date, and

"(II) the interest rate and mortality table used to determine the amount of any benefit under the plan payable in the form of an annuity payable at normal retirement age shall be the rate and table specified under the plan for such purpose as of the termination date, except that if such interest rate is a variable rate, the interest rate shall be determined under the rules of subclause (I).

"(C) CERTAIN OFFSETS PERMITTED.—A plan shall not be treated as failing to meet the requirements of paragraph (1)(H)(i) solely because the plan provides offsets against benefits under the plan to the extent such offsets are allowable in applying the requirements of section 401(a).

"(D) PERMITTED DISPARITIES IN PLAN CONTRIBUTIONS OR BENEFITS.—A plan shall not be treated as failing to meet the requirements of paragraph (1)(H) solely because the plan provides a disparity in contributions or benefits with respect to which the requirements of section 401(l) are met.

"(E) INDEXING PERMITTED.—

"(i) IN GENERAL.—A plan shall not be treated as failing to meet the requirements of paragraph (1)(H) solely because the plan provides for indexing of accrued benefits under the plan.

"(ii) PROTECTION AGAINST LOSS.—Except in the case of any benefit provided in the form of a variable annuity, clause (i) shall not apply with respect to any indexing which results in an accrued benefit less than the accrued benefit determined without regard to such indexing.

"(iii) INDEXING.—For purposes of this subparagraph, the term 'indexing' means, in connection with an accrued benefit, the periodic adjustment of the accrued benefit by means of the application of a recognized investment index or methodology.

"(F) EARLY RETIREMENT BENEFIT OR RETIREMENT-TYPE SUBSIDY.—For purposes of this paragraph, the terms 'early retirement benefit' and 'retirement-type subsidy' have the meaning given such terms in subsection (d)(6)(B)(i).

"(G) BENEFIT ACCRUED TO DATE.—For purposes of this paragraph, any reference to the accrued benefit shall be a reference to such benefit accrued to date.".

(2) DETERMINATIONS OF ACCRUED BENEFIT AS BALANCE OF BENEFIT ACCOUNT OR EQUIVALENT AMOUNTS.—Subsection (a) of section 411 of such Code is amended by adding at the end the following new paragraph:

"(13) SPECIAL RULES FOR PLANS COMPUTING ACCRUED BENEFITS BY REFERENCE TO HYPOTHETICAL ACCOUNT BALANCE OR EQUIVALENT AMOUNTS.—

"(A) IN GENERAL.—An applicable defined benefit plan shall not be treated as failing to meet—

"(i) subject to paragraph (2), the requirements of subsection (a)(2), or

"(ii) the requirements of subsection (c) or section 417(e) with respect to contributions other than employee contributions,

solely because the present value of the accrued benefit (or any portion thereof) of any participant is, under the terms of the plan, equal to the amount expressed as the balance in the hypothetical account described in paragraph (3) or as an accumulated percentage of the participant's final average compensation.

"(B) 3-YEAR VESTING.—In the case of an applicable defined benefit plan, such plan shall be treated as meeting the requirements of subsection (a)(2) only if an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

"(C) APPLICABLE DEFINED BENEFIT PLAN AND RELATED RULES.—For purposes of this subsection—

"(i) IN GENERAL.—The term 'applicable defined benefit plan' means a defined benefit plan under which the accrued benefit (or any portion thereof) is calculated as the balance of a hypothetical account maintained for the participant or as an accumulated percentage of the participant's final average compensation.

"(ii) REGULATIONS TO INCLUDE SIMILAR PLANS.—The Secretary shall issue regulations which include in the definition of an applicable defined benefit plan any defined benefit plan (or any portion of such a plan) which has an effect similar to an applicable defined benefit plan.".

(c) AMENDMENTS TO AGE DISCRIMINATION IN EMPLOYMENT ACT.—Section 4(i) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623(i)) is amended by adding at the end the following new paragraph:

"(10) SPECIAL RULES RELATING TO AGE.—

"(A) COMPARISON TO SIMILARLY SITUATED YOUNGER INDIVIDUAL.—

"(i) IN GENERAL.—A plan shall not be treated as failing to meet the requirements of paragraph (1) if a participant's accrued benefit, as determined as of any date under the terms of the plan, would be equal to or greater than that of any similarly situated, younger individual who is or could be a participant.

"(ii) SIMILARLY SITUATED.—For purposes of this subparagraph, a participant is similarly situated to any other individual if such participant is identical to such other individual in every respect (including period of service, compensation, position, date of hire, work history, and any other respect) except for age.

"(iii) DISREGARD OF SUBSIDIZED EARLY RETIREMENT BENEFITS.—In determining the accrued benefit as of any date for purposes of this clause, the subsidized portion of any early retirement benefit or retirement-type subsidy shall be disregarded.

"(iv) ACCRUED BENEFIT.—For purposes of this subparagraph, the accrued benefit may, under the terms of the plan, be expressed as an annuity payable at normal retirement age, the balance of a hypothetical account, or the current value of the accumulated percentage of the employee's final average compensation.

"(B) APPLICABLE DEFINED BENEFIT PLANS.—

"(i) INTEREST CREDITS.—

"(I) IN GENERAL.—An applicable defined benefit plan shall be treated as failing to meet the requirements of paragraph (1) unless the terms of the plan provide that any interest credit (or an equivalent amount) for any plan year shall be at a rate which is not greater than a market rate of return. A plan shall not be treated as failing to meet the requirements of this subclause merely because the plan provides for a reasonable minimum guaranteed rate of return or for a rate of return that is equal to the greater of a fixed or variable rate of return.

"(II) PRESERVATION OF CAPITAL.—An interest credit (or an equivalent amount) of less than zero shall in no event result in the account balance or similar amount being less than the aggregate amount of contributions credited to the account.

"(III) MARKET RATE OF RETURN.—The Secretary of the Treasury may provide by regulation for rules governing the calculation of a market rate of return for purposes of subclause (I) and for permissible methods of crediting interest to the account (including fixed or variable interest rates) resulting in effective rates of return meeting the requirements of subclause (I).

"(ii) SPECIAL RULE FOR PLAN CONVERSIONS.—If, after June 29, 2005, an applicable plan amendment is adopted, the plan shall be treated as failing to meet the requirements of paragraph (1)(H) unless the requirements of clause (iii) are met with respect to each individual who was a participant in the plan immediately before the adoption of the amendment.

"(iii) RATE OF BENEFIT ACCRUAL.—Subject to clause (iv), the requirements of this clause are met with respect to any participant if the accrued benefit of the participant under the terms of the plan as in effect after the amendment is not less than the sum of—

"(I) the participant's accrued benefit for years of service before the effective date of the amendment, determined under the terms of the plan as in effect before the amendment, plus

"(II) the participant's accrued benefit for years of service after the effective date of the amendment, determined under the terms of the plan as in effect after the amendment.

"(iv) SPECIAL RULES FOR EARLY RETIREMENT SUBSIDIES.—For purposes of clause (iii)(I), the plan shall credit the accumulation account or similar amount with the amount of any early retirement benefit or retirement-type subsidy for the plan year in which the participant retires if, as of such time, the participant has met the age, years of service, and other requirements under the plan for entitlement to such benefit or subsidy.

"(v) APPLICABLE PLAN AMENDMENT.—For purposes of this subparagraph—

"(I) IN GENERAL.—The term 'applicable plan amendment' means an amendment to a defined benefit plan which has the effect of converting the plan to an applicable defined benefit plan.

"(II) SPECIAL RULE FOR COORDINATED BENEFITS.—If the benefits of 2 or more defined benefit plans established or maintained by an employer are coordinated in such a manner as to have the effect of the adoption of an amendment described in subclause (I), the sponsor of the defined benefit plan or plans providing for such coordination shall be treated as having adopted such a plan amendment as of the date such coordination begins.

"(III) MULTIPLE AMENDMENTS.—The Secretary of the Treasury shall issue regulations to prevent the avoidance of the purposes of this subparagraph through the use of 2 or more plan amendments rather than a single amendment.

"(IV) APPLICABLE DEFINED BENEFIT PLAN.—For purposes of this subparagraph, the term 'applicable defined benefit plan' has the meaning given such term by section 203(f)(3) of the Employee Retirement Income Security Act of 1974.

"(vi) TERMINATION REQUIREMENTS.—An applicable defined benefit plan shall not be treated as meeting the requirements of clause (i) unless the plan provides that, upon the termination of the plan—

"(I) if the interest credit rate (or an equivalent amount) under the plan is a variable rate, the rate of interest used to determine accrued benefits under the plan shall be equal to the average of the rates of interest used under the plan during the 5-year period ending on the termination date, and

"(II) the interest rate and mortality table used to determine the amount of any benefit under the plan payable in the form of an annuity payable at normal retirement age shall be the rate and table specified under the plan for such purpose as of the termination date, except that if such interest rate is a variable rate, the interest rate shall be determined under the rules of subclause (I).

"(C) CERTAIN OFFSETS PERMITTED.—A plan shall not be treated as failing to meet the requirements of paragraph (1) solely because the plan provides offsets against benefits under the plan to the extent such offsets are allowable in applying the requirements of section 401(a) of the Internal Revenue Code of 1986.

"(D) PERMITTED DISPARITIES IN PLAN CONTRIBUTIONS OR BENEFITS.—A plan shall not be treated as failing to meet the requirements of paragraph (1) solely because the plan provides a disparity in contributions or benefits with respect to which the requirements of section 401(l) of the Internal Revenue Code of 1986 are met.

"(E) INDEXING PERMITTED.—

"(i) IN GENERAL.—A plan shall not be treated as failing to meet the requirements of paragraph (1) solely because the plan provides for indexing of accrued benefits under the plan.

"(ii) PROTECTION AGAINST LOSS.—Except in the case of any benefit provided in the form of a variable annuity, clause (i) shall not apply with respect to any indexing which results in an accrued benefit less than the accrued benefit determined without regard to such indexing.

"(iii) INDEXING.—For purposes of this subparagraph, the term 'indexing' means, in connection with an accrued benefit, the periodic adjustment of the accrued benefit by means of the application of a recognized investment index or methodology.

"(F) EARLY RETIREMENT BENEFIT OR RETIREMENT-TYPE SUBSIDY.—For purposes of this paragraph, the terms 'early retirement benefit' and 'retirement-type subsidy' have the meaning given such terms in section 203(g)(2)(A) of the Employee Retirement Income Security Act of 1974.

"(G) BENEFIT ACCRUED TO DATE.—For purposes of this paragraph, any reference to the accrued benefit shall be a reference to such benefit accrued to date.".

(d) NO INFERENCE.—Nothing in the amendments made by this section shall be construed to create an inference with respect to—

(1) the treatment of applicable defined benefit plans or conversions to applicable defined benefit plans under sections 204(b)(1)(H) of the Employee Retirement Income Security Act of 1974, 4(i)(1) of the Age Discrimination in Employment Act of 1967, and 411(b)(1)(H) of the Internal Revenue Code of 1986, as in effect before such amendments, or

(2) the determination of whether an applicable defined benefit plan fails to meet the requirements of sections 203(a)(2), 204(c), or 204(g) of the Employee Retirement Income Security Act of 1974 or sections 411(a)(2), 411(c), or 417(e) of such Code, as in effect before such amendments, solely because the present value of the accrued benefit (or any portion thereof) of any participant is, under the terms of the plan, equal to the amount expressed as the balance in a hypothetical account or as an accumulated percentage of the participant's final average compensation.

For purposes of this subsection, the term "applicable defined benefit plan" has the meaning given such term by section 203(f)(3) of the Employee Retirement Income Security Act of 1974 and section 411(a)(13)(C) of such Code, as in effect after such amendments.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to periods beginning on or after June 29, 2005.

(2) PRESENT VALUE OF ACCRUED BENEFIT.—The amendments made by subsections (a)(2) and (b)(2) shall apply to distributions made after the date of the enactment of this Act.

(3) VESTING AND INTEREST CREDIT REQUIREMENTS.—In the case of a plan in existence on

June 29, 2005, the requirements of clause (i) of section 411(b)(5)(B) of the Internal Revenue Code of 1986, clause (i) of section 204(b)(5)(B) of the Employee Retirement Income Security Act of 1974, and clause (i) of section 4(i)(10)(B) of the Age Discrimination in Employment Act of 1967 (as added by this Act) and the requirements of 203(f)(2) of the Employee Retirement Income Security Act of 1974 and section 411(a)(13)(B) of the Internal Revenue Code of 1986 (as so added) shall, for purposes of applying the amendments made by subsections (a) and (b), apply to years beginning after December 31, 2007, unless the plan sponsor elects the application of such requirements for any period after June 29, 2005, and before the first year beginning after December 31, 2007.

(4) SPECIAL RULE FOR COLLECTIVELY BARGAINED PLANS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of the enactment of this Act, the requirements described in paragraph (3) shall, for purposes of applying the amendments made by subsections (a) and (b), not apply to plan years beginning before—

(A) the earlier of—

(i) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof on or after such date of enactment), or

(ii) January 1, 2008, or

(B) January 1, 2010.

(5) CONVERSIONS.—The requirements of clause (ii) of section 411(b)(5)(B) of the Internal Revenue Code of 1986, clause (ii) of section 204(b)(5)(B) of the Employee Retirement Income Security Act of 1974, and clause (ii) of section 4(i)(10)(B) of the Age Discrimination in Employment Act of 1967 (as added by this Act), shall apply to plan amendments adopted after, and taking effect after, June 29, 2005, except that the plan sponsor may elect to have such amendments apply to plan amendments adopted before, and taking effect after, such date.

SEC. 702. REGULATIONS RELATING TO MERGERS AND ACQUISITIONS.

The Secretary of the Treasury or his delegate shall, not later than 12 months after the date of the enactment of this Act, prescribe regulations for the application of the amendments made by, and the provisions of, this title in cases where the conversion of a plan to an applicable defined benefit plan is made with respect to a group of employees who become employees by reason of a merger, acquisition, or similar transaction.

TITLE VIII—PENSION RELATED REVENUE PROVISIONS

Subtitle A—Deduction Limitations

SEC. 801. INCREASE IN DEDUCTION LIMIT FOR SINGLE-EMPLOYER PLANS.

(a) IN GENERAL.—Section 404 of the Internal Revenue Code of 1986 (relating to deduction for contributions of an employer to an employees' trust or annuity plan and compensation under a deferred payment plan) is amended—

(1) in subsection (a)(1)(A), by inserting "in the case of a defined benefit plan other than a multiemployer plan, in an amount determined under subsection (o), and in the case of any other plan" after "section 501(a),", and

(2) by inserting at the end the following new subsection:

"(o) DEDUCTION LIMIT FOR SINGLE-EMPLOYER PLANS.—For purposes of subsection (a)(1)(A)—

"(1) IN GENERAL.—In the case of a defined benefit plan to which subsection (a)(1)(A) applies (other than a multiemployer plan), the amount determined under this subsection for any taxable year shall be equal to the greater of—

"(A) the sum of the amounts determined under paragraph (2) with respect to each plan year ending with or within the taxable year, or

"(B) the sum of the minimum required contributions under section 430 for such plan years.

"(2) DETERMINATION OF AMOUNT.—

"(A) IN GENERAL.—The amount determined under this paragraph for any plan year shall be equal to the excess (if any) of—

"(i) the sum of—

"(I) the funding target for the plan year,

"(II) the target normal cost for the plan year, and

"(III) the cushion amount for the plan year, over

"(ii) the value (determined under section 430(g)(2)) of the assets of the plan which are held by the plan as of the valuation date for the plan year.

"(B) SPECIAL RULE FOR CERTAIN EMPLOYERS.—If section 430(i) does not apply to a plan for a plan year, the amount determined under subparagraph (A)(i) for the plan year shall in no event be less than the sum of—

"(i) the funding target for the plan year (determined as if section 430(i) applied to the plan), plus

"(ii) the target normal cost for the plan year (as so determined).

"(3) CUSHION AMOUNT.—For purposes of paragraph (2)(A)(i)(III)—

"(A) IN GENERAL.—The cushion amount for any plan year is the sum of—

"(i) 50 percent of the funding target for the plan year, and

"(ii) the amount by which the funding target for the plan year would increase if the plan were to take into account—

"(I) increases in compensation which are expected to occur in succeeding plan years, or

"(II) if the plan does not base benefits for service to date on compensation, increases in benefits which are expected to occur in succeeding plan years (determined on the basis of the average annual increase in benefits over the 6 immediately preceding plan years).

"(B) LIMITATIONS.—

"(i) IN GENERAL.—In making the computation under subparagraph (A)(ii), the plan's actuary shall assume that the limitations under subsection (l) and section 415(b) shall apply.

"(ii) EXPECTED INCREASES.—In the case of a plan year during which a plan is covered under section 4021 of the Employee Retirement Income Security Act of 1974, the plan's actuary may, notwithstanding subsection (l), take into account increases in the limitations which are expected to occur in succeeding plan years.

"(4) SPECIAL RULES FOR PLANS WITH 100 OR FEWER PARTICIPANTS.—

"(A) IN GENERAL.—For purposes of determining the amount under paragraph (3) for any plan year, in the case of a plan which has 100 or fewer participants for the plan year, the liability of the plan attributable to benefit increases for highly compensated employees (as defined in section 414(q)) resulting from a plan amendment which is made or becomes effective, whichever is later, within the last 2 years shall not be taken into account in determining the target liability.

"(B) RULE FOR DETERMINING NUMBER OF PARTICIPANTS.—For purposes of determining the number of plan participants, all defined benefit plans maintained by the same employer (or any member of such employer's controlled group (within the meaning of section 412(f)(4))) shall be treated as one plan, but only participants of such member or employer shall be taken into account.

"(5) SPECIAL RULE FOR TERMINATING PLANS.—In the case of a plan which, subject to section 4041 of the Employee Retirement Income Security Act of 1974, terminates during the plan year, the amount determined under paragraph (2) shall in no event be less than the amount required to make the plan sufficient for benefit liabilities (within the meaning of section 4041(d) of such Act).

"(6) ACTUARIAL ASSUMPTIONS.—Any computation under this subsection for any plan year shall use the same actuarial assumptions which are used for the plan year under section 430.

"(7) DEFINITIONS.—Any term used in this subsection which is also used in section 430 shall have the same meaning given such term by section 430.".

(b) EXCEPTION FROM LIMITATION ON DEDUCTION WHERE COMBINATION OF DEFINED CONTRIBUTION AND DEFINED BENEFIT PLANS.—Section 404(a)(7)(C) of such Code, as amended by this Act, is amended by adding at the end the following new clause:

"(iv) GUARANTEED PLANS.—In applying this paragraph, any single-employer plan covered under section 4021 of the Employee Retirement Income Security Act of 1974 shall not be taken into account.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The last sentence of section 404(a)(1)(A) of such Code is amended by striking "section 412" each place it appears and inserting "section 431".

(2) Section 404(a)(1)(B) of such Code is amended—

(A) by striking "In the case of a plan" and inserting "In the case of a multiemployer plan",

(B) by striking "section 412(c)(7)" each place it appears and inserting "section 431(c)(6)",

(C) by striking "section 412(c)(7)(B)" and inserting "section 431(c)(6)(A)(ii)",

(D) by striking "section 412(c)(7)(A)" and inserting "section 431(c)(6)(A)(i)", and

(E) by striking "section 412" and inserting "section 431".

(3) Section 404(a)(7) of such Code, as amended by this Act, is amended—

(A) by adding at the end of subparagraph (A) the following new sentence: "In the case of a defined benefit plan which is a single employer plan, the amount necessary to satisfy the minimum funding standard provided by section 412 shall not be less than the plan's funding shortfall determined under section 430.", and

(B) by striking subparagraph (D) and inserting:

"(D) INSURANCE CONTRACT PLANS.—For purposes of this paragraph, a plan described in section 412(e)(3) shall be treated as a defined benefit plan.".

(4) Section 404A(g)(3)(A) of such Code is amended by striking "paragraphs (3) and (7) of section 412(c)" and inserting "paragraphs (3) and (6) of section 431(c)".

(d) SPECIAL RULE FOR 2006 AND 2007.—

(1) IN GENERAL.—Clause (i) of section 404(a)(1)(D) of the Internal Revenue Code of 1986 (relating to special rule in case of certain plans) is amended by striking "section 412(l)" and inserting "section 412(l)(8)(A), except that section 412(l)(8)(A) shall be applied for purposes of this clause by substituting

'150 percent (140 percent in the case of a multiemployer plan) of current liability' for 'the current liability' in clause (i)."

(2) CONFORMING AMENDMENT.—Section 404(a)(1) of the Internal Revenue Code of 1986 is amended by striking subparagraph (F).

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to years beginning after December 31, 2007.

(2) SPECIAL RULES.—The amendments made by subsection (d) shall apply to years beginning after December 31, 2005.

SEC. 802. DEDUCTION LIMITS FOR MULTIEMPLOYER PLANS.

(a) INCREASE IN DEDUCTION.—Section 404(a)(1)(D) of the Internal Revenue Code of 1986, as amended by this Act, is amended to read as follows:

"(D) AMOUNT DETERMINED ON BASIS OF UNFUNDED CURRENT LIABILITY.—In the case of a defined benefit plan which is a multiemployer plan, except as provided in regulations, the maximum amount deductible under the limitations of this paragraph shall not be less than the excess (if any) of—

"(i) 140 percent of the current liability of the plan determined under section 431(c)(6)(C), over

"(ii) the value of the plan's assets determined under section 431(c)(2).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to years beginning after December 31, 2007.

SEC. 803. UPDATING DEDUCTION RULES FOR COMBINATION OF PLANS.

(a) IN GENERAL.—Subparagraph (C) of section 404(a)(7) of the Internal Revenue Code of 1986 (relating to limitation on deductions where combination of defined contribution plan and defined benefit plan) is amended by adding after clause (ii) the following new clause:

"(iii) LIMITATION.—In the case of employer contributions to 1 or more defined contribution plans, this paragraph shall only apply to the extent that such contributions exceed 6 percent of the compensation otherwise paid or accrued during the taxable year to the beneficiaries under such plans. For purposes of this clause, amounts carried over from preceding taxable years under subparagraph (B) shall be treated as employer contributions to 1 or more defined contributions to the extent attributable to employer contributions to such plans in such preceding taxable years.".

(b) EXCEPTION FROM LIMITATION ON DEDUCTION WHERE COMBINATION OF DEFINED CONTRIBUTION AND DEFINED BENEFIT PLANS.—Section 404(a)(7)(C) of such Code, as amended by this Act, is amended by adding at the end the following new clause:

"(v) MULTIEMPLOYER PLANS.—In applying this paragraph, any multiemployer plan shall not be taken into account.".

(c) CONFORMING AMENDMENT.—Subparagraph (A) of section 4972(c)(6) of such Code (relating to nondeductible contributions) is amended to read as follows:

"(A) so much of the contributions to 1 or more defined contribution plans which are not deductible when contributed solely because of section 404(a)(7) as does not exceed the amount of contributions described in section 401(m)(4)(A), or".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions for taxable years beginning after December 31, 2005.

Subtitle B—Certain Pension Provisions Made Permanent

SEC. 811. PENSIONS AND INDIVIDUAL RETIREMENT ARRANGEMENT PROVISIONS OF ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 MADE PERMANENT.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to the provisions of, and amendments made by, subtitles A through F of title VI of such Act (relating to pension and individual retirement arrangement provisions).

SEC. 812. SAVER'S CREDIT.

Section 25B of the Internal Revenue Code of 1986 (relating to elective deferrals and IRA contributions by certain individuals) is amended by striking subsection (h).

Subtitle C—Improvements in Portability, Distribution, and Contribution Rules

SEC. 821. CLARIFICATIONS REGARDING PURCHASE OF PERMISSIVE SERVICE CREDIT.

(a) IN GENERAL.—Section 415(n) of the Internal Revenue Code of 1986 (relating to special rules for the purchase of permissive service credit) is amended—

(1) by striking "an employee" in paragraph (1) and inserting "a participant", and

(2) by adding at the end of paragraph (3)(A) the following new flush sentence:

"Such term may include service credit for periods for which there is no performance of service, and, notwithstanding clause (ii), may include service credited in order to provide an increased benefit for service credit which a participant is receiving under the plan.".

(b) SPECIAL RULES FOR TRUSTEE-TO-TRUSTEE TRANSFERS.—Section 415(n)(3) of such Code is amended by adding at the end the following new subparagraph:

"(D) SPECIAL RULES FOR TRUSTEE-TO-TRUSTEE TRANSFERS.—In the case of a trustee-to-trustee transfer to which section 403(b)(13)(A) or 457(e)(17)(A) applies (without regard to whether the transfer is made between plans maintained by the same employer)—

"(i) the limitations of subparagraph (B) shall not apply in determining whether the transfer is for the purchase of permissive service credit, and

"(ii) the distribution rules applicable under this title to the defined benefit governmental plan to which any amounts are so transferred shall apply to such amounts and any benefits attributable to such amounts.".

(c) NONQUALIFIED SERVICE.—Section 415(n)(3) of such Code is amended—

(1) by striking "permissive service credit attributable to nonqualified service" each place it appears in subparagraph (B) and inserting "nonqualified service credit",

(2) by striking so much of subparagraph (C) as precedes clause (i) and inserting:

"(C) NONQUALIFIED SERVICE CREDIT.—For purposes of subparagraph (B), the term 'nonqualified service credit' means permissive service credit other than that allowed with respect to—", and

(3) by striking "elementary or secondary education (through grade 12), as determined under State law" in subparagraph (C)(ii) and inserting "elementary or secondary education (through grade 12), or a comparable level of education, as determined under the applicable law of the jurisdiction in which the service was performed".

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a) and (c) shall take effect as if included in the amendments made by section 1526 of the Taxpayer Relief Act of 1997.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall take effect as if included in the amendments made by section 647 of the Economic Growth and Tax Relief Reconciliation Act of 2001.

SEC. 822. ALLOW ROLLOVER OF AFTER-TAX AMOUNTS IN ANNUITY CONTRACTS.

(a) IN GENERAL.—Subparagraph (A) of section 402(c)(2) (relating to the maximum amount which may be rolled over) is amended—

(1) by striking "which is part of a plan which is a defined contribution plan and which agrees to separately account" and inserting "or to an annuity contract described in section 403(b) and such trust or contract provides for separate accounting"; and

(2) by inserting "(and earnings thereon)" after "so transferred".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2006.

SEC. 823. CLARIFICATION OF MINIMUM DISTRIBUTION RULES FOR GOVERNMENTAL PLANS.

The Secretary of the Treasury shall issue regulations under which a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986) shall, for all years to which section 401(a)(9) of such Code applies to such plan, be treated as having complied with such section 401(a)(9) if such plan complies with a reasonable good faith interpretation of such section 401(a)(9).

SEC. 824. ALLOW DIRECT ROLLOVERS FROM RETIREMENT PLANS TO ROTH IRAS.

(a) IN GENERAL.—Subsection (e) of section 408A of the Internal Revenue Code of 1986 (defining qualified rollover contribution) is amended to read as follows:

"(e) QUALIFIED ROLLOVER CONTRIBUTION.—For purposes of this section, the term 'qualified rollover contribution' means a rollover contribution—

"(1) to a Roth IRA from another such account,

"(2) from an eligible retirement plan, but only if—

"(A) in the case of an individual retirement plan, such rollover contribution meets the requirements of section 408(d)(3), and

"(B) in the case of any eligible retirement plan (as defined in section 402(c)(8)(B) other than clauses (i) and (ii) thereof), such rollover contribution meets the requirements of section 402(c), 403(b)(8), or 457(e)(16), as applicable.

For purposes of section 408(d)(3)(B), there shall be disregarded any qualified rollover contribution from an individual retirement plan (other than a Roth IRA) to a Roth IRA.".

(b) CONFORMING AMENDMENTS.—

(1) Section 408A(c)(3)(B) of such Code, as in effect before the Tax Increase Prevention and Reconciliation Act of 2005, is amended—

(A) in the text by striking "individual retirement plan" and inserting "an eligible retirement plan (as defined by section 402(c)(8)(B))", and

(B) in the heading by striking "IRA" the first place it appears and inserting "ELIGIBLE RETIREMENT PLAN".

(2) Section 408A(d)(3) of such Code is amended—

(A) in subparagraph (A), by striking "section 408(d)(3)" inserting "sections 402(c), 403(b)(8), 408(d)(3), and 457(e)(16)",

(B) in subparagraph (B), by striking "individual retirement plan" and inserting "eligible retirement plan (as defined by section 402(c)(8)(B))",

(C) in subparagraph (D), by inserting "or 6047" after "408(i)",

(D) in subparagraph (D), by striking "or both" and inserting "persons subject to section 6047(d)(1), or all of the foregoing persons", and

(E) in the heading, by striking "IRA" the first place it appears and inserting "ELIGIBLE RETIREMENT PLAN".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2007.

SEC. 825. ELIGIBILITY FOR PARTICIPATION IN RETIREMENT PLANS.

An individual shall not be precluded from participating in an eligible deferred compensation plan by reason of having received a distribution under section 457(e)(9) of the Internal Revenue Code of 1986, as in effect prior to the enactment of the Small Business Job Protection Act of 1996.

SEC. 826. MODIFICATIONS OF RULES GOVERNING HARDSHIPS AND UNFORSEEN FINANCIAL EMERGENCIES.

Within 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall modify the rules for determining whether a participant has had a hardship for purposes of section 401(k)(2)(B)(i)(IV) of the Internal Revenue Code of 1986 to provide that if an event (including the occurrence of a medical expense) would constitute a hardship under the plan if it occurred with respect to the participant's spouse or dependent (as defined in section 152 of such Code), such event shall, to the extent permitted under a plan, constitute a hardship if it occurs with respect to a person who is a beneficiary under the plan with respect to the participant. The Secretary of the Treasury shall issue similar rules for purposes of determining whether a participant has had—

(1) a hardship for purposes of section 403(b)(11)(B) of such Code; or

(2) an unforeseen financial emergency for purposes of sections 409A(a)(2)(A)(vi), 409A(a)(2)(B)(ii), and 457(d)(1)(A)(iii) of such Code.

SEC. 827. PENALTY-FREE WITHDRAWALS FROM RETIREMENT PLANS FOR INDIVIDUALS CALLED TO ACTIVE DUTY FOR AT LEAST 179 DAYS.

(a) IN GENERAL.—Paragraph (2) of section 72(t) of the Internal Revenue Code of 1986 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following new subparagraph:

"(G) DISTRIBUTIONS FROM RETIREMENT PLANS TO INDIVIDUALS CALLED TO ACTIVE DUTY.—

"(i) IN GENERAL.—Any qualified reservist distribution.

"(ii) AMOUNT DISTRIBUTED MAY BE REPAID.—Any individual who receives a qualified reservist distribution may, at any time during the 2-year period beginning on the day after the end of the active duty period, make one or more contributions to an individual retirement plan of such individual in an aggregate amount not to exceed the amount of such distribution. The dollar limitations otherwise applicable to contributions to individual retirement plans shall not apply to any contribution made pursuant to the preceding sentence. No deduction shall be allowed for any contribution pursuant to this clause.

"(iii) QUALIFIED RESERVIST DISTRIBUTION.—For purposes of this subparagraph, the term 'qualified reservist distribution' means any distribution to an individual if—

"(I) such distribution is from an individual retirement plan, or from amounts attributable to employer contributions made pursuant to elective deferrals described in subparagraph (A) or (C) of section 402(g)(3) or section 501(c)(18)(D)(iii),

"(II) such individual was (by reason of being a member of a reserve component (as defined in section 101 of title 37, United States Code)) ordered or called to active duty for a period in excess of 179 days or for an indefinite period, and

"(III) such distribution is made during the period beginning on the date of such order or call and ending at the close of the active duty period.

"(iv) APPLICATION OF SUBPARAGRAPH.—This subparagraph applies to individuals ordered or called to active duty after September 11, 2001, and before December 31, 2007. In no event shall the 2-year period referred to in clause (ii) end before the date which is 2 years after the date of the enactment of this subparagraph.".

(b) CONFORMING AMENDMENTS.—

(1) Section 401(k)(2)(B)(i) of such Code is amended by striking "or" at the end of subclause (III), by striking "and" at the end of subclause (IV) and inserting "or", and by inserting after subclause (IV) the following new subclause:

"(V) in the case of a qualified reservist distribution (as defined in section 72(t)(2)(G)(iii)), the date on which a period referred to in subclause (III) of such section begins, and".

(2) Section 403(b)(7)(A)(ii) of such Code is amended by inserting "(unless such amount is a distribution to which section 72(t)(2)(G) applies)" after "distributee".

(3) Section 403(b)(11) of such Code is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by inserting after subparagraph (B) the following new subparagraph:

"(C) for distributions to which section 72(t)(2)(G) applies.".

(c) EFFECTIVE DATE; WAIVER OF LIMITATIONS.—

(1) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after September 11, 2001.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendments made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

SEC. 828. WAIVER OF 10 PERCENT EARLY WITHDRAWAL PENALTY TAX ON CERTAIN DISTRIBUTIONS OF PENSION PLANS FOR PUBLIC SAFETY EMPLOYEES.

(a) IN GENERAL.—Section 72(t) of the Internal Revenue Code of 1986 (relating to subsection not to apply to certain distributions) is amended by adding at the end the following new paragraph:

"(10) DISTRIBUTIONS TO QUALIFIED PUBLIC SAFETY EMPLOYEES IN GOVERNMENTAL PLANS.—

"(A) IN GENERAL.—In the case of a distribution to a qualified public safety employee from a governmental plan (within the meaning of section 414(d)) which is a defined benefit plan, paragraph (2)(A)(v) shall be applied by substituting 'age 50' for 'age 55'.

"(B) QUALIFIED PUBLIC SAFETY EMPLOYEE.—For purposes of this paragraph, the term 'qualified public safety employee' means any employee of a State or political subdivision of a State who provides police protection, firefighting services, or emergency medical services for any area within the jurisdiction of such State or political subdivision."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this Act.

SEC. 829. ALLOW ROLLOVERS BY NONSPOUSE BENEFICIARIES OF CERTAIN RETIREMENT PLAN DISTRIBUTIONS.

(a) IN GENERAL.—

(1) QUALIFIED PLANS.—Section 402(c) of the Internal Revenue Code of 1986 (relating to rollovers from exempt trusts) is amended by adding at the end the following new paragraph:

"(11) DISTRIBUTIONS TO INHERITED INDIVIDUAL RETIREMENT PLAN OF NONSPOUSE BENEFICIARY.—

"(A) IN GENERAL.—If, with respect to any portion of a distribution from an eligible retirement plan of a deceased employee, a direct trustee-to-trustee transfer is made to an individual retirement plan described in clause (i) or (ii) of paragraph (8)(B) established for the purposes of receiving the distribution on behalf of an individual who is a designated beneficiary (as defined by section 401(a)(9)(E)) of the employee and who is not the surviving spouse of the employee—

"(i) the transfer shall be treated as an eligible rollover distribution for purposes of this subsection,

"(ii) the individual retirement plan shall be treated as an inherited individual retirement account or individual retirement annuity (within the meaning of section 408(d)(3)(C)) for purposes of this title, and

"(iii) section 401(a)(9)(B) (other than clause (iv) thereof) shall apply to such plan.

"(B) CERTAIN TRUSTS TREATED AS BENEFICIARIES.—For purposes of this paragraph, to the extent provided in rules prescribed by the Secretary, a trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a trust designated beneficiary.".

(2) SECTION 403(a) PLANS.—Subparagraph (B) of section 403(a)(4) of such Code (relating to rollover amounts) is amended by inserting "and (11)" after "(7)".

(3) SECTION 403(b) PLANS.—Subparagraph (B) of section 403(b)(8) of such Code (relating to rollover amounts) is amended by striking "and (9)" and inserting ", (9), and (11)".

(4) SECTION 457 PLANS.—Subparagraph (B) of section 457(e)(16) of such Code (relating to rollover amounts) is amended by striking "and (9)" and inserting ", (9), and (11)".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2006.

SEC. 830. DIRECT PAYMENT OF TAX REFUNDS TO INDIVIDUAL RETIREMENT PLANS.

(a) IN GENERAL.—The Secretary of the Treasury (or the Secretary's delegate) shall make available a form (or modify existing forms) for use by individuals to direct that a portion of any refund of overpayment of tax imposed by chapter 1 of the Internal Revenue Code of 1986 be paid directly to an individual retirement plan (as defined in section 7701(a)(37) of such Code) of such individual.

(b) EFFECTIVE DATE.—The form required by subsection (a) shall be made available for taxable years beginning after December 31, 2006.

SEC. 831. ALLOWANCE OF ADDITIONAL IRA PAYMENTS IN CERTAIN BANKRUPTCY CASES.

(a) ALLOWANCE OF CONTRIBUTIONS.—Section 219(b)(5) of the Internal Revenue Code of 1986 (relating to deductible amount) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

“(C) CATCHUP CONTRIBUTIONS FOR CERTAIN INDIVIDUALS.—

“(i) IN GENERAL.—In the case of an applicable individual who elects to make a qualified retirement contribution in addition to the deductible amount determined under subparagraph (A)—

“(I) the deductible amount for any taxable year shall be increased by an amount equal to 3 times the applicable amount determined under subparagraph (B) for such taxable year, and

“(II) subparagraph (B) shall not apply.

“(ii) APPLICABLE INDIVIDUAL.—For purposes of this subparagraph, the term ‘applicable individual’ means, with respect to any taxable year, any individual who was a qualified participant in a qualified cash or deferred arrangement (as defined in section 401(k)) of an employer described in clause (iii) under which the employer matched at least 50 percent of the employee's contributions to such arrangement with stock of such employer.

“(iii) EMPLOYER DESCRIBED.—An employer is described in this clause if, in any taxable year preceding the taxable year described in clause (ii)—

“(I) such employer (or any controlling corporation of such employer) was a debtor in a case under title 11 of the United States Code, or similar Federal or State law, and

“(II) such employer (or any other person) was subject to an indictment or conviction resulting from business transactions related to such case.

“(iv) QUALIFIED PARTICIPANT.—For purposes of clause (ii), the term ‘qualified participant’ means any applicable individual who was a participant in the cash or deferred arrangement described in such clause on the date that is 6 months before the filing of the case described in clause (iii).

“(v) TERMINATION.—This subparagraph shall not apply to taxable years beginning after December 31, 2009.”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 832. DETERMINATION OF AVERAGE COMPENSATION FOR SECTION 415 LIMITS.

(a) IN GENERAL.—Section 415(b)(3) of the Internal Revenue Code of 1986 is amended by striking “both was an active participant in the plan and”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning after December 31, 2005.

SEC. 833. INFLATION INDEXING OF GROSS INCOME LIMITATIONS ON CERTAIN RETIREMENT SAVINGS INCENTIVES.

(a) SAVER'S CREDIT.—Subsection (b) of section 25B of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) APPLICABLE PERCENTAGE.—For purposes of this section—

“(1) JOINT RETURNS.—In the case of a joint return, the applicable percentage is—

“(A) if the adjusted gross income of the taxpayer is not over $30,000, 50 percent,

“(B) if the adjusted gross income of the taxpayer is over $30,000 but not over $32,500, 20 percent,

“(C) if the adjusted gross income of the taxpayer is over $32,500 but not over $50,000, 10 percent, and

“(D) if the adjusted gross income of the taxpayer is over $50,000, zero percent.

“(2) OTHER RETURNS.—In the case of—

“(A) a head of household, the applicable percentage shall be determined under paragraph (1) except that such paragraph shall be applied by substituting for each dollar amount therein (as adjusted under paragraph (3)) a dollar amount equal to 75 percent of such dollar amount, and

“(B) any taxpayer not described in paragraph (1) or subparagraph (A), the applicable percentage shall be determined under paragraph (1) except that such paragraph shall be applied by substituting for each dollar amount therein (as adjusted under paragraph (3)) a dollar amount equal to 50 percent of such dollar amount.

“(3) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2006, each of the dollar amount in paragraph (1) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2005’ for ‘calendar year 1992’ in subparagraph (B) thereof.

Any increase determined under the preceding sentence shall be rounded to the nearest multiple of $500.”.

(b) DEDUCTION OF RETIREMENT CONTRIBUTIONS FOR ACTIVE PARTICIPANTS.—Section 219(g) of such Code is amended by adding at the end the following new paragraph:

“(8) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2006, the dollar amount in the last row of the table contained in paragraph (3)(B)(i), the dollar amount in the last row of the table contained in paragraph (3)(B)(ii), and the dollar amount contained in paragraph (7)(A), shall each be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2005’ for ‘calendar year 1992’ in subparagraph (B) thereof.

Any increase determined under the preceding sentence shall be rounded to the nearest multiple of $1,000.”.

(c) CONTRIBUTION LIMITATION FOR ROTH IRAS.—Section 408A(c)(3) of such Code is amended by adding at the end the following new subparagraph:

“(C) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2006, the dollar amounts in subclauses (I) and (II) of subparagraph (C)(ii) shall each be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2005’ for ‘calendar year 1992’ in subparagraph (B) thereof.

Any increase determined under the preceding sentence shall be rounded to the nearest multiple of $1,000.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after 2006.

Subtitle D—Health and Medical Benefits

SEC. 841. USE OF EXCESS PENSION ASSETS FOR FUTURE RETIREE HEALTH BENEFITS AND COLLECTIVELY BARGAINED RETIREE HEALTH BENEFITS.

(a) IN GENERAL.—Section 420 of the Internal Revenue Code of 1986 (relating to transfers of excess pension assets to retiree health accounts) is amended by adding at the end the following new subsection:

“(f) QUALIFIED TRANSFERS TO COVER FUTURE RETIREE HEALTH COSTS AND COLLECTIVELY BARGAINED RETIREE HEALTH BENEFITS.—

“(1) IN GENERAL.—An employer maintaining a defined benefit plan (other than a multiemployer plan) may, in lieu of a qualified transfer, elect for any taxable year to have the plan make—

“(A) a qualified future transfer, or

“(B) a collectively bargained transfer.

Except as provided in this subsection, a qualified future transfer and a collectively bargained transfer shall be treated for purposes of this title and the Employee Retirement Income Security Act of 1974 as if it were a qualified transfer.

“(2) QUALIFIED FUTURE AND COLLECTIVELY BARGAINED TRANSFERS.—For purposes of this subsection—

“(A) IN GENERAL.—The terms ‘qualified future transfer’ and ‘collectively bargained transfer’ mean a transfer which meets all of the requirements for a qualified transfer, except that—

“(i) the determination of excess pension assets shall be made under subparagraph (B),

“(ii) the limitation on the amount transferred shall be determined under subparagraph (C),

“(iii) the minimum cost requirements of subsection (c)(3) shall be modified as provided under subparagraph (D), and

“(iv) in the case of a collectively bargained transfer, the requirements of subparagraph (E) shall be met with respect to the transfer.

“(B) EXCESS PENSION ASSETS.—

“(i) IN GENERAL.—In determining excess pension assets for purposes of this subsection, subsection (e)(2) shall be applied by substituting ‘120 percent’ for ‘125 percent’.

“(ii) REQUIREMENT TO MAINTAIN FUNDED STATUS.—If, as of any valuation date of any plan year in the transfer period, the amount determined under subsection (e)(2)(B) (after application of clause (i)) exceeds the amount determined under subsection (e)(2)(A), either—

“(I) the employer maintaining the plan shall make contributions to the plan in an amount not less than the amount required to reduce such excess to zero as of such date, or

“(II) there is transferred from the health benefits account to the plan an amount not less than the amount required to reduce such excess to zero as of such date.

“(C) LIMITATION ON AMOUNT TRANSFERRED.—Notwithstanding subsection (b)(3), the amount of the excess pension assets which may be transferred—

“(i) in the case of a qualified future transfer shall be equal to the sum of—

“(I) if the transfer period includes the taxable year of the transfer, the amount determined under subsection (b)(3) for such taxable year, plus

“(II) in the case of all other taxable years in the transfer period, the sum of the qualified current retiree health liabilities which the plan reasonably estimates, in accordance with guidance issued by the Secretary, will be incurred for each of such years, and

“(ii) in the case of a collectively bargained transfer, shall not exceed the amount which is reasonably estimated, in accordance with the provisions of the collective bargaining agreement and generally accepted accounting principles, to be the amount the employer maintaining the plan will pay (whether directly or through reimbursement) out of such account during the collectively bargained cost maintenance period for collectively bargained retiree health liabilities.

“(D) MINIMUM COST REQUIREMENTS.—

“(i) IN GENERAL.—The requirements of subsection (c)(3) shall be treated as met if—

“(I) in the case of a qualified future transfer, each group health plan or arrangement under which applicable health benefits are provided provides applicable health benefits during the period beginning with the first year of the transfer period and ending with the last day of the 4th year following the transfer period such that the annual average amount of such the applicable employer cost during such period is not less than the applicable employer cost determined under subsection (c)(3)(A) with respect to the transfer, and

“(II) in the case of a collectively bargained transfer, each collectively bargained group health plan under which collectively bargained health benefits are provided provides that the collectively bargained employer cost for each taxable year during the collectively bargained cost maintenance period shall not be less than the amount specified by the collective bargaining agreement.

“(ii) ELECTION TO MAINTAIN BENEFITS FOR FUTURE TRANSFERS.—An employer may elect, in lieu of the requirements of clause (i)(I), to meet the requirements of subsection (c)(3) by meeting the requirements of such subsection (as in effect before the amendments made by section 535 of the Tax Relief Extension Act of 1999) for each of the years described in the period under clause (i)(I).

“(iii) COLLECTIVELY BARGAINED EMPLOYER COST.—For purposes of this subparagraph, the term ‘collectively bargained employer cost’ means the average cost per covered individual of providing collectively bargained retiree health benefits as determined in accordance with the applicable collective bargaining agreement. Such agreement may provide for an appropriate reduction in the collectively bargained employer cost to take into account any portion of the collectively bargained retiree health benefits that is provided or financed by a government program or other source.

“(E) SPECIAL RULES FOR COLLECTIVELY BARGAINED TRANSFERS.—

“(i) IN GENERAL.—A collectively bargained transfer shall only include a transfer which—

“(I) is made in accordance with a collective bargaining agreement,

“(II) before the transfer, the employer designates, in a written notice delivered to each employee organization that is a party to the collective bargaining agreement, as a collectively bargained transfer in accordance with this section, and

“(III) involves a plan maintained by an employer which, in its taxable year ending in 2005, provided health benefits or coverage to retirees and their spouses and dependents under all of the benefit plans maintained by the employer, but only if the aggregate cost (including administrative expenses) of such benefits or coverage which would have been allowable as a deduction to the employer (if such benefits or coverage had been provided directly by the employer and the employer used the cash receipts and disbursements method of accounting) is at least 5 percent of the gross receipts of the employer (determined in accordance with the last sentence of subsection (c)(2)(E)(ii)(II)) for such taxable year, or a plan maintained by a successor to such employer.

“(ii) USE OF ASSETS.—Any assets transferred to a health benefits account in a collectively bargained transfer (and any income allocable thereto) shall be used only to pay collectively bargained retiree health liabilities (other than liabilities of key employees not taken into account under paragraph (6)(B)(iii)) for the taxable year of the transfer or for any subsequent taxable year during the collectively bargained cost maintenance period (whether directly or through reimbursement).

“(3) COORDINATION WITH OTHER TRANSFERS.—In applying subsection (b)(3) to any subsequent transfer during a taxable year in a transfer period or collectively bargained cost maintenance period, qualified current retiree health liabilities shall be reduced by any such liabilities taken into account with respect to the qualified future transfer or collectively bargained transfer to which such period relates.

“(4) SPECIAL DEDUCTION RULES FOR COLLECTIVELY BARGAINED TRANSFERS.—In the case of a collectively bargained transfer—

“(A) the limitation under subsection (d)(1)(C) shall not apply, and

“(B) notwithstanding subsection (d)(2), an employer may contribute an amount to a health benefits account or welfare benefit fund (as defined in section 419(e)(1)) with respect to collectively bargained retiree health liabilities for which transferred assets are required to be used under subsection (c)(1)(B), and the deductibility of any such contribution shall be governed by the limits applicable to the deductibility of contributions to a welfare benefit fund under a collective bargaining agreement (as determined under section 419A(f)(5)(A)) without regard to whether such contributions are made to a health benefits account or welfare benefit fund and without regard to the provisions of section 404 or the other provisions of this section.

The Secretary shall provide rules to ensure that the application of this paragraph does not result in a deduction being allowed more than once for the same contribution or for 2 or more contributions or expenditures relating to the same collectively bargained retiree health liabilities.

“(5) TRANSFER PERIOD.—For purposes of this subsection, the term ‘transfer period’ means, with respect to any transfer, a period of consecutive taxable years (not less than 2) specified in the election under paragraph (1) which begins and ends during the 10-taxable-year period beginning with the taxable year of the transfer.

“(6) TERMS RELATING TO COLLECTIVELY BARGAINED TRANSFERS.—For purposes of this subsection—

“(A) COLLECTIVELY BARGAINED COST MAINTENANCE PERIOD.—The term ‘collectively bargained cost maintenance period’ means, with respect to each covered retiree and his covered spouse and dependents, the shorter of—

“(i) the remaining lifetime of such covered retiree and his covered spouse and dependents, or

“(ii) the period of coverage provided by the collectively bargained health plan (determined as of the date of the collectively bargained transfer) with respect to such covered retiree and his covered spouse and dependents.

“(B) COLLECTIVELY BARGAINED RETIREE HEALTH LIABILITIES.—

“(i) IN GENERAL.—The term ‘collectively bargained retiree health liabilities’ means the present value, as of the beginning of a taxable year and determined in accordance with the applicable collective bargaining agreement, of all collectively bargained health benefits (including administrative expenses) for such taxable year and all subsequent taxable years during the collectively bargained cost maintenance period.

“(ii) REDUCTION FOR AMOUNTS PREVIOUSLY SET ASIDE.—The amount determined under clause (i) shall be reduced by the value (as of the close of the plan year preceding the year of the collectively bargained transfer) of the assets in all health benefits accounts or welfare benefit funds (as defined in section 419(e)(1)) set aside to pay for the collectively bargained retiree health liabilities.

“(iii) KEY EMPLOYEES EXCLUDED.—If an employee is a key employee (within the meaning of section 416(I)(1)) with respect to any plan year ending in a taxable year, such employee shall not be taken into account in computing collectively bargained retiree health liabilities for such taxable year or in calculating collectively bargained employer cost under subsection (c)(3)(C).

“(C) COLLECTIVELY BARGAINED HEALTH BENEFITS.—The term ‘collectively bargained health benefits’ means health benefits or coverage which are provided to—

“(i) retired employees who, immediately before the collectively bargained transfer, are entitled to receive such benefits upon retirement and who are entitled to pension benefits under the plan, and their spouses and dependents, and

“(ii) if specified by the provisions of the collective bargaining agreement governing the collectively bargained transfer, active employees who, following their retirement, are entitled to receive such benefits and who are entitled to pension benefits under the plan, and their spouses and dependents.

“(D) COLLECTIVELY BARGAINED HEALTH PLAN.—The term ‘collectively bargained health plan’ means a group health plan or arrangement for retired employees and their spouses and dependents that is maintained pursuant to 1 or more collective bargaining agreements.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers after the date of the enactment of this Act.

SEC. 842. TRANSFER OF EXCESS PENSION ASSETS TO MULTIEMPLOYER HEALTH PLAN.

(a) IN GENERAL.—Section 420 of the Internal Revenue Code of 1986 is amended—

(1) by striking “(other than a multiemployer plan)” in subsection (a), and

(2) by adding at the end of subsection (e) the following new paragraph:

“(5) APPLICATION TO MULTIEMPLOYER PLANS.—In the case of a multiemployer plan, this section shall be applied to any such plan—

“(A) by treating any reference in this section to an employer as a reference to all employers maintaining the plan (or, if appropriate, the plan sponsor), and

“(B) in accordance with such modifications of this section (and the provisions of this title relating to this section) as the Secretary determines appropriate to reflect the fact the plan is not maintained by a single employer.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to transfers made in taxable years beginning after December 31, 2006.

SEC. 843. ALLOWANCE OF RESERVE FOR MEDICAL BENEFITS OF PLANS SPONSORED BY BONA FIDE ASSOCIATIONS.

(a) IN GENERAL.—Section 419A(c) of the Internal Revenue Code of 1986 (relating to account limit) is amended by adding at the end the following new paragraph:

“(6) ADDITIONAL RESERVE FOR MEDICAL BENEFITS OF BONA FIDE ASSOCIATION PLANS.—

“(A) IN GENERAL.—An applicable account limit for any taxable year may include a reserve in an amount not to exceed 35 percent of the sum of—

“(i) the qualified direct costs, and

“(ii) the change in claims incurred but unpaid, for such taxable year with respect to medical benefits (other than post-retirement medical benefits).

"(B) APPLICABLE ACCOUNT LIMIT.—For purposes of this subsection, the term 'applicable account limit' means an account limit for a qualified asset account with respect to medical benefits provided through a plan maintained by a bona fide association (as defined in section 2791(d)(3) of the Public Health Service Act (42 U.S.C. 300gg-91(d)(3))".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 844. TREATMENT OF ANNUITY AND LIFE INSURANCE CONTRACTS WITH A LONG-TERM CARE INSURANCE FEATURE.

(a) EXCLUSION FROM GROSS INCOME.—Subsection (e) of section 72 of the Internal Revenue Code of 1986 (relating to amounts not received as annuities) is amended by redesignating paragraph (11) as paragraph (12) and by inserting after paragraph (10) the following new paragraph:

"(11) SPECIAL RULES FOR CERTAIN COMBINATION CONTRACTS PROVIDING LONG-TERM CARE INSURANCE.—Notwithstanding paragraphs (2), (5)(C), and (10), in the case of any charge against the cash value of an annuity contract or the cash surrender value of a life insurance contract made as payment for coverage under a qualified long-term care insurance contract which is part of or a rider on such annuity or life insurance contract—

"(A) the investment in the contract shall be reduced (but not below zero) by such charge, and

"(B) such charge shall not be includible in gross income.".

(b) TAX-FREE EXCHANGES AMONG CERTAIN INSURANCE POLICIES.—

(1) ANNUITY CONTRACTS CAN INCLUDE QUALIFIED LONG-TERM CARE INSURANCE RIDERS.—Paragraph (2) of section 1035(b) of such Code is amended by adding at the end the following new sentence: "For purposes of the preceding sentence, a contract shall not fail to be treated as an annuity contract solely because a qualified long-term care insurance contract is a part of or a rider on such contract.".

(2) LIFE INSURANCE CONTRACTS CAN INCLUDE QUALIFIED LONG-TERM CARE INSURANCE RIDERS.—Paragraph (3) of section 1035(b) of such Code is amended by adding at the end the following new sentence: "For purposes of the preceding sentence, a contract shall not fail to be treated as a life insurance contract solely because a qualified long-term care insurance contract is a part of or a rider on such contract.".

(3) EXPANSION OF TAX-FREE EXCHANGES OF LIFE INSURANCE, ENDOWMENT, AND ANNUITY CONTRACTS FOR LONG-TERM CARE CONTRACTS.—Subsection (a) of section 1035 of such Code (relating to certain exchanges of insurance policies) is amended—

(A) in paragraph (1) by inserting "or for a qualified long-term care insurance contract" before the semicolon at the end,

(B) in paragraph (2) by inserting ", or (C) for a qualified long-term care insurance contract" before the semicolon at the end, and

(C) in paragraph (3) by inserting "or for a qualified long-term care insurance contract" before the period at the end.

(4) TAX-FREE EXCHANGES OF QUALIFIED LONG-TERM CARE INSURANCE CONTRACT.—Subsection (a) of section 1035 of such Code (relating to certain exchanges of insurance policies) is amended by striking "or" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting "; or", and by inserting after paragraph (3) the following new paragraph:

"(4) a qualified long-term care insurance contract for a qualified long-term care insurance contract.".

(c) TREATMENT OF COVERAGE PROVIDED AS PART OF A LIFE INSURANCE OR ANNUITY CONTRACT.—Subsection (e) of section 7702B of such Code (relating to treatment of qualified long-term care insurance) is amended to read as follows:

"(e) TREATMENT OF COVERAGE PROVIDED AS PART OF A LIFE INSURANCE OR ANNUITY CONTRACT.—Except as otherwise provided in regulations prescribed by the Secretary, in the case of any long-term care insurance coverage (whether or not qualified) provided by a rider on or as part of a life insurance contract or an annuity contract—

"(1) IN GENERAL.—This title shall apply as if the portion of the contract providing such coverage is a separate contract.

"(2) DENIAL OF DEDUCTION UNDER SECTION 213.—No deduction shall be allowed under section 213(a) for any payment made for coverage under a qualified long-term care insurance contract if such payment is made as a charge against the cash surrender value of a life insurance contract or the cash value of an annuity contract.

"(3) PORTION DEFINED.—For purposes of this subsection, the term 'portion' means only the terms and benefits under a life insurance contract or annuity contract that are in addition to the terms and benefits under the contract without regard to long-term care insurance coverage.

"(4) ANNUITY CONTRACTS TO WHICH PARAGRAPH (1) DOES NOT APPLY.—For purposes of this subsection, none of the following shall be treated as an annuity contract:

"(A) A trust described in section 401(a) which is exempt from tax under section 501(a).

"(B) A contract—

"(i) purchased by a trust described in subparagraph (A),

"(ii) purchased as part of a plan described in section 403(a),

"(iii) described in section 403(b),

"(iv) provided for employees of a life insurance company under a plan described in section 818(a)(3), or

"(v) from an individual retirement account or an individual retirement annuity.

"(C) A contract purchased by an employer for the benefit of the employee (or the employee's spouse).

Any dividend described in section 404(k) which is received by a participant or beneficiary shall, for purposes of this paragraph, be treated as paid under a separate contract to which subparagraph (B)(i) applies.".

(d) INFORMATION REPORTING.—

(1) Subpart B of part III of subchapter A of chapter 61 of such Code (relating to information concerning transactions with other persons) is amended by adding at the end the following new section:

"SEC. 6050U. CHARGES OR PAYMENTS FOR QUALIFIED LONG-TERM CARE INSURANCE CONTRACTS UNDER COMBINED ARRANGEMENTS.

"(a) REQUIREMENT OF REPORTING.—Any person who makes a charge against the cash value of an annuity contract, or the cash surrender value of a life insurance contract, which is excludible from gross income under section 72(e)(11) shall make a return, according to the forms or regulations prescribed by the Secretary, setting forth—

"(1) the amount of the aggregate of such charges against each such contract for the calendar year,

"(2) the amount of the reduction in the investment in each such contract by reason of such charges, and

"(3) the name, address, and TIN of the individual who is the holder of each such contract.

"(b) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required to be set forth in such return a written statement showing—

"(1) the name, address, and phone number of the information contact of the person making the payments, and

"(2) the information required to be shown on the return with respect to such individual.

The written statement required under the preceding sentence shall be furnished to the individual on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made.".

(2) PENALTY FOR FAILURE TO FILE.—

(A) RETURN.—Subparagraph (B) of section 6724(d)(1) of such Code is amended by striking "or" at the end of clause (xvii), by striking "and" at the end of clause (xviii) and inserting "or", and by adding at the end the following new clause:

"(xix) section 6050U (relating to charges or payments for qualified long-term care insurance contracts under combined arrangements), and".

(B) STATEMENT.—Paragraph (2) of section 6724(d) of such Code is amended by striking "or" at the end of subparagraph (AA), by striking the period at the end of subparagraph (BB), and by inserting after subparagraph (BB) the following new subparagraph:

"(CC) section 6050U (relating to charges or payments for qualified long-term care insurance contracts under combined arrangements).".

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of such chapter 61 of such Code is amended by adding at the end the following new item:

"Sec. 6050U. Charges or payments for qualified long-term care insurance contracts under combined arrangements.".

(e) TREATMENT OF POLICY ACQUISITION EXPENSES.—Subsection (e) of section 848 of such Code (relating to classification of contracts) is amended by adding at the end the following new paragraph:

"(6) TREATMENT OF CERTAIN QUALIFIED LONG-TERM CARE INSURANCE CONTRACT ARRANGEMENTS.—An annuity or life insurance contract which includes a qualified long-term care insurance contract as a part of or a rider on such annuity or life insurance contract shall be treated as a specified insurance contract not described in subparagraph (A) or (B) of subsection (c)(1).".

(f) TECHNICAL AMENDMENT.—Paragraph (1) of section 7702B(e) of such Code (as in effect before amendment by subsection (c)) is amended by striking "section" and inserting "title".

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to contracts issued after December 31, 1996, but only with respect to taxable years beginning after December 31, 2009.

(2) TAX-FREE EXCHANGES.—The amendments made by subsection (b) shall apply with respect to exchanges occurring after December 31, 2009.

(3) INFORMATION REPORTING.—The amendments made by subsection (d) shall apply to charges made after December 31, 2009.

(4) POLICY ACQUISITION EXPENSES.—The amendment made by subsection (e) shall apply to specified policy acquisition expenses determined for taxable years beginning after December 31, 2009.

(5) TECHNICAL AMENDMENT.—The amendment made by subsection (f) shall take effect as if included in section 321(a) of the Health Insurance Portability and Accountability Act of 1996.

SEC. 845. DISTRIBUTIONS FROM GOVERNMENTAL RETIREMENT PLANS FOR HEALTH AND LONG-TERM CARE INSURANCE FOR PUBLIC SAFETY OFFICERS.

(a) IN GENERAL.—Section 402 of the Internal Revenue Code of 1986 (relating to taxability of beneficiary of employees' trust) is amended by adding at the end the following new subsection:

"(l) DISTRIBUTIONS FROM GOVERNMENTAL PLANS FOR HEALTH AND LONG-TERM CARE INSURANCE.—

"(1) IN GENERAL.—In the case of an employee who is an eligible retired public safety officer who makes the election described in paragraph (6) with respect to any taxable year of such employee, gross income of such employee for such taxable year does not include any distribution from an eligible retirement plan to the extent that the aggregate amount of such distributions does not exceed the amount paid by such employee for qualified health insurance premiums of the employee, his spouse, or dependents (as defined in section 152) for such taxable year.

"(2) LIMITATION.—The amount which may be excluded from gross income for the taxable year by reason of paragraph (1) shall not exceed $3,000.

"(3) DISTRIBUTIONS MUST OTHERWISE BE INCLUDIBLE.—

"(A) IN GENERAL.—An amount shall be treated as a distribution for purposes of paragraph (1) only to the extent that such amount would be includible in gross income without regard to paragraph (1).

"(B) APPLICATION OF SECTION 72.—Notwithstanding section 72, in determining the extent to which an amount is treated as a distribution for purposes of subparagraph (A), the aggregate amounts distributed from an eligible retirement plan in a taxable year (up to the amount excluded under paragraph (1)) shall be treated as includible in gross income (without regard to subparagraph (A)) to the extent that such amount does not exceed the aggregate amount which would have been so includible if all amounts distributed from all eligible retirement plans were treated as 1 contract for purposes of determining the inclusion of such distribution under section 72. Proper adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) ELIGIBLE RETIREMENT PLAN.—For purposes of paragraph (1), the term 'eligible retirement plan' means a governmental plan (within the meaning of section 414(d)) which is described in clause (iii), (iv), (v), or (vi) of subsection (c)(8)(B).

"(B) ELIGIBLE RETIRED PUBLIC SAFETY OFFICER.—The term 'eligible retired public safety officer' means an individual who, by reason of disability or attainment of normal retirement age, is separated from service as a public safety officer with the employer who maintains the eligible retirement plan from which distributions subject to paragraph (1) are made.

"(C) PUBLIC SAFETY OFFICER.—The term 'public safety officer' shall have the same meaning given such term by section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b(9)(A)).

"(D) QUALIFIED HEALTH INSURANCE PREMIUMS.—The term 'qualified health insurance premiums' means premiums for coverage for the eligible retired public safety officer, his spouse, and dependents, by an accident or health insurance plan or qualified long-term care insurance contract (as defined in section 7702B(b)).

"(5) SPECIAL RULES.—For purposes of this subsection—

"(A) DIRECT PAYMENT TO INSURER REQUIRED.—Paragraph (1) shall only apply to a distribution if payment of the premiums is made directly to the provider of the accident or health insurance plan or qualified long-term care insurance contract by deduction from a distribution from the eligible retirement plan.

"(B) RELATED PLANS TREATED AS 1.—All eligible retirement plans of an employer shall be treated as a single plan.

"(6) ELECTION DESCRIBED.—

"(A) IN GENERAL.—For purposes of paragraph (1), an election is described in this paragraph if the election is made by an employee after separation from service with respect to amounts not distributed from an eligible retirement plan to have amounts from such plan distributed in order to pay for qualified health insurance premiums.

"(B) SPECIAL RULE.—A plan shall not be treated as violating the requirements of section 401, or as engaging in a prohibited transaction for purposes of section 503(b), merely because it provides for an election with respect to amounts that are otherwise distributable under the plan or merely because of a distribution made pursuant to an election described in subparagraph (A).

"(7) COORDINATION WITH MEDICAL EXPENSE DEDUCTION.—The amounts excluded from gross income under paragraph (1) shall not be taken into account under section 213.

"(8) COORDINATION WITH DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—The amounts excluded from gross income under paragraph (1) shall not be taken into account under section 162(l).".

(b) CONFORMING AMENDMENTS.—

(1) Section 403(a) of such Code (relating to taxability of beneficiary under a qualified annuity plan) is amended by inserting after paragraph (1) the following new paragraph:

"(2) SPECIAL RULE FOR HEALTH AND LONG-TERM CARE INSURANCE.—To the extent provided in section 402(l), paragraph (1) shall not apply to the amount distributed under the contract which is otherwise includible in gross income under this subsection.".

(2) Section 403(b) of such Code (relating to taxability of beneficiary under annuity purchased by section 501(c)(3) organization or public school) is amended by inserting after paragraph (1) the following new paragraph:

"(2) SPECIAL RULE FOR HEALTH AND LONG-TERM CARE INSURANCE.—To the extent provided in section 402(l), paragraph (1) shall not apply to the amount distributed under the contract which is otherwise includible in gross income under this subsection.".

(3) Section 457(a) of such Code (relating to year of inclusion in gross income) is amended by adding at the end the following new paragraph:

"(3) SPECIAL RULE FOR HEALTH AND LONG-TERM CARE INSURANCE.—In the case of a plan of an eligible employer described in subsection (e)(1)(A), to the extent provided in section 402(l), paragraph (1) shall not apply to amounts otherwise includible in gross income under this subsection.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions in taxable years beginning after December 31, 2006.

Subtitle E—United States Tax Court Modernization

SEC. 851. COST-OF-LIVING ADJUSTMENTS FOR TAX COURT JUDICIAL SURVIVOR ANNUITIES.

(a) IN GENERAL.—Subsection (s) of section 7448 of the Internal Revenue Code of 1986 (relating to annuities to surviving spouses and dependent children of judges) is amended to read as follows:

"(s) INCREASES IN SURVIVOR ANNUITIES.—Each time that an increase is made under section 8340(b) of title 5, United States Code, in annuities payable under subchapter III of chapter 83 of that title, each annuity payable from the survivors annuity fund under this section shall be increased at the same time by the same percentage by which annuities are increased under such section 8340(b).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to increases made under section 8340(b) of title 5, United States Code, in annuities payable under subchapter III of chapter 83 of that title, taking effect after the date of the enactment of this Act.

SEC. 852. COST OF LIFE INSURANCE COVERAGE FOR TAX COURT JUDGES AGE 65 OR OVER.

Section 7472 of the Internal Revenue Code of 1986 (relating to expenditures) is amended by inserting after the first sentence the following new sentence: "Notwithstanding any other provision of law, the Tax Court is authorized to pay on behalf of its judges, age 65 or over, any increase in the cost of Federal Employees' Group Life Insurance imposed after the date of the enactment of the Pension Protection Act of 2006, including any expenses generated by such payments, as authorized by the chief judge in a manner consistent with such payments authorized by the Judicial Conference of the United States pursuant to section 604(a)(5) of title 28, United States Code."

SEC. 853. PARTICIPATION OF TAX COURT JUDGES IN THE THRIFT SAVINGS PLAN.

(a) IN GENERAL.—Section 7447 of the Internal Revenue Code of 1986 (relating to retirement of judges) is amended by adding at the end the following new subsection:

"(j) THRIFT SAVINGS PLAN.—

"(1) ELECTION TO CONTRIBUTE.—

"(A) IN GENERAL.—A judge of the Tax Court may elect to contribute to the Thrift Savings Fund established by section 8437 of title 5, United States Code.

"(B) PERIOD OF ELECTION.—An election may be made under this paragraph only during a period provided under section 8432(b) of title 5, United States Code, for individuals subject to chapter 84 of such title.

"(2) APPLICABILITY OF TITLE 5 PROVISIONS.—Except as otherwise provided in this subsection, the provisions of subchapters III and VII of chapter 84 of title 5, United States Code, shall apply with respect to a judge who makes an election under paragraph (1).

"(3) SPECIAL RULES.—

"(A) AMOUNT CONTRIBUTED.—The amount contributed by a judge to the Thrift Savings Fund in any pay period shall not exceed the maximum percentage of such judge's basic pay for such period as allowable under section 8440f of title 5, United States Code. Basic pay does not include any retired pay paid pursuant to this section.

"(B) CONTRIBUTIONS FOR BENEFIT OF JUDGE.—No contributions may be made for the benefit of a judge under section 8432(c) of title 5, United States Code.

"(C) APPLICABILITY OF SECTION 8433(b) OF TITLE 5 WHETHER OR NOT JUDGE RETIRES.—

Section 8433(b) of title 5, United States Code, applies with respect to a judge who makes an election under paragraph (1) and who either—

"(i) retires under subsection (b), or

"(ii) ceases to serve as a judge of the Tax Court but does not retire under subsection (b).

Retirement under subsection (b) is a separation from service for purposes of subchapters III and VII of chapter 84 of that title.

"(D) APPLICABILITY OF SECTION 8351(b)(5) OF TITLE 5.—The provisions of section 8351(b)(5) of title 5, United States Code, shall apply with respect to a judge who makes an election under paragraph (1).

"(E) EXCEPTION.—Notwithstanding subparagraph (C), if any judge retires under this section, or resigns without having met the age and service requirements set forth under subsection (b)(2), and such judge's nonforfeitable account balance is less than an amount that the Executive Director of the Federal Retirement Thrift Investment Board prescribes by regulation, the Executive Director shall pay the nonforfeitable account balance to the participant in a single payment.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act, except that United States Tax Court judges may only begin to participate in the Thrift Savings Plan at the next open season beginning after such date.

SEC. 854. ANNUITIES TO SURVIVING SPOUSES AND DEPENDENT CHILDREN OF SPECIAL TRIAL JUDGES OF THE TAX COURT.

(a) DEFINITIONS.—Section 7448(a) of the Internal Revenue Code of 1986 (relating to definitions), as amended by this Act, is amended by redesignating paragraphs (5), (6), (7), and (8) as paragraphs (7), (8), (9), and (10), respectively, and by inserting after paragraph (4) the following new paragraphs:

"(5) The term 'special trial judge' means a judicial officer appointed pursuant to section 7443A, including any individual receiving an annuity under chapters 83 or 84 of title 5, United States Code, whether or not performing judicial duties under section 7443B.

"(6) The term 'special trial judge's salary' means the salary of a special trial judge received under section 7443A(d), any amount received as an annuity under chapters 83 or 84 of title 5, United States Code, and compensation received under section 7443B.".

(b) ELECTION.—Subsection (b) of section 7448 of such Code (relating to annuities to surviving spouses and dependent children of judges) is amended—

(1) by striking the subsection heading and inserting the following:

"(b) ELECTION.—

"(1) JUDGES.—",

(2) by moving the text 2 ems to the right, and

(3) by adding at the end the following new paragraph:

"(2) SPECIAL TRIAL JUDGES.—Any special trial judge may by written election filed with the chief judge bring himself or herself within the purview of this section. Such election shall be filed not later than the later of 6 months after—

"(A) 6 months after the date of the enactment of this paragraph,

"(B) the date the judge takes office, or

"(C) the date the judge marries.".

(c) CONFORMING AMENDMENTS.—

(1) The heading of section 7448 of such Code is amended by inserting "**AND SPECIAL TRIAL JUDGES**" after "**JUDGES**".

(2) The item relating to section 7448 in the table of sections for part I of subchapter C of chapter 76 of such Code is amended by inserting "and special trial judges" after "judges".

(3) Subsections (c)(1), (d), (f), (g), (h), (j), (m), (n), and (u) of section 7448 of such Code, as amended by this Act, are each amended—

(A) by inserting "or special trial judge" after "judge" each place it appears other than in the phrase "chief judge", and

(B) by inserting "or special trial judge's" after "judge's" each place it appears.

(4) Section 7448(c) of such Code is amended—

(A) in paragraph (1), by striking "Tax Court judges" and inserting "Tax Court judicial officers",

(B) in paragraph (2)—

(i) in subparagraph (A), by inserting "and section 7443A(d)" after "(a)(4)", and

(ii) in subparagraph (B), by striking "subsection (a)(4)" and inserting "subsections (a)(4) and (a)(6)".

(5) Section 7448(j)(1) of such Code is amended—

(A) in subparagraph (A), by striking "service or retired" and inserting "service, retired", and by inserting ", or receiving any annuity under chapters 83 or 84 of title 5, United States Code," after "section 7447", and

(B) in the last sentence, by striking "subsections (a) (6) and (7)" and inserting "paragraphs (8) and (9) of subsection (a)".

(6) Section 7448(m)(1) of such Code, as amended by this Act, is amended by inserting "or any annuity under chapters 83 or 84 of title 5, United States Code" after "7447(d)".

(7) Section 7448(n) of such Code is amended by inserting "his years of service pursuant to any appointment under section 7443A," after "of the Tax Court,".

(8) Section 3121(b)(5)(E) of such Code is amended by inserting "or special trial judge" before "of the United States Tax Court".

(9) Section 210(a)(5)(E) of the Social Security Act is amended by inserting "or special trial judge" before "of the United States Tax Court".

SEC. 855. JURISDICTION OF TAX COURT OVER COLLECTION DUE PROCESS CASES.

(a) IN GENERAL.—Paragraph (1) of section 6330(d) of the Internal Revenue Code of 1986 (relating to proceeding after hearing) is amended to read as follows:

"(1) JUDICIAL REVIEW OF DETERMINATION.—The person may, within 30 days of a determination under this section, appeal such determination to the Tax Court (and the Tax Court shall have jurisdiction with respect to such matter).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to determinations made after the date which is 60 days after the date of the enactment of this Act.

SEC. 856. PROVISIONS FOR RECALL.

(a) IN GENERAL.—Part I of subchapter C of chapter 76 of the Internal Revenue Code of 1986 is amended by inserting after section 7443A the following new section:

"SEC. 7443B. RECALL OF SPECIAL TRIAL JUDGES OF THE TAX COURT.

"(a) RECALLING OF RETIRED SPECIAL TRIAL JUDGES.—Any individual who has retired pursuant to the applicable provisions of title 5, United States Code, upon reaching the age and service requirements established therein, may at or after retirement be called upon by the chief judge of the Tax Court to perform such judicial duties with the Tax Court as may be requested of such individual for any period or periods specified by the chief judge; except that in the case of any such individual—

"(1) the aggregate of such periods in any 1 calendar year shall not (without such individual's consent) exceed 90 calendar days, and

"(2) such individual shall be relieved of performing such duties during any period in which illness or disability precludes the performance of such duties.

Any act, or failure to act, by an individual performing judicial duties pursuant to this subsection shall have the same force and effect as if it were the act (or failure to act) of a special trial judge of the Tax Court.

"(b) COMPENSATION.—For the year in which a period of recall occurs, the special trial judge shall receive, in addition to the annuity provided under the applicable provisions of title 5, United States Code, an amount equal to the difference between that annuity and the current salary of the office to which the special trial judge is recalled.

"(c) RULEMAKING AUTHORITY.—The provisions of this section may be implemented under such rules as may be promulgated by the Tax Court."

(b) CONFORMING AMENDMENT.—The table of sections for part I of subchapter C of chapter 76 of such Code is amended by inserting after the item relating to section 7443A the following new item:

"Sec. 7443B. Recall of special trial judges of the Tax Court.".

SEC. 857. AUTHORITY FOR SPECIAL TRIAL JUDGES TO HEAR AND DECIDE CERTAIN EMPLOYMENT STATUS CASES.

(a) IN GENERAL.—Section 7443A(b) of the Internal Revenue Code of 1986 (relating to proceedings which may be assigned to special trial judges) is amended by striking "and" at the end of paragraph (4), by redesignating paragraph (5) as paragraph (6), and by inserting after paragraph (4) the following new paragraph:

"(5) any proceeding under section 7436(c), and".

(b) CONFORMING AMENDMENT.—Section 7443A(c) of such Code is amended by striking "or (4)" and inserting "(4), or (5)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any proceeding under section 7436(c) of the Internal Revenue Code of 1986 with respect to which a decision has not become final (as determined under section 7481 of such Code) before the date of the enactment of this Act.

SEC. 858. CONFIRMATION OF AUTHORITY OF TAX COURT TO APPLY DOCTRINE OF EQUITABLE RECOUPMENT.

(a) CONFIRMATION OF AUTHORITY OF TAX COURT TO APPLY DOCTRINE OF EQUITABLE RECOUPMENT.—Section 6214(b) of the Internal Revenue Code of 1986 (relating to jurisdiction over other years and quarters) is amended by adding at the end the following new sentence: "Notwithstanding the preceding sentence, the Tax Court may apply the doctrine of equitable recoupment to the same extent that it is available in civil tax cases before the district courts of the United States and the United States Court of Federal Claims.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to any action or proceeding in the United States Tax Court with respect to which a decision has not become final (as determined under section 7481 of the Internal Revenue Code of 1986) as of the date of the enactment of this Act.

SEC. 859. TAX COURT FILING FEE IN ALL CASES COMMENCED BY FILING PETITION.

(a) IN GENERAL.—Section 7451 of the Internal Revenue Code of 1986 (relating to fee for filing a Tax Court petition) is amended by striking all that follows "petition" and inserting a period.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 860. EXPANDED USE OF TAX COURT PRACTICE FEE FOR PRO SE TAXPAYERS.

(a) IN GENERAL.—Section 7475(b) of the Internal Revenue Code of 1986 (relating to use of fees) is amended by inserting before the period at the end "and to provide services to pro se taxpayers".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

Subtitle F—Other Provisions

SEC. 861. EXTENSION TO ALL GOVERNMENTAL PLANS OF CURRENT MORATORIUM ON APPLICATION OF CERTAIN NONDISCRIMINATION RULES APPLICABLE TO STATE AND LOCAL PLANS.

(a) IN GENERAL.—

(1) Subparagraph (G) of section 401(a)(5) and subparagraph (G) of section 401(a)(26) of the Internal Revenue Code of 1986 are each amended by striking "section 414(d))" and all that follows and inserting "section 414(d)).".

(2) Subparagraph (G) of section 401(k)(3) of such Code and paragraph (2) of section 1505(d) of the Taxpayer Relief Act of 1997 (Public Law 105–34; 111 Stat. 1063) are each amended by striking "maintained by a State or local government or political subdivision thereof (or agency or instrumentality thereof)".

(b) CONFORMING AMENDMENTS.—

(1) The heading of subparagraph (G) of section 401(a)(5) of the Internal Revenue Code of 1986 is amended by striking "STATE AND LOCAL GOVERNMENTAL" and inserting "GOVERNMENTAL".

(2) The heading of subparagraph (G) of section 401(a)(26) of such Code is amended by striking "EXCEPTION FOR STATE AND LOCAL" and inserting "EXCEPTION FOR".

(3) Section 401(k)(3)(G) of such Code is amended by inserting "GOVERNMENTAL PLAN.—" after "(G)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any year beginning after the date of the enactment of this Act.

SEC. 862. ELIMINATION OF AGGREGATE LIMIT FOR USAGE OF EXCESS FUNDS FROM BLACK LUNG DISABILITY TRUSTS.

(a) IN GENERAL.—So much of section 501(c)(21)(C) of the Internal Revenue Code of 1986 (relating to black lung disability trusts) as precedes the last sentence is amended to read as follows:

"(C) Payments described in subparagraph (A)(i)(IV) may be made from such trust during a taxable year only to the extent that the aggregate amount of such payments during such taxable year does not exceed the excess (if any), as of the close of the preceding taxable year, of—

"(i) the fair market value of the assets of the trust, over

"(ii) 110 percent of the present value of the liability described in subparagraph (A)(i)(I) of such person.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 863. TREATMENT OF DEATH BENEFITS FROM CORPORATE-OWNED LIFE INSURANCE.

(a) IN GENERAL.—Section 101 of the Internal Revenue Code of 1986 (relating to certain death benefits) is amended by adding at the end the following new subsection:

"(j) TREATMENT OF CERTAIN EMPLOYER-OWNED LIFE INSURANCE CONTRACTS.—

"(1) GENERAL RULE.—In the case of an employer-owned life insurance contract, the amount excluded from gross income of an applicable policyholder by reason of paragraph (1) of subsection (a) shall not exceed an amount equal to the sum of the premiums and other amounts paid by the policyholder for the contract.

"(2) EXCEPTIONS.—In the case of an employer-owned life insurance contract with respect to which the notice and consent requirements of paragraph (4) are met, paragraph (1) shall not apply to any of the following:

"(A) EXCEPTIONS BASED ON INSURED'S STATUS.—Any amount received by reason of the death of an insured who, with respect to an applicable policyholder—

"(i) was an employee at any time during the 12-month period before the insured's death, or

"(ii) is, at the time the contract is issued—

"(I) a director,

"(II) a highly compensated employee within the meaning of section 414(q) (without regard to paragraph (1)(B)(ii) thereof), or

"(III) a highly compensated individual within the meaning of section 105(h)(5), except that '35 percent' shall be substituted for '25 percent' in subparagraph (C) thereof.

"(B) EXCEPTION FOR AMOUNTS PAID TO INSURED'S HEIRS.—Any amount received by reason of the death of an insured to the extent—

"(i) the amount is paid to a member of the family (within the meaning of section 267(c)(4)) of the insured, any individual who is the designated beneficiary of the insured under the contract (other than the applicable policyholder), a trust established for the benefit of any such member of the family or designated beneficiary, or the estate of the insured, or

"(ii) the amount is used to purchase an equity (or capital or profits) interest in the applicable policyholder from any person described in clause (i).

"(3) EMPLOYER-OWNED LIFE INSURANCE CONTRACT.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'employer-owned life insurance contract' means a life insurance contract which—

"(i) is owned by a person engaged in a trade or business and under which such person (or a related person described in subparagraph (B)(ii)) is directly or indirectly a beneficiary under the contract, and

"(ii) covers the life of an insured who is an employee with respect to the trade or business of the applicable policyholder on the date the contract is issued.

For purposes of the preceding sentence, if coverage for each insured under a master contract is treated as a separate contract for purposes of sections 817(h), 7702, and 7702A, coverage for each such insured shall be treated as a separate contract.

"(B) APPLICABLE POLICYHOLDER.—For purposes of this subsection—

"(i) IN GENERAL.—The term 'applicable policyholder' means, with respect to any employer-owned life insurance contract, the person described in subparagraph (A)(i) which owns the contract.

"(ii) RELATED PERSONS.—The term 'applicable policyholder' includes any person which—

"(I) bears a relationship to the person described in clause (i) which is specified in section 267(b) or 707(b)(1), or

"(II) is engaged in trades or businesses with such person which are under common control (within the meaning of subsection (a) or (b) of section 52).

"(4) NOTICE AND CONSENT REQUIREMENTS.—The notice and consent requirements of this paragraph are met if, before the issuance of the contract, the employee—

"(A) is notified in writing that the applicable policyholder intends to insure the employee's life and the maximum face amount for which the employee could be insured at the time the contract was issued,

"(B) provides written consent to being insured under the contract and that such coverage may continue after the insured terminates employment, and

"(C) is informed in writing that an applicable policyholder will be a beneficiary of any proceeds payable upon the death of the employee.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) EMPLOYEE.—The term 'employee' includes an officer, director, and highly compensated employee (within the meaning of section 414(q)).

"(B) INSURED.—The term 'insured' means, with respect to an employer-owned life insurance contract, an individual covered by the contract who is a United States citizen or resident. In the case of a contract covering the joint lives of 2 individuals, references to an insured include both of the individuals.".

(b) REPORTING REQUIREMENTS.—Subpart A of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to information concerning persons subject to special provisions) is amended by inserting after section 6039H the following new section:

"SEC. 6039I. RETURNS AND RECORDS WITH RESPECT TO EMPLOYER-OWNED LIFE INSURANCE CONTRACTS.

"(a) IN GENERAL.—Every applicable policyholder owning 1 or more employer-owned life insurance contracts issued after the date of the enactment of this section shall file a return (at such time and in such manner as the Secretary shall by regulations prescribe) showing for each year such contracts are owned—

"(1) the number of employees of the applicable policyholder at the end of the year,

"(2) the number of such employees insured under such contracts at the end of the year,

"(3) the total amount of insurance in force at the end of the year under such contracts,

"(4) the name, address, and taxpayer identification number of the applicable policyholder and the type of business in which the policyholder is engaged, and

"(5) that the applicable policyholder has a valid consent for each insured employee (or, if all such consents are not obtained, the number of insured employees for whom such consent was not obtained).

"(b) RECORDKEEPING REQUIREMENT.—Each applicable policyholder owning 1 or more employer-owned life insurance contracts during any year shall keep such records as may be necessary for purposes of determining whether the requirements of this section and section 101(j) are met.

"(c) DEFINITIONS.—Any term used in this section which is used in section 101(j) shall have the same meaning given such term by section 101(j).".

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 101(a) of the Internal Revenue Code of 1986 is amended by striking "and subsection (f)" and inserting "subsection (f), and subsection (j)".

(2) The table of sections for subpart A of part III of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6039H the following new item:

"Sec. 6039I. Returns and records with respect to employer-owned life insurance contracts.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to life insurance contracts issued after the date of the enactment of this Act, except for a contract issued after such date pursuant to an exchange described in section 1035 of the Internal Revenue Code of 1986 for a contract issued on or prior to that date. For purposes of the preceding sentence, any material increase in the death benefit or other material change shall cause the contract to be treated as a new contract except that, in the case of a master contract (within the meaning of section 264(f)(4)(E) of such Code), the addition of covered lives shall be treated as a new contract only with respect to such additional covered lives.

SEC. 864. TREATMENT OF TEST ROOM SUPERVISORS AND PROCTORS WHO ASSIST IN THE ADMINISTRATION OF COLLEGE ENTRANCE AND PLACEMENT EXAMS.

(a) IN GENERAL.—Section 530 of the Revenue Reconciliation Act of 1978 is amended by adding at the end the following new subsection:

"(f) TREATMENT OF TEST ROOM SUPERVISORS AND PROCTORS WHO ASSIST IN THE ADMINISTRATION OF COLLEGE ENTRANCE AND PLACEMENT EXAMS.—

"(1) IN GENERAL.—In the case of an individual described in paragraph (2) who is providing services as a test proctor or room supervisor by assisting in the administration of college entrance or placement examinations, this section shall be applied to such services performed after December 31, 2006 (and remuneration paid for such services) without regard to subsection (a)(3) thereof.

"(2) APPLICABILITY.—An individual is described in this paragraph if the individual—

"(A) is providing the services described in subsection (a) to an organization described in section 501(c), and exempt from tax under section 501(a), of the Internal Revenue Code of 1986, and

"(B) is not otherwise treated as an employee of such organization for purposes of subtitle C of such Code (relating to employment taxes).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to remuneration for services performed after December 31, 2006.

SEC. 865. GRANDFATHER RULE FOR CHURCH PLANS WHICH SELF-ANNUITIZE.

(a) IN GENERAL.—In the case of any plan year ending after the date of the enactment of this Act, annuity payments provided with respect to any account maintained for a participant or beneficiary under a qualified church plan shall not fail to satisfy the requirements of section 401(a)(9) of the Internal Revenue Code of 1986 merely because the payments are not made under an annuity contract purchased from an insurance company if such payments would not fail such requirements if provided with respect to a retirement income account described in section 403(b)(9) of such Code.

(b) QUALIFIED CHURCH PLAN.—For purposes of this section, the term "qualified church plan" means any money purchase pension plan described in section 401(a) of such Code which—

(1) is a church plan (as defined in section 414(e) of such Code) with respect to which the election provided by section 410(d) of such Code has not been made, and

(2) was in existence on April 17, 2002.

SEC. 866. EXEMPTION FOR INCOME FROM LEVERAGED REAL ESTATE HELD BY CHURCH PLANS.

(a) IN GENERAL.—Section 514(c)(9)(C) of the Internal Revenue Code of 1986 is amended by striking "or" after clause (ii), by striking the period at the end of clause (iii) and inserting "; or", and by inserting after clause (iii) the following:

"(iv) a retirement income account described in section 403(b)(9).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning on or after the date of enactment of this Act.

SEC. 867. CHURCH PLAN RULE.

(a) IN GENERAL.—Paragraph (11) of section 415(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following: "Subparagraph (B) of paragraph (1) shall not apply to a plan maintained by an organization described in section 3121(w)(3)(A) except with respect to highly compensated benefits. For purposes of this paragraph, the term 'highly compensated benefits' means any benefits accrued for an employee in any year on or after the first year in which such employee is a highly compensated employee (as defined in section 414(q)) of the organization described in section 3121(w)(3)(A). For purposes of applying paragraph (1)(B) to highly compensated benefits, all benefits of the employee otherwise taken into account (without regard to this paragraph) shall be taken into account.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning after December 31, 2006.

SEC. 868. GRATUITOUS TRANSFER FOR BENEFITS OF EMPLOYEES.

(a) IN GENERAL.—Subparagraph (E) of section 664(g)(3) of the Internal Revenue Code of 1986 is amended by inserting "(determined on the basis of fair market value of securities when allocated to participants)" after "paragraph (7)".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

TITLE IX—INCREASE IN PENSION PLAN DIVERSIFICATION AND PARTICIPATION AND OTHER PENSION PROVISIONS

SEC. 901. DEFINED CONTRIBUTION PLANS REQUIRED TO PROVIDE EMPLOYEES WITH FREEDOM TO INVEST THEIR PLAN ASSETS.

(a) AMENDMENTS OF INTERNAL REVENUE CODE.—

(1) QUALIFICATION REQUIREMENT.—Section 401(a) of the Internal Revenue Code of 1986 (relating to qualified pension, profit-sharing, and stock bonus plans) is amended by inserting after paragraph (34) the following new paragraph:

"(35) DIVERSIFICATION REQUIREMENTS FOR CERTAIN DEFINED CONTRIBUTION PLANS.—

"(A) IN GENERAL.—A trust which is part of an applicable defined contribution plan shall not be treated as a qualified trust unless the plan meets the diversification requirements of subparagraphs (B), (C), and (D).

"(B) EMPLOYEE CONTRIBUTIONS AND ELECTIVE DEFERRALS INVESTED IN EMPLOYER SECURITIES.—In the case of the portion of an applicable individual's account attributable to employee contributions and elective deferrals which is invested in employer securities, a plan meets the requirements of this subparagraph if the applicable individual may elect to direct the plan to divest any such securities and to reinvest an equivalent amount in other investment options meeting the requirements of subparagraph (D).

"(C) EMPLOYER CONTRIBUTIONS INVESTED IN EMPLOYER SECURITIES.—In the case of the portion of the account attributable to employer contributions other than elective deferrals which is invested in employer securities, a plan meets the requirements of this subparagraph if each applicable individual who—

"(i) is a participant who has completed at least 3 years of service, or

"(ii) is a beneficiary of a participant described in clause (i) or of a deceased participant,

may elect to direct the plan to divest any such securities and to reinvest an equivalent amount in other investment options meeting the requirements of subparagraph (D).

"(D) INVESTMENT OPTIONS.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if the plan offers not less than 3 investment options, other than employer securities, to which an applicable individual may direct the proceeds from the divestment of employer securities pursuant to this paragraph, each of which is diversified and has materially different risk and return characteristics.

"(ii) TREATMENT OF CERTAIN RESTRICTIONS AND CONDITIONS.—

"(I) TIME FOR MAKING INVESTMENT CHOICES.—A plan shall not be treated as failing to meet the requirements of this subparagraph merely because the plan limits the time for divestment and reinvestment to periodic, reasonable opportunities occurring no less frequently than quarterly.

"(II) CERTAIN RESTRICTIONS AND CONDITIONS NOT ALLOWED.—Except as provided in regulations, a plan shall not meet the requirements of this subparagraph if the plan imposes restrictions or conditions with respect to the investment of employer securities which are not imposed on the investment of other assets of the plan. This subclause shall not apply to any restrictions or conditions imposed by reason of the application of securities laws.

"(E) APPLICABLE DEFINED CONTRIBUTION PLAN.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'applicable defined contribution plan' means any defined contribution plan which holds any publicly traded employer securities.

"(ii) EXCEPTION FOR CERTAIN ESOPS.—Such term does not include an employee stock ownership plan if—

"(I) there are no contributions to such plan (or earnings thereunder) which are held within such plan and are subject to subsection (k) or (m), and

"(II) such plan is a separate plan for purposes of section 414(l) with respect to any other defined benefit plan or defined contribution plan maintained by the same employer or employers.

"(iii) EXCEPTION FOR ONE PARTICIPANT PLANS.—Such term does not include a one-participant retirement plan.

"(iv) ONE-PARTICIPANT RETIREMENT PLAN.—For purposes of clause (iii), the term 'one-participant retirement plan' means a retirement plan that—

"(I) on the first day of the plan year covered only one individual (or the individual and the individual's spouse) and the individual owned 100 percent of the plan sponsor (whether or not incorporated), or covered only one or more partners (or partners and their spouses) in the plan sponsor,

"(II) meets the minimum coverage requirements of section 410(b) without being combined with any other plan of the business that covers the employees of the business,

"(III) does not provide benefits to anyone except the individual (and the individual's spouse) or the partners (and their spouses), "(IV) does not cover a business that is a member of an affiliated service group, a controlled group of corporations, or a group of businesses under common control, and

"(V) does not cover a business that uses the services of leased employees (within the meaning of section 414(n)).

For purposes of this clause, the term 'partner' includes a 2-percent shareholder (as defined in section 1372(b)) of an S corporation.

"(F) CERTAIN PLANS TREATED AS HOLDING PUBLICLY TRADED EMPLOYER SECURITIES.—

"(i) IN GENERAL.—Except as provided in regulations or in clause (ii), a plan holding employer securities which are not publicly traded employer securities shall be treated as holding publicly traded employer securities if any employer corporation, or any member of a controlled group of corporations which includes such employer corporation, has issued a class of stock which is a publicly traded employer security.

"(ii) EXCEPTION FOR CERTAIN CONTROLLED GROUPS WITH PUBLICLY TRADED SECURITIES.—Clause (i) shall not apply to a plan if—

"(I) no employer corporation, or parent corporation of an employer corporation, has issued any publicly traded employer security, and

"(II) no employer corporation, or parent corporation of an employer corporation, has issued any special class of stock which grants particular rights to, or bears particular risks for, the holder or issuer with respect to any corporation described in clause (i) which has issued any publicly traded employer security.

"(iii) DEFINITIONS.—For purposes of this subparagraph, the term—

"(I) 'controlled group of corporations' has the meaning given such term by section 1563(a), except that '50 percent' shall be substituted for '80 percent' each place it appears,

"(II) 'employer corporation' means a corporation which is an employer maintaining the plan, and

"(III) 'parent corporation' has the meaning given such term by section 424(e).

"(G) OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) APPLICABLE INDIVIDUAL.—The term 'applicable individual' means—

"(I) any participant in the plan, and

"(II) any beneficiary who has an account under the plan with respect to which the beneficiary is entitled to exercise the rights of a participant.

"(ii) ELECTIVE DEFERRAL.—The term 'elective deferral' means an employer contribution described in section 402(g)(3)(A).

"(iii) EMPLOYER SECURITY.—The term 'employer security' has the meaning given such term by section 407(d)(1) of the Employee Retirement Income Security Act of 1974.

"(iv) EMPLOYEE STOCK OWNERSHIP PLAN.—The term 'employee stock ownership plan' has the meaning given such term by section 4975(e)(7).

"(v) PUBLICLY TRADED EMPLOYER SECURITIES.—The term 'publicly traded employer securities' means employer securities which are readily tradable on an established securities market.

"(vi) YEAR OF SERVICE.—The term 'year of service' has the meaning given such term by section 411(a)(5).

"(H) TRANSITION RULE FOR SECURITIES ATTRIBUTABLE TO EMPLOYER CONTRIBUTIONS.—

"(i) RULES PHASED IN OVER 3 YEARS.—

"(I) IN GENERAL.—In the case of the portion of an account to which subparagraph (C) applies and which consists of employer securities acquired in a plan year beginning before January 1, 2007, subparagraph (C) shall only apply to the applicable percentage of such securities. This subparagraph shall be applied separately with respect to each class of securities.

"(II) EXCEPTION FOR CERTAIN PARTICIPANTS AGED 55 OR OVER.—Subclause (I) shall not apply to an applicable individual who is a participant who has attained age 55 and completed at least 3 years of service before the first plan year beginning after December 31, 2005.

"(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the applicable percentage shall be determined as follows:

"Plan year to which subparagraph (C) applies:	**The applicable percentage is:**
1st	33
2d	66
3d and following	100.".

(2) CONFORMING AMENDMENTS.—

(A) Section 401(a)(28)(B) of such Code (relating to additional requirements relating to employee stock ownership plans) is amended by adding at the end the following new clause:

"(v) EXCEPTION.—This subparagraph shall not apply to an applicable defined contribution plan (as defined in paragraph (35)(E))."

(B) Section 409(h)(7) of such Code is amended by inserting "or subparagraph (B) or (C) of section 401(a)(35)" before the period at the end.

(C) Section 4980(c)(3)(A) of such Code is amended by striking "if—" and all that follows and inserting "if the requirements of subparagraphs (B), (C), and (D) are met."

(b) AMENDMENTS OF ERISA.—

(1) IN GENERAL.—Section 204 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) DIVERSIFICATION REQUIREMENTS FOR CERTAIN INDIVIDUAL ACCOUNT PLANS.—

"(1) IN GENERAL.—An applicable individual account plan shall meet the diversification requirements of paragraphs (2), (3), and (4).

"(2) EMPLOYEE CONTRIBUTIONS AND ELECTIVE DEFERRALS INVESTED IN EMPLOYER SECURITIES.—In the case of the portion of an applicable individual's account attributable to employee contributions and elective deferrals which is invested in employer securities, a plan meets the requirements of this paragraph if the applicable individual may elect to direct the plan to divest any such securities and to reinvest an equivalent amount in other investment options meeting the requirements of paragraph (4).

"(3) EMPLOYER CONTRIBUTIONS INVESTED IN EMPLOYER SECURITIES.—In the case of the portion of the account attributable to employer contributions other than elective deferrals which is invested in employer securities, a plan meets the requirements of this paragraph if each applicable individual who—

"(A) is a participant who has completed at least 3 years of service, or

"(B) is a beneficiary of a participant described in subparagraph (A) or of a deceased participant,

may elect to direct the plan to divest any such securities and to reinvest an equivalent amount in other investment options meeting the requirements of paragraph (4).

"(4) INVESTMENT OPTIONS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if the plan offers not less than 3 investment options, other than employer securities, to which an applicable individual may direct the proceeds from the divestment of employer securities pursuant to this subsection, each of which is diversified and has materially different risk and return characteristics.

"(B) TREATMENT OF CERTAIN RESTRICTIONS AND CONDITIONS.—

"(i) TIME FOR MAKING INVESTMENT CHOICES.—A plan shall not be treated as failing to meet the requirements of this paragraph merely because the plan limits the time for divestment and reinvestment to periodic, reasonable opportunities occurring no less frequently than quarterly.

"(ii) CERTAIN RESTRICTIONS AND CONDITIONS NOT ALLOWED.—Except as provided in regulations, a plan shall not meet the requirements of this paragraph if the plan imposes restrictions or conditions with respect to the investment of employer securities which are not imposed on the investment of other assets of the plan. This subparagraph shall not apply to any restrictions or conditions imposed by reason of the application of securities laws.

"(5) APPLICABLE INDIVIDUAL ACCOUNT PLAN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'applicable individual account plan' means any individual account plan (as defined in section 3(34)) which holds any publicly traded employer securities.

"(B) EXCEPTION FOR CERTAIN ESOPS.—Such term does not include an employee stock ownership plan if—

"(i) there are no contributions to such plan (or earnings thereunder) which are held within such plan and are subject to subsection (k) or (m) of section 401 of the Internal Revenue Code of 1986, and

"(ii) such plan is a separate plan (for purposes of section 414(l) of such Code) with respect to any other defined benefit plan or individual account plan maintained by the same employer or employers.

"(C) EXCEPTION FOR ONE PARTICIPANT PLANS.—Such term shall not include a one-participant retirement plan (as defined in section 101(i)(8)(B)).

"(D) CERTAIN PLANS TREATED AS HOLDING PUBLICLY TRADED EMPLOYER SECURITIES.—

"(i) IN GENERAL.—Except as provided in regulations or in clause (ii), a plan holding employer securities which are not publicly traded employer securities shall be treated as holding publicly traded employer securities if any employer corporation, or any member of a controlled group of corporations which includes such employer corporation, has issued a class of stock which is a publicly traded employer security.

"(ii) EXCEPTION FOR CERTAIN CONTROLLED GROUPS WITH PUBLICLY TRADED SECURITIES.—Clause (i) shall not apply to a plan if—

"(I) no employer corporation, or parent corporation of an employer corporation, has issued any publicly traded employer security, and

"(II) no employer corporation, or parent corporation of an employer corporation, has issued any special class of stock which grants particular rights to, or bears particular risks for, the holder or issuer with respect to any corporation described in clause (i) which has issued any publicly traded employer security.

"(iii) DEFINITIONS.—For purposes of this subparagraph, the term—

"(I) 'controlled group of corporations' has the meaning given such term by section 1563(a) of the Internal Revenue Code of 1986, except that '50 percent' shall be substituted for '80 percent' each place it appears, "(II) 'employer corporation' means a corporation which is an employer maintaining the plan, and

"(III) 'parent corporation' has the meaning given such term by section 424(e) of such Code.

"(6) OTHER DEFINITIONS.—For purposes of this paragraph—

"(A) APPLICABLE INDIVIDUAL.—The term 'applicable individual' means—

"(i) any participant in the plan, and

"(ii) any beneficiary who has an account under the plan with respect to which the beneficiary is entitled to exercise the rights of a participant.

"(B) ELECTIVE DEFERRAL.—The term 'elective deferral' means an employer contribution described in section 402(g)(3)(A) of the Internal Revenue Code of 1986.

"(C) EMPLOYER SECURITY.—The term 'employer security' has the meaning given such term by section 407(d)(1).

"(D) EMPLOYEE STOCK OWNERSHIP PLAN.—The term 'employee stock ownership plan' has the meaning given such term by section 4975(e)(7) of such Code.

"(E) PUBLICLY TRADED EMPLOYER SECURITIES.—The term 'publicly traded employer securities' means employer securities which are readily tradable on an established securities market.

"(F) YEAR OF SERVICE.—The term 'year of service' has the meaning given such term by section 203(b)(2).

"(7) TRANSITION RULE FOR SECURITIES ATTRIBUTABLE TO EMPLOYER CONTRIBUTIONS.—

"(A) RULES PHASED IN OVER 3 YEARS.—

"(i) IN GENERAL.—In the case of the portion of an account to which paragraph (3) applies and which consists of employer securities acquired in a plan year beginning before January 1, 2007, paragraph (3) shall only apply to the applicable percentage of such securities. This subparagraph shall be applied separately with respect to each class of securities.

"(ii) EXCEPTION FOR CERTAIN PARTICIPANTS AGED 55 OR OVER.—Clause (i) shall not apply to an applicable individual who is a participant who has attained age 55 and completed at least 3 years of service before the first plan year beginning after December 31, 2005.

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined as follows:

"Plan year to which paragraph (3) applies:	**The applicable percentage is:**
1st	33
2d	66
3d	100.".

(2) CONFORMING AMENDMENT.—Section 407(b)(3) of such Act (29 U.S.C. 1107(b)(3)) is amended by adding at the end the following:

"(D) For diversification requirements for qualifying employer securities held in certain individual account plans, see section 204(j).".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to plan years beginning after December 31, 2006.

(2) SPECIAL RULE FOR COLLECTIVELY BARGAINED AGREEMENTS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of the enactment of this Act, paragraph (1) shall be applied to benefits pursuant to, and individuals covered by, any such agreement by substituting for "December 31, 2006" the earlier of—

(A) the later of—

(i) December 31, 2007, or

(ii) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after such date of enactment), or

(B) December 31, 2008.

(3) SPECIAL RULE FOR CERTAIN EMPLOYER SECURITIES HELD IN AN ESOP.—

(A) IN GENERAL.—In the case of employer securities to which this paragraph applies, the amendments made by this section shall apply to plan years beginning after the earlier of—

(i) December 31, 2007, or

(ii) the first date on which the fair market value of such securities exceeds the guaranteed minimum value described in subparagraph (B)(ii).

(B) APPLICABLE SECURITIES.—This paragraph shall apply to employer securities which are attributable to employer contributions other than elective deferrals, and which, on September 17, 2003—

(i) consist of preferred stock, and

(ii) are within an employee stock ownership plan (as defined in section 4975(e)(7) of the Internal Revenue Code of 1986), the terms of which provide that the value of the securities cannot be less than the guaranteed minimum value specified by the plan on such date.

(C) COORDINATION WITH TRANSITION RULE.—In applying section 401(a)(35)(H) of the Internal Revenue Code of 1986 and section 204(j)(7) of the Employee Retirement Income Security Act of 1974 (as added by this section) to employer securities to which this paragraph applies, the applicable percentage shall be determined without regard to this paragraph.

SEC. 902. INCREASING PARTICIPATION THROUGH AUTOMATIC CONTRIBUTION ARRANGEMENTS.

(a) IN GENERAL.—Section 401(k) of the Internal Revenue Code of 1986 (relating to cash or deferred arrangement) is amended by adding at the end the following new paragraph:

"(13) ALTERNATIVE METHOD FOR AUTOMATIC CONTRIBUTION ARRANGEMENTS TO MEET NONDISCRIMINATION REQUIREMENTS.—

"(A) IN GENERAL.—A qualified automatic contribution arrangement shall be treated as meeting the requirements of paragraph (3)(A)(ii).

"(B) QUALIFIED AUTOMATIC CONTRIBUTION ARRANGEMENT.—For purposes of this paragraph, the term 'qualified automatic contribution arrangement' means any cash or deferred arrangement which meets the requirements of subparagraphs (C) through (E).

"(C) AUTOMATIC DEFERRAL.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if, under the arrangement, each employee eligible to participate in the arrangement is treated as having elected to have the employer make elective contributions in an amount equal to a qualified percentage of compensation.

"(ii) ELECTION OUT.—The election treated as having been made under clause (i) shall cease to apply with respect to any employee if such employee makes an affirmative election—

"(I) to not have such contributions made, or

"(II) to make elective contributions at a level specified in such affirmative election.

"(iii) QUALIFIED PERCENTAGE.—For purposes of this subparagraph, the term 'qualified percentage' means, with respect to any employee, any percentage determined under the arrangement if such percentage is applied uniformly, does not exceed 10 percent, and is at least—

"(I) 3 percent during the period ending on the last day of the first plan year which begins after the date on which the first elective contribution described in clause (i) is made with respect to such employee,

"(II) 4 percent during the first plan year following the plan year described in subclause (I),

"(III) 5 percent during the second plan year following the plan year described in subclause (I), and

"(IV) 6 percent during any subsequent plan year.

"(iv) AUTOMATIC DEFERRAL FOR CURRENT EMPLOYEES NOT REQUIRED.—Clause (i) may be applied without taking into account any employee who—

"(I) was eligible to participate in the arrangement (or a predecessor arrangement) immediately before the date on which such arrangement becomes a qualified automatic contribution arrangement (determined after application of this clause), and

"(II) had an election in effect on such date either to participate in the arrangement or to not participate in the arrangement.

"(D) MATCHING OR NONELECTIVE CONTRIBUTIONS.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if, under the arrangement, the employer—

"(I) makes matching contributions on behalf of each employee who is not a highly compensated employee in an amount equal to the sum of 100 percent of the elective contributions of the employee to the extent that such contributions do not exceed 1 percent of compensation plus 50 percent of so much of such compensation as exceeds 1 percent but does not exceed 6 percent of compensation, or

"(II) is required, without regard to whether the employee makes an elective contribution or employee contribution, to make a contribution to a defined contribution plan on behalf of each employee who is not a highly compensated employee and who is eligible to participate in the arrangement in an amount equal to at least 3 percent of the employee's compensation.

"(ii) APPLICATION OF RULES FOR MATCHING CONTRIBUTIONS.—The rules of clauses (ii) and (iii) of paragraph (12)(B) shall apply for purposes of clause (i)(I).

"(iii) WITHDRAWAL AND VESTING RESTRICTIONS.—An arrangement shall not be treated as meeting the requirements of clause (i) unless, with respect to employer contributions (including matching contributions) taken into account in determining whether the requirements of clause (i) are met—

"(I) any employee who has completed at least 2 years of service (within the meaning of section 411(a)) has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from such employer contributions, and

"(II) the requirements of subparagraph (B) of paragraph (2) are met with respect to all such employer contributions.

"(iv) APPLICATION OF CERTAIN OTHER RULES.—The rules of subparagraphs (E)(ii) and (F) of paragraph (12) shall apply for purposes of subclauses (I) and (II) of clause (i).

"(E) NOTICE REQUIREMENTS.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if, within a reasonable period before each plan year, each employee eligible to participate in the arrangement for such year receives written notice of the employee's rights and obligations under the arrangement which—

"(I) is sufficiently accurate and comprehensive to apprise the employee of such rights and obligations, and

"(II) is written in a manner calculated to be understood by the average employee to whom the arrangement applies.

"(ii) TIMING AND CONTENT REQUIREMENTS.—A notice shall not be treated as meeting the requirements of clause (i) with respect to an employee unless—

"(I) the notice explains the employee's right under the arrangement to elect not to have elective contributions made on the employee's behalf (or to elect to have such contributions made at a different percentage),

"(II) in the case of an arrangement under which the employee may elect among 2 or more investment options, the notice explains how contributions made under the arrangement will be invested in the absence of any investment election by the employee, and

"(III) the employee has a reasonable period of time after receipt of the notice described in subclauses (I) and (II) and before the first elective contribution is made to make either such election.".

(b) MATCHING CONTRIBUTIONS.—Section 401(m) of such Code (relating to nondiscrimination test for matching contributions and employee contributions) is amended by redesignating paragraph (12) as paragraph (13) and by inserting after paragraph (11) the following new paragraph:

"(12) ALTERNATIVE METHOD FOR AUTOMATIC CONTRIBUTION ARRANGEMENTS.—A defined contribution plan shall be treated as meeting the requirements of paragraph (2) with respect to matching contributions if the plan—

"(A) is a qualified automatic contribution arrangement (as defined in subsection (k)(13)), and

"(B) meets the requirements of paragraph (11)(B)."

(c) EXCLUSION FROM DEFINITION OF TOP-HEAVY PLANS.—

(1) ELECTIVE CONTRIBUTION RULE.—Clause (i) of section 416(g)(4)(H) of such Code is amended by inserting "or 401(k)(13)" after "section 401(k)(12)".

(2) MATCHING CONTRIBUTION RULE.—Clause (ii) of section 416(g)(4)(H) of such Code is amended by inserting "or 401(m)(12)" after "section 401(m)(11)".

(d) TREATMENT OF WITHDRAWALS OF CONTRIBUTIONS DURING FIRST 90 DAYS.—

(1) IN GENERAL.—Section 414 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(w) SPECIAL RULES FOR CERTAIN WITHDRAWALS FROM ELIGIBLE AUTOMATIC CONTRIBUTION ARRANGEMENTS.—

"(1) IN GENERAL.—If an eligible automatic contribution arrangement allows an employee to elect to make permissible withdrawals—

"(A) the amount of any such withdrawal shall be includible in the gross income of the employee for the taxable year of the employee in which the distribution is made,

"(B) no tax shall be imposed under section 72(t) with respect to the distribution, and

"(C) the arrangement shall not be treated as violating any restriction on distributions under this title solely by reason of allowing the withdrawal.

In the case of any distribution to an employee by reason of an election under this paragraph, employer matching contributions shall be forfeited or subject to such other treatment as the Secretary may prescribe.

"(2) PERMISSIBLE WITHDRAWAL.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'permissible withdrawal' means any withdrawal from an eligible automatic contribution arrangement meeting the requirements of this paragraph which—

"(i) is made pursuant to an election by an employee, and

"(ii) consists of elective contributions described in paragraph (3)(B) (and earnings attributable thereto).

"(B) TIME FOR MAKING ELECTION.—Subparagraph (A) shall not apply to an election by an employee unless the election is made no later than the date which is 90 days after the date of the first elective contribution with respect to the employee under the arrangement.

"(C) AMOUNT OF DISTRIBUTION.—Subparagraph (A) shall not apply to any election by an employee unless the amount of any distribution by reason of the election is equal to the amount of elective contributions made with respect to the first payroll period to which the eligible automatic contribution arrangement applies to the employee and any succeeding payroll period beginning before the effective date of the election (and earnings attributable thereto).

"(3) ELIGIBLE AUTOMATIC CONTRIBUTION ARRANGEMENT.—For purposes of this subsection, the term 'eligible automatic contribution arrangement' means an arrangement under an applicable employer plan—

"(A) under which a participant may elect to have the employer make payments as contributions under the plan on behalf of the participant, or to the participant directly in cash,

"(B) under which the participant is treated as having elected to have the employer make such contributions in an amount equal to a uniform percentage of compensation provided under the plan until the participant specifically elects not to have such contributions made (or specifically elects to have such contributions made at a different percentage),

"(C) under which, in the absence of an investment election by the participant, contributions described in subparagraph (B) are invested in accordance with regulations prescribed by the Secretary of Labor under section 404(c)(5) of the Employee Retirement Income Security Act of 1974, and

"(D) which meets the requirements of paragraph (4).

"(4) NOTICE REQUIREMENTS.—

"(A) IN GENERAL.—The administrator of a plan containing an arrangement described in paragraph (3) shall, within a reasonable period before each plan year, give to each employee to whom an arrangement described in paragraph (3) applies for such plan year notice of the employee's rights and obligations under the arrangement which—

"(i) is sufficiently accurate and comprehensive to apprise the employee of such rights and obligations, and

"(ii) is written in a manner calculated to be understood by the average employee to whom the arrangement applies.

"(B) TIME AND FORM OF NOTICE.—A notice shall not be treated as meeting the requirements of subparagraph (A) with respect to an employee unless—

"(i) the notice includes an explanation of the employee's right under the arrangement to elect not to have elective contributions made on the employee's behalf (or to elect to have such contributions made at a different percentage),

"(ii) the employee has a reasonable period of time after receipt of the notice described in clause (i) and before the first elective contribution is made to make such election, and

"(iii) the notice explains how contributions made under the arrangement will be invested in the absence of any investment election by the employee.

"(5) APPLICABLE EMPLOYER PLAN.—For purposes of this subsection, the term 'applicable employer plan' means—

"(A) an employees' trust described in section 401(a) which is exempt from tax under section 501(a),

"(B) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b), and

"(C) an eligible deferred compensation plan described in section 457(b) which is maintained by an eligible employer described in section 457(e)(1)(A).

"(6) SPECIAL RULE.—A withdrawal described in paragraph (1) (subject to the limitation of paragraph (2)(C)) shall not be taken into account for purposes of section 401(k)(3).".

(2) VESTING CONFORMING AMENDMENTS.—

(A) Section 411(a)(3)(G) of such Code is amended by inserting "an erroneous automatic contribution under section 414(w)," after "402(g)(2)(A),".

(B) The heading of section 411(a)(3)(G) of such Code is amended by inserting "**OR ERRONEOUS AUTOMATIC CONTRIBUTION**" before the period.

(C) Section 401(k)(8)(E) of such Code is amended by inserting "an erroneous automatic contribution under section 414(w)," after "402(g)(2)(A),".

(D) The heading of section 401(k)(8)(E) of such Code is amended by inserting "**OR ERRONEOUS AUTOMATIC CONTRIBUTION**" before the period.

(E) Section 203(a)(3)(F) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)(3)(F)) is amended by inserting "an erroneous automatic contribution under section 414(w) of such Code," after "402(g)(2)(A) of such Code,".

(e) EXCESS CONTRIBUTIONS.—

(1) EXPANSION OF CORRECTIVE DISTRIBUTION PERIOD FOR AUTOMATIC CONTRIBUTION ARRANGEMENTS.—Subsection (f) of section 4979 of the Internal Revenue Code of 1986 is amended—

(A) by inserting "(6 months in the case of an excess contribution or excess aggregate contribution to an eligible automatic contribution arrangement (as defined in section 414(w)(3)))" after "2½ months" in paragraph (1), and

(B) by striking "2½ MONTHS OF" in the heading and inserting "SPECIFIED PERIOD AFTER".

(2) YEAR OF INCLUSION.—Paragraph (2) of section 4979(f) of such Code is amended to read as follows:

"(2) YEAR OF INCLUSION.—Any amount distributed as provided in paragraph (1) shall be treated as earned and received by the recipient in the recipient's taxable year in which such distributions were made.".

(3) SIMPLIFICATION OF ALLOCABLE EARNINGS.—

(A) SECTION 4979.—Paragraph (1) of section 4979(f) of such Code is amended by adding "through the end of the plan year for which the contribution was made" after "thereto".

(B) SECTION 401(k) AND 401(m).—

(i) Clause (i) of section 401(k)(8)(A) of such Code is amended by adding "through the end of such year" after "such contributions".

(ii) Subparagraph (A) of section 401(m)(6) of such Code is amended by adding "through the end of such year" after "to such contributions".

(f) PREEMPTION OF CONFLICTING STATE REGULATION.—

(1) IN GENERAL.—Section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) is amended by adding at the end the following new subsection:

‘‘(e)(1) Notwithstanding any other provision of this section, this title shall supersede any law of a State which would directly or indirectly prohibit or restrict the inclusion in any plan of an automatic contribution arrangement. The Secretary may prescribe regulations which would establish minimum standards that such an arrangement would be required to satisfy in order for this subsection to apply in the case of such arrangement.

‘‘(2) For purposes of this subsection, the term ‘automatic contribution arrangement’ means an arrangement——

‘‘(A) under which a participant may elect to have the plan sponsor make payments as contributions under the plan on behalf of the participant, or to the participant directly in cash,

‘‘(B) under which a participant is treated as having elected to have the plan sponsor make such contributions in an amount equal to a uniform percentage of compensation provided under the plan until the participant specifically elects not to have such contributions made (or specifically elects to have such contributions made at a different percentage), and

‘‘(C) under which such contributions are invested in accordance with regulations prescribed by the Secretary under section 404(c)(5).

‘‘(3)(A) The plan administrator of an automatic contribution arrangement shall, within a reasonable period before such plan year, provide to each participant to whom the arrangement applies for such plan year notice of the participant's rights and obligations under the arrangement which—

‘‘(i) is sufficiently accurate and comprehensive to apprise the participant of such rights and obligations, and

‘‘(ii) is written in a manner calculated to be understood by the average participant to whom the arrangement applies.

‘‘(B) A notice shall not be treated as meeting the requirements of subparagraph (A) with respect to a participant unless—

‘‘(i) the notice includes an explanation of the participant's right under the arrangement not to have elective contributions made on the participant's behalf (or to elect to have such contributions made at a different percentage),

‘‘(ii) the participant has a reasonable period of time, after receipt of the notice described in clause (i) and before the first elective contribution is made, to make such election, and

‘‘(iii) the notice explains how contributions made under the arrangement will be invested in the absence of any investment election by the participant.’’.

(2) ENFORCEMENT.—Section 502(c)(4) of such Act (29 U.S.C. 1132(c)(4)) is amended by striking ‘‘or section 302(b)(7)(F)(vi)’’ inserting ‘‘, section 302(b)(7)(F)(vi), or section 514(e)(3)’’.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2007, except that the amendments made by subsection (f) shall take effect on the date of the enactment of this Act.

SEC. 903. TREATMENT OF ELIGIBLE COMBINED DEFINED BENEFIT PLANS AND QUALIFIED CASH OR DEFERRED ARRANGEMENTS.

(a) AMENDMENTS OF INTERNAL REVENUE CODE.—Section 414 of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new subsection:

‘‘(x) SPECIAL RULES FOR ELIGIBLE COMBINED DEFINED BENEFIT PLANS AND QUALIFIED CASH OR DEFERRED ARRANGEMENTS.—

‘‘(1) GENERAL RULE.—Except as provided in this subsection, the requirements of this title shall be applied to any defined benefit plan or applicable defined contribution plan which are part of an eligible combined plan in the same manner as if each such plan were not a part of the eligible combined plan.

‘‘(2) ELIGIBLE COMBINED PLAN.—For purposes of this subsection—

‘‘(A) IN GENERAL.—The term ‘eligible combined plan’ means a plan—

‘‘(i) which is maintained by an employer which, at the time the plan is established, is a small employer,

‘‘(ii) which consists of a defined benefit plan and an applicable defined contribution plan,

‘‘(iii) the assets of which are held in a single trust forming part of the plan and are clearly identified and allocated to the defined benefit plan and the applicable defined contribution plan to the extent necessary for the separate application of this title under paragraph (1), and

‘‘(iv) with respect to which the benefit, contribution, vesting, and nondiscrimination requirements of subparagraphs (B), (C), (D), (E), and (F) are met.

For purposes of this subparagraph, the term ‘small employer’ has the meaning given such term by section 4980D(d)(2), except that such section shall be applied by substituting ‘500’ for ‘50’ each place it appears.

‘‘(B) BENEFIT REQUIREMENTS.—

‘‘(i) IN GENERAL.—The benefit requirements of this subparagraph are met with respect to the defined benefit plan forming part of the eligible combined plan if the accrued benefit of each participant derived from employer contributions, when expressed as an annual retirement benefit, is not less than the applicable percentage of the participant's final average pay. For purposes of this clause, final average pay shall be determined using the period of consecutive years (not exceeding 5) during which the participant had the greatest aggregate compensation from the employer.

‘‘(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the applicable percentage is the lesser of—

‘‘(I) 1 percent multiplied by the number of years of service with the employer, or

‘‘(II) 20 percent.

‘‘(iii) SPECIAL RULE FOR APPLICABLE DEFINED BENEFIT PLANS.—If the defined benefit plan under clause (i) is an applicable defined benefit plan as defined in section 411(a)(13)(B) which meets the interest credit requirements of section 411(b)(5)(B)(i), the plan shall be treated as meeting the requirements of clause (i) with respect to any plan year if each participant receives a pay credit for the year which is not less than the percentage of compensation determined in accordance with the following table:

‘‘If the participant's age as of the beginning of the year is—	**The percentage is—**
30 or less	2
Over 30 but less than 40	4
40 or over but less than 50	6
50 or over	8.

‘‘(iv) YEARS OF SERVICE.—For purposes of this subparagraph, years of service shall be determined under the rules of paragraphs (4), (5), and (6) of section 411(a), except that the plan may not disregard any year of service because of a participant making, or failing to make, any elective deferral with respect to the qualified cash or deferred arrangement to which subparagraph (C) applies.

‘‘(C) CONTRIBUTION REQUIREMENTS.—

‘‘(i) IN GENERAL.—The contribution requirements of this subparagraph with respect to any applicable defined contribution plan forming part of an eligible combined plan are met if—

‘‘(I) the qualified cash or deferred arrangement included in such plan constitutes an automatic contribution arrangement, and

‘‘(II) the employer is required to make matching contributions on behalf of each employee eligible to participate in the arrangement in an amount equal to 50 percent of the elective contributions of the employee to the extent such elective contributions do not exceed 4 percent of compensation.

Rules similar to the rules of clauses (ii) and (iii) of section 401(k)(12)(B) shall apply for purposes of this clause.

‘‘(ii) NONELECTIVE CONTRIBUTIONS.—An applicable defined contribution plan shall not be treated as failing to meet the requirements of clause (i) because the employer makes nonelective contributions under the plan but such contributions shall not be taken into account in determining whether the requirements of clause (i)(II) are met.

‘‘(D) VESTING REQUIREMENTS.—The vesting requirements of this subparagraph are met if—

‘‘(i) in the case of a defined benefit plan forming part of an eligible combined plan an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit under the plan derived from employer contributions, and

‘‘(ii) in the case of an applicable defined contribution plan forming part of eligible combined plan—

‘‘(I) an employee has a nonforfeitable right to any matching contribution made under the qualified cash or deferred arrangement included in such plan by an employer with respect to any elective contribution, including matching contributions in excess of the contributions required under subparagraph (C)(i)(II), and

‘‘(II) an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived under the arrangement from nonelective contributions of the employer.

For purposes of this subparagraph, the rules of section 411 shall apply to the extent not inconsistent with this subparagraph.

‘‘(E) UNIFORM PROVISION OF CONTRIBUTIONS AND BENEFITS.—In the case of a defined benefit plan or applicable defined contribution plan forming part of an eligible combined plan, the requirements of this subparagraph are met if all contributions and benefits under each such plan, and all rights and features under each such plan, must be provided uniformly to all participants.

‘‘(F) REQUIREMENTS MUST BE MET WITHOUT TAKING INTO ACCOUNT SOCIAL SECURITY AND SIMILAR CONTRIBUTIONS AND BENEFITS OR OTHER PLANS.—

‘‘(i) IN GENERAL.—The requirements of this subparagraph are met if the requirements of clauses (ii) and (iii) are met.

‘‘(ii) SOCIAL SECURITY AND SIMILAR CONTRIBUTIONS.—The requirements of this clause are met if—

‘‘(I) the requirements of subparagraphs (B) and (C) are met without regard to section 401(l), and

‘‘(II) the requirements of sections 401(a)(4) and 410(b) are met with respect to both the applicable defined contribution plan and defined benefit plan forming part of an eligible combined plan without regard to section 401(l).

"(iii) OTHER PLANS AND ARRANGEMENTS.—The requirements of this clause are met if the applicable defined contribution plan and defined benefit plan forming part of an eligible combined plan meet the requirements of sections 401(a)(4) and 410(b) without being combined with any other plan.

"(3) NONDISCRIMINATION REQUIREMENTS FOR QUALIFIED CASH OR DEFERRED ARRANGEMENT.—

"(A) IN GENERAL.—A qualified cash or deferred arrangement which is included in an applicable defined contribution plan forming part of an eligible combined plan shall be treated as meeting the requirements of section 401(k)(3)(A)(ii) if the requirements of paragraph (2)(C) are met with respect to such arrangement.

"(B) MATCHING CONTRIBUTIONS.—In applying section 401(m)(11) to any matching contribution with respect to a contribution to which paragraph (2)(C) applies, the contribution requirement of paragraph (2)(C) and the notice requirements of paragraph (5)(B) shall be substituted for the requirements otherwise applicable under clauses (i) and (ii) of section 401(m)(11)(A).

"(4) SATISFACTION OF TOP-HEAVY RULES.—A defined benefit plan and applicable defined contribution plan forming part of an eligible combined plan for any plan year shall be treated as meeting the requirements of section 416 for the plan year.

"(5) AUTOMATIC CONTRIBUTION ARRANGEMENT.—For purposes of this subsection—

"(A) IN GENERAL.—A qualified cash or deferred arrangement shall be treated as an automatic contribution arrangement if the arrangement—

"(i) provides that each employee eligible to participate in the arrangement is treated as having elected to have the employer make elective contributions in an amount equal to 4 percent of the employee's compensation unless the employee specifically elects not to have such contributions made or to have such contributions made at a different rate, and

"(ii) meets the notice requirements under subparagraph (B).

"(B) NOTICE REQUIREMENTS.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if the requirements of clauses (ii) and (iii) are met.

"(ii) REASONABLE PERIOD TO MAKE ELECTION.—The requirements of this clause are met if each employee to whom subparagraph (A)(i) applies—

"(I) receives a notice explaining the employee's right under the arrangement to elect not to have elective contributions made on the employee's behalf or to have the contributions made at a different rate, and

"(II) has a reasonable period of time after receipt of such notice and before the first elective contribution is made to make such election.

"(iii) ANNUAL NOTICE OF RIGHTS AND OBLIGATIONS.—The requirements of this clause are met if each employee eligible to participate in the arrangement is, within a reasonable period before any year, given notice of the employee's rights and obligations under the arrangement.

The requirements of clauses (i) and (ii) of section 401(k)(12)(D) shall be met with respect to the notices described in clauses (ii) and (iii) of this subparagraph.

"(6) COORDINATION WITH OTHER REQUIREMENTS.—

"(A) TREATMENT OF SEPARATE PLANS.—Section 414(k) shall not apply to an eligible combined plan.

"(B) REPORTING.—An eligible combined plan shall be treated as a single plan for purposes of sections 6058 and 6059.

"(7) APPLICABLE DEFINED CONTRIBUTION PLAN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'applicable defined contribution plan' means a defined contribution plan which includes a qualified cash or deferred arrangement.

"(B) QUALIFIED CASH OR DEFERRED ARRANGEMENT.—The term 'qualified cash or deferred arrangement' has the meaning given such term by section 401(k)(2).".

(b) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Section 210 of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following new subsection:

"(e) SPECIAL RULES FOR ELIGIBLE COMBINED DEFINED BENEFIT PLANS AND QUALIFIED CASH OR DEFERRED ARRANGEMENTS.—

"(1) GENERAL RULE.—Except as provided in this subsection, this Act shall be applied to any defined benefit plan or applicable individual account plan which are part of an eligible combined plan in the same manner as if each such plan were not a part of the eligible combined plan.

"(2) ELIGIBLE COMBINED PLAN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'eligible combined plan' means a plan—

"(i) which is maintained by an employer which, at the time the plan is established, is a small employer,

"(ii) which consists of a defined benefit plan and an applicable individual account plan each of which qualifies under section 401(a) of the Internal Revenue Code of 1986,

"(iii) the assets of which are held in a single trust forming part of the plan and are clearly identified and allocated to the defined benefit plan and the applicable individual account plan to the extent necessary for the separate application of this Act under paragraph (1), and

"(iv) with respect to which the benefit, contribution, vesting, and nondiscrimination requirements of subparagraphs (B), (C), (D), (E), and (F) are met.

For purposes of this subparagraph, the term 'small employer' has the meaning given such term by section 4980D(d)(2) of the Internal Revenue Code of 1986, except that such section shall be applied by substituting '500' for '50' each place it appears.

"(B) BENEFIT REQUIREMENTS.—

"(i) IN GENERAL.—The benefit requirements of this subparagraph are met with respect to the defined benefit plan forming part of the eligible combined plan if the accrued benefit of each participant derived from employer contributions, when expressed as an annual retirement benefit, is not less than the applicable percentage of the participant's final average pay. For purposes of this clause, final average pay shall be determined using the period of consecutive years (not exceeding 5) during which the participant had the greatest aggregate compensation from the employer.

"(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the applicable percentage is the lesser of—

"(I) 1 percent multiplied by the number of years of service with the employer, or

"(II) 20 percent.

"(iii) SPECIAL RULE FOR APPLICABLE DEFINED BENEFIT PLANS.—If the defined benefit plan under clause (i) is an applicable defined benefit plan as defined in section 203(f)(3)(B) which meets the interest credit requirements of section 204(b)(5)(B)(i), the plan shall be treated as meeting the requirements of clause (i) with respect to any plan year if each participant receives pay credit for the year which is not less than the percentage of compensation determined in accordance with the following table:

"If the participant's age as of the beginning of the year is—	**The percentage is—**
30 or less	2
Over 30 but less than 40	4
40 or over but less than 50	6
50 or over	8.

"(iv) YEARS OF SERVICE.—For purposes of this subparagraph, years of service shall be determined under the rules of paragraphs (1), (2), and (3) of section 203(b), except that the plan may not disregard any year of service because of a participant making, or failing to make, any elective deferral with respect to the qualified cash or deferred arrangement to which subparagraph (C) applies.

"(C) CONTRIBUTION REQUIREMENTS.—

"(i) IN GENERAL.—The contribution requirements of this subparagraph with respect to any applicable individual account plan forming part of an eligible combined plan are met if—

"(I) the qualified cash or deferred arrangement included in such plan constitutes an automatic contribution arrangement, and

"(II) the employer is required to make matching contributions on behalf of each employee eligible to participate in the arrangement in an amount equal to 50 percent of the elective contributions of the employee to the extent such elective contributions do not exceed 4 percent of compensation.

Rules similar to the rules of clauses (ii) and (iii) of section 401(k)(12)(B) of the Internal Revenue Code of 1986 shall apply for purposes of this clause.

"(ii) NONELECTIVE CONTRIBUTIONS.—An applicable individual account plan shall not be treated as failing to meet the requirements of clause (i) because the employer makes nonelective contributions under the plan but such contributions shall not be taken into account in determining whether the requirements of clause (i)(II) are met.

"(D) VESTING REQUIREMENTS.—The vesting requirements of this subparagraph are met if—

"(i) in the case of a defined benefit plan forming part of an eligible combined plan an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit under the plan derived from employer contributions, and

"(ii) in the case of an applicable individual account plan forming part of eligible combined plan—

"(I) an employee has a nonforfeitable right to any matching contribution made under the qualified cash or deferred arrangement included in such plan by an employer with respect to any elective contribution, including matching contributions in excess of the contributions required under subparagraph (C)(i)(II), and

"(II) an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived under the arrangement from nonelective contributions of the employer.

For purposes of this subparagraph, the rules of section 203 shall apply to the extent not inconsistent with this subparagraph.

"(E) UNIFORM PROVISION OF CONTRIBUTIONS AND BENEFITS.—In the case of a defined benefit plan or applicable individual account plan forming part of an eligible combined plan, the requirements of this subparagraph are met if all contributions and benefits under each such plan, and all rights and features under each such plan, must be provided uniformly to all participants.

"(F) REQUIREMENTS MUST BE MET WITHOUT TAKING INTO ACCOUNT SOCIAL SECURITY AND SIMILAR CONTRIBUTIONS AND BENEFITS OR OTHER PLANS.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if the requirements of clauses (ii) and (iii) are met.

"(ii) SOCIAL SECURITY AND SIMILAR CONTRIBUTIONS.—The requirements of this clause are met if—

"(I) the requirements of subparagraphs (B) and (C) are met without regard to section 401(l) of the Internal Revenue Code of 1986, and

"(II) the requirements of sections 401(a)(4) and 410(b) of the Internal Revenue Code of 1986 are met with respect to both the applicable defined contribution plan and defined benefit plan forming part of an eligible combined plan without regard to section 401(l) of the Internal Revenue Code of 1986.

"(iii) OTHER PLANS AND ARRANGEMENTS.—The requirements of this clause are met if the applicable defined contribution plan and defined benefit plan forming part of an eligible combined plan meet the requirements of sections 401(a)(4) and 410(b) of the Internal Revenue Code of 1986 without being combined with any other plan.

"(3) NONDISCRIMINATION REQUIREMENTS FOR QUALIFIED CASH OR DEFERRED ARRANGEMENT.—

"(A) IN GENERAL.—A qualified cash or deferred arrangement which is included in an applicable individual account plan forming part of an eligible combined plan shall be treated as meeting the requirements of section 401(k)(3)(A)(ii) of the Internal Revenue Code of 1986 if the requirements of paragraph (2) are met with respect to such arrangement.

"(B) MATCHING CONTRIBUTIONS.—In applying section 401(m)(11) of such Code to any matching contribution with respect to a contribution to which paragraph (2)(C) applies, the contribution requirement of paragraph (2)(C) and the notice requirements of paragraph (5)(B) shall be substituted for the requirements otherwise applicable under clauses (i) and (ii) of section 401(m)(11)(A) of such Code.

"(4) AUTOMATIC CONTRIBUTION ARRANGEMENT.—For purposes of this subsection—

"(A) IN GENERAL.—A qualified cash or deferred arrangement shall be treated as an automatic contribution arrangement if the arrangement—

"(i) provides that each employee eligible to participate in the arrangement is treated as having elected to have the employer make elective contributions in an amount equal to 4 percent of the employee's compensation unless the employee specifically elects not to have such contributions made or to have such contributions made at a different rate, and

"(ii) meets the notice requirements under subparagraph (B).

"(B) NOTICE REQUIREMENTS.—

"(i) IN GENERAL.—The requirements of this subparagraph are met if the requirements of clauses (ii) and (iii) are met.

"(ii) REASONABLE PERIOD TO MAKE ELECTION.—The requirements of this clause are met if each employee to whom subparagraph (A)(i) applies—

"(I) receives a notice explaining the employee's right under the arrangement to elect not to have elective contributions made on the employee's behalf or to have the contributions made at a different rate, and

"(II) has a reasonable period of time after receipt of such notice and before the first elective contribution is made to make such election.

"(iii) ANNUAL NOTICE OF RIGHTS AND OBLIGATIONS.—The requirements of this clause are met if each employee eligible to participate in the arrangement is, within a reasonable period before any year, given notice of the employee's rights and obligations under the arrangement.

The requirements of this subparagraph shall not be treated as met unless the requirements of clauses (i) and (ii) of section 401(k)(12)(D) of the Internal Revenue Code of 1986 are met with respect to the notices described in clauses (ii) and (iii) of this subparagraph.

"(5) COORDINATION WITH OTHER REQUIREMENTS.—

"(A) TREATMENT OF SEPARATE PLANS.—The except clause in section 3(35) shall not apply to an eligible combined plan.

"(B) REPORTING.—An eligible combined plan shall be treated as a single plan for purposes of section 103.

"(6) APPLICABLE INDIVIDUAL ACCOUNT PLAN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'applicable individual account plan' means an individual account plan which includes a qualified cash or deferred arrangement.

"(B) QUALIFIED CASH OR DEFERRED ARRANGEMENT.—The term 'qualified cash or deferred arrangement' has the meaning given such term by section 401(k)(2) of the Internal Revenue Code of 1986.".

(2) CONFORMING CHANGES.—

(A) The heading for section 210 of such Act is amended to read as follows:

"SEC. 210. MULTIPLE EMPLOYER PLANS AND OTHER SPECIAL RULES.".

(B) The table of contents in section 1 of such Act is amended by striking the item relating to section 210 and inserting the following new item:

"Sec. 210. Multiple employer plans and other special rules.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2009.

SEC. 904. FASTER VESTING OF EMPLOYER NONELECTIVE CONTRIBUTIONS.

(a) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—Paragraph (2) of section 411(a) of the Internal Revenue Code of 1986 (relating to employer contributions) is amended to read as follows:

"(2) EMPLOYER CONTRIBUTIONS.—

"(A) DEFINED BENEFIT PLANS.—

"(i) IN GENERAL.—In the case of a defined benefit plan, a plan satisfies the requirements of this paragraph if it satisfies the requirements of clause (ii) or (iii).

"(ii) 5-YEAR VESTING.—A plan satisfies the requirements of this clause if an employee who has completed at least 5 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

"(iii) 3 TO 7 YEAR VESTING.—A plan satisfies the requirements of this clause if an employee has a nonforfeitable right to a percentage of the employee's accrued benefit derived from employer contributions determined under the following table:

" Years of service:	The nonforfeitable percentage is:
3	20
4	40
5	60
6	80
7 or more	100.

"(B) DEFINED CONTRIBUTION PLANS.—

"(i) IN GENERAL.—In the case of a defined contribution plan, a plan satisfies the requirements of this paragraph if it satisfies the requirements of clause (ii) or (iii).

"(ii) 3-YEAR VESTING.—A plan satisfies the requirements of this clause if an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

"(iii) 2 TO 6 YEAR VESTING.—A plan satisfies the requirements of this clause if an employee has a nonforfeitable right to a percentage of the employee's accrued benefit derived from employer contributions determined under the following table:

"Years of service:	The nonforfeitable percentage is:
2	20
3	40
4	60
5	80
6 or more	100.".

(2) CONFORMING AMENDMENT.—Section 411(a) of such Code (relating to general rule for minimum vesting standards) is amended by striking paragraph (12).

(b) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Paragraph (2) of section 203(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)(2)) is amended to read as follows:

"(2)(A)(i) In the case of a defined benefit plan, a plan satisfies the requirements of this paragraph if it satisfies the requirements of clause (ii) or (iii).

"(ii) A plan satisfies the requirements of this clause if an employee who has completed at least 5 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

"(iii) A plan satisfies the requirements of this clause if an employee has a nonforfeitable right to a percentage of the employee's accrued benefit derived from employer contributions determined under the following table:

" Years of service:	The nonforfeitable percentage is:
3	20
4	40
5	60
6	80
7 or more	100.

"(B)(i) In the case of an individual account plan, a plan satisfies the requirements of this paragraph if it satisfies the requirements of clause (ii) or (iii).

"(ii) A plan satisfies the requirements of this clause if an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

"(iii) A plan satisfies the requirements of this clause if an employee has a nonforfeitable right to a percentage of the employee's accrued benefit derived from employer contributions determined under the following table:

"Years of service:	The nonforfeitable percentage is:
2	20
3	40

"Years of service:	The nonforfeitable percentage is:
4	60
5	80
6 or more	100.".

(2) CONFORMING AMENDMENT.—Section 203(a) of such Act is amended by striking paragraph (4).

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (4), the amendments made by this section shall apply to contributions for plan years beginning after December 31, 2006.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to contributions on behalf of employees covered by any such agreement for plan years beginning before the earlier of—

(A) the later of—

(i) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof on or after such date of the enactment); or

(ii) January 1, 2007; or

(B) January 1, 2009.

(3) SERVICE REQUIRED.—With respect to any plan, the amendments made by this section shall not apply to any employee before the date that such employee has 1 hour of service under such plan in any plan year to which the amendments made by this section apply.

(4) SPECIAL RULE FOR STOCK OWNERSHIP PLANS.—Notwithstanding paragraph (1) or (2), in the case of an employee stock ownership plan (as defined in section 4975(e)(7) of the Internal Revenue Code of 1986) which had outstanding on September 26, 2005, a loan incurred for the purpose of acquiring qualifying employer securities (as defined in section 4975(e)(8) of such Code), the amendments made by this section shall not apply to any plan year beginning before the earlier of—

(A) the date on which the loan is fully repaid, or

(B) the date on which the loan was, as of September 26, 2005, scheduled to be fully repaid.

SEC. 905. DISTRIBUTIONS DURING WORKING RETIREMENT.

(a) AMENDMENT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Subparagraph (A) of section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2)) is amended by adding at the end the following new sentence: "A distribution from a plan, fund, or program shall not be treated as made in a form other than retirement income or as a distribution prior to termination of covered employment solely because such distribution is made to an employee who has attained age 62 and who is not separated from employment at the time of such distribution.".

(b) AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.—Subsection (a) of section 401 of the Internal Revenue Code of 1986 (as amended by this Act) is amended by inserting after paragraph (35) the following new paragraph:

"(36) DISTRIBUTIONS DURING WORKING RETIREMENT.—A trust forming part of a pension plan shall not be treated as failing to constitute a qualified trust under this section solely because the plan provides that a distribution may be made from such trust to an employee who has attained age 62 and who is not separated from employment at the time of such distribution.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions in plan years beginning after December 31, 2006.

SEC. 906. TREATMENT OF CERTAIN PENSION PLANS OF INDIAN TRIBAL GOVERNMENTS.

(a) DEFINITION OF GOVERNMENT PLAN TO INCLUDE CERTAIN PENSION PLANS OF INDIAN TRIBAL GOVERNMENTS.—

(1) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 414(d) of the Internal Revenue Code of 1986 (defining governmental plan) is amended by adding at the end the following: "The term 'governmental plan' includes a plan which is established and maintained by an Indian tribal government (as defined in section 7701(a)(40)), a subdivision of an Indian tribal government (determined in accordance with section 7871(d)), or an agency or instrumentality of either, and all of the participants of which are employees of such entity substantially all of whose services as such an employee are in the performance of essential governmental functions but not in the performance of commercial activities (whether or not an essential government function).".

(2) AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(A) Section 3(32) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(32)) is amended by adding at the end the following: "The term 'governmental plan' includes a plan which is established and maintained by an Indian tribal government (as defined in section 7701(a)(40) of the Internal Revenue Code of 1986), a subdivision of an Indian tribal government (determined in accordance with section 7871(d) of such Code), or an agency or instrumentality of either, and all of the participants of which are employees of such entity substantially all of whose services as such an employee are in the performance of essential governmental functions but not in the performance of commercial activities (whether or not an essential government function)".

(B) Section 4021(b)(2) of such Act is amended by adding at the end the following: "or which is described in the last sentence of section 3(32)".

(b) CLARIFICATION THAT TRIBAL GOVERNMENTS ARE SUBJECT TO THE SAME PENSION PLAN RULES AND REGULATIONS APPLIED TO STATE AND OTHER LOCAL GOVERNMENTS AND THEIR POLICE AND FIREFIGHTERS.—

(1) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—

(A) POLICE AND FIREFIGHTERS.—Subparagraph (H) section 415(b)(2) of the Internal Revenue Code of 1986 (defining participant) is amended—

(i) in clause (i), by striking "State or political subdivision" and inserting "State, Indian tribal government (as defined in section 7701(a)(40)), or any political subdivision"; and

(ii) in clause (ii)(I), by striking "State or political subdivision" each place it appears and inserting "State, Indian tribal government (as so defined), or any political subdivision".

(B) STATE AND LOCAL GOVERNMENT PLANS.—

(i) IN GENERAL.—Subparagraph (A) of section 415(b)(10) of such Code (relating to limitation to equal accrued benefit) is amended by inserting "or a governmental plan described in the last sentence of section 414(d) (relating to plans of Indian tribal governments)," after "foregoing,".

(ii) CONFORMING AMENDMENT.—The heading of paragraph (1) of section 415(b) of such Code is amended by striking "SPECIAL RULE FOR STATE AND" and inserting "SPECIAL RULE FOR STATE, INDIAN TRIBAL, AND".

(C) GOVERNMENT PICK UP CONTRIBUTIONS.—Paragraph (2) of section 414(h) of such Code (relating to designation by units of government) is amended by inserting "or a governmental plan described in the last sentence of section 414(d) (relating to plans of Indian tribal governments)," after "foregoing,".

(2) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 4021(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1321(b)) is amended—

(A) in paragraph (12), by striking "or" at the end;

(B) in paragraph (13), by striking "plan." and inserting "plan; or"; and

(C) by adding at the end the following:

"(14) established and maintained by an Indian tribal government (as defined in section 7701(a)(40) of the Internal Revenue Code of 1986), a subdivision of an Indian tribal government (determined in accordance with section 7871(d) of such Code), or an agency or instrumentality of either, and all of the participants of which are employees of such entity substantially all of whose services as such an employee are in the performance of essential governmental functions but not in the performance of commercial activities (whether or not an essential government function).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any year beginning on or after the date of the enactment of this Act.

TITLE X—PROVISIONS RELATING TO SPOUSAL PENSION PROTECTION

SEC. 1001. REGULATIONS ON TIME AND ORDER OF ISSUANCE OF DOMESTIC RELATIONS ORDERS.

Not later than 1 year after the date of the enactment of this Act, the Secretary of Labor shall issue regulations under section 206(d)(3) of the Employee Retirement Security Act of 1974 and section 414(p) of the Internal Revenue Code of 1986 which clarify that—

(1) a domestic relations order otherwise meeting the requirements to be a qualified domestic relations order, including the requirements of section 206(d)(3)(D) of such Act and section 414(p)(3) of such Code, shall not fail to be treated as a qualified domestic relations order solely because—

(A) the order is issued after, or revises, another domestic relations order or qualified domestic relations order; or

(B) of the time at which it is issued; and

(2) any order described in paragraph (1) shall be subject to the same requirements and protections which apply to qualified domestic relations orders, including the provisions of section 206(d)(3)(H) of such Act and section 414(p)(7) of such Code.

SEC. 1002. ENTITLEMENT OF DIVORCED SPOUSES TO RAILROAD RETIREMENT ANNUITIES INDEPENDENT OF ACTUAL ENTITLEMENT OF EMPLOYEE.

(a) IN GENERAL.—Section 2 of the Railroad Retirement Act of 1974 (45 U.S.C. 231a) is amended—

(1) in subsection (c)(4)(i), by striking "(A) is entitled to an annuity under subsection (a)(1) and (B)"; and

(2) in subsection (e)(5), by striking "or divorced wife" the second place it appears.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the date of the enactment of this Act.

SEC. 1003. EXTENSION OF TIER II RAILROAD RETIREMENT BENEFITS TO SURVIVING FORMER SPOUSES PURSUANT TO DIVORCE AGREEMENTS.

(a) IN GENERAL.—Section 5 of the Railroad Retirement Act of 1974 (45 U.S.C. 231d) is amended by adding at the end the following:

"(d) Notwithstanding any other provision of law, the payment of any portion of an annuity computed under section 3(b) to a surviving former spouse in accordance with a court decree of divorce, annulment, or legal separation or the terms of any court-approved property settlement incident to any such court decree shall not be terminated upon the death of the individual who performed the service with respect to which such annuity is so computed unless such termination is otherwise required by the terms of such court decree."

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect 1 year after the date of the enactment of this Act.

SEC. 1004. REQUIREMENT FOR ADDITIONAL SURVIVOR ANNUITY OPTION.

(a) AMENDMENTS TO INTERNAL REVENUE CODE.—

(1) ELECTION OF SURVIVOR ANNUITY.—Section 417(a)(1)(A) of the Internal Revenue Code of 1986 is amended—

(A) in clause (i), by striking ", and" and inserting a comma;

(B) by redesignating clause (ii) as clause (iii); and

(C) by inserting after clause (i) the following:

"(ii) if the participant elects a waiver under clause (i), may elect the qualified optional survivor annuity at any time during the applicable election period, and".

(2) DEFINITION.—Section 417 of such Code is amended by adding at the end the following:

"(g) DEFINITION OF QUALIFIED OPTIONAL SURVIVOR ANNUITY.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified optional survivor annuity' means an annuity—

"(A) for the life of the participant with a survivor annuity for the life of the spouse which is equal to the applicable percentage of the amount of the annuity which is payable during the joint lives of the participant and the spouse, and

"(B) which is the actuarial equivalent of a single annuity for the life of the participant. Such term also includes any annuity in a form having the effect of an annuity described in the preceding sentence.

"(2) APPLICABLE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of paragraph (1), if the survivor annuity percentage—

"(i) is less than 75 percent, the applicable percentage is 75 percent, and

"(ii) is greater than or equal to 75 percent, the applicable percentage is 50 percent.

"(B) SURVIVOR ANNUITY PERCENTAGE.—For purposes of subparagraph (A), the term 'survivor annuity percentage' means the percentage which the survivor annuity under the plan's qualified joint and survivor annuity bears to the annuity payable during the joint lives of the participant and the spouse.".

(3) NOTICE.—Section 417(a)(3)(A)(i) of such Code is amended by inserting "and of the qualified optional survivor annuity" after "annuity".

(b) AMENDMENTS TO ERISA.—

(1) ELECTION OF SURVIVOR ANNUITY.—Section 205(c)(1)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055(c)(1)(A)) is amended—

(A) in clause (i), by striking ", and" and inserting a comma;

(B) by redesignating clause (ii) as clause (iii); and

(C) by inserting after clause (i) the following:

"(ii) if the participant elects a waiver under clause (i), may elect the qualified optional survivor annuity at any time during the applicable election period, and".

(2) DEFINITION.—Section 205(d) of such Act (29 U.S.C. 1055(d)) is amended—

(A) by inserting "(1)" after "(d)";

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(C) by adding at the end the following:

"(2)(A) For purposes of this section, the term 'qualified optional survivor annuity' means an annuity—

"(i) for the life of the participant with a survivor annuity for the life of the spouse which is equal to the applicable percentage of the amount of the annuity which is payable during the joint lives of the participant and the spouse, and

"(ii) which is the actuarial equivalent of a single annuity for the life of the participant. Such term also includes any annuity in a form having the effect of an annuity described in the preceding sentence.

"(B)(i) For purposes of subparagraph (A), if the survivor annuity percentage—

"(I) is less than 75 percent, the applicable percentage is 75 percent, and

"(II) is greater than or equal to 75 percent, the applicable percentage is 50 percent.

"(ii) For purposes of clause (i), the term 'survivor annuity percentage' means the percentage which the survivor annuity under the plan's qualified joint and survivor annuity bears to the annuity payable during the joint lives of the participant and the spouse.".

(3) NOTICE.—Section 205(c)(3)(A)(i) of such Act (29 U.S.C. 1055(c)(3)(A)(i)) is amended by inserting "and of the qualified optional survivor annuity" after "annuity".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

(2) SPECIAL RULE FOR COLLECTIVELY BARGAINED PLANS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the later of—

(i) January 1, 2008, or

(ii) the date on which the last collective bargaining agreement related to the plan terminates (determined without regard to any extension thereof after the date of enactment of this Act), or

(B) January 1, 2009.

TITLE XI—ADMINISTRATIVE PROVISIONS

SEC. 1101. EMPLOYEE PLANS COMPLIANCE RESOLUTION SYSTEM.

(a) IN GENERAL.—The Secretary of the Treasury shall have full authority to establish and implement the Employee Plans Compliance Resolution System (or any successor program) and any other employee plans correction policies, including the authority to waive income, excise, or other taxes to ensure that any tax, penalty, or sanction is not excessive and bears a reasonable relationship to the nature, extent, and severity of the failure.

(b) IMPROVEMENTS.—The Secretary of the Treasury shall continue to update and improve the Employee Plans Compliance Resolution System (or any successor program), giving special attention to—

(1) increasing the awareness and knowledge of small employers concerning the availability and use of the program;

(2) taking into account special concerns and circumstances that small employers face with respect to compliance and correction of compliance failures;

(3) extending the duration of the self-correction period under the Self-Correction Program for significant compliance failures;

(4) expanding the availability to correct insignificant compliance failures under the Self-Correction Program during audit; and

(5) assuring that any tax, penalty, or sanction that is imposed by reason of a compliance failure is not excessive and bears a reasonable relationship to the nature, extent, and severity of the failure.

SEC. 1102. NOTICE AND CONSENT PERIOD REGARDING DISTRIBUTIONS.

(a) EXPANSION OF PERIOD.—

(1) AMENDMENT OF INTERNAL REVENUE CODE.—

(A) IN GENERAL.—Section 417(a)(6)(A) of the Internal Revenue Code of 1986 is amended by striking "90-day" and inserting "180-day".

(B) MODIFICATION OF REGULATIONS.—The Secretary of the Treasury shall modify the regulations under sections 402(f), 411(a)(11), and 417 of the Internal Revenue Code of 1986 by substituting "180 days" for "90 days" each place it appears in Treasury Regulations sections 1.402(f)-1, 1.411(a)-11(c), and 1.417(e)-1(b).

(2) AMENDMENT OF ERISA.—

(A) IN GENERAL.—Section 205(c)(7)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055(c)(7)(A)) is amended by striking "90-day" and inserting "180-day".

(B) MODIFICATION OF REGULATIONS.—The Secretary of the Treasury shall modify the regulations under part 2 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 relating to sections 203(e) and 205 of such Act by substituting "180 days" for "90 days" each place it appears.

(3) EFFECTIVE DATE.—The amendments and modifications made or required by this subsection shall apply to years beginning after December 31, 2006.

(b) NOTIFICATION OF RIGHT TO DEFER.—

(1) IN GENERAL.—The Secretary of the Treasury shall modify the regulations under section 411(a)(11) of the Internal Revenue Code of 1986 and under section 205 of the Employee Retirement Income Security Act of 1974 to provide that the description of a participant's right, if any, to defer receipt of a distribution shall also describe the consequences of failing to defer such receipt.

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—The modifications required by paragraph (1) shall apply to years beginning after December 31, 2006.

(B) REASONABLE NOTICE.—A plan shall not be treated as failing to meet the requirements of section 411(a)(11) of such Code or section 205 of such Act with respect to any description of consequences described in paragraph (1) made within 90 days after the Secretary of the Treasury issues the modifications required by paragraph (1) if the plan administrator makes a reasonable attempt to comply with such requirements.

SEC. 1103. REPORTING SIMPLIFICATION.

(a) SIMPLIFIED ANNUAL FILING REQUIREMENT FOR OWNERS AND THEIR SPOUSES.—

(1) IN GENERAL.—The Secretary of the Treasury shall modify the requirements for filing annual returns with respect to one-participant retirement plans to ensure that such plans with assets of $250,000 or less as of

the close of the plan year need not file a return for that year.

(2) ONE-PARTICIPANT RETIREMENT PLAN DEFINED.—For purposes of this subsection, the term "one-participant retirement plan" means a retirement plan with respect to which the following requirements are met:

(A) on the first day of the plan year—

(i) the plan covered only one individual (or the individual and the individual's spouse) and the individual owned 100 percent of the plan sponsor (whether or not incorporated), or

(ii) the plan covered only one or more partners (or partners and their spouses) in the plan sponsor;

(B) the plan meets the minimum coverage requirements of section 410(b) of the Internal Revenue Code of 1986 without being combined with any other plan of the business that covers the employees of the business;

(C) the plan does not provide benefits to anyone except the individual (and the individual's spouse) or the partners (and their spouses);

(D) the plan does not cover a business that is a member of an affiliated service group, a controlled group of corporations, or a group of businesses under common control; and

(E) the plan does not cover a business that uses the services of leased employees (within the meaning of section 414(n) of such Code).

For purposes of this paragraph, the term "partner" includes a 2-percent shareholder (as defined in section 1372(b) of such Code) of an S corporation.

(3) OTHER DEFINITIONS.—Terms used in paragraph (2) which are also used in section 414 of the Internal Revenue Code of 1986 shall have the respective meanings given such terms by such section.

(4) EFFECTIVE DATE.—The provisions of this subsection shall apply to plan years beginning on or after January 1, 2007.

(b) SIMPLIFIED ANNUAL FILING REQUIREMENT FOR PLANS WITH FEWER THAN 25 PARTICIPANTS.—In the case of plan years beginning after December 31, 2006, the Secretary of the Treasury and the Secretary of Labor shall provide for the filing of a simplified annual return for any retirement plan which covers less than 25 participants on the first day of a plan year and which meets the requirements described in subparagraphs (B), (D), and (E) of subsection (a)(2).

SEC. 1104. VOLUNTARY EARLY RETIREMENT INCENTIVE AND EMPLOYMENT RETENTION PLANS MAINTAINED BY LOCAL EDUCATIONAL AGENCIES AND OTHER ENTITIES.

(a) VOLUNTARY EARLY RETIREMENT INCENTIVE PLANS.—

(1) TREATMENT AS PLAN PROVIDING SEVERANCE PAY.—Section 457(e)(11) of the Internal Revenue Code of 1986 (relating to certain plans excluded) is amended by adding at the end the following new subparagraph:

"(D) CERTAIN VOLUNTARY EARLY RETIREMENT INCENTIVE PLANS.—

"(i) IN GENERAL.—If an applicable voluntary early retirement incentive plan—

"(I) makes payments or supplements as an early retirement benefit, a retirement-type subsidy, or a benefit described in the last sentence of section 411(a)(9), and

"(II) such payments or supplements are made in coordination with a defined benefit plan which is described in section 401(a) and includes a trust exempt from tax under section 501(a) and which is maintained by an eligible employer described in paragraph (1)(A) or by an education association described in clause (ii)(II),

such applicable plan shall be treated for purposes of subparagraph (A)(i) as a bona fide severance pay plan with respect to such payments or supplements to the extent such payments or supplements could otherwise have been provided under such defined benefit plan (determined as if section 411 applied to such defined benefit plan).

"(ii) APPLICABLE VOLUNTARY EARLY RETIREMENT INCENTIVE PLAN.—For purposes of this subparagraph, the term 'applicable voluntary early retirement incentive plan' means a voluntary early retirement incentive plan maintained by—

"(I) a local educational agency (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)), or

"(II) an education association which principally represents employees of 1 or more agencies described in subclause (I) and which is described in section 501(c) (5) or (6) and exempt from tax under section 501(a)."

(2) AGE DISCRIMINATION IN EMPLOYMENT ACT.—Section 4(l)(1) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623(l)(1)) is amended—

(A) by inserting "(A)" after "(1)",

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively,

(C) by redesignating clauses (i) and (ii) of subparagraph (B) (as in effect before the amendments made by subparagraph (B)) as subclauses (I) and (II), respectively, and

(D) by adding at the end the following:

"(B) A voluntary early retirement incentive plan that—

"(i) is maintained by—

"(I) a local educational agency (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801), or

"(II) an education association which principally represents employees of 1 or more agencies described in subclause (I) and which is described in section 501(c) (5) or (6) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code, and

"(ii) makes payments or supplements described in subclauses (I) and (II) of subparagraph (A)(ii) in coordination with a defined benefit plan (as so defined) maintained by an eligible employer described in section 457(e)(1)(A) of such Code or by an education association described in clause (i)(II),

shall be treated solely for purposes of subparagraph (A)(ii) as if it were a part of the defined benefit plan with respect to such payments or supplements. Payments or supplements under such a voluntary early retirement incentive plan shall not constitute severance pay for purposes of paragraph (2).".

(b) EMPLOYMENT RETENTION PLANS.—

(1) IN GENERAL.—Section 457(f)(2) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by striking "and" at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting ", and", and by adding at the end the following:

"(F) that portion of any applicable employment retention plan described in paragraph (4) with respect to any participant."

(2) DEFINITIONS AND RULES RELATING TO EMPLOYMENT RETENTION PLANS.—Section 457(f) of such Code is amended by adding at the end the following new paragraph:

"(4) EMPLOYMENT RETENTION PLANS.—For purposes of paragraph (2)(F)—

"(A) IN GENERAL.—The portion of an applicable employment retention plan described in this paragraph with respect to any participant is that portion of the plan which provides benefits payable to the participant not in excess of twice the applicable dollar limit determined under subsection (e)(15).

"(B) OTHER RULES.—

"(i) LIMITATION.—Paragraph (2)(F) shall only apply to the portion of the plan described in subparagraph (A) for years preceding the year in which such portion is paid or otherwise made available to the participant.

"(ii) TREATMENT.—A plan shall not be treated for purposes of this title as providing for the deferral of compensation for any year with respect to the portion of the plan described in subparagraph (A).

"(C) APPLICABLE EMPLOYMENT RETENTION PLAN.—The term 'applicable employment retention plan' means an employment retention plan maintained by—

"(i) a local educational agency (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801), or

"(ii) an education association which principally represents employees of 1 or more agencies described in clause (i) and which is described in section 501(c) (5) or (6) and exempt from taxation under section 501(a).

"(D) EMPLOYMENT RETENTION PLAN.—The term 'employment retention plan' means a plan to pay, upon termination of employment, compensation to an employee of a local educational agency or education association described in subparagraph (C) for purposes of—

"(i) retaining the services of the employee, or

"(ii) rewarding such employee for the employee's service with 1 or more such agencies or associations.".

(c) COORDINATION WITH ERISA.—Section 3(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2)(B)) is amended by adding at the end the following: "An applicable voluntary early retirement incentive plan (as defined in section 457(e)(11)(D)(ii) of the Internal Revenue Code of 1986) making payments or supplements described in section 457(e)(11)(D)(i) of such Code, and an applicable employment retention plan (as defined in section 457(f)(4)(C) of such Code) making payments of benefits described in section 457(f)(4)(A) of such Code, shall, for purposes of this title, be treated as a welfare plan (and not a pension plan) with respect to such payments and supplements."

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this Act shall take effect on the date of the enactment of this Act.

(2) TAX AMENDMENTS.—The amendments made by subsections (a)(1) and (b) shall apply to taxable years ending after the date of the enactment of this Act.

(3) ERISA AMENDMENTS.—The amendment made by subsection (c) shall apply to plan years ending after the date of the enactment of this Act.

(4) CONSTRUCTION.—Nothing in the amendments made by this section shall alter or affect the construction of the Internal Revenue Code of 1986, the Employee Retirement Income Security Act of 1974, or the Age Discrimination in Employment Act of 1967 as applied to any plan, arrangement, or conduct to which such amendments do not apply.

SEC. 1105. NO REDUCTION IN UNEMPLOYMENT COMPENSATION AS A RESULT OF PENSION ROLLOVERS.

(a) IN GENERAL.—Section 3304(a) of the Internal Revenue Code of 1986 (relating to requirements for State unemployment laws) is amended by adding at the end the following new flush sentence:

"Compensation shall not be reduced under paragraph (15) for any pension, retirement or retired pay, annuity, or similar payment which is not includible in gross income of the individual for the taxable year in which paid because it was part of a rollover distribution.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to weeks beginning on or after the date of the enactment of this Act.

SEC. 1106. REVOCATION OF ELECTION RELATING TO TREATMENT AS MULTIEMPLOYER PLAN.

(a) AMENDMENT TO ERISA.—Section 3(37) of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following new subparagraph (G):

"(G)(i) Within 1 year after the enactment of the Pension Protection Act of 2006—

"(I) an election under subparagraph (E) may be revoked, pursuant to procedures prescribed by the Pension Benefit Guaranty Corporation, if, for each of the 3 plan years prior to the date of the enactment of that Act, the plan would have been a multiemployer plan but for the election under subparagraph (E), and

"(II) a plan that meets the criteria in clauses (i) and (ii) of subparagraph (A) of this paragraph or that is described in clause (vi) may, pursuant to procedures prescribed by the Pension Benefit Guaranty Corporation, elect to be a multiemployer plan, if—

"(aa) for each of the 3 plan years immediately before the date of the enactment of the Pension Protection Act of 2006, the plan has met those criteria or is so described,

"(bb) substantially all of the plan's employer contributions for each of those plan years were made or required to be made by organizations that were exempt from tax under section 501 of the Internal Revenue Code of 1986, and

"(cc) the plan was established prior to September 2, 1974.

"(ii) An election under this paragraph shall be effective for all purposes under this Act and under the Internal Revenue Code of 1986, starting with the first plan year ending after the date of the enactment of the Pension Protection Act of 2006.

"(iii) Once made, an election under this paragraph shall be irrevocable, except that a plan described in subclause (i)(II) shall cease to be a multiemployer plan as of the plan year beginning immediately after the first plan year for which the majority of its employer contributions were made or required to be made by organizations that were not exempt from tax under section 501 of the Internal Revenue Code of 1986.

"(iv) The fact that a plan makes an election under clause (i)(II) does not imply that the plan was not a multiemployer plan prior to the date of the election or would not be a multiemployer plan without regard to the election.

"(v)(I) No later than 30 days before an election is made under this paragraph, the plan administrator shall provide notice of the pending election to each plan participant and beneficiary, each labor organization representing such participants or beneficiaries, and each employer that has an obligation to contribute to the plan, describing the principal differences between the guarantee programs under title IV and the benefit restrictions under this title for single employer and multiemployer plans, along with such other information as the plan administrator chooses to include.

"(II) Within 180 days after the date of enactment of the Pension Protection Act of 2006, the Secretary shall prescribe a model notice under this subparagraph.

"(III) A plan administrator's failure to provide the notice required under this subparagraph shall be treated for purposes of section 502(c)(2) as a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary under section 101(b)(4).

"(vi) A plan is described in this clause if it is a plan—

"(I) that was established in Chicago, Illinois, on August 12, 1881; and

"(II) sponsored by an organization described in section 501(c)(5) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.".

(b) AMENDMENT TO INTERNAL REVENUE CODE.—Subsection (f) of section 414 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph (6):

"(6) ELECTION WITH REGARD TO MULTIEMPLOYER STATUS.—

"(A) Within 1 year after the enactment of the Pension Protection Act of 2006—

"(i) An election under paragraph (5) may be revoked, pursuant to procedures prescribed by the Pension Benefit Guaranty Corporation, if, for each of the 3 plan years prior to the date of the enactment of that Act, the plan would have been a multiemployer plan but for the election under paragraph (5), and

"(ii) a plan that meets the criteria in subparagraph (A) and (B) of paragraph (1) of this subsection or that is described in subparagraph (E) may, pursuant to procedures prescribed by the Pension Benefit Guaranty Corporation, elect to be a multiemployer plan, if—

"(I) for each of the 3 plan years immediately before the date of enactment of the Pension Protection Act of 2006, the plan has met those criteria or is so described,

"(II) substantially all of the plan's employer contributions for each of those plan years were made or required to be made by organizations that were exempt from tax under section 501, and

"(III) the plan was established prior to September 2, 1974.

"(B) An election under this paragraph shall be effective for all purposes under this Act and under the Employee Retirement Income Security Act of 1974, starting with the first plan year ending after the date of the enactment of the Pension Protection Act of 2006.

"(C) Once made, an election under this paragraph shall be irrevocable, except that a plan described in subparagraph (A)(ii) shall cease to be a multiemployer plan as of the plan year beginning immediately after the first plan year for which the majority of its employer contributions were made or required to be made by organizations that were not exempt from tax under section 501.

"(D) The fact that a plan makes an election under subparagraph (A)(ii) does not imply that the plan was not a multiemployer plan prior to the date of the election or would not be a multiemployer plan without regard to the election.

"(E) A plan is described in this subparagraph if it is a plan—

"(i) that was established in Chicago, Illinois, on August 12, 1881; and

"(ii) sponsored by an organization described in section 501(c)(5) and exempt from tax under section 501(a).".

SEC. 1107. PROVISIONS RELATING TO PLAN AMENDMENTS.

(a) IN GENERAL.—If this section applies to any pension plan or contract amendment—

(1) such pension plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subsection (b)(2)(A), and

(2) except as provided by the Secretary of the Treasury, such pension plan shall not fail to meet the requirements of section 411(d)(6) of the Internal Revenue Code of 1986 and section 204(g) of the Employee Retirement Income Security Act of 1974 by reason of such amendment.

(b) AMENDMENTS TO WHICH SECTION APPLIES.—

(1) IN GENERAL.—This section shall apply to any amendment to any pension plan or annuity contract which is made—

(A) pursuant to any amendment made by this Act or pursuant to any regulation issued by the Secretary of the Treasury or the Secretary of Labor under this Act, and

(B) on or before the last day of the first plan year beginning on or after January 1, 2009.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this paragraph shall be applied by substituting "2011" for "2009".

(2) CONDITIONS.—This section shall not apply to any amendment unless—

(A) during the period—

(i) beginning on the date the legislative or regulatory amendment described in paragraph (1)(A) takes effect (or in the case of a plan or contract amendment not required by such legislative or regulatory amendment, the effective date specified by the plan), and

(ii) ending on the date described in paragraph (1)(B) (or, if earlier, the date the plan or contract amendment is adopted), the plan or contract is operated as if such plan or contract amendment were in effect; and

(B) such plan or contract amendment applies retroactively for such period.

TITLE XII—PROVISIONS RELATING TO EXEMPT ORGANIZATIONS

Subtitle A—Charitable Giving Incentives

SEC. 1201. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subsection (d) of section 408 (relating to individual retirement accounts) is amended by adding at the end the following new paragraph:

"(8) DISTRIBUTIONS FOR CHARITABLE PURPOSES.—

"(A) IN GENERAL.—So much of the aggregate amount of qualified charitable distributions with respect to a taxpayer made during any taxable year which does not exceed $100,000 shall not be includible in gross income of such taxpayer for such taxable year.

"(B) QUALIFIED CHARITABLE DISTRIBUTION.—For purposes of this paragraph, the term 'qualified charitable distribution' means any distribution from an individual retirement plan (other than a plan described in subsection (k) or (p))—

"(i) which is made directly by the trustee to an organization described in section 170(b)(1)(A) (other than any organization described in section 509(a)(3) or any fund or account described in section 4966(d)(2)), and

"(ii) which is made on or after the date that the individual for whose benefit the plan is maintained has attained age 70½.

A distribution shall be treated as a qualified charitable distribution only to the extent that the distribution would be includible in gross income without regard to subparagraph (A).

"(C) CONTRIBUTIONS MUST BE OTHERWISE DEDUCTIBLE.—For purposes of this paragraph, a distribution to an organization described in subparagraph (B)(i) shall be treated as a qualified charitable distribution only if a deduction for the entire distribution would be allowable under section 170 (determined without regard to subsection (b) thereof and this paragraph).

"(D) APPLICATION OF SECTION 72.—Notwithstanding section 72, in determining the extent to which a distribution is a qualified charitable distribution, the entire amount of the distribution shall be treated as includible in gross income without regard to subparagraph (A) to the extent that such amount does not exceed the aggregate amount which would have been so includible if all amounts distributed from all individual retirement plans were treated as 1 contract under paragraph (2)(A) for purposes of determining the inclusion of such distribution under section 72. Proper adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.

"(E) DENIAL OF DEDUCTION.—Qualified charitable distributions which are not includible in gross income pursuant to subparagraph (A) shall not be taken into account in determining the deduction under section 170.

"(F) TERMINATION.—This paragraph shall not apply to distributions made in taxable years beginning after December 31, 2007.".

(b) MODIFICATIONS RELATING TO INFORMATION RETURNS BY CERTAIN TRUSTS.—

(1) RETURNS.—Section 6034 (relating to returns by trusts described in section 4947(a)(2) or claiming charitable deductions under section 642(c)) is amended to read as follows:

"SEC. 6034. RETURNS BY CERTAIN TRUSTS.

"(a) SPLIT-INTEREST TRUSTS.—Every trust described in section 4947(a)(2) shall furnish such information with respect to the taxable year as the Secretary may by forms or regulations require.

"(b) TRUSTS CLAIMING CERTAIN CHARITABLE DEDUCTIONS.—

"(1) IN GENERAL.—Every trust not required to file a return under subsection (a) but claiming a deduction under section 642(c) for the taxable year shall furnish such information with respect to such taxable year as the Secretary may by forms or regulations prescribe, including—

"(A) the amount of the deduction taken under section 642(c) within such year,

"(B) the amount paid out within such year which represents amounts for which deductions under section 642(c) have been taken in prior years,

"(C) the amount for which such deductions have been taken in prior years but which has not been paid out at the beginning of such year,

"(D) the amount paid out of principal in the current and prior years for the purposes described in section 642(c),

"(E) the total income of the trust within such year and the expenses attributable thereto, and

"(F) a balance sheet showing the assets, liabilities, and net worth of the trust as of the beginning of such year.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply to a trust for any taxable year if—

"(A) all the net income for such year, determined under the applicable principles of the law of trusts, is required to be distributed currently to the beneficiaries, or

"(B) the trust is described in section 4947(a)(1).".

(2) INCREASE IN PENALTY RELATING TO FILING OF INFORMATION RETURN BY SPLIT-INTEREST TRUSTS.—Paragraph (2) of section 6652(c) (relating to returns by exempt organizations and by certain trusts) is amended by adding at the end the following new subparagraph:

"(C) SPLIT-INTEREST TRUSTS.—In the case of a trust which is required to file a return under section 6034(a), subparagraphs (A) and (B) of this paragraph shall not apply and paragraph (1) shall apply in the same manner as if such return were required under section 6033, except that—

"(i) the 5 percent limitation in the second sentence of paragraph (1)(A) shall not apply,

"(ii) in the case of any trust with gross income in excess of $250,000, the first sentence of paragraph (1)(A) shall be applied by substituting '$100' for '$20', and the second sentence thereof shall be applied by substituting '$50,000' for '$10,000', and

"(iii) the third sentence of paragraph (1)(A) shall be disregarded.

In addition to any penalty imposed on the trust pursuant to this subparagraph, if the person required to file such return knowingly fails to file the return, such penalty shall also be imposed on such person who shall be personally liable for such penalty.".

(3) CONFIDENTIALITY OF NONCHARITABLE BENEFICIARIES.—Subsection (b) of section 6104 (relating to inspection of annual information returns) is amended by adding at the end the following new sentence: "In the case of a trust which is required to file a return under section 6034(a), this subsection shall not apply to information regarding beneficiaries which are not organizations described in section 170(c).".

(4) CLERICAL AMENDMENT.—The item in the table of sections for subpart A of part III of subchapter A of chapter 61 relating to section 6034 is amended to read as follows:

"Sec. 6034. Returns by certain trusts.".

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to distributions made in taxable years beginning after December 31, 2005.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to returns for taxable years beginning after December 31, 2006.

SEC. 1202. EXTENSION OF MODIFICATION OF CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Section 170(e)(3)(C)(iv) (relating to termination) is amended by striking "2005" and inserting "2007".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2005.

SEC. 1203. BASIS ADJUSTMENT TO STOCK OF S CORPORATION CONTRIBUTING PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) (relating to adjustments to basis of stock of shareholders, etc.) is amended by adding at the end the following new flush sentence:

"The decrease under subparagraph (B) by reason of a charitable contribution (as defined in section 170(c)) of property shall be the amount equal to the shareholder's pro rata share of the adjusted basis of such property. The preceding sentence shall not apply to contributions made in taxable years beginning after December 31, 2007.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2005.

SEC. 1204. EXTENSION OF MODIFICATION OF CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORY.

(a) IN GENERAL.—Section 170(e)(3)(D)(iv) (relating to termination) is amended by striking "2005" and inserting "2007".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2005.

SEC. 1205. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Paragraph (13) of section 512(b) (relating to special rules for certain amounts received from controlled entities) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting after subparagraph (D) the following new subparagraph:

"(E) PARAGRAPH TO APPLY ONLY TO CERTAIN EXCESS PAYMENTS.—

"(i) IN GENERAL.—Subparagraph (A) shall apply only to the portion of a qualifying specified payment received or accrued by the controlling organization that exceeds the amount which would have been paid or accrued if such payment met the requirements prescribed under section 482.

"(ii) ADDITION TO TAX FOR VALUATION MISSTATEMENTS.—The tax imposed by this chapter on the controlling organization shall be increased by an amount equal to 20 percent of the larger of—

"(I) such excess determined without regard to any amendment or supplement to a return of tax, or

"(II) such excess determined with regard to all such amendments and supplements.

"(iii) QUALIFYING SPECIFIED PAYMENT.—The term 'qualifying specified payment' means a specified payment which is made pursuant to—

"(I) a binding written contract in effect on the date of the enactment of this subparagraph, or

"(II) a contract which is a renewal, under substantially similar terms, of a contract described in subclause (I).

"(iv) TERMINATION.—This subparagraph shall not apply to payments received or accrued after December 31, 2007.".

(b) REPORTING.—

(1) IN GENERAL.—Section 6033 (relating to returns by exempt organizations) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) CONTROLLING ORGANIZATIONS.—Each controlling organization (within the meaning of section 512(b)(13)) which is subject to the requirements of subsection (a) shall include on the return required under subsection (a)—

"(1) any interest, annuities, royalties, or rents received from each controlled entity (within the meaning of section 512(b)(13)),

"(2) any loans made to each such controlled entity, and

"(3) any transfers of funds between such controlling organization and each such controlled entity.".

(2) REPORT TO CONGRESS.—Not later than January 1, 2009, the Secretary of the Treasury shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the effectiveness of the Internal Revenue Service in administering the amendments made by subsection (a) and on the extent to which payments by controlled entities (within the meaning of section 512(b)(13) of the Internal Revenue Code of 1986) to controlling organizations (within the meaning of section 512(b)(13) of such Code) meet the requirements under section 482 of such Code. Such report shall include the results of any audit of any controlling organization or controlled entity and recommendations relating to the tax treatment of payments from controlled entities to controlling organizations.

(c) EFFECTIVE DATE.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to payments received or accrued after December 31, 2005.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to returns the due date (determined without regard to extensions) of which is after the date of the enactment of this Act.

SEC. 1206. ENCOURAGEMENT OF CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—

(1) INDIVIDUALS.—Paragraph (1) of section 170(b) (relating to percentage limitations) is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and by inserting after subparagraph (D) the following new subparagraph:

“(E) CONTRIBUTIONS OF QUALIFIED CONSERVATION CONTRIBUTIONS.—

“(i) IN GENERAL.—Any qualified conservation contribution (as defined in subsection (h)(1)) shall be allowed to the extent the aggregate of such contributions does not exceed the excess of 50 percent of the taxpayer's contribution base over the amount of all other charitable contributions allowable under this paragraph.

“(ii) CARRYOVER.—If the aggregate amount of contributions described in clause (i) exceeds the limitation of clause (i), such excess shall be treated (in a manner consistent with the rules of subsection (d)(1)) as a charitable contribution to which clause (i) applies in each of the 15 succeeding years in order of time.

“(iii) COORDINATION WITH OTHER SUBPARAGRAPHS.—For purposes of applying this subsection and subsection (d)(1), contributions described in clause (i) shall not be treated as described in subparagraph (A), (B), (C), or (D) and such subparagraphs shall apply without regard to such contributions.

“(iv) SPECIAL RULE FOR CONTRIBUTION OF PROPERTY USED IN AGRICULTURE OR LIVESTOCK PRODUCTION.—

“(I) IN GENERAL.—If the individual is a qualified farmer or rancher for the taxable year for which the contribution is made, clause (i) shall be applied by substituting ‘100 percent’ for ‘50 percent’.

“(II) EXCEPTION.—Subclause (I) shall not apply to any contribution of property made after the date of the enactment of this subparagraph which is used in agriculture or livestock production (or available for such production) unless such contribution is subject to a restriction that such property remain available for such production. This subparagraph shall be applied separately with respect to property to which subclause (I) does not apply by reason of the preceding sentence prior to its application to property to which subclause (I) does apply.

“(v) DEFINITION.—For purposes of clause (iv), the term ‘qualified farmer or rancher’ means a taxpayer whose gross income from the trade or business of farming (within the meaning of section 2032A(e)(5)) is greater than 50 percent of the taxpayer's gross income for the taxable year.

“(vi) TERMINATION.—This subparagraph shall not apply to any contribution made in taxable years beginning after December 31, 2007.”.

(2) CORPORATIONS.—Paragraph (2) of section 170(b) is amended to read as follows:

“(2) CORPORATIONS.—In the case of a corporation—

“(A) IN GENERAL.—The total deductions under subsection (a) for any taxable year (other than for contributions to which subparagraph (B) applies) shall not exceed 10 percent of the taxpayer's taxable income.

“(B) QUALIFIED CONSERVATION CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—

“(i) IN GENERAL.—Any qualified conservation contribution (as defined in subsection (h)(1))—

“(I) which is made by a corporation which, for the taxable year during which the contribution is made, is a qualified farmer or rancher (as defined in paragraph (1)(E)(v)) and the stock of which is not readily tradable on an established securities market at any time during such year, and

“(II) which, in the case of contributions made after the date of the enactment of this subparagraph, is a contribution of property which is used in agriculture or livestock production (or available for such production) and which is subject to a restriction that such property remain available for such production,

shall be allowed to the extent the aggregate of such contributions does not exceed the excess of the taxpayer's taxable income over the amount of charitable contributions allowable under subparagraph (A).

“(ii) CARRYOVER.—If the aggregate amount of contributions described in clause (i) exceeds the limitation of clause (i), such excess shall be treated (in a manner consistent with the rules of subsection (d)(2)) as a charitable contribution to which clause (i) applies in each of the 15 succeeding years in order of time.

“(iii) TERMINATION.—This subparagraph shall not apply to any contribution made in taxable years beginning after December 31, 2007.

“(C) TAXABLE INCOME.—For purposes of this paragraph, taxable income shall be computed without regard to—

“(i) this section,

“(ii) part VIII (except section 248),

“(iii) any net operating loss carryback to the taxable year under section 172,

“(iv) section 199, and

“(v) any capital loss carryback to the taxable year under section 1212(a)(1).”.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 170(d) is amended by striking “subsection (b)(2)” each place it appears and inserting “subsection (b)(2)(A)”.

(2) Section 545(b)(2) is amended by striking “and (D)” and inserting “(D), and (E)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2005.

SEC. 1207. EXCISE TAXES EXEMPTION FOR BLOOD COLLECTOR ORGANIZATIONS.

(a) EXEMPTION FROM IMPOSITION OF SPECIAL FUELS TAX.—Section 4041(g) (relating to other exemptions) is amended by striking “and” at the end of paragraph (3), by striking the period in paragraph (4) and inserting “; and”, and by inserting after paragraph (4) the following new paragraph:

“(5) with respect to the sale of any liquid to a qualified blood collector organization (as defined in section 7701(a)(49)) for such organization's exclusive use in the collection, storage, or transportation of blood.”.

(b) EXEMPTION FROM MANUFACTURERS EXCISE TAX.—

(1) IN GENERAL.—Section 4221(a) (relating to certain tax-free sales) is amended by striking “or” at the end of paragraph (4), by adding “or” at the end of paragraph (5), and by inserting after paragraph (5) the following new paragraph:

“(6) to a qualified blood collector organization (as defined in section 7701(a)(49)) for such organization's exclusive use in the collection, storage, or transportation of blood,”.

(2) NO EXEMPTION WITH RESPECT TO VACCINES AND RECREATIONAL EQUIPMENT.—Section 4221(a) is amended by adding at the end the following new sentence: “In the case of taxes imposed by subchapter C or D, paragraph (6) shall not apply.”.

(3) CONFORMING AMENDMENTS.—

(A) The second sentence of section 4221(a) is amended by striking “Paragraphs (4) and (5)” and inserting “Paragraphs (4), (5), and (6)”.

(B) Section 6421(c) is amended by striking “or (5)” and inserting “(5), or (6)”.

(c) EXEMPTION FROM COMMUNICATION EXCISE TAX.—

(1) IN GENERAL.—Section 4253 (relating to exemptions) is amended by redesignating subsection (k) as subsection (l) and inserting after subsection (j) the following new subsection:

“(k) EXEMPTION FOR QUALIFIED BLOOD COLLECTOR ORGANIZATIONS.—Under regulations provided by the Secretary, no tax shall be imposed under section 4251 on any amount paid by a qualified blood collector organization (as defined in section 7701(a)(49)) for services or facilities furnished to such organization.”.

(2) CONFORMING AMENDMENT.—Section 4253(l), as redesignated by paragraph (1), is amended by striking “or (j)” and inserting “(j), or (k)”.

(d) EXEMPTION FROM TAX ON HEAVY VEHICLES.—Section 4483 is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

“(h) EXEMPTION FOR VEHICLES USED IN BLOOD COLLECTION.—

“(1) IN GENERAL.—No tax shall be imposed by section 4481 on the use of any qualified blood collector vehicle by a qualified blood collector organization.

“(2) QUALIFIED BLOOD COLLECTOR VEHICLE.—For purposes of this subsection, the term ‘qualified blood collector vehicle’ means a vehicle at least 80 percent of the use of which during the prior taxable period was by a qualified blood collector organization in the collection, storage, or transportation of blood.

“(3) SPECIAL RULE FOR VEHICLES FIRST PLACED IN SERVICE IN A TAXABLE PERIOD.—In the case of a vehicle first placed in service in a taxable period, a vehicle shall be treated as a qualified blood collector vehicle for such taxable period if such qualified blood collector organization certifies to the Secretary that the organization reasonably expects at least 80 percent of the use of such vehicle by the organization during such taxable period will be in the collection, storage, or transportation of blood.

“(4) QUALIFIED BLOOD COLLECTOR ORGANIZATION.—The term ‘qualified blood collector organization’ has the meaning given such term by section 7701(a)(49).”.

(e) CREDIT OR REFUND FOR CERTAIN TAXES ON SALES AND SERVICES.—

(1) DEEMED OVERPAYMENT.—

(A) IN GENERAL.—Section 6416(b)(2) is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and by inserting after subparagraph (D) the following new subparagraph:

“(E) sold to a qualified blood collector organization (as defined in section 7701(a)(49)) for such organization's exclusive use in the collection, storage, or transportation of blood;”.

(B) NO CREDIT OR REFUND FOR VACCINES OR RECREATIONAL EQUIPMENT.—Section 6416(b)(2) is amended by adding at the end the following new sentence: "In the case of taxes imposed by subchapter C or D of chapter 32, subparagraph (E) shall not apply.".

(C) Conforming Amendments.—Section 6416(b)(2) is amended—

(i) by striking "Subparagraphs (C) and (D)" in the second sentence and inserting "Subparagraphs (C), (D), and (E)".

(ii) by striking "(B), (C), and (D)" and inserting "(B), (C), (D), and (E)".

(2) Sales of Tires.—Section 6416(b)(4)(B) is amended by striking "or" at the end of clause (i), by striking the period at the end of clause (ii) and inserting ", or", and by adding after clause (ii) the following:

"(iii) sold to a qualified blood collector organization for its exclusive use in connection with a vehicle the organization certifies will be primarily used in the collection, storage, or transportation of blood.".

(f) Definition of Qualified Blood Collector Organization.—Section 7701(a) is amended by inserting at the end the following new paragraph:

"(49) Qualified blood collector organization.—The term 'qualified blood collector organization' means an organization which is—

"(A) described in section 501(c)(3) and exempt from tax under section 501(a),

"(B) primarily engaged in the activity of the collection of human blood,

"(C) registered with the Secretary for purposes of excise tax exemptions, and

"(D) registered by the Food and Drug Administration to collect blood.".

(g) Effective Date.—

(1) In general.—The amendments made by this section shall take effect on January 1, 2007.

(2) Subsection (d).—The amendment made by subsection (d) shall apply to taxable periods beginning on or after July 1, 2007.

Subtitle B—Reforming Exempt Organizations

PART 1—GENERAL REFORMS

SEC. 1211. REPORTING ON CERTAIN ACQUISITIONS OF INTERESTS IN INSURANCE CONTRACTS IN WHICH CERTAIN EXEMPT ORGANIZATIONS HOLD AN INTEREST.

(a) Reporting Requirements.—

(1) In general.—Subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons), as amended by this Act, is amended by adding at the end the following new section:

"SEC. 6050V. RETURNS RELATING TO APPLICABLE INSURANCE CONTRACTS IN WHICH CERTAIN EXEMPT ORGANIZATIONS HOLD INTERESTS.

"(a) In General.—Each applicable exempt organization which makes a reportable acquisition shall make the return described in subsection (c).

"(b) Time for Making Return.—Any applicable exempt organization required to make a return under subsection (a) shall file such return at such time as may be established by the Secretary.

"(c) Form and Manner of Returns.—A return is described in this subsection if such return—

"(1) is in such form as the Secretary prescribes,

"(2) contains the name, address, and taxpayer identification number of the applicable exempt organization and the issuer of the applicable insurance contract, and

"(3) contains such other information as the Secretary may prescribe.

"(d) Definitions.—For purposes of this section—

"(1) Reportable acquisition.—The term 'reportable acquisition' means the acquisition by an applicable exempt organization of a direct or indirect interest in any applicable insurance contract in any case in which such acquisition is a part of a structured transaction involving a pool of such contracts.

"(2) Applicable insurance contract.—

"(A) In general.—The term 'applicable insurance contract' means any life insurance, annuity, or endowment contract with respect to which both an applicable exempt organization and a person other than an applicable exempt organization have directly or indirectly held an interest in the contract (whether or not at the same time).

"(B) Exceptions.—Such term shall not include a life insurance, annuity, or endowment contract if—

"(i) all persons directly or indirectly holding any interest in the contract (other than applicable exempt organizations) have an insurable interest in the insured under the contract independent of any interest of an applicable exempt organization in the contract,

"(ii) the sole interest in the contract of an applicable exempt organization or each person other than an applicable exempt organization is as a named beneficiary, or

"(iii) the sole interest in the contract of each person other than an applicable exempt organization is—

"(I) as a beneficiary of a trust holding an interest in the contract, but only if the person's designation as such beneficiary was made without consideration and solely on a purely gratuitous basis, or

"(II) as a trustee who holds an interest in the contract in a fiduciary capacity solely for the benefit of applicable exempt organizations or persons otherwise described in subclause (I) or clause (i) or (ii).

"(3) Applicable exempt organization.—The term 'applicable exempt organization' means—

"(A) an organization described in section 170(c),

"(B) an organization described in section 168(h)(2)(A)(iv), or

"(C) an organization not described in paragraph (1) or (2) which is described in section 2055(a) or section 2522(a).

"(e) Termination.—This section shall not apply to reportable acquisitions occurring after the date which is 2 years after the date of the enactment of this section.".

(2) Conforming amendment.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by adding at the end the following new item:

"Sec. 6050V. Returns relating to applicable insurance contracts in which certain exempt organizations hold interests.".

(b) Penalties.—

(1) In general.—Subparagraph (B) of section 6724(d)(1), as amended by this Act, is amended by redesignating clauses (xiv) through (xix) as clauses (xv) through (xx) and by inserting after clause (xiii) the following new clause:

"(xiv) section 6050V (relating to returns relating to applicable insurance contracts in which certain exempt organizations hold interests),".

(2) Intentional disregard.—Section 6721(e)(2) is amended by striking "or" at the end of subparagraph (B), by striking "and" at the end of subparagraph (C) and inserting "or", and by adding at the end the following new subparagraph:

"(D) in the case of a return required to be filed under section 6050V, 10 percent of the value of the benefit of any contract with respect to which information is required to be included on the return, and".

(c) Study.—

(1) In general.—The Secretary of the Treasury shall undertake a study on—

(A) the use by tax exempt organizations of applicable insurance contracts (as defined under section 6050V(d)(2) of the Internal Revenue Code of 1986, as added by subsection (a)) for the purpose of sharing the benefits of the organization's insurable interest in individuals insured under such contracts with investors, and

(B) whether such activities are consistent with the tax exempt status of such organizations.

(2) Report.—Not later than 30 months after the date of the enactment of this Act, the Secretary of the Treasury shall report on the study conducted under paragraph (1) to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

(d) Effective Date.—The amendments made by this section shall apply to acquisitions of contracts after the date of enactment of this Act.

SEC. 1212. INCREASE IN PENALTY EXCISE TAXES RELATING TO PUBLIC CHARITIES, SOCIAL WELFARE ORGANIZATIONS, AND PRIVATE FOUNDATIONS.

(a) Taxes on Self-Dealing and Excess Benefit Transactions.—

(1) In general.—Section 4941(a) (relating to initial taxes) is amended—

(A) in paragraph (1), by striking "5 percent" and inserting "10 percent", and

(B) in paragraph (2), by striking "2½ percent" and inserting "5 percent".

(2) Increased limitation for managers on self-dealing.—Section 4941(c)(2) is amended by striking "$10,000" each place it appears in the text and heading thereof and inserting "$20,000".

(3) Increased limitation for managers on excess benefit transactions.—Section 4958(d)(2) is amended by striking "$10,000" and inserting "$20,000".

(b) Taxes on Failure to Distribute Income.—Section 4942(a) (relating to initial tax) is amended by striking "15 percent" and inserting "30 percent".

(c) Taxes on Excess Business Holdings.—Section 4943(a)(1) (relating to imposition) is amended by striking "5 percent" and inserting "10 percent".

(d) Taxes on Investments Which Jeopardize Charitable Purpose.—

(1) In general.—Section 4944(a) (relating to initial taxes) is amended by striking "5 percent" both places it appears and inserting "10 percent".

(2) Increased limitation for managers.—Section 4944(d)(2) is amended—

(A) by striking "$5,000," and inserting "$10,000,", and

(B) by striking "$10,000." and inserting "$20,000.".

(e) Taxes on Taxable Expenditures.—

(1) In general.—Section 4945(a) (relating to initial taxes) is amended—

(A) in paragraph (1), by striking "10 percent" and inserting "20 percent", and

(B) in paragraph (2), by striking "2½ percent" and inserting "5 percent".

(2) Increased limitation for managers.—Section 4945(c)(2) is amended—

(A) by striking "$5,000," and inserting "$10,000,", and

(B) by striking "$10,000." and inserting "$20,000.".

(f) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1213. REFORM OF CHARITABLE CONTRIBUTIONS OF CERTAIN EASEMENTS IN REGISTERED HISTORIC DISTRICTS AND REDUCED DEDUCTION FOR PORTION OF QUALIFIED CONSERVATION CONTRIBUTION ATTRIBUTABLE TO REHABILITATION CREDIT.

(a) SPECIAL RULES WITH RESPECT TO BUILDINGS IN REGISTERED HISTORIC DISTRICTS.—

(1) IN GENERAL.—Paragraph (4) of section 170(h) (relating to definition of conservation purpose) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) SPECIAL RULES WITH RESPECT TO BUILDINGS IN REGISTERED HISTORIC DISTRICTS.—In the case of any contribution of a qualified real property interest which is a restriction with respect to the exterior of a building described in subparagraph (C)(ii), such contribution shall not be considered to be exclusively for conservation purposes unless—

"(i) such interest—

"(I) includes a restriction which preserves the entire exterior of the building (including the front, sides, rear, and height of the building), and

"(II) prohibits any change in the exterior of the building which is inconsistent with the historical character of such exterior,

"(ii) the donor and donee enter into a written agreement certifying, under penalty of perjury, that the donee—

"(I) is a qualified organization (as defined in paragraph (3)) with a purpose of environmental protection, land conservation, open space preservation, or historic preservation, and

"(II) has the resources to manage and enforce the restriction and a commitment to do so, and

"(iii) in the case of any contribution made in a taxable year beginning after the date of the enactment of this subparagraph, the taxpayer includes with the taxpayer's return for the taxable year of the contribution—

"(I) a qualified appraisal (within the meaning of subsection (f)(11)(E)) of the qualified property interest,

"(II) photographs of the entire exterior of the building, and

"(III) a description of all restrictions on the development of the building.".

(b) DISALLOWANCE OF DEDUCTION FOR STRUCTURES AND LAND IN REGISTERED HISTORIC DISTRICTS.—Subparagraph (C) of section 170(h)(4), as redesignated by subsection (a), is amended—

(1) by striking "any building, structure, or land area which",

(2) by inserting "any building, structure, or land area which" before "is listed" in clause (i), and

(3) by inserting "any building which" before "is located" in clause (ii).

(c) FILING FEE FOR CERTAIN CONTRIBUTIONS.—Subsection (f) of section 170 (relating to disallowance of deduction in certain cases and special rules) is amended by adding at the end the following new paragraph:

"(13) CONTRIBUTIONS OF CERTAIN INTERESTS IN BUILDINGS LOCATED IN REGISTERED HISTORIC DISTRICTS.—

"(A) IN GENERAL.—No deduction shall be allowed with respect to any contribution described in subparagraph (B) unless the taxpayer includes with the return for the taxable year of the contribution a $500 filing fee.

"(B) CONTRIBUTION DESCRIBED.—A contribution is described in this subparagraph if such contribution is a qualified conservation contribution (as defined in subsection (h)) which is a restriction with respect to the exterior of a building described in subsection (h)(4)(C)(ii) and for which a deduction is claimed in excess of $10,000.

"(C) DEDICATION OF FEE.—Any fee collected under this paragraph shall be used for the enforcement of the provisions of subsection (h).".

(d) REDUCED DEDUCTION FOR PORTION OF QUALIFIED CONSERVATION CONTRIBUTION ATTRIBUTABLE TO THE REHABILITATION CREDIT.—Subsection (f) of section 170, as amended by subsection (c), is amended by adding at the end the following new paragraph:

"(14) REDUCTION FOR AMOUNTS ATTRIBUTABLE TO REHABILITATION CREDIT.—In the case of any qualified conservation contribution (as defined in subsection (h)), the amount of the deduction allowed under this section shall be reduced by an amount which bears the same ratio to the fair market value of the contribution as—

"(A) the sum of the credits allowed to the taxpayer under section 47 for the 5 preceding taxable years with respect to any building which is a part of such contribution, bears to

"(B) the fair market value of the building on the date of the contribution.".

(e) EFFECTIVE DATES.—

(1) SPECIAL RULES FOR BUILDINGS IN REGISTERED HISTORIC DISTRICTS.—The amendments made by subsection (a) shall apply to contributions made after July 25, 2006.

(2) DISALLOWANCE OF DEDUCTION FOR STRUCTURES AND LAND; REDUCTION FOR REHABILITATION CREDIT.—The amendments made by subsections (b) and (d) shall apply to contributions made after the date of the enactment of this Act.

(3) FILING FEE.—The amendment made by subsection (c) shall apply to contributions made 180 days after the date of the enactment of this Act.

SEC. 1214. CHARITABLE CONTRIBUTIONS OF TAXIDERMY PROPERTY.

(a) DENIAL OF LONG-TERM CAPITAL GAIN.—Subparagraph (B) of section 170(e)(1) is amended by striking "or" at the end of clause (ii), by inserting "or" at the end of clause (iii), and by inserting after clause (iii) the following new clause:

"(iv) of any taxidermy property which is contributed by the person who prepared, stuffed, or mounted the property or by any person who paid or incurred the cost of such preparation, stuffing, or mounting,".

(b) TREATMENT OF BASIS.—Subsection (f) of section 170, as amended by this Act, is amended by adding at the end the following new paragraph:

"(15) SPECIAL RULE FOR TAXIDERMY PROPERTY.—

"(A) BASIS.—For purposes of this section and notwithstanding section 1012, in the case of a charitable contribution of taxidermy property which is made by the person who prepared, stuffed, or mounted the property or by any person who paid or incurred the cost of such preparation, stuffing, or mounting, only the cost of the preparing, stuffing, or mounting shall be included in the basis of such property.

"(B) TAXIDERMY PROPERTY.—For purposes of this section, the term 'taxidermy property' means any work of art which—

"(i) is the reproduction or preservation of an animal, in whole or in part,

"(ii) is prepared, stuffed, or mounted for purposes of recreating one or more characteristics of such animal, and

"(iii) contains a part of the body of the dead animal.".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after July 25, 2006.

SEC. 1215. RECAPTURE OF TAX BENEFIT FOR CHARITABLE CONTRIBUTIONS OF EXEMPT USE PROPERTY NOT USED FOR AN EXEMPT USE.

(a) RECAPTURE OF DEDUCTION ON CERTAIN SALES OF EXEMPT USE PROPERTY.—

(1) IN GENERAL.—Clause (i) of section 170(e)(1)(B) (related to certain contributions of ordinary income and capital gain property) is amended to read as follows:

"(i) of tangible personal property—

"(I) if the use by the donee is unrelated to the purpose or function constituting the basis for its exemption under section 501 (or, in the case of a governmental unit, to any purpose or function described in subsection (c)), or

"(II) which is applicable property (as defined in paragraph (7)(C)) which is sold, exchanged, or otherwise disposed of by the donee before the last day of the taxable year in which the contribution was made and with respect to which the donee has not made a certification in accordance with paragraph (7)(D),".

(2) DISPOSITIONS AFTER CLOSE OF TAXABLE YEAR.—Section 170(e) is amended by adding at the end the following new paragraph:

"(7) RECAPTURE OF DEDUCTION ON CERTAIN DISPOSITIONS OF EXEMPT USE PROPERTY.—

"(A) IN GENERAL.—In the case of an applicable disposition of applicable property, there shall be included in the income of the donor of such property for the taxable year of such donor in which the applicable disposition occurs an amount equal to the excess (if any) of—

"(i) the amount of the deduction allowed to the donor under this section with respect to such property, over

"(ii) the donor's basis in such property at the time such property was contributed.

"(B) APPLICABLE DISPOSITION.—For purposes of this paragraph, the term 'applicable disposition' means any sale, exchange, or other disposition by the donee of applicable property—

"(i) after the last day of the taxable year of the donor in which such property was contributed, and

"(ii) before the last day of the 3-year period beginning on the date of the contribution of such property,

unless the donee makes a certification in accordance with subparagraph (D).

"(C) APPLICABLE PROPERTY.—For purposes of this paragraph, the term 'applicable property' means charitable deduction property (as defined in section 6050L(a)(2)(A))—

"(i) which is tangible personal property the use of which is identified by the donee as related to the purpose or function constituting the basis of the donee's exemption under section 501, and

"(ii) for which a deduction in excess of the donor's basis is allowed.

"(D) CERTIFICATION.—A certification meets the requirements of this subparagraph if it is a written statement which is signed under penalty of perjury by an officer of the donee organization and—

"(i) which—

"(I) certifies that the use of the property by the donee was related to the purpose or function constituting the basis for the donee's exemption under section 501, and

"(II) describes how the property was used and how such use furthered such purpose or function, or

"(ii) which—

"(I) states the intended use of the property by the donee at the time of the contribution, and

"(II) certifies that such intended use has become impossible or infeasible to implement.".

(b) Reporting Requirements.—Paragraph (1) of section 6050L(a) (relating to returns relating to certain dispositions of donated property) is amended—

(1) by striking "2 years" and inserting "3 years", and

(2) by striking "and" at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting a comma, and by inserting at the end the following:

"(F) a description of the donee's use of the property, and

"(G) a statement indicating whether the use of the property was related to the purpose or function constituting the basis for the donee's exemption under section 501.

In any case in which the donee indicates that the use of applicable property (as defined in section 170(e)(7)(C)) was related to the purpose or function constituting the basis for the exemption of the donee under section 501 under subparagraph (G), the donee shall include with the return the certification described in section 170(e)(7)(D) if such certification is made under section 170(e)(7).".

(c) Penalty.—

(1) In general.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6720A the following new section:

"SEC. 6720B. FRAUDULENT IDENTIFICATION OF EXEMPT USE PROPERTY.

"In addition to any criminal penalty provided by law, any person who identifies applicable property (as defined in section 170(e)(7)(C)) as having a use which is related to a purpose or function constituting the basis for the donee's exemption under section 501 and who knows that such property is not intended for such a use shall pay a penalty of $10,000.".

(2) Clerical amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by adding after the item relating to section 6720A the following new item:

"Sec. 6720B. Fraudulent identification of exempt use property.".

(d) Effective Date.—

(1) Recapture.—The amendments made by subsection (a) shall apply to contributions after September 1, 2006.

(2) Reporting.—The amendments made by subsection (b) shall apply to returns filed after September 1, 2006.

(3) Penalty.—The amendments made by subsection (c) shall apply to identifications made after the date of the enactment of this Act.

SEC. 1216. LIMITATION OF DEDUCTION FOR CHARITABLE CONTRIBUTIONS OF CLOTHING AND HOUSEHOLD ITEMS.

(a) In General.—Subsection (f) of section 170, as amended by this Act, is amended by adding at the end the following new paragraph:

"(16) Contributions of clothing and household items.—

"(A) In general.—In the case of an individual, partnership, or corporation, no deduction shall be allowed under subsection (a) for any contribution of clothing or a household item unless such clothing or household item is in good used condition or better.

"(B) Items of minimal value.—Notwithstanding subparagraph (A), the Secretary may by regulation deny a deduction under subsection (a) for any contribution of clothing or a household item which has minimal monetary value.

"(C) Exception for certain property.—Subparagraphs (A) and (B) shall not apply to any contribution of a single item of clothing or a household item for which a deduction of more than $500 is claimed if the taxpayer includes with the taxpayer's return a qualified appraisal with respect to the property.

"(D) Household items.—For purposes of this paragraph—

"(i) In general.—The term 'household items' includes furniture, furnishings, electronics, appliances, linens, and other similar items.

"(ii) Excluded items.—Such term does not include—

"(I) food,

"(II) paintings, antiques, and other objects of art,

"(III) jewelry and gems, and

"(IV) collections.

"(E) Special rule for pass-thru entities.—In the case of a partnership or S corporation, this paragraph shall be applied at the entity level, except that the deduction shall be denied at the partner or shareholder level.".

(b) Effective Date.—The amendment made by this section shall apply to contributions made after the date of enactment of this Act.

SEC. 1217. MODIFICATION OF RECORDKEEPING REQUIREMENTS FOR CERTAIN CHARITABLE CONTRIBUTIONS.

(a) Recordkeeping Requirement.—Subsection (f) of section 170, as amended by this Act, is amended by adding at the end the following new paragraph:

"(17) Recordkeeping.—No deduction shall be allowed under subsection (a) for any contribution of a cash, check, or other monetary gift unless the donor maintains as a record of such contribution a bank record or a written communication from the donee showing the name of the donee organization, the date of the contribution, and the amount of the contribution.".

(b) Effective Date.—The amendment made by this section shall apply to contributions made in taxable years beginning after the date of the enactment of this Act.

SEC. 1218. CONTRIBUTIONS OF FRACTIONAL INTERESTS IN TANGIBLE PERSONAL PROPERTY.

(a) Income Tax.—Section 170 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsection (o) as subsection (p) and by inserting after subsection (n) the following new subsection:

"(o) Special Rules for Fractional Gifts.—

"(1) Denial of deduction in certain cases.—

"(A) In general.—No deduction shall be allowed for a contribution of an undivided portion of a taxpayer's entire interest in tangible personal property unless all interest in the property is held immediately before such contribution by—

"(i) the taxpayer, or

"(ii) the taxpayer and the donee.

"(B) Exceptions.—The Secretary may, by regulation, provide for exceptions to subparagraph (A) in cases where all persons who hold an interest in the property make proportional contributions of an undivided portion of the entire interest held by such persons.

"(2) Valuation of subsequent gifts.—In the case of any additional contribution, the fair market value of such contribution shall be determined by using the lesser of—

"(A) the fair market value of the property at the time of the initial fractional contribution, or

"(B) the fair market value of the property at the time of the additional contribution.

"(3) Recapture of deduction in certain cases; addition to tax.—

"(A) Recapture.—The Secretary shall provide for the recapture of the amount of any deduction allowed under this section (plus interest) with respect to any contribution of an undivided portion of a taxpayer's entire interest in tangible personal property—

"(i) in any case in which the donor does not contribute all of the remaining interest in such property to the donee (or, if such donee is no longer in existence, to any person described in section 170(c)) before the earlier of—

"(I) the date that is 10 years after the date of the initial fractional contribution, or

"(II) the date of the death of the donor, and

"(ii) in any case in which the donee has not, during the period beginning on the date of the initial fractional contribution and ending on the date described in clause (i)—

"(I) had substantial physical possession of the property, and

"(II) used the property in a use which is related to a purpose or function constituting the basis for the organizations' exemption under section 501.

"(B) Addition to tax.—The tax imposed under this chapter for any taxable year for which there is a recapture under subparagraph (A) shall be increased by 10 percent of the amount so recaptured.

"(4) Definitions.—For purposes of this subsection—

"(A) Additional contribution.—The term 'additional contribution' means any charitable contribution by the taxpayer of any interest in property with respect to which the taxpayer has previously made an initial fractional contribution.

"(B) Initial fractional contribution.—The term 'initial fractional contribution' means, with respect to any taxpayer, the first charitable contribution of an undivided portion of the taxpayer's entire interest in any tangible personal property.".

(b) Estate Tax.—Section 2055 (relating to transfers for public, charitable, and religious uses) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Valuation of Subsequent Gifts.—

"(1) In general.—In the case of any additional contribution, the fair market value of such contribution shall be determined by using the lesser of—

"(A) the fair market value of the property at the time of the initial fractional contribution, or

"(B) the fair market value of the property at the time of the additional contribution.

"(2) Definitions.—For purposes of this paragraph—

"(A) Additional contribution.—The term 'additional contribution' means a bequest, legacy, devise, or transfer described in subsection (a) of any interest in a property with respect to which the decedent had previously made an initial fractional contribution.

"(B) Initial fractional contribution.—The term 'initial fractional contribution' means, with respect to any decedent, any charitable contribution of an undivided portion of the decedent's entire interest in any tangible personal property for which a deduction was allowed under section 170.".

(c) Gift Tax.—Section 2522 (relating to charitable and similar gifts) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) Special Rules for Fractional Gifts.—

"(1) Denial of deduction in certain cases.—

"(A) IN GENERAL.—No deduction shall be allowed for a contribution of an undivided portion of a taxpayer's entire interest in tangible personal property unless all interest in the property is held immediately before such contribution by—

"(i) the taxpayer, or

"(ii) the taxpayer and the donee.

"(B) EXCEPTIONS.—The Secretary may, by regulation, provide for exceptions to subparagraph (A) in cases where all persons who hold an interest in the property make proportional contributions of an undivided portion of the entire interest held by such persons.

"(2) VALUATION OF SUBSEQUENT GIFTS.—In the case of any additional contribution, the fair market value of such contribution shall be determined by using the lesser of—

"(A) the fair market value of the property at the time of the initial fractional contribution, or

"(B) the fair market value of the property at the time of the additional contribution.

"(3) RECAPTURE OF DEDUCTION IN CERTAIN CASES; ADDITION TO TAX.—

"(A) IN GENERAL.—The Secretary shall provide for the recapture of an amount equal to any deduction allowed under this section (plus interest) with respect to any contribution of an undivided portion of a taxpayer's entire interest in tangible personal property—

"(i) in any case in which the donor does not contribute all of the remaining interest in such property to the donee (or, if such donee is no longer in existence, to any person described in section 170(c)) before the earlier of—

"(I) the date that is 10 years after the date of the initial fractional contribution, or

"(II) the date of the death of the donor, and

"(ii) in any case in which the donee has not, during the period beginning on the date of the initial fractional contribution and ending on the date described in clause (i)—

"(I) had substantial physical possession of the property, and

"(II) used the property in a use which is related to a purpose or function constituting the basis for the organizations' exemption under section 501.

"(B) ADDITION TO TAX.—The tax imposed under this chapter for any taxable year for which there is a recapture under subparagraph (A) shall be increased by 10 percent of the amount so recaptured.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) ADDITIONAL CONTRIBUTION.—The term 'additional contribution' means any gift for which a deduction is allowed under subsection (a) or (b) of any interest in a property with respect to which the donor has previously made an initial fractional contribution.

"(B) INITIAL FRACTIONAL CONTRIBUTION.—The term 'initial fractional contribution' means, with respect to any donor, the first gift of an undivided portion of the donor's entire interest in any tangible personal property for which a deduction is allowed under subsection (a) or (b).".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions, bequests, and gifts made after the date of the enactment of this Act.

SEC. 1219. PROVISIONS RELATING TO SUBSTANTIAL AND GROSS OVERSTATEMENTS OF VALUATIONS.

(a) MODIFICATION OF THRESHOLDS FOR SUBSTANTIAL AND GROSS VALUATION MISSTATEMENTS.—

(1) SUBSTANTIAL VALUATION MISSTATEMENT.—

(A) INCOME TAXES.—Subparagraph (A) of section 6662(e)(1) (relating to substantial valuation misstatement under chapter 1) is amended by striking "200 percent" and inserting "150 percent".

(B) ESTATE AND GIFT TAXES.—Paragraph (1) of section 6662(g) is amended by striking "50 percent" and inserting "65 percent".

(2) GROSS VALUATION MISSTATEMENT.—

(A) INCOME TAXES.—Clauses (i) and (ii) of section 6662(h)(2)(A) (relating to increase in penalty in case of gross valuation misstatements) are amended to read as follows:

"(i) in paragraph (1)(A), '200 percent' for '150 percent',

"(ii) in paragraph (1)(B)(i)—

"(I) '400 percent' for '200 percent', and

"(II) '25 percent' for '50 percent', and".

(B) ESTATE AND GIFT TAXES.—Subparagraph (C) of section 6662(h)(2) is amended by striking "µ1A'25 percent' for '50 percent'µ1A" and inserting "µ1A'40 percent' for '65 percent'µ1A".

(3) ELIMINATION OF REASONABLE CAUSE EXCEPTION FOR GROSS MISSTATEMENTS.—Section 6664(c)(2) (relating to reasonable cause exception for underpayments) is amended by striking "paragraph (1) shall not apply unless" and inserting "paragraph (1) shall not apply. The preceding sentence shall not apply to a substantial valuation overstatement under chapter 1 if".

(b) PENALTY ON APPRAISERS WHOSE APPRAISALS RESULT IN SUBSTANTIAL OR GROSS VALUATION MISSTATEMENTS.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6695 the following new section:

"SEC. 6695A. SUBSTANTIAL AND GROSS VALUATION MISSTATEMENTS ATTRIBUTABLE TO INCORRECT APPRAISALS.

"(a) IMPOSITION OF PENALTY.—If—

"(1) a person prepares an appraisal of the value of property and such person knows, or reasonably should have known, that the appraisal would be used in connection with a return or a claim for refund, and

"(2) the claimed value of the property on a return or claim for refund which is based on such appraisal results in a substantial valuation misstatement under chapter 1 (within the meaning of section 6662(e)), or a gross valuation misstatement (within the meaning of section 6662(h)), with respect to such property, then such person shall pay a penalty in the amount determined under subsection (b).

"(b) AMOUNT OF PENALTY.—The amount of the penalty imposed under subsection (a) on any person with respect to an appraisal shall be equal to the lesser of—

"(1) the greater of—

"(A) 10 percent of the amount of the underpayment (as defined in section 6664(a)) attributable to the misstatement described in subsection (a)(2), or

"(B) $1,000, or

"(2) 125 percent of the gross income received by the person described in subsection (a)(1) from the preparation of the appraisal.

"(c) EXCEPTION.—No penalty shall be imposed under subsection (a) if the person establishes to the satisfaction of the Secretary that the value established in the appraisal was more likely than not the proper value.".

(2) RULES APPLICABLE TO PENALTY.—Section 6696 (relating to rules applicable with respect to sections 6694 and 6695) is amended—

(A) by striking "6694 and 6695" each place it appears in the text and heading thereof and inserting "6694, 6695, and 6695A", and

(B) by striking "6694 or 6695" each place it appears in the text and inserting "6694, 6695, or 6695A".

(3) CONFORMING AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6696 and inserting the following new items:

"Sec. 6695A. Substantial and gross valuation misstatements attributable to incorrect appraisals.

"Sec. 6696. Rules applicable with respect to sections 6694, 6695, and 6695A.".

(c) QUALIFIED APPRAISERS AND APPRAISALS.—

(1) IN GENERAL.—Subparagraph (E) of section 170(f)(11) is amended to read as follows:

"(E) QUALIFIED APPRAISAL AND APPRAISER.—For purposes of this paragraph—

"(i) QUALIFIED APPRAISAL.—The term 'qualified appraisal' means, with respect to any property, an appraisal of such property which—

"(I) is treated for purposes of this paragraph as a qualified appraisal under regulations or other guidance prescribed by the Secretary, and

"(II) is conducted by a qualified appraiser in accordance with generally accepted appraisal standards and any regulations or other guidance prescribed under subclause (I).

"(ii) QUALIFIED APPRAISER.—Except as provided in clause (iii), the term 'qualified appraiser' means an individual who—

"(I) has earned an appraisal designation from a recognized professional appraiser organization or has otherwise met minimum education and experience requirements set forth in regulations prescribed by the Secretary,

"(II) regularly performs appraisals for which the individual receives compensation, and

"(III) meets such other requirements as may be prescribed by the Secretary in regulations or other guidance.

"(iii) SPECIFIC APPRAISALS.—An individual shall not be treated as a qualified appraiser with respect to any specific appraisal unless—

"(I) the individual demonstrates verifiable education and experience in valuing the type of property subject to the appraisal, and

"(II) the individual has not been prohibited from practicing before the Internal Revenue Service by the Secretary under section 330(c) of title 31, United States Code, at any time during the 3-year period ending on the date of the appraisal.".

(2) REASONABLE CAUSE EXCEPTION.—Subparagraphs (B) and (C) of section 6664(c)(3) are amended to read as follows:

"(B) QUALIFIED APPRAISAL.—The term 'qualified appraisal' has the meaning given such term by section 170(f)(11)(E)(i).

"(C) QUALIFIED APPRAISER.—The term 'qualified appraiser' has the meaning given such term by section 170(f)(11)(E)(ii).".

(d) DISCIPLINARY ACTIONS AGAINST APPRAISERS.—Section 330(c) of title 31, United States Code, is amended by striking "with respect to whom a penalty has been assessed under section 6701(a) of the Internal Revenue Code of 1986".

(e) EFFECTIVE DATES.—

(1) MISSTATEMENT PENALTIES.—Except as provided in paragraph (3), the amendments made by subsection (a) shall apply to returns filed after the date of the enactment of this Act.

(2) APPRAISER PROVISIONS.—Except as provided in paragraph (3), the amendments made by subsections (b), (c), and (d) shall

apply to appraisals prepared with respect to returns or submissions filed after the date of the enactment of this Act.

(3) Special rule for certain easements.—In the case of a contribution of a qualified real property interest which is a restriction with respect to the exterior of a building described in section 170(h)(4)(C)(ii) of the Internal Revenue Code of 1986, and an appraisal with respect to the contribution, the amendments made by subsections (a) and (b) shall apply to returns filed after July 25, 2006.

SEC. 1220. ADDITIONAL STANDARDS FOR CREDIT COUNSELING ORGANIZATIONS.

(a) In General.—Section 501 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) Special Rules for Credit Counseling Organizations.—

"(1) In general.—An organization with respect to which the provision of credit counseling services is a substantial purpose shall not be exempt from tax under subsection (a) unless such organization is described in paragraph (3) or (4) of subsection (c) and such organization is organized and operated in accordance with the following requirements:

"(A) The organization—

"(i) provides credit counseling services tailored to the specific needs and circumstances of consumers,

"(ii) makes no loans to debtors (other than loans with no fees or interest) and does not negotiate the making of loans on behalf of debtors,

"(iii) provides services for the purpose of improving a consumer's credit record, credit history, or credit rating only to the extent that such services are incidental to providing credit counseling services, and

"(iv) does not charge any separately stated fee for services for the purpose of improving any consumer's credit record, credit history, or credit rating.

"(B) The organization does not refuse to provide credit counseling services to a consumer due to the inability of the consumer to pay, the ineligibility of the consumer for debt management plan enrollment, or the unwillingness of the consumer to enroll in a debt management plan.

"(C) The organization establishes and implements a fee policy which—

"(i) requires that any fees charged to a consumer for services are reasonable,

"(ii) allows for the waiver of fees if the consumer is unable to pay, and

"(iii) except to the extent allowed by State law, prohibits charging any fee based in whole or in part on a percentage of the consumer's debt, the consumer's payments to be made pursuant to a debt management plan, or the projected or actual savings to the consumer resulting from enrolling in a debt management plan.

"(D) At all times the organization has a board of directors or other governing body—

"(i) which is controlled by persons who represent the broad interests of the public, such as public officials acting in their capacities as such, persons having special knowledge or expertise in credit or financial education, and community leaders,

"(ii) not more than 20 percent of the voting power of which is vested in persons who are employed by the organization or who will benefit financially, directly or indirectly, from the organization's activities (other than through the receipt of reasonable directors' fees or the repayment of consumer debt to creditors other than the credit counseling organization or its affiliates), and

"(iii) not more than 49 percent of the voting power of which is vested in persons who are employed by the organization or who will benefit financially, directly or indirectly, from the organization's activities (other than through the receipt of reasonable directors' fees).

"(E) The organization does not own more than 35 percent of—

"(i) the total combined voting power of any corporation (other than a corporation which is an organization described in subsection (c)(3) and exempt from tax under subsection (a)) which is in the trade or business of lending money, repairing credit, or providing debt management plan services, payment processing, or similar services,

"(ii) the profits interest of any partnership (other than a partnership which is an organization described in subsection (c)(3) and exempt from tax under subsection (a)) which is in the trade or business of lending money, repairing credit, or providing debt management plan services, payment processing, or similar services, and

"(iii) the beneficial interest of any trust or estate (other than a trust which is an organization described in subsection (c)(3) and exempt from tax under subsection (a)) which is in the trade or business of lending money, repairing credit, or providing debt management plan services, payment processing, or similar services.

"(F) The organization receives no amount for providing referrals to others for debt management plan services, and pays no amount to others for obtaining referrals of consumers.

"(2) Additional requirements for organizations described in subsection (c)(3).—

"(A) In general.—In addition to the requirements under paragraph (1), an organization with respect to which the provision of credit counseling services is a substantial purpose and which is described in paragraph (3) of subsection (c) shall not be exempt from tax under subsection (a) unless such organization is organized and operated in accordance with the following requirements:

"(i) The organization does not solicit contributions from consumers during the initial counseling process or while the consumer is receiving services from the organization.

"(ii) The aggregate revenues of the organization which are from payments of creditors of consumers of the organization and which are attributable to debt management plan services do not exceed the applicable percentage of the total revenues of the organization.

"(B) Applicable percentage.—

"(i) In general.—For purposes of subparagraph (A)(ii), the applicable percentage is 50 percent.

"(ii) Transition rule.—Notwithstanding clause (i), in the case of an organization with respect to which the provision of credit counseling services is a substantial purpose and which is described in paragraph (3) of subsection (c) and exempt from tax under subsection (a) on the date of the enactment of this subsection, the applicable percentage is—

"(I) 80 percent for the first taxable year of such organization beginning after the date which is 1 year after the date of the enactment of this subsection, and

"(II) 70 percent for the second such taxable year beginning after such date, and

"(III) 60 percent for the third such taxable year beginning after such date.

"(3) Additional requirement for organizations described in subsection (c)(4).—In addition to the requirements under paragraph (1), an organization with respect to which the provision of credit counseling services is a substantial purpose and which is described in paragraph (4) of subsection (c) shall not be exempt from tax under subsection (a) unless such organization notifies the Secretary, in such manner as the Secretary may by regulations prescribe, that it is applying for recognition as a credit counseling organization.

"(4) Credit counseling services; debt management plan services.—For purposes of this subsection—

"(A) Credit counseling services.—The term 'credit counseling services' means—

"(i) the providing of educational information to the general public on budgeting, personal finance, financial literacy, saving and spending practices, and the sound use of consumer credit,

"(ii) the assisting of individuals and families with financial problems by providing them with counseling, or

"(iii) a combination of the activities described in clauses (i) and (ii).

"(B) Debt management plan services.—The term 'debt management plan services' means services related to the repayment, consolidation, or restructuring of a consumer's debt, and includes the negotiation with creditors of lower interest rates, the waiver or reduction of fees, and the marketing and processing of debt management plans.".

(b) Debt Management Plan Services Treated as an Unrelated Business.—Section 513 (relating to unrelated trade or business) is amended by adding at the end the following:

"(j) Debt Management Plan Services.—The term 'unrelated trade or business' includes the provision of debt management plan services (as defined in section 501(q)(4)(B)) by any organization other than an organization which meets the requirements of section 501(q).".

(c) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

(2) Transition rule for existing organizations.—In the case of any organization described in paragraph (3) or (4) section 501(c) of the Internal Revenue Code of 1986 and with respect to which the provision of credit counseling services is a substantial purpose on the date of the enactment of this Act, the amendments made by this section shall apply to taxable years beginning after the date which is 1 year after the date of the enactment of this Act.

SEC. 1221. EXPANSION OF THE BASE OF TAX ON PRIVATE FOUNDATION NET INVESTMENT INCOME.

(a) Gross Investment Income.—

(1) In general.—Paragraph (2) of section 4940(c) (relating to gross investment income) is amended by adding at the end the following new sentence: "Such term shall also include income from sources similar to those in the preceding sentence.".

(2) Conforming amendment.—Subsection (e) of section 509 (relating to gross investment income) is amended by adding at the end the following new sentence: "Such term shall also include income from sources similar to those in the preceding sentence.".

(b) Capital Gain Net Income.—Paragraph (4) of section 4940(c) (relating to capital gains and losses) is amended—

(1) in subparagraph (A), by striking "used for the production of interest, dividends,

rents, and royalties" and inserting "used for the production of gross investment income (as defined in paragraph (2))",

(2) in subparagraph (C), by inserting "or carrybacks" after "carryovers", and

(3) by adding at the end the following new subparagraph:

"(D) Except to the extent provided by regulation, under rules similar to the rules of section 1031 (including the exception under subsection (a)(2) thereof), no gain or loss shall be taken into account with respect to any portion of property used for a period of not less than 1 year for a purpose or function constituting the basis of the private foundation's exemption if the entire property is exchanged immediately following such period solely for property of like kind which is to be used primarily for a purpose or function constituting the basis for such foundation's exemption.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1222. DEFINITION OF CONVENTION OR ASSOCIATION OF CHURCHES.

Section 7701 (relating to definitions) is amended by redesignating subsection (o) as subsection (p) and by inserting after subsection (n) the following new subsection:

"(o) Convention or Association of Churches.—For purposes of this title, any organization which is otherwise a convention or association of churches shall not fail to so qualify merely because the membership of such organization includes individuals as well as churches or because individuals have voting rights in such organization.".

SEC. 1223. NOTIFICATION REQUIREMENT FOR ENTITIES NOT CURRENTLY REQUIRED TO FILE.

(a) In General.—Section 6033 (relating to returns by exempt organizations), as amended by this Act, is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) Additional Notification Requirements.—Any organization the gross receipts of which in any taxable year result in such organization being referred to in subsection (a)(3)(A)(ii) or (a)(3)(B)—

"(1) shall furnish annually, in electronic form, and at such time and in such manner as the Secretary may by regulations prescribe, information setting forth—

"(A) the legal name of the organization,

"(B) any name under which such organization operates or does business,

"(C) the organization's mailing address and Internet web site address (if any),

"(D) the organization's taxpayer identification number,

"(E) the name and address of a principal officer, and

"(F) evidence of the continuing basis for the organization's exemption from the filing requirements under subsection (a)(1), and

"(2) upon the termination of the existence of the organization, shall furnish notice of such termination.".

(b) Loss of Exempt Status for Failure to File Return or Notice.—Section 6033 (relating to returns by exempt organizations), as amended by subsection (a), is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) Loss of Exempt Status for Failure to File Return or Notice.—

"(1) In general.—If an organization described in subsection (a)(1) or (i) fails to file an annual return or notice required under either subsection for 3 consecutive years, such organization's status as an organization exempt from tax under section 501(a) shall be considered revoked on and after the date set by the Secretary for the filing of the third annual return or notice. The Secretary shall publish and maintain a list of any organization the status of which is so revoked.

"(2) Application necessary for reinstatement.—Any organization the tax-exempt status of which is revoked under paragraph (1) must apply in order to obtain reinstatement of such status regardless of whether such organization was originally required to make such an application.

"(3) Retroactive reinstatement if reasonable cause shown for failure.—If, upon application for reinstatement of status as an organization exempt from tax under section 501(a), an organization described in paragraph (1) can show to the satisfaction of the Secretary evidence of reasonable cause for the failure described in such paragraph, the organization's exempt status may, in the discretion of the Secretary, be reinstated effective from the date of the revocation under such paragraph.".

(c) No Declaratory Judgment Relief.—Section 7428(b) (relating to limitations) is amended by adding at the end the following new paragraph:

"(4) Nonapplication for certain revocations.—No action may be brought under this section with respect to any revocation of status described in section 6033(j)(1).".

(d) No Monetary Penalty for Failure to Notify.—Section 6652(c)(1) (relating to annual returns under section 6033 or 6012(a)(6)) is amended by adding at the end the following new subparagraph:

"(E) No penalty for certain annual notices.—This paragraph shall not apply with respect to any notice required under section 6033(i).".

(e) Secretarial Outreach Requirements.—

(1) Notice requirement.—The Secretary of the Treasury shall notify in a timely manner every organization described in section 6033(i) of the Internal Revenue Code of 1986 (as added by this section) of the requirement under such section 6033(i) and of the penalty established under section 6033(j) of such Code—

(A) by mail, in the case of any organization the identity and address of which is included in the list of exempt organizations maintained by the Secretary, and

(B) by Internet or other means of outreach, in the case of any other organization.

(2) Loss of status penalty for failure to file return.—The Secretary of the Treasury shall publicize, in a timely manner in appropriate forms and instructions and through other appropriate means, the penalty established under section 6033(j) of such Code for the failure to file a return under subsection (a)(1) or (i) of section 6033 of such Code.

(f) Effective Date.—The amendments made by this section shall apply to notices and returns with respect to annual periods beginning after 2006.

SEC. 1224. DISCLOSURE TO STATE OFFICIALS RELATING TO EXEMPT ORGANIZATIONS.

(a) In General.—Subsection (c) of section 6104 is amended by striking paragraph (2) and inserting the following new paragraphs:

"(2) Disclosure of proposed actions related to charitable organizations.—

"(A) Specific notifications.—In the case of an organization to which paragraph (1) applies, the Secretary may disclose to the appropriate State officer—

"(i) a notice of proposed refusal to recognize such organization as an organization described in section 501(c)(3) or a notice of proposed revocation of such organization's recognition as an organization exempt from taxation,

"(ii) the issuance of a letter of proposed deficiency of tax imposed under section 507 or chapter 41 or 42, and

"(iii) the names, addresses, and taxpayer identification numbers of organizations which have applied for recognition as organizations described in section 501(c)(3).

"(B) Additional disclosures.—Returns and return information of organizations with respect to which information is disclosed under subparagraph (A) may be made available for inspection by or disclosed to an appropriate State officer.

"(C) Procedures for disclosure.—Information may be inspected or disclosed under subparagraph (A) or (B) only—

"(i) upon written request by an appropriate State officer, and

"(ii) for the purpose of, and only to the extent necessary in, the administration of State laws regulating such organizations.

Such information may only be inspected by or disclosed to a person other than the appropriate State officer if such person is an officer or employee of the State and is designated by the appropriate State officer to receive the returns or return information under this paragraph on behalf of the appropriate State officer.

"(D) Disclosures other than by request.—The Secretary may make available for inspection or disclose returns and return information of an organization to which paragraph (1) applies to an appropriate State officer of any State if the Secretary determines that such returns or return information may constitute evidence of noncompliance under the laws within the jurisdiction of the appropriate State officer.

"(3) Disclosure with respect to certain other exempt organizations.—Upon written request by an appropriate State officer, the Secretary may make available for inspection or disclosure returns and return information of any organization described in section 501(c) (other than organizations described in paragraph (1) or (3) thereof) for the purpose of, and only to the extent necessary in, the administration of State laws regulating the solicitation or administration of the charitable funds or charitable assets of such organizations. Such information may only be inspected by or disclosed to a person other than the appropriate State officer if such person is an officer or employee of the State and is designated by the appropriate State officer to receive the returns or return information under this paragraph on behalf of the appropriate State officer.

"(4) Use in civil judicial and administrative proceedings.—Returns and return information disclosed pursuant to this subsection may be disclosed in civil administrative and civil judicial proceedings pertaining to the enforcement of State laws regulating such organizations in a manner prescribed by the Secretary similar to that for tax administration proceedings under section 6103(h)(4).

"(5) No disclosure if impairment.—Returns and return information shall not be disclosed under this subsection, or in any proceeding described in paragraph (4), to the extent that the Secretary determines that such disclosure would seriously impair Federal tax administration.

"(6) Definitions.—For purposes of this subsection—

"(A) RETURN AND RETURN INFORMATION.—The terms 'return' and 'return information' have the respective meanings given to such terms by section 6103(b).

"(B) APPROPRIATE STATE OFFICER.—The term 'appropriate State officer' means—

"(i) the State attorney general,

"(ii) the State tax officer,

"(iii) in the case of an organization to which paragraph (1) applies, any other State official charged with overseeing organizations of the type described in section 501(c)(3), and

"(iv) in the case of an organization to which paragraph (3) applies, the head of an agency designated by the State attorney general as having primary responsibility for overseeing the solicitation of funds for charitable purposes.".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 6103(a) is amended by inserting "or section 6104(c)" after "this section".

(2) Subparagraph (A) of section 6103(p)(3) is amended by inserting "and section 6104(c)" after "section" in the first sentence.

(3) Paragraph (4) of section 6103(p) is amended—

(A) in the matter preceding subparagraph (A), by inserting ", any appropriate State officer (as defined in section 6104(c))," before "or any other person",

(B) in subparagraph (F)(i), by inserting "any appropriate State officer (as defined in section 6104(c))," before "or any other person", and

(C) in the matter following subparagraph (F), by inserting ", an appropriate State officer (as defined in section 6104(c))," after "including an agency" each place it appears.

(4) The heading for paragraph (1) of section 6104(c) is amended by inserting "FOR CHARITABLE ORGANIZATIONS" after "RULE".

(5) Paragraph (2) of section 7213(a) is amended by inserting "or under section 6104(c)" after "6103".

(6) Paragraph (2) of section 7213A(a) is amended by inserting "or under section 6104(c)" after "7213(a)(2)".

(7) Paragraph (2) of section 7431(a) is amended by inserting " or in violation of section 6104(c)" after "6103".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act but shall not apply to requests made before such date.

SEC. 1225. PUBLIC DISCLOSURE OF INFORMATION RELATING TO UNRELATED BUSINESS INCOME TAX RETURNS.

(a) IN GENERAL.—Subparagraph (A) of section 6104(d)(1) is amended by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and by inserting after clause (i) the following new clause:

"(ii) any annual return filed under section 6011 which relates to any tax imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc., organizations) by such organization, but only if such organization is described in section 501(c)(3),".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to returns filed after the date of the enactment of this Act.

SEC. 1226. STUDY ON DONOR ADVISED FUNDS AND SUPPORTING ORGANIZATIONS.

(a) STUDY.—The Secretary of the Treasury shall undertake a study on the organization and operation of donor advised funds (as defined in section 4966(d)(2) of the Internal Revenue Code of 1986, as added by this Act) and of organizations described in section 509(a)(3) of such Code. The study shall specifically consider—

(1) whether the deductions allowed for the income, gift, or estate taxes for charitable contributions to sponsoring organizations (as defined in section 4966(d)(1) of such Code, as added by this Act) of donor advised funds or to organizations described in section 509(a)(3) of such Code are appropriate in consideration of—

(A) the use of contributed assets (including the type, extent, and timing of such use), or

(B) the use of the assets of such organizations for the benefit of the person making the charitable contribution (or a person related to such person),

(2) whether donor advised funds should be required to distribute for charitable purposes a specified amount (whether based on the income or assets of the fund) in order to ensure that the sponsoring organization with respect to such donor advised fund is operating consistent with the purposes or functions constituting the basis for its exemption under section 501, or its status as an organization described in section 509(a), of such Code,

(3) whether the retention by donors to organizations described in paragraph (1) of rights or privileges with respect to amounts transferred to such organizations (including advisory rights or privileges with respect to the making of grants or the investment of assets) is consistent with the treatment of such transfers as completed gifts that qualify for a deduction for income, gift, or estate taxes, and

(4) whether the issues raised by paragraphs (1), (2), and (3) are also issues with respect to other forms of charities or charitable donations.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of the Treasury shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the study conducted under subsection (a) and make such recommendations as the Secretary of the Treasury considers appropriate.

PART 2—IMPROVED ACCOUNTABILITY OF DONOR ADVISED FUNDS

SEC. 1231. EXCISE TAXES RELATING TO DONOR ADVISED FUNDS.

(a) IN GENERAL.—Chapter 42 (relating to private foundations and certain other tax-exempt organizations), as amended by the Tax Increase Prevention and Reconciliation Act of 2005, is amended by adding at the end the following new subchapter:

"Subchapter G—Donor Advised Funds

"Sec. 4966. Taxes on taxable distributions.
"Sec. 4967. Taxes on prohibited benefits.

"SEC. 4966. TAXES ON TAXABLE DISTRIBUTIONS.

"(a) IMPOSITION OF TAXES.—

"(1) ON THE SPONSORING ORGANIZATION.—There is hereby imposed on each taxable distribution a tax equal to 20 percent of the amount thereof. The tax imposed by this paragraph shall be paid by the sponsoring organization with respect to the donor advised fund.

"(2) ON THE FUND MANAGEMENT.—There is hereby imposed on the agreement of any fund manager to the making of a distribution, knowing that it is a taxable distribution, a tax equal to 5 percent of the amount thereof. The tax imposed by this paragraph shall be paid by any fund manager who agreed to the making of the distribution.

"(b) SPECIAL RULES.—For purposes of subsection (a)—

"(1) JOINT AND SEVERAL LIABILITY.—If more than one person is liable under subsection (a)(2) with respect to the making of a taxable distribution, all such persons shall be jointly and severally liable under such paragraph with respect to such distribution.

"(2) LIMIT FOR MANAGEMENT.—With respect to any one taxable distribution, the maximum amount of the tax imposed by subsection (a)(2) shall not exceed $10,000.

"(c) TAXABLE DISTRIBUTION.—For purposes of this section—

"(1) IN GENERAL.—The term 'taxable distribution' means any distribution from a donor advised fund—

"(A) to any natural person, or

"(B) to any other person if—

"(i) such distribution is for any purpose other than one specified in section 170(c)(2)(B), or

"(ii) the sponsoring organization does not exercise expenditure responsibility with respect to such distribution in accordance with section 4945(h).

"(2) EXCEPTIONS.—Such term shall not include any distribution from a donor advised fund—

"(A) to any organization described in section 170(b)(1)(A) (other than a disqualified supporting organization),

"(B) to the sponsoring organization of such donor advised fund, or

"(C) to any other donor advised fund.

"(d) DEFINITIONS.—For purposes of this subchapter—

"(1) SPONSORING ORGANIZATION.—The term 'sponsoring organization' means any organization which—

"(A) is described in section 170(c) (other than in paragraph (1) thereof, and without regard to paragraph (2)(A) thereof),

"(B) is not a private foundation (as defined in section 509(a)), and

"(C) maintains 1 or more donor advised funds.

"(2) DONOR ADVISED FUND.—

"(A) IN GENERAL.—Except as provided in subparagraph (B) or (C), the term 'donor advised fund' means a fund or account—

"(i) which is separately identified by reference to contributions of a donor or donors,

"(ii) which is owned and controlled by a sponsoring organization, and

"(iii) with respect to which a donor (or any person appointed or designated by such donor) has, or reasonably expects to have, advisory privileges with respect to the distribution or investment of amounts held in such fund or account by reason of the donor's status as a donor.

"(B) EXCEPTIONS.—The term 'donor advised fund' shall not include any fund or account—

"(i) which makes distributions only to a single identified organization or governmental entity, or

"(ii) with respect to which a person described in subparagraph (A)(iii) advises as to which individuals receive grants for travel, study, or other similar purposes, if—

"(I) such person's advisory privileges are performed exclusively by such person in the person's capacity as a member of a committee all of the members of which are appointed by the sponsoring organization,

"(II) no combination of persons described in subparagraph (A)(iii) (or persons related to such persons) control, directly or indirectly, such committee, and

"(III) all grants from such fund or account are awarded on an objective and nondiscriminatory basis pursuant to a procedure approved in advance by the board of directors of the sponsoring organization, and such procedure is designed to ensure that all such grants meet the requirements of paragraphs (1), (2), or (3) of section 4945(g).

‘‘(C) SECRETARIAL AUTHORITY.—The Secretary may exempt a fund or account not described in subparagraph (B) from treatment as a donor advised fund—

‘‘(i) if such fund or account is advised by a committee not directly or indirectly controlled by the donor or any person appointed or designated by the donor for the purpose of advising with respect to distributions from such fund (and any related parties), or

‘‘(ii) if such fund benefits a single identified charitable purpose.

‘‘(3) FUND MANAGER.—The term ‘fund manager’ means, with respect to any sponsoring organization—

‘‘(A) an officer, director, or trustee of such sponsoring organization (or an individual having powers or responsibilities similar to those of officers, directors, or trustees of the sponsoring organization), and

‘‘(B) with respect to any act (or failure to act), the employees of the sponsoring organization having authority or responsibility with respect to such act (or failure to act).

‘‘(4) DISQUALIFIED SUPPORTING ORGANIZATION.—

‘‘(A) IN GENERAL.—The term ‘disqualified supporting organization’ means, with respect to any distribution—

‘‘(i) any type III supporting organization (as defined in section 4943(f)(5)(A)) which is not a functionally integrated type III supporting organization (as defined in section 4943(f)(5)(B)), and

‘‘(ii) any organization which is described in subparagraph (B) or (C) if—

‘‘(I) the donor or any person designated by the donor for the purpose of advising with respect to distributions from a donor advised fund (and any related parties) directly or indirectly controls a supported organization (as defined in section 509(f)(3)) of such organization, or

‘‘(II) the Secretary determines by regulations that a distribution to such organization otherwise is inappropriate.

‘‘(B) TYPE I AND TYPE II SUPPORTING ORGANIZATIONS.—An organization is described in this subparagraph if the organization meets the requirements of subparagraphs (A) and (C) of section 509(a)(3) and is—

‘‘(i) operated, supervised, or controlled by one or more organizations described in paragraph (1) or (2) of section 509(a), or

‘‘(ii) supervised or controlled in connection with one or more such organizations.

‘‘(C) FUNCTIONALLY INTEGRATED TYPE III SUPPORTING ORGANIZATIONS.—An organization is described in this subparagraph if the organization is a functionally integrated type III supporting organization (as defined under section 4943(f)(5)(B)).

‘‘SEC. 4967. TAXES ON PROHIBITED BENEFITS.

‘‘(a) IMPOSITION OF TAXES.—

‘‘(1) ON THE DONOR, DONOR ADVISOR, OR RELATED PERSON.—There is hereby imposed on the advice of any person described in subsection (d) to have a sponsoring organization make a distribution from a donor advised fund which results in such person or any other person described in subsection (d) receiving, directly or indirectly, a more than incidental benefit as a result of such distribution, a tax equal to 125 percent of such benefit. The tax imposed by this paragraph shall be paid by any person described in subsection (d) who advises as to the distribution or who receives such a benefit as a result of the distribution.

‘‘(2) ON THE FUND MANAGEMENT.—There is hereby imposed on the agreement of any fund manager to the making of a distribution, knowing that such distribution would confer a benefit described in paragraph (1), a tax equal to 10 percent of the amount of such benefit. The tax imposed by this paragraph shall be paid by any fund manager who agreed to the making of the distribution.

‘‘(b) EXCEPTION.—No tax shall be imposed under this section with respect to any distribution if a tax has been imposed with respect to such distribution under section 4958.

‘‘(c) SPECIAL RULES.—For purposes of subsection (a)—

‘‘(1) JOINT AND SEVERAL LIABILITY.—If more than one person is liable under paragraph (1) or (2) of subsection (a) with respect to a distribution described in subsection (a), all such persons shall be jointly and severally liable under such paragraph with respect to such distribution.

‘‘(2) LIMIT FOR MANAGEMENT.—With respect to any one distribution described in subsection (a), the maximum amount of the tax imposed by subsection (a)(2) shall not exceed $10,000.

‘‘(d) PERSON DESCRIBED.—A person is described in this subsection if such person is described in section 4958(f)(7) with respect to a donor advised fund.’’.

(b) CONFORMING AMENDMENTS.—

(1) Section 4963 is amended by inserting ‘‘4966, 4967,’’ after ‘‘4958,’’ each place it appears in subsections (a) and (c).

(2) The table of subchapters for chapter 42 is amended by adding at the end the following new item:

‘‘SUBCHAPTER G. DONOR ADVISED FUNDS’’.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1232. EXCESS BENEFIT TRANSACTIONS INVOLVING DONOR ADVISED FUNDS AND SPONSORING ORGANIZATIONS.

(a) DISQUALIFIED PERSONS.—

(1) IN GENERAL.—Paragraph (1) of section 4958(f) is amended by striking ‘‘and’’ at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting a comma, and by adding after subparagraph (C) the following new subparagraphs:

‘‘(D) which involves a donor advised fund (as defined in section 4966(d)(2)), any person who is described in paragraph (7) with respect to such donor advised fund (as so defined), and

‘‘(E) which involves a sponsoring organization (as defined in section 4966(d)(1)), any person who is described in paragraph (8) with respect to such sponsoring organization (as so defined).’’.

(2) DONORS, DONOR ADVISORS, AND INVESTMENT ADVISORS TREATED AS DISQUALIFIED PERSONS.—Section 4958(f) is amended by adding at the end the following new paragraphs:

‘‘(7) DONORS AND DONOR ADVISORS.—For purposes of paragraph (1)(E), a person is described in this paragraph if such person—

‘‘(A) is described in section 4966(d)(2)(A)(iii),

‘‘(B) is a member of the family of an individual described in subparagraph (A), or

‘‘(C) is a 35-percent controlled entity (as defined in paragraph (3) by substituting ‘persons described in subparagraph (A) or (B) of paragraph (7)’ for ‘persons described in subparagraph (A) or (B) of paragraph (1)’ in subparagraph (A)(i) thereof).

‘‘(8) INVESTMENT ADVISORS.—For purposes of paragraph (1)(F)—

‘‘(A) IN GENERAL.—A person is described in this paragraph if such person—

‘‘(i) is an investment advisor,

‘‘(ii) is a member of the family of an individual described in clause (i), or

‘‘(iii) is a 35-percent controlled entity (as defined in paragraph (3) by substituting ‘persons described in clause (i) or (ii) of paragraph (8)(A)’ for ‘persons described in subparagraph (A) or (B) of paragraph (1)’ in subparagraph (A)(i) thereof).

‘‘(B) INVESTMENT ADVISOR DEFINED.—For purposes of subparagraph (A), the term ‘investment advisor’ means, with respect to any sponsoring organization (as defined in section 4966(d)(1)), any person (other than an employee of such organization) compensated by such organization for managing the investment of, or providing investment advice with respect to, assets maintained in donor advised funds (as defined in section 4966(d)(2)) owned by such organization.’’.

(b) CERTAIN TRANSACTIONS TREATED AS EXCESS BENEFIT TRANSACTIONS.—

(1) IN GENERAL.—Section 4958(c) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

‘‘(2) SPECIAL RULES FOR DONOR ADVISED FUNDS.—In the case of any donor advised fund (as defined in section 4966(d)(2))—

‘‘(A) the term ‘excess benefit transaction’ includes any grant, loan, compensation, or other similar payment from such fund to a person described in subsection (f)(7) with respect to such fund, and

‘‘(B) the term ‘excess benefit’ includes, with respect to any transaction described in subparagraph (A), the amount of any such grant, loan, compensation, or other similar payment.’’.

(2) SPECIAL RULE FOR CORRECTION OF TRANSACTION.—Section 4958(f)(6) is amended by inserting ‘‘, except that in the case of any correction of an excess benefit transaction described in subsection (c)(2), no amount repaid in a manner prescribed by the Secretary may be held in any donor advised fund’’ after ‘‘standards’’.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions occurring after the date of the enactment of this Act.

SEC. 1233. EXCESS BUSINESS HOLDINGS OF DONOR ADVISED FUNDS.

(a) IN GENERAL.—Section 4943 is amended by adding at the end the following new subsection:

‘‘(e) APPLICATION OF TAX TO DONOR ADVISED FUNDS.—

‘‘(1) IN GENERAL.—For purposes of this section, a donor advised fund (as defined in section 4966(d)(2)) shall be treated as a private foundation.

‘‘(2) DISQUALIFIED PERSON.—In applying this section to any donor advised fund (as so defined), the term ‘disqualified person’ means, with respect to the donor advised fund, any person who is—

‘‘(A) described in section 4966(d)(2)(A)(iii),

‘‘(B) a member of the family of an individual described in subparagraph (A), or

‘‘(C) a 35-percent controlled entity (as defined in section 4958(f)(3) by substituting ‘persons described in subparagraph (A) or (B) of section 4943(e)(2)’ for ‘persons described in subparagraph (A) or (B) of paragraph (1)’ in subparagraph (A)(i) thereof).

‘‘(3) PRESENT HOLDINGS.—For purposes of this subsection, rules similar to the rules of paragraphs (4), (5), and (6) of subsection (c) shall apply to donor advised funds (as so defined), except that—

‘‘(A) ‘the date of the enactment of this subsection’ shall be substituted for ‘May 26, 1969’ each place it appears in paragraphs (4), (5), and (6), and

‘‘(B) ‘January 1, 2007’ shall be substituted for ‘January 1, 1970’ in paragraph (4)(E).’’.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1234. TREATMENT OF CHARITABLE CONTRIBUTION DEDUCTIONS TO DONOR ADVISED FUNDS.

(a) Income.—Section 170(f) (relating to disallowance of deduction in certain cases and special rules), as amended by this Act, is amended by adding at the end the following new paragraph:

"(18) Contributions to donor advised funds.—A deduction otherwise allowed under subsection (a) for any contribution to a donor advised fund (as defined in section 4966(d)(2)) shall only be allowed if—

"(A) the sponsoring organization (as defined in section 4966(d)(1)) with respect to such donor advised fund is not—

"(i) described in paragraph (3), (4), or (5) of subsection (c), or

"(ii) a type III supporting organization (as defined in section 4943(f)(5)(A)) which is not a functionally integrated type III supporting organization (as defined in section 4943(f)(5)(B)), and

"(B) the taxpayer obtains a contemporaneous written acknowledgment (determined under rules similar to the rules of paragraph (8)(C)) from the sponsoring organization (as so defined) of such donor advised fund that such organization has exclusive legal control over the assets contributed.".

(b) Estate.—Section 2055(e) is amended by adding at the end the following new paragraph:

"(5) Contributions to donor advised funds.—A deduction otherwise allowed under subsection (a) for any contribution to a donor advised fund (as defined in section 4966(d)(2)) shall only be allowed if—

"(A) the sponsoring organization (as defined in section 4966(d)(1)) with respect to such donor advised fund is not—

"(i) described in paragraph (3) or (4) of subsection (a), or

"(ii) a type III supporting organization (as defined in section 4943(f)(5)(A)) which is not a functionally integrated type III supporting organization (as defined in section 4943(f)(5)(B)), and

"(B) the taxpayer obtains a contemporaneous written acknowledgment (determined under rules similar to the rules of section 170(f)(8)(C)) from the sponsoring organization (as so defined) of such donor advised fund that such organization has exclusive legal control over the assets contributed.".

(c) Gift.—Section 2522(c) is amended by adding at the end the following new paragraph:

"(5) Contributions to donor advised funds.—A deduction otherwise allowed under subsection (a) for any contribution to a donor advised fund (as defined in section 4966(d)(2)) shall only be allowed if—

"(A) the sponsoring organization (as defined in section 4966(d)(1)) with respect to such donor advised fund is not—

"(i) described in paragraph (3) or (4) of subsection (a), or

"(ii) a type III supporting organization (as defined in section 4943(f)(5)(A)) which is not a functionally integrated type III supporting organization (as defined in section 4943(f)(5)(B)), and

"(B) the taxpayer obtains a contemporaneous written acknowledgment (determined under rules similar to the rules of section 170(f)(8)(C)) from the sponsoring organization (as so defined) of such donor advised fund that such organization has exclusive legal control over the assets contributed.".

(d) Effective Date.—The amendments made by this section shall apply to contributions made after the date which is 180 days after the date of the enactment of this Act.

SEC. 1235. RETURNS OF, AND APPLICATIONS FOR RECOGNITION BY, SPONSORING ORGANIZATIONS.

(a) Matters Included on Returns.—

(1) In general.—Section 6033, as amended by this Act, is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

"(k) Additional Provisions Relating to Sponsoring Organizations.—Every organization described in section 4966(d)(1) shall, on the return required under subsection (a) for the taxable year—

"(1) list the total number of donor advised funds (as defined in section 4966(d)(2)) it owns at the end of such taxable year,

"(2) indicate the aggregate value of assets held in such funds at the end of such taxable year, and

"(3) indicate the aggregate contributions to and grants made from such funds during such taxable year.".

(2) Effective date.—The amendments made by this subsection shall apply to returns filed for taxable years ending after the date of the enactment of this Act.

(b) Matters Included on Exempt Status Application.—

(1) In general.—Section 508 is amended by adding at the end the following new subsection:

"(f) Additional Provisions Relating to Sponsoring Organizations.—A sponsoring organization (as defined in section 4966(d)(1)) shall give notice to the Secretary (in such manner as the Secretary may provide) whether such organization maintains or intends to maintain donor advised funds (as defined in section 4966(d)(2)) and the manner in which such organization plans to operate such funds.".

(2) Effective date.—The amendment made by this subsection shall apply to organizations applying for tax-exempt status after the date of the enactment of this Act.

PART 3—IMPROVED ACCOUNTABILITY OF SUPPORTING ORGANIZATIONS

SEC. 1241. REQUIREMENTS FOR SUPPORTING ORGANIZATIONS.

(a) Types of Supporting Organizations.—Subparagraph (B) of section 509(a)(3) is amended to read as follows:

"(B) is—

"(i) operated, supervised, or controlled by one or more organizations described in paragraph (1) or (2),

"(ii) supervised or controlled in connection with one or more such organizations, or

"(iii) operated in connection with one or more such organizations, and".

(b) Requirements for Supporting Organizations.—Section 509 (relating to private foundation defined) is amended by adding at the end the following new subsection:

"(f) Requirements for Supporting Organizations.—

"(1) Type III supporting organizations.—For purposes of subsection (a)(3)(B)(iii), an organization shall not be considered to be operated in connection with any organization described in paragraph (1) or (2) of subsection (a) unless such organization meets the following requirements:

"(A) Responsiveness.—For each taxable year beginning after the date of the enactment of this subsection, the organization provides to each supported organization such information as the Secretary may require to ensure that such organization is responsive to the needs or demands of the supported organization.

"(B) Foreign supported organizations.—

"(i) In general.—The organization is not operated in connection with any supported organization that is not organized in the United States.

"(ii) Transition rule for existing organizations.—If the organization is operated in connection with an organization that is not organized in the United States on the date of the enactment of this subsection, clause (i) shall not apply until the first day of the third taxable year of the organization beginning after the date of the enactment of this subsection.

"(2) Organizations controlled by donors.—

"(A) In general.—For purposes of subsection (a)(3)(B), an organization shall not be considered to be—

"(i) operated, supervised, or controlled by any organization described in paragraph (1) or (2) of subsection (a), or

"(ii) operated in connection with any organization described in paragraph (1) or (2) of subsection (a),

if such organization accepts any gift or contribution from any person described in subparagraph (B).

"(B) Person described.—A person is described in this subparagraph if, with respect to a supported organization of an organization described in subparagraph (A), such person is—

"(i) a person (other than an organization described in paragraph (1), (2), or (4) of section 509(a)) who directly or indirectly controls, either alone or together with persons described in clauses (ii) and (iii), the governing body of such supported organization,

"(ii) a member of the family (determined under section 4958(f)(4)) of an individual described in clause (i), or

"(iii) a 35-percent controlled entity (as defined in section 4958(f)(3) by substituting 'persons described in clause (i) or (ii) of section 509(f)(2)(B)' for 'persons described in subparagraph (A) or (B) of paragraph (1)' in subparagraph (A)(i) thereof).

"(3) Supported organization.—For purposes of this subsection, the term 'supported organization' means, with respect to an organization described in subsection (a)(3), an organization described in paragraph (1) or (2) of subsection (a)—

"(A) for whose benefit the organization described in subsection (a)(3) is organized and operated, or

"(B) with respect to which the organization performs the functions of, or carries out the purposes of.".

(c) Charitable Trusts Which Are Type III Supporting Organizations.—For purposes of section 509(a)(3)(B)(iii) of the Internal Revenue Code of 1986, an organization which is a trust shall not be considered to be operated in connection with any organization described in paragraph (1) or (2) of section 509(a) of such Code solely because—

(1) it is a charitable trust under State law,

(2) the supported organization (as defined in section 509(f)(3) of such Code) is a beneficiary of such trust, and

(3) the supported organization (as so defined) has the power to enforce the trust and compel an accounting.

(d) Payout Requirements for Type III Supporting Organizations.—

(1) In general.—The Secretary of the Treasury shall promulgate new regulations under section 509 of the Internal Revenue Code of 1986 on payments required by type III supporting organizations which are not functionally integrated type III supporting organizations. Such regulations shall require

such organizations to make distributions of a percentage of either income or assets to supported organizations (as defined in section 509(f)(3) of such Code) in order to ensure that a significant amount is paid to such organizations.

(2) TYPE III SUPPORTING ORGANIZATION; FUNCTIONALLY INTEGRATED TYPE III SUPPORTING ORGANIZATION.—For purposes of paragraph (1), the terms "type III supporting organization" and "functionally integrated type III supporting organization" have the meanings given such terms under subparagraphs (A) and (B) section 4943(f)(5) of the Internal Revenue Code of 1986 (as added by this Act), respectively.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act.

(2) CHARITABLE TRUSTS WHICH ARE TYPE III SUPPORTING ORGANIZATIONS.—Subsection (c) shall take effect—

(A) in the case of trusts operated in connection with an organization described in paragraph (1) or (2) of section 509(a) of the Internal Revenue Code of 1986 on the date of the enactment of this Act, on the date that is one year after the date of the enactment of this Act, and

(B) in the case of any other trust, on the date of the enactment of this Act.

SEC. 1242. EXCESS BENEFIT TRANSACTIONS INVOLVING SUPPORTING ORGANIZATIONS.

(a) DISQUALIFIED PERSONS.—Paragraph (1) of section 4958(f), as amended by this Act, is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by adding after subparagraph (C) the following new subparagraph:

"(D) any person who is described in subparagraph (A), (B), or (C) with respect to an organization described in section 509(a)(3) and organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the applicable tax-exempt organization.".

(b) CERTAIN TRANSACTIONS TREATED AS EXCESS BENEFIT TRANSACTIONS.—Section 4958(c), as amended by this Act, is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) SPECIAL RULES FOR SUPPORTING ORGANIZATIONS.—

"(A) IN GENERAL.—In the case of any organization described in section 509(a)(3)—

"(i) the term 'excess benefit transaction' includes—

"(I) any grant, loan, compensation, or other similar payment provided by such organization to a person described in subparagraph (B), and

"(II) any loan provided by such organization to a disqualified person (other than an organization described in paragraph (1), (2), or (4) of section 509(a)), and

"(ii) the term 'excess benefit' includes, with respect to any transaction described in clause (i), the amount of any such grant, loan, compensation, or other similar payment.

"(B) PERSON DESCRIBED.—A person is described in this subparagraph if such person is—

"(i) a substantial contributor to such organization,

"(ii) a member of the family (determined under section 4958(f)(4)) of an individual described in clause (i), or

"(iii) a 35-percent controlled entity (as defined in section 4958(f)(3) by substituting 'persons described in clause (i) or (ii) of section 4958(c)(3)(B)' for 'persons described in subparagraph (A) or (B) of paragraph (1)' in subparagraph (A)(i) thereof).

"(C) SUBSTANTIAL CONTRIBUTOR.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'substantial contributor' means any person who contributed or bequeathed an aggregate amount of more than $5,000 to the organization, if such amount is more than 2 percent of the total contributions and bequests received by the organization before the close of the taxable year of the organization in which the contribution or bequest is received by the organization from such person. In the case of a trust, such term also means the creator of the trust. Rules similar to the rules of subparagraphs (B) and (C) of section 507(d)(2) shall apply for purposes of this subparagraph.

"(ii) EXCEPTION.—Such term shall not include any organization described in paragraph (1), (2), or (4) of section 509(a).".

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to transactions occurring after the date of the enactment of this Act.

(2) SUBSECTION (b).—The amendments made by subsection (a) shall apply to transactions occurring after July 25, 2006.

SEC. 1243. EXCESS BUSINESS HOLDINGS OF SUPPORTING ORGANIZATIONS.

(a) IN GENERAL.—Section 4943, as amended by this Act, is amended by adding at the end the following new subsection:

"(f) APPLICATION OF TAX TO SUPPORTING ORGANIZATIONS.—

"(1) IN GENERAL.—For purposes of this section, an organization which is described in paragraph (3) shall be treated as a private foundation.

"(2) EXCEPTION.—The Secretary may exempt the excess business holdings of any organization from the application of this subsection if the Secretary determines that such holdings are consistent with the purpose or function constituting the basis for its exemption under section 501.

"(3) ORGANIZATIONS DESCRIBED.—An organization is described in this paragraph if such organization is—

"(A) a type III supporting organization (other than a functionally integrated type III supporting organization), or

"(B) an organization which meets the requirements of subparagraphs (A) and (C) of section 509(a)(3) and which is supervised or controlled in connection with or one or more organizations described in paragraph (1) or (2) of section 509(a), but only if such organization accepts any gift or contribution from any person described in section 509(f)(2)(B).

"(4) DISQUALIFIED PERSON.—

"(A) IN GENERAL.—In applying this section to any organization described in paragraph (3), the term 'disqualified person' means, with respect to the organization—

"(i) any person who was, at any time during the 5-year period ending on the date described in subsection (a)(2)(A), in a position to exercise substantial influence over the affairs of the organization,

"(ii) any member of the family (determined under section 4958(f)(4)) of an individual described in clause (i),

"(iii) any 35-percent controlled entity (as defined in section 4958(f)(3) by substituting 'persons described in clause (i) or (ii) of section 4943(f)(4)(A)' for 'persons described in subparagraph (A) or (B) of paragraph (1)' in subparagraph (A)(i) thereof),

"(iv) any person described in section 4958(c)(3)(B), and

"(v) any organization—

"(I) which is effectively controlled (directly or indirectly) by the same person or persons who control the organization in question, or

"(II) substantially all of the contributions to which were made (directly or indirectly) by the same person or persons described in subparagraph (B) or a member of the family (within the meaning of section 4946(d)) of such a person.

"(B) PERSONS DESCRIBED.—A person is described in this subparagraph if such person is—

"(i) a substantial contributor to the organization (as defined in section 4958(c)(3)(C)),

"(ii) an officer, director, or trustee of the organization (or an individual having powers or responsibilities similar to those of the officers, directors, or trustees of the organization), or

"(iii) an owner of more than 20 percent of—

"(I) the total combined voting power of a corporation,

"(II) the profits interest of a partnership, or

"(III) the beneficial interest of a trust or unincorporated enterprise,

which is a substantial contributor (as so defined) to the organization.

"(5) TYPE III SUPPORTING ORGANIZATION; FUNCTIONALLY INTEGRATED TYPE III SUPPORTING ORGANIZATION.—For purposes of this subsection—

"(A) TYPE III SUPPORTING ORGANIZATION.—The term 'type III supporting organization' means an organization which meets the requirements of subparagraphs (A) and (C) of section 509(a)(3) and which is operated in connection with one or more organizations described in paragraph (1) or (2) of section 509(a).

"(B) FUNCTIONALLY INTEGRATED TYPE III SUPPORTING ORGANIZATION.—The term 'functionally integrated type III supporting organization' means a type III supporting organization which is not required under regulations established by the Secretary to make payments to supported organizations (as defined under section 509(f)(3)) due to the activities of the organization related to performing the functions of, or carrying out the purposes of, such supported organizations.

"(6) SPECIAL RULE FOR CERTAIN HOLDINGS OF TYPE III SUPPORTING ORGANIZATIONS.—For purposes of this subsection, the term 'excess business holdings' shall not include any holdings of a type III supporting organization in any business enterprise if, as of November 18, 2005, the holdings were held (and at all times thereafter, are held) for the benefit of the community pursuant to the direction of a State attorney general or a State official with jurisdiction over such organization.

"(7) PRESENT HOLDINGS.—For purposes of this subsection, rules similar to the rules of paragraphs (4), (5), and (6) of subsection (c) shall apply to organizations described in section 509(a)(3), except that—

"(A) 'the date of the enactment of this subsection' shall be substituted for 'May 26, 1969' each place it appears in paragraphs (4), (5), and (6), and

"(B) 'January 1, 2007' shall be substituted for 'January 1, 1970' in paragraph (4)(E).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 1244. TREATMENT OF AMOUNTS PAID TO SUPPORTING ORGANIZATIONS BY PRIVATE FOUNDATIONS.

(a) QUALIFYING DISTRIBUTIONS.—Paragraph (4) of section 4942(g) is amended to read as follows:

"(4) LIMITATION ON DISTRIBUTIONS BY NONOPERATING PRIVATE FOUNDATIONS TO SUPPORTING ORGANIZATIONS.—

"(A) IN GENERAL.—For purposes of this section, the term 'qualifying distribution' shall not include any amount paid by a private foundation which is not an operating foundation to—

"(i) any type III supporting organization (as defined in section 4943(f)(5)(A)) which is not a functionally integrated type III supporting organization (as defined in section 4943(f)(5)(B)), and

"(ii) any organization which is described in subparagraph (B) or (C) if—

"(I) a disqualified person of the private foundation directly or indirectly controls such organization or a supported organization (as defined in section 509(f)(3)) of such organization, or

"(II) the Secretary determines by regulations that a distribution to such organization otherwise is inappropriate.

"(B) TYPE I AND TYPE II SUPPORTING ORGANIZATIONS.—An organization is described in this subparagraph if the organization meets the requirements of subparagraphs (A) and (C) of section 509(a)(3) and is—

"(i) operated, supervised, or controlled by one or more organizations described in paragraph (1) or (2) of section 509(a), or

"(ii) supervised or controlled in connection with one or more such organizations.

"(C) FUNCTIONALLY INTEGRATED TYPE III SUPPORTING ORGANIZATIONS.—An organization is described in this subparagraph if the organization is a functionally integrated type III supporting organization (as defined under section 4943(f)(5)(B)).".

(b) TAXABLE EXPENDITURES.—Subparagraph (A) of section 4945(d)(4) is amended to read as follows:

"(A) such organization—

"(i) is described in paragraph (1) or (2) of section 509(a),

"(ii) is an organization described in section 509(a)(3) (other than an organization described in clause (i) or (ii) of section 4942(g)(4)(A)), or

"(iii) is an exempt operating foundation (as defined in section 4940(d)(2)), or".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions and expenditures after the date of the enactment of this Act.

SEC. 1245. RETURNS OF SUPPORTING ORGANIZATIONS.

(a) REQUIREMENT TO FILE RETURN.—Subparagraph (B) of section 6033(a)(3) is amended by inserting "(other than an organization described in section 509(a)(3))" after "paragraph (1)".

(b) MATTERS INCLUDED ON RETURNS.—Section 6033, as amended by this Act, is amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

"(l) ADDITIONAL PROVISIONS RELATING TO SUPPORTING ORGANIZATIONS.—Every organization described in section 509(a)(3) shall, on the return required under subsection (a)—

"(1) list the supported organizations (as defined in section 509(f)(3)) with respect to which such organization provides support,

"(2) indicate whether the organization meets the requirements of clause (i), (ii), or (iii) of section 509(a)(3)(B), and

"(3) certify that the organization meets the requirements of section 509(a)(3)(C).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns filed for taxable years ending after the date of the enactment of this Act.

TITLE XIII—OTHER PROVISIONS

SEC. 1301. TECHNICAL CORRECTIONS RELATING TO MINE SAFETY.

Section 110 of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 820), as amended by the Mine Improvement and New Emergency Response Act of 2006 (Public Law 109-236), is amended—

(1) by striking subsection (d); and

(2) in subsection (a)—

(A) by striking "(1)(1) The operator" and inserting "(1) The operator";

(B) in the paragraph (2) added by section 8(a)(1)(B) of the Mine Improvement and New Emergency Response Act of 2006 (Public Law 109-236)—

(i) by striking "paragraph (1)" and inserting "subsection (a)(1)"; and

(ii) by redesignating such paragraph as subsection (d) and transferring such subsection so as to appear after subsection (c); and

(3) in subsection (b)—

(A) by striking "Any operator" and inserting "(1) Any operator"; and

(B) in the second sentence, as added by section 8(a)(2) of the Mine Improvement and New Emergency Response Act of 2006 (Public Law 109-236), by striking "Violations" and inserting the following:

"(2) Violations".

SEC. 1302. GOING-TO-THE-SUN ROAD.

(a) IN GENERAL.—Section 1940 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (119 Stat. 1511) is amended—

(1) in subsection (a)—

(A) by striking paragraphs (1) and (2);

(B) by redesignating paragraphs (3) through (5) as paragraphs (1) through (3), respectively; and

(C) by striking "$10,000,000" each place that it appears and inserting "$16,666,666"; and

(2) by adding at the end the following:

"(c) CONTRACT AUTHORITY.—Except as otherwise provided in this section, funds authorized to be appropriated under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.".

(b) RESCISSION.—Section 10212 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (119 Stat. 1937) is amended by striking "$8,543,000,000" each place it appears and inserting "$8,593,000,000".

SEC. 1303. EXCEPTION TO THE LOCAL FURNISHING REQUIREMENT OF THE TAX-EXEMPT BOND RULES.

(a) SNETTISHAM HYDROELECTRIC FACILITY.—For purposes of determining whether any private activity bond issued before May 31, 2006, and used to finance the acquisition of the Snettisham hydroelectric facility is a qualified bond for purposes of section 142(a)(8) of the Internal Revenue Code of 1986, the electricity furnished by such facility to the City of Hoonah, Alaska, shall not be taken into account for purposes of section 142(f)(1) of such Code.

(b) LAKE DOROTHY HYDROELECTRIC FACILITY.—For purposes of determining whether any private activity bond issued before May 31, 2006, and used to finance the Lake Dorothy hydroelectric facility is a qualified bond for purposes of section 142(a)(8) of the Internal Revenue Code of 1986, the electricity furnished by such facility to the City of Hoonah, Alaska, shall not be taken into account for purposes of paragraphs (1) and (3) of section 142(f) of such Code.

(c) DEFINITIONS.—For purposes of this section—

(1) LAKE DOROTHY HYDROELECTRIC FACILITY.—The term "Lake Dorothy hydroelectric facility" means the hydroelectric facility located approximately 10 miles south of Juneau, Alaska, and commonly referred to as the "Lake Dorothy project".

(2) SNETTISHAM HYDROELECTRIC FACILITY.—The term "Snettisham hydroelectric facility" means the hydroelectric project described in section 1804 of the Small Business Job Protection Act of 1996.

SEC. 1304. QUALIFIED TUITION PROGRAMS.

(a) PERMANENT EXTENSION OF MODIFICATIONS.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset provisions) shall not apply to section 402 of such Act (relating to modifications to qualified tuition programs).

(b) REGULATORY AUTHORITY TO PREVENT ABUSE.—Section 529 (relating to qualified tuition programs) is amended by adding at the end the following new subsection:

"(f) REGULATIONS.—Notwithstanding any other provision of this section, the Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section and to prevent abuse of such purposes, including regulations under chapters 11, 12, and 13 of this title.".

TITLE XIV—TARIFF PROVISIONS

SEC. 1401. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the "Miscellaneous Trade and Technical Corrections Act of 2006".

(b) TABLE OF CONTENTS.—The table of contents of this title is as follows:

TITLE XIV—TARIFF PROVISIONS

Sec. 1401. Short title; table of contents.
Sec. 1402. Reference.

Subtitle A—Temporary Duty Suspensions and Reductions

CHAPTER 1—NEW DUTY SUSPENSIONS AND REDUCTIONS

Sec. 1411. Certain non-knit gloves designed for use by auto mechanics.
Sec. 1412. Certain microphones for use in automotive interiors.
Sec. 1413. Acrylic or modacrylic synthetic filament tow.
Sec. 1414. Acrylic or modacrylic synthetic staple fibers, carded, combed, or otherwise processed for spinning.
Sec. 1415. Nitrocellulose.
Sec. 1416. Potassium sorbate.
Sec. 1417. Sorbic acid.
Sec. 1418. Certain capers.
Sec. 1419. Certain pepperoncini prepared or preserved otherwise than by vinegar or acetic acid.
Sec. 1420. Certain capers.
Sec. 1421. Certain pepperoncini prepared or preserved by vinegar or acetic acid in concentrations at 0.5 percent or greater.
Sec. 1422. Certain pepperoncini prepared or preserved otherwise than by vinegar or acetic acid in concentrations less than 0.5 percent.
Sec. 1423. Chloral.
Sec. 1424. Imidacloprid technical (imidacloprid).
Sec. 1425. Triadimefon.
Sec. 1426. Polyethylene HE1878.
Sec. 1427. Thiacloprid.
Sec. 1428. Pyrimethanil.

Sec. 1429. Foramsulfuron.
Sec. 1430. Fenamidone.
Sec. 1431. Cyclanilide technical.
Sec. 1432. Para-benzoquinone.
Sec. 1433. O-Anisidine.
Sec. 1434. 2,4-Xylidine.
Sec. 1435. Crotonaldehyde.
Sec. 1436. Butanedioic acid, dimethyl ester, polymer with 4-hydroxy-2,2,6,6,-tetramethyl-1-piperidineethanol.
Sec. 1437. Mixtures of CAS Nos. 106990-43-6 and 65447-77-0.
Sec. 1438. MCPA.
Sec. 1439. Bronate advanced.
Sec. 1440. Bromoxynil octanoate tech.
Sec. 1441. Bromoxynil meo.
Sec. 1442. Hydraulic control units.
Sec. 1443. Shield asy-steering gear.
Sec. 1444. 2,4-Dichloroaniline.
Sec. 1445. 2-Acetylbutyrolactone.
Sec. 1446. Alkylketone.
Sec. 1447. Cyfluthrin (baythroid).
Sec. 1448. Beta-cyfluthrin.
Sec. 1449. Cyclopropane-1,1-dicarboxylic acid, dimethyl ester.
Sec. 1450. Spiroxamine.
Sec. 1451. Spiromesifen.
Sec. 1452. 4-Chlorobenzaldehyde.
Sec. 1453. Oxadiazon.
Sec. 1454. NAHP.
Sec. 1455. Phosphorus thiochloride.
Sec. 1456. Trifloxystrobin.
Sec. 1457. Phosphoric acid, lanthanum salt, cerium terbium-doped.
Sec. 1458. Lutetium oxide.
Sec. 1459. ACM.
Sec. 1460. Permethrin.
Sec. 1461. Thidiazuron.
Sec. 1462. Flutolanil.
Sec. 1463. Resmethrin.
Sec. 1464. Clothianidin.
Sec. 1465. Certain master cylinder assembles.
Sec. 1466. Certain transaxles.
Sec. 1467. Converter asy.
Sec. 1468. Module and bracket asy-power steering.
Sec. 1469. Unit asy-battery hi volt.
Sec. 1470. Certain articles of natural cork.
Sec. 1471. Glyoxylic acid.
Sec. 1472. Cyclopentanone.
Sec. 1473. Mesotrione technical.
Sec. 1474. Malonic acid-dinitrile 50% NMP.
Sec. 1475. Formulations of NOA 446510.
Sec. 1476. DEMBB distilled-ISO tank.
Sec. 1477. Methylionone.
Sec. 1478. Certain acrylic fiber tow.
Sec. 1479. Certain acrylic fiber tow.
Sec. 1480. MKH 6561 isocyanate.
Sec. 1481. Endosulfan.
Sec. 1482. Tetraconazole.
Sec. 1483. M-alcohol.
Sec. 1484. Certain machines for use in the assembly of motorcycle wheels.
Sec. 1485. Deltamethrin.
Sec. 1486. Palm fatty acid distillate.
Sec. 1487. 4-Methoxy-2-methyldiphenylamine.
Sec. 1488. 2-Methylhydroquinone.
Sec. 1489. 1-Fluoro-2-nitrobenzene.
Sec. 1490. Cosmetic bags with a flexible outer surface of reinforced or laminated polyvinyl chloride (PVC).
Sec. 1491. Mixtures of methyl 4-iodo-2-[3-(4-methoxy-6-methyl-1,3,5-triazin-2-yl)ureidosulfonyl]benzoate, sodium salt (iodosulfuron methyl, sodium salt).
Sec. 1492. Ethyl 4,5-dihydro-5,5-diphenyl-1,2-oxazole-3-carboxylate (isoxadifen-ethyl).
Sec. 1493. (5-cyclopropyl-4-isoxazolyl)[2-(methylsulfonyl)-4-(trifluoromethyl)phenyl]methanone (isoxaflutole).
Sec. 1494. Methyl 2-[(4,6-dimethoxypyrimidin-2-ylcarbamoyl)sulfamoyl]-α-(methanesulfonamido)-p-toluate (mesosulfuron-methyl) whether or not mixed with application adjuvants.
Sec. 1495. Mixtures of foramsulfuron and iodosulfuron-methyl-sodium.
Sec. 1496. Vulcuren UPKA 1988.
Sec. 1497. Vullcanox 41010 NA/LG.
Sec. 1498. Vulkazon AFS/LG.
Sec. 1499. P-Anisaldehyde.
Sec. 1500. 1,2-Pentanediol.
Sec. 1501. Agrumex.
Sec. 1502. Cohedur RL.
Sec. 1503. Formulations of prosulfuron.
Sec. 1504. Lewatit.
Sec. 1505. Para-Chlorophenol.
Sec. 1506. Cypermethrin.
Sec. 1507. Ion-exchange resin powder.
Sec. 1508. Ion-exchange resin powder.
Sec. 1509. Desmodur E 14.
Sec. 1510. Desmodur VP LS 2253.
Sec. 1511. Desmodur R-E.
Sec. 1512. Walocel MW 3000 PFV.
Sec. 1513. TSME.
Sec. 1514. Walocel VP-M 20660.
Sec. 1515. Xama 2.
Sec. 1516. Xama 7.
Sec. 1517. Certain cases for toys.
Sec. 1518. Certain cases for toys.
Sec. 1519. Aniline 2.5-disulfonic acid.
Sec. 1520. 1,4-benzenedicarboxylic acid, polymer with n,n′-bis(2-aminoethyl)-1,2-ethanediamine, cyclized, methosulfate.
Sec. 1521. Sulfur blue 7.
Sec. 1522. Formaldehyde, reaction products with 1,4-benzenediol and m-phenylenediamine, sulfurized.
Sec. 1523. Isocyanatosulfonyl.
Sec. 1524. Isocyanatosulfonyl.
Sec. 1525. Gemifloxacin, gemifloxacin mesylate, and gemifloxacin mesylate sesquihydrate.
Sec. 1526. Butralin.
Sec. 1527. Spirodiclofen.
Sec. 1528. Propamocarb HCL (PREVICUR).
Sec. 1529. Desmodur IL.
Sec. 1530. Chloroacetone.
Sec. 1531. IPN (isophthalonitrile).
Sec. 1532. NOA 446510 technical.
Sec. 1533. Hexythiazox technical.
Sec. 1534. Crelan (self-blocked cycloaliphatic polyuretdione).
Sec. 1535. Aspirin.
Sec. 1536. Desmodur BL XP 2468.
Sec. 1537. Desmodur RF-E.
Sec. 1538. Desmodur HL.
Sec. 1539. D-Mannose.
Sec. 1540. Certain camel hair.
Sec. 1541. Waste of camel hair.
Sec. 1542. Certain camel hair.
Sec. 1543. Woven fabric of vicuna hair.
Sec. 1544. Certain camel hair.
Sec. 1545. Noils of camel hair.
Sec. 1546. Chloroacetic acid, ethyl ester.
Sec. 1547. Chloroacetic acid, sodium salt.
Sec. 1548. Low expansion laboratory glass.
Sec. 1549. Stoppers, lids, and other closures.
Sec. 1550. Pigment yellow 213.
Sec. 1551. Indoxacarb.
Sec. 1552. Dimethyl carbonate.
Sec. 1553. 5-Chloro-1-indanone (EK179).
Sec. 1554. Mixtures of famoxadone and cymoxanil.
Sec. 1555. Decanedioic acid, bis(2,2,6,6-tetramethyl-4-piperidinyl) ester.
Sec. 1556. Acid blue 80.
Sec. 1557. Pigment brown 25.
Sec. 1558. Formulations of azoxystrobin.
Sec. 1559. Formulations of pinoxaden/cloquintocet.
Sec. 1560. Mixtures of difenoconazole/mefenoxam.
Sec. 1561. Fludioxinil technical.
Sec. 1562. Mixtures of clodinafop-propargyl.
Sec. 1563. Avermectin b, 1,4″-deoxy-4″-methylamino-, (4″r)-, benzoate.
Sec. 1564. Cloquintocet-mexyl.
Sec. 1565. Metalaxyl-M technical.
Sec. 1566. Cyproconazole technical.
Sec. 1567. Pinoxaden technical.
Sec. 1568. Mixtures of tralkoxydim.
Sec. 1569. Certain chemicals.
Sec. 1570. Mixtures of (±)-(cis and trans)-1-[[2-(2,4-dichlorophenyl)-4-propyl-1,3-dioxolan-2-yl]-methyl]-1h-1,2,4-triazole.
Sec. 1571. Paraquat dichloride.
Sec. 1572. Certain basketballs.
Sec. 1573. Certain leather basketballs.
Sec. 1574. Certain rubber basketballs.
Sec. 1575. Certain volleyballs.
Sec. 1576. 4-Chloro-3-[[3-(4-methoxyphenyl)-1,3-dioxopropyl]-amino]-dodecyl ester.
Sec. 1577. Linuron.
Sec. 1578. N,N-Dimethylpiperidinium chloride (mepiquat chloride).
Sec. 1579. Diuron.
Sec. 1580. Formulated product Krovar I DF.
Sec. 1581. Triasulfuron technical.
Sec. 1582. Brodifacoum technical.
Sec. 1583. Pymetrozine technical.
Sec. 1584. Formulations of thiamethoxam, difenoconazole, fludioxinil, and mefenoxam.
Sec. 1585. Trifloxysulfuron-sodium technical.
Sec. 1586. 2 Benzylthio-3-ethyl sulfonyl pyridine.
Sec. 1587. 2-Amino-4-methoxy-6-methyl-1,3,5-triazine.
Sec. 1588. Formulated products containing mixtures of the active ingredient 2-chloro-n-[[(4-methoxy-6-methyl-1,3,5-triazin-2yl) amino]carbonyl] benzenesulfonamide and application adjuvants.
Sec. 1589. 2-methyl-4-methoxy-6-methylamino-1,3,5-triazine.
Sec. 1590. Mixtures of sodium-2-chloro-6-[(4,6 dimethoxypyrimidin-2-yl)thio]benzoate and application adjuvants (pyrithiobac-sodium).
Sec. 1591. Certain decorative plates, decorative sculptures, decorative plaques, and architectural miniatures.
Sec. 1592. Certain music boxes.
Sec. 1593. 2-Methyl-4-chlorophenoxyacetic acid.
Sec. 1594. Phenmedipham.
Sec. 1595. Desmedipham.
Sec. 1596. Certain footwear with open toes or heels.
Sec. 1597. Certain work footwear.
Sec. 1598. Certain refracting and reflecting telescopes.
Sec. 1600. Certain work footwear.
Sec. 1601. Certain footwear for men.
Sec. 1602. Certain rubber or plastic footwear.
Sec. 1604. Zinc dimethyldithiocarbamate.
Sec. 1605. Certain liquid crystal device (LCD) panel assemblies.
Sec. 1606. Certain watertube boilers and reactor vessel heads.

CHAPTER 2—EXISTING DUTY SUSPENSIONS AND REDUCTIONS

Sec. 1611. Extension of certain existing duty suspensions and reductions.

Subtitle B—Other Tariff Provisions

CHAPTER 1—LIQUIDATION OR RELIQUIDATION OF CERTAIN ENTRIES

Sec. 1621. Certain tramway cars and associated spare parts.

Sec. 1622. Reliquidation of certain entries of candles.
Sec. 1623. Certain entries of roller chain.
Sec. 1624. Certain entries of soundspa clock radios.

CHAPTER 2—MISCELLANEOUS PROVISIONS

Sec. 1631. Vessel repair duties.
Sec. 1632. Suspension of new shipper review provision.
Sec. 1633. Extension and modification of duty suspension on wool products; wool research fund; wool duty refunds.
Sec. 1634. Authorities relating to DR–CAFTA Agreement.
Sec. 1635. Technical amendments to Customs modernization.

Subtitle C—Effective Date

Sec. 1641. Effective date.

SEC. 1402. REFERENCE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a chapter, subchapter, note, additional U.S. note, heading, subheading, or other provision, the reference shall be considered to be made to a chapter, subchapter, note, additional U.S. note, heading, subheading, or other provision of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007).

Subtitle A—Temporary Duty Suspensions and Reductions

CHAPTER 1—NEW DUTY SUSPENSIONS AND REDUCTIONS

SEC. 1411. CERTAIN NON-KNIT GLOVES DESIGNED FOR USE BY AUTO MECHANICS.

(a) IN GENERAL.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new headings:

"	9902.14.01	Mechanics' work gloves, valued not over $3.50 per pair (provided for in subheading 6216.00.58)	2.8%	No change	No change	On or before 12/31/2009	
	9902.14.02	Mechanics' work gloves, valued over $3.50 but not over $3.70 per pair (provided for in subheading 6216.00.58)	2.8%	No change	No change	On or before 12/31/2009	".
	9902.14.03	Mechanics' work gloves, valued over $3.70 but not over $4.99 per pair (provided for in subheading 6216.00.58)	2.8%	No change	No change	On or before 12/31/2009	".
	9902.14.04	Mechanics' work gloves, valued over $4.99 but not over $7.72 per pair (provided for in subheading 6216.00.58)	2.8%	No change	No change	On or before 12/31/2009	".
	9902.14.05	Mechanics' work gloves, valued over $7.72 per pair (provided for in subheading 6216.00.58)	2.8%	No change	No change	On or before 12/31/2009	".

(b) AMENDMENT TO U.S. NOTES.—Subchapter II of chapter 99 is amended by adding at the end of the U.S. Notes to such subchapter the following new U.S. Note:

"18. For purposes of headings 9902.14.01, 9902.14.02, 9902.14.03, 9902.14.04, and 9902.14.05, the term 'mechanics' work gloves' means gloves, of man-made fibers, having synthetic leather palms and fingers; fourchettes of synthetic leather or of fabric of nylon or elastomeric yarn; backs comprising either one layer of knitted fabric of elastomeric yarn or three layers, with the outer layer of knitted fabric of elastomeric yarn, the center layer of foam and the inner layer of tricot fabric; the foregoing, whether or not including an thermoplastic rubber logo or pad on the back; and elastic wrist straps with molded thermoplastic rubber hook-and-loop enclosures.".

SEC. 1412. CERTAIN MICROPHONES FOR USE IN AUTOMOTIVE INTERIORS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.17	Unidirectional (cardioid) electret condenser microphone modules for use in motor vehicles provided for in headings 8701 through 8705 (other than such modules designed for handheld, microphone stand, or lapel use), the foregoing each including wire leads for external connection, whether or not including a multi-pin board level type connector but not including a battery compartment; having a typical frequency response of 250 Hertz through 7,000 Hertz with no more than a 20 decibel deviation in that frequency range and an electrostatic discharge immunity of 4,000 V (contact) and 8,000 V (air); and capable of operation and storage in the temperature range of -40°C through 85°C and a humidity of not over 95 percent (provided for in subheading 8518.10.80)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1413. ACRYLIC OR MODACRYLIC SYNTHETIC FILAMENT TOW.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.21	Synthetic filament tow: acrylic or modacrylic (provided for in subheading 5501.30.00)	6.8%	No change	No change	On or before 12/31/2009	".

SEC. 1414. ACRYLIC OR MODACRYLIC SYNTHETIC STAPLE FIBERS, CARDED, COMBED, OR OTHERWISE PROCESSED FOR SPINNING.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.22	Synthetic staple fibers, carded, combed, or otherwise processed for spinning: acrylic or modacrylic (provided for in subheading 5506.30.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1415. NITROCELLULOSE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.23	Cellulose nitrates (nitrocellulose, including collodions) (CAS 9004-70-0) (provided for in subheading 3912.20.00)	4.4%	No change	No change	On or before 12/31/2009	”.

SEC. 1416. POTASSIUM SORBATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.24	Potassium sorbate (CAS No. 24634-61-5) (provided for in subheading 2916.19.10)	1.4%	No change	No change	On or before 12/31/2009	”.

SEC. 1417. SORBIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.25	Sorbic acid (CAS No. 110-44-1) (provided for in subheading 2916.19.20)	1.9%	No change	No change	On or before 12/31/2009	”.

SEC. 1418. CERTAIN CAPERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.26	Capers, prepared or preserved by vinegar other than such goods in immediate containers each holding 3.4 kg or less (provided for in subheading 2001.90.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1419. CERTAIN PEPPERONCINI PREPARED OR PRESERVED OTHERWISE THAN BY VINEGAR OR ACETIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.27	Pepperoncini, prepared or preserved otherwise than by vinegar, not frozen (provided for in subheading 2005.90.55)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1420. CERTAIN CAPERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.28	Capers, prepared or preserved by vinegar in immediate containers each holding more than 3.4 kg (provided for in subheading 2001.90.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1421. CERTAIN PEPPERONCINI PREPARED OR PRESERVED BY VINEGAR OR ACETIC ACID IN CONCENTRATIONS AT 0.5 PERCENT OR GREATER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.29	Pepperoncini, prepared or preserved by vinegar (provided for in subheading 2001.90.38)	2.2%	No change	No change	On or before 12/31/2009	”.

SEC. 1422. CERTAIN PEPPERONCINI PREPARED OR PRESERVED OTHERWISE THAN BY VINEGAR OR ACETIC ACID IN CONCENTRATIONS LESS THAN 0.5 PERCENT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.30	Giardiniera, prepared or preserved otherwise than by vinegar, not frozen (provided for in subheading 2005.90.55)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1423. CHLORAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.31	Trichloroacetaldehyde (CAS No. 75-87-6) (provided for in subheading 2913.00.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1424. IMIDACLOPRID TECHNICAL (IMIDACLOPRID).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.32	1-[(6-Chloro-3-pyrdinyl)methyl]-N-nitro-2-imidazolidinimine (Imidacloprid) (CAS No. 138261-41-3) (provided for in subheading 2933.39.27)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1425. TRIADIMEFON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.33	1-(4-Chlorophenoxy)-3,3-dimethyl-1-(1H-1,2,4-triazol-1-yl)-2-butanone (CAS No. 43121–43–3) (Triadimefon) (provided for in subheading 2933.99.22)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1426. POLYETHYLENE HE1878.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.34	Polyethylene HE1878 (CAS No. 25087–34–7), with 1-butene as comonomer (provided for in subheading 3901.20.50)	3.6%	No change	No change	On or before 12/31/2009	”.

SEC. 1427. THIACLOPRID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.35	(Z)-[3- [(6-chloro-3- pyridinyl) methyl]-2-thiazolidinylidene] cyanamide (thiacloprid) (CAS No. 111988–49–9) (provided for in subheading 2934.10.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1428. PYRIMETHANIL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.36	4,6-Dimethyl-N-phenyl-2-pyrimidinamine (pyrimethanil) (CAS No. 53112-28–0) (provided for in subheading 2933.59.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1429. FORAMSULFURON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.37	Foramsulfuron (Benzamide, 2-(((((4,6-dimethoxy-2-pyrimidinyl)amino) carbonyl)amino)sulfonyl)–4-(formylamino)- N,N-dimethyl-,) (CAS No. 173159–57–4), in bulk or put up in forms or packaging for retail sale (provided for in subheading 2935.00.75 or 3808.30.15)	2.6%	No change	No change	On or before 12/31/2009	”.

SEC. 1430. FENAMIDONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.38	(5S)-3,5-Dihydro-5- methyl-2-(methylthio)- 5-phenyl-3-(phenylamino)- 4H-imidazol-4-one (Fenamidone) (CAS No. 161326–34–7) (provided for in subheading 2933.29.35)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1431. CYCLANILIDE TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.39	1-(2,4-Dichloro-phenylaminocarbonyl)-cyclopropanecarboxylic acid (Cyclanilide) (CAS No. 113136–77–9) (provided for in subheading 2924.29.47)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1432. PARA-BENZOQUINONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.40	1,4-Benzoquinone (CAS No. 106–51–4) (provided for in subheading 2914.69.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1433. O-ANISIDINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.41	o-Anisidine (CAS No. 90–04–4) (provided for in subheading 2922.22.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1434. 2,4-XYLIDINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.43	2,4-Xylidine (CAS No. 95–68–1) (provided for in subheading 2921.49.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1435. CROTONALDEHYDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.44	Crotonaldehyde (2-butenaldehyde) (CAS No. 4170-30-3) (provided for in subheading 2912.19.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1436. BUTANEDIOIC ACID, DIMETHYL ESTER, POLYMER WITH 4-HYDROXY-2,2,6,6,-TETRAMETHYL-1-PIPERIDINEETHANOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.47	Butanedioic acid, dimethyl ester, polymer with 4-hydroxy-2,2,6,6,-tetramethyl-1-piperidineethanol (CAS No. 65447–77–0) (provided for in subheading 3907.99.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1437. MIXTURES OF CAS NOS. 106990-43-6 AND 65447-77-0.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.48	1,3,5-Triazine-2,4,6-triamine, N,N‴-[1,2-ethanediylbis[[[4,6-bis[butyl (1,2,2,6,6-pentamethyl-4-piperidinyl)amino]-1,3,5-triazine-2-yl]imino]-3,1-propanediyl]]bis[N′,N″-dibutyl-N′,N″-bis(1,2,2,6,6-pentamethyl-4-piperidinyl)- (CAS No. 106990–43–6) and Butanedioic acid, dimethylester polymer with 4-hyroxy-2,2,6,6-tetramethyl-1-piperdine ethanol (CAS No. 65447–77–0) (Provided for in subheading 3812.30.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1438. MCPA.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.54	2-Ethylhexyl (4-chloro-2-methylphenoxy)acetate (CAS No. 29450-45-1) (provided for in subheading 2918.90.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1439. BRONATE ADVANCED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.55	Formulations of 2,6-dibromo-4-cyanophenyl octanoate (CAS No. 1689-99-2), 2, 6-dibromo-4-cyanophenyl heptanoate (CAS No. 56634–95–8), and 2-ethylhexyl (4-chloro-2-methylphenoxy)acetate (CAS No. 29450-45-1) (provided for in subheading 3808.30.15)	2.8%	No change	No change	On or before 12/31/2009	”.

SEC. 1440. BROMOXYNIL OCTANOATE TECH.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.56	2,6-dibromo-4-cyanophenyl octanoate (CAS No. 1689-99-2) (provided for in subheading 2926.90.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1441. BROMOXYNIL MEO.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.57	2,6-Dibromo-4-cyanophenyl octanoate/heptanoate (CAS Nos.1689-99-2 and 56634–95–8) (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1442. HYDRAULIC CONTROL UNITS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.62	Hydraulic control units designed for use in braking systems of hybrid motor vehicles of heading 8703 (provided for in subheading 9032.89.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1443. SHIELD ASY-STEERING GEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.63	Steering gear assemblies for single-pinion constant-ratio electronic power assisted steering systems rated at 80 amperes at 12V, the foregoing designed for use in hybrid motor vehicles of heading 8703 (provided for in subheading 8708.99.73)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1444. 2,4-DICHLOROANILINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.64	2,4-Dichloroaniline (CAS No. 554-00-7) (provided for in subheading 2921.42.18)	Free	No change	No change	On or before 12/31/2009 ”.

SEC. 1445. 2-ACETYLBUTYROLACTONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.65	2-Acetylbutyrolactone (CAS No. 517-23-7) (provided for in subheading 2932.29.50)	Free	No change	No change	On or before 12/31/2009 ”.

SEC. 1446. ALKYLKETONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.66	1-(4-Chlorophenyl)-4, 4-dimethyl-3-pentanone (CAS No. 66346-01-8) (provided for in subheading 2914.70.40)	Free	No change	No change	On or before 12/31/2009 ”.

SEC. 1447. CYFLUTHRIN (BAYTHROID).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.67	Cyano(4-fluoro-3-phenoxyphenyl)methyl 3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropanecarboxylate (Cyfluthrin, excluding β-Cyfluthrin) (CAS No. 68359-37-5) (provided for in subheading 2926.90.30)	3.5%	No change	No change	On or before 12/31/2009 ”.

SEC. 1448. BETA-CYFLUTHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.68	Reaction mixture comprising the enantiomeric pair (R)-α-cyano-4-fluoro-3-phenoxybenzyl (1S,3S)-3-(2,2-dichlorovinyl)-2,2-dimethylcyclopropanecarboxylate and (S)-α-cyano-4-fluoro-3-phenoxybenzyl (1R,3R)-3-(2,2-dichlorovinyl)-2,2-dimethylcyclopropanecarboxylate in ratio 1:2 with the enantiomeric pair (R)-α-cyano-4-fluoro-3-phenoxybenzyl (1S,3R)-3-(2,2-dichlorovinyl)-2,2-dimethylcyclopropanecarboxylate and (S)-α-cyano-4-fluoro-3-phenoxybenzyl (1R,3S)-3-(2,2-dichlorovinyl)-2,2-dimethylcyclopropanecarboxylate (β-Cyfluthrin) (CAS No. 68359-37-5) (provided for in subheading 2926.90.30)	Free	No change	No change	On or before 12/31/2009 ”.

SEC. 1449. CYCLOPROPANE-1,1-DICARBOXYLIC ACID, DIMETHYL ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.69	Cyclopropane-1,1-dicarboxylic acid, dimethyl ester (CAS No. 6914-71-2) (provided for in subheading 2917.20.00)	1.8%	No change	No change	On or before 12/31/2009 ”.

SEC. 1450. SPIROXAMINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.70	8-(1,1-Dimethylethyl)-N-ethyl-N-propyl-1,4-dioxaspiro[4,5]decane-2-methanamine (CAS 118134-30-8) (provided for in subheading 2932.99.90)	Free	No change	No change	On or before 12/31/2009 ”.

SEC. 1451. SPIROMESIFEN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.71	3,3-Dimethylbutanoic acid, 2-oxo-3-(2,4,6-trimethylphenyl)-1-oxaspiro[4.4]non-3-en-yl ester (CAS 283594-90-1) (provided for in subheading 2932.29.10)	Free	No change	No change	On or before 12/31/2009 ”.

SEC. 1452. 4-CHLOROBENZALDEHYDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“ 9902.10.72	4-Chlorobenzaldehyde (CAS No. 104-88-1) (provided for in subheading 2913.00.40)	Free	No change	No change	On or before 12/31/2009 ”.

SEC. 1453. OXADIAZON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.73	5-*tert*-butyl-3-(2,4-dichloro-5-isopropoxyphenyl)-1,3,4-oxadiazol-2(3H)-one (Oxadiazon) (CAS No. 19666–30–9) (provided for in subheading 2934.99.11) ...	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1454. NAHP.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.74	2-(1,1-Dimethylethyl)-5-hydroxypyrimidine, sodium salt (CAS No. 146237–62–9) (provided for in subheading 2933.59.70)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1455. PHOSPHORUS THIOCHLORIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.75	Phosphorus Thiochloride (CAS No. 3982–91–0) (provided for in subheading 2851.00.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1456. TRIFLOXYSTROBIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.76.	Methyl (E)-methoxyimino-¦(E) -α-[1-(α,α,α-trifluoro-m-tolyl) ethylideneaminooxy] -o-tolyl¦acetate (Trifloxystrobin) (CAS No. 141517–21–7) (provided for in subheading 2929.90.20)	2.4%	No change	No change	On or before 12/31/2009	”.

SEC. 1457. PHOSPHORIC ACID, LANTHANUM SALT, CERIUM TERBIUM-DOPED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.77	Phosphoric acid, lanthanum salt, cerium terbium-doped (CAS No. 95823–34–0) (provided for in subheading 2846.90.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1458. LUTETIUM OXIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.78	Lutetium oxide (CAS No. 12032–20–1) (provided for in subheading 2846.90.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1459. ACM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.79	(3-Acetoxy-3-cyanopropyl) methylphosphinic acid, butyl ester (CAS No. 167004–78–6) (provided for in subheading 2931.00.90)	0.7%	No change	No change	On or before 12/31/2009	”.

SEC. 1460. PERMETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.80	(3-Phenoxyphenyl)methyl 3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropanecarboxylate (Permethrin) (CAS No. 52645–53–1) (provided for in subheading 2916.20.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1461. THIDIAZURON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.81	N-Phenyl-N -(1,2,3-thiadiazol-5-yl)urea (Thidiazuron) CAS No. 51707–55–2), whether or not mixed with application adjuvants (provided for in subheading 2934.99.15 or 3808.30.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1462. FLUTOLANIL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.10.82	N-[3-(1-Methylethoxy)phenyl]-2-(trifluoromethyl)benzamide (Flutolanil) (CAS No. 66332–96–5) (provided for in subheading 2924.29.47)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1463. RESMETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.83	[5-(Phenylmethyl)-3-furanyl]methyl 2,2-dimethyl-3-(2-methyl-1-propenyl) cyclopropanecarboxylate (Resmethrin) (CAS No. 10453–86–8) (provided for in subheading 2932.19.10)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1464. CLOTHIANIDIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.84	(E)–1-(2-Chloro-1,3-thiazol-5-ylmethyl)–3-methyl-2-nitroguanidine (Clothianidin) (CAS No. 210880-92-5) (provided for in subheading 2934.10.90)	5.4%	No change	No change	On or before 12/31/2009	".

SEC. 1465. CERTAIN MASTER CYLINDER ASSEMBLES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.92	Master cylinder assemblies for braking systems, not incorporating a vacuum booster, the foregoing designed for use in hybrid motor vehicles of heading 8703 (provided for in subheading 8708.39.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1466. CERTAIN TRANSAXLES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.93	Transaxles, each incorporating an integral electronic controller, the foregoing designed for use in hybrid motor vehicles of heading 8703 (provided for in subheading 8708.40.20)	1.5%	No change	No change	On or before 12/31/2009	".

SEC. 1467. CONVERTER ASY.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.94	Static converters capable of converting 300 V direct current to 12 V direct current, designed for use in hybrid motor vehicles of heading 8703 (provided for in subheading 8504.40.95)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1468. MODULE AND BRACKET ASY-POWER STEERING.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.95	Controllers for electronic power assisted steering systems, rated at 80 amperes at 12 V, designed for use in hybrid motor vehicles of heading 8703 (provided for in subheading 8537.10.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1469. UNIT ASY-BATTERY HI VOLT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.96	Nickel metal-hydride storage batteries, exceeding 300 V, the foregoing designed for use in hybrid motor vehicles of heading 8703 (provided for in subheading 8507.80.80)	2.8%	No change	No change	On or before 12/31/2009	".

SEC. 1470. CERTAIN ARTICLES OF NATURAL CORK.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.10.99	Articles of natural cork, not elsewhere specified or included (provided for in subheading 4503.90.60)	6%	No change	No change	On or before 12/31/2009	".

SEC. 1471. GLYOXYLIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.01	Glyoxylic acid (CAS No. 298–12–4) (provided for in subheading 2918.30.90)	1.6%	No change	No change	On or before 12/31/2009	".

SEC. 1472. CYCLOPENTANONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.02	Cyclopentanone (CAS No. 120–92–3) (provided for in subheading 2914.29.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1473. MESOTRIONE TECHNICAL.

(a) CALENDAR YEAR 2006.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.03	2-[4-(Methylsulfonyl)-2-nitrobenzoyl]-1,3-cyclohexanedione (Mesotrione) (CAS No. 104206-82-8) (provided for in subheading 2930.90.10)	6.04%	No change	No change	On or before 12/31/2006	".

(b) CALENDAR YEAR 2007.—

(1) IN GENERAL.—Heading 9902.11.03, as added by subsection (a), is amended—

(A) by striking "6.04%" and inserting "6.08%"; and

(B) by striking "12/31/2006" and inserting "12/31/2007".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2007.

(c) CALENDAR YEARS 2008 AND 2009.—

(1) IN GENERAL.—Heading 9902.11.03, as added by subsection (a) and amended by subsection (b), is further amended—

(A) by striking "6.08%" and inserting "6.11%"; and

(B) by striking "12/31/2007" and inserting "12/31/2009".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2008.

SEC. 1474. MALONIC ACID-DINITRILE 50% NMP.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.04	50% solution of malononitrile in methyl-2-pyrrolidone solvent (CAS Nos. 109-77-3 and 872-50-4) (provided for in subheading 3824.90.9190)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1475. FORMULATIONS OF NOA 446510.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.05	Formulations of NOA 446510 which include NOA 446510 Technical, 2-(4-chloro-phenyl) -N-[2-(3-methoxy-4-prop-2-ynyloxy-phenyl) ethyl]-2-prop-2-ynyloxyacetamide (CAS No. 374726-62-2) (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1476. DEMBB DISTILLED-ISO TANK.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.06	2-Bromo-1,3-diethyl-5-methylbenzene (CAS No. 314084-61-2) (DEMBB) (provided for in subheading 2903.69.80)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1477. METHYLIONONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.10	3-Methyl-4-(2,6,6-trimethylcyclohex-2-enyl)but-3-en-2-one (Methylionone) (CAS No. 1335-46-2) (provided for in subheading 2914.23.00	Free	No change	No change	On or before 12/31/2009	".

SEC. 1478. CERTAIN ACRYLIC FIBER TOW.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.11	Acrylic fiber tow (polyacrylonitrile tow) containing by weight a minimum of 92 percent acrylonitrile, not more than 0.1 percent zinc and from 4 to 8 percent water, imported in the form of from 1 to 12 sub-bundles crimped together, each containing 24,000 filaments (plus or minus 0.06 percent) and with average filament denier of 1.5 decitex (plus or minus 0.08 percent) (provided for in subheading 5501.30.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1479. CERTAIN ACRYLIC FIBER TOW.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.12	Acrylic fiber tow (polyacrylonitrile tow) containing by weight a minimum of 92 percent acrylonitrile, not more than 0.1 percent zinc and from 2 to 8 percent water, imported in the form of 6 sub-bundles crimped together, each containing 45,000 filaments (plus or minus 0.06 percent) and with average filament denier of either 1.48 decitex (plus or minus 0.08 percent) or 1.32 decitex (plus or minus 0.09 percent) (provided for in subheading 5501.30.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1480. MKH 6561 ISOCYANATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.13	2-(Carbomethoxy) benzenesulfonyl isocyanate (CAS No. 74222–95–0) (provided for in subheading 2930.90.29)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1481. ENDOSULFAN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.14	6,7,8,9,10,10- Hexachlorohexahydromethano-2,4,3-benzodioxathiepin-3-oxide (Endosulfan) (CAS No. 115–29–7) (provided for in subheading 2920.90.50 or 3808.10.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1482. TETRACONAZOLE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.15	1-[2-(2,4-dichlorophenyl)–3-(1,1,2,2-tetrafluoroethoxy)propyl]-1H-1,2,4-triazole (Tetraconazole) (CAS No. 112281–77–3) (provided for in subheading 2933.99.22)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1483. M-ALCOHOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.16	2-(2,4-Dichlorophenyl)-3-(1H-1,2,4-triazol-1-yl)propanol (CAS No. 112281–82–0) (provided for in subheading 2933.99.82)	1%	No change	No change	On or before 12/31/2009	".

SEC. 1484. CERTAIN MACHINES FOR USE IN THE ASSEMBLY OF MOTORCYCLE WHEELS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.17	Wheel spoke tightening machines (provided for in subheading 8479.89.98), for use with wheels of vehicles of heading 8711	Free	No change	No change	On or before 12/31/2009	".

SEC. 1485. DELTAMETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.26	(S)-α-Cyano-3-phenoxybenzyl (1R,3R)–3-(2,2-dibromovinyl)–2,2-dimethylcyclopropanecarboxylate (Deltamethrin) (CAS No. 52918–63–5) (provided for in subheading 2926.90.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1486. PALM FATTY ACID DISTILLATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.32	Monocarboxylic fatty acids derived from palm oil (provided for in subheading 3823.19.20)	1%	No change	No change	On or before 12/31/2009	".

SEC. 1487. 4-METHOXY-2-METHYLDIPHENYLAMINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.35	4-Methoxy-2-methyldiphenylamine (CAS No. 41317–15–1) (provided for in subheading 2922.29.60)	1.1%	No change	No change	On or before 12/31/2009	".

SEC. 1488. 2-METHYLHYDROQUINONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.36	2-Methylhydroquinone (CAS No. 95–71–6) (provided for in subheading 2907.29.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1489. 1-FLUORO-2-NITROBENZENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.37	1-Fluoro-2-nitrobenzene (CAS No. 1493–27–2) (provided for in subheading 2904.90.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1490. COSMETIC BAGS WITH A FLEXIBLE OUTER SURFACE OF REINFORCED OR LAMINATED POLYVINYL CHLORIDE (PVC).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.43	Vanity cases that are of a soft sided construction, of reinforced or laminated polyvinyl chloride plastics, and are of a kind normally carried in the pocket or in the handbag and used to contain and apply cosmetic preparations (provided for in subheading 4202.12.20)	13.3%	No change	No change	On or before 12/31/2009	".

SEC. 1491. MIXTURES OF METHYL 4-IODO-2-[3-(4-METHOXY-6-METHYL-1,3,5-TRIAZIN-2-YL)UREIDOSULFONYL]BENZOATE, SODIUM SALT (IODOSULFURON METHYL, SODIUM SALT).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.44	Mixtures of methyl 4-iodo-2-[3-(4-methoxy-6-methyl-1,3,5- triazin-2-yl) ureidosulfonyl]benzoate, sodium salt (Iodosulfuron methyl, sodium salt) (CAS No. 144550–36–7) and application adjuvants (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1492. ETHYL 4,5-DIHYDRO-5,5-DIPHENYL-1,2-OXAZOLE-3-CARBOXYLATE (ISOXADIFEN-ETHYL).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.45	Ethyl 4,5-dihydro-5,5-diphenyl-1,2-oxazole-3-carboxylate (Isoxadifen-ethyl) (CAS No. 163520-33-0) (provided for in subheading 2934.99.39)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1493. (5-CYCLOPROPYL-4-ISOXAZOLYL) [2-(METHYLSULFONYL) -4-(TRIFLUOROMETHYL) PHENYL] METHANONE (ISOXAFLUTOLE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.46	(5-cyclopropyl-4-isoxazolyl) [2-(methylsulfonyl)-4-(trifluoromethyl) phenyl]methanone (Isoxaflutole) (CAS No. 141112–29–0) (provided for in subheading 2934.99.15)	4.8%	No change	No change	On or before 12/31/2009	".

SEC. 1494. METHYL 2-[(4,6- DIMETHOXYPYRIMIDIN-2-YLCARBAMOYL) SULFAMOYL]-α-(METHANESULFONAMIDO) -P-TOLUATE (MESOSULFURON-METHYL) WHETHER OR NOT MIXED WITH APPLICATION ADJUVANTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.48	Methyl 2-[(4,6-dimethoxypyrimidin-2-ylcarbamoyl) sulfamoyl] -α-(methanesulfonamido) -p-toluate (Mesosulfuron-methyl) (CAS No. 208465-21-8) whether or not mixed with application adjuvants (provided for in subheading 2935.00.75 or 3808.30.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1495. MIXTURES OF FORAMSULFURON AND IODOSULFURON-METHYL-SODIUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.49	Mixtures of N,N-dimethyl-2[3-(4,6-dimethoxypyrimidin-2-yl) ureidosulfonyl] -4-formylaminobenzamide (Foramsulfuron) (CAS No. 173159-57-4), methyl 4-iodo-2-[3-(4-methoxy-6- methyl-1,3,5-triazin-2-yl) ureidosulfonyl]benzoate, sodium salt (Iodosulfuron-methyl-sodium) (CAS No. 144550-36-7) and application adjuvants (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1496. VULCUREN UPKA 1988.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.54	1,6-Bis(N,N'-dibenzylthiocarbamoyldithio)hexane (CAS No. 151900-44-6) (provided for in subheading 2930.20.20)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1497. VULLCANOX 41010 NA/LG.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.55	N-Isopropyl-N'-phenyl-p-phenylenediamine (CAS No. 101–72–4) (provided for in subheading 2921.51.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1498. VULKAZON AFS/LG.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.11.56	Pentaerythritolbis(tetrahydrobenzaldehyde acetal) (CAS No. 6600-31-3) (provided for in subheading 2932.99.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1499. P-ANISALDEHYDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.57	P-Anisaldehyde (CAS No. 123-11-5) (Benzoldehyde, 4-methoxy-) (provided for in subheading 2912.49.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1500. 1,2-PENTANEDIOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.60	1,2-Pentanediol (CAS No. 5343–92–0) (provided for in subheading 2905.39.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1501. AGRUMEX.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following:

“	9902.11.62	o-tert-Butylcyclohexyl acetate, cis form (CAS No. 20298–69–9) (Agrumex) (Cyclohexanol, 2-(1,1-dimethyl-) (provided for in subheading 2915.39.45)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1502. COHEDUR RL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.63	Mixtures of resorcinol (CAS No. 108–46–3), hexamethylolmelamine ether (CAS No. 3089–11–0) and dibutyl phthalate (CAS No. 84–74–2) (provided for in subheading 3824.90.28)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1503. FORMULATIONS OF PROSULFURON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.64	Mixtures of Prosulfuron (1-(4-methoxy-6-methyl-1,3,5-triazin-2-yl)-3-[2-(3,3,3-trifluoropropyl)-phenylsulfonyl]urea) (CAS No. 94125–34–5) and application adjuvants (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1504. LEWATIT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.71	Ion-exchange resins (cationic H form), consisting of copolymers of acrylic acid and diethylene glycol divinyl ether (CAS No. 359785–58–3) (provided for in subheading 3914.00.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1505. PARA-CHLOROPHENOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.72	para-Chlorophenol (CAS No. 106-48-9) (provided for in subheading 2908.10.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1506. CYPERMETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.74	Cyano(3-phenoxyphenyl)methyl 3-(2,2-dichloroethenyl)–2,2-dimethylcyclopropanecarboxylate (Cypermethrin) (CAS No. 52315-07-8) (provided for in subheading 2926.90.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1507. ION-EXCHANGE RESIN POWDER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.78	Ion-exchange resin powder comprised of a copolymer of methacrylic acid cross-linked with divinylbenzene, in the hydrogen ionic form, of a nominal partical size between 0.025mm and 0.150 mm, dried to less than 5% moisture (CAS No. 50602-21-6)(provided for in subheading 3914.00.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1508. ION-EXCHANGE RESIN POWDER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.79	Ion-exchange resin powder comprised of a copolymer of methacrylic acid cross-linked with divinylbenzene, in the potassium ionic form, of a nominal particle size between 0.025mm and 0.150 mm, dried to less than 10% moisture (CAS No. 65405-55-2) (provided for in subheading 3914.00.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1509. DESMODUR E 14.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.80	1,2,3-Propanetriol, polymer with 2,4-diisocyanato-1-methylbenzene, 2-ethyl-2-(hydroxymethyl)-1,3-propanediol, methyloxirane and oxirane (CAS No. 127821-00-5) (provided for in subheading 3909.50.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1510. DESMODUR VP LS 2253.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.82	Hexane, 1,6-diisocyanato-, homopolymer, 3,5-dimethyl-1H-pyrazole-blocked (CAS No. 163206-31-3) (provided for in subheading 3911.90.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1511. DESMODUR R-E.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.83	4,4′, 4″-TT Desmodur R-E in solvent (CAS No. 2422-91-5) in solvent (provided for in subheading 3824.90.28)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1512. WALOCEL MW 3000 PFV.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.84	Methyl hydroxyethyl cellulose products containing 30% or greater content of 2-hydroxyethyl methyl ether cellulose (“MHEC”) reaction products with glyoxal (CAS No. 68441-63-4) (provided for in subheading 3912.39.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1513. TSME.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.85	ortho/para-Toluenesulfonic acid, methyl ester (TSME) (CAS Nos. 23373-38-8 and 80-48-8) (provided for in subheading 2904.10.32)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1514. WALOCEL VP-M 20660.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.86	Methyl Hydroxyethyl Cellulose with a 77% or greater content of 2-hydroxyethyl methyl ether cellulose (CAS No. 9032-42-2) (provided for in subheading 3912.39.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1515. XAMA 2.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.87	Trimethylopropane tris(3-aziridinylpropanoate) (CAS No. 52234-82-9) (provided for in subheading 2933.99.97)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1516. XAMA 7.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.88	Polyfunctional aziridine (CAS No. 57116-45-7) (provided for in subheading 2933.99.97)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1517. CERTAIN CASES FOR TOYS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.90	Cases or containers (provided for in subheading 4202.92.90 and not including goods described in heading 9902.01.81), specially shaped or fitted for, and with labeling, logo or other descriptive information on the exterior of the case or container indicating its intention to be used for, electronic drawing toys or electronic games of heading 9503 or 9504	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1518. CERTAIN CASES FOR TOYS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.91	Cases or containers (provided for in subheadings 4402.12.80 or 4202.92.90), having one or more molded plastic holders, clips or fasteners, for holding a doll or dolls, whether or not the case or container is also capable of holding other goods	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1519. ANILINE 2.5-DISULFONIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.92	Aniline 2,5- disulfonic acid (CAS No. 98-44-2) (1,4-Benzenedisnlfonic acid, 2-amino-) (provided for in subheading 2921.42.90)	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1520. 1,4-BENZENEDICARBOXYLIC ACID, POLYMER WITH N,N′-BIS(2-AMINOETHYL)-1,2-ETHANEDIAMINE, CYCLIZED, METHOSULFATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.93	1,4-Benzenedicarboxylic acid, polymer With N,N′-Bis(2-aminoethyl)-1,2-ethanediamine, cyclized, methosulfate (CAS No. 68187–22–4) (provided for in subheading 3908.90.70)	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1521. SULFUR BLUE 7.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.94	4-[(4-Amino- 3-methylphenyl) amino]phenol, reaction products with sodium sulfide (Sulfur Blue 7) (CAS No. 1327-57-7) (provided for in subheading 3204.19.50)	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1522. FORMALDEHYDE, REACTION PRODUCTS WITH 1,4-BENZENEDIOL AND M-PHENYLENEDIAMINE, SULFURIZED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.95	Formaldehyde, reaction products with 1,4-benzenediol and m-phenylenediamine, sulfurized (CAS No. 110392–46–6) (provided for in subheading 3204.19.50)	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1523. ISOCYANATOSULFONYL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.96	2-(Isocyanatosulfonyl)benzoic acid, ethyl ester (CAS No. 77375–79–2) (provided for in subheading 2930.90.29)	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1524. ISOCYANATOSULFONYL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.97	2-(Isocyanatosulfonyl)benzoic acid, methyl ester (CAS No. 74222–95–0) (provided for in subheading 2930.90.29)	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1525. GEMIFLOXACIN, GEMIFLOXACIN MESYLATE, AND GEMIFLOXACIN MESYLATE SESQUIHYDRATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.11.99	Gemifloxacin (CAS No. 175463–14–6); gemifloxacin mesylate (CAS No. 210353–53–0 or 204519–65–3); and gemifloxacin mesylate sesquihydrate (CAS No. 210353–56–3) (the foregoing provided for in subheading 2933.99.46)	Free	No change	No change	On or before 12/31/ 2009	”.

SEC. 1526. BUTRALIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.01	Butralin (CAS No. 33629-47-9) (Benzenamine, 4-(1,1-dimethylethyl)-N- (1-methylpropyl)-2,6-dintro-) (provided for in subheading 2921.43.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1527. SPIRODICLOFEN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.02	2,2-Dimethylbutanoic acid, 3-(2,4-dichlorophenyl)-2-oxo-1-oxaspiro(4.5)dec-3-en-4-yl ester (Spirodiclofen) (CAS No. 148477-71-8) (provided for in subheading 2932.29.10)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1528. PROPAMOCARB HCL (PREVICUR).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.03	Mixtures of propyl 3-(dimethylamino) propylcarbamate monohydrochloride (Propamocarb hydrochloride) (CAS No. 25606-41-1) and application adjuvants (provided for in subheading 3808.20.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1529. DESMODUR IL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.04	Poly(toluene diisocyanate) (CAS No. 26006-20-2) dissolved in organic solvents (provided for in subheading 3911.90.45)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1530. CHLOROACETONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.05	1-Chloro-2-propanone (CAS No. 78-95-5) (provided for in subheading 2914.70.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1531. IPN (ISOPHTHALONITRILE).

(a) CALENDAR YEAR 2006.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.06	1,3-Benzenedicarbonitrile (CAS No. 626-17-5) (provided for in subheading 2926.90.48)	3.04%	No change	No change	On or before 12/31/2006	".

(b) CALENDAR YEAR 2007.—

(1) IN GENERAL.—Heading 9902.12.06, as added by subsection (a), is amended—

(A) by striking "3.04%" and inserting "3.23%"; and

(B) by striking "On or before 12/31/2006" and inserting "On or before 12/31/2007".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2007.

(c) CALENDAR YEARS 2008 AND 2009.—

(1) IN GENERAL.—Heading 9902.12.06, as added by subsection (a) and amended by subsection (b), is further amended—

(A) by striking "3.23%" and inserting "3.4%"; and

(B) by striking "On or before 12/31/2007" and inserting "On or before 12/31/2009".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2008.

SEC. 1532. NOA 446510 TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.07	4-Chloro-N- [2-[3-methoxy-4-(2-propynyloxy) phenyl]ethyl]-α-(2-propynyloxy)benzeneacetamide (Mandipropamid) (CAS No. 374726-62-2) (provided for in subheading 2924.29.47)	1.2%	No change	No change	On or before 12/31/2009	".

SEC. 1533. HEXYTHIAZOX TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.08	trans-5-(4-Chlorophenyl)-N-cyclohexyl-4-methyl-2-oxothiazolidine-3-carboxamide (Hexythiazox Technical) (CAS No. 78587-05-0) (provided for in subheading 2934.10.10)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1534. CRELAN (SELF-BLOCKED CYCLOALIPHATIC POLYURETDIONE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.10	2-Oxepanone polymer with 1,4-butanediol and 5-isocyanato-1-(isocyanatomethyl)-1,3,3-trimethylcyclohexane, 2-ethyl-1-hexanol-blocked (CAS No. 189020–69–7) (provided for in subheading 3909.50.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1535. ASPIRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.11	o-Acetylsalicylic acid (aspirin) (CAS No. 50–78–2) (provided for in subheading 2918.22.10)	3.0%	No change	No change	On or before 12/31/2009	".

SEC. 1536. DESMODUR BL XP 2468.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.12	Copolymer of methyl ethyl ketoxime and toluenediisocyanate (CAS No. 352462–03–4) (provided for in subheading 3911.90.45)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1537. DESMODUR RF-E.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.17	Mixtures of tris(4-isocyanatophenyl)thiophosphate (CAS No. 4151–51–3) and ethyl acetate and monochlorobenzene as solvents (provided for in subheading 3824.90.28)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1538. DESMODUR HL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.18	Benzene, 1,3-diisocyanatomethyl-, polymer with 1,6-diisocyanatohexane (CAS No. 63368–95–6) dissolved in n-butyl acetate (provided for in subheading 3911.90.45)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1539. D-MANNOSE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.19	D-Mannose (CAS No. 3458–28–4) (provided for in subheading 2940.00.60)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1540. CERTAIN CAMEL HAIR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.20	Camel hair, processed beyond the degreased or carbonized condition (provided for in subheading 5102.19.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1541. WASTE OF CAMEL HAIR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.21	Waste of camel hair (provided for in subheading 5103.20.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1542. CERTAIN CAMEL HAIR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.22	Camel hair carded or combed (provided for in subheading 5105.39.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1543. WOVEN FABRIC OF VICUNA HAIR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.23	Woven fabrics containing 85 percent or more by weight of vicuna hair (provided for in subheadings 5111.11.70, 5111.19.60, 5112.11.60, or 5112.19.95)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1544. CERTAIN CAMEL HAIR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.24	Camel hair, not processed in any manner beyond the degreased or carbonized condition (provided for in subheading 5102.19.20)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1545. NOILS OF CAMEL HAIR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.25	Noils of camel hair (provided for in subheading 5103.10.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1546. CHLOROACETIC ACID, ETHYL ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.33	Chloroacetic acid, ethyl ester (CAS No. 105–39–5) (provided for in subheading 2915.40.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1547. CHLOROACETIC ACID, SODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.34	Chloroacetic acid, sodium salt (CAS No. 3926–62–3) (provided for in subheading 2915.40.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1548. LOW EXPANSION LABORATORY GLASS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.39	Laboratory, hygienic, or pharmaceutical glassware, whether or not graduated or calibrated, of low expansion borosilicate glass or alumino-borosilicate glass, having a linear coefficient of expansion not exceeding 3.3 x 10^{7} per Kelvin within a temperature range of 0 to 300° C (provided for in subheading 7017.20.00)	3.6%	No change	No change	On or before 12/31/2009	”.

SEC. 1549. STOPPERS, LIDS, AND OTHER CLOSURES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.40	Stoppers, lids, and other closures of low expansion borosilicate glass or alumino-borosilicate glass, having a linear coefficient of expansion not exceeding 3.3 x 10^{7} per Kelvin within a temperature range of 0 to 300° C, produced by automatic machine (provided for in subheading 7010.20.20) or produced by hand (provided for in subheading 7010.20.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1550. PIGMENT YELLOW 213.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.41	1,4-Benzenedicarboxylic acid, 2-[[2-oxo-1-[[(1,2,3,4-tetrahydro-7-methoxy-2,3-dioxo-6-quinoxalinyl) amino]carbonyl] propyl]azo]-, dimethyl ester (Pigment Yellow 213) (CAS No. 220198–21–0) (provided for in subheading 3204.17.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1551. INDOXACARB.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.42	(4aS) -7-Chloro-2, 5-dihydro-2- [[(methoxycarbonyl)[4-(trifluoromethoxy) phenyl] amino] carbonyl]-indeno [1,2-e][1,3,4] oxadiazine-4a (3H)-carboxylic acid methyl ester (CAS No. 173584–44–6) (provided for in subheading 2934.99.16)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1552. DIMETHYL CARBONATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.43	Dimethyl carbonate (CAS No. 616–38–6) (provided for in subheading 2920.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1553. 5-CHLORO-1-INDANONE (EK179).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.44	5-Chloro-1-indanone (CAS No. 42348–86–7) (provided for in subheading 2914.39.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1554. MIXTURES OF FAMOXADONE AND CYMOXANIL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.45	Mixtures of 5-methyl-5-(4-phenoxyphenyl)-3-(phenylamino)-2,4-oxazolidinedione] (famoxadone) (CAS No. 131807–57–3), 2-cyano-N-[(ethylamino)carbonyl]-2-(methoxyimino)acetamide (Cymoxanil) (CAS No. 57966–95–7) and application adjuvants (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1555. DECANEDIOIC ACID, BIS(2,2,6,6-TETRAMETHYL-4-PIPERIDINYL) ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.47	Decanedioic acid, bis(2,2,6,6-tetramethyl-4-piperidinyl) ester (CAS No. 52829–07–9) (provided for in subheading 2933.39.91)	Free	No change	No change	On or Before 12/31/2009	”.

SEC. 1556. ACID BLUE 80.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.49	Acid Blue 80 (CAS No. 4474–24–2) (provided for in subheading 3204.12.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1557. PIGMENT BROWN 25.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.12.50	Pigment Brown 25 (CAS No. 6992–11–6) (provided for in subheading 3204.17.04)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1558. FORMULATIONS OF AZOXYSTROBIN.

(a) CALENDAR YEAR 2006.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.51	Mixtures of benzeneacetic acid, (α E)-2-[[6-(2-cyanophenoxy)-4-pyrimidinyl] oxy]-α- (methoxymethylene)-, methyl ester (Azoxystrobin) (CAS No. 131860-33-8) and application adjuvants (provided for in subheading 3808.20.15)	6.14%	No change	No change	On or before 12/31/2006	".

(b) CALENDAR YEAR 2007.—

(1) IN GENERAL.—Heading 9902.12.51, as added by subsection (a), is amended—

(A) by striking "6.14%" and inserting "6.15%"; and

(B) by striking "On or before 12/31/2006" and inserting "On or before 12/31/2007".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2007.

(c) CALENDAR YEARS 2008 AND 2009.—

(1) IN GENERAL.—Heading 9902.12.51, as added by subsection (a) and amended by subsection (b), is further amended—

(A) by striking "6.15%" and inserting "6.17%"; and

(B) by striking "On or before 12/31/2007" and inserting "On or before 12/31/2009".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2008.

SEC. 1559. FORMULATIONS OF PINOXADEN/CLOQUINTOCET.

(a) CALENDAR YEARS 2006 AND 2007.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.52	Mixtures of 8(2,6-diethyl-p-tolyl)-1,2,4,5-tetrahydro-7-oxo-7H-pyrazolo[[1,2-d][1,4,5] oxadiazepin-9-yl 2,2-dimethylpropionate (Pinoxaden) (CAS No. 243973-20-8), acetic acid, [5-chloro-8-quinolinyl]oxy]-, 1-methylhexyl ester (Cloquintocet) (CAS No. 99607-70-2) and application adjuvants (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2007	".

(b) CALENDAR YEARS 2008 AND 2009.—

(1) IN GENERAL.—Heading 9902.12.52, as added by subsection (a), is further amended—

(A) by striking "Free" and inserting "1.74%"; and

(B) by striking "On or before 12/31/2007" and inserting "On or before 12/31/2009".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2008.

SEC. 1560. MIXTURES OF DIFENOCONAZOLE/MEFENOXAM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.53	Mixtures of 1H-1,2,4-triazole, 1-((2-chlorophenoxy)phenyl)-4-methyl-1,3-dioxolan-2-yl)methyl)- (Difenoconazole) (CAS No. 119446-68-3), (R,S)-2-((2,6-dimethylphenyl) methoxyacetylamino) propionic acid, methyl ester (Mefenoxam) (CAS Nos. 70630-17-0, and 69516-34-3) and application adjuvants (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1561. FLUDIOXINIL TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.54	1H-Pyrrole-3-carbonitrile, 4-(2,2-difluoro-1,3-benzodioxol-4-yl)- (fludioxinil) (CAS No. 131341-86-1) (provided for in subheading 2934.99.12)	1.6%	No change	No change	On or before 12/31/2009	".

SEC. 1562. MIXTURES OF CLODINAFOP-PROPARGYL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.55	Mixtures of propionic acid, 2-(4-((5-chloro-3-fluoro-2-pyridynyl)oxy)phenoxy-2-propynyl ester, (clodinafop-propargyl) (CAS No. 105512-06-9) (provided for in subheading 3808.30.15)	1.7%	No change	No change	On or before 12/31/2009	".

SEC. 1563. AVERMECTIN B, 1,4″-DEOXY-4″-METHYLAMINO-, (4″R)-, BENZOATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.56	Avermectin B, 1,4″-deoxy-4″-methylamino-, (4″R)-, benzoate (CAS No. 155569-91-8) (provided for in subheading 3824.90.91 or 2932.29.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1564. CLOQUINTOCET-MEXYL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.57	Acetic acid, 5-chloro-8-quinolinoxy-, 1-methylhexyl ester (Cloquintocet-mexyl) (CAS No. 99607-70-2) (provided for in subheading 2933.49.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1565. METALAXYL-M TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.58	(R,S)-2-((2,6-Dimethylphenyl) methoxyacetylamino) propionic acid, methyl ester (Metalaxyl-M and L-Metalaxylfenoxam) (CAS Nos. 70630-17-0 and 69516-34-3) (provided for in subheading 2924.29.47)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1566. CYPROCONAZOLE TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.59	[α-(4-Chlorophenyl)-α-(1-cyclopropylethyl)-1H-1-1,2,4-triazole-1-ethanol (Cyproconazole) (CAS No. 94361-06-5) (provided for in subheading 2934.99.12)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1567. PINOXADEN TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.60	8-(2,6-Diethyl-4-methylphenyl)-1,2,4,5-tetrahydro-7-oxo-7H-pyrazolo[1,2-d][1,4,5]oxadiazepin-9-yl 2,2-dimethylpropanoate (Pinoxaden) (CAS No. 243973-20-8) (provided for in subheading 2934.99.15)	1.8%	No change	No change	On or before 12/31/2009	".

SEC. 1568. MIXTURES OF TRALKOXYDIM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.61	Mixtures of 2-[1-(ethoxyimino)propyl]-3-hydroxy-5-(2,4,6-trimethylphenyl)-2-cyclohexen-1-one (Tralkoxydim) (CAS No. 87820-88-0) as the active ingredient and application adjuvants (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1569. CERTAIN CHEMICALS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new headings:

"	9902.12.72	Mixtures of zinc dialkyldithiophosphate (CAS No. 6990–43–8) with an elastomer binder of ethylene-propylene-diene monomer and ethyl vinyl acetate, dispersing agents and silica (provided for in subheading 3812.10.50)	Free	No change	No change	On or before 12/31/2009	
	9902.12.73	Mixtures of dithiocarbamate, thiazole, thiuram and thiourea with an elastomer binder of ethylene-propylene-diene monomer and ethyl vinyl acetate, and dispersing agents (provided for in subheading 3812.10.50)	Free	No change	No change	On or before 12/31/2009	
	9902.12.74	Mixtures of caprolactam disulfide (CAS No. 23847–08–7) with an elastomer binder of ethylene-propylene-diene monomer and ethyl vinyl acetate, and dispersing agents (provided for in subheading 3812.10.50)	Free	No change	No change	On or before 12/31/2009	
	9902.12.75	Mixtures of N′-(3,4-dichloro-phenyl)-N,N-dimethylurea (CAS No. 330–54–1) with acrylate rubber (provided for in subheading 3812.10.50)	Free	No change	No change	On or before 12/31/2009	
	9902.12.76	Mixtures of zinc dicyanato diamine (CAS No. 122012–52–6) with an elastomer binder of ethylene-propylene-diene monomer and ethyl vinyl acetate, and dispersing agents (provided for in subheading 3812.10.50)	Free	No change	No change	On or before 12/31/2009	
	9902.12.77	4,8-Dicyclohexyl -6-2,10-dimethyl -12*H*-dibenzo [*d,g*][1,3,2] dioxaphosphocin (CAS No. 73912–21–7) (provided for in subheading 2920.90.50)	Free	No change	No change	On or before 12/31/2009	
	9902.12.78	Mixtures of benzenesulfonic acid, dodecyl-, with 2-aminoethanol (CAS No. 26836–07–7) and Poly (oxy-1,2-ethanediyl), α-[1-oxo-9- octadecenyl]-*w*-hydroxy-, (9Z) (CAS No. 9004–96–0) (provided for in subheading 3402.90.50)	Free	No change	No change	On or before 12/31/2009	
	9902.12.79	1,3-Dihydro-3,3-bis (4-hydroxy-m-tolyl)-2H-indol-2-one (CAS No. 47465–97–4) (provided for in subheading 2933.79.08)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1570. MIXTURES OF (±)-(CIS AND TRANS)-1-[[2-(2,4-DICHLOROPHENYL)-4-PROPYL-1,3-DIOXOLAN-2-YL]-METHYL]-1H-1,2,4-TRIAZOLE.

(a) IN GENERAL.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.12.80	Mixtures of (±)-(cis and trans)-1-[[2-(2,4-Dichlorophenyl)-4-propyl-1,3-dioxolan-2-yl]-methyl]-1H-1,2,4-triazole (CAS No. 60207–90–1) and application adjuvants (provided for in subheading 3808.20.15)	1.1%	No change	No change	On or before 12/31/2009	".

(b) CONFORMING AMENDMENT.—Subchapter II of chapter 99 is amended by striking heading 9902.32.04.

SEC. 1571. PARAQUAT DICHLORIDE.

(a) IN GENERAL.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.06	Paraquat dichloride (1,1′dimethyl-4,4′-bipyridinium dichloride) (CAS No. 1910–42–5) (provided for in subheading 2933.39.23)	3.59%	No change	No change	On or before 12/31/2006	".

(b) CALENDAR YEAR 2007.—

(1) IN GENERAL.—Heading 9902.13.06, as added by subsection (a), is amended—

(A) by striking "3.59%" and inserting "4.02%"; and

(B) by striking "On or before 12/31/2006" and inserting "On or before 12/31/2007".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2007.

(c) CALENDAR YEARS 2008 AND 2009.—

(1) IN GENERAL.—Heading 9902.13.06, as added by subsection (a) and amended by subsection (b), is further amended—

(A) by striking "4.02%" and inserting "4.41%"; and

(B) by striking "On or before 12/31/2007" and inserting "On or before 12/31/2009".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2008.

SEC. 1572. CERTAIN BASKETBALLS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.07	Basketballs, having an external surface other than leather, rubber, or synthetic (provided for in subheading 9506.62.80)	0.9%	No change	No change	On or before 12/31/2009	".

SEC. 1573. CERTAIN LEATHER BASKETBALLS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.08	Leather basketballs (provided for in subheading 9506.62.80)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1574. CERTAIN RUBBER BASKETBALLS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.09	Rubber basketballs (provided for in subheading 9506.62.80)	1.5%	No change	No change	On or before 12/31/2009	".

SEC. 1575. CERTAIN VOLLEYBALLS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.10	Volleyballs (provided for in subheading 9506.62.80)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1576. 4-CHLORO-3-[[3-(4-METHOXYPHENYL)-1,3-DIOXOPROPYL]-AMINO]-DODECYL ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.11	4-Chloro-3-[[3-(4-methoxyphenyl)-1,3-dioxopropyl]-amino]-dodecyl ester (CAS No. 33942–96–0) (provided for in subheading 2924.29.71)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1577. LINURON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.24	3-(3,4-Dichlorophenyl)-1-methoxy-1-methylurea (CAS No. 330–55–2) (Linuron) (provided for in subheading 2924.21.16)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1578. N,N-DIMETHYLPIPERIDINIUM CHLORIDE (MEPIQUAT CHLORIDE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.25	N,N-Dimethylpiperidinium chloride (Mepiquat chloride) (CAS No. 24307-26-4) (provided for in subheading 2933.39.25)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1579. DIURON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.26	Formulations of 3-(3,4-dichlorophenyl)-1,1-dimethylurea (CAS No. 330-54-1) (Diuron) and application adjuvants (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1580. FORMULATED PRODUCT KROVAR I DF.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.27	Formulations containing 5-bromo-3-sec-butyl-6-methyluracil (Bromacil) (CAS No. 314-40-9), 3-(3,4-Dichlorophenyl)-1,1-dimethylurea (Diuron) (CAS No. 330-54-1), and application adjuvants (provided for in subheading 3808.30.15)	2.5%	No change	No change	On or before 12/31/2009	".

SEC. 1581. TRIASULFURON TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.28	3-(6-Methoxy-4-methyl-1,3,5-triazin-2-yl)-1-[2-(2-chloroethoxy) phenylsulfonyl]urea (Triasulfuron) (CAS No. 82097-50-5) (provided for in subheading 2935.00.75)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1582. BRODIFACOUM TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.29	3-[3-(4'-Bromo[1,1'-biphenyl]-4-yl)-1,2,3,4-tetrahydro-1-naphthalenyl]-4-hydroxy-2H-1-benzopyran- 2-one (Brodifacoum) (CAS No. 56073-10-0) (provided for in subheading 2932.29.10)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1583. PYMETROZINE TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.30	1,2,4-Triazin-3(2H)-one, 4,5-dihydro-6-methyl-4-[(3-pyridinylmethylene)amino]- (Pymetrozine) (CAS No. 123312-89-0) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1584. FORMULATIONS OF THIAMETHOXAM, DIFENOCONAZOLE, FLUDIOXINIL, AND MEFENOXAM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.31	Formulations of 3-[(2-chloro-5-thiazolyl)methyl]tetrahydro-5-methyl-N-nitro-1,3,5-oxadiazin-4-imine) (Thiamethoxam) (CAS No. 153719-23-4); 1H-1,2,4-triazole, 1-[[2-[2-chloro-4-(4-chlorophenoxy)phenyl]-4-methyl- 1,3-dioxolan-2-yl]methyl]- (Difenoconazole) (CAS No. 119446-68-3); 1H-Pyrrole-3-carbonitrile, 4-(2,2-difluoro-1,3-benzodioxol-4-yl)- (Fludioxinil) (CAS No. 131341-86-1); and (R,S)-2-[(2,6-dimethylphenylmethoxy)acetylamino]-propionic acid methyl ester (Mefenoxam) (CAS Nos. 70630-17-0 and 69516-34-3) (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1585. TRIFLOXYSULFURON-SODIUM TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.32	N-[[(4,6-Dimethoxy-2-pyrimidinyl)amino]carbonyl]-3-(2,2,2-trifluoroethoxy)-2-pyridinesulfonamide monosodium salt (CAS No. 199119-58-9) (trifloxysulfuron-sodium) (provided for in subheading 2935.00.75)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1586. 2 BENZYLTHIO-3-ETHYL SULFONYL PYRIDINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.41	2-Benzylthio-3-ethyl sulfonyl pyridine (CAS No. 175729-82-5) (provided for in subheading 2933.39.61)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1587. 2-AMINO-4-METHOXY-6-METHYL-1,3,5-TRIAZINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.42	2-Amino-4-methoxy-6-methyl-1,3,5-triazine (CAS No. 1668-54-8) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1588. FORMULATED PRODUCTS CONTAINING MIXTURES OF THE ACTIVE INGREDIENT 2-CHLORO-N-[[(4-METHOXY-6-METHYL-1,3,5-TRIAZIN-2YL) AMINO]CARBONYL] BENZENESULFONAMIDE AND APPLICATION ADJUVANTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.43	Formulated products containing mixtures of the active ingredient 2-chloro-N-[[(4-methoxy-6-methyl-1,3,5-triazin-2yl) amino]carbonyl] benzenesulfonamide and application adjuvants (Chlorosulfuon) (CAS No. 64902-72-3) (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1589. 2-METHYL-4-METHOXY-6-METHYLAMINO-1,3,5-TRIAZINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.44	2-Methyl-4-methoxy-6-methylamino-1,3,5-triazine (CAS No. 5248-39-5) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1590. MIXTURES OF SODIUM-2-CHLORO-6-[(4,6 DIMETHOXYPYRIMIDIN-2-YL)THIO]BENZOATE AND APPLICATION ADJUVANTS (PYRITHIOBAC-SODIUM).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.45	Mixtures of sodium-2-chloro-6-[(4,6 dimethoxypyrimidin-2-yl)thio]benzoate (CAS No. 123343-16-8) and application adjuvants (Pyrithiobac-sodium) (provided for in subheading 3808.30.15)	3.5%	No change	No change	On or before 12/31/2009	".

SEC. 1591. CERTAIN DECORATIVE PLATES, DECORATIVE SCULPTURES, DECORATIVE PLAQUES, AND ARCHITECTURAL MINIATURES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.46	Decorative plates, whether or not with decorative rim or attached sculpture; decorative sculptures, each with plate or plaque attached, and decorative plaques each not over 7.65 cm in thickness; architectural miniatures, whether or not put up in sets; all the foregoing of resin materials and containing agglomerated stone, put up for mail order retail sale, whether for wall or tabletop display and each weighing not over 1.36 kg together with their retail packaging (provided for in subheading 3926.40.00).	Free	No change	No change	12/31/2009	".

SEC. 1592. CERTAIN MUSIC BOXES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.47	Music boxes with mechanical musical movements, presented in the immediate packaging for shipment to the ultimate purchaser, and each weighing not over 6 kg together with retail packaging (provided for in subheading 9208.10.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1593. 2-METHYL-4-CHLOROPHENOXYACETIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.60	2-Methyl-4-chlorophenoxyacetic acid (CAS No. 94-74-6) (provided for in subheading 2918.90.20)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1594. PHENMEDIPHAM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.76	3-Methylcarbonylaminophenyl-3-methyl-carbanilate (Phenmedipham) (CAS No. 13684-63-4) in bulk or mixed with application adjuvants (provided for in subheadings 2924.29.47 and 3808.30.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1595. DESMEDIPHAM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.77	3-Ethoxycarbonylaminophenyl-N-phenylcarbamate (Desmedipham) (CAS No. 13684-56-5) in bulk or mixed with application adjuvants (provided for in subheadings 2924.29.43 and 3808.30.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1596. CERTAIN FOOTWEAR WITH OPEN TOES OR HEELS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.78	Footwear with outer soles of rubber or plastics and uppers of vegetable fibers, with open toes or open heels, other than house slippers (provided for in subheading 6404.19.25)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1597. CERTAIN WORK FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.85	House slippers with outer soles of rubber, plastics, leather or composition leather and uppers of leather, valued not over $2.50/pair (provided for in subheading 6403.99.75); Sports footwear; tennis shoes, basketball shoes, gym shoes, training shoes and the like, all the foregoing with outer soles of rubber or plastics and uppers of textile materials for women (provided for in subheading 6404.11.20)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1598. CERTAIN REFRACTING AND REFLECTING TELESCOPES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.86	Refracting telescopes with 50 mm or smaller objective lenses and reflecting telescopes with 76 mm or smaller mirrors, and parts and accessories thereof (provided for in subheading 9005.80.40 or 9005.90.80)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1600. CERTAIN WORK FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.90	Welt footwear with outer soles of rubber, plastics, leather or composition leather and uppers of pigskin, incorporating a protective metal toe-cap (provided for in subheading 6403.40.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1601. CERTAIN FOOTWEAR FOR MEN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.91	Other footwear with uppers of vegetable fibers, for men (provided for in subheading 6405.20.30)	4.5%	No change	No change	On or before 12/31/2009	".

SEC. 1602. CERTAIN RUBBER OR PLASTIC FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.92	Other footwear with uppers of vegetable fibers, other than such footwear for men or women (provided for in subheading 6405.20.30)	6.5%	No change	No change	On or before 12/31/2009	".

SEC. 1604. ZINC DIMETHYLDITHIOCARBAMATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.13.97	Zinc dimethyldithiocarbamate (Ziram) (CAS No. 137-30-4) (provided for in subheading 3808.20.28)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1605. CERTAIN LIQUID CRYSTAL DEVICE (LCD) PANEL ASSEMBLIES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.85.21	Liquid Crystal Device (LCD) panel assemblies for use in LCD direct view televisions (provided for in subheading 9013.80.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1606. CERTAIN WATERTUBE BOILERS AND REACTOR VESSEL HEADS.

(a) WATERTUBE BOILERS.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.84.01	Watertube boilers with a steam production exceeding 45 t per hour, for use in nuclear facilities entered after 12/31/2008 and on or before 12/31/2010 if the contract for the purchase of such watertube boilers was entered into on or before 7/31/2006 (provided for in subheading 8402.11.00)	Free	No change	No change	On or before 12/31/2010	".

(b) REACTOR VESSEL HEADS.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.84.04	Reactor vessel heads and pressurizers for nuclear reactors entered after 12/31/2008 and on or before 12/31/2010 if the contract for the purchase of such heads and pressurizers was entered into on or before 7/31/2006 (provided for in subheading 8401.40.00)	Free	No change	No change	On or before 12/31/2010	".

CHAPTER 2—EXISTING DUTY SUSPENSIONS AND REDUCTIONS

SEC. 1611. EXTENSION OF CERTAIN EXISTING DUTY SUSPENSIONS AND REDUCTIONS.

(a) EXISTING DUTY SUSPENSIONS AND REDUCTION.—Each of the following headings is amended by striking the date in the effective period column and inserting "12/31/2009":

(1) Heading 9902.39.08 (relating to ORGASOL polyamide powders).

(2) Heading 9902.30.90 (relating to 3-amino-2'-(sulfato-ethyl sulfonyl) ethyl benzamide).

(3) Heading 9902.32.91 (relating to MUB 738 INT).

(4) Heading 9902.30.31 (relating to 5-amino-N-(2-hydroxyethyl)-2,3-xylenesulfonamide).

(5) Heading 9902.01.83 (relating to Ethoprop).

(6) Heading 9902.01.73 (relating to Fosetyl-Al).

(7) Heading 9902.03.38 (relating to Flufenacet (FOE hydroxy)).

(8) Heading 9902.02.02 (relating to Methidathion Technical).

(9) Heading 9902.02 12 (relating to difenoconazole).

(10) Heading 9902.02.09 (relating to Lambda-Cyhalothrin).

(11) Heading 9902.02.08 (relating to cyprodinil).

(12) Heading 9902.02.04 (relating to Wakil XL).

(13) Heading 9902.02.06 (relating to Azoxystrobin Technical).

(14) Heading 9902.02.05 (relating to mucochloric acid).

(15) Heading 9902.03.06 (relating to high tenacity multiple (folded) or cabled yarn of viscose rayon).

(16) Heading 9902.05.07 (relating to high tenacity single yarn of viscose rayon with a decitex equal to or greater than 1,000).

(17) Heading 9902.38.31 (relating to Vulkalent E/C).

(18) Heading 9902.01.71 (relating to hexanedioic acid, polymer with 1,3-benzenedimethanamine).

(19) Heading 9902.29.93 (relating to Trinexapac-ethyl).

(20) Heading 9902.38.52 (relating to formulations of triasulfuron).

(21) Heading 9902.39.30 (relating to certain ion-exchange resins).

(22) Heading 9902.32.82 (relating to 2.6 Dichlorotoluene).

(23) Heading 9902.02.33 (relating to Ion exchange resin comprising a compolymer of styrene crosslinked with ethenylbenzene, aminophosphonic acid sodium form).

(24) Heading 9902.02.32 (relating tolon exchange resin comprising a copolymer of styrene crosslinked with divinylbenzene, iminodiacetic acid, sodium form)).

(25) Heading 9902.01.78 (relating to certain bags for toys).

(26) Heading 9902.01.81 (relating to cases for certain children's products).

(27) Heading 9902.01.80 (relating to certain children's products).

(28) Heading 9902.29.34 (relating to certain light absorbing photo dyes).

(29) Heading 9902.85.04 (relating to certain R-core transformers).

(30) Heading 9902.03.04 (relating to reduced vat blue 43).

(31) Heading 9902.03.03 (relating to sulfur black 1).

(32) Heading 9902.01.22 (relating to DMSIP).

(33) Heading 9902.29.35 (relating to 2-(Methoxycarbonyl)benzylsulfonamide).

(34) Heading 9902.02.52 (relating to Imidacloprid pesticides).

(35) Heading 9902.38.15 (relating to Baytron C-R).

(36) Heading 9902.29.87 (relating to 3,4-Ethylenedioxythiophene).

(37) Heading 9902.01.90 (relating to certain filament yarns).

(38) Heading 9902.01.91 (relating to certain filament yarns).

(39) Heading 9902.71.08 (relating to certain semi-manufactured forms of gold).

(40) Heading 9902.04.10 (relating to Crotonic Acid).

(41) Heading 9902.04.09 (relating to 3,6,9-Trioxaundecanedioic acid).

(42) Heading 9902.02.51 (relating to benzoic acid, 2-amino-4-[[(2,5-dichlorophenyl)amino]carbonyl]-, methyl ester).

(43) Heading 9902.32.73 (relating to Solvent blue 124).

(44) Heading 9902.32.55 (relating to Methyl thioglycolate (MTG)).

(45) Heading 9902.01.48 (relating to Ethyl pyruvate).

(46) Heading 9902.04.11 (relating to 1,3-Benzenedicarboxamide, N, N'-Bis (2,2,6,6-tetramethyl-4-piperidinyl)-).

(47) Heading 9902.04.07 (relating to reaction products of phosphorus trichloride with 1,1'-biphenyl and 2,4-bis(1,1-dimethylethyl)phenol).

(48) Heading 9902.04.05 (relating to preparations based on ethanediamide, N-(2-ethoxyphenyl)-N'-(4-isodecylphenyl)-).

(49) Heading 9902.04.06 (relating to 1-Acetyl-4-(3-dodecyl-2,5-dioxo-1-pyrrolidinyl)-2,2,6,6-tetramethylpiperidine).

(50) Heading 9902.04.12 (relating to 3-Dodecyl-1-(2,2,6,6-tetramethyl-4-piperidinyl)-2,5-pyrrolidinedione).

(51) Heading 9902.29.70 (relating to Tetraacetylethylenediamine).

(52) Heading 9902.34.01 (relating to sodium petroleum sulfonate).

(53) Heading 9902.02.75 (relating to esters and sodium esters of parahydroxybenzoic acid).

(54) Heading 9902.30.16 (relating to Diclofop methyl).

(55) Heading 9902.33.61 (relating to ((3-((Dimethylamino)carbonyl)-2-pyridinyl)sulfonyl) carbamic acid, phenyl ester).

(56) Heading 9902.01.45 (relating to Esfenvalerate).

(57) Heading 9902.05.01 (relating to Methyl 2-[[[[[4-(dimethylamino)-6-(2,2,2-trifluoroethoxy)-1,3,5-triazin-2-yl]-amino]carbonyl]amino]sulfonyl]-3-methylbenzoate and application adjuvants).

(58) Heading 9902.01.44 (relating to Benzyl carbazate).

(59) Heading 9902.05.14 (relating to Pyromellitic Dianhydride).

(60) Heading 9902.05.13 (relating to 4,4'-Oxydiphthalic Anhydride).

(61) Heading 9902.05.12 (relating to 4,4'-Oxydianiline).

(62) Heading 9902.05.11 (relating to 3,3',4,4'-Biphenyltetracarboxylic Dianhydride).

(63) Heading 9902.29.80 (relating to 1-[[2-(2,4-dichlorophenyl)-4-propyl-1,3-dioxolan-2-yl]-methyl]-1*H*-1,2,4-triazole).

(64) Heading 9902.05.19 (relating to ethofumesate).

(65) Heading 9902.02.60 (relating to Nemacur VL).

(66) Heading 9902.03.77 (relating to thiophanate methyl).

(67) Heading 9902.84.14 (relating to ceiling fans).

(b) OTHER MODIFICATIONS.—

(1) 2-CHLOROBENZYL CHLORIDE.—Heading 9902.01.56 is amended—

(A) by striking "2903.69.70" and inserting "2903.69.80"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(2) TRIETHYLENE GLYCOL BIS[3-(3-TERT-BUTYL-4-HYDROXY-5-METHYLPHENYL)PROPIONATE] .—Heading 9902.01.88 is amended—

(A) by striking "Free" and inserting "4.1%"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(3) FORMULATIONS OF TRIASULFURON AND DICAMBA.—Heading 9902.38.21 is amended—

(A) in the article description column—

(i) by inserting "(Triasulfuron)" before "(CAS No. 82097-50-5)"; and

(ii) by inserting "(Dicamba)" before "(CAS No. 1918-00-9)"; and

(B) by striking "12/31/2003" and inserting "12/31/2009".

(4) 11-AMINOUNDECANOIC ACID.—Heading 9902.32.49 is amended—

(A) by striking "Free" and inserting "2.3%"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(5) PHBA.—Heading 9902.29.03 is amended—

(A) by striking "Free" and inserting "3.1%"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(6) ACETAMIPRID TECHNICAL.—Heading 9902.03.92 is amended—

(A) by striking "Free" and inserting "2.5%"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(7) BAYTRON AND BAYTRON P.—Heading 9902.39.15 is amended—

(A) by inserting ", whether or not containing binder resin and organic solvent" before "(CAS No."; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(8) IPRODIONE.—Heading 9902.01.51 is amended—

(A) by striking "4.1%" and inserting "2.0%"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(9) ETHANEDIAMIDE, N-(2-ETHOXYPHENYL)-N′-(2-ETHYLPHENYL)-).—Heading 9902.04.13 is amended—

(A) by striking "2924.29.76" and inserting "2924.29.71"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(10) THIAMETHOXAM TECHNICAL.—Heading 9902.03.11 is amended—

(A) by striking "3.2%" and inserting "3.0%"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(11) 1,3-BIS(4-AMINOPHENOXY)BENZENE (RODA).—Heading 9902.05.15 is amended—

(A) by inserting "(RODA)" after "benzene"; and

(B) by striking "12/31/2006" and inserting "12/31/2009".

(12) MIXTURES OF N-[[(4,6-DIMETHOXYPYRIMIDIN-2-YL)AMINO]CARBONYL]-3-(ETHYLSULFONYL)-2-PYRIDINESULFONAMIDE AND APPLICATION ADJUVANTS.—Heading 9902.33.60 is amended—

(A) by striking the article description and inserting the following: "Mixtures of N-[[(4,6-dimethoxypyrimidin-2-yl)amino]carbonyl]-3-(ethylsulfonyl)-2-pyridinesulfonamide and application adjuvants (CAS No. 122931-48-0) (provided for in subheading 3808.30.15)"; and

(B) by striking "12/31/2003" and inserting "12/31/2009".

Subtitle B—Other Tariff Provisions

CHAPTER 1—LIQUIDATION OR RELIQUIDATION OF CERTAIN ENTRIES

SEC. 1621. CERTAIN TRAMWAY CARS AND ASSOCIATED SPARE PARTS.

(a) IN GENERAL.—The Commissioner of the Bureau of Customs and Border Protection of the Department of Homeland Security shall admit free of duty 3 tramway cars (provided for in subheading 8603.10.00 of the Harmonized Tariff Schedule of the United States) manufactured in Ostrava, Czech Republic, for the use by the city of Portland, Oregon, and imported pursuant to a contract with the city of Portland, Oregon, and associated spare parts for such tramway cars (provided for in applicable subheadings of heading 8607 or other headings of the Harmonized Tariff Schedule of the United States) imported pursuant to such contract, the foregoing to be entered into the customs territory of the United States by not later than December 31, 2006.

(b) RELIQUIDATION; REFUND OF AMOUNTS OWED.—If the liquidation of the entry of any of the tramway cars or associated spare parts described in subsection (a) becomes final before the date of the enactment of this Act, the Commissioner of the Bureau of Customs and Border Protection, notwithstanding any other provision of law, shall—

(1) within 15 days after such date, reliquidate the entry in accordance with the provisions of this section; and

(2) at the time of such reliquidation, make the appropriate refund of any duty paid with respect to the entry.

SEC. 1622. RELIQUIDATION OF CERTAIN ENTRIES OF CANDLES.

(a) RELIQUIDATION OF ENTRIES.—Notwithstanding sections 514 and 520 of the Tariff Act of 1930 (19 U.S.C. 1514 and 1520) or any other provision of law, the Bureau of Customs and Border Protection shall, not later than 90 days after the date of the enactment of this Act—

(1) reliquidate the entries listed in subsection (b) without assessment of antidumping duties or interest; and

(2) refund any antidumping duties and interest which were previously paid on such entries.

(b) AFFECTED ENTRIES.—The entries referred to in subsection (a) are the following:

Entry number	Date of entry	Port
110-3447557-3	03/18/00	Los Angeles
110-3447591-2	03/19/00	Los Angeles
110-3447595-3	03/19/00	Los Angeles
110-1201638-1	03/21/00	Detroit
110-1201639-9	03/21/00	Detroit
110-1201640-7	03/21/00	Detroit
110-3447613-4	03/21/00	Los Angeles
110-1201697-7	03/23/00	Detroit
110-1201695-1	03/23/00	Detroit
110-1201696-9	03/23/00	Detroit
110-1201756-1	03/27/00	Detroit
110-1201757-9	03/27/00	Detroit
110-1201758-7	03/27/00	Detroit
110-1740905-2	03/30/00	Los Angeles
110-1740943-3	03/30/00	Los Angeles
110-1201845-2	03/31/00	Detroit
110-1201813-0	04/03/00	Detroit
110-1201814-8	04/03/00	Detroit
110-1201815-5	04/03/00	Detroit
110-1201875-9	04/04/00	Detroit
110-1201868-4	04/04/00	Detroit
110-1201858-5	04/04/00	Detroit
110-3447959-1	04/11/00	Los Angeles
110-3447958-3	04/11/00	Los Angeles
110-3759536-9	04/12/00	Detroit
110-3759561-7	04/12/00	Detroit
110-3759542-7	04/12/00	Detroit
110-3759540-1	04/12/00	Detroit
110-3447977-3	04/12/00	Los Angeles
110-3759539-3	04/12/00	Detroit
110-3448045-8	04/14/00	Los Angeles
110-3448046-6	04/14/00	Los Angeles
110-3448110-0	04/20/00	Los Angeles
110-3759670-6	04/25/00	Detroit
110-3759673-0	04/25/00	Detroit
110-3759669-8	04/25/00	Detroit
110-3759667-2	04/25/00	Detroit
110-3759671-4	04/25/00	Detroit
110-3759668-0	04/25/00	Detroit
110-3448241-3	04/27/00	Los Angeles
110-3448247-0	04/27/00	Los Angeles
110-3448276-9	04/28/00	Memphis
110-3448274-4	04/28/00	Memphis
110-3448282-7	05/04/00	Memphis
101-4081779-1	05/07/00	Memphis
101-4088945-1	05/23/00	Memphis
101-4089954-3	05/23/00	Memphis
101-4088960-0	05/23/00	Memphis
101-4092192-4	05/25/00	Memphis
101-4089312-3	05/26/00	Detroit
101-4089942-7	05/26/00	Detroit
101-4089893-2	05/26/00	Detroit
101-4092221-1	05/26/00	Memphis
101-4089697-7	05/26/00	Los Angeles
101-4092215-3	05/26/00	Memphis
101-4086053-6	05/26/00	Los Angeles
101-4122700-8	07/27/00	Los Angeles
101-4122707-3	07/27/00	Los Angeles
101-4122712-3	07/27/00	Los Angeles
101-4127147-7	08/03/00	Los Angeles
101-4132485-4	08/09/00	Norfolk
101-4129989-0	08/11/00	Detroit
101-4130345-2	08/17/00	Detroit
101-4129976-7	08/23/00	Detroit
101-4149176-4	09/06/00	Los Angeles
101-4149483-0	09/06/00	Los Angeles
101-4149493-9	09/06/00	Los Angeles
101-4148595-2	09/08/00	Detroit
101-4153301-7	09/18/00	Detroit
101-4154523-5	09/14/00	Los Angeles
101-4153389-2	09/18/00	Detroit
101-4157161-1	09/20/00	Norfolk
101-4153333-0	09/21/00	Detroit
101-4155542-4	09/26/00	Detroit
101-4166291-5	10/07/00	Los Angeles
101-4167325-0	10/09/00	Detroit
101-4167363-1	10/12/00	Detroit
101-4164567-0	10/13/00	Norfolk
101-4168049-5	10/14/00	Los Angeles
101-4172904-5	10/21/00	Los Angeles
101-4175579-2	10/30/00	Los Angeles
101-4183996-8	11/07/00	Detroit
101-4183234-4	11/09/00	Detroit
101-4183251-8	11/09/00	Detroit
101-4183253-4	11/09/00	Detroit
101-4183257-5	11/09/00	Detroit
101-4183264-1	11/09/00	Detroit
101-4183264-1	11/09/00	Detroit
101-4184811-8	11/13/00	Los Angeles
101-4184819-1	11/13/00	Los Angeles
101-4189001-1	11/14/00	Tampa
101-4185526-1	11/16/00	Detroit
101-4185535-2	11/16/00	Detroit
101-4186580-7	11/20/00	Detroit
101-4189830-3	11/20/00	Detroit
101-4189774-3	11/21/00	Detroit
101-4191183-3	11/24/00	Los Angeles
101-4191188-2	11/24/00	Los Angeles
101-4191193-2	11/24/00	Los Angeles
101-4194796-9	11/29/00	Detroit
101-4194801-7	11/29/00	Detroit
101-4196383-4	12/01/00	Los Angeles
101-4196389-1	12/01/00	Los Angeles
101-4199308-8	12/13/00	Detroit

SEC. 1623. CERTAIN ENTRIES OF ROLLER CHAIN.

(a) LIQUIDATION OR RELIQUIDATION OF ENTRIES.—Notwithstanding sections 514 and 520 of the Tariff Act of 1930 (19 U.S.C. 1514 and 1520) or any other provision of law, the Bureau of Customs and Border Protection shall, not later than 90 days after the date of enactment of this Act, liquidate or reliquidate the entries listed in subsection (b) without assessment of interest and shall refund any interest which was previously paid.

(b) AFFECTED ENTRIES.—The entries referred to in subsections (a) and (b) are the following:

Entry number	Date of entry	Port
858442975	08/21/85	Chicago
868558147	01/28/86	Chicago
868565499	03/14/86	Chicago
858440922	07/31/85	Chicago
868565499	03/14/86	Chicago
868558147	01/28/86	Chicago
858442975	08/21/85	Chicago
858440922	07/31/85	Chicago
847648353	06/18/84	Chicago
858268324	01/04/85	Chicago
858264302	11/08/84	Chicago
858265107	11/19/84	Chicago
847650150	07/18/84	Chicago
847412877	05/09/84	Chicago
837078386	03/21/83	Chicago
837077691	02/07/83	Chicago
837077701	02/07/83	Chicago
826735834	01/13/82	Chicago
826736309	01/18/82	Chicago
821020081	02/12/82	Chicago
821020052	02/17/82	Chicago
821026768	04/13/82	Chicago
827119569	06/18/82	Chicago
837075114	10/06/82	Chicago
826727088	10/14/81	Chicago
837124777	05/19/83	Chicago
847405240	11/28/83	Chicago
837127606	08/18/83	Chicago
837125132	06/08/83	Chicago
847406100	12/22/83	Chicago
847404034	11/02/83	Chicago
837128090	09/07/83	Chicago
837126762	08/05/83	Chicago
837125569	06/22/83	Chicago
837078991	04/12/83	Chicago
837129222	10/03/83	Chicago
847406414	12/29/83	Chicago
847408014	01/31/84	Chicago
868569204	07/03/86	Chicago
868730813	08/14/86	Chicago

SEC. 1624. CERTAIN ENTRIES OF SOUNDSPA CLOCK RADIOS.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the Bureau of Customs and Border Protection shall, not later than 90 days after the date of the enactment of this Act—

(1) reliquidate each entry described in subsection (c) containing any merchandise which, on the date of original liquidation, was classified under subheading 8527.19.50 of the Harmonized Tariff Schedule of the United States; and

(2) make such reliquidation at the rate of duty that would have been applicable to such merchandise if the merchandise had been liquidated under subheading 8527.19.10 of such Schedule on the date of entry of the merchandise.

(b) REFUND OF AMOUNTS OWED.—Any amounts owed by the United States under subsection (a) shall be refunded with interest.

(c) AFFECTED ENTRIES.—The entries referred to in subsection (a) are as follows:

Entry number
110-1199345-7
110-1199542-9
110-1199558-5
110-1201694-4
110-3759754-8
110-3759785-2
101-4082299-9
101-4088073-2
101-4089053-3
101-4120875-0
101-4133671-8
101-4138302-5
101-4145092-3
101-4148477-3
101-4153108-6
101-4159322-7
101-4158601-5
101-4163243-9
101-4164448-3
101-4168318-4
101-4172197-6
101-4172489-7
101-4193123-7
101-4264820-2
101-4271724-7
101-4277850-4
101-4287672-0
101-4301588-0
101-4306238-7
101-4306235-3
101-6011727-0
101-6012796-4
101-6015492-7
101-6021099-2
101-6026903-0
101-6024120-3
101-6028079-7
101-6027052-5
101-6036728-9
101-6048069-4
101-6079830-1
101-6082949-4
101-6115954-5
101-6119379-1
101-6127048-2
101-6150035-9
101-6148556-9
101-6172630-1
101-6172406-6
101-6186497-9
101-4208407-7
101-6035939-3

CHAPTER 2—MISCELLANEOUS PROVISIONS

SEC. 1631. VESSEL REPAIR DUTIES.

(a) EXEMPTION.—Section 466(h) of the Tariff Act of 1930 (19 U.S.C. 1466(h)) is amended by striking paragraph (4) and inserting the following:

"(4) the cost of equipment, repair parts, and materials that are installed on a vessel documented under the laws of the United States and engaged in the foreign or coasting trade, if the installation is done by members of the regular crew of such vessel while the vessel is on the high seas, in foreign waters, or in a foreign port, and does not involve foreign shipyard repairs by foreign labor.".

(b) AMENDMENT TO HTS.—The U.S. Notes to subchapter XVIII of chapter 98 of the Harmonized Tariff Schedule of the United States are amended by amending U.S. Note 2 to read as follows:

"2. Notwithstanding the provisions of subheadings 9818.00.03 through 9818.00.07, no duty shall apply to the cost of equipment, repair parts, and materials that are installed in a vessel documented under the laws of the United States and engaged in the foreign or coasting trade, if the installation is done by members of the regular crew of such vessel while the vessel is on the high seas, in foreign waters, or in a foreign port and does not involve foreign shipyard repairs by foreign labor. Declaration and entry shall not be required with respect to such installation, equipment, parts, and materials.".

(c) EFFECTIVE DATE.—The amendments made by this section apply to vessel equipment, repair parts, and materials installed on or after April 25, 2001.

SEC. 1632. SUSPENSION OF NEW SHIPPER REVIEW PROVISION.

(a) SUSPENSION OF THE AVAILABILITY OF BONDS TO NEW SHIPPERS.—Clause (iii) of section 751(a)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1675(a)(2)(B)(iii)) shall not be effective during the period beginning on April 1, 2006, and ending on June 30, 2009.

(b) REPORT ON THE IMPACT OF THE SUSPENSION.—Not later than December 31, 2008, the Secretary of the Treasury, in consultation with the Secretary of Commerce, the United States Trade Representative, and the Secretary of Homeland Security, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report containing—

(1) recommendations on whether the suspension of section 751(a)(2)(B)(iii) of the Tariff Act of 1930 should be extended beyond the date provided in subsection (a); and

(2) an assessment of the effectiveness of any administrative measure that was implemented to address the difficulties that necessitated the suspension under subsection (a), including—

(A) any problem in the collection of antidumping duties on imports from new shippers; and

(B) any burden imposed on legitimate trade and commerce by the suspension of bonds to new shippers.

(c) REPORT ON COLLECTION PROBLEMS AND ANALYSIS OF PROPOSED SOLUTIONS.—

(1) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Secretary of Commerce, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report describing—

(A) any major problem experienced in the collection of duties during the 4 most recent fiscal years for which data are available, including any fraudulent activity intended to avoid payment of duties; and

(B) an estimate of the total amount of duties that were uncollected during the most recent fiscal year for which data are available, including, with respect to each product, a description of why the duties were uncollected.

(2) RECOMMENDATIONS.—The report shall include—

(A) recommendations on any additional action needed to address problems related to the collection of duties; and

(B) for each recommendation—

(i) an analysis of how the recommendation would address the specific problem; and

(ii) an assessment of the impact that implementing the recommendation would have on international trade and commerce (including any additional costs imposed on United States businesses).

SEC. 1633. EXTENSION AND MODIFICATION OF DUTY SUSPENSION ON WOOL PRODUCTS; WOOL RESEARCH FUND; WOOL DUTY REFUNDS.

(a) EXTENSION OF TEMPORARY DUTY REDUCTIONS.—Each of the following headings of the Harmonized Tariff Schedule of the United States is amended by striking the date in the effective period column and inserting "12/31/2009":

(1) Heading 9902.51.11 (relating to fabrics of worsted wool).

(2) Heading 9902.51.13 (relating to yarn of combed wool).

(3) Heading 9902.51.14 (relating to wool fiber, waste, garnetted stock, combed wool, or wool top).

(4) Heading 9902.51.15 (relating to fabrics of combed wool).

(5) Heading 9902.51.16 (relating to fabrics of combed wool).

(b) EXTENSION OF DUTY REFUNDS AND WOOL RESEARCH TRUST FUND.—

(1) IN GENERAL.—Section 4002(c) of the Wool Suit and Textile Trade Extension Act of 2004 (Public Law 108-429; 118 Stat. 2603 (7 U.S.C. 7101 note)) is amended—

(A) in paragraph (3)—

(i) by striking "2 additional payments" and inserting "annual additional payments"; and

(ii) by adding at the end the following:

"(C) Each subsequent annual payment to be made after January 1 of each subsequent year, but on or before April 15 of such year through calendar year 2010."; and

(B) in paragraph (6)—

(i) in subparagraph (A), by striking "through 2007" and inserting "through 2009"; and

(ii) by adding at the end the following:

"(C) ELIGIBLE MANUFACTURERS.—Only manufacturers who weave worsted wool fabric in the United States shall be eligible for a grant under this paragraph.".

(2) SUNSET.—Section 506(f) of the Trade and Development Act of 2000 (Public 106–200; 114 Stat. 303), as amended by section 4002(c)(5) of the Wool Suit and Textile Trade Extension Act of 2004 (Public 108–429; 118 Stat. 2603), is amended by striking "2008" and inserting "2010".

SEC. 1634. AUTHORITIES RELATING TO DR–CAFTA AGREEMENT.

(a) AUTHORITY TO IMPLEMENT CERTAIN AMENDMENTS TO DR–CAFTA AGREEMENT WITH NICARAGUA, EL SALVADOR, HONDURAS, AND GUATEMALA.—

(1) PROCLAMATION AUTHORITY.—The President is authorized to proclaim modifications to the Harmonized Tariff Schedule of the United States as necessary to carry out amendments proposed by the United States and the CAFTA–DR countries to the Agreement, the terms of which are contained in the letters of understanding described in paragraph (2).

(2) LETTERS OF UNDERSTANDING.—The letters of understanding referred to in paragraph (1) are the following:

(A) The letter of March 24, 2006, from Nicaraguan Vice Minister of Trade Julio Teran to United States Special Textile Negotiator Scott Quesenberry.

(B) The letter of March 27, 2006, from United States Special Textile Negotiator Scott Quesenberry to Nicaraguan Vice Minister of Trade Julio Teran.

(C) The letter of January 27, 2006, from El Salvadoran Vice Minister of Economy Eduardo Ayala to United States Special Textile Negotiator Scott Quesenberry.

(D) The letter of January 27, 2006, from United States Special Textile Negotiator Scott Quesenberry to El Salvadoran Vice Minister of Economy Eduardo Ayala.

(E) The letter of March 7, 2006, from Honduran Vice Minister of Foreign Trade Jorge Rosa to United States Special Textile Negotiator Scott Quesenberry.

(F) The letter of March 7, 2006, from United States Special Textile Negotiator Scott Quesenberry to Honduran Vice Minister of Foreign Trade Jorge Rosa.

(G) The letter of June 23, 2006, from Guatemalan Minister of Economy Marcio Cuevas Quezada to United States Special Textile Negotiator Scott Quesenberry.

(H) The letter of June 23, 2006, from United States Special Textile Negotiator Scott Quesenberry to Guatemalan Minister of Economy Marcio Cuevas Quezada.

(3) SUNSET.—The authority of the President to proclaim modifications pursuant to paragraph (1) expires on December 31, 2007.

(b) AUTHORITY TO IMPLEMENT CERTAIN AMENDMENTS TO DR–CAFTA AGREEMENT WITH COSTA RICA AND THE DOMINICAN REPUBLIC.—

(1) PROCLAMATION AUTHORITY.—The President is authorized to proclaim modifications to the Harmonized Tariff Schedule of the United States as necessary to carry out amendments proposed by the United States, Costa Rica, and the Dominican Republic to the Agreement, the terms of which are contained in the letters of understanding described in paragraph (2).

(2) LETTERS OF UNDERSTANDING.—

(A) IN GENERAL.—The letters of understanding referred to in paragraph (1) are letters of understanding exchanged between the countries described in paragraph (1) relating to the rules of origin for articles containing pocket bag fabric described in subparagraph (B).

(B) POCKET BAG FABRIC DESCRIBED.—For purposes of subparagraph (A), the term "pocket bag fabric" means pocket bag fabric used in an apparel article classifiable under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States that contains a pocket or pockets.

(3) CONSULTATION AND LAYOVER REQUIREMENTS.—Any modification proclaimed by the President pursuant to paragraph (1) shall be subject to the consultation and layover provisions of section 104 of the Dominican Republic–Central America–United States Free Trade Agreement Implementation Act (Public Law 109-53; 19 U.S.C. 4014).

(4) CONGRESSIONAL DISAPPROVAL.—

(A) IN GENERAL.—Any modification proclaimed by the President pursuant to paragraph (1) shall not be effective if a joint resolution described in subparagraph (B) is enacted into law.

(B) JOINT RESOLUTION DESCRIBED.—For purposes of subparagraph (A), the term "joint resolution" means a joint resolution of Congress, the sole matter after the resolving clause of which is as follows: "That the Congress disapproves the modification proclaimed by the President contained in the report submitted to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives pursuant to section 104(2) of the Dominican Republic–Central America–United States Free Trade Agreement Implementation Act (Public Law 109-53; 19 U.S.C. 4014(2)) on ________________.", with the blank space being filled with the appropriate date.

(5) SUNSET.—The authority of the President to proclaim modifications pursuant to paragraph (1) expires on December 31, 2007.

(c) AUTHORITY RELATING TO NICARAGUAN TARIFF PREFERENCE LEVEL UNDER DR–CAFTA AGREEMENT.—

(1) CERTIFICATE OF ELIGIBILITY.—The Commissioner of Customs may require an importer to submit at the time the importer files a claim for preferential tariff treatment under Annex 3.28 of the Agreement a certificate of eligibility, properly completed and signed, or transmitted pursuant to an authorized electronic data interchange system, by an authorized official of the Government of Nicaragua for purposes of implementing the tariff preference level for Nicaragua provided in Annex 3.28 of the Agreement.

(2) ENFORCEMENT OF COMMITMENTS.—The President is authorized to proclaim a reduction in the overall limit in the tariff preference level for Nicaragua provided in Annex 3.28 of the Agreement if the President determines that Nicaragua has failed to comply with a commitment under an agreement between the United States and Nicaragua with regard to the administration of such tariff preference level.

(3) EFFECTIVE DATE.—Paragraph (1) applies with respect to entries made on or after April 1, 2006.

(d) TECHNICAL CORRECTION RELATING TO CO-PRODUCTION OF CERTAIN TEXTILE AND APPAREL GOODS.—Section 205(a)(2) of the Dominican Republic–Central America United States Free Trade Agreement Implementation Act (19 U.S.C. 4034(a)(2)) is amended by inserting after "with respect to that country" the following: "or any other CAFTA–DR country".

(e) REPORTING REQUIREMENTS ON CERTAIN NEGOTIATIONS AND AMENDMENTS TO DR–CAFTA AGREEMENT.—

(1) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, and at least quarterly thereafter, the United States Trade Representative shall submit to the appropriate congressional committees a report on the status of negotiations and amendments proposed by the United States, Nicaragua, El Salvador, Honduras, Guatemala, Costa Rica, and the Dominican Republic to the Agreement regarding any change to the rule of origin or alteration of the tariff treatment of socks described in paragraph (2) or any technical correction described in paragraph (3). In addition, the United States Trade Representative shall provide to the appropriate congressional committees copies of any amendments to be proposed by the United States before the amendments are offered and copies of any amendments received by the United States relating to such negotiations.

(2) SOCKS DESCRIBED.—For purposes of paragraph (1), the term "socks" means articles classifiable under subheading 6111.20.6050, 6111.30.5050, 6111.90.5050, 6115.91.00, 6115.92.60, 6115.92.90, 6115.93.60, 6115.93.90, 6115.99.14, or 6115.99.18 of the Harmonized Tariff Schedule of the United States.

(3) TECHNICAL CORRECTIONS DESCRIBED.—Technical corrections referred to in paragraph (1) are the following:

(A) Clarification of references to "elastomeric yarns" contained in the notes, subheading notes, additional U.S. notes, and statistical notes to chapters 50 to 63 (section XI) of the Harmonized Tariff Schedule of the United States.

(B) Clarification of the ability to apply short supply provisions to sewing thread, narrow elastics, and visible linings.

(C) Treatment of women's and girls' woven sleep bottoms under Annex 4.1 of the Agreement.

(D) Addition of a rule of origin for women's and girls' woven sleep bottoms to reflect the rule of origin provided for in subheading 6207.11.00 of the Harmonized Tariff Schedule of the United States and contained in Annex 4.1 of the Agreement.

(E) Provision of women's and girls sleep bottoms under Annex 4.1–A of the Agreement.

(4) DEFINITION.—In this subsection, the term "appropriate congressional committees" means the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate

(5) SUNSET.—The requirements of paragraph (1) expire on the date on which any change is made to the rule of origin pursuant to article 3.25 of the Agreement for any good described in paragraph (2), or December 31, 2007, whichever occurs later.

(f) DEFINITIONS.—In this section:

(1) AGREEMENT.—The term "Agreement" has the meaning given the term in section 3(1) of the Dominican Republic–Central America–United States Free Trade Agreement Implementation Act (Public Law 109-53; 19 U.S.C. 4002(1)).

(2) CAFTA–DR COUNTRY.—The term "CAFTA–DR country" has the meaning given the term in section 3(2) of the Dominican Republic–Central America–United States

Free Trade Agreement Implementation Act (Public Law 109-53; 19 U.S.C. 4002(2)).

SEC. 1635. TECHNICAL AMENDMENTS TO CUSTOMS MODERNIZATION.

(a) ENTRY OF MERCHANDISE.—Section 484(a) of the Tariff Act of 1930 (19 U.S.C. 1484(a)) is amended—

(1) in paragraph (1), by amending subparagraph (A) to read as follows:

"(A) make entry therefor by filing with the Bureau of Customs and Border Protection such documentation or, pursuant to an authorized electronic data interchange system, such information as is necessary to enable the Bureau of Customs and Border Protection to determine whether the merchandise may be released from custody of the Bureau of Customs and Border Protection;"; and

(2) in paragraph (2)(A), in the second sentence, by inserting after "covering" the following: "merchandise released under a special delivery permit pursuant to section 448(b) and".

(b) REFUNDS AND ERRORS.—Section 520(a) of the Tariff Act of 1930 (19 U.S.C. 1520(a)) is amended—

(1) in paragraph (1), by striking the semicolon at the end and inserting a period;

(2) in paragraph (2), by striking "; and" at the end and inserting a period; and

(3) in paragraph (4)—

(A) by inserting "an importer of record declares or" before "it is ascertained"; and

(B) by striking "by reason of clerical error".

(c) ENTRY FROM WAREHOUSE.—Section 557(a) of the Tariff Act of 1930 (19 U.S.C. 1557(a)) is amended—

(1) in paragraph (1)—

(A) in the second sentence, by inserting after "the date of importation" the following: ", or such longer period of time as the Bureau of Customs and Border Protection may at its discretion permit upon proper request being filed and good cause shown"; and

(B) in subparagraph (A), by inserting after "the date of importation" the following: "or such longer period of time as the Bureau of Customs and Border Protection may at its discretion permit upon proper request being filed and good cause shown"; and

(2) in paragraph (2), by inserting after "the date of importation" the following: ", or such longer period of time as the Bureau of Customs and Border Protection may at its discretion permit upon proper request being filed and good cause shown,".

(d) ABANDONED GOODS.—Section 559 of the Tariff Act of 1930 (19 U.S.C. 1559) is amended by inserting after "the date of importation" each place it appears the following: ", or such longer period of time as the Bureau of Customs and Border Protection may at its discretion permit upon proper request being filed and good cause shown".

(e) MANIPULATION IN WAREHOUSE.—Section 562 of the Tariff Act of 1930 (19 U.S.C. 1562) is amended—

(1) by amending the first sentence to read as follows: "Merchandise shall only be withdrawn from a bonded warehouse in such quantity and in such condition as the Secretary of the Treasury shall by regulation prescribe."; and

(2) in the second sentence, by striking "All merchandise so withdrawn" and all that follows through "except that upon permission therefor" and inserting "Upon permission".

(f) OTHER TECHNICAL AMENDMENTS.—(1) Section 629(e) of the Tariff Act of 1930 (19 U.S.C. 1629(e)) is amended by striking "insuring" and inserting "ensuring".

(2) Section 135(f)(2)(B) of the Trade Act of 1974, as amended by section 2004(i)(1) of the Miscellaneous Trade and Technical Corrections Act of 2004, is amended by striking "their establishment" and insert "its establishment".

(3) Section 245(a) of the Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by striking ", other than subchapter D".

(4) Section 291(2) of the Trade Act of 1974 (19 U.S.C. 2401(2)) is amended—

(A) by striking "1001(5)" and inserting "1001(e)"; and

(B) by striking "1308(5)" and inserting "1308(e)".

(5) Section 13031(e)(6)(C)(i) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(e)(6)(C)(i)) is amended by striking "commonly know" and inserting "commonly known".

(6) Section 2107(a)(4) of the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3807(a)(4)) is amended—

(A) by striking "paragraph (2)(A)" and inserting "paragraphs (2)(A)"; and

(B) by striking "paragraph (2)(B)" and inserting "paragraphs (2)(B)".

(7) Section 514(c)(3) of the Tariff Act of 1930 (19 U.S.C. 1514(c)(3)) is amended by moving the last 2 sentences 2 ems to the left as flush left text.

Subtitle C—Effective Date

SEC. 1641. EFFECTIVE DATE.

Except as otherwise provided in this title, the amendments made by this title shall apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

The SPEAKER pro tempore (Mr. PUTNAM). Pursuant to House Resolution 966, general debate shall not exceed 1 hour, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means and the Committee on Education and the Workforce.

The gentleman from California (Mr. THOMAS), the gentleman from New York (Mr. RANGEL), the gentleman from California (Mr. MCKEON), and the gentleman from California (Mr. GEORGE MILLER) each will control 15 minutes.

□ 2130

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the title of this bill, as we indicated, is the Pension Protection Act of 2006; but it is much more than that. Within the bill also are tax items, trade items, charitable provisions.

One of the reasons I am pleased to bring this to the floor is that it is in essence the combination of more than 5 months of working on a very important area of public law that affects tens of millions of Americans. It is about the agreement workers have with their employers as to what they are going to be able to earn, not for the time they are working but for the time they are retired.

Our current pension system is, frankly, broken. It moved rapidly into a known broken situation, and we have responded, not as quickly as perhaps we would have liked, but I think we have responded in a way that, as we discussed, this bill I think you will find there is, at least there was on the conference committee and there should be in this House, broad bipartisan support.

For example, on this side of the aisle, I could say I hold a letter from the General Motors Corporation endorsing the changes we are making in pension law. And someone would say, aha. But then I would pick up a letter and say, I hold a letter from the United Auto Workers who are supportive of this pension change. And I could do that for industry after industry showing that you not only have the corporate structure in support but you have the workers in support.

This is a bill that makes fundamental changes in transparency, in payment arrangements, which means the promise made from employers to employees and employees to employers has a greater chance than a long, long time of being honored. It is important legislation. The Ways and Means Committee will spend some time on the text, trade, and charitable provisions, but I want to say that I am very proud of the product that has been produced. It will move off this floor, it will move through the Senate, and it will be signed by the President. And the time line in doing that will save many employees from what would have been a certain failure to have pensions if we did not act before we adjourned for our summer district work period.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I ask unanimous consent to yield my time to be controlled by the gentleman from California (Mr. GEORGE MILLER).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GEORGE MILLER of California. I yield 2 minutes to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Speaker, this is one of those bills in the middle of the night; this is a 21-page summary. There isn't anybody here, perhaps four or five conference members may know what is in it. None of us have seen the bill, so you have got to trust the leadership.

Now, this bill imposes new red tape and fees on employers that wish to provide their employees with defined benefit pensions. It makes it harder to give a defined benefit.

Those opposing this measure of course will say they believe that the bill's new requirements will impose requirements to discourage employers from offering a traditional pension plan. Supporters are saying this bill will strengthen everything. But if the aim of this bill is to strengthen pensions, why does it exempt Halliburton from the bill's requirements?

No one could possibly have read the text of this bill. But we do have this 21-page summary, I say, which says that the proposal delays the effective action on funding and benefit limitation rules for defense contractors. Those who are ripping us off in Iraq by the billions are not being brought under this bill. This provision was not in the House nor was it in the Senate version of the bill.

If the funding and limitation rules are so good for everyone, which is what the majority contends, why aren't they good enough for Halliburton? Of course, I know Halliburton is a friend of the Vice President. Perhaps we need CSI to come in here to uncover how this bill got put together, but we know enough to oppose the bill. This proposal continues to promote the philosophy of conservatives, which is that people are better off alone. You are on your own, folks. We are going to give you a 401(k), and good luck, no defined benefits anymore. This is to end pensions as we have known them.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

It is times like these that you have to resist the temptation of saying, okay, let's just go home and not pass this bill. But the gentleman from Washington, from Seattle, perhaps wouldn't be able to get back if he were flying Northwest Airlines, and so the fervor of his speech not to act would in fact have to bump into reality sooner than I think he might like.

Mr. Speaker, I would like to yield the remainder of the time to be controlled by the gentleman of Michigan, a fellow conferee on the pension conference (Mr. CAMP).

Mr. CAMP of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the Pension Protection Act. By approving this bill, the House of Representatives is taking an important step towards safeguarding employee pensions and reforming the current system to ensure all American workers receive their full promised retirement benefits. This bill is a significant improvement over current law.

The bill before us today shores up the single defined benefit system so that companies cannot escape their obligations. Instead of allowing firms to routinely underfund their plans, H.R. 4 requires employers to fund 100 percent of their liabilities. The bill also requires employers to make up contributions faster than the 30 years under current law.

More importantly, the Pension Protection Act lives up to its name by not allowing companies to make promises to their workers they cannot hope to fulfill. If pension plans are critically underfunded, executives will no longer be able to commit new pension benefits to workers under the false premise that they have the money to make good on those faulty assurances.

In Michigan, the auto industry is critical to our State's economy. I want to thank Chairman THOMAS and Mr. Leader BOEHNER for their leadership, ensuring Michigan's manufacturers continue to operate robust pension plans. I am particularly pleased H.R. 4 has the support of United Auto Makers and the United Automobile Workers. I worked hard to ensure the auto sector and its workers are not subject to unfair, unrealistic rules that would unnecessarily penalize this critical sector of the American economy.

H.R. 4 also provides relief to the struggling airline industry. The Pension Protection Act is a huge victory to the pilots, flight attendants, baggage handlers, and other employees in the airline industry that have worked hard for their pensions and expect them to be there upon retirement. This bill allows airline companies that have frozen their plans and taken that responsible step more time to make good on their commitments and preserve their workers' benefits.

Absent legislation, some airlines would be forced to terminate their pension plans. If this were to happen, the PBGC would incur billions of additional pension liability, and employees would receive a fraction of their promised benefits. The Pension Protection Act prevents this and enables airlines to fully meet the obligations to their workers. I urge all of my colleagues to pass this important bill for America's workers.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, this bill offers much to recommend in improving pension law. In particular, I applaud the inclusion of relief for multi-employer plans and the clearing up of some of the contradictions and ambiguities around hybrid defined benefit plans. But I must rise in opposition to this bill for two reasons.

The first is that the bill makes a mistake that the majority said from the very outset it did not want to make, which was to favor one industry over another in affording relief for single-employer plans. Not only does this bill afford more protection for some industries over others, but within an industry, within the airline industry, it exhibits I believe unwise favoritism for some airlines over others. The majority started this process by saying it did not want to choose winners and losers among industries. What in fact I believe it has done is to choose winners and losers within an industry, which I think is unwise and a bad precedent to set.

Secondly, I must rise in opposition to this bill because of its procedural irregularity. There is a conference which was seated several months ago that is dealing with these issues. What is before us tonight is a brand-new bill, not a conference report. This does not recognize months of negotiation between the two Houses and between the two parties. It is a brand-new bill that starts without anyone I think truly vetting or understanding.

And I must say that my Democratic colleagues who are conferees on this bill, Mr. MILLER, Mr. RANGEL, Mr. PAYNE, among the three of them they have 90 years of experience in this House, and they were afforded no opportunity to attend a meeting of the conference, to ask a question at the conference, to express their views at the conference. This is not disrespect to them; it is disrespect to their constituents and to the millions of people whose views are represented by Mr. MILLER and Mr. RANGEL and Mr. PAYNE and others.

This is an awfully important area of legislation. To rush head on with a bill that no one has read, ignoring a conference that has never met, that ignores 90 years of experience from Members on this side I think is a mistake. So despite the good that I know is in this bill, I would urge a "no" vote.

Mr. CAMP of Michigan. Mr. Speaker, I yield 2¼ minutes to the gentlewoman from Connecticut, a distinguished member of the Ways and Means Committee (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong support of this Pension Protection Act of 2006. Not only does it ensure that employers and unions will fund their plans, but it enables individuals to make a much greater effort toward providing for their retirement security as well.

Nothing is more important to Americans than the gut-wrenching issue of being secure in their old age. It is important to seniors, it is important to their families, it is important to young people to know that they can plan for the future. And it is a pity that only 50 percent of America's workers participate in pension plans. This bill makes a simple change that will result in 85 to 90 percent of working Americans who work for companies with pension plans participating in those plans, as opposed to 50 percent. That is big. That is important. It is a simple mechanism, but it will help many, many more young people get into those pension plans, take advantage of employer contributions, and prepare for their retirement.

It also does something else we don't know much about, we don't pay attention to it, we don't think about it: it makes permanent the saver's credit. If you don't make much money, putting money aside for retirement is really hard. We have a little plan by which the government gives you a dollar for every dollar you save for low- and middle-income earners. This makes that permanent, and that will enable us to grow that program appropriately. It also indexes it to inflation so those people can never be robbed of the power of this help in saving for their retirement.

□ 2145

This is not a perfect bill, but it does some really important things for working people and it helps us think ahead. We have a lot of people with 401(k) plans, and at 65, they are blowing them. One of the things this bill does is to encourage new products to plan for our future by changing the tax treatment of 401(k) money invested in an annuity that can provide a paycheck for life or cover long-term care if needed.

We need to be thinking anew about all the challenges of retirement, not just the income challenge.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, I thank my friend for yielding me this time.

Mr. Speaker, I am really conflicted on this bill because there are good provisions in it. The provisions which I had the opportunity to work with our former colleague, Mr. Portman, provisions that would make permanent the changes in the tax law in 2001, makes it easier for people to save for their retirement, employers to provide pension plans; provisions for automatic enrollment so that employees have a better chance of having a retirement savings. The permanency and indexing of the saver's credit, I think, is a very important provision. The split tax refund. I can go on and on and on.

But I must tell you, I was listening to Mr. ANDREWS and I think that he raises a very valid point on the process. You have to, at times, understand that process is important so we do the right thing here.

I heard reference to approving a conference report, but this is not a conference report. We have a letter from the Senate Members of the conference report urging the House Members of the conference committee to join them in a product that is different than what we have before us today.

There are concerns in this legislation that I do not know if they have been addressed, including the airline industry, including the way we treat employers who have well-funded plans today as to whether they will continue those plans.

So, Mr. Speaker, this bill is coming up with no notice, no opportunity for us to review it, and without an opportunity for our conferees to present their report.

So I do not know what to tell the Members to do here. I doubt if we will have time to review all the provisions that are in this bill. I doubt whether we will know exactly what is involved, and we do not have the comfort of knowing that it is the product of a conference committee. It is a new bill that is before us.

So I just urge my colleagues to be very careful in consideration of this legislation. It is very important legislation. It does some very good things, but I am concerned there may be some unintended consequences.

Mr. CAMP of Michigan. Mr. Speaker, I yield 2¼ minutes to the gentleman from Arizona (Mr. HAYWORTH), a distinguished member of the Ways and Means Committee.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Michigan for his hard work as part of the conference, and I rise in strong support of the Pension Protection Act.

I listened with great interest to the criticisms offered from the other side of the aisle, especially my friends from New Jersey and California, and indeed, it is somewhat reminiscent of the initial evaluation by a Hollywood agent of a young actor. The shorthand note was, "can't sing, can't act, dances a little." And of course, it turned out to be the great Fred Astaire.

Now, with all due respect to Mr. Astaire and his song and dance, the song and dance offered by the other side, the criticisms, when you take a look, focus on process, not policy. Indeed, my friends from New Jersey and Maryland readily concede that there are many desirable policies in this bill, reforming the outdated single employer defined benefit pension plans.

We heard the chairman of the committee say not only was there a letter from General Motors but also from the United Auto Workers, and yet we hear the process is somehow terribly flawed and that even within the airline industries some airlines are treated differently. Mr. Speaker, the different airlines are reacting differently to the concerns they face. It is not some sort of vast conspiracy with malice aforethought to pick winners and losers. It comes from different responses from the businesses involved.

No, a clear level look at what we are doing says that this is, in fact, precisely the bill at this time.

As to the process, we heard mention made of the other body. We are mindful that there are those who aspire to become part of the other body, but Mr. Speaker, without impugning any action, although I know we have changed the rules, the fact is a lot of folks basically want to blow up this agreement.

We need this bill. It is a good bill. Vote for it.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, if this bill is so great, why are executives not being treated the same way as the rank-and-file workers? It is hard to believe that in the face of all of the corporate scandals that we have been experiencing over the last few years, that this legislation still allows for executives to receive a golden parachute. Unbelievably, executives who have run their companies into the ground can continue to receive large lump sum payments from their underfunded pension plans at the same time that the rank-and-file employees' benefits have been frozen.

You heard me right. If a company's plan is underfunded by 80 percent, rank-and-file workers cannot receive new benefits or lump sum payments. Meanwhile, the restrictions for executives do not start until the plan is underfunded by 60 percent. That difference adds up to billions and billions of dollars.

Whatever happened to the captain going down with the ship? The way this bill reads the only boat the Republican majority is familiar with is the *Titanic*, because they are giving lifeboats to the first class passengers only.

Mr. Speaker, we live in a country that values equality. Why oh why in the world would we allow this pension bill to pass the House treating executive pension benefits differently from their workers? What happened to what is good for the goose is good for the gander? If workers' pensions are underfunded, then so are executives. It is time to end the golden parachute or, as the gander goes, the golden egg.

I urge my colleagues, vote against this conference report and support workers benefits.

Mr. CAMP of Michigan. Mr. Speaker, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. HART), a distinguished member of the Ways and Means Committee.

Ms. HART. Mr. Speaker, I thank the gentleman for yielding, and I especially thank the chairman for answering the call of families across the Nation to make 529 qualified tuition programs permanent.

What are those plans? For those of you who do not know, the 529 section allows for tax-free college savings. This is something that has encouraged so many families to save for college. The figures in assets in 529 plans have grown from $13 billion in 2001 to more than $65 billion today. This has provided for so many families to save for education, and it is more important than ever because we know workers with the least education have generally experienced the slowest wage growth over the past three decades. Making this plan permanent allows families to plan for the future and make sure that they will get that education.

Also, the pension changes are so very important. In the communities that I represent, we experienced terrible, really unfairness, on pension plans when US Airways filed for bankruptcy and turned their pension plans over to the PBGC, and unfortunately, their executives took a golden parachute.

The gentlewoman who just spoke before me was wrong in her statement that those executives continue to do this. The plans must be funded before these executives could have a special set-aside pension plan for themselves. We ended that practice of unfairness of these large company executives stealing the money away while their rank-and-file workers lose.

The bill encourages greater transparency for the employees to know the health of their pension plan. These are such important changes that anyone who does not support it is not supporting the retirement security for the people in their district. It is so important that people know the status of their finances as they work through their working life so they have expectation of their pension, they have expectation of how much income they will receive, and this bill will help them get there.

Mr. Speaker, I encourage my colleagues to support this.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 30 seconds just to correct the record.

The legislation does not require the funding of these plans. Executives can continue to get benefits out of these plans if they are only 60 percent funded. The gentlewoman from California was correct. Workers can only get benefits if they are 80 percent funded.

So the executives can continue to draw down the assets of the corporations, but the employees cannot.

Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. NEAL), a member of the Ways and Means Committee.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman.

When you hear this argument and this debate, remember, a year ago, these are the people that were going to abandon the Social Security system. These are the people that were going to throw the Social Security system overboard.

I heard the gentleman from Arizona say, well, there is good things in the legislation and there is bad things in the legislation. Does anybody remember the S&L issue around here or did we have amnesia? There were good things about deregulating the S&Ls, and it cost the American taxpayer $500 billion, but a decade later.

The Wall Street Journal published a poll yesterday. I hear my Republican friends talking about how great everything is. How good everything is on Wall Street.

The American people are asked, in what direction is the country headed, right or wrong? And by almost two-thirds they say the wrong direction. They are paying $3.15 a gallon for gasoline, their health care plan is being taken away, and their retirement plan is being compromised, if not jeopardized. 401(k) plans are replacing the defined benefit that we had all come to know.

That is where the anxiety is coming from. That is why the American people think the country's headed in the wrong direction.

You are about to hasten the demise of the defined benefit plan by embracing this legislation tonight, and I want to say something as well to those who are witnessing the debate.

It has not been vetted through the committee system. It has not been presented back and forth between two parties. It is being put up on a Friday night, once again because they think you are not watching. That is the way the Ways and Means Committee has operated during the last few years. That is the way legislation's brought to the floor, no opportunity for the minority to ever be heard. We simply put it in front of this body, late at night so people cannot witness it, and then we move on from there. Whether it is good or bad, we will not have our fingerprints on it.

Mr. CAMP of Michigan. Mr. Speaker, what is the time remaining?

The SPEAKER pro tempore. The gentleman from Michigan (Mr. CAMP) has 2¾ minutes remaining, and the gentleman from California (Mr. GEORGE MILLER) has 18½ minutes remaining.

Mr. CAMP of Michigan. Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 15 seconds to the gentleman from North Carolina (Mr. ETHERIDGE).

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman for yielding.

I served in business for 19 years and have been in public life a long time. I have signed a lot of contracts, but never in my life have I signed a contract that I have not read. We are asking the Members of this body to sign a contract with the American people that we have not read.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. OWENS).

Mr. OWENS. Mr. Speaker, we have not an accidental shipwreck here. We have a deliberate shipwreck being set up.

I am not the oldest person in this body tonight, but I have been here a long time and seen the great swindle of the savings and loans collapse. This is a swindle that will be even bigger.

We have the full faith and credit somewhere behind the pension guaranty fund. It is not there, we are going to put it behind there, and it is the American taxpayers who are going to pay when this whole pension system collapses.

I do not know what grand formula is in motion here and who the genius is, but the looting of America is going along very well, and this is one more step in that direction.

It is going to be a huge, like an economic asteroid collapsing on the economy when this pension benefit guaranty fund collapses as the savings and loans did.

□ 2200

We can't even get a figure as to how many billions of dollars were lost in the savings and loans. If you go looking for it, it is nebulous. But at least $1 trillion of taxpayer money has gone down the drain, and is still going, partially because it was funded with 30-year bonds.

I watched while it unfolded. And the savings and loans criminals, really, were not punished. It was a great example of how you could steal millions and get away with it. Silverado Bank comes to mind, because we had relatives of the administration involved in that one, and on and on it goes, with Members of Congress on the boards, and all kinds of things that happened, and they got away with it.

Now we have corporate America having mismanaged these pensions all this time, having looted them in many different ways. Enron certainly shows us how they can do that in quite a clear fashion. But there are many other different ways that the people in control have looted the pension funds, destroying them, and they are going to ask the American people to bail them out. That is what is most devastating about tonight.

Mr. CAMP of Michigan. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from the Ways and Means Committee, the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Speaker, I am sitting here listening to this debate and I am wondering, what bill are they talking about? Are they talking about the bill that 70 Democrats voted for earlier in the year that got 294 votes? Are they talking about the bill that is endorsed by the United Auto Workers, by the building trades? Are they talking about the bill that was negotiated between Democrats and Republicans, between the House and the other body? Because that is the bill we are talking about right here. This bill was written with the input from labor, with the input from management, with the input from employees and employers.

What is wrong? What needs to be fixed? Well, you know what needs to be fixed? If an employer promises their employee they are going to fund their pension, by golly, that is exactly what they should do. That is what this bill does. It makes sure they do in fact fund that pension 100 percent.

If an employer wants to prefund their employees' pension, wants to do good by helping them ahead of time, we want to change the rules so they can do that. And you know what, if an employer wants to exploit loopholes and rip off their employees, shortchange their pension, as the current law allows employers to do, we have got to stop them from doing that. And that is what this bill does.

That is why this bill is supported by unions, by management, by Republicans, by Democrats, by the House and the other body. This is a bill that is a good bill that has been negotiated for a year, and I urge its passage.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 4 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. I am pleased to follow the preceding speaker, who like me is on the Ways and Means Committee. He knows darn well the Ways and Means Committee had nothing to do with this bill. This bill has been marked up in a nontransparent conference committee, and then last night, on the eve of the vote, the Republicans walked and didn't vote. It is utter nonsense the gamesmanship that has been played.

But there have been deals cut. A lot of deals have been cut. So some unions cut their deal and they are for it; some companies are for it; some industries are for it. And I don't have any problem with any of them. What I have a problem with, with this bill, is the great majority of plans, covering 20 million workers in the workforce today, with pension protection, pensions that they are counting on to pay that monthly payment in old age.

We have seen this argument before. Remember last year, when the President wanted to privatize Social Security? Suddenly, we heard about how Social Security was on the rocks; we had to end Social Security as we knew it to save it. We had to privatize it to protect it. This is the same thing that is going on now. They are saying pensions are on the rocks. We have to pass this bill to save pensions.

Baloney. Don't believe a word of it. Jane Bryant Quinn, noted commentator on financial matters, writes in a recent column about the recovering health of pension funding. "Plans are coming back to sounder footing, thanks to rising interest rates, massive corporate catch-up contributions to their plans, limitations on benefits and the recovery in the markets."

And in addition to that, my colleagues, we passed a big premium increase in that budget and so more money is coming in yet. But none of that is mentioned. And so there is a lot of confusion on the floor.

Does this bill toughen that funding requirement or not? It is the wrong question, my colleagues, and I used to be a solvency regulator as a former insurance commissioner. The right question here is: Will this bill continue pensions or will this bill make their freezing and termination more likely? And on that, consider the words of David Wyss, chief economist for Standard & Poor's. "The more that is required of plans, the sooner they will go extinct." Private pensions are going the way of the Dodo.

Because, you see, when you make funding too onerous or too unpredictable, you force the executives to cancel or terminate or freeze the plan. And that is exactly what is at foot. So the enemies of pensions can stand on the floor and say they are protecting workers by increasing funding, but they know all along they are going to cause the freezing of plans.

We have a trend here that is very worrisome, because my friends, this is the mounting number of frozen pension plans. And I am telling you, if we pass this bill, this number is going to skyrocket. Indeed, one trade group with expertise in this area predicts 60 percent of the plans might freeze if the bill is passed.

Let me tell you what happens when a plan freezes. It means that you no longer get to count future years' earnings in your retirement benefit. So baby boomers in the workforce today, following this debate, you are going to get killed under this bill. You are not going to get final rate of pay as considering your pension benefit. Instead, you are going to get a reduced pension than you ever counted on, and they are going to swap you for a 401(k).

Is that a fair trade? Well, Jane Bryant Quinn's column says that workers in this situation may take an annual company contribution in their 401(k) of 15 percent to be equal. Now, how many of you know of 401(k)'s where they put in 15 percent?

So what we are seeing here, directed right at the baby boom workers, is a bill that will cause the freezing of their pension, the reduction of their benefit, and yet the majority, in their hypocrisy, has the nerve to suggest they are doing it to protect workers. Kill this bill. Protect worker pensions.

Mr. CAMP of Michigan. Mr. Speaker, I yield myself the balance of my time.

I urge Members to vote for this Pension Protection Act because this bill reforms the current system. What we have seen through the years in the steel industry and some of the airline industry, and the auto industry is on the brink, we have seen plans terminated and put over on the PBGC. Everybody loses there, certainly potentially the American taxpayer, but more importantly, the workers in those companies end up not receiving the benefits they remember promised.

This legislation requires plans to be fully funded. That is an important step forward. It also ensures that the plans have a realistic reflection of the value of their plan so that we don't have some rule that doesn't make any sense that values a plan at an unrealistic amount. The plans are fully funded at a mark-to-market amount that actually reflects the value of the market.

This bill represents a compromise between the House and Senate on multiemployer provisions, which strengthens the multiemployer plans as well as the defined benefit plans. This legislation also would allow shutdown benefits if plans are funded above a certain level, which are so important as we have this changing dynamic in our economy that will continue to protect our workers.

This legislation is better than current law, reforms current law, strengthens our plans, and will ensure that plans are not terminated and put on the PBGC.

Mr. Speaker, I yield back the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I reserve the balance of my time.

Mr. MCKEON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4, the Pension Protection Act, and I ask my colleagues to join me in doing the same. We followed a long road to get to this point, and there have been many bumps along the way. But when you are considering such substantial legislation, such fundamental reforms, especially in a bill where we haven't had reforms like this for over 20 years, that is to be expected.

At the end of the day, however, what we have brought to the floor tonight represents the reform package agreed upon by House and Senate pension conference principals after many, many meetings. After a long and sometimes difficult process, this bill provides us just what we were looking for at the outset: Reforms that significantly strengthen outdated worker pension laws for workers, retirees, and taxpayers. And that is a major and a long, overdue victory.

In the fall of 2004, nearly 2 years ago, the House Education Workforce Committee, led by then-Chairman BOEHNER, unveiled six principles to fix our Nation's outdated pension laws. These pillars represented the foundation for the defined benefit pension overhaul Congress was about to embark upon, and our committee pledged to incorporate them into the final legislative product we would send to President Bush. Mr. Speaker, the Pension Protection Act meets that pledge.

We pledged to craft a bill that provides certainty by establishing a permanent interest rate to more accurately calculate employers' pension liabilities so they fund their pension promises. We have done just that.

We pledged to craft a bill that relies on common sense by enabling employers to build a cushion in their pension plans during good economic times. And we have done just that.

We pledged to craft a bill that establishes stability by enclosing funding loopholes and ensuring employers make adequate and consistent cash payments to their plans. And we have done just that.

We pledged to craft a bill that promises greater transparency by giving employees timely and straightforward information about the health of their plans. And we have done just that.

We pledged to craft a bill that values honesty by ending the practice of allowing employers and union leaders, when faced with a severely underfunded pension plan, to dig their hole even deeper by promising extra benefits to employees and retirees. And we have done just that.

And, finally, we pledged to craft a bill that enhances retirement security portability by ensuring that hybrid plans, such as cash balance pensions, which offer portable, more generous worker benefits, remain a viable part of the defined benefits system. And we have done just that.

In short, this bill will reform broken pension rules that no longer serve the interests of workers who count on their retirement savings being there for them when they need it. I am proud to have played a role in crafting it, and I thank Chairman THOMAS, my neighbor from California, chairman of the Ways and Means Committee, and, in particular, my former chairman, Leader BOEHNER, for leading the charge on this important issue. Going all the way back to his days as Employer-Employee Relations Subcommittee Chair, our majority leader has been a tireless advocate for the reforms we are considering tonight, and I thank him for his commitment.

I also want to thank my committee staff for their work on this legislation, Ed Gilroy, Jim Paretti, Steve Perrotta, and Mr. BOEHNER's pension policy adviser, Stacey Dion. They have been truly remarkable throughout this process, putting in innumerable hours, and we literally would not be here tonight without them.

Mr. Speaker, I urge swift passage of H.R. 4, both here in the House this evening and in the Senate next week.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. McKEON. Mr. Speaker, I am happy to yield 3 minutes to a member of the committee, a member of the conference committee, and thank him for his work on this bill, the gentleman from Minnesota (Mr. KLINE).

Mr. KLINE. Mr. Speaker, I thank the gentleman, my chairman, for yielding.

Mr. Speaker, I rise today in very strong support of H.R. 4, the Pension Protection Act of 2006. This legislation provides security and peace of mind for working families across our Nation. Many Americans have worked their entire lives for their pensions, and nothing is more important to them than making sure these obligations are met. This legislation protects the interest of workers, retirees, and taxpayers, and it helps employers continue to offer these benefits.

As vice chairman of the Employer-Employee Relations Subcommittee, I have worked over the last few years with my colleagues to reform these antiquated pension laws. This legislation reflects our negotiations with House and Senate leaders concluded in recent days. I am proud to have championed the inclusion of airline relief in this final package.

□ 2215

The Pension Protection Act strikes the necessary balance between the many diverse groups with an interest in a healthy pension system. The passage of this bill protects the pensions of more than 9,000 Northwest Airline pension plan participants who live in my district alone. I am honored to represent these individuals here in Congress and to support this much needed legislation on their behalf and on behalf of all my constituents.

Without this legislation, Mr. Speaker, it is not a matter of if the airline terminates its plans; it is a matter of when. This bill will allow Northwest Airlines to emerge from bankruptcy with its pension plans intact.

Curtis Shoemake, a 30-year Northwest Airline pilot from Minnesota, summed up the situation when he remarked, "It's a win-win for everybody. It's a win because it protects our pensions. It's a win because the PBGC is not burdened with the termination of our pension. I'm hopeful that Congress will step up to the plate and do the right thing."

Tonight, Mr. Speaker, I am asking my colleagues to join me in doing the right thing. Let's take the next step toward solving our Nation's pension crisis. Vote for this legislation and strengthen America's pension system for the workers of today and of tomorrow.

Mr. GEORGE MILLER of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. McKEON. Mr. Speaker, I yield 1 minute to the chairman of the Ways and Means Committee, Mr. THOMAS.

Mr. THOMAS. I thank the gentleman very much.

Mr. Speaker, of necessity, this bill, H.R. 4, governing pension rules is very complex. A detailed, plain-English explanation is available from the Joint Committee on Taxation and will be a key resource in understanding the intent underlying the bill's provisions and, therefore, obviously of the legislative intent behind the bill.

Mr. McKEON. I am happy to yield 3 minutes to a subcommittee chairman of the Education Committee, a member of the conference committee, a good friend of mine from Texas, a hero of this country, Mr. SAM JOHNSON.

Mr. SAM JOHNSON of Texas. Thank you, Mr. Chairman, for that time.

I normally don't do this, but I rise in opposition to this pension bill on which I am a conferee. The original House pension bill had no specific industry relief. In the House bill we did not pick winners and losers.

However, the Senate bill did contain specific airline industry relief. The four legacy carriers that maintain pension plans were all treated the same. Within that industry, there was no picking winners and losers. Yet this bill that we are debating chooses to favor two bankrupt airlines, Delta and Northwest. I appreciate the comments previous on Northwest. I think they need the help. It gives them extra relief for having run their pension plans even into the ground.

The two airlines that are not threatening the retirement security of their employees, American and Continental, are being punished for having gotten wage and benefit concessions from their employees during very hard-fought, but successful, negotiations. American Airlines has been working closely with their pilots, flight attendants, and ground crews to be sure that this is an airline that keeps flying and keeps its promises to its employees.

Yet the bill debated here tonight will give Delta and Northwest a huge competitive advantage. I will vote against this bill because all four legacy carriers should get the same interest rate, I believe, for unfunded promises.

The Senate bill and the draft conference report that has been circulated by the Senate would provide for parity for all four airlines on the interest rate. Those who support this deal say American and Continental are being greedy. I say American and Continental need the same interest rate as the other two or they are going to be hundreds of millions of dollars at a disadvantage against their direct competitors. As a matter of fact, American just reported, I think, somewhere around $300 million profit in this year, and $600 million is what they would be cost by this bill each year.

I am standing with the Texas delegation and airlines that keep their word. Our Texas airlines have worked hard to keep their word with their employees. This Congress must give equal treatment for our major airlines.

I urge a "no" vote.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. I thank the gentleman for yielding.

Mr. Speaker, I think that there are some provisions in this bill that merit our hesitation before we proceed forward on it here tonight. This will be the second bill that we have passed in this House on the same subject, and both of them have missed opportunities.

This bill misses an opportunity to encourage companies to keep offering traditional pensions to their employees. As my colleague Mr. NEAL from Massachusetts said earlier, it could be the demise of the defined contribution plan, defined benefit plan for employees, a plan that many, many people rely on and the best type of pension/retirement plan that people could have. This in the face of a majority of this body and a White House that are already intent on attacking and privatizing Social Security.

This bill misses an opportunity to protect taxpayers from footing the bill for the bailout of the Pension Benefit Guaranty Corporation. The PBGC estimates that this bill will increase its deficit by $2 billion over the next 10 years.

This bill misses an opportunity to prevent companies from using bankruptcy to dump workers' pension plans, and we have seen that happen too often in a number of instances very recently. We had every opportunity to put provisions in this bill that would force companies to try alternative means and other financing and ways to stop from having to dump their plan into bankruptcy and therefore hurt their retirees. We fail to do it in this bill.

The bill misses an opportunity to save pension benefits for older workers by allowing conversion to cash balance plans without protecting those that are 45 years or older, and estimates are that they stand to lose up to half of the accumulated value in their pension plans.

And the bill misses an opportunity to stop companies from awarding lavish retirement compensation packages to executives at the same time they cut workers' benefits. The fact of the matter is that the executives that are responsible for driving these plans into the ground ought to have their fate and their retirement hooked onto the fate of their employees so that they will make sure that these plans succeed every possible time.

And the bill misses an opportunity to protect workers' pension assets. The investment advice exemptions in the bill don't adequately protect against conflicted investment advice.

Mr. Speaker, they miss opportunity after opportunity. We can do better. Let it go back to conference, let's correct it, and let's come out with a good pension plan to protect America's workers.

Mr. MCKEON. I yield to the gentleman from Georgia, a member of the committee, for purposes of a unanimous consent request.

Mr. PRICE of Georgia. Mr. Speaker, I want to commend the leader and the chairman for their hard work on this. I rise in support of H.R. 4.

Mr. MCKEON. At this time I would like to yield to my good friend from across the aisle, the ranking member of the Transportation Committee, Mr. OBERSTAR, for 2 minutes.

Mr. OBERSTAR. I thank the gentleman for yielding.

As the chairman of the Ways and Means committee said earlier, he did say that the pension system is broken. I wouldn't say it is quite broken, but it does have some cracks. We forget that when ERISA was enacted in 1973, it was hailed in particular in my district by my predecessor for whom I was administrative assistant as the great salvation for iron ore mines that were about to go into bankruptcy and for workers whose pension plans would have been lost without PBGC set up under ERISA.

We find now that there are some oversights that should have been plugged over the years and failings that should have been corrected. But they weren't done. And now we are at a situation where there is an opportunity to make an adjustment and that is in the airline sector.

If the steel industry had been as responsible as I submit Northwest Airlines has been and Delta in working with their employees to protect the pensions, freeze the pensions, require the company to pay in over a period of time, we wouldn't have billions of dollars in unfunded liabilities for the steel industry in the PBGC, and we would have more steel industry still operating and more workers getting their fair pensions.

Now, the plan that Northwest has set before its workers was negotiated with the pilots, the flight attendants and the machinists, and they said, We'll freeze the plan, but we'll continue to pay into it so that you get the full amount you're entitled to and then we'll substitute a defined contribution plan.

Now, two other carriers, American and Continental, say that is unfair to them. But what is unfair to them would be if we do nothing tonight, defeat this bill, and then Northwest simply turns over in the month of August their pension plan to the PBGC and thousands of employees from both Northwest and Delta are out of luck, they lose huge amounts of money over the balance of their retirement years, and then American and Continental have a real disparity in competition because those companies don't have that burden of liability to pay.

So pass this bill and give those carriers an opportunity to do the right thing.

Mr. MCKEON. May I inquire how much time remains.

The SPEAKER pro tempore. The gentleman from California (Mr. MCKEON) has 3½ minutes remaining. The gentleman from California (Mr. GEORGE MILLER) has 10¼ minutes remaining.

Mr. MCKEON. Mr. Speaker, I am happy to yield at this time 2½ minutes to a member of the committee, Mr. EHLERS from Michigan.

Mr. EHLERS. This is a very complex issue, and we have worked on this bill for a considerable amount of time in the Committee on Education and the Workforce, of which I am a member.

I am puzzled, because there is a little confusion on the floor tonight about the airlines issue, and I hope I can help to clarify that. The impression that has been given, and I have heard it in other discussions and not just in this debate, that there is one plan here for Northwest and Delta and a different plan here for Continental and American Airlines. That is simply not true.

There are two plans, but it does not specify which airlines. Any of the airlines can pick one of the two plans. It is an open choice. One plan is for an airline which chooses to freeze their pensions. In that case, they will pay what they owe to the PBGC at a certain rate of interest over a certain period of time. In the other plan, airlines do not have to freeze their pensions and they pay their obligation to the PBGC at a certain rate over a certain amount of time.

Now, those rates and times are different because the two plans are different. The liabilities of the airlines are different. But Continental or American Airlines can choose to use the frozen plan with no problem whatsoever. If they think Northwest and Delta are getting a better deal, they can join them. They can freeze their plans and get the same repayment rate, same interest rate, same time to repay as Northwest and Delta. It is very simple. Two plans, but no airline is tied to a particular plan. They can make the choice they wish. In fact, Continental is using both plans.

And so the argument that we are being unfair and are picking winners and losers among the airlines simply does not apply in this case. As Mr. OBERSTAR said, this is a fair arrangement which will preserve the pension funds for the employees of the airlines and will prevent a further load from being assigned to the PBGC, the Pension Benefit Guaranty Corporation, which would lose a lot of government money and which we may have to bail out if we do not adopt this plan.

I urge an "aye" vote.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and Members of the House, this is a complicated piece of legislation and Members of the House and Members of the Senate have struggled with it for some period of time. That struggle really hasn't been completed yet because this legislation was taken from the conference committee and it is here tonight to be passed unilaterally within the House and be presented to the Senate in the future.

It is difficult to understand all of the things that have been done in this legislation, certainly for the Democratic

Members of the House since we were not included in this conference committee. We were not invited into any of the sessions, nor was the information shared with us as it was developed during the conference committee because they chose to run it simply on a partisan basis among the House conferees.

□ 2230

But I think it is clear to understand also that this legislation does, in fact, as my colleague from Massachusetts said, miss a number of opportunities. And that is why we are concerned with it tonight.

We understand the changes that have been made that allow companies to continue to underfund those pension plans and then increase the contributions that those plans will have to make in later years, and it is pretty clear that as businesses sit down and make the decisions about the allocation of resources and they look at those increased contributions, the burden will really push them in the direction of freezing or terminating their plans. That is why we see the quote that was given this last day or so, "We will see an unprecedented number of companies freezing their plans in 2007 because they will recognize the difficulties of the new pension regime." That comes from the American Benefits Council, which deals with so many of these plans, because this tilts the table toward the decisions by companies to terminate or to freeze those plans.

And if that happens, of course, we have been warned now, under this legislation by the Pension Benefit Guaranty Corporation that as they contribute less to those plans and then make that decision, it also heightens the likelihood that these underfunding problems will become worse, according to this legislation as represented to us by the Pension Benefit Guaranty Corporation. And they also make it clear the Pension Benefit Guaranty Corporation that absorbs these plans on behalf of a safety net paid for by other plans that as they suffer from a huge deficit, a $23 billion deficit, they expect that this legislation that is before us tonight will add some $2 billion to that deficit over the next 10 years.

But there are other decisions that the conferees could have made or that you could have made in drafting this bill as you brought it to the floor. You could have erred on the side of working people. You could have made a decision that in these plans that are distressed and underfunded that we would, in fact, treat the employees and the executives alike. But we set two different standards. We said that if your plan is not 80 percent funded, then the employees can get no additional benefits in terms of their retirement out of that plan. But if a plan is only 60 percent funded, executives can continue to draw and add on and accrue pension benefits. So we have set two different standards here. Both people, I assume, are working very hard for the success of that corporation. One is just going to get treated entirely differently than the other. It is a matter of simple fairness. A matter of simple equity. But when we see the greatest disparities in the history of this country for a long time now, when we see these disparities, this bill increases those disparities between the executives and the employees.

You could have made a decision not to harm the pilots that were harmed after 9/11 because they were forced to retire early. Federal law made them retire at 60. Then 9/11 and the high fuel costs come along, and that drives United Airlines into bankruptcy, a bankruptcy I didn't agree with, but they went into bankruptcy; so you lost 40 percent of your pension. PBGC took over their plan, but you lost an additional amount because you retired at 60. Those pilots had no chance. We could have taken care of them in this bill. One would have thought that that was somewhat of a humane thing to do, a compassionate thing to do. They were victims of 9/11. They were victims of the downturn in the travel economy after 9/11. They were victims of high fuel costs. They did not do anything wrong, and Federal law forced them to retire. But we just blew off their cause in this legislation.

The issue of older workers, a missed opportunity there, to make sure, as we transition from defined benefits plans to cash balance plans, that we would protect the oldest of those workers, the closest to retirement, that we would make sure that they would be taken care of because, as we know, people who are 55, 60 years old, 5 years from retirement, have very little opportunity to accumulate the kind of economic resources that are necessary to match the retirement that they were expecting. You didn't have to do it. It was recommended by the administration.

The Secretary of Treasury, former Secretary Mr. Snow, said it should be done. He said he did it in his corporation at CSX. He voted to do it as a member of the board of Verizon. It was done by Honeywell. It was done by Wells Fargo Bank. It was a compassionate thing to do. They still realized the savings that they wanted by changing their pension plans, and I do not object to their doing that. I just thought that we could make an effort to try to protect those people who the GAO tells us would lose almost half of their benefits with those kinds of conversions. But that was not done in this legislation.

So I really think that we ought to understand that those kinds of decisions really do harm a number of people that could have been helped in this legislation, a significant number of people that could have been helped in this legislation. And we could have done some more to try to help keep these plans out of the PBGC.

We could have also made sure that before people went to bankruptcy in the manner in which United did, that they would have made the last ditch effort, the kind of effort that we just talked about earlier, where airlines made these kinds of efforts to freeze their plans, but they did not. But I think before we rush to bankruptcy and then we turn these plans over to the PBGC and maybe ultimately to the taxpayer that there ought to be a burden, there ought to be a showing, there ought to be evidence that, in fact, you made every effort. I am not asking you to destroy the company. I am asking you to make the kind of effort that we saw others make but they chose not to make it at United, and as a result of that, those machinists, those flight attendants, the pilots, the ramp workers, and so many others have taken such a serious hit on their pension benefits with no ability to recover. So those are my objections to this legislation.

We started this session with an unprecedented attack on Social Security. And as people started to look at that attack, and they saw the Federal privatization of Social Security, they started to look at their own pension plans, and they realized, as what we are doing with here today, that their own pension plans are very insecure. There is probably no employer in this country that can tell you that that pension plan will be there for their employees 75 years from now, 65 years from now, and be paying out 80 percent of the benefits. So people have come to realize that they need retirement security. And I do not believe that this legislation provides that kind of security that individuals need.

I recognize the transitions in pension plans. I recognize the changes in pension plans. But I really think that this legislation, in many ways, was drafted looking in the rear-view mirror as opposed to the future of these plans and how we encourage savings and how we encourage participation.

There is no question this legislation deals with some of those issues, but I do not believe that we did the kind of job that will serve us well in the future.

And I would encourage Members to oppose this legislation. We will have a motion to recommit, a motion that will protect those older workers, a motion that will treat those airlines the same. If they all freeze their plans, they should get the same number of years to do that, and we think it will provide them a greater margin of safety if they do that, and provide for that kind of transition and the protection of those pension plans as they originally requested, as the Senate originally voted to do. But the conferees didn't go there, and certainly this legislation being offered in the House tonight didn't go there. But that will be offered in a few minutes.

I urge opposition to this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. MCKEON. Mr. Speaker, it gives me great pleasure to yield the balance of my time to our majority leader, who started this project as a subcommittee chairman and then full committee chairman of the Education Committee, Mr. BOEHNER from Ohio.

Mr. BOEHNER. Mr. Speaker, let me thank my colleague for yielding.

And, Mr. MILLER, let me say hello to you and thank you for your loyal opposition. Even though over the last 7 years that we have worked on this project together, much of what is in here you should be very proud of because you and Mr. ANDREWS, Mr. THOMAS, Mr. MCKEON, Mr. JOHNSON, and others, all of us, over the last 6 or 7 years, have spent a lot of time bringing this bill together.

And I am pleased that this bill is on the floor tonight. It could be here in a different form. It could be here in a different way. But the fact is that we have worked together in a bipartisan way to craft a very good bill to protect American workers' pensions.

Simply put, I think these reforms that we have put in place tonight represent the most sweeping changes to America's pension system in 30 years. And they will ensure that workers and retirees can continue to count on their hard-earned retirement benefits. And these reforms, I think, deserve the support of every Member in this House.

Over the past few years, we have seen more and more companies get out of their pension system, freeze their pension plan, go bankrupt, turn it over to the Pension Benefit Guaranty Corporation, and put the pension benefits for American workers in jeopardy. And what we are attempting to do tonight, in a bipartisan way, is to protect the American workers and the benefits that they have earned and try to make sure that the commitments that companies make to their workers are kept. And the way to do that is to make sure that we put more money into these pension funds.

Now, my friend from California, who was down here arguing against this bill, had a two-sided argument. One, the bill is too strong. We are going to require companies to put more money into their pension plans, and as a result, they are going to freeze their plans. Yet on the other hand, he is complaining that we are not protecting the interests of the American worker. Now, we spent years on this, both of us together, and we know the only way you get there is to walk a very fine line, to make sure that promises made to American workers are kept, that plans are better funded, and that we try to prevent a taxpayer bailout of the Pension Benefit Guaranty Corporation.

As my colleague from California said, 7 years ago, when I was bounced out of the Republican leadership after the 1998 election, I became chairman of the Employer-Employee Relations Subcommittee of the Education and the Workforce Committee, a subcommittee most of you have never heard of. And my ranking member was my good friend from New Jersey, Mr. ANDREWS, and we began a series of hearings in 1999 to uncover what was happening in the pension system in America today. And we had dozens of hearings and worked hard. And some of the things that we learned, I think we have dealt with very comprehensively in this bill.

The bill ensures that employers better fund their pension plans. It closes loopholes that allow underfunded plans to skip their pension payments. It prohibits employers and union leaders from digging the hole even deeper by promising extra benefits when their plans are severely underfunded. The bill enhances disclosure to give workers and retirees more information about the condition of their own pension fund that they are a member of. It protects taxpayers from a multi-billion dollar bailout of the Pension Benefit Guaranty Corporation. It better protects multi-employer pension plans for both workers and the employers who fund them. And it gives access to critical investment advice for those who have 401(K) plans and IRAs.

I want to also mention the last issue, the fact that one of the issues I have worked on for these 7 years and never given up on is trying to get critical investment advice into those who have self-directed plans. My colleague from Massachusetts sits over there with a smile on his face because we worked on this together, although he disagrees with me. He is still my friend. But helping those who have to make decisions in their 401(k) plan or their IRA is critically important if we want to help them get the type of retirement security that they want for themselves. We all know that many of these plans are underfunded.

There is not enough diversification in their portfolios, and if we don't get real investment advice and personalized investment advice into their hands, we know they are not going to have the type of retirement that they are expecting. Thankfully, those provisions are included in this bill to help make sure that investment advice gets there.

Another big issue is bringing legal certainty to those cash balance plans, these hybrid plans. It is not a defined benefit plan; it is not a 401(K). And over 2,000 companies in America today have these hybrid pension plans, and they are in some legal jeopardy. And I think we have struck the right balance in this legislation to protect the interest of older workers that are in defined benefit plans as these conversions take place.

Now, not every Member favors every provision of this bill, as my friend from California pointed out. And if I had to write this bill myself, it would be different than what we see today. The fact is that I think we have made good on our promise to help American workers keep their retirement benefits they have earned, to make sure that those commitments are kept.

I want to thank my friend from California, Chairman BILL THOMAS, whom I have worked on this proposal with for the last 5 years. We all know BILL is a sweet, lovable human being. This is his last year as chairman of the Ways and Means Committee. And I have got to tell you that all of us in the House, whether we agree with BILL or disagree with BILL every day, BILL is someone who works hard, puts his mind to it, and no one has worked harder in bringing this bill to the floor tonight than my colleague and friend from California, Mr. THOMAS.

□ 2245

Also I want to thank Chairman MCKEON, the man who took my place as Chairman of the Education and Workforce Committee some 6 months ago, for his hard work.

I want to thank my staff, Stacey Dion. Stacey, everybody that has worked on this knows Stacey. She has been one of the principal authors of this. I want to thank Paula Nowakowski, Jo-Marie St. Martin, Kevin Smith, Mike Sommers, Greg Maurer, Dave Schnittger and George Canty on my staff for all of their work on this bill now and in the past.

I also have to thank some of my former staff on the Education and the Workforce Committee, Ed Gilroy, Steve Forde, Jim Paretti and Steve Perrotta, for all of the work they have done continuing to assist not only me when I was chairman, but Mr. MCKEON as well.

Let me also thank the staff from the Ways and Means Committee and our Democrat staff who have worked hard over many years to get us to this point.

This is a very important bill. I think all of my colleagues on both sides of the aisle know it is a very important bill.

When we started this process, Mr. ANDREWS and I in 1999, it wasn't many months into this when we asked ourselves, why haven't these laws been cleaned up and straightened out? Well, Mr. ANDREWS, I can tell you, I found out why, because it is hard work and there are a lot of people who have a lot of different interests.

But at the end of the day, the work that we started I think is going to pay dividends tonight, because what we have here is a process and a product that has been developed together that will in fact meet the goals that we set out to do. And it wouldn't have happened without the work of a lot of Members on both sides of the aisle.

With that, Mr. Speaker, I ask my colleagues to support this bill, to defeat the motion to recommit, and move this bill to the Senate and on to the President's desk.

Mr. BLUMENAUER. Mr. Speaker, there is probably no issue of more critical interest to the majority of the people that I represent than retirement security. We are facing a growing crisis in this country because of the way pension plans have been mismanaged and the stresses that are coming from demographic changes, in particular the pending retirement of the baby-boomers. We've already seen many of these programs disrupted to the serious disadvantage of hardworking men and women who through no fault of their own are facing a much more difficult time in retirement.

I am sad in this instance that this bill does not make the simple adjustment that all employees' pensions are treated the same whether they are an executive or metalworker or longshoreman. That would have been a simple reform providing equity and would have forced more attention and energy on the part of top executives to protect the integrity of their pension programs. However this is not the case.

I am frustrated that this comes at the last minute with little chance for review and without the full participation from conferees on both sides of the aisle. Frankly, my staff and I and the people in my district have had very little time to be able to fully analyze the consequences of this legislation. This is not the best we can do, but it looks to me like it's the best we can expect for now. I am quite confident this is not the last word and I will vote in favor while continuing to work to do a better job for American industry and its workers.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to H.R. 4, the Pension Protection Act of 2005. I support the Miller/Rangel motion for several reasons. Specifically, I oppose the bill because I am not satisfied that it adequately protects older workers' benefits in cash balance conversions and ensures that airline pilots do not see unfair cuts to their PBGC benefits because of the FAA's mandatory retirement rules and agree to the Senate provisions on airlines. I believe the bill can be designed better to prevent pension plan dumping and to treat equally executive compensation and worker and executive pensions equally.

PROVISIONS PROTECTING OLDER WORKERS' BENEFITS IN CASH BALANCE CONVERSIONS

These provisions prohibit discrimination against older workers by the practice of offsetting previously earned pension benefits against new benefits under the plan, also known as "wearaway" of older worker benefits. They also provide fair rules to protect workers' pensions in conversions of traditional pension plans to cash balance pension plans. In a recent study, the GAO found that, without these transition protections, almost all workers could lose up to 50 percent of their expected pension benefits in a cash balance conversion.

PROVISIONS THAT ENSURE THAT AIRLINE PILOTS DO NOT SEE UNFAIR CUTS TO THEIR PBGC BENEFITS BECAUSE OF THE FAA'S MANDATORY RETIREMENT RULES

Under FAA rules, airline pilots are required to retire at age 60, and if they retire earlier than age 60, they cannot go back to work once they hit age 60. When a pilot pension plan is terminated and sent to the PBGC, the PBGC considers age 65 to be the normal retirement age, treats age 60 as an early retirement, and cuts pilots guaranteed benefits as a result. These provisions would require the PBGC to treat age 60 as the normal retirement age for pilots and adjust their guaranteed benefits accordingly. The motion would limit this treatment to those pension plans which were terminated after September 11, 2001. It could come no sooner. United Airlines pilots are seeing their pensions cut by tens of thousands of dollars each year under the PBGC rules. Their retirement nest eggs have been decimated. They are hit twice—once by the company's unfair dumping and again by the PBGC's benefit reductions.

PROTECTION OF AIRLINES

The airlines have been hurt by skyrocketing fuel prices and 9/11. It would be devastating to hundreds of thousands of workers across the Nation if more airlines are permitted to dump their plans into the PBGC. These provisions give airlines the ability to keep their plans going by stretching out payments over 20 years instead of 7 years.

PROVISIONS DESIGNED TO PREVENT PENSION PLAN DUMPING

These provisions allow the PBGC and Treasury Secretary to enter into an alternative funding agreement with an employer if its pension plan is in danger of being terminated. If workers and retirees are facing the destruction of their pension plans, Congress should give the PBGC and Treasury Departments the flexibility to work out alternatives to termination. If such alternatives to simply dumping a plan were available during the United Airlines crisis, the largest pension termination in history might have been averted.

PROVISIONS ON EXECUTIVE COMPENSATION AND WORK TO TREAT WORKER AND EXECUTIVE PENSIONS EQUALLY

Under the House bill, workers see benefit restrictions when a pension plan falls below 80 percent funding. Executives, on the other hand, only see limited benefit restrictions much later—at less than 60 percent funding. The Senate bill achieves greater parity than the House bill in how workers and executives are treated. Over the last several years, we have seen repeated cases where executives have protected or even enhanced their own golden parachutes, while cutting or eliminating workers' pensions. It is time for these unfair practices to end. If it is good enough for the sailor, it is good enough for the captain.

CONCLUSION

For these reasons, I oppose H.R. 4 and urge my colleagues to join me.

Mr. KIND. Mr. Speaker, I rise in support of the legislation before us tonight. The Pension Benefit Guaranty Corporation, PBGC, is dangerously underfunded, current pension law is antiquated, and this Congress must do all it can to shore up America's private pension system.

The bill addresses the concerns of both workers and employers and makes necessary changes to shore up the Federal pension system. Among the welcomed reforms are greater transparency and accountability in the PBGC, the special consideration given to airlines, and the overall tightening of rules so that companies will meet their financial obligations to their employees and retirees.

As a cochair of the New Democrat Coalition, I believe it is important to reform pensions so that promises to workers are kept, taxpayers are not left footing the bill, and companies can continue to be good actors and offer pension plans. In addition, any discussion of pension reform must include an increased emphasis on personal responsibility.

Americans are not saving enough for retirement. In fact, the national savings rate is at its lowest level since the 1930s, declining from 9.4 percent in 1970 to just 1 percent in 2004. In response to these weak savings rates, we need to create new, simpler incentives for middle-class Americans to save. Fewer than 40 percent of U.S. workers have calculated how much they will need to retire, 30 percent have not saved anything for retirement, and only 20 percent feel very confident about having enough money to live comfortably in retirement. Therefore, I am pleased by provisions in this bill making the saver's credit permanent and encouraging automatic enrollment in 401Ks.

This legislation makes the necessary reforms to strengthen the Federal pension system to the benefit of workers, retirees and taxpayers alike.

Mr. LEVIN. Mr. Speaker, House Republicans are bringing this bill, rather than a final conference report, for one reason and one reason only—to prevent the inclusion of long-overdue provisions to extend important business tax credits that reward things like research and development and efforts to hire low-wage workers. Those credits expired 7 months ago and are now hostage to the Republican quest to pass tax cuts for a tiny number of incredibly wealthy families. That is an outrage.

However much I deplore the process by which this bill was rushed to the floor, and however flawed it may be, it does include some critically important and very time-sensitive provisions, and its worst elements have been significantly improved since the original Bush administration proposal. For that reason, I have decided to vote in favor of this bill.

The bill includes provisions which must be enacted quickly if we hope to save pension benefits for large numbers of workers in the airline industry and in the building trades and other industries with multi-employer pension plans.

Without a provision in this bill which would give airlines more time to fully fund their pension plans, Northwest Airlines has said it will have to terminate its pension plan and turn it over to the Federal Pension Benefit Guaranty Corporation. That's a bad outcome for everyone. It's a bad outcome for Northwest employees, because many of them will not receive their full earned pensions if that happens. It's a bad outcome for taxpayers, because we will assume Northwest's debt, even though the company is eager to pay it, given time.

The bill also includes long-overdue reforms to multi-employer pension plan law. These long-overdue reforms will allow multi-employer pension plans to address what for some plans is a short-term funding crisis, and will give all plans flexibility they didn't have before to advance fund and guard against a future crisis. Republican leaders unfairly dropped multi-employer pension plan reform from the pension reform bill that addressed similar problems for single-employer plans several years ago.

This final bill also represents a substantial improvement over the original proposal put forth by the Bush administration, and the bills that passed the House and Senate. Under the improved bill:

Companies will be spared the extreme funding unpredictability proposed by the Bush administration, which advocated forcing companies to respond to every short-term fluctuation in interest rates and workforce composition, without any "smoothing" of interest rates at all.

A provision which would have unfairly classified pension plans as "at risk" and subject to penalty if the company had a poor credit rating, even if the plan itself was well-funded, has been removed. That provision might have forced companies like General Motors to divert resources from addressing business challenges and into an already well-funded pension plan.

Plans will be allowed to amortize both gains and losses in their pension plans over time, and will be able to use accurate assumptions about early retirement to predict future liabilities so that the plans are properly funded.

The flawed Bush administration proposal to deny all workers plant shutdown benefits was mitigated, though not removed, and the conferees adopted provisions from the Senate bill which we hope will prevent employers from using pension plan underfunding as a tactic to cut retirement benefits negotiated in collective bargaining.

Despite my decision to support the bill and address immediate needs, I must admit I continue to have deep reservations about this bill's long-term impact on our defined benefit pension system, which provides guaranteed retirement income for millions of Americans. Knowing how committed President Bush and his allies in the House are to Social Security privatization increases my concerns, especially given the way this bill came to the House floor.

The final bill includes fundamental changes to the way companies determine their contributions to pension plans. The new "yield curve" methodology proposed by the Bush administration is completely untested, and is likely to make required pension obligations much more unpredictable. Many companies have suggested that this new unpredictability may be the final straw that leads them to terminate their guaranteed pension plans.

The final bill includes a requirement that companies subtract credit balances they earned by making advance pension contributions before calculating their plan funding level, a change which will provide a strong disincentive to advance fund, since advance contributions will be treated as if they don't exist in the future. Advance funding is critical if companies are to balance the need to fully fund retirement benefits with the need to direct resources to current operations in difficult times.

The final bill included provisions which may make workers pay the price when companies don't fund their pensions, including provisions which restrict benefits for workers when plants shut down and a dangerous provision which would allow deeply underfunded multiemployer pension plans to cut benefits that workers have already earned. The bill also misses a real opportunity to enact better protections for workers whose companies declare bankruptcy and terminate their pension plans.

I regret that this bill was not crafted in a Congress that genuinely believed in guaranteed retirement benefits and preserving them for the future. There is much bad with the good, and much of the effort that went into this bill was directed toward mitigating problems with the original bill, rather than addressing real problems with retirement security. I hope that in the next Congress, we will be in a position to pass legislation that will strengthen retirement security for all workers.

Mr. TIBERI. Mr. Speaker, H.R. 4 provides significant reforms of ERISA prohibited transaction rules. These new exemptions are in addition to exemptions that have already been granted by the Secretary of Labor or are included in the ERISA statute.

I am supportive of the relief for the use of electronic communication networks and similar trading venues. This reflects the availability of new technology to make trading more efficient. ERISA plans are incurring higher execution costs because of the difficulty of sending ERISA plan trades to electronic trading systems. Greater access to electronic trading can provide ERISA plan participants with the same benefits that are available to non-ERISA plans and other institutional investors.

The legislation requires plan fiduciary authorization and prior notice before an ECN or similar trading venue can be used if the manager or his affiliate has an ownership interest in the trading venue. However, it recognizes that prior notice and authorization is not required for exchanges or venues where a manager or its affiliate have an ownership interest that is insignificant, such as under 10 percent. In addition, as under current law, a transaction executed on an exchange or automated public quotation system will not result in a prohibited transaction, even if it is owned in part by an affiliate of an investment manager.

Ms. MCCOLLUM of Minnesota. Mr. Speaker, I support final passage of this pension legislation because we must do something today to protect working families so that the pension promises that were made to them are honored. I am proud today to stand with the employees and groups who are in support of this legislation, including the Affliated Unions of the Building and Construction Trades Department, AFL–CIO, International Association of Machinists, UNITE/HERE, the United Brotherhood of Carpenters and Joiners of America, and many others. And, I join with all of my Republican and Democratic colleagues from the Minnesota delegation in broad bipartisan support for this bill.

Without this legislation, Northwest Airlines, a major Minnesota-based employer and key player in the economic vitality of the region, will not be able to come out of bankruptcy with its pension plans intact. I support this legislation because it will help to ensure Northwest Airlines keeps flying and that their employees can keep working and ensure that their pensions are funded.

This bill is not perfect. In addition to much needed relief for airline employees, this bill includes provisions that will make it easier for working families to save for their retirements by encouraging automatic enrollment in retirement savings. It is critical that families are supported in their efforts to create a strong foundation of savings for their futures.

Working men and women have waited far too long for Congress to pass legislation to protect pension benefits and to honor the promise of pensions. Pension legislation should have been done many months ago. This Congress's failure to act in a more timely way will potentially make worse current and future employer bankruptcies and will impact the strength of all retirement benefits. It is shameful that this Republican Congress has put partisan politics ahead of the well-being of working men and women and those who have already retired.

I am concerned that this pension bill before us today has been introduced with no notice and there has been no opportunity for Members to review the provisions. Instead of bringing forward the bill that Congress has been working on now for more than a year, House Republicans have brought this bill forward.

It is outrageous that House Democrats were excluded in the conference committee negotiations between the House and the Senate. After missing three deadlines to complete their work, House Republicans, instead, were more interested in thinking of ways to attach their extreme tax cuts for America's wealthiest onto what should have been clean, common sense, bipartisan legislation. Their tactics were so extreme that their colleagues in the Senate were unwilling to go along with it. So, here we are now at the eleventh hour doing what we can to salvage pension legislation.

Today, I wish I were rising to support passage of a bill that will guarantee quick action to save the pensions of millions of workers, but instead, once again, partisan politics will slow down the much needed action on pension reform. Even with House passage of the bill, we can't guarantee anything to America's workers because this legislation was taken from the conference committee and now it must pass the Senate with no changes in order for it to move to the President's desk for his approval. If the Senate wants to change anything in the bill, American workers will have to continue to wait for Congress to act.

I do share some of the concerns expressed by my colleagues. There are some missed opportunities—including the failure to address executive compensation and provisions concerning the investment advice for those who have 401(K) plans and IRAS. The investment advice exemptions in the bill do not adequately protect against conflicted investment advice.

Despite some legitimate reservations voiced by groups I respect, this bill contains good provisions—important provisions that must be passed now so that employers can keep the pension promises made to their employees.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 966, the bill is considered read and the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

Mr. GEORGE MILLER of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GEORGE MILLER of California. I am in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. George Miller of California moves to recommit the bill H.R. 4 to the Committee on Education and the Workforce with instructions to report the same back to the House forthwith with the following amendment:

At the end of title I add the following:

Subtitle C—Age Requirement for Employers

SEC. 121. AGE REQUIREMENT FOR EMPLOYERS.

(a) Single-Employer Plan Benefits Guaranteed.—Section 4022(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322(b)) is amended in the flush matter following paragraph (3), by adding at the end the following: "If, at the time of termination of a plan under this title, regulations prescribed by the Federal Aviation Administration require an individual to separate from service as a commercial airline pilot after attaining any age before age 65, paragraph (3) shall be applied to an individual who is a participant in the plan by reason of such service by substituting such age for age 65.".

(b) Multiemployer Plan Benefits Guaranteed.—Section 4022B(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322b(a)) is amended by adding at the end the following: "If, at the time of termination of a plan under this title, regulations prescribed by the Federal Aviation Administration require an individual to separate from service as a commercial airline pilot after attaining any age before age 65, this subsection shall be applied to an individual who is a participant in the plan by reason of such service by substituting such age for age 65.".

(c) Effective Date.—The amendments made by this section shall apply to benefits payable on or after the date of enactment of this Act, but only with respect to plan terminations occurring after September 11, 2001.

Strike section 402 and insert the following:

SEC. 402. SPECIAL FUNDING RULES FOR PLANS MAINTAINED BY COMMERCIAL AIRLINES THAT ARE AMENDED TO CEASE FUTURE BENEFIT ACCRUALS.

(a) In General.—If an election is made to have this section apply to an eligible plan—

(1) in the case of any applicable plan year beginning before January 1, 2007, the plan shall not have an accumulated funding deficiency for purposes of section 302 of the Employee Retirement Income Security Act of 1974 and sections 412 and 4971 of the Internal Revenue Code of 1986 if contributions to the plan for the plan year are not less than the minimum required contribution determined under subsection (d) for the plan for the plan year, and

(2) in the case of any applicable plan year beginning on or after January 1, 2007, the minimum required contribution determined under sections 303 of such Act and 430 of such Code shall, for purposes of sections 302 and 303 of such Act and sections 412, 430, and 4971 of such Code, be equal to the minimum required contribution determined under subsection (d) for the plan for the plan year.

(b) Eligible Plan.—For purposes of this section—

(1) In general.—The term "eligible plan" means a defined benefit plan (other than a multiemployer plan) to which sections 302 of such Act and 412 of such Code applies—

(A) which is sponsored by an employer—

(i) which is a commercial airline passenger airline, or

(ii) the principal business of which is providing catering services to a commercial passenger airline, and

(B) with respect to which the requirements of paragraphs (2) and (3) are met.

(2) Accrual restrictions.—

(A) In general.—The requirements of this paragraph are met if, effective as of the first day of the first applicable plan year and at all times thereafter while an election under this section is in effect, the plan provides that—

(i) the accrued benefit, any death or disability benefit, and any social security supplement described in the last sentence of section 411(a)(9) of such Code and section 204(b)(1)(G) of such Act, of each participant are frozen at the amount of such benefit or supplement immediately before such first day, and

(ii) all other benefits under the plan are eliminated,

but only to the extent the freezing or elimination of such benefits would have been permitted under section 411(d)(6) of such Code and section 204(g) of such Act if they had been implemented by a plan amendment adopted immediately before such first day.

(B) Increases in section 415 limits disregarded.—If a plan provides that an accrued benefit of a participant which has been subject to any limitation under section 415 of such Code will be increased if such limitation is increased, the plan shall not be treated as meeting the requirements of this paragraph unless, effective as of the first day of the first applicable plan year and at all times thereafter while an election under this section is in effect, the plan provides that any such increase shall not take effect. A plan shall not fail to meet the requirements of section 411(d)(6) of such Code and section 204(g) of such Act solely because the plan is amended to meet the requirements of this subparagraph.

(3) Restriction on applicable benefit increases.—

(A) In general.—The requirements of this paragraph are met if no applicable benefit increase takes effect at any time during the period beginning on July 26, 2005, and ending on the day before the first day of the first applicable plan year.

(B) Applicable benefit increase.—For purposes of this paragraph, the term "applicable benefit increase" means, with respect to any plan year, any increase in liabilities of the plan by plan amendment (or otherwise provided in regulations provided by the Secretary) which, but for this paragraph, would occur during the plan year by reason of—

(i) any increase in benefits,

(ii) any change in the accrual of benefits, or

(iii) any change in the rate at which benefits become nonforfeitable under the plan.

(4) Exception for imputed disability service.—Paragraphs (2) and (3) shall not apply to any accrual or increase with respect to imputed service provided to a participant during any period of the participant's disability occurring on or after the effective date of the plan amendment providing the restrictions under paragraph (2) if the participant—

(A) was receiving disability benefits as of such date, or

(B) was receiving sick pay and subsequently determined to be eligible for disability benefits as of such date.

(c) Elections and Related Terms.—

(1) In general.—A plan sponsor shall make the election under subsection (a) at such time and in such manner as the Secretary of the Treasury may prescribe. Except as provided in subsection (h)(5), such election, once made, may be revoked only with the consent of such Secretary.

(2) Years for which election made.—

(A) In general.—The plan sponsor may select the first plan year to which the election under subsection (a) applies from among plan years ending after the date of the election. The election shall apply to such plan year and all subsequent years.

(B) Election of new plan year.—The plan sponsor may specify a new plan year in the election under subsection (a) and the plan year of the plan may be changed to such new plan year without the approval of the Secretary of the Treasury.

(3) Applicable plan year.—The term "applicable plan year" means each plan year to which the election under subsection (a) applies under paragraph (1).

(d) Minimum Required Contribution.—

(1) In general.—In the case of any applicable plan year during the amortization period, the minimum required contribution shall be the amount necessary to amortize the unfunded liability of the plan, determined as of the first day of the plan year, in equal annual installments (until fully amortized) over the remainder of the amortization period. Such amount shall be separately determined for each applicable plan year.

(2) Years after amortization period.—In the case of any plan year beginning after the end of the amortization period, section 302(a)(2)(A) of such Act and section 412(a)(2)(A) of such Code shall apply to such plan, but the prefunding balance as of the first day of the first of such years under section 303(f) of such Act and section 430(f) of such Code shall be zero.

(3) Definitions.—For purposes of this section—

(A) Unfunded liability.—The term "unfunded liability" means the unfunded accrued liability under the plan, determined under the unit credit funding method.

(B) Amortization period.—The term "amortization period" means the 20-plan year period beginning with the first applicable plan year.

(4) Other rules.—In determining the minimum required contribution and amortization amount under this subsection—

(A) the provisions of section 302(c)(3) of such Act and section 412(c)(3) of such Code, as in effect before the date of enactment of this section, shall apply,

(B) the rate of interest under section 302(b) of such Act and section 412(b) of such Code, as so in effect, shall be used for all calculations requiring an interest rate, and

(C) the value of plan assets shall be equal to their fair market value.

(5) Special rule for certain plan spin-offs.—For purposes of subsection (a), if,

with respect to any eligible plan to which this subsection applies—

(A) any applicable plan year includes the date of the enactment of this Act,

(B) a plan was spun off from the eligible plan during the plan year but before such date of enactment,

the minimum required contribution under subsection (a)(1) for the eligible plan for such applicable plan year shall be determined as if the plans were a single plan for that plan year (based on the full 12-month plan year in effect prior to the spin-off). The employer shall designate the allocation of the minimum required contribution between such plans for the applicable plan year and direct the appropriate reallocation between the plans of any contributions for the applicable plan year.

(e) FUNDING STANDARD ACCOUNT AND PREFUNDING BALANCE.—Any charge or credit in the funding standard account under section 302 of such Act or section 412 of such Code, and any prefunding balance under section 303 of such Act or section 430 of such Code, as of the day before the first day of the first applicable plan year, shall be reduced to zero.

(f) AMENDMENTS TO OTHER PROVISIONS.—

(1) QUALIFICATION REQUIREMENT.—Section 401(a)(36) of the Internal Revenue Code of 1986, as added by section 402 of this Act, is amended by adding at the end the following: "This paragraph shall also apply to any plan during any period during which an amortization schedule under section 403 of the Pension Security and Transparency Act of 2005 is in effect."

(2) PBGC LIABILITY LIMITED.—Section 4022 of the Employee Retirement Income Security Act of 1974, as amended by this Act, is amended by adding at the end the following new subsection:

"(h) SPECIAL RULE FOR PLANS ELECTING CERTAIN FUNDING REQUIREMENTS.—During any period in which an election by a plan under section 403 of the Pension Security and Transparency Act of 2005 is in effect, then this section and section 4044(a)(3) shall be applied by treating the first day of the first applicable plan year as the termination date of the plan. This subsection shall not apply to any plan for which an election under section 403(h) of such Act is in effect.".

(3) LIMITATION ON DEDUCTIONS UNDER CERTAIN PLANS.—Section 404(a)(7)(C)(iii) of the Internal Revenue Code of 1986, as added by this Act, is amended by adding at the end the following new sentence: "This clause shall also apply to any plan for a plan year if an election under section 403 of the Pension Security and Transparency Act of 2005 is in effect for such year."

(4) NOTICE.—In the case of a plan amendment adopted in order to comply with this section, any notice required under section 204(h) of such Act or section 4980F(e) of such Code shall be provided within 15 days of the effective date of such plan amendment. This subsection shall not apply to any plan unless such plan is maintained pursuant to one or more collective bargaining agreements between employee representatives and 1 or more employers.

(g) SPECIAL RULES FOR TERMINATION OF ELIGIBLE PLANS.—During any period an election is in effect under this section with respect to an eligible plan, the Pension Benefit Guaranty Corporation shall, before it seeks or approves a termination of such plan under section 4041(c) or 4042 of the Employee Retirement Income Security Act of 1974—

(1) make a determination under section 4041(c)(4) or 4042(i) of such Act whether the termination would be necessary if the Secretary of the Treasury were to enter into an agreement under section 4047(a) of such Act which provides an alternative funding agreement to replace the amortization schedule under this section, and

(2) if the Corporation determines such an agreement would make such termination unnecessary, take all necessary actions to ensure the agreement is entered into.

The Pension Benefit Guaranty Corporation shall make the determination under paragraph (1) within 90 days of receiving all information needed in connection with a request for a termination (or if no such request is made, within 90 days of consideration of the termination by the Corporation).

(h) CERTAIN BENEFIT ACCRUALS AND INCREASES ALLOWED IF ADDITIONAL CONTRIBUTIONS MADE TO COVER COSTS.—

(1) IN GENERAL.—If an employer elects the application of this subsection—

(A) the requirements of paragraphs (2) and (3) of subsection (b) shall not apply with respect to any eligible plan maintained by the employer and specified in the election, and

(B) the minimum required contribution under subsection (d) for any plan year with respect to the plan shall be increased by the amounts described in paragraphs (2) and (3).

Any liabilities and assets taken into account under this subsection shall not be taken into account in determining the unfunded liability of the plan for purposes of subsection (d).

(2) CURRENT FUNDING OF ACCRUALS AND INCREASES.—The amount determined under this paragraph for any plan year is the target normal cost which would occur under section 303(b) of such Act and 430(b) of such Code if—

(A) any benefit accrual, or benefit increase taking effect, during the plan year by reason of this subsection were treated as having been accrued or earned during the plan year, and

(B) the plan were treated as if it were in at-risk status.

(3) FUNDING MUST BE MAINTAINED.—The amount determined under this paragraph for any plan year is the amount of any increase in the shortfall amortization charge which would occur under section 303(c) of such Act and 430(c) of such Code if—

(A) the funding target were determined by only taking into account benefits to which paragraph (2) applied for preceding plan years,

(B) the only assets taken into account were the contributions required under this paragraph and paragraph (2) for preceding plan years (and any earnings thereon),

(C) the amortization period included only the plan year,

(D) the transition rule under section 303(c)(4)(B) of such Act and section 430(c)(4)(B) of such Code did not apply, and

(E) the plan were treated as if it were in at-risk status.

(4) SPECIAL RULES FOR YEARS BEFORE 2007.—Notwithstanding any other provision of this Act, in the case of an applicable plan year of an eligible plan to which this subsection applies which begins before January 1, 2007, in determining the amounts described in paragraphs (2) and (3) for such plan year—

(A) the provisions of, and amendments made by, sections 101, 102, 111, and 112 shall apply to such plan year, except that

(B) the interest rate used under section 303 of such Act and section 430 of such Code for purposes of applying paragraphs (2) and (3) to such plan year shall be the interest rate determined under section 302(b)(5) of such Act and section 412(b)(5) of such Code, as in effect for plan years beginning in 2005.

(5) ELECTION OUT OF SECTION.—An employer maintaining an eligible plan to which this subsection applies may make a one-time election with respect to any applicable plan year not to have this section apply to such plan year and all subsequent plan years. Subject to subsection (d)(2), the minimum required contribution under section 303 of such Act and 430 of such Code for all such plan years shall be determined without regard to this section.

(i) EXCLUSION OF CERTAIN EMPLOYEES FROM MINIMUM COVERAGE REQUIREMENTS.—

(1) IN GENERAL.—Section 410(b)(3) of such Code is amended by striking the last sentence and inserting the following: "For purposes of subparagraph (B), management pilots who are not represented in accordance with title II of the Railway Labor Act shall be treated as covered by a collective bargaining agreement described in such subparagraph if the management pilots manage the flight operations of air pilots who are so represented and the management pilots are, pursuant to the terms of the agreement, included in the group of employees benefitting under the trust described in such subparagraph. Subparagraph (B) shall not apply in the case of a plan which provides contributions or benefits for employees whose principal duties are not customarily performed aboard an aircraft in flight (other than management pilots described in the preceding sentence)."

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to years beginning before, on, or after the date of the enactment of this Act.

(j) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to plan years ending after the date of the enactment of this Act.

Strike title VII of the bill and insert the the following:

TITLE VII—TREATMENT OF CASH BALANCE AND OTHER HYBRID DEFINED BENEFIT PENSION PLANS

SEC. 701. PROSPECTIVE APPLICATION OF AGE DISCRIMINATION, CONVERSION, AND PRESENT VALUE ASSUMPTION RULES.

(a) APPLICATION OF AGE DISCRIMINATION PROHIBITIONS.—

(1) AMENDMENT OF ERISA.—Section 204(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(b)) is amended by adding at the end the following:

"(5) SPECIAL RULES FOR CASH BALANCE AND OTHER HYBRID DEFINED BENEFIT PLANS.—

"(A) IN GENERAL.—A qualified cash balance plan shall not be treated as violating the requirements of paragraph (1)(H) merely because it may reasonably be expected that the period over which interest credits will be made to a participant's accumulation account (or its equivalent) is longer for a younger participant. This paragraph shall not apply to any plan if the rate of any pay credit or interest credit to such an account under the plan decreases by reason of the participant's attainment of any age.

"(B) QUALIFIED CASH BALANCE PLAN.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified cash balance plan' means a cash balance plan which meets the vesting requirement under clause (ii) and the interest credit requirement under clause (iii).

"(ii) VESTING REQUIREMENTS.—A plan meets the requirements of this clause if an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

"(iii) INTEREST CREDITS.—A plan meets the requirements of this clause if the terms of the plan provide that any interest credit (or equivalent amount) for any plan year shall be at a rate which—

"(I) is not less than the applicable Federal mid-term interest rate (as determined under section 1274(d)(1) of the Internal Revenue Code of 1986), and

"(II) is not greater than the greater of the rate determined under subclause (I) or a rate equal to the rate of interest on amounts invested conservatively in long-term investment grade corporate bonds.

"(iv) DETERMINATION OF RATES.—For purposes of clause (iii)(II), the rate of interest on amounts invested conservatively in long-term investment grade corporate bonds shall be determined by the Secretary of the Treasury on the basis of 2 or more indices that are selected periodically by the Secretary of the Treasury. The Secretary of the Treasury shall make publicly available the indices and methodology used to determine the rate.

"(v) VARIABLE RATE OF INTEREST.—If the interest credit rate under the plan is a variable rate, the plan shall provide that, upon the termination of the plan, the rate of interest used to determine accrued benefits under the plan shall be equal to the average of the rates of interest used under the plan during the 5-year period ending on the termination date.

"(C) CASH BALANCE PLAN.—For purposes of this paragraph, the term 'cash balance plan' means a defined benefit plan under which—

"(i) the accrued benefit is determined by reference to the balance of a hypothetical accumulation account, and

"(ii) pay credits and interest credits are credited to such account.

"(D) REGULATIONS TO INCLUDE SIMILAR OR OTHER HYBRID PLANS.—

"(i) CASH BALANCE PLAN.—The Secretary of the Treasury shall issue regulations which include in the definition of cash balance plan any defined benefit plan (or any portion of such a plan) which has an effect similar to a cash balance plan. Such regulations may provide that if a plan sponsor represents in communications to participants and beneficiaries that a plan amendment results in a plan being described in the preceding sentence, such plan shall be treated as a cash balance plan.

"(ii) QUALIFIED CASH BALANCE PLAN.—The Secretary of the Treasury may in the regulations issued under clause (i) provide for the treatment of a cash balance plan as a qualified cash balance plan in cases where the cash balance plan has an effect similar to the qualified cash balance plan.".

(2) AGE DISCRIMINATION IN EMPLOYMENT ACT.—Section 4(i)(2) of the Age Discrimination of Employment Act of 1967 (29 U.S.C. 623(i)(2)) is amended—

(A) by inserting "(A)" after "(2)", and

(B) by adding at the end the following new subparagraph:

"(B) A defined benefit plan which is treated as a qualified cash balance plan for purposes of section 204(b)(5) of the Employee Retirement Income Security Act of 1974 shall not be treated as violating the requirements of paragraph (1)(A) merely because it may reasonably be expected that the period over which interest credits will be made under the plan to a participant's accumulation account (or its equivalent) is longer for a younger participant. This subparagraph shall not apply to any plan if the rate of any pay credit or interest credit to such an account under the plan decreases by reason of the participant's attainment of any age.".

(3) AMENDMENT OF INTERNAL REVENUE CODE.—Section 411(b) of the Internal Revenue Code of 1986 (relating to accrued benefit requirements) is amended by adding at the end the following:

"(5) SPECIAL RULES FOR CASH BALANCE AND OTHER HYBRID DEFINED BENEFIT PLANS.—

"(A) IN GENERAL.—A qualified cash balance plan shall not be treated as violating the requirements of paragraph (1)(H) merely because it may reasonably be expected that the period over which interest credits will be made to a participant's accumulation account (or its equivalent) is longer for a younger participant. This paragraph shall not apply to any plan if the rate of any pay credit or interest credit to such an account under the plan decreases by reason of the participant's attainment of any age.

"(B) QUALIFIED CASH BALANCE PLAN.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified cash balance plan' means a cash balance plan which meets the vesting requirement under clause (ii) and the interest credit requirement under clause (iii).

"(ii) VESTING REQUIREMENTS.—A plan meets the requirements of this clause if an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

"(iii) INTEREST CREDITS.—A plan meets the requirements of this clause if the terms of the plan provide that any interest credit (or equivalent amount) for any plan year shall be at a rate which—

"(I) is not less than the applicable Federal mid-term interest rate (as determined under section 1274(d)(1)), and

"(II) is not greater than the greater of the rate determined under subclause (I) or a rate equal to the rate of interest on amounts invested conservatively in long-term investment grade corporate bonds.

"(iv) DETERMINATION OF RATES.—For purposes of clause (iii)(II), the rate of interest on amounts invested conservatively in long-term investment grade corporate bonds shall be determined by the Secretary on the basis of 2 or more indices that are selected periodically by the Secretary. The Secretary shall make publicly available the indices and methodology used to determine the rate.

"(v) VARIABLE RATE OF INTEREST.—If the interest credit rate under the plan is a variable rate, the plan shall provide that, upon the termination of the plan, the rate of interest used to determine accrued benefits under the plan shall be equal to the average of the rates of interest used under the plan during the 5-year period ending on the termination date.

"(C) CASH BALANCE PLAN.—For purposes of this paragraph, the term 'cash balance plan' means a defined benefit plan under which—

"(i) the accrued benefit is determined by reference to the balance of a hypothetical accumulation account, and

"(ii) pay credits and interest credits are credited to such account.

"(D) REGULATIONS TO INCLUDE SIMILAR OR OTHER HYBRID PLANS.—

"(i) CASH BALANCE PLAN.—The Secretary shall issue regulations which include in the definition of cash balance plan any defined benefit plan (or any portion of such a plan) which has an effect similar to a cash balance plan. Such regulations may provide that if a plan sponsor represents in communications to participants and beneficiaries that a plan amendment results in a plan being described in the preceding sentence, such plan shall be treated as a cash balance plan.

"(ii) QUALIFIED CASH BALANCE PLAN.—The Secretary may in the regulations issued under clause (i) provide for the treatment of a cash balance plan as a qualified cash balance plan in cases where the cash balance plan has an effect similar to the qualified cash balance plan.".

(b) RULES APPLICABLE TO ACCRUED BENEFITS UNDER CONVERTED PLANS.—

(1) AMENDMENT OF ERISA.—Section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)) is amended by adding at the end the following new paragraph:

"(6) TREATMENT OF CONVERSIONS TO CASH BALANCE OR OTHER HYBRID PLANS.—

"(A) IN GENERAL.—For purposes of this subsection, an applicable plan amendment shall be treated as reducing the accrued benefit of a participant if, under the terms of the plan as in effect after the amendment, the accrued benefit of any participant who was a participant as of the effective date of the amendment may at any time be less than the accrued benefit determined under the method under subparagraph (B), (C), or (D) which is specified in the plan and applies uniformly to all participants. An applicable plan amendment shall in no event be treated as meeting the requirements of any such subparagraph if the conversion described in subparagraph (G)(i) is into a cash balance plan other than a qualified cash balance plan (as defined in subsection (b)(5)(B)).

"(B) NO WEARAWAY.—

"(i) IN GENERAL.—The accrued benefit determined under this subparagraph is the sum of—

"(I) the participant's accrued benefit for years of service before the effective date of the amendment, determined under the terms of the plan as in effect before the amendment, plus

"(II) except as provided in clause (ii), the participant's accrued benefit for years of service after the effective date of the amendment, determined under the terms of the plan as in effect after the amendment.

"(ii) REQUIRED AMOUNTS FOR CERTAIN PERIODS.—Notwithstanding clause (i)(II), the plan shall provide that either—

"(I) the accrued benefit of all participants for each of the first 5 plan years to which the amendment applies shall be equal to the greater of the accrued benefit determined under the terms of the plan as in effect both before and after the amendment, or

"(II) the accrued benefit for periods after the effective date of the amendment of all participants who, as of the effective date of the amendment, had attained the age of 40 and had a combined age and years of service under the plan of not less than 55 shall be determined under either of the methods described in clause (iii) which is selected by the plan and which is specified in the amendment.

"(iii) APPLICABLE METHOD.—For purposes of clause (ii)(II), the plan shall select 1 of the following methods:

"(I) The accrued benefit shall be equal to the greater of the accrued benefit determined under the terms of the plan as in effect both before and after the amendment.

"(II) At the election of the participant, the accrued benefit shall be determined under the terms of the plan as in effect either before or after the amendment.

"(C) GREATER OF OLD OR NEW OR ELECTION OF EITHER.—The accrued benefit determined under this subparagraph is the accrued benefit determined under 1 of the following methods which is selected by the plan and which is specified in the amendment:

"(i) The accrued benefit shall be equal to the greater of the accrued benefit determined under the terms of the plan as in effect both before and after the amendment.

"(ii) At the election of the participant, the accrued benefit shall be determined under the terms of the plan as in effect either before or after the amendment.

"(D) METHOD PRESCRIBED BY SECRETARY.—The accrued benefit determined under this subparagraph shall be determined under regulations prescribed by the Secretary which are consistent with the purposes of this paragraph and which may require a plan to provide a credit of additional amounts or increases in initial account balances in amounts substantially equivalent to the benefits that would be required to be provided to meet the requirements of subparagraphs (B) or (C).

"(E) INCLUSION OF PRIOR ACCRUED BENEFIT INTO INITIAL ACCOUNT BALANCE.—

"(i) IN GENERAL.—If, for purposes of subparagraphs (B), (C), or (D), an applicable plan amendment provides that an amount will be initially credited to a participant's accumulation account (or its equivalent) on the effective date of the amendment with respect to the participant's accrued benefit for periods before such date, the requirements of such subparagraph shall be treated as met with respect to such accrued benefit if the amount initially credited is not less than the present value of the participant's accrued benefit determined by using the applicable mortality table and the lower of the applicable interest rate under section 205(g)(3)(A), or the interest rate used to credit interest under the plan, as of such date.

"(ii) ADJUSTMENTS FOR CERTAIN SUBSIDIZED BENEFITS.—For purposes of subparagraph (B), if any early retirement benefit or retirement-type subsidy (within the meaning of paragraph (6)(B)(i)) is not included in the initial account balance under clause (i), the plan shall credit the accumulation account with the amount of such benefit or subsidy for the plan year in which the participant retires if, as of such time, the participant has met the age, years of service, and other requirements under the plan for entitlement to such benefit or subsidy.

"(F) REQUIREMENTS WHERE PARTICIPANT OFFERED CHOICE.—If a plan provides a participant with an election described in subparagraph (B)(iii)(II) or (C)(ii), the following rules shall apply:

"(i) NOTICE.—The plan shall not be treated as meeting the requirements of either such subparagraph unless the plan provides the participant a notice of the right to make such election which includes information (meeting such requirements as may be prescribed by the Secretary of the Treasury)—

"(I) by which the participant may project benefits under the formulas from which the participant may choose and may model the impact of any such choice, and

"(II) with respect to circumstances under which a participant may not receive the projected accrued benefits by reason of a plan termination or otherwise.

"(ii) SIGNIFICANT REDUCTION OF RATE OF ACCRUAL.—The plan shall provide that if, during any of the first 5 plan years during which such an election is in effect, the plan adopts an amendment which results in a significant reduction in the rate of future benefit accrual (within the meaning of section 204(h)), the accrued benefit of the participant shall be determined as if the participant had made the election which resulted in the greatest accrued benefit.

"(iii) BENEFITS MUST NOT BE CONTINGENT ON ELECTION.—The plan shall not be treated as meeting the requirements of either such subparagraph if any other benefit is conditioned (directly or indirectly) on such election.

"(G) APPLICABLE PLAN AMENDMENT.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'applicable plan amendment' means an amendment to a defined benefit plan which has the effect of converting the plan to a cash balance plan.

"(ii) SPECIAL RULE FOR COORDINATED BENEFITS.—If the benefits of 2 or more defined benefit plans established or maintained by an employer are coordinated in such a manner as to have the effect of the adoption of an amendment described in clause (i), the sponsor of the defined benefit plan or plans providing for such coordination shall be treated as having adopted such a plan amendment as of the date such coordination begins.

"(iii) MULTIPLE AMENDMENTS.—The Secretary of the Treasury shall issue regulations to prevent the avoidance of the purposes of this paragraph through the use of 2 or more plan amendments rather than a single amendment.

"(iv) CASH BALANCE PLAN.—For purposes of this paragraph, the term 'cash balance plan' has the meaning given such term by subsection (b)(5)(C).

"(v) COORDINATION WITH ACCRUAL RULES.—If a plan amendment is treated as meeting the requirements of this paragraph with respect to any participant because such participant is eligible to continue to accrue benefits in the same manner as under the terms of the plan in effect before the amendment, the Secretary of the Treasury shall prescribe regulations under which the plan shall not be treated as failing to meet the requirements of subparagraph (A), (B), or (C) of section 204(b)(1) if the requirements of this paragraph are met.

"(H) APPLICATION OF CERTAIN RULES TO EARLY-RETIREMENT BENEFITS.—Rules similar to the rules of clauses (i), (ii), and (iii) of subparagraph (B) and subparagraph (C) shall apply in the case of any early retirement benefit or retirement-type subsidy (within the meaning of section 204(g)(2)(A)).".

(2) AMENDMENT OF INTERNAL REVENUE CODE.—Section 411(d) of the Internal Revenue Code of 1986 (relating to special rules) is amended by adding at the end the following new paragraph:

"(7) TREATMENT OF CONVERSIONS TO CASH BALANCE OR OTHER HYBRID PLANS.—

"(A) IN GENERAL.—For purposes of paragraph (6), an applicable plan amendment shall be treated as reducing the accrued benefit of a participant if, under the terms of the plan as in effect after the amendment, the accrued benefit of any participant who was a participant as of the effective date of the amendment may at any time be less than the accrued benefit determined under the method under subparagraph (B), (C), or (D) which is specified in the plan and applies uniformly to all participants. An applicable plan amendment shall in no event be treated as meeting the requirements of any such subparagraph if the conversion described in subparagraph (G)(i) is into a cash balance plan other than a qualified cash balance plan (as defined in subsection (b)(5)(B)).

"(B) NO WEARAWAY.—

"(i) IN GENERAL.—The accrued benefit determined under this subparagraph is the sum of—

"(I) the participant's accrued benefit for years of service before the effective date of the amendment, determined under the terms of the plan as in effect before the amendment, plus

"(II) except as provided in clause (ii), the participant's accrued benefit for years of service after the effective date of the amendment, determined under the terms of the plan as in effect after the amendment.

A similar rule shall apply in the case of any early retirement benefit or retirement-type subsidy (within the meaning of section 411(d)(6)(B)(i)).

"(ii) REQUIRED AMOUNTS FOR CERTAIN PERIODS.—Notwithstanding clause (i)(II), the plan shall provide that either—

"(I) the accrued benefit of all participants for each of the first 5 plan years to which the amendment applies shall be equal to the greater of the accrued benefit determined under the terms of the plan as in effect both before and after the amendment, or

"(II) the accrued benefit for periods after the effective date of the amendment of all participants who, as of the effective date of the amendment, had attained the age of 40 and had a combined age and years of service under the plan of not less than 55 shall be determined under either of the methods described in clause (iii) which is selected by the plan and which is specified in the amendment.

"(iii) APPLICABLE METHOD.—For purposes of clause (ii)(II), the plan shall select 1 of the following methods:

"(I) The accrued benefit shall be equal to the greater of the accrued benefit determined under the terms of the plan as in effect both before and after the amendment.

"(II) At the election of the participant, the accrued benefit shall be determined under the terms of the plan as in effect either before or after the amendment.

"(C) GREATER OF OLD OR NEW OR ELECTION OF EITHER.—The accrued benefit determined under this subparagraph is the accrued benefit determined under 1 of the following methods which is selected by the plan and which is specified in the amendment:

"(i) The accrued benefit shall be equal to the greater of the accrued benefit determined under the terms of the plan as in effect both before and after the amendment.

"(ii) At the election of the participant, the accrued benefit shall be determined under the terms of the plan as in effect either before or after the amendment.

"(D) METHOD PRESCRIBED BY SECRETARY.—The accrued benefit determined under this subparagraph shall be determined under regulations prescribed by the Secretary which are consistent with the purposes of this paragraph and which may require a plan to provide a credit of additional amounts or increases in initial account balances in amounts substantially equivalent to the benefits that would be required to be provided to meet the requirements of subparagraphs (B) or (C).

"(E) INCLUSION OF PRIOR ACCRUED BENEFIT INTO INITIAL ACCOUNT BALANCE.—

"(i) IN GENERAL.—If, for purposes of subparagraphs (B), (C), or (D), an applicable plan amendment provides that an amount will be initially credited to a participant's accumulation account (or its equivalent) on the effective date of the amendment with respect to the participant's accrued benefit for periods before such date, the requirements of such subparagraph shall be treated as met with respect to such accrued benefit if the amount initially credited is not less than the present value of the participant's accrued benefit determined by using the applicable mortality table and the lower of the applicable interest rate under section 417(e)(3)(A), or the interest rate used to credit interest under the plan, as of such date.

"(ii) ADJUSTMENTS FOR CERTAIN SUBSIDIZED BENEFITS.—For purposes of subparagraph (B), if any early retirement benefit or retirement-type subsidy (within the meaning of paragraph (6)(B)(i)) is not included in the initial account balance under clause (i), the plan shall credit the accumulation account with the amount of such benefit or subsidy for the plan year in which the participant retires if, as of such time, the participant has met the age, years of service, and other requirements under the plan for entitlement to such benefit or subsidy.

"(F) REQUIREMENTS WHERE PARTICIPANT OFFERED CHOICE.—If a plan provides a participant with an election described in subparagraph (B)(iii)(II) or (C)(ii), the following rules shall apply:

"(i) NOTICE.—The plan shall not be treated as meeting the requirements of either such subparagraph unless the plan provides the participant a notice of the right to make such election which includes information (meeting such requirements as may be prescribed by the Secretary)—

"(I) by which the participant may project benefits under the formulas from which the participant may choose and may model the impact of any such choice, and

"(II) with respect to circumstances under which a participant may not receive the projected accrued benefits by reason of a plan termination or otherwise.

"(ii) SIGNIFICANT REDUCTION OF RATE OF ACCRUAL.—The plan shall provide that if, during any of the first 5 plan years during which such an election is in effect, the plan adopts an amendment which results in a significant reduction in the rate of future benefit accrual (within the meaning of section 4980F(e)), the accrued benefit of the participant shall be determined as if the participant had made the election which resulted in the greatest accrued benefit.

"(iii) BENEFITS MUST NOT BE CONTINGENT ON ELECTION.—The plan shall not be treated as meeting the requirements of either such subparagraph if any other benefit is conditioned (directly or indirectly) on such election.

"(G) APPLICABLE PLAN AMENDMENT.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'applicable plan amendment' means an amendment to a defined benefit plan which has the effect of converting the plan to a cash balance plan.

"(ii) SPECIAL RULE FOR COORDINATED BENEFITS.—If the benefits of 2 or more defined benefit plans established or maintained by an employer are coordinated in such a manner as to have the effect of the adoption of an amendment described in clause (i), the sponsor of the defined benefit plan or plans providing for such coordination shall be treated as having adopted such a plan amendment as of the date such coordination begins.

"(iii) MULTIPLE AMENDMENTS.—The Secretary shall issue regulations to prevent the avoidance of the purposes of this paragraph through the use of 2 or more plan amendments rather than a single amendment.

"(iv) CASH BALANCE PLAN.—For purposes of this paragraph, the term 'cash balance plan' has the meaning given such term by subsection (b)(5)(C).

"(v) COORDINATION WITH ACCRUAL AND NONDISCRIMINATION RULES.—If a plan amendment is treated as meeting the requirements of this paragraph with respect to any participant because such participant is eligible to continue to accrue benefits in the same manner as under the terms of the plan in effect before the amendment, the Secretary shall prescribe regulations under which—

"(I) the plan shall not be treated as failing to meet the requirements of subparagraph (A), (B), or (C) of section 411(b)(1) if the requirements of this paragraph are met, and

"(II) the plan shall, subject to such terms and conditions as may be provided in such regulations, not be treated as failing to meet the requirements of section 401(a)(4) merely because the plan provides any accrual or benefit which is required to be provided under subparagraph (B), (C), or (D) or because only participants as of the effective date of the amendment are so eligible, except that this subclause shall only apply if the plan met the requirements of section 401(a)(4) under the terms of the plan as in effect before the amendment.

"(H) APPLICATION OF CERTAIN RULES TO EARLY-RETIREMENT BENEFITS.—Rules similar to the rules of clauses (i), (ii), and (iii) of subparagraph (B) and subparagraph (C) shall apply in the case of any early retirement benefit or retirement-type subsidy (within the meaning of section 411(d)(6)(B)(i)).".

(c) ASSUMPTIONS USED IN COMPUTING PRESENT VALUE OF ACCRUED BENEFIT.—

(1) AMENDMENT OF ERISA.—Section 205(g)(3) of such Act (29 U.S.C. 1055(g)(3)), is amended—

(A) by striking "or (B)" in subparagraph (A)(i) and inserting ", (B), or (C)", and

(B) by adding at the end the following new subparagraph:

"(C) PRESENT VALUE OF ACCRUED BENEFIT UNDER CASH BALANCE PLAN.—Except as provided in regulations, in the case of a qualified cash balance plan (as defined in section 204(g)(6)(B)), the present value of the accrued benefit of any participant shall, for purposes of paragraphs (1) and (2), be equal to the balance in the participant's accumulation account (or its equivalent) as of the time the present value determination is being made.".

(2) AMENDMENT OF INTERNAL REVENUE CODE.—Section 417(e)(3) of such Code, is amended—

(A) by striking "or (B)" in subparagraph (A)(i) and inserting ", (B), or (C)", and

(B) by adding at the end the following new subparagraph:

"(C) PRESENT VALUE OF ACCRUED BENEFIT UNDER CASH BALANCE PLAN.—Except as provided in regulations, in the case of a qualified cash balance plan (as defined in section 411(d)(7)(B)), the present value of the accrued benefit of any participant shall, for purposes of paragraphs (1) and (2), be equal to the balance in the participant's accumulation account (or its equivalent) as of the time the present value determination is being made."

(d) NO INFERENCE.—Nothing in the amendments made by this section shall be construed to infer the proper treatment of cash balance plans or conversions to cash balance plans under sections 204(b)(1)(H) of the Employee Retirement Income Security Act of 1974, 4(i)(1) of the Age Discrimination in Employment Act of 1967, and 411(b)(1)(H) of the Internal Revenue Code of 1986, as in effect before such amendments.

Mr. GEORGE MILLER of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. THOMAS. Mr. Speaker, reserving the right to object, I know some people complained about having only a number of hours to read the bill, but this was just handed to me, and I am tempted to say that perhaps 30 seconds ought to be allowed, because it could have been handed anytime during the debate. But I know you were very busy over there, so you were only able to get it to us at the close of debate. We appreciate that.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, this motion does two things. First, it sends the pension bill back to committee to include all of the airline protection provisions that were included in the Senate-passed pension bill. Second, it seeks to send back to the committee to add the Senate-passed provisions providing for the transition protections for older workers affected by cash balance conversions.

Both of these are critical to protecting America's workers' pensions and their retirement security. All across America, employees are worried sick about their retirement nest egg. They have seen big airlines like U.S. Air and United cut and run on their obligations to pay promised benefits and are wondering if they are next.

The House bill protects Delta and Northwest and enables them to extend their pension payments over 17 years at the plan's interest rate. However, the bill only provides American and Continental a 10-year payment and at a much lower interest rate, making their pension payments much higher. We would extend the same period of time, work-out time, for the airlines if they chose to provide for the freezing of their plans.

The bill does nothing for airline pilots who are forced to retire at age 60 and who received PBGC pensions reduced by 35 percent because of their age. All airlines were hurt by 9/11 and the skyrocketing fuel prices and the downturn in the economy.

It would be devastating to hundreds of thousands of workers across the Nation if more airlines were permitted to dump their plans into the PBGC. When this happens, the big losers are the employees. Look at what happened to the pilots at United, for example. They had vested pension benefits cut in half. The average pilot lost $1,270 a month. That is why we offer these protections.

Finally, the motion would report back this pension bill to provide for the protection of older workers who are facing conversions in cash balance plans. This means the older workers who the companies are now putting on notice that they will lower their benefits will now get a substitute plan called a cash balance plan.

Despite overwhelming votes in support of protecting older workers' pensions in the House and Senate, Republican leadership has excluded these vital transition protections. Many workers will lose hundreds of dollars a month in expected retirement benefits. Many of these workers will be in excess of 50 years of age, and it is highly unlikely they will be able to recover the retirement benefits that they have been counting on for many years, that they signed a contract for in exchange for their labor with their employers.

Today, the Congress is getting ready to tell them they are not going to make the employers live up to their agreements, and we are not going to even provide a transition to soften the economic blow when those agreements are changed.

Here is what AARP CEO William Novelli said about the backroom Republican deal for older workers: "AARP cannot support legislation that would undermine the age discrimination laws and prevent the reduction of pension benefits for older workers, thus discouraging older workers from continuing to participate in the workforce," unless they get a second job to make up for the loss of their retirement, of course. "Our members and older workers in general care a great detail about these issues." That is why we brought this motion to recommit.

Again, time and again the House and Senate have voted to provide these protections for older workers. We would have carried that message to the conference committee, but we were not allowed into those discussions and apparently the conference committee couldn't hear the Members of this House on the bipartisan basis that voted overwhelmingly to provide these protections, both to the airlines and to the older workers.

Mr. Speaker, I yield back the balance of my time.

Mr. THOMAS. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. THOMAS. Mr. Speaker, I have in high regard those Members who focus on issues which they are concerned about in the pension bill, and I know that there are a number of sections that people could focus on in terms of their concern about the bill. And I know it is absolutely, totally a coincidence that one Member on this side of the aisle spoke against the bill.

Yet, as I am going through this particular motion to recommit, page after page after page refers to, you got it, the airline provisions. So I am quite sure on the basis of wanting to go through a 1,000-page bill to create a motion to recommit, that the fact that the one area that appears to be a bit sensitive on this side of the aisle is what the motion to recommit is all about.

I guess in that regard I hold in minimum high regard, on something as important as this legislation, to get it on the books as quickly as we can, that this motion to recommit is focused in a way, in my opinion, to advance political interests rather than policy interests.

I guess I am just a little bit bewildered when the gentleman from Ohio, the majority leader, handed me a letter, because as a conferee I received a letter that said we want you in the areas of key concern to be supportive of what we do in this pension bill.

There were two signatures on that letter. One was the majority leader, the gentleman from Ohio. The other one was the senior Senator from Massachusetts, Senator KENNEDY, urging us to make sure key provisions in the pension bill are preserved, because we want to preserve those, and not the whole bill, or in fact send the Senate the whole bill because Senator KENNEDY will be supportive of this bill once it is received in the Senate.

The idea that members of the conference don't know what is in it and aren't supportive is absolutely and totally refuted by the signature of the senior Senator from Massachusetts, Senator KENNEDY.

Mr. Speaker, I yield to the majority leader, the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Speaker, let me thank my colleague for yielding.

There is a very delicate balance in this bill. My colleague from California talked about the airline provisions. I am going to talk about one of the most important provisions in this bill, and that is the protection for hybrid plans, or cash balance pension plans.

This was a very difficult issue in the House; it was a very difficult issue in the conference. It has been worked out in a bipartisan way to the satisfaction of those on the farthest on the left in the Senate and the farthest on the right in the House. And to rewrite this provision in a motion to recommit I think is irresponsible.

I would say to my colleagues who have worked on this bipartisan pension bill for a long time, the balance of this bill is right. Let's support the underlying bill and reject the motion to recommit.

Mrs. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of the Miller/Rangel Motion to Recommit with Instructions to Conferees on H.R. 4, the "Pension Protection Act of 2005." I support the Miller/Rangel motion for several reasons. Specifically, I agree that conferees should be instructed to agree to the Senate provisions: (1) protecting older workers' benefits in cash balance conversions; (2) ensuring that airline pilots do not see unfair cuts to their PBGC benefits because of the FAA's mandatory retirement rules and agree to the Senate provisions on airlines; (3) designed to prevent pension plan dumping; (4) on executive compensation and work to treat worker and executive pensions equally.

AGREE TO THE SENATE PROVISIONS PROTECTING OLDER WORKERS' BENEFITS IN CASH BALANCE CONVERSIONS

These provisions prohibit discrimination against older workers by the practice of offsetting previously earned pension benefits against new benefits under the plan, also known as "wearaway" of older worker benefits. They also provide fair rules to protect workers' pensions in conversions of traditional pension plans to cash balance pension plans. In a recent study, the GAG found that, without these transition protections, almost all workers could lose up to 50 percent of their expected pension benefits in a cash balance conversion.

AGREE TO THE SENATE PROVISIONS THAT ENSURE THAT AIRLINE PILOTS DO NOT SEE UNFAIR CUTS TO THEIR PBGC BENEFITS BECAUSE OF THE FAA'S MANDATORY RETIREMENT RULES

Under FAA rules, airline pilots are required to retire at age 60, and if they retire earlier than age 60, they cannot go back to work once they hit age 60. When a pilot pension plan is terminated and sent to the PBGC, the PBGC considers age 65 to be the normal retirement age, treats age 60 as an early retirement, and cuts pilots guaranteed benefits as a result. These provisions would require the PBGC to treat age 60 as the normal retirement age for pilots and adjust their guaranteed benefits accordingly. The motion would limit this treatment to those pension plans which were terminated after September 11, 2001. It could come no sooner. United Airlines pilots are seeing their pensions cut by tens of thousands of dollars each year under the PBGC rules. Their retirement nest eggs have been decimated. They are hit twice—once by the company's unfair dumping and again by the PBGC's benefit reductions.

AGREE TO THE SENATE PROVISIONS ON AIRLINES

The airlines have been hurt by skyrocketing fuel prices and 9/11. It would be devastating to hundreds of thousands of workers across the nation if more airlines are permitted to dump their plans into the PBGC. These provisions give airlines the ability to keep their plans going by stretching out payments over 20 years instead of 7 years.

AGREE TO THE SENATE PROVISIONS DESIGNED TO PREVENT PENSION PLAN DUMPING

These provisions allow the PBGC and Treasury Secretary to enter into an alternative funding agreement with an employer if its pension plan is in danger of being terminated. If workers and retirees are facing the destruction of their pension plans, Congress should give the PBGC and Treasury Departments the flexibility to work out alternatives to termination. If such alternatives to simply dumping a plan were available during the United Airlines crisis, the largest pension termination in history might have been averted.

AGREE TO THE SENATE PROVISIONS ON EXECUTIVE COMPENSATION AND WORK TO TREAT WORKER AND EXECUTIVE PENSIONS EQUALLY

Under the House bill, workers see benefit restrictions when a pension plan falls below 80 percent funding. Executives, on the other hand, only see limited benefit restrictions much later—at less than 60 percent funding. The Senate bill achieves greater parity than the House bill in how workers and executives are treated. Over the last several years, we have seen repeated cases where executives have protected or even enhanced their own golden parachutes, while cutting or eliminating workers' pensions. It is time for these unfair practices to end. If it is good enough for the sailor, it is good enough for the captain.

CONCLUSION

For these reasons, I support the Motion to Recommit with Instructions on H.R. 4 and urge my colleagues to support it also.

Mr. THOMAS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GEORGE MILLER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 4, if ordered, and suspending the rules on H. Res. 844.

The vote was taken by electronic device, and there were—yeas 189, nays 222, not voting 22, as follows:

[Roll No. 421]

YEAS—189

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—222

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Oberstar
Osborne
Otter
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—22

Baca
Bilirakis
Boehlert
Buyer
Carson
Coble
Davis, Jo Ann
Deal (GA)
Evans
Gohmert
Gordon
Istook
Jones (NC)
Lewis (GA)
Linder
McKinney
Meehan
Northup
Oxley
Payne
Salazar
Stark

☐ 2327

Messrs. SAXTON, TAYLOR of North Carolina, DINGELL, FOLEY, BISHOP of Georgia, and Miss McMORRIS changed their vote from "yea" to "nay."

Messrs. GENE GREEN of Texas, EMANUEL, WEXLER, CLEAVER, BROWN of Ohio, and HOYER changed their vote from "nay" to "yea."

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 279, noes 131, answered "present" 1, not voting 22, as follows:

[Roll No. 422]

AYES—279

Ackerman
Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Bass
Bean
Beauprez
Berry
Biggert
Bilbray
Bishop (GA)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brown (SC)
Brown-Waite, Ginny
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Cardoza
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Cole (OK)
Conyers
Cooper
Costa
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Davis (AL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
Delahunt
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doolittle
Drake
Dreier
Duncan
Ehlers
Emanuel
Emerson
Engel
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Harman
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Herseth
Higgins
Hobson
Hoekstra
Hooley
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Israel
Issa
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Kaptur
Keller

Kelly
Kennedy (MN)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Lipinski
LoBiondo
Lucas
Lungren, Daniel E.
Lynch
Mack
Manzullo
Marchant
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Meek (FL)
Meeks (NY)
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moore (KS)
Moran (KS)
Murphy
Musgrave
Myrick
Ney
Norwood
Nunes
Nussle
Oberstar
Osborne
Otter
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Ruppersberger
Rush
Ryan (WI)
Ryun (KS)
Sabo
Saxton
Schmidt
Schwarz (MI)
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tiberi
Towns
Turner
Udall (CO)
Upton
Velázquez
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—131

Abercrombie
Allen
Andrews
Baldwin
Barton (TX)
Becerra
Berkley
Berman
Bishop (NY)
Bonilla
Brady (PA)
Brady (TX)
Brown (OH)
Brown, Corrine
Burgess
Capps
Capuano
Cardin
Carnahan
Carter
Conaway
Costello
Culberson
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeGette
DeLauro
Doggett
Doyle
Edwards
Eshoo
Etheridge
Farr
Fattah
Filner
Flake
Frank (MA)
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall
Hastings (FL)
Hensarling
Hinchey
Hinojosa
Holden
Holt
Honda
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kennedy (RI)
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Lofgren, Zoe
Lowey
Maloney
Markey
McCaul (TX)
McDermott
McGovern
McNulty
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Neugebauer
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Pelosi
Poe
Pomeroy
Price (NC)
Rangel
Reyes
Roybal-Allard
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (VA)
Serrano
Sherman
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Taylor (MS)
Thornberry
Tierney
Udall (NM)
Van Hollen
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey

ANSWERED "PRESENT"—1

Baird

NOT VOTING—22

Baca
Bilirakis
Boehlert
Buyer
Carson
Coble
Davis, Jo Ann
Deal (GA)
Evans
Gohmert
Gordon
Istook
Jones (NC)
Lewis (GA)
Linder
McKinney
Meehan
Northup
Oxley
Payne
Salazar
Stark

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 2334

Mr. HALL changed his vote from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. GRANGER. Mr. Speaker, on rollcall No. 422, passage of H.R. 4, the Pension Protection Act, I inadvertently pressed the "aye" button. I meant to vote "no" and would like the RECORD to reflect that.

CONGRATULATING THE INTERNATIONAL AIDS VACCINE INITIATIVE

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 844, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 844, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 407, nays 0, not voting 25, as follows:

[Roll No. 423]

YEAS—407

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Cleaver
Clyburn
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster

Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Souder
Spratt
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—25

Baca
Bilirakis
Boehlert
Buyer
Carson
Clay
Coble
Davis, Jo Ann
Deal (GA)
Evans
Gohmert
Gordon
Istook
Jones (NC)
Lewis (GA)
Linder
Marchant
McKinney
Meehan
Northup
Oxley
Payne
Salazar
Solis
Stark

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 2341

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 966, I call up the bill (H.R. 5970) to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of H.R. 5970 is as follows:

H.R. 5970

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax and Extension of Tax Relief Act of 2006".

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title, etc.

TITLE I—REFORM AND EXTENSION OF ESTATE TAX AFTER 2009

Sec. 101. Reform and extension of estate tax after 2009.
Sec. 102. Unified credit increased by unused unified credit of deceased spouse.

TITLE II—EXTENSION AND EXPANSION OF CERTAIN TAX RELIEF PROVISIONS

Subtitle A—Extension and Modification of Certain Provisions

Sec. 201. Deduction for qualified tuition and related expenses.
Sec. 202. Extension and modification of new markets tax credit.
Sec. 203. Election to deduct State and local general sales taxes.
Sec. 204. Extension and modification of research credit.
Sec. 205. Work opportunity tax credit and welfare-to-work credit.
Sec. 206. Election to include combat pay as earned income for purposes of earned income credit.
Sec. 207. Extension and modification of qualified zone academy bonds.
Sec. 208. Above-the-line deduction for certain expenses of elementary and secondary school teachers.
Sec. 209. Extension and expansion of expensing of brownfields remediation costs.
Sec. 210. Tax incentives for investment in the District of Columbia.
Sec. 211. Indian employment tax credit.
Sec. 212. Accelerated depreciation for business property on Indian reservations.
Sec. 213. Fifteen-year straight-line cost recovery for qualified leasehold improvements and qualified restaurant property.
Sec. 214. Cover over of tax on distilled spirits.
Sec. 215. Parity in application of certain limits to mental health benefits.
Sec. 216. Corporate donations of scientific property used for research and of computer technology and equipment.
Sec. 217. Availability of medical savings accounts.
Sec. 218. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 219. American Samoa economic development credit.
Sec. 220. Restructuring of New York Liberty Zone tax credits.
Sec. 221. Extension of bonus depreciation for certain qualified Gulf Opportunity Zone property.
Sec. 222. Authority for undercover operations.
Sec. 223. Disclosures of certain tax return information.

Subtitle B—Other Provisions

Sec. 231. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
Sec. 232. Credit for prior year minimum tax liability made refundable after period of years.
Sec. 233. Returns required in connection with certain options.
Sec. 234. Partial expensing for advanced mine safety equipment.
Sec. 235. Mine rescue team training tax credit.
Sec. 236. Whistleblower reforms.
Sec. 237. Frivolous tax submissions.
Sec. 238. Addition of meningococcal and human papillomavirus vaccines to list of taxable vaccines.
Sec. 239. Clarification of taxation of certain settlement funds made permanent.
Sec. 240. Modification of active business definition under section 355 made permanent.
Sec. 241. Revision of State veterans limit made permanent.
Sec. 242. Capital gains treatment for certain self-created musical works made permanent.
Sec. 243. Reduction in minimum vessel tonnage which qualifies for tonnage tax made permanent.
Sec. 244. Modification of special arbitrage rule for certain funds made permanent.
Sec. 245. Great Lakes domestic shipping to not disqualify vessel from tonnage tax.
Sec. 246. Use of qualified mortgage bonds to finance residences for veterans without regard to first-time homebuyer requirement.
Sec. 247. Exclusion of gain from sale of a principal residence by certain employees of the intelligence community.
Sec. 248. Treatment of coke and coke gas.
Sec. 249. Sale of property by judicial officers.
Sec. 250. Premiums for mortgage insurance.
Sec. 251. Modification of refunds for kerosene used in aviation.
Sec. 252. Deduction for qualified timber gain.
Sec. 253. Credit to holders of rural renaissance bonds.
Sec. 254. Restoration of deduction for travel expenses of spouse, etc. accompanying taxpayer on business travel.
Sec. 255. Technical corrections.

TITLE III—SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

Sec. 301. Short title.

Subtitle A—Mining Control and Reclamation

Sec. 311. Abandoned Mine Reclamation Fund and purposes.
Sec. 312. Reclamation fee.
Sec. 313. Objectives of Fund.
Sec. 314. Reclamation of rural land.
Sec. 315. Liens.
Sec. 316. Certification.
Sec. 317. Remining incentives.
Sec. 318. Extension of limitation on application of prohibition on issuance of permit.
Sec. 319. Tribal regulation of surface coal mining and reclamation operations.

Subtitle B—Coal Industry Retiree Health Benefit Act

Sec. 321. Certain related persons and successors in interest relieved of liability if premiums prepaid.
Sec. 322. Transfers to funds; premium relief.
Sec. 323. Other provisions.

TITLE IV—INCREASE IN MINIMUM WAGE
Sec. 401. Minimum Wage.
Sec. 402. Tipped Wage Fairness.

TITLE I—REFORM AND EXTENSION OF ESTATE TAX AFTER 2009

SEC. 101. REFORM AND EXTENSION OF ESTATE TAX AFTER 2009.

(a) RESTORATION OF UNIFIED CREDIT AGAINST GIFT TAX.—Paragraph (1) of section 2505(a) (relating to general rule for unified credit against gift tax), after the application of subsection (g), is amended by striking “(determined as if the applicable exclusion amount were $1,000,000)”.

(b) EXCLUSION EQUIVALENT OF UNIFIED CREDIT INCREASED TO $5,000,000.—Subsection (c) of section 2010 (relating to unified credit against estate tax) is amended to read as follows:

“(c) APPLICABLE CREDIT AMOUNT.—

“(1) IN GENERAL.—For purposes of this section, the applicable credit amount is the amount of the tentative tax which would be determined under the rate schedule set forth in section 2001(c) if the amount with respect to which such tentative tax is to be computed were the applicable exclusion amount.

“(2) APPLICABLE EXCLUSION AMOUNT.—

“(A) IN GENERAL.—For purposes of this subsection, the applicable exclusion amount is as follows:

“(i) For calendar year 2010, $3,750,000.
“(ii) For calendar year 2011, $4,000,000.
“(iii) For calendar year 2012, $4,250,000.
“(iv) For calendar year 2013, $4,500,000.
“(v) For calendar year 2014, $4,750,000.
“(vi) For calendar year 2015 and thereafter, $5,000,000.

“(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2015, the $5,000,000 amount in subparagraph (A)(vi) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting ‘calendar year 2014’ for ‘calendar year 1992’ in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $100,000, such amount shall be rounded to the nearest multiple of $100,000.”.

(c) RATE SCHEDULE.—

(1) IN GENERAL.—Subsection (c) of section 2001 (relating to rate schedule) is amended to read as follows:

“(c) RATE SCHEDULE.—

“(1) IN GENERAL.—The tentative tax is equal to the sum of—

“(A) the product of the rate specified in section 1(h)(1)(C) in effect on the date of the decedent's death multiplied by so much of the sum described in subsection (b)(1) as does not exceed $25,000,000, and

“(B) the applicable percentage effective on the date of the decedent's death of so much of the sum described in subsection (b)(1) as exceeds $25,000,000.

“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1)(B), the applicable percentage is—

“(A) in the case the decedent's death is in 2010, 40 percent,

“(B) in the case the decedent's death is in 2011, 38 percent,

“(C) in the case the decedent's death is in 2012, 36 percent,

“(D) in the case the decedent's death is in 2013, 34 percent,

“(E) in the case the decedent's death is in 2014, 32 percent, and

“(F) in the case the decedent's death is in 2015 or thereafter, 30 percent.

“(3) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2015, each $25,000,000 amount in subparagraphs (A) and (B) of paragraph (1) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting ‘calendar year 2014’ for ‘calendar year 1992’ in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $100,000, such amount shall be rounded to the nearest multiple of $100,000.”.

(2) CONFORMING AMENDMENT.—Section 2502(a) (relating to computation of tax), after the application of subsection (g), is amended by adding at the end the following flush sentence:

“In computing the tentative tax under section 2001(c) for purposes of this subsection, ‘the last day of the calendar year in which the gift was made’ shall be substituted for ‘the date of the decedent's death’ each place it appears in such section.”.

(d) MODIFICATIONS OF ESTATE AND GIFT TAXES TO REFLECT DIFFERENCES IN UNIFIED CREDIT RESULTING FROM DIFFERENT TAX RATES.—

(1) ESTATE TAX.—

(A) IN GENERAL.—Section 2001(b)(2) (relating to computation of tax) is amended by striking “if the provisions of subsection (c) (as in effect at the decedent's death)” and inserting “if the modifications described in subsection (g)”.

(B) MODIFICATIONS.—Section 2001 is amended by adding at the end the following new subsection:

“(g) MODIFICATIONS TO GIFT TAX PAYABLE TO REFLECT DIFFERENT TAX RATES.—For purposes of applying subsection (b)(2) with respect to 1 or more gifts, the rates of tax under subsection (c) in effect on the date of the decedent's death shall, in lieu of the rates of tax in effect at the time of such gifts, be used both to compute—

“(1) the tax imposed by chapter 12 with respect to such gifts, and

“(2) the credit allowed against such tax under section 2505, including in computing—

“(A) the applicable credit amount under section 2505(a)(1), and

“(B) the sum of the amounts allowed as a credit for all preceding periods under section 2505(a)(2).

For purposes of paragraph (2)(A), the applicable credit amount for any calendar year before 1998 is the amount which would be determined under section 2010(c) if the applicable exclusion amount were the dollar amount under section 6018(a)(1) for such year.”.

(2) GIFT TAX.—Section 2505(a) (relating to unified credit against gift tax), after the application of subsection (g), is amended by adding at the end the following new flush sentence:

“For purposes of applying paragraph (2) for any calendar year, the rate schedule under section 2001(c) used in computing the applicable credit amount under paragraph (1) for such calendar year shall, in lieu of the rates of tax in effect for preceding calendar periods, be used in determining the amounts allowable as a credit under this section for all preceding calendar periods.”.

(e) REPEAL OF DEDUCTION FOR STATE DEATH TAXES.—

(1) IN GENERAL.—Section 2058 (relating to State death taxes) is amended by adding at the end the following:

“(c) TERMINATION.—This section shall not apply to the estates of decedents dying after December 31, 2009.”.

(2) CONFORMING AMENDMENT.—Section 2106(a)(4) is amended by adding at the end the following new sentence: “This paragraph shall not apply to the estates of decedents dying after December 31, 2009.”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, generation-skipping transfers, and gifts made, after December 31, 2009.

(g) ADDITIONAL MODIFICATIONS TO ESTATE TAX.—

(1) IN GENERAL.—The following provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001, and the amendments made by such provisions, are hereby repealed:

(A) Subtitles A and E of title V.

(B) Subsection (d), and so much of subsection (f)(3) as relates to subsection (d), of section 511.

(C) Paragraph (2) of subsection (b), and paragraph (2) of subsection (e), of section 521.

The Internal Revenue Code of 1986 shall be applied as if such provisions and amendments had never been enacted.

(2) SUNSET NOT TO APPLY.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to title V (other than subtitles F, G, and H thereof) of such Act.

(3) REPEAL OF DEADWOOD.—

(A) Sections 2011, 2057, and 2604 of the Internal Revenue Code of 1986 are hereby repealed.

(B) The table of sections for part II of subchapter A of chapter 11 of such Code is amended by striking the item relating to section 2011.

(C) The table of sections for part IV of subchapter A of chapter 11 of such Code is amended by striking the item relating to section 2057.

(D) The table of sections for subchapter A of chapter 13 of such Code is amended by striking the item relating to section 2604.

SEC. 102. UNIFIED CREDIT INCREASED BY UNUSED UNIFIED CREDIT OF DECEASED SPOUSE.

(a) IN GENERAL.—Subsection (c) of section 2010 (defining applicable credit amount), as amended by section 101(b), is amended by striking paragraph (2) and inserting the following new paragraphs:

“(2) APPLICABLE EXCLUSION AMOUNT.—For purposes of this subsection, the applicable exclusion amount is the sum of—

“(A) the basic exclusion amount, and

“(B) in the case of a surviving spouse, the aggregate deceased spousal unused exclusion amount.

“(3) BASIC EXCLUSION AMOUNT.—

“(A) IN GENERAL.—For purposes of this subsection, the basic exclusion amount is as follows:

“(i) For calendar year 2010, $3,750,000.
“(ii) For calendar year 2011, $4,000,000.
“(iii) For calendar year 2012, $4,250,000.
“(iv) For calendar year 2013, $4,500,000.
“(v) For calendar year 2014, $4,750,000.
“(vi) For calendar year 2015 and thereafter, $5,000,000.

“(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2015, the $5,000,000 amount in subparagraph (A)(vi) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting ‘calendar year 2014’ for ‘calendar year 1992’ in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $100,000, such amount shall be rounded to the nearest multiple of $100,000.

"(4) AGGREGATE DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—For purposes of this subsection, the term 'aggregate deceased spousal unused exclusion amount' means the lesser of—

"(A) the basic exclusion amount, or

"(B) the sum of the deceased spousal unused exclusion amounts of the surviving spouse.

"(5) DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—For purposes of this subsection, the term 'deceased spousal unused exclusion amount' means, with respect to the surviving spouse of any deceased spouse dying after December 31, 2009, the excess (if any) of—

"(A) the applicable exclusion amount of the deceased spouse, over

"(B) the amount with respect to which the tentative tax is determined under section 2001(b)(1) on the estate of such deceased spouse.

"(6) SPECIAL RULES.—

"(A) ELECTION REQUIRED.—A deceased spousal unused exclusion amount may not be taken into account by a surviving spouse under paragraph (5) unless the executor of the estate of the deceased spouse files an estate tax return on which such amount is computed and makes an election on such return that such amount may be so taken into account. Such election, once made, shall be irrevocable. No election may be made under this subparagraph if such return is filed after the time prescribed by law (including extensions) for filing such return.

"(B) EXAMINATION OF PRIOR RETURNS AFTER EXPIRATION OF PERIOD OF LIMITATIONS WITH RESPECT TO DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—Notwithstanding any period of limitation in section 6501, after the time has expired under section 6501 within which a tax may be assessed under chapter 11 or 12 with respect to a deceased spousal unused exclusion amount, the Secretary may examine a return of the deceased spouse to make determinations with respect to such amount for purposes of carrying out this subsection.

"(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this subsection.".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 2505(a), as amended by section 101, is amended to read as follows:

"(1) the applicable credit amount under section 2010(c) which would apply if the donor died as of the end of the calendar year, reduced by".

(2) Section 2631(c) is amended by striking "the applicable exclusion amount" and inserting "the basic exclusion amount".

(3) Section 6018(a)(1), after the application of section 101(g), is amended by striking "applicable exclusion amount" and inserting "basic exclusion amount".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, generation-skipping transfers, and gifts made, after December 31, 2009.

TITLE II—EXTENSION AND EXPANSION OF CERTAIN TAX RELIEF PROVISIONS

Subtitle A—Extension and Modification of Certain Provisions

SEC. 201. DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Section 222(e) is amended by striking "2005"and inserting "2007".

(b) CONFORMING AMENDMENTS.—Section 222(b)(2)(B) is amended—

(1) by striking "a taxable year beginning in 2004 or 2005" and inserting "any taxable year beginning after 2003", and

(2) by striking "2004 AND 2005" in the heading and inserting "AFTER 2003".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 202. EXTENSION AND MODIFICATION OF NEW MARKETS TAX CREDIT.

(a) EXTENSION.—Section 45D(f)(1)(D) is amended by striking "and 2007" and inserting ", 2007, and 2008".

(b) REGULATIONS REGARDING NON-METROPOLITAN COUNTIES.—Section 45D(i) is amended by striking "and" at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting ", and", and by adding at the end the following new paragraph:

"(6) which ensure that non-metropolitan counties receive a proportional allocation of qualified equity investments.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 203. ELECTION TO DEDUCT STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Section 164(b)(5)(I) is amended by striking "2006" and inserting "2008".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 204. EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Section 41(h)(1)(B) is amended by striking "2005" and inserting "2007".

(2) CONFORMING AMENDMENT.—Section 45C(b)(1)(D) is amended by striking "2005" and inserting "2007".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2005.

(b) INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) (relating to election of alternative incremental credit) is amended—

(A) by striking "2.65 percent" and inserting "3 percent",

(B) by striking "3.2 percent" and inserting "4 percent", and

(C) by striking "3.75 percent" and inserting "5 percent".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2006.

(c) ALTERNATIVE SIMPLIFIED CREDIT FOR QUALIFIED RESEARCH EXPENSES.—

(1) IN GENERAL.—Subsection (c) of section 41 (relating to base amount) is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively, and by inserting after paragraph (4) the following new paragraph:

"(5) ELECTION OF ALTERNATIVE SIMPLIFIED CREDIT.—

"(A) IN GENERAL.—At the election of the taxpayer, the credit determined under subsection (a)(1) shall be equal to 12 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.

"(B) SPECIAL RULE IN CASE OF NO QUALIFIED RESEARCH EXPENSES IN ANY OF 3 PRECEDING TAXABLE YEARS.—

"(i) TAXPAYERS TO WHICH SUBPARAGRAPH APPLIES.—The credit under this paragraph shall be determined under this subparagraph if the taxpayer has no qualified research expenses in any one of the 3 taxable years preceding the taxable year for which the credit is being determined.

"(ii) CREDIT RATE.—The credit determined under this subparagraph shall be equal to 6 percent of the qualified research expenses for the taxable year.

"(C) ELECTION.—An election under this paragraph shall apply to the taxable year for which made and all succeeding taxable years unless revoked with the consent of the Secretary. An election under this paragraph may not be made for any taxable year to which an election under paragraph (4) applies.".

(2) COORDINATION WITH ELECTION OF ALTERNATIVE INCREMENTAL CREDIT.—

(A) IN GENERAL.—Section 41(c)(4)(B) (relating to election) is amended by adding at the end the following: "An election under this paragraph may not be made for any taxable year to which an election under paragraph (5) applies.".

(B) TRANSITION RULE.—In the case of an election under section 41(c)(4) of the Internal Revenue Code of 1986 which applies to the taxable year which includes the date of the enactment of this Act, such election shall be treated as revoked with the consent of the Secretary of the Treasury if the taxpayer makes an election under section 41(c)(5) of such Code (as added by subsection (c)) for such year.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2006.

SEC. 205. WORK OPPORTUNITY TAX CREDIT AND WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Sections 51(c)(4)(B) and 51A(f) are each amended by striking "2005" and inserting "2007".

(b) ELIGIBILITY OF EX-FELONS DETERMINED WITHOUT REGARD TO FAMILY INCOME.—Paragraph (4) of section 51(d) is amended by adding "and" at the end of subparagraph (A), by striking ", and" at the end of subparagraph (B) and inserting a period, and by striking all that follows subparagraph (B).

(c) INCREASE IN MAXIMUM AGE FOR ELIGIBILITY OF FOOD STAMP RECIPIENTS.—Clause (i) of section 51(d)(8)(A) is amended by striking "25" and inserting "40".

(d) EXTENSION OF PAPERWORK FILING DEADLINE.—Section 51(d)(12)(A)(ii)(II) is amended by striking "21st day" and inserting "28th day".

(e) CONSOLIDATION OF WORK OPPORTUNITY CREDIT WITH WELFARE-TO-WORK CREDIT.—

(1) IN GENERAL.—Paragraph (1) of section 51(d) is amended by striking "or" at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting ", or", and by adding at the end the following new subparagraph:

"(I) a long-term family assistance recipient.".

(2) LONG-TERM FAMILY ASSISTANCE RECIPIENT.—Subsection (d) of section 51 is amended by redesignating paragraphs (10) through (12) as paragraphs (11) through (13), respectively, and by inserting after paragraph (9) the following new paragraph:

"(10) LONG-TERM FAMILY ASSISTANCE RECIPIENT.—The term 'long-term family assistance recipient' means any individual who is certified by the designated local agency—

"(A) as being a member of a family receiving assistance under a IV-A program (as defined in paragraph (2)(B)) for at least the 18-month period ending on the hiring date, "(B)(i) as being a member of a family receiving such assistance for 18 months beginning after August 5, 1997, and

"(ii) as having a hiring date which is not more than 2 years after the end of the earliest such 18-month period, or

"(C)(i) as being a member of a family which ceased to be eligible for such assistance by reason of any limitation imposed by Federal or State law on the maximum period such assistance is payable to a family, and

"(ii) as having a hiring date which is not more than 2 years after the date of such cessation.".

(3) Increased credit for employment of long-term family assistance recipients.—Section 51 is amended by inserting after subsection (d) the following new subsection:

"(e) Credit for Second-Year Wages for Employment of Long-Term Family Assistance Recipients.—

"(1) In general.—With respect to the employment of a long-term family assistance recipient—

"(A) the amount of the work opportunity credit determined under this section for the taxable year shall include 50 percent of the qualified second-year wages for such year, and

"(B) in lieu of applying subsection (b)(3), the amount of the qualified first-year wages, and the amount of qualified second-year wages, which may be taken into account with respect to such a recipient shall not exceed $10,000 per year.

"(2) Qualified second-year wages.—For purposes of this subsection, the term 'qualified second-year wages' means qualified wages—

"(A) which are paid to a long-term family assistance recipient, and

"(B) which are attributable to service rendered during the 1-year period beginning on the day after the last day of the 1-year period with respect to such recipient determined under subsection (b)(2).

"(3) Special rules for agricultural and railway labor.—If such recipient is an employee to whom subparagraph (A) or (B) of subsection (h)(1) applies, rules similar to the rules of such subparagraphs shall apply except that—

"(A) such subparagraph (A) shall be applied by substituting '$10,000' for '$6,000', and

"(B) such subparagraph (B) shall be applied by substituting '$833.33' for '$500'.".

(4) Repeal of separate welfare-to-work credit.—

(A) In general.—Section 51A is hereby repealed.

(B) Clerical amendment.—The table of sections for subpart F of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 51A.

(f) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to individuals who begin work for the employer after December 31, 2005.

(2) Consolidation.—The amendments made by subsections (b), (c), (d), and (e) shall apply to individuals who begin work for the employer after December 31, 2006.

SEC. 206. ELECTION TO INCLUDE COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME CREDIT.

(a) In General.—Section 32(c)(2)(B)(vi)(II) is amended by striking "2007" and inserting "2008".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 207. EXTENSION AND MODIFICATION OF QUALIFIED ZONE ACADEMY BONDS.

(a) In General.—Paragraph (1) of section 1397E(e) is amended by striking "and 2005" and inserting "2005, 2006, and 2007".

(b) Special Rules Relating to Expenditures, Arbitrage, and Reporting.—

(1) In general.—Section 1397E is amended—

(A) in subsection (d)(1), by striking "and" at the end of subparagraph (C)(iii), by striking the period at the end of subparagraph (D) and inserting ", and", and by adding at the end the following new subparagraph:

"(E) the issue meets the requirements of subsections (f), (g), and (h).", and

(B) by redesignating subsections (f), (g), (h), and (i) as subsection (i), (j), (k), and (l), respectively, and by inserting after subsection (e) the following new subsections:

"(f) Special Rules Relating to Expenditures.—

"(1) In general.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the issuer reasonably expects—

"(A) at least 95 percent of the proceeds from the sale of the issue are to be spent for 1 or more qualified purposes with respect to qualified zone academies within the 5-year period beginning on the date of issuance of the qualified zone academy bond,

"(B) a binding commitment with a third party to spend at least 10 percent of the proceeds from the sale of the issue will be incurred within the 6-month period beginning on the date of issuance of the qualified zone academy bond, and

"(C) such purposes will be completed with due diligence and the proceeds from the sale of the issue will be spent with due diligence.

"(2) Extension of period.—Upon submission of a request prior to the expiration of the period described in paragraph (1)(A), the Secretary may extend such period if the issuer establishes that the failure to satisfy the 5-year requirement is due to reasonable cause and the related purposes will continue to proceed with due diligence.

"(3) Failure to spend required amount of bond proceeds within 5 years.—To the extent that less than 95 percent of the proceeds of such issue are expended by the close of the 5-year period beginning on the date of issuance (or if an extension has been obtained under paragraph (2), by the close of the extended period), the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

"(g) Special Rules Relating to Arbitrage.—An issue shall be treated as meeting the requirements of this subsection if the issuer satisfies the arbitrage requirements of section 148 with respect to proceeds of the issue.

"(h) Reporting.—Issuers of qualified academy zone bonds shall submit reports similar to the reports required under section 149(e).".

(2) Conforming amendments.—Sections 54(l)(3)(B) and 1400N(l)(7)(B)(ii) are each amended by striking "section 1397E(i)" and inserting "section 1397E(l)".

(c) Effective Dates.—

(1) Extension.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 2005.

(2) Special rules.—The amendments made by subsection (b) shall apply to obligations issued after the date of the enactment of this Act pursuant to allocations of the national zone academy bond limitation for calendar years after 2005.

SEC. 208. ABOVE-THE-LINE DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) In General.—Subparagraph (D) of section 62(a)(2) is amended by striking "or 2005" and inserting "2005, 2006, or 2007".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 209. EXTENSION AND EXPANSION OF EXPENSING OF BROWNFIELDS REMEDIATION COSTS.

(a) Extension.—Subsection (h) of section 198 is amended by striking "2005" and inserting "2007".

(b) Expansion.—Section 198(d)(1) (defining hazardous substance) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following new subparagraph:

"(C) any petroleum product (as defined in section 4612(a)(3)).".

(c) Effective Date.—The amendments made by this section shall apply to expenditures paid or incurred after December 31, 2005.

SEC. 210. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) Designation of Zone.—

(1) In general.—Subsection (f) of section 1400 is amended by striking "2005" both places it appears and inserting "2007".

(2) Effective date.—The amendments made by this subsection shall apply to periods beginning after December 31, 2005.

(b) Tax-Exempt Economic Development Bonds.—

(1) In general.—Subsection (b) of section 1400A is amended by striking "2005" and inserting "2007".

(2) Effective date.—The amendment made by this subsection shall apply to bonds issued after December 31, 2005.

(c) Zero Percent Capital Gains Rate.—

(1) In general.—Subsection (b) of section 1400B is amended by striking "2006" each place it appears and inserting "2008".

(2) Conforming amendments.—

(A) Section 1400B(e)(2) is amended—

(i) by striking "2010" and inserting "2012", and

(ii) by striking "2010" in the heading thereof and inserting "2012".

(B) Section 1400B(g)(2) is amended by striking "2010" and inserting "2012".

(C) Section 1400F(d) is amended by striking "2010" and inserting "2012".

(3) Effective dates.—

(A) Extension.—The amendments made by paragraph (1) shall apply to acquisitions after December 31, 2005.

(B) Conforming amendments.—The amendments made by paragraph (2) shall take effect on the date of the enactment of this Act.

(d) First-Time Homebuyer Credit.—

(1) In general.—Subsection (i) of section 1400C is amended by striking "2006" and inserting "2008".

(2) Effective date.—The amendment made by this subsection shall apply to property purchased after December 31, 2005.

SEC. 211. INDIAN EMPLOYMENT TAX CREDIT.

(a) In General.—Section 45A(f) is amended by striking "2005" and inserting "2007".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 212. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATIONS.

(a) In General.—Section 168(j)(8) is amended by striking “2005” and inserting “2007”.

(b) Effective Date.—The amendment made by this section shall apply to property placed in service after December 31, 2005.

SEC. 213. FIFTEEN-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT PROPERTY.

(a) In General.—Clauses (iv) and (v) of section 168(e)(3)(E) are each amended by striking “2006” and inserting “2008”.

(b) Treatment of Restaurant Property to Include New Construction.—Paragraph (7) of section 168(e) (relating to classification of property) is amended to read as follows:

“(7) Qualified restaurant property.—The term ‘qualified restaurant property’ means any section 1250 property which is a building or an improvement to a building if more than 50 percent of the building's square footage is devoted to preparation of, and seating for on-premises consumption of, prepared meals.”.

(c) Effective Dates.—

(1) Subsection (a).—The amendments made by subsection (a) shall apply to property placed in service after December 31, 2005.

(2) Subsection (b).—The amendment made by subsection (b) shall apply to property placed in service after the date of the enactment of this Act.

SEC. 214. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Section 7652(f)(1) is amended by striking “2006” and inserting “2008”.

(b) Effective Date.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2005.

SEC. 215. PARITY IN APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) Amendment to the Internal Revenue Code of 1986.—Section 9812(f)(3) is amended by striking “2006” and inserting “2007”.

(b) Amendment to the Employee Retirement Income Security Act of 1974.—Section 712(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a(f)) is amended by striking “2006” and inserting “2007”.

(c) Amendment to the Public Health Service Act.—Section 2705(f) of the Public Health Service Act (42 U.S.C. 300gg–5(f)) is amended by striking “2006”and inserting “2007”.

SEC. 216. CORPORATE DONATIONS OF SCIENTIFIC PROPERTY USED FOR RESEARCH AND OF COMPUTER TECHNOLOGY AND EQUIPMENT.

(a) Extension of Computer Technology and Equipment Donation.—

(1) In general.—Section 170(e)(6)(G) is amended by striking “2005” and inserting “2007”.

(2) Effective date.—The amendment made by paragraph (1) shall apply to contributions made in taxable years beginning after December 31, 2005.

(b) Expansion of Charitable Contribution Allowed for Scientific Property Used for Research and for Computer Technology and Equipment Used for Educational Purposes.—

(1) Scientific property used for research.—

(A) In general.—Clause (ii) of section 170(e)(4)(B) (defining qualified research contributions) is amended by inserting “or assembled” after “constructed”.

(B) Conforming amendment.—Clause (iii) of section 170(e)(4)(B) is amended by inserting “or assembly” after “construction”.

(2) Computer technology and equipment for educational purposes.—

(A) In general.—Clause (ii) of section 170(e)(6)(B) is amended by inserting “or assembled” after “constructed” and “or assembling” after “construction”.

(B) Conforming amendment.—Subparagraph (D) of section 170(e)(6) is amended by inserting “or assembled” after “constructed” and “or assembly” after “construction”.

(3) Effective date.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2005.

SEC. 217. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) In General.—Paragraphs (2) and (3)(B) of section 220(i) are each amended by striking “2005” each place it appears in the text and headings and inserting “2007”.

(b) Conforming Amendments.—

(1) Paragraph (2) of section 220(j) is amended—

(A) in the text by striking “or 2004” each place it appears and inserting “2004, 2005, or 2006”, and

(B) in the heading by striking “or 2004” and inserting “2004, 2005, or 2006” .

(2) Subparagraph (A) of section 220(j)(4) is amended by striking “and 2004” and inserting “2004, 2005, and 2006”.

(c) Time for Filing Reports, etc.—

(1) The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2005, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

(2) The determination and publication required by section 220(j)(5) of such Code with respect to calendar year 2005 shall be treated as timely if made before the close of the 120-day period beginning on the date of the enactment of this Act. If the determination under the preceding sentence is that 2005 is a cut-off year under section 220(i) of such Code, the cut-off date under such section 220(i) shall be the last day of such 120-day period.

SEC. 218. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) In General.—Section 613A(c)(6)(H) is amended by striking “2006” and inserting “2008”.

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 219. AMERICAN SAMOA ECONOMIC DEVELOPMENT CREDIT.

(a) In General.—For purposes of section 30A of the Internal Revenue Code of 1986, a domestic corporation shall be treated as a qualified domestic corporation to which such section applies if such corporation—

(1) is an existing credit claimant with respect to American Samoa, and

(2) elected the application of section 936 of the Internal Revenue Code of 1986 for its last taxable year beginning before January 1, 2006.

(b) Special Rules for Application of Section.—The following rules shall apply in applying section 30A of the Internal Revenue Code of 1986 for purposes of this section:

(1) Amount of credit.—Notwithstanding section 30A(a)(1) of such Code, the amount of the credit determined under section 30A(a)(1) of such Code for any taxable year shall be the amount determined under section 30A(d) of such Code, except that section 30A(d) shall be applied without regard to paragraph (3) thereof.

(2) Separate application.—In applying section 30A(a)(3) of such Code in the case of a corporation treated as a qualified domestic corporation by reason of this section, section 30A of such Code (and so much of section 936 of such Code as relates to such section 30A) shall be applied separately with respect to American Samoa.

(3) Foreign tax credit allowed.—Notwithstanding section 30A(e) of such Code, the provisions of section 936(c) of such Code shall not apply with respect to the credit allowed by reason of this section.

(c) Definitions.—For purposes of this section, any term which is used in this section which is also used in section 30A or 936 of such Code shall have the same meaning given such term by such section 30A or 936.

(d) Application of Section.—Notwithstanding section 30A(h) or section 936(j) of such Code, this section (and so much of section 30A and section 936 of such Code as relates to this section) shall apply to the first two taxable years of a corporation to which subsection (a) applies which begin after December 31, 2005, and before January 1, 2008.

SEC. 220. RESTRUCTURING OF NEW YORK LIBERTY ZONE TAX CREDITS.

(a) In General.—Part I of subchapter Y of chapter 1 is amended by redesignating section 1400L as 1400K and by adding at the end the following new section:

“SEC. 1400L. NEW YORK LIBERTY ZONE TAX CREDITS.

“(a) In General.—In the case of a New York Liberty Zone governmental unit, there shall be allowed as a credit against any taxes imposed for any payroll period by section 3402 for which such governmental unit is liable under section 3403 an amount equal to so much of the portion of the qualifying project expenditure amount allocated under subsection (b)(3) to such governmental unit for the calendar year as is allocated by such governmental unit to such period under subsection (b)(4).

“(b) Qualifying Project Expenditure Amount.—For purposes of this section—

“(1) In general.—The term ‘qualifying project expenditure amount’ means, with respect to any calendar year, the sum of—

“(A) the total expenditures paid or incurred during such calendar year by all New York Liberty Zone governmental units and the Port Authority of New York and New Jersey for any portion of qualifying projects located wholly within the City of New York, New York, and

“(B) any such expenditures—

“(i) paid or incurred in any preceding calendar year which begins after the date of enactment of this section, and

“(ii) not previously allocated under paragraph (3).

“(2) Qualifying project.—The term ‘qualifying project’ means any transportation infrastructure project, including highways, mass transit systems, railroads, airports, ports, and waterways, in or connecting with the New York Liberty Zone (as defined in section 1400K(h)), which is designated as a qualifying project under this section jointly by the Governor of the State of New York and the Mayor of the City of New York, New York.

“(3) General allocation.—

“(A) In general.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly allocate to each New York Liberty Zone governmental unit the portion of the qualifying project expenditure amount which may be taken into account by such governmental unit under subsection (a) for any calendar year in the credit period.

"(B) AGGREGATE LIMIT.—The aggregate amount which may be allocated under subparagraph (A) for all calendar years in the credit period shall not exceed $1,750,000,000.

"(C) ANNUAL LIMIT.—

"(i) IN GENERAL.—The aggregate amount which may be allocated under subparagraph (A) for any calendar year in the credit period shall not exceed the sum of—

"(I) the applicable limit, plus

"(II) the aggregate amount authorized to be allocated under this paragraph for all preceding calendar years in the credit period which was not so allocated.

"(ii) APPLICABLE LIMIT.—For purposes of clause (i), the applicable limit for any calendar year is—

"(I) in the case of calendar years 2007 through 2016, $100,000,000,

"(II) in the case of calendar year 2017 or 2018, $200,000,000,

"(III) in the case of calendar year 2019, $150,000,000,

"(IV) in the case of calendar year 2020 or 2021, $100,000,000, and

"(V) in the case of any calendar year after 2021, zero.

"(D) UNALLOCATED AMOUNTS AT END OF CREDIT PERIOD.—If, as of the close of the credit period, the amount under subparagraph (B) exceeds the aggregate amount allocated under subparagraph (A) for all calendar years in the credit period, the Governor of the State of New York and the Mayor of the City of New York, New York, may jointly allocate to New York Liberty Zone governmental units for any calendar year in the 5-year period following the credit period an amount equal to—

"(i) the lesser of—

"(I) such excess, or

"(II) the qualifying project expenditure amount for such calendar year, reduced by

"(ii) the aggregate amount allocated under this subparagraph for all preceding calendar years.

"(4) ALLOCATION TO PAYROLL PERIODS.—Each New York Liberty Zone governmental unit which has been allocated a portion of the qualifying project expenditure amount under paragraph (3) for a calendar year may allocate such portion to payroll periods beginning in such calendar year as such governmental unit determines appropriate.

"(c) CARRYOVER OF UNUSED ALLOCATIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), if the amount allocated under subsection (b)(3) to a New York Liberty Zone governmental unit for any calendar year exceeds the aggregate taxes imposed by section 3402 for which such governmental unit is liable under section 3403 for periods beginning in such year, such excess shall be carried to the succeeding calendar year and added to the allocation of such governmental unit for such succeeding calendar year. No amount may be carried under the preceding sentence to a calendar year after 2026.

"(2) REALLOCATION.—If a New York Liberty Zone governmental unit does not use an amount allocated to it under subsection (b)(3) within the time prescribed by the Governor of the State of New York and the Mayor of the City of New York, New York, then such amount shall after such time be treated for purposes of subsection (b)(3) in the same manner as if it had never been allocated.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) CREDIT PERIOD.—The term 'credit period' means the 15-year period beginning on January 1, 2007.

"(2) NEW YORK LIBERTY ZONE GOVERNMENTAL UNIT.—The term 'New York Liberty Zone governmental unit' means—

"(A) the State of New York,

"(B) the City of New York, New York, and

"(C) any agency or instrumentality of such State or City.

"(3) TREATMENT OF FUNDS.—Any expenditure for a qualifying project taken into account for purposes of the credit under this section shall be considered State and local funds for the purpose of any Federal program.

"(4) TREATMENT OF CREDIT AMOUNTS FOR PURPOSES OF WITHHOLDING TAXES.—For purposes of this title, a New York Liberty Zone governmental unit shall be treated as having paid to the Secretary, on the day on which wages are paid to employees, an amount equal to the amount of the credit allowed to such entity under subsection (a) with respect to such wages, but only if such governmental unit deducts and withholds wages for such payroll period under section 3401 (relating to wage withholding).

"(e) REPORTING.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit to the Secretary an annual report—

"(1) which certifies—

"(A) the qualifying project expenditure amount for the calendar year, and

"(B) the amount allocated to each New York Liberty Zone governmental unit under subsection (b)(3) for the calendar year, and

"(2) includes such other information as the Secretary may require to carry out this section.

"(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to ensure compliance with the purposes of this section.

"(g) TERMINATION.—No credit shall be allowed under subsection (a) for any calender year after 2026.".

(b) TERMINATION OF CERTAIN NEW YORK LIBERTY ZONE BENEFITS.—

(1) SPECIAL ALLOWANCE AND EXPENSING.—Section 1400K(b)(2)(A)(v), as redesignated by subsection (a), is amended by striking "the termination date" and inserting "the date of the enactment of the Estate Tax and Extension of Tax Relief Act of 2006 or the termination date if pursuant to a binding contract in effect on such enactment date".

(2) LEASEHOLD.—Section 1400K(c)(2)(B), as so redesignated, is amended by striking "before January 1, 2007" and inserting "on or before the date of the enactment of the Estate Tax and Extension of Tax Relief Act of 2006 or before January 1, 2007, if pursuant to a binding contract in effect on such enactment date".

(c) CONFORMING AMENDMENTS.—

(1) Section 38(c)(3)(B) is amended by striking "section 1400L(a)" and inserting "section 1400K(a)".

(2) Section 168(k)(2)(D)(ii) is amended by striking "section 1400L(c)(2)" and inserting "1400K(c)(2)".

(3) The table of sections for part I of subchapter Y of chapter 1 is amended by striking "1400L" and inserting "1400K".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to periods beginning after December 31, 2006.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall take effect as if included in section 301 of the Job Creation and Worker Assistance Act of 2002.

SEC. 221. EXTENSION OF BONUS DEPRECIATION FOR CERTAIN QUALIFIED GULF OPPORTUNITY ZONE PROPERTY.

(a) IN GENERAL.—Subsection (d) of section 1400N is amended by adding at the end the following new paragraph:

"(6) EXTENSION FOR CERTAIN PROPERTY.—

"(A) IN GENERAL.—In the case of any specified Gulf Opportunity Zone extension property, paragraph (2)(A) shall be applied without regard to clause (v) thereof.

"(B) SPECIFIED GULF OPPORTUNITY ZONE EXTENSION PROPERTY.—For purposes of this paragraph, the term 'specified Gulf Opportunity Zone extension property' means property—

"(i) substantially all of the use of which is in one or more specified portions of the GO Zone, and

"(ii) which is—

"(I) nonresidential real property or residential rental property which is placed in service by the taxpayer on or before December 31, 2009, or

"(II) in the case of a taxpayer who places a building described in subclause (I) in service on or before December 31, 2009, property described in section 168(k)(2)(A)(i) if substantially all of the use of such property is in such building and such property is placed in service by the taxpayer not later than 90 days after such building is placed in service.

"(C) SPECIFIED PORTIONS OF THE GO ZONE.—For purposes of this paragraph, the term 'specified portions of the GO Zone' means those portions of the GO Zone which are in any county or parish which is identified by the Secretary as being a county or parish in which hurricanes occurring during 2005 damaged (in the aggregate) more than 40 percent of the housing units in such county or parish which were occupied (determined according to the 2000 Census).".

(b) EXTENSION NOT APPLICABLE TO INCREASED SECTION 179 EXPENSING.—Paragraph (2) of section 1400N(e) is amended by inserting "without regard to subsection (d)(6)" after "subsection (d)(2)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 101 of the Gulf Opportunity Zone Act of 2005.

SEC. 222. AUTHORITY FOR UNDERCOVER OPERATIONS.

Paragraph (6) of section 7608(c) (relating to application of section) is amended by striking "2007" both places it appears and inserting "2008".

SEC. 223. DISCLOSURES OF CERTAIN TAX RETURN INFORMATION.

(a) DISCLOSURES TO FACILITATE COMBINED EMPLOYMENT TAX REPORTING.—

(1) IN GENERAL.—Subparagraph (B) of section 6103(d)(5) (relating to termination) is amended by striking "2006" and inserting "2007".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to disclosures after December 31, 2006.

(b) DISCLOSURES RELATING TO TERRORIST ACTIVITIES.—

(1) IN GENERAL.—Clause (iv) of section 6103(i)(3)(C) and subparagraph (E) of section 6103(i)(7) are each amended by striking "2006" and inserting "2007".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply to disclosures after December 31, 2006.

(c) DISCLOSURES RELATING TO STUDENT LOANS.—

(1) IN GENERAL.—Subparagraph (D) of section 6103(l)(13) (relating to termination) is amended by striking "2006" and inserting "2007".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to requests made after December 31, 2006.

Subtitle B—Other Provisions

SEC. 231. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) IN GENERAL.—Subsection (d) of section 199 (relating to definitions and special rules) is amended by redesignating paragraph (8) as paragraph (9) and by inserting after paragraph (7) the following new paragraph:

"(8) TREATMENT OF ACTIVITIES IN PUERTO RICO.—

"(A) IN GENERAL.—In the case of any taxpayer with gross receipts for any taxable year from sources within the Commonwealth of Puerto Rico, if all of such receipts are taxable under section 1 or 11 for such taxable year, then for purposes of determining the domestic production gross receipts of such taxpayer for such taxable year under subsection (c)(4), the term 'United States' shall include the Commonwealth of Puerto Rico.

"(B) SPECIAL RULE FOR APPLYING WAGE LIMITATION.—In the case of any taxpayer described in subparagraph (A), for purposes of applying the limitation under subsection (b) for any taxable year, the determination of W-2 wages of such taxpayer shall be made without regard to any exclusion under section 3401(a)(8) for remuneration paid for services performed in Puerto Rico.

"(C) TERMINATION.—This paragraph shall apply only with respect to the first 2 taxable years of the taxpayer beginning after December 31, 2005, and before January 1, 2008.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 232. CREDIT FOR PRIOR YEAR MINIMUM TAX LIABILITY MADE REFUNDABLE AFTER PERIOD OF YEARS.

(a) IN GENERAL.—Section 53 (relating to credit for prior year minimum tax liability) is amended by adding at the end the following new subsection:

"(e) SPECIAL RULE FOR INDIVIDUALS WITH LONG-TERM UNUSED CREDITS.—

"(1) IN GENERAL.—If an individual has a long-term unused minimum tax credit for any taxable year beginning before January 1, 2013, the amount determined under subsection (c) for such taxable year shall not be less than the AMT refundable credit amount for such taxable year.

"(2) AMT REFUNDABLE CREDIT AMOUNT.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'AMT refundable credit amount' means, with respect to any taxable year, the amount equal to the greater of—

"(i) the lesser of—

"(I) $5,000, or

"(II) the amount of long-term unused minimum tax credit for such taxable year, or

"(ii) 20 percent of the amount of such credit.

"(B) PHASEOUT OF AMT REFUNDABLE CREDIT AMOUNT.—

"(i) IN GENERAL.—In the case of an individual whose adjusted gross income for any taxable year exceeds the threshold amount (within the meaning of section 151(d)(3)(C)), the AMT refundable credit amount determined under subparagraph (A) for such taxable year shall be reduced by the applicable percentage (within the meaning of section 151(d)(3)(B)).

"(ii) ADJUSTED GROSS INCOME.—For purposes of clause (i), adjusted gross income shall be determined without regard to sections 911, 931, and 933.

"(3) LONG-TERM UNUSED MINIMUM TAX CREDIT.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'long-term unused minimum tax credit' means, with respect to any taxable year, the portion of the minimum tax credit determined under subsection (b) attributable to the adjusted net minimum tax for taxable years before the 3rd taxable year immediately preceding such taxable year.

"(B) FIRST-IN, FIRST-OUT ORDERING RULE.—For purposes of subparagraph (A), credits shall be treated as allowed under subsection (a) on a first-in, first-out basis.

"(4) CREDIT REFUNDABLE.—For purposes of this title (other than this section), the credit allowed by reason of this subsection shall be treated as if it were allowed under subpart C.".

(b) CONFORMING AMENDMENTS.—

(1) Section 6211(b)(4)(A) is amended by striking "and 34" and inserting "34, and 53(e)".

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting "or 53(e)" after "section 35".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 233. RETURNS REQUIRED IN CONNECTION WITH CERTAIN OPTIONS.

(a) IN GENERAL.—So much of section 6039(a) as follows paragraph (2) is amended to read as follows:

"shall, for such calendar year, make a return at such time and in such manner, and setting forth such information, as the Secretary may by regulations prescribe.".

(b) STATEMENTS TO PERSONS WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—Section 6039 is amended by redesignating subsections (b) and (c) as subsection (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS REPORTED.—Every corporation making a return under subsection (a) shall furnish to each person whose name is set forth in such return a written statement setting forth such information as the Secretary may by regulations prescribe. The written statement required under the preceding sentence shall be furnished to such person on or before January 31 of the year following the calendar year for which the return under subsection (a) was made.".

(c) CONFORMING AMENDMENTS.—

(1) Section 6724(d)(1)(B) is amended by striking "or" at the end of clause (xvii), by striking "and" at the end of clause (xviii) and inserting "or", and by adding at the end the following new clause:

"(xix) section 6039(a) (relating to returns required with respect to certain options), and".

(2) Section 6724(d)(2)(B) is amended by striking "section 6039(a)" and inserting "section 6039(b)".

(3) The heading of section 6039 and the item relating to such section in the table of sections of subpart A of part III of subchapter A of chapter 61 of such Code are each amended by striking "Information" and inserting "Returns".

(4) The heading of subsection (a) of section 6039 is amended by striking "FURNISHING OF INFORMATION" and inserting "REQUIREMENT OF REPORTING".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after the date of the enactment of this Act.

SEC. 234. PARTIAL EXPENSING FOR ADVANCED MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by inserting after section 179D the following new section:

"SEC. 179E. ELECTION TO EXPENSE ADVANCED MINE SAFETY EQUIPMENT.

"(a) TREATMENT AS EXPENSES.—A taxpayer may elect to treat 50 percent of the cost of any qualified advanced mine safety equipment property as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a deduction for the taxable year in which the qualified advanced mine safety equipment property is placed in service.

"(b) ELECTION.—

"(1) IN GENERAL.—An election under this section for any taxable year shall be made on the taxpayer's return of the tax imposed by this chapter for the taxable year. Such election shall specify the advanced mine safety equipment property to which the election applies and shall be made in such manner as the Secretary may by regulations prescribe.

"(2) ELECTION IRREVOCABLE.—Any election made under this section may not be revoked except with the consent of the Secretary.

"(c) QUALIFIED ADVANCED MINE SAFETY EQUIPMENT PROPERTY.—For purposes of this section, the term 'qualified advanced mine safety equipment property' means any advanced mine safety equipment property for use in any underground mine located in the United States—

"(1) the original use of which commences with the taxpayer, and

"(2) which is placed in service by the taxpayer after the date of the enactment of this section.

"(d) ADVANCED MINE SAFETY EQUIPMENT PROPERTY.—For purposes of this section, the term 'advanced mine safety equipment property' means any of the following:

"(1) Emergency communication technology or device which is used to allow a miner to maintain constant communication with an individual who is not in the mine.

"(2) Electronic identification and location device which allows an individual who is not in the mine to track at all times the movements and location of miners working in or at the mine.

"(3) Emergency oxygen-generating, self-rescue device which provides oxygen for at least 90 minutes.

"(4) Pre-positioned supplies of oxygen which (in combination with self-rescue devices) can be used to provide each miner on a shift, in the event of an accident or other event which traps the miner in the mine or otherwise necessitates the use of such a self-rescue device, the ability to survive for at least 48 hours.

"(5) Comprehensive atmospheric monitoring system which monitors the levels of carbon monoxide, methane, and oxygen that are present in all areas of the mine and which can detect smoke in the case of a fire in a mine.

"(e) COORDINATION WITH SECTION 179.—No expenditures shall be taken into account under subsection (a) with respect to the portion of the cost of any property specified in an election under section 179.

"(f) REPORTING.—No deduction shall be allowed under subsection (a) to any taxpayer for any taxable year unless such taxpayer files with the Secretary a report containing such information with respect to the operation of the mines of the taxpayer as the Secretary shall require.

"(g) TERMINATION.—This section shall not apply to property placed in service after December 31, 2008.".

(b) CONFORMING AMENDMENTS.—

(1) Section 263(a)(1) is amended by striking "or" at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting ", or", and by inserting after subparagraph (K) the following new subparagraph:

"(L) expenditures for which a deduction is allowed under section 179E.".

(2) Section 312(k)(3)(B) is amended by striking "or 179D" each place it appears in the heading and text thereof and inserting "179D, or 179E".

(3) Paragraphs (2)(C) and (3)(C) of section 1245(a) are each amended by inserting "179E," after "179D,".

(4) The table of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 179D the following new item:

"Sec. 179E. Election to expense advanced mine safety equipment.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to costs paid or incurred after the date of the enactment of this Act.

SEC. 235. MINE RESCUE TEAM TRAINING TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45N. MINE RESCUE TEAM TRAINING CREDIT.

"(a) AMOUNT OF CREDIT.—For purposes of section 38, the mine rescue team training credit determined under this section with respect to each qualified mine rescue team employee of an eligible employer for any taxable year is an amount equal to the lesser of—

"(1) 20 percent of the amount paid or incurred by the taxpayer during the taxable year with respect to the training program costs of such qualified mine rescue team employee (including wages of such employee while attending such program), or

"(2) $10,000.

"(b) QUALIFIED MINE RESCUE TEAM EMPLOYEE.—For purposes of this section, the term 'qualified mine rescue team employee' means with respect to any taxable year any full-time employee of the taxpayer who is—

"(1) a miner eligible for more than 6 months of such taxable year to serve as a mine rescue team member as a result of completing, at a minimum, an initial 20-hour course of instruction as prescribed by the Mine Safety and Health Administration's Office of Educational Policy and Development, or

"(2) a miner eligible for more than 6 months of such taxable year to serve as a mine rescue team member by virtue of receiving at least 40 hours of refresher training in such instruction.

"(c) ELIGIBLE EMPLOYER.—For purposes of this section, the term 'eligible employer' means any taxpayer which employs individuals as miners in underground mines in the United States.

"(d) WAGES.—For purposes of this section, the term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

"(e) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 2008.".

(b) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) is amended by striking "and" at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting ", plus", and by adding at the end the following new paragraph:

"(31) the mine rescue team training credit determined under section 45N(a).".

(c) NO DOUBLE BENEFIT.—Section 280C is amended by adding at the end the following new subsection:

"(e) MINE RESCUE TEAM TRAINING CREDIT.—No deduction shall be allowed for that portion of the expenses otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for the taxable year under section 45N(a).".

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45N. Mine rescue team training credit.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 236. WHISTLEBLOWER REFORMS.

(a) AWARDS TO WHISTLEBLOWERS.—

(1) IN GENERAL.—Section 7623 (relating to expenses of detection of underpayments and fraud, etc.) is amended—

(A) by striking "The Secretary" and inserting "(a) IN GENERAL.—The Secretary",

(B) by striking "and" at the end of paragraph (1) and inserting "or",

(C) by striking "(other than interest)", and

(D) by adding at the end the following new subsection:

"(b) AWARDS TO WHISTLEBLOWERS.—

"(1) IN GENERAL.—If the Secretary proceeds with any administrative or judicial action described in subsection (a) based on information brought to the Secretary's attention by an individual, such individual shall, subject to paragraph (2), receive as an award at least 15 percent but not more than 30 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action. The determination of the amount of such award by the Whistleblower Office shall depend upon the extent to which the individual substantially contributed to such action.

"(2) AWARD IN CASE OF LESS SUBSTANTIAL CONTRIBUTION.—

"(A) IN GENERAL.—In the event the action described in paragraph (1) is one which the Whistleblower Office determines to be based principally on disclosures of specific allegations (other than information provided by the individual described in paragraph (1)) resulting from a judicial or administrative hearing, from a governmental report, hearing, audit, or investigation, or from the news media, the Whistleblower Office may award such sums as it considers appropriate, but in no case more than 10 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action, taking into account the significance of the individual's information and the role of such individual and any legal representative of such individual in contributing to such action.

"(B) NONAPPLICATION OF PARAGRAPH WHERE INDIVIDUAL IS ORIGINAL SOURCE OF INFORMATION.—Subparagraph (A) shall not apply if the information resulting in the initiation of the action described in paragraph (1) was originally provided by the individual described in paragraph (1).

"(3) REDUCTION IN OR DENIAL OF AWARD.—If the Whistleblower Office determines that the claim for an award under paragraph (1) or (2) is brought by an individual who planned and initiated the actions that led to the underpayment of tax or actions described in subsection (a)(2), then the Whistleblower Office may appropriately reduce such award. If such individual is convicted of criminal conduct arising from the role described in the preceding sentence, the Whistleblower Office shall deny any award.

"(4) APPEAL OF AWARD DETERMINATION.—Any determination regarding an award under paragraph (1), (2), or (3) may, within 30 days of such determination, be appealed to the Tax Court (and the Tax Court shall have jurisdiction with respect to such matter).

"(5) APPLICATION OF THIS SUBSECTION.—This subsection shall apply with respect to any action—

"(A) against any taxpayer, but in the case of any individual, only if such individual's gross income exceeds $200,000 for any taxable year subject to such action, and

"(B) if the tax, penalties, interest, additions to tax, and additional amounts in dispute exceed $2,000,000.

"(6) ADDITIONAL RULES.—

"(A) NO CONTRACT NECESSARY.—No contract with the Internal Revenue Service is necessary for any individual to receive an award under this subsection.

"(B) REPRESENTATION.—Any individual described in paragraph (1) or (2) may be represented by counsel.

"(C) SUBMISSION OF INFORMATION.—No award may be made under this subsection based on information submitted to the Secretary unless such information is submitted under penalty of perjury.".

(2) ASSIGNMENT TO SPECIAL TRIAL JUDGES.—

(A) IN GENERAL.—Section 7443A(b) (relating to proceedings which may be assigned to special trial judges) is amended by striking "and" at the end of paragraph (4), by redesignating paragraph (5) as paragraph (6), and by inserting after paragraph (4) the following new paragraph:

"(5) any proceeding under section 7623(b)(4), and".

(B) CONFORMING AMENDMENT.—Section 7443A(c) is amended by striking "or (4)" and inserting "(4), or (5)".

(3) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMIZES.—Subsection (a) of section 62 (relating to general rule defining adjusted gross income) is amended by inserting after paragraph (20) the following new paragraph:

"(21) ATTORNEYS FEES RELATING TO AWARDS TO WHISTLEBLOWERS.—Any deduction allowable under this chapter for attorney fees and court costs paid by, or on behalf of, the taxpayer in connection with any award under section 7623(b) (relating to awards to whistleblowers). The preceding sentence shall not apply to any deduction in excess of the amount includible in the taxpayer's gross income for the taxable year on account of such award.".

(b) WHISTLEBLOWER OFFICE.—

(1) IN GENERAL.—Not later than the date which is 12 months after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance for the operation of a whistleblower program to be administered in the Internal Revenue Service by an office to be known as the "Whistleblower Office" which—

(A) shall at all times operate at the direction of the Commissioner of Internal Revenue and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner of Internal Revenue,

(B) shall analyze information received from any individual described in section 7623(b) of the Internal Revenue Code of 1986 and either investigate the matter itself or assign it to the appropriate Internal Revenue Service office, and

(C) in its sole discretion, may ask for additional assistance from such individual or any legal representative of such individual.

(2) REQUEST FOR ASSISTANCE.—The guidance issued under paragraph (1) shall specify that any assistance requested under paragraph (1)(C) shall be under the direction and control of the Whistleblower Office or the office assigned to investigate the matter under paragraph (1)(A). No individual or legal representative whose assistance is so requested may by reason of such request represent himself or herself as an employee of the Federal Government.

(c) REPORT BY SECRETARY.—The Secretary of the Treasury shall each year conduct a study and report to Congress on the use of section 7623 of the Internal Revenue Code of 1986, including—

(1) an analysis of the use of such section during the preceding year and the results of such use, and

(2) any legislative or administrative recommendations regarding the provisions of such section and its application.

(d) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to information provided on or after the date of the enactment of this Act.

SEC. 237. FRIVOLOUS TAX SUBMISSIONS.

(a) CIVIL PENALTIES.—Section 6702 is amended to read as follows:

"SEC. 6702. FRIVOLOUS TAX SUBMISSIONS.

"(a) CIVIL PENALTY FOR FRIVOLOUS TAX RETURNS.—A person shall pay a penalty of $5,000 if—

"(1) such person files what purports to be a return of a tax imposed by this title but which—

"(A) does not contain information on which the substantial correctness of the self-assessment may be judged, or

"(B) contains information that on its face indicates that the self-assessment is substantially incorrect, and

"(2) the conduct referred to in paragraph (1)—

"(A) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(B) reflects a desire to delay or impede the administration of Federal tax laws.

"(b) CIVIL PENALTY FOR SPECIFIED FRIVOLOUS SUBMISSIONS.—

"(1) IMPOSITION OF PENALTY.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

"(2) SPECIFIED FRIVOLOUS SUBMISSION.—For purposes of this section—

"(A) SPECIFIED FRIVOLOUS SUBMISSION.—The term 'specified frivolous submission' means a specified submission if any portion of such submission—

"(i) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(ii) reflects a desire to delay or impede the administration of Federal tax laws.

"(B) SPECIFIED SUBMISSION.—The term 'specified submission' means—

"(i) a request for a hearing under—

"(I) section 6320 (relating to notice and opportunity for hearing upon filing of notice of lien), or

"(II) section 6330 (relating to notice and opportunity for hearing before levy), and

"(ii) an application under—

"(I) section 6159 (relating to agreements for payment of tax liability in installments),

"(II) section 7122 (relating to compromises), or

"(III) section 7811 (relating to taxpayer assistance orders).

"(3) OPPORTUNITY TO WITHDRAW SUBMISSION.—If the Secretary provides a person with notice that a submission is a specified frivolous submission and such person withdraws such submission within 30 days after such notice, the penalty imposed under paragraph (1) shall not apply with respect to such submission.

"(c) LISTING OF FRIVOLOUS POSITIONS.—The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6662(d)(2)(B)(ii)(II).

"(d) REDUCTION OF PENALTY.—The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

"(e) PENALTIES IN ADDITION TO OTHER PENALTIES.—The penalties imposed by this section shall be in addition to any other penalty provided by law.".

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.—

(1) FRIVOLOUS REQUESTS DISREGARDED.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

"(g) FRIVOLOUS REQUESTS FOR HEARING, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6320 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(2) PRECLUSION FROM RAISING FRIVOLOUS ISSUES AT HEARING.—Section 6330(c)(4) is amended—

(A) by striking "(A)" and inserting "(A)(i)";

(B) by striking "(B)" and inserting "(ii)";

(C) by striking the period at the end of the first sentence and inserting "; or"; and

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following:

"(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).".

(3) STATEMENT OF GROUNDS.—Section 6330(b)(1) is amended by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing".

(c) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS UPON FILING OF NOTICE OF LIEN.—Section 6320 is amended—

(1) in subsection (b)(1), by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing", and

(2) in subsection (c), by striking "and (e)" and inserting "(e), and (g)".

(d) TREATMENT OF FRIVOLOUS APPLICATIONS FOR OFFERS-IN-COMPROMISE AND INSTALLMENT AGREEMENTS.—Section 7122 is amended by adding at the end the following new subsection:

"(f) FRIVOLOUS SUBMISSIONS, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

"Sec. 6702. Frivolous tax submissions.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 238. ADDITION OF MENINGOCOCCAL AND HUMAN PAPILLOMAVIRUS VACCINES TO LIST OF TAXABLE VACCINES.

(a) MENINGOCOCCAL VACCINE.—Section 4132(a)(1) (defining taxable vaccine) is amended by adding at the end the following new subparagraph:

"(O) Any meningococcal vaccine.".

(b) HUMAN PAPILLOMAVIRUS VACCINE.—Section 4132(a)(1), as amended by subsection (a), is amended by adding at the end the following new subparagraph:

"(P) Any vaccine against the human papillomavirus.".

(c) EFFECTIVE DATE.—

(1) SALES, ETC.—The amendments made by this section shall apply to sales and uses on or after the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 239. CLARIFICATION OF TAXATION OF CERTAIN SETTLEMENT FUNDS MADE PERMANENT.

(a) IN GENERAL.—Subsection (g) of section 468B, as amended by section 201 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking paragraph (3).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 201 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 240. MODIFICATION OF ACTIVE BUSINESS DEFINITION UNDER SECTION 355 MADE PERMANENT.

(a) IN GENERAL.—Subparagraphs (A) and (D) of section 355(b)(3), as amended by section 202 of the Tax Increase Prevention and Reconciliation Act of 2005, are each amended by striking "and on or before December 31, 2010".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 202 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 241. REVISION OF STATE VETERANS LIMIT MADE PERMANENT.

(a) IN GENERAL.—Subparagraph (B) of section 143(l)(3), as amended by section 203 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking clause (iv).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 203 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 242. CAPITAL GAINS TREATMENT FOR CERTAIN SELF-CREATED MUSICAL WORKS MADE PERMANENT.

(a) IN GENERAL.—Paragraph (3) of section 1221(b), as amended by section 204 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "before January 1, 2011,".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 204 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 243. REDUCTION IN MINIMUM VESSEL TONNAGE WHICH QUALIFIES FOR TONNAGE TAX MADE PERMANENT.

(a) IN GENERAL.—Paragraph (4) of section 1355(a), as amended by section 205 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "10,000 (6,000, in the case of taxable years beginning after December 31, 2005, and ending before January 1, 2011)" and inserting "6,000".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 205 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 244. MODIFICATION OF SPECIAL ARBITRAGE RULE FOR CERTAIN FUNDS MADE PERMANENT.

(a) IN GENERAL.—Section 206 of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking "and before August 31, 2009".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 206 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 245. GREAT LAKES DOMESTIC SHIPPING TO NOT DISQUALIFY VESSEL FROM TONNAGE TAX.

(a) IN GENERAL.—Section 1355 (relating to definitions and special rules) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) GREAT LAKES DOMESTIC SHIPPING TO NOT DISQUALIFY VESSEL.—

"(1) IN GENERAL.—If the electing corporation elects (at such time and in such manner as the Secretary may require) to apply this subsection for any taxable year to any qualifying vessel which is used in qualified zone domestic trade during the taxable year—

"(A) solely for purposes of subsection (a)(4), such use shall be treated as use in United States foreign trade (and not as use in United States domestic trade), and

"(B) subsection (f) shall not apply with respect to such vessel for such taxable year.

"(2) EFFECT OF TEMPORARILY OPERATING VESSEL IN UNITED STATES DOMESTIC TRADE.—In the case of a qualifying vessel to which this subsection applies—

"(A) IN GENERAL.—An electing corporation shall be treated as using such vessel in qualified zone domestic trade during any period of temporary use in the United States domestic trade (other than qualified zone domestic trade) if the electing corporation gives timely notice to the Secretary stating—

"(i) that it temporarily operates or has operated in the United States domestic trade (other than qualified zone domestic trade) a qualifying vessel which had been used in the United States foreign trade or qualified zone domestic trade, and

"(ii) its intention to resume operation of the vessel in the United States foreign trade or qualified zone domestic trade.

"(B) NOTICE.—Notice shall be deemed timely if given not later than the due date (including extensions) for the corporation's tax return for the taxable year in which the temporary cessation begins.

"(C) PERIOD DISREGARD IN EFFECT.—The period of temporary use under subparagraph (A) continues until the earlier of the date of which—

"(i) the electing corporation abandons its intention to resume operations of the vessel in the United States foreign trade or qualified zone domestic trade, or

"(ii) the electing corporation resumes operation of the vessel in the United States foreign trade or qualified zone domestic trade.

"(D) NO DISREGARD IF DOMESTIC TRADE USE EXCEEDS 30 DAYS.—Subparagraph (A) shall not apply to any qualifying vessel which is operated in the United States domestic trade (other than qualified zone domestic trade) for more than 30 days during the taxable year.

"(3) ALLOCATION OF INCOME AND DEDUCTIONS TO QUALIFYING SHIPPING ACTIVITIES.—In the case of a qualifying vessel to which this subsection applies, the Secretary shall prescribe rules for the proper allocation of income, expenses, losses, and deductions between the qualified shipping activities and the other activities of such vessel.

"(4) QUALIFIED ZONE DOMESTIC TRADE.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified zone domestic trade' means the transportation of goods or passengers between places in the qualified zone if such transportation is in the United States domestic trade.

"(B) QUALIFIED ZONE.—The term 'qualified zone' means the Great Lakes Waterway and the St. Lawrence Seaway.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 246. USE OF QUALIFIED MORTGAGE BONDS TO FINANCE RESIDENCES FOR VETERANS WITHOUT REGARD TO FIRST-TIME HOMEBUYER REQUIREMENT.

(a) IN GENERAL.—Section 143(d)(2) (relating to exceptions to 3-year requirement) is amended by striking "and" at the end of subparagraph (B), by adding "and" at the end of subparagraph (C), and by inserting after subparagraph (C) the following new subparagraph:

"(D) in the case of bonds issued after the date of the enactment of this subparagraph and before January 1, 2008, financing of any residence for a veteran (as defined in section 101 of title 38, United States Code), if such veteran has not previously qualified for and received such financing by reason of this subparagraph,".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 247. EXCLUSION OF GAIN FROM SALE OF A PRINCIPAL RESIDENCE BY CERTAIN EMPLOYEES OF THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Subparagraph (A) of section 121(d)(9) (relating to exclusion of gain from sale of principal residence) is amended by striking "duty" and all that follows and inserting "duty—

"(i) as a member of the uniformed services,

"(ii) as a member of the Foreign Service of the United States, or

"(iii) as an employee of the intelligence community.".

(b) EMPLOYEE OF INTELLIGENCE COMMUNITY DEFINED.—Subparagraph (C) of section 121(d)(9) is amended by redesignating clause (iv) as clause (v) and by inserting after clause (iii) the following new clause:

"(iv) EMPLOYEE OF INTELLIGENCE COMMUNITY.—The term 'employee of the intelligence community' means an employee (as defined by section 2105 of title 5, United States Code) of—

"(I) the Office of the Director of National Intelligence,

"(II) the Central Intelligence Agency,

"(III) the National Security Agency,

"(IV) the Defense Intelligence Agency,

"(V) the National Geospatial-Intelligence Agency,

"(VI) the National Reconnaissance Office,

"(VII) any other office within the Department of Defense for the collection of specialized national intelligence through reconnaissance programs,

"(VIII) any of the intelligence elements of the Army, the Navy, the Air Force, the Marine Corps, the Federal Bureau of Investigation, the Department of Treasury, the Department of Energy, and the Coast Guard,

"(IX) the Bureau of Intelligence and Research of the Department of State, or

"(X) any of the elements of the Department of Homeland Security concerned with the analyses of foreign intelligence information.".

(c) SPECIAL RULE.—Subparagraph (C) of section 121(d)(9), as amended by subsection (b), is amended by adding at the end the following new clause:

"(vi) SPECIAL RULE RELATING TO INTELLIGENCE COMMUNITY.—An employee of the intelligence community shall not be treated as serving on qualified extended duty unless such duty is at a duty station located outside the United States.".

(d) CONFORMING AMENDMENT.—The heading for section 121(d)(9) is amended to read as follows: "UNIFORMED SERVICES, FOREIGN SERVICE, AND INTELLIGENCE COMMUNITY".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after the date of the enactment of this Act and before January 1, 2011.

SEC. 248. TREATMENT OF COKE AND COKE GAS.

(a) NONAPPLICATION OF PHASEOUT.—Section 45K(g)(2) is amended by adding at the end the following new subparagraph:

"(D) NONAPPLICATION OF PHASEOUT.—Subsection (b)(1) shall not apply.".

(b) CLARIFICATION OF QUALIFYING FACILITY.—Section 45K(g)(1) is amended by inserting "(other than from petroleum based products)" after "coke or coke gas".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 1321 of the Energy Policy Act of 2005.

SEC. 249. SALE OF PROPERTY BY JUDICIAL OFFICERS.

(a) IN GENERAL.—Section 1043(b) (relating to the sale of property to comply with conflict-of-interest requirements) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by inserting ", or a judicial officer," after "an officer or employee of the executive branch"; and

(B) in subparagraph (B), by inserting "judicial canon," after "any statute, regulation, rule,";

(2) in paragraph (2)—

(A) in subparagraph (A), by inserting "judicial canon," after "any Federal conflict of interest statute, regulation, rule,"; and

(B) in subparagraph (B), by inserting after "the Director of the Office of Government Ethics," the following: "in the case of executive branch officers or employees, or by the Judicial Conference of the United States (or its designee), in the case of judicial officers,"; and

(3) in paragraph (5)(B), by inserting "judicial canon," after "any statute, regulation, rule,".

(b) JUDICIAL OFFICER DEFINED.—Section 1043(b) is amended by adding at the end the following new paragraph:

"(6) JUDICIAL OFFICER.—The term 'judicial officer' means the Chief Justice of the United States, the Associate Justices of the Supreme Court, and the judges of the United States courts of appeals, United States district courts, including the district courts in

Guam, the Northern Mariana Islands, and the Virgin Islands, Court of Appeals for the Federal Circuit, Court of International Trade, Tax Court, Court of Federal Claims, Court of Appeals for Veterans Claims, United States Court of Appeals for the Armed Forces, and any court created by Act of Congress, the judges of which are entitled to hold office during good behavior.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after the date of enactment of this Act.

SEC. 250. PREMIUMS FOR MORTGAGE INSURANCE.

(a) IN GENERAL.—Section 163(h)(3) (relating to qualified residence interest) is amended by adding at the end the following new subparagraph:

"(E) MORTGAGE INSURANCE PREMIUMS TREATED AS INTEREST.—

"(i) IN GENERAL.—Premiums paid or accrued for qualified mortgage insurance by a taxpayer during the taxable year in connection with acquisition indebtedness with respect to a qualified residence of the taxpayer shall be treated for purposes of this section as interest which is qualified residence interest.

"(ii) PHASEOUT.—The amount otherwise treated as interest under clause (i) shall be reduced (but not below zero) by 10 percent of such amount for each $1,000 ($500 in the case of a married individual filing a separate return) (or fraction thereof) that the taxpayer's adjusted gross income for the taxable year exceeds $100,000 ($50,000 in the case of a married individual filing a separate return).

"(iii) LIMITATION.—Clause (i) shall not apply with respect to any mortgage insurance contracts issued before January 1, 2007.

"(iv) TERMINATION.—Clause (i) shall not apply to amounts—

"(I) paid or accrued after December 31, 2007, or

"(II) properly allocable to any period after such date.".

(b) DEFINITION AND SPECIAL RULES.—Section 163(h)(4) (relating to other definitions and special rules) is amended by adding at the end the following new subparagraphs:

"(E) QUALIFIED MORTGAGE INSURANCE.—The term 'qualified mortgage insurance' means—

"(i) mortgage insurance provided by the Veterans Administration, the Federal Housing Administration, or the Rural Housing Administration, and

"(ii) private mortgage insurance (as defined by section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901), as in effect on the date of the enactment of this subparagraph).

"(F) SPECIAL RULES FOR PREPAID QUALIFIED MORTGAGE INSURANCE.—Any amount paid by the taxpayer for qualified mortgage insurance that is properly allocable to any mortgage the payment of which extends to periods that are after the close of the taxable year in which such amount is paid shall be chargeable to capital account and shall be treated as paid in such periods to which so allocated. No deduction shall be allowed for the unamortized balance of such account if such mortgage is satisfied before the end of its term. The preceding sentences shall not apply to amounts paid for qualified mortgage insurance provided by the Veterans Administration or the Rural Housing Administration.".

(c) INFORMATION RETURNS RELATING TO MORTGAGE INSURANCE.—Section 6050H (relating to returns relating to mortgage interest received in trade or business from individuals) is amended by adding at the end the following new subsection:

"(h) RETURNS RELATING TO MORTGAGE INSURANCE PREMIUMS.—

"(1) IN GENERAL.—The Secretary may prescribe, by regulations, that any person who, in the course of a trade or business, receives from any individual premiums for mortgage insurance aggregating $600 or more for any calendar year, shall make a return with respect to each such individual. Such return shall be in such form, shall be made at such time, and shall contain such information as the Secretary may prescribe.

"(2) STATEMENT TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under paragraph (1) shall furnish to each individual with respect to whom a return is made a written statement showing such information as the Secretary may prescribe. Such written statement shall be furnished on or before January 31 of the year following the calendar year for which the return under paragraph (1) was required to be made.

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) rules similar to the rules of subsection (c) shall apply, and

"(B) the term 'mortgage insurance' means—

"(i) mortgage insurance provided by the Veterans Administration, the Federal Housing Administration, or the Rural Housing Administration, and

"(ii) private mortgage insurance (as defined by section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901), as in effect on the date of the enactment of this subsection).".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or accrued after December 31, 2006.

SEC. 251. MODIFICATION OF REFUNDS FOR KEROSENE USED IN AVIATION.

(a) IN GENERAL.—Paragraph (4) of section 6427(l) (relating to nontaxable uses of diesel fuel and kerosene) is amended to read as follows:

"(4) REFUNDS FOR KEROSENE USED IN AVIATION.—

"(A) KEROSENE USED IN COMMERCIAL AVIATION.—In the case of kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1) shall not apply to so much of the tax imposed by section 4041 or 4081, as the case may be, as is attributable to—

"(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(ii) so much of the rate of tax specified in section 4041(c) or 4081(a)(2)(A)(iii), as the case may be, as does not exceed 4.3 cents per gallon.

"(B) KEROSENE USED IN NONCOMMERCIAL AVIATION.—In the case of kerosene used in aviation that is not commercial aviation (as so defined) (other than any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax), paragraph (1) shall not apply to—

"(i) any tax imposed by section 4041(c), and

"(ii) so much of the tax imposed by section 4081 as is attributable to—

"(I) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(II) so much of the rate of tax specified in section 4081(a)(2)(A)(iii) as does not exceed the rate specified in section 4081(a)(2)(C)(ii).

"(C) PAYMENTS TO ULTIMATE, REGISTERED VENDOR.—

"(i) IN GENERAL.—With respect to any kerosene used in aviation (other than kerosene described in clause (ii) or kerosene to which paragraph (5) applies), if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

"(I) is registered under section 4101, and

"(II) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).

"(ii) PAYMENTS FOR KEROSENE USED IN NONCOMMERCIAL AVIATION.—The amount which would be paid under paragraph (1) with respect to any kerosene to which subparagraph (B) applies shall be paid only to the ultimate vendor of such kerosene. A payment shall be made to such vendor if such vendor—

"(I) is registered under section 4101, and

"(II) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(b) CONFORMING AMENDMENTS.—

(1) Section 6427(l) is amended by striking paragraph (5) and by redesignating paragraph (6) as paragraph (5).

(2) Section 4082(d)(2)(B) is amended by striking "section 6427(l)(6)(B)" and inserting "section 6427(l)(5)(B)".

(3) Section 6427(i)(4)(A) is amended—

(A) by striking "paragraph (4)(B), (5), or (6)" each place it appears and inserting "paragraph (4)(C) or (5)", and

(B) by striking "(l)(5), and (l)(6)" and inserting "(l)(4)(C)(ii), and (l)(5)".

(4) Section 6427(l)(1) is amended by striking "paragraph (4)(B)" and inserting "paragraph (4)(C)(i)".

(5) Section 9502(d) is amended—

(A) in paragraph (2), by striking "and (l)(5)", and

(B) in paragraph (3), by striking "or (5)".

(6) Section 9503(c)(7) is amended—

(A) by amending subparagraphs (A) and (B) to read as follows:

"(A) 4.3 cents per gallon of kerosene subject to section 6427(l)(4)(A) with respect to which a payment has been made by the Secretary under section 6427(l), and

"(B) 21.8 cents per gallon of kerosene subject to section 6427(l)(4)(B) with respect to which a payment has been made by the Secretary under section 6427(l).", and

(B) in the matter following subparagraph (B), by striking "or (5)".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to kerosene sold after September 30, 2005.

(2) SPECIAL RULE FOR PENDING CLAIMS.—In the case of kerosene sold for use in aviation (other than kerosene to which section 6427(l)(4)(C)(ii) of the Internal Revenue Code of 1986 (as added by subsection (a)) applies or kerosene to which section 6427(l)(5) of such Code (as redesignated by subsection (b)) applies) after September 30, 2005, and before the date of the enactment of this Act, the ultimate purchaser shall be treated as having waived the right to payment under section 6427(l)(1) of such Code and as having assigned such right to the ultimate vendor if such ultimate vendor has met the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1) of such Code.

(d) SPECIAL RULE FOR KEROSENE USED IN AVIATION ON A FARM FOR FARMING PURPOSES.—

(1) REFUNDS FOR PURCHASES AFTER DECEMBER 31, 2004, AND BEFORE OCTOBER 1, 2005.—The Secretary of the Treasury shall pay to

the ultimate purchaser of any kerosene which is used in aviation on a farm for farming purposes and which was purchased after December 31, 2004, and before October 1, 2005, an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081 of the Internal Revenue Code of 1986, as the case may be, reduced by any payment to the ultimate vendor under section 6427(l)(5)(C) of such Code (as in effect on the day before the date of the enactment of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: a Legacy for Users).

(2) USE ON A FARM FOR FARMING PURPOSES.—For purposes of paragraph (1), kerosene shall be treated as used on a farm for farming purposes if such kerosene is used for farming purposes (within the meaning of section 6420(c)(3) of the Internal Revenue Code of 1986) in carrying on a trade or business on a farm situated in the United States. For purposes of the preceding sentence, rules similar to the rules of section 6420(c)(4) of such Code shall apply.

(3) TIME FOR FILING CLAIMS.—No claim shall be allowed under paragraph (1) unless the ultimate purchaser files such claim before the date that is 3 months after the date of the enactment of this Act.

(4) NO DOUBLE BENEFIT.—No amount shall be paid under paragraph (1) or section 6427(l) of the Internal Revenue Code of 1986 with respect to any kerosene described in paragraph (1) to the extent that such amount is in excess of the tax imposed on such kerosene under section 4041 or 4081 of such Code, as the case may be.

(5) APPLICABLE LAWS.—For purposes of this subsection, rules similar to the rules of section 6427(j) of the Internal Revenue Code of 1986 shall apply.

SEC. 252. DEDUCTION FOR QUALIFIED TIMBER GAIN.

(a) IN GENERAL.—Part I of subchapter P of chapter 1 is amended by adding at the end the following new section:

"SEC. 1203. DEDUCTION FOR QUALIFIED TIMBER GAIN.

"(a) IN GENERAL.—In the case of a taxpayer which elects the application of this section for a taxable year, there shall be allowed a deduction against gross income equal to 60 percent of the lesser of—

"(1) the taxpayer's qualified timber gain for such year, or

"(2) the taxpayer's net capital gain for such year.

"(b) QUALIFIED TIMBER GAIN.—For purposes of this section, the term 'qualified timber gain' means, with respect to any taxpayer for any taxable year, the excess (if any) of—

"(1) the sum of the taxpayer's gains described in subsections (a) and (b) of section 631 for such year, over

"(2) the sum of the taxpayer's losses described in such subsections for such year.

"(c) SPECIAL RULES FOR PASS-THRU ENTITIES.—In the case of any qualified timber gain of a pass-thru entity (as defined in section 1(h)(10))—

"(1) the election under this section shall be made separately by each taxpayer subject to tax on such gain, and

"(2) the Secretary may prescribe such regulations as are appropriate to apply this section to such gain.

"(d) TERMINATION.—No disposition of timber after December 31, 2007, shall be taken into account under subsection (b).".

(b) COORDINATION WITH MAXIMUM CAPITAL GAINS RATES.—

(1) TAXPAYERS OTHER THAN CORPORATIONS.—Paragraph (2) of section 1(h) is amended to read as follows:

"(2) REDUCTION OF NET CAPITAL GAIN.—For purposes of this subsection, the net capital gain for any taxable year shall be reduced (but not below zero) by the sum of—

"(A) the amount which the taxpayer takes into account as investment income under section 163(d)(4)(B)(iii), and

"(B) in the case of a taxable year with respect to which an election is in effect under section 1203, the lesser of—

"(i) the amount described in paragraph (1) of section 1203(a), or

"(ii) the amount described in paragraph (2) of such section.".

(2) CORPORATIONS.—Section 1201 is amended by redesignating subsection (b) as subsection (c) and inserting after subsection (a) the following new subsection:

"(b) QUALIFIED TIMBER GAIN NOT TAKEN INTO ACCOUNT.—For purposes of this section, in the case of a corporation with respect to which an election is in effect under section 1203, the net capital gain for any taxable year shall be reduced (but not below zero) by the corporation's qualified timber gain (as defined in section 1203(b)).".

(c) DEDUCTION ALLOWED WHETHER OR NOT INDIVIDUAL ITEMIZES OTHER DEDUCTIONS.—Subsection (a) of section 62, as amended by this Act, is amended by inserting before the last sentence the following new paragraph:

"(22) QUALIFIED TIMBER GAINS.—The deduction allowed by section 1203.".

(d) DEDUCTION ALLOWED IN COMPUTING ADJUSTED CURRENT EARNINGS.—Subparagraph (C) of section 56(g)(4) is amended by adding at the end the following new clause:

"(vii) DEDUCTION FOR QUALIFIED TIMBER GAIN.—Clause (i) shall not apply to any deduction allowed under section 1203.".

(e) DEDUCTION ALLOWED IN COMPUTING TAXABLE INCOME OF ELECTING SMALL BUSINESS TRUSTS.—Subparagraph (C) of section 641(c)(2) is amended by inserting after clause (iii) the following new clause:

"(iv) The deduction allowed under section 1203.".

(f) CONFORMING AMENDMENTS.—

(1) Subparagraph (B) of section 172(d)(2) is amended to read as follows:

"(B) the exclusion under section 1202 and the deduction under section 1203 shall not be allowed.".

(2) Paragraph (4) of section 642(c) is amended by striking the first sentence and inserting the following: "To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain described in section 1202(a) or qualified timber gain (as defined in section 1203(b)), proper adjustment shall be made for any exclusion allowable to the estate or trust under section 1202 and for any deduction allowable to the estate or trust under section 1203.".

(3) Paragraph (3) of section 643(a) is amended by striking the last sentence and inserting the following: "The exclusion under section 1202 and the deduction under section 1203 shall not be taken into account.".

(4) Subparagraph (C) of section 643(a)(6) is amended to read as follows:

"(C) Paragraph (3) shall not apply to a foreign trust. In the case of such a trust—

"(i) there shall be included gains from the sale or exchange of capital assets, reduced by losses from such sales or exchanges to the extent such losses do not exceed gains from such sales or exchanges, and

"(ii) the deduction under section 1203 shall not be taken into account.".

(5) Paragraph (4) of section 691(c) is amended by inserting "1203," after "1202,".

(6) Paragraph (2) of section 871(a) is amended by striking "section 1202" and inserting "sections 1202 and 1203".

(7) The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end the following new item:

"Sec. 1203. Deduction for qualified timber gain.".

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) TAXABLE YEARS WHICH INCLUDE DATE OF ENACTMENT.—In the case of any taxable year which includes the date of the enactment of this Act, for purposes of the Internal Revenue Code of 1986, the taxpayer's qualified timber gain shall not exceed the excess that would be described in section 1203(b) of such Code, as added by this section, if only dispositions of timber after such date were taken into account.

SEC. 253. CREDIT TO HOLDERS OF RURAL RENAISSANCE BONDS.

(a) IN GENERAL.—Subpart H of part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by adding at the end the following new section:

"SEC. 54A. CREDIT TO HOLDERS OF RURAL RENAISSANCE BONDS.

"(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a rural renaissance bond on a credit allowance date of such bond, which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

"(b) AMOUNT OF CREDIT.—

"(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a rural renaissance bond is 25 percent of the annual credit determined with respect to such bond.

"(2) ANNUAL CREDIT.—The annual credit determined with respect to any rural renaissance bond is the product of—

"(A) the credit rate determined by the Secretary under paragraph (3) for the day on which such bond was sold, multiplied by

"(B) the outstanding face amount of the bond.

"(3) DETERMINATION.—For purposes of paragraph (2), with respect to any rural renaissance bond, the Secretary shall determine daily or caused to be determined daily a credit rate which shall apply to the first day on which there is a binding, written contract for the sale or exchange of the bond. The credit rate for any day is the credit rate which the Secretary or the Secretary's designee estimates will permit the issuance of rural renaissance bonds with a specified maturity or redemption date without discount and without interest cost to the qualified issuer.

"(4) CREDIT ALLOWANCE DATE.—For purposes of this section, the term 'credit allowance date' means—

"(A) March 15,

"(B) June 15,

"(C) September 15, and

"(D) December 15.

Such term also includes the last day on which the bond is outstanding.

"(5) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-

month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

"(c) Limitation Based on Amount of Tax.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(2) the sum of the credits allowable under this part (other than subpart C and this section).

"(d) Rural Renaissance Bond.—For purposes of this section—

"(1) In general.—The term 'rural renaissance bond' means any bond issued as part of an issue if—

"(A) the bond is issued by a qualified issuer,

"(B) 95 percent or more of the proceeds from the sale of such issue are to be used for capital expenditures incurred for 1 or more qualified projects,

"(C) the qualified issuer designates such bond for purposes of this section and the bond is in registered form, and

"(D) the issue meets the requirements of subsections (e) and (h).

"(2) Qualified project; special use rules.—

"(A) In general.—The term 'qualified project' means 1 or more projects described in subparagraph (B) located in a rural area.

"(B) Projects described.—A project described in this subparagraph is—

"(i) a water or waste treatment project,

"(ii) an affordable housing project,

"(iii) a community facility project, including hospitals, fire and police stations, and nursing and assisted-living facilities,

"(iv) a value-added agriculture or renewable energy facility project for agricultural producers or farmer-owned entities, including any project to promote the production, processing, or retail sale of ethanol (including fuel at least 85 percent of the volume of which consists of ethanol), biodiesel, animal waste, biomass, raw commodities, or wind as a fuel,

"(v) a distance learning or telemedicine project,

"(vi) a rural utility infrastructure project, including any electric or telephone system,

"(vii) a project to expand broadband technology,

"(viii) a rural teleworks project, and

"(ix) any project described in any preceding clause carried out by the Delta Regional Authority.

"(C) Special rules.—For purposes of this paragraph—

"(i) any project described in subparagraph (B)(iv) for a farmer-owned entity may be considered a qualified project if such entity is located in a rural area, or in the case of a farmer-owned entity the headquarters of which are located in a nonrural area, if the project is located in a rural area, and

"(ii) any project for a farmer-owned entity which is a facility described in subparagraph (B)(iv) for agricultural producers may be considered a qualified project regardless of whether the facility is located in a rural or nonrural area.

"(3) Special use rules.—

"(A) Refinancing rules.—For purposes of paragraph (1)(B), a qualified project may be refinanced with proceeds of a rural renaissance bond only if the indebtedness being refinanced (including any obligation directly or indirectly refinanced by such indebtedness) was originally incurred after the date of the enactment of this section.

"(B) Reimbursement.—For purposes of paragraph (1)(B), a rural renaissance bond may be issued to reimburse a borrower for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

"(i) prior to the payment of the original expenditure, the borrower declared its intent to reimburse such expenditure with the proceeds of a rural renaissance bond,

"(ii) not later than 60 days after payment of the original expenditure, the qualified issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

"(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

"(C) Treatment of changes in use.—For purposes of paragraph (1)(B), the proceeds of an issue shall not be treated as used for a qualified project to the extent that a borrower takes any action within its control which causes such proceeds not to be used for a qualified project. The Secretary shall prescribe regulations specifying remedial actions that may be taken (including conditions to taking such remedial actions) to prevent an action described in the preceding sentence from causing a bond to fail to be a rural renaissance bond.

"(e) Maturity Limitations.—

"(1) Duration of term.—A bond shall not be treated as a rural renaissance bond if the maturity of such bond exceeds the maximum term determined by the Secretary under paragraph (2) with respect to such bond.

"(2) Maximum term.—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined without regard to the requirements of paragraph (3) and using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

"(3) Ratable principal amortization required.—A bond shall not be treated as a rural renaissance bond unless it is part of an issue which provides for an equal amount of principal to be paid by the qualified issuer during each calendar year that the issue is outstanding.

"(f) Limitation on Amount of Bonds Designated.—

"(1) National limitation.—There is a rural renaissance bond limitation of $200,000,000.

"(2) Allocation by Secretary.—The Secretary shall allocate the amount described in paragraph (1) among qualified projects in such manner as the Secretary determines appropriate.

"(g) Credit Included in Gross Income.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

"(h) Special Rules Relating to Expenditures.—

"(1) In general.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the qualified issuer reasonably expects—

"(A) at least 95 percent of the proceeds from the sale of the issue are to be spent for 1 or more qualified projects within the 5-year period beginning on the date of issuance of the rural renaissance bond,

"(B) a binding commitment with a third party to spend at least 10 percent of the proceeds from the sale of the issue will be incurred within the 6-month period beginning on the date of issuance of the rural renaissance bond or, in the case of a rural renaissance bond, the proceeds of which are to be loaned to 2 or more borrowers, such binding commitment will be incurred within the 6-month period beginning on the date of the loan of such proceeds to a borrower, and

"(C) such projects will be completed with due diligence and the proceeds from the sale of the issue will be spent with due diligence.

"(2) Extension of period.—Upon submission of a request prior to the expiration of the period described in paragraph (1)(A), the Secretary may extend such period if the qualified issuer establishes that the failure to satisfy the 5-year requirement is due to reasonable cause and the related projects will continue to proceed with due diligence.

"(3) Failure to spend required amount of bond proceeds within 5 years.—To the extent that less than 95 percent of the proceeds of such issue are expended by the close of the 5-year period beginning on the date of issuance (or if an extension has been obtained under paragraph (2), by the close of the extended period), the qualified issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

"(i) Special Rules Relating to Arbitrage.—A bond which is part of an issue shall not be treated as a rural renaissance bond unless, with respect to the issue of which the bond is a part, the qualified issuer satisfies the arbitrage requirements of section 148 with respect to proceeds of the issue.

"(j) Qualified Issuer.—For purposes of this section—

"(1) In general.—The term 'qualified issuer' means any not-for-profit cooperative lender which has as of the date of the enactment of this section received a guarantee under section 306 of the Rural Electrification Act and which meets the requirement of paragraph (2).

"(2) User fee requirement.—The requirement of this paragraph is met if the issuer of any rural renaissance bond makes grants for qualified projects as defined under subsection (d)(2) on a semi-annual basis every year that such bond is outstanding in an annual amount equal to one-half of the rate on United States Treasury Bills of the same maturity multiplied by the outstanding principal balance of rural renaissance bonds issued by such issuer.

"(k) Special Rules Relating to Pool Bonds.—No portion of a pooled financing bond may be allocable to a loan unless the borrower has entered into a written loan commitment for such portion prior to the issue date of such issue.

"(l) Other Definitions and Special Rules.—For purposes of this section—

"(1) Bond.—The term 'bond' includes any obligation.

"(2) Pooled financing bond.—The term 'pooled financing bond' shall have the meaning given such term by section 149(f)(4)(A).

"(3) Rural area.—The term 'rural area' means any area other than—

"(A) a city or town which has a population of greater than 50,000 inhabitants, or

"(B) the urbanized area contiguous and adjacent to such a city or town.

"(4) PARTNERSHIP; S CORPORATION; AND OTHER PASS-THRU ENTITIES.—

"(A) IN GENERAL.—Under regulations prescribed by the Secretary, in the case of a partnership, trust, S corporation, or other pass-thru entity, rules similar to the rules of section 41(g) shall apply with respect to the credit allowable under subsection (a).

"(B) NO BASIS ADJUSTMENT.—In the case of a bond held by a partnership or an S corporation, rules similar to the rules under section 1397E(l) shall apply.

"(5) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any rural renaissance bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"(6) REPORTING.—Issuers of rural renaissance bonds shall submit reports similar to the reports required under section 149(e).".

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(9) REPORTING OF CREDIT ON RURAL RENAISSANCE BONDS.—

"(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54A(f) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(b)(4)).

"(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A), subsection (b)(4) shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i) of such subsection.

"(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.".

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart H of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 54A. Credit to holders of
rural renaissance bonds.".

(2) Section 54(c)(2) is amended by inserting ", section 54A," after "subpart C".

(3) Section 1400N(l)(3)(B) is amended by inserting ", section 54A," after "subpart C".

(d) ISSUANCE OF REGULATIONS.—The Secretary of Treasury shall issue regulations required under section 54A of the Internal Revenue Code of 1986 (as added by this section) not later than 120 days after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act and before January 1, 2010.

SEC. 254. RESTORATION OF DEDUCTION FOR TRAVEL EXPENSES OF SPOUSE, ETC. ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) IN GENERAL.—Subsection (m) of section 274 (relating to additional limitations on travel expenses) is amended by adding at the end the following new paragraph:

"(4) TERMINATION.—Paragraph (3) shall not apply to any expense paid or incurred after the date of the enactment of this paragraph and before January 1, 2008.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

SEC. 255. TECHNICAL CORRECTIONS.

(a) TECHNICAL CORRECTION RELATING TO LOOK-THROUGH TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER THE FOREIGN PERSONAL HOLDING COMPANY RULES.—

(1) IN GENERAL.—

(A) The first sentence of section 954(c)(6)(A), as amended by section 103(b) of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "which is not subpart F income" and inserting "which is neither subpart F income nor income treated as effectively connected with the conduct of a trade or business in the United States".

(B) Section 954(c)(6)(A), as so amended, is amended by striking the last sentence and inserting the following: "The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this paragraph, including such regulations as may be necessary or appropriate to prevent the abuse of the purposes of this paragraph."

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in section 103(b) of the Tax Increase Prevention and Reconciliation Act of 2005.

(b) TECHNICAL CORRECTION REGARDING AUTHORITY TO EXERCISE REASONABLE CAUSE AND GOOD FAITH EXCEPTION.—

(1) IN GENERAL.—Section 903(d)(2)(B)(iii) of the American Jobs Creation Act of 2004, as amended by section 303(a) of the Gulf Opportunity Zone Act of 2005, is amended by inserting "or the Secretary's delegate" after "the Secretary of the Treasury".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which it relates.

TITLE III—SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

SEC. 301. SHORT TITLE.

This title may be cited as the "Surface Mining Control and Reclamation Act Amendments of 2006".

Subtitle A—MINING CONTROL AND RECLAMATION

SEC. 311. ABANDONED MINE RECLAMATION FUND AND PURPOSES.

(a) IN GENERAL.—Section 401 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231) is amended—

(1) in subsection (c)—

(A) by striking paragraphs (2) and (6); and

(B) by redesignating paragraphs (3), (4), and (5) and paragraphs (7) through (13) as paragraphs (2) through (11), respectively;

(2) by striking subsection (d) and inserting the following:

"(d) AVAILABILITY OF MONEYS; NO FISCAL YEAR LIMITATION.—

"(1) IN GENERAL.—Moneys from the fund for expenditures under subparagraphs (A) through (D) of section 402(g)(3) shall be available only when appropriated for those subparagraphs.

"(2) NO FISCAL YEAR LIMITATION.—Appropriations described in paragraph (1) shall be made without fiscal year limitation.

"(3) OTHER PURPOSES.—Moneys from the fund shall be available for all other purposes of this title without prior appropriation as provided in subsection (f).";

(3) in subsection (e)—

(A) in the second sentence, by striking "the needs of such fund" and inserting "achieving the purposes of the transfers under section 402(h)"; and

(B) in the third sentence, by inserting before the period the following: "for the purpose of the transfers under section 402(h)"; and

(4) by adding at the end the following:

"(f) GENERAL LIMITATION ON OBLIGATION AUTHORITY.—

"(1) IN GENERAL.—From amounts deposited into the fund under subsection (b), the Secretary shall distribute during each fiscal year beginning after September 30, 2007, an amount determined under paragraph (2).

"(2) AMOUNTS.—

"(A) FOR FISCAL YEARS 2008 THROUGH 2022.—For each of fiscal years 2008 through 2022, the amount distributed by the Secretary under this subsection shall be equal to—

"(i) the amounts deposited into the fund under paragraphs (1), (2), and (4) of subsection (b) for the preceding fiscal year that were allocated under paragraphs (1) and (5) of section 402(g); plus

"(ii) the amount needed for the adjustment under section 402(g)(8) for the current fiscal year.

"(B) FISCAL YEARS 2023 AND THEREAFTER.—For fiscal year 2023 and each fiscal year thereafter, to the extent that funds are available, the Secretary shall distribute an amount equal to the amount distributed under subparagraph (A) during fiscal year 2022.

"(3) DISTRIBUTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), for each fiscal year, of the amount to be distributed to States and Indian tribes pursuant to paragraph (2), the Secretary shall distribute—

"(i) the amounts allocated under paragraph (1) of section 402(g), the amounts allocated under paragraph (5) of section 402(g), and any amount reallocated under section 411(h)(3) in accordance with section 411(h)(2), for grants to States and Indian tribes under section 402(g)(5); and

"(ii) the amounts allocated under section 402(g)(8).

"(B) EXCLUSION.—Beginning on October 1, 2007, certified States shall be ineligible to receive amounts under section 402(g)(1).

"(4) AVAILABILITY.—Amounts in the fund available to the Secretary for obligation under this subsection shall be available until expended.

"(5) ADDITION.—

"(A) IN GENERAL.—Subject to subparagraph (B), the amount distributed under this subsection for each fiscal year shall be in addition to the amount appropriated from the fund during the fiscal year.

"(B) EXCEPTIONS.—Notwithstanding paragraph (3), the amount distributed under this subsection for the first 4 fiscal years beginning on and after October 1, 2007, shall be equal to the following percentage of the amount otherwise required to be distributed:

"(i) 50 percent in fiscal year 2008.

"(ii) 50 percent in fiscal year 2009.

"(iii) 75 percent in fiscal year 2010.

"(iv) 75 percent in fiscal year 2011.".

(b) CONFORMING AMENDMENT.—Section 712(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1302(b)) is amended by striking "section 401(c)(11)" and inserting "section 401(c)(9)".

SEC. 312. RECLAMATION FEE.

(a) AMOUNTS.—

(1) FISCAL YEARS 2008–2012.—Effective October 1, 2007, section 402(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(a)) is amended—

(A) by striking "35" and inserting "31.5";

(B) by striking "15" and inserting "13.5"; and

(C) by striking "10 cents" and inserting "9 cents".

(2) Fiscal Years 2013–2021.—Effective October 1, 2012, section 402(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(a)) (as amended by paragraph (1)) is amended—

(A) by striking "31.5" and inserting "28";

(B) by striking "13.5" and inserting "12"; and

(C) by striking "9 cents" and inserting "8 cents".

(b) Duration.—Effective September 30, 2007, section 402(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(b)) (as amended by section 7007 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109–234; 120 Stat. 484)) is amended by striking "September 30, 2007" and all that follows through the end of the sentence and inserting "September 30, 2021.".

(c) Allocation of Funds.—Section 402(g) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(g)) is amended—

(1) in paragraph (1)(D)—

(A) by inserting "(except for grants awarded during fiscal years 2008, 2009, and 2010 to the extent not expended within 5 years)" after "this paragraph"; and

(B) by striking "in any area under paragraph (2), (3), (4), or (5)" and inserting "under paragraph (5)";

(2) by striking paragraph (2) and inserting:

"(2) In making the grants referred to in paragraph (1)(C) and the grants referred to in paragraph (5), the Secretary shall ensure strict compliance by the States and Indian tribes with the priorities described in section 403(a) until a certification is made under section 411(a).";

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking "paragraphs (2) and" and inserting "paragraph";

(B) in subparagraph (A), by striking "401(c)(11)" and inserting "401(c)(9)"; and

(C) by adding at the end the following:

"(E) For the purpose of paragraph (8).";

(4) in paragraph (5)—

(A) by inserting "(A)" after "(5)";

(B) in the first sentence, by striking "40" and inserting "60";

(C) in the last sentence, by striking "Funds allocated or expended by the Secretary under paragraphs (2), (3), or (4)" and inserting "Funds made available under paragraph (3) or (4)"; and

(D) by adding at the end the following:

"(B) Any amount that is reallocated and available under section 411(h)(3) shall be in addition to amounts that are allocated under subparagraph (A)."; and

(5) by striking paragraphs (6) through (8) and inserting the following:

"(6)(A) Any State with an approved abandoned mine reclamation program pursuant to section 405 may receive and retain, without regard to the 3-year limitation referred to in paragraph (1)(D), up to 30 percent of the total of the grants made annually to the State under paragraphs (1) and (5) if those amounts are deposited into an acid mine drainage abatement and treatment fund established under State law, from which amounts (together with all interest earned on the amounts) are expended by the State for the abatement of the causes and the treatment of the effects of acid mine drainage in a comprehensive manner within qualified hydrologic units affected by coal mining practices.

"(B) In this paragraph, the term 'qualified hydrologic unit' means a hydrologic unit—

"(i) in which the water quality has been significantly affected by acid mine drainage from coal mining practices in a manner that adversely impacts biological resources; and

"(ii) that contains land and water that are—

"(I) eligible pursuant to section 404 and include any of the priorities described in section 403(a); and

"(II) the subject of expenditures by the State from the forfeiture of bonds required under section 509 or from other States sources to abate and treat acid mine drainage.

"(7) In complying with the priorities described in section 403(a), any State or Indian tribe may use amounts available in grants made annually to the State or tribe under paragraphs (1) and (5) for the reclamation of eligible land and water described in section 403(a)(3) before the completion of reclamation projects under paragraphs (1) and (2) of section 403(a) only if the expenditure of funds for the reclamation is done in conjunction with the expenditure before, on, or after the date of enactment of the Surface Mining Control and Reclamation Act Amendments of 2006 of funds for reclamation projects under paragraphs (1) and (2) of section 403(a).

"(8)(A) In making funds available under this title, the Secretary shall ensure that the grant awards total not less than $3,000,000 annually to each State and each Indian tribe having an approved abandoned mine reclamation program pursuant to section 405 and eligible land and water pursuant to section 404, so long as an allocation of funds to the State or tribe is necessary to achieve the priorities stated in paragraphs (1) and (2) of section 403(a).

"(B) Notwithstanding any other provision of law, this paragraph applies to the States of Tennessee and Missouri.".

(d) Transfers of Interest Earned by Abandoned Mine Reclamation Fund.—Section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232) is amended by striking subsection (h) and inserting the following:

"(h) Transfers of Interest Earned by Fund.—

"(1) In general.—

"(A) Transfers to combined benefit fund.—As soon as practicable after the beginning of fiscal year 2007 and each fiscal year thereafter, and before making any allocation with respect to the fiscal year under subsection (g), the Secretary shall use an amount not to exceed the amount of interest that the Secretary estimates will be earned and paid to the fund during the fiscal year to make the transfer described in paragraph (2)(A).

"(B) Transfers to 1992 and 1993 plans.—As soon as practicable after the beginning of fiscal year 2008 and each fiscal year thereafter, and before making any allocation with respect to the fiscal year under subsection (g), the Secretary shall use an amount not to exceed the amount of interest that the Secretary estimates will be earned and paid to the fund during the fiscal year (reduced by the amount used under subparagraph (A)) to make the transfers described in paragraphs (2)(B) and (2)(C).

"(2) Transfers described.—The transfers referred to in paragraph (1) are the following:

"(A) United mine workers of america combined benefit fund.—A transfer to the United Mine Workers of America Combined Benefit Fund equal to the amount that the trustees of the Combined Benefit Fund estimate will be expended from the fund for the fiscal year in which the transfer is made, reduced by—

"(i) the amount the trustees of the Combined Benefit Fund estimate the Combined Benefit Fund will receive during the fiscal year in—

"(I) required premiums; and

"(II) payments paid by Federal agencies in connection with benefits provided by the Combined Benefit Fund; and

"(ii) the amount the trustees of the Combined Benefit Fund estimate will be expended during the fiscal year to provide health benefits to beneficiaries who are unassigned beneficiaries solely as a result of the application of section 9706(h)(1) of the Internal Revenue Code of 1986, but only to the extent that such amount does not exceed the amounts described in subsection (i)(1)(A) that the Secretary estimates will be available to pay such estimated expenditures.

"(B) United mine workers of america 1992 benefit plan.—A transfer to the United Mine Workers of America 1992 Benefit Plan, in an amount equal to the difference between—

"(i) the amount that the trustees of the 1992 UMWA Benefit Plan estimate will be expended from the 1992 UMWA Benefit Plan during the next calendar year to provide the benefits required by the 1992 UMWA Benefit Plan on the date of enactment of this subparagraph; minus

"(ii) the amount that the trustees of the 1992 UMWA Benefit Plan estimate the 1992 UMWA Benefit Plan will receive during the next calendar year in—

"(I) required monthly per beneficiary premiums, including the amount of any security provided to the 1992 UMWA Benefit Plan that is available for use in the provision of benefits; and

"(II) payments paid by Federal agencies in connection with benefits provided by the 1992 UMWA benefit plan.

"(C) Multiemployer health benefit plan.—A transfer to the Multiemployer Health Benefit Plan established after July 20, 1992, by the parties that are the settlors of the 1992 UMWA Benefit Plan referred to in subparagraph (B) (referred to in this subparagraph and subparagraph (D) as 'the Plan'), in an amount equal to the excess (if any) of—

"(i) the amount that the trustees of the Plan estimate will be expended from the Plan during the next calendar year, to provide benefits no greater than those provided by the Plan as of December 31, 2006; over

"(ii) the amount that the trustees estimated the Plan will receive during the next calendar year in payments paid by Federal agencies in connection with benefits provided by the Plan.

Such excess shall be calculated by taking into account only those beneficiaries actually enrolled in the Plan as of December 31, 2006, who are eligible to receive benefits under the Plan on the first day of the calendar year for which the transfer is made.

"(D) Individuals considered enrolled.—For purposes of subparagraph (C), any individual who was eligible to receive benefits from the Plan as of the date of enactment of this subsection, even though benefits were being provided to the individual pursuant to a settlement agreement approved by order of a bankruptcy court entered on or before September 30, 2004, will be considered to be actually enrolled in the Plan and shall receive benefits from the Plan beginning on December 31, 2006.

"(3) Adjustment.—If, for any fiscal year, the amount of a transfer under subparagraph (A), (B), or (C) of paragraph (2) is more or less than the amount required to be transferred under that subparagraph, the Secretary shall appropriately adjust the amount transferred under that subparagraph for the next fiscal year.

"(4) ADDITIONAL AMOUNTS.—

"(A) PREVIOUSLY CREDITED INTEREST.—Notwithstanding any other provision of law, any interest credited to the fund that has not previously been transferred to the Combined Benefit Fund referred to in paragraph (2)(A) under this section—

"(i) shall be held in reserve by the Secretary until such time as necessary to make the payments under subparagraphs (A) and (B) of subsection (i)(1), as described in clause (ii); and

"(ii) in the event that the amounts described in subsection (i)(1) are insufficient to make the maximum payments described in subparagraphs (A) and (B) of subsection (i)(1), shall be used by the Secretary to supplement the payments so that the maximum amount permitted under those paragraphs is paid.

"(B) PREVIOUSLY ALLOCATED AMOUNTS.—All amounts allocated under subsection (g)(2) before the date of enactment of this subparagraph for the program described in section 406, but not appropriated before that date, shall be available to the Secretary to make the transfers described in paragraph (2).

"(C) ADEQUACY OF PREVIOUSLY CREDITED INTEREST.—The Secretary shall—

"(i) consult with the trustees of the plans described in paragraph (2) at reasonable intervals; and

"(ii) notify Congress if a determination is made that the amounts held in reserve under subparagraph (A) are insufficient to meet future requirements under subparagraph (A)(ii).

"(D) ADDITIONAL RESERVE AMOUNTS.—In addition to amounts held in reserve under subparagraph (A), there is authorized to be appropriated such sums as may be necessary for transfer to the fund to carry out the purposes of subparagraph (A)(ii).

"(E) INAPPLICABILITY OF CAP.—The limitation described in subsection (i)(3)(A) shall not apply to payments made from the reserve fund under this paragraph.

"(5) LIMITATIONS.—

"(A) AVAILABILITY OF FUNDS FOR NEXT FISCAL YEAR.—The Secretary may make transfers under subparagraphs (B) and (C) of paragraph (2) for a calendar year only if the Secretary determines, using actuarial projections provided by the trustees of the Combined Benefit Fund referred to in paragraph (2)(A), that amounts will be available under paragraph (1), after the transfer, for the next fiscal year for making the transfer under paragraph (2)(A).

"(B) RATE OF CONTRIBUTIONS OF OBLIGORS.—

"(i) IN GENERAL.—

"(I) RATE.—A transfer under paragraph (2)(C) shall not be made for a calendar year unless the persons that are obligated to contribute to the plan referred to in paragraph (2)(C) on the date of the transfer are obligated to make the contributions at rates that are no less than those in effect on the date which is 30 days before the date of enactment of this subsection.

"(II) APPLICATION.—The contributions described in subclause (I) shall be applied first to the provision of benefits to those plan beneficiaries who are not described in paragraph (2)(C)(ii).

"(ii) INITIAL CONTRIBUTIONS.—

"(I) IN GENERAL.—From the date of enactment of the Surface Mining Control and Reclamation Act Amendments of 2006 through December 31, 2010, the persons that, on the date of enactment of that Act, are obligated to contribute to the plan referred to in paragraph (2)(C) shall be obligated, collectively, to make contributions equal to the amount described in paragraph (2)(C), less the amount actually transferred due to the operation of subparagraph (C).

"(II) FIRST CALENDAR YEAR.—Calendar year 2006 is the first calendar year for which contributions are required under this clause.

"(III) AMOUNT OF CONTRIBUTION FOR 2006.—Except as provided in subclause (IV), the amount described in paragraph (2)(C) for calendar year 2006 shall be calculated as if paragraph (2)(C) had been in effect during 2005.

"(IV) LIMITATION.—The contributions required under this clause for calendar year 2006 shall not exceed the amount necessary for solvency of the plan described in paragraph (2)(C), measured as of December 31, 2006 and taking into account all assets held by the plan as of that date.

"(iii) DIVISION.—The collective annual contribution obligation required under clause (ii) shall be divided among the persons subject to the obligation, and applied uniformly, based on the hours worked for which contributions referred to in clause (i) would be owed.

"(C) PHASE-IN OF TRANSFERS.—For each of calendar years 2008 through 2010, the transfers required under subparagraphs (B) and (C) of paragraph (2) shall equal the following amounts:

"(i) For calendar year 2008, the Secretary shall make transfers equal to 25 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

"(ii) For calendar year 2009, the Secretary shall make transfers equal to 50 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

"(iii) For calendar year 2010, the Secretary shall make transfers equal to 75 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

"(i) FUNDING.—

"(1) IN GENERAL.—Subject to paragraph (3), out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the plans described in subsection (h)(2) such sums as are necessary to pay the following amounts:

"(A) To the Combined Fund (as defined in section 9701(a)(5) of the Internal Revenue Code of 1986 and referred to in this paragraph as the 'Combined Fund'), the amount that the trustees of the Combined Fund estimate will be expended from premium accounts maintained by the Combined Fund for the fiscal year to provide benefits for beneficiaries who are unassigned beneficiaries solely as a result of the application of section 9706(h)(1) of the Internal Revenue Code of 1986, subject to the following limitations:

"(i) For fiscal year 2008, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(A) of the Internal Revenue Code of 1986.

"(ii) For fiscal year 2009, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(B) of the Internal Revenue Code of 1986.

"(iii) For fiscal year 2010, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(C) of the Internal Revenue Code of 1986.

"(B) On certification by the trustees of any plan described in subsection (h)(2) that the amount available for transfer by the Secretary pursuant to this section (determined after application of any limitation under subsection (h)(5)) is less than the amount required to be transferred, to the plan the amount necessary to meet the requirement of subsection (h)(2).

"(C) To the Combined Fund, $9,000,000 on October 1, 2007, $9,000,000 on October 1, 2008, and $9,000,000 on October 1, 2009 (which amounts shall not be exceeded) to provide a refund of any premium (as described in section 9704(a) of the Internal Revenue Code of 1986) paid on or before September 7, 2000, to the Combined Fund, plus interest on the premium calculated at the rate of 7.5 percent per year, on a proportional basis and to be paid not later than 60 days after the date on which each payment is received by the Combined Fund, to those signatory operators (to the extent that the Combined Fund has not previously returned the premium amounts to the operators), or any related persons to the operators (as defined in section 9701(c) of the Internal Revenue Code of 1986), or their heirs, successors, or assigns who have been denied the refunds as the result of final judgments or settlements if—

"(i) prior to the date of enactment of this paragraph, the signatory operator (or any related person to the operator)—

"(I) had all of its beneficiary assignments made under section 9706 of the Internal Revenue Code of 1986 voided by the Commissioner of the Social Security Administration; and

"(II) was subject to a final judgment or final settlement of litigation adverse to a claim by the operator that the assignment of beneficiaries under section 9706 of the Internal Revenue Code of 1986 was unconstitutional as applied to the operator; and

"(ii) on or before September 7, 2000, the signatory operator (or any related person to the operator) had paid to the Combined Fund any premium amount that had not been refunded.

"(2) PAYMENTS TO STATES AND INDIAN TRIBES.—Subject to paragraph (3), out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of the Interior for distribution to States and Indian tribes such sums as are necessary to pay amounts described in paragraphs (1)(A) and (2)(A) of section 411(h).

"(3) LIMITATIONS.—

"(A) CAP.—The total amount transferred under this subsection for any fiscal year shall not exceed $490,000,000.

"(B) INSUFFICIENT AMOUNTS.—In a case in which the amount required to be transferred without regard to this paragraph exceeds the maximum annual limitation in subparagraph (A), the Secretary shall adjust the transfers of funds so that—

"(i) each transfer for the fiscal year is a percentage of the amount described;

"(ii) the amount is determined without regard to subsection (h)(5)(A); and

"(iii) the percentage transferred is the same for all transfers made under this subsection for the fiscal year.

"(4) AVAILABILITY OF FUNDS.—Funds shall be transferred under paragraph (1) and (2) beginning in fiscal year 2008 and each fiscal year thereafter, and shall remain available until expended.".

SEC. 313. OBJECTIVES OF FUND.

Section 403 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1233) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "(1) the protection" and inserting the following:

"(1)(A) the protection;";

(ii) in subparagraph (A) (as designated by clause (i)), by striking "general welfare,"; and

(iii) by adding at the end the following:

"(B) the restoration of land and water resources and the environment that—

"(i) have been degraded by the adverse effects of coal mining practices; and

"(ii) are adjacent to a site that has been or will be remediated under subparagraph (A);";

(B) in paragraph (2)—

(i) by striking "(2) the protection" and inserting the following:

"(2)(A) the protection";

(ii) in subparagraph (A) (as designated by clause (i), by striking "health, safety, and general welfare" and inserting "health and safety"; and

(iii) by adding at the end the following:

"(B) the restoration of land and water resources and the environment that—

"(i) have been degraded by the adverse effects of coal mining practices; and

"(ii) are adjacent to a site that has been or will be remediated under subparagraph (A); and";

(C) in paragraph (3), by striking the semicolon at the end and inserting a period; and

(D) by striking paragraphs (4) and (5);

(2) in subsection (b)—

(A) by striking the subsection heading and inserting "WATER SUPPLY RESTORATION.—"; and

(B) in paragraph (1), by striking "up to 30 percent of the"; and

(3) in the second sentence of subsection (c), by inserting ", subject to the approval of the Secretary," after "amendments".

SEC. 314. RECLAMATION OF RURAL LAND.

(a) ADMINISTRATION.—Section 406(h) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236(h)) is amended by striking "Soil Conservation Service" and inserting "Natural Resources Conservation Service".

(b) AUTHORIZATION OF APPROPRIATIONS FOR CARRYING OUT RURAL LAND RECLAMATION.—Section 406 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236) is amended by adding at the end the following:

"(i) There are authorized to be appropriated to the Secretary of Agriculture, from amounts in the Treasury other than amounts in the fund, such sums as may be necessary to carry out this section.".

SEC. 315. LIENS.

Section 408(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1238) is amended in the last sentence by striking "who owned the surface prior to May 2, 1977, and".

SEC. 316. CERTIFICATION.

Section 411 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1240a) is amended—

(1) in subsection (a)—

(A) by inserting "(1)" before the first sentence; and

(B) by adding at the end the following:

"(2)(A) The Secretary may, on the initiative of the Secretary, make the certification referred to in paragraph (1) on behalf of any State or Indian tribe referred to in paragraph (1) if on the basis of the inventory referred to in section 403(c) all reclamation projects relating to the priorities described in section 403(a) for eligible land and water pursuant to section 404 in the State or tribe have been completed.

"(B) The Secretary shall only make the certification after notice in the Federal Register and opportunity for public comment."; and

(2) by adding at the end the following:

"(h) PAYMENTS TO STATES AND INDIAN TRIBES.—

"(1) IN GENERAL.—

"(A) PAYMENTS.—

"(i) IN GENERAL.—Notwithstanding section 401(f)(3)(B), from funds referred to in section 402(i)(2), the Secretary shall make payments to States or Indian tribes for the amount due for the aggregate unappropriated amount allocated to the State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1).

"(ii) CONVERSION AS EQUIVALENT PAYMENTS.—Amounts allocated under subparagraphs (A) or (B) of section 402(g)(1) shall be reallocated to the allocation established in section 402(g)(5) in amounts equivalent to payments made to States or Indian tribes under this paragraph.

"(B) AMOUNT DUE.—In this paragraph, the term 'amount due' means the unappropriated amount allocated to a State or Indian tribe before October 1, 2007, under subparagraph (A) or (B) of section 402(g)(1).

"(C) SCHEDULE.—Payments under subparagraph (A) shall be made in 7 equal annual installments, beginning with fiscal year 2008.

"(D) USE OF FUNDS.—

"(i) CERTIFIED STATES AND INDIAN TRIBES.—A State or Indian tribe that makes a certification under subsection (a) in which the Secretary concurs shall use any amounts provided under this paragraph for the purposes established by the State legislature or tribal council of the Indian tribe, with priority given for addressing the impacts of mineral development.

"(ii) UNCERTIFIED STATES AND INDIAN TRIBES.—A State or Indian tribe that has not made a certification under subsection (a) in which the Secretary has concurred shall use any amounts provided under this paragraph for the purposes described in section 403.

"(2) SUBSEQUENT STATE AND INDIAN TRIBE SHARE FOR CERTIFIED STATES AND INDIAN TRIBES.—

"(A) IN GENERAL.—Notwithstanding section 401(f)(3)(B), from funds referred to in section 402(i)(2), the Secretary shall pay to each certified State or Indian tribe an amount equal to the sum of the aggregate unappropriated amount allocated on or after October 1, 2007, to the certified State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1).

"(B) CERTIFIED STATE OR INDIAN TRIBE DEFINED.—In this paragraph the term 'certified State or Indian tribe' means a State or Indian tribe for which a certification is made under subsection (a) in which the Secretary concurs.

"(3) MANNER OF PAYMENT.—

"(A) IN GENERAL.—Subject to subparagraph (B), payments to States or Indian tribes under this subsection shall be made without regard to any limitation in section 401(d) and concurrently with payments to States under that section.

"(B) INITIAL PAYMENTS.—The first 3 payments made to any State or Indian tribe shall be reduced to 25 percent, 50 percent, and 75 percent, respectively, of the amounts otherwise required under paragraph (2)(A).

"(C) INSTALLMENTS.—Amounts withheld from the first 3 annual installments as provided under subparagraph (B) shall be paid in 2 equal annual installments beginning with fiscal year 2018.

"(4) REALLOCATION.—

"(A) IN GENERAL.—The amount allocated to any State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1) that is paid to the State or Indian tribe as a result of a payment under paragraph (1) or (2) shall be reallocated and available for grants under section 402(g)(5).

"(B) ALLOCATION.—The grants shall be allocated based on the amount of coal historically produced before August 3, 1977, in the same manner as under section 402(g)(5).".

SEC. 317. REMINING INCENTIVES.

Title IV of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231 et seq.) is amended by adding at the following:

"SEC. 415. REMINING INCENTIVES.

"(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary may, after opportunity for public comment, promulgate regulations that describe conditions under which amounts in the fund may be used to provide incentives to promote remining of eligible land under section 404 in a manner that leverages the use of amounts from the fund to achieve more reclamation with respect to the eligible land than would be achieved without the incentives.

"(b) REQUIREMENTS.—Any regulations promulgated under subsection (a) shall specify that the incentives shall apply only if the Secretary determines, with the concurrence of the State regulatory authority referred to in title V, that, without the incentives, the eligible land would not be likely to be remined and reclaimed.

"(c) INCENTIVES.—

"(1) IN GENERAL.—Incentives that may be considered for inclusion in the regulations promulgated under subsection (a) include, but are not limited to—

"(A) a rebate or waiver of the reclamation fees required under section 402(a); and

"(B) the use of amounts in the fund to provide financial assurance for remining operations in lieu of all or a portion of the performance bonds required under section 509.

"(2) LIMITATIONS.—

"(A) USE.—A rebate or waiver under paragraph (1)(A) shall be used only for operations that—

"(i) remove or reprocess abandoned coal mine waste; or

"(ii) conduct remining activities that meet the priorities specified in paragraph (1) or (2) of section 403(a).

"(B) AMOUNT.—The amount of a rebate or waiver provided as an incentive under paragraph (1)(A) to remine or reclaim eligible land shall not exceed the estimated cost of reclaiming the eligible land under this section.".

SEC. 318. EXTENSION OF LIMITATION ON APPLICATION OF PROHIBITION ON ISSUANCE OF PERMIT.

Section 510(e) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1260(e)) is amended by striking the last sentence.

SEC. 319. TRIBAL REGULATION OF SURFACE COAL MINING AND RECLAMATION OPERATIONS.

(a) IN GENERAL.—Section 710 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300) is amended by adding at the end the following:

"(j) TRIBAL REGULATORY AUTHORITY.—

"(1) TRIBAL REGULATORY PROGRAMS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, an Indian tribe may apply for, and obtain the approval of, a tribal program under section 503 regulating in whole or in part surface coal mining and reclamation operations on reservation land under the jurisdiction of the Indian tribe using the procedures of section 504(e).

"(B) References to State.—For purposes of this subsection and the implementation and administration of a tribal program under title V, any reference to a 'State' in this Act shall be considered to be a reference to a 'tribe'.

"(2) Conflicts of interest.—

"(A) In general.—The fact that an individual is a member of an Indian tribe does not in itself constitute a violation of section 201(f).

"(B) Employees of tribal regulatory authority.—Any employee of a tribal regulatory authority shall not be eligible for a per capita distribution of any proceeds from coal mining operations conducted on Indian reservation lands under this Act.

"(3) Sovereign immunity.—To receive primary regulatory authority under section 504(e), an Indian tribe shall waive sovereign immunity for purposes of section 520 and paragraph (4).

"(4) Judicial review.—

"(A) Civil actions.—

"(i) In general.—After exhausting all tribal remedies with respect to a civil action arising under a tribal program approved under section 504(e), an interested party may file a petition for judicial review of the civil action in the United States circuit court for the circuit in which the surface coal mining operation named in the petition is located.

"(ii) Scope of review.—

"(I) Questions of law.—The United States circuit court shall review de novo any questions of law under clause (i).

"(II) Findings of fact.—The United States circuit court shall review findings of fact under clause (i) using a clearly erroneous standard.

"(B) Criminal actions.—Any criminal action brought under section 518 with respect to surface coal mining or reclamation operations on Indian reservation lands shall be brought in—

"(i) the United States District Court for the District of Columbia; or

"(ii) the United States district court in which the criminal activity is alleged to have occurred.

"(5) Grants.—

"(A) In general.—Except as provided in subparagraph (B), grants for developing, administering, and enforcing tribal programs approved in accordance with section 504(e) shall be provided to an Indian tribe in accordance with section 705.

"(B) Exception.—Notwithstanding subparagraph (A), the Federal share of the costs of developing, administering, and enforcing an approved tribal program shall be 100 percent.

"(6) Report.—Not later than 18 months after the date on which a tribal program is approved under subsection (e) of section 504, the Secretary shall submit to the appropriate committees of Congress a report, developed in cooperation with the applicable Indian tribe, on the tribal program that includes a recommendation of the Secretary on whether primary regulatory authority under that subsection should be expanded to include additional Indian lands.".

(b) Conforming Amendment.—Section 710(i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300(i)) is amended in the first sentence by striking ", except" and all that follows through "section 503".

Subtitle B—Coal Industry Retiree Health Benefit Act

SEC. 321. CERTAIN RELATED PERSONS AND SUCCESSORS IN INTEREST RELIEVED OF LIABILITY IF PREMIUMS PREPAID.

(a) Combined Benefit Fund.—

(1) In general.—Section 9704 of the Internal Revenue Code of 1986 (relating to liability of assigned operators) is amended by adding at the end the following new subsection:

"(j) Prepayment of Premium Liability.—

"(1) In general.—If—

"(A) a payment meeting the requirements of paragraph (3) is made to the Combined Fund by or on behalf of—

"(i) any assigned operator to which this subsection applies, or

"(ii) any related person to any assigned operator described in clause (i), and

"(B) the common parent of the controlled group of corporations described in paragraph (2)(B) is jointly and severally liable for any premium under this section which (but for this subsection) would be required to be paid by the assigned operator or related person,

then such common parent (and no other person) shall be liable for such premium.

"(2) Assigned operators to which subsection applies.—

"(A) In general.—This subsection shall apply to any assigned operator if—

"(i) the assigned operator (or a related person to the assigned operator)—

"(I) made contributions to the 1950 UMWA Benefit Plan and the 1974 UMWA Benefit Plan for employment during the period covered by the 1988 agreement; and

"(II) is not a 1988 agreement operator,

"(ii) the assigned operator (and all related persons to the assigned operator) are not actively engaged in the production of coal as of July 1, 2005, and

"(iii) the assigned operator was, as of July 20, 1992, a member of a controlled group of corporations described in subparagraph (B).

"(B) Controlled group of corporations.—A controlled group of corporations is described in this subparagraph if the common parent of such group is a corporation the shares of which are publicly traded on a United States exchange.

"(C) Coordination with repeal of assignments.—A person shall not fail to be treated as an assigned operator to which this subsection applies solely because the person ceases to be an assigned operator by reason of section 9706(h)(1) if the person otherwise meets the requirements of this subsection and is liable for the payment of premiums under section 9706(h)(3).

"(D) Controlled group.—For purposes of this subsection, the term 'controlled group of corporations' has the meaning given such term by section 52(a).

"(3) Requirements.—A payment meets the requirements of this paragraph if—

"(A) the amount of the payment is not less than the present value of the total premium liability under this chapter with respect to the Combined Fund of the assigned operators or related persons described in paragraph (1) or their assignees, as determined by the operator's or related person's enrolled actuary (as defined in section 7701(a)(35)) using actuarial methods and assumptions each of which is reasonable and which are reasonable in the aggregate, as determined by such enrolled actuary;

"(B) such enrolled actuary files with the Secretary of Labor a signed actuarial report containing—

"(i) the date of the actuarial valuation applicable to the report; and

"(ii) a statement by the enrolled actuary signing the report that, to the best of the actuary's knowledge, the report is complete and accurate and that in the actuary's opinion the actuarial assumptions used are in the aggregate reasonably related to the experience of the operator and to reasonable expectations; and

"(C) 90 calendar days have elapsed after the report required by subparagraph (B) is filed with the Secretary of Labor, and the Secretary of Labor has not notified the assigned operator in writing that the requirements of this paragraph have not been satisfied.

"(4) Use of prepayment.—The Combined Fund shall—

"(A) establish and maintain an account for each assigned operator or related person by, or on whose behalf, a payment described in paragraph (3) was made,

"(B) credit such account with such payment (and any earnings thereon), and

"(C) use all amounts in such account exclusively to pay premiums that would (but for this subsection) be required to be paid by the assigned operator.

Upon termination of the obligations for the premium liability of any assigned operator or related person for which such account is maintained, all funds remaining in such account (and earnings thereon) shall be refunded to such person as may be designated by the common parent described in paragraph (1)(B).".

(b) Individual Employer Plans.—Section 9711(c) of the Internal Revenue Code of 1986 (relating to joint and several liability) is amended to read as follows:

"(c) Joint and Several Liability of Related Persons.—

"(1) In general.—Except as provided in paragraph (2), each related person of a last signatory operator to which subsection (a) or (b) applies shall be jointly and severally liable with the last signatory operator for the provision of health care coverage described in subsection (a) or (b).

"(2) Liability limited if security provided.—If—

"(A) security meeting the requirements of paragraph (3) is provided by or on behalf of—

"(i) any last signatory operator which is an assigned operator described in section 9704(j)(2), or

"(ii) any related person to any last signatory operator described in clause (i), and

"(B) the common parent of the controlled group of corporations described in section 9704(j)(2)(B) is jointly and severally liable for the provision of health care under this section which, but for this paragraph, would be required to be provided by the last signatory operator or related person,

then, as of the date the security is provided, such common parent (and no other person) shall be liable for the provision of health care under this section which the last signatory operator or related person would otherwise be required to provide. Security may be provided under this paragraph without regard to whether a payment was made under section 9704(j).

"(3) Security.—Security meets the requirements of this paragraph if—

"(A) the security—

"(i) is in the form of a bond, letter of credit, or cash escrow,

"(ii) is provided to the trustees of the 1992 UMWA Benefit Plan solely for the purpose of paying premiums for beneficiaries who would be described in section 9712(b)(2)(B) if the requirements of this section were not met by the last signatory operator, and

"(iii) is in an amount equal to 1 year of liability of the last signatory operator under this section, determined by using the average cost of such operator's liability during the prior 3 calendar years;

"(B) the security is in addition to any other security required under any other provision of this title; and

"(C) the security remains in place for 5 years.

"(4) REFUNDS OF SECURITY.—The remaining amount of any security provided under this subsection (and earnings thereon) shall be refunded to the last signatory operator as of the earlier of—

"(A) the termination of the obligations of the last signatory operator under this section, or

"(B) the end of the 5-year period described in paragraph (4)(C).".

(c) 1992 UMWA BENEFIT PLAN.—Section 9712(d)(4) of the Internal Revenue Code of 1986 (relating to joint and several liability) is amended by adding at the end the following new sentence: "The provisions of section 9711(c)(2) shall apply to any last signatory operator described in such section (without regard to whether security is provided under such section, a payment is made under section 9704(j), or both) and if security meeting the requirements of section 9711(c)(3) is provided, the common parent described in section 9711(c)(2)(B) shall be exclusively responsible for any liability for premiums under this section which, but for this sentence, would be required to be paid by the last signatory operator or any related person.".

(d) SUCCESSOR IN INTEREST.—Section 9701(c) of the Internal Revenue Code of 1986 (relating to terms relating to operators) is amended by adding at the end the following new paragraph:

"(8) SUCCESSOR IN INTEREST.—

"(A) SAFE HARBOR.—The term 'successor in interest' shall not include any person who—

"(i) is an unrelated person to an eligible seller described in subparagraph (C); and

"(ii) purchases for fair market value assets, or all of the stock, of a related person to such seller, in a bona fide, arm's-length sale.

"(B) UNRELATED PERSON.—The term 'unrelated person' means a purchaser who does not bear a relationship to the eligible seller described in section 267(b).

"(C) ELIGIBLE SELLER.—For purposes of this paragraph, the term 'eligible seller' means an assigned operator described in section 9704(j)(2) or a related person to such assigned operator.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, except that the amendment made by subsection (d) shall apply to transactions after the date of the enactment of this Act.

SEC. 322. TRANSFERS TO FUNDS; PREMIUM RELIEF.

(a) COMBINED FUND.—

(1) FEDERAL TRANSFERS.—Section 9705(b) of the Internal Revenue Code of 1986 (relating to transfers from Abandoned Mine Reclamation Fund) is amended—

(A) in paragraph (1), by striking "section 402(h)" and inserting "subsections (h) and (i) of section 402";

(B) by striking paragraph (2) and inserting the following new paragraph:

"(2) USE OF FUNDS.—Any amount transferred under paragraph (1) for any fiscal year shall be used to pay benefits and administrative costs of beneficiaries of the Combined Fund or for such other purposes as are specifically provided in the Acts described in paragraph (1)."; and

(C) by striking "FROM ABANDONED MINE RECLAMATION FUND".

(2) MODIFICATIONS OF PREMIUMS TO REFLECT FEDERAL TRANSFERS.—

(A) ELIMINATION OF UNASSIGNED BENEFICIARIES PREMIUM.—Section 9704(d) of such Code (establishing unassigned beneficiaries premium) is amended to read as follows:

"(d) UNASSIGNED BENEFICIARIES PREMIUM.—

"(1) PLAN YEARS ENDING ON OR BEFORE SEPTEMBER 30, 2006.—For plan years ending on or before September 30, 2006, the unassigned beneficiaries premium for any assigned operator shall be equal to the applicable percentage of the product of the per beneficiary premium for the plan year multiplied by the number of eligible beneficiaries who are not assigned under section 9706 to any person for such plan year.

"(2) PLAN YEARS BEGINNING ON OR AFTER OCTOBER 1, 2006.—

"(A) IN GENERAL.—For plan years beginning on or after October 1, 2006, subject to subparagraph (B), there shall be no unassigned beneficiaries premium, and benefit costs with respect to eligible beneficiaries who are not assigned under section 9706 to any person for any such plan year shall be paid from amounts transferred under section 9705(b).

"(B) INADEQUATE TRANSFERS.—If, for any plan year beginning on or after October 1, 2006, the amounts transferred under section 9705(b) are less than the amounts required to be transferred to the Combined Fund under subsection (h)(2)(A) or (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232)), then the unassigned beneficiaries premium for any assigned operator shall be equal to the operator's applicable percentage of the amount required to be so transferred which was not so transferred.".

(B) PREMIUM ACCOUNTS.—

(i) CREDITING OF ACCOUNTS.—Section 9704(e)(1) of such Code (relating to premium accounts; adjustments) is amended by inserting "and amounts transferred under section 9705(b)" after "premiums received".

(ii) SURPLUSES ATTRIBUTABLE TO PUBLIC FUNDING.—Section 9704(e)(3)(A) of such Code is amended by adding at the end the following new sentence: "Amounts credited to an account from amounts transferred under section 9705(b) shall not be taken into account in determining whether there is a surplus in the account for purposes of this paragraph."

(C) APPLICABLE PERCENTAGE.—Section 9704(f)(2) of such Code (relating to annual adjustments) is amended by adding at the end the following new subparagraph:

"(C) In the case of plan years beginning on or after October 1, 2007, the total number of assigned eligible beneficiaries shall be reduced by the eligible beneficiaries whose assignments have been revoked under section 9706(h).".

(3) ASSIGNMENTS AND REASSIGNMENT.—Section 9706 of the Internal Revenue Code of 1986 (relating to assignment of eligible beneficiaries) is amended by adding at the end the following:

"(h) ASSIGNMENTS AS OF OCTOBER 1, 2007.—

"(1) IN GENERAL.—Subject to the premium obligation set forth in paragraph (3), the Commissioner of Social Security shall—

"(A) revoke all assignments to persons other than 1988 agreement operators for purposes of assessing premiums for plan years beginning on and after October 1, 2007; and

"(B) make no further assignments to persons other than 1988 agreement operators, except that no individual who becomes an unassigned beneficiary by reason of subparagraph (A) may be assigned to a 1988 agreement operator.

"(2) REASSIGNMENT UPON PURCHASE.—This subsection shall not be construed to prohibit the reassignment under subsection (b)(2) of an eligible beneficiary.

"(3) LIABILITY OF PERSONS DURING THREE FISCAL YEARS BEGINNING ON AND AFTER OCTOBER 1, 2007.—In the case of each of the fiscal years beginning on October 1, 2007, 2008, and 2009, each person other than a 1988 agreement operator shall pay to the Combined Fund the following percentage of the amount of annual premiums that such person would otherwise be required to pay under section 9704(a), determined on the basis of assignments in effect without regard to the revocation of assignments under paragraph (1)(A):

"(A) For the fiscal year beginning on October 1, 2007, 55 percent.

"(B) For the fiscal year beginning on October 1, 2008, 40 percent.

"(C) For the fiscal year beginning on October 1, 2009, 15 percent.".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to plan years of the Combined Fund beginning after September 30, 2006.

(b) 1992 UMWA BENEFIT AND OTHER PLANS.—

(1) TRANSFERS TO PLANS.—Section 9712(a) of the Internal Revenue Code of 1986 (relating to the establishment and coverage of the 1992 UMWA Benefit Plan) is amended by adding at the end the following:

"(3) TRANSFERS UNDER OTHER FEDERAL STATUTES.—

"(A) IN GENERAL.—The 1992 UMWA Benefit Plan shall include any amount transferred to the plan under subsections (h) and (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232).

"(B) USE OF FUNDS.—Any amount transferred under subparagraph (A) for any fiscal year shall be used to provide the health benefits described in subsection (c) with respect to any beneficiary for whom no monthly per beneficiary premium is paid pursuant to paragraph (1)(A) or (3) of subsection (d).

"(4) SPECIAL RULE FOR 1993 PLAN.—

"(A) IN GENERAL.—The plan described in section 402(h)(2)(C) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(2)(C)) shall include any amount transferred to the plan under subsections (h) and (i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232).

"(B) USE OF FUNDS.—Any amount transferred under subparagraph (A) for any fiscal year shall be used to provide the health benefits described in section 402(h)(2)(C)(i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(2)(C)(i)) to individuals described in section 402(h)(2)(C) of such Act (30 U.S.C. 1232(h)(2)(C)).".

(2) PREMIUM ADJUSTMENTS.—

(A) IN GENERAL.—Section 9712(d)(1) of such Code (relating to guarantee of benefits) is amended to read as follows:

"(1) IN GENERAL.—All 1988 last signatory operators shall be responsible for financing the benefits described in subsection (c) by meeting the following requirements in accordance with the contribution requirements established in the 1992 UMWA Benefit Plan:

"(A) The payment of a monthly per beneficiary premium by each 1988 last signatory operator for each eligible beneficiary of such operator who is described in subsection (b)(2) and who is receiving benefits under the 1992 UMWA benefit plan.

"(B) The provision of a security (in the form of a bond, letter of credit, or cash escrow) in an amount equal to a portion of the projected future cost to the 1992 UMWA Benefit Plan of providing health benefits for eligible and potentially eligible beneficiaries attributable to the 1988 last signatory operator.

"(C) If the amounts transferred under subsection (a)(3) are less than the amounts required to be transferred to the 1992 UMWA Benefit Plan under subsections (h) and (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232), the payment of an additional backstop premium by each 1988 last signatory operator which is equal to such operator's share of the amounts required to be so transferred but which were not so transferred, determined on the basis of the number of eligible and potentially eligible beneficiaries attributable to the operator.".

(B) CONFORMING AMENDMENTS.—Section 9712(d) of such Code is amended—

(i) in paragraph (2)(B), by striking "prefunding" and inserting "backstop", and

(ii) in paragraph (3), by striking "paragraph (1)(B)" and inserting "paragraph (1)(A)".

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to fiscal years beginning on or after October 1, 2010.

SEC. 323. OTHER PROVISIONS.

(a) BOARD OF TRUSTEES.—Section 9702(b) of the Internal Revenue Code of 1986 (relating to board of trustees of the Combined Fund) is amended to read as follows:

"(b) BOARD OF TRUSTEES.—

"(1) IN GENERAL.—For purposes of subsection (a), the board of trustees for the Combined Fund shall be appointed as follows:

"(A) 2 individuals who represent employers in the coal mining industry shall be designated by the BCOA;

"(B) 2 individuals designated by the United Mine Workers of America; and

"(C) 3 individuals selected by the individuals appointed under subparagraphs (A) and (B).

"(2) SUCCESSOR TRUSTEES.—Any successor trustee shall be appointed in the same manner as the trustee being succeeded. The plan establishing the Combined Fund shall provide for the removal of trustees.

"(3) SPECIAL RULE.—If the BCOA ceases to exist, any trustee or successor under paragraph (1)(A) shall be designated by the 3 employers who were members of the BCOA on the enactment date and who have been assigned the greatest number of eligible beneficiaries under section 9706.".

(b) ENFORCEMENT OF OBLIGATIONS.—

(1) FAILURE TO PAY PREMIUMS.—Section 9707(a) of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) FAILURES TO PAY.—

"(1) PREMIUMS FOR ELIGIBLE BENEFICIARIES.—There is hereby imposed a penalty on the failure of any assigned operator to pay any premium required to be paid under section 9704 with respect to any eligible beneficiary.

"(2) CONTRIBUTIONS REQUIRED UNDER THE MINING LAWS.—There is hereby imposed a penalty on the failure of any person to make a contribution required under section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 to a plan referred to in section 402(h)(2)(C) of such Act. For purposes of applying this section, each such required monthly contribution for the hours worked of any individual shall be treated as if it were a premium required to be paid under section 9704 with respect to an eligible beneficiary.".

(2) CIVIL ENFORCEMENT.—Section 9721 of such Code is amended to read as follows:

"SEC. 9721. CIVIL ENFORCEMENT.

"The provisions of section 4301 of the Employee Retirement Income Security Act of 1974 shall apply, in the same manner as any claim arising out of an obligation to pay withdrawal liability under subtitle E of title IV of such Act, to any claim—

"(1) arising out of an obligation to pay any amount required to be paid by this chapter; or

"(2) arising out of an obligation to pay any amount required by section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(5)(B)(ii)).".

TITLE IV—INCREASE IN MINIMUM WAGE

SEC. 401. MINIMUM WAGE.

Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than—

"(A) $5.15 an hour beginning September 1, 1997;

"(B) $5.85 an hour, beginning on January 1, 2007;

"(C) $6.55 an hour, beginning June 1, 2008; and

"(D) $7.25 an hour, beginning June 1, 2009;".

SEC. 402. TIPPED WAGE FAIRNESS.

Section 3(m) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(m)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking "'Wage' paid to any employee" and inserting "(1) 'Wage' paid to any employee";

(3) in subparagraph (B) (as so redesignated), by inserting before the period the following: "; Provided, That the tips shall not be included as part of the wage paid to an employee to the extent that they are excluded therefrom under the terms of a bona fide collective bargaining agreement applicable to the particular employee"; and

(4) by adding at the end of the following:

"(2) Notwithstanding any other provision of this Act, any State or political subdivision of a State which on or after the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006 excludes all of a tipped employee's tips from being considered as wages in determining if such tipped employee has been paid the applicable minimum wage rate, may not establish or enforce the minimum wage rate provisions of such law, ordinance, regulation, or order in such State or political subdivision thereof with respect to tipped employees unless such law, ordinance, regulation, or order is revised or amended to permit such employee to be paid a wage by the employee's employer in an amount not less than an amount equal to—

"(A) the cash wage paid such employee which is required under such law, ordinance, regulation, or order on the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006; and

"(B) an additional amount on account of tips received by such employee which amount is equal to the difference between the cash wage described in subparagraph (A) and the minimum wage rate in effect under such law, ordinance, regulation, or order, or the minimum wage rate in effect under section 6(a), whichever is higher.".

The SPEAKER pro tempore. Pursuant to House Resolution 966, the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California.

Mr. THOMAS. Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I ask unanimous consent to yield 15 minutes my time to the gentleman from California (Mr. GEORGE MILLER) for him to control.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield to the gentleman from Ohio (Mr. KUCINICH) for the purpose of a unanimous consent request.

Mr. KUCINICH. Mr. Speaker, I rise in opposition to the bill.

I will quote from the Good Book, not the Internal Revenue Code, but the Bible, Mr. Speaker. Isaiah 10th Chapter, First and Second verse: "Woe to those who make unjust laws, to those who issue oppressive decrees, to deprive the poor of their rights and withhold justice from the oppressed of my people. . . ."

Tonight we debate an unjust law which steals from the poor to give to the rich. It is unjust to attach a minimum wage increase to tax cuts for the rich. It would cost about $26 billion a year to give a $2.10 increase in the minimum wage to the least wealthy workers. The estate tax cut could give about $80 billion per year for 10 years to 3 families out of every 1,000.

Some call it a death tax, cut this poison pill will be the death of the minimum wage increase for millions of working Americans.

It is unjust that here, in the richest country on earth, there is no guarantee that a full-time job will lift a family out of a situation of dire poverty. That's because full-time year-round minimum wage earnings at $5.15 an hour leave a family of three $5,000 below the poverty line.

Since 1997, the last minimum wage increase, the cost of living has increased for all Americans. The cost of putting food on the table, of keeping a roof over your head, the cost of gas—all going up, up, up. The only thing that hasn't increased is the minimum wage. Congress's response: Give a tax cut to the wealthiest Americans. This is a perfect example of single-minded economic policy—surpluses: tax cuts to the wealthy; deficits: tax cuts to the wealthy; war: tax cuts to the wealthy; high gas prices: tax cuts to the wealthy. A much needed increase in the minimum wage to the humblest of workers: tax cuts to the wealthy.

"Woe to those who make unjust laws" said Isaiah.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2½ minutes to the gentleman from Maryland (Mr. HOYER).

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Mr. HOYER. I thank the gentleman for yielding, and I rise in opposition to this bill and to lament the fact that we did not do what 250 Members of this House want to do.

Mr. Speaker, 250 Members of this House have indicated they want to see a raise in the minimum wage, that they want to see it now, and they want to see it in a simple straightforward bill to say to those working at the lowest rungs in America, doing what we expect them to do, working day to day, week to week, month to month, year to year to support themselves, their family, and contribute to the welfare of our country. We expect them to work; we ought to pay them. We ought to pay them a wage that does not leave them in poverty.

We could do that, because 250 of us would vote for such a bill. But, unfortunately, once again, we are playing a game. This bill was referred to as an Estate Tax Bill, not a minimum-wage bill. Minimum wage is included in the Estate Tax Bill. But that is the reason you put this bill on the floor, to pass a bill you have already passed but can't pass the Senate, or at least has not passed the Senate.

Therefore, attaching the minimum wage, which 48 of your Republican colleagues say they want to be for, is to design a process for failure. Not a failure for us, none of us work for the minimum wage; but a failure for 6.6 million people and, indeed, some 12 million more people who rely on help from those earning the minimum wage to support themselves and their families.

How sad. How sad that a 250-Member majority of the House of Representatives cannot summon the will or the courage or the good sense to offer simply a bill which does what we want it to do, to raise from $5.15 the minimum wage over three increments to $7.25.

If a minimum-wage worker was earning now what he or she earned in 1968, they would be earning $9.05 an hour. This bill simply has an increase to $7.25, the bill that we proposed. Now, we will have that available in a motion to recommit, along with the extenders that everybody is for, which could have passed on a separate suspension bill, I suspect. But the fact of the matter is that this bill is designed to fail because the majority leadership opposes raising the minimum wage. How sad. How shameful.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Does anyone here think it is rather odd if we designed a bill to fail we would place in it what apparently the Members on the other side say is one of our really primary focuses, and that is to allow people who have worked all their lives to hang on to a little bit of what they get after death for their family? Why would you couple those two together if you wanted it to fail?

The so-called extenders are 7 months overdue. They need to be extended. Why would you put a minimum wage in this structure, and extenders, if you built a bill to fail?

I think it is going to be very tortured discussion on the floor, because our colleagues on the other side just can't quite get their arms around the fact that the Republicans are for a significant change in the estate tax, they are for extending the extenders, and we are for a minimum wage.

All you have to do is vote "yes." Now, that probably is your biggest difficulty, voting "yes" on a bill that is in front of you. If you vote "yes," as the gentleman from Maryland said, minimum wage goes from $5.15 to $7.25. If you vote "yes," you join us in encouraging the Senate. And if you want to find the graveyard for the minimum wage, I suggest you go over and visit the other body.

What we have done is tried to package this to succeed in getting the minimum wage through the other body. And if we can work together, all you have to do is start by voting "yes," and then it could be contagious, we could go over and get the Senate to vote "yes," and we could have a minimum-wage increase to $7.25 in 3 years. We could also extend the extenders, and we could also have a very reasonable appropriate structure for allowing people to hang on to a little bit more of what they work for and accumulate over their lifetime.

I know the cost of making that happen is high. It means you'd actually have to vote "yes."

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. No bill more clearly captures the distorted values of the majority of the House than the bill before us right now. People who earn the minimum wage and work full time mostly live below the poverty level, and they have been waiting for a very long time for a raise in their pay.

This bill says to those who wash dishes and launder laundry and clean houses, you got to wait just a little bit longer for that raise. You have to wait until the wealthiest people in the country are able to see their heirs pay little or no tax on the wealth that is passed to the next generation.

Now, the idea of reducing or eliminating the estate tax may or may not have merit, and that idea deserves a free and separate debate on this floor, but so does the idea of raising the minimum wage for those at the bottom of the ladder in this country. This shows us who comes first. This bill says those that launder laundry and clean rooms and work in car washes will wait their turn until the wealthiest people in the country can pass off wealth to their heirs. They come first.

This is a shameful distortion of the country's values. We should vote now and we should vote "yes" for an increase in the minimum wage, free and clear of this distortion of values for the estate tax. Vote against this bill.

Mr. THOMAS. Mr. Speaker, I yield myself briefly.

Gee, I know you work for the minimum wage, and I know you want a higher minimum wage, but the way the offer was packaged was such that I had to vote "no." So don't blame me that you didn't get an increase in the minimum wage, because I voted "no."

As I said, this is going to be very difficult. All you have to do is vote "yes."

Mr. Speaker, it is my pleasure now to yield 3 minutes to the gentleman from New York (Mr. SWEENEY).

Mr. SWEENEY. I thank the gentleman for yielding time.

Mr. Speaker, I came here tonight to vote for much-needed pension reform and to provide Americans with a better living wage. And I would have preferred a simpler, more straightforward minimum-wage vote as well. In fact, I voted that way in the Appropriations Committee. I voted for Mr. HOYER's provision that extended the minimum wage for 30 months, or extended a raise for 30 months to $7.15.

I come here tonight to say that I am going to vote for this bill, and I had actually hoped to vote for the Democratic motion to recommit, if it had been a simple, straightforward proposition to vote. And I note that the Democrats have had a number of opportunities to bring a straightforward minimum-wage vote to the floor, as they have done in a variety of other instances on a variety of other issues, but never have done it.

So it leads me to this one thought, that if we are actually serious about the minimum wage and passing a minimum-wage increase, and I say this as a former State labor commissioner and I say this as someone who worked numerous minimum-wage jobs over the course of my life, I say this as someone who comes from a blue collar background, not a privileged background, and I would note that some of the leadership on the other side comes from much better standing than I, you would have brought that bill and worked in good faith to negotiate. But that didn't happen. That didn't happen because politics won the day here. Rather than passing a minimum-wage increase, it was decided that we wanted to preserve an issue. That is wrong. It doesn't serve the American people.

In terms of including the estate tax, what I had said all along is I would like to see a minimum-wage increase, but we need offsets to small businesses and farmers who make up 90 percent of the employment in my district. So when you say that an estate tax, an extension of the estate tax isn't viable, doesn't belong in this bill, tell that to the farmers in my district like Tom Borden who runs the orchard and dairy farm in eastern New York; or Paul Schmidt, a dairy farmer in Posenkill, both of whom have been begging to see this estate tax eliminated for years so they can sleep at night knowing that despite all the hard work and all the government regulation and all the burdens that they have faced, they can pass on to their family that valuable contribution to society that they have.

So be careful. Be careful when you demagogue this issue. Be careful when you politicize this issue. This is about representing people. We need to pass a minimum wage. I am in favor of this bill, and I am going to oppose the motion to recommit, and I suggest my colleagues do the same.

Mr. GEORGE MILLER of California. I yield 2 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I rise in support of raising the minimum wage for the nearly 7 million minimum-wage American workers. However, I oppose this bill because it contains provisions unrelated to actually increasing the minimum wage. Those provisions should be voted on separately.

As a matter of fact, I am really ashamed to be a Member of Congress at this point. The Republicans are playing tricks again. They have coupled another tax break for the richest in America with this minimum-wage increase.

Since 2001, this Republican Congress has cut taxes by $1.8 trillion, and most of these tax cuts have gone to the wealthiest 1 percent of Americans. Yet when it comes to helping low- and middle-income Americans, the Republican Party is nowhere to be seen. Even this vote came reluctantly and is tied to giveaways that will gut any increase in the minimum wage.

Each day Americans are confronted with rising prices of everyday items they need: gasoline, home energy, and health care. These rising costs are stretching family budgets thin, preventing them from saving for a family emergency, education, a new home, or retirement.

In California over the past 5 years, the cost of staple goods has risen at a steady rate. For example, the cost of milk has risen 23 percent; housing has increased 45 percent; and child care has increased 14 percent. However, the wages for thousands of workers have remained stagnant.

The increase in the minimum wage is about one thing, Mr. Speaker, justice for American workers. Without an increase in the minimum wage, the American worker cannot enjoy life, liberty, and the pursuit of happiness. Quality of life is indeed important. Freedom to pursue one's dreams, whether it is in education or a new home, is freedom. Happiness is about fulfilling dreams. Workers earning the current stagnant minimum wage are simply not as happy as they should be in America.

I oppose this legislation as drafted. I am ashamed to be here with these people who are denying the poorest of our society a decent living.

Mr. THOMAS. Mr. Speaker, I yield myself briefly.

All we have to do to provide an increase in the minimum wage is to vote "yes."

And I wonder how that person working for a minimum wage feels when you say, I couldn't vote "yes" for the increase in the minimum wage because I was offended the way it was presented to us. And you need to know that the way I feel about the process in the House of Representatives is more important than providing you with an increase in the minimum wage.

Mr. Speaker, it is now my pleasure to yield 2 minutes to the gentleman from Pennsylvania, a valued member of the Ways and Means Committee, Mr. ENGLISH.

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Mr. ENGLISH of Pennsylvania. Mr. Speaker, let me say what is sad and shameful here tonight is the argument being made by so-called progressives to justify their vote against raising the minimum wage. This legislation, granted, includes an extension of the work opportunity tax credit so that we can encourage more people to move off welfare onto the rolls. It includes extensions of the deduction for higher education expenses and the deduction for teachers for their day-to-day expenses in the classroom. It includes expensing of mine safety equipment. It also improves access to lifesaving vaccines.

Mr. Speaker, it also includes an increase in the minimum wage, something they led us to believe that they wanted to see, something that I have been fighting for for years, and they have done nothing to carry any heavy lifting on.

Mr. Speaker, the one vote on raising the minimum wage in the House this year is this vote and we are going to take names, and workers are going to be watching.

Mr. Speaker, this current minimum wage is an embarrassment. A 40-hour-a-week worker at minimum wage makes just over $10,000. Working families are struggling to make ends meet, to address higher gas prices, to address rising home heating bills. And in the face of all of that, the so-called progressives are finding every imaginable excuse to vote against raising the minimum wage. They have always liked the politics of the minimum wage and generally cared little for the policy of the minimum wage. We have always clustered increases of the minimum wage with other issues. There is nothing novel about this.

This is one up-or-down vote. The American people are going to be holding them accountable. And if they vote "no," they are voting against raising the minimum wage. That includes the gentleman from Ohio who is running for the Senate and we are going to watch that one with a great deal of interest. There is only one vote this year for raising the minimum wage. It is this one. We are going to hold you accountable for how you vote on it, whether you hiss or not.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Thank you, Mr. MILLER, for your terrific leadership fighting for workers. And to my hypocritical friends on the other side of the aisle, I actually plan to vote for the minimum wage.

I stand in honor of the millions of American workers trying to get by on a woefully inadequate minimum wage. On behalf of 500,000 Ohio workers and the Nation's 6 million workers, I will vote in favor of a minimum-wage increase tonight despite the dishonorable chicanery of the gentleman from Pennsylvania and his friends once again foisted on this Chamber by a Republican majority run amok.

For 10 years, Democrats have tried to increase the minimum wage.

Mr. ENGLISH of Pennsylvania. Will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Pennsylvania.

Mr. ENGLISH of Pennsylvania. Did the gentleman vote for raising the minimum wage the last time this came up in 1996?

Mr. BROWN of Ohio. Of course I did.

Mr. ENGLISH of Pennsylvania. And how did you distinguish this bill, which included tax provisions for a variety of small businesses, from this bill?

Mr. BROWN of Ohio. I voted for it then. I plan to vote for it now.

Mr. ENGLISH of Pennsylvania. So you voted for the chicanery then, and you are going to vote for it now. Congratulations.

Mr. BROWN of Ohio. I reclaim my time.

For 10 years, Democrats have tried to increase the minimum wage and Republicans have blocked it. Yet during the 10 years with no minimum wage increase, Congress, under Republican leadership, has increased its own pay six times. The CEO of ExxonMobil is paid more than $17,000 an hour while a minimum-wage worker who fills her tank with ExxonMobil gas earns less than $11,000 a year. Yet this bill puts first millions of dollars in tax cuts for the ExxonMobil CEO.

Tonight it is clear why we need a change. That change is only 3 months away.

Mr. THOMAS. Mr. Speaker, I want to thank the gentleman from Ohio for his vote.

I want to yield 3 minutes to the gentleman from New Jersey (Mr. LOBIONDO).

Mr. LOBIONDO. Mr. Speaker, I rise tonight in support of this minimum-wage package which I think is long overdue. I would like to take the opportunity to thank Speaker HASTERT and Majority Leader JOHN BOEHNER. A week ago, not many people would have believed that we could have a vote on minimum wage this quickly. You have only to track the articles about it: did not look possible, maybe sometime into the future. And I want to thank Congressman STEVE LATOURETTE and the 48 or 50 other Republicans that stood along together with me in presenting our case to the Speaker and majority leader for why we should do this. We had a very spirited debate in our conference, and we probably will have a record number of Republicans that will be voting for a minimum-wage package tonight.

Some Republicans are not happy about this. If I had my choice, this package would have looked a lot different. But we don't live in the world of the perfect, and we should not sacrifice the good for the perfect. The reality is, this is the minimum-wage vote. This vote actually has a chance of being signed into law. The reality is that probably a straight minimum-wage vote, that I would have preferred, might have been a good political exercise, but it stood no chance of passage in the Senate or a signature by the President. So if we really want to give relief to working men and women who so deserve this change, this 41 percent change, this is the opportunity.

The minority has said that the extenders are fine. So we have one part of the package that you will find a problem with. I submit that because Republicans are doing this, you would have found one part of this package to have a problem with no matter what was in it.

I would urge all of the Republican Labor Caucus members and, in fact, all of the Republican Conference, and the Democrats, to vote against the motion to recommit that will doom the minimum wage. Passage and vote for the bill sends a clear signal that we can find a combination, that we can find a way to come together. The definition of "perfect" is probably different for all 435 of us. But that is not what is at stake tonight. That is not what we are all about, finding the perfect. We are about finding something good. This is a good bill. We should vote for it.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2½ minutes to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. The only people in the State of Washington whose wages will be affected by this bill, should it pass, will have their minimum wage decreased. Every single worker who receives tips in the State of Washington will have their minimum wage decreased $1.78 an hour as a result of this ridiculous bill. Seven States are in the same position: Alaska, California, Minnesota, Montana, Nevada, Oregon and Washington. In seven States in this country, the only people who will be affected by this bill are those who will get their minimum wage slashed.

Where is the Republican desire to slash the minimum wage and call it an increase in the minimum wage? That is what you have written into this bill.

Now, we realize this bill isn't going to pass, and you think you are going to get relief from the voters because you voted for this when it isn't going to pass. Well, if it did pass, you would be cutting the minimum wage in the State of Washington by $1.78 an hour. The people who feed you, when you take your $30,000 pay increases we all have had over the last several years, you take your $30,000 pay increases, and you tell the people that serve your tostadas and your spaghetti that you can cut their minimum wage by $1.78 an hour. If you doubt me, ask Molly on your staff. She will tell you I am right. I don't know who the brilliant guy was who thought that that is good policy in this country. We Democrats think it is a very bad idea.

The situation is, you're not going to deliver a minimum wage of any dimension because of the way you packaged this, because you don't want to see a minimum-wage increase. That is why you packaged this with a poison pill. And this is not going to work for you, because mailmen who don't deliver the mail get punished. And you will be punished for this this November.

I will just say one thing: when you cut the minimum wage for restaurant tip workers in this country, I will say this, it is bad enough when you don't do a minimum-wage bill; it is worse when you do. The point I want to make is this bill is not going to pass because they put a poison pill in it. But I want to make sure people understand in the States of Washington, Montana, Nevada, California, those States, that if it did pass, they would be cutting restaurant workers.

Do you want to challenge that, Mr. HAYWORTH? I will yield to you. If you think that is wrong, you can walk up to your staff member and she will tell you that you are cutting restaurant workers $1.78 in the State of Washington. If you disagree with that, I will show you page 181 of your bill.

Mr. HAYWORTH. Mr. Speaker, will the gentleman yield?

Mr. INSLEE. I yield to the gentleman from Arizona.

Mr. HAYWORTH. Is the gentleman familiar with four letters, E-I-T-C, earned income tax credit?

Mr. INSLEE. I am.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume. I was kind of stunned when my colleague from Ohio indicated that he was going to support this bill. I believe him when he wants to support it for the minimum wage. And then it struck me: he is not going to be in a gerrymandered district. He is running statewide. He is actually going to have to respond. In an environment where if he doesn't pick the position that people believe is the right one, he could lose. But if he were in a district in which he could vote virtually any way he wanted and wanted to slant the issues in ways that provided a political benefit rather than a real benefit, I just wonder.

Gee, that means maybe if we had more competitive seats, we would have more folks voting for policies that actually benefit people like raising the minimum wage, because a "yes" vote tonight will raise the minimum wage.

It is now my pleasure to yield 2 minutes to the gentleman from Illinois, a member of the Ways and Means Committee, Mr. WELLER.

Mr. WELLER. Mr. Speaker, I rise in support of what we have before us, which is good legislation, a package of legislation that is good for workers and a package of legislation that is good for small business. This legislation deserves bipartisan support.

First, this bill raises the minimum wage. Today, the minimum wage is $5.15 an hour. Under this legislation, we raise it to $7.25 an hour. That is a 40 percent increase in the minimum wage. It is about time. I support this minimum wage increase. It is the right thing to do.

This legislation does more, because it is a package. Of course, when you look into the package, look at the details, you see some good things that help our communities. One example is an important environmental cleanup tax credit, the brownfields tax credit, which is extended for 2 more years under this legislation. Not only is it extended, it is expanded to be able to do more. There are almost 2,000 so-called brownfields in the region that I represent in the Chicago area. Forty percent of them have petroleum contamination. You think of that old abandoned gas station on that one prominent corner in your home community that has been sitting there for years and you always wonder, why doesn't somebody buy that and do something with that strategic corner in our town. It is because it has petroleum contamination. This tax incentive will help encourage private investors to buy that old abandoned gas station and other petroleum contaminated sites to recycle, revitalize and help rebuild neighborhoods. It is good legislation.

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And if you care about low-income workers, particularly those who are on welfare, and you want to encourage them to get a job, you should vote for this legislation because we extend the work opportunity tax credit. We extend the welfare to work tax credit. This past year almost half a million American citizens had the opportunity to leave welfare and go to work.

This legislation deserves bipartisan support.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and Members of the House, it is rather interesting to see my colleagues on the Republican side of the aisle ask us whether we know that the minimum wage is $5.15 an hour. Apparently, they have just discovered that fact. I would ask them did they know that the minimum wage was $5.15 an hour 10 years ago and 9 years ago and 8 years ago and 7 years ago and 6 years ago and 5 years ago and 4 years ago? It was $5.15 an hour and you never raised a finger. You never raised a finger to help these individuals. We introduced a bill every year. I have asked for hearings in my committee every year to raise the minimum wage because these people have been stuck at $5.15 an hour. You control the House, you control the Senate, you control the White House. You could never find time for these people. You found time for the richest people in the country, but you never found time for the people at $5.15 an hour.

Now, as your political fortunes change, you get a letter from the most vulnerable members of your caucus, and you discover that people are working for $5.15 an hour. But even then you cannot play it straight. No, the only way you can do this bill for the people whom you now recognize need help, and they have needed it for many years, is to put a poison pill into the minimum wage increase of the estate tax cut, knowing that you will send it off to the Senate and it will be embroiled in the 18 days that we have left in this session and there will be no increase in the minimum wage.

You could vote for the motion to recommit. The extenders are not controversial. And apparently the minimum wage is not controversial on your side. Although when a clean minimum wage passed on the Health and Human Services appropriations bill, it came to a grinding stop, and your Speaker said we are not going to have a minimum wage increase, and your majority leader says, I haven't voted for one of these and I have not supported it for 25 years, with great pride. Did he know they were working for $5.15 an hour all that time? If he had his way, they would have been working for $3.15 an hour over the last 25 years.

So tonight what are we presented with? The appearance of a minimum wage increase, but it is really about driving the estate tax. But it is about driving the estate tax into a hostile environment in the Senate, where you will argue and you will argue and you will argue and the session will end, and those same people that are working for $5.15 an hour today will be working for $5.15 an hour next year and next month. As much compassion as you felt for them, you decided they ought to wait longer to get $7.25 in the bill you presented. As much compassion as you felt for them, you decided if they work for tips, you would take away their wages in the States that Mr. INSLEE pointed out, in Washington and California and elsewhere. They would lose their wages under this bill.

So I think this newfound compassion is somewhat shallow, somewhat less than sincere for these people because you could not find time for them over the last 5 years. You could not find time to deal with their problems of working all year long and ending up with $10,700 and being in poverty. You could not find time for them when the price of gasoline went up and the price of rent went up and the price of education went up and the price of milk went up. You could not find time then. But all of a sudden, you can find time now, but only, only if you can stick it in with relief for the richest people in America, relief that you know will not happen in this legislation. And once again, these people will be denied. They will be denied at the hands of the Republican leadership that has been hostile to the minimum wage from the moment they came to this House of Representatives. They had never had any intention of supporting it, they had never voted for it, and it will not happen again.

Mr. Speaker, I yield back the balance of my time.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 3 minutes to a valued member of the committee, the chairman of the House subcommittee, the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong support of this legislation. I am proud, yes, for raising the minimum wage by 40 percent.

It is simple. Working families deserve a pay raise, and tonight we pass a 40 percent increase in the minimum wage. But this bill helps workers in many other ways.

A permanent estate tax protects American jobs. In my district, an old manufacturing part of the Nation, most of our manufacturers, high quality, high skilled, are small and family owned. But to compete as a supplier in a global economy, they have to be good, and that takes expensive equipment. Dad dies, you have to sell off. You have to sell that family-owned business because you cannot afford the taxes. A permanent estate tax will let that family business survive and those jobs survive because you know what happens? Those small manufacturers get bought and the jobs leave town. They go to a bigger plant. They get merged in. So if you want to protect jobs in your town, we need a permanent estate tax because that way small family-owned manufacturers can survive.

But we need this bill because it protects global jobs as well. If we do not extend the research and development tax credit in a world in which some countries write it off completely, we will not be at the cutting edge of product development. We will not be the leaders in communications technology, in clean-up technology, and in medical technology. We protect jobs and that helps the American workers. That is what this bill is all about.

We also protect the opportunity for American workers to get the education they need to compete. That $4,000 tax deduction for education expenses, that is building the future. And it is not just people who can go to college. It is the work opportunities tax credit. It is the welfare-to-work tax credit.

This is about working America. This is a tax bill about working America, about opportunity, about equity, about fairness, and about protecting our jobs. And, yes, it raises the minimum wage.

I am proud to vote for it. I urge Members on both sides of the aisle to vote for it because this is good policy by a strong Congress, and we need to get through the Senate and to the President's desk.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

You can tell that if it is going to happen after midnight, that the majority just ain't up to something good because everything bad they do, they wait until late at night and then they come.

So you take a look at this bill, and they call it the minimum wage bill. Well, that is good; so why would they wait until after midnight? Or you might take another look at the bill and you see that they are trying to help the poor miners. Well, that doesn't sound like Republicans to me. If they ever got enough religion to help poor miners, they would certainly want to do that in the sunlight. But, no, they wait until after midnight.

Then, of course, there are the extenders that really help schools and research and development. It sounds pretty decent. It does not sound that Republican to me.

There has to be a skunk at this picnic somewhere. And then you take a look and you find out that with all of the wonderful, spiritual good that they want to do for so many people, the working poor, we find out that there are 7,500 families in this great country that are worth billions of dollars, that they cannot leave this Congress without saying, "We helped you. You are the people we really love." And if you take a look to see, have they sent us letters, these rich people, most of them, saying, "Hey, try to cut back on the war, try to help us with some health and education project?" They are not asking for this money. And yet over $800 billion, we are prepared to take away from the Treasury at a time that our country needs it the most but it just cannot stand on its own two feet. So, therefore, we have to find a sweetness for it, and we have enough nerve to believe that someone is going to believe that you have a concern for the minimum wage.

After 9 or 10 years, you wake up at the end of the day, and you bring in the estate tax relief bill that is the real money, and because that sucker is so heavy it cannot get off the ground, you try to spray some perfume on this skunk, and you call it minimum wage, extenders, and help for the miners.

If you had any compassion at all, don't these people deserve to be treated separately? Do they have to be with 7,500 people who are close friends of yours? Should not the working people have a bill of their own just to increase the minimum wage? Should not the miners, their pensions and their health benefits, should they not have a bill of their own during the daytime hours? And certainly the incentives are so popular, why do you have to hold them hostage for where your hearts really belong?

So I knew that you were going to wait until midnight, but no one knew exactly what you were up to. But, hey, it is after midnight, you are on the floor, and you say if you want all of this good medicine, then swallow our pill with it, but if you say no, you say no to what is good. It does not make any sense. But I think the newspapers, television, everyone knows what is going on. You have gotten away with this for a long, long time. But there comes a time when people wake up to what is happening, and even though you have done it in the middle of the night, the sun will rise and people would understand.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

I keep telling my friend from New York that there is a really big country west of the Hudson. It is 9 p.m. in California. The sun is shining in the United States. I understand east of the Hudson, but there is a big country west of the Hudson.

I told you this was going to be a strange debate.

The gentleman from California is right. He counted backward: ten, nine, eight, seven, six. We have not increased the minimum wage. It is about time we increased the minimum wage.

Are you offended that we finally got it? Is that what you are offended about? Or is it the fact that when you were the majority for 40 years, Medicare never saw one preventative service, they never saw one wellness program, and there was no drug program? We became the majority and all of that occurred.

I am now beginning to figure this out. These people are going to have to tear up these old, yellowed speeches they have been giving for decades because the Republicans get it.

There is one other thing we get. It is a concept you are beginning to hear about. It is called "multi-tasking." You do not really have to come with one subject. You can actually do several things at the same time. And there is a degree of synergy involved in those things. You heard the gentlewoman from Connecticut, that there are interactive aspects in this.

So I am really somewhat confused. Is it that you want to keep on giving speeches that Republicans do not understand that we should raise the minimum wage, that you do not want to rewrite the speech? Or is it because on every one of those hackneyed, worn political positions, you do not have a position anymore?

We are for raising the minimum wage. We agree with you. It is time to raise it. Your arguments are now: But it is not packaged correctly.

It is after midnight. I would love to be doing this at 7 p.m. You know the difficulties in moving. We just passed a massive pension bill. We got it done. It is 9 o'clock. You are going to complain that you are going to vote against this because we are doing it after midnight? Is it so offensive to you that you have to stay up a couple of hours and have presented to you a package which is very difficult for you to get your hackneyed, yellowed political speeches around?

Yes, we are Republicans. Are we for increasing the minimum wage? Yes. Do we want to get the extenders done before we go out because it is 7 months too late? Yes. Do we want to help people who want to hang on to a little bit of what they have built over their lifetimes? Yes. And you are going to vote "no" because it is put together in a way that offends you?

□ 0030

I wonder what that person hoping for an increase in the minimum wage thinks when they are told, I wanted to help you, but I was offended in the way in which the opportunity to help you was presented to me.

Who is kidding who?

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. CARDIN), an outstanding member of the Ways and Means Committee.

Mr. CARDIN. Mr. Speaker, let me thank my friend for yielding.

Let me speak for an interest group that has not been heard tonight, and that is our children and grandchildren, because they are going to be asked to pick up the tab of this legislation.

Yes, Mr. Speaker, I am for raising the minimum wage. It is a fair thing to do, and it is in the economic interests of this country. But the price to vote "yes" is just too high, $267 billion of additional debt on the estate tax changes.

And where are we going to get the money to pay for that? I hear from my friends that we have to be fiscally conservative, and I agree with that on every dollar of new spending. But tonight it is okay for $267 billion of additional debt. And where is that money going to come from? We borrow it. We borrow it from foreign governments that own banks. And it jeopardizes trade exchange with the United States. It costs us jobs.

It is in our national interest to balance our budget, we all understand that; and tonight, by passing this bill, we are moving in the wrong direction.

Mr. THOMAS. Mr. Speaker, I reserve my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from North Dakota (Mr. POMEROY), an outstanding member of our committee.

Mr. POMEROY. Mr. Speaker, we know what extortion is. You know those old movies? "Give me all the money or the kid gets it." Well, this is legislative extortion. You want a minimum-wage increase? Give the multimillionaire families a tax break. No tax break for multimillionaires, no minimum-wage increase.

So who gets this tax break? Well, as you can see, the bulk of it goes to estates worth more than $20 million. How much do these estates get? As you see, they get $5.8 million on average.

So that is the deal they offer us: Oh, we will give you an increase in that $5.15 per hour minimum wage, just as long as you give $5.8 million to those $20 million estates.

What do they think, we are crazy? That is no deal. That is legislative extortion, and it needs to be rejected with a "no" vote tonight.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH), a member of the Ways and Means Committee.

Mr. HAYWORTH. Mr. Speaker, it is interesting to hear the level of Orwellian "newspeak" emanating from our friends on the left. We are now told that a reasonable, rational compromise that includes many commonsense ideas is somehow legislative extortion. We hear that a compromise that provides an increase in the minimum wage is paired with other policy initiatives that somehow make it a poison pill.

Isn't it interesting the lexicon offered by the left? If it is a compromise forged by conservatives that somehow actually, ironically delivers on an issue for which my friends on the left believe they have ownership, why, that is a poison pill.

Oh, and conveniently omitted when we hear the bold relief, including the impugning of our motives for moving forward on this, conveniently omitted, are the policy initiatives championed in bipartisan fashion: the work opportunity tax credit, the earned income tax credit, those extenders that are part of this that actually help those working to get ahead.

It is a very interesting occurrence we see here tonight. "Curiouser and curiouser," said Alice. It is not Wonderland, and this legislation may not be perfect, but it is not the glum, dour air of apocalyptic fate that the left would portray it as. It is a positive move, raising the minimum wage, extending tax relief, and revising tax policy.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. Mr. Speaker, the American people deserve an up-or-down vote on the minimum wage and not have it tied to a poison pill that is designed to kill that increase. That is not what we are getting tonight.

Mr. Speaker, I am outraged that men and women across this country go to work, working 40 hours a week, often more, and can't even make ends meet.

The minimum wage hasn't been increased since 1997. Workers in Rhode Island, for example, have to earn approximately three times the minimum wage just to afford a basic two-bedroom apartment.

A majority in this House supports an increase in the minimum wage, but the Republican leadership only wants to help a privileged few. To put this in perspective, thousands of families in Rhode Island and millions of families across America would benefit from a minimum wage increase, while the Republican tax plan would help a handful of the wealthiest. This costly political stunt will add billions of dollars per year to our national debt and demonstrates the Republicans' misguided priorities.

It is time for a new direction. I urge my colleagues to join me in opposing this sham bill and supporting a stand-alone vote to increase the minimum wage to $7.25 an hour. It is the right thing to do for the American people.

Mr. THOMAS. Mr. Speaker, I reserve my time.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. I thank the ranking member very much.

This is indeed a ploy of the highest nature. There is nobody in this House that is more concerned about raising the minimum wage than Democrats. Seven times we have tried to raise the minimum wage.

If this is such an important effort to raise the minimum wage, we ought to ask the question, why is every group that represents working people calling and asking to vote down this sham?

You know, Mr. Speaker, William Shakespeare wrote an excellent play. He called it "Julius Caesar." In that play, just when Brutus and Cassius and all were digging in the swords, Julius Caesar grabbed Brutus and said, "Et tu, Brutus. Yours is the meanest cut of all."

Mr. Speaker, I am telling you what the meanest cut of all in this bill is. They say we don't read the bills. But the American people need to know what this bill says. It says the Tax Relief Act of 2006 excludes all of the tipped employees' tips from being considered as wages in determining if such tipped employees have been paid the applicable minimum wage rate.

This is the meanest cut of all in this bill. If it is right to give the minimum wage for one person, isn't it right to give it for everybody? There is nobody that deserves the minimum wage more than those people who are at the bottom of the ladder; and none are at the bottom of the ladder more than those people who have to make it on tips. This bill will not only not raise the minimum wage of those who make it on tips, 2.5 million Americans, their minimum wage will go down under this bill. Indeed, the meanest cut of all.

We must vote down this bill and put forward a genuine bill that will truly raise the minimum wage for everybody.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Louisiana (Mr. McCRERY), the chairman of the Social Security Subcommittee.

Mr. McCRERY. Mr. Speaker, I thank the chairman of the Ways and Means Committee for yielding.

I just want to say to the point that some are making about States that have no tip credit law and have a higher minimum wage, if in fact a State wishes to continue to have a higher minimum wage, all they have to do in response to passage of this bill is to pass any kind of tip credit. It can be a minimal tip credit, and then they can fully restore the minimum wage that that State wishes its employees to have. So it is not that complicated. It is not that difficult as some Members have suggested.

Mr. INSLEE. Mr. Speaker, will the gentleman yield?

Mr. McCRERY. I yield to the gentleman from Washington.

Mr. INSLEE. Mr. Speaker, what we want to point out and we want to make sure, because I think I have confirmed this with the Republican staff, the way this works, if this bill passes, in the State of Washington the minimum wage goes down the next day $1.78 an hour.

The gentleman is correct. If the State legislature got together and essentially overrode the Republicans in Congress, they might be able to get it back up where it was. But you know what? You Republicans in the State legislature, I say "you," Republican-controlled legislators, I will give you a clue: it is not going to happen. That is why we object to cutting the minimum wage in any State by any Congress of any party.

Unfortunately, that is what you are doing. You can confirm it with counsel. That is why we think it is an abomination.

Mr. McCRERY. Mr. Speaker, reclaiming my time, it is a legitimate issue the gentleman brought up, but I would hope he would agree that freely elected representatives in his State, or any other State, whether Republican or Democrat, should in fact be able to express the will of the people who elect them, whether they are Republicans or Democrats; and if in his State they want to, whoever they are, Republicans or Democrats, want to go back to the minimum wage they had prior to the passage of this bill, they may. This bill in no way prohibits that.

So the gentleman's complaint about this bill could easily be taken care of, the same way his State originally enhanced the minimum wage in Washington. That is the only point I wanted to make.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. LEVIN), an outstanding member of the Ways and Means Committee.

Mr. LEVIN. Mr. Speaker, I spoke earlier and I wasn't going to speak again so others could, but listening to the Republicans here, I felt compelled to come over.

In all my years here, this is the height of hypocrisy. You have sat here year after year failing to raise the minimum wage, refusing to come here and sign a discharge petition, doing nothing. And now, because you are worried you are going to lose an election, you are here. And you tie it to a proposal that will give the very, very wealthy many more times than would be benefiting the workers with a rise in the minimum wage.

If you really cared, you would have acted long ago. This isn't on your part even an election-year conversion. It is an election-year trick. It won't work.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it sounds to me like somebody is saying on this issue, I have a hostage, and if you try to force me to vote for minimum wage, I am going to kill the hostage.

There is a minimum-wage increase in this legislation. The argument that somehow, and I will say it again, somehow the fact that we didn't act earlier is a sufficient rationale for you to not vote for it now, to say that we have other items in this bill and we are hiding the minimum wage with other attractive packages to Republicans, I will repeat to you, is a way we might actually be able to get it through the other body, since the other body would not allow a clean minimum wage to pass through it. And they have exhibited that a number of times.

I know it is difficult for you, and I know it is going to take a period of time in terms of understanding that when we say this is a bill that contains extenders, that this is a bill that contains a reasonable and appropriate adjustment on estate taxes. The reason I say that is this is almost identical to the bill that got 43 Democrat votes just a few weeks ago.

And when I say there is an increase in the minimum wage in this bill, I have heard all kinds of tortured arguments about package and process, but I can't understand for the life of me, if we are such hypocrites, and this is a sham, why you don't take us up on it and show how wrong we are by voting for a minimum-wage provision and then see what we do with it.

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What we are going to do with this is try to make law. This will pass this House. Join me. Let's go over to the Senate and do everything we can together to get the Senate to pass it.

Or is it that if it actually happened and the President signed it, and we had an increase in the minimum wage, you would have to draw one more line through those easy arguments that are now outdated about the difference between Republicans and Democrats, because it is hard enough to believe that Democrats no longer have a monopoly on improving Medicare with quality measures and putting prescription drugs in.

But don't Republicans have any shame? Coming to the floor trying to raise the minimum wage, what are we going to do? Well, the first thing you have to say is, okay, guys, we can't vote "yes". Why? Test us. Let's make law. It has been 10 years. Let's raise the minimum wage. I understand that we are also going to save the extenders.

I understand we are going to put in a reasonable estate tax change. But what I am asking you to do, rather than to wring your hands and figure out how you are going to explain you didn't want to vote for the increase in the minimum wage because of the way it was packaged is to test us. I want a test. Let's pass this. Let's go over to the Senate. Let's try to make law.

Mr. KENNEDY of Rhode Island. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Speaker, the gentleman has mentioned prescription drugs a number of times. I think it is analogous to this debate, because that was a debate that took place late at night, and you used the elderly and their need of prescription drugs to pass a trillion-dollar bill that benefited the pharmaceutical companies and the insurance companies in this country.

The people of the United States know that, and they are going to see it again tonight. You are using people in order to pass your agenda for the very wealthy in this country and it is wrong.

Mr. THOMAS. Mr. Speaker, reclaiming my time, millions of Americans are thankful they now have prescription drugs at significant savings. I know it is difficult because another line went through one of your typical political arguments. Test us. See if we are just kidding. See if this is a sham.

What I am inviting you to do is make law. I know it is a brave new world. But let's try it. Let's see if we can make law together. Your arguments have been so turned that you are explaining you are against raising the minimum wage because of the way it is being presented to you. It deserves to be clean. Okay. It's not.

I am offended that I would have to vote this way. By the way, you are still at $5.15. Test us. Let's make law.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am glad that the chairman has taken his mask off and brought his sense of honesty to this debate. Yes. Test you. What you are basically saying is that if you want to give some help to these people that have such low wages, we then have to buy, in the same bill, the $800 billion relief that you are giving to 7,500 people. I understand what you are doing.

Why don't you call it the Estate Tax Relief Bill, which is sweetening up, you know, by just giving some of them minimum wage. And you say, if you don't like the rich people, if you don't want to get close to $1 trillion away, then of course vote against the minimum wage.

It is so unfair to call this a package. It is a package for the rich, that just as an afterthought, you throw in minimum wage. But, fortunately, the chairman has said what he is doing. Either you buy it as I put it or forget about it. I think that is so unfair to the working poor people in this country.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ROTHMAN).

Mr. ROTHMAN. Mr. Speaker, tomorrow's headlines are going to read "hostage taken". And you know what they are going to mean? The increase in the minimum wage was taken hostage by the Republican majority. They have taken the increase in the minimum wage hostage unless we give the super-rich $100 billion.

To give the working poor a $2.10 increase an hour, they have held us hostage unless we give them $800 billion. Now, they have had 9 years in the majority in the House to have a clean increase in the minimum wage. They never did it. They would not let us do it, because they were in the majority.

They still will not do it. Only if we give the super-rich $800 billion. And American people are not stupid. They do not want a bad deal. They do not want a bad law. They do not want to give into hostage demands. They do not want to give in to extortion. They want an increase in the minimum wage, not another $800 billion gift to the super-rich because the Republican majority does not want to give it in any other way.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I really would like to travel with some of you folks to restaurants and hotels and watch you go back and find someone who is getting the minimum wage and make that pitch to them. Because what they are going to say is, gee, you are right, I am glad you voted against increasing the minimum wage so I could get a few more bucks.

I understand doing it here on the floor. I understand doing it in those expensive fund-raisers that you hold. I have a really difficult time seeing someone who says, would you just give me an increase in the minimum wage buying that argument.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 15 seconds to the gentleman from New Jersey (Mr. ROTHMAN) to respond to the distinguished gentleman.

Mr. ROTHMAN. Mr. Speaker, the distinguished chairman dares me to go back and tell my people. I am going to say, the Republicans will not give you the minimum wage increase unless we give $800 billion to the super-rich.

They will say, don't do it, STEVE. We will throw the Republicans out in November and get an increase in the minimum wage without them.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I would love to make law with the distinguished chairman, Mr. RANGEL, but it sure is tough. We have been 50 years in the desert, 50 years on an increase relevant to minimum wage. It is the lowest in 50 years.

Rather than take the 250 Members of this body who are willing to have an up and down vote, and my good friend who is the chairman, and I do believe he is a good friend, knows that the Senate is not, the other body is not going to take this bill the way it is. This is a joke.

Ten million people are going to be denied the minimum wage with this bill. This is a joke. No one is going to take this on the other side. So we do this in the midnight hour. We have a headline. We go home to campaign. You will. We will go home and tell the truth.

Give us an up and down vote on a $7.25 minimum wage up or down vote. The joke is on you. This is an untruth and it makes no sense to put people who have been in the desert without getting any money for this joke, because you know your Senate Republicans are not taking this joke.

Mr. Speaker, it is time to vote up or down. Give us the 250 Members who will vote on a minimum wage. Vote for it now and throw this bill out the window.

Mr. Speaker, I rise in opposition to H.R. 5970, the Permanent Estate Tax, Minimum Wage, and Extenders Bill. But I would be remiss if I did not point out that it is clear that Republicans are playing politics with a pay raise for millions of American workers. We have had enough politics. It is time for a new direction.

Mr. Speaker, the Republican leadership is ignoring the American people, holding a pay raise for American workers hostage for partisan purposes. H.R. 5970 contains "poison pills" that will prevent the minimum wage increase from becoming law, most importantly a costly tax cut for multi-millionaires.

Mr. Speaker, H.R. 5970 is just a cynical, political ploy to defeat a minimum wage increase. It is a cruel hoax on the 6.6 million people who would get a raise with a minimum wage increase and would give a huge tax break to only 7,500 of the richest households in America.

The cynicism behind this ridiculous bill is as obvious as the Republicans devotion to giving away tax breaks to the wealthy and a hard time to the middle and working class. The aim of the H.R. 5970 is to make it look like Republicans support a minimum wage increase, while ensuring its demise in the Senate by attaching "poison pills."

Republicans' poison pill will cost nearly $753 billion when fully in effect, and impact less than 1 percent of all Americans, and Republicans are using that to derail an increase in the minimum wage for 6.6 million Americans.

Mr. Speaker, the only way to ensure that a minimum wage increase becomes law is to allow a straight up-or-down vote on H.R. 2429, the Fair Minimum Wage Act, which provides an increase to $7.25 an hour.

Mr. Speaker, Democrats have a New Direction for America, which raises the minimum wage and brings economic opportunity and security to all Americans, not just the privileged few.

OPPOSE ESTATE TAX REPEAL

Mr. Speaker, I have voted for estate tax relief before but I oppose this bill because it is irresponsible to cut taxes for the wealthy when the Nation is at war and the national debt is over $8 trillion. Indeed, Mr. Speaker, I think it is unconscionable to be considering voting another tax cut to the wealthiest 0.3 percent of Americans.

The Joint Committee on Taxation estimates that this estate tax proposal will cost the Federal Government $602 billion, plus an extra $160 billion when interest is accounted for. Only 0.5 percent of the richest families in America currently pay estate taxes. Moreover, under current law in 2009, only 3 out of every 1,000 estates will pay a penny in estate taxes—all couples with estates up to $7 million—99.7 percent—will pass on their entire estates tax-free. Any compromise proposal which deviates from 2009 current law—such as the bill before us—is therefore crafted entirely to benefit this tiny sliver of the richest estates. Particularly since I have voted for a fair estate tax initiative but this bill is not it.

According to recent polling data, nearly 60 percent of voters hold the initial, unaided view that estate tax should be left as is or reformed, and only 23 percent support repeal. When asked about the estate tax in the context of other budget priorities, voters rank repealing the estate tax as the last priority, and 55 percent of voters oppose repeal.

This so-called compromise, nearly as regressive and costly as a full repeal, is no compromise at all. Passing even this compromise legislation would constitute one of the most regressive tax cuts in the history of the United States. Middle- and lower-class Americans will be forced to shoulder the burden of radically decreasing the estate tax—both monetarily and through decreased public programs. In order to cover the monetary gap, the government will plunge further into debt, which will limit its ability to address the Social Security solvency gap and reduce the money available for public programs. It will also have to tap other tax sources, like payroll taxes, which will overwhelmingly hinder lower-income families.

I urge my colleagues to uphold the core American values of fairness and belief in meritocracy by rejecting this tax cut.

INCREASE MINIMUM WAGE

If we really wish to help the most deserving American families, we should raise the minimum wage from $5.15 to $7.25 over 3 years. Mr. Speaker, did you know that today's minimum wage of $5.15 today is the equivalent of only $4.23 in 1995, which is even lower than the $4.25 minimum wage level before the 1996–97 increase? It is scandalous, Mr. Speaker, that a person can work full-time, 40 hours per week, for 52 weeks, earning the minimum wage would gross just $10,700, which is well below the poverty line.

A minimum wage increase would raise the wages of millions of workers. An estimated 7.3 million workers—5.8 percent of the workforce—would receive an increase in their hourly wage rate if the minimum wage were raised from $5.15 to $7.25 by June 2007. Due to "spillover effects," the 8.2 million workers—6.5 percent of the workforce—earning up to a dollar above the minimum would also be likely to benefit from an increase.

Raising the minimum wage will benefit working families. The earnings of minimum wage workers are crucial to their families' well-being. Evidence from the 1996–97 minimum wage increase shows that the average minimum wage worker brings home more than half—54 percent—of his or her family's weekly earnings. An estimated 760,000 single mothers with children under 18 would benefit from a minimum wage increase to $7.25 by June 2007. Single mothers would benefit disproportionately from an increase—single mothers are 10.4 percent of workers affected by an increase, but they make up only 5.3 percent of the overall workforce. Approximately 1.8 million parents with children under 18 would benefit.

Contrary to popular myths and urban legends, adults make up the largest share of workers who would benefit from a minimum wage increase. Seventy-two percent of workers whose wages would be raised by a minimum wage increase to $7.25 by June 2007 are adults—age 20 or older. Close to half—43.9 percent—of workers who would benefit from a minimum wage increase work full time and another third—34.5 percent—work between 20 and 34 hours per week.

Minimum wage increases benefit disadvantaged workers, and women are the largest group of beneficiaries from a minimum wage increase. 60.6 percent of workers who would benefit from an increase to $7.25 by 2007 are women. An estimated 7.3 percent of working women would benefit directly from that increase in the minimum wage.

A disproportionate share of minorities would benefit from a minimum wage increase. African-Americans represent 11.1 percent of the total workforce, but are 15.3 percent of workers affected by an increase. Similarly, 13.4 percent of the total workforce is Hispanic, but Hispanics are 19.7 percent of workers affected by an increase.

The benefits of the increase disproportionately help those working households at the bottom of the income scale. Although households in the bottom 20 percent received only 5.1 percent of national income, 38.1 percent of the benefits of a minimum wage increase to $7.25 would go to these workers. The majority of the benefits—58.5 percent—of an increase would go to families with working, prime-aged adults in the bottom 40 percent of the income distribution.

Among families with children and a low-wage worker affected by a minimum wage increase to $7.25, the affected worker contributes, on average, half of the family's earnings. Thirty-six percent of such workers actually contribute 100 percent of their family's earnings.

A minimum wage increase would help reverse the trend of declining real wages for low-wage workers. Between 1979 and 1989, the minimum wage lost 31 percent of its real value. By contrast, between 1989 and 1997—the year of the most recent increase—the minimum wage was raised four times and recovered about one-third of the value it lost in the 1980s.

Income inequality has been increasing, in part, because of the declining real value of the minimum wage. Today, the minimum wage is 33 percent of the average hourly wage of American workers, the lowest level since 1949. A minimum wage increase is part of a broad strategy to end poverty. As welfare reform forces more poor families to rely on their earnings from low-paying jobs, a minimum wage increase is likely to have a greater impact on reducing poverty.

Mr. Speaker, the opponents of the minimum wage often claim that increasing the wage will cost jobs and harm the economy. Of course, Mr. Speaker, there is no credible evidence to support such claims. In fact, a 1998 EPI study failed to find any systematic, significant job loss associated with the 1996–97 minimum wage increase. The truth is that following the most recent increase in the minimum wage in 1996–97, the low-wage labor market performed better than it had in decades. And after the minimum wage was increased, the country went on to enjoy the most sustained period of economic prosperity in history. We had historic low levels of unemployment rates, increased average hourly wages, increased family income, and decreased poverty rates. Studies have shown that the best performing small businesses are located in States with the highest minimum wages. Between 1998 and 2004, the job growth for small businesses in States with a minimum wage higher than the Federal level was 6.2 percent compared to a 4.1 percent growth in States where the Federal level prevailed.

So much for the discredited notion that raising the minimum wage harms the economy. It does not. But it increases the purchasing power of those who most need the money, which is far more than can be said of the Republicans' devotion to cutting taxes for multimillionaires.

CONCLUSION

Mr. Speaker, Americans overwhelmingly side with progressive principles of rewarding hard work with a liveable wage. In a recent poll conducted by the Pew Research Center, 86 percent of Americans favored raising the minimum wage. In the 2004 election, voters in Florida and Nevada, two States won by President Bush, overwhelmingly approved ballot measures to raise the minimum wage. Even in Nevada's richest county, Douglas, where Bush received 63.5 percent of the vote, 61.5 percent of voters supported raising the minimum wage.

Forty-three percent of Americans consider raising the minimum wage to be a top priority. In contrast, only 34 percent considered making the recent Federal income tax cuts permanent and only 27 percent consider the passage of a constitutional amendment to ban same-sex marriage as top priorities.

Members of Congress have legislated a minimum salary for themselves and have seen fit to raise it eight times since they last raised the minimum wage. It is time we gave the Americans we represent a long overdue pay raise by increasing the minimum wage to $7.25 over 3 years. Even this amount does not keep pace with the cost of living. The minimum wage would have to be increased to $9.05 to equal the purchasing power it had in 1968. And if the minimum wage had increased at the same rate as the salary increase corporate CEOs have received, it would now be $23.03/hour.

Thank you, Mr. Speaker. It is time for a new direction. I urge my colleagues to reject H.R. 5970.

Finally, I have supported and do support the sales tax relief for Texas; however, the Republican majority knows that their bill is going nowhere and will not be heard by the Senate. We need an up or down vote on the minimum wage and an independent vote on sales tax relief on Federal income taxes for Texas—I would vote "yea" on both those two bills—which would not be a budget buster and deficit builder. The Republicans are simply playing games.

Mr. RANGEL. Mr. Speaker, I yield myself the balance of our time.

Mr. Speaker, I want to thank the Republicans for their honesty in expressing their concern at this late hour for the minimum wage bill. At least we know on the record, they know what the situation is, they know how long it has been since these people have not been able to increase the minimum wage.

It would just seem to me, though, that honesty would dictate that this subject alone, the millions of people that are affected, would warrant that we not put it in any other kind of package, but we deal with it by itself because it deserves to be dealt with by itself.

Mr. Speaker, I do not think that you have to really be a politician to understand that when any bill is going to cost $800 billion, and it only has 7,500 people as a beneficiary, I think you can call that controversial. I think you can say that all of the editorials believe it is unfair. People are talking about a Nation at war, a Nation that has a deficit, a Nation that has Katrina, a Nation that does not fund its health system.

They are concerned about the deficit, they are concerned about the war, and they should be concerned about close to a trillion dollars loss in revenue for people that have these large estates.

Now, for those who believe that they should get relief. Good. But why mix the two? Why take the poor folks and hold them hostage because you cannot get enough political support to get what you really want out of this, not help, I mean you are just not known to be concerned about coal miners. It is not my fault.

You are not known to have compassion about working people. It is not my fault. You are known to be concerned about the wealthiest people in our Nation. That is not your fault, you just cannot help yourself.

But why would you bring these things together and just give us one vote? Why do you not give America an opportunity to determine which side you are on? Are you with the minimum wage enough so that you give them a vote to say this is what you believe in, or are you so scared to death politically that you cannot get this 800-trillion-dollar gorilla off the ground that you have to throw in something that sounds compassionate?

I do not know, but I know one thing, it all does not come out of the same committee. So you are not only mixing ideas in terms of tax incentives and giving away money, but what you are doing is taking committees with different jurisdictions, and bringing it together in the middle of the night, and asking people to vote on these things.

Mr. Speaker, I do not think it is fair. But I do believe that the American people will be able to determine the difference between our parties. That is what makes our country great. I want to thank you for being able to admit that you just cannot get your package off the ground unless you throw in poor folks' help with it.

Mr. THOMAS. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, perhaps you did not hear the gentleman from New York's closing statement, that we are just going to have to throw the poor folks out with it. Let me get this straight. We want to vote "aye". That would produce a higher minimum wage. We want to vote "aye". That will provide those low-income people, especially in States like Texas, with a State and local sales tax deduction.

We want to vote "aye", so the work opportunity tax credit can continue. We want to vote "aye" so the welfare-to-work program will continue. But you are for those low-income folk. So you want to vote "no", which would deny the minimum wage, which would deny the State and local sales tax, which would deny the work opportunity tax credit, which would deny the welfare-to-work, and you are going to convince these folk that what you are doing is protecting them.

Well, let me tell you, if I had a gerrymandered district like some of you folks do, I guess I could get away with it. I do not. When you look at this vote tonight, no matter how much you squirm, no matter how much you squeal, no matter how much you protest, it is very simple.

An "aye" vote increases the minimum wage. An "aye" vote allows State and local sales tax to be deducted. An "aye" vote allows the work opportunity tax credit to continue. An "aye" vote allows the welfare-to-work program to continue.

No matter how much you are offended, if you vote "no", none of those will happen. Mr. Speaker, I have said it already, I will say it again to The gentleman from New York, this is an opportunity. This is a positive gesture on my part. Join me in making sure that those low-income people you are so compassionate about but cannot support will come with me and I will support them so that your compassion and my support, in terms of a "yes" vote, will actually deliver them something other than rhetoric.

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So I would love to have you vote "yes" so we are both supporting them. But you go ahead, bring your compassion. I will bring the "yes" vote along with the majority of people here bringing a "yes" vote, and we will pass it.

Mr. PENCE. Mr. Speaker, I come to this floor wishing for a different choice than the one before me. The bill under debate provides permanent estate and gift tax relief—something I have long supported. That is why the choice before us tonight is so difficult. While this bill will provide relief to American farmers and small business owners, it also will do much harm to those very same people and the people they employ because of the irresponsible 41% increase in the minimum wage that it also contains. This increase in the minimum wage is excessive and will hurt the poor and those entering the workforce by reducing the number of entry level positions in our economy.

Minimum wage increases raise unemployment among teenagers, minorities and part-time workers. The minimum wage violates fundamental free market economics. It costs jobs, and I cannot support policies that will take jobs from those who need a paycheck the most.

Any proposal containing a minimum wage increase should be jobs-neutral. If the federal government increases costs for businesses with one hand, it is only right that it reduce costs for businesses with the other. And while this legislation does contain good tax extensions, in totality, it is not jobs-neutral. This increase in the minimum wage will cost American jobs, and I cannot support it.

Additionally, this bill contains unrelated elements added during the eleventh hour. A budget-busting provision is included that converts the Abandoned Mine Land program from discretionary to mandatory spending. The result is an increase in the deficit of $3.9 billion over the next 10 years.

Mr. Speaker, I would like to stand before you tonight and say that I could support this bill because more than anyone, I want permanent death tax relief. But, I cannot in good conscience vote for a bill that also contains an excessive minimum wage increase that will hurt small businesses and cost American jobs. And, I cannot vote for a bill that busts the budget by nearly $4 billion over 10 years. Regretfully, Mr. Speaker, for those reasons I stand tonight in opposition to this bill.

Mr. BLUMENAUER. Mr. Speaker, after having their wages frozen since 1997, it is time to give a long overdue raise to millions of Americans who work hard but are paid only $5.15 per hour.

The Federal minimum wage is the lowest it has been, adjusted for inflation, in more than 50 years. Nine years have passed since the last increase and yet education, energy and healthcare costs have skyrocketed. No one can house, feed, and educate a household by earning the current Federal minimum wage.

Luckily in Oregon, voters passed a statewide initiative in 2002 which raises our own minimum wage that provides an automatic inflation adjustment. With the increase, we have seen significant benefits for our workforce without any ill effects for our economy. Instead of doomsayer predictions of job losses, Oregon has experienced the 8th fastest job growth amongst states since the legislation was enacted.

After months of stalling, the Republican leadership was finally forced to allow a vote. Unfortunately it was not a simple vote on minimum wage, but a loaded bill with costly and unnecessary provisions. This bill provides permanent estate tax relief for the wealthy by increasing estate and gift tax exemptions and lowering tax rates.

Even worse, the intent to raise the existing minimum wage is actually decreasing the wages of some workers due to the tip credit provision. This provision provides that tips must be counted towards the minimum wage. In Oregon restaurant workers are paid $7.50 per hour and yet this legislation would reduce their wage to only $5.15 per hour.

The bill is so poorly drafted that one interpretation would potentially double the minimum wage for select workers, while the other would show a decrease in the same jobs.

This bill should be firmly rejected. The minimum wage needs to be increased by crafting a simple and clear solution that protects states with existing legislation. Under no circumstance should the Federal government undercut what Oregon voters have already established.

Mr. SHAYS. Mr. Speaker, the time is past due for a raise in the Federal minimum wage, which as last increased 10 years ago. Today, workers making the least should be heartened that this legislation will raise their wages 41 percent to $7.25 per hour over the next 3 years.

Some argue that raising the minimum wage increases unemployment and prices. This is true only if the minimum wage is set too high or phased in too quickly. If done properly, there should be little to no impact on employment or prices.

I am also pleased we are lowering the estate tax, but adopting a far more rational approach than full repeal.

Under this legislation, small business owners will be able to know their businesses can be left with their families when they pass on because of a significantly reduced tax rate. Wealthy individuals would still pay something, between 15 and 30 percent on their estates, but not the 46 percent in existing law.

Because estate and gift taxes has a harmful impact on small businesses—many of which are forced to liquidate assets simply to pay estate taxes which fluctuates in crazy fashion, from 46 percent this year, to 0 percent in 2010 and way back up to 55 percent 2011—we must intervene and provide relief. This bill will protect families and business while still making sure the very wealthy are paying back something to society.

Mr. PAUL. Mr. Speaker, I appreciate the opportunity to address my concerns with H.R. 5970, a bill to raise the federally mandated minimum wage. Before addressing the substance of this bill, I must address the flaws in the process under which this bill is brought before us. Neither I nor my staff had received any indication the bill before us tonight would be considered by the House until late this afternoon, and the only way a member of the general public could learn about this bill is to look on the Rules Committee website. Therefore, Members of Congress are being asked to vote for a major piece of legislation that was introduced just hours before being voted on the Friday night before Congress adjourns for the month of August.

The practice of rushing bills to the floor before individual Members have had a chance to study the bills is one of the major factors contributing to public distrust of Congress. Mr. Speaker, I have introduced legislation, the Sunlight Rule (H. Res. 709), to prevent situations like the one currently confronting Members. The Sunlight Rule prohibits any piece of legislation, including conference reports, from being brought before the House of Representatives unless it has been available to Members and staff in both print and electronic versions for at least 10 days. H. Res. 709 also requires that conference reports and manager's amendments that make substantive changes to a bill must be available in both printed and electronic forms at least 72 hours before a vote.

The announced purpose of this bill is to raise living standards for all Americans. This is certainly an admirable goal, however, to believe that Congress can raise the standard of living for working Americans by simply forcing employers to pay their employees a higher wage is equivalent to claiming that Congress can repeal gravity by passing a law saying humans shall have the ability to fly.

Economic principles dictate that when government imposes a minimum wage rate above the market wage rate, it creates a surplus "wedge" between the supply of labor and the demand for labor, leading to an increase in unemployment. Employers cannot simply begin paying more to workers whose marginal productivity does not meet or exceed the law-imposed wage. The only course of action available to the employer is to mechanize operations or employ a higher-skilled worker whose output meets or exceeds the "minimum wage." This, of course, has the advantage of giving the skilled worker an additional (and government-enforced) advantage over the unskilled worker. For example, where formerly an employer had the option of hiring three unskilled workers at $5 per hour or one skilled worker at $16 per hour, a minimum wage of $6 suddenly leaves the employer only the choice of the skilled worker at an additional cost of $1 per hour. I would ask my colleagues, if the minimum wage is the means to prosperity, why stop at $6.65—why not $50, $75, or $100 per hour?

Those who are denied employment opportunities as a result of the minimum wage are often young people at the lower end of the income scale who are seeking entry-level employment. Their inability to find an entry-level job will limit their employment prospects for years to come. Thus, raising the minimum wage actually lowers the employment opportunities and standard of living of the very people proponents of the minimum wage claim will benefit from government intervention in the economy!

Furthermore, interfering in the voluntary transactions of employers and employees in the name of making things better for low wage earners violates citizens' rights of association and freedom of contract as if to say to citizens "you are incapable of making employment decisions for yourself in the marketplace."

Mr. Speaker, I do not wish my opposition to this bill to be misconstrued as counseling inaction. Quite the contrary, Congress must enact ambitious program of tax cuts and regulatory reform to remove government-created obstacles to job growth. However, Mr. Speaker, Congress should not fool itself into believing that the package of tax cuts included in this bill will compensate for the damage inflicted on small businesses and their employees by the minimum wage increase. This assumes that Congress is omnipotent and thus can strike a perfect balance between tax cuts and regulations so that no firm, or worker, in the country is adversely affected by Federal policies. If the 20th Century taught us anything it was that any and all attempts to centrally plan an economy, especially one as large and diverse as America's, are doomed to fail.

In conclusion, I would remind my colleagues that while it may make them feel good to raise the Federal minimum wage, the real life consequences of this bill will be vested upon those who can least afford to be deprived of work opportunities. Therefore, rather than pretend that Congress can repeal the economic principles, I urge my colleagues to reject this legislation and instead embrace a program of tax cuts and regulatory reform to strengthen the greatest producer of jobs and prosperity in human history: the free market.

Mr. UDALL of Colorado. Mr. Speaker, this bill is an example of the worst kind of political game playing.

After months and months of short work-weeks and long breaks, now the Republican leadership has brought the House into session late today—and for what?

Certainly not for a simple vote on raising the minimum wage—even though that's long overdue.

No, instead the purpose of this grab-bag of a bill is to provide political cover for people who want to say they voted to raise the minimum wage but don't want their votes to actually produce that result.

That's why the Republican leaders have chained onto the minimum-wage increase the deadweight of an estate-tax revision bill like the one the House passed last month—a bill so badly flawed that it has already reached dead end in the other body. They know that the added weight will mean that even if this bill is launched from the House it will not fly, and will never reach the President's desk.

It's a cynical move. And it's a lost opportunity—because if the estate-tax part of this bill were good enough to give the package a long-shot chance of enactment, the bill would merit support.

But, like the version we passed last month, the estate-tax part of this bill does not have that chance, because it does not represent a true compromise. While benefiting only a very few—the very largest estates—it would irresponsibly reduce federal revenue at a time when the country is at war and the budget is already deeply in deficit. And to make matters worse, it includes unrelated provisions that are even less fiscally responsible, such as a special tax break for timber companies that would reopen a loophole that was closed when President Reagan signed the landmark Tax Reform Act of 1986.

My opposition to this bill does not mean I am opposed to reducing estate taxes. When the House considered the estate-tax bill last month, I supported an alternative that would have raised the amount of an estate excluded from taxes to $6 million per couple and increased this to $7 million by 2009. This not only would have provided relief for small businesses and family farmers, but it would have done so in a much more fiscally responsible way, because it would have reduced revenues by much less than this bill. It also would have simplified estate-tax planning for married couples, who could carry over any unused exemption to the surviving spouse and so assured that the full $7 million would be available.

Furthermore, that alternative would have transferred the revenue from the estate tax to strengthen the Social Security trust fund, a change that, according to the Social Security Actuary, would solve one quarter of the trust fund's shortfall.

If the Republican leadership allowed us to vote on that—even as an added burden on a bill to raise the minimum wage—I would vote for it. But they could not do that, because that kind of true compromise—a reasonable and responsible compromise that would have a good chance of approval in the Senate—would not fit their plan to use the estate tax as a weight to sink the minimum wage increase.

So, once again, I have no responsible choice but to oppose what the Republican leadership has put before us and to vote against this cynical maneuver disguised as a serious legislative proposal.

Mr. KING of Iowa. Mr. Speaker, there is no doubt that most of the provisions contained in H.R. 5970 are good for America. I am in complete agreement with those who argue that no American family should be forced to sell off their loved one's life work in order to pay the federal inheritance tax bill. I have always considered the Death Tax to be a scourge on America, and I will continue working to bring about the day when this destructive tax is permanently repealed. In addition, as one who believes that our federal income tax code should be replaced by a national sales tax, under most circumstances, I would eagerly support the many provisions of this bill that are aimed at reducing the burden of taxation on hard-working Americans. Unfortunately, however, these provisions were brought before us this evening in an attempt to compensate for, and distract attention from, a politically-motivated, economically nonsensical, and utterly unprincipled move to raise the federally-mandated minimum wage.

When we artificially raise wages, we will force small businesses to either hire fewer workers; shrink their labor force; transition to more efficient means of production, like automation; or simply close their doors altogether. The effect that this wage hike will have on the American worker is simple: it will price low-wage workers—the very people it is intended to help—out of the labor market.

Labor is a commodity like corn, beans, gold or oil, and its value should be established by supply and demand in the marketplace—not by congressional mandate. If it makes sense to legislate a minimum wage, it also makes sense to legislate a living wage. And, if it makes sense to legislate a living wage, it makes sense to simply legislate prosperity . Yet, if Congress passed a law that everyone had to make $1,000,000 a year, there would only be a handful of people with a job in this country.

Eliminating the Death Tax on small business owners stands on its own merit. But, adding inheritance tax reforms to a minimum wage mandate that will cripple small businesses is a losing proposition. While I am supportive of the provisions in this bill that will undoubtedly bring much needed relief to the American taxpayer, I would be doing my constituents and the people of this nation a great disservice if I attempted to use these "sweeteners" to force the poison pill of a minimum wage hike down the throats of America's small business owners.

Mr. PASCRELL. Mr. Speaker, I rise tonight appalled by the way Republican leadership has decided to turn against American workers by playing politics, instead of passing a clean minimum wage increase.

It is shameful that millions of Americans are suffering the economic injustice of working a full-time job and earning a wage that leaves them below the poverty line.

It is unconscionable that we stand here tonight debating provisions on the estate tax and the extension of expiring tax provisions. These provisions only serve as a political ploy to kill any increase to the minimum wage.

Working-class Americans have waited too long, close to a decade in fact, for an increase in the minimum wage. This has been the second longest period without a pay raise since the Federal minimum wage law was first enacted in 1938.

Over this last decade while the minimum wage has remained stagnant, the cost of basic necessities such as energy and healthcare have skyrocketed—meaning that the minimum wage is no longer a livable wage.

Today a minimum wage earner has to work a day and a half just to pay for a full tank of gas. That is simply shameful.

As Americans we have always been told that if you have a job, and you work hard, you will have a secure future in our Nation. Yet, millions of Americans who do have jobs and who do work hard everyday have joined the ranks of the "working poor."

In fact, the number of full-time year-round workers who are poor has more than doubled since the late 1970s.

Let there be no doubt, a vote to increase the minimum wage to $7.25/hour is a vote to alleviate poverty in America, and it is a vote to help eliminate the term "working poor" from our reality.

Members of this body should be allowed a straight up-or-down vote on legislation to raise the minimum wage to a true livable wage of $7.25/hour over the next 2 years.

But instead the Republican leadership here in the House of Representatives has chosen to play dirty politics and attach poison pill provisions to this legislation with the implicit expectation of killing a real minimum wage increase.

It is quite simply a slap in the face for working-class Americans.

Ms. MILLENDER-McDONALD. Mr. Speaker, I rise today in strong opposition to the House Republican minimum wage legislation which is not a clean bill. A clean bill would not have poison pills in it.

Mr. Speaker this is a sad day. The American people need our help. From coast to coast, the lowest paid Americans are clamoring for assistance as they struggle to live off of wages not suitable for this decade. It is obvious that an increase in the minimum wage is sadly overdue.

Unfortunately, when the majority finally provides the opportunity to vote on increasing the minimum wage, it comes to us bloated, filled with provisions harmful to the American worker and which ensure that this legislation is never enacted.

While it is unfortunate that the majority leadership has not seen fit to bring legislation to the floor that neither the American people nor most of my colleagues have had a chance to review, it is downright insulting that the legislation on the floor today was written knowing that it will never pass out of the Senate. This bill is dead on arrival in the Senate.

For the last two years, the Democrats have fought to increase the minimum wage. The effect of the last minimum wage increase in

1996–97 has been completely eroded by inflation, which, when factored in, the $5.15 minimum wage today is lower than the $4.25 minimum wage level before the 1996–97 increase. At the same time fuel prices have continued to skyrocket, housing prices are soaring and health care continues to be out of reach for those whose jobs do not provide it for them.

If the Democrat minimum wage initiative would come to the floor, an estimated 14.9 million workers would receive an increase in their hourly wage rate if the Democrat minimum wage were raised. Over half a million of these workers reside in my home State of California. But this Republican bill does not provide the minimum wage increase American workers need. It delays the increase and nullifies wage protections for tipped workers.

Mr. Speaker, in the almost 10 years since the last increase in the minimum wage, the purchasing power of the minimum wage has deteriorated by 20 percent and the value of the minimum wage is at its lowest level since 1955 when adjusted for inflation. This is clearly unacceptable. The American people need us more than ever. I urge my colleagues to only support a clean bill focused solely on the minimum wage and to vote against this Republican legislation in its current form.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker it has been almost 10 years since we've seen an increase in the Federal minimum wage.

Unfortunately, this bill here today is not about helping American workers.

The bill is full of poison pills—tax breaks for the wealthy and hand-outs for special interests.

This is nothing more than a backdoor attempt to put money in the pockets of the wealthiest among us.

We're playing politics and decent hardworking Americans are the ones paying the price.

The reality is that there are millions of workers trying to support their families on $5.15 per hour.

Each day millions of minimum wage workers are forced to choose between food, shelter, health care or clothing.

No American who works hard for a living should have to make those types of choices.

Mr. Speaker, it is time for a new direction that truly reflects our core American values.

These hardworking Americans deserve an up-or-down vote on a clean minimum wage bill.

Mr. UDALL of New Mexico. Mr. Speaker, for nearly a decade, millions of American workers have waited for an increase in the Federal minimum wage, but none has come. They have watched as the purchasing power of their paycheck has crumbled, giving way to inflation. Many are working families, struggling to make ends meet, yet for 9 years Congress has ignored them and refused to pass a clean, simple increase in the minimum wage.

Nearly 44 percent of minimum wage workers work full time, nearly two-thirds of whom are women. Even working full time, they often remain below the poverty line. They are unable to buy their own home, cannot afford health insurance for themselves and their children, and often take a second job just to pay the bills.

Mr. Speaker it is time to increase the Federal minimum wage. I strongly support implementing a 2-year plan that would increase the minimum wage from $5.15 an hour to $7.25 an hour. However, I also strongly support passing such legislation cleanly, without attachments of tax cuts, without attachment of controversial language or convoluted provisions. We must demonstrate that we support those American families, those who are wondering why they are working 50-hour work weeks yet cannot seem to make ends meet.

Ms. BORDALLO. Mr. Speaker, I rise today in strong support of providing American workers a living wage with which to support and improve their families' livelihoods. Those in America who receive the minimum wage for their labors are particularly vulnerable to experiencing greater financial pressures and a lower overall quality of life.

The national minimum wage has not been increased in 9 years and has not kept pace with household expenses. Raising the minimum wage will help lift many families on Guam out of poverty. An increase in the Federal minimum wage is long overdue, as evidenced by the recent actions taken by the Guam Legislature and the Governor to increase the local minimum wage.

Living wages help families ensure that their children receive proper nutrition, quality education, and good health care. These are essential to ensuring that children have happy, productive and healthy childhoods. Living wages earned by American workers also help American families realize important financial goals as well as improving, long-term financial well-being. Eliminating high-interest debt, achieving home ownership, and investing now for a child's future higher education costs and a parents' retirement, for instance, are goals more easily realized by workers who earn a living wage.

Americans have proven to be productive, innovative, and resourceful workers. Their wages should reflect this reality. A worker's wage represents his or her worth to an employer. But it also represents much more. Wages and salaries are the foundations upon which families are begun. Living wages and salaries provide the financial security under which those families can grow. A worker's wage or salary helps ensure his or her financial future. Receiving a living wage is well deserved by American workers.

Mr. SCHIFF. Mr. Speaker, I rise today to express my disappointment that once again the Members of this House appear poised to let another opportunity pass us by that would have a meaningful impact in the lives of millions of American families. Today, we are voting on a bill that has been rushed to this House floor and purports to raise the Federal minimum wage. In reality, however, the bill before us seeks to muddy the waters about whether America's lowest paid workers deserve to make a living wage.

In stark contrast to the bill before us today, Mr. MILLER, the ranking member of the House Committee on Education and the Workforce, has introduced very simple legislation that would increase the Federal minimum wage to $7.25 per hour over the course of the next 2 years. This bill was introduced in May of 2005 and has yet to receive a hearing.

The hastily drafted bill before us today, however, was only introduced earlier this afternoon, and the House leadership has brought it to the floor for a vote.

This legislation adds unrelated and controversial provisions, that I'm sure some hope will end the debate and ensure that a meaningful increase in our minimum wage never takes place. We should instead, be voting today on a straightforward bill that simply raises the Federal minimum wage to a level that ensures that working families can emerge from the grasp of poverty.

Before the House adjourns for the August recess, I believe we owe the American people a simple up-or-down vote on whether or not working Americans deserve a decent living wage.

The current minimum wage of $5.15 per hour is not a living wage. It is not a wage on which single individuals, working full time, can adequately support themselves, and it is most certainly not a wage on which a single mother or single father can raise a family.

Millions of hard-working Americans would directly benefit from a minimum wage increase. Some would argue that this would only benefit high school students and young adults who are being paid minimum wages on their first job at a fast food restaurant. In fact, more than 84 percent of workers who would directly benefit from a minimum wage increase are above the age of 20. In addition, nearly 60 percent of those individuals work full time, and 45 percent of them are married and/or have children.

They are the victims of our inaction, Mr. Speaker. In many cases, it is our children who will suffer. I am ashamed that nearly 36 million Americans live in poverty in our country, and that nearly 13 million of those who live below the poverty line are children. With a very simple vote today—on a very simple piece of legislation—we could dramatically increase the physical, mental, and financial wellbeing of countless American children. No one who works for a living should have to live in poverty, and the children of these working families must not be made to suffer for our collective lack of moral conviction.

I call on my friends on the other side of the aisle, and I ask them to partner with us to pass a meaningful increase in the Federal minimum wage. We must pass legislation that does not contain controversial provisions that divide us. Instead, we should speak with one voice, as one Congress, and tell working Americans that we value their work, that we understand their sacrifices, and that they deserve to make a living wage.

Ms. LEE. Mr. Speaker, tonight we should have had an opportunity to help lift 6.6 million Americans out of poverty by passing the first minimum wage increase in nearly a decade.

As it is, it's an absolute disgrace that the minimum wage has been stagnant at $5.15 since 1997.

Republican inaction has led to the fact that the minimum wage is at its lowest level in 50 years. In fact, if the minimum wage had just kept up with inflation since 1968, it would have been $8.88 in 2005. That is still, quite frankly, a pittance for what people need to live.

But this increase is in jeopardy by a cynical, political ploy on the part of the House Republican leadership.

Mr. Speaker, this sham minimum wage legislation contains "poison pills." Namely, the incorporation of the estate tax cut and further tax cut extensions into the minimum wage bill.

Even worse, under this sham Republican legislation 1.8 million workers will have to wait until June 2009 before the minimum wage reaches $7.25.

Once again, the Republican majority is proving how much contempt they have for the working families of America.

Mr. Speaker, Congress should be voting on a clean minimum wage bill that will provide a meaningful increase to working Americans. It's only fair.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 966, the bill is considered read and the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

Mr. GEORGE MILLER of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GEORGE MILLER of California. I am in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. George Miller of California moves to recommit the bill, H.R. 5970 to the Committee on Education and the Workforce with instructions to report the bill back to the House forthwith with the following amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Fair Minimum Wage and Extension of Tax Relief Act".

(b) TABLE OF CONTENTS.—The table of contents for ths Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—INCREASE IN THE MINIMUM WAGE

Sec. 101. Increase in the minimum wage.
Sec. 102. Applicability of minimum wage to the Commonwealth of the Northern Mariana Islands.

TITLE II—EXTENSION AND EXPANSION OF CERTAIN TAX RELIEF PROVISIONS

Subtitle A—Extension and Modification of Certain Provisions

Sec. 201. Deduction for qualified tuition and related expenses.
Sec. 202. Extension and modification of new markets tax credit.
Sec. 203. Election to deduct State and local general sales taxes.
Sec. 204. Extension and modification of research credit.
Sec. 205. Work opportunity tax credit and welfare-to-work credit.
Sec. 206. Election to include combat pay as earned income for purposes of earned income credit.
Sec. 207. Extension and modification of qualified zone academy bonds.
Sec. 208. Above-the-line deduction for certain expenses of elementary and secondary school teachers.
Sec. 209. Extension and expansion of expensing of brownfields remediation costs.
Sec. 210. Tax incentives for investment in the District of Columbia.
Sec. 211. Indian employment tax credit.
Sec. 212. Accelerated depreciation for business property on Indian reservations.
Sec. 213. Fifteen-year straight-line cost recovery for qualified leasehold improvements and qualified restaurant property.
Sec. 214. Cover over of tax on distilled spirits.
Sec. 215. Parity in application of certain limits to mental health benefits.
Sec. 216. Corporate donations of scientific property used for research and of computer technology and equipment.
Sec. 217. Availability of medical savings accounts.
Sec. 218. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 219. American Samoa economic development credit.
Sec. 220. Restructuring of New York Liberty Zone tax credits.
Sec. 221. Extension of bonus depreciation for certain qualified Gulf Opportunity Zone property.
Sec. 222. Authority for undercover operations.
Sec. 223. Disclosures of certain tax return information.

Subtitle B—Other Provisions

Sec. 231. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
Sec. 232. Credit for prior year minimum tax liability made refundable after period of years.
Sec. 233. Returns required in connection with certain options.
Sec. 234. Partial expensing for advanced mine safety equipment.
Sec. 235. Mine rescue team training tax credit.
Sec. 236. Whistleblower reforms.
Sec. 237. Frivolous tax submissions.
Sec. 238. Addition of meningococcal and human papillomavirus vaccines to list of taxable vaccines.
Sec. 239. Clarification of taxation of certain settlement funds made permanent.
Sec. 240. Modification of active business definition under section 355 made permanent.
Sec. 241. Revision of State veterans limit made permanent.
Sec. 242. Capital gains treatment for certain self-created musical works made permanent.
Sec. 243. Reduction in minimum vessel tonnage which qualifies for tonnage tax made permanent.
Sec. 244. Modification of special arbitrage rule for certain funds made permanent.
Sec. 245. Great Lakes domestic shipping to not disqualify vessel from tonnage tax.
Sec. 246. Use of qualified mortgage bonds to finance residences for veterans without regard to first-time homebuyer requirement.
Sec. 247. Exclusion of gain from sale of a principal residence by certain employees of the intelligence community.
Sec. 248. Treatment of coke and coke gas.
Sec. 249. Sale of property by judicial officers.
Sec. 250. Premiums for mortgage insurance.
Sec. 251. Modification of refunds for kerosene used in aviation.
Sec. 252. Deduction for qualified timber gain.
Sec. 253. Credit to holders of rural renaissance bonds.
Sec. 254. Restoration of deduction for travel expenses of spouse, etc. accompanying taxpayer on business travel.
Sec. 255. Technical corrections.

TITLE III—SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

Sec. 301. Short title.

Subtitle A—Mining Control and Reclamation

Sec. 311. Abandoned Mine Reclamation Fund and purposes.
Sec. 312. Reclamation fee.
Sec. 313. Objectives of Fund.
Sec. 314. Reclamation of rural land.
Sec. 315. Liens.
Sec. 316. Certification.
Sec. 317. Remining incentives.
Sec. 318. Extension of limitation on application of prohibition on issuance of permit.
Sec. 319. Tribal regulation of surface coal mining and reclamation operations.

Subtitle B—Coal Industry Retiree Health Benefit Act

Sec. 321. Certain related persons and successors in interest relieved of liability if premiums prepaid.
Sec. 322. Transfers to funds; premium relief.
Sec. 323. Other provisions.

TITLE I—INCREASE IN THE MINIMUM WAGE

SEC. 101. INCREASE IN THE MINIMUM WAGE.

(a) IN GENERAL.—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than—

"(A) $5.15 an hour beginning September 1, 1997;

"(B) $5.85 an hour, beginning on the 60th day after the date of enactment of the Fair Minimum Wage and Extension of Tax Relief Act of 2006;

"(C) $6.55 an hour, beginning 12 months after that 60th day; and

"(D) $7.25 an hour, beginning 24 months after that 60th day;".

SEC. 102. APPLICABILITY OF MINIMUM WAGE TO THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) IN GENERAL.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

(b) TRANSITION.—Notwithstanding subsection (a), the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) shall be—

(1) $3.55 an hour, beginning on the 60th day after the date of enactment of this Act; and

(2) increased by $0.50 an hour (or such lesser amount as may be necessary to equal the minimum wage under section 6(a)(1) of such Act), beginning 6 months after the date of

enactment of this Act and every 6 months thereafter until the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under this subsection is equal to the minimum wage set forth in such section.

TITLE II—EXTENSION AND EXPANSION OF CERTAIN TAX RELIEF PROVISIONS

Subtitle A—Extension and Modification of Certain Provisions

SEC. 201. DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) In General.—Section 222(e) is amended by striking "2005"and inserting "2007".

(b) Conforming Amendments.—Section 222(b)(2)(B) is amended—

(1) by striking "a taxable year beginning in 2004 or 2005" and inserting "any taxable year beginning after 2003", and

(2) by striking "2004 AND 2005" in the heading and inserting "AFTER 2003".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 202. EXTENSION AND MODIFICATION OF NEW MARKETS TAX CREDIT.

(a) Extension.—Section 45D(f)(1)(D) is amended by striking "and 2007" and inserting ", 2007, and 2008".

(b) Regulations Regarding Non-Metropolitan Counties.—Section 45D(i) is amended by striking "and" at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting ", and", and by adding at the end the following new paragraph:

"(6) which ensure that non-metropolitan counties receive a proportional allocation of qualified equity investments.".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 203. ELECTION TO DEDUCT STATE AND LOCAL GENERAL SALES TAXES.

(a) In General.—Section 164(b)(5)(I) is amended by striking "2006" and inserting "2008".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 204. EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) Extension.—

(1) In general.—Section 41(h)(1)(B) is amended by striking "2005" and inserting "2007".

(2) Conforming amendment.—Section 45C(b)(1)(D) is amended by striking "2005" and inserting "2007".

(3) Effective date.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2005.

(b) Increase in Rates of Alternative Incremental Credit.—

(1) In general.—Subparagraph (A) of section 41(c)(4) (relating to election of alternative incremental credit) is amended—

(A) by striking "2.65 percent" and inserting "3 percent",

(B) by striking "3.2 percent" and inserting "4 percent", and

(C) by striking "3.75 percent" and inserting "5 percent".

(2) Effective date.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2006.

(c) Alternative Simplified Credit for Qualified Research Expenses.—

(1) In general.—Subsection (c) of section 41 (relating to base amount) is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively, and by inserting after paragraph (4) the following new paragraph:

"(5) Election of alternative simplified credit.—

"(A) In general.—At the election of the taxpayer, the credit determined under subsection (a)(1) shall be equal to 12 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.

"(B) Special rule in case of no qualified research expenses in any of 3 preceding taxable years.—

"(i) Taxpayers to which subparagraph applies.—The credit under this paragraph shall be determined under this subparagraph if the taxpayer has no qualified research expenses in any one of the 3 taxable years preceding the taxable year for which the credit is being determined.

"(ii) Credit rate.—The credit determined under this subparagraph shall be equal to 6 percent of the qualified research expenses for the taxable year.

"(C) Election.—An election under this paragraph shall apply to the taxable year for which made and all succeeding taxable years unless revoked with the consent of the Secretary. An election under this paragraph may not be made for any taxable year to which an election under paragraph (4) applies.".

(2) Coordination with election of alternative incremental credit.—

(A) In general.—Section 41(c)(4)(B) (relating to election) is amended by adding at the end the following: "An election under this paragraph may not be made for any taxable year to which an election under paragraph (5) applies.".

(B) Transition rule.—In the case of an election under section 41(c)(4) of the Internal Revenue Code of 1986 which applies to the taxable year which includes the date of the enactment of this Act, such election shall be treated as revoked with the consent of the Secretary of the Treasury if the taxpayer makes an election under section 41(c)(5) of such Code (as added by subsection (c)) for such year.

(3) Effective date.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2006.

SEC. 205. WORK OPPORTUNITY TAX CREDIT AND WELFARE-TO-WORK CREDIT.

(a) In General.—Sections 51(c)(4)(B) and 51A(f) are each amended by striking "2005" and inserting "2007".

(b) Eligibility of Ex-Felons Determined Without Regard to Family Income.—Paragraph (4) of section 51(d) is amended by adding "and" at the end of subparagraph (A), by striking ", and" at the end of subparagraph (B) and inserting a period, and by striking all that follows subparagraph (B).

(c) Increase in Maximum Age for Eligibility of Food Stamp Recipients.—Clause (i) of section 51(d)(8)(A) is amended by striking "25" and inserting "40".

(d) Extension of Paperwork Filing Deadline.—Section 51(d)(12)(A)(ii)(II) is amended by striking "21st day" and inserting "28th day".

(e) Consolidation of Work Opportunity Credit With Welfare-to-Work Credit.—

(1) In general.—Paragraph (1) of section 51(d) is amended by striking "or" at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting ", or", and by adding at the end the following new subparagraph:

"(I) a long-term family assistance recipient.".

(2) Long-term family assistance recipient.—Subsection (d) of section 51 is amended by redesignating paragraphs (10) through (12) as paragraphs (11) through (13), respectively, and by inserting after paragraph (9) the following new paragraph:

"(10) Long-term family assistance recipient.—The term 'long-term family assistance recipient' means any individual who is certified by the designated local agency—

"(A) as being a member of a family receiving assistance under a IV–A program (as defined in paragraph (2)(B)) for at least the 18-month period ending on the hiring date,

"(B)(i) as being a member of a family receiving such assistance for 18 months beginning after August 5, 1997, and

"(ii) as having a hiring date which is not more than 2 years after the end of the earliest such 18-month period, or

"(C)(i) as being a member of a family which ceased to be eligible for such assistance by reason of any limitation imposed by Federal or State law on the maximum period such assistance is payable to a family, and

"(ii) as having a hiring date which is not more than 2 years after the date of such cessation.".

(3) Increased credit for employment of long-term family assistance recipients.—Section 51 is amended by inserting after subsection (d) the following new subsection:

"(e) Credit for Second-Year Wages for Employment of Long-Term Family Assistance Recipients.—

"(1) In general.—With respect to the employment of a long-term family assistance recipient—

"(A) the amount of the work opportunity credit determined under this section for the taxable year shall include 50 percent of the qualified second-year wages for such year, and

"(B) in lieu of applying subsection (b)(3), the amount of the qualified first-year wages, and the amount of qualified second-year wages, which may be taken into account with respect to such a recipient shall not exceed $10,000 per year.

"(2) Qualified second-year wages.—For purposes of this subsection, the term 'qualified second-year wages' means qualified wages—

"(A) which are paid to a long-term family assistance recipient, and

"(B) which are attributable to service rendered during the 1-year period beginning on the day after the last day of the 1-year period with respect to such recipient determined under subsection (b)(2).

"(3) Special rules for agricultural and railway labor.—If such recipient is an employee to whom subparagraph (A) or (B) of subsection (h)(1) applies, rules similar to the rules of such subparagraphs shall apply except that—

"(A) such subparagraph (A) shall be applied by substituting '$10,000' for '$6,000', and

"(B) such subparagraph (B) shall be applied by substituting '$833.33' for '$500'.".

(4) Repeal of separate welfare-to-work credit.—

(A) In general.—Section 51A is hereby repealed.

(B) Clerical amendment.—The table of sections for subpart F of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 51A.

(f) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to individuals who begin

work for the employer after December 31, 2005.

(2) CONSOLIDATION.—The amendments made by subsections (b), (c), (d), and (e) shall apply to individuals who begin work for the employer after December 31, 2006.

SEC. 206. ELECTION TO INCLUDE COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME CREDIT.

(a) IN GENERAL.—Section 32(c)(2)(B)(vi)(II) is amended by striking "2007" and inserting "2008".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 207. EXTENSION AND MODIFICATION OF QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) is amended by striking "and 2005" and inserting "2005, 2006, and 2007".

(b) SPECIAL RULES RELATING TO EXPENDITURES, ARBITRAGE, AND REPORTING.—

(1) IN GENERAL.—Section 1397E is amended—

(A) in subsection (d)(1), by striking "and" at the end of subparagraph (C)(iii), by striking the period at the end of subparagraph (D) and inserting ", and", and by adding at the end the following new subparagraph:

"(E) the issue meets the requirements of subsections (f), (g), and (h).", and

(B) by redesignating subsections (f), (g), (h), and (i) as subsection (i), (j), (k), and (l), respectively, and by inserting after subsection (e) the following new subsections:

"(f) SPECIAL RULES RELATING TO EXPENDITURES.—

"(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the issuer reasonably expects—

"(A) at least 95 percent of the proceeds from the sale of the issue are to be spent for 1 or more qualified purposes with respect to qualified zone academies within the 5-year period beginning on the date of issuance of the qualified zone academy bond,

"(B) a binding commitment with a third party to spend at least 10 percent of the proceeds from the sale of the issue will be incurred within the 6-month period beginning on the date of issuance of the qualified zone academy bond, and

"(C) such purposes will be completed with due diligence and the proceeds from the sale of the issue will be spent with due diligence.

"(2) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the period described in paragraph (1)(A), the Secretary may extend such period if the issuer establishes that the failure to satisfy the 5-year requirement is due to reasonable cause and the related purposes will continue to proceed with due diligence.

"(3) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 5 YEARS.—To the extent that less than 95 percent of the proceeds of such issue are expended by the close of the 5-year period beginning on the date of issuance (or if an extension has been obtained under paragraph (2), by the close of the extended period), the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

"(g) SPECIAL RULES RELATING TO ARBITRAGE.—An issue shall be treated as meeting the requirements of this subsection if the issuer satisfies the arbitrage requirements of section 148 with respect to proceeds of the issue.

"(h) REPORTING.—Issuers of qualified academy zone bonds shall submit reports similar to the reports required under section 149(e).".

(2) CONFORMING AMENDMENTS.—Sections 54(l)(3)(B) and 1400N(l)(7)(B)(ii) are each amended by striking "section 1397E(i)" and inserting "section 1397E(l)".

(c) EFFECTIVE DATES.—

(1) EXTENSION.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 2005.

(2) SPECIAL RULES.—The amendments made by subsection (b) shall apply to obligations issued after the date of the enactment of this Act pursuant to allocations of the national zone academy bond limitation for calendar years after 2005.

SEC. 208. ABOVE-THE-LINE DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking "or 2005" and inserting "2005, 2006, or 2007".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 209. EXTENSION AND EXPANSION OF EXPENSING OF BROWNFIELDS REMEDIATION COSTS.

(a) EXTENSION.—Subsection (h) of section 198 is amended by striking "2005" and inserting "2007".

(b) EXPANSION.—Section 198(d)(1) (defining hazardous substance) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following new subparagraph:

"(C) any petroleum product (as defined in section 4612(a)(3)).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures paid or incurred after December 31, 2005.

SEC. 210. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) DESIGNATION OF ZONE.—

(1) IN GENERAL.—Subsection (f) of section 1400 is amended by striking "2005" both places it appears and inserting "2007".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods beginning after December 31, 2005.

(b) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—

(1) IN GENERAL.—Subsection (b) of section 1400A is amended by striking "2005" and inserting "2007".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to bonds issued after December 31, 2005.

(c) ZERO PERCENT CAPITAL GAINS RATE.—

(1) IN GENERAL.—Subsection (b) of section 1400B is amended by striking "2006" each place it appears and inserting "2008".

(2) CONFORMING AMENDMENTS.—

(A) Section 1400B(e)(2) is amended—

(i) by striking "2010" and inserting "2012", and

(ii) by striking "2010" in the heading thereof and inserting "2012".

(B) Section 1400B(g)(2) is amended by striking "2010" and inserting "2012".

(C) Section 1400F(d) is amended by striking "2010" and inserting "2012".

(3) EFFECTIVE DATES.—

(A) EXTENSION.—The amendments made by paragraph (1) shall apply to acquisitions after December 31, 2005.

(B) CONFORMING AMENDMENTS.—The amendments made by paragraph (2) shall take effect on the date of the enactment of this Act.

(d) FIRST-TIME HOMEBUYER CREDIT.—

(1) IN GENERAL.—Subsection (i) of section 1400C is amended by striking "2006" and inserting "2008".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property purchased after December 31, 2005.

SEC. 211. INDIAN EMPLOYMENT TAX CREDIT.

(a) IN GENERAL.—Section 45A(f) is amended by striking "2005" and inserting "2007".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 212. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATIONS.

(a) IN GENERAL.—Section 168(j)(8) is amended by striking "2005" and inserting "2007".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2005.

SEC. 213. FIFTEEN-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT PROPERTY.

(a) IN GENERAL.—Clauses (iv) and (v) of section 168(e)(3)(E) are each amended by striking "2006" and inserting "2008".

(b) TREATMENT OF RESTAURANT PROPERTY TO INCLUDE NEW CONSTRUCTION.—Paragraph (7) of section 168(e) (relating to classification of property) is amended to read as follows:

"(7) QUALIFIED RESTAURANT PROPERTY.—The term 'qualified restaurant property' means any section 1250 property which is a building or an improvement to a building if more than 50 percent of the building's square footage is devoted to preparation of, and seating for on-premises consumption of, prepared meals.".

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to property placed in service after December 31, 2005.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall apply to property placed in service after the date of the enactment of this Act.

SEC. 214. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Section 7652(f)(1) is amended by striking "2006" and inserting "2008".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2005.

SEC. 215. PARITY IN APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.—Section 9812(f)(3) is amended by striking "2006" and inserting "2007".

(b) AMENDMENT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 712(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a(f)) is amended by striking "2006" and inserting "2007".

(c) AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT.—Section 2705(f) of the Public Health Service Act (42 U.S.C. 300gg–5(f)) is amended by striking "2006"and inserting "2007".

SEC. 216. CORPORATE DONATIONS OF SCIENTIFIC PROPERTY USED FOR RESEARCH AND OF COMPUTER TECHNOLOGY AND EQUIPMENT.

(a) EXTENSION OF COMPUTER TECHNOLOGY AND EQUIPMENT DONATION.—

(1) IN GENERAL.—Section 170(e)(6)(G) is amended by striking "2005" and inserting "2007".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to contributions made in taxable years beginning after December 31, 2005.

(b) EXPANSION OF CHARITABLE CONTRIBUTION ALLOWED FOR SCIENTIFIC PROPERTY USED FOR RESEARCH AND FOR COMPUTER TECHNOLOGY AND EQUIPMENT USED FOR EDUCATIONAL PURPOSES.—

(1) SCIENTIFIC PROPERTY USED FOR RESEARCH.—

(A) IN GENERAL.—Clause (ii) of section 170(e)(4)(B) (defining qualified research contributions) is amended by inserting "or assembled" after "constructed".

(B) CONFORMING AMENDMENT.—Clause (iii) of section 170(e)(4)(B) is amended by inserting "or assembly" after "construction".

(2) COMPUTER TECHNOLOGY AND EQUIPMENT FOR EDUCATIONAL PURPOSES.—

(A) IN GENERAL.—Clause (ii) of section 170(e)(6)(B) is amended by inserting "or assembled" after "constructed" and "or assembling" after "construction".

(B) CONFORMING AMENDMENT.—Subparagraph (D) of section 170(e)(6) is amended by inserting "or assembled" after "constructed" and "or assembly" after "construction".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2005.

SEC. 217. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) are each amended by striking "2005" each place it appears in the text and headings and inserting "2007".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended—

(A) in the text by striking "or 2004" each place it appears and inserting "2004, 2005, or 2006", and

(B) in the heading by striking "OR 2004" and inserting "2004, 2005, OR 2006".

(2) Subparagraph (A) of section 220(j)(4) is amended by striking "and 2004" and inserting "2004, 2005, and 2006".

(c) TIME FOR FILING REPORTS, ETC.—

(1) The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2005, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

(2) The determination and publication required by section 220(j)(5) of such Code with respect to calendar year 2005 shall be treated as timely if made before the close of the 120-day period beginning on the date of the enactment of this Act. If the determination under the preceding sentence is that 2005 is a cut-off year under section 220(i) of such Code, the cut-off date under such section 220(i) shall be the last day of such 120-day period.

SEC. 218. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Section 613A(c)(6)(H) is amended by striking "2006" and inserting "2008".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 219. AMERICAN SAMOA ECONOMIC DEVELOPMENT CREDIT.

(a) IN GENERAL.—For purposes of section 30A of the Internal Revenue Code of 1986, a domestic corporation shall be treated as a qualified domestic corporation to which such section applies if such corporation—

(1) is an existing credit claimant with respect to American Samoa, and

(2) elected the application of section 936 of the Internal Revenue Code of 1986 for its last taxable year beginning before January 1, 2006.

(b) SPECIAL RULES FOR APPLICATION OF SECTION.—The following rules shall apply in applying section 30A of the Internal Revenue Code of 1986 for purposes of this section:

(1) AMOUNT OF CREDIT.—Notwithstanding section 30A(a)(1) of such Code, the amount of the credit determined under section 30A(a)(1) of such Code for any taxable year shall be the amount determined under section 30A(d) of such Code, except that section 30A(d) shall be applied without regard to paragraph (3) thereof.

(2) SEPARATE APPLICATION.—In applying section 30A(a)(3) of such Code in the case of a corporation treated as a qualified domestic corporation by reason of this section, section 30A of such Code (and so much of section 936 of such Code as relates to such section 30A) shall be applied separately with respect to American Samoa.

(3) FOREIGN TAX CREDIT ALLOWED.—Notwithstanding section 30A(e) of such Code, the provisions of section 936(c) of such Code shall not apply with respect to the credit allowed by reason of this section.

(c) DEFINITIONS.—For purposes of this section, any term which is used in this section which is also used in section 30A or 936 of such Code shall have the same meaning given such term by such section 30A or 936.

(d) APPLICATION OF SECTION.—Notwithstanding section 30A(h) or section 936(j) of such Code, this section (and so much of section 30A and section 936 of such Code as relates to this section) shall apply to the first two taxable years of a corporation to which subsection (a) applies which begin after December 31, 2005, and before January 1, 2008.

SEC. 220. RESTRUCTURING OF NEW YORK LIBERTY ZONE TAX CREDITS.

(a) IN GENERAL.—Part I of subchapter Y of chapter 1 is amended by redesignating section 1400L as 1400K and by adding at the end the following new section:

"SEC. 1400L. NEW YORK LIBERTY ZONE TAX CREDITS.

"(a) IN GENERAL.—In the case of a New York Liberty Zone governmental unit, there shall be allowed as a credit against any taxes imposed for any payroll period by section 3402 for which such governmental unit is liable under section 3403 an amount equal to so much of the portion of the qualifying project expenditure amount allocated under subsection (b)(3) to such governmental unit for the calendar year as is allocated by such governmental unit to such period under subsection (b)(4).

"(b) QUALIFYING PROJECT EXPENDITURE AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualifying project expenditure amount' means, with respect to any calendar year, the sum of—

"(A) the total expenditures paid or incurred during such calendar year by all New York Liberty Zone governmental units and the Port Authority of New York and New Jersey for any portion of qualifying projects located wholly within the City of New York, New York, and

"(B) any such expenditures—

"(i) paid or incurred in any preceding calendar year which begins after the date of enactment of this section, and

"(ii) not previously allocated under paragraph (3).

"(2) QUALIFYING PROJECT.—The term 'qualifying project' means any transportation infrastructure project, including highways, mass transit systems, railroads, airports, ports, and waterways, in or connecting with the New York Liberty Zone (as defined in section 1400K(h)), which is designated as a qualifying project under this section jointly by the Governor of the State of New York and the Mayor of the City of New York, New York.

"(3) GENERAL ALLOCATION.—

"(A) IN GENERAL.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly allocate to each New York Liberty Zone governmental unit the portion of the qualifying project expenditure amount which may be taken into account by such governmental unit under subsection (a) for any calendar year in the credit period.

"(B) AGGREGATE LIMIT.—The aggregate amount which may be allocated under subparagraph (A) for all calendar years in the credit period shall not exceed $1,750,000,000.

"(C) ANNUAL LIMIT.—

"(i) IN GENERAL.—The aggregate amount which may be allocated under subparagraph (A) for any calendar year in the credit period shall not exceed the sum of—

"(I) the applicable limit, plus

"(II) the aggregate amount authorized to be allocated under this paragraph for all preceding calendar years in the credit period which was not so allocated.

"(ii) APPLICABLE LIMIT.—For purposes of clause (i), the applicable limit for any calendar year is—

"(I) in the case of calendar years 2007 through 2016, $100,000,000,

"(II) in the case of calendar year 2017 or 2018, $200,000,000,

"(III) in the case of calendar year 2019, $150,000,000,

"(IV) in the case of calendar year 2020 or 2021, $100,000,000, and

"(V) in the case of any calendar year after 2021, zero.

"(D) UNALLOCATED AMOUNTS AT END OF CREDIT PERIOD.—If, as of the close of the credit period, the amount under subparagraph (B) exceeds the aggregate amount allocated under subparagraph (A) for all calendar years in the credit period, the Governor of the State of New York and the Mayor of the City of New York, New York, may jointly allocate to New York Liberty Zone governmental units for any calendar year in the 5-year period following the credit period an amount equal to—

"(i) the lesser of—

"(I) such excess, or

"(II) the qualifying project expenditure amount for such calendar year, reduced by

"(ii) the aggregate amount allocated under this subparagraph for all preceding calendar years.

"(4) ALLOCATION TO PAYROLL PERIODS.—Each New York Liberty Zone governmental unit which has been allocated a portion of the qualifying project expenditure amount under paragraph (3) for a calendar year may allocate such portion to payroll periods beginning in such calendar year as such governmental unit determines appropriate.

"(c) CARRYOVER OF UNUSED ALLOCATIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), if the amount allocated under subsection (b)(3) to a New York Liberty Zone governmental unit for any calendar year exceeds the aggregate taxes imposed by section 3402 for which such governmental unit is liable under section 3403 for periods beginning in such year, such excess shall be carried to the succeeding calendar year and added to the allocation of such governmental unit for such succeeding calendar year. No amount may be carried under the preceding sentence to a calendar year after 2026.

"(2) REALLOCATION.—If a New York Liberty Zone governmental unit does not use an amount allocated to it under subsection (b)(3) within the time prescribed by the Governor of the State of New York and the Mayor of the City of New York, New York, then such amount shall after such time be treated for purposes of subsection (b)(3) in the same manner as if it had never been allocated.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) CREDIT PERIOD.—The term 'credit period' means the 15-year period beginning on January 1, 2007.

"(2) NEW YORK LIBERTY ZONE GOVERNMENTAL UNIT.—The term 'New York Liberty Zone governmental unit' means—

"(A) the State of New York,

"(B) the City of New York, New York, and

"(C) any agency or instrumentality of such State or City.

"(3) TREATMENT OF FUNDS.—Any expenditure for a qualifying project taken into account for purposes of the credit under this section shall be considered State and local funds for the purpose of any Federal program.

"(4) TREATMENT OF CREDIT AMOUNTS FOR PURPOSES OF WITHHOLDING TAXES.—For purposes of this title, a New York Liberty Zone governmental unit shall be treated as having paid to the Secretary, on the day on which wages are paid to employees, an amount equal to the amount of the credit allowed to such entity under subsection (a) with respect to such wages, but only if such governmental unit deducts and withholds wages for such payroll period under section 3401 (relating to wage withholding).

"(e) REPORTING.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit to the Secretary an annual report—

"(1) which certifies—

"(A) the qualifying project expenditure amount for the calendar year, and

"(B) the amount allocated to each New York Liberty Zone governmental unit under subsection (b)(3) for the calendar year, and

"(2) includes such other information as the Secretary may require to carry out this section.

"(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to ensure compliance with the purposes of this section.

"(g) TERMINATION.—No credit shall be allowed under subsection (a) for any calender year after 2026.".

(b) TERMINATION OF CERTAIN NEW YORK LIBERTY ZONE BENEFITS.—

(1) SPECIAL ALLOWANCE AND EXPENSING.—Section 1400K(b)(2)(A)(v), as redesignated by subsection (a), is amended by striking "the termination date" and inserting "the date of the enactment of the Fair Minimum Wage and Extension of Tax Relief Act or the termination date if pursuant to a binding contract in effect on such enactment date".

(2) LEASEHOLD.—Section 1400K(c)(2)(B), as so redesignated, is amended by striking "before January 1, 2007" and inserting "on or before the date of the enactment of the Fair Minimum Wage and Extension of Tax Relief Act or before January 1, 2007, if pursuant to a binding contract in effect on such enactment date".

(c) CONFORMING AMENDMENTS.—

(1) Section 38(c)(3)(B) is amended by striking "section 1400L(a)" and inserting "section 1400K(a)".

(2) Section 168(k)(2)(D)(ii) is amended by striking "section 1400L(c)(2)" and inserting "1400K(c)(2)".

(3) The table of sections for part I of subchapter Y of chapter 1 is amended by striking "1400L" and inserting "1400K".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to periods beginning after December 31, 2006.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall take effect as if included in section 301 of the Job Creation and Worker Assistance Act of 2002.

SEC. 221. EXTENSION OF BONUS DEPRECIATION FOR CERTAIN QUALIFIED GULF OPPORTUNITY ZONE PROPERTY.

(a) IN GENERAL.—Subsection (d) of section 1400N is amended by adding at the end the following new paragraph:

"(6) EXTENSION FOR CERTAIN PROPERTY.—

"(A) IN GENERAL.—In the case of any specified Gulf Opportunity Zone extension property, paragraph (2)(A) shall be applied without regard to clause (v) thereof.

"(B) SPECIFIED GULF OPPORTUNITY ZONE EXTENSION PROPERTY.—For purposes of this paragraph, the term 'specified Gulf Opportunity Zone extension property' means property—

"(i) substantially all of the use of which is in one or more specified portions of the GO Zone, and

"(ii) which is—

"(I) nonresidential real property or residential rental property which is placed in service by the taxpayer on or before December 31, 2009, or

"(II) in the case of a taxpayer who places a building described in subclause (I) in service on or before December 31, 2009, property described in section 168(k)(2)(A)(i) if substantially all of the use of such property is in such building and such property is placed in service by the taxpayer not later than 90 days after such building is placed in service.

"(C) SPECIFIED PORTIONS OF THE GO ZONE.—For purposes of this paragraph, the term 'specified portions of the GO Zone' means those portions of the GO Zone which are in any county or parish which is identified by the Secretary as being a county or parish in which hurricanes occurring during 2005 damaged (in the aggregate) more than 40 percent of the housing units in such county or parish which were occupied (determined according to the 2000 Census).".

(b) EXTENSION NOT APPLICABLE TO INCREASED SECTION 179 EXPENSING.—Paragraph (2) of section 1400N(e) is amended by inserting "without regard to subsection (d)(6)" after "subsection (d)(2)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 101 of the Gulf Opportunity Zone Act of 2005.

SEC. 222. AUTHORITY FOR UNDERCOVER OPERATIONS.

Paragraph (6) of section 7608(c) (relating to application of section) is amended by striking "2007" both places it appears and inserting "2008".

SEC. 223. DISCLOSURES OF CERTAIN TAX RETURN INFORMATION.

(a) DISCLOSURES TO FACILITATE COMBINED EMPLOYMENT TAX REPORTING.—

(1) IN GENERAL.—Subparagraph (B) of section 6103(d)(5) (relating to termination) is amended by striking "2006" and inserting "2007".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to disclosures after December 31, 2006.

(b) DISCLOSURES RELATING TO TERRORIST ACTIVITIES.—

(1) IN GENERAL.—Clause (iv) of section 6103(i)(3)(C) and subparagraph (E) of section 6103(i)(7) are each amended by striking "2006" and inserting "2007".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply to disclosures after December 31, 2006.

(c) DISCLOSURES RELATING TO STUDENT LOANS.—

(1) IN GENERAL.—Subparagraph (D) of section 6103(l)(13) (relating to termination) is amended by striking "2006" and inserting "2007".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to requests made after December 31, 2006.

Subtitle B—Other Provisions

SEC. 231. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) IN GENERAL.—Subsection (d) of section 199 (relating to definitions and special rules) is amended by redesignating paragraph (8) as paragraph (9) and by inserting after paragraph (7) the following new paragraph:

"(8) TREATMENT OF ACTIVITIES IN PUERTO RICO.—

"(A) IN GENERAL.—In the case of any taxpayer with gross receipts for any taxable year from sources within the Commonwealth of Puerto Rico, if all of such receipts are taxable under section 1 or 11 for such taxable year, then for purposes of determining the domestic production gross receipts of such taxpayer for such taxable year under subsection (c)(4), the term 'United States' shall include the Commonwealth of Puerto Rico.

"(B) SPECIAL RULE FOR APPLYING WAGE LIMITATION.—In the case of any taxpayer described in subparagraph (A), for purposes of applying the limitation under subsection (b) for any taxable year, the determination of W-2 wages of such taxpayer shall be made without regard to any exclusion under section 3401(a)(8) for remuneration paid for services performed in Puerto Rico.

"(C) TERMINATION.—This paragraph shall apply only with respect to the first 2 taxable years of the taxpayer beginning after December 31, 2005, and before January 1, 2008.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 232. CREDIT FOR PRIOR YEAR MINIMUM TAX LIABILITY MADE REFUNDABLE AFTER PERIOD OF YEARS.

(a) IN GENERAL.—Section 53 (relating to credit for prior year minimum tax liability) is amended by adding at the end the following new subsection:

"(e) SPECIAL RULE FOR INDIVIDUALS WITH LONG-TERM UNUSED CREDITS.—

"(1) IN GENERAL.—If an individual has a long-term unused minimum tax credit for any taxable year beginning before January 1, 2013, the amount determined under subsection (c) for such taxable year shall not be less than the AMT refundable credit amount for such taxable year.

"(2) AMT REFUNDABLE CREDIT AMOUNT.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'AMT refundable credit amount' means, with respect to any taxable year, the amount equal to the greater of—

"(i) the lesser of—

"(I) $5,000, or

"(II) the amount of long-term unused minimum tax credit for such taxable year, or

"(ii) 20 percent of the amount of such credit.

"(B) PHASEOUT OF AMT REFUNDABLE CREDIT AMOUNT.—

"(i) IN GENERAL.—In the case of an individual whose adjusted gross income for any taxable year exceeds the threshold amount (within the meaning of section 151(d)(3)(C)), the AMT refundable credit amount determined under subparagraph (A) for such taxable year shall be reduced by the applicable percentage (within the meaning of section 151(d)(3)(B)).

"(ii) ADJUSTED GROSS INCOME.—For purposes of clause (i), adjusted gross income shall be determined without regard to sections 911, 931, and 933.

"(3) LONG-TERM UNUSED MINIMUM TAX CREDIT.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'long-term unused minimum tax credit' means, with respect to any taxable year, the portion of the minimum tax credit determined under subsection (b) attributable to the adjusted net minimum tax for taxable years before the 3rd taxable year immediately preceding such taxable year.

"(B) FIRST-IN, FIRST-OUT ORDERING RULE.—For purposes of subparagraph (A), credits shall be treated as allowed under subsection (a) on a first-in, first-out basis.

"(4) CREDIT REFUNDABLE.—For purposes of this title (other than this section), the credit allowed by reason of this subsection shall be treated as if it were allowed under subpart C.".

(b) CONFORMING AMENDMENTS.—

(1) Section 6211(b)(4)(A) is amended by striking "and 34" and inserting "34, and 53(e)".

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting "or 53(e)" after "section 35".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 233. RETURNS REQUIRED IN CONNECTION WITH CERTAIN OPTIONS.

(a) IN GENERAL.—So much of section 6039(a) as follows paragraph (2) is amended to read as follows:

"shall, for such calendar year, make a return at such time and in such manner, and setting forth such information, as the Secretary may by regulations prescribe.".

(b) STATEMENTS TO PERSONS WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—Section 6039 is amended by redesignating subsections (b) and (c) as subsection (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS REPORTED.—Every corporation making a return under subsection (a) shall furnish to each person whose name is set forth in such return a written statement setting forth such information as the Secretary may by regulations prescribe. The written statement required under the preceding sentence shall be furnished to such person on or before January 31 of the year following the calendar year for which the return under subsection (a) was made.".

(c) CONFORMING AMENDMENTS.—

(1) Section 6724(d)(1)(B) is amended by striking "or" at the end of clause (xvii), by striking "and" at the end of clause (xviii) and inserting "or", and by adding at the end the following new clause:

"(xix) section 6039(a) (relating to returns required with respect to certain options), and".

(2) Section 6724(d)(2)(B) is amended by striking "section 6039(a)" and inserting "section 6039(b)".

(3) The heading of section 6039 and the item relating to such section in the table of sections of subpart A of part III of subchapter A of chapter 61 of such Code are each amended by striking "Information" and inserting "Returns".

(4) The heading of subsection (a) of section 6039 is amended by striking "FURNISHING OF INFORMATION" and inserting "REQUIREMENT OF REPORTING".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after the date of the enactment of this Act.

SEC. 234. PARTIAL EXPENSING FOR ADVANCED MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by inserting after section 179D the following new section:

"SEC. 179E. ELECTION TO EXPENSE ADVANCED MINE SAFETY EQUIPMENT.

"(a) TREATMENT AS EXPENSES.—A taxpayer may elect to treat 50 percent of the cost of any qualified advanced mine safety equipment property as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a deduction for the taxable year in which the qualified advanced mine safety equipment property is placed in service.

"(b) ELECTION.—

"(1) IN GENERAL.—An election under this section for any taxable year shall be made on the taxpayer's return of the tax imposed by this chapter for the taxable year. Such election shall specify the advanced mine safety equipment property to which the election applies and shall be made in such manner as the Secretary may by regulations prescribe.

"(2) ELECTION IRREVOCABLE.—Any election made under this section may not be revoked except with the consent of the Secretary.

"(c) QUALIFIED ADVANCED MINE SAFETY EQUIPMENT PROPERTY.—For purposes of this section, the term 'qualified advanced mine safety equipment property' means any advanced mine safety equipment property for use in any underground mine located in the United States—

"(1) the original use of which commences with the taxpayer, and

"(2) which is placed in service by the taxpayer after the date of the enactment of this section.

"(d) ADVANCED MINE SAFETY EQUIPMENT PROPERTY.—For purposes of this section, the term 'advanced mine safety equipment property' means any of the following:

"(1) Emergency communication technology or device which is used to allow a miner to maintain constant communication with an individual who is not in the mine.

"(2) Electronic identification and location device which allows an individual who is not in the mine to track at all times the movements and location of miners working in or at the mine.

"(3) Emergency oxygen-generating, self-rescue device which provides oxygen for at least 90 minutes.

"(4) Pre-positioned supplies of oxygen which (in combination with self-rescue devices) can be used to provide each miner on a shift, in the event of an accident or other event which traps the miner in the mine or otherwise necessitates the use of such a self-rescue device, the ability to survive for at least 48 hours.

"(5) Comprehensive atmospheric monitoring system which monitors the levels of carbon monoxide, methane, and oxygen that are present in all areas of the mine and which can detect smoke in the case of a fire in a mine.

"(e) COORDINATION WITH SECTION 179.—No expenditures shall be taken into account under subsection (a) with respect to the portion of the cost of any property specified in an election under section 179.

"(f) REPORTING.—No deduction shall be allowed under subsection (a) to any taxpayer for any taxable year unless such taxpayer files with the Secretary a report containing such information with respect to the operation of the mines of the taxpayer as the Secretary shall require.

"(g) TERMINATION.—This section shall not apply to property placed in service after December 31, 2008.".

(b) CONFORMING AMENDMENTS.—

(1) Section 263(a)(1) is amended by striking "or" at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting ", or", and by inserting after subparagraph (K) the following new subparagraph:

"(L) expenditures for which a deduction is allowed under section 179E.".

(2) Section 312(k)(3)(B) is amended by striking "or 179D" each place it appears in the heading and text thereof and inserting "179D, or 179E".

(3) Paragraphs (2)(C) and (3)(C) of section 1245(a) are each amended by inserting "179E," after "179D,".

(4) The table of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 179D the following new item:

"Sec. 179E. Election to expense advanced mine safety equipment.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to costs paid or incurred after the date of the enactment of this Act.

SEC. 235. MINE RESCUE TEAM TRAINING TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45N. MINE RESCUE TEAM TRAINING CREDIT.

"(a) AMOUNT OF CREDIT.—For purposes of section 38, the mine rescue team training credit determined under this section with respect to each qualified mine rescue team employee of an eligible employer for any taxable year is an amount equal to the lesser of—

"(1) 20 percent of the amount paid or incurred by the taxpayer during the taxable year with respect to the training program costs of such qualified mine rescue team employee (including wages of such employee while attending such program), or

"(2) $10,000.

"(b) QUALIFIED MINE RESCUE TEAM EMPLOYEE.—For purposes of this section, the term 'qualified mine rescue team employee' means with respect to any taxable year any full-time employee of the taxpayer who is—

"(1) a miner eligible for more than 6 months of such taxable year to serve as a mine rescue team member as a result of completing, at a minimum, an initial 20-hour course of instruction as prescribed by the Mine Safety and Health Administration's Office of Educational Policy and Development, or

"(2) a miner eligible for more than 6 months of such taxable year to serve as a mine rescue team member by virtue of receiving at least 40 hours of refresher training in such instruction.

"(c) ELIGIBLE EMPLOYER.—For purposes of this section, the term 'eligible employer' means any taxpayer which employs individuals as miners in underground mines in the United States.

"(d) Wages.—For purposes of this section, the term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

"(e) Termination.—This section shall not apply to taxable years beginning after December 31, 2008.".

(b) Credit Made Part of General Business Credit.—Section 38(b) is amended by striking "and" at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting ", plus", and by adding at the end the following new paragraph:

"(31) the mine rescue team training credit determined under section 45N(a).".

(c) No Double Benefit.—Section 280C is amended by adding at the end the following new subsection:

"(e) Mine Rescue Team Training Credit.—No deduction shall be allowed for that portion of the expenses otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for the taxable year under section 45N(a).".

(d) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45N. Mine rescue team training credit.".

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 236. WHISTLEBLOWER REFORMS.

(a) Awards to Whistleblowers.—

(1) In general.—Section 7623 (relating to expenses of detection of underpayments and fraud, etc.) is amended—

(A) by striking "The Secretary" and inserting "(a) In General.—The Secretary",

(B) by striking "and" at the end of paragraph (1) and inserting "or",

(C) by striking "(other than interest)", and

(D) by adding at the end the following new subsection:

"(b) Awards to Whistleblowers.—

"(1) In general.—If the Secretary proceeds with any administrative or judicial action described in subsection (a) based on information brought to the Secretary's attention by an individual, such individual shall, subject to paragraph (2), receive as an award at least 15 percent but not more than 30 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action. The determination of the amount of such award by the Whistleblower Office shall depend upon the extent to which the individual substantially contributed to such action.

"(2) Award in case of less substantial contribution.—

"(A) In general.—In the event the action described in paragraph (1) is one which the Whistleblower Office determines to be based principally on disclosures of specific allegations (other than information provided by the individual described in paragraph (1)) resulting from a judicial or administrative hearing, from a governmental report, hearing, audit, or investigation, or from the news media, the Whistleblower Office may award such sums as it considers appropriate, but in no case more than 10 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action, taking into account the significance of the individual's information and the role of such individual and any legal representative of such individual in contributing to such action.

"(B) Nonapplication of paragraph where individual is original source of information.—Subparagraph (A) shall not apply if the information resulting in the initiation of the action described in paragraph (1) was originally provided by the individual described in paragraph (1).

"(3) Reduction in or denial of award.—If the Whistleblower Office determines that the claim for an award under paragraph (1) or (2) is brought by an individual who planned and initiated the actions that led to the underpayment of tax or actions described in subsection (a)(2), then the Whistleblower Office may appropriately reduce such award. If such individual is convicted of criminal conduct arising from the role described in the preceding sentence, the Whistleblower Office shall deny any award.

"(4) Appeal of award determination.—Any determination regarding an award under paragraph (1), (2), or (3) may, within 30 days of such determination, be appealed to the Tax Court (and the Tax Court shall have jurisdiction with respect to such matter).

"(5) Application of this subsection.—This subsection shall apply with respect to any action—

"(A) against any taxpayer, but in the case of any individual, only if such individual's gross income exceeds $200,000 for any taxable year subject to such action, and

"(B) if the tax, penalties, interest, additions to tax, and additional amounts in dispute exceed $2,000,000.

"(6) Additional rules.—

"(A) No contract necessary.—No contract with the Internal Revenue Service is necessary for any individual to receive an award under this subsection.

"(B) Representation.—Any individual described in paragraph (1) or (2) may be represented by counsel.

"(C) Submission of information.—No award may be made under this subsection based on information submitted to the Secretary unless such information is submitted under penalty of perjury.".

(2) Assignment to special trial judges.—

(A) In general.—Section 7443A(b) (relating to proceedings which may be assigned to special trial judges) is amended by striking "and" at the end of paragraph (4), by redesignating paragraph (5) as paragraph (6), and by inserting after paragraph (4) the following new paragraph:

"(5) any proceeding under section 7623(b)(4), and".

(B) Conforming amendment.—Section 7443A(c) is amended by striking "or (4)" and inserting "(4), or (5)".

(3) Deduction allowed whether or not taxpayer itemizes.—Subsection (a) of section 62 (relating to general rule defining adjusted gross income) is amended by inserting after paragraph (20) the following new paragraph:

"(21) Attorneys fees relating to awards to whistleblowers.—Any deduction allowable under this chapter for attorney fees and court costs paid by, or on behalf of, the taxpayer in connection with any award under section 7623(b) (relating to awards to whistleblowers). The preceding sentence shall not apply to any deduction in excess of the amount includible in the taxpayer's gross income for the taxable year on account of such award.".

(b) Whistleblower Office.—

(1) In general.—Not later than the date which is 12 months after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance for the operation of a whistleblower program to be administered in the Internal Revenue Service by an office to be known as the "Whistleblower Office" which—

(A) shall at all times operate at the direction of the Commissioner of Internal Revenue and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner of Internal Revenue,

(B) shall analyze information received from any individual described in section 7623(b) of the Internal Revenue Code of 1986 and either investigate the matter itself or assign it to the appropriate Internal Revenue Service office, and

(C) in its sole discretion, may ask for additional assistance from such individual or any legal representative of such individual.

(2) Request for assistance.—The guidance issued under paragraph (1) shall specify that any assistance requested under paragraph (1)(C) shall be under the direction and control of the Whistleblower Office or the office assigned to investigate the matter under paragraph (1)(A). No individual or legal representative whose assistance is so requested may by reason of such request represent himself or herself as an employee of the Federal Government.

(c) Report by Secretary.—The Secretary of the Treasury shall each year conduct a study and report to Congress on the use of section 7623 of the Internal Revenue Code of 1986, including—

(1) an analysis of the use of such section during the preceding year and the results of such use, and

(2) any legislative or administrative recommendations regarding the provisions of such section and its application.

(d) Effective Date.—The amendments made by subsection (a) shall apply to information provided on or after the date of the enactment of this Act.

SEC. 237. FRIVOLOUS TAX SUBMISSIONS.

(a) Civil Penalties.—Section 6702 is amended to read as follows:

"SEC. 6702. FRIVOLOUS TAX SUBMISSIONS.

"(a) Civil Penalty for Frivolous Tax Returns.—A person shall pay a penalty of $5,000 if—

"(1) such person files what purports to be a return of a tax imposed by this title but which—

"(A) does not contain information on which the substantial correctness of the self-assessment may be judged, or

"(B) contains information that on its face indicates that the self-assessment is substantially incorrect, and

"(2) the conduct referred to in paragraph (1)—

"(A) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(B) reflects a desire to delay or impede the administration of Federal tax laws.

"(b) Civil Penalty for Specified Frivolous Submissions.—

"(1) Imposition of penalty.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

"(2) Specified frivolous submission.—For purposes of this section—

"(A) Specified frivolous submission.—The term 'specified frivolous submission' means a specified submission if any portion of such submission—

"(i) is based on a position which the Secretary has identified as frivolous under subsection (c), or "(ii) reflects a desire to delay or impede the administration of Federal tax laws.

"(B) SPECIFIED SUBMISSION.—The term 'specified submission' means—

"(i) a request for a hearing under—

"(I) section 6320 (relating to notice and opportunity for hearing upon filing of notice of lien), or

"(II) section 6330 (relating to notice and opportunity for hearing before levy), and

"(ii) an application under—

"(I) section 6159 (relating to agreements for payment of tax liability in installments),

"(II) section 7122 (relating to compromises), or

"(III) section 7811 (relating to taxpayer assistance orders).

"(3) OPPORTUNITY TO WITHDRAW SUBMISSION.—If the Secretary provides a person with notice that a submission is a specified frivolous submission and such person withdraws such submission within 30 days after such notice, the penalty imposed under paragraph (1) shall not apply with respect to such submission.

"(c) LISTING OF FRIVOLOUS POSITIONS.—The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6662(d)(2)(B)(ii)(II).

"(d) REDUCTION OF PENALTY.—The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

"(e) PENALTIES IN ADDITION TO OTHER PENALTIES.—The penalties imposed by this section shall be in addition to any other penalty provided by law.".

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.—

(1) FRIVOLOUS REQUESTS DISREGARDED.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

"(g) FRIVOLOUS REQUESTS FOR HEARING, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6320 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(2) PRECLUSION FROM RAISING FRIVOLOUS ISSUES AT HEARING.—Section 6330(c)(4) is amended—

(A) by striking "(A)" and inserting "(A)(i)";

(B) by striking "(B)" and inserting "(ii)";

(C) by striking the period at the end of the first sentence and inserting "; or"; and

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following:

"(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).".

(3) STATEMENT OF GROUNDS.—Section 6330(b)(1) is amended by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing".

(c) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS UPON FILING OF NOTICE OF LIEN.—Section 6320 is amended—

(1) in subsection (b)(1), by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing", and

(2) in subsection (c), by striking "and (e)" and inserting "(e), and (g)".

(d) TREATMENT OF FRIVOLOUS APPLICATIONS FOR OFFERS-IN-COMPROMISE AND INSTALLMENT AGREEMENTS.—Section 7122 is amended by adding at the end the following new subsection:

"(f) FRIVOLOUS SUBMISSIONS, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

"Sec. 6702. Frivolous tax submissions.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 238. ADDITION OF MENINGOCOCCAL AND HUMAN PAPILLOMAVIRUS VACCINES TO LIST OF TAXABLE VACCINES.

(a) MENINGOCOCCAL VACCINE.—Section 4132(a)(1) (defining taxable vaccine) is amended by adding at the end the following new subparagraph:

"(O) Any meningococcal vaccine.".

(b) HUMAN PAPILLOMAVIRUS VACCINE.—Section 4132(a)(1), as amended by subsection (a), is amended by adding at the end the following new subparagraph:

"(P) Any vaccine against the human papillomavirus.".

(c) EFFECTIVE DATE.—

(1) SALES, ETC.—The amendments made by this section shall apply to sales and uses on or after the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 239. CLARIFICATION OF TAXATION OF CERTAIN SETTLEMENT FUNDS MADE PERMANENT.

(a) IN GENERAL.—Subsection (g) of section 468B, as amended by section 201 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking paragraph (3).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 201 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 240. MODIFICATION OF ACTIVE BUSINESS DEFINITION UNDER SECTION 355 MADE PERMANENT.

(a) IN GENERAL.—Subparagraphs (A) and (D) of section 355(b)(3), as amended by section 202 of the Tax Increase Prevention and Reconciliation Act of 2005, are each amended by striking "and on or before December 31, 2010".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 202 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 241. REVISION OF STATE VETERANS LIMIT MADE PERMANENT.

(a) IN GENERAL.—Subparagraph (B) of section 143(l)(3), as amended by section 203 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking clause (iv).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 203 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 242. CAPITAL GAINS TREATMENT FOR CERTAIN SELF-CREATED MUSICAL WORKS MADE PERMANENT.

(a) IN GENERAL.—Paragraph (3) of section 1221(b), as amended by section 204 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "before January 1, 2011,".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 204 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 243. REDUCTION IN MINIMUM VESSEL TONNAGE WHICH QUALIFIES FOR TONNAGE TAX MADE PERMANENT.

(a) IN GENERAL.—Paragraph (4) of section 1355(a), as amended by section 205 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "10,000 (6,000, in the case of taxable years beginning after December 31, 2005, and ending before January 1, 2011)" and inserting "6,000".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 205 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 244. MODIFICATION OF SPECIAL ARBITRAGE RULE FOR CERTAIN FUNDS MADE PERMANENT.

(a) IN GENERAL.—Section 206 of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking "and before August 31, 2009".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 206 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 245. GREAT LAKES DOMESTIC SHIPPING TO NOT DISQUALIFY VESSEL FROM TONNAGE TAX.

(a) IN GENERAL.—Section 1355 (relating to definitions and special rules) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) GREAT LAKES DOMESTIC SHIPPING TO NOT DISQUALIFY VESSEL.—

"(1) IN GENERAL.—If the electing corporation elects (at such time and in such manner as the Secretary may require) to apply this subsection for any taxable year to any qualifying vessel which is used in qualified zone domestic trade during the taxable year—

"(A) solely for purposes of subsection (a)(4), such use shall be treated as use in United States foreign trade (and not as use in United States domestic trade), and

"(B) subsection (f) shall not apply with respect to such vessel for such taxable year.

"(2) EFFECT OF TEMPORARILY OPERATING VESSEL IN UNITED STATES DOMESTIC TRADE.—In the case of a qualifying vessel to which this subsection applies—

"(A) IN GENERAL.—An electing corporation shall be treated as using such vessel in qualified zone domestic trade during any period of temporary use in the United States domestic trade (other than qualified zone domestic trade) if the electing corporation gives timely notice to the Secretary stating—

"(i) that it temporarily operates or has operated in the United States domestic trade (other than qualified zone domestic trade) a qualifying vessel which had been used in the United States foreign trade or qualified zone domestic trade, and

"(ii) its intention to resume operation of the vessel in the United States foreign trade or qualified zone domestic trade.

"(B) NOTICE.—Notice shall be deemed timely if given not later than the due date (including extensions) for the corporation's tax return for the taxable year in which the temporary cessation begins.

"(C) PERIOD DISREGARD IN EFFECT.—The period of temporary use under subparagraph (A) continues until the earlier of the date of which—

"(i) the electing corporation abandons its intention to resume operations of the vessel in the United States foreign trade or qualified zone domestic trade, or

"(ii) the electing corporation resumes operation of the vessel in the United States foreign trade or qualified zone domestic trade.

"(D) NO DISREGARD IF DOMESTIC TRADE USE EXCEEDS 30 DAYS.—Subparagraph (A) shall not apply to any qualifying vessel which is operated in the United States domestic trade (other than qualified zone domestic trade) for more than 30 days during the taxable year.

"(3) ALLOCATION OF INCOME AND DEDUCTIONS TO QUALIFYING SHIPPING ACTIVITIES.—In the case of a qualifying vessel to which this subsection applies, the Secretary shall prescribe rules for the proper allocation of income, expenses, losses, and deductions between the qualified shipping activities and the other activities of such vessel.

"(4) QUALIFIED ZONE DOMESTIC TRADE.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified zone domestic trade' means the transportation of goods or passengers between places in the qualified zone if such transportation is in the United States domestic trade.

"(B) QUALIFIED ZONE.—The term 'qualified zone' means the Great Lakes Waterway and the St. Lawrence Seaway.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 246. USE OF QUALIFIED MORTGAGE BONDS TO FINANCE RESIDENCES FOR VETERANS WITHOUT REGARD TO FIRST-TIME HOMEBUYER REQUIREMENT.

(a) IN GENERAL.—Section 143(d)(2) (relating to exceptions to 3-year requirement) is amended by striking "and" at the end of subparagraph (B), by adding "and" at the end of subparagraph (C), and by inserting after subparagraph (C) the following new subparagraph:

"(D) in the case of bonds issued after the date of the enactment of this subparagraph and before January 1, 2008, financing of any residence for a veteran (as defined in section 101 of title 38, United States Code), if such veteran has not previously qualified for and received such financing by reason of this subparagraph.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 247. EXCLUSION OF GAIN FROM SALE OF A PRINCIPAL RESIDENCE BY CERTAIN EMPLOYEES OF THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Subparagraph (A) of section 121(d)(9) (relating to exclusion of gain from sale of principal residence) is amended by striking "duty" and all that follows and inserting "duty—

"(i) as a member of the uniformed services,

"(ii) as a member of the Foreign Service of the United States, or

"(iii) as an employee of the intelligence community.".

(b) EMPLOYEE OF INTELLIGENCE COMMUNITY DEFINED.—Subparagraph (C) of section 121(d)(9) is amended by redesignating clause (iv) as clause (v) and by inserting after clause (iii) the following new clause:

"(iv) EMPLOYEE OF INTELLIGENCE COMMUNITY.—The term 'employee of the intelligence community' means an employee (as defined by section 2105 of title 5, United States Code) of—

"(I) the Office of the Director of National Intelligence,

"(II) the Central Intelligence Agency,

"(III) the National Security Agency,

"(IV) the Defense Intelligence Agency,

"(V) the National Geospatial-Intelligence Agency,

"(VI) the National Reconnaissance Office,

"(VII) any other office within the Department of Defense for the collection of specialized national intelligence through reconnaissance programs,

"(VIII) any of the intelligence elements of the Army, the Navy, the Air Force, the Marine Corps, the Federal Bureau of Investigation, the Department of Treasury, the Department of Energy, and the Coast Guard,

"(IX) the Bureau of Intelligence and Research of the Department of State, or

"(X) any of the elements of the Department of Homeland Security concerned with the analyses of foreign intelligence information.".

(c) SPECIAL RULE.—Subparagraph (C) of section 121(d)(9), as amended by subsection (b), is amended by adding at the end the following new clause:

"(vi) SPECIAL RULE RELATING TO INTELLIGENCE COMMUNITY.—An employee of the intelligence community shall not be treated as serving on qualified extended duty unless such duty is at a duty station located outside the United States.".

(d) CONFORMING AMENDMENT.—The heading for section 121(d)(9) is amended to read as follows: "UNIFORMED SERVICES, FOREIGN SERVICE, AND INTELLIGENCE COMMUNITY".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after the date of the enactment of this Act and before January 1, 2011.

SEC. 248. TREATMENT OF COKE AND COKE GAS.

(a) NONAPPLICATION OF PHASEOUT.—Section 45K(g)(2) is amended by adding at the end the following new subparagraph:

"(D) NONAPPLICATION OF PHASEOUT.—Subsection (b)(1) shall not apply.".

(b) CLARIFICATION OF QUALIFYING FACILITY.—Section 45K(g)(1) is amended by inserting "(other than from petroleum based products)" after "coke or coke gas".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 1321 of the Energy Policy Act of 2005.

SEC. 249. SALE OF PROPERTY BY JUDICIAL OFFICERS.

(a) IN GENERAL.—Section 1043(b) (relating to the sale of property to comply with conflict-of-interest requirements) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by inserting ", or a judicial officer," after "an officer or employee of the executive branch"; and

(B) in subparagraph (B), by inserting "judicial canon," after "any statute, regulation, rule,";

(2) in paragraph (2)—

(A) in subparagraph (A), by inserting "judicial canon," after "any Federal conflict of interest statute, regulation, rule,"; and

(B) in subparagraph (B), by inserting after "the Director of the Office of Government Ethics," the following: "in the case of executive branch officers or employees, or by the Judicial Conference of the United States (or its designee), in the case of judicial officers,"; and

(3) in paragraph (5)(B), by inserting "judicial canon," after "any statute, regulation, rule,".

(b) JUDICIAL OFFICER DEFINED.—Section 1043(b) is amended by adding at the end the following new paragraph:

"(6) JUDICIAL OFFICER.—The term 'judicial officer' means the Chief Justice of the United States, the Associate Justices of the Supreme Court, and the judges of the United States courts of appeals, United States district courts, including the district courts in Guam, the Northern Mariana Islands, and the Virgin Islands, Court of Appeals for the Federal Circuit, Court of International Trade, Tax Court, Court of Federal Claims, Court of Appeals for Veterans Claims, United States Court of Appeals for the Armed Forces, and any court created by Act of Congress, the judges of which are entitled to hold office during good behavior.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after the date of enactment of this Act.

SEC. 250. PREMIUMS FOR MORTGAGE INSURANCE.

(a) IN GENERAL.—Section 163(h)(3) (relating to qualified residence interest) is amended by adding at the end the following new subparagraph:

"(E) MORTGAGE INSURANCE PREMIUMS TREATED AS INTEREST.—

"(i) IN GENERAL.—Premiums paid or accrued for qualified mortgage insurance by a taxpayer during the taxable year in connection with acquisition indebtedness with respect to a qualified residence of the taxpayer shall be treated for purposes of this section as interest which is qualified residence interest.

"(ii) PHASEOUT.—The amount otherwise treated as interest under clause (i) shall be reduced (but not below zero) by 10 percent of such amount for each $1,000 ($500 in the case of a married individual filing a separate return) (or fraction thereof) that the taxpayer's adjusted gross income for the taxable year exceeds $100,000 ($50,000 in the case of a married individual filing a separate return).

"(iii) LIMITATION.—Clause (i) shall not apply with respect to any mortgage insurance contracts issued before January 1, 2007.

"(iv) TERMINATION.—Clause (i) shall not apply to amounts—

"(I) paid or accrued after December 31, 2007, or

"(II) properly allocable to any period after such date.".

(b) DEFINITION AND SPECIAL RULES.—Section 163(h)(4) (relating to other definitions and special rules) is amended by adding at the end the following new subparagraphs:

"(E) QUALIFIED MORTGAGE INSURANCE.—The term 'qualified mortgage insurance' means—

"(i) mortgage insurance provided by the Veterans Administration, the Federal Housing Administration, or the Rural Housing Administration, and

"(ii) private mortgage insurance (as defined by section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901), as in effect on the date of the enactment of this subparagraph).

"(F) SPECIAL RULES FOR PREPAID QUALIFIED MORTGAGE INSURANCE.—Any amount paid by the taxpayer for qualified mortgage insurance that is properly allocable to any mortgage the payment of which extends to periods that are after the close of the taxable year in which such amount is paid shall be chargeable to capital account and shall be treated as paid in such periods to which so allocated. No deduction shall be allowed for the unamortized balance of such account if such mortgage is satisfied before the end of its term. The preceding sentences shall not apply to amounts paid for qualified mortgage insurance provided by the Veterans Administration or the Rural Housing Administration.".

(c) INFORMATION RETURNS RELATING TO MORTGAGE INSURANCE.—Section 6050H (relating to returns relating to mortgage interest received in trade or business from individuals) is amended by adding at the end the following new subsection:

"(h) RETURNS RELATING TO MORTGAGE INSURANCE PREMIUMS.—

"(1) IN GENERAL.—The Secretary may prescribe, by regulations, that any person who, in the course of a trade or business, receives from any individual premiums for mortgage insurance aggregating $600 or more for any calendar year, shall make a return with respect to each such individual. Such return shall be in such form, shall be made at such time, and shall contain such information as the Secretary may prescribe.

"(2) STATEMENT TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under paragraph (1) shall furnish to each individual with respect to whom a return is made a written statement showing such information as the Secretary may prescribe. Such written statement shall be furnished on or before January 31 of the year following the calendar year for which the return under paragraph (1) was required to be made.

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) rules similar to the rules of subsection (c) shall apply, and

"(B) the term 'mortgage insurance' means—

"(i) mortgage insurance provided by the Veterans Administration, the Federal Housing Administration, or the Rural Housing Administration, and

"(ii) private mortgage insurance (as defined by section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901), as in effect on the date of the enactment of this subsection).".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or accrued after December 31, 2006.

SEC. 251. MODIFICATION OF REFUNDS FOR KEROSENE USED IN AVIATION.

(a) IN GENERAL.—Paragraph (4) of section 6427(l) (relating to nontaxable uses of diesel fuel and kerosene) is amended to read as follows:

"(4) REFUNDS FOR KEROSENE USED IN AVIATION.—

"(A) KEROSENE USED IN COMMERCIAL AVIATION.—In the case of kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1) shall not apply to so much of the tax imposed by section 4041 or 4081, as the case may be, as is attributable to—

"(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(ii) so much of the rate of tax specified in section 4041(c) or 4081(a)(2)(A)(iii), as the case may be, as does not exceed 4.3 cents per gallon.

"(B) KEROSENE USED IN NONCOMMERCIAL AVIATION.—In the case of kerosene used in aviation that is not commercial aviation (as so defined) (other than any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax), paragraph (1) shall not apply to—

"(i) any tax imposed by section 4041(c), and

"(ii) so much of the tax imposed by section 4081 as is attributable to—

"(I) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(II) so much of the rate of tax specified in section 4081(a)(2)(A)(iii) as does not exceed the rate specified in section 4081(a)(2)(C)(ii).

"(C) PAYMENTS TO ULTIMATE, REGISTERED VENDOR.—

"(i) IN GENERAL.—With respect to any kerosene used in aviation (other than kerosene described in clause (ii) or kerosene to which paragraph (5) applies), if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

"(I) is registered under section 4101, and

"(II) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).

"(ii) PAYMENTS FOR KEROSENE USED IN NONCOMMERCIAL AVIATION.—The amount which would be paid under paragraph (1) with respect to any kerosene to which subparagraph (B) applies shall be paid only to the ultimate vendor of such kerosene. A payment shall be made to such vendor if such vendor—

"(I) is registered under section 4101, and

"(II) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(b) CONFORMING AMENDMENTS.—

(1) Section 6427(l) is amended by striking paragraph (5) and by redesignating paragraph (6) as paragraph (5).

(2) Section 4082(d)(2)(B) is amended by striking "section 6427(l)(6)(B)" and inserting "section 6427(l)(5)(B)".

(3) Section 6427(i)(4)(A) is amended—

(A) by striking "paragraph (4)(B), (5), or (6)" each place it appears and inserting "paragraph (4)(C) or (5)", and

(B) by striking "(l)(5), and (l)(6)" and inserting "(l)(4)(C)(ii), and (l)(5)".

(4) Section 6427(l)(1) is amended by striking "paragraph (4)(B)" and inserting "paragraph (4)(C)(i)".

(5) Section 9502(d) is amended—

(A) in paragraph (2), by striking "and (l)(5)", and

(B) in paragraph (3), by striking "or (5)".

(6) Section 9503(c)(7) is amended—

(A) by amending subparagraphs (A) and (B) to read as follows:

"(A) 4.3 cents per gallon of kerosene subject to section 6427(l)(4)(A) with respect to which a payment has been made by the Secretary under section 6427(l), and

"(B) 21.8 cents per gallon of kerosene subject to section 6427(l)(4)(B) with respect to which a payment has been made by the Secretary under section 6427(l).", and

(B) in the matter following subparagraph (B), by striking "or (5)".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to kerosene sold after September 30, 2005.

(2) SPECIAL RULE FOR PENDING CLAIMS.—In the case of kerosene sold for use in aviation (other than kerosene to which section 6427(l)(4)(C)(ii) of the Internal Revenue Code of 1986 (as added by subsection (a)) applies or kerosene to which section 6427(l)(5) of such Code (as redesignated by subsection (b)) applies) after September 30, 2005, and before the date of the enactment of this Act, the ultimate purchaser shall be treated as having waived the right to payment under section 6427(l)(1) of such Code and as having assigned such right to the ultimate vendor if such ultimate vendor has met the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1) of such Code.

(d) SPECIAL RULE FOR KEROSENE USED IN AVIATION ON A FARM FOR FARMING PURPOSES.—

(1) REFUNDS FOR PURCHASES AFTER DECEMBER 31, 2004, AND BEFORE OCTOBER 1, 2005.—The Secretary of the Treasury shall pay to the ultimate purchaser of any kerosene which is used in aviation on a farm for farming purposes and which was purchased after December 31, 2004, and before October 1, 2005, an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081 of the Internal Revenue Code of 1986, as the case may be, reduced by any payment to the ultimate vendor under section 6427(l)(5)(C) of such Code (as in effect on the day before the date of the enactment of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: a Legacy for Users).

(2) USE ON A FARM FOR FARMING PURPOSES.—For purposes of paragraph (1), kerosene shall be treated as used on a farm for farming purposes if such kerosene is used for farming purposes (within the meaning of section 6420(c)(3) of the Internal Revenue Code of 1986) in carrying on a trade or business on a farm situated in the United States. For purposes of the preceding sentence, rules similar to the rules of section 6420(c)(4) of such Code shall apply.

(3) TIME FOR FILING CLAIMS.—No claim shall be allowed under paragraph (1) unless the ultimate purchaser files such claim before the date that is 3 months after the date of the enactment of this Act.

(4) NO DOUBLE BENEFIT.—No amount shall be paid under paragraph (1) or section 6427(l) of the Internal Revenue Code of 1986 with respect to any kerosene described in paragraph (1) to the extent that such amount is in excess of the tax imposed on such kerosene under section 4041 or 4081 of such Code, as the case may be.

(5) APPLICABLE LAWS.—For purposes of this subsection, rules similar to the rules of section 6427(j) of the Internal Revenue Code of 1986 shall apply.

SEC. 252. DEDUCTION FOR QUALIFIED TIMBER GAIN.

(a) IN GENERAL.—Part I of subchapter P of chapter 1 is amended by adding at the end the following new section:

"SEC. 1203. DEDUCTION FOR QUALIFIED TIMBER GAIN.

"(a) IN GENERAL.—In the case of a taxpayer which elects the application of this section for a taxable year, there shall be allowed a deduction against gross income equal to 60 percent of the lesser of—

"(1) the taxpayer's qualified timber gain for such year, or

"(2) the taxpayer's net capital gain for such year.

"(b) QUALIFIED TIMBER GAIN.—For purposes of this section, the term 'qualified timber gain' means, with respect to any taxpayer for any taxable year, the excess (if any) of—

"(1) the sum of the taxpayer's gains described in subsections (a) and (b) of section 631 for such year, over

"(2) the sum of the taxpayer's losses described in such subsections for such year.

"(c) SPECIAL RULES FOR PASS-THRU ENTITIES.—In the case of any qualified timber gain of a pass-thru entity (as defined in section 1(h)(10))—

"(1) the election under this section shall be made separately by each taxpayer subject to tax on such gain, and

"(2) the Secretary may prescribe such regulations as are appropriate to apply this section to such gain.

"(d) Termination.—No disposition of timber after December 31, 2007, shall be taken into account under subsection (b).".

(b) Coordination With Maximum Capital Gains Rates.—

(1) Taxpayers other than corporations.—Paragraph (2) of section 1(h) is amended to read as follows:

"(2) Reduction of net capital gain.—For purposes of this subsection, the net capital gain for any taxable year shall be reduced (but not below zero) by the sum of—

"(A) the amount which the taxpayer takes into account as investment income under section 163(d)(4)(B)(iii), and

"(B) in the case of a taxable year with respect to which an election is in effect under section 1203, the lesser of—

"(i) the amount described in paragraph (1) of section 1203(a), or

"(ii) the amount described in paragraph (2) of such section.".

(2) Corporations.—Section 1201 is amended by redesignating subsection (b) as subsection (c) and inserting after subsection (a) the following new subsection:

"(b) Qualified Timber Gain Not Taken Into Account.—For purposes of this section, in the case of a corporation with respect to which an election is in effect under section 1203, the net capital gain for any taxable year shall be reduced (but not below zero) by the corporation's qualified timber gain (as defined in section 1203(b)).".

(c) Deduction Allowed Whether or Not Individual Itemizes Other Deductions.—Subsection (a) of section 62, as amended by this Act, is amended by inserting before the last sentence the following new paragraph:

"(22) Qualified timber gains.—The deduction allowed by section 1203.".

(d) Deduction Allowed in Computing Adjusted Current Earnings.—Subparagraph (C) of section 56(g)(4) is amended by adding at the end the following new clause:

"(vii) Deduction for qualified timber gain.—Clause (i) shall not apply to any deduction allowed under section 1203.".

(e) Deduction Allowed in Computing Taxable Income of Electing Small Business Trusts.—Subparagraph (C) of section 641(c)(2) is amended by inserting after clause (iii) the following new clause:

"(iv) The deduction allowed under section 1203.".

(f) Conforming Amendments.—

(1) Subparagraph (B) of section 172(d)(2) is amended to read as follows:

"(B) the exclusion under section 1202 and the deduction under section 1203 shall not be allowed.".

(2) Paragraph (4) of section 642(c) is amended by striking the first sentence and inserting the following: "To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain described in section 1202(a) or qualified timber gain (as defined in section 1203(b)), proper adjustment shall be made for any exclusion allowable to the estate or trust under section 1202 and for any deduction allowable to the estate or trust under section 1203.".

(3) Paragraph (3) of section 643(a) is amended by striking the last sentence and inserting the following: "The exclusion under section 1202 and the deduction under section 1203 shall not be taken into account.".

(4) Subparagraph (C) of section 643(a)(6) is amended to read as follows:

"(C) Paragraph (3) shall not apply to a foreign trust. In the case of such a trust—

"(i) there shall be included gains from the sale or exchange of capital assets, reduced by losses from such sales or exchanges to the extent such losses do not exceed gains from such sales or exchanges, and

"(ii) the deduction under section 1203 shall not be taken into account.".

(5) Paragraph (4) of section 691(c) is amended by inserting "1203," after "1202,".

(6) Paragraph (2) of section 871(a) is amended by striking "section 1202" and inserting "sections 1202 and 1203".

(7) The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end the following new item:

"Sec. 1203. Deduction for qualified timber gain.".

(g) Effective Date.—

(1) In general.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) Taxable years which include date of enactment.—In the case of any taxable year which includes the date of the enactment of this Act, for purposes of the Internal Revenue Code of 1986, the taxpayer's qualified timber gain shall not exceed the excess that would be described in section 1203(b) of such Code, as added by this section, if only dispositions of timber after such date were taken into account.

SEC. 253. CREDIT TO HOLDERS OF RURAL RENAISSANCE BONDS.

(a) In General.—Subpart H of part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by adding at the end the following new section:

"SEC. 54A. CREDIT TO HOLDERS OF RURAL RENAISSANCE BONDS.

"(a) Allowance of Credit.—In the case of a taxpayer who holds a rural renaissance bond on a credit allowance date of such bond, which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

"(b) Amount of Credit.—

"(1) In general.—The amount of the credit determined under this subsection with respect to any credit allowance date for a rural renaissance bond is 25 percent of the annual credit determined with respect to such bond.

"(2) Annual credit.—The annual credit determined with respect to any rural renaissance bond is the product of—

"(A) the credit rate determined by the Secretary under paragraph (3) for the day on which such bond was sold, multiplied by

"(B) the outstanding face amount of the bond.

"(3) Determination.—For purposes of paragraph (2), with respect to any rural renaissance bond, the Secretary shall determine daily or caused to be determined daily a credit rate which shall apply to the first day on which there is a binding, written contract for the sale or exchange of the bond. The credit rate for any day is the credit rate which the Secretary or the Secretary's designee estimates will permit the issuance of rural renaissance bonds with a specified maturity or redemption date without discount and without interest cost to the qualified issuer.

"(4) Credit allowance date.—For purposes of this section, the term 'credit allowance date' means—

"(A) March 15,

"(B) June 15,

"(C) September 15, and

"(D) December 15.

Such term also includes the last day on which the bond is outstanding.

"(5) Special rule for issuance and redemption.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

"(c) Limitation Based on Amount of Tax.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(2) the sum of the credits allowable under this part (other than subpart C and this section).

"(d) Rural Renaissance Bond.—For purposes of this section—

"(1) In general.—The term 'rural renaissance bond' means any bond issued as part of an issue if—

"(A) the bond is issued by a qualified issuer,

"(B) 95 percent or more of the proceeds from the sale of such issue are to be used for capital expenditures incurred for 1 or more qualified projects,

"(C) the qualified issuer designates such bond for purposes of this section and the bond is in registered form, and

"(D) the issue meets the requirements of subsections (e) and (h).

"(2) Qualified project; special use rules.—

"(A) In general.—The term 'qualified project' means 1 or more projects described in subparagraph (B) located in a rural area.

"(B) Projects described.—A project described in this subparagraph is—

"(i) a water or waste treatment project,

"(ii) an affordable housing project,

"(iii) a community facility project, including hospitals, fire and police stations, and nursing and assisted-living facilities,

"(iv) a value-added agriculture or renewable energy facility project for agricultural producers or farmer-owned entities, including any project to promote the production, processing, or retail sale of ethanol (including fuel at least 85 percent of the volume of which consists of ethanol), biodiesel, animal waste, biomass, raw commodities, or wind as a fuel,

"(v) a distance learning or telemedicine project,

"(vi) a rural utility infrastructure project, including any electric or telephone system,

"(vii) a project to expand broadband technology,

"(viii) a rural teleworks project, and

"(ix) any project described in any preceding clause carried out by the Delta Regional Authority.

"(C) Special rules.—For purposes of this paragraph—

"(i) any project described in subparagraph (B)(iv) for a farmer-owned entity may be considered a qualified project if such entity is located in a rural area, or in the case of a farmer-owned entity the headquarters of which are located in a nonrural area, if the project is located in a rural area, and

"(ii) any project for a farmer-owned entity which is a facility described in subparagraph

(B)(iv) for agricultural producers may be considered a qualified project regardless of whether the facility is located in a rural or nonrural area.

"(3) SPECIAL USE RULES.—

"(A) REFINANCING RULES.—For purposes of paragraph (1)(B), a qualified project may be refinanced with proceeds of a rural renaissance bond only if the indebtedness being refinanced (including any obligation directly or indirectly refinanced by such indebtedness) was originally incurred after the date of the enactment of this section.

"(B) REIMBURSEMENT.—For purposes of paragraph (1)(B), a rural renaissance bond may be issued to reimburse a borrower for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

"(i) prior to the payment of the original expenditure, the borrower declared its intent to reimburse such expenditure with the proceeds of a rural renaissance bond,

"(ii) not later than 60 days after payment of the original expenditure, the qualified issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

"(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

"(C) TREATMENT OF CHANGES IN USE.—For purposes of paragraph (1)(B), the proceeds of an issue shall not be treated as used for a qualified project to the extent that a borrower takes any action within its control which causes such proceeds not to be used for a qualified project. The Secretary shall prescribe regulations specifying remedial actions that may be taken (including conditions to taking such remedial actions) to prevent an action described in the preceding sentence from causing a bond to fail to be a rural renaissance bond.

"(e) MATURITY LIMITATIONS.—

"(1) DURATION OF TERM.—A bond shall not be treated as a rural renaissance bond if the maturity of such bond exceeds the maximum term determined by the Secretary under paragraph (2) with respect to such bond.

"(2) MAXIMUM TERM.—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined without regard to the requirements of paragraph (3) and using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

"(3) RATABLE PRINCIPAL AMORTIZATION REQUIRED.—A bond shall not be treated as a rural renaissance bond unless it is part of an issue which provides for an equal amount of principal to be paid by the qualified issuer during each calendar year that the issue is outstanding.

"(f) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

"(1) NATIONAL LIMITATION.—There is a rural renaissance bond limitation of $200,000,000.

"(2) ALLOCATION BY SECRETARY.—The Secretary shall allocate the amount described in paragraph (1) among qualified projects in such manner as the Secretary determines appropriate.

"(g) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

"(h) SPECIAL RULES RELATING TO EXPENDITURES.—

"(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the qualified issuer reasonably expects—

"(A) at least 95 percent of the proceeds from the sale of the issue are to be spent for 1 or more qualified projects within the 5-year period beginning on the date of issuance of the rural renaissance bond,

"(B) a binding commitment with a third party to spend at least 10 percent of the proceeds from the sale of the issue will be incurred within the 6-month period beginning on the date of issuance of the rural renaissance bond or, in the case of a rural renaissance bond, the proceeds of which are to be loaned to 2 or more borrowers, such binding commitment will be incurred within the 6-month period beginning on the date of the loan of such proceeds to a borrower, and

"(C) such projects will be completed with due diligence and the proceeds from the sale of the issue will be spent with due diligence.

"(2) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the period described in paragraph (1)(A), the Secretary may extend such period if the qualified issuer establishes that the failure to satisfy the 5-year requirement is due to reasonable cause and the related projects will continue to proceed with due diligence.

"(3) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 5 YEARS.—To the extent that less than 95 percent of the proceeds of such issue are expended by the close of the 5-year period beginning on the date of issuance (or if an extension has been obtained under paragraph (2), by the close of the extended period), the qualified issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

"(i) SPECIAL RULES RELATING TO ARBITRAGE.—A bond which is part of an issue shall not be treated as a rural renaissance bond unless, with respect to the issue of which the bond is a part, the qualified issuer satisfies the arbitrage requirements of section 148 with respect to proceeds of the issue.

"(j) QUALIFIED ISSUER.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified issuer' means any not-for-profit cooperative lender which has as of the date of the enactment of this section received a guarantee under section 306 of the Rural Electrification Act and which meets the requirement of paragraph (2).

"(2) USER FEE REQUIREMENT.—The requirement of this paragraph is met if the issuer of any rural renaissance bond makes grants for qualified projects as defined under subsection (d)(2) on a semi-annual basis every year that such bond is outstanding in an annual amount equal to one-half of the rate on United States Treasury Bills of the same maturity multiplied by the outstanding principal balance of rural renaissance bonds issued by such issuer.

"(k) SPECIAL RULES RELATING TO POOL BONDS.—No portion of a pooled financing bond may be allocable to a loan unless the borrower has entered into a written loan commitment for such portion prior to the issue date of such issue.

"(l) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BOND.—The term 'bond' includes any obligation.

"(2) POOLED FINANCING BOND.—The term 'pooled financing bond' shall have the meaning given such term by section 149(f)(4)(A).

"(3) RURAL AREA.—The term 'rural area' means any area other than—

"(A) a city or town which has a population of greater than 50,000 inhabitants, or

"(B) the urbanized area contiguous and adjacent to such a city or town.

"(4) PARTNERSHIP; S CORPORATION; AND OTHER PASS-THRU ENTITIES.—

"(A) IN GENERAL.—Under regulations prescribed by the Secretary, in the case of a partnership, trust, S corporation, or other pass-thru entity, rules similar to the rules of section 41(g) shall apply with respect to the credit allowable under subsection (a).

"(B) NO BASIS ADJUSTMENT.—In the case of a bond held by a partnership or an S corporation, rules similar to the rules under section 1397E(l) shall apply.

"(5) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any rural renaissance bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"(6) REPORTING.—Issuers of rural renaissance bonds shall submit reports similar to the reports required under section 149(e).".

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(9) REPORTING OF CREDIT ON RURAL RENAISSANCE BONDS.—

"(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54A(f) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(b)(4)).

"(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A), subsection (b)(4) shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i) of such subsection.

"(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.".

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart H of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 54A. Credit to holders of
rural renaissance bonds."

(2) Section 54(c)(2) is amended by inserting ", section 54A," after "subpart C".

(3) Section 1400N(l)(3)(B) is amended by inserting ", section 54A," after "subpart C".

(d) ISSUANCE OF REGULATIONS.—The Secretary of Treasury shall issue regulations required under section 54A of the Internal Revenue Code of 1986 (as added by this section) not later than 120 days after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act and before January 1, 2010.

SEC. 254. RESTORATION OF DEDUCTION FOR TRAVEL EXPENSES OF SPOUSE, ETC. ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) In General.—Subsection (m) of section 274 (relating to additional limitations on travel expenses) is amended by adding at the end the following new paragraph:

"(4) Termination.—Paragraph (3) shall not apply to any expense paid or incurred after the date of the enactment of this paragraph and before January 1, 2008.".

(b) Effective Date.—The amendment made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

SEC. 255. TECHNICAL CORRECTIONS.

(a) Technical Correction Relating to Look-Through Treatment of Payments Between Related Controlled Foreign Corporations Under the Foreign Personal Holding Company Rules.—

(1) In general.—

(A) The first sentence of section 954(c)(6)(A), as amended by section 103(b) of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "which is not subpart F income" and inserting "which is neither subpart F income nor income treated as effectively connected with the conduct of a trade or business in the United States".

(B) Section 954(c)(6)(A), as so amended, is amended by striking the last sentence and inserting the following: "The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this paragraph, including such regulations as may be necessary or appropriate to prevent the abuse of the purposes of this paragraph."

(2) Effective date.—The amendments made by this subsection shall take effect as if included in section 103(b) of the Tax Increase Prevention and Reconciliation Act of 2005.

(b) Technical Correction Regarding Authority to Exercise Reasonable Cause and Good Faith Exception.—

(1) In general.—Section 903(d)(2)(B)(iii) of the American Jobs Creation Act of 2004, as amended by section 303(a) of the Gulf Opportunity Zone Act of 2005, is amended by inserting "or the Secretary's delegate" after "the Secretary of the Treasury".

(2) Effective date.—The amendment made by this subsection shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which it relates.

TITLE III—SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

SEC. 301. SHORT TITLE.

This title may be cited as the "Surface Mining Control and Reclamation Act Amendments of 2006".

Subtitle A—MINING CONTROL AND RECLAMATION

SEC. 311. ABANDONED MINE RECLAMATION FUND AND PURPOSES.

(a) In General.—Section 401 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231) is amended—

(1) in subsection (c)—

(A) by striking paragraphs (2) and (6); and

(B) by redesignating paragraphs (3), (4), and (5) and paragraphs (7) through (13) as paragraphs (2) through (11), respectively;

(2) by striking subsection (d) and inserting the following:

"(d) Availability of Moneys; No Fiscal Year Limitation.—

"(1) In general.—Moneys from the fund for expenditures under subparagraphs (A) through (D) of section 402(g)(3) shall be available only when appropriated for those subparagraphs.

"(2) No fiscal year limitation.—Appropriations described in paragraph (1) shall be made without fiscal year limitation.

"(3) Other purposes.—Moneys from the fund shall be available for all other purposes of this title without prior appropriation as provided in subsection (f).";

(3) in subsection (e)—

(A) in the second sentence, by striking "the needs of such fund" and inserting "achieving the purposes of the transfers under section 402(h)"; and

(B) in the third sentence, by inserting before the period the following: "for the purpose of the transfers under section 402(h)"; and

(4) by adding at the end the following:

"(f) General Limitation on Obligation Authority.—

"(1) In general.—From amounts deposited into the fund under subsection (b), the Secretary shall distribute during each fiscal year beginning after September 30, 2007, an amount determined under paragraph (2).

"(2) Amounts.—

"(A) For fiscal years 2008 through 2022.—For each of fiscal years 2008 through 2022, the amount distributed by the Secretary under this subsection shall be equal to—

"(i) the amounts deposited into the fund under paragraphs (1), (2), and (4) of subsection (b) for the preceding fiscal year that were allocated under paragraphs (1) and (5) of section 402(g); plus

"(ii) the amount needed for the adjustment under section 402(g)(8) for the current fiscal year.

"(B) Fiscal years 2023 and thereafter.—For fiscal year 2023 and each fiscal year thereafter, to the extent that funds are available, the Secretary shall distribute an amount equal to the amount distributed under subparagraph (A) during fiscal year 2022.

"(3) Distribution.—

"(A) In general.—Except as provided in subparagraph (B), for each fiscal year, of the amount to be distributed to States and Indian tribes pursuant to paragraph (2), the Secretary shall distribute—

"(i) the amounts allocated under paragraph (1) of section 402(g), the amounts allocated under paragraph (5) of section 402(g), and any amount reallocated under section 411(h)(3) in accordance with section 411(h)(2), for grants to States and Indian tribes under section 402(g)(5); and

"(ii) the amounts allocated under section 402(g)(8).

"(B) Exclusion.—Beginning on October 1, 2007, certified States shall be ineligible to receive amounts under section 402(g)(1).

"(4) Availability.—Amounts in the fund available to the Secretary for obligation under this subsection shall be available until expended.

"(5) Addition.—

"(A) In general.—Subject to subparagraph (B), the amount distributed under this subsection for each fiscal year shall be in addition to the amount appropriated from the fund during the fiscal year.

"(B) Exceptions.—Notwithstanding paragraph (3), the amount distributed under this subsection for the first 4 fiscal years beginning on and after October 1, 2007, shall be equal to the following percentage of the amount otherwise required to be distributed:

"(i) 50 percent in fiscal year 2008.

"(ii) 50 percent in fiscal year 2009.

"(iii) 75 percent in fiscal year 2010.

"(iv) 75 percent in fiscal year 2011.".

(b) Conforming Amendment.—Section 712(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1302(b)) is amended by striking "section 401(c)(11)" and inserting "section 401(c)(9)".

SEC. 312. RECLAMATION FEE.

(a) Amounts.—

(1) Fiscal years 2008–2012.—Effective October 1, 2007, section 402(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(a)) is amended—

(A) by striking "35" and inserting "31.5";

(B) by striking "15" and inserting "13.5"; and

(C) by striking "10 cents" and inserting "9 cents".

(2) Fiscal years 2013–2021.—Effective October 1, 2012, section 402(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(a)) (as amended by paragraph (1)) is amended—

(A) by striking "31.5" and inserting "28";

(B) by striking "13.5" and inserting "12"; and

(C) by striking "9 cents" and inserting "8 cents".

(b) Duration.—Effective September 30, 2007, section 402(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(b)) (as amended by section 7007 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-234; 120 Stat. 484)) is amended by striking "September 30, 2007" and all that follows through the end of the sentence and inserting "September 30, 2021.".

(c) Allocation of Funds.—Section 402(g) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(g)) is amended—

(1) in paragraph (1)(D)—

(A) by inserting "(except for grants awarded during fiscal years 2008, 2009, and 2010 to the extent not expended within 5 years)" after "this paragraph"; and

(B) by striking "in any area under paragraph (2), (3), (4), or (5)" and inserting "under paragraph (5)";

(2) by striking paragraph (2) and inserting:

"(2) In making the grants referred to in paragraph (1)(C) and the grants referred to in paragraph (5), the Secretary shall ensure strict compliance by the States and Indian tribes with the priorities described in section 403(a) until a certification is made under section 411(a).";

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking "paragraphs (2) and" and inserting "paragraph";

(B) in subparagraph (A), by striking "401(c)(11)" and inserting "401(c)(9)"; and

(C) by adding at the end the following:

"(E) For the purpose of paragraph (8).";

(4) in paragraph (5)—

(A) by inserting "(A)" after "(5)";

(B) in the first sentence, by striking "40" and inserting "60";

(C) in the last sentence, by striking "Funds allocated or expended by the Secretary under paragraphs (2), (3), or (4)" and inserting "Funds made available under paragraph (3) or (4)"; and

(D) by adding at the end the following:

"(B) Any amount that is reallocated and available under section 411(h)(3) shall be in addition to amounts that are allocated under subparagraph (A)."; and

(5) by striking paragraphs (6) through (8) and inserting the following:

"(6)(A) Any State with an approved abandoned mine reclamation program pursuant to section 405 may receive and retain, without regard to the 3-year limitation referred to in paragraph (1)(D), up to 30 percent of the total of the grants made annually to the State under paragraphs (1) and (5) if those amounts are deposited into an acid mine drainage abatement and treatment fund established under State law, from which amounts (together with all interest earned on the amounts) are expended by the State for the abatement of the causes and the treatment of the effects of acid mine drainage in a comprehensive manner within qualified hydrologic units affected by coal mining practices.

"(B) In this paragraph, the term 'qualified hydrologic unit' means a hydrologic unit—

"(i) in which the water quality has been significantly affected by acid mine drainage from coal mining practices in a manner that adversely impacts biological resources; and

"(ii) that contains land and water that are—

"(I) eligible pursuant to section 404 and include any of the priorities described in section 403(a); and

"(II) the subject of expenditures by the State from the forfeiture of bonds required under section 509 or from other States sources to abate and treat acid mine drainage.

"(7) In complying with the priorities described in section 403(a), any State or Indian tribe may use amounts available in grants made annually to the State or tribe under paragraphs (1) and (5) for the reclamation of eligible land and water described in section 403(a)(3) before the completion of reclamation projects under paragraphs (1) and (2) of section 403(a) only if the expenditure of funds for the reclamation is done in conjunction with the expenditure before, on, or after the date of enactment of the Surface Mining Control and Reclamation Act Amendments of 2006 of funds for reclamation projects under paragraphs (1) and (2) of section 403(a).

"(8)(A) In making funds available under this title, the Secretary shall ensure that the grant awards total not less than $3,000,000 annually to each State and each Indian tribe having an approved abandoned mine reclamation program pursuant to section 405 and eligible land and water pursuant to section 404, so long as an allocation of funds to the State or tribe is necessary to achieve the priorities stated in paragraphs (1) and (2) of section 403(a).

"(B) Notwithstanding any other provision of law, this paragraph applies to the States of Tennessee and Missouri.".

(d) TRANSFERS OF INTEREST EARNED BY ABANDONED MINE RECLAMATION FUND.—Section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232) is amended by striking subsection (h) and inserting the following:

"(h) TRANSFERS OF INTEREST EARNED BY FUND.—

"(1) IN GENERAL.—

"(A) TRANSFERS TO COMBINED BENEFIT FUND.—As soon as practicable after the beginning of fiscal year 2007 and each fiscal year thereafter, and before making any allocation with respect to the fiscal year under subsection (g), the Secretary shall use an amount not to exceed the amount of interest that the Secretary estimates will be earned and paid to the fund during the fiscal year to make the transfer described in paragraph (2)(A).

"(B) TRANSFERS TO 1992 AND 1993 PLANS.—As soon as practicable after the beginning of fiscal year 2008 and each fiscal year thereafter, and before making any allocation with respect to the fiscal year under subsection (g), the Secretary shall use an amount not to exceed the amount of interest that the Secretary estimates will be earned and paid to the fund during the fiscal year (reduced by the amount used under subparagraph (A)) to make the transfers described in paragraphs (2)(B) and (2)(C).

"(2) TRANSFERS DESCRIBED.—The transfers referred to in paragraph (1) are the following:

"(A) UNITED MINE WORKERS OF AMERICA COMBINED BENEFIT FUND.—A transfer to the United Mine Workers of America Combined Benefit Fund equal to the amount that the trustees of the Combined Benefit Fund estimate will be expended from the fund for the fiscal year in which the transfer is made, reduced by—

"(i) the amount the trustees of the Combined Benefit Fund estimate the Combined Benefit Fund will receive during the fiscal year in—

"(I) required premiums; and

"(II) payments paid by Federal agencies in connection with benefits provided by the Combined Benefit Fund; and

"(ii) the amount the trustees of the Combined Benefit Fund estimate will be expended during the fiscal year to provide health benefits to beneficiaries who are unassigned beneficiaries solely as a result of the application of section 9706(h)(1) of the Internal Revenue Code of 1986, but only to the extent that such amount does not exceed the amounts described in subsection (i)(1)(A) that the Secretary estimates will be available to pay such estimated expenditures.

"(B) UNITED MINE WORKERS OF AMERICA 1992 BENEFIT PLAN.—A transfer to the United Mine Workers of America 1992 Benefit Plan, in an amount equal to the difference between—

"(i) the amount that the trustees of the 1992 UMWA Benefit Plan estimate will be expended from the 1992 UMWA Benefit Plan during the next calendar year to provide the benefits required by the 1992 UMWA Benefit Plan on the date of enactment of this subparagraph; minus

"(ii) the amount that the trustees of the 1992 UMWA Benefit Plan estimate the 1992 UMWA Benefit Plan will receive during the next calendar year in—

"(I) required monthly per beneficiary premiums, including the amount of any security provided to the 1992 UMWA Benefit Plan that is available for use in the provision of benefits; and

"(II) payments paid by Federal agencies in connection with benefits provided by the 1992 UMWA benefit plan.

"(C) MULTIEMPLOYER HEALTH BENEFIT PLAN.—A transfer to the Multiemployer Health Benefit Plan established after July 20, 1992, by the parties that are the settlors of the 1992 UMWA Benefit Plan referred to in subparagraph (B) (referred to in this subparagraph and subparagraph (D) as 'the Plan'), in an amount equal to the excess (if any) of—

"(i) the amount that the trustees of the Plan estimate will be expended from the Plan during the next calendar year, to provide benefits no greater than those provided by the Plan as of December 31, 2006; over

"(ii) the amount that the trustees estimated the Plan will receive during the next calendar year in payments paid by Federal agencies in connection with benefits provided by the Plan.

Such excess shall be calculated by taking into account only those beneficiaries actually enrolled in the Plan as of December 31, 2006, who are eligible to receive benefits under the Plan on the first day of the calendar year for which the transfer is made.

"(D) INDIVIDUALS CONSIDERED ENROLLED.—For purposes of subparagraph (C), any individual who was eligible to receive benefits from the Plan as of the date of enactment of this subsection, even though benefits were being provided to the individual pursuant to a settlement agreement approved by order of a bankruptcy court entered on or before September 30, 2004, will be considered to be actually enrolled in the Plan and shall receive benefits from the Plan beginning on December 31, 2006.

"(3) ADJUSTMENT.—If, for any fiscal year, the amount of a transfer under subparagraph (A), (B), or (C) of paragraph (2) is more or less than the amount required to be transferred under that subparagraph, the Secretary shall appropriately adjust the amount transferred under that subparagraph for the next fiscal year.

"(4) ADDITIONAL AMOUNTS.—

"(A) PREVIOUSLY CREDITED INTEREST.—Notwithstanding any other provision of law, any interest credited to the fund that has not previously been transferred to the Combined Benefit Fund referred to in paragraph (2)(A) under this section—

"(i) shall be held in reserve by the Secretary until such time as necessary to make the payments under subparagraphs (A) and (B) of subsection (i)(1), as described in clause (ii); and

"(ii) in the event that the amounts described in subsection (i)(1) are insufficient to make the maximum payments described in subparagraphs (A) and (B) of subsection (i)(1), shall be used by the Secretary to supplement the payments so that the maximum amount permitted under those paragraphs is paid.

"(B) PREVIOUSLY ALLOCATED AMOUNTS.—All amounts allocated under subsection (g)(2) before the date of enactment of this subparagraph for the program described in section 406, but not appropriated before that date, shall be available to the Secretary to make the transfers described in paragraph (2).

"(C) ADEQUACY OF PREVIOUSLY CREDITED INTEREST.—The Secretary shall—

"(i) consult with the trustees of the plans described in paragraph (2) at reasonable intervals; and

"(ii) notify Congress if a determination is made that the amounts held in reserve under subparagraph (A) are insufficient to meet future requirements under subparagraph (A)(ii).

"(D) ADDITIONAL RESERVE AMOUNTS.—In addition to amounts held in reserve under subparagraph (A), there is authorized to be appropriated such sums as may be necessary for transfer to the fund to carry out the purposes of subparagraph (A)(ii).

"(E) INAPPLICABILITY OF CAP.—The limitation described in subsection (i)(3)(A) shall not apply to payments made from the reserve fund under this paragraph.

"(5) LIMITATIONS.—

"(A) AVAILABILITY OF FUNDS FOR NEXT FISCAL YEAR.—The Secretary may make transfers under subparagraphs (B) and (C) of paragraph (2) for a calendar year only if the Secretary determines, using actuarial projections provided by the trustees of the Combined Benefit Fund referred to in paragraph (2)(A), that amounts will be available under paragraph (1), after the transfer, for the next fiscal year for making the transfer under paragraph (2)(A).

"(B) RATE OF CONTRIBUTIONS OF OBLIGORS.—

"(i) IN GENERAL.—

"(I) RATE.—A transfer under paragraph (2)(C) shall not be made for a calendar year unless the persons that are obligated to contribute to the plan referred to in paragraph (2)(C) on the date of the transfer are obligated to make the contributions at rates that are no less than those in effect on the date which is 30 days before the date of enactment of this subsection.

"(II) APPLICATION.—The contributions described in subclause (I) shall be applied first to the provision of benefits to those plan beneficiaries who are not described in paragraph (2)(C)(ii).

"(ii) INITIAL CONTRIBUTIONS.—

"(I) IN GENERAL.—From the date of enactment of the Surface Mining Control and Reclamation Act Amendments of 2006 through December 31, 2010, the persons that, on the date of enactment of that Act, are obligated to contribute to the plan referred to in paragraph (2)(C) shall be obligated, collectively, to make contributions equal to the amount described in paragraph (2)(C), less the amount actually transferred due to the operation of subparagraph (C).

"(II) FIRST CALENDAR YEAR.—Calendar year 2006 is the first calendar year for which contributions are required under this clause.

"(III) AMOUNT OF CONTRIBUTION FOR 2006.—Except as provided in subclause (IV), the amount described in paragraph (2)(C) for calendar year 2006 shall be calculated as if paragraph (2)(C) had been in effect during 2005.

"(IV) LIMITATION.—The contributions required under this clause for calendar year 2006 shall not exceed the amount necessary for solvency of the plan described in paragraph (2)(C), measured as of December 31, 2006 and taking into account all assets held by the plan as of that date.

"(iii) DIVISION.—The collective annual contribution obligation required under clause (ii) shall be divided among the persons subject to the obligation, and applied uniformly, based on the hours worked for which contributions referred to in clause (i) would be owed.

"(C) PHASE-IN OF TRANSFERS.—For each of calendar years 2008 through 2010, the transfers required under subparagraphs (B) and (C) of paragraph (2) shall equal the following amounts:

"(i) For calendar year 2008, the Secretary shall make transfers equal to 25 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

"(ii) For calendar year 2009, the Secretary shall make transfers equal to 50 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

"(iii) For calendar year 2010, the Secretary shall make transfers equal to 75 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

"(i) FUNDING.—

"(1) IN GENERAL.—Subject to paragraph (3), out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the plans described in subsection (h)(2) such sums as are necessary to pay the following amounts:

"(A) To the Combined Fund (as defined in section 9701(a)(5) of the Internal Revenue Code of 1986 and referred to in this paragraph as the 'Combined Fund'), the amount that the trustees of the Combined Fund estimate will be expended from premium accounts maintained by the Combined Fund for the fiscal year to provide benefits for beneficiaries who are unassigned beneficiaries solely as a result of the application of section 9706(h)(1) of the Internal Revenue Code of 1986, subject to the following limitations:

"(i) For fiscal year 2008, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(A) of the Internal Revenue Code of 1986.

"(ii) For fiscal year 2009, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(B) of the Internal Revenue Code of 1986.

"(iii) For fiscal year 2010, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(C) of the Internal Revenue Code of 1986.

"(B) On certification by the trustees of any plan described in subsection (h)(2) that the amount available for transfer by the Secretary pursuant to this section (determined after application of any limitation under subsection (h)(5)) is less than the amount required to be transferred, to the plan the amount necessary to meet the requirement of subsection (h)(2).

"(C) To the Combined Fund, $9,000,000 on October 1, 2007, $9,000,000 on October 1, 2008, and $9,000,000 on October 1, 2009 (which amounts shall not be exceeded) to provide a refund of any premium (as described in section 9704(a) of the Internal Revenue Code of 1986) paid on or before September 7, 2000, to the Combined Fund, plus interest on the premium calculated at the rate of 7.5 percent per year, on a proportional basis and to be paid not later than 60 days after the date on which each payment is received by the Combined Fund, to those signatory operators (to the extent that the Combined Fund has not previously returned the premium amounts to the operators), or any related persons to the operators (as defined in section 9701(c) of the Internal Revenue Code of 1986), or their heirs, successors, or assigns who have been denied the refunds as the result of final judgments or settlements if—

"(i) prior to the date of enactment of this paragraph, the signatory operator (or any related person to the operator)—

"(I) had all of its beneficiary assignments made under section 9706 of the Internal Revenue Code of 1986 voided by the Commissioner of the Social Security Administration; and

"(II) was subject to a final judgment or final settlement of litigation adverse to a claim by the operator that the assignment of beneficiaries under section 9706 of the Internal Revenue Code of 1986 was unconstitutional as applied to the operator; and

"(ii) on or before September 7, 2000, the signatory operator (or any related person to the operator) had paid to the Combined Fund any premium amount that had not been refunded.

"(2) PAYMENTS TO STATES AND INDIAN TRIBES.—Subject to paragraph (3), out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of the Interior for distribution to States and Indian tribes such sums as are necessary to pay amounts described in paragraphs (1)(A) and (2)(A) of section 411(h).

"(3) LIMITATIONS.—

"(A) CAP.—The total amount transferred under this subsection for any fiscal year shall not exceed $490,000,000.

"(B) INSUFFICIENT AMOUNTS.—In a case in which the amount required to be transferred without regard to this paragraph exceeds the maximum annual limitation in subparagraph (A), the Secretary shall adjust the transfers of funds so that—

"(i) each transfer for the fiscal year is a percentage of the amount described;

"(ii) the amount is determined without regard to subsection (h)(5)(A); and

"(iii) the percentage transferred is the same for all transfers made under this subsection for the fiscal year.

"(4) AVAILABILITY OF FUNDS.—Funds shall be transferred under paragraph (1) and (2) beginning in fiscal year 2008 and each fiscal year thereafter, and shall remain available until expended.".

SEC. 313. OBJECTIVES OF FUND.

Section 403 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1233) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "(1) the protection" and inserting the following:

"(1)(A) the protection;";

(ii) in subparagraph (A) (as designated by clause (i)), by striking "general welfare,"; and

(iii) by adding at the end the following:

"(B) the restoration of land and water resources and the environment that—

"(i) have been degraded by the adverse effects of coal mining practices; and

"(ii) are adjacent to a site that has been or will be remediated under subparagraph (A);";

(B) in paragraph (2)—

(i) by striking "(2) the protection" and inserting the following:

"(2)(A) the protection";

(ii) in subparagraph (A) (as designated by clause (i), by striking "health, safety, and general welfare" and inserting "health and safety"; and

(iii) by adding at the end the following:

"(B) the restoration of land and water resources and the environment that—

"(i) have been degraded by the adverse effects of coal mining practices; and

"(ii) are adjacent to a site that has been or will be remediated under subparagraph (A); and";

(C) in paragraph (3), by striking the semicolon at the end and inserting a period; and

(D) by striking paragraphs (4) and (5);

(2) in subsection (b)—

(A) by striking the subsection heading and inserting "WATER SUPPLY RESTORATION.—"; and

(B) in paragraph (1), by striking "up to 30 percent of the"; and

(3) in the second sentence of subsection (c), by inserting ", subject to the approval of the Secretary," after "amendments".

SEC. 314. RECLAMATION OF RURAL LAND.

(a) ADMINISTRATION.—Section 406(h) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236(h)) is amended by striking "Soil Conservation Service" and inserting "Natural Resources Conservation Service".

(b) AUTHORIZATION OF APPROPRIATIONS FOR CARRYING OUT RURAL LAND RECLAMATION.—Section 406 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236) is amended by adding at the end the following:

"(i) There are authorized to be appropriated to the Secretary of Agriculture, from amounts in the Treasury other than amounts in the fund, such sums as may be necessary to carry out this section.".

SEC. 315. LIENS.

Section 408(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C.

1238) is amended in the last sentence by striking "who owned the surface prior to May 2, 1977, and".

SEC. 316. CERTIFICATION.

Section 411 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1240a) is amended—

(1) in subsection (a)—

(A) by inserting "(1)" before the first sentence; and

(B) by adding at the end the following:

"(2)(A) The Secretary may, on the initiative of the Secretary, make the certification referred to in paragraph (1) on behalf of any State or Indian tribe referred to in paragraph (1) if on the basis of the inventory referred to in section 403(c) all reclamation projects relating to the priorities described in section 403(a) for eligible land and water pursuant to section 404 in the State or tribe have been completed.

"(B) The Secretary shall only make the certification after notice in the Federal Register and opportunity for public comment."; and

(2) by adding at the end the following:

"(h) PAYMENTS TO STATES AND INDIAN TRIBES.—

"(1) IN GENERAL.—

"(A) PAYMENTS.—

"(i) IN GENERAL.—Notwithstanding section 401(f)(3)(B), from funds referred to in section 402(i)(2), the Secretary shall make payments to States or Indian tribes for the amount due for the aggregate unappropriated amount allocated to the State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1).

"(ii) CONVERSION AS EQUIVALENT PAYMENTS.—Amounts allocated under subparagraphs (A) or (B) of section 402(g)(1) shall be reallocated to the allocation established in section 402(g)(5) in amounts equivalent to payments made to States or Indian tribes under this paragraph.

"(B) AMOUNT DUE.—In this paragraph, the term 'amount due' means the unappropriated amount allocated to a State or Indian tribe before October 1, 2007, under subparagraph (A) or (B) of section 402(g)(1).

"(C) SCHEDULE.—Payments under subparagraph (A) shall be made in 7 equal annual installments, beginning with fiscal year 2008.

"(D) USE OF FUNDS.—

"(i) CERTIFIED STATES AND INDIAN TRIBES.—A State or Indian tribe that makes a certification under subsection (a) in which the Secretary concurs shall use any amounts provided under this paragraph for the purposes established by the State legislature or tribal council of the Indian tribe, with priority given for addressing the impacts of mineral development.

"(ii) UNCERTIFIED STATES AND INDIAN TRIBES.—A State or Indian tribe that has not made a certification under subsection (a) in which the Secretary has concurred shall use any amounts provided under this paragraph for the purposes described in section 403.

"(2) SUBSEQUENT STATE AND INDIAN TRIBE SHARE FOR CERTIFIED STATES AND INDIAN TRIBES.—

"(A) IN GENERAL.—Notwithstanding section 401(f)(3)(B), from funds referred to in section 402(i)(2), the Secretary shall pay to each certified State or Indian tribe an amount equal to the sum of the aggregate unappropriated amount allocated on or after October 1, 2007, to the certified State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1).

"(B) CERTIFIED STATE OR INDIAN TRIBE DEFINED.—In this paragraph the term 'certified State or Indian tribe' means a State or Indian tribe for which a certification is made under subsection (a) in which the Secretary concurs.

"(3) MANNER OF PAYMENT.—

"(A) IN GENERAL.—Subject to subparagraph (B), payments to States or Indian tribes under this subsection shall be made without regard to any limitation in section 401(d) and concurrently with payments to States under that section.

"(B) INITIAL PAYMENTS.—The first 3 payments made to any State or Indian tribe shall be reduced to 25 percent, 50 percent, and 75 percent, respectively, of the amounts otherwise required under paragraph (2)(A).

"(C) INSTALLMENTS.—Amounts withheld from the first 3 annual installments as provided under subparagraph (B) shall be paid in 2 equal annual installments beginning with fiscal year 2018.

"(4) REALLOCATION.—

"(A) IN GENERAL.—The amount allocated to any State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1) that is paid to the State or Indian tribe as a result of a payment under paragraph (1) or (2) shall be reallocated and available for grants under section 402(g)(5).

"(B) ALLOCATION.—The grants shall be allocated based on the amount of coal historically produced before August 3, 1977, in the same manner as under section 402(g)(5).".

SEC. 317. REMINING INCENTIVES.

Title IV of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231 et seq.) is amended by adding at the following:

"SEC. 415. REMINING INCENTIVES.

"(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary may, after opportunity for public comment, promulgate regulations that describe conditions under which amounts in the fund may be used to provide incentives to promote remining of eligible land under section 404 in a manner that leverages the use of amounts from the fund to achieve more reclamation with respect to the eligible land than would be achieved without the incentives.

"(b) REQUIREMENTS.—Any regulations promulgated under subsection (a) shall specify that the incentives shall apply only if the Secretary determines, with the concurrence of the State regulatory authority referred to in title V, that, without the incentives, the eligible land would not be likely to be remined and reclaimed.

"(c) INCENTIVES.—

"(1) IN GENERAL.—Incentives that may be considered for inclusion in the regulations promulgated under subsection (a) include, but are not limited to—

"(A) a rebate or waiver of the reclamation fees required under section 402(a); and

"(B) the use of amounts in the fund to provide financial assurance for remining operations in lieu of all or a portion of the performance bonds required under section 509.

"(2) LIMITATIONS.—

"(A) USE.—A rebate or waiver under paragraph (1)(A) shall be used only for operations that—

"(i) remove or reprocess abandoned coal mine waste; or

"(ii) conduct remining activities that meet the priorities specified in paragraph (1) or (2) of section 403(a).

"(B) AMOUNT.—The amount of a rebate or waiver provided as an incentive under paragraph (1)(A) to remine or reclaim eligible land shall not exceed the estimated cost of reclaiming the eligible land under this section.".

SEC. 318. EXTENSION OF LIMITATION ON APPLICATION OF PROHIBITION ON ISSUANCE OF PERMIT.

Section 510(e) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1260(e)) is amended by striking the last sentence.

SEC. 319. TRIBAL REGULATION OF SURFACE COAL MINING AND RECLAMATION OPERATIONS.

(a) IN GENERAL.—Section 710 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300) is amended by adding at the end the following:

"(j) TRIBAL REGULATORY AUTHORITY.—

"(1) TRIBAL REGULATORY PROGRAMS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, an Indian tribe may apply for, and obtain the approval of, a tribal program under section 503 regulating in whole or in part surface coal mining and reclamation operations on reservation land under the jurisdiction of the Indian tribe using the procedures of section 504(e).

"(B) REFERENCES TO STATE.—For purposes of this subsection and the implementation and administration of a tribal program under title V, any reference to a 'State' in this Act shall be considered to be a reference to a 'tribe'.

"(2) CONFLICTS OF INTEREST.—

"(A) IN GENERAL.—The fact that an individual is a member of an Indian tribe does not in itself constitute a violation of section 201(f).

"(B) EMPLOYEES OF TRIBAL REGULATORY AUTHORITY.—Any employee of a tribal regulatory authority shall not be eligible for a per capita distribution of any proceeds from coal mining operations conducted on Indian reservation lands under this Act.

"(3) SOVEREIGN IMMUNITY.—To receive primary regulatory authority under section 504(e), an Indian tribe shall waive sovereign immunity for purposes of section 520 and paragraph (4).

"(4) JUDICIAL REVIEW.—

"(A) CIVIL ACTIONS.—

"(i) IN GENERAL.—After exhausting all tribal remedies with respect to a civil action arising under a tribal program approved under section 504(e), an interested party may file a petition for judicial review of the civil action in the United States circuit court for the circuit in which the surface coal mining operation named in the petition is located.

"(ii) SCOPE OF REVIEW.—

"(I) QUESTIONS OF LAW.—The United States circuit court shall review de novo any questions of law under clause (i).

"(II) FINDINGS OF FACT.—The United States circuit court shall review findings of fact under clause (i) using a clearly erroneous standard.

"(B) CRIMINAL ACTIONS.—Any criminal action brought under section 518 with respect to surface coal mining or reclamation operations on Indian reservation lands shall be brought in—

"(i) the United States District Court for the District of Columbia; or

"(ii) the United States district court in which the criminal activity is alleged to have occurred.

"(5) GRANTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), grants for developing, administering, and enforcing tribal programs approved in accordance with section 504(e) shall be provided to an Indian tribe in accordance with section 705.

"(B) EXCEPTION.—Notwithstanding subparagraph (A), the Federal share of the costs of developing, administering, and enforcing an approved tribal program shall be 100 percent.

"(6) REPORT.—Not later than 18 months after the date on which a tribal program is approved under subsection (e) of section 504, the Secretary shall submit to the appropriate committees of Congress a report, developed in cooperation with the applicable Indian tribe, on the tribal program that includes a recommendation of the Secretary on whether primary regulatory authority under that subsection should be expanded to include additional Indian lands.".

(b) Conforming Amendment.—Section 710(i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300(i)) is amended in the first sentence by striking ", except" and all that follows through "section 503".

Subtitle B—Coal Industry Retiree Health Benefit Act

SEC. 321. CERTAIN RELATED PERSONS AND SUCCESSORS IN INTEREST RELIEVED OF LIABILITY IF PREMIUMS PREPAID.

(a) Combined Benefit Fund.—

(1) In general.—Section 9704 of the Internal Revenue Code of 1986 (relating to liability of assigned operators) is amended by adding at the end the following new subsection:

"(j) Prepayment of Premium Liability.—

"(1) In general.—If—

"(A) a payment meeting the requirements of paragraph (3) is made to the Combined Fund by or on behalf of—

"(i) any assigned operator to which this subsection applies, or

"(ii) any related person to any assigned operator described in clause (i), and

"(B) the common parent of the controlled group of corporations described in paragraph (2)(B) is jointly and severally liable for any premium under this section which (but for this subsection) would be required to be paid by the assigned operator or related person,

then such common parent (and no other person) shall be liable for such premium.

"(2) Assigned operators to which subsection applies.—

"(A) In general.—This subsection shall apply to any assigned operator if—

"(i) the assigned operator (or a related person to the assigned operator)—

"(I) made contributions to the 1950 UMWA Benefit Plan and the 1974 UMWA Benefit Plan for employment during the period covered by the 1988 agreement; and

"(II) is not a 1988 agreement operator,

"(ii) the assigned operator (and all related persons to the assigned operator) are not actively engaged in the production of coal as of July 1, 2005, and

"(iii) the assigned operator was, as of July 20, 1992, a member of a controlled group of corporations described in subparagraph (B).

"(B) Controlled group of corporations.—A controlled group of corporations is described in this subparagraph if the common parent of such group is a corporation the shares of which are publicly traded on a United States exchange.

"(C) Coordination with repeal of assignments.—A person shall not fail to be treated as an assigned operator to which this subsection applies solely because the person ceases to be an assigned operator by reason of section 9706(h)(1) if the person otherwise meets the requirements of this subsection and is liable for the payment of premiums under section 9706(h)(3).

"(D) Controlled group.—For purposes of this subsection, the term 'controlled group of corporations' has the meaning given such term by section 52(a).

"(3) Requirements.—A payment meets the requirements of this paragraph if—

"(A) the amount of the payment is not less than the present value of the total premium liability under this chapter with respect to the Combined Fund of the assigned operators or related persons described in paragraph (1) or their assignees, as determined by the operator's or related person's enrolled actuary (as defined in section 7701(a)(35)) using actuarial methods and assumptions each of which is reasonable and which are reasonable in the aggregate, as determined by such enrolled actuary;

"(B) such enrolled actuary files with the Secretary of Labor a signed actuarial report containing—

"(i) the date of the actuarial valuation applicable to the report; and

"(ii) a statement by the enrolled actuary signing the report that, to the best of the actuary's knowledge, the report is complete and accurate and that in the actuary's opinion the actuarial assumptions used are in the aggregate reasonably related to the experience of the operator and to reasonable expectations; and

"(C) 90 calendar days have elapsed after the report required by subparagraph (B) is filed with the Secretary of Labor, and the Secretary of Labor has not notified the assigned operator in writing that the requirements of this paragraph have not been satisfied.

"(4) Use of prepayment.—The Combined Fund shall—

"(A) establish and maintain an account for each assigned operator or related person by, or on whose behalf, a payment described in paragraph (3) was made,

"(B) credit such account with such payment (and any earnings thereon), and

"(C) use all amounts in such account exclusively to pay premiums that would (but for this subsection) be required to be paid by the assigned operator.

Upon termination of the obligations for the premium liability of any assigned operator or related person for which such account is maintained, all funds remaining in such account (and earnings thereon) shall be refunded to such person as may be designated by the common parent described in paragraph (1)(B).".

(b) Individual Employer Plans.—Section 9711(c) of the Internal Revenue Code of 1986 (relating to joint and several liability) is amended to read as follows:

"(c) Joint and Several Liability of Related Persons.—

"(1) In general.—Except as provided in paragraph (2), each related person of a last signatory operator to which subsection (a) or (b) applies shall be jointly and severally liable with the last signatory operator for the provision of health care coverage described in subsection (a) or (b).

"(2) Liability limited if security provided.—If—

"(A) security meeting the requirements of paragraph (3) is provided by or on behalf of—

"(i) any last signatory operator which is an assigned operator described in section 9704(j)(2), or

"(ii) any related person to any last signatory operator described in clause (i), and

"(B) the common parent of the controlled group of corporations described in section 9704(j)(2)(B) is jointly and severally liable for the provision of health care under this section which, but for this paragraph, would be required to be provided by the last signatory operator or related person,

then, as of the date the security is provided, such common parent (and no other person) shall be liable for the provision of health care under this section which the last signatory operator or related person would otherwise be required to provide. Security may be provided under this paragraph without regard to whether a payment was made under section 9704(j).

"(3) Security.—Security meets the requirements of this paragraph if—

"(A) the security—

"(i) is in the form of a bond, letter of credit, or cash escrow,

"(ii) is provided to the trustees of the 1992 UMWA Benefit Plan solely for the purpose of paying premiums for beneficiaries who would be described in section 9712(b)(2)(B) if the requirements of this section were not met by the last signatory operator, and

"(iii) is in an amount equal to 1 year of liability of the last signatory operator under this section, determined by using the average cost of such operator's liability during the prior 3 calendar years;

"(B) the security is in addition to any other security required under any other provision of this title; and

"(C) the security remains in place for 5 years.

"(4) Refunds of security.—The remaining amount of any security provided under this subsection (and earnings thereon) shall be refunded to the last signatory operator as of the earlier of—

"(A) the termination of the obligations of the last signatory operator under this section, or

"(B) the end of the 5-year period described in paragraph (4)(C).".

(c) 1992 UMWA Benefit Plan.—Section 9712(d)(4) of the Internal Revenue Code of 1986 (relating to joint and several liability) is amended by adding at the end the following new sentence: "The provisions of section 9711(c)(2) shall apply to any last signatory operator described in such section (without regard to whether security is provided under such section, a payment is made under section 9704(j), or both) and if security meeting the requirements of section 9711(c)(3) is provided, the common parent described in section 9711(c)(2)(B) shall be exclusively responsible for any liability for premiums under this section which, but for this sentence, would be required to be paid by the last signatory operator or any related person.".

(d) Successor in Interest.—Section 9701(c) of the Internal Revenue Code of 1986 (relating to terms relating to operators) is amended by adding at the end the following new paragraph:

"(8) Successor in interest.—

"(A) Safe harbor.—The term 'successor in interest' shall not include any person who—

"(i) is an unrelated person to an eligible seller described in subparagraph (C); and

"(ii) purchases for fair market value assets, or all of the stock, of a related person to such seller, in a bona fide, arm's-length sale.

"(B) Unrelated person.—The term 'unrelated person' means a purchaser who does not bear a relationship to the eligible seller described in section 267(b).

"(C) Eligible seller.—For purposes of this paragraph, the term 'eligible seller' means an assigned operator described in section 9704(j)(2) or a related person to such assigned operator.".

(e) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act, except that the amendment made by subsection (d) shall apply to transactions after the date of the enactment of this Act.

SEC. 322. TRANSFERS TO FUNDS; PREMIUM RELIEF.

(a) Combined Fund.—

(1) Federal transfers.—Section 9705(b) of the Internal Revenue Code of 1986 (relating

to transfers from Abandoned Mine Reclamation Fund) is amended—

(A) in paragraph (1), by striking "section 402(h)" and inserting "subsections (h) and (i) of section 402";

(B) by striking paragraph (2) and inserting the following new paragraph:

"(2) USE OF FUNDS.—Any amount transferred under paragraph (1) for any fiscal year shall be used to pay benefits and administrative costs of beneficiaries of the Combined Fund or for such other purposes as are specifically provided in the Acts described in paragraph (1)."; and

(C) by striking "FROM ABANDONED MINE RECLAMATION FUND".

(2) MODIFICATIONS OF PREMIUMS TO REFLECT FEDERAL TRANSFERS.—

(A) ELIMINATION OF UNASSIGNED BENEFICIARIES PREMIUM.—Section 9704(d) of such Code (establishing unassigned beneficiaries premium) is amended to read as follows:

"(d) UNASSIGNED BENEFICIARIES PREMIUM.—

"(1) PLAN YEARS ENDING ON OR BEFORE SEPTEMBER 30, 2006.—For plan years ending on or before September 30, 2006, the unassigned beneficiaries premium for any assigned operator shall be equal to the applicable percentage of the product of the per beneficiary premium for the plan year multiplied by the number of eligible beneficiaries who are not assigned under section 9706 to any person for such plan year.

"(2) PLAN YEARS BEGINNING ON OR AFTER OCTOBER 1, 2006.—

"(A) IN GENERAL.—For plan years beginning on or after October 1, 2006, subject to subparagraph (B), there shall be no unassigned beneficiaries premium, and benefit costs with respect to eligible beneficiaries who are not assigned under section 9706 to any person for any such plan year shall be paid from amounts transferred under section 9705(b).

"(B) INADEQUATE TRANSFERS.—If, for any plan year beginning on or after October 1, 2006, the amounts transferred under section 9705(b) are less than the amounts required to be transferred to the Combined Fund under subsection (h)(2)(A) or (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232)), then the unassigned beneficiaries premium for any assigned operator shall be equal to the operator's applicable percentage of the amount required to be so transferred which was not so transferred.".

(B) PREMIUM ACCOUNTS.—

(i) CREDITING OF ACCOUNTS.—Section 9704(e)(1) of such Code (relating to premium accounts; adjustments) is amended by inserting "and amounts transferred under section 9705(b)" after "premiums received".

(ii) SURPLUSES ATTRIBUTABLE TO PUBLIC FUNDING.—Section 9704(e)(3)(A) of such Code is amended by adding at the end the following new sentence: "Amounts credited to an account from amounts transferred under section 9705(b) shall not be taken into account in determining whether there is a surplus in the account for purposes of this paragraph."

(C) APPLICABLE PERCENTAGE.—Section 9704(f)(2) of such Code (relating to annual adjustments) is amended by adding at the end the following new subparagraph:

"(C) In the case of plan years beginning on or after October 1, 2007, the total number of assigned eligible beneficiaries shall be reduced by the eligible beneficiaries whose assignments have been revoked under section 9706(h).".

(3) ASSIGNMENTS AND REASSIGNMENT.—Section 9706 of the Internal Revenue Code of 1986 (relating to assignment of eligible beneficiaries) is amended by adding at the end the following:

"(h) ASSIGNMENTS AS OF OCTOBER 1, 2007.—

"(1) IN GENERAL.—Subject to the premium obligation set forth in paragraph (3), the Commissioner of Social Security shall—

"(A) revoke all assignments to persons other than 1988 agreement operators for purposes of assessing premiums for plan years beginning on and after October 1, 2007; and

"(B) make no further assignments to persons other than 1988 agreement operators, except that no individual who becomes an unassigned beneficiary by reason of subparagraph (A) may be assigned to a 1988 agreement operator.

"(2) REASSIGNMENT UPON PURCHASE.—This subsection shall not be construed to prohibit the reassignment under subsection (b)(2) of an eligible beneficiary.

"(3) LIABILITY OF PERSONS DURING THREE FISCAL YEARS BEGINNING ON AND AFTER OCTOBER 1, 2007.—In the case of each of the fiscal years beginning on October 1, 2007, 2008, and 2009, each person other than a 1988 agreement operator shall pay to the Combined Fund the following percentage of the amount of annual premiums that such person would otherwise be required to pay under section 9704(a), determined on the basis of assignments in effect without regard to the revocation of assignments under paragraph (1)(A):

"(A) For the fiscal year beginning on October 1, 2007, 55 percent.

"(B) For the fiscal year beginning on October 1, 2008, 40 percent.

"(C) For the fiscal year beginning on October 1, 2009, 15 percent.".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to plan years of the Combined Fund beginning after September 30, 2006.

(b) 1992 UMWA BENEFIT AND OTHER PLANS.—

(1) TRANSFERS TO PLANS.—Section 9712(a) of the Internal Revenue Code of 1986 (relating to the establishment and coverage of the 1992 UMWA Benefit Plan) is amended by adding at the end the following:

"(3) TRANSFERS UNDER OTHER FEDERAL STATUTES.—

"(A) IN GENERAL.—The 1992 UMWA Benefit Plan shall include any amount transferred to the plan under subsections (h) and (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232).

"(B) USE OF FUNDS.—Any amount transferred under subparagraph (A) for any fiscal year shall be used to provide the health benefits described in subsection (c) with respect to any beneficiary for whom no monthly per beneficiary premium is paid pursuant to paragraph (1)(A) or (3) of subsection (d).

"(4) SPECIAL RULE FOR 1993 PLAN.—

"(A) IN GENERAL.—The plan described in section 402(h)(2)(C) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(2)(C)) shall include any amount transferred to the plan under subsections (h) and (i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232).

"(B) USE OF FUNDS.—Any amount transferred under subparagraph (A) for any fiscal year shall be used to provide the health benefits described in section 402(h)(2)(C)(i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(2)(C)(i)) to individuals described in section 402(h)(2)(C) of such Act (30 U.S.C. 1232(h)(2)(C)).".

(2) PREMIUM ADJUSTMENTS.—

(A) IN GENERAL.—Section 9712(d)(1) of such Code (relating to guarantee of benefits) is amended to read as follows:

"(1) IN GENERAL.—All 1988 last signatory operators shall be responsible for financing the benefits described in subsection (c) by meeting the following requirements in accordance with the contribution requirements established in the 1992 UMWA Benefit Plan:

"(A) The payment of a monthly per beneficiary premium by each 1988 last signatory operator for each eligible beneficiary of such operator who is described in subsection (b)(2) and who is receiving benefits under the 1992 UMWA benefit plan.

"(B) The provision of a security (in the form of a bond, letter of credit, or cash escrow) in an amount equal to a portion of the projected future cost to the 1992 UMWA Benefit Plan of providing health benefits for eligible and potentially eligible beneficiaries attributable to the 1988 last signatory operator.

"(C) If the amounts transferred under subsection (a)(3) are less than the amounts required to be transferred to the 1992 UMWA Benefit Plan under subsections (h) and (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232), the payment of an additional backstop premium by each 1988 last signatory operator which is equal to such operator's share of the amounts required to be so transferred but which were not so transferred, determined on the basis of the number of eligible and potentially eligible beneficiaries attributable to the operator.".

(B) CONFORMING AMENDMENTS.—Section 9712(d) of such Code is amended—

(i) in paragraph (2)(B), by striking "prefunding" and inserting "backstop", and

(ii) in paragraph (3), by striking "paragraph (1)(B)" and inserting "paragraph (1)(A)".

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to fiscal years beginning on or after October 1, 2010.

SEC. 323. OTHER PROVISIONS.

(a) BOARD OF TRUSTEES.—Section 9702(b) of the Internal Revenue Code of 1986 (relating to board of trustees of the Combined Fund) is amended to read as follows:

"(b) BOARD OF TRUSTEES.—

"(1) IN GENERAL.—For purposes of subsection (a), the board of trustees for the Combined Fund shall be appointed as follows:

"(A) 2 individuals who represent employers in the coal mining industry shall be designated by the BCOA;

"(B) 2 individuals designated by the United Mine Workers of America; and

"(C) 3 individuals selected by the individuals appointed under subparagraphs (A) and (B).

"(2) SUCCESSOR TRUSTEES.—Any successor trustee shall be appointed in the same manner as the trustee being succeeded. The plan establishing the Combined Fund shall provide for the removal of trustees.

"(3) SPECIAL RULE.—If the BCOA ceases to exist, any trustee or successor under paragraph (1)(A) shall be designated by the 3 employers who were members of the BCOA on the enactment date and who have been assigned the greatest number of eligible beneficiaries under section 9706.".

(b) ENFORCEMENT OF OBLIGATIONS.—

(1) FAILURE TO PAY PREMIUMS.—Section 9707(a) of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) FAILURES TO PAY.—

"(1) PREMIUMS FOR ELIGIBLE BENEFICIARIES.—There is hereby imposed a penalty on the failure of any assigned operator to pay any premium required to be paid under section 9704 with respect to any eligible beneficiary.

"(2) CONTRIBUTIONS REQUIRED UNDER THE MINING LAWS.—There is hereby imposed a penalty on the failure of any person to make a contribution required under section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 to a plan referred to in section 402(h)(2)(C) of such Act. For purposes of applying this section, each such required monthly contribution for the hours worked of any individual shall be treated as if it were a premium required to be paid under section 9704 with respect to an eligible beneficiary.".

(2) CIVIL ENFORCEMENT.—Section 9721 of such Code is amended to read as follows:

"SEC. 9721. CIVIL ENFORCEMENT.

"The provisions of section 4301 of the Employee Retirement Income Security Act of 1974 shall apply, in the same manner as any claim arising out of an obligation to pay withdrawal liability under subtitle E of title IV of such Act, to any claim—

"(1) arising out of an obligation to pay any amount required to be paid by this chapter; or

"(2) arising out of an obligation to pay any amount required by section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(5)(B)(ii)).".

Mr. GEORGE MILLER of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, there has been a lot of discussion and there appears to be almost unanimity in this Congress that we should be raising the minimum wage. But it also is very clear from this discussion that if we proceed with the bill that is before us offered by the majority in this House, that we will not accomplish transferring that legislation into the law of the land, because that legislation has very little chance of passing in the time remaining in this House.

We offer this motion to recommit because in this motion we offer the minimum wage, we offer the extenders that are present in the bill that is before us, and the provisions for coal mining. These are important, they are widely supported in the Congress; we voted on them many times, and they are important for all the reasons people cited here today. But, most importantly, it will allow us to have in effect an up-or-down vote on the minimum wage because it will not have the poison pill of the estate tax, all of the costs, all of the deficit that is created by that legislation. It will not bring that controversy to this chance, the first chance in 9 years to raise the minimum wage for those people working at the federally mandated minimum wage of $5.15 an hour.

We have now seen that many, many Members of this Congress have decided that that is no longer acceptable in this country, that we cannot mandate under Federal law that that is the minimum wage for these people. And so we have an opportunity to change it, but the only real opportunity to change it comes with the motion to recommit, where we can clean this legislation up, we can take the poison pill out, we can take the deficit spending out, we can take the privilege out of this legislation, and we can address the important priorities of this Nation.

That is what we should be doing at this point in this session of this Congress. That is what we should be doing at 5 minutes after 1 o'clock in the morning. We should be addressing the important priorities of this Nation, and we should do it in the manner that ensures, that almost guarantees the opportunity to pass the minimum wage so that these people can help to lift themselves out of poverty, help to be able to provide the wherewithal for their families, and be able to continue in their employment.

We don't have to go the route that the Republicans went with the minimum wage where these people have to wait another 18 months. We don't have to go through this business of taking away the wages from people who earn tips. We don't have to do any of that. We can have a clean minimum wage, we can have clean extenders, clean coal provisions, and we can go about our way and take care of the priorities of this Nation.

Mr. Speaker, I yield to the gentleman from New York.

Mr. RANGEL. I thank the gentleman from California.

For those who have been listening to this debate, you would notice that the Republicans have never talked about one part of this bill. I heard the distinguished chairman of the committee go through all of the things that he requested a "yes" for, and he never mentioned the giveaway for the rich in the estate tax repeal.

Everything that he talked about dealt with helping the poor folks get an increase in minimum wage. Well, that is the motion to recommit. I think he mentioned something, other people did, about helping the poor coal miners. That is here. I know he talked about the carefully skilled extension, the tax bills that expire, the extenders for that, and that is in it. And so since he didn't mention the estate tax repeal, a motion to recommit takes it away. And so we can all start reading from the same page and say this is like the Thomas-Rangel bill: it takes care of the poor that are working, the 6 million workers that deserve a pay increase. It takes care of the extenders that are so badly needed that takes care of a lot of kids and tax incentives for disadvantaged workers and school teachers and school renovations. And so it does a lot of these good things.

But how can we refuse to see, pardon the pun, the elephant in the living room? Because it is there, and that elephant is called estate tax repeal. And you can say it any way that you want; if you want to do the good things that are in this bill, package, if you will, you have got to buy that elephant. And we are saying that not all of us are prepared to do it. We can take care of those people who work every day and believe that this Congress should be there for them, not as Republicans, not as Democrats, but the Congress.

These people deserve better than waiting until after midnight and taking their destiny and tying it up with an $800 billion elephant to provide relief for the richest in this country. I urge you to support the motion to recommit tonight.

Mr. THOMAS. Mr. Speaker, I rise in opposition to the motion.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. THOMAS. Mr. Speaker, speaker after speaker after speaker on the other side of the aisle went in the well. What was the common plea? Give us a clean vote on minimum wage. Just give us a clean vote on minimum wage. You have got 169 pages here. They wrote it. They can't even write a motion to recommit that is a clean vote on the minimum wage. I am offended. And any other Member who is offended, vote "no" on the motion to recommit.

Mr. THOMAS. I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes, if ordered, on passage of H.R. 5970, and conference report on S. 250.

The vote was taken by electronic device, and there were—ayes 190, noes 220, not voting 23, as follows:

[Roll No. 424]

AYES—190

Ackerman
Allen
Andrews
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks

Dingell
Doggett
Doyle
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NOES—220

Abercrombie
Aderholt
Akin
Alexander
Bachus
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Cole (OK)
Conaway
Cramer
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Norwood
Nunes
Nussle
Osborne
Otter
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—23

Baca
Baker
Bilirakis
Boehlert
Buyer
Coble
Davis, Jo Ann
Deal (GA)
Evans
Gohmert
Granger
Istook
Jones (NC)
Lewis (GA)
Linder
McKinney
Meehan
Northup
Oxley
Payne
Salazar
Stark
Walden (OR)

□ 0130

Mr. REICHERT, Mr. BOREN, Ms. PRYCE of Ohio, and Mr. CRAMER changed their vote from "aye" to "no."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BILIRAKIS. Mr. Speaker, I was absent from votes today, July 28, 2006, due to family obligations in Florida for my niece's wedding. As a result, I was not recorded for a series of votes. Had I been present, I would have voted "yea" on rollcall votes 418, 419, 420, 422, 423, 425, and 426.

On rollcall votes 421 and 424, I would have voted "nay."

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 230, noes 180, answered "present" 1, not voting 22, as follows:

[Roll No. 425]

AYES—230

Abercrombie
Aderholt
Akin
Alexander
Bachus
Barrow
Bartlett (MD)
Bass
Bean
Beauprez
Berkley
Berry
Biggert
Bilbray
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brown (OH)
Brown (SC)
Brown Waite, Ginny
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Capito
Carter
Case
Castle
Chabot
Chandler
Chocola
Cole (OK)
Conaway
Cramer
Crenshaw
Cubin
Cuellar
Davis (KY)
Davis (TN)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
English (PA)
Everett
Ferguson
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Herseth
Hobson
Hoekstra
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (NY)
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas
Lungren, Daniel E.
Manzullo
Marchant
Marshall
Matheson
McCaul (TX)
McCotter
McCrery
McHugh
McIntyre
McKeon
McMorris
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moore (KS)
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Osborne
Otter
Pearce
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Rush
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Strickland
Sullivan
Sweeney
Tanner
Taylor (NC)
Terry
Thomas
Tiberi
Towns
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Young (AK)
Young (FL)

NOES—180

Ackerman
Allen
Andrews
Baldwin
Barrett (SC)
Barton (TX)
Becerra
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonilla
Bradley (NH)
Brady (PA)
Brady (TX)
Brown, Corrine
Butterfield
Cantor
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Crowley
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Feeney
Filner
Flake
Frank (MA)
Garrett (NJ)
Gonzalez
Green, Al
Green, Gene

Grijalva
Gutierrez
Harman
Hastings (FL)
Hensarling
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
Kingston
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lipinski
Lofgren, Zoe
Lowey
Lynch
Mack
Maloney
Markey
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McHenry
McNulty
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Pelosi
Pence
Pomeroy
Price (NC)
Rangel
Reyes
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stupak
Tancredo
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tierney
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wynn

ANSWERED "PRESENT"—1

Baird

NOT VOTING—22

Baca
Baker
Bilirakis
Boehlert
Buyer
Coble
Davis, Jo Ann
Deal (GA)
Evans
Gohmert
Granger
Istook
Jones (NC)
Lewis (GA)
Linder
McKinney
Meehan
Northup
Oxley
Payne
Salazar
Stark

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 0141

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 250, CARL D. PERKINS CAREER AND TECHNICAL EDUCATION IMPROVEMENT ACT OF 2006

The SPEAKER pro tempore. The unfinished business is the de novo vote on the adoption of the conference report to accompany the Senate bill, S. 250.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. McKEON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 399, noes 1, not voting 32, as follows:

[Roll No. 426]

AYES—399

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chocola
Clay
Cleaver
Clyburn
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Pallone
Pascrell
Pastor
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Snyder
Sodrel
Solis
Souder
Spratt
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—1

Flake

NOT VOTING—32

Baca
Baker
Bilirakis
Boehlert
Buyer
Chandler
Coble
Davis, Jo Ann
Deal (GA)
Evans
Ford
Frank (MA)
Gohmert
Granger
Gutierrez
Hefley
Istook
Jones (NC)
Lewis (GA)
Linder
McKinney
Meehan
Murtha
Northup
Norwood
Oxley
Paul
Payne
Salazar
Slaughter
Smith (WA)
Stark

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that 2 minutes remain in this vote.

☐ 0148

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of the bill, H.R. 5970.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 65

Mr. GERLACH. Mr. Speaker, I ask unanimous consent to have my name removed as cosponsor of H.R. 65.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MAKING TECHNICAL CORRECTIONS TO VIOLENCE AGAINST WOMEN AND DEPARTMENT OF JUSTICE REAUTHORIZATION ACT OF 2005

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 3693) to make technical corrections to the Violence Against Women and Department of Justice Reauthorization Act of 2005, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3693

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. UNIVERSAL GRANT CONDITIONS AND DEFINITIONS OF THE VIOLENCE AGAINST WOMEN ACT OF 2005.

(a) Short Title.—Section 1 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 is amended by—

(1) inserting "(a) In General" before "This"; and

(2) adding at the end the following:

"(b) Separate Short Titles.—Section 3 and titles I through IX of this Act may be cited as the 'Violence Against Women Reauthorization Act of 2005'. Title XI of this Act may be cited as the 'Department of Justice Appropriations Authorization Act of 2005'.".

(b) Clarify Effective Dates.—The Violence Against Women Act and Department of Justice Reauthorization Act of 2005 (Public Law 109–162) is amended by adding after section 3 the following new section:

"SEC. 4. EFFECTIVE DATE OF SPECIFIC SECTIONS.

"Notwithstanding any other provision of this Act or any other law, sections 101, 102 (except the amendment to section 2101(d) of the Omnibus Crime Control and Safe Streets Act of 1968 included in that section), 103, 121, 203, 204, 205, 304, 306, 602, 906, and 907 of this Act shall not take effect until the beginning of fiscal year 2007.".

(c) Ensure Comprehensive Definitional Section.—

(1) Crimes on campuses.—Section 304 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162) is amended by adding at the end the following:

"(g) Definitions and Grant Conditions.—In this section the definitions and grant conditions in section 40002 of the Violence Against Women Act of 1994 shall apply.".

(2) Outreach to underserved populations.—Section 120 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162) is amended by adding at the end the following:

"(i) Definitions and Grant Conditions.—In this section the definitions and grant conditions in section 40002 of the Violence Against Women Act of 1994 shall apply.".

(3) Cultural services.—Section 121 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162) is amended by adding at the end the following:

"(h) Definitions and Grant Conditions.—In this section the definitions and grant conditions in section 40002 of the Violence Against Women Act of 1994 shall apply.".

(d) Correct Definition of Sexual Assault.—Section 40002(a)(23) of the Violence Against Women Act of 1994, as added by section 3 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162), is amended by striking "prescribed" and inserting "proscribed".

(e) Tribal Definitions.—Section 40002(a) of the Violence Against Women Act of 1994, as added by section 3 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162), is amended—

(1) in paragraph (1), by striking "Alaskan" and inserting "Alaska Native";

(2) by redesignating paragraphs (31) through (36) as paragraphs (32) through (37), respectively; and

(3) by adding after paragraph (30) the following:

"(31) Tribal nonprofit organization.—The term 'tribal nonprofit organization' means—

"(A) a victim services provider that has as its primary purpose to assist Native victims of domestic violence, dating violence, sexual assault, or stalking; and

"(B) staff and leadership of the organization must include persons with a demonstrated history of assisting American Indian or Alaska Native victims of domestic violence, dating violence, sexual assault, or stalking.".

(f) Clarify Matching Provision in the Universal Grant Condition.—Section 40002(b) of the Violence Against Women Act of 1994, as added by section 3 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162), is amended by striking paragraph (1) and inserting the following:

"(1) Match.—No matching funds shall be required for any grant or subgrant made under this Act for—

"(A) any tribe, territory, or victim service provider; or

"(B) any other entity, including a State, that—

"(i) petitions for a waiver of any match condition imposed by the Attorney General or the Secretaries of Health and Human Services or Housing and Urban Development; and

"(ii) whose petition for waiver is determined by the Attorney General or the Secretaries of Health and Human Services or Housing and Urban Development to have adequately demonstrated the financial need of the petitioning entity.".

SEC. 2. TITLE I—LAW ENFORCEMENT TOOLS.

(a) Duplicate Provision.—Title I of the Violence Against Women Act of 2005 (Public Law 109–162) is amended by striking section 108.

(b) Authorization Period.—Section 1167 of the Violence Against Women Act of 2005 is amended by striking "2006 through 2010" and inserting "2007 through 2011".

(c) Definition of Spouse of Intimate Partner.—Section 2266(7)(A) of title 18, United States Code, is amended by striking clause (ii) and inserting the following:

"(ii) section 2261A—

"(I) a spouse or former spouse of the target of the stalking, a person who shares a child in common with the target of the stalking, and a person who cohabits or has cohabited as a spouse with the target of the stalking; or

"(II) a person who is or has been in a social relationship of a romantic or intimate nature with the target of the stalking, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.".

(d) Strike Repeated Sections.—The Violence Against Women and Department of Justice Reauthorization Act of 2005 is amended by striking sections 1134 and 1135.

(e) Conditions on Technical Assistance.—Section 40002(b)(11) of the Violence Against Women Act of 1994 is amended by inserting before "If there" the following: "Of the total amounts appropriated under this title, not less than 3 percent and up to 8 percent, unless otherwise noted, shall be available for providing training and technical assistance relating to the purposes of this title to improve the capacity of the grantees, subgrantees, and other entities.".

(f) Remove the Technical Assistance Provision in STOP and Grants To Encourage Arrest.—The Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(1) in section 2007, by striking subsection (i), as added by section 101 of the Violence Against Women and Department of Justice Reauthorization Act of 2005; and

(2) by striking section 2106, as added by section 102 of the Violence Against Women and Department of Justice Reauthorization Act of 2005.

(g) Correct STOP Grant Allocation.—Section 2007 (b)(2) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg–1), as amended by section 101 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is amended by striking "and the coalitions for combined Territories of the United States" and inserting "the coalition for Guam, the coalition for American Samoa, the coalition for the United States Virgin Islands, and the coalition for the Commonwealth of the Northern Mariana Islands.".

(h) Underserved Populations Report.—Section 120(g) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 is amended by striking ", every 18 months,".

(i) Correct Definition of Dating Partner.—Section 2266(10) of title 18, United States Code, as amended by section 116 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is further amended by striking "and the existence of such a relationship" and inserting ". The existence of such a relationship is".

(j) Alter Compliance Time for Forensic Exam Certification.—Section 2010(d) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg–4(d)) as added by section 101 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is amended by—

(1) striking "Nothing" and inserting "(1) In general.—"; and

(2) inserting at the end the following:

"(2) Compliance Period.—States, territories, and Indian tribal governments shall have 3 years from the date of enactment of the Violence Against Women and Department of Justice Reauthorization Act of 2005 to come into compliance with this subsection.".

(k) Correct Underserved Populations Grant Program.—Section 121 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162) is amended—

(1) in subsection (a)(1), by inserting at the end the following : "The requirements of the grant programs identified in paragraph (2) shall not apply to this new grant program."; and

(2) in subsection (b)(2) by striking the period and inserting ", including—

"(A) working with State and local governments and social service agencies to develop and enhance effective strategies to provide culturally and linguistically specific services to victims of domestic violence, dating violence, sexual assault, and stalking;

"(B) increasing communities' capacity to provide culturally and linguistically specific resources and support for victims of domestic violence, dating violence, sexual assault, and stalking crimes and their families;

"(C) strengthening criminal justice interventions, by providing training for law enforcement, prosecution, courts, probation, and correctional facilities on culturally and linguistically specific responses to domestic violence, dating violence, sexual assault, and stalking;

"(D) enhancing traditional services to victims of domestic violence, dating violence, sexual assault, and stalking through the leadership of culturally and linguistically specific programs offering services to victims of domestic violence, dating violence, sexual assault, and stalking;

"(E) working in cooperation with the community to develop education and prevention strategies highlighting culturally and linguistically specific issues and resources regarding victims of domestic violence, dating violence, sexual assault, and stalking;

"(F) providing culturally and linguistically specific programs for children exposed to domestic violence, dating violence, sexual assault, and stalking;

"(G) providing culturally and linguistically specific resources and services that address the safety, economic, housing, and workplace needs of victims of domestic violence, dating violence, sexual assault, or stalking, including emergency assistance; or

"(H) examining the dynamics of culture and its impact on victimization and healing.".

(l) Fix Allocation Issue in STOP Grants.—Subparagraphs (A) and (B) of section 2007(c)(3) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-1(c)(3) (A) and (B)) are amended to read as follows:

"(A) not less than 25 percent shall be allocated for law enforcement and not less than 25 percent shall be allocated for prosecutors;

"(B) not less than 30 percent shall be allocated for victims services of which at least 10 percent shall be distributed to culturally specific community-based organizations; and".

(m) Correct GAO Study.—Section 119(a) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162) is amended by striking "of domestic violence." and inserting "of these respective crimes."

(n) Protection Order Correction.—Section 106(c) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162) is amended by striking "the registration or filing of a protection order" and inserting "the registration, filing of a petition for, or issuance of a protection order, restraining order or injunction."

SEC. 3. TITLE II—IMPROVED SERVICES.

(a) Sexual Assault Services Into VAWA.—Section 202 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162) is repealed.

(b) Sexual Assault Services Program.—The Violence Against Women Act of 1994 (Public Law 103-322) is amended by adding at the end the following:

"Subtitle P—Sexual Assault Services

"SEC. 41601. SEXUAL ASSAULT SERVICES PROGRAM.

"(a) Purposes.—The purposes of this section are—

"(1) to assist States, Indian tribes, and territories in providing intervention, advocacy, accompaniment, support services, and related assistance for—

"(A) adult, youth, and child victims of sexual assault;

"(B) family and household members of such victims; and

"(C) those collaterally affected by the victimization, except for the perpetrator of such victimization; and

"(2) to provide for technical assistance and training relating to sexual assault to—

"(A) Federal, State, tribal, territorial and local governments, law enforcement agencies, and courts;

"(B) professionals working in legal, social service, and health care settings;

"(C) nonprofit organizations;

"(D) faith-based organizations; and

"(E) other individuals and organizations seeking such assistance.

"(b) Grants to States and Territories.—

"(1) Grants authorized.—The Attorney General shall award grants to States and territories to support the establishment, maintenance, and expansion of rape crisis centers and other programs and projects to assist those victimized by sexual assault.

"(2) Allocation and use of funds.—

"(A) Administrative costs.—Not more than 5 percent of the grant funds received by a State or territory governmental agency under this subsection for any fiscal year may be used for administrative costs.

"(B) Grant funds.—Any funds received by a State or territory under this subsection that are not used for administrative costs shall be used to provide grants to rape crisis centers and other nonprofit, nongovernmental organizations for programs and activities within such State or territory that provide direct intervention and related assistance.

"(C) Intervention and related assistance.—Intervention and related assistance under subparagraph (B) may include—

"(i) 24-hour hotline services providing crisis intervention services and referral;

"(ii) accompaniment and advocacy through medical, criminal justice, and social support systems, including medical facilities, police, and court proceedings;

"(iii) crisis intervention, short-term individual and group support services, and comprehensive service coordination and supervision to assist sexual assault victims and family or household members;

"(iv) information and referral to assist the sexual assault victim and family or household members;

"(v) community-based, linguistically and culturally specific services and support mechanisms, including outreach activities for underserved communities; and

"(vi) the development and distribution of materials on issues related to the services described in clauses (i) through (v).

"(3) Application.—

"(A) In general.—Each eligible entity desiring a grant under this subsection shall submit an application to the Attorney General at such time and in such manner as the Attorney General may reasonably require.

"(B) Contents.—Each application submitted under subparagraph (A) shall—

"(i) set forth procedures designed to ensure meaningful involvement of the State or territorial sexual assault coalition and representatives from underserved communities in the development of the application and the implementation of the plans;

"(ii) set forth procedures designed to ensure an equitable distribution of grants and grant funds within the State or territory and between urban and rural areas within such State or territory;

"(iii) identify the State or territorial agency that is responsible for the administration of programs and activities; and

"(iv) meet other such requirements as the Attorney General reasonably determines are necessary to carry out the purposes and provisions of this section.

"(4) Minimum amount.—The Attorney General shall allocate to each State not less than 1.50 percent of the total amount appropriated in a fiscal year for grants under this section, except that the United States Virgin Islands, American Samoa, Guam, the District of Columbia, Puerto Rico, and the Commonwealth of the Northern Mariana Islands shall each be allocated 0.125 percent of the total appropriations. The remaining funds shall be allotted to each State and each territory in an amount that bears the same ratio to such remaining funds as the population of such State and such territory bears to the population of all the States and the territories. The District of Columbia shall be treated as a territory for purposes of calculating its allocation under the preceding formula.

"(c) Grants for Culturally Specific Programs Addressing Sexual Assault.—

"(1) Grants authorized.—The Attorney General shall award grants to eligible entities to support the establishment, maintenance, and expansion of culturally specific intervention and related assistance for victims of sexual assault.

"(2) Eligible entities.—To be eligible to receive a grant under this section, an entity shall—

"(A) be a private nonprofit organization that focuses primarily on culturally specific communities;

"(B) must have documented organizational experience in the area of sexual assault intervention or have entered into a partnership with an organization having such expertise;

"(C) have expertise in the development of community-based, linguistically and culturally specific outreach and intervention services relevant for the specific communities to whom assistance would be provided or have the capacity to link to existing services in the community tailored to the needs of culturally specific populations; and

"(D) have an advisory board or steering committee and staffing which is reflective of the targeted culturally specific community.

"(3) Award basis.—The Attorney General shall award grants under this section on a competitive basis.

"(4) Distribution.—

"(A) The Attorney General shall not use more than 2.5 percent of funds appropriated under this subsection in any year for administration, monitoring, and evaluation of grants made available under this subsection.

"(B) Up to 5 percent of funds appropriated under this subsection in any year shall be available for technical assistance by a national, nonprofit, nongovernmental organization or organizations whose primary focus and expertise is in addressing sexual assault within underserved culturally specific populations.

"(5) Term.—The Attorney General shall make grants under this section for a period of no less than 2 fiscal years.

"(6) Reporting.—Each entity receiving a grant under this subsection shall submit a report to the Attorney General that describes the activities carried out with such grant funds.

"(d) Grants to State, Territorial, and Tribal Sexual Assault Coalitions.—

"(1) Grants authorized.—

"(A) In general.—The Attorney General shall award grants to State, territorial, and tribal sexual assault coalitions to assist in supporting the establishment, maintenance, and expansion of such coalitions.

"(B) Minimum amount.—Not less than 10 percent of the total amount appropriated to carry out this section shall be used for grants under subparagraph (A).

"(C) Eligible applicants.—Each of the State, territorial, and tribal sexual assault coalitions.

"(2) Use of funds.—Grant funds received under this subsection may be used to—

"(A) work with local sexual assault programs and other providers of direct services to encourage appropriate responses to sexual assault within the State, territory, or tribe;

"(B) work with judicial and law enforcement agencies to encourage appropriate responses to sexual assault cases;

"(C) work with courts, child protective services agencies, and children's advocates to develop appropriate responses to child custody and visitation issues when sexual assault has been determined to be a factor;

"(D) design and conduct public education campaigns;

"(E) plan and monitor the distribution of grants and grant funds to their State, territory, or tribe; or

"(F) collaborate with and inform Federal, State, or local public officials and agencies to develop and implement policies to reduce or eliminate sexual assault.

"(3) Allocation and use of funds.—From amounts appropriated for grants under this subsection for each fiscal year—

"(A) not less than 10 percent of the funds shall be available for grants to tribal sexual assault coalitions; and

"(B) the remaining funds shall be available for grants to State and territorial coalitions, and the Attorney General shall allocate an amount equal to 1/56 of the amounts so appropriated to each of those State and territorial coalitions.

"(4) Application.—Each eligible entity desiring a grant under this subsection shall submit an application to the Attorney General at such time, in such manner, and containing such information as the Attorney General determines to be essential to carry out the purposes of this section.

"(5) First-time applicants.—No entity shall be prohibited from submitting an application under this subsection during any fiscal year for which funds are available under this subsection because such entity has not previously applied or received funding under this subsection.

"(e) Grants to Tribes.—

"(1) Grants authorized.—The Attorney General may award grants to Indian tribes, tribal organizations, and nonprofit tribal organizations for the operation of sexual assault programs or projects in Indian tribal lands and Alaska Native villages to support the establishment, maintenance, and expansion of programs and projects to assist those victimized by sexual assault.

"(2) Allocation and use of funds.—

"(A) Administrative costs.—Not more than 5 percent of the grant funds received by an Indian tribe, tribal organization, and nonprofit tribal organization under this subsection for any fiscal year may be used for administrative costs.

"(B) Grant funds.—Any funds received under this subsection that are not used for administrative costs shall be used to provide grants to tribal organizations and nonprofit tribal organizations for programs and activities within Indian country and Alaskan native villages that provide direct intervention and related assistance.

"(f) Authorization of Appropriations.—

"(1) In general.—There are authorized to be appropriated $50,000,000 to remain available until expended for each of the fiscal years 2007 through 2011 to carry out the provisions of this section.

"(2) Allocations.—Of the total amounts appropriated for each fiscal year to carry out this section—

"(A) not more than 2.5 percent shall be used by the Attorney General for evaluation, monitoring, and other administrative costs under this section;

"(B) not more than 2.5 percent shall be used for the provision of technical assistance to grantees and subgrantees under this section;

"(C) not less than 65 percent shall be used for grants to States and territories under subsection (b);

"(D) not less than 10 percent shall be used for making grants to State, territorial, and tribal sexual assault coalitions under subsection (d);

"(E) not less than 10 percent shall be used for grants to tribes under subsection (e); and

"(F) not less than 10 percent shall be used for grants for culturally specific programs addressing sexual assault under subsection (c).".

SEC. 4. TITLE III—YOUNG VICTIMS.

(a) Correct Citation in Section 41204.—Section 41204(f)(2) of the Violence Against Women Act of 1994 (42 U.S.C. 14043c–3) is amended by striking "(b)(4)(D)" and inserting "(b)(4)".

(b) Correct Campus Grant Program's Purpose Areas.—Section 304(b)(2) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162) is amended by striking the first sentence and inserting "To develop and implement campus policies, protocols, and services that more effectively identify and respond to the crimes of domestic violence, dating violence, sexual assault and stalking, and to train campus administrators, campus security personnel, and personnel serving on campus disciplinary or judicial boards on such policies, protocols, and services.".

(c) Correction.—In section 758(c)(1)(A) of the Public Health Services Act (42 U.S.C. 294h(c)(1)(A)), insert "experiencing" after "to individuals who are" and before "or who have experienced".

(d) Campus Reporting Requirement.—Section 304(d)(2)(A) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 is amended by striking "biennial".

SEC. 5. TITLE VI—HOUSING AMENDMENTS.

(a) Amendments to Collaborative Grant Program.—Section 41404 of the Violence Against Women Act of 1994 (as added by Public Law 109–162; 119 Stat. 3033) is amended—

(1) in subsection (a)(1) by striking "of Children" and inserting "for Children"; and

(2) in subsection (d)—

(A) in paragraph (1)—

(i) in the heading, by striking "(1) In general.—"; and

(ii) by adding at the end "Such activities, services, or programs—";

(B) in paragraph (2), by striking "(2) Activities, services, programs.—Such activities, services, or programs described in paragraph (1)" and inserting "(1)";

(C) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively; and

(D) in paragraph (3), as so redesignated, by striking "paragraph (3)" and inserting "paragraph (2)".

(b) Technical Amendments to Stewart B. McKinney Homeless Assistance Act.—Section 423(a)(8) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11383(a)(8)) is amended—

(1) in the first sentence of subparagraph (A), by striking "subsection" and inserting "section"; and

(2) in subparagraph (B)(ii), by striking "or 'victim service providers' ".

(c) Technical Amendment to Violence Against Women Act of 2005.—Section 606 of the Violence Against Women Act of 2005 (Public Law 104–162; 119 Stat. 3041) is amended in the heading by striking "voucher".

(d) Selection of Tenants.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the annual contributions contract between the Secretary and the agency, except that with respect to the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish local preferences, consistent with the public housing agency plan submitted under section 5A (42 U.S.C. 1437c–1) by the public housing agency and that an applicant or participant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate basis for denial of program assistance or for denial of admission if the applicant otherwise qualifies for assistance or admission;".

(e) Technical Amendments to Housing Assistance Program.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(1) in subsection (c)(9)(C), by striking clause (ii) and inserting the following:

"(ii) Notwithstanding clause (i) or any Federal, State, or local law to the contrary, an owner or manager may bifurcate a lease under this section, or remove a household member from a lease under this section, without regard to whether a household member is a signatory to a lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the relevant program of HUD-assisted housing.'';

(2) in subsection (d)(1)(B)(iii), by striking subclause (II) and inserting the following:

''(II) Notwithstanding subclause (I) or any Federal, State, or local law to the contrary, a public housing agency may terminate assistance to, or an owner or manager may bifurcate a lease under this section, or remove a household member from a lease under this section, without regard to whether a household member is a signatory to a lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the relevant program of HUD-assisted housing.'';

(3) in subsection (f)—

(A) in paragraph (9), by striking ''; and'' and inserting a semicolon;

(B) in paragraph (10)(A)(i), by striking ''; and'' and inserting ''; or''; and

(C) in paragraph (11)(B), by striking ''blood and marriage'' and inserting ''blood or marriage'';

(4) in subsection (o)—

(A) in the second sentence of paragraph (6)(B)—

(i) by striking ''by'' after ''denial of program assistance'';

(ii) by striking ''for admission for'' and inserting ''for admission or''; and

(iii) by striking ''admission, and that nothing'' and inserting ''admission. Nothing'';

(B) in paragraph (7)(D)—

(i) by striking clause (ii) and inserting the following:

''(ii) LIMITATION.—Notwithstanding clause (i) or any Federal, State, or local law to the contrary, a public housing agency may terminate assistance to, or an owner or manager may bifurcate a lease under this section, or remove a household member from a lease under this section, without regard to whether a household member is a signatory to a lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the relevant program of HUD-assisted housing.'';

(ii) in clause (iii), by striking ''access to control'' and inserting ''access or control''; and

(iii) in clause (v), by striking ''terminate,'' and inserting ''terminate''; and

(C) in paragraph (20)(D)(ii), by striking ''distribution'' and inserting ''distribution or''; and

(5) in subsection (ee)(1)—

(A) in subparagraph (A), by striking ''the owner, manager, or public housing agency requests such certification'' and inserting ''the individual receives a request for such certification from the owner, manager, or public housing agency'';

(B) in subparagraph (B)—

(i) by striking ''the owner, manager, public housing agency, or assisted housing provider has requested such certification in writing'' and inserting ''the individual has received a request in writing for such certification for the owner, manager, or public housing agency'';

(ii) by striking ''manager, public housing'' and inserting ''manager or public housing'' each place that term appears; and

(iii) by striking '', or assisted housing provider'' each place that term appears;

(C) in subparagraph (C), by striking ''sexual assault,'';

(D) in subparagraph (D), by striking ''sexual assault,''; and

(E) in subparagraph (E)—

(i) by striking ''manager, public housing'' and inserting ''manager or public housing'' each place that term appears; and

(ii) by striking '', or assisted housing provider'' each place that term appears.

(f) TECHNICAL AMENDMENT TO SECTION 6 OF UNITED STATES HOUSING ACT OF 1937.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subsection (l)(6), by striking subparagraph (B) and inserting the following: ''(B) notwithstanding subparagraph (A) or any Federal, State, or local law to the contrary, a public housing agency may bifurcate a lease under this section, or remove a household member from a lease under this section, without regard to whether a household member is a signatory to a lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant and such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the relevant program of HUD-assisted housing;''; and

(2) in subsection (u)—

(A) in paragraph (1)(A), by striking ''the public housing agency requests such certification'' and inserting ''the individual receives a request for such certification from the public housing agency'';

(B) in paragraph (1)(B), by striking ''the public housing agency has requested such certification in writing'' and inserting ''the individual has received a request in writing for such certification from the public housing agency''; and

(C) in paragraph (3)(D)(ii), by striking ''blood and marriage'' and inserting ''blood or marriage''.

SEC. 6. TITLE VIII—IMMIGRATION AND NATIONALITY ACT.

(a) PETITIONS FOR IMMIGRANT STATUS.—Section 204(a)(1)(D)(v) of the Immigration and Nationality Act (8 U.S.C. 1154(a)(1)(D)(v)) is amended by inserting ''or (B)(iii)'' after ''(A)(iv)''.

(b) INADMISSIBLE ALIENS.—Section 212 of such Act (8 U.S.C. 1182) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(C)(i)—

(i) in subclause (II), by striking '', or'' at the end and inserting a semicolon; and

(ii) by adding at the end the following:

''(III) classification or status as a VAWA self-petitioner; or'';

(B) in paragraph (6)(A)(ii), by amending subclause (I) to read as follows:

''(I) the alien is a VAWA self-petitioner;''; and

(C) in paragraph (9)(C)(ii), by striking ''the Attorney General has consented'' and all that follows through ''United States.'' and inserting the following: ''the Secretary of Homeland Security has consented to the alien's reapplying for admission.

''(iii) WAIVER.—The Secretary of Homeland Security may waive the application of clause (i) in the case of an alien who is a VAWA self-petitioner if there is a connection between—

''(I) the alien's battering or subjection to extreme cruelty; and

''(II) the alien's removal, departure from the United States, reentry into the United States; or attempted reentry into the United States.'';

(2) in subsection (g)(1), by amending subparagraph (C) to read as follows:

''(C) is a VAWA self-petitioner,'';

(3) in subsection (h)(1), by amending subparagraph (C) to read as follows:

''(C) the alien is a VAWA self-petitioner; and''; and

(4) in subsection (i)(1), by striking ''an alien granted classification under clause (iii) or (iv) of section 204(a)(1)(A) or clause (ii) or (iii) of section 204(a)(1)(B)'' and inserting ''a VAWA self-petitioner''.

(c) DEPORTABLE ALIENS.—Section 237(a)(1)(H)(ii) of such Act (8 U.S.C. 1227(a)(1)(H)(ii)) is amended to read as follows:

''(ii) is a VAWA self-petitioner.''.

(d) REMOVAL.—Section 239(e)(2)(B) of such Act (8 U.S.C. 1229(e)(2)(B)) is amended by striking ''(V)'' and inserting ''(U)''.

(e) CANCELLATION OF REMOVAL.—Section 240A(b)(4)(B) of such Act (8 U.S.C. 1229b(b)(4)(B)) is amended by striking ''they were applications filed under section 204(a)(1)(A)(iii), (A)(iv), (B)(ii), or (B)(iii) for purposes of section 245 (a) and (c).'' and inserting ''the applicants were VAWA self-petitioners.''.

(f) ADJUSTMENT OF STATUS.—Section 245 of such Act (8 U.S.C. 1255) is amended—

(1) in subsection (a), by striking ''under subparagraph (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of section 204(a)(1) or'' and inserting ''as a VAWA self-petitioner''; and

(2) in subsection (c), by striking ''under subparagraph (A)(iii), (A)(iv), (A)(v), (A)(vi), (B)(ii), (B)(iii), or (B)(iv) of section 204(a)(1)'' and inserting ''as a VAWA self-petitioner''.

(g) IMMIGRATION OFFICERS.—Section 287 of such Act (8 U.S.C. 1357) is amended by redesignating subsection (i) as subsection (h).

(h) PENALTIES FOR DISCLOSURE OF INFORMATION.—Section 384(a)(2) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1367(a)(2)) is amended by striking ''clause (iii) or (iv)'' and all that follows and inserting ''paragraph (15)(T), (15)(U), or (51) of section 101(a) of the Immigration and Nationality Act or section 240A(b)(2) of such Act.''.

SEC. 7. TITLE IX—INDIAN WOMEN.

(a) OMNIBUS CRIME CONTROL AND SAFE STREETS.—

(1) GRANTS TO COMBAT VIOLENT CRIMES AGAINST WOMEN.—Part T of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(A) by redesignating the second section 2007 (42 U.S.C. 3796gg-10) (relating to grants to Indian tribal governments), as added by section 906 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, as section 2015;

(B) by redesignating the second section 2008 (42 U.S.C. 3796gg-11) (relating to a tribal deputy), as added by section 907 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, as section 2016; and

(C) by moving those sections so as to appear at the end of the part.

(2) STATE GRANT AMOUNTS.—Section 2007(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-1(b)), as amended by section 906(b) of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is amended by striking paragraph (1) and inserting the following:

"(1) 10 percent shall be available for grants under the program authorized by section 2015, which shall not otherwise be subject to the requirements of this part (other than section 2008);".

(3) GRANTS TO INDIAN TRIBAL GOVERNMENTS.—Section 2015 of the Omnibus Crime Control and Safe Streets Act of 1968, as added by section 906 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (as redesignated by paragraph (1)(A)), is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking "and tribal organizations" and inserting "or authorized designees of Indian tribal governments";

(ii) in paragraph (6), by striking "and" at the end;

(iii) in paragraph (7), by striking the period at the end and inserting "; and"; and

(iv) by adding at the end the following:

"(8) provide legal assistance necessary to provide effective aid to victims of domestic violence, dating violence, stalking, or sexual assault who are seeking relief in legal matters arising as a consequence of that abuse or violence, at minimal or no cost to the victims."; and

(B) by striking subsection (c).

(4) TRIBAL DEPUTY RESPONSIBILITIES.—Section 2016(b)(1)(I) of the Omnibus Crime Control and Safe Streets Act of 1968 (as redesignated by paragraph (1)(B)) is amended by inserting after "technical assistance" the following: "that is developed and provided by entities having expertise in tribal law, customary practices, and Federal Indian law".

(5) GRANTS TO ENCOURAGE ARREST POLICIES AND ENFORCEMENT OF PROTECTION ORDERS.—Section 2101 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796hh) is amended by striking subsection (e) and inserting the following:

"(e) ALLOTMENT FOR INDIAN TRIBES.—

"(1) IN GENERAL.—Not less than 10 percent of the total amount available under this section for each fiscal year shall be available for grants under the program authorized by section 2015.

"(2) APPLICABILITY OF PART.—The requirements of this part shall not apply to funds allocated for the program described in paragraph (1).".

(b) RURAL DOMESTIC VIOLENCE.—

(1) IN GENERAL.—Section 40295(d) of the Safe Homes for Women Act of 1994 (42 U.S.C. 13971(d)), as amended by section 306 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is amended by striking paragraph (1) and inserting the following:

"(1) ALLOTMENT FOR INDIAN TRIBES.—

"(A) IN GENERAL.—Not less than 10 percent of the total amount available under this section for each fiscal year shall be available for grants under the program authorized by section 2015 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-10).

"(B) APPLICABILITY OF PART.—The requirements of this section shall not apply to funds allocated for the program described in subparagraph (A).".

(2) CONFORMING AMENDMENT.—Section 906 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 is amended by—

(A) striking subsection (d); and

(B) redesignating subsections (e) through (g) as subsections (d) through (f), respectively.

(c) VIOLENCE AGAINST WOMEN ACT OF 1994.—

(1) TRANSITIONAL HOUSING ASSISTANCE.—Section 40299(g) of the Violence Against Women Act of 1994 (42 U.S.C. 13975(g)), as amended by sections 602 and 906 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is amended—

(A) in paragraph (3)(C), by striking clause (i) and inserting the following:

"(i) INDIAN TRIBES.—

"(I) IN GENERAL.—Not less than 10 percent of the total amount available under this section for each fiscal year shall be available for grants under the program authorized by section 2015 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-10).

"(II) APPLICABILITY OF PART.—The requirements of this section shall not apply to funds allocated for the program described in subclause (I)."; and

(B) by striking paragraph (4).

(2) COURT TRAINING AND IMPROVEMENTS.—Section 41006 of the Violence Against Women Act of 1994 (42 U.S.C. 14043a-3), as added by section 105 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is amended by striking subsection (c) and inserting the following:

"(c) SET ASIDE.—

"(1) IN GENERAL.—Not less than 10 percent of the total amount available under this section for each fiscal year shall be available for grants under the program authorized by section 2015 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-10).

"(2) APPLICABILITY OF PART.—The requirements of this section shall not apply to funds allocated for the program described in paragraph (1).".

(d) VIOLENCE AGAINST WOMEN ACT OF 2000.—

(1) LEGAL ASSISTANCE FOR VICTIMS.—Section 1201(f) of the Violence Against Women Act of 2000 (42 U.S.C. 3796gg-6(f)), as amended by sections 103 and 906 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is amended—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "10 percent" and inserting "3 percent";

(ii) by redesignating subparagraph (B) as subparagraph (C); and

(iii) by inserting after subparagraph (A) the following:

"(B) TRIBAL GOVERNMENT PROGRAM.—

"(i) IN GENERAL.—Not less than 7 percent of the total amount available under this section for each fiscal year shall be available for grants under the program authorized by section 2015 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-10).

"(ii) APPLICABILITY OF PART.—The requirements of this section shall not apply to funds allocated for the program described in clause (i)."; and

(B) by striking paragraph (4).

(2) SAFE HAVENS FOR CHILDREN.—Section 1301 of the Violence Against Women Act of 2000 (42 U.S.C. 10420), as amended by sections 906 and 306 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, is amended—

(A) in subsection (e)(2)—

(i) by striking subparagraph (A); and

(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) by striking subsection (f) and inserting the following:

"(f) ALLOTMENT FOR INDIAN TRIBES.—

"(1) IN GENERAL.—Not less than 10 percent of the total amount available under this section for each fiscal year shall be available for grants under the program authorized by section 2015 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-10).

"(2) APPLICABILITY OF PART.—The requirements of this section shall not apply to funds allocated for the program described in paragraph (1).".

SEC. 8. TITLE XI—DEPARTMENT OF JUSTICE.

(a) ORGANIZED RETAIL THEFT.—Section 1105(a)(3) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (28 U.S.C. 509 note) is amended by striking "The Attorney General through the Bureau of Justice Assistance in the Office of Justice may" and inserting "The Director of the Bureau of Justice Assistance of the Office of Justice Programs may".

(b) FORMULAS AND REPORTING.—Sections 1134 and 1135 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162; 119 Stat. 3108), and the amendments made by such sections, are repealed.

(c) GRANTS FOR YOUNG WITNESS ASSISTANCE.—Section 1136(a) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3743(a)) is amended by striking "The Attorney General, acting through the Bureau of Justice Assistance, may" and inserting "The Director of the Bureau of Justice Assistance of the Office of Justice Programs may".

(d) USE OF FEDERAL TRAINING FACILITIES.—Section 1173 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (28 U.S.C. 530c note) is amended—

(1) in subsection (a), by inserting "or for meals, lodging, or other expenses related to such internal training or conference meeting" before the period; and

(2) in subsection (b), by striking "that requires specific authorization" and inserting "authorized".

(e) OFFICE OF AUDIT, ASSESSMENT, AND MANAGEMENT.—Part A of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by redesignating the section 105 titled "office of audit, assessment, and management" as section 109 and transferring such section to the end of such part A.

(f) COMMUNITY CAPACITY DEVELOPMENT OFFICE.—Section 106 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712e) is amended by striking "section 105(b)" each place such term appears and inserting "section 103(b)".

(g) AVAILABILITY OF FUNDS.—Section 108(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712g(b)) is amended by striking "revert to the Treasury" and inserting "be deobligated".

(h) DELETION OF DUPLICATIVE REFERENCE TO TRIBAL GOVERNMENTS.—Section 501(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3751(b) is amended—

(1) in paragraph (1), by inserting "or" after the semicolon;

(2) in paragraph (2), by striking "; or" and inserting a period; and

(3) by striking paragraph (3).

(i) Applications for Byrne Grants.—Section 502 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3752) is amended in the matter preceding paragraph (1), by striking "90 days" and inserting "120 days".

(j) Matching Grant Program for School Security.—Part AA of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797a et seq.) is amended—

(1) in section 2701(a), by striking "The Attorney General, acting through the Office of Community Oriented Policing Services," and inserting "The Director of the Office of Community Oriented Policing Services (in this section referred to as the 'Director')"; and

(2) by striking "Attorney General" each place such term appears and inserting "Director".

(k) Funding.—Section 1101 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162) is amended—

(1) in paragraph (8), by striking "$800,255,000" and inserting "$809,372,000";

(2) in paragraph (11), by striking "$923,613,000" and inserting "$935,817,000";

(3) in paragraph (12), by striking "$8,000,000" and inserting "$10,000,000"; and

(4) in paragraph (14), by striking "$1,270,000" and inserting "$1,303,000".

(l) Drug Courts Technical Assistance and Training.—Section 2957(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797u-6(b)) is amended by striking "Community Capacity Development Office" each place such term appears and inserting "Bureau of Justice Assistance".

(m) Aimee's Law.—Section 2001(e)(1) of division C of Public Law 106-386 (42 U.S.C. 13713(e)(1)) is amended by striking "section 506 of the Omnibus Crime Control and Safe Streets Act of 1968" and inserting "section 505 of the Omnibus Crime Control and Safe Streets Act of 1968".

(n) Effective Dates.—

(1) Office of Weed and Feed Strategies.—Section 1121(c) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3712a note) is amended by striking "90 days after the date of the enactment of this Act" and inserting "with respect to appropriations for fiscal year 2007 and for each fiscal year thereafter".

(2) Substance Abuse Treatment.—

(A) In General.—Chapter 4 of subtitle B of title XI of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162; 3110) is amended by adding at the end the following:

"SEC. 1147. EFFECTIVE DATE.

"The amendments made by sections 1144 and 1145 shall take effect on October 1, 2006.".

(B) Conforming Amendment.—The table of contents in section 2 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 106-162; 119 Stat. 2960) is amended by inserting after the item relating to section 1146 the following:

"Sec. 1147. Effective date.".

(3) Office of Audit, Assessment, and Management.—Section 1158(b) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3712d note) is amended to read as follows:

"(b) Effective Date.—

"(1) In General.—Except as provided in paragraph (2), section 109 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712d) shall take effect on April 5, 2006.

"(2) Certain Provisions.—Subsections (c), (d), and (e) of section 109 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712d) shall take effect on October 1, 2006.".

(4) Office of Applied Law Enforcement Technology.—

(A) In General.—Section 1160(b) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3712f note) is amended by striking "90 days after the date of the enactment of this Act" and inserting "on October 1, 2006".

(B) Availability of Funds.—Section 1161(b) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3712g note) is amended by striking "90 days after the date of the enactment of this Act" and inserting "on October 1, 2006".

(5) Evidence-Based Approaches.—Section 1168 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162; 119 Stat. 3122) is amended—

(A) by striking "Section 1802" and inserting the following:

"(a) In General.—Section 1802"; and

(B) by adding at the end the following:

"(b) Effective Date.—The amendments made by this section shall take effect on October 1, 2006.".

(6) State Criminal Alien Assistance Program.—Section 1196 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162; 119 Stat. 3130) is amended by adding at the end the following:

"(d) Effective Date.—The amendments made by subsections (a) and (b) shall take effect on October 1, 2006.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELATING TO CORRECTING A CLERICAL ERROR IN THE ENROLLMENT OF S. 3693

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 112) relating to correcting a clerical error in the enrollment of S. 3693, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 112

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill, S. 3693, the Secretary of the Senate shall insert "or reentries" after "States, reentry" in section 212(a)(9)(C)(iii)(II) of the Immigration and Nationality Act, as added by section 6(b)(1)(C) of the bill.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

CONDITIONAL ADJOURNMENT TO WEDNESDAY, AUGUST 2, 2006

Mr. CANNON. Mr. Speaker, I ask unanimous consent that when the House adjourns today pursuant to this order, it adjourn to meet at 11 a.m. on Wednesday, August 2, 2006, unless it sooner has received a message from the Senate transmitting its concurrence in House Concurrent Resolution 459, in which case the House shall stand adjourned pursuant to that concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 6, 2006

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, September 6, 2006.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

LAYING ON THE TABLE H. CON. RES. 454

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the ordering of the yeas and nays on adoption of House Concurrent Resolution 454 be vacated, to the end that the concurrent resolution be laid upon the table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

APPOINTMENT OF HON. MAC THORNBERRY, HON. FRANK R. WOLF, AND HON. TOM DAVIS TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH SEPTEMBER 6, 2006

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC 20515,
July 27, 2006.

I hereby appoint the Honorable MAC THORNBERRY, the Honorable FRANK R. WOLF, and the Honorable TOM DAVIS to act as Speaker pro tempore to sign enrolled bills and joint resolutions through September 6, 2006.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointment is approved.

There was no objection.

THE MINIMUM WAGE

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I want on the record today because of the raucous debate that we just had. For those who voted "no" on this bill dealing with the minimum wage, in the clarity of the lateness of the night, let me be very clear. I have voted for the minimum wage many times. In fact, Democrats have pressed this issue over and over again. But what should be clear is that the vote that was taken today will be a minimum wage that will be delayed. Whereas the Democratic bill would have started in September, this will not start until January, and it will not be effectuated until 2009.

This is bogus. This is insincere. This is not real. It can also be understood that I did not vote against the relief for my State of a sales tax, sales tax relief on Federal income tax. This bill will go nowhere. I will vote up or down on a minimum-wage increase and the sales tax relief for Texas.

I wish we had been able to bring up H. Res. 945 to bring relief to the Lebanese and humanitarian aid but, of course, we end today and tonight without doing our job.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BACA (at the request of Ms. PELOSI) for today.

Mr. LEWIS of Georgia (at the request of Ms. PELOSI) for today on account of a death in the family.

Mr. STARK (at the request of Ms. PELOSI) for today on account of urgent family matters.

Mr. BILIRAKIS (at the request of Mr. BOEHNER) for today and the balance of the week on account of a family wedding.

Mr. COBLE (at the request of Mr. BOEHNER) for today on account of commitments in the district.

Mrs. NORTHUP (at the request of Mr. BOEHNER) for today and July 29 on account of personal reasons.

ADJOURNMENT

Mr. CANNON. Mr. Speaker, pursuant to the order of the House of today, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Accordingly, pursuant to the previous order of the House of today, the House stands adjourned until 11 a.m. on Wednesday, August 2, 2006, unless it sooner has received a message from the Senate transmitting its adoption of House Concurrent Resolution 459, in which case the House shall stand adjourned pursuant to that concurrent resolution.

Thereupon (at 1 o'clock and 55 minutes a.m.), pursuant to the previous order of the House of today, the House adjourned until 11 a.m. on Wednesday, August 2, 2006, unless it sooner has received a message from the Senate transmitting its adoption of House Concurrent Resolution 459, in which case the House shall stand adjourned pursuant to that concurrent resolution.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8978. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—2-Propenoic Acid, 2-Methyl-, Polymer with Ethenylbenzene, 2-Ethylhexyl 2-Propenoate, 2-Hydroxyethyl 2-Propenoate, N-(Hydroxymethyl) -2-Methyl-2-Propenamide and Methyl 2-Methyl -2-Methyl-2-Propenoate, Ammonium Salt; Tolerance Exemption [EPA–HQ–OPP–2006–0556; FRL–8077–5] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8979. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—2H-Azepin-2-one, 1-Ethenylhexahydro-, Homopolymer I; Tolerance Exemption [EPA–HQ–OPP–2006–0551; FRL–8075–7] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8980. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Alachlor, Chlorothalonil, Methomyl, Metribuzin, Thiodicarb; Order Denying Petition to Revoke Tolerances [EPA–HQ–OPP–2005–0050; FRL–8079–8] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8981. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Fenhexamid; Pesticide Tolerance [EPA–HQ–OPP–2005–0245; FRL–8079–2] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8982. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Hazardous Waste Management System; Modification of the Hazardous Waste Program; Cathode Ray Tubes [RCRA–2004–0010; FRL–8203–1] (RIN: 2050–AE52) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8983. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Inert Ingredient; Revocation of the Wheat Bran Tolerance Exemption [EPA–HQ–OPP–2006–0232; FRL–8080–1] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8984. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Oxirane, Methyl-, Polymer with Oxirane, Monobutyl Ether; Tolerance Exemption [EPA–HQ–OPP–2006–0588; FRL–8078–4] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8985. A letter from the Deputy Secretary, Department of Defense, transmitting a report pursuant to Section 9010 of the Department of Defense Appropriations Act, 2005 (Pub. L. 108–287); to the Committee on Armed Services.

8986. A letter from the Regulatory Specialist, Office of the Comptroller of the Currency, Department of the Treasury, transmitting the Department's final rule—Assessment of Fees [Docket No. 06–08] (RIN: 1557–AC96) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8987. A letter from the Regulations Coordinator, CMS, Department of Health and Human Services, transmitting the Department's final rule—State Children's Health Insurance Program; Final Allotments to States, the District of Columbia, and U.S. Territories and Commonwealths for Fiscal Year 2007 [CMS–2251–N] (RIN: 0938–ZA17) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8988. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans for Arizona; Maricopa County PM–10 Nonattainment Area; Serious Area Plan for Attainment of the 24–Hour and Annual PM–10 Standards [EPA–R09–0AR–2006–0571; FRL–8204–8] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8989. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Guidelines Establishing Test Procedures for the Analysis of Pollutants Under the Clean Water Act; National Primary Drinking Water Regulations; and National Secondary Drinking Water Regulations; Analysis and Sampling Procedures [EPA–HQ–OW–2003–0070; FRL–8203–8] (RIN: 2040–AD71) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8990. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Inert Ingredients; Revocation of Two Tolerance Exemptions [EPA–HQ–OPP–2006–0307; FRL–8079–9] received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8991. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting on behalf of the Secretary of State and the U.S. Representative to the IAEA, a report detailing assistance to Iran from the International Atomic Energy Agency during calendar year 2005, pursuant to 22

U.S.C. 2021 note Public Law 107–228 section 1344(a); to the Committee on International Relations.

8992. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

8993. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-45, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Poland for defense articles and services; to the Committee on International Relations.

8994. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06–44, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Spain for defense articles and services; to the Committee on International Relations.

8995. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-50, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Singapore for defense articles and services; to the Committee on International Relations.

8996. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-49, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to United Arab Emirates for defense articles and services; to the Committee on International Relations.

8997. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06–43, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the Netherlands for defense articles and services; to the Committee on International Relations.

8998. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06–42, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Bahrain for defense articles and services; to the Committee on International Relations.

8999. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-39, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Saudi Arabia for defense articles and services; to the Committee on International Relations.

9000. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-38, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Oman for defense articles and services; to the Committee on International Relations.

9001. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06–31, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Saudi Arabia for defense articles and services; to the Committee on International Relations.

9002. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06–30, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Jordan for defense articles and services; to the Committee on International Relations.

9003. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) and (d) of the Arms Export Control Act, certification regarding the proposed transfer of major defense articles or defense services to the Government of Japan (Transmittal No. DDTC 039-06); to the Committee on International Relations.

9004. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of defense articles and services to the Government of the United Kingdom (Transmittal No. DDTC 042–06); to the Committee on International Relations.

9005. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of defense articles and services to the Government of Singapore (Transmittal No. DDTC 024–06); to the Committee on International Relations.

9006. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of defense articles and services to the Government of Japan (Transmittal No. DDTC 044–06); to the Committee on International Relations.

9007. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of defense articles and services to the Government of Mexico (Transmittal No. DDTC 027–06); to the Committee on International Relations.

9008. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a proposed removal from the United States Munitions List of a specific sonar system originally developed for the Navy but used predominantly in fisheries management, pursuant to Section 38(f) of the Arms Export Control Act (Transmittal No. DDTC F01–05); to the Committee on International Relations.

9009. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16–465, "Enhanced Professional Security Amendment Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9010. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16–452, "Procurement of Natural Gas and Electricity Exemption Temporary Amendment Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9011. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16–466, "Northwest One Sursum Corda Affordable Housing Protection Preservation and Producation Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9012. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16–464, "Parking Enhancement Amendment Act of 2006," pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform.

9013. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16–463, "Historic Preservation Amendment Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9014. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16-462, "Living Wage Clarification Temporary Amendment Act of 2006," pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform.

9015. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16–461, "Additional Sanctions for Nuisance Abatement and Office of the Tenant Advocate Duties Clarification Temporary Amendment Act 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9016. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16-460, "Mental Health Civil Extension Temporary Amendment Act of 2006," pursuant to D.C. Code Section 1-233(c)(1); to the Committee on Government Reform.

9017. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16-459, "Independent Office of the Tenant Advocate Establishment Amendment Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9018. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16-458, "Dedication of Public Streets and Alleys in Squares 5318, 5319, and 5320 S.O. 05-8132, Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9019. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16-453, "Parking Amendment Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9020. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16–457, "Low-Income Disabled Tenant Rental Conversion Protection Amendment Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9021. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16–456, "Public Assistance Confidentiality of Information Amendment Act of 2006," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9022. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16-455, "Marvin Gaye Recreation Center and Playground Designation Act of 2006," pursuant to D.C. Code section 1-233 (c)(1); to the Committee on Government Reform.

9023. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 16-454, "Barber and Cosmetologist License Act of 2006," pursuant to D.C. Code section 1-233 (c)(1); to the Committee on Government Reform.

9024. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—OPM Employee Responsibilities and Conduct (RIN: 3206-AJ69) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

9025. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Excepted Service—Appointment of Persons with Disabilities and Career and Career-Conditional Employment (RIN: 3206-AK5) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

9026. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Cost-of-Living Allowances (Nonforeign Areas); COLA Rate Changes (RIN: 3206-AK67) received July 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

9027. A letter from the Acting Assistant Secretary, Fish, Wildlife, and Parks, Department of the Interior, transmitting the Department's final rule—Marine Mammals; Incidental Take During Specified Activities (RIN: 1018-AT82) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9028. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; 4th July Fireworks, Cooper River, Patriots Point, Mount Pleasant, South Carolina [COTP Charleston 06-111] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9029. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone: Ship and Shore Festival Fireworks, Lake Michigan, New Buffalo, MI [CGD09-06-070] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A): to the Committee on Transportation and Infrastructure.

9030. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Mineola Bay Fireworks, Fox Lake, IL [CGD09-06-071] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9031. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone: Pentwater July 3rd Fireworks, Pentwater, Michigan [CGD09-06-078] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9032. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Celebration Freedom Fireworks, Lake Macatawa, Holland, Michigan [CGD09-06-074] (RIN: 1625-AA00) received July 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9033. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Lake Michigan: Michigan City Independence Day Fireworks, Dunes Acres, Michigan City, IN [CGD09-06-072] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9034. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Independence Day Fireworks, Heart Island, Alexandria Bay, NY [CGD09-06-075] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9035. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Ferrier Wedding Fireworks, Lake Erie, Fairview, PA [CGD09-06-067] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9036. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Thunder on Wheathouse Bay, St. Lawrence River, Ogdensburg, NY [CGD09-06-068] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9037. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Onset Fire District Fireworks Display, Onset Harbor, Onset, Massachusetts [CGD01-06-042] (RIN: 1625-AA00) received July 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9038. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; John's Pass, Tampa Bay, FL [COTP St. Petersburg 06-089] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9039. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; BART Transby Tube Seismic Upgrade; San Francisco, CA [COTP San Francisco 06-021] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9040. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; North San Diego Bay, San Diego, CA [COTP San Diego 06-051] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9041. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Grand Island, Stephens Passage [Sector Juneau Western Alaska 06-002] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9042. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Sanibel Island Bridge, Ft Myers Beach, FL [COTP St. Petersburg 06-115] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9043. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Beaufort Water Festival Fireworks, Beaufort River, Beaufort, SC [COTP Charleston 06-136] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9044. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone: Fundacion Amistad Fireworks, Three Mile Harbor, East Hampton, NY [CGD01-06-064] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9045. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; Lignelli Wedding Fireworks, Atlantic Ocean, Water Mill, NY [CGD01-06-067] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9046. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; French Festival Fireworks, St. Lawrence River, Cape Vincent, NY [CGD09-06-056] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9047. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone; 4th of July Firework Display, Kenosha, Wisconsin [CGD09-06-080] (RIN: 1625-AA00) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9048. A letter from the Director, Regulations and Rulings Division, Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting the Department's final rule—Major Food Allergen Labeling for Wines, Distilled Spirits, and Malt Beverages [T.D. TTB-53; Re: Notice No. 62] (RIN: 1513-AB08) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9049. A letter from the Under Secretary for Policy, Department of Defense, transmitting the Department's report on collaborative measures to reduce the risks of a launch of Russian Nuclear Weapons, pursuant to Section 1214 of Title XII of the National Defense Authorization Act; jointly to the Committees on International Relations and Armed Services.

9050. A letter from the Assistant Administrator, Bureau for Legislative and Public Affairs, United States Agency for International Development, transmitting a report on the program to be initiated in Nepal by the Office of Transition Initiatives; jointly to the

Committees on International Relations and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 5393. A bill to provide for the Department of Housing and Urban Development to coordinate Federal housing assistance efforts in the case of disasters resulting in long-term housing needs (Rept. 109–607, Pt. 1). Ordered to be printed.

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 5810. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to authorize funding for brownfields revitalization activities and State response programs, and for other purposes; with an amendment (Rept. 109–608 Pt. 1). Ordered to be printed.

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 4650. A bill to direct the Secretary of the Army to carry out programs and activities to enhance the safety of levees in the United States; with an amendment (Rept. 109–609). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 4653. A bill to repeal a prohibition on the use of certain funds for tunneling in certain areas with respect to the Los Angeles to San Fernando Valley Metro Rail project, California (Rept. 109–610). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOEHLERT: Committee on Science. H.R. 5656. A bill to provide for Federal energy research, development, demonstration, and commercial application activities, and for other purposes; with an amendment (Rept. 109–611). Referred to the Committee of the Whole House on the State of the Union.

Mr. POMBO: Committee on Resources. H.R. 4957. A bill to direct the Secretary of the Interior to convey the Tylersville division of the Lamar National Fish Hatchery and fish Technology Center to the State of Pennsylvania; with an amendment (Rept. 109–612). Referred to the Committee of the Whole House on the State of the Union.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 966. Resolution providing for consideration of the bill (H.R. 5970) to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes; and consideration of the bill (H.R. 4) to provide economic security for all Americans, and for other purposes (Rept. 109–613). Referred to the House Calendar.

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 5681. A bill to authorize appropriations for the Coast Guard for fiscal year 2007, and for other purposes; with an amendment (Rept. 109–614). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BOEHNER (for himself, Mr. THOMAS, Mr. MCKEON, Mr. KLINE, and Mr. CAMP of Michigan):

H.R. 4. A bill to provide economic security for all Americans, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned; considered and passed.

By Mr. FLAKE (for himself, Mr. SCHIFF, Mr. INGLIS of South Carolina, Mr. MCGOVERN, Mr. PAUL, and Mr. MACK):

H.R. 5954. A bill to amend the Rules of the House of Representatives to specify conditions under which the Permanent Select Committee on Intelligence of the House of Representatives shall be required to exercise its authority to make classified information in its possession available to certain standing committees of the House, and for other purposes; to the Committee on Rules, and in addition to the Committee on Intelligence (Permanent Select), for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. AKIN (for himself, Mr. CUELLAR, and Mr. GOHMERT):

H.R. 5955. A bill to amend title XVIII of the Social Security Act to provide payment under part A of the Medicare Program on a reasonable cost basis for anesthesia services furnished by an anesthesiologist in certain rural hospitals in the same manner as payments are provided for anesthesia services furnished by anesthesiologist assistants and certified registered nurse anesthetists in such hospitals; to the Committee on Ways and Means.

By Mr. BAKER (for himself, Mr. KANJORSKI, Mr. OXLEY, Mr. FRANK of Massachusetts, and Mr. SHAYS):

H.R. 5956. A bill to make all civil penalties collected by the Securities and Exchange Commission in securities law enforcement actions available for the benefit of victims of securities law violations, and for other purposes; to the Committee on Financial Services.

By Mr. RENZI (for himself, Mr. GRIJALVA, Mr. PASTOR, Mr. HAYWORTH, and Mr. KOLBE):

H.R. 5957. A bill to designate segments of Fossil Creek, a tributary to the Verde River in the State of Arizona, as wild and scenic rivers; to the Committee on Resources.

By Mr. SCHWARZ of Michigan:

H.R. 5958. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for the use of ethanol in tetra ethyl ortho silicate (TEOS) production; to the Committee on Ways and Means.

By Ms. ZOE LOFGREN of California:

H.R. 5959. A bill to amend the Internal Revenue Code of 1986 to impose an excise tax on automobiles sold in the United States that are not alternative fueled automobiles, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MICHAUD:

H.R. 5960. A bill to amend title 38, United States Code, to reauthorize various programs providing for the needs of homeless veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CONYERS (for himself, Mr. WEXLER, Ms. JACKSON-LEE of Texas, Mr. WAXMAN, Mrs. CHRISTENSEN, Mr. CUMMINGS, Mr. GUTIERREZ, Ms. CORRINE BROWN of Florida, Mr. SCHIFF, Mr. MCGOVERN, Mr. GRIJALVA, and Mr. DEFAZIO):

H.R. 5961. A bill to provide for reports by the President relating to pardons and reprieves granted to executive branch officials; to the Committee on the Judiciary.

By Mrs. BIGGERT:

H.R. 5962. A bill to amend title XVIII of the Social Security Act to establish additional provisions to combat waste, fraud, and abuse within the Medicare Program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DEFAZIO (for himself, Mr. THOMPSON of Mississippi, Mr. WAXMAN, and Mr. CONYERS):

H.R. 5963. A bill to modify certain post-employment restrictions with respect to officers and employees of the Department of Homeland Security; to the Committee on the Judiciary.

By Mr. DEFAZIO:

H.R. 5964. A bill to establish management priorities for Federal forest lands in Oregon and Washington covered by the Northwest Forest Plan that will protect old growth timber while improving the health of young managed stands, increasing the volume of commercial timber available from these lands, and providing economic opportunities in rural areas, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOYER (for himself, Mr. DINGELL, Mr. SKELTON, Mr. OBERSTAR, Mr. SPRATT, Mr. OBEY, Mr. FRANK of Massachusetts, Mr. GORDON, Mr. BERMAN, Mr. UDALL of Colorado, Ms. HERSETH, Mr. BLUMENAUER, Mr. SCHIFF, Mr. ACKERMAN, Ms. BEAN, Ms. BERKLEY, Mr. BISHOP of New York, Mr. BOUCHER, Ms. CORRINE BROWN of Florida, Mr. CARDIN, Mr. CASE, Mr. CLEAVER, Mr. COSTA, Mr. CUMMINGS, Mr. DAVIS of Florida, Ms. DELAURO, Mr. ETHERIDGE, Mr. FATTAH, Mr. HOLT, Mr. KILDEE, Mr. KIND, Mr. KUCINICH, Ms. LEE, Ms. MATSUI, Ms. MCCOLLUM of Minnesota, Mr. MCGOVERN, Ms. MOORE of Wisconsin, Ms. NORTON, Mr. PRICE of North Carolina, Mr. REYES, Mr. SABO, Ms. SCHWARTZ of Pennsylvania, Mr. SERRANO, Mr. SMITH of Washington, Mrs. TAUSCHER, Mr. VAN HOLLEN, Mr. MILLER of North Carolina, Mr. ROSS, Ms. DEGETTE, Mr. CLAY, Mr. GONZALEZ, Mr. RUPPERSBERGER, Mr. DAVIS of Illinois, Mr. MORAN of Virginia, and Mr. HINOJOSA):

H.R. 5965. A bill to strengthen national security and promote energy independence by reducing the Nation's reliance on foreign oil, improving vehicle technology and efficiency, increasing the distribution of alternative fuels, bolstering rail infrastructure, and expanding access to public transit; to the Committee on Energy and Commerce, and in addition to the Committees on Armed Services, Government Reform, Rules, Science, Ways and Means, House Administration, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of New Jersey:

H.R. 5966. A bill to end the use of child soldiers in hostilities around the world, and for other purposes; to the Committee on International Relations.

By Mr. HENSARLING:

H.R. 5967. A bill to provide for increased funding for veterans health care for fiscal year 2007, and for other purposes; to the Committee on Veterans' Affairs, and in addition to the Committees on the Judiciary, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HENSARLING:

H.R. 5968. A bill to provide for increased funding for veterans health care for fiscal year 2007, and for other purposes; to the Committee on Veterans' Affairs, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DOGGETT (for himself, Mr. RANGEL, Mr. STARK, Mr. HOYER, Mr. CLYBURN, Mr. LARSON of Connecticut, Mr. McDERMOTT, Mr. LEWIS of Georgia, Mr. NEAL of Massachusetts, Mr. McNULTY, Mr. BECERRA, Mrs. JONES of Ohio, Mr. EMANUEL, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ALLEN, Mr. ANDREWS, Mr. BACA, Ms. BALDWIN, Mr. BERMAN, Mr. BERRY, Mr. BISHOP of Georgia, Mr. BISHOP of New York, Ms. CORRINE BROWN of Florida, Mr. BROWN of Ohio, Mr. BUTTERFIELD, Mrs. CAPPS, Mr. CAPUANO, Mr. CARDOZA, Ms. CARSON, Mrs. CHRISTENSEN, Mr. CLAY, Mr. CLEAVER, Mr. CONYERS, Mr. COSTELLO, Mr. CROWLEY, Mr. CUELLAR, Mr. CUMMINGS, Mr. DAVIS of Alabama, Mr. DAVIS of Illinois, Ms. DeGETTE, Mr. DELAHUNT, Ms. DeLAURO, Mr. DICKS, Mr. DOYLE, Mr. EDWARDS, Mr. ENGEL, Mr. FARR, Mr. FATTAH, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. GONZALEZ, Mr. GORDON, Mr. AL GREEN of Texas, Mr. GENE GREEN of Texas, Mr. GRIJALVA, Mr. GUTIERREZ, Ms. HARMAN, Mr. HASTINGS of Florida, Mr. HIGGINS, Mr. HINCHEY, Mr. HINOJOSA, Mr. HONDA, Mr. INSLEE, Mr. ISRAEL, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. KAPTUR, Mr. KENNEDY of Rhode Island, Mr. KILDEE, Ms. KILPATRICK of Michigan, Mr. KUCINICH, Mr. LANGEVIN, Ms. LEE, Mrs. LOWEY, Mrs. MALONEY, Ms. MATSUI, Ms. McCOLLUM of Minnesota, Mr. McGOVERN, Ms. McKINNEY, Mr. MEEHAN, Mr. MEEK of Florida, Mr. MEEKS of New York, Ms. MILLENDER-McDONALD, Mr. MILLER of North Carolina, Mr. GEORGE MILLER of California, Mr. MOLLOHAN, Ms. MOORE of Wisconsin, Mr. MORAN of Virginia, Mr. NADLER, Mrs. NAPOLITANO, Ms. NORTON, Mr. OBERSTAR, Mr. OLVER, Mr. ORTIZ, Mr. OWENS, Mr. PALLONE, Mr. PASCRELL, Mr. PASTOR, Mr. PAYNE, Mr. PRICE of North Carolina, Mr. REYES, Ms. ROYBAL-ALLARD, Mr. RUSH, Mr. RYAN of Ohio, Ms. LINDA T. SÁNCHEZ of California, Ms. LORETTA SANCHEZ of California, Mr. SANDERS, Ms. SCHAKOWSKY, Ms. SCHWARTZ of Pennsylvania, Mr. SCOTT of Virginia, Mr. SCOTT of Georgia, Mr. SERRANO, Ms. SLAUGHTER, Ms. SOLIS, Mr. THOMPSON of Mississippi, Mr. TIERNEY, Mr. TOWNS, Mr. UDALL of New Mexico, Mr. VAN HOLLEN, Ms. VELÁZQUEZ, Ms. WASSERMAN SCHULTZ, Ms. WATERS, Ms. WATSON, Mr. WATT, Mr. WAXMAN, Mr. WEINER, Mr. WEXLER, Ms. WOOLSEY, Mr. WU, and Mr. WYNN):

H.R. 5969. A bill to amend part D of title XVIII of the Social Security Act to assist low-income individuals in obtaining subsidized prescription drug coverage under the Medicare prescription drug program by expediting the application and qualification process, by increasing the maximum permissible resource level for eligibility for such subsidies, and by waiving any late enrollment penalty for the first 24 uncovered months; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THOMAS (for himself, Mr. BOEHNER, Mr. BLUNT, and Mr. McKEON):

H.R. 5970. A bill to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, Education and the Workforce, and Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. Considered and passed.

By Mrs. KELLY (for herself and Mrs. JOHNSON of Connecticut):

H.R. 5971. A bill to establish the Health Information Technology Loan Program within the Small Business Administration; to the Committee on Small Business.

By Mr. HUNTER (for himself, Mr. MICA, Mr. REYES, Mr. McINTYRE, Mr. SMITH of New Jersey, Mr. BILBRAY, Mr. REYNOLDS, Mr. HALL, Mr. ROYCE, Mr. RENZI, Mr. CALVERT, Mr. HAYWORTH, Mr. ROGERS of Kentucky, Mr. DUNCAN, Mr. DAVIS of Kentucky, Mr. BROWN of South Carolina, Mr. BASS, Mr. KLINE, Mr. CASTLE, Mr. CANTOR, Mr. WALDEN of Oregon, Mr. ROHRABACHER, Mr. RADANOVICH, Mr. TIBERI, Mr. PORTER, Mr. BRADLEY of New Hampshire, Mrs. WILSON of New Mexico, Mr. WELDON of Pennsylvania, Mr. AKIN, Mr. ADERHOLT, Mr. CULBERSON, Mr. POE, Mrs. BIGGERT, Mr. WAMP, Mr. WOLF, Mr. BURTON of Indiana, Ms. PRYCE of Ohio, Mr. EVERETT, Mr. SOUDER, Mr. ROGERS of Alabama, Mr. HOEKSTRA, Mr. ENGLISH of Pennsylvania, and Mr. GINGREY):

H.R. 5972. A bill to provide for the payment of compensation to members of the Armed Forces and civilian employees of the United States who, as prisoners of war, performed slave labor for Japanese corporations during World War II, to authorize the Secretary of Defense to accept contributions in order to provide additional compensation to such members and employees, to encourage Japanese corporations that benefitted from the use of slave labor to make contributions for such additional compensation, and for other purposes; to the Committee on Armed Services, and in addition to the Committees on Veterans' Affairs, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DENT (for himself, Mr. WYNN, Mr. INGLIS of South Carolina, and Mr. LARSON of Connecticut):

H.R. 5973. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the installation of hydrogen fueling stations, and for other purposes; to the Committee on Ways and Means.

By Mr. CANNON:

H.R. 5974. A bill to amend the Inspector General Act of 1978 and the Legal Services Corporation Act to provide appropriate removal procedures for the Inspector General of the Legal Services Corporation, and for other purposes; to the Committee on Government Reform, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ALLEN (for himself, Mrs. EMERSON, Mr. WAXMAN, Mr. EHLERS, Mr. BERRY, Mr. BURTON of Indiana, Mr. BROWN of Ohio, and Mr. GUTKNECHT):

H.R. 5975. A bill to require the Agency for Healthcare Research and Quality, in consultation with the Director of the National Institutes of Health, to conduct research to develop valid scientific evidence regarding comparative clinical effectiveness, outcomes, and appropriateness of prescription drugs, medical devices, and procedures, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BAKER:

H.R. 5976. A bill to provide for a hardship waiver for recoupment of certain Medicare payments; to the Committee on Ways and Means.

By Mr. BARTLETT of Maryland (for himself, Mr. JONES of North Carolina, Mrs. EMERSON, Mr. TANCREDO, and Mr. WELDON of Pennsylvania):

H.R. 5977. A bill to amend the Immigration and Nationality Act and title IV of the Social Security Act to provide for the denial of family classification petitions filed by an individual who owes child support arrearages; to the Committee on the Judiciary, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BLUNT:

H.R. 5978. A bill to authorize the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of including the battlefields and related sites of the First and Second Battles of Newtonia, Missouri, during the Civil War as part of Wilson's Creek National Battlefield or designating the battlefields and related sites as a separate unit of the National Park System, and for other purposes; to the Committee on Resources.

By Mr. BOOZMAN:

H.R. 5979. A bill to prevent abusive practices by pharmaceutical benefit managers (PBMs); to the Committee on Energy and Commerce.

By Mr. BOOZMAN (for himself, Mr. HALL, Mr. SKELTON, Mr. BERRY, Mr. SNYDER, Mr. ROSS, Mr. FORD, Mr. REYES, Mr. NUNES, Mr. CALVERT, and Mrs. BLACKBURN):

H.R. 5980. A bill to direct the Secretary of the Interior to conduct a resource study along the "Ox-Bow Route" of the Butterfield Overland Trail in the States of Missouri, Tennessee, Arkansas, Oklahoma, Texas, New Mexico, Arizona, and California, and for other purposes; to the Committee on Resources.

By Mr. BOSWELL:

H.R. 5981. A bill to limit the noncompetitive award of Federal contracts in response to major disasters and emergencies, and for other purposes; to the Committee on Government Reform.

By Mr. BOSWELL:

H.R. 5982. A bill to amend the Internal Revenue Code of 1986 to allow a credit against tax for qualified tuition and related expenses; to the Committee on Ways and Means.

By Mr. BROWN of Ohio (for himself, Mr. MARKEY, Mr. WAXMAN, Mr. BLUMENAUER, Mr. WEXLER, Mrs. DAVIS of California, and Mr. DAVIS of Florida):

H.R. 5983. A bill to amend title XVIII of the Social Security Act to eliminate the in the home restriction for Medicare coverage of mobility devices for individuals with expected long-term needs; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CAMP of Michigan:

H.R. 5984. A bill to establish a program to reunite bondholders with matured unredeemed Federal savings bonds; to the Committee on Ways and Means.

By Mr. CARDOZA:

H.R. 5985. A bill to amend the Internal Revenue Code of 1986 to extend and modify conservation and energy efficiency tax incentives, to extend the energy efficient appliance rebate program, to establish the Center for Advanced Solar Research, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Financial Services, Science, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CHOCOLA (for himself, Mr. HERGER, Mr. WELLER, Ms. HART, Mr. ENGLISH of Pennsylvania, Mr. PENCE, Mr. SOUDER, Mr. GINGREY, Mr. FLAKE, Mr. BARRETT of South Carolina, Mr. GUTKNECHT, Mr. KUHL of New York, Mr. RADANOVICH, Mr. PAUL, Mr. CAMPBELL of California, Mr. PITTS, and Mr. RYAN of Wisconsin):

H.R. 5986. A bill to amend the Internal Revenue Code of 1986 to eliminate the limitation on the foreign earned income exclusion, and for other purposes; to the Committee on Ways and Means.

By Mr. COLE of Oklahoma:

H.R. 5987. A bill to provide for a feasibility study of alternatives to augment the water supplies of the Central Oklahoma Master Conservancy District and cities served by the District; to the Committee on Resources.

By Mr. DAVIS of Illinois (for himself, Mr. OWENS, Mr. SCOTT of Virginia, and Mr. PAYNE):

H.R. 5988. A bill to amend the Higher Education Act of 1965 to authorize grant programs to enhance the access of low-income Black students to higher education; to the Committee on Education and the Workforce.

By Mr. DAVIS of Illinois:

H.R. 5989. A bill to designate the facility of the United States Postal Service located at 10240 Roosevelt Road in Westchester, Illinois, as the "John J. Sinde Post Office Building"; to the Committee on Government Reform.

By Mr. DAVIS of Illinois:

H.R. 5990. A bill to designate the facility of the United States Postal Service located at 415 South 5th Avenue in Maywood, Illinois, as the "Wallace W. Sykes Post Office Building"; to the Committee on Government Reform.

By Ms. DELAURO:

H.R. 5991. A bill to prohibit the injection of carbon monoxide in meat products; to the Committee on Agriculture.

By Ms. DELAURO (for herself, Mr. ALLEN, Mr. RYAN of Ohio, and Ms. BORDALLO):

H.R. 5992. A bill to establish demonstration projects to provide at-home infant care benefits; to the Committee on Education and the Workforce.

By Mrs. EMERSON (for herself, Mr. MOORE of Kansas, Mr. BOOZMAN, Mr. WAMP, and Mr. BERRY):

H.R. 5993. A bill to amend the Federal Food, Drug, and Cosmetic Act to prohibit the marketing of authorized generic drugs; to the Committee on Energy and Commerce.

By Mrs. EMERSON (for herself, Mr. SKELTON, Mr. BLUNT, Mr. HULSHOF, Mr. CLAY, Mr. AKIN, Mr. CARNAHAN, Mr. GRAVES, and Mr. CLEAVER):

H.R. 5994. A bill to designate the outpatient clinic of the Department of Veterans Affairs in Farmington, Missouri, as the "Robert Silvey Department of Veterans Affairs Clinic"; to the Committee on Veterans' Affairs.

By Mr. ENGEL:

H.R. 5995. A bill to repeal the prohibitions on United States assistance to countries that are parties to the International Criminal Court; to the Committee on International Relations.

By Mr. FOSSELLA:

H.R. 5996. A bill to establish the Raritan Bay Stewardship Initiative; to the Committee on Resources, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GRIJALVA:

H.R. 5997. A bill to amend the Intermodal Surface Transportation Efficiency Act of 1991 to identify a western passage of the CANAMEX Corridor in Arizona, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. GUTIERREZ (for himself, Mr. HASTINGS of Florida, Mr. NADLER, Mr. CUMMINGS, Ms. CORRINE BROWN of Florida, Mr. STRICKLAND, Mr. SANDERS, Mr. OWENS, Mr. THOMPSON of Mississippi, Mr. CAPUANO, Mr. MCGOVERN, Mr. MCNULTY, Ms. WATERS, Ms. SCHAKOWSKY, Mr. EVANS, Mr. FATTAH, Mr. HINCHEY, Ms. BALDWIN, Mr. LANTOS, Mr. JACKSON of Illinois, and Mr. TIERNEY):

H.R. 5998. A bill to provide for livable wages for Federal Government workers and workers hired under Federal contracts; to the Committee on Government Reform, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HASTINGS of Washington (for himself and Mr. REICHERT):

H.R. 5999. A bill to provide for the conveyance of a parcel of National Forest System land in Kittitas County, Washington, to facilitate the construction of a new fire and rescue station, and for other purposes; to the Committee on Resources.

By Mr. HOLDEN:

H.R. 6000. A bill to revise the Farmland Protection Program of the Department of Agriculture; to the Committee on Agriculture.

By Mr. JINDAL:

H.R. 6001. A bill to require the Director of the Federal Emergency Management Agency to establish an identity verification system that ensures that disaster assistance payments are paid only to qualified individuals; to the Committee on Transportation and Infrastructure.

By Mrs. KELLY:

H.R. 6002. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for certain travel expenses of qualified emergency volunteers; to the Committee on Ways and Means.

By Mr. KENNEDY of Rhode Island:

H.R. 6003. A bill to reduce post traumatic stress disorder and other combat-related stress disorders among military personnel, and for other purposes; to the Committee on Armed Services.

By Mr. KENNEDY of Rhode Island:

H.R. 6004. A bill to amend the Internal Revenue Code of 1986 to allow certain small businesses to defer payment of tax; to the Committee on Ways and Means.

By Mrs. LOWEY:

H.R. 6005. A bill to provide additional security for nuclear facilities under certain circumstances; to the Committee on Transportation and Infrastructure.

By Mrs. LOWEY:

H.R. 6006. A bill to amend the Internal Revenue Code of 1986 to provide an increased exclusion of gain from the sale of a principal residence by certain widows and widowers; to the Committee on Ways and Means.

By Mr. MCCAUL of Texas:

H.R. 6007. A bill to address critical needs for additional resources, coordination between Federal, State, and local law enforcement, and supplemental funding, to support border security activities of State and local law enforcement agencies, including sheriffs, in regions near an international land border of the United States; to the Committee on Homeland Security.

By Ms. MCCOLLUM of Minnesota (for herself, Mr. BISHOP of New York, and Mr. GRIJALVA):

H.R. 6008. A bill to reduce and prevent the sale and use of fraudulent degrees in order to protect the integrity of valid higher education degrees that are used for Federal purposes; to the Committee on Education and the Workforce, and in addition to the Committees on Energy and Commerce, Government Reform, the Judiciary, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MEEHAN:

H.R. 6009. A bill to address problem gambling; to the Committee on Energy and Commerce.

By Mrs. MILLER of Michigan:

H.R. 6010. A bill to ensure that flood level estimates in the Great Lakes basin represent true flood risk; to the Committee on Financial Services.

By Mr. OSBORNE:

H.R. 6011. A bill to authorize the Secretary of Education and the Secretary of Labor to make grants to advance treatment, education, and employment programs for youth with serious mental, psychological, behavioral, and emotional difficulties, so that they may obtain professional assistance necessary in order to be successful in their lives and contribute to the economy, and for other purposes; to the Committee on Education and the Workforce.

By Mr. PEARCE:

H.R. 6012. A bill to amend title 5, United States Code, to increase the maximum age for the original appointment of a retired member of the Armed Forces to a border patrol agent position, and for other purposes; to the Committee on Government Reform.

By Mr. PEARCE:

H.R. 6013. A bill to amend the Act of August 21, 1935, to extend the authorization for the National Park System Advisory Board, and for other purposes; to the Committee on Resources.

By Mr. POMBO:

H.R. 6014. A bill to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to improve California's Sacramento-San Joaquin Delta and water supply; to the Committee on Resources.

By Mr. ROGERS of Alabama (for himself, Mr. Blunt, Mr. Cantor, Mr. Hunter, Mr. Tancredo, Mr. McCaul of Texas, Mr. McCotter, Mr. Jones of North Carolina, Mr. Everett, Mr. Bachus, Mr. Aderholt, Mr. Bonner, and Mrs. Musgrave):

H.R. 6015. A bill to enhance border security through the use of temporary support personnel, expansion of Border Patrol agent training, increased hiring authority, support for local law enforcement agencies, and for other purposes; to the Committee on Homeland Security.

By Mr. SHERMAN:

H.R. 6016. A bill to prohibit the sales of certain defense articles and defense services to Pakistan unless the President adheres to long-standing practice and procedures relating to congressional review of proposed sales of defense articles and defense services; to the Committee on International Relations.

By Mr. SIMMONS:

H.R. 6017. A bill to provide for transitional emergency assistance to certain members of the Armed Forces and veterans who are severely injured in the Global War on Terror, to expand and improve programs for caregiver services for those members and veterans, and for other purposes; to the Committee on Armed Services, and in addition to the Committees on Veterans' Affairs, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SIMMONS (for himself, Mr. Jefferson, Mr. Holden, Mr. Radanovich, Mr. McIntyre, Mr. Etheridge, and Mr. Costa):

H.R. 6018. A bill to provide temporary duty reductions for certain cotton fabrics, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Agriculture, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. SLAUGHTER (for herself and Mr. Reynolds):

H.R. 6019. A bill to establish the Niagara Falls National Heritage Area in the State of New York, and for other purposes; to the Committee on Resources.

By Mr. TIERNEY (for himself, Mr. Shimkus, Mr. Case, Mr. Filner, Ms. McCollum of Minnesota, Mr. Hinojosa, Mr. Owens, Mr. McGovern, Mr. Pomeroy, Mr. Bishop of New York, Mr. Meehan, Ms. Baldwin, Mr. Davis of Illinois, Mr. Frank of Massachusetts, Mr. Neal of Massachusetts, Mr. Ryan of Ohio, Mr. Kildee, Mr. Kind, Mr. Capuano, Mr. Grijalva, Mr. Markey, Mr. Scott of Virginia, Mr. Olver, Mr. Allen, Mr. Andrews, Mr. Delahunt, Mrs. Jones of Ohio, Mr. Higgins, Mr. McIntyre, Ms. Slaughter, Mrs. Maloney, Mr. Kennedy of Rhode Island, Mr. Kucinich, Mr. Conyers, Mr. Simmons, Ms. Jackson-Lee of Texas, Ms. Zoe Lofgren of California, Mr. Lynch, Mr. Payne, Mr. George Miller of California, Mr. Wynn, Mr. Honda, Mrs. McCarthy, Mr. Michaud, Ms. Hooley, Mr. McCotter, Mr. Ruppersberger, Mr. Brown of Ohio, Mr. Cleaver, Mr. Fortenberry, Ms. Matsui, Mr. Holt, Mr. Butterfield, Mr. Udall of New Mexico, Mr. McHugh, Mr. Lipinski, Ms. Millender-McDonald, Ms. Moore of Wisconsin, Mr. Ford, Mr. Miller of North Carolina, Mr. Van Hollen, Mr. Gutierrez, Mr. Carnahan, Ms. Eshoo, Ms. Schakowsky, and Mr. Levin):

H.R. 6020. A bill to support business incubation in academic settings, and for other purposes; to the Committee on Education and the Workforce.

By Mr. WALDEN of Oregon:

H.R. 6021. A bill to permit the proceeds of certain agriculture grants to be used for a revolving loan fund, and for other purposes; to the Committee on Agriculture.

By Mr. WAXMAN (for himself, Mr. Pallone, and Ms. DeLauro):

H.R. 6022. A bill to amend the Federal Food, Drug, and Cosmetic Act with respect to market exclusivity for certain drugs, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WELDON of Pennsylvania (for himself and Mr. Abercrombie):

H.R. 6023. A bill to prohibit the owner of a foreign vessel having the capacity to transport more than 100 passengers from using a United States port if the owner does not notify the Federal Bureau of Investigation within 24 hours of a crime against the person of a United States citizen on the vessel, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WHITFIELD (for himself, Mr. Hefley, Mr. Bass, Mr. Jones of North Carolina, Mr. Upton, Mr. Miller of Florida, Mr. Pence, Mr. Terry, Ms. Ginny Brown-Waite of Florida, Mr. Stearns, and Mr. English of Pennsylvania):

H.R. 6024. A bill to provide a biennial budget for the United States Government; which was referred to the Committee on the Budget for a period ending not later than September 29, 2006, and in addition to the Committees on Rules and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WHITFIELD:

H.R. 6025. A bill to promote coal-to-liquid fuel activities; to the Committee on Energy and Commerce, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska:

H.R. 6026. A bill to authorize the Administrator of General Services to convey a parcel of real property to the Alaska Railroad Corporation in exchange for replacement property and other consideration; to the Committee on Transportation and Infrastructure.

By Mr. HASTINGS of Washington:

H. Con. Res. 459. Concurrent resolution providing for an adjournment or recess of the two Houses; considered and agreed to.

By Mr. ALEXANDER:

H. Con. Res. 460. Concurrent resolution expressing the sense of Congress that American oil companies should build additional refining capacity on existing refinery campuses; to the Committee on Energy and Commerce.

By Mr. BOUSTANY:

H. Con. Res. 461. Concurrent resolution expressing the support of the Congress for the creation of a National Hurricane Museum and Science Center in southwest Louisiana; to the Committee on Resources.

By Mrs. CAPPS (for herself and Mr. Foley):

H. Con. Res. 462. Concurrent resolution supporting the goals and ideals of National Peripheral Arterial Disease Awareness Week; to the Committee on Energy and Commerce.

By Mr. DAVIS of Illinois (for himself and Mr. Shimkus):

H. Con. Res. 463. Concurrent resolution expressing the sense of Congress regarding textbook equity; to the Committee on Education and the Workforce.

By Mr. STARK (for himself, Mrs. Napolitano, Mr. Hinojosa, and Mr. Ortiz):

H. Con. Res. 464. Concurrent resolution recognizing and honoring the 20th anniversary of the founding of the Lambda Theta Nu Sorority, Incorporated, the first intercollegiate Greek-letter sorority established for Latina college women on the West Coast; to the Committee on Education and the Workforce.

By Mr. THOMPSON of California (for himself, Mr. McHugh, Mr. McDermott, Mr. Tom Davis of Virginia, Mr. Skelton, Mr. Jefferson, Mr. Sherwood, Mr. Schiff, Ms. Pelosi, and Mr. George Miller of California):

H. Con. Res. 465. Concurrent resolution expressing the sense of the Congress regarding the need for additional research into the chronic neurological condition hydrocephalus, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WATT (for himself, Mr. Bishop of Georgia, Mr. Butterfield, Ms. Corrine Brown of Florida, Ms. Carson, Mrs. Christensen, Mr. Clay, Mr. Cleaver, Mr. Clyburn, Mr. Conyers, Mr. Cummings, Mr. Davis of Alabama, Mr. Davis of Illinois, Mr. Fattah, Mr. Ford, Mr. Al Green of Texas, Mr. Hastings of Florida, Mr. Jackson of Illinois, Ms. Jackson-Lee of Texas, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JONES of Ohio, Ms. KILPATRICK of Michigan, Ms. LEE, Mr. LEWIS of Georgia, Ms. MCKINNEY, Mr. MEEK of Florida, Mr. MEEKS of New York, Ms. MILLENDER-MCDONALD, Ms. MOORE of Wisconsin, Ms. NORTON, Mr. OWENS, Mr. PAYNE, Mr. RANGEL, Mr. RUSH, Mr. SCOTT of Georgia, Mr. SCOTT of Virginia, Mr. THOMPSON of Mississippi, Mr. TOWNS, Ms. WATERS, Ms. WATSON, and Mr. WYNN):

H. Con. Res. 466. Concurrent resolution observing the one year anniversary of the date on which the Gulf Coast region was struck by Hurricane Katrina, acknowledging the significant deficiencies that still exist in the ability of cities in the Gulf Coast region to provide necessary social services and subsistence to their residents or to attract the return of many displaced residents, and reaffirming the commitment of Congress to assist in rebuilding the Gulf Coast region, improving the quality of life for all its residents, and ending poverty in America; to the Committee on Transportation and Infrastructure.

By Mrs. TAUSCHER (for herself, Mr. HONDA, Mr. OBERSTAR, Ms. PELOSI, Mr. DREIER, Ms. MATSUI, Mrs. NAPOLITANO, Ms. ZOE LOFGREN of California, Mr. LANTOS, Mrs. CAPPS, Mr. FARR, Mr. BECERRA, Mr. SHERMAN, Ms. WATSON, Mr. COSTA, Ms. LINDA T. SÁNCHEZ of California, Mr. BERMAN, Mr. GEORGE MILLER of California, Mr. LEWIS of California, Ms. WOOLSEY, Ms. ESHOO, Mr. GARY G. MILLER of California, Mr. SCHIFF, Mr. CALVERT, Ms. LEE, Ms. HARMAN, Mr. DAVIS of Tennessee, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. NORTON, Mr. HOLDEN, Mr. LARSEN of Washington, Mr. SIMMONS, Mr. BISHOP of New York, Mr. CUMMINGS, Mr. BOOZMAN, Ms. BERKLEY, Mr. COBLE, Mr. MATHESON, Mr. BLUMENAUER, Mr. SHUSTER, Mr. BOUSTANY, Ms. SOLIS, Ms. MILLENDER-MCDONALD, Mr. DEFAZIO, Mr. PORTER, Mr. WAXMAN, Mr. HIGGINS, Mr. THOMPSON of California, Mr. CARNAHAN, Mr. CARDOZA, Mr. CAMPBELL of California, Mr. RADANOVICH, Mr. KENNEDY of Minnesota, Ms. ROYBAL-ALLARD, Mr. BILBRAY, Mr. ROHRABACHER, Mr. ISSA, Mr. HERGER, Mr. DANIEL E. LUNGREN of California, Mr. ROYCE, Mr. BACA, Mrs. DAVIS of California, Mr. GALLEGLY, Ms. BORDALLO, Mr. FALEOMAVAEGA, Mr. STARK, Mr. THOMAS, Mr. FILNER, Ms. WATERS, Ms. LORETTA SANCHEZ of California, and Mr. PETRI):

H. Res. 963. A resolution congratulating and thanking Secretary of Transportation Norman Y. Mineta for his 40 years of dedicated service. to the people of the United States; to the Committee on House Administration.

By Mr. SMITH of New Jersey (for himself, Mr. MARKEY, Mr. HOLDEN, Mrs. MCCARTHY, Mr. BRADY of Pennsylvania, Ms. MILLENDER-MCDONALD, Mr. VAN HOLLEN, Ms. DELAURO, Mr. WEXLER, Mr. ALLEN, Mr. BROWN of Ohio, Mr. WAXMAN, Mr. KENNEDY of Rhode Island, Mr. HINCHEY, Mr. MCNULTY, and Mr. ETHERIDGE):

H. Res. 964. A resolution supporting the goals and ideals of National Alzheimer's Disease Awareness Month, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LANTOS (for himself, Mr. HYDE, Mr. GALLEGLY, Mr. SMITH of New Jersey, Mr. ENGEL, Mr. BROWN of Ohio, Mr. BLUMENAUER, and Mr. HASTINGS of Florida):

H. Res. 965. A resolution commending the people of Montenegro on the conduct of the referendum on independence, welcoming United States recognition of the sovereignty and independence of the Republic of Montenegro, and welcoming Montenegrin membership in the United Nations and other international organizations; to the Committee on International Relations.

By Mr. BLUMENAUER:

H. Res. 967. A resolution recognizing and honoring the 100th anniversary of the Iranian Constitutional Revolution; to the Committee on International Relations.

By Mr. COSTA (for himself, Mr. NUNES, Mr. RADANOVICH, Mr. CARDOZA, and Mr. POMBO):

H. Res. 968. A resolution recognizing the outstanding contributions of Stephen K. Hall to California agriculture and the California water community; to the Committee on Government Reform.

By Mr. DAVIS of Alabama (for himself, Mr. ENGEL, Mr. HASTINGS of Florida, Ms. KILPATRICK of Michigan, Mr. BRADY of Pennsylvania, Mr. CRAMER, Ms. WATSON, Mr. CARDIN, Mr. ISRAEL, Ms. MILLENDER-MCDONALD, Mr. LANTOS, Ms. MOORE of Wisconsin, Mr. MCGOVERN, Mrs. MALONEY, Mr. CONYERS, Mr. FATTAH, Ms. WASSERMAN SCHULTZ, Mr. FARR, Mr. RUPPERSBERGER, Mr. CROWLEY, Mr. EMANUEL, Mr. BISHOP of New York, Ms. ESHOO, and Ms. BALDWIN):

H. Res. 969. A resolution urging the Secretary of Defense to immediately institute a zero-tolerance policy with regard to racial and ethnic extremism in the military; to the Committee on Armed Services.

By Ms. JACKSON-LEE of Texas (for herself, Mrs. JONES of Ohio, Ms. LEE, Ms. WASSERMAN SCHULTZ, Ms. MATSUI, Mrs. CAPPS, Ms. WOOLSEY, Ms. SOLIS, Ms. KAPTUR, Mr. LANTOS, Mr. HASTINGS of Florida, Ms. MILLENDER-MCDONALD, Mrs. MCCARTHY, Mr. CLEAVER, Mr. KENNEDY of Rhode Island, Mr. CROWLEY, Mr. CONYERS, Ms. VELÁZQUEZ, Ms. HARMAN, Mrs. TAUSCHER, and Ms. MCCOLLUM of Minnesota):

H. Res. 970. A resolution denouncing the practices of female genital mutilation, domestic violence, "honor" killings, acid burning, dowry deaths, and other gender-based persecutions and expressing the sense of the House of Representatives that participation, protection, recognition, and independence of women is crucial to achieving a just, moral, and honorable society; to the Committee on International Relations.

By Mr. FITZPATRICK of Pennsylvania:

H. Res. 971. A resolution expressing the sense of the House of Representatives that the Congress should enact legislation to slow, stop, and reverse the growth of the Nation's dependence on imported oil in ways that provide cleaner air, reduce emissions of carbon dioxide, and enhance America's competitiveness; to the Committee on Energy and Commerce.

By Mr. HASTINGS of Florida:

H. Res. 972. A resolution expressing the appreciation and gratitude of the House of Representatives to the governments and people of the Republic of Cyprus and the Republic of Turkey for the reception and hospitality offered to the American evacuees from Lebanon in July 2006; to the Committee on International Relations.

By Mr. HINOJOSA (for himself and Mrs. BIGGERT):

H. Res. 973. A resolution recognizing Financial Planning Week, recognizing the significant impact of sound financial planning on achieving life's goals, and honoring families and the financial planning profession for their adherence and dedication to the financial planning process; to the Committee on Government Reform.

By Mr. ISRAEL (for himself and Ms. FOXX):

H. Res. 974. A resolution supporting the goals and ideals of National Myositis Awareness Day; to the Committee on Government Reform.

By Mr. KING of Iowa (for himself, Mr. HENSARLING, Mr. GUTKNECHT, Mr. FEENEY, Mr. MCHENRY, Mr. CHABOT, Mr. SHADEGG, Mr. FLAKE, Mrs. JO ANN DAVIS of Virginia, Mr. BARTLETT of Maryland, Ms. FOXX, Mrs. CUBIN, Mr. MILLER of Florida, Mrs. MUSGRAVE, Mrs. MYRICK, Mr. PITTS, Mr. WESTMORELAND, Mr. FRANKS of Arizona, Mr. BURTON of Indiana, Mr. TANCREDO, Mrs. BLACKBURN, Mr. PAUL, Mr. COLE of Oklahoma, Mr. ROHRABACHER, Mr. GARRETT of New Jersey, Mr. AKIN, Mr. PEARCE, Mr. TERRY, and Mr. DUNCAN):

H. Res. 975. A resolution amending the Rules of the House of Representatives to require that rescission bills always be considered under open rules every year, and for other purposes; to the Committee on Rules.

By Mr. MCCAUL of Texas (for himself, Mr. CROWLEY, Ms. ROS-LEHTINEN, Mr. BURTON of Indiana, Mr. PENCE, Mr. MCCOTTER, Mr. ENGEL, Mr. HIGGINS, Mr. PEARCE, Mr. SOUDER, Mr. LEWIS of Georgia, Mr. MCGOVERN, Mr. CARTER, Ms. HARRIS, Mr. DOYLE, Mr. WEXLER, Mr. ISRAEL, Mr. MACK, Mr. LANTOS, Ms. BERKLEY, Mrs. MALONEY, Mr. NADLER, Mr. GEORGE MILLER of California, Mr. FRANK of Massachusetts, Mr. POE, Mr. ETHERIDGE, Mr. CARDOZA, Mr. FOSSELLA, Mr. GORDON, Mr. CLAY, and Mr. JEFFERSON):

H. Res. 976. A resolution condemning human rights abuses by the Government of the Islamic Republic of Iran and expressing solidarity with the Iranian people; to the Committee on International Relations.

By Ms. MCCOLLUM of Minnesota (for herself, Mr. KILDEE, Mr. GRIJALVA, Mr. HOLT, Mr. OBERSTAR, Mr. BOREN, Mr. DAVIS of Illinois, Mr. UDALL of Colorado, Mr. KIND, Mr. UDALL of New Mexico, Mr. MOORE of Kansas, Mr. GEORGE MILLER of California, Ms. HERSETH, Mr. FILNER, Mr. HINOJOSA, Mr. PAYNE, Mr. MORAN of Virginia, and Mr. KENNEDY of Rhode Island):

H. Res. 977. A resolution reinforcing the Federal Government's Federal trust relationship and commitment to working with American Indian Nations to empower, promote, and support the educational development of American Indian and Alaska Native children and youth; to the Committee on Education and the Workforce, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. REYES (for himself, Mr. GONZALEZ, Mr. PEARCE, Mr. HINOJOSA, and Mr. ORTIZ):

H. Res. 978. A resolution expressing profound sorrow upon the death of Luis Jimenez and recognizing his distinguished career and great contributions to American art; to the Committee on Government Reform.

By Mr. UDALL of Colorado:

H. Res. 979. A resolution urging the President to issue a proclamation designating a National Ski & Snowboard Month to call attention to the need for all people to exercise and get outdoors during winter; to the Committee on Government Reform.

ADDITIONAL SPONSORS TO PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. HAYWORTH, Mr. RUSH, Mr. MCCAUL of Texas, Mr. DEAL of Georgia, Miss MCMORRIS, Mr. BEAUPREZ, and Mr. WILSON of South Carolina.

H.R. 136: Mr. WELDON of Florida.

H.R. 390: Mr. MOORE of Kansas.

H.R. 450: Mr. ALLEN.

H.R. 503: Mr. BURTON of Indiana.

H.R. 517: Mr. HINOJOSA.

H.R. 550: Mr. EDWARDS, Mr. REYES, and Mr. LARSON of Connecticut.

H.R. 583: Mr. GOHMERT and Mr. BOUCHER.

H.R. 752: Mr. MOLLOHAN.

H.R. 772: Ms. LINDA T. SÁNCHEZ of California.

H.R. 807: Mr. BERMAN.

H.R. 817: Ms. BEAN, Mr. MURTHA, Mr. HALL, Mr. HUNTER, Mr. HULSHOF, Mr. BUYER, Mr. LEWIS of Kentucky, Mr. STEARNS, Mr. NORWOOD, Mr. REHBERG, Mr. WESTMORELAND, Mr. PRICE of Georgia, Mr. REYES, Mr. BISHOP of Georgia, Mr. SHADEGG, Mrs. SCHMIDT, Mr. MILLER of Florida, Mr. SODREL, Mr. KLINE, Mr. FORTENBERRY, Mr. DREIER, Mr. PUTNAM, and Ms. BORDALLO.

H.R. 818: Mr. JACKSON of Illinois.

H.R. 916: Mrs. DAVIS of California.

H.R. 959: Mr. COSTA and Mr. MCGOVERN.

H.R. 998: Mr. OBERSTAR.

H.R. 1124: Mr. GEORGE MILLER of California.

H.R. 1264: Mr. FITZPATRICK of Pennsylvania and Mr. CAPUANO.

H.R. 1306: Mr. HIGGINS and Mr. GENE GREEN of Texas.

H.R. 1322: Mrs. MALONEY, Mrs. LOWEY, Ms. LEE, Mr. RUPPERSBERGER, Mr. CUMMINGS, Ms. NORTON, Mr. DAVIS of Illinois, Mr. NADLER, Mr. RYAN of Ohio, Mr. DOYLE, Mr. BERMAN, Ms. SOLIS, and Mr. PASCRELL.

H.R. 1338: Mr. BROWN of Ohio.

H.R. 1366: Mr. SOUDER.

H.R. 1370: Mr. DANIEL E. LUNGREN of California.

H.R. 1471: Mr. REGULA and Mr. LIPINSKI.

H.R. 1554: Mr. DINGELL.

H.R. 1578: Mr. PETERSON of Pennsylvania and Ms. HARMAN.

H.R. 1591: Mr. CONYERS.

H.R. 1615: Mrs. NAPOLITANO and Mr. BROWN of Ohio.

H.R. 1652: Mr. SANDERS.

H.R. 1767: Mr. PLATTS.

H.R. 1898: Mr. PRICE of Georgia.

H.R. 1902: Ms. ESHOO.

H.R. 1951: Mr. CASE.

H.R. 2007: Mr. SALAZAR.

H.R. 2051: Mr. HIGGINS.

H.R. 2088: Mr. JINDAL, Mr. MCHENRY, Mr. ORTIZ, and Mr. FOLEY.

H.R. 2121: Mr. HINOJOSA.

H.R. 2122: Mr. MORAN of Virginia.

H.R. 2351: Ms. SCHWARTZ of Pennsylvania.

H.R. 2386: Mr. SHAW.

H.R. 2429: Mr. SCHIFF and Mr. DAVIS of Florida.

H.R. 2567: Mr. CASTLE.

H.R. 2629: Mr. KUHL of New York.

H.R. 2793: Mr. MCDERMOTT.

H.R. 2842: Mr. MURPHY, Mr. MACK, and Mrs. BLACKBURN.

H.R. 2945: Mr. KUCINICH.

H.R. 3044: Mr. BUTTERFIELD.

H.R. 3183: Mr. JENKINS, Mr. GOODLATTE, and Mr. MICA.

H.R. 3186: Mr. DAVIS of Kentucky.

H.R. 3195: Mrs. DAVIS of California and Ms. SCHAKOWSKY.

H.R. 3282: Mr. PUTNAM.

H.R. 3361: Mr. SMITH of Washington.

H.R. 3406: Ms. LINDA T. SÁNCHEZ of California.

H.R. 3427: Ms. BALDWIN.

H.R. 3436: Mr. REHBERG, Mr. FOLEY, and Mr. NEY.

H.R. 3476: Mr. LEVIN, Mr. GOHMERT, Mr. MCDERMOTT, and Ms. SCHWARTZ of Pennsylvania.

H.R. 3478: Mr. LEWIS of Kentucky.

H.R. 3559: Mr. DOYLE, Mr. RAHALL, and Mr. KINGSTON.

H.R. 3605: Mr. SHAYS, Mr. BERMAN, Ms. ZOE LOFGREN of California, Mr. JEFFERSON, and Mr. CARNAHAN.

H.R. 3628: Mr. CARNAHAN.

H.R. 3762: Mr. SWEENEY, Mr. REICHERT, Mr. PETRI, Mr. SIMMONS, and Mr. KING of New York.

H.R. 3874: Mr. GREEN of Wisconsin.

H.R. 3883: Mr. NUNES.

H.R. 4006: Mr. BROWN of Ohio and Mr. BOUCHER.

H.R. 4033: Mr. PAYNE.

H.R. 4144: Mrs. BLACKBURN and Mr. GOODE.

H.R. 4188: Mr. MILLER of North Carolina.

H.R. 4201: Mr. OWENS.

H.R. 4215: Mr. ORTIZ and Mr. CUMMINGS.

H.R. 4291: Ms. WOOLSEY.

H.R. 4293: Mr. CUMMINGS.

H.R. 4298: Mr. MEEHAN and Mr. CANTOR.

H.R. 4357: Mr. LEWIS of Kentucky.

H.R. 4366: Mr. GERLACH.

H.R. 4387: Mr. EMANUEL.

H.R. 4409: Mr. WELDON of Pennsylvania, Ms. MCKINNEY, Mrs. NAPOLITANO, and Mr. UDALL of Colorado.

H.R. 4562: Mr. KENNEDY of Minnesota and Mr. UPTON.

H.R. 4623: Mr. ROSS.

H.R. 4694: Mr. UDALL of New Mexico.

H.R. 4740: Mr. PITTS and Mr. ALEXANDER.

H.R. 4751: Mr. POMEROY.

H.R. 4767: Mr. GENE GREEN of Texas.

H.R. 4769: Ms. JACKSON-LEE of Texas and Ms. SCHWARTZ of Pennsylvania.

H.R. 4770: Mr. TIBERI, Mr. UPTON, Mr. ROGERS of Alabama, Ms. JACKSON-LEE of Texas, Mr. FATTAH, Mr. COLE of Oklahoma, Mr. BROWN of Ohio, Mr. GONZALEZ, Mr. WYNN, Mr. BRADY of Pennsylvania, Mr. MCDERMOTT, and Mr. SERRANO.

H.R. 4772: Mr. DAVIS of Kentucky.

H.R. 4775: Mr. EDWARDS.

H.R. 4800: Mr. STARK, Mr. KUCINICH, and Mr. PAYNE.

H.R. 4873: Mr. HOLDEN, Mr. SCHIFF, and Mr. OSBORNE.

H.R. 4922: Ms. FOXX.

H.R. 4927: Mr. DOOLITTLE and Ms. MATSUI.

H.R. 4937: Mr. SHAYS.

H.R. 4956: Ms. GINNY BROWN-WAITE of Florida.

H.R. 4961: Mr. AKIN.

H.R. 4980: Mr. PAYNE, Mr. DOYLE, and Mr. THOMPSON of Mississippi.

H.R. 4993: Mr. PAYNE and Mr. CUMMINGS.

H.R. 5000: Mr. SMITH of New Jersey.

H.R. 5005: Mr. BEAUPREZ, Mr. PORTER, and Mr. GENE GREEN of Texas.

H.R. 5017: Mr. CARDIN.

H.R. 5022: Mr. EDWARDS.

H.R. 5051: Mr. LEVIN.

H.R. 5052: Mr. HOLT.

H.R. 5056: Mr. SCHWARZ of Michigan.

H.R. 5070: Mr. SMITH of Washington.

H.R. 5092: Mr. GENE GREEN of Texas and Mr. TAYLOR of North Carolina.

H.R. 5100: Mr. ROTHMAN.

H.R. 5106: Mr. MORAN of Virginia.

H.R. 5114: Ms. JACKSON-LEE of Texas and Mr. DAVIS of Tennessee.

H.R. 5118: Mr. NEUGEBAUER.

H.R. 5134: Mr. DOGGETT and Mr. DOYLE.

H.R. 5150: Mr. GONZALEZ.

H.R. 5158: Mr. MOORE of Kansas.

H.R. 5167: Mr. UDALL of New Mexico and Mrs. LOWEY.

H.R. 5171: Mr. LATHAM.

H.R. 5199: Mr. VAN HOLLEN and Mr. MCDERMOTT.

H.R. 5200: Mr. ETHERIDGE, Mr. ANDREWS, Mr. LATHAM, Mr. JEFFERSON, Mr. MEEHAN, Mr. UDALL of Colorado, Mr. TIBERI, Mr. OSBORNE, Mr. WU, and Mr. SMITH of Washington.

H.R. 5206: Mr. MILLER of North Carolina and Mr. HASTINGS of Florida.

H.R. 5230: Mrs. MUSGRAVE.

H.R. 5236: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 5249: Mr. RUPPERSBERGER, Mr. GARY G. MILLER of California, and Mr. LINDER.

H.R. 5275: Mr. HASTINGS of Florida, Mr. RANGEL, and Mr. BUTTERFIELD.

H.R. 5280: Mr. GORDON, Mr. DAVIS of Florida, and Mr. LEWIS of Kentucky.

H.R. 5288: Mr. BUTTERFIELD and Mr. HASTINGS of Florida.

H.R. 5289: Mr. LIPINSKI.

H.R. 5314: Mr. KENNEDY of Minnesota, Mr. GERLACH, and Mr. MANZULLO.

H.R. 5371: Mr. CARDIN.

H.R. 5372: Ms. JACKSON-LEE of Texas, Mr. JACKSON of Illinois, Mr. MOORE of Kansas, Mr. BAIRD, and Mr. HONDA.

H.R. 5396: Miss MCMORRIS.

H.R. 5397: Mr. DAVIS of Illinois.

H.R. 5408: Mr. BERMAN.

H.R. 5452: Mr. COLE of Oklahoma, Mrs. MUSGRAVE, and Mr. KIRK.

H.R. 5453: Mr. STRICKLAND and Mr. PETERSON of Pennsylvania.

H.R. 5459: Mr. CASTLE.

H.R. 5465: Mr. BRADY of Pennsylvania.

H.R. 5468: Ms. DEGETTE.

H.R. 5469: Ms. DEGETTE.

H.R. 5472: Mr. STARK, Mrs. WILSON of New Mexico, Mr. FRANK of Massachusetts, Mr. ISSA, Mr. LARSON of Connecticut, and Mr. FOLEY.

H.R. 5480: Mr. MOORE of Kansas.

H.R. 5513: Mr. KUHL of New York and Ms. BALDWIN.

H.R. 5523: Mr. GOODE.

H.R. 5533: Mr. GORDON.

H.R. 5536: Mr. SMITH of Washington.

H.R. 5552: Mr. FORBES.

H.R. 5555: Mr. MCDERMOTT, Mr. WYNN, and Mr. PALLONE.

H.R. 5557: Mr. SMITH of New Jersey.

H.R. 5558: Mr. PRICE of Georgia, Mr. PASCRELL, and Mr. CARDOZA.

H.R. 5559: Mr. SAM JOHNSON of Texas.

H.R. 5562: Mr. GARRETT of New Jersey and Mrs. KELLY.

H.R. 5586: Mrs. MUSGRAVE.

H.R. 5624: Mr. BRADY of Pennsylvania.

H.R. 5635: Mr. RAHALL, Mr. KUCINICH, Mr. AL GREEN of Texas, Ms. SOLIS, and Mr. DOYLE.

H.R. 5642: Ms. PELOSI, Mr. SERRANO, Mr. KUCINICH, Mr. RANGEL, Mr. ROTHMAN, Mr. WYNN, Mr. FORD, Ms. WATERS, Mr. LEACH, Mr. McDERMOTT, Ms. LINDA T. SÁNCHEZ of California, Mr. LARSON of Connecticut, Mr. STARK, Mr. BERMAN, Mr. FATTAH, Ms. LEE, Mr. CARDIN, Mr. SHERMAN, Mr. SCOTT of Virginia, and Ms. DEGETTE.

H.R. 5656: Mr. ROHRABACHER.

H.R. 5660: Mr. HIGGINS, Mr. FORD, and Mr. KILDEE.

H.R. 5674: Mr. HOLT, Mr. PRICE of North Carolina, and Mr. TIERNEY.

H.R. 5693: Mr. McHUGH and Mr. PAUL.

H.R. 5701: Mr. WALSH.

H.R. 5704: Ms. SCHWARTZ of Pennsylvania and Mr. FRANK of Massachusetts.

H.R. 5722: Ms. JACKSON-LEE of Texas, Mr. PAYNE, and Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 5730: Mr. HOLDEN.

H.R. 5738: Mr. PRICE of North Carolina.

H.R. 5746: Mr. GOODE, Mr. REGULA, Mr. WOLF, Mrs. MUSGRAVE, Mr. McGOVERN, Mr. GORDON, Mr. GUTIERREZ, Ms. MOORE of Wisconsin, Ms. HARMAN, and Ms. DEGETTE.

H.R. 5751: Mr. CULBERSON.

H.R. 5755: Mr. HEFLEY, Mr. GIBBONS, Mr. KLINE, Mr. HOLT, Mr. LEWIS of Kentucky, Mr. SPRATT, and Mr. LANGEVIN.

H.R. 5762: Mr. TOWNS.

H.R. 5770: Mr. McDERMOTT and Mr. KUCINICH.

H.R. 5771: Mr. HASTINGS of Florida.

H.R. 5772: Mr. BOOZMAN and Mr. FEENEY.

H.R. 5784: Mr. RUSH, Mr. JEFFERSON, Mr. AL GREEN of Texas, Mr. BISHOP of Georgia, Mr. CUMMINGS, Ms. SCHAKOWSKY, and Mr. MICHAUD.

H.R. 5791: Mr. ALLEN, Mr. BOUSTANY, Mr. SMITH of New Jersey, Mr. UDALL of Colorado, Mr. MOORE of Kansas, Ms. MATSUI, Mr. DOYLE, Mr. KIRK, and Mr. FILNER.

H.R. 5795: Mr. BLUMENAUER and Mr. GENE GREEN of Texas.

H.R. 5805: Mr. MEEKS of New York, Mr. DOOLITTLE, and Mr. ROHRABACHER.

H.R. 5806: Ms. DEGETTE, Mr. MORAN of Virginia, Mr. CASE, Mr. CARNAHAN, Mr. SCHIFF, Mr. STARK, Mr. McDERMOTT, Mr. HOLT, and Mr. KENNEDY of Rhode Island.

H.R. 5818: Mr. SHERMAN.

H.R. 5822: Mr. TIAHRT, Mr. WELDON of Pennsylvania, and Mr. FOSSELLA.

H.R. 5834: Ms. HERSETH, Ms. JACKSON-LEE of Texas, Mr. RYAN of Ohio, Mr. HINCHEY, and Mr. CUMMINGS.

H.R. 5835: Mr. McDERMOTT and Mr. CUMMINGS.

H.R. 5836: Mr. McDERMOTT.

H.R. 5853: Mr. STARK.

H.R. 5858: Ms. SCHAKOWSKY, Ms. SOLIS, and Mr. JACKSON of Illinois.

H.R. 5862: Mrs. MUSGRAVE.

H.R. 5866: Mrs. JO ANN DAVIS of Virginia.

H.R. 5875: Ms. SCHAKOWSKY and Mr. CONYERS.

H.R. 5878: Mr. MOORE of Kansas.

H.R. 5879: Mrs. EMERSON.

H.R. 5880: Mrs. EMERSON.

H.R. 5886: Mr. PASTOR.

H.R. 5888: Mr. BEAUPREZ, Mr. CALVERT, Mr. RUPPERSBERGER, Mr. FRANK of Massachusetts, Mr. BRADLEY of New Hampshire, Mr. PAUL, and Mr. SANDERS.

H.R. 5890: Mr. BROWN of South Carolina, Mr. FOLEY, Mr. BACHUS, Mr. DOOLITTLE, Mr. WICKER, Mrs. DRAKE, Mr. CALVERT, and Mr. DAVIS of Kentucky.

H.R. 5902: Mr. GRIJALVA.

H.R. 5904: Ms. BERKLEY, Mr. REHBERG, Mr. BISHOP of Utah, Mr. CANNON, and Mr. SIMPSON.

H.R. 5915: Mr. GARRETT of New Jersey.

H.R. 5918: Mr. LEACH.

H.R. 5920: Mr. WYNN and Mr. SMITH of New Jersey.

H.R. 5928: Mr. KILDEE, Mr. CUMMINGS, Mr. ETHERIDGE, Mr. McINTYRE, and Mr. SCHIFF.

H.R. 5934: Mr. BARTLETT of Maryland.

H.R. 5945: Mrs. CAPPS and Mr. KUCINICH.

H.J. Res. 93: Ms. WATSON, Mr. HOLT, Mr. BLUMENAUER, Mr. STARK, and Mr. TANCREDO.

H. Con. Res. 57: Mr. JACKSON of Illinois.

H. Con. Res. 138: Mr. SERRANO.

H. Con. Res. 174: Mrs. DAVIS of California and Mrs. BLACKBURN.

H. Con. Res. 343: Mr. ISRAEL.

H. Con. Res. 346: Mr. BARTLETT of Maryland, Mr. UDALL of Colorado, and Mrs. MUSGRAVE.

H. Con. Res. 388: Mr. PAYNE.

H. Con. Res. 391: Mr. STARK.

H. Con. Res. 404: Mr. GENE GREEN of Texas and Mr. HOLT.

H. Con. Res. 415: Mr. LARSEN of Washington.

H. Con. Res. 416: Mr. CUMMINGS.

H. Con. Res. 424: Mr. COSTELLO, Mr. WYNN, Mr. FORTENBERRY, Mr. SOUDER, Mr. GRAVES, Mr. BARTLETT of Maryland, Ms. MATSUI, Mr. KIND, Mr. BOUSTANY, and Mr. JEFFERSON.

H. Con. Res. 439: Mr. BISHOP of New York.

H. Con. Res. 450: Mr. DOGGETT, Ms. VELÁZQUEZ, and Mr. CLAY.

H. Con. Res. 455: Mr. WILSON of South Carolina, Mr. GOODE, and Mr. GOODLATTE.

H. Res. 79: Ms. EDDIE BERNICE JOHNSON of Texas.

H. Res. 490: Ms. LORETTA SANCHEZ of California.

H. Res. 735: Mr. KILDEE, Mrs. McCARTHY, Mr. ABERCROMBIE, Mr. WYNN, Mr. FILNER, Ms. BORDALLO, Mr. McGOVERN, Mr. BLUMENAUER, and Mr. McDERMOTT.

H. Res. 765: Ms. MATSUI, Mr. RAMSTAD, and Mr. PEARCE.

H. Res. 776: Mr. DUNCAN.

H. Res. 787: Mr. GUTIERREZ, Mrs. MALONEY, Mr. AL GREEN of Texas, Mr. DOGGETT, Ms. WATSON, Ms. BORDALLO, Mr. PAYNE, Mr. SHERMAN, and Ms. LEE.

H. Res. 800: Ms. BERKLEY and Mr. ROTHMAN.

H. Res. 822: Mr. KIND and Mr. BROWN of Ohio.

H. Res. 823: Mr. SHAW.

H. Res. 874: Mr. HALL, Mr. BRADY of Pennsylvania, Mr. WAMP, and Mr. GOODE.

H. Res. 888: Mr. LYNCH, Mr. MORAN of Virginia, Mr. OBERSTAR, Ms. WASSERMAN SCHULTZ, Mr. SERRANO, Ms. JACKSON-LEE of Texas, Mr. VAN HOLLEN, Mr. HOLT, and Mr. DAVIS of Alabama.

H. Res. 944: Mr. REICHERT.

H. Res. 945: Mr. DOGGETT and Mr. AL GREEN of Texas.

H. Res. 953: Mr. COSTA, Mr. LINCOLN DIAZ-BALART of Florida, Ms. LORETTA SANCHEZ of California, Mr. LEWIS of Georgia, and Ms. SLAUGHTER.

H. Res. 954: Mr. MORAN of Virginia and Mr. BLUMENAUER.

H. Res. 955: Mr. McGOVERN.

H. Res. 960: Ms. BORDALLO and Mr. FRANKS of Arizona.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 65: Mr. GERLACH.

DISCHARGE PETITIONS

Under clause 2 of rule XV, the following discharge petition was filed:

Petition 14, July 27, 2006, by Mr. FILNER on House Resolution 917, was signed by the following Members: Bob Filner, Emanuel Cleaver, and Sam Farr.

DISCHARGE PETITIONS— ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 1 by Ms. HOOLEY on House Resolution 267: Steven R. Rothman.

Petition 4 by Ms. SLAUGHTER on House Resolution 460: Steven R. Rothman.

Petition 5 by Mr. WAXMAN on House Resolution 537: Steven R. Rothman.

Petition 12 by Mr. MARKEY on the bill 4263: Steven R. Rothman.

EXTENSIONS OF REMARKS

PAYING TRIBUTE TO LAWRENCE "JAKE" JACOBSEN

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor the life of former Nevada State Senator Lawrence "Jake" Jacobsen, who passed away on Wednesday, July 26, 2006.

Jake, who made his home in Minden, NV, retired from the legislature in 2002 as the longest-serving legislator in Nevada history, having served 16 years in the Assembly and 24 in the Senate. Over his long and distinguished career, Jake must have been proudest of his work on behalf of the state's veterans and the Department of Corrections honor camp system, and his fight for preservation of the Stewart Indian School and Marlette Lake. Jake was also a volunteer firefighter in Carson Valley for more than 50 years, and has fought several fires side-by-side with Forest Service personnel. As president of the Minden Engine Company for 25 years and a lawmaker for 40 years, Jake has supported firefighting and preserved funding for fire crews.

Mr. Speaker, I am proud to honor the life of former state Senator Lawrence "Jake" Jacobsen. In his long and distinguished career as a legislator in the State Senate he touched countless lives. He was a good friend, one whom I had the pleasure of serving with for 8 years. He will be greatly missed by all the citizens of Nevada.

THE AVAILABILITY OF AVIAN FLU RESEARCH DATA

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KUCINICH. Mr. Speaker, I sent the attached letter along with my colleagues to the Secretary of Health and Human Services regarding avian flu data on July 6, 2006.

CONGRESS OF THE UNITED STATES,
Washington, DC, July 6, 2006.

Mr. MIKE LEAVITT,
Secretary, Department of Health and Human Services, Washington, DC.

DEAR SECRETARY LEAVITT: As the looming threat of a pandemic flu continues, the need to take cost effective and time-saving steps to boost our capacity and response speed is vital. The free flow of information, in particular, can accelerate research, and the development of vaccines, saving lives. In the case of Avian Flu, the very properties we fear the most—the ease with which the virus is transmitted and its ability to kill its host—are encoded in the virus' genome. Yet the genetic sequences are currently only immediately available to a select group of researchers, a practice which is hampering and delaying our ability to respond to the threat of the pandemic influenza. We will need as many scientific eyes as possible examining the problem.

Though an adequate response to a future pandemic will require the cooperation of all involved countries, the US should show leadership commensurate with its expertise and wealth. We therefore applaud your request of the World Health Assembly, the decision making body of the World Health Organization, that they "pledge with me to abide by four principles of pandemic preparedness: Transparency, rapid reporting, data sharing, and scientific cooperation."

We ask that you set these principles into motion by requiring data from HHS-funded research on avian influenza and genetic sequences, in particular, to be promptly deposited in a publicly accessible repository such as GenBank, the sequence database of the National Institutes of Health. Researchers for the Human Genome Project published their sequences in a public database within 24 hours. Calls for the immediate deposition of sequence data have come from some of the most renowned scientists in the world in the field of avian influenza.

Some scientists and countries are reluctant to release their genetic and clinical data for fear of loss of scientific credit or that the information will be used to create a technology, such as a vaccine, that will then be priced out of their reach. In particular, certain countries are refusing to release their sequences. Unfortunately, those countries are reported to include several current or past hot spots for H5N1. These concerns can be satisfied. There are already public databases holding tens of thousands of genetic sequences that have intellectual property protections in place to prevent just such problems. While many countries may have policies in place to prevent the open sharing of such information, stressing the importance of rapid response worldwide is vital.

In the event of a pandemic, the public will need to be able to trust that their government and scientists are acting with the transparency, speed and cooperation you requested. The United States can take this opportunity to take on a critical leadership role.

Sincerely,

Dennis J. Kucinich, Sheila Jackson-Lee, Jim McDermott, John Conyers, Jr., Wayne T. Gilchrest, Tammy Baldwin, Diana DeGette, Ellen O. Tauscher, Lynn C. Woolsey, John W. Olver, Major R. Owens, Barbara Lee, Dale E. Kildee, William J. Jefferson, Madeleine Z. Bordallo, Bernie Sanders.

PERSONAL EXPLANATION

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. EMANUEL. Mr. Speaker, I was unavoidably detained and unable to be on the House floor for rollcall votes 412 and 413. Had I been present, I would have voted "nay" on both votes.

HONORING CHANNEL LOGISTICS, LLC

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. ANDREWS. Mr. Speaker, I rise today to commend and honor Channel Logistics, LLC for their recent achievement in maritime domain and seaport security.

On April 1, 2006, the Institute of Electrical and Electronic Engineers presented their Annual Corporate Innovation Award to Channel Logistics, LLC during the Institute's annual awards dinner in Philadelphia. The award recognizes the company's development of the Computer Assisted Threat Evaluation System. This system evaluates potential maritime and port security threats among ships, crew and cargo entering our ports. It is able to evaluate threats by analyzing information contained within maritime databases through the processes of data fusion, pattern and choke point mapping.

This technology plays an important role in uncovering possible terrorist threats to our vulnerable maritime and port infrastructures. I am proud that Camden, NJ-based Channel Logistics, LLC is a leader in developing innovative technologies designed to secure our country and ports, and I congratulate them on receiving the IEEE's distinguished Annual Corporate Innovation Award.

HONORING BOB BRAUER

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. LEE. Mr. Speaker, I rise today to honor the extraordinary life and work of Robert Brauer of Berkeley, CA. A visionary and courageous public servant, Bob has dedicated his life to serving his community and his country. Bob's unwavering commitment to social justice has inspired me and many others to dedicate our lives to this struggle, and has impacted the lives of countless others in California's 9th Congressional District and across our country. This month Bob "retires" after a lifetime of working for the advancement of a more just and equitable society for us all, and today I join our entire community in saluting him for his public exemplary service.

Bob's dedication to public service has been evident since he was a young adult. After graduating in 1960 from the University of California, Berkeley, where he met his wife Penny,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Bob was commissioned as a Second Lieutenant in the United States Air Force. He was stationed in El Paso, TX, in the Strategic Air Command, and served there until 1963 when he left the Air Force as a Captain.

Upon completion of his service in the Air Force, Bob and his family, which by then included his wife, a son, and two young daughters, returned to Berkeley, CA, where he began a new job as an Assistant Personnel Officer at Wells Fargo Bank, where he was an integral part of Wells Fargo's participation in the industry-wide effort in California to integrate women and minorities into parts of the workforce in which they were dramatically underrepresented.

Following that job, Bob became the Skills Bank Director for the Bay Area Urban League, a role in which he was responsible for creating job opportunities for and placing minorities in jobs that had historically been inaccessible to them. During this time, Bob was also very active in civic and political affairs, serving in leadership positions in a number of local organizations, and with his wife Penny, he was very active in local political campaigns. Bob was appointed to the Recreation and Parks Commission by then-Berkeley City Council member Ron Dellums, and around that time he was also named as President of the Catholic Interracial Council of the Diocese of Oakland. He and his wife continued their activism in the farm workers' and civil rights struggles, the anti-Vietnam War movement and other local issues related to the ongoing fight for social justice.

In 1969, Bob became the Regional Director of the Office of Federal Contract Compliance (OFCC), Department of Labor, and soon became the OFCC Assistant Director in Washington, DC. In this role he helped to develop the national plan to integrate the construction trades, as well as the Philadelphia Plan's goals and timetables for women and minorities. Bob and his family, which by that time had grown considerably, moved to Bethesda, MD.

In 1971, the Secretary of Labor nominated Bob and the American Political Science Association (APSA) selected him to be an APSA Congressional Fellow, and he spent the next year working in the office of his friend, the newly elected Congressman Ron Dellums of California's then 7th District. At the end of his fellowship he left the Department of Labor and joined Mr. Dellums' staff.

This marked the beginning of what would become more than two decades of distinguished service to California's now-9th Congressional District and to our country. Bob would serve as Special Counsel to Congressman Dellums and for the House District of Columbia Committee during Mr. Dellums chairmanship. In 1993, Bob became a Senior Professional Staff Member on the House Armed Services Committee when Mr. Dellums became the HASC Chairman.

Bob was an integral part not only of the personal office and Committee staffs, but he played a major role in supporting Mr. Dellums' many policy initiatives during those years. At the DC Committee, Bob helped implement bold initiatives to use the Committee as a vehicle for promulgating solutions to some of the District's, and the Nation's, most important urban problems: mass transportation, pension reform, health care and infant mortality and education reform, among others. Among his most notable activities were his work on the investigation of the U.S. Intelligence Community undertaken by the Pike Select Committee, the successful authorization of the 50-foot federal channel dredging project at the Port of Oakland, and the construction of the Ronald V. Dellums Federal Building in Oakland. Bob was also centrally involved in the drafting and passage of Mr. Dellums' incredibly important anti-apartheid bill in the House of Representatives in the 1980s, a bill which became law over the veto of then-President Reagan. Throughout his time in Washington, Bob was also actively involved in international human rights issues, traveling as a peace observer several times to wartorn countries in Central America in the 1970s and 1980s, at the risk of his own life. On the HASC staff he played a significant role in maintaining Mr. Dellums' excellent working relationships with both sides of the aisle and assisting Mr. Dellums to accomplish one of the House's most exemplary chairmanships.

I met Bob during his early years in Congressman Dellums' personal office. I was then an intern for Congressman Dellums. I will never forget the way he supported and guided me, and helped me to not only become engaged in politics and policy, but also to become an effective advocate for social justice. For over 30 years, Bob has been a willing mentor, an advisor, a teacher and a friend, and serving the 9th Congressional District and our country alongside him has been and continues to be a great honor.

Bob worked for Congressman Dellums until the end of 1996. In 1997, Bob became Special Assistant to the President of California State University, Hayward, where he played a crucial role in the sizeable structural improvements, enrollment increases, and expansion of that campus into a leading institution in our state. During that time he has also continued to serve our community in numerous other roles, such as a volunteer Board member of the Chabot Observatory and Science Center, where he was responsible for raising close to $60 million to build a new facility in Oakland.

Bob recently retired from the renamed CSU East Bay, and today I would like to add my voice to the countless others that are expressing their congratulations and their gratitude to this extraordinary individual for his tireless work and ceaseless advocacy for social justice and equality of opportunity in the United States and around the world. On behalf of California's 9th Congressional District, I am humbled to honor Bob Brauer for his extraordinary service to our community, and to wish him the very best as he begins the next chapter in his life of conviction, character, and integrity.

RECOGNIZING DELLA HOERL HUECKER

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Mrs. Della Hoerl Huecker of Booneville, MO. As a long time citizen of Bunceton, MO, and then Booneville, Mrs. Byrd will be celebrating her 90th birthday on August 14, 2006. She has seen many events over the past 90 years and awoke each day with a strong sense of family and community that improved the lives of everyone she has touched. Her life should be celebrated with the same joy and excitement in which she gives back to our community.

Mr. Speaker, I proudly ask you to join me in recognizing Mrs. Della Hoerl Huecker. Throughout her 90 years, she has always given back more than was expected of her. Her life is an inspiration to many and I am proud to serve her in the United States Congress.

PAYING TRIBUTE TO CHAD CHRISTOFFERSON

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to pay tribute to Chad Christofferson, who has served my office—and more importantly, the American people—with distinction for the past 2 years.

Chad started in my office as a legislative correspondent in 2004. His organizational skills and ability to effectively respond to constituent concerns earned him a promotion the following year to the legislative staff of the U.S. House Subcommittee on the Federal Workforce and Agency Organization, which I chair.

In his current role, Chad has worked on many issues, but particularly of note, he has become one of our lead staffers on the Subcommittee's health initiatives. He has gained respect among leaders of the healthcare community by his quick grasp and thorough knowledge of complex health information technology matters that have gone into crafting the Federal Family Health Information Technology Act, a bill I introduced giving Federal employees electronic access to their own health records maintained under the Federal Employee Health Benefits Program. This legislation has a simple goal—to save lives by reducing medical errors.

Chad's work has been exemplary, and he is driven by personal devotion to integrity and public service. In fact, it is his commitment to improving the lives of others and his work on our health information technology legislation that led to his recent decision to pursue a career in medicine. And so, Chad is heading home to Utah, where this fall he will enroll in the school of pharmacology at Brigham Young University.

I have spoken of Chad's dedication and professionalism, which by themselves are deserving of thanks and recognition. He will continue to be a servant to others by fighting disease and illness, and, in so doing will reaffirm the values that make America the land of hope and opportunity to the world. I wish him Godspeed.

THE RESEARCH AGENDA FOR NIEHS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KUCINICH. Mr. Speaker, I sent the attached letter along with my colleagues to the Director of the National Institutes of Environmental Health Sciences regarding environmental health research on July 11, 2006.

CONGRESS OF THE UNITED STATES,
Washington, DC, July 11, 2006.

Dr. DAVID A. SCHWARTZ,
Director, National Institute of Environmental Health Sciences,
Research Triangle Park, NC.

DEAR DR. SCHWARTZ: We are writing to encourage you to ensure the continued focus of the National Institute for Environmental Health Sciences (NIEHS) on preventable health risks associated with environmental sources and exposures, as you develop a program of greater relevance to human disease. An emphasis on discovering the role of environmental exposures in human health, disease, and disabilities will increase the importance of your proposed "roadmap" for NIEHS. We look forward to the future support and growth of the following established initiatives:

RESEARCH ON COMMUNITY HEALTH AND ENVIRONMENT

Environmental exposures, and often diseases, occur with disproportionate impact on the health and well-being of local communities, particularly those already impacted by other risk factors for health disparities. Thus, continuing the focus of NIEHS support for community-based research will serve the health needs of the American public. It will also contribute to increased knowledge of acquired factors in complex situations involving other preventable risks that too often track with economic and political inequalities. The men, women, and children of unfairly impacted communities often must work, live, play, and attend school in environments that are contaminated at levels that exceed national averages, and sometimes even exceed legal limits, but often lack the resources to initiate scientific investigations. NIEHS research and outreach provides critical data that supports strategies to prevent or treat disease and disabilities among these communities, as well as regulatory action to identify contamination sources for targeted clean up.

RESEARCH ON CHILDREN'S HEALTH AND ENVIRONMENT

Chronic diseases that show up later in life are frequently the result of preventable environmental exposures to pesticides, air pollution, and many other exposures that occur early in life. For this reason, continued support for research programs focused on children's health and environmental contaminants is a priority for our constituents and for the future of America's health. Examples of this kind of research currently supported by NIEHS include: pesticide impacts on cancer and brain development among children of agriculture communities; air pollution impacts on asthma and allergies among inner city children; and, industrial pollution impacts on learning and behavior among school children.

TIMELY AND COMPLETE REPORT ON CARCINOGENS

In order to efficiently manage environmental health risks like chemicals, we must have accurate information on their toxicity. The Report on Carcinogens (RoC) is a biannual, congressionally mandated report that scientifically evaluates the scientific evidence to compile a list of all substances known or suspected to cause human cancers and to which Americans are exposed. The RoC is a reference standard for the private sector, for certain legislation, and is even used overseas as an authoritative text on carcinogens. The timely release of this critical Report is a priority for state and federal regulators, for international regulatory bodies, for communities, and for Members of Congress.

Sustaining these strategic initiatives in connection with your new initiatives will contribute to the success of new research directions at NIEHS, and ensure that research findings on environmental factors are fully translated into protecting public health. We look forward to working with you to properly fund and support these programs.

Sincerely,

Dennis. J. Kucinich.
Louis Capps.
Rush Holt.
Bart Gordon.
Barbara Lee.
James E. Clyburn.

RECOGNIZING JONATHAN LOWERY

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Jonathan Lowery of Pattonsburg, Missouri. Over the past few months, Jonathan has served as my office intern. In aiding the day to day operations of the office, he has worked with enthusiasm and dedication. His efforts to represent my office have been commended by both my staff and our constituents.

As a student at Northwest Missouri State University, Jonathan has been pursuing a degree in Political Science with a minor in Public Administration and came to Washington, DC, this summer through the Stennis Congressional Intern Program. His ambition and interest in politics and government have been evident from the day he started his internship. He has a true commitment to the workings of government and his enthusiasm in helping the people of the 6th District is something to be admired.

Mr. Speaker, I proudly ask you to join me in recognizing Jonathan Lowery. He has been great to have in the office and his efforts are much appreciated. I wish him the best and that his future ambitions in the law and public service will be fulfilled. He will certainly be missed and I would like to ask the House of Representatives to join me in thanking him for all of his hard work and dedication. I am honored to represent him in the United States Congress.

H.J. RES. 88, THE "MARRIAGE PROTECTION AMENDMENT"

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. MOORE of Kansas. Mr. Speaker, on July 18, 2006, I voted against passage of H.J. Res. 88, a constitutional amendment to bar same-sex marriages.

The text of H.J. Res. 88, the Marriage Protection Amendment, reads as follows: "Marriage in the United States shall consist solely of the union of a man and a woman. Neither this Constitution or the constitution of any state, shall be construed to require that marriage or the legal incidents thereof be conferred upon any union other than the union of a man and a woman."

Marriage and family law have traditionally been regulated by state, rather than federal, laws. Current federal law, as well as some state laws, already prohibits federal recognition of same-sex marriage. Further, in 1996, President Clinton signed the Defense of Marriage Act, DOMA, which prohibits federal recognition of same-sex marriages and allows individual states to refuse to recognize such marriages performed in other states.

Some believe the Marriage Protection Amendment is necessary to strengthen the institution of marriage. While the amendment's supporters claim that it simply would remove the issue of same sex marriage from the courts, the text of the amendment also would remove decision making authority from Congress and state legislatures, where marriage and family law have traditionally been regulated.

My personal belief is that marriage is a union between a man and a woman, but that the regulation of marriage should be left to the states.

In 2004, Vice President DICK CHENEY spoke on the subject of a constitutional marriage amendment during a campaign appearance in Davenport, Iowa, when he said: The question that comes up with the issue of marriage is what kind of official sanction or approval is going to be granted by government? Historically, that's been a relationship that has been handled by the states. The states have made that fundamental decision of what constitutes a marriage. He also went on to say that with respect to the question of relationships, my general view is freedom means freedom for everyone.

I agree with Vice President CHENEY's remarks, and voted against the Marriage Protection Amendment on the House floor. This amendment would break sharply from our nation's commitment to, and constitutional tradition of, protecting individual rights. The truth is—and the proponents of this Amendment know it—there was not any chance for this to become a Constitutional Amendment. Just last month the Senate refused to pass it! The House Amendment was simply another effort by certain people to advance their political agenda. I support equal rights for all Americans. I am committed to a nation in which all Americans can share equally in the protections of the law.

IN HONOR OF MARTHA LOIS McGINNIS CAMERON NORTON

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. FARR. Mr. Speaker, I rise today to honor the achievements and promise of Martha Lois McGinnis Cameron Norton, or just simply Martha. I have known Martha much of my life as the "go to woman" in local elections. She is one of those Americans who embodies the meaning of the word citizenship; who works always to strengthen the quality of our democracy. Martha was born in Washington, Iowa, in 1922. She grew up on a farm and spent her childhood raising corn, tending hogs, and seeing to all the other chores of an Iowa farm girl. But being from Washington, she had politics in her blood. As a child she saw both President Hoover and Governor Roosevelt speak during the 1932 presidential campaign. Four years later she worked her first of many campaigns when she helped reelect President Roosevelt.

While Martha built a remarkable professional career as a research scientist and educator, it is her relentless political activism that I wish to focus on today. That activism began in earnest in 1946 when Martha joined a local campaign to save San Francisco's landmark cable car system. In 1956, she worked to reelect President Eisenhower. In 1959, she helped run her father's successful write-in campaign to become Mayor of her hometown.

In 1962 Martha moved to Monterey and hasn't stopped since. She soon worked on a variety of local races, including several of my father's, who was then serving in the California State Senate. In the late '60s, she worked on the coastal protection campaign that culminated in the voters 1972 adoption of the landmark Coastal Act. That same year Martha became a Democrat. As a young woman, she registered Republican on the advice of her mother who said that it was the Republicans who secured the vote for women. But she had become disenchanted with the direction that the Republican Party had taken, especially in civil rights, and followed Leon Panetta in making the switch.

In 1976, Martha worked as a precinct walker in Leon Panetta's successful race against Congressman Burt Talcott. She also worked on Jimmy Carter's presidential campaign, coordinating more than 100 volunteers from their teens into their 70s. In the '80s, she helped elect two pivotal Monterey County Supervisors, Sam Karas and Karin Strasser Kauffman. In 1996 she volunteered once again for Karin, in her primary race for the local state Assembly seat. While Karin lost the race, Martha felt that democrat Fred Keeley went on to be a great Assemblymember. And all along, Martha was instrumental in my own campaigns for local, state, and federal office.

Martha truly is the tireless volunteer. In addition to her campaign work, Martha has devoted countless hours to many different boards, commissions, and other community organizations, including the MPUSD school board, the Highway 68 committee, the Toxic Waste committee for Fort Ord, several League of Women Voters committees, and local Democratic committees and clubs. Martha also served several stints as the President of the Peninsula Women's Democratic Club. She has worked tirelessly over the years to register voters and encourage participation in the political process. And it is this grass roots commitment to making democracy work that deserves the attention of this House because it is the people like Martha across this country that keep our democracy alive and well.

CONGRATULATING MELISSA BROWN—SELECTED AS GRAND PRIZE WINNER IN OLIVE GARDEN'S NATIONAL ESSAY CONTEST

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. WELDON of Pennsylvania. Mr. Speaker, I am proud today to insert into the CONGRESSIONAL RECORD a winning essay written by a very special constituent, 10th grade student Melissa Brown, a resident of Broomall, Pennsylvania.

Melissa's essay was chosen from nearly 11,000 entries written by students in first through 12th grade who were asked to "describe how a person or experience has made an important impact on your life."

In her essay, Melissa describes the many lessons she has learned from her brother, Josh. Her words are not only inspirational, but powerful in a message we can all take to heart. This young writer captures what family means for so many of us—love, acceptance and learning from one another. The text of her essay follows:

When people are asked, who has influenced you most in your life, most have to think about it. For me, I could answer that question in less than a second. My little brother Josh, without a doubt, has influenced me more than anyone.

Josh has Down Syndrome, which is a genetic disorder. It makes him do some things a little slower than most kids his age. But Josh is an exceptional child. He is extremely smart. He knows every little detail about every single animal, ever. He loves collecting anything that is long and skinny and giving them names and personalities. His memory is amazing and he learned all his letters, and some words, by the time he was 2 years old. He also reads fluently and does well in school. He has overcome many obstacles to really be a success.

Josh is the most loving and open person you will ever meet. He greets you with a smile that lights up a room. Josh isn't like most people who look at your appearance and judge you by that. He looks straight into your heart and will open his arms to you.

Living with Josh has taught me numerous things. The main thing he's taught me is to not judge a book by its cover. I need to look inside a person and find out what they're like inside before I make assumptions. Josh has made me sensitive to people that are less fortunate than I am. I realize I've been blessed and need to share that with others who need it. He's taught me that when I see people who are different, I shouldn't stare but should smile at them. One little smile can make a person's day. I've also learned not take life so seriously. Josh is one of those people who finds pleasure in little things. So I need to be able to find the good things in life and take pleasure in little things.

When people first see Josh, they may think that he looks weird or that he's just a little brother. Well, he's neither of those. He is an adorable little 11-year-old who is bounding with energy and love. He also is the one who makes me laugh, gives me support and is my best friend. I tell people that he is the person who has inspired me most in my life.

PAYING TRIBUTE TO PATRICIA GROW

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Patricia Grow for her years of service as a high school teacher and Family, Career, and Community Leaders of America advisor.

Patricia earned a Bachelor's Degree in Homemaking Education from Utah State University, and then a Master's in Occupational Administration at Northern Arizona University. After graduating, she moved to Overton, Nevada, and began her teaching career as a substitute. She continued substitute teaching for eight years until she became the full-time Home Economics teacher at Moapa Valley High School.

For the past thirty years, Patricia has educated high school students and advised her chapter of the Family, Career, and Community Leaders of America, FCCLA. Patricia followed the growth of the community from the old high school to the new one, and, upon the expansion of the Home Economics program, she became the instructor for the Independent Living and Child Development and the Fashion and Quilting courses. Her hard work has been instrumental in bringing the program's courses to full enrollment.

Patricia has won a number of awards for her service to students, including Outstanding Service to Vocational Education in 1986, Outstanding Faculty for 1992–1993, the Nevada Vocational Association Award of Service in 1996, and Educator of the Year for 1999–2000. She is retiring this year after three decades of teaching.

Mr. Speaker, I am proud to honor Patricia Grow for her years of service as an educator in Nevada. Education is truly an admirable career, and I commend her dedication to Nevada's youth. I wish her all the best in her retirement.

CLIMATE CHANGE: UNDERSTANDING THE DEGREE OF THE PROBLEM?

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KUCINICH. Mr. Speaker, I made the attached statement in the House Government

Reform Committee regarding global warming on July 20, 2006.

STATEMENT OF REPRESENTATIVE DENNIS J. KUCINICH, U.S. HOUSE OF REPRESENTATIVES, GOVERNMENT REFORM COMMITTEE

Thank you, Mr. Chairman, for calling this important hearing on Climate Change, the first such substantive hearing in the House in recent memory. If we are to successfully deal with global warming, it cannot be a partisan issue. It will require our full attention and an inestimable share of our resources, which requires united leadership. This hearing, therefore, is a major step in the right direction. However, I was disappointed to hear the Administration's testimony today which is decidedly partisan. Indeed it continues to try to put a happy face on bad policies and take credit for work it has not done.

A good place to start is the Administration's claim to have reduced greenhouse gas "intensity" during its tenure. Efficiency gains make the "intensity" go down anyway. Moreover, this deceptive rhetorical device diverts attention from its failure to set a goal for greenhouse gas emissions reductions that is consistent with that which is justified by the current science. California has done so, calling for an 80 percent reduction. Holland is now cutting emissions by 80 percent in 40 years. Tony Blair has committed the UK to cutting emissions by 60 percent in 50 years. Germany has obligated itself to cuts of 50 percent in 50 years. Several months ago, French President Chirac called on the entire industrial world to cut emissions 75 percent by 2050.

In fact, this is only one of the instances in which this Administration has thumbed its nose at the international community. There is not only an unwillingness to move forward with substantive action on global warming, there is active resistance, and, in fact, bullying of other countries. The Administration started by walking away from the Kyoto protocol. I was in Johannesburg for the World Summit on Sustainable Development in 2002. Nothing of significance from the U.S. I went to Buenos Aires for the Conference of the Parties in 2004. Nothing of significance from the U.S. In Montreal, Harlan Watson walked out of negotiations in what was perceived in international media as a tantrum when the Administration didn't get its way. There was an agreement in the G8 that the U.S. re-engage on the issue. It did not happen.

Instead, we see not only rhetorical red herrings, but we see Enron accounting techniques being used to create the illusion that something is being done. The GAO released a report in August 2005 called Climate Change; Federal Reports on Climate Change Funding Should Be Clearer and More Complete. This report listed suspect activities claimed by the OMB as spending on global warming, including such efforts as the "Andean Counterdrug Initiative."

Making matters worse, the Administration advocates for dealing with global warming by advocating for nuclear power. Nuclear power has been shown to be greenhouse gas intensive, it is far less cost effective than renewables, far less polluting than renewables, and facilitates further proliferation of nuclear weapons materials. We are trading our addiction to oil and all the problems that go with it, for nuclear power and a whole new set of equally pernicious problems that go with it, when common sense alternatives are readily available or within our reach.

In the meantime, it is becoming increasingly clear that the effects of global warming are already being felt. The United Nations has declared that at least 5 million cases of illness and more than 150,000 deaths every year are attributable to global warming. The 2003 European heat wave killed over 20,000 people. The 10 hottest years on record have occurred in the last 15 years. Two consecutive record-breaking hurricane seasons.

Exactly how bad does it have to get?

IN MEMORY OF ARMY CAPTAIN BLAKE H. RUSSELL

HON. KAY GRANGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. GRANGER. Mr. Speaker, I rise today to honor the courage of a young hero from my district. On July 22, 2006, the Department of Defense declared that Army Captain Blake H. Russell (United States Army, Headquarters Company, 1st Battalion, 502nd Infantry Regiment, 101st Airborne Division) died from injuries that he suffered from an explosion while investigating a possible weapons cache in Baghdad, Iraq. Russell enlisted in the Navy in 1989 after graduating from Fort Worth Boswell High School. After completing his Navy obligations, Russell enrolled at Texas A&M University and upon graduation, he joined the Army.

His family describes Russell as a soldier who professed that he chose the military profession so "he could fight the bad guys over there so (his son) could be safe here."

Russell served with distinction during his military career which included two tours in Iraq. In the Navy, Russell served as an antisubmarine warfare specialist as well as a Navy search and rescue team member. He joined the Army after graduating from Texas A&M in 1998. Prior to the Iraq war, he was an aide to an Army general. During his initial tour in Iraq, Russell served with the 4th Infantry Division in the Al Anbar Province. He joined the 101st Airborne Division, based in Fort Campbell, KY, in March 2005. He was serving as a field artillery officer during his last tour in Iraq and was actively involved in military operations in the Baghdad area. His earned the Bronze Star and the Purple Heart during his military career.

The American people know the sacrifices Russell made to his country and his service will not be in vain. I am proud to honor Captain Russell's service to the United States of America. He will not be forgotten.

TRIBUTE TO PFC. KRISTIAN MENCHACA

HON. HENRY CUELLAR

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CUELLAR. Mr. Speaker, I rise today to honor Army Pfc. Kristian Menchaca, of the 101st Airborne of the United States Army, who was kidnapped and murdered by Iraqi insurgents on June 16th in Yusufiyah, Iraq.

Army Pfc. Kristian Menchaca was born on May 29th, 1983, in Houston, TX, and moved to Brownsville with his mother, Maria Guadalupe Vasquez, when he was a young boy. He attended Gary Job Corps center in San Marcos, TX, where he completed the correctional officers training program in six months and earned a certificate. He married his wife, Christina, three weeks before he joined the United States Army with the goal of using his military experience to become a Border Patrol agent. Pfc. Menchaca will be forever remembered for his service in protecting the freedoms and ideals of our country and I extend my condolences to his family, and to his wife, Christina.

Mr. Speaker, I am honored to have had this time to recognize the service of Pfc. Kristian Menchaca in the United States Army.

HONORING JACKIE DOLLAR HARRISON, DIRECTOR OF CHILD START, INC.

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize the extraordinary career of Jackie Dollar Harrison on the occasion of her retirement as Director of Child Start, Inc., a Head Start program for Napa and Solano counties. Over the last 25 years, Jackie Harrison's commitment to broadening service and reaching out to communities has developed the program into one of the most respected early childhood educational programs in the country.

Mrs. Harrison was born in St. Louis, MO, but grew up in Los Angeles, where she earned a Bachelors degree from Mt. Saint Mary's College and then her Masters from the University of Southern California. The Watts riots in 1965 devastated chronically impoverished areas in southern Los Angeles; these riots were blamed on a lack of education and opportunity. Mrs. Harrison's first job in a long career of serving the under-served was as a pre-school teacher and curriculum specialist in the areas most impacted by rioting. Her work with marginalized and under-represented groups continued as a special education teacher serving children with autism and other learning disabilities in central Los Angeles.

Mr. Speaker, when Jackie Harrison arrived in the Napa Valley to direct the child care program, things began to change. The development of a Head Start program, new pre- and post-natal care efforts, and expansion into Solano County were direct results of Jackie's aggressive leadership. In 2000, Jackie led the innovative conversion of Napa-Solano Head Start into an independent non-profit corporation, which now operates as a nationally recognized model for others to follow. Jackie has emphasized kids' education not only through the programs, but has worked with parents and other community organizations to ensure that learning continues in the home.

Mrs. Harrison once said, "Anything about me, I want to be about the program." Mr. Speaker, by that measure, 2005 was an extraordinarily good year. Child Start, Inc. was recognized as one of the 40 top programs of its kind in the nation, it was the "Distinguished Program" recipient for California, it received a national "Program of Achievement Award", and Jackie herself was recognized with a "Lifetime Achievement Award" from the National Head Start foundation. These testaments to the success of her program are a well-deserved acknowledgement of Jackie's vision in transforming children's education and opportunities in the Napa Valley.

Mrs. Harrison has been an active leader for the Napa Valley and the State of California, sitting on boards and helping direct the development of organizations that support the welfare of those whose voices are so often drowned out in our society.

Mr. Speaker, it is appropriate at this time that we recognize Jackie Dollar Harrison for her remarkable achievements in a career distinguished by visionary and aggressive leadership for the welfare of our nation's children.

TRIBUTE TO THE D.J. JACOBETTI HOME FOR VETERANS

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to an institution in my district that serves those who have served the rest of us. The D.J. Jacobetti Home for Veterans in Marquette, MI, is celebrating its 25th Anniversary Rededication next month. My district is home to more veterans than any other Congressional District in Michigan. As such, the D.J. Jacobetti Home for Veterans has been indispensable to many of my constituents.

The D.J. Jacobetti Home for Veterans was rededicated in 1981 and was named after Dominic J. Jacobetti, the longstanding Chair of the Michigan House of Representatives Appropriations Committee. Representative Jacobetti was widely acknowledged as an effective advocate for veterans and for all of northern Michigan.

Before this important facility was established in Michigan's Upper Peninsula (U.P.), the only places for a U.P. veteran to go for long-term care were Michigan's Lower Peninsula or Wisconsin. Only after veterans organizations in the Upper Peninsula advocated for and requested this facility did the state of Michigan, with help from the Federal Government, establish the Jacobetti Home for Veterans. With the establishment of the Jacobetti Home for Veterans, Michigan became one of the first states to have two full-service, long-term care facilities for veterans.

It is important to note that the Jacobetti Home prides itself on truly being a home, not just a long-term care facility. The fact that the Jacobetti Home refers to its residents as "members" reflects the philosophy that has guided the Jacobetti Home over the last 25 years. The staff of the Jacobetti Home does not refer to residents as "patients" or "guests," but as "members," a title that underscores that residents of the Jacobetti Home for Veterans truly belong to a larger U.P. community.

The Jacobetti Home provides a ceramic shop, chapel, puzzle room and a solarium. The staff and veteran volunteers of the D.J. Jacobetti Home for Veterans provide members with outings and classes almost daily. With the help of volunteers, watercolor, woodworking, and sewing classes are offered as are shopping trips, picnics, and a host of other activities.

As of May of this year, the Jacobetti Home for Veterans had served 1,950 members. This impressive number is a glowing testament to the hard work and dedication of the Jacobetti staff who have been tireless in their efforts to serve Upper Peninsula veterans.

Dr. James Heron deserves enormous credit for leading the Jacobetti Home for nearly two decades in a dual capacity as both Director and Medical Administrator. Brad Slagle, the Director of the facility since August of 2005, deserves our support as he leads the organization into the future.

As the 25th anniversary of the D.J. Jacobetti Home for Veterans draws near, I would also like to salute the great number of individuals who volunteer thousands of hours each year to keep the Jacobetti Home for Veterans running. Almost every year, I attend the Jacobetti Home for Veterans' annual volunteer appreciation banquet to recognize the countless hours volunteers at the Jacobetti Home give to this veterans facility. I am pleased to note the roster of volunteers grows every year. Only a few years ago, area citizens contributed 10,000 volunteer hours per year to the D.J. Jacobetti Home for Veterans. Today, volunteer hours have increased to approximately 14,000 hours per year.

Volunteers help with the annual Jacobetti trip to the U.P. State Fair, as well as dinner nights and fishing trips. Volunteers put on Christmas parties, New Year's parties, Vegas nights and bingo. The Jacobetti woodshop is run by volunteers. Volunteers are also critical to the fundraisers that keep the Jacobetti Home operational. So, as all of the Upper Peninsula prepares to celebrate this 25th Anniversary, I tip my hat to the many volunteers who contribute so much personal time to make the Jacobetti Home such a special place for our veterans to live.

These values of volunteerism, community and a responsibility to those who have sacrificed for our country are just a few of the things that make the D.J. Jacobetti Home for Veterans special. Mr. Speaker, as we honor our brave fighting men and women serving abroad in Iraq and Afghanistan, it is important that we not forget them when they return home. In that spirit, for 25 years now, the Jacobetti facility has truly been a home for those who have served our country. Given the unique spirit of volunteerism and community service exhibited by the staff and volunteers of the D.J. Jacobetti Home for Veterans, I know we can expect the D.J. Jacobetti Home for Veterans to be serving today's soldiers, when they are tomorrow's veterans, 25 years from now.

Mr. Speaker, I close by asking that you and the U.S. House of Representatives join me in paying tribute to the D.J. Jacobetti Home for Veterans, a facility that truly serves those who have served all of us. In this time of conflict, it is more vital than ever that we retain those values of volunteerism, community and responsibility—values that the D.J. Jacobetti Home for Veterans truly exemplifies.

PAYING TRIBUTE TO SCOTT SULLIVAN AND JOELLE JARVIS

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Scott Sullivan and Joelle Jarvis for their unparallel commitment to serving others. Sullivan and Jarvis founded the Corps of Compassion, a grass roots organization that is helping families in the wake of Hurricanes Katrina and Rita. The organization is founded on the belief of people helping people, and making a difference right now.

Scott and Joelle founded the Corps of Compassion after hurricanes Katrina and Rita devastated portions of the Gulf Coast. Their efforts to reach out and assist thousands of displaced Americans from these tragic events have inspired so many to help their fellow citizens. Since the hurricanes, the organization and its volunteers have provided numerous resources and services. For example, the Corps of Compassion has coordinated and sent one dozen tractor trailers to Louisiana. These trailers were filled with food, baby products, medical supplies, paper goods, clothing, water and furniture for the hurricane victims. The organization in conjunction with Feed the Relief helped and funded almost 10,000 hot meals for first responders in New Orleans.

This incredible organization has also raised close to $400,000 in monetary donations for emergency assistance and collected over $1,000,000 in goods and donated services for disaster victims. As a result of their ongoing efforts, the group was named by the Las Vegas Review Journal as the "Best Community Organization of 2006". In addition to donating goods to people, Corps of Compassion has helped many families through case management by connecting them with legal information, tax help and informing them of the aid for which they qualify.

Mr. Speaker, I am proud to honor Scott Sullivan and Joelle Jarvis. Their work with Corps of Compassion has enriched countless lives thrown into turmoil following Hurricanes Katrina and Rita. I applaud them for their service and wish them the best with their continued mission.

A BLUEPRINT FOR NASA?

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KUCINICH. Mr. Speaker, I made the attached statement in the Space and Aeronautics Subcommittee of the House Science Committee, regarding the National Academy of Science's Decadal Plan for Aeronautics on July 18, 2006.

Thank you Chairman Calvert, Ranking Member Udall, and members of this subcommittee for the opportunity to speak today about aeronautics. Under your leadership, this Congress has been tremendously supportive of aeronautics and I am grateful for that. I am also grateful to my colleague, Representative JoAnn Davis who has fought for strong aeronautics programs.

NASA's role in aeronautics is fundamental. Its research is important because NASA is able to develop long term, high-risk enabling technologies that the private sector is unwilling to perform because they are too risky or too expensive. In fact, this has historically been the role of government-sponsored research. This is true not only with aeronautics but also with pharmaceutical research, defense research, energy research, and environmental research.

When the government sponsored basic research yields information that could lead to a service or product with profit potential, the private sector transitions from research to development in order to bring it to market. While it is not always as simple as this, it is clear that where there is no basic research, there can be no development. This research has resulted in monumental innovations that affect our daily lives. Its contributions are especially significant in the areas of national security, environmental protection, and airline safety.

NASA's aeronautics programs also contribute substantially to the nation's economy. The NASA Glenn Research Center in Brook Park, Ohio, for example, is a cornerstone of the state's fragile economy and a stronghold of aeronautics research. In FY04, the economic output of NASA Glenn alone was 1.2 billion dollars per year. It was responsible for over 10,000 jobs and household earnings amounted to 568 million dollars.

Civil aeronautics is also the major contributor to this sector's positive balance of trade, contributing $29 billion in 2005 alone. Aeronautics contributes to a stronger economy by lowering the cost of transportation, enabling a new generation of service based industries like e-commerce to flourish by performing the research that leads to inexpensive and reliable flights.

These are only a few of the reasons that the proposed cuts to aeronautics are so pernicious. Many of the recommendations by the National Academy of Sciences (NAS) are already headed down the path of irrelevancy because we simply won't be able to pay for them. We will be feeling the effects of the proposed cuts—about 25% in FY07 alone—immediately in terms of economic jolts and then in the long term from the loss of innovation. In addition, the Administration's projected further decline of aeronautics research in the out years erodes our workforce by sending a clear signal that funding in the long term is unstable at best, a concern echoed by the NAS reports. Our NASA workforce is the reason for our aeronautics dominance. It is that simple. But the cuts are already causing us to struggle against rising expertise in countries like China as well as an aging scientific and technical workforce at NASA.

This subcommittee and this Congress have spoken unequivocally in the past few years on this issue by keeping aeronautics strong in NASA authorization and appropriations bills. Yet the NASA budget requests have not changed. We are still underfunding the Vision for Space Exploration, forcing the agency to take money from smaller programs like aeronautics, the first A in NASA. In the process, we run the risk of taking away one of NASA's great strengths—diversity. If NASA becomes a one trick pony focused almost exclusively on space exploration, NASA as a whole is vulnerable to political wind shifts.

Our priority should be to correct this. Earlier this year, I attempted to offer a bipartisan amendment to increase funding for aeronautics in the Budget Resolution by $179 million dollars, which would have left funding flat for FY07. But it was blocked by the Rules Committee. However, the Senate Appropriations Committee reported a bill last week that adds 1 billion dollars to cover the emergency costs associated with the loss of space shuttle Columbia. That would free up money for Aeronautics. It also included a ban on involuntary reductions in force, protecting the most valuable part of NASA, its world-class workforce. The House should support these provisions in conference.

In the long term, my hope is that this subcommittee will continue to defend aeronautics at NASA. I will most certainly do what I can to help.

HONORING OUR LADY OF VICTORY PARISH AND 100 YEARS OF COMMUNITY SERVICE

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. EMANUEL. Mr. Speaker, I rise today to recognize the distinguished history of the Our Lady of Victory Parish on the occasion of its 100th Anniversary. Over the last century, Our Lady of Victory has provided spiritual guidance and quality education to generations of families throughout the Jefferson Park and Portage Park communities on the north side of the City of Chicago.

Our Lady of Victory was originally established on September 10, 1906 as a mission of the Saint Edward's Parish. Reverend Martin M. Lennartz served as this Catholic community's inaugural Pastor. Its first Eucharistic celebrations were held in an unassuming hall located at the corner of Milwaukee and Lawrence Avenues.

It was not until 1907, and the community efforts of Elizabeth Massmann, that the congregation was renamed, "Our Lady of Victory," after her memory and the name of her childhood church located in the state of Ohio.

The cornerstone of Our Lady of Victory's current location was laid on May 22, 1910. The three story structure located at 4444 North Laramie Avenue is now but one of the parish's many buildings.

Today, Our Lady of Victory serves approximately two hundred elementary school aged students. It has served over 3,000 families throughout the Chicagoland area in its one hundred year history.

And on October 8, 2006, parishioners and distinguished leaders of our community will come together to celebrate this momentous anniversary. The Gala Centennial Dinner will take place at the Hyatt Regency O'Hare.

Mr. Speaker, on behalf of the citizens of the north side of Chicago and the constituents of the Fifth Congressional District of Illinois, I wish to recognize the Our Lady of Victory Parish and its Centennial celebration. I wish all the best for its clergy, for its families, and for its success in the future.

A TRIBUTE TO DOUG DASH

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. ANDREWS. Mr. Speaker, I rise today to honor Doug Dash, a man who has served his community and his country for nearly 30 years.

Doug is a graduate of West Chester State College. He was a teacher in Pennsauken, NJ and is the proud grandfather of a beautiful four and a half year old girl. During his time serving his community as a letter carrier, Doug has also been the Congressional Liaison for the Cherry Hill Postal Service. Mr. Dash began serving his community as a postal employee after he had already served his country in the armed forces for two years, receiving a Purple Heart after one year in Vietnam. Doug has been serving Cherry Hill and the First Congressional District of New Jersey since 1979.

Mr. Speaker, I commend Doug Dash today for all that he has done for The First Congressional District of New Jersey and our country. Doug's life of service is worthy of admiration, and in addition to being a constituent and colleague, I am proud to call Doug Dash a friend.

HONORING LEWIS EDWARD JORDAN

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. LEE. Mr. Speaker, I rise today to honor the extraordinary life and work of Lewis Edward Jordan. In a time and place when it was a rarity for an African American to operate a business, Lewis broke boundaries in the world of business. He used his acquired wealth to help lift the community as a whole and to instill the same optimism in others that drove him to accomplish so much. He passed away on June 20, 2006.

Lewis was born on September 7, 1914 in Oakville, Maryland. Lewis faced tremendous adversity as a child and teenager, living in southern Maryland after slavery with his grandparents, who were slaves themselves. As a child he had very little money, and he only received an eighth grade education because the county where he lived, Saint Mary's County, had no high school for African Americans.

As a young adult, Lewis moved to Washington, D.C. He married Catherine Frederick in 1936 and fathered three children, Frederick, Andre, and Monica. It was in Washington, D.C. that his great creativity and vision would help him find success in his various entrepreneurial ventures. He was successful in many different businesses, including a taxicab company, a coal distribution company, mobile markets that served urban communities, a bar and restaurant, and eventually a trucking company. Lewis had the bravery to start these companies at a time in our nation's history when, unfortunately, many thought that a man like

Lewis should only work for these companies rather than be the man at the helm, and his courage deserves recognition.

Lewis received many accolades for his work during and after his life. For his work on the decoration of the Blair House, he received a personal commendation by President Franklin D. Roosevelt. In addition, as a testament to his business skill, his trucking company was awarded the contracts for work on the Sam Rayburn Congressional Building as well as many other important Washington D.C. structures. Also, he received a tacit compliment from the business community when his "mobile market" concept for serving groceries to underserved neighborhoods was replicated by many.

Even when engaging in business, Lewis was socially conscious and sought to do business in a humane way. His mobile market business bloomed into all different sorts of philanthropic works. He became known for delivering fresh fruits and vegetables to families of need in northeast Washington, D.C., and in 1996 he started the Frederick and Jordan Families Fund. The fund is administered by the San Francisco Foundation, and focuses specifically on helping African American communities in areas of homelessness, at-risk youth, and food programs.

In his golden years, Lewis stayed busy, serving as chairman of the Frederick and Jordan Families Fund and writing his own book, From Slave Days to Present Days, the Roots of the Jordan Family, which is considered to be one of the few works portraying the lives of African Americans in Maryland after slavery.

In addition to his business and philanthropic efforts, Lewis was a loving father. His love and care are reflected in the success of his children. Andre Jordan became the highest-ranking African American federal law enforcement official in the United States; Frederick started a civil engineering and construction management firm, which was the first African American owned firm of that sort on the West Coast; and Monica is the Assistant General Counsel of a federal agency.

For his vision in business, his giving spirit, and his love of family and others, I am humbled to honor Lewis Edward Jordan. On behalf of California's 9th U.S. Congressional District, I am proud to add my voice to the countless others who have united in thanks, respect, and praise for this pioneering individual, Lewis Edward Jordan.

PAYING TRIBUTE TO SAM AND LOIS RUVOLO

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor my dear friends Sam and Lois Ruvolo as they celebrate their 50th wedding anniversary.

Sam and Lois met in Cleveland, Ohio, the city they were both born and raised. After a chance meeting at the local community center, where Lois was a secretary, they were married six months later at the Holy Name Church on August 11, 1956.

After serving in the United States Army from 1950–1952, Sam taught school and coached football at the high school, college, and pro levels for 32 years. In 1988, Sam and Lois both decided to retire. They sold their residence in California and traveled the United States, Canada, and Mexico in their motor home, finally settling in Henderson, Nevada in 1991 at the insistence of Sam's brother Pat.

Sam is active with the Knights of Columbus, and the American Legion, serving as Commander of Post 40 in Henderson, State Commander of Nevada, and most recently as the Alternate National Executive Committee member. He has also been reappointed to serve on the Governor's Committee of the Southern Nevada Veterans Cemetery.

Lois is active with the Catholic Daughters of the Americas, volunteers at the St. Viator Church, and is an auxiliary member of the American Legion's Unit 40.

Of all their accomplishments, Sam and Lois are most proud of their four children, Margaret Mary Janshen, Joseph Robert, Thomas Joseph, and John Salvatore. They also love and enjoy their seven grandchildren.

Mr. Speaker, I am honored to recognize two wonderful people who I have known for many years on their coming wedding anniversary and also for their service to the community of Southern Nevada. I wish them many more joyful years of marriage.

RESEARCH AND DEVELOPMENT OF THE DRUG, LUCENTIS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KUCINICH. Mr. Speaker, I sent the attached letter to the Director of the National Eye Institute, inquiring about the role of publicly funded research in the development of the drug on July 12, 2005.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 12, 2006.

Dr. PAUL A. SIEVING, M.D., Ph.D.
Director, National Eye Institute, National Institutes of Health, Bethesda, Maryland

DEAR DR. SIEVING: I write to request your assistance in understanding NIH's contribution to research and development of the drug, Lucentis. According to your website, "the NEI alone has spent nearly $95 million and has sponsored more than 300 research studies that have investigated neovascularization in the eye." The studies have "discovered specific biological pathways and proteins that trigger the growth of new blood vessels." Specifically, a protein called vascular endothelial growth factor (VEGF) was found to be "important in the growth of new blood vessels in retinal degenerative diseases such as advanced AMD. The abnormal blood vessels leak blood and fluid, causing severe vision loss." Subsequently, "several pharmaceutical companies began developing anti-VEGF therapies."

Please provide a detailed overview of the research NIH has funded in this area. Please also indicate whether NIH supported any of the research that led to the Lucentis patents, or any of the research that was undertaken by Genentech or partners, including support for clinical testing, related to Lucentis. The intent is not to be able to review the findings of each of the relevant studies. Rather, it is to understand the role and contribution of NIH in the development of this important product.

Thank you for your assistance and your time.

Sincerely,

DENNIS J. KUCINICH,
Member of Congress.

RECOGNIZING BRADLEY BAILEY

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Bradley Bailey of Kansas City, Missouri. Over the past few months, Brad has served as my office intern. In aiding the day to day operations of the office, he has worked with enthusiasm and dedication. His efforts to represent my office have been commended by both my staff and our constituents.

As a student at Central Missouri State University, Brad has been pursuing a degree in Political Science with a minor in Criminal Justice and came to Washington, DC, this summer after interning in my Liberty District office in 2005. His ambition and interest in politics and government have made him a welcome addition to my office. He has a true commitment to public service and his enthusiasm in helping the people of the 6th District is something to be admired.

Mr. Speaker, I proudly ask you to join me in recognizing Bradley Bailey. He has been great to have in the office and his efforts are much appreciated. I have no doubt that his future ambitions to work in Federal Law Enforcement will be fulfilled. He will certainly be missed and I would like to ask the House of Representatives to join me in thanking him for all of his hard work and dedication. I am honored to represent him in the United States Congress.

TRIBUTE TO TRINITY EPISCOPAL CHURCH OF LAWRENCE, KANSAS, UPON THE CELEBRATION OF ITS 150TH ANNIVERSARY

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. MOORE of Kansas. Mr. Speaker, I rise today to pay tribute to the Trinity Eptscopal Church of Lawrence, Kansas, which on August 20th will celebrate its 150th year of serving Kansans attending the University of Kansas as well as residents of Lawrence.

Lawrence has a long and vibrant history of religious diversity, dating back to its founding prior to the Civil War by immigrants who sought to establish Kansas as a state where slavery was prohibited. I am pleased to have this opportunity to place into the CONGRESSIONAL RECORD an article originally published in the Lawrence Journal-World which details the history of several of Lawrence's original congregations, including Trinity Episcopal Church.

Mr. Speaker, I am pleased to have this opportunity to share this history with the House and I commend the members of Trinity Episcopal Church as they prepare to celebrate 150 years of service to the people of Lawrence and the University of Kansas.

[From the Lawrence Journal-World, Sept. 19, 2004]

CITY CHURCHES TRACE ROOTS TO PIONEER DAYS

(By Jim Baker)

Lawrence was born from the reaction between pro-slavery forces and abolitionists fighting for control over the future of the Kansas Territory—and the city's early churches were the catalyst.

The struggles of the abolitionists, in Lawrence's opening decades, set the course for many congregations that went on to flourish in the ensuing 150 years.

In 1854, the New England Emigrant Aid Company sent a hardy band of 29 men to found a city in the Kansas Territory, hoping to settle the land with as many abolitionists as possible. The hope was that when the territory eventually achieved statehood, Kansas would be a free state.

Among the men recruited by Amos Lawrence, a wealthy merchant based in Boston, were Unitarians, Methodists and Congregationalists. The most prominent Unitarian among them was Charles Robinson, who would become the first governor of Kansas.

It took the group about two weeks to reach a site here, and then its members set up housing in order to establish a beachhead for abolitionists.

The Unitarian Church—known as the Unitarian Society in Lawrence—was founded in 1856, the year that a stone church was built at what is now Ninth and Ohio streets. The church also was used by the Congregationalists and Methodists. The first minister was the Rev. Ephraim Nute.

"Certainly in the early years, Unitarians were instrumental in building the schools, fostering abolitionism, providing aid for the Underground Railroad and settlers of the abolitionist persuasion. The Unitarian Church was used as a hospital in the aftermath of Quantrill's Raid (Aug. 21, 1863)," said Carol Huettner, administrator of the Unitarian Fellowship of Lawrence, 1263 N. 1100 Road.

"I think that the idea of tolerance, inclusion and basic fairness is part and parcel of the mindset of Lawrence, and I believe that comes in a straight, unbroken line from the first Unitarian settlers here. Lawrence would not have been founded were it not for Unitarians."

IMPRESSIVE HERITAGE

The history of three of Lawrence's oldest churches also is rooted in the epic clash between those who wanted Kansas to be a slave state and those who were "free-staters."

The founders of Plymouth Congregational Church, 925 Vt., came to Kansas to swell the ranks of settlers opposed to slavery. They were among the group sent out by the New England Emigrant Aid Company.

"They were abolitionists, and they came to Lawrence in 1854. Lawrence was a frontier town, and the only place where they could meet was a building made out of hay, with a thatched roof. That's where the church started," said the Rev. Peter Luckey, Plymouth's senior pastor.

Plymouth was founded Oct. 15, 1854. The church, like the city itself, is celebrating its sesquicentennial this year.

Plymouth's historic sanctuary, designed by noted Kansas architect John G. Haskell, was built in 1870—only 7 years after Quantrill's Raid on the city.

"The pastor at the time was Richard Cordley (the church's second pastor, who came in 1857), and he was a very strong, abolitionist preacher. It can be argued that part of what brought William Quantrill to Lawrence is they were intent on getting him. They actually came to his house," Luckey said.

Plymouth, which today has 1,200 members, has been at the same location since 1870.

First Baptist Church, 1330 Kasold Drive, is a year younger than Plymouth—it was founded in June 1855 and will celebrate its 150th anniversary next year—and traces its roots back to the conflict between pro-slavery and abolitionist forces.

"We had seven founding members in 1855. One of them was actually murdered in Quantrill's Raid, though the (original) church at Eighth and Kentucky wasn't harmed," says the Rev. Marcus McFaul, First Baptist's senior pastor, and the 30th full-time pastor in the church's history.

"Lawrence, Kansas, and the Christian experience in this town in many ways does reflect what I would call classic, liberal Christianity. Our founders really did embrace the dignity and worth of all people. That's a pretty significant thing in 1855 on the frontier, when everybody thought Kansas was going to be like Missouri, a slave state."

First Baptist's original sponsoring denominational group came from Boston, home to many abolitionists, and this influenced the course the congregation was to take.

McFaul said he was conscious of his church's history and legacy.

"It's almost overwhelming, because you're made very much aware that you stand on the shoulders of all those pastors who went before you."

Another Lawrence congregation that was directly affected by the battle over slavery is Trinity Episcopal Church, 1011 Vt., founded in 1857.

"All of our parish records were burned in Quantrill's Raid. Everything was burned. We lost all the documents, baptism certificates, all of that was burned. They had to start again," said the Rev. Jonathon Jensen, who is the 19th rector in the church's history.

Trinity Episcopal has been in downtown Lawrence nearly as long as the city itself has existed. The church was formed, and the present lot of Vermont Street was purchased, in 1857.

The church's first building was consecrated and opened for service July 29, 1859. The present building in the Gothic Revival style was begun in 1870 and completed in 1873.

Jensen is proud of Trinity Episcopal's long history, and he often reflects on the church's founders and past rectors.

"I feel a connection with all those who've gone before us, and it reminds me of all of those who will come after us. It feels much larger than myself," he said.

RICH HISTORY

Plymouth is not the only Lawrence church celebrating a sesquicentennial anniversary this year. So is First United Methodist Church, 946 Vt.

"We consider our history as beginning with the arrival of the Rev. William Goode and the Rev. James Griffing to Lawrence on Nov. 7, 1854. They held revival services here in November and December of 1854. The church charter was actually in 1855, but we have always celebrated our history as starting in 1854," said Jerry Niebaum, co-chairman of First United Methodist's sesquicentennial committee.

Goode was appointed to the Kansas-Nebraska district of the Methodist Church. Griffing was a circuit rider, traveling between communities from Lawrence to near Junction City. He was a preacher on horseback, who rode the countryside and preached the Gospel throughout the territory.

"Our first framed church was built in 1858 where the Southwestern Bell tower is downtown. If you look at the Harper's Bazaar (magazine) drawing of Quantrill's Raid, you see the Methodist church right in the center of the destruction. It was not damaged at all, and it was used as a morgue for the victims of the raid. They moved out the pews to make room for the bodies," Niebaum said.

A brick church was built in 1865 where the Masonic Temple now stands, 1001 Mass., and it was used until 1891, when the congregation moved into its present stone structure at 946 Vt.

First United Methodist has now been in the same downtown church for 113 years.

"History doesn't excite a lot of people, but yes, there are many here who understand the rich history that we have," Niebaum said.

SENSE OF BELONGING

For black settlers who migrated to Lawrence in the city's early years, the churches they formed offered much more than simply a place to worship.

They offered a safe haven for the expression of culture, opportunities for leadership and education, as well as a place for social, political and, later, civil rights activities.

"African-American churches are important in every community, especially if you go back in history. There was a time when blacks didn't have much of a social role outside the church. They needed some place of stability, some place that they felt was their own," said the Rev. William Dulin, pastor of Calvary Church of God in Christ, 646 Ala.

"If it hadn't been for the black churches that offered a feeling that they belonged, blacks who came to this area probably wouldn't have stayed here. Churches gave them a sense of spiritual guidance, as well as some roots. The city might have been different today if we hadn't had some of those churches."

The earliest black churches in Lawrence that have maintained continuous congregations—despite name changes and physical relocations—date back almost to the founding of the city itself.

St. Luke AME Church, 900 N.Y., and Ninth Street Baptist Church, 847 Ohio, were both founded in 1862.

Other black congregations founded in the city's early years are: St. James AME Church, North Seventh and Maple streets, established in 1865; First Regular Missionary Baptist Church (originally located at 416 Lincoln), founded in 1868; and Second Christian Church, 1245 Conn., (it has also changed locations), organized in 1897.

The Rev. Reginald Bachus, as pastor of First Regular Missionary Baptist Church, 1646 Vt., is the leader of a congregation with a venerable history. The church will celebrate its 136th anniversary in October.

He reflected on the meaning of churches to Lawrence's black residents, particularly during a time when they were largely shunned by the city's whites.

"In the life of the African-American community, especially 150 years ago, the church was really the only place that they could feel comfortable, express themselves and have a sense of belonging in society. Many times, people could exercise their talents and leadership abilities, which they couldn't do in a secular setting," Bachus said.

Alice Fowler, historian of First Regular Missionary Baptist Church as well as a member of the congregation for the past 50 years, agreed with her pastor's assessment.

"The (black) church was the social and political outlet, the congregating place of African-Americans. It was a church, a school and a way to inform people of events that were going on in the community," she said.

"There was very large participation in events for the church, such as vacation Bible school and church picnics. There weren't a lot of activities that African-Americans could take part in (in the wider community). So churches provided their own resources for African-Americans during the (city's) early years."

IN HONOR OF CARL POHLHAMMER

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. FARR. Mr. Speaker, I rise today to praise the work of Carl Pohlhammer, one of the pillars of my California Central Coast district. Carl is one of those Americans who embodies the meaning of the word citizenship; who works from humble circumstances to strengthen the quality of our democracy. I am privileged to be able to call Carl a friend.

Carl and I both share a common point of personal history having mothers who both chose the San Francisco Bay Area as our port of entry into the world. And while my parents had the good sense to move our family to the Monterey Peninsula in the late 1940s, Carl left it to the U.S. Navy to decide.

In 1963, Carl arrived at the Naval Postgraduate School as a Navy Lieutenant and Assistant Professor where he taught political science. That same year, Carl also began teaching political science down the road at Monterey Peninsula College, the Monterey Peninsula's community college. Carl eventually left the Navy, but has continued to teach to this day, despite his nominal retirement in 1995.

Prior to arriving in Monterey, Carl graduated cum laude from San Jose State University followed by the University of California at Berkeley. He married Anita Arellano, his college sweetheart, in 1954, and then spent a year in France, courtesy of the U.S. Army.

Since arriving on the Monterey Peninsula, Carl has been active in numerous community campaigns and organizations. Perhaps his most infamous effort was to chair the 1968 'bourbon renewal' campaign to convince his adopted hometown of Pacific Grove to allow the sale of alcoholic beverages. Always active Democrats, Carl and Anita attended both of the Clinton inaugurals. Anita was a delegate to the 1984 Democratic Convention in San Francisco. Carl has been a member of the Monterey County Democratic Central Committee since 1996, and was Chair from 2001 to just this year.

Mr. Speaker, every member of the House knows from their own district the crucially important role that civically involved volunteers play in the life of their own communities. Our democracy depends on them. Carl is one of those people who deserve the Nation's gratitude for his public service as a community activist.

IN MEMORY OF STAFF SGT. ROBERT J. CHIOMENTO

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today with great sadness and tremendous gratitude to honor the life of a brave young man, Staff Sgt. Robert J. Chiomento. He died fighting the Taliban on July 17, 2006 in Khwaya Ahmad, Afghanistan, when his patrol encountered enemy forces using rocket-propelled grenades and mortars. Staff Sgt. Chiomento was assigned to the 2nd Battalion, 4th Infantry Regiment, 4th Brigade Combat Team, 10th Mountain Division, Fort Polk, Louisiana. He was supporting Operation Enduring Freedom.

Every soldier that passes away has a story behind him, and has a family. The news of Staff Sgt. Chiomento's death was relayed to me by his cousin, Thomas Chiomento, my good friend and constituent. Thom remembers his hero cousin as a third-generation who has fought in combat. Their grandfather served as a Marine in the Pacific during World War II and his father served in Vietnam. We must not forget the individual stories of these soldiers who have served our country with courage and honor. Staff Sgt. Chiomento was a brave and gifted soldier who was awarded the Bronze Star, a Purple Heart and the Combat Infantrymen's Badge. He was the kind of soldier that boosted our pride in being an American.

Mr. Speaker, Staff Sgt. Robert J. Chiomento exemplified the spirit of service that has made this country great. It is proper to remember and honor a man of such worth and character with great respect for what he stood for. Our pride in Robert shall certainly live on—his life, his courage, his sacrifice and strength of character. The example of his citizenship and dedication to duty will be his enduring legacy. We will not forget his sacrifice. Mr. Speaker, at this time I ask you and my other distinguished colleagues to join me in honoring the memory, life and service of Staff Sgt. Robert J. Chiomento—"an American hero," and in sending our heartfelt condolences to his wife, Staci, his two daughters, Ambre and Syleste, his entire family, his friends, and community.

PAYING TRIBUTE TO CAROL WATSON

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER Mr. Speaker, I rise today to honor Carol Watson for her service in the United States Marine Corps and subsequent volunteer work.

Carol enlisted in the Marine Corps immediately after graduating high school in 1952. After completing boot camp at Parris Island, South Carolina and Motor Transport School at Camp Lejeune, North Carolina, she was assigned to Washington, DC as a staff car driver. Following her honorable discharge, Carol attended college under the GI Bill and subsequently entered the U.S. Postal Service. While with the Postal Service, Carol's hard work and dedication was recognized as she was promoted to Manager and ultimately Post Master.

Upon retiring from government service in 1992, Carol began a new career in volunteerism. After volunteering for 8 years at the Long Beach California Memorial Hospital and Teaching 55/Alive for AARP, she moved to Las Vegas and continued her work. Carol joined the Women Marine Association and the Women Veterans of Nevada. Her strong desire to assist her fellow veterans also prompted her to join the Veterans Administration (VA) as a Deputy Representative and volunteer at the VA Women's Clinic.

Earlier this year, Carol became the President of the local Sagebrush Chapter of the Women Marine Association and the Area Director for Arizona, New Mexico, Utah and Nevada. Some of her duties include recruiting new members nationwide as well as interacting with other volunteer groups. She is also working on fundraisers for the WMA to send packages to Iraq and for veterans here at home.

Mr. Speaker, I am proud to honor Carol Watson. Her service to the people of the United States is to be applauded and her subsequent volunteerism is commendable. I thank her for her efforts and wish her the best in future endeavors.

IN MEMORY OF ARMY STAFF SGT. ERIC CABAN

HON. KAY GRANGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. GRANGER. Mr. Speaker, I rise today to honor the courage of a young hero from my district. On July 19, 2006, the Department of Defense declared that Army Staff Sergeant Eric Caban (United States Army, 3rd Battalion, 7th Special Forces) died from injuries that he suffered the previous day during a combat reconnaissance patrol in Southern Afghanistan.

A native of Manhattan, NY, Caban moved to Fort Worth with his family when he was 3 years old. A year after graduating from Fort Worth Paschal High School in 1997, Caban enlisted in the Army. His first assignment was with the 75th Ranger Regiment, where he served in a sniper platoon and was a team leader. His first deployment to Afghanistan occurred in October 2001. In that assignment, Caban participated as an airborne ranger who did a combat jump in what is described as an "operation that took the strategically important Kandahar Airfield."

Following his assignment in Afghanistan, Caban left the Army in 2002 to attend the University of Texas at Arlington. However, after a year in college, Caban decided his love was the military and he re-enlisted in 2004. Initially, he was a sniper instructor. He then enrolled in the Special Forces Qualifications Course and in March 2006, became a sergeant in the Special Forces—better known as the Green Berets—and returned to Afghanistan. During his career he earned the Army Commendation Medal, three Army Achievement Medals and, posthumously, the Bronze Star Medal for valor, the Purple Heart, the Meritorious Service Medal and the Combat Infantryman Badge.

His family and friends describe Caban as someone who was committed to defending his country and to battling alongside his fellow soldiers. It is these qualities of incredible courage, strength, and pride in serving his country that we see in young heroes like Eric Caban that makes us appreciate the freedoms we enjoy here at home.

I am proud to honor Sergeant Caban's service to the United States of America and to defending freedom around the world. He will not be forgotten.

TRIBUTE TO 7TH ANNUAL SUPPLY OUR STUDENTS CONCERT

HON. HENRY CUELLAR

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CUELLAR Mr. Speaker, I rise today to honor the 7th Annual Supply Our Students Concert, which " will be held on August 2, 2006, in Laredo, Texas.

I commend Judge Danny Valdez, the lead organizer of the Supply Our Students (S.O.S.) Concert for making it one of the most successful fundraising initiatives in providing school supplies to the neediest students in the City of Laredo. He has helped make this concert possible for the past 7 years, and eased the worries of many parents about providing school supplies for the coming school year.

The children we educate today are our future, and we must endeavor to make sure that they are on the path to success by providing them the tools they need in order to accomplish their educational goals. I am proud of the support the community has shown for the Supply Our Students Concert and the involvement of the music industry in making this a successful venture.

Mr. Speaker, I am honored to have had this time to honor the support of the community for the Supply Our Students Concert on August 2, 2006.

RECOGNIZING THAT ON SEPTEMBER 11TH AMERICANS SHOULD HONOR OUR FIRST CALL RESPONDERS

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. THOMPSON of California. Mr. Speaker, I rise today for the solemn purpose of recognizing the heroic sacrifices and ongoing efforts of America's First Call Responders.

Mr. Speaker, the terrorist attacks against the United States on September 11, 2001 claimed the lives of hundreds of fire fighters, law enforcement officers and Emergency Medical Services personnel. These First Call Responders have a long history of honorable and selfless service to the United States. This service has continued at a high standard, and these First Call Responders should be commended.

Mr. Speaker, these unsung heroes deserve our recognition for their commitment and personal sacrifice. Their efforts are vital to the peace and well-being of all humanity.

Mr. Speaker, it is appropriate at this time that we recognize the sacrifices of America's First Call Responders, and I call on our fellow citizens to join in remembering them this September 11th.

TRIBUTE TO SAINT PAUL'S EPISCOPAL

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. STUPAK. Mr. Speaker, I rise today to recognize a northern Michigan treasure that has enjoyed a rich legacy of community service and outreach.

Next month, Saint Paul's Episcopal Church in Marquette, Michigan will celebrate its 150th anniversary. For a century and a half, this local landmark has served as a place of worship for the residents of Marquette and the surrounding communities. The story of St. Paul's, in many ways, parallels the story of Marquette. As the Marquette community grew, so too did St. Paul's Episcopal Church, serving the community's spiritual needs and many of its material needs.

Saint Paul's Episcopal Church, or simply St. Paul's as locals call it, can be traced back, in one form or another, to 1851, when a small group of some of the first settlers in Marquette, Michigan began holding services at various sites throughout Marquette. Some of these earliest services were held aboard the steamships *Planet* and *Napoleon* as they were anchored in Marquette's harbor.

In 1856, St. Paul's hired its first rector. The sponsor of the first rector, Charles Trowbridge, stipulated that the rector would hold services each week at Collinsville, a community of 300 people 3 miles north of Marquette. One of Marquette's other early residents, Peter King, took on the challenge of ensuring that the rector arrived in Collinsville each week. This weekly trek occasionally required travel by dog sled.

In August of 1856, St. Paul's Episcopal Church was incorporated into the City of Marquette. Work began on a wooden frame edifice at the location of the present church on Marquette's Ridge Street. Establishing a church in the frontier community of Marquette was a challenge, but the church was assisted by gifts from Episcopal churches in downstate Michigan as well as by gifts from other parishes as far away as New York and Boston.

By 1874, St. Paul's and Marquette were thriving and the church had outgrown its original small frame church. The original St. Paul's structure was purchased by German Lutherans and moved two blocks away. Construction then began on the present-day church. On Christmas, 1875, the new church held its inaugural services. Since that day, St. Paul's has remained a prominent feature of the Marquette community.

In 1907, St. Paul's conceived, financed and built the Guild Hall, a structure that many say was the first community building erected in Marquette. Built under the leadership of the Reverend Bates Burt, the Guild Hall provided a meeting place for the people of Marquette. The Guild Hall housed a reading room, an assembly room, a stage and recreation facilities including a swimming pool, gymnasium, billiard tables and bowling alley. In the words of Reverend Burt, the Guild Hall was meant to "provide facilities where people could meet and work in a social way, a clubhouse for the Parish where it could do efficient work not once in seven days, but every day."

Today, St. Paul's Episcopal Church remains an important part of the fabric of the Marquette community. The church actively supports Habitat for Humanity and works to provide medical care for the uninsured through the Medical Care Access Coalition. The church operates the Camp New Day Upper Peninsula Program, which provides urban children of residents of the State's penal institutions with a recreational experience in Michigan's north woods. The church has reached out beyond its borders to provide support for at-risk children in places as far away as Honduras, Haiti and the Sudan and to provide an annual market for third world craftspeople.

Mr. Speaker, the spirit and philosophy of St. Paul's Episcopal Church is reflected in its motto: Gathered by Grace; Sent Forth to Serve. Since those early days aboard steamships in Marquette's harbor to its current location at Ridge Street, St. Paul's has lived by that motto, serving as a spiritual foundation and community anchor for the people of Marquette. As its members prepare to celebrate the 150th anniversary of St. Paul's Episcopal Church I would ask, Mr. Speaker, that you and the entire U.S. House of Representatives join me in celebrating the church's many contributions to the Marquette community and in paying tribute to the rich historical legacy of St. Paul's Episcopal Church, its members and many acts of faith.

PAYING TRIBUTE TO DAN HYDE

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Mr. Dan Hyde for his outstanding service to Southern Nevada by coordinating the City of Las Vegas Alternative Fuel Program, which received the 2006 National Innovation Award.

Dan was raised in San Diego, California. He attended and graduated from Clairemont High School in 1967. He then attended San Diego Mesa College; soon afterwards he transferred and continued his studies at San Diego State University. In 1993, while working as the Fleet Manager at the University of California San Diego, he took the Fleet Manager position with the City of Las, Vegas. Dan has been the coordinator for the Las Vegas Regional Clean Cites Coalition (LVRCCC) since its inception in 1993, and has been the Executive Director of the LVRCCC since 2000.

The City of Las Vegas' Alternative Fuel Program has been a passion of Dan's since taking the Fleet Manager position. Due to Dan's efforts, the City of Las Vegas is emerging as a leader that has, and is developing an American fuels culture with compressed natural gas, biodiesel, and hydrogen power that is predominantly derived from domestically produced energy sources.

Dan is active in the community and serves on various committees including Chairman of the Regional Transportation Commission's Citizens Advisory Committee, mentor in the National School to Careers Program, the City of Henderson's Senior's Advisory Committee, the Clark County Air Quality Forum and Technical Advisory Sub-Committee, the City of Las Vegas' Air Quality Team, volunteering for the Radio Reading Service with KNPR–FM radio, and is a participant in the PAL Mentoring Program in which his labors resulted in three high school students becoming full time employees.

Mr. Speaker, I am honored to recognize Dan Hyde on the floor of the House. I commend him for his contributions to the City of Las Vegas and thank him for his continued service to the residents of Southern Nevada.

ON WARNING MECHANICS WORKING ON BRAKES CONTAINING ASBESTOS

HON. DENNIS. J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KUCINICH. Mr. Speaker, I sent the attached letter to the Secretary of OSHA, inquiring about the Asbestos-Automotive Brake and Clutch Repair Work Safety and Health Information Bulletin on July 12, 2005.

HOUSE OF REPRESENTATIVES,
July 10, 2006.

Mr. EDWIN G. FOULKE,
Assistant Secretary, Occupation Safety and Health Administration,
U.S. Department of Labor, Washington, DC.

DEAR ASSISTANT SECRETARY FOULKE: In 2002, OSHA began work on Asbestos-Automotive Brake and Clutch Repair Work Safety and Health Information Bulletin (SHIB) regarding exposure to asbestos-containing brakes. The Bulletin was completed in 2005. OSHA and the Office of Management and Budget (OMB) met to discuss the matter in August 2005, whereupon the draft SHIB was sent to Dan Crane of OSHA for technical review. Mr. Crane gave it a favorable review, agreeing that mechanics should be warned about the health risks of exposure. However, seven months later, the Baltimore Sun reported that OSHA was delaying issuing the SHIB.

When does OSHA intend to issue the SHIB? If the Sun's article is correct, what are the reasons for the delay? Was this decision made by OSHA or OMB? Please provide a copy of any meeting minutes and a list of attendees of the August 2005 meeting between OMB and OSHA. Please also provide any correspondence between OSHA and OMB regarding the SHIB during the time period beginning in 2002, extending to July 10, 2006.

I look forward to hearing from you.

Sincerely,

DENNIS J. KUCINICH,
Member of Congress.

HONORING ENGINE COMPANY NO. 106 OF THE CHICAGO FIRE DEPARTMENT AND 100 YEARS OF COMMUNITY SERVICE

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. EMANUEL. Mr. Speaker, I rise today to recognize the distinguished history of Engine Company No. 106 of the Chicago Fire Department on the occasion of its 100th Anniversary. Over the last century, the firefighters of Engine Company No. 106 have shown an enduring commitment to community service and have worked tirelessly to keep our communities safe.

Fire-related fatalities in Chicago are at a 25 year-low, thanks to the life saving efforts of Chicago's firefighters and community outreach efforts by firefighters to schools, senior centers and neighborhood associations. Chicago's citizens are now better informed about how to prevent and handle emergency situations, and they view their local firehouse as an important and valuable resource in the neighborhood.

I have visited Engine Company No. 106 many times. This company has always epitomized the exemplary values of honor and protection that the Chicago Fire Department and the Maltese Cross have become known to symbolize. All too often we take for granted the heroic efforts of these dedicated public servants.

Fire Marshal and Chief of Brigade, James Horan originally established Engine Company No. 106 on December 31, 1906. As a part of the Fourth Fire Battalion of Chicago, the original firehouse was located at 2754 North Fairfield Avenue, near the intersection of Diversey and Fairfield Avenues.

The original members of the company roster included Captain Alexander Kopeto, Lieutenant Thomas Mulcahy, Engineer Henry Clohecy, Assistant Engineer Thomas Walsh, Pipemen Frank Mashek, Thomas Cavanaugh, Frank McDermott, and Thomas Hogan, and Drivers John Murphy and Thomas McCarthy. Today, Captain Kenneth Soo of Engine No. 106 and Captain Steven Kierys of Truck No. 13 continue this tradition of excellent service for our community.

This year's Grand Gala celebrating Engine Company No. 106, Truck No. 13, and Ambulance No. 48 will take place at the current firehouse location at 3401 North Elston Avenue. This will be a wonderful event that will memorialize this important anniversary: Mr. Speaker, on behalf of the citizens of the north side of Chicago and the constituents of the Fifth Congressional District of Illinois, I wish to recognize the past and current firefighters of Engine No. 106 for their dedication and commitment to service. Moreover, I wish all the best for the future firefighters of Engine No. 106 and their families.

A TRIBUTE TO CPO ANDREW W. DOYLE

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. ANDREWS. Mr. Speaker, I rise today to commend and honor Cadet Andrew W. Doyle for his promotion to Chief Petty Officer of the United States Naval Sea Cadet Corps. On May 14th, 2006, family and friends of CPO Doyle gathered on the Battleship *New Jersey* in Camden to celebrate this outstanding achievement.

During his more than three years of service, Andrew Doyle has exemplified what it is to be a leader. He has also demonstrated a deep patriotism that has propelled him to this elite rank. Because of his dedication, ability, and significant contribution to the community, Andrew Doyle is truly an inspiration to U.S. Naval Sea Cadets everywhere, and to all citizens of this nation.

Mr. Speaker, it is my pleasure to honor CPO Andrew W. Doyle for his remarkable record of service and accomplishments. There is no doubt that CPO Doyle will be successful in whatever challenges he undertakes and will continue to serve as an inspiration to us all. I extend to him my heartfelt congratulations and I wish Chief Petty Officer Andrew W. Doyle the best of luck in his future.

HONORING CHARLOTTE QUANN

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. LEE. Mr. Speaker, I rise today to honor the extraordinary life and community service of Charlotte Marie Peterson Quann, a courageous servant of the public good. A protector of battered women and children, an advocate for the poor, and a courageous woman in her personal life, Charlotte Quann always strove to lift up the disadvantaged and bring light to any situation with her great sense of humor. Her life is being celebrated following her passing on May 17, 2006.

Charlotte was born on December 5, 1934, the first of seven children. Charlotte grew up in Detroit and attended Detroit public schools, graduating from Northwestern High School at the young age of 16. Throughout her childhood, Charlotte was extremely precocious and motivated; she was active in the Urban League, YMCA speech and debate, ran for President of the school, and excelled academically. Unsurprisingly, her picture now sits in the Northwestern High School hall of fame.

Beyond her achievements, she also nurtured a sense of civic duty from a young age. Influenced by her father, a union organizer, she helped unionize Detroit's factory workers while still in high school. Because of her intelligence and political activism, she went to Washington and served as one of the youngest Congressional pages, working for Congressman JOHN CONYERS. Shortly thereafter, she attended Wayne State University.

Charlotte's energy and ambition continued, and she achieved great personal success. Charlotte became the first African American to work for Capital Airlines, which later became United Airlines, rising through the ranks of management. However, she was always cognizant of social and racial issues within the company. She became an important leader for African-Americans in the organization, serving as Secretary, Vice President, and eventually President of the United Airlines Black Professional Organization.

Beyond achieving professional success, she also sought personal success, and she worked to balance the different areas of her life. During this time, she started her family. After marrying Charles David Quann on June 7, 1958, she gave birth to three children, Steven, Warren, and Carla. All of her children have grown up to emulate Charlotte's compassion, generosity and community-mindedness. I have personally known Warren for many years, and have always held him in high regard for his constant community advocacy and work for political change at the systemic level. He places the same high value on the well-being of others and of his community as his mother always did, and I am privileged to know and to have worked with someone as special as Warren.

In 1972, Charlotte transferred within United Airlines to San Francisco, which ultimately became one of the most important events in her life because all of the philanthropic work that she would do in the San Francisco Bay Area. Her passions in community service were wide ranging, but mostly she focused on underserved children, battered women, and impoverished families, and her record of charitable work is second to none. She served as the Chair of the Board for the Casa De Las Madres emergency residential shelter for battered women and children, for the Mary Elizabeth Inn residential shelter for battered women, for the Center Point drug treatment programs, and served on the board at Glide Memorial United Methodist Church, becoming extremely involved there, with a particular focus on Glide's children's programs. She also grew involved with the ministry and represented Glide within the United Methodist Church and was an active member on the Commission on Race and Religion.

Charlotte was not only cherished by people for her service to the community, but also because her bright spirit served to lift up those around her. The good humor and optimism that Charlotte radiated could make any situation more bearable, and her love and desire to help others was cherished by all who knew her.

A champion of the underserved, a courageous citizen, and a loving mother and wife, Charlotte Quann, as her sister said, "lived well, loved much, and laughed often." On behalf of California's 9th U.S. Congressional District, I am proud to add my voice to the countless others who have united in appreciation of this outstanding individual, and I salute Charlotte Quann for her invaluable contributions to the San Francisco Bay Area, the United States, and to our world.

PAYING TRIBUTE TO DANIEL EDMONDSON

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Daniel Edmondson for his outstanding volunteer work and being awarded the 2006 Prudential Spirit of Community Award.

Daniel, an eighth-grader at Silvestri Junior High School in Las Vegas, has been teaching Taekwondo karate classes to young children for the past eight years. Daniel started taking Taekwondo lessons when he was just six years old. As a young child, he was so taken with the sport that he wanted to share it with others.

In order to become a junior instructor, Daniel had to train for two years, log 350 hours of volunteer service at the Taekwondo studio, and pass both physical and written tests. Daniel now leads classes, mentors young students, and helps them prepare for tournament competitions. Over the last several years, Daniel has taught more that 150 youths not only the physical techniques of Taekwondo, but also self-discipline, confidence, respect, and integrity.

Mr. Speaker, I am proud to honor Daniel Edmondson for his volunteer activities. His being recognized at the Prudential Spirit of Community Awards is truly a great accomplishment. I applaud his efforts and wish him the best with his future endeavors.

CONGRESS SHOULD UPDATE CREDIT UNION REGULATIONS AND IMPROVE RULES FOR CREDIT CARDS

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. UDALL of Colorado. Mr. Speaker, we all recognize the importance of the financial services industry—including both banks and credit unions—to our economy. I support and applaud the steps both have taken toward better services and improved products.

However, I think there's a need to change some of the rules involving credit cards and I also think we need to remember the need for diversity in the industry. That's why I am cosponsoring H.R. 2317, to update the regulation of credit unions, and have introduced a bill dealing with credit cards.

The last major changes to the Federal Credit Union Act were in 1998, and since then there has been time to identify unnecessary and outdated provisions and develop legislation that would make common sense improvements.

That is the background for H.R. 2317, the Credit Union Regulatory Improvements Act (or "CURIA"), introduced by our colleagues, Representatives ED ROYCE and PAUL E. KANJORSKI. It combines a series of regulatory enhancements that will allow credit unions to operate more effectively and efficiently. These changes can help improve productivity and efficiency in a competitive and dynamic marketplace, and will translate into better and lower-cost service to credit union members.

The current bill improves upon similar bipartisan legislation introduced in the 108th Congress, and its broad support is shown by the fact that it has no fewer than 121 cosponsors. That support reflects the reality that credit unions—with 87 million members nationwide and 1.5 million just in Colorado—provide choice in the financial services industry.

My support for credit unions does not mean hostility to banks, because I do not think credit unions represent a threat to the continued success of banks. Credit unions remain member-owned not-for-profit institutions directed by volunteer boards that pool their resources to help each other. And while credit unions have changed and grown, that has not prevented banks from growing as well. In 2005, bank profits reached a record level of $134.2 billion.

Banks have a 94% share of the financial services industry, holding more than $10 trillion in assets. In fact, the net growth in bank assets in 2005—$626 billion—was nearly as much as the combined total assets of all credit unions in the country while one of the biggest banks has assets that exceed the $669 billion in assets held by all the credit unions.

In view of these realities, I am not persuaded that the modest changes in credit-union regulation included in CURIA represent a real threat to the continued success of the banking industry—and there is no doubt they can and will benefit consumers.

Similarly, consumers will benefit from the common-sense changes in the rules governing issuance of credit cards that would be accomplished by enacting H.R. 5383, the Credit Card Accountability Responsibility and Disclosure Act, which I introduced earlier this year.

That bill reflects the reality that Congress needs to do more to promote responsibility by those who provide credit, beginning with credit card companies. Like a similar (but not identical) bill introduced by Senator DODD, my bill takes some simple, common-sense steps to stop abusive practices, educate cardholders, and stiffen the penalties for violations.

I hope that when we return in September, the House will have an opportunity to consider both H.R. 2317, the Credit Union Regulatory Improvements Act, and H.R. 5383, the Credit Card Accountability Responsibility and Disclosure Act.

PAYING TRIBUTE TO MARTIN TAGGART

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor Martin L. Taggart as he retires from a distinguished career as a coach and an educator at Moapa Valley High School.

Marty Taggart grew up in Afton, Wyoming. He graduated from Southern Utah University with a major in Physical Science and Health and minors in both Math and Botany. During college, Taggart played 4 years of football and spent his summers as a forest ranger.

Marty has been a beloved teacher in Moapa Valley for the past 35 years. When he began his career, Moapa Valley High School served all of the students in Moapa Valley from Kindergarten through 12th Grade. Marty spent the first 13 years of his career teaching junior high school math, science and physical education. However, he has spent the majority of his career teaching at the high-school level. In addition to math, science and physical education, Taggart has taught health, careers, and weight training while at Moapa Valley High School.

Although he has been an incredibly committed educator, perhaps his most memorable contributions to Moapa Valley High School are those he made while coaching football and wrestling. Coach Taggart founded the wrestling program in Moapa Valley and has been the driving force behind its expansion and success over the past 31 years. He has also spent the past 33 years coaching football at Moapa Valley High School. Both teams have been very competitive and enjoyed many successes as a result of Coach Taggart's dedicated leadership.

As a coach and as an educator, Marty Taggart has been devoted to helping his students grow and succeed. He has emphasized discipline and hard work as a way for every person to achieve at the height of their ability. In doing so, he has made a profound impact on his students, his colleagues and the community as a whole.

Mr. Speaker, I am proud to honor Marty Taggart. The commitment he has shown to both the academic and athletic programs at Moapa Valley High School has truly enriched countless lives. I applaud Marty's years of service to the school and surrounding community and I wish him the very best for an enjoyable retirement.

RECOGNIZING THE 60TH ANNIVERSARY OF IKE AND OLIVE HAMMOND OF ORLEANS, INDIANA

HON. MICHAEL E. SODREL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. SODREL. Mr. Speaker, I want to take a minute to recognize a couple of my constituents marking a truly momentous occasion. W.E. "Ike" and Olive E. Hammond of Orleans, IN will celebrate 60 years of marriage on Wednesday, August 2nd, 2006.

Both Ike and Olive have been lifelong residents of Orleans and have been active participants in their community. Both are involved in the local Republican Party, and have been for quite some time. In fact, their daughter shared a memory of riding on a float in a parade in 1952 proudly wearing her, "I like Ike" memorabilia. Olive served as County Vice-Chairwoman for the party and Ike served three terms on the Orleans Town Council. To this day, the Town Council looks to Ike for consultation on matters of importance to community. In 2001, Ike was recognized as "Citizen of the Year" in Orleans. The Hammonds have been members of the Orleans United Methodist Church for over 60 years.

Ike proudly served our country in the Second World War in the U.S. Army Air Corps as a crew member on a B–17. Ike continues to be an active member of the American Legion in Orleans. In his civilian career, Ike was in the insurance business retiring in 1988 after a 40-year career. Olive served the area as a Probation Officer in Orange County and has since retired.

In what was perhaps their most important job, the Hammond's raised three daughters who love, support, and congratulate them on their 60 years of marriage.

Mr. Speaker, it is an honor I share in congratulating these two fine people who have enjoyed 60 years of love together as husband and wife. I wish them many more years of happiness and memories together.

HONORING TEXAS STATE REPRESENTATIVE BOB HUNTER

HON. RANDY NEUGEBAUER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. NEUGEBAUER. Mr. Speaker, Dr. Bob Hunter has served the people of Taylor and Nolan Counties honorably in the Texas Legislature for the past 20 years. He truly is a statesman and a scholar. Now, as he leaves the Texas House of Representatives, I would like to take time to recognize his tireless service to the State and her people.

Dr. Hunter was born in California, but his home is firmly in Texas. He has left a legacy of service that began with the Navy in the South Pacific and has spanned the six decades since. He has been a champion of higher education and a servant to the people of Abilene and the surrounding area.

Dr. Hunter began his relationship with the region with his enrollment as a student at Abilene Christian University in 1948. He took his first job after his Navy service back at ACU in 1956 and remained a vital part of the university's administration until 1993, when he retired as Senior Vice President. The degrees he earned in his time at ACU were just his first. He has gone on to be honored with no fewer than seven honorary doctorate degrees.

Dr. Hunter received many honors in gratitude for his work to open the doors of academic choice for all Texans. He was instrumental in passage of the Texas Tuition Equalization Grant program, which helps Texas students to attend the Texas private college or university of their choice. While an ACU administrator, he was appointed to the State's Advisory Council for Technical-Vocational Education and served as Executive Vice President of the Independent Colleges and Universities of Texas, serving 40 institutions statewide.

In 1986 Dr. Hunter was elected to the Texas House of Representatives and since then has served the citizens of his district faithfully, chairing several House committees and working on issues such as higher education, economic development, tourism and veterans affairs. While a State Representative, he has continued to serve his alma mater and the people of his district through involvement in civic organizations and charities.

As Representative Hunter retires from the Texas Legislature to return to his wife, three children and four grandchildren, I congratulate and thank him for his many years of service to the Abilene area and the State of Texas.

INTRODUCTION OF THE "FEDERAL LIVING WAGE ACT ACT"

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. GUTIERREZ. Mr. Speaker, today I am introducing the "Federal Living Wage Act," legislation to mandate a livable wage for employees under federal contracts and subcontracts. Twenty Representatives are original cosponsors to this important legislation.

I introduce this bill after the Chicago City Council took a strong stand for workers by passing a living wage ordinance for employees of big-box retailers. The ordinance is an important victory in the fight for living wages for all workers.

That fight now needs to come here, to Washington, where it is long overdue. The bill I am introducing today will hopefully move us closer to delivering all workers in America a fair and equitable wage. No full-time worker deserves to live in poverty. And certainly, the federal government should not be in the business of paying federal workers, or federally contracted workers, sub-poverty wages.

Although Congress passed laws, such as the Davis-Bacon Act and the Service Contract Act, to help ensure that employees of Federal contracts earn a decent wage, thousands of Federal workers and federally contracted workers still do not earn enough to support themselves and their families.

This legislation will allow hard-working individuals to earn quality wages and to increase their savings for such essential needs as their retirement and their children's education. The Federal government must take responsible, workable steps to reward working Americans and to help keep them out of poverty. This bill represents a practical and tangible step toward this goal and I urge my colleagues to join me in calling for the passage of this important and sensible legislation.

WSSC EXTENSION REMARKS

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. WYNN. Mr. Speaker, I rise to recognize the commendable efforts of the Washington Suburban Sanitary Commission (WSSC) in safeguarding the citizens of Prince George's and Montgomery counties in Maryland from flooding. On the weekend of June 24, 2006 anywhere from six inches to two feet of rain fell in the Washington, DC area, leaving some homes under water, bridges washed away, and residents displaced.

The WSSC is among the ten largest water and wastewater utilities in the Nation, serving 1.6 million customers in Prince George's and Montgomery counties. The agency's response to the storms and subsequent flooding was executed with foresight and sound planning. Their staff remained in constant communication with city, state, and emergency officials, allowing residents to evacuate in a safe and timely manner.

One noteworthy individual is WSSC Systems Control Group Leader, Karen Wright. Wright and her staff were responsible for monitoring the rainfall and opening the dam gates. Recently, she was recognized by The Baltimore Sun for her efforts.

In crisis situations such as the June storms, it is comforting to know that the employees of the WSSC can rise to the occasion, make the difficult decisions, and safeguard our citizens.

Mr. Speaker, I ask all of my colleagues to join me in commending the WSSC and its employees on a job well done.

TRIBUTE TO NASA MISSION STS–121

HON. TED POE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. POE. Mr. Speaker, we have all suffered setbacks in our lives. For most of us, millions of people are not watching as monumental tragedy unfolds in a matter of seconds.

This was the case for family and friends of the astronauts who tragically died in the Columbia Shuttle disaster in 2003. In that instant, the folks at NASA lost their friends and coworkers in the Space Shuttle Columbia tragedy. It was a moment they will never forget. It was a moment that has created great sorrow and an intense pressure for perfect missions.

NASA employees, have vowed to use hard work and determination, to never again make the same mistakes. It is with that determination that they completed their second journey into space after Columbia, and it was a perfect mission.

Today I congratulate all seven members of the STS–121 mission, and the countless men and women who supported them throughout their successful 13-day, five million-mile journey. This second successful space mission since the Columbia tragedy, marks the new standard of success NASA has resolved to meet and exceed.

The Commander of STS–121, Col. Steve Lindsey was also mission commander on a space flight in 2001. He flew as pilot on 2 previous shuttle missions, and he has logged more than 1,000 hours in space. A graduate of the U.S. Air Force Academy, and the Air Force Institute of Technology he has been the recipient of many awards and medals, including the Distinguished Flying Cross, three NASA Space Flight Medals, the NASA Outstanding Leadership Medal, and the NASA Exceptional Service Medal. He and his wife Diane have three children.

Pilot Mark Kelly has logged 12 days in space. His dream to become an astronaut started with Alan Shepard, the first American to fly into space. A graduate of the U.S. Merchant Marine Academy, he flew 39 combat missions in Operation Desert Storm. He has logged over 4,000 flight hours in more than 50 different aircraft and has served as a pilot on STS–108. With this latest mission, he has logged almost 25 days in space. He is also the father of two children.

Mission Specialist Michael Fossum, wasn't always an astronaut. Before riding into the heavens he was a NASA Systems Engineer, charged with evaluating the use of the Russian Soyuz spacecraft as a viable emergency escape vehicle for the space station. He also represented the Flight Crew Operations Directorate during the redesign of the International Space Station. Once a Capsule Communicator, CAPCOM, in Mission Control, Fossum was able to log more than 306 hours in space during STS–121. He and his wife Melanie have four children.

Mission Specialist Lisa Nowak, a graduate of the U.S. Naval Academy, made her first space flight on STS–121. She also logged 13 days of space flight time. A former Mission Commander and EW Lead of the Electronic Warfare Aggressor Squadron 34, she also worked in the Astronaut Office Robotics Branch and in NASA Mission Control as prime communicator with on-orbit crews. She and her husband have three children.

A Harvard graduate, Stephanie Wilson served as an astronaut on STS–121, her first mission into space. She has completed extensive research on controlling and modeling large, flexible space structures. She has worked for the Jet Propulsion Laboratory in Pasadena, California, and was a member of the Attitude and Articulation Control Subsystem for the Galileo spacecraft. After working in Mission Control Wilson worked in the Astronaut Office Shuttle Operations Branch, with the Space Shuttle Main Engines, External Tank and Solid Rocket Boosters.

Mission Specialist Piers Sellers is an expert on how the Earth's biosphere and atmosphere interact. His studies have included computer modeling of the climate system, satellite remote sensing studies and climatological field work coordinating aircraft, satellites and ground teams across the world. Sellers also worked part time in Moscow as a technical liaison on ISS computer software. This is his second mission and he has logged more than 559 hours in space, and 6 spacewalks. He and his wife have two children.

Finally, Mission Specialist Thomas Reiter, of Germany is the only astronaut to stay in space during STS–121. He will live aboard the International Space Station and return to Earth aboard Shuttle mission STS–116 or a Russian Soyuz in a few months. He has trained as a cosmonaut and was also involved in European Space Agency, ESA, studies of manned space vehicles and the development of equipment for the International Space Station. He and Russian colleagues were on the crew of ESA-Russian Euromir 95 mission to the Mir Space Station. Reiter was the on-board engineer for the record-breaking 179-day mission. He performed some 40 European scientific experiments and performed two spacewalks. He and his wife have two sons.

Each astronaut on this mission and the countless people who supported them accomplished great tasks, to help our space program move forward, in characteristic giant steps.

NASA equipped this shuttle with more cameras to improve views and data from all angles of the shuttle during and after launch. Piers Sellers and Mike Fossum performed spacewalks to test equipment, remove and replace power, command and data cables on International Space Station equipment. They also tested techniques for inspecting and repairing the Shuttle mid-flight while also successfully transferring 14 tons of equipment to the ISS.

Mr. Speaker today I congratulate the NASA space program for enduring great tragedy, and turning it into a monumental success, again. They are doing what we all hope to have the strength and power to do during times of great adversity, they are facing the challenge and then conquering it.

I wish everyone involved in our space program the very best as they embark on future missions which will no doubt, continue to change our country for the better. That's Just the Way It Is.

TRIBUTE TO PSORIASIS AWARENESS MONTH

HON. DAVID WU

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. WU. Mr. Speaker, I rise today in recognition of August as Psoriasis Awareness Month and to speak on behalf of the 7.5 million Americans who are afflicted with this disease.

Those affected by psoriasis suffer from chronic, inflammatory, painful, disfiguring and disabling skin irritations referred to as scales that can cover anywhere from small patches of skin to entire sections of their body. Many of those who have psoriasis also suffer from psoriatic arthritis, which causes severe stiffness and swelling of the joints. Psoriasis typically develops between the ages of 15 and 25, and while there are varied treatments, there is no cure for this disease.

This auto-immune disease has become both a burden on the individual and society. Many people afflicted with psoriasis battle social discrimination and stigma because psoriasis is mistakenly thought of as a contagious disease, and sometimes patients needlessly have incorrect or delayed diagnosis. Also, it is estimated that psoriasis and psoriatic arthritis cost the nation 56 million hours of lost work and between $2 billion and $3 billion in treatments each year.

I would like to thank the National Psoriasis Foundation, whose national headquarters is located in Oregon. Their tireless work has brought the struggle of those affected by psoriasis and the need for more psoriasis research through the National Institutes of Health, NIH, to combat this disease to light. Their message of awareness they brought to our offices has been helpful and has worked to elevate understanding of this diseases.

Mr. Speaker, too many people in this country needlessly suffer from psoriasis and psoriatic arthritis. We must work to decrease the amount of incorrect or delayed diagnosis, inadequate treatments and insufficient access to care. I am ready to work with my constituents, the National Psoriasis Foundation and my colleagues to elevate the awareness of psoriasis and expansion of research of effective treatments for this debilitating disease.

INTRODUCTION OF THE TEAM (TO ENCOURAGE ALTERNATIVELY-FUELED VEHICLE MANUFACTURING) UP FOR ENERGY INDEPENDENCE ACT

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. ZOE LOFGREN of California. Mr. Speaker, climate change threatens the security and stability of our planet. The temperature of the earth is increasing at a rate unseen in modern times. Climate forecasters predict that if greenhouse gases continue to accumulate in the atmosphere at the current rate, temperatures may rise dramatically, weather patterns sharply shift, ice sheets shrink, and seas rise.

Rising gas prices and instability in oil producing regions have reinforced the need for the United States to secure our energy independence. We can make progress by developing and distributing alternatively fueled vehicles. Through innovation as well as existing technology, we can reduce our dependence on foreign oil, and promote energy efficiency and conservation to secure a safer future for our country and the environment.

Alternatively fueled vehicles, such as those that use E85 ethanol fuel, could reduce our use of petroleum fuels by up to 40 percent, helping our country move towards sustainable energy independence. E85 ethanol fuel can be produced from agricultural products grown here in the United States, so that money spent on fuel supports farmers in the Midwest, not countries in the Middle East.

Congress must do more to make alternative fueled vehicles practical and accessible to every American. There are currently only six million E85-capable vehicles on U.S. roads, compared to approximately 230 million gasoline- and diesel-fueled vehicles, according to the National Ethanol Vehicle Coalition. Only 556 fuel stations in the entire country currently provide E85 fuel, with only four of these located in California.

That is why I am introducing this bill to encourage manufacturers to provide a flex fuel opportunity to American consumers and to develop the infrastructure necessary for a cleaner energy future. We must do more to make alternatively fueled vehicles practical and accessible to everyone. The cost of producing flex fuel capable vehicles is minimal at the time of manufacture, but there are currently few incentives for the production of flex fuel vehicles and a lack of infrastructure to service them.

My bill will encourage the production of more alternatively fueled vehicles by phasing in a tax penalty on the manufacture or import of new, non-flex fuel vehicles. However, since the cost to manufacture fleets that are flex fuel capable as compared to gasoline powered vehicles is nearly nil, it will be easy for manufacturers or importers to avoid these costs completely. Any revenues generated would be used to help independent gas station owners install alternative fuel equipment. This bill is a good first step towards securing our energy independence, and I hope that Congress will move quickly to pass this important legislation and help America move towards a more secure and sustainable future.

HONORING MR. DANIEL E. McKEEVER

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. MORAN of Virginia. Mr. Speaker, the City of Falls Church, Virginia has lost a steady hand, sure-footed manager and good friend this week, with the passing of Daniel E. McKeever.

Dan McKeever joined the Falls Church community as City Manager in 2000, after an accomplished career in both law enforcement and local government. Thoughtful, genial and very well-liked, Dan helped guide Falls Church through a period of rapid transformation. He oversaw development of a number of mixed-use projects that revitalized downtown Falls Church and will increase the City's taxable real estate value by $336 million.

During his 6 year tenure, Dan McKeever helped implement the City Council's vision for Falls Church as a pedestrian friendly, urban community with small town charm. He worked for more affordable housing, improved the City's building permit process and spent significant time reorganizing the City's public safety system. As City Manager, Dan placed a premium on efficiency, team work, transparency and communication. Sheparding a $25 million bond referendum for new school construction and protecting the City's AA+ bond rating were among his most noted accomplishments.

In his spare time, Dan was an avid baseball fan, attending as many Washington Nationals games as his busy schedule would allow. He was even a part owner of a minor league baseball team in Pulaski, Virginia, where he served as Chief of Police and town manager in the 1980's.

Never one to wilt in the face of an obstacle, no matter the challenge presented, Dan was intimately involved with the City's management throughout his nine-month battle with cancer. While Dan left us far too soon, his good works, cheerful demeanor and practical advice will long be remembered by the citizens of Falls Church.

PERSONAL EXPLANATION

HON. DIANA DeGETTE

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. DEGETTE. Mr. Speaker, I am listed as voting "yea" during rollcall vote number 401 on H.R. 5013, the "Disaster Recovery Personal Protection Act of 2006," when it was before the House of Representatives on Tuesday, July 25, 2006. This is an error. I oppose H.R. 5013 and want it noted that had my intention been properly expressed I would be recorded as having voting "nay."

TRIBUTE TO MARINE CORPORAL JEREMIAH CUMMINS

HON. RICHARD W. POMBO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. POMBO. Mr. Speaker, I rise today to recognize Marine Corporal Jeremiah Cummins, of San Ramon, CA, who recently returned from his third tour of duty in Iraq. Corporal Cummins served in the Third Marine Battalion of the 5th Marines with bravery and honor, and I am honored to represent him in Congress.

First sent to Iraq shortly after the initial invasion was winding down, Corporal Cummins spent that tour in a town about 80 or so miles south of Baghdad called Diyauneah. For his next tour he served in Fallujah, which saw some of the fiercest fighting. His third tour saw him stationed a few miles south of Fallujah and patrolling south of that post until the last 6 weeks of the deployment when he was posted in Ramadi, the scene of more fierce fighting.

Corporal Cummins is a remarkable young man, and I rise today to honor and thank him for his service, and the service of all those who put themselves in harm's way for our Nation.

HONORING TODD FOXWORTH, RUSK CITIZEN OF THE YEAR

HON. JEB HENSARLING

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. HENSARLING. Mr. Speaker, today I would like to congratulate and honor Todd Foxworth for being recognized by the Rusk Chamber of Commerce as the 2005 Citizen of the Year.

A native Texan, Warden Foxworth earned his Bachelor of Science Degree from Sam Houston State University in Criminology/Corrections. He was recognized by SHSU as a Criminal Justice Scholar in 1988 and a member of the Criminal Justice Honor Society, Alpha Phi Sigma. He answered his Nation's call to service in the U.S. Army, serving with the 2nd Battalion, 36th Infantry Rangers in the 3rd Armored Division, and was nominated for "Soldier of the Year" 90th Army Command in 1986.

After his service in the armed forces, Warden Foxworth served over 19 years with the Texas Department of Criminal Justice. His work has been instrumental in the beautification, emergency relief, construction and maintenance-related demands of the surrounding communities providing offender manpower through the Community Work Squad.

Warden Foxworth is also an exemplary member of the community and has always made an extra effort to help his fellow citizens. He has been personally involved as a member of the Rusk Industrial Foundation and Economic Development Committee. He has worked in fund raising for such charitable organizations as March of Dimes, Toys for Tots, Texas Special Olympics and Cherokee County Crisis Center.

It am proud to honor Warden Todd Foxworth and his valuable contributions to the Rusk Community and congratulate him for being named Rusk Citizen of the year.

FREEDOM FOR ALEXANDER SANTOS HERNÁNDEZ

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I rise today to speak about Alexander Santos Hernández, a political prisoner in totalitarian Cuba.

Mr. Santos Hernández is a member of the pro-democracy opposition that seeks to return sovereignty, democracy and human rights to the Cuban people. According to reports, he is a member of the Cuban Liberal Movement, the director of an independent library and the national coordinator for the Eastern Democratic Alliance. Independent librarians in Cuba, such as Mr. Santos Hernández, provide the indispensable service of circulating truth. These vital librarians loan out the classics of anti-totalitarian literature, including authors such as Vaclav Havel and Martin Luther King, Jr.

As an outspoken opponent of tyranny who believes that liberty is an inalienable right, Mr. Santos Hernández has been constantly targeted by the regime's machinery of repression. According to reports, in Nov. 2004, Mr. Santos Hernández spent six months in the totalitarian gulag because he was "convicted" for "disobedience." Despite the regime's constant gangster style repression, Mr. Santos Hernández continued his efforts to bring freedom to Cuba.

According to a report published on June 5, 2006, on Directorio.org, Mr. Santos Hernández was recently "convicted" in another sham trial for the "crime" of "social dangerousness." He was sentenced to 4 years in the abhorrent, subhuman, totalitarian gulag. The U.S. State Department reports that police and prison officials beat, neglect, isolate, and deny medical treatment to detainees and prisoners, including those convicted of political crimes. It is a crime of the highest order that people who work for freedom are imprisoned in these grotesque conditions.

Freedom and democracy are on the march to inevitable victory in Cuba. Courageous leaders like Mr. Santos Hernández defy the dictator's machinery of repression and, despite every threat and obstacle, demand liberty for the people of Cuba. Because of their unwavering commitment, and the works of thousands of other Cuban patriots, Cuba will be free again.

Mr. Speaker, it is a profound embarrassment for mankind that the world stands by in silence and acquiescence while political prisoners are systematically tortured because of their belief in freedom, democracy, human rights and the rule of law. We can never forget those who are locked in gulags because of their desire to be free. My colleagues, we must demand the immediate and unconditional release of Alexander Santos Hernández and every political prisoner in totalitarian Cuba.

PERSONAL EXPLANATION

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CALVERT. Mr. Speaker, I inadvertently voted "aye" on rollcall 417, a Motion to Instruct Conferees on H.R. 2830. I would like the RECORD to show that I had intended to vote "no."

A POSTHUMOUS TRIBUTE TO PASTOR BISHOP CLARENCE HARMON

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. TOWNS. Mr. Speaker, I rise today in recognition of the late Pastor Bishop Clarence Harmon, a man who was a giant among men in the Brooklyn, New York community. Although he has passed on, it behooves us to pay tribute to this outstanding leader. I hope my colleagues will join me in recognizing his impressive accomplishments, as the community prepares to honor the memory of this great man of God at a memorial service on July 30, 2006.

Clarence Harmon was born July 26, 1926 in Columbia, South Carolina. After completing high school, he came to New York City. After several years in New York, he met and married Catherine P. Penn. To that union, three children, one daughter and two sons were born. It was after their marriage that he accepted Christ as his personal Savior and joined Betterview Baptist Church. Upon departure from Betterview, he became affiliated with the Institutional Church of God in Christ under the leadership of Reverend Carl E. Williams. There, God began to mold and shape him for greater service. On Easter Sunday, 1951, he preached his first sermon. He graduated from Shelton College in 1956. In April 1956, he started a mission at 645 Halsey Street, Brooklyn. Shortly thereafter, by the direction of the Holy Spirit, Elder Harmon was led to 623 Madison Street. The building was totally void. However, the spirit of God confirmed to him whispering the words "This Is It" and the Lord blessed his hands to build a structure such as the one that is known as Unity Temple.

During the latter part of 1956, Unity Temple became affiliated with the Church of God in Christ, Inc. Eastern New York Jurisdiction. For the next 30 years, Pastor Harmon held various leadership positions within the COGIC, such as: President and Administrative Assistant of the Pioneers, Chairman of the Board of Elders; President of the State Benevolent Committee; and Superintendent of District No. 3 under the leadership of the late Bishop F. D. Washington. As an Assistant Bishop to over 100 churches throughout the dioceses of the Churches of God in Christ, Bishop Harmon instituted a benevolence committee to take care of the pioneers and widows of the Eastern N.Y. Jurisdiction.

In 1988, he was appointed to the position of First Assistant of the First Ecclesiastical Jurisdiction, Eastern New York; the late Bishop Ithiel Clemmons, Jurisdictional Prelate. In October 1995, he was elevated to the office of Bishop in the Churches of God in Christ. He served as Presiding Bishop of the O. M. Kelly/F. D. Washington Brotherhood.

Bishop Harmon was a pioneer in the Brooklyn community, hosting one of the largest food pantries in Bedford-Stuyvesant feeding over 4,000 people a month. Bishop Harmon was a generous person donating his time and talent to those in need. He had an open door policy at the church, often allowing weddings and funerals to be held without cost. Bishop Harmon's favorite saying was "Everybody is somebody" and he lived and proved that every day. Through his ministry, 15 churches to date have been birthed. Though small in stature, Bishop Harmon stood tall among men. He acquired the name "Muscles" from his friends in the ministry because of his strength and tenacity in defending the underprivileged. Some of those friends included the late Bishop F.D. Washington, Bishop O.M. Kelly and Bishop I. Clemmons, to name a few.

He was and still is an inspiration to those who knew him. Bishop Harmon's church community continues his legacy through the implementation of the Clarence Harmon Scholarship Fund that will award two scholarships in his name to high school seniors seeking a college degree. This tribute will further serve as a reminder to our youth that no height is too great for them to achieve.

Mr. Speaker, I believe that it is incumbent on this body to recognize the accomplishments of Pastor Bishop Clarence Harmon, a man who offered his talents and services for the betterment of our local and global communities.

Mr. Speaker, Bishop Harmon's selfless service has continuously demonstrated a level of altruistic dedication that makes him most worthy of our recognition today.

TRIBUTE TO SERVICEMEN AND WOMEN

HON. ERIC CANTOR

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CANTOR. Mr. Speaker, I rise today to recognize the important contributions and deep sacrifices that our men and women in the military make. I would like to share the experience of one of my constituents, Major Jeff Farmer, who recently returned from Iraq and sent me this message:

> I'll leave you with a little story. After going on R&R three months earlier (to date I'd been away from my home for more than twelve months), I flew into Atlanta National

> Airport from Kuwait for a layover waiting for the next flight to Charlottesville, VA. I had on my same uniform that I had been wearing for 36 straight hours. I was trying to get home to my family. I was hungry so I went into an Appleby's in the airport terminal. I did not feel very patriotic so I found a corner booth and dropped my pack next to the floor by my table. I was tired so I put my head down as if to meditate and trying not to attract any attention. I was not quite sure if I wanted to eat or sleep however both were weighing heavily on my mind. The waiter came to my table and reminded me that I could not drink alcohol in the airport in uniform because of General Order #1. I told the waiter that was OK. I was not drinking anyway. My eyes were a little hazy and I was appreciating the look of free people walking around and enjoying each other's conversation. It was refreshing and distracted my attention while I was trying to look at the menu and order. It was nice to hear a baby cry, people laugh, and just enjoy what they were doing without consequences or repercussions. The environment was very warm which made me feel a little envious of my experience and if they really knew how good life really is. My meal finally came and I ate slowly trying to taste, smell, and enjoy every bite. French fries never tasted so good.
>
> After an enjoyable meal I slowly got up and walked over to the counter to ask for my waiter so I could pay and leave. The cashier said, "Don't worry. The meal is covered." I thanked him and he said don't thank me. Four different people offered to pay your meal and when I told the other three the meal was paid in full they said, "Keep the money for the next soldier coming in." As I turned from the counter with my pack on my back people began to stand, thank me, pat my back, and applaud. Tears filled my eyes. I was humbled. Just the thought and gesture made me feel proud of what I was doing and my service to my country. At that moment I knew I was home.

We owe Major Jeff Farmer and his fellow servicemen and women a debt of gratitude for helping preserve freedom and democracy.

HONORING GIRLS INC.

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. LEE. Mr. Speaker, I rise today to recognize Girls Inc., an outstanding organization that serves young women and girls throughout my district and across our country. Girls Inc. is a national nonprofit organization whose mission is to inspire all girls to be "strong, smart, and bold." With local roots dating to 1864 and national status since 1945, Girls Inc. has responded to the changing needs of girls and their communities through research-based programs and public education that empower girls to reach their full potential and to understand, value, and assert their rights.

Girls Inc. reaches nearly 800,000 girls through its direct service, website, products, and publications. In 1,700 program sites in the United States and Canada, Girls Inc. directly serves girls ages 6–18 with research-based programs focusing on science, math, and technology; physical and mental health and sexuality; violence prevention and safety; substance abuse prevention; financial literacy; sports and athletic skills; leadership and advocacy; and media literacy. Of the girls served by Girls Inc., 76 percent are girls from communities of color and 70 percent come from families earning $25,000 or less. More than half are from single-parent households, most of which are headed by women.

The Girls Inc. movement started in New England during the Industrial Revolution as a response to the needs of a new working class: young women who had migrated from rural communities in search of newly available job opportunities in textile mills and factories. The movement grew during the Great Depression, and in 1945, 19 charter clubs formed the Girls Club of America, a name that would, in 1990, change to Girls Inc.

Over the years Girls Inc. programming has changed to accommodate the evolving needs of young women in our society. While programming in the 1950s focused on preparing young women for future roles as wives and homemakers, amidst the social turbulence that marked American life in the 1960s, Girls Inc. rethought its mission and educational message. In response to hundreds of letters from young women seeking programming that could better address the changing roles of young women and girls in our society, Girls Inc. initiated a major fundraising campaign, tripled its budget, and more than doubled the number of centers nationwide. With a strong financial foothold, and in the wake of the civil rights movement, the women's movement, and a flood of women entering the workforce, Girls Inc. shifted the organization from its role as shaper of homemakers and good citizens to a new role as an advocate for the rights and needs of girls of all backgrounds and abilities.

Girls Inc. today is a multifaceted organization, devoted to the dual goals of empowering girls and creating a more equitable society. The work of Girls Inc. is especially significant in California's 9th Congressional District, with Girls Inc. of Alameda County annually serving over 7,000 young women and their families, many of whom are my constituents. Under the excellent longtime leadership of Executive Director Pat Loomes, Girls Inc. of Alameda County has reached untold numbers of girls in the East Bay through its successful implementation of numerous programs such as the GIRLSmart intensive after school literacy program, and the Eureka Program, which seeks to give young women the opportunity to explore different career options, take on leadership roles and take positive risks.

This four-year program is especially significant to my District Office, where Girls Inc. Eureka Program participants have sought and been placed in internships there every summer for the past several years. It has been an honor to get to know these young women and to assist them in developing the tools and the knowledge they will need as our future leaders, and I am thrilled to have the opportunity to continue this work in partnership with Girls Inc. every year.

Today, on behalf of California's 9th Congressional District, I ask my colleagues to join me in saluting the directors, staff, supporters, and most of all, the girls of Girls Inc. for their work to reach out to, educate and empower young women and girls everywhere. Their extraordinary work has touched the lives of countless young people, and I thank Girls Inc. for its ongoing commitment to helping all girls to become strong, smart and bold.

IN SUPPORT OF PROVIDING COTTON TARIFF RELIEF FOR HIGH-QUALITY SHIRT MAKERS

HON. ROB SIMMONS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. SIMMONS. Mr. Speaker, last year I introduced duty suspension legislation for high-quality woven cotton shirting fabrics that are not currently produced in the United States. Today, after receiving valuable input from the International Trade Commission, ITC, and the National Council of Textile Organizations, NCTO, I am happy to reintroduce a slightly revised version of this legislation.

The high-quality cotton fabrics affected by this legislation are used in the domestic production of fine men's and boys' dress shirts. Unfortunately, several American companies that produce these shirts are being unfairly penalized by tariffs on the cotton they must import for this purpose. But because this type of cotton is not produced domestically, these tariffs protect no American interest.

What's more, Canada has eliminated its tariffs on this type of imported woven shirting fabrics, and under a provision of the North American Free Trade Agreement, NAFTA, Canadian shirt makers can export large quantities of these shirts to the U.S. duty-free. This further puts U.S.-based shirt manufacturers at a competitive disadvantage.

Last year, following a request for public comments by the House Ways and Means Committee on all tariff relief trade bills, the NCTO raised a concern about the scope of fabrics that could conceivably be covered by my original bill, H.R. 1945. In addition, the Ways and Means Committee requested technical comments on all tariff relief bills from the ITC.

Because this legislation was never intended to cover other cotton fabrics—and to alleviate any perceived concerns about the scope of the bill—I have adjusted the language in the bill to specifically list the affected fabrics by number. This will make it perfectly clear that the bill only covers men's and boys' cotton shirting fabrics. In addition, the bill has been adjusted to reflect minor technical corrections suggested by the ITC.

I am proud to say that this newly revised bill has gained the approval of NCTO. Therefore, it is my hope that this legislation will serve as a strong demonstration of continuing House support for these duty suspensions, which are also included in companion legislation that has been introduced in the Senate by Sen. ARLEN SPECTER of Pennsylvania.

I urge my colleagues to support this common-sense tariff relief measure that will yield positive benefits for American companies, workers and consumers.

100TH ANNIVERSARY OF THE HOLY SAVIOUR CLUB OF NORRISTOWN, PENNSYLVANIA

HON. JIM GERLACH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. GERLACH. Mr. Speaker, I rise today to celebrate the 100th anniversary of the Holy Saviour Club of Norristown, Pennsylvania.

The Holy Saviour Club was founded by Italian-American immigrants from the town of Montella, Italy. It was the desire of the founding families to share their Italian heritage and culture with their fellow Montgomery County citizens.

The Holy Saviour Club will celebrate its 100th anniversary with a weekend celebration on August 4th–6th and the members and guests will participate in a celebratory procession, feast, and a solemn mass at Holy Saviour Church.

Mr. Speaker, I ask that my colleagues join me today in honoring the Holy Saviour Club of Norristown, Pennsylvania as it celebrates its 100th anniversary. It is my hope the Club continues to prosper and promote the Italian heritage and culture of its members for the benefit of the larger Montgomery County community.

IN TRIBUTE TO LEONARD H. ROBINSON, COMMITTEE ADVOCATE FOR AFRICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. RANGEL. Mr. Speaker, I rise today to pay tribute to Leonard H. Robinson, a humble and committed public servant whose judgment and insight helped further USA policy initiatives in Africa and whose dedication and leadership helped change the lives on two different continents. Mr. Robinson who was a strong advocate for Africa, and for the rights of others, died unexpectedly at Washington Hospital Center on July 25, 2006 of kidney failure following a short illness. Mr. Robinson's belief in the potential of Africa motivated others to look beyond themselves to see how their actions could be used to benefit others.

Born in North Carolina, Robinson earned a BA from Ohio State and did graduate studies at the State University of New York, the American University and Harvard's John F. Kennedy School of Government. Mr. Robinson believed that if you can conceive it, then you can achieve it, and he proved that with all of his many accomplishments. At the tender age of 23, Mr. Robinson was named the associate Director for India for the Peace Corps, where he later became the director of minority recruitment. Mr. Robinson left America at a time when people were not learning from one another to serve in a country that benefited from his help as a black man. This experience shaped how he envisioned the rest of the world, laying the groundwork for a long and successful career in the public sector.

Following his work in the Peace Corps, Mr. Robinson served two terms as a deputy assistant secretary of State for Africa. From 1983–1984 during the Reagan administration, Robinson oversaw economic and commercial policy at the State Department. When he returned to the African Bureau in 1990, he coordinated U.S policy toward west and central Africa and directed U.S diplomatic efforts to end Liberia's civil war, until President Bush left office in 1994. During that time, for six years between his State Department postings, Robinson served as president of the U.S. African Development Foundation which was established by Congress to provide small-scale assistance to community based organizations in Africa.

Also in 2001, Robinson helped in the creation of the Africa society to carry on public awareness and support for Africa as a direct outgrowth of the historic National Summit on Africa. This National Summit was initiated with funding from the Ford Foundation and the Carnegie Corporation of New York to build support for Africa in the United States. He was named President of the organization in 1999.

The Africa Society is helping educate America about Africa and has assisted in the expansion of a broad base of support for Africa through the initiatives taken on by Mr. Robinson. Bernadette Paolo, vice president and cofounder of the Africa Society said that Mr. Robinson "gave everything he had to the Africa society, and to the continent of Africa for over 30 years. He contributed brilliance, passion, and visionary leadership. He was our founder, our inspiration and our star. His memory will serve to move us forward on our mission to educate all Americans about Africa".

Africa for a long time and perhaps still is considered a poor and aids stricken "country" and not a rich and diverse continent. The African Society with Mr. Robinson's leadership has attacked this misconception. We all mourn the loss of such a true pioneer.

I enter into the CONGRESSIONAL RECORD the press release written about his life published by the Africa Society of the National Summit on Africa on July 25, 2006. As more and more American's perceptions and policy decisions change towards Africa, we must forever reflect on the individuals who gave their life so that we can begin the process of understanding the lives of others. One will not be able to speak about the progress between the USA and Africa without bringing up his name, for he has without a doubt made great contributions to achieving understanding between us.

[From the Africa Society of the National Summit on Africa]

AFRICA SOCIETY STAFF—LEONARD H. ROBINSON, JR.

Leonard Robinson has more than 30 years working and living experience in international affairs, with Africa and Asia as regions of specialization. He served as Deputy Assistant Secretary of State for African Affairs, from 1983–85 where he was responsible for economic and commercial policy. And, as Deputy Assistant Secretary of State from 1990–1993, he was responsible for U.S. policy toward Central and West Africa. His other portfolios for Africa included Narcotics, Terrorism, Democracy and the Peace Corps. He also directed U.S. diplomatic initiatives to help in the resolution of the Liberia civil war.

Robinson spent six years as President of the U.S. African Development Foundation, established by Congress in 1981 to provide official assistance to community-based organizations and grassroots enterprises throughout Africa. During his tenure, annual Congressional appropriations increased from an initial $1m to $17m. He has also worked with the U.S. Agency for International Development, the Battelle Memorial Institute, and the Peace Corps where he served as a volunteer, Associate Director for India and as Director of Minority Recruitment for the United States.

A native of North Carolina, Robinson received a BA from Ohio State University: and attended graduate school at the State University of New York, Binghamton, and post graduate school at the American University, Washington, DC, and Harvard's John F. Kennedy School of Government. He is the recipient of two honorary doctoral degrees.

He is professor of African Studies at the University of Massachusetts—Boston, and Senior Fellow at the Center for Development and Democracy at the John W. McCormack Institute, the University's think tank. He founded LHR International Group, Inc. in 1997, a political policy consulting firm specializing in the analysis of U.S. foreign policy for the heads of state and foreign ministers of African and Asian nations.

Mr. Robinson and colleagues founded The Africa Society in 2001 as a direct outgrowth of the historic National Summit on Africa. The mission of the Africa Society is to educate and inform all Americans about the great and diverse continent of Africa. With a grant supported by the Ford Foundation and the Carnegie Corporation of New York, the National Summit on Africa was established in 1997 to educate all Americans about Africa, to build a broad constituency of support for Africa in the United States, and to formulate a National Policy Plan of Action on U.S.-Africa Relations in the Twenty-First Century—the Summit held a historic conference on Africa in Washington, D.C., February 16–20, 2000. Over 8,000 Americans from every state, as well as continental Africans, attended. Robinson will continue to serve as President and CEO of the newly established Africa Society of The National Summit on Africa.

Robinson is the author of several articles and publications, and serves on a number of boards and advisory councils including the National Peace Corps Association, and Discovery Channel's Global Education Fund. In 2005 Mayor Anthony Williams appointed and swore in Robinson to the Board of Trustees of the University of the District of Columbia. A frequent speaker, he has made presentations at World Affairs Councils throughout the U.S., the Economic Commission for Africa in Addis Ababa, Ethiopia, at UNC-Chapel Hill, UMass-Boston, Eastern Connecticut University, UCLA, The Monterey Language Institute and the Miller Center at the University of Virginia.

The University of Virginia appointed Robinson as its first Diplomat Scholar in Residence in August 2004. He has been listed in Who's Who in America since 1985.

ASEAN MUST BE USED TO MAKE HUN SEN LISTEN

HON. MARK R. KENNEDY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KENNEDY of Minnesota. Mr. Speaker, as we stand here today, Secretary of State

Condoleezza Rice, and other representatives of the United States are attending the annual meeting of the Association of Southeast Asian Nations (ASEAN) in Kuala Lampur.

As a Representative from a State with a large and vibrant Cambodian community, I have been very closely following issues on the ground in Cambodia.

For some time, I have been deeply concerned about Cambodian Prime Minister Hun Sen's policy of undermining democratic principles and justice.

Having met with leaders like Sam Rainsy, Mu Sochua and Kem Sokha, I have heard their chilling reports of routine violations of the Cambodian constitution's guarantees of freedom of expression and association. I have been outraged by Hun Sen's arbitrary arrests and violations of fundamental human dignity and respect.

I urge the Secretary of State to use the ASEAN forum to rally the world community to remind the Hun Sen regime of its obligations to its people.

The government must immediately end its systematic campaign to undermine democracy, the rule of law, and human rights in Cambodia. The Secretary should remind the regime that the American people, the world community, and the donor community that has provided $2 billion in aid to Cambodia is watching.

POVERTY IN AMERICA ONE YEAR FOLLOWING HURRICANES KATRINA AND RITA

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. DAVIS of Illinois. Mr. Speaker, before Congress recesses for the month of August, I would like to take a moment of time to call attention to an issue of great importance. As a nation, we are approaching the year anniversary of Hurricanes Katrina and Rita, two of the most powerful and destructive natural disasters the United States has seen.

Chaos ensued in the aftermath of the hurricanes; untimely responses to the disaster in addition to inadequate resources turned the situation from a natural into a man-made disaster. As people were fleeing their homes and gathering in camps like refugees without water, food, or adequate shelter—media coverage began to expose the dirty secret of America's working poor. Out of the 5.8 million people from the States of Louisiana, Mississippi, and Alabama who were directly affected by this devastation, more than one million—nearly one-fifth of those affected—lived in poverty. These atrocities shined the light on poverty in America. People could not ignore it. Indeed, the events made Americans question, "how is it that so many people, most of them children, are living below the poverty line in the wealthiest country in the world?"

Upon visiting New Orleans after the Hurricanes, President Bush declared that the nation had a solemn duty to help the poor. But the issue of America's poor was brief in the presidential limelight. Despite the clarity of the problem of poverty that the disasters brought, poverty fails to be a priority for this administration. The war in Iraq is the top priority for this administration, draining the country's resources and taking precedent over the pressing domestic issue of abject poverty in America. Tax cuts for the wealthiest Americans, not healthcare and living wages for those who are struggling to make it. Significant cuts to our social safety nets of Medicare and Medicaid. Failure to raise the minimum wage. Time after time, this Administration has promoted legislation that disenfranchises the working poor. The administration had an opportunity to address poverty, and it has shown a complete lack of leadership to do so. Poverty is not a priority for this administration.

As Members of Congress, we share the responsibility with the executive branch of government to put poverty back on the agenda, to create and fund programs that can help America's forgotten poor. I hope that assisting the poor in fundamental ways will top our legislative agenda when we return. Doing so would be the best tribute to the victims of the recent hurricane disasters to mark the year anniversary of this sad moment in our history.

RECOGNIZING NELL GRISSOM

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PICKERING. Mr. Speaker, today I want to share with this Congress the life and work of Nell Grissom at Wesley House in Meridian, Mississippi. She represents the best of Mississippi and demonstrates again and again, the power of faith, hope, and love.

Nell was stricken with polio at the age of twelve and paralyzed from the neck down. Doctors said she would never walk or have children. For years she lived in a full-length steel brace from chin to hip. But she finished high school; she married, and has three children and two grandchildren. Faith, determination, and hard work gave her inner strength to match the steel of those braces. Strength to build, guide, and direct a mission that feeds, clothes, educates, counsels, reforms, and heals: touching over 33,000 people every year.

In the mid-1960's, Wesley House Community Center in Meridian was about to close. Founded in 1904 by a group of churchwomen to bring hope into the lives of women and children living in poverty around a cotton mill, for sixty years, they held Bible classes and sewing lessons and distributed food and shoes and Christmas presents to the poor people in that neighborhood. Methodists operated Wesley House in a small frame cottage and staffed it with a missionary deaconess.

By 1967, the church could no longer provide a deaconess and Nell Grissom, who was volunteer leader of the Youth Fellowship at Central Methodist Church, was asked to help keep the doors open until a qualified mission worker could be found. Now forty years later it is obvious to all that Nell Grissom was the mission worker they needed.

Wesley House currently serves as the central hub for the regions Toys-for-Tots drive at Christmas. Nell Grissom has also turned Wesley House into a crisis center for local, regional, and state disasters. This past year Wesley House was instrumental in distributing aid to Hurricane Katrina victims.

Years of service to thousands of people trapped in the vicious cycle of poverty, neglect, abuse, and crime, led Nell to open East Central Mississippi's first Sexual Assault Crisis Center in 1990. Almost overwhelmed by the response of hundreds of victims of sexual assault and abuse, Nell worked tirelessly. Counselors were employed and a volunteer crisis line response team was set up to counsel with victims at hospital emergency rooms and law enforcement facilities on a twenty-four hour basis. Nell's efforts have expanded the Sexual Assault Crisis Center and Children's Advocacy Center at Wesley House to include a traveling counselor serving victims in five counties and abuse prevention programs in the public schools. Moving beyond direct services to victims of sexual assault and abuse, Nell Grissom expanded the Wesley House victims rights programs to include services to families of victims of homicide and other crimes.

For over forty years now, Nell Grissom has led countless volunteers to build an agency that gives victims productive futures. Helping victims of poverty and neglect before they become victims of crime is a major focus of Nell Grissom's life. Every day she and her coworkers are salvaging lives from the mean streets, instilling the virtues of work, faith, and morality in those most vulnerable of our citizens. Nell retires in August and ends this chapter in Wesley House's history, but she does so with sadness and with joy. Sadness that she will not be guiding the great services that Wesley House provides, and joy because she knows that God has used her to touch the lives of countless people.

Mr. Speaker, Nell Grissom could have rested on her laurels and retired years ago, yet she has kept working for over forty years as she still works late into the evening at Wesley House helping just one more victim with one more problem. The impact of Nell Grissom's service is reflected in the countless people from all walks of life who can testify about the healing Nell Grissom has brought to their lives and their families. She has made her community, her state, and her country a better place through her efforts and I am proud to call her a daughter of Mississippi.

75TH ANNIVERSARY OF THE BOROUGH OF KENHORST

HON. JIM GERLACH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. GERLACH. Mr. Speaker, I rise today to celebrate the 75th anniversary of the Borough of Kenhorst in Berks County, Pennsylvania.

The residents of Cumru Township, upset with what they described as an exorbitant streetlight tax, a lack of fire and police protection, and a lack of street improvement, decided to secede from the Township to create their own municipality, thereby resulting in the establishment of the Borough of Kenhorst nearly 75 years ago.

Its name is of most interesting origins. Along New Holland Road to the south of the proposed borough was a large estate owned by the Horst family. Along Lancaster Avenue was a large farm operated by the Kendall family, also known as Kendall Park. Consequently, the founders decided to combine both names and Kenhorst Borough was thereby incorporated on August 25, 1931.

The Borough remains largely residential, but has recently seen expansion along the two main throughways—New Holland Road and Lancaster Avenue—because of the community's outstanding beauty and quality of life. Today, the Borough is considered one of the premier communities in Berks County and the Commonwealth of Pennsylvania.

Mr. Speaker, I ask that my colleagues join me today in honoring the Borough of Kenhorst on its 75th anniversary and recognizing the service of a multitude of citizens who worked tirelessly to establish, promote, and grow the Borough to become the exemplary community it is today.

IN TRIBUTE TO CORA WALKER: LAWYER WHO BROKE RACIAL GROUND

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. RANGEL. Mr. Speaker, I rise today to pay tribute to Cora Walker, a just woman whose sincere determination and resolve not only helped change the way law became practiced in New York but also helped diversify its practitioners. Ms. Cora Walker who is recognized as being one of the first black women to practice law in the state of New York, succumbed to cancer at her Manhattan home on July 20, 2006. As a living example of an individual who defied the odds, Ms. Walker walked the path less traveled, opening it up for many others to follow.

Born in Charlotte in 1922, to William and Benetta Jones Walker, Ms. Walker was one of 9 children. Ms. Walker's family, at that time like most Southern families, wanted a life beyond the laws of segregation and Jim Crow. Their search for the American dream carried them to the Bronx. The new life in New York, however, brought unexpected changes, the biggest one being the sudden divorce of her parents. The separation of her parents, created a financial burden for the entire family leaving her mother and her siblings dependent on public assistance. Although this incident proved to be tragic, just like the saying goes, "only the most beautiful flowers bloom in adversity," Ms. Walker emerged from this hardship as the main provider and supporter of the family, eventually getting her family off of welfare.

Ms. Walker earned her bachelors degree and law degree in a special 6-year program in which students earned both a bachelors and law degree. She is recognized as being the first African-American woman to graduate from the St. John's University School of Law in 1946. Recognizing the disparity between the number of black and white lawyers, Ms. Walker spent much of her career working for the National Bar Association, the organization of Black lawyers formed to support the advancement of Blacks in the progression and helped found the Associations Counsel Conference, an annual meeting that helped black lawyers cultivate relationships with corporate clients. It is through her work within this organization and others that gave her the skills to become the first woman to serve as president of the Harlem Lawyers Association.

Although she was admitted to the Bar in 1947, the color of her skin still proved to be the only measure being used to judge her capabilities and worth. A woman who defied so many odds, who found the self-will within, to do the unthinkable, whose courage should have been commended, was still black. Sadly, the only position offered to her was the position to be the firms' secretary. Unwilling to write the story of a woman who came, fought the great battle and lost, she decided to rewrite history with her own thoughts utilizing her own gifts.

Her efforts culminated in the establishment of her own firm. Although she ran unsuccessfully for the New York Senate in 1958 and 1964, she was recognized at that time as being one of the most powerful leaders in Harlem. Her legacy rings true even today. Not only does the African American community mourn her loss, but all the lives she touched by being a symbol for justice everywhere as well feel her loss.

I enter into the CONGRESSIONAL RECORD the obituary published in the New York Times on July 24, 2006. She has truly left her mark on our society and she will always be remembered for that. As the percentages of African American lawyers continue to increase across the country, we must acknowledge the pioneers whose contributions to justice and equality made the opportunities we have today a reality.

[From the New York Times, July 20, 2006]

CORA WALKER, 84, DIES; LAWYER WHO BROKE RACIAL GROUND

(By Margalit Fox)

Cora T. Walker, a prominent New York lawyer who nearly 60 years ago became one of the first black women to practice law in the state, died last Thursday at her home in Manhattan. She was 84.

The cause was cancer, said her son Lawrence R. Bailey Jr., a lawyer, who practiced with his mother for many years.

For decades, Ms. Walker ran a private practice in Harlem, first on 125th Street and later from a restored brownstone at 270 Lenox Avenue. From 1976 until her retirement in 1999, she was the senior partner in Walker & Bailey, one of the city's few black law firms, which she established with her son.

The firm's practice eventually included corporate clients like Conrail, the Ford Motor Company, Texas Instruments and Kentucky Fried Chicken. But Ms. Walker continued drawing up wills and preparing personal-injury claims for the men and women she described as the "plain, ordinary, not elegant people" of her Harlem community.

Active in Republican politics, Ms. Walker ran unsuccessfully for the New York State Senate in 1958 and 1964. In 1970, The New York Times included her—the only woman—on a list of the most powerful leaders in Harlem.

Cora Thomasina Walker was born on June 20, 1922, in Charlotte, N.C., one of nine children of William and Benetta Jones Walker. The family moved to the Bronx when she was a child. When she was an adolescent, her parents separated, leaving her, her mother and her siblings dependent on public assistance.

After graduating from James Monroe High School in the Bronx, Ms. Walker promptly informed the Welfare Department that their help was no longer required: she would support the family. She took a night job as a teletype operator with Western Union and also sold Christmas cards.

At the same time, Ms. Walker was enrolled at St. John's University, then in Brooklyn, in a special six-year program in which students earned both a bachelor's degree and a law degree. She received a bachelor's degree in accounting from St. John's in 1945 and a law degree the next year.

For much of her career, Ms. Walker was active in the National Bar Association, a historically black organization. She helped found the association's Corporate Counsel Conference, an annual meeting sponsored by its commercial law section. Begun in 1988, the conference helps black lawyers cultivate relationships with corporate clients.

In the 1960s, Ms. Walker became the first woman to serve as president of the Harlem Lawyers Association.

Ms. Walker's marriage, to Lawrence R. Bailey Sr., a lawyer, ended in divorce. In addition to her son Lawrence Jr., of the Bronx, she is survived by another son, Bruce E. Bailey, a physician, of Norwich, Conn.; a sister, Danetta Black, formerly of White Plains; and three grandchildren.

In 1947, when Ms. Walker was admitted to the New York bar, she found the doors of the city's law firms tightly shut. (One firm relented and offered her a position—as a secretary.) So she struck out on her own.

Her first client was an undertaker, for whom she did collections. Before long, by dint of reading self-improvement books, Ms. Walker had learned to "join everything, give everybody a card, join a political club," as she told The New York Times in 1989.

In 1999, the New York County Lawyers' Association installed a plaque outside the Lenox Avenue brownstone where Ms. Walker had her office, commemorating her half-century in the law. The building has since been sold, her son said, and the plaque is now gone.

KC–135 REPLACEMENT PROGRAM TECHNOLOGY

HON. TERRY EVERETT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. EVERETT. Mr. Speaker, it is more important than ever that our military have the best technologies available in their weapon systems and equipment. The tremendous strides that have been made in the area of technology have allowed us to do more with less. With a smaller force, it becomes imperative to provide the best technology and the best capabilities to our warfighters.

Our front line systems require cutting edge technologies to preserve the maximum advantage over our adversaries. It is important that we remain mindful of this as we look to the KC–135 Tanker replacement aircraft the Air

Force is scheduled to purchase. We would be ill advised to disregard the technologies available in the aircraft being offered, as this aircraft will be in our inventory for decades.

This KC–X competition involves an older aircraft and a newer one. Old technology built today is still old, and offers little in the competitive environment. Retrofitting add-on technologies into older aircrafts' cockpits and elsewhere are costly modifications that offer only a partial solution to acquiring the best available aircraft.

Instead, the Air Force should consider the value of buying the latest, proven generation of commercial aircraft with modem technology already integrated into the platform. In closing, I believe we must procure the most advanced technology available for this aircraft to both accomplish the mission and to ensure the highest level of performance over its service life. The Air Force has a clear opportunity to procure the most advanced aircraft for the KC–X and our warfighters deserve no less.

CELEBRATING THE HUNDREDTH ANNIVERSARY OF THE FRANKLIN SPECIAL SCHOOL DISTRICT

HON. MARSHA BLACKBURN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mrs. BLACKBURN. Mr. Speaker, I would like to take a moment to celebrate the 100th anniversary of the Franklin Special School District. For a century this district has served as a shining example of quality in public school education.

FSSD is recognized within the State of Tennessee and nationally for excellence. It has received straights A's in the 2005 Tennessee State Report Card which is based on student achievement and academic gains. The faculty and staff have demonstrated incredible dedication to the mission of educating students. That's something we all ought to applaud.

Mr. Speaker, I want to congratulate the parents and students of the FSSD. I also ask my colleagues to join me in sending a special thanks to Dr. David Snowden, Director of Schools and the Franklin Special School District teachers and staff for educating the leaders of tomorrow. We wish them all the best in the years ahead.

IN HONOR OF COLONEL RICK RIERA, "SEEKER AND DEFENDER OF FREEDOM"

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. BISHOP of Georgia. Mr. Speaker, I rise today to honor a great soldier and a great American, Colonel Rick R. Riera, who is giving up command next week at Fort Benning, GA, the "Home of the Infantry."

Colonel Riera was born on June 4, 1959 in Matanzas, Cuba. At the tender age of nine years old, he and his family fled the Communist government and were granted political asylum in this country. They were flown via a Liberty Flight to Miami, Florida, where Colonel Riera grew up.

Riera was admitted to the United States Military Academy and in 1981 graduated and reported for training at Fort Benning. After his initial training, he was assigned as a Rifle and Scout Platoon Leader on the Demilitarized Zone in Korea.

During his career, Colonel Riera has served in six Infantry Regiments (8th, 15th, 18th, 23rd, 30th, and 75th) and four Infantry Divisions (2nd, 3rd, 4th, and 24th). His service highlights have included assignments as a Ranger Rifle Platoon Leader during the invasion of Grenada, command of two mechanized Infantry companies in Germany during the Cold War, and command of the Infantry's first M2A3 Bradley Battalion during the Division Capstone Exercise.

Staff experience consists of duty as a Battalion S–3, Battalion XO, Brigade S–4, Brigade S–3, and Brigade XO with the Sledgehammer Brigade on Kelley Hill. Colonel Riera also served as the Chief of Crew Training for U.S. Army Europe's New Equipment Training Team during the fielding of Bradleys to the 3rd AD and 2nd ACR. Additionally, he was the first Chief of the Bradley Crew Evaluator Training Team for standardized gunnery at Grafenwoehr.

Joint experience consists of service with J–3 Southern Command in Panama and the Andean Ridge as a counterdrug operations officer at the height of the Drug War against the Medellin and Cali Cartels. Colonel Riera later served as the Army Special Assistant to the Commander in Chief of U.S. Southern Command following its move to Miami, Florida.

In addition to completing Infantry courses here at Fort Benning, he is a graduate of the Regional Studies Course at the J.F.K. Special Warfare Center, the Command and General Staff Course at the U.S. Army School of the Americas, and the Inter-American Defense College. His awards include the Defense Meritorious Service Medal, Combat Infantryman's Badge, Expert Infantryman's Badge, and Valorous Unit Award.

Colonel Riera is married to the former Rosario Moreno of San Juan, Puerto Rico. They have two children, Rebeca and Ricky.

Mr. Speaker, Colonel Riera is stepping down as the garrison commander at Fort Benning next week, and I stand here to honor him today for his years of service to this Nation. He escaped tyranny in his native land and, with his family, sought freedom and opportunity in America. He found his freedom and is now dedicating every day of his life to protecting it for his children and for each and every one of us. I thank him for his service, particularly his leadership at Fort Benning, and wish him luck in his future assignment at Fort Sam Houston as Deputy Chief of Staff of Operations, U.S. Army, South.

TRIBUTE TO ROBERT F. KERLEY

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. ESHOO. Mr. Speaker, I rise today to honor a distinguished American, Robert F. Kerley, who died on July 7, 2006.

Robert Kerley was born and educated in California. He served his country during World War II as a member of General Mark Clark's staff in Italy. After the war he earned his B.S. Degree at the University of California Berkeley, and then began his quarter century career with the University. He was at Berkeley from 1951 until 1964 when he left to become the Vice President for Business Affairs and Treasurer at the University of Kentucky, and went on to serve as Vice President for Administration and Treasurer at Johns Hopkins. He returned to Berkeley in 1970 and served as Vice Chancellor of Administration until his retirement in 1982. Upon his retirement he received the Berkeley Citation, U.C. Berkeley's highest honor. The California Alumni Association awarded him the Alumni Citation for excellence in service and he was named a Berkeley Fellow in 2003, an honor given to a select group for extraordinary service to the University.

Robert Kerley is survived by his beloved wife Betty whom he met at Berkeley and married in 1975 at the Chancellor's residence. He also leaves his children Kathleen James, Maureen Douglas, Barbara Neill, William Kerley and his step-children Katherine Strehl and William Strehl. He also leaves 10 beloved grandchildren . . . Adriana, Allison, Andrew, Brent, Carolyn, Cecily, Christina, Jake, Joseph and Meredith.

Robert Kerley was a member of the Board of Regents of John F. Kennedy University, a member and Chair of the National Association of Colleges and Universities, as well as a member of the Council on Higher Education. He was a founding member and Chair of the governing board of the Center for Independent Living in Berkeley, the first group run by and for people with disabilities, and an advisor to Alta Bates Medical Center.

It has been a personal privilege to have known Mr. Kerley's step-daughter for many years. Her integrity and commitment to public service are an eloquent statement about her, as well as her father.

Mr. Speaker, I ask my colleagues to join me in honoring this good and great American and in extending our deepest sympathy to his family. Robert Kerley contributed greatly to our community and our country, and in doing so, made us a stronger and better nation.

IN RECOGNITION OF THE ONE HUNDREDTH ANNIVERSARY OF THE CLAY COUNTY COURTHOUSE

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. ROGERS of Alabama. Mr. Speaker, I respectfully request the House's attention today to pay tribute to the people of Clay County, Alabama, who on August 12, 2006, will celebrate the centennial anniversary of their county's beautiful and historic Courthouse.

Known across East Alabama as an architectural gem, the Clay County Courthouse was built in 1906 overlooking the square with a Seth Thomas clock. The building has been the site of a number of historic events over the years.

Over the last decade, Clay County citizens have witnessed the ongoing restoration of this beautiful building. In recent years these renovations were completed, helping bring the landmark back to its historic splendor. Today it continues to serve as the county seat in Ashland, Alabama, and features an art gallery, a small museum dedicated to Hugo Black, and a historical display of World War I arms.

The community centennial celebration will occur on Saturday, August 12, where locals will gather for music, food, arts and crafts downtown.

I am delighted to be able to congratulate the people of Clay County at the celebration of this historic milestone, and hope this fine building will continue to serve the people of Alabama well into its next one hundred years. I thank the House for its attention on this important day.

RECOGNIZING THE DEPARTMENT OF VETERANS AFFAIRS ON ITS 75TH ANNIVERSARY

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. McCOLLUM of Minnesota. Mr. Speaker, I rise today to honor the 75th anniversary of the U.S. Department of Veterans Affairs, and the tens of thousands of men and women serving America's veterans in the VA system. With its establishment as the Veterans Administration on July 21st, 1931, the United States formalized its commitment to providing benefits to America's veterans.

The freedom that we enjoy in the United States exists because of the sacrifices of the brave men and women who have served and protected our nation. Since America's humble beginnings in the Pilgrim colonies, our country has honored the great sacrifice of our veterans by committing to serve them upon their return from duty. Today, the United States provides the most comprehensive system of assistance for veterans of any nation in the world.

Congress must ensure that this tradition of serving veterans remains strong. Many veterans returning from combat in Iraq, Afghanistan and around the world have suffered multiple severe injuries, presenting challenges that were unimaginable in past wars. In Minnesota, the Minneapolis VA Medical Center is a leader in the nation in providing the state-of-the-art, life-saving care at its new polytrauma rehabilitation center. These new challenges require that Congress commit to fully funding research and care for these veterans who have given so much in the line of duty.

Nationwide, more than 144,000 returning troops from Iraq and Afghanistan have now sought health care with the VA, and it is estimated that one in four Americans are eligible for VA benefits and services. More than 30,000 veterans are waiting in line for their first appointment with the VA, a problem that will only worsen with the growing numbers of returning service men and women. Despite this reality, the Republican budget for Fiscal Year 2007 cuts veterans health care by $6 billion over the next five years.

In 1944, Congress enacted the original GI Bill of Rights, to honor the Greatest Generation—providing our returning troops with educational benefits, loans to buy a home and medical assistance. In each major military conflict since, we have honored the service of our soldiers through an improved GI bill.

I join my Democratic colleagues in supporting the New GI Bill for the 21st Century to strengthen benefits for our men and women in uniform today, and provide long overdue benefits for the veterans and military retirees who have already served. For those returning from the frontlines, we are continuing our efforts to fight to adequately invest in veterans' health care, including mental health care.

Veterans have earned our respect, whether they served during WWII, Korea, Vietnam, the Gulf War or have recently returned from Iraq or Afghanistan. These veterans who fought on the battlefield for freedom and liberty should not have to fight their own government for the benefits they earned and deserve when they return home. Nor should they have to fear that their private information entrusted to the VA is at risk. It is crucial that we continue to increase our dedication to veterans by providing them the services promised to them and we must fulfill our obligations to those who have worn our nation's uniform with not just words, but with deeds.

The 75th anniversary of the Department of Veterans Affairs is an opportunity to salute our brave veterans and dedicated men and women who devote their careers to caring for them. Just as important, it is an opportunity for Congress to reaffirm both the responsibility and a moral obligation to provide the necessary healthcare, education, and disability benefits to meet the needs of all our veterans.

Mr. Speaker, please join me in recognizing the Department of Veterans Affairs, for its 75 years of service to America's veterans.

HARRY BELAFONTE: ACTOR, SINGER, ACTIVIST, AND HUMANITARIAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. RANGEL. Mr. Speaker, I rise today to honor Harold George Belafonte, the acknowledged "King of Calypso," and one of the most successful African American pop stars in history. His ingenious assimilation of folk and jazz, with an emphasis on African rhythms and third world theme allowed him to rise to unheard of popularity in the days before the advent of the civil rights era. His album "Calypso" was the first recording in the music industry to sell over one million copies. It set the standards and laid the groundwork that led to his winning the Grammy Award for lifetime achievement in 2000.

The son of Jamaican-born immigrants, Harry Belafonte was born on March 1, 1927, in Harlem, New York. Soon afterwards, his mother sent him home to Jamaica, where he spent his formative years and early adolescence. His exposure to life on the island and all its variety has been a constant inspiration to him and became the reservoir of his cultural and artistic expression.

After serving in World War II, he returned to New York and became involved in the theater community of New York. His first Broadway musical, John Murray Anderson's "Almanac", won him the coveted Tony Award. The overwhelming success of Carmen Jones, the Oscar Hammerstein adaptation of Bizet's opera "Carmen", made him one of the most sought after African American actors in the history of Hollywood.

He won the Emmy Award for his performance in the television musical epic "Tonight with Belafonte." He is one of the nine winners of the 2006 Impact Award recipients by the AARP magazine. He was the first recipient of the Marcus Garvey Award for Lifetime Achievement in 2000, which created the tradition of honoring humanitarians in the Jamerican Film and Music Festival in the subsequent years. He was also the first to receive the Nelson Mandela Courage Award and was honored with the 1994 National Medal of Arts from President Clinton, as well as numerous other awards and honors. I am awed by the talent of this remarkable man. His success continues to be a great inspiration for African American artists.

Harry Belafonte is a pioneer as an actor and musician and he is equally a committed social activist. A close friend and confidante of Martin Luther King Jr., he was the driving force who mobilized the cultural and artistic community in support of Dr. King's work, leading to their financial support and their personal identification with the needs of the Civil Rights movement. Dr. King himself acknowledged Belafonte's contribution, "Belafonte's global popularity and his commitment to our cause is a key ingredient to the global struggle for freedom and a powerful tactical weapon in the civil rights movement here in America."

In 1987, he accepted the appointment as UNICEF's Goodwill Ambassador. The second American to hold this title, he continues to play a vital role in holding special concerts to raise funds and garner support for UNICEF programs, along with his assignments to UNICEF missions. In 1985, he assembled 45 top performers to record the song "We Are the World," raising millions of dollars for emergency aid in Africa.

In 1987, he created a historic symposium in Dakar, Senegal for the immunization of African children, the positive response to which has lead to a successful campaign for the eradication of curable diseases among African children. In 1988, he performed a concert in Harare, Zimbabwe, to focus global attention on child survival and development in South African countries, especially those victimized by the apartheid war. In 1989, the U.S. Committee for the UNICEF honored him with the

Danny Kaye Award, for his important contribution in service of the children of the world.

Seeing the effects of HIV/AIDS in South Africa firsthand, he launched the Harry & Julie Belafonte Fund for HIV/AIDS in Sub-Saharan Africa using a U.S. $100,000 honorarium from the Ronald McDonald House Charities' Award of Excellence. He received the award in 2000 in recognition of his humanitarian work.

Recently he was presented with the Black Entertainment Television (BET) Humanitarian Award, which he dedicated to Malcolm X and Nelson Mandela, as well as to the poet soldiers of the civil rights activists such as Fannie Lou Hamer. "I had a mission to overthrow oppression," he said in his speech honoring social activists all over the world.

Harry Belafonte has been a harsh critic of U.S. foreign policy, opposing the embargo on Cuba, the war on Iraq, as well as condemning the Bush administration for refusing aid from Venezuela and Cuba in the aftermath of the devastation of Hurricane Katrina. He has taken a strong position against the spying on American citizens sanctioned by the USA PATRIOT Act and conducted by the Bush Administration outside of the law.

His calling President Bush as the "biggest terrorist in the world," has created controversy and made him unacceptable to some, but he shows little concern over the reaction to his words because he sees the need to speak the truth as he sees it.

He has called upon the American people to demand their constitutional rights from the government. Instead of spending billions of taxpayer dollars abroad in a needless war, he suggested that we should focus on reforming our broken social security and Medicare system to ensure social benefits for our citizens.

Mr. Speaker, I wish to honor this remarkable man for all his achievements and for what he continues to do for civil rights and as a Goodwill Ambassador for UNICEF.

On behalf of all of us, and in recognition of Harry Belafonte's extraordinary career, I declare that:

(1) Harry Belafonte is as popular among White audiences as Black audiences, shattering the traditional divisions between Black and White music. Whether plaintive or rousing, the music of Harry Belafonte transforms the everyday lives, pain, and joy of the common people into songs that resonated with and inspired people of all nationalities, races, and classes.

(2) His multiracial appeal enhanced the movement toward racial equality and increased understanding and tolerance across racial boundaries during the Civil Rights movement.

(3) As a supporter of that Movement, he performed benefit concerts and provided additional financial support to causes led by his friend, Rev. Martin Luther King.

(4) His activism and search for justice extends beyond the borders of the U.S. as evidenced by his strong opposition to the apartheid system in South Africa as well as his contribution as a Goodwill Ambassador for the UNICEF.

(5) Harry Belafonte, at this point in his career, is an immensely respected and dazzling figure in American culture and is equally esteemed and admired as a fighter against injustice at home and abroad.

WE MUST RESOLVE THE ETHIOPIA-ERITREA BORDER DISPUTE

HON. MARK R. KENNEDY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KENNEDY of Minnesota. Mr. Speaker, I return to the Floor today to call the attention of the House and the American people to what may become the next tragedy in Africa: the border dispute between Ethiopia and Eritrea.

Since I was last here, I have heard renewed pleas from my constituents who remember the heartbreak and irreplaceable loss from the 1998–2000 war over the border that cost the lives of as many as 100,000 people.

To avoid a repeat of this tragedy, the President and the Secretary of State must rally the world community to achieve a peaceful resolution to this matter.

I cosponsored CHRIS SMITH's legislation, H.R. 4423, the Ethiopia Consolidation Act, which would advance human rights in the Horn of Africa, and link U.S. foreign aid assistance to full compliance with the Algiers Agreement. I urge my colleagues to join me in supporting this bill.

As I said the last time I was here, we must see to it that the tragedy of last decade is not repeated.

RECOGNIZING RUBY FRANCES MYRICK WILSON

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PICKERING. Mr. Speaker, today I want to recognize a Mississippian who has given a century of service to her family, friends and community. She has been a wife of sixty-six years, a mother of seven children, and wonderful Christian woman. Next month, she turns one-hundred years old, but the light in her eyes and the good works of her hands continue to love and bless her neighbors.

Ruby Frances Myrick Wilson was born August 30, 1906 to James Wilson Myrick and Myrtle Rebecah Alderman Myrick. She studied at Otoe Elementary School, was in the first graduating class of Stringer High School in 1924, attended Mississippi Southern Teachers' College in Hattiesburg and Clarke College in Newton, as well as Southeastern Baptist College in Laurel. She took her teaching certificate and taught fourth grade at Polkville and third grade at Fellowship Community in Jasper County. She married a farmer named William Judson Wilson and reared seven children together for sixty-six years until his death.

She is still actively engaged in housekeeping, cooking, gardening, reading and studying, quilting, sewing, and crafting. She cooks special dishes for shut-ins, church and community socials, and special needs diets. She creates gift baskets filled with her baked breads, cookies, relishes, preserves, and jellies. She cuts flowers from her garden to make arrangements for special occasions. She grows plants to put into decorated pots for gifts. The hallmark of Ruby's talents is quilting and she has made over a hundred for newly weds, graduates, babies, and crisis victims.

Mr. Speaker, Ruby is thoughtful and careful to feed her mind, body and soul; keeping active and balancing a strong body and her strong faith. Her commitment to the Word of God and her saving Lord has given her purpose and her life's strength. I've known her family my whole life and she has been a blessing to them, her community, her friends and everyone she comes in contact with. I hope this Congress joins me in wishing her a very happy one-hundredth birthday and praying she has many years with the Mississippi she so loves and serves.

INTRODUCTION OF H.R. 5932: FARM RISK MANAGEMENT ACT

HON. TERRY EVERETT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. EVERETT. Mr. Speaker, I introduced legislation yesterday, along with my Alabama colleagues Representatives JO BONNER and MIKE ROGERS, to enable America's farmers to better manage the risk to their livelihoods in times of severe weather and skyrocketing energy costs. The Farm Risk Management Act (FARM Act) would create risk management accounts, using both USDA and individual farmer contributions, to reduce the financial impact of disasters on the agriculture community. The FARM Act would allow farmers to insure their income by creating a whole-farm risk management program based on total revenues from all their farming activities. This is a departure from the current crop insurance program, which provides coverage based on a specific commodity. The new risk management account goes beyond the scope of current crop insurance by allowing farmers to withdraw funds from their accounts to help offset any unforeseen farm expense including high energy or fertilizer costs. With my new proposal, a farmer would deposit money into the new risk management account. The U.S. Department of Agriculture would then match the farmer's contribution in this tax-deferred, interest bearing account, rather than subsidizing a portion of the crop insurance premium for the farmer as is done presently. As a result, farmers would effectively be self insured.

More and more, we are seeing farmers lose their farms due to the unfortunate combination of increasingly harsh weather, rising operational costs and a Federal crop insurance program that is too expensive to help many cover their losses. Recent Farm Bill hearings and subsequent meetings I have had with farmers in the Southeast have led me to the conclusion that current crop insurance programs are not working. The present system is too expensive, leaving many farmers exposed to uncontrollable risks. It also allows room for fraud which only serves to drive up program costs for everyone.

There is an urgent need for significant crop insurance reform that will offer hardworking farmers the tools they need to manage the unique risks involved in agricultural production. With the upcoming Farm Bill reauthorization, we have a chance to address this critical issue, and I am offering this legislation to advance debate. This approach of individual risk management accounts could address many of the problems associated with the current crop insurance system and save the Federal Government money by alleviating the future need for ad hoc disaster assistance. Most importantly, it will give farmers struggling against natural forces beyond their control greater flexibility to make a living while performing the vital task of putting food on America's table.

HONORING WILSON BATISTA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. RANGEL. Mr. Speaker, I rise today to express my sorrow at the passing of one of the Dominican commmunity's most beloved young musicians, Wilson Batista.

On June 18, the world lost 29-year-old classical pianist Wilson Batista to a sudden brain aneurism. At the time of his death, he was attending the Manhattan School of Music, where he studied under with internationally recognized pianist Philip Kawin.

Born in the Dominican Republic, but raised in Washington Heights, Wilson came from a family that worked hard to fund his early music education. Those efforts and Wilson's inherent talents helped turn the child prodigy into an internationally renowned classical pianist.

Eager to listen to the youngster in concert, the excitement over Wilson's early success opened the world of classical music to new fans of all ages and classes. He would go on to amass numerous distinctions, including winning the top prize at the Luis Ferre International Concerto Competition and earning performances at places like New York's Carnegie Hall, Puerto Rico's Centro de Bellas Artes, and el Gran Teatro del Cibao in the Dominican Republic.

While he performed around the world, Wilson was never too far away from New York and his Dominican traditions. He was a shining example of the best that our community can produce and an example to our youth that any dream is possible, in any field or industry.

My heartfelt condolences go to his family, friends and colleagues. Though saddened by not being able to see this young man reach his full potential, we are all blessed to have enjoyed his talent during his brief time here on earth.

CELEBRATING THE COMPLETION OF THE VILLAGE COMMONS COMMUNITY CENTER AT FORT CAMPBELL

HON. MARSHA BLACKBURN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mrs. BLACKBURN. Mr. Speaker, I would like to take a moment to celebrate the opening of the Village Commons Community Center at Fort Campbell in my district in Tennessee.

This is a great day for so many of our military families. We know our service men and women face many challenges as they work to defend America. That's why this new facility with an exercise room, amphitheater, and coffee shop to name just a few features is so important. It adds to the quality of life in a very fundamental way.

To date this is one of the most extensive military housing programs developed through the cooperation of the Department of Defense and private donors. It's a real credit to the Fort Campbell community that this project has been completed.

An element of this effort I especially want to note though is the addition of a wheelchair accessible playground. Mr. Speaker, this will give those soldiers wounded while defending our country the opportunity to spend time with their children. I know that will mean so much to them and all of us are grateful this program is now a reality.

PRAISE OF VOTING RIGHTS ACT PASSAGE

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. BISHOP of Georgia. Mr. Speaker, I rise today in praise of the hard work of our colleagues here in the House and the Senate for extending for another twenty-five years the Fannie Lou Hamer, Rosa Parks, and Coretta Scott King Voting Rights Act Reauthorization and Amendments Act. I thank the President for signing the bill into law yesterday. In addition, I would also like to acknowledge the efforts of those individuals whose work has ensured that the tradition of its creators is not forgotten.

It was the combined efforts of civil rights leaders—activists like Fannie Lou Hamer, Rosa Parks and both Coretta Scott King and Martin Luther King Jr.; political leaders in the Kennedy and Johnson Administrations; and our esteemed colleague, JOHN LEWIS, who put his life on the line when he crossed the Edmund Pettis Bridge in Selma, Alabama on Bloody Sunday—these are some of the people who made the Voting Rights Act a reality. It is in the memory of their political courage and stewardship of democracy that I joined with my colleagues to ensure its continuation.

What we have seen in the past months is another pivotal step toward the realization of Dr. King's dream for an equal America. From my own work with the NAACP Legal Defense Fund, I understand many of the obstacles Dr. King faced in overcoming adversity for the disenfranchised. I am honored and humbled to be one of many to continue what he worked so hard to begin.

The right to vote is among the most sacred of freedoms. Dr. King is just one of many Americans who paid the ultimate price, so that all can have a voice. The Voting Rights Act honors that tradition by ensuring that all Americans have equal access to the ballot box and refusing to allow discrimination of the past to be a part of our future.

Mr. Speaker, the Congress has made its will and that of the country known. We have ensured that all Americans will continue to have a voice and generations to come will go on to make Dr. King's dream of an equal America a reality.

TRIBUTE TO LINDA GREGORY

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. ESHOO. Mr. Speaker, I rise today to honor an extraordinary woman and distinguished labor leader, Linda Gregory, on the occasion of the San Mateo County Central Labor Council honoring her at their Annual COPE Banquet on August 18, 2006.

Linda Gregory was born in Seattle, Washington and as a young child moved with her family to Sacramento, California, where she was raised in a working class family. When she was 18, Linda married Richard, and together they had four children: Robyn, Aaron, Sarah, and Benjamin.

Mrs. Gregory's passion for social reform began early in life when her husband, a Sacramento social worker, went on strike. At the time, there was no law that recognized public employee unions or the right to collectively bargain. Richard and 300 other employees lost their jobs, and this experience had a profound effect on the rest of the Gregory's personal and professional lives.

In 1968, Linda began her career in the public sector. She first worked as a junior clerk for Santa Clara County where she became an active member in SEIU Local 715.

Linda Gregory rose through the ranks at SEIU Local 715. She began as a Shop Steward which motivated her involvement with political action. Because of her exceptional leadership abilities, she became an officer of the local union and she was later hired as a Research Director.

In 1975, Linda Gregory began working as a Business Agent for AFSCME Council 57. She has held the position of Associate Director for decades, representing public employees working for the County, City and hospitals. Throughout her AFSCME career Linda Gregory has not only represented employees, she has also negotiated hundreds of contracts and conducted strategic planning meetings for AFSCME local unions throughout Northern California.

One of her greatest achievements while working for AFSCME was the comparable pay campaign. The goal of the campaign was to provide equal pay to people with different job titles based on their value to their employer, regardless of any gender predominance in such positions. Because of Linda Gregory's leadership, dedication and hard work, California public employees were the first in the nation to earn comparable pay for comparable work.

Linda Gregory has devoted almost three decades of her life to helping the American worker. In addition to her position at Council 57, she is also the President of the San Mateo Labor Council where she has been active for over twenty years and held an executive position since the late 1970's.

Mr. Speaker, I ask my colleagues to join me in honoring a national treasure, an exemplary American and a special friend. As the San Mateo County Central Labor Council celebrates the achievements of Linda Gregory at their 27th Annual C.O.P.E. banquet, we extend to her our best wishes as well as our gratitude for all she has accomplished for our region, our nation, and the American worker. Her leadership has set the gold standard for workers, and because of her enlightened leadership, we are a better community and a stronger country.

IN RECOGNITION OF ROBERT P. KASSIN

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. ROGERS of Alabama. Mr. Speaker, Sergeant Robert P. Kassin, 29, born in Flint, Michigan, died on July 16, 2006, in Afghanistan. Sergeant Kassin was assigned to the Army's C Company, 2nd Battalion, 4th Infantry Regiment, 10th Mountain Division at Fort Polk, Louisiana, and according to initial reports was killed due to injuries when his dismounted patrol came under small arms fire. His survivors include his wife Judy; his two step-daughters; his son; and his mother and father Robert Joseph and Lucia Kassin of Clovis, New Mexico.

Robert Kassin was a proud father and husband, and from a young age expressed a desire to serve his country in uniform. Like all soldiers, he dutifully left behind his family and loved ones to serve our country overseas.

Words cannot express the sense of sadness we have for his family, and for the gratitude our country feels for his service. Sergeant Kassin died serving not just the United States, but the entire cause of liberty, on a noble mission to help spread the cause of freedom in Iraq and liberate an oppressed people from tyrannical rule. He was a true American.

We will forever hold him closely in our hearts, and remember his sacrifice and that of his family as a remembrance of his bravery and willingness to serve. Thank you, Mr. Speaker, for the House's remembrance on this mournful day.

ZULEYKA RIVERA MENDOZA WINS THE FIFTH MISS UNIVERSE TITLE FOR PUERTO RICO

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. RANGEL. Mr. Speaker, I rise to share with my colleagues the achievements of Zuleyka Rivera Mendoza, a young lady whose determination and perseverance have achieved the honor of being Miss Puerto Rico in the Miss Universe pageant and then the big prize, the Miss Universe 2006 title.

Born October 3, 1987, in Cayey, Puerto Rico at 3:47 p.m., this talented young lady of only 18 years of life, brought an incredible joy to the people of Puerto Rico the night of July 23, 2006, after winning the Miss Universe 2006 Pageant, held in Los Angeles, CA.

As a child growing up in Salinas, Zuleyka showed great interest in sports. At five she played football and by seven she was a member of a basketball team. But, her sporting days were over as soon as she won the title of "Queen of Hearts" in middle school. Her mother quickly recognized the talent given to her child and enrolled her in an academy for aspiring models. At fourteen, she was the first runner-up in the Miss Puerto Rico Teen Pageant, the same year she became the image of a local fashion magazine.

Zuleyka graduated from high school in Guayama, Puerto Rico, where she was president of the 2004 graduating class and part of the honor roll. Up until the pageant, she lived with her parents, Carmen M. Mendoza and Jerry Rivera, and her younger siblings, Jerry Jesús (12) and José Alberto (10), in Parcelas Vázquez, a small community in Salinas, Puerto Rico. Prior to winning the Miss Universe 2006 Pageant she was a freshman at the University of Puerto Rico, majoring in communications.

600 million people in 180 countries around the world witnessed the moment in which Miss Puerto Rico, Zuleyka Rivera Mendoza, was crowned with 120 pearls and 800 diamonds as Miss Universe 2006. She will now live in New York and travel the world in an effort to eradicate AIDS, these being part of her duties as Miss Universe 2006. After the pageant, Zuleyka wishes to fulfill her dream of becoming an actress, while always making the Puerto Rican community proud of her achievements.

TRIBUTE TO EUGENE THOMAS KENNEDY

HON. MARK R. KENNEDY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. KENNEDY of Minnesota. Mr. Speaker, as my father approaches his 80th birthday, I would like to share with my colleagues how he has brightened the lives of so many with his conversational Irish wit, passion for life and genuine interest in other people.

Eugene Thomas Kennedy descended from immigrants who came from Ireland at the time of the potato famine. They settled for a period in Kentucky and Illinois before pioneering Minnesota in 1863. The Kennedy's originally settled in what today is called Savage, Minnesota, then called Hamilton Falls, later settling in Decorah Township near St. Clair, south of Mankato, before moving to Murdock at the turn of the century.

Eugene was born August 22, 1926 to Charles, a businessman and longtime mayor of Murdock, Minnesota and Rose, the daughter of a Swift County Commissioner Joe Cannon. Joe Cannon's name is inscribed on the 1890's Swift County Courthouse in Benson, Minnesota that issued the birth certificates for both my father and me. Eugene grew up and initially raised his own family in the home that his parents built right across the street from the Sacred Heart Church in Murdock, where I was baptized. His family sat every Sunday near his grandfather Francis Kennedy's stained glass window just across from the front pew at Sacred Heart. Eugene graduated from Murdock High School in 1944, took some courses at the University of Minnesota and a junior accounting course at Mankato Commercial College.

His father and grandfather taught Eugene to face adversities head on. His grandfather became blind when he was my age, but kept informed by having his son, Charles, read him the paper every day and later, even though blind and in his 70's, moved his family to Murdock, Minnesota for more land for his children. His father Charles took over the livery stable in Murdock. During the pneumonia epidemic of 1918 that killed more people than any war, as liveryman he courageously transported and assisted Murdock's doctor to aid the ill. When the automobile put his livery out of business, Charles did not seek a government handout, he started trucking livestock instead. Later in his life, Eugene tackled adversity head on himself.

As the youngest of four sons, Eugene was a self-proclaimed momma's boy. He learned to cook a few dishes growing up in the kitchen with Rose. The country wisdom he gained participating in many kitchen table conversations with the neighbors shaped his life. Rose was a woman of action. She went to see her Maker in action—weeding her garden, something she loved to do, but not before instilling in her descendents a belief that it is noble to tend not just your own garden, but also your corner of the world, so the community's flowers might also blossom. Eugene took up his hoe to cultivate a more bountiful harvest in the community he adopted to raise his family—Pequot Lakes.

On September 21st of last year, commemorating my mother's 75th birthday, I spoke of my parents meeting and raising their children and will not repeat that today, but I will share with you the many things that my father taught his children and grandchildren.

Eugene built on his parent's commitment to service. He served on the Pequot Lakes Public School Board for 27 years, including the period when it built an entirely new K–12 campus. He helped lead the committee to build a new church building for St. Alice Catholic Church. He helped my mother found what became the largest 4–H Club in the county. As a member of the Chamber of Commerce's 4th of July Committee, he helped build Pequot's Independence Day celebration into one of Minnesota's best.

He instilled in us a love of work. In 1947, he began working at the First State Bank of Murdock, where he remembers emptying the spittoons and posting the daily numbers in pen and ink in a general ledger as big as the Guttenberg Bible perched on a high desk. Later he worked at banks in Golva and Hunter, North Dakota. Moving to Pequot Lakes in 1961, Eugene joined the independent insurance agency of Farmer's State Bank, later Lakeland State Bank. The six employees there shared one telephone and one typewriter. The employees, just like in an old western movie, were barricaded behind bulletproof glass and metal framing. The bank and agency grew rapidly in this resort community.

He taught us to give work your all. You got more than insurance when Eugene was your agent; you got conversation and advice. The president of a large Minnesota company fondly remembers getting car insurance as a kid from Eugene. Eugene patiently explained why the insurance on his old beater of a car cost more than the car itself. He really appreciated the way Eugene was genuinely interested in him and took the time to simplify the mysteries of insurance for a teenager.

He exhibited to his own children the need to meet adversity head on. Just before his retirement from the bank insurance agency in Pequot Lakes, the FDIC came in one Friday afternoon, shut the bank down, and reopened it on Monday as a different bank. Having lost his pension and with three of his seven kids still at home and two more still in college, he started anew. At age 65, he took his experience of inspecting properties for insurance purposes, became a Certified Residential Real Estate Appraiser and started a business as a real estate appraiser, where he still works today with two employees.

He taught us to listen. They say that everyone can brighten up a room, some when they enter, some when they leave. My father brightens up a room when he enters, and then never leaves. Some leave without saying goodbye, my father says goodbye without leaving. We were always the last to leave church every Sunday.

My father taught us his trademark handshake that he learned from his co-worker at his first job. He passes on his technique to all his grandkids—reach out your hand, lean forward, look them in the eye with a smile on your face and give a firm handshake. It is nearly impossible for a visitor to attend St. Alice Catholic Church in Pequot without meeting Eugene Kennedy. Whenever I met people in a three county area, the response often was, "Oh, you're Gene's boy."

He demonstrated to us a love of family and those whom others ignored. Eugene had two elderly first cousins, sisters who never married and lived together in St. Paul—Fran and Mugs Kenney. They both served in the military during World War II and both worked for West Publishing. My father made a special point of visiting them regularly and encouraged us to do so as well. With so many children in our family, major events sometimes were everyday occurrences. But, I will still never forget Debbie and I calling our parents to tell them that we were getting married. After talking with my mother, who was very excited, I ask my father if he had any comments. His only comment was, "Have you seen Fran and Mugs recently?" Clearly, taking time to spend with seniors and other often overlooked people was a key value he instilled.

He passed down a love our Irish heritage. Kennedys are generally descended from Brian Boru who defeated the Vikings in the Battle of Clontarf in 1041, becoming the first king to unite all Ireland. My father and I were both born in a rural Minnesota town made up almost entirely of those of Irish descent. Murdock's sports teams were called the Irish. It was a rare treat to be able to go in 1982 with him, my mother and my wife on the first trip to Ireland by a Kennedy since Francis Kennedy came to America from Ireland in 1848. Even though my children are less Irish than I, they and their generation still inherited Eugene's infectious love of the Irish.

He taught us to love America. Our family has two family days of obligation, when Kennedy's make every effort to return home—Christmas Eve and the 4th of July—the birthdays of our God and our Country. The 4th of July is a very personal holiday for our family. My father never made much money, but he was proud of his country, proud of his community, Pequot Lakes, in the heart of Minnesota's lakes country, and proud of his family. And the 4th of July, when tourists headed to Pequot area lakes, is a celebration of all three for our family. My father was in charge of the 4th of July celebration at Pequot Lakes for many years and we children were often roped in to help. A few years back, we all gathered to watch the parade and it was pouring rain, but the parade went on. I will never forget seeing my father sitting in his lawn chair after all the prep work was done, at our customary spot just down from the reviewing stand on the flatbed trailer, with his cowboy hat on that my mother had tried repeatedly to take from him, sopping wet, surrounded by his seven kids and 27 grandkids, watching the parade go by—the bands, the beauty queens, and then standing up and putting his hand over his heart as the veterans came marching down the street carrying the stars and stripes with the biggest smile I can ever remember seeing on him. My father's infectious spirit taught us to live the spirit of the 4th of July every day—family, community, a strong America and Freedom.

He imparted on us the importance of prayer. We regularly knelt down as a family to say the Rosary, often upstairs by our family's shrine to the Infant Jesus of Prague. When my Hereford cows Priscilla and Modesty got out and could not be found, I distinctly remember praying with him to St. Jude, the patron Saint of lost causes, and thankfully they were found. You can often find my father praying a Rosary by his bed early in the morning when you wake up, or if left alone for any period of time riding in a car. I fondly remember him coming into our bedroom when we were young and saying nightly prayers with my three brothers and me who shared a bedroom.

Eugene Kennedy has been recognized for his community service on a number of occasions, including receiving the Big Heart Community Award in 1988, where people voted at the Northern National Bank on their choice to receive the award and being named Outstanding Senior Citizen for Crow Wing County. This year he also received a statewide appraiser's award and recognition by the Minnesota Independent Insurance Agents for a lifetime of achievement. Eugene continues to be active in the community, starting a 50+ Club at St. Alice and serving on the advisory board for the Minnesota Board on Aging.

Finally, on a lighthearted note, my father taught us to love dessert. Every dinner had to have dessert, even if that meant sharing a can of pears. On the occasion of his 80th birthday, I would like to recognize that my father's life has indeed been dessert for so many people who upon meeting him get a break from having to eat their vegetables and relish in his rich sense of humor and focused attention on them. Happy Birthday, Dad!

PERSONAL EXPLANATION

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. DAVIS of Illinois. Mr. Speaker, I was unable to cast vote on the following legislative measures on July 17 and July 18. If I was present for rollcall votes for the following bills:

375 On motion to suspend the rules and pass, as amended H. Res. 3085—To amend the National Trails System Act to update the feasibility and suitability study originally prepared for the Trail of Tears National Historic Trail and provide for the inclusion of new trail segments, land components, and campgrounds associated with that trail, and for other purposes.

376 On motion to suspend the rules and pass, as amended H. Res. 3496—To amend the National Capital Transportation Act of 1969 to authorize additional Federal contributions for maintaining and improving the transit system of the Washington Metropolitan Area Transit Authority, and for other purposes

377 On motion to suspend the rules and pass as amended H. Res. 3729—Federal Judiciary Emergency Tolling Act

378 On passage H.J. Res. 88—Proposing an amendment to the Constitution of the United States relating to marriage

379 On motion to suspend the rules and pass S. 3504—Fetus Farming Prohibition Act

380 On motion to suspend the rules and pass S. 2754—Alternative Pluripotene Stem Cell Therapies Enhancement Act

381 On motion to suspend the rules and agree H. Res. 498—Supporting the goals and ideals of School Bus Safety Week

I would have voted "yeas" on Nos. 375, 376, 377, 379, 381.

I would have voted "nays" on Nos. 378, 380.

RAISE WAGES, NOT WALLS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. RANGEL. Mr. Speaker, I rise today to submit to the RECORD an opinion editorial from the July 25, New York Times entitled "Raise Wages, Not Walls" by former Governor and Democratic Presidential candidate Michael S. Dukakis and Daniel J.B. Mitchell in which the columnists openly criticize the current two primary policy approaches to illegal immigration, one being the erection of a wall along the Mexican border and the other being a temporary workers program. The apparent inefficiencies and problems inherent in both approaches have helped confirm that the raising of the minimum wage is the best and most efficient alternative.

It is a mistake to assume that the erection and maintenance of a wall will ever stop the influx of immigrants across American borders. Walls rarely work. Spending billions to erect something akin to the Berlin Wall is simply unnecessary, especially at a time when millions of Americans are unemployed. The approach by the Senate is also not very realistic. It created the temporary workers program, but requires employers first to attempt to recruit Americans to fill job openings. Also, its success is dependent on the creation and distribution of a costly national identification card. The cost for producing such a card for the 150 million people currently in the labor force—and the millions more who will seek work in the near future—extends to billions of dollars.

The time to raise the minimum wage is now. More States are raising their minimum wages, pushing hourly rates above $8 in some and shrinking the role of the Federal minimum wage, which hasn't gone up since 1997. It is difficult for Americans to work and sustain themselves with this wage. For full-time work, it doesn't even come close to the poverty line for an individual, let alone provide a family with a living wage. As a result, many immigrants are filling in the gaps left over by Americans, often working for minimum and sub-minimum earnings.

The minimum wage has already proven helpful to former welfare recipients who are entering the workforce. A study of a 1999 State minimum wage increase in Oregon found that as many as one-half of the welfare recipients entering the workforce in 1998 were likely to have received a raise due to the increase. After the increase, the real hourly starting wages for former welfare recipients rose to $7.23.

If we want to reduce illegal immigration, we must reduce the number of low paying jobs that fuels it. By raising the minimum wage, more Americans would be more willing to work in what is currently considered low paying jobs, denying them to people who aren't supposed to be here in the first place.

I enter into the RECORD the New York Times opinion editorial written by Governor Michael S. Dukakis and Daniel J.B. Mitchell and commend them for including raising minimum wage to the contentious debate concerning how to approach illegal immigration. I believe raising the minimum wage is by far a more effective way to deal with illegal immigration.

[From the New York Times, July 25, 2006]

RAISE WAGES, NOT WALLS

(By Michael S. Dukakis and Daniel J. B. Mitchell)

There are two approaches to illegal immigration currently being debated in Congress. One, supported by the House, emphasizes border control and law enforcement, including a wall along the Mexican border and increased border patrols. The other, which is supported by the Bush administration and has been passed by the Senate, relies on employers to police the workplace. Both proposals have serious flaws.

As opponents of the House plan have rightly pointed out, walls rarely work; illegal immigrants will get around them one way or another. Unless we erect something akin to the Berlin Wall, which would cost billions to build and police, a barrier on the border would be monitored by largely symbolic patrols and easily evaded.

The Senate approach is more realistic but it, too, has problems. It creates a temporary worker program but requires employers first to attempt to recruit American workers to fill job openings. It allows for more border fencing, but makes no effort to disguise the basic futility of the enterprise. Instead, it calls on employers to enforce immigration laws in the workplace, a plan that can only succeed through the creation and distribution of a costly national identification card.

A national ID card raises serious questions about civil liberties, but they are not the sole concern. The cost estimates for producing and distributing a counterfeit-proof card for the roughly 150 million people currently in the labor force—and the millions more who will seek work in the near future—extend into the billions of dollars. Employers would have to verify the identity of every American worker, otherwise the program would be as unreliable as the one in place now. Anyone erroneously denied a card in this bureaucratic labyrinth would be unemployable.

There is a simpler alternative. If we are really serious about turning back the tide of illegal immigration, we should start by raising the minimum wage from $5.15 per hour to something closer to $8. The Massachusetts legislature recently voted to raise the state minimum to $8 and California may soon set its minimum even higher. Once the minimum wage has been significantly increased, we can begin vigorously enforcing the wage law and other basic labor standards.

Millions of illegal immigrants work for minimum and even sub-minimum wages in workplaces that don't come close to meeting health and safety standards. It is nonsense to say, as President Bush did recently, that these jobs are filled by illegal immigrants because Americans won't do them. Before we had mass illegal immigration in this country, hotel beds were made, office floors were cleaned, restaurant dishes were washed and crops were picked—by Americans.

Americans will work at jobs that are risky, dirty or unpleasant so long as they provide decent wages and working conditions, especially if employers also provide health insurance. Plenty of Americans now work in such jobs, from mining coal to picking up garbage. The difference is they are paid a decent wage and provided benefits for their labor.

However, Americans won't work for peanuts, and these days the national minimum wage is less than peanuts. For full-time work, it doesn't even come close to the poverty line for an individual, let alone provide a family with a living wage. It hasn't been raised since 1997 and isn't enforced even at its currently ridiculous level.

Yet enforcing the minimum wage doesn't require walling off a porous border or trying to distinguish yesterday's illegal immigrant from tomorrow's "guest worker." All it takes is a willingness by the federal government to inspect workplaces to determine which employers obey the law.

Curiously, most members of Congress who take a hard line on immigration also strongly oppose increasing the minimum wage, claiming it will hurt businesses and reduce jobs. For some reason, they don't seem eager to acknowledge that many of the jobs they claim to hold dear are held by the same illegal immigrants they are trying to deport.

But if we want to reduce illegal immigration, it makes sense to reduce the abundance of extremely low-paying jobs that fuels it. If we raise the minimum wage, it's possible some low-end jobs may be lost; but more Americans would also be willing to work in such jobs, thereby denying them to people who aren't supposed to be here in the first place. And tough enforcement of wage rules would curtail the growth of an underground economy in which both illegal immigration and employer abuses thrive.

Raising the minimum wage and increasing enforcement would prove far more effective and less costly than either proposal currently under consideration in Congress. If Congress would only remove its blinders about the minimum wage, it may see a plan to deal effectively with illegal immigration, too.

IN HONOR OF FRANCIS ALFONSE IANNI

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CASTLE. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to Francis Alfonse Ianni, who is celebrating his 75th birthday this month. Throughout his life he has worked to protect and enhance the well being of the Delaware community and I join so many others in expressing thanks.

Frank began to serve his country at the early age of 13, enlisting in the Delaware State Guard in 1945. He quickly rose to the rank of Sergeant and transferred to the Delaware National Guard, where he served as a Staff Sergeant. He attended Valley Forge Military Academy and was designated as a distinguished, military graduate. In 1954 he graduated from the U.S. Military Academy at West Point and was commissioned a 2nd Lieutenant to the 82nd Airborne division. Overseas, he served in Greenland, West Germany, and two tours in Vietnam. Upon his return, he continued to serve in the army as a Special Assistant for the National Security Council Affairs, and later, in the Office of the Secretary of Defense. In 1977, he went on to become the Adjunct General of the Delaware National Guard.

His dedication to protecting others transcends well beyond his military service. In 1981 he retired from the Delaware National Guard and accepted the position of Director of the Delaware Office of Highway Safety. While holding this position he was responsible for numerous significant advances in protecting our community, including: the Driving Under the Influence Law, Seat Belt Law, and Child Safety Seat Law. He also initiated the first sobriety checkpoints throughout Delaware, and was responsible for the first Alcohol Awareness Programs conducted around the holidays.

Even after leaving the Office of Highway Safety, Frank continued to be an active and benevolent member of the Delaware community. He taught as an Adjunct Professor at Goldey-Beacom College in Wilmington, teaching courses in business and political science until his retirement in 2000. He has also served on numerous boards including the Delaware Blood Bank and the Delmarva Chapter of the American Red Cross. I congratulate and thank him for his valuable contributions and exemplary record of service on behalf of the State of Delaware. Thank you, for all you have done and continue to do for the people of our State.

INTRODUCTION OF THE "INTEGRITY AND ACCOUNTABILITY IN ADMINISTRATION PARDONS ACT OF 2006"

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CONYERS. Mr. Speaker, today, along with several of my colleagues, I am introducing legislation that would require the president to notify Congress upon the pardon of any Executive Branch employee. This notification is necessary because it is possible that the president could pardon an employee of his administration as a means of preventing an investigation from running its course and, perhaps, uncovering information critical of the administration. Without limiting the president's pardon authority under Article II of the Constitution, it is important for purposes of public accountability that Congress and the American public be notified when he does pardon one of his own employees.

The need for this legislation came to light as a result of the Justice Department's investigation into an administration official's leak of CIA officer Valerie Plame Wilson's identity. The indictment of I. Lewis Libby, who was the Vice President's Chief of Staff, for false statements, perjury, and obstruction of justice in connection with the investigation raised concerns that the President might use his authority to pardon Mr. Libby or other officials involved in serious criminal offenses. This is a concern because President George W. Bush refused to respond to a July 25, 2005 letter I sent seeking his assurance that he would not pardon any former or current officials involved in the leak of Valerie Plame Wilson's name. Also, a June 18, 2006 article by Tom Brune of Newsday notes that the Bush White House may gain political advantage by pardoning Mr. Libby.

This is why Congress and the American people should be informed if and when a president pardons an administration employee. The notice should include information that sets forth the complete picture surrounding the pardon. This would include: the name and government title of the person, nature of the offense, the date of the pardon, the effect of the pardon on any criminal sentence or fine that may have been imposed, whether the person was involved in any criminal or civil investigation, whether the president sought the opinion of the lead Federal investigator on whether a pardon should be granted, and the position of the lead Federal investigator on whether a pardon should be granted.

PERSONAL EXPLANATION

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. LORETTA SANCHEZ of California. Mr. Speaker, on Monday, July 24, 2006, I was unavoidably detained due to a prior obligation.

Had I been present and voting, I would have voted as follows: Rollcall No. 394: "yes" (S. 1496); Rollcall No. 395: "yes" (S. 203); and Rollcall No. 396: "yes" (H.R. 5534).

PAYING TRIBUTE TO BOB FISHER

HON. JON C. PORTER

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PORTER. Mr. Speaker, I rise today to honor my good friend Bob Fisher, who will begin his 13th year as President and CEO of the Nevada Broadcasters Association in August of this year.

Bob has been the driving force behind recording oral history video interviews with Nevada's pioneer radio and television broadcasters to be preserved for future generations. For the past 12 years, Bob has hosted a weekly public affairs radio program called "Observations" that airs on 17 stations. In addition, he has hosted a weekly public affairs television program, also named "Observations", that airs on four Northern Nevada stations. "Observations" is Nevada's most listened-to public affairs radio program.

Over the course of his long and distinguished career as a broadcaster, Bob has earned a number of accolades. He has earned three American Advertising Federation ADDY Awards for his broadcasting work, as well as Electronic Media Awards in 2000, 2001, and 2002.

Bob's service to the community extends beyond radio and television broadcasts. Currently, Bob serves as the State Coordinator and Chairman of the Nevada AMBER Alert Review Committee. He is a member of the Nevada Homeland Security Commission and serves as Rural Taskforce Chairman. He is also a member of the Nevada BRAC Commission, and a former President of the National Alliance of State Broadcasters Associations (NASBA). Furthermore, Bob is a former member of the Board of Trustees of the Las Vegas Chamber of Commerce.

Mr. Speaker, I am proud to honor my friend Bob Fisher. Bob has been a tireless advocate for the broadcasters in the State of Nevada and has built a very respectable relationship between the broadcasters and our State and Federal Governments. I wish him the best as he continues his leadership of the Nevada Broadcasters Association.

CONCERNS WITH VIOLATIONS OF NORMAL COMMERCIAL RIGHTS AND OBLIGATIONS BY GAZPROM AND RUSSIA

HON. KAY GRANGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. GRANGER. Mr. Speaker, I rise today to submit to the RECORD an article titled "Texas Energy Concern, Assailing Big Russian and German Providers, Talks of Lawsuits" from the May 19 edition of the New York Times. The article, by Paul Meller, describes a situation impacting an important business in the 12th district of Texas.

Since 1997, Moncrief Oil International, Inc. of Ft. Worth, Texas, has held a significant contractual interest in the development of the Siberian Yuzhno-Russkoye gas field owned by Gazprom, Russia's state-owned gas monopoly. Despite Moncrief Oil's well-documented claim, Gazprom is now in the process of transferring mineral assets to European firms that infringe upon the U.S. company's commercial rights and interests.

I am concerned about this apparent violation. It is my hope that Gazprom and Russia will honor and enforce all contractual obligations relating to its strategic minerals industries.

[From the New York Times, May 19, 2006]

TEXAS ENERGY CONCERN, ASSAILING BIG RUSSIAN AND GERMAN PROVIDERS, TALKS OF LAWSUIT

(By Paul Meller)

BRUSSELS, May 18.—An American-based energy company, Moncrief Oil International, is threatening to sue two German companies, contending that an agreement they signed with the Russian giant Gazprom interfered with Moncriefs existing contracts to develop natural gas fields in western Siberia.

Moncrief—a privately owned, family-founded business in Fort Worth—has sent letters to the German companies, E.On and Wintershall, a gas-distribution unit of the German chemical group BASF, informing them of its plans to take legal action in the German courts, Moncriefs president, Jeffrey Miller, said Thursday in a telephone interview.

The threat of the suit in a German court is the latest twist in Moncriefs efforts to get Gazprom to comply with an agreement in 1997 that gave it a 40 percent stake in the Yuzhno-Russkoye field.

Moncrief contends that Gazprom has ignored the agreement and is selling stakes in the natural gas field to other companies, including the 40 percent stake Moncrief says it owns.

In a statement issued after the letter to Wintershall was sent, the company's chairman, Richard W. Moncrief, said, "While Moncrief has delivered on its side of the deal, Gazprom has not honored its signed agreement with Moncrief, instead choosing to sell a stake in the field to BASF, and perhaps E.On."

Late last month, Gazprom signed an agreement that gave Wintershall a 35 percent stake in the Yuzhno-Russkoye field in return for an increased stake in Wingas, a joint venture involving Gazprom and BASF.

Gazprom currently owns 35 percent of the joint venture. But under the agreement signed last month in the Siberian city of Tomsk and witnessed by President Vladimir V. Putin of Russia and Chancellor Angela Merkel of Germany, Gazprom's stake in Wingas will rise to just under 50 percent.

Gazprom is also poised to sign a similar development deal with E.On.

"Their discussions are advancing," Mr. Moncrief said. "The letter to E.On is preemptive and assumes that it will strike a similar deal with Gazprom to the one signed last month.

"Both BASF and E.On were informed by Moncrief of its prior interest in the Y.-R. field in 2005 when the first reports of a deal with Gazprom were emerging, and again in March this year—we still received no response. Certainly no one has ever denied the existence of our prior interest."

A Wintershall spokesman, Stefan Leunig, refused to "comment on the validity of Moncriefs claim."

Mr. Leunig said he did not expect the threat of legal action from Moncrief to affect the deal it signed with Gazprom last month, adding that his company's lawyers "do not recognize any legal foundation for a lawsuit by Moncrief against BASF-Wintershall in a court in Germany."

E.On could not be reached for comment.

Mr. Miller said he was confident that his company had grounds to sue. "Wintershall and E.On both know that their interest in the Y.-R. field interferes with Moncriefs contracts," he said, adding, "We value our 40 percent stake in Yuzhno-Russkoye at around $8 billion."

Moncrief agreed to invest $800 million to $1 billion in the gas field, which it estimates contains 600 billion cubic meters of natural gas deposits. Mr. Miller said it had spent $10 million to $15 million on engineering and financing connected with the gas field.

Moncrief tried to sue Gazprom in Federal District Court in Fort Worth, but the court ruled that the case fell outside its jurisdiction. Moncrief is appealing that decision. In the meantime, rather than pursue Gazprom on its home territory, Mr. Miller said his company stood a better chance of fair treatment in Germany. "We don't think well get a fair trial in Russia," he said.

Michael Emerson, a specialist in European energy matters with the Center for European Policy Studies in Brussels, an independent research group, said Gazprom had reasons for extending its distribution reach further into Europe.

In addition to selling in lucrative European markets, the company is trying to thwart efforts to establish a new pipeline bringing gas from Turkmenistan to Europe through Turkey. Pressure to create such a pipeline mounted after gas supplies from Russia were cut to countries including Ukraine this past winter.

"Gazprom doesn't want this alternative supply route," Mr. Emerson said. "By consolidating its stake in E.On and BASF, Gazprom will gain a voice in all the strategic investment issues, and will be better placed to persuade European companies not to invest in a competing route."

TRIBUTE TO LANIE BLACK

HON. JO ANN EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mrs. EMERSON. Mr. Speaker, I rise today to recognize Lanie Black for his years of public service to citizens of Southeast Missouri. Rep. Black has represented the 161st district in the Missouri House of Representatives since 1998, and he will retire at the end of the 2d Session of the 93rd General Assembly. While in the Missouri House of Representatives, Lanie Black has been an active member of the Economic Development Committee and chaired the Transportation Committee. He has been a tireless advocate for his constituents, ensuring that their views are represented in the Missouri General Assembly.

Lanie has been a life-long resident of Charleston, Missouri. He is a 1965 graduate of Charleston High School. He then went on to Vanderbilt University to earn a bachelor's degree in chemical engineering. After graduating from Vanderbilt, Rep. Black served as a diver for the U.S. Navy.

In addition to serving in the Missouri House of Representatives, Lanie Black has been an active member of his community. Rep. Black operates a poultry farm near Charleston, Missouri. He is a member of the local Kiwanis Club and the Missouri Farm Bureau. Lanie has continued to help the Boy Scouts of America as a scoutmaster. In 1993, Lanie Black was honored as the Charleston Man of the Year for his outstanding community involvement.

There are few individuals in public service who are as dedicated to our communities and country as Lanie Black. He has always put the views and interests of his constituents before his own political interest. Rep. Black was able to use his great knowledge of agriculture and rural affairs to better represent the needs and concerns of the citizens of Southeast Missouri. His strong faith and firm values guided him to public service, and he will exit that stage with dignity and class.

Mr. Speaker, I once again ask my colleagues to join me in honoring Rep. Lanie Black. Missouri is a better place because of his leadership, and we wish Rep. Black the best of luck in all his future endeavors.

TRIBUTE TO PETER MYERS

HON. JO ANN EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mrs. EMERSON. Mr. Speaker, I rise today to honor Peter Myers, Missouri State Representative for the 160th legislative district. Rep. Myers is retiring from the Missouri General Assembly after eight years of distinguished service.

Rep. Myers was born on January 4, 1931 in Racine, Wisconsin. Upon graduation from William Horlick High School in Racine, Wisconsin, he earned a Bachelor's degree in agriculture from the University of Wisconsin-Madison in 1953. Rep. Myers proudly served his country from 1953–1955 as a 1st Lieutenant in the U.S. Army Ordinance Corp. Rep. Myers then moved to Southeast Missouri in 1955, to own and operate a farm on the outskirts of Sikeston, MO. From 1955–1982, Rep. Myers worked the land and spent countless days in the fields cultivating crops. During this time, Rep. Myers gained a reputation as being an extremely knowledgable and skilled farmer.

In the early eighties, Rep. Myers ventured into public service by accepting positions with the U.S. Department of Agriculture. Although Rep. Myers had been involved in many civic organizations and recognized as a leader in Missouri Agriculture, he was able to bring his expertise to a national level. He served in several capacities throughout USDA, and eventually rose to the level of Deputy Secretary of Agriculture during the Reagan Administration. After Rep. Myers' service to USDA, he remained a strong voice for the American farmer.

In 1998, Rep. Myers decided to further serve Missourians in the General Assembly. He won a seat in the Missouri House of Representatives, representing the 160th District. Rep. Myers eventually rose to become the Chairman of the House Committee on Agriculture. Missourians have been fortunate to have such a devoted and well-versed member of the General Assembly. In addition to Rep. Myers' legislative duties, he advises Adopt a Farm Family of America, Inc., which is a Christian organization that provides support to rural citizens. Rep. Myers has committed his life to bettering the lives not just of farmers or his constituents, but of all Missourians.

As Rep. Myers completes his final term in the Missouri General Assembly, he can rest assured his actions in Jefferson City are well-respected by all Missouri farmers. His wife Mary and five children deserve to be commended as well, for they have supported Rep. Myers through the years. I once again congratulate Rep. Myers on his devoted service to the citizens of Missouri's 160th District. While Rep. Myers' time in office is winding down, I am certain he will remain a prominent figure in Missouri public life.

TRIBUTE TO DANIELLE BRIGHT

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. ENGEL. Mr. Speaker, I rise today to pay tribute to Danielle Bright, a Haitian community leader, education activist and upstanding member of the Rockland county community.

Born in Haiti in 1951 her family fled the oppressive Francois "Papa Doc" Duvalier regime in 1964. Her family then spent two years in Congo before moving to Europe. It was in 1971, in France that she married Lealy Bright; they later had two children. The family eventually settled in the United States in 1978, first in Brooklyn and then in my district in Rockland County.

After moving to New York, Ms. Bright did not forget her Haitian heritage. She went on to be a longtime activist for the Haitian Community in Rockland County. She was the founder and a board member of the Haitian-American Parents Association. Most recently, she was honored at the annual dinner of the Martin Luther King Multi-Purpose center.

Fighting for the Haitian community was just one of Ms. Bright's causes. She was also a strong advocate for education for all children. She was an active member of the East Ramapo Board of Education. An ardent opponent of school budget cuts, she always argued that children deserved better. Those who worked alongside Ms. Bright on the school board called her a fierce advocate, dedicated to her work.

Danielle Bright spent a large portion of her life trying to improve the lives of others. She will be sorely missed by all of those in the community whose lives she touched.

RECOGNIZING THE 100TH ANNIVERSARY OF THE IRANIAN CONSTITUTIONAL REVOLUTION

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. BLUMENAUER. Mr. Speaker, next month marks the 100th anniversary of the Iranian Constitutional Revolution, a pivotal event in Persian and Middle Eastern history. In the face of a corrupt and authoritarian monarchy, and in order to defend Persian interests against British and Russian imperialism, the Persian people rose up and forced the creation of a parliament and the adoption of a constitution containing basic democratic rights for the first time in Iranian history.

To mark these events, I will be introducing a resolution recognizing and honoring the 100th anniversary of the Iranian Constitutional Revolution, which I have drafted with the support of leading members of the Iranian-American community and the input of preeminent scholars of modern Iranian history.

At a time when the United States faces very serious and difficult issues with regards to Iran, this historic event demonstrates that the Iranian people have a long-standing desire for democratic self-government, free from authoritarian rule or foreign interference. I believe that understanding these values common to the Iranian and American peoples, as well as Iran's political history, will help us develop a constructive policy towards Iran. It is also an important sign of support for the Iranian people and our Iranian-American constituents.

INTRODUCTION OF THE HOMELESS VETERANS ASSISTANCE ACT OF 2006

HON. MICHAEL H. MICHAUD

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. MICHAUD. Mr. Speaker, today I am introducing H.R. 5960, the Homeless Veterans Assistance Act of 2006, to fortify our Nation's efforts to prevent and end homelessness among veterans.

Each night, as many as 200,000 male and female veterans are sleeping in a doorway, under a bridge, in an alley, box, barn, car, or homeless shelter. While the number of homeless veterans has decreased somewhat, many veterans are on the brink of homelessness. Many veterans are at high risk of homelessness because of poverty, dismal living conditions, and lack of support.

A third of homeless men living on the street are veterans. Women veterans are up to four times more likely to become homeless when compared with their peers in the general population. According to the National Coalition for Homeless Veterans, the number of women among homeless veterans is increasing, from 2 percent of the homeless veteran population in 1996 to 7 percent at the end of 2005.

About half of all homeless veterans suffer from mental illness. More than two-thirds suffer from alcohol or drug abuse problems.

Behind these disturbing statistics are real men and women who have served our nation. We must lift the veil of invisibility that conceals the reality of homeless veterans. We must take action to honor these veterans. The Department of Veterans Affairs has many good programs that need Congressional reauthorization to continue. However, even with these programs, we are not meeting the demand or providing adequate support to prevent at-risk veterans from falling into homelessness.

Earlier this month the Associated Press reported that homelessness is a threat for returning veterans from Iraq and Afghanistan. Herold Noel is a 26-year-old former Army private first class who served in Iraq during the beginning of the war. When he returned to New York, he could not find a job to support his wife and children. They ended up in a homeless shelter after the housing programs for veterans in the city were full. Mr. Noel is suffering from post-traumatic stress disorder (PTSD), caused by his experience in the service. Mr. Noel, who drove a fuel-truck in Iraq, has had to deal with nightmarish images that he saw during war.

We must and can take steps to prevent homelessness among our returning troops.

My legislation recommits our nation to preventing and ending homelessness among veterans.

My legislation is the result of an ongoing dialogue with the National Coalition for Homeless Veterans, information and findings from a Congressional briefing sponsored by Democratic Members of House Committee on Veterans Affairs, which heard from VA experts, community providers of care for homeless veterans and former homeless veterans, reports from the Department of Veterans Affairs Advisory Committee on Homeless Veterans, and annual reports from the VA evaluating VA's health care programs for homeless veterans.

Specifically my legislation would extend expired authorization for VA's successful Homeless Veterans Grant & Per Diem Program through 2011 and reauthorizes yearly appropriations for the program at $200 million.

In fiscal year 2005, the average per day payment to community providers to provide shelter, meals and intensive supportive services to veterans was $24.16. It would be hard to find a hotel room in most cities at that rate, let alone provide a veteran with meals and supportive services, such as mental health and vocational counseling. My legislation would put the per diem rate paid to community service providers on par with the per diem rates for State Veterans Homes providing domiciliary care, which is $31.30 for 2006.

This increase will greatly improve the capacity of community providers to help homeless veterans recover, rehabilitate and reintegrate back into society.

My legislation also improves accountability and performance of the Homeless Veterans Grant & Per Diem Program by requiring the Secretary to establish performance standards to evaluate and document clinical activities and outcomes.

The legislation also would require each grant recipient to provide financial information necessary for the VA to verify that payments provide services to homeless veterans.

VA provides grants for comprehensive homeless service centers that are open to homeless veterans on an unscheduled and drop-in basis. These centers are a vital access point to homeless veterans. The legislation clarifies that funding for these drop-in service centers for homeless veterans may be used to maintain adequate staffing for services.

The authorization to treat veterans suffering from serious mental illness, including homeless veterans expires on December 12, 2006. In addition, the authority to expand and improve the provision of benefits and services to homeless veterans in the 20 largest metropolitan areas expires on December 31, 2006. The legislation extends both authorities for five years, through 2011.

The legislation also extends authorization of program in 38 U.S.C. 2041 through 2011.

At the May 18, 2005, Congressional briefing on homeless veterans, we heard from Denise Randolph, a former homeless woman veteran. She explained that when she went to the VA to stay at the domiciliary she felt unsafe because the space was not set up to house women. VA experts confirmed that many VA domiciliary programs are not equipped to handle the privacy and safety needs of female veterans, although VA is addressing this problem. Given that more women are serving in our armed forces and those women veterans are at greater risk for homelessness, we must ensure that female veterans have access to safe VA programs. The bill would require the VA to enhance its capacity to provide safe domiciliary care for women veterans.

The VA has no specific programs to help community providers who focus on homeless veterans in rural and remote locations. This legislation would authorize special grants to community providers to meet the needs of homeless rural veterans.

Dental care has consistently been identified in the top five unmet needs of homeless veterans. The legislation expands homeless veterans' eligibility for dental services and treatment.

The legislation authorizes appropriations of $1 million each year through 2011 to provide technical assistance grants to assist community providers in addressing the problems of homeless veterans.

The authorization for the Department of Veterans Affairs Advisory Committee on Homeless Veterans expires on December 31, 2006. This committee has been very effective in assessing the effectiveness of VA policies, organizational structures and services to assist homeless veterans. The Committee has also been pivotal in identifying gaps in programs and barriers to addressing the needs of homeless veterans. The legislation reauthorizes the Committee through September 30, 2011. The legislation also clarifies that the Executive Director of the Interagency Council on Homelessness, the VA Under Secretary for Health and VA Under Secretary for Benefits are exofficio members of the Committee.

Helping transition homeless veterans is a complex and challenging effort that requires vigilance and coordination. A number of geographic regions of VA hospitals do not have full-time staff as Homeless Veterans Coordinators. My legislation requires each Veterans Integrated Service Network, known as VISNs, to have at least one full-time Homeless Veterans Coordinator.

Last August, our nation saw the destructive force of Hurricanes Katrina and Rita. The homeless shelters in New Orleans, like other structures, suffered damage from this disaster. The legislation would authorize the VA to make emergency grants to community shelters providing care for homeless veterans to repair or replace facilities that are damaged or destroyed by a disaster.

Homeless veterans with severe disabilities, including mental health disorders, need supportive services to maintain their functional lives. Linking permanent housing to supportive services is an effective way to end long-term homelessness for veterans who have mental health disorders, including substance abuse or other disabling conditions. According to the Corporation for Supportive Housing, providing supportive services to individuals in permanent housing reduces costly emergency room visits by 57 percent, decreases inpatient hospital days by 58 percent and reduces use of public residential mental health programs by 100 percent. The VA's research has found that homeless veterans who have housing and supportive services can revive social networks and rebuild their family relationships.

My good friend and colleague from New Hampshire, Representative JEB BRADLEY, has introduced legislation to require the VA, in coordination with HUD, to provide financial assistance to non-profit organizations to coordinate the provision of supportive services for very low-income veterans residing in permanent housing. I support his bill and I have included a similar provision in my legislation.

In addition to providing the services at-risk veterans need to remain in permanent housing, we must also take steps to prevent homelessness. The legislation authorizes the VA to conduct a demonstration program, in at least three sites, to identify veterans who are at risk of becoming homeless after discharge or separation from the armed services and provide referral and counseling services to help prevent such veterans from becoming homeless.

The legislation makes permanent the successful pilot program to provide counseling and outreach to at-risk veterans who are transitioning from a penal institution or an institution that provides long-term care for mental illness.

The Homeless Veterans Assistance Act of 2006 has the strong support of the National Coalition for Homeless Veterans, the Iraq & Afghanistan Veterans of America and the Corporation for Supportive Housing.

I urge my colleagues to support the Homeless Veterans Assistance Act of 2006.

IN HONOR OF THE MONTEREY COUNTY FAIR

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. FARR. Mr. Speaker, I rise today to congratulate the Monterey County Fair on an outstanding 70 year tradition. During the week of August 15–20, 2006, the 7th District Agricultural Association's official County Fair will be enjoyed by both community residents and visitors with a theme of "That's Entertainment."

The Monterey County Fair promotes Monterey County's rich agricultural heritage with livestock demonstrations, displays and auctions to raise money for scholarships, including the participation of over 5,000 of Monterey County's youth through programs such as FFA and 4–H in festivities offered at the fair.

Exhibitors can choose from agriculture, horticulture and floriculture divisions for those with a green thumb, visual arts for the crafty and artistic, home arts for culinary whizzes and wine makers, and photography for camera buffs. Livestock categories include cattle, sheep, swine, rabbits, and poultry. These fun and friendly competitions are a chance to win both ribbons and prize money.

The Fair hosts Kids' Day, Seniors' Day, and Special Friends Day so that all children under age of twelve, all senior citizens living in Monterey County, and citizens of who are mentally or physically challenged can enjoy the fair.

The Monterey County Fair provides an excellent showcase of the unique, creative talents of the residents of Monterey County including crafts, fine art and photography. With over 200 categories for exhibitors to choose from, such opportunities increase self-esteem and community pride for all ages. This year they have added such innovative educational exhibits as a Living Food Pyramid that showcases local produce and teaches nutrition in a dynamic way, a Birthing Barn, Kid Tractor Pulls, a special new Kids Club, a Wild West Express Act, a special Street Rodder Car Show, and the all new Battle of the Bands.

The Monterey County Fair has launched a year-round Kid's Club to encourage Monterey County kids to learn more about the Monterey County Fair and get involved with many Fair activities year-round while having fun, such as the Read and Ride contest, coloring contest, and special Kids' Day activities.

Mr. Speaker, on behalf of Monterey County and all its citizens, I want to acknowledge the valuable contributions of the Monterey County Fair, and wish them all the best on their 70th anniversary.

PERSONAL EXPLANATION

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. HOLT. Mr. Speaker, because of a briefing in the House Permanent Select Committee on Intelligence, I was absent for rollcall vote 414 on an amendment by Congressman TOWNS. Had I been present, I would have voted "aye".

HONORING MS. NORCELLA GIBSON FOR RECEIVING THE KINDRED SPIRIT AWARD

HON. C.A. DUTCH RUPPERSBERGER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. RUPPERSBERGER. Mr. Speaker, I rise before you to acknowledge the good deeds of a caring and compassionate woman who has been an effective advocate for defenseless animals. Ms. Norcella "Sally" Gibson is the creator of Lucky Cat Rescue, an organization established to save the lives of stray and feral cats.

Along with rescuing and re-homing over 250 cats each year, Ms. Gibson can add to her resume the Kindred Spirit Award from the Doris Day Foundation. The award is given to people who show extreme kindness and compassion to animals. By founding an organization that gives cats and kittens medical attention, foster care, proper diet, and loving homes, Sally Gibson was a first-rate candidate.

Sally, the Executive Assistant to the Chief of Pediatrics at the University of Maryland Hospital for Children, is known for her devotion to the safety and well-being of our most vulnerable, animals and children.

Lucky Cat Rescue takes in cats and kittens that are considered "unadoptable" by other shelters. In fact, these are the cats that would potentially be euthanized. Ms. Gibson maintains three feral cat colonies. She and other volunteers offer these cats a home and foster families. Proud foster parents report back with incredible success stories.

Lucky Cat Rescue also serves as an educational organization. They provide information and resources to surrounding communities regarding the spaying and neutering of cats in order to reduce the amount of unwanted litters.

I believe it is important to protect animals. I proudly became a cosponsor of the Pet Animal Welfare Statue (PAWS) of 2005. This legislation regulates the pet industry and requires all commercial breeders to comply with basic animal welfare rules.

We live in a fast-paced world. Often times, the needs of animals can get overlooked. Ms. Gibson's, Lucky Cat Rescue is a place that shelters these creatures from cruelty. It gives me great pleasure to have a strong organization such as this in the Second Congressional District of Maryland.

Mr. Speaker, I am proud to bring before you today a woman with such a strong sense of empathy and humanity. The acts of kindness she has shown saved the lives of hundreds of animals. Ms. Norcella Gibson is worthy of great recognition for her kindheartedness.

ON THE PASSING OF AMBASSADOR ANNE FORRESTER

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. LEE. Mr. Speaker, I rise today with a heavy heart to pay tribute to my sister, and friend, colleague Ambassador Anne Forrester, one of the premier civil servants and pan-Africanist of our generation. A great spirit departed this world when Anne lost her battle with pancreatic cancer and passed away in her home in New York City on June 23, 2006.

Today we mourn the loss of this great woman and celebrate her great legacy. As the third African-American woman ambassador in U.S. history and co-founder of TransAfrica

Forum, Anne was a leader and mentor to us all. She devoted her life to public service and touched the lives of countless individuals. At the same time, Ambassador Forrester broke down barriers and paved the way for others to follow in her stead and continue the charge.

As an Ambassador from the United States to Mali, a senior aide to U.S. United Nations' Ambassador Andrew Young, Staff Director of the Sub-Committee on Africa for the House of Representatives, and a senior official at United Nations Development Program in Africa and in the Caribbean, Ambassador Forrester had a truly inimitable impact on the African Diaspora.

I met Anne on Capitol Hill during the mid-70s and got to know her and benefited from her brilliance, her great intellect, and her warm heart.

Today, my thoughts and prayers are with her family—daughters Camara and Kandia and aunts, Helena and Ethel—during this difficult time, along with the countless individuals throughout the world who were impacted by her tireless dedication to public service. We all share their pain.

Ambassador Forrester was truly an unparalleled force on the forefront of an international movement; she worked tirelessly to connect and improve the condition of African peoples throughout the Diaspora. And no words can express how greatly our sister-friend will be missed. Anne's far-reaching contributions to foreign affairs set a premier example for people all over the world. As we mourn her loss, we all must commit ourselves to ensure that Anne's spirit and work will live on.

HONORING THE CITY OF HUNTINGTON PARK ON THE OCCASION OF ITS 100TH YEAR ANNIVERSARY CELEBRATION

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise today to recognize the City of Huntington Park and its more than 64,000 residents on the occasion of the city's 100th year anniversary.

I am proud to have this great city as part of my 34th Congressional district of California.

With a long and distinguished history and a vibrant community, the city of Huntington Park has evolved from a small community of 526 residents in 1906 to a bustling retail center for the Los Angeles County region in 2006.

In the latter part of the 18th century, the land which would eventually become the city of Huntington Park was a vast, unexplored territory. The first European of record to arrive to the area was Francisco Salvatore Lugo, a soldier-explorer and personal friend of the King of Spain. For almost a hundred years, the early history of the area was the history of the prosperous Lugo Family.

In the early 20th century, ownership of the land was passed from the Lugo Family to the farmers, developers, and settlers who were preparing the way for the birth of the city of Huntington Park. Among the prominent names in the city's history was a pair of land developers named A.L. Burbank and E.V. Baker who arrived in the area in 1899. By 1901, these two developers controlled a 100-acre tract of land, which they named "La Park". Burbank and Baker were prominent names in the area, but they themselves had no intention of founding a city. Their vision of La Park was for a commercial center and way station for all transport of goods between Los Angeles and San Diego. In 1902, prominent industrialist Henry Huntington extended a line of his Pacific Electric Railway to La Park, and changed the name to "Huntington Park".

A group of early residents became the city founders. They were: George A. Garlow, Dr. Louis Weber, Dr. Clinton W. Hubbard, A.E. Walters, O.G. Jones, A.A. Weber, D.B. Lyons, William Linsey, and Frank Tate. These men of true pioneer spirit and foresight formed the Huntington Park Improvement Association and things began to happen. On September 1, 1906, with 526 residents, the area was officially established and recognized as the City of Huntington Park.

Today, Huntington Park, "The City of Perfect Balance," is a dynamic city with exceptional recreation and social service programs. The city provides superior-quality public safety, transportation, and community development services to its residents and businesses while cultivating a unique small town ambiance. The stretch of Pacific Boulevard in downtown Huntington Park is a major, thriving commercial district serving as a major retail center for the largely, working-class communities of southeastern Los Angeles County.

As part of the City of Huntington Park's 100th anniversary, a centennial celebration will be held at the city's civic center. The city's year-long celebration will include special recognitions from local organizations including the Huntington Park Police Department and the Greater Huntington Park Area Chamber of Commerce.

The 100th year anniversary of The City of Huntington Park is another milestone in the rich history of the city, as well as in the history of the state of California and the United States. I am honored to represent this thriving community in Congress, and I join the Huntington Park community in celebrating this wonderful anniversary.

INTRODUCING A CONCURRENT RESOLUTION RECOGNIZING AND HONORING THE 20TH ANNIVERSARY OF THE FOUNDING OF THE LAMBDA THETA NU SORORITY, INCORPORATED, THE FIRST INTERCOLLEGIATE GREEK-LETTER SORORITY ESTABLISHED FOR LATINA COLLEGE WOMEN ON THE WEST COAST

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. STARK. Mr. Speaker, it is my distinct pleasure to rise today to introduce a Concurrent Resolution recognizing and honoring the 20th anniversary of the founding of the Lambda Theta Nu Sorority, the first intercollegiate Greek-letter sorority established for Latina college women on the West Coast.

Lambda Theta Nu is a wonderful sorority. It has now grown into a well developed and structured organization that caters to the needs of Latina women in higher education. This sorority's B+ average grade point average among all its undergraduate members shows their dedication to academic excellence among Latina college women. Lambda Theta Nu prides itself on turning girls into women, Latinas into professionals, and students into graduates. Lambda Theta Nu's devotion to the Latino community and the positive development of its members should be applauded by all Members of the House.

The text of the resolution follows, and I urge my colleagues to show their support for this distinguished organization by cosponsoring it.

Recognizing and honoring the 20th anniversary of the founding of the Lambda Theta Nu Sorority, Incorporated, the first intercollegiate Greek-letter sorority established for Latina college women on the West Coast.

H. CON. RES. ___

Whereas the Lambda Theta Nu Sorority was founded by 18 young women on March 11, 1986 at California State University, Chico;

Whereas Leticia Campos, Mary Helen Coronado, Pamela Daña, Abigail Estrada, Cecilia Fabian, Guadalupe Favela, Maria Gonzalez, Josephine Hernandez, Theresa Jauregui, Patricia Lozano, Luz Amelia Martinez, Rosa Meza, Imelda Michel, Rosana Michel, Teresa Reyes, Camille Rugama, Lisa Saldano, and Rosabelia Sanchez, the founders of the sorority, recognized and responded to the needs of Latina women in higher education and established an innovative organization to respond to these needs;

Whereas the principles of the Lambda Theta Nu Sorority are academic excellence, community service and sisterhood;

Whereas Lambda Theta Nu Sorority fosters collegiate academic excellence and promotes an environment for personal growth within a unit of sisterhood for all its members;

Whereas Lambda Theta Nu Sorority does not discriminate based on race, national origin, religion, sexual orientation or handicap;

Whereas, for over 20 years, Lambda Theta Nu Sorority has played an integral role in improving the college graduation rate for Latinas across 25 college campuses in California, Colorado, Nebraska and Texas;

Whereas Lambda Theta Nu Sorority is a founding member of the National Association of Latino Fraternal Organization, the first of its kind.

Whereas for over 20 years the sisters of Lambda Theta Nu Sorority have been committed and devoted leaders for the Latino community by serving as positive and educated role models, and contributed to efforts to increase Latino literacy nationwide: Now, therefore, be it:

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) recognizes and honors the 20th anniversary of the founding of Lambda Theta Nu Sorority;

(2) commends its Founders and all Lambda Theta Nu Sorority, Inc. sisters for their bond of sisterhood, common ideals and beliefs, and service to the Latino community; and

(3) expresses its best wishes for Lambda Theta Nu Sorority Inc.'s continued success and growth.

RESOLUTION TO COMMEND THE PEOPLE AND GOVERNMENTS OF CYPRUS AND TURKEY

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to introduce a resolution expressing our deepest gratitude to Cyprus and Turkey.

We are all following the news from the Middle East with concern and regret. The Lebanese South—for many years a region of civil war, of mortal fear and hopelessness—is burning again. Parts of Israel are suffering under permanent rocket fire. The military actions are causing humanitarian difficulties, as well. Thousands of Americans and Europeans are suffering in the region. When Hezbollah started their offensive against Israel, there were at least 25,000 American citizens in Lebanon.

The current situation painfully reminds me of Lebanon in the year 1983, when 241 Americans were killed in a suicide bombing. It also brings to mind the evacuation of American citizens from Iran in 1979 and from Vietnam in 1975.

However, we must remain optimistic. There is some light in the darkness, something not to overlook in these sorrowful days: Even at a time when the United States is not the most beloved country in the world, we can feel that we are not alone. We are not alone in our efforts to save the lives of our citizens. True friendship is shown in difficult times, and I am glad it does.

I hope we are all aware that the United States could never manage the evacuation of 25,000 citizens without reliable partners in the region. Bearing this in mind, I feel deeply grateful not only toward two governments but also towards two people: The governments and people of the Republics of Cyprus and Turkey.

Cyprus opened her doors to Americans evacuating Lebanon. On July 15th, a short-time after the Israeli reaction started, the Cypriot government declared its readiness to assist efforts for the evacuation of U.S. citizens and other nationals fleeing Lebanon.

The government set up a committee to organize the reception of thousands of evacuees—between 5,000 and 10,000 were expected just in the first week of the evacuation. Keeping in mind that the Republic of Cyprus does not have more than 750,000 inhabitants, this is an enormous task.

Thousands of American citizens have already been evacuated to Cyprus. Many of them breathed a big sigh of relief! We received reports about the extraordinary hospitality offered to our evacuees. The Cypriot people obviously know about the needs of people suffering under war and terror due to their own painful history of war and separation.

Besides Cyprus, our Turkish friends also offered their support. For the purpose of the evacuation of American citizens they provided their Mediterranean seaport Mersin. From there our evacuees can easily be transported to the U.S. military base of Incirlik. The Turkish offer is also an expression of our deep and strong alliance.

Today, we should express our hope that the excellent cooperation of the last several weeks will be continued.

It is also time to recognize the responsible roles the Turkish and the Cypriot governments are playing in their efforts to stabilize the Middle East, and encourage them to proceed.

Let us keep in mind: Real friendship is proven in times of crisis, and we can be appreciative that it does. Let us support this process sending a message of gratitude to our friends in Cyprus and Turkey!

Thank you Cyprus, thank you Turkey!

COMMENDING THE DOMESTIC COPPER INDUSTRY

HON. TIM HOLDEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. HOLDEN. Mr. Speaker, I rise today to recognize the members of the domestic copper industry and to thank them for the tremendous services that they are providing to the Commonwealth of Pennsylvania, as well as the men and women serving in the United States military at home and overseas.

The copper industry has long stood as one of the cornerstones of Pennsylvania's manufacturing base. With a number of producers and fabricators operating across the Commonwealth, including Heyco Metals in my district, I have had to opportunity to learn of the far-reaching benefits of copper. The Department of Defense has also recognized the benefits of incorporating copper and copper alloys into military applications. As such, the military and copper industry have established a cooperative relationship to advance research and development in a wide breadth of areas including medical technology and industrial systems. Copper research has produced crucial advances for the American military in land based, shipboard, and aerospace applications and has done so in a cost-effective manner.

I am encouraged that the Army, through the Telemedicine and Advanced Technology Research Center (TATRC), is undertaking research on how best to utilize copper alloy's intrinsic antimicrobial capacities in healthcare settings, including military outfits at home and overseas. The Copper Antimicrobial Research Program and the Copper Air Quality Program involve retrofitting surgical units and HVAC systems in critical DoD facilities—including VA hospitals and clinics, mobile medical units, shipboard medical facilities—with copper surfaces and components. Research has shown that these surfaces are able to quickly inactivate infection causing pathogens. Copper offers the potential to notably improve air quality and reduce the risk of cross-contamination between staff and patients in critical care units.

These projects are examples of the potential that collaborative efforts hold for the military, but it is important to also recognize that continued innovation helps sustain the copper industry and the manufacturing sector as a whole. Heyco Metals, a fabricator of non-ferrous metals in Reading, PA, has been serving an important role in the copper industry. It is also appropriate to recognize the Copper Development Association (CDA), of which Heyco Metals is a key member. CDA serves as the development, engineering, and information services arm of the copper industry. I commend both Heyco Metals and CDA for their passionate commitment to expand the market for copper applications.

In closing, I am grateful to both my colleagues and the military for recognizing the crucial benefits that the copper industry has to offer.

TRIBUTE TO ARMY SERGEANT MARK VECCHIONE OF EASTHAM, MA

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. DELAHUNT. Mr. Speaker, a community is gathering to remember a young man who died far away from his home of Eastham on Cape Cod, in a place made infamous through the fury of war. Today, he returns to the place of his youth, to be mourned and to rest forever where peace holds its gentle sway.

Army Sergeant Mark Vecchione was the typical, all-American kid who had a fear of spiders, but confessed his greatest weakness was seeing a little kid upset. He went to Iraq, not as part of a conquering Army, but to help establish that fundamental human value that all people everywhere—especially children—should never have to live in fear.

As the Bible tells us, "Blessed is the peacemaker; for they shall be called the children of God. Blessed are those who mourn; for they shall be comforted." SGT Vecchione was a soldier determined to bring peace to a war-torn land. Now he is in a place to join with Him to bring some comfort to those who gather to mourn his passing.

I ask that all of my colleagues in the House take a moment to read the following commentary that recently appeared in the Cape Cod Times about this young man.

[From the Cape Cod Times]

FIRST CAPE SOLDIER KILLED IN IRAQ

(By Robin Lord and Jason Kolnos)

Cynthia DesLauriers and her daughter, Lori Vecchione, were sitting on their deck in the evening breeze Tuesday when a government car pulled up to the house. At first, DesLauriers, who is a front desk clerk at the Eastham Post Office, thought it was someone from the U.S. Postal Service. But, when men in military uniforms stepped out, DesLauriers knew her worst fears had been realized.

"They didn't even have to say anything. I just said, 'No, no, no, it's not happening,'" she said yesterday, a little more than 12 hours after she learned her only son and youngest child, Mark Vecchione, 25, had been killed in Iraq.

The Army sergeant, who had written on his personal myspace.com Web page that "getting home alive" was his No. 1 goal this year, died Tuesday somewhere in Iraq.

He was killed when the tank he was riding in ran over an "improvised explosive device" or IED. As the head gunner in the tank, he may have been riding halfway out of the vehicle when it was hit, according to what an Army official told his mother. The Army official did not reveal the exact location of his death or his body to DesLauriers, or any other details surrounding his death, pending an investigation and report, she said.

Vecchione died exactly two weeks after he had returned to Iraq from a short leave with his family in Eastham.

He was on his second tour of duty in Iraq, which was due to end in six months.

Although Vecchione moved to Tucson, Ariz., when he was a junior in high school to live with his now deceased father, Guy Vecchione, he is the first person who was born and raised on Cape Cod to die in the war that began more than three years ago.

"If you were going to go to war, you'd want to go with him," said Al Cestaro, a retired sergeant in the Army's 501st Airborne Division, who has known Vecchione since kindergarten in Eastham.

Cestaro called his friend "selfless and kind." As an Army sergeant, he said Vecchione had "an undying dedication to his soldiers."

Vecchione was honored to be serving his country, Cestaro said.

"We all knew as soldiers the price of freedom is you have to see your friends die, or you die. But he didn't want to die any other way than knowing he was protecting his family."

When Vecchione re-enlisted after his first tour of duty, Cestaro said he asked him why he wanted to go back to the dangers and the horrors of war. He said Vecchione told him he didn't want to let his comrades down.

There are about 132,000 U.S. troops serving in Iraq. As of 10 a.m. yesterday, 2,554 soldiers have been killed and about 19,000 injured.

Another friend from childhood, Vicki Fulcher of South Yarmouth, called the Army Vecchione's "passion." Both Cestaro and Fulcher partied with Vecchione when he was home earlier this month, stopping at one of his favorite places, the Land Ho in Orleans, and enjoying cookouts.

To his sister, Lori, Vecchione was her best friend. He was "very brave, smart, with a heart of gold and nerves of steel," she said. And he was also a hero to her five-year-old son, Sebastian.

To his mother, he was "just my little boy who was always watching out for us."

With tears welling in her eyes frequently and her face etched with the numbness and weariness that only sudden grief can bring, DesLauriers said her son was "very proud" to be serving in Iraq, but "was afraid at times" of the dangers.

A glance at Vecchione's myspace.com Web page reveals a man with a deep love for his family, especially his nephew Sebastian. He called his late father, who died last year, his hero.

He listed spiders as his greatest fear, but posted several pictures of himself holding a 5-foot machine gun in Iraq.

And he joked that the club he belonged to while attending Sahuaro High School in Tucson was the "Reserved Seat In the Principal's Office Club." He regrets most not doing a better job while in school. A Catholic man who wanted to be a pilot when he grew up, he said his greatest weakness was "seeing little kids upset."

When Vecchione left the Cape to live with his father in Tuscon, he befriended Travis Wilson and his sister Bambi Anaya.

"He was the kind of person you could talk to about anything," said Anaya, 27, reached at her Arizona home yesterday. "He was that spot of sunshine in all of our lives."

Wilson, 26, an Army sergeant currently stationed in Fort Knox, Ky., called Vecchione "the greatest human being I have ever met and I'm honored to have had my life touched by him."

It was in July of 2001 when Vecchione, Wilson and another friend all decided to join the Army. Wilson said in addition to seeing it as a way to help his country, Vecchione saw the military as an avenue for personal growth before someday going to college.

At the Eastham Post Office on Route 6 yesterday morning, patrons were halted in their tracks at the door, where acting Postmaster Donald Rogers had posted a notice of Vecchione's death.

"It's a small community where everybody knows everybody," he said.

Recent photos of Vecchione in his uniform and with Sebastian are tacked up on the wall at the desk, as well as on the computer his mother uses. Customers often asked DesLauriers how he was doing, said postal clerk Mark Godfrey.

"I got the impression she got a lot of comfort from that," he said.

In addition to his mother, sister and nephew, Vecchione is survived by an uncle, Donald Vecchione of East Orleans; an aunt and uncle, Brenda and Jeff Vecchione of Eastham; and a cousin, Tye Vecchione of Chatham, Services will be held at a later date.

HONORING RONNIE BARRETT FOR BEING NAMED A 2006 ENTREPRENEUR OF THE YEAR

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. GORDON. Mr. Speaker, I rise today to congratulate Ronnie Barrett for being named a 2006 Ernst and Young Entrepreneur of the Year. Ronnie is a friend and a resident of my hometown of Murfreesboro, Tennessee. He is the president and founder of Barrett Firearms and with this award, he is now eligible for the title of National Entrepreneur of the Year at the annual awards held in November.

Entrepreneurship is nothing new to Ronnie. Twenty-five years ago, he was a professional photographer with his own business and an idea of how to build a better rifle. Using engineering skills he taught himself, he labored in his garage workshop and by 1987, he held a patent for his invention, .50 caliber rifle that could be shoulder-fired.

Since then, Ronnie has become the premier manufacturer of .50 caliber rifles. In 1989, Sweden became the first country to sign a military contract for his rifles, and more than 50 other countries have done the same. Today, his customers range from sportsmen to the U.S. military. In fact, the U.S. Army last year named his M107 rifle as one of the "Ten Greatest Inventions."

I wish Ronnie all the best at the national awards, and I wish him many more years of success.

RECOGNIZING THE SESQUICENTENNIAL OF THE FIRST CHRISTIAN CHURCH OF MUIR (MICHIGAN)

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. EHLERS. Mr. Speaker, I rise today to offer recognition of the 150th anniversary of the First Christian Church of Muir, Michigan. It is located in Ionia County, part of the Third Congressional District of Michigan, which I represent. The church will celebrate its sesquicentennial on September 7, 2006.

The First Christian Church of Muir is part of the Michigan Region of the Christian Church (Disciples of Christ) and has great historical significance within that denomination. The church was formed in 1856 at about the same time the village of Muir was organized. Some members of the community called upon a friend, the Rev. Isaac Errett of Ohio, to come to Michigan to establish a church.

The church held its first meeting on a cold, mid-winter morning, when parishoners gathered at the edge of the Grand River with temperatures that reached 31 degrees below zero. They had to break through the river's ice in order to get water to perform baptismal rites—certainly not a baptism by fire, I must say! The church became known as the "Mother Church of the World," as it was the denomination's first church in the Grand River Valley and became the parent church of offshoots in Ionia, Owosso, Detroit, North Plains and Woodard Lake, as well as financing other Disciple churches in Tennessee, Kansas and Missouri.

In 1861, the church building was completed, and Rev. Errett's longtime friend and fellow Disciple of Christ James A. Garfield, soon to become a member of this House and later to be the 20th President of the United States, traveled to Muir to dedicate the building. An elder and minister in the Disciples of Christ, Garfield had visited the church and preached there several times. Garfield was not the only House member and future president to visit the church, as then-Congressman Gerald R. Ford was on hand in 1956 to participate in the church's centennial celebration.

The First Christian Church of Muir, originally constructed at a cost of $3,215 with boards cut at local saw mills, today rests on its original foundation and displays several stained-glass memorial windows, with the main window as a memorial to Rev. Isaac Errett. The church's bell, which was cast in England and hangs in the church's belfry, still is rung to announce services each Sunday, and also rings out on special occasions.

Mr. Speaker, I ask you and our colleagues to join me in congratulating the First Christian Church of Muir on its 150th anniversary and send well wishes to Rev. W. Gregory Gladding and the church's congregation as they celebrate their sesquicentennial on September 7, 2006.

HONORING ERLENE HIMES

HON. RON LEWIS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today to pay tribute to a remarkable individual from my congressional district. Erlene Himes, a longtime educator and librarian, recently announced her retirement as director of the Marion County Public Library. Mrs. Himes has distinguished herself as a selfless leader throughout her many years of service to the communities of Marion County and Taylor County, Kentucky.

A native of North Carolina, Mrs. Himes came to Kentucky in the early 1960s to pursue a bachelors degree in elementary education at Campbellsville College. Upon completion of her studies, Mrs. Himes taught for 2 years at the Taylor County elementary school. This was followed by 2 years working in the Campbellsville College library. Soon thereafter, she earned a masters degree in library science from Western Kentucky University and began her 28-year career with the Marion County Board of Education. During these years Mrs. Himes worked at Calvary, Raywick, Bradfordsville, Glasscock Elementary and Marion County High School libraries, leaving a special mark at each school.

While she was librarian at the Marion County High School, Mrs. Himes worked the concession stand at sports events in a successful effort to raise money to purchase the first computers for the library. She would later complete the ambitious task of cataloguing the entire high school circulation on computer.

Erlene Himes retired from the Marion County Schools in 1996, refocusing her generous spirit on volunteer projects at the Campbellsville College Bookstore and the Taylor County Food Pantry. She was called back to duty in early 2001, becoming director of the Marion County Public Library. Under Mrs. Himes leadership, the library's patronage increased significantly, Friends of the Library were revived, and the library has been the recipient of three awards from the Kentucky Department of Libraries.

On behalf of the countless men and women who have benefited from her generosity and vision, I would like to express my profound appreciation to Erlene for her years of service and wish her a very happy and healthy retirement.

It is my great privilege to recognize Erlene Himes today, before the entire U.S. House of Representatives, for her exemplary citizenship and community engagement. Her efforts, past and present, make her an outstanding American, worthy of our collective respect and honor.

TRIBUTE TO SPC. RAYMOND SALERNO III OF LAND O'LAKES, FLORIDA

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to honor an American soldier who gave his life in service to our Nation.

Army Specialist Raymond Salerno III of Land O'Lakes, Florida recently passed away following an extensive battle to recover from wounds sustained during operations in Iraq. Specialist Salerno was 27 years old, and leaves behind a fiancee, a 7-month-old son, and a grieving family.

While on patrol in Iraq in October, Specialist Salerno's tank was struck by a roadside bomb, sustaining third-degree burns over much of his body. While recovering in Fort Benning, Georgia, Specialist Salerno had recovered enough to perform basic tasks like answering telephones. His death came as a shock to everyone who knew him.

A dedicated wrestler, Specialist Salerno graduated from Land O'Lakes High School in 1997. Following his high school career, he worked at Response Mail, a direct mail marketing company. Yearning to one day gain a college education, Specialist Salerno joined the Army. His dream was to potentially go to the police academy and earn a pilot's license.

Specialist Salerno leaves behind his fiancee Nerea Guerrica and their son Nikolas; parents Robin and Raymond Salerno; brothers Christopher and Joshua; and sister Camille.

Mr. Speaker, it is soldiers like Specialist Raymond Salerno III who have volunteered to protect the freedoms that all Americans hold dear.

While brave men and women like Ray have perished in the cause of freedom and liberty, his family, friends and loved ones should know that this Congress will never forget their sacrifice and commitment.

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TRIBUTE TO BISHOP VICTOR T. CURRY: CELEBRATING HIS 15TH PASTOR ANNIVERSARY

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. MEEK of Florida. Mr. Speaker, I would like to take this opportunity to pay tribute to one of Miami's great spiritual and community leaders, Bishop Victor T. Curry.

I am joined in honoring Bishop Curry by my colleagues: JAMES R. LANGEVIN of Rhode Island, ED CASE of Hawaii, DEBBIE WASSERMAN SCHULTZ of Florida, DIANE E. WATSON of California, WILLIAM LACY CLAY of Missouri, ARTUR DAVIS of Alabama, TIM RYAN of Ohio, JOHN BARROW of Georgia, ADAM SMITH of Washington, MIKE THOMPSON of California, FORTNEY H. "PETE" STARK of California, JOSEPH CROWLEY of New York, MIKE ROSS of Arkansas, STEPHEN F. LYNCH of Massachusetts, CHARLES GONZALEZ of New York, STEPHANIE HERSETH of South Dakota, JOHN LEWIS of Georgia, CHARLIE MELANCON of Louisiana, PATRICK J. KENNEDY of Rhode Island, LINCOLN DAVIS of Tennessee, G.K. BUTTERFIELD of North Carolina, DAVID SCOTT of Georgia, FRANK PALLONE, JR. of New Jersey, ALBERT R. WYNN of Maryland, SHELLEY BERKLEY of Nevada, LINDA T. SÁNCHEZ of California, STEPHANIE TUBBS JONES of Ohio, RUSH HOLT of New Jersey, DAVID WU of Oregon, BETTY MCCOLLUM of Minnesota, TIM BISHOP of New York, BOBBY SCOTT of Virginia, JIM MATHESON of Utah, DAVE REICHERT of Washington, JOHN S. TANNER of Tennessee, F. ALLEN BOYD, JR. of Florida, LORETTA SANCHEZ of California, RAHM EMANUEL of Illinois, JOHN M. SPRATT of South Carolina, HENRY CUELLAR of Texas, HAROLD FORD, JR. of Tennessee, CHAKA FATTAH of Pennsylvania, GWEN S. MOORE of Wisconsin, LEONARD L. BOSWELL of Iowa, RAUL M. GRIJALVA of Arizona, DONNA M. CHRISTENSEN of the U.S. Virgin Islands, EDDIE BERNICE JOHNSON of Texas, AL GREEN of Texas, MICHAEL CAPUANO of Massachusetts, JOHN T. SALAZAR of Colorado, BOB ETHERIDGE of North Carolina, JULIA CARSON of Indiana, JIM COOPER of Tennessee, CAROLYN C. KILPATRICK of Michigan, C.A. "DUTCH" RUPPERSBERGER of Maryland, EMANUEL CLEAVER of Missouri, GREGORY W. MEEKS of New York, MICHAEL M. HONDA of California, DENNIS J. KUCINICH of Ohio, DALE E. KILDEE of Michigan, WILLIAM J. JEFFERSON of Louisiana, JAMES CLYBURN of South Carolina, ELEANOR HOLMES NORTON of the District of Columbia, IKE SKELTON of Missouri, JOSE SERRANO of New York, EDOLPHUS TOWNS of New York, ELIJAH CUMMINGS of Maryland, MELVIN L. WATT of North Carolina, BARNEY FRANK of Massachusetts, CHET EDWARDS of Texas, SANDER M. LEVIN of Michigan, MARION BERRY of Arkansas, NICK J. RAHALL of West Virginia, MAJOR R. OWENS of New York, GENE TAYLOR of Mississippi, JOHN D. DINGELL of Michigan, CAROLYN MALONEY of New York, GENE GREEN of Texas, MAXINE WATERS of California, BART STUPAK of Michigan, ALCEE L. HASTINGS of Florida, LUIS V. GUTIERREZ of Illinois, JESSE JACKSON, JR. of Illinois, JOHN CONYERS, JR. of Michigan, SANFORD BISHOP, JR. of Georgia, BENNIE G. THOMPSON of Mississippi, SILVESTRE REYES of Texas, SHEILA JACKSON-LEE of Texas, CORRINE BROWN of Florida, WILLIAM DELAHUNT of Massachusetts, RUBEN HINOJOSA of Texas, BILL PASCRELL, JR. of New Jersey, and SOLOMON P. ORTIZ of Texas.

On May 21st, Bishop Curry celebrated his 15th pastoral anniversary, and I want to echo the same sentiments of joy and gratitude that the 15,000 members of the New Birth Baptist Church in Miami on this happy occasion.

Bishop Curry's ministerial journey truly represents the best and the noblest of our community. As bishop, senior pastor, and teacher of New Birth Baptist Church, he is leading his congregation and has tirelessly worked to enlighten our community on the path to spiritual wisdom, social responsibility and good government.

I want to acknowledge the tremendous work he is doing in guiding not only the members of New Birth Baptist Church, but also the entire family of the "The Cathedral of Faith International."

His motto—"From Vision to Victory"—has impacted the lives of countless people, as Bishop Curry has carried forth his message of hope in person, in newspapers, on television, and on radio. He has demonstrated, both by word and by example, his unconditional love for and commitment to our children, the elderly, the poor, the disenfranchised, and those less fortunate among us.

I therefore join with my colleagues, the congregation of the New Birth Baptist Church and our entire community in honoring Bishop Curry on his 15th pastoral anniversary and in wishing him many more in the years to come.

HONORING EDDIE WELLS

HON. RON LEWIS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today to pay tribute to an exemplary public servant and citizen from my congressional district. Eddie Wells, a ranger at Mammoth Cave National Park, recently received the Harry Yount Award, naming him the best ranger in the Southeastern Region of the National Park Service. The peer-nominated award recognizes and honors outstanding rangers who exemplify the highest standards of performance.

Mammoth Cave's Superintendent and fellow rangers cite Wells effective leadership skills, adaptability to change, and strong work ethic as requisites for his nomination. Ranger Wells' colleagues particularly emphasized his unique ability to communicate with a wide range of people, informing and educating park visitors and fellow employees on issues concerning emergency medical care, park regulations, and Mammoth Cave's history.

In addition to his duties as ranger, Eddie Wells leads a field training program at Mammoth Cave for graduates of the federal law enforcement center. He commits himself each session to coordinate the program in a way that each ranger can receive maxim benefit from the training. He is also a valuable and well-respected student mentor at the Great Onyx Job Corps Center.

Eddie Wells' service continues to significantly enhance park operations and community relations at Mammoth Cave. His vast knowledge, work ethic, and attention to detail exemplify true professionalism, a standard appreciated by his colleagues and members of the public.

It is my great privilege to recognize Eddie Wells today, before the entire U.S. House of Representatives, for his leadership and service. His unique achievements and dedication to the National Park Service mission make him an outstanding American worthy of our collective honor and appreciation.

INTRODUCTION OF H.R. 233—NORTHERN CALIFORNIA COASTAL WILD HERITAGE WILDERNESS ACT

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. THOMPSON of California. Mr. Speaker, this bill, HR 233, the Northern California Coastal Wild Heritage Wilderness Act is the product of over five years of town hall meetings, field tours and open debates both in the House, the Senate and in city halls and county board chambers throughout the north coast of California. The bill that we have before us today is carefully crafted to address the concerns of the communities affected by this measure, every acre of which is entirely within my congressional district. I have personally invested many hours in the formation of this bill. I have hiked, fished, hunted and taken aerial tours of the areas in this legislation. I have also held public hearings with stakeholder groups representing timber, hunting and fishing, conservation, government, offroad vehicles, mountain bikes, business and farming. The process which has taken over five years, was exhaustive and inclusive.

This legislation would expand wilderness protection on public lands by approximately 273,000 acres entirely within California's 1st Congressional District. The legislation includes adding wilderness protection to the King Range of Humboldt and Mendocino counties. The Bush administration testified in both the Senate and House that the addition of the King Range would be the "crown jewel" of our national wilderness system. The legislation is not only important for the protection of some of my district's most treasured lands, it also enhances protection of the federally threatened and endangered salmon and trout and helps ensure a source of clean, reliable water for California's future.

With respect to this wilderness legislation, the two most contentious issues for the constituents of California's 1st Congressional District were our ability to fight and prevent forest fires and the continued access to the proposed wilderness areas. I took extra precautions to ensure the land managers would not lose any of the tools they have today to fight fire and their ability to apply pre-suppression measures to combat fires in HR 233.

This bill will not close any legal roads to anyone who wants to visit these truly spectacular areas.

I paid particular attention to people who enjoy off-road vehicle and mountain bike use, and no off-road vehicle trails will be closed in this bill. In addition, I worked with the Bureau of Land Management to create what many expect to be a world-class mountain biking trail system just outside of the King Range wilderness area. Chairman POMBO and I also worked to provide additional protections to Cow Mountain in Lake and Mendocino Counties to protect or maintain existing mountain bike and off-road vehicle trails.

Impacts on the once strong logging industry in Northern California were also taken into consideration in this bill and there are no timber sales under consideration for any of the public lands in this legislation.

This bill will protect Northern California's most spectacular public lands. Specifically, this wilderness bill will protect the following areas.

SEC. 3 (1) SNOW MOUNTAIN WILDERNESS ADDITION

Location: Approximately three miles east of Pillsbury Reservoir in Lake County.

Size: 23,706 acres

Highlights: Ten miles of the scenic Eel River canyon, Bloody Rock, and The Bloody Rock and Cold Creek Trails.

Description: The Snow Mountain Wilderness additions are composed of the lower elevation ancient forests, grasslands, chaparral and oak woodlands lying at the foot of the already designated Snow Mountain Wilderness. The California Department of Fish and Game considers these oak woodlands and grasslands important for the survival of local deer herds through the winter months when high-elevation areas are covered in snow. The additions contain a 10-mile stretch of the Eel River canyon which hosts bald eagle, osprey and trout. Forests of black oak, Douglas fir, ponderosa pine, live oak and incense cedar provide important habitat for marten, goshawk and northern spotted owl. Bloody Rock, an enormous prominence that rises steeply above the Eel River, was the site of a battle between the Yuki Tribe and settlers in the Nineteenth Century. Trail 9W45 and the Bloody Rock, Cold Creek and Summit Springs trails traverse the area.

SEC. 3 (2) SANHEDRIN WILDERNESS

Location: In Mendocino and Lake counties, approximately 15 miles east of Willits.

Size: 10,571 acres in Lake and Mendocino Counties.

Highlights: Views in all directions, including the Pacific Ocean, the Bay Area and Mount Shasta.

Description: The Sanhedrin Wilderness contains extensive old-growth forest, meadows, oak woodlands, chaparral and "serpentine barrens," places where the nutrient poor bluegreen soil is so inhospitable to many plants that only specially adapted species can survive. As a result, Sanhedrin Mountain provides habitat for at least five rare and unique plant species, including the Anthony Peak lupine that grows only in the Mendocino National Forest and nowhere else in the world. On a clear day, visitors to the area can see the Pacific Ocean, the Bay Area and even Mount Shasta hundreds of miles away.

SEC. 3 (3) YUKI WILDERNESS

Location: Mendocino and Lake counties, approximately five air-miles southeast of Round Valley and the community of Covelo.

Size: 53,887 acres in Lake and Mendocino Counties.

Highlights: The Middle Fork Eel supports between one-third and one-half of California's entire remaining summer-run steelhead trout population.

Description: The Yuki Wilderness forests consist of ponderosa pine, Douglas fir, Shasta red fir, white fir and incense cedar. The Yuki region also hosts seven species of oak. Populations of eleven rare plants have been identified in the area. Several rare animals also call the area home, including the bald eagle, marten, goshawk, northern spotted owl and prairie falcon. Elk and Thatcher creeks and the Wild and Scenic Middle Fork Eel River host populations of salmon and steelhead trout. The Middle Fork Eel supports between one-third and one-half of California's entire remaining summer-run steelhead trout population. Wildflower displays are extensive. Whitewater boaters use the Middle Fork Eel River and hunting is another common activity. Trails include 11W15, 10W27 and Horse Pasture Ridge.

SEC. 3 (4) YOLLA BOLLY-MIDDLE EEL WILDERNESS ADDITION

Location: Approximately 10 miles northeast of Covelo and Round Valley in Mendocino County.

Overall size: 27,036 acres.

Highlights: The Middle Fork Eel River hosts between 30–50 percent of the state's summer-run steelhead trout population, the Travelers Home National Recreation, Hell Hole, Leech Lake and Smokehouse trails.

Description: The Yolla Bolly-Middle Eel Wilderness additions are dominated by old-growth forests, meadows, oak woodlands and the deep canyon of the Middle Fork Eel River. Howellia, an aquatic plant once thought extinct in California, was discovered here by botanists in the 1990s. The Wild and Scenic Middle Fork Eel River hosts up to one-half of California's entire remaining summer-run steelhead trout population. The Smokehouse, Travelers Home National Recreation, Hell Hole and Leech Lake trails traverse the area.

SEC. 3 (5) SISKIYOU WILDERNESS ADDITION

Location: 22 miles west of Crescent City in Humboldt and Del Norte counties.

Size: 30,122 acres in Del Norte and Humboldt Counties.

Highlights: An area noted for its botanical diversity and salmon and steelhead watersheds.

Description: The Siskiyou Wilderness Additions are among California's most remote lands. Unusual soils, great rises and drops in elevation, and ample annual rainfall all combine to offer refuge for an immense diversity of plants and animals in the proposed additions. Ancient forests consist of 14 species of conifers, the second greatest conifer diversity in the world. Salmon and steelhead trout use the region's many streams, especially Blue Creek. Eighteen rare plants have been identified in the area by the Forest Service. Other species include northern spotted owl, fisher, mink, bald eagle, Roosevelt elk and goshawk. The proposed additions contain the popular Forks of Blue and Gunbarrel trails.

SEC. 3 (6) MOUNT LASSIE WILDERNESS

Location: Approximately 20 miles northeast of Garberville eight miles west of Ruth Reservoir in Humboldt and Trinity counties.

Size: 7,279 acres.

Highlights: Scenic views of the Coast Range and a noted haven for rare and unusual plant species.

Description: The Mount Lassic Wilderness contains unique rock formations such as Mount Lassic and Red Lassic that are visible from as far away as the King Range to the west and the Yolla Bolly-Middle Eel Wilderness to the south. Unusual soils host six rare plant species that have been identified in the region. Other species include northern spotted owl, blue grouse, marten, fisher and goshawk. Old-growth forests of Douglas fir, incense cedar, and Jeffrey pine cover much of the area. Trail 5E33 climbs Mount Lassic and then drops to the Van Duzen River to the west.

SEC. 3 (7) TRINITY ALPS WILDERNESS ADDITION

Location: In Humboldt County on the western edge of the existing Trinity Alps Wilderness.

Size: 22,863 acres.

Highlights: Salmon and steelhead streams, and Native American cultural use and Extensive trail system.

Description: The Trinity Alps Wilderness additions are composed of rugged, heavily forested mid- to low-elevation country adjacent to the highlands of the existing Trinity Alps Wilderness. Horse Linto and Red Cap creeks provide cold, clear water for steelhead trout and coho and Chinook salmon populations. These wilderness additions are a refuge for unique and endangered species, including nine rare plants. The Horse Linto unit is used by local Native Americans for cultural purposes. Trails include 6E20, 6E31, 6E 18, 6E15, 6E35, 6E74, 6E08 and Salmon Summit.

SEC. 3 (8) CACHE CREEK WILDERNESS.

Location: In Lake County, east of Clear Lake and south of Highway 20 and Highway 16.

Size: 27,245 acres.

Highlights: The second largest wintering bald eagle population in California, A herd of rare tule elk (the world's smallest elk) and Cache Creek is popular with whitewater boaters for its rapids and scenery.

Description: The Cache Creek Wilderness has canyons and ridges lined with oak woodlands, grasslands, chaparral, streamside forest and groves of gray pine. The region hosts the second largest wintering bald eagle population in California, a herd of tule elk (the world's smallest species of elk), black bear, beaver, river otter, bobcat, mountain lion, prairie falcon, golden eagle and other species. The area contains noted Native American cultural sites and it is well known for its spring wildflower displays. Whitewater boaters enjoy floating the "Wilderness Run" from the North Fork Cache Creek to Highway 16 because of its scenery, rapids and solitude. The Judge Davis, Redbud and Perkins Creek Ridge trails access the area.

SEC. 3 (9) CEDAR ROUGHS WILDERNESS

Location: West of Berryessa Reservoir in Napa County.

Size: 6,350 acres

Highlights: Shelters the largest grove in the world of the rare Sargent cypress and Shelters an important black bear breeding area.

Description: The Cedar Roughs Wilderness is a large mound of "serpentine" soil five miles in length. The area contains the world's largest grove of the rare Sargent cypress, which convinced pioneers to erroneously call the area "Cedar" Roughs. The wilderness is known to be an important black bear breeding area. The Cedar Roughs wilderness is accessed by a single rugged, nameless trail, but most of it is trackless.

SEC. 3 (10) SOUTH FORK EEL WILDERNESS

Location: In northern Mendocino County northwest of Laytonville and east of Leggett.

Overall size: 12,915 acres.

Highlights: Rare plant populations and Gives rise to scientifically-important Elder Creek

Description: Rare animals in the South Fork Eel Wilderness include goshawk and northern spotted owl. The Red Mountain portion of the South Fork Eel Wilderness contains the planet's entire known populations of Kellogg's buckwheat, Red Mountain stonecrop and Red Mountain catchfly along with other rare species. Unusual soils have created "dwarf forests" on top of Red Mountain. Streams in the area host coho salmon, Chinook salmon and steelhead trout. Elder Creek originates in the proposed wilderness and then flows west into a University of California natural reserve. There, Elder Creek is the subject of numerous ecological and geologic studies. The Cahto Peak Trail accesses a portion of the area.

SEC. 3 (11) KING RANGE WILDERNESS

Location: In southwestern Humboldt and northwestern Mendocino counties, approximately 18 miles west of Garberville.

Size: 42,585 acres in Humboldt and Mendocino Counties.

Size of individual units: Chemise Mountain—4,142 acres King Range—38,443 acres

Highlights: The longest stretch of undeveloped coastline in the continental United States and Numerous hiking and equestrian trails. The Bush administration testified that this area would become the "crown jewel," of the national wilderness system.

Description: The King Range is the longest stretch of undeveloped coastline in the continental United States. It has beaches, peaks, vistas, dunes, coastal ancient forests of Douglas fir, madrone, incense cedar, and tan oak. Species of note include California brown pelican, steelhead trout, coho salmon, bald eagle, peregrine falcon, northern spotted owl, and Roosevelt elk. The Lost Coast Trail traverses the entire length of the area's beaches and coastal bluffs. Other paths include the Cooskie Creek, Cooskie Spur, Spanish Ridge, Kinsey Ridge, Miller Loop, King Crest, Rattlesnake Ridge, Lightning, Horse Mountain Creek, Chinquapin and Buck Creek trails.

SEC. 6 ELKHORN RIDGE POTENTIAL WILDERNESS AREA

Location: In northern Mendocino County northwest of Laytonville.

Size: 11,271 acres.

Highlights: Small groves of old-growth redwoods, the South Fork Eel hosts the last remaining non-hatchery "long-run" coho salmon population in California, and whitewater rafting and kayaking.

Description: The Elkhorn Ridge Potential Wilderness Area is bisected by the Wild and Scenic South Fork Eel River. The South Fork Eel hosts populations of Chinook salmon and steelhead trout, as well as the last remaining non-hatchery: "long-run" coho salmon population in California. The river flows through a rugged canyon surrounded by slops forested with hardwoods, fir and an occasional old-growth redwood. The South Fork Eel's waters are a rich food source for osprey, bald eagle, otter and other creatures and provide challenging whitewater recreation for experienced boaters. The Elkhorn Ridge Potential Wilderness contains no established trails. The majority of the area is made up of undisturbed ancient forest and chaparral habitat, but a portion was logged when it was under private ownership. HR 233 directs the Bureau of Land Management to restore the parts of Elkhorn Ridge that were cut prior to its designation as wilderness.

SEC. 7 WILD AND SCENIC RIVER DESIGNATION—BLACK BUTTE RIVER, CALIFORNIA

Location: Mendocino County east of Round Valley and the community of Covelo.

Size: 21 miles.

Highlights: Provides some of the best habitat for endangered Chinook salmon and winter-run steelhead trout in the entire Middle Fork Eel River drainage.

Description: The Black Butte River and its tributary Cold Creek drain into the Wild and Scenic Middle Fork Eel River just east of the town of Covelo. The watershed is extremely rugged, and most of the slopes above the river are steep and landslide-prone, though they are still mostly forested with groves of oaks and conifers. The upper reaches of the river and Cold Creek provide some of the best habitat for endangered Chinook salmon and winter-run steelhead trout in the entire Middle Fork Eel River drainage. The watershed has a long history of human habitation first by the Yuki Tribe, then by Euro-American explorers and settlers. The Forest Service describes the watershed as containing "outstandingly remarkable fisheries and heritage resources values."

SEC. 10 CONTINUATION OF TRADITIONAL COMMERCIAL SURF FISHING, REDWOOD NATIONAL AND STATE PARKS

In addition, I would like to take this opportunity to clarify my intent with Section 10. Section 10, which deals with commercial fishing permits in Redwood National and State Parks in California, directs the Secretary of the Interior to issue permits for authorized vehicle access for commercial surf fishing at designated beaches within both the National and State Parks. The section provides that the number of permits shall be limited to the number of valid permits that are held on the date of enactment of this Act, and that the permits "so issued shall be perpetual and subject to the same conditions as the permits held on the date of enactment of this Act."

I want to clarify that this language should not be construed as creating a right vesting in the permit holder, which would be contrary to the way permits are issued throughout the National Park System. The intent of this language is simply to ensure that the National Park Service does not reduce the number of permits issued below the current level of valid permits, assuming there is sufficient demand for the remaining permits. Furthermore, there is no intent for the requirements of Section 10 to be construed as an implied waiver of applicable laws, including the National Park Service Organic Act and the Endangered Species Act, but rather a directive to the Park Service to discontinue its plan to completely phase out these permits. The language in Section 10 does not create a property right and the sole purpose of the language is to limit the number of permits to the number of valid permits in existence as of the date of enactment of H.R. 233.

In addition, the language in Section 10 requires the Secretary of the Interior to issue permits allowing for authorized vehicle access to designated beaches, including Gold Bluff Beach, within Prairie Creek Redwoods State Park, which is located within the broader national park boundary. However, nothing in this section is intended to override the responsibilities of the State of California and the management of the state park.

Thank you very much for the opportunity to speak on this legislation. HR 233 is a carefully crafted bill which takes all industries and constituencies into account. I urge my colleagues vote "aye" on this very important bill that will protect some of our country's most spectacular areas.

HONORING RACHEL SUTTERLEY

HON. RON LEWIS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today to recognize Rachel Sutterley, a student at the Stuart Pepper Middle School in Brandenburg, Kentucky, for her recent participation and high achievement in the National You Be the Chemist Challenge (YBTCC). Rachel took second place in the completion, held last month at the Chemical Heritage Foundation headquarters in Philadelphia.

The YBTCC competition partners chemical companies with local schools to sponsor competitions and provide instructional materials to supplement science and chemistry curriculum. The competition is open to 6th, 7th, and 8th grade students throughout the country. Rachel and six other competitors earned the right to represent their schools in Philadelphia after passing initial qualifying tests and winning local competitions.

The YBTCC competition was divided into rounds where each student was asked a series of multiple choice questions. Rachel made it to the final round with a perfect score, answering difficult questions covering general chemistry, scientific history, biochemistry, nuclear chemistry, physics and math.

Rachel demonstrated great academic prowess and sportsmanship before a national audience, representing competitive values that make Kentucky proud.

I ask my colleagues in the U.S. House of Representatives to join me in congratulating Rachel Sutterley for her achievement and in wishing her continued success in her promising future years.

TRIBUTE TO BILL SELLERS OF BROOKSVILLE, FLORIDA

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to recognize the accomplishments of a distinguished constituent, Bill Sellers of Brooksville, Florida. Bill has recently been named the 2006 Outstanding Agriculturalist of the Year by the Extension Professionals Association of Florida. Bill will receive the award at the Association's annual banquet this September.

Growing up on a farm, Bill took a keen interest in agriculture and the land. An avid member of the Future Farmers of America, Bill went on to study agriculture in college, eventually helping to manage his mother's cattle farm near Brooksville. Today, Bill earns a living as an agricultural mortgage lender.

In addition to his lifelong passion for agriculture, Bill has been involved in giving back to the local farming community through his service on the area extension board. Bill has also played a key role in the partnership between Hernando County and the University of Florida in the area of agriculture and farming.

One of Bill's greatest challenges as a proponent of the farming lifestyle is the reticence of today's youth to enter into an agriculture career. With the challenges famers face from global competition, the increased use of technology and unpredictable weather conditions, fewer and fewer young people are entering the profession.

Mr. Speaker, men like Bill Sellers provide the lifeblood of this great Nation. Tilling the land, raising the livestock, and ensuring that America's food needs are met is an honorable calling. I commend Bill for his service and congratulate him on being named the Outstanding Agriculturalist of the Year.

BANNING CARBON MONOXIDE IN MEAT

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. DELAURO. Mr. Speaker, today, I am introducing legislation that would ban the practice of injecting packages of meat with doses of carbon monoxide to give it an artificially fresh appearance. The sole purpose of this practice is to deceive consumers into purchasing and potentially eating meat that looks fresh, but could be spoiled.

This week, the American Meat Institute announced the results of two studies claiming that carbon monoxide is safe to use in meat packages and urged opponents to concede their position and end the debate. Indeed, the carbon monoxide gas itself may be safe and would not cause harm to consumers. However, when the gas is injected to deceive customers into purchasing meat that could be months past its freshness date, then there is no doubt that it would be harmful to consumers.

These studies released by AMI are an intriguing contribution to the debate. One of them was funded by the beef industry. The other study was conducted by an AMI "expert consultant" who has received numerous grants from AMI, and also received an AMI scientific achievement award. Therefore, the results of these studies should not calm consumer fears and definitely should not cause opponents of this practice to end the debate.

In 2004, the USDA and FDA approved the use of carbon monoxide through an informal process without a full public comment process and without regulations specifying conditions of use. As a result, meat labels do not indicate whether meat has been treated with carbon monoxide—leaving no way for the consumer to know whether they are purchasing fresh meat.

Meat producers explain that the carbon monoxide process is safe and that it helps cut costs that result from discarding meat that has begun to turn brown, but still is safe to eat. That certainly is an understandable position. However, ground beef treated with carbon monoxide still could have the appearance of being fresh months after its 'sell-by' date. There also have been instances in the past where stores have misrepresented the freshness of their food long before the carbon monoxide process was introduced.

Supporters of the carbon monoxide process explain that smell is a better indicator of spoilage than color and consumers should base their purchases on the 'use or freeze by' date as the best guide. This is true; however, it should be noted that this date on meat packages is not based on any scientific or regulatory guidelines, but is determined by the industry. Also, why should consumers be subjected to the hassle of bringing meat home from the grocery store, opening the package to determine if it still is fresh, and returning it if it is spoiled?

Canada, Japan, and the European Union already ban the use of carbon monoxide in meat packages. I look forward to working with you to also protect American consumers from this deceitful practice. During a time when we have begun to question the safety of prescription drugs, let's ensure that consumers do not have similar concerns about the food they buy.

RECOGNIZING THE 35TH ANNIVERSARY OF THE JOHN HARLAND CO. BOLINGBROOK PLANT

HON. JUDY BIGGERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mrs. BIGGERT. Mr. Speaker, I rise today to recognize the John H. Harland Company on the 35th anniversary of its production facility in Bolingbrook, Illinois.

In 1971, Harland's corporate leaders made a decision to locate a plant near Chicago. The suburbs were booming, and the workforce was skilled. Not unlike today, the area had so much to offer in terms of its quality of life and great business climate. That decision proved to be a wise one indeed. This year, the company celebrates 35 prosperous years in Bolingbrook, Illinois.

Today, I would like to recognize the men and women of Harland and celebrate with them 35 successful years in Bolingbrook, Illinois.

The John H. Harland Company was founded in 1923. Over the next 83 years it grew and evolved into one of the premier financial services providers, doing business with more than two-thirds of all financial institutions in the United States. Its facility in Bolingbrook has played—and continues to play—a crucial part in Harland's success.

With approximately 200 employees, the Bolingbrook facility each year processes more than 11 million orders for checks for consumers in 13 states, including most of the Midwest, from Wisconsin to Kentucky and Pennsylvania to Minnesota and everywhere in between. In the true spirit of its founder, the John H. Harland Company's allegiance to its customers and employees remains strong 35 years later.

Harland also is committed to strengthening our community through service. In recognition of the spirit of service demonstrated by Dr. Martin Luther King, Jr., Harland employees celebrate the MLK holiday as a day of service, volunteering at local organizations such as Meadowbrook Manor, Lambs Fold Women's Shelter, and the Shepherd Food Pantry.

I want to commend all of the Bolingbrook employees for their commitment to quality, customers, and community. It is their hard work and dedication that has made the Harland Company what it is today—a 35-year success story.

WELLS VS. WILLARD BY RACHEL KARRER

HON. RON LEWIS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. LEWIS of Kentucky. Mr. Speaker, I commend my colleagues to the attached essay, Wells vs. Willard, by Rachel Karrer. Miss Karrer was a finalist in the National History Day Competition in Kentucky and recently represented her state at the national competition.

I had the privilege of meeting Miss Karrer and her family during their visit to Washington, DC.

[National History Day Paper]

WELLS VS. WILLARD

(By Rachel C. Karrer)

Wells and Willard, who were they? The more important question is, 'what did they do?' These two individuals were activists; both were outspoken, uncompromising, and passionate. And both of these activists just happened to be women. Ida B. Wells-Barnett and Frances E. Willard had nothing and everything in common. They came from different backgrounds, different families. They endured different heartaches and tragedies, overcame different odds. They had different educational structures and were even of separate races. No, they weren't anything alike. And yet, they each ended up leading in causes they believed in. Neither let discouragement or setbacks blind them to their goal. Not even when the discouragement and setbacks one woman experienced were caused by the hand of the other. Ida Wells and Frances Willard were influential women in their time, both standing alone to lead in their causes. However, when it came to standing together, one woman to support the other, neither woman was willing to cross the cultural barriers of the time and offer a helping hand, but turned against the other. Because of Wells and Willard's failure to work together, their animosity deeply hindered the progress of the anti-lynching movement.

Ida B. Wells, born a slave, became a respected leader in the anti-lynching movement. Freed from slavery shortly after her birth, Wells' parents, James and Elizabeth Wells, made sure she received an education. (McBride) Wells' mother wanted to be able to read the Bible, so when the Shaw University was established, Elizabeth Wells attended with her children. (McBride) Her father, James Wells, was deeply absorbed in politics and felt especially strong about racial justice. It is likely that it was his interest in those dealings that later inspired his daughter. (McBride)

In 1876, both her parents and one younger sibling died. (McBride) Unwilling to break her family apart, Wells became the caretaker and provider of her five younger siblings at the age of only fourteen. To provide for them, she applied for a teaching position. In 1884, Wells moved to Memphis to take a job as a teacher. (Lavender) During her summer vacations, she furthered her education by attending teachers' training courses at Fisk University. (Lavender) Afterwards, she earned a position as a first grade teacher in the Memphis city schools. (Lavender)

On May 4, 1884, Ida B. Wells' life was altered once again. (McBride) While traveling to Memphis, Wells was told by the conductor to move from the parlor car to the smoking car, which was reserved for people of color. When she refused, he attempted to forcibly remove her. In retaliation, Wells brought a suit against the railroad company and won. (McBride) The taste of victory soured, however, when the Tennessee Supreme Court overruled the decision. (McBride) Even so, this incident sparked something in Wells that eventually spread throughout the American nation and abroad. (Lavender) At this point, Wells began to write.

Her first piece was for The Living Way, an African-American church weekly. (McBride) Wells wrote a series of articles criticizing the education provided to African-American children. Ironically, because of her statements, Wells lost her teaching position in 1891. (Lavender) After this, she joined the Memphis Star newspaper.

Through her articles, Wells fought for the rights of African-Americans, but in 1892, she began fighting for something even more important; she began fighting for their lives. In March of that year, three African-American men were lynched on false charges. These men were Wells' friends, and the rage inside her began to grow. (Lavender) She attacked lynching, and challenged the actions of whites by writing editorials and giving speeches about the injustices that were being done to the people of her race. She called Memphis, "a town which . . . neither protect[s] our lives and property, nor give[s] us a fair trial in the courts, but takes us out and murders us in cold blood when accused by white persons." (McBride) Wells' outspoken opinions stirred up Memphis, but it was not until she wrote her views on the consensual sexual relationships between white women and African-American men that her newspaper was sacked and destroyed by an angry mob, followed by threats of lynching Wells herself. (McBride) After this, she moved to Chicago.

Though forced to leave Memphis, fear did not stop her from continuing her fight in Chicago and even taking it to Europe. She wrote Lynch Law in Georgia (1899), Lynch Law in America (1900), and A Red Record (1895). These works studied lynchings in America, showing that the number of deaths was astonishing though the reasons were trivial. With these works, Wells was educating the American people by publicizing the cruelties inflicted on African-Americans in the South.

Wells became Wells-Barnett in 1895. (McBride) Following her marriage, many Americans doubted that she would continue in her work, but through matrimony and motherhood, she continued in her cause, leading to protect the rights and the lives of people who had already endured so much.

Like Wells, Frances E. Willard also had a lasting impact in America. Her work resulted in two amendments to the Constitution: one giving women the right to vote and another prohibiting the sale and use of alcohol. (Hedrick)

The daughter of Josiah and Mary Hill, Willard was born in Churchville, New York. (Historical Association) Willard's mother, Mary Thompson Hill, was adamant that her daughter be educated as a lady. (Hedrick) At this time, a lady's education did not encompass in-depth lessons in math or science. (Hedrick) This type of education was made more readily available to young ladies in the 1850s, at which time Willard happily received it. (Hedrick) In 1857, she went to the Milwaukee Normal Institute. The next year, she went to Evanston College for Women in Illinois, now Northwestern University, where she finished out her education. (Hedrick)

Between 1860 an 1874, Willard held many teaching positions in numerous schools. (Hedrick) Her last appointment was head of the women's division at Northwestern University. (Hedrick)

In 1874, at the end of her teaching career, Willard became involved with the Women's Christian Temperance Union. (Historical Association) She participated in its founding convention and was elected corresponding secretary. (Historical Association) Willard became a successful speaker and social reformer, and was influential in the organization of the Prohibition Party. (Historical Association) In 1879, Willard was elected President of the Women's Christian Temperance Union, and under her leadership it grew to be one of the largest women's organizations in the nineteenth century. (Historical Association)

Both Wells and Willard were recognized and respected among the American people. But, the truth of the matter is that the Women's Christian Temperance Union was a well-known and influential organization. As president of that organization, Willard's voice and opinion carried a substantial amount of weight, she being a leading figure in deciding which causes the organization would back. Ida Wells was well aware of how the Women's Christian Temperance Union's support could benefit the anti-lynching movement. But, due to the views of race at that time, that support, was not so easily gained. And in seeking it, there was the bad result of a conflict that arose between Willard and Wells. Wells accused the Women's Christian Temperance Union of ignoring the racial problem of the South, having "no word, either of pity or protest." (Wells 5) In return, Willard stated that Wells' "zeal for her race . . . clouded her perception." (Wells 4)

In addition to Willard's seeming indifference, Wells was angered by Willard's comments in reference to the colored race. While Wells' fought for the African-American's whose rights were being violated, Willard was sympathetic towards the white race and the trials they were forced to endure. In a New York newspaper, Willard stated, "I pity the southerners. . . . The problem on their hands is immeasurable. The colored race multiplies like the locusts of Egypt." (Willard 9) In the same article she referred to African-Americans as "alien-illiterates," who could "neither read nor write, whose ideas are bounded by the fence of his own field and the price of his own mule." (Willard 9) In Willard's interview she painted whites as victims and the African-Americans as villains. In reality, however, it was the other way around and Wells had years of collected data to prove it.

While traveling abroad to gain sympathy and raise money, Wells was interviewed by the Westminster Gazette, a British newspaper. During this interview she related some of the facts she had gathered about the practice of lynching in the United States. For example, four-fifths of lynchings in the United States were practiced on African-Americans and in 1893 and 158 out of 200 lynching victims were African-Americans. (Westminster Gazette) She also stated that of the 158 African-Americans victims only thirty of them were charged with a crime against women or children. (Westminster Gazette) The people that had supposedly committed these crimes were, more often than not, innocent. (Westminster Gazette) But, when it came to lynching, "innocent until proven guilty" were empty words.

Wells felt that Willard and the Women's Christian Temperance Union were indifferent about the issues in the lynching controversy. But, in Willard's 1894 Women's Christian Temperance Union presidential address she defended herself and the organization; "Much apprehension has arisen in the last year concerning the attitude of our union toward the colored people, and an official explanation is in order." (Willard 8) In her explanation she referred to her 1890 interview, in which she stated that the African-American man's "altitude reaches no higher than the personal liberty of the saloon and the power of appreciating the amount of liquor that dollar will buy." (Willard 9) In her address she defended herself saying that she had not intended to discriminate against African-American people. (Willard 8) Willard stated that it was "inconceivable" that the Women's Christian Temperance Union would ever excuse lynching no matter what the circumstances. She also made it a point to make a resolution in regard to the affair: "Resolved, that we are opposed to lynching as a method of punishment, no matter what the crime, and irrespective of the race by which the crime is committed, believing that every human being is entitled to be tried by a jury of his peers." (Willard 8)

In Willard's address she specifically mentioned Ida Wells and her efforts in the anti-lynching movement. Willard claimed that Wells' ardor for her race was keeping her from recognizing friends from foes. She also talked of Wells' observations concerning the consensual relationships between white women and African-American men. On this point, Wells and Willard's opinions contrasted greatly. It was Wells' belief that many of the "rapes" for which countless African-American men were lynched were actually consensual relationships. Nevertheless, she believed that it was for the white man's pride of race, not for justice or even for the white women's reputation, that sent many African-American males to their death: "You see, the white man has never allowed his women to hold the sentiment 'black but comely' on which he has so freely acted himself." (Westminster Gazette) It was Willard's opinion that with these statements Wells "had put an imputation upon half the white race in this country that [was] unjust, and saving the rarest exceptional instances, wholly without foundation" and with these statements Wells was thwarting her cause. (Willard 6)

By the end of the summer of 1894, Wells was thoroughly displeased with the actions of Willard and the Women's Christian Temperance Union, and she had no qualms about expressing her anger. In one of her numerous writings, Wells stated, "the charge has been made that I have attacked Miss Willard and misrepresented the W.C.T.U. If to state the facts is misrepresentation, then I plead guilty to the charge." (Wells 5) In A Red Record, Wells spoke of the resolution made in Willard's Women's Christian Temperance Union presidential address: "Miss Willard gave assurance that such a resolution [of protest against brutality towards colored people] would be adopted, and that assurance was relied on." (Wells 5) But, in the end, these assurances amounted to nothing because during the Women's Christian Temperance Union national meeting in the summer of 1894, no anti-lynching resolutions were passed. (Smith)

With the statements made by Willard, so pointedly, on the behalf of the Women's Christian Temperance Union, why was it that when it came time to act, those promises were not honored? This outcome was the result of the presence of many southern delegates at the meeting and Frances Willard's effort to pacify them. (Smith) By attempting to keep the peace with one party that "great Christian body . . . . wholly ignored the seven millions of colored people of this country whose plea was for a word of sympathy and support for the movement in their behalf," (Westminster Gazette) and Ida Wells "greatly regretted" the outcome of this meeting. (Smith) The very next year, in the Baltimore Herald, Willard wrote that they had done the best they could under the circumstances (Smith) but to many Americans it was Wells who gained their sympathy and Willard who was criticized. Willard must have realized this because in 1897, it was written in a Cleveland newspaper that Willard's conduct toward Wells at the national meeting seemed "still to worry her, as it ought to." (Cleveland Gazette)

Lynching went into a decline by the twentieth century. (Abrams) In 1935, only twenty lynchings were reported and by the 1960s, with the enforcement of civil rights laws and changes in racial attitudes, the performance of lynchings died away. (Abrams) Between 1882 and 1968 there were 4,730 lynchings in the United States. (Lynching) Of these, 3,440 were African-American men and women. (Lynching) However, with Willard's influence, and with her, the support of every member of the Women's Christian Temperance Union, racial attitudes might have been altered years before. Prejudices and hate could have been softened, lives could have been saved. If only time wasted arguing could have been spent broadening the horizons of the American people, helping them to see the cruelties they placed on people whose only difference was their race. Perhaps Willard's voice along with Wells' reaching out to the American people would not have accomplished much. But it would have accomplished something. It would have given the anti-lynching movement the boost it needed, the boost it was asking for. True, at a time when "Jim Crow" laws were made specifically to keep the African-American people in a place of inferiority, crossing the lines of segregation and discrimination would have been extremely difficult. But, someone at some point did eventually cross those lines, otherwise we wouldn't be where we are today. Had Ida Wells and Frances Willard joined together, important civil rights movements could have been put into effect much sooner. There is no way to judge the years that were squandered or the lives that could have been saved.

The wills and views of Frances E. Willard and those of Ida B. Wells-Barnett, continued to clash throughout the years, right up until Willard's death in 1898. (Historical Association) Neither woman ever conceded. Wells continued in her campaign for the rights of the African-American people until her death in 1931. (McBride) The women each accused the other of misrepresenting her. But maybe it wasn't misrepresentation. Perhaps it was merely a lack of understanding, or even the desire to understand. When asked why no one in the North protested the racial prejudices in the South and their deadly outcome, Wells' answer was "they are sick and hopeless, and shut their eyes." (Westminster Gazette) Standing where we are today, we can easily judge these two women and say what they should have done. But what we fail to realize is that America then and America now are two very different places. African-Americans were not seen in the same light as they are today. In today's culture we are brought up viewing one another as equals.

This is because the leaders of our past shed some light on the flaws of our beliefs in order to change our future. But to do this, they had to be willing to put themselves on the line, to cross the cultural barriers that tried to hold them back. Wells and Willard were leaders, they were respected and had they really tried, they too, could have crossed those barriers. If not for the antagonism between these two very different women, had they not failed to stand together and face America, many eyes could have, and would have, been opened.

HONORING CURTIS M. LOFITS, JR., AND THE SALUDA CHARITABLE FOUNDATION

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. WILSON of South Carolina. Mr. Speaker, I want to commend my longtime friend, Curtis M. Lofits, Jr., and the Saluda Charitable Foundation. The Saluda Charitable Foundation was founded in 2001 in Columbia, South Carolina, is a faith-based Christian humanitarian organization dedicated to serving people in need. What began as a one-man effort created and funded by Columbia native Curtis M. Loftis, Jr., has now grown to include dozens of volunteers and associates who have touched thousands of lives across four continents.

Individuals, missionaries, churches, hospitals, and clinics ranging from the United States and Bolivia to Ukraine and India have benefited from the works of Saluda Charitable. The Foundation's efforts in Ukraine produced such great success that the programs there have grown into a stand-alone Ukrainian organization, the Saluda-Temopil Charitable Foundation. Saluda-Temopil has been recognized as one of the finest charitable groups in Ukraine.

Saluda Charitable and Saluda-Temopil recently opened the doors of their largest undertaking, the New Hope Village, in Shelpachy, Ukraine. The New Hope Village is a modem humanitarian mercy center that features a home for the elderly with 24-hour nursing care, daily doctor visits, nutritionist consultations, and community activity programs. The facility has received praise and cooperation from the Ukrainian and United States Governments.

The New Hope Village also features a community center that supports three local villages and a humanitarian aid focal point that dispenses assistance from agencies and churches from the United States and Europe. The facility will soon become home to one of Ukraine's first "foster family" pilot programs. This project opens in August and seeks to alter the traditional system of large and unfriendly government orphanages in favor of more traditional family structures.

I would like to recognize the Saluda Charitable Foundation's contributions and efforts for people in need everywhere. The foundation is an excellent example that goodwill knows no borders. We would all do well to follow their lead.

PERSONAL EXPLANATION

HON. CHARLES A. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. GONZALEZ. Mr. Speaker, on rollcall No. 407—"aye"; and 408—"aye."

Had I been present, I would have voted "yes".

PERSONAL EXPLANATION

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. DAVIS of Illinois. Mr. Speaker, I was unable to cast votes for all of the legislative measures on June 12. If I was present for rollcall votes for the following bills:

251 on motion to suspend the rules and agree, as amended and pass H. Res. 794—Recognizing the 17th anniversary of the massacre in Tiananmen Square, Beijing, in the Peoples Republic of China, and for other purposes

252 On Motion to Suspend the rules and agree, as amend and pass H. Res. 804—Condemning the unauthorized, inappropriate, and coerced ordination of Catholic bishops by the Peoples Republic of China

253 On motion to suspend the rules and agree, as amend pass H. Res. 608—Condemning the escalating levels of religious persecution in the Peoples Republic of China

254 On motion to suspend the rules and agree, as amended and pass H. Con. Res. 338—Expressing the sense of Congress regarding the activities of Islamist terrorist organizations in the Western Hemisphere

I would have voted "yeas" to all of these bills.

INTRODUCTION OF THE SKI AND SNOWBOARD MONTH RESOLUTION

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. UDALL of Colorado. Mr. Speaker, skiing and snowboarding are exhilarating activities that allow individuals and families to enjoy a natural environment and participate in physical activity.

To help spread this message, I am introducing a resolution urging the president to declare January as National Ski and Snowboard Sports Month.

This resolution notes the increase in adult and childhood obesity along with the negative consequences of overweight and obese people including a decrease in the average life span and rising health care costs stemming from related illnesses. It also highlights the role winter sport activities can play in addressing chronic inactivity and the positive effects of participating in physical activity.

"Ski and Snowboard Month" would remind citizens of the importance to maintain a consistent exercise program and healthy lifestyle twelve months out of the year. Winter sports offer unique opportunities to allow all Americans a chance to be together outside and enjoy the season.

IN HONOR AND MEMORY OF BISHOP GEORGE MOSLEY MURRAY

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. BONNER. Mr. Speaker, I rise today to pay tribute to the life of Bishop George Mosley Murray, the founding bishop of the Episcopal Diocese of the Central Gulf Coast, who passed away earlier this month.

Bishop Murray was the first bishop of the Central Gulf Coast diocese, which encompasses south Alabama and northwest Florida, and for 10 years, he provided steady leadership during a period of change in the Episcopal Church. The diocese prospered under his leadership, growing from 25 parishes in 1971, to 64 congregations today with over 22,000 members. In honor of the first bishop of the diocese, the name Murray House was chosen for the diocesan assisted living facility.

Bishop Murray graduated from the University of Alabama in 1940 with a bachelor of science degree in business administration and worked for General Electric in North Carolina for two years. He served four years in the military during World War II with two years aboard the U.S.S. *Pintado*. In 1948, he graduated from Virginia Theological Seminary in Alexandria, Virginia, with a masters of divinity degree. He served five years as Episcopal chaplain at the University of Alabama. Bishop Murray was elected Suffragan Bishop of Alabama in 1953, Bishop Coadjutor of Alabama in 1959, and became the Bishop of Alabama in 1969.

Bishop Murray received honorary degrees of doctor in divinity from Virginia Theological Seminary in 1954 and the University of the South. He also received the Algrenon Sydney Sullivan award, honorary degrees and a doctor of laws degree from the University of Alabama.

Mr. Speaker, I ask my colleagues to join me in remembering a dedicated leader and friend to many in the Gulf Coast area. Bishop George Murray will be deeply missed by his family—his wife, Margaret MacQueen Murray; his children, George Malcolm Murray, William Gerard Murray and Sara Duncan Murray; stepchildren, John C. Rockett, III, Margaret Grace Rockett and James MacQueen Rockett; and grandchildren. Our thoughts and prayers are with them all during this difficult time.

TRIBUTE TO TERENCE J. KIVLAN

HON. VITO FOSSELLA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. FOSSELLA. Mr. Speaker, after 28 years covering Capitol Hill for The Staten Island Advance, Terence J. Kivlan is retiring. In an age when many news reporters gravitate to the glamorous national story and use the news to raise their own profiles, Terry, 61, has doggedly followed issues of concern to his hometown readers. His appreciation for Staten Island was evident in his stories, and his words helped educate millions of residents on the daily happenings in Washington. Terry seemed to have a knack for finding the Staten Islander in a crowd. His stories always brimmed with a local flavor and featured the thoughts, opinions and voices of Staten Island residents.

Terry distinguished himself with his reporting on the ABSCAM scandal in the 1970s and his honest and sensitive coverage of the aftermath of the Sept. 11, 2001 terrorist attacks on New York City. Terry is a throwback to a day of shoe-leather reporting that put a premium on getting out of the office and taking the pulse of the people in the know. His first priority was getting the story for the people of Staten Island and it's a tribute to Terry that he would be proud to be remembered just that way.

TRIBUTE TO THE ANDERSON-DREW FAMILY REUNION

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. DAVIS of Illinois. Mr. Speaker, family reunions are an integral part of African American life, especially given the fact that many families were separated at will during slavery and has continued throughout history in this country. Of course, reunions are a way of staying intact or of being reconnected in a manner which promotes unit, camaraderie and continuation.

On August 4–6, the Anderson-Drew Families will hold their reunion in Chicago, Illinois, a city founded by an African American, Jean Baptiste Point DeSable, a trapper and settler. It has been home to many world famous and internationally known African Americans such as Mahalia Jackson, Lou Rawls, Minnie Minoso, John Hope Franklin, John H. Johnson, Michael Jordan, Dr. Daniel Hale Williams, Oprah Winfrey and Mayor Harold Washington. Being able to concretely trace one's family back to 1876, which was the year that the compromise surrounding the selection of Rutherford B. Hayes to become President of the U.S. and the removal of Federal troops from the South is indeed commendable and noteworthy in and of itself.

I take this opportunity to express and convey how valuable it is for families to remain in constant contact with each other and how much it means for the family to function as a unit. Strong families make strong communities, strong communities make cities, strong cities make strong states and strong states make strong nations.

Our Nation is strong because of families like yours. I salute you, commend you on the occasion of your re-union and welcome you to Chicago. Unfortunately, I will not be able to join you because on Friday, August 4th and Saturday, August, 5th, I will be in Detroit, Michigan attending my family reunion and the next week on the 8th and 9th, I will be in Greenwood, MS, visiting with other family members (the Glass family).

Enjoy your family and keep it strong.

IN SUPPORT OF ISRAEL AS VIOLENCE CONTINUES IN THE MIDDLE EAST

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. COSTELLO. Mr. Speaker, 17 days ago, Hezbollah terrorists conducted a raid into Israel, killing three Israeli soldiers and kidnapping two others, igniting serious fighting between Israel and Hezbollah. I rise today to express my strong support for Israel as it defends itself from an increasingly powerful terrorist presence in southern Lebanon.

Israel has taken many meaningful steps in recent years to push the dream of Middle East peace forward, including removing all forces from Lebanon and, just last year, unilaterally withdrawing from Gaza. In return, Israel faces an emboldened Hezbollah, backed and encouraged by Iran and Syria, with an arsenal of 13,000 rockets that it routinely uses to bombard Israeli towns, and Hamas, which controls the Palestinian Authority. Neither group recognizes Israel's right to exist.

The House recently passed H. Res. 921 with my support, which reaffirms Israel's right to defend itself from these attacks. Through this action we have made a clear statement that the United States will stand with Israel while continuing to work with the international community to bring peace to the region.

Mr. Speaker, the current situation, with Iran and Syria enabling Hezbollah to establish an even greater presence in Lebanon is intolerable and a major obstacle to Middle East peace. Any international agreement should focus on removing Hezbollah from that country, per United Nations Security Council Resolution 1559. This is a critical point for Israel and the entire region, and the United States must remain actively engaged in this process.

PAYING TRIBUTE TO THE STUDENTS OF THE AVIATION YOUTH ACADEMY SUMMER CAMP

HON. EMANUEL CLEAVER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CLEAVER. Mr. Speaker, I rise today to congratulate the students and advisors of the Central Missouri State University's Aviation Youth Academy Summer Camp. On Saturday, July 29, 2006, they will celebrate their inaugural graduating class. This camp provides inner-city youth with a unique perspective on potential careers available in aviation. The youth academy has a total of 27 members in the camp, all from the Kansas City metropolitan area, of which, two are graduating this year.

The Aviation Youth Summer Camp focuses on introducing diverse, multicultural, and under-represented children to aviation, by providing hands-on knowledge and exposure to both aeronautical science and flight training. The camp fosters the personal development of leadership, character, physical health, and academic achievement. Their goal is to train the youth of today for the opportunities of tomorrow.

The Aviation Youth Academy Summer Camp is a 7-day residential camp taught by Central Missouri State University's aviation faculty and certified flight instructors. The camp fosters many practical activities with motivational speakers, team-building exercises, diversity training, and exposure to a collegiate environment and academic programs.

Camp participants strive to achieve their goals through collaboration with experts in the field of aviation, including those in the Central Missouri State University Aviation Department. Each student will leave equipped with the knowledge of what is recommended in a high school curriculum in order to study aviation at the college level.

In addition, participants obtain information about college applications, scholarships, and financial aid applications.

Saturday, July 29, 2006, marks a tremendous triumph for the program as the first two students to complete the 3-year program will graduate. Those two students are Brandon Smith, who will be a senior this year at Lee's Summit West High School, and Markhum Rucker, who will be a senior at Heart of America Charter School. They both plan to attend college, benefiting from strong parental support and a great interest in aviation.

These two graduates and the remaining participants honor the noble tradition of the Tuskegee Airmen who walked before them. It was in the skies above Europe over 50 years ago that those brave men fought for equality abroad while lacking it at home. Among those speaking during the Aviation Youth Academy's summer program included Mr. Ormer Rogers, Jr., past president of the Heart of America Chapter of the Tuskegee Airmen and Harvey McCormick and Harvey Bayliss, two of the original Tuskegee Airmen.

Mr. Speaker, please join me in expressing our congratulations to the participants of the Aviation Youth Academy Summer Camp and the faculty and staff of Central Missouri State University for dedicating their time and services to the inner-city youth of Kansas City. It is essential for members of the Aviation Youth Academy and other youth organizations to be celebrated and commended for their work. Today, the 109th Congress honors them for their achievements.

IN RECOGNITION OF ALL KINDS OF MINDS

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. PRICE of North Carolina. Mr. Speaker, I rise today in recognition of All Kinds of Minds and its Schools Attuned Program for reaching more than three-quarters-of-a-million students through the 30,000 educators who have participated in its professional development program since it began in 1987.

All Kinds of Minds was co-founded in 1995 by renowned pediatrician Dr. Mel Levine and financier Charles R. Schwab to translate the latest research on the many different ways children learn, into programs, products and services that help struggling students become successful learners. The Institute's programs are based on insights from pivotal medical and educational studies, as well as more than 30 years of clinical experience by Dr. Levine, other faculty at the University of North Carolina at Chapel Hill, experts at All Kinds of Minds, and other leading researchers in the field.

The Schools Attuned Program is a research-based program that educates K–12 teachers about the science of learning. It was designed using the standards of professional development from the National Staff Development Council. Enrolled teachers learn about eight neurodevelopmental constructs that affect learning by participating in a minimum of 35 instructional hours and 10 hours of follow-up experiences.

In addition to focusing on how the brain is "wired," the program examines the different ways students learn, patterns in those differences in learning, and how students' interests and strengths can be used to overcome weaknesses within the regular classroom. The framework and tools provided in the Schools Attuned Program allow parents, teachers and children to work together to conquer student learning differences.

The 30,000 educator mark, which includes over 750 teachers from my home district, was accomplished through the efforts and support of teachers, schools and communities in all 50 States, Canada and Switzerland. The program has also benefited from Federal funding to supplement local educational funds in 15 States; State funding for teacher participation in North Carolina and Oklahoma; a 5-year New York City Department of Education initiative allowing nearly 1,600 educators to take part in the program; and over $70 million in funds raised since 1995 from private foundations and major philanthropists supporting the Institute nationwide.

I ask my colleagues to join me in commending the Schools Attuned Program for achieving this milestone of training 30,000 teachers to help students succeed in the classroom.

CONGRATULATING THE SATSUMA LITTLE LEAGUE

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. BONNER. Mr. Speaker, it is with great pride and pleasure that I rise to honor the Satsuma All-Star little league team on winning the Cal Ripken 12-year-old Alabama State Championship, as well as Cal Ripken's Southeast Regional Championship.

Myrick McAll, Wilson McAll, Conner McConaghy, Logan Clifton, Nick Saucier, David Black, Jamie Patterson, Cody Christian, Matthew Peacock, Chase Patterson, Chase Blan, Corey Mosley, and Alex Peacock are all talented young men who exhibited superb discipline, athleticism, and sportsmanship. Special credit also goes to their head coach, Ernie Ray Clifton, and assistant coaches, Tracey Patterson and Glen Peacock, who along with the support and encouragement of the boys' families and friends, help lead the team to become the best in Alabama.

During the State Championship, these 12-year-olds played a very difficult game, which lasted 10 innings. The team showed great perseverance as they displayed their talents on the field.

As if winning the State championship were not enough, these young men went on to compete and dominate the regional competition as well. They now hold the title of Southeast Regional Champions with a 7–3 victory over Winchester, Virginia. Their hometown of Satsuma and all of south Alabama, joins me in saluting this outstanding group of future Hall of Famers.

Mr. Speaker, I would like to offer my congratulations to Myrick, Wilson, Conner, Logan, Nick, David, Jamie, Cody, Matthew, Chase, Corey, Alex, Chase, Coach Clifton, Coach Patterson, and Coach Peacock for their outstanding wins this season. I trust my colleagues will join me in commending the team and wishing them the best of luck as they prepare to compete against other regional winners in Maryland next month.

HONORING DR. RICHARD AMOS

HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CRAMER. Mr. Speaker, I rise today to pay tribute and thank Dr. Richard Amos, Deputy to the Commanding General of the Army Aviation and Missile Command, for his continued service to the defense of our country.

Mr. Speaker, the contributions of the Aviation and Missile Command (AMCOM) at Redstone Arsenal cannot be overemphasized. As a leader in defense technology research and development, the Command has been on the forefront of new and emerging technology for our armed services. It has done a great deal to ensure that the men and women on the battlefield have the most up-to-date war fighting capabilities and the tools they need to safely accomplish their mission. Dr. Amos, a native son of Huntsville, has been the Deputy to the Commanding General of AMCOM since 2004.

Earlier this year, Dr. Amos was awarded the 2005 Presidential Rank Award for Meritorious Executive for his work as Deputy Commanding General. This was a much-deserved honor as he has diligently led efforts with Redstone's Commanding General James Pillsbury to ensure that Redstone and the entire North Alabama defense community are continuously evolving to meet the demands of today's warfighter.

Mr. Speaker, Dr. Amos' dedication and leadership is well respected throughout the North Alabama community. On behalf of the United States Congress and the people of North Alabama, I proudly rise today to commend him on his service and wish him the very best for the future.

HONORING THE LIFE OF MR. DEANNE IGNACIO TAJALLE

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Ms. BORDALLO. Mr. Speaker, I rise today to honor the life of Mr. Deanne Ignacio Tajalle, who passed away on Sunday, July 23, 2006, at the National Naval Medical Center in Bethesda, Maryland, Deanne sustained severe injuries as a result of an explosion that occurred in March while he was servicing a military vehicle as a civilian contractor supporting Operation Iraqi Freedom. Deanne was born February 27, 1969, to Benjamin S. and Doris Quitugua Tajalle of Columbia, South Carolina, formerly residents of Guam.

I join with our local leaders on behalf of our community on Guam in offering our sincerest condolences to the family of Deanne Tajalle, especially his wife Faapepele Hunkin Tajalle, who is a Staff Sergeant in the United States Army and also an Operation Iraqi Freedom Veteran, and their three children, Nicole, Victoria, and Dean Junior. Our thoughts and prayers are also with his brother, Benjamin S. Tajalle, Jr., his sisters, Yvonne T. Decker, Candy T. Muna, and Pamela T. Ibanez, and his father-and-mother-in-law, Fuatau and Miriama Hunkin of Nuuuli, American Samoa.

Our community on Guam appreciates Deanne's service to our country. I join our Pacific island family in honoring his service and his sacrifice. We honor Deanne's commitment to his children, his devotion to his wife, and his dedication to his parents.

The people of Guam extend to the Tajalle and Hunkin families their most heartfelt gratitude and respect during this time of loss. We take this occasion to reflect upon Deanne's character, his service, and his commitment to the United States Army and to his country. May God Bless his family and friends and those whose lives he touched. And may God Bless America.

HONORING MAJOR GENERAL JAMES PILLSBURY

HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 2006

Mr. CRAMER. Mr. Speaker, on behalf of my constituents in North Alabama, I rise today to pay tribute and thank Redstone Arsenal's Commanding General, Major General James Pillsbury, on the service he continues to provide to our national defense.

General Pillsbury was named Commanding General of Redstone Arsenal in Huntsville, Alabama, as well as the Army Aviation and Missile Command, which is located at Redstone, in December of 2003. In addition to the

Aviation and Missile Command, Redstone is the home of, among others, the Missile Munitions Center and School, the Redstone Technical Test Center (RTTC), and NASA's Marshall Space Flight Center.

As Commanding General, he has worked to ensure that the entire North Alabama defense community is engaged in efforts to meet the future needs of the Army and the warfighter. In addition, he and his wife Becky, have established a non-profit organization, Still Serving Veterans, which continues to recognize the sacrifice and look for ways to repay the numerous veterans living in North Alabama for their service. The Pillsburys' community outreach and dedication to the entire region have made the North Alabama community a better place to work and live.

Mr. Speaker, the Army has rewarded General Pillsbury's leadership and commitment at Redstone with an extension on his service in North Alabama. His contributions have prepared our community for additional roles and responsibilities. I rise today to commend him on his service and wish him the very best for the future.

SENATE—*Monday, July 31, 2006*

The Senate met at 2:01 p.m. and was called to order by the Honorable JOHN CORNYN, a Senator from the State of Texas.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Almighty God, holy, powerful, loving, and good, we thank You for Yourself, whom we have come to know and love. Let Your presence be felt today on Capitol Hill. Where there is discord, let there be peace. Where there is hatred, let there be love. Where there is sadness, let there be joy. Where there is sickness, let there be health. Where there is poverty, let there be true wealth.

Use our lawmakers for Your purposes. Give them peaceful satisfaction in doing Your will. Teach them the wisdom of confession without coercion and conciliation without compromise.

We pray in Your powerful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN CORNYN led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 31, 2006.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN CORNYN, a Senator from the State of Texas, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. CORNYN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 1 hour of time equally divided between the majority and the minority.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, today we will start a period of morning business until 3 p.m. Following that time, we will return to the debate on the Gulf of Mexico energy security bill. We have a cloture vote scheduled for 5:30 on this bipartisan bill. I hope cloture will be invoked and that we can then work together to bring that bill to a close at the earliest opportunity.

This is our final week of business prior to the August adjournment, and we have some extraordinarily important measures to consider before we leave.

We now have a freestanding pensions bill that has arrived from the House which we will need to consider before the close of the week. We also have a bill that relates to an increase in the minimum wage, death tax reform, and some other very important tax provisions. I expect to schedule that bill at the earliest time, and I hope we can get cooperation from all Senators. The Senate will address that package before we adjourn for the recess. Chairman STEVENS is ready to bring the Department of Defense appropriations bill to the floor, and we will look for a window to have that bill debated and voted on as well. There are a number of nominations—judicial and otherwise—that I hope we can consider this week.

We have a very aggressive agenda this week that has been laid out before us—a very important one because I believe the importance and weight of each of these bills demands that we address them this week.

We have acted on a number of issues over the past several weeks, and most of the recent debate has been on the issue we will consider later today, the Gulf of Mexico Energy Security Act. Today we are scheduled to conclude that debate on this important piece of legislation. It fundamentally is a bill which will substantially reduce overwhelming dependence on foreign sources of oil. It would move us toward energy independence. It strengthens our national security, and it helps reduce the cost of living for American families and businesses.

Moving toward that energy independence is not only possible, but it is the key to reducing the energy prices that people feel every day when they fill up their cars with gas, when they cool their homes, or other times of the year when they heat their homes. The high energy prices affect people in their everyday lives.

I believe energy independence can be achieved, but a first and very important major starting point will be to make sure we bring more of America's energy to American consumers. That is what the bill does by allowing deep sea exploration in the Gulf of Mexico.

As I mentioned, we have a cloture vote this afternoon, and I expect the final vote on the Energy Security Act hopefully sometime tomorrow.

There are a number of different issues before us as we continue to move and produce meaningful solutions to the problems facing Americans—and that is what we will continue to do.

ORDER OF PROCEDURE

I ask unanimous consent that following the remarks by myself and Senator REID, Senator HAGEL be recognized for 30 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Democratic leader is recognized.

109TH CONGRESS

Mr. REID. Thank you very much, Mr. President.

> Very difficult thing to get anything out of this . . . Congress. They don't want to do anything for the people. They are awful anxious to do things to the people, and they have done a lot of things to the people . . . and it's beginning to hurt.

That is a quote of Harry Truman.

Again:

> Very difficult thing, to get anything out of this . . . Congress. They don't want to do anything for the people. They are awful anxious to do things to the people, and they have done a lot of things to the people . . . and it's beginning to hurt.

Those are the words of Harry Truman in 1948. He was referring to the 80th Congress, but those remarks are directly in tune with the 109th Congress.

Like the "do-nothing Congress" of 1948, it is "very difficult" to get anything out of this Republican Congress. The things they are doing are "beginning to hurt."

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Look at national security. The majority's rubberstamping of President Bush in Iraq has made America less safe and emboldened our enemies such as Iran, North Korea, and al-Qaida. For the third week in a row, Iraq and the Middle East are plunging further into crisis, and what is the response of this Republican Congress? The estate tax, repeal of the estate tax.

Look at our economy. The majority's reckless fiscal policies have created a $9 trillion debt, placing a birth tax on our children and our children's children. In recent years, the poor have gotten poorer and the rich have gotten richer, and the middle class have been squeezed.

What is the response of the Republicans? Repeal the estate tax—hundreds of billions of dollars to go to a small group of Americans, a very small group of Americans, a country with 300 million people. This repeal of the estate tax may affect 10,000 people—less than two-tenths of 1 percent of the American people.

Look how divided America has become. The majority's focus on issues such as marriage and flag desecration has divided our country and distracted this body from more pressing concerns, problems in health care, ignoring global warming, energy and gas prices.

I appreciate the distinguished majority leader saying he believes we should move to energy independence—and we certainly should. I support this drilling bill. President Clinton supported it. It allows drilling in the gulf coast. And it is important because it allows coastal restoration—and money goes to that. But it has little to do with energy independence.

With energy and gas prices and the rising cost to the middle class, what is the response of the Republicans? Repeal the estate tax.

There are just 15 legislative days left this year. Everyone knows that Mondays and Fridays are not voting days in this Republican Senate. That leaves us with 3 days this week and 12 when we return. What is the response of the Republicans today in the U.S. Senate? Move to repeal the estate tax. Fifteen days ahead of us, and behind us 19 wasted months. The truth is this Republican Congress is actually worse than the famous "do-nothing Congress" of 1948. That Congress worked almost a month longer than we have.

Republicans ought to be ashamed of their dismal record, but it is clear from press reports that they are not. I got up to read the Washington Post yesterday morning and was really appalled when I read a quote from the House Republican leader in which he actually bragged about how little this Congress has done.

I quote:

> Republican leaders shrug off the "do-nothing" charge.
>
> "You get used to hearing that nonsense," said House Majority Leader John Boehner (R-OH).

He went on to say:

> As for beating the 1948 Congress' record for lethargy, he joked, "Most Americans will be pretty happy with that."

I don't know what his congressional district is like and how people feel there, but in the rest of the country, that is not how they feel. Americans aren't "happy" that they are paying hundreds of dollars more for gasoline—sometimes every month—because this Republican Congress refuses to pass relief measures and won't investigate the surging profits of big oil. Exxon is going to make $40 billion net profit this year—$40 billion; British Petroleum, the best year they have ever had.

They will not be investigating the surging profits of big oil because this administration is the most oil-friendly administration in the history of the country.

This Congress doesn't have the political will necessary to rapidly make us more energy independent. And what is the Republican response? Repeal the estate tax for two-tenths of 1 percent of the American people, the richest of the rich.

Americans aren't "happy" that our troops are in the middle of a civil war in Iraq because the Republican Congress won't demand the President change course.

That is the law which passed on a bipartisan basis. The law, as we speak, is there should be a change of course in Iraq. The law says that the year 2006 will be a year of significant transition in Iraq. Not happening.

I get a report on my way to work every morning from my stalwart staffers. I talked to Nathan this morning on the way to work. He said:

> Senator, I don't know where to start with Iraq. We know at least four American soldiers have been killed, as mentioned on page A10 of the Washington Post. It doesn't make the front page anymore.

The death and destruction of Iraq, as Nathan said, is hard to keep up with. In the past 24 hours, scores dead. Today, there were a dozen Iraqis beheaded. In the last month alone, 1,200 Iraqis have been killed, murdered. We tried to offer the military in Iraq a strategy for success, but Republicans chose instead to rubberstamp the President.

What is the response to date to all these problems? Repeal the estate tax. We have spent more time on repealing the estate tax than any other one issue for the entire Congress, in this Senate. It should be clear who the majority favors. We have spent all this time on less than .2 percent of the American people, costing the country hundreds of billions of dollars.

Americans are not happy this President has worn down, exhausted, overstretched our military. In a paper I don't read very often, the Washington Times today reported that the military is in a state of disrepair. If you are not on the front lines, you are using equipment that does not work, equipment that is in need of repair. As Senator JACK REED has said for months and months, we have a military infrastructure that is failing. The soldiers are fighting valiantly. The Washington Times reports our military is showing the wear of 5 years of war.

Rather than doing the Defense appropriations bill, we are going to work on the estate tax repeal. Think about that. The Defense appropriations bill should take a few days. Readiness levels for the Army are at lows not seen since Vietnam as virtually no active nondeployed combat brigade is prepared to perform its wartime mission. The Army has asked for $17 billion in emergency funds, but the President has not submitted that. His military leaders in the field have said $17 billion is what we need.

We do not hear anything from the President on this except "repeal the estate tax." Can anyone imagine that? Rather than doing what we should do to help our valiant soldiers, we are going to move this week to repealing the estate tax. Talk about dangerous incompetence from the administration and Congress, as well as making us less safe.

America is not happy with our borders remaining unsecure 6 years after September 11, but this Republican Congress cannot pass comprehensive immigration reform. Rather than the President pushing on this—he says he is in favor of it—we still have this bill in the House that makes a felon of everyone, including health care workers, preachers, Catholic priests, and undocumented people in this country.

What is the answer to that in the Senate today? Repeal the estate tax, giving hundreds of billions of dollars to a few of the richest people in the world.

Contrary to Majority Mr. Leader BOEHNER, Americans are not happy with this Republican Congress which has bowed to the radical right and refused to override a Presidential veto of legislation to allow our best and brightest scientists to explore the promise of stem cell research. On the news today it was reported Prime Minister Blair is going to California to do a deal with the State of California to do stem cell research in Great Britain. We have farmed out hope for the most desperate of the sick, people who have suffered injuries, who are paralyzed from the neck down, the waist down.

And what is the answer of this Congress, this Senate? Repeal the estate tax. Contrary to what my friend says, the majority leader in the House, Americans are not happy. This Republican Congress has concentrated all its efforts on the well-off, well-connected few and done nothing to assist America's middle-class families who are struggling to pay the rising costs of health care, education, energy, with paychecks that keep shrinking. If you are college educated in America today, you have lost 5 percent of your earning power under this administration. What is the answer of this Senate, led by the Republicans? Repeal the estate tax.

Americans are not happy this Republican Congress has virtually ignored the health care crisis. I have talked about stem cell research. That is only part of it. Forty-six million Americans have no health care. During this administration, 1 million people every month have been added to the roll of those who have no health insurance, and millions of others have inadequate health insurance. The Republicans have sat on their hands for 6 years as millions and millions have lost their insurance, while companies such as Ford and General Motors, companies that used to drive this economy, staples of the U.S. economy, have been crippled by the rising costs. What are we doing to help them? We are being asked to repeal the estate tax.

Americans are not happy with this Republican Congress that has pushed its investigation of the President's manipulation of Iraq intelligence until after the election. We were promised—promised—we would do all five investigations. No way. Nine months after Democrats sent the Senate into a closed session over this issue, it has been announced the Republican-led Intelligence Committee will not complete its work before November. And I bet they don't do it even after that. Vice President CHENEY will not let them. He runs the Intelligence Committee; we all know that.

The only conclusion to draw is that the investigation is too embarrassing to Republicans to make public before the November 7 election. What is the answer? I repeat, repeal the estate tax.

Even though my friend Congressman BOEHNER thinks Americans are happy. Americans are not happy with this Republican Congress's cynical plan to play politics with minimum wage and pensions later this week. For 10 years, American workers have waited for the Republican Congress to raise the minimum wage. Isn't it interesting, even though it is in a convoluted legislative package—and that is an understatement—when we said there would be no congressional pay raises until the minimum wage is increased, they are suddenly interested? During the 10 years that poor Americans have been waiting for a wage increase, Congress has given itself $30,000 in pay increases. In that time, the cost of everything—from gas to housing to heat—has gone up. And the answer of the Republicans? Repeal the estate tax.

The Federal minimum wage has stayed the same, $5.15 an hour. For someone earning $10,000 a year, it is hard to live. Oprah did a story on that. Maybe that is one reason—in addition to Congress not further getting pay raises—for this bill. This issue is about to catch up with them. But they are afraid to come forward on a straight minimum wage vote. They stick it in with everything else. To think they have stuck the minimum wage package into the estate tax repeal. The majority does understand that elections are just around the corner and they are about to pay the price for ignoring America's workers. In a most transparent and cynical trick, Republicans have offered to give America a raise if, and only if, their wealthiest friends also get billions of dollars in tax breaks. It is such an unbelievable ploy, let me say it again: Republicans are threatening to deny a $2.10 raise for 11 million Americans unless they can give away hundreds of billions to less than .2 of 1 percent of the American people. The $2.10 raise is over a period of years. It should be immediate. The $2.10 an hour raise occurs if the richest of the rich get billions of dollars. It is political blackmail that reeks of desperation. It should fail. The estate tax has been defeated before in the Senate. Democrats have been willing to deal with the estate tax and change it. We are willing to do that.

Now Republicans have backed off and only about 80 percent agree. This is the most contemptuous election year trick I have ever seen. It has nothing to do with giving workers a raise and everything to do with providing Republicans political cover. Everything we have done in this Senate has been directed toward repealing the estate tax.

We had a deal we worked for a year on a conference on pensions. It was all done. They were ready to sign the papers. It was a bipartisan agreement. It is gone because of the estate tax. Now we have a freestanding bill on pensions coming to the Senate.

To make matters worse, Republicans are willing to put the defense of our Nation on the back burner. I talked about the deterioration of our military. It was recorded in the news today all over the country. I read it in the Washington Times. The Senate has not acted on a Defense appropriations bill even though the President's own military leaders have said they need an emergency supplemental appropriation of $17 billion to take care of the equipment that has gone to pieces as a result of the war.

The Defense appropriations bill funds our national security policy and includes money for our troops and our equipment and determines how we address our national security challenges around the world. What are they doing? Not the Defense appropriations bill, but how can they get to the meat of repealing the estate tax?

With all the problems we have in this country, where are their priorities? We see what their priorities are. In a time of war, one would think this bill would be priority No. 1, that we would do everything in our power to ensure the Senate has ample time to debate and pass this important legislation, but Republicans are threatening to jeopardize Senate passage of this bill so they can focus on their million-dollar friends. It is an insult that the American people can see through, as they can see through the tricks Republicans are playing with the pension bill.

As I indicated, the conferees have worked to reconcile this House pension bill for more than a year. They basically have completed it, and now the wealthy few are ahead of the retirement security of millions of working Americans, further evidence that America needs a new direction. Cry as they might, Republicans cannot escape the record. History will record this as the do-nothing Congress of 2006 and it will be forever, most likely, the 1948 do-nothing Congress. No one is happy about this situation, contrary to what Republican leaders say.

We have 15 days left. I respectfully suggest to the other side it is time to get to work on the real problems, not the estate tax.

Mr. DURBIN addressed the Chair.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Nebraska is next.

Mr. REID. I have not yielded the floor. I still have the floor.

I yield for a question.

Mr. DURBIN. I see the Senator from Nebraska, and I will not take much time, but I would ask a question of the Senator from Nevada.

The Senator from Nevada has been in the Congress as long as I have. We came together in 1982. We have seen a lot of things happen. I ask the Senator from Nevada if, in his time in serving in Congress, he has ever seen a worse special interest bill than this bill which would repeal the estate tax which affects about 2 families out of every 1,000, families who are the wealthiest in America, that the Republican leadership in the House and Senate insist we have to reduce their taxes before we can ever consider giving an increase in the minimum wage to 11 million workers who get up every morning and go to work? For 9 straight years, the Republican leadership in the White House and Congress has said to these hard-working Americans, no pay raise. Now—now—comes the deal. The Republicans have finally said: OK, all right, our conscience has finally gotten to us—or maybe it is the fear of losing our congressional pay raise—but now we will consider the minimum wage pay raise as long as you will cut the taxes on the wealthiest people in America as part of the bargain.

Has the Senator from Nevada ever seen a worse special interest bargain in 24 years?

Mr. REID. I say to my friend, the distinguished minority whip, the time we have spent on this Senate floor dealing with estate tax, think what we could have done in energy, health care, education, the debt, but they are spending it on this massive debt increase. Hundreds of billions of dollars we will increase the debt—this year's deficit—the debt over the next 10 years. I have never seen anything like it.

Mr. DURBIN. I would like to ask the Senator from Nevada this—and he goes to the point. It is not just the basic injustice and unfairness of saying you will not give the hardest working, lowest paid Americans any increase in their hourly wage unless you give the wealthiest Americans a tax break that, frankly, only but a few of them have asked for.

I ask the Senator from Nevada, the outcome of this deal—if they pull it off—will increase the debt of America, will increase the money we have to borrow from China and Japan and Korea and Saudi Arabia, will leave a greater debt for our children so the Republican dream of reducing the estate tax for the wealthiest people in America will come true. Does the Senator from Nevada think that increasing America's debt, cutting taxes in the midst of a war, is sound evidence of fiscal conservatism?

Mr. REID. This increases the national debt by hundreds of billions of dollars. I ask my friends on the other side of the aisle, how could you let this happen? I say that. I plead: How can you let this happen?

We will try to stop it. We would like a little help. How can you let this happen? I am really troubled. I cannot understand how they would even have the audacity to bring this up: a $2.10 increase over 2 or 3 years—it is not all at once—and a massive, immediate cessation of the richest of the rich having to pay basically any taxes on their estates.

Mr. DURBIN. Last question I would like to ask the Senator——

The ACTING PRESIDENT pro tempore. The time of the minority in morning business has expired.

Mr. REID. I will use my leader time.

Mr. DURBIN. I ask the Senator from Nevada to yield for one further question. I thank the Senator from Nebraska for his patience.

We have struggled long and hard over the last several months to ask the Republican leadership in the Senate to bring up the issues, the bills, the laws that people care about: reducing the cost of gasoline for working families and businesses and farmers in Nevada, Illinois, Texas, and Nebraska; working on doing something about the 46 million uninsured Americans; dealing with the issues that we face when people cannot afford to send their kids to college; dealing with the real security of America so we live up to the 9/11 Commission recommendations to make America safe.

I will ask the Senator from Nevada, in closing, as we have asked time and time and time again, to bring up the real issues that count, such as an increase in the minimum wage, is it not a fact that, instead, the Republican leadership has pushed aside the real issues, such as money for our troops, pushed aside the energy program which we need for America, and said, instead: We are going to have a parade of constitutional amendments that are extreme—many of them—and then we have to always come back to repealing the estate tax? It is a higher priority to them than anything I have mentioned.

Mr. REID. Legislative heaven, obviously, for the Republicans in this Congress is the estate tax.

Mr. DURBIN. I thank the Senator.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska is recognized.

Mr. HAGEL. Thank you, Mr. President.

MIDDLE EAST—A REGION IN CRISIS

Mr. HAGEL. Mr. President, the Middle East today is a region in crisis. After 3 weeks of escalating and continuing violence, the potential for wider regional conflict becomes more real each day. The hatred in the Middle East is being driven deeper and deeper into the fabric of the region, which will make any lasting and sustained peace effort very difficult to achieve.

How do we realistically believe that a continuation of the systematic destruction of an American friend, the country and people of Lebanon, is going to enhance America's image and give us the trust and credibility to lead a lasting and sustained peace effort in the Middle East?

The sickening slaughter on both sides must end, and it must end now. President Bush must call for an immediate cease-fire. This madness must stop. The Middle East today is more combustible and complex than it has ever been. Uncertain popular support for regime legitimacy continues to weaken governments in the Middle East. Economic stagnation, persistent unemployment, deepening despair, and wider unrest enhance the ability of terrorists to recruit and succeed.

An Iran with nuclear weapons raises the specter of broader proliferation and a fundamental strategic realignment in the region, creating more regional instability. America's approach to the Middle East must be consistent and sustained, and it must understand the history, the interests, and the perspectives of our regional friends and allies.

The United States will remain committed to defending Israel. Our relationship with Israel is a special and historic one. But it need not and cannot be at the expense of our Arab and Muslim relationships. That is an irresponsible and dangerous false choice.

Achieving a lasting resolution to the Arab-Israeli conflict is as much in Israel's interest as any other country in the world. Unending war will continually drain Israel of its human capital, resources, and energy as it continually fights for its survival.

The United States and Israel must understand that it is not in their long-term interests to allow themselves to become isolated in the Middle East and the world. Neither can allow themselves to drift into an "us against the world" global optic or zero-sum game. That would marginalize America's global leadership, our trust and influence, further isolating Israel, and it would prove disastrous for both countries, as well as the region. It is in Israel's interest, as much as ours, that the United States be seen by all states in the Middle East as fair. This is the currency of trust.

The world has rightly condemned the despicable actions of Hezbollah and Hamas terrorists who attacked Israel and kidnapped Israeli soldiers. Israel has the undeniable right to defend itself against aggression. This is the right of all nations.

Hezbollah is a threat to Israel, to Lebanon, and to all who strive for lasting peace in the Middle East. However, military action alone will not destroy Hezbollah or Hamas. Extended military action is tearing Lebanon apart, killing innocent civilians, devastating its economy and infrastructure, and creating a humanitarian disaster, further weakening Lebanon's fragile democratic government, strengthening popular Muslim and Arab support for Hezbollah, and deepening hatred of Israel's position across the Middle East. The pursuit of tactical military victories at the expense of the core strategic objective of Arab-Israeli peace is a hollow victory. The war against Hezbollah and Hamas will not be won on the battlefield.

To achieve a strategic shift in the conditions for Middle East peace, the United States must use the global condemnation of terrorist acts as the basis for substantive change. For a lasting and popularly supported resolution, only a strong Lebanese Government and a strong Lebanese Army, backed by the international community, can rid Lebanon of these corrosive militias and terrorist organizations.

President Bush and Secretary Rice must become and remain deeply engaged in the Middle East. Only U.S. leadership can build a consensus of purpose among our regional and international partners. To lead and sustain U.S. engagement, the President should appoint a statesman of global stature, experience, and ability to serve as his personal envoy to the region. This individual would report directly to the President and be empowered with the authority to speak and act for the President. Former Secretaries of State Baker and Powell fit this profile.

The President must publicly decry the slaughter today and work toward an immediate cease-fire in the Middle East. The U.N. Security Council must urgently adopt a new binding resolution that provides a comprehensive political, security, and economic framework for Lebanon, Israel, and the region—a framework that begins with the immediate cessation of violence.

I strongly support the deployment of a robust international force along the Israel-Lebanon border to facilitate a steady deployment of a strengthened Lebanese Army into southern Lebanon to eventually assume responsibility for security and the rule of law.

America must listen carefully to its friends, its partners in the region. Saudi Arabia, Egypt, Jordan, and others—countries that understand the Middle East far better than we do—must commit to help resolve today's crisis, and they must be active partners in helping realize the already-agreed-upon two-state solution.

The core of all challenges in the Middle East remains the underlying Arab-Israeli conflict. The failure to address this root cause will allow Hezbollah, Hamas, and other terrorists to continue to sustain popular Muslim and Arab support—a dynamic that continues to undermine America's standing in the region and the Governments of Egypt, Jordan, Saudi Arabia, and others, whose support is critical for any Middle East resolution.

The United States should engage our Middle East and international partners to revive the Beirut Declaration, or some version of that declaration, proposed by King Abdullah of Saudi Arabia and adopted unanimously by the Arab League in March of 2002. In this historic initiative, the Arab world recognized Israel's right to exist and sought to establish a path toward a two-state solution and broader Arab-Israeli peace. Even though Israel could not accept it as it was written, it represented a very significant starting point—starting point—document initiated by Arab countries. Today, we need a new Beirut Declaration-type initiative. We squandered the last one.

The concept and intent of the 2002 Beirut Declaration is as relevant today as it was in 2002. An Arab-initiated, Beirut-type declaration would reinvest regional Arab States with a stake in achieving progress toward Israeli-Palestinian peace. This type of initiative would offer a positive alternative—a positive alternative—vision for Arab populations to the ideology and goals of Islamic extremists. The United States must explore this approach as part of its diplomatic engagement in the Middle East.

Lasting peace in the Middle East, and stability and security for Israel, will come only from a regionally oriented political settlement. Former American Middle East Envoy Dennis Ross once observed that in the Middle East a process is necessary because a process absorbs events. Without a process, events become crises. He was right. Look at where we are today in the Middle East with no process. Crisis diplomacy is no substitute for sustained, day-to-day engagement.

America's approach to Syria and Iran is inextricably tied to Middle East peace. Whether or not they were directly involved in the latest Hezbollah and Hamas aggression in Israel, both countries exert influence in the region in ways that undermine stability and security. As we work with our friends and allies to deny Syria and Iran any opportunity to further corrode the situation in Lebanon and the Palestinian territories, both Damascus and Tehran must hear from America directly.

As John McLaughlin, the former Deputy Director of the Central Intelligence Agency, recently wrote in the Washington Post—and I quote Mr. McLaughlin—

> Even superpowers have to talk to bad guys. The absence of a diplomatic relationship with Iran and the deterioration of the one with Syria—two countries that bear enormous responsibility for the current crisis [in the Middle East]—leave the United States with fewer options and levers than might otherwise have been the case.
>
> Distasteful as it might have been to have or to maintain open and normal relations with such states, the absence of such relations ensures that we will have more blind spots than we can afford and that we will have to deal through surrogates on issues of vital importance to the United States."

Ultimately, the United States will need to engage Iran and Syria with an agenda open to all areas of agreement and disagreement. For this dialog to have any meaning or possible lasting relevance, it should encompass the full agenda of issues.

There is very little good news coming out of Iraq today. Increasingly vicious sectarian violence continues to propel Iraq toward civil war.

The U.S. announcement last week to send additional U.S. troops and military police back into Baghdad reverses last month's decision to have Iraqi forces take the lead in Baghdad and represents a dramatic setback for the U.S. and the Iraqi Government.

The Iraqi Government has limited ability to enforce the rule of law in Iraq, especially in Baghdad. Green zone politics appear to have little bearing or relation to the realities of the rest of Iraq. The Iraqis will continue to face difficult choices over the future of their country.

The day-to-day responsibilities of governing and security will soon have to be assumed by Iraqis. This is not about setting a timeline. This is about understanding the implications of the forces of reality. This reality is being determined by Iraqis, not Americans.

America is bogged down in Iraq and this is limiting our diplomatic and military options. The longer America remains in Iraq in its current capacity, the deeper the damage to our force structure—particularly the U.S. Army.

And it will continue to place more limitations on an already dangerously overextended force structure that will further limit our options and public support.

The Middle East crisis represents a moment of great danger, but it is also an opportunity.

Crisis focuses the minds of leaders and the attention of nations. The Middle East need not be a region forever captive to the fire of war and historical hatred. It can avoid this fate if the United States pursues sustained and engaged leadership worthy of our history, purpose, and power. America cannot fix every problem in the world; nor should it try. But we must get the big issues and important relationships right and concentrate on those.

We know that without engaged and active American leadership, the world is more dangerous. The United States must focus all of its leadership and resources on ending this madness in the Middle East now.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSON. I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The minority has no remaining time in morning business.

Mr. JOHNSON. I ask unanimous consent to speak for up to 10 minutes as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HONORING ROGER ANDAL

Mr. JOHNSON. Mr. President, today I pay tribute to my very close friend, Roger Andal. Last month, Roger died following a long battle with Crohn's disease. His passing is a tremendous loss to our veterans, as well as a personal loss for my family and me. His friendship will be terribly missed.

Roger began his extraordinary service to our country as a combat medic with the Army's Fourth Infantry Division during the war in Vietnam. It was Roger's duty to help his fallen comrades and tend to their wounds, and it was a responsibility that came naturally to him.

He braved enemy fire to ensure the injured were safely evacuated from the battlefield. Roger often did so with little regard to his own personal safety and was ultimately wounded in battle.

He received the Purple Heart, the Vietnam Service Medal, the Campaign Medal, and the Army Commendation Medal for his service to his country. But for Roger what mattered most were not the commendations, but the knowledge that he had helped his fellow soldiers.

After returning stateside, Roger dedicated himself to working on behalf of our Nation's veterans. For the next 30 years, he was active in various veterans' causes, and at the time of his death he was completing his service as the South Dakota commander of the Disabled American Veterans.

The creed of the Disabled American Veterans is "building better lives for America's disabled veterans and their families." I think it's profoundly true to say Roger personified these words and made them his life's mission.

As a former Army medic, Roger understood both the physical and emotional wounds of war. Some soldiers survive the harrows of battle, only to suffer severe injuries including brain trauma and amputated limbs. These veterans required lifelong medical treatment, and Roger was adamant that they receive it.

Roger also recognized that some wounds heal long after the battle is over, if at all. That is why he consistently called upon his congressional Representatives to increase funding for posttraumatic stress disorder initiatives.

Roger fought to make sure homeless veterans were sheltered. He worked to make sure that soldiers returning from war were transitioned back to society with as much ease as possible. But the issue most identified with Roger was mandatory funding.

I have introduced mandatory funding legislation in each of the past three Congresses, and Roger was the bill's most tireless and dedicated champion. If it were possible to pass mandatory funding based on Roger's passion and commitment, enacting this legislation into law would have happened long ago.

Mandatory funding is long overdue, and in honor of Roger, I believe we must redouble our efforts to ensure the VA health care program has guaranteed funding adequate to provide veterans' health care each and every year.

For over three decades Roger never shied away from a fight. He was motivated by his sincere belief that if you make a promise to the men and women placed in harm's way, then you have a responsibility to honor those commitments when they return.

But what Roger valued most was honesty. He was a straight-shooter, and it was one of his most endearing personality traits. If you asked Roger a question, he would give you a straight answer—and he expected one in return.

It speaks volumes about Roger's character that his peers continually elected him to leadership positions within the Disabled American Veterans. In addition to holding every elected position in the Sioux Falls chapter of the DAV, Roger served twice as the State commander, and represented South Dakota on the executive national committee.

On a personal note, Roger had a close working relationship with my staff and in particular with my Chief of Staff, Drey Samuelson. He was an invaluable resource and often provided insight on legislation and veterans' benefits programs. Despite occasional legislative setbacks, Roger always kept a positive outlook on the process.

In the days following Roger's death some veterans have expressed how much more difficult the fight will be without Roger to lead the charge. Without question, Roger's voice will be missed. But we should remember that the best way to honor Roger's life is to fight wholeheartedly for the causes he championed.

Mr. President, my thoughts are with Roger's wife Peggy and their two children during this difficult time. Roger left us much too soon, but his commitment to our veterans and his service to the public and to our Nation will continue to inspire us all.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MARTINEZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MARTINEZ. I rise to speak on S. 3711. My understanding is, through a unanimous consent agreement, I am permitted to speak for 10 minutes on the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GULF OF MEXICO ENERGY SECURITY ACT

Mr. MARTINEZ. Mr. President, over the last several days we have been discussing the Gulf of Mexico Energy Security Act. Today, in an hour or so from now, we will have a cloture vote on this very important legislation. For my part, I have tried to make it clear how important this legislation is to my State of Florida, how important the protection of our fragile environment in our State is to our people. As a young 15-year-old, I came to Florida as many people who have been transplanted from elsewhere, to enjoy a Florida lifestyle. Since that time I have been in love with this wonderful State, what it has to offer to people, to families, and the great traditions Florida has had as a place to enjoy the outdoors. I have on countless occasions enjoyed Florida's beaches, fishing, enjoyed other outdoor pursuits which are such a natural part of what Florida is about.

As the years have gone by, I have passed that on and instilled that in my children, as I did a little bit yesterday, passing it on to my grandchildren when we were enjoying New Smyrna beach yesterday, under that hot Florida sun, but also the beautiful sandy beaches. Part of what this bill is about for Floridians is protecting the future, passing that love on to other generations by ensuring that Florida remains pristine, that it remains the kind of place a visitor from all over the country would choose to come to enjoy year after year and where other Florida families might begin to develop and enjoy their own family traditions, enjoying the great outdoors Florida has to offer, our sandy beaches, the fishing, and other recreational opportunities that come about as a result of this wonderful natural habitat we have.

But also protecting it is important as an economic consideration. It is part of what makes Florida's economy so thriving and important—the tourism. Before there was Disney and Universal Studios, and those types of attractions, it was the beaches and the climate that brought folks to Florida to come and enjoy. At the end of the day, that is our calling card.

Protecting Florida's environment is not something we take lightly. Protecting the environment in Florida is not something that is a Republican or a Democratic issue. That is why Senator NELSON, my colleague from Florida, and I have worked so closely together over the last year or so as this great debate has raged on about what to do to protect Florida, while at the same time yielding ever more increasing pressures to drill and explore in the Outer Continental Shelf.

In the Senate, I maintain another tradition—the tradition of other Florida Senators, Connie Mack, Bob Graham, others who have fought over time to protect Florida's treasures from those who don't share our values. I am proud to be part of that tradition. I am firmly committed to this tradition. And in that tradition, I have worked very hard on—and I am proud to say—what I believe has been a good compromise for our State, along with Senator NELSON and members of the Florida delegation in the House of Representatives, who have worked diligently as well to protect their areas of Florida, protect the State and at the same time understanding the great pressures we are under and the battle that has gotten fiercer and fiercer as demand has increased for ever more production of gas and oil.

As the prices at the pump continue to go up, as prices drive businesses abroad and overseas because of the high cost of natural gas, that pressure has been ever increasing. What I want to do today, in hoping that the people across the State and also across our Nation understand, is say that this bill puts the control of the future of our State in our hands.

As the map here shows, it provides a tremendous zone of protection for the State of Louisiana—125 miles south of Pensacola and the panhandle, but almost 320 some miles from Naples and 237 miles from Tampa. This yellow area is all part of the zone of protection that Florida will enjoy until the year 2022, a long time from now.

As a result of that protection, we have also done something very important to our State, which is upholding the tradition of our military readiness. This is a military mission line here, where no drilling will take place east of this line. What this does is protects the training missions that take place out of Eglin Air Force Base, Hurlburt Field, and the Naval Air Station in Pensacola as well. They train and practice. They test in this area here the guided munitions that are such a part of the necessary and difficult and dangerous world in which we live. Those marvelous weapons can sometimes make the difference between striking the right target or not due to these tests in the Gulf of Mexico. The F-22 fighter, which is going to be a very important part of the future of our military readiness, is going to train here. It is so fast that it requires the vastness of the Gulf of Mexico to be able to conduct maneuvers and training exercises that are necessary.

So this is a zone of protection for our State until 2022. Some might say it is just protection for the gulf. What about the Keys and the east coast of Florida? That is under a moratorium presently. The important protection here is to the gulf coast.

What has been under siege, gone after, is this area denoted as 181 and this shore, which is the stovepipe. This is what we have been seeking to protect, so we could protect our beaches until we had assurances that as exploration took place in this area for what is such a needed product, we also were protecting the military line and Florida's west coast. The east coast at this point is not under the same kinds of threat.

At the end of the day, there are going to be other attempts that we will have to fight and do what we can to protect Florida. At this moment, the crucial protection was to the gulf coast.

I am very thankful to Senator DOMENICI, chairman of the Energy Committee, who worked closely with me and has allowed me to play a role in crafting this important legislation, attempting to understand Florida's concerns, attempting to understand the difficult choices we have to make in this issue. Also, I appreciate the members of the House of Representatives. They have passed a very different bill from this one. I believe the protections for Florida in this bill are superior. I will take a moment to thank them for their diligence and vigilance for our State and for trying to come up with solutions and answers in a different environment than I have worked in with Senator NELSON in the Senate.

I want to make sure that, with great respect, we hope this is the legislation that will ultimately emerge and be passed by both Houses. I cannot support the House version. I have had clear assurances from our leaders that we are committed to working from the framework of the Senate bill. That has been important to me, and while I respect the hard work of our House colleagues and their autonomy as a body of Congress, I believe also we have to prevail on this Senate version of the bill. It is what the Senate can pass this year. It is the reality of the situation. I am hopeful we can impress upon our colleagues in the House by an overwhelming vote of support for this measure. Now is the time and this is the opportunity to protect Florida while at the same time providing some measure of improvement to the conditions we find ourselves in today with such a desperate need for oil and gas.

This area is rich in not only oil but natural gas. The natural gas production from this area may be greater than that of oil. That is a tremendously important resource for our Nation today as we try to power our plants and other facilities, at a time when so much electricity is being generated by the use of natural gas. It is important that we do all we can to bring down the price of natural gas. Chairman DOMENICI believes that, in talking with people in the industry, the passage of this bill could have a significant impact on the price of futures as it relates to natural gas. I hope that will come to pass because that will bode well for our Nation's energy needs and also for those who are trying to maintain jobs here that have been recently moving overseas.

Another part of the bill—and the Senator from Louisiana is on the floor; she has been such a good person to work with and is very understanding of Florida, but also has a very different perspective from her State. I know the revenue-sharing parts of the bill are going to be a great opportunity for the Gulf States that do so much of the dirty work involving this—that put their shoreline on the line so the United States can be more energy self-sufficient—to do the things that are necessary as a result of the demanding nature of this work. Florida won't be doing that. Florida sought protection rather than revenue, and that is what we got.

I feel good about the bill. I think this is the best Florida can do at this time. The zone of protection we wanted to have, which was 125 miles, has been greatly exceeded in most dimensions, and we can go forward until the year 2022 with a settled plate, understanding that there will be production coming out of the gulf, but it will not impact our State.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

GULF OF MEXICO ENERGY SECURITY ACT OF 2006

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 3 p.m. having arrived, the Senate will resume consideration of S. 3711, which the clerk will report.

The bill clerk read as follows:

A bill (S. 3711) to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

Pending:

Frist amendment No. 4713, to establish an effective date.

Frist amendment No. 4714 (to amendment No. 4713), to amend the effective date.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 5:30 p.m. shall be divided equally between the two managers or their designees.

The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, before the Senator from Florida leaves the floor—and he may be staying through the debate—he has been extremely essential and instrumental and vital to the compromise that has come forward. I want to thank him for his leadership. As he alluded to, the five States in the gulf coast came together—the States of Louisiana, Mississippi, Alabama, Florida, and the State of the presiding officer, Texas, and he did an outstanding job as part of the coalition as well—with an arrangement that would have many mutual beneficial parts. One, it is going to provide oil and gas, and particularly natural gas. That is in such short supply. The Senator from Florida knows and all of our colleagues from Florida understand that natural gas is a raw material that is used to literally produce almost every product in America that you can think of, from rubber tires, to the automobiles themselves, to the products of ethanol, to fertilizers, chemicals—you name it, natural gas is used as a raw material.

The prices are too high. They have to come down. The industry is doing a very good job of conserving, but we must open domestic supply, as well as—unfortunately, because the demand is so high—import liquefied natural gas, now that the technology has presented itself. But before we establish another network of dependency, let's at least do our part and produce the natural gas we have here. So on this bill, the Gulf Coast States have come together to open up 8 million new acres, four times more than the original bill—in the compromise we provided, four times more than the original bill to open natural gas for the country.

The other beneficial aspect of this bill is establishing a strong and reliable, trustworthy partnership between the Federal Government and the Gulf Coast States—the four producing States, of which Texas is one—and to say the infrastructure that we provide, basically allowing the Federal Government to access the land it owns—and there is no question that this land off the coast of the United States is owned by everybody, not just the States along the coast. But, frankly, as you know, without our highways and helicopter pads, and our sheds, and our boat launches, and our shipping facilities, and fabrication facilities, the Federal Government could not even access the minerals. So, basically, by providing the servitude and the services and the platform, if you will, to host this great industry, we are saying let us share in all future revenues—as you know, 37.5 percent. That is the second most important thing in my mind that has been established.

For Louisiana's purposes, and according to the way the bill is currently structured for all of the Gulf Coast States, we will use that money to restore a great coastline, to secure and buffer America's only energy coast. We don't have to roll the reels back or rewind the tape of Katrina and Rita. We know what megastorms can mean for the gulf coast. We have all lived through them. We have watched our families struggle. We have watched our constituents struggle, having lost homes, churches, and schools, having seen the great infrastructure, the huge pipelines and facilities, drilling ships, and oil rigs and platforms bent by the great winds and waves. We know how important it is to take a little bit of that money we are paying in taxes and reinvest back into the gulf coast to strengthen the infrastructure, not just for the people who live there in the big towns such as New Orleans and Creole, LA, and midsize towns such as Beaumont and Galveston, and Gulfport, and Pass Christian, but for the whole Nation, because the Nation needs the gulf coast to be strong and secure in these storms.

So using this money to restore the great wetlands, which our scientists know we can do—but, frankly, we have not had the money to do it. People say, Senator, get a plan. I could almost fill up this Chamber with plans our people have had—or I can say dreams our people have had.

We have dreamed all we can dream. We have thought all we can think about this. We need money to turn the dirt and restore the wetlands. The technology is there to do it.

That is another great reason that we can have industry and the environmental community support this bill shoulder to shoulder, because the uses of the revenue sharing are going to be of such benefits to our communities.

Besides the drilling and the additional revenues for the gulf coast and the additional gas for the Nation, we also have the benefit of directing these revenues to a great purpose, which is the restoration of these wetlands.

Just a little more on that subject that might bring this home to those who are listening. When Katrina and Rita hit—and we are just about a month away from the anniversary, August 29 for Katrina and about 7 weeks away from the anniversary of Rita—we lost an area the size of the District of Columbia to open water, 100 square miles. The District isn't 100 square miles today, as you know, Mr. President, because a portion was given back to Virginia, but about 70 square miles is the District of Columbia now. We lost in a matter of a few days that amount of expanse. It went from marsh to open water because of the catastrophic loss of this great wetland. At that rate, all of our communities along the gulf coast will eventually be threatened.

I laugh at my colleagues from Arkansas because the reason they are very supportive of this bill is because they told me privately: Senator, we don't want to be a coastal State; we like Arkansas the way it is.

I know that is a little bit of an exaggeration, but, Mr. President, you have been down to east Texas, to Padre Island, to Galveston and coastal communities in Texas. You understand the wetland losses that are occurring. Ours in Louisiana are exacerbated because we are the mouth of the Mississippi River. We are truly a delta, not just a coastal wetland, which you find all over our coast from the east to the west. But the delta, the mouth of the river system, is strong, yet fragile, and these wetlands are leaving us in extraordinary numbers. This money, this sharing of revenues we are going to get from this bill, will go a long way to build on the science and technology that is there to restore these wetlands. We know we can do it.

Mr. President, 37.5 percent will go to the gulf coast producing States for these purposes; 12.5 percent will establish a great stream of revenue for the Land and Water Conservation Fund that benefits the whole Nation.

I see the Democratic whip on the floor. I will wrap up my remarks in just a moment. I think I am scheduled later to speak.

I am very grateful to particularly Senator SALAZAR and others who stepped up—Senator ALEXANDER—and said: Senator LANDRIEU, why don't we try, with Senator DOMENICI's leadership, to see if we can restore the real purpose of the Land and Water Conservation Fund when it was created in 1965.

I wish I could take credit for creating it. I didn't, but I have been determined since I got here to help fund it so we can live up to a promise we made to America's Governors a long time ago: If you want to build parks, we will help you. If you want to build recreational opportunities for your community, we will help you. The Federal Government said that and then backtracked year after year until today we are spending less than $40 million a year nationally. I would say that is a disgrace, $40 million nationally. The program is authorized at $450 million. At $450 million, it is still not enough, but at least it gives a few million dollars to each State to match private donations, to match faith-based donations, to match literally the pennies children collect for the planting of a tree in a park or the expansion of a bike path that means a lot to them. We can at least do our part in Congress, and this bill will do that.

Then finally, 50 percent will go to the Federal Treasury. So as those revenues come in, we can help reduce the deficit, help encourage drilling where people will accept it. Maybe they won't accept it everywhere. We have made a lot of mistakes in Louisiana, we admit it. We have learned from our mistakes. We have perfected the technology, and we believe we can minimize the environmental footprint and maximize the benefit to the Federal Treasury. There are many benefits.

I yield the time to those scheduled to speak as well. I have some time reserved later in the day. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The assistant Democratic leader.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, first let me acknowledge my colleague from the State of Louisiana. No person has worked harder than Senator MARY LANDRIEU for a State devastated by Hurricane Katrina and the city of New Orleans, which is still in recovery. My colleague, Senator OBAMA, visited there 2 weeks ago and came back and told me personally of traveling for long periods of time within the city of New Orleans and seeing very few homes that have not been devastated by Hurricane Katrina and were still barely inhabitable, some virtually uninhabitable. It is hard to imagine in the United States of America, almost a year after the devastation of Hurricane Katrina, that great city is still reeling from all the damage done.

I know Senator LANDRIEU feels as strongly as anyone—maybe more strongly because of her personal experience—that the State of Louisiana needs a helping hand. I want to do my best to try to be on her side as she continues this battle. I thank her for her leadership on this issue.

(The remarks of Mr. DURBIN pertaining to the introduction of S. 3765 are printed in today's RECORD under

"Statements on Introduced Bills and Joint Resolutions.")

Mr. WARNER. Mr. President, when the matter of the pending Gulf of Mexico Energy Bill was first brought to my attention, and every day thereafter, I repeatedly spoke to the distinguished managers of this legislation about the need for States other than those specifically cared for in this legislation—namely, the Gulf States—the other coastal States to be permitted to amend this bill such that coastal States could begin the long process of asserting our rights as coastal States to those energy resources that, in all probability, are on the Outer Continental Shelf. Therefore, I readied an amendment that I send to the desk, and I ask unanimous consent that it be printed in the RECORD following my statement.

The PRESIDING OFFICER (Mr. BOND). Without objection, it is so ordered.

(See exhibit 1.)

Mr. WARNER. My amendment represents a unique opportunity for this Senate, and indeed the entire Nation as a whole, to seek to determine if we cannot, as several coastal States, help our Nation in this dire need for additional sources of natural gas, and possibly, in some instances, States might elect to include oil, to meet the ever-looming resource crisis.

I remember when the Energy bill which is now law was passed by the Senate. I stood at this very desk and I had an amendment very similar to the one which I am speaking about today. When that amendment was pushed to one side, I said I would stand here again, and here I am again today. But I understand—this is the 28th year I have been in the Senate—there are parliamentary means under the rules of the Senate to preclude Senators from offering amendments, and as such, I am being denied that opportunity.

The bill before us today represents a step in the right direction—and I commend those who have worked on it—to open access to more natural gas and oil in the Gulf of Mexico. However, I, like many others in this body, believe that more must be done because there is such a time lag between the potential passage of my amendment and the actual recovery of gas and oil from any of these moratorium states. We have to begin, and I had hoped on this bill I could mark that beginning.

I worked with many of my colleagues on a proposal to address this supply issue by giving opportunities to the individual States to open up areas in the Outer Continental Shelf waters for the future potential exploration of gas and oil; thus, the coastal States. The amendment I crafted would address the current moratorium on energy and exploration in most of America's Outer Continental Shelf and is the evolution of various amendments and bills I have offered since the debate on last year's Energy Policy Act. It would give States the authority to extend the current moratorium prohibiting oil and gas development in most of the Nation's offshore waters or petition for waivers on their own terms to contribute to the Nation's energy supply. The facts, as I understand them, are as follows:

U.S. demand for natural gas will grow by 40 percent in this country in the next decade to decade and a half. The demand for oil in the United States will grow by 31 percent over the same period of time. At current rates, domestic production will only meet one-third—I repeat—one-third of our demand growth, leaving us increasingly dependent on politically unstable regions. I shall not recount all of them because they are growing by day. Regrettably, it looks as if Venezuela, from which we receive a good deal of our energy supplies, could be placed in the column of "politically unstable." Indeed, many parts of Africa have become unstable, and we all know at this very moment the tragic situation that is unfolding in the Middle East.

We must also be aware of the virtually exponential growth and demand in the developing nations, all competing in the world market for this fungible good named "energy." China's energy consumption has grown by over 100 percent in the past 20 years. It is expected to double again in the next 20 years. Mexico's natural gas demand is expected to double by 2025. Energy consumption in India is expected to more than double in the next 20 years.

We are too dependent indeed on overseas supplies, so we turn to our continental limits. Indeed, the question at hand is about the Gulf of Mexico. The bill authored by Chairman DOMENICI does increase our supplies, and I am very hopeful the Senate will act in passing this important piece of legislation. I propose to support it.

I want to make clear that more must be done outside the Gulf of Mexico. With 20 percent to 25 percent of our domestic oil and gas production located in the Gulf of Mexico, we simply have to diversify our geographic supply.

The Gulf of Mexico is subject to natural disasters. It is a tragic situation, but history records it. As a result of last year's hurricanes alone, we will lose 30 percent of our oil and 21 percent of our projected annual natural gas from in the Gulf of Mexico. This is all because of the extended closure of a significant number of platforms. In fact, a report issued last month by the Department of Interior states that 12 percent of U.S. oil production in the Gulf of Mexico remains shut in almost a year after last summer's events. Hopefully, that production will eventually return to normal levels, but it shows a certain degree of fragility in that area of the United States upon which we rely for such a high percentage of our energy requirements.

The bill Chairman DOMENICI has brought to the floor will open up more than 8 million acres of oil and gas production. The amendment I propose would not directly open any areas or mandate any production. However, depending on the will of the individual States—and that is a combination of, depending on the State, the Governor, the legislature, and indeed the people themselves—my proposal would provide the opportunity for up to 350 million acres—mind you, 8 million acres under this bill pending—350 million acres to be considered for development. That is the coastal area around the United States.

Now, I fully recognize the concerns of the environmentalists, and many times I have tried to work on this, but we have to strike a balance. We must do that. We have an obligation to our citizens. Modern technology has enabled the drillers to put down pipes and other devices to extract the oil and gas which, if subjected to a natural disaster or other problem, seal up quickly and do not spew forth into the pristine ocean and on to the shores the pollution we have witnessed in other catastrophic situations usually involving the transportation of oil from overseas. The Minerals Management Service reports that since 1980, 4.7 billion barrels of oil have been produced offshore with a spill rate of less than one-thousandth of one percent. Technology has progressed and it must be accepted that production of and protection of our natural resources are not mutually exclusive opportunities.

Based upon preliminary resource estimates, my amendment could provide more than $2 billion in new Federal revenues and over $1 billion to States and their citizens that are willing to accept whatever risks still remain, who authorize production in Federal waters off their shores over the next 10 years.

Many of my colleagues have expressed concerns about the Gulf of Mexico bill, and they stem from what is in the House bill. They said they do not want to lift the moratorium as the House bill would do. Well, I am not going to inject myself into the conference. I will leave that to the able leadership of others. However, I will say that my amendment would not lift one square inch of the current Federal moratorium. Instead, it would establish a process by which the States can petition the Secretary of Interior, subject to their own specifications, for a waiver from the moratorium on natural gas or oil production in most of the Outer Continental Shelf. If a State would rather continue the moratorium beyond 2012, the amendment establishes a process that would authorize the extension of that moratorium for up to 10 additional years. The principle of my amendment is simply to enable the individual States to have more control over the waters off their coasts than they do today and more control than they would under the recently passed House bill.

I support the effort to open up areas of the Gulf of Mexico to enhanced energy production. However, it is my sincere hope that the Members of this body do not believe that this alone will solve our oil and gas supply problem. More must be done in conservation and more must be done in the area of American production.

The time has come for the Senate to act on the issue of American production of natural gas and oil. Energy Security is National Security and for the people of America to be dependent upon foreign sources of energy is dangerous to our economy and our way of life.

I have offered a balanced approach to address supply needs and environmental concerns. This is the way for all States to have a say in the policy. The current moratorium expires in 2012 and without legislation like that which I propose, these States would have no guarantee of protection.

Mr. President, I see a number of our colleagues waiting here. But I will return to this floor time and time again, as long as I can draw breath, to fight for the rights of the individual coastal States to decide for themselves—not to be mandated by the Federal Government but to decide for themselves whether they want to step up and help America reach its energy needs.

Now, I have talked to the managers of this bill—and at some point, maybe I can have a colloquy put into the RECORD today—but some assurances are being given to Senators who, like myself, represent the coastal States to see whether the legislation along the lines of the bill I have introduced today, a copy of which is appended to this statement, can, once again, be brought before this Chamber.

EXHIBIT 1

Beginning on page 17, strike line 19 and all that follows through page 18, line 17 and insert the following:

(f) LIMITATIONS ON AMOUNT OF DISTRIBUTED QUALIFIED OUTER CONTINENTAL SHELF REVENUES AND COVERED REVENUES.—

(1) IN GENERAL.—Subject to paragraph (2), the total amount of qualified outer Continental Shelf revenues and covered revenues made available under subsection (a)(2) and section 6(j)(1)(B) shall not exceed $500,000,000 for each of fiscal years 2016 through 2055.

(2) EXPENDITURES.—For the purpose of paragraph (1), for each of fiscal years 2016 through 2055, expenditures under subsection (a)(2) and section 6(j)(1)(B) shall be net of receipts from that fiscal year from any area in the 181 Area in the Eastern Planning Area, the 181 South Area, or any area off the coastline of a covered State.

(3) PRO RATA REDUCTIONS.—If paragraph (1) limits the amount of qualified outer Continental Shelf revenue or covered revenues that would be paid under subparagraphs (A) and (B) of subsection (a)(2) or clauses (i) and (ii) of section 6(j)(1)(B)—

(A) the Secretary shall reduce the amount of qualified outer Continental Shelf revenue and covered revenue provided to each recipient on a pro rata basis; and

(B) any remainder of the qualified outer Continental Shelf revenues and covered revenues shall revert to the general fund of the Treasury.

SEC. 6. OFFSHORE OIL AND GAS LEASING IN AREAS OUTSIDE THE GULF OF MEXICO.

(a) DEFINITIONS.—In this section:

(1) ADJACENT ZONE.—The term "Adjacent Zone" means the Adjacent Zone of each State, as defined by the lines extending seaward and defining the adjacent Zone of each State indicated on the maps for each outer Continental Shelf region entitled—

(A) "Alaska OCS Region State Adjacent Zone and OCS Planning Areas";

(B) "Pacific OCS Region State Adjacent Zones and OCS Planning Areas"; and

(C) "Atlantic OCS Region State Adjacent Zones and OCS Planning Areas";

all of which are dated September 2005 and on file in the Office of the Director, Minerals Management Service.

(2) COVERED REVENUES.—

(A) IN GENERAL.—The term "covered revenues" means all rentals, royalties, bonus bids, and other sums due and payable to the United States from leases entered into on or after the date of enactment of this Act in a moratorium area.

(B) EXCLUSIONS.—The term "covered revenues" does not include—

(i) revenues from the forfeiture of a bond or other surety securing obligations other than royalties, civil penalties, or royalties taken by the Secretary in-kind and not sold; or

(ii) revenues generated from leases subject to section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)).

(3) COVERED STATE.—The term "covered State" means—

(A) a State for which—

(i) the Governor of the State requests the Secretary to allow natural gas or oil or natural gas leasing in a moratorium area; and

(ii) the Secretary allows the leasing; and

(B) effective for fiscal year 2017 and each fiscal year thereafter, a State—

(i) off which oil and gas activities on the outer Continental Shelf are conducted under a lease entered into on or after the date of enactment of this Act;

(ii) that is offshore of any State that is not a Gulf producing State; and

(iii) that does not have an area described in section 2(6)(B)(i) off the coast of the State, as determined on the basis of the administrative lines established by the Secretary under the notice published on January 3, 2006 (71 Fed. Reg. 127).

(4) LEASE.—The term "lease" includes a natural gas lease under section 8(q) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(q)).

(5) MORATORIUM AREA.—The term "moratorium area" means—

(A) any area withdrawn from disposition by leasing in the Atlantic OCS Region or the Pacific OCS Region Planning Area under the "Memorandum on Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition", from 34 Weekly Comp. Pres. Doc. 1111, dated June 12, 1998; and

(B) any area of the outer Continental Shelf (other than an area in the Gulf of Mexico) as to which Congress has denied the use of appropriated funds or other means for preleasing, leasing, or related activities.

(b) PROHIBITION AGAINST LEASING.—Except as otherwise provided in this section, prior to June 30, 2012, the Secretary shall not offer a lease for oil and gas, or natural gas, in a moratorium area.

(c) OPTION TO PETITION FOR EXTENSION OF WITHDRAWAL FROM LEASING.—

(1) OPTION TO PETITION.—

(A) IN GENERAL.—The Governor of a State may submit to the Secretary a petition requesting that the Secretary extend for a period of time described in subparagraph (B) the withdrawal from leasing in a moratorium area for all or part of any area within the Adjacent Zone of the State within 125 miles of the coastline of the State.

(B) LENGTH OF EXTENSION.—

(i) IN GENERAL.—The period of time requested in a petition submitted under subparagraph (A) shall not exceed 5 years for each petition.

(ii) LIMITATION.—The Secretary shall not grant a petition submitted under subparagraph (A) that extends the remaining period of a withdrawal of an area from leasing for a total of more than 10 years.

(C) MULTIPLE PETITIONS.—A State may petition multiple times for a particular area, but not more than once per calendar year for any particular area.

(D) CONTENTS OF PETITION.—A petition submitted under subparagraph (A) may—

(i) apply to either oil and gas leasing or natural gas leasing, or both; and

(ii) request some areas to be withdrawn from all leasing and some areas only withdrawn from 1 type of leasing.

(2) ACTION BY SECRETARY.—Not later than 90 days after receipt of a petition submitted according to the guidelines described in paragraph (1), the Secretary shall approve the petition.

(3) FAILURE TO ACT.—If the Secretary fails to approve a petition in accordance with paragraph (2), the petition shall be considered to be approved 90 days after the date on which the Secretary received the petition.

(d) RESOURCE ESTIMATES.—

(1) REQUESTS.—At any time, the Governor of an affected State (acting on behalf of the State) may request the Secretary to provide a current estimate of proven and potential gas, or oil and gas, resources that may result, and resulting State revenues, in any moratorium area (or any part of the moratorium area the Governor identifies) adjacent to, or lying seaward of the coastline of, that State.

(2) RESPONSE OF SECRETARY.—Not later than 45 days after the date on which the Governor of a State requests an estimate under paragraph (1), the Secretary shall provide—

(A) a current estimate of proven and potential gas, or oil and gas, resources in any moratorium areas off the shore of a State;

(B) an estimate of potential revenues that could be shared under this Act if resources were developed and produced; and

(C) an explanation of the planning processes that could lead to the leasing, exploration, development, and production of the gas, or oil and gas, resources within the area identified.

(e) AVAILABILITY OF CERTAIN AREAS FOR LEASING.—

(1) PETITION.—

(A) IN GENERAL.—On consideration of the information received from the Secretary, the Governor (acting on behalf of the State of the Governor) may submit to the Secretary a petition requesting that the Secretary make available for leasing any portion of a moratorium area in the Adjacent Zone of the State.

(B) Contents.—In a petition under subparagraph (A), a Governor may request that an area described in subparagraph (A) be made available for leasing under subsection (b) or (q), or both, of section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337).

(2) Action by secretary.—Not later than 90 days after the date of receipt of a petition under paragraph (1), the Secretary shall approve the petition unless the Secretary determines that leasing in the affected area presents a significant likelihood of incidents associated with the development of resources that would cause serious harm or damage to the marine resources of the area or of an adjacent State.

(3) Failure to act.—If the Secretary fails to approve or deny a petition in accordance with paragraph (2), the petition shall be considered to be approved as of the date that is 90 days after the date of receipt of the petition.

(4) Treatment.—Notwithstanding any other provision of law, not later than 180 days after the date on which a petition is approved, or considered to be approved, under paragraph (2) or (3), the Secretary shall—

(A) treat the petition of the Governor under paragraph (1) as a proposed revision to a leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344); and

(B) except as provided in paragraph (5), expedite the revision of the 5-year outer Continental Shelf oil and gas leasing program in effect as of that date to include any lease sale for any area covered by the petition.

(5) Inclusion in subsequent plans.—

(A) In general.—If there are less than 18 months remaining in the 5-year outer Continental Shelf oil and gas leasing program described in paragraph (4)(B), the Secretary, without consultation with any State, shall include the areas covered by the petition in lease sales under the subsequent 5-year outer Continental Shelf oil and gas leasing program.

(B) Environmental assessment.—Before modifying a 5-year outer Continental Shelf oil and gas leasing program under subparagraph (A), the Secretary shall complete an environmental assessment that describes any anticipated environmental effect of leasing in the area covered by the petition.

(6) Spending limitations.—Any Federal spending limitation with respect to preleasing, leasing, or a related activity in an area made available for leasing under this subsection shall terminate as of the date on which the petition of the Governor relating to the area is approved, or considered to be approved, under paragraph (2) or (3).

(7) Application.—This subsection shall not apply to—

(A) any area designated as a national marine sanctuary or a national wildlife refuge;

(B) any area not included in the outer Continental Shelf; or

(C) the Great Lakes (as defined in section 118(a)(3) of the Federal Water Pollution Control Act (33 U.S.C. 1268(a)(3)).

(8) Great lakes.—The Great Lakes (as defined in section 118(a)(3) of the Federal Water Pollution Control Act (33 U.S.C. 1268(a)(3)))—

(A) shall not be considered part of the outer Continental Shelf under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.); and

(B) shall not be subject to production.

(f) Neighboring State Concurrence.—

(1) Notice.—The Secretary shall provide notice to a neighboring State of any proposed lease of oil or natural gas in a moratorium area if the lease would be located within 20 miles of the nearest point on the coastline of the State.

(2) Objection.—Not later than 30 days after receiving the notice, the Governor of the State may object to the issuance of the lease on grounds that the lease presents a significant risk to environmental and economic resources of the State.

(3) Secretary review.—If the Secretary, after review of the objection and consultation with the adjacent State, concurs that the lease presents a significant risk described in paragraph (2), and that the risk cannot be reasonably mitigated, the Secretary shall not approve an exploration plan for the lease.

(4) Nonapplicability.—This subsection does not apply to a State covered by subsection (h).

(g) Natural Gas Leases.—

(1) In general.—Beginning with the 5-year outer Continental Shelf oil and gas leasing program for 2007 through 2012, the Secretary may issue a lease under this section that authorizes development and production of gas and associated condensate and other hydrocarbon liquids in a moratorium area in accordance with regulations issued under paragraph (2).

(2) Regulations.—Not later than October 1, 2006, the Secretary shall issue regulations that, for purposes of this subsection—

(A) define the term "natural gas" in a manner that includes—

(i) hydrocarbons and other substances in a gaseous state at atmospheric pressure and a temperature of 60 degrees Fahrenheit;

(ii) liquids that condense (gas liquids) from natural gas in the process of treatment, dehydration, decompression, or compression prior to the point for measuring volume and quality of the production established by the Secretary, acting through the Minerals Management Service;

(iii) other associated hydrocarbon liquids if the predominant component is natural gas and gas liquids; and

(iv) natural gas liquefied for transportation;

(B) provide that natural gas leases shall contain the same rights and obligations as oil and gas leases;

(C) provide that, in reviewing the adequacy of bids for natural gas leases, the Secretary, acting through the Minerals Management Service, shall exclude the value of any crude oil estimated to be discovered within the boundaries of the leasing area;

(D) provide for cancellation of a natural gas lease, with payment of the fair value of the lease rights canceled, if the Secretary determines that hydrocarbons other than natural gas and natural gas liquids will be the predominant production from the lease; and

(E) provide that, at the request and with the consent of the Governor of the State adjacent to the lease area, and with the consent of the lessee, an existing natural gas lease may be converted, without an increase in the rental royalty rate and without further payment in the nature of a lease bonus, to a lease under section 8(b) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(b)), in accordance with a process, to be established by the Secretary, that requires—

(i) consultation by the Secretary with the Governor of the State and the lessee with respect to the operating conditions of the lease, taking into consideration environmental resource conservation and recovery, economic factors, and other factors, as the Secretary determines to be relevant; and

(ii) compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(3) Effect of other laws.—Any Federal law (including regulations) that applies to an oil and gas lease on the outer Continental Shelf shall apply to a natural gas lease issued under this subsection.

(h) Exchange of Leases for Areas Located Within 100 Miles Off States Imposing a Moratorium.—

(1) In general.—Effective beginning on the date that is 180 days after the date of enactment of this Act, the lessee of an oil and gas lease in existence on the date of enactment of this Act for an area located completely within 100 miles of the coastline and within the Adjacent Zones of States that have extended a moratorium under subsection (c) shall have the option, without compensation, of exchanging the lease for a new oil and gas lease having a primary term of 5 years.

(2) Tracts.—For the area subject to the new lease, the lessee may select any unleased tract—

(A) at least part of which is located within the area between 100 and 125 miles from the coastline; and

(B) that is located—

(i) completely beyond 125 miles from the coastline; and

(ii) within the same Adjacent Zone of the adjacent State as the lease being exchanged.

(3) Administrative process.—

(A) In general.—The Secretary shall establish a reasonable administrative process through which a lessee may exercise the option of the lessee to exchange an oil and gas lease for a new oil and gas lease in accordance with this subsection.

(B) Relationship to other laws.—An exchange of leases conducted in accordance with this subsection (including the issuance of a new lease)—

(i) shall not be considered to be a major Federal action for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(ii) shall be considered in compliance with the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

(C) Withdrawal.—The Secretary shall issue a new lease in exchange for the lease being exchanged notwithstanding that the area that will be subject to the lease may be withdrawn from leasing under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) or otherwise unavailable for leasing under any other law.

(4) Priority.—

(A) Bonus bid.—The Secretary shall give priority in the lease exchange process under this subsection based on the amount of the original bonus bid paid for the issuance of each lease to be exchanged.

(B) Exchange of partial tracts for full tracts.—The Secretary shall allow leases covering partial tracts to be exchanged for leases covering full tracts under this subsection conditioned on payment of additional bonus bids on a per-acre basis, as determined based on the average per acre of the original bonus bid per acre for the partial tract being exchanged.

(5) Cancellation of lease.—As part of the lease exchange process under this subsection, the Secretary shall cancel a lease that is exchanged under this subsection.

(6) Conditions for lease exchange.—For a lease to be cancelled and exchanged under this subsection—

(A) each lessee holding an interest in the lease must consent to cancellation of the leasehold interest of the lessee;

(B) each lessee must waive any rights to bring any litigation against the United States related to the transaction; and

(C) the plugging and abandonment requirements for any well located on any lease to be cancelled and exchanged under this subsection must be complied with by the lessees prior to the cancellation and exchange.

(i) OPERATING RESTRICTIONS.—A new lease issued under this section shall be subject to such national defense operating restrictions on the outer Continental Shelf tract covered by the new lease as apply on the date of issuance of the new lease.

(j) DISPOSITION OF COVERED REVENUES FROM MORATORIUM AREAS.—

(1) IN GENERAL.—Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) and subject to the other provisions of this subsection, for each applicable fiscal year, the Secretary of the Treasury shall deposit—

(A) 50 percent of covered revenues in the general fund of the Treasury; and

(B) 50 percent of covered revenues in a special account in the Treasury from which the Secretary shall disburse—

(i) 75 percent to covered States in accordance with paragraph (2); and

(ii) 25 percent to provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*-8), which shall be considered income to the Land and Water Conservation Fund for purposes of section 2 of that Act (16 U.S.C. 460*l*-5).

(2) ALLOCATION AMONG COVERED STATES AND COASTAL POLITICAL SUBDIVISIONS.—

(A) ALLOCATION AMONG COVERED STATES FOR FISCAL YEAR 2007 AND THEREAFTER.—

(i) IN GENERAL.—Subject to clause (ii), effective for fiscal year 2007 and each fiscal year thereafter, the amount made available under paragraph (1)(B)(i) shall be allocated to each covered State in amounts (based on a formula established by the Secretary by regulation) that are inversely proportional to the respective distances between the point on the coastline of each covered State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract.

(ii) MINIMUM ALLOCATION.—The amount allocated to a covered State each fiscal year under clause (i) shall be at least 10 percent of the amounts available under paragraph (1)(B)(i).

(B) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—

(i) IN GENERAL.—The Secretary shall pay 20 percent of the allocable share of each covered State, as determined under subparagraph (A), to the coastal political subdivisions of the covered State.

(ii) ALLOCATION.—The amount paid by the Secretary to coastal political subdivisions shall be allocated to each coastal political subdivision in accordance with subparagraphs (B), (C), (D), and (E) of section 31(b)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a(b)(4)).

(3) TIMING.—The amounts required to be deposited under paragraph (1)(B) for the applicable fiscal year shall be made available in accordance with that paragraph during the fiscal year immediately following the applicable fiscal year.

(4) AUTHORIZED USES.—

(A) IN GENERAL.—Subject to subparagraph (B), each covered State and coastal political subdivision shall use all amounts received under paragraph (2) in accordance with all applicable Federal and State laws, only for 1 or more of the following purposes:

(i) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses.

(ii) Mitigation of damage to fish, wildlife, or natural resources.

(iii) Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan.

(iv) Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects.

(v) Planning assistance and the administrative costs of complying with this section.

(B) LIMITATION.—Not more than 3 percent of amounts received by a covered State or coastal political subdivision under paragraph (1)(B) may be used for the purposes described in subparagraph (A)(v).

(5) ADMINISTRATION.—Amounts made available under paragraph (1)(B) shall—

(A) be made available, without further appropriation, in accordance with this subsection;

(B) remain available until expended; and

(C) be in addition to any amounts appropriated under—

(i) the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.);

(ii) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 et seq.); or

(iii) any other provision of law.

(k) REPEAL OF REQUIREMENT TO CONDUCT COMPREHENSIVE INVENTORY OF OCS OIL AND NATURAL GAS RESOURCES.—Section 357 of the Energy Policy Act of 2005 (42 U.S.C. 15912) is repealed.

I yield the floor.

Ms. LANDRIEU. Mr. President, will the Senator yield for a question?

Mr. WARNER. I am happy to do so.

Ms. LANDRIEU. I thank the Senator. I know our colleague from Massachusetts is here to speak on another subject, but I would just ask a question of the distinguished Senator from Virginia.

First of all, I would like to thank him for the bill he has introduced. I know in the form of an amendment it won't be appropriate in this debate, but I thank him for that.

Would the Senator just explain briefly for maybe a minute or so the feelings of people in Virginia—your legislature has done a lot of good work—about the possibilities of opening additional drilling, perhaps at a later date, and how that might affect the neighbors of Maryland, Delaware even, and perhaps even the Carolinas? Could the Senator just comment for a minute about how those negotiations are potentially moving forward, if not for this bill, then maybe at a later time?

Mr. WARNER. Mr. President, I thank my distinguished colleague from Louisiana. Indeed, in two consecutive sessions of the General Assembly of Virginia, this subject has been on the agenda and bills have been passed by the House of Delegates and State Senate to send bills to the Governor. For whatever reason, Governor Warner—I am not here to criticize, but he saw fit not to let the bill become legislation, and Governor Kaine likewise disapproved of the language this past legislative session encouraging offshore development. I think progress has been made in our legislature as evidenced by the overwhelming votes of more than 75 percent of the State Senate and House of Delegates on this year's bill, and clearly the legislature is speaking for the people of Virginia, and they are ready to take on this challenge and to accept the consequences, whatever they may be. But I repeat: I think technology has gotten to the point where that risk is minimal, in my judgment. How it would affect adjoining States, that is subject to debate. If there were a mishap off the shore of Virginia and depending on the winds, the drift, the seas, and other things, if there were an accident which did emit some pollution, I am not sure anyone could write that into law as to what happens. It is important to note that my amendment includes provisions requiring the concurrence of neighboring states that would be within twenty miles of any production and, as I have said before, modern technology has made these risks very minimal.

But it is an important aspect worth consideration—any legislation of the type I have offered. But it would seem to me collectively the coastal States should look to this as a possible increase in their energy and financial resources. As a matter of fact, my bill allows the citizens of any coastal State authorizing such production to retain a significant part of the proceeds from such drilling. I thank you for asking the question.

Ms. LANDRIEU. I thank the Senator for his comments.

I yield the floor.

The PRESIDING OFFICER. Who seeks time?

Mr. WARNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. KENNEDY. I ask the Chair, how much time remains?

The PRESIDING OFFICER. There is 51 minutes remaining on the minority side.

Mr. KENNEDY. I would like to yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

(The remarks of Mr. KENNEDY are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. Who yields time?

Ms. SNOWE. Mr. President, I yield myself 15 minutes under the previous time agreement.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. DORGAN. Mr. President, if my colleague will yield for a unanimous consent request, my colleague from Maine and I wish to speak in 15-minute increments, taking the time from each side in the debate. I ask unanimous consent to follow my colleague from Maine.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Maine.

Ms. SNOWE. Thank you, Mr. President. I thank my colleague, Senator DORGAN.

I rise today, along with my colleague, Senator DORGAN, to address the amendment before the Senate based on legislation that Senator DORGAN and I introduced regarding drug importation.

First and foremost, I thank my colleague, Senator DORGAN, for his relentless and dedicated leadership on this very important question which we hopefully can address once and for all here in the Senate and in the overall Congress because it certainly is an issue that deserves consideration. But more importantly, it deserves to become law because it is so important to the interests of the American people.

We have been joined on this legislation by a broad coalition of 30 of our colleagues and many of the leaders of the importation effort, along with Senators GRASSLEY, KENNEDY, McCAIN, and STABENOW unified with us in advancing this bipartisan legislation. Our voice has echoed those 7 out of 10 Americans who have called for the lifting of the ban on prescription drug importation. We have worked together to see that this legislation is considered in the Senate, and we have had 10 related hearings on this very matter in the Senate since 2004.

When we recently considered the Homeland Security appropriations bill, over two-thirds of the Senate responded to the increase in seizures of medications from Canadian pharmacies earlier this year by voting to stop impeding safe access to affordable medications.

Today, we must do more to respond to this issue. We must pass the legislation we have introduced which will ensure Americans have a safe and effective system to provide access to affordable medications. Our constituents are suffering as the cost of health care is rising rapidly in America, and prescription drug costs have led to that increase.

In response to a request of Senator WYDEN and myself to track the price of medications most used by seniors, the GAO has repeatedly reported that the cost of these medications has increased at two to three times the rate of inflation as indicated by this chart. In fact, AARP reported recently that the fact is this the highest third-quarter increase in the cost of brand drugs since they began these studies. We can see here two to three times the rate of inflation in the cost of medications.

As a nation, we are growing older, and as we do we use more prescription drugs. At the same time, relentless price increases have made access to lifesaving drugs more and more unaffordable for Americans. The problem of affordability is shared by everyone. If you have prescription drug coverage, rapid price increases drive up your premiums. If you are one of the millions without drug coverage, the situation is far worse. You bear the full cost of the world's highest prices for medications.

Today, even with the new Medicare prescription drug benefit in place, over 46 million Americans are saddled with the burden of exorbitantly priced medications. A drug can be safe and effective, but what good is it if you can't afford to take it? That is why we simply cannot afford to postpone action any longer on this legislation. We have acted before repeatedly in the Senate and in the overall Congress. It has been law since 2000, when Congress last acted to allow importation.

We have also required certification by the Department of Health and Human Services, that the HHS Secretary must certify the safety of importation. Unfortunately, that has been the caveat and a disguise for blocking the importation measure. It has denied access to importation. The Department of Health and Human Services has not taken steps to ensure that we can allow Americans to import drugs safely from other countries—and in particular Canada. While the FDA was unable to point to any single individual harmed by Canadian drugs, they have actually denied importation from Canada. In Europe, in over 30 years of parallel trading of pharmaceuticals, no death or injury has ever been documented because they know it is safe.

While our constituents have found importation offers them access to lifesaving drugs, we have repeatedly heard from FDA how the practice threatens health. Opponents claim importation will cause harm, but they fail to note that the greatest prescription drug threat to the safety of Americans—that is, the inability to take drugs that are prescribed—exacts a toll of thousands of American lives every year. As Dr. Peter Rost—a former Pfizer executive up until a few months ago—who joined Senator DORGAN and I and others in a press conference, observed, "Holding up a vote on reimportation, stopping good reimportation bills has a high cost, not just in money but in American lives." He is a former executive of Pfizer who actually had the courage to make that statement.

Today, thanks to the intensive reporting of health professionals, we are seeing more evidence of the cost of unaffordable medications. In my own State of Maine, one of our physicians reported hospitalizing two patients in a single month—one of them in the intensive care unit with a dangerous heart arrhythmia simply because they could not afford to refill a prescription.

But Americans recognize the value of prescription drugs, and they have turned to affordable sources of these medications so they can preserve and protect their health. Many of my Maine constituents have used Canadian pharmacies and found both savings and safety. But dangers do exist. There are certainly those who would exploit consumers with dangerous or counterfeit medications. It is imperative that we work proactively to ensure that the importation of prescription drugs is safe.

That is why Senator DORGAN and I, along with our colleagues, have comprehensively addressed the various concerns that have been raised over the months and years about drug importation—so that we can get something done. But certifying safety isn't the answer; any measure should actually make it safe. And there are two key issues we must address as we consider importation legislation. First and foremost, is it safe? Second, will the legislation be effective in delivering real savings for consumers? Our legislation which is incorporated in the amendment before us today does both.

Our constituents have taken action to purchase the drugs they could afford—mostly in Canada—and have demonstrated that importation can be safe. In Europe, with over 30 years of parallel trading of pharmaceuticals, no death or injury has ever been documented. They know it is safe.

Dr. Rost, as I said, who was a Pfizer executive up until several months ago, stated from his own firsthand experience in Europe—and I quote:

> I think it is outright derogatory to claim that Americans would not be able to handle reimportation of drugs when the rest of the educated world can do this.

And I agree. Under our legislation, Americans will receive imported drugs from 30 countries. In most cases, Americans will purchase imported prescription drugs from their local pharmacy. The pharmacist will receive those drugs from a U.S. wholesaler which imports them. These wholesalers will be registered, inspected, and monitored by the FDA. This higher level of safety is also a first step in establishing a higher standard for the handling of all medications in the United States.

Our legislation also allows individuals to directly order medications from outside the United States when using an FDA registered and approved Canadian pharmacy. Again, just as with wholesalers handling prescription drugs, the FDA will examine, register, and inspect these facilities on a frequent basis. The FDA will assure the highest standards for such essential functions as recording medical history, verifying prescriptions, and tracking shipments. But regardless of whether one purchases imported drugs from the local pharmacist or uses a Canadian pharmacy, we assure that a legitimate prescription and a qualified pharmacist will be vital ingredients in ensuring safety.

Toward that end, we have also worked with Senator FEINSTEIN to incorporate provisions of the Ryan Haight Act to assure that as we provide safety in an importation system we do not ignore the need to assure safety and integrity in domestic internet pharmacies. These provisions will assure that properly licensed pharmacies and pharmacists are behind Web sites offering prescription drugs and that we no longer see prescriptions issued based on a submitted form or a telephone conversation. There must be integrity and a proper professional relationship between medical professionals and patients.

For those who say the consumers could unwittingly purchase an unapproved or suspect drug, our legislation assures that the drug received will always be FDA approved. If any difference exists in a foreign drug, even the most minute, our legislation assures FDA will evaluate the product and determine its acceptability.

We provide a process to assure imported drugs are the same FDA-approved product, and if a minor difference exists, such as a coloring or inactive ingredient is different, and has no effect on the efficacy of the drug, our legislation assures that it will be tested and labeled so that differences are known. So there will not be motivation for a manufacturer to game the system by making a minor change in order to make a product unapproved and thus unimportable.

For those who say that counterfeiting is a threat, our legislation requires the use of anticounterfeiting technologies to protect drugs. The fact is, we can employ technologies like the one now used on the new $20 bill. We can do the same with prescription drugs. Moreover, this bill supports the development of future anticounterfeiting and track-and-trace technologies which we hope will be used to protect all prescription drugs.

For those who say consumers won't know who has handled an imported prescription drug, our bill requires that a chain of custody—a "pedigree"—be maintained and inspected to help ensure the integrity of the imported prescription drugs. A pedigree for medications was mandated by law, believe it or not, back in 1988—that is correct, in 1988—and we still await its implementation by the FDA. Almost 20 years later, the FDA has yet to implement that requirement to establish a pedigree for medications to ensure that we have a chain of custody so we understand how they have been handled from the initial process of manufacturing.

Some even attempt to alarm Americans about the countries from which we import drugs, citing Latvia, Estonia, and Slovakia, members of the European Union. Another member is Ireland, where Lipitor is made.

I call your attention to this chart on which the European Union and other countries from which we would import is in blue. These countries meet or exceed our standards. In contrast, we have in red many additional countries in which the FDA inspects pharmaceutical manufacturing plants. These include China, India, Bulgaria, Jordan, and others with lower standards.

For those who say importation isn't safe, we show that it will be, and this legislation sets a model of improving safety in the handling of all prescription drugs. The safety has been attested to by none other than the former FDA Commissioner, Dr. David Kessler. He said our legislation " . . . provides a sound framework for assuring that imported drugs are safe and effective. Most notably, it provides additional resources to the agency to run such a program, oversight by FDA of the chain of custody of imported drugs back to FDA-inspected plants, a mechanism to review imported drugs to ensure that they met FDA's approval standards, and the registration and oversight of importers and exporters to assure that imported drugs meet those standards and are not counterfeit. Some say the consumers will not see significant savings, but drugs imported under this program will be labeled as imports, and consumers will be able to compare the side-by-side savings. With increasing consumer awareness of foreign prices and competition between importing wholesalers, we are confident of consumer savings.

Let me say in conclusion, I hope the Senate will give due consideration to this legislation. In the final analysis, it incorporates every issue regarding safety concerns, every measure, every standard that could be put in place to ensure we can have safe drug importation and accomplish the ultimate goal, ensuring affordable medications to the American people. They deserve it.

Mr. DORGAN. I yield myself 15 minutes from the time on our side.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. I thank my colleague from Maine, Senator SNOWE, who has spoken at some length about the piece of legislation we have offered dealing with prescription drugs and the price of prescription drugs in this country.

Thirty-two Senators have cosponsored a piece of legislation. It is a bipartisan group, including Senator SNOWE, myself, Senator KENNEDY, Senator MCCAIN, Senator GRASSLEY and Senator STABENOW. A wide range of Senators have cosponsored a piece of carefully crafted legislation that allows the American people to import FDA-approved prescription drugs that are, in almost all cases, sold for a much lower price in other countries.

I will not go over all of the issues that have been raised by my colleague, Senator SNOWE, because she has done an excellent job of laying out the issue. The issue, very simply, is this: The pharmaceutical industry prices FDA-approved prescription drugs in this country with the highest prices in the world. The American consumer is required to pay the highest prices for prescription drugs in the world. That is unfair.

This chart shows United States versus Canada. But the chart could show the United States versus Italy, the United States versus Germany, the United States versus Spain, and it would show the same result.

I ask unanimous consent to show in the Senate two bottles of Lipitor.

The PRESIDING OFFICER (Mr. MARTINEZ). Without objection, it is so ordered.

Mr. DORGAN. The two bottles of Lipitor are identical bottles: same company, same pill, made in the same manufacturing plant, sent to different places. One is sent to the United States to be purchased by a United States consumer, and the other is sent to Canada to be purchased by a Canadian consumer. What is the difference? This is 40 percent less expensive than this one. The American consumer is charged more than the Canadian consumer.

Why is the American consumer not able to get that 40 percent discount or pay a price that is 40 percent less? The answer is, the pharmaceutical industry stops the reimportation of prescription drugs except for the small use by those who can go back and forth physically across the border. They do that because that enforces their pricing mechanism which requires the highest prices be paid by the American consumer.

Prevacid, 50 percent savings in Canada versus the United States—same pill, same bottle, made by the same company, shipped to two different places, and one is a dramatically lower price. Zocor, 46 percent difference; Celebrex, a 55-percent difference—and the list goes on. The American consumer is charged the highest prices in the world for these prescription drugs.

I, personally, think it is unfair. The way to deal with that is to allow the American consumer access, as others have access, to an international trading system; to say if you can purchase an FDA-approved drug from Canada, you are welcome to import it into this country. The pharmaceutical industry says there are safety issues with that. There are no safety issues with that, not if it is an FDA-approved drug produced in FDA-approved plants.

The Europeans have been doing something called parallel trading for a couple of decades. If you are in Germany and want to buy a prescription drug from Spain, no problem. You can do that. If you are in Italy and want to buy a prescription drug from France, no problem. Under a system called parallel trading, they are able to import and reimport prescription drugs to find the best price. Only in the United States are we prevented from doing that.

We put together a piece of legislation. We worked very hard on the legislation. Thirty-two Senators, Republicans and Democrats, have worked to accomplish this legislation.

On March 11, 2004, over 2 years ago now, at midnight in the Senate, I lifted a hold I had on a nominee in exchange for what I thought was a commitment by the majority leader to bring drug importation legislation to the Senate. I thought it was a commitment. He says he didn't think it was a commitment. I am not going to try to question his integrity but, nonetheless, we still wait 2 years later and are not able to have a vote on this legislation.

In July of 2005, my colleague, Senator VITTER from Louisiana, said he received a commitment from the majority leader to bring this very issue to the Senate if the Senate achieved a 60-vote demonstration of support for reimportation. The Senate met that hurdle when it adopted the Vitter-Nelson amendment on a 68-to-32 vote. On July 14, I and my colleagues—three Democrats and three Republicans—wrote to the majority leader saying: We have now waited for a long while, and we hope that you will decide to do what you had assured us you would do; that is, give us an opportunity in the Senate to pass this legislation.

The U.S. House has already passed legislation on this. The Senate clearly has the votes to pass it if the attempts to block it are ceased and we would be able to pass legislation that, according to the Congressional Budget Office, will save consumers $50 billion over 10 years, $5 billion a year. That is not an insignificant savings.

It seems to me this is an issue that ought not be very controversial except, as I understand, to the prescription drug industry. Let me hasten to say there are some good people working in that industry. Those companies produce some miracle lifesaving drugs. But there are no miracles from miracle drugs if you cannot afford to take them. That is why I believe the pricing of those prescription drugs to the U.S. consumer, charging the highest prices in the world, is fundamentally unfair. It is why I and many others are attempting to remove a restriction in law that prohibits the reimportation of FDA-approved prescription drugs. In many cases, these drugs are actually made in the United States and then exported to be sold for a much lower price in other countries. Then the U.S. consumer is prevented from accessing those same lower priced drugs despite the fact they were made in this country.

We passed a prescription drug benefit in Medicare recently, and it has now been implemented. That had a provision in it that prevents the negotiation for lower prices—just as the VA and others have done. This actually prevents Medicare from negotiating lower prices. I cannot think of anything that makes less sense than a prohibition of the Federal Government from negotiating lower prices. But that is what has happened.

Since the prescription drug benefit in Medicare has taken effect, in the first quarter of 2006, we see while the inflation increased at 1.1 percent, we can see the increase in the price of prescription drugs on this chart. I have developed several of them—Ambien, Proscar, Atrovent inhaler, Lexapro—and the price on average has run triple the rate of inflation in the first quarter. This is like hooking a hose to the tank and sucking it dry.

It will break the bank from two standpoints: One, the cost of this program to the Federal Government; and No. 2, the ability of consumers to be able to access the same FDA-approved drug for lower prices from Canada and other countries just makes great sense. It is why 32 Members of the Senate have cosponsored the legislation before the Senate.

As I said when I started, the majority leader has indicated he fully expected legislation such as this to be in the Senate and to be considered. He said: But we will take it up in the committee of jurisdiction first. That happened last year, in April of last year. They had a hearing. We expected then, and they all said then: We will report legislation out and have time in the Senate to deal with it. But the fact is, it has not happened.

On behalf of the American people, who deserve to have the opportunity to have fair prices on their prescription drugs, this Congress, this Senate, ought to take up this legislation and pass it.

The legislation that is before the Senate is an authorization bill. We are now on the legislation. It is open for amendment. The amendment that I will ask to be considered is not an amendment that falls by the rules. It is an amendment that is perfectly appropriate under the rules. My understanding is that the bill on the floor of the Senate has been amended. I think we have a first-degree amendment and a second-degree amendment. What has been done, as they say in legislative terms, the tree has been filled so that no other amendments are in order.

So in order to offer an amendment, which is proper, you have to ask that the current amendment be set aside, which is the last second-degree amendment that was offered.

My expectation is, and I am told this request will be objected to, but let me say, even if it is objected to, I hope the majority leader will work with us. We have limited time. Representations have been made to a number of Members, including Senator VITTER, myself, and others, that we would have an opportunity in this Congress to deal with this issue.

The U.S. House of Representatives has done so; the Senate has not. My hope is the Senate would allow consideration of a very carefully developed bipartisan piece of legislation that nearly one-third of the Senate has embraced as cosponsors.

With that, I ask unanimous consent the pending amendment be set aside, that the Senate immediately consider the Dorgan-Snowe amendment number 4742 to make drug importation legal and safe.

Mr. ALLEN. On behalf of the leader, I object.

The PRESIDING OFFICER. The objection is heard.

Ms. SNOWE. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Ms. SNOWE. Mr. President, I appreciate all of the Senator's leadership on this issue, but would the Senator agree it is so important for our colleagues to recognize the savings that would be realized for our American consumers? Their counterparts in other countries pay 35 to 55 percent less, so this is an enormous savings both in terms of the U.S. Government and the $50 billion the Senator has mentioned, but also more than $6 billion in direct savings to the Federal Government and to the U.S. budget. Not only do we save $50 billion, with $6.1 billion of that in savings to the U.S. budget according to the CBO, but we begin to address the fact that the American consumers are paying $87 billion more than counterparts in other countries.

This is an enormous savings in all respects. Would the Senator not agree this also would advance those savings to American consumers but, as well, to our Government?

Mr. DORGAN. Mr. President, the large bipartisan group of Senators that has worked to put this bill together and endorsed the bill through cosponsorship has done so believing, first of all, that there is no safety issue. These are FDA-approved drugs that would be allowed to be imported, No. 1. And, No. 2, very substantial savings would exist. The Congressional Budget Office has said that it would be $50 billion over 10 years, $5 billion a year. There would be additional savings to the Federal Government itself.

At a time when we are up to our necks in debt, it is very important to do the right thing not only on behalf of the American consumers but also on behalf of our Government's fiscal policy. The right thing is allowing this to be an opportunity to access the identical FDA-approved drugs at the much lower price that they are being sold in virtually every other country of the world.

I yield the floor.

Mr. ALLEN. Mr. President, I rise this afternoon in strong support of the Gulf of Mexico Energy Security Act. This is commonsense legislation. It will have a powerful and positive impact on one of the truly most important challenges facing our country today: we need to reduce the price of gas. We need to reduce our dependence on foreign sources of energy. It needs to be reduced for our competitiveness. We need to reduce the dependence on energy for our national security, especially the amount of foreign oil we get from the Middle East.

American households, families, and businesses are paying high prices for gasoline. They are paying high prices for natural gas as well as diesel. Our country, the United States of America, is far too dependent on a single source of energy which is primarily located in a hostile, unstable region of the world, 8,000 miles away.

This dependence that we have on the Middle East needs to be reduced. We have paid a very high price for our energy dependence, not just in the actual cost of energy—which has skyrocketed in the last year, harming individuals, harming families, harming manufacturing jobs, having an adverse impact on our farmers and small businesses—we have also, as Americans, paid a high price in terms of our national security since our economy is becoming increasingly vulnerable to the whims of some Iranian mullah or some dictator in Venezuela.

Moreover, there is increasing demand around the world. Every barrel of oil produced in Saudi Arabia or Iran or anywhere else is in competition with the growing economies in Central Europe, and the very large growing economies in India and China—all competing for that same barrel of oil.

This dependence on foreign oil is a serious problem, a serious challenge which requires and demands a serious long-term solution. The old brain-dead energy policies of the past are not going to work in today's innovative and expanding global economy. We need to adopt a comprehensive, 21st century energy program that will increase energy affordability, energy reliability, and, above all, our mission of energy independence.

The best way to strengthen our energy independence is through more American energy diversity. We need to adopt a flexible, diverse portfolio of energy options. That, also, of course, first and foremost, must include increased domestic energy production, including American oil and natural gas. As to clean coal, American coal, we are the "Saudi Arabia" of the world in coal, and we ought to be using clean coal technology for electricity generation as well as gasifying coal or making it into a diesel-like fuel. We also ought to be using American advanced nuclear power for electricity generation.

We need to increase our refinery capacity. Right now, refineries are going at 100 percent capacity. When they shift from one formulary to another, there is disruption, increased prices, some shortages, and not just at the refineries but also in the pipelines. So we need more refineries in this country.

We need, as Americans, to conserve and become more efficient and smart in the use of our energy and our methods and even the engines of propulsion. We also need to unleash the power to free, creative minds and free markets right here in America. We have to unleash the best scientists, the best engineers, and the best technicians in the world. It is time to put them to work to develop a 21st century energy program.

Fuel cells can be part of it. Hybrids, clean-burning natural gas, the use of biofuels, whether that is soy diesel or ethanol, are part of the innovative ideas. Also, with advancements in nanotechnology, materials can be lighter and stronger, needing less energy to propel that particular vehicle. Nanotechnology is also making solar photovoltaics much more of a part of our options. Lithium-ion batteries are moving forward, and that is another method of propulsion for the future.

We have to adopt, we have to be determined, and we have to move forward with a comprehensive 21st century energy independence policy focused on energy production, innovation, and diversity. When we do that, we will see lower gas prices for American consumers. We will see more jobs for American workers and a stronger, more competitive and safer America in the world.

I believe that the Gulf of Mexico Energy Security Act, which is designed to expand deepwater exploration in the Gulf of Mexico, is an important first step toward a long-term energy solution. Although, I know there is much more to be done—and I will be offering an amendment to allow other States to have the same options as well—but this is a bipartisan measure, a bill crafted by Chairman DOMENICI and Senator BINGAMAN, with the support of Senators from, expectedly, Louisiana, Mississippi, and Alabama, and also breakthrough leadership from the Senators—including the Presiding Officer, Senator MARTINEZ—from Florida.

This measure is going to permit energy exploration of 1.7 million acres in the eastern Gulf of Mexico, otherwise known as lease sale 181. It would also lift the production moratorium or ban for 6.3 million acres south of that area. Experts estimate that by permitting exploration of this area, we will eventually extract 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas.

This home-produced American energy can run our cars, heat our homes, power our factories. And, best of all, the money stays right here in America instead of being sent outside of America. This will have a big impact on jobs.

People wonder: Why does it matter for jobs? Well, the natural gas aspect of this is very important. Our manufacturers of chemicals and fertilizers—which affects so many of us, particularly the farmers, but everything we use—those manufacturing jobs could be anywhere in the world, whether it is for chemicals, whether it is for fertilizers, manufacturing tires in Danville, VA, at the Goodyear plant. Those tires could be manufactured anywhere. And the cost of natural gas, the affordability, the reliability of it matters a great deal.

Plastics can be manufactured everywhere. But plastic manufacturers rely a great deal on petroleum-based products as well as natural gas. Forestry products for paper, cardboard, and lumber use natural gas. Again, it is very important we have affordable natural gas to keep those jobs in America rather than going overseas.

Now, as a former Governor, I believe a large portion of the royalties from the new deepwater exploration should be shared with the adjacent States. That is why I am supporting the revenue-sharing portion of this legislation, notwithstanding opposition from the White House. In this legislation, as much as 37.5 percent of the available revenues will go to the Gulf Coast States, many of which were severely damaged by Hurricanes Katrina and Rita.

Now, these revenues will free up money for worthy projects, such as education, transportation, and coastal shoreline erosion remediation. This is an outstanding bill. It will increase jobs and income, obviously, in the Gulf Coast States. It will help Alabama, Mississippi, and Louisiana, and Florida, but also the whole country. What is most important is that for the whole country this will increase the affordability of energy. It will increase our reliability of having energy in every State in our Union.

This bill will not harm our environment. I would remind my colleagues that hundreds of deepwater oil rigs were in the paths of Hurricane Katrina and Rita, and although these rigs were shut down and disabled by the roaring winds and the rising seas, not one of them released oil into the Gulf of Mexico. So this is a good record of performance that should alleviate any concerns about environmental safety.

I believe so strongly in this measure and this program that I want my own Commonwealth of Virginia to participate in it. This is why I am offering an amendment. And I will continue in the months and years ahead to allow not only the Gulf of Mexico States to share in revenues, and to permit those folks to have the deepwater exploration, but

I want to permit and allow the people of Virginia to explore for oil and/or natural gas 50 miles off of our coastline and no closer than 25 miles from any neighboring State.

It would be a completely voluntary arrangement. My amendment allows deepwater exploration if that is the will of the people of Virginia. It simply gives the people an option. It gives the people a choice. And I sincerely believe the people of Virginia will choose to allow deepwater exploration once they are conversant with the facts and the opportunities. In fact, the General Assembly of Virginia, 2 years in a row, has passed legislation, with bipartisan support, to allow deepwater Outer Continental Shelf exploration far off the coast of Virginia.

Here are the facts. In the far part of the eastern seaboard, 45 miles off of our coast, Cuba is exploring for natural gas. Then in Canada, off the Grand Banks and the Maritime Provinces, they are exploring for oil and natural gas.

Now, for the U.S. area, and near Virginia, according to the Minerals Management Service, there are 1.23 billion barrels of oil and 11.68 trillion cubic feet of natural gas along the Mid-Atlantic Outer Continental Shelf. This remarkable, significant amount of energy is just sitting there, waiting for us to use it. Yet Federal law prevents the people of Virginia and America from using it.

Now, the gasoline prices are surging at over $3 per gallon. It is, to me, unbelievable and irresponsible to continue this obstructionist, detrimental restriction and regulation on Virginia and other States.

In my amendment, I have ensured that the people of Virginia are able to reap the benefits of any successful deepwater exploration far off our Virginia coast. Using Senator DOMENICI's legislation as a model, I have established that 37.5 percent of revenues would be allocated to Virginia. I recommend that half of these revenues would go to much needed transportation projects in Virginia. It could be for the third crossing down in Hampton Roads or for the widening of a variety of interstates across our Commonwealth. That would get half of the revenue.

A quarter of the revenue would go to reducing instate tuition at our Virginia colleges, and another quarter of the revenues would go to the coastal communities which are the counties on the eastern shore of Northampton and Accomack and to Virginia Beach, which they may want to use for shoreline or beach, sand replenishment.

Now, how much money are we talking here? Experts estimate that it could be nearly $3 billion over a period of time. That's right, $3 billion—all paid into Virginia's treasury, benefiting all Virginians, whether it is in education, whether it is for the shoreline, or improving our transportation.

Now, if Senators from other States think to themselves: I wouldn't want to have those jobs and those billions of dollars for my State, I would only say to them: Fine. That is your choice. I respect that choice. But please allow us in Virginia to make a choice as well, a choice that helps us and does not hurt any of the other States at all.

We did not get into this energy dependence challenge and predicament overnight, and we are not going to get out of it overnight. This legislation is a vitally important aspect of bolstering our energy security for generations to come. I support it, and I strongly advocate its swift passage because it is a long stride forward toward our ultimate American goal of America's energy independence. And for the future, I encourage my colleagues to support what I consider to be my fair, commonsense approach to empower the people of Virginia to explore for oil and/or natural gas in the deep water off our Outer Continental Shelf, if they so choose to do so.

This expanded proposal is consistent with the principles of federalism and free choice, and it respects the will of the people. It is a win-win situation for jobs, competitiveness, and, most importantly, it will incentivize and encourage the people of the States to join in with our national mission of energy independence.

I hope the underlying bill passes, of course. And I look forward—I see the chairman is here. I commend him for his outstanding work in a bipartisan manner. And I see Senator LANDRIEU here from Louisiana as well. This is a long stride forward. But please understand, Mr. Chairman, that I am going to continue fighting for Virginia. It is good for Virginia. It is also good for America because we need to have America independent from foreign sources of energy, particularly that from the Middle East. I say to the Senator, thank you for your leadership.

Mr. President, I yield the floor.

Mr. LEVIN. Mr. President, I intend to support cloture on S. 3711, the Gulf of Mexico Energy Security Act of 2006, and will vote for final passage. I am voting for cloture and for final passage because I believe we need to move forward to open up more areas for natural gas exploration to address the increasingly tight natural gas supply in the U.S. and its resulting high prices, but to do so in a way that protects our environment.

Over the past 6 years, the tight natural gas supply and increasing costs of natural gas has had a significant impact on consumers and particularly on the U.S. manufacturing sector, which depends on natural gas as both a fuel source and a feedstock and raw material. With U.S. natural gas prices the highest in the industrialized world, many companies have made decisions to move their manufacturing operations offshore. More than 2 million manufacturing jobs have been lost to overseas operations in the last 5 years, and I believe we need to take reasonable efforts to bring down the cost of natural gas in the U.S.

I agree with many of my colleagues that this compromise on offshore oil and gas exploration represents what is achievable in the Senate, and I urge the leadership on both sides to resist strongly any efforts by the House to broaden the scope of this legislation. If the bill comes back from conference with the House of Representatives without the Senate limits and environmental protections, I will not support the final product worked out by the conferees. Senator REID's letter to Senator NELSON is very reassuring in that regard.

The PRESIDING OFFICER. Who yields time?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I believe I have 15 minutes at this point.

The PRESIDING OFFICER. The Senator is recognized. There is no time limit.

Mr. DOMENICI. Mr. President, let me say, before the distinguished Senator from Virginia leaves the floor, here is how I see the situation in terms of coastal waters and the tremendous resources that are along the coast today, including the Senator's State. I see us on the verge of making the first breakthrough in 25 years. If this breakthrough occurs and this bill passes and this bill gets signed, the breakthrough is that your State and your people—openly and bright—might want it, too. In fact, you have been talking about that.

The point I am making is, we are doing this right. Let us get this one done, as you have said, and you certainly have not said we should not. I don't imply that. But the right thing for the country, in fact, of these prolonged moratoria is to pass 181 before us because it is big. It is real. It is right. It is now. It will happen and it will hurt no one. Besides, you will see bids to open with short periods of time saying: We will drill. You will see companies announcing what they are going to do. That will be the stimulus. I am not a football expert, but it is sort of like if the goal is to maximize, eventually, over time, the coastal production of America from a venue of stagnation, if that is the goal—and I am not there yet, but if that is the goal—what you do is you make the first 10 yards right now. This is the first 10 yards. This is the breakthrough.

Now you are going to see it, and you can say: Man, we can make it. Then your State will come, and other States will come. So I am very pleased we chose to limit it to the four States plus Florida and to this big piece called 181.

plus 181 south, which you have lauded here today.

I will close by telling you something that you can now tell your people when this bill passes. On the day of the vote, for those who don't think this is a good bill. I want to remind them, and you can remind them, that it was just announced that natural gas had its biggest gain this year. Bloomberg announced that natural gas rallied to its biggest gain this year in the U.S. on a record-breaking heat wave, and the prices went up. So right now we are celebrating something very negative, that the supply is not sufficient. And with the excess heat, the price went up. What we want to tell them is, pass this bill. Start using these resources. Put them in our inventory, right? Get our businesspeople out there investing to drill, and we will have natural gas coming from 181, this big piece of real estate, energy laden, 6 trillion cubic feet on this one piece, enough for 6 million homes for 15 years, 1.2 billion barrels of oil on just this one piece. Get started, right? That is why we are going to do it.

I think we have the votes. But if you know anybody who is not for it, I say to the Senator, you tell them we celebrated the wrong thing today because we have been doing things wrong. It is time to do it right. That is what I think, and that is what this bill is. You are on the right track, and I commend you. This bill will get us started. I hope you understand that.

Mr. ALLEN. I am certain.

Mr. DOMENICI. We can't do it all at once. I am so pleased we picked the right one. And with the help of that man sitting in the chair, the Presiding Officer today—we call him "President" today, but he is actually a Senator—with his help, because he had a little guts, he decided to talk to his people instead of echoing. He went out there and talked and said: Let's do something. They agreed to this, after years of dilly-dallying, right? We are doing something for the country. The Presiding Officer, MEL MARTINEZ, the junior Senator, is part of this three or four or five people who led this actual attack on this moratorium. Moratorium has something to do with death. That is what the moratorium was, death for us, this crazy idea that these resources should be locked up when you could drill for them and not hurt anybody. It is finally going out the window, little by little, with this bill. Two windows going out. We will see how it works. The public is going to say: Boy, it works. And then some more windows will go out later. And that is what you are talking about.

Thank you so much.

Mr. ALLEN. If I may, Mr. President——

Mr. DOMENICI. I yield to the Senator. I have the floor.

Mr. ALLEN. Will the Senator yield?

Mr. DOMENICI. Yes.

Mr. ALLEN. I would say to the chairman of the Energy Committee, I wanted to get on that committee in this session because I really do believe energy independence, energy security is the most important issue facing our country. The Senator has provided great leadership, working with a variety of different forces, and getting things done on a bipartisan basis. I agree that Senator MARTINEZ was absolutely crucial in this bipartisan effort. I would hope, though, that you recognize that while I am introducing this amendment, I know my colleague, Senator WARNER, has a different sort of amendment, trying to get to the same point. I hope I can count on you, and I hope the American people can count on you to work in a bipartisan fashion in the future, whether this year or future years, to allow the people of Virginia, if they so desire, to explore off our coasts and use this as a model in sharing revenues with the States because I think sharing of revenues with the States will be an incentive for States to help the national mission of energy independence and not allow that good energy to stay there fallow in deep water off our Outer Continental Shelves.

Mr. DOMENICI. I thank the Senator. In response to what the junior Senator from Virginia just said, obviously, this bill sets not only the precedent of getting rid of the moratorium for deep water drilling off the coast of Florida, but it also sets a precedent of revenue sharing with the coastal States that surround the activity. That is what the Senator is talking about. Obviously, the Senator from New Mexico favors that. I don't have to answer his question specifically. I favor that. I took a gamble and said: I am one to do that. I started off saying, I think I can get it done. I think we can get it done without it. That is where I started, right, I ask the Senator from Louisiana? I reported a bill out, found out we probably would get nothing. I am not sure of that, but probably the country would get nothing, the coastal States would get nothing, the Treasury would get nothing, the coastal repair would get nothing. And we would be right back here telling the public: We can't do anything.

So when the coastal States and the Senator from Florida started negotiating with us about the coastal States and about Florida's linear protections, distance protections, I had to move from no coastal revenues. I am very pleased with the way it turned out because I believe over the long run we have by at least 10, maybe 20 years, accelerated the timeframe for coastal exploration. I am not saying forever because I think sooner or later reality had to set in. I think we are just pushing reality here and pushing hard, saying: OK, we are going to share, but we are going to get the resources.

We might be ready soon to have hearings in the committee, have other bills, move in other directions. But for right now, this is the best bill to clear the Senate.

We have this terrible 60-vote threshold in this place. You are aware of that. It is no longer a majoritarian place. There are 60 votes for everything. You ask for a motion for a pin to drop, and somebody says: I am going to filibuster. Right? You have to have 60 votes. Appointment of conferees is filibustered now. Somebody like Senator BYRD will say: Senator DOMENICI, don't think that is new. That was around forever. Of course, it was. But it wasn't used very much.

But you know that is being used now. A motion to appoint conferees on a bill is now an acceptable measure on which to have a filibuster. The point is, this is no turkey shoot, passing a bill in the Senate. You don't just have to sharpen up and hit one; you have to get 60 votes. That is why it is so important you know how to put it together. That is why we did this. That is why some people, looking down on this bill, wondering how far can you go—you know where that is coming from—how far we can go and still get something passed—have to understand, the 60-vote threshold probably, if we make it tonight, and even if we break it, the point is, it is fragile. You fool around with it and change it and you could go back down to 59, 58, and be dead again.

So if you want some energy for America, not big time, not like a whole new country has been invented, we still have a lot of coast left, a lot of other places left, but this is a big one. If you want this, you have to remember, you have to get 60 votes. We have got to get 60 votes here tonight. We have got to get 60 votes later on. And we better not be thinking too far ahead of our nose or we will find out we don't have the votes.

So I want to close by reminding everybody that the price of natural gas increased by a record amount. The public can note that. They might be thinking: Why didn't you do something about it? We want to tell them we are trying tonight to do something about it. We have a ways to go, right? We have to get it passed, and we have to get it past the House. But we are trying to do something about this report that says the price went up the highest amount. We are trying to do something about it. We don't guarantee anything, but we guarantee you that we are going to help if we add 6 trillion cubic feet of natural gas to the inventory of natural gas for Americans from this piece of real estate off the coast of Florida, off the coast of Louisiana that belongs to the people, that had a moratorium on it, that had a death wish on it: You can't do anything with it.

We are taking that off, and that is why it is important.

It is also important that everybody knows it is not easy to do because in the Senate you need 60 votes. No, you don't, people told me the other day. What is the matter with you, Senator? Fifty-one votes will do that.

I said: Well, we changed business in the Senate. Almost everything is a filibuster. I just explained that to you. This bill was filibustered. No question. So we have this fancy-named thing called cloture. That means a request that the filibuster be restrained. We are going to vote on that. Do you want to throw out the filibuster tonight? That is what the vote is going to be about. But that is the 60 votes. People should know that, and they should know that about our bill, whomever it is. This is tough sledding. Don't be thinking that we could change it helter-skelter. And if they are wondering why we have been tough on amendments, just remember with us, who knows what amendments would do to this bill.

It is a good bill like it is. Sorry to fellow Senators who want to offer amendments for a week. I am sorry. I wish you could preside, Mr. President, over wonderful debates, about 20 amendments or 30 on this bill. I hope we don't have to because I hope we close it up with the cloture vote, a couple of hours after that, maybe tomorrow, vote on final passage, send this bill to conference, and then take a little while with the House and have this same message to them: 60-vote problem in the Senate. Can't send them any old thing or we will get nothing.

I think my friend from Louisiana knows that. She is here. She knows what I am going through. I mean, she can comment on that. She does. It is not easy to get this through, if you are worrying about adding things to it or changing it.

I see the Senator would like to speak.

Ms. LANDRIEU. Will the Senator yield for a question?

Mr. DOMENICI. Of course.

Ms. LANDRIEU. The Senator is absolutely correct.

The PRESIDING OFFICER. The Senator has used 15 minutes.

Ms. LANDRIEU. I ask unanimous consent for 1 more minute for the chairman.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. The Senator is on to a very excellent point. I was wondering if he could remind those listening, getting ready for the vote, one of the reasons the debate was restricted is so that we could move on this very important piece of legislation. But if the Senator would remind those of the good things that were done in last year's Energy bill on conservation so that we didn't need a broad debate, we did so many good things, as the Senator will recall, in the last Energy bill to conserve, promote renewables. The Senator is well aware of the many things since he led that fight.

Mr. DOMENICI. The Senator is absolutely correct. I have been referring to the Chair and the Presiding Officer in one way because it was the Senator from Florida, talking to him as the Senator from Florida. He has taken a seat as a Senator. Another Senator from the committee, Senator LAMAR ALEXANDER, has taken the Presiding Officer's seat.

(Mr. ALEXANDER assumed the Chair.)

Mr. DOMENICI. The question fits right in with all four. LAMAR ALEXANDER is on the Committee of Energy and Natural Resources, as is the Senator from Florida. A big participant is the Senator from Tennessee. I am looking at the Senator who took on the issue of natural gas, the Senator from Tennessee. We knew we could not do this on that bill, so we put it off. We did 10 or 15 major things that are still having an impact on America—everything from seeing to it that all possibilities for the alternative of shale being turned into oil be given a chance. It might happen. We promoted coal to gas, coal to liquid. The only thing keeping that from happening is the uncertainty of investment because the price of $70 is not certain. If we can address that issue, we will fix that, too. Ethanol came out of that bill. The whole idea of hybrid automobiles came out of that bill. Scores of that are in the area of conservation, which were promoted even before I was chairman; they are on that bill and are done. So this is a followup for some supply. That is why it is important that we get it done.

I thank the Senator for the question. There are many other things we could list. I thank the Senate for yielding me additional time.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I think we are going to vote around 5:30. I may need 10 minutes to speak, and others may follow suit. I wanted to follow up on what Chairman DOMENICI said, as a member of the Energy Committee—and, Mr. President, you serve so ably on that committee, as does the Senator from Florida—to say exactly that point.

Some people have been critical of this debate, questioning why it is so limited. The answer is because almost everything was included in last year's Energy bill, which we debated for 10 years—a lot of debate, over weeks and months, over a 10-year period. This part was the part that was left out—actually increasing the supply of gas. As the Senator from New Mexico said earlier, today is probably a propitious day to be debating this because the price went up over a dollar.

Earlier today, the manufacturing association, the agricultural interests, and the paper and pulp industry shared a press conference. The equivalent price of gas to oil, when gas went up earlier to $15—it is now today at $8, yesterday at $7. But at $15, which is what our industry folks pay, and residents pay as well—that high price of gas—it was the equivalent of a $7-per-gallon price of gasoline at the pump. So if you are thinking, because all of us know when we fill our tank up how expensive that $2.89 or $3.10 or $3.25 is—can you imagine the shock of going to the pump and having it say $7.50 a gallon? Imagine that. That is how high the price of gas got this year in the United States of America.

So the reason our farmers are supporting this bill, the reason rural communities are supporting this bill, the reason the manufacturing industries are supporting this bill, the reason the chemical association is supporting this bill, and many environmental groups as well, is because we must find more domestic supply to reduce the price of natural gas.

We are going to also have to import, unfortunately, more liquefied natural gas. I say "unfortunately," although my State benefits from those imports. I can honestly say that I really belong to the group of Senators who believe we can be energy independent, and we should. This bill is the piece that didn't get done in the last energy bill, and it must get done before we begin writing another comprehensive energy bill, which we can and will do because there is always room for improvement.

I wanted to answer the critics about why just focus on this. It wasn't done in the last bill, so it needs to get done today. Why the gulf coast? Because the gulf coast Senators came together, working with Senator DOMENICI, and figured out our neighborhood. We live in the neighborhood of the gulf coast. Five States share the gulf: four of us drill and one doesn't. Maybe that one will one day, but who knows? That is for the State of Florida to decide. We will defer that debate. Texas, Louisiana, Mississippi, and Alabama came together and decided we wanted to stay in the business despite the fact that there have been difficulties to our coast. We believe in drilling and strengthening America's domestic reserves. We want to continue to serve the coast, but we can and will not any longer do it for free.

My critics say: Well, Senator, you are not thinking about all the jobs you get and about the taxes. I am thinking about the jobs created, and we are grateful. I am thinking about the taxes we get from onshore drilling. But I am also thinking about the $150 billion in royalties that have been paid by the offshore industry to the Federal Government, of which Texas, Louisiana, Mississippi, and Alabama got zero.

When I think about our beaches, our coasts, our marshes, our great fishing places, and our beautiful marshland, it is compelling that we would enter into a smarter partnership for the future than the one we failed, for many reasons, to enter into in the past. So I am proud to have argued and helped with our gulf coast Senators to negotiate a good deal, a square deal for the gulf coast, and a good deal for the Federal Government.

I also repeat that the country needs the gas now. The gulf coast needs the revenues now, the country needs the jobs now, and the companies in the industry need the competitive edge now. Today, again, at that press conference earlier, it was shocking to see how many manufacturing jobs have been lost. When the price of natural gas for our manufacturing sector exceeds the price of labor, we have a serious problem. That problem is getting addressed at 5:30 today when the Senate votes to open, for the first time, almost 8.3 million new acres of rich natural gas and send a positive signal to the markets and to the industry that we are serious again about finding resources right here.

Fifth, the companies in these industries need to gain a competitive edge. The States will get a reliable partner in conservation. Mr. President, you have done more to spearhead that debate since you came to the Senate. You did it as Governor of Tennessee, as a Secretary for our country. You have been a leader in conservation. I have spoken many times about the coast and wetlands. I am not quite as passionate or articulate as you, but I share your enthusiasm for the fact that this Nation is a great nation of the outdoors. It separates America from our European neighbors. It sets us apart from places like Japan. We have great open spaces. It is the character of America, as I have heard you say many times.

If we don't work harder to preserve those open spaces, they will not be there because they just don't happen; they are dreamed about, nurtured, and created, and not by words, not by wishes, but by money that buys and sets aside land. I know we cannot do it in every place and for the Federal part, but for the States, for our 50 Governors who are looking to the Federal Government to be a good partner and want to work with nonprofit organizations to expand conservation, I say to my colleagues that this bill finds balance.

We tried to do this in 1965 when some great Senators, such as Scoop Jackson from Washington and others, created the Land and Water Conservation Fund—the first time ever that the Federal Government said: Let's create a fund to help the States. It wasn't much of one. You could barely see this little dot. It was probably $10 million for all the States. That is just pennies. But it was a beginning. We went up to $75 million and back down to $50 million, and we kept trying, through the budgets, to get a little bit of money set aside for our parks and bike paths and soccer fields where our kids play. I am not just talking about suburban areas, I am talking about urban areas, such as small city parks in New Orleans or the large Central Park in New York. We did a pretty good job over time, and we have fallen off the wagon, if you will. It is time to get back up in the saddle and fund the Land and Water Conservation. That is what this bill does.

To some undecided Democrats who are thinking: What should I do, please consider that the country needs the gas, manufacturing needs their competitive edge back, the gulf coast could certainly use the revenues, the country needs the jobs, and the States need a reliable, steady stream of revenue for the Land and Water Conservation Fund that our Governors, legislators, mayors, county commissioners, and parish officials in Louisiana can certainly count on to help. It is down to $40 million, one of the lowest levels it has been.

Under this bill, it will go up $450 million a year. Not right away, but over time it will go up to its full authorized funding. We are going to do what we can between now and the time the bill gets to the House to make these adjustments in these early years to get these numbers up. We will see. We cannot make any promises because there is a lot to be done. The idea is to pass this bill today and get something to the President's desk that he can sign.

I thank the administration for supporting the framework of the Senate bill, for Secretary Kempthorne's visit to Louisiana and Mississippi, to the gulf coast. I thank all Senators who have come down—almost all of them now have come before the anniversary of Katrina—and seen firsthand the great needs America's only energy coast has.

I want to show a final picture of the gulf coast because this is what I have shown so many times when I have come to the Senate floor. This is America's only energy coast. I am not making this up. This is a USGS satellite view of the Gulf of Mexico. You see the great boot of Louisiana, the mouth of the Mississippi River here, Mobile Bay, Galveston, and the great expanse of the Texas coast. This is America's energy coast. All of these are pipelines that are out into the gulf. There is no way to get oil and gas from this part of the gulf unless you connect it to someplace on land. Whether it is Port Fourchon, Venice, Buras, Gulfport, Pass Christian, Morgan City, Beaumont, Cameron—all of these towns and communities support this industry.

When I see people come to the Chamber and say this doesn't belong to the States, this belongs to the Federal Government, I am not even making the argument; I know this belongs to the Federal Government. What I am saying is the Federal Government could not access what it owns without a right-of-way through the States of Alabama, Mississippi, Louisiana, and Texas. It is as simple as that. You can own all the valuable land you want; if you cannot access it, it is as if you don't own it. That is what we are talking about, sharing these revenues to protect this great coastline. We most certainly need every penny we can get to build these levees to protect these people so we can keep the lights on in the Chamber.

I ask unanimous consent that Senator ALEXANDER and Senator HAGEL be added as cosponsors to S. 3711.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. Mr. President, I yield back the time in the event there are any other Senators wishing to speak for or against the measure.

I suggest the absence of a quorum and ask that it be equally divided between the two sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, in a few minutes we will be voting on S. 3711, which is the Gulf of Mexico Energy Security Act of 2006. I urge all Senators to oppose cloture on this bill which is the vote that will occur at 5:30. Last week, I outlined my reasons for my strong opposition to the bill. The bill is not good energy policy and, in my view, it is even worse fiscal policy.

Turning first to Energy, S. 3711 actually expands areas that are under moratorium off the coast of Florida. It also sets a precedent for imposing a new long-term congressional moratorium. The chart behind me has been referred to by many on both sides of this debate. This chart depicts the area, which is in yellow, that will be locked up under S. 3711 until the year 2022. For the first time, as I can determine, Congress will be enacting a multiple-year moratorium—not a moratorium for just 1 year, which we have done many times in the past but, rather, a moratorium until 2022.

In addition, Congress will be placing parts of this area under moratorium that have never been under a moratorium before.

The bottom line is that in return for access to an additional 2.76 trillion cubic feet of natural gas, the bill puts almost 10 times as much natural gas—that is 21.83 trillion cubic feet—off limits until 2022. Again, that is all of the area colored in yellow.

This is certainly not my idea of how we should be addressing our Nation's energy needs.

In addition, the claims of the natural gas that will be produced under the bill are exaggerated. The sponsors of the bill claim that 5.83 trillion cubic feet of natural gas will be produced. However, over half of that natural gas will be leased next year and produced anyway under the Department of the Interior's proposed plan. The actual amount of additional natural gas made available because of this bill is 2.76 trillion cubic feet.

Last year, the Congress enacted the far-reaching Energy Policy Act of 2005. The legislation addressed energy efficiency and energy production, nuclear energy, renewable energy, energy technologies, and energy taxes. We made progress, but there is much more work to be done. That is why I am deeply disappointed that the only energy legislation that the Senate is likely to consider this year is S. 3711, which I do not believe takes us in the right direction.

I am also disappointed that the right of Senators to offer amendments addressing other important aspects of energy policy will be cut off if cloture is invoked. There were amendments to S. 3711 filed by my colleagues that address important unfinished business on the topic of energy policy. Prominent among these are amendments to improve efficiency in our use of oil and gas. But there are also other meritorious energy amendments which my colleagues will not be able to offer if cloture is invoked today.

I turn now to the enormous adverse fiscal impacts of S. 3711. The bill would divert from the Federal Treasury 37.5 percent of revenues from the new sale areas to the four States—Texas, Louisiana, Mississippi, and Alabama. Starting in 2017, this percentage is applied to new leases in existing areas of the Gulf of Mexico that are open to production.

To put it simply, we are not talking about diverting revenues from the new lease sale area. Ultimately, S. 3711, by its language, would divert revenues from the entire Gulf of Mexico.

This is chart No. 2. The area that is highlighted is the area in the western gulf and the middle gulf which are open to production, and the revenue from new production in those areas would begin to be diverted to the four States I mentioned beginning in 2017.

As any Senator can see, this includes the entire western and central Gulf of Mexico and also, of course, the newly opened lease sale 181 and lease sale 181 south areas.

Even with S. 3711's so-called cap on revenues paid to the States for the period from 2016 to 2055, the amount flowing to the four Gulf States that would otherwise go to the Federal Treasury would be somewhere between $28.5 billion and $30.5 billion. Estimated losses to the Treasury balloon beginning at that later date of 2056, with annual losses between $12.5 billion and $15 billion starting that year.

There is no policy justification for diverting these Outer Continental Shelf revenues to the coastal States. The resources of the Outer Continental Shelf belong to the entire Nation. The Supreme Court ruled that offshore lands were and always have been owned by the United States as a feature of national sovereignty. In 1953, Congress passed the Submerged Lands Act which granted coastal States title to submerged lands to within 3 miles of their coast. This action by Congress several decades ago settled any issue of State equities.

Finally, there has been much discussion as to whether passage of S. 3711 will lead us to a conference on the House-passed bill, which is H.R. 4761. I understand that the minority leader has made a commitment that we will not accept any version of this legislation other than that which is before the Senate today. In my view, he is right to take that stance because the House-passed bill would take us down a road to even greater fiscal irresponsibility. The administration has warned that the House-passed bill would cost hundreds of billions of dollars.

In addition, the House bill contains many other far-reaching and extreme provisions that do not lead to the type of balanced energy policy that is in the best interest of our Nation.

For these reasons, Mr. President, I again urge my colleagues to oppose the motion to invoke cloture.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

The PRESIDING OFFICER. By unanimous consent, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The bill clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on Calendar No. 529, S. 3711: a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

BILL FRIST, PETE DOMENICI, RICHARD G. LUGAR, MITCH MCCONNELL, KAY BAILEY HUTCHISON, JIM BUNNING, TRENT LOTT, CHRISTOPHER S. BOND, TOM COBURN, WAYNE ALLARD, DAVID VITTER, MEL MARTINEZ, THAD COCHRAN, JIM DEMINT, JOHN CORNYN, LINDSEY GRAHAM, JEFF SESSIONS.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senators were necessarily absent: the Senator from Kentucky (Mr. BUNNING) and the Senator from Arizona (Mr. MCCAIN).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Massachusetts (Mr. KERRY), the Senator from New Jersey (Mr. LAUTENBERG), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey (Mr. LAUTENBERG) would vote "no."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 72, nays 23, as follows:

[Rollcall Vote No. 218 Leg.]

YEAS—72

Alexander
Allard
Allen
Baucus
Bennett
Bond
Brownback
Burns
Burr
Byrd
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
DeMint
DeWine
Dole
Domenici
Dorgan
Ensign
Enzi
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Inouye
Isakson
Johnson
Kohl
Kyl
Landrieu
Levin
Lincoln
Lott
Lugar
Martinez
McConnell
Murkowski
Nelson (FL)
Nelson (NE)
Pryor
Reid
Roberts
Rockefeller
Salazar
Santorum
Schumer
Sessions
Shelby
Smith
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NAYS—23

Akaka
Bayh
Biden
Bingaman
Boxer
Cantwell
Dayton
Dodd
Durbin
Feingold
Feinstein
Harkin
Jeffords
Kennedy
Leahy
Menendez
Mikulski
Murray
Obama
Reed
Sarbanes
Snowe
Wyden

NOT VOTING—5

Bunning
Kerry
Lautenberg
Lieberman
McCain

The PRESIDING OFFICER (Mr. BURR). On this vote, the nays are 23, the yeas are 72. Three-fifths of the Senators chosen and duly sworn having voted in the affirmative, the motion is agreed to.

Mr. FRIST. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FRIST. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Mr. President, thank you so much for your courtesy—and my colleagues. I wanted to be heard on this bill. I haven't spoken on it. It is a bill that I call a drilling bill; I don't call it an energy bill. I rise to speak against it, and I am against it for three very simple reasons.

First, I have no assurances—nor does Senator FEINSTEIN—that the California coast will continue to be protected from new offshore oil and gas drilling. That protection is crucial to my State, to my State's economy, and, of course, it is crucial to the promise that we made to our children and our grandchildren—that this coast will be forever protected. It is one of God's greatest gifts to our State. Every history book that writes about California talks about the beauty of our State—and it starts with the ocean. We know if we lose that beauty it is irreplaceable.

I also wanted to make a point to my friends that in our State, offshore oil drilling is an issue that unites the vast majority of Republicans and Democrats. They do not want to see it happen, whether it is our Governor or our Democratic candidate for Governor. They are in full agreement. This is an issue that unites California.

Clearly, we know that our economy is heavily reliant on tourism. It is reliant on fisheries. And offshore oil drilling threatens both of those economic engines.

Second, this bill will drain billions of dollars from the Federal Treasury. That is indisputable. And it does nothing to help us meet the critical goal of reducing America's dependence on oil. As a matter of fact, this bill deepens our dependence on oil.

Achieving real energy independence must be more than just a slogan. In this unbalanced bill, we admit our addiction to oil. As a matter of fact, I heard many colleagues say we need more oil, that we need this oil. But with this bill, we continue to feed this habit.

I personally believe there are places in this country where you can drill off the coast. I respect Senator LANDRIEU very much, and I don't have a problem if there is unanimity that there ought to be drilling off her state's coast. And I support her efforts to have some conservation fund to restore the area. But what are we getting on the other side? We are getting drilling, we are feeding the addiction to oil. It seems to me we are getting nothing because we are not allowed to amend this bill with some forward-thinking amendments. We are getting, for sure, a greater and greater deficit and a greater and greater debt.

How would we better balance this bill? We should promote vehicle technologies that get better gas mileage. We can develop and incentivize the use of alternative fuels. We can encourage energy conservation.

We have seen countries such as Brazil just within a 10-year timeframe become independent of foreign oil—become energy independent. But guess what. Because the Republican leadership won't allow it, we cannot offer any amendments to alter this bill. It is either drilling and giving four States a ton of money to reward them for that, causing the Federal deficit to swell, or it is nothing.

It is sad because this is a great country. It is a country of great ideas. Yet the ideas on both sides of the aisle take a back seat to the same old, same old, drill, drill, drill.

We can't drill our way out of this problem. As tempting as the mirage of a quick fix might be, we must not endanger the California coast with new drilling. And that is what will happen if this bill is merged with the House drilling bill.

If the House would take the Senate bill, then I would breathe a sigh of relief for my State—and the west coast and the east coast can also breathe a sigh of relief. But we don't have any assurances that the Pombo bill, which will open up the door to drilling in the most beautiful areas, will not become part of this bill.

Let me tell you that Californians—again, across party lines—rejected coastal drilling long ago. Even in the days when our State was a red State, we rejected offshore oil drilling across party lines.

It was because we had a devastating Santa Barbara rig blowout that contaminated our ocean waters and beaches almost 40 years ago. The memories of that are still ever present. The memories of that also became a warning sign that we want to preserve our precious coast.

The people of California decided that the potential benefits of future offshore oil and gas development were not worth the risk of destroying our priceless coastal treasures and our most important tourist industry that draws millions and millions to our coast.

I ask anyone listening to this debate: Is there a time when you visit California that you don't go to the coast? Everyone comes to our coast. What you do there is observe the wonder of an unspoiled coastline. There are certain areas where we do have drilling. But for many years we have kept the moratorium in place. When you go to our coastline, from the very far north of the State, down to the south, what you see is God's beauty. When you come to our State and you stay in our beautiful hotels and our bed and breakfasts and go to our restaurants, often having a view of our ocean, you can't help but come away in awe that this is a gift that has been given to us, and a gift that we must preserve. It brings dollars to our State.

This is one of those times when it is the right thing to do economically to keep that coast beautiful. It is the right thing to do spiritually. And, it is the right thing to do environmentally. The California State legislature understands it. In 1994 they passed a law that permanently prohibits oil and gas exploration in our State's waters. I thank them for that. We learned the lesson that drilling is dangerous. We learned it the hard way.

The Senate bill, if it is merged with the House bill, could be disastrous for the California environment and economy. We know it is disastrous for the Federal Treasury. By the year 2017, four States in our Nation would be entitled to $590 million per year; by 2022, $1.2 billion per year. These States will get part of the Federal Treasury. We cannot afford this kind of imbalanced fiscal policy at a time when the Federal deficit is expected to be $300 billion this year and the national debt is over $8.4 trillion and growing.

I think back to the year that President Clinton left office. The budget projections were that we were going to be debt free. Since my friends on the other side have taken control, deficits are back in full bloom. The debt is back and this bill adds to the debt and the deficit. How could we possibly do that today? Sadly, we are not only doing it with the energy bill, we are doing it in another bill I will talk about in a minute.

How about this? No amendments allowed to this bill. What is the other side afraid of? We might have an amendment that will pass? We might have an amendment that increases fuel economy for our automobiles? We might have an amendment that makes sure we have flex-fuel vehicles? We might have an amendment pass that invests in cellulosic ethanol so we can have more farmers get into this act and produce ethanol from products other than corn? That would not use up as much energy to produce.

Americans are paying $3 per gallon at the pump. By the way, in my State, in

San Diego, I saw gas at over $4 for full serve. Talk about sticker shock, picture that one. There is not one thing in this bill about going after the gougers. What are they afraid of on the other side of the aisle? That we will go after the people who are essentially holding us up at the pump every single day?

They say the gas prices are going through the roof because of unrest in the Middle East and Nigeria and companies are simply passing along higher costs. If that were true, it would be one thing. It isn't true. How do we know?

While the American people are suffering, the oil companies are raking in record profits. If this were simply about passing along higher costs, the oil companies' profits would be flat.

I used to be an economics major. It is pretty basic. If you are passing along costs, your profits are flat. But if you are passing along costs plus a huge increase in profit, your profits are up.

Yes, Senator CANTWELL, who had a great provision to go after the gougers, was not allowed to offer it as an amendment.

Oil executives prosper. We have seen them, by the way, come before our committee. Senator CANTWELL and I tried to swear them in. The Republican chairman would not allow us to swear in the oil company executives. I found that to be a bit disgraceful. So they were not under oath. By the way, they did not tell the truth, either. The fact is, transportation fuel costs for families have doubled since the Bush administration has taken office. Yet we cannot offer an amendment to go after the oil companies because the Republicans, who run the House, who run the Senate, and run the White House, do not want the oil companies to face the music. Pretty simple.

I thought we were a country of, "by and for the people." It turns out we are a country of, "by and for the oil companies." You do not learn that in your textbooks.

We have to do better. Democrats have written a bill called the Clean EDGE Act that would require increases in flex-fuel vehicle production, that would make price gouging a Federal crime, would provide incentives for manufacturing hybrid cars, and would set minimum fuel economy standards for tires.

Why do you need standards for tires? Efficient tires on cars and keeping them inflated to the proper pressure improve mileage and would cut oil consumption by 160 million barrels per year. But we cannot offer an amendment. No, we cannot offer an amendment. They are protecting the oil companies. Why are we surprised? The President is an oil man. The Vice President is an oil man.

My Democratic colleagues and I have worked with Republicans to raise CAFE standards. That is the corporate average fuel economy. That is what CAFE is. The Ten-in-Ten Fuel Economy Act would raise CAFE standards for all vehicles, including SUVs, from 25 miles per gallon to 35 by 2017. This is a bill written by my colleagues, Senator FEINSTEIN and Senator SNOWE, but they cannot offer their amendment. Why? Because the Republicans want to protect the oil companies as the price for gas goes up.

By closing the SUV loophole, we could save the equivalent of one Alaska National Wildlife Refuge every 7 years. We do not have to drill our way out of this crisis in the God-given wild places. We just need to be a little smarter. We can do it.

I had amendments I would have offered that would have said the Federal Government has to purchase the most fuel-efficient vehicles available. It is kind of a no-brainer, but I cannot offer it. The President could issue an Executive Order today requiring that. He won't do that because he supports the oil companies, folks. Follow it, all of it; it leads back to that one point.

The average fuel economy of the Federal fleet was an abysmal 21.4 miles per gallon. I have had, for many years, a hybrid car. The new model, if it is driven properly, gets over 50 miles per gallon. Surely, we can do better than 21.4 miles a gallon.

I would have offered an amendment to promote research for cellulosic ethanol, a type of fuel produced by agricultural waste. Promoting this innovative fuel will reduce our dependence on oil and provide our Nation's farmers with new income sources. No, I could not offer it because they are protecting the oil companies. It all comes back to that.

With no amendments, we have a narrow drilling bill that busts the budget. We had an opportunity to work together across the aisle and come up with a comprehensive energy bill. But instead, we are going to protect the oil companies.

So we have more of the same failed policies that, in the end, could, in fact, endanger all of our coasts.

Once again, we call on the Republican leadership to start standing up for an energy policy for this country; not a narrow drilling bill that busts the Federal budget but an energy policy that will save the budget of the American people and help our economy by being on the cutting edge of these technologies.

If a country such as Brazil can do it, aren't we a little embarrassed that we can't? We are so far behind, it is extraordinary. I guess when you run the Senate for the oil companies, that is what you get at the end of the day.

I find it incredible that this Republican Congress that is supposed to care about fiscal responsibility has thrown fiscal responsibility out the window.

You have this bill that will drain the Treasury of over $1 billion a year over time. Then we have this grand compromise in the House headed our way that is going to make changes in the tax laws that impact the top 8,200 wealthiest families in America. It will cut their taxes and, again, rob the Treasury of billions of dollars. Guess what they say. They didn't care too much about that.

Let me tell the truth about what is headed our way, folks. The moderates on the House side went over to the leadership and said—these are the Republicans—we need to vote on the minimum wage because we may lose our seats. We are looking crass and cold because we have never had the ability to vote for the minimum wage because you never let us get it through. So we need to pass a minimum wage increase.

The leadership said: We have not done that in 10 years. We are not about to do it now. But maybe we could figure out a way to twist that around and cut back on that minimum wage increase and let those people at the bottom of the ladder struggle a bit longer while we give tax breaks to the wealthiest 8,200 families. But we will send it over to the Senate, and if they vote no because they decide they do not want to bust the budget, they will look bad because they have been calling for an increase in the minimum wage.

A long time ago when I was a girl, there was a great man who went up against Senator Joe McCarthy. He said to him: Have you no shame? We ought to bring out those words again. I say to my friends, have you no shame? People who work at the minimum wage have not had a raise in almost 10 years. You, Senators, have had a raise almost every year. How about tens of thousands of dollars of raises?

Finally, because you are caught between a rock and a hard place, you decide to pass an increase in the minimum wage, but you do it over 3 years. I never heard any Senator say: I will take my raise over 3 years. Never, and we get thousands of dollars in 1 year. I never had a colleague come over from the other side of the aisle against raising the minimum wage, saying: We will take our raise in 3 years. We will wait 3 years for another increase. No, we get our cost-of-living adjustment, while minimum wage workers are going to wait 3 years.

By the way, for some the House bill will be a pay cut. Some States, such as my State, where employers cannot reduce the state minimum wage paid just because a worker receives tips, will now be allowed to cut that worker's wages.

Have you no shame? Anyone in this Senate live on $10,000 or $11,000 a year? Do you think if you work your fingers to the bone you should be stuck at that level for 10 long years, while people at the top, like us—and, by the way, we are not at the very top, but we are at the top 1 percent or so—we get our cost-of-living adjustments every single year.

I have so much respect for working people. I have tried every year since I have been here to give them a pay raise. I want to give them a pay raise where they can hold their head high and support their families, not tell them they have to wait 3 years to get their full increase after being held to $5.15 an hour for 10 years.

By the way, there are many Republicans who do not believe in any minimum wage. There are some I have heard who have been here 20 years and have voted against it every time. So if they had their way the minimum wage would be $2.25 an hour. I am waiting for the Republicans to come up and tell me they want to take their cost-of-living adjustment over 3 years. Then I am waiting for them to say, if they have a spouse who works: If my spouse gets a little extra money, I will give back some of my raise—as they have done with their tip policy.

I say to those at the very top of the income ladder, the billionaires out there: You are not asking for this. The truth is, many of us here are very willing to say, on the estate tax, that the exemption should be lifted. We have said that. I am on an amendment to do that. Because it is true that the price of houses has gone up, and we do not want to have this estate tax be an onerous burden to anyone—not to a family, not to a farmer—and we can work it out. But what is coming to us in this "minimum wage train" is a lot more than an increase in the minimum wage. It is a cruel hoax because it does not give minimum wage workers that raise in a year—after they have waited for 10 years.

And for those workers that receive tips, it may actually decrease their wages if they live in one of six states, including California, that doesn't reduce the minimum wage employers must pay because they get tips. And, of course, it is coupled with this big gift to the richest families of America, which means, at the end of the day, millions—hundreds of millions—and eventually billions of dollars will be drained from the Federal Treasury. And the very people who claim to be fiscally responsible are at it again, adding to the deficit, adding to the debt.

This is really a time for people to stand up and be counted. This is really a time to speak the truth. This is a tough time in the world. All of us are heartsick about what is going on in the world, and we all pray for an end to the fighting, not only in Lebanon and in Israel but in Iraq where things are deteriorating every single day. Hard times. In the middle of these hard times, is this the time to say to the wealthiest 8,200 families: "We are worried about you"?

And we will have less money for our troops and we will have less money for our kids. This Senate and this Congress has underfunded the No Child Left Behind Act. Oh, everyone said this was the greatest thing since sliced bread. And I voted for it. I really thought George Bush and my Republican friends would fully fund it. I wrote the afterschool section there. We have a million kids on waiting lists. We cannot take them. Funding for that program has been frozen for years now. This President signed the largest increase in student loan costs ever and the biggest cuts in education ever, but they are going to give a big tax break to the richest 8,200 families. I do not get it. I do not think the American people get it. We are going to find out pretty soon.

We have an energy bill that Leader FRIST would not let us amend. He is not letting us offer any amendments to slow our oil addiction, to go after the oil companies, to create a bold, new energy policy, get us on the path of energy independence. And then, with Democrats calling for an increase in the minimum wage for 10 years, they give it to us over a 3-year period, when they take their raises to the bank. It is an outrage. Have they no shame? Have they no shame? I do not know. I do not know.

I always say here, sometimes I feel like Alice in Wonderland, and I feel that way today. But my voice will be raised on these issues. And the American people will be the judge if these are the kinds of priorities they want: a drilling bill, no energy independence, no antigouging legislation; a minimum wage increase, long overdue, that takes away money from some minimum wage earners; and two budget-busting bills—this one and the one that has the estate tax cut—that are going to add billions and billions to our debt. By the way, in closing, we should know who carries that debt: foreign countries, folks. They pick up the bonds. If they decide to take their money and go home, we are left in a mess.

So I hope the American people are listening in on these debates. I look forward to discussing these matters as they come up before the Senate.

I thank my colleague very much for his patience.

Mrs. FEINSTEIN. Mr. President, I rise today to oppose S. 3711, which will allow drilling in the gulf and create a new revenue-sharing scheme to provide additional resources for the Gulf States.

Let me first say that I am not opposed to drilling in the gulf. In fact, in 2001, I voted to open a portion of the gulf, known as lease sale 181, to drilling. That vote was a codification of the agreement between former President Clinton and the former Governor of Florida, Lawton Chiles. Yet the agreement was repudiated after President Bush came into office and reduced the amount of acreage that could be drilled in the Gulf of Mexico at the request of Florida's Governor Jeb Bush.

In fact, I rise today in opposition to this bill not because it opens up areas of the Gulf to drilling, but because it protects the west coast of Florida from drilling until 2022—10 years beyond the current Presidential moratorium, while providing no additional protections for California's coast.

California should be accorded the same protection as Florida gets in this bill.

An oilspill would scar our coastline, costing billions of dollars and destroying vulnerable marine ecosystems.

In addition, a healthy coast is vital to California's economy and our quality of life. Our State's Ocean-dependent industries are estimated to generate $17 billion of revenue each year.

That is why Californians continue to be nearly united in their opposition to drilling off the coast. Today, 64 percent of Californians oppose drilling, and the number of Californians opposing drilling off our coast has only grown.

The opposition to drilling off of California's coast dates back more than 30 years. In 1972, California voters passed a citizen-initiated proposition which created the California Coastal Zone Conservation Commission, charged with developing a statewide plan for protecting the State's coastal resources. In the years that have followed, 17 cities and 9 counties have passed voter-approved ordinances opposing oil drilling.

In 1994, the California Legislature passed a bill that prohibited the extraction of oil and gas in State waters. Every year since the passage of this law, the State legislature has passed joint resolutions opposing oil drilling off the California coast.

The Governor, the California Resources Secretary, the Secretary of California Environmental Protection Agency, and the Lieutenant Governor, have all been on record supporting the moratorium on offshore oil and gas leasing activities off the coast of California.

Resources Secretary Mike Chrisman, who is also the chairman of the California Ocean Protection Council, has in fact stated:

> Any pending federal legislation regarding Outer Continental Shelf (OCS) oil and gas leasing must retain all protections from the Congressional leasing moratorium and should seek to make these protections permanent.

Governor Schwarzenegger has sent a letter to every Senator expressing his "opposition to any measure that would weaken the national oil and gas leasing moratorium that has been protecting the California coast for the last 25 years."

I will ask that the Governor's letter be printed in the RECORD.

This bill cannot be viewed in a vacuum. Last month, the House of Representatives passed a bill that would lift the current moratoria that exists for the Pacific and Atlantic coasts.

Congressman POMBO, a key sponsor of the House bill, has said that the House will not accept the Senate bill. Congressman BARTON, chairman of the House Energy and Commerce Committee, said on Wednesday, July 26, that "we would certainly encourage—the Senate—to go broader" than allowing drilling in the gulf.

Without a concrete commitment from the House leaders that they will take up the Senate bill and pass it without amendment, I cannot support this bill.

I would also like to express my disappointment that we have been denied an opportunity to offer amendments to this bill.

First, I believe we need a vote on an amendment I have cosponsored, authored by Senator MENENDEZ, which would extend the moratoria for the Pacific and Atlantic coasts through 2022. For California, this would extend the Federal moratorium by 10 years as it is set to expire in 2012.

This amendment would provide the same protections to California as the underlying bill does for Florida. In so doing, the amendment would reliably protect the California coast by enacting a long-term legislative moratorium.

But we will not be allowed to consider this, or any other amendments that would promote energy efficiency and new energy technologies.

With oil prices at $75 per barrel, and natural gas almost $7 per million Btus, we need real fixes to our energy problems.

Unfortunately, the underlying bill is not going to fix this nation's energy problems.

I have also filed an amendment, with the bipartisan support of Senators SNOWE, DURBIN, CHAFEE, INOUYE, COLLINS, CANTWELL, LAUTENBERG, BOXER, MENENDEZ, LIEBERMAN, and REED to increase fuel economy standards by 10 miles per gallon in 10 years.

Not only is this technologically feasible to do today, the proposal would also save more oil in just over 1 year than the underlying bill will generate.

Specifically, this amendment would save 2.5 million barrels of oil per day by 2025, the same amount of oil we currently import from the Persian Gulf every day.

That translates into 912.5 million barrels of oil per year, or just less than the 1.25 billion barrels that the underlying bill would generate.

Increasing fuel economy standards would also prevent 420 million metric tons of carbon dioxide from entering the atmosphere, or the equivalent of taking 90 million cars—or 75 million cars and light trucks—off the road in 1 year.

Perhaps most importantly, though, the bill would save consumers as much as $2,500 over the life of a vehicle.

So if we are serious about bringing down the cost of gasoline at the pump, this amendment would be considered and adopted by the Senate.

And if we want to have a real impact on natural gas prices, we would be promoting energy efficiency.

California has proven that energy efficiency works—through the most aggressive energy efficiency policies in the Nation, the State has kept its per capita energy use flat while the rest of the Nation's energy use has increased by 50 percent.

That is why Senator SNOWE and I wanted to offer an amendment on tax incentives for consumers to install the most energy efficient technologies in both residential and commercial buildings.

While proponents of the underlying bill say that lease sale 181 and 181 south will provide 5.83 trillion cubic feet of natural gas, our amendment would save 7 trillion cubic feet of natural gas. In other words, we can save more natural gas through the Snowe-Feinstein energy efficiency tax incentive package than from lease sale 181 and 181 south combined.

I also have significant fiscal concerns with the underlying bill.

While I commend Senator LANDRIEU for shepherding a proposal through the Senate that will generously benefit her State, I have concerns about the cost of the proposal.

According to estimates, the bill will cost the Treasury approximately $20 billion from fiscal year 2007 through fiscal year 2055.

This bill creates a new permanent Federal entitlement for just four States that could cost the Federal Treasury $12-15 billion per year in 2056 and every year thereafter.

At a time this Nation is facing a mounting national debt of $8.4 trillion and a crushing Federal deficit of $300 billion, we should not be creating a new entitlement program for four States that could cost us hundreds of billions of dollars over the next century.

We are already struggling to meet our long-term commitments and face a looming entitlement crisis as baby boomers retire, straining the already overextended Social Security and Medicare systems.

For all these reasons, I am going to vote no on cloture and no on the bill.

Before I close, though, Mr. President, I would like to say that Senator LANDRIEU has been a tireless advocate for her constituents. I had hoped to support her in her efforts to restore coastal Louisiana.

Unfortunately, though, given the potential for a bill to come back that would threaten California's coast, I must vote against this bill.

I ask unanimous consent that the Governors letter to which I referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GOVERNOR ARNOLD SCHWARZENEGGER,
July 12, 2006.

Hon. DIANNE FEINSTEIN,
Senate Office Building,
Washington, DC.

DEAR SENATOR FEINSTEIN: I am writing each member of the United States Senate to express my extreme disappointment about the recent action taken by the House of Representatives to approve the Deep Ocean Energy Resources Act (DOER).

I have repeatedly expressed my opposition to any measure that would weaken the national oil and gas leasing moratorium that has been protecting the California coast for the last 25 years. When I ran for Governor, I promised the people of California that I would do everything in my power to oppose efforts to weaken federal protections against offshore oil drilling. The DOER would be the beginning of the end of these protections that we have enjoyed for the last 25 years. In fulfilling my promise to all Californians I continue to oppose this bill in the strongest terms.

I have been asked to consider new amendments to the bill, but I can tell you that certain things are not negotiable. Our coast is not for sale and no amount of promises of money or other "incentives" will alter my position on that. California has the most aggressive energy-efficiency measures in the nation. Because of our efforts, California's per capita energy use has remained nearly flat, while nationwide energy use has increased by nearly 50 percent.

Let us change this debate and start talking about a comprehensive energy policy that incorporates the full range of energy efficiency measures and alternative energy sources that can keep this nation running strong now and for generations to come.

I urge you to oppose the Deep Ocean Energy Resources Act and to also oppose any amendments intended to make this bill appear acceptable to the American people. Absent an amendment that would uphold the current moratorium in perpetuity this bill is an unacceptable approach and no amount of tinkering will fix it.

Sincerely,

ARNOLD SCHWARZENEGGER.

LAND AND WATER CONSERVATION FUND

Mr. ALEXANDER. Mr. President, I commend the chairman of the Committee on Energy and Natural Resources for his leadership in moving this bill to the floor. Is it his understanding that the conservation and outdoor recreation royalty established by his legislation has tremendous value for the stateside program of the Land and Water Conservation Fund over the long term?

Mr. DOMENICI. Yes, the Senator from Tennessee is correct. Those who want to make sure our citizens have access to the great American outdoors have long advocated the principle that some of the funds from offshore oil and gas drilling should become a royalty for conservation and outdoor recreation, providing a reliable and permanent stream of funding for the Land

and Water Conservation Fund. This basic concept was proposed in 1962 by the Outdoor Recreation Resources Review Commission—also known as the Rockefeller Commission—and it was also a primary recommendation of President Reagan's Commission on Americans Outdoors in 1986. This legislation is an important first step in the right direction, one that has been 40 years in the making.

Mr. SALAZAR. I join the Senator from Tennessee in expressing my appreciation for Chairman DOMENICI's leadership, and I wish to thank both of my colleagues for working with me on providing this permanent funding stream for the LWCF stateside grant program. This program supports the state and local parks and recreation projects that improve the quality of all Americans' lives, and enables American families to enjoy our precious natural resource of open spaces.

Mr. ALEXANDER. Would the Senator from New Mexico clarify whether this conservation and outdoor recreation royalty would prevent additional appropriations for the Land and Water Conservation Fund stateside program?

Mr. DOMENICI. No, it would not. The LWCF stateside program will continue to be eligible to receive funding in the appropriations process just as it is currently. The mandatory funding stream established under this bill would not replace appropriated funding, and does nothing to disadvantage the program in the appropriations process.

Mr. SALAZAR. The Senator from New Mexico makes a critical point. The projected revenues for the LWCF stateside program under this bill are important, but they are not sufficient to keep that program, which has contributed to the improvement of 98 percent of the counties in the United States since 1964, strong and vital. And I know that all of us aim to bolster the LWCF stateside grant program, and to achieve the level of support envisioned by Congress's authorization. So we must supplement the revenues directed to LWCF under this bill with meaningful annual appropriations. I have spoken to the majority leader about this issue as well, and he has assured me that he shares my concerns. I look forward to working with him and with all of my colleagues on this issue in the years ahead.

Mr. ALEXANDER. Would the Senator from New Mexico support an appropriation of $100 million in fiscal year 2007 for stateside LWCF?

Mr. DOMENICI. I was pleased that the Senate Committee on Appropriations included $30 million for the stateside program in the fiscal year 2007 Interior and Related Agencies appropriations bill. This was a significant improvement over the President's budget request and the House Interior bill, both of which zeroed out stateside for the second straight year. Still, there is room for improvement. I would share the Senator's interest in adding to the stateside funding in the Senate committee mark if appropriate offsets can be found. In fiscal year 2007, zero revenues will be allocated to stateside LWCF from this conservation royalty because it will take time for the new areas to be brought on line and begin producing. So we will need to appropriate funding in fiscal year 2007 to fill that gap.

Mr. SALAZAR. That would certainly be in the interest of all Americans. Of course, we commit to working together to support LWCF with supplementary appropriations beyond the next fiscal year as well. Only constant vigilance and steady support will ensure that the provision providing a permanent stream of funding for LWCF in the bill before us acts as it was intended—as a strong and growing core, but not the totality, of support for this vital program.

Mr. ALEXANDER. I thank the Senator from New Mexico, and look forward to working with him to ensure adequate funding for the Land and Water Conservation Fund.

Ms. COLLINS. I would also like to thank Chairman DOMENICI, as well as Senators ALEXANDER and SALAZAR, for confirming that the LWCF funds provided by this legislation are intended as additional funds to supplement the program, not a replacement for full funding through the normal appropriations process. I would also note that over 50 senators signed the Collins-Salazar-Alexander letter in support of $100 million in funding for LWCF-stateside in fiscal year 2007. As evidenced by this support, this program is absolutely vital to communities throughout the Nation. Almost every county in the Nation has taken advantage of this program to conserve open spaces or build playgrounds, ballparks, and trails. I sincerely hope the Senate will restore this historic level of funding through the appropriations process, in addition to those funds that will be made available under this bill.

Mr. ALEXANDER. I thank the Senator from Maine.

SECURING OUR ENERGY FUTURE

Mr. COLEMAN. Mr. President, I rise today to speak about America's energy crisis, and I am glad to see that my friend, Majority Leader FRIST, is on the floor to discuss this issue with me.

High natural gas prices continue to be a terrible burden for Minnesota's families and businesses. High natural gas prices had a severe impact on Minnesotans last winter—I am sure many of my colleagues remember the push that I, along with Senators SNOWE and COLLINS, made early this year for emergency LIHEAP assistance—assistance the majority leader helped us deliver. Moreover, I don't need to remind my farm State colleagues of the severe impact high natural gas prices have had on their input costs, straining even the most efficient farms.

Whether high natural gas prices or $3 gas at the pump, high energy costs take a toll on all Americans, which is why I will vote in favor of the Gulf of Mexico energy bill that will provide 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas. Yet I believe this bill is only a piece of the larger energy mission America must accept.

Clearly, Americans feel the strain of high energy costs at home, in the car, and at work, but all must realize our foreign oil dependence threatens our very economy and national security.

I would like to ask the majority leader about the importance of fuel independence to our national and economic security and the need to build upon the Gulf of Mexico energy bill by considering, on this floor, additional energy proposals that will help to secure our energy future.

Mr. FRIST. I thank my friend, the Senator from Minnesota, for his question because I truly believe energy security is one of the great challenges this Congress must continue to address.

As we all know, America is dangerously dependent on foreign sources of energy—much of it coming from countries with unstable governments or with interests contrary to those of the United States. And this disparity will only increase if we do not take action to increase the amount of American energy that we use here in America. The bill before us today, the Gulf of Mexico Energy Security Act, will do just that. As my friend from Minnesota mentioned, it will reduce our dependence on foreign oil and natural gas by opening more than 8 million acres in the Gulf of Mexico to domestic exploration. The area opened up under this bill is estimated to contain 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas.

However, as I said on the floor last week, while this bill is a critical step toward addressing the energy challenges we face, it is only a first step. There is more that we can—and must—do to break what the President called our "addiction" to oil. We must diversify our energy resources, increase the use of renewables and alternative sources such as ethanol and biodiesel, clean coal technology, and nuclear power, and we must take steps to reduce consumption by consumers. Finally, we must do more to encourage the development of the innovative new technologies that will wean us off of foreign oil in the future.

Mr. COLEMAN. Mr. Leader, I appreciate those comments. Some people dismiss such an ambitious goal as reducing our growing dependence on foreign oil, but I recall a time when the Moon was also once out of reach. We all know the power of America's innovative, relentless spirit when called to an objective, no matter how formative.

I am particularly pleased the majority leader supports an aggressive, multifaceted energy strategy that includes renewable fuels and energy conservation. As a member of the Foreign Relations Committee, I know we cannot afford to rely on oil imports that are subject to the whims of Hugo Chavez in Venezuela or the political stability of Nigeria. The fact is that countries rated by Freedom House as "not free" produce more than two-thirds of the world's oil and have nearly 80 percent of the proven reserves.

I believe the imperative is clear: America must free itself from its oil dependence, and I believe the solution is also clear: renewable energy and energy conservation. The Vehicle Fuel Choices for American Security Act that I have coauthored and now has 27 cosponsors lays out an ambitious plan for saving 2.5 million barrels of oil per day in 10 years, roughly the amount of oil we currently import from the Middle East, through renewables and energy conservation. Further, the bill will promote E85 fueling infrastructure and speed the development of cellulosic ethanol, while investing in the development of efficient vehicle technologies and assisting auto manufacturers' transition to fuel-efficient vehicle production.

Last week, chairman of the Energy and Natural Resources committee, and my good friend, PETE DOMENICI expressed on the floor his affinity for the ideas in this bill, and a portion of the bill has already received a hearing in the Energy Committee. Mr. Leader, will you work with me to develop an energy package that boosts our renewable fuel production and energy conservation?

Mr. FRIST. I will tell my good friend from Minnesota that I do not consider the Gulf of Mexico energy bill to be the last word on energy policy this year. I am well aware of your proposals promoting renewables and energy conservation, and I look forward to working with the Senator and Chairman DOMENICI on many of these important ideas in the months ahead.

Mr. COLEMAN. Mr. President, I thank the Senator for his support and leadership on energy issues. I believe America faces a great threat in foreign oil dependence, but more importantly, I believe in Americans' ability to accomplish the impossible. I know if Congress will put forth a vision and provide the tools to accomplish that vision, Americans can break our addition to foreign oil.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I think there is no doubt, given the energy situation in the world and in the United States, that there is a need for the United States to work toward energy independence and to have additional exploration, development, and production activities where they can be done in an environmentally safe way.

I believe that, all factors considered, S. 3711 is, on balance, at a close question, worthy of enactment. But I think it would have been vastly preferable had the leader not filled the tree so as to prevent further amendments so that the Senate could have undertaken a broader examination of energy issues, done more than just authorize further exploration but instead taken positive steps on other important lines.

For example, I filed an amendment numbered 4741, which would have made very significant changes in the antitrust laws in the United States, which would have had a significant impact on reducing our dependence on OPEC oil and would have promoted competition in the oil industry by taking a firm stand against anticompetitive mergers.

The oil and gas industry has seen over 2,600 mergers since the 1990s, including transactions involving the largest oil companies in the nation, like Conoco's merger with Phillips, Chevron's merger with Texaco, Exxon's merger with Mobil, Ultramar Diamond Shamrock's merger with Valero, and many others which will be specified in a statement I will append at the conclusion of these extemporaneous remarks.

My amendment would have required the Government Accountability Office to study whether remedies ordered by the antitrust enforcement agencies to ensure that mergers do not substantially lessen competition have been adequate. Once the study was completed, the antitrust enforcement agencies would then be required to consider whether any additional remedies are necessary.

The amendment would have required the Federal Trade Commission and the Justice Department to consider whether current merger laws are adequate, given the particular problems that exist in the oil and gas markets. The thrust is to determine whether we need to change the Clayton Act to make it tougher to get massive mergers in these markets approved.

I know there are those who contend that the mergers provide efficiencies. But I think it is virtually incontrovertible that these mergers lessen competition. When you have Exxon and Mobil and the other oil companies merging, there simply is less competition. This amendment stops short of amending the Clayton Act, but does require a study to see if the Clayton Act ought to be changed.

This provision was included in S. 2557, the Oil and Gas Industry Antitrust Act of 2006, which was taken up by the Judiciary Committee, which I chair. We had two hearings and a markup and the Committee reported it to the floor. So, this was an ideal occasion to consider this legislation—as part of the debate over an overall energy policy aimed at lessening dependence upon foreign oil.

A second part of S. 2557 provided that OPEC would be subject to our antitrust laws. It is obvious that OPEC is a cartel that fixes output and prices for oil, an arrangement that would violate our antitrust laws. However, they are currently exempt. By statute, we could bring them under our antitrust laws. It would have made a lot of sense to do that, especially at a time when we are considering the legislation now pending, S. 3711.

In addition, I believe it would have been very beneficial to our national energy policy to have considered an amendment offered by Senator BINGAMAN, No. 4692, which provides for oil conservation. Senator BINGAMAN and I have cosponsored legislation in the past which would have lessened the amount of oil projected to be consumed in the United States under an oil conservation system. When we are considering S. 3711 and we are considering the basic issues as to how to achieve energy independence for the United States, and provide security for the United States, there are other avenues that this legislation should have explored. However, we were prevented from doing so by the procedures adopted by the Republican leadership, which precluded additional amendments. I think that is contrary to the public interest, and I expressed that view to the leadership.

I thought we ought to have an opportunity to consider additional ways of achieving energy independence. Once the so-called tree is filled, you cannot offer any further amendments, so that I could not offer amendment No. 4741, which is the legislation reported out of the Judiciary Committee under the caption S. 2557, the Oil and Gas Industry Antitrust Act of 2006, nor could we take up the amendment offered by Senator BINGAMAN on oil conservation. I think that is most unfortunate. Once the tree is filled and these amendments cannot be offered, there is no alternative but to move for cloture, move to complete action on the bill so that we can take up other important matters to come before the Senate which are awaiting action on the docket.

I ask unanimous consent that the full text of my remarks be printed in the RECORD

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Floor Statment Offering S. 2557, the Oil and Gas Industry Antitrust Act of 2006 as an Amendment to S. 3711, the Gulf of Mexico Energy Security Act of 2006

Mr. President, I seek recognition to speak on my amendment that I have filed to S. 3711, The Gulf of Mexico Energy Security Act of 2006. My amendment was reported by the Judiciary Committee earlier this year as a stand-alone bill, S. 2557, The Oil and Gas Industry Antitrust Act of 2006. My amendment fits in well with the goals of S. 3711 because it is aimed at ensuring that the oil and gas industry is responding to the forces of supply and demand, not market manipulation.

Over the years, the oil and gas industry in the United States has become significantly more concentrated. Over 2,600 mergers have occurred in the industry since the 1990s, including transactions involving the largest oil and gas companies in the nation.

As recently as March, the Department of Justice approved Conoco-Phillips' acquisition of Burlington Resources, a merger that created the Nation's largest natural gas company and the third largest oil company.

The Federal Trade Commission also recently approved Occidental's acquisition of Vintage Petroleum, a transaction that would create the fifth largest U.S. oil company.

Last summer, the FTC approved Chevron's acquisition of Unocoal and Valero's acquisition of Premcor. The latter transaction created the Nation's largest refiner.

In 2002, Valero acquired Ultramar Diamond Shamrock and Phillips merged with Conoco.

In 2001, Chevron bought Texaco and Ultramar Diamond Shamrock acquired Total.

The year 2000 saw the merger of British petroleum and ARCO.

The largest transaction occurred in 1999 when Exxon merged with Mobil.

Other transactions have included British petroleum's acquisition of Amoco, Marathon's joint venture with Ashland Petroleum and another joint venture that combined the refining assets of Shell and Texaco.

As an industry becomes more concentrated, the remaining competitors are able to exercise market power and prices inevitably rise. Market power is a particular problem in the petroleum industry because consumers are generally unable to respond to rising prices. While some conservation is possible, consumers still must get to work and, as prices rise, homeowners generally do not stop heating their homes. As a result, even moderate increases in concentration can provide oil and gas companies with substantial market power.

The Judiciary Committee held two hearings on the issue of concentration in the oil and gas industry earlier this year. The Committee heard considerable testimony indicating that concentration and market power could impact prices. At one of the hearings, Joseph Alioto, an attorney who is currently challenging the Shell/Texaco transaction that I just mentioned, testified that after the transaction, Shell and Texaco increased the price of Texaco gasoline, which had traditionally been lower than the price for Shell gasoline. Later, the companies raised prices for both brands of gasoline—by 50 to 70 percent in some areas. In another example, an FTC investigation uncovered internal communications indicating that one major oil company had exported Alaskan oil to East Asia in an effort to reduce supply and raise prices on the West Coast. That company clearly knew that it had the ability to exercise market power in West Coast markets.

My amendment would require the Government Accountability Office to study whether remedies ordered by the antitrust enforcement agencies to ensure that mergers do not substantially lessen competition have been adequate. Once the study is complete, the antitrust enforcement agencies must consider whether any additional remedies are necessary. My amendment also requires the FTC and Justice Department to consider whether current merger laws are adequate given the particular problems that exist in oil and gas markets.

During its hearings, the Judiciary Committee also heard testimony from the oil companies. They argued that the market for crude oil is a "world market" and they could not possibly affect the price. This contention may be true. Pretty much everyone knows that the "big boys" in the world oil market are the members of OPEC. They openly exercise their market power in the world market for oil. OPEC is a cartel engaged in limiting the supply, and in doing that, fixing the price of oil. Cartels violate U.S. antitrust laws. They violate Section 1 of the Sherman Act, which prohibits agreements in restraint of trade.

Since OPEC members sell their product to the United States, they would normally be subject to U.S. antitrust laws. However, certain judge-made laws prevent the Justice Department from prosecuting OPEC members for fixing the price of oil. My amendment would eliminate those laws and allow the Justice Department to pursue price fixing by OPEC members. As I said at the outset, my amendment ensures that petroleum markets are responding to the laws of the supply and demand, not the manipulation of a few countries, or a few companies, or a few corporate executives.

While the U.S. companies may not control the world market for crude oil, the market for refined products is different. At the level of production where crude oil is turned into gasoline and heating oil and other refined products, the major U.S. oil companies do exercise market power. At the Judiciary Committee's hearing, Severin Borenstein, who is a Professor of Business and Public Policy at Berkeley and holds a Ph.D. in economics from M.I.T., testified that "market power in the refining industry is becoming a serious problem."

Significant anecdotal evidence exists that the major oil companies exercise market power in refined product markets. For example, during an investigation involving gasoline price spikes in the Midwest, the FTC concluded that at least one firm had excess supplies—and capacity to produce even more—but had limited the amount that it sold in order to keep prices high. My amendment would address some of this conduct by clarifying that it is unlawful for oil and gas companies to divert, export or refuse to sell existing supplies with the intention of raising prices or creating a shortage.

Increased concentration not only conveys market power, it makes conspiracy easier. At the hearings conducted by the Judiciary Committee, David Boies, the antitrust litigator that prosecuted Microsoft for the Justice Department, testified about evidence that British Petroleum and Exxon have conspired to limit the supply of Alaskan natural gas that is sold. Boies testified that Exxon and British Petroleum had "decided between themselves that they would prefer to withhold this gas and maintain artificially high natural gas prices throughout the U.S."

Current antitrust laws prohibit such conduct, but collusion is not always so straightforward. Simply put, if there are few enough competitors in a market, each competitor knows that if it lowers its prices, other competitors will notice and lower theirs. As a result, a competitor does not have the normal incentive to sell more by lowering its prices. Such conduct frequently results when competitors can easily share information with each other. In other words, actual conspiracy may not be needed. As Tom Greene, the Senior Assistant Attorney General for California testified, "[T]he more concentrated the industry, the less explicit the communications that are required to organize prices and limit production."

U.S. oil companies appear to have several mechanisms by which they are able to share market information. The Judiciary Committee came to no conclusions as to whether the sharing of information among U.S. oil companies is truly a problem, so my amendment directs the Federal Trade Commission to study the Issue.

As I have said, my amendment will help ensure that the oil and gas industry is responding to the forces of supply and demand, not market manipulation. I understand that we are not able to vote on amendments to S. 3711, but I urge my colleagues to suppose the Oil and Gas Industry Antitrust Act of 2006 at such time as it receives a vote.

Mr. SPECTER. Mr. President, in the absence of any other Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I ask unanimous consent that at 5 p.m. on Tuesday, August 1, the two pending amendments be withdrawn, S. 3711 then be read the third time, and the Senate proceed to a vote on passage of the bill, with no intervening action or debate; provided further that no motions to proceed be in order during Tuesday's session of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. SPECTER. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered

MINIMUM WAGE AND THE ESTATE TAX

Mr. KENNEDY. Mr. President, I rise because this week is going to be enormously important for the American people and also enormously important in terms of deciding what kind of country we are. Over the period of these last 4 months, I have had the opportunity, the responsibility given by the Senate, to serve on the pension conference with a number of our colleagues on our side, and a number of our colleagues on the other side. That conference was chaired by our friend and the chairman of our human resource committee, Senator ENZI. He did a splendid job.

It took 4½ months to effectively wind up that conference. There are certainly provisions that are included in the conference that I would not have included. We were meeting as late as 1 o'clock in the morning last Thursday night in order to conclude the conference itself.

As would happen in a situation like that, I think there were gaps in the final recommendations which I wish we had addressed, but we will have an opportunity to deal with those issues later this week. It will be enormously important.

I am in strong support of the pensions legislation. But, also, later this week we are going to consider legislation that is coming over from the House of Representatives on the estate tax. Attached to that estate tax—it is not a new issue for this body—attached in the House of Representatives has been an increase in the minimum wage, with which I have been involved over a long period of time. Actually, since I came to the Senate, I have been involved in increasing the minimum wage, championing that with many others. Years ago we had Republicans and Democrats who supported the increase in the minimum wage. Now unfortunately—fortunately, in the last vote that we had on the minimum wage, we did have eight Republicans who supported it. We have a clear majority in the Senate for an increase in the minimum wage.

The American people overwhelmingly support an increase in the minimum wage. It has not been increased in the last 9 years and over a corresponding period of time we here in the Senate have increased our own pay more than $30,000. We increased our own pay more than $30,000 during that same period of time, but the Senate has refused to address an increase in the minimum wage for the American workers who are at the lowest rung of the economic ladder.

Most Americans believe a job ought to get you out of poverty. But those on the other side believe if you have a minimum wage job, you ought to remain in poverty. That is a very big, very major difference.

What we have seen across the country, however, is sort of a wildfire of support for increases in the minimum wage. We have had a number of States that have offered the minimum wage increase on the State ballots. We have seen increases in Florida, increases in Nevada. In more recent times we have seen increases in Arkansas, the home of Wal-Mart, and increases in North Carolina. The campaigns for increases in the minimum wage are alive and well in many different States across the country, and they are going to be successful in a number of States. It reminds us how the American people feel. They feel we should have an increase in the minimum wage.

What has happened now is our Republican leadership in the House of Representatives has added an increase in the minimum wage to an estate tax cut for the wealthiest individuals in this country. That is what they did, thinking if they put these together maybe those of us who believe in an increase in the minimum wage will go ahead and support this because we are so committed to the rise in the minimum wage.

No one in this body is more committed to an increase in the minimum wage than am I, but I am going to fight this fraudulent—I think arrogant—decision by the Republican leadership, disdaining, effectively, and dishonoring hard-working Americans by going about with this gimmick of adding an increase to the minimum wage to legislation on the estate tax.

If you look at who is for the increase in the minimum wage, you will see only 22 percent of Americans support the repeal of the estate tax, and 86 percent of Americans support raising the minimum wage. Why, I wonder. It is fair enough to say to whom the benefits are going to go if we consider a piece of legislation. That is a fair enough rule. Who is going to benefit and who is going to lose out? If you look at the estate tax, you will see there will be 8,200 of the richest heirs in the country. Some have called this the Paris Hilton tax giveaway; 8,200 of the richest heirs will receive a tax giveaway close to $1.4 million per estate. The total cost will be $753 billion for the first 10 years of full implementation, according to the Center of Budget and Policy.

We are talking about a very modest increase in the minimum wage, to $7.25. But what will happen to those individuals? As long as they are still below the poverty line they are going to be eligible for a number of the programs that we have out there that have been built in to try to help and assist hard-working Americans who are being hard pressed because they don't have adequate income. What we have seen in the most recent 5 years is cuts in Medicaid, cuts in food stamps, cuts in veterans programs, and cuts in unemployment insurance. That has been the record in the past, and that will be the record in terms of the future, trying to make up for that $753 billion. These are the programs. Medicaid programs that, by and large, look after children, long-term care for the elderly, the Food Stamp Program—again, for those who are in very serious need.

That is really what we are faced with. What have we seen over the period of these last few years? Let's look at what has been happening to our fellow Americans. We have seen an increase in the total number of Americans living in poverty that has increased by 5.4 million in the United States of America in the last 4 years that there has been no increase in the minimum wage. What does the Republican Senate want to have us do? Have another tax cut for the largest fortunes in this country.

What has happened in terms of children over the period of the last 4 years? We have seen a dramatic increase in the number of children who are living in poverty. There are 1.4 million more children living in poverty. There has been no increase in the minimum wage.

The list goes on. If you look at what has happened to the purchasing power of the minimum wage, it has actually gone down some 21 percent. Yet the spread between the most wealthy individuals and the most needy individuals has never been more dramatic in the history of this country.

We have an opportunity—we will have—to try to do something, hopefully, about an increase in the minimum wage. If it were here before the Senate, there is a majority of the Members of the Senate who support an increase in the minimum wage. But we are not given that opportunity. We are not given that opportunity to just vote on that issue and then vote separately in terms of the increase in the estate tax. No, no; we are not given the opportunity to do that. Republicans say you have to take both or you don't get an increase in the minimum wage.

That is a contemptuous attitude—not toward those of us who are for the increase but for those workers, men and women of dignity. They work hard, work long, work in our schools, work to look after our senior citizens, work to clean the great buildings of American commerce—men and women of dignity, and you are saying they can't have what ought to be a right in the richest country of this world: If you work hard and play by the rules, you and your family should not live in poverty.

Oh, no. They say: No, you have it wrong over there for an increase in the minimum wage, unless we are going to provide another tax benefit for the most wealthy individuals in the country—then you can have an increase. That is a contemptuous attitude.

Beyond that, what this proposal contains is an ingenious proposal, suggested by the restaurant association. They say: People who work for tips in the restaurants, they often make $5.25 an hour. They often make that in tips. So why are we required to pay them? They were able to persuade Republicans—this is strictly a Republican proposal—to say: If they are going to receive tips, you are only required to pay $2.13 an hour. The rest can be made up in tips. That person still effectively gets the minimum wage. But the restaurant doesn't have to pay that. Do you hear me? They don't have to pay the worker the $5.15 an hour.

A number of States said that is not fair; that is not really fair. We have, now, seven States that say to the restaurants: You have to pay the full tally. It says minimum wage of $5.15 an hour, you have to pay the $5.15 an hour. The States have said it. Seven States have said that. About 30 States have done somewhat in between, but seven States have said: You have to pay the whole thing.

The Congress has said an increase in the minimum wage—a tip is a tip. That goes with the territory. I wonder how many Americans, when they go into the restaurant and they are thinking about being served, try to figure out—I wonder, should I give this person $1 or $2 because they really are only getting $2.13 an hour paid by the restaurant. Of course they don't. If the service is good they give them something to show their appreciation for it.

What have our Republican friends said? We don't like the fact that States have made that judgment, that decision. We know more than the seven States that said you have to pay the full fare. We in the Senate of the United States are saying you don't know what is necessary in your State, about paying an adequate sum to those workers. So we, the Congress, are going to tell you, the State, and tell your workers, that we, the Republicans in the Senate and the House of Representatives, are going to say we are going to tell you that you only can pay $2.13.

I hope we don't hear any more about the one big solution to all of the problems back home. How many times do we listen to a large solution, a single solution for all the problems back home? How many times do we hear: Let the States make a judgment and decision in order to protect their workers?

Here the States have made a judgment, here the States have made a decision, and the Republican Party says: We know better. We know better. We know how to save our constituency a little more money, for them, and a little less for the workers. A wonderful, Republican, ingenious concept tied on to this proposal.

At another time, and we will have more time, we will have a chance to get into this in greater detail. I will just conclude.

I note, as I gave the figures about the number of families who are living in poverty, and also the number of children in poverty, there has been a different story in one of our neighboring countries. The second strongest economy in Europe is England. No. 1 is Germany, No. 2 is England. Their minimum wage is going to nearly $10 in October—$9.83. They have increased it now over the last 5 years. Do you want to know something? They have taken 1.8 million children out of poverty with their increase. And they have a strong economy and a more fair economy.

But not here. Nine years, eight pay increases for Members of the Senate over 9 years, and we have not been willing to give an increase in the minimum wage. No, if you want that increase, you vote to give the wealthiest individuals another bouquet, another bouquet. How contemptuous can it be?

At another time later in this debate—I know we have limited time. There are others who want to speak on the underlying bill. I look forward to addressing the Senate in greater detail on this issue and also on the pension issue, which is going to be extremely important.

I reserve the remainder of my time and yield the floor.

SERVICES FOR ENDING LONG-TERM HOMELESSNESS ACT

Mr. HATCH. Mr. President, as a member of the Senate Health, Education, Labor, and Pensions—HELP—Committee, I rise to express my support for the Services for Ending Long-Term Homelessness Act, S. 709, as introduced by Senator MIKE DEWINE.

Many low-income housing advocates in Utah have asked me to cosponsor this important legislation because it establishes a grant program, run by the Substance Abuse and Mental Health Services Administration, SAMHSA, for services to end chronic homelessness. In Utah alone, there are approximately 1,900 chronically homeless individuals whose lives are in a constant state of peril because they are repeatedly homeless for long periods of time. They usually have one or more disabilities, and often cycle between homeless shelters, the streets, mental health facilities, emergency rooms, hospitals, and jails. The public cost for their continued care is extremely high, and their medical outcomes are generally very poor.

I believe that ending chronic homelessness requires housing with supportive services, and policies which prevent high-risk individuals from returning to the streets. Based on several estimates, including an estimate published in the President's New Freedom Commission on Mental Health Report, it will take approximately 150,000 units of supportive housing and over 10 years to end long-term homelessness. S. 709 would authorize funding for a flexible array of services in permanent supportive housing, focused on helping people move toward recovery and self sufficiency.

Although I support the bill and its intent, I am very concerned about its cost. Throughout my Senate career, I have fought hard for fiscal discipline. Although the cost of the bill has not been estimated by the Congressional Budget Office, everyone agrees that the issues and associated costs are complex.

S. 709 provides accountability, has mechanisms for controlling costs, and mechanisms for maximizing cost savings. For example, the bill prioritizes accountability and cost control through a required competitive process. In an effort to save on overall public spending, the bill gives priority to applicants who serve individuals who have proven to be more expensive to the public health system and to law enforcement. Additionally, S. 709 requires that the grantee match the Federal funds received, and the match requirement increases over time. It is important to note that the amount of funding an applicant receives cannot rise above the rate of inflation. Finally, the bill ensures accountability by requiring grantees to report on their performance. This effort is to ensure that chronic homelessness is being reduced, thus reducing costly mental health and substance abuse problems, and increasing education and employment.

Mr. President, I support strongly the goals of this bill and I believe our continued economic expansion and improving Federal budget will enable us to fully implement the objectives of this bill and end homelessness in this country forever.

IRAQ RECONSTRUCTION FAILURES

Mr. LEAHY. Mr. President, we learned this past week of the latest example of the colossal waste, fraud and abuse in the administration's reconstruction program in Iraq.

Documented in the Special Inspector General's report released last Friday is the fiasco of the Basra Children's Hospital, yet another casualty on the long list of U.S.-financed infrastructure projects in Iraq to face cost overruns, mismanagement, delays and potential cancellation.

Back in 2003, Congress allocated $50 million for the construction of a 94-bed state-of-the-art children's cancer treatment hospital in southern Iraq. Despite repeated calls from humanitarian organizations and experts at the United States Agency for International Development to instead work with the Iraqis to rebuild their primary health system, the Bush administration promoted this high-profile, glitzy project championed by the White House.

Nearly 3 years later, due to gross mismanagement, the hospital is only 35 percent complete, out of money and teetering on the verge of collapse. The cost overruns are so significant that the project will cost between $120 and $160 million to complete and is not expected to be finished until December 2007, over a year later than planned. Meanwhile, Iraqis continue to suffer from low quality and poor access to basic health services.

USAID is at fault for not properly accounting for all the costs of constructing the hospital and should have consulted with Congress when they knew about cost overruns and scheduling delays. But press reports have ignored the fact that from the beginning, USAID wisely opposed this costly, misguided infrastructure project in a dangerous and corrupt environment, knowing of the likelihood that these problems could arise.

Bechtel, the lead government contractor for the Basra Hospital project and the same contractor for the flawed Boston Big Dig tunnel project, has once again been dismissed from a large-scale project due to incompetence. Sadly, this is not the first nor is it likely to be the last instance of waste, fraud and abuse in the reconstruction of Iraq under the negligent leadership of the Bush administration.

The Office of the Special Inspector General for Iraq Reconstruction has been the watchdog for the billions of dollars appropriated for Iraq reconstruction programs and operations. The creation of the office was initially opposed by the White House and by some in Congress who would prefer that the appalling blunders of the Iraq reconstruction program not be exposed to the light of day.

By all accounts, the Special Inspector General has done an excellent job under difficult and dangerous conditions by uncovering numerous instances of waste and fraud and there are dozens of investigations and prosecutions under way.

The picture provided by the Special Inspector General is in stark contrast to the rhetoric coming from the administration that reconstruction is moving forward at a rapid pace. Thanks to the persistent leadership of Senator FEINGOLD, and with support from Senators WARNER and LEVIN, we were able to include a Feingold-Leahy Amendment to the Senate version of the fiscal year 2007 Defense authorization bill to extend the life of the Special Inspector General for Iraq Reconstruction and ensure continued and necessary audits of the very programs the Special Inspector General was created to oversee. It is crucial that this provision be retained in the final version of the bill.

Mr. President, the tragedy of the Basra Children's Hospital project speaks volumes about this administration's Iraq policy. It is a legacy of arrogance, squander and incompetence. Just throw money at the problem and hope for the best. Use expensive American contractors rather than Iraqis who are unemployed or underemployed and could do the work for a fraction of the cost. And then try to shut down the office that exposes the waste. It is shocking, it is tragic and it is inexcusable.

AMERICAN LEADERSHIP

Mr. HAGEL. Mr. President, I ask unanimous consent to have printed in the RECORD my remarks given at the Brookings Institution on July 28, 2006.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A Defining Time for 21st Century American Leadership

U.S. SENATOR CHUCK HAGEL, REMARKS AS PREPARED FOR DELIVERY AT THE BROOKINGS INSTITUTION JULY 28, 2006

I am honored to be invited to speak here today as a part of the Brookings Institution's 90th Anniversary Leadership Forum. Brookings has been at the center of every important policy debate in this country for 90 years. Thank you to Strobe Talbot, Carlos Pascual, and all the men and women of Brookings for your continued contributions to our national debate. I see Martin Indyk and Ken Pollack in the audience. Thank you for the fine work you do with the Saban Center for Middle East Policy.

As we recognize the 90th Anniversary of the Brookings Institution, it is instructive to reflect back on the world of 1916 when Brookings was born . . . then known as the Institute for Government Research. In 1916, the world was in a period of wrenching and bloody transition. War raged in Europe. It was a war triggered by a series of tragic misjudgements stemming from decades-old resentments and shifting European alliances. It was a war fueled by the Industrial Revolution . . . the most deadly war the world had ever known. Within one year, the United States would shake-off its historic isolationism and engage in its first global conflict.

The Treaty of Versailles brought an end to the fighting, but it did not bring resolution. The United States retreated from a position of world leadership and back into its shell of irresponsible isolationism . . . the world economy collapsed, and lingering global resentments continued to heighten. Roughly twenty years later, harsh post-war reparations and arrogant nationalism gave rise to an even deadlier period of global transition: World War II.

America's leaders following World War II learned from the failed and dangerous polices of the first half of the 20th century. After World War II, the United States became the indispensable global leader. Along with our allies, we created organizations of global interests and common purpose like the United Nations, the General Agreement on Tariffs and Trade (now the World Trade Organization), NATO, the World Bank, the International Monetary Fund and dozens of other multilateral institutions. Leaders like Truman, Marshall, Acheson, Hull, Vandenberg and Eisenhower led in the rebuilding of Europe and Japan.

Ninety years after the creation of the Brookings Institution, we live in a different world . . . but once again a world in transition. The lessons learned after World War II still apply. American leadership is still indispensable in the world . . . and the institutions and alliances formed after World War II are as vital today as when they were formed.

For decades, the United States used its power and influence to help forge international consensus on vital issues. America's leadership inspired the trust and confidence of a generation of governments and nations around the world . . . because we pursued common actions that reflected common interests with our allies . . . because we remained committed to global engagement . . . and because we exercised our power with restraint. We made mistakes. It was imperfect. There were differences with our allies. But despite the imperfections and shortcomings, the United States and its allies contributed to world stability and the spread of freedom and prosperity.

Today, the world and America are in deep trouble. In a speech before the Council on Foreign Relations last November, I warned that the world's trust and confidence in America's purpose has seriously eroded. America is increasingly not seen as the wellspring of consensus that for decades helped create alliances and coalitions grounded in common objectives and common interests.

This is in contrast to a very troubling trend toward isolationism that is emerging in America today—a trend that was reflected in this week's New York Times CBS News poll of Americans about our country's role in the world. This trend is a looming concern that may not be obvious but is manifest across seemingly unconnected events and issues. We must avoid the trap of limiting our power by allowing ourselves to become isolated in the world. America must not allow itself to become isolated through mindless isolationist remedies to difficult and complicated problems.

In the 1930s, the threat of Adolph Hitler's Nazi Germany was not taken seriously. Most did not recognize this threat until World War II was upon them. But there was a voice sounding an alarm. Throughout the 1930s, Winston Churchill urged his countrymen and Europe to see the world through the clear lens of reality—not through the blurred lens of misplaced hope. On October 3, 1938, the House of Commons debated the Munich Agreement that Prime Minister Chamberlain had negotiated with Hitler. Many saw this agreement as the assurance of peace with Germany. Churchill disagreed. He said:

"Can we blind ourselves to the great change which has taken place in the military situation, and to the dangers we have to meet? This is only the beginning of the reckoning. This is only the first sip, the first foretaste of a bitter cup which will be proffered to us year by year unless by a supreme recovery of moral health and martial vigour, we arise again and take our stand for freedom as in the olden time."

Today, there is no such threat to world order. Global threats today are less defined than Hitler. However, the challenges are more insidious, more difficult to comprehend and identify, yet more interrelated, more dynamic, and more dangerous. In the 21st century, we are confronted by a universe of challenges, threats, and opportunities unlike any that we have ever known. The margins of error for miscalculation are less than ever before. Dramatic shifts in security, stability and prosperity can occur in weeks or even days.

On April 16, 1953, President Dwight D. Eisenhower delivered a speech before the American Society of Newspaper Editors that we now know as the "Chance for Peace" speech. In the aftermath of the death and destruction of World War II and the ongoing war in Korea, the world then was confronted with the threat of the Soviet Union and communism. A different time. A different generation. Yet, Eisenhower's words and wisdom still ring true today. He said,

"No nation's security and well-being can be lastingly achieved in isolation but only in effective cooperation with fellow-nations."

Just as Eisenhower said in 1953, America's security, prosperity and freedom cannot be separated from the dangers, challenges, and opportunities abroad. There are no national boundaries from terrorism, proliferation of weapons of mass destruction, pandemic disease, environmental degradation, and despair. No nation, unilaterally, possesses the power to defeat the threats of the 21st century. A global society underpinned by a global economy is our world today. The world's problems and dangers are interconnected. Nowhere are these realities clearer than in the Middle East.

The Middle East is a region in crisis. A continuous and escalating volley of violence has the potential for wider regional and global conflict. Centuries-old religious, ethnic and tribal hatreds and tensions are being manipulated by Islamic extremists for their own unholy purpose. The Middle East is today as combustible and complex as it has ever been. More than fifty percent of the world's proven oil and natural gas reserves reside in this troubled land . . . at a time when the world's six and a half billion people rely on these resources in an interconnected world economy. Uncertain popular support for regime legitimacy continues to weaken governments of the Middle East. Economic stagnation, persistent unemployment, deepening despair and wider unrest enhance the ability of terrorists to recruit and succeed. An Iran with nuclear weapons raises the specter of broader proliferation and a fundamental strategic realignment in the region, creating more regional instability.

America's approach to the Middle East must be consistent and sustained, and must understand the history, interests and perspectives of our regional friends and allies.

The United States will remain committed to defending Israel. Our relationship with Israel is a special and historic one. But, it need not and cannot be at the expense of our Arab and Muslim relationships. That is an irresponsible and dangerous false choice. Achieving a lasting resolution to the Arab-Israeli conflict is as much in Israel's interest as any other country in the world.

Unending war will continually drain Israel of its human capital, resources, and energy as it fights for its survival. The United States and Israel must understand that it is not in their long-term interests to allow themselves to become isolated in the Middle East and the world. Neither can allow themselves to drift into an "us against the world" global optic or zero-sum game. That would marginalize America's global leadership, trust and influence, further isolate Israel, and prove to be disastrous for both countries as well as the region.

It is in Israel's interest, as much as ours, that the United States be seen by all states in the Middle East as fair. This is the currency of trust.

Israel, Lebanon and the Palestinian territories have experienced devastating violence in the last couple of weeks. The world has rightly condemned the despicable actions of Hezbollah and Hamas terrorists who attacked Israel and kidnapped Israeli soldiers. Israel has the undeniable right to defend itself against aggression. This is the right of all states.

Hezbollah is a threat to Israel, to Lebanon and to all who strive for lasting peace in the Middle East. This threat must be dealt with, as Israel's military operations continue to weaken Hezbollah's capacity for violence.

However, military action alone will not destroy Hezbollah or Hamas. Extended military action will tear apart Lebanon, destroy its economy and infrastructure, create a humanitarian disaster, further weaken Lebanon's fragile democratic government, strengthen popular Muslim and Arab support for Hezbollah, and deepen hatred of Israel across the Middle East. The pursuit of tactical military victories at the expense of the core strategic objective of Arab-Israeli peace is a hollow victory. The war against Hezbollah and Hamas will not be won on the battlefield.

To achieve a strategic shift in the conditions for Middle East peace, the United States must use the global condemnation of terrorist acts as the basis for substantive change. For a lasting and popularly supported resolution, only a strong Lebanese government and army, backed by the international community, can rid Lebanon of these corrosive militias and terrorist organizations.

President Bush and Secretary Rice must become and remain deeply engaged in the Middle East. Only U.S. leadership can build a consensus of purpose among our regional and international partners.

The Rome meeting of the Lebanon core group this week must be the beginning of a very intensive diplomatic process—at the highest levels—with the objective of ending the military conflict, securing the Israel-Lebanon border, and invigorating the political track. To lead and sustain U.S. engagement, the President should appoint a statesman of global stature, experience and ability to serve as his personal envoy to the region who would report directly to him and be empowered with the authority to speak and act for the President. Former Secretaries of State Baker and Powell fit this profile.

America must listen carefully to its friends and partners in the region. Saudi Arabia, Egypt, Jordan and others—countries that understand the Middle East far better than we do—must commit to help resolve today's crisis and be active partners in helping build a mechanism to move toward realizing the already agreed-upon two-state solution.

A robust international force deployed along the Israel-Lebanon border will be required to facilitate a steady deployment of a strengthened Lebanese Army into southern Lebanon to eventually assume responsibility for security and the rule of law. The UN Security Council should negotiate a new binding resolution that strengthens its demands to disarm militias and to remove Syrian influence from Lebanon that were made in UN Security Council Resolution 1559, and commits the international community to help Lebanon re-build its country.

The core of all challenges in the Middle East remains the underlying Arab-Israeli conflict. The failure to address this root cause will allow Hezbollah, Hamas and other terrorists to continue to sustain popular Muslim and Arab support, continuing to undermine America's standing in the region, and the governments of Egypt, Jordan, Saudi Arabia, and others—whose support is critical for any Middle East resolution.

The United States should engage our Middle East and international partners to revive the Beirut Declaration, or some version of it, proposed by King Abdullah of Saudi Arabia and adopted unanimously by the Arab League in March 2002. In this historic initiative, the Arab world recognized Israel's right to exist and sought to establish a path toward a two-state solution and broader Arab-Israeli peace. Even though Israel could not accept it as written, it represented a very significant "starting point" document initiated by Arab countries. Today, we need a new Beirut Declaration-type initiative. We squandered the last one.

The concept and intent of the 2002 Beirut Declaration is as relevant today as it was in 2002. An Arab-initiated Beirut-type declaration would re-invest regional Arab states with a stake in achieving progress toward Israeli-Palestinian peace. This type of initiative would offer a positive alternative vision for Arab populations to the ideology and goals of Islamic militants. The United States must explore this approach as part of its diplomatic engagement in the Middle East.

Lasting peace in the Middle East, and stability and security for Israel will come only from a regionally-oriented political settlement.

Former American Middle East Envoy Dennis Ross once observed that in the Middle East a process is necessary because process absorbs events . . . without a process, events become crises. He was right. Look at where we are today in the Middle East with no process. Crisis diplomacy is no substitute for sustained, day-to-day engagement.

America's approach to Syria and Iran is inextricably tied to Middle East peace. Whether or not they were directly involved in the latest Hezbollah and Hamas aggression in Israel, both countries exert influence in the region in ways that undermine stability and security. As we work with our friends and allies to deny Syria and Iran any opportunity to further corrode the situation in Lebanon and the Palestinian territories, both Damascus and Tehran must hear from America directly.

As John McLaughlin, the former Deputy Director of Central Intelligence recently wrote in the Washington Post,

"Even superpowers have to talk to bad guys. The absence of a diplomatic relationship with Iran and the deterioration of the one with Syria—two countries that bear enormous responsibility for the current crisis—leave the United States with fewer options and levers than might otherwise have been the case. Distasteful as it might have been to have or to maintain open and normal relations with such states, the absence of such relations ensures that we will have more blind spots than we can afford and that we will have to deal through surrogates on issues of vital importance to the United States. We will have to get over the notion that talking to bad guys somehow rewards them or is a sign of weakness. As a superpower, we ought to be able to communicate in a way that signals our strength and self-confidence."

Ultimately, the United States will need to engage Iran and Syria with an agenda open to all areas of agreement and disagreement. For this dialogue to have any meaning or possible lasting relevance, it should encompass the full agenda of issues.

There is very little good news coming out of Iraq today. Increasingly vicious sectarian violence continues to propel Iraq toward civil war. The U.S. announcement this week to send additional U.S. troops and military police back into Baghdad reverses last month's decision to have Iraqi forces take the lead in Baghdad . . . and represents a dramatic set back for the U.S and the Iraqi Government. The Iraqi Government has limited ability to enforce the rule of law in Iraq, especially in Baghdad. Green Zone politics appear to have little bearing or relation to the realities of the rest of Iraq.

The Iraqis will continue to face difficult choices over the future of their country. The day-to-day responsibilities of governing and security will soon have to be assumed by Iraqis. As I said in November, this is not about setting a timeline. This is about understanding the implications of the forces of reality. This reality is being determined by Iraqis—not Americans. America is bogged down in Iraq and this is limiting our diplomatic and military options. The longer America remains in Iraq in its current capacity, the deeper the damage to our force structure—particularly the U.S. Army. And it will continue to place more limitations on an already dangerously over-extended force structure that will further limit our options and public support.

The Cold War, while dangerous, created a fairly stable and mostly predictable world order. That is no longer the case today. The challenges of the 21st century will be more complex and represent a world of greater degrees of nuance, uncertainty and uncontrollables than those of the last 60 years. America's policy choices will be more complicated than ever before.

We must be clear in our principles and interests, with friends and foes alike. But framing the world in "absolutes" constrains our ability to build coalitions and alliances, alienates our friends and partners, and results in our own isolation. No country will view its interests as coinciding exactly with ours; nor will countries simply subsume their national interests to maintain relations with America. U.S. policies that are premised on such assumptions will be flawed, with little likelihood for success, and ultimately work against our national interests.

In pursuing our objectives, America must always be mindful of the risks of sudden change and the dangers of unintended consequences. Rarely will America succeed if its actions seek to impose its objectives on others, or achieve change and reform through power alone. America is always strongest when it acts in concert with friends and allies. This approach has enhanced our power and magnified our influence. The Middle East and other regions of the world have been left behind and not experienced the political and economic reform that many other regions have enjoyed in the last 60 years.

The Middle East crisis represents a moment of great danger, but it is also an opportunity. Crisis focuses the minds of leaders and the attention of nations. The Middle East need not be a region forever captive to the fire of war and historical hatred. It will and can avoid this fate if the United States pursues sustained and engaged leadership worthy of our history, purpose, and power. America cannot fix every problem in the world—nor should it try. But we must get the big issues and important relationships right and concentrate on those. We know that without engaged and active American leadership the world is more dangerous.

When President Franklin Delano Roosevelt delivered his State of the Union Address on January 6, 1945, he counseled the United States and the world to look beyond the immediate horror of war to the challenges and opportunities that lay ahead. Roosevelt understood the requirements of U.S. leadership and the essence of alliances and partnerships. He said:

"We must not let those differences divide us and blind us to our more important common and continuing interests in winning the war and building the peace. International cooperation on which enduring peace must be based is not a one-way street. Nations like individuals do not always see alike or think alike, and international cooperation and progress are not helped by any nation assuming that it has a monopoly of wisdom or of virtue."

Over the last 60 years since Roosevelt's remarks, the United States has been a force for peace and prosperity in the world. Decades of investment in geopolitical security, economic stability, political freedom, innovation and productivity have resulted in a 21st century of both cooperation and competition. This is a defining time for 21 st Century American leadership. With enlightened American leadership this century offers the world the prospects of unprecedented global peace, prosperity and security . . . if we are wise enough to sense the moment, engage the world and share a nobility of purpose with all mankind.

HOMELAND SECURITY APPROPRIATIONS

Mr. JOHNSON. Mr. President, recently the Senate approved the fiscal year 2007 Homeland Security appropriations bill. As a member of the Senate Appropriations Committee, I voted in favor of this measure.

The bill allocates a total of $32.8 billion in discretionary spending for the Department of Homeland Security. This funding will increase the current number of detention beds and Border Patrol agents, and during floor consideration, the Senate supported additional funding for border infrastructure upgrades and port security.

While this funding will help secure our borders and protect our homeland, President Bush's continued insistence on maintaining tax breaks for the extremely wealthy has made it incredibly difficult to fund important first responder grant programs.

The Assistance to Firefighters Grant Program provides critical funding to our local fire departments for training, equipment, and facility improvements. In his fiscal year 2007 budget request, President Bush recommended only $293 million for this important program—a dramatic reduction from the previous fiscal year's funding level of $545 million. If this request had been enacted, it would have undermined the efforts of local fire departments in meeting their training and equipment needs.

As a member of the Senate Appropriations Committee, I was pleased the committee provided $680 million for firefighter assistance grants, of which $127.5 million will be allocated for the Staffing for Adequate Fire and Emergency Response Firefighters, SAFER, Act grant program. These grants help communities hire firefighters, and in turn, local governments are responsible for providing funds to match a portion of each grant. Regrettably, President Bush requested no funding for this important program. As a result, the money appropriated by the Senate will go a long way toward helping our first responders.

Finally, first responders also rely upon the Emergency Management Performance Grant Program. This program provides funding to State and local governments for all-hazards emergency management including natural disasters, accidents, or terrorist threats. Unfortunately, the President requested only $170 million for this program in his fiscal year 2007 budget proposal—$15 million less than what Congress appropriated the previous year. As a member of the Senate Appropriations Committee, we restored this important funding and recommended $205 million for this program.

In a post-September 11 world, we must make homeland security one of our top priorities. As a member of the Senate Appropriations Committee, I will continue my efforts to ensure that our first responders have the resources and tools necessary to respond to threats against our homeland.

ADDITIONAL STATEMENTS

RETIREMENT OF GLORIA TOSI

• Mr. LOTT. Mr. President, today I pay tribute to Gloria Catanco Tosi, president of the American Maritime Congress, on her upcoming retirement. The American Maritime Congress is a research and educational organization in Washington, DC, whose membership comprises ship owners and operators having U.S.-flag vessels in both the domestic and international trades. All of the American Maritime Congress's member companies have labor agreements with the Marine Engineers Beneficial Association.

Mrs. Tosi has been with the American Maritime Congress since 1981 and has served as its chief executive officer for the past 15 years. She is a well-known maritime advocate in the Washington, DC community, including the Propeller Club of the United States. In particular, she often plays a lead industry role on issues affecting the operation of, and cargo opportunities for, U.S.-flag shipping.

While many people think of the U.S. maritime industry as only a commercial interest, it is actually a vital element of our Nation's defense. The Department of Defense could not execute its military strategies and deploy its forces worldwide without the help of U.S. shipyards, ports, shipping lines, and maritime workers. As president of the American Maritime Congress, Mrs. Tosi worked closely with the National Defense Transportation Association to ensure the maritime industry remained aligned with the Department of Defense's requirements.

Mrs. Tosi is a native of Baltimore, MD, whose family was active in the maritime industry. She came to Washington, DC, in 1969 to join the staff of Helen Delich Bentley, who had been named by President Nixon to chair the Federal Maritime Commission. I served with Helen in the House of Representatives and know her to be an ardent supporter of the U.S. Merchant Marine and the Port of Baltimore. Mrs. Tosi remained at the Federal Maritime Commission for nearly 6 years, which means she gained invaluable experience and insight into the maritime industry at the national level. Upon leaving the Federal Maritime Commission, Mrs. Tosi was employed by the International Longshoremen's Association as the union's director of governmental affairs from 1976–1981. In 1981, she joined her current organization as its legislative and corporate affairs director. In time, her expertise and leadership qualities were recognized and she was selected to be the organization's president. This marks her 25th year with the American Maritime Congress.

I have known Gloria for many years. There has not been a significant piece of maritime legislation that has been considered by the Congress during the past dozen or so years that has not benefitted from her counsel. From the Maritime Security Act of 1995, to the Ocean Shipping Reform Act of 1998, to the Maritime Security Act of 2003, and including many provisions included in other laws, she helped ensure that the U.S. maritime industry's concerns were addressed. Equally important, she ensured that the industry's concerns were understood when legislation was proposed that would have had a negative impact on the industry.

Gloria is trusted as an honest voice for all of America's maritime world. She has devoted her professional life to enhancing the American fleet, improving its business opportunities, and establishing a better regulatory regime under which to operate the fleet. She may be retiring, but I expect she will be called on from time to time to offer her expertise as the need arises. In the meantime, she will have more time to spend with her husband Jeff.

Mr. President, I congratulate Gloria for her exemplary career and salute her contributions to the maritime industry. She is to be commended for the productive use of her insights and talents and appreciated for her years of service to the U.S. maritime industry.•

125TH ANNIVERSARY OF GRANDIN, NORTH DAKOTA

• Mr. CONRAD. Mr. President, today I wish to recognize a community in North Dakota that recently celebrated its 125th anniversary. On July 14–16, the residents of Grandin gathered to celebrate their community's history and founding.

Grandin, set in the fertile Red River Valley, is a thriving community in southeastern North Dakota. Grandin was also home to American painter and artist, Clyfford Still. Still, who used rich, vibrant colors and imagery, is just one of the many great talents that the small communities of rural America have produced to enrich our culture.

The citizens of Grandin take pride in their quiet and comfortable community that still welcomes guests with a friendly smile and wave. Grandin had an exciting anniversary that included an all-school reunion, parade, tractor pull, dinner, and street dance.

Mr. President, I ask the Senate to join in me congratulating Grandin, ND, and its residents on their first 125 years and wishing them well through the next century. By honoring Grandin and all the other historic small towns of North Dakota, we keep the great pioneering frontier spirit alive for future generations. It is places such as Grandin that have helped to shape this country into what it is today, which is why this fine community is deserving of our recognition.

Grandin has a proud past and a bright future.•

REMEMBERING BILL HANCOCK

• Mr. SMITH. Mr. President, today I wish to honor the memory and work of Mr. Bill Hancock, a constituent of mine who led a most selfless and compassionate life. Several weeks ago, Bill lost his long struggle with AIDS. The story of his life demonstrates just how much progress we have made in our efforts to stem the tide of this disease, and how much work remains to be done before we find a cure.

Bill led a very rich and full life—one that should fill his family and friends with a sense of overwhelming pride. While he accomplished much, I am most moved by his tireless work to improve the lives of those who suffered from the very illness he had. Many of us might have given up if we found ourselves in Bill's position—choosing to allow a set of unfortunate circumstances to stagnate our lives. Instead, Bill fully realized his life's purpose through his sincere dedication to supporting and advancing the needs of the HIV/AIDS community.

Since the early days of the AIDS epidemic, Bill was involved in building the grassroots momentum needed to generate a national response to the public health crisis that was emerging in many of America's cities. His own health problems led him to Our House of Portland for hospice care and with the support he received there, he was able to begin to manage the symptoms of his illness. Amazingly, he was the very first resident of Our House to leave alive. I believe this is a clear testament to the tenacity of Bill's character.

Shortly after leaving Our House, Bill returned—not as a patient but as a member of its fundraising board and as a personal care assistant. His compassion prompted him to reciprocate the care he was provided by becoming a caregiver himself. His involvement in HIV/AIDS advocacy only grew from that point. He became the chair of the Multnomah County Community Health Council and the Citizen's Advisory Board to the local health department. He also served on Multnomah County's Citizen's Budget Advisory Committee and the board of the Tri-County Safety Net Enterprise.

In addition to his service in local government, Bill represented the needs of those living with HIV/AIDS as public policy coordinator for the Cascade AIDS Project. Cascade AIDS is Oregon's leading provider of community-based medical and social services, offering access to health care, temporary housing, career assistance, and education and prevention programs. My staff had the pleasure of working closely with Bill to more effectively coordinate State and Federal resources aimed at supporting individuals with HIV/AIDS. He truly served the members of Oregon's HIV/AIDS community with dignity and compassion.

On marking the occasion of Bill Hancock's passing, I can't help but ask myself what more we as public servants can do to prevent the untimely death of individuals living with HIV/AIDS. The Federal Government has made great progress in the battle against this horrific epidemic, but there is much more we can do. It is essential that we move forward with reauthorizing the Ryan White CARE Act and appropriately funding the medical and social support programs that help individuals lead more full and productive lives. It would be a testament to Bill's life's work and dedication if we could do our part to help address the medical and social needs of the HIV/AIDS community. Bill never gave up, and neither should we.

In closing, I would like to offer my condolences to the family, friends, and fellow advocates whom Bill touched with his compassion and love of life. They have much to be proud of, and I hope their memories will be filled with the many great accomplishments he achieved as a dedicated community servant.•

MESSAGE FROM THE HOUSE DURING ADJOURNMENT

Under authority of the order of the Senate of July 28, 2006, the Secretary of the Senate, on July 31, 2006, received a message from the House of Representatives announcing that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4. An act to provide economic security for all Americans, and for other purposes.

H.R. 5970. An act to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

MESSAGE FROM THE HOUSE

At 2:03 p.m., a message from the House of Representatives, delivered by

Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 3693. An act to make technical corrections to the Violence Against Women and Department of Justice Reauthorization Act of 2005.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 112. Concurrent resolution relating to correcting a clerical error in the enrollment of S. 3693.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 459. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act.

The message further announced that the House has passed the bill (S. 3741) to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

H.R. 4. An act to provide economic security for all Americans, and for other purposes.

H.R. 5970. An act to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

MEASURES READ THE FIRST TIME

The following bills were deemed read the first time on July 28 (legislative day July 26), pursuant to the order of July 28, 2006:

H.R. 4. An act to provide economic security for all Americans, and for other purposes.

H.R. 5970. An act to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-7683. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Saab Model SAAB-Fairchild SF340A and SAAB 340B Airplanes" ((RIN2120-AA64)(Docket No. 2005-NM-235)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7684. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; BAE Systems Limited Model BAe 146 Airplanes and Model Avro 146-RJ Airplanes" ((RIN2120-AA64)(Docket No. 2005-NM-212)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7685. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; McDonnell Douglas Model DC-9-10, DC-9-20, DC-9-30, DC-9-40, and DC-9-50 Series Airplanes; Model DC-9-81, DC-9-82, DC-9-83, and DC-9-87 Airplanes; Model MD-88 Airplanes; Model MD-90-30 Airplanes; and Model 717-200 Airplanes" ((RIN2120-AA64)(Docket No. 2005-NM-001)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7686. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 747 Airplanes" ((RIN2120-AA64)(Docket No. 2004-NM-32)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7687. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Honeywell International Inc. T5311A, T5311B, T5313B, T5317A, T5317A-1, and T5317B Series Turboshaft Engines and Lycoming Former Military T53-L-11B, T53-L-11D, T53-L-13B, T53-L-13B/D and T53-L-703 Series Turboshaft Engines" ((RIN2120-AA64)(Docket No. 98-ANE-72)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7688. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Gulfstream Aerospace LP Model Galaxy and Model Gulfstream 200 Airplanes" ((RIN2120-AA64)(Docket No. 2005-NM-175)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7689. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Sikorsky Aircraft Corporation Model S-92A Helicopters" ((RIN2120-AA64)(Docket No. 2006-SW-03)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7690. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Eurocopter France Model AS355E, F, F1, F2, and N Helicopters" ((RIN2120-AA64)(Docket No. 2003-SW-10)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7691. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Eurocopter France Model EC130 B4 Helicopters" ((RIN2120-AA64)(Docket No. 2005-SW-41)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7692. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Raytheon Model HS.125 Series 700A and 700B Airplanes; Model BAe.125 Series 800A, 800B, 1000A, and 1000B Airplanes; and Hawker 800, 800XP, and 1000 Airplanes" ((RIN2120-AA64)(Docket No. 2006-NM-118)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7693. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A318, A319, A320, and A321 Airplanes" ((RIN2120-AA64)(Docket No. 2006-NM-110)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7694. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 737-100, -200, -200C, -300, -400, and -500 Series Airplanes" ((RIN2120-AA64)(Docket No. 2006-NM-109)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7695. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A318, A319, A320, and A321 Airplanes" ((RIN2120-AA64)(Docket No. 2006-NM-110)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7696. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bell Helicopter Textron Canada Model, 222, 222B, 222U, 230, and 430 Helicopters" ((RIN2120-AA64)(Docket No. 2006-SW-12)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7697. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 757-200 Series Airplanes Modified by Supplemental Type Certificate (STC) SA979NE" ((RIN2120-AA64)(Docket No. 2006-NM-099)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7698. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 747-200B, -200C, -200F, -300, -400, and 747SP Series Airplanes" ((RIN2120-AA64)(Docket No . 2005-NM-223)), received on

July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7699. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Hamilton Sundstrand Model 14RF-9 Propellers" ((RIN2120-AA64)(Docket No. 2006-NE-18)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7700. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 767-200, -300, and -300F Series Airplanes" ((RIN2120-AA64)(Docket No. 2005-NM-099)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7701. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Goodrich Evacuation Systems Approved Under Technical Standard Order (TSO) TSO-C69b and Installed on Airbus Model A330-200 and -300 Series Airplanes, Model A340-200 and -300 Series Airplanes, and Model A340-541 and -642 Airplanes—CORRECTION" ((RIN2120-AA64)(Docket No. 2005-NM-229)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7702. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier Model CL-600-2B19 Airplanes" ((RIN2120-AA64) (Docket No. 2005-NM-215)), received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7703. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Scottsbluff, NE" ((RIN2120-AA66) (Docket No. 06-ACE-5)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7704. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Keokuk, IA" ((RIN2120-AA66) (Docket No. 06-ACE-7)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7705. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Legal Description of Class D and E Airspace; Fairbanks, Fort Wainwright Army Airfield, AK" ((RIN2120-AA66) (Docket No. 06-AAL-16)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7706. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Legal Description of Class D and E Airspace; Fairbanks, Fort Wainwright Army Airfield, AK" ((RIN2120-AA66) (Docket No. 06-AAL-16)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7707. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Togiak, AK" ((RIN2120-AA66) (Docket No. 06-AAL-06)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7708. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of VOR Federal Airways; and Establishment of Area Navigation Route; NC" ((RIN2120-AA66) (Docket No. 06-ASO-1)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7709. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revocation of Low Altitude Reporting Point; AK" ((RIN2120-AA66)(Docket No. 06-AAL-17)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7710. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Offshore Airspace Area 1485L and Revision of Control 1485H; Barrow, AK" ((RIN2120-AA66) (Docket No. 06-AAL-9)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7711. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Area Navigation Instrument Flight Rules Terminal Transition Route (RITTR) T-210; Jacksonville, FL" ((RIN2120-AA66) (Docket No. 05-ASO-10)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7712. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Pratt and Whitney Canada PW535A Turboshaft Engines" ((RIN2120-AA64) (Docket No. 06-NE-07)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7713. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures (10); Amdt. No. 3166" ((RIN2120-AA65) (Docket No. 30493)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7714. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures (33); Amdt. No. 3167" ((RIN2120-AA65) (Docket No. 30494)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7715. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "IFR Altitudes; Miscellaneous Amendments (23); Amdt. No. 461" ((RIN2120-AA63) (Docket No. 30495)) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7716. A communication from the Attorney, Pipeline and Hazardous Materials Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Hazardous Materials: Infectious Substances; Harmonization with the United Nations Recommendations" (RIN2137-AD93) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7717. A communication from the Attorney, Pipeline and Hazardous Materials Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Hazardous Materials: Preemption Determination; Procedural Regulations" (RIN2137-AE18) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7718. A communication from the Program Analyst, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Motorcyclist Safety Grant Program" (RIN2127-AJ86) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7719. A communication from the Docket Clerk, Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Locomotive Crashworthiness" (RIN2130-AB23) received on July 25, 2006; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ENZI, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 707. A bill to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity (Rept. No. 109-298).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 997. A bill to direct the Secretary of Agriculture to convey certain land in the Beaverhead-Deerlodge Forest, Montana, to Jefferson County, Montana, for use as a cemetery (Rept. No. 109-299).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1529. A bill to provide for the conveyance of certain Federal land in the city of Yuma, Arizona (Rept. No. 109-300).

S. 1548. A bill to provide for the conveyance of certain Forest Service land to the city of Coffman Cove, Alaska (Rept. No . 109-301).

S. 2003. A bill to make permanent the authorization for watershed restoration and enhancement agreements (Rept. No. 109-302).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with an amendment:

S. 2028. A bill to provide for the reinstatement of a license for a certain Federal Energy Regulatory Commission project (Rept. No. 109-303).

S. 2035. A bill to extend the time required for construction of a hydroelectric project in the State of Idaho, and for other purposes (Rept. No. 109-304).

S. 2054. A bill to direct the Secretary of the Interior to conduct a study of water resources in the State of Vermont (Rept. No. 109-305).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with amendments:

S. 2150. A bill to direct the Secretary of the Interior to convey certain Bureau of Land Management Land to the City of Eugene, Oregon (Rept. No. 109–306).

S. 2373. A bill to provide for the sale of approximately 132 acres of public land to the City of Green River, Wyoming, at fair market value (Rept. No. 109–307).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 2403. A bill to authorize the Secretary of the Interior to include in the boundaries of the Grand Teton National Park land and interests in land of the GT Park Subdivision, and for other purposes (Rept. No. 109–308).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with an amendment:

S. 2568. A bill to amend the National Trails System Act to designate the Captain John Smith Chesapeake National Historic Trail (Rept. No. 109–309).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, without amendment:

S. Res. 468. A resolution supporting the continued administration of Channel Islands National Park, including Santa Rosa Island, in accordance with the laws (including regulations) and policies of the National Park Service (Rept. No. 109–310).

H.R. 394. A bill to direct the Secretary of the Interior to conduct a boundary study to evaluate the significance of the Colonel James Barrett Farm in the Commonwealth of Massachusetts and the suitability and feasibility of its inclusion in the National Park System as part of the Minute Man National Historical Park, and for other purposes (Rept. No. 109–311).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 482. A bill to provide for a land exchange involving Federal lands in the Lincoln National Forest in the State of New Mexico, and for other purposes (Rept. No. 109–312).

H.R. 486. A bill to provide for a land exchange involving private land and Bureau of Land Management land in the vicinity of Holloman Air Force Base, New Mexico, for the purpose of removing private land from the required safety zone surrounding munitions storage bunkers at Holloman Air Force Base (Rept. No. 109–313).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with amendments:

H.R. 1492. A bill to provide for the preservation of the historic confinement sites where Japanese Americans were detained during World War II, and for other purposes (Rept. No. 109–314).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 4000. A bill to authorize the Secretary of the Interior to revise certain repayment contracts with the Bostwick Irrigation District in Nebraska, the Kansas Bostwick Irrigation District No. 2, the Frenchman-Cambridge Irrigation District, and the Webster Irrigation District No. 4, all a part of the Pick-Sloan Missouri Basin Program, and for other purposes (Rept. No. 109–315).

By Ms. COLLINS, from the Committee on Homeland Security and Governmental Affairs, without amendment:

S. 2068. A bill to preserve existing judgeships on the Superior Court of the District of Columbia (Rept. No. 109–316).

By Mr. GRASSLEY, from the Committee on Finance, without amendment:

S. 3495. A bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Vietnam.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. CRAIG for the Committee on Veterans' Affairs.

*Patrick W. Dunne, of New York, to be an Assistant Secretary of Veterans Affairs (Policy and Planning).

*Thomas E. Harvey, of New York, to be an Assistant Secretary of Veterans Affairs (Congressional Affairs).

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. PRYOR:

S. 3763. A bill to amend title 49, United States Code, to modify bargaining requirements for proposed changes to the personnel management system of the Federal Aviation Administration; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG:

S. 3764. A bill to amend title XVIII of the Social Security Act to eliminate the coverage gap under the Medicare part D prescription drug program; to the Committee on Finance.

By Mr. DURBIN (for himself, Mr. SUNUNU, Mr. FEINGOLD, and Ms. STABENOW):

S. 3765. A bill to designate Lebanon under section 244(b) of the Immigration and Naturalization Act to permit nationals of Lebanon to be granted temporary protected status in the United States; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. STABENOW (for herself, Mr. ISAKSON, Mr. CHAMBLISS, and Mr. LEVIN):

S. Res. 545. A resolution recognizing the life and achievements of Will Keith Kellogg; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 707

At the request of Mr. ALEXANDER, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 707, a bill to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity.

S. 709

At the request of Mr. DEWINE, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 709, a bill to amend the Public Health Service Act to establish a grant program to provide supportive services in permanent supportive housing for chronically homeless individuals, and for other purposes.

S. 1035

At the request of Mr. INHOFE, the name of the Senator from Florida (Mr. MARTINEZ) was added as a cosponsor of S. 1035, a bill to authorize the presentation of commemorative medals on behalf of Congress to Native Americans who served as Code Talkers during foreign conflicts in which the United States was involved during the 20th century in recognition of the service of those Native Americans to the United States.

S. 1630

At the request of Mr. OBAMA, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1630, a bill to direct the Secretary of Homeland Security to establish the National Emergency Family Locator System.

S. 1791

At the request of Mr. SMITH, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 1791, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for qualified timber gains.

S. 2079

At the request of Mr. SMITH, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 2079, a bill to improve the ability of the Secretary of Agriculture and the Secretary of the Interior to promptly implement recovery treatments in response to catastrophic events affecting the natural resources of Forest Service land and Bureau of Land Management land, respectively, to support the recovery of non-Federal land damaged by catastrophic events, to assist impacted communities, to revitalize Forest Service experimental forests, and for other purposes.

S. 2401

At the request of Mr. BAUCUS, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2401, a bill to amend the Internal Revenue Code of 1986 to extend certain energy tax incentives, and for other purposes.

S. 2425

At the request of Mr. CONRAD, the name of the Senator from Washington

(Mrs. MURRAY) was added as a cosponsor of S. 2425, a bill to apply amendments to the Immigration and Nationality Act related to providing medical services in underserved areas, and for other purposes.

S. 2460

At the request of Mr. MENENDEZ, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2460, a bill to permit access to certain information in the Firearms Trace System database.

S. 2590

At the request of Mr. COBURN, the names of the Senator from Ohio (Mr. VOINOVICH), the Senator from California (Mrs. BOXER) and the Senator from Kentucky (Mr. MCCONNELL) were added as cosponsors of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2677

At the request of Mr. SMITH, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2677, a bill to amend the Internal Revenue Code of 1986 to extend the investment tax credit with respect to solar energy property and qualified fuel cell property, and for other purposes.

S. 2819

At the request of Mr. COLEMAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2819, a bill to amend part C of title XVIII of the Social Security Act to provide for a minimum payment rate by Medicare Advantage organizations for services furnished by a critical access hospital and a rural health clinic under the Medicare program.

S. 3519

At the request of Mr. HATCH, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 3519, a bill to reform the State inspection of meat and poultry in the United States, and for other purposes.

S. 3590

At the request of Mr. AKAKA, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 3590, a bill to amend title XIX of the Social Security Act to delay the effective date of the amendments made by the Deficit Reduction Act of 2005 requiring documentation evidencing citizenship or nationality as a condition for receipt of medical assistance under the Medicaid program.

S. 3634

At the request of Mr. JEFFORDS, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 3634, a bill to amend the Nuclear Waste Policy Act of 1982 to improve the material control and accounting and data management systems used by civilian nuclear power reactors to better account for spent nuclear fuel and reduce the risks associated with the handling of those materials.

S. 3680

At the request of Mr. KERRY, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 3680, a bill to amend the Small Business Investment Act of 1958 to reauthorize and expand the New Markets Venture Capital Program, and for other purposes.

S. 3681

At the request of Mr. DOMENICI, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 3681, a bill to amend the Comprehensive Environmental Response Compensation and Liability Act of 1980 to provide that manure shall not be considered to be a hazardous substance, pollutant, or contaminant.

S. 3682

At the request of Mr. ALEXANDER, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 3682, a bill to establish the America's Opportunity Scholarships for Kids Program.

S. 3697

At the request of Mr. INHOFE, the name of the Senator from South Carolina (Mr. DEMINT) was added as a cosponsor of S. 3697, a bill to amend title XVIII of the Social Security Act to establish Medicare Health Savings Accounts.

S. 3711

At the request of Ms. LANDRIEU, the names of the Senator from Tennessee (Mr. ALEXANDER) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

At the request of Mr. TALENT, his name was added as a cosponsor of S. 3711, supra.

S. 3744

At the request of Mr. DURBIN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 3744, a bill to establish the Abraham Lincoln Study Abroad Program.

S. 3754

At the request of Mr. MARTINEZ, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of S. 3754, a bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance, and for other purposes.

S. CON. RES. 97

At the request of Mr. GRASSLEY, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. Con. Res. 97, a concurrent resolution expressing the sense of Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should provide from renewable resources not less than 25 percent of the total energy consumed in the United States and continue to produce safe, abundant, and affordable food, feed, and fiber.

S. CON. RES. 113

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. Con. Res. 113, a concurrent resolution congratulating the Magen David Adom Society in Israel for achieving full membership in the International Red Cross and Red Crescent Movement, and for other purposes.

At the request of Mrs. CLINTON, the names of the Senator from Delaware (Mr. BIDEN), the Senator from California (Mrs. BOXER), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Minnesota (Mr. COLEMAN), the Senator from Ohio (Mr. DEWINE), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Connecticut (Mr. LIEBERMAN) and the Senator from Oregon (Mr. SMITH) were added as cosponsors of S. Con. Res. 113, supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURBIN (for himself, Mr. SUNUNU, Mr. FEINGOLD, and Ms. STABENOW):

S. 3765. A bill to designate Lebanon under section 244(b) of the Immigration and Naturalization Act to permit nationals of Lebanon to be granted temporary protected status in the United States; to the Committee on the Judiciary.

Mr. DURBIN. Mr. President, I rise today to introduce the Lebanese Temporary Protected Status Act of 2006.

I thank Senator JOHN SUNUNU, a Republican from New Hampshire, and Senator RUSS FEINGOLD, a Democrat from Wisconsin, for joining me as original cosponsors of this bipartisan legislation.

I come to the floor today with a heavy heart. The attacks by the terrorist organization Hezbollah against the State of Israel have led to ongoing hostilities in the Middle East. The hostilities have already cost many innocent Israeli and Lebanese lives, but yesterday was a particularly tragic day. This morning, as I woke up in Springfield, IL, and pulled up the local newspapers. There on the front page of the Chicago Tribune was a heartbreaking photograph of a Lebanese aid worker carrying the lifeless body of a child out of the rubble from the events of yesterday. Over 50 innocent Lebanese civilians, including dozens of children, perished in the southern Lebanese town of Qana.

I join my colleagues and all Americans in offering my heartfelt condolences to Prime Minister Siniora and to the people of Lebanon on the loss of these innocent lives. The victims and their families are in our thoughts and prayers.

Lives have been lost on both sides of the border, but we know it is particularly dangerous at this moment in Lebanon.

In reflecting on the deaths of hundreds of innocent civilians in recent weeks, Lebanese Prime Minister Fuad Siniora asked:

> Is the value of human life less in Lebanon than that of citizens elsewhere? Are we children of a lesser God?

The Lebanese people are not children of a lesser God. We are all children of the same God and we are all equal in God's eyes. Christians, Jews, and Muslims—we are all children of Abraham. We mourn the loss of every innocent life lost in the Israeli-Arab conflict, whether Israeli, Palestinian, or Lebanese.

Enacting the Lebanese Temporary Protected Status Act of 2006 is a modest, but important, step that will help alleviate the suffering of innocent Lebanese people. This legislation would make Lebanese nationals who are currently residing in the United States eligible for temporary protected status for an initial 12-month period.

Temporary protected status allows nationals of another country who are visiting the United States to remain here temporarily if returning to their country would pose a serious threat to their personal safety. Tragically, Lebanon faces just such a situation today.

There is an ongoing urgent humanitarian crisis in Lebanon. The United Nations estimates that 700,000 people have been displaced from their homes, almost 20 percent of the population of that nation. According to Catholic Relief Services:

> Many of those who have been displaced have taken refuge in mosques, churches and schools. The stocks of basic food and relief items, including much needed medicines, are dwindling.

The U.N. said:

> There has been widespread damage to infrastructure with hospitals, schools, roads, bridges, fuel storage depots, airports and seaports sustaining damage. This, of course, has severe implications on the ability to deliver humanitarian assistance to those most in need. In addition, prices of even basic necessities have skyrocketed.

U.N. emergency relief coordinator Jan Egeland has called the crisis, "The hour of greatest need for the Lebanese people."

Think of the images of thousands of frightened Americans trying desperately to escape the violence in Lebanon. Thankfully, many who have sought to escape have managed to do so. Unfortunately, unknown numbers of Americans still remain trapped.

Many Americans traveled to Lebanon this summer to spend time with relatives. This bipartisan bill would assist Lebanese who have traveled to the United States for similar reasons. They might have come here to visit family, to study, or to work. Now they face the prospect of being told they must return to this war zone. If conditions in Lebanon are so unsafe that we were forced to evacuate American citizens, innocent Lebanese who are visiting in the United States should be permitted to remain here until conditions in Lebanon improve.

Granting temporary protected status to Lebanese nationals who are currently in the United States is consistent with America's national interest.

At this delicate moment in relations between the United States and the Middle East, giving temporary protected status to Lebanon will send a positive signal about United States concern for the suffering of innocent Lebanese civilians.

Granting temporary protected status would also assist the fragile Lebanese Government by delaying the return of thousands of people who might be unable to return to their homes and would find themselves arriving back in their country only to become refugees.

The efforts of Prime Minister Siniora and millions of other Lebanese to build a sovereign and democratic Lebanon deserve the respect and continued support of the United States. Granting temporary protected status to Lebanese citizens now in the United States would take the pressure off their Government as it struggles to meet its many new challenges.

This would not be the first time we have done this. The United States extended temporary protected status to the people of Lebanon from March 1991 to March 1993. Before Congress created temporary protected status in 1990, we granted something called extended voluntary departure to provide blanket relief from deportation to Lebanese nationals during the height of the Lebanese civil war.

Granting this type of relief will not endanger our security. The Government can deny or withdraw temporary protected status from any individual who might do harm to our Nation. Individuals convicted of serious crimes who are a threat to national security, such as suspected members of Hezbollah, are automatically ineligible for this status. The Department of Homeland Security may withdraw temporary protected status any time it finds an individual poses any threat to our country. So it isn't a blank check.

Nor is temporary protected status a backdoor to U.S. citizenship. Aliens who are granted this status are not eligible to become legal permanent residents in this country.

Granting this temporary protected status to Lebanon is consistent with American values. The people of Lebanon face a grave humanitarian crisis and we have a tradition in this country of providing safe haven to people in such circumstances.

We must all work to a resolution to the current hostilities that creates lasting peace and security for both Israel and for Lebanon. In the meantime, let us provide a safe haven to Lebanese who are already within the United States while we strive for these larger goals.

I urge my colleagues to support the Lebanese Temporary Protected Status Act of 2006.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3765

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Lebanese Temporary Protected Status Act of 2006".

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that, due to the hostilities in Lebanon, Lebanon qualifies for designation under subparagraphs (A) and (C) of section 244(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1254a(b)(1)), pursuant to which Lebanese nationals would be eligible for temporary protected status in the United States.

SEC. 3. DESIGNATION FOR PURPOSES OF GRANTING TEMPORARY PROTECTED STATUS.

(a) DESIGNATION.—

(1) IN GENERAL.—For purposes of section 244 of the Immigration and Nationality Act (8 U.S.C. 1254a), Lebanon shall be treated as if it had been designated under subsection (b) of that section, subject to the provisions of this section.

(2) PERIOD OF DESIGNATION.—The initial period of the designation under paragraph (1) shall begin on the date of the enactment of this Act and shall remain in effect for 1 year.

(b) ALIENS ELIGIBLE.—An alien who is a national of Lebanon shall be deemed to satisfy the requirements of section 244(c)(1) of such Act only if the alien—

(1) has been continuously physically present in the United States since the date of the enactment of this Act;

(2) is admissible to the United States as an immigrant, except as otherwise provided under section 244(c)(2)(A) of such Act;

(3) is not ineligible for temporary protected status under section 244(c)(2)(B) of such Act; and

(4) registers for temporary protected status in a manner established by the Secretary of Homeland Security.

(c) CONSENT TO TRAVEL ABROAD.—The Secretary of Homeland Security shall give an alien granted temporary protected status pursuant to the designation made under subsection (a) prior consent to travel abroad under section 244(f)(3) of such Act if the alien establishes to the satisfaction of the Secretary that emergency and extenuating circumstances beyond the control of the alien require the alien to depart for a brief, temporary trip abroad. An alien returning to the United States in accordance with such an authorization shall be given the same treatment as any other returning alien provided temporary protected status under section 244 of such Act.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 545—RECOGNIZING THE LIFE AND ACHIEVEMENTS OF WILL KEITH KELLOGG

Ms. STABENOW (herself, Mr. ISAKSON, Mr. CHAMBLISS, and Mr. LEVIN) submitted the following resolution; which was referred to the committee on the Judiciary:

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. RES. 545

Whereas Will Keith Kellogg was born on April 7, 1860, and died at the age of 91 on October 6, 1951;

Whereas W.K. Kellogg believed that—

(1) a proper diet plays an important role in maintaining a healthy lifestyle; and

(2) breakfast is the most important meal of the day;

Whereas W.K. Kellogg developed the now world-famous Kellogg's Corn Flakes cereal in his Battle Creek, Michigan, production facility on April 1, 1906;

Whereas, for 100 years, the Kellogg Company has provided citizens of the United States and countries around the world with nutritious food products;

Whereas, throughout its development, the Kellogg Company has set milestones in consumer awareness of proper nutrition by—

(1) becoming the first company to include a nutrition facts label on its ever-changing and innovative packaging; and

(2) adhering to the strict values of quality and health consciousness that W.K. Kellogg had always valued;

Whereas, while the citizens of the United States struggled during the time of economic depression and stagnation during the 1930's, W.K. Kellogg famously announced "I'll invest my money in people.";

Whereas W.K. Kellogg started the W.K. Kellogg Foundation to operate separately from the Kellogg Company, and led the foundation by adhering to the guiding principle of "helping people to help themselves";

Whereas today, the W.K. Kellogg Foundation is 1 of the largest philanthropic institutions in the world, funding projects throughout the world in—

(1) health;

(2) education;

(3) agriculture;

(4) leadership; and

(5) youth development;

Whereas the assets of the W.K. Kellogg Foundation were nearly $6,000,000,000 when the foundation approached its 75th Anniversary in 2005;

Whereas, during those 75 years of service, the foundation donated more than $3,000,000,000 to help people help themselves;

Whereas, during the Second World War, the production facilities of the Kellogg Company were used to assist the Armed Forces in many engineering efforts;

Whereas, during that time, the products of the Kellogg Company became a common item in packages sent by families to soldiers serving overseas;

Whereas W.K. Kellogg was later awarded the Army-Navy "E" Flag for Excellence for his valuable contributions to the United States during the Second World War;

Whereas, throughout its history, the Kellogg Company introduced many of their most famous and successful cereals and characters, including—

(1) Tony the Tiger; and

(2) Snap, Crackle, and Pop;

Whereas, in 1969, astronauts on board the Apollo 11 breakfasted on cereal produced by the Kellogg Company during their successful mission to the moon, thereby making it the first breakfast cereal ever to reach outer space;

Whereas the Kellogg Company opened a new headquarters facility in Battle Creek;

Whereas, throughout the 1980's and 1990's, the Kellogg Company continued its commitment to social responsibility by supporting numerous organizations, including—

(1) the United Negro College Fund;

(2) the Statue of Liberty-Ellis Island renewal project; and

(3) organizations that sought to end the policy of apartheid that was enforced by the Government of South Africa;

Whereas today, the Kellogg Company produces more than 40 different cereals on 6 continents, and markets the products of the company in more than 180 countries;

Whereas the Kellogg Company employs 25,000 people throughout the world; and

Whereas the Kellogg Company currently has production facilities in 13 states, including—

(1) California;

(2) Georgia;

(3) Illinois;

(4) Kansas;

(5) Kentucky;

(6) Michigan;

(7) Nebraska;

(8) New Jersey;

(9) North Carolina;

(10) Ohio;

(11) Pennsylvania;

(12) Tennessee; and

(13) Washington: Now, therefore, be it

Resolved, That the Senate recognizes—

(1) the great contributions of Will Keith Kellogg to—

(A) the citizens of the United States; and

(B) the people of the world;

(2) the 100th anniversary of the creation of the first flaked breakfast cereal, which occurred on April 1, 2006; and

(3) the achievements of W.K. Kellogg and the benefits enjoyed by all those touched by his life.

Ms. STABENOW. Mr. President, today I am pleased to offer this resolution in honor of Will Keith Kellogg, who founded the Kellogg Company in 1906 in Battle Creek, MI. I am pleased to be joined by my colleagues, Senators Isakson, Chambliss, and Levin.

Today, Kellogg's company employs more than 25,000 people worldwide and operates production sites in thirteen states. Additionally, the Kellogg Foundation is one of the largest philanthropic institutions in the world. Last year, it celebrated its seventy-fifth anniversary and has donated more than $3 billion to health, education, agricultural, and youth-development projects.

I am proud of the work of Mr. Kellogg and the great work of both the Kellogg Company and the Kellogg Foundation. I ask for unanimous consent that the text of the bill be printed in the RECORD.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4742. Mr. DORGAN (for himself and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table.

SA 4743. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4744. Mr. KERRY (for himself and Mr. JEFFORDS) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4745. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4746. Mr. SMITH (for himself, Mr. MENENDEZ, Ms. SNOWE, Mr. KERRY, Mr. SALAZAR, Ms. CANTWELL, Mr. LIEBERMAN, Mr. KENNEDY, Mr. ALLARD, Mr. WYDEN, Mrs. CLINTON, and Mr. DODD) submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table .

SA 4747. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 3711, supra; which was ordered to lie on the table.

SA 4748. Mr. ALLEN submitted an amendment intended to be proposed to amendment SA 4713 proposed by Mr. FRIST to the bill S. 3711, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4742. Mr. DORGAN (for himself and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE —IMPORTATION OF PRESCRIPTION DRUGS

SEC. 1. SHORT TITLE.

This title may be cited as the "Pharmaceutical Market Access and Drug Safety Act of 2006".

SEC. 2. FINDINGS.

Congress finds that—

(1) Americans unjustly pay up to 5 times more to fill their prescriptions than consumers in other countries;

(2) the United States is the largest market for pharmaceuticals in the world, yet American consumers pay the highest prices for brand pharmaceuticals in the world;

(3) a prescription drug is neither safe nor effective to an individual who cannot afford it;

(4) allowing and structuring the importation of prescription drugs to ensure access to safe and affordable drugs approved by the Food and Drug Administration will provide a level of safety to American consumers that they do not currently enjoy;

(5) American spend more than $200,000,000,000 on prescription drugs every year;

(6) the Congressional Budget Office has found that the cost of prescription drugs are

between 35 to 55 percent less in other highly-developed countries than in the United States; and

(7) promoting competitive market pricing would both contribute to health care savings and allow greater access to therapy, improving health and saving lives.

SEC. 3. REPEAL OF CERTAIN SECTION REGARDING IMPORTATION OF PRESCRIPTION DRUGS.

Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.) is amended by striking section 804.

SEC. 4. IMPORTATION OF PRESCRIPTION DRUGS; WAIVER OF CERTAIN IMPORT RESTRICTIONS.

(a) IN GENERAL.—Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.), as amended by section ___3, is further amended by inserting after section 803 the following:

"SEC. 804. COMMERCIAL AND PERSONAL IMPORTATION OF PRESCRIPTION DRUGS.

"(a) IMPORTATION OF PRESCRIPTION DRUGS.—

"(1) IN GENERAL.—In the case of qualifying drugs imported or offered for import into the United States from registered exporters or by registered importers—

"(A) the limitation on importation that is established in section 801(d)(1) is waived; and

"(B) the standards referred to in section 801(a) regarding admission of the drugs are subject to subsection (g) of this section (including with respect to qualifying drugs to which section 801(d)(1) does not apply).

"(2) IMPORTERS.—A qualifying drug may not be imported under paragraph (1) unless—

"(A) the drug is imported by a pharmacy, group of pharmacies, or a wholesaler that is a registered importer; or

"(B) the drug is imported by an individual for personal use or for the use of a family member of the individual (not for resale) from a registered exporter.

"(3) RULE OF CONSTRUCTION.—This section shall apply only with respect to a drug that is imported or offered for import into the United States—

"(A) by a registered importer; or

"(B) from a registered exporter to an individual.

"(4) DEFINITIONS.—

"(A) REGISTERED EXPORTER; REGISTERED IMPORTER.—For purposes of this section:

"(i) The term 'registered exporter' means an exporter for which a registration under subsection (b) has been approved and is in effect.

"(ii) The term 'registered importer' means a pharmacy, group of pharmacies, or a wholesaler for which a registration under subsection (b) has been approved and is in effect.

"(iii) The term 'registration condition' means a condition that must exist for a registration under subsection (b) to be approved.

"(B) QUALIFYING DRUG.—For purposes of this section, the term 'qualifying drug' means a drug for which there is a corresponding U.S. label drug.

"(C) U.S. LABEL DRUG.—For purposes of this section, the term 'U.S. label drug' means a prescription drug that—

"(i) with respect to a qualifying drug, has the same active ingredient or ingredients, route of administration, dosage form, and strength as the qualifying drug;

"(ii) with respect to the qualifying drug, is manufactured by or for the person that manufactures the qualifying drug;

"(iii) is approved under section 505(c); and

"(iv) is not—

"(I) a controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802);

"(II) a biological product, as defined in section 351 of the Public Health Service Act (42 U.S.C. 262), including—

"(aa) a therapeutic DNA plasmid product;

"(bb) a therapeutic synthetic peptide product;

"(cc) a monoclonal antibody product for in vivo use; and

"(dd) a therapeutic recombinant DNA-derived product;

"(III) an infused drug, including a peritoneal dialysis solution;

"(IV) an injected drug;

"(V) a drug that is inhaled during surgery;

"(VI) a drug that is the listed drug referred to in 2 or more abbreviated new drug applications under which the drug is commercially marketed; or

"(VII) a sterile opthlamic drug intended for topical use on or in the eye.

"(D) OTHER DEFINITIONS.—For purposes of this section:

"(i)(I) The term 'exporter' means a person that is in the business of exporting a drug to individuals in the United States from Canada or from a permitted country designated by the Secretary under subclause (II), or that, pursuant to submitting a registration under subsection (b), seeks to be in such business.

"(II) The Secretary shall designate a permitted country under subparagraph (E) (other than Canada) as a country from which an exporter may export a drug to individuals in the United States if the Secretary determines that—

"(aa) the country has statutory or regulatory standards that are equivalent to the standards in the United States and Canada with respect to—

"(AA) the training of pharmacists;

"(BB) the practice of pharmacy; and

"(CC) the protection of the privacy of personal medical information; and

"(bb) the importation of drugs to individuals in the United States from the country will not adversely affect public health.

"(ii) The term 'importer' means a pharmacy, a group of pharmacies, or a wholesaler that is in the business of importing a drug into the United States or that, pursuant to submitting a registration under subsection (b), seeks to be in such business.

"(iii) The term 'pharmacist' means a person licensed by a State to practice pharmacy, including the dispensing and selling of prescription drugs.

"(iv) The term 'pharmacy' means a person that—

"(I) is licensed by a State to engage in the business of selling prescription drugs at retail; and

"(II) employs 1 or more pharmacists.

"(v) The term 'prescription drug' means a drug that is described in section 503(b)(1).

"(vi) The term 'wholesaler'—

"(I) means a person licensed as a wholesaler or distributor of prescription drugs in the United States under section 503(e)(2)(A); and

"(II) does not include a person authorized to import drugs under section 801(d)(1).

"(E) PERMITTED COUNTRY.—The term 'permitted country' means—

"(i) Australia;

"(ii) Canada;

"(iii) a member country of the European Union, but does not include a member country with respect to which—

"(I) the country's Annex to the Treaty of Accession to the European Union 2003 includes a transitional measure for the regulation of human pharmaceutical products that has not expired; or

"(II) the Secretary determines that the requirements described in subclauses (I) and (II) of clause (vii) will not be met by the date on which such transitional measure for the regulation of human pharmaceutical products expires;

"(iv) Japan;

"(v) New Zealand;

"(vi) Switzerland; and

"(vii) a country in which the Secretary determines the following requirements are met:

"(I) The country has statutory or regulatory requirements—

"(aa) that require the review of drugs for safety and effectiveness by an entity of the government of the country;

"(bb) that authorize the approval of only those drugs that have been determined to be safe and effective by experts employed by or acting on behalf of such entity and qualified by scientific training and experience to evaluate the safety and effectiveness of drugs on the basis of adequate and well-controlled investigations, including clinical investigations, conducted by experts qualified by scientific training and experience to evaluate the safety and effectiveness of drugs;

"(cc) that require the methods used in, and the facilities and controls used for the manufacture, processing, and packing of drugs in the country to be adequate to preserve their identity, quality, purity, and strength;

"(dd) for the reporting of adverse reactions to drugs and procedures to withdraw approval and remove drugs found not to be safe or effective; and

"(ee) that require the labeling and promotion of drugs to be in accordance with the approval of the drug.

"(II) The valid marketing authorization system in the country is equivalent to the systems in the countries described in clauses (i) through (vi).

"(III) The importation of drugs to the United States from the country will not adversely affect public health.

"(b) REGISTRATION OF IMPORTERS AND EXPORTERS.—

"(1) REGISTRATION OF IMPORTERS AND EXPORTERS.—A registration condition is that the importer or exporter involved (referred to in this subsection as a 'registrant') submits to the Secretary a registration containing the following:

"(A)(i) In the case of an exporter, the name of the exporter and an identification of all places of business of the exporter that relate to qualifying drugs, including each warehouse or other facility owned or controlled by, or operated for, the exporter.

"(ii) In the case of an importer, the name of the importer and an identification of the places of business of the importer at which the importer initially receives a qualifying drug after importation (which shall not exceed 3 places of business except by permission of the Secretary).

"(B) Such information as the Secretary determines to be necessary to demonstrate that the registrant is in compliance with registration conditions under—

"(i) in the case of an importer, subsections (c), (d), (e), (g), and (j) (relating to the sources of imported qualifying drugs; the inspection of facilities of the importer; the payment of fees; compliance with the standards referred to in section 801(a); and maintenance of records and samples); or

"(ii) in the case of an exporter, subsections (c), (d), (f), (g), (h), (i), and (j) (relating to the sources of exported qualifying drugs; the inspection of facilities of the exporter and the marking of compliant shipments; the payment of fees; and compliance with the standards referred to in section 801(a); being licensed as a pharmacist; conditions for individual importation; and maintenance of records and samples).

“(C) An agreement by the registrant that the registrant will not under subsection (a) import or export any drug that is not a qualifying drug.

“(D) An agreement by the registrant to—

“(i) notify the Secretary of a recall or withdrawal of a qualifying drug distributed in a permitted country that the registrant has exported or imported, or intends to export or import, to the United States under subsection (a);

“(ii) provide for the return to the registrant of such drug; and

“(iii) cease, or not begin, the exportation or importation of such drug unless the Secretary has notified the registrant that exportation or importation of such drug may proceed.

“(E) An agreement by the registrant to ensure and monitor compliance with each registration condition, to promptly correct any noncompliance with such a condition, and to promptly report to the Secretary any such noncompliance.

“(F) A plan describing the manner in which the registrant will comply with the agreement under subparagraph (E).

“(G) An agreement by the registrant to enforce a contract under subsection (c)(3)(B) against a party in the chain of custody of a qualifying drug with respect to the authority of the Secretary under clauses (ii) and (iii) of that subsection.

“(H) An agreement by the registrant to notify the Secretary not more than 30 days before the registrant intends to make the change, of—

“(i) any change that the registrant intends to make regarding information provided under subparagraph (A) or (B); and

“(ii) any change that the registrant intends to make in the compliance plan under subparagraph (F).

“(I) In the case of an exporter—

“(i) An agreement by the exporter that a qualifying drug will not under subsection (a) be exported to any individual not authorized pursuant to subsection (a)(2)(B) to be an importer of such drug.

“(ii) An agreement to post a bond, payable to the Treasury of the United States that is equal in value to the lesser of—

“(I) the value of drugs exported by the exporter to the United States in a typical 4-week period over the course of a year under this section; or

“(II) $1,000,000;

“(iii) An agreement by the exporter to comply with applicable provisions of Canadian law, or the law of the permitted country designated under subsection (a)(4)(D)(i)(II) in which the exporter is located, that protect the privacy of personal information with respect to each individual importing a prescription drug from the exporter under subsection (a)(2)(B).

“(iv) An agreement by the exporter to report to the Secretary—

“(I) not later than August 1 of each fiscal year, the total price and the total volume of drugs exported to the United States by the exporter during the 6-month period from January 1 through June 30 of that year; and

“(II) not later than January 1 of each fiscal year, the total price and the total volume of drugs exported to the United States by the exporter during the previous fiscal year.

“(J) In the case of an importer, an agreement by the importer to report to the Secretary—

“(i) not later than August 1 of each fiscal year, the total price and the total volume of drugs imported to the United States by the importer during the 6-month period from January 1 through June 30 of that fiscal year; and

“(ii) not later than January 1 of each fiscal year, the total price and the total volume of drugs imported to the United States by the importer during the previous fiscal year.

“(K) Such other provisions as the Secretary may require by regulation to protect the public health while permitting—

“(i) the importation by pharmacies, groups of pharmacies, and wholesalers as registered importers of qualifying drugs under subsection (a); and

“(ii) importation by individuals of qualifying drugs under subsection (a).

“(2) APPROVAL OR DISAPPROVAL OF REGISTRATION.—

“(A) IN GENERAL.—Not later than 90 days after the date on which a registrant submits to the Secretary a registration under paragraph (1), the Secretary shall notify the registrant whether the registration is approved or is disapproved. The Secretary shall disapprove a registration if there is reason to believe that the registrant is not in compliance with one or more registration conditions, and shall notify the registrant of such reason. In the case of a disapproved registration, the Secretary shall subsequently notify the registrant that the registration is approved if the Secretary determines that the registrant is in compliance with such conditions.

“(B) CHANGES IN REGISTRATION INFORMATION.—Not later than 30 days after receiving a notice under paragraph (1)(H) from a registrant, the Secretary shall determine whether the change involved affects the approval of the registration of the registrant under paragraph (1), and shall inform the registrant of the determination.

“(3) PUBLICATION OF CONTACT INFORMATION FOR REGISTERED EXPORTERS.—Through the Internet website of the Food and Drug Administration and a toll-free telephone number, the Secretary shall make readily available to the public a list of registered exporters, including contact information for the exporters. Promptly after the approval of a registration submitted under paragraph (1), the Secretary shall update the Internet website and the information provided through the toll-free telephone number accordingly.

“(4) SUSPENSION AND TERMINATION.—

“(A) SUSPENSION.—With respect to the effectiveness of a registration submitted under paragraph (1):

“(i) Subject to clause (ii), the Secretary may suspend the registration if the Secretary determines, after notice and opportunity for a hearing, that the registrant has failed to maintain substantial compliance with a registration condition.

“(ii) If the Secretary determines that, under color of the registration, the exporter has exported a drug or the importer has imported a drug that is not a qualifying drug, or a drug that does not comply with subsection (g)(2)(A) or (g)(4), or has exported a qualifying drug to an individual in violation of subsection (i)(2)(F), the Secretary shall immediately suspend the registration. A suspension under the preceding sentence is not subject to the provision by the Secretary of prior notice, and the Secretary shall provide to the registrant an opportunity for a hearing not later than 10 days after the date on which the registration is suspended.

“(iii) The Secretary may reinstate the registration, whether suspended under clause (i) or (ii), if the Secretary determines that the registrant has demonstrated that further violations of registration conditions will not occur.

“(B) TERMINATION.—The Secretary, after notice and opportunity for a hearing, may terminate the registration under paragraph (1) of a registrant if the Secretary determines that the registrant has engaged in a pattern or practice of violating 1 or more registration conditions, or if on 1 or more occasions the Secretary has under subparagraph (A)(ii) suspended the registration of the registrant. The Secretary may make the termination permanent, or for a fixed period of not less than 1 year. During the period in which the registration is terminated, any registration submitted under paragraph (1) by the registrant, or a person that is a partner in the export or import enterprise, or a principal officer in such enterprise, and any registration prepared with the assistance of the registrant or such a person, has no legal effect under this section.

“(5) DEFAULT OF BOND.—A bond required to be posted by an exporter under paragraph (1)(I)(ii) shall be defaulted and paid to the Treasury of the United States if, after opportunity for an informal hearing, the Secretary determines that the exporter has—

“(A) exported a drug to the United States that is not a qualifying drug or that is not in compliance with subsection (g)(2)(A), (g)(4), or (i); or

“(B) failed to permit the Secretary to conduct an inspection described under subsection (d).

“(c) SOURCES OF QUALIFYING DRUGS.—A registration condition is that the exporter or importer involved agrees that a qualifying drug will under subsection (a) be exported or imported into the United States only if there is compliance with the following:

“(1) The drug was manufactured in an establishment—

“(A) required to register under subsection (h) or (i) of section 510; and

“(B)(i) inspected by the Secretary; or

“(ii) for which the Secretary has elected to rely on a satisfactory report of a good manufacturing practice inspection of the establishment from a permitted country whose regulatory system the Secretary recognizes as equivalent under a mutual recognition agreement, as provided for under section 510(i)(3), section 803, or part 26 of title 21, Code of Federal Regulations (or any corresponding successor rule or regulation).

“(2) The establishment is located in any country, and the establishment manufactured the drug for distribution in the United States or for distribution in 1 or more of the permitted countries (without regard to whether in addition the drug is manufactured for distribution in a foreign country that is not a permitted country).

“(3) The exporter or importer obtained the drug—

“(A) directly from the establishment; or

“(B) directly from an entity that, by contract with the exporter or importer—

“(i) provides to the exporter or importer a statement (in such form and containing such information as the Secretary may require) that, for the chain of custody from the establishment, identifies each prior sale, purchase, or trade of the drug (including the date of the transaction and the names and addresses of all parties to the transaction);

“(ii) agrees to permit the Secretary to inspect such statements and related records to determine their accuracy;

“(iii) agrees, with respect to the qualifying drugs involved, to permit the Secretary to inspect warehouses and other facilities, including records, of the entity for purposes of determining whether the facilities are in compliance with any standards under this Act that are applicable to facilities of that type in the United States; and

“(iv) has ensured, through such contractual relationships as may be necessary, that the Secretary has the same authority regarding other parties in the chain of custody from the establishment that the Secretary has under clauses (ii) and (iii) regarding such entity.

“(4)(A) The foreign country from which the importer will import the drug is a permitted country; or

“(B) The foreign country from which the exporter will export the drug is the permitted country in which the exporter is located.

“(5) During any period in which the drug was not in the control of the manufacturer of the drug, the drug did not enter any country that is not a permitted country.

“(6) The exporter or importer retains a sample of each lot of the drug sufficient for testing by the Secretary.

“(d) Inspection of Facilities; Marking of Shipments.—

“(1) Inspection of facilities.—A registration condition is that, for the purpose of assisting the Secretary in determining whether the exporter involved is in compliance with all other registration conditions—

“(A) the exporter agrees to permit the Secretary—

“(i) to conduct onsite inspections, including monitoring on a day-to-day basis, of places of business of the exporter that relate to qualifying drugs, including each warehouse or other facility owned or controlled by, or operated for, the exporter;

“(ii) to have access, including on a day-to-day basis, to—

“(I) records of the exporter that relate to the export of such drugs, including financial records; and

“(II) samples of such drugs;

“(iii) to carry out the duties described in paragraph (3); and

“(iv) to carry out any other functions determined by the Secretary to be necessary regarding the compliance of the exporter; and

“(B) the Secretary has assigned 1 or more employees of the Secretary to carry out the functions described in this subsection for the Secretary randomly, but not less than 12 times annually, on the premises of places of businesses referred to in subparagraph (A)(i), and such an assignment remains in effect on a continuous basis.

“(2) Marking of compliant shipments.—A registration condition is that the exporter involved agrees to affix to each shipping container of qualifying drugs exported under subsection (a) such markings as the Secretary determines to be necessary to identify the shipment as being in compliance with all registration conditions. Markings under the preceding sentence shall—

“(A) be designed to prevent affixation of the markings to any shipping container that is not authorized to bear the markings; and

“(B) include anticounterfeiting or track-and-trace technologies, taking into account the economic and technical feasibility of those technologies.

“(3) Certain duties relating to exporters.—Duties of the Secretary with respect to an exporter include the following:

“(A) Inspecting, randomly, but not less than 12 times annually, the places of business of the exporter at which qualifying drugs are stored and from which qualifying drugs are shipped.

“(B) During the inspections under subparagraph (A), verifying the chain of custody of a statistically significant sample of qualifying drugs from the establishment in which the drug was manufactured to the exporter, which shall be accomplished or supplemented by the use of anticounterfeiting or track-and-trace technologies, taking into account the economic and technical feasibility of those technologies, except that a drug that lacks such technologies from the point of manufacture shall not for that reason be excluded from importation by an exporter.

“(C) Randomly reviewing records of exports to individuals for the purpose of determining whether the drugs are being imported by the individuals in accordance with the conditions under subsection (i). Such reviews shall be conducted in a manner that will result in a statistically significant determination of compliance with all such conditions.

“(D) Monitoring the affixing of markings under paragraph (2).

“(E) Inspecting as the Secretary determines is necessary the warehouses and other facilities, including records, of other parties in the chain of custody of qualifying drugs.

“(F) Determining whether the exporter is in compliance with all other registration conditions.

“(4) Prior notice of shipments.—A registration condition is that, not less than 8 hours and not more than 5 days in advance of the time of the importation of a shipment of qualifying drugs, the importer involved agrees to submit to the Secretary a notice with respect to the shipment of drugs to be imported or offered for import into the United States under subsection (a). A notice under the preceding sentence shall include—

“(A) the name and complete contact information of the person submitting the notice;

“(B) the name and complete contact information of the importer involved;

“(C) the identity of the drug, including the established name of the drug, the quantity of the drug, and the lot number assigned by the manufacturer;

“(D) the identity of the manufacturer of the drug, including the identity of the establishment at which the drug was manufactured;

“(E) the country from which the drug is shipped;

“(F) the name and complete contact information for the shipper of the drug;

“(G) anticipated arrival information, including the port of arrival and crossing location within that port, and the date and time;

“(H) a summary of the chain of custody of the drug from the establishment in which the drug was manufactured to the importer;

“(I) a declaration as to whether the Secretary has ordered that importation of the drug from the permitted country cease under subsection (g)(2)(C) or (D); and

“(J) such other information as the Secretary may require by regulation.

“(5) Marking of compliant shipments.—A registration condition is that the importer involved agrees, before wholesale distribution (as defined in section 503(e)) of a qualifying drug that has been imported under subsection (a), to affix to each container of such drug such markings or other technology as the Secretary determines necessary to identify the shipment as being in compliance with all registration conditions, except that the markings or other technology shall not be required on a drug that bears comparable, compatible markings or technology from the manufacturer of the drug. Markings or other technology under the preceding sentence shall—

“(A) be designed to prevent affixation of the markings or other technology to any container that is not authorized to bear the markings; and

“(B) shall include anticounterfeiting or track-and-trace technologies, taking into account the economic and technical feasibility of such technologies.

“(6) Certain duties relating to importers.—Duties of the Secretary with respect to an importer include the following:

“(A) Inspecting, randomly, but not less than 12 times annually, the places of business of the importer at which a qualifying drug is initially received after importation.

“(B) During the inspections under subparagraph (A), verifying the chain of custody of a statistically significant sample of qualifying drugs from the establishment in which the drug was manufactured to the importer, which shall be accomplished or supplemented by the use of anticounterfeiting or track-and-trace technologies, taking into account the economic and technical feasibility of those technologies, except that a drug that lacks such technologies from the point of manufacture shall not for that reason be excluded from importation by an importer.

“(C) Reviewing notices under paragraph (4).

“(D) Inspecting as the Secretary determines is necessary the warehouses and other facilities, including records of other parties in the chain of custody of qualifying drugs.

“(E) Determining whether the importer is in compliance with all other registration conditions.

“(e) Importer Fees.—

“(1) Registration fee.—A registration condition is that the importer involved pays to the Secretary a fee of $10,000 due on the date on which the importer first submits the registration to the Secretary under subsection (b).

“(2) Inspection fee.—A registration condition is that the importer involved pays a fee to the Secretary in accordance with this subsection. Such fee shall be paid not later than October 1 and April 1 of each fiscal year in the amount provided for under paragraph (3).

“(3) Amount of inspection fee.—

“(A) Aggregate total of fees.—Not later than 30 days before the start of each fiscal year, the Secretary, in consultation with the Secretary of Homeland Security and the Secretary of the Treasury, shall establish an aggregate total of fees to be collected under paragraph (2) for importers for that fiscal year that is sufficient, and not more than necessary, to pay the costs for that fiscal year of administering this section with respect to registered importers, including the costs associated with—

“(i) inspecting the facilities of registered importers, and of other entities in the chain of custody of a qualifying drug as necessary, under subsection (d)(6);

“(ii) developing, implementing, and operating under such subsection an electronic system for submission and review of the notices required under subsection (d)(4) with respect to shipments of qualifying drugs under subsection (a) to assess compliance with all registration conditions when such shipments are offered for import into the United States; and "(iii) inspecting such shipments as necessary, when offered for import into the United States to determine if such a shipment should be refused admission under subsection (g)(5).

"(B) LIMITATION.—Subject to subparagraph (C), the aggregate total of fees collected under paragraph (2) for a fiscal year shall not exceed 2.5 percent of the total price of qualifying drugs imported during that fiscal year into the United States by registered importers under subsection (a).

"(C) TOTAL PRICE OF DRUGS.—

"(i) ESTIMATE.—For the purposes of complying with the limitation described in subparagraph (B) when establishing under subparagraph (A) the aggregate total of fees to be collected under paragraph (2) for a fiscal year, the Secretary shall estimate the total price of qualifying drugs imported into the United States by registered importers during that fiscal year by adding the total price of qualifying drugs imported by each registered importer during the 6-month period from January 1 through June 30 of the previous fiscal year, as reported to the Secretary by each registered importer under subsection (b)(1)(J).

"(ii) CALCULATION.—Not later than March 1 of the fiscal year that follows the fiscal year for which the estimate under clause (i) is made, the Secretary shall calculate the total price of qualifying drugs imported into the United States by registered importers during that fiscal year by adding the total price of qualifying drugs imported by each registered importer during that fiscal year, as reported to the Secretary by each registered importer under subsection (b)(1)(J).

"(iii) ADJUSTMENT.—If the total price of qualifying drugs imported into the United States by registered importers during a fiscal year as calculated under clause (ii) is less than the aggregate total of fees collected under paragraph (2) for that fiscal year, the Secretary shall provide for a pro-rata reduction in the fee due from each registered importer on April 1 of the subsequent fiscal year so that the limitation described in subparagraph (B) is observed.

"(D) INDIVIDUAL IMPORTER FEE.—Subject to the limitation described in subparagraph (B), the fee under paragraph (2) to be paid on October 1 and April 1 by an importer shall be an amount that is proportional to a reasonable estimate by the Secretary of the semiannual share of the importer of the volume of qualifying drugs imported by importers under subsection (a).

"(4) USE OF FEES.—

"(A) IN GENERAL.—Subject to appropriations Acts, fees collected by the Secretary under paragraphs (1) and (2) shall be credited to the appropriation account for salaries and expenses of the Food and Drug Administration until expended (without fiscal year limitation), and the Secretary may, in consultation with the Secretary of Homeland Security and the Secretary of the Treasury, transfer some proportion of such fees to the appropriation account for salaries and expenses of the Bureau of Customs and Border Protection until expended (without fiscal year limitation).

"(B) SOLE PURPOSE.—Fees collected by the Secretary under paragraphs (1) and (2) are only available to the Secretary and, if transferred, to the Secretary of Homeland Security, and are for the sole purpose of paying the costs referred to in paragraph (3)(A).

"(5) COLLECTION OF FEES.—In any case where the Secretary does not receive payment of a fee assessed under paragraph (1) or (2) within 30 days after it is due, such fee shall be treated as a claim of the United States Government subject to subchapter II of chapter 37 of title 31, United States Code.

"(f) EXPORTER FEES.—

"(1) REGISTRATION FEE.—A registration condition is that the exporter involved pays to the Secretary a fee of $10,000 due on the date on which the exporter first submits that registration to the Secretary under subsection (b).

"(2) INSPECTION FEE.—A registration condition is that the exporter involved pays a fee to the Secretary in accordance with this subsection. Such fee shall be paid not later than October 1 and April 1 of each fiscal year in the amount provided for under paragraph (3).

"(3) AMOUNT OF INSPECTION FEE.—

"(A) AGGREGATE TOTAL OF FEES.—Not later than 30 days before the start of each fiscal year, the Secretary, in consultation with the Secretary of Homeland Security and the Secretary of the Treasury, shall establish an aggregate total of fees to be collected under paragraph (2) for exporters for that fiscal year that is sufficient, and not more than necessary, to pay the costs for that fiscal year of administering this section with respect to registered exporters, including the costs associated with—

"(i) inspecting the facilities of registered exporters, and of other entities in the chain of custody of a qualifying drug as necessary, under subsection (d)(3);

"(ii) developing, implementing, and operating under such subsection a system to screen marks on shipments of qualifying drugs under subsection (a) that indicate compliance with all registration conditions, when such shipments are offered for import into the United States; and

"(iii) screening such markings, and inspecting such shipments as necessary, when offered for import into the United States to determine if such a shipment should be refused admission under subsection (g)(5).

"(B) LIMITATION.—Subject to subparagraph (C), the aggregate total of fees collected under paragraph (2) for a fiscal year shall not exceed 2.5 percent of the total price of qualifying drugs imported during that fiscal year into the United States by registered exporters under subsection (a).

"(C) TOTAL PRICE OF DRUGS.—

"(i) ESTIMATE.—For the purposes of complying with the limitation described in subparagraph (B) when establishing under subparagraph (A) the aggregate total of fees to be collected under paragraph (2) for a fiscal year, the Secretary shall estimate the total price of qualifying drugs imported into the United States by registered exporters during that fiscal year by adding the total price of qualifying drugs exported by each registered exporter during the 6-month period from January 1 through June 30 of the previous fiscal year, as reported to the Secretary by each registered exporter under subsection (b)(1)(I)(iv).

"(ii) CALCULATION.—Not later than March 1 of the fiscal year that follows the fiscal year for which the estimate under clause (i) is made, the Secretary shall calculate the total price of qualifying drugs imported into the United States by registered exporters during that fiscal year by adding the total price of qualifying drugs exported by each registered exporter during that fiscal year, as reported to the Secretary by each registered exporter under subsection (b)(1)(I)(iv).

"(iii) ADJUSTMENT.—If the total price of qualifying drugs imported into the United States by registered exporters during a fiscal year as calculated under clause (ii) is less than the aggregate total of fees collected under paragraph (2) for that fiscal year, the Secretary shall provide for a pro-rata reduction in the fee due from each registered exporter on April 1 of the subsequent fiscal year so that the limitation described in subparagraph (B) is observed.

"(D) INDIVIDUAL EXPORTER FEE.—Subject to the limitation described in subparagraph (B), the fee under paragraph (2) to be paid on October 1 and April 1 by an exporter shall be an amount that is proportional to a reasonable estimate by the Secretary of the semiannual share of the exporter of the volume of qualifying drugs exported by exporters under subsection (a).

"(4) USE OF FEES.—

"(A) IN GENERAL.—Subject to appropriations Acts, fees collected by the Secretary under paragraphs (1) and (2) shall be credited to the appropriation account for salaries and expenses of the Food and Drug Administration until expended (without fiscal year limitation), and the Secretary may, in consultation with the Secretary of Homeland Security and the Secretary of the Treasury, transfer some proportion of such fees to the appropriation account for salaries and expenses of the Bureau of Customs and Border Protection until expended (without fiscal year limitation).

"(B) SOLE PURPOSE.—Fees collected by the Secretary under paragraphs (1) and (2) are only available to the Secretary and, if transferred, to the Secretary of Homeland Security, and are for the sole purpose of paying the costs referred to in paragraph (3)(A).

"(5) COLLECTION OF FEES.—In any case where the Secretary does not receive payment of a fee assessed under paragraph (1) or (2) within 30 days after it is due, such fee shall be treated as a claim of the United States Government subject to subchapter II of chapter 37 of title 31, United States Code.

"(g) COMPLIANCE WITH SECTION 801(a).—

"(1) IN GENERAL.—A registration condition is that each qualifying drug exported under subsection (a) by the registered exporter involved or imported under subsection (a) by the registered importer involved is in compliance with the standards referred to in section 801(a) regarding admission of the drug into the United States, subject to paragraphs (2), (3), and (4).

"(2) SECTION 505; APPROVAL STATUS.—

"(A) IN GENERAL.—A qualifying drug that is imported or offered for import under subsection (a) shall comply with the conditions established in the approved application under section 505(b) for the U.S. label drug as described under this subsection.

"(B) NOTICE BY MANUFACTURER; GENERAL PROVISIONS.—

"(i) IN GENERAL.—The person that manufactures a qualifying drug that is, or will be, introduced for commercial distribution in a permitted country shall in accordance with this paragraph submit to the Secretary a notice that—

"(I) includes each difference in the qualifying drug from a condition established in the approved application for the U.S. label drug beyond—

"(aa) the variations provided for in the application; and

"(bb) any difference in labeling (except ingredient labeling); or

"(II) states that there is no difference in the qualifying drug from a condition established in the approved application for the U.S. label drug beyond—

"(aa) the variations provided for in the application; and

"(bb) any difference in labeling (except ingredient labeling).

“(ii) INFORMATION IN NOTICE.—A notice under clause (i)(I) shall include the information that the Secretary may require under section 506A, any additional information the Secretary may require (which may include data on bioequivalence if such data are not required under section 506A), and, with respect to the permitted country that approved the qualifying drug for commercial distribution, or with respect to which such approval is sought, include the following:

“(I) The date on which the qualifying drug with such difference was, or will be, introduced for commercial distribution in the permitted country.

“(II) Information demonstrating that the person submitting the notice has also notified the government of the permitted country in writing that the person is submitting to the Secretary a notice under clause (i)(I), which notice describes the difference in the qualifying drug from a condition established in the approved application for the U.S. label drug.

“(III) The information that the person submitted or will submit to the government of the permitted country for purposes of obtaining approval for commercial distribution of the drug in the country which, if in a language other than English, shall be accompanied by an English translation verified to be complete and accurate, with the name, address, and a brief statement of the qualifications of the person that made the translation.

“(iii) CERTIFICATIONS.—The chief executive officer and the chief medical officer of the manufacturer involved shall each certify in the notice under clause (i) that—

“(I) the information provided in the notice is complete and true; and

“(II) a copy of the notice has been provided to the Federal Trade Commission and to the State attorneys general.

“(iv) FEE.—If a notice submitted under clause (i) includes a difference that would, under section 506A, require the submission of a supplemental application if made as a change to the U.S. label drug, the person that submits the notice shall pay to the Secretary a fee in the same amount as would apply if the person were paying a fee pursuant to section 736(a)(1)(A)(ii). Subject to appropriations Acts, fees collected by the Secretary under the preceding sentence are available only to the Secretary and are for the sole purpose of paying the costs of reviewing notices submitted under clause (i).

“(v) TIMING OF SUBMISSION OF NOTICES.—

“(I) PRIOR APPROVAL NOTICES.—A notice under clause (i) to which subparagraph (C) applies shall be submitted to the Secretary not later than 120 days before the qualifying drug with the difference is introduced for commercial distribution in a permitted country, unless the country requires that distribution of the qualifying drug with the difference begin less than 120 days after the country requires the difference.

“(II) OTHER APPROVAL NOTICES.—A notice under clause (i) to which subparagraph (D) applies shall be submitted to the Secretary not later than the day on which the qualifying drug with the difference is introduced for commercial distribution in a permitted country.

“(III) OTHER NOTICES.—A notice under clause (i) to which subparagraph (E) applies shall be submitted to the Secretary on the date that the qualifying drug is first introduced for commercial distribution in a permitted country and annually thereafter.

“(vi) REVIEW BY SECRETARY.—

“(I) IN GENERAL.—In this paragraph, the difference in a qualifying drug that is submitted in a notice under clause (i) from the U.S. label drug shall be treated by the Secretary as if it were a manufacturing change to the U.S. label drug under section 506A.

“(II) STANDARD OF REVIEW.—Except as provided in subclause (III), the Secretary shall review and approve or disapprove the difference in a notice submitted under clause (i), if required under section 506A, using the safe and effective standard for approving or disapproving a manufacturing change under section 506A.

“(III) BIOEQUIVALENCE.—If the Secretary would approve the difference in a notice submitted under clause (i) using the safe and effective standard under section 506A and if the Secretary determines that the qualifying drug is not bioequivalent to the U.S. label drug, the Secretary shall—

“(aa) include in the labeling provided under paragraph (3) a prominent advisory that the qualifying drug is safe and effective but is not bioequivalent to the U.S. label drug if the Secretary determines that such an advisory is necessary for health care practitioners and patients to use the qualifying drug safely and effectively; or

“(bb) decline to approve the difference if the Secretary determines that the availability of both the qualifying drug and the U.S. label drug would pose a threat to the public health.

“(IV) REVIEW BY THE SECRETARY.—The Secretary shall review and approve or disapprove the difference in a notice submitted under clause (i), if required under section 506A, not later than 120 days after the date on which the notice is submitted.

“(V) ESTABLISHMENT INSPECTION.—If review of such difference would require an inspection of the establishment in which the qualifying drug is manufactured—

“(aa) such inspection by the Secretary shall be authorized; and

“(bb) the Secretary may rely on a satisfactory report of a good manufacturing practice inspection of the establishment from a permitted country whose regulatory system the Secretary recognizes as equivalent under a mutual recognition agreement, as provided under section 510(i)(3), section 803, or part 26 of title 21, Code of Federal Regulations (or any corresponding successor rule or regulation).

“(vii) PUBLICATION OF INFORMATION ON NOTICES.—

“(I) IN GENERAL.—Through the Internet website of the Food and Drug Administration and a toll-free telephone number, the Secretary shall readily make available to the public a list of notices submitted under clause (i).

“(II) CONTENTS.—The list under subclause (I) shall include the date on which a notice is submitted and whether—

“(aa) a notice is under review;

“(bb) the Secretary has ordered that importation of the qualifying drug from a permitted country cease; or

“(cc) the importation of the drug is permitted under subsection (a).

“(III) UPDATE.—The Secretary shall promptly update the Internet website with any changes to the list.

“(C) NOTICE; DRUG DIFFERENCE REQUIRING PRIOR APPROVAL.—In the case of a notice under subparagraph (B)(i) that includes a difference that would, under section 506A(c) or (d)(3)(B)(i), require the approval of a supplemental application before the difference could be made to the U.S. label drug the following shall occur:

“(i) Promptly after the notice is submitted, the Secretary shall notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general that the notice has been submitted with respect to the qualifying drug involved.

“(ii) If the Secretary has not made a determination whether such a supplemental application regarding the U.S. label drug would be approved or disapproved by the date on which the qualifying drug involved is to be introduced for commercial distribution in a permitted country, the Secretary shall—

“(I) order that the importation of the qualifying drug involved from the permitted country not begin until the Secretary completes review of the notice; and

“(II) promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of the order.

“(iii) If the Secretary determines that such a supplemental application regarding the U.S. label drug would not be approved, the Secretary shall—

“(I) order that the importation of the qualifying drug involved from the permitted country cease, or provide that an order under clause (ii), if any, remains in effect;

“(II) notify the permitted country that approved the qualifying drug for commercial distribution of the determination; and

“(III) promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of the determination.

“(iv) If the Secretary determines that such a supplemental application regarding the U.S. label drug would be approved, the Secretary shall—

“(I) vacate the order under clause (ii), if any;

“(II) consider the difference to be a variation provided for in the approved application for the U.S. label drug;

“(III) permit importation of the qualifying drug under subsection (a); and

“(IV) promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of the determination.

“(D) NOTICE; DRUG DIFFERENCE NOT REQUIRING PRIOR APPROVAL.—In the case of a notice under subparagraph (B)(i) that includes a difference that would, under section 506A(d)(3)(B)(ii), not require the approval of a supplemental application before the difference could be made to the U.S. label drug the following shall occur:

“(i) During the period in which the notice is being reviewed by the Secretary, the authority under this subsection to import the qualifying drug involved continues in effect.

“(ii) If the Secretary determines that such a supplemental application regarding the U.S. label drug would not be approved, the Secretary shall—

“(I) order that the importation of the qualifying drug involved from the permitted country cease;

“(II) notify the permitted country that approved the qualifying drug for commercial distribution of the determination; and

“(III) promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of the determination.

“(iii) If the Secretary determines that such a supplemental application regarding the U.S. label drug would be approved, the difference shall be considered to be a variation provided for in the approved application for the U.S. label drug.

“(E) NOTICE; DRUG DIFFERENCE NOT REQUIRING APPROVAL; NO DIFFERENCE.—In the case of a notice under subparagraph (B)(i) that includes a difference for which, under section

506A(d)(1)(A), a supplemental application would not be required for the difference to be made to the U.S. label drug, or that states that there is no difference, the Secretary—

"(i) shall consider such difference to be a variation provided for in the approved application for the U.S. label drug;

"(ii) may not order that the importation of the qualifying drug involved cease; and

"(iii) shall promptly notify registered exporters and registered importers.

"(F) DIFFERENCES IN ACTIVE INGREDIENT, ROUTE OF ADMINISTRATION, DOSAGE FORM, OR STRENGTH.—

"(i) IN GENERAL.—A person who manufactures a drug approved under section 505(b) shall submit an application under section 505(b) for approval of another drug that is manufactured for distribution in a permitted country by or for the person that manufactures the drug approved under section 505(b) if—

"(I) there is no qualifying drug in commercial distribution in permitted countries whose combined population represents at least 50 percent of the total population of all permitted countries with the same active ingredient or ingredients, route of administration, dosage form, and strength as the drug approved under section 505(b); and

"(II) each active ingredient of the other drug is related to an active ingredient of the drug approved under section 505(b), as defined in clause (v).

"(ii) APPLICATION UNDER SECTION 505(b).—The application under section 505(b) required under clause (i) shall—

"(I) request approval of the other drug for the indication or indications for which the drug approved under section 505(b) is labeled;

"(II) include the information that the person submitted to the government of the permitted country for purposes of obtaining approval for commercial distribution of the other drug in that country, which if in a language other than English, shall be accompanied by an English translation verified to be complete and accurate, with the name, address, and a brief statement of the qualifications of the person that made the translation;

"(III) include a right of reference to the application for the drug approved under section 505(b); and

"(IV) include such additional information as the Secretary may require.

"(iii) TIMING OF SUBMISSION OF APPLICATION.—An application under section 505(b) required under clause (i) shall be submitted to the Secretary not later than the day on which the information referred to in clause (ii)(II) is submitted to the government of the permitted country.

"(iv) NOTICE OF DECISION ON APPLICATION.—The Secretary shall promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of a determination to approve or to disapprove an application under section 505(b) required under clause (i).

"(v) RELATED ACTIVE INGREDIENTS.—For purposes of clause (i)(II), 2 active ingredients are related if they are—

"(I) the same; or

"(II) different salts, esters, or complexes of the same moiety.

"(3) SECTION 502; LABELING.—

"(A) IMPORTATION BY REGISTERED IMPORTER.—

"(i) IN GENERAL.—In the case of a qualifying drug that is imported or offered for import by a registered importer, such drug shall be considered to be in compliance with section 502 and the labeling requirements under the approved application for the U.S. label drug if the qualifying drug bears—

"(I) a copy of the labeling approved for the U.S. label drug under section 505, without regard to whether the copy bears any trademark involved;

"(II) the name of the manufacturer and location of the manufacturer;

"(III) the lot number assigned by the manufacturer;

"(IV) the name, location, and registration number of the importer; and

"(V) the National Drug Code number assigned to the qualifying drug by the Secretary.

"(ii) REQUEST FOR COPY OF THE LABELING.—The Secretary shall provide such copy to the registered importer involved, upon request of the importer.

"(iii) REQUESTED LABELING.—The labeling provided by the Secretary under clause (ii) shall—

"(I) include the established name, as defined in section 502(e)(3), for each active ingredient in the qualifying drug;

"(II) not include the proprietary name of the U.S. label drug or any active ingredient thereof;

"(III) if required under paragraph (2)(B)(vi)(III), a prominent advisory that the qualifying drug is safe and effective but not bioequivalent to the U.S. label drug; and

"(IV) if the inactive ingredients of the qualifying drug are different from the inactive ingredients for the U.S. label drug, include—

"(aa) a prominent notice that the ingredients of the qualifying drug differ from the ingredients of the U.S. label drug and that the qualifying drug must be dispensed with an advisory to people with allergies about this difference and a list of ingredients; and

"(bb) a list of the ingredients of the qualifying drug as would be required under section 502(e).

"(B) IMPORTATION BY INDIVIDUAL.—

"(i) IN GENERAL.—In the case of a qualifying drug that is imported or offered for import by a registered exporter to an individual, such drug shall be considered to be in compliance with section 502 and the labeling requirements under the approved application for the U.S. label drug if the packaging and labeling of the qualifying drug complies with all applicable regulations promulgated under sections 3 and 4 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.) and the labeling of the qualifying drug includes—

"(I) directions for use by the consumer;

"(II) the lot number assigned by the manufacturer;

"(III) the name and registration number of the exporter;

"(IV) if required under paragraph (2)(B)(vi)(III), a prominent advisory that the drug is safe and effective but not bioequivalent to the U.S. label drug;

"(V) if the inactive ingredients of the drug are different from the inactive ingredients for the U.S. label drug—

"(aa) a prominent advisory that persons with an allergy should check the ingredient list of the drug because the ingredients of the drug differ from the ingredients of the U.S. label drug; and

"(bb) a list of the ingredients of the drug as would be required under section 502(e); and

"(VI) a copy of any special labeling that would be required by the Secretary had the U.S. label drug been dispensed by a pharmacist in the United States, without regard to whether the special labeling bears any trademark involved.

"(ii) PACKAGING.—A qualifying drug offered for import to an individual by an exporter under this section that is packaged in a unit-of-use container (as those items are defined in the United States Pharmacopeia and National Formulary) shall not be repackaged, provided that—

"(I) the packaging complies with all applicable regulations under sections 3 and 4 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.); or

"(II) the consumer consents to waive the requirements of such Act, after being informed that the packaging does not comply with such Act and that the exporter will provide the drug in packaging that is compliant at no additional cost.

"(iii) REQUEST FOR COPY OF SPECIAL LABELING AND INGREDIENT LIST.—The Secretary shall provide to the registered exporter involved a copy of the special labeling, the advisory, and the ingredient list described under clause (i), upon request of the exporter.

"(iv) REQUESTED LABELING AND INGREDIENT LIST.—The labeling and ingredient list provided by the Secretary under clause (iii) shall—

"(I) include the established name, as defined in section 502(e)(3), for each active ingredient in the drug; and

"(II) not include the proprietary name of the U.S. label drug or any active ingredient thereof.

"(4) SECTION 501; ADULTERATION.—A qualifying drug that is imported or offered for import under subsection (a) shall be considered to be in compliance with section 501 if the drug is in compliance with subsection (c).

"(5) STANDARDS FOR REFUSING ADMISSION.—A drug exported under subsection (a) from a registered exporter or imported by a registered importer may be refused admission into the United States if 1 or more of the following applies:

"(A) The drug is not a qualifying drug.

"(B) A notice for the drug required under paragraph (2)(B) has not been submitted to the Secretary.

"(C) The Secretary has ordered that importation of the drug from the permitted country cease under paragraph (2) (C) or (D).

"(D) The drug does not comply with paragraph (3) or (4).

"(E) The shipping container appears damaged in a way that may affect the strength, quality, or purity of the drug.

"(F) The Secretary becomes aware that—

"(i) the drug may be counterfeit;

"(ii) the drug may have been prepared, packed, or held under insanitary conditions; or

"(iii) the methods used in, or the facilities or controls used for, the manufacturing, processing, packing, or holding of the drug do not conform to good manufacturing practice.

"(G) The Secretary has obtained an injunction under section 302 that prohibits the distribution of the drug in interstate commerce.

"(H) The Secretary has under section 505(e) withdrawn approval of the drug.

"(I) The manufacturer of the drug has instituted a recall of the drug.

"(J) If the drug is imported or offered for import by a registered importer without submission of a notice in accordance with subsection (d)(4).

"(K) If the drug is imported or offered for import from a registered exporter to an individual and 1 or more of the following applies:

"(i) The shipping container for such drug does not bear the markings required under subsection (d)(2).

“(ii) The markings on the shipping container appear to be counterfeit.

“(iii) The shipping container or markings appear to have been tampered with.

“(h) LICENSING AS PHARMACIST.—A registration condition is that the exporter involved agrees that a qualifying drug will be exported to an individual only if the Secretary has verified that—

“(1) the exporter is authorized under the law of the permitted country in which the exporter is located to dispense prescription drugs; and

“(2) the exporter employs persons that are licensed under the law of the permitted country in which the exporter is located to dispense prescription drugs in sufficient number to dispense safely the drugs exported by the exporter to individuals, and the exporter assigns to those persons responsibility for dispensing such drugs to individuals.

“(i) INDIVIDUALS; CONDITIONS FOR IMPORTATION.—

“(1) IN GENERAL.—For purposes of subsection (a)(2)(B), the importation of a qualifying drug by an individual is in accordance with this subsection if the following conditions are met:

“(A) The drug is accompanied by a copy of a prescription for the drug, which prescription—

“(i) is valid under applicable Federal and State laws; and

“(ii) was issued by a practitioner who, under the law of a State of which the individual is a resident, or in which the individual receives care from the practitioner who issues the prescription, is authorized to administer prescription drugs.

“(B) The drug is accompanied by a copy of the documentation that was required under the law or regulations of the permitted country in which the exporter is located, as a condition of dispensing the drug to the individual.

“(C) The copies referred to in subparagraphs (A)(i) and (B) are marked in a manner sufficient—

“(i) to indicate that the prescription, and the equivalent document in the permitted country in which the exporter is located, have been filled; and

“(ii) to prevent a duplicative filling by another pharmacist.

“(D) The individual has provided to the registered exporter a complete list of all drugs used by the individual for review by the individuals who dispense the drug.

“(E) The quantity of the drug does not exceed a 90-day supply.

“(F) The drug is not an ineligible subpart H drug. For purposes of this section, a prescription drug is an ‘ineligible subpart H drug’ if the drug was approved by the Secretary under subpart H of part 314 of title 21, Code of Federal Regulations (relating to accelerated approval), with restrictions under section 520 of such part to assure safe use, and the Secretary has published in the Federal Register a notice that the Secretary has determined that good cause exists to prohibit the drug from being imported pursuant to this subsection.

“(2) NOTICE REGARDING DRUG REFUSED ADMISSION.—If a registered exporter ships a drug to an individual pursuant to subsection (a)(2)(B) and the drug is refused admission to the United States, a written notice shall be sent to the individual and to the exporter that informs the individual and the exporter of such refusal and the reason for the refusal.

“(j) MAINTENANCE OF RECORDS AND SAMPLES.—

“(1) IN GENERAL.—A registration condition is that the importer or exporter involved shall—

“(A) maintain records required under this section for not less than 2 years; and

“(B) maintain samples of each lot of a qualifying drug required under this section for not less than 2 years.

“(2) PLACE OF RECORD MAINTENANCE.—The records described under paragraph (1) shall be maintained—

“(A) in the case of an importer, at the place of business of the importer at which the importer initially receives the qualifying drug after importation; or

“(B) in the case of an exporter, at the facility from which the exporter ships the qualifying drug to the United States.

“(k) DRUG RECALLS.—

“(1) MANUFACTURERS.—A person that manufactures a qualifying drug imported from a permitted country under this section shall promptly inform the Secretary—

“(A) if the drug is recalled or withdrawn from the market in a permitted country;

“(B) how the drug may be identified, including lot number; and

“(C) the reason for the recall or withdrawal.

“(2) SECRETARY.—With respect to each permitted country, the Secretary shall—

“(A) enter into an agreement with the government of the country to receive information about recalls and withdrawals of qualifying drugs in the country; or

“(B) monitor recalls and withdrawals of qualifying drugs in the country using any information that is available to the public in any media.

“(3) NOTICE.—The Secretary may notify, as appropriate, registered exporters, registered importers, wholesalers, pharmacies, or the public of a recall or withdrawal of a qualifying drug in a permitted country.

“(l) DRUG LABELING AND PACKAGING.—

“(1) IN GENERAL.—When a qualifying drug that is imported into the United States by an importer under subsection (a) is dispensed by a pharmacist to an individual, the pharmacist shall provide that the packaging and labeling of the drug complies with all applicable regulations promulgated under sections 3 and 4 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.) and shall include with any other labeling provided to the individual the following:

“(A) The lot number assigned by the manufacturer.

“(B) The name and registration number of the importer.

“(C) If required under paragraph (2)(B)(vi)(III) of subsection (g), a prominent advisory that the drug is safe and effective but not bioequivalent to the U.S. label drug.

“(D) If the inactive ingredients of the drug are different from the inactive ingredients for the U.S. label drug—

“(i) a prominent advisory that persons with allergies should check the ingredient list of the drug because the ingredients of the drug differ from the ingredients of the U.S. label drug; and

“(ii) a list of the ingredients of the drug as would be required under section 502(e).

“(2) PACKAGING.—A qualifying drug that is packaged in a unit-of-use container (as those terms are defined in the United States Pharmacopeia and National Formulary) shall not be repackaged, provided that—

“(A) the packaging complies with all applicable regulations under sections 3 and 4 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.); or

“(B) the consumer consents to waive the requirements of such Act, after being informed that the packaging does not comply with such Act and that the pharmacist will provide the drug in packaging that is compliant at no additional cost.

“(m) CHARITABLE CONTRIBUTIONS.—Notwithstanding any other provision of this section, this section does not authorize the importation into the United States of a qualifying drug donated or otherwise supplied for free or at nominal cost by the manufacturer of the drug to a charitable or humanitarian organization, including the United Nations and affiliates, or to a government of a foreign country.

“(n) UNFAIR AND DISCRIMINATORY ACTS AND PRACTICES.—

“(1) IN GENERAL.—It is unlawful for a manufacturer, directly or indirectly (including by being a party to a licensing agreement or other agreement), to—

“(A) discriminate by charging a higher price for a prescription drug sold to a registered exporter or other person in a permitted country that exports a qualifying drug to the United States under this section than the price that is charged, inclusive of rebates or other incentives to the permitted country or other person, to another person that is in the same country and that does not export a qualifying drug into the United States under this section;

“(B) discriminate by charging a higher price for a prescription drug sold to a registered importer or other person that distributes, sells, or uses a qualifying drug imported into the United States under this section than the price that is charged to another person in the United States that does not import a qualifying drug under this section, or that does not distribute, sell, or use such a drug;

“(C) discriminate by denying, restricting, or delaying supplies of a prescription drug to a registered exporter or other person in a permitted country that exports a qualifying drug to the United States under this section or to a registered importer or other person that distributes, sells, or uses a qualifying drug imported into the United States under this section;

“(D) discriminate by publicly, privately, or otherwise refusing to do business with a registered exporter or other person in a permitted country that exports a qualifying drug to the United States under this section or with a registered importer or other person that distributes, sells, or uses a qualifying drug imported into the United States under this section;

“(E) knowingly fail to submit a notice under subsection (g)(2)(B)(i), knowingly fail to submit such a notice on or before the date specified in subsection (g)(2)(B)(v) or as otherwise required under subsection (e) (3), (4), and (5) of section ___4 of the Pharmaceutical Market Access and Drug Safety Act of 2006, knowingly submit such a notice that makes a materially false, fictitious, or fraudulent statement, or knowingly fail to provide promptly any information requested by the Secretary to review such a notice;

“(F) knowingly fail to submit an application required under subsection (g)(2)(F), knowingly fail to submit such an application on or before the date specified in subsection (g)(2)(F)(ii), knowingly submit such an application that makes a materially false, fictitious, or fraudulent statement, or knowingly fail to provide promptly any information requested by the Secretary to review such an application;

“(G) cause there to be a difference (including a difference in active ingredient, route of administration, dosage form, strength, formulation, manufacturing establishment, manufacturing process, or person that manufactures the drug) between a prescription drug for distribution in the United States and the drug for distribution in a permitted country;

"(H) refuse to allow an inspection authorized under this section of an establishment that manufactures a qualifying drug that is, or will be, introduced for commercial distribution in a permitted country;

"(I) fail to conform to the methods used in, or the facilities used for, the manufacturing, processing, packing, or holding of a qualifying drug that is, or will be, introduced for commercial distribution in a permitted country to good manufacturing practice under this Act;

"(J) become a party to a licensing agreement or other agreement related to a qualifying drug that fails to provide for compliance with all requirements of this section with respect to such drug;

"(K) enter into a contract that restricts, prohibits, or delays the importation of a qualifying drug under this section;

"(L) engage in any other action to restrict, prohibit, or delay the importation of a qualifying drug under this section; or

"(M) engage in any other action that the Federal Trade Commission determines to discriminate against a person that engages or attempts to engage in the importation of a qualifying drug under this section.

"(2) REFERRAL OF POTENTIAL VIOLATIONS.—The Secretary shall promptly refer to the Federal Trade Commission each potential violation of subparagraph (E), (F), (G), (H), or (I) of paragraph (1) that becomes known to the Secretary.

"(3) AFFIRMATIVE DEFENSE.—

"(A) DISCRIMINATION.—It shall be an affirmative defense to a charge that a manufacturer has discriminated under subparagraph (A), (B), (C), (D), or (M) of paragraph (1) that the higher price charged for a prescription drug sold to a person, the denial, restriction, or delay of supplies of a prescription drug to a person, the refusal to do business with a person, or other discriminatory activity against a person, is not based, in whole or in part, on—

"(i) the person exporting or importing a qualifying drug into the United States under this section; or

"(ii) the person distributing, selling, or using a qualifying drug imported into the United States under this section.

"(B) DRUG DIFFERENCES.—It shall be an affirmative defense to a charge that a manufacturer has caused there to be a difference described in subparagraph (G) of paragraph (1) that—

"(i) the difference was required by the country in which the drug is distributed;

"(ii) the Secretary has determined that the difference was necessary to improve the safety or effectiveness of the drug;

"(iii) the person manufacturing the drug for distribution in the United States has given notice to the Secretary under subsection (g)(2)(B)(i) that the drug for distribution in the United States is not different from a drug for distribution in permitted countries whose combined population represents at least 50 percent of the total population of all permitted countries; or

"(iv) the difference was not caused, in whole or in part, for the purpose of restricting importation of the drug into the United States under this section.

"(4) EFFECT OF SUBSECTION.—

"(A) SALES IN OTHER COUNTRIES.—This subsection applies only to the sale or distribution of a prescription drug in a country if the manufacturer of the drug chooses to sell or distribute the drug in the country. Nothing in this subsection shall be construed to compel the manufacturer of a drug to distribute or sell the drug in a country.

"(B) DISCOUNTS TO INSURERS, HEALTH PLANS, PHARMACY BENEFIT MANAGERS, AND COVERED ENTITIES.—Nothing in this subsection shall be construed to—

"(i) prevent or restrict a manufacturer of a prescription drug from providing discounts to an insurer, health plan, pharmacy benefit manager in the United States, or covered entity in the drug discount program under section 340B of the Public Health Service Act (42 U.S.C. 256b) in return for inclusion of the drug on a formulary;

"(ii) require that such discounts be made available to other purchasers of the prescription drug; or

"(iii) prevent or restrict any other measures taken by an insurer, health plan, or pharmacy benefit manager to encourage consumption of such prescription drug.

"(C) CHARITABLE CONTRIBUTIONS.—Nothing in this subsection shall be construed to—

"(i) prevent a manufacturer from donating a prescription drug, or supplying a prescription drug at nominal cost, to a charitable or humanitarian organization, including the United Nations and affiliates, or to a government of a foreign country; or

"(ii) apply to such donations or supplying of a prescription drug.

"(5) ENFORCEMENT.—

"(A) UNFAIR OR DECEPTIVE ACT OR PRACTICE.—A violation of this subsection shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

"(B) ACTIONS BY THE COMMISSION.—The Federal Trade Commission—

"(i) shall enforce this subsection in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this section; and

"(ii) may seek monetary relief threefold the damages sustained, in addition to any other remedy available to the Federal Trade Commission under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

"(6) ACTIONS BY STATES.—

"(A) IN GENERAL.—

"(i) CIVIL ACTIONS.—In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State have been adversely affected by any manufacturer that violates paragraph (1), the attorney general of a State may bring a civil action on behalf of the residents of the State, and persons doing business in the State, in a district court of the United States of appropriate jurisdiction to—

"(I) enjoin that practice;

"(II) enforce compliance with this subsection;

"(III) obtain damages, restitution, or other compensation on behalf of residents of the State and persons doing business in the State, including threefold the damages; or

"(IV) obtain such other relief as the court may consider to be appropriate.

"(ii) NOTICE.—

"(I) IN GENERAL.—Before filing an action under clause (i), the attorney general of the State involved shall provide to the Federal Trade Commission—

"(aa) written notice of that action; and

"(bb) a copy of the complaint for that action.

"(II) EXEMPTION.—Subclause (I) shall not apply with respect to the filing of an action by an attorney general of a State under this paragraph, if the attorney general determines that it is not feasible to provide the notice described in that subclause before filing of the action. In such case, the attorney general of a State shall provide notice and a copy of the complaint to the Federal Trade Commission at the same time as the attorney general files the action.

"(B) INTERVENTION.—

"(i) IN GENERAL.—On receiving notice under subparagraph (A)(ii), the Federal Trade Commission shall have the right to intervene in the action that is the subject of the notice.

"(ii) EFFECT OF INTERVENTION.—If the Federal Trade Commission intervenes in an action under subparagraph (A), it shall have the right—

"(I) to be heard with respect to any matter that arises in that action; and

"(II) to file a petition for appeal.

"(C) CONSTRUCTION.—For purposes of bringing any civil action under subparagraph (A), nothing in this subsection shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

"(i) conduct investigations;

"(ii) administer oaths or affirmations; or

"(iii) compel the attendance of witnesses or the production of documentary and other evidence.

"(D) ACTIONS BY THE COMMISSION.—In any case in which an action is instituted by or on behalf of the Federal Trade Commission for a violation of paragraph (1), a State may not, during the pendency of that action, institute an action under subparagraph (A) for the same violation against any defendant named in the complaint in that action.

"(E) VENUE.—Any action brought under subparagraph (A) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

"(F) SERVICE OF PROCESS.—In an action brought under subparagraph (A), process may be served in any district in which the defendant—

"(i) is an inhabitant; or

"(ii) may be found.

"(G) MEASUREMENT OF DAMAGES.—In any action under this paragraph to enforce a cause of action under this subsection in which there has been a determination that a defendant has violated a provision of this subsection, damages may be proved and assessed in the aggregate by statistical or sampling methods, by the computation of illegal overcharges or by such other reasonable system of estimating aggregate damages as the court in its discretion may permit without the necessity of separately proving the individual claim of, or amount of damage to, persons on whose behalf the suit was brought.

"(H) EXCLUSION ON DUPLICATIVE RELIEF.—The district court shall exclude from the amount of monetary relief awarded in an action under this paragraph brought by the attorney general of a State any amount of monetary relief which duplicates amounts which have been awarded for the same injury.

"(7) EFFECT ON ANTITRUST LAWS.—Nothing in this subsection shall be construed to modify, impair, or supersede the operation of the antitrust laws. For the purpose of this subsection, the term 'antitrust laws' has the meaning given it in the first section of the

Clayton Act, except that it includes section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair methods of competition.

"(8) MANUFACTURER.—In this subsection, the term 'manufacturer' means any entity, including any affiliate or licensee of that entity, that is engaged in—

"(A) the production, preparation, propagation, compounding, conversion, or processing of a prescription drug, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis; or

"(B) the packaging, repackaging, labeling, relabeling, or distribution of a prescription drug.".

(b) PROHIBITED ACTS.—The Federal Food, Drug, and Cosmetic Act is amended—

(1) in section 301 (21 U.S.C. 331), by striking paragraph (aa) and inserting the following:

"(aa)(1) The sale or trade by a pharmacist, or by a business organization of which the pharmacist is a part, of a qualifying drug that under section 804(a)(2)(A) was imported by the pharmacist, other than—

"(A) a sale at retail made pursuant to dispensing the drug to a customer of the pharmacist or organization; or

"(B) a sale or trade of the drug to a pharmacy or a wholesaler registered to import drugs under section 804.

"(2) The sale or trade by an individual of a qualifying drug that under section 804(a)(2)(B) was imported by the individual.

"(3) The making of a materially false, fictitious, or fraudulent statement or representation, or a material omission, in a notice under clause (i) of section 804(g)(2)(B) or in an application required under section 804(g)(2)(F), or the failure to submit such a notice or application.

"(4) The importation of a drug in violation of a registration condition or other requirement under section 804, the falsification of any record required to be maintained, or provided to the Secretary, under such section, or the violation of any registration condition or other requirement under such section."; and

(2) in section 303(a) (21 U.S.C. 333(a)), by striking paragraph (6) and inserting the following:

"(6) Notwithstanding subsection (a), any person that knowingly violates section 301(i)(2) or (3) or section 301(aa)(4) shall be imprisoned not more than 10 years, or fined in accordance with title 18, United States Code, or both.".

(c) AMENDMENT OF CERTAIN PROVISIONS.—

(1) IN GENERAL.—Section 801 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381) is amended by striking subsection (g) and inserting the following:

"(g) With respect to a prescription drug that is imported or offered for import into the United States by an individual who is not in the business of such importation, that is not shipped by a registered exporter under section 804, and that is refused admission under subsection (a), the Secretary shall notify the individual that—

"(1) the drug has been refused admission because the drug was not a lawful import under section 804;

"(2) the drug is not otherwise subject to a waiver of the requirements of subsection (a);

"(3) the individual may under section 804 lawfully import certain prescription drugs from exporters registered with the Secretary under section 804; and

"(4) the individual can find information about such importation, including a list of registered exporters, on the Internet website of the Food and Drug Administration or through a toll-free telephone number required under section 804.".

(2) ESTABLISHMENT REGISTRATION.—Section 510(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360(i)) is amended in paragraph (1) by inserting after "import into the United States" the following: ", including a drug that is, or may be, imported or offered for import into the United States under section 804,".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date that is 90 days after the date of enactment of this title.

(d) EXHAUSTION.—

(1) IN GENERAL.—Section 271 of title 35, United States Code, is amended—

(A) by redesignating subsections (h) and (i) as (i) and (j), respectively; and

(B) by inserting after subsection (g) the following:

"(h) It shall not be an act of infringement to use, offer to sell, or sell within the United States or to import into the United States any patented invention under section 804 of the Federal Food, Drug, and Cosmetic Act that was first sold abroad by or under authority of the owner or licensee of such patent.".

(2) RULE OF CONSTRUCTION.—Nothing in the amendment made by paragraph (1) shall be construed to affect the ability of a patent owner or licensee to enforce their patent, subject to such amendment.

(e) EFFECT OF SECTION 804.—

(1) IN GENERAL.—Section 804 of the Federal Food, Drug, and Cosmetic Act, as added by subsection (a), shall permit the importation of qualifying drugs (as defined in such section 804) into the United States without regard to the status of the issuance of implementing regulations—

(A) from exporters registered under such section 804 on the date that is 90 days after the date of enactment of this title; and

(B) from permitted countries, as defined in such section 804, by importers registered under such section 804 on the date that is 1 year after the date of enactment of this title.

(2) REVIEW OF REGISTRATION BY CERTAIN EXPORTERS.—

(A) REVIEW PRIORITY.—In the review of registrations submitted under subsection (b) of such section 804, registrations submitted by entities in Canada that are significant exporters of prescription drugs to individuals in the United States as of the date of enactment of this title will have priority during the 90 day period that begins on such date of enactment.

(B) PERIOD FOR REVIEW.—During such 90-day period, the reference in subsection (b)(2)(A) of such section 804 to 90 days (relating to approval or disapproval of registrations) is, as applied to such entities, deemed to be 30 days.

(C) LIMITATION.—That an exporter in Canada exports, or has exported, prescription drugs to individuals in the United States on or before the date that is 90 days after the date of enactment of this title shall not serve as a basis, in whole or in part, for disapproving a registration under such section 804 from the exporter.

(D) FIRST YEAR LIMIT ON NUMBER OF EXPORTERS.—During the 1-year period beginning on the date of enactment of this title, the Secretary of Health and Human Services (referred to in this section as the "Secretary") may limit the number of registered exporters under such section 804 to not less than 50, so long as the Secretary gives priority to those exporters with demonstrated ability to process a high volume of shipments of drugs to individuals in the United States.

(E) SECOND YEAR LIMIT ON NUMBER OF EXPORTERS.—During the 1-year period beginning on the date that is 1 year after the date of enactment of this title, the Secretary may limit the number of registered exporters under such section 804 to not less than 100, so long as the Secretary gives priority to those exporters with demonstrated ability to process a high volume of shipments of drugs to individuals in the United States.

(F) FURTHER LIMIT ON NUMBER OF EXPORTERS.—During any 1-year period beginning on a date that is 2 or more years after the date of enactment of this title, the Secretary may limit the number of registered exporters under such section 804 to not less than 25 more than the number of such exporters during the previous 1-year period, so long as the Secretary gives priority to those exporters with demonstrated ability to process a high volume of shipments of drugs to individuals in the United States.

(3) LIMITS ON NUMBER OF IMPORTERS.—

(A) FIRST YEAR LIMIT ON NUMBER OF IMPORTERS.—During the 1-year period beginning on the date that is 1 year after the date of enactment of this title, the Secretary may limit the number of registered importers under such section 804 to not less than 100 (of which at least a significant number shall be groups of pharmacies, to the extent feasible given the applications submitted by such groups), so long as the Secretary gives priority to those importers with demonstrated ability to process a high volume of shipments of drugs imported into the United States.

(B) SECOND YEAR LIMIT ON NUMBER OF IMPORTERS.—During the 1-year period beginning on the date that is 2 years after the date of enactment of this title, the Secretary may limit the number of registered importers under such section 804 to not less than 200 (of which at least a significant number shall be groups of pharmacies, to the extent feasible given the applications submitted by such groups), so long as the Secretary gives priority to those importers with demonstrated ability to process a high volume of shipments of drugs into the United States.

(C) FURTHER LIMIT ON NUMBER OF IMPORTERS.—During any 1-year period beginning on a date that is 3 or more years after the date of enactment of this title, the Secretary may limit the number of registered importers under such section 804 to not less than 50 more (of which at least a significant number shall be groups of pharmacies, to the extent feasible given the applications submitted by such groups) than the number of such importers during the previous 1-year period, so long as the Secretary gives priority to those importers with demonstrated ability to process a high volume of shipments of drugs to the United States.

(4) NOTICES FOR DRUGS FOR IMPORT FROM CANADA.—The notice with respect to a qualifying drug introduced for commercial distribution in Canada as of the date of enactment of this title that is required under subsection (g)(2)(B)(i) of such section 804 shall be submitted to the Secretary not later than 30 days after the date of enactment of this title if—

(A) the U.S. label drug (as defined in such section 804) for the qualifying drug is 1 of the 100 prescription drugs with the highest dollar volume of sales in the United States based on the 12 calendar month period most recently completed before the date of enactment of this title; or

(B) the notice is a notice under subsection (g)(2)(B)(i)(II) of such section 804.

(5) NOTICE FOR DRUGS FOR IMPORT FROM OTHER COUNTRIES.—The notice with respect to a qualifying drug introduced for commercial distribution in a permitted country other than Canada as of the date of enactment of this title that is required under subsection (g)(2)(B)(i) of such section 804 shall be submitted to the Secretary not later than 180 days after the date of enactment of this title if—

(A) the U.S. label drug for the qualifying drug is 1 of the 100 prescription drugs with the highest dollar volume of sales in the United States based on the 12 calendar month period that is first completed on the date that is 120 days after the date of enactment of this title; or

(B) the notice is a notice under subsection (g)(2)(B)(i)(II) of such section 804.

(6) NOTICE FOR OTHER DRUGS FOR IMPORT.—

(A) GUIDANCE ON SUBMISSION DATES.—The Secretary shall by guidance establish a series of submission dates for the notices under subsection (g)(2)(B)(i) of such section 804 with respect to qualifying drugs introduced for commercial distribution as of the date of enactment of this title and that are not required to be submitted under paragraph (4) or (5).

(B) CONSISTENT AND EFFICIENT USE OF RESOURCES.—The Secretary shall establish the dates described under subparagraph (A) so that such notices described under subparagraph (A) are submitted and reviewed at a rate that allows consistent and efficient use of the resources and staff available to the Secretary for such reviews. The Secretary may condition the requirement to submit such a notice, and the review of such a notice, on the submission by a registered exporter or a registered importer to the Secretary of a notice that such exporter or importer intends to import such qualifying drug to the United States under such section 804.

(C) PRIORITY FOR DRUGS WITH HIGHER SALES.—The Secretary shall establish the dates described under subparagraph (A) so that the Secretary reviews the notices described under such subparagraph with respect to qualifying drugs with higher dollar volume of sales in the United States before the notices with respect to drugs with lower sales in the United States.

(7) NOTICES FOR DRUGS APPROVED AFTER EFFECTIVE DATE.—The notice required under subsection (g)(2)(B)(i) of such section 804 for a qualifying drug first introduced for commercial distribution in a permitted country (as defined in such section 804) after the date of enactment of this title shall be submitted to and reviewed by the Secretary as provided under subsection (g)(2)(B) of such section 804, without regard to paragraph (4), (5), or (6).

(8) REPORT.—Beginning with the first full fiscal year after the date of enactment of this title, not later than 90 days after the end of each fiscal year during which the Secretary reviews a notice referred to in paragraph (4), (5), or (6), the Secretary shall submit a report to Congress concerning the progress of the Food and Drug Administration in reviewing the notices referred to in paragraphs (4), (5), and (6).

(9) USER FEES.—

(A) EXPORTERS.—When establishing an aggregate total of fees to be collected from exporters under subsection (f)(2) of such section 804, the Secretary shall, under subsection (f)(3)(C)(i) of such section 804, estimate the total price of drugs imported under subsection (a) of such section 804 into the United States by registered exporters during the first fiscal year in which this title takes effect to be an amount equal to the amount which bears the same ratio to $1,000,000,000 as the number of days in such fiscal year during which this title is effective bears to 365.

(B) IMPORTERS.—When establishing an aggregate total of fees to be collected from importers under subsection (e)(2) of such section 804, the Secretary shall, under subsection (e)(3)(C)(i) of such section 804, estimate the total price of drugs imported under subsection (a) of such section 804 into the United States by registered importers during—

(i) the first fiscal year in which this title takes effect to be an amount equal to the amount which bears the same ratio to $1,000,000,000 as the number of days in such fiscal year during which this title is effective bears to 365; and

(ii) the second fiscal year in which this title is in effect to be $3,000,000,000.

(C) SECOND YEAR ADJUSTMENT.—

(i) REPORTS.—Not later than February 20 of the second fiscal year in which this title is in effect, registered importers shall report to the Secretary the total price and the total volume of drugs imported to the United States by the importer during the 4-month period from October 1 through January 31 of such fiscal year.

(ii) REESTIMATE.—Notwithstanding subsection (e)(3)(C)(ii) of such section 804 or subparagraph (B), the Secretary shall reestimate the total price of qualifying drugs imported under subsection (a) of such section 804 into the United States by registered importers during the second fiscal year in which this title is in effect. Such reestimate shall be equal to—

(I) the total price of qualifying drugs imported by each importer as reported under clause (i); multiplied by

(II) 3.

(iii) ADJUSTMENT.—The Secretary shall adjust the fee due on April 1 of the second fiscal year in which this title is in effect, from each importer so that the aggregate total of fees collected under subsection (e)(2) for such fiscal year does not exceed the total price of qualifying drugs imported under subsection (a) of such section 804 into the United States by registered importers during such fiscal year as reestimated under clause (ii).

(D) FAILURE TO PAY FEES.—Notwithstanding any other provision of this section, the Secretary may prohibit a registered importer or exporter that is required to pay user fees under subsection (e) or (f) of such section 804 and that fails to pay such fees within 30 days after the date on which it is due, from importing or offering for importation a qualifying drug under such section 804 until such fee is paid.

(E) ANNUAL REPORT.—

(i) FOOD AND DRUG ADMINISTRATION.—Not later than 180 days after the end of each fiscal year during which fees are collected under subsection (e), (f), or (g)(2)(B)(iv) of such section 804, the Secretary shall prepare and submit to the House of Representatives and the Senate a report on the implementation of the authority for such fees during such fiscal year and the use, by the Food and Drug Administration, of the fees collected for the fiscal year for which the report is made and credited to the Food and Drug Administration.

(ii) CUSTOMS AND BORDER CONTROL.—Not later than 180 days after the end of each fiscal year during which fees are collected under subsection (e) or (f) of such section 804, the Secretary of Homeland Security, in consultation with the Secretary of the Treasury, shall prepare and submit to the House of Representatives and the Senate a report on the use, by the Bureau of Customs and Border Protection, of the fees, if any, transferred by the Secretary to the Bureau of Customs and Border Protection for the fiscal year for which the report is made.

(10) SPECIAL RULE REGARDING IMPORTATION BY INDIVIDUALS.—

(A) IN GENERAL.—Notwithstanding any provision of this title (or an amendment made by this title), the Secretary shall expedite the designation of any additional countries from which an individual may import a qualifying drug into the United States under such section 804 if any action implemented by the Government of Canada has the effect of limiting or prohibiting the importation of qualifying drugs into the United States from Canada.

(B) TIMING AND CRITERIA.—The Secretary shall designate such additional countries under subparagraph (A)—

(i) not later than 6 months after the date of the action by the Government of Canada described under such subparagraph; and

(ii) using the criteria described under subsection (a)(4)(D)(i)(II) of such section 804.

(f) IMPLEMENTATION OF SECTION 804.—

(1) INTERIM RULE.—The Secretary may promulgate an interim rule for implementing section 804 of the Federal Food, Drug, and Cosmetic Act, as added by subsection (a) of this section.

(2) NO NOTICE OF PROPOSED RULEMAKING.—The interim rule described under paragraph (1) may be developed and promulgated by the Secretary without providing general notice of proposed rulemaking.

(3) FINAL RULE.—Not later than 1 year after the date on which the Secretary promulgates an interim rule under paragraph (1), the Secretary shall, in accordance with procedures under section 553 of title 5, United States Code, promulgate a final rule for implementing such section 804, which may incorporate by reference provisions of the interim rule provided for under paragraph (1), to the extent that such provisions are not modified.

(g) CONSUMER EDUCATION.—The Secretary shall carry out activities that educate consumers—

(1) with regard to the availability of qualifying drugs for import for personal use from an exporter registered with and approved by the Food and Drug Administration under section 804 of the Federal Food, Drug, and Cosmetic Act, as added by this section, including information on how to verify whether an exporter is registered and approved by use of the Internet website of the Food and Drug Administration and the toll-free telephone number required by this title;

(2) that drugs that consumers attempt to import from an exporter that is not registered with and approved by the Food and Drug Administration can be seized by the United States Customs Service and destroyed, and that such drugs may be counterfeit, unapproved, unsafe, or ineffective;

(3) with regard to the suspension and termination of any registration of a registered importer or exporter under such section 804; and

(4) with regard to the availability at domestic retail pharmacies of qualifying drugs imported under such section 804 by domestic wholesalers and pharmacies registered with and approved by the Food and Drug Administration.

(h) EFFECT ON ADMINISTRATION PRACTICES.—Notwithstanding any provision of this title (and the amendments made by this title), nothing in this title (or the amendments made by this title) shall be construed to change, limit, or restrict the practices of the Food and Drug Administration or the Bureau of Customs and Border Protection in effect on January 1, 2004, with respect to the importation of prescription drugs into the United States by an individual, on the person of such individual, for personal use.

(i) REPORT TO CONGRESS.—The Federal Trade Commission shall, on an annual basis, submit to Congress a report that describes any action taken during the period for which the report is being prepared to enforce the provisions of section 804(n) of the Federal Food, Drug, and Cosmetic Act (as added by this title), including any pending investigations or civil actions under such section.

SEC. 5. DISPOSITION OF CERTAIN DRUGS DENIED ADMISSION INTO UNITED STATES.

(a) IN GENERAL.—Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.), as amended by section 3, is further amended by adding at the end the following section:

"SEC. 805. DISPOSITION OF CERTAIN DRUGS DENIED ADMISSION.

"(a) IN GENERAL.—The Secretary of Homeland Security shall deliver to the Secretary a shipment of drugs that is imported or offered for import into the United States if—

"(1) the shipment has a declared value of less than $10,000; and

"(2)(A) the shipping container for such drugs does not bear the markings required under section 804(d)(2); or

"(B) the Secretary has requested delivery of such shipment of drugs.

"(b) NO BOND OR EXPORT.—Section 801(b) does not authorize the delivery to the owner or consignee of drugs delivered to the Secretary under subsection (a) pursuant to the execution of a bond, and such drugs may not be exported.

"(c) DESTRUCTION OF VIOLATIVE SHIPMENT.—The Secretary shall destroy a shipment of drugs delivered by the Secretary of Homeland Security to the Secretary under subsection (a) if—

"(1) in the case of drugs that are imported or offered for import from a registered exporter under section 804, the drugs are in violation of any standard described in section 804(g)(5); or

"(2) in the case of drugs that are not imported or offered for import from a registered exporter under section 804, the drugs are in violation of a standard referred to in section 801(a) or 801(d)(1).

"(d) CERTAIN PROCEDURES.—

"(1) IN GENERAL.—The delivery and destruction of drugs under this section may be carried out without notice to the importer, owner, or consignee of the drugs except as required by section 801(g) or section 804(i)(2). The issuance of receipts for the drugs, and recordkeeping activities regarding the drugs, may be carried out on a summary basis.

"(2) OBJECTIVE OF PROCEDURES.—Procedures promulgated under paragraph (1) shall be designed toward the objective of ensuring that, with respect to efficiently utilizing Federal resources available for carrying out this section, a substantial majority of shipments of drugs subject to described in subsection (c) are identified and destroyed.

"(e) EVIDENCE EXCEPTION.—Drugs may not be destroyed under subsection (c) to the extent that the Attorney General of the United States determines that the drugs should be preserved as evidence or potential evidence with respect to an offense against the United States.

"(f) RULE OF CONSTRUCTION.—This section may not be construed as having any legal effect on applicable law with respect to a shipment of drugs that is imported or offered for import into the United States and has a declared value equal to or greater than $10,000.".

(b) PROCEDURES.—Procedures for carrying out section 805 of the Federal Food, Drug, and Cosmetic Act, as added by subsection (a), shall be established not later than 90 days after the date of the enactment of this title.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 90 days after the date of enactment of this title.

SEC. 6. WHOLESALE DISTRIBUTION OF DRUGS; STATEMENTS REGARDING PRIOR SALE, PURCHASE, OR TRADE.

(a) STRIKING OF EXEMPTIONS; APPLICABILITY TO REGISTERED EXPORTERS.—Section 503(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353(e)) is amended—

(1) in paragraph (1)—

(A) by striking "and who is not the manufacturer or an authorized distributor of record of such drug";

(B) by striking "to an authorized distributor of record or"; and

(C) by striking subparagraph (B) and inserting the following:

"(B) The fact that a drug subject to subsection (b) is exported from the United States does not with respect to such drug exempt any person that is engaged in the business of the wholesale distribution of the drug from providing the statement described in subparagraph (A) to the person that receives the drug pursuant to the export of the drug.

"(C)(i) The Secretary shall by regulation establish requirements that supersede subparagraph (A) (referred to in this subparagraph as 'alternative requirements') to identify the chain of custody of a drug subject to subsection (b) from the manufacturer of the drug throughout the wholesale distribution of the drug to a pharmacist who intends to sell the drug at retail if the Secretary determines that the alternative requirements, which may include standardized anti-counterfeiting or track-and-trace technologies, will identify such chain of custody or the identity of the discrete package of the drug from which the drug is dispensed with equal or greater certainty to the requirements of subparagraph (A), and that the alternative requirements are economically and technically feasible.

"(ii) When the Secretary promulgates a final rule to establish such alternative requirements, the final rule in addition shall, with respect to the registration condition established in clause (i) of section 804(c)(3)(B), establish a condition equivalent to the alternative requirements, and such equivalent condition may be met in lieu of the registration condition established in such clause (i).";

(2) in paragraph (2)(A), by adding at the end the following: "The preceding sentence may not be construed as having any applicability with respect to a registered exporter under section 804."; and

(3) in paragraph (3), by striking "and subsection (d)—" in the matter preceding subparagraph (A) and all that follows through "the term 'wholesale distribution' means" in subparagraph (B) and inserting the following: "and subsection (d), the term 'wholesale distribution' means".

(b) CONFORMING AMENDMENT.—Section 503(d) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353(d)) is amended by adding at the end the following:

"(4) Each manufacturer of a drug subject to subsection (b) shall maintain at its corporate offices a current list of the authorized distributors of record of such drug.

"(5) For purposes of this subsection, the term 'authorized distributors of record' means those distributors with whom a manufacturer has established an ongoing relationship to distribute such manufacturer's products.".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by paragraphs (1) and (3) of subsection (a) and by subsection (b) shall take effect on January 1, 2010.

(2) DRUGS IMPORTED BY REGISTERED IMPORTERS UNDER SECTION 804.—Notwithstanding paragraph (1), the amendments made by paragraphs (1) and (3) of subsection (a) and by subsection (b) shall take effect on the date that is 90 days after the date of enactment of this title with respect to qualifying drugs imported under section 804 of the Federal Food, Drug, and Cosmetic Act, as added by section ___4.

(3) HIGH-RISK DRUGS.—

(A) IN GENERAL.—Notwithstanding paragraph (1), the Secretary of Health and Human Services (referred to in this section as the "Secretary") may apply the amendments made by paragraphs (1) and (3) of subsection (a) and by subsection (b) before January 1, 2010, with respect to a prescription drug if the Secretary—

(i) determines that the drug is at high risk for being counterfeited; and

(ii) publishes the determination and the basis for the determination in the Federal Register.

(B) PEDIGREE NOT REQUIRED.—Notwithstanding a determination under subparagraph (A) with respect to a prescription drug, the amendments described in such subparagraph shall not apply with respect to a wholesale distribution of such drug if the drug is distributed by the manufacturer of the drug to a person that distributes the drug to a retail pharmacy for distribution to the consumer or patient, with no other intervening transactions.

(C) LIMITATION.—The Secretary may make the determination under subparagraph (A) with respect to not more than 50 drugs before January 1, 2010.

(4) EFFECT WITH RESPECT TO REGISTERED EXPORTERS.—The amendment made by subsection (a)(2) shall take effect on the date that is 90 days after the date of enactment of this title.

(5) ALTERNATIVE REQUIREMENTS.—The Secretary shall issue regulations to establish the alternative requirements, referred to in the amendment made by subsection (a)(1), that take effect not later than—

(A) January 1, 2008, with respect to a prescription drug determined under paragraph (3)(A) to be at high risk for being counterfeited; and

(B) January 1, 2010, with respect to all other prescription drugs.

(6) INTERMEDIATE REQUIREMENTS.—With respect to the prescription drugs described under paragraph (5)(B), the Secretary shall by regulation require the use of standardized anti-counterfeiting or track-and-trace technologies on such prescription drugs at the case and pallet level effective not later than January 1, 2008.

(7) ADDITIONAL REQUIREMENTS.—

(A) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary shall, not later than January 1, 2007, require that the packaging of any prescription drug incorporates—

(i) overt optically variable counterfeit-resistant technologies that—

(I) are visible to the naked eye, providing for visual identification of product authenticity without the need for readers, microscopes, lighting devices, or scanners;

(II) are similar to that used by the Bureau of Engraving and Printing to secure United States currency;

(III) are manufactured and distributed in a highly secure, tightly controlled environment; and

(IV) incorporate additional layers of non-visible convert security features up to and including forensic capability, as described in subparagraph (B); or

(ii) technologies that have a function of security comparable to that described in clause (i), as determined by the Secretary.

(B) Standards for Packaging.—For the purpose of making it more difficult to counterfeit the packaging of drugs subject to this paragraph, the manufacturers of such drugs shall incorporate the technologies described in subparagraph (A) into at least 1 additional element of the physical packaging of the drugs, including blister packs, shrink wrap, package labels, package seals, bottles, and boxes.

SEC. ___7. INTERNET SALES OF PRESCRIPTION DRUGS.

(a) In General.—Chapter V of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351 et seq.) is amended by inserting after section 503A the following:

"SEC. 503B. INTERNET SALES OF PRESCRIPTION DRUGS.

"(a) Requirements Regarding Information on Internet Site.—

"(1) In general.—A person may not dispense a prescription drug pursuant to a sale of the drug by such person if—

"(A) the purchaser of the drug submitted the purchase order for the drug, or conducted any other part of the sales transaction for the drug, through an Internet site;

"(B) the person dispenses the drug to the purchaser by mailing or shipping the drug to the purchaser; and

"(C) such site, or any other Internet site used by such person for purposes of sales of a prescription drug, fails to meet each of the requirements specified in paragraph (2), other than a site or pages on a site that—

"(i) are not intended to be accessed by purchasers or prospective purchasers; or

"(ii) provide an Internet information location tool within the meaning of section 231(e)(5) of the Communications Act of 1934 (47 U.S.C. 231(e)(5)).

"(2) Requirements.—With respect to an Internet site, the requirements referred to in subparagraph (C) of paragraph (1) for a person to whom such paragraph applies are as follows:

"(A) Each page of the site shall include either the following information or a link to a page that provides the following information:

"(i) The name of such person.

"(ii) Each State in which the person is authorized by law to dispense prescription drugs.

"(iii) The address and telephone number of each place of business of the person with respect to sales of prescription drugs through the Internet, other than a place of business that does not mail or ship prescription drugs to purchasers.

"(iv) The name of each individual who serves as a pharmacist for prescription drugs that are mailed or shipped pursuant to the site, and each State in which the individual is authorized by law to dispense prescription drugs.

"(v) If the person provides for medical consultations through the site for purposes of providing prescriptions, the name of each individual who provides such consultations; each State in which the individual is licensed or otherwise authorized by law to provide such consultations or practice medicine; and the type or types of health professions for which the individual holds such licenses or other authorizations.

"(B) A link to which paragraph (1) applies shall be displayed in a clear and prominent place and manner, and shall include in the caption for the link the words 'licensing and contact information'.

"(b) Internet Sales Without Appropriate Medical Relationships.—

"(1) In general.—Except as provided in paragraph (2), a person may not dispense a prescription drug, or sell such a drug, if—

"(A) for purposes of such dispensing or sale, the purchaser communicated with the person through the Internet;

"(B) the patient for whom the drug was dispensed or purchased did not, when such communications began, have a prescription for the drug that is valid in the United States;

"(C) pursuant to such communications, the person provided for the involvement of a practitioner, or an individual represented by the person as a practitioner, and the practitioner or such individual issued a prescription for the drug that was purchased;

"(D) the person knew, or had reason to know, that the practitioner or the individual referred to in subparagraph (C) did not, when issuing the prescription, have a qualifying medical relationship with the patient; and

"(E) the person received payment for the dispensing or sale of the drug.

For purposes of subparagraph (E), payment is received if money or other valuable consideration is received.

"(2) Exceptions.—Paragraph (1) does not apply to—

"(A) the dispensing or selling of a prescription drug pursuant to telemedicine practices sponsored by—

"(i) a hospital that has in effect a provider agreement under title XVIII of the Social Security Act (relating to the Medicare program); or

"(ii) a group practice that has not fewer than 100 physicians who have in effect provider agreements under such title; or

"(B) the dispensing or selling of a prescription drug pursuant to practices that promote the public health, as determined by the Secretary by regulation.

"(3) Qualifying medical relationship.—

"(A) In general.—With respect to issuing a prescription for a drug for a patient, a practitioner has a qualifying medical relationship with the patient for purposes of this section if—

"(i) at least one in-person medical evaluation of the patient has been conducted by the practitioner; or

"(ii) the practitioner conducts a medical evaluation of the patient as a covering practitioner.

"(B) In-person medical evaluation.—A medical evaluation by a practitioner is an in-person medical evaluation for purposes of this section if the practitioner is in the physical presence of the patient as part of conducting the evaluation, without regard to whether portions of the evaluation are conducted by other health professionals.

"(C) Covering practitioner.—With respect to a patient, a practitioner is a covering practitioner for purposes of this section if the practitioner conducts a medical evaluation of the patient at the request of a practitioner who has conducted at least one in-person medical evaluation of the patient and is temporarily unavailable to conduct the evaluation of the patient. A practitioner is a covering practitioner without regard to whether the practitioner has conducted any in-person medical evaluation of the patient involved.

"(4) Rules of construction.—

"(A) Individuals represented as practitioners.—A person who is not a practitioner (as defined in subsection (e)(1)) lacks legal capacity under this section to have a qualifying medical relationship with any patient.

"(B) Standard practice of pharmacy.—Paragraph (1) may not be construed as prohibiting any conduct that is a standard practice in the practice of pharmacy.

"(C) Applicability of requirements.—Paragraph (3) may not be construed as having any applicability beyond this section, and does not affect any State law, or interpretation of State law, concerning the practice of medicine.

"(c) Actions by States.—

"(1) In general.—Whenever an attorney general of any State has reason to believe that the interests of the residents of that State have been or are being threatened or adversely affected because any person has engaged or is engaging in a pattern or practice that violates section 301(l), the State may bring a civil action on behalf of its residents in an appropriate district court of the United States to enjoin such practice, to enforce compliance with such section (including a nationwide injunction), to obtain damages, restitution, or other compensation on behalf of residents of such State, to obtain reasonable attorneys fees and costs if the State prevails in the civil action, or to obtain such further and other relief as the court may deem appropriate.

"(2) Notice.—The State shall serve prior written notice of any civil action under paragraph (1) or (5)(B) upon the Secretary and provide the Secretary with a copy of its complaint, except that if it is not feasible for the State to provide such prior notice, the State shall serve such notice immediately upon instituting such action. Upon receiving a notice respecting a civil action, the Secretary shall have the right—

"(A) to intervene in such action;

"(B) upon so intervening, to be heard on all matters arising therein; and

"(C) to file petitions for appeal.

"(3) Construction.—For purposes of bringing any civil action under paragraph (1), nothing in this chapter shall prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

"(4) Venue; service of process.—Any civil action brought under paragraph (1) in a district court of the United States may be brought in the district in which the defendant is found, is an inhabitant, or transacts business or wherever venue is proper under section 1391 of title 28, United States Code. Process in such an action may be served in any district in which the defendant is an inhabitant or in which the defendant may be found.

"(5) Actions by other State officials.—

"(A) Nothing contained in this section shall prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any civil or criminal statute of such State.

"(B) In addition to actions brought by an attorney general of a State under paragraph (1), such an action may be brought by officers of such State who are authorized by the State to bring actions in such State on behalf of its residents.

"(d) Effect of Section.—This section shall not apply to a person that is a registered exporter under section 804.

"(e) General Definitions.—For purposes of this section:

"(1) The term 'practitioner' means a practitioner referred to in section 503(b)(1) with respect to issuing a written or oral prescription.

"(2) The term 'prescription drug' means a drug that is described in section 503(b)(1).

"(3) The term 'qualifying medical relationship', with respect to a practitioner and a patient, has the meaning indicated for such term in subsection (b).

"(f) Internet-Related Definitions.—

"(1) In general.—For purposes of this section:

"(A) The term 'Internet' means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the transmission control protocol/internet protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.

"(B) The term 'link', with respect to the Internet, means one or more letters, words, numbers, symbols, or graphic items that appear on a page of an Internet site for the purpose of serving, when activated, as a method for executing an electronic command—

"(i) to move from viewing one portion of a page on such site to another portion of the page;

"(ii) to move from viewing one page on such site to another page on such site; or

"(iii) to move from viewing a page on one Internet site to a page on another Internet site.

"(C) The term 'page', with respect to the Internet, means a document or other file accessed at an Internet site.

"(D)(i) The terms 'site' and 'address', with respect to the Internet, mean a specific location on the Internet that is determined by Internet Protocol numbers. Such term includes the domain name, if any.

"(ii) The term 'domain name' means a method of representing an Internet address without direct reference to the Internet Protocol numbers for the address, including methods that use designations such as '.com', '.edu', '.gov', '.net', or '.org'.

"(iii) The term 'Internet Protocol numbers' includes any successor protocol for determining a specific location on the Internet.

"(2) Authority of secretary.—The Secretary may by regulation modify any definition under paragraph (1) to take into account changes in technology.

"(g) Interactive Computer Service; Advertising.—No provider of an interactive computer service, as defined in section 230(f)(2) of the Communications Act of 1934 (47 U.S.C. 230(f)(2)), or of advertising services shall be liable under this section for dispensing or selling prescription drugs in violation of this section on account of another person's selling or dispensing such drugs, provided that the provider of the interactive computer service or of advertising services does not own or exercise corporate control over such person.".

(b) Inclusion as Prohibited Act.—Section 301 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331) is amended by inserting after paragraph (k) the following:

"(l) The dispensing or selling of a prescription drug in violation of section 503B.".

(c) Internet Sales of Prescription Drugs; Consideration by Secretary of Practices and Procedures for Certification of Legitimate Businesses.—In carrying out section 503B of the Federal Food, Drug, and Cosmetic Act (as added by subsection (a) of this section), the Secretary of Health and Human Services shall take into consideration the practices and procedures of public or private entities that certify that businesses selling prescription drugs through Internet sites are legitimate businesses, including practices and procedures regarding disclosure formats and verification programs.

(d) Reports Regarding Internet-Related Violations of Federal and State Laws on Dispensing of Drugs.—

(1) In general.—The Secretary of Health and Human Services (referred to in this subsection as the "Secretary") shall, pursuant to the submission of an application meeting the criteria of the Secretary, make an award of a grant or contract to the National Clearinghouse on Internet Prescribing (operated by the Federation of State Medical Boards) for the purpose of—

(A) identifying Internet sites that appear to be in violation of Federal or State laws concerning the dispensing of drugs;

(B) reporting such sites to State medical licensing boards and State pharmacy licensing boards, and to the Attorney General and the Secretary, for further investigation; and

(C) submitting, for each fiscal year for which the award under this subsection is made, a report to the Secretary describing investigations undertaken with respect to violations described in subparagraph (A).

(2) Authorization of appropriations.—For the purpose of carrying out paragraph (1), there is authorized to be appropriated $100,000 for each of the first 3 fiscal years in which this section is in effect.

(e) Effective Date.—The amendments made by subsections (a) and (b) take effect 90 days after the date of enactment of this title, without regard to whether a final rule to implement such amendments has been promulgated by the Secretary of Health and Human Services under section 701(a) of the Federal Food, Drug, and Cosmetic Act. The preceding sentence may not be construed as affecting the authority of such Secretary to promulgate such a final rule.

SEC. ___8. PROHIBITING PAYMENTS TO UNREGISTERED FOREIGN PHARMACIES.

(a) In General.—Section 303 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333) is amended by adding at the end the following:

"(g) Restricted Transactions.—

"(1) In general.—The introduction of restricted transactions into a payment system or the completion of restricted transactions using a payment system is prohibited.

"(2) Payment system.—

"(A) In general.—The term 'payment system' means a system used by a person described in subparagraph (B) to effect a credit transaction, electronic fund transfer, or money transmitting service that may be used in connection with, or to facilitate, a restricted transaction, and includes—

"(i) a credit card system;

"(ii) an international, national, regional, or local network used to effect a credit transaction, an electronic fund transfer, or a money transmitting service; and

"(iii) any other system that is centrally managed and is primarily engaged in the transmission and settlement of credit transactions, electronic fund transfers, or money transmitting services.

"(B) Persons described.—A person referred to in subparagraph (A) is—

"(i) a creditor;

"(ii) a credit card issuer;

"(iii) a financial institution;

"(iv) an operator of a terminal at which an electronic fund transfer may be initiated;

"(v) a money transmitting business; or

"(vi) a participant in an international, national, regional, or local network used to effect a credit transaction, electronic fund transfer, or money transmitting service.

"(3) Restricted transaction.—The term 'restricted transaction' means a transaction or transmittal, on behalf of an individual who places an unlawful drug importation request to any person engaged in the operation of an unregistered foreign pharmacy, of—

"(A) credit, or the proceeds of credit, extended to or on behalf of the individual for the purpose of the unlawful drug importation request (including credit extended through the use of a credit card);

"(B) an electronic fund transfer or funds transmitted by or through a money transmitting business, or the proceeds of an electronic fund transfer or money transmitting service, from or on behalf of the individual for the purpose of the unlawful drug importation request;

"(C) a check, draft, or similar instrument which is drawn by or on behalf of the individual for the purpose of the unlawful drug importation request and is drawn on or payable at or through any financial institution; or

"(D) the proceeds of any other form of financial transaction (identified by the Board by regulation) that involves a financial institution as a payor or financial intermediary on behalf of or for the benefit of the individual for the purpose of the unlawful drug importation request.

"(4) Unlawful drug importation request.—The term 'unlawful drug importation request' means the request, or transmittal of a request, made to an unregistered foreign pharmacy for a prescription drug by mail (including a private carrier), facsimile, phone, or electronic mail, or by a means that involves the use, in whole or in part, of the Internet.

"(5) Unregistered foreign pharmacy.—The term 'unregistered foreign pharmacy' means a person in a country other than the United States that is not a registered exporter under section 804.

"(6) Other definitions.—

"(A) Credit; creditor; credit card.—The terms 'credit', 'creditor', and 'credit card' have the meanings given the terms in section 103 of the Truth in Lending Act (15 U.S.C. 1602).

"(B) Access device; electronic fund transfer.—The terms 'access device' and 'electronic fund transfer'—

"(i) have the meaning given the term in section 903 of the Electronic Fund Transfer Act (15 U.S.C. 1693a); and

"(ii) the term 'electronic fund transfer' also includes any fund transfer covered under Article 4A of the Uniform Commercial Code, as in effect in any State.

"(C) Financial institution.—The term 'financial institution'—

"(i) has the meaning given the term in section 903 of the Electronic Transfer Fund Act (15 U.S.C. 1693a); and

"(ii) includes a financial institution (as defined in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809)).

"(D) MONEY TRANSMITTING BUSINESS; MONEY TRANSMITTING SERVICE.—The terms 'money transmitting business' and 'money transmitting service' have the meaning given the terms in section 5330(d) of title 31, United States Code.

"(E) BOARD.—The term 'Board' means the Board of Governors of the Federal Reserve System.

"(7) POLICIES AND PROCEDURES REQUIRED TO PREVENT RESTRICTED TRANSACTIONS.—

"(A) REGULATIONS.—The Board shall promulgate regulations requiring—

"(i) an operator of a credit card system;

"(ii) an operator of an international, national, regional, or local network used to effect a credit transaction, an electronic fund transfer, or a money transmitting service;

"(iii) an operator of any other payment system that is centrally managed and is primarily engaged in the transmission and settlement of credit transactions, electronic transfers or money transmitting services where at least one party to the transaction or transfer is an individual; and

"(iv) any other person described in paragraph (2)(B) and specified by the Board in such regulations,

to establish policies and procedures that are reasonably designed to prevent the introduction of a restricted transaction into a payment system or the completion of a restricted transaction using a payment system

"(B) REQUIREMENTS FOR POLICIES AND PROCEDURES.—In promulgating regulations under subparagraph (A), the Board shall—

"(i) identify types of policies and procedures, including nonexclusive examples, that shall be considered to be reasonably designed to prevent the introduction of restricted transactions into a payment system or the completion of restricted transactions using a payment system; and

"(ii) to the extent practicable, permit any payment system, or person described in paragraph (2)(B), as applicable, to choose among alternative means of preventing the introduction or completion of restricted transactions.

"(C) NO LIABILITY FOR BLOCKING OR REFUSING TO HONOR RESTRICTED TRANSACTION.—

"(i) IN GENERAL.—A payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, and any participant in such payment system that prevents or otherwise refuses to honor transactions in an effort to implement the policies and procedures required under this subsection or to otherwise comply with this subsection shall not be liable to any party for such action.

"(ii) COMPLIANCE.—A person described in paragraph (2)(B) meets the requirements of this subsection if the person relies on and complies with the policies and procedures of a payment system of which the person is a member or in which the person is a participant, and such policies and procedures of the payment system comply with the requirements of the regulations promulgated under subparagraph (A).

"(D) ENFORCEMENT.—

"(i) IN GENERAL.—This section shall be enforced by the Federal functional regulators and the Federal Trade Commission under applicable law in the manner provided in section 505(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)).

"(ii) FACTORS TO BE CONSIDERED.—In considering any enforcement action under this subsection against a payment system or person described in paragraph (2)(B), the Federal functional regulators and the Federal Trade Commission shall consider the following factors:

"(I) The extent to which the payment system or person knowingly permits restricted transactions.

"(II) The history of the payment system or person in connection with permitting restricted transactions.

"(III) The extent to which the payment system or person has established and is maintaining policies and procedures in compliance with regulations prescribed under this subsection.

"(8) TRANSACTIONS PERMITTED.—A payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, is authorized to engage in transactions with foreign pharmacies in connection with investigating violations or potential violations of any rule or requirement adopted by the payment system or person in connection with complying with paragraph (7). A payment system, or such a person, and its agents and employees shall not be found to be in violation of, or liable under, any Federal, State or other law by virtue of engaging in any such transaction.

"(9) RELATION TO STATE LAWS.—No requirement, prohibition, or liability may be imposed on a payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, under the laws of any state with respect to any payment transaction by an individual because the payment transaction involves a payment to a foreign pharmacy.

"(10) TIMING OF REQUIREMENTS.—A payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, must adopt policies and procedures reasonably designed to comply with any regulations required under paragraph (7) within 60 days after such regulations are issued in final form.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the day that is 90 days after the date of enactment of this title.

(c) IMPLEMENTATION.—The Board of Governors of the Federal Reserve System shall promulgate regulations as required by subsection (g)(7) of section 303 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333), as added by subsection (a), not later than 90 days after the date of enactment of this title.

SEC. 9. IMPORTATION EXEMPTION UNDER CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT.

Section 1006(a)(2) of the Controlled Substances Import and Export Act (21 U.S.C. 956(a)(2)) is amended by striking "not import the controlled substance into the United States in an amount that exceeds 50 dosage units of the controlled substance." and inserting "import into the United States not more than 10 dosage units combined of all such controlled substances.".

SA 4743. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. ENERGY EMERGENCY DISASTER RELIEF LOANS TO SMALL BUSINESS AND AGRICULTURAL PRODUCERS.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Small Business Administration; and

(2) SMALL BUSINESS CONCERN.—The term "small business concern" has the meaning given the term in section 3 of the Small Business Act (15 U.S.C. 632).

(b) SMALL BUSINESS PRODUCER ENERGY EMERGENCY DISASTER LOAN PROGRAM.—

(1) DISASTER LOAN AUTHORITY.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (3) the following:

"(4) ENERGY DISASTER LOANS.—

"(A) DEFINITIONS.—In this paragraph—

"(i) the term 'base price index' means the moving average of the closing unit price on the New York Mercantile Exchange for heating oil, natural gas, gasoline, or propane for the 10 days that correspond to the trading days described in clause (ii) in each of the most recent 2 preceding years;

"(ii) the term 'current price index' means the moving average of the closing unit price on the New York Mercantile Exchange, for the 10 most recent trading days, for contracts to purchase heating oil, natural gas, gasoline, or propane during the subsequent calendar month, commonly known as the 'front month'; and

"(iii) the term 'significant increase' means—

"(I) with respect to the price of heating oil, natural gas, gasoline, or propane, any time the current price index exceeds the base price index by not less than 40 percent; and

"(II) with respect to the price of kerosene, any increase which the Administrator, in consultation with the Secretary of Energy, determines to be significant.

"(B) LOAN AUTHORITY.—The Administrator may make such loans, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, to assist a small business concern that has suffered or that is likely to suffer substantial economic injury on or after January 1, 2005, as the result of a significant increase in the price of heating oil, natural gas, gasoline, propane, or kerosene occurring on or after January 1, 2005.

"(C) INTEREST RATE.—Any loan or guarantee extended pursuant to this paragraph shall be made at the same interest rate as economic injury loans under paragraph (2).

"(D) MAXIMUM AMOUNT.—No loan may be made under this paragraph, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under this subsection would exceed $1,500,000, unless such borrower constitutes a major source of employment in its surrounding area, as determined by the Administrator, in which case the Administrator, in the discretion of the Administrator, may waive the $1,500,000 limitation.

"(E) DISASTER DECLARATION.—For purposes of assistance under this paragraph—

"(i) a declaration of a disaster area based on conditions specified in this paragraph shall be required, and shall be made by the President or the Administrator; or

"(ii) if no declaration has been made pursuant to clause (i), the Governor of a State in which a significant increase in the price of heating oil, natural gas, gasoline, propane, or kerosene has occurred may certify to the Administrator that small business concerns have suffered economic injury as a result of such increase and are in need of financial assistance which is not otherwise available on reasonable terms in that State, and upon receipt of such certification, the Administrator may make such loans as would have been available under this paragraph if a disaster declaration had been issued.

"(F) CONVERSION.—Notwithstanding any other provision of law, loans made under this paragraph may be used by a small business concern described in subparagraph (B) to convert from the use of heating oil, natural gas, gasoline, propane, or kerosene to a renewable or alternative energy source, including agriculture and urban waste, geothermal energy, cogeneration, solar energy, wind energy, or fuel cells.".

(2) CONFORMING AMENDMENTS.—Section 3(k) of the Small Business Act (15 U.S.C. 632(k)) is amended—

(A) by inserting ", a significant increase in the price of heating oil, natural gas, gasoline, propane, or kerosene," after "civil disorders"; and

(B) by inserting "other" before "economic".

(c) AGRICULTURAL PRODUCER EMERGENCY LOANS.—

(1) IN GENERAL.—Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended—

(A) in the first sentence—

(i) by striking "aquaculture operations have" and inserting "aquaculture operations (i) have"; and

(ii) by inserting before ": *Provided*," the following: ", or (ii)(I) are owned or operated by such an applicant that is also a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), and (II) have suffered or are likely to suffer substantial economic injury on or after January 1, 2005, as the result of a significant increase in energy costs or input costs from energy sources occurring on or after January 1, 2005, in connection with an energy emergency declared by the President or the Secretary";

(B) in the third sentence, by inserting before the period at the end the following: "or by an energy emergency declared by the President or the Secretary"; and

(C) in the fourth sentence—

(i) by striking "or natural disaster" each place that term appears and inserting ", natural disaster, or energy emergency"; and

(ii) by inserting "or declaration" after "emergency designation".

(2) FUNDING.—Funds available on the date of enactment of this Act for emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) shall be available to carry out the amendments made by paragraph (1) to meet the needs resulting from natural disasters.

(d) GUIDELINES AND RULEMAKING.—

(1) GUIDELINES.—Not later than 30 days after the date of enactment of this Act, the Administrator and the Secretary of Agriculture shall each issue guidelines to carry out subsections (b) and (c), respectively, and the amendments made thereby, which guidelines shall become effective on the date of their issuance.

(2) RULEMAKING.—Not later than 30 days after the date of enactment of this Act, the Administrator, after consultation with the Secretary of Energy, shall promulgate regulations specifying the method for determining a significant increase in the price of kerosene under section 7(b)(4)(A)(iii)(II) of the Small Business Act, as added by this section.

(e) REPORTS.—

(1) SMALL BUSINESS ADMINISTRATION.—Not later than 12 months after the date on which the Administrator issues guidelines under subsection (d)(1), and annually thereafter, until the date that is 12 months after the end of the effective period of section 7(b)(4) of the Small Business Act, as added by this section, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives, a report on the effectiveness of the assistance made available under section 7(b)(4) of the Small Business Act, as added by this section, including—

(A) the number of small business concerns that applied for a loan under such section 7(b)(4) and the number of those that received such loans;

(B) the dollar value of those loans;

(C) the States in which the small business concerns that received such loans are located;

(D) the type of energy that caused the significant increase in the cost for the participating small business concerns; and

(E) recommendations for ways to improve the assistance provided under such section 7(b)(4), if any.

(2) DEPARTMENT OF AGRICULTURE.—Not later than 12 months after the date on which the Secretary of Agriculture issues guidelines under subsection (d)(1), and annually thereafter, until the date that is 12 months after the end of the effective period of the amendments made to section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) by this section, the Secretary shall submit to the Committee on Small Business and Entrepreneurship and the Committee on Agriculture, Nutrition, and Forestry of the Senate and to the Committee on Small Business and the Committee on Agriculture of the House of Representatives, a report that—

(A) describes the effectiveness of the assistance made available under section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)), as amended by this section; and

(B) contains recommendations for ways to improve the assistance provided under such section 321(a).

(f) EFFECTIVE DATE.—

(1) SMALL BUSINESS.—The amendments made by subsection (b) shall apply during the 4-year period beginning on the earlier of the date on which guidelines are published by the Administrator under subsection (d)(1) or 30 days after the date of enactment of this Act, with respect to assistance under section 7(b)(4) of the Small Business Act, as added by this section.

(2) AGRICULTURE.—The amendments made by subsection (c) shall apply during the 4-year period beginning on the earlier of the date on which guidelines are published by the Secretary of Agriculture under subsection (d)(1) or 30 days after the date of enactment of this Act, with respect to assistance under section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)), as amended by this section.

SA 4744. Mr KERRY (for himself and Mr. JEFFORDS) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . FEDERAL RENEWABLE PORTFOLIO STANDARD.

Title VI of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended by adding at the end the following:

"SEC. 610. FEDERAL RENEWABLE PORTFOLIO STANDARD.

"(a) DEFINITIONS.—In this section:

"(1) BIOMASS.—

"(A) IN GENERAL.—The term 'biomass' means—

"(i) organic material from a plant that is planted for the purpose of producing energy;

"(ii) nonhazardous, cellulosic, or agricultural waste material that—

"(I) is segregated from other waste materials; and

"(II) is derived from—

"(aa) a forest-related resource, including—

"(AA) mill and harvesting residue;

"(BB) precommercial thinnings;

"(CC) slash; and

"(DD) brush;

"(bb) agricultural resources, including—

"(AA) orchard tree crops;

"(BB) vineyards;

"(CC) grains;

"(DD) legumes;

"(EE) sugar; and

"(FF) other crop by-products or residues; or

"(cc) miscellaneous waste, such as—

"(AA) waste pallet;

"(BB) crate; and

"(CC) landscape or right-of-way tree trimmings; and

"(iii) animal waste—

"(I) that is converted to a fuel rather than directly combusted; and

"(II) the residue of which is converted to—

"(aa) a biological fertilizer;

"(bb) oil; or

"(cc) activated carbon.

"(B) EXCLUSIONS.—The term 'biomass' does not include—

"(i) municipal solid waste that is incinerated;

"(ii) recyclable post-consumer waste paper;

"(iii) painted, treated, or pressurized wood;

"(iv) wood contaminated with plastics or metals; or

"(v) tires.

"(2) DISTRIBUTED GENERATION.—The term 'distributed generation' means reduced electricity consumption on the electric grid due to use by a customer of renewable energy generated at a customer site.

"(3) INCREMENTAL HYDROPOWER.—The term 'incremental hydropower' means additional generation achieved after January 1, 2005, as a result of increased efficiency at a hydroelectric dam that was placed in service before that date.

"(4) LANDFILL GAS.—The term 'landfill gas' means gas generated from the decomposition of household solid waste, commercial solid waste, or industrial solid waste disposed of in a municipal solid waste landfill unit (as those terms are defined in regulations promulgated pursuant to subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.)).

"(5) RENEWABLE ENERGY.—The term 'renewable energy' means electricity generated from—

"(A) a renewable energy source; or

"(B) hydrogen that is produced from a renewable energy source.

"(6) RENEWABLE ENERGY SOURCE.—The term 'renewable energy source' means—

"(A) wind;

"(B) ocean waves;

"(C) biomass;

"(D) solar energy;

"(E) landfill gas;

"(F) incremental hydropower; or

"(G) geothermal.

"(7) RETAIL ELECTRIC SUPPLIER.—The term 'retail electric supplier' means a person or entity that, with respect to an applicable calendar year under subsection (b)(1)—

"(A) sells retail electricity to consumers; and

"(B) sold not less than 500,000 megawatt-hours of electric energy to consumers for purposes other than resale during the preceding calendar year.

"(b) RENEWABLE ENERGY REQUIREMENTS.—

"(1) SUBMISSION OF CREDITS.—

"(A) IN GENERAL.—Not later than April 30, 2007, and annually thereafter, each retail electric supplier shall submit to the Secretary renewable energy credits in a quantity equal to the product obtained by multiplying—

"(i) the total kilowatt-hours of nonhydropower (excluding incremental hydropower) electricity sold by the retail electric supplier to retail consumers during the preceding calendar year; and

"(ii) the applicable percentage under the table contained in subsection (c).

"(B) FORM OF CREDITS.—A credit submitted under subparagraph (A) shall be—

"(i) a renewable energy credit issued to the retail electric supplier under subsection (d)(2);

"(ii) a renewable energy credit obtained by purchase or exchange under subsection (d)(3);

"(iii) a renewable energy credit purchased from the United States under subsection (d)(4); or

"(iv) any combination of credits described in clauses (i) through (iii).

"(C) PROHIBITION ON DOUBLE COUNTING.—A credit may be counted for purposes of compliance with this subsection only once.

"(2) CARRYOVER.—A renewable energy credit received by a retail electric supplier during a calendar year that is not used to satisfy the requirement for that year under paragraph (1) may be carried over for use during 1 of the following 2 calendar years.

"(c) REQUIRED ANNUAL PERCENTAGE.—Of the total quantity of nonhydropower (excluding incremental hydropower) electricity sold by a retail electric supplier during a calendar year, the quantity generated by renewable energy sources shall be not less than the percentage described in the following table:

"Calendar year	Required percentage
2007–2009	5
2010–2014	10
2015–2019	15
2020 and thereafter	20

"(d) RENEWABLE ENERGY CREDIT PROGRAM.—

"(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this section, the Secretary shall establish a program under which the Secretary shall issue, monitor the sale and exchange of, sell, and track renewable energy credits.

"(2) ISSUANCE OF CREDITS.—

"(A) ISSUANCE.—

"(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), the Secretary shall issue to an entity that submits an application under subparagraph (B) 1 renewable energy credit for each kilowatt-hour of renewable energy generated by the entity in any State during the preceding calendar year for—

"(I) sale for retail consumption; or

"(II) use by the generator.

"(ii) DISTRIBUTED GENERATION.—Notwithstanding clause (i), the Secretary shall issue to an entity that submits an application under subparagraph (B) 3 renewable energy credits for each kilowatt-hour of distributed generation as a result of actions of the entity.

"(iii) COMBINATION OF SOURCES.—If a kilowatt-hour of renewable energy is generated through the use of a renewable energy resource and a nonrenewable energy resource, the Secretary shall issue an applicable renewable energy credit based on the ratio that—

"(I) the quantity of renewable energy resource used to generate the kilowatt-hour of renewable energy; bears to

"(II) the total quantity of resources used to generate the kilowatt-hour of renewable energy.

"(B) APPLICATION.—

"(i) IN GENERAL.—An entity that generates renewable energy may submit to the Secretary an application for the issuance of renewable energy credits.

"(ii) INCLUSIONS.—An application under clause (i) shall include a description of—

"(I) the type of renewable energy resource used by the entity to produce the renewable energy;

"(II) the State in which the renewable energy was produced; and

"(III) any other information the Secretary determines to be appropriate.

"(C) VESTING.—A renewable energy credit shall vest with the owner of the system or facility that generates the renewable energy, unless the owner explicitly transfers the credit.

"(D) IDENTIFICATION.—For purposes of issuing, selling, and tracking renewable energy credits, the Secretary shall identify the credits based on the type and date of generation of the renewable energy for which the credit is provided.

"(E) CONTRACT SALES.—For purposes of this section, a retail electric supplier that purchases renewable energy from a generator pursuant to a contract under section 210 shall be considered to be the generator of the renewable energy.

"(F) VOLUNTARY PARTICIPATION.—The Secretary may issue a renewable energy credit under this paragraph to an entity that is not subject to the requirements of this Act only if the entity—

"(i) meets the terms and conditions of this Act to the same extent as an entity subject to the requirements of this Act; and

"(ii) submits an application under subparagraph (B).

"(3) SALE AND EXCHANGE OF CREDITS.—

"(A) IN GENERAL.—A renewable energy credit may be sold or exchanged by—

"(i) the entity that is issued the renewable energy credit under paragraph (2); or

"(ii) any other entity that acquires the renewable energy credit.

"(B) REQUIREMENT.—A sale or exchange of a credit under subparagraph (A) shall be carried out in accordance with applicable contracts and laws, including laws relating to the spot market.

"(4) PURCHASE FROM UNITED STATES.—

"(A) IN GENERAL.—The Secretary shall offer for sale renewable energy credits at a price equal to the lesser of, as adjusted for inflation under subparagraph (B)—

"(i) 3 cents per kilowatt-hour covered by the credit; and

"(ii) an amount equal to 110 percent of the average market value of the credits for the applicable compliance period.

"(B) ADJUSTMENT FOR INFLATION.—On January 1, 2007, and annually thereafter, the Secretary shall adjust for inflation the price to be charged for a renewable energy credit for the appropriate calendar year.

"(e) ENFORCEMENT.—

"(1) IN GENERAL.—A retail electric supplier that does not submit renewable energy credits in accordance with subsection (b) shall be subject to a civil penalty in an amount equal to the product obtained by multiplying—

"(A) the difference between—

"(i) the number of renewable energy credits submitted by the retail electric supplier; and

"(ii) the number of credits required to be submitted by the retail electric supplier under subsection (b); and

"(B) the lesser of—

"(i) 4.5 cents; and

"(ii) an amount equal to 300 percent of the average market value of credits for the applicable compliance period.

"(2) COLLECTION OF INFORMATION.—The Secretary may collect such information as the Secretary determines to be necessary to verify and audit—

"(A) the annual electric energy generation and renewable energy generation of any entity that applies for renewable energy credits under this section;

"(B) the validity of renewable energy credits submitted by a retail electric supplier to the Secretary; and

"(C) the total amount of electricity sales of all retail electric suppliers.

"(f) CONSUMER ALLOCATION.—

"(1) IN GENERAL.—A retail electric supplier shall charge each class of consumers of the retail electric supplier a rate that proportionally reflects the percentage of the cost to the retail electric supplier of generating or acquiring the annual percentage of renewable energy required under subsection (b).

"(2) PROHIBITION OF MISREPRESENTATION.—A retail electric supplier shall not make any representation to a customer or prospective customer of the retail electric supplier regarding product content or description if the content or description has been or will be modified by the retail electric supplier solely for purposes of complying with this section.

"(g) STATE RENEWABLE ENERGY GRANT PROGRAM.—

"(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this section, the Secretary shall establish a program under which the Secretary shall distribute amounts received from sales under subsection (d)(4), and from penalties under subsection (e)(1), to State energy agencies for use in accordance with this section.

"(2) USE OF FUNDS.—A State energy agency shall use amounts received under this subsection to carry out a grant program to provide for—

"(A) renewable energy research and development;

"(B) loan guarantees to encourage construction of renewable energy facilities;

"(C) consumer rebate or other programs to offset the costs of small residential or small commercial renewable energy systems, including solar hot water; or

"(D) promotion of distributed generation.

"(3) PRIORITY.—In allocating amounts under this subsection, the Secretary shall give priority to, as determined by the Secretary—

"(A) States in regions with a disproportionately small share of economically-sustainable renewable energy generation capacity; and

"(B) States the grant programs of which are most likely to stimulate or enhance innovative renewable energy technologies.

"(h) EFFECT ON OTHER STATE PROGRAMS.—Nothing in this section precludes any State from requiring additional renewable energy generation capacity in the State pursuant to a renewable energy program conducted by the State.".

SA 4745. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. FUNDING FOR ALTERNATIVE INFRASTRUCTURE FOR THE DISTRIBUTION OF TRANSPORTATION FUELS.

(a) IN GENERAL.—There is established in the Treasury of the United States a trust fund, to be known as the "Alternative Fueling Infrastructure Trust Fund" (referred to in this section as the "Trust Fund"), consisting of such amounts as are deposited into the Trust Fund under subsection (b) and any interest earned on investment of amounts in the Trust Fund.

(b) PENALTIES.—The Secretary of Transportation shall remit 90 percent of the amount collected in civil penalties under section 32912 of title 49, United States Code, to the Trust Fund.

(c) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary of Energy shall obligate such sums as are available in the Trust Fund to establish a grant program to increase the number of locations at which consumers may purchase alternative transportation fuels.

(2) ADMINISTRATION.—

(A) IN GENERAL.—The Secretary of Energy may award grants under this subsection to—

(i) individual fueling stations; and

(ii) corporations (including nonprofit corporations) with demonstrated experience in the administration of grant funding for the purpose of alternative fueling infrastructure.

(B) MAXIMUM AMOUNT OF GRANTS.—A grant provided under this subsection may not exceed—

(i) $150,000 for each site of an individual fueling station; and

(ii) $500,000 for each corporation (including a nonprofit corporation).

(C) PRIORITIZATION.—The Secretary of Energy shall prioritize the provision of grants under this subsection to recognized nonprofit corporations that have proven experience and demonstrated technical expertise in the establishment of alternative fueling infrastructure, as determined by the Secretary of Energy.

(D) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of the funds provided in any grant may be used by the recipient of the grant to pay administrative expenses.

(E) NUMBER OF VEHICLES.—In providing grants under this subsection, the Secretary of Energy shall consider the number of vehicles in service capable of using a specific type of alternative fuel.

(F) MATCH.—Grant recipients shall provide a non-Federal match of not less than $1 for every $3 of grant funds received under this subsection.

(G) LOCATIONS.—Each grant recipient shall select the locations for each alternative fuel station to be constructed with grant funds received under this subsection on a formal, open, and competitive basis.

(H) USE OF INFORMATION IN SELECTION OF RECIPIENTS.—In selecting grant recipients under this subsection, the Secretary of Energy may consider—

(i) public demand for each alternative fuel in a particular county based on State registration records indicating the number of vehicles that may be operated using alternative fuel; and

(ii) the opportunity to create or expand corridors of alternative fuel stations along interstates or highways.

(3) USE OF GRANT FUNDS.—Grant funds received under this subsection may be used to—

(A) construct new facilities to dispense alternative fuels;

(B) purchase equipment to upgrade, expand, or otherwise improve existing alternative fuel facilities; or

(C) purchase equipment or pay for specific turnkey fueling services by alternative fuel providers.

(4) FACILITIES.—Facilities constructed or upgraded with grant funds under this subsection shall—

(A) provide alternative fuel available to the public for a period not less than 4 years;

(B) establish a marketing plan to advance the sale and use of alternative fuels;

(C) prominently display the price of alternative fuel on the marquee and in the station;

(D) provide point of sale materials on alternative fuel;

(E) clearly label the dispenser with consistent materials;

(F) price the alternative fuel at the same margin that is received for unleaded gasoline; and

(G) support and use all available tax incentives to reduce the cost of the alternative fuel to the lowest practicable retail price.

(5) OPENING OF STATIONS.—

(A) IN GENERAL.—Not later than the date on which each alternative fuel station begins to offer alternative fuel to the public, the grant recipient that used grant funds to construct the station shall notify the Secretary of Energy of the opening.

(B) WEBSITE.—The Secretary of Energy shall add each new alternative fuel station to the alternative fuel station locator on the website of the Department of Energy when the Secretary of Energy receives notification under this subsection.

(6) REPORTS.—Not later than 180 days after the receipt of a grant award under this subsection, and every 180 days thereafter, each grant recipient shall submit a report to the Secretary of Energy that describes—

(A) the status of each alternative fuel station constructed with grant funds received under this subsection;

(B) the quantity of alternative fuel dispensed at each station during the preceding 180-day period; and

(C) the average price per gallon of the alternative fuel sold at each station during the preceding 180-day period.

SA 4746. Mr. SMITH (for himself, Mr. MENENDEZ, Ms. SNOWE, Mr. KERRY, Mr. SALAZAR, Ms. CANTWELL, Mr. LIEBERMAN, Mr. KENNEDY, Mr. ALLARD, Mr. WYDEN, Mrs. CLINTON, and Mr. DODD) submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 6. INVESTMENT TAX CREDITS.

(a) EXTENSION AND MODIFICATION OF INVESTMENT TAX CREDIT WITH RESPECT TO SOLAR ENERGY PROPERTY AND QUALIFIED FUEL CELL PROPERTY.—

(1) SOLAR ENERGY PROPERTY.—Paragraphs (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) of the Internal Revenue Code of 1986 are each amended by striking "2008" and inserting "2016".

(2) ELIGIBLE FUEL CELL PROPERTY.—Paragraph (1)(E) of section 48(c) of the Internal Revenue Code of 1986 is amended by striking "2007" and inserting "2015".

(3) CREDITS ALLOWED AGAINST THE ALTERNATIVE MINIMUM TAX.—Section 38(c)(4)(B) of the Internal Revenue Code of 1986 (defining specified credits) is amended by striking the period at the end of clause (ii)(II) and inserting ", and", and by adding at the end the following new clause:

"(iii) the portion of the investment credit under section 46(2) as determined under section 48(a)(2)(A)(i).".

(b) EXTENSION AND MODIFICATION OF CREDIT FOR RESIDENTIAL ENERGY EFFICIENT PROPERTY.—

(1) EXTENSION.—Section 25D of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "2007" and inserting "2015".

(2) MODIFICATION OF MAXIMUM CREDIT.—Paragraph (1) of section 25D(b) of the Internal Revenue Code of 1986 (relating to limitations) is amended to read as follows:

"(1) MAXIMUM CREDIT.—The credit allowed under subsection (a) for any taxable year shall not exceed—

"(A) $1,000 with respect to each half kilowatt of capacity of qualified photovoltaic property for which qualified photovoltaic property expenditures are made,

"(B) $2,000 with respect to any qualified solar water heating property expenditures, and

"(C) $500 with respect to each half kilowatt of capacity of qualified fuel cell property (as defined in section 48(c)(1)) for which qualified fuel cell property expenditures are made.".

(3) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—

(A) IN GENERAL.—Section 25D(b) of the Internal Revenue Code of 1986 (as amended by subsection (b)) is amended by adding at the end the following new paragraph:

"(3) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under subpart A of part IV of subchapter A and section 27 for the taxable year.".

(B) CONFORMING AMENDMENT.—Subsection (c) of section 25D of such Code is amended to read as follows:

"(c) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by subsection (b)(3) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2006.

(B) ENVIRONMENTAL ASSESSMENT.—Before modifying a 5-Year outer Continental Shelf oil and gas leasing program under subparagraph (A), the Secretary shall complete an environmental assessment that describes any anticipated environmental effect of leasing in the area covered by the petition.

(6) SPENDING LIMITATIONS.—Any Federal spending limitation with respect to preleasing, leasing, or a related activity in an area made available for leasing under this subsection shall terminate as of the date on which the petition of the Governor relating to the area is approved, or considered to be approved, under paragraph (2) or (3).

(7) APPLICATION.—This subsection shall not apply to—

(A) any area designated as a national marine sanctuary or a national wildlife refuge;

(B) any area not included in the outer Continental Shelf; or

(C) the Great Lakes (as defined in section 118(a)(3) of the Federal Water Pollution Control Act (33 U.S.C. 1268(a)(3)).

(8) GREAT LAKES.—The Great Lakes (as defined in section 118(a)(3) of the Federal Water Pollution Control Act (33 U.S.C. 1268(a)(3)))—

(A) shall not be considered part of the outer Continental Shelf under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.); and

(B) shall not be subject to production.

(f) NEIGHBORING STATE CONCURRENCE.—

(1) NOTICE.—The Secretary shall provide notice to a neighboring State of any proposed lease of oil or natural gas in a moratorium area if the lease would be located within 20 miles of the nearest point on the coastline of the State.

(2) OBJECTION.—Not later than 30 days after receiving the notice, the Governor of the State may object to the issuance of the lease on grounds that the lease presents a significant risk to environmental and economic resources of the State.

(3) SECRETARY REVIEW.—If the Secretary, after review of the objection and consultation with the adjacent State, concurs that the lease presents a significant risk described in paragraph (2), and that the risk cannot be reasonably mitigated, the Secretary shall not approve an exploration plan for the lease.

(4) NONAPPLICABILITY.—This subsection does not apply to a State covered by subsection (h).

(g) NATURAL GAS LEASES.—

(1) IN GENERAL.—Beginning with the 5-year outer Continental Shelf oil and gas leasing program for 2007 through 2012, the Secretary may issue a lease under this section that authorizes development and production of gas and associated condensate and other hydrocarbon liquids in a moratorium area in accordance with regulations issued under paragraph (2).

(2) REGULATIONS.—Not later than October 1, 2006, the Secretary shall issue regulations that, for purposes of this subsection—

(A) define the term "natural gas" in a manner that includes—

(i) hydrocarbons and other substances in a gaseous state at atmospheric pressure and a temperature of 60 degrees Fahrenheit;

(ii) liquids that condense (gas liquids) from natural gas in the process of treatment, dehydration, decompression, or compression prior to the point for measuring volume and quality of the production established by the Secretary, acting through the Minerals Management Service;

(iii) other associated hydrocarbon liquids if the predominant component is natural gas and gas liquids; and

(iv) natural gas liquefied for transportation;

(B) provide that natural gas leases shall contain the same rights and obligations as oil and gas leases;

(C) provide that, in reviewing the adequacy of bids for natural gas leases, the Secretary, acting through the Minerals Management Service, shall exclude the value of any crude oil estimated to be discovered within the boundaries of the leasing area;

(D) provide for cancellation of a natural gas lease, with payment of the fair value of the lease rights canceled, if the Secretary determines that hydrocarbons other than natural gas and natural gas liquids will be the predominant production from the lease; and

(E) provide that, at the request and with the consent of the Governor of the State adjacent to the lease area, and with the consent of the lessee, an existing natural gas lease may be converted, without an increase in the rental royalty rate and without further payment in the nature of a lease bonus, to a lease under section 8(b) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(b)), in accordance with a process, to be established by the Secretary, that requires—

(i) consultation by the Secretary with the Governor of the State and the lessee with respect to the operating conditions of the lease, taking into consideration environmental resource conservation and recovery, economic factors, and other factors, as the Secretary determines to be relevant; and

(ii) compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(3) EFFECT OF OTHER LAWS.—Any Federal law (including regulations) that applies to an oil and gas lease on the outer Continental Shelf shall apply to a natural gas lease issued under this subsection.

(h) EXCHANGE OF LEASES FOR AREAS LOCATED WITHIN 100 MILES OF STATES IMPOSING A MORATORIUM.—

(1) IN GENERAL.—Effective beginning on the date that is 180 days after the date of enactment of this Act, the lessee of an oil and gas lease in existence on the date of enactment of this Act for an area located completely within 100 miles of the coastline and within the Adjacent Zones of States that have extended a moratorium under subsection (c) shall have the option, without compensation, of exchanging the lease for a new oil and gas lease having a primary term of 5 years.

(2) TRACTS.—For the area subject to the new lease, the lessee may select any unleased tract—

(A) at least part of which is located within the area between 100 and 125 miles from the coastline; and

(B) that is located—

(i) completely beyond 125 miles from the coastline; and

(ii) within the same Adjacent Zone of the adjacent State as the lease being exchanged.

(3) ADMINISTRATIVE PROCESS.—

(A) IN GENERAL.—The Secretary shall establish a reasonable administrative process through which a lessee may exercise the option of the lessee to exchange an oil and gas lease for a new oil and gas lease in accordance with this subsection.

(B) RELATIONSHIP TO OTHER LAWS.—An exchange of leases conducted in accordance with this subsection (including the issuance of a new lease)—

(i) shall not be considered to be a major Federal action for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(ii) shall be considered in compliance with the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

(C) WITHDRAWAL.—The Secretary shall issue a new lease in exchange for the lease being exchanged notwithstanding that the area that will be subject to the lease may be withdrawn from leasing under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) or otherwise unavailable for leasing under any other law.

(4) PRIORITY.—

(A) BONUS BID.—The Secretary shall give priority in the lease exchange process under this subsection based on the amount of the original bonus bid paid for the issuance of each lease to be exchanged.

(B) EXCHANGE OF PARTIAL TRACTS FOR FULL TRACTS.—The Secretary shall allow leases covering partial tracts to be exchanged for leases covering full tracts under this subsection conditioned on payment of additional bonus bids on a per-acre basis, as determined based on the average per acre of the original bonus bid per acre for the partial tract being exchanged.

(5) CANCELLATION OF LEASE.—As part of the lease exchange process under this subsection, the Secretary shall cancel a lease that is exchanged under this subsection.

(6) CONDITIONS FOR LEASE EXCHANGE.—For a lease to be cancelled and exchanged under this subsection—

(A) each lessee holding an interest in the lease must consent to cancellation of the leasehold interest of the lessee;

(B) each lessee must waive any rights to bring any litigation against the United States related to the transaction; and

(C) the plugging and abandonment requirements for any well located on any lease to be cancelled and exchanged under this subsection must be complied with by the lessees prior to the cancellation and exchange.

(i) OPERATING RESTRICTIONS.—A new lease issued under this section shall be subject to such national defense operating restrictions on the outer Continental Shelf tract covered by the new lease as apply on the date of issuance of the new lease.

(j) DISPOSITION OF COVERED REVENUES FROM MORATORIUM AREAS.—

(1) IN GENERAL.—Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) and subject to the other provisions of this subsection, for each applicable fiscal year, the Secretary of the Treasury shall deposit—

(A) 50 percent of covered revenues in the general fund of the Treasury; and

(B) 50 percent of covered revenues in a special account in the Treasury from which the Secretary shall disburse—

(i) 75 percent to covered States in accordance with paragraph (2); and

(ii) 25 percent to provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*-8), which shall be considered income to the Land and Water Conservation Fund for purposes of section 2 of that Act (16 U.S.C. 460*l*-5).

(2) ALLOCATION AMONG COVERED STATES AND COASTAL POLITICAL SUBDIVISIONS.—

(A) ALLOCATION AMONG COVERED STATES FOR FISCAL YEAR 2007 AND THEREAFTER.—

(i) IN GENERAL.—Subject to clause (ii), effective for fiscal year 2007 and each fiscal year thereafter, the amount made available under paragraph (1)(B)(i) shall be allocated to each covered State in amounts (based on a formula established by the Secretary by regulation) that are inversely proportional to the respective distances between the point

SA 4747. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 17, strike line 19 and all that follows through page 18, line 17 and insert the following:

(f) Limitations on Amount of Distributed Qualified Outer Continental Shelf Revenues and Covered Revenues.—

(1) In general.—Subject to paragraph (2), the total amount of qualified outer Continental Shelf revenues and covered revenues made available under subsection (a)(2) and section 6(j)(1)(B) shall not exceed $500,000,000 for each of fiscal years 2016 through 2055.

(2) Expenditures.—For the purpose of paragraph (1), for each of fiscal years 2016 through 2055, expenditures under subsection (a)(2) and section 6(j)(1)(B) shall be net of receipts from that fiscal year from any area in the 181 Area in the Eastern Planning Area, the 181 South Area, or any area off the coastline of a covered State.

(3) Pro rata reductions.—If paragraph (1) limits the amount of qualified outer Continental Shelf revenue or covered revenues that would be paid under subparagraphs (A) and (B) of subsection (a)(2) or clauses (i) and (ii) of section 6(j)(1)(B)—

(A) the Secretary shall reduce the amount of qualified outer Continental Shelf revenue and covered revenue provided to each recipient on a pro rata basis; and

(B) any remainder of the qualified outer Continental Shelf revenues and covered revenues shall revert to the general fund of the Treasury.

SEC. 6. OFFSHORE OIL AND GAS LEASING IN AREAS OUTSIDE THE GULF OF MEXICO.

(a) Definitions.—In this section:

(1) Adjacent zone.—The term "Adjacent Zone" means the Adjacent Zone of each State, as defined by the lines extending seaward and defining the adjacent Zone of each State indicated on the maps for each outer Continental Shelf region entitled—

(A) "Alaska OCS Region State Adjacent Zone and OCS Planning Areas";

(B) "Pacific OCS Region State Adjacent Zones and OCS Planning Areas"; and

(C) "Atlantic OCS Region State Adjacent Zones and OCS Planning Areas";

all of which are dated September 2005 and on file in the Office of the Director, Minerals Management Service.

(2) Covered revenues.—

(A) In general.—The term "covered revenues" means all rentals, royalties, bonus bids, and other sums due and payable to the United States from leases entered into on or after the date of enactment of this Act in a moratorium area.

(B) Exclusions.—The term "covered revenues" does not include—

(i) revenues from the forfeiture of a bond or other surety securing obligations other than royalties, civil penalties, or royalties taken by the Secretary in-kind and not sold; or

(ii) revenues generated from leases subject to section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)).

(3) Covered state.—The term "covered State" means—

(A) a State for which—

(i) the Governor of the State requests the Secretary to allow natural gas or oil or natural gas leasing in a moratorium area; and

(ii) the Secretary allows the leasing; and

(B) effective for fiscal year 2017 and each fiscal year thereafter, a State—

(i) off which oil and gas activities on the outer Continental Shelf are conducted under a lease entered into on or after the date of enactment of this Act;

(ii) that is offshore of any State that is not a Gulf producing State; and

(iii) that does not have an area described in section 2(6)(B)(i) off the coast of the State, as determined on the basis of the administrative lines established by the Secretary under the notice published on January 3, 2006 (71 Fed. Reg. 127).

(4) Lease.—The term "lease" includes a natural gas lease under section 8(q) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(q)).

(5) Moratorium area.—The term "moratorium area" means—

(A) any area withdrawn from disposition by leasing in the Atlantic OCS Region or the Pacific OCS Region Planning Area under the "Memorandum on Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition", from 34 Weekly Comp. Pres. Doc. 1111, dated June 12, 1998; and

(B) any area of the outer Continental Shelf (other than an area in the Gulf of Mexico) as to which Congress has denied the use of appropriated funds or other means for preleasing, leasing, or related activities.

(b) Prohibition Against Leasing.—Except as otherwise provided in this section, prior to June 30, 2012, the Secretary shall not offer a lease for oil and gas, or natural gas, in a moratorium area.

(c) Option to Petition for Extension of Withdrawal From Leasing.—

(1) Option to petition.—

(A) In general.—The Governor of a State may submit to the Secretary a petition requesting that the Secretary extend for a period of time described in subparagraph (B) the withdrawal from leasing in a moratorium area for all or part of any area within the Adjacent Zone of the State within 125 miles of the coastline of the State.

(B) Length of extension.—

(i) In general.—The period of time requested in a petition submitted under subparagraph (A) shall not exceed 5 years for each petition.

(ii) Limitation.—The Secretary shall not grant a petition submitted under subparagraph (A) that extends the remaining period of a withdrawal of an area from leasing for a total of more than 10 years.

(C) Multiple petitions.—A State may petition multiple times for a particular area, but not more than once per calendar year for any particular area.

(D) Contents of petition.—A petition submitted under subparagraph (A) may—

(i) apply to either oil and gas leasing or natural gas leasing, or both; and

(ii) request some areas to be withdrawn from all leasing and some areas only withdrawn from 1 type of leasing.

(2) Action by secretary.—Not later than 90 days after receipt of a petition submitted according to the guidelines described in paragraph (1), the Secretary shall approve the petition.

(3) Failure to act.—If the Secretary fails to approve a petition in accordance with paragraph (2), the petition shall be considered to be approved 90 days after the date on which the Secretary received the petition.

(d) Resource Estimates.—

(1) Requests.—At any time, the Governor of an affected State (acting on behalf of the State) may request the Secretary to provide a current estimate of proven and potential gas, or oil and gas, resources that may result, and resulting State revenues, in any moratorium area (or any part of the moratorium area the Governor identifies) adjacent to, or lying seaward of the coastline of, that State.

(2) Response of secretary.—Not later than 45 days after the date on which the Governor of a State requests an estimate under paragraph (1), the Secretary shall provide—

(A) a current estimate of proven and potential gas, or oil and gas, resources in any moratorium areas off the shore of a State;

(B) an estimate of potential revenues that could be shared under this Act if resources were developed and produced; and

(C) an explanation of the planning processes that could lead to the leasing, exploration, development, and production of the gas, or oil and gas, resources within the area identified.

(e) Availability of Certain Areas for Leasing.—

(1) Petition.—

(A) In general.—On consideration of the information received from the Secretary, the Governor (acting on behalf of the State of the Governor) may submit to the Secretary a petition requesting that the Secretary make available for leasing any portion of a moratorium area in the Adjacent Zone of the State.

(B) Contents.—In a petition under subparagraph (A), a Governor may request that an area described in subparagraph (A) be made available for leasing under subsection (b) or (q), or both, of section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337).

(2) Action by secretary.—Not later than 90 days after the date of receipt of a petition under paragraph (1), the Secretary shall approve the petition unless the Secretary determines that leasing in the affected area presents a significant likelihood of incidents associated with the development of resources that would cause serious harm or damage to the marine resources of the area or of an adjacent State.

(3) Failure to act.—If the Secretary fails to approve or deny a petition in accordance with paragraph (2), the petition shall be considered to be approved as of the date that is 90 days after the date of receipt of the petition.

(4) Treatment.—Notwithstanding any other provision of law, not later than 180 days after the date on which a petition is approved, or considered to be approved, under paragraph (2) or (3), the Secretary shall—

(A) treat the petition of the Governor under paragraph (1) as a proposed revision to a leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344); and

(B) except as provided in paragraph (5), expedite the revision of the 5-year outer Continental Shelf oil and gas leasing program in effect as of that date to include any lease sale for any area covered by the petition.

(5) Inclusion in subsequent plans.—

(A) In general.—If there are less than 18 months remaining in the 5-year outer Continental Shelf oil and gas leasing program described in paragraph (4)(B), the Secretary, without consultation with any State, shall include the areas covered by the petition in lease sales under the subsequent 5-year outer Continental Shelf oil and gas leasing program.

on the coastline of each covered State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract.

(ii) MINIMUM ALLOCATION.—The amount allocated to a covered State each fiscal year under clause (i) shall be at least 10 percent of the amounts available under paragraph (1)(B)(i).

(B) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—

(i) IN GENERAL.—The Secretary shall pay 20 percent of the allocable share of each covered State, as determined under subparagraph (A), to the coastal political subdivisions of the covered State.

(ii) ALLOCATION.—The amount paid by the Secretary to coastal political subdivisions shall be allocated to each coastal political subdivision in accordance with subparagraphs (B), (C), (D), and (E) of section 31(b)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a(b)(4)).

(3) TIMING.—The amounts required to be deposited under paragraph (1)(B) for the applicable fiscal year shall be made available in accordance with that paragraph during the fiscal year immediately following the applicable fiscal year.

(4) AUTHORIZED USES.—

(A) IN GENERAL.—Subject to subparagraph (B), each covered State and coastal political subdivision shall use all amounts received under paragraph (2) in accordance with all applicable Federal and State laws, only for 1 or more of the following purposes:

(i) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses.

(ii) Mitigation of damage to fish, wildlife, or natural resources.

(iii) Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan.

(iv) Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects.

(v) Planning assistance and the administrative costs of complying with this section.

(B) LIMITATION.—Not more than 3 percent of amounts received by a covered State or coastal political subdivision under paragraph (1)(B) may be used for the purposes described in subparagraph (A)(v).

(5) ADMINISTRATION.—Amounts made available under paragraph (1)(B) shall—

(A) be made available, without further appropriation, in accordance with this subsection;

(B) remain available until expended; and

(C) be in addition to any amounts appropriated under—

(i) the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.);

(ii) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–4 et seq.); or

(iii) any other provision of law.

(k) REPEAL OF REQUIREMENT TO CONDUCT COMPREHENSIVE INVENTORY OF OCS OIL AND NATURAL GAS RESOURCES.—Section 357 of the Energy Policy Act of 2005 (42 U.S.C. 15912) is repealed.

SA 4748. Mr. ALLEN submitted an amendment intended to be proposed to amendment SA 4713 proposed by Mr. FRIST to the bill S. 3711, to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 6. OFFSHORE OIL AND GAS LEASING IN AREAS OFF THE STATE OF VIRGINIA.

(a) DEFINITIONS.—In this section:

(1) ADJACENT ZONE.—The term "Adjacent Zone" means the Adjacent Zone of the State, as defined by the lines extending seaward and defining the adjacent Zone of the State indicated on the map entitled "Atlantic OCS Region State Adjacent Zones and OCS Planning Areas", dated September 2005 and on file in the Office of the Director of the Minerals Management Service.

(2) COASTLINE.—The term "coastline" has the meaning given the term "coast line" in section 2 of the Submerged Lands Act (43 U.S.C. 1301).

(3) COVERED REVENUES.—

(A) IN GENERAL.—The term "covered revenues" means all rentals, royalties, bonus bids, and other sums due and payable to the United States from leases entered into on or after the date of enactment of this Act in the Adjacent Zone.

(B) EXCLUSIONS.—The term "covered revenues" does not include revenues—

(i) from the forfeiture of a bond or other surety securing obligations other than royalties, civil penalties, or royalties taken by the Secretary in-kind and not sold; or

(ii) generated from leases subject to section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)).

(4) NEIGHBORING STATE.—The term "Neighboring State" means any State that has a common boundary at the coastline with the State.

(5) STATE.—The term "State" means the Commonwealth of Virginia.

(b) PROHIBITION AGAINST LEASING.—

(1) UNAVAILABLE FOR LEASING WITHOUT STATE REQUEST.—Except as otherwise provided in this section, the Secretary shall not offer for leasing for oil and gas, or natural gas, any area in the Adjacent Zone that is within 50 miles of the coastline of the State and that was withdrawn from disposition by leasing in the Atlantic OCS Region under the "Memorandum on Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition", from 34 Weekly Comp. Pres. Doc. 1111, dated June 12, 1998.

(2) AREAS BETWEEN 50 AND 100 MILES FROM THE COASTLINE.—Unless the State petitions under subsection (c) by the date that is 1 year after the date of enactment of this Act for natural gas leasing or by June 30, 2009, for oil and gas leasing, the Secretary shall offer for leasing any area in the Adjacent Zone that is more than 50 miles, but less than 100 miles, from the coastline of the State that was withdrawn from disposition by leasing in the Atlantic OCS Region under the "Memorandum on Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition", from 34 Weekly Comp. Pres. Doc. 1111, dated June 12, 1998.

(c) PETITION FOR LEASING.—

(1) IN GENERAL.—The Governor of the State, on the concurrence of the legislature of the State, may submit to the Secretary a petition requesting that the Secretary make available any area that is—

(A) within the Adjacent Zone, as described in subsection (b); and

(B) is greater than—

(i) 25 miles from any point on the coastline of a Neighboring State for the conduct of offshore leasing, pre-leasing, and related activities with respect to natural gas leasing; or

(ii) 50 miles from any point on the coastline of a Neighboring State for the conduct of offshore leasing, pre-leasing, and related activities with respect to oil and gas leasing.

(2) PETITION BY STATE.—

(A) IN GENERAL.—The State may petition for leasing any other area within the Adjacent Zone if—

(i) leasing is allowed in the similar area of the Adjacent Zone; or

(ii) if not allowed, the State, acting through the Governor of the State, expresses the concurrence of the State with the petition.

(B) FINDING.—The Secretary shall only consider a petition under subparagraph (A) on—

(i) making a finding that leasing is allowed in a similar area of the Adjacent Zone; or

(ii) receipt of the concurrence of the State.

(C) DATE OF RECEIPT.—The date of receipt by the Secretary of the concurrence by the State shall constitute the date of receipt of the petition for the area for which the concurrence applies.

(D) LIMITATIONS ON LEASING.—If, as of the date of petition by the State, the Adjacent Zone contains leased tracts, the State, in the petition of the State, may condition new leasing for oil and gas, or natural gas, for tracts within 25 miles of the coastline of the State, by—

(i) requiring a net reduction in the number of production platforms;

(ii) requiring a net increase in the average distance of production platforms from the coastline;

(iii) limiting permanent surface occupancy on new leases to areas that are more than 10 miles from the coastline;

(iv) limiting some tracts to being produced from shore or from platforms located on other tracts; or

(v) including other conditions that the State considers to be appropriate as long as the Secretary does not determine that production is made economically or technically impracticable or otherwise impracticable.

(3) ACTION BY SECRETARY.—

(A) IN GENERAL.—Not later than 90 days after the date of receipt of a petition under paragraph (1), the Secretary shall approve the petition, unless the Secretary determines that leasing the area would be likely to cause serious harm or damage to the marine resources of the Adjacent Zone.

(B) ENVIRONMENTAL ASSESSMENT.—Before approving the petition, the Secretary shall complete an environmental assessment that documents the anticipated environmental effects of leasing in the area covered by the petition.

(4) FAILURE TO ACT.—If the Secretary fails to approve or deny a petition in accordance with paragraph (3), the petition shall be considered to be approved as of the date that is 90 days after the date of receipt of the petition.

(d) OPTION TO EXTEND WITHDRAWAL FROM LEASING WITHIN CERTAIN AREAS OF THE OUTER CONTINENTAL SHELF.—

(1) IN GENERAL.—The State, through the Governor of the State and on the concurrence of the legislature of the State, may extend, for a period of time of up to 5 years for each extension, the withdrawal from leasing of all or part of any area within the Adjacent Zone located more than 50 miles, but less than 100 miles, from the coastline of the State that is subject to subsection (b)(2).

(2) MULTIPLE EXTENSIONS.—The State may extend a withdrawal described in paragraph (1) for any particular area—

(A) multiple times; but

(B) not more than once per calendar year.

(3) SEPARATE EXTENSIONS.—The State shall prepare separate extensions, with separate votes by the legislature of the State, for the withdrawal of areas for oil and gas leasing and for natural gas leasing.

(4) AREAS.—An extension by the State may affect some areas to be withdrawn from all leasing and some areas to be withdrawn only from 1 type of leasing.

(e) EFFECT OF OTHER LAWS.—

(1) IN GENERAL.—Adoption by the State of any constitutional provision, or enactment of any State law, that has the effect, as determined by the Secretary, of restricting the Governor or Legislature from exercising full discretion relating to subsection (g) or (h) shall, for the duration of the restriction, prohibit—

(A) any sharing of qualified outer Continental Shelf revenues or covered revenues under this Act with the State and the coastal political subdivisions of the State; and

(B) the State from exercising any authority under subsection (d).

(2) DEADLINE.—The Secretary shall make the determination of the existence of a restrictive constitutional provision or State law under paragraph (1) not later than 30 days after the date of receipt of a petition by any outer Continental Shelf lessee or coastal State.

(f) DISPOSITION OF COVERED REVENUES FROM STATE.—

(1) IN GENERAL.—Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) and subject to the other provisions of this subsection, for each applicable fiscal year, the Secretary of the Treasury shall deposit—

(A) 50 percent of covered revenues in the general fund of the Treasury; and

(B) 50 percent of covered revenues in a special account in the Treasury from which the Secretary shall disburse—

(i) 75 percent to the State in accordance with paragraph (2); and

(ii) 25 percent to provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*-8), which shall be considered income to the Land and Water Conservation Fund for purposes of section 2 of that Act (16 U.S.C. 460*l*-5).

(2) ALLOCATION AMONG STATE AND COASTAL POLITICAL SUBDIVISIONS.—

(A) ALLOCATION TO STATE FOR FISCAL YEAR 2007 AND THEREAFTER.—Effective for fiscal year 2007 and each fiscal year thereafter, the amount made available under paragraph (1)(B)(i) shall be allocated to the State.

(B) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—

(i) IN GENERAL.—The Secretary shall pay 20 percent of the allocable share of the State, as determined under subparagraph (A), to the coastal political subdivisions of the State.

(ii) ALLOCATION.—The amount paid by the Secretary to coastal political subdivisions shall be allocated to each coastal political subdivision in accordance with subparagraphs (B) and (E) of section 31(b)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a(b)(4)).

(3) TIMING.—The amounts required to be deposited under paragraph (1)(B) for the applicable fiscal year shall be made available in accordance with that paragraph during the fiscal year immediately following the applicable fiscal year.

(4) AUTHORIZED USES.—

(A) IN GENERAL.—Subject to subparagraph (B), the State and each coastal political subdivision shall use all amounts received under paragraph (2) in accordance with all applicable Federal and State laws, only for 1 or more of the following purposes:

(i) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, sand or beach replenishment, or hurricane protection.

NOTICE OF MEETING

COMMITTEE ON INDIAN AFFAIRS

Mr. McCAIN. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, August 2, 2006, at 9:30 a.m. in Room 485 of the Russell Senate Office Building to conduct a business meeting on S. 374, the Tribal Parity Act; S. 480, the Thomasina E. Jordan Indian Tribes of Virginia Federal Recognition Act of 2005; S. 660, the Lumbee Recognition Act; S. 1439, the Indian Trust Reform Act of 2005; and S. 1535, the Cheyenne River Sioux Tribe Equitable Compensation Amendments Act of 2005.

Those wishing additional information may contact the Indian Affairs Committee at 202-224-2251.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. ALLEN. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Monday, July 31, 2006, immediately following the next vote on the Senate Floor (tentatively scheduled to occur at 5:30 p.m.), in the President's Room, S-216 of the Capitol, to consider approving recommendations on proposed legislation implementing the U.S.-Peru Trade Promotion Agreement, and to consider favorably reporting S. 3495, to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Vietnam.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. ALLEN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, July 31, 2006, at 3 p.m. to hold a hearing on nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. ALLEN. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Monday, July 31, 2006, to hold a markup to consider the nominations of Patrick W. Dunne to be Assistant Secretary for Policy & Planning and Thomas E. Harvey to be Assistant Secretary for Congressional Affairs, Department of Veterans' Affairs.

The meeting will take place in the Reception Room off the Senate floor in the Capitol following the first rollcall vote of the day for the Senate currently scheduled for 5:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDING THE IRAN AND LIBYA SANCTIONS ACT OF 1996

Mr. SPECTER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5877, which was received from the House.

The PRESIDING OFFICER. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (H.R. 5877) to amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006.

There being no objection, the Senate proceeded to consider the bill.

Mr. SPECTER. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 5877) was ordered to a third reading, was read the third time, and passed.

EXPRESSING SENSE OF THE SENATE REGARDING EFFECTIVE TREATMENT AND ACCESS TO CARE

Mr. SPECTER. Mr. President, on behalf of the leader, I ask unanimous consent that the HELP Committee be discharged from further consideration and the Senate proceed to S. Res. 420.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The bill clerk read as follows:

A resolution (S. Res. 420) expressing the sense of the Senate that effective treatment and access to care for individuals with psoriasis and psoriatic arthritis should be improved.

There being no objection, the Senate proceeded to consider the resolution.

Mr. SPECTER. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 420) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows

S. RES. 420

Whereas psoriasis and psoriatic arthritis are serious, chronic, inflammatory, disfiguring, and life-altering diseases that require sophisticated medical intervention and care;

Whereas, according to the National Institutes of Health, between 5,800,000 citizens and 7,500,000 citizens of the United States are affected by psoriasis;

Whereas psoriasis and psoriatic arthritis are—

(1) painful and disabling diseases with no cure; and

(2) diseases that have a significant and adverse impact on the quality of life of individuals diagnosed with them;

Whereas studies have indicated that psoriasis may cause as much physical and mental disability as other major diseases, including—

(1) cancer;

(2) arthritis;

(3) hypertension;

(4) heart disease;

(5) diabetes; and

(6) depression;

Whereas studies have shown that psoriasis is associated with elevated rates of depression and suicidal ideation;

Whereas citizens of the United States spend between $2,000,000,000 and $3,000,000,000 to treat psoriasis each year;

Whereas early diagnosis and treatment of psoriatic arthritis may help prevent irreversible joint damage;

Whereas treating psoriasis and psoriatic arthritis presents a challenge for patients and health care providers because—

(1) no single treatment works for every patient diagnosed with the disease;

(2) some treatments lose effectiveness over time; and

(3) all treatments have the potential to cause a unique set of side effects;

Whereas, although safer and more effective treatments are now more readily available, many people do not have access to them; and

Whereas Congress as an institution, and the members of Congress as individuals, are in a unique position to help raise public awareness about the need for increased access to effective treatment options for psoriasis and psoriatic arthritis: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes—

(A) the need for enhanced public awareness of psoriasis;

(B) the adverse impact that psoriasis can have on people living with the disease; and

(C) the importance of an early diagnosis and proper treatment of psoriasis;

(2) supports the continuing leadership provided by the Director of the National Institutes of Health and the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases for identifying a cure and developing safer, more effective treatments for psoriasis and psoriatic arthritis; and

(3) encourages—

(A) researchers to examine the negative psychological and physical effects of psoriasis to better understand its impact on those who have been diagnosed with the disease; and

(B) efforts to increase access to treatments and care that individuals living with psoriasis and psoriatic arthritis need and deserve.

PROVIDING FUNDING AUTHORITY TO FACILITATE THE EVACUATION OF PERSONS FROM LEBANON

Mr. SPECTER. Mr. President, on behalf of the leader, I ask that the Chair lay before the Senate a message from the House to accompany S. 3741.

The Presiding Officer laid before the Senate a message from the House as follows:

S. 3741

Resolved, That the bill from the Senate (S. 3741) entitled "An Act to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes", do pass with the following amendment:

Strike subsection (a) of section 1, and insert the following new subsection (a):

(a) INCREASE IN AVAILABLE FUNDS FOR EMERGENCY EVACUATIONS.—Notwithstanding the transfer restrictions under section 402 of the Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006 (Public Law 109–108), the second proviso under the headings "DEPARTMENT OF STATE AND RELATED AGENCY—DEPARTMENT OF STATE—ADMINISTRATION OF FOREIGN AFFAIRS—DIPLOMATIC AND CONSULAR PROGRAMS" is amended by striking "$4,000,000" and inserting "$19,000,000".

Mr. SPECTER. Mr. President, I ask unanimous consent that the Senate concur in the House amendment, the motion to reconsider be laid on the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURES PLACED ON THE CALENDAR—H.R. 4 AND H.R. 5970

Mr. SPECTER. Mr. President, I understand there are two bills at the desk due for a second reading.

The PRESIDING OFFICER. The clerk will report the bills by title for the second time.

The bill clerk read as follows:

A bill (H.R. 4) to provide economic security for all Americans, and for other purposes.

A bill (H.R. 5970) to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

Mr. SPECTER. Mr. President, in order to place the bills on the calendar under the provisions of rule XIV, I object to further proceedings en bloc.

The PRESIDING OFFICER. Objection is heard.

Without objection, the bills will be placed on the calendar.

ORDERS FOR TUESDAY, AUGUST 1, 2006

Mr. SPECTER. Mr. President, on behalf of the leader, I have been asked to ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:45 a.m. on Tuesday, August 1; that following the prayer and pledge, the morning hour be deemed expired and the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate resume consideration of S. 3711 as under the previous order, with the time until the vote equally divided, with the Senate to stand in recess from 12:30 to 2:15 to accommodate the weekly policy luncheons.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SPECTER. On behalf of the leader, I state that today we continued debate on the Gulf Coast Energy Security bill and invoked cloture, 72 to 23. Senators wishing to speak on the bill should come to the floor tomorrow. The vote on passage will occur at 5 p.m. tomorrow. Senators are reminded that we have a great deal of work to complete before the August recess, and Members should expect a full week with late nights possible all week.

I thank my colleagues again for their cooperation as we wrap up important legislative priorities.

ADJOURNMENT UNTIL 9:45 A.M. TOMORROW

Mr. SPECTER. On the leader's wrap-up, this is inconsistent with morning business, but the leader says: If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

May the record show that the Presiding Officer is smiling.

There being no objection, the Senate, at 7:19 p.m., adjourned until Tuesday, August 1, 2006, at 9:45 a.m.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, August 1, 2006 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 2

9 a.m.

Agriculture, Nutrition, and Forestry

Forestry, Conservation, and Rural Revitalization Subcommittee

To hold hearings to examine H.R. 4200, to improve the ability of the Secretary of Agriculture and the Secretary of the Interior to promptly implement recovery treatments in response to catastrophic events affecting Federal lands under their jurisdiction, including the removal of dead and damaged trees and the implementation of reforestation treatments, to support the recovery of non-Federal lands damaged by catastrophic events, to revitalize Forest Service experimental forests.

SR-328A

9:30 a.m.

Environment and Public Works

To hold oversight hearings to examine the Toxic Substances Control Act and the chemicals management program at Environmental Protection Agency.

SD-406

Foreign Relations

To hold hearings to examine the nomination of John C. Rood, of Arizona, to be an Assistant Secretary of State for International Security and Non-Proliferation.

SD-419

Judiciary

To hold hearings to examine the authority to prosecute terrorists under the war crime provisions of Title 18.

SD-226

10 a.m.

Banking, Housing, and Urban Affairs

Business meeting to consider an original bill to improve ratings quality for the protection of investors and in the public interest by fostering accountability, transparency, and competition in the credit rating agency industry.

SD-538

Finance

To hold hearings to examine fake IDs relating to border security.

SD-215

Homeland Security and Governmental Affairs

To hold hearings to examine the status of Iraq reconstruction, focusing on contracting and procurement issues.

SD-342

10:30 a.m.

Appropriations

Legislative Branch Subcommittee

To continue hearings to examine progress of the Capitol Visitor Center construction.

SD-138

11:30 a.m.

Energy and Natural Resources

Business meeting to consider the nominations of Drue Pearce, of Alaska, to be Federal Coordinator for Alaska Natural Gas Transportation Projects, and John Ray Correll, of Indiana, to be Director of the Office of Surface Mining Reclamation and Enforcement, and Mark Myers, of Alaska, to be Director of the United States Geological Survey, both of the Department of the Interior, and other pending calendar business.

SD-628

2:30 p.m.

Armed Services

To resume hearings to examine the future of military commissions in light of the Supreme Court decision in Hamdan v. Rumsfeld.

SH-216

Judiciary

Constitution, Civil Rights and Property Rights Subcommittee

To hold hearings to examine creating a fair standard for attorney's fee awards in establishment clause cases.

SD-226

Banking, Housing, and Urban Affairs

Housing and Transportation Subcommittee

To hold hearings to examine efforts to meet the housing needs of veterans.

SD-538

Intelligence

Closed business meeting to consider pending calendar business.

SH-219

AUGUST 3

9:30 a.m.

Armed Services

To hold hearings to examine Iraq, Afghanistan and the global war on terrorism; to be followed by a closed session in SR-222.

SH-216

Foreign Relations

To hold hearings to examine the nomination of Mary Martin Ourisman, of Florida, to be Ambassador to Barbados, and to serve concurrently and without additional compensation as Ambassador to St. Kitts and Nevis, Saint Lucia, Antigua and Barbuda, the Commonwealth of Dominica, Grenada, and Saint Vincent and the Grenadines.

SD-419

Judiciary

Business meeting to consider pending calendar business.

SD-226

10 a.m.

Energy and Natural Resources

To hold hearings to examine S. 2589, to enhance the management and disposal of spent nuclear fuel and high-level radioactive waste, to ensure protection of public health and safety, to ensure the territorial integrity and security of the repository at Yucca Mountain.

SD-628

Commerce, Science, and Transportation

National Ocean Policy Study Subcommittee

To hold hearings to examine state of the oceans in 2006.

SR-253

Intelligence

To receive a closed briefing regarding intelligence matters.

SH-219

10:30 a.m.

Finance

To hold hearings to examine tax code reform issues.

SD-215

2:30 p.m.

Homeland Security and Governmental Affairs

Federal Financial Management, Government Information, and International Security Subcommittee

To hold hearings to examine financial management at the Department of Defense, focusing on the components of Financial Improvement and Audit Readiness Plan to improve the overall financial management health of the Department of Defense, including an understanding of other plans involved in improving the financial management infrastructure at the Department.

SD-342

Foreign Relations

To hold hearings to examine the nominations of Cesar Benito Cabrera, of Puerto Rico, to be Ambassador to the Republic of Mauritius, and to serve concurrently and without additional compensation as Ambassador to the Republic of Seychelles, Cindy Lou Courville, of Virginia, to be U.S. Representative to the African Union, with the rank of Ambassador, and Donald C. Johnson, of Texas, to be Ambassador to the Republic of Equatorial Guinea.

SD-419

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

SENATE—*Tuesday, August 1, 2006*

The Senate met at 9:46 a.m. and was called to order by the Honorable JIM DEMINT, a Senator from the State of South Carolina.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Author of wisdom, source of all goodness, keep us from confusion. Today guide Your Senators. Help them to discern between good and evil and to recognize the greater good and the lesser evil. Give them the ability to understand each other and to find common ground. Infuse them with a wisdom that will foster sound judgment and correct appraisal. Save them from being destroyed by the trivial and from wasting their energy on the incidental. Lead them out of confusion into simplicity.

We pray in Your loving Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JIM DEMINT led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 1, 2006.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JIM DEMINT, a Senator from the State of South Carolina, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. DEMINT assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we will immediately return to debate on S. 3711, the Gulf of Mexico Energy Security bill.

Yesterday, the Senate by a bipartisan vote of 72 to 23 invoked cloture on the bill. Under last night's order, we will proceed to vote on passage of the bill at 5 o'clock today. Senators will be able to deliver their comments on the bill throughout the day, and the time will be equally divided until 5 p.m.

As I stated yesterday, we have other important issues to consider this week before leaving. With respect to that, a lot of colleagues on both sides of the aisle have come up and asked about how I plan to proceed this week on the pensions bill and the so-called trifecta bill, both of which came over from the House Friday night.

I talked to the distinguished minority leader about the best way to proceed over the next few days, given everyone's curiosity. I will have more to say about that schedule later today. As we talk more about these bills in our various caucuses, when it comes to these two items, I should take a couple of minutes to lay out a few things.

As I have said consistently since Saturday morning, my priorities are simple. We are going to complete action on a very important retirement security bill which protects the pensions of literally millions of Americans before we leave.

Second, to test the Senate's views on the so-called trifecta bill, a package which includes a final resolution of the death tax issue, as well as extension of various tax policies critical to Americans who are trying to create businesses, to start a business, to raise a family, to get that first job, and to invest and save for the future; this package also addresses the minimum wage increase. It is what we are calling—the press started calling and now we are referring to it as the trifecta package.

I want to be crystal clear—and my colleagues know this because a lot of them are making plans for the recess—that this week will be the time and the floor will be the place for the Senate to decide once and for all whether to act on this trifecta bill or to kill it.

First things first. The pensions bill itself is an important bill which, as I mentioned, affects the lives of millions of Americans. It is a must-pass bill. It must pass this week. If we fail to act, billions of dollars of new debt will be thrown onto the Federal Treasury, and that would be irresponsible. I think everyone recognizes that.

I know there are those in the minority who argue that the best thing to do is stop the pensions bill and then to try to put the tax extenders on it. But that would put the retirement future of millions at risk, and that is unacceptable. Others in the minority are arguing that they can return to conference on pensions to haggle further on pensions and change this or that or to talk about the taxes. I didn't know exactly what we would do if we went back to conference with that; arguments such as where is the best place to have a clam bake. For the record, I would like to have my clam bakes in New Hampshire. Going back to the conference means waiting until at least September, and that type of "kick the can down the road" mentality won't work. It is what happens too much around here—another hearing, another negotiation, another delay. That is going to have to stop, and the Senate must clear the pensions bill clean so the President can sign it this month. We will act on pensions. We will get it done without amendment.

Senators are elected to debate, yes, but also to decide and to vote and to act. So we will also vote this week on whether to stop a filibuster on what I referred to as the trifecta bill. I don't want anybody to be mistaken. If the Senate kills the trifecta bill, we will not return to it this year. That means we would have no permanent death tax reform, no tax policy extenders, and no minimum wage increase. It is now or never. It is this week. Members need to understand that, especially Members who think we can delay and put off and try to divide. We will be addressing it this week. That is why it will be a very important vote on Friday. There are not going to be second chances. There are not going to be last-minute side deals or new unanimous consent agreements or other motions to proceed—nothing. This is going to be it.

The House has acted on a bipartisan basis to pass this bill, and now we have to decide as a body on whether to act as well. We will make that decision this week. It will be decided in that vote on Friday.

In the Senate, we have a bipartisan majority that supports fixing the death tax—a permanent solution for the death tax, fixing it forever.

We have a bipartisan majority that supports the tax policy extenders. We have a bipartisan majority that supports handling the minimum wage. Now let us see that bipartisan majority stand up, express themselves, and act this week. It is our time to choose.

Let's pass pensions without amendment, but stop the filibuster on the trifecta bill. Nothing more and nothing less will honor the heritage of the Senate which has been handed to us by

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those before us and those who will one day hold our seats. More importantly, acting now will resolve retirement security for millions of Americans. It will help those take that first step on the lowest rung of the economic ladder. It will keep tax policy focused on growing our economy and creating new jobs. And it will finally bring fairness to that wrongful tax on death.

It is going to be a very important week with the vote we will have this afternoon. It started with the vote yesterday. I believe it will be a very productive week for all of us on the Senate floor addressing concerns, both economic concerns as well as other concerns, that the American people feel in their everyday lives.

Before closing, there is an issue that we finished with last week on the floor of the Senate but which we have not fully addressed until we get this bill to conference, so that we can join the child custody bill we passed last week, so that we have expressed the will of the floor of the Senate, and so we can address in conference marrying our bill to the House bill so this important bill will become the law of the land.

We attempted to go to conference last week. There was objection on the other side of the aisle.

UNANIMOUS-CONSENT REQUEST—H.R. 748

At this point, I once again ask unanimous consent that the Senate immediately proceed to consideration of H.R. 748; provided that all after the enacting clause be stricken and the text of S. 403, as amended, be inserted in lieu thereof; the bill then be read a third time and passed, and the Senate then insist on its amendment, request a conference with the House and the Chair be authorized to appoint conferees with the ratio of 7 to 5.

Mr. DURBIN. Mr. President, reserving the right to object, on behalf of several Senators on this side of the aisle, I might say the bill that was brought to the floor is a bill which is fatally flawed. It is a bill which would have allowed a parent who was guilty of a crime against his child, a parent guilty of incest, would have been allowed to file a lawsuit against someone trying to help the victim of his crimes. Fortunately, an amendment was considered and unanimously passed here which addressed this fatal flaw in this bill. There are several on this side of the aisle who are working to receive an assurance from the Republican leader that this matter will not go forward in conference until this fatal flaw is removed in the bill. And until that agreement is reached, I believe—and others do, too—that it would be a terrible injustice for us to consider a bill which would allow this circumstance to continue. And until that agreement is reached, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. FRIST. Mr. President, let me point out on this objection we heard that this bill did pass this body last week by a vote of 65 to 34. It has the overwhelming support of the American people. Over 80 percent of Americans clearly support this bill. It passed with strong bipartisan support in the House of Representatives in I guess April of last year. So now is the time with the House having expressed its will for the Senate to express its will to go to conference, and then we can work out the disagreements that have been expressed between the two. Now is not the time to go back. It is a modest piece of legislation, very balanced, and it simply prohibits transporting a minor child across State lines for an abortion to get around a State law requiring parental notification or consent of that child for that child's abortion. It does not change any State law or policy but helps ensure that those State laws are honored.

I am deeply disappointed that the Democrats are objecting to what would be the normal course of events in taking this bill to conference.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Democratic leader.

LEGISLATIVE AGENDA

Mr. REID. Mr. President, my friend, the distinguished majority leader, has laid out a program for the Senate to follow this week. As outlined by my friend, it is Alice in Wonderland. He talks about Congress and the Senate being a deliberative body, as well as it should be, and it has not been in recent years because of the Republicans' desire to do as little as possible.

Take, for example, my friend's statement about pensions. Last Friday, conference was agreed upon—working for months and months to come up with an agreement that affects 45 million Americans. It is so important. We talked a lot about the airlines. That is important to the airlines, but a lot of other companies also benefit from this.

The conference was agreed to. The Democrats and Republicans were ready to sign. I wasn't there. I don't know who walked in, whether it was the Senator from Tennessee or the chairman of the Ways and Means Committee, but someone said, no, we are not going to agree to the conference. Even though you have agreed on it, we are stripping all the extenders from this. The conference, in effect, is over.

Now to come to the Senate and say it is a take-it-or-leave it deal is a little hard to comprehend. We have a freestanding bill. If we want to be the Senate, as we are supposed to be, it is subject to amendment. A conference report is not. The pension thing was all worked out until the Republican majority decided they had to get back to the road to legislative heaven, and the only road to legislative heaven in this Republican-dominated Congress is to repeal the estate tax. So the conference report affecting 45 million people was thrown in the garbage to take care of 8,100 people, the richest people in America. That is what this is all about.

The minimum wage they bring to the Senate is a travesty. The State of Nevada is an example. Everyone knows Las Vegas and Reno are based on tourism. Thousands and thousands of people work in Reno and Las Vegas for tips. In Nevada, those tips are not counted against your minimum wage. It is the same in six other States: California, Montana, Washington, Oregon, and Minnesota. Tourism is a big deal and the State legislatures there did not want minimum wage to be counted against their tips. Where are the States rights we hear so much about from our friends on the majority side? They wiped this out with the bill they sent to the Senate.

If this minimum wage passed, it would be a disservice and an unfair statement to the people of Nevada, Oregon, Washington, Montana, California, and Minnesota. To think we have a minimum wage package that is good is a joke, an absolute joke. It is spread out over a longer period of time and it penalizes seven States.

Right now, as we speak, people are being killed in Iraq. Our soldiers are being killed in Iraq. It is nighttime in Iraq. They have not finished the body count as to the deaths that occurred in the last 24 hours. Well over 100 Iraqis have been murdered or killed one way or the other by the sectarian violence. We have been told by our military commanders, and they have sent a letter to the President of the United States, saying they need $17 billion yesterday. They want an emergency supplemental to take care of the equipment our soldiers are using in Iraq. The President has kept that in his bottom drawer someplace. It has not come to the Senate. I am sure he will wait until after the fiscal year has ended, as he has done in the past. Iraq is not part of his normal budget even though the war is going into the fifth year. Shouldn't we be working on that, rather than the Republicans' domination of time in this Senate with the estate tax repeal? We have spent more time on the estate tax than any other issue. It shows the difference between the two parties. We are concerned about the poorest of the poor; they are concerned about the richest of the rich. The rich in America are getting richer—all the statistics show that—the poor are getting poorer, and the middle class is being squeezed. For the Republican leader to come to the Senate and say this is a take-it-or-leave package, you take the estate tax repeal—and it has these other little goodies they have stuck in it—take it or leave it, and as soon as we finish that, you can take or leave the pension bill that was once resolved Friday until they had to get back on the road to legislative heaven with the estate tax repeal—to say that is a take it or leave it is truly Alice in Wonderland. This is not the Senate.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. FRIST. Mr. President, I will briefly respond on a couple of issues. Things have moved very quickly and, as the Democratic leader knows, not as anticipated exactly as of midpoint last week for all sorts of different reasons—in part because of the House departure—and things have changed. I am very certain at this juncture the choices laid out before the Senate are appropriate choices, that each Senator will be able to come to the Senate and express in what direction they want to go.

The distinguished Democratic leader says that extenders were stripped out of the pension bill. Let's be very clear that the pension bill that passed the House of Representatives did not have tax policy extenders in it; the pension bill that passed the Senate did not have the tax extenders policy in it. So it is a little bit hard to strip out extenders from a pension bill that did not exist in a Senate or House bill.

My distinguished colleague mentioned the pension bill. Things are going well in conference on the pension bill. I argue that on the pension bill they continue, even through all the other disagreements on the pension issue itself, to go very well. The decisions were made on the substance of the pension bill, with Democratic Senators in the room and Republican Senators in the room, both in discussion throughout. I am very comfortable with the pension bill in the nature of the conference. But where the conference broke down is on the other issues, the tax extenders that were not in either pension bill.

Repealing the death tax, the third issue that the distinguished leader mentioned. I make it clear it is an important issue. I think the tax is wrong, it is unsafe, it discourages savings and investment, it punishes farmers and small business people in this country. We have legitimate disagreement about that. I feel strongly about that. Yes, I think the whole tax should be thrown away. It should be buried forever. However, we came to the Senate floor and could not get 60 votes. We got 55 votes, including the ranking member on the Committee on Finance who said it is important to bury that death tax forever.

But in the best spirit of compromise, we understand that right now this Senate will not repeal it forever and, therefore, after a lot of discussion between both sides of the aisle, we have come back with a compromise that basically is not a total repeal, but it does prevent the death tax rate from rising, after it disappears 1 year, from up to 55 percent in 1 year with the exemption dropping down to $1 million. It gives a permanent solution. The details of that, as mentioned yesterday—and I am sure people will talk about it today—it is a fair compromise, and a permanent solution with some certainty for people, for the farmers, for the small business people out there today.

Mr. DURBIN. Will the Senator yield?

Mr. FRIST. Let me finish responding to my distinguished colleague.

The minimum wage that he called "a joke," that we put in the trifecta bill, or the House put in the trifecta bill, which we will be voting on on Friday, to call a minimum wage that, it is their No. 1 issue. I have made it clear, again and again, going to the other side, What are your issues? The No. 1 issue from that side of the aisle is to increase the minimum wage, again and again and again.

To have this opportunity now to take their No. 1 issue, with the issue that is very important to us, that focuses on small business and farms, and take their No. 1 issue and put them together, to me is in the best spirit of this Senate. I would not call it a joke when you increase the minimum wage today from $5.15 per hour to $7.25 an hour. Yes, it is over 36 months. Yes, we do include the minimum wage tip credit which we feel is very important to small businesses. Yes, there is relief for small businesses who might say out there, we cannot afford this increase in minimum wage in the tax extenders package where we have a 15-year depreciation to give some help to those people who might be affected by increasing the minimum wage in a detrimental way, but I would not call it a joke. It is their No. 1 issue. To put it together in one bill that we can take forward, to me, is in the great spirit of coming together in this Senate.

We come to the fifth item the Democratic leader mentioned, "other issues" that we are not concentrating on. Again, if you look at this month, we look at the infrastructure in this country, we passed the Water Resources Development Act, a bill very important to our waterways and support of the infrastructure to promote economic growth. The Energy bill we will be voting on today we have spent a lot of time on, but it has the potential for putting a billion barrels of oil not available today out on the markets, 5.6 trillion cubic feet of natural gas which is not available today. If you talk to farmers, the high price of natural gas today drives up that cost of fertilizer, so it is important that we will deliver on that today.

I mentioned earlier issues I know the other side diminishes in importance, but that child custody bill that does address issues around, yes, the sanctity of life, but what State laws say in people trying to circumvent the State laws with regard to parental consent and abortion passed this Senate. The Adam Walsh Sex Offenders National Registry bill addressed a real problem in this country. We have 100,000 sex offenders circulating and we do not know where they are today. We addressed that in the Senate last week.

We continue to address the issues important to real people right now with regard to their cost of living, to hopefully lower natural gas prices in the Senate today, to address the values they care about when you talk about parental consent for abortion, people trying to circumvent those laws, and sexual predators; or when you talk about the infrastructure of our waterways and our waterway development, again, which promotes economic growth. I would be hard pressed to say we are not addressing the issues that mean something to the average, hard-working taxpayer out there today.

Mr. DURBIN. Will the Senator yield for a question?

Mr. FRIST. I am happy to.

Mr. DURBIN. I would ask the majority leader, since he called for the complete repeal of the estate tax, when President Bush took office, our national debt was about $5 trillion; now it is nearing $9 trillion. In 6 years it has gone from $5 trillion to $9 trillion. What you have proposed in the Senate will add at least $1 trillion more to the national debt. Is there any limit to the amount of debt you would leave to future generations to give tax breaks to wealthy people?

Mr. FRIST. Mr. President, I think the misrepresentation of the issue we are going to be voting on, on Friday, that has just been made by the assistant Democratic leader needs to be addressed.

Right now, the bill, according to the Congressional Budget Office, is around—the cost of this death tax permanent fix—is around $267 billion; again, not the $1 trillion that has been laid out. And the issues of the dollars and the cents we can argue. What we start with, though, is the individual out there, who is running that farm, who is running that small business, who has been taxed again and again and again, is actually taxed on their death for a second time, a third time, a fourth time, and it is just wrong. I would argue it is wrong whatever the price is, although the price is about a quarter of the figure he put forward. It is important for us to act on what is right and what is wrong. That is why, on this Friday, we will be doing just that.

Mr. GREGG. Mr. President, will the majority leader yield for a question?

Mr. FRIST. I will be happy to yield.

Mr. GREGG. Just to clarify the numbers, because I do think the assistant Democratic leader has thrown a bit of a straw dog out there in his numbers, as to the death tax, as it is presently structured under today's law, the exemption is about $2 million. If we do not put in place this change in the death tax, the exemption will go back to $1 million. The tax rate on dollars over the $2 million today goes up to about 46 percent, I believe. If we do not put in place this change, the tax rate would go up to 60 percent on everything over $1 million, potentially.

What the proposal before us will be is to raise the $2 million limit up to $3.5 million, or an increase of $1.5 million, which is basically a small family restaurant or a small family farm or a small family business. It is not to repeal the tax; it simply is to say to people who have small businesses: You will not be wiped out. Your family won't be wiped out by estate taxes which would be 60 percent of the value of that business over $1 million, potentially. Is that not true?

Mr. FRIST. Mr. President, that is absolutely true. And I think as we enter this debate over the course of the week, with a lot of these straw men that are being thrown out, we will have the opportunity to talk about and address the reality of what the costs would be. I think that is important. We have to address that. Our fiscal responsibility has to be there—but ultimately how it affects that individual farmer, who is out there, who dies, and has saved, has invested, has grown that farm or that small business, and has already paid taxes on what they produced, and to be able to pass that on to their children—again, not totally free because we have certain limits. Although I would argue we ought to repeal it totally, that is not what is on the floor. The compromise is on the floor.

Mr. GREGG. Mr. President, if the majority leader would yield further, there is no total repeal; is that not correct? What is happening is the tax is being reformed to reflect the fact there has been an increase in value in assets for especially small businesspeople, especially small farmers, and we are trying to protect those families from having their businesses wiped out. So the first $3.5 million, no, there would not be a tax, but over that there would be a tax?

Mr. FRIST. Mr. President, that is exactly right. What is important is the permanent solution. Right now, it is absurd to think we almost have to have three types of planning for when you die: over the next 3 years, as these prices come down; and then total elimination for a year; and then jump back up to a rate of, as my distinguished colleague from New Hampshire said, as high as 60 percent in 1 year, with that exemption falling back down to $1 million.

So what we propose, what we will be voting on now—and then that is it, that is it for this year—is a permanent solution to give certainty so people will know what the laws are, what the taxes will be, and clearly relieve most of the incentive that discourages savings and investment.

Mr. GREGG. If the majority leader will yield for one or two more questions. I would also ask, on this minimum wage issue, which the Democratic leader has dismissed as irrelevant or ineffective, by my calculation, a $2.15 increase—I believe that is what it is; maybe it is 10 cents—on a $5 basis is about a 40-percent increase. That is not an insignificant increase in the minimum wage, to raise it by 40 percent, is it?

Mr. FRIST. It is not. It is either a percentage or the amount $2.10 for every hour you are working if we pass it this week. It is the law of the land, by the way, if we pass it this week as it is written. We are talking about a 2.10 absolute. But also it is a percentage increase. It is huge. Everybody needs to realize, right now this is going to be the law of the land. The House has already passed it. If we pass it, it is. That will go up, as both that percentage as well as that amount, $2.10. For every hour you are working, you are going to be getting more money.

Mr. GREGG. If the majority leader will yield for one more question relative to the budget issues here. We have heard from the other side, almost interminably, about the need for pay-go and to live by pay-go. Is it not true that these tax cuts within this proposal meet the pay-go scorecard?

Mr. FRIST. Mr. President, absolutely. And this has been very carefully crafted to make sure we do meet those criteria. The real beauty of what is on the table—again, it is three different bills, but each has been addressed very carefully, such as pay-go, such as addressing the No. 1 issue from the Democrats on the minimum wage, adding the tax extenders. We have not talked very much about those, but it includes everything from State and local sales tax deductions to the research and development tax credit, which is simplified and extended—absolutely critical, as we hear from the high-tech people across this country in terms of investing for the future to create jobs. The college tuition deduction is in there; the work opportunity tax credit; the welfare-to-work tax credit; the depreciation for restaurants in 15 years; the timber capital gains; the mine safety tax incentives; the teachers' classroom expenses deduction; combat pay applies to EITC; the gulf opportunity zone—that is, the Katrina tax credits. That is what we will be voting on today: the permanent death tax relief, the extension of the tax relief, and the minimum wage increase.

Mr. McCONNELL. Will the leader yield for another question?

Mr. FRIST. I will be happy to.

Mr. McCONNELL. Does the leader share my view that one of the things we hear the most from our constituents as we go about the country is: Why can't you people in the Senate do things on a bipartisan basis? And I heard the leader indicate earlier that we obviously have bipartisan support for the Gulf of Mexico Energy Security Act, we have bipartisan support for the tax extenders, bipartisan support for the minimum wage, and, yes, bipartisan support for a permanent reduction in the death tax.

Why in the world—with bipartisan support for all of these three measures which the leader has put on the agenda for the last week before the August break—why in the world shouldn't we come together on a bipartisan basis and do something together that would be overwhelmingly popular with the American people? We have seen the poll data on the death tax. Even after Americans understand it does not apply to them, they hate the tax and despise it because they think they shouldn't have to visit the IRS and the undertaker on the last day. And we are not even, as the Senator from New Hampshire pointed out, permanently repealing it, which would be our first choice but, rather, getting a permanent reduction. The minimum wage is overwhelmingly approved, and we have taken Senator KENNEDY's figures. What part of "yes" do our friends on the other side not understand?

So I would just ask my friend, the majority leader, if he can think of any rationale why the Senate, any reason why the Senate should not come together—with bipartisan support existing for all of these measures—this week and have one of the Senate's finest moments, operating on a bipartisan basis to do some series of things that are important for America?

Mr. FRIST. Mr. President, I would just very briefly respond that my distinguished colleague from Kentucky really captures the point. Not only is it bipartisan support, but it is bipartisan majority support for each of these. Remember, for a total repeal, we got, in essence, 55 votes—for total repeal—and we are coming back with the compromise. The extension of the tax relief and the long list I went through are issues we have addressed before, and we are extending them because they are so popular in terms of bipartisan support. And the minimum wage increase is an issue that has bipartisan majority support.

Each of these issues has been addressed in some shape or form. I am sure some people would come back and say we need to spend more time and let's put it off until September and let's delay. Each of these issues we have addressed. And there has been an appropriate compromise that is being brought forth that people will be voting on this Friday.

So I think it does capture, potentially, if we continue to work in a bipartisan way, the very best of what this body is all about. And it is compromise. It is vote. It is action. It is addressing the concerns of the everyday people out there today who do scratch their heads at times and say: Now is the time for us to act.

The ACTING PRESIDENT pro tempore. The Democratic leader.

Mr. REID. Again, we live in this "land of Oz." The conferees had signed off on the conference report dealing with pensions. Basically, there had been an agreement, and they were going to put in that, as conferences are able to do, the extenders. They all worked out. We would have been voting on that today. But they wanted the extenders to help the "pathway to heaven"—the "legislative pathway to heaven"—of the Republicans on the estate tax, so that was taken away.

Mr. President, if you are working at one of the hotels in Las Vegas or one of the resorts in the State of Washington or Oregon or Minnesota or California and this minimum wage passes, you would get a decrease in your minimal salary. It does not sound very good to me. And I think I would class it and the people in Nevada and those other six States would say it is a joke. How could you pass something saying it helps me; I get a pay decrease. The minimum wage bill they have here is not only spread out over 3 years—different from ours—it also penalizes seven States.

For the majority leader to say that minimum wage is our No. 1 issue, it is one of our No. 1 issues. We have a lot of No. 1 issues. We care about the health care of this Nation—46 million people with no health insurance. We care about the kids being able to go to college. We care about stem cell research, which the President vetoed. That could be a No. 1 issue. I think Iraq is a No. 1 issue—2,600 dead Americans, more than 20,000 wounded, costing $3 billion a week. I think that is a No. 1 issue.

I did not invent for this Congress the name "the do-nothing Congress." Pundits all over America call this the do-nothing Congress because we have done nothing. We have been in session very few days. We have accomplished virtually nothing. And that is why it is called the do-nothing Congress.

Now, we did not—my friend, the distinguished minority whip, the assistant Democratic leader, did not invent the cost of this bill. It is every place, in editorials all over the country—"bad bargain" in the Washington Post, it is referred to. And in here it talks about the measure would cost $753 billion. No, it is not total repeal; it is only 80 percent repeal: $753 billion.

The Center on Budget and Policy Priorities: House estate tax proposal has essentially the same long-term costs as earlier version.

For the people watching this, Mr. President, understand what has happened, as has been pointed out by the distinguished Senator from Illinois this morning. During the 6 years President Bush has been in office, the debt has skyrocketed, almost doubled: $9 trillion. Now, remember, during the Clinton years, the last 3 years President Clinton was President, the debt was paid down. So it is great for them to talk about pay-go. And as the majority leader mentioned, the death tax he does not like, he does not care how much it costs, he said here right now.

Mr. DURBIN. Will the Senator from Nevada yield for a question?

Mr. REID. I would be happy to.

Mr. DURBIN. I asked the majority leader a question. I said: Since we are adding to the debt which we are leaving to our children and families, is there any limit to the amount of debt you would create in America to provide tax breaks for people who are the wealthiest? And he would not reply to that, which suggests to me—I would ask the Senator from Nevada—that when the majority leader and the majority whip both said they really favor repeal of the estate tax—repeal, complete repeal of the estate tax—that they are prepared to incur whatever debt is necessary and leave that to future generations in order to benefit the wealthy few in America.

We have reports from the Center on Budget and Policy Priorities that the number of people to be benefited in 1 year in America from this estate tax reform is 8,200 people. The average benefit by estate tax reform, as they call it, would be $1.4 million for each one of those persons.

I say to the Senator from Nevada, if the majority party in the Senate is not even sensitive to the fact that they are now leaving three-quarters of a trillion dollars of debt for our children and future generations to benefit 8,200 families, is this pay as you go? And if it is pay as you go, how are the Republicans paying for their reform or repeal of the estate tax?

Mr. REID. I say to my friend, like they pay for everything else. My 16 grandchildren are going to be paying for it, and their children are going to be paying for it. You talk about a death tax: the estate tax is not a death tax. What this Republican-dominated Washington has done in the last 6 years has passed on a birth tax to my children, their children, my grandchildren, and their children.

It is obvious what the priorities of this Republican Senate and the Republican House are: to take care of the fat cats, the rich people. That is what it is all about. They know this minimum wage legislation they sent us is flawed. It eliminates an increase for the hard-working poorest of the poor in seven States, and it is spread out over 3 years.

Mr. DURBIN. I ask the Senator from Nevada, over what period of time have the Democrats in Congress been asking for an increase in the minimum wage and over what period of time have Republican Presidents and the Republican-led Congress said no repeatedly to an increase in the basic $5.15 minimum wage? How long have we been asking for a straight-up vote on increasing the minimum wage?

Mr. REID. It has been about 10 years. As I said here yesterday, I don't know why, even though it is a flawed measure they sent us, I don't know why they have moved forward. Maybe it is because we stood up and said there will be no congressional pay raise until the minimum wage is increased or maybe it is because Oprah did a show on this last week or maybe it is a combination of both.

Mr. DURBIN. I ask the Senator from Nevada, when the Democrats said there will be no congressional pay raise until the minimum wage goes up, and all of a sudden the interest in the minimum wage was rekindled on the Republican side of the aisle, now that the Republicans have said we ought to spread the increase in the minimum wage over 3 years, perhaps the congressional pay raises should be spread over a 3-year period of time. There should be some symmetry if there is an insensitivity to what the lowest paid workers are receiving. I ask the Senator from Nevada if that is a proposal we ought to consider.

Mr. REID. Of course, we should consider it.

I say through the Chair to my friend from Illinois, we are in this predicament because the Republicans have put us here. We are spending an inordinate amount of time on seeing if they can run up a debt of approximately $1 trillion to the American people to take care of 8,100 people. That is why we are here. It is not because of the minimum wage; they hate the minimum wage. You know that, I know that. It is not because of the extenders. The extenders are good for most everybody. That is why they put it on the pension bill in conference. We are here because of the estate tax repeal. That is what this is all about. All the rest is fluff. As I say, the dominating issue of this Republican Senate has been estate tax repeal. That means more to them than spending time debating the war in Iraq. It means more to them than talking about health care.

It means more to them, certainly, than talking about global warming because, according to them, it doesn't exist. It certainly has taken away time to talk about why the President vetoed stem cell. This issue relating to the estate tax has taken care of everything for them. That is their No. 1 issue. You talk about the minimum wage being our No. 1 issue. They don't have No. 2, 3, 4, 5, like we do. Estate tax is it.

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. FRIST. Mr. President, I will be very brief. Our agenda has been very clear. It has been clearly articulated and, as people look back, as they look forward, they will see how all the pieces come together because each time we take a bill to the floor there is a complaint. On child custody, there is obstruction; we are going to stop it. But it is clear to the American people. When we go back to our States and talk to the people, they get it. The Democratic leader is right in many ways. He says Iraq and dead Americans—the words he used—$3 billion, all of which I look at as securing America's homeland and those enduring values of freedom and liberty that we know are so important to our generation and that next generation. That is what this war on terror is about. It is the No. 1 issue, securing America's homeland. I will come back to that in a second.

I hope we can address supporting our troops overseas in the Department of Defense appropriations bill, this week. We need to do that this week as well. We could go to that tonight. I will talk to Chairman STEVENS as soon as I finish here to see if we can take that to the floor tonight and address it over the next couple of days.

Securing America's homeland, we addressed in part through our border security bill, and addressing immigration, we did spend several weeks on the floor of the Senate.

The second thematic is securing America's prosperity. By prosperity, the other side wants to talk about rich people because they know it has connotations to it and the sound bites work. But if you look at what we are doing, we are talking about people at the lowest rung of the economic ladder. We are talking about small businesspeople. We are talking about people who feel the squeeze that we know they feel because of energy prices and because of health care. Although they can say we are not addressing those, at 5 o'clock today we are voting on the bill that can have the single greatest impact since our last Energy bill a year ago, which was very successful, a bill which has the potential for reducing that squeeze that people are feeling today when they fill their tractors with fuel. We are addressing it on this floor.

We addressed health information technology, which I think is the single most incremental variable that can transform health care today in terms of improved quality, improved availability, and reduced cost, by getting rid of the waste and the abuse and even the fraud and the medical errors that do typify our health care sector. We addressed that in the Senate. We passed it in the Senate, and the House passed it last week. Now we can go to conference and pass it. So when we talk prosperity, too often the other side just talks about rich people. We too often talk about the 5.4 million jobs created—very, very important—the 4.7 percent unemployment rate, the lowest of the average of the 1960s, 1970s, 1980s, and 1990s—all very important. We are addressing what the average person, the typical taxpayer is feeling—energy prices—on the floor of the Senate today.

We are addressing health care costs through health information technology by trying to take small business health plans to the floor but having it stopped from consideration by the other side of the aisle. People feel those health care costs.

The third thematic is securing America's values. We have securing America's homeland, No. 1; securing prosperity, No. 2; and securing America's values, No. 3. Last week, on child custody protection, it is being stopped by the other side of the aisle. This body has spoken, but it is being obstructed. The Adam Walsh child protection bill, passed, signed by the President. We are going to continue to fight for America's values.

I will close by saying, there is a lot we will be talking about over the course of the week. I restate once again that vote will be Friday. Are we ready to address a permanent solution to the death tax this Friday? We are going to say yes or no. If it is no, we are not going to do it this year. Extension of tax relief, the issues and the policies that I outlined before, we are going to do them now, this week, or we are not going to do it, as well as the minimum wage. Remember, if we pass it this week, or if we demonstrate that we are going to pass it this week, people across this country who are making the minimum wage will have that minimum wage go. It has already passed the House, from $5.15 to $7.25, a $2.10 increase, if we vote correctly on this Friday.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I wanted to correct the RECORD. I spoke inaccurately in that on the issue of pay-go, there is available under pay-go approximately $300 billion to cover the cost of this tax bill. In one 5-year period, it may be out of compliance, but over the entire 10-year period, it is clearly within compliance. I did want to make that clarification.

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RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

GULF OF MEXICO ENERGY SECURITY ACT OF 2006

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 3711, which the clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 3711) to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, we just heard an interesting exchange between the Democratic and Republican leaders about the week's agenda. The Democratic leader indicated that this was a do-nothing Congress and in the same remarks he indicated he was going to try to keep us from doing something this week. As the occupant of the chair has frequently said, block and blame. But the truth is, it must be confusing for the people in the gallery and for those who might be watching on television to try to figure out in the middle of all this what is happening. Let me explain it again before addressing the Gulf of Mexico Energy Security Act, which is my principal reason for rising at this point.

This week, we are considering four bills, each of which enjoys bipartisan support: the Energy Security Act, which I will get back to in a minute, but also the Democratic version of the increase in the minimum wage, a tax extender bill that enjoys broad bipartisan support, and a modification and permanent reduction of the estate tax which also enjoys bipartisan support. So the Senate will have an opportunity, as the majority leader pointed out, later this week to do what it is about to do at 5 o'clock this afternoon on this important Gulf of Mexico Energy Security Act. We saw a vote yesterday in which 20 Democrats joined all but one Republican to discontinue debate and move toward passage of an extraordinarily significant Energy Policy Act. And there are a number of heroes and a heroine who have been involved in this process.

First, the chairman of the Energy Committee, Senator DOMENICI; this is a singular accomplishment for his leadership. He stepped into the breach, was able to figure out exactly what the Senate could handle and was willing to pass on a bipartisan basis some 3 or 4 months before an election and carefully crafted a compromise that will succeed this afternoon in making a major step forward in addressing our shortage of both domestic oil and natural gas.

Another hero in this story is the Senator from Florida, MEL MARTINEZ. He stepped up to the plate and protected the interests of his State by getting a boundary around the gulf portion of Florida that ensures, up until 2022, that there be no exploration and drilling. There had to be Democrats for this to go forward. Senator LANDRIEU was able to very skillfully line up, as of yesterday—and we assume many of those 20 Democrats who voted for cloture yesterday will be there today—20 Democrats for final passage. Her colleague, Senator VITTER, and, for that matter, all of the gulf coast Senators who reached in to this atmosphere and realized a significant accomplishment would be available on a bipartisan basis that would benefit their States. And for other Members of the Senate not on the gulf coast who realize that getting money for the Land and Water Conservation Fund is an important step forward, a kind of permanent revenue stream for land and water conservation, all of these forces came to work, and we had an example of the Senate working in its finest tradition on a bipartisan basis.

We will have that opportunity again at the end of the week, as the majority leader pointed out, as we have our last chance this year to get an increase in the minimum wage, a permanent solution to the onerous death tax, which is coming back at a confiscatory rate in a few years, and a tax extender package that is widely supported on both sides of the aisle.

Hopefully, the Senate will not block and blame but act in the best interest of the American people later in the week.

Now let me address my remarks specifically to the Gulf of Mexico Energy Security Act. I know that some have said this bill goes too far and others have said it goes not far enough. With apologies to Goldilocks, I think this bill is just right.

We have only reached the point of what I believe will be final passage of this bill after the negotiation I described earlier in the best tradition of the Senate—bipartisan negotiations producing an extraordinarily important piece of legislation. Senators from both parties have worked diligently and in good faith to craft legislation that could win the support of as many Senators as possible. This bill has the support of every single Senator from a Gulf State.

I am pleased to be a cosponsor of the bill and to have been involved on behalf of the leadership in these seemingly endless discussions that went on for the last couple of months in order to put this together.

I know a little something about marshaling support for a bill. Believe me when I say, although this bill may not have in it everything everyone wants, it will greatly improve our country's energy independence and move us toward greater economic prosperity and stronger national security. And it is absolutely the best bill the Senate could pass at this time.

High energy costs are hitting Americans in their pocketbooks because of supply problems for oil and for natural gas. This bill will begin to alleviate our supply problems and provide us with greater independence from foreign sources of energy. The Gulf of Mexico Energy Security Act of 2006 will open up over 8.3 million acres of the Outer Continental Shelf for energy exploration. The Department of the Interior estimates that this area will yield at least 1.26 billion barrels of oil and 5.83 trillion cubic feet of natural gas. That is more oil than the proven reserves in Wyoming and Oklahoma combined. That is enough natural gas to power nearly 6 million homes for at least 15 years.

The price of crude oil, as recently as mid-July, reached a whopping $77 a barrel. Compare that with the price of $34 a barrel in July 2004. Increasing our domestic supply of oil is the only way, in the long term, to bring those prices down. The same holds true for natural gas prices, which also have skyrocketed in the last few years.

As we all know, the price of natural gas is set domestically in America, unlike the price of oil. So we can have a direct impact on natural gas prices in America by increasing the supply. We all know we need to reduce our dependence on foreign sources of energy. The current strife in the Middle East and the rising level of threatening rhetoric from Iran all affect the price of energy in the world market. The more oil and gas we produce domestically, the more we can insulate ourselves from events over which we have little or no control.

Rising energy prices also threaten America's economic vitality. High energy costs hamper our industrial competitiveness, as companies choose to produce goods in other countries where their costs will be much lower. For the goods produced here, prices are higher to take account of those higher energy costs.

The National Association of Manufacturers estimates that from 2000 to 2005, this country lost 2.9 million manufacturing jobs, due in part to high energy costs. Not only will this bill alleviate that problem by boosting America's energy supply, it will also generate revenues from lease sales, all of which are brand new. And 37.5 percent of those revenues will go to the Gulf States of Alabama, Louisiana, Mississippi, and Texas for coastal protection, restoration, and mitigation. Another 12.5 percent of the revenues will go to the Land and Water Conservation Fund, which will distribute the money to State and local governments for the improvement of public parks and recreation areas.

Finally, the remaining 50 percent will go to the General Treasury of the U.S. Government. Because this revenue comes from new leases, this will be an increase of funds—an increase, new money—to the General Treasury.

I also remind my colleagues that S. 3711 ensures that we carry out this energy exploration without sacrificing environmental concerns. This bill will install a 125-mile buffer against energy development in waters off of the coast of Florida, thanks to the negotiations of Senator MARTINEZ, as I indicated earlier. He has protected the coastland of his State. And the bill will extend until the year 2022 a moratorium on energy development in certain areas of the gulf that this Senate has decided are too close to the coastline. Again, that is at the insistence of Senator MARTINEZ.

This bill should garner all of our colleagues' support. It takes a step forward for our country's energy policy. I also thank the majority leader for all of his hard work to shepherd this bill to what I believe we are going to witness this afternoon, which is a strong, bipartisan vote of support. The Senate should pass it. It will reduce America's dependence on foreign sources of energy, while strengthening our economy.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I thank the Republican whip for his remarks. I will address them in the same context, first, the earlier debate, what we are considering in the business of the Senate this week, and finally this bill that is pending before us.

What we have before us this week is a historic decision to make. It is a historic decision because, if the Republican majority prevails and if the bill, which they are asking us to pass, is enacted and signed by the President, what we will do is add dramatically to the national debt of America.

This morning's Washington Post suggested that the repeal of the estate tax will cost us, with interest over a 10-year period of time, about $750 billion. This Federal estate tax affects very few Americans—only those in the highest income categories. It is a tax that is imposed on about 2 out of every 1,000 people who die in the course of a year—2 out of 1,000. So 8,200 families each year will get a tax break if the Republican proposal is enacted. Those families, on average, will be spared paying a Federal tax, on average, of $1.4 million.

When you project that over a long period of time, it means that we will be paying out—I should say not collecting—$750 billion that otherwise would have come into our Treasury. The responsible thing to do, for either side of the aisle, if you are going to take $750 billion out of the Treasury, is either cut spending by that amount of money or impose another tax, another revenue source. That would be pay-as-you-go. So you would balance the books. You would say, for example, it is so important for us to reduce the taxes paid by 8,000 families a year—the highest income families—that I would propose raising another tax or I would propose making a cut. But that is not what is happening.

What is happening has become the ordinary course of business under our friends on the Republican side of the aisle. They continue to spend money and they continue to cut taxes without any concern for the impact on our national debt. Here is the record that Republicans have written on the budget: 4 years in a row of record deficits in the United States of America. In the closing years of the Clinton administration—and you can find this in the publications of our Government—we were generating surpluses. For the first time, we had turned the corner; we were reducing the national debt of America, strengthening the Social Security trust fund, and we had reached a point where we were moving forward with confidence that Social Security would be stronger for years to come and we would not be heaping more and more debt on our children. That was at the end of the Clinton administration.

Then came the Bush administration. President George W. Bush, in the 6 years he has been President, in the 4 years the Republicans have been in charge in the Senate, has seen record deficits. The debt is projected to soar under the Republican policies, this one-party rule in Washington—with the President's party in the White House, obviously, and in the Congress, the debt is projected to soar to more than $11 trillion by 2011. It will more than double; their policies will more than double foreign-held debt in 5 years, which I will speak to in a moment. There will be little real revenue growth since 2000. Every penny of the Social Security surplus, $2.5 trillion, will be spent on tax cuts, such as these, for wealthy people in America; and we will find that we are getting deeper and deeper in debt.

Let me illustrate that in a chart which Senator CONRAD, our ranking Democrat on the Budget Committee, uses. This is his "wall of debt." This indicates what has happened since 2000, when President Bush came to office. He faced $5.8 trillion in debt. That was the entire accumulated debt of America, $5.8 trillion, when President Bush was sworn into office. Now, by the year 2006, that number is up to $8.5 trillion. Think about that. It went from $5.8 trillion up to $8.5 trillion today—under the people in charge who call themselves "fiscal conservatives." The debt of America, as projected under their policies, will rise to the level of $11.5 trillion by 2011.

So by the policies President Bush and the Republicans in Congress put into place when they came to Washington, projected out over the 10-year period—that is how we do our budgeting here—it doesn't quite double the national debt, but it comes very close. Where do we get the money to do this? How can we continue to spend money we don't have? How can we build up all this debt? Who is going to provide the mortgage for America?

Well, it turns out that this President has found a source which he uses, which is historic. President Bush has turned to foreign governments to borrow money to sustain this overspending and cutting taxes without cutting spending. President Bush has more than doubled the amount of American debt held by foreign governments in 5 years. It took 42 Presidents in the history of the United States 224 years to build up $1.1 trillion in indebtedness to foreign governments. This President, in 5 years, has more than doubled that amount.

So who are our bankers? Who are America's mortgagors? When you look at the world's biggest borrowers, the United States dominates the scene. We borrow more money from around the world than anybody; 65 percent of all of the borrowing in the world comes from the United States. For instance, this estate tax repeal—by heaping on another $750 billion of debt on America that is not paid for and could rise as high as a trillion dollars, we have to turn to somebody and say loan us the money so we can give a tax break to the wealthiest people in the world. And we borrow more money than any other country. Other countries pale in comparison in terms of how much they borrow. Who are these mortgagors, these bankers who come to our rescue and loan us the money? No. 1, Japan; 2, China; 3, United Kingdom; 4, oil exporting countries—a recurring theme in our policy, our dependence on oil exporters—South Korea, Taiwan, and so forth.

So what we are doing is asking them to loan us money so we can give tax breaks to wealthy people. That is what this choice is this week. How bad is this? Well, the General Accounting Office Comptroller, General Walker, chosen by the Republicans, a very bipartisan man—I respect him. I wasn't sure when he came in if he had a political agenda, but he has been proven as a leader at the GAO who calls them as he sees them. Sometimes his messages make Democrats happy, sometimes they make Republicans happy. But I believe he does his best to be honest and candid. He said:

> "Our problem is our large long-term deficit, and the sooner we deal with that the better," said Comptroller General David Walker. Walker warned of a false sense of security. We are in much worse shape fiscally today than we were a few years ago.

That was an interview in the L.A. Times of July of this year.

So this week, the Republicans will make this proposal: If we will agree to reduce and eliminate, in some cases, the estate tax on the wealthiest Americans who pass away—8,200 of them each year—then they will agree to increase the minimum wage for workers across America.

The difference is stark when one looks at the beneficiaries. The numbers tell the story: 8,200 families benefiting from a reduction in the estate tax to the tune of 41.4 million each family by average; the minimum wage affects 6.6 million beneficiaries, and their average benefit is $1,200. A $1,200 minimum wage increase; $1.4 million in estate tax relief or reduction for the wealthiest people. The ratio is 1,000 to 1: 1,000 to 1 the benefit for the wealthier people in America from the estate tax versus the benefit from the minimum wage.

And who will pay for this repeal of the estate tax? Our children will pay; the next generation will pay. America will go deeper into debt because the Republican leadership is going to add dramatically to the national debt of America. That is not responsible. It really doesn't have the best long-term interests of America in mind.

Many of us are concerned that those who work hard every day have been waiting 9 years for an increase in the minimum wage. For 9 years, the Republicans have stopped us from increasing the minimum wage. Imagine for a moment, if you will, trying to live on $5.15 an hour. Who are these people? They are the people who cleaned your hotel room this morning. They are the folks who cleared the table of dishes when you were finished at the restaurant. They are the ones who are watching your children at the daycare center. They are the people who are probably frying the hamburgers back in the little shop where you went in for lunch. They are making $5.15 an hour. That comes out to about $10,000 a year. Can you imagine? Can you imagine trying to get by, and imagine still if you have a child trying to get by?

For 9 years we said to the Republicans: Shouldn't we turn to the bipartisanship of increasing the minimum wage? That is just basic fairness, a humane approach to dealing with people. They have said no repeatedly. It is one of the longest stretches of time in American history that we have failed to increase the minimum wage.

So now this week they have said: We have a bargain for you. If you will cut the estate taxes on the wealthiest Americans, if you will build up debt for future generations of $750 billion or more, if you will cause us to borrow more money from foreign governments to sustain this indebtedness in America, if you will do that, then we will consider giving some of the hardest working, lowest paid Americans an increase in the minimum wage.

Doesn't this tell the story? Doesn't this tell the story between the two parties and their approach and attitude? We believe that an increase in the minimum wage is good for America and good for people who get up and go to work every single day. We think it is good for families, and it is good for their children. We think it is good for us in the long haul to reward work and to give a decent wage to people who get up and go to work. The Republicans, for 9 years, have said no.

We also think if you are going to cut taxes, for goodness' sake, why don't we start by trying to help working families? Wouldn't we be better off as a nation to talk about tax cuts that are limited and focused instead of these that are absolutely out of control? Wouldn't we be better off as a country saying working families, middle-income families could deduct the cost of college education expenses for their kids?

Isn't that a much better investment in our future than saying the wealthiest people in America, those who have benefitted the most from living in this great Nation should be spared and resolved from paying their taxes to our Government?

Shouldn't we be helping these working families and small businesses when it comes to providing health insurance? That is an increasing cost for most families, and certainly for small businesses. That is worthy of a tax break, one that means families will have peace of mind to have basic health insurance. These are things that most Americans would applaud.

But, no, the Republican proposal is take it or leave it. You either give a tax cut to the wealthiest Americans at great expense to our Government, increasing our national debt dramatically, or the Republicans say: We won't increase the minimum wage for the hardest working workers in America.

I think that is a terrible idea. I hope we come to our senses. I hope we say to Republicans there is something more to life than rewarding those who are the most comfortable in America.

This is a time in America's history when we are asking for sacrifice. We are asking for great sacrifice from our men and women in uniform and their families, many of whom have given their lives for our country, many of whom have left behind grieving families who will never get over their loss.

We usually say in time of war: America has to pull together; we all have to sacrifice together. Back in World War II, there were savings bond drives, collection of metals that might be important in the war effort, and victory gardens. People really pulled together.

This administration and this Republican Congress see it differently. When they ask for the greatest sacrifice from families who provide our soldiers and give them the support they need, they turn around and say to the wealthiest people in America: You don't have to sacrifice anything. In fact, we will give you a tax break.

This is the first President in the history of the United States of America who has cut taxes in the midst of a war, the very first. For obvious reasons, it makes no sense. If you faced a medical crisis in your family, if you faced medical costs in your family that exceeded your health insurance, medical costs that might wipe out your life savings, would you consider it responsible at that point to put an addition on your home or take a luxury vacation? No, you would make the commonsense, reasonable decision that in time of great need we cannot afford luxuries.

But listen to this administration and this Republican Congress: In time of war, a war that costs us $3 billion a week, they are proposing tax cuts for the wealthiest people in America. Think of it: the debt that future American generations will face because of this war is going to be increased by this tax cut for the wealthiest people in America. It tells the whole story about their priorities.

So as we bring this week in the Senate to a close before the August recess, I believe there is a report card which the American people would like to have us address. The first part of the report card is this: What are you going to do about the war in Iraq? The Democrats came together—the leadership in the House and the Senate—and said to the President in a letter we sent just recently that it is time to start bringing American troops home. We have lost 2,573 of our best and bravest. They are now in a crossfire of a terrible civil war where 100 Iraqi civilians are being killed on average every single day.

We have had promises over and over again that the Iraqis will stand up and defend their own country. Yet they have not done it, at least not to the extent where any American soldier has come home. It is time for that to change.

It is time for change in Iraq. The Republicans don't want to address this issue. During the debate on the Defense authorization bill, they offered no amendments in terms of Iraqi policy. They rejected our effort to start bringing American troops home this year. They say: We are going to stay the bloody course in Iraq.

It is sad. It is time for us to assess honestly our future in Iraq.

The scorecard would obviously go to energy costs. As I travel around Illinois, and other Senators in their States, people are paying more for gasoline and hardships are being created. I was in Decatur, IL, on Saturday and had a roundtable. People came in and talked about the impact of gasoline costs on their lives and businesses. There were businesses large and small. There was a trash hauling business which has a lot of big scavenger trucks on the road around Decatur talking about increased costs. A woman came in from the UPS with 700 trucks that she moves around downstate Illinois and talked about the increased diesel costs. We had concerns, as well, from our veterans. There was a group that forms an honor guard and volunteers to perform an honor guard at military funerals. They travel about 1,200 miles a year to 150 funerals where they present the flag and have the appropriate respectful sendoff for the veteran who has died, and they are talking about the increased cost of gasoline.

Families and businesses, large and small, farmers—they are all talking about that. Yet the best we can do for an energy policy is the bill pending on the floor which will allow more drilling in the Gulf of Mexico but which will come up with only a few months' worth of natural gas for America and a few months' worth of oil.

We are not addressing the larger questions—questions, for example, about why we don't have CAFE standards for more fuel efficiency and fuel economy for the cars and trucks that we drive. This Congress, this Republican-led Congress has not seriously engaged in that conversation.

There is no conversation about giving businesses, small businesses across America and the people of this country the same basic health care protection that Members of Congress have.

That is what the Democrats believe we should do and move forward to do as quickly as possible.

We also believe when it comes to jobs in this country, this is an issue often overlooked. Our Tax Code rewards companies that send jobs overseas, and that has to stop. We have to have an increase in the minimum wage and not be held at gunpoint to say you can only have it by cutting the estate tax. The agenda is clear for America, but it is not the agenda of the Senate. That is why this November there is an appetite for change and leadership, a change in direction, a significant change for a new direction in this country.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. SUNUNU). The Senator from Alabama.

Mr. SESSIONS. Mr. President, one thing we are about to do today after many objections and difficulties over the years from the Democratic leadership is to pass a bill that will allow offshore production of oil and gas. It will absolutely positively affect the pocketbooks of American citizens.

This is a bipartisan effort, although as one can see from my colleague and his polemic—political polemic—that he just completed, even the Democratic leadership is not comfortable with making progress, but many of the Members are.

Before I talk about the energy bill, I want to take a moment to respond.

He talked about the war. We had a vote on withdrawal from Iraq. It was 93 to 6 against that. We voted a year later on it again and only 13 Democrats voted for it then.

We need to have more bipartisan work to accomplish issues that are important to the American people, and we can do it. But we are being driven by the politics of elections, and I don't think it is healthy for us. That is the way it goes around here, unfortunately. We will continue to proceed.

I just want to know how the Senator comes up with this number, 700-something billion dollars of costs for the partial repeal of the death tax. Who knows where that number came from? The Congressional Budget Office which, in my view, tends to overscore, making it higher than reality, said it was $260 billion over 10 years. I submit that even this is a high number. I submit also that we have voted in this body—and it is now the law of the United States—that in 2010 the death tax will be completely eliminated. It phases out and goes to zero, but if we don't do something about it permanently, it will go back to 55 percent. Plus, if a State has another 5 percent, such as Alabama does, that is 60 percent of a person's net wealth confiscated by the Government. The polls show the American people are not happy with that. They don't think that is legitimate.

So we spend a lot of time here figuring out how to make this death tax law stable so that people know what they are facing and what they are going to have to pay and what their families will have to pay.

We looked at it, and we have come up now with a flat rate of 30 percent for estates that would qualify at that level. That would be the maximum rate—not 55 but 30, a compromise that deals with this extraordinary confiscation of wealth by the Government of people who have worked hard, have paid their taxes, made money, paid a third of it to the Government, saved something for their children, and then the Government comes in and takes 55, 60 percent of it.

We do not think that is fair. The American people do not think that is fair. Polling data shows they do not think that is fair. This is a matter we need to fix.

We have this zero rate out there at 2010, about a little over 3 years from now, that we need to fix—a permanent fix. We are on the verge of doing that. We will have bipartisan support for that despite the assistant Democratic leader's arguments against it. We need to work on these things. We can and will move forward with that proposal.

Also, our Democratic colleagues say they wanted the minimum wage raised, according to the Kennedy bill, and so as a compromise we proposed to do that and work that out. That is where the negotiations are going. Hopefully we will be successful in that.

Mr. President, I will talk briefly about some good news, for a change.

We have had, I have to say, Members of this body—almost entirely on the other side—who have blocked energy production in our country for a number of years. It has caused the cost of living and the price of gasoline, natural gas, and heating oil for Americans all over this country to go up.

What have we seen in the 10 years I have been here? We have seen this. We have seen the proposals to produce oil and gas from the vast Alaskan ANWR region blocked. A substantial majority of Senators have voted for it, but the Democrats have been able to block it with a filibuster each time.

We have had a long-term battle on nuclear power, and just this last fall that battle broke in the right direction. We have not had a nuclear plant for over 30 years in this country. We are burning a lot of natural gas to generate electricity when it could be produced for a fourth or a fifth of that cost by nuclear power with no air pollution. Also, it wouldn't drive up the cost of natural gas for heating our homes. We have had that nuclear power blocked. Finally, we passed a bill that gave us the opportunity for more nuclear power. We now have 18 different preliminary requests to develop new nuclear powerplants in America, all filed within a year of the bill's passage. The Tennessee Valley Authority in my home State—and we have two nuclear plants in Alabama—tells me that nuclear power comes in at 1.2 cents per kilowatt hour compared to 1.8 cents for coal—that is 50 percent higher for coal—and natural gas at 6 cents, five times as much. We need more nuclear power. Finally, under the leadership of President Bush and this Congress, we have moved forward in that direction. That is positive.

We have also passed an energy bill that enhances wind, solar, and ethanol, and included mandates that will cause us to utilize more of our domestically produced biofuels—something I support.

I have worked with Senator EVAN BAYH, Senator JOE LIEBERMAN, Senator SALAZAR, Senator BROWNBACK, Senator LINDSEY GRAHAM and others on this issue. We have a bipartisan group to treat energy production as a national security issue. And we should.

It requires conservation. It requires efficiency. It requires biofuels. It requires enhanced production.

Nobody suggests our demands are going down. We can do better to contain the growth in demand, and we should do everything possible to do that, but the world is growing economically and more people are utilizing energy and it is causing shortages and driving up the price.

So let's celebrate a little bit. We had a vote yesterday. The opposition to drilling in the Gulf of Mexico has broken. It was, I believe, 72 to 23 against the filibuster of this bill. So I believe we are heading toward passage of it, and it is a fabulous thing. We would be so much better off today had we passed this legislation 5, 6, 7, or 8 years ago. But we have had a moratorium on drilling in huge portions of the Gulf of Mexico. Around Texas, Louisiana, Mississippi, and Alabama—off our shores, pretty far out in the gulf in most cases are some 4,000 producing oil and gas wells. But a few areas of the Gulf of Mexico, with very large reserves, have been under a moratorium. We have been blocked by law from having production in those areas. As a result, we have sent around the world huge amounts of American wealth, the wealth earned by American citizens—huge amounts of that to other nations, many of them not friendly to us. As a result, it has made the price of gasoline and natural gas for American citizens higher. It has resulted in many of my constituents and others around the country paying $50 or $75 more a month for gasoline so they can go back and forth to work—money they didn't have to spend on that a year or two ago. Prices have gone up.

We have ceased to expand our domestic production. We have had to buy it on the world market, 60 percent from foreign nations, many of those hostile to us politically and otherwise. It is not a good thing.

One of the things we need to do is to make a step in the direction of producing more at home. It is overdue. I am glad my colleagues on the other side have moved forward.

Once again, we had to reach a compromise. We talked with Senator MARTINEZ and Senator NELSON of Florida and they have come around to this 125-mile buffer zone around Florida. That is far more than I think is necessary, but certainly there are strong feelings in Florida about it. Under all the circumstances involved, I think it is a good decision. I am prepared to go forward with that. I would like to see more, but this, certainly, with 8.3 million acres that could be produced, will provide an opportunity for us to get out there, prove these reserves exist, and have production there.

I want to say one thing here. I want to be clear. This is very important. It is not correct it is exactly wrong, in fact—and it must never be the policy of this Senate, this Congress, or this Government to conduct drilling anywhere for the purposes of helping oil companies. That must never be our mission. Our mission must be to study what is happening in our country and in our world and to take actions that will help reduce the cost of energy for American citizens. That is what our responsibility is. That is our duty.

Congress has created laws that put a moratorium from production on areas where large reserves exist. I don't know what oil companies may desire to produce there. Most of them out there.

I understand, are independent firms doing the production, but regardless, whoever produces it, that is not whom I am trying to help.

If we produce more natural gas in our domestic system, we help drive down the cost of natural gas. In fact, this production could have a larger impact on natural gas than it is likely to have on gasoline. It should really have a positive impact on both.

Let me show this chart. I didn't realize this originally. I met a businessman in Alabama. He has a big chemical company, an international company. He was telling me how much his natural gas costs have gone up and he said it is hurting him. It is putting his business in a position where they might have to close it or cut back.

I said, Why? Aren't other places in the world paying more?

He said, No.

I suppose that is the first time I realized that fact. You know, for gasoline, we pay $3 a gallon here. It is $7 or $8, or more in Europe—more in Japan, I think. So I have always thought we were cheaper.

But look at this chart. In the United States we are now at $8.85 per million Btus of natural gas. Lots of Americans heat their homes with natural gas. Lots of American electricity is generated by natural gas. Lots of businesses utilize great amounts of natural gas in their chemical and other processes that they need to be successful.

But look at these numbers. In Trinidad it is $1.60. Bolivia is $1.65. Even in England—the United Kingdom, it is $7. In Belgium, $6.95; in Russia, $1.20; Ukraine, $2.70. In the Gulf States, it is a little over $1. Even in China, it is $5.05. In Japan, it is $6.05.

If you are a business and you make fertilizer with natural gas—we make fertilizer, plastics and other things from natural gas—it is clear that our corporations and businesses that hire Americans are having to pay more, as are consumers of natural gas, than many areas around the world.

I say that to say this has a potentially significant positive impact for our economy if we can knock down the price of natural gas. Natural gas goes into pipelines. It is moved by pipelines throughout our country. We have the pipeline infrastructure. We have the pipelines on the coast. We have a pipeline right now that runs from Mobile, AL, across the gulf to take our natural gas that we produce—that Florida does not produce—to Florida so they can generate electricity or do other things with it in Florida. They can have their air conditioning running and live near the beach and be comfortable.

Somebody has been producing it. We have been producing it on the western part of the gulf. We need to produce it further toward the East.

Natural gas is not easily transported. Only 2 percent of our natural gas comes from LNG, liquefied natural gas. That gas is cooled tremendously, it becomes a liquid instead of a gas, it is put in a ship, and it is brought to the United States. Then it has to be heated up, returned to its gaseous state, and then put in the pipeline.

That is what we do. We do very little of that because natural gas is primarily a domestic product. So the more natural gas we can produce in the gulf, the more likely we will see these prices decline. If we have more nuclear power to generate our electricity with rather than natural gas, we could also see a decline.

What I am saying is that I am not here, and the people in support of this bill are not here, to say we want to help energy companies.

We want to create a market out there that would contain the rising cost of gasoline and natural gas.

I will note that it is a good thing for me that after all these years, some 40 years of production in the gulf, some 4,000 wells that are offshore, that for the first time the Gulf States that have been bearing the brunt of this effort will receive some funds from it, 37.5 percent—a little more than a third of the value. Two-thirds will go to the Federal Government, 63 percent will go to the Federal Government through either the Land and Water Conservation Fund, which will be spent all over the country on environmental matters, or for the General Treasury.

I think that is a good mix. I think it is fair. It will be limited, however, to be spent in the Gulf States for things that benefit the environment and the Nation. We have people from all over the Nation who come and enjoy our coast. The funds will be utilized for coastal protection, mitigation in damage to fish, wildlife, and natural resources, implementation of federally approved marine, coastal, or comprehensive conservation management plans, and mitigation of offshore drilling activities through funding of offshore infrastructure projects.

Yes, for the first time there will be some sharing with the States on this offshore production, but it is not a huge amount, No. 1.

No. 2, the funds are to be used for conservation-type programs that will benefit the entire Nation.

In conclusion, I believe that what we are doing now is a direct response to the cries of Americans working citizens and middle-class Americans who are concerned about their high heating costs. They are concerned about their high gasoline costs. They are concerned about our wealth being transferred overseas—$200 billion a year is what we pay for oil and gas around the world. If we can produce more at home, we can help contain the cost of gasoline and natural gas, and maybe even reduce it. We can keep that wealth right here at home. We can create good, high-paying jobs here. And those citizens with those high-paying jobs will pay taxes to the Government so that we can have money in the U.S. Treasury instead of spending it in Venezuela and having it go into Hugo Chavez's treasury.

I am excited about it. It is historic. I thank Senator LANDRIEU, and I thank other Democrats on their side that are now coming around to support it. Senator LANDRIEU has been our most knowledgeable supporter on this issue for many years.

I believe we are going to make it happen today. It is going to be good for America. It will be a bipartisan act, and we need to do more of that around here.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I thank the Senator from Alabama for his statement about the efforts we are making today to reduce the price of natural gas and to use the revenues to pay the bills of the Federal Government, while at the same time to spend some of those dollars for conservation purposes, which is a subject that the Presiding Officer, the Senator from New Hampshire, has advocated both as a Member of the House and while he has been in the Senate.

I would like to speak today to the Energy bill, the Gulf of Mexico Energy Security bill. I would like to speak on three points.

The first is to emphasize why it is important, exactly what are we doing, and why is it important to the blue-collar workers, the chemical workers, the autoworkers in Tennessee and in Michigan, to people who are trying to pay their home cooling bills as the temperature soars above 100 degrees, and to farmers who have seen their fertilizer prices double in the last several years all because of the high price of natural gas.

Second, I would like to put this single piece of legislation into some perspective and reemphasize why it is the rest of the story. Most of what we are doing to try to reduce the price of natural gas came with the comprehensive Energy bill last summer. This finishes the job—not completely. We have more to do, but this is something we should have done a year ago. We couldn't command 60 votes then. We didn't have a formula for passing it in the Senate last year, so we left it undone. This finishes that part of the job.

Third, I would like to say a word about what I like to call the outdoor recreation and conservation royalty that this legislation establishes to help create soccer fields and city parks with what we call the State side of the Land and Water Conservation Fund. This Fund, for 40 years, has provided modest but very important Federal dollars to help Americans enjoy our outdoor spaces.

First, why is this so important? We hear a lot of talk about the high cost of gasoline because we are reminded of it all the time when we fill up our tank. It is $3 a gallon, or $2.80 or $3.10. We hear it might go higher. All across the country in American restaurants people are eating out a little less and thinking a little bit more about long drives because of the high price of gasoline.

What if the price of the gasoline at the pump were $7 a gallon? What do you suppose the reaction would be in the United States if the price of gasoline at the pump were $7 a gallon? That is exactly what the situation was in terms of natural gas last year. The price of natural gas went up to $14 a unit.

Testimony before the Energy Committee showed that if we translated that into gasoline prices, it would be the same thing as if gasoline prices were $7 a gallon.

That is how big the hurt is. Where does the hurt apply when the price of natural gas is too high, when it is $14?

Let's start with manufacturing jobs in this country. We hear a lot of speeches being made about manufacturing jobs. Let's not send them overseas, people say. I agree with that. We don't want them to go overseas. What will send them overseas in the chemical industry? There are 1 million blue-collar and white-collar jobs—jobs at Eastman Chemicals in east Tennessee. I have spoken about this many times on the Senate floor. My uncle used to work there. For three or four generations, Eastman Chemicals has been a part of east Tennessee and the Great Smokey Mountains. People came to depend on Eastman Chemicals. It led to strong families, high wages, good schools, and low crime rate. It is hard for people to imagine what life would be like in the Appalachian Mountains in upper east Tennessee if Eastman had not been there for three or four generations.

But how long is Eastman going to stay in upper east Tennessee if the price of natural gas is at $14? Not long, if what it does is make chemicals. The chief executive of Dow Chemical testified that when the price is that high, his raw material cost is 40 percent of his costs.

When the price, as the Senator from Alabama was saying, of natural gas in other parts of the world is $2, $3, $4, or $5 a unit, and it is $14 here, where do you suppose the new chemical plants are going to be built? Not here, not in Tennessee, not in New Hampshire, not in Kansas, not anywhere. In fact, there are about 100 new chemical plants being built around the world today. One is being built in the United States.

There are several reasons for that, but a primary reason is the unpredictable and high cost of natural gas. It is $7 or $8 today per unit. But our economy was built on $2 natural gas. Every little addition to costs in the manufacturing process increases the likelihood that a job, or a plant will go to Mexico or some other place. It is incumbent upon us to do everything we can to keep the prices down: First, to stabilize and then begin to keep the price down.

That is why it is important to begin with manufacturing jobs, and not just the chemical industry.

At a roundtable I had with the Farm Bureau in Tennessee, the chief executive of Saturn, the auto manufacturing plant, said to me: We have done about all we can to save on costs by efficiency. The price of natural gas is raising the price of our cars. If you raise the price of cars and the supply parts are made in the United States, where do you suppose they are going to be made? They are going to be made in some other country where the price of natural gas is a lot less than it is in the United States.

One-third of all the manufacturing jobs in Tennessee are automotive jobs. In Tennessee, there are not just manufacturing jobs and automotive jobs but jobs in our agricultural community. The Tennessee Farm Bureau was helping to sponsor that natural gas roundtable because in every part of a production-oriented enterprise, which agriculture is, energy adds to cost. It especially adds to cost when we are talking about the price of fertilizer.

As with Eastman Chemicals, natural gas is the main raw material in making fertilizer. So we can begin to see pretty quickly why it is difficult for our economy, on us as families and individuals for the price of gasoline at the pump to be high. I would argue that it is even worse for us for the price of natural gas to be too high because of the effect of high natural gas prices on our jobs and because of its effect on agriculture.

Finally, we are today reminded, certainly in Tennessee and in Washington with the heat going over 100 degrees, of the cost of heating our home in the winter and cooling our home in the summer, which many people do with natural gas.

The price of natural gas is tremendously important. This legislation opens up the most promising new area for the most rapid large amount of new natural gas that is under the control of the United States to come into our system: 8.3 million acres in the Gulf of Mexico where we are already busy producing a lot of oil and gas, where we know what we are doing.

There are a lot of ways to talk about it, but one is to say it is enough to heat and cool nearly 6 million homes for 15 years. Will this by itself stabilize the price of natural gas, by itself lower the price of natural gas back to $3 or $4? No. But it is an important part of the whole picture—a part that was left undone last year when we passed the comprehensive Energy bill.

That is my second point. Some have said we can't drill our way out of this problem of high gasoline prices and high natural gas prices. I think we agree on that. Nobody is suggesting that we do so, which is why we passed the comprehensive Energy bill last year. Here is what we did.

We started with conservation. In fact, the name of the bill probably should have been the Natural Gas Price Reduction Act of 2005 because that is the way we began to think about it. We were looking for ways to produce large amounts of clean, low-carbon, or carbon-free energy.

The United States of America uses 25 percent of all the energy in the world. We are not on some desert island. We need a lot of energy. We increasingly understand that it has to be reliable energy. And we increasingly understand it has to be less expensive energy. Now we understand it has to be clean energy.

In the Great Smoky Mountains National Park in east Tennessee where I live, we have too much sulfur, too much nitrogen, too much mercury in the air. That produces asthma, that produces particulate matters which harms our health. The Smokies has become the most polluted national park in the country. So clean air is important.

A great many people are concerned about global warming—a majority of this Senate is. That is why we in our bill said let's have more carbon-free, low-carbon energy.

What did we say?

First, we had major incentives for conservation and efficiency. Conservation is the place to start in any effort to have large amounts of reliable, low-cost, carbon-free energy.

Second, nuclear power. There is a renaissance of nuclear power in this country. Hopefully, it will continue. Nuclear power not only produces 20 percent of all of our electricity, it is 70 percent of our carbon-free electricity.

If you care about global warming, for example, it is not enough just to care about it—we need to do something about it. The two ways to do something about it are conservation and nuclear power—at least in the next generation.

Third, we had major incentives in the Energy bill last year for clean coal. Many people prefer that as a strategy because it doesn't run into some of the problems in waste disposal and the possibility of nuclear proliferation that nuclear power might.

But there are significant problems with clean coal. One is it is dirty. Even clean coal production is dirtier than nuclear power.

Finally, we don't know exactly what to do with all of that carbon we produce.

We have some inventing to do in order to sequester and recapture the carbon and perhaps bury it.

Because we wanted to get on with natural gas price reduction, we also made it easier to bring in natural gas from other places in the world—freeze it, bring it in, unfreeze it, put it in terminals, and put it back into our pipelines.

That is an elaborate process. But for the next 5 or 10 years, we are going to have to rely on that.

We did some things to make it easier for refineries to operate. There are a variety of other things we did. Last year, we did conservation, nuclear power, clean coal, liquefied natural gas—a number of other things. But the one thing we didn't do enough about was more natural gas supply. We are not going to drill our way out of this problem. We are trying to reduce our dependence on foreign oil and lower the price of natural gas in a variety of ways.

In this transition period, it helps to take the most obvious area of supply and take it and do something with it, which is what we are doing here.

My second point is we have to finish the job that we started last year. I suspect—I know—there is much more to do. We should be more aggressive with conservation and efficiency, more aggressive in support of nuclear power, more aggressive in research for clean coal. I would like to see us accelerate our efforts for hydrogen fuel cell production and give more incentives for fuel-efficient cars as a way of dealing with reducing our supply of oil on the transportation side. Here we are doing what we need to do to finish the job.

Finally, I will say a word about where the money goes. Before the money goes into the Federal Treasury, it first goes into two important royalties. Royalties are not a new concept. Land owners get royalties when someone finds oil or gas. Then the money goes to the production company or to the State or the Federal Government. The idea of State royalties is not a new concept. If you are drilling for oil in Wyoming, the first 50 cents of a dollar goes to the State for various purposes. If you are drilling in Alaska, 90 cents goes to Alaska and the other 10 cents to the Federal Government.

Senator DOMENICI and the Framers of this piece of legislation wisely said the first 50 cents of the money we get from this deep sea exploration will go to the States. States along the gulf coast get the bulk of it, 37½ percent for wetlands, coastal renewal, and conservation purposes, and the other 12½ percent goes to the State side of the Land and Water Conservation Fund.

The Land and Water Conservation Fund was created by the Outdoor Recreation Resources Review Commission. It was recommended in 1958. It was called the Rockefeller Commission, headed by Laurance Rockefeller. Congress enacted it in 1965. The idea was very simple. When we spend an asset, we create another asset.

In 1977, Congress authorized that one of the sources of funding for the Land and Water Conservation Fund would be receipts from the Outer Continental Shelf mineral lease—in other words, the kind of revenues from the oil and gas drilling we are authorizing today. Congress has authorized in the law that we spend $450 million a year on the State side. It goes to States for city parks, soccer fields. The amount of money has gone up and down over time, so in 1985 and 1986 President Reagan's Commission on Americans Outdoors, which he asked me to chair, and I did, recommended we make some of that money permanent. So for the first time in 40 years, this legislation does just that: 12½ percent of the revenues go for the State side of the Land and Water Conservation Fund.

Exactly what are we talking about? Since 1964, the State side has created improved parks and forests in all 50 States, helped to create more than 40,000 athletic and playing fields, 12,000 hiking trails, 20,000 family picnic locations, 5,000 campgrounds, 10,000 swimming and boating facilities, and 600 hunting and nature areas.

In Tennessee, since 1965, our State has received 170 Land and Water Conservation Fund grants totaling $67 million in Federal dollars. It has been vital to stretch local matching dollars to fund the acquisition of parks, ballfields, trails, and playgrounds across Tennessee.

The funding has been modest. The new funding in this bill is modest, but it is important. It will grow over time. It has been recognized by those who have worked for a long time to support the Land and Water Conservation Fund.

I have a letter from Patrick Noonan and Henry Diamond. Mr. Noonan is the founder of the Conservation Fund and is chairman emeritus. Henry Diamond is the former commissioner of New York Parks and Environment and was involved in the writing of the original Land and Water Conservation Fund in 1962. They say:

> If the precedent of a conservation royalty can be established, it would be an important first step in the right direction, one that we have spent 40 years attempting to achieve.

I ask unanimous consent to have printed in the RECORD the letter from Mr. Noonan and Mr. Diamond, written in their individual capacities.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
July 21, 2006.

Hon. LAMAR ALEXANDER,
U.S. Senate,
Washington, DC.
Hon. KEN SALAZAR,
U.S. Senate,
Washington, DC.

DEAR SENATORS ALEXANDER AND SALAZAR: We are writing to express our strong support for the concept of permanent federal funding for the state side of the Land and Water Conservation Fund. If the precedent of a conservation royalty can be established, it would be an important first step in the right direction, one that we have spent 40 years attempting to achieve.

We and others have long advocated the principle that some of the funds from offshore oil and gas drilling should become in effect a royalty for conservation and outdoor recreation, providing a reliable and permanent stream of funding for the Land and Water Conservation Fund. This basic concept was put forward by the Rockefeller Commission to President Kennedy and the Congress in 1962 and was also a primary recommendation of President Reagan's Commission on Americans Outdoors in 1986. Unfortunately, during the last 40 years, the Land and Water Conservation Fund has been subjected to the unreliable annual appropriations process. During recent years, those appropriations have averaged less than $100 million for the state side of the Land and Water Conservation Fund and this the Administration recommended zero.

Our goal is full funding for both the federal and state side of the Land and Water Conservation Fund, each of which is authorized at $450 million per year. At a minimum, we believe there should be $125 million a year available for the state side now and $450 million no later than 2017.

Sincerely,

PATRICK F. NOONAN.
HENRY L. DIAMOND.

Mr. ALEXANDER. Mr. President, I salute Senator DOMENICI, Senator SESSIONS, Senator LANDRIEU, Senator VITTER, Senator MARTINEZ, and many others who have worked hard on this piece of legislation.

Two years ago, the idea of giving additional authority for offshore drilling for oil and gas was an unmentionable subject around here. No one would bring it up in polite conversation.

Last year, with the price of natural gas reaching $14 a unit, we had about 50 Senators who would support it, but that wasn't 60. Yesterday, I believe we had more than 70 on the cloture vote.

We recognize there are environmentally sound ways to go a long way offshore, as we are here, where we cannot see it from the shore, and look for oil and gas. We have learned to do that in a way that is so safe that less oil and gas seeps into the ocean from that process than comes from natural seepage out of the ground. We have learned to do that and to do that well.

We have also come a long way in recognizing that it is good policy to say if we are going to spend an asset—and by that I mean create an environmental burden—drilling for oil and gas, we ought to create an asset and spend some of the money for wetlands in the more affected States and through the State side of the Land and Water Conservation Fund in all of the other States.

This is an important piece of legislation. It helps blue-collar workers. It helps farmers. It helps homeowners who are paying skyrocketing bills to deal with 100-degree heat. It helps reduce our reliance on parts of the world such as the Middle East where we should not be importing as much oil and gas, and it establishes for the first time good clear policy about how and when we take initial steps of offshore drilling. We not only should do it in an environmentally sound way, but we should use some of the revenue to create other conservation and outdoor recreational assets.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, we heard debate start this morning on permanently cutting the estate tax. I heard some of my colleagues again this morning refer to it as the death tax.

There is no death tax in America. We have no tax that applies at death. We do have an estate tax. We have a tax on wealthy accumulations that occur in families. That tax does not affect an individual unless they have at least $2 million. For a couple, that would be $4 million before they face any estate tax.

Of course, my colleagues know there are many ways you can further reduce the taxes that apply to wealthy estates. But the first thing we ought to say clearly and directly to the American people is, there is no death tax. There is no tax that applies at death. None.

One of the most interesting stories I have heard was a colleague of mine who was at the airport. A baggage handler said to him: My God, you have to get rid of that death tax. That is going to affect my family.

And my colleague said to him: Unless you have at least $4 million as a family, you do not have to worry about any death tax because there is no death tax.

This baggage handler was completely shocked to hear there was no death tax. He has heard over and over and over there is a death tax. He believed it. Everyone in this Senate knows there is no death tax.

What is most extraordinary about the proposal before this Senate is the context in which it occurs. Our country is deep in debt—deep in debt. Now our friends on the other side, their idea in the last week we are in session for the next month is to come out here and put us deeper in debt. Dig the hole deeper and deeper and deeper. What an extraordinary proposal that is.

And for what purpose? To help the struggling middle class? No, no, they are out of this. This is not even the upper class. This is the wealthiest among us. That is who this is designed to help.

Here is our current circumstance. The deficit last year was $318 billion. The deficit for this year is now projected to be just under $300 billion, some modest improvement in the deficit.

But that completely misses the point because at the same time the deficit is showing some modest improvement, the increase in the debt is getting much worse. Last year, the debt increased by $551 billion. This year, we now project the debt will increase by almost $600 billion.

Someone out there listening might say: How can that be? How can it be the Senator is saying the deficit is less than $300 billion, but the debt is going to increase by almost $600 billion? How can that be?

That is largely because under the President's plan, they are also taking hundreds of billions from Social Security to use to pay other bills. All of it gets added to the debt. None of it gets counted for the deficit.

This chart shows the deficit for 2006 just under $300 billion. Here is the amount added to the debt—almost $600 billion. And you can see the biggest difference between the deficit and the increase in the debt is the amount of Social Security money that is being taken to be used for other purposes: $177 billion in this 1 year alone, Social Security money taken to pay other bills. And, of course, it all gets added to the debt. None of it gets counted to the deficit.

When one looks at what is happening to the debt, here is what one sees: We are building a wall of debt that is extraordinary. At the end of this President's first year in office, the debt was $5.8 trillion. We do not hold him responsible for the first year. But at the end of this year, the debt will have climbed to $8.5 trillion. And if the President's plan is put in place, for the next 5 years, the debt will go over $11.5 trillion.

The debt under this President has taken off like a scalded cat, and at the worst possible time. The debt is increasing before the baby boom generation retires.

What are the implications of this rapidly rising debt? Well, one of them is that increasingly we are borrowing this money from abroad. Increasingly, we are going, hat in hand, all around the world borrowing money. This chart shows that it took 42 Presidents—all the Presidents pictured here—224 years to run up $1 trillion of debt held abroad. This President has more than doubled that amount in just 5 years. That is a completely unsustainable course. You go back to President Clinton, you go back to the previous President Bush, you go back to President Reagan, President Carter, President Lyndon Johnson, and all the other Presidents—224 years of American history—they ran up $1 trillion of external debt. This President, in just 5 years, has run up more than $1 trillion of U.S. debt held abroad.

So what we see are these countries to which we now owe money. We owe Japan $638 billion. We owe China $326 billion. We owe the United Kingdom almost $200 billion. We owe the oil exporters over $100 billion. My favorite down here, the Caribbean banking centers, we owe them over $60 billion. Mexico now is on the top 10 list of countries that we owe money. We owe Mexico $43 billion.

I asked my staff the other day: What do we see in terms of our borrowing compared to other nations borrowing? Sometimes that is a good way to get a sense of where we stand. They came back with this answer. It is not their numbers; it is the International Monetary Fund. It shows the percent of world borrowing by country. These are the world's biggest borrowers. And who is No. 1? Our country. We borrowed over 65 percent of the money that was borrowed by countries last year—65 percent borrowed by our country. Turkey borrowed about 2 percent. I see the United Kingdom borrowed about 4 percent. Spain was the next biggest after the United States. We borrowed 65 percent of all the money that was borrowed by countries last year. The next biggest was Spain at 6.8 percent; then the United Kingdom at just under 4 percent; then Australia, just over 3 percent; France, under 3 percent; Italy, just over 2 percent; Turkey, just under 2 percent. The United States, 65 percent.

With all of this occurring, with the deficit skyrocketing—that is by historical comparison; yes, it improved somewhat over last year, but these are the biggest deficits our country has ever run—and the debt taking off like a scalded cat, what do our colleagues do in the last week before we break for a month? They come out here and propose to virtually eliminate the tax on wealthy estates. Now, there is an idea whose time has come. While we cannot pay our bills now, while we are borrowing money from Japan and China, their answer is: Let's go give an enormous tax break to the wealthiest among us. And where will we get the money to fill in the gap because we cannot pay our bills now? Let's go borrow some more money from Japan and China. Let's go borrow some more money from Japan and China. You would think you were in a movie—not even a very good movie—that somebody had dreamt up if you were to describe what is going on here.

Our country is the biggest debtor nation in the world. Our colleagues have cut the revenue, cut the revenue, cut the revenue, increased the spending, increased the spending, increased the spending; and now their answer is: Let's cut the revenues some more, and let's cut it on the wealthiest of the wealthy, the top three-tenths of 1 percent of the estates in this country, because they are the only ones who are paying the estate tax now.

Our friends say: Oh, no, my goodness, let's cut them some more. Let's cut them some more. The wealthiest among us have already gotten the greatest benefit of the tax cuts that have been enacted—by far. Now they say: Let's cut their taxes some more and borrow the money from China and Japan. This is a farce—a farce—which is occurring here. And it is a disaster for the economic strength of our country.

Here is what the size of estates has to be before they pay any tax. We are in 2006. These are the estate tax exemption levels under current law for a couple. Couples have to have $4 million before they pay a penny of estate tax—$4 million, not of gross assets, of net assets. They have to have $4 million free and clear before they pay a dime. And in 2009, that will go up to $7 million.

Our friends on the other side of the aisle say: Whoa, that is not nearly enough. Let's jack this thing up dramatically. Let's lower the rates. Let's increase the exemptions. And let's borrow the money from China and Japan. Now, there is a format to strengthen America.

The number of taxable estates is already falling very dramatically under current law. In 2000, there were 50,000 taxable estates in the whole country. This year, there will be 13,000 in the whole country.

Now, people say there is a death tax. There is no death tax. There is no tax that attaches to anybody at death in this country. The estate tax applies to people who have accumulated wealth. Good for them. I am glad for their success. But does a further tax cut on multi-million dollar estates make any sense for our country? Does it make any sense at all when we cannot pay our bills now that we would go out and dramatically cut taxes on the very wealthiest among us who already have tax cut after tax cut—let's give them one more—when we have to borrow the money from China and Japan?

In 2009, the estimates are that there will only be 7,000 estates taxable in the whole country. In 2009, only two-tenths of 1 percent of estates will be subject to tax. That is under current law. Under current law, 99.8 percent of estates will not pay a penny of tax—99.8 percent. Our colleagues say: That is not good enough. Let's cut it some more. Even though we cannot pay our bills now, let's give another big tax cut to the wealthiest among us and go borrow the money from Japan and China and Great Britain and the oil exporting countries—because the money is gone. The money is gone. There are no surpluses here. We cannot pay our bills. We are borrowing 65 percent of the money that is being borrowed in the world today by countries. We are borrowing 65 percent of it.

This is insanity. This is irresponsible. This is reckless. And not just a little bit reckless, this is totally reckless. Now our friends come with a proposal to virtually eliminate the estate tax. Full repeal from 2012 to 2021 would cost just over $1 trillion. This proposal costs $753 billion from 2012 to 2021.

Now, our friends on the other side say: Hey, Social Security is short $4 trillion. They say: Medicare is short $29 trillion. And they are not doing anything about that. What they are doing is digging the hole deeper. Let's get rid of another $750 billion we do not have—that we have to borrow from Japan and China and all the other countries in the world, even Mexico, because we now owe Mexico $43 billion—let's do that so we can cut the taxes on the very wealthiest among us.

What earthly sense does this make? I will tell you for whom it makes sense. It makes sense for—as this article in the New York Times on June 7 says, it is "A boon for the richest in estate tax repeal." Over the last decades, 18 of the wealthiest families in the country have spent more than $200 million lobbying to repeal the estate tax. Eighteen families have put up $200 million to repeal the estate tax. How happy they must be on this day. How happy they must be. The wealthy families include the Mars candy family; the Gallo wine family; the Wegman supermarket family; the Dorrance family, which controls Campbell's Soup; and the Waltons, who control Wal-Mart.

I applaud people who have been successful, but people who have been successful have succeeded not only because of their own hard work and creative approach to solving problems; no, in part they have succeeded because they are part of this country. How incredibly fortunate we all are to be born in America.

Many very wealthy people I know believe they have an obligation to give back. We just saw an extraordinary example of that with Warren Buffett. Warren Buffett, the second wealthiest man in America, worth some $40 billion, just decided to give virtually all of his wealth to Bill Gates's foundation, who is the wealthiest person in the country, in order to do good works, in order to give back, in order to make a difference for others.

What is being said here on the floor of the Senate? No, that should not be the test—giving back, helping others, making a difference to improve this world, understanding that part of each of our success is because we had the good fortune to be born in America. This proposal is all about me, all about me. I have it. I am keeping it. I am not giving it away. What is the result? Well, our country will have to go borrow more tens of billions and hundreds of billions of dollars from Japan and China and Great Britain and the oil exporting countries, and even Mexico. That is what is going to happen. Or our friends on the other side will, at some point, just shred Social Security and Medicare. That is where this is all headed. Make no mistake. That is where this is all headed because America cannot pay its bills now.

Hurricane Katrina put the estate tax repeal in some perspective.

The chairman of the Finance Committee said this:

> It's a little unseemly to be talking about eliminating the estate tax at a time when people are suffering.

He said that last year. People are suffering this year as well, suffering the aftermath of Katrina—I have been with families suffering from losses in Iraq and Afghanistan—but also suffering because our country is in deep trouble. Our country is living on the credit card. Our country is borrowing money at a rate unprecedented in our history. We are borrowing 65 percent of all the money that was borrowed by countries of the world last year, our country. And who did we borrow it from? It used to be when we ran deficits we borrowed the money from ourselves. We issued bonds and Americans bought them. It has all changed because now more than half of the bonds that we sell are going to foreigners. Every time we have another month where we spend more than we take in, we have to borrow more money. Over half of it now we are borrowing from Japan, China, Great Britain, the oil exporting countries, and the Caribbean banking centers. What sense does this make?

Now we are told: Do you know what we should do? Here is a good idea. Just before we take a break for the month, let's go out and dig the hole deeper. Let's go out and have a plan that will reduce taxes on the wealthiest among us by $753 billion for a 10-year period—not million, $753 billion—and put that on the charge card. Boy, we will have a real party in August.

The cost of the proposal before us absolutely explodes, because they have a clever device called a phase-in that hides the long-term cost. It is not in full effect until 2015, and then the cost goes up like a scalded cat, as this chart depicts. The cost between 2012 and 2021 is about $600 billion plus an additional $154 billion of interest cost, because, after all, where is the money coming from? Is it coming out of the Treasury of the United States? No, it is all going to have to be borrowed. And who are we borrowing from? Increasingly, we are borrowing from abroad.

And what is going to happen? Some in this town say deficits don't matter. Go ask the Germans about that. Ask the Germans what happened after World War I when they were on a course like this, borrowing, borrowing, borrowing, increasingly borrowing from abroad. How did they try to get out of it? They inflated their currency until the German mark was virtually worthless. If you wanted to buy a pair of shoes, you had to fill up a wheelbarrow with German marks and go to the store because the currency had so little value. That is one way out. It is a disastrous way out, but many countries have tried it.

The other way out is, you have to cut spending and raise taxes. That is tough. That is hardly popular politically, go out and tell people: Gee, none of this adds up. We have been spending money we don't have in your name. It is your debt. The President likes to say it is the people's money. He is exactly right, it is the people's money. It is also the people's debt. This debt is being run up in the people's name. This debt is owed and is going to have to be paid.

The cost of the House proposal, if you compare it with the cost of extending the middle-class tax cuts, is very interesting. Over the first 10 years of this proposal, it costs $268 billion; from 2012 to 2021, it costs $753 billion. But in just the first years, it dwarfs the cost to extend the child tax credit. That would cost $183 billion. It dwarfs the money to extend the marriage penalty; that would cost $46 billion. It totally overwhelms the cost to extend the college tuition deduction; over that period that would cost $19 billion. Those are tax reductions and tax relief that do benefit the middle class. This is one of the most irresponsible proposals to come before the body in the 20 years I have been here. It is completely and totally irresponsible.

I was a conferee on the conference committee to deal with the issue of pensions. Last Thursday the conferees were to meet at 6 o'clock. We were there. House Republicans did not appear. They asked us to come back 2 hours later. They needed some more time. We came back at 8. They still did not appear. At that time they apparently made the decision to forget about the conference committee. The conference committee worked since March of this year in good faith to deal with the pension crisis, and they added to that package the so-called extenders, those tax provisions that are about to expire that are critically important to the country. We were prepared to pass that package. The leaders from the conference on the other side decided, no, they didn't want to have that discussion in the public. Instead they didn't appear, and they hatched this other plan to have a pension bill come out of the House freestanding and this other package that includes elimination of the estate tax and an increase in the minimum wage for some States.

I was with the Senator from California, Mrs. FEINSTEIN, who informed me in her State the so-called minimum wage increase will actually reduce the minimum wage for millions of workers because of its provisions. They put together the Abandoned Mine Lands Act in this package in order to try to get the support of Members here, and they have wrapped it all in a big package to try to get this body to do something that makes absolutely no sense for the fiscal future of this country. That is, without question, the most irresponsible package I have seen offered here in my 20 years in the Senate. It is not just a little bit irresponsible; it is wildly irresponsible. This is reckless, the course this country is being taken on, utterly reckless.

Why do I say that? Because sometimes you wonder if anybody is paying attention. Here is what is happening to the debt of our Nation: $5.8 trillion in 2001; $8.5 trillion at the end of this year. If the budget the President proposed is followed, the debt will rise to $11.5 trillion in 2011. If this proposal is adopted, it will be even worse. From 2012 to 2021, this proposal that is before the body will take another $750 billion and add that to the amount this country will have to borrow. It is unbelievable.

This President has taken us on a reckless course. Forty-two Presidents took 224 years to run up a trillion dollars of our debt held abroad. This President has more than doubled that amount in only 5 years.

So what is before the body now? A plan to go out and put another $750 billion on the charge card, because this money has to be made up from somewhere. We can't pay our bills now. If you reduce the revenue that is scheduled to come in, the debt goes up. You have to have more borrowing, more going to the Chinese, more going to the Japanese, and asking them for more money. How are we going to pay it back?

Our friends say this is a tax cut. I don't think so. I think what this is an enormous tax shift. Because at some point we are going to have to start paying our bills. And when we do, I have a feeling I know what they are going to do. They are going to come out here and they are going to say: All of us have to contribute. All of us have to participate. We are going to have to cut spending. We are going to have to raise revenue.

I can see their proposal now. They will be coming right at the middle-class people who are the bulwark of this economy. They will either cut programs that are important to them, such as Social Security and Medicare, or they will raise taxes on them, all so that we could give a big reduction to the very wealthiest among us, the people who have benefitted most from the genius of the American economy.

Many of the wealthiest people I know say: Don't do it in my name. Don't do that in my name. I don't need another tax cut. I do need a country that pays its bills. I do need a country that isn't borrowing more and more money from China and Japan and Great Britain and Mexico.

I can't think of a more consequential fiscal decision that will be made than this one. Are we going to keep digging the hole deeper and deeper? Or are we going to head in a new direction and get serious about getting America back on track?

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. BURR). The Senator from Arizona.

Mr. KYL. Mr. President, in response to my friend from North Dakota, I would note that the difference between the position he articulates—and it is a position a lot of people in Washington hold—and the position that a lot of the rest of us hold is between those who worry a lot about how much money the Government has versus those of us who think it is a better idea to let people keep more of what they earn, that they are probably in a better position to make good judgments about how that money should be spent, and especially when it comes to their death and their loved ones who have to face the difficult choice of deciding how to pay the death tax that, unless something is done, is going to go up to effectively 60 percent. Can anybody imagine a 60-percent tax rate? It is actually on the books at 55 percent, but because of the way the Code works, it can be as much as 60 percent. Can you imagine a 55-percent or 60-percent tax rate? You cannot pay it unless you sell the farm or sell the business. I know people to whom that has applied. So it is a difference between those who worry how much money Washington has and those of us who are concerned about people keeping more of what they earn.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:31 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. VITTER).

GULF OF MEXICO SECURITY ACT OF 2006—Continued

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Mr. President, I note that the next Democratic speaker after me will be Senator HARKIN, and the next Democratic speaker after Senator HARKIN will be Senator SCHUMER.

We are now in the final days and hours of this session of Congress. One of the bills that is circling, waiting for a place to land is the pension bill. We now know the pension bill has been passed by the House, and it is waiting to be taken up in the Senate, but we don't know when it is going to be taken up. It all depends on what we do about the estate tax.

The pension bill—the bipartisan pension bill—must not become a pawn in the debate over other unrelated issues. This bill needs to pass, and it needs to pass this week. There is only one reason it is being held up: politics, politics, politics.

The pension bill is being used as a pawn for reckless tax breaks for a few when the pension bill will help the many. We need to move this pension bill. I urge the Republican leadership to bring up the bill this week and to bring it up before any tax bill. The American people need it. We need to protect the pensions of millions of Americans, we need to provide relief and certainty to good-guy businesses, and we need to protect the taxpayers from having billions of dollars dumped on the Pension Benefit Guarantee Corporation. Promises made should be promises kept.

America's pension system is in crisis. There are companies that are declaring bankruptcy and then dumping their pension plans on the taxpayers. We have the legislative framework to deal with this.

We have had terrible problems. Bethlehem Steel didn't honor their books and declared bankruptcy. They dumped the pensions of 100,000 workers and retirees on the Pension Benefit Guarantee Corporation. United Airlines declared bankruptcy in 2002 and dumped the pensions of 122,000 workers on the Pension Benefit Guarantee Corporation.

One might say: What will this bill do? It will help to make sure that history does not repeat itself. I have been fighting alongside my colleagues for a long time to enact comprehensive, bipartisan reform. Senator DEWINE and I held hearings over a year ago. The Senate passed its bill 7½ months ago. There was a HELP Committee bill and a Finance Committee bill.

When we were waiting to pass the bill, Senator DEWINE and I had a hold on it because we were concerned that it would place at risk certain come-back companies that were working their way out of bankruptcy and would force their pensions into junk bond status. We had the assurances of our colleagues, Senators GRASSLEY and BAUCUS from the Finance Committee, saying: Lift your hold. We need to pass the pension bill. We will work with you.

So Senator DEWINE and I trusted Senators BAUCUS and GRASSLEY, and we did work it out. We were able to agree within the Senate on a bipartisan framework. Then we took it to the House conferees. It was a rocking-and-rolling conference but, again, we were able to get it done.

Now, why can't we get the bill done in the Senate? We worked it out in conference, and it passed the House. Why can't it pass the Senate? It needs to pass the Senate by Thursday or Friday. Now is the time to pass the bill.

The Republican leadership has decided that protecting a few zillionaires' estates after they die is more important than protecting pensions for retirees while they are still alive. Let's get our priorities straight. We are not only talking about the retirees who depend on us, we have workers right now in airlines who are wondering what is going to happen to them. What do you say to somebody who is working for an airline who might lose his pension? Think about that mechanic. Think about what he is concerned about.

What about the stewardesses, the brave people we saluted on flight 93? The last thing we can do is honor their memory and have a pension bill for those who fly every single day.

What about the people who are working right now who are concerned that the rules of the game will be shifted on them? Our pension bill—our bipartisan pension bill—will protect them.

We really have to pass this bill. I urge the Republican leader to bring up the pension bill after we dispose of this coastal drilling issue. As I said, the time for delay is over, the time for politics is over, and it is time for us to take up and pass the pension bill.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Louisiana.

Mr. VITTER. Mr. President, I rise to strongly support S. 3711, the Gulf of Mexico Energy Security Act of 2006, and I also rise to put its provisions in perspective and to dispel some of the myths and simple inaccuracies that, unfortunately, have been propagated in many places, including on the Senate floor.

It is important to understand what this important Energy bill does because it does do significant and important things, and it is also important to understand what this bill does not do because it does not do several things that opponents have claimed. So let's go down these two simple lists.

This Energy Security Act does many important things. It brings new sources of domestic energy to the market over the next few years. All of us should agree that is a very important and necessary component of securing our energy future—not the only component, not the only thing we must do but a very important component of what we must do.

This bill generates new revenue for the U.S. Treasury. There has been enormous misinformation about that. There have been claims that the producing States are somehow raiding the Federal Treasury. What the States are doing is producing more Federal revenue for the Federal Treasury. If that is a raid, let the raids begin, and we will soon erase the deficit.

This bill promotes parity with nearly 90 years of onshore energy production policy by recognizing the importance of reinvesting in our offshore energy-producing areas to ensure the sustainability and liability of domestic energy production and independence.

For decades and decades, producing States onshore, on Federal land, have shared 50 percent of the royalty produced on those Federal lands. This begins to achieve some parity with that by allowing coastal producing States 37.5 percent.

This provides dedicated revenue streams for the State side of the Land and Water Conservation Fund. That fund makes grants available to all of our States for 50 percent of the costs of parks, soccer fields, and other recreational opportunities.

This fully complies with the budget resolution we passed last year and the reserve fund amendment I included in the Senate's budget resolution this year, and it all reduces America's dependence on volatile foreign energy sources.

Those are all very important goals. Those are all goals achieved by this bill.

Just as importantly, there are many things this bill does not do which opponents have confused in the debate.

This bill does not in any way affect offshore California, the west coast, the Northeast, or anywhere on the east coast. This bill is focused on the Gulf of Mexico and has the support of the Senators from all of those Gulf Coast States.

This bill does not change offshore policy in any area other than the Gulf of Mexico, which today provides up to 30 percent of our energy.

This bill does not raid the Federal Treasury of funds from current revenue streams. It does not increase the deficit. As I said, what this bill does is the opposite. It allows production activity which would not occur otherwise. What does that mean? That means increased Federal revenue—$1 billion toward deficit reduction—not decreased Federal revenue.

This bill does not provide funds for the expansion of Federal land acquisition programs through the Land and Water Conservation Fund.

I find, quite frankly, the opposition to this bill enormously frustrating. So many of these same Members of the Senate—others in the broader debate—are some of the loudest voices about high, increasing energy prices, oil prices at the pump, natural gas prices and what that does to our competitiveness. I agree with those concerns. Those are very legitimate concerns. Yet we bring a bill to the floor of the Senate that can absolutely have a short-term impact, a positive impact, bringing prices down, and, no, they have to oppose it. That is not good. That cannot be part of the solution.

The cost of natural gas has increased 400 percent over the last several years. Natural gas is a mostly continental commodity. Its importation through LNG is possible, but that alone cannot have enough of an impact to bring down prices the way we want to see them come down. So we need to produce more domestically. This bill will do that and help bring down natural gas prices.

Gasoline prices have increased from $1.28 in 1996 to over $3.60 in some areas of the country today. Of course, these surges were exacerbated by Hurricanes Katrina and Rita.

These huge spikes don't impact us just at the gas pump or when we pay our heating and cooling bill. They affect us everywhere—at the grocery store, when we buy clothes, at the hardware store, the airlines when we go on trips, restaurants when they pay higher energy bills, and also in the job picture. When we decry jobs moving overseas, high natural gas prices in this country are a huge factor, particularly in select industries such as our chemical industry.

Yet, again, the folks who run to the floor of the Senate to beat on these issues and try to take advantage of them politically the most are among those who are opposing this bill. It makes no sense to me, and it is enormously frustrating to me.

They also seem to be opposed to this bill because they are just opposed on virtual religious grounds on more oil and gas production.

We need to do a lot of things to secure our energy future, and certainly that involves research and new technology and new forms of energy. But as we do that—and we are doing that, and we will do more, and we must do more—as we do that, the fact is, for the next several years and several decades we will have an economy in some ways dominated by oil and gas.

So if we want to give consumers relief, if we want to secure our energy independence in the short term, we also at the same time need to attack that side of the question, and this bill does that, domestically increasing our independence.

It is just completely irresponsible for people to say we can't address that side of the equation. We must, as we must address the longer-term side of the equation, with new technology, new sources of energy, new science and engineering. Those both have to be necessary components of a solution.

I would have a little more sympathy with some of these arguments if Senators from many of these other States, not in the directly affected region in the gulf, were producing at least other forms of energy. They don't like oil? They don't like natural gas? There are other things folks in different parts of the country can do. There is nuclear. There is solar. There is windpower. The fact is, so many of the critics from these other places do not contribute to the Nation's energy needs in any of these categories.

The Department of Energy has some interesting statistics. State by State, what does a State consume in energy and what does it produce? California consumes eight times more energy than it produces. Massachusetts is the winner. It consumes 65 times more energy than it produces. Florida consumes 11 times more energy than it produces.

This is not being part of the solution. This is not sustainable. It is particularly ironic when some voices from these very same places decry a bill as we have on the floor which can be part of the solution, which can lower energy prices even in the short term and can get us to the longer term as we transition to new energy sources.

Finally, as I mentioned, there is a whole myth that many of these same opponents bring up that somehow we are raiding the Federal Treasury. If bringing in more Federal revenue is raiding the Federal Treasury, then let the raid begin. That is what this bill does. It increases Federal revenue—$1 billion more for the Federal Treasury, $1 billion more of deficit reduction. That is the plain and simple fact. Why is that? Because this bill expands production which expands revenue which, even in the new rules of revenue sharing under this bill, increases Federal revenue and decreases the deficit.

For any opponents to claim that this somehow increases the deficit and raids the Federal Treasury is simply untrue. It is factually incorrect. There is more Federal revenue, bringing down the deficit.

S. 3711 is positive. It is concrete, it is taking action now. It is a step forward. It can have an impact that can make life better for average Americans, even in the short term, and help bring down energy prices, help increase our energy independence, help produce new revenue, not just to the producing States; but also to the Federal Treasury—help reduce the Federal deficit.

This is a win-win-win-win, and I urge my colleagues to support this important energy legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I have come to the floor to speak in opposition to the so-called Energy bill that we have before us, on which we will be voting cloture later this afternoon. I want to make my position very clear. I am certainly not against drilling for oil and gas here in the United States or in the Gulf of Mexico. Fossil fuels are an essential component of our Nation's energy infrastructure, and I support appropriate steps to build our supply and use. For example, I have repeatedly, for several years, called for the construction of the Alaskan natural gas pipeline. I voted for last year's Energy bill which contained numerous incentives and provisions for the development of fossil fuels. In fact, I voted for previous Energy bills over the past several years.

However, unlike those previous Energy bills, the bill before us today is not comprehensive. Far from it; it is a narrow bill, focused strictly on drilling for oil and gas in certain portions of the Gulf of Mexico. There simply is not that much gas being made available under this bill.

I mentioned a moment ago the Alaska natural gas pipeline. Every day, they are reinjecting into the ground gas already discovered in Alaska that could be shipped to the lower 48 if we had a pipeline in place. In fact, if we had started on this several years ago we would just about be completed with that pipeline right now. The pipeline is projected to provide some 2.2 trillion cubic feet of technically recoverable gas each year for the next 100 years. But the bill before us today would provide perhaps 5 or so trillion cubic feet lasting less than 3 years.

What does that all mean? It means there is about 40 times the amount of natural gas in Alaska than we would ever get from this bill before us in the Gulf of Mexico. That may not even be including the Mackenzie gas bill in Canada.

The Minerals Management Service indicates the gas made available under the bill before us, if you project 50 years into the future, could be about 2½ months of supply. In other words, of all the natural gas we are going to need for the next 50 years, the bill before us will provide about 2½ months of supply. Over the next 15 years—another way of looking at it—we get about 9 days' worth. And we won't get any at all until 2012. This is not going to have any significant impact on our supply.

As Senator BINGAMAN noted, in order to get access to this very modest amount of gas—as I said, perhaps 5 trillion cubic feet—we are locking away 21 trillion cubic feet in the eastern gulf until 2022 by placing these areas under a 16-year moratorium. What a deal for the American consumer. What a deal. We can get 5 trillion cubic feet, but in exchange for that we are going to lock away, for 16 years, up to 21 trillion cubic feet that could be made available in the eastern gulf. That is not a very good deal for the American consumer.

I think the better bet is for Congress to find a way to get the Alaska natural gas pipeline built. Yet we have done nothing on that. Unfortunately, key parties in the State of Alaska are not getting the job done, and we have not done anything to really move them in that direction. My understanding is that the legislature there is not satisfied with the concurrent contract proposal negotiated by the Governor, and he is not satisfied with them. It goes back and forth and back and forth.

Earlier this year, Senator SNOWE and I wrote a letter to the Energy Committee asking them to investigate this and hopefully to come up with some suggestions so that in some way we here in Congress might break that logjam.

Anyway, there is little hope for them getting it settled by the end of the year, but we are focusing on this—5 trillion cubic feet, when we have 40 times that amount in Alaska that could be piped down. That is just one facet of how bad this bill is.

Second, this drilling legislation would drain the Federal Treasury of billions of dollars in lost revenue that would otherwise be available for urgent national priorities—priorities, I might add, such as agricultural and rural development assistance, health care and education, in addition, of course, to real energy security.

I know a number of farm groups—my farmers—need more natural gas. We use it to make fertilizer. We use a lot of it to make ethanol, also. The point here being that the amount of money we are going to lose under this bill means that we are going to be draining money away from the Federal Treasury that we will need in the next farm bill, which is coming up, which we are going to need for a safety net for farmers, which we are going to need for conservation payments, which we are going to need to provide more incentives for ethanol and biodiesel and biomass production.

Again, the offset is not good. Agriculture really comes up a loser.

The reason I say that—one other bad facet of this bill is that it provides 37.5 percent of the revenue from the new leases in areas beyond their areas to four Gulf Coast States. In other words, four States are going to get 37.5 percent of all the revenues from gas and oil that is way, way beyond their territorial waters.

I can't blame my friends from those States for fighting hard for this bill. I can't blame the Senators from Texas and Louisiana and Mississippi and Alabama—they are making out. This is a heck of a deal for them. Like I said, I can't blame them, but what about the rest of the Senators here? We represent other States.

This is not unique. This came up once before back in 1952, when the President of the United States was Harry S Truman, from Missouri. The issue again was, to whom do these minerals, oil and gas, in the Gulf of Mexico belong? I want to read this for the RECORD. Here is what a courageous, gutsy President had to say:

> The minerals that lie under the sea off the coast of this country belong to the Federal Government—that is, to all the people of this country. The ownership has been affirmed and reaffirmed in the Supreme Court of the United States . . .

I am quoting Harry Truman. He said:

> If we back down on our determination to hold these rights for all the people, we will act to rob them of this great national asset. That is just what the oil lobby wants. They want us to turn the vast treasure over to a handful of States, where the powerful oil interests hope to exploit it to suit themselves.
>
> Talk about corruption. Talk about stealing from the people. That would be robbery in broad daylight—on a colossal scale. It would make Teapot Dome look like small change.
>
> I got a letter from a fellow in Texas today, who is a friend of mine, and he was weeping over what the schoolchildren of Texas were going to lose if Texas didn't get its oil lands 9 miles out from the shore.

Nine miles. Here we are talking about 100 miles, and more. This was 9 miles. Listen to what Truman was saying about the oil and the gas 9 miles off the shore:

> And I composed a letter to him, and then didn't send it. I said what about the schoolchildren in Missouri and Colorado, and North Dakota and Minnesota and Tennessee and Kentucky and Illinois, do they have any interest in this at all? Evidently not, it should all go to Texas. Well, it isn't going there, if I can help it.

Boy, why don't we have a President like that today? Talk about telling it like it is. And Truman did veto it.

Here is his closing.

> I can see how the Members of Congress from Texas and California and Louisiana might like to have all the offshore oil for their States. But I certainly can't understand how Members of Congress from the other 45 States can vote to give away the interest the people of their own States have in this tremendous asset. It's just over my head and beyond me how any interior Senator or Congressman could vote to give that asset away. I am still puzzled about it. As far as I am concerned, I intend to stand up and fight to protect the people's interest in this matter.

President Harry Truman, May 17, 1952.

Where is Truman when we need him today? Yet we read history and look back and say: Boy, that Truman, he was brave, he was courageous, he fought for real people. He was on our side. How, he said, can Members of Congress from other States—Iowa, Missouri, Minnesota, Nebraska, Illinois—how can they vote for something like this to give away a national asset to four States? Truman said it in 1952. Here we are back again, back again.

As I said, 37.5 percent goes to these four States. As Truman said—how did he say it? He said here, "Talk about corruption. Talk about stealing from the people. That would be robbery in broad daylight—on a colossal scale. It would make Teapot Dome look like small change."

Truman had it right then. He is right today, too.

Another reason to be opposed to this bill is it is such a narrow and controversial bill when we consider the components of what we really need for a 21st century sustainable energy policy for our Nation. By that I mean an aggressive and continuing effort to promote conservation and to ramp up renewable energy. It is as true today as it was 10 years ago, 20 years ago, and 30 years ago. It is cheaper right now to conserve a barrel of oil or a trillion cubic feet of natural gas than it is to go out and drill for it. It is easier and cheaper—cheaper to conserve. Yet we have this bill before us, this very narrow bill, very contentious bill, that gives all this—37.5 percent of these royalties—to these four States.

You might say the average American out there listening to this debate would say: HARKIN, why don't you amend it? If you feel so strongly about this, offer an amendment; see what happens.

Guess what. We can't offer any amendments. Yes, that is right. You may wonder, Is this the Senate? You mean we can't offer an amendment? That is right. I cannot offer an amendment to this bill because of the games the leader on the other side played in terms of how he brought it up under cloture and filled the tree, as they say. That is just gobbledygook, meaning the majority leader is able to engineer the way the bill is brought up so we cannot offer amendments to it. When the bill comes up for a vote, it is up or down. We can't even offer an amendment. We can't offer an amendment on conservation or renewable energy or to say maybe it shouldn't be 37.5 percent for four States, and maybe other States something else. Fifty amendments were filed on this bill. None of them will be considered.

We have time to talk for days around here about flag desecration and about gay marriage. I am not saying those aren't important issues. But let's get real, folks. We are talking about something here that affects every American every day. People are hurting out there with an unusually hot summer. People are struggling to pay these big gasoline prices—upwards of about close to $3 a gallon, 71 cents more than a year ago. Natural gas prices are the highest of anywhere in the world right here in America. Yet how do we go about achieving some energy price relief for my Iowans or other Americans? How do we go about it?

We have this bill—this very narrow bill. We should be discussing other parts of what we need for energy. The Senate leaders, Senator FRIST and Senator REID, were asking last week that we include a period for energy debate while addressing the measure before us. Again, we spent all this time this year debating this and that. And if we have time for those, we surely have time to debate America's energy security challenges, offer our amendments, debate them, and let's see what comes out of the process.

I filed two amendments to this bill. One contains the Biofuels Security Act. It is a bipartisan measure to improve our ability to deliver renewable fuels to motoring consumers. I am not going to explain every little bit of it, but basically it would increase the amount of renewable fuels we make.

Second, it would make E-85 ethanol available at gas stations across America.

Third, it would require the automobile companies to make more flexible fuel cars such as they are doing in Brazil right now so we could have E-85 pumps across America.

I filed a second amendment that would require the EPA to adjust the fuels standards to meet a 10 billion gallon target by 2010. That shouldn't be too much. We are going to meet that, anyway. We should do it higher.

We need to spur growth of cellulosic biofuel production—fuels made from fibrous materials such as corn stover, wheat straw, wood waste and switchgrass.

Lastly, in terms of conservation, I cosponsored an amendment with Senator OBAMA and others to increase vehicle fuel economy standards for the first time in two decades. Imagine that. We have not increased fuel standards in this country in 20 years. Yet here is a bill on energy and we can't amend it.

Conservation of energy coupled with increased availability of renewable fuels is the pathway to the future while at the same time doing what we can to increase our natural gas production.

The best thing would be the pipeline from Alaska.

As I said, I am not opposed to drilling for gas and oil in the gulf, but I am the way this bill is set up. If you do not have a component in the bill for renewable energy production, biomass, biofuels, wind energy for electricity and others, photovoltaics as a component of it, and also conservation, all this bill says is basically we are going to continue to do what we have been doing in the past—getting more fossil fuels. We may need fossil fuels, but the sad truth is that this bill before us is a missed opportunity to do big things for our energy future and our energy security.

Again, I assume that the votes are cut and dry on this the way they have it. I just want to make sure people know we can't offer amendments. We are being precluded from doing so. But hopefully we will be back and hopefully we can have a more serious discussion and debate about how we provide for America's energy security in the future.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. SCHUMER. Mr. President, would my colleague yield for a brief question?

Mr. LOTT. I would be happy to yield, without losing the floor.

Mr. SCHUMER. Does the Senator know how long he will speak?

Mr. LOTT. Mr. President, as a Member of the Senate, I must say I never know how long I am going to speak. I will not speak that long, but I may get excited and go a little longer. My guess is not more than 15 minutes.

Mr. SCHUMER. Mr. President, I ask unanimous consent that I be recognized to speak immediately after the Senator from Mississippi finishes his remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I rise to speak on this very important legislation, S. 3711. But like others today, I may decide I need to comment on some other issues that will be discussed later on this week.

First, I must say that this week I have been thinking repeatedly about that great line from Rudyard Kipling's "If." "If you can keep your head when all about you are losing theirs and blaming it on you"—

And it goes on. It is a great poem, it says that if you keep your head when everybody else around you is losing theirs, you shall inherit the Earth, my son.

That is what I would encourage my colleagues to do today. Let's keep cool. Let's not lose our heads. Every one of us is going to get up to speak, and there is going to be somebody on the other side of the issue or on the other side of the aisle who is going to say, That Senator lost his head. Let's keep our cool.

I just heard a speech saying we shouldn't pass this bill because it is not big enough. Yet you are going to hear a speech later this week saying we shouldn't pass one of the next bills because it is too comprehensive.

This is not a bill that is going to solve all of our energy needs. This energy problem has not developed in the past year, or 10, or 20, or 30. It has been coming for years. We have made speeches on this floor about how we are becoming more and more dependent on foreign oil. We were all worried that it would go up to 40 percent, then 50 percent, and now it is 60 percent. If we don't do anything about it, it is going to continue to go up.

Do I think it is dangerous? Yes. I believe we should address it in every way we can.

As I have said before in some of my speeches here, I personally believe that the way to deal with our energy needs is to produce more of everything—make the pie bigger; quit trying to find ways to shrink it; more gas production; more clean coal technology; more hydrogen plants; more nuclear plants; and, yes, alternative fuels—biomass, bio-diesel, conservation; the whole package.

In my opinion, the first option has always been to produce more. That is the way I was raised. You do not have to do with less. You can find more natural resources, you can find more alternative fuels, and we ought to try to do that. I think we can get together on this.

As far as I am concerned this is not a comprehensive package. we passed a big energy bill last year, a very costly bill, with several good provisions in it.

This very morning I met with people saying they were interested in several tax credits. They said they could change automobiles so they could work using propane. We have the infrastructure to do this. There are lots of good ideas out there. We are going to have our first ethanol plant in Mississippi. We are all trying to find a way to do a better job.

This bill will also help our new ethanol plant. It will produce lots more oil and gas, millions of barrels of oil, and trillions of cubic feet of natural gas. Why shouldn't we do that? Because it does not include all the coasts or all kinds of other resources? That is not good enough.

This bill is a step in the right direction. It will lead us toward more production which will make us less dependent on foreign oil. Why don't we do that? It will have an impact pretty quickly. It will have an impact on the futures markets. I think we can get some of that oil and gas out of the Gulf of Mexico in this designated area sooner than a lot of people think, and in larger quantities.

I urge my colleagues to quit trying to find the perfect. This is good enough. This is a magnificent effort, and it is bipartisan.

I talked to my friend, former Senator John Breaux of Louisiana, a Democrat, this morning. I said, We finally figured out how to bring together a bipartisan package without you. Twenty-two Democrats voted to move to this legislation yesterday. Seventy-two Members of the Senate said let's cut out the frivolous debate, and let's go to the substance here. This is an opportunity to get something done.

Why are we whining about it? Why aren't we high-fiving and congratulating each other and saying to the American people that it is not the end but it is a beginning? It is good. Let's do that. We need to address this overall energy problem.

I have heard some other interesting opposing ideas to this bill. One of them is: Well, if we do this, it will be cutting revenue coming to the Federal Government. Let's see. The math on that one eludes me. If we don't do this, we are not going to get any revenue from this area—none, zero.

If we do it, we will have a substantial impact on the Federal budget with revenue coming in. Yes, some of it will go to the States in the region and some of it will go to States all over the country. However, there will be a huge impact on revenue coming in from the royalties if we pass S. 3711, to open up millions of acres in the south central part of the Gulf of Mexico.

This, once again from the standpoint of helping the Government and the people, is a winner because revenue will also be coming into the Federal Treasury.

Some have argued: Why should the States in the area benefit? We should benefit because we haven't benefitted in the past; because we have not been treated fairly; because we are the ones who take the risks. We are the ones who have a tremendous coastal impact problem which we must now address: hurricane prevention, protection and coastal replenishment. We have estuaries in Louisiana that are disappearing. We have a huge problem on our hands. With the revenue from offshore drilling we can pay for it. We are taking the risks, therefore we should have the benefits. At least some benefit. These risks may be very minimal, but we need the revenue to take care of ourselves.

I like the fact that not all of the revenue from this area goes to the Gulf States or the Governors. It goes to the local people. Twenty percent will go to the local people, the supervisors. The individual counties will decide what part of preservation, restoration, prevention, or recovery they will put this revenue into.

For years, the royalties from on shore exploration in the West stayed within the States where drilling was taking place. They got 50 percent of it. Yet, in the Gulf where oil and gas exploration has taken place for years, we have been getting zero except for the tiny percentage we got out of the Land and Water Conservation Fund. Basically nothing.

Now we would like to have something similar to what they've had out West. However, we are not saying that it all either has to go to the states or to the Federal Treasury. Part of the revenue will go to the Gulf States, part of it will be going to the Federal Land and Water Conservation Fund, which will go to States all over the Nation, and part will go to the Federal Treasury. For the first time, the Gulf of Mexico States would be getting a fair deal. I am proud of that. All of us from that region—Texas, Louisiana, Mississippi, and Alabama—are supporting this package.

Without us, it probably wouldn't have happened. A lot of credit goes to the Senators from the region, particularly the Senators from Louisiana, MARY LANDRIEU and DAVID VITTER.

This is also an acceptable arrangement for Florida, which has not been easy. It has been tedious. They want to protect the area that is used for military training. They want to protect their beaches, which are crucial to their tourism. I understand that. I may not agree with them in terms of how far away it has to be, but they believe this is a fair agreement for their state.

That was not easy to achieve. It has taken a lot of time and effort. It is a principled one, from an economical, energy security and environmental standpoint.

All of this drilling will not take place unless it is at least 100 miles from our coast, or 125 miles away from the Florida shore.

By the way, back in the real world, China is prepared to start drilling off the coast of Cuba, which is within 60 miles of Florida. Is that going to happen? Yes. Yet we are prohibiting the drilling for the gulf oil and gas even 125 miles away for the Coast of Florida. This legislation is a good effort. I am proud to be part of it.

Let me speak a little bit about this week. Colleagues, there will be plenty of time and plenty of opportunity to say: It is your fault, it is this leadership, that leadership, it is Democrats, Republicans, it is this chairman, it is the House of Representatives; recriminations, blame all over the place. We need to put aside the blame game. We need to put aside our own pitiful pride, where we are defending our turf, insisting on the correctness of our position.

If it were my call, I wouldn't set this week up the way it is, but someone has to make that call, and it has been made and I support it. This could be an incredibly good week. If anyone thinks we are going to do better in the elections this year by doing nothing, you are sadly mistaken. Does anyone around here not see where Congress is rated? Between the two parties, it is a question of who is the lowest, not who is the highest.

We need to produce. We used to be able to do that. We used to be able to reach across the aisle and find a way to make it happen. That is what we need to do this week. Envision this: Dream that at the end of this week we will have passed an energy bill that will help reduce our dependence on foreign oil; we will have passed a defense appropriations bill that will help us in the war on terror, and support our troops wherever they stand vigil this very night; we will have passed pension reform that has been years in coming that is in the best interest of corporations and employees all over this country, that is good for aviation and automobile manufacturers, but most importantly of all, working people, people out there making it all happen, people who are worried about their retirement, worried whether their pensions will be there, will it be at the level they were promised? What will it be? How can you transition from defined benefits into defined contributions, 401(k) plans, IRAs? They would sleep better if this dream came through and we finished this week up passing this pension reform with the aviation pension part of it included. And the so-called trifecta.

I don't know much about betting. I must admit that I don't even know what a trifecta is, but I know it is three of something. I suspect that in a trifecta bet the return on a dollar is huge. That is what will happen if we pass this bill.

It has a minimum wage increase, $2.10 over the next 3 years. A lot of small business men and women are concerned about that. How will they cope with that? Will they take it out of the bottom line? Will they lay off people? Will they raise their prices? They are not sure, but the fact is we have not passed a minimum wage increase in 10 years. I was here when that happened. There are a lot of people who feel it is time we do this. We can debate that. We will debate that. But if we are going to get a trifecta, that is part one.

Part two is extenders. That is more Senate talk in Washington for tax provisions, but they are not just insignificant tax provisions; they are the tax credit for research and development, which is about the future of America. If we want to be competitive, we better be doing research and development because the Chinese, the Japanese, even the Russians are beginning to do things in that area.

It has a deduction for college tuition. I thought we were for that. For the first time we are on the verge of getting a fair capital gains rate for timber. I thought we were for that. That part of the trifecta has so many things that will be beneficial for working men and women of America, the people who own a few acres of timberland, for people who want to send their kids to school. We need it. It will produce I don't know how much more revenue than would be expended in tax credits or deductions. You never get finished reaping the benefits of helping your kid go to college and getting an education. It benefits the revenue of our Federal Treasury for years to come. I am one of those. I had a school loan to get through college. I paid it back a few times over through the years. So we ought to do the extenders.

We ought to do a reasonable compromise on the death tax. We will hear ranting and raving about how horrible it is that we would reduce taxes on the wealthy. I am not one of those. I don't have anyone in my blood family who will qualify. I do have a couple of in-laws who would probably qualify for it. But I have never been able to conceive but one other tax worse than the death tax. Just the idea that you work all your life, you produce, you save, you have a house, a farm, a small business, whatever, and the Government shows up when you die and says, give me a huge chunk of it—the principle is wrong. I have never talked to men, women, young or old, all kinds of different races, who say the death tax is a good idea. That is a bad idea. The only tax I know that is worse is the income tax, of course, and the day will come when we will have to fix that, too.

Can I argue about parts of it? Sure. Can I argue against some of the things in the death tax and the minimum wage and how it is constructed? Sure. But is it good enough? Will it help America? Yes.

We can have a vision this week that leads us to do these four things and leave here on a high note. That would be good for America and good for everyone who participated in the effort.

I urge my colleagues to keep calm this week. Let's hold down on accusations. Let's try not to get mad at each other. Let's try to cooperate as much as we can between our leadership. Let's see if we can't do something right for a change in this institution.

I still have faith that the majority of the Senate wants to do what is right for our country, not what is right for our party or our region to the disadvantage of other regions, and certainly not what we are told by our leadership.

Sometimes we do not agree with our leadership, but these guys and ladies have a very tough time. They have to review a lot of things the rest of us don't know about. We have to be prepared to follow. This week they may be pulling against each other, but maybe we can help get them back together and produce a final product.

I would like to urge my colleagues to vote for S. 3711. In fact, I suggest that we vote for everything this week. That would be novel.

I yield the floor.

The PRESIDING OFFICER (Mr. COLEMAN). The Senator from Idaho.

Mr. CRAIG. Mr. President, by unanimous consent I understand the Senator from New York has reserved the time coming up. I visited with him. He needed to attend a meeting, so I ask unanimous consent I be allowed to proceed, to be followed by Senator SCHUMER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, the Senator from Mississippi counseled me to stay calm. I am a reasonably calm guy. I don't get too excited about much of anything—at least that is what my wife would suggest. But let me tell you something that happened to me last night that caused me to be a little less than calm.

I drove, like most Americans, to a gas station. I pulled up to the pump, I swiped my credit card, and $39 later I filled an economy car full of $3.25 per gallon gas.

I must tell you and tell the Senator from Mississippi, I wasn't calm. This Scotchman's blood began to rile a bit when I realized that I and all other Americans are paying more for their gas today than ever in the history of this country and it is Government policy that caused it.

It is an attitude over the last 20 years that somehow America was going to conserve its way out of this problem. We didn't have to produce, we didn't have to refine, and, by the way, you can go out and buy a bigger car and it will burn a little more, but don't worry about it, it will be there. We lulled ourselves into this sense of false security that somehow gas is always going to stay at $1.25 or $2 a gallon.

While we were in a sense of false security, we did something else that was politically stupid. Where the greatest potential for domestic oil production exists today, we said take it out of bounds, take it offline. Seventy-five percent of the Outer Continental coast of America today, where our greatest reserves exist, is off limits, all in the name of the environment, even though we have applied technology, science, and engineering in a way today that was proven during the tremendous storm of Katrina when we knocked thousands of wells offline in the gulf, and not one drop of oil was spilled.

Why, then, did we do this all in the name of the environment if, in fact, we can retrieve oil from our deep waters off the Continental Shelf and coast today and not damage the environment? It was the politics of the 1970s, the 1980s, and the 1990s. During that time, not only was gas relatively inexpensive compared to today's prices, but our consumption levels went up and we began to buy more and more oil from foreign supplies, foreign producers, dominantly from the Middle East but some from Central and Latin America.

Today, with all of these red areas off limits, where there are potentially billions of barrels of oil, we said "no" and we find ourselves dependent today with speculative oil prices going through the roof because wars are being fought, people are killing people in one of the most insecure areas of the world, an area we have grown to become dependent on for the supply of our primary economic resource, oil. What is wrong with that picture, America?

Pogo once said: I have found the enemy and the enemy is us. Maybe that is to paraphrase it a little bit. The enemy for oil prices is us, if I can say it in those terms. It is not only public policy in America today that has created the "no" zone to production, it is the attitude in America that somehow energy prices are always going to stay inexpensive and we don't have to produce anymore, even though our rate of consumption continues to grow.

Then along come the late 1990s and the early 2000s and the Chinese economy takes off, the European economy takes off, and the Indian economy takes off, and they are now all large consumers of oil. We all buy it from the same pool, and the price goes up.

Today, before the Senate, this afternoon at 5 o'clock, we have an opportunity to begin to slowly but surely correct a very big problem we built up in the decades of the 1970s, the 1980s, and 1990s, a self-inflicted wound we can now bind up and heal while we work our way out from increasing dependence on foreign resources. That legislation is S. 3711.

What does it do? It takes us right down here to this tiny little green square in the Gulf of Mexico called lease sale 181.

We say to the oil companies of America: You can go out there and bid and lease and drill. Our geological survey determines that there are trillions of cubic feet of gas out there and, potentially, billions of barrels of oil. We can bring it on line and send it to our gulf coast refineries and begin to process it and move it into our distribution systems. And for a moment in time we will become just a little less dependent on Saudi Arabia or Iraq or anywhere else in the world in which we are buying oil today.

Why did we do it? Times change. Attitudes shift. Technology changes. Today, there is absolutely no reason to have a no-zone around the United States because we not only can produce it, we can do it in an environmentally sound way. Here is what we believe—not me; we, the U.S. Geological Survey, our Federal agencies that study where our oil reserves and potentials are—here is what they say we can do. They say there are, potentially, in the Alaska National Wildlife Refuge—2,200 little acres that we can drill out of millions of acres—potentially, tens of billions of barrels of oil up there; and in the OCS, 115 billion barrels of oil, of which this one little spot down in the gulf we call lease sale 181 that is embodied in this legislation, S. 3711, will be able to reduce this maybe down to 110 billion barrels because maybe we can get 5 billion barrels out of there.

Of course, a few months ago I came to the floor and said: Why are American companies not being allowed to drill in the northern properties off Cuba—where Cuba is now leasing that area out to China to drill, 50 miles off the U.S. shore. Why are not Americans out there doing that? That is another potentially 4.6 billion to 5 billion barrels of oil.

Add it all up, if we were able to use our skill, our talent that we have developed in the decade of the 1990s, and 2000 and beyond, for deepwater drilling, we could bring this much oil on line in a relatively short period of time.

But California says no. Florida, in large part, has said no, although the Senators from Florida have worked with us, and MEL MARTINEZ has done a beautiful job striking the balance to protect the environment of Florida and to drill in lease sale 181 off the coast of Florida.

But, then again, in these areas up through here, where there is tremendous potential off of the northeastern coast of our country, what do Vermont and Maine and New Hampshire and Rhode Island and Connecticut say? No.

even though their consumers are paying $3.25 to $3.30 a gallon for gas. Where is the logic? Where is the sensitivity of that? Where is the sensibility of it?

I know America wishes we could snap our finger and this energy problem or crisis would be over. And it will not be. It took us 30 years marching down a path in which production was a negative, in which we said we simply did not have to produce; we could go someplace else and buy it. It is going to take a while to turn that around.

Last year, this Senate made a major step to turn that around. The National Energy Policy Act of 2005, known as EPAct, today, is bringing ethanol refineries or distilleries on line all across the Midwest as a part of producing into the whole energy supply of our country. Twenty percent of America's corn crop, being raised right now in the fields of Illinois and Iowa and Kansas and other places, will be used for ethanol production to go into the gas tanks of the American automobile. So we are moving in the right direction.

Last year at this time, as it relates to electrical production, we had about two reactors on the drawing board; that is, nuclear reactors. Folks, today there are 24 on the drawing board. Ten or 12 of them will be built, but it will take 10 or 12 years to build them. You do not overnight correct the problems you have created over the last 30 years.

The American consumer, in their sense of frustration, today is saying: Fix it. We like inexpensive energy. And I do not blame them. So do I. Last night, at $3.25 a gallon for that regular gas I put in my gas tank, I did not like it one bit. That is the bad news: high gas prices. The good news is: high gas prices. Today, we would not be on the floor debating lease sale 181 if gas were still $1.25 a gallon or even $2 a gallon. It was at $3 a gallon when the folks in Florida scratched their head and said: Maybe we could allow a little drilling out there. Maybe we could bring a little more on production. Maybe we ought to sit and listen to the reality of the environmental skills that our deepwater drillers have today in the production of oil, and we can do that and protect our environment at the same time. And we can. This legislation is going to do just that.

That is why what we pass this afternoon is critically important to the long-term stability and security of this country, to the strength and security of the average American family and consumer out there. It isn't that they will pay less after we do it; it is that they probably will not pay more.

In trying to level these prices and get this country back into production, I would hope that Americans quit saying no. I would hope that Senators would quit saying no and look at all of the alternatives out there today in a diverse energy portfolio of ethanol, of gas, of hydrogen, of nuclear generation for electricity, of wind and solar, and all the things we ought to bring into production in this country that we are working hard to do at this time.

I am not going to ask Americans to be patient. We are not a patient people. We are very impatient as a country. But it is going to take some time. It is going to take the concerted efforts of Senators such as PETE DOMENICI and myself and MEL MARTINEZ and others who have worked this issue as hard as we have to convince this Congress, that oftentimes is very resistant to change or very resistant to having to go out and face the very powerful environmental community and say: You know, you are just flat wrong. We can produce energy, and we can produce it cleanly for Americans, and provide it abundantly at a reasonable price—if we let the marketplace work, we put the parameters around it as it relates to what we expect from them in the safety and security of our environment but we do not say no. And for too long we have.

Finally, this afternoon, at around 5 o'clock, we are going to vote on S. 3711 and, hopefully, we will say: Yes, let's bring it on line. Let's produce it. Let's put trillions of cubic feet of gas into the gas pipelines and let's bring billions of barrels of crude into the refineries of the gulf coast.

Senate: Say yes. You have been too long saying no. Americans are frustrated and angry they are now having to pay a price they are not used to, and certainly have an abundance and a sense of security that most Americans have come to enjoy and expect of themselves living in this great country of ours, living with a system that works, and with a government that tends to be responsive to their needs. That is what this legislation is all about this afternoon.

So when the Senator from Mississippi counsels patience, I am an impatient guy, especially when it comes to my pocketbook. And I know most consumers are. I don't like paying $3.25 a gallon. I would like to find the boogeyman and blame somebody for it. We have ourselves to blame because the no-zone was created by public policy, not by the big oil companies. No. They would like to be there drilling and using the latest technology. No. The no-zone was created by public policy: no to the billions of barrels of oil that exist, as shown on this chart, in Alaska, in the Outer Continental Shelf, in the northern area off from Cuba, and in lease sale 181.

The reason we are not there today is public policy, is an environmental attitude that simply says "we don't have to produce any more." Well, we do have to produce, but we need to do it cleanly, responsibly. That is what this legislation is about. That is what the energy policy of last year was about. This Government, thank goodness, has been listening and has finally heard the consumer and his and her frustration.

I would hope this afternoon we turn a no vote into a yes vote. I encourage all of my colleagues to vote for S. 3711. It means a lot to the average family who is paying the price today for bad policy at the gas pumps of America.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Utah.

Mr. HATCH. Mr. President, I understand that Senator SCHUMER is supposed to go next. So I ask unanimous consent that I may be recognized following Senator SCHUMER or, if the other side would like me to go first, I would go first. But it is my understanding the time should be charged to the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that the distinguished Senator SCHUMER immediately follow me on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I rise today to express my very strong support for S. 3711, the Gulf of Mexico Energy Security Act of 2006, sponsored by our very able chairman of the Senate Committee on Energy and Natural Resources, Senator DOMENICI. I was pleased to cosponsor S. 2253 with the chairman, which was an earlier version of this bill.

We must all recognize that the global oil market has changed dramatically, and we must pursue an energy-security strategy that takes into account a new set of realities.

We are now faced with the prospect of a long-term oil shortage conjoined with a serious lack of spare capacity among even the world's most reliable suppliers.

As OPEC's ability to respond to growing global demand for crude has slackened, so, too, has OPEC's ability to maintain a price band and the resulting political and price stability on which our Nation—more than any other—has been dependent. It is imperative we face the fact that even exhaustive efforts to conserve and increase renewable fuel production will still fall far short of bridging the gap between global supply and our world's swelling demand for liquid fuels.

Oil and natural gas have production limits. We do not manufacture oil. In order to produce oil and natural gas we must go through a lengthy process of exploration and extraction. Increasingly our search for replacement light sweet crude has been coming up short.

Just as it is important to recognize the magnitude of our global energy shortage, it is equally important to recognize that North America has solutions that are being ignored. The passage of S. 3711 would allow us to benefit from one of the best solutions available.

Within our reach, in the Gulf of Mexico, we have an abundance of new sources of oil and gas. It is time we develop these new sources in order to help American families as they struggle against the rising cost of energy.

Mr. President, increasing our domestic supply of oil and gas will have a positive impact on every American and every American business. Unfortunately, Canada, one of our major natural gas suppliers, has struggled to increase production and deliver it to the United States. As a result, gas imports from Canada have dropped in recent years.

I don't see how this Congress can turn away an opportunity to gain access to the 5.8 trillion cubic feet of natural gas that this legislation would make available. This is enough natural gas to heat and cool nearly six million homes for 15 years.

And how can we ignore 1.26 billion barrels of oil which would become available through this proposal?

I understand there may be members of this body who will oppose this measure but I wonder why.

But if the Senate is to get serious about reducing our dependence on foreign oil, we must pass this legislation.

Reducing our foreign dependence by means of conservation, alone, will not work.

Conservation is a part of the solution, but it is only a small part.

The fact is, if we do not actually increase our domestic supply of oil and natural gas in a significant way, as soon as possible, our Nation will pay a very heavy price.

I have been a strong advocate of conservation and increasing efficiency.

Seven years ago, I recognized that about two-thirds of all our oil consumption is taken up by the transportation sector, and I began to draft the Clean Efficient Automobiles Resulting from Advanced Car Technologies Act, or CLEAR ACT.

The CLEAR ACT was made law as part of the Energy Policy Act of 2005, and it is now providing strong tax incentives for the purchase of alternative fuel and hybrid-electric vehicles, for the installation of new alternative fueling stations, and for the use of alternative fuels in vehicles. We have had an explosion on the development of hybrid vehicles and alternative fules. The CLEAR Act had a lot to do with it.

It took me and my cosponsors substantial effort and political capital to pass the CLEAR Act, but we did it because we knew it was important to increase the efficiency of our transportation sector.

But I have never lost sight of the fact that our Nation absolutely must increase our domestic oil and gas production if we hope to continue to prosper and remain competitive.

Also, there are several longer term solutions to our Nation's energy needs, such as our vast resources of unconventional oil, that need to be implemented.

The U.S. Department of Energy estimates that recoverable oil shale in the western United States is somewhere between 800 billion and 1 trillion barrels of oil, but it is not counted among world reserves because it is not yet commercially developed.

I should point out that the world's oil reserves stand at just about 1.6 trillion barrels. That means, at a minimum, the U.S. can increase the world's oil reserves by 50 percent by implementing an aggressive policy to recover our own oil shale. We in the west understand that in Colorado, Utah, and Wyoming, that tri-State area, is an estimated 1 trillion barrels of recoverable oil from tar sands and oil shale.

Chairman DOMENICI and Senator ALLARD worked with me to ensure that the Energy Policy Act included strong provisions to promote the development of these unconventional resources.

However, even if the development of oil shale and tar sands is a success, as I believe it will be, it would not occur in time to save us from our current supply shortage.

S. 3711 is one of the few opportunities we have to improve our Nation's energy situation in the near term. I believe it represents an excellent compromise among the various interests involved, and I applaud the parties involved for bringing us to this point.

I hope this body will not throw this opportunity away. This is a way of helping our country, helping our citizens. This is a way of stabilizing the price of oil and of natural gas.

I urge my colleagues to support S. 3711, the Gulf of Mexico Energy Security Act.

I suggest the absence of a quorum and ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER (Mr. VITTER). Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, I rise in support of S. 3711, the Gulf of Mexico Energy Security Act of 2006.

Before I begin, let me say this: I want to try to put this in a general setting. We have an energy problem in this country. We all know about that. Every year, hundreds of billions of dollars flow out of the pocketbooks of hard-working men and women and end up in the pockets of people we don't like particularly, people in Iran and people in Venezuela, countries like them, leaders who don't really play ball with us in the Middle East or in the Soviet Union on so many issues. It is imperative that we get a grip on this. In the long run, there is only one solution, and that is independence from fossil fuels. We are doing so little on that, it is almost pathetic. We should have a crash program to free us of imports within 10 or 15 years. We should be putting every nickel in. We don't.

The Energy bills in the past have too often listened to the big oil companies which are happy with the status quo. Mr. Tillerson, head of ExxonMobil, came before our Judiciary Committee and said he didn't believe in alternative fuels. But that is down the road. Because even if we started today—and we should have started 5 or 10 years ago—that will take a while. So what do we do in the short run? It seems to me there has been a little bit too much deadlock here: one side, mainly our side, saying conserve—and we are right, there should be conservation—the other side saying produce more, not just alternative fuels, which I think are very important, alternative energy, which I think is very important, whether it be wind or solar or biofuels but those just nibble at the edges. The other side says we need to supply more fossil fuels. There is a deadlock. It is about time we broke the deadlock. An ideal bill would be one that breaks the deadlock on both sides, that increases supply of fossil fuels in a way that doesn't do grave damage to the environment and yet at the same time conserves. Such a bill is not yet here.

The majority in its wisdom does not allow such a bill to come forward. The majority doesn't allow amendments on conservation to be added to this bill. But this bill does move to increase supply in a certain portion of the gulf, 1.2 million barrels of oil, 5.8 trillion cubic feet of gas, in about 8 million acres. That is 1.2 billion barrels of oil we won't have to purchase from a Middle East that is, unfortunately, looking more volatile and less friendly day by day.

For the sake of consumers, it is clear we have to get gas prices under control. And while drilling in these 8 million acres isn't going to send the price plummeting—that takes a much larger endeavor and a larger picture—it will affect things at the margin. Gas prices are the highest they have been since the aftermath of Katrina. In my State, a family with two cars, two cars they need to get to work, drive the kids to the doctor and dentist, to get the groceries, can expect to pay $1,000 more in gas this year as compared to just 1 year ago. That is a tragedy for that family—not a tragedy, I guess, but an economic tragedy. If your income isn't that large, $1,000 is just too much. It is a huge burden—is a better way to put it—on working families as prices keep going up.

So I have thought a lot about this. I am going to vote for this bill. I have advocated in our caucus for this bill as a way of showing faith on this side of the aisle that when dramatic damage is not done to the environment, as it would be in Alaska where we are 10 years away, we are willing to look at increasing the supply of fossil fuels in the United States.

I am going to support this bill. I hope the other side will join us in allowing CAFE standards to come to the floor. A bipartisan bill sponsored by Senators LUGAR and OBAMA would be a great place to start. Then we would increase supply some and decrease demand some. It would make a huge difference. The fact that our CAFE standards are lower than that of China, a country with virtually no environmental conscience but, rather, a country interested in economics—and they understand the economics are very important.

Make no mistake about it, if this bill is tampered with in the House, if we go beyond these two areas and talk about drilling in the oceans, as the Congressman from California, Mr. POMBO, is, most of us on this side of the aisle will do everything we can to block that, and we will get no bill at all. Let that be a warning to the people in the House not to take advantage of our good faith here. By opening significant tracts for drilling in the Gulf of Mexico, I also believe this bill should give us less reason to drill in areas that are more environmentally sensitive like ANWR.

I am supporting this bill. I have urged my colleagues on this side of the aisle to support the bill. I appreciate the hard work the Senator from Louisiana, Ms. LANDRIEU, has done in persuading us to be for this bill. But this bill will be an empty promise if we don't go further, if we don't do more to conserve, if we don't do more to come up with a bipartisan approach that in the long run removes us from the stranglehold of fossil fuels and in the short run both increases supply and decreases demand for energy.

Mr. ENZI. Mr. President, I rise in support of S. 3711, the Gulf of Mexico Energy Security Act. This important energy legislation begins a process by which we start to produce more energy domestically. It moves our Nation and our economy one step away from foreign oil barons and one step closer to energy independence.

The legislation does so by opening up a portion of the Gulf of Mexico to energy production. Energy production in the Outer Continental Shelf, OCS, is not a new energy endeavor. The entire OCS is composed of 1.76 billion acres and there are 8,000 active lease areas producing oil and natural gas. This production translates to approximately 20 percent of our domestic oil production and approximately 30 percent of our domestic natural gas production. Unfortunately, as hard working families endure record prices each time they fill up their vehicles and as our Nation's ranchers and farmers struggle with higher fertilizer costs, more than 85 percent of the coastal waters around the lower 48 States currently are off limits to energy development.

This legislation is a step in the right direction. S. 3711 requires the Secretary of the Interior to offer mineral leases in what is known as lease area 181 within 1 year of enactment. Such leasing would translate to 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas. Those minerals could be used to help meet the energy needs of our economy and help ease the burden of high prices on our hard working families. Put in perspective, lease area 181 will provide enough natural gas to heat 6 million homes for 15 years.

Although I support the Gulf of Mexico Energy Security Act, it is not perfect. I would prefer to see the act do more to open up a greater portion of the OCS to drilling. I would prefer that Federal royalties not be automatically directed to the Land and Water Conservation Fund, and I would prefer that the bill allowed States that wanted energy development off their coasts to opt in and States that opposed energy development off their coasts to opt out.

While I would like to see these improvements made eventually, it is important to remember that S. 3711 is an excellent first step to expand our domestic energy production. Opening lease area 181 must be part of a broad and comprehensive strategy to expand our traditional energy portfolio as we develop better technologies such as clean coal and hydrogen. Every great endeavor starts with a first step. The Gulf of Mexico Energy Security Act is a good first step, and I urge my colleagues to support this legislation.

Mr. GRASSLEY. Mr. President, I strongly support S. 3711, the Gulf of Mexico Energy Security Act. I would like to thank Senator DOMENICI, chairman of the Energy Committee, for his hard work in making this compromise possible. This legislation is a much needed step to increase the domestic production of natural gas and crude oil.

In recent years, the cost for natural gas has risen from the moderate, stable level of $3 per thousand cubic feet to $6, and even exceeded $10 last fall. Current prices are three times the average during the 1990s.

In just the past few days, natural gas prices have risen by nearly 15 percent. Why? Because the current heat wave crossing the country is putting a strain on our Nation's electrical grid—an electrical grid that is increasingly dependent on electricity generated from natural gas.

And, while the demand for natural gas has increased, we have done little as a nation to ensure that there is access to the domestic supply to meet the growing demand. For too many years, our country has had a "natural gas and nothing else" policy.

The Energy Policy Act, which we enacted a year ago, took significant steps to diversify our energy production and increase energy efficiency. The Energy bill included provisions to expand the use of clean coal and advanced nuclear technologies. It also included provisions to expand the use of renewable and alternative energy and energy conservation. All of these provisions will help in the long term to balance and diversify our energy portfolio.

However, we need to take action today to increase the supply of domestically produced energy. The fact is, consumers in the United States are paying some of the highest natural gas costs in the world. This puts our farmers, manufacturers, and industrial users of natural gas at a competitive disadvantage.

Few things are as important to the livelihood and well-being of Iowa's economy than natural gas. Although the State of Iowa is considered a national leader in the agricultural industry, our manufacturing industry actually contributes five to six times more to Iowa's economy than agriculture. Manufacturers have been particularly hard hit by the increase in prices because they consume over one-third of our country's natural gas. I have heard from manufacturers across Iowa who have urged Congress to act to increase the supply of affordable natural gas.

Farming is also an extremely energy-intensive industry. Farmers and ranchers need large amounts of natural gas for drying crops, heating buildings, producing ethanol, and most importantly, as the feedstock of chemicals and fertilizers.

The vast majority of the cost of nitrogen fertilizers is natural gas. Numerous domestic manufacturers of ammonia and nitrogen fertilizer have closed in recent years due to higher costs. As a result, prices for their products have increased. Ammonia for fall application this year will cost a farmer nearly $400 a ton. This is double what it was just a few years ago.

This legislation will also help my constituents with their home heating and electricity bills. A significant portion of Iowa households use natural gas for their home heating. Even while the past few winters have been relatively mild, home heating bills have doubled and tripled for some families. And, while I have been an ardent supporter of the Low Income Home Energy Assistance Program that helps the less fortunate pay for home heating, we must also recognize that the high prices are a result of the tight energy supply. One way to ensure that consumers aren't forced to choose between heating their home and putting food on the table is to lower the price for natural gas.

That is why I am eager to see this bill pass. The compromise bill before us will open up 8.3 million acres on the Outer Continental Shelf for oil and gas leasing. It requires that leasing begin as soon as practicable but no later than 1 year after the date of enactment. This area is estimated to hold 5.8 trillion cubic feet of natural gas and 1.26 billion barrels of oil. This legislation will take a significant step to enhance our county's domestic energy supply.

This bill is a proactive response to the rising cost of energy and our growing dependence on foreign sources of crude oil. It is a bipartisan agreement that has the support of the Gulf State Senators, and it deserves our full support. I encourage my colleagues to vote in support of this bill which will increase our energy supplies and help stabilize prices for our consumers, farmers, and manufacturers.

Mr. BURNS. Mr. President, today I rise in support of S. 3711, the Gulf of Mexico Energy Security Act.

This energy bill will open more than 8.3 million acres on the Outer Continental Shelf for oil and gas leasing. This area is estimated to produce 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas. I expect as new technologies are developed this estimate of recoverable resources will only grow.

As oil and natural gas prices fluctuate, many Americans, especially Montanans, are feeling the strain of increased prices for energy use in their homes and businesses. The natural gas supply made available by this bill will heat and cool nearly 6 million homes for 15 years.

Additionally, an increased supply of natural gas will greatly benefit Montana's agriculture producers who are particularly hard hit by skyrocketing costs of fuel and fertilizer. Natural gas is the primary feedstock in virtually all fertilizer manufactured in the United States. Increased production of domestic natural gas will help stabilize prices and decrease our dependence on foreign suppliers of natural gas such as Venezuela and Russia.

In order to strengthen American energy security, it is our obligation to use our own domestic resources whenever we can. Offshore drilling has proven to be safe, reliable, and environmentally responsible for oil and gas production. While this bill is limited in scope, it is an important first step to increasing our energy supply to meet our country's demands. Lease area 181 is a phenomenal resource, and time after time in energy committee hearings when we ask expert witnesses for their opinions on how to best stabilize and lower natural gas prices, the answer is: Open lease area 181.

I applaud the leadership of Chairman DOMENICI and the bipartisan groups of Senators that hammered out this compromise. I urge my fellow Senators to support this bill and pass this important piece of our energy security.

Mr. SPECTER. Mr. President, I seek recognition to discuss today's vote on the Gulf of Mexico Energy Security Act, S. 3711. I support the bill because it will provide a needed source of natural gas, which is a clear-burning fuel, and its passage is realistically calculated to have a positive impact on natural gas prices for American consumers and businesses. While voting for the bill, my preference would be for it to contain conservation, energy efficiency, and other measures beyond Gulf of Mexico development to address our Nation's growing energy needs.

The issue of energy prices is on the top of Americans' minds and their list of expectations for elected officials to address. For a number of months, there has been discussion in the Senate of a possible energy bill to follow the 2005 Energy Policy Act. However, despite the great importance of this issue and intense interest from Senators who have suggested various energy proposals, we are now presented with only one option, a bill to allow oil and natural gas leasing in a portion of the Outer Continental Shelf in the Gulf of Mexico. Beyond the narrow scope this bill, there have also been questions raised as to the 37.5 percent share of revenues going to the four Gulf of Mexico States—Florida, Alabama, Louisiana, and Texas—instead of the Federal Treasury, and concerns about the eventual bill emanating from a House-Senate conference.

Unfortunately, this bill and the way it has been considered miss an important opportunity to build on the successes of the 2005 energy bill and deal with our nation's energy policy in a comprehensive manner. This is likely the last energy-related bill to receive floor consideration prior to the recess for the November elections and the eventual adjournment of the 109th Congress. That means we will have to return to the beginning of the legislative process upon the commencement of the 110th Congress.

That is why I am greatly disappointed that Senators were unable to have amendments to this bill considered. Amendments were precluded by a rarely used legislative procedure known as "filling the tree" which occurs when the majority leader offers the maximum number of amendments allowable under the official Senate rules in order to preclude amendments from other Senators.

As I stated on the floor last night, I had hoped to have the Senate consider my Oil and Gas Company Antitrust Act, S. 2557, as an amendment. The Judiciary Committee held hearings on the issue of competition in the oil and gas industry and the committee voted S. 2557 to the Senate floor on April 27, 2006. The Judiciary Committee's hearings considered the many factors brought about by consolidation in the oil and gas industry. The testimony indicated that market concentration is a problem in the industry. Responding to these concerns, my bill would prohibit individual firms from exporting petroleum and natural gas products with the intent of increasing prices or creating shortages in the market. Further, the bill would allow the government to prosecute cartels such as OPEC that set the price of petroleum and natural gas, even when the cartel members are foreign states. This bill would encourage vigorous competition in the oil and gas industry to ensure that the forces of supply and demand are working and that the industry is competitive.

I also cosponsored an amendment offered by Senators LUGAR and OBAMA to provide for a 4 percent annual increase in Corporate Average Fuel Economy, CAFE, standards. This is a rate that the National Academy of Sciences has determined is possible, but could be altered if the National Highway Traffic Safety Administration, NHTSA, can prove that the increase is technologically unachievable, cannot maintain overall fleet safety or is not cost effective. The bill provides flexibility to domestic automakers by establishing different standards for various types of cars to enable domestic manufacturers that produce full lines of small and large vehicles to better compete with companies that only sell small cars. Credit would also be given for exceeding fuel economy standards in one type of car to help meet goals with other vehicle models. Finally, the bill provides tax incentives for companies to retool parts and assembly plants to develop advanced-technology vehicles.

I note that Senator BINGAMAN has offered an oil conservation amendment No. 4692, which would save 2.5 million barrels (bbl) of oil per day by 2016: 7 million bbl/day by 2026; and 10 million bbl/day by 2031. I was disappointed that the 2005 energy bill did not include a similar oil savings goal which would have required the administration to identify and implement policies reducing domestic oil consumption by 1 million barrels per day from projections by 2013. This provision was based on the Carper-Specter amendment from 2002 and the Landrieu-Specter amendment in 2003 which passed by a vote of 99 to 1. These are modest goals, but ones which would help focus the Federal Government in reducing oil imports in support of energy independence, national security, and lower trade deficits.

The energy bill conference also deleted the Senate provisions mandating that by the year 2020 at least 10 percent of our electricity be produced from renewable resources. This goal was meant to help spur development of renewable resources, which currently account for just over 2 percent of U.S. electricity production. Pennsylvania is currently implementing a similar Alternative Energy Portfolio Standard with an eighteen-percent goal by 2020 of electricity production from renewable and other alternative energy sources.

Despite my desire to see additional energy issues debated, I say to my colleagues that I am sensitive to the price and supply concerns that have led to the consideration of the Gulf of Mexico legislation. The natural gas supply and demand imbalance has caused U.S. prices to increase from an average of $2.20 per million BTUs during the 1994–1999 timeframe to $8.84 per million BTUs in 2005, which is the highest average natural gas cost in the world. These high prices have increased economic pressure on American consumers and industry, particularly those who use natural gas to heat their homes and industrial sectors that rely on natural gas as a fuel and as a raw material.

Finally, when it comes to oil prices the problem is well known. All Americans are facing high gasoline prices at the pump and are expected to have high heating oil prices this winter. With gasoline hovering just above $3 per gallon nationally while this bill has been debated, there is no better time to discuss energy issues and ensure that Congress is doing everything in its power to address them. While the 2005 Energy Policy Act provided an important framework and policy direction from which to proceed, it did not address every facet of these complex issues and has not convinced the American people, nor me, that nothing more can be done. Therefore, I encourage the Senate to consider additional energy-related measures at the earliest opportunity.

Mr. DODD. Mr. President, today the Senate will be voting on S. 3711, the Gulf of Mexico Energy Security Act of 2006. I regret that I cannot support this bill for a number of reasons.

First, I am deeply disappointed that the majority leader used parliamentary maneuvers to prohibit any Senators from offering amendments to the bill before us today. While I did vote last week to allow for the consideration of this legislation, I did so with the hope that Senator FRIST would allow both Republicans and Democrats to offer amendments that are important to our energy security. In fact, I am a cosponsor of a number of bipartisan amendments that were scheduled to be offered to S. 3711. But unfortunately, the bill before us today is the only energy bill that the Senate will debate this summer. That is not in the best interest of the American consumer, the economy, or our long-term energy security.

I have long advocated a more balanced approach to solving our energy problems. Any serious solution to our energy crisis must involve increasing efficiency, expanding our conservation efforts, and committing to renewable forms of energy. Unfortunately, however, the sole focus of S. 3711 is oil and natural gas exploration in the Gulf of Mexico. Contrary to what supporters of the bill contend, this legislation does nothing in the short term to rein in the soaring fuel and energy prices because of the lag time it will take to extract the allowed oil and gas. Further, this bill redirects some of the revenues from Outer Continental Shelf, OCS, drilling from the Federal Treasury to just four States.

For more than 25 years, most of the coastal areas of the country have been under either a Presidential moratorium on OCS drilling due to expire in 2012 or a congressional moratorium enacted annually through the appropriations process. Under this bill, for the first time, one State—Florida—is given statutory protection from offshore drilling through 2022. No similar statutory protection exists for the Atlantic or Pacific coasts.

In fact, there are some Members of Congress who would like their States to be able to opt out of any future moratorium. While this provision is not included in S. 3711, it is included in the House-passed bill that likely will be conferenced with S. 3711. If we adopt a fractured system and allow drilling in adjacent States, I am concerned that our fragile coastal ecosystems and economies could be threatened by pollution associated with drilling and unforseen incidents due to the drilling activity, weather, and possible terrorist attacks. Let us remember that our coastal waters flow freely and what happens in the waters off one state may have serious repercussions up and down the coast.

I deeply regret that in considering the Gulf of Mexico Energy Security Act we were not able to debate meaningful bipartisan amendments to address many of the serious energy concerns facing our Nation. It is my fear that in the dwindling days of this session we will not again have the opportunity to revisit these critically important issues and consumers and businesses will continue to struggle to meet their energy needs. Mr. President, the Gulf of Mexico Energy Security Act truly represents a missed opportunity.

Mr. OBAMA. Mr. President, every one of us in Congress has heard from our constituents about the high cost of gas. A gallon is now $3 or more in most parts of the country, and there is every reason to believe that figure will continue to climb throughout the rest of the summer.

Americans are asking their Members of Congress to help lower some of these costs. And we should do that. But let us not kid ourselves. This is a problem that was decades in the making, and short-term political solutions—whether it is a tax rebate or more legislation to stop price gouging—aren't going to be the complete answer.

To be sure, most of these proposals would do no harm, and many would provide Americans some temporary relief at the pump. But in the long term, we can't rely solely on quick fixes designed to placate an anxious public.

We need solutions designed to permanently lessen our dependence on foreign oil. Unfortunately, both Congress and the White House have been unwilling to take the politically difficult steps necessary to confront one of the most pressing economic and national security challenges of the 21st century.

A perfect example is the bill before us. It does do some good things: it marginally increases the supply of oil, and it provides a financial boost to Gulf Coast States that could use the help.

But fundamentally, the bill only focuses on part of the problem—our inadequate supply of oil. Unfortunately, increasing supply can't be our only answer. Even if we opened up every square inch of this country for drilling, America only has 3 percent of the world's oil reserves. With our own Energy Department telling us that our demand for oil will jump 40 percent over the next 20 years and countries such as China and India adding millions of cars to their roads, this means that if we truly hope to solve this problem, we must focus on reducing demand.

Members on both sides of the aisle have suggested some innovative ways to do this. Senator LUGAR and I introduced the America Fuels Act to increase the production of homegrown biofuels. And Senator BUNNING and I have worked on a bill to produce liquid fuels from coal.

Unfortunately, we are not going to have a debate this week on how to reduce the demand for oil, because we weren't allowed to add any amendments to this bill that would focus on that problem. Because contrary to the judgment of every credible person who has examined our Nation's energy woes, the Republican leadership in the Senate believes we can solve our energy problems by just drilling more. That is not only dishonest; it is a disservice to our constituents who want us to work together to solve this crisis.

I would like to spend a few minutes today discussing two of the proposals that should have been part of this energy debate—two proposals that could have made this bill worthwhile.

First, we need to start producing cars that use less oil. Thirty-three years ago, this Nation faced an energy crisis that affected every American. In the shadow of a war against Israel, the Arab nations of OPEC chose to embargo shipments of crude oil to the West. The shocks were felt in national economies worldwide. Washington lawmakers responded by creating daylight savings time and a national speed limit. A new Department of Energy and a Strategic Petroleum Reserve was established. And Congress enacted Corporate Average Fuel Economy—or CAFE—standards, the first-ever requirements to reduce petroleum consumption in the vehicles we drive.

As a result, the gas mileage of cars doubled from 14 miles per gallon in 1976 to 27.5 mpg for cars in 1985. Today, CAFE saves us about 3 million barrels of oil per day, making it among the most successful energy-saving measures ever adopted. But that decade's worth of fuel consumption improvements ended more than 20 years ago, because CAFE standards are the same today as they were in 1985 27.5 mpg for cars.

To address this problem, I have joined with Senator LUGAR and a bipartisan coalition of senators to propose the Fuel Economy Reform Act, which we have also filed as an amendment to the OCS bill.

This amendment would establish regular, continual, and incremental progress in fuel economy, but still preserve the expertise and flexibility of the National Highway Traffic Safety Administration—or NHTSA—to determine how to meet those targets.

Under this proposal, CAFE standards would increase by 4 percent every year unless NHTSA can justify a deviation in that rate by proving that the increase is either technologically unachievable, would materially reduce the safety of automobiles, or is not cost effective. For too long, the presumption has been that the public would have to prove to the auto industry why it should raise fuel economy standards. This proposal would flip that presumption by asking the auto industry to prove why it can't raise those standards.

Under this system, if the 4 percent annualized improvement occurs for 10 years, we would save 1.3 million barrels of oil per day—an astounding 20 billion gallons of gasoline per year. If gasoline is just $2.50 per gallon, consumers would save $50 billion at the pump in 2018. By 2018, we would be cutting global warming pollution by 220 million metric tons of carbon-dioxide-equivalent gases.

And yet, auto executives are right when they say that transitioning to more fuel-efficient automobiles would be costly at a time of sagging profits and stiff competition, and that's precisely why the Federal Government shouldn't let the industry face these challenges on their own.

The Fuel Economy Act provides tax incentives to retool parts and assembly plants. But we should do more than that. We need to help the Big Three automakers with one of their largest expenses, namely, retiree health care costs, which ran almost $6.7 billion just last year. For GM, these health care costs represent $1,500 of the price of every GM car that is made, which is more than what they pay for the steel.

To that end, I also have filed an amendment to this bill based on the Health Care for Hybrids Act that I introduced last year. That proposal would set up a voluntary program in which automakers could choose to receive Federal financial assistance towards their retiree health care costs. In return, the automakers would be required to reinvest these savings into developing fuel-efficient vehicles.

With the American consumer demanding more hybrid vehicles—and that demand currently being filled by foreign automakers—this proposal could jumpstart the Big Three to commercialize new technology. More American hybrid cars also ensure that there is competition in this growing market, and would help keep car prices affordable.

If we had adopted these two proposals decades ago, when the call for energy independence was first issued in this country, today we wouldn't be nearly as beholden to the whims of oil-rich dictators and surging gas prices. And if we don't take these steps now, we will someday look back on today's $3 per gallon gasoline as the good old days. At that point, no amount of drilling on the Outer Continental Shelf will solve our problems.

We could have taken these commonsense steps now to reduce the demand for oil. We have the need, we have the technology, we have the resources—but with this bill, we refused to find the political will to get it done. We still owe it to the American public to find that will.

Unfortunately, this bill sends the wrong message. Instead of making tough political decisions about how to reduce our insatiable demand for oil, this bill continues to lull the American people into thinking that we can drill our way out of our energy problems. We can't, and for that reason, I plan to vote against this bill.

Ms. SNOWE. Mr. President, yesterday, while the Senate was voting for cloture on S. 3711, a bill that could ultimately lead to exploration on the Outer Continental Shelf of the Georges Bank in the North Atlantic Ocean, the Maine lobster industry gathered on a picturesque fishing pier in Maine to launch the "Certified Maine Lobster" initiative that could bring an added value to the State's $300 million lobster industry. My State accounts for 80 percent of lobster landings and is known for its lobster boats, lobster shacks, lobster buoys and lobster dinners along its scenic coastline. As a matter of fact, the Maine Lobstermen Association was formed to fight OCS drilling off the coast of Maine.

It is because of its very pristine value that fisheries and tourism are important economic engines for the State and I cannot stand by and let these natural resources be compromised through exploration and drilling. Last year, Maine lobstermen hauled in more than 60 million pounds for a boat price of $296 million.

While supporters of, S. 3711, the Gulf of Mexico Energy Security Act of 2006, say that this bill is only about the Gulf of Mexico, while at the same time stating that the bill is the first step toward opening up more areas to production. One supporter was even quoted as saying, "The goal is to maximize over time the coastal production of America from a venue of stagnation." This does not sound like the bill pertains only to the Gulf of Mexico, as its supporters have stated and this has rightfully alarmed the people of my State, many who make their living directly or indirectly from the sea. Scientists, economists, and fishermen have worked for 20 to 30 years to restore the magnificent fish runs off the New England coast. To them, lifting the moratorium and allowing oil and gas drilling on the 185-mile-long broad, shallow and productive fishing ground of Georges Bank that stretches from Nova Scotia to Cape Cod is unconscionable.

As chairman of the Senate Commerce Subcommittee on Fisheries and the Coast Guard, the prospect of drilling in the Gulf of Maine and Georges Bank and risking New England's fisheries is unacceptable to me as well. I, along with Senator MENENDEZ, wanted to offer a simple amendment to ensure that drilling within 200 miles of the coast of Maine and other coastal States would continue to be prohibited until 2022—the same protection as is given the State of Florida in this bill.

However, without following the usual amendment process, there can be no assurances that Maine's coast will be protected when this legislation is approved by a conference or that the Joint Ocean Commission's recommendation to convert current OCS revenues for ocean fisheries research will occur, and without those assurances, I have not supported moving forward.

I am extremely disappointed that the decision was made to prevent amendments during debate that ignores the need to address conservation. We were told it would take a week to get through amendments that would have been offered. Well, this bill was brought up 1 week ago, and, instead of having true and fair debates on conservation amendments this past week and up or down votes, we have spent it on moving to cloture and getting to final passage.

I believe that considering the leasing of additional OCS waters for oil and gas drilling should only be done with utmost caution and deliberation, and at the same time, I believe that our national energy policy should seriously focus resources on the development of renewable energy and an expansion of energy efficiencies as part of a national energy policy.

I have filed an amendment to this bill that is also my stand alone bill, S. 3628, the EXTEND Energy Efficiency Incentives Act of 2006, that would extend the EPAct 2005 energy efficiency tax incentives until 2010—they currently expire at the end of next year having been shortened by the House in conference. Experts have calculated that, if fully implemented, the EXTEND Act will, by 2010, save 7 trillion cubic feet, Tcf, of natural gas while the Gulf of Mexico drilling bill before us would extract 5.8 Tcf by 2010. We simply cannot continue to drill ourselves out of this problem, and threaten our natural resources—we can do it with bold ideas that save much more than we can get from drilling.

A reliance on only fossil fuels retards progress in developing a sustainable and comprehensive 21st century energy policy. Furthermore, the recent fluctuation of the world oil and natural gas markets indicates that this commodity is not a reliable long-term energy source. There are uncertainties involved with fossil fuels that threatens the energy security of the United States and it is important that our nation recognize the situation and develop a diverse, sustainable and progressive energy plan through a market basket of fossil fuels, renewable energy and energy efficiencies.

Senator FEINSTEIN and I were not allowed to offer our 10 in 10 bill as an amendment to this bill to require U.S. automakers to increase their average CAFE standards by 10 miles per gallon in 10 years. The bill would save 2.5 million barrels of oil per day by 2025, the same amount of oil we currently import from the Persian Gulf; and 420 million metric tons of carbon dioxide emissions by 2025, the equivalent of taking 90 million cars—or 75 million cars and light trucks—off the road in one year. Again, we can save rather than drill.

Exxon Mobil, the world's largest traded oil company, just reported a 36 percent gain in 2nd earnings. Exxon has prospered because of the high gasoline prices bolstered by the demand for supply. Increasing CAFE standards will decrease demand, lower prices and begin to put some of this money in the pockets of consumers rather than the large oil companies, who have increased output and taken advantage of the increase in oil prices, which remain over $70 a barrel.

The small increase from the latest NHTSA rule for CAFE standards for SUVs does little to save gasoline and only gives lipservice to an issue that deserves more serious consideration. Even a modest increase of only five miles per gallon in the fuel efficiency of our domestic automotive fleet would save approximately 23 billion gallons of gasoline each year and reduce oil imports by 14 percent.

This percentage is more than the 11 percent Venezuela provides for U.S. oil imports. The GAO reports that the U.S. is inadequately prepared to face the possibility of President Hugo Chavez' threat to cut off its oil imports to the U.S. The GAO reports that this disruption would cause an increase of $11 per barrel. So we are allowing Chavez to put us over a diplomatic oil barrel, so to speak. Why are we taking this risk with the trust of the American people and the economy when there are options that can be put in place to make us independent of Venezuela's oil—and political maneuvering?

Currently, the combined fleet average for all automobiles, SUVs, light trucks and passenger cars, is approximately 25 miles per gallon—that is down from the peak of 26.2 miles per gallon in 1987. The Feinstein-Snowe-Inouye-Chafee 10 in 10 bill would increase that combined fleet average to 35 miles per gallon by Model Year 2017—or ten mpgs 10 years from today.

Also, according to the 2002 National Academy of Sciences Report on CAFE, adequate lead time can bring about substantive increases in fuel economy standards. The NAS concluded that automakers can meet higher CAFE standards with existing technologies. We have the technologies today to increase our fuel economy standards. We have hybrids, more efficient engine technology, improved transmission technology, and composite materials that reduce the weight of the vehicle will all increase fuel economy standards without sacrificing safety.

I fear that the Senate conferees will come back from a conference with many of the provisions in the House bill, the Deep Ocean Resources Act, H.R 4761, a bill that replaces the moratorium that currently protects most of the nation's coastline from oil and natural gas drilling and develops a leasing system that would provide the option for states to allow drilling within 50 miles of their coastlines and allow drilling throughout the OCS beyond 100 miles. Currently, the moratorium protects the coastal area up to 200 miles out.

In passing this OCS drilling only bill today, the Senate has created lost opportunities that could have addressed how much we could save—along with how much we can drill. This is what the consumers want to hear—that we are addressing every avenue possible to keep money in their pockets the next time they go to the gas pump or pay their electricity bill or purchase heating oil for the coming winter. The Senate has let the consumers down once again. And, the bill does nothing to protect Maine's tourist and fishing economies and its 3,500 miles of coastline.

Mr. FEINGOLD. Mr. President, once again, this body has missed a chance to pass responsible, effective legislation responding to the very real and very pressing energy needs of this country. While there may be pieces of S. 3711 that have merit, I did not support cloture and I will not vote in favor of the final bill.

I voted to allow the Senate to consider S. 3711 in the hope that we might have a serious discussion of the bill, including debating and voting on amendments to improve it. While the bill only addresses one part of our energy needs, it could have provided an opportunity for the Senate to finally address a broad range of energy issues. Unfortunately, Senators were prevented from offering amendments, so there was no opportunity to address, for example, efficiency, conservation, renewable fuels, or even global warming. The result is another missed opportunity to pass the comprehensive energy legislation that our constituents are looking for.

In addition to opposing the flawed process for consideration of S. 3711, I have grave concerns about the fiscal implications of the legislation. This bill will redirect billions of dollars in Federal revenues to just four States. While I agree that we have a responsibility to ensure that Federal dollars are going to important activities like protecting and restoring coastal wetlands, I do not believe that doing so requires creation of a new entitlement for a handful of States. If enacted, S. 3711 will have massive long-term and negative consequences. For example, in 2017, the loss to the taxpayers of the country is estimated to be over $590 million a year, jumping to over $1.2 billion per year in 2022. Adding it all up, you get a total likely loss of over $170 billion over 60 years. I am not prepared to support such a massive drain on the Federal Treasury for the benefit of a few States and I urge my colleagues to oppose S. 3711.

Mrs. CLINTON. Mr. President, I believe that as part of a balanced energy policy, we need to expand domestic oil and gas production where it has local support and can do so in an environmentally sound way. I think the bill before the Senate meets that test, and that is why I am voting for it. However, I want to make it clear that New Yorkers do not support drilling off Long Island, or in the Finger Lakes, or in the Great Lakes, and I will vehemently oppose any bill that would open any of these areas up for drilling. With that in mind, I am concerned about conferencing the Senate bill with the House bill, but I have been assured by Senator REID that he will oppose efforts to expand drilling beyond the areas included in the Senate bill. In addition, I am disappointed that Senator FRIST chose to block all amendments to this bill. Expanding domestic supplies is only a partial solution to our energy problems. It is even more important that we take steps to increase energy efficiency and to expand production of renewable energy. I filed amendments to this bill to accomplish those goals, but was not afforded the opportunity to offer them. I will continue to urge Senator FRIST to schedule time to consider these and other bills that offer a more comprehensive long-term solution to our Nation's energy problems.

Mr. BIDEN. Mr. President, I am in opposition to the bill before us that opens up new areas in the Gulf of Mexico to oil and gas drilling. I don't dispute that the oil and natural gas that may be harvested as a result of this legislation could be useful, and I would support drilling from some new sources—if the value of doing so is not outweighed by the risks to our environment and economies. But it is not a solution to our energy problems.

Here we are, yet again, with a so-called "energy" plan that only offers one plan for our energy security crisis: drilling. That is not much of a plan. That is not going to free our foreign policy. That is not going to lower prices at the pump.

We consume a quarter of the oil in the world, but we have less than 2 percent of the world's reserves—that 2 percent includes the areas under debate today. If we tapped all the reserves in Alaska, the Gulf of Mexico and off the Pacific and Atlantic coasts, we would increase output by 2 million barrels a day by 2020. Yet our consumption is expected to rise to 25 million and world consumption to 110 million, so the impact on price and energy security would be minimal. Drops in the bucket.

We need a real energy policy, a real path toward energy security. For instance, we can make the biggest difference and have the most immediate impact by reducing oil consumption where we use it most: the transportation sector. That's why I have proposed four steps to begin the transition to alternative fuels and make us more energy secure: (1) 100 percent of cars running on alternative fuels; (2) 50 percent of major gas stations selling it; (3) 25 percent farm-grown fuel; (4) 1 mile per gallon more fuel efficient each year.

And if we are going to drill in new areas, we need to make sure we do it right, and not bypass the appropriately careful process and environmental reviews that are required by the Outer Continental Shelf Lands Act. The leadership put this bill before the Senate and said: "take it or leave it." This bill could have been much better, and I fear that the bill that will come back from the House will be much worse.

Mr. REED. Mr. President, today, the Senate will vote on final passage of S. 3711, the Gulf of Mexico Energy Security Act. I will be voting against passage because I believe this bill is poor energy policy, irresponsible fiscal policy, and faulty environmental policy.

The Gulf of Mexico Energy Security Act is a misnomer. The bill will not offer energy security to the United States. The United States consumes 25 percent of the world's energy and yet we have less than 3 percent of the world's oil supplies. While I agree that we must increase the domestic supply of oil and natural gas, this cannot be our Nation's only approach. Yet it is the only approach offered in S. 3711, and it is the only approach that the administration and Republican leadership continue to propose as our Nation's energy solution. Our Nation's energy security depends on reducing our dependency on fossil fuels through increased energy efficiency, greater investment in renewable energy, and development of alternative fuels to replace oil. But this bill does nothing to increase fuel efficiency standards for automobiles, create a national renewable energy standard for electricity, or promote energy efficiency or renewable energy. In fact, Federal investment in energy efficiency and renewable energy continues to decline. It is imperative for our Nation's energy and economic security that an energy policy that increases supply must be married to meaningful investments in energy efficiency and renewable energy. This is the energy policy that our Nation deserves, but it is not the one before us today.

S. 3711 is also not sound fiscal policy. This legislation would mandate that almost 38 percent of revenue from Federal resources generated by new leases in the Gulf of Mexico be given to four States—Alabama, Louisiana, Mississippi, and Texas. These are revenues that currently would be provided to the U.S. Treasury for the benefit of the Nation as a whole. Reducing revenue to the Treasury means that we, as a nation, will have fewer resources available in the future to respond to a call for help should there be another devastating natural disaster or terrorism attack. Our Nation faces a deficit of $8.4 trillion due to this administration's poor fiscal management and irresponsible tax policies. Large Federal budget deficits going forward are bad for the economy. They reduce national saving, which depresses future standards of living. Reducing Federal receipts and increasing the budget deficit at the same time as the baby boom generation retires will put increased strains on the Federal budget and makes no sense. This bill, if passed, will cost the Federal Treasury billions of dollars. I am not alone in my opposition to this legislation; taxpayer advocates share my concerns over its fiscal impact.

In the early 1950s, Congress considered the allocation of revenues between the Federal Government and States resulting from drilling in our Nation's waters. During the debate last week on S. 3711, I quoted from a speech that Senator Truman gave at the National Convention Banquet of the Americans for Democratic Action on May 17, 1952. President Truman stated in this speech, "The minerals that lie under the sea off the coasts of this country belong to the Federal Government"—that is, to all the people of this country. The ownership has been affirmed and reaffirmed in the Supreme Court of the United States. Those rights may be worth as much as somewhere between $40 billion and $100 billion.

If we back down on our determination to hold these rights for all the people, we will act to rob them of this great national asset. That is just what the oil lobby wants. They want us to turn the vast treasure over to a handful of States, where the powerful private oil interests hope to exploit it to suit themselves.

Twice President Truman vetoed quitclaim legislation passed by Congress to turn these resources over to the coastal States. In his May 29, 1952, veto statement, President Truman said "[T]he Congress should provide for the disposition of the revenues obtained from oil and gas leases on the undersea lands. S.J. Res. 20, as introduced by Senators O'Mahoney and Anderson, would have granted the adjacent coastal States 37½ percent of the revenues from submerged lands of the marginal sea. I would have not object to such a provision, which is similar to existing provisions under which the State receive 37½ percent of the revenues from the Federal Government's oil-producing public lands within their borders." In his veto statement, it is clear that President Truman did not support giving coastal States revenue from the Outer Continental Shelf.

In the end, the coastal States received much more generous compensation than the provision offered by Senators O'Mahoney and Anderson and President Truman. When President Eisenhower signed the Submerged Lands Act, the coastal States were given title to and ownership of the lands beneath the territorial seas and the right to manage the natural resources within the States' boundaries. This law gave the States 100 percent of the revenue from coastal drilling in State waters. Importantly, the law affirmed the Federal Government's ownership in lands seaward of the State boundaries. Revenues from Outer Continental Shelf drilling belong to the American people in all 50 States. The legislation that the Senate is considering today violates this pact with the American people, and denies the Federal Treasury and American people of essential revenue to address the needs of our Nation it violates. It also is contrary to our national motto, E pluribus unum, from many one. Revenues from Federal resources should, and must, benefit all Americans.

Lastly, I believe this bill is not responsible environmental policy. The bill threatens our coastal ecosystems with the risk of pollution and oilspills which will harm the economies and families that rely on these resources. Unfortunately, the Senate is likely to pass this bill. This will pave the way for the Senate bill to be conferenced with H.R. 4761, the Deep Ocean Energy Resources Act. This legislation would lift the moratorium on offshore drilling for all of our coastlines the Atlantic, Pacific, Gulf of Mexico, and Alaska—and, it would allow drilling for oil and gas in coastal national parks and marine sanctuaries. This would put our coastal communities at risk to oilspills, onshore damage of sensitive coastal habitat, and air and water pollution.

Oil is extremely toxic and our current cleanup methods are incapable of removing more than a small fraction of the oil spilled into our marine waters. Offshore drilling platforms and pipelines spilled 1.8 million gallons of oil in U.S. waters from 1990 to 1999, for an average of 500 gallons a day, which causes irreversible harm.

Narragansett Bay and our coast support vital commercial fisheries, tourism important to our economy, and an abundance of wildlife. Our economy and environment are vulnerable to oilspills. My State remembers the devastating effects that the North Cape oil-spill had in southern Rhode Island. Oil spread throughout a large area of Block Island Sound, including Trustom Pond National Wildlife Refuge, resulting in the closure of a 250-square mile area of the sound for fishing. There were hundreds of oiled birds in the weeks following the spill and large numbers of dead lobsters, surf clams, and sea stars were found on area beaches. There was also the World Prodigy oilspill off Newport, RI, which spread over 123 square miles, killing marine life and closing beaches and fishing grounds throughout Narragansett Bay. The spill hit during a peak spawning period. Eggs and larvae of fish and shellfish lobsters, quahogs, tautog, and others—were exposed to the oil as they floated at the surface.

Before opening new lands to development and denying the American people of a great asset and Federal revenues, we need to take meaningful action to reduce our consumption and increase renewable energy supplies. The only way to achieve greater energy independence is to reduce our consumption of fossil fuels overall. This is the energy policy that our Nation deserves, and this is the policy I will continue to fight for. I urge the Senate to reject S. 3711, and instead, pursue the vehicles and rule choices and the clean EDGE legislation that will set America on a true road to energy independence.

Mr. JOHNSON. Mr. President, I am pleased to join my colleagues today in support of legislation that expands access to domestically produced oil and natural gas by opening new areas for exploration in the Gulf of Mexico.

Earlier this spring, the Senate Energy and Natural Resources Committee took action on a similar bill introduced by Senators BINGAMAN and DOMENICI. That bill provided the framework for today's action by garnering an important, early consensus on the need to bring on-line additional gas and oil reserves. As a member of the Senate Energy and Natural Resources Committee, I supported moving that earlier version through the Energy Committee with the goal of lowering energy input costs for agriculture producers, and manufacturers.

This bill strikes an appropriate balance by focusing on Outer Continental Shelf lands located in relative close proximity to the existing infrastructure of natural gas gathering and distribution lines necessary to deliver oil and gas to consumers. When compared to a competing version passed by the House of Representatives that throws long-standing environmental provisions and drilling moratoriums out the window, the Senate bill is a reasoned and responsible bill. I do, however, share the concerns of many other Senators that the final legislation cannot include many of the damaging provisions included in the House of Representatives-passed bill. I will do my best to convince my colleagues in the coming weeks that the best, quickest path toward bringing more than 6 trillion cubic feet of natural gas to market is through a conference report that maintains the key aspects of the Senate bill.

I also want to let my colleagues know that I am determined to ensure that a final bill include additional funds for the Land and Water Conservation Fund, as well as wildlife habitat funding through the Pittman-Robertson Wildlife Restoration Account. I introduced an amendment cosponsored by Senator LINCOLN that seeks to use a portion of the royalties, rents, and bonus bids from Lease Sale 181 South after 2017 for this important purpose. Should Congress make the determination to direct a portion of the royalties from these Outer Continental Shelf lands for the restoration of lands from the Gulf of Mexico producing States, then those revenues should be sufficient to increase the amount dedicated from these leases to the 46 other States of this Nation.

Again, I rise in support of S. 3711 and will vote in favor of this legislation.

Mr. BYRD. Mr. President, during this hot, sultry, high-gas-price summer, I urge the American people to take a minute to observe the U.S. Senate. Take just a few minutes from the daily challenges of coping with the kids, driving them from camp to soccer grounds, going to church, worrying about how to cobble together enough money to manage even a brief family outing, and watching nightly news coverage of the Middle East imploding to focus, just briefly, on what is happening, or rather not happening, on this Senate floor.

Instead of working to pass necessary legislation like the 11 remaining appropriations bills, which are now jammed up and waiting for movement like the cars in a typical rush hour on the Washington beltway, we are engaged in yet another leadership-driven message dance. These fandangoes feature bills which are meant to drive home political points to the unsuspecting American voter.

The latest entry in this catalog of message bills is S. 3711, the Gulf of Mexico Energy bill, a bill cobbled together by the majority and then presented to the full Senate to vote on without opportunity for amendments.

To anyone in these United States who is tempted to swallow the line that this sham bill now on the Senate floor is a solution to high petroleum and natural gas prices, I say think again. Desperate politicians eager to invent a vote which can serve as the 30-second add solution to the hot-button issue of high energy prices are out to hoodwink the public again, this time with this very bad idea.

Well, this Senator is very weary of message bills that lie to the public. Here is the plain truth about the U.S. supply of oil and the world supply of oil. We are running out, and we will reach that peak in oil in the not-too-distant future. U.S. production peaked 30 years ago. That is why the U.S. imports two thirds of the oil it consumes, and that consumption is about 20 million barrels per day. As far as U.S. supplies go, if the United States were, for some reason, suddenly dependent on only our own supply, we would hit empty very soon. That is the cold, hard truth. There isn't much oil left to pump in these United States, and pumping it will not make one iota of difference in the price of gasoline, because oil is a global commodity and is bought and sold on the international market.

After the oil is gone, the fuel of choice is another finite source natural gas. Who leads the race in that new energy game? None other than nations such as Russia and Iran, because they are the top two global natural gas reserve holders. If that makes you sleep well at night or suggests to you the emergence of lower energy prices, I would have to say I beg to disagree.

The only course of action which will lead to lower, more reliable, more secure energy and energy prices is a strong national commitment to investing in greater energy efficiency and developing alternate energy sources—and the sooner we get started the better.

The President likes to say that the solution to high gas prices is to build more refineries. I do not disagree that it would be useful to build more refineries because we have not built any since the 1970s. However that is not a short-term solution, nor is it a simplistic, long-term solution to high gas prices. It takes too long to build refineries for refineries to be a short-term solution. And we are running out of oil, so refineries cannot be a long-term solution.

The solution, of course, is the development of a variety of alternative energy sources. Crude oil currently costs something like $74 per barrel, and that price will certainly go up. Nuclear power plants can be hazardous, especially in this age of terrorism. Clean coal liquefaction technologies are promising because the good ole U.S. of A. is by far the global leader in proven coal supplies. Remember that half of all U.S. electric power comes from coal. But, there has been no real robust commitment to clean coal technologies, industrial gasification, and coal liquefaction by this administration.

Yet this bill—this message bill—this bumper sticker solution to American distress over high gas prices is a pathetic attempt to foist a fake promise upon the people, which the American people ought not swallow. It will do little or nothing to bring down gas prices or natural gas costs. It is also just very bad legislation. Let me tell you why.

This proposed offshore drilling in Florida waters is not worth the environmental risk. The total amount of oil which could be extracted from this new drilling will equal around 55 days of American consumption at current usage rates. Consider also the time it will take to develop this region—to deploy the rigs, pump, refine, and transport these products, and anyone who cogitates for just 30 seconds will clearly see that this drilling will do nothing to bring down gas prices in the near term.

Furthermore, the generous revenue sharing plan aimed at buying the votes of coastal State Senators could well have an impact on our future Federal funding needs. The robust payments to just four Gulf-producing States which will not be offset by the oil and gas generated by this new offshore drilling could cause holes in the Federal treasury which would impact programs that would benefit States like West Virginia.

This bill is a bad deal for State and 45 other States, which can offer alternative fuels to blunt our dependence on oil. We are not allowed to consider amendments to this bill. A yes vote for this bill does nothing to help coal, ethanol, solar, and wind technologies because it propagates the myth of continued dependence on oil and gas. A yes vote lies to the American public, because it says Joe Citizen can continue economically drive a gas powered automobile if only we drill a few more holes in the fragile gulf coast shoreline.

A yes vote on this bill says to the American public, don't bother to increase energy efficiency or produce alternative fuels. It says don't push the powers that be to stop gauging and start producing transportation that does not depend on a dwindling supply of scarce and ever increasingly expensive oil.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The time until 5 p.m. is equally divided. The minority side currently has 53 minutes, and the majority side has 25 minutes.

Mr. LEAHY. Mr. President, if somebody comes. I will be willing to enter into a different consent agreement, if somebody comes seeking the floor on the other side, but I ask unanimous consent to speak for up to 10 minutes as in morning business but with the time to be running as it normally would.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. LEAHY are printed in today's RECORD under "Morning Business.")

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAYTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DAYTON. Mr. President, I rise today to speak on an amendment I would have offered to the energy legislation that is before us. It should be my right as a Senator to offer such an amendment. It should be the right of any Senator to offer an amendment to legislation pending before the Senate.

Unfortunately, because of parliamentary maneuvering by the majority leader, Senators, including myself, will not be able to offer our amendments to this offshore drilling legislation. In the Senate vernacular, "the tree has been filled" with such gimmicks as changing the bill's effective date and then changing it back again. Those gimmicks restrict this legislation to being nothing more than a special interest boondoggle for the oil and natural gas industries, and for four Gulf States that would, for the first time, get a direct cut of that bonanza.

It is one thing to limit debate on a measure, as the Senate has chosen to do in this instance, and even though I voted against cloture. I can understand the desire of over 60 colleagues to proceed; but to prevent additional amendments related to our country's domestic energy production and consumption is uncalled for and unwise.

It makes a mockery of the Republican leader's promise on May 1 of this year, 3 months ago, that the Senate would vote this year on comprehensive energy legislation. His exact words were:

> We [the Republican leadership] have presented a strong package that will give consumers relief at the pump and help bring down the high cost of gas. I'm hopeful that we will vote on this package in the coming days.

As we all know, the remaining days in this Congress are coming and going. In fact, they are almost gone. If the Senate were going to take up the Republican energy package or a Democratic energy package or, best of all, an American energy package, this would seem to be our chance to do so. Instead, we get a special interest boondoggle, and we are not even allowed to offer amendments that could make it the comprehensive energy bill the Republican leader promised us.

This bill's authors have entitled it the Gulf of Mexico Energy Security Act of 2006, but that title says our future energy security is more of the same—more of the same energy sources at ever higher prices, with ever greater profits to the major oil and gas companies, and, for the first time, with 37.5 percent of the public revenues going to only four Gulf States. Under this legislation, 50 percent of the public revenues would go into the Federal Treasury, 12.5 percent would go to all of the States under the LAWCON program. As I said before, 37.5 percent would go directly to the four States—Louisiana, Texas, Alabama, and Mississippi.

This virtually unprecedented arrangement is a great deal for those four States. No wonder their eight Senators strongly support it. I have to begrudgingly congratulate the Senators from Louisiana, Texas, Alabama, and Mississippi. They have done an excellent job in writing this legislation to benefit their States. So I certainly understand their support for this brand of revenuesharing.

What I don't understand is why the other 92 of us would agree to it. The offshore waters of the Gulf Coast belong to all Americans, as do the Atlantic and Pacific Oceans, the Great

Lakes, and other national resources. This is a terrible precedent—to allow a few States to benefit at the expense of the rest simply because of their proximity to a national resource—not their ownership of it, just the proximity to it. If Congress opens this door, watch for the stampede of parochial claims for a cut of every other Federal natural resource.

Also sadly lacking from this bill is any kind of windfall profits tax on the major oil companies that are its principal beneficiaries. It is appalling that, at a time when Americans are paying $3 or more a gallon for gasoline and the oil giants such as ExxonMobil are enjoying record high profits, there is no attempt in this bill to recapture any of those profits for the American people or for the public purposes that would benefit them.

This legislation opens a public resource, gift wraps most of its value, and hand delivers billions and billions of those dollars to special corporate interests at the expense of the American citizens in 46 States. How the elected representatives of those 46 States could allow this to happen is astonishing. I hope the residents of those States will demand some answers. Those citizens should also ask why nothing in this so-called Energy Security Act provides any energy security at all. At best, it will provide a relatively small additional supply of oil and natural gas for a relatively few years starting, at best, several years from now, supplies for which consumers will likely pay even higher prices than they are today.

Someone once said the definition of insanity is to keep doing the same thing and hope for a different result. If so, this continuation of a national energy strategy is insane. We cannot produce our way to energy self-sufficiency when consumers have no alternatives to those traditional energy sources. This bill does nothing to provide Americans with any of those energy alternatives—not today, tomorrow, or 10 years from now. None of us in the Senate are being given the opportunity to offer any of those alternatives to this bill.

Mr. President, I have introduced legislation that would encourage the additional production and use of biofuels, specifically ethanol and biodiesel. My amendment to this bill would help give more Americans a choice every time they fill up their fuel tanks between gasoline or diesel and lower cost alternatives, such as E-85, comprised of 85 percent ethanol, biodiesel made out of soybeans, and other agricultural commodities, and even out of animal renderings.

These energy sources are not buried under miles of water or ocean floor located miles and miles away. They are right in our agricultural States. They are renewable every year. They are cleaner burning than traditional fossil-based fuels and they provide additional boosts to farmers in rural communities around the Nation, where local economies depend upon a healthy agricultural economy. They boost the market prices in the marketplace for those commodities, meaning they lower taxpayer subsidies. It is a win-win-win for all Americans; yet we are not allowed to offer these additional kinds of incentives and expansion of these and other energy fuels, conservation, and other ways that we can truly enhance our energy security.

For those reasons, I oppose this legislation and, most of all, I oppose the tactics used in this bill to prevent it from becoming what it should be, what the American people need and certainly deserve, which is comprehensive energy legislation that will provide real energy security for our country, lower cost energy supplies now and for years to come.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I wish to take a moment to congratulate the Senate in advance of a vote at 5 o'clock which is going to demonstrate the Senate at its best—a bipartisan accomplishment of extraordinary importance, particularly to the area of the country that the occupant of the chair represents. I know Senator VITTER has for many years wanted to achieve something related to the gulf coast deepwater exploration issue that would benefit his State. We are on the verge of having that remarkable success.

Particular kudos to Senator DOMENICI, the chairman of the Energy Committee, who was absolutely indispensable in pulling together the various elements that did come together for this bipartisan accomplishment; Senator MEL MARTINEZ of Florida, who protected the coastline of his State while still helping to lead the way in a direction that allowed this compromise to go forward; Senator LANDRIEU for delivering a significant number of Democrats who were, of course, needed in order to make this a bipartisan proposal; and to all of the Gulf Coast States as well as all the other Senators whose States will indeed benefit from the Land and Water Conservation Fund.

As I said, this is the Senate at its finest. I congratulate all those who have been integral parts of bringing about this important bipartisan achievement.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. Mr. President, this truly is going to be quite a vote in just a few minutes as the Senate has decided to have a vote at 5 o'clock on the Gulf of Mexico Energy Independence Act.

Mr. President, you have been particularly helpful in putting this bill together, along with other gulf coast Senators.

I wanted to come to the floor to thank so many people who have helped to make this bill possible. It was many months in the working, many, many negotiations and meetings that went on to produce a bill that is not only going to be of extraordinary help to the great State of Louisiana and to all the Gulf Coast States as we try to restore our coastline, restore our marshlands, stop the erosion, and build the levees and the floodgates that are so imperative and critical to the protection of our people, our communities, large and small, but it is also a bill that is so important for this Nation as we seek to increase the supply of oil and gas produced in this country so we don't have to rely on oil and gas coming in from unfriendly and unstable places.

It took a tremendous amount of work for this bill to be put together. I begin by thanking particularly Senator DOMENICI who, as the chairman of the Committee on Energy and Natural Resources for many years, has served as ranking member for some of those years, has led on the issue of energy in almost every aspect, trying to help us increase supply, diversify supply, and come together on conservation measures that are important for the Nation.

I also thank Senator HARRY REID, the Democratic leader. Without his support, we would not have been able to get the Democratic votes necessary to join in a bipartisan spirit to provide revenuesharing for the Gulf Coast States, to establish for the first time a real conservation royalty for the Land and Water Conservation Fund, and in a great way contribute to the reduction of the deficit by encouraging production where we can get new production, therefore generating more revenues for the Nation. Senator HARRY REID is from Nevada, a State that has produced great natural resources for the country. He understands the balance in this policy.

I thank Senator BILL FRIST and Senator MITCH MCCONNELL. Senator DOMENICI is in the Senate now. He is scheduled to speak, so I will wrap up. I thank Senator BILL FRIST and Senator MITCH MCCONNELL for helping to pull the Senate together to keep us working on this good, balanced compromise.

I thank the Senators from the gulf coast, of course, including the Presiding Officer, the Senator from Louisiana, as well as Senator LOTT, Senator SHELBY, Senator SESSIONS, Senator COCHRAN, Senator HUTCHISON, and Senator CORNYN. None of this would have been possible without the gulf coast Senators coming together and agreeing how to share the money, how to proceed. I thank the Senators from Florida, Senator MARTINEZ and Senator NELSON, as well.

There is a list of staffers I will have printed in the RECORD, starting with my own staff, Janet Woodka, legislative director; Jason Matthews; Tom Michels; Elizabeth Craddock; and Ron Faucheaux; a list of staffers representing all the Senators who were instrumental in the passing of this bill. I thank them very much, particularly Frank Macciorola with Senator DOMENICI and the Senate Energy and Natural Resources Committee who led this effort with Bruce Evans. It would not have been possible without the help of Libby Jarvis from Senator FRIST's office.

The staff have put in the long hours and I thank them for all of their hard work. That staff includes: Chris Miller, Senator REID; Frank Macciorola, Senator DOMENICI, Senate Energy Committee; Bruce Evans, Senator DOMENICI, Senate Energy Committee; Libby Jarvis, Senator FRIST; Kyle Simmons and Malloy McDaniel, Senator MCCONNELL; Jim Sartucii and Annie Estrada, Senator LOTT; Garrett Graves, Senator VITTER; Ryan Welch, Senator SHELBY; Marie Thomas, Senator COCHRAN; Jamie Moore, Senator HUTCHISON; Spencer Chambers, Senator CORNYN; Dan Shapiro and Bridget Walsh, Senator BILL NELSON; Brydon Ross, Senator MARTINEZ; Stephen Boyd, Senator SESSIONS.

I also thank all of my staff—they have all worked hard over the years—and in particular, my energy team: Tom Michels, Elizabeth Craddock, Janet Woodka, Jason Matthews, and Ron Faucheaux.

Any my former staff-who have laid the groundwork and built this issue up over the past 10 years to get us to where we are today—most notably Jason Schendle, who has been a tremendous resource and advocate, Kathleen Strottman, Dionne Thomas, and Neil Naraine.

Finally, I thank Senator J. Bennett Johnston, whose seat I now occupy and my great friend, Senator John Breaux.

I see Senator DOMENICI in the Senate. I thank him for his extraordinary leadership in helping the Nation break through on new drilling for the first time in many decades.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank the distinguished Senator from Louisiana for her kind remarks and for her great support in this effort.

The junior Senator from Louisiana, who is the Presiding Officer, I thank now for the support and dedicated commitment to what we are doing. It is not only for the State of Louisiana, but for all the coastal States surrounding Louisiana. It is very important for the United States. I commend the Senator for his participation.

I would like to thank a Senator who was vital. He was courageous. He stepped forward, as Senators from Florida have not been used to doing. That was Senator MEL MARTINEZ, who came forward and said: I would like to work with you. And he ended up striking a balance for his people of Florida and for America. And he, along with the others we have mentioned, got us going.

It has been a pleasure taking this job on and to end up tonight, 10 minutes before the vote, with the full appreciation on the part of scores of Senators that we are about to do something very positive, very important. For a change, very few Senators will still have to say no. Most of the time it is hard to get 60 votes for cloture. Many times it is hard to get that 51 needed for a simple majority.

Over the weeks, and finally over the days, the point has come across to the bipartisan Senators in this Senate, this bill is welcome news for the consumers of the United States, for homeowners, families, people who work in all kinds of manufacturing businesses, chemical businesses, plastic businesses, all kinds of activities related to natural gas. Of course, there is oil involved, too, but that is secondary to the natural gas which is also involved.

It has finally dawned on everyone here, we own a piece of property. It has USA stamped all over it. It is off the coast of Florida, off the coast of Louisiana, Mississippi, Alabama, out there in the gulf. There are roughly 6 trillion cubic feet of natural gas owned by us, much of which is ready to be drilled, much of which can be drilled during the next decade. There is enough gas for 6 million houses for 15 years, to quantify it. That does not mean that is where it is going. It will be added to the availability of the supply and 1.250 billion barrels of oil. It has finally dawned on everyone. Now we will get their vote. That is all on our property. We have been sitting idly by, year after year, saying no, no, no, because we want a moratorium to protect something that needed no protection, the shoreline of Florida. I don't mean that literally. I mean we can drill on this property as provided in this bill with no damage yet, after we have sat here year after year saying no.

It does not happen very often, I say to my distinguished assistant Republican leader, but at the very time and day that we are voting, the best evidence you can get is right on the streets, in the homes, and on the television news for the American people to hear, see, and, incidentally, feel: We have had these enormous heat waves and the use of natural gas has jumped so much. That creates a scarcity; that creates an increase in price. Yesterday, the day before this vote, the price increased 11 percent in 1 day. Right now, it is $8.05 per million Btus. That price is four times higher than it was 6 years ago. That is incredible, but it is true.

Fellow Senators, when you vote tonight to add 1.2 million barrels, if this went to the President and got signed, we instantly add it to the ready reserves of America for crude oil waiting to be drilled and put into the system. Members would be voting to instantly add to our ready reserves of natural gas which we could start getting on the market in the not too distant future, almost 6 trillion cubic feet.

We have a crisis right in front of our nose and we have a partial cure right in front of our nose, but this time we decided we would go ahead and do it, not continue to say no and to worry ourselves to death over what could happen. This could happen, that could happen, do we need it, should we do it. That is what has happened in the United States recently when we are trying to make energy decisions. We do not want to recognize that there is a bit of a risk, but you have to take a bit of a risk for a big benefit. In this case, it is a very minimum risk and a very big benefit.

I am particularly pleased in this bill we are reinvesting in our environment. For decades, our coastal States have produced much of the oil and gas which the Nation consumes. They no longer sit back and go along with leasing without compensation needed for their infrastructure, the coastal environment. It is so critical to our domestic energy survival. We have changed direction and said "share it with them." That is a good idea, a new precedent which we need not be embarrassed about.

We also have said we want to share some of this wealth with the Land and Water Conservation Fund, a very good national program. We have not done that before. That, too, is good precedent, good ground to break, and sets us on a good path.

For those who worry, again, about that and about sharing with the States, I regret if that concerns them so much they will not vote for this bill. I am very sorry about that. In this case, the benefits so outweigh the risks of changing policy or changing direction that we should have a stampede, not a vote, when it comes time to count.

I am not going to do justice to all those who helped me by mentioning them all because I will not get to it. That is probably my mistake. I thank my friend and colleague from the State of Louisiana who is here in the Senate. She started working with me early as a member of the committee. Obviously, Senator VITTER, also, from Louisiana, an early participant. I thank him greatly for his efforts, as well as all the coastal State Senators. I also thank the distinguished leaders on our side who encouraged and urged passing. In fact, I would say about my good friend from Kentucky, I think he thought more about my proceeding to get this done than I did a few weeks ago. He kept saying it was a great day, get along with it, PETE, let's do it. So we are doing it.

This is a good bill. It took a little effort. It took a little time. Nonetheless, compared with other bills around here these days, it is not going to go to the graveyard. It is not going to die because Senators were able to talk the Senate into voting again to delay or kill a bill. They have not been able to do that on this bill. We are grateful.

The American people ought to know that even with the hurdle of 60 votes which was required because of filibuster threats on this bill, we prevailed. We have learned also that when we vote tonight, I think we only need 51 votes for a change. That is a very good sign. Finally, we are at a point where a 51-vote majority would win. We thought it was that way all the time, but it wasn't. Finally, after all the hurdles, we will have many more than that, but this is going to pass.

For those who are watching, we are at a point where that old-fashioned majority would be enough. We learned about the majority in school. It has been thrown out the window because there is so much politicking going on. Every vote is 60 votes around here. In the next few years we will have a few more of those, Mr. Leader, with the tax bill, and it will be 60 votes because someone is screaming filibuster.

I used to think filibusters were great when I first came to the Senate. Then I almost changed and said: Throw them away. I don't know where I am now. I do know I am for using part of the Budget Act to get around filibusters.

Mr. FRIST. Are you filibustering me right now?

Mr. DOMENICI. I am through. It will be a nice evening. I am going to go back and sit down. Thank you, Senator FRIST, for helping me. I want you to thank me for letting you have a happy day for a change.

I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The majority leader is recognized.

Mr. FRIST. Mr. President, I do thank my distinguished colleague, who about 2 months ago said, we can do this, we can do it for the American people. It was at a time where it looked as though this Senate could not come together to address one of the more fundamental issues that the taxpayer, the American consumer, sees every day; that is, the price of gas, the price of consumer products that go up because of the natural gas required to make that product.

We have addressed it in a bipartisan way: Senator DOMENICI, Senator LANDRIEU, Senator MARTINEZ, Senator VITTER—the Gulf State Senators—my distinguished colleague, the assistant majority leader, who was there every second of the way, through meeting after meeting, as we worked through the many, many details in what was really pioneering work in many ways, opening up the deep sea energy exploration, with the sharing of revenues coming in and what the appropriate amount should be. So I do thank all of them.

I have to come back to Senator DOMENICI and him just looking them in the eye and saying: It can get done. I know elections are coming, and I know there is partisanship, people want to slow the place down, but we are going to do it. To have it done means a lot.

"The increase in energy prices is clearly making the economy worse off. . . ." If oil prices continue to rise, there will be "significant consequences" for the economy. That was the testimony delivered by Federal Reserve Bank Chairman Ben Bernanke earlier this month before the House Committee on Financial Services.

When I look at the evidence, I cannot help but agree. Right now, Americans are paying, on average, $3 per gallon for regular unleaded gasoline. Right now, 60 percent of the oil we consume comes from overseas, from foreign countries. Right now, we are on track to a future where the demand for petroleum more than doubles our supply here at home—more than doubles our domestic supply. And right now, the price of natural gas for American consumers and industries, as of this morning, is $8.05 per million Btu, and that is six times as much as the price in countries competing for American jobs.

What do all these numbers mean? We hear the numbers a lot on the floor. What it translates into for that average consumer, that typical consumer, is higher cooling bills for their homes, higher heating bills in other seasons, higher prices for products made with natural gas, and higher prices for farm produce.

They mean manufacturing jobs lost in America. When U.S. companies have to pay more for the energy they need, it makes it harder for them to compete in the global marketplace, and it results in jobs being lost to overseas, facilities being shipped overseas. The National Association of Manufacturers estimates that more than 3.1 million high-wage manufacturing jobs have been lost just in the last 6 years, largely as a result of high energy prices. Of more than 120 world-scale chemical plants under construction across the globe, only one is being built here at home.

The high cost of natural gas is hurting farmers. Over the last 3 days, over the weekend, I spent a lot of time with farmers, actually, in North Carolina, in Tennessee, and in Iowa, and the No. 1 issue from the farmers was the high price of fertilizer because of the natural gas to make that fertilizer.

It is hurting the forest and paper products industry. Mr. President, 267 mills have closed and 189,000 jobs have been lost since this runup in natural gas prices over the last 6 years.

You put all those numbers together, and they point to a clear conclusion. It is the exact same conclusion of Ben Bernanke, Chairman Bernanke: America is dangerously dependent on foreign sources of energy, and it is hurting our economy. It hurts our consumers.

Last year, Congress began to address this problem, under the leadership of PETE DOMENICI, once again, by passing a comprehensive energy bill. I do not think anybody realized at the time how comprehensive that bill was, how important, how timely that bill was. Again and again it had been obstructed from the other side of the aisle, but under his leadership we passed it.

What has happened just in the last 12 months? Because of that Energy bill, 27 new ethanol plants have broken ground, and 150 more are in the works. Because of that Energy bill, the amount of ethanol and biodiesel we use in our gasoline will more than double over the next 6 years, and that will save 80,000 barrels a day. Because of the Energy bill we passed, 401 new E–85 pumps have been installed. Because of that Energy bill we passed a year ago, the nuclear industry is planning to build 25 new reactors in the United States, and that is enough to boost 15 million households with power with that clean, emission-free energy. Because of that Energy bill, 120 clean-coal facilities are in the planning stages—enough to replace 2 million barrels of oil a day by the year 2025. And because of the Energy bill—as I was flying across the country, I looked out and saw those windmills out there—wind power, solar power, and hydrogen fuel cells all got a shot in the arm.

The Energy bill we passed a year ago was only part of the solution. The bill we will pass here shortly is that next critical step. And there will be other steps, as so many of my colleagues who have said "I have a great idea" have demonstrated. But the bill we have today will reduce our dependence on foreign oil and natural gas by opening 8 million acres in the gulf for domestic exploration. The area opened under this bill is estimated to contain 1.26 billion barrels of oil and over 5.8 trillion cubic feet of natural gas. As has been said, that is roughly the same amount of oil as the proven reserves of Wyoming and Oklahoma combined, and more than six times our current imports of liquefied natural gas each year.

This bill will substantially reduce our dependence on foreign sources of oil and gas. It increases our energy independence. It strengthens our national security. And it helps to reduce the cost of living for every American consumer. It will have a direct impact on the prices consumers pay at the pump and on their power bills each month.

Mr. President, now more than ever America needs American energy. That is what the bill before us does. It brings more American energy to American consumers.

Let me just close once again in thanking Chairman DOMENICI, Senator MARTINEZ, Senator LANDRIEU, Senator VITTER—all the Senators from the gulf coast—and, as I said earlier, especially the assistant majority leader, Senator MCCONNELL, for his leadership.

I know this bill will receive broad bipartisan support. And when we begin that vote here shortly, it will move us one step closer to lowering energy prices for all Americans.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENTS NOS. 4713 AND 4714, WITHDRAWN

The PRESIDING OFFICER. Under the previous order, the amendments are withdrawn.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Kentucky (Mr. BUNNING).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Massachusetts (Mr. KERRY), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote "no."

The PRESIDING OFFICER (Mr. CHAMBLISS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 71, nays 25, as follows:

[Rollcall Vote No. 219 Leg.]

YEAS—71

Alexander
Allard
Allen
Bennett
Bond
Brownback
Burns
Burr
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
DeMint
DeWine
Dole
Domenici
Dorgan
Ensign
Enzi
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Inouye
Isakson
Johnson
Kohl
Kyl
Landrieu
Levin
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Murkowski
Nelson (FL)
Nelson (NE)
Pryor
Reid
Roberts
Rockefeller
Salazar
Santorum
Schumer
Sessions
Shelby
Smith
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NAYS—25

Akaka
Bayh
Biden
Bingaman
Boxer
Byrd
Cantwell
Dayton
Dodd
Durbin
Feingold
Feinstein
Harkin
Jeffords
Kennedy
Lautenberg
Leahy
Menendez
Mikulski
Murray
Obama
Reed
Sarbanes
Snowe
Wyden

NOT VOTING—4

Baucus
Bunning
Kerry
Lieberman

The bill (S. 3711) was passed, as follows:

S. 3711

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Gulf of Mexico Energy Security Act of 2006".

SEC. 2. DEFINITIONS.

In this Act:

(1) 181 AREA.—The term "181 Area" means the area identified in map 15, page 58, of the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002, dated August 1996, of the Minerals Management Service, available in the Office of the Director of the Minerals Management Service, excluding the area offered in OCS Lease Sale 181, held on December 5, 2001.

(2) 181 SOUTH AREA.—The term "181 South Area" means any area—

(A) located—

(i) south of the 181 Area;

(ii) west of the Military Mission Line; and

(iii) in the Central Planning Area;

(B) excluded from the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002, dated August 1996, of the Minerals Management Service; and

(C) included in the areas considered for oil and gas leasing, as identified in map 8, page 37 of the document entitled "Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012", dated February 2006.

(3) BONUS OR ROYALTY CREDIT.—The term "bonus or royalty credit" means a legal instrument or other written documentation, or an entry in an account managed by the Secretary, that may be used in lieu of any other monetary payment for—

(A) a bonus bid for a lease on the outer Continental Shelf; or

(B) a royalty due on oil or gas production from any lease located on the outer Continental Shelf.

(4) CENTRAL PLANNING AREA.—The term "Central Planning Area" means the Central Gulf of Mexico Planning Area of the outer Continental Shelf, as designated in the document entitled "Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012", dated February 2006.

(5) EASTERN PLANNING AREA.—The term "Eastern Planning Area" means the Eastern Gulf of Mexico Planning Area of the outer Continental Shelf, as designated in the document entitled "Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012", dated February 2006.

(6) 2002–2007 PLANNING AREA.—The term "2002–2007 planning area" means any area—

(A) located in—

(i) the Eastern Planning Area, as designated in the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program 2002–2007, dated April 2002, of the Minerals Management Service;

(ii) the Central Planning Area, as designated in the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program 2002–2007, dated April 2002, of the Minerals Management Service; or

(iii) the Western Planning Area, as designated in the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program 2002–2007, dated April 2002, of the Minerals Management Service; and

(B) not located in—

(i) an area in which no funds may be expended to conduct offshore preleasing, leasing, and related activities under sections 104 through 106 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 521) (as in effect on August 2, 2005);

(ii) an area withdrawn from leasing under the "Memorandum on Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition", from 34 Weekly Comp. Pres. Doc. 1111, dated June 12, 1998; or

(iii) the 181 Area or 181 South Area.

(7) GULF PRODUCING STATE.—The term "Gulf producing State" means each of the States of Alabama, Louisiana, Mississippi, and Texas.

(8) MILITARY MISSION LINE.—The term "Military Mission Line" means the north-south line at 86°41′ W. longitude.

(9) QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—

(A) IN GENERAL.—The term "qualified outer Continental Shelf revenues" means—

(i) in the case of each of fiscal years 2007 through 2016, all rentals, royalties, bonus bids, and other sums due and payable to the United States from leases entered into on or after the date of enactment of this Act for—

(I) areas in the 181 Area located in the Eastern Planning Area; and

(II) the 181 South Area; and

(ii) in the case of fiscal year 2017 and each fiscal year thereafter, all rentals, royalties, bonus bids, and other sums due and payable to the United States received on or after October 1, 2016, from leases entered into on or after the date of enactment of this Act for—

(I) the 181 Area;

(II) the 181 South Area; and

(III) the 2002–2007 planning area.

(B) EXCLUSIONS.—The term "qualified outer Continental Shelf revenues" does not include—

(i) revenues from the forfeiture of a bond or other surety securing obligations other than royalties, civil penalties, or royalties taken by the Secretary in-kind and not sold; or

(ii) revenues generated from leases subject to section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)).

(10) Coastal political subdivision.—The term "coastal political subdivision" means a political subdivision of a Gulf producing State any part of which political subdivision is—

(A) within the coastal zone (as defined in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453)) of the Gulf producing State as of the date of enactment of this Act; and

(B) not more than 200 nautical miles from the geographic center of any leased tract.

(11) Secretary.—The term "Secretary" means the Secretary of the Interior.

SEC. 3. OFFSHORE OIL AND GAS LEASING IN 181 AREA AND 181 SOUTH AREA OF GULF OF MEXICO.

(a) 181 Area Lease Sale.—Except as provided in section 4, the Secretary shall offer the 181 Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable, but not later than 1 year, after the date of enactment of this Act.

(b) 181 South Area Lease Sale.—The Secretary shall offer the 181 South Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable after the date of enactment of this Act.

(c) Leasing Program.—The 181 Area and 181 South Area shall be offered for lease under this section notwithstanding the omission of the 181 Area or the 181 South Area from any outer Continental Shelf leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344).

(d) Conforming Amendment.—Section 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 522) is amended by inserting "(other than the 181 South Area (as defined in section 2 of the Gulf of Mexico Energy Security Act of 2006))" after "lands located outside Sale 181".

SEC. 4. MORATORIUM ON OIL AND GAS LEASING IN CERTAIN AREAS OF GULF OF MEXICO.

(a) In General.—Effective during the period beginning on the date of enactment of this Act and ending on June 30, 2022, the Secretary shall not offer for leasing, preleasing, or any related activity—

(1) any area east of the Military Mission Line in the Gulf of Mexico;

(2) any area in the Eastern Planning Area that is within 125 miles of the coastline of the State of Florida; or

(3) any area in the Central Planning Area that is—

(A) within—

(i) the 181 Area; and

(ii) 100 miles of the coastline of the State of Florida; or

(B)(i) outside the 181 Area;

(ii) east of the western edge of the Pensacola Official Protraction Diagram (UTM X coordinate 1,393,920 (NAD 27 feet)); and

(iii) within 100 miles of the coastline of the State of Florida.

(b) Military Mission Line.—Notwithstanding subsection (a), the United States reserves the right to designate by and through the Secretary of Defense, with the approval of the President, national defense areas on the outer Continental Shelf pursuant to section 12(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(d)).

(c) Exchange of Certain Leases.—

(1) In general.—The Secretary shall permit any person that, as of the date of enactment of this Act, has entered into an oil or gas lease with the Secretary in any area described in paragraph (2) or (3) of subsection (a) to exchange the lease for a bonus or royalty credit that may only be used in the Gulf of Mexico.

(2) Valuation of existing lease.—The amount of the bonus or royalty credit for a lease to be exchanged shall be equal to—

(A) the amount of the bonus bid; and

(B) any rental paid for the lease as of the date the lessee notifies the Secretary of the decision to exchange the lease.

(3) Revenue distribution.—No bonus or royalty credit may be used under this subsection in lieu of any payment due under, or to acquire any interest in, a lease subject to the revenue distribution provisions of section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)).

(4) Regulations.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations that shall provide a process for—

(A) notification to the Secretary of a decision to exchange an eligible lease;

(B) issuance of bonus or royalty credits in exchange for relinquishment of the existing lease;

(C) transfer of the bonus or royalty credit to any other person; and

(D) determining the proper allocation of bonus or royalty credits to each lease interest owner.

SEC. 5. DISPOSITION OF QUALIFIED OUTER CONTINENTAL SHELF REVENUES FROM 181 AREA, 181 SOUTH AREA, AND 2002–2007 PLANNING AREAS OF GULF OF MEXICO.

(a) In General.—Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) and subject to the other provisions of this section, for each applicable fiscal year, the Secretary of the Treasury shall deposit—

(1) 50 percent of qualified outer Continental Shelf revenues in the general fund of the Treasury; and

(2) 50 percent of qualified outer Continental Shelf revenues in a special account in the Treasury from which the Secretary shall disburse—

(A) 75 percent to Gulf producing States in accordance with subsection (b); and

(B) 25 percent to provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8), which shall be considered income to the Land and Water Conservation Fund for purposes of section 2 of that Act (16 U.S.C. 460*l*–5).

(b) Allocation Among Gulf Producing States and Coastal Political Subdivisions.—

(1) Allocation among gulf producing states for fiscal years 2007 through 2016.—

(A) In general.—Subject to subparagraph (B), effective for each of fiscal years 2007 through 2016, the amount made available under subsection (a)(2)(A) shall be allocated to each Gulf producing State in amounts (based on a formula established by the Secretary by regulation) that are inversely proportional to the respective distances between the point on the coastline of each Gulf producing State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract.

(B) Minimum allocation.—The amount allocated to a Gulf producing State each fiscal year under subparagraph (A) shall be at least 10 percent of the amounts available under subsection (a)(2)(A).

(2) Allocation among gulf producing states for fiscal year 2017 and thereafter.—

(A) In general.—Subject to subparagraphs (B) and (C), effective for fiscal year 2017 and each fiscal year thereafter—

(i) the amount made available under subsection (a)(2)(A) from any lease entered into within the 181 Area or the 181 South Area shall be allocated to each Gulf producing State in amounts (based on a formula established by the Secretary by regulation) that are inversely proportional to the respective distances between the point on the coastline of each Gulf producing State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract; and

(ii) the amount made available under subsection (a)(2)(A) from any lease entered into within the 2002–2007 planning area shall be allocated to each Gulf producing State in amounts that are inversely proportional to the respective distances between the point on the coastline of each Gulf producing State that is closest to the geographic center of each historical lease site and the geographic center of the historical lease site, as determined by the Secretary.

(B) Minimum allocation.—The amount allocated to a Gulf producing State each fiscal year under subparagraph (A) shall be at least 10 percent of the amounts available under subsection (a)(2)(A).

(C) Historical lease sites.—

(i) In general.—Subject to clause (ii), for purposes of subparagraph (A)(ii), the historical lease sites in the 2002–2007 planning area shall include all leases entered into by the Secretary for an area in the Gulf of Mexico during the period beginning on October 1, 1982 (or an earlier date if practicable, as determined by the Secretary), and ending on December 31, 2015.

(ii) Adjustment.—Effective January 1, 2022, and every 5 years thereafter, the ending date described in clause (i) shall be extended for an additional 5 calendar years.

(3) Payments to coastal political subdivisions.—

(A) In general.—The Secretary shall pay 20 percent of the allocable share of each Gulf producing State, as determined under paragraphs (1) and (2), to the coastal political subdivisions of the Gulf producing State.

(B) Allocation.—The amount paid by the Secretary to coastal political subdivisions shall be allocated to each coastal political subdivision in accordance with subparagraphs (B), (C), and (E) of section 31(b)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a(b)(4)).

(c) Timing.—The amounts required to be deposited under paragraph (2) of subsection (a) for the applicable fiscal year shall be made available in accordance with that paragraph during the fiscal year immediately following the applicable fiscal year.

(d) Authorized Uses.—

(1) In general.—Subject to paragraph (2), each Gulf producing State and coastal political subdivision shall use all amounts received under subsection (b) in accordance with all applicable Federal and State laws, only for 1 or more of the following purposes:

(A) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses.

(B) Mitigation of damage to fish, wildlife, or natural resources.

(C) Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan.

(D) Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects.

(E) Planning assistance and the administrative costs of complying with this section.

(2) LIMITATION.—Not more than 3 percent of amounts received by a Gulf producing State or coastal political subdivision under subsection (b) may be used for the purposes described in paragraph (1)(E).

(e) ADMINISTRATION.—Amounts made available under subsection (a)(2) shall—

(1) be made available, without further appropriation, in accordance with this section;

(2) remain available until expended; and

(3) be in addition to any amounts appropriated under—

(A) the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.);

(B) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–4 et seq.); or

(C) any other provision of law.

(f) LIMITATIONS ON AMOUNT OF DISTRIBUTED QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—

(1) IN GENERAL.—Subject to paragraph (2), the total amount of qualified outer Continental Shelf revenues made available under subsection (a)(2) shall not exceed $500,000,000 for each of fiscal years 2016 through 2055.

(2) EXPENDITURES.—For the purpose of paragraph (1), for each of fiscal years 2016 through 2055, expenditures under subsection (a)(2) and shall be net of receipts from that fiscal year from any area in the 181 Area in the Eastern Planning Area and the 181 South Area.

(3) PRO RATA REDUCTIONS.—If paragraph (1) limits the amount of qualified outer Continental Shelf revenue that would be paid under subparagraphs (A) and (B) of subsection (a)(2)—

(A) the Secretary shall reduce the amount of qualified outer Continental Shelf revenue provided to each recipient on a pro rata basis; and

(B) any remainder of the qualified outer Continental Shelf revenues shall revert to the general fund of the Treasury.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

● Mr. KERRY. Mr. President, I was unfortunately not present to vote on final passage of S. 3711, the Gulf of Mexico Energy Security Act of 2006. I would like the RECORD to reflect that had I been present, I would have voted no on both the July 31 vote on the motion to invoke cloture as well as today's vote on final passage of the bill.

This legislation not only fails to address our energy problems, it raids the Federal Treasury and threatens our coastal economies and ecosystems. Opening more of our coastlines to drilling is clearly not the answer to our energy problems, especially given that 80 percent of offshore oil and gas resources are already open to drilling, and oil companies currently hold more than 4,000 untapped leases in the Gulf of Mexico.

Instead of despoiling our shores and perpetuating our dependence on oil, I believe Congress should pursue more environmentally friendly solutions, including investments in efficiency, biofuels, and increased use of renewable energy such as wind and solar power.

Unfortunately, rather than using American ingenuity to advance a new energy future that benefits both the economy and the environment, S. 3711 continues to promote failed policies of the past. It opens 8 million acres of Florida's gulf coast waters to offshore drilling rigs, including more than 6 million acres that are currently protected by the bipartisan moratorium on offshore drilling that has been in place for 25 years. S. 3711 also diverts tens of billions of dollars in offshore drilling revenues from the Federal Treasury and gives the money to just four States.

Furthermore, passing S. 3711 paves the way for a conference with H.R. 4761, the even more harmful House-passed bill that lifts the moratorium on all offshore drilling, including my home State, Massachusetts.

For our coasts, our environment, and our economy, I oppose S. 3711, and instead support real solutions to our energy problems.●

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2007

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 532, H.R. 5631. I further ask that the committee-reported substitute be agreed to as original text for the purpose of further amendment, with no points of order waived by virtue of this agreement. I further ask that consideration of the bill be for debate only during today's session.

Further, I ask that it not be in order to file a cloture motion on this bill prior to the adjournment for August. This is the DOD appropriations bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5631) making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2007, for military functions administered by the Department of Defense and for other purposes, namely:

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty, (except members of reserve components provided for elsewhere), cadets, and aviation cadets; for members of the Reserve Officers' Training Corps; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $29,080,473,000.

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; for members of the Reserve Officers' Training Corps; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $23,186,011,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $9,246,696,000.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; for members of the Reserve Officers' Training Corps; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $22,940,686,000.

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $3,304,247,000.

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section

12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $1,760,676,000.

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $535,438,000.

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10305, and 8038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $1,329,278,000.

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $5,258,080,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $2,369,255,000.

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $11,478,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, $23,980,180,000.

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $6,129,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes, $30,779,084,000.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law, $3,739,862,000.

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $7,699,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes, $30,053,427,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law, $19,919,175,000: Provided, That not more than $25,000,000 may be used for the Combatant Commander Initiative Fund authorized under section 166a of title 10, United States Code: Provided further, That not to exceed $36,000,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: Provided further, That of the funds provided under this heading, not less than $27,037,000 shall be made available for the Procurement Technical Assistance Cooperative Agreement Program, of which not less than $3,600,000 shall be available for centers defined in 10 U.S.C. 2411(1)(D): Provided further, That none of the funds appropriated or otherwise made available by this Act may be used to plan or implement the consolidation of a budget or appropriations liaison office of the Office of the Secretary of Defense, the office of the Secretary of a military department, or the service headquarters of one of the Armed Forces into a legislative affairs or legislative liaison office: Provided further, That $4,000,000, to remain available until expended, is available only for expenses relating to certain classified activities, and may be transferred as necessary by the Secretary to operation and maintenance appropriations or research, development, test and evaluation appropriations, to be merged with and to be available for the same time period as the appropriations to which transferred: Provided further, That any ceiling on the investment item unit cost of items that may be purchased with operation and maintenance funds shall not apply to the funds described in the preceding proviso: Provided further, That the transfer authority provided under this heading is in addition to any other transfer authority provided elsewhere in this Act.

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $2,158,278,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $1,275,764,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $208,811,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $2,624,300,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft), $4,655,565,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For expenses of training, organizing, and administering the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; transportation of things, hire of passenger motor vehicles; supplying and equipping the Air National Guard, as authorized by law; expenses for repair, modification, maintenance, and issue of supplies and equipment, including those furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau, $5,008,392,000.

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces, $11,721,000, of which not to exceed $5,000 may be used for official representation purposes.

Environmental Restoration, Army

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $413,794,000, to remain available until transferred: Provided, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Army, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

Environmental Restoration, Navy

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Navy, $304,409,000, to remain available until transferred: Provided, That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Navy, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

Environmental Restoration, Air Force

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Air Force, $423,871,000, to remain available until transferred: Provided, That the Secretary of the Air Force shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Air Force, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Air Force, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

Environmental Restoration, Defense-Wide

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense, $18,431,000, to remain available until transferred: Provided, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of Defense, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

Environmental Restoration, Formerly Used Defense Sites

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $282,790,000, to remain available until transferred: Provided, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris at sites formerly used by the Department of Defense, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

Overseas Humanitarian, Disaster, and Civic Aid

For expenses relating to the Overseas Humanitarian, Disaster, and Civic Aid programs of the Department of Defense (consisting of the programs provided under sections 401, 402, 404, 2557, and 2561 of title 10, United States Code), $63,204,000, to remain available until September 30, 2008.

Former Soviet Union Threat Reduction Account

For assistance to the republics of the former Soviet Union, including assistance provided by contract or by grants, for facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical and other weapons; for establishing programs to prevent the proliferation of weapons, weapons components, and weapon-related technology and expertise; for programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components and weapons technology and expertise, and for defense and military contacts, $372,128,000, to remain available until September 30, 2009: Provided, That of the amounts provided under this heading, $15,000,000 shall be available only to support the dismantling and disposal of nuclear submarines, submarine reactor components, and security enhancements for transport and storage of nuclear warheads in the Russian Far East.

TITLE III

PROCUREMENT

Aircraft Procurement, Army

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $3,354,729,000, to remain available for obligation until September 30, 2009.

Missile Procurement, Army

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,266,967,000, to remain available for obligation until September 30, 2009.

Procurement of Weapons and Tracked Combat Vehicles, Army

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $2,092,297,000, to remain available for obligation until September 30, 2009.

Procurement of Ammunition, Army

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities, authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,948,489,000, to remain available for obligation until September 30, 2009.

Other Procurement, Army

For construction, procurement, production, and modification of vehicles, including tactical, support, and non-tracked combat vehicles; the purchase of passenger motor vehicles for replacement only; and the purchase of 3 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $255,000 per vehicle; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $7,724,878,000, to remain available for obligation until September 30, 2009.

Aircraft Procurement, Navy

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and

Government and contractor-owned equipment layaway, $10,135,249,000, to remain available for obligation until September 30, 2009.

Weapons Procurement, Navy

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $2,558,020,000, to remain available for obligation until September 30, 2009.

Procurement of Ammunition, Navy and Marine Corps

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities, authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $799,943,000, to remain available for obligation until September 30, 2009.

Shipbuilding and Conversion, Navy

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

Carrier Replacement Program (AP), $784,143,000;
NSSN, $1,775,472,000;
NSSN (AP), $676,582,000;
CVN Refuelings, $954,495,000;
CVN Refuelings (AP), $117,139,000;
SSBN Submarine Refuelings, $189,022,000;
SSBN Submarine Refuelings (AP), $37,154,000;
DD(X), $2,568,111,000;
DDG–51 Destroyer, $355,849,000;
LCS, $300,670,000;
LPD–17 (AP), $297,492,000;
LHA–R, $1,135,917,000;
T-AGS Oceanographic Survey Ship, $117,000,000;
LCAC Landing Craft Air Cushion, $110,692,000;
Prior year shipbuilding costs, $557,849,000;
Service Craft, $45,245,000; and

For outfitting, post delivery, conversions, and first destination transportation, $370,643,000.

In all: $10,393,475,000, to remain available for obligation until September 30, 2011: Provided, That additional obligations may be incurred after September 30, 2011, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: Provided further, That none of the funds provided under this heading for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign facilities for the construction of major components of such vessel: Provided further, That none of the funds provided under this heading shall be used for the construction of any naval vessel in foreign shipyards.

Other Procurement, Navy

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of passenger motor vehicles for replacement only, and the purchase of 10 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $255,000 per vehicle; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $4,731,831,000, to remain available for obligation until September 30, 2009.

Procurement, Marine Corps

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, $1,151,318,000, to remain available for obligation until September 30, 2009.

Aircraft Procurement, Air Force

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, $11,096,406,000, to remain available for obligation until September 30, 2009.

Missile Procurement, Air Force

For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, $3,975,407,000, to remain available for obligation until September 30, 2009.

Procurement of Ammunition, Air Force

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities, authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,046,802,000, to remain available for obligation until September 30, 2009.

Other Procurement, Air Force

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of passenger motor vehicles for replacement only, and the purchase of 2 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $255,000 per vehicle; lease of passenger motor vehicles; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, $15,510,286,000, to remain available for obligation until September 30, 2009.

Procurement, Defense-Wide

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of passenger motor vehicles for replacement only, and the purchase of 5 vehicles required for physical security of personnel, notwithstanding prior limitations applicable to passenger vehicles but not to exceed $255,000 per vehicle; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, $2,763,071,000, to remain available for obligation until September 30, 2009.

National Guard and Reserve Equipment

For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces, $340,000,000, to remain available for obligation until September 30, 2009: Provided, That the Chiefs of the Reserve and National Guard components shall, not later than 30 days after the enactment of this Act, individually submit to the congressional defense committees the modernization priority assessment for their respective Reserve or National Guard component.

Defense Production Act Purchases

For activities by the Department of Defense pursuant to sections 108, 301, 302, and 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2078, 2091, 2092, and 2093), $68,884,000, to remain available until expended.

TITLE IV

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $11,245,040,000, to remain available for obligation until September 30, 2008.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $17,048,238,000, to remain available for obligation until September 30, 2008: Provided, That funds appropriated in this paragraph which are available for the V–22 may be used to meet unique operational requirements of the Special Operations Forces: Provided further, That funds appropriated in this paragraph shall be available for the Cobra Judy program.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $23,974,081,000, to remain available for obligation until September 30, 2008.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, $20,543,393,000, to remain available for obligation until September 30, 2008.

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation, in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith, $187,520,000, to remain available for obligation until September 30, 2008.

TITLE V

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For the Defense Working Capital Funds, $1,345,998,000.

NATIONAL DEFENSE SEALIFT FUND

For National Defense Sealift Fund programs, projects, and activities, and for expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), and for the necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, $616,932,000, to remain available until expended: Provided, That none of the funds provided in this paragraph shall be used to award a new contract that provides for the acquisition of any of the following major components unless such components are manufactured in the United States: auxiliary equipment, including pumps, for all shipboard services; propulsion system components (that is; engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: Provided further, That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: Provided further, That the Secretary of the military department responsible for such procurement may waive the restrictions in the first proviso on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

PENTAGON RESERVATION MAINTENANCE REVOLVING FUND

For the Pentagon Reservation Maintenance Revolving Fund, $18,500,000, to remain available until September 30, 2011.

TITLE VI

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law, $21,409,863,000, of which $20,544,605,000 shall be for Operation and maintenance, and of which up to $10,887,784,000 may be available for contracts entered into under the TRICARE program; of which $397,355,000, to remain available for obligation until September 30, 2009, shall be for Procurement; and of which $467,903,000, to remain available for obligation until September 30, 2008, shall be for Research, development, test and evaluation.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, ARMY

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions, to include construction of facilities, in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, $1,277,304,000, of which $1,046,290,000 shall be for Operation and maintenance; $231,014,000 shall be for Research, development, test and evaluation, of which $215,944,000 shall only be for the Assembled Chemical Weapons Alternatives (ACWA) program, to remain available until September 30, 2008; and no less than $111,283,000 may be for the Chemical Stockpile Emergency Preparedness Program, of which $41,074,000 shall be for activities on military installations and of which $70,209,000, to remain available until September 30, 2008, shall be to assist State and local governments.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and maintenance; for Procurement; and for Research, development, test and evaluation, $978,212,000: Provided, That the funds appropriated under this heading shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That the transfer authority provided under this heading is in addition to any other transfer authority contained elsewhere in this Act.

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $216,297,000, of which $214,897,000 shall be for Operation and maintenance, of which not to exceed $700,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on the Inspector General's certificate of necessity for confidential military purposes; and of which $1,400,000, to remain available until September 30, 2009, shall be for Procurement.

TITLE VII

RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain the proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System, $256,400,000.

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Intelligence Community Management Account, $597,011,000, of which $36,268,000 for the Advanced Research and Development Committee shall remain available until September 30, 2008.

TITLE VIII

GENERAL PROVISIONS

SEC. 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 8002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: Provided, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: Provided further, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: Provided further, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey.

SEC. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 8004. No more than 20 percent of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year: Provided, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.

(TRANSFER OF FUNDS)

SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary *in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed $4,500,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: Provided, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by the Congress: Provided further, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act: Provided further, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress: Provided further, That a request for multiple reprogrammings of funds using authority provided in this section must be made prior to June 30, 2007: Provided further, That transfers among military personnel appropriations shall not be taken into account for purposes of the limitation on the amount of funds that may be transferred under this section.*

(TRANSFER OF FUNDS)

SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: Provided, That transfers may be made between such funds: Provided further, That transfers may be made between working capital funds and the "Foreign Currency Fluctuations, Defense" appropriation and the "Operation and Maintenance" appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

SEC. 8007. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 calendar days in session in advance to the congressional defense committees.

SEC. 8008. None of the funds provided in this Act shall be available to initiate: (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of $20,000,000; or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year, unless the congressional defense committees have been notified at least 30 days in advance of the proposed contract award: Provided, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: Provided further, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: Provided further, That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: Provided further, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement: Provided further, That none of the funds provided in this Act may be used for a multiyear contract executed after the date of the enactment of this Act unless in the case of any such contract—

(1) the Secretary of Defense has submitted to Congress a budget request for full funding of units to be procured through the contract;

(2) cancellation provisions in the contract do not include consideration of recurring manufacturing costs of the contractor associated with the production of unfunded units to be delivered under the contract;

(3) the contract provides that payments to the contractor under the contract shall not be made in advance of incurred costs on funded units; and

(4) the contract does not provide for a price adjustment based on a failure to award a follow-on contract.

Funds appropriated in title III of this Act may be used for a multiyear procurement contract as follows:

C–17 Globemaster;
F–22A;
MH–60R Helicopters;
MH–60R Helicopter mission equipment; and
V–22 Osprey.

SEC. 8009. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported as required by section 401(d) of title 10, United States Code: Provided, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99–239: Provided further, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

SEC. 8010. (a) During fiscal year 2007, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

(b) The fiscal year 2008 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2008 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 2008.

(c) Nothing in this section shall be construed to apply to military (civilian) technicians.

SEC. 8011. None of the funds appropriated in this or any other Act may be used to initiate a new installation overseas without 30-day advance notification to the Committees on Appropriations.

SEC. 8012. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 8013. None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: Provided, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: Provided further, That this subsection applies only to active components of the Army.

SEC. 8014. (a) LIMITATION ON CONVERSION TO CONTRACTOR PERFORMANCE.—None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of the enactment of this Act, is performed by more than 10 Department of Defense civilian employees unless—

(1) the conversion is based on the result of a public-private competition that includes a most efficient and cost effective organization plan developed by such activity or function;

(2) the Competitive Sourcing Official determines that, over all performance periods stated in the solicitation of offers for performance of the activity or function, the cost of performance of the activity or function by a contractor would be less costly to the Department of Defense by an amount that equals or exceeds the lesser of—

(A) 10 percent of the most efficient organization's personnel-related costs for performance of that activity or function by Federal employees; or

(B) $10,000,000; and

(3) the contractor does not receive an advantage for a proposal that would reduce costs for the Department of Defense by—

(A) not making an employer-sponsored health insurance plan available to the workers who are to be employed in the performance of that activity or function under the contract; or

(B) offering to such workers an employer-sponsored health benefits plan that requires the employer to contribute less towards the premium or subscription share than the amount that is paid by the Department of Defense for health benefits for civilian employees under chapter 89 of title 5, United States Code.

(b) EXCEPTIONS.—

(1) The Department of Defense, without regard to subsection (a) of this section or subsections (a), (b), or (c) of section 2461 of title 10, United States Code, and notwithstanding any administrative regulation, requirement, or policy to the contrary shall have full authority to enter into a contract for the performance of any commercial or industrial type function of the Department of Defense that—

(A) is included on the procurement list established pursuant to section 2 of the Javits-Wagner-O'Day Act (41 U.S.C. 47);

(B) is planned to be converted to performance by a qualified nonprofit agency for the blind or

by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or

(C) is planned to be converted to performance by a qualified firm under at least 51 percent ownership by an Indian tribe, as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), or a Native Hawaiian Organization, as defined in section 8(a)(15) of the Small Business Act (15 U.S.C. 637(a)(15)).

(2) This section shall not apply to depot contracts or contracts for depot maintenance as provided in sections 2469 and 2474 of title 10, United States Code.

(c) TREATMENT OF CONVERSION.—The conversion of any activity or function of the Department of Defense under the authority provided by this section shall be credited toward any competitive or outsourcing goal, target, or measurement that may be established by statute, regulation, or policy and is deemed to be awarded under the authority of, and in compliance with, subsection (h) of section 2304 of title 10, United States Code, for the competition or outsourcing of commercial activities.

(TRANSFER OF FUNDS)

SEC. 8015. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note), as amended, under the authority of this provision or any other transfer authority contained in this Act.

SEC. 8016. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: Provided, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): Provided further, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: Provided further, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8017. None of the funds available to the Department of Defense may be used to demilitarize or dispose of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols.

SEC. 8018. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) or TRICARE shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: Provided, That this limitation does not apply in the case of inpatient mental health services provided under the program for persons with disabilities under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.

SEC. 8019. No more than $500,000 of the funds appropriated or made available in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that such a relocation is required in the best interest of the Government.

SEC. 8020. In addition to the funds provided elsewhere in this Act, $8,000,000 is appropriated only for incentive payments authorized by section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544): Provided, That a prime contractor or a subcontractor at any tier that makes a subcontract award to any subcontractor or supplier as defined in section 1544 of title 25, United States Code or a small business owned and controlled by an individual or individuals defined under section 4221(9) of title 25, United States Code shall be considered a contractor for the purposes of being allowed additional compensation under section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544) whenever the prime contract or subcontract amount is over $500,000 and involves the expenditure of funds appropriated by an Act making Appropriations for the Department of Defense with respect to any fiscal year: Provided further, That notwithstanding section 430 of title 41, United States Code, this section shall be applicable to any Department of Defense acquisition of supplies or services, including any contract and any subcontract at any tier for acquisition of commercial items produced or manufactured, in whole or in part by any subcontractor or supplier defined in section 1544 of title 25, United States Code or a small business owned and controlled by an individual or individuals defined under section 4221(9) of title 25, United States Code: Provided further, That, during the current fiscal year and hereafter, businesses certified as 8(a) by the Small Business Administration pursuant to section 8(a)(15) of Public Law 85–536, as amended, shall have the same status as other program participants under section 602 of Public Law 100–656, 102 Stat. 3825 (Business Opportunity Development Reform Act of 1988) for purposes of contracting with agencies of the Department of Defense.

SEC. 8021. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A–76 if the study being performed exceeds a period of 24 months after initiation of such study with respect to a single function activity or 30 months after initiation of such study for a multi-function activity.

SEC. 8022. Funds appropriated by this Act for the American Forces Information Service shall not be used for any national or international political or psychological activities.

SEC. 8023. Notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section 7455 of title 38, United States Code.

SEC. 8024. During the current fiscal year, the Department of Defense is authorized to incur obligations of not to exceed $350,000,000 for purposes specified in section 2350j(c) of title 10, United States Code, in anticipation of receipt of contributions, only from the Government of Kuwait, under that section: Provided, That upon receipt, such contributions from the Government of Kuwait shall be credited to the appropriations or fund which incurred such obligations.

SEC. 8025. (a) Of the funds made available in this Act, not less than $35,975,000 shall be available for the Civil Air Patrol Corporation, of which—

(1) $25,087,000 shall be available from "Operation and Maintenance, Air Force" to support Civil Air Patrol Corporation operation and maintenance, readiness, counterdrug activities, and drug demand reduction activities involving youth programs;

(2) $10,193,000 shall be available from "Aircraft Procurement, Air Force"; and

(3) $695,000 shall be available from "Other Procurement, Air Force" for vehicle procurement.

(b) The Secretary of the Air Force should waive reimbursement for any funds used by the Civil Air Patrol for counter-drug activities in support of Federal, State, and local government agencies.

SEC. 8026. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.

(b) No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, except when acting in a technical advisory capacity, may be compensated for his or her services as a member of such entity, or as a paid consultant by more than one FFRDC in a fiscal year: Provided, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.

(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 2007 may be used by a defense FFRDC, through a fee or other payment mechanism, for construction of new buildings, for payment of cost sharing for projects funded by Government grants, for absorption of contract overruns, or for certain charitable contributions, not to include employee participation in community service and/or development.

(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 2007, not more than 5,517 staff years of technical effort (staff years) may be funded for defense FFRDCs: Provided, That of the specific amount referred to previously in this subsection, not more than 1,050 staff years may be funded for the defense studies and analysis FFRDCs: Provided further, That this subsection shall not apply to staff years funded in the National Intelligence Program (NIP).

(e) The Secretary of Defense shall, with the submission of the department's fiscal year 2008 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.

(f) Notwithstanding any other provision of this Act, the total amount appropriated in this Act for FFRDCs is hereby reduced by $53,200,000.

SEC. 8027. None of the funds appropriated or made available in this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: Provided, That these procurement restrictions shall apply to any and all Federal Supply Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: Provided further, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That these restrictions shall not apply to contracts which are in being as of the date of the enactment of this Act.

SEC. 8028. For the purposes of this Act, the term "congressional defense committees" means the Armed Services Committee of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of the Committee on Appropriations of the Senate, and the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives. In addition, for any matter pertaining to basic allowance for housing, facilities sustainment, restoration and modernization, environmental restoration and the Defense Health Program, "congressional defense committees" also means the Subcommittee on Military Quality of Life and Veterans Affairs, and Related Agencies of the Committee on Appropriations of the House of Representatives.

SEC. 8029. During the current fiscal year, the Department of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: Provided, That the Senior Acquisition Executive of the military department or Defense Agency concerned, with power of delegation, shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: Provided further, That Office of Management and Budget Circular A–0976 shall not apply to competitions conducted under this section.

SEC. 8030. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) The Secretary of Defense shall submit to the Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 2007. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 8031. Notwithstanding any other provision of law, funds available during the current fiscal year and hereafter for "Drug Interdiction and Counter-Drug Activities, Defense" may be obligated for the Young Marines program.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8032. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 2921(c)(1) of the National Defense Authorization Act of 1991 (Public Law 101–09510; 10 U.S.C. 2687 note) shall be available until expended for the payments specified by section 2921(c)(2) of that Act.

SEC. 8033. (a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Air Force may convey at no cost to the Air Force, without consideration, to Indian tribes located in the States of North Dakota, South Dakota, Montana, and Minnesota relocatable military housing units located at Grand Forks Air Force Base and Minot Air Force Base that are excess to the needs of the Air Force.

(b) PROCESSING OF REQUESTS.—The Secretary of the Air Force shall convey, at no cost to the Air Force, military housing units under subsection (a) in accordance with the request for such units that are submitted to the Secretary by the Operation Walking Shield Program on behalf of Indian tribes located in the States of North Dakota, South Dakota, Montana, and Minnesota.

(c) RESOLUTION OF HOUSING UNIT CONFLICTS.—The Operation Walking Shield Program shall resolve any conflicts among requests of Indian tribes for housing units under subsection (a) before submitting requests to the Secretary of the Air Force under subsection (b).

(d) INDIAN TRIBE DEFINED.—In this section, the term "Indian tribe" means any recognized Indian tribe included on the current list published by the Secretary of the Interior under section 104 of the Federally Recognized Indian Tribe Act of 1994 (Public Law 103-09454; 108 Stat. 4792; 25 U.S.C. 479a-091).

SEC. 8034. During the current fiscal year, appropriations which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than $250,000.

SEC. 8035. (a) During the current fiscal year, none of the appropriations or funds available to the Department of Defense Working Capital Funds shall be used for the purchase of an investment item for the purpose of acquiring a new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Department of Defense Working Capital Funds if such an item would not have been chargeable to the Department of Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to appropriations made to the Department of Defense for procurement.

(b) The fiscal year 2008 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2008 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which was classified as an end item and funded in a procurement appropriation contained in this Act shall be budgeted for in a proposed fiscal year 2008 procurement appropriation and not in the supply management business area or any other area or category of the Department of Defense Working Capital Funds.

SEC. 8036. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 2008: Provided, That funds appropriated, transferred, or otherwise credited to the Central Intelligence Agency Central Services Working Capital Fund during this or any prior or subsequent fiscal year shall remain available until expended: Provided further, That any funds appropriated or transferred to the Central Intelligence Agency for advanced research and development acquisition, for agent operations, and for covert action programs authorized by the President under section 503 of the National Security Act of 1947, as amended, shall remain available until September 30, 2008.

SEC. 8037. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program intelligence communications and intelligence information systems for the Services, the Unified and Specified Commands, and the component commands.

SEC. 8038. Of the funds appropriated to the Department of Defense under the heading "Operation and Maintenance, Defense-Wide", not less than $10,000,000 shall be made available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation and cost to complete estimates for mitigation, on Indian lands resulting from Department of Defense activities.

SEC. 8039. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

(b) If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a "Made in America" inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

(c) In the case of any equipment or products purchased with appropriations provided under this Act, it is the sense of the Congress that any entity of the Department of Defense, in expending the appropriation, purchase only American-made equipment and products, provided that American-made equipment and products are cost-competitive, quality-competitive, and available in a timely fashion.

SEC. 8040. None of the funds appropriated by this Act shall be available for a contract for studies, analysis, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines—

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work;

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source; or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support: Provided, That this limitation shall not apply to contracts in an amount of less than $25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 8041. (a) Except as provided in subsection (b) and (c), none of the funds made available by this Act may be used—

(1) to establish a field operating agency; or

(2) to pay the basic pay of a member of the Armed Forces or civilian employee of the department who is transferred or reassigned from a headquarters activity if the member or employee's place of duty remains at the location of that headquarters.

(b) The Secretary of Defense or Secretary of a military department may waive the limitations in subsection (a), on a case-by-case basis, if the Secretary determines, and certifies to the Committees on Appropriations of the House of Representatives and Senate that the granting of the waiver will reduce the personnel requirements or the financial requirements of the department.

(c) This section does not apply to—

(1) field operating agencies funded within the National Intelligence Program; or

(2) an Army field operating agency established to eliminate, mitigate, or counter the effects of improvised explosive devices, and, as determined by the Secretary of the Army, other similar threats.

SEC. 8042. The Secretary of Defense, notwithstanding any other provision of law, acting through the Office of Economic Adjustment of the Department of Defense, may use funds made available in this Act under the heading "Operation and Maintenance, Defense-Wide" to make grants and supplement other Federal funds in accordance with the guidance provided in the report of the Committee on Appropriations of the Senate accompanying this Act, and the projects specified in such guidance shall be considered to be authorized by law.

(RESCISSIONS)

SEC. 8043. Of the funds appropriated in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts:

"Other Procurement, Army, 2006/2008", $20,000,000;

"Aircraft Procurement, Navy, 2006/2008", $40,700,000;

"Shipbuilding and Conversion, Navy, 2006/2010", $220,000,000;

"Aircraft Procurement, Air Force, 2006/2008", $141,100,000;

"Missile Procurement, Air Force, 2006/2008", $100,000,000;

"Other Procurement, Air Force, 2006/2008", $125,000,000;

"Research, Development, Test and Evaluation, Navy, 2006/2007", $27,282,000;

"Research, Development, Test and Evaluation, Air Force, 2006/2007", $92,800,000;

"Research, Development, Test and Evaluation, Defense-Wide, 2006/2007", $100,000,000;

"Aircraft Procurement, Air Force, 2005/2007", $107,200,000; and

"Shipbuilding and Conversion Navy, 2005/2009", $11,245,000.

SEC. 8044. None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the Army National Guard, the Air National Guard, Army Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.

SEC. 8045. None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People's Republic of North Korea unless specifically appropriated for that purpose.

SEC. 8046. Funds appropriated in this Act for operation and maintenance of the Military Departments, Combatant Commands and Defense Agencies shall be available for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence or counterintelligence support to Combatant Commands, Defense Agencies and Joint Intelligence Activities, including the activities and programs included within the National Intelligence Program and the Military Intelligence Program: Provided, That nothing in this section authorizes deviation from established Reserve and National Guard personnel and training procedures.

SEC. 8047. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the civilian medical and medical support personnel assigned to military treatment facilities below the September 30, 2003, level: Provided, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that the beneficiary population is declining in some catchment areas and civilian strength reductions may be consistent with responsible resource stewardship and capitation-based budgeting.

SEC. 8048. Notwithstanding any other provision of law, that not more than 35 percent of funds provided in this Act for environmental remediation may be obligated under indefinite delivery/indefinite quantity contracts with a total contract value of $130,000,000 or higher.

SEC. 8049. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

SEC. 8050. None of the funds appropriated by this Act may be used for the procurement of ball and roller bearings other than those produced by a domestic source and of domestic origin: Provided, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That this restriction shall not apply to the purchase of "commercial items", as defined by section 4(12) of the Office of Federal Procurement Policy Act, except that the restriction shall apply to ball or roller bearings purchased as end items.

SEC. 8051. None of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 8052. Notwithstanding any other provision of law, each contract awarded by the Department of Defense during the current fiscal year and hereafter for construction or service performed in whole or in part in a State (as defined in section 381(d) of title 10, United States Code) which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor, shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: Provided, That the Secretary of Defense may waive the requirements of this section, on a case-by-case basis, in the interest of national security.

SEC. 8053. None of the funds made available in this or any other Act may be used to pay the salary of any officer or employee of the Department of Defense who approves or implements the transfer of administrative responsibilities or budgetary resources of any program, project, or activity financed by this Act to the jurisdiction of another Federal agency not financed by this Act without the express authorization of Congress: Provided, That this limitation shall not apply to transfers of funds expressly provided for in Defense Appropriations Acts, or provisions of Acts providing supplemental appropriations for the Department of Defense.

SEC. 8054. (a) LIMITATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—This section applies to—

(1) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and

(2) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) A statement of the value of the equipment, supplies, or services to be transferred.

(3) In the case of a proposed transfer of equipment or supplies—

(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met; and

(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

SEC. 8055. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an employee when—

(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and

(2) such bonus is part of restructuring costs associated with a business combination.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8056. During the current fiscal year, no more than $30,000,000 of appropriations made in this Act under the heading "Operation and Maintenance, Defense-Wide" may be transferred to appropriations available for the pay of military personnel, to be merged with, and to be available for the same time period as the appropriations to which transferred, to be used in support of such personnel in connection with support and services for eligible organizations and activities outside the Department of Defense pursuant to section 2012 of title 10, United States Code.

SEC. 8057. During the current fiscal year, in the case of an appropriation account of the Department of Defense for which the period of availability for obligation has expired or which has closed under the provisions of section 1552 of title 31, United States Code, and which has a negative unliquidated or unexpended balance, an obligation or an adjustment of an obligation may be charged to any current appropriation account for the same purpose as the expired or closed account if—

(1) the obligation would have been properly chargeable (except as to amount) to the expired or closed account before the end of the period of availability or closing of that account;

(2) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense; and

(3) in the case of an expired account, the obligation is not chargeable to a current appropriation of the Department of Defense under the provisions of section 1405(b)(8) of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101–09510, as amended (31 U.S.C. 1551 note): Provided, That in the case of an expired account, if subsequent review or investigation discloses that there was not in fact a negative unliquidated or unexpended balance in the account, any charge to a current account under the authority of this section shall be reversed and recorded against the expired account: Provided further, That the total amount charged to a current appropriation under this section may not exceed an amount equal to 1 percent of the total appropriation for that account.

SEC. 8058. (a) Notwithstanding any other provision of law, the Chief of the National Guard Bureau may permit the use of equipment of the National Guard Distance Learning Project by any person or entity on a space-available, reimbursable basis. The Chief of the National Guard Bureau shall establish the amount of reimbursement for such use on a case-by-case basis.

(b) Amounts collected under subsection (a) shall be credited to funds available for the National Guard Distance Learning Project and be available to defray the costs associated with the use of equipment of the project under that subsection. Such funds shall be available for such purposes without fiscal year limitation.

SEC. 8059. Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: Provided, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: Provided further, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, regional or municipal services, if provisions are included for the consideration of United States coal as an energy source.

SEC. 8060. None of the funds appropriated in title IV of this Act may be used to procure end-items for delivery to military forces for operational training, operational use or inventory requirements: Provided, That this restriction does not apply to end-items used in development, prototyping, and test activities preceding and leading to acceptance for operational use: Provided further, That this restriction does not apply to programs funded within the National Intelligence Program: Provided further, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.

SEC. 8061. Notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa, and funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to the Indian Health Service when it is in conjunction with a civil-military project.

SEC. 8062. None of the funds made available in this Act may be used to approve or license the sale of the F–0922A advanced tactical fighter to any foreign government.

SEC. 8063. (a) The Secretary of Defense may, on a case-by-case basis, waive with respect to a foreign country each limitation on the procurement of defense items from foreign sources provided in law if the Secretary determines that the application of the limitation with respect to that country would invalidate cooperative programs entered into between the Department of Defense and the foreign country, or would invalidate reciprocal trade agreements for the procurement of defense items entered into under section 2531 of title 10, United States Code, and the country does not discriminate against the same or similar defense items produced in the United States for that country.

(b) Subsection (a) applies with respect to—

(1) contracts and subcontracts entered into on or after the date of the enactment of this Act; and

(2) options for the procurement of items that are exercised after such date under contracts that are entered into before such date if the option prices are adjusted for any reason other than the application of a waiver granted under subsection (a).

(c) Subsection (a) does not apply to a limitation regarding construction of public vessels, ball and roller bearings, food, and clothing or textile materials as defined by section 11 (chapters 50–0965) of the Harmonized Tariff Schedule and products classified under headings 4010, 4202, 4203, 6401 through 6406, 6505, 7019, 7218 through 7229, 7304.41 through 7304.49, 7306.40, 7502 through 7508, 8105, 8108, 8109, 8211, 8215, and 9404.

SEC. 8064. (a) PROHIBITION.—None of the funds made available by this Act may be used to support any training program involving a unit of the security forces of a foreign country if the Secretary of Defense has received credible information from the Department of State that the unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.

(b) MONITORING.—The Secretary of Defense, in consultation with the Secretary of State, shall ensure that prior to a decision to conduct any training program referred to in subsection (a), full consideration is given to all credible information available to the Department of State relating to human rights violations by foreign security forces.

(c) WAIVER.—The Secretary of Defense, after consultation with the Secretary of State, may waive the prohibition in subsection (a) if he determines that such waiver is required by extraordinary circumstances.

(d) REPORT.—Not more than 15 days after the exercise of any waiver under subsection (c), the Secretary of Defense shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the training program, the United States forces and the foreign security forces involved in the training program, and the information relating to human rights violations that necessitates the waiver.

SEC. 8065. None of the funds appropriated or made available in this Act to the Department of the Navy shall be used to develop, lease or procure the T-AKE class of ships unless the main propulsion diesel engines and .propulsors are manufactured in the United States by a domestically operated entity: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes or there exists a significant cost or quality difference.

SEC. 8066. None of the funds appropriated or otherwise made available by this or other Department of Defense Appropriations Acts may be obligated or expended for the purpose of performing repairs or maintenance to military family housing units of the Department of Defense, including areas in such military family housing units that may be used for the purpose of conducting official Department of Defense business.

SEC. 8067. Notwithstanding any other provision of law, funds appropriated in this Act under the heading "Research, Development, Test and Evaluation, Defense-Wide" for any new start advanced concept technology demonstration project may only be obligated 30 days after a report, including a description of the project, the planned acquisition and transition strategy and its estimated annual and total cost, has been provided in writing to the congressional defense committees: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying to the congressional defense committees that it is in the national interest to do so.

SEC. 8068. The Secretary of Defense shall provide a classified quarterly report beginning 30 days after enactment of this Act, to the House and Senate Appropriations Committees, Subcommittees on Defense on certain matters as directed in the classified annex accompanying this Act.

SEC. 8069. During the current fiscal year, refunds attributable to the use of the Government travel card, refunds attributable to the use of the Government Purchase Card and refunds attributable to official Government travel arranged by Government Contracted Travel Management Centers may be credited to operation and maintenance, and research, development, test and evaluation accounts of the Department of Defense which are current when the refunds are received.

SEC. 8070. (a) REGISTERING FINANCIAL MANAGEMENT INFORMATION TECHNOLOGY SYSTEMS WITH DOD CHIEF INFORMATION OFFICER.—None of the funds appropriated in this Act may be *used for a mission critical or mission essential financial management information technology system (including a system funded by the defense working capital fund) that is not registered with the Chief Information Officer of the Department of Defense. A system shall be considered to be registered with that officer upon the furnishing to that officer of notice of the system, together with such information concerning the system as the Secretary of Defense may prescribe. A financial management information technology system shall be considered a mission critical or mission essential information technology system as defined by the Under Secretary of Defense (Comptroller).*

(b) CERTIFICATIONS AS TO COMPLIANCE WITH FINANCIAL MANAGEMENT MODERNIZATION PLAN.—

(1) During the current fiscal year, a financial management automated information system, a mixed information system supporting financial and non-financial systems, or a system improvement of more than $1,000,000 may not receive Milestone A approval, Milestone B approval, or full rate production, or their equivalent, within the Department of Defense until the Under Secretary of Defense (Comptroller) certifies, with respect to that milestone, that the system is being developed and managed in accordance with the Department's Financial Management Modernization Plan. The Under Secretary of Defense (Comptroller) may require additional certifications, as appropriate, with respect to any such system.

(2) The Chief Information Officer shall provide the congressional defense committees timely notification of certifications under paragraph (1).

(c) CERTIFICATIONS AS TO COMPLIANCE WITH CLINGER-COHEN ACT.—

(1) During the current fiscal year, a major automated information system may not receive Milestone A approval, Milestone B approval, or full rate production approval, or their equivalent, within the Department of Defense until the Chief Information Officer certifies, with respect to that milestone, that the system is being developed in accordance with the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.). The Chief Information Officer may require additional certifications, as appropriate, with respect to any such system.

(2) The Chief Information Officer shall provide the congressional defense committees timely notification of certifications under paragraph (1). Each such notification shall include a statement confirming that the following steps have been taken with respect to the system:

(A) Business process reengineering.

(B) An analysis of alternatives.

(C) An economic analysis that includes a calculation of the return on investment.

(D) Performance measures.

(E) An information assurance strategy consistent with the Department's Global Information Grid.

(d) DEFINITIONS.—For purposes of this section:

(1) The term "Chief Information Officer" means the senior official of the Department of Defense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.

(2) The term "information technology system" has the meaning given the term "information technology" in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

SEC. 8071. During the current fiscal year, none of the funds available to the Department of Defense may be used to provide support to another department or agency of the United States if such department or agency is more than 90 days in arrears in making payment to the Department of Defense for goods or services previously provided to such department or agency on a reimbursable basis: Provided, That this restriction shall not apply if the department is authorized by law to provide support to such department or agency on a nonreimbursable basis, and is providing the requested support pursuant to such authority: Provided further, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.

SEC. 8072. Notwithstanding section 12310(b) of title 10, United States Code, a Reserve who is a member of the National Guard serving on full-time National Guard duty under section 502(f) of title 32 may perform duties in support of the ground-based elements of the National Ballistic Missile Defense System.

SEC. 8073. None of the funds provided in this Act may be used to transfer to any nongovernmental entity ammunition held by the Department of Defense that has a center-fire cartridge and a United States military nomenclature designation of "armor penetrator", "armor piercing (AP)", "armor piercing incendiary (API)", or "armor-piercing incendiary-tracer (API-09T)", except to an entity performing demilitarization services for the Department of Defense under a contract that requires the entity to demonstrate to the satisfaction of the Department of Defense that armor piercing projectiles are either: (1) rendered incapable of reuse by the demilitarization process; or (2) used to manufacture ammunition pursuant to a contract with the Department of Defense or the manufacture of ammunition for export pursuant to a License for Permanent Export of Unclassified Military Articles issued by the Department of State.

SEC. 8074. Notwithstanding any other provision of law, the Chief of the National Guard Bureau, or his designee, may waive payment of all or part of the consideration that otherwise would be required under section 2667 of title 10, United States Code, in the case of a lease of personal property for a period not in excess of 1 year to any organization specified in section 508(d) of title 32, United States Code, or any other youth, social, or fraternal non-profit organization as may be approved by the Chief of the National Guard Bureau, or his designee, on a case-by-case basis.

SEC. 8075. None of the funds appropriated by this Act shall be used for the support of any nonappropriated funds activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States unless such malt beverages and wine are procured within that State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: Provided, That in a case in which the military installation is located in more than one State, purchases may be made in any State in which the installation is located: Provided further, That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages only for military installations in States which are not contiguous with another State: Provided further, That alcoholic beverages other than wine and malt beverages, in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.

SEC. 8076. Funds available to the Department of Defense for the Global Positioning System during the current fiscal year may be used to fund civil requirements associated with the satellite and ground control segments of such system's modernization program.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8077. Of the amounts appropriated in this Act under the heading "Operation and Maintenance, Army", $78,300,000 shall remain available until expended: Provided, That notwithstanding any other provision of law, the Secretary of Defense is authorized to transfer such funds to other activities of the Federal Government: Provided further, That the Secretary of Defense is authorized to enter into and carry out contracts for the acquisition of real property, construction, personal services, and operations related to projects carrying out the purposes of this section: Provided further, That contracts entered into under the authority of this section may provide for such indemnification as the Secretary determines to be necessary: Provided further, That projects authorized by this section shall comply with applicable Federal, State, and local law to the maximum extent consistent with the national security, as determined by the Secretary of Defense.

SEC. 8078. Section 8106 of the Department of Defense Appropriations Act, 1997 (titles I through VIII of the matter under subsection 101(b) of Public Law 104-09208; 110 Stat. 3009-09111; 10 U.S.C. 113 note) shall continue in effect to apply to disbursements that are made by the Department of Defense in fiscal year 2007.

SEC. 8079. (a) The Secretary of Defense, in coordination with the Secretary of Health and Human Services, may carry out a program to distribute surplus dental and medical equipment of the Department of Defense, at no cost to the Department of Defense, to Indian Health Service facilities and to federally-qualified health centers (within the meaning of section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B))).

(b) In carrying out this provision, the Secretary of Defense shall give the Indian Health Service a property disposal priority equal to the priority given to the Department of Defense and its twelve special screening programs in distribution of surplus dental and medical supplies and equipment.

SEC. 8080. Amounts appropriated in title II of this Act are hereby reduced by $92,000,000 to reflect savings attributable to efficiencies and management improvements in the funding of miscellaneous or other contracts in the military departments, as follows:

(1) From "Operation and Maintenance, Army", $5,000,000.

(2) From "Operation and Maintenance, Air Force", $87,000,000.

SEC. 8081. The total amount appropriated or otherwise made available in this Act is hereby reduced by $71,000,000 to limit excessive growth in the procurement of advisory and assistance services, to be distributed as follows:

"Operation and Maintenance, Army", $32,000,000.

"Operation and Maintenance, Navy", $34,000,000.

"Operation and Maintenance, Marine Corps", $5,000,000.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8082. Of the amounts appropriated in this Act under the heading "Research, Development, Test and Evaluation, Defense-Wide", $152,494,000 shall be made available for the Arrow missile defense program: Provided, That of this amount, $63,000,000 shall be available for the purpose of producing Arrow missile components in the United States and Arrow missile components and missiles in Israel to meet Israel's defense requirements, consistent with each nation's laws, regulations and procedures, and $25,000,000 shall be available for the purpose of the initiation of a joint feasibility study designated the Short Range Ballistic Missile Defense (SRBMD) initiative: Provided further, That funds made available under this provision *for production of missiles and missile components may be transferred to appropriations available for the procurement of weapons and equipment, to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred: Provided further, That the transfer authority provided under this provision is in addition to any other transfer authority contained in this Act.*

(INCLUDING TRANSFER OF FUNDS)

SEC. 8083. Of the amounts appropriated in this Act under the heading "Shipbuilding and Conversion, Navy", $557,849,000 shall be available until September 30, 2007, to fund prior year shipbuilding cost increases: Provided, That upon enactment of this Act, the Secretary of the Navy shall transfer such funds to the following appropriations in the amounts specified: Provided further, That the amounts transferred shall be merged with and be available for the same purposes as the appropriations to which transferred:

To:

Under the heading "Shipbuilding and Conversion, Navy, 1999/2007":

New SSN, $25,000,000;

Under the heading "Shipbuilding and Conversion, Navy, 2000/2007":

LPD–0917 Amphibious Transport Dock Ship Program, $66,049,000;

Under the heading "Shipbuilding and Conversion, Navy, 2001/2007":

New SSN, $41,000,000;

Carrier Replacement Program, $338,400,000;

Under the heading "Shipbuilding and Conversion, Navy, 2002/2007":

New SSN, $43,000,000;

Under the heading "Shipbuilding and Conversion, Navy, 2003/2007":

New SSN, $22,000,000; and

Under the heading "Shipbuilding and Conversion, Navy, 2005/2009":

LPD–0917 Amphibious Transport Dock Ship Program, $22,400,000.

SEC. 8084. The Secretary of the Navy may settle, or compromise, and pay any and all admiralty claims under section 7622 of title 10, United States Code arising out of the collision involving the U.S.S. GREENEVILLE and the EHIME MARU, in any amount and without regard to the monetary limitations in subsections (a) and (b) of that section: Provided, That such payments shall be made from funds available to the Department of the Navy for operation and maintenance.

SEC. 8085. Notwithstanding any other provision of law or regulation, the Secretary of Defense may exercise the provisions of section 7403(g) of title 38, United States Code for occupations listed in section 7403(a)(2) of title 38, United States Code as well as the following:

Pharmacists, Audiologists, and Dental Hygienists.

(A) The requirements of section 7403(g)(1)(A) of title 38, United States Code shall apply.

(B) The limitations of section 7403(g)(1)(B) of title 38, United States Code shall not apply.

SEC. 8086. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2007 until the enactment of the Intelligence Authorization Act for fiscal year 2007.

SEC. 8087. None of the funds in this Act may be used to initiate a new start program without prior written notification to the Office of Secretary of Defense and the congressional defense committees.

SEC. 8088. FINANCING AND FIELDING OF KEY ARMY CAPABILITIES.—The Department of Defense and the Department of the Army shall make future budgetary and programming plans to fully finance the Non-Line of Sight Future Force cannon and resupply vehicle program (NLOS–09C) in order to field this system in fiscal year 2010, consistent with the broader plan to field the Future Combat System (FCS) in fiscal year 2010: Provided, That if the Army is precluded from fielding the FCS program by fiscal year 2010, then the Army shall develop the NLOS–09C independent of the broader FCS development timeline to achieve fielding by fiscal year 2010. In addition the Army will deliver eight (8) combat operational pre-production NLOS–09C systems by the end of calendar year 2008. These systems shall be in addition to those systems necessary for developmental and operational testing: Provided further, That the Army shall ensure that budgetary and programmatic plans will provide for no fewer than seven (7) Stryker Brigade Combat Teams.

SEC. 8089. Up to $2,000,000 of the funds appropriated under the heading "Operation and Maintenance, Navy" in this Act for the Pacific Missile Range Facility may be made available to contract for the repair, maintenance, and operation of adjacent off-base water, drainage, and flood control systems, electrical upgrade to support additional missions critical to base operations, and support for a range footprint expansion to further guard against encroachment.

SEC. 8090. The budget of the President for fiscal year 2008 submitted to the Congress pursuant to section 1105 of title 31, United States Code shall include separate budget justification documents for costs of United States Armed Forces' participation in contingency operations for the Military Personnel accounts, the Operation and Maintenance accounts, and the Procurement accounts: Provided, That these documents shall include a description of the funding requested for each contingency operation, for each military service, to include all Active and Reserve components, and for each appropriations account: Provided further, That these documents shall include estimated costs for each element of expense or object class, a reconciliation of increases and decreases for each contingency operation, and programmatic dat including, but not limited to, troop strength for each Active and Reserve component, and estimates of the major weapons systems deployed in support of each contingency: Provided further, That these documents shall include budget exhibits OP–095 and OP–0932 (as defined in the Department of Defense Financial Management Regulation) for all contingency operations for the budget year and the two preceding fiscal years.

SEC. 8091. None of the funds in this Act may be used for research, development, test, evaluation, procurement or deployment of nuclear armed interceptors of a missile defense system.

SEC. 8092. Of the amounts provided in title II of this Act under the heading "Operation and Maintenance, Defense-Wide", $20,000,000 is available for the Regional Defense Counter-terrorism Fellowship Program, to fund the education and training of foreign military officers, ministry of defense civilians, and other foreign security officials, to include United States military officers and civilian officials whose participation directly contributes to the education and training of these foreign students.

SEC. 8093. None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve, if such action would reduce the WC–09130 Weather Reconnaissance mission below the levels funded in this Act: Provided, That the Air Force shall allow the 53rd Weather Reconnaissance Squadron to perform other missions in support of national defense requirements during the non-hurricane season.

SEC. 8094. None of the funds provided in this Act shall be available for integration of foreign intelligence information unless the information has been lawfully collected and processed during the conduct of authorized foreign intelligence activities: Provided, That information pertaining to United States persons shall only be handled in accordance with protections provided in the Fourth Amendment of the United States Constitution as implemented through Executive Order No. 12333.

SEC. 8095. None of the funds available to the Department of Defense may be obligated to modify command and control relationships to give Fleet Forces Command administrative and operational control of U.S. Navy forces assigned to the Pacific fleet: Provided, That the command and control relationships which existed on October 1, 2004, shall remain in force unless changes are specifically authorized in a subsequent Act.

SEC. 8096. (a) At the time members of reserve components of the Armed Forces are called or ordered to active duty under section 12302(a) of title 10, United States Code, each member shall be notified in writing of the expected period during which the member will be mobilized.

(b) The Secretary of Defense may waive the requirements of subsection (a) in any case in which the Secretary determines that it is necessary to do so to respond to a national security emergency or to meet dire operational requirements of the Armed Forces.

(TRANSFER OF FUNDS)

SEC. 8097. The Secretary of Defense may transfer funds from any currently available Department of the Navy appropriation to any available Navy shipbuilding and conversion appropriation for the purpose of funding shipbuilding cost increases for any ship construction program, to be merged with and to be available for the same purposes and for the same time period as the appropriation to which transferred: Provided, That all transfers under this section shall be subject to the notification requirements applicable to transfers under section 8005 of this Act.

SEC. 8098. (a) The total amount appropriated or otherwise made available in title II of this Act is hereby reduced by $85,000,000 to limit excessive growth in the travel and transportation of persons.

(b) The Secretary of Defense shall allocate this reduction proportionately to each budget activity, activity group, subactivity group, and each program, project, and activity within each applicable appropriation account.

SEC. 8099. In addition to funds made available elsewhere in this Act, $5,500,000 is hereby appropriated and shall remain available until expended to provide assistance, by grant or otherwise (such as, but not limited to, the provision of funds for repairs, maintenance, construction, and/or for the purchase of information technology, text books, teaching resources), to public schools that have unusually high concentrations of special needs military dependents enrolled: Provided, That in selecting school systems to receive such assistance, special consideration shall be given to school systems in States that are considered overseas assignments, and all schools within these school systems shall be eligible for assistance: Provided further, That up to 2 percent of the total appropriated funds under this section shall be available to support the administration and execution of the funds or program and/or events that promote the purpose of this appropriation (e.g. payment of travel and per diem of school teachers attending conferences or a meeting that promotes the purpose of this appropriation and/or consultant fees for on-site training of teachers, staff, or Joint Venture Education Forum (JVEF) Committee members): Provided further, That up to $2,000,000 shall be available for the Department of Defense to establish a non-profit trust fund to assist in the public-private funding of public *school repair and maintenance projects, or provide directly to non-profit organizations who in return will use these monies to provide assistance in the form of repair, maintenance, or renovation to public school systems that have high concentrations of special needs military dependents and are located in States that are considered overseas assignments: Provided further, That to the extent a Federal agency provides this assistance, by contract, grant, or otherwise, it may accept and expend non-Federal funds in combination with these Federal funds to provide assistance for the authorized purpose, if the non-Federal entity requests such assistance and the non-Federal funds are provided on a reimbursable basis.*

Sec. 8100. The Secretary of the Air Force is authorized, using funds available under the heading "Operation and Maintenance, Air Force", to complete a phased repair project, which repairs may include upgrades and additions, to the infrastructure of the operational ranges managed by the Air Force in Alaska: Provided, That the total cost of such phased projects shall not exceed $50,000,000.

Sec. 8101. For purposes of section 612 of title 41, United States Code, any subdivision of appropriations made under the heading "Shipbuilding and Conversion, Navy" that is not closed at the time reimbursement is made shall be available to reimburse the Judgment Fund and shall be considered for the same purposes as any subdivision under the heading "Shipbuilding and Conversion, Navy" appropriations in the current fiscal year or any prior fiscal year.

Sec. 8102. (a) None of the funds appropriated by this Act may be used to transfer research and development, acquisition, or other program authority relating to current tactical unmanned aerial vehicles (TUAVs) from the Army.

(b) The Army shall retain responsibility for and operational control of the Extended Range Multi-Purpose (ERMP) Unmanned Aerial Vehicle (UAV) in order to support the Secretary of Defense in matters relating to the employment of unmanned aerial vehicles.

Sec. 8103. Of the funds provided in this Act, $10,000,000 shall be available for the operations and development of training and technology for the Joint Interagency Training Center-East and the affiliated Center for National Response at the Memorial Tunnel and for providing homeland defense/security and traditional warfighting training to the Department of Defense, other Federal agency, and State and local first responder personnel at the Joint Interagency Training Center-East.

Sec. 8104. The authority to conduct a cooperative program in the proviso in title II of Public Law 102–09368 under the heading "Research, Development, Test and Evaluation, Defense Agencies" (106 Stat. 1121) shall be extended through September 30, 2008.

Sec. 8105. Up to $10,000,000 of the funds appropriated under the heading, "Operation and Maintenance, Navy" may be made available for the Asia Pacific Regional Initiative Program for the purpose of enabling the Pacific Command to execute Theater Security Cooperation activities such as humanitarian assistance, and payment of incremental and personnel costs of training and exercising with foreign security forces: Provided, That funds made available for this purpose may be used, notwithstanding any other funding authorities for humanitarian assistance, security assistance or combined exercise expenses: Provided further, That funds may not be obligated to provide assistance to any foreign country that is otherwise prohibited from receiving such type of assistance under any other provision of law.

Sec. 8106. The Secretary of Defense may present promotional materials, including a United States flag, to any member of an Active or Reserve component under the Secretary's jurisdiction who, as determined by the Secretary, participates in Operation Enduring Freedom or Operation Iraqi Freedom, along with other recognition items in conjunction with any week-long national observation and day of national celebration, if established by Presidential proclamation, for any such members returning from such operations.

Sec. 8107. Notwithstanding any other provision of this Act, to reflect savings from revised economic assumptions the total amount appropriated in title II of this Act is hereby reduced by $520,300,000, the total amount appropriated in title III of this Act is hereby reduced by $331,600,000, the total amount appropriated in title IV of this Act is hereby reduced by $317,000,000, the total amount appropriated in title V of this Act is hereby reduced by $9,700,000, and the total amount appropriated in title VI of this Act is hereby reduced by $93,700,000: Provided, That the Secretary of Defense shall allocate this reduction proportionally to each budget activity, activity group, subactivity group, and each program, project, and activity, within each appropriation account.

Sec. 8108. (a) Limitation on Retirement Pending Report on Bomber Force Structure.—No funds appropriated for the Department of Defense may be obligated or expended for retiring or dismantling any of the 93 B-0952H bomber aircraft in service in the Air Force as of June 1, 2006, until 30 days after the Secretary of the Air Force transmits to the congressional defense committees a report on the bomber force structure of the Air Force meeting the requirements of subsection (b).

(b) Elements.—The report under subsection (a) shall set forth the following:

(1) The plan of the Air Force for the modernization of the B–0952H bomber aircraft fleet.

(2) The plans of the Air Force for the modernization of the balance of the bomber force structure.

(3) The amount and type of bombers in the bomber force structure that is appropriate to meet the requirements of the national security strategy of the United States.

(4) An analysis and justification of the cost and projected savings of any reductions to the B-0952H bomber fleet as a result of the retirement or dismantlement of the B-0952H bomber aircraft covered by the report.

(5) The current assessments for the useful life of each of the bomber aircraft in the Air Force inventory under the Aircraft Structural Integrity Program, any flight restrictions against each of the bomber aircraft in the Air Force inventory, and an analysis of any funding required for modifications designed to correct a problem that threatens grounding all or a portion of that aircraft fleet.

(6) The date by which any new bomber aircraft must reach initial operational capability and the capabilities of the bomber force structure that would be replaced or superseded by any new bomber aircraft.

(7) An assessment of the likelihood that the development of a new bomber aircraft will meet the current schedule of reaching initial operational capability by 2018.

(8) An assessment of the risk to national security of retiring a substantial portion of our bomber fleet, including a consideration of the additional risk if the development of a new bomber aircraft does not meet the current schedule of reaching initial operational capability by 2018.

(c) Preparation of Report.—A report under this section shall be prepared and submitted by the Institute of Defense Analysis to the Secretary of the Air Force for transmittal by the Secretary in accordance with subsection (a).

(d) Form.—The report under subsection (a) shall be in unclassified form, but may include a classified annex.

TITLE IX

ADDITIONAL APPROPRIATIONS

CHAPTER 1

MILITARY PERSONNEL

Military Personnel, Army

For an additional amount for "Military Personnel, Army", $5,054,502,000.

Military Personnel, Navy

For an additional amount for "Military Personnel, Navy", $114,500,000.

Military Personnel, Marine Corps

For an additional amount for "Military Personnel, Marine Corps", $142,320,000.

Military Personnel, Air Force

For an additional amount for "Military Personnel, Air Force", $129,000,000.

Reserve Personnel, Army

For an additional amount for "Reserve Personnel, Army", $90,910,000.

Reserve Personnel, Marine Corps

For an additional amount for "Reserve Personnel, Marine Corps", $15,420,000.

National Guard Personnel, Army

For an additional amount for "National Guard Personnel, Army", $214,100,000.

CHAPTER 2

OPERATION AND MAINTENANCE

Operation and Maintenance, Army

For an additional amount for "Operation and Maintenance, Army", $24,037,232,000.

Operation and Maintenance, Navy

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Operation and Maintenance, Navy", $1,284,172,000: Provided, That up to $90,000,000 shall be transferred to the Coast Guard "Operating Expenses" account.

Operation and Maintenance, Marine Corps

For an additional amount for "Operation and Maintenance, Marine Corps", $1,809,466,000.

Operation and Maintenance, Air Force

For an additional amount for "Operation and Maintenance, Air Force", $1,940,553,000.

Operation and Maintenance, Defense-Wide

For an additional amount for "Operation and Maintenance, Defense-Wide", $2,383,189,000 of which up to $760,000,000, to remain available until expended, may be used for payments to reimburse Pakistan, Jordan, and other key cooperating nations, for logistical, military, and other support provided, or to be provided, to United States military operations, notwithstanding any other provision of law: Provided, That such payments may be made in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State, and in consultation with the Director of the Office of Management and Budget, may determine, in his discretion, based on documentation determined by the Secretary of Defense to adequately account for the support provided, and such determination is final and conclusive upon the accounting officers of the United States, and 15 days following notification to the appropriate congressional committees: Provided further, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees on the use of funds provided in this paragraph.

Operation and Maintenance, Army Reserve

For an additional amount for "Operation and Maintenance, Army Reserve", $211,600,000.

Operation and Maintenance, Navy Reserve

For an additional amount for "Operation and Maintenance, Navy Reserve", $8,036,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For an additional amount for "Operation and Maintenance, Air Force Reserve", $65,000,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for "Operation and Maintenance, Army National Guard", $204,000,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For an additional amount for "Operation and Maintenance, Air National Guard", $200,000,000.

IRAQ FREEDOM FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Iraq Freedom Fund", $50,000,000, to remain available for transfer until September 30, 2008, only to support operations in Iraq or Afghanistan: Provided, That the Secretary of Defense may transfer the funds provided herein to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and working capital funds: Provided further, That funds transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation or fund to which transferred: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That the Secretary of Defense shall, not fewer than 5 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer: Provided further, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

AFGHANISTAN SECURITY FORCES FUND

(INCLUDING TRANSFER OF FUNDS)

For the "Afghanistan Security Forces Fund", $1,200,000,000, to remain available until September 30, 2008: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Office of Security Cooperation—Afghanistan, or the Secretary's designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Afghanistan, including the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction, and funding: Provided further, That the authority to provide assistance under this heading is in addition to any other authority to provide assistance to foreign nations: Provided further, That the Secretary of Defense may transfer such funds to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purposes provided herein: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund, and used for such purposes: Provided further, That the Secretary shall notify the congressional defense committees in writing upon the receipt and upon the transfer of any contribution delineating the sources and amounts of the funds received and the specific use of such contributions: Provided further, That the Secretary of Defense shall, not fewer than five days prior to making transfers from this appropriation account, notify the congressional defense committees in writing of the details of any such transfer: Provided further, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

IRAQ SECURITY FORCES FUND

(INCLUDING TRANSFER OF FUNDS)

For the "Iraq Security Forces Fund", $1,400,000,000, to remain available until September 30, 2008: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Multi-National Security Transition Command—Iraq, or the Secretary's designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Iraq, including the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction, and funding: Provided further, That the authority to provide assistance under this heading is in addition to any other authority to provide assistance to foreign nations: Provided further, That the Secretary of Defense may transfer such funds to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purposes provided herein: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund, and used for such purposes: Provided further, That the Secretary shall notify the congressional defense committees in writing upon the receipt and upon the transfer of any contribution delineating the sources and amounts of the funds received and the specific use of such contributions: Provided further, That the Secretary of Defense shall, not fewer than five days prior to making transfers from this appropriation account, notify the congressional defense committees in writing of the details of any such transfer: Provided further, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND

(INCLUDING TRANSFER OF FUNDS)

For the "Joint Improvised Explosive Device Defeat Fund", $1,500,000,000, to remain available until September 30, 2009: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Director of the Joint Improvised Explosive Device Defeat Organization to investigate, develop and provide equipment, supplies, services, training, facilities, personnel and funds to assist United States forces in the defeat of improvised explosive devices: Provided further, That within 60 days of the enactment of this Act, a plan for the intended management and use of the Fund is provided to the congressional defense committees: Provided further, That the Secretary of Defense shall submit a report not later than 30 days after the end of each fiscal quarter to the congressional defense committees providing assessments of the evolving threats, individual service requirements to counter the threats, the current strategy for predeployment training of members of the Armed Forces on improvised explosive devices, and details on the execution of this Fund: Provided further, That the Secretary of Defense may transfer funds provided herein to appropriations for military personnel; operation and maintenance; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purpose provided herein: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon determination that all or part of the funds so transferred from this appropriation are not necessary for the purpose provided herein, such amounts may be transferred back to this appropriation: Provided further, That the Secretary of Defense shall, not fewer than 5 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer.

CHAPTER 3

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For an additional amount for "Aircraft Procurement, Army", $556,000,000, to remain available until September 30, 2009.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for "Procurement of Weapons and Tracked Combat Vehicles, Army", $1,048,280,000, to remain available until September 30, 2009.

OTHER PROCUREMENT, ARMY

For an additional amount for "Other Procurement, Army", $1,817,527,000, to remain available until September 30, 2009.

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for "Aircraft Procurement, Navy", $153,700,000, to remain available until September 30, 2009.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For an additional amount for "Procurement of Ammunition, Navy and Marine Corps", $99,930,000, to remain available until September 30, 2009.

OTHER PROCUREMENT, NAVY

For an additional amount for "Other Procurement, Navy", $276,500,000, to remain available until September 30, 2009.

PROCUREMENT, MARINE CORPS

For an additional amount for "Procurement, Marine Corps", $1,281,068,000, to remain available until September 30, 2009.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft Procurement, Air Force", $720,100,000, to remain available until September 30, 2009.

MISSILE PROCUREMENT, AIR FORCE

For an additional amount for "Missile Procurement, Air Force", $25,400,000, to remain available until September 30, 2009.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for "Other Procurement, Air Force", $1,220,293,000, to remain available until September 30, 2009.

PROCUREMENT, DEFENSE-WIDE

For an additional amount for "Procurement, Defense-Wide", $56,255,000, to remain available until September 30, 2009.

CHAPTER 4

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For an additional amount for "Research, Development, Test and Evaluation, Navy", $110,000,000, to remain available until September 30, 2008.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For an additional amount for "Research, Development, Test and Evaluation, Air Force", $33,064,000, to remain available until September 30, 2008.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For an additional amount for "Research, Development, Test and Evaluation, Defense-Wide", $155,144,000, to remain available until September 30, 2008.

CHAPTER 5

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For an additional amount for "Defense Working Capital Funds", $373,474,000.

CHAPTER 6

RELATED AGENCIES

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

For an additional amount for "Intelligence Community Management Account", $19,265,000, to remain available until September 30, 2008.

GENERAL PROVISIONS, THIS TITLE

SEC. 9001. Appropriations provided in this title are available for obligation until September 30, 2007, unless otherwise so provided in this title.

SEC. 9002. Notwithstanding any other provision of law or of this Act, funds made available in this title are in addition to amounts provided elsewhere in this Act.

(TRANSFER OF FUNDS)

SEC. 9003. Upon his determination that such action is necessary in the national interest, the Secretary of Defense may transfer between appropriations up to $2,500,000,000 of the funds made available to the Department of Defense in this title: Provided, That the Secretary shall notify the Congress promptly of each transfer made pursuant to the authority in this section: Provided further, That the authority provided in this section is in addition to any other transfer authority available to the Department of Defense and is subject to the same terms and conditions as the authority provided in section 8005 of this Act.

SEC. 9004. Funds appropriated in this title, or made available by the transfer of funds in or pursuant to this title, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 9005. None of the funds provided in this title may be used to finance programs or activities denied by Congress in fiscal years 2006 or 2007 appropriations to the Department of Defense or to initiate a procurement or research, development, test and evaluation new start program without prior written notification to the congressional defense committees.

SEC. 9006. (a) From funds made available in this title to the Department of Defense, not to exceed $500,000,000 may be used, notwithstanding any other provision of law, to fund the Commander's Emergency Response Program, for the purpose of enabling military commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the Iraqi people, and to fund a similar program to assist the people of Afghanistan.

(b) QUARTERLY REPORTS.—Not later than 15 days after the end of each fiscal year quarter (beginning with the first quarter of fiscal year 2007), the Secretary of Defense shall submit to the congressional defense committees a report regarding the source of funds and the allocation and use of funds during that quarter that were made available pursuant to the authority provided in this section or under any other provision of law for the purposes of the programs under subsection (a).

SEC. 9007. Amounts provided in this title for operations in Iraq and Afghanistan may be used by the Department of Defense for the purchase of up to 20 heavy and light armored vehicles for force protection purposes, notwithstanding price or other limitations specified elsewhere in this Act, or any other provision of law: Provided, That the Secretary of Defense shall submit a report in writing no later than 30 days after the end of each fiscal quarter notifying the congressional defense committees of any purchase described in this section, including the cost, purposes, and quantities of vehicles purchased.

SEC. 9008. During the current fiscal year, funds available to the Department of Defense for operation and maintenance may be used, notwithstanding any other provision of law, to provide supplies, services, transportation, including airlift and sealift, and other logistical support to coalition forces supporting military and stability operations in Iraq and Afghanistan: Provided, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees regarding support provided under this section.

SEC. 9009. Supervision and administration costs associated with a construction project funded with appropriations available for operation and maintenance, and executed in direct support of the Global War on Terrorism only in Iraq and Afghanistan, may be obligated at the time a construction contract is awarded: Provided, That for the purpose of this section, supervision and administration costs include all in-house Government costs.

SEC. 9010. (a) Not later than 60 days after the date of the enactment of this Act and every 90 days thereafter through the end of fiscal year 2007, the Secretary of Defense shall set forth in a report to Congress a comprehensive set of performance indicators and measures for progress toward military and political stability in Iraq.

(b) The report shall include performance standards and goals for security, economic, and security force training objectives in Iraq together with a notional timetable for achieving these goals.

(c) In specific, the report requires, at a minimum, the following:

(1) With respect to stability and security in Iraq, the following:

(A) Key measures of political stability, including the important political milestones that must be achieved over the next several years.

(B) The primary indicators of a stable security environment in Iraq, such as number of engagements per day, numbers of trained Iraqi forces, and trends relating to numbers and types of ethnic and religious-based hostile encounters.

(C) An assessment of the estimated strength of the insurgency in Iraq and the extent to which it is composed of non-Iraqi fighters.

(D) A description of all militias operating in Iraq, including the number, size, equipment strength, military effectiveness, sources of support, legal status, and efforts to disarm or reintegrate each militia.

(E) Key indicators of economic activity that should be considered the most important for determining the prospects of stability in Iraq, including—

(i) unemployment levels;

(ii) electricity, water, and oil production rates; and

(iii) hunger and poverty levels.

(F) The criteria the Administration will use to determine when it is safe to begin withdrawing United States forces from Iraq.

(2) With respect to the training and performance of security forces in Iraq, the following:

(A) The training provided Iraqi military and other Ministry of Defense forces and the equipment used by such forces.

(B) Key criteria for assessing the capabilities and readiness of the Iraqi military and other Ministry of Defense forces, goals for achieving certain capability and readiness levels (as well as for recruiting, training, and equipping these forces), and the milestones and notional timetable for achieving these goals.

(C) The operational readiness status of the Iraqi military forces, including the type, number, size, and organizational structure of Iraqi battalions that are—

(i) capable of conducting counterinsurgency operations independently;

(ii) capable of conducting counterinsurgency operations with the support of United States or coalition forces; or

(iii) not ready to conduct counterinsurgency operations.

(D) The rates of absenteeism in the Iraqi military forces and the extent to which insurgents have infiltrated such forces.

(E) The training provided Iraqi police and other Ministry of Interior forces and the equipment used by such forces.

(F) Key criteria for assessing the capabilities and readiness of the Iraqi police and other Ministry of Interior forces, goals for achieving certain capability and readiness levels (as well as for recruiting, training, and equipping), and the milestones and notional timetable for achieving these goals, including—

(i) the number of police recruits that have received classroom training and the duration of such instruction;

(ii) the number of veteran police officers who have received classroom instruction and the duration of such instruction;

(iii) the number of police candidates screened by the Iraqi Police Screening Service, the number of candidates derived from other entry procedures, and the success rates of those groups of candidates;

(iv) the number of Iraqi police forces who have received field training by international police trainers and the duration of such instruction; and

(v) attrition rates and measures of absenteeism and infiltration by insurgents.

(G) The estimated total number of Iraqi battalions needed for the Iraqi security forces to perform duties now being undertaken by coalition forces, including defending the borders of Iraq and providing adequate levels of law and order throughout Iraq.

(H) The effectiveness of the Iraqi military and police officer cadres and the chain of command.

(I) The number of United States and coalition advisors needed to support the Iraqi security forces and associated ministries.

(J) An assessment, in a classified annex if necessary, of United States military requirements, including planned force rotations, through the end of calendar year 2007.

SEC. 9011. Amounts provided in chapters 1 and 2 of this title are designated as making appropriations for contingency operations directly related to the global war on terrorism, and other unanticipated defense-related operations, pursuant to section 402 of H. Con. Res. 376 (109th

Congress), as made applicable to the House of Representatives by H. Res. 818 (109th Congress) and are designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–09234: Provided, That the amounts provided in chapters 3, 4, 5, and 6 of this title are available immediately upon enactment of this Act.

This Act may be cited as the "Department of Defense Appropriations Act, 2007".

Mr. STEVENS. Mr. President, Senator INOUYE and I are pleased to present this Defense appropriations bill for fiscal year 2007 to the Senate. This bill reflects the bipartisan approach that my cochairman, Senator INOUYE, and I have maintained regarding the issue of the Department of Defense as cochairmen of the Subcommittee on Defense for the Appropriations Committee. It has been a pleasure for us to work together and with the other members of the committee in the process.

This bill was reported out of the full Appropriations Committee 2 weeks ago by a unanimous vote. We hope to finish this bill this week so we can proceed to conference early in September. Our goal is to get the bill to the President before the end of the fiscal year. This bill can be worked on by the staffs in the August recess, and with the House, and we will be able to proceed as early as possible in September if we can finish the work this week.

It is our hope that we can finish the bill and have it be sent to conference before we leave for the August recess. The Army, Navy, Air Force, and Marines need these funds at the beginning of the fiscal year, not 3 or 4 months after the beginning of the fiscal year. We should do everything possible to ensure that Congress completes action on this bill in a timely fashion.

As we debate this bill today, there are hundreds of thousands of men and women in uniform forward deployed and serving our country in over 120 countries throughout the world and throughout the United States. Their bravery and dedication to our country are extraordinary, and their sacrifices don't go unnoticed.

Each year, the Department of Defense faces the critical challenge of balancing the costs of maintaining high levels of readiness, being ready to respond to the call wherever and whenever it is necessary. This also means adequately investing in transformation to be ready to meet the threats of tomorrow.

The bill Senator INOUYE and I present today offers a prudent balance among these challenges. It recommends $453.5 billion in new discretionary authority for the Department of Defense, which includes $50 billion in additional appropriations to fund operations related to the global war to contain violent extremists. This bill is $9 billion under the President's budget request, consistent with the subcommittee's 302(b) allocation.

In order to reach that figure, we had to cut key defense readiness and modernization programs. We closely reviewed program execution and focused on unjustified growth and program delays. We have received many requests from Members that we could not address this year for lack of funds.

The bill is $13 billion under the national defense authorization bill recently passed by the Senate. That means that just because a program or project was authorized, it doesn't mean funding was available in this bill. It wasn't possible under the allocations we have received.

Given our restraints, the bill doesn't provide much in the way of medical research outside of the budget. We primarily focus on the limited medical resources in the bill toward the treatment of conditions directly impacting our military today rather than longer term research.

I remain concerned about the migration of funds from defense requirements to nondefense medical research, and how we sustain such funding in a declining budget environment.

This measure is consistent with both the objectives of the administration and the broad recommendations contained in the Senate's national defense authorization bill for fiscal year 2007.

We have sought to recommend a balanced bill to the Senate. We believe it addresses key requirements for readiness, quality of life, and transformation of the force.

It honors the commitment we have to our Armed Forces. It helps ensure that they will continue to have first-rate training, modernized equipment, and quality infrastructure.

It provides the much needed funds to continue the global war against terror.

Finally, I thank my great friend and colleague, Senator INOUYE, and his staff, particularly Charlie Houy, for their support and counsel on this bill.

I yield at this time to Senator INOUYE for any statements the cochairman wishes to make.

Mr. REID. Mr. President, may I ask the distinguished ranking member of the subcommittee to allow me to make a brief statement?

Mr. INOUYE. Yes.

TRIBUTE TO PHILLIP BAUCUS

Mr. REID. Mr. President, I received a phone call early this morning from Senator MAX BAUCUS. It was a call that was so troubling. MAX BAUCUS and I are friends. I have such great admiration and respect and affection for him. On this issue that is before the Senate now, he has been such a good person, trying to work through the matter we are going to vote on this Friday. He called to indicate that he would not be here this week. He asked me not to say anything until he made some public statement. I have certainly followed his desire.

Senator BAUCUS comes from a very close-knit family. He has one son. Senator BAUCUS' nephew, Phillip, is also like a son to Senator BAUCUS. He was killed in Iraq on Saturday. He was 28 years old. He died while conducting combat operations in Al Anbar Province.

On behalf of the entire Senate family, I express through the Chair to our dear friend, MAX BAUCUS, our sympathy and condolences.

Senator BAUCUS put out a brief statement saying that Phillip was

> an incredible person, a dedicated Marine, a loving son and husband, and a proud Montanan and American. He heroically served the country he loved and he gave it his all. We loved him dearly, and we'll miss him more than words can ever express.

Mr. President, during these difficult times for Senator BAUCUS and the entire Baucus family while dealing with this loss, we send to them our thoughts and our prayers.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I wish to join my leader in expressing my condolences and my sadness. It is ironic that at this moment we are considering a measure which is something that is very important to him.

Mr. President, I rise to express my strong support for the measure pending before us. The measure includes some $453.5 billion for the Department of Defense. As the chairman stated, it includes $50 billion to help offset the cost of wars in Iraq and Afghanistan for the first several months of fiscal year 2007.

This is a very good bill, and all of my colleagues should thank Chairman STEVENS for his efforts. And believe me, it wasn't easy. Everyone in the Senate knows how difficult it is to write a Defense bill, but this year's challenge was particularly great because the committee's 302 allocation required the Defense Subcommittee to cut $9 billion from the requested amounts. As a result, this bill is $13 billion below the amount the Senate has already approved for Defense authorization this year.

However, it is also true that if supplemental funds are excluded from comparison, the recommended funding is still $15 billion more than was provided in fiscal year 2006.

This is a tough bill but an exceedingly fair one. It provides for the essential requirements of the Department of Defense while holding down the growth in the budget. The committee did a tough review of the real needs of the Defense budget. Funding for programs that were delayed or in which substantial increases were requested was curtailed.

The chairman also made a courageous decision to cut back on the nondefense medical research funding in this bill. In recent years, Senators have been seeking funding for more and more medical programs that have very little direct relations to defense matters. Because of the need of sharply reducing funding, the chairman had to decide to deny funds for many of these programs.

To my colleagues on the Democratic side, Mr. President, I say this is a good bill. It was fashioned in a bipartisan manner and it funds our critical defense needs. I fully support the bill that was unanimously reported out by the committee and recommended to the Senate.

I urge my colleagues to support this measure.

Before I close, I commend the chairman for his courage, for his foresight, and I commend the staff: Ms. Sid Ashworth and Charlie Houy. Without these two people, I don't think we would be where we are at this moment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4751

Mr. STEVENS. Mr. President, I have an amendment I wish to send to the desk. I want to explain it. We have had a series of requests from Members and from portions of the military establishment to add money to this bill due to emergency requirements that were not presented to us at the time we considered the bill in our committee.

This is money for what we call equipment reset. It is the money that meets the requirements for continuing combat operations, primarily in Iraq, but it is for the Department overall. It is additional money, as I said, for the Army and Marine Corps for equipment reset.

We have consulted with the Department and with the OMB about this issue.

The PRESIDING OFFICER. The Senator will suspend. The unanimous consent agreement was for debate only. If you have an amendment, you need unanimous consent. Without objection, the Senator can proceed.

Mr. STEVENS. Mr. President, we had an understanding that we could do amendments cleared on both sides, but no amendments controversial that would require a vote by the Senate. We are proceeding under that understanding. Mr. President, is that the understanding of the Senator from Hawaii?

Mr. INOUYE. If the Senator will yield, that is my understanding, Mr. President.

Mr. STEVENS. Mr. President, I ask unanimous consent that I be able to present this amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Therefore, Mr. President, I send to the desk this amendment to provide additional appropriations, $7.8 billion for the Army and $5.3 billion for the Marine Corps for the reset of equipment due to combat operations and to designate such amounts as emergency requirements.

I ask the amendment be presented.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] for himself and Mr. INOUYE, proposes an amendment numbered 4751.

The amendment is as follows:

(Purpose: To appropriate as additional appropriations $7,800,000,000 for the Army and $5,300,000,000 for the Marine Corps for the reset of equipment due to continuing combat operations and to designate such amounts as emergency requirements)

At the end of title IX, add the following:

SEC. 9012. (a) ADDITIONAL AMOUNT FOR ARMY AND MARINE CORPS FOR EQUIPMENT RESET.—In addition to amounts provided by other provisions of this title, $7,800,000,000 is provided to the Army, and $5,300,000,000 is provided to the Marine Corps, to fund equipment reset requirements resulting from continuing combat operations.

(b) DESIGNATION AS EMERGENCY REQUIREMENTS.—The amounts provided under subsection (a) are designated as appropriations for contingency operations directly related to the Global War on Terrorism, and other unanticipated defense-related operations, pursuant to section 402 of H. Con. Res. 376 (109th Congress), as made applicable to the House of Representatives by H. Con. Res. 818 (109th Congress), and are designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, this measure has been cleared by both sides. I have studied the measure, and I approve it. I support it.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4751.

The amendment (No. 4751) was agreed to.

Mr. STEVENS. Mr. President, this means the committee has addressed the total needs that have been presented to us by the Department and by the administration and by many Members to the extent we could afford it. We urge that Members study this bill. We will be prepared, I hope, to come in early tomorrow, and it is my understanding tomorrow we will be able to consider amendments that are filed by Members.

At this time, we have no further amendments to offer on behalf of the committee. We may, as the bill proceeds, in the next 2 days. Again, it is my—and I believe our—fervent hope that we can bring this bill to a close and vote on it before we leave this Friday for the August recess so that it may be worked on during the period of the August recess and presented to the Senate and the House early in September so that the bill can get to the President in ample time for it to be signed and become law prior to the end of this fiscal year.

Mr. President, does the Senator from Hawaii have any further comments?

Mr. INOUYE. No, Mr. President.

Mr. STEVENS. Mr. President, on behalf of both of us, I say the bill is open to amendment. We would be pleased to discuss amendments with any Member. It is my hope the leadership will convene the Senate as early as possible tomorrow morning.

May I inquire of the Chair, it is my understanding the Senator from South Dakota has a statement to make that is not related to our bill. I think it is in order, if he wishes to do so, while we wait to see if Senators wish to bring amendments to discuss tonight.

Mr. GREGG. Mr. President, as Chairman of the Budget Committee, I regularly comment on Appropriations bills that are brought to this Senate for consideration and present the financial comparisons and budgetary data. Today I am reporting on compliance with the Budget Act in the case of the pending measure, H.R. 5631, the Department of Defense Appropriations Act for fiscal year 2007.

As reported by the Senate Committee on Appropriations, H.R. 5631 provides $456.805 billion in budget authority and $496.082 billion in outlays in fiscal year 2007 for the Department of Defense and related agencies. Of these totals, $251 million in budget authority and $251 million in outlays are for mandatory programs in fiscal year 2007. I will note here that this bill is in compliance with the 2007 302(b) allocations, but there are other budgetary matters worthy of Senators' attention.

The bill provides discretionary budget authority in fiscal year 2007 of $414.500 billion for DOD's regular appropriation. But it also includes $50.0 billion for projected contingency operations overseas. Of that, $42.054 billion is designated as an emergency. The rest—$7.946 billion—is funds remaining in Defense's fiscal year 2006 allocation. We should be very clear on this point: putting those funds in the Defense Appropriations bill has the effect of reversing the across-the-board cut Congress passed at the end of last year.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee estimate of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

H.R. 5631, 2007 DEFENSE APPROPRIATIONS SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal Year 2007, $ millions]

	General purpose	Mandatory	Total
Senate-reported bill:			
Budget authority	414,500	251	414,751

H.R. 5631, 2007 DEFENSE APPROPRIATIONS SPENDING COMPARISONS—SENATE-REPORTED BILL—Continued

[Fiscal Year 2007, $ millions]

	General purpose	Mandatory	Total
Outlays	434,955	251	435,206
Senate 302(b) allocation:			
Budget authority	414,500	251	414,751
Outlays	*	*	*
2006 Enacted:			
Budget authority	393,759	245	394,004
Outlays	406,276	245	406,521
President's request:			
Budget authority	423,554	251	423,805
Outlays	424,302	251	424,553
House-passed bill: [1]			
Budget authority	377,357	251	377,608
Outlays	393,550	251	393,801
Senate reported bill compared to:			
Senate 302(b) allocation:			
Budget authority	0	0	0
Outlays	na	na	na
2006 Enacted:			
Budget authority	20,741	6	20,747
Outlays	28,679	6	28,685
President's request:			
Budget authority	−9,054	0	−9,054
Outlays	10,653	0	10,653
House passed bill:			
Budget authority	37,143	0	37,143
Outlays	41,405	0	41,405

[1] House and Senate bills having different jurisdictions.

* There is no outlay allocation in the Senate for 2007 appropriations bills.

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak therein subject to some time limit agreed to by the leadership.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Dakota.

Mr. THUNE. Mr. President, my understanding is that we are in morning business.

The PRESIDING OFFICER. That is correct.

Mr. THUNE. Mr. President, I ask unanimous consent to speak for up to 15 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ISSUES RELATING TO SOUTH DAKOTA

Mr. THUNE. Mr. President, I rise today to address some issues that are pending before the Senate, and I also want to acknowledge what I hope will be action we will take somewhere down the road regarding a situation in South Dakota that we are experiencing this year.

We are experiencing what is, I would say, probably a 100-year drought. We are having extraordinarily high temperatures. We haven't had rain. In fact, the rain accumulations this year in South Dakota are less than the rain in many years throughout the Great Depression back in the 1930s, and it is having a devastating impact on our economy and the farmers and ranchers in South Dakota on which our economy relies.

In fact, if one looks at the small grain crop, the wheat crop in South Dakota was a complete bust, a 100-percent loss in many areas of South Dakota.

The row crops, corn and soybeans, are extremely stressed. Much of that crop will be lost this year as well. Cattle producers are selling their herds, liquidating their herds, creating all kinds of economic issues for my State of South Dakota.

What I hope is that as time goes on, we will have an opportunity to address in some fashion that crisis in South Dakota in the form of an emergency disaster relief package.

There is some money attached, currently, to the agriculture appropriations bill that passed at the committee level of the Senate—it hasn't seen floor action—about $3.9 billion that would apply to 2005. Obviously, 2006 is much worse in many parts of the country and for sure in my State of South Dakota. So I am hopeful we will be able to amend that or perhaps move on to some other legislation. I am looking at introducing a piece of freestanding legislation, too, that would address this situation for 2006.

My point is this is something which is a dire emergency in my State of South Dakota. It literally is burning up out there. We have had temperatures that have shattered State records, in the high hundreds—115, 118—temperatures like that for days and days at a time without any rain. In fact, in many cases, there was very little rain going back all the way to the very first of this year. It is a historic event. As I said, it is probably up to a 100-year type event in terms of the actual weather conditions we are experiencing in South Dakota. I hope we can draw attention to that issue and get the support of our colleagues here in the Senate to address it.

I also wish to speak to an issue which has some bearing on that in a lot of ways—trying to keep people on the family farm, on the ranch, keeping these small businesses active, and allowing the next generation to move in and assume those operations and continue to create jobs and keep the economy going in South Dakota. It is really important.

Many pieces of legislation with which we will be dealing this week bear on this. One, the Energy bill has huge economic consequences to farmers and ranchers and small businesses that have to get their products to the marketplace and rely heavily on transportation, that need the inputs to get the crop planted, and the fertilizer and everything with it—all those costs are going through the ceiling as a result of high energy costs. Increasing energy supplies is critical.

The bill we just moved is important. I have another piece of renewable fuel legislation which I hope we will be able to get agreement on and be able to move across the Senate floor, too, this week and get some relief and move the country in the direction that is expanding the use of renewable fuels and expanding the sources of energy and lessening our dependence on foreign sources of energy.

We will also be voting on a pension bill this week, which is important, but the piece of legislation I want to speak to now is the tax bill which will come before the Senate later this week.

There are several provisions in the bill. One on which I have been working for some time is to provide permanent death tax relief. If we want to keep farmers and ranchers on the farm, continuing to grow and contributing to our economy in this country, we need to do something to address what is a very real issue. If we do not take action, in a few years here the death tax will rise back up to 55 percent, the top rate, and the exemption will drop back to $1 million. Anybody who knows agriculture knows that today, with land values being what they are and the capital costs associated with agriculture, we need to provide some additional relief.

The death tax reform bill which is going to be considered and voted on in the Senate would raise that exemption over a course of time to $5 million, indexed for inflation, and then for anything over that amount, over $5 million, it would tax it at the capital gains rate, which is 15 percent, and then on amounts above $25 million it would go up to 30 percent. It would also unify the estate and gift tax to simplify planning for people who are having to address, for planning purposes, what happens when it comes time to deal with the issue of the next generation.

I have always maintained that when someone dies, they should not have to see the undertaker and the IRS on the same visit. We need to do something that addresses this issue, that will bring some relief for hard-working farmers and ranchers across this country who are trying to provide a nest egg, something for the next generation to assume those operations and continue to be a part of the business that is an integral part of our economy in this country, not just in South Dakota but across the entire country. You have small businesses, farmers, and ranchers who are adversely impacted tremendously by the death tax. It is high time we did something about that.

There are a lot of people who would argue, and I have heard this argued before by Democrats in the Senate, that this is something which just benefits the rich. The reality is, regarding the death tax today, the people who are actually opposing repealing or reforming the death tax are the superrich. The reason is the superrich are not the ones who are paying the taxes. They use accountants and lawyers to figure out ways around paying the tax. It is those small farm and ranch operations, small businesses, that get stuck with the bill.

There are a lot of reasons we need to permanently deal with this death tax issue, but one of the reasons is the death tax revenues that come into the Federal Government are not all that consequential in terms of the overall budget relative to what it costs to collect and comply. Death tax revenues were $24.8 billion in 2005. They have averaged about 1.3 percent of Federal revenues annually over the past 10 years. The other side will argue that requiring this tax isn't too much to ask from the superwealthy. What they don't consider is all the costs imposed on family farms or small businesses to avoid or reduce their tax burden. Basic estate planning documents can cost up to $50,000. Plans involving limited partnerships can cost up to $250,000. One study concluded that in New York, family-owned businesses can spend an average of $125,000 on estate planning.

At the time of death, tax preparation fees can range from $5,000 to $50,000, according to some estimates. Often, family-owned farms and businesses right on the cusp of the death tax exemption will be required to fill out the IRS paperwork to ensure they do not owe anything. In 2004, there were 62,718 estate tax returns filed, but only 30,276 owed any taxes to the Federal Government. What that means is that 52 percent of the estates filing a return were required to hire a team of accountants, lawyers, and other professionals, only to file a few dozen papers with the IRS but pay no tax. What is the point? According to what one estimate indicates, the amount spent on avoiding the death tax could be approximately equal to the amount of revenue generated.

This is not good policy. The cost of repealing the death tax raised the ire of the Wall Street Journal editorial page, and here is what they said:

> The Joint Committee on Taxation refuses to take any account of the potential economy-wide benefits of repeal: more investment in family businesses, more money spent on creating jobs than on buying life insurance to pay death taxes, and a higher savings rate. Many studies have found these positive effects could be large and would mean much smaller revenue losses from getting rid of the tax.

If you listen again to the rhetoric of those who are opposed to reforming the death tax, I think we have to be careful when we hear that rhetoric as they begin to describe the cost of this tax relief because their record really has not been very good of late.

In 2003, we reduced the capital gains and dividend tax rate as part of the economic stimulus package. At that time, Democrats in the Senate argued it would add to the deficit and burden our budget. In fact, earlier today the Senator from North Dakota, Mr. CONRAD, was in the Chamber talking about how this would adversely impact the long-term budget outlook and how it would impact the deficit. But he said the same things back in 2003 when talking about capital gains and dividend tax relief. He said these tax cuts will worsen the long-term budget outlook, adding to the Nation's projected chronic deficits.

Three years later, we now see the other side of the aisle could not have been more wrong on this issue. The capital gains and dividend rate reductions have paid for themselves many times over in the form of increased Government revenue. May's budget report from the Treasury Department has tax receipts up by about $206 billion, which is a 13-percent increase for the first 9 months of fiscal year 2006. The year before—between 2004 and 2005—there was a $274 billion increase, or 14.6 percent more in Federal revenues for fiscal year 2005 than 2004.

Again, let me emphasize, reducing capital gains and dividends tax rates generated more Government revenue to the Federal Treasury, not less. That sometimes seems counterintuitive to the Democrats, people on the other side.

I would argue as well that some of the people who are doing these estimates have, certainly in this case, been proven wrong. I think the same would be true with respect to reforming the death tax in the way that has been proposed here and that we will have a chance to vote on later this week. But reducing capital gains and dividends taxes spurred economic growth, and it increased Government revenue—not decreased—increased Government revenue by $275 billion between 2004 and 2005, and already in the first 9 months of this year, $206 billion, which is a 13-percent increase over the previous year.

Again, I would say that as it relates to the estimates that have been made in the past and the rhetoric and many of the prognostications that have come from the other side, it clearly has been a very different outcome, a very different result, a very different record when it comes to revenues coming into the Federal Government from reducing capital gains and dividends rates.

Some on the other side are also arguing that only the superrich pay the death tax and that Warren Buffett and the Gates family are the ones who are really going to benefit from this. Warren Buffett and the Gates family have both been vocal in their support of keeping the death tax. As I said earlier, the reason is they are not the ones paying it. They have armies of accountants and lawyers to figure out ways to get around it. Don't let yourself think their estates will be subject to the tax. There are lots of folks who will make sure they never have to see the 55 percent of the value of their estates being taxed. In fact, Warren Buffett and Bill Gates have both figured out ways to shelter their net worth in charitable foundations. That is obviously their right, and we appreciate and are grateful for their generosity. But if the superrich support keeping the death tax but have figured out ways to avoid it, who actually is paying the tax? The smaller, family-owned farms and businesses are the ones that pay it because they didn't spend the money preparing to avoid it. That is why agriculture and big industry support repealing this very onerous tax.

If you look at the folks who are in favor of getting rid of this tax, it is not the superrich that the other side argues would benefit from repealing the tax or at least reforming it in the fashion that has been proposed. It is the organizations that represent the small, family-owned businesses and farmers and ranchers in this country. The list of those who support repealing the Federal death tax includes the Farm Bureau Federation, the National Cattleman's Beef Association, National Pork Producers Council, the National Federation of Independent Business, National Association of Home Builders, Large Equipment Distributors Association, Beer Wholesalers Association, National Tax Limitation Committee, National Wholesalers and Distributors Association, National Taxpayers Union, Forest Landowners Association, American Family Business Institute, National Grocers Association, U.S. Chamber of Commerce, National Association of Manufacturers, American Tool Manufacturers Association. In my State, South Dakota, Petroleum and Propane Marketers Association, South Dakota Association of Convenience Stores, the National Restaurant Association, American International Automobile Dealers Association, Family Research Council, the Black Chamber of Commerce—the list goes on and on.

My point simply is that as we engage in this debate this week, the arguments are going to be made, as they have been already, and the issue framed in a way by the Democrats that, again, this is somehow something which will benefit the superrich. As I noted, the superrich are the ones coming out to say we don't need to repeal this. The reason they say that is because they are not going to be paying it because they have at their disposal the lawyers and accountants and professionals who can figure out a way to keep them from having to pay it. The people who get stuck paying the death tax in this country are the small farms, the ranch operations, the small businesses, the people who are just trying to put together a little bit of equity, a little bit of assets that they can then pass on to the next generation and keep that family business growing and prospering.

It just seems to me that as a matter of principle, death should not be a taxable event. We should not be taxing people throughout their entire lifetime on everything they earn, on everything they acquire, on everything they buy, and then when death rolls around say: We are going to take 50 percent of everything you have acquired during the course of your lifetime and give it to the Federal Government. And as I said, much of the cost associated with either collecting or complying with the death tax actually negates, I believe, the positive revenue benefit that comes into the Federal Treasury to start with.

As I said earlier, I think you will find when this happens—and I hope it does happen because I hope we get the votes to pass it later this week—that you will see what happens with the death tax repeal is the same thing that happened when we reduced capital gains and dividend tax rates, and that is you will see more expansion, more investment, and actually more Federal revenues coming into the Treasury, which has been the record with the capital gains and dividend tax reductions.

I might again repeat, because I think it is worth noting and because it is an important part of the debate and the other side maybe will come over here and talk about how this will add to the deficit, how much this is going to cost the Government in terms of lost revenue, how it is going to only benefit the superwealthy. Let's remember again who is paying the tax, and let's also remember again when we reduced capital gains and dividend tax rates, we got more Government revenue and not less.

Let's move forward. Let's do something that has been on the agenda here for a very long time. Failure to act on the part of this Congress means that in the year 2010 going into 2011, these rates start kicking back in. We provided some temporary relief in previous tax bills. But if we don't take action to permanently address this issue, then people who pass on in the year 2010 and beyond that rate are going to be paying on everything they pass on to their next generation; 55 percent is going to be taken by the Federal Government.

It is an issue that needs to be addressed. It has been acted on in the House—not once but on multiple occasions. In fact, the House voted last week on this total package which includes the death tax repeal. It also includes extension of some other tax relief measures and an increase in the minimum wage. The vote coming out of the House was a fairly big bipartisan vote, with 34 Democrats in the House of Representatives voting with the majority of Republicans in the House to send it over to the Senate. We are faced right now with this vote on Friday on whether we are going to do something that will address once and for all this situation that the death tax creates for estates, for businesses, family farms and ranch operations going forward, whether we are going to address these other tax issues which also expire.

I might add that in my State of South Dakota, there is one on this list that is extremely important to the people I represent, and that is the State and local sales tax reduction. We are not an income tax State. We don't have a personal or corporate income tax. We do have a sales tax. For a long time, people who paid State income tax got to deduct that on their Federal tax return. People who had sales tax and used the sales tax as basis for taxation were not able to take the same benefit. We changed that in 2003. That is set to expire. If we don't do something to extend that tax relief, then people in my State of South Dakota and other States across this country who use the sales tax as their primary source of raising revenue to fund State governments are going to lose this deduction. That again creates an inequity between States that use the sales tax and those States that use the income tax to fund their governments.

There are other things on this list as well—college tuition deduction, work opportunity tax credit, welfare to work tax credit, timber capital gains that are also on the list of taxes, tax revenue that would be extended, teachers' classroom expenses deduction, something a lot of teachers across this country have benefited from.

My point very simply is these are all things included in this package. This is our one opportunity to get this vote. I think there are those on the other side who are hopeful they can take this down and then they will figure out a way to split these things off. But I think it is fair to say we have this one opportunity. We get one shot. We get one shot at providing some permanent death tax relief by extending these death tax relief measures that are set to expire, and we get one shot at an increase in the minimum wage.

I think if you look at this body and the way it works, there is a sort of sense of finding a consensus. It has been a long-time priority for our colleagues on the Democratic side to get an increase in the minimum wage. There is a phased increase in the minimum wage in this bill.

There has been a long-term priority for those of us on this side to be able to provide some death tax relief for farmers and ranchers and small businesses in this country. This bill accomplishes that.

It is not a total repeal. As I said, I think it is a very modest approach. It goes to $5 million for an individual and $10 million for a couple, basically if you have a spouse, and it also uses after that amount the capital gains tax rate as a level of taxation up to $25 million at which point it would be a 30-percent rate.

So it is not a complete repeal. You are still going to capture the superrich who are going to pay the 30-percent rate because most of their estate assets are going to be well over the $25 million threshold or limit.

So this is a moderate, modest approach. It represents what this institution is about; that is, trying to bring both sides together, trying to figure out where that middle ground is and form a consensus around these issues. The minimum wage, as I said, is phased in. The estate tax death tax relief is phased in. It doesn't happen overnight. It is phased in to get up to the $5 million unified credit, or the exemption. And then these other tax extenders are something I think most Members here in the Senate on both sides at one time or another have supported and voted for. I would argue it is very important to many of their constituencies.

Again, if you are a State such as my State of South Dakota that relies on State sales tax as your primary source of revenue to fund State government, extending the deductibility of that is a matter of fairness for those States that have income tax and, therefore, are able to deduct the State income taxes they pay.

Again, it has been voted on in the House by a big bipartisan vote coming out of the House.

This is an opportunity, I think, for this Senate to come together on a set of priorities which reflect, I think, the agendas of both sides.

As he said, the minimum wage increase is something that the Democrats have been advocating for some time. I voted for a minimum wage increase in the past coupled with small business tax relief.

The estate tax—or death tax—relief is something our side has been actively working on for years. As a Member of the House, we voted numerous times on this and now as a Member of the Senate I will have that same opportunity.

Of course, the extension of the other forms of tax relief are in this bill. We get one shot. I hope Members on both sides will recognize what an incredible opportunity we have right now to address this whole range of issues that have been languishing here for a long time, and do something that will be meaningful in terms of continuing to give our entrepreneurs in this country, small businesses, farm and ranch operations the opportunity to grow, to continue to build wealth, to create jobs, and to keep the economy strong. That is what this particular bill and what it contains is all about.

Again, my hope is that at the end of the day we will see a good, strong, bipartisan vote in the Senate as we saw in the House of Representatives, and be able to send this on to the President where he can sign it into law and we can demonstrate to the people of this country that we are addressing the issues they care deeply about and, most importantly, I say to them the issue of the economy, and dealing with energy costs today with an energy bill, dealing with the death tax, dealing with the minimum wage, dealing with these other forms of tax relief are all things that have been on the agenda for some time.

I believe we have an opportunity to get this done. I hope we can.

I appreciate the work of my colleagues who have labored so diligently to get this far in the process, to get it on the floor for a vote. I hope when Friday rolls around and we have this vote that we will have the 60 votes necessary to move forward and to get this done once and for all.

I yield the floor.

HONORING OUR ARMED FORCES

ARMY CORPORAL NATHANIEL S. BAUGHMAN

Mr. BAYH. Mr. President, I rise today with a heavy heart and deep sense of gratitude to honor the life of a brave young man from Idaville. Nathaniel S. Baughman, 23 years old, was killed on July 17th by rocket-propelled grenades while on duty in Bayji, Iraq. Nate risked everything to fight for the values Americans hold close to our hearts, in a land halfway around the world.

Baughman enlisted in the Army National Guard last spring and shortly after was deployed to Iraq. He was on his last mission when he was killed and was due to return home to Indiana in a few weeks. Baughman was remembered by his mother, Jill Baughman, who told a local news outlet, "He was a good dad, a great father. He was a hard worker who believed in what he was doing. We're proud of what he did for us, very proud of him." Nate was a 2001 graduate of Twin Lakes High School. He was married 2 years ago and had a son, Hunter, 4.

Nate was killed while serving his country in Operation Iraqi Freedom. He was assigned to 1st Battalion, 187th Infantry Regiment, 3rd Brigade Combat Team, 101st Airborne Division out of Fort Campbell, KY. This brave soldier leaves behind his parents, Robert and Jill Baughman and Andy Skorup; twin brother Nick Skorup and brothers Ben, Joseph and Christopher Baughman; his wife Erin; son Hunter and Hunter's mother Amanda Conrad.

Today, I join Nate's family and friends in mourning his death. While we struggle to bear our sorrow over this loss, we can also take pride in the example he set, bravely fighting to make the world a safer place. It is his courage and strength of character that people will remember when they think of Nate, a memory that will burn brightly during these continuing days of conflict and grief.

Nate was known for his dedication to his family and his love of country. Today and always, Nate will be remembered by family members, friends and fellow Hoosiers as a true American hero, and we honor the sacrifice he made while dutifully serving his country.

As I search for words to do justice in honoring Nate's sacrifice, I am reminded of President Lincoln's remarks as he addressed the families of the fallen soldiers in Gettysburg: "We cannot dedicate, we cannot consecrate, we cannot hallow this ground. The brave men, living and dead, who struggled here, have consecrated it, far above our poor power to add or detract. The world will little note nor long remember what we say here, but it can never forget what they did here." This statement is just as true today as it was nearly 150 years ago, as I am certain that the impact of Nate's actions will live on far longer that any record of these words.

It is my sad duty to enter the name of Nathaniel S. Baughman in the official record of the U.S. Senate for his service to this country and for his profound commitment to freedom, democracy and peace. When I think about this just cause in which we are engaged, and the unfortunate pain that comes with the loss of our heroes, I hope that families like Nate's can find comfort in the words of the prophet Isaiah who said, "He will swallow up death in victory; and the Lord God will wipe away tears from off all faces."

May God grant strength and peace to those who mourn, and may God be with all of you, as I know He is with Nate.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On July 29, 2006, in San Diego, CA, three men were beaten at the end of a gay pride festival. As the three men were returning home, a group of men attacked them with baseball bats and knives. During the attack, the assailant yelled anti-gay insults at the victims. One of the victims remains hospitalized with a fractured skull while another victim suffered from multiple stab wounds. Police are investigating this as a hate crime.

I believe that the government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

CRISIS IN LEBANON

Mr. LEAHY. Mr. President, since July 12th we have watched with growing horror as hundreds of Hezbollah rockets have landed deeper and deeper inside Israel, indiscriminately killing and injuring civilians, and Israeli bombs, missiles and artillery shells have destroyed much of the civilian infrastructure in areas of Beirut and southern Lebanon.

Some 550 Lebanese have died, the vast majority of them civilians, and an estimated 866,000 one in five Lebanese citizens have fled their homes and are either displaced in Lebanon, living in schools and public buildings, or as refugees in Syria. Fifty Israelis have died, and in Haifa and other towns in the north many families are living in terror in basements or shelters.

Meanwhile, three Israeli soldiers remain as hostages and their families remain in anguish hostages held in violation of the Geneva Conventions and every other international norm. In another sense, Hezbollah and its supporters Syria and Iran are holding the entire population of Lebanon hostage.

Of the 26,000 American citizens who were living in or visiting Lebanon when this crisis began, more than 12,000 have been evacuated, and the exodus continues. The cost to the U.S. Government of this air and sea lift is expected to be at least $46 million.

The evacuation took too long to get started, and the delay and confusion caused a lot of frustration and anxiety among Americans in Lebanon as well as their families back home.

As after Hurricane Katrina, I hope the administration has learned something from this experience. At the same time, I want to commend the State Department employees and U.S. military personnel who worked around the clock to help Americans who were trapped in Lebanon find a way out.

The unprovoked, indiscriminate and utterly inexcusable kidnapping of Israeli soldiers and rocket attacks by Hezbollah should be universally condemned. Those who ordered it should be brought to justice. It has ignited a conflict that Hezbollah cannot win but which could engulf the region if a way is not found to stop the spiral of violence from widening.

It is clear that a buffer zone patrolled by an international force is urgently needed along the Israeli-Lebanese border to prevent these kinds of violent incursions against Israel and its people, and that Hezbollah must be disarmed in order for Lebanon to finally finally—break free of Syria's harsh grip.

While hundreds of Hezbollah's missiles continue to rain down on Israel, Israel's military response has also caused the deaths of hundreds of civilians in Lebanon, including four United Nations observers. One of the latest tragedies is the destruction by an

Israeli missile of an apartment building in Qana that resulted in 57 Lebanese deaths including 34 children, children who were not terrorists.

Secretary Rice's whirlwind visits to the region have been welcome but they have produced few tangible results. This type of crisis diplomacy rarely achieves lasting solutions. She is also occupied with a widening civil war in Iraq, resurgent Taliban violence in Afghanistan, an increasingly recalcitrant and aggressive regime in North Korea, a worsening humanitarian crisis in Darfur with no end in sight, the specter of a nuclear-weapons-capable Iran in the world's future, and other pressing problems. She is simply unable to focus the sustained, high-level attention on the Middle East crisis that is needed.

I and others like my friend from Nebraska, Senator HAGEL, have urged President Bush to appoint a special envoy with the stature and the authority to work on a continual basis to help broker an immediate cease-fire and long term solutions to Israel's conflicts with Hamas and Hezbollah someone who wakes up every single day with the challenge, the portfolio and especially the authority to help resolve this conflict. I renew this call for such an envoy again today.

Some U.S. officials have questioned the possibility of a cease-fire with a terrorist organization like Hezbollah. That is a valid question, but cease-fires have been achieved with other terrorist groups, and while imperfect the results have been sharp reductions in violence.

A cease-fire is needed immediately in Lebanon, to be followed with similar urgency by the deployment of an international peacekeeping force on the border. Too many innocent people are dying innocent people—in both countries. A peacekeeping force is necessary to prevent further loss of Lebanese and Israeli lives.

The United States is committed to protecting Israel's security and we support Israel's right of self defense, including going after Hezbollah fighters who often launch their attacks from civilian areas.

But for Israel's sake, for ours and especially especially—for the sake of innocent lives on both sides of these battle lines, it is vitally important to ask whether destroying Lebanon—not Hezbollah, but destroying Lebanon—will make Israel more secure or instead rally Muslims behind Hezbollah and give rise to further hatred and insecurity. I believe that continued bombing of civilian areas in Lebanon will not destroy Hezbollah, but in a perverse way, it may strengthen it.

The fact that these attacks are being carried out with such intensity and are yielding so much death and destruction, with weapons supplied by the United States, and at a time when we are trying to repair our already frayed relations with Muslims around the world, is all the more reason for the United States and the people of Israel to consider and answer this question frankly and honestly. I am concerned, as others have also warned, that a short-term tactical victory—even if possible—could prove to be a hollow victory at great human cost.

We should also reflect on the circumstances that preceded this crisis. For the past 5 years, the Bush administration's approach to the Middle East has been either to ignore it or to parachute in for just enough time for a few handshakes and photographs. There has never been an effective strategy. They have never been willing to expend any political capital. Their policy toward Syria and Iran has been erratic and ineffective. Their relations with the Palestinians have stagnated.

It was clear since the earliest days of this administration that this laxity would define their approach to these tinderbox issues, and the terrible harm of that approach—to our ally Israel, to the Palestinians, and to the prospects for resuming a meaningful peace process in that region is all the more clear today.

I am not among those who believe that the United States pulls all the strings in the Middle East. There are forces there over which we have only limited influence.

But neither do I believe there can be a lasting solution to the Arab-Israeli conflict without the active, creative and sustained engagement of the United States, including direct talks with those with whom we strongly disagree, like Syria and Iran. That has been sorely lacking under this administration, and we are witnessing the price of that neglect in Lebanon and Israel today.

A CALL TO DUTY

Mr. GRASSLEY. Mr. President, I rise today to recognize two acts of selfless courage that exemplify the willingness of Iowans to accept and fulfill their Nation's call to duty. The actions of US Marine Corps Sgt. R.J. Mitchell and Sergeant Major Bradley Kasal have earned each of them the Navy Cross. Awarded for their actions during a November 2004 assault on Fallujah, the Navy Cross is among the highest awards for gallantry our Nation can bestow on those who serve. More than this, they have earned the respect of a nation and the thanks of its people by ensuring that the cause of freedom and its protection not only survives but thrives in the face of every challenge.

Sergeant Mitchell, who grew up near Carson, IA, was awarded the Navy Cross on July 28. Sergeant Major Kasal, originally from Afton, IA received his award May 1 as well as a promotion to sergeant major. During an assault on a house in Fallujah, both Iowans charged to the aid of fellow wounded marines, remaining in the line of fire and continuing to provide leadership to fellow marines until the last injured marine was safely evacuated. Over the course of the engagement, both sustained wounds from enemy fire and shrapnel but continued on in harm's way, saving the lives of several marines as a result of their selfless actions.

I extend my personal gratitude, that of all Iowans, and all Americans, to these brave marines. It is in their selfless acts of courage that the very meaning of honor can be found. The Navy Cross is more than an adornment, it symbolizes the respect and appreciation of the American people. Through these heroic acts in service to their country, Brad Kasal and R.J. Mitchell truly embodied the motto of Iowa, "Our liberties we prize, and our rights we will maintain."

THANKING SUMMER INTERNS

BILL BLEWETT

Mr. THUNE. Mr. President, today I rise to thank Bill Blewett, an intern in my Sioux Falls, SD office, for all of the hard work he has done for me, my staff, and the state of South Dakota this summer.

Bill is a graduate of Stevens High School in Rapid City, SD, and Black Hills State University. Currently, he attends the University of South Dakota School of Law. He is a hard worker and has been dedicated to getting the most out of his internship experience.

I give my thanks to Bill and wish him continued success in the years to come.

DAN ENGLISH

Mr. President, today I rise to thank Dan English, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota this summer.

Dan is a graduate of O'Gorman High School in Sioux Falls, SD, and after returning from a year abroad at the London School of Economics will be a senior at the University of Richmond where he is studying economics and political science. He is a hard worker and has been dedicated to getting the most out of his internship experience.

I give my thanks to Dan and wish him continued success in the years to come.

KYLE HOLDT

Mr. President, today I rise to thank Kyle Holdt, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota this summer.

Kyle is a graduate of Cresbarb High School in Crebsarb, SD, and is currently a senior at South Dakota State University where he is majoring in political science. He is a hard worker and has been dedicated to getting the most out of his internship experience.

I give my thanks to Kyle and wish him continued success in the years to come.

ROBIN RYNO

Mr. President, today I rise to thank Robin Ryno, an intern in my Sioux Falls, SD office, for all of the hard work she has done for me, my staff, and the State of South Dakota this summer.

Robin is a graduate of Winner High School in Winner, SD, and is currently attending the University of South Dakota where she is majoring in political science. She is a hard worker and has been dedicated to getting the most out of her internship experience.

I give my thanks to Robin and wish her continued success in the years to come.

REFORMING THE COMMITTEE ON FOREIGN INVESTMENT

• Mr. BUNNING. Mr. President, today I express my interest in continuing to work on reform of the Committee on Foreign Investment in the United States.

National security is our priority, but it is vital that we not let overreaction from the Dubai Ports World controversy result in hasty legislation that will choke off foreign direct investment, or "in-sourcing," which is a key contributor to the U.S. economy. In my own State, 87,000 people, or 6 percent of the entire State workforce, are employed by in-sourcing companies. These are good jobs, most frequently in manufacturing, paying 34 percent higher wages on average.

It is understandable that everyone involved with the CFIUS process today is very cautious. Consequently, there are more CFIUS filings. CFIUS is taking extra measures to ensure that every transaction is strenuously scrutinized. Moreover, CFIUS is frequently requiring security commitments from parties with regard to transactions that they would not have given a second thought before.

Without a doubt, some of this is good—the CFIUS process needs to be thorough. But extreme caution, when mixed with amendments to the Exon-Florio statute proposed by S. 3549, may result in substantial bureaucratic friction and delay for the foreign investments that pose no national security risk.

I am concerned that, in the post-Dubai Ports World environment, overburdened CFIUS agencies could be tempted to regularly seek to extend the initial 30-day review to a 60-day period for reasons unrelated to any issues presented by the transaction under review. This temptation could be even greater given the case-by-case, detailed notifications to Congress that the bill would require CFIUS personnel to provide at every stage of regulatory proceedings. Ultimately, these delays could clog up the CFIUS process, penalize foreign investors, and chill foreign investment, without actually contributing to improved national security.

I also raised this issue during Banking Committee hearings on S. 3549, which passed the Senate last week. Chairman SHELBY pledged to work to address these concerns during markup of the legislation. I look forward to working with him to do so as the bill proceeds to conference.•

ADDITIONAL STATEMENTS

TRIBUTE TO BRIGADIER GENERAL JAMES J. D'AGOSTINO

• Mr. REED. Mr. President, today I recognize the accomplishments of BG James J. D'Agostino, U.S. Air Force, assistant adjutant general for air and deputy commanding general, of the Rhode Island National Guard. General D'Agostino is retiring on August 5, 2006, with over 38 years of active military service in war and peace. I have been pleased to know General D'Agostino for many years.

Brigadier General D'Agostino has served in a variety of field and staff assignments. His military career began in 1967 when he enlisted in the U.S. Army. After completing infantry training, he served with distinction during the Vietnam war in four separate military campaigns. After serving in Vietnam, he was transferred to the Army Reserve and was honorably discharged as a sergeant in 1973.

In 1974, Brigadier General D'Agostino joined the 143rd Civil Engineering Flight of the Rhode Island Air National Guard. Three years later, he graduated from the Air National Guard Academy of Military Science and was commissioned a first lieutenant. Shortly thereafter, he assumed the duties of base civil engineer for the 281st Combat Communications Group in Coventry, RI. Twenty-one years later, in 1999, he was transferred to the U.S. Property and Fiscal Office for Rhode Island as the supervisory logistics management specialist. Within 2 years, Brigadier General D'Agostino was selected to be the fiscal officer for Rhode Island, where he served through September 2005. In October 2005, he transitioned to his current position as the assistant adjutant general for air and deputy commanding general of the Rhode Island National Guard.

You have to cast a very large net to truly capture everything Brigadier General D'Agostino has done to improve the Rhode Island National Guard. I would like to highlight some of his greatest accomplishments. During his 21-year tenure as the only "one person" base civil engineering officer in the Air National Guard, he completely rebuilt both the Coventry and North Smithfield Air National Guard stations. He planned and effected a comprehensive program of military construction which has since cut operating and maintenance costs by nearly 50 percent. Additionally, he more than tripled the size of the North Smithfield Air National Guard, station, which provided, for the first time, a realistic environment for unit-wide, in-garrison field training. For his outstanding performance he was recognized as Rhode Island's Federal Professional Employee of the Year in 1997.

In 1998, Brigadier General D'Agostino prepared the critical project book for what was at that time the single largest military construction project in the Rhode Island National Guard, the $16 million C–130J aircraft hanger. Rhode Island's 143rd Airlift Wing was subsequently the first Air Force unit to receive the C–130J and appropriately, they performed superbly as they deployed the first C–130Js during the global war on terrorism in Iraq. Today, that hanger supports the Rhode Island Air National Guard's five C–130J aircraft.

And finally, Brigadier General D'Agostino's has been a critical supporter of energy conservation. While rebuilding Rhode Island's bases, he strictly adhered to using energy efficient air conditioning units, lighting fixtures, and appliances. Additionally, he has implemented various energy conservation programs that further enhance energy efficiency. Between these and other cost saving measures, an estimated reduction of over 50 percent has been achieved in operating and maintenance costs.

While carrying the full load of his professional career, Brigadier General D'Agostino has been affiliated with at least 30 professional and military organizations. He has and continues to serve in many prominent positions, where his work has paralleled his military successes.

Brigadier General D'Agostino, currently serves as the chairman of the board at the Society for Human Advancement through Rehabilitation Engineering Foundation, with which he has been actively involved for over 20 years. The society has enabled hundreds of individuals with disabilities to communicate via custom-made computer systems utilizing voice synthesizers and other specialized equipment.

As a past president of the National Guard Association of Rhode Island, Brigadier General D'Agostino created and still chairs its scholarship awards program, which has awarded almost $40,000 in scholarships. Additionally, he also served for several years as a trustee for the Rhode Island Air National Guard's McGown-Roberts Scholarship Fund, the primary educational fundraising vehicle for Air National Guard personnel. In 2002, the National Guard

Association of the United States awarded him its coveted Meritorious Service Award for his contributions to his State and Nation.

Brigadier General D'Agostino is surrounded by a wonderful family. Together with his wife of almost 30 years, Frances, he has raised two children, Christopher and Alisa, of which they are very proud. He and Frances have been a remarkable example of husband and wife in service to the Air Force, to the Rhode Island National Guard, and to the Nation. Anyone who has enjoyed their friendship, treasures their company and their kindness.

Through Brigadier General D'Agostino's considerable efforts, the men and women of the Rhode Island National Guard have truly world-class facilities in which to accomplish their critical work. His consistent exceptional performance and exemplary character have secured his reputation as one of Rhode Island's most respected military officers.

The Rhode Island National Guard has never been stronger and more connected to the Army and Air Force. Brigadier General D'Agostino has set the groundwork for current and future Rhode Island National Guard facilities. His dedication to excellence and his unsurpassed devotion to duty, honor, and country have marked his distinguished service over 38 years.•

CELEBRATING 50 YEARS OF MARRIAGE

• Mr. THUNE. Mr. President, today I recognize Vert and Doris Voigt and Clayton and Minnie Wittmeier of Avon, SD. The Voigts were married on September 7 while the Wittmeier's were married on August 24, both 50 years ago this year.

The Voigts and Wittmeiers are close neighbors and even closer friends. Both couples were married in the Emmanuel Reformed Church in Springfield, SD, and for many years since have been active in the First Baptist Church in Avon. The Wittmeiers and the Voights have served and continue to serve as a great example of dedication and commitment: both in their marriages and through their friendship.

I would like to offer my congratulations to Vert and Doris Voigt and Clayton and Minnie Wittmeier on their anniversaries and wish them continued happiness in the years to come.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 5684. An act to implement the United States-Oman Free Trade Agreement.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–7720. A communication from the Deputy Assistant Secretary, Office of Legislative and Intergovernmental Affairs, Department of Homeland Security, transmitting, a report relative to a bill entitled "Coast Guard and Maritime Transportation Act of 2006"; to the Committee on Commerce, Science, and Transportation.

EC–7721. A communication from the General Counsel, Department of Commerce, transmitting, a report of draft legislation relative to amending the Communications Act of 1934, received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7722. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, the report of a draft bill entitled "The Western and Central Pacific Fisheries Convention Act" received on July 16, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7723. A communication from the Acting Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Final Rule to Implement Essential Fish Habitat and Habitat Areas of Particular Concern Conservation Measures" (RIN0648–AT09) received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7724. A communication from the Acting Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Final Rule to Revise Regulations Regarding Tagged Halibut and Tagged Sablefish" (RIN0648–AR09) received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7725. A communication from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States; Pacific Coast Groundfish Fishery; Specifications and Management Measures; Inseason Adjustments" (I.D.# 062706B) received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7726. A communication from the Assistant Administrator for Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Correction to the Guideline Harvest Level Regulations for the Pacific Halibut Charter Sport Fishery in Waters in and off Alaska" ((RIN0648–AU30)(I.D.# 101501A)) received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7727. A communication from the Attorney Advisor, Maritime Administration, Department of Transportation, transmitting, pursuant to law, the report of a nomination for the position of Administrator, received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7728. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zones (including 10 regulations beginning with CGD01–06–042)" (RIN1625–AA00) received on July 26, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7729. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone (including 10 regulations beginning with CGD09–06–080)" (RIN1625–AA00) received on July 6, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7730. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List of unclassified agreements 06–139–06–151); to the Committee on Foreign Relations.

EC–7731. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed retransfer of Major Defense Equipment (MDE) of defense articles or defense services in the amount of $14,000,000 or more to Gabon; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 3661. A bill to amend section 29 of the International Air Transportation Competition Act of 1979 relating to air transportation to and from Love Field, Texas (Rept. No. 109–317).

By Ms. COLLINS, from the Committee on Homeland Security and Governmental Affairs, without amendment:

H.R. 4646. A bill to designate the facility of the United States Postal Service located at 7320 Reseda Boulevard in Reseda, California, as the "Coach John Wooden Post Office Building".

H.R. 4811. A bill to designate the facility of the United States Postal Service located at 215 West Industrial Park Road in Harrison, Arkansas, as the "John Paul Hammerschmidt Post Office Building".

H.R. 4962. A bill to designate the facility of the United States Postal Service located at 100 Pitcher Street in Utica, New York, as the

"Captain George A. Wood Post Office Building".

H.R. 5104. A bill to designate the facility of the United States Postal Service located at 1750 16th Street South in St. Petersburg, Florida, as the "Morris W. Milton Post Office".

H.R. 5107. A bill to designate the facility of the United States Postal Service located at 1400 West Jordan Street in Pensacola, Florida, as the "Earl D. Hutto Post Office Building".

H.R. 5169. A bill to designate the facility of the United States Postal Service located at 1310 Highway 64 NW. in Ramsey, Indiana, as the "Wilfred Edward 'Cousin Willie' Sieg, Sr. Post Office".

H.R. 5540. A bill to designate the facility of the United States Postal Service located at 217 Southeast 2nd Street in Dimmitt, Texas, as the "Sergeant Jacob Dan Dones Post Office".

S. 2555. A bill to designate the facility of the United States Postal Service located at 2633 11th Street in Rock Island, Illinois, as the "Lane Evans Post Office Building".

S. 2719. A bill to designate the facility of the United States Postal Service located at 1400 West Jordan Street in Pensacola, Florida, as the "Earl D. Hutto Post Office Building".

S. 3613. A bill to designate the facility of the United States Postal Service located at 2951 New York Highway 43 in Averill Park, New York, as the "Major George Quamo Post Office Building".

By Mr. LUGAR, from the Committee on Foreign Relations, without amendment:

S. 3722. A bill to authorize the transfer of naval vessels to certain foreign recipients.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. WARNER for the Committee on Armed Services.

Robert L. Wilkie, of North Carolina, to be an Assistant Secretary of Defense.

Frank R. Jimenez, of Florida, to be General Counsel of the Department of the Navy.

Benedict S. Cohen, of the District of Columbia, to be General Counsel of the Department of the Army.

William H. Tobey, of Connecticut, to be Deputy Administrator for Defense Nuclear Nonproliferation, National Nuclear Security Administration.

C. Thomas Yarington, Jr., of Washington, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2011.

Colleen Conway-Welch, of Tennessee, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2011.

Army nomination of Maj. Gen. Kevin T. Campbell to be Lieutenant General.

Army nomination of Lt. Gen. Robert T. Dail to be Lieutenant General.

Marine Corps nomination of Lt. Gen. James T. Conway to be General.

Navy nomination of Capt. Michael H. Mittelman to be Rear Admiral (lower half).

Army nomination of Maj. Gen. Lloyd J. Austin III to be Lieutenant General.

Mr. WARNER. Mr. President, for the Committee on Armed Services I report favorably the following nomination lists which were printed in the RECORDS on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Air Force nominations beginning with Gary L. Akins and ending with Glenn Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record on July 18, 2006.

Army nomination of David W. Wilson to be Lieutenant Colonel.

Army nomination of Lisa M. Weide to be Lieutenant Colonel.

Army nomination of Kerry K. King to be Major.

Army nomination of Lawrence N. Petz to be Major.

Army nomination of Yolanda Ruizisales to be Colonel.

Army nominations beginning with Paul G. Arbour and ending with James M. Zarlengo, which nominations were received by the Senate and appeared in the Congressional Record on July 27, 2006.

Marine Corps nomination of Robert J. Gallagher to be Major.

Navy nomination of Ben M. Smith to be Captain.

Navy nomination of Sidney E. Hall to be Commander.

Navy nomination of Dawn M. Divano to be Lieutenant Commander.

Navy nomination of Michael J. Lavelle to be Lieutenant Commander.

Navy nomination of Gary C. Norman to be Lieutenant Commander.

Navy nominations beginning with Neal D. Agamaite and ending with David C. Kleinberg, which nominations were received by the Senate and appeared in the Congressional Record on July 18, 2006.

Navy nominations beginning with Gregory R. Bart and ending with Gregory J. Smith, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Rickie V. Adside and ending with Michael J. Zerbo, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Anibal L. Acevedo and ending with Theresa M. Wood, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Thomas M. Dailey and ending with Toby C. Swain, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Kevin J. Bartoe and ending with Machelle A. Vieux, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Kevin L. Anderson, Jr. and ending with Thomas B. Webber, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Rebecca L. Bates and ending with Henry X. Young, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Erol Agi and ending with Walter R. Wittke, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with Juliann M. Althoff and ending with Michael R. Yochelson, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 2006.

Navy nominations beginning with George A. Quiroa and ending with Joyce C. Ross, which nominations were received by the Senate and appeared in the Congressional Record on July 27, 2006.

Navy nominations beginning with Cristal B. Caler and ending with Kimberly J. Schulz, which nominations were received by the Senate and appeared in the Congressional Record on July 27, 2006.

Navy nominations beginning with Matthew I. Borbash and ending with Robert W. Witzleb, which nominations were received by the Senate and appeared in the Congressional Record on July 27, 2006.

Navy nominations beginning with Larry J. Carpenter and ending with Pauline A. Storum, which nominations were received by the Senate and appeared in the Congressional Record on July 27, 2006.

By Mr. LUGAR for the Committee on Foreign Relations.

*Mark R. Dybul, of Florida, to be Coordinator of United States Government Activities to Combat HIV/AIDS Globally, with the rank of Ambassador.

*Henry M. Paulson, Jr., of New York, to be United States Governor of the International Monetary Fund for a term of five years; United States Governor of the International Bank for Reconstruction and Development for a term of five years; United States Governor of the Inter-American Development Bank for a term of five years; United States Governor of the African Development Bank for a term of five years; United States Governor of the Asian Development Bank; United States Governor of the African Development Fund; United States Governor of the European Bank for Reconstruction and Development.

*Christina B. Rocca, of Virginia, for the rank of Ambassador during her tenure of service as U. S. Representative to the Conference on Disarmament.

*Philip S. Goldberg, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bolivia.

Nominee: Philip. S. Goldberg.

Post: Bolivia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: None.

2. Spouse: N/A.

3. Children and spouses: NA.

4. Parents names: Morton and Edna Goldberg (deceased).

5. Grandparents names: Charles and Anna Goldberg (deceased); Hyman and Lillian Cohen (deceased).

6. Brothers and spouses: N/A.

7. Sisters and spouses names: Lisa E. Goldberg (Sister): $210, 06/07/2005, Hillary Rodham Clinton via Friends of Hillary; $500, 10/07/2004, Democratic National Committee; $1,000, 09/03/03, John Edwards via Edwards for Senate. John E. Sexton (Brother-in-law): none.

Donna G. Eskind (sister): none. Jeffrey B. Eskind (Brother-in-Law): $2,000, 02/24/2006, Harold E. Ford Jr. via Harold E. Ford, Jr. for Tennessee; $2,000, 04/28/2005, Massachusetts Republican State Congressional Committee; $1,000, 08/04/2004, Kerry Victory 2004; $1,000, 08/04/2004, John F. Kerry via John Kerry for President Inc.

*Richard W. Graber, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech Republic.

Nominee: Richard W. Graber.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: $500, 3/14/04, Hoze for Congress; $443, 6/30/04, Hoze for Congress; $300, 1/16/06, Tennessee Rep. Party Fed. Election Account; $2,000, 9/20/04, Michels for U.S. Senate; $500, 5/16/03, Wisconsin Leadership PAC; $500, 12/30/03, Sensenbrenner Committee; $500, 9/13/04, Dale Schultz For Congress, Inc.; $6,000, 5/10/04, Republican National Committee; $2,000, 10/9/03, Bush-Cheney '04 (Primary) Inc.; $1,000, 3/22/06, Badger Fund; $100, 10/31/04, Sensenbrenner Committee; $100, 10/13/03, Petri for Congress; $100, 10/02, Petri for Congress.

2. Spouse: Alexandria R. Graber: None.

3. Children and spouses names: Scott B. Graber: None; Erik R. Graber: None.

4. Parents names: Lynn C. Graber: None; Richard A. Graber: $25, 4/6/04, DeMint For Senate; $50, 9/22/04, DeMint For Senate; $25, 4/6/04, Republican National Committee; $25, 10/18/04, Republican National Committee; $20, 1/26/05, Republican National Committee; $39, 3/3/05, Republican National Committee; $75, 2/16/04, Bush-Cheney; $30, 8/10/04, Bush-Cheney.

5. Grandparents names: Alfred and Elsie Hurschman (deceased); William and Edna Graber (deceased).

6. Brothers and spouses names:

7. Sisters and spouses names: Heidi Weiland: None; Jeffrey Weiland: None.

*Karen B. Stewart, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Belarus.

Nominee: Karen Brevard Stewart

Post: CoM Belarus

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: $100, 11/24/03, AFSA Legislative Action Fund.

2. Spouse: no spouse.

3. Children and spouses names: no children.

4. Parents names: Selden L. Stewart II (deceased); Brevard N. Stewart (deceased).

5. Grandparents names: Selden L. Stewart (deceased); Nancy H. Stewart (deceased); Roy D. Stubbs (deceased); Georgia S. Stubbs (deceased).

6. Brothers and spouses names: Selden L. Stewart III (deceased); Kathryn H. Stewart, none; David N. Stewart, $30, 12/27/02, Republican National Comm; $25, 3/1/03, Nat'l Republican Senatorial Comm; $25, 10/20/03, Nat'l Republican Congressional Committee; $100, 11/25/03, The Club for Growth; $40, 1/17/04, Nat'l Republican Congressional Committee; $40, 1/17/04, Republican National Comm; $50, 2/24/04, Nat'l Republican Senatorial Comm; $250, 4/17/04, Robinson for Congress (NC); $100, 5/11/04, Club for Growth PAC; $250, 5/29/04, Robinson for Congress; $50, 7/6/04, Brad Smith for Congress (MI); $100, 7/30/04, Robinson for Congress; $200, 9/22/04, Coburn for Senate (OK); $100, 10/29/04, DeMint for Senate (SC); $100, 10/30/04, Coburn for Senate; $100, 11/02/04, John Thune for Senate (SD); $200, 8/12/04, The Club for Growth; $80, 2/1/05, Republican Nat'l Committee; $50, 2/7/05, Nat'l Republican Congressional Committee; $300, 2/14/05, The Club for Growth; $50, 3/1/05, Libertarian Nat'l Committee; $50, 3/14/05, Tom Tancredo for Congress; $25, 5/16/05, Nat'l Republican Senatorial Comm; $300, 6/7/05, Sharon Angle for Congress (NV); $35, 6/20/05, Keith Butler for U.S. Senate (MI); $25, 7/2/05, McHenry for Congress; $250, 10/3/05, Jim Gilchrist for Congress; $300, 11/28/05, Walberg for Congress (MI-7); $100, 11/30/05, Jim Gilchrist for Congress; $100, 12/01/05, Kim Butler for U.S. Senate; $50, 1/18/06, Libertarian Nat'l Committee; $100, 1/18/06, Jim Gilchrist for Congress; $150, 1/19/06, The Club for Growth; $100, 2/13/06, Texans for Cuellar (D–TX–28): $50, 2/13/06, A. Smith for Congress (R-NE-3); $50, 2/13/06, Angle for Congress (R-NV-2); $50, 2/13/06, Laffey U.S. Senate; $50, 2/13/06, Keith Butler for U.S. Senate (MI); $50, 2/15/06, A. Smith for Congress (R–NE–3): $50, 2/15/06, Sali for Congress (R-ID-1); $50, 2/17/06, Mark Kennedy U.S. Senate (MN); $50, 2/17/06, Krinkie for Congress (R-MN-6); $100, 2/22/06, Walberg for Congress (MI–7); Christine L. Stewart, $100, 8/19/03, Howard Dean for America.

7. Sisters and spouses names: (no sisters).

Mr. LUGAR. Mr. President, for the Committee on Foreign Relations I report favorably the following nomination lists which were printed in the Records on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Foreign Service nominations beginning with James C. Charlifue and ending with Barbara Matthews, which nominations were received by the Senate and appeared in the Congressional Record on June 16 , 2006.

Foreign Service nominations beginning with M. Suzanne Archuleta and ending with John D. Lavelle, Jr., which nominations were received by the Senate and appeared in the Congressional Record on July 12, 2006.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SANTORUM (for himself and Mr. Martinez):

S. 3766. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for donations to non-profit scholarship organizations and educational improvement organizations; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. Baucus):

S. 3767. A bill to delay the full implementation of the occupational mix adjustment to the wage index under the Medicare inpatient hospital prospective payment system; to the Committee on Finance.

By Mr. LEAHY (for himself, Mr. Specter, Mr. Dorgan, and Mr. Harkin):

S. 3768. A bill to prohibit the procurement of victim-activated landmines and other weapons that are designed to be victim-activated; to the Committee on Armed Services.

By Mr. ENSIGN (for himself, Mr. Nelson of Florida, Mr. Coleman, Mr. Lieberman, Mr. Santorum, and Mr. Frist):

S. 3769. A bill to encourage multilateral cooperation and authorize a program of assistance to facilitate a peaceful transition in Cuba, and for other purposes; to the Committee on Foreign Relations.

By Mr. MENENDEZ (for himself and Mr. Lautenberg):

S. 3770. A bill to require a pilot program on the facilitation of the transition of members of the Armed Forces to receipt of veterans health care benefits upon completion of military service, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HATCH (for himself, Mr. Kennedy, Mr. DeWine, Mr. Dodd, Mr. Burr, Mr. Harkin, Mr. Bond, Ms. Mikulski, Ms. Snowe, Mr. Jeffords, Mr. Talent, Mr. Bingaman, Ms. Collins, Mrs. Murray, Mr. Chafee, Mr. Reed, Mr. Smith, and Mrs. Clinton):

S. 3771. A bill to amend the Public Health Service Act to provide additional authorizations of appropriations for the health centers program under section 330 of such Act; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ENSIGN (for himself and Mr. Reid):

S. 3772. A bill to establish wilderness areas, promote conservation, improve public land, and provide for high quality development in White Pine County, Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

ADDITIONAL COSPONSORS

S. 556

At the request of Mr. McCain, the name of the Senator from Arizona (Mr. Kyl) was added as a cosponsor of S. 556, a bill to direct the Secretary of the Interior and the Secretary of Agriculture to jointly conduct a study of certain land adjacent to the Walnut Canyon National Monument in the State of Arizona.

S. 707

At the request of Mr. Frist, his name was added as a cosponsor of S. 707, a bill to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity.

S. 1057

At the request of Mr. Burns, his name was added as a cosponsor of S. 1057, a bill to amend the Indian Health Care Improvement Act to revise and extend that Act.

S. 1313

At the request of Mr. CORNYN, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1313, a bill to protect homes, small businesses, and other private property rights, by limiting the power of eminent domain.

S. 1621

At the request of Ms. COLLINS, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1621, a bill to amend the Internal Revenue Code of 1986 to increase the above-the-line deduction for teacher classroom supplies and to expand such deduction to include qualified professional development expenses.

S. 1687

At the request of Ms. MIKULSKI, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1687, a bill to amend the Public Health Service Act to provide waivers relating to grants for preventive health measures with respect to breast and cervical cancers.

S. 1840

At the request of Mr. THUNE, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 1840, a bill to amend section 340B of the Public Health Service Act to increase the affordability of inpatient drugs for Medicaid and safety net hospitals.

S. 1930

At the request of Mr. REID, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1930, a bill to expand the research, prevention, and awareness activities of the National Institute of Diabetes and Digestive and Kidney Diseases and the Centers for Disease Control and Prevention with respect to inflammatory bowel disease.

S. 2475

At the request of Mr. SALAZAR, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 2475, a bill to establish the Commission to Study the Potential Creation of a National Museum of the American Latino Community, to develop a plan of action for the establishment and maintenance of a National Museum of the American Latino Community in Washington, DC, and for other purposes.

S. 2491

At the request of Mr. CORNYN, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 2491, a bill to award a Congressional gold medal to Byron Nelson in recognition of his significant contributions to the game of golf as a player, a teacher, and a commentator.

S. 2590

At the request of Mr. COBURN, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2750

At the request of Mr. DEMINT, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 2750, a bill to improve access to emergency medical services through medical liability reform and additional Medicare payments.

S. 3275

At the request of Mr. ALLEN, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 3275, a bill to amend title 18, United States code, to provide a national standard in accordance with which nonresidents of a State may carry concealed firearms in the State.

S. 3485

At the request of Mr. DORGAN, the names of the Senator from Nevada (Mr. REID) and the Senator from West Virginia (Mr. BYRD) were added as cosponsors of S. 3485, a bill to amend the Tariff Act of 1930 to prohibit the import, export, and sale of goods made with sweatshop labor, and for other purposes.

S. 3568

At the request of Mr. BENNETT, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 3568, a bill to protect information relating to consumers, to require notice of security breaches, and for other purposes.

S. 3617

At the request of Mr. INHOFE, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 3617, a bill to reauthorize the North American Wetlands Conservation Act.

S. 3682

At the request of Mr. ALEXANDER, the name of the Senator from Florida (Mr. MARTINEZ) was added as a cosponsor of S. 3682, a bill to establish the America's Opportunity Scholarships for Kids Program.

S. 3684

At the request of Mr. ALLEN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 3684, a bill to study and promote the use of energy efficient computer servers in the United States.

S. 3696

At the request of Mr. BROWNBACK, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of S. 3696, a bill to amend the Revised Statutes of the United States to prevent the use of the legal system in a manner that extorts money from State and local governments, and the Federal Government, and inhibits such governments' constitutional actions under the first, tenth, and fourteenth amendments.

S. 3698

At the request of Mr. JEFFORDS, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 3698, a bill to amend the Clean Air Act to reduce emissions of carbon dioxide, and for other purposes.

S. CON. RES. 97

At the request of Mr. GRASSLEY, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. Con. Res. 97, a concurrent resolution expressing the sense of Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should provide from renewable resources not less than 25 percent of the total energy consumed in the United States and continue to produce safe, abundant, and affordable food, feed, and fiber.

S. CON. RES. 106

At the request of Mr. JOHNSON, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. Con. Res. 106, a concurrent resolution expressing the sense of Congress regarding high level visits to the United States by democratically elected officials of Taiwan.

S. CON. RES. 113

At the request of Mrs. CLINTON, the names of the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Rhode Island (Mr. REED) and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. Con. Res. 113, a concurrent resolution congratulating the Magen David Adom Society in Israel for achieving full membership in the International Red Cross and Red Crescent Movement, and for other purposes.

S. RES. 407

At the request of Mr. MENENDEZ, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. Res. 407, a resolution recognizing the African American Spiritual as a national treasure.

S. RES. 531

At the request of Mr. LIEBERMAN, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. Res. 531, a resolution to urge the President to appoint a Presidential Special Envoy for Sudan.

AMENDMENT NO. 4692

At the request of Mr. MENENDEZ, his name was added as a cosponsor of amendment No. 4692 intended to be proposed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

AMENDMENT NO. 4698

At the request of Mr. MENENDEZ, his name was added as a cosponsor of amendment No. 4698 intended to be proposed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

AMENDMENT NO. 4727

At the request of Mr. MENENDEZ, his name was added as a cosponsor of amendment No. 4727 intended to be proposed to S. 3711, a bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Mr. BAUCUS):

S. 3767. A bill to delay the full implementation of the occupational mix adjustment to the wage index under the Medicare inpatient hospital prospective payment system; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, I am pleased to join once again my good friend and colleague Senator BAUCUS to introduce the Wage Index Accuracy Improvement Act.

The Wage Index Accuracy Improvement Act enables the Centers for Medicare & Medicaid Services, CMS, to improve the accuracy of Medicare payments for acute care hospital services.

Under Medicare, acute care hospitals are paid for inpatient services through the hospital inpatient prospective payment system, IPPS. Around 3,500 hospitals received payment through the IPPS totaling approximately $100 billion in fiscal year 2004.

As you know, hospitals in the United States vary greatly in terms of size, geographic location, types of patients served and staffing. Since a "one size fits all" approach to paying hospitals would not fairly compensate hospitals for the inpatient services they provide to Medicare patients, payments under the IPPS are adjusted to take into account these differences.

CMS has been refining one such adjustment, as required by law, and has limited its application until it has been adequately developed. This significant adjustment, the area wage index, is intended to account for differences in prices for labor in different markets.

In order to ensure that the wage index accurately reflects the difference in labor costs among different areas and not a hospital's employment choices, an occupational mix adjustment is also applied to the wage index.

For example, a hospital choosing to employ predominantly registered nurses would have higher labor costs than a hospital employing—less-expensive—licensed practical nurses. Because a hospital's staffing practices are unrelated to area wages, its staff composition should not influence the area wage index.

CMS collected data in 2004 from hospitals for purposes of calculating the occupational mix adjustment; however, because of reasons including the agency's lack of confidence in the data, only 10 percent of the wage index was adjusted for occupational mix in fiscal years 2005 and 2006.

Questions concerning the reliability of these data can be seen in my home State of Iowa. Since the State is largely rural, Iowa hospitals generally employ a less expensive mix of personnel. One would expect the occupational mix adjustment to the wage index to benefit these hospitals; however, the opposite effect has occurred. In fact, it is estimated that the occupational mix adjustment has adversely affected 8 of the 10 geographic locations in Iowa.

CMS originally proposed to continue this limited adjustment for occupational mix in fiscal year 2007, but a Federal appellate court ordered the agency to apply the occupational mix adjustment, based on data collected in 2006, to 100 percent of the wage index effective for fiscal year 2007.

CMS collected these data hurriedly, using only 3 months of data, and will not be able to post the final wage index information until after the fiscal year 2007 inpatient hospital rates are announced. Moreover, since the data collection instrument has changed from the last time CMS collected data, CMS will not have sufficient time to analyze fully the data and determine their accuracy.

Given the lack of opportunity to ensure data accuracy, the uncertainty of how the occupational mix adjustment will affect hospital payments, and the disruption that can occur in moving immediately from a 10-percent adjustment for occupational mix to a 100-percent adjustment, the Medicare Wage Index Improvement Act would limit application of the occupational mix to the current rate for a 2-year period.

This legislation would give CMS the opportunity to look at the data and act accordingly both to apply the occupational mix adjustment to the wage index appropriately and to avoid disruptions.

In the meantime, the Medicare Wage Index Improvement Act would require CMS to evaluate the way in which they collect data for and calculate the occupational mix adjustment and present us with recommendations by January 1, 2008.

I would also like to point out that the changes required under this legislation would be budget neutral because the Social Security Act requires that aggregate payments under this adjustment not be greater or less than payments made without the adjustment.

Mr. President, adjusting inpatient hospital payments under Medicare can have significant effects on a hospital's financial health. These adjustments should therefore be adequately developed to ensure that payments are accurate and not fully implemented until they are ready.

In the case of the wage index adjustment, let's provide CMS the opportunity to get the job done right.

Mr. BAUCUS. Mr. President, today, along with Finance Committee Chairman CHUCK GRASSLEY, I am introducing the Wage Index Accuracy Improvement Act. This bill would help ensure access to quality, affordable health care in rural America. And this bill would improve accuracy, reduce volatility, and ease uncertainty in the way that Medicare pays hospitals.

Medicare pays most hospitals through the inpatient prospective payment system, or IPPS. Under the IPPS, Medicare pays hospitals a standardized amount for each patient discharged. The Government's Centers for Medicare and Medicaid Services, or CMS, adjusts this amount for local wages, with a mechanism known as the area wage index. CMS intends that the area wage index help adjust for the wide variation of prices for labor and supplies across the Nation. After adjusting for wages, CMS then multiplies the standardized amount by the relative weight of the diagnosis—the diagnosis related group or DRG—to determine the total payment to the hospital. CMS further increases payments if the hospital is a teaching hospital, cares for a disproportionate share of low-income patients, or treats an exceptionally costly case.

Rural providers have had concerns about the accuracy of the wage index. Largely in response to these concerns, Congress enacted an important provision as part of the Medicare Modernization Act, or MMA, in 2003. For hospitals with wage indexes below 1.0—that is, hospitals where CMS thinks that local wages are below average—section 403 of the MMA reduced the portion of the standardized amount subject to wages to 62 percent, down from about 70 percent. This provision increased payments to hospitals in low-wage areas by an estimated $5.2 billion over 10 years. And this change was an important step toward ensuring access to quality, affordable health care in rural areas.

Nonetheless, significant problems with the wage index still exist. Some of those problems relate to section 304 of the Benefits Improvement and Protection Act of 2001. In that law, Congress required CMS to collect data on hospitals' occupational mix, in order to remove incentives to employ a relatively more expensive workforce.

For instance, a hospital that employs predominantly higher paid registered nurses would typically have higher labor costs than a facility employing mostly lower paid licensed practical nurses. In an effort to remove the influence of these staffing choices on Medicare hospital payments, section 304 required CMS to adjust the wage index for occupational mix. Congress intended through section 304 to bring greater accuracy to the payment system, leading to fairer reimbursement for hospitals. I am concerned that this provision may well have the opposite effect.

CMS collected data for occupational mix adjustment in 2004. But given concerns over the accuracy of the data, in fiscal years 2005 and 2006, CMS applied only a 10-percent adjustment for occupational mix. CMS proposed the same adjustment—10 percent—for fiscal year 2007.

On April 3, 2006, the Second Circuit Court of Appeals ordered CMS to apply 100-percent of the occupational mix adjustment for fiscal year 2007. The court directed CMS to complete data collection and measurement by September 30, 2006, and then apply the adjustment in full.

Mr. President, if CMS proceeds with a 100 percent occupational mix adjustment, hospital payments will be subject to inaccuracy, uncertainty, and volatility. Congress can prevent these outcomes, by passing the Wage Index Accuracy Improvement Act that we introduce today.

This bill would maintain the current 10 percent occupational mix adjustment for the next 2 fiscal years, giving CMS time to collect accurate data. The bill would require CMS to report on its data collection for the occupational mix adjustment by January 1, 2008. Both of these actions will give hospitals more time—and more information—to better understand the effect of the occupational mix adjustment.

Mr. President, Medicare pays for more than $100 billion of hospital inpatient services every year. This system should be as accurate as possible. This system should not be subject to swings resulting from quickly-collected data, applied at the last minute. I urge my colleagues to join Chairman GRASSLEY and me in passing this important legislation as soon as possible.

By Mr. LEAHY (for himself, Mr. SPECTER, Mr. DORGAN, and Mr. HARKIN):

S. 3768. A bill to prohibit the procurement of victim-activated landmines and other weapons that are designed to be victim-activated; to the Committee on Armed Services.

Mr. SPECTER. Mr. President, today I join Senator LEAHY in introducing the Victim-Activated Landmine Abolition Act of 2006, which will prohibit the procurement of victim-activated landmines. Antipersonnel, victim-activated landmines are small, inexpensive weapons that kill or maim people upon contact. Indiscriminate use has produced many civilian casualties and has resulted in an international effort to control or ban these weapons.

As a member of both the Appropriations Subcommittee on Defense and Foreign Operations, I have supported efforts to create alternatives to victim-activated munitions, to mitigate the associated risks for innocent civilians, and to help those who have been inadvertently harmed. The United States sets an example for the world by remaining a global leader in providing funds for mine clearance, mine risk education, and mine survivor assistance activities. According to the Congressional Research Service, the United States has dedicated an estimated $500 million for demining efforts over the last 10 years. Furthermore, the U.S. Department of Defense, in conjunction with industry partners, has developed technology which permits the deployment of mines that cannot be activated by the victim. This "man-in-the-loop" technology will ensure that innocent civilians are not harmed by mines.

On September 18, 1997, diplomats from almost 90 countries met in Oslo, Norway, and adopted the text of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction, commonly referred to as the Ottawa Convention or the Mine Ban Treaty. The Mine Ban Treaty went into effect on March 1, 1999, and mandates that countries discontinue the production, stockpile, use or exportation of antipersonnel landmines. It further mandates that countries clear their territory of mines and destroy stockpiles. The Mine Ban Treaty is credited with the reduction in victims and procurement of mines.

Although the U.S. has declined to participate in the treaty, the U.S. continues to lead the world in dollars spent on aid and efforts to help foreign nations demine fields and dispose of thousands of antipersonnel landmines, which is a costly and dangerous undertaking. The U.S. has not used antipersonnel mines since the 1991 Persian Gulf war. Since 1992, the U.S. has prohibited exportation of antipersonnel mines and U.S. production was halted in 1997.

A review of the facts surrounding landmines and the tragic consequences that have resulted from their use has convinced me that the indiscriminate use of these weapons must be stopped. The International Campaign to Ban Landmines estimates that there are more than 80 million landmines in the ground in more than 80 countries and that 15,000–20,000 people are maimed or killed by landmines each year. UNICEF estimates that 30 to 40 percent of mine victims are children under 15 years old. Millions more suffer from the economic and psychological impact of these weapons.

Innocent civilians in foreign countries are not the only victims that suffer the debilitating effects of these weapons. Landmines have injured and killed thousands of U.S. and allied troops in every U.S.-fought conflict since World War II, including those in Iraq and Afghanistan. Although landmines cost as little as $3 to produce, they can cost as much as $1,000 per mine to clear.

The legislation introduced today calls on the United States to continue to set an example for other countries by implementing a ban on the procurement of victim-activated weapons systems. Further, it recognizes that the U.S. has acquired reliable technology that enables all weapons systems to be equipped with man-in-the-loop targeting and triggering capabilities, meaning that the device can be deployed and triggered only in response to an intentional action by a person.

I yield the floor.

Mr. LEAHY. Mr. President, I am today introducing, with my friend from Pennsylvania, Senator SPECTER, and Senators DORGAN and HARKIN, The Victim-Activated Landmine Abolition Act of 2006.

This legislation would prohibit the procurement of victim-activated landmines and other weapons that are designed to be victim-activated. It builds on a long history of leadership by the Congress on the issue of landmines, which indiscriminately kill and maim innocent people, as well as U.S. troops, around the world.

I will have another statement on this subject when we return from the August recess, but I want to make a couple of points today.

First, Senators should know that since 1997 when an international treaty banning the manufacture, use, export and stockpiling of antipersonnel landmines was initialed at Ottawa, 154 nations have signed and 151 have ratified the treaty.

This is an extraordinary achievement, for which Lloyd Axworthy, Canada's Foreign Minister at the time, and the International Campaign to Ban Landmines deserve enormous credit. Unfortunately, the United States is not a signatory to the treaty and at one time even worked against it.

Thanks to the treaty, the manufacture and export of antipersonnel landmines has decreased significantly, and the number of victims has also declined. But mines continue to be a weapon of choice, especially for rebel groups such as the FARC in Colombia and Hezbollah in Lebanon.

Second, the United States has not exported antipersonnel mines since 1992, produced antipersonnel mines since 1997, or used anti personnel mines since 1991. This is not a weapon we need.

Moreover, for the past decade the Department of Defense has been developing alternatives to landmines. The goal has been to replace mines that cannot distinguish between an enemy combatant and a U.S. soldier, an innocent child, a farmer or a refugee.

That program has produced man-in-the-loop technology that is ready to be deployed in a new generation of mines that are not victim-activated.

I have long supported this program and I commend the Department of Defense for its support for the development of this technology. I believe it will provide the U.S. military with the force multiplier and protection afforded by conventional landmines without impeding the mobility of our troops or endangering innocent civilians. It will enable the military to finally stop using or stockpiling victim-activated landmines that have no place in the arsenal of a civilized nation, much less the world's only superpower.

As we see daily in Iraq, Afghanistan, and Lebanon, civilians bear the brunt of wars today. They do not have body armor or armored vehicles. They are routinely caught in the crossfire. At any moment they are at risk of being killed or maimed by a landmine or other improvised explosive that lies in wait until triggered by whoever steps on it or drives over it.

I want to emphasize that the need for this legislation is not because the United States is causing the mine problem. It is not. As I mentioned, we have not used or exported antipersonnel mines for 15 years, despite fighting wars in Afghanistan and Iraq. We are also the largest contributor to humanitarian demining in countries that have been severely affected by mines, and we support programs to assist mine survivors.

But just as a solution to the Middle East conflict depends on the active, sustained engagement and leadership of the United States, so does the problem of landmines.

As was the case with poison gas more than half a century ago, the solution to the mine problem is the stigmatization of these indiscriminate weapons so the political price of using them serves as a deterrent. Will some rebel groups or rogue nations continue to defy the international norm? Undoubtedly. But by setting an example and using our influence we can reduce their numbers significantly to the benefit of our troops and the innocent.

I again want to thank my friend Senator SPECTER, who has supported legislation to ban landmines for more than a decade.

Mr. SPECTER. The 'Victim-activated Landmine Abolition Act of 2006', which I am joining my friend from Vermont, Senator LEAHY, in introducing today would end the procurement of these indiscriminate weapons by the United States. We neither need these weapons not is it in our interest to continue to insist on the right to use them. They cannot distinguish between civilians and combatants, and as long as we stockpile them we cannot credibly urge others to stop using them against our troops. Does my friend from Vermont agree with me that our goal in sponsoring this legislation is to reaffirm United States leadership on this crucial humanitarian issue and to encourage other nations to follow our example?

Mr. LEAHY. That is correct and I thank the senior Senator from Pennsylvania. I have been pleased to have him as a partner over the years on legislation to eliminate these inhumane weapons, and I welcome the opportunity to do so again today. We want to send a message to the world that victim-activated landmines and other weapons designed to be victim-activated are beyond the pale. We have seen what they can do to our troops. We have seen what they do to a child who picks up one of these seemingly harmless objects, only to have it blow off an arm or worse. These weapons do not belong in the arsenals of civilized nations.

Mr. SPECTER. I thank my friend, who has led this campaign for so many years. Landmines and other munitions that are designed to be victim-activated are inherently indiscriminate. In that sense, they are no different from poison gas. They should be abolished and replaced with weapons that have a man-in-the-loop who can distinguish between an enemy combatant and a civilian. The Department of Defense has this technology. It is time for the United States to adopt a policy that is consistent with the force protection needs of our troops and with the moral values of the American people.

By Mr. ENSIGN (for himself, Mr. NELSON of Florida, Mr. COLEMAN, Mr. LIEBERMAN, Mr. SANTORUM, and Mr. FRIST):

S. 3769. A bill to encourage multilateral cooperation and authorize a program of assistance to facilitate a peaceful transition in Cuba, and for other purposes; to the Committee on Foreign Relations.

Mr. ENSIGN. Mr. President, at long last, Fidel Castro's reign of terror over the Cuban people may be coming to an end. Fidel Castro is incapacitated. He has handed over control of the government to his brother, Raul. The Cuban Government wants us to believe that it is a temporary measure—that Castro just needs to recuperate from surgery. But we don't know the truth—we can't know the truth, because lies are the byproduct of tyranny. And tyrannies are notoriously opaque. For all we know, it may be that Fidel already has already spent his last day as Cuba's leader.

I believe that now is the time for the U.S. Government to push for a peaceful transition to democracy in Cuba. It is a travesty that more than a decade after the cold war ended, a brutal communist dictatorship is still oppressing people 90 miles from our border. It would be an even greater travesty if the United States did not do everything in our power to ensure that after Fidel leaves power—one way or another—Cuba becomes free.

Let's join together in support of the Cuban people and in support of freedom, and let's adopt this bill.

We need to send a signal to all the dissidents and political prisoners in Cuba that we have no illusions about the nature of Fidel Castro's regime—that we know of their plight and stand ready to help them. When Ronald Reagan called Russia the "evil empire," it brought hope to the dissidents and political prisoners in the Soviet gulags. They knew that the people and leaders of the United States were united with them. They were not alone.

That is why I am introducing a bill today that authorizes assistance to the OAS for Cuba human rights activities and election reform. It also authorizes a fund to support independent civil society-building efforts. That includes assistance to political prisoners and their families, other dissidents, independent libraries, youth organizations, workers' rights activists, agricultural cooperatives, associations of the self-employed, journalists, economists, and medical doctors. And it creates the "Fund for a Free Cuba" to provide assistance to a transition government in Cuba.

This bill is consistent with the recommendations in the July 2006 Commission for Assistance for a Free Cuba report. We need to move this legislation now, when it can have the biggest impact. The people of Cuba are watching and listening. We need to show them that the leaders of the United States are willing to join them in their quest to be free. They need to know that they are not alone.

By Mr. MENENDEZ (for himself and Mr. LAUTENBERG):

S. 3770. A bill to require a pilot program on the facilitation of the transition of members of the Armed Forces to receipt of veterans health care benefits upon completion of military service, and for other purposes; to the Committee on Veterans' Affairs.

Mr. MENENDEZ. Mr. President, since the March 2003 start of the Iraq war, more than 19,157 members of our Nation's Armed Forces have been injured, more than 18,777 of them wounded in action.

Imagine that you are one of those wounded. You are an enlisted marine serving your country in Iraq. Your convoy is attacked by Iraqi gunmen and your transport explodes, killing several of your fellow soldiers and wounding many more. You are seriously wounded, so you're medevaced to Landstuhl Regional Medical Center and then transported to an appropriate medical facility in the U.S. for further stabilization and treatment.

As you begin the long road to recovery in the hospital, you may be approached by a Department of Veterans Affairs, VA, counselor who provides you with information about VA medical benefits and vocational rehabilitation and employment services. You may or may not meet with someone from the VA. But you're not ready to think about those things yet. You just want to get better and rejoin your fellow marines in Iraq.

Several months later, as you convalesce, Department of Defense, DOD, determines that you should be discharged due to the seriousness of your injuries. But, the discharge process won't become official for at least nine months, and you can't access VA services until it does. This leaves you in limbo, caught somewhere between the DOD and VA systems.

You finally return home, still convalescing from your injuries and while there, you finally receive your discharge papers. This development means no more access to the support you received during active duty, including health care. In order to receive medical care, you need to begin enrollment in the VA system to access medical services. Enrollment is a slow and difficult process, and, in your seriously wounded state, you come up against a blizzard of paperwork, Byzantine procedures, and a number of overworked VA caseworkers.

Your family has no idea how to get you into the system quickly and without having to pay more money for interim care until the VA benefits kick in.

As the conflicts in Iraq and Afghanistan grind on, these stories are all too frequent. Many wounded soldiers, service men and women are faced with the prospect of a premature end to their military service and are struggling to reenter civilian life, often with permanent disabilities. And they now have to find their way to the VA. They need help finding their way so they can get the care they deserve. They have served their country and now their country, their military, owes them our best in return.

That is why I am proud to introduce the Veterans Navigator Act, a bill that would expand and enhance the important work done by VSOs and other nongovernmental organizations to guide our Nation's service men and women to and through the VA healthcare system. It would, in fact, acknowledge the work of these organizations by providing $25 million in grants over 5 years to augment their capabilities.

The "navigator" concept is not new. It is similar to the Patient Navigator demonstration program I introduced and which was subsequently enacted into law. There, we also took a successful small-scale program being used at select medical facilities around the country and expanded it by providing grants for a scaled-up demonstration program to serve those with cancer and other chronic diseases, and in particular, to provide support to medically underserved populations.

With the veterans navigator bill, I propose to do something similar, capitalizing on the successes of the Patient navigator concept, to help our troops. The $25 million over 5 years in the bill would allow VSOs and other organizations to apply for grants so that they could hire and train navigators to provide assistance, on an individualized basis, to members of the Armed Forces as they transition from military service to the VA health care system. They would do so in coordination with DOD and the VA. Right now, many VSOs rely principally on donations to perform these services.

At the end of the 5 years, the VA Secretary would submit a report to Congress on the effectiveness of the veterans navigator demonstration program and to recommend whether it should be made permanent.

Often called national service officers or counselors, a navigator is a "sherpa," a guide through the maze of paper and people and specialists and benefits. A navigator is an advocate for those no longer able to go it alone. A navigator is a facilitator, someone who will be with you through the process, to provide the expertise you will need to transition between active duty and veterans status and to get the urgent care you need.

Let me be clear: a navigator does not supplant the role of the DOD or the VA. A navigator is meant to complement the work done by these organizations, particularly at a time when those systems are struggling to meet the needs of the soldiers returning from war and will continue to do so long after the conflicts in Iraq and Afghanistan have ended.

The bill focuses particular attention on four underserved groups in the military community: the seriously injured or wounded soldiers, female soldiers, those suffering from psychological problems like post-traumatic stress disorder, PTSD, and members of the activated National Guard and Reserves.

These underserved groups have not been sufficiently served in existing VA and DOD transition programs and activities. It is these underserved groups who especially need continuity of care as they enter and wind their way through the VA medical system. Part of the reason they have not been adequately cared for is that the nature of the current wars we are fighting, in Iraq, in Afghanistan, are different from previous conflicts we have undertaken.

During the Iraq and Afghanistan campaigns, we have the largest activation of National Guard and reservists since World War II. As of June 1, according to DOD, the United States had 128,789 military personnel deployed in Iraq. Of these, 102,709 were active component personnel and 26,080 were National Guard and Reserves. The recent announcement by President Bush to send additional troops to Baghdad in the face of increasing sectarian violence will likely only mean that those numbers will increase.

The GAO released a report last February citing deficiencies in benefits for these soldiers. The report concluded that National Guard and Reserve soldiers "are given little help navigating a thicket of regulations and procedures necessary to gain access to military doctors."

To complicate matters, members of our National Guard who seek medical care must file for an extension of their active duty status in order to continue to access military bases and hospitals.

In its report, GAG also concluded that, and I quote, "the Army has not consistently provided the infrastructure needed to accommodate the needs of soldiers trying to navigate their way through the' active duty medical extension' ADME—process . . . this has resulted in injured and ill soldiers carrying a disproportionate share of the burden for ensuring that they do not fall off their active duty orders."

The Veterans Navigator Act would help minimize such occurrences by providing National Guardsmen and Reservists someone to help bring them through the ADME process and to help correct any discrepancies before they cause a delay in accessing VA medical care.

Veterans with psychological problems also need help. In the last several years, we have been hearing a lot more about post-traumatic stress disorder, or PTSD, in veterans and those returning from conflict. A recent GAO report has concluded that almost four out of five service members returning from Iraq and Afghanistan who were found to be at risk for PTSD, were not provided appropriate medical assistance. All of these factors mean that now, more than ever, our Nation's soldiers need help moving between the DOD and VA realms.

According to the chief of psychology at Walter Reed Army Institute of Research, roughly 20 percent of those service men and women returning from Iraq suffer from PTSD. In its recently released report, GAO concluded that roughly 78 percent of those servicemembers at risk for PTSD do not get further evaluation. That means they return to active duty or are discharged without receiving the appropriate care.

It is the nature of this disorder to appear not right after the traumatic event is experienced, but often not until an individual reexperiences an event, has a flashback or is somehow reminded of a battlefield event. That may not happen until after a servicemember has been discharged from service. Once PTSD does emerge, the veteran may not know how to access VA medical assistance, or he or she may not have yet enrolled into the VA medical system.

Again, as in the case of the severely wounded, time is of the essence. PTSD can manifest itself so severely as to incapacitate a soldier, making medical care more urgent. In the case of returning National Guardsmen and Reservists, the problem is made more complex because of the 2 year time limit on filing for VA benefits.

Since 1991, opportunities for women in our Nation's Armed Forces have grown. For the first time, the military is placing women in support units at the front line. This has come partly as the result of more than 10 years of policy changes making 91 percent of the career fields gender neutral.

The Navy and the Air Force have begun to allow female soldiers to fly fighters and bombers. The Army has expanded the role of women in ground-combat operations. Right now, "women command combat military police companies, fly Apache helicopters, work as tactical intelligence analysts, and serve in artillery units.

This would have been unheard of a decade ago, but it is happening right now. Right now, record numbers of female soldiers are fighting on the front lines and, as a result, more are being seriously wounded or killed. A Baltimore reporter profiling women soldiers' participation in Iraq observed that "the war in Iraq has been an equal opportunity employer, by killing and injuring a historic number of female soldiers in combat situations."

Therefore, a VA medical system designed to treat wounded male soldiers must now ensure that female soldiers get the right kind of medical care. They will need help finding that care and getting access to that care. A veteran navigator can help them do that.

Because of the length and size of the deployment, many more soldiers are being seriously wounded. According to the GAO, roughly 30 percent of U.S. soldiers wounded in combat during World War II later died. Today, that number has dropped to 3 percent for those serving in Iraq and Afghanistan due to advances in technology and protective gear.

While this is clearly a positive development, it also means that many of these injured soldiers are returning home with severe disabilities, including traumatic brain injuries and missing limbs that require comprehensive inpatient rehabilitation services.

But, severe injuries often mean a lengthy transition from active duty to veteran status. As my story earlier indicates the physical evaluation of a seriously wounded service member to determine whether he or she can return to active duty can take months to complete. In the interim, the VA has to be able to identify these soldiers so that they can perform early outreach, provided that they have the information to do so.

Despite this, the GAO observed in a March 2005 report that the VA faces "significant challenges in providing services to seriously injured service members."

In many cases, VA staff have reported that seriously injured service members are simply not ready to begin thinking about VA benefits or dealing with the VA system during the recovery process. The problem here, as GAO has pointed out, is that the VA has no policy for maintaining contact with these soldiers down the line, once they are discharged. Contact is often conducted on an ad hoc basis. Navigators can also help these seriously wounded soldiers.

VSOs such as the Veterans of Foreign Wars, Disabled American Veterans, Jewish War Veterans and so many others have emphasized the importance of maintaining contact with seriously injured veterans who do not initially apply for VA health care benefits because it may be many months or even years before they are prepared to apply for them.

The veterans navigator can help perform this function. Because this individual or individuals have reached out to the injured service member before his or her discharge, they can, in coordination with the VA caseworkers, remain in contact with them as they recover and prepare to reenter civilian life. The navigator can also help obtain information from DOD on seriously injured soldiers earlier on so that they can help ensure that all service members and veterans benefit from VA health care services at the right time.

At a time when many active duty service people and veterans have fought and often made the ultimate sacrifice for their country, we cannot risk having any soldier fall through the cracks. We cannot take the risk that our female soldiers, who are fighting alongside their male colleagues, may not receive the medical care they need. We cannot risk the lives and health of soldiers with PTSD. We cannot risk the lives and the health of any service member who put their lives at risk for our country.

Not so long ago we celebrated Memorial Day, a day when each and every American honors the service of our Nation's Armed Forces, both past and present and takes a moment to thank them for helping to keep America safe and secure. The very least that we can do is to ensure that all of these brave men and women are able to access the medical benefits to which they are entitled, particularly in their time of greatest need. At some point in each of our lives, we might need a guiding hand to help us find our way. Today, Mr. President, I am proposing to provide that helping hand to our troops in a time of their greatest need. It is the very least that we can do.

By Mr. HATCH (for himself, Mr. KENNEDY, Mr. DEWINE, Mr. DODD, Mr. BURR, Mr. HARKIN, Mr. BOND, Ms. MIKULSKI, Ms. SNOWE, Mr. JEFFORDS, Mr. TALENT, Mr. BINGAMAN, Ms. COLLINS, Mrs. MURRAY, Mr. CHAFEE, Mr. REED, Mr. SMITH, and Mrs. CLINTON):

S. 3771. A bill to amend the Public Health Service Act to provide additional authorizations of appropriations for the health centers program under section 330 of such Act; to the Committee on Health, Education, Labor, and Pensions.

Mr. HATCH. Mr. President, today I am introducing the Health Centers Renewal Act with my colleagues, Senators KENNEDY, DEWINE, DODD, BURR, HARKIN, BOND, MIKULSKI, SNOWE, JEFFORDS, TALENT, BINGAMAN, COLLINS, MURRAY, CHAFEE, REED, SMITH, and CLINTON.

The health centers program was established more than 40 years ago and it has been successful in providing access to quality, comprehensive primary health care services throughout the country to a large number of uninsured or underinsured people, including children, parents and the elderly. Health centers are located at sites within medically underserved areas and provide care to those who have limited or no access to health insurance. Health centers are a critical component of our Nation's health care safety net, providing quality health care to over 15 million underserved individuals in the United States.

These health centers include community health centers which are local, not-for profit 501(c) (3) corporations that provide community-oriented primary and preventive health care and are governed by boards of directors that are composed of at least 51 percent health centers users, to ensure that the patients and the community are represented.

In my home State of Utah, community health centers serve 84,578 patients and provided almost 305,000 patient visits in 2005.

As I travel throughout Utah, I hear nothing but positive remarks about the vital work of community health centers. I would like to share some of the comments that I have received from Utahns with my colleagues.

Midtown Community Health Center in Ogden, UT just opened a very impressive new center which will enable patients in that community to receive the latest care for a range of illnesses such as diabetes, hypertension and asthma. These illnesses are costly and often require monthly visits, laboratory tests and expensive medication. One of the patients at Midtown who has diabetes and hypertension, stated that she would not have anywhere to go to monitor her diabetes if Midtown didn't exist. She describes Midtown as a "Godsend" and said that without her health care provided by Dr. Gregoire, she would be in serious financial debt and would have to choose between housing and food or health care.'

Another Utah health center has a family that comes into the clinic with a son who is bipolar. The boy's mother called very distraught because they were having problems affording his medicines and his illness had created other concerns within their family. The woman's new husband thought discipline was the solution to the child's mood swings. The community health center referred the boy to its mental health worker, who in addition to providing counseling, was able to get his medication for him at a reduced price. The mother thanked the mental health worker and she said just having someone to talk to who understood the boy's condition was helpful to her and her family.

Bottom line, community centers have made a tremendous difference for Utah's residents with limited or no health insurance. And these examples are not unique to Utah—patients across the country have had similar experiences with community health centers.

Due to the difference that health centers have made in so many lives, Congress has consistently increased funding for them since 2001 in order to meet President Bush's goal to have 1,200 new or expanded centers and an additional 6.1 million patients served by 2006. Currently, the additional funding has provided service to 4 million additional patients and has added new or expanded facilities in well over 750 communities nationwide. By reauthorizing this program, we will allow health centers to provide lowcost health care to many more uninsured and underinsured individuals.

The legislation that we are introducing today will reauthorize the health center program for 5 more years at the fiscal year 2007 funding level of $1.963 billion, which is the administration's fiscal year 2007 budget request for the health centers program.

Utah health centers have made a tremendous difference in the lives of many—66 percent of patients come from Utah's urban areas and 27 percent are from the rural regions in Utah. Ninety-six percent of Utah's health center patients lived below 200 percent of the Federal poverty level and health centers have made a tremendous difference in their lives. In fact, for most, these health centers serve as a vital component of the health care safety net for the medically underserved and uninsured. In rural areas, health centers are often the only health care provider for many miles.

Midtown Community Health Center coordinates a free comprehensive screening clinic for women on an annual basis. In 2006, over 250 women received pap smears, breast examinations, diabetes screening, cholesterol screening and depression screening. Many of the low-income, uninsured women served had not received preventive care in many years. One woman who attended the event had experienced irregular vaginal bleeding for several months. She had tried to find a medical provider but was unsuccessful due to a lack of health insurance and financial concerns. She came to Midtown Community Health Center with an enlarged uterus, a uterine mass and anemia. A Midtown medical provider arranged for an emergency ultrasound and removal of the tumor within 3 weeks. The patient is improving and being treated by Midtown for anemia and irregular menstrual periods.

A 40-year-old man was working as a contractor when his boss noticed he was losing weight and took him to the hospital. He was diagnosed with tuberculosis and hepatitis C. He did not have health insurance and became homeless. The hospital referred him to Wasatch Homeless Health Care, Inc. where he entered the tuberculosis housing and treatment program.

The Johnsons manage their own business in a small rural Utah town, but somehow health insurance coverage has always been difficult for them to purchase. Without the Wayne Community Health Center in Bicknell, the family could only seek medical care for emergencies.

These stories are just some of real life experiences which illustrate how community health centers make a difference. They save lives. They provide preventive health care. They keep people out of hospitals. Community health centers are worth every cent that the Federal Government invests in them. I am pleased and proud to support them by introducing this legislation today.

I urge my colleagues to support this important legislation which not only provides individuals with important health care services but also ensures that the health centers providing these services will have the necessary support to continue providing health services.

Mr. KENNEDY. Mr. President, it is an honor to join Senator HATCH today in introducing this bill to reauthorize the health centers program. The Health Centers Renewal Act reauthorizes the community health center program through 2011. Its goal is to make sure that people across the Nation can obtain the care they need in their community, regardless of their ability to pay.

What began in the 1960s as a neighborhood health center demonstration project at two sites—Columbia Point in Massachusetts and Mound Bayou in Mississippi—has flourished beyond expectation in the years since then. It has now grown to more than 1,000 community, migrant, and homeless health centers providing care in every State across the Nation. Health centers are the "medical home" today for over 15 million patients—patients who are overwhelmingly low-income, uninsured and minorities. Without health centers in their community, most of these patients would have nowhere to turn for the health care they need.

Health centers are truly democratic, and are operated in large part by the patients and communities they serve. We hear a great deal these days about moving toward "consumer-directed" health care but in most cases that's a code name for cost-shifting to patients. That's not true of health centers, which are truly consumer-directed. The requirement of a patient-majority for health centers' governing boards makes sure the community has a real voice in the services offered and that the needs of the community are met. This community focus has been essential to the program's success in reducing barriers to good health care and overcoming unfair health disparities.

As the number of uninsured and underinsured persons grows each year, the need for health center services increases. More than 40 percent of health center patients have no health insurance and their ranks are increasing. Another 36 percent have coverage through Medicaid or CHIP, and cuts in these programs affect health centers as well. With the growing number of patients who rely on health centers, we must provide the funds needed to open new centers in areas that are underserved and to provide better funding to existing centers to meet the growing demand.

Health centers fill a large void by providing quality, cost-effective care in medically underserved areas. Most health centers are located in rural areas or economically depressed inner cities, where poverty is high and the need is great. They truly are part of the community, providing not just health care, but good jobs and other programs that benefit the entire community.

Community health centers have proven their value over the past four decades, and this bill will enable them to expand and grow in the years ahead, so that they can continue to provide the quality care that their patients and communities rely on.

Ms. SNOWE. I am pleased to join with my colleagues in the introduction of the Health Centers Renewal Act. Today health centers are a critical part of our health care safety net, serving over 15 million Americans.

Community Health Centers, also known as federally qualified health centers, are the only source of primary and preventive services for many medically underserved. This is especially true for people living in rural areas, where provider shortages couple with high health care delivery costs to make access difficult for many individuals.

The increasing role of health centers truly represents a bipartisan success story. Since 2001, the Congress has provided increased funding for health centers to improve and upgrade existing facilities, as well as to further expand the safety net these centers provide. That has supported the President's goal to provide 1,200 new or expanded centers, and is why today an additional four million Americans are now served by health centers.

In my State of Maine, over 80,000 individuals are served by federally funded health centers. In fact, one in five uninsured, low-income Mainers relies on a health center for their primary care. In rural areas, 1 in 10 of our residents rely on a community health center for care.

Today's health centers look very different from those of the past. They are providing comprehensive primary care, and have been moving forward to adopt new technology and practice models which will ensure care of the highest quality at modest cost. In fact, the Office of Management and Budget has recognized the health centers as one of the top 10 performing programs in the Federal Government.

Community involvement has been key to this success. The requirement that patients and community play a major role in governance has been key to the success of these providers in addressing critical local health needs.

There is much yet that must be done to improve our health care safety net, including reducing the disparities in care and outcomes which plague minority and poor populations. Health centers will play a vital role in meeting those challenges, and that is why I am pleased to support this vital legislation to enable their continued growth and support.

By Mr. ENSIGN (for himself and Mr. REID):

S. 3772. A bill to establish wilderness areas, promote conservation, improve public land, and provide for high quality development in White Pine County, Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. REID. Mr. President, today I rise with my good friend Senator ENSIGN to introduce the White Pine County Conservation, Recreation and Development Act of 2006. This bill creates economic opportunity for the people of White Pine County, improves public land management, and protects some of Nevada's most incredible wild lands. It also makes needed changes to the Southern Nevada Public Land Management Act.

The White Pine County Conservation, Recreation and Development Act is the product of many years of work. Ranchers, land managers, conservationists, off-highway vehicle advocates, tribal members, city and county officials, wilderness advocates and many others have contributed to this effort. Meetings and tours focused on a White Pine County land bill have been taking place for more than 5 years.

The result of these many years of dialogue can be found in the sturdy compromise contained in this legislation. Our bill resolves wilderness study areas, provides a reasonable expansion of local tribal lands, authorizes a study and possible designation of an off-highway vehicle trail, provides for competitive Federal land sales, makes common sense transfers of land between Federal agencies, expands State parks, conveys two small tracts of land to the county for economic development, funds an important landscape scale restoration project in eastern Nevada, and establishes a national heritage route in eastern Nevada and western Utah.

Like similar legislation that we have worked on and passed for Clark County and Lincoln County, we do not expect anyone to endorse every title in this bill. When it comes to the topics of growth, conservation and stewardship in rural Nevada there are many strong and often opposing views. We believe that this legislation offers a solid middle ground and a path forward for the people of White Pine County.

In order to understand why this legislation is necessary, it is important to first put Nevada and White Pine County in context. Unlike most states in our Union, nearly nine out of every ten acres in Nevada are managed by Federal agencies. In White Pine County the number is even higher. Of the 5.7 million acres that make up White Pine County, 94 percent are managed by the Bureau of Land Management, BLM, the Forest Service, the National Park Service and the Fish and Wildlife Service Federal agencies.

This means that local decisions are not always local. Even the simplest land and stewardship decisions can involve multiple Federal land agencies, and the associated rules that come along with each agency. All too frequently, congressional action is needed to bridge the divide. This is a reality in many parts of the West, but in no place is it more true than in Nevada.

Moving beyond the borders of White Pine County, our legislation also makes essential changes to the Southern Nevada Public Land Management Act that was first passed in 1998. This law has served Nevada well over the last 8 years, yet changes are needed to ensure that the legislation is able to meet the many and complex needs of our fast growing State. I will briefly describe each of these amendments, in addition to the other major titles of this legislation.

But before moving on to the specifics of each section of this bill, let me thank my colleagues for their willingness to work with us on this legislation. Senator ENSIGN and I have crafted this bill through a hands-on, ground level process that we think you will appreciate and support. Throughout this effort we have aspired to make well-reasoned, beneficial and necessary changes to land management in Nevada.

The first title in this bill creates a mechanism to increase the amount of privately held land in White Pine County. Currently, 94 percent of the land in the county is managed by Federal agencies. By increasing the total amount of private land in White Pine Country, we create essential opportunities for growth and economic development that will also allow the county to provide greater support to its residents through an expanded tax base.

Our bill calls for up to 45,000 acres of land currently managed by the BLM to be made available for sale in reasonable increments. Each year a portion of the total acreage will be made available for public auction after a joint selection is made by the county and the BLM. This system has worked well in Clark County and Lincoln County, and we believe that it will greatly enhance the ability of White Pine County to help plan and shape the long-term growth of its many communities. As part of the land sale authority, the county may elect to halt the annual disposal of land when and if appropriate.

Like the Southern Nevada Public Land Management Act and the Lincoln County Conservation, Recreation and Development Act, this bill directs the Secretary of Interior to reinvest the proceeds from these land sales into essential Federal, State, and local environmental protection, infrastructure development, and recreational enhancements in the areas and communities where the lands are sold.

These funds also provide an additional revenue source for fulfilling the various mandates of this bill, including an off-highway vehicle trail study, designation of new wilderness areas, and the conveyance of lands into trust for tribal use.

In 1985 when I visited White Pine County to discuss possible wilderness designations in the Schell Creek and Currant Ranges and the north and south ends of the Snake Range, I heard from many local residents who opposed any effort to designate wilderness. Now in 2006, when I hear from the citizens of White Pine County they are most often strongly supportive of wilderness designation, particularly in the areas that they and their families have visited and cherished for generations.

I believe that much of this change can be attributed to the successful management of the Mt. Moriah and Currant Mountain wilderness areas, designated in 1989, where we were able to protect truly wild lands while still allowing hunting, grazing and other historical uses to continue. Equally important, many White Pine County residents have noted that as new waves of people discover the incredible backcountry of the Great Basin, the identification and protection of lands that are untouched by permanent development has become a priority.

Accordingly, in this bill we have identified roughly 545,000 acres for wilderness designation and the release of 67,000 acres of BLM wilderness study areas. We have benefited greatly from the careful suggestions of the White Pine County Commission, the Nevada Department of Wildlife, the Nevada Wilderness Project, hunters, ranchers, miners, Friends of Nevada Wilderness, and other White Pine County residents during this process.

We have worked to make careful decisions on the wilderness boundaries in this bill. Based on feedback from grazers and other users of the Mount Moriah wilderness area, a number of boundary adjustments have been included to remove small pipelines and other encumbrances from the original wilderness area designated in 1989. We have also made careful choices like along the north end of Red Mountain where the wilderness boundary follows the banks of the White River so that a number of primitive campsites between the stream and a nearby road are excluded from the wilderness area.

While this proposal will surely be criticized as too conservative, others will see it as too expansive. Senator ENSIGN and I have both made important compromises to reach the proposal that we are presenting today and we stand by the middle ground that we have reached. We are committed to continue listening to all parties and taking into account their many and divergent needs.

The third title of this bill makes two important transfers of land between Federal agencies that will improve public land management in White Pine County. The first of these changes is a transfer of approximately 645 acres from the BLM to the Fish and Wildlife Service, FWS, to be managed as part of the Ruby Lake National Wildlife Refuge. This land became an inholding within the boundaries of the refuge after the Fish and Wildlife Service purchased the lands surrounding the BLM parcel in 2002. Management of this area by the Ruby Lake National Wildlife Refuge will improve oversight on the land and strengthen the holdings of this popular refuge.

Our legislation also transfers administrative jurisdiction of roughly 117,000 acres from the Forest Service to the BLM. These lands can be easily identified on a map as the donut shaped configuration of Forest Service land currently surrounding Great Basin National Park. Under the present arrangement, the Park Service, the Forest Service and the BLM manage an awkward patchwork of lands. In some areas, land managed by each of the three agencies can be found within a single linear mile. This division of management and labor makes proper stewardship of this area complicated and often times unworkable.

In addition to moving the identified lands to the BLM to improve management efficiency, we also withdraw roughly 50,000 acres of this land from mineral and land laws and require a management plan for the roads and trails through the area. These added protections will not only compliment Great Basin National Park and its mission, but will also ensure that popular hunting areas remain open and accessible. The additional 70,000 acres transferred to the BLM will be designated as the Highland Ridge Wilderness Area.

This title conveys land to expand two existing state parks and one state wildlife management area. The Charcoal Ovens State Park will receive approximately 650 acres of BLM land to expand its current holdings. The land to be conveyed is already managed by the state through a Recreation and Public Purposes lease for the operation of a camping area and trail system. Cave Lake State Park will also receive a conveyance of land to help improve management of that site, although the exact boundaries of this designation have not yet been finalized. This park is exceptionally popular, receiving nearly 100,000 visitors each year, most of which are from southern Nevada.

In addition to expanding these two State parks, this bill conveys roughly 6,200 acres to the State of Nevada for an expansion of the Steptoe Valley Wildlife Management Area. The State acquired the 3C Ranch in 1999 and now manages it as the Steptoe Valley Wildlife Management Area. The conveyance of BLM land to this popular hunting and bird watching area will maximize management options while also creating a safety buffer between hunters and future residential and commercial development.

Further, our legislation makes two small but important conveyances to provide for the future economic growth of White Pine County. These include up to 200 acres for the expansion of the White Pine County Industrial Park and up to 1,500 acres for the planned expansion of the White Pine County Airport. The county has been working with the Federal Aviation Administration on this airport expansion for a number of years. When completed, it will allow larger jets to land at the airport, further expanding the economic reach of White Pine County. The conveyance also allows for the airport to expand and accommodate additional business tenants. Any funds collected from the lease, sale or conveyance of either the industrial park or airport lands will be directed for public uses.

Building on the designation of the Silver State Off-Highway Vehicle Trail in Lincoln County, this bill authorizes a 3-year study for a possible extension of the trail into and through White Pine County. If the Secretary of Interior, working with local citizens and other stakeholders, is able to identify a route for the trail that would not significantly impact wildlife, natural or cultural resources, an extension of the Silver State Trail will be designated at the conclusion of the study.

Off-highway vehicle use in Nevada has grown exponentially in recent years, and this rise in use has led to the pioneering of hundreds of miles of additional trails and roads across Nevada's frontier. The longer this uncontrolled use continues, the fewer areas we will have in Nevada that are truly wild and untouched. And when these places are gone, we will have lost something that cannot be replaced.

With this in mind, the study authorized by this bill is an effort to recognize that the use of off-highway vehicles is a popular form of recreation that is here to stay. Many people use their off-highway vehicles responsibly and we are creating a process with this legislation that will put advocates for off-highway vehicles, wildlife, grazing and other land users around the same table.

Perhaps no issue addressed by this legislation has been more discussed and debated than the conveyance of BLM land to be held in trust by the United States for the Ely Shoshone Tribe. Currently, the tribe holds 100 acres in two separate parcels within the city limits of Ely. For 3 years meetings have been taking place in White Pine County to discuss possible configurations and areas for a tribal expansion. Local residents and interested parties have expressed strong feelings on all sides of this issue, and our proposal is better as a result of this dialog.

This bill transfers roughly 3,500 acres in four separate parcels into trust for the benefit of the Ely Shoshone Tribe. Over half of this acreage is contained in one parcel to the west of Ward Mountain. This large area is designated exclusively for traditional tribal uses, such as ceremonial celebrations and gatherings and pine nut picking.

The conveyance also includes two parcels to the south of Ely and one approximately 10 miles north of McGill on highway 93. These lands are available to be used by the tribe for residential and commercial purposes.

The placement of these conveyances will allow the tribe to be a partner in the growth and economic development of White Pine County while also ensuring that the city of Ely has sufficient room to grow south along highway 93. We have taken special care to ensure that existing developments, like the KOA, have room to expand.

This conveyance represents a tough compromise between many important interests. Some have proposed that the tribe should receive in excess of 20,000 acres of land in and around Ely. Others have fought to block the tribe from receiving a single acre. We do not expect that the conveyance in this bill will please anyone completely, but we do believe it is a fair compromise that addresses the main concerns of all the concerned parties.

The invasion of non-native species like cheat grass and red brome and the overgrowth of pinon and juniper woodlands has begun to fundamentally alter the ecosystems in eastern Nevada. This landscape level change threatens to bring catastrophic fire to this area while also destroying essential habitat for many of Nevada's native species.

In order to address the challenges, this legislation makes funds from the Southern Nevada Public Land Management Act special account available for the implementation of the Eastern Nevada Landscape Restoration Project in White Pine and Lincoln Counties. In addition to funding this vital program, we have authorized the Secretaries of the Interior and Agriculture to work with Eastern Nevada Landscape Coalition and the Great Basin Institute in carrying out the landscape-scale restoration efforts necessary to restore the health of eastern Nevada's rangelands. In the interest of understanding and fully addressing the ecosystem changes that are taking place all across the Great Basin, this bill also authorizes a feasibility study for an interagency research facility and experimental rangeland in eastern Nevada.

In addition to preventing major and repeated fires, this restoration initiative will benefit ranchers, sportsmen, private land owners, communities of all sizes, and of course the wildlife and rangelands on which we depend. It is my sincere hope that this program will make a long lasting and beneficial change in the health of the ecosystems in eastern Nevada.

Since the passage of the Southern Nevada Public Land Management Act, SNPLMA, in 1998, thousands of acres of BLM land have been auctioned in southern Nevada. These sales have produced significant funding for conservation efforts, enhancements to our most prized public lands, and the acquisition of sensitive lands throughout our State.

Now, 8 years after its passage, we are seeking to update the legislation so that it continues to serve the full interests of the people of Nevada, our public lands, and the federal agencies that administer the programs funded by the original legislation.

In this bill we provide funding for two separate 10-year hazardous fuels reduction programs, one for the Spring Mountains and one for the Lake Tahoe Basin including the adjacent lands in the Carson Range in Washoe and Douglas Counties and Carson City. We also provide funding for the implementation of the Clark County Multispecies Habitat Conservation Plan, allow SNPLMA to be used for improvements to state parks in Clark County, authorize reimbursement for water saving landscaping undertaken by public institutions, and make the Clean Water Coalition eligible for funding to implement an essential wastewater project that will improve the water quality in Lake Mead and provide a sustainable future for the Las Vegas Wash.

In order to make SNPLMA more manageable for the agencies and municipalities that administer the special account and its many programs, we have included authority that allows all federal agencies that carry out SNPLMA projects to get reimbursed for their direct costs. We have also provided an important authority for the BLM to use SNPLMA funds to properly clear and protect vacant parcels in the Las Vegas Valley from dumping. The current practice of providing funding for approved projects only through reimbursement is also brought to an end. Under this legislation the Department of Interior is required to distribute funds for approved SNPLMA projects no later than 60 days after a transfer of funds is requested.

Of special note, these amendments also include a 5-year authorization for Washoe County to acquire up to 250 acres of land for a county park. The residents of Washoe County have been and remain strong advocates for open space and we hope that they will take advantage of this opportunity.

Perhaps the most important change that we make to SNPLMA is a complete rewrite of the legislation's affordable housing title. While language was included in the original legislation that allows for land to be acquired at less than fair market value for the development of affordable housing, it took the BLM over 4 years to promulgate the guidelines for implementing this provision. Since that time no eligible party has successfully used these guidelines to secure land and build affordable housing anywhere in Nevada.

With an estimated 170,000 housing units needed in southern Nevada for affordable and workforce housing in the next 10 years, immediate action is needed. As a result, we have struck the largely unworkable language from the original legislation. We have replaced it with an authority allowing all legitimate interested parties to work with the BLM to pursue land for the development of affordable and workforce housing. We also take a further step and require that any parcel of Federal land over 200 acres in size that is auctioned in the Las Vegas Valley must include at least 5 percent affordable and workforce housing.

These new affordable and workforce housing provisions are by no means a complete answer to the housing crisis facing southern Nevada, but they are a step in the right direction. I applaud the work that has been done at the local and State levels to address this issue and I am committed to continuing to work on broad based solutions to ensure that we can meet the affordable housing needs in all of Nevada's communities.

The last title of this bill establishes the Great Basin National Heritage Route. Encompassing Millard County, Utah; the Duckwater Indian Reservation in Nevada; and White Pine County, Nevada, this historic area includes historic mining camps and ghost towns, Mormon and other pioneer settlements, as well as Native American communities. The Route passes through classic Great Basin country along the trails of the Pony Express and the Overland Stage. Cultural resources within the route include highly valued and culturally important Native American archaeological sites dating back to the Fremont Culture.

Designation of the corridor as a heritage route will ensure long-term protection of key educational and recreational opportunities while also bringing attention to the Great Basin's rich natural wonders like the bristlecone pine, the old living things on Earth, and the rare Bonneville cutthroat trout. In short, the Great Basin National Heritage Route will provide a framework for celebrating eastern Nevada's and western Utah's rich historic, archaeological, cultural, and natural resources for both visitors and residents.

I have been proud to support the designation of the Great Basin Heritage Route for many years and have helped pass legislation through both the Senate and the House calling for establishment of the route. Unfortunately, in each instance the legislation was included in a larger package of bills that failed to reach the President for signature. Having received the approval of both bodies of Congress for this measure, it is my hope that we can finally make this route a reality as part of this comprehensive legislative package for White Pine County.

The White Pine County Conservation, Recreation and Development Act of 2006 is an ambitious, timely and complex piece of legislation. By making long-term and forward looking improvements to public land management and the stewardship of our shared natural resources, we believe we have crafted a bill that will serve the best interests of the people of White Pine County, eastern Nevada and our entire State.

I look forward to working with the chairman and ranking member of the Senate Energy and Natural Resources Committee to ensure timely review and passage of this bill.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4749. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table.

SA 4750. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5970, to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes , and to extend expiring provisions, and for other purposes; which was ordered to lie on the table.

SA 4751. Mr. STEVENS (for himself and Mr. INOUYE) proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

SA 4752. Mr. INOUYE submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4753. Mr. REED (for himself and Mr. DODD) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4754. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4755. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4756. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4757. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4758. Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4759. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4760. Mr. LOTT (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4761. Mr. LOTT (for himself and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4749. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the tables; as follows:

At the end of title VIII, add the following:

SEC. 8109. No funds appropriated or otherwise made available to the Department of Defense under title VI under the heading "DEFENSE HEALTH PROGRAM" may be obligated or expended unless, during the period beginning on April 1, 2006, and ending on December 31, 2007, the cost sharing requirements established under paragraph (6) of section 1074g(a) of title 10, United States Code, for pharmaceutical agents available through retail pharmacies covered by paragraph (2)(E)(ii) of such section do not exceed amounts as follows:

(1) In the case of generic agents, $3.

(2) In the case of formulary agents, $9.

(3) In the case of nonformulary agents, $22.

SA 4750. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5970, to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

Strike title I and insert the following:

TITLE I—ELIMINATION OF THE MEDICARE PART D COVERAGE GAP

SEC. 101. ELIMINATION OF THE MEDICARE PART D COVERAGE GAP.

(a) ELIMINATION OF COVERAGE GAP.—

(1) IN GENERAL.—

(A) IN GENERAL.—Paragraph (3) of section 1860D–2(b) of the Social Security Act (42 U.S.C. 1395w–102(b)) is repealed.

(B) REVISION OF BENEFIT STRUCTURE.—Section 1860D–2(b)(2)(A) of such Act (42 U.S.C. 1395w–102(b)(2)(A)) is amended by striking "and up to the initial coverage limit under paragraph (3)" and inserting "and up to the point at which the annual out-of-pocket threshold is reached under paragraph (4)" in the matter preceding clause (i).

(2) CONFORMING AMENDMENTS.—

(A) SUPPLEMENTAL PRESCRIPTION DRUG COVERAGE.—Section 1860D–2(a)(2)(A)(i)(I) of such Act (42 U.S.C. 1395w–102(a)(2)(A)(i)(I)) is amended—

(i) by striking "deductible," and inserting "deductible or";

(ii) by striking ", or an increase in the initial coverage limit"; and

(iii) by striking "or increase".

(B) CATASTROPHIC.—Section 1860D–2(b)(4)(C)(i) of such Act (42 U.S.C. 1395w–102(b)(4)(C)(i)) is amended—

(i) by striking "paragraph (1)," and inserting "paragraph (1) or"; and

(ii) by striking "and for amounts for which benefits are not provided because of the application of the initial coverage limit described in paragraph (3),".

(C) ALTERNATIVE PRESCRIPTION DRUG COVERAGE.—Section 1860D–2(c)(1)(C) of such Act (42 U.S.C. 1395w–102(c)(1)(C)) is amended—

(i) in the heading by striking "INITIAL COVERAGE LIMIT" and inserting "OUT-OF-POCKET THRESHOLD"; and

(ii) by striking "the initial coverage limit under subsection (b)(3)" each place it appears and inserting "the out-of-pocket threshold under subsection (b)(4)".

(D) ACCESS TO NEGOTIATED PRICES.—Section 1860D–2(d)(1)(A) of such Act (42 U.S.C. 1395w–102(d)(1)(A)) is amended by striking "or an initial coverage limit (described in subsection (b)(3))".

(E) CLAIMS INFORMATION.—Section 1860D–4(a)(4)(B)(i) of such Act (42 U.S.C. 1395w–104(a)(4)(B)(i)) is amended by striking "relation to—" and all that follows through "the annual" and inserting "relation to the annual".

(F) LOW-INCOME SUBSIDIES.—Section 1860D–14(a) of such Act (42 U.S.C. 1395w–114(a)) is amended by striking subparagraph (C) of paragraphs (1) and (2).

(G) DEFINITION.—Section 1860D–41(a)(6) of such Act (42 U.S.C. 1395w–151(a)(6)) is repealed.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2007.

SA 4751. Mr. STEVENS (for himself and Mr. INOUYE) proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title IX, add the following:

SEC. 9012. (a) ADDITIONAL AMOUNT FOR ARMY AND MARINE CORPS FOR EQUIPMENT RESET.—In addition to amounts provided by other provisions of this title, $7,800,000,000 is provided to the Army, and $5,300,000,000 is provided to the Marine Corps, to fund equipment reset requirements resulting from continuing combat operations.

(b) DESIGNATION AS EMERGENCY REQUIREMENTS.—The amounts provided under subsection (a) are designated as appropriations for contingency operations directly related to the Global War on Terrorism, and other unanticipated defense-related operations, pursuant to section 402 of H. Con. Res. 376 (109th Congress), as made applicable to the House of Representatives by H. Con. Res. 818 (109th Congress), and are designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SA 4752. Mr. INOUYE submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the bill, include the following new provision:

SEC. _____. The Secretary of Defense shall make available to the Dwight D. Eisenhower Memorial Commission established by section 8162(b) of the Department of Defense Appropriations Act, 2000 (16 U.S.C. 431 note; 113 Stat. 1274), $5,000,000, to remain available until expended.

SA 4753. Mr. REED (for himself and Mr. DODD) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

SEC. 9012. (a) REPAIR AND MAINTENANCE OF ARMY EQUIPMENT AND WAR RESERVE SECONDARY ITEMS.—

(1) ADDITIONAL AMOUNT FOR OPERATION AND MAINTENANCE, ARMY.—The amount appropriated by chapter 2 of this title under the heading "OPERATION AND MAINTENANCE, ARMY" is hereby increased by $6,326,000,000.

(2) AVAILABILITY.—Of the amount appropriated by chapter 2 of this title under the heading "OPERATION AND MAINTENANCE, ARMY", as increased by paragraph (1)—

(A) $6,000,000,000 may be available for the repair and maintenance of Army equipment; and

(B) $326,000,000 may be available for war reserve secondary items.

(3) SUPPLEMENT NOT SUPPLANT.—Amounts available under paragraph (2) for the purposes specified in that paragraph are in addition to any other amounts available in this Act for such purposes.

(b) REPAIR, MAINTENANCE, AND PROCUREMENT OF MARINE CORPS EQUIPMENT.—

(1) ADDITIONAL AMOUNT FOR OPERATION AND MAINTENANCE, MARINE CORPS.—The amount appropriated by chapter 2 of this title under the heading "OPERATION AND MAINTENANCE, MARINE CORPS" is hereby increased by $1,500,000,000, with the amount of the increase to be available for the repair and maintenance of Marine Corps equipment.

(2) ADDITIONAL AMOUNT FOR PROCUREMENT, MARINE CORPS.—The amount appropriated by chapter 3 of this title under the heading "PROCUREMENT, MARINE CORPS" is hereby increased by $2,400,000,000, with the amount of the increase to be available for procurement of Marine Corps equipment.

(3) SUPPLEMENT NOT SUPPLANT.—Amounts available under paragraphs (1) and (2) for the purpose specified in the applicable paragraph are in addition to any other amounts available in this Act for such purpose.

SA 4754. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $2,000,000 may be available for Medical Advanced Technology (PE #603002A) for Tissue Engineering Research.

SA 4755. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $2,500,000 may be available for the Wireless Maritime Inspection System as part of the Smartship Wireless Project of the Navy.

SA 4756. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $3,000,000 may be available for Medical Advanced Technology (PE #603002A) for research and development on Applied Emergency Hypothermia.

SA 4757. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $3,000,000 may be available for Weapons and Munitions Advanced Technology (PE #603004A) for Advanced Switching and Cooling Concepts for Electromagnetic Gun Applications.

SA 4758. Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Not later than December 31, 2006, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the assessment of the Secretary regarding the Uranium Sensing and Treatment for Removal program of the Department of Defense.

SA 4759. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading "OTHER PROCUREMENT, ARMY", up to $2,600,000 may be available for the Virtual Interactive Combat Environment for the New Jersey National Guard.

SA 4760. Mr. LOTT (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" is hereby increased by $2,000,000.

(b) AVAILABILITY.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", as increased by subsection (a), up to $2,000,000 may be available for support of design enhancements and continued testing of the Para foil Joint Precision Air Drop System (JPADS) design parachute system for the drop of 5-ton and 15-ton loads to precise locations from high altitude and greater offset distance.

(c) OFFSET.—Of the amount appropriated by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE" is hereby decreased by $2,000,000.

SA 4761. Mr. LOTT (for himself and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) PROCUREMENT OF CLASS IV UNMANNED AERIAL SYSTEMS IN FISCAL YEAR 2007.—The Secretary of the Army shall provide for the procurement during fiscal year 2007 of eight Class IV Unmanned Aerial Vehicles (UAVs) for the Army as provided for in the budget of the President for fiscal year 2007 (as submitted to Congress for such fiscal year under section 1105(a) of title 31, United States Code).

(b) TACTICS AND DOCTRINE IN USE OF CLASS IV UNMANNED AERIAL SYSTEMS.—

(1) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" is hereby increased by $29,000,000.

(2) AVAILABILITY OF AMOUNT.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", as increased by paragraph (1), $29,000,000 may be available for experimentation and refinement of tactics and doctrine in the use of the Class IV unmanned aerial vehicles procured pursuant to subsection (a) and two ground stations associated with such vehicles.

(3) OFFSET.—The amount appropriated by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE" is hereby reduced by $29,000,000.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. VITTER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on August 1, 2006, at 11 a.m., in closed session to receive a briefing from the Joint Improvised Explosive Device Defeat Organization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. VITTER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on August 1, 2006, at 2:30 p.m., in open session, to receive testimony on the Boeing Company Global Settlement Agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. VITTER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, August 1, 2006, at 2:15 p.m. to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. VITTER. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate on Tuesday, August 1, 2006, at 10 a.m. in 430 Dirksen Senate Office Building for a hearing on nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. VITTER. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary be authorized to meet to conduct a hearing on "Judicial Nominations" on Tuesday, August 1, 2006 at 2 p.m. in Dirksen Senate Office Building, Room 226.

Panel I: TBA.

Panel II: Peter D. Keisler to be United States Circuit Judge for the District of Columbia Circuit.

Panel III: Judge Valerie L. Baker to be United States District Judge for the Central District of California; Francisco Augusto Besosa to be United States District Judge for the District of Puerto Rico; Judge Philip S. Gutierrez to be United States District Judge for the Central District of California.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. VITTER. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs be authorized to meet on Tuesday, August 1, 2006, at 9 a.m., for a hearing entitled "Offshore Abuses: The Enablers, The Tools and Offshore Secrecy."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FISHERIES, WILDLIFE, AND WATER

Mr. VITTER. Mr. President, I ask unanimous consent that on Tuesday, August 1, 2006, at 2:30 p.m. the Subcommittee on Fisheries, Wildlife, and Water be authorized to hold a hearing on interpreting the effect of the U.S. Supreme Court's recent decision in the joint cases of Rapanos v. United States, and Carabell v. U.S. Army Corps of Engineers on "The Waters of the United States."

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Matt Miller and Justin Cohen of my staff be granted the privilege of the floor during the duration of today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that Ms. Lisa Raimondo, a legislative fellow assigned to my office, be afforded the privilege of the floor during the consideration of H. R. 5631, the Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRATULATING THE MAGEN DAVID ADOM SOCIETY IN ISRAEL

Mr. FRIST. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Con. Res. 113, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 113) congratulating the Magen David Adom Society in Israel for achieving full membership in the International Red Cross and Red Crescent Movement, and for other purposes.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 113) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. CON. RES. 113

Whereas international humanitarian law is, quintessentially, about principle, establishing standards of conduct that can not be breached under any circumstance, or for any calculation of political efficacy or utility;

Whereas the International Red Cross and Red Crescent Movement is a worldwide institution in which all national Red Cross and Red Crescent societies have equal status, whose mission is to prevent and alleviate human suffering wherever it may be found, without discrimination;

Whereas the Magen David Adom (Red Shield of David) Society is the national humanitarian society in Israel and has performed heroically, aiding all in need of assistance, on a purely humanitarian basis, without bias, even those responsible for acts of horrific violence against Israeli civilians;

Whereas, since 1949, the Magen David Adom Society has been refused admission into the International Red Cross and Red Crescent Movement and has been relegated to observer status without a vote because it has used the Red Shield of David, the only such national organization denied membership in the Movement;

Whereas the red cross symbol was intended as the visible expression of the neutral status enjoyed by the medical services of the armed forces and the protection thus conferred, and there is not, and has never been, any implicit religious connection in the cross;

Whereas, since its establishment in 1930, the Magen David Adom Society has worked under its own symbol, the Red Star of David, as an expression of the humanitarian values the Magen David Adom Society shares with the Red Cross and Red Crescent societies;

Whereas Israel acceded to the Geneva Conventions in 1951 with a reservation specifying their intent to continue to use the Magen David Adom;

Whereas international consultations among nations and national Red Cross Societies ensued until 1999, when the International Committee of the Red Cross formally called for adoption of a protocol to the Geneva Conventions creating a third neutral symbol, allowing the use of either the Red Cross, the Red Crescent, or the third neutral symbol, and allowing for the third neutral symbol to be used in combination with other national Red Cross Society symbols, including the Magen David Adom;

Whereas a diplomatic conference to adopt this proposal into the Geneva Conventions was scheduled for October 2000, but was prevented by the outbreak of the second Palestinian intifada;

Whereas the United States, the American Red Cross, and the American Friends of Magen David Adom have worked ceaselessly to resolve the issue of the third neutral symbol and achieve full membership in the International Red Cross and Red Crescent Movement for the Magen David Adom Society;

Whereas Congress has insisted that funds made available to the International Committee of the Red Cross be contingent on a certification by the Secretary of State confirming that the Magen David Adom Society is a full participant in the activities of the International Red Cross and Red Crescent Movement;

Whereas the American Red Cross has stood alone among all the national humanitarian aid societies, and has withheld over $45,000,000 in dues to the International Federation of the Red Cross and Red Crescent Societies to protest the exclusion of the Magen David Adom;

Whereas the Government of Switzerland, the depositary state for the Geneva Conventions, convened a Diplomatic Conference of the states party to the Geneva Conventions in December 2005 for the purpose of adopting a Third Additional Protocol and rightly resisted efforts to block the broad international consensus in favor of resolving the third neutral symbol question;

Whereas the efforts by the United States and the American Red Cross at the Diplomatic Conference in December 2005 were critical to achieving both an overwhelming positive vote in favor of adopting the Third Additional Protocol, as well as an extremely important memorandum of understanding between the Magen David Adom and the Palestinian Red Crescent Society;

Whereas sustaining international support for the adoption of the third neutral symbol against efforts to divert the conference into unrelated political matters required extraordinary diplomatic efforts by the United States and the American Red Cross;

Whereas the Third Additional Protocol adopted in Geneva in December 2005 established the new third neutral symbol, the "red crystal" that can be used in conjunction with the Red Shield of David and cleared the way for Israeli membership in the international movement;

Whereas, in June 2006, the states party to the Geneva Conventions, the national humanitarian aid societies, the International

Federation of the Red Cross and Red Crescent Societies, and the International Committee of the Red Cross met in Geneva to adopt rules implementing the Third Additional Protocol; and

Whereas, at the June 2006 meeting in Geneva, the International Red Cross and Red Crescent Movement accepted the Magen David Adom Society as a full member: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) commends the Magen David Adom Society for its long and distinguished record of providing humanitarian assistance to all those in need of aid, even those responsible for heinous atrocities against Israeli civilians;

(2) congratulates the Magen David Adom Society, and the Government and people of Israel, for securing full membership in the International Red Cross and Red Crescent Movement, 57 years past due;

(3) thanks the President, the Secretary of State, and United States diplomatic representatives for their tireless pursuit and maintenance of the international consensus that culminated in the recent acceptance of the Magen David Adom Society as a full member in the International Red Cross and Red Crescent Movement;

(4) thanks the American Red Cross for its unwavering and unyielding insistence within the International Red Cross and Red Crescent Movement that the principles of international humanitarian law could not be reconciled with continued exclusion of the Magen David Adom Society;

(5) thanks the Government of Switzerland and officials of the International Committee of the Red Cross for helping to prepare the necessary consensus and carrying to completion the adoption of the Third Additional Protocol by the states party to the Geneva Conventions and the rules for its implementation; and

(6) commends the President for—

(A) submitting the Third Additional Protocol to the Senate for its advice and consent; and

(B) pending approval by the Senate, preparing for congressional consideration and enactment of legislation necessary to carry into effect the Third Additional Protocol.

TO PRESERVE THE MT. SOLEDAD VETERANS MEMORIAL

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5683, which was received from the House.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5683) to preserve the Mt. Soledad Veterans Memorial in San Diego, California, by providing for the immediate acquisition of the memorial by the United States.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 5683) was ordered to a third reading, was read the third time, and passed.

Mr. FRIST. Mr. President, I want to pause for a moment and comment on the bill we just passed. I am proud that the Senate, in this bill, is choosing to protect an important memorial that honors our Nation's fallen veterans.

With the passage of this legislation, the Mt. Soledad Veterans Memorial Protection Act—this memorial being in San Diego, CA—I believe we pay a real tribute to our fallen veterans. This memorial will be controlled, with this legislation, by the Federal Government, which will ensure that the men and women it memorializes will continue to be so honored.

The memorial is very important to our veterans. It is a key symbol of our religious freedom.

Just a very brief comment on the history. Since 1954, a 29-foot cross has stood atop Mt. Soledad in San Diego memorializing the American war dead of World War I, World War II, and the Korean War conflict.

Over the years, the memorial has grown and now includes six large, concentric walls covered with granite plaques commemorating individual service men and women, bollards, pavers, and a flagpole proudly flying the American flag. The Mt. Soledad Memorial, in its entirety is a world class war memorial.

In 1989, a plaintiff who claimed to be offended by the memorial sued the city for its removal. The city of San Diego went to great lengths to divest themselves of the property by selling it to a private party who could choose to keep the memorial cross. That sale was blocked, however, by the Ninth Circuit Court of Appeals. Last year, the voters of San Diego passed a ballot measure providing for the donation of the memorial to the Federal Government, but again that transfer was blocked by the courts.

This bill, H.R. 5683, which we just passed, directs the Federal Government to acquire the property and enables the Mt. Soledad Memorial to be federally owned and continue to memorialize Americans who have fallen in service to their country. I do commend my colleagues for taking this significant step.

PREMATURITY RESEARCH EXPANSION AND EDUCATION FOR MOTHERS WHO DELIVER INFANTS EARLY ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 541, S. 707.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 707) to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Health, Education, Labor, and Pensions with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prematurity Research Expansion and Education for Mothers who deliver Infants Early Act" or the "PREEMIE Act".

SEC. 2. PURPOSE.

It the purpose of this Act to—

(1) reduce rates of preterm labor and delivery;

(2) work toward an evidence-based standard of care for pregnant women at risk of preterm labor or other serious complications, and for infants born preterm and at a low birthweight; and

(3) reduce infant mortality and disabilities caused by prematurity.

SEC. 3. RESEARCH RELATING TO PRETERM LABOR AND DELIVERY AND THE CARE, TREATMENT, AND OUTCOMES OF PRETERM AND LOW BIRTHWEIGHT INFANTS.

(a) GENERAL EXPANSION OF NIH RESEARCH.—Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended by adding at the end the following:

"SEC. 409J. EXPANSION AND COORDINATION OF RESEARCH RELATING TO PRETERM LABOR AND DELIVERY AND INFANT MORTALITY.

"(a) IN GENERAL.—The Secretary, acting through the Director of NIH, shall expand, intensify, and coordinate the activities of the National Institutes of Health with respect to research on the causes of preterm labor and delivery, infant mortality, and improving the care and treatment of preterm and low birthweight infants.

"(b) AUTHORIZATION OF RESEARCH NETWORKS.—There shall be established within the National Institutes of Health a multi-center clinical program (that shall be initially established utilizing existing networks) designed to—

"(1) investigate problems in clinical obstetrics, particularly those related to prevention of low birth weight, prematurity, and medical problems of pregnancy;

"(2) improve the care and outcomes of neonates, especially very-low-birth weight infants; and

"(3) enhance the understanding of DNA and proteins as they relate to the underlying processes that lead to preterm birth to aid in formulating more effective interventions to prevent preterm birth.".

(b) GENERAL EXPANSION OF CDC RESEARCH.—Section 301 of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

"(e) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall expand, intensify, and coordinate the activities of the Centers for Disease Control and Prevention with respect to preterm labor and delivery and infant mortality.".

(c) STUDIES ON RELATIONSHIP BETWEEN PREMATURITY AND BIRTH DEFECTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, conduct ongoing epidemiological studies on the relationship between prematurity, birth defects, and developmental disabilities.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, and every 2 years

thereafter, the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall submit to the appropriate committees of Congress reports concerning the progress and any results of studies conducted under paragraph (1).

(d) PREGNANCY RISK ASSESSMENT MONITORING SURVEY.—

(1) IN GENERAL.—The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall establish systems for the collection of maternal-infant clinical and biomedical information, including electronic health records, electronic databases, and biobanks, to link with the Pregnancy Risk Assessment Monitoring System (PRAMS) and other epidemiological studies of prematurity in order to track pregnancy outcomes and prevent preterm birth.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out paragraph (1), $3,000,000 for each of fiscal years 2007 through 2011.

(e) EVALUATION OF EXISTING TOOLS AND MEASURES.—The Secretary of Health and Human Services shall review existing tools and measures to ensure that such tools and measures include information related to some of the known risk factors of low birth weight and preterm birth.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, except for subsection (d), $10,000,000 for each of fiscal years 2007 through 2011.

SEC. 4. PUBLIC AND HEALTH CARE PROVIDER EDUCATION AND SUPPORT SERVICES.

Part P of title III of the Public Health Service Act (42 U.S.C. 280g et seq.) is amended—

(1) by redesignating the second section 399O (relating to grants to foster public health responses to domestic violence, dating violence, sexual assault, and stalking) as section 399P; and

(2) by adding at the end the following:

"SEC. 399Q. PUBLIC AND HEALTH CARE PROVIDER EDUCATION AND SUPPORT SERVICES.

"(a) IN GENERAL.—The Secretary, directly or through the awarding of grants to public or private nonprofit entities, may conduct demonstration projects to improve the provision of information on prematurity to health professionals and other health care providers and the public and to improve the treatment and outcomes for babies born preterm.

"(b) ACTIVITIES.—Activities to be carried out under the demonstration project under subsection (a) may include the establishment of programs—

"(1) to test and evaluate various strategies to provide information and education to health professionals, other health care providers, and the public concerning—

"(A) the signs of preterm labor, updated as new research results become available;

"(B) the screening for and the treating of infections;

"(C) counseling on optimal weight and good nutrition, including folic acid;

"(D) smoking cessation education and counseling;

"(E) stress management; and

"(F) appropriate prenatal care;

"(2) to improve the treatment and outcomes for babies born premature, including the use of evidence-based standards of care by health care professionals for pregnant women at risk of preterm labor or other serious complications and for infants born preterm and at a low birthweight; and

"(3) to respond to the informational needs of families during the stay of an infant in a neonatal intensive care unit, during the transition of the infant to the home, and in the event of a newborn death.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $5,000,000 for each of fiscal years 2007 through 2011.".

SEC. 5. INTERAGENCY COORDINATING COUNCIL ON PREMATURITY AND LOW BIRTHWEIGHT.

(a) PURPOSE.—It is the purpose of this section to stimulate multidisciplinary research, scientific exchange, and collaboration among the agencies of the Department of Health and Human Services and to assist the Department in targeting efforts to achieve the greatest advances toward the goal of reducing prematurity and low birthweight.

(b) ESTABLISHMENT.—The Secretary of Health and Human Services shall establish an Interagency Coordinating Council on Prematurity and Low Birthweight (referred to in this section as the Council) to carry out the purpose of this section.

(c) COMPOSITION.—The Council shall be composed of members to be appointed by the Secretary, including representatives of the agencies of the Department of Health and Human Services.

(d) ACTIVITIES.—The Council shall—

(1) annually report to the Secretary of Health and Human Services and Congress on current Departmental activities relating to prematurity and low birthweight;

(2) carry out other activities determined appropriate by the Secretary of Health and Human Services; and

(3) oversee the coordination of the implementation of this Act.

SEC. 6. SURGEON GENERAL'S CONFERENCE ON PRETERM BIRTH.

(a) CONVENING OF CONFERENCE.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services, acting through the Surgeon General, shall convene a conference on preterm birth.

(b) PURPOSES OF CONFERENCE.—The purpose of the conference convened under subsection (a) shall be to—

(1) increase awareness of preterm birth as a serious, common, and costly public health problem in the United States;

(2) review the findings and reports issued by the Interagency Coordinating Council, key stakeholders, and any other relevant entity; and

(3) establish an agenda, and report such agenda to Congress, for activities in both the public and private sectors that will speed the identification of, and treatments for, the causes of preterm labor and delivery.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $1,000,000.

Mr. FRIST. I ask unanimous consent that the committee-reported amendment be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment in the nature of a substitute was agreed to.

The bill (S. 707), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. FRIST. Mr. President, I ask unanimous consent that I be added as a cosponsor to this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. I congratulate my distinguished colleague from Tennessee, who is occupying the Chair, for that very important bill.

RELOCATION EXPENSES TEST PROGRAMS EXTENSION

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 528, S. 2146.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2146) to extend relocation expenses test programs for Federal employees.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2146) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2146

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF RELOCATION EXPENSES TEST PROGRAMS.

(a) IN GENERAL.—Section 5739 of title 5, United States Code, is amended—

(1) in subsection (a)(1), by striking "for a period not to exceed 24 months"; and

(2) in subsection (e), by striking "7 years" and inserting "11 years".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as though enacted as part of the Travel and Transportation Reform Act of 1998 (Public Law 105-264; 112 Stat. 2350).

UNANIMOUS CONSENT AGREEMENT—S. 1566

Mr. FRIST. Mr. President, I ask unanimous consent that at a time to be determined by the majority leader, with the concurrence of the Democratic leader, the Senate proceed to the immediate consideration of Calendar No. 191, S. 1566. I further ask that the Chambliss amendment at the desk be agreed to, and that the only other amendments in order be the following four amendments, the text of which is at the desk, with no second-degree amendments in order: a Smith-Stevens amendment on petroleum prices, 1 hour equally divided; a Cantwell amendment on petroleum prices, 1 hour equally divided; a Feinstein amendment on electronic energy transactions, 4 hours equally divided, with 30 minutes of the minority's time under the control of Senator LEVIN; a Conrad amendment on CFTCs authority, 1 hour equally divided.

I further ask that, in addition to the time specified on the amendments.

there be 30 minutes of debate equally divided on the bill, and that following the use or the yielding back of time, the bill, as amended, be read the third time.

I further ask that the Senate then proceed to Calendar No. 358, H.R. 4473, the House companion, and that all after the enacting clause be stricken and the text of S. 1566, as amended, be inserted thereof, the bill, as amended, be read a third time, and the Senate proceed to a vote on passage, and S. 1566, as amended, be returned to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

REDESIGNATING THE MASON NECK NATIONAL WILDLIFE REFUGE

Mr. FRIST. Mr. President, I ask unanimous consent that the EPW Committee be discharged from further consideration of H.R. 3682, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

> A bill (H.R. 3682) to redesignate the Mason Neck National Wildlife Refuge in Virginia as the Elizabeth Hartwell Mason Neck National Wildlife Refuge.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3682) was ordered to a third reading, was read the third time, and passed.

ORDERS FOR WEDNESDAY, AUGUST 2, 2006

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. Wednesday, August 2. I further ask that following the prayer and the pledge, the morning hour be deemed to have expired, the time for the two leaders be reserved, and the Senate then resume consideration of H.R. 5631, the Department of Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, today, we overwhelmingly passed a very important bill that will affect the lives of all consumers, which is everybody in this country in the future. The gulf coast energy security bill was passed overwhelmingly today with a vote of 71 to 25.

We just passed this bill an hour and a half ago or so. At that point, we thanked our various colleagues. But in conversations after that among my colleagues, Democrats and Republicans, we all remarked that this is the way legislation should be passed: bipartisan, working together, a lot of hard work on the floor, a lot of preparatory work, involvement of staff soliciting a lot of input as we go through careful deliberation and passage of a bill that will be to the benefit of every American.

It is a great victory for the American people. Our colleagues were recognized earlier. Most people pointed, first and foremost, and appropriately, to Senator DOMENICI who stayed focused on the bill, who led the bill that was passed last year, now 54, 53 weeks ago, a bill that has transformed the framework through which we review advances in energy and energy policy, and this bill being the next major step in addressing supply and production of American homegrown energy. We thank Senator DOMENICI for his leadership on both those bills.

This evening, the Senate turned to the Department of Defense appropriations bill. I appreciate Chairman STEVENS and the ranking member, Senator INOUYE, for very rapidly turning to that bill and beginning debate with their opening statements and beginning on the amendment process which should start tomorrow morning.

Tomorrow we will resume consideration of this appropriations bill. It is my hope that we can complete this legislation before we leave for the August recess. I say that after having talked with a number of our military leaders over the last several weeks and the Secretary of Defense today who stressed how important it is to get these appropriated funds flowing for the support of our troops overseas and at home and the infrastructure that supports them, especially in this time of war.

We have a lot to do over the course of the week. So late nights are possible each night. I laid out the schedule early this morning. I mentioned the importance of this bill which links three bills together—the death tax, the tax extenders, and the minimum wage—on Friday morning. Late nights are possible—in fact, likely—as we continue on the Department of Defense bill tomorrow and on Thursday night as well, and then the pension bill we absolutely must address before we leave before the recess.

I thank the Democratic leader, in particular, for understanding and working with our leadership in scheduling and being able to proceed with the Nation's business in a very short period of time because the American people deserve it. He understands that; their leadership understands it. Even though we don't agree on all the legislation that is coming before us, the ability to move and to move effectively and efficiently is something I really appreciate as we come into these last 5 or 6 days in the Senate.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:13 p.m., adjourned until Wednesday, August 2, 2006, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 1, 2006:

FARM CREDIT ADMINISTRATION

LELAND A. STROM, OF ILLINOIS, TO BE A MEMBER OF THE FARM CREDIT ADMINISTRATION BOARD, FARM CREDIT ADMINISTRATION, FOR A TERM EXPIRING OCTOBER 13, 2012, VICE DOUGLAS L. FLORY, TERM EXPIRING.

DEPARTMENT OF AGRICULTURE

CHARLES R. CHRISTOPHERSON, JR., OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION, VICE JOSEPH J. JEN.

DEPARTMENT OF THE INTERIOR

C. STEPHEN ALLRED, OF IDAHO, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR, VICE REBECCA W. WATSON, RESIGNED.

ENVIRONMENTAL PROTECTION AGENCY

ROGER ROMULUS MARTELLA, JR., OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE ANN R. KLEE, RESIGNED.

ALEX A. BEEHLER, OF MARYLAND, TO BE INSPECTOR GENERAL, ENVIRONMENTAL PROTECTION AGENCY, VICE NIKKI RUSH TINSLEY, RESIGNED.

DEPARTMENT OF LABOR

RANDOLPH JAMES CLERIHUE, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE LISA KRUSKA.

NATIONAL SCIENCE FOUNDATION

ARTHUR K. REILLY, OF NEW JERSEY, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012, VICE MICHAEL G. ROSSMANN, TERM EXPIRED.

NATIONAL LABOR RELATIONS BOARD

WILMA B. LIEBMAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2011. (REAPPOINTMENT)

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

MICHAEL F. DUFFY, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION FOR A TERM EXPIRING AUGUST 30, 2012. (REAPPOINTMENT)

UNITED STATES POSTAL SERVICE

JAMES H. BILBRAY, OF NEVADA, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 2006, VICE JOHN F. WALSH, RESIGNED.

JAMES H. BILBRAY, OF NEVADA, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR A TERM EXPIRING DECEMBER 8, 2015. (REAPPOINTMENT)

EXECUTIVE OFFICE OF THE PRESIDENT

SUSAN E. DUDLEY, OF VIRGINIA, TO BE ADMINISTRATOR OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS, OFFICE OF MANAGEMENT AND BUDGET, VICE JOHN D. GRAHAM, RESIGNED.

DEPARTMENT OF THE INTERIOR

CARL JOSEPH ARTMAN, OF COLORADO, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR, VICE DAVID WAYNE ANDERSON.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. JOHNNY A. WEIDA, 0541

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. ANN E. RONDEAU, 9812

IN THE AIR FORCE

THE FOLLOWING NAMED INDIVIDUALS IN THE GRADES INDICATED IN THE REGULAR AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531(A):

To be colonel

GARY J. CONNOR, 8746
ALAN C. DICKERSON, 1689
KATHLEEN A. MCGOWAN, 4921
EFREN E. RECTO, 5983

To be lieutenant colonel

ALLENA H. BURGE, 9633
JOHN T. HALL, 1932
DEVELEN L. HANSEN, 0420
JANE L. HOLTZCLAW, 2901
THOMPSON L. LANUIS, 1613
THOMAS G. MOODY, 3157
PAULA M. STRAIT, 2120

To be major

NICOLAS J. ANDREWS, 0903
LAFAYETTE B. BELK, 8279
JOSEPH N. BLUSTEIN, 5108
ARNOLD B. CAMPO, 0141
CHOON H. CHA, 0391
BRETT M. CHUNG, 4863
CHARLES C. COLEMAN, 2319
MICHAEL S. DONDELINGER, 9898
MARC EUGENE, 4644
EDITH L. FRALEY, 1527
DEBRA FULTON, 8133
ANTONIO M. GUIMARAES, 6048
DENNIS W. HAAS, 8149
FRED HOST, 9768
DAISY HUISENTRUIT, 4380
SHELLEY M. JENKINS, 7987
ABDULHAY A. KADRI, 9523
ANTHONY U. KINGSLEY, 2138
RICHARD L. LOCKWOOD, 3577
LILLIAN P. OVERALL, 8656
BHARAT M. RAMAN, 8211
JAMES J. REYNOLDS, 1508
RONALD L. RUGGEREIO, 7796
MELISSA M. SCALERA, 6027
JOSE A. SOLIS, 8480
JAMES R. THOMPSON, 3194
EDDIE H. UY, 8099
GENEVA W. WALKER, 3999
JOHN C. WHITTINGTON, 5904
MARVIN W. WILLIAMS, 4494
MICHAEL T. WINGATE, 6077

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

JOSSLYN L. ABERLE, 7450
SAMUEL M. ALLMOND, 3660
ANTHONY J. AUDREY, 0598
JESSE BABAUTA, 8228
BRODRICK J. BAILEY, 7448
GREGORY E. BAK, 1079
JOHN D. BALLARD, 2765
ANTWAN D. BANKS, 4109
TEENA M. BARBER, 3326
GREGORY W. BISHOP, 9719
JEFFREY R. BOURNE, 4077
JOHN M. BOYD, 8620
MICHAEL D. BRADY, 9558
BRADLEY K. BRAGG, 9646
BARNEY D. BREWINGTON, 9865
MARTHA K. BROOKS, 0080
DEAN A. BURBRIDGE, 1597
CERVANTES E. CAMACHO, 2174
CARLA J. CAMPBELL, 4173
FREDERICK R. CARLSON, 7463
JOSEPH P. CARROLL, 1853
DAVID W. CHAPLIN, 5458
ROBERT C. CHERIPKA, 1397
STEVEN B. CHOI, 9470
JOHN M. CLEARWATER, 4311
KENNETH J. CURRY, 2651
KENNETH L. CYPHER, 1889
DARRYL C. DARDEN, 3138
FRANCISCO DECARVALHO, 3318
GREGORY L. DEDEAUX, 3745
TODD A. DELONG, 3396
DANIEL L. DIPIRO, 9815
PETER J. DON, 7203
MARTIN DOWNIE, 7074
JEROME J. DRISCOLL, 5671
MARK R. DUKE, 9170
RODNEY DUNCAN, 9053
MICHAEL W. DURHAM, 5474
RICHARD S. DUROST, 7563
NORMAN E. EMERY, 4259
CHRISTOPHER T. ENGER, 2028
SAMUEL P. FAGONE, JR., 8016
BRIAN R. FOSTER, 2008
GREGORY J. FOX, 5817
ANTHONY M. FUNCHESS, 7685
KEVIN T. GALE, 3009
MARK L. GAYLO, 5274
JOHN H. GINGRICH, 8847
CYNTHIA A. GLENISTER, 1134
EDWARD C. GLIOT, 3317
KIMNGAN J. GOODWIN, 1370
LEWIS P. GOODWIN IV, 0409
DEREESE F. GOSHORN, 7614
JAMES L. GRAY, 8071
TIMOTHY T. GREEN, 0679
THOMAS W. GREENWALD, 9243
CHRISTOPHER L. GRIMM, 0521
KEVIN T. GRZELKA, 0103
AMY E. HANNAH, 2183
MARK A. HASEMAN, 7100
SCOTT A. HEISE, 4448
JOHN D. HENDERSON, 1643
BRANDON K. HERL, 6431
ROBERT D. HUNTER, JR., 9374
JOHN F. INGRAM, 7391
DAVID L. JACKSON, 9740
RODNEY E. JORDAN, 5645
GARY G. KENT, 2080
RICHARD F. KREUSCHER, 0073
SCOTT D. LATHROP, 4118
CHRISTOPHER S. LEGRAND, 7919
RICHARD A. LEWIS, 1520
CHRISTOPHER A. LIVINGSTONE, 7994
TODD D. MACKERT, 3077
RUBEN R. MATOS, 9204
FERNANDO J. MAYMI, 6507
JAMES D. MCCALLISTER, 3663
MARK L. MCCANN, 3461
MARK L. MERRELL, 8493
VICTORIA L. MIRALDA, 6207
SCOTT MITCHELL, 4450
DWIGHT R. MORGAN, 1051
MARK B. MOSS, 2621
CARLA D. MULLINGS, 1435
PAUL M. MURPHY, 4763
ROBERT D. MURPHY, 1741
MELISSA J. NELSON, 9879
CHRISTOPHER D. NIEDERHAUSER, 2887
RUMI NIELSONGREEN, 0786
JAMES D. PATTERSON, 1397
RICHARD T. PATTERSON, 2322
KENDAL V. POLK, 8615
SCOTT C. POOLE, 5958
GREGG A. POWELL, 3192
DANIEL P. RAY, 5017
LARRY J. ROBERTS, 9394
BENJAMIN G. ROBERTSON, 7556
MATTHEW E. ROBINSON, 3336
SAM W. RUSS III, 3371
HOLLY C. SILKMAN, 4051
SCOTT A. SMITH, 4853
VERONICA SMITH, 0414
THOMAS M. SNOW, 3371
KARA L. SOULES, 6079
KENNETH A. STEVENS, 8777
STEVEN P. STOVER, 5652
SHAWN A. STROUD, 3077
PAUL J. SWIERGOSZ, 6683
ROBERT H. TALLMAN, JR., 0547
MARK B. TANNER, 3723
CYNTHIA F. TERAMAE, 9928
GREGORY R. TRNKA, 2716
WILLIAM TURMEL, JR., 0475
CRAIG S. UNRATH, 0077
DAVID J. WALDMAN, 9956
ROBERT D. WALLACE, 9529
JULIUS WASHINGTON, 2675
DAVID J. WEIS, 8613
LEMUEL K. WILLIAMS, 4896
KENNETH D. WILLIS, 0541
MARK E. WRIGHT, 6571
FRANK H. ZIMMERMAN, 3135

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

TIMOTHY F. ABBOTT, 0952
LARRY K. ADAMS, 9938
MICHAEL C. ALLISON, 5751
KEITH W. ANTHONY, 7937
MARIO A. ARZENO, 7273
JAMES M. ASHFORD, 6761
MICHELLE M. BAILEY, 3459
DONALD R. BAKER, 1551
CREIGHTON R. BARBER, 4049
FREDERICK S. BARRETT, 7877
ROBERT L. BARRIE, JR., 0074
DALE A. BEDSOLE, 4376
MICHELLE A. BLACK, 4538
KENNETH M. BOERSMA, 8700
JAMES E. BOGLE, 4713
RAYMOND E. BOYD, JR., 6281
DAVID D. BRENNER, 7828
ROBERT J. BRINKMANN, 5238
HAROLD D. BROEK, JR., 9838
JOHNNY R. BROUGHTON, 5573
MICHAEL L. BROWN, 4535
SCOTT A. BRYSON, 6012
ROSE K. CARD, 6428
CLAUDIA J. CARRIZALES, 9758
TIMOTHY M. CAULEY, 2269
ROGER F. CAVAZOS, 0911
JOHN R. CAVEDO, JR., 1119
DARRELL W. CHINN, 9336
TONY K. CHO, 7593
ANDREW B. CLANTON, 5095
FRANK S. CLARK III, 4905
WILLIE D. COLEMAN, 7138
FREDERICK B. CORBIN, 9577
PATRICK D. CRABB, 0964
JASON T. CRAFT, 5707
HARRY R. CULCLASURE, 8788
TONY B. CURTIS, 3000
ABBAS K. DAHOUK, 4591
MARK R. DANIELS, 7244
RODNEY A. DAVIS, 9817
TODD A. DELLERT, 6817
JAMES T. DELLOLIO, 1518
MARK J. DERBER, 7299
MICHAEL DISHMAN, 7375
KENNETH W. DOBBERTIN, 7049
KATHRYN S. DUCCESCHI, 6504
SCOTT C. DULLEA, 6862
ANDREW J. DUSZYNSKI, 9607
JAMES B. DYKES IV, 6872
JONATHAN M. EDWARDS, 2559
JOHN M. EGGERT, 5829
MATTHEW L. ENGLAND, 3364
MICHAEL E. EVANCHO, 3450
MARK A. FABER, 6303
RODNEY D. FAUST, 5579
JOHNNY R. FIGUEROAMERCADO, 1486
WILLIAM D. FISCHER, 9662
TYLER F. FITZGERALD, 4561
GREGORY C. FRANKS, 6493
KENNETH S. FU, 4985
JASON L. GALINDO, 3608
DAVID A. GALLES, 3986
DENNIS GAARE, 4851
ERIC S. GLENN, 3912
ROBERT J. GOULD, 2491
DANIEL R. GREEN, 8229
GREGORY S. GREEN, 3496
CHRISTOPHER K. GREENE, 2009
JOHN L. GREWELLE, 3511
CHRISTOPHER M. GRIEG, 9020
WALTER M. GRISSOM III, 8690
JEFFREY C. GROVER, 3607
MATTHEW J. GULBRANSON, 5321
MOISES M. GUTIERREZ, 3325
THOMAS A. HABSTRITT, 9751
MICHAEL J. HALE, 3622
ANDREW B. HAMILTON, 1327
DARYL P. HARGER, 8097
MARC R. HARRELSON, 7716
MAE F. HARRIS, 7222
BRENT H. HASHIMOTO, 9074
THOMAS W. HAUSER, 0510
DERRICK G. HAYES, 1065
ERIC G. HELM, 7463
KEVIN C. HENDERSON, 0358
MELBA L. HERNANDEZ, 5261
BRADFORD L. HOBSON, 7970
WILLIAM R. HOGANS IV, 1767
GEORGE A. HOLLAND, JR., 1829
RICHARD J. HORNSTEIN, 7037
TIMOTHY C. HOSSACK, 6584
PAUL D. HOWARD, 5579
THOMAS D. HUNTER, 9717
JOHN M. INGRAM, 2563
ALFRED E. JACKSON, 0854
HOPE M. JACKSON, 6452
JACQUELIN JACOCKSCREVECOEUR, 4023
HOWARD R. JAYNES, JR., 4277
DAVID P. JENSEN, 7509
DANIEL M. JONES, 9124
JOHN W. KENNEDY III, 2405
JOHN F. KERISH, 5669
ROBERT W. KETCHUM, 9514
JEFFREY A. KLEIN, 9335
IAN B. KLINKHAMMER, 2400
JOY N. KOLLHOFF, 1183
SCOTT G. KRIPOWICZ, 8038
TODD C. KROS, 2367
ERIC M. LACHANCE, 1520
BRYAN L. LEE, 1178
JOHN C. LEE, 5745
SEUNG J. LEE, 9569
CHRISTOPHER LEHNER, 4257
CHAD N. LEMOND, 1265
SUSAN M. LIND, 3872
NORMAN P. LITTERINI, 6670
WILLIAM M. LOCKARD, 1679
RICHARD J. LONARDO, 6547
JONATHAN D. LONG, 4211
ROBERT D. LONG, 0663
NICOLAS J. LOVELACE, 2343
FREDRICK C. LUDDEN, 4903
IAN B. LYLES, 9065
PATRICK W. MALONEY, 8798
ANDREW D. MARBLE, 7655
CHARLES A. MARR, 7444
JACK H. MAST, JR., 7054
DARIEL D. MAYFIELD, 3647
RAMONA M. MCCAA, 2409

ALONZO B. MCGHEE, 2459
JAMES V. MCKINNEY, 7358
FRITZGERALD F. MCNAIR, 3438
JAMES F. MCNULTY, JR., 2015
TIMOTHY R. MCRAE, 6920
DERRICK A. MELLBERG, 0686
STUART L. MEYER, 0050
DOUGLAS S. MILLER, 5741
JEFFREY S. MILLER, 3806
ALEKSANDAR MILUTINOVIC, 3028
JAMES M. MINNICH, 5908
KEVIN D. MOBLEY, 0486
KENT G. MOORHOUSE, 6056
MICHAEL C. MORTON, 7861
KARL E. MUEHLHEUSER, 7165
HUGH J. MULLALY, 4293
RANDY MURRAY, 0320
KENDALL H. NASH, 2159
KIMBEL D. NEAL, 7987
MARK A. NEAL, 9716
WALTER G. NICHOLS, JR., 6632
MICHAEL R. NYBERG, 4139
MARK G. ODONNELL, 7657
ANDREW A. OLSON, 1406
ROBERT E. PADDOCK, JR., 4896
GREGORY J. PAUL, 3366
THEODORE M. PERRYMAN, 8493
JEFFREY L. PETERS, 7822
BYRON D. PETERSON II, 7789
SAMUEL L. PETERSON, 3274
JOEL R. PHILLIPS, 0297
GREGORY POLIZZI, 0207
JENNIFER R. PRICE, 6334
RONALD L. QUINTER, 5143
SHIRLEY T. RAPUES, 1076
THERESIA A. RAYMOND, 7899
JEFFREY E. REDDICK, 7193
DANIEL W. REDFIELD, 4498
STEVEN T. REHERMANN, 4246
JOHN T. REIM, JR., 5253
DANIEL A. RICHETTS, 8367
PAUL B. RILEY, 9436
WILLIAM M. ROBARE, 8718
WILLIE E. ROBINSON, 9010
ALEX V. ROMERO, 2381
TRACY L. ROOU, 5460
JAMES P. ROSS, 6151
JOHN P. RUEDISUELI, 4766
DANIEL S. RUSIN, 1309
MARK J. RYDZYNSKI, 9363
ANTHONY J. SANCHEZ, 2982
GREGORY R. SARAFIAN, 7203
ROBERT R. SCHMIDT, JR., 0625
PAUL J. SCHMITT, 6815
ARNOLD SEAY, 1069
ANTHONY SEBO, 3127
KELLY J. SHERE, 4312
ERIK J. SIMONSON, 5803
MICHAEL E. SLOANE, 0628
MARK A. SMITH, 6663
GARY T. SPENCER, 5997
STEVEN D. STANLEY, 1413
TIMOTHY A. STAROSTANKO, 9342
CHARLES M. STEIN, 7019
CYNTHIA H. STEIN, 1667
LINDA V. STEINHOLTZ, 2875
VINCENT N. STEPHAN, 6884
ERIC J. STIERNA, 4434
KENNETH W. STRAYER, 7017
RICHARD J. STROYAN, 6843
THOMAS STYNER, 0788
PAUL D. TERRELL, 6736
JOHN R. THOMPSON, 2891
TUAN T. TON, 9546
JOHN M. VANNOY, 1272
RALPH R. VARGAS, 0767
ROBERT A. WAGNER, 7702
DAVID B. WASHINGTON, 4066
ERIK C. WEBB, 0163
ROY R. WEIDANZ, 1006
MICHAEL D. WEISZ, 6911
PATRICK M. WHITE, 4192
ROBERT A. WILLIS, 4216
TERRY M. WILSON, JR., 4146
CHARLES E. WITTGES, 5767
RAY P. WOJCIK, 9070
DAVID S. WOLONS, 7955
DAVID R. WOMACK, 1379
NEWMAN M. YANG, 9866
CHAD D. YOUNG, 5345
MICHAEL YUSCHAK, 8006
KEVIN K. ZURMUEHLEN, 8053
MICHAEL J. ZUVANICH, 8554
X2566

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

DARRYL K. AHNER, 1298
JEFFREY L. APPLEGATE, 7601
JAMES E. BARNETT, 7283
WELDON A. BARRETT III, 3776
SAMUEL C. BASS, 0263
KEATON L. BEAUMONT, 9246
MICHAEL J. BELL, 8288
REGINALD J. BELTON, 7958
MICHAEL D. BENTON, 8404
JAMES P. BIENLIEN, 2820
ALEC L. BLAKELEY, 9080
ROBERT D. BRADFORD III, 8507
JOHN R. BRAY, 2904
JEFFREY B. BROADWELL, 7501
ERIC C. BURGER, 4549
MICHAEL F. CABAJ, 6102
SUERO J. CANO, 7789
BRYAN S. CARTER, 6745
STEVEN A. CARTER, 1954
JACQUELINE O. CHENOWETH, 1644
MATTHEW G. CHESNEY, 4629
JOHN A. CHVERCHKO, 6636
PATRICK W. CIHAK, 3697
DAVID L. CLEVENGER, 3538
TRACEY CLYDE, 4904
DANIEL T. CONKLIN, 7296
MICHAEL I. CORSON, 5450
CHRISTOPHER J. COURTNEY, 2594
DARREL G. COX, 4013
JOY L. CURRIERA, 1272
KEITH B. CZELUSNIAK, 1203
JAMES W. DANIELS, 8796
THOMAS R. DAVIES, 6085
JAMES E. DAVIS, 8208
SUZANNE M. DELONG, 3213
JAMES M. DEMYANOVICH, 1333
EDWARD V. DESHIELDS, JR., 0907
CHRISTOPHER C. DIXON, 9736
CLYDE A. DOPHEIDE, 8583
LOREN G. EGGEN, 9847
PAUL L. EWING, JR., 9413
KEITH A. FALCETTI, 6865
SONYA L. FINLEY, 9948
SUSAN M. FOSTER, 8139
MARK C. GAGNON, 9020
TERESA M. GARDNER, 4724
ANTHONY A. GILLIAM, 3409
DONALD J. GILLICH, 6257
LUIS A. GONZALEZOCASIO, 9089
CHRISTOPHER R. GOSSELIN, 3662
KENNETH P. GREEN, 1307
MARK J. GRUBER, 7723
MATTHEW J. HAIGHT, 6983
ERIC C. HANSEN, 4876
BLAIRE M. HARMS, 1223
TINA R. HARTLEY, 0983
KEITH A. HATTES, 2281
KENNETH M. HAYASHIDA, 4465
THOMAS A. HAYS, 3073
DOYLE M. HERNDON, 3851
CHETWOOD R. HILL, 9134
CHRISTOPHER E. HORNBARGER, 9239
KELSO W. HORST, JR., 8752
MICHAEL S. JACKSON, 6407
KELLY A. JASPER, 4639
STEPHEN G. JOHNSON, 4116
THEODORE J. JOHNSON, 7753
KENT T. JONES, 0229
RUSSELL B. KAISER, 1233
KEVIN J. KEIPP, 3769
STEPHEN E. KENT, 6584
HAZEL E. KILLEBREW, 4535
PETER G. KILNER, 4040
CHRISTOPHER W. KIRKMAN, 7852
ROBERT M. KLEIN, 1610
MARK J. KNEIS II, 7954
WILLIAM L. KOESTER, 1073
LINDA A. KOTULAN, 1260
CRAIG F. LAMARCHE, 6719
TIMOTHY S. LAWRENCE, 0020
RICHARD P. LAWSON, 0347
BRIAN M. LAYTON, 6054
CHRISTOPHER J. LEHNER, 6194
RUSSELL L. LLOYD, 3201
TERRY L. LOVE, 8046
JAMES C. LOVER, 9799
CHARLES R. MACDONALD, 3635
ROBERT M. MACMULLEN, 8926
MICHELLE C. MASON, 1657
DOUGLAS M. MATTY, 8780
DANIEL J. MCCARTHY, 8654
JEFFREY A. MCDOUGALL, 0765
DANIEL J. MCGREAL, 0131
WILLIAM M. MCLAGAN, 3143
CHRISTINE J. MENESES, 1574
THOMAS H. MEYER, 6111
CHRISTOPHER S. MOORE, 8826
HECTOR R. MORALESNEGRON, 9230
MICHAEL S. MUSSO, 6435
SCOTT T. NESTLER, 6293
STEPHEN N. OLEJASZ, 8345
MICHAEL A. ORTELLI, 7803
DONALD A. OUTING, 9916
JOHN D. OVEREND, 8092
DAVID S. PAUGH, 1706
EMORY E. PHLEGAR, JR., 2129
NIKLAS H. PUTNAM, 5235
MATTHEW D. QUINN, 5881
MATTHEW F. RASMUSSEN, 9084
GREGORY E. RAWLINGS, 2468
RICHARD A. RIVERA, 2922
KEITH M. RIVERS, 2544
DAVID M. SANDERS, 0357
RYAN E. SAW, 0938
STEVEN J. SCHWEITZER, 5248
GEORGE H. SEAWARD, 4536
ROBERT L. SHEARER, 4535
KRAIG E. SHEETZ, 4346
STEPHEN B. SLEDGE, 8746
DAVID A. SMITH, 0319
JOHN S. SMITH, 6395
STEPHEN A. SMITH, 0845
DARRYL T. SOLI, 8539
BRIAN M. STOUT, 5954
LAWRENCE M. TAYLOR, 6344
WILLIE L. THEMES, 0332
ROBERT N. TRABUCCHI, JR., 5910
JUAN K. ULLOA, 9899
ROBERT E. UNGER, 0478
JAMES W. WARE, 5905
JOHN A. WASKO, 1752
MICHAEL E. WERTZ, 8851
JOHN W. WHEELER, 6103
BRUCE H. WILLIAMS, 0578
MARK P. WITTIG, 7408
HELY D. WOOD, 0759
DAVID J. WOOTEN, 6758
KEENAN B. WYNN, 1063
GUY C. YOUNGER, 2622

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

ROBERT L. ABBOTT, 5570
ANTHONY L. ADAMS, 3524
ELIZABETH M. ADAMS, 2437
JAMES H. ADAMS III, 5571
BRYAN F. AGENA, 7415
PETER D. AHL, 7590
STEPHEN K. AITON, 5516
DEXTER A. ALEXANDER, 8268
LESLIE A. ALFORD, 3357
CHARLES H. ALLEN, 1903
DAVID K. ALLEN, 8374
TERANCE J. ALLEN, 6771
MICHAEL S. ALLMOND, 9028
JAYSON A. ALTIERI, 2486
REIK C. ANDERSEN, 3614
JAMES C. ANDERSON, 4992
MARVIN W. ANDERSON, 0993
SAMUEL G. ANDERSON, 9589
FRANCIS L. ANDREWS, 6531
PETER B. ANDRYSIAK, JR., 6220
OSADEBE M. ANENE II, 2864
RICHARD E. ANGLE, 2491
NICHOLAS M. ANTHONY, JR., 0026
LAWRENCE A. ANYANWU, 9250
GREGORY S. APPLEGATE, 1461
RUDOLFO AQUINO, JR., 7932
ERIC D. ARNOLD, 6835
THOMAS L. ARRINGTON, 1773
THOMAS F. ARTIS, 5298
MIKAEL R. ASH, 5136
PAUL V. ASHCRAFT, 1320
ROBERT P. ASHE, 1162
DAVID G. ATHEY, 7270
LAURI J. ATKINS, 0693
CHARLES A. ATTALES, 3581
DARRELL W. AUBREY, 2767
ROBERT T. AULT, 6893
PHILIP D. AYER, 5660
ROTHA R. AYERS, JR., 0938
PAUL F. BAILEY, 9887
HUGH D. BAIR, 6618
CLINTON J. BAKER, 5078
GREGORY A. BAKER, 5787
JAMES W. BAKER, 0709
PAUL M. BAKER, 7876
DAVID W. BANIAN, 3037
DAVID M. BARNES, 7476
LEE BARNES, 0891
STEPHEN W. BARONE, 3084
EDMUND J. BARRETT, 6562
KEITH A. BARSHINGER, 4203
PAUL R. BARTZ, 4408
JAMES E. BASS III, 8182
JOHN A. BASSO, 5629
JAMES D. BATES, 0415
THOMAS J. BATTLES, 4106
JAMES P. BAUMGART, 9056
ROBERT J. BAYHAM, 9531
DAVID C. BEACHMAN, 3344
MILFORD H. BEAGLE, JR., 9000
DANIEL G. BEATTY, 7390
IVAN P. BECKMAN, 7039
DARREN W. BEHM, 5753
CHARLES S. BELL, 5411
ANTHONY L. BENITEZ, 6904
RAUL C. BENITEZ, 4732
DAVID M. BENNETT, 1772
SYLVIA A. BENNETT, 0702
CHRISTOPHER M. BENSON, 9803
ERSKINE R. BENTLEY II, 6319
MICHAEL K. BENTLEY, 3935
DAVID B. BEOUGHER, 5710
STEVEN A. BERGOSH, 9495
JOSE R. BERRIOS, 3774
KEVIN L. BERRY, 2396
JOHN D. BEURY, 2590
MARIA A. BIANK, 6916
MARK D. BIEGER, 7032
BENJAMIN J. BIGELOW, 2014
MICHAEL L. BIGHAM, 9361
MICHAEL L. BINEHAM, 3514
EARL S. BITTNER II, 3773
WILLIAM R. BLACK, 4669
JIMMY F. BLACKMON, 9201
WILLIAM W. BLACKWELL, 4967
SAMUEL C. BLANTON III, 0173
JAMES J. BLAYLOCK, 7573
CHRIS A. BLOMBACH, 3694
CHRISTINA M. BLOSS, 8445
CHRISTOPHER T. BLUME, 7120
THOMAS D. BOCCARDI, 5690
ANTHONY P. BOHN, 9321
DAVID R. BOLDUC, 0001

GARY BOLOS, 5239
BRYON L. BONNELL, 3274
MARK E. BOROWSKI, 4073
DAVID W. BOTTCHER, 0230
JAMES B. BOTTERS, 6045
MICHAEL A. BOTTIGLIERI, 1985
WILLIAM W. BOUCHER, 3977
HORACE W. BOWDEN III, 5923
JOHN E. BOX, 3613
EARNEST E. BOYD, 6566
GREGORY G. BOYD, 8887
THOMAS A. BOYD, 1684
CHRISTOPHER BOYLE, 3784
JIMMY M. BRADFORD, 3452
ROBERT W. BRADFORD, 1220
GREGORY J. BRADY, 5238
JONATHAN P. BRAGA, 8946
MICHAEL D. BRANTLEY, 5879
MICHELE H. BREDENKAMP, 0082
TREVOR J. BREDENKAMP, 0318
JOHN W. BRENNAN, 9716
STEVEN D. BRETON, 8759
CHRISTOPHER J. BREWER, 3934
ANDRAE E. BROOKS, 5279
NICHOEL E. BROOKS, 7057
PAUL K. BROOKS, 0335
THOMAS V. BROUNS, 3806
CHARLES H. BROWN, 9864
GEORGE C. BROWN, 8317
JAMES D. BROWN, 0512
MATTHEW J. BROWN, 7738
ROBERT B. BROWN, 4432
ROSS A. BROWN, JR., 1100
WILLIAM E. BROWN III, 3388
JEFFREY A. BRYAN, 8535
MARK J. BUCKLEY, 1156
RICARDO C. BULLOCK, 0767
JOHN S. BULMER, 2781
DOUGLAS S. BUNNER, 4303
BRIAN D. BURCHETTE, 1120
KIM A. BURDESHAW, 2359
CLIFFORD T. BURGESS III, 2546
EDWARD J. BURKE IV, 0840
WILLIAM W. BURNHAM, 6960
MONICA L. BURNHAUSER, 5919
JAMES M. BURNS, 2565
BLAKE L. BURSLIE, 3373
LANCE J. BURTON, JR., 1572
GARRY B. BUSH, 3411
WILLIAM J. BUTLER, 2822
STEVEN T. BUTTERFIELD, 5723
PETER W. BUTTS, 3841
KEITH BYRD, 6848
RICHARD T. BYRD, JR., 6750
JOHN E. BYRN, 7398
JACQUELINE M. CAIN, 6911
JOHN E. CALAHAN, 7980
SCOTT P. CALDWELL, 8641
STEPHON CALHOUN, 1020
CHRISTOPHER D. CALL, 6009
MARK J. CAMARENA, 2326
GREGORY D. CAMERON, 2827
ERIC M. CAMPANY, 8375
DOUGLAS R. CAMPBELL, 7611
ROBERT C. CAMPBELL, 1802
DAVID S. CANNON, 7665
CASIMIR C. CAREY III, 7266
MICHAEL A. CARLSON, 8871
EDWIN J. CARNS, 5945
RICHARD D. CARPENTER, 0638
PRESSLEY R. CARR, JR., 6741
GARY J. CARTER, 5518
KENNETH C. CARY, 8538
KEITH A. CASEY, 7522
JOHN H. CASPER, 7099
WILLIAM J. CATER, 3892
ROBERT R. CAVAGNA, 8082
ROBERT N. CAVINESS, 6374
RICHARD A. CAYA, 3514
PHILLIP A. CHAMBERS, 4756
KATHLEEN M. CHAPMAN, 6699
MATTHEW A. CHAPMAN, 7721
JOHN S. CHAPUT, 9195
KENNETH D. CHASE, 0024
JANICE H. CHEN, 6903
STEPHEN T. CHENG, 1905
CHARLES S. CHENOWETH, 1565
MARK L. CHILDERS, 1848
MARK W. CHILDS, 5649
WILLIAM CHLEBOWSKI, 3661
CHRIS W. CHRONIS, 0012
CRAIG A. CHUBA, 0592
JON J. CHYTKA, 4792
ELIZABETH M. CISNE, 3563
TOM L. CLADY, 2717
CHARLES CLAFFEY, 5422
ANTHONY B. CLARK, 7397
GERALD L. CLAUDE, 3304
ALAN B. CLAYTON, 7443
JOHN G. CLEMENT, 0165
TIMOTHY K. CLEMENT, 2650
JEFFREY T. CLIFTON, 8172
LARRY G. COBLENTZ, JR., 1300
PHILANDER L. COCHRAN, 1824
ROBERT L. CODY II, 7856
RICHARD R. COFFMAN, 3890
ANDREW COLE, JR., 5955
ANTHONY S. COLE, 1511
DARRYL L. COLE, 8312
JEFFREY C. COLLINS, 4896
MARK D. COLLINS, 1011
PATRICIA S. COLLINS, 1853
JOHN K. COLLISON, 0604
KIMBERLY M. COLLOTON, 4679
THOMAS H. CONLON, 3624
GENE Y. CONNOR, 9753
GERALD A. CONWAY, 9925
ALEXANDER CONYERS, 1159
BRIAN C. COOK, 5442
ANDREW C. COOPER, 6553
JAMES M. CORCORAN, 9801
JOHN T. CORLEY, 5462
DANIEL J. CORMIER, 9966
ANTHONY P. CORNETT, 6488
MIGUEL A. CORREA, 5704
CHARLES D. COSTANZA, 2916
ANTHONY M. COSTON, 8058
JOHN A. COTTEN, 0542
MATTHEW J. COULSON, 7527
KIMBERLY A. COWEN, 4143
SHAWN W. COWLEY, 5142
DAVID W. COX, 5644
SHANNON C. COX, 1617
DOUGLAS W. CRADDOCK, 3923
EDUARDO J. CRAWFORD, 9358
YOLANDA Y. CREAL, 6030
GERARD H. CRIBB, 5100
ROBERT P. CRISLER, 9608
WILLIAM R. CRISTY, 3846
PATRICK N. CROSBY, 1393
EDWIN J. CRUZ, 8914
ARNOLD CSAN, JR., 4526
STEVE R. CULLINGFORD, 5379
PAUL J. CUPPETT, 6058
LEW E. CURETON, 9490
CARL A. CURRIERA, 8241
JAMES J. CUTTING, 7046
CRAIG J. CZAK, 7206
GERALD M. DAILEY, 5600
ALIRA L. DANAHER, 8815
MICHAEL J. DANIELS, 0148
NEAL DANIELS, 5388
ANDREW M. DANWIN, 2797
KIMBERLY L. DARBY, 8593
BILLY J. DAVIS, 6715
HOWARD A. DAVIS, 6201
JON C. DAVIS, 8503
MARK G. DAVIS, 0262
RICHARD A. DAVIS, 8485
ROBERT W. DAVIS, 9383
AUGUSTUS R. DAWSON III, 7547
CHRISTOPHER L. DAY, 3828
PATRICK B. DAY, 9485
DANIEL D. DEADRICH, 8534
STEVEN S. DEBUSK, 3558
CHRISTOPHER J. DEGARAY, 9501
ROBERT A. DELACY, 6866
BRIAN N. DELAPLANE, 1499
DAVID R. DELFAVERO, 4659
ANNEMARIE E. DELGADO, 5710
STEVEN L. DELVAUX, 3791
CHARLES DEMERY, 3809
JAMES D. DENARDO, 5155
CLARK R. DENMAN, 3428
CHAD D. DENNIS, 5687
BRYAN E. DENNY, 4618
ALAN J. DEOGRACIAS II, 2194
MATTHEW R. DEPIRRO, 8708
PHILLIP J. DEPPERT, 0027
GARNET R. DERBY, 4608
DAVID A. DESANTIS, 5370
LEE R. DESJARDINS, 8309
JOHN J. DEVILLEZ, 1768
WARREN W. DEWEY, 8202
DAVID J. DEYAK, 8399
MARIO A. DIAZ, 1262
GLENN K. DICKENSON, 1846
MILLICEN A. DILL, 1323
MICHAEL W. DILLINGHAM, 4428
BRIAN E. DILLON, 9448
ROBERT J. DIXON, JR., 1478
ROBERT M. DIXON, 5848
ROBERT S. DIXON, 9557
ALFRED C. DODSON, 7318
SEAN D. DONNELLY, 0405
THOMAS P. DONOVAN, 6709
CHRISTOPHER F. DOOLEY, 3275
KIRK C. DORR, 0537
BRAD C. DOSTAL, 7953
ANTHONY G. DOTSON, 2377
JIMMY T. DOUGLAS, 4347
TROY L. DOUGLAS, 4666
SCOTT A. DOWNEY, 3855
JEB S. DOWNING, 3882
THOMAS M. DOWNS, 0048
ERIC W. DRAKE, 0043
WILLIAM T. DRAPER, JR., 6079
KIRK T. DRENNAN, 4836
THOMAS R. DREW, 9997
CARTER N. DUCKETT, 6115
RONALD D. DUDLEY, 0476
JOHN L. DUER, 9981
MICHAEL B. DUGAN, 0289
SUSAN M. DUKE, 5809
FREDRICK C. DUMMAR, 2172
FARRELL J. DUNCOMBE, 2182
PATRICK B. DUNDON, 7628
LAURA D. DYCKMAN, 3682
JENNIE M. EASTERLY, 1806
MICHAEL R. EASTMAN, 6222
JANIE M. EDDINS, 5973
BRIAN M. EDMONDS, 8760
ROBERT L. EDMONSON II, 2217
THOMAS J. EDWARDS, JR., 9622
WILLIAM L. EDWARDS, 9692
ERIC P. EHRMANN, 3203
JANELL E. EICKHOFF, 5108
CHARLES B. ELLIOTT IV, 6474
THOMAS C. ELLIS, 1937
GREGORY A. ELLSWORTH, 7564
HUGH L. ELMORE, JR., 2156
MARK D. EMMER, 6563
TRACY L. EMOND, 6040
JAMES L. ENICKS, 9158
MARIA P. EOFF, 5093
JAMES G. ERBACH, 9174
THOMAS L. ERICKSON, 2401
FRANCISCO J. ESCALERA, 9978
JOHN C. ESPINOSA, 7234
JOHN M. ESPOSITO III, 4537
CHRISTOPHER L. EUBANK, 5819
MICHAEL D. EVANS, 2839
SUSANNE E. EVERS, 6451
JENNIFER C. EXPOSEFRANCISCO, 1455
FRANCIS J. EXPOSITO, 2165
MICHAEL J. FADDEN, 6389
ROBERT J. FAMILETTI, JR., 8106
LAURENCE M. FARRELL, 5867
MICHAEL J. FARRELL, 9517
SHERRI A. FARRIS, 0639
GARRETT P. FAWAZ, 6505
WILLIAM K. FEGLER, 1733
EDWARD P. FEIGENBAUM II, 6006
CHRISTOPHER R. FELCHLIN, 0856
PAUL W. FELLINGER, 2555
DONALD P. FIELDS, JR., 8093
MAYA M. FILBERT, 6608
MARK D. FINLEY, 3936
PAUL A. FISCHER, 8733
TIMOTHY P. FISCHER, 2696
DOLORES FISHER, 9765
ERIC B. FLEMING, 2526
STEVEN W. FLETCHER, JR., 9629
WILLIE J. FLUCKER, JR., 5373
BRIAN P. FOLEY, 2694
KYLE J. FOLEY, 8391
WENDY L. FOLEY, 0696
TONY D. FORBES, JR., 7704
COLLIN J. FORTIER, 7652
DARYL D. FOSS, 6234
MICHAEL L. FOSTER, 1153
JONATHAN W. FOX, 2831
JOHN W. FRANCIS, 3490
KARL L. FRANKE, 8173
DONALD R. FRANKLIN, 0818
MICHAEL D. FREGO, 2248
JOHN P. FRISBIE, 5709
JAY B. FULLERTON, 5272
WILLIAM T. FURGALA, 2235
ROSS V. GAGLIANO, 7189
ROGER A. GAINES, 2635
JAMES J. GALLIVAN, 5199
MICHAEL R. GALOPE, 1481
REYNALDO GARCIA, 6481
VICTOR G. GARCIA, JR., 0013
ORVILLE E. GARDNER, 7639
ROBERT A. GARDNER, JR., 8075
RODNEY E. GARFIELD, 0636
RICHARD GARLAND, JR., 3506
CHRISTOPHER B. GARRETT, 5231
JONATHAN O. GASS, 4222
OMUSO D. GEORGE, 8763
JON R. GEROLD, 1365
IRAJ GHARAGOUZLOO, 7249
ANTHONY J. GIANOPULOS, 1275
BRIAN W. GIBSON, 2382
KIMBERLY L. GILBERTMASON, 7991
RONALD D. GILLIAM, 1470
DAVID V. GILLUM, 5344
GERRY B. GIPSON, 6799
RICHARD J. GLEDHILL, 5281
JOSEPH P. GLEICHENHAUS, 3987
ROBERT GLENN III, 3408
MARK G. GLOWACKI, 2908
TODD T. GOEHLER, 2792
DANIEL J. GOLL, 5898
ANTHONY V. GONZALES, 6788
RAUL E. GONZALEZ, 6956
DANIEL W. GOODALEPORTER, 1858
JAMIE GOUGH IV, 5903
JEFFREY E. GRABLE, 8593
MARK V. GRABSKI, 5646
MARTHA G. GRANGER, 0407
ODELL A. GRAVES, 3167
TAYLOR L. GRAY, 5105
ANDREW I. GREEN, 7418
BRYAN S. GREEN, 2436
MATTHEW K. GREEN, 0804
VERONICA D. GREEN, 9097
JAMES T. GREENE, 6078
ANITA S. GREENLEE, 5337
ROBERT C. GREENWAY, 7187
ALAN L. GREISZ, 1083
ALFRED W. GRIESHABER, 4735
DENNIS E. GRIFFIN, 3491
ANDREW L. GROEGER, 8856
LEE K. GRUBBS, 1234
JOHN M. GUARNIERI, 6358
KEITH L. GUDEHUS, 2444
STEVEN GUITRON, 8989
DAVID P. GUNN, 2432
DONALD H. GUNN, JR., 4739
KAM S. GUNTHER, 3243
GARY M. GURAK, 0543
STAN M. GUTHRIE, 7421
KARL E. HAAS, 1388

ANTHONY R. HALE, 0699
JOSEPH A. HALL, 4974
STAN K. HALL, 7148
THOMAS S. HALL, 5455
EDWARD S. HALLAS, 9392
JOEL D. HAMILTON, 5531
SCOTT R. HAMILTON, 4954
RICHARD R. HANES, 3091
JON P. HANSEN, 6912
RICHARD L. HANSEN, 9493
KIRBY A. HANSON, 1868
MATTHEW F. HANSON, 2805
COLIN C. HANZLIK, 9222
CHRISTOPHER D. HARDIN, 0101
SUSAN L. HARDWICK, 4018
MICHAEL J. HARLAN, 1010
DWAYNE A. HARRIS, 1557
DENNIS P. HARRISON, 7973
RAYMOND E. HART, 0657
WILLIAM J. HARTMAN, 1251
CHRISTINE L. HARVEY, 1680
KENNETH J. HARVEY, 9040
PATRICK L. HARVEY, 2203
KEVIN G. HARVILL, 1837
SCOTT A. HASKEN, 1158
MORRIS J. HATCHER, 0176
JOHN A. HAUCK, 1166
PAULINE A. HAUGHTON, 4637
WILLIAM A. HAUSCHILD, 7531
PAUL E. HAUSER, 9228
LUKE P. HAVERLAK, 8378
DAVID E. HEATH, 9326
GARRETT D. HEATH, 8424
RONALD E. HEATHERLY, 0277
KEVIN G. HEBL, 0135
DANIEL R. HEINZELMAN, 3574
RICHARD J. HEITKAMP, 5020
CHARLES A. HEMPHILL, 1979
KEVIN T. HENDERSON, 7441
MICHAEL G. HENLEY, 3920
WALTER L. HENRY, 3290
MICHAEL C. HENSHAW, 2039
ANDREW M. HERBST, 6443
BRYAN P. HERNANDEZ, 7546
MARK M. HERRIN, 3875
MICHAEL J. HERTZENDORF, 5608
JOHNNY L. HESTER, 6865
MICHAEL J. HESTER, 0468
RICHARD D. HEYWARD, 7282
MICHAEL G. HICKS, 5740
TIMOTHY J. HIGGINS, 4964
CHRISTOPHER L. HILDEBRANT, 8292
DONN H. HILL, 2604
NATHAN E. HINES III, 7744
ANDRE L. HINSON, 0706
DAVID M. HODNE, 6590
SAMSON H. HOECKER, 7211
NATHAN J. HOEPNER, 3184
EDWIN L. HOGAN, 8492
JEFFREY R. HOLCOMB, 1291
BRUCE B. HOLLAND, JR., 9566
DIANA M. HOLLAND, 7857
GREGORY R. HOLMES, 6474
KEVIN A. HOLT, 9251
SCOTT G. HOOPER, 7196
PAUL D. HORLACHER, 5661
KENNAN D. HORN, 3510
JAMES C. HORTON, JR., 5593
JAMES M. HOULAHAN, 6645
MATTHEW F. HOUSER, 6507
DAVID N. HOUSH, 7464
EDWARD B. HOUSTON, 6745
MARK J. HOVATTER, 4099
CHARLES P. HOWARD, 7436
GEORGE W. HOWARD III, 4771
MAUREEN R. HOWARD, 7259
REGINALD D. HOWARD, 1328
RICHARD P. HOWARD, 7416
JONATHAN E. HOWERTON, 6742
DAVID K. HSU, 7188
NANCY J. HUBBARD, 1407
RALPH M. HUDNALL, JR., 4571
CURTIS B. HUDSON, JR., 1364
LEE G. HUDSON, 1608
MICHAIL S. HUERTER, 4186
WILLIAM M. HUFF, 7643
PHILIP C. HUGHES II, 0144
BEAVER L. HUH, 3114
HANS F. HUNT, 9645
DAVID E. HURLEY, JR., 7000
THOMAS D. HUSE, 0472
MICHAEL C. HUSTON, 2168
PAUL HUSZAR, 6436
KEVIN S. HUTCHISON, 1457
PATRICK J. HYNES, 7390
DAVID C. ICE, 5854
PAUL R. ILIFF, 1003
DAVID C. INDERMUEHLE, 6495
RONALD D. JACK, 7525
HARRIET A. JACKSON, 8657
SCOTT A. JACKSON, 9350
VAN D. JAMIESON, 3184
VAN D. JARRELL, 5010
FRANK E. JENIO, 5895
WANDA L. JENKINS, 6420
RAYMOND P. JENSEN, JR., 8993
DAVID P. JEWELL, 7491
MARC A. JIMERSON, 3959
ANDREW M. JOHNSON, 4597
CHAFFEY H. JOHNSON, 7048
CURTIS A. JOHNSON, 8746
DALE L. JOHNSON, 5653
DARRELL W. JOHNSON, 4071
JAMESON R. JOHNSON, 8160
MICHAEL B. JOHNSON, 8438
RANDY L. JOHNSON, 4013
JAMES A. JOHNSTON, 8602
BARRY G. JONES, 4506
CHRISTOPHER M. JONES, 7478
EDWARD O. JONES, JR., 3075
LIECHESTER D. JONES, 4799
OMAR J. JONES IV, 2519
QUAY B. JONES, 8725
STANLEY R. JONES, JR., 5889
ZANE H. JONES, 2287
SOMPORT JONGWATANA, 1109
DOUGLAS E. JORDAN, 7325
GLEN A. JORDAN, 3284
NICHOLAS D. JORDAN, 5873
CRAIG W. JORGENSON, 7020
MARK A. JOYNER, 5672
RANDOLPH F. JUDD, 4044
JOEL L. KAIN II, 8507
AARON E. KALLOCH, 0730
KHALIL F. KARADSHI, 3862
TIMOTHY M. KARCHER, 9735
LAWRENCE J. KARL, 5085
CHRIS L. KARSTENS, 9827
MATTHEW L. KAUFMAN, 8187
JAMES E. KAZMIERCZAK, 3399
KEVIN L. KEARN, 5767
JACK L. KEATON, JR., 6294
HAROLD D. KECK, 0659
SEAN A. KEENAN, 0652
STEVEN J. KELLER, 3702
DANIEL D. KELLY, 5092
DONALD C. KEMP, 2449
TODD A. KEMPTON, 6142
CHRISTOPHER K. KENNEDY, 4542
WILLIAM P. KENNEDY, 1472
PATRICK L. KERR, 3183
MICHAEL J. KERZIE, 3821
GARY W. KING, 2627
STEVEN M. KING, 7365
NICHOLAS E. KINKEAD, 9773
CHARLES D. KIRBY, 4252
ROBERT O. KIRKLAND, 9053
SHAWN E. KLAWUNDER, 1870
JOHN V. KLOEKER, 9480
KELLY T. KNITTER, 5061
KEVIN R. KNITTER, 4068
MICHAEL E. KNOX, 9697
KYLE K. KOLTHOFF, 3582
CHRISTOPHER J. KONICKI, 2087
DANIEL C. KOPROWSKI, 8725
DAVID J. KOSINSKI, 8616
CHRISTOPHER E. KRAMER, 5576
ERIK C. KRAMER, 0851
PAUL K. KREIS, 0242
KEVIN A. KRIEGER, 5086
MICHAEL L. KUBALA, 8372
JOHN D. KUENZLI, 7536
ALAN D. LABORWIT, 3555
TIMOTHY C. LADOUCEUR, 8709
LAURA M. LANDES, 8428
PETER J. LANE, 9615
CHRISTOPHER C. LANEVE, 4668
DARRYL LANGFORD, 2461
FREDERICK J. LANPHAR, 7052
ANTHONY W. LAPOINT, 7519
RYAN J. LAPORTE, 8142
CHRISTIAN R. LARLEE, 8484
FRANCIS J. LARVIE, 2033
STEPHEN R. LASSE, 2107
MICHAEL E. LATZKE, 1991
LEONARD J. LAW, 1058
ROBERT A. LAW III, 0289
MICHAEL J. LAWSON, 5387
RICHARD D. LEE, JR., 8648
JOHN W. LEFFERS, 4190
CAMERON A. LEIKER, 7916
STEVEN M. LEONARD, 2287
TRUDY K. LEONARD, 8601
STEPHEN A. LETCHER, 1749
JOHN K. LETHERMAN, JR., 3066
DARIN C. LEWIS, 2358
DENNIS F. LEWIS, 9455
MATTHEW R. LEWIS, 6165
DAVID LIEBERSON, 5451
RODNEY L. LIGHTFOOT, 6749
WILLIAM C. LINDNER, 4507
RALPH J. LITSCHER, 7934
MATTHEW R. LITTLEJOHN, 5301
THOMAS W. LLOYD, 6439
BRANDEE S. LOCKARD, 0986
STEPHEN B. LOCKRIDGE, 0449
STEPHEN R. LOFTIS, 1757
PETER A. LOFY, 3128
JON S. LOGEL, 1440
GILBERT J. LOPEZ, 2691
BRADFORD J. LORD, 1713
CHRISTOPHER J. LOREI, 2522
JAMES P. LOWE, 8978
TODD H. LOWELL, 2303
LYNN A. LUBIAK, 1935
JERRY W. LUCAS, 2503
JAMES A. LUCK, 9383
CLARENCE LUCKETT, JR., 8432
MARY K. LUDDY, 3928
PETER C. LYDON, 4227
RONALD J. LYSINGER, 2599
PATRICK B. MACKIN, 7316
SEAN E. MACKINTOSH, 3640
DUNCAN MACMULLEN, 7695
JEFFREY A. MADISON, 0590
MARCOS A. MADRID, 4174
KRISTA M. MAGRAS, 7790
RAY MALAVE, 5463
JEFFREY F. MALLOY, 1385
PATRICK E. MANGIN, 4787
DALE R. MANRY, 1408
NORA R. MARCOS, 9774
GEORGE C. MARKOS, JR., 8115
WILLIAM L. MARKS II, 6974
PATRICK D. MARQUES, 8256
MICHAEL A. MARTI, 5819
DOUGLAS C. MARTIN, 6549
EDWARD S. MARTIN, 2004
ERIC D. MARTIN, 6112
JEFFREY L. MARTIN, 1486
JAIME E. MARTINEZ, 6233
SONJA R. MARTINEZ, 2817
JOSEPH T. MARTINI, JR., 4189
MARIO D. MATOS, 0299
JOHNNEY K. MATTHEWS, 6717
NORMAN K. MATZKE, 2835
JOHN C. MAUS, 0224
DAVID P. MAUSER, 9062
DAVID W. MAY, 9386
DONALD M. MAYER, 7124
ISABELLA A. MAYO, 2706
SAM R. MCADOO, 6832
MICHAEL C. MCCALL, 5604
MICHELLE M. MCCASSEY, 5410
ROY A. MCCLELLAN, 8754
MICHAEL D. MCCOLGAN, 4133
RICHARD A. MCCONNELL, 9880
JOHN V. MCCOY, 4744
PHILIP D. MCCUTCHEON, 4666
JAMES J. MCDONNELL, 7643
PATRICK E. MCDURMON, 5853
CHRISTOPHER J. MCELVEEN, 7218
TROY D. MCFARLAND, 1877
MATTHEW W. MCFARLANE, 1436
SEAN C. MCGOVERN, 3459
BRIAN J. MCHUGH, 2045
DANNY L. MCINTOSH, 7137
ERNEST A. MCINTYRE, 1425
PATRICK J. MCKEVITT, 6612
MICHAEL W. MCKINNEY, 6755
BRIAN K. MCMULLEN, 5363
BRIAN M. MCMURRY, 0448
MICHAEL F. MCNALLY, 5415
ROBERT G. MCNEIL, JR., 5326
DALE E. MCPHERSON, 9671
EULALIO MEDINA, 8925
WILLIAM A. MEDINA, 8907
LEE E. MEDLEY, 3638
ARA A. MEGERDICHIAN, 5715
THOMAS A. MEIER, 4375
PAUL A. MELE, 4144
MICHAEL D. MELENDEZ, 7927
ROBERT L. MENIST, JR., 2660
TODD A. MERCER, 9787
GERARD J. MESSMER III, 4608
JEFFREY M. METZGER, 8178
GREGORY C. MEYER, JR., 3888
JEROME A. MEYERS, 3787
NATHAN P. MICHAELS, 1716
BRIAN M. MICHELSON, 3787
JOHN MIGONE, 4745
VERNON H. MILES, JR., 6707
JAMES E. MILLER, 6060
MARIA R. MILLER, 4218
MICHAEL D. MILLER, 9667
PACKARD J. MILLS, 2536
PETER G. MINALGA, 0430
MICHELLE D. MITCHELL, 2014
PALMER F. MITCHELL, 2576
TORREY S. MITCHELL, 4657
DANIEL C. MOLL, 3798
STEPHEN B. MOLSEED, 7361
RICHARD M. MONNARD, 8309
JUAN MONTOYA, 1844
RICHARD D. MOON, 3841
ERIC T. MOORE, 8732
THOMAS G. MOORE, 5480
CAMERON F. MOOSE, 9652
MARTIN L. MORFORD, 8996
DEWEY A. MORGAN, 0719
JOHN P. MORGAN, JR., 7723
JOHNNY A. MORITZ, 0431
STEVEN L. MORRIS, 8673
STANLEY B. MOSS, 1627
SANDRA S. MUCHOW, 9179
DONALD G. MUNDY, JR., 3383
JOSE L. MUNIZ, 8408
KEVIN P. MURPHY, 4032
ROBERT M. MURRAY, 9502
STANLEY D. MURRELL, 4041
TERRENCE L. MURRILL, 4562
MICHAEL J. MUSIOL, 4352
BRIAN T. MYERS, 6125
MARK T. NAKAGAWA, 5497
EARL S. NAKATA, 6801
JODY L. NELSON, 6664
MARK D. NELSON, 2683
RANDAL W. NELSON, 4600
COREY A. NEW, 1027
THOMAS NGUYEN, 1085
VAN A. NINE, 3227
DAVID E. NORTON, 0662
ANDREW W. OAKES, 4884
DEWEY K. OCHOA, 3737
DAVID I. OCLANDER, 1572
JOHN A. OGRADY, 7066

ROBERT J. OLSEN, JR., 5694
BRAD J. OLSON, 8533
JEFFREY T. ONEAL, 0203
EDWARD J. ONEILL IV, 7098
MICHAEL J. ONEILL, 0799
MATTHEW S. ORENSTEIN, 3715
MARC A. ORR, 7649
ROBERT J. ORTIZ, 1996
JOHN H. OSBORN, 2092
MICHAEL G. OSTERHOUDT, 8127
JOSE A. OTERO, 5908
KARI K. OTTO, 9727
ARTHUR F. PALAGANAS, 2596
MICHAEL P. PANCIERA, 8167
BRENT M. PARKER, 0333
TIMOTHY J. PARKER, 3005
JAMES C. PARKS III, 0677
WILLIAM K. PARKS, 7651
GUY B. PARMETER, 1048
MICHAEL L. PARR, 0682
RALPH PATE, JR., 3896
BRYAN E. PATRIDGE, 9225
SEAN M. PATTEN, 4198
ERIC A. PATTERSON, 3863
JOSEPH G. PATTERSON, 1542
LANCE C. PATTERSON, 6939
TRINA C. PATTERSON, 2859
BRIAN K. PAXTON, 1587
JAMES P. PAYNE, 1235
KEVIN M. PAYNE, 4335
BRIAN L. PEARL, 6648
ROBERT A. PEDEN, 4325
KELLY J. PEITZ, 6200
KEITH A. PELLEGRINI, 8303
MICHAEL D. PELOQUIN, 0149
BRIAN L. PENNINGTON, 2585
LEON E. PENNINGTON, 6610
JOHN W. PENREE, 2461
JOHN P. PERRIN, 5811
MICHAEL P. PERRY, 8363
GREGORY D. PETERSON, 8886
JON J. PETERSON, 7040
BRIAN S. PETIT, 6618
RICHARD V. PETITT, 4470
MICHAEL C. PETTY, 4954
LAROY PEYTON, 6876
ROBERT J. PHILLIPS, 0135
TIMOTHY U. PHILLIPS, 0797
NIKOS R. PHIPPS, 5074
THOMAS J. PIASECKI, JR., 0323
BRIAN J. PIERCE, 8544
LAHN M. PITCHFORD, 3845
JAY G. PITZ, 2231
ROBERT C. PIZZITOLA, 8458
JOSE PLAZACOLON, 9897
BOYD R. PLESSL, 1692
BRIAN J. POE, 9204
CHARLES R. POOLE, 4486
JEFFREY A. POSHARD, 3972
DOUGLAS E. POWELL, 1641
KEVIN M. POWERS, 1023
CHRISTOPHER C. PRATHER, 4637
RICHARD A. PRATT, 3378
TIMOTHY D. PRESBY, 7765
SHAWN T. PRICKETT, 0087
DAVID N. PROPES, 1841
JAMES E. PUGH, 7403
JOHN J. PUGLIESE, 5026
DAVID L. QUINTERO, 2496
ROBERT J. RABB, 0391
BRYAN P. RADLIFF, 5376
TERESA L. RAE, 3833
JASON G. RAKOCY, 0524
CARLOS M. RAMOS, 1101
CHRISTOPHER R. RAMSEY, 2336
DESMOND T. RAPHAEL, 2613
MARK D. RASCHKE, 4028
DENNIS C. RASDALL, 2577
STEPHEN J. RASH, 2238
WILLIAM A. RASKIN, 8034
DARREN J. RAY, 1190
BRIAN W. REARDON, 3708
JAMES F. RECKARD III, 4697
DANIEL R. REDDEN, 8970
ANTHONY G. REED, 8413
ROBERT A. REED, 3235
PAUL P. REESE, 6939
DEREK K. REEVE, 3486
FRED L. REEVES, JR., 7560
WALTER G. REEVES, 6591
THEODORE H. REICH, 8438
TODD M. REICHERT, 9327
RANSFORD A. REINHARD II, 7356
WILLIAM H. REINHART, 5097
STEPHEN C. RENSHAW, 2548
EDWARD J. REPETSKI, 2566
KARL D. RESTALL, 2459
ENRIK M. REYES, 6591
ROBERT A. REYNOLDS, 3997
DEAN M. RHINE, 5695
GREGORY L. RHODEN, 5741
JOHN E. RHODES IV, 4538
GORDON A. RICHARDSON, 7238
MICHAEL RICHARDSON, 2336
ELIZABETH W. RICKARD, 5275
LEONARD D. RICKERMAN, 5579
DANIEL K. RICKLEFF, 4625
WAYNE S. RIDER, 2691
KYLE M. RIEDEL, 1479
JULIUS A. RIGOLE, 5285
PAUL W. RILEY, 7896
JON A. RING, 8586
WILLIE RIOS III, 3144
EDWARD J. RIPP, 7854
FRANCISCO J. RIVERACOLON, 6855
ROY A. ROBBINGS, 4651
RONALD L. ROBERTSON, 4639
ALEX N. ROBINSON, 3324
JESSIE L. ROBINSON, 5159
ADAM L. ROCKE, 9177
ARIEL R. RODRIGUEZCOLON, 9525
DAVID G. ROGERS, 7789
HUGH K. ROGERS III, 1850
DANIEL R. ROOSE, 2033
RICHARD R. ROOT, 2264
THOMAS E. ROOT, JR., 6825
HEATH C. ROSCOE, 1404
GARY R. ROSE, 7134
RODNEY P. ROSE, 3953
DEAN T. ROSS, 2822
STEVEN D. ROSSON, 3652
JAMES C. ROYSE, 7900
JODY RUCKER, 2226
KEVIN D. RUDDELL, 0240
JOHN K. RUDOLPH, 8583
DEVIN E. RUHL, 8584
CHARLES L. RUMRILL, 2880
KYLE F. RUNTE, 6957
TODD C. RUNYON, 5746
MIKEL A. RUSSELL, 4971
ANTHONY J. RUZICKA, 8933
RYAN B. RYDALCH, 6862
LINDA J. SAHIN, 9279
GEORGE J. SALERNO, 4228
EUGENE A. SAMPLE III, 7653
ROBERT L. SANCHEZ, 6705
SCOTT A. SANDBACK, 4553
GREGORY SANDERS, 7636
HERBERT SANDERS, JR., 1637
KELLY J. SANDIFER, 7977
GEORGE J. SAWYER IV, 7789
MICHAEL P. SCHAEFER, 8136
STANLEY F. SCHALL, JR., 3113
DALLAN J. SCHERER II, 2023
PAUL G. SCHLIMM, 1806
MARK R. SCHMIDT, 6618
MARK R. SCHONBERG, 2080
LOREN P. SCHRINER, 5970
GEORGE S. SCHURR, 3621
CRAIG R. SCHWARTZ, 4282
DAVID C. SCOFIELD, 8265
BRIAN C. SCOTT, 8527
SWILLING W. SCOTT, JR., 7002
RUSSELL K. SEARS, 2741
STEPHEN C. SEARS, 0029
DOVER SEAWRIGHT, 9476
DAVID J. SEGALLA, JR., 9789
ROY M. SEIDMEYER, 7032
BRIAN K. SEROTA, 0618
CLIFFORD M. SERWE, 9207
ANDREW D. SEXTON, 3161
JANICE L. SHARKEY, 5972
DARRYL W. SHARP, SR., 7907
LEROY SHARPE, JR., 5179
MATTHEW P. SHATZKIN, 8045
JOHN W. SHAWKINS, 7905
KATHY A. SHEAR, 9672
MICHAEL R. SHEEHY, 5774
WILLIAM L. SHEPHERD III, 9710
THOMAS A. SHOFFNER, 8111
ROBERT T. SHOLA, 7489
ALLEN D. SHREFFLER, 6861
ALAN J. SHUMATE, 3379
GREGORY F. SIERRA, 0602
DAVID C. SIGMUND, 8997
RODNEY M. SIMMONS, 0298
BYRON R. SIMS, 8978
DOUGLAS A. SIMS II, 6114
KIM L. SIMS, 2000
DOUGLAS C. SKAGGS, 2119
BURT W. SLEDGE, 3048
MICHAEL J. SLOCUM, 7466
SCOTT D. SLYTER, 9316
LARRY SMALL, 4381
THOMAS J. SMEDLEY, 9110
WILLIAM S. SMEDLEY, 9119
CHARLES E. SMITH, JR., 8730
DAVID J. SMITH, 0888
JEFFREY A. SMITH, 0748
JULIAN C. SMITH III, 3182
MARK P. SMITH, 8234
MARK R. SMITH, 0460
ROBBIN C. SMITH, 3986
STEPHEN G. SMITH, 6655
STEPHEN L. SMITH, 3674
THERESE J. SMITH, 7895
DANIEL B. SNEAD, 6956
MICHAEL J. SNIPES, 7078
ROSS D. SNOW, 9548
LOUIS J. SNOWDEN II, 7531
JOHN S. SOGAN, 0565
BRIAN M. SOLES, 9340
DANIEL E. SOLLER, 6630
MARK E. SOLOMONS, 4798
RICHARD B. SOMERS, 3774
WILLIAM R. SOUTHARD, 6019
STEPHANIE A. SPANO, 1243
WILLIAM A. SPEIER III, 5269
DERWOOD L. SPENCER, 2123
BERNHARD SPOERRI, 8209
BRUCE S. STABLES, 2408
RICHARD J. STAFFORD, 9544
GRANT V. STANFIELD, 2922
RANDALL L. STAPFER, 1936
CRYSTAL R. STAPLES, 8801
EDWARD J. STEIN, 6822
JEFFREY M. STENFORS, 5595
VICKIE D. STENFORS, 0132
CHRISTOPHER C. STENMAN, 9388
KATHLEEN K. STEPANCHUK, 3492
HARRIET S. STEPHENS, 6594
GEORGE W. STERLING, JR., 3562
DAVID F. STEWART, 1285
DEBRA L. STEWART, 7804
HERMAN STEWART, JR., 8175
ALBERT H. STILLER, 0056
DOUGLAS F. STITT, 0476
JEFFREY M. STOLZ, 7018
SCOT N. STOREY, 7581
MARK T. STREHLE, 0147
JEFFREY C. STROH, 2808
RIEKA M. STROH, 5495
MICHAEL A. STUART, 8346
RAYMOND STUHN, 4167
BRADLEY S. STUMPF, 1017
CHAD M. SULLIVAN, 1516
TIMOTHY P. SULLIVAN, 4613
HUGH R. SUTHERLAND, 3022
SHIRLEY D. SUTTON, 5225
PATRICK T. SWEENEY, 4817
JOAN T. SWEENY, 1260
KENT L. SYLVESTER, 5388
DARREL S. TACKETT, 6330
CHRISTOPHER P. TALCOTT, 3223
EDWARD J. TAYLOR, 0685
KHRIS Y. TAYLOR, 3526
MARY B. TAYLOR, 2349
JOSEPH A. TERRY, 3720
BRIAN L. TESSMAN, 8601
TERENCE B. THIBODEAUX, 0113
GEORGE K. THIEBES, 8963
CATHY J. THOMAS, 4327
CLEOPHUS THOMAS, JR., 7679
KARL R. THOMAS, 2589
DANIEL L. THOMPSON, 9282
GARRY L. THOMPSON, 0935
JOSE M. THOMPSON, 6731
MARC D. THORESON, 1114
THOMAS J. TICKNER, 7255
RICHARD F. TIMMONS II, 6435
PAUL J. TOMAKA, 6315
CHRISTOPHER A. TOMPKINS, 7641
DEBRA K. TOMPKINS, 9906
SHAUN E. TOOKE, 1141
TERRY TORRACA, 8259
ROBERT P. TORRES, 2673
VINCENT H. TORZA, 1938
JOHN R. TOTH, 2845
PETER J. TRAGAKIS, 5229
STEPHANIE E. TROCHAK, 8745
TIMOTHY C. TROUTMAN, 3736
TERRY L. TRUETT, 0323
SEENA C. TUCKER, 6766
RONALD M. TUCZAK, 7581
VICTOR L. TUMILTY, 4762
DOUGLAS J. TWYMAN, 3374
PATRICK C. TYNAN, 7477
JOSEPH D. TYRON, 0066
KEVIN K. UPSON, 3605
HECTOR R. VALLE, 1807
MARVIN G. VANNATTER, JR., 3482
JUAN M. VAZQUEZQUINTANA, 7633
LEONARD E. VERHAEG, 6608
JOHN A. VERMEESCH, 5055
BRADFORD M. VESSELS, 7633
PAUL M. VIDO, 3001
SCOTT A. VOELKEL, 6067
ANN M. VONRECUM, 2450
JESSICA R. VOSS, 9341
KURT O. WADZINSKI, 7410
MICHAEL S. WALLACE, 0552
NATHAN E. WALLACE, 1143
GLENN A. WALSH, 8098
PATRICK M. WALSH, 2911
TODD E. WALSH, 1446
CHARLES A. WALTERS, JR., 0574
WILLIAM A. WALTERS, 3628
KAREN K. WARD, 1561
KYLE W. WARREN, 2161
CHRISTOPHER J. WATSON, 8815
JEFFREY L. WATSON, 3686
RICHARD G. WATSON, 0473
ROBERT K. WATWOOD, 5666
MICHAEL E. WAWRZYNIAK, 1075
ANDREW J. WEATHERSTONE, 9581
DAVID J. WEBER, 0505
TAMARA S. WEESE, 4216
AUGUST M. WEGNER IV, 8762
ROBERT G. WEGNER, 6008
LISA M. WEIDE, 8994
HIELKE WELLING, 0380
SHELLY D. WELLS, 0147
VERONICA J. WENDT, 1304
CHARLES W. WERNER, 1791
STEPHEN A. WERTZ, 4674
NEAL A. WEST, 5443
JAMES A. WHATLEY, 9106
THOMAS N. WHITAKER, 1828
GREGORY D. WHITE, 1708
JEFFREY R. WHITE, 2690
JERRY A. WHITE II, 3362
ROBERT L. WHITE, 6514
CHRISTOPHER J. WHITTAKER, 5297
ROBERT F. WHITTLE, JR., 0922
RANDALL D. WICKMAN, 4161
ANTHONY R. WIGGINS, 6952

CHRISTOPHER W. WILBECK, 7176
LIONEL V. WILBURN, 5161
JAMES L. WILKINS, 9290
KENNETH M. WILKINSON, 6340
KEVIN R. WILKINSON, 5546
ANGELO N. WILLIAMS, 6956
AUDLEY F. WILLIAMS, 0450
RIGITTE L. WILLIAMS, 2149
CALVIN E. WILLIAMS, 0518
CEDRIC B. WILLIAMS, 9496
MARK F. WILLIAMS, 0307
RALPH E. WILLIAMS, 0796
ROBIN D. WILLIAMS, 0734
SAMUEL E. WILLIAMS, 2569
STANLEY T. WILLIAMS, 9350
THOMAS C. WILLIAMS, 5118
THOMAS M. WILLIAMS, 3971
VANCE C. WILLIAMS, 0207
RONNIE J. WILLIAMSON, 6058
RICHARD E. WILLS, 5055
JAMES L. WILMETH IV, 9082
DAVID WILSON, 7259
JAMES D. WILSON, 8150
LAWRENCE D. WILSON, 5648
LISA M. WILSON, 3638
LITONYA J. WILSON, 4741
ROBERT E. WILSON, 6272
STEPHEN W. WILSON, 0461
TODD P. WILSON, 3426
WAYNE S. WINEGLASS, 7855
DIANE E. WINEINGER, 9890
DOUGLAS W. WINTON, 7536
GARY D. WIRTZ, 8002
JOEL WOFFORD, 4027
ERIC S. WOLF, 9603
DONALD C. WOLFE, JR., 0382
DWANA L. WOLFE, 6520
CHRISTOPHER A. WOLNEY, 0526
DAVID L. WOOD, 2288
HARRY T. WOODMANSEE III, 8100
JEFFREY F. WOODWARD, 1165
JOSEPH A. WUCIK III, 0614
JOHN A. WYRWAS, 3298
RICHARD S. YADA, 6448
DAVID J. YEBRA, 5894
DAVID G. YONKOVICH, 0314
JOEL W. YOUNG, 8382
STEVEN D. YOUNG, 7974
JODI L. ZAJAC, 5852
MATTHEW W. ZAJAC, 2227
LISA A. ZANGLIN, 2465
ERIC W. ZEEMAN, 5916
SIDNEY C. ZEMP IV, 4268
WILLIAM H. ZEMP, 4432
PAUL B. ZEPERNICK, 3525
ANTHONY E. ZERUTO, 6054
ERIK D. ZETTERSTROM, 2177
DENNIS M. ZINK, 5093
TODD M. ZOLLINGER, 6951
X3371
X6715
X3257
X2014
X0889
X4076
X1847
X1943

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

TRACY A. BERGEN, 0839
CHRISTOPHER D. BOWNDS, 6766
TRACIE L. CRAWSHAW, 6189
JILL E. DEMELLA, 2279
DARRELL D. EVERHART, 2307
JENNIFFER D. GUNDAYAO, 1432
MERY A. S. KATSON, 6382
TRACI A. KEEGAN, 1305
DAVID S. KEMP, 6106
YOLANDA KERN, 2656
HUI K. PAK, 6873
LAURIE M. PORTER, 6593
GEORGE K. WERENSKJOLD, 8972
DONALD R. WILKINSON, 0042

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

MICHAEL N. ABREU, 9006
KARL A. ANDINA, 8639
JOHN W. BAILEY, 5149
BRADY J. BARTOSH, 1366
ROBERT H. CASSOL, 5969
MILES T. ERVIN, 7727
ANDREW C. EST, 6573
JOHN B. GAILEY, 3768
MATTHEW D. HUMPHREY, 2430
MATTHEW S. MCLAURIN, 4761
GERALD R. J. MCMURRAY, 5957
JENNIFER L. NICHOLLS, 2329
JOHN H. ROUSSEAU, 1596
TIMOTHY W. SPITSER, 3682
CHARLES M. STUART, 1351
CHRISTOPHER K. WILLIAMS, 6641
ROBERT K. WILLIAMS, 9037

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

CRISTAL B. CALER, 1963
KEVIN L. CRABBE, 4084
TRENT R. DEMOSS, 8961
MARK W. DOVER, 3846
ROBERT B. FARMER, 6921
DAVID FERREIRA, 5001
ALBERT R. MEDFORD, 5036
CHARLES K. NIXON, 7750
KIMBERLY J. SCHULZ, 5301

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

KEVIN L. ACHTERBERG, 5892
HERMAN L. ARCHIBALD, 1283
SUSAN BRYERJOYNER, 0565
SCOTT R. COUGHLIN, 5725
SONYA COX, 3504
JAMES H. DARENKAMP, 5049
ALLEN L. EDMISTON, 2818
THERESA M. EVERETTE, 5330
JAMES B. GINDER, 4956
MARK A. GUZZO, 9345
ANA I. KREIENSIECK, 8187
ERIC S. MCCARTNEY, 7878
JACQUELINE V. MCELHANNON, 1833
TODD A. MULLIS, 3532
JEFFREY D. SANDERS, 9207
ROBBY F. SCHIMELPFENING, 4100
ARLENE J. SHOULTS, 0320
TERESIA J. THOMPSON, 7840
KELVIN L. UPSON, 6376
PETER A. WU, 0423

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

SCOTT R. BARRY, 8103
GREGORY D. BURTON, 6206
KATHRYN S. CHRISTENSEN, 9006
SCOTT A. DAVIS, 0457
DAVID DEMILLE, 9241
STEPHEN W. DUDAR, 1606
BRIAN R. DURANT, 1521
KARL P. EIMERS, 6595
GREGORY K. GASKEY, 0151
CHRISTOPHER E. HAND, 8858
JOEL P. HARBOUR, 1857
JEFFREY T. HEYDON, 2311
GARY W. KIRKPATRICK, 8715
JASON M. LLOYD, 1448
JOHN A. LOBUONO, 6729
PATRICK V. MACK, 2675
STEPHEN A. MARINO, 3484
JOHN C. MARKOWICZ, 5415
CHRISTOPHER R. MASON, 5645
ADAM W. MASTEN, 4602
MARK M. MATTHEWS, 9629
MICHAEL D. MEHLS, 3783
GARY L. MORRIS, 5347
JOHN C. PAYNE, JR., 4081
DIRK H. RENICK, 5099
KURT J. ROTHENHAUS, 5432
ANGEL G. SALINAS, 0351
THEODORE B. SANDERS, 0912
LEE R. SHORT, 9344
JOHN M. STUBBLEFIELD, 5338
SHANNON D. TERHUNE, 4725
JOSEPH M. TUITE, 6415
CLIFTON J. WILLIAMS, 4344
JEFFREY C. WOERTZ, 2901

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

RUTH A. BATES, 9628
HEIDI K. BERG, 5382
DAVID A. BERMINGHAM, 2538
JENNIFER A. BOLIN, 4154
CAMERON P. CARNEY, 8302
WILLIAM J. DIEHL, 8090
KEVIN S. HINTON, 6688
NICHOLAS M. HOMAN, 9298
MICHAEL W. HOWELL, 2913
BRIAN L. LUKE, 4149
NIELS F. MATEO, 4805
TIMOTHY M. MAY, 7599
ALBERT M. MUSSELWHITE, 6652
JOHN M. MYERS, 8431
MARK D. RANDOLPH, 0038
MICHAEL A. SCHUMANN, 4939
AUDREY M. SNYDER, 8318
ANDREW D. STEWART, 8194
KENNY WANG, 1756
BRUCE G. WARD, 1880

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

DARRYL C. ADAMS, 6310
DON E. CHERAMIE, 8724
SCOTT V. CHESBROUGH, 0617
JENNIFER A. DANIELS, 2528
PHILLIP E. DURBIN, 8408
NICOLE M. HATCH, 3702
THOMAS M. HENDERSCHEDT, 6190
STEVEN R. HENDRICKS, 6170
HARUNA R. ISA, 8477
WILLIAM JONES, 8204
SEAN P. KELLEY, 1930
JOHN J. LEWIN, 5312
MICHAEL P. LYNCH, 4086
DAVID B. MARQUAND, 1170
KELLY M. MCDERMOTT, 3013
MARA A. MOTHERWAY, 6636
THOMAS C. MULDOON, 6410
FRANCO NETO, 8143
EFFIE R. PETRIE, 0182
TUAN N. PHAM, 3122
CHARLES A. PRATT, 7691
EDUARDO M. RECAVARREN, 3259
GREGORY J. RIDOLFI, 9971
MATTHEW A. ROSS, 1675
MARK F. SHAFFER, 2570
RALPH R. SMITH III, 9288
JAN S. STEINWINDER, 2760
RUSSELL H. WAGNER, 6179
DAVID A. WALCH, 1391
TIMOTHY S. WEBER, 0696
RICHARD WESTHOFF III, 9630

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

ALFRED D. ANDERSON, 6534
RICKY A. ANFINSON, 1433
STEVEN J. AVERETT, 2803
JAMES W. BALLINGER, 5775
VICTOR A. BARRIOS, 6617
JAMES S. BEAUDRY, 6411
LAREDO M. BELL, 9419
JERRY W. BILLINGS, 1743
ALLEN E. BRANTON, 1933
BILLY R. BURCH, 8948
RICHARD O. CALLESEN, 7177
TERYL E. CHAUNCEY, 8419
ROBERT N. CHEVRETTE, 1629
HUGH W. CLARKE, 6006
JAMES D. CRAYCRAFT, 6080
LARRY K. DAVIS, 8388
ALAN D. DEAN, 4481
JAMES R. DIXON, 3152
PAUL C. EVANS, 7863
MATTHEW J. FEEHAN, 1835
SHAREE E. FISH, 2171
HERIBERTO GONZALEZ, 7275
JAMES L. HANLEY, 7491
EVERETT HAYES, 1725
LUIS A. HERNANDEZ, 5589
WILLIAM K. HOMMERBOCKER, 3394
VERNON C. HUNTER, 8933
RALPH M. INGRAHAM, 1382
JOSEPH H. JAMISON, JR., 2921
DONALD L. JENKINS, JR., 6842
EDWARD D. KATZ, 1935
DAVID J. KELLY, 7964
DAVID A. LATOSKY, 7707
MATTHEW V. LYDICK, 0013
WILLIAM G. MANDERS, JR., 5853
JEFFREY L. MANIA, 6333
JEFFREY G. MATHES, 0310
SHERRY A. MCCLURE, 4128
KEVIN L. MILLER, 1278
PAUL F. MITCHELL, 6046
CHARLES G. MURPHY, 0747
BRUCE L. NIX, 7584
WILLIAM E. NOEL, 0619
ROBERTO S. ORTIZ, 3351
MARQUIS A. PATTON, 3743
WILLIAM M. POLLITZ, 6995
WILLIAM RABCHENIA, 1995
HUGH RANKIN, 0873
DAVID F. REISCHE, 8364
JORGE T. SANTIAGO, 2562
JEFFREY L. SHEETS, 8245
JAMES C. SMITH, JR., 7616
GREGORY A. SPANGLER, 5858
DANIEL D. STARK, 9631
ALAN B. STAUDE, 1622
ANTHONY H. TALBERT, 6654
CRISTY L. TREHARNE, 7243
RICHARD A. TUCKER, 2803
DAVID M. VIGER, 2504
JOHN S. VISOSKY, 1635
JOHN B. VLIET, 0593
ERIC M. WINANS, 5947
MICHAEL R. YOHNKE, 6772

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

HENRY C. ADAMS III, 6166
JEFFREY T. ANDERSON, 3776
MICHAEL J. ANGELOPOULOS, 1850
DAVID J. APPEZZATO, 9840
RICARDO ARIAS, 9735
ANDREW ARNOLD, 9436
TODD A. BAHLAU, 8284
STEPHEN E. BANTA, 7826

HENRY W. BARNES IV, 6384
STEPHEN D. BARNETT, 5409
JOHN M. BARRETT, 0705
MICHAEL W. BASTIAN, 7377
DAVID T. BEANS, 6939
DOUGLAS J. BEAVER, 6453
KIRK L. BECKETT, 2714
PHILIP J. BECKMAN, 3133
QUINTIN R. BELL, 3807
MARK O. BELSON, 5948
SCOTT A. BEWLEY, 9025
TODD C. BIEBER, 8755
STEVEN A. BIENKOWSKI, 6305
PAUL W. BIERAUGEL, 5640
MICHAEL B. BILZOR, 8425
JOYCE R. BLANCHARD, 6201
STEPHEN R. BLASCH, 0179
CHRISTOPHER J. BODINE, 3335
DANIEL F. BOGAN, 1845
CRAIG T. BOWDEN, 1808
BRIAN E. BOWLES, 5984
TIMOTHY E. BOYER, 9021
THOMAS A. BRADEN, 5323
ALAN R. BRADFORD, JR., 4145
FRANK M. BRADLEY, 8298
MICHAEL D. BRATTON, 3113
RICHARD D. BRAWLEY, 1748
TODD A. BRAYNARD, 5855
JEFFERY T. BRINGLE, 6944
CHARLES A. BROOMFIELD, 5126
RICHARD T. BROPHY, JR., 0398
KIRT D. BROTHERS, 6705
GLENN A. BROWN, JR., 0472
GREGORY A. BROWN, 6076
LIAM M. BRUEN, 8823
DAVID J. BRYSON, 0629
TIMOTHY A. BUCKLAND, 5968
DANIEL K. BUCKON, 1715
SCOTT A. BUNNAY, 2297
DAVID BUONERBA, JR., 0904
JERRY W. BURKETTE, JR., 2516
WILLARD C. BURNEY, 6344
THOMAS D. BUSH, JR., 9026
JOHN F. BUSHEY, 2906
KEVIN M. BYRNE, 6403
DENNIS J. CALLAHAN, 9196
MICHAEL D. CALLAHAN, 6991
STEVEN H. CARGILL, 3943
IVAN G. CARLSON, 1540
JAMES R. CARLSON II, 4902
JOHN L. CAROZZA, 6339
DOUGLAS W. CARPENTER, 8198
ALEXANDER E. CARR, 6369
ANTHONY C. CARULLO, 3004
ERIC C. CASH, 3013
CHRISTOPHER L. CASTRO, 7635
MAUREEN CHASE, 0668
ROBERT L. CHATHAM, 3900
STANFIELD L. CHIEN, 1466
JEFFREY L. CIMA, 4350
KENT S. COLEMAN, 9794
WISDOM F. COLEMAN III, 3578
ANDREW H. COLLIER, 9684
WILLIAM T. CONWAY, 7507
DAVID A. COOK, 5496
ROBERT D. COPENHAVER, 8120
ANTHONY P. CORAPI, 2140
PATRICK C. CORCORAN, 8130
SHAUNNA M. CORCORAN, 1770
ERIC W. COVINGTON, 6543
JAMES D. COX, 0161
WILLARD J. COX III, 1104
DONALD A. CRIBBS, 3877
TIMOTHY A. CRONE, 4646
ANDREW D. CROWE, 8395
CHRISTOPHER A. CRUZ, 7116
JOHN J. CUMMINGS, 1379
ANDREW A. CURRY, 6049
JEFFREY C. DALATRI, 5082
JOE W. DALTON, 1209
BRIAN L. DAVIES, 1635
MARK E. DAY, 8369
JOHN J. DEBELLIS, 9127
CHRISTOPHER P. DEGREGORY, 5613
ARTHUR M. DELACRUZ, 3431
JOHN R. DELAERE, 3743
KENNETH R. DENHAM, 5712
CHRISTOPHER R. DEWILDE, 9748
ROBERT L. DEWITT, JR., 6622
JOSEPH A. J. DIGUARDO, 6602
PAUL L. DINIUS, 3798
DANIEL T. DOLAN, 8955
LISA H. DOLAN, 7150
WILLIAM C. DOSTER, 9758
MICHAEL G. DOWLING, 3816
CHRISTOPHER J. DOWNEY, 1557
KRISTY D. DOYLE, 2952
BRIAN P. DULLA, 6511
STEVEN R. DUNKLEBERGER, 7313
ROBERT C. DUNN, 1340
TIMOTHY R. DURDIN, 9708
JAMES T. EARL, SR., 2285
CARL H. EBERSOLE, 7050
CHRISTIAN J. EDWARDS, 0447
MICHAEL J. ELBERT, 6873
JOHN L. ENFIELD, 0360
HUGH P. EVERLY, 8904
CHRISTOPHER P. FAILLA, 2799
JOHN W. FANCHER, 8318
JEFFREY A. FATORA, 9313
CRAIG J. FAY, 2832
EDWARD D. FAY III, 8396
DAVID P. FIELDS, 8237
PAUL J. FILARDI, 0577
BRETT E. FILLMORE, 7672
JOSEPH F. FINN, 5882
MICHAEL D. FISHER, 5031
TIMOTHY F. FITZPATRICK, 0153
JAMES L. FLEMING, 7801
REUBEN M. FLOYD, 7938
ANTHONY J. FORTESCUE, 4858
STEVEN D. FRANCIS, 2209
MATHEW R. FROST, 2248
JEFFREY W. FUJISAKA, 9687
NEIL E. FUNTANILLA, 1727
RAYMOND A. J. GABRIEL, 9092
JOSEPH R. GADWILL, 9578
WILLIAM M. GALLAGHER, 0080
MICHAEL F. GALLI, 3444
ROBERT A. GARCIA, 3233
MICHAEL J. GARVEY, 0352
ROBERT M. GAUCHER, 3998
TIMOTHY P. GEIST, 9512
TEDMAN E. GETSCHMAN, 0616
EDWARD S. GETTINS, 3915
LAWRENCE G. GETZ III, 7284
PAUL G. GIBERSON, 7148
TODD A. GILCHRIST, 4535
KEVIN S. GILLAM, 7466
JAMES O. GODWIN, 6549
RICARDO A. GONZALEZ, 4406
ALISTAIR D. GOODWIN, 6640
DOUGLAS V. GORDON, 6334
JAMES A. GORDON III, 5752
PETER M. GORTNER, 4810
DEREK B. GRANGER, 1357
MICHAEL W. GRANGER, 6377
JOHN R. GRAY, 7553
MARK C. GRINDLE, 7539
CRAIG D. GRUBB, 0461
MARKUS J. GUDMUNDSSON, 5494
JEFFRY D. GUERRERO, 6647
DAVID K. GULUZIAN, 4970
JASON R. HAEN, 3910
GILBERT L. HAGEMAN, 7946
DANIEL A. HAIGHT, JR., 4882
LYLE D. HALL, 9541
STEVEN K. HALL, 0127
JEFFREY L. HAMMER, 7421
PATRICK J. HANNIFIN, 2082
SCOTT A. HANSON, 8986
CHRISTOPHER L. HARMER, 9951
EDWARD T. HARSHANY, 2112
DAVID J. HAUTH, 2994
SAMUEL HAVELOCK, JR., 9705
JAMES D. HAWKINS, 9407
JON E. HAYDEL, 7247
CHARLES J. HAYDEN III, 7893
RICHARD F. HAYES, 2440
DEMETRIUS J. HAYNIE, 0574
EDWARD L. HEFLIN, 8357
DOUGLAS D. HELTON, 9213
GEOFFREY M. HENDRICK, 4640
CHRISTOPHER M. HENRY, 2281
KEITH M. HENRY, 5942
DIEGO HERNANDEZ, 8665
MARIO P. HERRERA, 3229
BENJAMIN L. HEWLETT, 4235
FERRANDO R. HEYWARD, 0875
BRADLEY D. HICKEY, 5537
SHAUN A. HILLIS, 1992
THOMAS G. HIMSTREET, 4913
TUNG HO, 3828
MICHAEL M. HOCKER, 4417
STEPHEN L. HOFFMAN, 9715
PAUL H. HOGUE, JR., 0387
CREIGHTON D. HOLT, 3519
MARC A. HONE, 9951
JEFFREY J. HOPPE, 8412
RUSS D. HORR, 5082
HEATH M. HOWELL, 6161
SCOTT B. HOWELL, 3901
PETER W. HUDSON, JR., 6654
THOMAS R. HUERTER, 1612
VICTOR D. HYDER, 2012
JEFFREY F. HYINK, 5887
CARLOS A. IGLESIAS, 3448
DEAN A. JACOBS, 6106
GEOFFREY C. JAMES, 9067
CHRIS D. JANKE, 0188
ALFRED D. JOHNSON, 6798
CHARLTON W. JOHNSON, 4587
MATTHEW K. JONES, 8034
DOUGLAS A. JORDAN, 9768
JASON T. JORGENSEN, 8356
JEFFREY A. JOSEPH, 1330
AMARDEV S. JOUHAL, 5491
CHAD M. JUNGBLUTH, 0903
PHILIP E. KAPUSTA, 1234
THOMAS C. KARNEY, 4583
SCOTT A. KARTVEDT, 0093
HALSEY D. KEATS, 2732
JOSEPH M. KEENAN, 3923
JOHN L. KELSEY, 3941
CHRISTOPHER K. KENEFICK, 9045
DONALD E. KENNEDY, 2134
MARK D. KESSELRING, 6212
ANDREW L. KESSLER, 3594
PATRICK E. KEYES, 8006
JEFFREY J. KIM, 7602
WILLIAM K. KIMMEL II, 0195
ROBERT T. KING, 8359
JAMES E. KIRBY, 4810
ANDREW M. KIRKLAND, 8243
DANIEL J. KNEISLER, 8560
MARK J. KNOLLMUELLER, 1968
TIMOTHY P. KOLLMER, 7168
DAVID E. KOSS, 0748
PATRICK D. KREITZER, 4765
FREDERICK W. LANDAU, 3780
DEREK M. LAVAN, 1550
MATTHEW L. LEAHEY, 8757
CRAIG E. LEE, 2726
BRIAN E. LEGERE, 0826
GARY LEIGH, 4284
BRIAN S. LENK, 8513
CURTIS R. LEYSHON, 0173
SEAN R. LIEDMAN, 6080
ESPIRIDION N. LIMON, 7966
DAVID M. LINCH, 2091
MARK A. LIND, 0538
WILLIAM A. LIND, 9391
DARIN M. LISTON, 0190
DAVID P. LITTLE, 3366
MICHAEL R. LOCKWOOD, 2362
JAMES C. LOGSDON, 2163
JASON K. LOPEZ, 2515
DAVID A. LOTT, 4060
CORD H. LUBY, 7886
MARXIMILLIAN J. LUCAS, 6110
BRICE K. LUND, 8611
MICHAEL J. LYDON, 9363
STEPHEN G. MACK, 3110
ALEXANDER R. MACKENZIE, 4268
RON C. MAGWOOD, 0382
CHARLES H. MAHER, 1614
JOHN J. MANN IV, 7826
ALAN M. MARBLESTONE, 1034
RICHARD L. MARSHALL, 1502
DANIEL P. MARTIN, 6347
DUSTIN L. MARTIN, 5816
EUGENE T. MARTIN III, 2836
MARK W. MATTHYS, 1965
JOHN M. MAXWELL, 2392
MICHAEL L. MAY, 9078
MARK A. MAYERSKE, 1524
CLYDE F. MAYS, JR., 9971
WILLIAM A. MCCONVEY, 7554
BRIAN J. MCCORMICK, 5608
PATRICK J. MCCORMICK, 1784
MAX G. MCCOY, JR., 6216
MARK W. MCCULLOCH, 3802
BRIAN K. MCDONALD, 7487
RICHARD G. MCGRATH, JR., 7606
CHARLES H. MCGUIRE IV, 2421
JOHN E. MCGUNNIGLE, JR., 9806
STEPHEN D. MCKONE, 4179
SEAN G. MCLAREN, 0511
IAN G. MCLEOD, 2288
BERNARD F. MCMAHON, 9742
CHRISTOPHER A. MERWIN, 6741
CLAYTON W. MICHAELS, 3860
DAVID E. MILLER, 2452
EDWARD C. MILLER, 7658
CHRISTOPHER M. MILLS, 3437
JAMES D. MINYARD, 7489
BENJAMIN E. MOLINA, 3593
DANIEL W. MONTGOMERY, 4031
ROBERT W. MOOK III, 1135
KEVIN S. MOONEY, 1494
DAVID R. MOOREFIELD, 1799
ANGELA MORALES, 3070
SEAN D. MORDHORST, 6088
BRIAN D. MORRILL, 0925
GARRON S. MORRIS, 5114
JOHN R. MORRIS, 8331
PAUL G. MOVIZZO, 3572
JEFFREY S. MULLEN, 8564
DANIEL E. MURPHY, 4081
DON C. MURRAY, 6462
STEPHEN H. MURRAY, 5631
THOMAS M. NEILL, 1849
TODD M. NELSON, 4882
EUGENE J. NEMETH, 8027
MICHAEL D. NEUSER, 6487
JOHN P. NEWTON, JR., 6882
PAUL M. NITZ, 7595
JASON H. NORRIS, 7120
RICHARD L. NORVELL, 9331
PAUL C. NYLUND, 2997
KEVIN M. OCONNOR, 7185
WILLIAM S. OCONNOR, 7362
PAUL S. OLIN, 8728
DANIEL F. OLSON, 0334
JOSEPH R. OLSON, 6655
MARK A. OLSON, 7331
JUAN J. OROZCO, 7374
ELTON C. PARKER III, 4122
JOHN J. PATTERSON VI, 5849
RANDALL W. PECK, 9058
JOEL W. PEDERSEN, 8188
MIGUEL L. PEKO, 0428
MICHAEL A. PENNINGTON, 8409
GEORGE PEREZ, JR., 4410
DAVID T. PETERSON, 6686
ERIC V. PETERSON, 2758
CHRISTOPHER T. PETROCK, 8665
WILLIAM D. PFEIFLE, 5454
ERIC N. PFISTER, 7006
MARK D. PHILLIPS, 7556
MANUEL A. PICON, 8543
DINO PIETRANTONI, 1526
GARY W. PINKERTON, 6820
ROBERT E. POLING, 7521
WILLIAM E. POWERS, 5100
JAMES M. PRESTON III, 6380

EMORY G. PRICE, 8124
MARSHALL R. PROUTY, 1609
BRIAN J. QUIN, 1292
KEITH E. QUINCY, 9759
JOHN B. QUINLAN, 1858
DANIEL B. RADER, 7362
TIMOTHY B. RAFFERTY, 0954
RUSS C. RAINES, 2832
SEAN L. RANDO, 7098
MICHAEL D. RAPP, 3671
SCOTT E. RAUPP, 8635
COREY W. RAY, 3261
KEITH P. REAMS, 7642
PAUL M. REINHART, 8697
DANIEL P. RILEY, 9278
MATTHEW W. RISING, 4319
GILBERT D. RIVERA, JR., 9120
SCOTT F. ROBERTSON, 4677
WILLIAM J. ROBINETTE III, 1913
JAMES W. ROBINSON, JR., 2158
THOMAS A. ROBSON, 5936
MARK W. ROEMHILDT, 7058
GARY A. ROGENESS, 2833
RAYMOND A. ROGERS, 6435
ROBERT A. RONCSKA, 2363
MATTHEW D. ROSENBLOOM, 0943
VALERIE E. RUD, 3027
STEPHEN J. RUSCHEINSKI, 6398
JAMES B. RYAN, 7021
HERBERT C. SANFORD, 1032
NICK A. SARAP, JR., 8199
MICHAEL K. SAVAGEAUX, 3240
MICHAEL B. SAWIN, 4399
DAVID A. SCHALM, 5631
DAVID G. SCHAPPERT, 4144
CHRISTOPHER M. SCHIMENTI, 8631
WALLACE E. SCHLAUDER, 9953
WILLIAM E. SCHLEMMER, 1247
MARK W. SCHMALL, 6388
JOHN R. SCHMIDT, 4635
HAROLD R. SCHMITT, 1325
KATHLEEN R. SCHULZ, 4124
VICTOR S. SCHWARTZ, 4457
MARC C. SCHWEIGHOFER, 0239
MICHAEL S. SCIRETTA, 4708
JAN K. SCISLOWICZ, 8841
LANCE G. SCOTT, 6650
JOHN P. SCUDI, 8058
SCOTT B. SEAL, 5398
DANIEL J. SENESKY, 9383
SCOTT J. SHEPARD, 1627
JUSTIN M. SHINEMAN, 9863
JONATHAN B. SHOEMAKER, 8860
JEFFREY W. SINCLAIR, 3942
JOHN A. SIPES, 9094
WALTER M. SLAUGHTER, 6925
CHRISTOPHER W. SLAWSON, 2598
DAVID SLAYTON, 5975
CHRISTOPHER L. SLEDGE, 2293
ANDREW F. SMITH, 1300
SCOTT M. SMITH, 7080
WESLEY S. SMITH, 0787
PHILIP E. SOBECK, 3821
GERHARD A. SOMLAI, 6687
BRIAN K. SORENSON, 5420
LESLIE L. SPANHEIMER, 9204
TIMOTHY F. SPARKS, 8906
JOHN D. SPENCER, 6419
ERIK A. SPITZER, 2658
ERNEST B. STACY, 4068
SCOTT B. STARKEY, 8363
RANDY C. STEARNS, 5251
MICHAEL S. STEPHENS, 3874
MATTHEW P. STEVENS, 5373
MATTHEW P. STEVENSON, 0077
ANDREW B. STJOHN, 1374
MICHAEL N. H. STOLL, 5357
DOMINICK J. STRADA, 8168
LORETTA L. STROTH, 4089
JEFFREY A. STUART, 7374
JOHN F. STUHLFIRE, 8365
JOHN A. SUAZO, 1910
MARK E. SULLIVAN, 4807
WILLIAM J. SWANSON, 3897
CHRISTOPHER J. SWEENEY, 2159
NEIL A. SZANYI, 9443
MICHAEL B. TATSCH, 2848
AARON M. THIEME, 7753
DOUGLAS A. THIEN, 6129
DAVID G. THOMAS, 3640
TAYLOR N. THORSON, 0321
SCOTT D. TINGLE, 1879
MICHAEL R. TOEPPER, 0388
SCOTT K. TOPPEL, 0938
ANTHONY W. TROXELL, 7730
DANIEL R. TRUCKENBROD, 1849
TRAVIS J. TRUPP, 6519
RANDOLPH J. TUPAS, 1677
JOSEPH M. TURK, 1399
TREVOR N. TYLER, 9526
PETER H. TYSON, 9734
JEFFREY W. UHDE, 4061
ERIC H. VERHAGE, 4400
JOHN VLATTAS, 8216
JASON A. VOGT, 4599
ERIC R. VOSLER, 5335
ARTHUR R. WAGNER, 7053
CHRISTOPHER WALKER, 3635
ROBERT G. WALKER, 0081
WILLIAM S. WALSH, 7052
CHARLES A. WALTON, JR., 0335
JAMES H. WARE III, 1863
DOUGLAS D. WARNER, 8120
KIRK A. WEATHERLY, 3986
EDWARD C. WHITE III, 8380
ALPHONSO C. WILCOX, 3814
ALEXANDER M. WILHELM, 5578
FRED R. WILHELM III, 0932
JEROMY B. WILLIAMS, 9623
KEVIN G. WILLIAMS, 5002
PATRICK J. WILLIAMS, 7224
SEAN L. WILLIAMS, 0384
GEORGE G. WILSON, 6102
GORDON S. WILSON, 0999
MITCHELL T. WILSON, 5419
NILS E. WIRSTROM, 6355
CHRISTOPHER S. WISEMAN, 0039
TODD C. WOBIG, 2555
ERIC P. WOELPER, 2467
SAMUELL T. WORTHINGTON, 3053
JAMES M. WUCHER, 3317
WILLIAM S. YATES, 3975
PETER A. YELLE, 5228
PETER A. YOUNG, 6761
RICHARD S. YOUNG, 5215
JOHN J. ZUHOWSKI, 4853

HOUSE OF REPRESENTATIVES—*Wednesday, August 2, 2006*

The House met at 11 a.m. and was called to order by the Speaker pro tempore (Mr. TOM DAVIS of Virginia).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC.
August 2, 2006.

I hereby appoint the Honorable TOM DAVIS to act as Speaker pro tempore on this day.

J. DENNIS HASTERT.
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, ever present and holding all in balance, take our world today and shake it into common sense. Wring out true values from the indifferent. Calm the anger. End all retaliation. And grant us the gift of peace.

But to receive a gift, one must be ready. Are we not prepared, Lord? Is that the reason for the delay?

Perhaps peace is so fragile we do not know how to handle it, even if You were to offer it to us. Help us, Lord, today and every day, to ready ourselves for that day of good news.

Today, at least we can rehearse for it by receiving any message humbly and graciously.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will lead the House in the Pledge of Allegiance.

The Speaker pro tempore led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 3682. An act to redesignate the Mason Neck National Wildlife Refuge in Virginia as the Elizabeth Hartwell Mason Neck National Wildlife Refuge.

H.R. 5683. An act to preserve the Mt. Soledad Veterans Memorial in San Diego, California, by providing for the immediate acquisition of the memorial by the United States.

The message also announced that the Senate has passed bills and a concurrent resolution of the following titles in which the concurrence of the House is requested:

S. 707. An act to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity.

S. 2146. An act to extend relocation expenses test programs for Federal employees.

S. 3711. An act to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

S. Con. Res. 113. Concurrent resolution congratulating the Magen David Adom Society in Israel for achieving full membership in the International Red Cross and Red Crescent Movement, and for other purposes.

PROVIDING FOR AN ADJOURNMENT OR RECESS OF THE TWO HOUSES

The SPEAKER pro tempore laid before the House the following privileged concurrent resolution (H. Con. Res. 467) providing for an adjournment or recess of the two Houses.

The Clerk read the concurrent resolution, as follows

H. CON. RES. 467

Resolved by the House of Representatives (the Senate concurring),

That when the House adjourns on any day from Wednesday, August 2, 2006, through Tuesday, August 8, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Wednesday, September 6, 2006, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day from Thursday, August 3, 2006, through Tuesday, August 8, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, September 5, 2006, or such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CONDITIONAL ADJOURNMENT TO FRIDAY, AUGUST 4, 2006

The SPEAKER pro tempore. Without objection, when the House adjourns today, it shall adjourn to meet at 4 p.m. on Friday, August 4, 2006, unless it sooner has received a message from the Senate transmitting its adoption of House Concurrent Resolution 467, in which case the House shall stand adjourned pursuant to that concurrent resolution.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES
Washington, DC, August 1, 2006.

Hon. J. DENNIS HASTERT,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on August 1, 2006, at 10:30 a.m.:

That the Senate passed without amendment H.R. 5877.

That the Senate agreed to House amendment S. 3741.

With best wishes, I am.
Sincerely,

JORGE E. SORENSEN.
Deputy Clerk of the House.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 707. An act to reduce preterm labor and delivery and the risk of pregnancy-related deaths and complications due to pregnancy, and to reduce infant mortality caused by prematurity; to the Committee on Energy and Commerce

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☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

S. 2146. An act to extend relocation expenses test programs for Federal employees; to the Committee on Government Reform.

ENROLLED BILLS SIGNED

Ms. Haas, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore, Mr. TOM DAVIS of Virginia:

H.R. 3682. An act to redesignate the Mason Neck National Wildlife Refuge in Virginia as the Elizabeth Hartwell Mason Neck National Wildlife Refuge.

H.R. 5683. An act to preserve the Mt. Soledad Veterans Memorial in San Diego, California, by providing for the immediate acquisition of the memorial by the United States.

H.R. 5877. An act to amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006.

SENATE ENROLLED BILL SIGNED

The SPEAKER pro tempore, Mr. TOM DAVIS of Virginia, announced his signature to enrolled bills of the Senate of the following titles:

S. 250—An act to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act.

S. 3693—An act to make technical corrections to the Violence Against Women and Department of Justice Reauthorization Act of 2005.

S. 3741—An act to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, pursuant to the previous order of the House of today, the House stands adjourned until 4 p.m. on Friday, August 4, 2006, unless it sooner has received a message from the Senate transmitting its adoption of House Concurrent Resolution 467, in which case the House shall stand adjourned pursuant to that concurrent resolution.

There was no objection.

Thereupon, (at 11 o'clock and 8 minutes a.m.), pursuant to the previous order of the House of today, the House adjourned until 4 p.m. on Friday, August 4, 2006, unless it sooner has received a message from the Senate transmitting its adoption of House Concurrent Resolution 467, in which case the House shall stand adjourned pursuant to that concurrent resolution.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

9051. A letter from the Administrator, AMS, Department of Agriculture, transmitting the Department's final rule — Irish Potatoes Grown in Colorado; Suspension of Continuing Assessment Rate [Docket No. FV06-948-1 IFR] received July 31, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9052. A letter from the Administrator, AMS, Department of Agriculture, transmitting the Department's final rule — Nectarines and Peaches Grown in California; Order Amending Marketing Order Nos. 916 and 917 [Docket No. AO-90-A7; FV05-916-1] received July 31, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9053. A letter from the Administrator, AMS, Department of Agriculture, transmitting the Department's final rule — Updating Administrative Requirements for Voluntary Shell Egg, Poultry, and Rabbit Grading [Docket No. PY-02-003] (RIN: 0581-AC25) received July 31, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9054. A letter from the Administrator, AMS, Department of Agriculture, transmitting the Department's final rule — Amendment to Egg Research and Promotion Rules and Regulations [Docket No. PY-06-001] received July 31, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9055. A letter from the Congressional Review Coordinator, APHIS, Department of Agriculture, transmitting the Department's final rule — Citrus Canker; Quarantine of the State of Florida [Docket No. APHIS-2006-0114] (RIN: 0579-AC07) received August 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9056. A letter from the Liaison Officer, Office of the Secretary, Department of Defense, transmitting the Department's final rule — Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Transitional Assistance Management Program; Early Eligibility for TRICARE for Certain Reserve Component Members (RIN: 0720-AA90) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

9057. A letter from the Liaison Officer, Office of the Secretary, Department of Defense, transmitting the Department's final rule — Personal Commercial Solicitation on DoD Installations (RIN: 0790-AH87) received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

9058. A letter from the Comptroller, Department of Defense, transmitting the Department's quarterly report as of June 30, 2006, entitled, "Acceptance of contributions for defense programs, projects and activities; Defense Cooperation Account," pursuant to 10 U.S.C. 2608; to the Committee on Armed Services.

9059. A letter from the Secretary, Department of Health and Human Services, transmitting the Annual Report on the Developmental Disabilities Programs for Fiscal Years 2003 and 2004, pursuant to 42 U.S.C. 15005 Public Law 106-402, section 105; to the Committee on Energy and Commerce.

9060. A letter from the Secretary, Department of Energy, transmitting the Department's report entitled, "The Estimated Cost and Porposed Schedule to Complete the Environmental Impact Statement and Record of Decision for the Disposal of Greater-Than-Class C Low-Level Radioactive Waste," pursuant to Public Law 109-58, section 631 (a) and (b)(1)(A); to the Committee on Energy and Commerce.

9061. A letter from the Secretary, Department of Energy, transmitting the Department's report entitled, "Department of Energy Strategic Research Portfolio Analysis and Coordination Plan," pursuant to Public Law 109-58, section 994; to the Committee on Energy and Commerce.

9062. A letter from the Secretary, Department of Energy, transmitting the Department's report entitled, "Department of Energy Underground Storage Tank (UST) Compliance Strategy Report," pursuant to Public Law 109-58, section 1528; to the Committee on Energy and Commerce.

9063. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting the Commission's report entitled, "Security Constrained Economic Dispatch: Definition, Practices, Issues and Recommendations," pursuant to Public Law 109-58, section 1298; to the Committee on Energy and Commerce.

9064. A communication from the President of the United States, transmitting certification that the export to the People's Republic of China of the specified items is not detrimental to the United States space launch industry, and that the material and equipment, including any indirect technical benefit that could be derived from such exports, will not measurably improve the missile or space launch capabilities of the People's Republic of China, pursuant to Public Law 105-261, section 1512; (H. Doc. No. 109-129); to the Committee on International Relations and ordered to be printed.

9065. A letter from the Director, Broadcasting Board of Governors, transmitting the Board's FY 2005 report, pursuant the requirements of section 203(b) of the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No Fear Act); to the Committee on Government Reform.

9066. A letter from the Chairman, Christopher Columbus Fellowship Foundation, transmitting pursuant to the Accountability of Tax Dollars Act, the Foundation's Form and Content Reports for the third quarter of FY 2006 as prepared by the U.S. General Services Administration; to the Committee on Government Reform.

9067. A letter from the President, Federal Financing Bank, transmitting the Bank's performance plan for fiscal years 2006-2007 and program performance report for fiscal year 2005, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

9068. A letter from the Deputy Director for Management, Office of Management and Budget, transmitting the Office's report on competitive sourcing activities for FY 2005, in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, Fiscal Year 2004, Pub. L. 108-199; to the Committee on Government Reform.

9069. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Western Aleutian District of the Bering Sea and Aleutian Islands Management Area [Docket No. 060216045-6045-01; I.D. 071406C] received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9070. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Allocating Bering Sea and Aleutian Islands King and Tanner Crab Fishery Resources [Docket No. 060330091-6185-02; I.D. 032406D] (RIN: 0648-AU37) received July 31, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9071. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pelagic Shelf Rockfish in the Western Regulatory Area of the Gulf of Alaska [Docket No. 060216044-6044-01; I.D. 071406B] received July 31, 206, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9072. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Yellowfin Sole in the Bering Sea and Aleutian Islands Management Area [Docket No. 060216045-01; I.D. 071306C] received July 31, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9073. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Northern Rockfish in the Western Regulatory Area of the Gulf of Alaska [Docket No. 060216044-6044-01; I.D. 071406D] received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9074. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Using Trawl Gear in the Bering Sea and Aleutian Islands Management Area [Docket No. 060216045-6045-01; I.D. 071306D] received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9075. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Squid in the Bering Sea and Aleutian Islands Management Area [Docket No. 060216045-6045-01; I.D. 071706A] received July 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9076. A letter from the Secretary, Department of Health and Human Services, transmitting a copy of the Annual Report to Congress on the Refugee Resettlement Program for the period October 1, 2003 through September 30, 2004 as required by section 413(a) of the Immigration and Nationality Act, pursuant to 8 U.S.C. 1523(a); to the Committee on the Judiciary.

9077. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of proposed legislation to implement aspects of the Protocol Additional to the Geneva Convention of 12 August 1949 and relating to the Adoption of an Additional Distinctive Emblem ("Protocol III"); to the Committee on the Judiciary.

9078. A letter from the Regulations Coordinator, CMS, Department of Agriculture, transmitting the Department's final rule — Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems and FY 2007 Rates; FY 2007 Occupational Mix Adjustment to Wage Index; Health Care Infrastructure Improvement Program; Selection Criteria of Loan Programs for Qualifying Hospitals Engaged in Cancer-Related Health Care and Forgivenes of Indebtedness; and Exclusion of Vendor Purchases Made Under the Competitive Acquisition Program (CAP) for Outpatient Drugs and Biologicals Under Part B for the Purpose of Calculating the Average Sales Price (ASP) [CMS-1488-F; CMS-1287-F; CMS-1320-F; and CMS-1325-IFC4] (RINS: 0938-AO12; 0938-AO03; jointly to the Committees on Energy and Commerce and Ways and Means.

9079. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's "Major" final rule — Medicare Program; Inpatient Rehabilitation Facility Propective Payment System for Federal Fiscal Year 2007, Certain Provisions Concerning Competitive Acquisition for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS); Accreditation of DMEPOS Suppliers [CMS-1540-F] (RIN: 0938-AO16) received August 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce and Ways and Means.

9080. A letter from the Assistant Administrator, Bureau for Legislative and Public Affairs, U.S. Agency for International Development, transmitting the Agency's report entitled, "Report on Trafficking in Post-Conflict and Humanitarian Emergencies," in response to the Trafficking Victim Protection Reauthorization Act of 2005; jointly to the Committees on International Relations and Armed Services.

9081. A letter from the Regulations Coordinator, CMS, Department of Agriculture, transmitting the Department's final rule — Medicare Program; Physicians' Referrals to Health Care Entities with Which They Have Financial Relationships; Exceptions with Certain Electronic Prescribing and Electronic Health Records Arrangements [CMS-1303-F] (RIN: 0938-AN69) received August 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

9082. A letter from the Regulations Coordinator, CMS, Department of Health and Human Services, transmitting the Department's "Major" final rule — Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities — Update — Notice [CMS-1530-N] (RIN: 0938-AM46) received July 31, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

9083. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule — Medicare and State Health Care Programs: Fraud and Abuse; Safe Harbors for Certain Electronic Prescribing and Electronic Health Records Arrangements Under the Anti-Kickback Statute (RIN: 0991-AB39) received August 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

9084. A letter from the Under Secretary of Commerce for Oceans and Atmosphere, National Oceanographic Partnership Program, transmitting an annual report from the National Oceanographic Partnership Program (NOPP) for 2006, pursuant to Public Law 104-201; jointly to the Committees on Armed Services, Resources, and Science.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

[Omitted from the Record of July 28, 2006]

H.R. 5393. Referral to the Committee on Transportation and Infrastructure extended for a period ending not later than September 29, 2006.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. KING of New York:

H.R. 6027. A bill to amend the Internal Revenue Code of 1986 to provide recruitment and retention incentives for volunteer emergency service workers; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TOM DAVIS of Virginia:

H. Con. Res. 467. Concurrent resolution providing for an adjournment or recess of the two Houses; considered and agreed to.

MEMORIALS

Under clause 3 of rule XII,

434. The SPEAKER presented a memorial of the Legislature of the State of Louisiana, relative to Senate Concurrent Resolution No. 65 memorializing the Congress of the United States to approve an amendment to the Constitution of the United States that would define marriage as the union between one man and one woman; to the Committee on the Judiciary.

ADDITIONAL SPONSORS TO PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 1376: Mr. BROWN of Ohio.
H.R. 1558: Mr. SMITH of Washington.
H.R. 3352: Mr. SMITH of New Jersey.
H.R. 4452: Mr. WATT.
H.R. 5139: Mr. REYES.
H.R. 5444: Mr. BARROW.
H.R. 5878: Ms. JACKSON-LEE of Texas.
H.R. 5902: Mrs. CAPPS.
H.R. 5918: Ms. MCCOLLUM of Minnesota.
H. Res. 903: Mr. GREEN of Wisconsin and Mr. PEARCE.
H. Res. 945: Mr. GRIJALVA.
H. Res. 977: Mr. POMEROY, Mr. BACA, and Ms. CORRINE BROWN of Florida.

SENATE—*Wednesday, August 2, 2006*

The Senate met at 9:30 a.m. and was called to order by the Honorable SAM BROWNBACK, a Senator from the State of Kansas.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Shepherd of our souls, we bring You our burdens and depend on Your strength. Thank You for supplying our needs. When we feel guilt, You supply forgiveness. When we are lonely, You provide companionship. When we are perplexed, You provide guidance. When we feel threatened, You provide protection. When we feel grief, You provide comfort. Thank You for never forgetting us and for loving us throughout life's seasons.

Bless our Senators. Help them to put first things first, ever seeking Your kingdom and righteousness. Strengthen them to stand for something, lest they fall for anything.

We pray it in Your holy Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable SAM BROWNBACK led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 2, 2006.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SAM BROWNBACK, a Senator from the State of Kansas, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. BROWNBACK thereupon assumed the Chair as acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, today we are returning to the Department of Defense appropriations bill. Our two managers opened the debate last night and are ready this morning to continue that debate and consider amendments that may be offered. If Senators have amendments to the bill, they should be contacting Senator STEVENS or Senator INOUYE at this time. If we have a full day today and into the evening, there is no reason we can't complete this bill by Thursday night.

It is also my intention to move today to proceed to the death tax, minimum wage, and extenders package. There is an objection to moving forward on that bill, and therefore I will be filing a cloture motion on the motion to proceed to that bill. We will still be able to continue our work on the Defense bill, as the vote on invoking cloture on the motion to proceed will not likely occur until Friday morning; therefore, there will be votes today as Chairman STEVENS makes progress on the Defense appropriations bill.

I hope we can finish our work this week or this weekend, and if we work together over the next couple of days, we can complete a number of important legislative matters before we leave.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 5631, which the clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 5631) making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

Mr. STEVENS. Mr. President, the subcommittee has been presented with some requests pertaining to the use of treatment to deal with the effects of acute radiation syndrome. We believe we do not have sufficient information available to respond to the request for funding for this concept.

I will send to the desk an amendment that will require the Secretary of Defense to submit along with the President's budget for 2008 a plan to deal with countermeasures for treating members of the Armed Forces against the lethal effects of acute radiation syndrome and identify countermeasures required to protect the members of the Armed Forces in the event of a nuclear or bioterrorist attack. We believe we should not move forward and dedicate funds at this time until we have such a plan.

I will yield to our cochairman, if he has comments about this issue.

Mr. INOUYE. Mr. President, we have checked the amendment, and we find that it is worthy of consideration. We approve of it.

AMENDMENT NO. 4762

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

> The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 4762.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To require plans to procure medical countermeasures for treating forward deployed members of the Armed Forces against acute radiation syndrome and similar threats)
>
> At the end of title VIII, add the following:
>
> SEC.   . The Secretary of Defense shall submit to the congressional defense committees, at the same time the budget of the President for fiscal year 2008 is submitted to Congress pursuant to section 1105(a) of title 31, United States Code, a report setting forth the following:
>
> (1) A plan to procure medical countermeasures for purposes of treating forward deployed members of the Armed Forces against the lethal effects of acute radiation syndrome, including neutropenia and thrombocytopenia.
>
> (2) An identification of the countermeasures required to protect members of the Armed Forces in the event of a nuclear or bioterrorist attack.
>
> (3) A plan for the forward deployment of the countermeasures identified under paragraph (2), including an assessment of the costs associated with implementing such plan.

Mr. STEVENS. Mr. President, last evening, on behalf of myself and the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Senator from Hawaii. I submitted an amendment and the Senate agreed to the amendment dealing with additional funding on an emergency basis for the Department of Defense. That was offered after consultation with the Department of Defense and also the Office of Management and Budget. It considers a series of things, some of which would be covered by other amendments which I understand other Members have.

I see Senator REED is here now.

The amendment was intended to cover a whole series of issues.

I apologize to the Senator from Rhode Island. I know he wishes to offer an amendment.

I must say that these funds are duplicative, however, and we would have to examine each amendment to see what we will do with it. But we responded to the request of the Department of Defense and the OMB to provide additional emergency money for 2008 so-called reset programs. I will be happy to discuss that with anyone.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island.

Mr. REED. Mr. President, while I certainly appreciate the efforts last evening of Senator STEVENS and Senator INOUYE to add roughly $13 billion to this appropriations bill for the readiness of the U.S. Army and the Marine Corps, it is emergency spending, but it should come as no surprise that it is necessary.

What I find surprising is that apparently the requests by the Department of the Army, the Department of Defense, and also the OMB were turned down until it became obvious—and publicly obvious—that the readiness condition of the Army and the Marine Corps is the worst it has been in several decades. The principle is the lack of repaired, rehabilitated, and in certain cases replaced equipment. We are in a difficult situation with threats across the globe, with an Army that is heavily committed and a Marine Corps that is heavily committed to both Iraq and Afghanistan, and we are in a situation now in which our readiness is the worst it has been in three decades. This is a situation which requires not only the remedy of money, but it requires accountability.

How did the Department of Defense and this administration allow our military forces to become so degraded? In the judgment of many people, including former Secretary of Defense Bill Perry, myself, and others, two-thirds of the Army's operating force, Active and Reserve is now reporting in as unready. There is not a single non-deployed Army brigade combat team in the United States that is ready to deploy. Our Army currently has no ready strategic reserve. Not since the Vietnam era and its aftermath has the Army's readiness been so degraded.

How did that happen? It is not a surprise. Months ago, in February, I came to this Chamber and proposed an amendment to the tax reconciliation bill which would provide a fund of $50 billion to provide for the reset recapitalization of Army and Marine equipment. I was offsetting that, as I think it is appropriate to do, with the upper income tax breaks that were being voted on in that bill. My measure didn't survive conference, but the tax cuts did. I believe that is an unfortunate paradigm of what is happening here too often.

We are sending soldiers and marines in harm's way, and we are not repairing their equipment. We don't have time to wait until it is too late—until the emergency is upon us. But we have plenty of time to debate tax cuts and estate tax reform.

I can tell you that I served, as so many others did, and in fact, we are privileged to have the chairman and ranking member of this committee as distinguished veterans of the Army Air Corps and U.S. Army. I don't know many soldiers who qualify for the estate tax, but every soldier needs adequate, decent equipment to do their job. Their lives depend upon it.

Yesterday Lieutenant General Blum, chief of the National Guard Bureau, stated:

> I am further behind or in more dire situation than the Active Army.

This is the Reserve National Guard forces. The National Guard is charged not only with assisting in operations such as Enduring Freedom and Iraqi Freedom, they are the first line of protection at home. They are the first responders in a hurricane situation. They are in worse shape than our active forces.

At the end of June—again, several weeks ago—at a hearing before the House of Representatives, Congressman IKE SKELTON asked the Chief of Staff of the Army:

> Are you comfortable with the readiness level for the non-deployed units that are in the continental United States?

General Schoomaker replied: No. The Chief of Staff of the United States Army says in a public hearing he is not comfortable with the readiness condition of our forces in the United States. That is a stunning admission.

Senator DODD and I were ready to propose an amendment to this Defense bill, along with Senators LAUTENBERG, MIKULSKI, LIEBERMAN, and many others, to try to rectify this. We would offer $10.2 billion in emergency spending. I not only support but commend the leadership of this committee, Senator STEVENS and Senator INOUYE, proposing $13.1 billion. The money is necessary. I concur in their judgment and their action.

This is not a situation where suddenly yesterday someone jumped up and said, we need some money. This is a situation that has been recognized for months. Not only was nothing done, but the budget sent here by the White House was inadequate and they knew it. At a time of war when soldiers are committed, at a time of contest and conflict around the globe when we have to respond to threats, they lowballed money for the Army and the Marine Corps. We can give them all the money we want, but we need a little accountability, also. We didn't reach this position overnight. This was not a midnight discovery. This is years in the making.

The Army told those who would listen that for every year of intense operations in Afghanistan and Iraq, they need $12 billion for reset. Last year we only provided a fraction of that, so this year the bill was $17 billion. Some of those funds cannot be used in this year so it will be pushed forward a bit, but basically we know what is happening. It will continue to happen every year. Twelve billion baseline for reset. If we do not make that number, it is rolled over to next year. This is not going to be a one-time affair. It is an emergency, but it is a chronic emergency. We have to understand the Army will need another $12 billion and the Marine Corps will need another $12 billion next year and the next year, as long as we are committed. It is the real course of Iraq, the course that seldom is found in speeches about "staying the course," or "when they stand up, we will stand down." We have to pay those costs.

Last October, GAO released a report on military readiness. It assessed the state of 30 pieces of equipment, predominantly tanks, vehicles, helicopters, and aircraft. They made several disturbing operation observations last October:

> GAO's analysis showed reported readiness rates declined between fiscal years 1999 and 2004 for most of these items. The decline in readiness, which occurred more markedly in fiscal years 2003 and 2004, generally resulted from, 1, the continued high use of equipment to support current operations and 2, maintenance issues caused by the advancing ages and complexity of the systems. Key equipment items—such as Army and Marine Corps trucks, combat vehicles, and rotary wing aircraft—have been used well beyond normal peacetime use during deployments in support of operations in Iraq and Afghanistan.

Let me relate a story. I was in Fallujah about 3 weeks ago with the 1st Marine Expeditionary Force. They are doing a superb job, as all our forces are. We asked questions about the state of the helicopters. They told us their helicopters are flying 200 percent more than in peacetime. They told us this before we got on the helicopters. We got on anyway because the helicopters are being maintained. But it costs money to maintain those helicopters. It costs money to repair those helicopters. If you fly any helicopter, fixed-wing aircraft, or you drive any military vehicle 200 percent more than its normal allocation, they wear out very quickly. That is what is happening.

A report of the GAO went on to say:

> Until the DOD ensures that condition issues for key equipment are addressed, DOD risks a continued decline in readiness trends, which could threaten its ability to continue meeting mission requirements. The military services have not fully identified near and long-term program strategies and funding plans to ensure that all the 30 selected equipment items can meet defense requirements.

Another GAO report released last October assessed the readiness of the Army National Guard. It found:

> To meet the demand for certain types of equipment for continuing operations, the Army has required the Army National Guard units to leave behind many items for use by follow-on forces. The Army Guard estimates that since 2003 it has left more than 64,000 items, valued at more than $1.2 billion, overseas to support operations. Without a completed and implemented plan to replace all Guard equipment left overseas, Army Guard units will likely face growing equipment shortages and challenges in regaining readiness for future missions.

Again, this is the Army National Guard. These are the people we expect in the next few weeks to respond to a hurricane if it strikes the gulf coast, the Atlantic coast. These are the folks we expect to respond to earthquakes and to other problems any place in this country. They have left a great deal of their equipment overseas. They need help, also.

In April of this year, still 3 months before the markup of this Defense appropriations bill, the Lexington Institute and the Center for American Progress jointly released the report called "Army Equipment After Iraq." This report clearly stated:

> High utilization rates and harsh conditions have greatly accelerated the aging of equipment. A significant amount of equipment is being destroyed due to both combat losses and the wear associated with constant use. Equipment readiness in deployed units has shown a gradual erosion as the service struggles to keep up with maintenance and replacement needs. Readiness in nondeployed units has plummeted as equipment is transferred to deploying units or left behind when troops depart Iraq.

Again, warning bells were sounded, but the administration was deaf. The Army knew the situation was growing increasingly difficult—indeed, perilous. They always knew that there would be a reset bill. Last November, as I suggested, they said it would cost $12 billion a year for each year of ongoing operations until 2 years after that. The Marines estimated at that time that they needed $11.7 billion over a 5-year-period for reset. These figures were confirmed by our March GAO report, entitled "Preliminary Observations on Equipment Reset Challenges and Issues for the Army and the Marine Corps." Again, these pleas for help were ignored.

However, when the Army and Marine Corps submitted their reset needs to the Office of the Secretary of Defense and the Office of the Management and Budget, these requirements, the requirements of the commanders in the field, were slashed. The Army's request was reportedly cut by $4.9 billion and the commanders in the field were not able to submit a rebuttal argument as they have in other administrations. Our military leaders were told what they would get by the budget experts and that was the end of the discussion until it became so painfully obvious and publicly obvious that we are not ready to deploy significant forces that are here in the United States.

In February, the President's budget request was submitted to Congress. The shortfall for reset was obvious. Again, I recognized this, as others did. That is why in February I submitted my amendment to the reconciliation bill to provide a fund of $50 billion over the next several years so we could deal with this readiness problem, not through emergency spending but through an offset where we would use proposed tax cuts for the very wealthiest Americans to buy equipment for our soldiers and marines in the field. This amendment was rejected and the tax cuts went through. The equipment remained unrepaired.

As early as 2005, information on the state of Army and Marine Corps readiness was readily available for all who were willing to pay attention. Billions of dollars would be needed to solve this problem. Now here we are in August of 2006. We are debating the fiscal year 2007 Defense appropriations bill and until last night there was only $2.5 billion in this bill for the Army for their reset needs.

Again, we all must commend and thank the chairman and ranking member for taking the action they did last night. But we have to ask serious questions about an administration that would allow this situation to develop, that would tell commanders that they were not going to get the money they needed to provide for the equipment and troops in the field.

This administration has tried to run a serious war on the cheap. They have tried gimmicks. They have hidden costs. They have failed to admit staggering costs that are involved already. It goes not only to the equipment, but having just returned from Iraq, having observed reconstruction that has produced very little after $30 billion, having listened to Prime Minister Maliki in his speech ask for further reconstruction aid, if we are ever going to make a difference there, we would have to complement our military effort with renewed reconstruction. That is a multibillion dollar proposition. Where are we going to get the money?

I am pleased the Army and Marine Corps will receive this $13.1 billion, but that is just an installment payment. As long as we are committed, we will continue to see this type of expenditure go on and on and on. We have to provide for it, not on an emergency basis, not suddenly with the expression of surprise. We have to understand this will happen again and again and again. Anyone who goes to Iraq or Afghanistan, anyone who has the privilege of being with soldiers, marines, sailors, and airmen, knows the extraordinary sacrifices they make. Anyone who has ever been around a military unit knows one of the quickest ways to undermine morale, undermine the spirit of these troops, is to give them lousy equipment and not repair their equipment. They know their life depends upon the equipment. They also know that it is not the speeches, not the parades, not the flag pins in the lapel that say what you mean about troops; you have to give them what they need to fight. Last evening, we did that.

This administration has to be accountable. I don't understand how we can have both an administration and a Secretary of Defense who would see the readiness numbers that are presented today and deny money, forcing Congress to put it in. There is a gross lack of accountability bordering on dereliction.

Mr. DODD. Will the Senator yield?

Mr. REED. I yield.

Mr. DODD. I commend my colleague from Rhode Island for raising this issue, particularly the point he raised about how long we have known about this.

I commend to my colleagues a report dated March 28 of this year, Army Equipment RESET Update to HAC–D.

I further ask my colleague, just to make the point, this has been known for some time. The fact that the Commander in Chief did not send up a budget, including the necessary resources knowing exactly what my colleague from Rhode Island has described, is troublesome. I commend him in joining our colleagues who offered the amendment last evening, although I would still suggest we are still in excess of $6 billion short of what our uniformed services are telling us they need.

It might be appropriate here to have an amendment that would include a soft mark that would allow the military, if they are able to do it, have the resource capability to fill in the gaps that are necessary. The amount we are talking about here, based on what we presently know, would allow them to meet what they can do with the money that has been appropriated, yet there is a significant shortfall still, but to make sure the units are going to be combat ready. Lord forbid they are called upon to respond to a crisis in the Korean Peninsula or elsewhere.

I appreciate the comments of my colleague from Rhode Island. I will have some comments myself, and then discuss the possibility of an amendment that might require the soft mark that would not require the spending to occur, but if the military could use those resources, we ought not to deprive them of the cash they need if the units are ready. I do not know if he has any additional comments to make.

Mr. REED. Mr. President, I thank my colleague. He has been extraordinarily active in ensuring us the resources are available for our military forces. I would be happy to explore with him the possibility of additional funding if it is necessary.

Again, let me thank Senator DODD. We traveled together in October of last year to Iraq and saw the great service that is being rendered by our soldiers and the need for the equipment, the honest need. But I will, at this juncture, Mr. President, yield the floor.

Mr. INOUYE. Mr. President, will the Senator yield?

Mr. REED. I yield the floor.

Mr. INOUYE. Mr. President, I wish to join my colleague from Connecticut in commending our leader from Rhode Island for the role he has played in bringing this to our attention. The men and women of the Army and the Marines are fortunate to have the Senator looking after their interests. I thank him very much.

Mr. REED. I thank the Senator.

The PRESIDING OFFICER (Mr. COLEMAN). The Senator from Alaska.

Mr. STEVENS. Mr. President, we join the Senator from Rhode Island, Mr. REED, with his distinguished military career, who has raised this issue. Some time ago, we had reports on this matter of the reset funding and the goal of about $17 billion for that purpose.

I personally visited with Secretary Rumsfeld and Deputy Secretary Gordan England and Admiral Giambastiani about this and asked they check how much was needed for this reset operation and urged them to deal with the Office of Management and Budget so we would not have any problem over the total amount.

If you examine the bill, as we have it now, with the moneys we added last night, and the money that is already in the bridge account, there is the $17 billion there that was requested by the military.

In my trips to Iraq, I visited some of the places where they are up-armoring large trucks and up-armoring some of the humvees and saw some of the activities they were pursuing in order to get better armor on some of the helicopters.

All of this is part of the process, and it is not something new. After the Persian Gulf war we had two separate requests for funds for the reset activities. And "reset" is a word of art in the military; that is, to literally reset the force and the equipment so it is usable and ready in the event of another operation, should that be necessary.

But again, we had several sums suggested. And when we went to the OMB and to the Department, they came back with the figures we offered the Senate last night on a bipartisan basis. I think they are sufficient at this time to carry us through. We will have a supplemental in the spring. We all know that. The bridge is to carry us forward through the period until we look at what might be the requirements for the operations going on in some 120 countries. As I said yesterday, in terms of our people in uniform, they are in 120 countries as we speak. So this is an enormous problem to assure that the equipment and all of the systems are brought up to absolute the best state possible.

But again, Senator REED has put forth his comments about this necessity from his military background. We appreciate that, and we agree with him. We agreed with him, and, as a matter of fact, the moneys we added last night were in addition to what the Senator was seeking because they cover some other activities beyond what he was talking about.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I want to take a few minutes, if I can, and speak on similar subject matter. I appreciate the comments of the distinguished Senator from Alaska and my great friend from Hawaii who brings a wealth of knowledge and information, including his personal experiences, of the importance of adequate equipment.

America's soldiers, sailors, airmen, and marines are courageously waging wars on two fronts against terrorism and militant insurgents, with 19,000 U.S. servicemembers still engaged in combat in Afghanistan and 132,000 of our troops in uniform in Iraq, as we speak this morning on the floor of the Senate.

No other military service bears the brunt of these military operations more than the U.S. Army and Marine Corps. And no other Americans are sacrificing more in these wars than the soldiers, marines, and their families involved in these conflicts.

It is therefore critically important, as Senator REED from Rhode Island has pointed out, and my colleagues on the floor—Senator INOUYE and Senator STEVENS—that we pay particular attention to their uniformed leadership when these leaders speak out about equipment shortfalls that they warn could jeopardize our missions and our military's overall combat readiness.

When the U.S. Army's Chief of Staff repeatedly sounds the alarm in testimony before Congress—repeatedly—that the budgets drawn up by the civilian leaders at the Pentagon and the White House have left them with a $17 billion shortfall in vehicles and equipment they need, then we should take heed and listen to what they are saying.

And when our Army and Marine Corps' top leaders are telling us such shortfalls are so severe that major portions of their forces are unprepared for combat duty, then I think we need to take action.

I am deeply concerned, as I think others are, that we are not meeting our obligations to these men and women in uniform. Amendments may serve as a first step toward addressing the needs of our soldiers and marines. Out of the $17 billion identified by the Army Chief of Staff that is needed to address equipment shortfalls, the amendment that was adopted last evening would add $7.8 billion on top of the $2.5 billion that is also included in the underlying bill, and another $5.3 billion for the Marine Corps.

Nonetheless, I remain concerned, as I hope my colleagues are as well, that there remains almost a $7 billion shortfall of what we are being told by the uniformed military leaders we need to address the Army's outstanding requirements, as expressed by GEN Pete Schoomaker, the Army's top general.

As the Senator from Rhode Island has pointed out, these shortfalls have been known for months. The report that I included in the RECORD a moment ago is dated March of this year. They were not suddenly discovered last evening or in the last few days. I have a slide presentation that the Army provided to the House Appropriations Committee on March 28 of this year that specifically identifies all of these shortfalls without exception. And yet, despite that briefing in March, the administration and Congress did little or nothing about it.

Today, I do not think we can stand by—in the remaining days of this Congress—and allow this Congress to proceed further without addressing our Nation's major and most pressing needs, particularly as our men and women in uniform continue to defend America in combat operations each and every day.

We are not talking about arbitrary budget numbers that we pulled out of thin air. These are very specific allocations requested by our top leaders in uniform—leaders such as General Schoomaker and his deputies: LTG James Lovelace and LTG David Melcher. They have testified repeatedly—repeatedly—that the Bush administration has once again proposed a Defense budget that falls far short of what our troops need.

As far as this Senator is concerned, the days of sort of nickel and dimming our national defense needs should be over when it comes to these soldiers in uniform. We can no longer afford to continue down the path the Bush administration has brought us.

Regrettably, this is not the first time we have had to address the administration's poor budget planning for this war. But I hope it might be the last. I have come to the floor to try to address, in the past, some lacking resources for our military's essential equipment needs from the very first year of this conflict.

In 2003, the Army identified $322 million in shortfalls in critical health and safety gear—ranging from body armor, camelback hydration systems, and combat helmets, to equipment for deactivating high explosives—all of them are listed as priorities that the Rumsfeld Pentagon and Bush administration failed to provide in their initial budgets.

I offered an amendment, in 2003, to the emergency appropriations bill to resolve those problems. Unfortunately, the administration opposed this legislation, and the amendment was defeated, despite the fact that our top uniformed military leaders were asking otherwise.

In 2004, we tried a different approach, in an amendment I offered requiring the Department of Defense to reimburse military personnel who bought equipment for their military service in Iraq and Afghanistan that the Rumsfeld Pentagon had failed to provide. This time, despite ardent objections from the Secretary of Defense, Congress approved the legislation. And in October 2004, the President signed that bill—the larger bill which included those amendments—into law.

We approved similar legislation last year because the Pentagon did not act on them, despite the fact that Congress had voted overwhelmingly in support of those provisions and the President signed them into law. And on the very day I offered a new amendment, I received a call from the Pentagon saying on that day—a year later—they were beginning to implement the legislation as required under law.

This year, the difficulties associated with equipment shortfalls pose a far more serious problem. The ones I identified earlier, which my colleagues will recall—having servicemen stand up and admit they were rummaging—rummaging—through garbage dumps in Baghdad to provide equipment to uparmor their humvees and other equipment because they were not getting it from the Pentagon. These were not some dissidents, some activists outside complaining. These were our men and women in uniform telling us what they had to do in a theater of war to protect themselves because they were not getting it from the Pentagon

Well, today the problems are more serious. The ones that Senator REED has identified are real. And the concerns are being expressed by our top military leaders. It is disgraceful it takes an amendment being offered on the floor of Congress to try to provide for these needs rather than coming from the leaders at the Pentagon, the civilian leadership or out of the White House.

We are not talking today about a shortage of flapjackets or gun scopes. Today, the challenge is that our Army's entire fleet of tanks, aircraft, and vehicles are wearing out. And we are not doing enough about it.

Recent media accounts have indicated that the administration's failure to fund the replacement and repair of this critical hardware is greatly affecting America's overall military readiness. The Associated Press reported on July 26 that up to two-thirds of the Army's combat brigades are not ready for wartime missions, largely because they are hampered by equipment shortfalls.

In other words, if America does not finally heed the warnings of the U.S. military's top generals, and fully fund our equipment needs, the Armed Force's ability to respond to future challenges to America's national security—whether on the Korean Peninsula, the Middle East or elsewhere in the world—could be harmed, to put it mildly.

Maintaining a wartime military is very different from business as usual—something I am afraid that the Rumsfeld Pentagon does not seem to entirely understand, after 5 years of combat in Iraq and Afghanistan. Having 16 to 18 combat brigades deployed in combat at one time over the last year 3 years, in addition to other U.S. forces, has placed tremendous stress on the military's equipment.

In Iraq, U.S. tanks are being driven over 4,000 miles per year—five times the expected annual usage of 800 miles. Army helicopters are experiencing usage rates up to two to three times their planned usage. The Army's truck fleet is experiencing some of the most pronounced problems of excessive wear, with usage rates of five to six times the normal rates, further exacerbated by the addition of heavy armor.

This increased use, obviously, shortens the life of equipment and demands much earlier and larger investments in maintenance and procurement. On top of that, our equipment is being further degraded by the sand and extreme heat in that part of the world, which harm the mechanical and electronic systems, not to mention rocket-propelled grenade and explosive attacks that are causing grave harm and loss of equipment at an alarming rate.

As this chart I put up shows, just a few years in combat will age military equipment dramatically. These statistics are coming from the U.S. Army. They are not ones I made up. So my colleagues can appreciate what we are talking about here.

For example, the Abrams tank, listed up here—it may be hard to read on the TV screen—but the first item here, the Abrams tank, usually has a lifespan of 20 years before it needs to be overhauled. It is seeing its lifespan being cut short to just over 5 years because of where they are.

The flatbed truck, which we have listed here as well—this item here—normally has an expected lifespan of 20 years. It is getting 3.3 years today—substantially less than would normally be expected to be the case.

The humvee has a 15-year normal, expected lifespan. And 2.5 years is what we are getting here.

The semitrailers and trailers—all 20 to 15 years—but the actual numbers they are getting is in the range of 2.5 to 3.3 years

This is what we are being told and have been told repeatedly. These numbers didn't pop up yesterday or the week before. We have been told repeatedly by top military leaders that this problem has persisted and is growing.

Recently, Army officials testified before Congress that it will cost $36 billion to fully reset the force due to this situation. But this estimate assumed that the United States would fully draw down its forces by the end of 2007. Army Chief of Staff Peter Schoomaker conceded that if the Army continues to operate in Iraq at its current pace, the reset cost will total over $72 billion and will eventually require steady reset expenditures for a full 2 years after the U.S. military withdraws from Iraq. These estimates do not even take into account the Marine Corps' reset requirements. In the meantime, the Army intends to leave over 280,000 major items in theater and will not redeploy this equipment to be reset until forces draw down in Iraq.

The situation in the Army National Guard, which my colleague from Rhode Island who is knowledgeable on these matters has pointed out, is particularly alarming. In late 2003, the Army began to direct redeploying Guard units to leave their equipment in theater for use by deploying forces. Under current regulation, the Pentagon requires the Army to replace equipment transferred to it from the Guard. But under Secretary Rumsfeld's leadership, the Army has not tracked much of the Guard equipment left in theater nor prepared to replace it.

The National Guard and Reserves comprise 40 percent of the forces now fighting in Iraq. If you consider that the National Guard began the Iraq war with less capable equipment than the Active Force to begin with, it only seems reasonable to assume that they have lost ground as the occupation has continued. The Army claims that the National Guard has been directed to transfer more than 75,000 pieces of equipment, valued at $1.7 billion, to the Army. But the Army does not have a complete accounting of these items. An independent analyst at the Government Accountability Office put the cost of resetting the Guard at $20 billion. Since much of the stay-behind equipment is relatively old, I presume it will never return to the United States.

The drawdown of the National Guard equipment in the United States to support the war effort is so extensive that it raises doubts about preparedness for homeland defense. As the Senator from Rhode Island pointed out, we are now going into the hurricane season and the problems that can ensue there. I don't think the National Guard is going to be ready to respond to those situations because of the situation we are in today.

For that reason, I am joining my colleague from Vermont, Senator LEAHY, in supporting an amendment he will be offering to provide necessary funding for the National Guard that for too long has been neglected by this administration. On Tuesday of this week, the Chief of the National Guard Bureau, LTG H. Steven Blum, admitted that more than two-thirds of the Army National Guard's 34 brigades are now not combat ready due largely to the vast equipment shortfalls that will take as much as $21 billion to correct. General Blum addressed the situation this way:

> I am further behind or in an even more dire situation than the active Army, but we both have the same symptoms. I just have a higher fever.

In spite of all the administration's rhetoric that we have turned a corner, I think many of us believe that the insurgents are not in their last throes, as the Vice President said only a few months ago, or that the mission is accomplished, as others have suggested. Our military commitments in Afghanistan and Iraq have only grown, as we are hearing now additional requests for troops to protect the Baghdad area, to the point that our forces are now larger in number in these countries than they were when we started the wars in 2001 and 2003. And there is some indication that our forces in Iraq may increase even more. Now it seems that the effect on our own forces has been devastating. Our forces are stretched thin. Our fleets of aircraft, tanks, and trucks are wearing out. But the administration's only answer for Iraq and Afghanistan is to stay the course.

I can tell you, with today's situation, that is not an option. If we are going to maintain America's edge in the war on terrorism, retain the ability to respond to other future threats, then we need to provide some relief to our Armed Forces and start putting critical investments into rebuilding these forces.

During two Presidential election campaigns, the Bush-Cheney team sold its candidacy to the American people as a solution to all of our Nation's security needs. A vote for that ticket, we were told, would shore up our Nation's vulnerabilities at home and keep us on the offensive overseas. Sadly, I submit, the policies of this administration have only left our Nation weaker, as the administration shortchanges the needs of our Armed Forces and fails America's National Guard personnel.

The 2000 campaign disparaged President Clinton's stewardship of the Armed Forces, and it was leaked that two of the Army divisions were rated C–3 and C–4, the lowest levels of preparedness and readiness, the lowest category, according to the Army's own scale, decrying that "two Army divisions could not report for duty." The then-Governor of Texas pointed out that he promised help was on the way. Instead today, as a result of the administration's strain on our forces, the situation is dramatically worse.

According to the Army's own accounts, our forces are being drained of critical resources to meet our homeland security needs in the United States and to stay prepared to address our military threats in the future.

While the sheer size and scope of U.S. Army readiness remains classified, one thing is for certain, our military hardware is stretched thin. Our fleets of aircraft, tanks and trucks are wearing out. Those are the facts. The military leaders are telling us that in clear, uncomplicated voices. U.S. military experts and media reports have long been sounding the alarm about the Iraq and Afghanistan wars and their impact on military readiness.

The Washington Post recently said the following:

> The unexpected heavy demands of sustained ground combat are depleting military manpower and gear faster than they can be fully replenished. Shortfalls in recruiting and backlogs in needed equipment are taking a toll, and growing numbers of units have been broken apart or taxed by repeated deployments, particularly in the Army National Guard and Army Reserve.

That was from a year and a half ago. Things have only gotten worse since then. The administration's failures are literally breaking the back of the U.S. Armed Forces. I am worried about it. I know my colleagues are. In addition to the amendment we have adopted, and while the Senator from Alaska is correct, the amount of money they can receive and actually spend is constrained. But I am hopeful our military leaders will be able to do a better job. I ask them to consider the possibility of what we might call a soft mark that would provide the resources now, not wait until next spring, and that if our military leaders can find the way to expend the dollars to increase the readiness of this equipment, we ought not wait another almost year to do so. If they can't spend the money, then it doesn't get spent. It comes back to the Treasury. But I wouldn't want them saying we could have used the money, but you didn't appropriate it on an emergency basis for us.

So while I appreciate the amendment that was adopted last night, as I pointed out, we are still $7 billion short, according to the military leaders testifying before Congress in the last number of months. I think it is not only appropriate but required of us here to provide those resources, put them in place. And if they can be spent, they ought to be spent to make sure this equipment we are falling so short on is going to be replenished and repaired so that our units can be combat ready, not only for the present crises but also for future ones we may face.

Again, my compliments to the Senator from Alaska and the Senator from Hawaii, who historically have placed the needs of our military very high on their agenda. My criticism is not focused on them. It is focused on the fact that the Secretary of Defense and the Commander in Chief should have been having these numbers in the budget coming up here, not requiring us to ask them to do a better job. That is what the two Senators did last night. They should have been telling us how the leadership of the Pentagon and the White House put the numbers in and that we were supporting them, not requiring an amendment to be adopted out here to fill the needs.

I am urging my colleagues to take a look at some additional funding we may need in order to meet these requirements.

Mr. INOUYE. Will the Senator yield?

Mr. DODD. I am happy to yield.

Mr. INOUYE. I commend my colleague from Connecticut. I concur fully with my friend that when we are prepared to send men and women into combat and in harm's way, the least we can do is provide them with appropriate equipment to carry out the mission and to return home safely.

Mr. DODD. I thank my colleague.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I ask unanimous consent to proceed as in morning business for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. BOND and Mr. SESSIONS pertaining to the introduction of S. 3774 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, what is the pending matter?

The PRESIDING OFFICER. The Stevens amendment.

AMENDMENT NO. 4775

Mr. SESSIONS. Mr. President, I will not speak on an amendment at this time, but if others do not object, I would like to call up amendment No. 4775 and ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Is there objection to laying aside the present amendment?

Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 4775.

Mr. SESSIONS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide $1,829,000,000 for the Army National Guard for the construction of 370 miles of triple-layered fencing, and 461 miles of vehicle barriers along the southwest border)

On page 221, line 9, strike "$204,000,000", and insert "$2,033,000,000, which shall be designated as an emergency pursuant to Section 9011 of this Act.".

Mr. SESSIONS. I yield the floor.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I had previously offered and called up amendment No. 4775, and I ask that Senator KYL of Arizona be made an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, a few weeks ago, on May 17, by a vote of 83 to 16, we approved my amendment to mandate the construction of at least 370 miles of fencing and 500 miles of vehicle barriers along the southwest border of the United States. That was a very strong vote. It represented the request of Secretary Chertoff of the Department of Homeland Security. It was the amount of barriers and construction that he felt was necessary to help him create a secure border. I believe this Senate meant it when we voted to do that.

When the vehicle came forward on Homeland Security, we failed to fund this project. I think it left this body in an embarrassing position, telling the American people we are for barriers at the border, we are for meeting the request of the Secretary of Homeland Security, but, by the way, we are not going to put up any money to fund it.

I know there were reasons that some felt it couldn't be afforded under the amendment process, which gave the appropriators a requirement to find it within the $30-billion-plus Homeland Security bill, but we are now in a position where we feel there are funds available that we can utilize to make this step.

We believe this is a germane amendment to the Defense bill. The National Guard is going to be a part of our border security, and the National Guard does have the authority to enter into construction and other engineering projects as part of their directive to assist in securing the border.

That is where we are today. I think this is an appropriate amendment. I see my colleague, Senator KYL from Arizona, is here. I would say it has been my honor to work with him quite a number of years—ever since I have been in the Senate. There is not a single Senator here who has ever spent anything like the number of hours he has spent in advocating for a legitimate, sound method of border security, nor has anyone voted more consistently than he to establish that. I am glad he is a cosponsor.

Senator KYL understands this process. He is one of the leaders in the Senate. I am glad he feels this is an appropriate way we can go forward.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 4788 TO AMENDMENT NO. 4775

Mr. KYL. Mr. President, I call for the regular order with respect to amendment 4775 and send a second-degree amendment to the desk.

The PRESIDING OFFICER. The amendment is pending. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. KYL] proposes an amendment numbered 4788 to amendment No. 4775.

Mr. KYL. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows

(Purpose: To provide $1,829,000,000 for the Army National Guard for the construction of 370 miles of triple-layered fencing, and 500 miles of vehicle barriers along the southwest border)

On line 2, strike "2,033,000,000" and insert "2,033,100,000"

Mr. KYL. Mr. President, this amendment simply adds $100,000 to the sum that would otherwise be appropriate to the National Guard for the purpose of constructing the fence. There is some question about whether the appropriations for vehicle barriers we have in the Department of Homeland Security appropriations bill will be added to construct the full number of barriers that are required. This is a very slight addition to the funding called for in the underlying amendment to help ensure we have that funding as well.

What Senator SESSIONS and I are committed to doing is ensuring that the authorization for construction of fencing is fully funded so that we can assure our constituents that we have done everything necessary to provide the fencing on the border that the experts have said is necessary. When we talk about vehicle barriers, let me describe briefly how that fits into fencing.

Fencing is primarily a way for the Border Patrol to ensure, as it patrols the border in urban areas primarily, that it is very difficult to cross. It is hard for the Border Patrol in urban areas to be able to patrol on a continuous basis and deal with the large volume of people who could come across if there is not adequate fencing. I think we have all seen the pictures of the rush to the border at border points of entry where large numbers of people congregate on the Mexican side of the border, come rushing across, and it is virtually impossible for the Border Patrol to deal with that mass of people when they cross. In order to make it more difficult in the urban areas where this is likely to occur, they prefer fencing as one of the mechanisms for securing the border.

Fencing is not effective unless you also have Border Patrol to patrol along the fencing because it is possible, in most cases, to get over a fence or through a fence. But it slows people down to the point that the Border Patrol is able to apprehend them and ensure that they do not cross illegally. One of the reasons for a double fence is that the Border Patrol can get to the point where people are trying to cross illegally if you have a double fence, and that is what this funding is helping to achieve.

Right now, we have this single fence constructed of steel. It is excess or surplus landing mat steel that the military has no more use for but used to be the equipment they would lay down on a field in order to be able to land planes on an emergency basis. This is surplus steel. They put that on end, welded together, and it constructs a fence. It is somewhat effective in the urban areas, but much of it is deteriorating in the areas where it has been constructed for a long time, and it is also not as effective because the Border Patrol cannot see through it and therefore it does not as easily know what is happening on the other side of the fence—whether people are congregating there. They would prefer to replace that deteriorating landing mat fencing with other kinds of fencing.

What the amendment from Senator SESSIONS does is ensure the National Guard will have the funds necessary to put the landing mat fencing up that they are currently constructing in those areas where that is appropriate but also that there will be adequate funding to convert to the other kind of fencing we are familiar with in the form of a very heavy gauge chain link kind of fencing with barbed wire, and so forth, to prevent entry.

The vehicle barriers we speak of are a real necessity now because the Border Patrol is gradually gaining control of the border, and their control is being contested by the cartels and the coyotes who in the past have had significant control of that territory. They are responding with violence, and they are using pretty high-caliber weapons.

What the Border Patrol says is that every time they see a vehicle coming across the border, they know they have a problem because it is big enough to carry weapons. It is also big enough to carry contraband, usually drugs, which is protected by weapons. So unlike the situation with illegal immigrants crossing the border, they know that the coyotes and the cartels, the gangs that are in control, are going to use weapons to protect their turf, protect their territory, and enable that contraband to get across the border. So vehicles present a special threat to the Border Patrol.

The vehicle barriers they will construct and they are constructing will prevent, in the flat areas, beyond the urban areas, these vehicles from coming across. They are constructed in such a way that animals or people could get through them, but vehicles cannot. In some of the more mountainous areas, obviously it is not possible to put up either fencing or vehicle barriers. But the combination of those two items, plus cameras that can view large areas of the border at a time, plus lights that enable the Border Patrol to see at night and sensors in the more remote areas, in addition to the unmanned aerial vehicles, fixed-wing and helicopters that patrol the border, provides a mechanism that supports the vehicular patrols of the Border Patrol and the combination of which provides the mosaic for securing the border.

All this is a part of the Border Patrol's recommendations—the Department of Homeland Security recommendations—and is authorized by legislation we have adopted. But the funding is not adequate to complete all of this work. That is what the amendment Senator SESSIONS has offered would do. It would in effect put our money where our mouth is. It would provide the funding that is needed to achieve the goals we have all agreed we need to achieve.

Just a final point. When the previous appropriations bill was before us, and Senator SESSIONS referred to this, we had amendments—for example, one that I offered that was accepted which applied more funding to achieve the authorization we had previously passed to fund more detention spaces to end the catch-and-release program. Right after that or very shortly after that amendment was adopted, the amendment of Senator SESSIONS was laid down. Through no fault of his, there was a problem in funding—that is, it would have provided a potential across-the-board funding reduction of everything else—so some of us were caught in a catch-22. We very much wanted to support what Senator SESSIONS was doing—he is absolutely right, we needed to secure more money for the construction of fencing—yet in my case it could have been taken out of funding I had just succeeded in adding to the bill. So it was an impossible vote for us.

One of the reasons this amendment is before us is to correct that and ensure that all of the things we need to fund will be funded: the detention spaces that I was able to add, more border patrol that we have added, as well as the fencing that has to be added. So in effect this is the last block in the foundation for the effort we have of securing the border. We need to put it in place.

We have authorized the work. Everybody agrees it needs to go forward. There has simply been a difference between the funding appropriated and the funding required. This amendment will provide that funding and will do so in a way that will do harm to no other account and will help us to achieve the goal of securing the border.

I am very happy to support the amendment. The second-degree amendment that I laid down, as I said, is technical; it simply adds $100,000 to ensure there is enough money to provide for the vehicular barrier construction as well.

Mr. SESSIONS. Will the Senator yield for a question?

Mr. KYL. I am happy to.

Mr. SESSIONS. I had a call several months ago, before I offered the amendment, from Congressman DUNCAN HUNTER of San Diego, who chairs the House Armed Services Committee, and he shared with me his positive view of what the San Diego fencing had meant for that area. Crime had gone down. Economic growth had occurred on both sides of the border—it was so positive. I know there is fencing in Arizona, and it is not the best kind, not the most attractive. As was said, it is not something you can see through—landing mats.

But based on the Senator's experience and many years of examining what has happened at the border, is he convinced and would he share his thoughts about how this could be helpful in the overall view of creating a border in which the law is followed and we have security?

Mr. KYL. Mr. President, I appreciate that. We had testimony before the Terrorism Subcommittee of the Judiciary Committee, which I chair and on which Senator FEINSTEIN is the ranking member, about what the results of that fencing in San Diego have meant—on both sides of the border. The testimony was that it has reduced crime on both sides of the border. The people in Mexico are very pleased because the gangs and the coyotes that used to gather together before they would try to bring their load of illegal immigrants across the boarder—preying on them, stealing from them, robbing them, beating them, and committing other crimes against them—that whole milieu has ended because the fencing has made it impossible to cross, so the coyotes have gone to other places to try to take their loads across the border. They are no longer congregating and hanging out in that area in Tijuana and south of the San Diego area, and as a result, on both sides of the border, crime has gone down dramatically. The environment has improved dramatically because you don't have these thousands and thousands of people crossing, cutting all these trails, leaving their garbage behind.

In fact, I am told nobody has actually gotten across the fencing in that entire sector. I don't have the statistics off the top of my head here, but the testimony before our subcommittee was dramatic in terms of the number of apprehensions before the fencing and the number of apprehensions afterward. I am proud that I was a sponsor, along with Senator FEINSTEIN, of the fencing in that area which has made such a dramatic difference there.

As I said in the Judiciary Committee, when I got the authority to add fencing in Arizona, a lot of those folks who were crossing in California are now trying to do it in Arizona. Wherever that traffic is now attempting to cross the border, we need to provide the Border Patrol with all the tools it needs to get the job done, and that includes a substantial amount of fencing.

Mr. SESSIONS. One more question, if I could ask the Senator from Arizona. Would he share with us and the American people some information he might have about the size and scope and numbers of people that are crossing in the Arizona area? I know he cares about that. That is one reason the Senator feels so strongly about it. But I am not sure a lot of people understand the scope of the problem. He has already shared that fencing is a component of fixing the problem, but would the Senator share with us the scope of the problem?

Mr. KYL. Let me illustrate with a couple of examples. There are so many things one could talk about. For example, the violence at the border has increased 108 percent, according to the U.S. attorney in Arizona, Paul Charlton, in testimony before our subcommittee. The number of crimes and number of criminals crossing is up dramatically. Over 10 percent of all of the people apprehended now at the border have criminal records—and these are serious crimes. This is murder and rape and kidnapping and drug crimes and the like. So it is not just people coming across the border to find work here. There is a substantial number of criminals, and they are not just from our neighbor to the south, Mexico; they are from countries all over the world.

When you see the apprehensions of people from Russia and Vietnam or China or Iran or Iraq or other countries, you also wonder how many people we are not apprehending who are criminals or who can be terrorists. So there is that element.

I spoke to the matter of vehicle barriers. One of the areas they are adding barriers right now and want to add more is in the area of the Barry Goldwater Gunnery Range. This is known to the people in the military as the finest area of training for our pilots in the world. There are wide-open spaces. There is nothing to prevent the kind of activity that occurs, which includes dropping bombs. From all over the country, our pilots come to train there. There is one problem. With illegal immigration, the Marine Corps now has to go out on patrol to make sure there are not any illegal immigrants in the area where the bombing or strafing will occur. Obviously you don't want to hurt anyone.

They do that at great cost. They come back and report the area is clear, our planes are gassed, ready, loaded with the bombs and so on, maybe take off, and then they get a report that more immigrants are streaming into the area.

They have had to call off their missions. Over the past couple of years there have been hundreds of missions that had to be canceled. Thousands of flying hours have been lost as a result.

My point is this: There are costs for not having secured the border that I think many in America aren't even aware of. There are huge environmental costs. Tons of garbage are left behind rotting, a danger that leads to the people as well as to the livestock, the way the ranchers' operations are disrupted when the fences are torn down, the water lines are broken, and all the other things that occur.

The bottom line is that we have to secure the border, and adding fencing helps to do that.

That is why the amendment is so important. We have to make up the difference between what we have authorized and what the Border Patrol says they need, with what we have already provided in funding in the amendment to make up the difference to ensure that we have full funding for what we have to do at the border.

Mr. SESSIONS. I thank Senator KYL. I yield the floor.

The PRESIDING OFFICER (Mr. COLEMAN). The minority leader is recognized.

Mr. REID. Mr. President, first of all, let me say this. We are in a procedural quagmire in the Senate as happens once in a while. Of course, it would have been the right of the minority to stop this Defense appropriations bill from going forward. For a couple of reasons I felt that was inappropriate.

First of all, the defense of this country is extremely important, and we should try to get a few things done dealing with our fighting men and women around the world as quickly as we can. But one of the factors in my agreement to go forward with this legislation is the two managers of this bill are history itself. Two of the most senior Members of the Senate, two of the most experienced Members of the Senate, the two Members who manage a bill as partners, as a couple of friends should, are experienced. I felt that with their management of this bill we would have a fair opportunity to do what was appropriate. My feeling has been underscored in the little while we have been on this bill. We will give a fair shake in the process to the men and women who are defending our country.

I come to the floor today with a simple amendment. I must confess that the amendment I brought to the floor is certainly not new and unique with me. The amendment that I am offering has been taken directly word for word from a bill that was passed by the Republican-controlled House last week by a broad bipartisan margin.

This amendment consists of tax provisions—so-called extenders—excluding the abandoned mine land fund in the House-passed bill.

Again, every single provision in my amendment enjoys broad bipartisan support. But I am forced to offer this amendment for a couple of reasons.

First, our friends in the majority have allowed many of these provisions to expire.

Second, the statements made by the majority leader yesterday—which I don't think are hard to understand—I have to confess that the statements by my friend, the majority leader, were wrong in a number of different ways. What he basically said yesterday was we have a vote on the motion to proceed to a big bill on Friday; take it or leave it take that bill which includes these extending tax provisions which are so important to the country, some of which have expired.

It also has in it a minimum wage provision which is so flawed. It takes 3 years to kick in, but, more importantly, for seven States it would be a wage cut for these people. The threats—for lack of a better way to describe it—are simply an attempt to coerce, blackmail Members of the Senate to vote for a bill that is bad just because there are certain provisions that people might like, thinking, well, this allows a chance; whatever, we are going to have to vote on the extenders and the pension bill simply is not true. We have to pass these extenders. We always do, and we will this year.

I certainly hope we pass the pensions legislation. We have worked on that in conference for almost a year.

Last Friday, it was all agreed on, and on a bipartisan basis it was done. They were ready to sign the conference report. Had that happened, we would have long been done with this.

For the majority leader to say it is now or never, you vote for this Friday morning on the motion to proceed, that it is a very faulty, wrong-headed piece of legislation, not the least of which is to create an $800 billion further deficit and debt for this country with the estate tax—$800 billion.

It affects 8,100 people in our country. We are a country of 300 million people. This whole matter is being driven for 8,100 people—$800 billion.

If we are talking about priorities, what is more important? The pensions provisions affect 45 million people, and these extenders which affect virtually everybody in the country—businesses and, of course, directly our citizens.

We do not need to go through each of these extenders, and I am not going to do that. For example, take the one that allows taxpayers to deduct up to $4,000 of their college tuition expenses. Senator FRIST is telling us and the American people that the 8,100 Americans that we are creating a debt for this country of $800 billion are more important than parents sending their children to college with this deduction. It doesn't sound good to me. It doesn't seem like a fair chance.

This amendment contains an R&D tax credit to encourage American businesses to make investments that will benefit American workers. What is more important, to get that done before we leave here at the end of this week or to pass an estate tax repeal costing $800 billion? Senator FRIST said that the 8,100 people are more important than the R&D tax credit.

My amendment contains a provision that will extend the State and local sales tax deduction, led by a number of Members but certainly the senior Senator from the State of Texas. That State's residents will benefit so significantly because there are so many people there. But Nevada, which doesn't have as many people, has a sales tax, and we want this benefit.

Senator FRIST says, no, you are not going to have a chance to do that unless you support my estate tax repeal—$800 billion to extend the State and local sales tax.

This amendment includes a provision to allow teachers to deduct out-of-pocket expenses when they incur classroom expenses. In Nevada, we are struggling to find ways to have affordable housing for our teachers. This means a lot to them—deduct out-of-pocket expenses for classroom activities. Senator FRIST says, No, 8,100 of the richest of the rich of the rich take precedent.

As I have said, I am not going to go through each of these provisions. But why don't we just go ahead and pass this?

People say the House is out of session. The House is still in session.

I think it would give true impetus to this defense bill, and we could perhaps finish this bill within a day or two. There will be some stimulus for doing that. On the House side, just like we do over here, leadership can bring the House back into session. They have to come every 3 days. That is the rule. They cannot adjourn unless we give them permission.

They can do this by unanimous consent. We could do the Defense appropriations bill, and we could do these extensions.

This amendment is important. It provides an opportunity for every Member of this body to show the American people that we are prepared to respond to their needs.

These extenders should have been extended a long time ago.

I am speaking for my friend, the ranking member on the Finance Committee, Senator BAUCUS, who, as you know, is not here as a result of his nephew being killed while serving us in Iraq. He feels very strongly about this.

I don't believe we can be coerced into providing budget-busting tax breaks for the wealthiest of the wealthy in our country. We should not leave here without giving our colleagues every opportunity to provide working Americans some tax relief, which they deserve.

Mr. DURBIN. Mr. President, I rise in support of amendment that is being offered by the Senator from Nevada.

Yesterday, the Republican leader, Senator FRIST, told us that the only chance the Senate would have to pass critical legislation to help countless deserving Americans will be if we are willing to reduce and virtually repeal the estate tax in America.

My question and the question of the Senator from Nevada and this side of aisle is, why? Why not just pass this tax-extender package that is ready right now on the Senate floor?

Those of us who have been in Congress for a few years know that this package of extenders is a spoonful of sugar. It helps the medicine go down. It is saved until the end of the session. It is offered as a sweetener to pass a package that is otherwise not palatable for indigestion.

We all know the merits of these proposals. They are very positive, and they help a lot of people across America. Why wouldn't we get that part right?

Why wouldn't this Congress, which has done so little to help people across America, make sure that this package of extenders passes?

Why wouldn't we pass this legislation and make it easier for veterans to own their own homes?

Why wouldn't we pass this to make it easier for families to pay for their kids' college education expenses?

Why wouldn't we pass this and help high school teachers pay for the expenses that they incur out-of-pocket to help students in the classroom?

Why wouldn't we pass it to encourage investment in low-income communities, to encourage employers to hire workers from low-income families, or Indian tribes, and encourage employers to hire high-risk youth and veterans?

Why wouldn't we pass this to encourage our businesses to conduct critical research on new products and ideas?

Why wouldn't we pass it to support coal mining cleanup and bolster coal miners' health care when they retire?

It appears that the answer, as Senator REID has stated, is very simple. The position of the Republican leader is you can't do these good things for America unless you do something that is terrible for America. Unless we repeal the estate tax creating an additional debt on future generations of at least $750 billion to $800 billion, you can't help Americans across-the-board unless you provide a special tax break for those who are the most well-off in America, the most comfortable, the people who have benefited the most from being part of this great Nation.

Unless you give them an additional tax break, the position of the Republic leader yesterday was, We will not help anyone else in America. We will not help 6.6 million minimum-wage workers who desperately need an increase in the minimum wage after 9 years of being stuck at $5.15 an hour.

We will not pass these tax extenders which help some Americans in so many different ways unless at the same time we repeal the estate tax at great expense to America and to future generations.

We believe these priorities in this amendment are too important to be any kind of subject for games in the Senate. This is serious business. I encourage my colleagues on both sides of the aisle, despite all the other debate we might get in, to enact this amendment. Pass these tax extenders at the earliest opportunity.

AMENDMENT NO. 4795

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, my friends have agreed to set aside the pending amendment and I ask consent that be done, and I then call up my amendment which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4795.

Mr. REID. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. STEVENS. I make a point of order this amendment is legislation on an appropriations bill and violates rule XVI, and it would bring about a blue slip if this is reported to the House.

With regret, I make that point of order.

The PRESIDING OFFICER. The point of order is sustained. The amendment falls.

The Senator from Michigan.

Ms. STABENOW. Mr. President, what just happened is extremely unfortunate for American families, extremely important for people all across the country who want Members to do things in the Senate that affect them and their lives.

People are feeling squeezed on all sides: Jobs, health care costs are rising, they are afraid they will lose their pension, maybe have lost their pension, the costs of college, men and women serving overseas want to know when they come home their house is not gone because of foreclosure, or they worry their family has a more difficult time because they have been serving our country.

The extension bill, the amendment Senator REID offered with Senator DURBIN, and of which I am proud to be a cosponsor, speaks to those issues the American families are asking Congress to address. It speaks to the kind of tax policy that makes sure middle-class Americans are supported and that we are doing something for them, not just for those who are the most blessed, the multibillionaires of this country.

Let me give an example. Our amendment that was just objected to included a provision to extend the $4,000 deduction for higher education expenses for families to send their children to college or for people going back to school themselves to be retrained or get a new degree to better meet the demands of the new global economy. Why in the world would we not want to rush to extend that $4,000 tax deduction for individuals who are just trying to make it, trying to get the American dream for themselves or their children?

Extending the research and development tax credit, again, is absolutely critical. Our State has gone through and continues to go through major transformations in manufacturing. This is not your father's factory anymore. This is high tech. The R&D tax credit is critical to be extended.

It is about jobs. There are many provisions in this amendment just objected to that directly relate to jobs, directly relate to our way of life in this country, creating opportunity, as well as supporting our troops. One of the provisions treats combat pay as earned income under the earned income tax credit for our brave men and women in uniform. Who would not support doing that as quickly as possible? I regret this amendment was not supported.

Let me go on to say, as our leader Senator REID indicated, there is another bill that affects middle-class Americans that is being held up, essentially is being used for political maneuvers right now, that affects upwards of 45 million people in this country. That is the pension bill. We are talking about people who have paid into a defined benefit plan all their lives. They assumed it would be there. They assume in the United States of America one shouldn't have to worry, after paying into a pension, that the funds would not be there at retirement. Yet that is happening for too many people I represent and too many people around the country.

We have a bill that has been worked on very hard. People on both sides of the aisle in the Senate have worked together in a bipartisan effort, a good-faith effort—the Committee on Finance, with Senator GRASSLEY and Senator BAUCUS, and the HELP Committee, with Senator KENNEDY and Senator ENZI, working very hard along with Senator MIKULSKI on our side playing such a critical role to make sure we get it right. Unfortunately, the process for this bill has been a disaster despite the best efforts of people on both sides of the aisle in the Senate.

Unfortunately, the price is being paid by families who find their economic interests, their future, their retirement security, put on the back burner. Three failed deadlines have occurred on this bill. 7 months of lost time in conference. Now the same families are being told they have to wait some more so we can take up a tax bill with provisions that do not even expire until 2010. People have pensions in jeopardy because of the possibility we will not act in 2 days, and we are not acting. Hopefully we will get this done. We ought to get this done now before we focus on legislation that affects only .2 percent of the wealthiest in this country, people who are not even impacted for 4 years. There is something wrong with this picture.

There is no way to justify this. In my opinion, it is immoral to watch working Americans lose pensions they have earned over the last 30 or 40 years, and not step up and do something about it as quickly as possible. People have waited too long. In Michigan alone we have over 1.5 million families counting on their pension plan. They are counting on Congress to make sure it will be there. They are counting on Congress to make sure what they have worked for all their life will be there.

There is a fundamental principle: You work all your life, you pay into a pension, you ought to get it, period. We shouldn't be spending the time to take up another bill. This should have been done months ago. I don't understand this.

The families I represent are betting on us to help them. They are counting on us to make sure they have their pensions. Unfortunately, the leadership on the other side of the aisle has decided to prioritize a bill that impacts .2 percent of the wealthiest taxpayers while a bill that affects upwards of 45 million people is waiting to come to the Senate floor. We have no guarantee it will be passed this week. We cannot count on the fact when all of this is done on Friday that they will even proceed with this critical pension bill.

On the pension bill itself, I commend, as I said before, my colleagues, our leaders, who have worked so hard. I commend the conferees for considering the unique aspects of manufacturing and the auto industry. These are tough times in Michigan. The bill as it passed the Senate did not fully represent what we need for manufacturing. In the conference committee, people of good will worked together. We fixed those things. I am very pleased about that. Our automakers are trying to do the right thing, trying to fund their pension plans. The pension bill addresses those things that will allow them to continue to do the right thing.

We also have folks in the construction industry and building trades, the multiemployer plans, who are asking for flexibility to fix their pension plans. That is in this bill. We have companies such as Northwest Airlines, which has gone into bankruptcy but has chosen up to this point not to dump their pensions in the Pension Guaranty Fund. We have to make sure we do everything possible to help. Thousands of people, their livelihoods, their future, their retirement security, are at stake.

I thank all those working on the pension bill. I thank all of my colleagues who have worked to address our manufacturing issues and the multiemployer provisions. I am proud to be one of the sponsors of the amendment to address the pension plans of about 10 million Americans in what is called multiemployer pension plans. I thank the conferees for including that, as well. I thank all of those businesses that are trying to hang in there and do the right thing.

Most importantly, people are counting on us to do the right thing. Part of the American dream has been to work hard all your life, care for your family, put money aside for retirement, be able to afford college, which this last amendment would have addressed if it had not been objected to.

Right now, too many people in America are feeling squeezed on all sides. They see decisions being made, issues being brought up, that have nothing to do with their lives. They see policies being proposed that have nothing to do with helping them do better, hoping they will able to keep the American dream, be able to protect their way of life.

It is time we had a new direction in this country. It is time we had a new direction and focus on that which will directly affect people every day so they will trust in their Government again that we will have the right values and priorities that allow every middle-class American, every working American, everyone who is working hard and playing by the rules, to have a chance to know they will not only make it but we will keep our promises, as well.

In conclusion, I urge my colleagues, urge the leadership in the Senate, to bring before the Senate a bill that can have universal support, overwhelming support in the pension bill.

As we complete this very important Defense bill, this funding bill critical to our men and women, our troops, a bill we all want to see passed, I urge we then bring up the pension bill and let us pass it so 45 million people will have the assurance by the end of this week that their pensions will remain intact, or at least we will have given it our very best effort.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I have a chart that shows the reset requirements of the Army and Marine Corps. Again, I say to the Senate, the Defense Department identified a $23.7 billion requirement for resetting the force, bringing it back up to operational capability. The amount included was $17.1 billion for the Army and $6.6 billion for the Marine Corps. The fiscal year 2007 Defense appropriations bill which we have presented to the Senate included $10.6 billion that would directly address these needs. The remaining need was $13.3 billion. That was addressed in the amendment Senator INOUYE and I presented last evening.

I ask unanimous consent the chart be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARMY AND MARINE CORPS RESET NEEDS

[$ in billions]

	Total need identified by DOD	FY 2007 bill as proposed	Remaining needs (Stevens Inouye amendment)
Army:			
Equipment	8.6	3.6	5.0
Maintenance	8.5	5.7	2.8
Total, Army	17.1	9.3	7.8
Marine Corps:			
Equipment	5.3	1.1	4.2
Maintenance	1.3	0.2	1.1
Total, Marine Corps	6.6	1.3	5.3
Total in the Bill	23.7	10.6	13.1

AMENDMENTS NOS. 4758, AS MODIFIED, 4759, 4770, AND 4772, EN BLOC

Mr. STEVENS. Mr. President, we are prepared now to offer the first managers' package. This includes Senate amendment 4758, as modified, for Senator COCHRAN, requiring a report on depleted uranium. It includes Senate amendment No. 4759, for Senator MENENDEZ, regarding the New Jersey National Guard. It includes Senate amendment 4770, for Senator LUGAR, regarding man overboard ID systems, and Senate amendment 4772, for Senator CARPER, regarding contractor award fees.

I send these amendments to the desk and ask unanimous consent this managers' package be considered en bloc and agreed to en bloc.

Mr. INOUYE. We have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 4758, AS MODIFIED

(Purpose: To require a report assessing the Depleted Uranium Sensing and Treatment for Removal program of the Department of Defense)

At the end of title VIII, add the following:

SEC. 8109. Not later than December 31, 2006, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the assessment of the Secretary regarding the Depleted Uranium Sensing and Treatment for Removal program of the Department of Defense.

AMENDMENT NO. 4759

(Purpose: To make available from Other Procurement, Army, up to $2,600,000 for the Virtual Interactive Combat Environment for the New Jersey National Guard)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading "OTHER PROCUREMENT, ARMY", up to $2,600,000 may be available for the Virtual Interactive Combat Environment for the New Jersey National Guard.

AMENDMENT NO. 4770

(Purpose: To make available from Other Procurement, Navy, up to $3,000,000 for the Man Overboard Identification System Program)

At the appropriate place, insert the following:

SEC. ____. Of the amount appropriated or otherwise made available by title III under the heading "OTHER PROCUREMENT, NAVY", up to $3,000,000 may be available for the Man Overboard Identification System (MOBI) program.

AMENDMENT NO. 4772

(Purpose: To provide that none of the funds appropriated or otherwise made available by this Act may be obligated or expended to provide award fees to any defense contractor for performance that does not meet the requirements of the contract)

On page 218, betwen lines 6 and 7, insert the following:

SEC. 8109. PROHIBITION ON PAYMENT OF AWARD FEES TO DEFENSE CONTRACTORS IN CASES OF CONTRACT NON-PERFORMANCE.

None of the funds appropriated or otherwise made available by this Act may be obligated or expended to provide award fees to any defense contractor for performance that does not meet the requirements of the contract.

Mr. STEVENS. Mr. President, if Senator SESSIONS is prepared to consider his amendment No. 4775, the managers are prepared to accept this amendment.

Mr. SESSIONS. Mr. President, I thank the chairman for his interest and support. I know he indicated we needed to work on it the last time we voted on it. Perhaps I would like to speak a little more on it. And I think I would ask for a rollcall vote.

Mr. STEVENS. Senator KENNEDY had the floor when I interrupted him. When he is finished, we will be happy to proceed with your amendment.

Mr. SESSIONS. I thank the Chairman.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am going to send an amendment to the desk, and at the appropriate time I will ask for its consideration. The floor managers have the amendment now and are reviewing it. But I wanted to make a brief comment, which I will do at this time, to outline the amendment. And then we will work with the floor managers to see if this might be an acceptable amendment.

Mr. President, the amendment I send to the desk would require the Director of National Intelligence to task the intelligence community to prepare an updated National Intelligence Estimate on Iraq. The amendment is cosponsored by our Democratic leader, Senator REID, Senator BIDEN, Senator LEVIN, and Senator REED of Rhode Island.

The last time the NIE was updated was in July 2004. According to press reports, it outlined three possibilities for Iraq through the end of 2005. The worst case was civil war. The best case was an Iraq whose stability would remain tenuous in political, economic, and security terms. Much has changed over the last 2 years, and decisionmakers in the executive and legislative branches urgently need an updated NIE.

Since 2004, reports from the Departments of Defense and State and comments by administration officials on security and stability in Iraq have been unconvincing, and it is essential to have an objective assessment of Iraq from the intelligence community.

Our amendment would require the Director of National Intelligence to provide an intelligence assessment by October 1—2 months from now. If he is unable to do so, he must provide a report outlining the reasons.

The intelligence estimate required in our amendment would require an update on eight key issues.

The first is sectarianism. We need an assessment from the intelligence community on whether Iraq is in a civil war now or is descending into civil war, and what will prevent or reverse a deterioration of conditions promoting civil war.

The growing sectarian violence, the ruthless death squads, the increasingly powerful privately armed militias, and the administration's decision to send thousands more U.S. troops to Baghdad are alarming and are of concern to the American people. We need an assessment from the intelligence community so we know how to adjust our policy.

The second issue the new intelligence estimate should address is security. One of the key elements of that assessment should be the militias. Militias are the engines of civil war. All one needs to do is look at Bosnia or Lebanon.

As the violence in Lebanon demonstrates, political parties cannot govern with one hand and use militias to terrorize civilians with the other. It did not work with Hezbollah in Lebanon, it will not work with Hamas, and it will not work in Iraq.

Prime Minister Maliki has acknowledged the militia problem, but he has not articulated a clear vision for how to tackle this critical issue. It is time for the new Government to move beyond vague statements and develop a viable strategy to deal with the militias and prevent Iraq from descending into full-scale civil war.

On this critical issue, we need to know the intelligence community's assessment of the likelihood that the Government of Iraq will obtain a commitment from the political parties to ban militias. We need to know the extent to which the Government of Iraq has developed and implemented a credible plan to disarm, demobilize, and reintegrate militias into Government security forces.

More broadly, we need an assessment from the intelligence community about whether Iraq is succeeding in standing up its own effective security forces and what actions are needed to increase the prospect of that occurring.

The third issue is terrorism. We need an assessment from the intelligence community about the extent of the threat from violent, extremist-related terrorism, including al-Qaida, in and from Iraq, and the factors the intelligence community believes will address the terrorist threat.

Iraq Prime Minister Maliki told Congress last week that in addition to the challenge of sectarian violence, his country is "the front line" against terrorism. Is a majority of the violence in Iraq driven by the insurgency rather than foreign terrorists? Is it still the case that less than 1 percent of the prison population in Iraq are foreign fighters? We need to know the current nature and the extent of the terrorism threat. Just as important, we need the intelligence community's assessment on what we and the Iraqis can do to counter the threat.

Fourth, we need an assessment from the intelligence community about whether Iraq is succeeding in creating a stabile and effective unity government, the likelihood that changes to the constitution will be made to address the concerns of the Sunni community, and the actions it believes will increase the prospect of that occurring.

Fifth is economic reconstruction. We need an assessment from the intelligence community about whether Iraq is succeeding in rebuilding its economy and creating economic prosperity for Iraqis, the likelihood that economic reconstruction in Iraq will significantly diminish Iraq's dependence on foreign aid to meet its domestic economic needs, and the actions the intelligence community believes are needed to increase the likelihood of that occurring.

Sixth is the future of Iraq. We need an assessment from the intelligence community of the optimistic, the most likely, and the pessimistic scenarios for the stability of Iraq through 2007.

The future of Iraq is difficult to predict, but certainly the assessment provided in 2004 needs to be updated. We need to know what the intelligence community foresees now.

Seventh is an assessment of the international presence in Iraq, including whether and in what ways the large-scale presence of multinational forces is helping or hindering Iraqis' chances for success.

Eighth, and finally, we need an assessment of the extent to which our operations in Iraq are affecting our relations with Iran, Saudi Arabia, Turkey, and other countries in the region.

A new National Intelligence Estimate is long overdue. John Adams once said: "Facts are stubborn things." It is abundantly clear that the facts matter. They mattered before the war and during the war and they matter now as we try to deal effectively with the continuing quagmire.

So, Mr. President, at the appropriate time I will urge our colleagues to accept the amendment. And I will be glad to work with the floor managers if they have ideas about how it can be addressed and further effected.

Mr. President, I yield the floor.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4775

Mr. SESSIONS. Mr. President, I would like to share a few remarks about the amendment I have offered, No. 4775. It is to actually fund the border barriers and fencing that we authorized by an 83-to-16 vote just a few weeks ago, on May 17. This Senate said that is what we wanted to do. Unfortunately, when the more appropriate time came to fund it, we failed to have the money to do it.

I think there is a great deal of cynicism among the American people about Congress's commitment to actually creating a lawful system of immigration for America. They are not only cynical, but they are determined to see to it that Congress does. We are the vehicles for the American people to accomplish national goals of importance.

As a person who had been a law enforcement officer for many years involving Federal law, it is just heartbreaking to see, with regard to immigration, law made a mockery. People have every right to be upset with us, upset with the President—this President—and previous Presidents, previous Congresses.

Twenty years ago, in 1986, we developed a system that was supposed to work to deal with immigration. We gave a one-time amnesty to several million people. We promised we were going to make the system work in the future. And we never funded anything that would work. That is undisputable. It just cannot be denied by any person, I do not think, who would look at the situation as it has developed since 1986. There was a promise to do something. That promise was not fulfilled. So we do not want to head down that road again.

I think the House of Representatives is correct. Let's make sure we follow through this time. We have a credibility gap. We have a problem. People are not confident we are going to do it. Indeed, money gets tight around here. We spent $30-something billion on homeland security, but we could not find $1.8 billion to fund the fencing we voted to authorize and that DHS wants—fencing is a one-time expenditure that would reduce the number of Border Patrol agents, reduce the number of people who attempt to come in, and reduce the overall cost in the long run of making the border secure. But we did not do it. Why not? Well, those are the kinds of questions we are dealing with.

Now, the President has done some things that indicate he is committed to border enforcement. On July 25, Border Patrol Chief David Aguilar and National Guard Bureau General Steven Blum held a press conference on Operation Jump Start. That is where the National Guard is helping us at the border, as the President requested that they do. Chief Aguilar and General Blum explained: The National Guard is assisting them—the Border Patrol—with their "tactical infrastructure so they can be more effective; . . . better roads so they can move along the border laterally . . . " You have to be able to move along the border. You cannot have people elbow to elbow trying to stop people coming here illegally. When you see people come, you have to be able to move laterally along the border. And quote: "fences and lighting and sensors."

So that is what the National Guard is doing.

Now, yesterday, on August 1, we received a letter from Ralph Basham, the Border Patrol Commissioner, and Paul McHale, Assistant Secretary of Defense, announcing the fulfillment of President Bush's promise to deploy 6,000 National Guardsmen to the border by August 1. He met that goal. This is a good step. It is not the solution. They are not allowed to participate as a law enforcement agency. They have a lot of restrictions on them. But it is an assistance, and it is also part of a signal to the world that a wide-open border no longer exists, that we are taking steps to maintain security at our borders, like most nations of the world strive to do.

The letter describes how 6,199 soldiers and airmen are now working in four border States. One of the capacities they are serving in is "forward deployment," which includes "engineering and other efforts." This refers to the National Guard's role in building tactical infrastructures—roads and fencing.

So the National Guard is already charged with helping build the tactical infrastructure needed on the southern border. But they just do not have enough money to build what the Senate authorized: 370 miles of fencing and 500 miles of vehicle barriers that are less expensive but at least keep people from driving across the border in their vehicles.

So the amendment we have before us now, and the vote we will have, will finally appropriate the funds that will build fencing on the border. This is a real vote. What we often do in this Chamber is authorize expenditures. We authorize programs to be undertaken that will serve some good purpose. But if the appropriating committees and the Senate do not get around to actually funding those authorized activities, they never occur.

This is an appropriations bill, and it is a bill that has real power to fund a fence, in this case. So it is a real vote.

The language of the amendment is simple. We take the amount of money already in the bill to fund emergency National Guard activities and increase that money by the amount needed to construct the 370 miles of fencing and 461 miles of vehicle barriers on the southern border. Because 39 new miles of vehicle barriers were already funded in the Senate-passed Homeland Security bill we moved some weeks ago, we only fund 461 miles of vehicle barriers with this amendment.

Of course, the number of miles of barriers and fencing is what was requested by the Secretary of Homeland Security, Mike Chertoff, to the Congress. It is what he stated he needed to be effective on the border.

It is also important that we send that signal to the world that there has been a change in policy. We can deny we had a policy of open borders, but in reality we basically did. We have had an open borders mentality, so people around the world have received a message; and that is, if they are determined and if they come to our border, they can figure out a way to get across. That has been happening. We do not need to send that signal. We need to send a signal that the open borders time is over by passing this amendment. It is not a bottomless pit of costs. In fact, these barriers are one-time costs, but they will help us have good enforcement with fewer agents for decades to come. The net result will be that we will be able to save money. It will also save money in its signal capacity in that I believe we are going to have fewer people attempting to violate the law, as a result of a clear commitment to use the National Guard, fencing, increased Border Patrol, and also detention beds and deportation activity.

We are not playing games. The American people have every right to be dubious and concerned about the commitment of this Congress to follow through. However, I believe we can follow through. This is a test for us. I believe we will be ready to pass the test.

The cost to construct these miles of fencing and barriers will run between $1 and $3 million per mile for fencing, based on whether the military constructs the fencing or they use private contractors, and they are authorized to use contractors that they supervise, and $1.4 million per mile of vehicle barriers. The total construction cost for these miles will be less than $2 billion. That is not a small amount of money, but it is a manageable amount.

In a budget that spends over $900 billion a year, we ought to be able to find a couple of billion dollars to follow through on a commitment we made and the commitment the American people expect us to fulfill.

Fencing is a proven approach. With the establishment of the San Diego border fence, crime rates in San Diego have fallen off dramatically. According to the FBI crime index, crime in San Diego County dropped 56 percent between 1989 and 2000, after the fence was built. This is a whole county. It was a huge lawless area. Congressman DUNCAN HUNTER, chairman of the House Armed Services Committee, lives in San Diego. He called me several months ago to give me some personal insight into the economic growth, the security, and safety on both sides of the border, after this lawless area was brought under control by a fence. It is a proven success.

Vehicle drive-throughs, where people drive across the border and run right past anybody who may be watching them, have fallen between 6 to 10 per day before the construction of the border infrastructure to only four drive-throughs in the whole year of 2004. Those occurred only where the secondary fence was incomplete. It is undeniable that fencing has reduced illegal entries into San Diego.

According to the numbers provided by the San Diego sector Border Patrol in February of 2004, apprehensions decreased from 531,689 in 1993—they apprehended 531,689 people on the San Diego sector in 1993. As a result of the fencing at the most busily crossed area in 2003, there were 111,515. Isn't that great? That is about one-fifth as many, indicating that one-fifth as many people were trying to cross the border overall. They apprehended in the San Diego area last year—in 2003—111,000 people attempting to enter this country illegally, and there are hundreds of thousands now crossing in Texas and Arizona, far more than are crossing where the San Diego fence was built.

So the scope of this problem is huge. I can't understand the concern that people would have that barriers would be somehow impractical when we are dealing with these kind of numbers. Fencing has also reduced drug trafficking in San Diego. In 1993, before the fence, authorities apprehended over 58,000 pounds of marijuana coming across the border. In 2003, after the fence helped stem the tide, only 36,000 pounds of marijuana were apprehended. In addition, cocaine smuggling decreased from 1,200 pounds to approximately 150 pounds. We have made a lot of progress there. We need to replicate that. We have learned from it, and we need to follow our own example. It is a one-time expense that this bill would meet and will allow us to meet those challenges.

I am convinced that physical barriers at the border are an essential part of a cost-effective solution to our current border security crisis. Virtual fences are intriguing and may be good in remote areas, but they don't impress me with regard to high traffic areas where we are talking about half a million or a million people crossing per year. There are only two alternative routes that we can take to secure the border: manpower alone or manpower plus infrastructure. We can take either: just personnel alone or we can do personnel plus infrastructure. The latter is much more cost effective. It will save us money.

Attempting to secure the entire 2,000-mile border with manpower alone could require as much as 150,000 agents, if you put 15 per mile over the 2,000 miles of the border. Then you have 7 days a week, 24 hours a day. How serious is this? It is a huge cost, were we not to have barriers at the most troubled areas.

If we only build a virtual fence and not a real one, we will be spending millions on technology to detect illegal crossings, and then we will be spending millions on manpower to chase down, apprehend, arrest, process, and deport the illegal crossers. That is not what we want to do. We don't want to play an expensive game where we catch and release and chase and catch and apprehend and pay to deport and pay to house while they are being deported. Apprehension is manpower intensive, slow, and legally complex. It requires additional related activities and costs such as incarceration and repatriation, courts, appeals, transport, lawyers. We don't want to do that. We want to get away from that.

We want to send a message to the world that this border is no longer open, that if you attempt to cross our border illegally, you are not going to succeed. You need to apply and wait in line to come legally. We are generous about how many people we allow now and how many people we will allow in the future. We are a very generous nation with regard to immigration. We will remain so. But we want people to make their application and wait in line, not to pour across the border. Many of the illegal crossers are coming from areas of the world that have terrorist influences. Once they are inside the border, they are that much harder to catch. Preventing people from coming here illegally is the right approach. Prevention is the right approach. We need to get to that place.

I talked to President Bush about this issue recently. He agreed that we need to get to what you might call a tipping point. Once we are serious and get border enforcement up and going in a real way, we get more Border Patrol agents, we end the catch-and-release policy, we put up fences and vehicle barriers, and we have sufficient detention beds so people don't have to be released on bail after they have been apprehended, never to show up again when they are asked to come back to court, if we end all of that, all of a sudden we will see a dramatic reduction in the number of people attempting to come. Couple that with a really workable biometric identifier card for people who come here with a lawful entry right and a job, and they have to present that card or they can't get work, people will wait in line to get that card. If we crack down on businesses who are hiring people without the proper identification, they will quit hiring people. Most businesses will do what you tell them to do.

We can get to that point very easily, far easier than a lot of people believe, where we can go back to a lawful system of immigration for America. That is what the American people want. They have every right to insist on it. They have been insisting on it for 40 years. We were supposed to have fixed it in 1986, 20 years ago. We did not do so. I am telling you, this Senator is not going to support any kind of immigration legislation that will not work to serve the interests of the United States and will not create a system that is lawful and not lawless. No Member of this Senate should.

I urge my colleagues to take this step and vote for this amendment because it is narrow. It simply adds money to the emergency National Guard account already in this bill to provide funds for the construction of physical barriers on the most vulnerable miles along the southern border, the area that Secretary Chertoff and the Department of Homeland Security favor. If we don't use the emergency funds provided in the budget for this purpose, they will get used for something else. The Senate has already voted overwhelmingly to approve construction of physical barriers along the border. We missed a chance to fund that barrier in the Department of Homeland Security appropriations bill. With this vote, there are no difficult choices to make. We can actually say to our constituents that we followed through and we walked the walk as well as talked the talk. I am confident that we will be successful.

I thank Chairman STEVENS for his consideration. I understand we may have a vote later this afternoon, which would be pleasing to me.

I yield the floor.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Hawaii.

Mr. INOUYE. Madam President, I ask unanimous consent that amendment No. 4802 to H.R. 5631 be the pending business after the conclusion of the Sessions amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska.

AMENDMENT NO. 4788

Mr. STEVENS. Madam President, I ask unanimous consent that the Kyl second-degree amendment be agreed to; further, that the Senate proceed to a vote in relation to the Sessions amendment, as amended, at 2 p.m. today, with no further second-degree amendments in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4788) was agreed to.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Madam President, it is my understanding that the Senator from Texas would like to offer an amendment. I ask unanimous consent that the pending business be set aside so that he might offer that amendment, keeping in mind we do have a vote set for 2 o'clock on the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas.

AMENDMENT NO. 4768

Mr. CORNYN. Madam President, I call up amendment No. 4768 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. CORNYN] proposes an amendment numbered 4768.

Mr. CORNYN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide emergency supplemental appropriations for border security and immigration reform)

At the appropriate place, insert the following:

TITLE

BORDER SECURITY AND IMMIGRATION REFORM

CHAPTER 1—DEPARTMENT OF HOMELAND SECURITY

UNITED STATES VISITOR AND IMMIGRATION STATUS INDICATOR TECHNOLOGY

For an additional amount for "United States Visitor and Immigration Status Indicator Technology" to accelerate biometric database integration and conversion to 10-print enrollment, $60,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $173,000,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

For an additional amount for "Air and Marine Interdiction, Operations, Maintenance, and Procurement" to replace air assets and upgrade air operations facilities, $560,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

CONSTRUCTION

For an additional amount for "Construction", $2,155,100,000, to remain available until expended; of which not less than $1,628,000,000 shall be for the construction of 370 miles of double-layered fencing along the international border between the United States and Mexico; of which not less than $507,100,000 shall be for the construction of 461 miles of vehicle barriers along the international border between the United States and Mexico; and of which not less than $20,000,000 shall be for construction associated with the hiring of 500 border patrol agents: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $196,500,000, to remain available until September 30, 2007; of which not less than $38,000,000 shall be for the hiring of 200 investigators and associated support for alien smuggling investigations; of which $113,000,000 shall be for the hiring of 600 investigators and associated support for worksite enforcement; of which $45,500,000 shall be for 1,300 detention beds, personnel, and associated support: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

UNITED STATES COAST GUARD

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, Construction, and Improvements" for acquisition, construction, renovation, and improvement of vessels, aircraft, and equipment, $416,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

For an additional amount for "United States Citizenship and Immigration Services" for the development and the implementation of the Electronic Employment Verification System, $400,000,000: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

General Provisions—This Title

Notwithstanding any other provision in law, the transfers and programming conditions of the Department of Homeland Security Appropriations Act, 2007 shall apply to this title.

CHAPTER 2—DEPARTMENT OF JUSTICE

General Administration

ADMINISTRATIVE REVIEW AND APPEALS

For an additional amount for "Administrative Review and Appeals", $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

Legal Activities

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and Expenses, General Legal Activities", $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For an additional amount for "Salaries and Expenses, United States Attorneys," $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

Mr. CORNYN. Madam President, I also ask unanimous consent that Senators KYL and BURNS be added as cosponsors to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CORNYN. Madam President, I thank and commend Senator STEVENS and Senator INOUYE for their hard work on the Defense appropriations bill. They have done a tremendous job of putting together a bill that funds programs critical to the global war on terror.

I come to the floor today to talk about another aspect of our national security, and that is our border security. This amendment is a border security emergency supplemental appropriations amendment that I filed to the Defense appropriations bill.

At the outset, I made clear to the chairman of the Defense Appropriations Subcommittee, Senator STEVENS, and anyone else who was interested, this amendment does not reduce by one penny any funding for the Defense Department or our troops, nor would this amendment add to the budget deficit because it is emergency spending necessary to control our borders and improve our national security.

It has now been about 2 months since the Senate passed a comprehensive immigration reform bill and over 7 months since the House of Representatives passed its bill. We are at a stalemate, I think it is fair to say, with no apparent way out.

While there has been no progress over the past few months on comprehensive immigration reform and border security measures, I remain optimistic and certainly committed to sending the President a comprehensive immigration reform bill before the end of the year.

The enforcement titles in the House and Senate bills are, upon inspection, people would agree, very similar. And there are several different proposals for addressing the 12 million people who are currently living here out of status, including one Senator KYL and I introduced about a year ago. Others have offered productive and constructive ideas and concepts, and I welcome all those who share my goal of moving this process forward and addressing this subject this year.

The main hurdle to a conference with the House and ultimately a bill approved by both Chambers is not a lack of common ground between the two bills. Instead, I submit it is a deep-rooted public skepticism that the Federal Government will enforce the immigration laws and fund enforcement programs that are necessary to maintain any level of integrity in our immigration system.

Unfortunately, Madam President, their skepticism is warranted. In 1986, Congress promised the American people that there would be a one-time amnesty and that increased enforcement would then prevent a buildup of illegal immigration in the country.

As we know, the amnesty came, but the enforcement did not. Unless and until Americans are confident that the Federal Government will control the border and enforce the law, they are unlikely to support an immigration bill that includes any temporary worker program.

One way to build that confidence is for Congress and this administration to fully fund border security and immigration enforcement programs starting with those that the Congress has already authorized and that the President has indicated are necessary to control our broken immigration system.

What are Americans to think when Congress authorizes additional Border Patrol agents and detention beds and claims then to have dealt with our broken borders, but when Congress turns around, it fails to fund the positions and the infrastructure that we just got through authorizing. Unfortunately, that has been the pattern too often over the last years.

Last week, Senators KYL, ISAKSON, CHAMBLISS, and I sent a letter to President Bush asking him to send Congress an emergency supplemental request to fully fund those programs: again, not new programs, by and large, but programs that have already been authorized by an act of Congress, signed into law by the President but never funded, in addition to a couple of additional programs the President himself has said we need in order to deal with this problem. A request by the President would send a clear message that the time for the status quo is over, it is no longer acceptable, and that the Federal Government will fund and, yes, will enforce the immigration laws of the United States.

But I am also prepared to proceed with an amendment to this Defense appropriations bill, the amendment that is before the Senate. It is my hope and desire that by funding enforcement programs that we will increase the credibility of the Federal Government when it comes to actually creating a system that will work and will facilitate a successful conference on comprehensive immigration reform between the House and the Senate.

This amendment in no way eliminates the need for comprehensive immigration reform. It is not a substitute for it, and I believe that comprehensive immigration reform should and can be done in a single piece of legislation. In fact, this amendment, rather than being a substitute for that comprehensive immigration reform, is just the opposite. This amendment will allow us to find common ground on visa reform and ways to address the 12 million individuals who are currently living in the shadows and outside our laws.

Absent action on this sort of credibility-restoring measure, I am afraid that we will find ourselves at a continued stalemate and do nothing.

My amendment would fund an additional 500 Border Patrol agents, along with the necessary support staff, training, and education to help make our borders safe. The President called for an additional 2,500 agents, and this appropriations amendment would allow him and us to meet that goal.

This amendment would also fund 1,300 additional detention beds which would allow the Department of Homeland Security to end its policy of catch and release more quickly.

The Intelligence Reform Act of 2004 authorized 8,000 additional beds, but Congress and the President have only funded 6,700 additional beds.

This amendment would provide $60 million to fund the US-VISIT entry-exit system. But the GAO report released today that revealed that undercover agents routinely were able to enter the country with false documents demonstrates, in as current fashion as today's news, the need to move forward with a biometric entry-exit system, and this amendment would provide the funds to do exactly that, something we have already passed and has been authorized but which we have not funded.

The President has also called for an expansion of the electronic verification system that would allow employers to quickly and more reliably determine whether new hires are authorized to work legally in the United States.

Unfortunately, the basic pilot program, which is a voluntary program, but it is only utilized by a handful of employers, has not been successful because it is not mandatory and it is not nationwide, and the Government today, even under this voluntary program, struggles to service the 10,000 employers who do voluntarily participate.

If we were serious about expanding the verification system to all employers around the country—which means approximately 6 million companies—on the timeframes proposed by the House and Senate, Congress needs to fully fund that program. This amendment would do that.

Anyone who has visited the border region knows that the infrastructure of our Coast Guard and our Border Patrol is woefully out of date. At one point, all of the P-3 surveillance aircraft along the border were grounded due to structural failures. This amendment therefore funds $973 million for Coast Guard improvements in vessels, aircraft, and equipment, and to replace air assets and engage in air fleet modernization—something that is long overdue. This funding was previously passed by the Senate in H.R. 4939, only to be stripped during the conference report.

Of course, this amendment alone will not fix our broken immigration system. We need comprehensive reform. But until Congress regains the credibility it so sorely needs to be able to move forward on comprehensive immigration reform, we will remain stuck as we are now with the Senate, which has passed a bill and the House which has passed a bill failing to convene a conference and work out our differences and actually provide a solution to this problem.

We do need comprehensive immigration reform. We need to create a temporary worker program for those who come to our country and want to work legally and then return to their country of origin. We need to address the 12 million individuals who are currently living in the shadows who are already present, living among us.

I remain committed to comprehensive immigration reform and I will continue to advocate for a bill that provides economic and national security. But I believe that funding for our border security is a necessary and essential step in that direction and I urge my colleagues to support this amendment.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

At this time there is not a sufficient second.

The Senator from Arizona.

Mr. KYL. Madam President, I wish to compliment our colleague. I know the Senator from Georgia wishes to speak so I will simply say this: Senator CORNYN and I proposed something rather radical here and that is that we actually put our money where our mouth is. That is to say, all the things we authorized, all the things the President requested to make sure we can secure the border, we actually fund so we can get the job done. That is what this amendment does. It basically takes the difference between what we said we want to do and what we fund and closes the gap so we fund it all. It is an important amendment to ensure that we can secure the border first as part of a comprehensive immigration reform.

I appreciate the work my colleague Senator CORNYN has done. I am proud to cosponsor it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. I ask unanimous consent I be included as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ISAKSON. Madam President, the heart and soul of comprehensive immigration reform is first and foremost the foundation of a secure border. When we debated in the Senate the comprehensive immigration bill that was finally passed, Senator SESSIONS, Senator CORNYN, Senator KYL, myself, Senator SANTORUM, and others were sponsors of the amendment that called on the border security being the trigger for any program granting legal status to someone who is here illegally. That still is the case and is still the foundation on which we must build comprehensive immigration reform.

The American people know that in 1986, the last time Congress reformed immigration laws, we granted amnesty and promised border security. We gave amnesty, but we did not secure the borders. That is why we had a 3-million illegal alien problem in 1986 and we have a 12-million illegal alien problem today.

It is absolutely essential, too, as the Senator from Arizona said, to put our money where our mouth is. The amount of money proposed by the Senator is truly an emergency. There is no greater domestic issue in this country than the problems on our southern border with Mexico. There is no greater challenge to American business, industry, and agriculture than to have a functioning and a working and a meaningful guest worker program. None of those can be accomplished without first securing the border so people come to the United States the right way and the legal way.

Our country has always had a pathway to citizenship and it is known as legal immigration. Only with the enforcement of our laws and respect for those laws can we bring about a return to legal immigration into the United States of America.

I have commented often in speeches I have made around my State that this is a great nation in which we live. You don't find anybody trying to break out of the United States of America. They are all trying to break in because we are a nation of hope and promise. But with an absence of respect for our own security on our own border, we ask for and will end up getting significant trouble.

Senator CORNYN has brought to the floor a perfect idea: an emergency supplemental as a part of the Department of Defense authorization to ensure that border security becomes meaningful and becomes real. It is absolutely true, it is a national security issue. And, it is absolutely true that it is a matter of the defense of our Nation. It is fundamentally true that it is the foundation for whatever comprehensive reform this Senate and the House will ever agree to.

I urge my colleagues to vote in support of the Cornyn amendment.

I yield the floor.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CORNYN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4768, AS MODIFIED

Mr. CORNYN. Madam President, I send a modification of amendment 4768 to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 4768), as modified, is as follows:

At the appropriate place, insert the following:

TITLE

BORDER SECURITY AND IMMIGRATION REFORM

CHAPTER 1—DEPARTMENT OF HOMELAND SECURITY

UNITED STATES VISITOR AND IMMIGRATION STATUS INDICATOR TECHNOLOGY

For an additional amount for "United States Visitor and Immigration Status Indicator Technology" to accelerate biometric database integration and conversion to 10-print enrollment, $60,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $173,000,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

For an additional amount for "Air and Marine Interdiction, Operations, Maintenance, and Procurement" to replace air assets and upgrade air operations facilities, $560,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

CONSTRUCTION

For an additional amount for "Construction", $2,155,100,000, to remain available until expended: of which not less than $1,628,000,000 shall be for the construction of 370 miles of double-layered fencing along the international border between the United States and Mexico; of which not less than $507,100,000 shall be for the construction of 461 miles of vehicle barriers along the international border between the United States and Mexico; and of which not less than $20,000,000 shall be for construction associated with the hiring of 500 border patrol agents: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $196,500,000, to remain available until September 30, 2007; of which not less than $38,000,000 shall be for the hiring of 200 investigators and associated support for alien smuggling investigations; of which $113,000,000 shall be for the hiring of 600 investigators and associated support for worksite enforcement; of which $45,500,000 shall be for 1,300 detention beds, personnel, and associated support: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

UNITED STATES COAST GUARD

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, Construction, and Improvements" for acquisition, construction, renovation, and improvement of vessels, aircraft, and equipment, $416,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

For an additional amount for "United States Citizenship and Immigration Services" for the development and the implementation of the Electronic Employment Verification System, $400,000,000 to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

GENERAL PROVISIONS—THIS TITLE

Notwithstanding any other provision in law, the transfers and programming conditions of the Department of Homeland Security Appropriations Act, 2007 shall apply to this title.

CHAPTER 2—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

ADMINISTRATIVE REVIEW AND APPEALS

For an additional amount for "Administrative Review and Appeals", $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and Expenses, General Legal Activities", $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For an additional amount for "Salaries and Expenses, United States Attorneys," $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

Mr. CORNYN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. STEVENS. Madam President, I ask unanimous consent that the Senate stand in recess until the hour of 1:30 p.m. today.

There being no objection, the Senate, at 1 p.m., recessed until 1:29 p.m. and reassembled when called to order by the Presiding Officer (Mr. THUNE).

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2007—Continued

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAMBLISS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAMBLISS. Mr. President, I rise today to speak on the 2007 Defense appropriations bill. Senator STEVENS and Senator INOUYE, as well as the entire committee, worked diligently to produce a bill that supports our troops and provides what our military needs to fight and win the global war on terrorism. I am pleased to say that this bill does just that. The bill provides $453.48 billion in new budget authority for the Department of Defense, including the $50.0 billion in additional global war on terror appropriations, and $14.7 billion above the fiscal year 2006 enacted level, excluding supplemental funding. This bill provides our service men and women with the resources necessary to continue and win the global war on terrorism, keep our country safe, and improve the quality of life for soldiers, sailors, airmen, marines, and their families.

After visiting with soldiers stationed from the 48th Brigade in Tallil, Iraq, I am convinced that the members of the Armed Forces are wholeheartedly committed to accomplishing the mission. It is my belief that Members of Congress have a duty to support fine soldiers such as these and ensure they have the best training, equipment, and resources to defeat our Nation's enemies. We must never forget that it is essential we finish the job we set out to do because our own security rests in winning the global war on terrorism.

Over the past few months, we have seen many amendments that claim that withdrawing from Iraq is the right approach. The Senate wisely defeated those amendments. We have a responsibility to ensure that the governments of Iraq and Afghanistan are stable, have the ability to govern themselves as sovereign nations, and have the infrastructure necessary to maintain the rule of law. I am proud that the bill before us today allows us to continue to fight and win the global war on terrorism and also continues to enhance our research and development projects so that we will continue to be able to defeat those who raise arms against us.

One of the key provisions in this bill is the funding for new aircraft. By appropriating $4.3 billion and approving a multiyear contract for the F–22A, the United States will maintain its position as having the superior air fighter well into the next few decades. Because my colleagues and I fought hard for multiyear procurement during the Defense authorization bill debate, we will be able to save the American taxpayer an estimated $225 million over separate 1-year contracts for the next 60 F–22s. While some dismissed these savings as "insignificant," funds saved through this multiyear contract can be applied to other, crucial priorities during this time of war.

I am also very proud of the aspects of the bill which guarantee the United States will maintain its strategic lift capability. With an aging fleet, it is imperative we invest now in strategic lift aircraft to secure our future. The bill appropriates $867 million to procure C–130Js. Coupled with an additional $12 million for the C–5 AMP Program and $2.3 billion for C–17 procurement, including language directing the Department of Defense to budget for additional C–17s fiscal year 2008, we can be assured that the United States will maintain a strategic force projection capability able to respond to crises any place on short notice.

We must remember, however, that the best investment we can make is not equipment, but in the warfighters themselves. I am pleased that this legislation appropriates $45 million in supplemental education funding for local school districts that are heavily impacted by the presence of military personnel and families, including $30 million for impact aid, $5 million for educational services to support special-needs children, and an additional $10 million for districts experiencing rapid increases in the number of students due to rebasing and the BRAC process. I have several bases in my State that will benefit from this funding and I can assure you that this funding is critical to ensuring that children of our military families receive the quality education they deserve. As a result of the 2005 base realignment and closure process, Fort Benning and school systems in the surrounding area will experience an influx of approximately 10,000 students into their school systems over the next several years. This funding ensures that communities like Fort Benning will have additional resources to help accommodate these extra students.

Continuing our focus on the families of service members, this bill provides $2 million to support the Reach Out and Read Program on military installations world-wide. The Reach Out and Read organization seeks to promote literacy and language development in infants and young children to ensure that they start school with every advantage possible. Cited by the National Research Council as an exemplary program, I am pleased that the bill provides funding for this worthy cause. This program makes an investment in the future that I am sure will pay substantial dividends.

This bill also provides a well deserved pay raise of 2.2 percent for all military personnel, effective January 1, 2007, and approves targeted pay raises for mid-career and senior enlisted personnel and warrant officers effective April 1, 2007. I have heard directly from troops in the field and personnel at Georgia military installations about how important these targeted pay raises are for retaining our men and women in uniform in the service and taking advantage of their hard-to-replace expertise. I commend the committee for including these pay raises in the bill.

This is a good bill that is clearly crafted with the needs of our troops and the security of our Nation foremost in mind. I hope my colleagues will join me in expeditiously approving this legislation so that our men and women in uniform can get the equipment, the benefits, and the support that they need and deserve.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. STEVENS. Will the Senator yield for a moment?

Mr. SPECTER. I yield.

AMENDMENT NO. 4775, AS MODIFIED

Mr. STEVENS. I send to the desk a modification of Senator SESSIONS' amendment that reflects the amendment offered by Senator KYL. Since it has not been ordered yet, I believe it is the Senator's right to modify the amendment.

The PRESIDING OFFICER. A vote has been ordered on the amendment, so it does take consent.

Mr. STEVENS. I ask unanimous consent he be permitted to modify his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4775), as modified, is as follows:

On page 221, line 9, strike "$204,000,000", and insert "$2,033,100,000, which shall be designated as an emergency pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234."

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I commend the distinguished chairman of the Subcommittee on Defense Appropriations and the ranking Member for their very good work in producing this Defense appropriations bill. It has been my pleasure to serve on this committee for some 25½ years with Senator STEVENS and Senator INOUYE. I have supported their action in providing substantial funding for a robust military and will be supporting this bill.

Our first line of defense is diplomacy. We ought to be undertaking some very strenuous efforts at diplomacy on what is happening today in the Middle East with Israel raging a defensive war, having been attacked by Hezbollah to the north and Hamas to the south, two terrorist organizations.

I spoke at some length on this subject on June 16th. My remarks are in the CONGRESSIONAL RECORD. I made the basic point that I thought it highly advisable for the United States to engage in direct negotiations with Iran and in direct negotiations with North Korea to try to solve the problems posed by those nations on the very serious issue of nuclear proliferation, with Iran seeking to develop nuclear weapons and with North Korea having nuclear weapons and posing an enormous threat.

In the more extensive remarks, which I made back on June 16, I pointed out the experience I have had in discussions with Hafez al-Assad on many visits which I paid to Syria over the years and some of those contacts which I think were helpful in acquainting Hafez al-Assad with the thinking of the West, acting to some extent as an intermediary between Assad and the Israeli Prime Minister because they would not talk, and perhaps being helpful in getting Assad and the Syrians to go to the Madrid Conference in 1991.

I picked up some of the efforts of former Congressman Solarz in trying to get Assad to allow the Jews in Syria to leave. And after many years, Assad did that. Whether my exhortations had any influence or not, I cannot be sure. But my own experience has been, in talking to foreign leaders, that one-on-one negotiations is highly desirable.

I had occasion to talk to Castro, to Chavez in Venezuela, to officials in China. And all of this is set out at some greater length in the floor statement I made back on June 16.

I made some comments on July 20, again, noted in the CONGRESSIONAL RECORD, as to what I thought ought to be done with respect to trying to work for a settlement in the Mideast, trying to eliminate Hezbollah as a threat to Israel's north and Hamas as a threat to the south in Israel.

I want to supplement those comments today with the underlying point that a solution to the problems there require some international pressure, if there is any pressure at all that can be brought to bear on Iran and Syria to stop backing Hezbollah and to stop arming Hezbollah and to stop being an accessory before the fact and really a coconspirator with Hezbollah in waging the war against Israel.

Earlier this week, on July 31, I wrote to Secretary of State Condoleezza Rice, with a copy to U.N. Ambassador Bolton. My letter to Secretary Rice applauded the efforts she is making to find a peaceful solution to the Mideast, and saying:

> It is my judgment that no solution is possible, especially as to Hezbollah, until Iran and Syria cease to support Hezbollah's military action.

I sent a copy of that letter, as noted, to our Ambassador to the U.N., John Bolton, and talked to him about the situation. And after those discussions—and I am not looking for any endorsement from anybody—I thought that I ought to pursue the matter with this floor statement.

We have had a situation where the Iranian Foreign Minister was in Beirut earlier this week and parroted the party line from Syria and Hezbollah in making demands for a five-point program: First, Israeli withdrawal; second, an exchange of prisoners; third, an international force; fourth, that Israel should compensate Lebanon, which is not sensible, to put it mildly, in light of the fact that Israel is fighting a war in self-defense, which Israel has every right to do under article 51 of the U.N. Charter; and the fifth point pursued by the Iranian Foreign Minister, in talks with the French Foreign Minister in Beirut earlier this week, was the formation of an international commission to investigate Israeli war crimes, with the view to compensation—again, an idea which has no merit whatsoever in view of the underlying facts as to what is going on there.

We have seen a situation evolve in the fighting there where Hezbollah has fired some 1,500 Katyusha rockets into Israel. They started the turmoil and the conflict on July 12 of this year, kidnapping two Israeli soldiers and killing eight others. This is the same Hezbollah terrorist organization which, in April of 1983, killed 63 people in a bomb attack on the U.S. Embassy in Lebanon. On October 23, 1983 Hezbollah was responsible for the killing of 241 U.S. servicemen at the marine barracks in Beirut.

Since its establishment, Hezbollah has been tracked with the kidnapping of more than 30 westerners and has been charged with carrying out attacks from London to Buenos Aires. Hezbollah has killed more Americans than any terrorist group, with the exception of al-Qaida.

The State Department's 2006 Country Reports on Terrorism noted that Hezbollah "receives training, weapons, and explosives, as well as political, diplomatic, and organizational aid, from Iran." The report further states that Hezbollah "is closely allied with Iran and often acts at its behest." Further, the report maintains that "the Iranian Islamic Revolutionary Guard Corps and Ministry of Intelligence and Security were directly involved in the planning and support of terrorist acts and continued to exhort . . . Lebanese Hezbollah, to use terrorism in pursuit of their goals."

The same State Department 2006 report on terrorism also describes the support provided to Hezbollah by the Government of Syria. According to the report: "Hezbollah receives diplomatic, political, and logistical support from Syria" and "Syria continued to permit Iran to use Damascus as a transshipment point to resupply Hezbollah in Lebanon." More recently, an intelligence officer said, as reported by the Washington Post on July 27 of this year, that, Iranian national security chief Ali Larijani was on an unannounced visit to Damascus on Thursday to discuss the Lebanon crisis with Syrian leaders and to urge continued support for Hezbollah."

The New York Times, on July 19, reported that 5 days earlier an Israeli naval vessel was attacked by "a sophisticated antiship cruise missile, the C-802, an Iranian-made variant of the Chinese Silkworm." Experts cited in this article noted that "Iran was not likely to deploy such a sophisticated weapon without also sending Revolutionary Guard crews with the expertise to fire the missile." And the Times also noted that forensics conducted by the Israelis concluded that many of the Hezbollah rockets "including a 220-millimeter rocket used in a deadly attack on a railway site in Haifa . . . were built in Syria."

On February 9 of 2004, the Security Council passed Resolution 1559 by a vote of 9-0 which called for the disbanding and disarmament of Hezbollah, the removal of foreign forces from Lebanon, and the deployment of the Lebanese Army to the southern border. After the adoption of that resolution, the U.N. issued a statement calling "upon all parties concerned to cooperate fully and urgently with the Council for the full implementation of all its resolutions concerning the restoration in Lebanon of territorial integrity, full sovereignty and political independence."

An April 2006 report delivered to the Security Council on the implementation of Resolution 1559 was explicitly critical of Iran's and Syria's support for Hezbollah. In the report, Secretary General Kofi Annan noted:

> . . . renewed incidents of arms transfers across the Syrian-Lebanese border into Lebanon . . . [is] in contradiction of resolution 1559.

The report further stated that Hezbollah "maintains close ties, with frequent contacts and regular communication, with the Syrian Arab Republic and the Islamic Republic of Iran."

All of this paints a conclusive picture of Iran and Syria being behind Hezbollah, having armed Hezbollah, having the rockets in a position with a knife at the throat of Israel, with Israel taking action in self-defense, once Israeli soldiers were killed, other Israeli soldiers attacked.

And in searching for a resolution to this dire situation, it is pointless to defang Hezbollah if Hezbollah is going to be resupplied by Syria and by Iran. And that is why I have urged Secretary of State Condoleezza Rice, by the letter dated July 31, to have the United States seek to bring Iran and Syria before the United Nations for the imposition of sanctions if they do not act promptly in furtherance of U.N. resolutions to stop arming Hezbollah.

My conversations with U.N. Ambassador John Bolton confirmed my view that this sort of U.N. action is urgently needed. I complimented Ambassador Bolton on the U.N. resolution—14 to 1—to set the stage for the imposition of sanctions on Iran if Iran does not move ahead to cease its development of nuclear weapons.

So I urge our State Department to move ahead vigorously to seek the imposition of sanctions on Iran and Syria to try to be helpful on this serious situation. Without eliminating the source of supply to Hezbollah, any cease-fire or any resolution would be temporary only.

Mr. President, I ask unanimous consent that the full text of my letter to Secretary Rice be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, July 31, 2006.

Hon. CONDOLEEZZA RICE,
Secretary, Department of State,
Washington, DC.

DEAR CONDI: I applaud the efforts you are making to try to find a peaceful solution to the two-front defensive war which Israel is waging against Hezbollah to the north and Hamas to the south.

It is my judgment that no solution is possible, especially as to Hezbollah, until Iran and Syria cease to support Hezbollah's military action.

In a speech on the Senate floor on July 20, 2006, I urged the United Nations to call Iran and Syria on the carpet to explain their conduct in backing Hezbollah, in providing personnel to do more than train Hezbollah, more than advisers being integral parts of the military offensive of Hezbollah.

I urge you to take the leadership to bring a U.S. resolution before the UN Security Council demanding that Iran and Syria stop supporting Hezbollah and other terrorist organizations.

Sincerely,

ARLEN SPECTER.

Mr. SPECTER. Mr. President, I ask unanimous consent that a fuller statement be printed in the RECORD at the end of these extemporaneous remarks

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ARLEN SPECTER ON THE UNITED NATIONS OBLIGATION TO CONFRONT THE IRAN-SYRIA-HEZBOLLAH CONNECTION

Mr. SPECTER. Mr. President. I have been following the recent developments in the Middle East with great concern. While Israel has rightfully defended itself against the attacks of Hezbollah, I believe the true source of this conflict must be confronted if there is to be an enduring peace in the region. Hezbollah is not a terrorist entity acting solely of its own accord. Rather, Hezbollah is a proxy of Iran and Syria.

Despite Israel's withdrawal from Southern Lebanon in 2000, the territory has remained a terrorist safe haven and over the last two weeks has become the launching point for more than 1,500 Katyusha rockets into Israel. This is the same territory from which Hezbollah launched an attack on an Israeli border patrol on July 12, 2006 which resulted in the killing of eight Israeli soldiers and the kidnapping of two others. These unprovoked acts of aggression have resulted in numerous civilian casualties in both Israel and Lebanon.

Israel, especially its citizens in the north, have had a knife at their throat for decades. Hezbollah has spent the last 25 years digging in and arming themselves poised to attack Israel. These belligerent acts are not the first to come from Hezbollah. In April 1983, Hezbollah killed 63 people in a bomb attack on the U.S. embassy in Lebanon. In October of that same year, the terrorist group killed 241 U.S. servicemen at the Marine Corps barracks in Beirut. Since its establishment, Hezbollah is believed to have kidnapped more than thirty Westerners and has been charged with carrying out attacks from London to Buenos Aires.

I compliment the Secretary of State, Condoleezza Rice, for her efforts to highlight the connectivity which exists between Iran, Syria, and Hezbollah. These links have contributed to the destabilization of the region and are directly responsible for the outbreak of hostilities between the Israeli Defense Forces and Hezbollah. The UN must proclaim that Iran and Syria's links with Hezbollah will not be tolerated and must be severed. Failure to do so will allow Syria and Iran to remain the obstacle in laying a foundation upon which a lasting peace can be established.

The connection between Iran, Syria and Hezbollah is undeniable. According to the State Department's 2006 Country Reports on Terrorism, Hezbollah "receives training, weapons, and explosives, as well as political, diplomatic, and organizational aid, from Iran." The report states that Hezbollah "is closely allied with Iran and often acts at its behest." Further, the report maintains that "the Iranian Islamic Revolutionary Guard Corps (IRGC) and Ministry of Intelligence and Security (MOIS) were directly involved in the planning and support of terrorist acts and continued to exhort . . . Lebanese Hezbollah, to use terrorism in pursuit of their goals."

The State Department's 2006 Reports on Terrorism also describes the support provided to Hezbollah by the government of Syria. According to the report, "Hezbollah receives diplomatic, political, and logistical support from Syria" and "Syria continued to permit Iran to use Damascus as a transshipment point to resupply Hezbollah in Lebanon." More recently, an intelligence officer told The Washington Post on July 27, 2006, that, "Iranian national security chief Ali Larijani was on an unannounced visit to Damascus on Thursday to discuss the Lebanon crisis with Syrian leaders and to urge continued support for Hizbollah."

The outbreak of violence has made these connections even more apparent. According to officials cited in a July 19, 2006 article in The New York Times, on July 14, 2006 an Israeli naval vessel was attacked by "a sophisticated antiship cruise missile, the C–802, an Iranian-made variant of the Chinese Silkworm." Experts cited in this article noted, "Iran was not likely to deploy such a sophisticated weapon without also sending Revolutionary Guard crews with the expertise to fire the missile." The New York Times also stated that forensics conducted by the Israelis concluded that many of the rockets in Hezbollah's arsenal "including a 220-millimeter rocket used in a deadly attack on a railway site in Haifa . . . were built in Syria." It is evident that not only is Hezbollah supplied by Iran and Syria, but that both nations have tacit knowledge of their actions and are directly supporting terrorist operations in Southern Lebanon.

On February 9, 2004, the Security Council attempted to plant the seeds for peace when it adopted Resolution 1559 by a vote of 9–0 which called for the disbanding and disarmament of Hezbollah, the removal of foreign forces from Lebanon, and the deployment of the Lebanese army to the southern border. Upon adoption of Resolution 1559, the U.N. issued a statement calling "upon all parties concerned to cooperate fully and urgently with the Council for the full implementation of all its resolutions concerning the restoration in Lebanon of territorial integrity, full sovereignty and political independence." Although Israel fully withdrew its forces from Lebanon, Hezbollah did not disarm. Further, Iran and Syria continued to be an obstacle by providing support to Hezbollah, which prevented the deployment of Lebanese forces to southern Lebanon—an area the State Department has described as a "terrorist sanctuary".

An April 2006 report delivered to the Security Council on the implementation of Resolution 1559 was critical of Iran and Syria's support for Hezbollah. In the report, Secretary-General Kofi Annan noted, "renewed incidents of arms transfers across the Syrian-Lebanese border into Lebanon . . . in contradiction to resolution 1559". Specifically the report cited, "an incident, in which arms destined for Hezbollah had been transferred from the Syrian Arab Republic into Lebanon. Twelve trucks carrying ammunitions and weapons of various kinds, including Katyusha rockets, crossed the border from the Syrian Arab Republic." The report further stated that Hezbollah, "maintains close ties, with frequent contacts and regular communication, with the Syrian Arab Republic and the Islamic Republic of Iran" and that implementation of the resolution would require the "cooperation of all other relevant parties, including the Syrian Arab Republic and the Islamic Republic of Iran."

Secretary General Annan stated, "with the continued support of the Security Council, the national dialogue, the unity of the Lebanese and the farsighted leadership of the Government of Lebanon, as well as the necessary cooperation of all other relevant parties, including the Syrian Arab Republic and the Islamic Republic of Iran, the difficulties of the past can be overcome and significant headway made towards the full implementation of resolution 1559." It is clear that Iran and Syria, have acted in a manner to subvert the implementation of 1559.

I believe Iran and Syria, through Hezbollah, are responsible for attacking the State of Israel and should be held accountable. Accordingly, I urge the United Nations to demand the immediate halt of Hezbollah's attacks against Israel, declare Iran and Syria directly responsible for the actions of Hezbollah and demand that all support for the terrorist organization be immediately withdrawn under the threat of sanction.

Iran and Syria were three of the original 51 Member States of the United Nations, agreeing to the Charter and accepting its conditions on October 24, 1945. Chapter I, Article 2, Paragraph 2 of the Charter binds "All Members, in order to ensure to all of them the rights and benefits resulting from membership, shall fulfill in good faith the obligations assumed by them in accordance with the present Charter." The Charter further calls on member states "to practice tolerance and live together in peace with one another as good neighbors" and "to maintain international peace and security." Iran and Syria have not practiced tolerance and their actions pose a threat to peace and security.

Chapter I, Article 2, Paragraph 3 states that, "All Members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered." Iran and Syria, via Hezbollah, have chosen to support aggression rather than peaceful means in their dispute with Israel.

Furthermore, under Chapter I, Article 2, Paragraph 4, "All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations." Iran and Syria, who have tacit knowledge of and directly support Hezbollah's actions, have orchestrated and enabled the attacks against the territory of a sovereign nation.

The Security Council is bound under Chapter VII, Article 39 to, "determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken in accordance with Articles 41 and 42, to maintain or restore international peace and security." Accordingly, the UN must recognize that Hezbollah is a threat to the peace, Iran and Syria have enabled Hezbollah to breach the peace and that this connectivity represents a direct threat to the peace. The Security Council should, under Article 40, call on Syria and Iran to cease and desist. Should either nation fail to comply, the UN should move to consider actions, such as sanctions, available under Article 41.

In conclusion, Syria and Iran have acted contrary to Security Council Resolution 1559, to the detriment of peace and stability in the region. Iran and Syria enable, arm, support and, to a significant degree, dictate the actions of Hezbollah. It is the duty of the United Nations to directly confront Iran and Syria and take swift and harsh action to rightfully lay the blame of Hezbollah's aggression at the doorstep of Damascus and Tehran.

I yield the floor.

Mr. SPECTER. I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

VOTE ON AMENDMENT NO. 4775, AS AMENDED AND MODIFIED

Mr. STEVENS. Mr. President, at 2 p.m. there will be a vote on the Sessions amendment, as modified?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. The yeas and nays have not been ordered?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment, as amended and modified. The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. The following Senator was necessarily absent: the Senator from Kentucky (Mr. BUNNING).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER (Mr. SUNUNU). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 3, as follows:

[Rollcall Vote No. 220 Leg.]

YEAS—94

Akaka
Alexander
Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
Dayton
DeMint
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Ensign
Enzi
Feinstein
Frist
Graham
Grassley
Gregg
Harkin
Hatch
Hutchison
Inhofe
Inouye
Isakson
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner
Wyden

NAYS—3

Feingold
Hagel
Jeffords

NOT VOTING—3

Baucus
Bunning
Lieberman

The amendment (No. 4775), as amended and modified was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I have an amendment at the desk and I ask for its immediate consideration. I talked to both managers of the bill, and they are reviewing it.

Mr. STEVENS. Will the Senator permit us to have a managers' package first?

Mr. KENNEDY. Yes. I withhold my request.

The PRESIDING OFFICER. Under the previous order, amendment No. 4802 is scheduled to be the next pending measure before the Senate.

The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, on behalf of myself and Senator INOUYE, I will present another managers' package. This contains amendment No. 4778, for Senator SMITH, regarding airships; No. 4773, for Senator DAYTON, regarding postdeployment support; No. 4766, for Senator INOUYE, regarding a military history exhibit; No. 4760, as modified, for Senator LOTT, regarding airdrop systems.

Mr. President, I withdraw the package.

AMENDMENT NO. 4802

The PRESIDING OFFICER. Under the previous order, it is now in order to consider amendment No. 4802, as offered by Senator KENNEDY.

The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself, Mr. REID, Mr. BIDEN, Mr. LEVIN, and Mr. REED, proposes an amendment numbered 4802.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require a new National Intelligence Estimate on Iraq)

On page 150, line 24, insert before the period the following: ": *Provided*, That Director of National Intelligence shall, utilizing amounts appropriated by this heading, prepare by not later than October 1, 2006, a new National Intelligence Estimate on Iraq with an assessment by the intelligence community of critical political, economic, and security trends in Iraq, which shall address such matters as the Director of National Intelligence considers appropriate, including (1) an assessment whether Iraq is in or is descending into civil war and the actions that will prevent or reverse deterioration of conditions promoting civil war, including sectarianism, (2) an assessment whether Iraq is succeeding in standing up effective security forces, and the actions that will increase the chances of that occurring, including an assessment of (A) the extent to which militias are providing security in Iraq, and (B) the extent to which the Government of Iraq has developed and implemented a credible plan to disarm and demobilize and reintegrate militias into government security forces and is working to obtain a political commitment from political parties to ban militias, (3) an assessment of (A) the extent of the threat from violent extremist-related terrorism, including al Qaeda, in and from Iraq, (B) the extent to which terrorism in Iraq has exacerbated terrorism in the region and globally, (C) the extent to which terrorism in Iraq has increased the threat to United States persons and interests around the world, and (D) actions to address the terrorist threat, (4) an assessment whether Iraq is succeeding in creating a stable and effective unity government, the likelihood that changes to the constitution will be made to address concerns of the Sunni community, and the actions that will increase the chances of that occurring, (5) an assessment (A) whether Iraq is succeeding in rebuilding its economy and creating economic prosperity for Iraqis, (B) the likelihood that economic reconstruction in Iraq will significantly diminish the dependence of Iraq on foreign aid to meet its domestic economic needs, and (C) the actions that will increase the chances of that occurring, (6) a description of the optimistic, most likely, and pessimistic scenarios for the stability of Iraq through 2007, (7) an assessment whether, and in what ways, the large-scale presence of multinational forces in Iraq helps or hinders the chances of success in Iraq; and (8) an assessment of the extent to which the situation in Iraq is affecting relations with Iran, Saudi Arabia, Turkey, and other countries in the region: *Provided further*, That, not later than October 1, 2006, the Director of National Intelligence shall submit to Congress the National Intelligence Estimate prepared under the preceding proviso, together with an unclassified summary of the National Intelligence Estimate: *Provided further*, That if the Director of National Intelligence is unable to submit the National Intelligence Estimate by the date specified in the preceding proviso, the Director shall submit to Congress, not later than that date, a report setting forth the reasons for being unable to do so".

Mr. KENNEDY. Mr. President, this is a request for a national intelligence estimate on Iraq. We haven't had one now for 2 years. I have talked with the managers. They will review it. It is under consideration. They will let us know. We will have further comments on it later. The managers understand this, and I hope we will have an opportunity to dispose of it a little later.

Mr. STEVENS. Mr. President, Senator KENNEDY's amendment remains the pending business?

The PRESIDING OFFICER. Amendment No. 4802 is the pending business.

Mr. STEVENS. I suggest the absence of a quorum. I withhold that request.

The PRESIDING OFFICER. The request is withdrawn.

The Senator from Illinois.

AMENDMENT NO. 4781

Mr. DURBIN. Mr. President, I ask unanimous consent that the pending amendment be set aside so I may call up amendment No. 4781 for debate.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for himself, Mr. OBAMA, and Mr. LAUTENBERG, proposes an amendment numbered 4781.

Mr. DURBIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $2,000,000 for the improvement of imaging for traumatic brain injuries)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $2,000,000 may be available for the improvement of imaging for traumatic brain injuries and the adaptation of current technologies to treat brain injuries suffered in combat.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DURBIN. Mr. President, I ask the Senate to join me for a few minutes to consider this amendment. It relates to traumatic brain injury. It is a very serious problem with soldiers who are serving in Iraq and Afghanistan. This amendment addresses the very real medical issues and problems they are facing with these serious wounds. Senator OBAMA shares my concern of this issue. That is why we are offering this amendment together today.

Our goal is to improve the treatment of the devastating injuries which are suffered by many of our soldiers in Iraq and Afghanistan.

Traumatic brain injuries can range from large, penetrating skull fractures to concussions which may not be immediately detected.

As of January of this year, the Department of Defense reported that nearly 12,000 members of the military have been directly or indirectly wounded in explosions in Iraq and Afghanistan.

Mr. President, I am going to display a chart at this moment which is painful to see. I talked it over with a man who has served in Iraq who commanded troops in Iraq who saw one of his soldiers suffer a very serious injury similar to the one I am about to show. I asked whether he thought it was appropriate for me to show this image on the floor. He said, Yes, it is important that the people of this country understand the kinds of injuries that our soldiers are experiencing and why this issue of traumatic brain injury is so important for us to discuss with this amendment.

This is an actual x-ray of an American soldier who has been the victim of a traumatic brain injury. Because of an explosion, one can see that a major portion of this soldier's skull was blown off. We are told that there are soldiers who have experienced injuries that are even more grievous, and they survived. Through the miracle of evacuation and medical treatment, they survive. They go through extensive surgeries, and some, this officer told me, end up wearing helmets for long periods of time during their recuperation until they can finally rebuild their skulls so they can start to go through rehabilitation and recuperation.

This is amazing when we see an image of an x-ray such as this and understand that many of our soldiers have been subjected to traumatic brain injury of lesser and greater extent and are now returning to the United States.

These brain injuries are often caused by bullet wounds or penetrating head injuries and can also be the result of blasts, obviously bombs, grenades, landmines, missiles, mortar, artillery shells.

In the Iraq and Afghanistan conflicts, traumatic brain injury accounts for 22 percent or more of injuries, a larger proportion of casualties than in any other recent war of the United States. It is a serious medical challenge for those who treat our soldiers, certainly for the soldiers who are victims of these injuries and their families.

With the frequency of attack by rocket-propelled grenades, improvised explosive devices in Iraq and Afghanistan, soldiers are more likely to encounter an explosion. Improvements in protective devices, such as Kevlar helmets and body armor, may make the soldiers more likely to survive these terrible explosions.

More than 1,700 of those wounded in Iraq are known to have sustained serious brain injury—1,700 soldiers. Half of these injuries are severe enough to permanently impair thinking, memory, mood, behavior, and their ability to work.

This information I am sharing is from official documentation of the Department of Defense.

Mr. President, you may recall, however, that back in January, ABC News co-anchor Bob Woodruff sustained a traumatic brain injury from an IED when he was embedded with the Army's 4th Infantry Division in Iraq.

In a recent survey of 115 soldiers wounded from blast injuries, 62 percent had brain injuries, according to the Defense and Veterans Injury Center at Walter Reed.

According to a recent study by researchers at Harvard and Columbia, it is estimated that the cost of medical treatment for those individuals with brain injuries from the Iraqi war will be at least $14 billion over the next 20 years. In Vietnam and previous 20th century wars, brain injuries accounted for less than 20 percent of injuries.

The effect of these injuries range from short-term minor impairment to long-term serious disability. One of the common long-term residual effects of traumatic brain injury is the onset of epileptic seizures. These symptoms may begin months or even years after the injury occurs. The more brain tissue a soldier loses as a result of a brain injury, the more likely he or she is to develop seizures.

I can recall recently seeing another television show. There was a young woman, a beautiful young woman, who had volunteered to serve in the Army and was in Iraq. She was the victim of one of these blast injuries and lost a major portion of her skull. She had gone through numerous surgeries and long periods of recuperation. When you saw her on television, she looked perfect, beautiful as can be, perfectly normal, as if nothing had ever happened to her. It is a tribute to the men and women who treat our soldiers that they do return to this moment in their lives where they have a chance.

When she was asked what life was like, she said: It is still a battle every day, but it is one I am willing to face—double vision, pain, these are things which I am just going to work with.

Unfortunately, we know that these brain seizures are also a challenge for these victims. Recurrent late seizures are considered post-traumatic epilepsy, or PTE. Studies have estimated that over 50 percent of Vietnam veterans with penetrating head injuries acquired epilepsy as a result of their injuries.

The same statistics apply in Iraq. It means that we will have massive numbers of our soldiers in years to come who have suffered head injuries of varying degrees at least subject to the possibility of these seizures. Unfortunately, our veterans in Iraq and Afghanistan may face that future. I hope they do not, but it could happen.

Given the heavy incidence of closed head trauma in this war, which is less well understood, we may see even more cases.

The Army currently does not have a program focused on advanced traumatic brain injury diagnosis that will treat combat wounds and related ailments, such as PTE. Clearly, such a program would help the more than 1,700 soldiers with brain injuries sustained in Iraq and Afghanistan.

The Army estimates that there is an annual investment gap of $20 million in research, development, test, and evaluation for improved diagnostics and other long-term rehabilitative treatments of traumatic brain injuries. These are the Army's own estimates: That they are falling short $20 million for what they need to deal with this serious problem.

Senator OBAMA and I are offering this amendment so that we can focus a small part of a large bill on defense funds, using them to acquire and use technology that can best diagnose, identify, and help us treat traumatic brain injury.

Currently, there is a promising technology called diffusion tensor imaging, DTI, that could help identify traumatic brain injury that might not be apparent. DTI is similar to an MRI, but it is twice as powerful in scanning the brain. DTI identifies damage to the white matter in the brain that frequently causes traumatic brain injury.

However, today DTI is currently used primarily to identify noncombat diseases, such as multiple sclerosis and schizophrenia, not for diagnosing combat-related injuries.

Before we can deploy this promising technology to help treat our soldiers who suffer traumatic brain injury, we need a greater understanding of how to use it more effectively. If this research isn't focused soon, we won't be able to deploy DTI technology to combat field hospitals or regional medical treatment facilities in places such as Baghdad or Landstuhl, Germany, that are very close to the scene of battle.

In order to reach the point where DTI can be deployed closer to combat, we need to fund a program that pairs the Army with premier brain institutes in America to focus primarily on diagnosing brain injuries sustained in combat.

The amendment that Senator OBAMA and I offer would do just that. It would allocate $2 million—$2 million—a significant sum for the average person, but in the context of this bill involving billions of dollars a very small amount. It would allocate $2 million to premier brain scientists at the University of Chicago where this research is underway and enable them to partner with the U.S. Army to test and evaluate DTI technology so that we can establish a standard of care for traumatic brain injury that would bring the advantages of DTI closer to the troops in the field.

This will allow us to immediately detect and treat the increasing number of traumatic brain injury cases caused by combat. In addition, these funds will allow the university to partner with the Army Medical Research and Materiel Command and associated epilepsy advocacy to treat traumatic brain injury survivors with post-traumatic epilepsy.

As my colleagues can see, this project is directly related to the real-life needs of our soldiers who have served us so valiantly in Iraq and Afghanistan and other theaters. It is a small amount by the standards of this bill, but it could provide the promise of recovery for soldiers who face these traumatic brain injuries. It will go a long way toward treating what may be the signature wound of the conflicts in Iraq and Afghanistan.

I know this is not included in the bill as it comes before us. I hope, despite the debate in the committee, that my colleagues on both sides of the aisle will consider this amendment.

Mr. President, $2 million seems a small price to pay to give these soldiers who have paid such a greater price for America, a chance for full recovery; $2 million doesn't seem like an unreasonable amount to bring the very best, modern technology closer to the battlefield so that our soldiers can be treated and treated effectively and treated quickly. I hope my colleagues will support our injured troops fighting this war by supporting this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I think I can say with assurance, I am probably the only Member of the Senate who has had a traumatic brain injury in connection with a jet crash in 1978. I have deep respect for the researchers who are involved in this area. But really, this is an amendment to give the University of Chicago's research team $2 million.

The NIH has a substantial number of programs. I am told that through the National Institute of Neurological Disorders and Stroke, a whole portion of NIH has an extensive traumatic brain injury program that supports basic, translational, and clinical research through grants and contracts through over 100 research teams and investigators.

In addition, we have $45 million in this bill that can be used. It is called the Peer Review Medical Research Program. This amount can come out of that $45 million if the Department of Defense needs it. It is up to them. To stay within our allocation, we had to notify Members who brought us requests for medical research that we had established this $45 million program, and from that the Defense Department can pick these suggestions that come from Members of the Senate, the Congress, too. The House will be involved in it obviously.

This is not a neglected area. We spent over $1 billion in research grants for studies in this area, particularly funding long-term research in traumatic head injury, head and spine injury, and epilepsy. This amendment deals with epilepsy and its connection with brain injuries.

In the past 3 years, an average of $430 million a year has been awarded for grants, contracts, and research by the National Institutes of Health clinics for epilepsy, traumatic brain injury, and injuries to the head and spine. In the last 3 years alone we spent $1.29 billion in those specific efforts in this area.

In this current fiscal year Congress encouraged and directed the National Institutes of Health to expand basic and advanced research in brain injury rehabilitation. As I said, they told us they have an extensive program there. This is where this money should be taken, in the final analysis. We have been using over three-quarters of a billion dollars for research not associated with military programs in the past.

We have at least 20 amendments of the same kind that have also been suggested to us. The Senator from Pennsylvania has one. A whole series of people have come and said they want to have earmarks on the money we have in that fund. We have not done that because we believe the Department should take the money and spend it on research that is related to the demands of the military today.

Further brain injury research through the Department of Defense will reduce the funds available for military readiness and will ignore the valuable contributions made by NIH and other nondefense research entities.

I say to the Senator from Illinois, as we discussed in the committee, there is no question it is a good program. There is no question the University of Chicago should compete with other universities for the money that is available. For this to be earmarked here now means they no longer have to compete. As I said, NIH said there are currently over 100 separate contracts out there right now in addition to the $45 million we have in this bill. NIH has an enormous amount of money and the expertise of NIH and their clinical trials. The program they have for allocating money, I think, should not be obviated by an earmark here on the floor.

If it happens, if the Senate wants to adopt this amendment, then I can tell them in all fairness we are going to have to bring forth the amendments of the other Senators. Several of them, as a matter of fact, are from Senators who are up for election. We told them no. So I say to the Senate, if you want to adopt this amendment of the Senator from Illinois to give the University of Illinois priority on this money, then that is the judgment of the Senate. I oppose it, as I did in committee. I do think we have to stop using Defense money for contracts with universities and basic research at the suggestion of a single Senator. It is not something that should be done.

We have adequate money in this bill to cover this if the Department wants to do it. We have an overwhelming amount of money in the NIH area, if

NIH wants to pursue having the University of Chicago do this epilepsy research, but this is not a military requirement.

All the Senator said about injuries that are coming from current military involvement is correct. But they are being met. Not one member of the military society came to us and said we need more money for brain research—not one. This is not something to be handled with an amendment on the floor, to give one university priority over all others in connection with the research money that is available under this bill.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, it has been my honor to serve on the Appropriations Committee and on this subcommittee. It is an important subcommittee, one of the most important subcommittees in terms of our national defense.

A decision was reached, probably before I was elected to the Senate, that we would dedicate funds within this appropriation for medical research. Some have questioned them over the years. I have never questioned them. I believe it is important that we pursue medical research, not only at the National Institutes of Health—which, incidentally is facing a cutback in medical research funds in this President's budget this year—but also when it comes to our military medical research. They are very competent. They have been very good. They have included in their research enormous opportunities, opportunities which relate directly to the soldiers in combat and opportunities which relate to them and their families.

Breast cancer research is included in this. I totally support it. I applaud it. I voted for it. There is no question about that. What I am talking about here is traumatic brain injury to soldiers. This is something that has become the signature wound of this conflict in Iraq. The amount of money which I am asking for, $2 million, pales in comparison to the millions and millions of dollars earmarked in this bill for universities, specific universities for specific medical research.

The Senator from Alaska cannot tell me that every dollar in medical research in this bill is peer reviewed. It is not. You know it and I know it. Decisions were made by the committee to earmark certain research at specific universities. I will tell the Senator, I didn't question that. I deferred to his judgment and the judgment of Senator Inouye on that.

Mr. STEVENS. Will the Senator yield? I will be pleased to have you point that out to me.

Mr. DURBIN. Page 241.

Mr. STEVENS. We have had $3 billion requested of our subcommittee for medical research. It is the largest growth area in this subcommittee's jurisdiction. More and more money for medical research was requested. We put $45 million into this program. I want to see that earmark.

Mr. DURBIN. It is page 241 that I refer the chairman to. What we are talking about here is $2 million. The Senator from Alaska has said we can't afford this. We cannot afford this medical research. It will be at the expense of our readiness, the ability of our soldiers to fight.

I am prepared to make the same offer I made to the Senator in committee. I am prepared to take $2 million—Senator Obama and I will—from existing projects we alone offered in this bill, $2 million we will take out of those projects to go into this medical research for traumatic brain injury so you cannot make the argument that the $2 million is at the expense of anything else related to readiness.

These are dollars that only we requested, dollars given to us in the bill, and we believe this is a higher priority. So the argument that somehow we are taking money away from military readiness does not apply.

To argue that $2 million for traumatic brain injury should be disqualified because it would go to the University of Chicago? It turns out the University of Chicago is one of the premier institutes when it comes to this new technology. I am not going to argue about money going to any university if it is the right place to send it, and we believe the credentials of this institution stand up against the best in America—the best in the world. Isn't that what we want for our troops?

As far as being an earmark, I plead guilty, it is an earmark. But it is being discussed right here on the floor of the Senate, the exact dollar amount, the exact recipient, and the exact purpose. There is nothing that is being done here under cover of night. It should not be.

Why is it so hard for us in a bill of this magnitude, with all of this spending, to find $2 million for epileptic seizures from traumatic brain injury when we have so many of our soldiers returning with this problem? Wouldn't we want to at least err on the side of these soldiers to get them back, as quickly as possible, recovered, as close as possible to normal lives?

I don't understand it. I can't understand the opposition of the chairman. I am prepared—maybe it is best now to go ahead and do it. I am prepared to say we will take the $2 million out of existing projects in the bill.

AMENDMENT NO. 4781, AS MODIFIED

I ask unanimous consent to modify the pending amendment and send this amendment in its place to the desk.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. STEVENS. Does this require unanimous consent?

Mr. DURBIN. I don't need consent to modify my amendment under the Senate rules.

The PRESIDING OFFICER. The Senator has that right.

The amendment (No. 4781), as modified, is as follows:

At the end of title VIII, add the following:

Sec. 8109. (a) Improvement of Imaging for Traumatic Brain Injuries.—

(1) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY.—The amount appropriated or otherwise made available by title IV under the heading "Research, Development, Test and Evaluation, Army" is hereby increased by $2,000,000.

(2) Availability.—Of the amount appropriated or otherwise made available by title IV under the heading "Research, Development, Test and Evaluation, Army", as increased by paragraph (1), up to $2,000,000 may be available for the improvement of imaging for traumatic brain injuries and the adaptation of current technologies to treat brain injuries suffered in combat.

(b) Offset.—

(1) Other procurement, air force.—The amount appropriated by title III under the heading "Other Procurement, Air Force" is hereby reduced by $1,000,000.

(2) Defense health program.—The amount appropriated by title V under the heading "Defense Health Program" is hereby reduced by $1,000,000.

Mr. DURBIN. That argument is gone. This $2 million is from our projects that only we requested, that we are prepared to give up for this medical research for the soldiers. Now what is the next argument? That we don't need it, when 1,700 of our soldiers have already suffered traumatic brain injuries? We are prepared to take it out of our own projects for soldiers who are going through this kind of an injury.

Why do you still resist it?

I yield the floor.

Mr. STEVENS. Mr. President, those 1,700 or however many you have, soldiers, aren't going to the University of Chicago. This is simply a provision to take $2 million of the defense money for the University of Chicago for epilepsy research. As I said, we had a total of $3 billion in requests from this subcommittee for medical research from other Senators. We turned them all down. The Senator from Illinois wouldn't take "no."

I understand his position. His position is he now wants to say other items we allowed him to earmark in other portions of the bill would be changed in order to have this go to the University of Chicago.

Every Senator who asks for that money is going to come wanting to do the same thing. In other words, it will not make any difference. The money will be going to medical research instead of going to the needs of the military.

I didn't say it was for readiness. I said we could not have any more money going out of the Defense bill to take care of medical research when medical research is basically a function of NIH and the subcommittee that deals with Labor, Health, and Human Services. It is not our business.

I confess, I am the one who made the first mistake years ago. The Senator just reminded me. I am the one who suggested that we include some money for breast cancer research. It was languishing at the time. It was back in the 1980s. Since that time it has grown to $750 million that was involved. I think it was, in the last bill we had, dealing with medical research that had nothing to do with the Department of Defense.

With the shortage of money we have now, we are now over the budget by about $78 billion in emergency money. Don't tell me I am objecting to brain research. As I said, I have been the subject of brain research. But there is plenty of money there for it.

I notice the occupant of the chair suggests maybe I need a little bit more.

But as a practical matter, we cannot do this just for one Senator, and I have been a whip and I understand what it means to have access to the floor and make a demand. But this is not right. I say to the Senate, if we are going to vote this $2 million, I am going to go back and tell each one of the other Senators they should come and offer their amendments, too. They are very well-meaning amendments. I have to tell you, we have back injury. We have problems with regard to a whole series of items. Among the amendments proposed were tissue engineering; another traumatic brain injury study for a long-term concept of a study of that; vaccine health care centers; eye refractive surgery; hypothermia; hemostatic agents; traumatic brain injury research at several other universities.

One of the reasons we turned this one down is we could not in good faith take the one from the University of Chicago in Illinois and take down the others. We had neuromuscular research. I could go on and on.

The things all added up to $3 billion. This is just the tip of the iceberg. It is $2 million, but it leads into, Why should we take this amendment of the Senator from Illinois and turn down all these other amendments? We turned them down, not because they were not worthy. We didn't turn them down because they were not necessary. We turned them down because this is not the place to fund them.

It is my position that the suggestion we are going to turn around and take it out of another provision in the bill that says why did we agree to that other provision, if it is not necessary? Why did we add it to the bill?

As a matter of fact, I don't recall those items where we did, but we did handle several amendments for the Senator from Illinois. We treated them the same as we did every other Senators with regard to research for medical purposes. This is the only one out of all of them where we said, no, that has been presented to the Senate.

I do not want to be accused of being against brain research or ignorant of the fact that there is an enormous number of brain injuries to our military people. As a matter of fact, I went out to Walter Reed to see one of our young people from Alaska who had a brain injury. But no one, again, has told me we need money in this bill for brain research beyond what is there already and beyond what is being made available by NIH.

I do say again, this amendment should not be adopted.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I don't want to belabor this. I think we have covered most of the ground. But I will tell the chairman, the Senator from Alaska, the Army estimates annual investment gaps of $20 million in research, development, test, and evaluation for improved diagnostics and other long-term rehabilitative treatment of traumatic brain injury.

I am not making this up from whole cloth. This is the Army's own report. To suggest that we have all the funds we need in this area, to suggest they couldn't figure out what to do with $2 million just isn't backed up by the Army's own official statements about what is needed. They need $20 million. We are offering $2 million.

The Senator has argued that we are taking it from some other areas of the bill. Senator OBAMA and I are offering $1 million each from projects included in the bill, which will slow down their development but will put more money into medical research in traumatic brain injury. And, yes, the University of Chicago is a leader. I don't apologize for that. Wouldn't you want to go to a leading institution with $2 million for 1,700 soldiers facing traumatic brain injury?

I don't want to belabor the point other than to say to the Senator, whom I tried in the committee to reason with, that we are prepared to make sacrifices in other areas for what we consider to be a very important medical priority, and he wouldn't allow us to go forward. I tried here on the floor; I am trying now.

At some point, I would like to have my colleagues vote. I think traumatic brain injury is a serious issue. We need to put more resources into it. We need to give our soldiers the very best technology.

Senator OBAMA and I will offer this amendment.

I ask unanimous consent that Senators MENENDEZ and SALAZAR be added as cosponsors.

The PRESIDING OFFICER (Mr. MARTINEZ). Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. SALAZAR. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4776

Mr. SALAZAR. Mr. President, I call up my amendment No. 4776.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. SALAZAR] proposes an amendment numbered 4776.

Mr. SALAZAR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide that, of the amount appropriated or otherwise made available by title II for the Air Force for operation and maintenance, $10,000,000 shall be available for an interoperable communications capability for the United States Northern Command)

At the appropriate place, insert the following:

SEC. . Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, AIR FORCE", $10,000,000 shall be available to provide the United States Northern Command with an interoperable mobile wireless communications capability to effectively communicate with Federal, State, and local authorities.

AMENDMENT NO. 4776, AS MODIFIED

Mr. SALAZAR. Mr. President, I ask unanimous consent to modify the amendment with a modification which I am sending to the desk.

The PRESIDING OFFICER. The Senator has the right to modify the amendment.

The amendment is so modified.

The amendment (No. 4776), as modified, is as follows:

At the appropriate place, insert the following:

SEC. ___. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, AIR FORCE", up to $10,000,000 may be available to provide the United States Northern Command with an interoperable mobile wireless communications capability to effectively communicate with Federal, State, and local authorities.

Mr. SALAZAR. Mr. President, I ask unanimous consent that Senators LEVIN and WARNER be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I also understand that this amendment will be accepted as part of a managers' package. I want to say thank you to both the Senator from Hawaii and the Senator from Alaska, the floor managers, for accepting this amendment.

At the outset of my brief comments on this amendment, I also want to say that I very much appreciate the leadership of both Senator INOUYE and Senator STEVENS. I had the great honor of participating in some activities with Senator INOUYE within this past week and hearing his own story of his personal courage and fight against discrimination, and how he has stood up for our country is something that makes me very proud to be an American. I think with Senator INOUYE's life story one can see how far it is we have come as a country. And he is a living example of the kind of heroes that we need in America today in these difficult times which we face as a nation.

I commend both Senator STEVENS and Senator INOUYE for bringing this vitally important bill to the floor. While servicemembers are fighting overseas, this bill is one of the most important actions that we can take this year on the Senate floor.

This bill takes care of our troops and I look forward to its passage before the August recess.

Protecting its citizens from attack is our Government's most important responsibility. Liberty and prosperity are impossible without security here in our Nation and in our homeland.

We must see to it that we are making the right investments to protect Americans from attack.

In the last few years the threats facing our Nation have grown in size and complexity. Rogue nations are developing nuclear weapons as we speak. Terrorist organizations are recruiting and new members and have been plotting attacks against Americans. And American service men and women are in harm's way in Iraq and Afghanistan as we speak.

Our way of life and our freedoms depend on our ability to confront these threats. They depend on our ability to make smart, forward-thinking investments in our national defense.

I am proud to represent a State that contributes so much toward achieving these objectives. An in-depth look at this bill shows just how prominent a role Colorado plays in contributing to our national defense and our homeland security. I am happy to support those measures in this bill that focus on Colorado's military installations, such as those that will benefit Fort Carson, Schriever Air Force Base, Peterson Air Force Base, the United States Air Force Academy, and Pueblo Chemical Depot.

Furthermore, this bill contains additional emergency supplemental money for the ongoing campaign in Iraq. This money is necessary to make sure that our fighting men and women are provided with the equipment they need to be safe and to get the job done. Recently there have been a number of military commanders saying that overall military readiness is on the decline. Military equipment is wearing out in the harsh environment of the desert. I am very troubled by these reports, and am therefore very proud to support the measure introduced by Chairman STEVENS and Ranking Member INOUYE last night to counteract this decline in readiness by adding $13.1 billion to the bridge fund for Army and Marine Corps equipment reset requirements. This money is necessary for the continuing combat missions in Iraq and Afghanistan. I thank my friends—the Senator from Alaska and the Senator from Hawaii, as well as Senator REED of Rhode Island and Senator DODD of Connecticut—for their leadership on this important issue.

The amendment I offer directly impacts our homeland security, by providing the United States Northern Command, known as NORTHCOM, with an emergency, mobile, fly-away interoperable communications capability.

Northern Command is headquartered in Peterson Air Force Base in Colorado, and is a crown jewel of our Nation's homeland defense.

The U.S. Northern Command was established on October 1, 2002 to provide command and control for DOD homeland defense efforts and to coordinate military assistance to civil authorities. NORTHCOM serves to defend America on our native soil.

Specifically, NORTHCOM's mission is to conduct operations to deter, prevent, and defeat threats and aggression aimed at the United States, its territories and interests within the assigned area of responsibility; and as directed by the President or Secretary of Defense, provide military assistance to civil authorities including consequence management operations.

The area of responsibility that falls under Northern Command is vast. Their responsibility encompasses the continental United States, Alaska, Canada, Mexico, and the surrounding water out to approximately 500 nautical miles. It also includes the Gulf of Mexico, Puerto Rico and the U.S. Virgin Islands.

NORTHCOM plans, organizes, and executes homeland defense and civil support missions. NORTHCOM's civil support mission includes domestic disaster relief operations that occur during fires, hurricanes, floods, and earthquakes. Support also includes counterdrug operations and managing the consequences of a terrorist event employing a weapon of mass destruction.

It is quite clear to all of us, that in the few short years that NORTHCOM has been in existence, it has quickly become integrated into the very fabric of our homeland defense. NORTHCOM exists to provide the unity of command that is absolutely necessary when responding to emergencies that immediately threaten Americans on their home soil. I know that the men and women at NORTHCOM work hard every single day to make sure that we are safe, and I thank them for their dedication and their unswerving devotion to duty.

But thanking them is not enough. We, the Congress, have to provide them with the tools necessary to do their job. And one thing they lack right now but desperately need is an interoperable communications capability.

The amendment I am proposing will benefit the entire country, because it will provide NORTHCOM with the interoperable communications equipment they need in order to respond effectively during an emergency.

Northen Command's top unfunded requirement is the purchase of these systems. Without interoperable communications, NORTHCOM, the Department of Homeland Security, and local and State authorities cannot effectively respond to natural and manmade disasters. A $10 million increase in fiscal year 2007 funds for NORTHCOM would allow the command to procure an interoperable mobile communications capability.

This amendment cosponsored by Senator WARNER and Senator LEVIN will accomplish that. It is legislation that we have approved before in the Senate.

When we spoke about this with respect to the budget resolution and the Department of Defense authorization bill, it was approved by the Senate.

Language included in the National Defense Authorization Act for fiscal year 2007 specifically referred to the $10 million for interoperable communications.

On page 293 of that report, we in the Senate said the following:

> U.S. Northern Command requires the capability to effectively communicate with Federal, State, and local governments in order to facilitate support to civil authorities, share information, and provide situational awareness in response to natural or manmade disasters.

The committee recommends an increase of $10 million to OMAF to address this funding shortfall and to provide the interoperable communications capability for USNORTHCOM.

My amendment follows that recommendation.

The Nation cannot afford to wait for the next disaster to strike before we purchase this equipment.

I urge my colleagues to support this amendment. I thank the Senator from Alaska and the Senator from Hawaii for their consideration and for their support of this amendment. I am proud to offer this amendment and again thank both Senator INOUYE and Senator STEVENS for their leadership on Department of Defense appropriations legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I ask unanimous consent that the pending amendments be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4806

Mr. KYL. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. KYL], for himself and Mr. WYDEN, Mr. DEWINE, Mr. LIEBERMAN, Mrs. FEINSTEIN, Ms. CANTWELL, and Mr. SALAZAR, proposes an amendment numbered 4806.

Mr. KYL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To prohibit the suspension of royalties under certain circumstances, to clarify the authority to impose price thresholds for certain leases, to limit the eligibility of certain lessees for new leases, and to restrict the transfer of certain leases)

At the appropriate place, insert the following:

SEC. . ROYALTY RELIEF FOR PRODUCTION OF OIL AND GAS.

(a) PRICE THRESHOLDS.—Notwithstanding any other provision of law, the Secretary of the Interior shall place limitations based on market price on the royalty relief granted under any lease for the production of oil or natural gas on Federal land (including submerged land) entered into by the Secretary of the Interior on or after the date of enactment of this Act.

(b) CLARIFICATION OF AUTHORITY TO IMPOSE PRICE THRESHOLDS FOR CERTAIN LEASE SALES.—Congress reaffirms the authority of the Secretary of the Interior under section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(H)) to vary, based on the price of production from a lease, the suspension of royalties under any lease subject to section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (Public Law 104-58; 43 U.S.C. 1337 note).

SEC. . ELIGIBILITY FOR NEW LEASES AND THE TRANSFER OF LEASES.

(a) DEFINITIONS.—In this section

(1) COVERED LEASE.—The term "covered lease" means a lease for oil or gas production in the Gulf of Mexico that is—

(A) in existence on the date of enactment of this Act;

(B) issued by the Department of the Interior under the Outer Continental Shelf Deep Water Royalty Relief Act (43 U.S.C. 1337 note; Public Law 104–58); and

(C) not subject to limitations on royalty relief based on market price that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C).

(2) LESSEE.—The term "lessee" includes any person that controls, is controlled by, or is in common control with, a lessee.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(b) ISSUANCE OF NEW LEASES.—

(1) IN GENERAL.—Beginning on the date that is 1 year after the date of enactment of this Act, the Secretary shall not issue any new lease that authorizes the production of oil or natural gas in the Gulf of Mexico under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) to—

(A) any lessee that—

(i) holds a covered lease on the date on which the Secretary considers the issuance of the new lease; or

(ii) was issued a covered lease before the date of enactment of this Act, but transferred the covered lease to another person or entity (including a subsidiary or affiliate of the lessee) after the date of enactment of this Act; or

(B) any other entity or person who has any direct or indirect interest in, or who derives any benefit from, a covered lease.

(2) MULTIPLE LESSEES.—

(A) IN GENERAL.—For purposes of paragraph (1), if there are multiple lessees that own a share of a covered lease, the Secretary may implement separate agreements with any lessee with a share of the covered lease that modifies the payment responsibilities with respect to the share of the lessee to include price thresholds that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

(B) COVERED LEASE.—Beginning on the effective date of an agreement under subparagraph (A), any share subject to the agreement shall not constitute a covered lease with respect to any lessees that entered into the agreement.

(c) TRANSFERS.—A lessee or any other person who has any direct or indirect interest in, or who derives a benefit from, a lease shall not be eligible to obtain by sale or other transfer (including through a swap, spinoff, servicing, or other agreement) any covered lease, the economic benefit of any covered lease, or any other lease for the production of oil or natural gas in the Gulf of Mexico under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), unless the lessee—

(1) renegotiates all covered leases of the lessee; and

(2) enters into an agreement with the Secretary to modify the terms of all covered leases of the lessee to include limitations on royalty relief based on market prices that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

Mr. KYL. Mr. President, let me briefly describe what this amendment does. We will have a unanimous consent request later today to deal with this amendment in the most expeditious way. I appreciate the cooperation of Senator STEVENS and his staff and Senator DOMENICI in helping to work out how we deal with this particular amendment.

This amendment deals with some unfinished business before the Senate. As we will recall, yesterday the Senate overwhelming passed S. 3711, which is the Gulf of Mexico Security Act of 2006. This bill would open new areas off the gulf to oil and gas exploration and development. S. 3711, which I voted for, is an important first step in providing our energy independence and reducing energy prices for American consumers. Once again, it raises a matter of concern: a history of lapses and mistakes in royalty collection and payments for oil and gas production under deepwater leases. It also underscores the prospect that future payments will go uncollected due to royalty provisions that are still on the books.

We must step up and deal with this unfinished business of royalty reform. That is why Senator WYDEN and I are offering this amendment today. I am pleased to be joined by Senator WYDEN who has been working with me on a bipartisan basis on this issue, along with Senator DEWINE, who is an original cosponsor of this royalty reform legislation, S. 3760, and Senators LIEBERMAN, FEINSTEIN, CANTWELL, and SALAZAR.

There are three important aspects of the royalty program that need fixing.

First, we need to deal with the mistakes that were committed by the Clinton administration in 1998 and 1999. In those years, the Department of the Interior, through the Mineral Management Service, issued leases that did not include price thresholds. That is a big deal. Energy prices have skyrocketed, and without price thresholds to trigger payment for royalties, the U.S. Government and the American people will not see a dime from these leases. The GAO estimated that this mistake could cost the taxpayers at least $7 billion in lost revenues to the U.S. Treasury.

Second, we need to deal with leases that were issued in 1996, 1997, and 2000 that included price thresholds in the lease terms but which are being challenged. A few of the oil and gas companies who signed leases in those years have refused to pay royalties on production even though the thresholds have been exceeded. One of the companies has sued the Department of the Interior, arguing that Interior does not have the authority to establish price thresholds or any leases issued between 1996 and 2000. If the lawsuit is successful, this could have significant implications for royalties already collected. The Federal Government would likely be required to refund approximately $525 million in royalties paid by the industry and be precluded from collecting between $18 billion and $28 billion over the next 5 years.

Third, we need to deal with new leases that have royalty relief in the lease terms. In the Energy Policy Act of 2005, Congress reinstitutes royalty relief on production in the deep waters but did not require the Department of Interior to put price thresholds in new leases that include royalty relief. The 1998 and 1999 leases demonstrate that the Interior Department can't be trusted to do this on its own, and we cannot afford another $7 billion mistake.

Let me explain how the amendment fixes these three problems. Let's take the 1998 and 1999 leases first, since they are the most controversial. In the context of the fiscal year 2007 Interior appropriations bill, there have been efforts to address this problem by Senator GREGG, Senator DOMENICI, and Senator FEINSTEIN. This amendment today builds on those efforts.

In our approach, we try to get companies to do the right thing by giving them a choice: Keep your existing leases royalty free but be barred from bidding on new leases or renegotiate in good faith with the Federal Government and retain your eligibility to bid on new leases in the future. The major difference in our amendment is that we provide time to renegotiate.

Every company that wants to come to the table has a full year from the date of enactment of this Act to reach agreement. One year is more than enough time to address any concerns that need to be explored and worked out. I am told many of the companies holding leases from 1998 and 1999 are already renegotiating those leases. I applaud the efforts of those companies. However, Congress cannot stand by and watch consumers pay record prices at the pump knowing that American taxpayers are not getting fairly compensated for the oil and gas extracted from public land. We need to deal with this problem.

Incidentally, I note that Senator DOMENICI has inserted in a separate appropriations bill an amendment that deals with this problem, hopefully, over the course of the next year. What Senator WYDEN and I are saying is let the process that Senator DOMENICI has begun have an opportunity to work. We hope it does work. But in the event that it does not work after a year, our amendment kicks in to, in effect, force a solution.

The other two fixes are less controversial and probably in the future actually even more important. Let's turn to the leases first issued between 1996 and 2000 and the Secretary's authority to impose price thresholds limiting royalty relief when oil and gas prices are high. The amendment we are offering simply reaffirms that Congress intended the Secretary to have the authority to vary the suspension of royalties based on the price of production in all leases subject to the deepwater royalty relief action. The language is exactly the same as Senator DOMENICI offered on another bill. After all, the whole point of royalty relief was to provide companies that undertook high-risk investments in deep water specific volumes of royalty-free production to help cover a portion of their capital costs before starting to pay royalties. It was not to pad the pocketbooks of the oil and gas companies at the expense of the American taxpayer. Price thresholds are the mechanism that ensures the companies do not benefit from both high market prices and royalty-free volumes.

Finally, Congress needs to require that new oil and gas deepwater leases that the Federal Government issues include price thresholds. This seems like a no-brainer, but right now there is no requirement that price thresholds be included in leases that have royalty relief. The language says "may," not "shall." Our amendment will say "shall." It is a one-word change that directs the Secretary of Interior to include price thresholds in all new leases. This is an important action to ensure that the Interior Department collects royalties on the American people's energy resources at times when oil and gas prices warrant it.

I am hoping that as we debate this important Defense bill we can do the right thing and fix this problem. We are talking about a program that accounts for 30 percent of the oil and 23 percent of the natural gas produced domestically and is a major source of revenue for the Federal Government.

According to the Mineral Management Service, Federal revenues from offshore leases are estimated at $6.3 billion in fiscal year 2005. Of the $6.3 billion in revenue for fiscal year $2005, $5.5 billion was from royalties. Securing royalty receipts is important.

I recognize this amendment may be deemed legislating on an appropriations bill, but my colleagues and I have tried to go the traditional route up to this point to no avail. This problem is too important to ignore. We are running out of time. We are willing to submit this amendment to a 60-vote threshold. I look forward to working with Senator DOMENICI to work an agreement to that effect soon.

As President Bush and the oil and gas companies have said, we don't need these additional incentives to explore and develop oil and gas at current prices. Let's give the American taxpayer fair compensation for the oil and gas that is extracted from public lands.

I hope my colleagues will agree to our amendment. I note, in passing, that the score of this, according to CBO, is a $9 billion revenue gain to the Treasury. This is one of those few times when we are actually going to be able to help the Treasury rather than take some money from it.

I conclude by thanking my colleague from Oregon. The Senator from Oregon and I have worked in a bipartisan way now for several weeks. We have come to a good resolution of the issue that our colleagues should be able to support.

Senator WYDEN is seeking recognition, and I will let him comment at this point.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, first of all, I thank the distinguished Senator from Arizona for working with me on this issue for many months now. Colleagues know that I stood in this spot for almost 5 hours a few months ago to try to put together a bipartisan effort to save taxpayers billions of dollars. I believe we have done that.

I ask unanimous consent to have printed in the RECORD the official score that Senator KYL and I have now received from the Congressional Budget Office, which the Congressional Budget Office has now officially informed us that over the next 10 years, the taxpayers will save $9 billion

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Estimated budgetary impact of Kyl-Wyden amendment to prohibit the suspension of royalties under certain circumstances, to clarify authority to impose price thresholds for certain leases, to limit the eligibility of certain lessees for new leases, and to restrict the transfer of certain leases—Amendment No. 4806.

[In millions of dollars, by fiscal year]

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007–2011	2007–2016
BA	0	−100	−500	−600	−900	−900	−1,100	−1,600	−1,700	−1,600	−2,100	−9,000
OL	0	−100	−500	−600	−900	−900	−1,100	−1,600	−1,700	−1,600	−2,100	−9,000

Source: CBO.

Mr. WYDEN. Mr. President, the reason Senator KYL and I feel so strongly about this, this is a program that is out of control. The fact is that even the sponsor of this program, our distinguished former colleague, Senator Johnston of Louisiana, said this program is not operating as Senator Johnston intended.

A brief bit of history is relevant. This program began in the 1990s, when the price of oil was under $20 a barrel. The point of the program, as devised by Senator Johnston, nobody could really argue with. We needed to produce energy, and with the economic situation in that part of the country, folks were hurting. They devised this program.

But no one can make a case for a program that began when oil was $19 a barrel, when the price of it is now over $70 a barrel. We have a situation where the companies are charging record prices. They are making record profits. We certainly do not need record subsidies, particularly at a time when we have a program that even the sponsor of the original effort says is not working.

This is the biggest subsidy in the energy area. This is one of the biggest boondoggles we have seen operated by the Federal Government. The fact of the matter is, there have been mistakes made under both Democratic and Republican administrations.

As I outlined for the Senate several months ago, the initial mistakes were made by those in the Clinton administration which did not lock in the appropriate price thresholds. When former Secretary Norton came into office, she sweetened up the subsidies administratively, and Congress went still further with respect to this program in the Energy bill.

The Government Accountability Office has estimated that at a minimum the Federal Government and the taxpayers are going to be out $20 billion. There is litigation underway that could mean the taxpayers would be out in the vicinity of $80 billion. It is time to draw a line in the sand and ensure that this effort to roll back these subsidies becomes law.

If the oil industry can keep the Senate from voting on royalties, the legislation the House adopted after Senator KYL and I came to the Senate and discussed it, almost certainly is going to disappear. The negotiations now underway with oil companies, in my view, are going to be dragged out until the last legislative vehicle has left town. Then the companies can walk away from the table and return to feeding at the expense of the taxpayers.

Senator KYL and I have worked very closely with Chairman DOMENICI. As always, he has been very fair and very straightforward with us.

With this approach, we have a chance to get a permanent solution to this giveaway of taxpayer money. We will not interrupt the approach that Chairman DOMENICI has advocated. We hope it will work. It essentially involves negotiations on a voluntary basis. As I have indicated in the Senate before, while I hope that works, put me down as skeptical because it is fairly implausible that the oil companies will simply walk away from billions and billions of dollars at the negotiating table. If it does work, all the better. If it doesn't work, however, Senator KYL and I believe it is finally time for the Senate, on a bipartisan basis, to lock in a permanent solution.

Colleagues, the President, to his credit, has said, "You don't need subsidies for the oil industry when the price of oil is over $55 a barrel." The President made that statement, and I appreciate him making it. Second, this is an opportunity for the Senate to go back through these various programs, save taxpayers some money, and to do it in a bipartisan way.

Even though the President said we do not need incentives with the price of oil over $55 barrel, we did see the Secretary of the Interior and the Congress continue to sweeten this royalty relief program, even as the price of oil climbed far above the point mentioned by the President at which the oil industry no longer needs subsidies.

We are now faced with the prospect that if we are going to get a permanent solution, now is the time for the Congress to step up.

I, also, point out, given the fact that the Senate has voted in the last few days to start a new program, a program that will involve additional dollars going out to the oil industry, at a minimum, let us say we are going to fix the old program that is out of control before a new program is started. That is common sense.

For the Senate to talk about creating a new program, allowing even more taxpayer money to be given away—and in that case, for 50 years or more—common sense says the Senate should step up before the end of this session and move to permanently fix the old program that is out of control.

The Senate ought to have an opportunity to debate and vote on a permanent solution to ending these oil royalty giveaways. The House has voted to do it. They voted, in a bipartisan way, for the very thing that I spoke at length about in the Senate and that Senator KYL and I have been trying to change for many months.

I also point out, if we can get the savings by fixing the old program, you can talk about a responsible way for funding new efforts, such as the effort approved by the Senate this week.

I am sure our citizens who now face the highest gas prices ever will be interested to know when the Senate is going to have a chance to vote on the question of, at this time of record prices and record profits, whether we should continue to give away record amounts of taxpayer subsidies that the President of the United States has indicated are not necessary.

If the Senate ducks this issue, I think it will be very difficult to explain to the American people how Congress can be proposing to allow additional billions of dollars of royalty money to go out before it fixes the current out-of- control program.

I have said for some time the Senate should not be forced into a false choice of either aiding the Gulf States or standing up for the public interest in the face of outrageous taxpayer ripoffs.

We can and should do both. Given what the Senate did earlier this week on the new program, it is, in my view, essential to protect taxpayers to accept the bipartisan amendment that Senator KYL and I offer this afternoon to reform the Oil Royalty Program.

Mr. President, I urge colleagues to support the bipartisan Kyl-Wyden amendment. I would also note—I see Senator STEVENS on the Senate floor—that we have a number of sponsors of this bipartisan proposal, including Senator DEWINE, Senator LIEBERMAN, Senator CANTWELL, Senator FEINSTEIN, and Senator SALAZAR.

Mrs. FEINSTEIN. Mr. President, I rise today as a cosponsor of the Kyl amendment dealing with royalty relief. The amendment would put an end to the Federal Government giving the oil and gas industry incentives to drill when oil and natural gas prices are high.

The amendment includes a provision that Senator GREGG and I successfully included in the Senate Interior Appropriations bill that would fix an administrative error that was made in 1998 and 1999. This provision also passed the House by a vote of 252 to 165.

In 1998 and 1999, the Department of Interior inadvertently omitted price thresholds from contracts entered into with oil and gas companies.

This omission has allowed oil companies to produce in Federal waters in the Gulf of Mexico for free while consumers are paying $3 a gallon at the pump. And it will cost American taxpayers $10 billion over the next 25 years.

Essentially, the amendment provides energy companies with a choice: They can keep their existing leases royalty-free if they so choose, but be barred from bidding on a new lease, or agree to renegotiate the terms of the existing lease and be free to bid on new leases.

In my view, the oil companies do not need incentives at a time when they are making record profits. Just last week, the companies reported their second quarter profits, and again, they hit new records. ExxonMobil made $10.36 billion in the second quarter of 2006: that is almost $3 billion more than they made in the second quarter of 2005. Shell reported a second quarter profit of $7.32 billion—more than $2 billion greater than their second quarter profit in 2005. And BP's profits were $7.27 billion, or just less than $2 billion greater than their second quarter 2005 profits.

The oil companies themselves have said that they do not need royalty relief. At the Joint Energy and Natural Resources and Committee hearing on November 9, 2005, the oil executives were asked by Senator WYDEN:

> Gentlemen, the President says and I quote "With $55 oil, we don't need incentives to oil and gas companies to explore. There are plenty of incentives." Now today the price of oil is above $55 per barrel. Is the President wrong when he says we don't need incentives for oil and gas exploration?

All responded that they did not need incentives.

In addition, a lawyer for Shell Oil, Michael Coney, recently told the New York Times:

> Under the current environment, we don't need royalty relief.

The amendment passed by the House and by the Senate Appropriations Committee has spurred oil companies to admit publicly that they would be willing to renegotiate their leases to include a price threshold. But without congressional pressure, there is no reason for them to actually do it. We need to hold their feet to the fire in order to make sure the leases are really renegotiated.

I just want to take a minute to focus on the issues that the oil companies have raised in opposition to this amendment: First, they raised the issue that foreign companies were going to take over production in the Gulf of Mexico.

Nothing could be farther from the truth. Regulations implementing the Outer Continental Shelf Lands Act state that "Mineral leases issued pursuant to the Act . . . may be only held by Citizens and Nationals of the United States . . . or private, public or municipal corporations organized under the laws of the United States or of any State or of the District of Columbia or territory thereof . . ."

Secondly, the oil companies have argued that the amendment will hurt oil and gas production.

In fact, the amendment will not impact the daily production of more than 1.5 million barrels of oil and 10 billion cubic feet of natural gas from the Gulf of Mexico.

Oil companies are also free to explore and drill in the more than 4,000 untapped leases in the Gulf of Mexico that have already been leased to them. The amendment simply prohibits oil companies that fail to renegotiate existing royalty-free leases from obtaining new ones.

Finally, and most importantly, the oil companies say that the amendment attacks the sanctity of contracts.

And the oil companies couldn't be more wrong on this point.

CRS has issued two papers now stating that the amendment is constitutional. Specifically, CRS says "the amendment's incentive to renegotiate . . . gives the government side a classic argument that there is no taking here: the decision of a . . . leaseholder to renegotiate is voluntary, and voluntary actions cannot be the basis of a taking claim."

In addition, CRS shows that case law supports the fact that amendment does not violate contracts.

The courts have determined that if there is no legal compulsion, the voluntary compromise of a property right in exchange for an economic benefit is not a taking.

And I would like to reiterate—the amendment offers energy companies a choice: compromise a property right—exemption from payment of royalties—in exchange for a possible economic benefit—ability to bid on new OCS leases.

This amendment is not a taking, because the government is not taking any property right from the oil companies; it is merely offering an incentive to renegotiate their leases—an incentive that the oil companies are free to decline.

We should not be giving away this oil and gas for free while consumers are paying record high prices to fuel their cars and heat their homes, and oil companies are making record profits.

Unless we act to force the companies to renegotiate the leases, taxpayers are going to be left holding the bill for $10 billion.

I urge my colleagues to support this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 4776, AS MODIFIED

Mr. STEVENS. Mr. President, I ask unanimous consent that the pending amendment be set aside and that Senator SALAZAR's amendment No. 4776 be placed before the Senate.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. STEVENS. Mr. President, the managers of the bill are prepared to accept this amendment and ask that it be accepted on a voice vote.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment, as modified.

The amendment (No. 4776), as modified, was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 4778; 4773; 4760, AS MODIFIED; 4796, AND 4771

Mr. STEVENS. Mr. President, we have managers' package No. 2 back again. I wish to restate that request now. It applies to amendment No. 4778, for Senator SMITH, regarding airships; amendment No. 4773, for Senator DAYTON, regarding postdeployment support; amendment No. 4760, as modified, for Senator LOTT, regarding airdrop systems; amendment No. 4796, for Senator CONRAD, regarding weapons bays; and amendment No. 4771, for Senator FRIST, regarding contracts.

I ask unanimous consent that the pending amendment be set aside and that the Senate proceed to the consideration of this managers' package en bloc, and that they be adopted en bloc, and the motion to reconsider be laid upon the table.

Mr. INOUYE. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to en bloc, as follows:

AMENDMENT NO. 4778

(Purpose: To make available from Research, Development, Test and Evaluation, Navy, up to $2,000,000 for the Advanced Airship Flying Laboratory)

At the appropriate place, insert the following:

SEC. . Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $2,000,000 may be available for the Advanced Airship Flying Laboratory.

AMENDMENT NO. 4773

(Purpose: To make available from additional appropriations for Operation and Maintenance, Army National Guard, up to $6,700,000 for the pilot program of the Army National Guard on the reintegration of members of the National Guard into civilian life after deployment)

At the end of title IX, add the following:

SEC. 9012. Of the amount appropriated or otherwise made available by chapter 2 of this title under the heading "OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD", up to $6,700,000 may be available for the pilot program of the Army National Guard on the reintegration of members of the National Guard into civilian life after deployment.

AMENDMENT NO. 4760, AS MODIFIED

(Purpose: To appropriate, with an offset, an additional $2,000,000 for Research, Development, Test and Evaluation, Army for the Para foil Joint Precision Air Drop System)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $2,000,000 may be available for support of design enhancements and continued testing of the Para foil Joint Precision Air Drop System (JPADS) design parachute system for the drop of 5-ton and 15-ton loads to precise locations from high altitude and greater offset distance.

AMENDMENT NO. 4796

(Purpose: To make available from Research, Development, Test and Evaluation, Air Force, up to $6,000,000 for Military-Standard-1760 integration for the internal weapons bays of B–52 aircraft)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE", up to $6,000,000 may be available for Military-Standard-1760 (MIL–STD 1760) integration for the internal weapons bays of B–52 aircraft.

AMENDMENT NO. 4771

(Purpose: To modify the notice and wait period applicable to modifications of certain contracts for national defense purposes)

At the end of title VIII, add the following:

SEC. 8109. Notwithstanding the first section of Public Law 85–804 (50 U.S.C. 1431), in the event a notice on the modification of a contract described in that section is submitted to the Committees on Armed Services of the Senate and the House of Representatives by the Army Contract Adjustment Board during the period beginning on July 28, 2006, and ending on the date of the adjournment of the 109th Congress sine die, such contract may be modified in accordance with such notice commencing on the earlier of—

(1) the date that is 60 calendar days after the date of such notice; or

(2) the date of the adjournment of the 109th Congress sine die.

Mr. STEVENS. Now, what is the pending amendment, Mr. President?

The PRESIDING OFFICER. The pending amendment is the Kyl amendment No. 4806.

The Senator from North Dakota.

AMENDMENT NO. 4805

Mr. DORGAN. Mr. President, I know that the chairman and the ranking member of the Appropriations Committee and particularly this subcommittee are anxious to move this piece of legislation. I thank them for their work. This is perhaps one of the more difficult pieces of legislation to put together from the appropriations side. It spends an enormous amount of money at a time when we are engaged in wartime activities. There are many accounts that are in urgent necessity of being replenished and restored.

Let me say to the chairman and to the ranking member, I think they have done an excellent job with a very difficult piece of legislation. I appreciate their work, and I am privileged to serve on that subcommittee with them and understand the importance this bill will have for the U.S. military at a time when men and women are risking their lives because their country has asked them to do that.

I do want to make a point, however, today, as we pass an appropriations bill, and I will make the point understanding that the chairman and ranking member will recognize that this is not about how much money we appropriate but, rather, about how the money is used. I accept that in most cases that is a function of authorizing committees—oversight requirements of authorizing committees—rather than the Appropriations Committee.

But I do want to make the point now because we have spent a great deal of money, and will again spend a lot of money—most of it emergency funding outside of this particular bill—dealing with issues in Iraq and Afghanistan, when all around us we are seeing that a fair portion of that money is attached to allegations of misuse and waste and, in some cases, fraud.

I think all of us, especially those of us on the Appropriations Committee, wish very much to make certain that what we appropriate is used to support our troops, to improve the security of this country, is used wisely and prudently in support of the things that Congress has authorized.

I want to go through some things because I think it is important for all of us in Congress to understand the allegations of waste that have attended some of this spending. And it is important for all of us on the appropriations and authorizing committees to try to figure out: How on Earth do we deal with this? What do we do to put a stop to—not allegations—the waste of taxpayers' funding?

There are so many examples it is hard to know where to start. But because there have been so few oversight hearings on the bulk of these issues, I think it is important to describe what we are hearing. Taxpayers in this country have been asked to provide taxpayer funding through appropriations, and here are some of the examples: contracts that are signed, sole-source, no-bid contracts that extend for some long while.

And because they are sole-source, no-bid contracts, and they are cost-plus, the taxpayer has been fleeced.

These are stories not from someone who alleges to have seen something, these stories are from people who worked for the contractors, whistleblowers: $85,000 trucks, brandnew $85,000 trucks abandoned beside the road to be torched because they had a flat tire; $85,000 trucks abandoned to be torched because they had a plugged fuel pump; a case of Coca-Cola, $45—that is the charge to the American taxpayer—two plates of breakfast, $28 a plate; feed 42,000 soldiers a day—and it turns out they were feeding only 14,000 soldiers a day; they missed it by 28,000 in the charges they made to the U.S. Government—leasing SUVs, $7,500 a month.

Hand towels, providing hand towels for our troops, the buyer who was asked to buy the additional hand towels for our troops in the war theater said: Here are the hand towels I was going to purchase. And here are the hand towels I was asked to purchase. And the hand towels I was asked to purchase by my supervisor included the embroidered name of my company, which doubled the price of the hand towels. So when I complained about that, the answer was: It doesn't matter.

This is cost-plus. We are the only contractor. The taxpayer will pay the bill. Cost doesn't matter.

The list is endless and goes on and on and on. Food service to the troops: A man named Rory, who actually worked in the food service kitchens, in Iraq, of the contractor—an employee of the contractor—said: We routinely got food that was stamped "expired," date-stamped "expired."

He said: Our supervisors said it doesn't matter. Feed it to the troops. It doesn't matter. Just feed it to the troops.

He said: We were repeatedly told by our supervisors, don't you dare speak to a Government investigator or a Government auditor. If they show up and you talk to them, you are going to be fired. If they show up and you talk to them, and you are not fired, you are going to be sent to the most hostile area we can find to send you.

The fellow named Rory, who showed up and spoke about this, who was an employee and described all of this, in fact, did speak to Government investigators about what he saw happening to the American taxpayer, and he was sent to Fallujah during the hostilities. That is what happened to him.

More recently, we have a whistleblower, or several of them, who have come forward to say: We are spending money for a contractor to provide water to our troops at all of the bases in Iraq. That is the money we are spending to provide water to our troops.

I want to show you some memoranda and some discussions back and forth about what has happened to that spending. This is an internal report written by Will Granger, who works for the company that has the contract to provide water to all the U.S. bases in Iraq. Will Granger is the top employee for Halliburton on the ground in Iraq. Here is what Will Granger said in his report:

> No disinfection to non-potable water was occurring at Camp Ar-Ramadi for water designated for showering purposes.

Incidentally, this is water that the troops use to brush their teeth and wash their face and shower.

> This caused an unknown population to be exposed to potentially harmful water for an undetermined amount of time.

The whistleblowers came forward who were also involved in the delivery of this water. And they said: By the way, the nonpotable water—that is water you do not drink, but water you brush your teeth with and take showers with, and so on—the nonpotable water was more degraded, more contaminated than if they would have taken raw water from the Euphrates. This is from the whistleblowers.

Now, when this became known, the internal report that we had from Mr. Will Granger—again, from the same company—said:

> The deficiencies of the camp where the event occurred is not exclusive to that camp; meaning that country wide, all camps suffered to some extent from all or some of the deficiencies noted.

Now, while all this going on, the company, Halliburton, said: None of this happened. You are wrong. None of this happened.

My point is, the discussion of this came from employees of the company itself and from an internal memorandum that was leaked, an internal memorandum written by the top official on the ground in Iraq in charge of water.

Will Granger, the man I am speaking of, the man in charge, while his company in Houston was saying publicly, and said it repeatedly, that none of this happened, none of this happened, Mr. Ganger's report said this:

> This event should be considered a "near miss" as the consequences of these actions could have been VERY SEVERE resulting in mass sickness or death.

We are spending money on these contracts. Then we have whistleblowers come forward to say there is a waste of money—tragic waste of money. Then we have whistleblowers come forward to say that the companies that are getting these contracts—in this case for water—are not treating the nonpotable water properly, which is a danger to the troops. And the company says: Not true. Just not true.

Then we discover the internal memorandum that the company received from that company's person on the ground in Iraq, and the guy says:

> The consequence . . . could have been VERY SEVERE resulting in mass sickness or death.

Shortly after this, by the way, a young woman who is serving in Iraq, an Army physician, wrote me an e-mail, and she said: I have read about this sort of thing. I want you to know it has happened in my camp. And I had my assistant go track the water line to see what kind of water they were bringing into the base that is called nonpotable water, and it, too, was contaminated, and it, too, is of degraded quality and more contaminated than raw water, the raw water you would get from the Euphrates River.

So the question is: What are we getting? What are we getting for the money we are spending? Where is the accountability?

Now, some of these have been Halliburton. And I know the minute you talk about Halliburton, somebody says: Ah, that is a political attack on the Vice President. The Vice President is not at Halliburton. This is not about the Vice President at all. He used to work for that company, but this is not about him. It is about a company that received large no-bid contracts, sole-source contracts, and the allegations are almost unbelievable about what has happened.

Now, there are others. Some of them are with a RIO contract, Restore Iraq Oil contract, others with a LOGCAP contract. But let me give you some other examples: Custer-Battles—two guys show up in Iraq, one named Custer, one named Battles, and they decide: We want to get in on some of this. We want to get in on some of this activity.

Before that ended, Custer and Battles had received over $100 million in contracts from our Government. Among the contracts was one to provide security at the Baghdad Airport. There were no flights going in and out of the Baghdad Airport, so presumably they did a pretty good job of that, except they took the forklift trucks that existed at that airport, put them in a shed someplace and repainted them blue, and then sold them back to the Coalition Provisional Authority, which was us. That is an interesting way to do business.

And, by the way, here is a picture of $2 million wrapped in Saran Wrap. I know this fellow. This fellow showed up here in Washington, DC. This picture was taken in Iraq in a building.

He was the guy holding a portion of this money. He said: Our message in Iraq was, Bring a bag; we pay in cash. If you are a contractor, bring a sack; we pay in cash.

This is $2 million, 100-dollar bills wrapped in Saran Wrap. They used them to play football in the office, throwing bricks of 100-dollar bills around. It was like the Wild West, he said. This particular $2 million went to Custer Battles, a company that showed up with no experience, took forklift trucks from the airport, repainted them, sold them back to the American taxpayer, called the Coalition Provisional Authority. The CPA is us, the Coalition Provisional Authority. That was created by Donald Rumsfeld. He signed the creation of the CPA. It was us. So Custer Battles gets a contract for airport security.

Here is the Baghdad airport director of security talking about Custer Battles. He wrote it to the CPA.

> Custer Battles have shown themselves to be unresponsive, uncooperative, incompetent, deceitful, manipulative, and war profiteers. Other than that they are swell fellows.

Something else that happened with this contract. They were supposed to provide trucks. The problem is, they supplied trucks and the trucks didn't work. Couldn't get them started. They didn't run. The Custer Battles company said: We just said we would supply trucks. We didn't guarantee they were going to run. They didn't have to be operational.

My point is this, this goes on day after day, month after month. It is not the fault of the appropriators. It has nothing to do with the appropriators. It is about accountability. And in most cases, that would come from authorizing committees and from a Congress that would say: Wait a second. When we hear about nonpotable water that is more contaminated than raw water from the Euphrates River, a Congress would say, wait a second; you can't do that to American troops, and begin an immediate investigation. Yet you see very little activity to look into these issues.

On behalf of the taxpayers and on behalf of those of us who are appropriators, including the chairman and ranking member and the entire committee, I think all of us, the Congress, the Department of Defense, all of us need to expect more accountability and soon. We are spending an enormous amount of money.

I have mentioned previously that in the early 1940s, Harry Truman believed there was substantial waste. He put together the Truman committee, formed by Congress, a bipartisan committee. I am sure there was a great deal of teeth gnashing down at the White House because the President was of his own party. But the Congress, with that bipartisan committee, rooted out a great deal of waste, fraud, and abuse through the Truman committee. I have tried previously on three occasions to pass such legislation here in the Senate. I have not been successful.

I think it is time—and I only take the time to speak as we appropriate money—for all of us to expect more from those committees with the responsibility to hold accountable those who spend this money. I have seen precious little energy and far too little activity to respond to these issues.

I have talked about food and water to troops. There are many other issues. I will not go through them all today. The issues are sufficient that we need to take a hard look at what is happening.

Last Friday I met with a doctor from Iraq. He wanted to go look at the 142 health clinics that were to be restored and rehabilitated and created in Iraq. 142 health clinics with the money we appropriated in the U.S. Congress. This Iraq physician went to the health minister of Iraq and said: I would like to track the money and see what is happening with these 142 clinics.

The health minister said: No, you don't understand. Many of these clinics are imaginary.

I said: Are you sure? You are sure that is what he said.

Oh yes, I am sure. Many of these are imaginary clinics. They don't exist.

It turns out 20 clinics were rehabilitated or created of the 142 that were supposed to have been rehabilitated or created. Only 20 were done and all the money is gone. Why? How? Who cares? Does somebody care? That is the question for this Congress.

I don't mean in any way to suggest that my colleagues, the chairman and ranking member on the Appropriations Committee, bear responsibility for this. That is not the case. It is the case, however, that we need to be much more aggressive on other committees with oversight responsibility. Oversight is a significant legislative responsibility. It has gone unfulfilled in this Congress and a couple of Congresses preceding it.

I have an amendment that I noticed. I understand that the amendment itself is not germane on an appropriations bill. A point of order would lie against it. I would expect my colleagues would insist on a point of order. But the amendment would punish war profiteers, crack down on contract cheaters, and force real contract competition so that we finally can do what we should for the American taxpayer and bring down these costs.

I had filed it as No. 4805. I ask unanimous consent that we set aside the pending amendment in order to have 4805 considered.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendment?

Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

> The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 4805.

Mr. DORGAN. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President. I am appalled at some of the information that the Senator from North Dakota has brought to us. I will join him, perhaps, in some specific amendment that might have some germaneness to this bill such as an authorization to shoot such people. I can't imagine that anyone would provide to troops in the field contaminated water. I can't believe that we are being charged for a sizable number of clinics and our taxpayers are paying for it and they are imaginary.

On the other hand, this is a provision that deals with Government contracting governmentwide. If we include it, we would have to have several subcommittees and the other body confer with us to try to write the amendment in a way that might be pertinent to the matter before us, and that is financing the Department of Defense.

I do think we should be indebted to the Senator for his research and what he is doing to try to bring honesty into Government contracting. But I am compelled to say that it is an amendment that should be taken to the Government Affairs Committee, and it should not be on this bill. It is legislation on an appropriations bill. I do make a point of order that it violates rule XVI.

The PRESIDING OFFICER. The point of order is taken.

The amendment falls.

The Senator from North Dakota.

Mr. DORGAN. Mr. President, I use this opportunity when we appropriate money to make the point. It is not the responsibility or the burden of a couple people who have put together a good appropriations bill to bear the responsibility for a lack of oversight that exists and the lack of oversight that exists in the entire Congress. I only raise this because I think it is critically important that all of us understand.

There is far too much waste and fraud and abuse in some of these contracts. I recognize that wartime is different. There are times during wartime when you do things you might not otherwise do. You might not be quite as efficient or effective. Some money may be wasted. But this seems like hogs in a trough when you see what is going on.

We are spending so many billions. We added $18.2 billion for reconstruction in Iraq, and the grunting and shoving and moaning of hogs at the trough trying to find some of that money. I mentioned Custer Battles. Two guys would show up with hardly a taxi fare, get $100 million in contracts, and now we discover the American taxpayer has been fleeced for much of that. The water isn't going to clear up until you get the hogs out of the creek. We need to find a way to address these issues, most especially those raised with food and water to troops.

Let me say to Senators STEVENS and INOUYE, I want to work with them. I know they want the same result I want with respect to these issues. That is the only reason I raise this today. This burden also falls on some authorization committees and others that really need to do a much better job with respect to oversight.

My hope remains that at some point we will be able to pass my amendment—I expect to offer it again, and I think that will be the fourth time—to create a Truman-type committee that sinks its teeth into these issues and says: We will not put up with this. We won't put up with waste, fraud, and abuse.

I will be back again. I thank my colleagues for their forbearance as I discuss these things and know that they share with me an interest in trying to deal with them in an effective way on behalf of our troops and on behalf of America's taxpayers.

I yield the floor.

Mr. STEVENS. Mr. President, before the Senator leaves. I am sure Senator INOUYE is telling him the same thing. We will instruct our staff to start the process of establishing a series of hearings to investigate this fraud that he has brought to our attention. The Senator is a member of our committee, and we will be pleased to work with him on it. If it gets to the point where we need a commission per se to be outside of the Congress to do this investigating, we can look into that, too. I think we should start the process of investigating into these repeated reports we have had about fraud and corruption in connection with Government contracting, particularly that related to our war effort.

I thank the Senator for his work.

Mr. DORGAN. Mr. President, let me then work with my colleagues, Senators STEVENS and INOUYE, and see if I can find a way to write this approach in a way that does not have a point of order lying against it and in a way that begins some kind of inquiry. I very much appreciate the cooperation and interest.

I yield the floor.

Mr. STEVENS. I don't think we need an act. We have authority under our existing rules today to do that investigation. As has been pointed out, President Truman used a subcommittee of the Congress at the time he did his investigations in World War II.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COBURN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I wanted to speak briefly about the status of the budget relative to defense spending, really more for the purpose of information for my colleagues, because we are getting into a process where there is tremendous confusion over how much we are spending and where it is coming from and how it is being spent as a function of what has been the administration's view that they can fund this war out of emergency supplementals ad infinitum.

Traditionally when you fund a war such as this—I guess there isn't much tradition, and hopefully it won't be a tradition for war. But if you look back over the wars we have fought as a nation that have gone on for a while, they have usually started out with significant commitments of emergency funds. There is no question about that. It is essential to get the troops in the field and get them what they need.

Over time, in both the Korean war and the Vietnam war, which are probably the best examples to look to, the operation and funding of the war has been folded into the regular order where the authorizations have gone through the Defense Department, have gone through the Defense authorization committee and on to the Appropriations Committee, and there has been some significant congressional oversight.

In the Korean war, 77 percent of the cost of that war was funded through the regular budget. In the Vietnam war, about 72 percent was funded through the regular budget.

This war we are confronted with now is as big and as significant a threat as we have ever faced because of the fact that, regrettably, the people who wish to do us harm have shown their willingness to kill Americans. They have stated their purpose is to destroy our culture. They have said that if they can get their hands on a weapon that will kill thousands of people, they will use it against civilian populations, and they have shown their willingness to kill civilians, Americans on American soil.

So this is a war that must be fought aggressively. I congratulate the President for the aggressiveness with which he has gone after terrorists around the globe and the fact that he has taken the fight to them. I have supported that effort. But I also remain concerned that we, as a Congress, have a role here, which we have to some degree abrogated, and that is the role of oversight as this effort goes forward—maybe not so much in the day-to-day operation of the war, which should be left to the generals and the people on the ground, the officers and men and women fighting this war, but to the issue of how the Defense Department structures its core purposes in the context of being in a war.

In fact, for the first couple of years of this effort, when supplementals were coming up—and they came up at the rate of $50 billion, $60 billion—there appeared to be an almost physical disconnect between the dollars being used on the war-fighting effort and the dollars being used for the core purposes of national defense. One could ask the question: Was the core purpose of the Defense Department, which was costing in the vicinity of $300 billion to $400 billion at the time, 2 or 3 years ago—was a large percentage of that being used to fight the war or was a large percentage being used to maintain traditional operations within the Defense Department? It appeared that the two were decoupled in many ways.

What evolved is a process where, essentially, we have a core defense budget, on which we have overlaid an entirely separate appropriations process and budget, called emergency appropriations. We have now had 4 years of experience, and we are averaging about $90 billion a year of emergency appropriations that are outside of the basic budget process and which are being spent on the war-fighting effort. For the first 2 years of this effort, the Defense Department refused to send up any number at all relative to what this would cost. That didn't make a lot of sense because we knew we were going to have to pay something with soldiers in the field. At the urging of the Congress 2 years ago, we put into place a $50 billion—for lack of a better term—"holding" number to try to cover and identify what that cost was going to be in the context of the entire budget.

The Defense Department still at that time took the position that it had no number for that, so $50 billion didn't need to be put in. It turned out that they exceeded the $50 billion by about $40 billion. Last year, because we put in $50 billion before, the administration sent up the base defense budget of about $400 billion and put $50 billion in because, as it was represented by the Assistant Secretary of Defense before the Budget Committee, because he said the Congress had done it the year before, he could not estimate whether that would be the cost of the war. They put that in because Congress had already done that, so they were trying to track what Congress did. This didn't make a lot of budgetary sense again, so we put in the budget what had been the average for this supplemental effort to fight the war, which was $90 billion.

The new Budget Director—and I give him great credit, and I appreciate the fact that he has convinced people at the Pentagon to go along with this—stated very openly that now the supplemental that they expect in the next budget cycle will be somewhere in the vicinity of $110 billion to $120 billion, which is at least a number we can work on, a number that has been put forward and appears to be realistic.

I guess the point is this: Where do we stand with all these numbers floating around? Do we have any control over this? Is this a lot of operational activity that is being basically sloughed off on the emergency accounts so that we end up with the core budget of the Defense Department not being correctly reflected and authorized, and, of course, that account clearly isn't authorized relative to war fighting and is difficult to reflect.

I tried to put this together. This chart reflects the situation as I see it and the Budget Committee sees it. I put these numbers out so people can get a sense of where we are going and what we are spending because this is becoming a fairly significant item of the Federal activity and is obviously critical to our capacity to fight this war and be successful.

Since 2001, we have had this core budget of the Defense Department which, as you can see, rose from $297 billion in 2001, where the Defense Department had been radically cut back by the Clinton administration and was suffering underfunding. Ironically, I would call in the last year and a half of the Clinton Presidency—he acknowledged publicly that he disproportionately cut the Defense Department and was starting to retool it and refund it. The core budget has gone from $297 billion—which was a low number, below what they needed—up to $430 billion. That includes the appropriations for the Defense bill and for military construction.

The supplementals in the postwar period, as we dealt with the Iraq situation and Afghanistan situation, are the red numbers. They have gone from $79 billion to $88 billion, to $79 billion, and last year—or the year we are presently in, it is estimated to be $125 billion. Now we are looking at 2007.

This is a number that I think needs to be at least publicly stated so we know what is happening around here. We have the core budget of $430 billion. On top of that, we have a supplemental within this bill—before the 2007 is even passed and the year has even begun, this is a supplemental within the bill of $42 billion to basically fight the war. Then $8 billion came out of money, which last year there was an across-the-board cut in spending generating about a $9 billion savings—more than that, but of that across-the-board cut, about $9 billion was not spent. That came down to about $8 billion being available. And it is now transferred over to this Defense bill. It could have gone to the Defense bill or the HHS bill, whatever bill came to the floor, or it could have been applied to deficit reduction.

On top of that, last night there was a $13 billion add-on to this bill in emergency spending to basically refund the Army and the Marines, who are in desperate shape in the area of equipment due to the harsh climate of Iraq, and this money was critical. And then the President's representative, Mr. Portman—and I congratulate him—has said the full cost of this year's emergency supplementals will be about $110 billion. So we can presume that we are going to get at least another $60 billion in emergency supplemental as we head into 2007 and, regrettably, I suspect that will be conservative. It means we are going to essentially have a $553 billion budget in the defense area, even though you could argue that the stated budget is $430 billion in the defense area.

These are just numbers and they are facts. I think it is important we understand what is happening. I guess the bottom line of all this is we have set up a two-track process of budgeting and spending around here. One is subject to the proper review process, which is the authorizing process followed by the appropriating process. That is the $430 billion. And the other part in here essentially has no controls and comes at us from the White House and the administration, where they unilaterally make the decision as to the dollars. I don't think that is healthy.

There is no question that the Defense Department probably needs this money. But the purpose of the Congress should be in oversight of the use of the money. So I am hopeful, because it appears that this process of these large supplementals has become the modus operandi for both the administration and the Congress. We should take a hard look at this. We need to consider the fact that maybe there is a better way to do this, where Congress can intersect a little earlier on how we are going to spend this money, so that we put the same review into this money that we are putting into the base budget, so we can be sure that the money going to the emergencies of fighting the war—and it is critical that our soldiers have what they need in the field—is not being used actually for the purpose of replacing core defense opportunities or defense needs and, thus, being a way around congressional scrutiny of core defense obligations.

There are a lot of weapons systems being purchased which have outyear procurement issues. I heard the second ranking member of the Defense Committee say that of the nine major systems—I think he said seven systems were in issue as to how much they were costing and whether they would be delivered on time. If you are going to properly oversight that, you want to make sure that those dollars are not suddenly flowing through the emergency process and thus not being subject to review.

So we have a problem as a Congress, as to how we deal with the reality of having troops on the ground who have to get support from us—and no one here would not support them—but at the same time have a defense budget and an actual budget process that is fundamentally broken relative to our capacity to oversight these dollars as they are coming up and being requested.

I don't have the answer, to be very honest with you. But I am trying to outline the issue so that people are aware of it. I honestly don't think there are probably five people in the Senate who understand this number. What we are dealing with is not a defense number of $430 billion, not a defense number of that plus the $42 billion supplemental in it or plus the $8 billion or plus the $13 billion. It is a defense number of somewhere around $553 billion and going up. It may be, and probably is, money we are going to have to spend. I suspect I will vote for all of it. But I would like to have more confidence than I have right now that we have not set up a two-track budget process, where we essentially focus on one set of numbers and allow another set of numbers to pass through here as if they are going through in the night on some shadowy boat.

Mr. STEVENS. Will the Senator yield?

Mr. GREGG. Yes.

Mr. STEVENS. The Budget Committee chairman raises literally the things we have been thinking about and mumbling about for months now. We have in this bill a provision that says next year all of this should be within the budget. That, of course, we realize is next to impossible because of the inability to predict in advance—really 18 months in advance—what the costs are going to be to fight a war.

I believe the Senator should look at the changes that have been made since the war I was in, World War II. We had draftees. All of the equipment that was used, the transportation equipment was operated by people in uniform. All of the bases were operated by people in uniform. We didn't have security people; we did the guard duty. We didn't have people running the kitchens; we did it ourselves. I distinctly remember peeling potatoes for hour after hour.

All I am saying to the Senator is, the concept of handling war materials and emergency issues has gotten out of control. The Senator from North Dakota—I don't know if the Senator from New Hampshire saw his comments about some of the fraud and abuse that is involved in Government contracting.

It is fairly clear, because of the nature of the emergency, controls have been thought of after the fact. We are trying to bring it into some kind of perspective for the future.

As budget chairman, the Senator from New Hampshire is absolutely correct. I don't know how we could fold into the budget for next year and make everything involved in the fiscal year 2008 the concepts we are dealing with in terms of emergency funding right now.

However, I am also convinced that because of the way this conflict has changed and the nature of the conflict, as opposed to wars of the past, even the Persian Gulf war that we fought, we have no way of telling how much it is going to cost.

I want the Senator to know that those of us who handle the appropriations bills, particularly those regarding defense, would like to work with the Senator. There must be some way to put some controls over the way this money is spent.

I am appalled when I hear of some of the things the money is spent for in a redundant fashion which ends up not achieving the goals, but still have to spend the money after the goals are not achieved. It is difficult for us right now to get our hands on the way this war has been costed out and the way the money has been spent.

I don't think it is a political question. I don't think it is a matter of politics. I think it is a matter of practical application, some good money-handling propositions. We have run into that in terms of some of the money we have provided to the Iraq Government, also. I hope the Senator from New Hampshire is familiar with those.

I wonder whether the Senator has any suggestions on how we might help him in this endeavor.

Mr. GREGG. Mr. President, first off, my admiration for the Senator from Alaska is immense and is extremely deep on the issue of defense policy and how we should fund our Defense Department. If the Senator from Alaska says we need something, the odds are I am going to say we need to fund it. People, such as the Senator from Alaska who have the expertise around here and have had it for a long time—the Senator from Virginia, for example, who chairs the Armed Services Committee and members of that committee—are not getting much of a window of opportunity to be players in how these budgets are evolved. We are just getting them presented to us and claimed they are an emergency and basically they have gone outside the budget process.

We have to set up some process that allows the Senator from Alaska, as chairman of the subcommittee that appropriates, and which allows Senator WARNER as chairman of the full Armed Services Committee to intersect this activity a little earlier in the process so they can have their input in it, much as they would the core budget.

The Senator from Alaska spent a lot of time putting together this base budget of $434 billion. I know he did. That emergency money comes in here with a bang—here it is today and the Senator has to appropriate it tomorrow—a situation from the administration. Granted, it is a war and there is going to be some need for that type of activity, but there is also a way to anticipate some fairly significant percentage of that, I would think. I think a little more openness and cooperation from downtown on that might be helpful.

I don't have the answer. I am just raising the red flag of concern. I would rely greatly on the Senator's expertise and the expertise of others around here who have the history and knowledge of the Defense Department to figure out how we as a Congress can engage more effectively and not have this second budget moving along which is really sort of shadowing.

I thank the Senator.

Mr. STEVENS. I thank the Senator also.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, on this subject, I thank the chairman of the Budget Committee and Chairman STEVENS for their observations. Early on, I urged the administration to budget for the war, and they said: It is hard to predict what will be needed. I said: That is true, but the one thing we know for certain, the right answer is not zero. And that is what the administration was sending up in their budgets: Zero, no money. Obviously, that wasn't right.

Budgets are about making an estimate of what the costs are going to be. Unfortunately, early on, the chief spokesman for this administration dramatically understated what this war would cost. I remember very well Larry Lindsey, who was the chief economic adviser to the President, said this may cost over $100 billion. The Vice President of the United States chastised him publicly—at least that is my recollection—and suggested that this war would not cost more than $50 billion.

Here we are and the war has cost over $300 billion so far, and the administration is still not budgeting appropriately for it. They are dramatically understating in their budgets what this war is really going to cost. What that does is denies the Congress the ability to oversee these expenditures, and the result is we are going to see more scandals, we are going to see more wasteful spending, we are going to see more circumstances in which our troops do not receive the equipment they ought to receive because this money is being handled in a way that is outside the normal process in which a budget is sent up here that does not really represent the spending plan at all. And then it is followed by what is called an emergency supplemental bill that has very little chance for review, very little chance for scrutiny, very little chance for oversight.

What the chairman is saying is there is a reason for a budget process, and the reason is to give Congress the chance to try to make certain that money is not wasted.

Is it a perfect process? No, we all know that. We know it is a very imperfect process. But we know it is the best we have, and if we don't follow it, we are then vulnerable to waste and abuse, and that is a serious concern for every one of the Members.

THE SPREADING DISASTER OF DROUGHT

Mr. President, I now wish to speak on a different matter. It is a matter of an emergency in my State and increasingly a matter of emergency in other States as well, and that is the spreading disaster of drought that is enveloping the central part of our country.

Ironically, last year, my State had massive flooding. These were the headlines from a year ago: "Rain Halts Harvest"; "Heavy Rain Leads to Crop Diseases"; "Beet Crop Could be Smallest in 10 Years"; "Crops, Hay Lost to Flooding"; "Area Farmers Battle Flooding, Disease."

These were the headlines from last year.

In North Dakota last year, every one of our counties was declared a disaster because of abnormal wet weather conditions, something we are not very used to in North Dakota, but that is what we were experiencing last year. Pictures such as this were very typical last year: Massive flooding in which farmsteads were surrounded by water. And in fact, in North Dakota last year, we had over 1 million acres that couldn't even be planted: 1 million acres that could not even be planted in my State last year, and then hundreds of thousands of additional acres that were planted but then flooded out. So farmers got no production.

Fast forward to this year and what is happening now. This is the drought monitor that comes out on a weekly basis. What this shows is the center part of the country is now in very serious drought. The color code for those watching on TV is: Yellow is abnormally dry, the light tan is moderate drought, the darker tan is severe drought, the red is extreme drought, and the dark brown is exceptional drought.

One can see all of my State is now in drought. All of South Dakota is now in drought. All of Nebraska, all of Kansas, and all of the Presiding Officer's State are in drought, and virtually all of Texas—not quite all, but virtually all.

What is dramatic is how this has spread. Last year, it was just the south central part of our State. Now the entire State is in drought, and much of it is in extreme drought. That is the red part of this chart. And one part is in exceptional drought, that is beyond extreme—exceptional drought.

There was an article in one of our major dailies saying that the Dakotas are now the epicenter of a drought-stricken Nation. It indicated that more than 60 percent of the United States is in drought, and it says the experts say that the dry spell is the third worst on record. Looking at the drought from 1999 to 2006, the drought ranks only behind the 1930s and the 1950s.

This is an extraordinarily serious situation in my State. We put together a chart that just shows the month of July. These are the days that were over 90 degrees in Bismarck, ND, the capital city, my hometown: 23 days over 90 degrees. Rainfall is less than 20 percent of normal. We are a pretty dry area to begin with, but 20 percent of normal? In my lifetime, I have never seen anything like this. I didn't live in the thirties. I did live in the fifties, but I was so young I probably didn't really know what was going on in terms of weather conditions.

I thought I had seen it all, but last Sunday in my hometown, it was 112 degrees—112 degrees in Bismarck, ND. I have never seen anything approaching that. I am not talking about the heat index here. I am not talking about when they add a bunch of things together. I am talking about the temperature in my hometown last Sunday was 112 degrees with rainfall 20 percent of normal.

This is a situation that is becoming dire, and if we look at the 10 days leading up to that, on the 10th of July, it was 96 degrees; the next day it was 101; the next day 105; the next day 94; the next day 102; the next day 105; the next day 106.

In North Dakota, typically you might have a couple of days that are 100 in the summer, but you don't have day after day, and you certainly don't have a day that gets to be 112.

In July, Senator DORGAN, Congressman POMEROY, the Governor, and I went together on a drought tour. This was in early July. This is what we saw in pastures in North Dakota. There is nothing there. There is nothing for the cattle to eat.

Now we have seen as the days have gone by that the ground is actually cracking. It is so dry the ground is cracking. This is an extremely serious situation.

Here is a map of North Dakota and our counties. The red counties are ones that have already been approved for emergency CRP haying and grazing. One can see it is widespread across our State and growing.

But what is striking is when you go out and look at the crops. This is southern Burleigh County. This is where Bismarck, my hometown, is located, the capital city of North Dakota. This is a cornfield. You know what they used to say—knee high by the 4th of July? This isn't boot high by the 4th of July. There are hardly any plants that have even emerged. They will produce nothing, absolutely nothing.

During our drought tour, a man came up from South Dakota who runs the Herreid livestock auction ring in north central South Dakota. He said: Senators, I want to alert you to something that is happening. It is a real warning signal. He said: In July we would normally be selling a couple of hundred head a day. The last 3 or 4 days we have been selling thousands, thousands of head, because there is no feed.

The Senate has taken action before. We took it on the supplemental appropriations bill and we said we needed to provide disaster assistance. There is a need to take it here. Seventy-two Members of the Senate said: Don't take it out, we ought to provide disaster assistance. The President said no. If there is any disaster assistance, he would veto it.

I hope the President is watching carefully what is happening, what is developing. I just had the independent bankers of my State in my office. They told me if there is not assistance, 10 percent of the people they lend to will go out of business by the end of this year—10 percent of the farmers and ranchers of my State. This is a catastrophe of stunning proportion. It is getting worse each and every day.

We are experiencing temperatures that are unprecedented and a lack of rainfall that has only happened twice before in our history—in the 1930s, the Dust Bowl days, and the 1950s.

I take the time of my colleagues to raise this issue on the Defense appropriations bill. I recognize full well this has nothing to do with the Defense appropriations bill. This does have to do with a crisis among the people I represent, so I have taken a few moments of the time of the Senate to alert them to what is happening and to tell them that a group of us, on a bipartisan basis, from the States affected, are writing the leadership, Republican and Democratic, of this body to alert them that when we return in September it will be our effort on every vehicle that moves to put on disaster assistance.

This is a group of Republican Senators and Democratic Senators who are from the affected regions. We will do everything we can to minimize the financial request that is made, but we have to say to our colleagues this is a crisis. When it gets to be 112 in July in Bismarck, ND, and rainfall is 20 percent of normal, that is headed toward a catastrophe—a catastrophe for literally tens of thousands of people in my State.

It extends way beyond the border of North Dakota. I have talked to colleagues here from Montana who report to me their State is in drought, as are Minnesota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Colorado—so many of these States being affected—and, of course, Wyoming as well. I have talked to colleagues from many of these States who report to me that they are seeing in their States what I am seeing in mine. This drought is intensifying and the prospects for a calamitous growing season are growing.

I thank my colleagues for their patience.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4819

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendment?

Mr. DODD. I ask unanimous consent to do that.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. DODD) proposes an amendment numbered 4819.

Mr. DODD. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make available an additional $6,700,000,000 to fund equipment reset requirements resulting from continuing combat operations, including repair, depot, and procurement activities)

At the appropriate place, insert the following:

SEC. ____. From funds available in this Act, an additional $6,700,000,000 may be available to fund equipment reset requirements resulting from continuing combat operations, including repair, depot, and procurement activities.

Mr. DODD. I offer this amendment on behalf of myself, Senator REED of Rhode Island, Senator INOUYE, Senator LEAHY, Senator BINGAMAN, and Senator KENNEDY.

I thank Senator INOUYE and his staff for helping us craft this amendment. As I understand it, this amendment has been cleared on both sides for consideration. I will be asking for a vote on this amendment at the appropriate time, but I am not going to take a long time here because the substance of this amendment was discussed last evening when it was offered—part of this was offered by Senator STEVENS, along with Senator INOUYE—and then earlier today Senator REED of Rhode Island and I had a discussion here on the floor about this issue, of what is occurring in terms of the equipment our military needs to operate effectively, the gap that exists, that we worry about here, in terms of the failure to provide the necessary support for our men and women in uniform, in the Marine Corps, the Army particularly, but also in the National Guard.

The Senator from Alaska offered an amendment last evening, as I mentioned a moment ago, to address critical capital equipment shortfalls long identified by the Army and Marine Corps.

As my colleagues know, Army Chief of Staff General Schoomaker has said that $17 billion would be needed to begin repairing and replacing our fleets of trucks, tanks, and aircraft. Last night's amendment contained an additional $7.8 billion for the Army to add to the $2.5 billion in the underlying bill. It also contained $5.3 billion for the Marine Corps. But the amendment still leaves a $6.7 billion shortfall within the $17 billion figure identified by the military's top uniformed officers.

I am offering this amendment, along with Senator REED and others, to make this remaining $6.7 billion available to our military if it needs it. This is what we call a "soft mark." If the money is not needed, the resource would come back to the Treasury. But rather than waiting until next spring sometime when a supplemental might be asked for, we don't want to deprive our military leadership of the resources necessary if they can use them to replace and repair the deteriorated equipment being used in Iraq and Afghanistan and elsewhere.

This amendment is a soft amendment, if you will, in that regard. It will not detract from other defense priorities, and it will not contribute further to the deficit. It is part of our budget-neutral, if you will, proposal. All my amendment does is say that the Army is allowed at its discretion to use this appropriation for any available unobligated funds.

Up until now, the cost of war in Iraq has been mainly measured in the number of lives lost, which is tragic, and the U.S. Treasury spent—and rightly so.

In Iraq, 2,578 of our fellow citizens have been killed, and Congress has approved more than $437 billion, with another $50 billion now soon to be considered by this body. But there is another cost of this war that needs to be addressed, one we cannot afford to ignore. That is military readiness.

For months now, the Army's uniformed leadership has been sounding the alarm about the growing readiness gap, as it is called.

In March, Army Deputy Chief of Staff LTG James Lovelace testified to Congress that since the Iraq war's beginning, the number of Army units fully equipped for combat has steadily declined. According to General Lovelace and his Marine counterpart, LTG Jan Huly, military units have increasingly become less prepared for combat as they have seen their stock of functioning vehicles, aircraft, and equipment decline.

Last month, Army Chief of Staff GEN Peter Schoomaker put the problem in budgetary terms—the President's proposed 2006 supplemental request was $4.9 billion short to address the equipment shortfalls caused by combat losses and wear and tear in Iraq. In the administration's 2007 budget request, there was an even larger $12 billion shortfall, according to the leadership of our uniformed services.

Today we are announcing our commitment to meeting those generals' calls to address one of the most pressing challenges of the U.S. military—the growing readiness gap.

We must find resources necessary to repair and replace our military's critical equipment. This is a matter of the most urgent priority. By some accounts, these equipment shortfalls are leaving up to two-thirds of the U.S. Army's combat brigades unfit to perform basic combat duties. I do not know what could be more alarming, particularly as the United States confronts growing threats to peace and security throughout the globe, from the Korean Peninsula to the Middle East, and elsewhere.

While the sheer size and scope of the U.S. Army readiness remains classified, one thing is certain: Our military hardware is stretched thin and our fleets of aircraft, tanks, and trucks are wearing out. Those are facts—not ones I concluded on my own, but our uniformed services have warned us about this since very earlier this year.

Early this year in Iraq, U.S. tanks were being driven over 4,000 miles per year—5 times the expected annual usage of 800 miles. Army helicopters are experiencing usage rates up to roughly two to three times their otherwise planned usage. The Army's truck fleet is experiencing some of the most pronounced problems of excessive wear, with usage rates of five to six times their peacetime rates, further exacerbated by the addition of heavy armor. This increased use shortens the life of equipment and demands larger investments in maintenance and procurement.

On top of that, our equipment is being further degraded by sand, extreme heat, rocket-propelled grenades, and explosive attacks.

Certainly, our military personnel's bravery and valor can never be exhausted. We know that. But the same could not be said of the fleets of humvees, trucks, and aircraft they depend upon. We owe it to them and to the American people to make certain that the U.S. Armed Forces are outfitted with the equipment they need to get the job done.

On three or four other occasions over the last several years, I have stood on this floor to offer amendments to deal with equipment used by our men and women in uniform. At one point, we were offering the necessary dollars to make certain that our service men and women were getting hydration systems, basic needs of a soldier going into combat. We lost those amendments, and we came back and offered a different idea—to reimburse the men and women in uniform, some of whom, by their own accounts, were scraping around in dumps in Iraq to find the hardware to armor up their humvees and equipment.

Whatever our politics may be on the issue of the war in Iraq, all of us believe we should never send a soldier into harm's way without giving them the equipment they deserve and need when they are in those kinds of situations. Those situations are important. This situation I have described here today outstrips the importance of those issues. This has to do with the very ability of our people to defend themselves and to prosecute their efforts successfully, and we are coming up woefully short.

I appreciate the leadership of this committee, Senator STEVENS and Senator INOUYE, for supporting these additional funds we talked about here which Senator REED and I are offering. We think it is critically important that the uniformed services have the tools necessary to make sure the men and women in uniform are going to have the kind of equipment they deserve and need to have under these circumstances. I am very grateful to the leadership for supporting this amendment.

I will ask at the appropriate time for the yeas and nays on this amendment. In fact, I will ask for the yeas and nays at this point.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DODD. Mr. President, I do not know when we want to schedule these votes. Are we ready to go to a vote? I withhold moving that at that moment until the chairman of the committee has a chance to determine how they will proceed.

I yield the floor.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, the Dodd amendment raises an interesting issue of availability of additional money if needed. It in effect is reprogramming authority granted in advance to move money to meet necessity, if it occurs. On that basis, I think I would be willing to support it, but I think the Senate as a whole ought to vote.

Mr. President, I suggest that we agree on a time to commence this rollcall vote. Can we say it occur at 10 minutes after 5? Is that agreeable with Senator INOUYE?

Mr. INOUYE. Yes.

Mr. STEVENS. Mr. President, I ask unanimous consent that this vote be scheduled for 10 minutes after 5.

Mr. DODD. And no second degrees in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Is there any further amendment to be discussed at this time?

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask to rescind the previous order regarding the vote that is scheduled, and I now ask consent that at 5:15 today, the Senate proceed to a vote in relation to the DOD amendment No. 4819, with no amendments in order to the amendment prior to the vote; further, that the Senate then vote in relation to the Durbin amendment No. 4781, with no amendments in order to the amendment prior to the vote, and there be 4 minutes for debate equally divided between the votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the question is on agreeing to the Dodd amendment No. 4819. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Kentucky (Mr. BUNNING).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER (Mr. ISAKSON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—97

Akaka
Alexander
Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
Dayton
DeMint
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchison
Inhofe
Inouye
Isakson
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner
Wyden

NOT VOTING—3

Baucus
Bunning
Lieberman

The amendment (No. 4819) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I would like the Senate to know where we are. As of 4:35 this afternoon, we had 68 more amendments. I have asked the Parliamentarian to advise Senator INOUYE and me tomorrow morning how many of them are subject to rule XVI. A great many of them are legislation.

I point out to the Senate that this bill must be conferenced and we must get this bill to the President in time for the money to be available at the end of the fiscal year. We cannot go over this year.

Amendments subject to rule XVI, when we go to conference, require us to confer with another committee on the House side in order to see whether the House will accept these nongermane amendments.

It is our intention to raise rule XVI against any amendment that the Parliamentarian tells us is subject to the rule. If some can be rewritten in a way not to do that, we can reconsider them.

I apologize to the Senator from Illinois. There is another vote scheduled.

AMENDMENT NO. 4781, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there is 4 minutes equally divided prior to a vote on the Durbin amendment No. 4781, as modified.

The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, Senator OBAMA and I have offered an amendment relating to medical research on traumatic brain injury. This is the x-ray of an American soldier who has returned from Iraq having suffered an explosive blast injury. Mr. President, 1,700 of our soldiers have returned with traumatic brain injuries. This is a very severe case, but this soldier, thank God, survived. But 1,700 soldiers have faced this injury, and 62 percent of the soldiers exposed to blast injuries have traumatic brain injury.

Senator OBAMA and I have taken money out of our own projects in this bill—a million dollars each—to put it into medical research at the University of Chicago so we can use the latest technology to diagnose and treat traumatic brain injury.

The U.S. Army has reported in their official documents that they have a gap of $20 million necessary for research for diagnosis and treatment of soldiers who have suffered these traumatic brain injuries. This does not take money out of the bill.

Today, we have added $1.8 billion in emergency spending. We just shifted $6.7 billion. We are asking for $2 million from our own projects for research for traumatic brain injury for these soldiers. Please, if you believe we should do everything we can to help these soldiers, I hope you will support the amendment.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, this is an important amendment. It is one to provide the University of Chicago with $2 million to conduct imaging research on the connection between epilepsy and brain injury.

This is not to directly help the soldiers who have been injured. As a matter of fact, this is not a neglected area. We put up a billion dollars in the last 2 years, and there has been substantial research on brain injuries.

There is a necessity for money for the treatment and care of those who have this problem, but we do not need more money for research. As a matter of fact, in the past 3 years, we averaged $430 million a year in grants, contracts, and research conducted by NIH. For 2006, we asked NIH to expand research on brain injury rehabilitation.

This money is not going to treat soldiers; it is going to the University of Chicago for an imaging research project. We have 20 other amendments here that deal with the question: Should we use more money from defense for medical research? We have said no, we don't want any more money used for brain research.

There is $45 million in this bill that the Department of Defense can use for any research project in the health area it wants to. But to take more money now—this is a symbolic $2 million. If this amendment passes, we have to deal with the other 20. We have said no to everybody, not just to one amendment.

I urge my colleagues not to support this amendment. As a matter of fact, I move to table this amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. The following Senator was necessarily absent: the Senator from Kentucky (Mr. BUNNING).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—54

Alexander
Allard
Allen
Bennett
Bond
Brownback
Burr
Chafee
Chambliss
Coburn
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeMint
Dole
Domenici
Ensign
Enzi
Feingold
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Inouye
Isakson
Kyl
Lott
Lugar
Martinez
McCain
McConnell
Murkowski
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NAYS—43

Akaka
Bayh
Biden
Bingaman
Boxer
Burns
Byrd
Cantwell
Carper
Clinton
Conrad
Dayton
DeWine
Dodd
Dorgan
Durbin
Feinstein
Harkin
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Menendez
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Rockefeller
Salazar
Sarbanes
Schumer
Stabenow
Wyden

NOT VOTING—3

Baucus
Bunning
Lieberman

The motion was agreed to.

Mr. STEVENS. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4806

Mr. STEVENS. Mr. President, I ask the Chair lay before the Senate amendment No. 4806.

The PRESIDING OFFICER (Mr. COBURN). The amendment is pending.

Mr. STEVENS. Mr. President, I raise a point of order that this amendment violates rule XVI.

The PRESIDING OFFICER. The point of order is well taken, and the amendment falls.

AMENDMENT NO. 4768

Mr. STEVENS. Mr. President, I ask the Chair lay before the Senate amendment No. 4768.

The PRESIDING OFFICER. Without objection, the amendment is pending.

Mr. STEVENS. Mr. President, I similarly raise a point of order that this amendment violates rule XVI.

The PRESIDING OFFICER. The point of order is well taken, and the amendment falls.

Mr. STEVENS. Mr. President, we do have another managers' package. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, again, I would alert Senators of the fact that we have active staff on both sides of the aisle working on these managers' packages. We urge Senators to come forward and discuss these amendments with us. We would like to work out as many as we can.

AMENDMENTS NOS. 4803, 4779, 4766, AND 4798, EN BLOC

I have another managers' package ready now. I will read the components of it:

Amendment No. 4803 for Senator BYRD regarding a biometrics study, amendment No. 4779 for Senator WARNER regarding research and studies, amendment No. 4766 for Senator INOUYE regarding a military history exhibit; amendment No. 4798 for Senator ISAKSON regarding environmental compliance.

I send these amendments to the desk. I ask unanimous consent they be considered en bloc, adopted en bloc, and the motions to reconsider be laid on the table.

The PRESIDING OFFICER. Is there objection?

Mr. INOUYE. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 4803

(Purpose: To require reports on the recommendations of the Defense Science Board regarding the management of the biometrics program of the Department of Defense)

At the end of title VIII, add the following:

SEC. 8109. (a) INTERIM REPORT ON MANAGEMENT OF BIOMETRICS PROGRAM.—Not later than September 8, 2006, the Secretary of Defense shall submit to the congressional defense committees an interim report on the management of the biometrics program of the Department of Defense.

(b) FINAL REPORT.—Not later than October 15, 2006, the Secretary shall submit to the congressional defense committees a final report on the management of the biometrics program of the Department of Defense.

(c) REPORT ELEMENTS.—Each report under this section shall include, current as of the date of such report, the following:

(1) A detailed description of the recommendations of the Defense Science Board regarding the management of the biometrics program of the Department of Defense.

(2) Such recommendations as the Defense Science Board considers appropriate regarding changes of mission for the existing biometrics support officers.

AMENDMENT NO. 4779

(Purpose: To make available from Operation and Maintenance, Defense-Wide, an additional amount of up to $7,500,000 for the Joint Advertising, Market Research and Studies program)

At the end of title VIII, add the following:

SEC. 8109. (a) JOINT ADVERTISING, MARKET RESEARCH AND STUDIES PROGRAM.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE", up to $7,500,000 may be available for the Joint Advertising, Market Research and Studies (JAMRS) program.

(b) SUPPLEMENT NOT SUPPLANT.—The amount available under subsection (a) for the program referred to in that subsection is in addition to any other amounts available in this Act for that program.

AMENDMENT NO. 4766

(Purpose: To make available from Operation and Maintenance, Army, up to $500,000 for the United States Army Center of Military History to support a traveling exhibit on military experience in World War II)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY", up to $500,000 may be available for the United States Army Center of Military History to support a traveling exhibit on military experience in World War II.

AMENDMENT NO. 4798

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $1,000,000 for environmental management and compliance information)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for environmental management and compliance information.

Mr. STEVENS. Mr. President, what is the pending amendment now, Mr. President?

AMENDMENT NO. 4802

The PRESIDING OFFICER. The Kennedy amendment, No. 4802, is the pending amendment.

Mr. STEVENS. The Kennedy amendment, yes. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4762

Mr. STEVENS. Mr. President, I ask the Chair lay before the Senate amendment No. 4762.

The PRESIDING OFFICER. Without objection, the amendment is pending.

Mr. STEVENS. This is the medical countermeasures procurement amendment. Is that ready for clearance on both sides?

Mr. INOUYE. We have no objection.

Mr. STEVENS. I am informed there is no objection to this amendment. I ask it be considered at this time and adopted.

The PRESIDING OFFICER. Is there objection? Without objection, the amendment is agreed to.

The amendment (No. 4762) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, again, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 4814, 4829, 4792, AS MODIFIED, AND 4783, AS MODIFIED, EN BLOC

Mr. STEVENS. Mr. President, I have another managers' package offered by myself and Senator INOUYE.

The first is amendment No. 4814 by Senator BINGAMAN regarding adaptive optics; amendment No. 4829 by Senator SUNUNU regarding unmanned underwater vehicles; amendment No. 4792, as modified, by Senator COLEMAN regarding microelectronics; and amendment No. 4783, as modified, by Senator SCHUMER regarding bandages.

These I believe have been cleared on both sides.

Mr. INOUYE. No objection.

Mr. STEVENS. Mr. President, I send this package to the desk and ask unanimous consent that the amendments be considered en bloc, agreed to en bloc, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. INOUYE. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 4814

(Purpose: To make available from Research, Development, Test and Evaluation, Air Force, up to $1,500,000 for Commercialization and Industrialization of Adaptive Optics)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE", up to $1,500,000 may be available for Commercialization and Industrialization of Adaptive Optics (PE #0602890F).

AMENDMENT NO. 4829

(Purpose: To make available from Research, Development, Test and Evaluation, Navy, up to $1,000,000 for an integrated, low-cost, low-power Multibeam Side Scan Sonar System for Unmanned Underwater Vehicles)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY" up to $1,000,000 may be available for an integrated, low-cost, low-power Multibeam Side Scan Sonar System for Unmanned Underwater Vehicles (UUVs).

AMENDMENT NO. 4792, AS MODIFIED

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading "PROCUREMENT OF AMMUNITION, AIR FORCE", up to $5,000,000 may be available for the procurement of Radiation Hardened Microelectronics (HX5000).

AMENDMENT NO. 4783, AS MODIFIED

(Purpose: To provide that up to $9,000,000 of the amount appropriated or otherwise made available by chapter 2 of title IX for the Army for operation and maintenance and up to $2,000,000 of the amount appropriated or otherwise made available by such chapter for the Marine Corps for operation and maintenance may be made available for the procurement of hemostatic agents, including blood clotting bandages and invasive hemostatic agents, for use by members of the Armed Forces in the field)

On page 238, after line 24, add the following:

SEC. 9012. (a) Of the amount appropriated or otherwise made available by chapter 2 of this title under the heading "OPERATION AND MAINTENANCE, ARMY", up to $9,000,000 may be made available for the procurement of hemostatic agents, including blood clotting bandages and invasive hemostatic agents, for use by members of the Armed Forces in the field.

(b) Of the amount appropriated or otherwise made available by such chapter under the heading "OPERATION AND MAINTENANCE, MARINE CORPS", up to $2,000,000 may be made available for the procurement of hemostatic agents and invasive hemostatic agents, including blood clotting bandages, for use by members of the Armed Forces in the field.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I announce to the Senate that we have completed all the packages we can work on tonight. We urge Senators and their staff to get together with us early in the morning. We will be back in session at 9:30, and we hope we can continue to find ways to agree to the amendments that can be worked out.

There is a series of amendments regarding the National Guard that we wish to get to as quickly as possible tomorrow. I alert Senators and staff that we are interested in working on the National Guard amendments during the early part of the morning tomorrow, if it is at all possible.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, amendment No. 4838 would strike language from the bill that states that certain projects in the committee report "shall be considered to be authorized by law."

Committee reports that accompany Senate bills and joint explanatory statements that accompany conference reports are not law but, rather, advisory documents. While some like to think otherwise, the Federal agencies are under no legal requirement to follow verbatim the many directives that are included in each and every committee report. And I note that also applies to the hundreds of earmarks that are included in committee reports and joint explanatory statements each year. Unless provisions are included in enacted legislation, they do not have the force of law. And this is not just my view.

Let me read from the April 1998 opinion of Supreme Court Justice Scalia in United States, petitioner v. Estate of Francis J. Romani et al.:

> The Constitution sets forth the only manner in which the Members of Congress have the power to impose their will upon the country: by a bill that passes both Houses and is either signed by the President or repassed by a supermajority after his veto. Art. I, §7. Everything else the Members of Congress do is either prelude or internal organization.

And just this past June, in Zedner v. United States, Scalia wrote:

> I believe that the only language that constitutes "a Law" within the meaning of the Bicameralism and Presentment Clause of Article I §7, and hence the only language adopted in a fashion that entitles it to our attention, is the text of the enacted statute.
>
> It may seem that there is no harm in using committee reports and other such sources when they are merely in accord with the plain meaning of the Act. But this sort of intellectual piling-on has addictive consequences. To begin with, it accustoms us to believing that what is said by a single person in a floor debate or by a committee report represents the view of Congress as a whole—so that we sometimes even will say (when referring to a floor statement and committee report) that "Congress has expressed" thus-and-so. . . . There is no basis either in law or in reality for this naive belief Moreover, if legislative history is relevant when it confirms the plain meaning of the statutory text, it should also be relevant when it contradicts the plain meaning, thus rendering what is plain ambiguous.

I fully understand a committee's interest in having an agency consider the guidance it provides in its report language. But on occasion, that interest can get carried away. I remember the controversy that occurred a few years ago when a report included language expressing extreme displeasure over the fact that an agency had not followed to the letter certain prior year's report language. The subsequent report, which accompanied the fiscal year 2004 CJS appropriations bill, stated the following:

> As in past years, the Committee expects NOAA and the Department to adhere to the direction given in this section of the Committee report, particularly language regarding consultation with Congress, and to observe the reprogramming procedures detailed in section 605 in the general provisions of the accompanying bill. Unlike past years, however, the Committee intends to enforce congressional direction ruthlessly.

The reason I am referencing that report is to demonstrate the extent to which committees can go in imposing report directives. I am not trying to suggest the DOD appropriations report accompanying the pending bill includes comparable threats, but I am concerned about a line in the bill language that I believe should be eliminated because it would have the effect of authorizing projects that are merely listed in the report, thus giving provisions in the report the force of law.

Section 8042 of the bill states:

> The Secretary of Defense, notwithstanding any other provision of law, acting through the Office of Economic Adjustment of the Department of Defense, may use funds made available in this Act under the heading "Operation and Maintenance, Defense-Wide" to make grants and supplement other Federal funds in accordance with the guidance provided in the report of the Committee on Appropriations of the Senate accompanying this Act, and the projects specified in such guidance shall be considered to be authorized by law.

Let me repeat the last phrase: "and the projects specified in such guidance shall be considered to be authorized by law."

Mr. President, the projects referred to are not included in the legislative language, and we should not be suggesting that it is acceptable to authorize provisions by reference. In this particular case, it would result in the authorization of about 30 projects. But imagine what is next. I can envision the conference report of this or another bill to include a line stating that all the projects in its report "shall be considered to be authorized by law."

The language that allows certain projects to be "considered authorized by law" is a dangerous precedent, and I believe it should be eliminated.

I appreciate that the bill managers have agreed to accept this amendment, and I trust that they will work to ensure that the final conference agreement is free of language that would allow provisions in the joint explanatory statement to have the force of law.

Mr. JOHNSON. Mr. President, recently the Senate Appropriations Committee approved the fiscal year 2007 Defense appropriations bill. As a member of the committee, I supported this measure, and it is now being considered by the full Senate.

The bill provides $453.5 billion in new discretionary spending authority for the Department of Defense. Included in this amount is $50 billion for contingency operations related to the global war on terror.

I have repeatedly called upon the Bush administration to be frank with American taxpayers about funding levels for ongoing operations in Iraq and Afghanistan. For far too long, the Bush administration has relied upon emergency supplemental spending measures, as opposed to the annual budget process, to fund our efforts in Iraq and Afghanistan. I believe that is wrong.

In his budget proposal, President Bush finally submitted a $50 billion request for a bridge fund to support military efforts in Afghanistan and Iraq for the coming fiscal year. The Senate Appropriations Committee funded this request, but I remain concerned that this level of funding will be insufficient, and once again Congress will need to consider another emergency supplemental appropriations bill.

Furthermore, President Bush's continued insistence on maintaining tax breaks for the extremely wealthy has made it incredibly difficult to fund important domestic spending programs. In fact, the President's budget reduced funding for critical programs including No Child Left Behind, the Perkins Career and Technical Education Program, and firefighter assistance grants.

Consequently, Senate Appropriations Committee Chairman THAD COCHRAN was forced to reduce defense spending by $9.1 billion to meet urgent domestic spending needs. As a result, our servicemembers received a 2.2 percent across- the-board pay raise, a reduction of nearly 1 percent from last year's level of 3.1 percent. In addition, the Bush budget recommended funding for only 333,000 Army National Guard personnel, well below the National Guard authorized end-strength of 350,000. This proposal was opposed by the National Guard and Reserve, and I am pleased that the Senate was able to provide sufficient funding to support an Army National Guard end strength of 350,000 soldiers.

While some shortfalls remain in the bill, it is important to note that it provides an additional $340 million for National Guard and Reserve equipment above the President's request. The bill also provides $735 million for body armor and personal protection equipment, as well as $1.5 billion for the Joint Improvised Explosive Device Defeat Organization.

Furthermore, I am pleased that the bill reported out by the Senate Appropriations Committee provides funding for a number of important South Dakota projects. Due to my seat on the Appropriations Committee, the South Dakota School of Mines and Technology received funding to develop a number of important defense related projects. Researchers at the school will receive over $3.3 million to establish and staff a nationally competitive polymer and composites processing laboratory in South Dakota; they will work to develop new transparent armor for the Army's Future Combat Systems; and the school will develop a control system for laser powder deposition.

The South Dakota School of Mines and Technology is not the only organization conducting critical defense-related research in South Dakota. The Rosebud Sioux Tribe will receive $5 million to continue their efforts to establish the Advanced Electronics Rosebud Integration Center. The center will research, develop, test, and demonstrate advanced electronics integration and fabrication technology on the Rosebud Sioux Tribe reservation in South Dakota. In addition, funding was provided to RPM & Associates to facilitate their efforts to use LENS technology for aerospace applications. Likewise, the Batcheller Consulting Group will move forward in developing innovative on-board sensor systems to assess the wear-and-tear to military vehicles and weapon systems.

Finally, the South Dakota National Guard will benefit from defense-wide funding increases I championed. For example, the Senate Appropriations Committee included nearly $35 million above the President's request to meet the urgent needs of our National Guard and Reserve. This funding will help procure additional M22 Automatic Chemical Agent Alarms, Improved Chemical Agent Monitors, targeting pods for F-16 aircraft, and helmet mounted cueing systems.

Mr. President, while I continue to have deep concerns about the spending priorities of the Bush administration, I do believe that the funding included in this bill will go a long way toward providing our troops with the resources they need to defend our country.

MORNING BUSINESS

Mr. STEVENS. Mr. President, in behalf of the leader I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEMINT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DEMINT. Mr. President, this is that time of year when Congressmen and Senators go back to their States and report to the people about what we have done and what we plan to do. I am looking forward to going back to the State of South Carolina. I know the people are going to be interested in things that are much simpler. They want to know if we are going to help make the future better than the past, if we are going to make them safer, if we are going to make them more prosperous, if we will do the things in Congress that will protect the values they believe make this country great.

As we think about how we have made this country safer, we can all be thankful there has not been an attack by terrorists in this country since September 11. A lot of that can be attributed to the President, his firm stand against radical Islamic terrorists around the world, and his effort, along with Republicans, pushing the PATRIOT Act to give our Government the tools it needs to track down terrorists.

Unfortunately, as many Americans know, our Democrat colleagues have made it very difficult for the President and for Republicans to do those things that are necessary to protect our people. The minority leader was bragging, boasting, that they had killed the PATRIOT Act. Fortunately, we were able to overrule and get that bill passed so our country will be safer.

Our colleagues on the other side have also criticized the President for using technology to track communications of terrorists and to trace their finances—on every turn, criticizing.

Perhaps the biggest problem we have is our Democrat colleagues do not even appear to know the enemy we are fighting. They seem to believe that if we withdraw from Iraq that somehow this global war against radical Islamic terrorists will just go away.

Most of us who are thinking clearly know that Afghanistan and Iraq are just two fronts in this battle on terror. It is a global war. We see it now in Lebanon. We see it in many places around the world. We have even been able to stop some attacks in the United States. The right is right: We are facing an enemy that is spread around the world. If we allow them to win in Iraq, we will never defeat them anywhere. We are making this country safer. We are doing it despite the obstruction of the other side of the aisle.

South Carolinians and Americans will ask how we are protecting values. Unfortunately, again, I have heard too many of my Democrat colleagues say we need to be dealing with important things and not messing with these value issues. They have tried to block a number of things, but we were able to pass the Child Predator Act, we were able to pass the Child Custody Act, and we were able to get some good judges approved so we can stop the activist courts from overturning our values and our beliefs in this country. We have made progress.

I want to talk specifically tonight about helping Americans make ends meet. I know I have heard this around South Carolina, and my colleagues are telling me they are hearing it all over the country, that despite a good economy, many Americans are still having trouble making ends meet. As we say sometimes back home, there is too much "month" at the end of our money. People have gotten raises, but they have also seen more taken out of their paycheck for health care. They have seen the cost of gasoline continue to rise.

We know our Democrat colleagues, for decades, have blocked new energy supplies in this country. They have blocked the generation of electricity with nuclear power. They blocked the development of new oil reserves in Alaska more than 10 years ago. If they had not stopped it then, we would now have an additional 5 percent supply of oil at a time we desperately need it. The point is, my Democrat colleagues have raised the cost of living for many Americans. We have to stop that.

This week we started off well. We passed a new energy bill that will open new exploration in the gulf. We know there are huge reserves of oil and natural gas that will lower the cost of gasoline and make it easier for our businesses to compete in this country. That is something we passed despite Democrat obstruction.

On Friday this week we will take up one of the most important bills of the year. This gets at the recent calls for prosperity that the American people are asking for. We call it the Family Prosperity Act. I call it, raise your standard of living and lower the cost of death.

This bill includes a number of things. It increases the minimum wage but, more importantly, it provides a number of research and development tax credits, tax credits for welfare to work, a lot of tax incentives to expand our economy, increase jobs and help everyone increase their income in this country, not through a Federal mandate but by just letting businesses and individuals keep more of their own money and reinvesting in our economy. That is the way to help increase income. This bill includes all of that.

It also reduces this death tax and gives some permanency out there. It makes absolutely no sense in this country when people pay taxes their whole lives, and when they die we are going to take more of it. We have not been able to overcome the Democrat obstruction to completely eliminate the death tax, but we have come up with a good compromise.

All week we have heard the Democrats in the Senate talking about this death tax, with lots of misinformation about what it really means. The death tax does provide revenue to the Federal Government—last year, about $24.8 billion, which is a lot of money, there is no question about it. But if you look at what keeping that money in our economy would do if we were able to eliminate the death tax completely, a number of economists say this would add $847 billion in capital investment and create over 100,000 new jobs a year.

Simply leaving that money in the economy, rather than bringing it here to Washington, where every American knows we don't necessarily spend it in the most efficient way, it would add over $10 billion in growth per year to our gross domestic product. This economic activity and the tax revenues associated with it would more than offset the loss of revenues from eliminating this death tax.

Let's look at it another way. This really gets back to the American family and what this means to us as a Nation. This death tax provides less then 1 percent to the Federal budget as far as tax revenues. What it does to an individual family, a small business, a farm—I have heard all week this is just the richest people in America. That is absolutely not true. The people who work for these small businesses and farms are not rich. Many times when a person dies, their estate has to sell the farm or sell the business in order to pay, sometimes, over half of what that business is worth. A family may have to work their whole lives to build up this business. There is no reason when they die that we will take half of that value and put it in the Federal Government.

Only the Democrats are going to try to make America believe that somehow we are better off as a Nation, somehow the lower income people in this country are better off if we take money from a family farm or small business or car dealership, if we take that money and put it into Government. Somehow America is better off and this will help the little guy.

What this does, it takes his job, it diminishes our economy because this money will not work as hard in our Government to create jobs and to raise personal income as it will if we leave it where people are investing and hiring people, creating jobs, building our economy, all across the country.

Unfortunately, again, our Democrats are obstructing one of the most important things we can do for the American people at this time. We can keep talking about a good economy, but lower and middle-income Americans are not increasing their incomes as fast as the cost of gasoline and health care is increasing. We have tried to put a small business health plan on the floor of the Senate this year that we think would lower the cost of health care to small businesses to around 20 percent, but it was blocked. We hope to bring it back.

Too many Americans do not have health insurance. Those that do are paying more and more every year. If they get a $25 a week raise and their employer has to take $50 more a week out of their paycheck for their health insurance, they are worse off than they were before. When they stop by the gas station, if it costs $25 more to fill up their car than it did a year ago, they are worse off than they were.

This bill we will be voting on—the motion to proceed—on Friday, we will bring it to the Senate floor to debate and work on it in September. We can send a signal to the people of South Carolina and the people of this country that we care about the problems they are having making ends meet and we are not going to stand for the Democrat obstruction that continues to keep the cost of living higher by blocking new energy production, keeping taxes high and fighting the things that will actually lower the cost of living such as lowering the cost of gasoline and lowering the cost of health care.

The Family Prospect Act includes the first increase in the minimum wage in almost 10 years. It includes a reduction in the death tax so small family farms and businesses will not have to be sold. It includes tax credits for college tuition, welfare to work, and many other things we know will create jobs. It is truly the Family Prosperity Act.

I call on my colleagues to stop obstructing what we are trying to do. We believe we can raise the income of every American and that we can lower the cost of living if we just work together.

I hope all of our colleagues, Republican and Democrat, will see the individual family in America is much more important as far as their income than the Government. By passing this bill, at least moving on to debate at the end of this week, we will have done a lot to reassure Americans that we do care about lowering the cost of living so they can live more prosperous lives.

GULF OF MEXICO ENERGY BILL

Mr. **GRAHAM**. Mr. President, I take this opportunity to comment on S. 3711, the Gulf of Mexico energy bill. I believe this legislation strikes an appropriate balance between our need for new sources of oil and natural gas, with the concerns of the coastal States.

I do support passage of S. 3711, but I do not support the bill passed by the House of Representatives earlier this year. The careful compromise that is the Senate bill cannot be found in the version passed by the House. I will not support any legislation that opens South Carolina's coast to drilling for oil.

I am supporting the Senate bill, but I wish that it went further to address our energy dependency issues. According to the International Atomic Energy Agency, IAEA, the world's demand for energy is expected to double in the coming years. This should be a call to intensify our efforts to become energy independent as soon as possible. We must continue to fund research into alternative sources of energy such as hydrogen. Where suitable we need to use solar power and potentially wind. We must expand production of ethanol beyond corn so that all regions of the country can produce ethanol efficiently.

As a cochair of the Senate Manufacturing Caucus, I voted for this legislation to increase our supply of natural gas for manufacturers. According to a study by the Congressional Research Service, 24 percent of our natural gas is consumed to generate electricity. While it is very easy to generate electricity from gas, it is a very inefficient use of the resource. Instead of electricity generation, natural gas should be utilized for industrial and home heating use.

For electricity generation, we need to continue encourage a renaissance in nuclear power. This involves reducing the regulatory redtape involved in constructing new plants, opening Yucca Mountain, and proceeding with spent nuclear fuel recycling. Nuclear power is an efficient zero-emission source of energy that can address both our energy and climate concerns.

I applaud the ongoing work of Senator DOMENICI and others to help increase the supply of critical energy resources. This bill is a small step in the right direction, and I look forward to working to further this effort beyond what we are accomplishing today. I also encourage my colleagues in the House that if they are truly serious about passing a bill to increase the supply of natural gas and oil this year, S. 3711 needs to be passed by the House as soon as possible.

STRENGTHENING CFIUS

Mr. **BINGAMAN**. Mr. President, I rise today to express my support for this Chamber's efforts to strengthen our CFIUS process—a system of screening foreign investment to make sure our national security is not compromised. In light of recent concerns about investments that did not receive adequate scrutiny, I think is imperative that we review this process and improve upon it where needed. It is important, however, that we do not modify the process in such a way that we create a system that unnecessarily discourages companies from investing in the United States. In order for our country to maintain our competitive advantage, we must make sure that we continue to be the worldwide choice of location for businesses. Although we have passed legislation out of the Senate intended to strengthen CFIUS, this legislation did not have the benefit of floor debate. I encourage the chairman of the Banking Committee, Senator

SHELBY, to continue to solicit the views of the Members of this Chamber and address concerns that may be raised about the impact on direct investment before we begin to conference with the House on the measure.

WHITE PINE COUNTY CONSERVATION, RECREATION, AND DEVELOPMENT ACT

Mr. ENSIGN. Mr. President, yesterday my colleague from Nevada, Senator REID, and I introduced the White Pine County Conservation, Recreation, and Development Act of 2006. This bill is the product of bipartisan cooperation and it represents a fair compromise on a number of issues relating to the protection of White Pine County's natural resources. While not perfect, this measure strikes an appropriate balance between economic development, privatizing Federal lands, and designating wilderness areas. On whole, the White Pine County Conservation, Recreation, and Development Act of 2006 is a good piece of legislation and it should be passed.

White Pine County, NV, with fewer than 10,000 residents, is in rural eastern Nevada. The county has seen more prosperous times. The closure of mines has been hard on the local economy. Additionally, the Federal Government manages a high percentage of land which makes it difficult to foster growth. The bill seeks modest changes to the land ownership pattern to allow White Pine County to grow and increase its tax base, and gives residents some modest tools they need to prosper. We have also provided the same tools to the Ely Shoshone Tribe. We accomplish these goals through land disposal, natural resource and wildlife conservation, tourism development, additional protection for the wondrous Great Basin National Park, recreation opportunities, Nevada State Parks expansions, wilderness designation, and a study to determine if off highway vehicles should have a designated route through the county.

The White Pine County Conservation, Recreation, and Development Act of 2006 is modeled on an innovative law that I coauthored as a member of the House of Representatives with former Senator Richard Bryan. That measure, the Southern Nevada Public Land Management Act of 1998, SNPLMA, is widely regarded as a huge success. Two successor laws I wrote with Senator REID and Congressman GIBBONS, the Clark County Protection of Lands and Natural Resources Act of 2002 and the Lincoln County Conservation, Recreation, and Development Act of 2004 followed SNPLMA.

These county bills for Nevada can and should be replicated in every county in Nevada. Many other Western States with large public land holdings may benefit from our Nevada model. The premise is simple: not all land is suitable for public ownership, and other public lands are suitable for increased protection. We settle longstanding wilderness issues by designating permanent wilderness areas and release wilderness study areas to multiple use. Years of disagreements between developers, multiple use advocates, governments, environmentalists, conservationists, and other stakeholders are settled by these land bills. Bringing together people from diverse interests has actually proved to be a very healthy exercise in Nevada; it has fostered a spirit of cooperation that will benefit generations of Nevadans to come.

The White Pine County Conservation, Recreation, and Development Act of 2006 also proposes significant amendments to the Southern Nevada Public Land Management Act of 1998. In some instances, we revise provisions in current law that need improvement. We add new expenditure categories for projects that will be beneficial to the citizens of Nevada and our environment.

For example, an improvement we make to current law relates to local governments in Clark and Lincoln Counties that use parks and trails funds in the SNPLMA special account. The localities are having difficulty building approved parks and trails projects. Local governments have to front their own funds and seek reimbursement from the Bureau of Land Management to build these projects. In some cases, this means millions of dollars that have to be borrowed or taken from other programs. To help local governments speed the development of parks and trails, we propose to pay local governments up front, eliminating a cumbersome reimbursement process. We can still maintain the financial integrity of all expenditures.

Additionally, we have significantly streamlined the affordable housing provisions in current law. Our revisions will make Federal land available at a discount for workforce housing and improve the lives of hard working families across the state of Nevada.

For new expenditure categories, we have taken great care to propose using the SNPLMA special account for critical needs, and in particular, for projects and initiatives that have broad support from the environmental and conservation community. We propose a clean water project for Lake Mead in southern Nevada and hazardous fuels reduction programs for two of the most heavily visited and fire prone areas in Nevada: Lake Tahoe and the Spring Mountains. We seek to conserve Colorado River water through the buyback of turf from public entities. Eighty five percent of the special account is now used for environmental and recreational purposes. We do not seek to break from the purposes for which SNPLMA was established in 1998; doing so would be controversial and harm the prospects of the passage of this bill.

The White Pine County Conservation, Recreation, and Development Act is the culmination of 2 years of hard work and spirited debate. Our staffs have worked together closely and have made visits to and held meetings in White Pine County on numerous occasions. We have received thousands of comments and useful suggestions from people across Nevada. This bill touches every corner of our beautiful State, and I am proud to have been part of this endeavor. I look forward to working with my colleagues and interested parties to improve this bill as necessary.

In summary, under title I, the bill authorizes the disposal of up to 45,000 acres of BLM land in White Pine County. Distributes proceeds through a White Pine special account.

Under title II, the bill designates roughly 545,000 acres of wilderness in 13 new wilderness areas and adds wilderness to two areas established in 1989. The White Pine County Commission supported approximately 500,000 acres. Standard language is included stating primacy of Nevada water laws in wilderness areas. Wildlife water developments are protected in wilderness areas.

Under title III, the bill transfers approximately 645 acres to the Fish and Wildlife Service to be managed as part of the Ruby Lake National Wildlife Refuge. In lieu of expanding the size of Great Basin National Park and in an effort to simplify land management and protect lands near Great Basin National Park, the bill transfers 117,000 acres from the Forest Service to the BLM. Of this amount, 54,400 acres are withdrawn from mineral entry and other form of entry. Motorized access is confined to existing routes. This withdrawal language does not intend for the withdrawal area to be managed as an NCA, but it will likely require an update of the Resource Management Plan after the transfer of administrative jurisdiction is completed. It is also intended through bill language that the BLM honor existing permits and cooperative agreements approved by the Forest Service.

Under title IV, the bill conveys Federal lands to expand two existing Nevada State parks: Cave Lake State Park and the Ward Charcoal Ovens State Park. The bill also conveys land to expand the Steptoe Valley Wildlife Management Area. Finally, the bill conveys Federal lands for the expansion of the Ely Airport and industrial park, with certain restrictions.

Under title V, the bill authorizes a 3-year study for a possible extension of the Silver State Highway Off-Highway Vehicle Trail from Lincoln County through White Pine County. The route may only be designated if the Secretary determines that there would not be significant impacts to natural, or cultural resources, and wildlife. While the bill provides the Secretary with discretion, it is my view that providing a designated route for motorized use can actually preserve resources and wildlife in areas that are not appropriate for motorized use.

Under title VI, the bill expands the Ely Shoshone Tribal Reservation by 3,500 acres. Extensive negotiations concerning the ownership of land just south of Ely strived to equitably balance the future expansion needs of the city of Ely with the economic development needs of the tribe.

Under title VII, the bill authorizes funding from the Southern Nevada Public Land Management Act to be used for the Eastern Nevada Landscape Project. The project will improve landscape restoration projects that reduce the risk of fire, prevent the endangerment of species, and improve watersheds.

Under title VIII, this title significantly amends the Southern Nevada Public Land Management Act of 1998, SNPLMA, to improve the effectiveness of the act, while proposing new conservation-oriented expenditure categories from the special account.

Specifically, for SNPLMA special account expenditure categories, the bill provides new authority for (1) the expansion of the Southern Nevada Water Authority's water saving "Cash for Grass" program to public entities for permanent turf removal; (2) the implementation of the Clark County Multi-Species Habitat Conservation Program, as was intended by the authors of SNPLMA; (3) the Clean Water Coalition's Lake Mead and Las Vegas Wash water quality pipeline project; (4) two comprehensive, 10-year hazardous fuels and fire prevention plans for the Spring Mountains and the Lake Tahoe Basin—including adjacent areas in Nevada along the Carson Range; (5) Nevada State Parks in Clark County to access parks and trails funding from the special account; (6) the Bureau of Land Management to clear and protect lands designated for sale in the Las Vegas Valley, alleviating the dumping problem; and (7) a one-time park/trails/natural area nomination in Washoe County—remainder of Ballardini Ranch lands offered by a willing seller.

For SNPLMA improvements, the bill streamlines the current law's affordable housing provisions that make Federal land available in Nevada at a discount. SNPLMA's current ceiling of serving persons not more than 80 percent of median income has been lifted to 120 percent, and future BLM land auctions of more than 200 acres in the Las Vegas Valley will require housing builders to set aside at least 5 percent of the units for affordable housing as defined by SNPLMA. The bill also speeds the progress of local governments' parks and trails projects by replacing a cumbersome reimbursement system, which constrains the financial ability of local governments to finance projects, with a requirement that local governments be paid up front.

Under title IX, this title establishes the Great Basin National Heritage Route. The House and Senate have each approved legislation designating this National Heritage Route; however, the bill has not reached the President for final approval. Designation of the Route will ensure the protection of key educational and recreational opportunities in White Pine County and neighboring Millard County, UT.

COSPONSORSHIP OF S. 3709

Mr. LUGAR. Mr. President, on July 24 the majority leader placed a list of the Senators who had sought to be cosponsors of S. 3709, the United States-India Peaceful Atomic Energy Cooperation Act, into the RECORD.

I ask unanimous consent that an updated list of those who wish to be listed as cosponsors be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Senators LUGAR, BIDEN, HAGEL, CHAFEE, ALLEN, COLEMAN, VOINOVICH, ALEXANDER, SUNUNU, MURKOWSKI, MARTINEZ, DODD, KERRY, NELSON, OBAMA, CORNYN, BAYH, and HUTCHISON.

STRONG FOUNDATION FOR ECONOMIC GROWTH

Mr. KYL. Mr. President, yesterday, the Senator from North Dakota gave a speech on the Senate floor on what he calls the wall of debt. My colleague said, "We have cut revenue, cut revenue, cut revenue." Clearly, he misunderstands both the rationale and the economic effect of the tax cuts. I would like to take a few moments today to clear up several misconceptions.

My colleagues know full well that the Senator's wall of debt is built of increased spending and runaway entitlement costs. Twenty years ago, entitlements accounted for 45 percent of the budget; soon, they will exceed 60 percent. Medicare alone is growing by almost 10 percent a year. In 30 years, the three big entitlement programs—Medicare, Medicaid, and Social Security—if left unchanged, will consume the entire Federal budget, leaving no money for border security or education or any other necessary program.

Our problem is not that Americans are undertaxed; our problem is that entitlement spending has run amok.

In characterizing the tax relief provided in recent years, we do better to call it a "Foundation for Economic Growth."

When Congress cuts tax rates, it leaves money in the private economy, where it can be used more efficiently. Being taxed at lower rates, Americans have more incentive to work, save, and invest, which fosters economic growth. Tax rate cuts implemented by Republicans have kept America competitive by leaving $1.1 trillion in the American economy, where it has given us more than 4 years of uninterrupted economic growth.

To illustrate the effects that low tax rates can have on the economy, I recommend to my colleagues a study conducted by Dr. Edward Prescott, a Nobel laureate in economics and a professor at Arizona State University. Dr. Prescott's study reveals an interesting fact. Based on labor marker statistics from the Organization for Economic Cooperation and Development, Americans aged 15 to 64 worked 50 percent more than their European counterparts in France, Germany, and Italy. Fifty percent more. But this difference in output has not always been so. Two decades ago, France's labor supply, as measured by hours worked per employee, exceeded the American labor supply, as did several other European nations.

Why is this? According to Dr. Prescott, this discrepancy in the labor market is attributable to taxes. When you lower the rates on individuals, people work harder and greater productivity results. As the United States lowered its marginal tax rates, Americans had a greater incentive to work hard, work longer, and be more productive, relative to the European nations, which kept higher tax rates.

The results of Dr. Prescott's study are telling. Ultimately, a country must establish an efficient tax system with low tax rates to achieve maximum economic productivity. This is exactly what this Republican Congress has tried to accomplish: a tax system that keeps as much money as possible in the private economy, with individuals and businesses. In contrast, Democrats seem to want to keep as much taxpayer money in Washington as possible.

If my colleague from North Dakota doesn't believe that our tax and economic policies are working, let me quote some figures from the Office of Management and Budget's Mid-Session Review, released on July 11. These figures demonstrate that our tax and economic policies are fostering economic growth in the private economy and that all of this new economic growth is helping to bring down the budget deficit.

From 2005 to 2006, Federal receipts are projected to grow by 11 percent, $246 billion, more than twice as fast as the economy itself. Since the tax relief was fully implemented in 2003, tax receipts have increased by 34.6 percent. The economy has grown for 18 consecutive quarters. The economy has created over 5.4 million jobs since August 2003.

This is more than Japan and the 25 nations of Europe combined. That is combined. The unemployment rate of 4.6 percent is lower than the average of the last four decades. There have been 34 months of consecutive job growth. Progrowth policies and tax receipts will allow the deficit to be cut in half by 2008, a year ahead of the President's schedule. The projected budget deficit for 2006 has fallen from 3.2 percent of gross domestic product to 2.3 percent of GDP—and measuring our deficit in relation to the size of the American economy gives the most accurate assessment of how big or small the deficit is relative to other times in our history. The projected deficit of 2.3 percent of GDP registers at the 40-year average and is lower than the deficits in 17 of the last 25 years.

Although our economy has made many steps in the right direction, we ought not be content to stop here. My colleagues and I will continue to work to reduce Government spending and to make the tax cuts permanent.

The issue that prompted this debate over the deficit, to be clear about it, is not how to reform entitlements. It is legislation the Senate will consider later this week to reform the estate tax. On this, as well, my colleagues labor under some misconceptions.

I want to take a moment to explain to them how many people will actually benefit from this legislation and to debunk some of the myths we are hearing about the cost.

If Congress fails to reform the estate tax, the exemption amount will revert to $1 million and the rate will be 55 percent in 2011. According to an analysis done by the Joint Committee on Taxation at the request of Senator BAUCUS, in that year, 127,000 estates would be subject to the death tax—meaning that 127,000 estates would have a value of $1 million or more in 2011.

But if Congress approves estate tax reform, at least 115,000 estates each and every year that would otherwise be subject to the tax—estates that are valued over $1 million, but less than $5 million—will be spared from this tax on productivity, once the reform proposal is fully effective in the year 2015. Under the proposal the Senate will consider later this week, we will be left with about 11,500 estates each and every year that will still be subject to the death tax.

The official Joint Committee on Taxation estimate for the cost of death tax reform is $267.6 billion over 10 years. Some of my colleagues have used incorrect information generated by liberal interest groups to argue that this underestimates the cost of the proposal, since it does not begin until 2010 and is not fully phased in until 2015. Thus, they claim that the cost of the death tax reform would be $808 billion over the 2012 to 2021 timeframe. They claim that it would cost $1 trillion over the same period "when the associated increases in interest payments on the debt are included."

There are several reasons this logic is faulty. First, Joint Tax has estimated that the proposal will cost $39.186 billion in 2012—the first year of the bogus 10-year $808 billion estimate. So if you assume that it will cost that amount, plus an increase for economic growth, each year thereafter, it could not possibly add up to $808 billion for that 10-year period.

Using actual Joint Tax estimates—the estimates we are required to use around here—you can see that once the proposal is phased in, the annual cost will increase by roughly $5 billion as a result of economic growth. Thus, using actual JCT estimates through 2016 and then assuming that the cost will increase by $5 billion each year, the total cost between 2012 and 2021 would be around $627 billion, not $808 billion.

Second, JCT does not produce estimates further ahead than 10 years because anything beyond that range is thought to be too speculative to be even close to accurate. We simply cannot predict how much revenue the proposed changes will bring into the Government's coffers that far down the road. The Congressional Budget Office and Joint Tax have had enough trouble accurately estimating revenue collections one year out, let alone 10. For example, reducing the long-term capital gains tax in 2003, as estimated by the budgeteers at the Congressional Budget Office and the Joint Committee on Taxation, would cost $27 billion in 2004. It actually brought in $26 billion that year. If official estimators have difficulty producing accurate revenue estimates in the short-term, we should heed their warnings about not betting the farm on estimates that go beyond 10 years.

Finally, as I said, Joint Tax is the official revenue-estimating body of Congress. Whether we like their estimates or not, at the end of the day we all know that is the estimate we all must rely on.

I hope these facts will bring a little perspective to the debate we are having over the deficit, the effect tax cuts have on the economy and, more to the point this week, the debate over what is really a moderate and responsible proposal to reform the death tax—a proposal that deserves broad, bipartisan support.

ADDITIONAL STATEMENTS

TRIBUTE TO ROBERTS DAIRY

• Mr. NELSON of Nebraska. Mr. President, today I wish to pay tribute to a business that has provided irreplaceable value to the city of Omaha, NE, for 100 years.

Roberts Dairy was founded in 1906 on a farm near the outskirts of Lincoln, NE. This is where J.R. Roberts, the company's founder, began his first retail route using a herd of 60 cows. During the first years of the company's existence, Roberts was the only dairy that sold pasteurized milk to the community.

In 1992, the company expanded to Omaha and has been expanding ever since. Roberts Dairy is a full-service dairy that processes and fills more than 900 million gallons yearly. It operates around the clock, 365 days a year, to provide the freshest dairy products to customers. Roberts serves a region that includes Nebraska, Iowa, Missouri, Kansas and parts of Colorado, Illinois, and South Dakota.

Roberts Dairy is one of the area's largest companies, employing more than 700 people and generating annual sales of more than $250 million.

Roberts is a Quality Chekd® dairy, which means all of its products are produced and tested by an independent association to higher standards that exceed State and Federal requirements for purity, freshness, and flavor.

In 2004, all four of Roberts' production plants received Merit of Excellence Awards from Quality Chekd, signifying production that far surpasses the high standards necessary to be Quality Chekd dairy.

In 2004, the Iowa City plant received the Wayne Gingrich Award for Production from Quality Chekd Dairies Inc., an international organization. The plant won the award after rigorous competition among 40 dairies, each with several plants.

Roberts Dairy actively supports local and regional causes, events, and organizations that seek to help make our communities better places to live. The company also annually raises funds for the Juvenile Diabetes Research Foundation.

This year Roberts Dairy will be celebrating its 100th anniversary. As part of its centennial celebration, Roberts Dairy plans to host its celebration in Omaha on Sunday, September 3, 2006 prior to the annual SeptemberFest.

In closing, I would like to once again thank Roberts Dairy for their contribution to the State of Nebraska and the Midwest as a whole. The services that Roberts provide to all of its customers will continue to have a lasting impact for years to come.●

TRIBUTE TO ALABAMA STATE AUDITOR BETH CHAPMAN

• Mr. SESSIONS. Mr. President, I recently had the opportunity to speak in favor of the constitutional amendment prohibiting the physical desecration of the flag. I was proud to be a cosponsor of that amendment, and even though it failed by a vote of 66 to 34, I do not believe it is an issue that will "go gentle into that good night," to use the words of poet Dylan Thomas. The flag is the unifying symbol of our country and all it embodies. Hundreds of thousands have died fighting to protect what it represents. It seems only logical that we, as a body, would continue to fight to protect it.

A few days after the Senate vote, I received a copy of a speech written by Alabama's state auditor, Beth Chapman. It was a speech she delivered to a meeting of the Alabama Chapter of the Daughters of the American Revolution—a group dedicated to promoting patriotism and preserving American history. I found it to be not only timely, but a beautifully written and passionate reminder of what the flag represents and why it should be protected. I ask that the full speech be printed in the RECORD.

The material follows.

Flag Day Speech

ALABAMA STATE AUDITOR BETH CHAPMAN'S ADDRESS TO THE STATE MEETING OF THE ALABAMA CHAPTER OF THE DAUGHTER'S OF THE AMERICAN REVOLUTION

The red, white and blue, the Stars and Stripes, Old Glory, our Standard, the Star Spangle Banner—the American flag—it has heard the battle cry for freedom and has been the banner for democracy—it is our sacred symbol of the heart and soul of our country—our freedom.

It represents the fifty states and the blood of the men and women who died carrying it—if not on their bodies, in their hearts and souls as they fought for freedom of a nation—our nation.

Though tattered and worn, it continued to wave as 6,000 patriots died in the Revolutionary War breaking off the chains of tyranny from Great Britain.

It survived the Civil War and draped the caskets of many of the 500,000 total (some brother against brother) who fought and died defending freedom, though they disagreed on what that freedom meant—the flag continued to wave in its defense.

It soared at Gettysburg, unfurled at the Battle of the Bulge, was blood stained at Kasson, stood watch in the final hours at Pearl Harbor as hulls of ships and shells of men floated on the burning waters. It was hoisted by brave American soldiers at Iwo Jima.

Throughout history it was tested and tried on the beaches of Normandy and was triumphant on the shores of Tripoli.

It stood for justice's sake though 116,000 Americans fell in WWI and 405,000 in World War II.

It survived the numbness of frost bite in the Chosin Reservoir of the Korean Conflict and heard the brassy bugle's cry of Taps being played for more than 54,000 who lost their lives.

It proudly but sadly waves today over a wall that bears only etched names in stone of more than 58,000 faces, hearts, souls and bodies of the fallen soldiers who died in the jungles of Vietnam.

It flew for righteousness' sake mounted in the dirt of Desert Storm as 293 Americans' bodies were killed but their love for country was not captured, conquered or defeated.

Most recently it saw 1,672 Americans in Operation Iraqi Freedom die and is has covered the bodies of 190 killed in Enduring Freedom—yet the flag still endures. It still waves—restoring the foundations on which America was built and reminding us of the freedom with which we've been blessed.

And today it continues to wave, somberly but surely over the 260,000 brave and courageous veterans whose silent, sleeping spirits remain in Arlington Cemetery. They defended our freedom and determined our destiny and the destiny of our nation. Now they rest in peace while we enjoy the symbolism of the flag with as much passion as they once felt when they were defending it.

Many have spit on the flag, buried it and burned it, not realizing the freedom it represents is what allows them that right, though no matter how obnoxious and disrespectful it may be, it supposedly was right.

But what a pity they know not how much innocent blood was shed so they could have that freedom to express the bitterness, hatred and disrespect they appear to have for their own freedom and anything it represents.

Over one million men and women of the United States Military have died defending what our flag symbolizes, but others have died simply by living the American Dream which it represents—2,595 civilians at the World Trade Center on 9-11, 92 on Flight 11 and 65 on Flight 175, 125 in the Pentagon, 64 on Flight 77, and 45 on Flight 93—total of 2,986 died on that same tragic day—doing nothing but living out in their daily lives what our flag stands for—freedom. They were the innocent victims of evil people and a jealousy and hatred that comes against such a beloved freedom as ours.

And on that day when our country was at its lowest level, our spirits had plummeted; we had been wounded worse than at any time in our great nation—in the very middle of that ordeal, three exhausted New York Fireman had the foresight, the vision and the inspiration which could only be fueled physically by adrenaline, but spiritually and emotionally by raw patriotism—love of God and country—to hoist an American flag for all the world, friend and foe alike to see, so they would know we had not been defeated.

Even in the ruin and rubble, Old Glory was raised and proudly waved as she had so many times before in peace and war. She rose up out of the dust, dirt and even fire to restore the American spirit, which can not be snuffed out as a burning candle by tragedy or hatred, but is only further motivated to wave higher and further unfold to spread the news of freedom and of victory.

It symbolized freedom, hope, and determination of the American people and the strength of our spirit.

Some have purchased with blood the freedom our flag represents, other have defended it—and by the grace of God those of us in this room have been blessed to simply live under it in the greatest country on the face of the earth.

And it costs most of us nothing and that's why it should have our utmost honor and respect. For the same exact flag many not have been through all the battles, but what it represents has been, and that is more than anyone person can say.

The flag has seen it all and survived it all, therefore, the spirit and freedom which it represents has survived it all. It is the epitome of the sacred symbol we know it to be.

It stands atop the United States Supreme Court building as justice attempts to be served; it stands over the United States Capitol in hopes of good laws being passed and bad ones being killed.

It stands in schoolyards as children play, over Court Houses and City Halls as good grassroots government is hopefully being administered. It drapes the shoulders of our country's finest athletes as they represent us at the Olympics.

But let us not forget that it has also left this earth to represent us, to fly into the Heavens and land on the moon. It has flown into the wild blue yonder far into the majestic skies reaching toward the very face of God, only to explode, and quickly plummet into the sea with the Challenger and the brave Americans in it.

There is little of our heritage that it has not seen; there are fewer of our victories, triumphs, and tragedies that it has not experienced first hand. It has waved at half mast and at full mast, but it has never ceased to wave.

It is not to be burned or buried, but flown with great pride and admiration. Some say it is not the flag, but what it represents that we should honor—I say we cannot honor one without a pledge of allegiance to the other.

The Pledge of Allegiance nationally debuted in October 1892 on Columbus Day when 12 million children across America recited it for the first time.

The Pledge of Allegiance has had three major changes:

Originally it read: "I pledge allegiance to my flag and to the Republic for which it stands: one nation indivisible, with liberty and justice for all."

June 14, 1923, it was revised to "the flag" instead of "my flag" and the words "United States" were added.

One year later it was revised to read "the flag, of the United States of America."

But the most significant change came on Flag Day, June 14, 1954, when President Dwight D. Eisenhower added these two simple, but profound words: "Under God."

And this is what he said about adding those two words: "In this way we are reaffirming the transcendence of religious faith in America's heritage and future; in this way we shall constantly strengthen those spiritual weapons which forever will be our country's most powerful resource in peace and war."

The Pledge of Allegiance as we know it today is only 31 words packed with pride, honor, loyalty and devotion.

Red Skelton, a brilliant comedic mind of another generation shared this story on television many years ago. Little did he know this story would be so poignant and prophetic today. He shared the story of his teacher Mr. Laswell who came to think his class was just saying the pledge of allegiance out of routine so he made a drastic change in their schedule one day. This is what he said to them:

"I've been listening to you boys and girls recite the Pledge of Allegiance all semester and it seems as thought it is becoming monotonous to you. If I may, may I recite it and try to explain to you the meaning of each word."

I—me, an individual, a committee of one.

Pledge—dedicate all of my worldly goods to give without self pity,

Allegiance—my love and devotion

To the flag—our standard, old glory, a symbol of freedom. Wherever she waves, there's been respect because your loyalty has given her a dignity that shouts freedom is everybody's job.

United—that means we all have come together.

States—individual communities that have united into 48 great states. Forty-eight individual communities with pride and dignity and purpose; all divided with imaginary boundaries, yet united to a common purpose and that's love for country.

And to the Republic—a state in which sovereign power is invested in representatives chose by the people to govern. And government is the people and it's from the people to the leaders, not from the leaders to the people.

For which it stands, one nation—one nation meaning "so blessed by God."

Indivisible—incapable of being divided.

With liberty—which is freedom—the right of power to live one's life without threats, fear or some sort of retaliation

And justice—the principle or quality of dealing fairly with others.

For all—which means boys, and girls, it's as much your country as mine.

Skelton later said since he was a young boy that two states had been added to our country and that two words had been added to our pledge—"Under God."

Then he smiled and said, "Wouldn't it be a pity if someone said that (those two words "Under God") is a prayer and they would eliminate it from schools too?

Little did he know that now, many years later, that very effort has been discussed before the United States Supreme Court.

Though the words to the Pledge of Allegiance have changed its purpose, meaning and intent has not.

But the flag still waves and our nation is still one nation under God and we still live under the banner of democracy and the flag waves in our churches, school yards, state and national government buildings and always in our hearts and homes—because that's where freedom originated and that is where it must remain.

When we pledge allegiance to our flag, we are making a commitment, and what we are committed to is what we become as individual people, and as a nation. The destinies of many nations have been determined by what their people were allegiant to—Rome is a good example of that. Let America never become a Rome.

Our flag is more than three colors of cloth and millions of pieces of thread sown by hand. It is more than Betsy Ross and Francis Scott Key. It represents a message of hope and freedom that is carried in the hearts and souls of the people of a nation for generations.

I pray today that God will continue to bless this country and that we may never divorce ourselves from the preservation of that freedom for which our men and women have died and our flag still boldly stands.

Now let us stand and with great pride, honor, humility and resolve—with great enthusiasm, fervor, patriotism, passion and respect to say our pledge of allegiance together as we have never said it before.•

TRIBUTE TO GALELYN McELROY

• Mr. BUNNING. Mr. President, today I pay tribute to Ms. Galelyn McElroy from Prospect, KY, who has been selected to participate in the inaugural year of the American Civic Education Teacher Awards. This program is designed to promote recognition and respect for teachers of civic education across the United States.

The American Civic Education Teacher Awards are a part of the Alliance for Representative Democracy which is designed to educate Americans about the relationship between the government and the American people it serves. This program helps individuals better understand the way the government works and how it relates to them personally in their individual lives.

Ms. McElroy teaches senior legal and government services, U.S. history, and world civilization at Central High in Prospect, KY, and has been providing educational leadership in the classroom there for 13 years. She has gone above and beyond the curriculum expectations by establishing out of school mentoring experiences for her students at local law firms and legal study programs through the University of Louisville. She motivates them to think about the future by providing them with real-world experiences that partner with their civic education studies.

I now ask my fellow colleagues to join me in thanking Ms. McElroy for her commitment to making Kentucky a better place through educational excellence and for providing her students the motivation to succeed in life. I know I can speak for all Kentuckians when I say congratulations and thank you for everything that you do. Teachers like Ms. McElroy are an inspiration and a true example of leadership in our State.•

RECOGNIZING WISE COUNTY'S SESQUICENTENNIAL

• Mr. ALLEN. Mr. President, I am pleased to announce the sesquicentennial anniversary of historic Wise County. The centennial celebration has created and will continue to create community awareness of opportunities for the preservation of Wise County's rich heritage. In addition, this event will foster pride in Wise County's educational, cultural, social, and economic resources and will encourage the brainstorming of ways to ensure a bright future for Wise County.

Throughout the year Wise County has come up with exciting ways to celebrate its centennial birthday. In May there was a kickoff ceremony to begin the celebration, as well as a Business Appreciation Day. Other presentations include a play on the history of Wise County, a Miss Sesquicentennial Pageant, and a presentation of Coal Camp Songs. The celebration will culminate with the 150th Birthday Bash on from noon until 11 p.m. on August 12 at the Lonesome Pine Raceway, which will feature food, games, music and fun.

The sesquicentennial celebration of Wise County is a great way to remember its history, appreciate its current state, and look forward to its bright future. Over the years, I have enjoyed many opportunities to join the people of Wise County for events, festivals, and meetings, and I am proud to be a part of this sesquicentennial celebration and look forward to sharing in many more events in the coming years.•

RECOGNIZING THE CITY OF GALAX CENTENNIAL

• Mr. ALLEN. Mr. President, I am pleased to announce the centennial anniversary of the historic city of Galax. The centennial celebration created and will continue to create community awareness of opportunities for the preservation of Galax's rich heritage. In addition, this event will foster pride in Galax's educational, cultural, social, and economic resources and will encourage the brainstorming of ways to ensure a bright future for the city of Galax.

Throughout the year, the city of Galax has come up with exciting ways to celebrate its centennial. July was Freedom Celebration Month in Galax which included a Fourth of July parade and the Virginia State Barbeque Championship. August is Musical Heritage Celebration Month and will include the Annual Old Fiddler's Convention, as well as the Annual Championship Rodeo. September is Free Enterprise, Agriculture and Industry Month and will feature a play on the history of the city of Galax, as well as events with authors Sharyn McCrumb and Robert Chappell.

This centennial celebration of the city of Galax is a great way to remember its history, appreciate its current state, and look forward to its bright future. Over the years I have enjoyed many opportunities to join the people of the city of Galax for events, festivals, and meetings, and I am proud to be a part of this centennial celebration and look forward to sharing in many more events in the coming years.•

RECOGNIZING PLANTERS 100TH ANNIVERSARY

• Mr. ALLEN. Mr. President, I am pleased to acknowledge the 100th anniversary of the Planters Company which has had a fruitful working relationship with Suffolk County over the past century and has one of its major production facilities located there. To celebrate, Planters has embarked on a 4-month, cross-country tour visiting landmarks in Planters' history. Over the past century Planters has consistently delivered a variety of fresh-tasting nuts and has also developed an American icon in the internationally famous Mr. Peanut.

On Tuesday, June 13, 2006 Planters NUTmobile and Centennial Display Tour made a stop in Suffolk, VA. Visitors got the opportunity to meet and interact with Mr. Peanut, sample fresh roasted peanuts, view Planters and Mr. Peanut collectibles from the past century, and put themselves in moments and events throughout Planters and American history using green screen technology.

Over the past century Planters' Suffolk facility has enjoyed a wonderful relationship with the city of Suffolk. The Planters Suffolk facility produces a variety of nut products. Planters has employed thousands of Virginians over the years, and many more have enjoyed and benefited from both its products and its reputation in the Suffolk community. Planters has been a model for the type of relationship that should exist between communities and businesses over the past century, and we look forward to working with them for the next 100 years.●

TRIBUTE TO RALPH CONTE

● Mr. WARNER. Mr. President, today I wish to acknowledge the retirement and to honor the service of a fellow Virginian, a true patriot, and a career civil servant of the Department of Defense who has given 39 years of dedicated military and civilian service to our country. Mr. Ralph Conte was born in Ponza, Italy, in 1940. He immigrated to the United States in January 1956 whereupon he studied engineering at New York University. He was commissioned as an Air Force officer through OTS in June 1967, and his first assignment was at Aviano Air Base, Italy. His military career included serving in Vietnam as a member of the premier combat engineering unit in the Air Force, known as RED HORSE. He further served at Kunsan Air Base in Korea and at Wright-Patterson Air Force Base, OH. In 1975 he separated from active duty and continued service to his country as a civilian manager at Air Force Logistics Command and a NATO program manager at Ramstein Air Base, Germany. He finally settled in Virginia in June 1986, working for the Air National Guard eventually as the chief of programs.

I believe everyone in the Air National Guard will attest that very few individuals have had a greater positive impact on providing the finest facilities and installations for the Air National Guard to accomplish their missions. During his tenure at the Air National Guard, Mr. Conte was directly responsible for planning and programming facility and real property requirements worth over $7 billion to support 177 Guard locations throughout the 50 States, 3 territories, and the District of Columbia. His leadership, outstanding technical expertise, and unlimited energy have created a blueprint for success for which generations of Air National Guardsmen will reap the benefits. I offer sincere appreciation and thanks for his service, and wish him and his family the best in retirement.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:40 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 467. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional adjournment or recess of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 250. An act to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act.

S. 3693. An act to make technical corrections to the Violence Against Women and Department of Justice Reauthorization Act of2005.

S. 3741. An act to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes.

H.R. 3682. An act to redesignate the Mason Neck National Wildlife Refuge in Virginia as the Elizabeth Hartwell Mason Neck National Wildlife Refuge.

H.R. 5683. An act to preserve the Mt. Soledad Veterans Memorial in San Diego, California, by providing for the immediate acquisition of the memorial by the United States.

H.R. 5877. An act to amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006.

The enrolled bills were subsequently signed by the President pro tempore (Mr. STEVENS).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 2, 2006, she had presented to the President of the United States the following enrolled bills:

S. 250. An act to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act.

S. 3693. An act to make technical corrections to the Violence Against Women Act and Department of Justice Reauthorization Act of 2005.

S. 3741. An act to provide funding authority to facilitate the evacuation of persons from Lebanon, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–7733. A communication from the Director, Strategic Human Resources Policy Division, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Implementation of Title II of the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002—Notification & Training" (RIN3206–AK38) received on July 25 , 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7734. A communication from the Acting Senior Procurement Executive, Office of the Chief Acquisition Officer, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; Federal Acquisition Circular 2005–10" (FAC2005–10) received on July 26, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7735. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Letter Report: Certification of the Sufficiency of the Washington Convention Center Authority's Projected Revenues and Excess Reserve to Meet Projected Operating and Debt Service Expenditures and Reserve Requirements for Fiscal Year 2007"; to the Committee on Homeland Security and Governmental Affairs.

EC–7736. A communication from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report on the Mid-Session Review of the Budget of the U.S. Government for Fiscal Year 2007 received on July 26, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7737. A communication from the Secretary of Transportation , transmitting, pursuant to law, the Department of Transportation Office of Inspector General Semiannual Report for the period October 1, 2005 through March 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7738. A communication from the Chairman, National Transportation Safety Board, transmitting, pursuant to law, a report on the National Transportation Safety Board's compliance with the Federal Manager's Financial Integrity Act; to the Committee on Homeland Security and Governmental Affairs.

EC–7739. A communication from the Regulations Coordinator, Department of Health and Human Services/National Institute of Health, transmitting, pursuant to law, the report of a rule entitled "NIH Training Grants" (RIN0925–AA28) received on July 26 , 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7740. A communication from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Electronic Filing of Annual Reports" (RIN1210–AB04) received on July 21, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7741. A communication from the White House Liaison, Department of Education, transmitting, pursuant to law, the report of action on a nomination for the position of General Counsel received on July 26, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7742. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the need to lift the cap on funding available through the Repatriation program, received on July 24, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7743. A communication from the Special Assistant to the Secretary, White House Liaison, Department of Veterans Affairs, transmitting, pursuant to law, (3) reports relative to vacancy announcements within the Department, received on July 26, 2006; to the Committee on Veterans' Affairs.

EC–7744. A communication from the Under Secretary of Defense, transmitting, pursuant to law, a report entitled "Report to Congress on Collaborative Measures to Reduce the Risks of a Launch of Russian Nuclear Weapons"; to the Committee on Armed Services.

EC–7745. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the quarterly report detailing the account balance in the Defense Cooperation Account and the personal property contributed for the quarter ending June 30, 2006, received on July 28, 2006; to the Committee on Armed Services.

EC–7746. A communication from the Regulatory Specialist, Office of the Comptroller of the Currency, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Assessment of Fees" (RIN1557–AC96) received on July 27, 2006; to the Committee on Banking, Housing, and Urban Affairs.

EC–7747. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report entitled "Report to the Congress on the Refugee Resettlement Program" covering the period from October 1, 2003 to September 30, 2004; to the Committee on the Judiciary.

EC–7748. A communication from the Director, Regulations & Rulings Division, Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Major Food Allergen Labeling for Wines, Distilled Spirits, and Malt Beverages" ((RIN1513–AB08) (T.D.TTB–53)) received on July 31, 2006; to the Committee on the Judiciary.

EC–7749. A communication from the Rules Administrator, Office of General Counsel, Federal Bureau of Prisons, transmitting, pursuant to law, the report of a rule entitled "Classification and Program Review" (RIN1120–AB32) received on August 1, 2006; to the Committee on the Judiciary.

EC–7750. A communication from the Director, Office of National Drug Control Policy, transmitting, pursuant to law, the report entitled "Fiscal Year 2005 Accounting of Drug Control Funds"; to the Committee on the Judiciary.

EC–7751. A communication from the Chief of the Publication and Regulations Branch, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Coordinated Issue: Claim Revenue under a Long-Term Contract" (460.02–04) received on July 31, 2006; to the Committee on Finance.

EC–7752. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Employer Comparable Contributions to Health Savings Accounts Under Section 4980G" ((RIN1545–BE30) (TD9277)) received on July 31, 2006; to the Committee on Finance.

EC–7753. A communication from the Chief of Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Weighted Average Interest Rate Update" (Notice 2006–66) received on July 31, 2006; to the Committee on Finance.

EC–7754. A communication from the Regulations Coordinator, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities-Update-" (RIN0938–AM46) received on July 31, 2006; to the Committee on Finance.

EC–7755. A communication from the Director, Executive Services Staff, Social Security Administration, transmitting, pursuant to law, the report of a vacancy in the position of Deputy Commissioner of Social Security, Social Security Administration, received on August 1, 2006; to the Committee on Finance.

EC–7756. A communication from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "State Children's Health Insurance Program; Final Allotments to States, the District of Columbia, and U.S. Territories and Commonwealths for Fiscal Year 2007" (RIN0938–ZA17) received on July 31, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7757. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report to Congress on the "Implementation of State Policies and Procedures for Suspected Medical Neglect Relating to Disabled Infants with Life-Threatening Conditions" received on August 1, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7758. A communication from the Deputy Director of Communications and Legislative Affairs, U.S. Equal Employment Opportunity Commission, transmitting, pursuant to law, a report relative to employment programs for women and minorities as well as information on the hiring of people with disabilities in the Federal Government, received on August 1, 2006; to the Committee on Health, Education, Labor and Pensions.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Ms. COLLINS, from the Committee on Homeland Security and Governmental Affairs, with an amendment in the nature of a substitute:

S. 2590. A bill to require full disclosure of all entities and organizations receiving Federal funds.

By Ms. SNOWE, from the Committee on Small Business and Entrepreneurship, without amendment:

S. 3778. An original bill to reauthorize and improve the Small Business Act and the Small Business Act of 1958, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. STEVENS for the Committee on Commerce, Science, and Transportation.

*Charles D. Nottingham, of Virginia, to be a Member of the Surface Transportation Board for a term expiring December 31, 2010.

*Robert L. Sumwalt III, of South Carolina, to be a Member of the National Transportation Safety Board for the remainder of the term expiring December 31, 2006.

*Robert L. Sumwalt III, of South Carolina, to be a Member of the National Transportation Safety Board for a term expiring December 31, 2011.

*Sean T. Connaughton, of Virginia, to be Administrator of the Maritime Administration.

*Jay M. Cohen, of New York, to be Under Secretary for Science and Technology, Department of Homeland Security.

*Nathaniel F. Wienecke, of New York, to be an Assistant Secretary of Commerce.

Mr. STEVENS. Mr. President, for the Committee on Commerce, Science, and Transportation I report favorably the following nomination list which was printed in the RECORD on the date indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that this nomination lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

*National Oceanic and Atmospheric Administration nominations beginning with Wade J. Blake and ending with Christopher S. Moore, which nominations were received by the Senate and appeared in the Congressional Record on July 12, 2006.

By Mr. ENZI for the Committee on Health, Education, Labor, and Pensions.

*Peter Schaumber, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2010, to which position he was appointed during the recess of the Senate from July 29, 2005, to September 1, 2005.

*Ronald E. Meisburg, of Virginia, to be General Counsel of the National Labor Relations Board for a term of four years, to which position he was appointed during the last recess of the Senate.

*Wilma B. Liebman, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2011.

*Timothy Shanahan, of Illinois, to be a Member of the National Institute for Literacy Advisory Board for a term expiring November 25, 2007.

*Carmel Borders, of Kentucky, to be a Member of the National Institute for Literacy Advisory Board for a term expiring November 25, 2008.

*Donald D. Deshler, of Kansas, to be a Member of the National Institute for Literacy Advisory Board for a term expiring January 30, 2008.

*Victoria Ray Carlson, of Iowa, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

*Chad Colley, of Florida, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

*Lisa Mattheiss, of Tennessee, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

*John R. Vaughn, of Florida, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

*Kevin Owen Starr, of California, to be a Member of the National Museum and Library

Services Board for a term expiring December 6, 2009.

*Katherine M. B. Berger, of Virginia, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2010.

*Karen Brosius, of South Carolina, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2011.

*Ioannis N. Miaoulis, of Massachusetts, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2010.

*Christina Orr-Cahall, of Florida, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2010.

*Kenneth R. Weinstein, of the District of Columbia, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

*Jay Winik, of Maryland, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

*Josiah Bunting III, of Rhode Island, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

*Wilfred M. McClay, of Tennessee, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

*Robert S. Martin, of Texas, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

*Mary Habeck, of Maryland, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

*Karl Hess, of Illinois, to be a Member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 2008.

*Thomas N. Taylor, of Kansas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

*Richard F. Thompson, of California, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

*Mark R. Abbott, of Oregon, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

*John T. Bruer, of Missouri, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

*Patricia D. Galloway, of Washington, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

*Jose-Marie Griffiths, of Pennsylvania, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

*Arthur F. Rosenfeld, of Virginia, to be Federal Mediation and Conciliation Director, to which position he was appointed during the last recess of the Senate.

By Mr. ROBERTS for the Select Committee on Intelligence.

*Randall M. Fort, of Virginia, to be an Assistant Secretary of State (Intelligence and Research).

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. DOMENICI:

S. 3773. A bill to increase the number of Federal judgeships, in accordance with recommendations by the Judicial Conference, in districts that have an extraordinarily high immigration caseload; to the Committee on the Judiciary.

By Mr. BOND (for himself, Mr. LOTT, Mr. CHAMBLISS, Mr. STEVENS, Mr. COCHRAN, Mr. BURNS, Mr. HATCH, Mr. SANTORUM, Mr. CORNYN, Mr. DOMENICI, Mr. BENNETT, and Mr. ALEXANDER):

S. 3774. A bill to amend title 18, United States Code, to prohibit the unauthorized disclosure of classified information; to the Committee on the Judiciary.

By Mr. DURBIN (for himself, Mr. COLEMAN, Mr. DEWINE, Mr. FEINGOLD, and Mr. LEAHY):

S. 3775. A bill to amend the Foreign Assistance Act of 1961 to assist countries in sub-Saharan Africa in the effort to achieve internationally recognized goals in the treatment and prevention of HIV/AIDS and other major diseases and the reduction of maternal and child mortality by improving human health care capacity and improving retention of medical health professionals in sub-Saharan Africa, and for other purposes; to the Committee on Foreign Relations.

By Mr. FEINGOLD:

S. 3776. A bill to ensure the provision of high-quality health care coverage for uninsured individuals through State health care initiatives that expand coverage and access and improve quality and efficiency in the health care system; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KERRY:

S. 3777. A bill to amend the Internal Revenue Code of 1986 to ensure a fairer and simpler method of taxing controlled foreign corporations of United States shareholders, to treat certain foreign corporations managed and controlled in the United States as domestic corporations, to codify the economic substance doctrine, and to eliminate the top corporate income tax rate, and for other purposes; to the Committee on Finance.

By Ms. SNOWE:

S. 3778. An original bill to reauthorize and improve the Small Business Act and the Small Business Act of 1958, and for other purposes; from the Committee on Small Business and Entrepreneurship; placed on the calendar.

By Mrs. BOXER:

S. 3779. A bill to provide that if Congress enacts a phased-in increase in the Federal minimum wage as provided for in the Estate Tax and Extension of Tax Relief Act of 2006, the pay increase of Members of Congress will be phased-in over the same time frame; to the Committee on Homeland Security and Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DEWINE:

S. Res. 546. A resolution supporting the goals and ideals of a National Polycystic Kidney Disease Awareness Week to raise public awareness and understanding of polycystic kidney disease and to foster understanding of the impact polycystic kidney disease has on patients and future generations of their families; to the Committee on Health, Education, Labor, and Pensions.

By Ms. LANDRIEU (for herself and Mr. CRAIG):

S. Res. 547. A resolution recognizing and supporting the successes of the Adoption and Safe Families Act of 1997 in increasing adoption, observing the efforts that the Act has spurred, including National Adoption Day and National Adoption Month, and encouraging citizens of the United States to consider adoption throughout the year; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 713

At the request of Mr. ROBERTS, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of S. 713, a bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants.

S. 781

At the request of Mr. CRAPO, the name of the Senator from Missouri (Mr. TALENT) was added as a cosponsor of S. 781, a bill to preserve the use and access of pack and saddle stock animals on land administered by the National Park Service, the Bureau of Land Management, the United States Fish and Wildlife Service, or the Forest Service on which there is a historical tradition of the use of pack and saddle stock animals, and for other purposes.

S. 912

At the request of Mr. FEINGOLD, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 912, a bill to amend the Federal Water Pollution Control Act to clarify the jurisdiction of the United States over waters of the United States.

S. 1035

At the request of Mr. INHOFE, the names of the Senator from Tennessee (Mr. ALEXANDER), the Senator from Virginia (Mr. ALLEN), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Minnesota (Mr. COLEMAN), the Senator from South Carolina (Mr. DEMINT), the Senator from Kentucky (Mr. MCCONNELL), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Alabama (Mr. SESSIONS), the Senator from Alaska (Mr. STEVENS), the Senator from Louisiana (Mr. VITTER) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 1035, a bill to authorize the presentation of commemorative medals on behalf of Congress to Native Americans who served as Code Talkers during foreign conflicts in which the United States was involved during the 20th century in recognition of the service of those Native Americans to the United States.

S. 1360

At the request of Mr. SMITH, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 1360, a bill to amend the Internal Revenue Code of 1986 to extend the exclusion from gross income for employer-provided health coverage to designated plan beneficiaries of employees, and for other purposes.

S. 1934

At the request of Mr. SPECTER, the names of the Senator from New York (Mrs. CLINTON) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1934, a bill to reauthorize the grant program of the Department of Justice for reentry of offenders into the community, to establish a task force on Federal programs and activities relating to the reentry of offenders into the community, and for other purposes.

S. 2010

At the request of Mr. HATCH, the names of the Senator from Indiana (Mr. BAYH) and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 2010, a bill to amend the Social Security Act to enhance the Social Security of the Nation by ensuring adequate public-private infrastructure and to resolve to prevent, detect, treat, intervene in, and prosecute elder abuse, neglect, and exploitation, and for other purposes.

S. 2284

At the request of Ms. MIKULSKI, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2284, a bill to extend the termination date for the exemption of returning workers from the numerical limitations for temporary workers.

S. 2299

At the request of Ms. LANDRIEU, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 2299, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to restore Federal aid for the repair, restoration, and replacement of private nonprofit educational facilities that are damaged or destroyed by a major disaster.

S. 2491

At the request of Mr. CORNYN, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 2491, a bill to award a Congressional gold medal to Byron Nelson in recognition of his significant contributions to the game of golf as a player, a teacher, and a commentator.

S. 2503

At the request of Mrs. LINCOLN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2503, a bill to amend the Internal Revenue Code of 1986 to provide for an extension of the period of limitation to file claims for refunds on account of disability determinations by the Department of Veterans Affairs.

S. 2590

At the request of Mr. COBURN, the names of the Senator from Louisiana (Mr. VITTER) and the Senator from Georgia (Mr. CHAMBLISS) were added as cosponsors of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2674

At the request of Mr. AKAKA, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2674, a bill to amend the Native American Languages Act to provide for the support of Native American language survival schools, and for other purposes.

S. 3500

At the request of Mr. THOMAS, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 3500, a bill to amend title XVIII of the Social Security Act to protect and preserve access of Medicare beneficiaries in rural areas to health care providers under the Medicare program, and for other purposes.

S. 3542

At the request of Mr. DEMINT, his name was added as a cosponsor of S. 3542, a bill to improve maritime and cargo security and for other purposes.

S. 3651

At the request of Mr. DURBIN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 3651, a bill to reduce child marriage, and for other purposes.

S. 3656

At the request of Mrs. FEINSTEIN, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 3656, a bill to provide additional assistance to combat HIV/AIDS among young people, and for other purposes.

S. 3696

At the request of Mr. BROWNBACK, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 3696, a bill to amend the Revised Statutes of the United States to prevent the use of the legal system in a manner that extorts money from State and local governments, and the Federal Government, and inhibits such governments' constitutional actions under the first, tenth, and fourteenth amendments.

S. 3705

At the request of Mr. KENNEDY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 3705, a bill to amend title XIX of the Social Security Act to improve requirements under the Medicaid program for items and services furnished in or through an educational program or setting to children, including children with developmental, physical, or mental health needs, and for other purposes.

S. 3726

At the request of Mr. SANTORUM, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 3726, a bill to amend the Railroad Retirement Act of 1974 to provide for continued payment of railroad retirement annuities by the Department of the Treasury, and for other purposes.

S. 3769

At the request of Mr. ENSIGN, the names of the Senator from Florida (Mr. MARTINEZ), the Senator from Texas (Mrs. HUTCHISON) and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. 3769, a bill to encourage multilateral cooperation and authorize a program of assistance to facilitate a peaceful transition in Cuba, and for other purposes.

S. CON. RES. 72

At the request of Mr. INOUYE, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. Con. Res. 72, a concurrent resolution requesting the President to issue a proclamation annually calling upon the people of the United States to observe Global Family Day, One Day of Peace and Sharing, and for other purposes.

S. CON. RES. 84

At the request of Mr. KYL, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. Con. Res. 84, a concurrent resolution expressing the sense of Congress regarding a free trade agreement between the United States and Taiwan.

S. CON. RES. 113

At the request of Mr. SUNUNU, his name was added as a cosponsor of S. Con. Res. 113, a concurrent resolution congratulating the Magen David Adom Society in Israel for achieving full membership in the International Red Cross and Red Crescent Movement, and for other purposes.

AMENDMENT NO. 4194

At the request of Mr. CARPER, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of amendment No. 4194 intended to be proposed to H.R. 8, a bill to make the repeal of the estate tax permanent.

AMENDMENT NO. 4761

At the request of Mr. LOTT, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of amendment No. 4761 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI:

S. 3773. A bill to increase the number of Federal judgeships, in accordance with recommendations by the Judicial Conference, in districts that have an extraordinarily high immigration caseload; to the Committee on the Judiciary.

Mr. DOMENICI. Mr. President, I rise today with Senators KYL and CORNYN to introduce legislation that creates the new Federal judgeships recommended by the 2005 Judicial Conference for our U.S. district courts that have a serious overload of immigration cases.

I believe it is imperative to equip all of our Federal agencies with the assets they need to secure our borders and enforce our immigration laws. That includes equipping our U.S. district courts with enough judges to handle the criminal immigration cases that appear on their dockets. The immigration reform bill passed by the Senate in May recognizes that with increased border security and immigration enforcement there will be increased prosecutions, and the bill calls for more immigration judges to handle those prosecutions. But the bill fails to recognize that repeat immigration law violators can be charged with a felony and tried in U.S. District Court. We need to increase the number of judges in our district courts that handle such cases, particularly in those districts that are already overwhelmed with immigration cases.

The legislation I am proposing creates eleven new Federal judgeships, as recommended by the Judicial Conference, in the U.S. district courts in which at least 50 percent of their criminal cases are immigration cases. The bill affects four districts, all of which border Mexico. In fiscal year 2004, the Western District of Texas had 5599 criminal case filings, 3,688 of those cases, over 65 percent, dealt with immigration. The District Court of Arizona had 4,007 criminal filings, of which 2,404 cases, or 59 percent, were immigration filings. The Southern District of California has 2,206 immigration filings, 64 percent of their 3,400 total criminal filings. Lastly, the District of New Mexico had 2,497 criminal filings, 60 percent of them, 1,502 cases, were immigration cases.

Based on these caseloads, I think we should already be giving these districts new judgeships. But to increase our border security and immigration enforcement efforts without equipping these courts to handle the even larger immigration caseloads that they are expected to face would be tantamount to willful negligence.

The New Mexico District Chief Judge, Martha Vazquez, wrote me a letter in May about the situation the New Mexico District faces. Judge Vazquez wrote:

> As it is, the burden on Article III Judges in this District is considerable. This District ranks first among all districts in criminal filings per judgeship: 405 criminal filings compared to the national average of 87. As in all federal districts along the southwest border, the majority of cases filed in this District relate to immigration offenses under United States Code, Title 8 and drug offenses arising under Title 21. Immigration and drug cases account for eighty-five percent of the caseload in the District of New Mexico. . . In fiscal year 1997, there were 240 immigration felony filings in the District of New Mexico. By fiscal year 2005, the number of immigration felony filings increased to 1,826, which is an increase of 661 percent . . . Increasing the number of Immigration Judges will do nothing to reduce the increasing caseload in the border states' federal courts.

The Albuquerque Tribune has also documented the burden immigration cases put on district courts. An April 17 article entitled "Judges See Ripple Effect of Policy on Immigration," stated:

> U.S. District Chief Judge Martha Vazquez of Santa Fe oversees a court that faces a rising caseload from illegal border crossings and related crime. And help from Washington is by no means certain . . . From Sept. 30, 1999 to Sept. 30, 2004 (the end of the fiscal year), the caseload in the New Mexico federal district court increased 57.5 percent, from 2,804 to 4,416. In the 2004 fiscal year alone, 2,126 felony cases were heard, almost half of all cases in the entire 10th Circuit, which includes Colorado, Kansas, Oklahoma, Utah and Wyoming. Most typical immigration cases go before an immigration judge, and the subjects are deported. But people deported once and caught crossing illegally again can be charged with a felony. And that brings the defendant into federal district court. Those are the cases driving up New Mexico's caseload . . . Some days as many as 90 defendants crowd the courtroom in Las Cruces . . . The same problems are afflicting federal border courts in Arizona, California, and Texas.

Similar problems were documented in a May 23 Reuters article entitled "Bush Border Patrol Plan to Pressure Courts" which said:

> President George W. Bush's plan to send thousands of National Guard troops to the U.S.-Mexico border could spark a surge in immigration cases and U.S. courts are ill prepared to handle them . . . Even without the stepped-up security at the border, federal courts in southern California, Arizona, New Mexico and Texas have been overburdened. Carelli [a spokesman for U.S. federal courts] said those five judicial districts, out of 94 nationwide, account for 34 percent of all criminal cases moving through U.S. courts . . . Most immigrants caught crossing illegally are ordered out of the country without prosecution. But that still leaves a growing pile of cases involving illegals who are being prosecuted after being caught multiple times or those accused of other crimes . . . Nationwide, each U.S. judge handles an average of 87 cases a year. But along the southern border, even before Bush's plan moves forward, the average is around 300 per judge, Carelli said.

Mr. President, the U.S. Congress needs to address the overwhelming immigration caseload in our southwestern border U.S. district courts. The bill I am filing today with Senators KYL and CORNYN does just that by authorizing the nine permanent and two temporary judgeships recommended by the 2005 Judicial Conference for the four U.S. districts in which the immigration caseload totals more than fifty percent of those districts' total criminal caseload.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL DISTRICT COURT JUDGESHIPS.

The President shall appoint, by and with the advice and consent of the Senate, such additional district court judges as are necessary to carry out the 2005 recommendations of the Judicial Conference of the United States for district courts in which the criminal immigration filings totaled more than 50 percent of all criminal filings for the 12-month period ending September 30, 2004.

By Mr. BOND (for himself, Mr. LOTT, Mr. CHAMBLISS, Mr. STEVENS, Mr. COCHRAN, Mr. BURNS, Mr. HATCH, Mr. SANTORUM, Mr. CORNYN, Mr. DOMENICI, Mr. BENNETT, and Mr. ALEXANDER):

S. 3774. A bill to amend title 18, United States Code, to prohibit the unauthorized disclosure of classified information; to the Committee on the Judiciary.

Mr. BOND. Mr. President, I rise to talk about a related area of security. The Defense appropriations bill is extremely important, but I believe that there is another matter we should be considering. I appreciate the courtesy of the managers of the bill for allowing me to present this.

This is legislation that was passed by the Intelligence Committees in 2000. It had been adopted by unanimous vote, but it was vetoed at the time. This bill very simply provides, for the first time, a simple, clear statement of penalties for Government employees and contractors with access to classified information, who have signed agreements to keep it classified, who knowingly and willfully leak America's most important secrets. Over the past few years, we have seen unauthorized disclosures of classified information at an alarming rate. Each one of the leaks gravely increases the threat to our national security and makes it easier for our enemies to achieve their murderous and destructive plans. Each leak is a window of opportunity for terrorists to discover our sources and methods. Each violation of trust guarantees chaos and violence in the world.

Time and time again, we have witnessed leaks that told our enemies not only that we were watching them and listening to them but how and whom we are cooperating with and how we are getting the information. These leaks have threatened to erode the trust and confidence of the American people and the members of the intelligence community, as well as our allies, built upon years of work. What if during World War II. Americans had seen a leak of the Enigma Program that allowed us to decipher enemy communications and if major media outlets had joined in blowing our most sensitive secret?

Over the past year, there has arisen an apparent absence of fear of punishment in regard to arbitrary divulging of classified information. These are individuals who took solemn vows to protect our Nation. In taking a vow to protect classified information, one should acknowledge that being privy to it establishes a solemn trust. I and all of my colleagues are under obligations as Senators. And as a member of the Intelligence Committee, I have a higher standard to protect classified information. Having that access is a privilege and a trust. There are a number of stinging examples of how these leaks have compromised security. I will not call attention to them because the people who are benefiting from knowing the leaks don't need to know more about it. But a litany of intelligence officials over the past year have told me how much it hurts their efforts.

The former Director of the CIA, Porter Goss, stated in open session that there has been "very severe" damage to our national security. He repeated "very severe." I asked the same question to current CIA Director Michael Hayden in his open confirmation hearing about the leaks and he said: We have applied the Darwinian theory to terrorists. Unfortunately, we are only catching the dumb ones because the smart ones who watch the media understand what we are doing and will escape. And many others have repeated that refrain. That was before the leakage of our ability to track terrorist financing efforts occurred in papers.

As I have traveled throughout the world and talked with cooperating overseas officials, they have asked me why they should continue to work with us when we can't keep secrets. Our intelligence chiefs abroad tell me that sources now think twice before speaking with U.S. officers. They fear their information leaking. They said: How can I give you this information if it might be leaked?

What they are really worried about is that leaking their information will identify them and put themselves and their families at risk. This is something which we cannot tolerate if we are to get the intelligence we need.

This is language which has been passed before. It is very simple. It just applies to former or retired officers or employees of the United States or any person who has authorized access and who has agreed to keep it confidential.

First, let me be clear about a couple of things this legislation does not do. It only affects Government employees and contractors who have signed a nondisclosure agreement. It doesn't affect the media, businesses, or private citizens.

Second, it only regards information properly and appropriately classified, not frivolously or inappropriately classified. If there is an overclassification, then I think the courts would easily throw out the prosecution. It doesn't cover the new categories of information developed since 9/11, like sensitive but unclassified or unclassified for official use only. It limits the subject of prosecution to those knowingly and willfully disclosing to someone they know is not authorized to receive it. It is not a "gotcha" tool; it is for deliberate leakers.

Well, a Federal judge has pointed out that there is no one piece of legislation that brings together all of our outdated and disparate provisions on the law. The judge has stated that "the merits of the law are committed to Congress. If it is not sensible, it ought to be changed." This is why we are doing this.

Some of my colleagues said it is an insult that you have to pass a bill to protect classified information. One said:

> If they have taken an oath, they don't need the threat of law hanging over them to maintain that oath.

My answer to that one is, where have you been over the past year? I am sorry to inform you that some people need laws to hold them in check. More important, they need prosecution under those laws. There is nothing like an orange jumpsuit on a deliberate leaker to discourage others from going down that path.

I have heard that some say Attorney General Ashcroft recommended that the executive branch not pursue leaks legislation. That is true, but not because it wasn't needed. He said that the onus is on the executive branch to take care to instill a sense of loyalty in its employees to track down leakers and to prevent leakers. He was right. He also said that leaks legislation had value.

I am more than happy to work with my colleagues. I believe it is appropriate to have this debate at a time when Osama bin Laden and al-Zawahiri are warning the United States of future terrorist attacks. It is important to provide protection so that our men and women in the field in places of active hostility, such as Iraq and Afghanistan, can be protected by intelligence that is not compromised.

I ask unanimous consent to have printed in the RECORD a letter dated 31 July from the Association for Intelligence Officers, a group of 4,500 current and former intelligence military and homeland security officers supporting passage of this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ASSOCIATION FOR INTELLIGENCE OFFICERS,
McLean, VA, July 31, 2006.

Hon. CHRISTOPHER BOND,
Senate Select Committee on Intelligence,
U.S. Senate.

DEAR SENATOR BOND: On behalf of the Association for Intelligence Officers, a 31-year organization of over 4,500 current and former intelligence, military and homeland security officers, I write in support of your intention to introduce a bill concerning prohibition of the disclosure of classified information by individuals who sign secrecy agreements. We concur that such unauthorized actions have damaged national security.

We note that as early as the 2001 fiscal year, the Congress included such provisions in the Intelligence Authorization Act, but the legislation did not prevail over presidential veto. Since that time, no substantive remedy has appeared.

We understand that the proposed legislation will apply only to government employees and civilian contractors who promised to uphold the secrecy contracts they signed. It will not cover others, such as journalists, nor others not working for the federal government or contractors. It would prohibit only knowing and willful disclosure, so that innocent, inadvertent, or accidental disclosures would not be covered.

We believe there has been an increasing cascade of damaging disclosures of classified information such that a crisis now exists. With no serious punishments nor enforcement of penalties, we lack any meaningful impediment to this growing willful harm to the national interest. As a result, the leaks grow—essentially sabotaging our own intelligence and military operations and causing the deaths of our troops and intelligence operatives. Our allies, understandably, are losing trust that we can engage in mutual operations and hesitate to share crucial intelligence and battlefield information with us.

What leakers think is a harmless bit of back channel policymaking has repercussions down the line that constitute treason and should be treated as such.

We enthusiastically support your efforts. We are ready to provide assistance in whatever manner would prove helpful.

Very respectfully,

S. EUGENE POTEAT,
President, AFIO.

Mr. SESSIONS. Mr. President, first, I thank Senator BOND for dealing with this important issue. We have indeed reached a point in this country where I think there is confusion about the absolute responsibility and legal requirement to maintain classified information in our Government. We need to be more serious about that. He can speak with authority. His son has served in Iraq and is a fine officer. We appreciate that. He understands these issues deeply. Again, I thank Senator BOND for that.

By Mr. DURBIN (for himself, Mr. COLEMAN, Mr. DEWINE, Mr. FEINGOLD, and Mr. LEAHY):

S. 3775. A bill to amend the Foreign Assistance Act of 1961 to assist countries in sub-Saharan Africa in the effort to achieve internationally recognized goals in the treatment and prevention of HIV/AIDS and other major diseases and the reduction of maternal and child mortality by improving human health care capacity and improving retention of medical health professionals in sub-Saharan Africa, and for other purposes; to the Committee on Foreign Relations.

Mr. DURBIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3775

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "African Health Capacity Investment Act of 2006".

SEC. 2. DEFINITIONS.

In this Act, the term "HIV/AIDS" has the meaning given such term in section 104A(g) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b–2(g)).

SEC. 3. FINDINGS.

Congress makes the following findings:

(1) The World Health Report, 2003, Shaping the Future, states, "The most critical issue facing health care systems is the shortage of people who make them work.".

(2) The World Health Report, 2006, Working Together for Health, states, "The unmistakable imperative is to strengthen the workforce so that health systems can tackle crippling diseases and achieve national and global health goals. A strong human infrastructure is fundamental to closing today's gap between health promise and health reality and anticipating the health challenges of the 21st century.".

(3) The shortage of health personnel, including doctors, nurses, pharmacists, counselors, paraprofessionals, and trained lay workers is one of the leading obstacles to fighting HIV/AIDS in sub-Saharan Africa.

(4) The HIV/AIDS pandemic aggravates the shortage of health workers through loss of life and illness among medical staff, unsafe working conditions for medical personnel, and increased workloads for diminished staff, while the shortage of health personnel undermines efforts to prevent and provide care and treatment for those with HIV/AIDS.

(5) Workforce constraints and inefficient management are limiting factors in the treatment of tuberculosis, which infects over ⅓ of the global population.

(6) Over 1,200,000 people die of malaria each year. More than 75 percent of these deaths occur among African children under the age of 5 years old and the vast majority of these deaths are preventable. The Malaria Initiative of President George W. Bush seeks to reduce dramatically the disease burden of malaria through both prevention and treatment. Paraprofessionals can be instrumental in reducing mortality and economic losses associated with malaria and other health problems.

(7) For a woman in sub-Saharan Africa, the lifetime risk of maternal death is 1 out of 16. In highly developed countries, that risk is 1 out of 2,800. Increasing access to skilled birth attendants is essential to reducing maternal and newborn mortality in sub-Saharan Africa.

(8) The Second Annual Report to Congress on the progress of the President's Emergency Plan for AIDS Relief identifies the strengthening of essential health care systems through health care networks and infrastructure development as critical to the sustainability of funded assistance by the United States Government and states that "outside resources for HIV/AIDS and other development efforts must be focused on transformational initiatives that are owned by host nations". This report further states, "Alongside efforts to support community capacity-building, enhancing the capacity of health care and other systems is also crucial for sustainability. Among the obstacles to these efforts in many nations are inadequate human resources and capacity, limited institutional capacity, and systemic weaknesses in areas such as: quality assurance; financial management and accounting; health networks and infrastructure; and commodity distribution and control.".

(9) Vertical disease control programs represent vital components of United States foreign assistance policy, but human resources for health planning and management often demands a more systematic approach.

(10) Implementation of capacity-building initiatives to promote more effective human resources management and development may require an extended horizon to produce measurable results, but such efforts are critical to fulfillment of many internationally recognized objectives in global health.

(11) The November 2005 report of the Working Group on Global Health Partnerships for the High Level Forum on the Health Millennium Development Goals entitled "Best Practice Principles for Global Health Partnership Activities at Country Level", raises the concern that the collective impact of various global health programs now risks "undermining the sustainability of national development plans, distorting national priorities, diverting scarce human resources and/or establishing uncoordinated service delivery structures" in developing countries. This risk underscores the need to coordinate international donor efforts for these vital programs with one another and with recipient countries.

(12) The emigration of significant numbers of trained health care professionals from sub-Saharan African countries to the United States and other wealthier countries exacerbates often severe shortages of health care workers, undermines economic development efforts, and undercuts national and international efforts to improve access to essential health services in the region.

(13) Addressing this problem, commonly referred to as "brain drain", will require increased investments in the health sector by sub-Saharan African governments and by international partners seeking to promote economic development and improve health care and mortality outcomes in the region.

(14) Virtually every country in the world, including the United States, is experiencing a shortage of health workers. The Joint Learning Initiative on Human Resources for Health and Development estimates that the global shortage exceeds 4,000,000 workers. Shortages in sub-Saharan Africa, however, are far more acute than in any other region of the world. The World Health Report, 2006, states that "[t]he exodus of skilled professionals in the midst of so much unmet health need places Africa at the epicentre of the global health workforce crisis.".

(15) Ambassador Randall Tobias, now the Director of United States Foreign Assistance and Administrator of the United States Agency for International Development, has stated that there are more Ethiopian trained doctors practicing in Chicago than in Ethiopia.

(16) According to the United Nations Development Programme, Human Development Report 2003, approximately 3 out of 4 countries in sub-Saharan Africa have fewer than 20 physicians per 100,000 people, the minimum ratio recommended by the World Health Organization, and 13 countries have 5 or fewer physicians per 100,000 people.

(17) Nurses play particularly important roles in sub-Saharan African health care systems, but approximately ¼ of sub-Saharan African countries have fewer than 50 nurses per 100,000 people or less than ½ the staffing levels recommended by the World Health Organization.

(18) Paraprofessionals can be trained more quickly than nurses or doctors and are critically needed in sub-Saharan Africa to meet immediate health care needs.

(19) Imbalances in the distribution of countries' health workforces represents a global problem, but the impact is particularly acute in sub-Saharan Africa.

(20) In Malawi, for example, more than 95 percent of clinical officers are in urban health facilities, and about 25 percent of nurses and 50 percent of physicians are in the 4 central hospitals of Malawi. Yet the population of Malawi is estimated to be 87 percent rural.

(21) In parts of sub-Saharan Africa, such as Kenya, thousands of qualified health professionals are employed outside the health care field or are unemployed despite job openings in the health sector in rural areas because poor working and living conditions, including poor educational opportunities for children, transportation, and salaries, make such openings unattractive to candidates.

(22) The 2002 National Security Strategy of the United States stated, "The scale of the public health crisis in poor countries is enormous. In countries afflicted by epidemics and pandemics like HIV/AIDS, malaria, and tuberculosis, growth and development will be threatened until these scourges can be contained. Resources from the developed world are necessary but will be effective only with honest governance, which supports prevention programs and provides effective local infrastructure.".

(23) Public health deficiencies in sub-Saharan Africa and other parts of the developing world reduce global capacities to detect and respond to potential crises, such as an avian flu pandemic.

(24) On September 28, 2005, Secretary of State Condoleezza Rice declared that "HIV/AIDS is not only a human tragedy of enormous magnitude; it is also a threat to the stability of entire countries and to the entire regions of the world.".

(25) Foreign assistance by the United States that expands local capacities, provides commodities or training, or builds on and enhances community-based and national programs and leadership can increase the impact, efficiency, and sustainability of funded efforts by the United States.

(26) African health care professionals immigrate to the United States for the same set of reasons that have led millions of people to come to this country, including the desire for freedom, for economic opportunity, and for a better life for themselves and their children, and the rights and motivations of these individuals must be respected.

(27) Helping countries in sub-Saharan Africa increase salaries and benefits of health care professionals, improve working conditions, including the adoption of universal precautions against workplace infection, improve management of health care systems

and institutions, increase the capacity of health training institutions, and expand education opportunities will alleviate some of the pressures driving the migration of health care personnel from sub-Saharan Africa.

(28) While the scope of the problem of dire shortfalls of personnel and inadequacies of infrastructure in the sub-Saharan African health systems is immense, effective and targeted interventions to improve working conditions, management, and productivity would yield significant dividends in improved health care.

(29) Failure to address the shortage of health care professionals and paraprofessionals, and the factors pushing individuals to leave sub-Saharan Africa will undermine the objectives of United States development policy and will subvert opportunities to achieve internationally recognized goals for the treatment and prevention of HIV/AIDS and other diseases, in the reduction of child and maternal mortality, and for economic growth and development in sub-Saharan Africa.

SEC. 4. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the United States should help sub-Saharan African countries that have not already done so to develop national human resource plans within the context of comprehensive country health plans involving a wide range of stakeholders;

(2) comprehensive, rather than piecemeal approaches to advance multiple sustainable interventions will better enable countries to plan for the number of health care workers they need, determine whether they need to reorganize their health workforce, integrate workforce planning into an overall strategy to improve health system performance and impact, better budget for health care spending, and improve the delivery of health services in rural and other underserved areas;

(3) in order to promote systemic, sustainable change, the United States should seek, where possible, to strengthen existing national systems in sub-Saharan African countries to improve national capacities in areas including fiscal management, training, recruiting and retention of health workers, distribution of resources, attention to rural areas, and education;

(4) because foreign-funded efforts to fight HIV/AIDS and other diseases may also draw health personnel away from the public sector in sub-Saharan African countries, the policies and programs of the United States should, where practicable, seek to work with national and community-based health structures and seek to promote the general welfare and enhance infrastructures beyond the scope of a single disease or condition;

(5) paraprofessionals and community-level health workers can play a key role in prevention, care, and treatment services, and in the more equitable and effective distribution of health resources, and should be integrated into national health systems;

(6) given the current personnel shortages in sub-Saharan Africa, paraprofessionals represent a critical potential workforce in efforts to reduce the burdens of malaria, tuberculosis, HIV/AIDS, and other deadly and debilitating diseases;

(7) it is critically important that the governments of sub-Saharan African countries increase their own investments in education and health care;

(8) international financial institutions have an important role to play in the achievement of internationally agreed upon health goals, and in helping countries strike the appropriate balance in encouraging effective public investments in the health and education sectors, particularly as foreign assistance in these areas scales up, and promoting macroeconomic stability;

(9) public-private partnerships are needed to promote creative contracts, investments in sub-Saharan African educational systems, codes of conduct related to recruiting, and other mechanisms to alleviate the adverse impacts on sub-Saharan African countries caused by the migration of health professionals;

(10) colleges and universities of the United States, as well as other members of the private sector, can play a significant role in promoting training in medicine and public health in sub-Saharan Africa by establishing or supporting in-country programs in sub-Saharan Africa through twinning programs with educational institutions in sub-Saharan Africa or through other in-country mechanisms;

(11) given the substantial numbers of African immigrants to the United States working in the health sector, the United States should enact and implement measures to permit qualified aliens and their family members that are legally present in the United States to work temporarily as health care professionals in developing countries or in other emergency situations, as in S. 2611, of the 109th Congress, as passed by the Senate on May 25, 2006;

(12) the President, acting through the United States Permanent Representative to the United Nations, should exercise the voice and vote of the United States—

(A) to ameliorate the adverse impact on less developed countries of the migration of health personnel;

(B) to promote voluntary codes of conduct for recruiters of health personnel; and

(C) to promote respect for voluntary agreements in which individuals, in exchange for individual educational assistance, have agreed either to work in the health field in their home countries for a given period of time or to repay such assistance;

(13) the United States, like countries in other parts of the world, is experiencing a shortage of medical personnel in many occupational specialties, and the shortage is particularly acute in rural and other underserved areas of the country; and

(14) the United States should expand training opportunities for health personnel, expand incentive programs such as student loan forgiveness for Americans willing to work in underserved areas, and take other steps to increase the number of health personnel in the United States.

SEC. 5. ASSISTANCE TO INCREASE HUMAN CAPACITY IN THE HEALTH SECTOR IN SUB-SAHARAN AFRICA.

Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following new section:

"SEC. 135. ASSISTANCE TO INCREASE HUMAN CAPACITY IN THE HEALTH SECTOR IN SUB-SAHARAN AFRICA.

"(a) ASSISTANCE.—

"(1) AUTHORITY.—The President is authorized to provide assistance, including providing assistance through international or nongovernmental organizations, for programs in sub-Saharan Africa to improve human health care capacity.

"(2) TYPES OF ASSISTANCE.—Such programs should include assistance—

"(A) to provide financial and technical assistance to sub-Saharan African countries in developing and implementing new or strengthened comprehensive national health workforce plans;

"(B) to build and improve national and local capacities and sustainable health systems management in sub-Saharan African countries, including financial, strategic, and technical assistance for—

"(i) fiscal and health personnel management;

"(ii) health worker recruitment systems;

"(iii) the creation or improvement of computerized health workforce databases and other human resource information systems;

"(iv) implementation of measures to reduce corruption in the health sector; and

"(v) monitoring, evaluation, and quality assurance in the health field, including the utilization of national and district-level mapping of health care systems to determine capacity to deliver health services;

"(C) to train and retain sufficient numbers of health workers, including paraprofessionals, to provide essential health services in sub-Saharan African countries, including financing, strategic technical assistance for—

"(i) health worker safety and health care, including HIV/AIDS prevention and off-site testing and treatment programs for health workers;

"(ii) increased capacity for training health professionals and paraprofessionals in such subjects as human resources planning and management, health program management, and quality improvement;

"(iii) expanded access to secondary level math and science education;

"(iv) expanded capacity for nursing and medical schools in sub-Saharan Africa, with particular attention to incentives or mechanisms to encourage graduates to work in the health sector in their country of residence;

"(v) incentives and policies to increase retention, including salary incentives;

"(vi) modern quality improvement processes and practices;

"(vii) continuing education, distance education, and career development opportunities for health workers;

"(viii) mechanisms to promote productivity within existing and expanding health workforces; and

"(ix) achievement of minimum infrastructure requirements for health facilities, such as access to clean water;

"(D) to support sub-Saharan African countries with financing, technical support, and personnel, including paraprofessionals and community-based caregivers, to better meet the health needs of rural and other underserved populations by providing incentives to serve in these areas, and to more equitably distribute health professionals and paraprofessionals;

"(E) to support efforts to improve public health capacities in sub-Saharan Africa through education, leadership development, and other mechanisms;

"(F) to provide technical assistance, equipment, training, and supplies to assist in the improvement of health infrastructure in sub-Saharan Africa;

"(G) to promote efforts to improve systematically human resource management and development as a critical health and development issue in coordination with specific disease control programs for sub-Saharan Africa; and

"(H) to establish a global clearinghouse or similar mechanism for knowledge sharing regarding human resources for health, in consultation, if helpful, with the Global Health Workforce Alliance.

"(3) MONITORING AND EVALUATION.—

"(A) IN GENERAL.—The President shall establish a monitoring and evaluation system to measure the effectiveness of assistance by the United States to improve human health care capacity in sub-Saharan Africa in order to maximize the sustainable development impact of assistance authorized under this section and pursuant to the strategy required under subsection (b).

“(B) REQUIREMENTS.—The monitoring and evaluation system shall—

“(i) establish performance goals for assistance provided under this section;

“(ii) establish performance indicators to be used in measuring or assessing the achievement of performance goals;

“(iii) provide a basis for recommendations for adjustments to the assistance to enhance the impact of the assistance; and

“(iv) to the extent feasible, utilize and support national monitoring and evaluation systems, with the objective of improved data collection without the imposition of unnecessary new burdens.

“(b) STRATEGY OF THE UNITED STATES.—

“(1) REQUIREMENT FOR STRATEGY.—Not later than 180 days after the date of enactment of this Act, the President shall develop and transmit to the appropriate congressional committees a strategy for coordinating, implementing, and monitoring assistance programs for human health care capacity in sub-Saharan Africa.

“(2) CONTENT.—The strategy required by paragraph (1) shall include—

“(A) a description of a coordinated strategy, including coordination among agencies and departments of the Federal Government with other bilateral and multilateral donors, to provide the assistance authorized in subsection (a);

“(B) a description of a coordinated strategy to consult with sub-Saharan African countries and the African Union on how best to advance the goals of this Act; and

“(C) an analysis of how international financial institutions can most effectively assist countries in their efforts to expand and better direct public spending in the health and education sectors in tandem with the anticipated scale up of international assistance to combat HIV/AIDS and other health challenges, while simultaneously helping these countries maintain prudent fiscal balance.

“(3) FOCUS OF ANALYSIS.—It is suggested that the analysis described in paragraph (2)(C) focus on 2 or 3 selected countries in sub-Saharan Africa, including, if practical, 1 focus country as designated under the President's Emergency Plan for AIDS Relief (authorized by the United States Leadership Against Global HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law 108–25)) and 1 country without such a designation.

“(4) CONSULTATION.—The President is encouraged to develop the strategy required under paragraph (1) in consultation with the Secretary of State, the Administrator for the United States Agency for International Development, including employees of its field missions, the Global HIV/AIDS Coordinator, the Chief Executive Officer of the Millennium Challenge Corporation, the Secretary of the Treasury, the Director of the Bureau of Citizenship and Immigration Services, the Director of the Centers for Disease Control and Prevention, and other relevant agencies to ensure coordination within the Federal Government.

“(5) COORDINATION.—

“(A) DEVELOPMENT OF STRATEGY.—To ensure coordination with national strategies and objectives and other international efforts, the President should develop the strategy described in paragraph (1) by consulting appropriate officials of the United States Government and by coordinating with the following:

“(i) Other donors.

“(ii) Implementers.

“(iii) International agencies.

“(iv) Nongovernmental organizations working to increase human health capacity in sub-Saharan Africa.

“(v) The World Bank.

“(vi) The International Monetary Fund.

“(vii) The Global Fund to Fight AIDS, Tuberculosis, and Malaria.

“(viii) The World Health Organization.

“(ix) The International Labour Organization.

“(x) The United Nations Development Programme.

“(xi) The United Nations Programme on HIV/AIDS.

“(xii) The European Union.

“(xiii) The African Union.

“(B) ASSESSMENT AND COMPILATION.—The President should make the assessments and compilations required by subsection (a)(3)(B)(v), in coordination with the entities listed in subparagraph (A).

“(c) REPORT.—

“(1) IN GENERAL.—Not later than 1 year after the date on which the President submits the strategy required in subsection (b), the President shall submit to the appropriate congressional committees a report on the implementation of this section.

“(2) ASSESSMENT OF MECHANISMS FOR KNOWLEDGE SHARING.—The report described in paragraph (1) shall be accompanied by a document assessing best practices and other mechanisms for knowledge sharing about human resources for health and capacity building efforts to be shared with governments of developing countries and others seeking to promote improvements in human resources for health and capacity building.

“(d) DEFINITIONS.—In this section:

“(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

“(2) BRAIN DRAIN.—The term ‘brain drain’ means the emigration of a significant proportion of a country's professionals working in the health field to wealthier countries, with a resulting loss of personnel and often a loss in investment in education and training for the countries experiencing the emigration.

“(3) HEALTH PROFESSIONAL.—The term ‘health professional’ means a person whose occupation or training helps to identify, prevent, or treat illness or disability.

“(4) HIV/AIDS.—The term ‘HIV/AIDS’ has the meaning given such term in section 104A(g) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b–2(g)).

“(e) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to the President to carry out the provisions of this section—

“(A) $100,000,000 for fiscal year 2007;

“(B) $150,000,000 for fiscal year 2008; and

“(C) $200,000,000 for fiscal year 2009.

“(2) AVAILABILITY OF FUNDS.—Amounts made available under paragraph (1) are authorized to remain available until expended and are in addition to amounts otherwise made available for the purpose of carrying out this section.”.

By Mr. FEINGOLD:

S. 3776. A bill to ensure the provision of high-quality health care coverage for uninsured individuals through State health care initiatives that expand coverage and access and improve quality and efficiency in the health care system; to the Committee on Health, Education, Labor, and Pensions.

Mr. FEINGOLD. Mr. President, I rise today to speak about a crisis facing our country, a crisis that directly affects the lives of 46 million people in the United States, and that indirectly affects many more. The crisis is the lack of universal health insurance in America, and its effects are rippling through our families, our communities, and our economy. It is the No. 1 issue that I hear about in Wisconsin, and it is the No. 1 issue for tens of millions of Americans. Nevertheless, the issue has been largely ignored in the Halls of Congress. We sit idle, locked in a stalemate, refusing to give this life-threatening problem its due attention. We need a way to break that deadlock, and today I am introducing a bill that will do just that—the State-Based Health Care Reform Act.

I believe that health care is a fundamental right, and every American should have guaranteed health care coverage. My bill seeks to move us toward that goal in a way that I hope will be acceptable to many of my colleagues.

Every day, all over our Nation, Americans suffer from medical conditions that cause them pain and even change they way they lead their lives. Every one of us has either experienced this personally or through a family member suffering from cancer, Alzheimer's, diabetes, genetic disorders, mental illness or some other condition. The disease takes its toll on both individuals and families, as trips to the hospital for treatments such as chemotherapy test the strength of the person and the family affected. This is an incredibly difficult situation for anyone. But for the uninsured and underinsured, the suffering goes beyond physical discomfort. These 46 million Americans bear the additional burden of wondering where the next dollar for their health care bills will come from: worries of going into debt; worries of going bankrupt because of health care needs. When illness strikes families, the last thing they should have to think about is money, but I know that for many in our country, this is a persistent burden that causes stress and hopelessness.

It is difficult to do justice to the magnitude of the uninsurance problem, but I want to share a few astounding statistics. Forty-seven percent of the uninsured avoided seeking care in 2003 due to the cost. Thirty-five percent needed care but did not get it. Thirty-seven percent did not fill a prescription because of cost. The uninsured are seven times more likely to seek care in an emergency room. They are less likely to receive preventative care because they cannot afford to see the doctor, and they are more likely to die as a result. Each year, at least 18,000 people die prematurely in this country because of uninsurance. If the uninsured had access to continuous health coverage, a reduction in mortality of 5 percent to 15 percent could be achieved.

Even for those Americans who currently have health insurance through their employer, the risk of becoming uninsured is very real. Large businesses are finding themselves less competitive in the global market because of skyrocketing health care costs. Small businesses are finding it difficult to offer insurance to employees while staying competitive in their own communities. Our health care system has failed to keep costs in check, and there is simply no way we can expect businesses to keep up. More and more, employers offer sub-par benefits, or no benefits at all. Employers cannot be the sole provider of health care when these costs are rising faster than inflation.

I travel to each of Wisconsin's 72 counties every year to hold townhall meetings. Almost every year, the No. 1 issue raised at these listening sessions is the same—health care. The failure of our health care system brings people to these meetings in droves. These people used to think government involvement was a terrible idea, but not anymore. Now they come armed with their frustration, their anger, and their desperation, and they tell me that their businesses and their lives are being destroyed by health care costs, and they want the government to step in.

Our country can do better, and it will.

Last year, I was pleased to be joined by the Senator from South Carolina, Mr. GRAHAM, in introducing legislation that requires Congress to act on health care reform. It requires Congress to take up and debate universal health care bills within the first 90 days of the session following enactment of the bill. This bill does not prejudge what particular health care reform measure should be debated—it simply requires Congress to act.

Today, I am here to build on the proposal from last year. I am introducing the State-Based Health Care Reform Act. In short, this bill establishes a pilot project to provide States with the resources needed to implement universal health care reform. The bill does not dictate what kind of reform the States should implement; it just provides an incentive for action, provided the States meet certain minimum coverage and low-income requirements.

Over the years I have heard many different proposals for how we should change the health care system in this country. Some propose using tax incentives as a way to expand access to health care. Others think the best approach is to expand public programs. Some feel a national single payer health care system is the only way to go. I have my own preferences, but I don't think we can ignore any of these proposals. We need to consider all of these as we address our broken health care system.

As a former State legislator, I come to this debate appreciating the role that States are playing in coming up with some very innovative solutions to the health care problem. We are already seeing States move ahead of the Federal Government on covering the uninsured. Massachusetts recently passed into law a plan to require health insurance for all residents, and State legislators in my home State of Wisconsin, as well as Vermont, Maine, and California, are working to expand health insurance coverage in their States. The Federal Government should be encouraging these innovative initiatives, and my bill provides the mechanism for this goal to be realized.

This legislation harnesses the talent and ingenuity of Americans to come up with new solutions. This approach takes advantage of America's greatest resources—the mind power and creativity of the American people—to move our country toward the goal of a working health care system with universal coverage. With help from the Federal Government, States will be able to try new ways of covering all their residents, and our political logjam around health care will begin to loosen.

Under my proposal, States can be creative in the State resources they use to expand health care coverage. For example, a State can use personal or employer mandates for coverage, use State tax incentives, create a single-payer system or even join with neighboring States to offer a regional health care plan. The proposals are subject only to the approval of the newly created Health Care Reform Task Force, which will be composed of health care experts, consumers, and representatives from groups affected by health care reform. This task force will be responsible for choosing viable State projects and ensuring that the projects are effective. The Task Force will also help the States develop projects, and will continue a dialog with the States in order to facilitate a good relationship between the State and Federal Governments.

The task force is also charged with making sure that the State plans meet certain minimal requirements. First, the State plans must include specific target dates for decreasing the number of uninsured, and must also identify a set of minimum benefits for every covered individual. These benefits must be comparable to health insurance offered to Federal employees. Second, the State plans must include a mechanism to guarantee that the insurance is affordable. Americans should not go broke trying to keep healthy, and health care reform should ensure that individual costs are manageable. The State-Based Health Care Reform Act bases affordability on income.

Another provision in this legislation requires that the States contribute to paying for their new health care programs. The Federal Government will provide matching funds based on enhanced FMAP—the same standard used for SCHIP—and will then provide an additional 5 percent. States that can afford to provide more are encouraged to, but in order to ensure the financial viability of the bill and to ensure State buy-in, this matching requirement provides a starting point. Other than these requirements, the States largely have flexibility to design a plan that works best for their respective residents. The possibilities for reform are wide open.

One of the main criticisms of Federal Government spending on health care is that it is expensive and increases the deficit. My legislation is fully offset, ensuring that it will not increase the deficit. The bill doesn't avoid making the tough budget choices that need to be made if we are going to pay for health care reform.

One of the offsets in the bill was proposed by the Congressional Budget Office: an increase in the flat rebate paid by drug manufacturers for Medicaid prescription drugs. Currently, Medicaid recoups a portion of its drug spending through a rebate paid by the manufacturer. The savings mechanism would set a flat rebate, and provide funding for the States' health care reform projects.

Additional funding for the bill comes from the President's fiscal year 2007 budget proposal to extend the authority of the Federal Communications Commission to auction the radio spectrum and the authority of Customs and Border Protection to collect multiple different conveyance and passenger user fees through fiscal year 2016. My bill proposes similar extensions of these established authorities. Also, my bill proposes to both simplify and reduce the federal subsidy of airline passenger screening costs by replacing the current variable fee, which is capped at five dollars per one-way trip, with a flat five dollar fee. This proposal is similar to one in the President's fiscal year 2007 budget and would decrease federal subsidies to about thirty percent of passenger security costs, without reducing aviation security spending.

I also pay for this bill with an offset modeled on legislation introduced in the House by my good friend and fellow Wisconsinite TOM PETRI and in the Senate by the senior Senator from Massachusetts that seeks to save money by encouraging higher education institutions to shift from private lenders to the direct loan program, which is most cost-effective for taxpayers. Currently, the Federal Government subsidizes private lenders for the loans they issue to students and this offset would end the current taxpayer-funded subsidies while increasing financial aid to students.

We can say that it is time to move toward universal coverage, but it is empty rhetoric without a feasible plan. I believe that this is the way to make universal coverage work in this country. Universal coverage doesn't mean that we have to copy a system already in place in another country. We can harness our Nation's creativity and entrepreneurial spirit to design a system that is uniquely American. Universal coverage doesn't have to be defined by what's been attempted in the past. What universal coverage does mean is providing a solution for a broken system where millions are uninsured, and where businesses and Americans are struggling under the burden of health care costs.

It has been over 10 years since the last serious debate over health care reform was killed by special interests and the soft money contributions they used to corrupt the legislative process. The legislative landscape is now much different. Soft money can no longer be used to set the agenda, and businesses and workers are crying out as never before for Congress to do something about the country's health care crisis.

We are fortunate to live in a country that has been abundantly blessed with democracy and wealth, and yet, there are those in our society whose daily health struggles overshadow these blessings. That is an injustice, and it is one we can and must address. Martin Luther King, Jr. said, "Of all the forms of inequality, injustice in health care is the most shocking and inhumane." It is long past time for Congress to heed these words and end this terrible inequality. I urge my colleagues to support the State-Based Health Care Reform Act.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

S. 3776

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "State-Based Health Care Reform Act".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Health care remains one of the most important domestic issues for Americans.

(2) According to the Census Bureau, 45,800,000 Americans were uninsured in 2004. Over 8,000,000 of these individuals were children. The number of uninsured has increased by 6,000,000 since 2000.

(3) According to the Commonwealth Fund, many of the uninsured are employed, and an increasing number are from middle-income families:

(A) Two in five working-age Americans with annual incomes between $20,000 and $40,000 were uninsured for at least part of 2005. In 2001, just over one-quarter of those with moderate incomes were uninsured.

(B) Of the estimated 48,000,000 American adults who spent any time uninsured in 2005, two-thirds were in families where at least one person was working full time.

(4) The uninsured face serious financial problems, and often have to choose between medical care and other basic necessities. According to the Commonwealth Fund, more than half of uninsured adults reported medical debt or problems paying bills. Of those, nearly half used up all their savings to pay their bills. Two of five were unable to pay for basic necessities like food, heat, or rent because of medical bills.

(5) Health outcomes for the uninsured are worse than health outcomes for those who are covered. According to the Institute of Medicine, the number of excess deaths among uninsured adults ages 25 to 64 is estimated at around 18,000 a year. Fifty-nine percent of uninsured adults who had a chronic illness, such as diabetes or asthma, did not fill a prescription or skipped their medications because they could not afford them.

(6) The cost of providing care to the uninsured weighs heavily on the United States economy. The United States spends twice as much as any other industrialized nation on health care, and more than the United Kingdom's entire gross domestic product. According to the Kaiser Family Foundation, $124,600,000,000 was spent on care provided to individuals who were uninsured for all or part of 2004. Despite this spending, the United States ranks second to last among industrialized countries in infant mortality rates.

SEC. 3. PURPOSE.

It is the purpose of this Act to establish a program to award grants to States for the establishment of State-based projects to—

(1) increase health care coverage for uninsured individuals in selected States within the 5-year period beginning on the date of enactment of this Act;

(2) ensure high-quality health care coverage that provides adequate access to providers, services, and benefits;

(3) improve the efficiency of health care spending and lower the cost of health care for the participating State; and

(4) encourage universal health care coverage within States.

TITLE I—HEALTH CARE COVERAGE

SEC. 101. STATE-BASED HEALTH CARE COVERAGE PROGRAM.

(a) Applications by States, Multi-State Regions, Local Governments, and Tribes.—

(1) State application.—A State, in consultation with local governments, Indian tribes, and Indian organizations involved in the provision of health care (referred to in this Act as a "State"), may apply for a State health care reform grant for the entire State (or for regions of two or more States) under paragraph (2).

(2) Submission of application.—In accordance with this section, each State desiring to implement a State health care reform program shall submit an application to the Health Care Reform Task Force established under subsection (b) (referred to in this section as the "Task Force") for approval.

(3) Local government and other applications.—

(A) In general.—Where a State fails to submit an application under this section, a unit of local government of such State, or a consortium of such units of local governments, may submit an application directly to the Task Force for programs or projects under this section. Such an application shall be subject to the requirements of this section.

(B) Other applications.—Subject to such additional regulations as the Secretary may prescribe, a unit of local government, Indian tribe, or Indian health organization may submit an application under this section, whether or not the State submits such an application, if such unit, tribe, or organization can demonstrate unique demographic needs or a significant population size that warrants a substate program under this subsection.

(b) Health Care Reform Task Force.—

(1) Establishment.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall establish a Health Care Reform Task Force in accordance with this subsection.

(2) Membership.—

(A) In general.—The Task Force shall be comprised of not less than 20 members to be appointed by the Comptroller General in accordance with subparagraph (B) and the Secretary.

(B) Appointed members.—With respect to the members appointed by the Comptroller General under subparagraph (A)—

(i) such members shall include consumers of health services who represent individuals who have not had health insurance coverage during the 2-year period prior to the appointment and who have had a chronic illness and are disabled;

(ii) such members shall include individuals—

(I) with expertise in the financing of, and paying for, benefits and access to care;

(II) representing business and labor; and

(III) who are health care providers;

(iii) such members shall include individuals with expertise and experience in State health policy, State government, and local government;

(iv) such members shall have a broad geographic representation and be balanced between urban and rural areas; and

(v) such members shall not include elected officials or paid employees or representatives of associations or advocacy organizations involved in the health care system.

(3) General duties.—The Task Force shall—

(A) formally approve the application of a State for a grant under this section and the administration of a reform program within the State;

(B) establish minimum performance measures with respect to coverage, quality, and cost of State programs, as described under subsection (c)(1);

(C) conduct a thorough review of the grant application from a State and carry on a dialogue with such State applicants concerning possible modifications and adjustments;

(D) be responsible for monitoring the status and progress achieved under programs and projects granted under this section; and

(E) report to the public concerning progress made by States with respect to the performance measures and goals established under this Act, the periodic progress of the State relative to its State performance measures and goals, and the State program application procedures, by region and State jurisdiction.

(4) Period of appointment; representation requirements; vacancies.—Members shall be appointed for the life of the Task Force. In appointing members under paragraph (1)(A), the Comptroller General shall ensure the representation of urban and rural

areas and an appropriate geographic distribution of such members. Any vacancy on the Task Force shall not affect its powers, but shall be filled within a reasonable period of time and in the same manner as the original appointment.

(5) CHAIRPERSON, MEETINGS.—

(A) CHAIRPERSON.—The Task Force shall select a Chairperson from among its members.

(B) QUORUM.—A majority of the members of the Task Force shall constitute a quorum, but a lesser number of members may hold hearings.

(C) MEETINGS.—Not later than 30 days after the date on which all members of the Task Force have been appointed, the Task Force shall hold its first meeting. The Task Force shall meet at the call of the Chairperson.

(6) POWERS OF THE TASK FORCE.—

(A) NEGOTIATIONS WITH STATES.—The Task Force may conduct detailed discussions and negotiations with States submitting applications under this section, either individually or in groups, to facilitate a final set of recommendations for purposes of subsection (c)(4)(B). Such negotiations shall be conducted in a public forum.

(B) SUBCOMMITTEES.—The Task Force may establish such subcommittees as the Task Force determines are necessary to increase the efficiency of the Task Force.

(C) HEARINGS.—The Task Force may hold hearings, so long as the Task Force determines such meetings to be necessary in order to carry out the purposes of this Act, sit and act at such times and places, take such testimony, and receive such evidence as the Task Force considers advisable to carry out the purposes of this subsection.

(D) ANNUAL MEETING.—In addition to other meetings the Task Force may hold, the Task Force shall hold an annual meeting with the participating States under this section for the purpose of having States report progress toward the purposes in section 3 and for an exchange of information.

(E) INFORMATION.—The Task Force may obtain information directly from any Federal department or agency as the Task Force considers necessary to carry out the provisions of this subsection. Upon request of the Chairperson of the Task Force, the head of such department or agency shall furnish such information to the Task Force.

(F) CONTRACTING.—The Task Force may enter into contracts with qualified independent organizations (such as Mathematica or the Institute of Medicine) to obtain necessary information for the development of the performance standards, reporting requirements, financing mechanisms, or any other matters determined by the Task Force to be appropriate and reasonable.

(G) POSTAL SERVICES.—The Task Force may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(7) PERSONNEL MATTERS.—

(A) COMPENSATION.—Each member of the Task Force who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Task Force. All members of the Task Force who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(B) TRAVEL EXPENSES.—The members of the Task Force shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Task Force.

(C) STAFF.—The Chairperson of the Task Force may, without regard to the civil service laws and regulations, appoint and terminate personnel as may be necessary to enable the Task Force to perform its duties.

(D) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Task Force without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(E) TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Task Force may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(8) FUNDING.—For the purpose of carrying out this subsection, there are authorized to be appropriated $4,000,000 for fiscal year 2007 and each fiscal year thereafter.

(c) STATE PLAN.—

(1) IN GENERAL.—A State that seeks to receive a grant to operate a program under this section shall prepare and submit to the Task Force, as part of the application under subsection (a), a State health care plan that—

(A) designates the lead State entity that will be responsible for administering the State program;

(B) contains a list of the minimum benefits that will be provided to all individuals covered under the State program, which shall, at a minimum, provide for coverage that is comparable to the coverage provided for benefits under any of the plans offered under the Federal Employees Health Benefits Program under chapter 89 of title 5, United States Code or the minimum benefits required under the program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.);

(C) includes specific target dates for decreasing the number of uninsured individuals in the State; and

(D) otherwise complies with this subsection.

(2) COVERAGE.—With respect to coverage for uninsured individuals in the State, the State plan shall—

(A) provide and describe the manner in which the State will ensure that an increased number of such individuals residing within the State will have expanded access to health care coverage with a specific 5-year target for reduction in the number of uninsured individuals through either private or public program expansion, or both, such description to include the manner in which the State will ensure expanded access to health care coverage for low-income individuals within the 5-year target period;

(B) provide for improvements in the availability of appropriate health care services that will increase access to care in urban, rural, and frontier areas of the State with medically underserved populations or where there is an inadequate supply of health care providers; and

(C) describe the minimum benefits package that will be provided to every beneficiary, including information on affordability for beneficiaries.

(3) EFFECTIVENESS AND EFFICIENCY.—The State plan shall include provisions to improve the effectiveness and efficiency of health care in the State, including provisions to attempt to reduce the overall health care costs within the State.

(4) COSTS.—

(A) IN GENERAL.—With respect to the costs of health care provided under the program, the State plan shall—

(i) describe the public and private sector financing to be provided for the State health program;

(ii) estimate the amount of Federal, State, and local expenditures, as well as the costs to business and individuals under the State health program;

(iii) describe how the State plan will ensure the financial solvency of the State health program; and

(iv) contain assurances that the State will comply with the premium and cost sharing limitations described in subparagraph (B).

(B) PREMIUM AND COST SHARING LIMITATIONS.—

(i) PREMIUMS.—In providing health care coverage under a State program under this Act, the State shall ensure that—

(I) with respect to an individual whose family income is at or below 100 percent of the poverty line, the State program shall not require—

(aa) the payment of premiums for such coverage; or

(bb) the payment of cost sharing for such coverage in an amount that exceeds .5 percent of the family's income for the year involved;

(II) with respect to an individual whose family income is greater than 100 percent, but at or below 200 percent, of the poverty line, the State program shall not require—

(aa) the payment of premiums for such coverage in excess of 20 percent of the average cost of providing benefits to an individual or family or 3 percent of the amount of the family's income for the year involved; or

(bb) the payment of cost sharing for such coverage in an amount that, together with the premium amount, does not exceed 5 percent of the family's income for the year involved; and

(III) with respect to an individual whose family income is greater than 200 percent, but at or below 300 percent, of the poverty line, the State program shall not require—

(aa) the payment of premiums for such coverage in excess of 20 percent of the average cost of providing benefits to an individual or family or 5 percent of the amount of the family's income for the year involved; or

(bb) the payment of cost sharing for such coverage in an amount that, together with the premium amount, does not exceed 7 percent of the family's income for the year involved.

(ii) DEFINITION.—For purposes of this subparagraph, the term "poverty line" has the meaning given such term in section 2110(c)(5) of the Social Security Act (42 U.S.C. 1397jj(c)(5)).

(5) PROTECTION FOR LOWER INCOME INDIVIDUALS.—The State plan may only vary premiums, deductibles, coinsurance, and other cost sharing under the plan based on the family income of the family involved in a manner that does not favor individuals from families with higher income over individuals from families with lower income.

(d) REVIEW; DETERMINATION; AND PROJECT PERIOD.—

(1) INITIAL REVIEW.—With respect to a State application for a grant under subsection (a), the Secretary and the Task Force shall, not later than 90 days after receipt of such application, complete an initial review of such State application, an analysis of the scope of the proposal, and a determination of whether additional information is needed from the State. The Task Force shall advise the State within such 90-day period of the need to submit additional information.

(2) FINAL DETERMINATION.—Not later than 90 days after completion of the initial review under paragraph (1), the Task Force shall determine whether to approve such application. Such application may be approved only if ⅔ of the members of the Task Force vote to approve such application.

(3) PROGRAM OR PROJECT PERIOD.—A State program or project may be approved for a period of not to exceed 5 years and may be extended for subsequent 5-year periods upon approval by the Task Force and the Secretary, based upon achievement of targets, except that a shorter period may be requested by a State and granted by the Secretary.

(e) REQUIRED CONGRESSIONAL ACTION.—It is the sense of the Senate that, not later than 45 days after receiving the report submitted under subsection (g)(2), each committee to which such report is submitted should hold at least 1 hearing concerning such report and the recommendations contained in such report.

(f) FUNDING.—

(1) IN GENERAL.—The Secretary shall provide a grant to a State that has an application approved under subsection (d)(2) to enable such State to carry out the State health program under the grant.

(2) AMOUNT OF GRANT.—The amount of a grant provided to a State under paragraph (1) shall be determined based upon the recommendations of the Task Force, subject to the amount appropriated under subsection (k).

(3) MATCHING REQUIREMENT.—To be eligible to receive a grant under paragraph (1), a State shall provide assurances to the Secretary that the State shall contribute to the costs of carrying out activities under the grant an amount equal to not less than the product of—

(A) the amount of the grant; and

(B) the sum of the enhanced FMAP for the State (as defined in section 2105(b) of the Social Security Act (42 U.S.C. 1397ee(b))) and 5 percent.

(4) MAINTENANCE OF EFFORT.—A State, in utilizing the proceeds of a grant received under paragraph (1), shall maintain the expenditures of the State for health care coverage purposes for the support of direct health care delivery at a level equal to not less than the level of such expenditures maintained by the State for the fiscal year preceding the fiscal year for which the grant is received.

(g) REPORTS.—

(1) BY STATES.—Each State that has received a grant under subsection (f)(1) shall submit to the Task Force an annual report for the period representing the respective State's fiscal year, that shall contain a description of the results, with respect to health care coverage, quality, and costs, of the State program.

(2) BY TASK FORCE.—At the end of the 5-year period beginning on the date on which the Secretary awards the first grant under paragraph (1), the Task Force established under subsection (b) shall prepare and submit to the appropriate committees of Congress, a report on the progress made by States receiving grants under paragraph (1) in meeting the goals of expanded coverage, improved quality, and cost containment through performance measures established during the 5-year period of the grant. Such report shall contain—

(A) the recommendation of the Task Force concerning any future action that Congress should take concerning health care reform, including whether or not to extend the program established under this subsection;

(B) an evaluation of the effectiveness of State health care coverage reforms in—

(i) expanding health care coverage for State residents;

(ii) improving the quality of health care provided in the States; and

(iii) reducing or containing health care costs in the States;

(C) recommendations regarding the advisability of increasing Federal financial assistance for State ongoing or future health program initiatives, including the amount and source of such assistance; and

(D) recommendations concerning whether any particular State program should serve as a model for implementation as a national health care reform program.

(h) PROTECTIONS FOR FEDERAL PROGRAMS.—

(1) IN GENERAL.—Nothing in this Act, or in section 1115 of the Social Security Act (42 U.S.C. 1315) shall be construed as authorizing the Secretary, the Task Force, a State, or any other person or entity to alter or affect in any way the provisions of titles XIX and XXI of such Act (42 U.S.C. 1396 et seq. and 1397 et seq.) or the regulations implementing such titles.

(2) MAINTENANCE OF EFFORT.—No payment may be made under this section if the State adopts criteria for benefits, income, and resource standards and methodologies for purposes of determining an individual's eligibility for medical assistance under the State plan under title XIX that are more restrictive than those applied as of the date of enactment of this Act.

(i) MISCELLANEOUS PROVISIONS.—

(1) APPLICATION OF CERTAIN REQUIREMENTS.—

(A) RESTRICTION ON APPLICATION OF PREEXISTING CONDITION EXCLUSIONS.—

(i) IN GENERAL.—Subject to subparagraph (B), a State shall not permit the imposition of any preexisting condition exclusion for covered benefits under a program or project under this section.

(ii) GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE.—If the State program or project provides for benefits through payment for, or a contract with, a group health plan or group health insurance coverage, the program or project may permit the imposition of a preexisting condition exclusion but only insofar and to the extent that such exclusion is permitted under the applicable provisions of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 and title XXVII of the Public Health Service Act.

(B) COMPLIANCE WITH OTHER REQUIREMENTS.—Coverage offered under the program or project shall comply with the requirements of subpart 2 of part A of title XXVII of the Public Health Service Act insofar as such requirements apply with respect to a health insurance issuer that offers group health insurance coverage.

(2) PREVENTION OF DUPLICATIVE PAYMENTS.—

(A) OTHER HEALTH PLANS.—No payment shall be made to a State under this section for expenditures for health assistance provided for an individual to the extent that a private insurer (as defined by the Secretary by regulation and including a group health plan (as defined in section 607(1) of the Employee Retirement Income Security Act of 1974), a service benefit plan, and a health maintenance organization) would have been obligated to provide such assistance but for a provision of its insurance contract which has the effect of limiting or excluding such obligation because the individual is eligible for or is provided health assistance under the plan.

(B) OTHER FEDERAL GOVERNMENTAL PROGRAMS.—Except as provided in any other provision of law, no payment shall be made to a State under this section for expenditures for health assistance provided for an individual to the extent that payment has been made or can reasonably be expected to be made promptly (as determined in accordance with regulations) under any other federally operated or financed health care insurance program, other than an insurance program operated or financed by the Indian Health Service, as identified by the Secretary. For purposes of this paragraph, rules similar to the rules for overpayments under section 1903(d)(2) of the Social Security Act shall apply.

(3) APPLICATION OF CERTAIN GENERAL PROVISIONS.—The following sections of the Social Security Act shall apply to States under this section in the same manner as they apply to a State under such title XIX:

(A) TITLE xix PROVISIONS.—

(i) Section 1902(a)(4)(C) (relating to conflict of interest standards).

(ii) Paragraphs (2), (16), and (17) of section 1903(i) (relating to limitations on payment).

(iii) Section 1903(w) (relating to limitations on provider taxes and donations).

(iv) Section 1920A (relating to presumptive eligibility for children).

(B) TITLE xi PROVISIONS.—

(i) Section 1116 (relating to administrative and judicial review), but only insofar as consistent with this title.

(ii) Section 1124 (relating to disclosure of ownership and related information).

(iii) Section 1126 (relating to disclosure of information about certain convicted individuals).

(iv) Section 1128A (relating to civil monetary penalties).

(v) Section 1128B(d) (relating to criminal penalties for certain additional charges).

(vi) Section 1132 (relating to periods within which claims must be filed).

(4) RELATION TO OTHER LAWS.—

(A) HIPAA.—Health benefits coverage provided under a State program or project under this section shall be treated as creditable coverage for purposes of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and subtitle K of the Internal Revenue Code of 1986.

(B) ERISA.—Nothing in this section shall be construed as affecting or modifying section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) with respect to a group health plan (as defined in section 2791(a)(1) of the Public Health Service Act (42 U.S.C. 300gg–91(a)(1))).

(j) AUTHORIZATIONS.—

(1) IN GENERAL.—There are appropriated in each of fiscal years 2007 through 2016 to carry out this Act, an amount equal to the amount of savings to the Federal Government in each such fiscal year as a result of the enactment of the provisions of title II.

(2) USE OF FUNDS.—Amounts appropriated for a fiscal year under paragraph (1) and not

expended may be used in subsequent fiscal years to carry out this section.

(3) Limitation.—Notwithstanding any other provision of this Act, the total amount of funds appropriated to carry out this Act through fiscal year 2016 shall not exceed $32,000,000,000.

TITLE II—OFFSETS

SEC. 201. INCREASE IN REBATES FOR COVERED OUTPATIENT DRUGS.

Section 1927(c)(1)(B)(i) of the Social Security Act (42 U.S.C. 1396r-8(c)(1)(B)(i)) is amended—

(1) in subclause (IV), by striking "and" after the semicolon;

(2) in subclause (V)—

(A) by inserting "and before January 1, 2007," after "1995,"; and

(B) by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(VI) after December 31, 2006, is 20 percent.".

SEC. 202. STUDENT AID REWARD PROGRAM.

Part G of title IV of the Higher Education Act of 1965 is amended by inserting after section 489 (20 U.S.C. 1096) the end the following:

"SEC. 489A. STUDENT AID REWARD PROGRAM.

"(a) Program Authorized.—The Secretary shall carry out a Student Aid Reward Program to encourage institutions of higher education to participate in the student loan program under this title that is most cost-effective for taxpayers.

"(b) Program Requirements.—In carrying out the Student Aid Reward Program, the Secretary shall—

"(1) provide to each institution of higher education participating in the student loan program under this title that is most cost-effective for taxpayers a Student Aid Reward Payment, in an amount determined in accordance with subsection (c), to encourage the institution to participate in that student loan program;

"(2) require each institution of higher education receiving a payment under this section to provide student loans under that student loan program for a period of 5 years from the date the payment is made;

"(3) where appropriate, require that funds paid to institutions of higher education under this section be used to award students a supplement to such students' Pell Grants under subpart 1 of part A;

"(4) permit such funds to also be used to award lower and middle income graduate students need-based grants; and

"(5) encourage all institutions of higher education to participate in the Student Aid Reward Program.

"(c) Amount.—The amount of a Student Aid Reward Payment under this section shall be not less than 50 percent, and not more than 75 percent, of the savings to the Federal Government generated by the institution's participation in the student loan program under this title that is most cost-effective for taxpayers instead of the institution's participation in the student loan program not cost-effective for taxpayers.

"(d) Trigger To Ensure Cost Neutrality.—

"(1) Limit to ensure cost neutrality.—Notwithstanding subsection (c), the Secretary shall not distribute Student Aid Reward Payments under the Student Aid Reward Program that, in the aggregate, exceed the Federal savings resulting from implementation of the Student Aid Reward Program.

"(2) Federal savings.—In calculating Federal savings, as used in paragraph (1), the Secretary shall determine Federal savings on loans made to students at institutions of higher education that participate the student loan program under this title that is most cost-effective for taxpayers and that, on the date of enactment of the Student Aid Reward Program, participated in the student loan program that is not the most cost-effective for taxpayers, resulting from the difference of—

"(A) the Federal cost of loan volume made under the student loan program under this title that is most cost-effective for taxpayers; and

"(B) the Federal cost of an equivalent type and amount of loan volume made, insured, or guaranteed under the student loan program under this title that is not the most cost-effective for taxpayers.

"(3) Distribution rules.—If the Federal savings determined under paragraph (2) is not sufficient to distribute full Student Aid Reward Payments under the Student Aid Reward Program, the Secretary shall—

"(A) first make Student Aid Reward Payments to those institutions of higher education that participated in the student loan program under this title that is not the most cost-effective for taxpayers on the date of enactment of the Student Aid Reward Program; and

"(B) with any remaining Federal savings after making Payments under subparagraph (A), make Student Aid Reward Payments to the institutions of higher education not described in subparagraph (A) on a pro-rata basis.

"(4) Distribution to students.—Any institution of higher education that receives a Student Aid Reward Payment under this section—

"(A) shall distribute, where appropriate, part or all of such payment among the students of such institution who are Pell Grant recipients by awarding such students a supplemental grant; and

"(B) may distribute part of such payment as a supplemental grant to graduate students in financial need.

"(5) Estimates, adjustments, and carry over.—

"(A) Estimates and adjustments.—The Secretary may make Student Aid Reward Payments to institutions of higher education on the basis of estimates, using the best data available at the beginning of an academic/fiscal year. If the Secretary determines thereafter that loan program costs for that academic/fiscal year were different than such estimate, the Secretary shall adjust (reduce or increase) subsequent Student Aid Reward Payments rewards paid to such institutions of higher education to reflect such difference.

"(B) Carry over.—Any institution of higher education that receives a reduced Student Aid Reward Payment under paragraph (3)(B), shall remain eligible for the unpaid portion of such institution's financial reward payment, as well as any additional financial reward payments for which the institution is otherwise eligible, in subsequent academic or fiscal years.

"(e) Definition.—For purposes of this section—

"(1) the student loan program under this title that is most cost-effective for taxpayers is the loan program under part B or D of this title that has the lowest overall cost to the Federal Government (including administrative costs) for the loans authorized by such parts; and

"(2) the student loan program under this title that is not most cost-effective for taxpayers is the loan program under part B or D of this title that does not have the lowest overall cost to the Federal Government (including administrative costs) for the loans authorized by such parts.".

SEC. 203. AVIATION SECURITY SERVICE PASSENGER FEES.

Section 44940 of title 49, United States Code, is amended—

(1) in subsection (a)(1), by inserting "in an amount equal to $5.00 per one-way trip" after "uniform fee";

(2) by striking subsection (c); and

(3) in subsection (d)—

(A) in paragraph (2), by striking "subsection (d)" each place it appears and inserting "this subsection"; and

(B) in paragraph (3), by striking "in accordance with paragraph (1)" and inserting "under subsection (a)(2)".

SEC. 204. EXTENSION OF FCC SPECTRUM AUCTION AUTHORITY.

Section 309(j)(11) of the Communications Act of 1934 (47 U.S.C. 309(j)(11)) is amended by striking "2011" and inserting "2016".

SEC. 205. EXTENSION OF FEES FOR CERTAIN CUSTOMS SERVICES.

Section 13031(j)(3)(A) and (B) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(A) and (B)) is amended by striking "2014" each place it appears and inserting "2016".

By Mr. KERRY:

S. 3777. A bill to amend the Internal Revenue Code of 1986 to ensure a fairer and simpler method of taxing controlled foreign corporations of United States shareholders, to treat certain foreign corporations managed and controlled in the United States as domestic corporations, to codify the economic substance doctrine, and to eliminate the top corporate income tax rate, and for other purposes; to the Committee on Finance.

Mr. KERRY. Mr. President, today I am introducing the Export Products Not Jobs Act of 2006. Tomorrow, the Senate Finance Committee will hold a hearing to tackle the issue of tax reform and will hear from the chairman and vice chairman of the President's Advisory Panel on Federal Tax Reform. The panel's report took a broad look at our current tax law and made numerous recommendations. I agree with some of the recommendations and have concerns about others, but believe that the report provides a good starting place for a thorough discussion of tax reform.

In 1994, the IRS estimated that a family that itemized their deductions and had some interest and capital gains would spend 11½ hours preparing their Federal income tax return. This estimate has increased to 19 hours and 45 minutes in 2004. It is time for Congress to pass bipartisan tax legislation in the style of Tax Reform Act of 1986, which greatly simplified Tax Code. And our tax reform should be based upon the following three principles: fairness, simplicity, and opportunity for economic growth.

Our Tax Code is extremely complicated. Citizens and businesses struggle to comply with rules governing:

taxation of business income, capital gains, income phase-outs, extenders, the myriad savings vehicles, recordkeeping for itemized deductions, the alternative minimum tax, AMT, the earned-income tax credit, EITC, and taxation of foreign business income. I believe that our international tax system needs to be simplified and reformed to encourage businesses to remain in the United States. And today, I am introducing legislation that I hope will be fully considered as we begin our discussions on tax reform.

Presently, the complexities of our international tax system actually encourage U.S. corporations to invest overseas. Current tax laws allow companies to defer paying U.S. taxes on income earned by their foreign subsidiaries, which provides a substantial tax break for companies that move investment and jobs overseas. Today, under U.S. tax law, a company that is trying to decide where to locate production or services—either in the United States or in a foreign low-tax haven—is actually given a substantial tax incentive not only to move jobs overseas but to reinvest profits permanently, as opposed to bringing the profits back to re-invest in the United States.

Recent press articles have revealed examples of companies taking advantage of this perverse incentive in our Tax Code. For instance, some companies have taken advantage of this initiative by opening subsidiaries to serve markets throughout Europe. Much of the profit earned by these subsidiaries will stay in Ireland and the companies will therefore avoid paying U.S. taxes. Other companies have announced the expansion of jobs in India. This reflects a continued pattern among some U.S. multinational companies of shifting software development and call centers to India, and this trend is starting to expand to include the shifting of critical functions like design and research and development to India as well. Some companies are even outsourcing the preparation of U.S. tax returns.

The Export Products Not Jobs Act of 2006 would put an to end to these practices by eliminating tax breaks that encourage companies to move jobs overseas and by using the savings to create jobs in the United States by repealing the top corporate tax rate. This legislation ends tax breaks that encourage companies to move jobs by: (1) eliminating the ability of companies to defer paying U.S. taxes on foreign income; (2) closing abusive corporate tax loopholes; and (3) repealing the top corporate rate. It removes the incentive to shift jobs overseas by eliminating deferral so that companies pay taxes on their international income as they earn it, rather than being allowed to defer taxes.

Last month, the Ways and Means Subcommittee on Revenue held a hearing on international tax laws. Stephen Shay, a former Reagan Treasury official, testified that our tax rules "provide incentives to locate business activity outside the United States." Furthermore, he suggested that taxation of U.S. shareholders under an expansion of Subpart F would be a "substantial improvement" over our current system. The Export Products Not Jobs Act of 2006 does just that.

Our current tax system punishes U.S. companies that choose to create and maintain jobs in the United States. These companies pay higher taxes and suffer a competitive disadvantage with a company that chooses to move jobs to a foreign tax haven. There is no reason why our Tax Code should provide an incentive that encourages investment and job creation overseas. Under my legislation, companies would be taxed the same whether they invest abroad or at home; they will be taxed on their foreign subsidiary profits just like they are taxed on their domestic profits.

This legislation reflects the most sweeping simplification of international taxes in over 40 years. Our economy has changed in the last 40 years and our tax laws need to be updated to keep pace. Our current global economy was not even envisioned when existing law was written.

The Export Products Not Jobs Act of 2006 that I am introducing today will not hinder our global competitiveness. Companies will be able to continue to defer income they earn when they locate production in a foreign country that serves that foreign country's markets. For example, if a U.S. company wants to open a hotel in Bermuda or a car factory in India to sell cars, foreign income can still be deferred. But if a company wants to open a call center in India to answer calls from outside India or relocate abroad to sell cars back to the United States or Canada, the company must pay taxes just like call centers and auto manufacturers located in the United States.

Currently, American companies allocate their revenue not in search of the highest return, but in search of lower taxes. Eliminating deferral will improve the efficiency of the economy by making taxes neutral so that they do not encourage companies to overinvest abroad solely for tax reasons.

The Congressional Research Service stated in a 2003 report that, "[a]ccording to traditional economic theory, deferral thus reduces economic welfare by encouraging firms to undertake overseas investments that are less productive—before taxes are considered—than alternative investments in the United States." Additionally, a 2000 Department of Treasury study on deferral stated, "[a]mong all of the options considered, ending deferral would also be likely to have the most positive long-term effect on economic efficiency and welfare because it would do the most to eliminate tax considerations from decisions regarding the location of investment."

The revenue raised from the repeal of deferral and closing corporate loopholes would be used to repeal the top corporate tax rate of 35 percent. The tax differential between U. S. corporate rates and foreign corporate rates has grown over the last two decades and the repeal of the top corporate rate is a start in narrowing this gap.

The Export Products Not Jobs Act of 2006 would promote equity among U.S. taxpayers by ensuring that corporations could not eliminate or substantially reduce taxation of foreign income by separately incorporating their foreign operations. This legislation will eliminate the tax incentives to encourage U.S. companies to invest abroad and reward those companies that have chosen to invest in the United States. I urge my colleagues to join me in this effort, and ask for unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3777

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Export Products Not Jobs Act".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—FOREIGN TAX REFORM AND SIMPLIFICATION

SEC. 101. REFORM AND SIMPLIFICATION OF SUBPART F.

(a) IN GENERAL.—Subpart F of part III of subchapter N of chapter 1 (relating to controlled foreign corporations) is amended by striking sections 952, 953, and 954 and inserting the following:

"SEC. 952. SUBPART F INCOME DEFINED.

"(a) IN GENERAL.—For purposes of this subpart, except as provided in this section, the term 'subpart F income' means the gross income of the controlled foreign corporation.

"(b) EXCEPTIONS FOR CERTAIN TYPES OF INCOME.—Subpart F income shall not include—

"(1) the active home country income (as defined in section 953) of the controlled foreign corporation for the taxable year, or

"(2) any item of income for the taxable year from sources within the United States which is effectively connected with the conduct by the controlled foreign corporation of a trade or business within the United States unless such item is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States. For purposes of paragraph (2), income described in paragraph (2) or (3) of section 921(d) shall be treated as derived from sources within the United States and any exemption (or reduction) with respect to the tax imposed by section 884 shall not be taken into account.

"(c) LIMITATION BASED ON EARNINGS AND PROFITS.—

"(1) IN GENERAL.—For purposes of subsection (a), the subpart F income of any controlled foreign corporation for any taxable year shall not exceed the earnings and profits of such corporation for such taxable year.

"(2) RECHARACTERIZATION IN SUBSEQUENT TAXABLE YEARS.—If the subpart F income of any controlled foreign corporation for any taxable year was reduced by reason of paragraph (1), any excess of the earnings and profits of such corporation for any subsequent taxable year over the subpart F income of such foreign corporation for such taxable year shall be recharacterized as subpart F income under rules similar to the rules applicable under section 904(f)(5).

"(3) SPECIAL RULE FOR DETERMINING EARNINGS AND PROFITS.—For purposes of this subsection, earnings and profits of any controlled foreign corporation shall be determined without regard to paragraphs (4), (5), and (6) of section 312(n). Under regulations, the preceding sentence shall not apply to the extent it would increase earnings and profits by an amount which was previously distributed by the controlled foreign corporation.

"(d) DE MINIMIS EXCEPTION.—If the subpart F income of a controlled foreign corporation for any taxable year (determined without regard to this subsection and section 954(a)) is less than the lesser of—

"(1) 5 percent of gross income, or

"(2) $1,000,000,

the subpart F income of such corporation for such taxable year shall be treated as being equal to zero.

"(e) SPECIAL RULES RELATING TO BOYCOTTS, BRIBES, AND CERTAIN FOREIGN COUNTRIES.—

"(1) IN GENERAL.—Subpart F income of a controlled foreign corporation for any taxable year (determined without regard to this subsection) shall be increased by the sum of—

"(A) the product of—

"(i) the gross income of the corporation reduced by its subpart F income (as so determined), and

"(ii) the international boycott factor (as determined under section 999),

"(B) the sum of the amounts of any illegal bribes, kickbacks, or other payments (within the meaning of section 162(c)) paid by or on behalf of the corporation during the taxable year of the corporation directly or indirectly to an official, employee, or agent in fact of a government, and

"(C) the gross income of such corporation which is derived from any foreign country during any period during which section 901(j) applies to such foreign country and which is not otherwise treated as subpart F income (as so determined).

"(2) SPECIAL RULE FOR ILLEGAL PAYMENTS.—The payments referred to in paragraph (1)(B) are payments which would be unlawful under the Foreign Corrupt Practices Act of 1977 if the payor were a United States person.

"(3) INCOME DERIVED FROM FOREIGN COUNTRY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of paragraph (1)(C), including regulations which treat income paid through 1 or more entities as derived from a foreign country to which section 901(j) applies if such income was, without regard to such entities, derived from such country.

"SEC. 953. ACTIVE HOME COUNTRY INCOME.

"(a) IN GENERAL.—For purposes of section 952(b), the term 'active home country income' means, with respect to any controlled foreign corporation, income derived from the active and regular conduct of 1 or more trades or businesses within the home country of such corporation which constitutes—

"(1) qualified property income, or

"(2) qualified services income.

"(b) QUALIFIED PROPERTY INCOME.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified property income' means income derived in connection with—

"(A) the manufacture, production, growth, or extraction (in whole or in substantial part)of any personal property within the home country of the controlled foreign corporation, or

"(B) the resale by the controlled foreign corporation within its home country of personal property manufactured, produced, grown, or extracted (in whole or in substantial part) within that home country.

"(2) PROPERTY MUST BE USED OR CONSUMED IN HOME COUNTRY.—Paragraph (1) shall only apply to income if the personal property is sold for use or consumption within the home country.

"(c) QUALIFIED SERVICES INCOME.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified services income' means income (other than qualified property income) derived in connection with the providing of services in transactions with customers which, at the time the services are provided, are located in the home country of such corporation.

"(2) SERVICES MUST BE USED IN HOME COUNTRY.—Paragraph (1) shall only apply to income if the services—

"(A) are used or consumed in the home country of the controlled foreign corporation, or

"(B) are used in the active conduct of a trade or business by the recipient and substantially all of the activities in connection with the trade or business are conducted by the recipient in such home country.

"(3) SPECIAL RULE FOR INSURANCE INCOME.—If income of a controlled foreign corporation—

"(A) is attributable to the issuing (or reinsuring) of an insurance or annuity contract, and

"(B) would (subject to the modifications under section 954(c)(2)(B)) be taxed under subchapter L of this chapter if such income were the income of a domestic corporation,

such income shall be treated as qualified services income only if the contract covers only risks in connection with property in, liability arising out of activity in, or lives or health of residents of, the home country of such corporation.

"(4) ANTI-ABUSE RULE.—For purposes of this subsection, there shall be disregarded any item of income of a controlled foreign corporation derived in connection with any trade or business if, in the conduct of the trade or business, the corporation is not engaged in regular and continuous transactions with customers which are not related persons.

"(d) HOME COUNTRY.—For purposes of this section, the term 'home country' means, with respect to a controlled foreign corporation, the country in which such corporation is created or organized.

"SEC. 954. OTHER RULES AND DEFINITIONS RELATING TO SUBPART F INCOME.

"(a) DEDUCTIONS TO BE TAKEN INTO ACCOUNT.—For purposes of determining the subpart F income of a controlled foreign corporation for any taxable year, gross income, and any category of income described in subsection (b) or (c) of section 953, shall be reduced by deductions (including taxes) properly allocable to such income or category. The Secretary shall prescribe regulations for the application of this subsection.

"(b) ELECTION BY CONTROLLED FOREIGN CORPORATION TO BE TREATED AS DOMESTIC CORPORATION.—

"(1) IN GENERAL.—If—

"(A) a foreign corporation is a controlled foreign corporation which makes an election to have this subsection apply and waives all benefits to such corporation granted by the United States under any treaty, and

"(B) such foreign corporation meets such requirements as the Secretary shall prescribe to ensure that the taxes imposed by this chapter on such foreign corporation are paid,

such corporation shall be treated as a domestic corporation for purposes of this title.

"(2) PERIOD DURING WHICH ELECTION IS IN EFFECT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), an election under paragraph (1) shall apply to the taxable year for which made and all subsequent taxable years unless revoked with the consent of the Secretary.

"(B) TERMINATION.—If a corporation which made an election under paragraph (1) for any taxable year fails to meet the requirements of subparagraph (B) of paragraph (1) for any subsequent taxable year, such election shall not apply to such subsequent taxable year and all succeeding taxable years.

"(3) TREATMENT OF LOSSES.—If any corporation treated as a domestic corporation under this subsection is treated as a member of an affiliated group for purposes of chapter 6 (relating to consolidated returns), any loss of such corporation shall be treated as a dual consolidated loss for purposes of section 1503(d) without regard to paragraph (2)(B) thereof.

"(4) EFFECT OF ELECTION.—

"(A) IN GENERAL.—For purposes of section 367, any foreign corporation making an election under paragraph (1) shall be treated as transferring (as of the 1st day of the 1st taxable year to which such election applies) all of its assets to a domestic corporation in connection with an exchange to which section 354 applies.

"(B) EXCEPTION FOR PRE-2007 EARNINGS AND PROFIT.—

"(i) IN GENERAL.—Earnings and profits of the foreign corporation accumulated in taxable years beginning before January 1, 2007, shall not be included in the gross income of the persons holding stock in such corporation by reason of subparagraph (A).

"(ii) TREATMENT OF DISTRIBUTIONS.—For purposes of this title, any distribution made by a corporation to which an election under paragraph (1) applies out of earnings and profits accumulated in taxable years beginning before January 1, 2007, shall be treated as a distribution made by a foreign corporation.

"(iii) CERTAIN RULES TO CONTINUE TO APPLY TO PRE-2007 EARNINGS.—The provisions specified in clause (iv) shall be applied without regard to paragraph (1), except that, in the case of a corporation to which an election under paragraph (1) applies, only earnings and profits accumulated in taxable years beginning before January 1, 2007, shall be taken into account.

"(iv) SPECIFIED PROVISIONS.—The provisions specified in this clause are:

"(I) Section 1248 (relating to gain from certain sales or exchanges of stock in certain foreign corporations).

“(II) Subpart F of part III of subchapter N to the extent such subpart relates to earnings invested in United States property or amounts referred to in clause (ii) or (iii) of section 951(a)(1)(A).

“(5) EFFECT OF TERMINATION.—For purposes of section 367, if—

“(A) an election is made by a corporation under paragraph (1) for any taxable year, and

“(B) such election ceases to apply for any subsequent taxable year,

such corporation shall be treated as a domestic corporation transferring (as of the 1st day of such subsequent taxable year) all of its property to a foreign corporation in connection with an exchange to which section 354 applies.

“(c) SPECIAL RULE FOR CERTAIN CAPTIVE INSURANCE COMPANIES.—

“(1) IN GENERAL.—Solely for purposes of applying this subpart to related person insurance income—

“(A) the term ‘United States shareholder’ means, with respect to any foreign corporation, a United States person (as defined in section 957(c)) who owns (within the meaning of section 958(a)) any stock of the foreign corporation,

“(B) the term ‘controlled foreign corporation’ has the meaning given to such term by section 957(a) determined by substituting ‘25 percent or more’ for ‘more than 50 percent’, and

“(C) the pro rata share referred to in section 951(a)(1)(A)(i) shall be determined under paragraph (5) of this subsection.

“(2) RELATED PERSON INSURANCE INCOME.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘related person insurance income’ means any income which—

“(i) is attributable to a policy of insurance or reinsurance with respect to which the person (directly or indirectly) insured is a United States shareholder in the foreign corporation or a related person to such a shareholder, and

“(ii) would (subject to the modifications provided by subparagraph (B)) be taxed under subchapter L of this chapter if such income were the income of a domestic insurance company.

“(B) SPECIAL RULES.—For purposes of subparagraph (A)—

“(i) The following provisions of subchapter L shall not apply:

“(I) The small life insurance company deduction.

“(II) Section 805(a)(5) (relating to operations loss deduction).

“(III) Section 832(c)(5) (relating to certain capital losses).

“(ii) The items referred to in—

“(I) section 803(a)(1) (relating to gross amount of premiums and other considerations),

“(II) section 803(a)(2) (relating to net decrease in reserves),

“(III) section 805(a)(2) (relating to net increase in reserves), and

“(IV) section 832(b)(4) (relating to premiums earned on insurance contracts),

shall be taken into account only to the extent they are in respect of any reinsurance or the issuing of any insurance or annuity contract described in subparagraph (A).

“(iii) Reserves for any insurance or annuity contract shall be determined in the same manner as if the controlled foreign corporation were subject to tax under subchapter L, except that in applying such subchapter—

“(I) the interest rate determined for the functional currency of the corporation and which, except as provided by the Secretary, is calculated in the same manner as the Federal mid-term rate under section 1274(d), shall be substituted for the applicable Federal interest rate,

“(II) the highest assumed interest rate permitted to be used in determining foreign statement reserves shall be substituted for the prevailing State assumed interest rate, and

“(III) tables for mortality and morbidity which reasonably reflect the current mortality and morbidity risks in the corporation's home country shall be substituted for the mortality and morbidity tables otherwise used for such subchapter.

“(iv) All items of income, expenses, losses, and deductions shall be properly allocated or apportioned under regulations prescribed by the Secretary.

“(3) EXCEPTION FOR CORPORATIONS NOT HELD BY INSUREDS.—Paragraph (1) shall not apply to any foreign corporation if at all times during the taxable year of such foreign corporation—

“(A) less than 20 percent of the total combined voting power of all classes of stock of such corporation entitled to vote, and

“(B) less than 20 percent of the total value of such corporation,

is owned (directly or indirectly under the principles of section 883(c)(4)) by persons who are (directly or indirectly) insured under any policy of insurance or reinsurance issued by such corporation or who are related persons to any such person.

“(4) TREATMENT OF MUTUAL INSURANCE COMPANIES.—In the case of a mutual insurance company—

“(A) this subsection shall apply,

“(B) policyholders of such company shall be treated as shareholders, and

“(C) appropriate adjustments in the application of this subpart shall be made under regulations prescribed by the Secretary.

“(5) DETERMINATION OF PRO RATA SHARE.—

“(A) IN GENERAL.—The pro rata share determined under this paragraph for any United States shareholder is the lesser of—

“(i) the amount which would be determined under paragraph (2) of section 951(a) if—

“(I) only related person insurance income were taken into account,

“(II) stock owned (within the meaning of section 958(a)) by United States shareholders on the last day of the taxable year were the only stock in the foreign corporation, and

“(III) only distributions received by United States shareholders were taken into account under subparagraph (B) of such paragraph (2), or

“(ii) the amount which would be determined under paragraph (2) of section 951(a) if the entire earnings and profits of the foreign corporation for the taxable year were subpart F income.

“(B) COORDINATION WITH OTHER PROVISIONS.—The Secretary shall prescribe regulations providing for such modifications to the provisions of this subpart as may be necessary or appropriate by reason of subparagraph (A).

“(6) RELATED PERSON.—For purposes of this subsection—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the term ‘related person’ has the meaning given such term by subsection (d)(3).

“(B) TREATMENT OF CERTAIN LIABILITY INSURANCE POLICIES.—In the case of any policy of insurance covering liability arising from services performed as a director, officer, or employee of a corporation or as a partner or employee of a partnership, the person performing such services and the entity for which such services are performed shall be treated as related persons.

“(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including—

“(A) regulations preventing the avoidance of this subsection through cross insurance arrangements or otherwise, and

“(B) regulations which may provide that a person will not be treated as a United States shareholder under paragraph (1) with respect to any foreign corporation if neither such person (nor any related person to such person) is (directly or indirectly) insured under any policy of insurance or reinsurance issued by such foreign corporation.

“(d) OTHER DEFINITIONS AND RULES.—For purposes of this section—

“(1) TREATMENT OF BRANCHES.—If—

“(A) a controlled foreign corporation carries on activities through a branch or similar establishment with a home country other than the home country of such corporation, and

“(B) the carrying on of such activities in such manner has substantially the same effect as if such branch or similar establishment were a wholly owned subsidiary of such corporation,

this subpart shall, under regulations prescribed by the Secretary, be applied as if such branch or other establishment were a wholly owned subsidiary of such corporation.

“(2) HOME COUNTRY.—For purposes of paragraph (1)—

“(A) IN GENERAL.—The term ‘home country’ has the meaning given such term by section 953(d).

“(B) BRANCH.—In the case of a branch or similar establishment, the term ‘home country’ means the foreign country in which—

“(i) the principal place of business of the branch or similar establishment is located, and

“(ii) separate books and accounts are maintained.

“(3) RELATED PERSON DEFINED.—For purposes of this section, a person is a related person with respect to a controlled foreign corporation, if—

“(A) such person is an individual, corporation, partnership, trust, or estate which controls, or is controlled by, the controlled foreign corporation, or

“(B) such person is a corporation, partnership, trust, or estate which is controlled by the same person or persons which control the controlled foreign corporation.

For purposes of the preceding sentence, control means, with respect to a corporation, the ownership, directly or indirectly, of stock possessing more than 50 percent of the total voting power of all classes of stock entitled to vote or of the total value of stock of such corporation. In the case of a partnership, trust, or estate, control means the ownership, directly or indirectly, of more than 50 percent (by value) of the beneficial interests in such partnership, trust, or estate. For purposes of this paragraph, rules similar to the rules of section 958 shall apply.”.

(b) CONFORMING AMENDMENT.—The table of sections for subpart F of part III of subchapter N of chapter 1 is amended by striking the items relating to sections 953 and 954 and inserting:

“Sec. 953. Active home country income.
“Sec. 954. Other rules and definitions relating to subpart F income.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of controlled foreign corporations beginning after December 31, 2006, and taxable years of United States shareholders with or within which such taxable years of such corporations end.

SEC. 102. TREATMENT OF FOREIGN CORPORATIONS MANAGED AND CONTROLLED IN THE UNITED STATES AS DOMESTIC CORPORATIONS.

(a) IN GENERAL.—Section 7701(a)(4) of the Internal Revenue Code of 1986 (defining domestic) is amended to read as follows:

"(4) DOMESTIC.—

"(A) IN GENERAL.—The term 'domestic' means, when applied to a corporation or partnership, a corporation or partnership which is created or organized in the United States or under the law of the United States or of any State unless, in the case of a partnership, the Secretary provides otherwise by regulations.

"(B) INCOME TAX EXCEPTION FOR PUBLICLY-TRADED CORPORATIONS MANAGED AND CONTROLLED IN THE UNITED STATES.—Notwithstanding subparagraph (A), in the case of a corporation the stock of which is regularly traded on an established securities market, if—

"(i) the corporation would not otherwise be treated as a domestic corporation for purposes of this title, but

"(ii) the management and control of the corporation occurs primarily within the United States,

then, solely for purposes of chapter 1 (and any other provision of this title relating to chapter 1), the corporation shall be treated as a domestic corporation.

"(C) MANAGEMENT AND CONTROL.—For purposes of this paragraph, the management and control of a corporation shall be treated as primarily occurring within the United States if substantially all of the executive officers and senior management of the corporation who exercise day-to-day responsibility for making decisions involving strategic, financial, and operational policies of the corporation are primarily located within the United States. The Secretary may by regulations include other individuals not described in the preceding sentence in the determination of whether the management and control of the corporation occurs primarily within the United States if such other individuals exercise the day-to day responsibilities described in the preceding sentence.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after the date which is 2 years after the date of the enactment of this Act.

TITLE II—ECONOMIC SUBSTANCE DOCTRINE

SEC. 201. CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.

(a) IN GENERAL.—Section 7701 is amended by redesignating subsection (o) as subsection (p) and by inserting after subsection (n) the following new subsection:

"(o) CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE; ETC.—

"(1) GENERAL RULES.—

"(A) IN GENERAL.—In any case in which a court determines that the economic substance doctrine is relevant for purposes of this title to a transaction (or series of transactions), such transaction (or series of transactions) shall have economic substance only if the requirements of this paragraph are met.

"(B) DEFINITION OF ECONOMIC SUBSTANCE.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—A transaction has economic substance only if—

"(I) the transaction changes in a meaningful way (apart from Federal tax effects) the taxpayer's economic position, and

"(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

In applying subclause (II), a purpose of achieving a financial accounting benefit shall not be taken into account in determining whether a transaction has a substantial nontax purpose if the origin of such financial accounting benefit is a reduction of income tax.

"(ii) SPECIAL RULE WHERE TAXPAYER RELIES ON PROFIT POTENTIAL.—A transaction shall not be treated as having economic substance by reason of having a potential for profit unless—

"(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

"(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

"(C) TREATMENT OF FEES AND FOREIGN TAXES.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

"(2) SPECIAL RULES FOR TRANSACTIONS WITH TAX-INDIFFERENT PARTIES.—

"(A) SPECIAL RULES FOR FINANCING TRANSACTIONS.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction is substantially in excess of the present value of the anticipated economic returns of the person lending the money or providing the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

"(B) ARTIFICIAL INCOME SHIFTING AND BASIS ADJUSTMENTS.—The form of a transaction with a tax-indifferent party shall not be respected if—

"(i) it results in an allocation of income or gain to the tax-indifferent party in excess of such party's economic income or gain, or

"(ii) it results in a basis adjustment or shifting of basis on account of overstating the income or gain of the tax-indifferent party.

"(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) ECONOMIC SUBSTANCE DOCTRINE.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not allowable if the transaction does not have economic substance or lacks a business purpose.

"(B) TAX-INDIFFERENT PARTY.—The term 'tax-indifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

"(C) EXCEPTION FOR PERSONAL TRANSACTIONS OF INDIVIDUALS.—In the case of an individual, this subsection shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income.

"(D) TREATMENT OF LESSORS.—In applying paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease—

"(i) the expected net tax benefits with respect to the leased property shall not include the benefits of—

"(I) depreciation,

"(II) any tax credit, or

"(III) any other deduction as provided in guidance by the Secretary, and

"(ii) subclause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

"(4) OTHER COMMON LAW DOCTRINES NOT AFFECTED.—Except as specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law, and the requirements of this subsection shall be construed as being in addition to any such other rule of law.

"(5) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection. Such regulations may include exemptions from the application of this subsection.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 202. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662A the following new section:

"SEC. 6662B. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

"(a) IMPOSITION OF PENALTY.—If a taxpayer has an noneconomic substance transaction understatement for any taxable year, there shall be added to the tax an amount equal to 40 percent of the amount of such understatement.

"(b) REDUCTION OF PENALTY FOR DISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '20 percent' for '40 percent' with respect to the portion of any noneconomic substance transaction understatement with respect to which the relevant facts affecting the tax treatment of the item are adequately disclosed in the return or a statement attached to the return.

"(c) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

"(1) IN GENERAL.—The term 'noneconomic substance transaction understatement' means any amount which would be an understatement under section 6662A(b)(1) if section 6662A were applied by taking into account items attributable to noneconomic substance transactions rather than items to which section 6662A would apply without regard to this paragraph.

"(2) NONECONOMIC SUBSTANCE TRANSACTION.—The term 'noneconomic substance transaction' means any transaction if—

"(A) there is a lack of economic substance (within the meaning of section 7701(o)(1)) for the transaction giving rise to the claimed benefit or the transaction was not respected under section 7701(o)(2), or

"(B) the transaction fails to meet the requirements of any similar rule of law.

"(d) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

"(1) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

"(2) Applicable Rules.—The rules of paragraphs (2) and (3) of section 6707A(d) shall apply for purposes of paragraph (1).

"(e) Coordination With Other Penalties.—Except as otherwise provided in this part, the penalty imposed by this section shall be in addition to any other penalty imposed by this title.

"(f) Cross References.—

"(1) For coordination of penalty with understatements under section 6662 and other special rules, see section 6662A(e)

"(2) For reporting of penalty imposed under this section to the Securities and Exchange Commission, see section 6707A(e).".

(b) Coordination With Other Understatements and Penalties.—

(1) The second sentence of section 6662(d)(2)(A) is amended by inserting "and without regard to items with respect to which a penalty is imposed by section 6662B" before the period at the end.

(2) Subsection (e) of section 6662A is amended—

(A) in paragraph (1), by inserting "and noneconomic substance transaction understatements" after "reportable transaction understatements" both places it appears,

(B) in paragraph (2)(A), by inserting "and a noneconomic substance transaction understatement" after "reportable transaction understatement",

(C) in paragraph (2)(B), by inserting "6662B or" before "6663",

(D) in paragraph (2)(C)(i), by inserting "or section 6662B" before the period at the end,

(E) in paragraph (2)(C)(ii), by inserting "and section 6662B" after "This section",

(F) in paragraph (3), by inserting "or noneconomic substance transaction understatement" after "reportable transaction understatement", and

(G) by adding at the end the following new paragraph:

"(4) Noneconomic Substance Transaction Understatement.—For purposes of this subsection, the term 'noneconomic substance transaction understatement' has the meaning given such term by section 6662B(c).".

(3) Subsection (e) of section 6707A is amended—

(A) by striking "or" at the end of subparagraph (B), and

(B) by striking subparagraph (C) and inserting the following new subparagraphs:

"(C) is required to pay a penalty under section 6662B with respect to any noneconomic substance transaction, or

"(D) is required to pay a penalty under section 6662(h) with respect to any transaction and would (but for section 6662A(e)(2)(C)) have been subject to penalty under section 6662A at a rate prescribed under section 6662A(c) or under section 6662B,".

(c) Clerical Amendment.—The table of sections for part II of subchapter A of chapter 68 is amended by inserting after the item relating to section 6662A the following new item:

"Sec. 6662B. Penalty for understatements attributable to transactions lacking economic substance, etc."

(d) Effective Date.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 203. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONECONOMIC SUBSTANCE TRANSACTIONS.

(a) In General.—Section 163(m) (relating to interest on unpaid taxes attributable to nondisclosed reportable transactions) is amended—

(1) by striking "attributable" and all that follows and inserting the following: "attributable to—

"(1) the portion of any reportable transaction understatement (as defined in section 6662A(b)) with respect to which the requirement of section 6664(d)(2)(A) is not met, or

"(2) any noneconomic substance transaction understatement (as defined in section 6662B(c)).", and

(2) by inserting "**AND NONECONOMIC SUBSTANCE TRANSACTIONS**" in the heading thereof after "**TRANSACTIONS**".

(b) Effective Date.—The amendments made by this section shall apply to transactions after the date of the enactment of this Act in taxable years ending after such date.

TITLE III—ELIMINATION OF HIGHEST CORPORATE MARGINAL INCOME TAX RATE

SEC. 301. ELIMINATION OF HIGHEST CORPORATE MARGINAL INCOME TAX RATE.

(a) In General.—Section 11(b)(1) (relating to amount of tax imposed on corporations) is amended by striking subparagraphs (C) and (D) and inserting the following new subparagraph:

"(C) 34 percent of so much of the taxable income as exceeds $75,000.".

(b) Certain Personal Service Corporations.—Section 11(b)(2) is amended by striking "35 percent" and inserting "34 percent".

(c) Conforming Amendments.—

(1) Section 11(b)(1) is amended by striking the last sentence.

(2) Section 1201(a) is amended—

(A) by striking "35 percent" each place it appears and inserting "34 percent", and

(B) by striking "last 2 sentences" and inserting "last sentence".

(3) Paragraphs (1) and (2) of section 1445(e) are each amended by striking "35 percent" and inserting "34 percent".

(4) Section 1561(a) is amended by striking "last 2 sentences" and inserting "last sentence".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

By Ms. SNOWE:

S. 3778. An original bill to reauthorize and improve the Small Business Act and the Small Business Act of 1958, and for other purposes; from the Committee on Small Business and Entrepreneurship; placed on the calendar.

Ms. SNOWE. Mr. President, as chair of the Senate Committee on Small Business and Entrepreneurship, I rise today to introduce a bill, The Small Business Reauthorization and Improvements Act of 2006, that was reported by the committee on a vote of 18 to 0.

I strongly believe we must do everything possible to sustain prosperity and job creation throughout Maine and the United States. To achieve that goal, I have long fought to expand the reach of Small Business Administration programs that have helped millions of aspiring entrepreneurs and existing small businesses.

Today is a pivotal time for the SBA. A new Administrator, Steven C. Preston, has been sworn in, and I have held hearings on the reauthorization of the agency's programs that are set to expire September 30, 2006. The reauthorization and funding of SBA programs is vital to the continued growth of the economy and the small business community. My goal is for the process to conclude with a renewed SBA that is completely dedicated to fostering small business ownership and job creation in America.

The SBA's fundamental purpose is to "aid, counsel, assist, and protect the interests of small-business concerns." The methods for carrying out this congressional mandate include a wide array of financial, procurement, management, and technical assistance programs tailored to encourage small business growth and expansion. As the economy continues to grow, it is essential that Congress affirms long-term stability in the programs the SBA provides to the small business community. The American economy needs a strong and vibrant SBA because small businesses represent 99 percent of all employers, create nearly 75 percent of all net new jobs, and employ 51 percent of the private-sector workforce.

There is no doubt that SBA's technical assistance programs have demonstrated impressive growth. During fiscal year 2005, the SBA provided 56.739 small businesses with technical assistance. That was an astounding 46.4 percent increase from the 38.754 small businesses assisted in fiscal year 2004.

If there is truth in numbers, the SBA has numerous "truths" it can and should tout. Its record of achievement for fiscal year 2005 alone includes:

Counseling 1.5 million entrepreneurs through the agency's Small Business Development Centers, Business Information Centers, SCORE and Women's Business Centers;

approving over 89,000 business loans through the 7(a) and 504 lending programs;

funding 74,307 7(a) program loans to small businesses for a total of more than $14 billion; and

a doubling of small business lending since 2001, with nearly a third of SBA-backed loans being made to minority-owned small businesses.

Despite a drastically declining share of the Federal budget, the data clearly indicate that the SBA's programs have created or retained a significant number of jobs over the last several years. Between fiscal year 1999 and fiscal year 2004, the SBA's Offices of Advocacy and Legislative Affairs report that the SBA's lending and technical assistance programs enabled participating small businesses to create or retain 4.4 million new jobs. In addition, the SBA's programs have helped to create or retain more jobs during each passing year. In fiscal year 2004, the SBA's programs created or retained 51.2 percent more jobs than they did in fiscal 1999.

Our goal is to build on these tremendous successes. The building blocks for a successful reauthorization are a bipartisan bill: The Small Business Reauthorization and Improvements Act. It is cosponsored by Ranking Member KERRY, Senator VITTER, Senator LANDRIEU, Senator CANTWELL, Senator LIEBERMAN and Senator ISAKSON. This legislation will:

Reform the SBA's largest small business financing program, the section 7(a) loan program, which provided almost $15 billion in loans to small businesses last year, by increasing the maximum size of a loan from $2 million to $3 million.

Require the SBA to implement a more efficient test for loan eligibility that measures businesses' revenues, rather than merely their number of employees.

Establish a national preferred lender program to increase small businesses' access to capital by reducing duplicative administrative burdens on small business loans.

Restructure the Small Business Investment Company Program, an innovative public-private venture capital partnership that has provided more than $25 billion in financing to small businesses.

Expand the SBA's capability to assist disaster victims by allowing private lenders to make loans at lower interest rates.

Increase Federal authority to prosecute, suspend, and debar large corporations which obtain government contracts by misrepresenting themselves as small businesses.

Create a stronger system of SBA size standards to ensure that Federal agencies respect SBA decisions on whether a company that receives a government contract is truly a small business.

Address the small business health insurance crisis by creating a competitive pilot grant program for Small Business Development Centers. SBDCs, to provide counseling and resources to small businesses about health insurance options in their geographic areas.

The legislation also rejects new loan fees. I strongly oppose SBA's proposal to increase fees for these programs. The fees would be charged against every loan that is greater than $1 million. In the 7(a) program, this is 3 percent of loans; in the 504 program, it is 15 percent of loans; and in the SBIC program it's 100 percent of the loans. A fee increase is not the way to balance the budget and it remains wholly unacceptable, to put it mildly.

Increasing fees charged to small businesses end up hurting—not helping our Nation's small businesses. When we consider that the SBA's budget represents less than 3/100ths of a percent of the total Federal budget, is this really the place for the administration to find additional savings? Congress must always strive to ensure that all small businesses are able to access SBA's financing programs without additional penalties.

In 2005, SBA programs disbursed recordbreaking totals of loans to small businesses, both in the number of loans and total dollar value provided to small businesses. During the last fiscal year, the SBA guaranteed over $24 billion in loans and venture capital for small businesses, the highest level of capital ever provided. This included over $1 million in 90 loans to Mainers through the Microloan program, which is an inexpensive program the Bush administration has targeted for elimination.

The SBA's programs demonstrate how Congress can play a positive role in enhancing private-sector financing for start-up companies. Since 1953, nearly 20 million small business owners have received direct or indirect help from one of the SBA's lending or technical assistance programs, making the agency one of the government's most cost-effective instruments for economic development.

SBA loan and investment programs have produced success story after success story, which include assisting the founders of Intel, Staples, and Federal Express, as well as thousands of other successful businesses. This bill will build upon these past successes and make the SBA even more effective.

The American economy needs a strong and vibrant Small Business Administration. This committee is here to help improve the SBA in any way possible to ensure the success of tomorrow's entrepreneurs. Of course, the agency has been subjected to criticism, including my own. We can move beyond criticism and find solutions to the problems that have plagued the SBA and transform it into an agency that is led with the same dedication to excellence found in the entrepreneurs it serves. The Small Business Reauthorization And Improvements Act will help us achieve that goal.

Mr. KERRY. Mr. President, I rise today as ranking Democrat on the Committee on Small Business and Entrepreneurship, in support of a bipartisan bill being reported out of our committee, the Small Business Reauthorization and Improvements Act of 2006. This bill, which originated in our committee and which is the product of many Senators' work, was voted out unanimously, 18 to 0. While there are no official cosponsors of the legislation because it is an original bill being reported out of committee, I would have been pleased to be added as an original cosponsor, and Senators LANDRIEU, CANTWELL, LIEBERMAN and VITTER also asked to be added as cosponsors. I would like to thank my colleague from Maine, Senator SNOWE, for making this a bipartisan process. This is the fourth Small Business reauthorization bill I have worked on, having been a member of the committee for 21 years. Our committee has the reputation for working across party lines to put what is important for small businesses first, and I appreciate that the Chair and her staff have worked with us on reauthorization with that goal in mind. The result is a comprehensive approach to reauthorizing the SBA for the next 3 years that includes not Republican or Democratic priorities but instead the priorities of America's small businesses.

This reauthorization could not have came at a more opportune time to tackle some of the issues that are eating away at our small business programs and at the core mission of the SBA—which is to foster small business growth and bridge the gaps left by the private sector.

One of the most important things we are here to do today is to address the shortcomings and failures of the SBA's disaster loan program. Nearly a year has passed since Hurricanes Katrina, Rita and Wilma battered the gulf coast, and in that year I have visited New Orleans on three occasions. I can tell you that many of the streets are still covered in debris, and that many of the region's small businesses are barely keeping their doors open. The SBA needs to be prepared to handle an emergency of this magnitude. Thanks in large part to the hard work of Senator LANDRIEU and her dedicated staff, this bill provides the tools to respond swiftly and effectively following future large scale disasters.

Through federally guaranteed bridge loans, States can offer small businesses short-term access to capital so that they can remain open while they wait for other sources of assistance to come through. We provide the President with the authority to declare a new category of disaster—a catastrophic national disaster—which triggers nationwide economic injury disaster loans for businesses located outside the immediate geographic disaster area. And we improve the way SBA and FEMA coordinate disaster assistance. A greater importance needs to be placed on serving the victims, by making the process of applying for and receiving Federal assistance as painless and user friendly as possible. That is why we give the SBA the authority to work with private lenders to get disaster loans out quickly—an idea that members of our committee tried to get SBA to embrace last year. This will only work if we can ensure that these loans do not come at a high cost to disaster victims. We are hopeful that our approach will keep interest rates down.

This bill also addresses the effects that the energy crisis is having on America's small businesses. Gas prices are once again approaching record highs, and for the small businesses that depend on fuel to put food on the table, rising prices mean more than having to decide whether or not to drive to work. Included in the bill is the bipartisan Small Business Energy Emergency Relief Act, a bill which has passed the Senate before, which provides low-interest loans to small businesses dependent on fuel. The loans are triggered when oil prices increase significantly over the average price from the previous two years. This proposal is complemented by Chair SNOWE's 7(a) express loans for small businesses that are willing to invest in renewable energy solutions.

In looking at our core programs, this bill makes a strong statement about the need for the SBA to fill the lending gap in our minority communities. It is unacceptable that since 2001, while numbers of 7(a) loans have gone up for African Americans, the actual dollars loaned have remained stagnant. In the Microloan program, African Americans received 28 percent of the total number of microloans made in 2001 as compared to only 21 percent of the total number of loans made in 2005. Native Americans went from 2 percent of the total number of microloans made in 2001 to less than 1 percent—a mere .93 percent—in 2005. If this trend continues—Native Americans alone will be completely cut out of the Microloan program. The stagnant lending in these communities represents a failure of this administration to expand access to capital to our underserved communities, communities where conventional lending is not meeting the need.

The bill provides an incredible framework for the SBA to reverse this trend. It creates an Office of Minority Small Business Development at the SBA, similar to offices devoted to business development of veterans and women and rural areas, and, it creates a grant program to develop a cross campus curriculum at Historically Black Colleges and Universities, Tribal Colleges, and Hispanic-Serving Institutions to encourage minority students in a wide range of fields to consider entrepreneurship. There is much to be done to bridge the wealth gap in minority communities and this is one approach worth pursuing. Finally, the bill incorporates legislation from my colleague, Senator JOHNSON, to provide financial assistance to tribal governments, tribal colleges, Native Hawaiian organizations, and Alaska Native corporations to create Native American business centers.

One of the keys to ensuring access to capital is making sure that SBA-backed financing remains affordable to the small business community. As we all know, the administration insisted on eliminating all funding for 7(a) loans and shifting the cost to borrowers and lenders by imposing higher fees. The President's budget reveals that borrowers and lenders already pay too much in fees, generating more than $800 million in overpayments since 1992 because the government routinely overestimates the amount of fees needed to cover the cost of the program. This bill seeks to address overpayments by requiring the SBA to lower fees if borrowers and lenders pay more than is necessary to cover the program costs or if the Congress appropriates money for the program.

The bill also reauthorizes the PRIME program through 2009 and includes a provision that Senator BINGAMAN and I worked closely to develop that will expand PRIME with a separate $2 million authorization to provide technical assistance and counseling to disadvantaged Native American small business owners. The bill also includes technical yet important changes in the Microloan program such as making loans to persons with disabilities as one of the statutorily enumerated "purposes" of the Microloan program and changing the average smaller loan size in the Microloan program from $7,500 to $10,000.

In reauthorizing one of our other core programs, SBA's 504 loan program, I am pleased that we were able to come up with a bipartisan approach to preserving the local economic development focus of the program. The ability of our certified development companies, CDCs, to expand operations into multiple States, in conjunction with the growing demand for 504 loans, required that we put in place accountability measures. The 504 program was not created for CDCs to expand operations and simply create revenue from one state to another. CDCs are more than lenders and should not act like for-profit banks. This bill allows CDC board members to serve on another CDC board, but institutes safeguards to prevent control of multiple boards.

The bill also incorporates legislation I have introduced to create a Child Care Lending Pilot Program to expand the availability of affordable, quality childcare in this country by using the 504 loan program to spur the establishment and expansion of childcare providers. Right now only for-profit childcare businesses are eligible for 504 loans, yet in some States a majority of affordable childcare is delivered through nonprofit providers and in the neediest communities nonprofits are often the only provider.

I am pleased that our bill reauthorizes the Women's Business Centers and makes permanent the Women's Business Center Sustainability Pilot Program through the creation of 3-year "renewal" grants for centers with sustainability grants, and 4-year "initial" grants for new centers across the country. We should not be abandoning our existing centers—many of which leverage Federal dollars to do excellent work in our communities—to run and create new ones. Senator SNOWE and I have been fighting for this for a long time, since I first introduced legislation in 1999: It is time we get this adopted. Our bill also reauthorizes Small Business Development Centers and builds on this excellent resource by creating a pilot program to provide regulatory assistance to small businesses, in addition to the role SBDCs play in the minority entrepreneurship initiative.

One area of our bill which does not deal with reauthorizing SBA programs is just as critical to small businesses—Federal contracting. Earlier this month, we heard the new SBA inspector general Eric Thorson testify about the largest impediments to small businesses receiving their fair share of prime and subcontracting opportunities. He explained how many of the problems in applying and enforcing small business contracting statutes are simply due to contracting officer error. Contracting officers do not know or do not care about small business requirements, and small businesses suffer the consequences. This bill seeks to do something about the disregard that is shown to small businesses with respect to federal procurement policy.

Procurement center representatives, or PCRs, are responsible for advocating on behalf of small businesses in cases affecting Federal contracting, such as the bundling or consolidation of contracts. Unfortunately, there are not enough of them to effectively get the job done. By requiring the SBA to assign no fewer than one PCR per major procurement center, this bill takes steps to limit the incidence of contractor error referred to by Mr. Thorson. We can no longer tolerate the level of neglect that is currently the norm. It is time for the SBA to staff up and fulfill its responsibility as a watchdog for small businesses.

In addition to mandating adequate staffing levels, this bill takes many significant steps to enforce subcontracting and bundling laws already on the books. Firms bidding for small business contracts are required to certify annually as small businesses so we do not have large businesses taking small business contracts, and large prime contractors are required to certify that subcontracting goals will be met. If subcontractors are not paid on a timely basis, Federal agencies are permitted to withhold payments and to pay subcontractors directly. We must stop fraudulent misrepresentation by large firms, and require the administration to start looking out for the interests of small firms that want to do business with the Federal Government.

The time has also come to implement the women's procurement program. The administration has postponed implementing a women's procurement program that became law 6 years ago. This bill tells SBA to get it done within 90 days. It also makes clear that

America's service disabled veteran small businesses deserve the same advantages as other subgroups with respect to sole source contracting. Our veterans are returning from Iraq and Afghanistan, and we owe it to them to give them every opportunity at fulfilling the dream of entrepreneurship.

Another program sorely needing our attention: The 8(a) program was created to assist socially and economically disadvantaged small businesses, but the financial threshold for inclusion in the program is out dated and too restrictive. This bill allows for an inflationary adjustment to be made so that businesses that belong in this program aren't being shut out.

Finally, let me say a few words about SBIR, the Small Business Innovation Research Program. The Small Business Committee had a hearing on SBIR earlier this month, and at that time, I made clear my concern that we were being premature in going ahead with reauthorizing SBIR when the program's authorization doesn't expire until 2008. There is a $5 million National Academy of Sciences study due to come out at the end of this year that I am certain will give us much to consider. Yet, this bill does reauthorize SBIR, making it permanent, and it includes some strong provisions to protect SBIR companies' intellectual property and to reign in excessively large awards—which are a particular problem at NIH. While SBIR Phase IIs are supposed to be $750,000, NIH Phase II are often larger. One Phase II award reportedly equalled $6 million. While the firms getting these large awards may be doing important work, we need to keep in mind that if one firm receives $6 million, there are many firms that are not getting Phase IIs at all. That is why I am glad that we have adopted Senator BAYH's proposal to increase the overall share of SBIR funds from 2.5 percent to 5 percent of Federal research budgets, so that more small businesses will have a chance to compete in this program. I also support several provisions in the bill to encourage commercialization, one of the biggest challenges facing the program.

There is one provision in this bill that was added during our committee markup which concerns me, a provision which gives Federal agencies the option to direct 25 percent of SBIR funds to firms which are majority backed by venture capital investment. The firms which will benefit from this provision are primarily biotechnology firms and no one disagrees that they are doing critical work and should receive Federal support. I am committed to finding a way to help biotechnology firms but I am concerned that this set-aside may crowd out small firms that are not blessed with venture capital. SBIR is the only Federal research and development program devoted to small business and it has been universally praised for fostering innovative technologies and lifesaving therapies and medical devices that may never attract the support of venture capital firms. SBIR serves as seed funding for the companies that are willing to take on these research and development projects. It is important to retain the integrity of this program, and I look forward to working with my colleagues to find a way to strike a balance so that we can continue to support cutting edge research that is at so early a stage it has yet to attract the private sector.

Mr. President, before I close, I want to note that while this bill is truly bipartisan, so was our last reauthorization bill back in 2003, S. 1375. However, the reauthorization bill that was finally adopted back in 2004, was a notably partisan product, attached to an omnibus appropriations bill, with almost all Democratic provisions dropped. I urge the Senate to maintain today's spirit of bipartisanship as we move forward, so that the final reauthorization bill truly reflects all of our efforts.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 546—SUPPORTING THE GOALS AND IDEALS OF A NATIONAL POLYCYSTIC KIDNEY DISEASE AWARENESS WEEK TO RAISE PUBLIC AWARENESS AND UNDERSTANDING OF POLYCYSTIC KIDNEY DISEASE AND TO FOSTER UNDERSTANDING OF THE IMPACT POLYCYSTIC KIDNEY DISEASE HAS ON PATIENTS AND FUTURE GENERATIONS OF THEIR FAMILIES

Mr. DEWINE submitted the following resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. RES. 546

Whereas polycystic kidney disease (known as "PKD") is the most prevalent life-threatening genetic disease in the United States, is a severe, dominantly inherited disease that has a devastating impact, in both human and economic terms, on people of all ages, and affects equally people of all races, sexes, nationalities, geographic locations, and income levels;

Whereas, based on prevalence estimates by the National Institutes of Health, it is estimated that about 600,000 patients in the United States have a genetic inheritance from 1 or both parents called polycystic kidney disease, and that countless additional friends, loved ones, spouses, and caregivers must shoulder the physical, emotional, and financial burdens that polycystic kidney disease causes;

Whereas polycystic kidney disease, for which there is no cure, is 1 of the 4 leading causes of kidney failure in the United States;

Whereas the vast majority of polycystic kidney disease patients reach kidney failure at an average age of 53, causing a severe strain on dialysis and kidney transplantation resources and on the delivery of health care in the United States, as the largest segment of the population of the United States, the "baby boomers", continues to age;

Whereas end stage renal disease is one of the fastest growing components of the Medicare budget, and polycystic kidney disease contributes to that cost by an estimated $2,000,000,000 annually for dialysis, kidney transplantation, and related therapies;

Whereas polycystic kidney disease is a systemic disease that causes damage to the kidney and the cardiovascular, endocrine, hepatic, and gastrointestinal organ systems and instills in patients a fear of an unknown future with a life-threatening genetic disease and apprehension over possible genetic discrimination;

Whereas the severity of the symptoms of polycystic kidney disease and the limited public awareness of the disease causes many patients to live in denial and forego regular visits to their physicians or to avoid following good health management which would help avoid more severe complications when kidney failure occurs;

Whereas people who have chronic, life-threatening diseases like polycystic kidney disease have a predisposition to depression (7 times the national average) and its resultant consequences due to their anxiety over pain, suffering, and premature death;

Whereas the Senate and taxpayers of the United States desire to see treatments and cures for disease and would like to see results from investments in research conducted by the National Institutes of Health and from such initiatives as the NIH Roadmap to the Future;

Whereas polycystic kidney disease is a verifiable example of how collaboration, technological innovation, scientific momentum, and public-private partnerships can generate therapeutic interventions that directly benefit polycystic kidney disease sufferers, save billions of Federal dollars under Medicare, Medicaid, and other programs for dialysis, kidney transplants, immunosuppressant drugs, and related therapies, and make available several thousand openings on the kidney transplant waiting list;

Whereas improvements in diagnostic technology and the expansion of scientific knowledge about polycystic kidney disease have led to the discovery of the 3 primary genes that cause polycystic kidney disease and the 3 primary protein products of the genes and to the understanding of cell structures and signaling pathways that cause cyst growth that has produced multiple polycystic kidney disease clinical drug trials;

Whereas the national PKD Foundation and its 60 volunteer chapters around the country are dedicated to expanding essential research, fostering public awareness and understanding of polycystic kidney disease, educating polycystic kidney disease patients and their families about the disease to improve their treatment and care, providing appropriate moral support, and encouraging people to become organ donors; and

Whereas the PKD Foundation's Walk for PKD has grown from a small, grassroots activity to an annual national awareness event held during the third week of September, and such week would be an appropriate time to recognize National Polycystic Kidney Disease Week: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals and ideals of a National Polycystic Kidney Disease Awareness Week to raise public awareness and understanding of polycystic kidney disease (known as "PKD");

(2) recognizes the need for additional research into a cure for polycystic kidney disease; and

(3) encourages the people of the United States and interested groups to support National Polycystic Kidney Awareness Week through appropriate ceremonies and activities to promote public awareness of polycystic kidney disease and to foster understanding of the impact of the disease on patients and their families.

SENATE RESOLUTION 547—RECOGNIZING AND SUPPORTING THE SUCCESSES OF THE ADOPTION AND SAFE FAMILIES ACT OF 1997 IN INCREASING ADOPTION, OBSERVING THE EFFORTS THAT THE ACT HAS SPURRED, INCLUDING NATIONAL ADOPTION DAY AND NATIONAL ADOPTION MONTH, AND ENCOURAGING CITIZENS OF THE UNITED STATES TO CONSIDER ADOPTION THROUGHOUT THE YEAR

Ms. LANDRIEU (for herself and Mr. CRAIG) submitted the following resolution; which was referred to the Committee on Finance.

S. RES. 547

Whereas, since the passage of the Adoption and Safe Families Act of 1997 (42 U.S.C. 1305 note; Public Law 105-89), the number of children adopted from the foster care system has increased significantly, with approximately 51,000 children adopted from the foster care system in fiscal year 2004 alone;

Whereas, despite that remarkable progress, approximately 118,000 children in the foster care system of the United States are waiting to be adopted, and 49 percent of those children are at least 9 years old;

Whereas adoptive families make an important difference in the lives of the children they adopt by providing a stable, nurturing environment for those children;

Whereas National Adoption Day is a collective national effort to find permanent, loving families for children in the foster care system;

Whereas both National Adoption Day and National Adoption Month occur in November;

Whereas, in 2002, the Department of Health and Human Services launched a series of public service announcements promoting the adoption of children aged 8 and older;

Whereas more than 6,000 children have been placed into adoptive homes since the Department of Health and Human Services launched www.adoptuskids.org, a national photo listing service for children awaiting adoption across the United States;

Whereas, in 2005, judges, attorneys, adoption professionals, child welfare agencies, and child advocates in 45 States and the District of Columbia participated in 227 events in conjunction with National Adoption Day; and

Whereas those events finalized the adoptions of more than 3,300 children from the foster care system: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes and supports—

(A) the success of the Adoption and Safe Families Act of 1997 (42 U.S.C. 1305 note; Public Law 105-89) and the efforts that the Act has spurred; and

(B) the goals and ideals of National Adoption Day and National Adoption Month; and

(2) encourages the citizens of the United States to consider adoption throughout the year.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4762. Mr. STEVENS proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

SA 4763. Mrs. CLINTON (for herself, Mr. LIEBERMAN, Mr. LAUTENBERG, and Mr. DURBIN) submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4764. Ms. MIKULSKI (for herself, Mr. SARBANES, Mr. KENNEDY, Mr. AKAKA, Mr. LIEBERMAN, Mr. DURBIN, Mr. KERRY, and Mr. HARKIN) submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4765. Mr. KENNEDY (for himself, Ms. COLLINS, Mr. BINGAMAN, Mr. ROBERTS, Mr. KERRY, Mr. REED, Mr. FEINGOLD, Mr. BAUCUS, Ms. STABENOW, Mrs. CLINTON, Mr. LIEBERMAN, and Mr . DURBIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4766. Mr. INOUYE submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4767. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4768. Mr. CORNYN (for himself, Mr. KYL, Mr. BURNS, and Mr. ISAKSON) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4769. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4770. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4771. Mr. FRIST (for himself, Mr. ALEXANDER, and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4772. Mr. CARPER (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4773. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4774. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4775. Mr. SESSIONS (for himself, Mr. KYL, and Mr. TALENT) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4776. Mr. SALAZAR (for himself, Mr. LEVIN, and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4777. Mr. SMITH (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4778. Mr. SMITH (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4779. Mr. WARNER submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4780. Mr. ALLEN (for himself and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4781. Mr. DURBIN (for himself, Mr. OBAMA, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4782. Mr. LEAHY (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4783. Mr. SCHUMER (for himself, Mr. COLEMAN, and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4784. Mr. COBURN (for himself and Mr. OBAMA) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4785. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4786. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4787. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4788. Mr. KYL proposed an amendment to amendment SA 4775 submitted by Mr. SESSIONS (for himself, Mr. KYL, and Mr. TALENT) to the bill H.R. 5631, supra.

SA 4789. Ms. STABENOW submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4790. Mr. VOINOVICH (for himself, Mrs. CLINTON, Mr. LOTT, Mr. BINGAMAN, Mr. DEWINE, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4791. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4792. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4793. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4794. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4795. Mr. REID (for himself, Mr. ROCKEFELLER, Mr. KERRY, Mr. OBAMA, Mr. LAUTENBERG, Mr. LIEBERMAN, Mr. DURBIN, Mr. SCHUMER, Ms. STABENOW, Mr. JOHNSON, and Mr. DORGAN) proposed an amendment to the bill H.R. 5631, supra.

SA 4796. Mr. CONRAD submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4797. Mr. VOINOVICH (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4798. Mr. ISAKSON submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4799. Mr. DEWINE (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4800. Mr. DEWINE (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the bill H.R.

5631, supra; which was ordered to lie on the table.

SA 4801. Mr. DEWINE (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4802. Mr. KENNEDY (for himself, Mr. REID, Mr. BIDEN, Mr. LEVIN, Mr. REED, Mr. LAUTENBERG, and Mr. ROCKEFELLER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4803. Mr. BYRD submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4804. Mr. LAUTENBERG (for himself, Mr. HARKIN, Ms. STABENOW, Mr. LIEBERMAN, Mrs. LINCOLN, and Mr . MENENDEZ) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4805. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4806. Mr. KYL (for himself, Mr. WYDEN, Mr. DEWINE, Mr. LIEBERMAN, Mrs. FEINSTEIN, Ms. CANTWELL, Mr. SALAZAR, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4807. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4808. Mr. NELSON, of Florida submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4809. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4810. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4811. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4812. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4813. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4814. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4815. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4816. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4817. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4818. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4819. Mr. DODD (for himself, Mr. REED, Mr. INOUYE, Mrs. LINCOLN, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4820. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4821. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4822. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4823. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4824. Mr. BAYH submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4825. Mr. BAYH submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4826. Mrs. CLINTON (for herself, Mr. LIEBERMAN, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4827. Mr. BOND (for himself, Mr. LEAHY, Mr. LAUTENBERG, Mr. DORGAN, Ms. MIKULSKI, Mr. HARKIN, and Mr. REID) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4828. Mr. CHAMBLISS submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4829. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4830. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4831. Mr. SESSIONS (for himself, Mr. WARNER, and Mr. NELSON, of Nebraska) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4832. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4833. Mr. KENNEDY (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4834. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4835. Mrs. CLINTON (for herself and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4836. Mr. SMITH submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4837. Mr. BENNETT submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4838. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4839. Mr. OBAMA submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4840. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4841. Mr. ALLEN (for himself and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4842. Mr. KYL (for himself, Mr. WYDEN, and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4843. Mr. KENNEDY (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4844. Mr. SESSIONS (for himself, Mr. WARNER, and Mr. NELSON, of Nebraska) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4845. Mr. PRYOR (for himself and Mr. FEINGOLD) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4846. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4847. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4848. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4849. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4850. Mr. LAUTENBERG (for himself, Mr. HARKIN, Ms. STABENOW, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. MENENDEZ, Ms. MIKULSKI, and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4762. Mr. STEVENS proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. ____. The Secretary of Defense shall submit to the congressional defense committees, at the same time the budget of the President for fiscal year 2008 is submitted to Congress pursuant to section 1105(a) of title 31, United States Code, a report setting forth the following:

(1) A plan to procure medical countermeasures for purposes of treating forward deployed members of the Armed Forces against the lethal effects of acute radiation syndrome, including neutropenia and thrombocytopenia.

(2) An identification of the countermeasures required to protect members of the Armed Forces in the event of a nuclear or bioterrorist attack.

(3) A plan for the forward deployment of the countermeasures identified under paragraph (2), including an assessment of the costs associated with implementing such plan.

SA 4763. Mrs. CLINTON (for herself, Mr. LIEBERMAN, Mr. LAUTENBERG, and Mr. DURBIN) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) FUNDING FOR LONGITUDINAL STUDY ON TRAUMATIC BRAIN INJURY INCURRED BY MEMBERS OF THE ARMED FORCES IN OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM.—Of the amount appropriated or otherwise made available by title V under the heading "DEFENSE HEALTH PROGRAM", up to $5,000,000 may be available for a longitudinal study on traumatic brain injury incurred by members of the Armed Forces in Operation Iraqi Freedom and Operation Enduring Freedom.

(b) FUNDING FOR TRAINING CURRICULA FOR FAMILY CAREGIVERS ON CARE AND ASSISTANCE FOR MEMBERS AND FORMER MEMBERS OF THE ARMED FORCES WITH TRAUMATIC BRAIN INJURY INCURRED IN OPERATION IRAQI FREEDOM OR OPERATION ENDURING FREEDOM.—

(1) OPERATION AND MAINTENANCE, ARMY, FUNDS.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY", up to $800,000 may be available for training curricula for family caregivers on care and assistance for members and former members of the Armed Forces with traumatic brain injury incurred in Operation Iraqi Freedom or Operation Enduring Freedom.

(2) OPERATION AND MAINTENANCE, MARINE CORPS, FUNDS.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, MARINE CORPS", up to $200,000 may be available for training curricula for family caregivers on care and assistance for members and former members of the Armed Forces with traumatic brain injury incurred in Operation Iraqi Freedom or Operation Enduring Freedom.

SA 4764. Ms. MIKULSKI (for herself, Mr. SARBANES, Mr. KENNEDY, Mr. AKAKA, Mr. LIEBERMAN, Mr. DURBIN, Mr. KERRY, and Mr. HARKIN) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. None of the funds appropriated or otherwise made available by this Act may be used to enter into or carry out a contract for the performance by a contractor of any base operation support service at Walter Reed Army Medical Hospital pursuant to a private-public competition conducted under Office of Management and Budget Circular A-76 that was initiated on June 13, 2000, and has the solicitation number DADA 10-03-R-0001.

SA 4765. Mr. KENNEDY (for himself, Ms. COLLINS, Mr. BINGAMAN, Mr. ROBERTS, Mr. KERRY, Mr. REED, Mr. FEINGOLD, Mr. BAUCUS, Ms. STABENOW, Mrs. CLINTON, Mr. LIEBERMAN, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ARMY SUPPORT FOR UNIVERSITY RESEARCH INITIATIVES.—

(1) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" is hereby increased by $12,000,000.

(2) AVAILABILITY FOR UNIVERSITY RESEARCH INITIATIVES.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", as increased by paragraph (1), up to $12,000,000 may be available for Program Element 0601103A for University Research Initiatives.

(b) NAVY SUPPORT FOR UNIVERSITY RESEARCH INITIATIVES.—

(1) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY" is hereby increased by $13,000,000.

(2) AVAILABILITY FOR UNIVERSITY RESEARCH INITIATIVES.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", as increased by paragraph (1), up to $13,000,000 may be available for Program Element 0601103N for University Research Initiatives.

(c) AIR FORCE SUPPORT FOR UNIVERSITY RESEARCH INITIATIVES.—

(1) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" is hereby increased by $5,000,000.

(2) AVAILABILITY FOR UNIVERSITY RESEARCH INITIATIVES.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE", as increased by paragraph (1), up to $5,000,000 may be available for Program Element 0601103F for University Research Initiatives.

(d) SMART NATIONAL DEFENSE EDUCATION PROGRAM.—

(1) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE" is hereby increased by $9,000,000.

(2) AVAILABILITY FOR SMART NATIONAL DEFENSE EDUCATION PROGRAM.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", as increased by paragraph (1), up to $9,000,000 may be available for Program Element 0601120D8Z for the SMART National Defense Education Program.

(e) DARPA UNIVERSITY RESEARCH PROGRAM IN COMPUTER SCIENCE AND CYBERSECURITY.—

(1) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE" is hereby increased by $6,000,000.

(2) AVAILABILITY FOR DARPA PROGRAM IN COMPUTER SCIENCE AND CYBERSECURITY.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", as increased by paragraph (1), up to $6,000,000 may be available for Program Element 0601101E the Defense Advanced Research Projects Agency Program in Computer Science and Cybersecurity.

(f) OFFSET.—The amount appropriated by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE" is hereby reduced by $45,000,000.

SA 4766. Mr. INOUYE submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY", up to $500,000 may be available for the United States Army Center of Military History to support a traveling exhibit on military experience in World War II.

SA 4767. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for Program Element 0602105A for Thermoplastic Composite Body Armor research.

SA 4768. Mr. CORNYN (for himself, Mr. KYL, Mr. BURNS, and Mr. ISAKSON) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the appropriate place, insert the following:

TITLE ___ BORDER SECURITY AND IMMIGRATION REFORM

CHAPTER 1—DEPARTMENT OF HOMELAND SECURITY

UNITED STATES VISITOR AND IMMIGRATION STATUS INDICATOR TECHNOLOGY

For an additional amount for "United States Visitor and Immigration Status Indicator Technology" to accelerate biometric database integration and conversion to 10-print enrollment, $60,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $173,000,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

For an additional amount for "Air and Marine Interdiction, Operations, Maintenance, and Procurement" to replace air assets and upgrade air operations facilities, $560,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

CONSTRUCTION

For an additional amount for "Construction", $2,155,100,000, to remain available until expended; of which not less than $1,628,000,000 shall be for the construction of 370 miles of double-layered fencing along the international border between the United States and Mexico; of which not less than $507,100,000 shall be for the construction of 461 miles of vehicle barriers along the international border between the United States and Mexico; and of which not less than $20,000,000 shall be for construction associated with the hiring of 500 border patrol agents: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

Immigration and Customs Enforcement

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $196,500,000, to remain available until September 30, 2007; of which not less than $38,000,000 shall be for the hiring of 200 investigators and associated support for alien smuggling investigations; of which $113,000,000 shall be for the hiring of 600 investigators and associated support for worksite enforcement; of which $45,500,000 shall be for 1,300 detention beds, personnel, and associated support: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

United States Coast Guard

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, Construction, and Improvements" for acquisition, construction, renovation, and improvement of vessels, aircraft, and equipment, $416,000,000, to remain available until expended: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

United States Citizenship and Immigration Services

For an additional amount for "United States Citizenship and Immigration Services" for the development and the implementation of the Electronic Employment Verification System, $400,000,000: *Provided*, That the amount provided under this heading may not be obligated until the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

General Provisions—This Title

Notwithstanding any other provision in law, the transfers and programming conditions of the Department of Homeland Security Appropriations Act, 2007 shall apply to this title.

CHAPTER 2—DEPARTMENT OF JUSTICE

General Administration

ADMINISTRATIVE REVIEW AND APPEALS

For an additional amount for "Administrative Review and Appeals", $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

Legal Activities

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and Expenses, General Legal Activities", $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For an additional amount for "Salaries and Expenses, United States Attorneys," $2,600,000, to remain available until September 30, 2007: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SA 4769. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", up to $2,000,000 may be available for Gas Chromatographic Mass Spectrometers for Weapons of Mass Destruction Civil Support Teams.

SA 4770. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . Of the amount appropriated or otherwise made available by title III under the heading "OTHER PROCUREMENT, NAVY", up to $3,000,000 may be available for the Man Overboard Identification System (MOBI) program.

SA 4771. Mr. FRIST (for himself, Mr. ALEXANDER, and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Notwithstanding the first section of Public Law 85–804 (50 U.S.C. 1431), in the event a notice on the modification of a contract described in that section is submitted to the Committees on Armed Services of the Senate and the House of Representatives by the Army Contract Adjustment Board during the period beginning on July 28, 2006, and ending on the date of the adjournment of the 109th Congress sine die, such contract may be modified in accordance with such notice commencing on the earlier of—

(1) the date that is 60 calendar days after the date of such notice; or

(2) the date of the adjournment of the 109th Congress sine die.

SA 4772. Mr. CARPER (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 218, betwen lines 6 and 7, insert the following:

SEC. 8109. PROHIBITION ON PAYMENT OF AWARD FEES TO DEFENSE CONTRACTORS IN CASES OF CONTRACT NON-PERFORMANCE.

None of the funds appropriated or otherwise made available by this Act may be obligated or expended to provide award fees to any defense contractor for performance that does not meet the requirements of the contract.

SA 4773. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title IX, add the following:

SEC. 9012. Of the amount appropriated or otherwise made available by chapter 2 of this title under the heading "OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD", up to $6,700,000 may be available for the pilot program of the Army National Guard on the reintegration of members of the National Guard into civilian life after deployment.

SA 4774. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for Program Element 0602787A for blast protection research.

SA 4775. Mr. SESSIONS (for himself, Mr. KYL, and Mr. TALENT) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 221, line 9, strike "$204,000,000", and insert "$2,033,000,000, which shall be designated as an emergency pursuant to Section 9011 of this Act.".

SA 4776. Mr. SALAZAR (for himself, Mr. LEVIN, and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC.   . Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, AIR FORCE", $10,000,000 shall be available to provide the United States Northern Command with an interoperable mobile wireless communications capability to effectively communicate with Federal, State, and local authorities.

SA 4777. Mr. SMITH (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC.   . Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE", up to $4,000,000 may be available for the Transportable Transponder Landing System.

SA 4778. Mr. SMITH (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC.   . Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $2,000,000 may be available for the Advanced Airship Flying Laboratory.

SA 4779. Mr. WARNER submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) JOINT ADVERTISING, MARKET RESEARCH AND STUDIES PROGRAM.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE", up to $7,500,000 may be available for the Joint Advertising, Market Research and Studies (JAMRS) program.

(b) SUPPLEMENT NOT SUPPLANT.—The amount available under subsection (a) for the program referred to in that subsection is in addition to any other amounts available in this Act for that program.

SA 4780. Mr. ALLEN (for himself and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. ____. (a) FUNDING FROM OPERATION AND MAINTENANCE, ARMY RESERVE, FOR OUR MILITARY KIDS PROGRAM.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY RESERVE" up to $500,000 may be available for the Our Military Kids program.

(b) FUNDING FROM OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD, FOR OUR MILITARY KIDS PROGRAM.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD" up to $1,500,000 may be available for the Our Military Kids program.

SA 4781. Mr. DURBIN (for himself, Mr. OBAMA, and Mr. LAUTENBERG) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $2,000,000 may be available for the improvement of imaging for traumatic brain injuries and the adaptation of current technologies to treat brain injuries suffered in combat.

SA 4782. Mr. LEAHY (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 229, between lines 12 and 13, insert the following:

NATIONAL GUARD AND RESERVE EQUIPMENT

For an additional amount for "National Guard and Reserve Equipment", $1,000,000,000, to remain available until September 30, 2009, with the entire amount designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SA 4783. Mr. SCHUMER (for himself, Mr. COLEMAN, and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 238, after line 24, add the following:

SEC. 9012. (a) Of the amount appropriated or otherwise made available by chapter 2 of this title under the heading "OPERATION AND MAINTENANCE, ARMY", up to $15,000,000 may be made available for the procurement of hemostatic agents, including blood clotting bandages and invasive hemostatic agents, for use by members of the Armed Forces in the field.

(b) Of the amount appropriated or otherwise made available by such chapter under the heading "OPERATION AND MAINTENANCE, MARINE CORPS", up to $5,000,000 may be made available for the procurement of hemostatic agents and invasive hemostatic agents, including blood clotting bandages, for use by members of the Armed Forces in the field.

SA 4784. Mr. COBURN (for himself and Mr. OBAMA) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. (a) POSTING OF CERTAIN REPORTS ON DEPARTMENT OF DEFENSE INTERNET

WEBSITE.—Each report described in subsection (b) shall be posted on the Internet website of the Department of Defense for the public not later than 48 hours after the submittal of such report to Congress.

(b) COVERED REPORTS.—The reports described in this subsection are the reports as follows:

(1) Each report required by a provision of this Act to be submitted by the Department of Defense to the Committees on Appropriations of the Senate and the House of Representatives.

(2) Any report required to be submitted by the Department of Defense to Congress in support of the budget of the President for fiscal year 2008 (as submitted to Congress pursuant to section 1105 of title 31, United States Code) for the Department of Defense, including any budget justification documents in support of such budget for the Department of Defense.

(c) REDACTION OF CERTAIN INFORMATION.—In posting a report on the Internet website of the Department under subsection (a), the Secretary of Defense may redact any information whose release to the public would, as determined by the Secretary, compromise the national security of the United States.

SA 4785. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives a report—

(1) describing risk assessments performed by the Department of Defense on payments made by the Department for travel, as required under section 2 of the Improper Payments Information Act of 2002 (Public Law 107-300; 31 U.S.C. 3321 note);

(2) including an estimate, using statistically valid methods, of improper payments for travel that have been processed by the Defense Finance and Accounting Service (DFAS); and

(3) including an explanation that the methods used to perform risk assessments are statistically valid in accordance with Office of Management and Budget Memorandum 30-13 issued pursuant to the Improper Payments Information Act of 2002 (Public Law 107-300; 31 U.S.C. 3321 note).

SA 4786. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. A limitation, directive, or earmark specified in the report of the Senate to accompany H.R. 5631 of the 109th Congress, or in the report of the House of Representatives to accompany H.R. 5631 of the 109th Congress, may not be treated as having been approved by both Houses of Congress unless such limitation, directive, or earmark, as the case may be, is included in the report of the committee on conference on H.R. 5631 of the 109th Congress or the joint explanatory statement of the committee on conference to accompany such report of the committee on conference.

SA 4787. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . The aggregate amount available in this Act for expenses of the Department of Defense relating to conferences in fiscal year 2007, including expenses relating to conference programs, staff, travel costs, and other conference matters, may not exceed $70,000,000.

SA 4788. Mr. KYL proposed an amendment to amendment SA 4775 submitted by Mr. SESSIONS (for himself, Mr. KYL, and Mr. TALENT) to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On line 2, strike "2,033,000,000" and insert "2,033,100,000"

SA 4789. Ms. STABENOW submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $8,000,000 may be available for the Advanced Tank Armament System.

SA 4790. Mr. VOINOVICH (for himself, Mrs. CLINTON, Mr. LOTT, Mr. BINGAMAN, Mr. DEWINE, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. None of the funds appropriated in this Act or any other Act may be used before October 1, 2011 to implement the provision under section 9902(c)(1) of title 5, United States Code, relating to the application of the National Security Personnel System on or after October 1, 2008.

SA 4791. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. ENERGY SECURITY.

(a) SHORT TITLE.—This section may be cited as the "Transforming Energy Now Act of 2006".

(b) TAX CREDITS.—

(1) INCREASE IN ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.—Section 30C(a) of the Internal Revenue Code of 1986 is amended by striking "30 percent" and inserting "50 percent".

(2) AMT RELIEF.—

(A) PERSONAL CREDIT.—Paragraph (2) of section 30C(d) of the Internal Revenue Code of 1986 is amended by striking "the excess (if any) of" and all that follows and inserting "the excess of—

"(A) the sum of the regular tax liability (as defined under section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under subpart A and sections 27, 30, and 30B.".

(B) BUSINESS CREDIT AMOUNT.—Subparagraph (B) of section 38(c)(4) of the Internal Revenue Code of 1986 is amended—

(i) in clause (i), by striking "and" at the end;

(ii) in clause (ii)(II), by striking the period at the end and inserting ", and"; and

(iii) by adding at the end the following:

"(iii) the portion of the credit under section 30C which is treated as a credit under this section by reason of section 30C(d)(1).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

(c) USE OF CAFE PENALTIES TO BUILD ALTERNATIVE FUELING INFRASTRUCTURE.—Section 32912 of title 49, United States Code, is amended by adding at the end the following:

"(e) ALTERNATIVE FUELING INFRASTRUCTURE GRANT PROGRAM.—

"(1) TRUST FUND.—

"(A) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund, to be known as the Alternative Fueling Infrastructure Trust Fund (referred to in this subsection as the 'Trust Fund'), consisting of such amounts as are deposited into the Trust Fund under subparagraph (B) and any interest earned on investment of amounts in the Trust Fund.

"(B) TRANSFERS OF CIVIL PENALTIES.—The Secretary of Transportation shall remit 90 percent of the amount collected in civil penalties under this section to the Trust Fund.

"(2) ESTABLISHMENT OF GRANT PROGRAM.—

"(A) IN GENERAL.—The Secretary of Energy shall obligate such sums as are available in the Trust Fund to establish a grant program to increase the number of locations at which consumers may purchase alternative transportation fuels.

"(B) ALLOCATION TO CORPORATE AND NONPROFIT ENTITIES.—The Secretary shall allocate such sums from the Trust Fund as the Secretary considers appropriate to corporations (including nonprofit corporations) with demonstrated experience in the administration of grant funding. Corporations shall use funds received under this paragraph to award grants to owners and operators of fueling stations for the purpose of developing alternative fueling infrastructure for specific types of alternative fuels that can be used in at least 50,000 vehicles produced in the United States in the prior vehicle production year.

"(C) CONSIDERATIONS.—In making allocations under subparagraph (A), the Secretary shall—

"(i) give priority to recognized nonprofit corporations that have proven experience and demonstrated technical expertise in the establishment of alternative fueling infrastructure;

"(ii) consider the number of vehicles produced for sale in the preceding production year capable of using each specific type of alternative fuel; and

"(iii) identify 1 primary group per alternative fuel.

"(D) MATCHING REQUIREMENT.—The Secretary may not allocate funds to a corporation under this paragraph unless such corporation agrees to provide $1 of non-Federal contributions for every $3 of Federal funding received under this paragraph.

"(E) LIMITATION ON ADMINISTRATIVE EXPENSES.—A corporation may not expend more than 5 percent of the total allocation provided under this paragraph on administrative expenses.

"(F) TECHNICAL AND MARKETING ASSISTANCE.—Corporations receiving an allocation under subparagraph (A) shall provide grant recipients under paragraph (3) with technical and marketing assistance, including—

"(i) technical advice for compliance with applicable Federal and State environmental requirements;

"(ii) assistance in identifying alternative fuel supply sources; and

"(iii) point of sale and labeling materials.

"(3) ADMINISTRATION OF GRANTS.—

"(A) DIRECT GRANTS TO FUEL STATION OWNERS AND OPERATORS.—The Secretary of Energy shall award grants directly to owners and operators of fueling stations for the purpose of installing alternative fuel infrastructure for specific types of alternative fuels that can be used in fewer that 50,000 vehicles produced in the United States in the prior vehicle production year.

"(B) GRANT RECIPIENT.—Corporations receiving an allocation under paragraph (2), and the Secretary of Energy under subparagraph (A), shall award grants to owners and operators of fueling stations in an amount not greater than—

"(i) $150,000 per site; or

"(ii) $500,000 per entity.

"(C) SELECTION.—Grant recipients under this paragraph shall be selected on a formal, open, and competitive basis, based on—

"(i) the public demand for each alternative fuel in a particular county based on state registration records showing the number of vehicles that can be operated with alternative fuel; and

"(ii) the opportunity to create or expand corridors of alternative fuel stations along interstate or State highways.

"(D) USE OF FUNDS.—Grant funds received under this paragraph may be used to—

"(i) construct new facilities to dispense alternative fuels;

"(ii) purchase equipment to upgrade, expand, or otherwise improve existing alternative fuel facilities; or

"(iii) purchase equipment or pay for specific turnkey fueling services by alternative fuel providers.

"(E) MATCHING REQUIREMENT.—A recipient of a grant under this paragraph shall agree to provide $1 of non-Federal contributions for every $1 of grant funds received under this paragraph.

"(F) LIMITATION ON ADMINISTRATIVE EXPENSES.—A grant recipient may not expend more than 3 percent of any grant provided under this paragraph on administrative expenses.

"(4) OPERATION OF ALTERNATIVE FUEL STATIONS.—Facilities constructed or upgraded with grant funds received under this subsection shall—

"(A) provide alternative fuel available to the public for a period of not less than 4 years;

"(B) establish a marketing plan to advance the sale and use of alternative fuels;

"(C) prominently display the price of alternative fuel on the marquee and in the station;

"(D) provide point of sale materials on alternative fuel;

"(E) clearly label the dispenser with consistent materials;

"(F) price the alternative fuel at the same margin that is received for unleaded gasoline; and

"(G) support and use all available tax incentives to reduce the cost of the alternative fuel to the lowest possible retail price.

"(5) NOTIFICATION REQUIREMENTS.—

"(A) OPENING.—Not later than the date on which each alternative fuel station begins to offer alternative fuel to the public, the grant recipient that used grant funds to construct such station shall notify the Secretary of Energy of such opening. The Secretary of Energy shall add each new alternative fuel station to the alternative fuel station locator on its Website when it receives notification under this subparagraph.

"(B) SEMI-ANNUAL REPORT.—Not later than 6 months after the receipt of a grant award under this subsection, and every 6 months thereafter, each grant recipient shall submit a report to the Secretary of Energy that describes—

"(i) the status of each alternative fuel station constructed with grant funds received under this subsection;

"(ii) the amount of alternative fuel dispensed at each station during the preceding 6-month period; and

"(iii) the average price per gallon of the alternative fuel sold at each station during the preceding 6-month period.

"(6) ALTERNATIVE FUEL DEFINED.—For the purposes of this subsection, the term 'alternative fuel' means—

"(A) any fuel of which at least 85 percent (or such percentage, but not less than 70 percent, as determined by the Secretary, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) of the volume consists of ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas, or hydrogen; or

"(B) any mixture of biodiesel and diesel fuel determined without regard to any use of kerosene that contains at least 20 percent biodiesel.".

(d) LOW-INTEREST LOAN AND GRANT PROGRAM FOR RETAIL DELIVERY OF E-85 FUEL.—

(1) PURPOSES OF LOANS.—Section 312(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1942(a)) is amended—

(A) in paragraph (9)(B)(ii), by striking "or" at the end;

(B) in paragraph (10), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(11) building infrastructure, including pump stations, for the retail delivery to consumers of any fuel that contains not less than 85 percent ethanol, by volume.".

(2) PROGRAM.—Subtitle B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941 et seq.) is amended by adding at the end the following:

"SEC. 320. LOW-INTEREST LOAN AND GRANT PROGRAM FOR RETAIL DELIVERY OF E-85 FUEL.

"(a) IN GENERAL.—The Secretary shall establish a low-interest loan and grant program to assist farmer-owned ethanol producers (including cooperatives and limited liability corporations) to develop and build infrastructure, including pump stations, that is directly related to the retail delivery to consumers of any fuel that contains not less than 85 percent ethanol, by volume.

"(b) LOAN TERMS.—

"(1) AMORTIZATION.—The repayment of a loan received under this section shall be amortized over the expected life of the infrastructure project that is being financed with the proceeds of the loan.

"(2) INTEREST RATE.—The annual interest rate of a loan received under this section shall be fixed at not more than 5 percent.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(3) REGULATIONS.—As soon as practicable after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to carry out the amendments made by this subsection.

SA 4792. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading "PROCUREMENT OF AMMUNITION, AIR FORCE", up to $20,000,000 may be available for the procurement of Radiation Hardened Microelectronics (HX5000).

SA 4793. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading "PROCUREMENT, MARINE CORPS", up to $9,500,000 may be available for the procurement of the Laser Perimeter Awareness System to improve antiterrorism and force protection functions at key Marine Corps operating locations.

SA 4794. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title VI under the heading "DEFENSE HEALTH PROGRAM", up to $500,000 may be available for the Coordinated International Neuromuscular Research Group (CINRG).

SA 4795. Mr REID (for himself, Mr. ROCKEFELLER, Mr. KERRY, Mr. OBAMA, Mr. LAUTENBERG, Mr. LIEBERMAN, Mr. DURBAN, Mr. SCHUMER, Ms. STABENOW, Mr. JOHNSON, and Mr. DORGAN) proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of the appropriate place add the following:

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Section may be cited as the "Tax Extension Relief Act of 2006".

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title, etc.

TITLE I—EXTENSION AND MODIFICATION OF CERTAIN TAX RELIEF PROVISIONS

Sec. 101. Deduction for qualified tuition and related expenses.
Sec. 102. Extension and modification of new markets tax credit.
Sec. 103. Election to deduct State and local general sales taxes.
Sec. 104. Extension and modification of research credit.
Sec. 105. Work opportunity tax credit and welfare-to-work credit.
Sec. 106. Election to include combat pay as earned income for purposes of earned income credit.
Sec. 107. Extension and modification of qualified zone academy bonds.
Sec. 108. Above-the-line deduction for certain expenses of elementary and secondary school teachers.
Sec. 109. Extension and expansion of expensing of brownfields remediation costs.
Sec. 110. Tax incentives for investment in the District of Columbia.
Sec. 111. Indian employment tax credit.
Sec. 112. Accelerated depreciation for business property on Indian reservations.
Sec. 113. Fifteen-year straight-line cost recovery for qualified leasehold improvements and qualified restaurant property.
Sec. 114. Cover over of tax on distilled spirits.
Sec. 115. Parity in application of certain limits to mental health benefits.
Sec. 116. Corporate donations of scientific property used for research and of computer technology and equipment.
Sec. 117. Availability of medical savings accounts.
Sec. 118. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 119. American Samoa economic development credit.
Sec. 120. Restructuring of New York Liberty Zone tax credits.
Sec. 121. Extension of bonus depreciation for certain qualified Gulf Opportunity Zone property.
Sec. 122. Authority for undercover operations.
Sec. 123. Disclosures of certain tax return information.

TITLE II—OTHER TAX PROVISIONS

Sec. 201. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
Sec. 202. Credit for prior year minimum tax liability made refundable after period of years.
Sec. 203. Returns required in connection with certain options.
Sec. 204. Partial expensing for advanced mine safety equipment.
Sec. 205. Mine rescue team training tax credit.
Sec. 206. Whistleblower reforms.
Sec. 207. Frivolous tax submissions.
Sec. 208. Addition of meningococcal and human papillomavirus vaccines to list of taxable vaccines.
Sec. 209. Clarification of taxation of certain settlement funds made permanent.
Sec. 210. Modification of active business definition under section 355 made permanent.
Sec. 211. Revision of State veterans limit made permanent.
Sec. 212. Capital gains treatment for certain self-created musical works made permanent.
Sec. 213. Reduction in minimum vessel tonnage which qualifies for tonnage tax made permanent.
Sec. 214. Modification of special arbitrage rule for certain funds made permanent.
Sec. 215. Great Lakes domestic shipping to not disqualify vessel from tonnage tax.
Sec. 216. Use of qualified mortgage bonds to finance residences for veterans without regard to first-time homebuyer requirement.
Sec. 217. Exclusion of gain from sale of a principal residence by certain employees of the intelligence community.
Sec. 218. Treatment of coke and coke gas.
Sec. 219. Sale of property by judicial officers.
Sec. 220. Premiums for mortgage insurance.
Sec. 221. Modification of refunds for kerosene used in aviation.
Sec. 222. Deduction for qualified timber gain.
Sec. 223. Credit to holders of rural renaissance bonds.
Sec. 224. Restoration of deduction for travel expenses of spouse, etc. accompanying taxpayer on business travel.
Sec. 225. Technical corrections.

TITLE III—SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

Sec. 301. Short title.

Subtitle A—Mining Control and Reclamation

Sec. 311. Abandoned Mine Reclamation Fund and purposes.
Sec. 312. Reclamation fee.
Sec. 313. Objectives of Fund.
Sec. 314. Reclamation of rural land.
Sec. 315. Liens.
Sec. 316. Certification.
Sec. 317. Remining incentives.
Sec. 318. Extension of limitation on application of prohibition on issuance of permit.
Sec. 319. Tribal regulation of surface coal mining and reclamation operations.

Subtitle B—Coal Industry Retiree Health Benefit Act

Sec. 321. Certain related persons and successors in interest relieved of liability if premiums prepaid.
Sec. 322. Transfers to funds: premium relief.
Sec. 323. Other provisions.

TITLE I—EXTENSION AND MODIFICATION OF CERTAIN TAX RELIEF PROVISIONS

SEC. 101. DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Section 222(e) is amended by striking "2005"and inserting "2007".

(b) CONFORMING AMENDMENTS.—Section 222(b)(2)(B) is amended—

(1) by striking "a taxable year beginning in 2004 or 2005" and inserting "any taxable year beginning after 2003", and

(2) by striking "2004 AND 2005" in the heading and inserting "AFTER 2003".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 102. EXTENSION AND MODIFICATION OF NEW MARKETS TAX CREDIT.

(a) EXTENSION.—Section 45D(f)(1)(D) is amended by striking "and 2007" and inserting ", 2007, and 2008".

(b) REGULATIONS REGARDING NON-METROPOLITAN COUNTIES.—Section 45D(i) is amended by striking "and" at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting ", and", and by adding at the end the following new paragraph:

"(6) which ensure that non-metropolitan counties receive a proportional allocation of qualified equity investments.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 103. ELECTION TO DEDUCT STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Section 164(b)(5)(I) is amended by striking "2006" and inserting "2008".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 104. EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Section 41(h)(1)(B) is amended by striking "2005" and inserting "2007".

(2) CONFORMING AMENDMENT.—Section 45C(b)(1)(D) is amended by striking "2005" and inserting "2007".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2005.

(b) INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) (relating to election of alternative incremental credit) is amended—

(A) by striking "2.65 percent" and inserting "3 percent",

(B) by striking "3.2 percent" and inserting "4 percent", and

(C) by striking "3.75 percent" and inserting "5 percent".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2006.

(c) ALTERNATIVE SIMPLIFIED CREDIT FOR QUALIFIED RESEARCH EXPENSES.—

(1) IN GENERAL.—Subsection (c) of section 41 (relating to base amount) is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively, and by inserting after paragraph (4) the following new paragraph:

"(5) ELECTION OF ALTERNATIVE SIMPLIFIED CREDIT.—

"(A) IN GENERAL.—At the election of the taxpayer, the credit determined under subsection (a)(1) shall be equal to 12 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.

"(B) SPECIAL RULE IN CASE OF NO QUALIFIED RESEARCH EXPENSES IN ANY OF 3 PRECEDING TAXABLE YEARS.—

"(i) TAXPAYERS TO WHICH SUBPARAGRAPH APPLIES.—The credit under this paragraph shall be determined under this subparagraph if the taxpayer has no qualified research expenses in any one of the 3 taxable years preceding the taxable year for which the credit is being determined.

"(ii) CREDIT RATE.—The credit determined under this subparagraph shall be equal to 6 percent of the qualified research expenses for the taxable year.

"(C) ELECTION.—An election under this paragraph shall apply to the taxable year for which made and all succeeding taxable years unless revoked with the consent of the Secretary. An election under this paragraph may not be made for any taxable year to which an election under paragraph (4) applies.".

(2) COORDINATION WITH ELECTION OF ALTERNATIVE INCREMENTAL CREDIT.—

(A) IN GENERAL.—Section 41(c)(4)(B) (relating to election) is amended by adding at the end the following: "An election under this paragraph may not be made for any taxable year to which an election under paragraph (5) applies.".

(B) TRANSITION RULE.—In the case of an election under section 41(c)(4) of the Internal Revenue Code of 1986 which applies to the taxable year which includes the date of the enactment of this Act, such election shall be treated as revoked with the consent of the Secretary of the Treasury if the taxpayer makes an election under section 41(c)(5) of such Code (as added by subsection (c)) for such year.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2006.

SEC. 105. WORK OPPORTUNITY TAX CREDIT AND WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Sections 51(c)(4)(B) and 51A(f) are each amended by striking "2005" and inserting "2007".

(b) ELIGIBILITY OF EX-FELONS DETERMINED WITHOUT REGARD TO FAMILY INCOME.—Paragraph (4) of section 51(d) is amended by adding "and" at the end of subparagraph (A), by striking ", and" at the end of subparagraph (B) and inserting a period, and by striking all that follows subparagraph (B).

(c) INCREASE IN MAXIMUM AGE FOR ELIGIBILITY OF FOOD STAMP RECIPIENTS.—Clause (i) of section 51(d)(8)(A) is amended by striking "25" and inserting "40".

(d) EXTENSION OF PAPERWORK FILING DEADLINE.—Section 51(d)(12)(A)(ii)(II) is amended by striking "21st day" and inserting "28th day".

(e) CONSOLIDATION OF WORK OPPORTUNITY CREDIT WITH WELFARE-TO-WORK CREDIT.—

(1) IN GENERAL.—Paragraph (1) of section 51(d) is amended by striking "or" at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting ", or", and by adding at the end the following new subparagraph:

"(I) a long-term family assistance recipient.".

(2) LONG-TERM FAMILY ASSISTANCE RECIPIENT.—Subsection (d) of section 51 is amended by redesignating paragraphs (10) through (12) as paragraphs (11) through (13), respectively, and by inserting after paragraph (9) the following new paragraph:

"(10) LONG-TERM FAMILY ASSISTANCE RECIPIENT.—The term 'long-term family assistance recipient' means any individual who is certified by the designated local agency—

"(A) as being a member of a family receiving assistance under a IV–A program (as defined in paragraph (2)(B)) for at least the 18-month period ending on the hiring date,

"(B)(i) as being a member of a family receiving such assistance for 18 months beginning after August 5, 1997, and

"(ii) as having a hiring date which is not more than 2 years after the end of the earliest such 18-month period, or

"(C)(i) as being a member of a family which ceased to be eligible for such assistance by reason of any limitation imposed by Federal or State law on the maximum period such assistance is payable to a family, and

"(ii) as having a hiring date which is not more than 2 years after the date of such cessation.".

(3) INCREASED CREDIT FOR EMPLOYMENT OF LONG-TERM FAMILY ASSISTANCE RECIPIENTS.—Section 51 is amended by inserting after subsection (d) the following new subsection:

"(e) CREDIT FOR SECOND-YEAR WAGES FOR EMPLOYMENT OF LONG-TERM FAMILY ASSISTANCE RECIPIENTS.—

"(1) IN GENERAL.—With respect to the employment of a long-term family assistance recipient—

"(A) the amount of the work opportunity credit determined under this section for the taxable year shall include 50 percent of the qualified second-year wages for such year, and

"(B) in lieu of applying subsection (b)(3), the amount of the qualified first-year wages, and the amount of qualified second-year wages, which may be taken into account with respect to such a recipient shall not exceed $10,000 per year.

"(2) QUALIFIED SECOND-YEAR WAGES.—For purposes of this subsection, the term 'qualified second-year wages' means qualified wages—

"(A) which are paid to a long-term family assistance recipient, and

"(B) which are attributable to service rendered during the 1-year period beginning on the day after the last day of the 1-year period with respect to such recipient determined under subsection (b)(2).

"(3) SPECIAL RULES FOR AGRICULTURAL AND RAILWAY LABOR.—If such recipient is an employee to whom subparagraph (A) or (B) of subsection (h)(1) applies, rules similar to the rules of such subparagraphs shall apply except that—

"(A) such subparagraph (A) shall be applied by substituting '$10,000' for '$6,000', and

"(B) such subparagraph (B) shall be applied by substituting '$833.33' for '$500'.".

(4) REPEAL OF SEPARATE WELFARE-TO-WORK CREDIT.—

(A) IN GENERAL.—Section 51A is hereby repealed.

(B) CLERICAL AMENDMENT.—The table of sections for subpart F of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 51A.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to individuals who begin work for the employer after December 31, 2005.

(2) CONSOLIDATION.—The amendments made by subsections (b), (c), (d), and (e) shall apply to individuals who begin work for the employer after December 31, 2006.

SEC. 106. ELECTION TO INCLUDE COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME CREDIT.

(a) IN GENERAL.—Section 32(c)(2)(B)(vi)(II) is amended by striking "2007" and inserting "2008".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 107. EXTENSION AND MODIFICATION OF QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) is amended by striking "and 2005" and inserting "2005, 2006, and 2007".

(b) SPECIAL RULES RELATING TO EXPENDITURES, ARBITRAGE, AND REPORTING.—

(1) IN GENERAL.—Section 1397E is amended—

(A) in subsection (d)(1), by striking "and" at the end of subparagraph (C)(iii), by striking the period at the end of subparagraph (D) and inserting ", and", and by adding at the end the following new subparagraph:

"(E) the issue meets the requirements of subsections (f), (g), and (h).", and

(B) by redesignating subsections (f), (g), (h), and (i) as subsection (i), (j), (k), and (l), respectively, and by inserting after subsection (e) the following new subsections:

"(f) SPECIAL RULES RELATING TO EXPENDITURES.—

"(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the issuer reasonably expects—

"(A) at least 95 percent of the proceeds from the sale of the issue are to be spent for 1 or more qualified purposes with respect to qualified zone academies within the 5-year period beginning on the date of issuance of the qualified zone academy bond,

"(B) a binding commitment with a third party to spend at least 10 percent of the proceeds from the sale of the issue will be incurred within the 6-month period beginning on the date of issuance of the qualified zone academy bond, and

"(C) such purposes will be completed with due diligence and the proceeds from the sale of the issue will be spent with due diligence.

"(2) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the period described in paragraph (1)(A), the Secretary may extend such period if the issuer establishes that the failure to satisfy the 5-year requirement is due to reasonable cause and the related purposes will continue to proceed with due diligence.

"(3) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 5 YEARS.—To the extent that less than 95 percent of the proceeds of such issue are expended by the close of the 5-year period beginning on the date of issuance (or if an extension has been obtained under paragraph (2), by the close of the extended period), the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

"(g) SPECIAL RULES RELATING TO ARBITRAGE.—An issue shall be treated as meeting the requirements of this subsection if the issuer satisfies the arbitrage requirements of section 148 with respect to proceeds of the issue.

"(h) REPORTING.—Issuers of qualified academy zone bonds shall submit reports similar to the reports required under section 149(e).".

(2) Conforming Amendments.—Sections 54(l)(3)(B) and 1400N(l)(7)(B)(ii) are each amended by striking "section 1397E(i)" and inserting "section 1397E(I)".

(c) Effective Dates.—

(1) Extension.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 2005.

(2) Special Rules.—The amendments made by subsection (b) shall apply to obligations issued after the date of the enactment of this Act pursuant to allocations of the national zone academy bond limitation for calendar years after 2005.

SEC. 108. ABOVE-THE-LINE DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) In General.—Subparagraph (D) of section 62(a)(2) is amended by striking "or 2005" and inserting "2005, 2006, or 2007".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 109. EXTENSION AND EXPANSION OF EXPENSING OF BROWNFIELDS REMEDIATION COSTS.

(a) Extension.—Subsection (h) of section 198 is amended by striking "2005" and inserting "2007".

(b) Expansion.—Section 198(d)(1) (defining hazardous substance) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following new subparagraph:

"(C) any petroleum product (as defined in section 4612(a)(3)).".

(c) Effective Date.—The amendments made by this section shall apply to expenditures paid or incurred after December 31, 2005.

SEC. 110. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) Designation of Zone.—

(1) In general.—Subsection (f) of section 1400 is amended by striking "2005" both places it appears and inserting "2007".

(2) Effective date.—The amendments made by this subsection shall apply to periods beginning after December 31, 2005.

(b) Tax-Exempt Economic Development Bonds.—

(1) In general.—Subsection (b) of section 1400A is amended by striking "2005" and inserting "2007".

(2) Effective date.—The amendment made by this subsection shall apply to bonds issued after December 31, 2005.

(c) Zero Percent Capital Gains Rate.—

(1) In general.—Subsection (b) of section 1400B is amended by striking "2006" each place it appears and inserting "2008".

(2) Conforming amendments.—

(A) Section 1400B(e)(2) is amended—

(i) by striking "2010" and inserting "2012", and

(ii) by striking "2010" in the heading thereof and inserting "2012".

(B) Section 1400B(g)(2) is amended by striking "2010" and inserting "2012".

(C) Section 1400F(d) is amended by striking "2010" and inserting "2012".

(3) Effective dates.—

(A) Extension.—The amendments made by paragraph (1) shall apply to acquisitions after December 31, 2005.

(B) Conforming amendments.—The amendments made by paragraph (2) shall take effect on the date of the enactment of this Act.

(d) First-Time Homebuyer Credit.—

(1) In general.—Subsection (i) of section 1400C is amended by striking "2006" and inserting "2008".

(2) Effective date.—The amendment made by this subsection shall apply to property purchased after December 31, 2005.

SEC. 111. INDIAN EMPLOYMENT TAX CREDIT.

(a) In General.—Section 45A(f) is amended by striking "2005" and inserting "2007".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 112. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATIONS.

(a) In General.—Section 168(j)(8) is amended by striking "2005" and inserting "2007".

(b) Effective Date.—The amendment made by this section shall apply to property placed in service after December 31, 2005.

SEC. 113. FIFTEEN-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT PROPERTY.

(a) In General.—Clauses (iv) and (v) of section 168(e)(3)(E) are each amended by striking "2006" and inserting "2008".

(b) Treatment of Restaurant Property to Include New Construction.—Paragraph (7) of section 168(e) (relating to classification of property) is amended to read as follows:

"(7) Qualified restaurant property.—The term 'qualified restaurant property' means any section 1250 property which is a building or an improvement to a building if more than 50 percent of the building's square footage is devoted to preparation of, and seating for on-premises consumption of, prepared meals.".

(c) Effective Dates.—

(1) Subsection (a).—The amendments made by subsection (a) shall apply to property placed in service after December 31, 2005.

(2) Subsection (b).—The amendment made by subxection (b) shall apply to property placed in service after the date of the enactment of this Act.

SEC. 114. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Section 7652(f)(1) is amended by striking "2006" and inserting "2008".

(b) Effective Date.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2005.

SEC. 115. PARITY IN APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) Amendment to the Internal Revenue Code of 1986.—Section 9812(f)(3) is amended by striking "2006" and inserting "2007".

(b) Amendment to the Employee Retirement Income Security Act of 1974.—Section 712(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a(f)) is amended by striking "2006" and inserting "2007".

(c) Amendment to the Public Health Service Act.—Section 2705(f) of the Public Health Service Act (42 U.S.C. 300gg-5(f)) is amended by striking "2006"and inserting "2007".

SEC. 116. CORPORATE DONATIONS OF SCIENTIFIC PROPERTY USED FOR RESEARCH AND OF COMPUTER TECHNOLOGY AND EQUIPMENT.

(a) Extension of Computer Technology and Equipment Donation.—

(1) In general.—Section 170(e)(6)(G) is amended by striking "2005" and inserting "2007".

(2) Effective date.—The amendment made by paragraph (1) shall apply to contributions made in taxable years beginning after December 31, 2005.

(b) Expansion of Charitable Contribution Allowed for Scientific Property Used for Research and for Computer Technology and Equipment Used for Educational Purposes.—

(1) Scientific property used for research.—

(A) In general.—Clause (ii) of section 170(e)(4)(B) (defining qualified research contributions) is amended by inserting "or assembled" after "constructed".

(B) Conforming amendment.—Clause (iii) of section 170(e)(4)(B) is amended by inserting "or assembly" after "construction".

(2) Computer technology and equipment for educational purposes.—

(A) In general.—Clause (ii) of section 170(e)(6)(B) is amended by inserting "or assembled" after "constructed" and "or assembling" after "construction".

(B) Conforming amendment.—Subparagraph (D) of section 170(e)(6) is amended by inserting "or assembled" after "constructed" and "or assembly" after "construction".

(3) Effective date.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2005.

SEC. 117. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) In General.—Paragraphs (2) and (3)(B) of section 220(i) are each amended by striking "2005" each place it appears in the text and headings and inserting "2007".

(b) Conforming Amendments.—

(1) Paragraph (2) of section 220(j) is amended—

(A) in the text by striking "or 2004" each place it appears and inserting "2004, 2005, or 2006", and

(B) in the heading by striking "OR 2004" and inserting "2004, 2005, OR 2006".

(2) Subparagraph (A) of section 220(j)(4) is amended by striking "and 2004" and inserting "2004, 2005, and 2006".

(c) Time for Filing Reports, etc.—

(1) The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2005, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

(2) The determination and publication required by section 220(j)(5) of such Code with respect to calendar year 2005 shall be treated as timely if made before the close of the 120-day period beginning on the date of the enactment of this Act. If the determination under the preceding sentence is that 2005 is a cut-off year under section 220(i) of such Code, the cut-off date under such section 220(i) shall be the last day of such 120-day period.

SEC. 118. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) In General.—Section 613A(c)(6)(H) is amended by striking "2006" and inserting "2008".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 119. AMERICAN SAMOA ECONOMIC DEVELOPMENT CREDIT.

(a) In General.—For purposes of section 30A of the Internal Revenue Code of 1986, a domestic corporation shall be treated as a qualified domestic corporation to which such section applies if such corporation—

(1) is an existing credit claimant with respect to American Samoa, and

(2) elected the application of section 936 of the Internal Revenue Code of 1986 for its last

taxable year beginning before January 1, 2006.

(b) Special Rules for Application of Section.—The following rules shall apply in applying section 30A of the Internal Revenue Code of 1986 for purposes of this section:

(1) Amount of credit.—Notwithstanding section 30A(a)(1) of such Code, the amount of the credit determined under section 30A(a)(1) of such Code for any taxable year shall be the amount determined under section 30A(d) of such Code, except that section 30A(d) shall be applied without regard to paragraph (3) thereof.

(2) Separate application.—In applying section 30A(a)(3) of such Code in the case of a corporation treated as a qualified domestic corporation by reason of this section, section 30A of such Code (and so much of section 936 of such Code as relates to such section 30A) shall be applied separately with respect to American Samoa.

(3) Foreign tax credit allowed.—Notwithstanding section 30A(e) of such Code, the provisions of section 936(c) of such Code shall not apply with respect to the credit allowed by reason of this section.

(c) Definitions.—For purposes of this section, any term which is used in this section which is also used in section 30A or 936 of such Code shall have the same meaning given such term by such section 30A or 936.

(d) Application of Section.—Notwithstanding section 30A(h) or section 936(j) of such Code, this section (and so much of section 30A and section 936 of such Code as relates to this section) shall apply to the first two taxable years of a corporation to which subsection (a) applies which begin after December 31, 2005, and before January 1, 2008.

SEC. 120. RESTRUCTURING OF NEW YORK LIBERTY ZONE TAX CREDITS.

(a) In General.—Part I of subchapter Y of chapter 1 is amended by redesignating section 1400L as 1400K and by adding at the end the following new section:

"SEC. 1400L. NEW YORK LIBERTY ZONE TAX CREDITS.

"(a) In General.—In the case of a New York Liberty Zone governmental unit, there shall be allowed as a credit against any taxes imposed for any payroll period by section 3402 for which such governmental unit is liable under section 3403 an amount equal to so much of the portion of the qualifying project expenditure amount allocated under subsection (b)(3) to such governmental unit for the calendar year as is allocated by such governmental unit to such period under subsection (b)(4).

"(b) Qualifying Project Expenditure Amount.—For purposes of this section—

"(1) In general.—The term 'qualifying project expenditure amount' means, with respect to any calendar year, the sum of—

"(A) the total expenditures paid or incurred during such calendar year by all New York Liberty Zone governmental units and the Port Authority of New York and New Jersey for any portion of qualifying projects located wholly within the City of New York, New York, and

"(B) any such expenditures—

"(i) paid or incurred in any preceding calendar year which begins after the date of enactment of this section, and

"(ii) not previously allocated under paragraph (3).

"(2) Qualifying project.—The term 'qualifying project' means any transportation infrastructure project, including highways, mass transit systems, railroads, airports, ports, and waterways, in or connecting with the New York Liberty Zone (as defined in section 1400K(h)), which is designated as a qualifying project under this section jointly by the Governor of the State of New York and the Mayor of the City of New York, New York.

"(3) General allocation.—

"(A) In general.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly allocate to each New York Liberty Zone governmental unit the portion of the qualifying project expenditure amount which may be taken into account by such governmental unit under subsection (a) for any calendar year in the credit period.

"(B) Aggregate limit.—The aggregate amount which may be allocated under subparagraph (A) for all calendar years in the credit period shall not exceed $1,750,000,000.

"(C) Annual limit.—

"(i) In general.—The aggregate amount which may be allocated under subparagraph (A) for any calendar year in the credit period shall not exceed the sum of—

"(I) the applicable limit, plus

"(II) the aggregate amount authorized to be allocated under this paragraph for all preceding calendar years in the credit period which was not so allocated.

"(ii) Applicable limit.—For purposes of clause (i), the applicable limit for any calendar year is—

"(I) in the case of calendar years 2007 through 2016, $100,000,000,

"(II) in the case of calendar year 2017 or 2018, $200,000,000,

"(III) in the case of calendar year 2019, $150,000,000,

"(IV) in the case of calendar year 2020 or 2021, $100,000,000, and

"(V) in the case of any calendar year after 2021, zero.

"(D) Unallocated amounts at end of credit period.—If, as of the close of the credit period, the amount under subparagraph (B) exceeds the aggregate amount allocated under subparagraph (A) for all calendar years in the credit period, the Governor of the State of New York and the Mayor of the City of New York, New York, may jointly allocate to New York Liberty Zone governmental units for any calendar year in the 5-year period following the credit period an amount equal to—

"(i) the lesser of—

"(I) such excess, or

"(II) the qualifying project expenditure amount for such calendar year, reduced by

"(ii) the aggregate amount allocated under this subparagraph for all preceding calendar years.

"(4) Allocation to payroll periods.—Each New York Liberty Zone governmental unit which has been allocated a portion of the qualifying project expenditure amount under paragraph (3) for a calendar year may allocate such portion to payroll periods beginning in such calendar year as such governmental unit determines appropriate.

"(c) Carryover of Unused Allocations.—

"(1) In general.—Except as provided in paragraph (2), if the amount allocated under subsection (b)(3) to a New York Liberty Zone governmental unit for any calendar year exceeds the aggregate taxes imposed by section 3402 for which such governmental unit is liable under section 3403 for periods beginning in such year, such excess shall be carried to the succeeding calendar year and added to the allocation of such governmental unit for such succeeding calendar year. No amount may be carried under the preceding sentence to a calendar year after 2026.

"(2) Reallocation.—If a New York Liberty Zone governmental unit does not use an amount allocated to it under subsection (b)(3) within the time prescribed by the Governor of the State of New York and the Mayor of the City of New York, New York, then such amount shall after such time be treated for purposes of subsection (b)(3) in the same manner as if it had never been allocated.

"(d) Definitions and Special Rules.—For purposes of this section—

"(1) Credit period.—The term 'credit period' means the 15-year period beginning on January 1, 2007.

"(2) New York Liberty Zone governmental unit.—The term 'New York Liberty Zone governmental unit' means—

"(A) the State of New York,

"(B) the City of New York, New York, and

"(C) any agency or instrumentality of such State or City.

"(3) Treatment of funds.—Any expenditure for a qualifying project taken into account for purposes of the credit under this section shall be considered State and local funds for the purpose of any Federal program.

"(4) Treatment of credit amounts for purposes of withholding taxes.—For purposes of this title, a New York Liberty Zone governmental unit shall be treated as having paid to the Secretary, on the day on which wages are paid to employees, an amount equal to the amount of the credit allowed to such entity under subsection (a) with respect to such wages, but only if such governmental unit deducts and withholds wages for such payroll period under section 3401 (relating to wage withholding).

"(e) Reporting.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit to the Secretary an annual report—

"(1) which certifies—

"(A) the qualifying project expenditure amount for the calendar year, and

"(B) the amount allocated to each New York Liberty Zone governmental unit under subsection (b)(3) for the calendar year, and

"(2) includes such other information as the Secretary may require to carry out this section.

"(f) Guidance.—The Secretary may prescribe such guidance as may be necessary or appropriate to ensure compliance with the purposes of this section.

"(g) Termination.—No credit shall be allowed under subsection (a) for any calender year after 2026.".

(b) Termination of Certain New York Liberty Zone Benefits.—

(1) Special allowance and expensing.—Section 1400K(b)(2)(A)(v), as redesignated by subsection (a), is amended by striking "the termination date" and inserting "the date of the enactment of the Tax Extension Relief Act of 2006 or the termination date if pursuant to a binding contract in effect on such enactment date".

(2) Leasehold.—Section 1400K(c)(2)(B), as so redesignated, is amended by striking "before January 1, 2007" and inserting "on or before the date of the enactment of the Tax Extension Relief Act of 2006 or before January 1, 2007, if pursuant to a binding contract in effect on such enactment date".

(c) Conforming Amendments.—

(1) Section 38(c)(3)(B) is amended by striking "section 1400L(a)" and inserting "section 1400K(a)".

(2) Section 168(k)(2)(D)(ii) is amended by striking "section 1400L(c)(2)" and inserting "1400K(c)(2)".

(3) The table of sections for part I of subchapter Y of chapter 1 is amended by striking "1400L" and inserting "1400K".

(d) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to periods beginning after December 31, 2006.

(2) Subsection (b).—The amendments made by subsection (b) shall take effect as if included in section 301 of the Job Creation and Worker Assistance Act of 2002.

SEC. 121. EXTENSION OF BONUS DEPRECIATION FOR CERTAIN QUALIFIED GULF OPPORTUNITY ZONE PROPERTY.

(a) In General.—Subsection (d) of section 1400N is amended by adding at the end the following new paragraph:

“(6) Extension for certain property.—

“(A) In general.—In the case of any specified Gulf Opportunity Zone extension property, paragraph (2)(A) shall be applied without regard to clause (v) thereof.

“(B) Specified gulf opportunity zone extension property.—For purposes of this paragraph, the term ‘specified Gulf Opportunity Zone extension property’ means property—

“(i) substantially all of the use of which is in one or more specified portions of the GO Zone, and

“(ii) which is—

“(I) nonresidential real property or residential rental property which is placed in service by the taxpayer on or before December 31, 2009, or

“(II) in the case of a taxpayer who places a building described in subclause (I) in service on or before December 31, 2009, property described in section 168(k)(2)(A)(i) if substantially all of the use of such property is in such building and such property is placed in service by the taxpayer not later than 90 days after such building is placed in service.

“(C) Specified portions of the go zone.—For purposes of this paragraph, the term ‘specified portions of the GO Zone’ means those portions of the GO Zone which are in any county or parish which is identified by the Secretary as being a county or parish in which hurricanes occurring during 2005 damaged (in the aggregate) more than 40 percent of the housing units in such county or parish which were occupied (determined according to the 2000 Census).”.

(b) Extension Not Applicable to Increased Section 179 Expensing.—Paragraph (2) of section 1400N(e) is amended by inserting “without regard to subsection (d)(6)” after “subsection (d)(2)”.

(c) Effective Date.—The amendments made by this section shall take effect as if included in section 101 of the Gulf Opportunity Zone Act of 2005.

SEC. 122. AUTHORITY FOR UNDERCOVER OPERATIONS.

Paragraph (6) of section 7608(c) (relating to application of section) is amended by striking “2007” both places it appears and inserting “2008”.

SEC. 123. DISCLOSURES OF CERTAIN TAX RETURN INFORMATION.

(a) Disclosures To Facilitate Combined Employment Tax Reporting.—

(1) In general.—Subparagraph (B) of section 6103(d)(5) (relating to termination) is amended by striking “2006” and inserting “2007”.

(2) Effective date.—The amendment made by paragraph (1) shall apply to disclosures after December 31, 2006.

(b) Disclosures Relating to Terrorist Activities.—

(1) In general.—Clause (iv) of section 6103(i)(3)(C) and subparagraph (E) of section 6103(i)(7) are each amended by striking “2006” and inserting “2007”.

(2) Effective date.—The amendments made by paragraph (1) shall apply to disclosures after December 31, 2006.

(c) Disclosures Relating to Student Loans.—

(1) In general.—Subparagraph (D) of section 6103(l)(13) (relating to termination) is amended by striking “2006” and inserting “2007”.

(2) Effective date.—The amendment made by paragraph (1) shall apply to requests made after December 31, 2006.

TITLE II—OTHER TAX PROVISIONS

SEC. 201. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) In General.—Subsection (d) of section 199 (relating to definitions and special rules) is amended by redesignating paragraph (8) as paragraph (9) and by inserting after paragraph (7) the following new paragraph:

“(8) Treatment of activities in puerto rico.—

“(A) In general.—In the case of any taxpayer with gross receipts for any taxable year from sources within the Commonwealth of Puerto Rico, if all of such receipts are taxable under section 1 or 11 for such taxable year, then for purposes of determining the domestic production gross receipts of such taxpayer for such taxable year under subsection (c)(4), the term ‘United States’ shall include the Commonwealth of Puerto Rico.

“(B) Special rule for applying wage limitation.—In the case of any taxpayer described in subparagraph (A), for purposes of applying the limitation under subsection (b) for any taxable year, the determination of W–2 wages of such taxpayer shall be made without regard to any exclusion under section 3401(a)(8) for remuneration paid for services performed in Puerto Rico.

“(C) Termination.—This paragraph shall apply only with respect to the first 2 taxable years of the taxpayer beginning after December 31, 2005, and before January 1, 2008.”.

(b) Effective Date.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 202. CREDIT FOR PRIOR YEAR MINIMUM TAX LIABILITY MADE REFUNDABLE AFTER PERIOD OF YEARS.

(a) In General.—Section 53 (relating to credit for prior year minimum tax liability) is amended by adding at the end the following new subsection:

“(e) Special Rule for Individuals With Long-Term Unused Credits.—

“(1) In general.—If an individual has a long-term unused minimum tax credit for any taxable year beginning before January 1, 2013, the amount determined under subsection (c) for such taxable year shall not be less than the AMT refundable credit amount for such taxable year.

“(2) AMT refundable credit amount.—For purposes of paragraph (1)—

“(A) In general.—The term ‘AMT refundable credit amount’ means, with respect to any taxable year, the amount equal to the greater of—

“(i) the lesser of—

“(I) $5,000, or

“(II) the amount of long-term unused minimum tax credit for such taxable year, or

“(ii) 20 percent of the amount of such credit.

“(B) Phaseout of amt refundable credit amount.—

“(i) In general.—In the case of an individual whose adjusted gross income for any taxable year exceeds the threshold amount (within the meaning of section 151(d)(3)(C)), the AMT refundable credit amount determined under subparagraph (A) for such taxable year shall be reduced by the applicable percentage (within the meaning of section 151(d)(3)(B)).

“(ii) Adjusted gross income.—For purposes of clause (i), adjusted gross income shall be determined without regard to sections 911, 931, and 933.

“(3) Long-term unused minimum tax credit.—

“(A) In general.—For purposes of this subsection, the term ‘long-term unused minimum tax credit’ means, with respect to any taxable year, the portion of the minimum tax credit determined under subsection (b) attributable to the adjusted net minimum tax for taxable years before the 3rd taxable year immediately preceding such taxable year.

“(B) First-in, first-out ordering rule.—For purposes of subparagraph (A), credits shall be treated as allowed under subsection (a) on a first-in, first-out basis.

“(4) Credit refundable.—For purposes of this title (other than this section), the credit allowed by reason of this subsection shall be treated as if it were allowed under subpart C.”.

(b) Conforming Amendments.—

(1) Section 6211(b)(4)(A) is amended by striking “and 34” and inserting “34, and 53(e)”.

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting “or 53(e)” after “section 35”.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 203. RETURNS REQUIRED IN CONNECTION WITH CERTAIN OPTIONS.

(a) In General.—So much of section 6039(a) as follows paragraph (2) is amended to read as follows:

“shall, for such calendar year, make a return at such time and in such manner, and setting forth such information, as the Secretary may by regulations prescribe.”.

(b) Statements to Persons With Respect to Whom Information Is Furnished.—Section 6039 is amended by redesignating subsections (b) and (c) as subsection (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

“(b) Statements to Be Furnished to Persons With Respect to Whom Information Is Reported.—Every corporation making a return under subsection (a) shall furnish to each person whose name is set forth in such return a written statement setting forth such information as the Secretary may by regulations prescribe. The written statement required under the preceding sentence shall be furnished to such person on or before January 31 of the year following the calendar year for which the return under subsection (a) was made.”.

(c) Conforming Amendments.—

(1) Section 6724(d)(1)(B) is amended by striking “or” at the end of clause (xvii), by striking “and” at the end of clause (xviii) and inserting “or”, and by adding at the end the following new clause:

“(xix) section 6039(a) (relating to returns required with respect to certain options), and”.

(2) Section 6724(d)(2)(B) is amended by striking “section 6039(a)” and inserting “section 6039(b)”.

(3) The heading of section 6039 and the item relating to such section in the table of sections of subpart A of part III of subchapter A of chapter 61 of such Code are each amended

by striking "Information" and inserting "Returns".

(4) The heading of subsection (a) of section 6039 is amended by striking "FURNISHING OF INFORMATION" and inserting "REQUIREMENT OF REPORTING".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after the date of the enactment of this Act.

SEC. 204. PARTIAL EXPENSING FOR ADVANCED MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by inserting after section 179D the following new section:

"SEC. 179E. ELECTION TO EXPENSE ADVANCED MINE SAFETY EQUIPMENT.

"(a) TREATMENT AS EXPENSES.—A taxpayer may elect to treat 50 percent of the cost of any qualified advanced mine safety equipment property as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a deduction for the taxable year in which the qualified advanced mine safety equipment property is placed in service.

"(b) ELECTION.—

"(1) IN GENERAL.—An election under this section for any taxable year shall be made on the taxpayer's return of the tax imposed by this chapter for the taxable year. Such election shall specify the advanced mine safety equipment property to which the election applies and shall be made in such manner as the Secretary may by regulations prescribe.

"(2) ELECTION IRREVOCABLE.—Any election made under this section may not be revoked except with the consent of the Secretary.

"(c) QUALIFIED ADVANCED MINE SAFETY EQUIPMENT PROPERTY.—For purposes of this section, the term 'qualified advanced mine safety equipment property' means any advanced mine safety equipment property for use in any underground mine located in the United States—

"(1) the original use of which commences with the taxpayer, and

"(2) which is placed in service by the taxpayer after the date of the enactment of this section.

"(d) ADVANCED MINE SAFETY EQUIPMENT PROPERTY.—For purposes of this section, the term 'advanced mine safety equipment property' means any of the following:

"(1) Emergency communication technology or device which is used to allow a miner to maintain constant communication with an individual who is not in the mine.

"(2) Electronic identification and location device which allows an individual who is not in the mine to track at all times the movements and location of miners working in or at the mine.

"(3) Emergency oxygen-generating, self-rescue device which provides oxygen for at least 90 minutes.

"(4) Pre-positioned supplies of oxygen which (in combination with self-rescue devices) can be used to provide each miner on a shift, in the event of an accident or other event which traps the miner in the mine or otherwise necessitates the use of such a self-rescue device, the ability to survive for at least 48 hours.

"(5) Comprehensive atmospheric monitoring system which monitors the levels of carbon monoxide, methane, and oxygen that are present in all areas of the mine and which can detect smoke in the case of a fire in a mine.

"(e) COORDINATION WITH SECTION 179.—No expenditures shall be taken into account under subsection (a) with respect to the portion of the cost of any property specified in an election under section 179.

"(f) REPORTING.—No deduction shall be allowed under subsection (a) to any taxpayer for any taxable year unless such taxpayer files with the Secretary a report containing such information with respect to the operation of the mines of the taxpayer as the Secretary shall require.

"(g) TERMINATION.—This section shall not apply to property placed in service after December 31, 2008.".

(b) CONFORMING AMENDMENTS.—

(1) Section 263(a)(1) is amended by striking "or" at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting ", or", and by inserting after subparagraph (K) the following new subparagraph:

"(L) expenditures for which a deduction is allowed under section 179E.".

(2) Section 312(k)(3)(B) is amended by striking "or 179D" each place it appears in the heading and text thereof and inserting "179D, or 179E".

(3) Paragraphs (2)(C) and (3)(C) of section 1245(a) are each amended by inserting "179E," after "179D,".

(4) The table of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 179D the following new item:

"Sec. 179E. Election to expense advanced mine safety equipment.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to costs paid or incurred after the date of the enactment of this Act.

SEC. 205. MINE RESCUE TEAM TRAINING TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45N. MINE RESCUE TEAM TRAINING CREDIT.

"(a) AMOUNT OF CREDIT.—For purposes of section 38, the mine rescue team training credit determined under this section with respect to each qualified mine rescue team employee of an eligible employer for any taxable year is an amount equal to the lesser of—

"(1) 20 percent of the amount paid or incurred by the taxpayer during the taxable year with respect to the training program costs of such qualified mine rescue team employee (including wages of such employee while attending such program), or

"(2) $10,000.

"(b) QUALIFIED MINE RESCUE TEAM EMPLOYEE.—For purposes of this section, the term 'qualified mine rescue team employee' means with respect to any taxable year any full-time employee of the taxpayer who is—

"(1) a miner eligible for more than 6 months of such taxable year to serve as a mine rescue team member as a result of completing, at a minimum, an initial 20-hour course of instruction as prescribed by the Mine Safety and Health Administration's Office of Educational Policy and Development, or

"(2) a miner eligible for more than 6 months of such taxable year to serve as a mine rescue team member by virtue of receiving at least 40 hours of refresher training in such instruction.

"(c) ELIGIBLE EMPLOYER.—For purposes of this section, the term 'eligible employer' means any taxpayer which employs individuals as miners in underground mines in the United States.

"(d) WAGES.—For purposes of this section, the term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

"(e) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 2008.".

(b) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) is amended by striking "and" at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting ", plus", and by adding at the end the following new paragraph:

"(31) the mine rescue team training credit determined under section 45N(a).".

(c) NO DOUBLE BENEFIT.—Section 280C is amended by adding at the end the following new subsection:

"(e) MINE RESCUE TEAM TRAINING CREDIT.—No deduction shall be allowed for that portion of the expenses otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for the taxable year under section 45N(a).".

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45N. Mine rescue team training credit.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 206. WHISTLEBLOWER REFORMS.

(a) AWARDS TO WHISTLEBLOWERS.—

(1) IN GENERAL.—Section 7623 (relating to expenses of detection of underpayments and fraud, etc.) is amended—

(A) by striking "The Secretary" and inserting "(a) IN GENERAL.—The Secretary",

(B) by striking "and" at the end of paragraph (1) and inserting "or",

(C) by striking "(other than interest)", and

(D) by adding at the end the following new subsection:

"(b) AWARDS TO WHISTLEBLOWERS.—

"(1) IN GENERAL.—If the Secretary proceeds with any administrative or judicial action described in subsection (a) based on information brought to the Secretary's attention by an individual, such individual shall, subject to paragraph (2), receive as an award at least 15 percent but not more than 30 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action. The determination of the amount of such award by the Whistleblower Office shall depend upon the extent to which the individual substantially contributed to such action.

"(2) AWARD IN CASE OF LESS SUBSTANTIAL CONTRIBUTION.—

"(A) IN GENERAL.—In the event the action described in paragraph (1) is one which the Whistleblower Office determines to be based principally on disclosures of specific allegations (other than information provided by the individual described in paragraph (1)) resulting from a judicial or administrative hearing, from a governmental report, hearing, audit, or investigation, or from the news media, the Whistleblower Office may award such sums as it considers appropriate, but in no case more than 10 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action, taking into account the significance of the individual's information and the role of such individual and any legal representative of such individual in contributing to such action.

"(B) NONAPPLICATION OF PARAGRAPH WHERE INDIVIDUAL IS ORIGINAL SOURCE OF INFORMATION.—Subparagraph (A) shall not apply if the information resulting in the initiation of the action described in paragraph (1) was originally provided by the individual described in paragraph (1).

"(3) REDUCTION IN OR DENIAL OF AWARD.—If the Whistleblower Office determines that the claim for an award under paragraph (1) or (2) is brought by an individual who planned and initiated the actions that led to the underpayment of tax or actions described in subsection (a)(2), then the Whistleblower Office may appropriately reduce such award. If such individual is convicted of criminal conduct arising from the role described in the preceding sentence, the Whistleblower Office shall deny any award.

"(4) APPEAL OF AWARD DETERMINATION.—Any determination regarding an award under paragraph (1), (2), or (3) may, within 30 days of such determination, be appealed to the Tax Court (and the Tax Court shall have jurisdiction with respect to such matter).

"(5) APPLICATION OF THIS SUBSECTION.—This subsection shall apply with respect to any action—

"(A) against any taxpayer, but in the case of any individual, only if such individual's gross income exceeds $200,000 for any taxable year subject to such action, and

"(B) if the tax, penalties, interest, additions to tax, and additional amounts in dispute exceed $2,000,000.

"(6) ADDITIONAL RULES.—

"(A) NO CONTRACT NECESSARY.—No contract with the Internal Revenue Service is necessary for any individual to receive an award under this subsection.

"(B) REPRESENTATION.—Any individual described in paragraph (1) or (2) may be represented by counsel.

"(C) SUBMISSION OF INFORMATION.—No award may be made under this subsection based on information submitted to the Secretary unless such information is submitted under penalty of perjury.".

(2) ASSIGNMENT TO SPECIAL TRIAL JUDGES.—

(A) IN GENERAL.—Section 7443A(b) (relating to proceedings which may be assigned to special trial judges) is amended by striking "and" at the end of paragraph (4), by redesignating paragraph (5) as paragraph (6), and by inserting after paragraph (4) the following new paragraph:

"(5) any proceeding under section 7623(b)(4), and".

(B) CONFORMING AMENDMENT.—Section 7443A(c) is amended by striking "or (4)" and inserting "(4), or (5)".

(3) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMIZES.—Subsection (a) of section 62 (relating to general rule defining adjusted gross income) is amended by inserting after paragraph (20) the following new paragraph:

"(21) ATTORNEYS FEES RELATING TO AWARDS TO WHISTLEBLOWERS.—Any deduction allowable under this chapter for attorney fees and court costs paid by, or on behalf of, the taxpayer in connection with any award under section 7623(b) (relating to awards to whistleblowers). The preceding sentence shall not apply to any deduction in excess of the amount includible in the taxpayer's gross income for the taxable year on account of such award.".

(b) WHISTLEBLOWER OFFICE.—

(1) IN GENERAL.—Not later than the date which is 12 months after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance for the operation of a whistleblower program to be administered in the Internal Revenue Service by an office to be known as the "Whistleblower Office" which—

(A) shall at all times operate at the direction of the Commissioner of Internal Revenue and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner of Internal Revenue,

(B) shall analyze information received from any individual described in section 7623(b) of the Internal Revenue Code of 1986 and either investigate the matter itself or assign it to the appropriate Internal Revenue Service office, and

(C) in its sole discretion, may ask for additional assistance from such individual or any legal representative of such individual.

(2) REQUEST FOR ASSISTANCE.—The guidance issued under paragraph (1) shall specify that any assistance requested under paragraph (1)(C) shall be under the direction and control of the Whistleblower Office or the office assigned to investigate the matter under paragraph (1)(A). No individual or legal representative whose assistance is so requested may by reason of such request represent himself or herself as an employee of the Federal Government.

(c) REPORT BY SECRETARY.—The Secretary of the Treasury shall each year conduct a study and report to Congress on the use of section 7623 of the Internal Revenue Code of 1986, including—

(1) an analysis of the use of such section during the preceding year and the results of such use, and

(2) any legislative or administrative recommendations regarding the provisions of such section and its application.

(d) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to information provided on or after the date of the enactment of this Act.

SEC. 207. FRIVOLOUS TAX SUBMISSIONS.

(a) CIVIL PENALTIES.—Section 6702 is amended to read as follows:

"SEC. 6702. FRIVOLOUS TAX SUBMISSIONS.

"(a) CIVIL PENALTY FOR FRIVOLOUS TAX RETURNS.—A person shall pay a penalty of $5,000 if—

"(1) such person files what purports to be a return of a tax imposed by this title but which—

"(A) does not contain information on which the substantial correctness of the self-assessment may be judged, or

"(B) contains information that on its face indicates that the self-assessment is substantially incorrect, and

"(2) the conduct referred to in paragraph (1)—

"(A) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(B) reflects a desire to delay or impede the administration of Federal tax laws.

"(b) CIVIL PENALTY FOR SPECIFIED FRIVOLOUS SUBMISSIONS.—

"(1) IMPOSITION OF PENALTY.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

"(2) SPECIFIED FRIVOLOUS SUBMISSION.—For purposes of this section—

"(A) SPECIFIED FRIVOLOUS SUBMISSION.—The term 'specified frivolous submission' means a specified submission if any portion of such submission—

"(i) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(ii) reflects a desire to delay or impede the administration of Federal tax laws.

"(B) SPECIFIED SUBMISSION.—The term 'specified submission' means—

"(i) a request for a hearing under—

"(I) section 6320 (relating to notice and opportunity for hearing upon filing of notice of lien), or

"(II) section 6330 (relating to notice and opportunity for hearing before levy), and

"(ii) an application under—

"(I) section 6159 (relating to agreements for payment of tax liability in installments),

"(II) section 7122 (relating to compromises), or

"(III) section 7811 (relating to taxpayer assistance orders).

"(3) OPPORTUNITY TO WITHDRAW SUBMISSION.—If the Secretary provides a person with notice that a submission is a specified frivolous submission and such person withdraws such submission within 30 days after such notice, the penalty imposed under paragraph (1) shall not apply with respect to such submission.

"(c) LISTING OF FRIVOLOUS POSITIONS.—The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6662(d)(2)(B)(ii)(II).

"(d) REDUCTION OF PENALTY.—The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

"(e) PENALTIES IN ADDITION TO OTHER PENALTIES.—The penalties imposed by this section shall be in addition to any other penalty provided by law.".

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.—

(1) FRIVOLOUS REQUESTS DISREGARDED.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

"(g) FRIVOLOUS REQUESTS FOR HEARING, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6320 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(2) PRECLUSION FROM RAISING FRIVOLOUS ISSUES AT HEARING.—Section 6330(c)(4) is amended—

(A) by striking "(A)" and inserting "(A)(i)";

(B) by striking "(B)" and inserting "(ii)";

(C) by striking the period at the end of the first sentence and inserting "; or"; and

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following:

"(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).".

(3) STATEMENT OF GROUNDS.—Section 6330(b)(1) is amended by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing".

(c) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS UPON FILING OF NOTICE OF LIEN.—Section 6320 is amended—

(1) in subsection (b)(1), by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing", and

(2) in subsection (c), by striking "and (e)" and inserting "(e), and (g)".

(d) Treatment of Frivolous Applications for Offers-in-Compromise and Installment Agreements.—Section 7122 is amended by adding at the end the following new subsection:

"(f) Frivolous Submissions, Etc.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(e) Clerical Amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

"Sec. 6702. Frivolous tax submissions.".

(f) Effective Date.—The amendments made by this section shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 208. ADDITION OF MENINGOCOCCAL AND HUMAN PAPILLOMAVIRUS VACCINES TO LIST OF TAXABLE VACCINES.

(a) Meningococcal Vaccine.—Section 4132(a)(1) (defining taxable vaccine) is amended by adding at the end the following new subparagraph:

"(O) Any meningococcal vaccine.".

(b) Human Papillomavirus Vaccine.—Section 4132(a)(1), as amended by subsection (a), is amended by adding at the end the following new subparagraph:

"(P) Any vaccine against the human papillomavirus.".

(c) Effective Date.—

(1) Sales, etc.—The amendments made by this section shall apply to sales and uses on or after the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act.

(2) Deliveries.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 209. CLARIFICATION OF TAXATION OF CERTAIN SETTLEMENT FUNDS MADE PERMANENT.

(a) In General.—Subsection (g) of section 468B, as amended by section 201 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking paragraph (3).

(b) Effective Date.—The amendment made by this section shall take effect as if included in section 201 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 210. MODIFICATION OF ACTIVE BUSINESS DEFINITION UNDER SECTION 355 MADE PERMANENT.

(a) In General.—Subparagraphs (A) and (D) of section 355(b)(3), as amended by section 202 of the Tax Increase Prevention and Reconciliation Act of 2005, are each amended by striking "and on or before December 31, 2010".

(b) Effective Date.—The amendments made by this section shall take effect as if included in section 202 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 211. REVISION OF STATE VETERANS LIMIT MADE PERMANENT.

(a) In General.—Subparagraph (B) of section 143(l)(3), as amended by section 203 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking clause (iv).

(b) Effective Date.—The amendment made by this section shall take effect as if included in section 203 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 212. CAPITAL GAINS TREATMENT FOR CERTAIN SELF-CREATED MUSICAL WORKS MADE PERMANENT.

(a) In General.—Paragraph (3) of section 1221(b), as amended by section 204 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "before January 1, 2011,".

(b) Effective Date.—The amendment made by this section shall take effect as if included in section 204 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 213. REDUCTION IN MINIMUM VESSEL TONNAGE WHICH QUALIFIES FOR TONNAGE TAX MADE PERMANENT.

(a) In General.—Paragraph (4) of section 1355(a), as amended by section 205 of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "10,000 (6,000, in the case of taxable years beginning after December 31, 2005, and ending before January 1, 2011)" and inserting "6,000".

(b) Effective Date.—The amendment made by this section shall take effect as if included in section 205 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 214. MODIFICATION OF SPECIAL ARBITRAGE RULE FOR CERTAIN FUNDS MADE PERMANENT.

(a) In General.—Section 206 of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking "and before August 31, 2009".

(b) Effective Date.—The amendment made by this section shall take effect as if included in section 206 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 215. GREAT LAKES DOMESTIC SHIPPING TO NOT DISQUALIFY VESSEL FROM TONNAGE TAX.

(a) In General.—Section 1355 (relating to definitions and special rules) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Great Lakes Domestic Shipping to Not Disqualify Vessel.—

"(1) In general.—If the electing corporation elects (at such time and in such manner as the Secretary may require) to apply this subsection for any taxable year to any qualifying vessel which is used in qualified zone domestic trade during the taxable year—

"(A) solely for purposes of subsection (a)(4), such use shall be treated as use in United States foreign trade (and not as use in United States domestic trade), and

"(B) subsection (f) shall not apply with respect to such vessel for such taxable year.

"(2) Effect of temporarily operating vessel in United States domestic trade.—In the case of a qualifying vessel to which this subsection applies—

"(A) In general.—An electing corporation shall be treated as using such vessel in qualified zone domestic trade during any period of temporary use in the United States domestic trade (other than qualified zone domestic trade) if the electing corporation gives timely notice to the Secretary stating—

"(i) that it temporarily operates or has operated in the United States domestic trade (other than qualified zone domestic trade) a qualifying vessel which had been used in the United States foreign trade or qualified zone domestic trade, and

"(ii) its intention to resume operation of the vessel in the United States foreign trade or qualified zone domestic trade.

"(B) Notice.—Notice shall be deemed timely if given not later than the due date (including extensions) for the corporation's tax return for the taxable year in which the temporary cessation begins.

"(C) Period disregard in effect.—The period of temporary use under subparagraph (A) continues until the earlier of the date of which—

"(i) the electing corporation abandons its intention to resume operations of the vessel in the United States foreign trade or qualified zone domestic trade, or

"(ii) the electing corporation resumes operation of the vessel in the United States foreign trade or qualified zone domestic trade.

"(D) No disregard if domestic trade use exceeds 30 days.—Subparagraph (A) shall not apply to any qualifying vessel which is operated in the United States domestic trade (other than qualified zone domestic trade) for more than 30 days during the taxable year.

"(3) Allocation of income and deductions to qualifying shipping activities.—In the case of a qualifying vessel to which this subsection applies, the Secretary shall prescribe rules for the proper allocation of income, expenses, losses, and deductions between the qualified shipping activities and the other activities of such vessel.

"(4) Qualified zone domestic trade.—For purposes of this subsection—

"(A) In general.—The term 'qualified zone domestic trade' means the transportation of goods or passengers between places in the qualified zone if such transportation is in the United States domestic trade.

"(B) Qualified zone.—The term 'qualified zone' means the Great Lakes Waterway and the St. Lawrence Seaway.".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 216. USE OF QUALIFIED MORTGAGE BONDS TO FINANCE RESIDENCES FOR VETERANS WITHOUT REGARD TO FIRST-TIME HOMEBUYER REQUIREMENT.

(a) In General.—Section 143(d)(2) (relating to exceptions to 3-year requirement) is amended by striking "and" at the end of subparagraph (B), by adding "and" at the end of subparagraph (C), and by inserting after subparagraph (C) the following new subparagraph:

"(D) in the case of bonds issued after the date of the enactment of this subparagraph and before January 1, 2008, financing of any residence for a veteran (as defined in section 101 of title 38, United States Code), if such veteran has not previously qualified for and received such financing by reason of this subparagraph.".

(b) Effective Date.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 217. EXCLUSION OF GAIN FROM SALE OF A PRINCIPAL RESIDENCE BY CERTAIN EMPLOYEES OF THE INTELLIGENCE COMMUNITY.

(a) In General.—Subparagraph (A) of section 121(d)(9) (relating to exclusion of gain from sale of principal residence) is amended by striking "duty" and all that follows and inserting "duty—

"(i) as a member of the uniformed services,

"(ii) as a member of the Foreign Service of the United States, or

"(iii) as an employee of the intelligence community.".

(b) Employee of Intelligence Community Defined.—Subparagraph (C) of section

121(d)(9) is amended by redesignating clause (iv) as clause (v) and by inserting after clause (iii) the following new clause:

"(iv) EMPLOYEE OF INTELLIGENCE COMMUNITY.—The term 'employee of the intelligence community' means an employee (as defined by section 2105 of title 5, United States Code) of—

"(I) the Office of the Director of National Intelligence,

"(II) the Central Intelligence Agency,

"(III) the National Security Agency,

"(IV) the Defense Intelligence Agency,

"(V) the National Geospatial-Intelligence Agency,

"(VI) the National Reconnaissance Office,

"(VII) any other office within the Department of Defense for the collection of specialized national intelligence through reconnaissance programs,

"(VIII) any of the intelligence elements of the Army, the Navy, the Air Force, the Marine Corps, the Federal Bureau of Investigation, the Department of Treasury, the Department of Energy, and the Coast Guard,

"(IX) the Bureau of Intelligence and Research of the Department of State, or

"(X) any of the elements of the Department of Homeland Security concerned with the analyses of foreign intelligence information.".

(c) SPECIAL RULE.—Subparagraph (C) of section 121(d)(9), as amended by subsection (b), is amended by adding at the end the following new clause:

"(vi) SPECIAL RULE RELATING TO INTELLIGENCE COMMUNITY.—An employee of the intelligence community shall not be treated as serving on qualified extended duty unless such duty is at a duty station located outside the United States.".

(d) CONFORMING AMENDMENT.—The heading for section 121(d)(9) is amended to read as follows: "UNIFORMED SERVICES, FOREIGN SERVICE, AND INTELLIGENCE COMMUNITY".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after the date of the enactment of this Act and before January 1, 2011.

SEC. 218. TREATMENT OF COKE AND COKE GAS.

(a) NONAPPLICATION OF PHASEOUT.—Section 45K(g)(2) is amended by adding at the end the following new subparagraph:

"(D) NONAPPLICATION OF PHASEOUT.—Subsection (b)(1) shall not apply.".

(b) CLARIFICATION OF QUALIFYING FACILITY.—Section 45K(g)(1) is amended by inserting "(other than from petroleum based products)" after "coke or coke gas".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 1321 of the Energy Policy Act of 2005.

SEC. 219. SALE OF PROPERTY BY JUDICIAL OFFICERS.

(a) IN GENERAL.—Section 1043(b) (relating to the sale of property to comply with conflict-of-interest requirements) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by inserting ", or a judicial officer," after "an officer or employee of the executive branch"; and

(B) in subparagraph (B), by inserting "judicial canon," after "any statute, regulation, rule,";

(2) in paragraph (2)—

(A) in subparagraph (A), by inserting "judicial canon," after "any Federal conflict of interest statute, regulation, rule,"; and

(B) in subparagraph (B), by inserting after "the Director of the Office of Government Ethics," the following: "in the case of executive branch officers or employees, or by the Judicial Conference of the United States (or its designee), in the case of judicial officers,"; and

(3) in paragraph (5)(B), by inserting "judicial canon," after "any statute, regulation, rule,".

(b) JUDICIAL OFFICER DEFINED.—Section 1043(b) is amended by adding at the end the following new paragraph:

"(6) JUDICIAL OFFICER.—The term 'judicial officer' means the Chief Justice of the United States, the Associate Justices of the Supreme Court, and the judges of the United States courts of appeals, United States district courts, including the district courts in Guam, the Northern Mariana Islands, and the Virgin Islands, Court of Appeals for the Federal Circuit, Court of International Trade, Tax Court, Court of Federal Claims, Court of Appeals for Veterans Claims, United States Court of Appeals for the Armed Forces, and any court created by Act of Congress, the judges of which are entitled to hold office during good behavior.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after the date of enactment of this Act.

SEC. 220. PREMIUMS FOR MORTGAGE INSURANCE.

(a) IN GENERAL.—Section 163(h)(3) (relating to qualified residence interest) is amended by adding at the end the following new subparagraph:

"(E) MORTGAGE INSURANCE PREMIUMS TREATED AS INTEREST.—

"(i) IN GENERAL.—Premiums paid or accrued for qualified mortgage insurance by a taxpayer during the taxable year in connection with acquisition indebtedness with respect to a qualified residence of the taxpayer shall be treated for purposes of this section as interest which is qualified residence interest.

"(ii) PHASEOUT.—The amount otherwise treated as interest under clause (i) shall be reduced (but not below zero) by 10 percent of such amount for each $1,000 ($500 in the case of a married individual filing a separate return) (or fraction thereof) that the taxpayer's adjusted gross income for the taxable year exceeds $100,000 ($50,000 in the case of a married individual filing a separate return).

"(iii) LIMITATION.—Clause (i) shall not apply with respect to any mortgage insurance contracts issued before January 1, 2007.

"(iv) TERMINATION.—Clause (i) shall not apply to amounts—

"(I) paid or accrued after December 31, 2007, or

"(II) properly allocable to any period after such date.".

(b) DEFINITION AND SPECIAL RULES.—Section 163(h)(4) (relating to other definitions and special rules) is amended by adding at the end the following new subparagraphs:

"(E) QUALIFIED MORTGAGE INSURANCE.—The term 'qualified mortgage insurance' means—

"(i) mortgage insurance provided by the Veterans Administration, the Federal Housing Administration, or the Rural Housing Administration, and

"(ii) private mortgage insurance (as defined by section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901), as in effect on the date of the enactment of this subparagraph).

"(F) SPECIAL RULES FOR PREPAID QUALIFIED MORTGAGE INSURANCE.—Any amount paid by the taxpayer for qualified mortgage insurance that is properly allocable to any mortgage the payment of which extends to periods that are after the close of the taxable year in which such amount is paid shall be chargeable to capital account and shall be treated as paid in such periods to which so allocated. No deduction shall be allowed for the unamortized balance of such account if such mortgage is satisfied before the end of its term. The preceding sentences shall not apply to amounts paid for qualified mortgage insurance provided by the Veterans Administration or the Rural Housing Administration.".

(c) INFORMATION RETURNS RELATING TO MORTGAGE INSURANCE.—Section 6050H (relating to returns relating to mortgage interest received in trade or business from individuals) is amended by adding at the end the following new subsection:

"(h) RETURNS RELATING TO MORTGAGE INSURANCE PREMIUMS.—

"(1) IN GENERAL.—The Secretary may prescribe, by regulations, that any person who, in the course of a trade or business, receives from any individual premiums for mortgage insurance aggregating $600 or more for any calendar year, shall make a return with respect to each such individual. Such return shall be in such form, shall be made at such time, and shall contain such information as the Secretary may prescribe.

"(2) STATEMENT TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under paragraph (1) shall furnish to each individual with respect to whom a return is made a written statement showing such information as the Secretary may prescribe. Such written statement shall be furnished on or before January 31 of the year following the calendar year for which the return under paragraph (1) was required to be made.

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) rules similar to the rules of subsection (c) shall apply, and

"(B) the term 'mortgage insurance' means—

"(i) mortgage insurance provided by the Veterans Administration, the Federal Housing Administration, or the Rural Housing Administration, and

"(ii) private mortgage insurance (as defined by section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901), as in effect on the date of the enactment of this subsection).".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or accrued after December 31, 2006.

SEC. 221. MODIFICATION OF REFUNDS FOR KEROSENE USED IN AVIATION.

(a) IN GENERAL.—Paragraph (4) of section 6427(l) (relating to nontaxable uses of diesel fuel and kerosene) is amended to read as follows:

"(4) REFUNDS FOR KEROSENE USED IN AVIATION.—

"(A) KEROSENE USED IN COMMERCIAL AVIATION.—In the case of kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1) shall not apply to so much of the tax imposed by section 4041 or 4081, as the case may be, as is attributable to—

"(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(ii) so much of the rate of tax specified in section 4041(c) or 4081(a)(2)(A)(iii), as the case may be, as does not exceed 4.3 cents per gallon.

"(B) KEROSENE USED IN NONCOMMERCIAL AVIATION.—In the case of kerosene used in aviation that is not commercial aviation (as so defined) (other than any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax), paragraph (1) shall not apply to—

"(i) any tax imposed by section 4041(c), and

"(ii) so much of the tax imposed by section 4081 as is attributable to—

"(I) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(II) so much of the rate of tax specified in section 4081(a)(2)(A)(iii) as does not exceed the rate specified in section 4081(a)(2)(C)(ii).

"(C) Payments to ultimate, registered vendor.—

"(i) In general.—With respect to any kerosene used in aviation (other than kerosene described in clause (ii) or kerosene to which paragraph (5) applies), if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

"(I) is registered under section 4101, and

"(II) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).

"(ii) Payments for kerosene used in noncommercial aviation.—The amount which would be paid under paragraph (1) with respect to any kerosene to which subparagraph (B) applies shall be paid only to the ultimate vendor of such kerosene. A payment shall be made to such vendor if such vendor—

"(I) is registered under section 4101, and

"(II) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(b) Conforming Amendments.—

(1) Section 6427(l) is amended by striking paragraph (5) and by redesignating paragraph (6) as paragraph (5).

(2) Section 4082(d)(2)(B) is amended by striking "section 6427(l)(6)(B)" and inserting "section 6427(l)(5)(B)".

(3) Section 6427(i)(4)(A) is amended—

(A) by striking "paragraph (4)(B), (5), or (6)" each place it appears and inserting "paragraph (4)(C) or (5)", and

(B) by striking "(l)(5), and (l)(6)" and inserting "(l)(4)(C)(ii), and (l)(5)".

(4) Section 6427(l)(1) is amended by striking "paragraph (4)(B)" and inserting "paragraph (4)(C)(i)".

(5) Section 9502(d) is amended—

(A) in paragraph (2), by striking "and (l)(5)", and

(B) in paragraph (3), by striking "or (5)".

(6) Section 9503(c)(7) is amended—

(A) by amending subparagraphs (A) and (B) to read as follows:

"(A) 4.3 cents per gallon of kerosene subject to section 6427(l)(4)(A) with respect to which a payment has been made by the Secretary under section 6427(l), and

"(B) 21.8 cents per gallon of kerosene subject to section 6427(l)(4)(B) with respect to which a payment has been made by the Secretary under section 6427(l).", and

(B) in the matter following subparagraph (B), by striking "or (5)".

(c) Effective Date.—

(1) In general.—The amendments made by this section shall apply to kerosene sold after September 30, 2005.

(2) Special rule for pending claims.—In the case of kerosene sold for use in aviation (other than kerosene to which section 6427(l)(4)(C)(ii) of the Internal Revenue Code of 1986 (as added by subsection (a)) applies or kerosene to which section 6427(l)(5) of such Code (as redesignated by subsection (b)) applies) after September 30, 2005, and before the date of the enactment of this Act, the ultimate purchaser shall be treated as having waived the right to payment under section 6427(l)(1) of such Code and as having assigned such right to the ultimate vendor if such ultimate vendor has met the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1) of such Code.

(d) Special Rule for Kerosene Used in Aviation on a Farm for Farming Purposes.—

(1) Refunds for purchases after December 31, 2004, and before October 1, 2005.—The Secretary of the Treasury shall pay to the ultimate purchaser of any kerosene which is used in aviation on a farm for farming purposes and which was purchased after December 31, 2004, and before October 1, 2005, an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081 of the Internal Revenue Code of 1986, as the case may be, reduced by any payment to the ultimate vendor under section 6427(l)(5)(C) of such Code (as in effect on the day before the date of the enactment of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: a Legacy for Users).

(2) Use on a farm for farming purposes.—For purposes of paragraph (1), kerosene shall be treated as used on a farm for farming purposes if such kerosene is used for farming purposes (within the meaning of section 6420(c)(3) of the Internal Revenue Code of 1986) in carrying on a trade or business on a farm situated in the United States. For purposes of the preceding sentence, rules similar to the rules of section 6420(c)(4) of such Code shall apply.

(3) Time for filing claims.—No claim shall be allowed under paragraph (1) unless the ultimate purchaser files such claim before the date that is 3 months after the date of the enactment of this Act.

(4) No double benefit.—No amount shall be paid under paragraph (1) or section 6427(l) of the Internal Revenue Code of 1986 with respect to any kerosene described in paragraph (1) to the extent that such amount is in excess of the tax imposed on such kerosene under section 4041 or 4081 of such Code, as the case may be.

(5) Applicable laws.—For purposes of this subsection, rules similar to the rules of section 6427(j) of the Internal Revenue Code of 1986 shall apply.

SEC. 222. DEDUCTION FOR QUALIFIED TIMBER GAIN.

(a) In General.—Part I of subchapter P of chapter 1 is amended by adding at the end the following new section:

"SEC. 1203. DEDUCTION FOR QUALIFIED TIMBER GAIN.

"(a) In General.—In the case of a taxpayer which elects the application of this section for a taxable year, there shall be allowed a deduction against gross income equal to 60 percent of the lesser of—

"(1) the taxpayer's qualified timber gain for such year, or

"(2) the taxpayer's net capital gain for such year.

"(b) Qualified Timber Gain.—For purposes of this section, the term 'qualified timber gain' means, with respect to any taxpayer for any taxable year, the excess (if any) of—

"(1) the sum of the taxpayer's gains described in subsections (a) and (b) of section 631 for such year, over

"(2) the sum of the taxpayer's losses described in such subsections for such year.

"(c) Special Rules for Pass-Thru Entities.—In the case of any qualified timber gain of a pass-thru entity (as defined in section 1(h)(10))—

"(1) the election under this section shall be made separately by each taxpayer subject to tax on such gain, and

"(2) the Secretary may prescribe such regulations as are appropriate to apply this section to such gain.

"(d) Termination.—No disposition of timber after December 31, 2007, shall be taken into account under subsection (b).".

(b) Coordination With Maximum Capital Gains Rates.—

(1) Taxpayers other than corporations.—Paragraph (2) of section 1(h) is amended to read as follows:

"(2) Reduction of net capital gain.—For purposes of this subsection, the net capital gain for any taxable year shall be reduced (but not below zero) by the sum of—

"(A) the amount which the taxpayer takes into account as investment income under section 163(d)(4)(B)(iii), and

"(B) in the case of a taxable year with respect to which an election is in effect under section 1203, the lesser of—

"(i) the amount described in paragraph (1) of section 1203(a), or

"(ii) the amount described in paragraph (2) of such section.".

(2) Corporations.—Section 1201 is amended by redesignating subsection (b) as subsection (c) and inserting after subsection (a) the following new subsection:

"(b) Qualified Timber Gain Not Taken Into Account.—For purposes of this section, in the case of a corporation with respect to which an election is in effect under section 1203, the net capital gain for any taxable year shall be reduced (but not below zero) by the corporation's qualified timber gain (as defined in section 1203(b)).".

(c) Deduction Allowed Whether or Not Individual Itemizes Other Deductions.—Subsection (a) of section 62, as amended by this Act, is amended by inserting before the last sentence the following new paragraph:

"(22) Qualified timber gains.—The deduction allowed by section 1203.".

(d) Deduction Allowed in Computing Adjusted Current Earnings.—Subparagraph (C) of section 56(g)(4) is amended by adding at the end the following new clause:

"(vii) Deduction for qualified timber gain.—Clause (i) shall not apply to any deduction allowed under section 1203.".

(e) Deduction Allowed in Computing Taxable Income of Electing Small Business Trusts.—Subparagraph (C) of section 641(c)(2) is amended by inserting after clause (iii) the following new clause:

"(iv) The deduction allowed under section 1203.".

(f) Conforming Amendments.—

(1) Subparagraph (B) of section 172(d)(2) is amended to read as follows:

"(B) the exclusion under section 1202 and the deduction under section 1203 shall not be allowed.".

(2) Paragraph (4) of section 642(c) is amended by striking the first sentence and inserting the following: "To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain described in section 1202(a) or qualified timber gain (as defined in section 1203(b)), proper adjustment shall be made for any exclusion allowable to the estate or trust under section 1202 and for any deduction allowable to the estate or trust under section 1203.".

(3) Paragraph (3) of section 643(a) is amended by striking the last sentence and inserting the following: "The exclusion under section 1202 and the deduction under section 1203 shall not be taken into account.".

(4) Subparagraph (C) of section 643(a)(6) is amended to read as follows:

"(C) Paragraph (3) shall not apply to a foreign trust. In the case of such a trust—

"(i) there shall be included gains from the sale or exchange of capital assets, reduced by losses from such sales or exchanges to the extent such losses do not exceed gains from such sales or exchanges, and

"(ii) the deduction under section 1203 shall not be taken into account.".

(5) Paragraph (4) of section 691(c) is amended by inserting "1203," after "1202,".

(6) Paragraph (2) of section 871(a) is amended by striking "section 1202" and inserting "sections 1202 and 1203".

(7) The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end the following new item:

"Sec. 1203. Deduction for qualified timber gain.".

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) TAXABLE YEARS WHICH INCLUDE DATE OF ENACTMENT.—In the case of any taxable year which includes the date of the enactment of this Act, for purposes of the Internal Revenue Code of 1986, the taxpayer's qualified timber gain shall not exceed the excess that would be described in section 1203(b) of such Code, as added by this section, if only dispositions of timber after such date were taken into account.

SEC. 223. CREDIT TO HOLDERS OF RURAL RENAISSANCE BONDS.

(a) IN GENERAL.—Subpart H of part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by adding at the end the following new section:

"SEC. 54A. CREDIT TO HOLDERS OF RURAL RENAISSANCE BONDS.

"(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a rural renaissance bond on a credit allowance date of such bond, which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

"(b) AMOUNT OF CREDIT.—

"(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a rural renaissance bond is 25 percent of the annual credit determined with respect to such bond.

"(2) ANNUAL CREDIT.—The annual credit determined with respect to any rural renaissance bond is the product of—

"(A) the credit rate determined by the Secretary under paragraph (3) for the day on which such bond was sold, multiplied by

"(B) the outstanding face amount of the bond.

"(3) DETERMINATION.—For purposes of paragraph (2), with respect to any rural renaissance bond, the Secretary shall determine daily or caused to be determined daily a credit rate which shall apply to the first day on which there is a binding, written contract for the sale or exchange of the bond. The credit rate for any day is the credit rate which the Secretary or the Secretary's designee estimates will permit the issuance of rural renaissance bonds with a specified maturity or redemption date without discount and without interest cost to the qualified issuer.

"(4) CREDIT ALLOWANCE DATE.—For purposes of this section, the term 'credit allowance date' means—

"(A) March 15,

"(B) June 15,

"(C) September 15, and

"(D) December 15.

Such term also includes the last day on which the bond is outstanding.

"(5) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

"(c) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(2) the sum of the credits allowable under this part (other than subpart C and this section).

"(d) RURAL RENAISSANCE BOND.—For purposes of this section—

"(1) IN GENERAL.—The term 'rural renaissance bond' means any bond issued as part of an issue if—

"(A) the bond is issued by a qualified issuer,

"(B) 95 percent or more of the proceeds from the sale of such issue are to be used for capital expenditures incurred for 1 or more qualified projects,

"(C) the qualified issuer designates such bond for purposes of this section and the bond is in registered form, and

"(D) the issue meets the requirements of subsections (e) and (h).

"(2) QUALIFIED PROJECT; SPECIAL USE RULES.—

"(A) IN GENERAL.—The term 'qualified project' means 1 or more projects described in subparagraph (B) located in a rural area.

"(B) PROJECTS DESCRIBED.—A project described in this subparagraph is—

"(i) a water or waste treatment project,

"(ii) an affordable housing project,

"(iii) a community facility project, including hospitals, fire and police stations, and nursing and assisted-living facilities,

"(iv) a value-added agriculture or renewable energy facility project for agricultural producers or farmer-owned entities, including any project to promote the production, processing, or retail sale of ethanol (including fuel at least 85 percent of the volume of which consists of ethanol), biodiesel, animal waste, biomass, raw commodities, or wind as a fuel,

"(v) a distance learning or telemedicine project,

"(vi) a rural utility infrastructure project, including any electric or telephone system,

"(vii) a project to expand broadband technology,

"(viii) a rural teleworks project, and

"(ix) any project described in any preceding clause carried out by the Delta Regional Authority.

"(C) SPECIAL RULES.—For purposes of this paragraph—

"(i) any project described in subparagraph (B)(iv) for a farmer-owned entity may be considered a qualified project if such entity is located in a rural area, or in the case of a farmer-owned entity the headquarters of which are located in a nonrural area, if the project is located in a rural area, and

"(ii) any project for a farmer-owned entity which is a facility described in subparagraph (B)(iv) for agricultural producers may be considered a qualified project regardless of whether the facility is located in a rural or nonrural area.

"(3) SPECIAL USE RULES.—

"(A) REFINANCING RULES.—For purposes of paragraph (1)(B), a qualified project may be refinanced with proceeds of a rural renaissance bond only if the indebtedness being refinanced (including any obligation directly or indirectly refinanced by such indebtedness) was originally incurred after the date of the enactment of this section.

"(B) REIMBURSEMENT.—For purposes of paragraph (1)(B), a rural renaissance bond may be issued to reimburse a borrower for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

"(i) prior to the payment of the original expenditure, the borrower declared its intent to reimburse such expenditure with the proceeds of a rural renaissance bond,

"(ii) not later than 60 days after payment of the original expenditure, the qualified issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

"(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

"(C) TREATMENT OF CHANGES IN USE.—For purposes of paragraph (1)(B), the proceeds of an issue shall not be treated as used for a qualified project to the extent that a borrower takes any action within its control which causes such proceeds not to be used for a qualified project. The Secretary shall prescribe regulations specifying remedial actions that may be taken (including conditions to taking such remedial actions) to prevent an action described in the preceding sentence from causing a bond to fail to be a rural renaissance bond.

"(e) MATURITY LIMITATIONS.—

"(1) DURATION OF TERM.—A bond shall not be treated as a rural renaissance bond if the maturity of such bond exceeds the maximum term determined by the Secretary under paragraph (2) with respect to such bond.

"(2) MAXIMUM TERM.—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined without regard to the requirements of paragraph (3) and using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

"(3) RATABLE PRINCIPAL AMORTIZATION REQUIRED.—A bond shall not be treated as a rural renaissance bond unless it is part of an issue which provides for an equal amount of principal to be paid by the qualified issuer during each calendar year that the issue is outstanding.

"(f) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

"(1) NATIONAL LIMITATION.—There is a rural renaissance bond limitation of $200,000,000.

"(2) ALLOCATION BY SECRETARY.—The Secretary shall allocate the amount described in paragraph (1) among qualified projects in such manner as the Secretary determines appropriate.

"(g) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

"(h) SPECIAL RULES RELATING TO EXPENDITURES.—

"(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the qualified issuer reasonably expects—

"(A) at least 95 percent of the proceeds from the sale of the issue are to be spent for 1 or more qualified projects within the 5-year period beginning on the date of issuance of the rural renaissance bond,

"(B) a binding commitment with a third party to spend at least 10 percent of the proceeds from the sale of the issue will be incurred within the 6-month period beginning on the date of issuance of the rural renaissance bond or, in the case of a rural renaissance bond, the proceeds of which are to be loaned to 2 or more borrowers, such binding commitment will be incurred within the 6-month period beginning on the date of the loan of such proceeds to a borrower, and

"(C) such projects will be completed with due diligence and the proceeds from the sale of the issue will be spent with due diligence.

"(2) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the period described in paragraph (1)(A), the Secretary may extend such period if the qualified issuer establishes that the failure to satisfy the 5-year requirement is due to reasonable cause and the related projects will continue to proceed with due diligence.

"(3) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 5 YEARS.—To the extent that less than 95 percent of the proceeds of such issue are expended by the close of the 5-year period beginning on the date of issuance (or if an extension has been obtained under paragraph (2), by the close of the extended period), the qualified issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

"(i) SPECIAL RULES RELATING TO ARBITRAGE.—A bond which is part of an issue shall not be treated as a rural renaissance bond unless, with respect to the issue of which the bond is a part, the qualified issuer satisfies the arbitrage requirements of section 148 with respect to proceeds of the issue.

"(j) QUALIFIED ISSUER.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified issuer' means any not-for-profit cooperative lender which has as of the date of the enactment of this section received a guarantee under section 306 of the Rural Electrification Act and which meets the requirement of paragraph (2).

"(2) USER FEE REQUIREMENT.—The requirement of this paragraph is met if the issuer of any rural renaissance bond makes grants for qualified projects as defined under subsection (d)(2) on a semi-annual basis every year that such bond is outstanding in an annual amount equal to one-half of the rate on United States Treasury Bills of the same maturity multiplied by the outstanding principal balance of rural renaissance bonds issued by such issuer.

"(k) SPECIAL RULES RELATING TO POOL BONDS.—No portion of a pooled financing bond may be allocable to a loan unless the borrower has entered into a written loan commitment for such portion prior to the issue date of such issue.

"(l) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BOND.—The term 'bond' includes any obligation.

"(2) POOLED FINANCING BOND.—The term 'pooled financing bond' shall have the meaning given such term by section 149(f)(4)(A).

"(3) RURAL AREA.—The term 'rural area' means any area other than—

"(A) a city or town which has a population of greater than 50,000 inhabitants, or

"(B) the urbanized area contiguous and adjacent to such a city or town.

"(4) PARTNERSHIP; S CORPORATION; AND OTHER PASS-THRU ENTITIES.—

"(A) IN GENERAL.—Under regulations prescribed by the Secretary, in the case of a partnership, trust, S corporation, or other pass-thru entity, rules similar to the rules of section 41(g) shall apply with respect to the credit allowable under subsection (a).

"(B) NO BASIS ADJUSTMENT.—In the case of a bond held by a partnership or an S corporation, rules similar to the rules under section 1397E(l) shall apply.

"(5) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any rural renaissance bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"(6) REPORTING.—Issuers of rural renaissance bonds shall submit reports similar to the reports required under section 149(e).".

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(9) REPORTING OF CREDIT ON RURAL RENAISSANCE BONDS.—

"(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54A(f) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(b)(4)).

"(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A), subsection (b)(4) shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i) of such subsection.

"(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.".

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart H of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 54A. Credit to holders of
rural renaissance bonds.".

(2) Section 54(c)(2) is amended by inserting ", section 54A," after "subpart C".

(3) Section 1400N(l)(3)(B) is amended by inserting ", section 54A," after "subpart C".

(d) ISSUANCE OF REGULATIONS.—The Secretary of Treasury shall issue regulations required under section 54A of the Internal Revenue Code of 1986 (as added by this section) not later than 120 days after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act and before January 1, 2010.

SEC. 224. RESTORATION OF DEDUCTION FOR TRAVEL EXPENSES OF SPOUSE, ETC. ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) IN GENERAL.—Subsection (m) of section 274 (relating to additional limitations on travel expenses) is amended by adding at the end the following new paragraph:

"(4) TERMINATION.—Paragraph (3) shall not apply to any expense paid or incurred after the date of the enactment of this paragraph and before January 1, 2008.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

SEC. 225. TECHNICAL CORRECTIONS.

(a) TECHNICAL CORRECTION RELATING TO LOOK-THROUGH TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER THE FOREIGN PERSONAL HOLDING COMPANY RULES.—

(1) IN GENERAL.—

(A) The first sentence of section 954(c)(6)(A), as amended by section 103(b) of the Tax Increase Prevention and Reconciliation Act of 2005, is amended by striking "which is not subpart F income" and inserting "which is neither subpart F income nor income treated as effectively connected with the conduct of a trade or business in the United States".

(B) Section 954(c)(6)(A), as so amended, is amended by striking the last sentence and inserting the following: "The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this paragraph, including such regulations as may be necessary or appropriate to prevent the abuse of the purposes of this paragraph."

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in section 103(b) of the Tax Increase Prevention and Reconciliation Act of 2005.

(b) TECHNICAL CORRECTION REGARDING AUTHORITY TO EXERCISE REASONABLE CAUSE AND GOOD FAITH EXCEPTION.—

(1) IN GENERAL.—Section 903(d)(2)(B)(iii) of the American Jobs Creation Act of 2004, as amended by section 303(a) of the Gulf Opportunity Zone Act of 2005, is amended by inserting "or the Secretary's delegate" after "the Secretary of the Treasury".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which it relates.

TITLE III—SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

SEC. 301. SHORT TITLE.

This title may be cited as the "Surface Mining Control and Reclamation Act Amendments of 2006".

Subtitle A—Mining Control and Reclamation

SEC. 311. ABANDONED MINE RECLAMATION FUND AND PURPOSES.

(a) IN GENERAL.—Section 401 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231) is amended—

(1) in subsection (c)—

(A) by striking paragraphs (2) and (6); and

(B) by redesignating paragraphs (3), (4), and (5) and paragraphs (7) through (13) as paragraphs (2) through (11), respectively;

(2) by striking subsection (d) and inserting the following:

"(d) AVAILABILITY OF MONEYS; NO FISCAL YEAR LIMITATION.—

"(1) IN GENERAL.—Moneys from the fund for expenditures under subparagraphs (A) through (D) of section 402(g)(3) shall be available only when appropriated for those subparagraphs.

“(2) NO FISCAL YEAR LIMITATION.—Appropriations described in paragraph (1) shall be made without fiscal year limitation.

“(3) OTHER PURPOSES.—Moneys from the fund shall be available for all other purposes of this title without prior appropriation as provided in subsection (f).”;

(3) in subsection (e)—

(A) in the second sentence, by striking “the needs of such fund” and inserting “achieving the purposes of the transfers under section 402(h)”; and

(B) in the third sentence, by inserting before the period the following: “for the purpose of the transfers under section 402(h)”; and

(4) by adding at the end the following:

“(f) GENERAL LIMITATION ON OBLIGATION AUTHORITY.—

“(1) IN GENERAL.—From amounts deposited into the fund under subsection (b), the Secretary shall distribute during each fiscal year beginning after September 30, 2007, an amount determined under paragraph (2).

“(2) AMOUNTS.—

“(A) FOR FISCAL YEARS 2008 THROUGH 2022.—For each of fiscal years 2008 through 2022, the amount distributed by the Secretary under this subsection shall be equal to—

“(i) the amounts deposited into the fund under paragraphs (1), (2), and (4) of subsection (b) for the preceding fiscal year that were allocated under paragraphs (1) and (5) of section 402(g); plus

“(ii) the amount needed for the adjustment under section 402(g)(8) for the current fiscal year.

“(B) FISCAL YEARS 2023 AND THEREAFTER.—For fiscal year 2023 and each fiscal year thereafter, to the extent that funds are available, the Secretary shall distribute an amount equal to the amount distributed under subparagraph (A) during fiscal year 2022.

“(3) DISTRIBUTION.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), for each fiscal year, of the amount to be distributed to States and Indian tribes pursuant to paragraph (2), the Secretary shall distribute—

“(i) the amounts allocated under paragraph (1) of section 402(g), the amounts allocated under paragraph (5) of section 402(g), and any amount reallocated under section 411(h)(3) in accordance with section 411(h)(2), for grants to States and Indian tribes under section 402(g)(5); and

“(ii) the amounts allocated under section 402(g)(8).

“(B) EXCLUSION.—Beginning on October 1, 2007, certified States shall be ineligible to receive amounts under section 402(g)(1).

“(4) AVAILABILITY.—Amounts in the fund available to the Secretary for obligation under this subsection shall be available until expended.

“(5) ADDITION.—

“(A) IN GENERAL.—Subject to subparagraph (B), the amount distributed under this subsection for each fiscal year shall be in addition to the amount appropriated from the fund during the fiscal year.

“(B) EXCEPTIONS.—Notwithstanding paragraph (3), the amount distributed under this subsection for the first 4 fiscal years beginning on and after October 1, 2007, shall be equal to the following percentage of the amount otherwise required to be distributed:

“(i) 50 percent in fiscal year 2008.

“(ii) 50 percent in fiscal year 2009.

“(iii) 75 percent in fiscal year 2010.

“(iv) 75 percent in fiscal year 2011.”.

(b) CONFORMING AMENDMENT.—Section 712(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1302(b)) is amended by striking “section 401(c)(11)” and inserting “section 401(c)(9)”.

SEC. 312. RECLAMATION FEE.

(a) AMOUNTS.—

(1) FISCAL YEARS 2008-2012.—Effective October 1, 2007, section 402(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(a)) is amended—

(A) by striking “35” and inserting “31.5”;

(B) by striking “15” and inserting “13.5”; and

(C) by striking “10 cents” and inserting “9 cents”.

(2) FISCAL YEARS 2013-2021.—Effective October 1, 2012, section 402(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(a)) (as amended by paragraph (1)) is amended—

(A) by striking “31.5” and inserting “28”;

(B) by striking “13.5” and inserting “12”; and

(C) by striking “9 cents” and inserting “8 cents”.

(b) DURATION.—Effective September 30, 2007, section 402(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(b)) (as amended by section 7007 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109–234; 120 Stat. 484)) is amended by striking “September 30, 2007” and all that follows through the end of the sentence and inserting “September 30, 2021.”.

(c) ALLOCATION OF FUNDS.—Section 402(g) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(g)) is amended—

(1) in paragraph (1)(D)—

(A) by inserting “(except for grants awarded during fiscal years 2008, 2009, and 2010 to the extent not expended within 5 years)” after “this paragraph”; and

(B) by striking “in any area under paragraph (2), (3), (4), or (5)” and inserting “under paragraph (5)”;

(2) by striking paragraph (2) and inserting:

“(2) In making the grants referred to in paragraph (1)(C) and the grants referred to in paragraph (5), the Secretary shall ensure strict compliance by the States and Indian tribes with the priorities described in section 403(a) until a certification is made under section 411(a).”;

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking “paragraphs (2) and” and inserting “paragraph”;

(B) in subparagraph (A), by striking “401(c)(11)” and inserting “401(c)(9)”; and

(C) by adding at the end the following:

“(E) For the purpose of paragraph (8).”;

(4) in paragraph (5)—

(A) by inserting “(A)” after “(5)”;

(B) in the first sentence, by striking “40” and inserting “60”;

(C) in the last sentence, by striking “Funds allocated or expended by the Secretary under paragraphs (2), (3), or (4)” and inserting “Funds made available under paragraph (3) or (4)”; and

(D) by adding at the end the following:

“(B) Any amount that is reallocated and available under section 411(h)(3) shall be in addition to amounts that are allocated under subparagraph (A).”; and

(5) by striking paragraphs (6) through (8) and inserting the following:

“(6)(A) Any State with an approved abandoned mine reclamation program pursuant to section 405 may receive and retain, without regard to the 3-year limitation referred to in paragraph (1)(D), up to 30 percent of the total of the grants made annually to the State under paragraphs (1) and (5) if those amounts are deposited into an acid mine drainage abatement and treatment fund established under State law, from which amounts (together with all interest earned on the amounts) are expended by the State for the abatement of the causes and the treatment of the effects of acid mine drainage in a comprehensive manner within qualified hydrologic units affected by coal mining practices.

“(B) In this paragraph, the term ‘qualified hydrologic unit’ means a hydrologic unit—

“(i) in which the water quality has been significantly affected by acid mine drainage from coal mining practices in a manner that adversely impacts biological resources; and

“(ii) that contains land and water that are—

“(I) eligible pursuant to section 404 and include any of the priorities described in section 403(a); and

“(II) the subject of expenditures by the State from the forfeiture of bonds required under section 509 or from other States sources to abate and treat acid mine drainage.

“(7) In complying with the priorities described in section 403(a), any State or Indian tribe may use amounts available in grants made annually to the State or tribe under paragraphs (1) and (5) for the reclamation of eligible land and water described in section 403(a)(3) before the completion of reclamation projects under paragraphs (1) and (2) of section 403(a) only if the expenditure of funds for the reclamation is done in conjunction with the expenditure before, on, or after the date of enactment of the Surface Mining Control and Reclamation Act Amendments of 2006 of funds for reclamation projects under paragraphs (1) and (2) of section 403(a).

“(8)(A) In making funds available under this title, the Secretary shall ensure that the grant awards total not less than $3,000,000 annually to each State and each Indian tribe having an approved abandoned mine reclamation program pursuant to section 405 and eligible land and water pursuant to section 404, so long as an allocation of funds to the State or tribe is necessary to achieve the priorities stated in paragraphs (1) and (2) of section 403(a).

“(B) Notwithstanding any other provision of law, this paragraph applies to the States of Tennessee and Missouri.”.

(d) TRANSFERS OF INTEREST EARNED BY ABANDONED MINE RECLAMATION FUND.—Section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232) is amended by striking subsection (h) and inserting the following:

“(h) TRANSFERS OF INTEREST EARNED BY FUND.—

“(1) IN GENERAL.—

“(A) TRANSFERS TO COMBINED BENEFIT FUND.—As soon as practicable after the beginning of fiscal year 2007 and each fiscal year thereafter, and before making any allocation with respect to the fiscal year under subsection (g), the Secretary shall use an amount not to exceed the amount of interest that the Secretary estimates will be earned and paid to the fund during the fiscal year to transfer to the Combined Benefit Fund such amounts as are estimated by the trustees of such Fund to offset the amount of any deficit in net assets in the Combined Benefit Fund as of October 1, 2006, and to make the transfer described in paragraph (2)(A).

“(B) TRANSFERS TO 1992 AND 1993 PLANS.—As soon as practicable after the beginning of fiscal year 2008 and each fiscal year thereafter, and before making any allocation with respect to the fiscal year under subsection (g), the Secretary shall use an amount not to exceed the amount of interest that the Secretary estimates will be earned and paid to the fund during the fiscal year (reduced by the amount used under subparagraph (A)) to make the transfers described in paragraphs (2)(B) and (2)(C).

“(2) TRANSFERS DESCRIBED.—The transfers referred to in paragraph (1) are the following:

“(A) UNITED MINE WORKERS OF AMERICA COMBINED BENEFIT FUND.—A transfer to the United Mine Workers of America Combined Benefit Fund equal to the amount that the trustees of the Combined Benefit Fund estimate will be expended from the fund for the fiscal year in which the transfer is made, reduced by—

“(i) the amount the trustees of the Combined Benefit Fund estimate the Combined Benefit Fund will receive during the fiscal year in—

“(I) required premiums; and

“(II) payments paid by Federal agencies in connection with benefits provided by the Combined Benefit Fund; and

“(ii) the amount the trustees of the Combined Benefit Fund estimate will be expended during the fiscal year to provide health benefits to beneficiaries who are unassigned beneficiaries solely as a result of the application of section 9706(h)(1) of the Internal Revenue Code of 1986, but only to the extent that such amount does not exceed the amounts described in subsection (i)(1)(A) that the Secretary estimates will be available to pay such estimated expenditures.

“(B) UNITED MINE WORKERS OF AMERICA 1992 BENEFIT PLAN.—A transfer to the United Mine Workers of America 1992 Benefit Plan, in an amount equal to the difference between—

“(i) the amount that the trustees of the 1992 UMWA Benefit Plan estimate will be expended from the 1992 UMWA Benefit Plan during the next calendar year to provide the benefits required by the 1992 UMWA Benefit Plan on the date of enactment of this subparagraph; minus

“(ii) the amount that the trustees of the 1992 UMWA Benefit Plan estimate the 1992 UMWA Benefit Plan will receive during the next calendar year in—

“(I) required monthly per beneficiary premiums, including the amount of any security provided to the 1992 UMWA Benefit Plan that is available for use in the provision of benefits; and

“(II) payments paid by Federal agencies in connection with benefits provided by the 1992 UMWA benefit plan.

“(C) MULTIEMPLOYER HEALTH BENEFIT PLAN.—A transfer to the Multiemployer Health Benefit Plan established after July 20, 1992, by the parties that are the settlors of the 1992 UMWA Benefit Plan referred to in subparagraph (B) (referred to in this subparagraph and subparagraph (D) as ‘the Plan’), in an amount equal to the excess (if any) of—

“(i) the amount that the trustees of the Plan estimate will be expended from the Plan during the next calendar year, to provide benefits no greater than those provided by the Plan as of December 31, 2006; over

“(ii) the amount that the trustees estimated the Plan will receive during the next calendar year in payments paid by Federal agencies in connection with benefits provided by the Plan.

Such excess shall be calculated by taking into account only those beneficiaries actually enrolled in the Plan as of December 31, 2006, who are eligible to receive benefits under the Plan on the first day of the calendar year for which the transfer is made.

“(D) INDIVIDUALS CONSIDERED ENROLLED.—For purposes of subparagraph (C), any individual who was eligible to receive benefits from the Plan as of the date of enactment of this subsection, even though benefits were being provided to the individual pursuant to a settlement agreement approved by order of a bankruptcy court entered on or before September 30, 2004, will be considered to be actually enrolled in the Plan and shall receive benefits from the Plan beginning on December 31, 2006.

“(3) ADJUSTMENT.—If, for any fiscal year, the amount of a transfer under subparagraph (A), (B), or (C) of paragraph (2) is more or less than the amount required to be transferred under that subparagraph, the Secretary shall appropriately adjust the amount transferred under that subparagraph for the next fiscal year.

“(4) ADDITIONAL AMOUNTS.—

“(A) PREVIOUSLY CREDITED INTEREST.—Notwithstanding any other provision of law, any interest credited to the fund that has not previously been transferred to the Combined Benefit Fund referred to in paragraph (2)(A) under this section—

“(i) shall be held in reserve by the Secretary until such time as necessary to make the payments under subparagraphs (A) and (B) of subsection (i)(1), as described in clause (ii); and

“(ii) in the event that the amounts described in subsection (i)(1) are insufficient to make the maximum payments described in subparagraphs (A) and (B) of subsection (i)(1), shall be used by the Secretary to supplement the payments so that the maximum amount permitted under those paragraphs is paid.

“(B) PREVIOUSLY ALLOCATED AMOUNTS.—All amounts allocated under subsection (g)(2) before the date of enactment of this subparagraph for the program described in section 406, but not appropriated before that date, shall be available to the Secretary to make the transfers described in paragraph (2).

“(C) ADEQUACY OF PREVIOUSLY CREDITED INTEREST.—The Secretary shall—

“(i) consult with the trustees of the plans described in paragraph (2) at reasonable intervals; and

“(ii) notify Congress if a determination is made that the amounts held in reserve under subparagraph (A) are insufficient to meet future requirements under subparagraph (A)(ii).

“(D) ADDITIONAL RESERVE AMOUNTS.—In addition to amounts held in reserve under subparagraph (A), there is authorized to be appropriated such sums as may be necessary for transfer to the fund to carry out the purposes of subparagraph (A)(ii).

“(E) INAPPLICABILITY OF CAP.—The limitation described in subsection (i)(3)(A) shall not apply to payments made from the reserve fund under this paragraph.

“(5) LIMITATIONS.—

“(A) AVAILABILITY OF FUNDS FOR NEXT FISCAL YEAR.—The Secretary may make transfers under subparagraphs (B) and (C) of paragraph (2) for a calendar year only if the Secretary determines, using actuarial projections provided by the trustees of the Combined Benefit Fund referred to in paragraph (2)(A), that amounts will be available under paragraph (1), after the transfer, for the next fiscal year for making the transfer under paragraph (2)(A).

“(B) RATE OF CONTRIBUTIONS OF OBLIGORS.—

“(i) IN GENERAL.—

“(I) RATE.—A transfer under paragraph (2)(C) shall not be made for a calendar year unless the persons that are obligated to contribute to the plan referred to in paragraph (2)(C) on the date of the transfer are obligated to make the contributions at rates that are no less than those in effect on the date which is 30 days before the date of enactment of this subsection.

“(II) APPLICATION.—The contributions described in subclause (I) shall be applied first to the provision of benefits to those plan beneficiaries who are not described in paragraph (2)(C)(ii).

“(ii) INITIAL CONTRIBUTIONS.—

“(I) IN GENERAL.—From the date of enactment of the Surface Mining Control and Reclamation Act Amendments of 2006 through December 31, 2010, the persons that, on the date of enactment of that Act, are obligated to contribute to the plan referred to in paragraph (2)(C) shall be obligated, collectively, to make contributions equal to the amount described in paragraph (2)(C), less the amount actually transferred due to the operation of subparagraph (C).

“(II) FIRST CALENDAR YEAR.—Calendar year 2006 is the first calendar year for which contributions are required under this clause.

“(III) AMOUNT OF CONTRIBUTION FOR 2006.—Except as provided in subclause (IV), the amount described in paragraph (2)(C) for calendar year 2006 shall be calculated as if paragraph (2)(C) had been in effect during 2005.

“(IV) LIMITATION.—The contributions required under this clause for calendar year 2006 shall not exceed the amount necessary for solvency of the plan described in paragraph (2)(C), measured as of December 31, 2006 and taking into account all assets held by the plan as of that date.

“(iii) DIVISION.—The collective annual contribution obligation required under clause (ii) shall be divided among the persons subject to the obligation, and applied uniformly, based on the hours worked for which contributions referred to in clause (i) would be owed.

“(C) PHASE-IN OF TRANSFERS.—For each of calendar years 2008 through 2010, the transfers required under subparagraphs (B) and (C) of paragraph (2) shall equal the following amounts:

“(i) For calendar year 2008, the Secretary shall make transfers equal to 25 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

“(ii) For calendar year 2009, the Secretary shall make transfers equal to 50 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

“(iii) For calendar year 2010, the Secretary shall make transfers equal to 75 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

“(i) FUNDING.—

“(1) IN GENERAL.—Subject to paragraph (3), out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the plans described in subsection (h)(2) such sums as are necessary to pay the following amounts:

“(A) To the Combined Fund (as defined in section 9701(a)(5) of the Internal Revenue Code of 1986 and referred to in this paragraph as the ‘Combined Fund’), the amount that the trustees of the Combined Fund estimate will be expended from premium accounts maintained by the Combined Fund for the fiscal year to provide benefits for beneficiaries who are unassigned beneficiaries solely as a result of the application of section 9706(h)(1) of the Internal Revenue Code of 1986, subject to the following limitations:

"(i) For fiscal year 2008, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(A) of the Internal Revenue Code of 1986.

"(ii) For fiscal year 2009, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(B) of the Internal Revenue Code of 1986.

"(iii) For fiscal year 2010, the amount paid under this subparagraph shall equal—

"(I) the amount described in subparagraph (A); minus

"(II) the amounts required under section 9706(h)(3)(C) of the Internal Revenue Code of 1986.

"(B) On certification by the trustees of any plan described in subsection (h)(2) that the amount available for transfer by the Secretary pursuant to this section (determined after application of any limitation under subsection (h)(5)) is less than the amount required to be transferred, to the plan the amount necessary to meet the requirement of subsection (h)(2).

"(C) To the Combined Fund, $9,000,000 on October 1, 2007, $9,000,000 on October 1, 2008, and $9,000,000 on October 1, 2009 (which amounts shall not be exceeded) to provide a refund of any premium (as described in section 9704(a) of the Internal Revenue Code of 1986) paid on or before September 7, 2000, to the Combined Fund, plus interest on the premium calculated at the rate of 7.5 percent per year, on a proportional basis and to be paid not later than 60 days after the date on which each payment is received by the Combined Fund, to those signatory operators (to the extent that the Combined Fund has not previously returned the premium amounts to the operators), or any related persons to the operators (as defined in section 9701(c) of the Internal Revenue Code of 1986), or their heirs, successors, or assigns who have been denied the refunds as the result of final judgments or settlements if—

"(i) prior to the date of enactment of this paragraph, the signatory operator (or any related person to the operator)—

"(I) had all of its beneficiary assignments made under section 9706 of the Internal Revenue Code of 1986 voided by the Commissioner of the Social Security Administration; and

"(II) was subject to a final judgment or final settlement of litigation adverse to a claim by the operator that the assignment of beneficiaries under section 9706 of the Internal Revenue Code of 1986 was unconstitutional as applied to the operator; and

"(ii) on or before September 7, 2000, the signatory operator (or any related person to the operator) had paid to the Combined Fund any premium amount that had not been refunded.

"(2) Payments to States and Indian Tribes.—Subject to paragraph (3), out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of the Interior for distribution to States and Indian tribes such sums as are necessary to pay amounts described in paragraphs (1)(A) and (2)(A) of section 411(h).

"(3) Limitations.—

"(A) Cap.—The total amount transferred under this subsection for any fiscal year shall not exceed $490,000,000.

"(B) Insufficient amounts.—In a case in which the amount required to be transferred without regard to this paragraph exceeds the maximum annual limitation in subparagraph (A), the Secretary shall adjust the transfers of funds so that—

"(i) each transfer for the fiscal year is a percentage of the amount described;

"(ii) the amount is determined without regard to subsection (h)(5)(A); and

"(iii) the percentage transferred is the same for all transfers made under this subsection for the fiscal year.

"(4) Availability of funds.—Funds shall be transferred under paragraph (1) and (2) beginning in fiscal year 2008 and each fiscal year thereafter, and shall remain available until expended.".

SEC. 313. OBJECTIVES OF FUND.

Section 403 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1233) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "(1) the protection" and inserting the following:

"(1)(A) the protection;";

(ii) in subparagraph (A) (as designated by clause (i)), by striking "general welfare,"; and

(iii) by adding at the end the following:

"(B) the restoration of land and water resources and the environment that—

"(i) have been degraded by the adverse effects of coal mining practices; and

"(ii) are adjacent to a site that has been or will be remediated under subparagraph (A);";

(B) in paragraph (2)—

(i) by striking "(2) the protection" and inserting the following:

"(2)(A) the protection";

(ii) in subparagraph (A) (as designated by clause (i), by striking "health, safety, and general welfare" and inserting "health and safety"; and

(iii) by adding at the end the following:

"(B) the restoration of land and water resources and the environment that—

"(i) have been degraded by the adverse effects of coal mining practices; and

"(ii) are adjacent to a site that has been or will be remediated under subparagraph (A); and";

(C) in paragraph (3), by striking the semicolon at the end and inserting a period; and

(D) by striking paragraphs (4) and (5);

(2) in subsection (b)—

(A) by striking the subsection heading and inserting "Water Supply Restoration.—"; and

(B) in paragraph (1), by striking "up to 30 percent of the"; and

(3) in the second sentence of subsection (c), by inserting ", subject to the approval of the Secretary," after "amendments".

SEC. 314. RECLAMATION OF RURAL LAND.

(a) Administration.—Section 406(h) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236(h)) is amended by striking "Soil Conservation Service" and inserting "Natural Resources Conservation Service".

(b) Authorization of Appropriations for Carrying Out Rural Land Reclamation.—Section 406 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236) is amended by adding at the end the following:

"(i) There are authorized to be appropriated to the Secretary of Agriculture, from amounts in the Treasury other than amounts in the fund, such sums as may be necessary to carry out this section.".

SEC. 315. LIENS.

Section 408(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1238) is amended in the last sentence by striking "who owned the surface prior to May 2, 1977, and".

SEC. 316. CERTIFICATION.

Section 411 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1240a) is amended—

(1) in subsection (a)—

(A) by inserting "(1)" before the first sentence; and

(B) by adding at the end the following:

"(2)(A) The Secretary may, on the initiative of the Secretary, make the certification referred to in paragraph (1) on behalf of any State or Indian tribe referred to in paragraph (1) if on the basis of the inventory referred to in section 403(c) all reclamation projects relating to the priorities described in section 403(a) for eligible land and water pursuant to section 404 in the State or tribe have been completed.

"(B) The Secretary shall only make the certification after notice in the Federal Register and opportunity for public comment."; and

(2) by adding at the end the following:

"(h) Payments to States and Indian Tribes.—

"(1) In general.—

"(A) Payments.—

"(i) In general.—Notwithstanding section 401(f)(3)(B), from funds referred to in section 402(i)(2), the Secretary shall make payments to States or Indian tribes for the amount due for the aggregate unappropriated amount allocated to the State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1).

"(ii) Conversion as equivalent payments.—Amounts allocated under subparagraphs (A) or (B) of section 402(g)(1) shall be reallocated to the allocation established in section 402(g)(5) in amounts equivalent to payments made to States or Indian tribes under this paragraph.

"(B) Amount due.—In this paragraph, the term 'amount due' means the unappropriated amount allocated to a State or Indian tribe before October 1, 2007, under subparagraph (A) or (B) of section 402(g)(1).

"(C) Schedule.—Payments under subparagraph (A) shall be made in 7 equal annual installments, beginning with fiscal year 2008.

"(D) Use of funds.—

"(i) Certified states and Indian tribes.—A State or Indian tribe that makes a certification under subsection (a) in which the Secretary concurs shall use any amounts provided under this paragraph for the purposes established by the State legislature or tribal council of the Indian tribe, with priority given for addressing the impacts of mineral development.

"(ii) Uncertified states and Indian tribes.—A State or Indian tribe that has not made a certification under subsection (a) in which the Secretary has concurred shall use any amounts provided under this paragraph for the purposes described in section 403.

"(2) Subsequent state and Indian tribe share for certified states and Indian tribes.—

"(A) In general.—Notwithstanding section 401(f)(3)(B), from funds referred to in section 402(i)(2), the Secretary shall pay to each certified State or Indian tribe an amount equal to the sum of the aggregate unappropriated amount allocated on or after October 1, 2007, to the certified State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1).

"(B) CERTIFIED STATE OR INDIAN TRIBE DEFINED.—In this paragraph the term 'certified State or Indian tribe' means a State or Indian tribe for which a certification is made under subsection (a) in which the Secretary concurs.

"(3) MANNER OF PAYMENT.—

"(A) IN GENERAL.—Subject to subparagraph (B), payments to States or Indian tribes under this subsection shall be made without regard to any limitation in section 401(d) and concurrently with payments to States under that section.

"(B) INITIAL PAYMENTS.—The first 3 payments made to any State or Indian tribe shall be reduced to 25 percent, 50 percent, and 75 percent, respectively, of the amounts otherwise required under paragraph (2)(A).

"(C) INSTALLMENTS.—Amounts withheld from the first 3 annual installments as provided under subparagraph (B) shall be paid in 2 equal annual installments beginning with fiscal year 2018.

"(4) REALLOCATION.—

"(A) IN GENERAL.—The amount allocated to any State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1) that is paid to the State or Indian tribe as a result of a payment under paragraph (1) or (2) shall be reallocated and available for grants under section 402(g)(5).

"(B) ALLOCATION.—The grants shall be allocated based on the amount of coal historically produced before August 3, 1977, in the same manner as under section 402(g)(5).".

SEC. 317. REMINING INCENTIVES.

Title IV of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231 et seq.) is amended by adding at the following:

"SEC. 415. REMINING INCENTIVES.

"(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary may, after opportunity for public comment, promulgate regulations that describe conditions under which amounts in the fund may be used to provide incentives to promote remining of eligible land under section 404 in a manner that leverages the use of amounts from the fund to achieve more reclamation with respect to the eligible land than would be achieved without the incentives.

"(b) REQUIREMENTS.—Any regulations promulgated under subsection (a) shall specify that the incentives shall apply only if the Secretary determines, with the concurrence of the State regulatory authority referred to in title V, that, without the incentives, the eligible land would not be likely to be remined and reclaimed.

"(c) INCENTIVES.—

"(1) IN GENERAL.—Incentives that may be considered for inclusion in the regulations promulgated under subsection (a) include, but are not limited to—

"(A) a rebate or waiver of the reclamation fees required under section 402(a); and

"(B) the use of amounts in the fund to provide financial assurance for remining operations in lieu of all or a portion of the performance bonds required under section 509.

"(2) LIMITATIONS.—

"(A) USE.—A rebate or waiver under paragraph (1)(A) shall be used only for operations that—

"(i) remove or reprocess abandoned coal mine waste; or

"(ii) conduct remining activities that meet the priorities specified in paragraph (1) or (2) of section 403(a).

"(B) AMOUNT.—The amount of a rebate or waiver provided as an incentive under paragraph (1)(A) to remine or reclaim eligible land shall not exceed the estimated cost of reclaiming the eligible land under this section.".

SEC. 318. EXTENSION OF LIMITATION ON APPLICATION OF PROHIBITION ON ISSUANCE OF PERMIT.

Section 510(e) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1260(e)) is amended by striking the last sentence.

SEC. 319. TRIBAL REGULATION OF SURFACE COAL MINING AND RECLAMATION OPERATIONS.

(a) IN GENERAL.—Section 710 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300) is amended by adding at the end the following:

"(j) TRIBAL REGULATORY AUTHORITY.—

"(1) TRIBAL REGULATORY PROGRAMS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, an Indian tribe may apply for, and obtain the approval of, a tribal program under section 503 regulating in whole or in part surface coal mining and reclamation operations on reservation land under the jurisdiction of the Indian tribe using the procedures of section 504(e).

"(B) REFERENCES TO STATE.—For purposes of this subsection and the implementation and administration of a tribal program under title V, any reference to a 'State' in this Act shall be considered to be a reference to a 'tribe'.

"(2) CONFLICTS OF INTEREST.—

"(A) IN GENERAL.—The fact that an individual is a member of an Indian tribe does not in itself constitute a violation of section 201(f).

"(B) EMPLOYEES OF TRIBAL REGULATORY AUTHORITY.—Any employee of a tribal regulatory authority shall not be eligible for a per capita distribution of any proceeds from coal mining operations conducted on Indian reservation lands under this Act.

"(3) SOVEREIGN IMMUNITY.—To receive primary regulatory authority under section 504(e), an Indian tribe shall waive sovereign immunity for purposes of section 520 and paragraph (4).

"(4) JUDICIAL REVIEW.—

"(A) CIVIL ACTIONS.—

"(i) IN GENERAL.—After exhausting all tribal remedies with respect to a civil action arising under a tribal program approved under section 504(e), an interested party may file a petition for judicial review of the civil action in the United States circuit court for the circuit in which the surface coal mining operation named in the petition is located.

"(ii) SCOPE OF REVIEW.—

"(I) QUESTIONS OF LAW.—The United States circuit court shall review de novo any questions of law under clause (i).

"(II) FINDINGS OF FACT.—The United States circuit court shall review findings of fact under clause (i) using a clearly erroneous standard.

"(B) CRIMINAL ACTIONS.—Any criminal action brought under section 518 with respect to surface coal mining or reclamation operations on Indian reservation lands shall be brought in—

"(i) the United States District Court for the District of Columbia; or

"(ii) the United States district court in which the criminal activity is alleged to have occurred.

"(5) GRANTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), grants for developing, administering, and enforcing tribal programs approved in accordance with section 504(e) shall be provided to an Indian tribe in accordance with section 705.

"(B) EXCEPTION.—Notwithstanding subparagraph (A), the Federal share of the costs of developing, administering, and enforcing an approved tribal program shall be 100 percent.

"(6) REPORT.—Not later than 18 months after the date on which a tribal program is approved under subsection (e) of section 504, the Secretary shall submit to the appropriate committees of Congress a report, developed in cooperation with the applicable Indian tribe, on the tribal program that includes a recommendation of the Secretary on whether primary regulatory authority under that subsection should be expanded to include additional Indian lands.".

(b) CONFORMING AMENDMENT.—Section 710(i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300(i)) is amended in the first sentence by striking ", except" and all that follows through "section 503".

Subtitle B—Coal Industry Retiree Health Benefit Act

SEC. 321. CERTAIN RELATED PERSONS AND SUCCESSORS IN INTEREST RELIEVED OF LIABILITY IF PREMIUMS PREPAID.

(a) COMBINED BENEFIT FUND.—

(1) IN GENERAL.—Section 9704 of the Internal Revenue Code of 1986 (relating to liability of assigned operators) is amended by adding at the end the following new subsection:

"(j) PREPAYMENT OF PREMIUM LIABILITY.—

"(1) IN GENERAL.—If—

"(A) a payment meeting the requirements of paragraph (3) is made to the Combined Fund by or on behalf of—

"(i) any assigned operator to which this subsection applies, or

"(ii) any related person to any assigned operator described in clause (i), and

"(B) the common parent of the controlled group of corporations described in paragraph (2)(B) is jointly and severally liable for any premium under this section which (but for this subsection) would be required to be paid by the assigned operator or related person,

then such common parent (and no other person) shall be liable for such premium.

"(2) ASSIGNED OPERATORS TO WHICH SUBSECTION APPLIES.—

"(A) IN GENERAL.—This subsection shall apply to any assigned operator if—

"(i) the assigned operator (or a related person to the assigned operator)—

"(I) made contributions to the 1950 UMWA Benefit Plan and the 1974 UMWA Benefit Plan for employment during the period covered by the 1988 agreement; and

"(II) is not a 1988 agreement operator,

"(ii) the assigned operator (and all related persons to the assigned operator) are not actively engaged in the production of coal as of July 1, 2005, and

"(iii) the assigned operator was, as of July 20, 1992, a member of a controlled group of corporations described in subparagraph (B).

"(B) CONTROLLED GROUP OF CORPORATIONS.—A controlled group of corporations is described in this subparagraph if the common parent of such group is a corporation the shares of which are publicly traded on a United States exchange.

"(C) COORDINATION WITH REPEAL OF ASSIGNMENTS.—A person shall not fail to be treated as an assigned operator to which this subsection applies solely because the person ceases to be an assigned operator by reason of section 9706(h)(1) if the person otherwise meets the requirements of this subsection and is liable for the payment of premiums under section 9706(h)(3).

"(D) CONTROLLED GROUP.—For purposes of this subsection, the term 'controlled group of corporations' has the meaning given such term by section 52(a).

"(3) Requirements.—A payment meets the requirements of this paragraph if—

"(A) the amount of the payment is not less than the present value of the total premium liability under this chapter with respect to the Combined Fund of the assigned operators or related persons described in paragraph (1) or their assignees, as determined by the operator's or related person's enrolled actuary (as defined in section 7701(a)(35)) using actuarial methods and assumptions each of which is reasonable and which are reasonable in the aggregate, as determined by such enrolled actuary;

"(B) such enrolled actuary files with the Secretary of Labor a signed actuarial report containing—

"(i) the date of the actuarial valuation applicable to the report; and

"(ii) a statement by the enrolled actuary signing the report that, to the best of the actuary's knowledge, the report is complete and accurate and that in the actuary's opinion the actuarial assumptions used are in the aggregate reasonably related to the experience of the operator and to reasonable expectations; and

"(C) 90 calendar days have elapsed after the report required by subparagraph (B) is filed with the Secretary of Labor, and the Secretary of Labor has not notified the assigned operator in writing that the requirements of this paragraph have not been satisfied.

"(4) Use of prepayment.—The Combined Fund shall—

"(A) establish and maintain an account for each assigned operator or related person by, or on whose behalf, a payment described in paragraph (3) was made,

"(B) credit such account with such payment (and any earnings thereon), and

"(C) use all amounts in such account exclusively to pay premiums that would (but for this subsection) be required to be paid by the assigned operator.

Upon termination of the obligations for the premium liability of any assigned operator or related person for which such account is maintained, all funds remaining in such account (and earnings thereon) shall be refunded to such person as may be designated by the common parent described in paragraph (1)(B).".

(b) Individual Employer Plans.—Section 9711(c) of the Internal Revenue Code of 1986 (relating to joint and several liability) is amended to read as follows:

"(c) Joint and Several Liability of Related Persons.—

"(1) In general.—Except as provided in paragraph (2), each related person of a last signatory operator to which subsection (a) or (b) applies shall be jointly and severally liable with the last signatory operator for the provision of health care coverage described in subsection (a) or (b).

"(2) Liability limited if security provided.—If—

"(A) security meeting the requirements of paragraph (3) is provided by or on behalf of—

"(i) any last signatory operator which is an assigned operator described in section 9704(j)(2), or

"(ii) any related person to any last signatory operator described in clause (i), and

"(B) the common parent of the controlled group of corporations described in section 9704(j)(2)(B) is jointly and severally liable for the provision of health care under this section which, but for this paragraph, would be required to be provided by the last signatory operator or related person,

then, as of the date the security is provided, such common parent (and no other person) shall be liable for the provision of health care under this section which the last signatory operator or related person would otherwise be required to provide. Security may be provided under this paragraph without regard to whether a payment was made under section 9704(j).

"(3) Security.—Security meets the requirements of this paragraph if—

"(A) the security—

"(i) is in the form of a bond, letter of credit, or cash escrow,

"(ii) is provided to the trustees of the 1992 UMWA Benefit Plan solely for the purpose of paying premiums for beneficiaries who would be described in section 9712(b)(2)(B) if the requirements of this section were not met by the last signatory operator, and

"(iii) is in an amount equal to 1 year of liability of the last signatory operator under this section, determined by using the average cost of such operator's liability during the prior 3 calendar years;

"(B) the security is in addition to any other security required under any other provision of this title; and

"(C) the security remains in place for 5 years.

"(4) Refunds of security.—The remaining amount of any security provided under this subsection (and earnings thereon) shall be refunded to the last signatory operator as of the earlier of—

"(A) the termination of the obligations of the last signatory operator under this section, or

"(B) the end of the 5-year period described in paragraph (4)(C).".

(c) 1992 UMWA Benefit Plan.—Section 9712(d)(4) of the Internal Revenue Code of 1986 (relating to joint and several liability) is amended by adding at the end the following new sentence: "The provisions of section 9711(c)(2) shall apply to any last signatory operator described in such section (without regard to whether security is provided under such section, a payment is made under section 9704(j), or both) and if security meeting the requirements of section 9711(c)(3) is provided, the common parent described in section 9711(c)(2)(B) shall be exclusively responsible for any liability for premiums under this section which, but for this sentence, would be required to be paid by the last signatory operator or any related person.".

(d) Successor in Interest.—Section 9701(c) of the Internal Revenue Code of 1986 (relating to terms relating to operators) is amended by adding at the end the following new paragraph:

"(8) Successor in interest.—

"(A) Safe harbor.—The term 'successor in interest' shall not include any person who—

"(i) is an unrelated person to an eligible seller described in subparagraph (C); and

"(ii) purchases for fair market value assets, or all of the stock, of a related person to such seller, in a bona fide, arm's-length sale.

"(B) Unrelated person.—The term 'unrelated person' means a purchaser who does not bear a relationship to the eligible seller described in section 267(b).

"(C) Eligible seller.—For purposes of this paragraph, the term 'eligible seller' means an assigned operator described in section 9704(j)(2) or a related person to such assigned operator.".

(e) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act, except that the amendment made by subsection (d) shall apply to transactions after the date of the enactment of this Act.

SEC. 322. TRANSFERS TO FUNDS; PREMIUM RELIEF.

(a) Combined Fund.—

(1) Federal transfers.—Section 9705(b) of the Internal Revenue Code of 1986 (relating to transfers from Abandoned Mine Reclamation Fund) is amended—

(A) in paragraph (1), by striking "section 402(h)" and inserting "subsections (h) and (i) of section 402";

(B) by striking paragraph (2) and inserting the following new paragraph:

"(2) Use of funds.—Any amount transferred under paragraph (1) for any fiscal year shall be used to pay benefits and administrative costs of beneficiaries of the Combined Fund or for such other purposes as are specifically provided in the Acts described in paragraph (1)."; and

(C) by striking "From Abandoned Mine Reclamation Fund".

(2) Modifications of premiums to reflect federal transfers.—

(A) Elimination of unassigned beneficiaries premium.—Section 9704(d) of such Code (establishing unassigned beneficiaries premium) is amended to read as follows:

"(d) Unassigned Beneficiaries Premium.—

"(1) Plan years ending on or before September 30, 2006.—For plan years ending on or before September 30, 2006, the unassigned beneficiaries premium for any assigned operator shall be equal to the applicable percentage of the product of the per beneficiary premium for the plan year multiplied by the number of eligible beneficiaries who are not assigned under section 9706 to any person for such plan year.

"(2) Plan years beginning on or after October 1, 2006.—

"(A) In general.—For plan years beginning on or after October 1, 2006, subject to subparagraph (B), there shall be no unassigned beneficiaries premium, and benefit costs with respect to eligible beneficiaries who are not assigned under section 9706 to any person for any such plan year shall be paid from amounts transferred under section 9705(b).

"(B) Inadequate transfers.—If, for any plan year beginning on or after October 1, 2006, the amounts transferred under section 9705(b) are less than the amounts required to be transferred to the Combined Fund under subsection (h)(2)(A) or (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232)), then the unassigned beneficiaries premium for any assigned operator shall be equal to the operator's applicable percentage of the amount required to be so transferred which was not so transferred.".

(B) Premium accounts.—

(i) Crediting of accounts.—Section 9704(e)(1) of such Code (relating to premium accounts; adjustments) is amended by inserting "and amounts transferred under section 9705(b)" after "premiums received".

(ii) Surpluses attributable to public funding.—Section 9704(e)(3)(A) of such Code is amended by adding at the end the following new sentence: "Amounts credited to an account from amounts transferred under section 9705(b) shall not be taken into account in determining whether there is a surplus in the account for purposes of this paragraph."

(C) Applicable percentage.—Section 9704(f)(2) of such Code (relating to annual adjustments) is amended by adding at the end the following new subparagraph:

"(C) In the case of plan years beginning on or after October 1, 2007, the total number of assigned eligible beneficiaries shall be reduced by the eligible beneficiaries whose assignments have been revoked under section 9706(h).".

(3) ASSIGNMENTS AND REASSIGNMENT.—Section 9706 of the Internal Revenue Code of 1986 (relating to assignment of eligible beneficiaries) is amended by adding at the end the following:

"(h) ASSIGNMENTS AS OF OCTOBER 1, 2007.—

"(1) IN GENERAL.—Subject to the premium obligation set forth in paragraph (3), the Commissioner of Social Security shall—

"(A) revoke all assignments to persons other than 1988 agreement operators for purposes of assessing premiums for plan years beginning on and after October 1, 2007; and

"(B) make no further assignments to persons other than 1988 agreement operators, except that no individual who becomes an unassigned beneficiary by reason of subparagraph (A) may be assigned to a 1988 agreement operator.

"(2) REASSIGNMENT UPON PURCHASE.—This subsection shall not be construed to prohibit the reassignment under subsection (b)(2) of an eligible beneficiary.

"(3) LIABILITY OF PERSONS DURING THREE FISCAL YEARS BEGINNING ON AND AFTER OCTOBER 1, 2007.—In the case of each of the fiscal years beginning on October 1, 2007, 2008, and 2009, each person other than a 1988 agreement operator shall pay to the Combined Fund the following percentage of the amount of annual premiums that such person would otherwise be required to pay under section 9704(a), determined on the basis of assignments in effect without regard to the revocation of assignments under paragraph (1)(A):

"(A) For the fiscal year beginning on October 1, 2007, 55 percent.

"(B) For the fiscal year beginning on October 1, 2008, 40 percent.

"(C) For the fiscal year beginning on October 1, 2009, 15 percent.".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to plan years of the Combined Fund beginning after September 30, 2006.

(b) 1992 UMWA BENEFIT AND OTHER PLANS.—

(1) TRANSFERS TO PLANS.—Section 9712(a) of the Internal Revenue Code of 1986 (relating to the establishment and coverage of the 1992 UMWA Benefit Plan) is amended by adding at the end the following:

"(3) TRANSFERS UNDER OTHER FEDERAL STATUTES.—

"(A) IN GENERAL.—The 1992 UMWA Benefit Plan shall include any amount transferred to the plan under subsections (h) and (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232).

"(B) USE OF FUNDS.—Any amount transferred under subparagraph (A) for any fiscal year shall be used to provide the health benefits described in subsection (c) with respect to any beneficiary for whom no monthly per beneficiary premium is paid pursuant to paragraph (1)(A) or (3) of subsection (d).

"(4) SPECIAL RULE FOR 1993 PLAN.—

"(A) IN GENERAL.—The plan described in section 402(h)(2)(C) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(2)(C)) shall include any amount transferred to the plan under subsections (h) and (i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232).

"(B) USE OF FUNDS.—Any amount transferred under subparagraph (A) for any fiscal year shall be used to provide the health benefits described in section 402(h)(2)(C)(i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(2)(C)(i)) to individuals described in section 402(h)(2)(C) of such Act (30 U.S.C. 1232(h)(2)(C)).".

(2) PREMIUM ADJUSTMENTS.—

(A) IN GENERAL.—Section 9712(d)(1) of such Code (relating to guarantee of benefits) is amended to read as follows:

"(1) IN GENERAL.—All 1988 last signatory operators shall be responsible for financing the benefits described in subsection (c) by meeting the following requirements in accordance with the contribution requirements established in the 1992 UMWA Benefit Plan:

"(A) The payment of a monthly per beneficiary premium by each 1988 last signatory operator for each eligible beneficiary of such operator who is described in subsection (b)(2) and who is receiving benefits under the 1992 UMWA benefit plan.

"(B) The provision of a security (in the form of a bond, letter of credit, or cash escrow) in an amount equal to a portion of the projected future cost to the 1992 UMWA Benefit Plan of providing health benefits for eligible and potentially eligible beneficiaries attributable to the 1988 last signatory operator.

"(C) If the amounts transferred under subsection (a)(3) are less than the amounts required to be transferred to the 1992 UMWA Benefit Plan under subsections (h) and (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232), the payment of an additional backstop premium by each 1988 last signatory operator which is equal to such operator's share of the amounts required to be so transferred but which were not so transferred, determined on the basis of the number of eligible and potentially eligible beneficiaries attributable to the operator.".

(B) CONFORMING AMENDMENTS.—Section 9712(d) of such Code is amended—

(i) in paragraph (2)(B), by striking "prefunding" and inserting "backstop", and

(ii) in paragraph (3), by striking "paragraph (1)(B)" and inserting "paragraph (1)(A)".

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to fiscal years beginning on or after October 1, 2010.

SEC. 323. OTHER PROVISIONS.

(a) BOARD OF TRUSTEES.—Section 9702(b) of the Internal Revenue Code of 1986 (relating to board of trustees of the Combined Fund) is amended to read as follows:

"(b) BOARD OF TRUSTEES.—

"(1) IN GENERAL.—For purposes of subsection (a), the board of trustees for the Combined Fund shall be appointed as follows:

"(A) 2 individuals who represent employers in the coal mining industry shall be designated by the BCOA;

"(B) 2 individuals designated by the United Mine Workers of America; and

"(C) 3 individuals selected by the individuals appointed under subparagraphs (A) and (B).

"(2) SUCCESSOR TRUSTEES.—Any successor trustee shall be appointed in the same manner as the trustee being succeeded. The plan establishing the Combined Fund shall provide for the removal of trustees.

"(3) SPECIAL RULE.—If the BCOA ceases to exist, any trustee or successor under paragraph (1)(A) shall be designated by the 3 employers who were members of the BCOA on the enactment date and who have been assigned the greatest number of eligible beneficiaries under section 9706.".

(b) ENFORCEMENT OF OBLIGATIONS.—

(1) FAILURE TO PAY PREMIUMS.—Section 9707(a) of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) FAILURES TO PAY.—

"(1) PREMIUMS FOR ELIGIBLE BENEFICIARIES.—There is hereby imposed a penalty on the failure of any assigned operator to pay any premium required to be paid under section 9704 with respect to any eligible beneficiary.

"(2) CONTRIBUTIONS REQUIRED UNDER THE MINING LAWS.—There is hereby imposed a penalty on the failure of any person to make a contribution required under section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 to a plan referred to in section 402(h)(2)(C) of such Act. For purposes of applying this section, each such required monthly contribution for the hours worked of any individual shall be treated as if it were a premium required to be paid under section 9704 with respect to an eligible beneficiary.".

(2) CIVIL ENFORCEMENT.—Section 9721 of such Code is amended to read as follows:

"SEC. 9721. CIVIL ENFORCEMENT.

"The provisions of section 4301 of the Employee Retirement Income Security Act of 1974 shall apply, in the same manner as any claim arising out of an obligation to pay withdrawal liability under subtitle E of title IV of such Act, to any claim—

"(1) arising out of an obligation to pay any amount required to be paid by this chapter; or

"(2) arising out of an obligation to pay any amount required by section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(5)(B)(ii)).".

SA 4796. Mr. CONRAD submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE", up to $6,000,000 may be available for Military-Standard-1760 (MIL-STD 1760) integration for the internal weapons bays of B-52 aircraft.

SA 4797. Mr. VOINOVICH (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", $1,000,000 may be available for the Portable Battery Operated Solid-State Electrochemical Oxygen Generator project for the purpose of developing a field-portable oxygen generation device to enable the quick administration of oxygen to members of the Armed Forces wounded in action.

SA 4798. Mr. ISAKSON submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for environmental management and compliance information.

SA 4799. Mr. DEWINE (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL AMOUNT FOR SHIPBUILDING AND CONVERSION, NAVY.—The amount appropriated by title III under the heading "SHIPBUILDING AND CONVERSION, NAVY" is hereby increased by $23,000,000.

(b) AVAILABILITY.—Of the amount appropriated by title III under the heading "SHIPBUILDING AND CONVERSION, NAVY", as increased by subsection (a), up to $23,000,000 may be available for the Carrier Replacement Program.

(c) SUPPLEMENT NOT SUPPLANT.—Amounts available under subsection (b) for the purpose specified in that subsection are in addition to any other amounts available under this Act for that purpose.

(d) OFFSET.—The amount appropriated by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE" is hereby reduced by $23,000,000.

SA 4800. Mr. DEWINE (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL AMOUNT FOR SHIPBUILDING AND CONVERSION, NAVY.—The amount appropriated by title III under the heading "SHIPBUILDING AND CONVERSION, NAVY" is hereby increased by $23,000,000.

(b) AVAILABILITY.—Of the amount appropriated by title III under the heading "SHIPBUILDING AND CONVERSION, NAVY", as increased by subsection (a), up to $23,000,000 may be available for the Carrier Replacement Program.

(c) SUPPLEMENT NOT SUPPLANT.—Amounts available under subsection (b) for the purpose specified in that subsection are in addition to any other amounts available under this Act for that purpose.

SA 4801. Mr. DEWINE (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading "SHIPBUILDING AND CONVERSION, NAVY", up to $23,000,000 may be available for the Carrier Replacement Program for advance procurement of nuclear propulsion equipment.

SA 4802. Mr. KENNEDY (for himself, Mr. REID, Mr. BIDEN, Mr. LEVIN, Mr. REED, Mr. LAUTENBERG, and Mr. ROCKEFELLER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 150, line 24, insert before the period the following: ": *Provided*, That Director of National Intelligence shall, utilizing amounts appropriated by this heading, prepare by not later than October 1, 2006, a new National Intelligence Estimate on Iraq with an assessment by the intelligence community of critical political, economic, and security trends in Iraq, which shall address such matters as the Director of National Intelligence considers appropriate, including (1) an assessment whether Iraq is in or is descending into civil war and the actions that will prevent or reverse deterioration of conditions promoting civil war, including sectarianism, (2) an assessment whether Iraq is succeeding in standing up effective security forces, and the actions that will increase the chances of that occurring, including an assessment of (A) the extent to which militias are providing security in Iraq, and (B) the extent to which the Government of Iraq has developed and implemented a credible plan to disarm and demobilize and reintegrate militias into government security forces and is working to obtain a political commitment from political parties to ban militias, (3) an assessment of (A) the extent of the threat from violent extremist-related terrorism, including al Qaeda, in and from Iraq, (B) the extent to which terrorism in Iraq has exacerbated terrorism in the region and globally, (C) the extent to which terrorism in Iraq has increased the threat to United States persons and interests around the world, and (D) actions to address the terrorist threat, (4) an assessment whether Iraq is succeeding in creating a stable and effective unity government, the likelihood that changes to the constitution will be made to address concerns of the Sunni community, and the actions that will increase the chances of that occurring, (5) an assessment (A) whether Iraq is succeeding in rebuilding its economy and creating economic prosperity for Iraqis, (B) the likelihood that economic reconstruction in Iraq will significantly diminish the dependence of Iraq on foreign aid to meet its domestic economic needs, and (C) the actions that will increase the chances of that occurring, (6) a description of the optimistic, most likely, and pessimistic scenarios for the stability of Iraq through 2007, (7) an assessment whether, and in what ways, the large-scale presence of multinational forces in Iraq helps or hinders the chances of success in Iraq; and (8) an assessment of the extent to which the situation in Iraq is affecting relations with Iran, Saudi Arabia, Turkey, and other countries in the region: *Provided further*, That, not later than October 1, 2006, the Director of National Intelligence shall submit to Congress the National Intelligence Estimate prepared under the preceding proviso, together with an unclassified summary of the National Intelligence Estimate: *Provided further*, That if the Director of National Intelligence is unable to submit the National Intelligence Estimate by the date specified in the preceding proviso, the Director shall submit to Congress, not later than that date, a report setting forth the reasons for being unable to do so".

SA 4803. Mr. BYRD submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) INTERIM REPORT ON MANAGEMENT OF BIOMETRICS PROGRAM.—Not later than September 8, 2006, the Secretary of Defense shall submit to the congressional defense committees an interim report on the management of the biometrics program of the Department of Defense.

(b) FINAL REPORT.—Not later than October 15, 2006, the Secretary shall submit to the congressional defense committees a final report on the management of the biometrics program of the Department of Defense.

(c) REPORT ELEMENTS.—Each report under this section shall include, current as of the date of such report, the following:

(1) A detailed description of the recommendations of the Defense Science Board regarding the management of the biometrics program of the Department of Defense.

(2) Such recommendations as the Defense Science Board considers appropriate regarding changes of mission for the existing biometrics support officers.

SA 4804. Mr. LAUTENBERG (for himself, Mr. HARKIN, Ms. STABENOW, Mr. LIEBERMAN, Mrs. LINCOLN, and Mr. MENENDEZ) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. No funds appropriated or otherwise made available to the Department of Defense under title VI under the heading "DEFENSE HEALTH PROGRAM" may be obligated or expended unless, during the period beginning on October 1, 2006, and ending on September 30, 2007, the cost sharing requirements established under paragraph (6) of section 1074g(a) of title 10, United States Code, for pharmaceutical agents available through retail pharmacies covered by paragraph (2)(E)(ii) of such section do not exceed amounts as follows:

(1) In the case of generic agents, $3.

(2) In the case of formulary agents, $9.

(3) In the case of nonformulary agents, $22.

SA 4805. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 238, after line 24, add the following:

TITLE X—ELIMINATION OF FRAUD IN GOVERNMENT CONTRACTING

SEC. 10001. SHORT TITLE.

This title may be cited as the "Honest Leadership and Accountability in Contracting Act of 2006".

Subtitle A—Elimination of Fraud and Abuse

SEC. 10011. PROHIBITION OF WAR PROFITEERING AND FRAUD.

(a) PROHIBITION.—

(1) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following:

"§ 1039. War profiteering and fraud

"(a) PROHIBITION.—

"(1) IN GENERAL.—Whoever, in any matter involving a contract or the provision of goods or services, directly or indirectly, in connection with a war or military action knowingly and willfully—

"(A) executes or attempts to execute a scheme or artifice to defraud the United States or the entity having jurisdiction over the area in which such activities occur;

"(B) falsifies, conceals, or covers up by any trick, scheme, or device a material fact;

"(C) makes any materially false, fictitious, or fraudulent statements or representations, or makes or uses any materially false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry; or

"(D) materially overvalues any good or service with the specific intent to excessively profit from the war or military action; shall be fined under paragraph (2), imprisoned not more than 20 years, or both.

"(2) FINE.—A person convicted of an offense under paragraph (1) may be fined the greater of—

"(A) $1,000,000; or

"(B) if such person derives profits or other proceeds from the offense, not more than twice the gross profits or other proceeds.

"(b) EXTRATERRITORIAL JURISDICTION.—There is extraterritorial Federal jurisdiction over an offense under this section.

"(c) VENUE.—A prosecution for an offense under this section may be brought—

"(1) as authorized by chapter 211 of this title;

"(2) in any district where any act in furtherance of the offense took place; or

"(3) in any district where any party to the contract or provider of goods or services is located.".

(2) CLERICAL AMENDMENT.—The table of sections for chapter 47 of title 18, United States Code, is amended by adding at the end the following:

"1039. War profiteering and fraud.".

(b) CIVIL FORFEITURE.—Section 981(a)(1)(C) of title 18, United States Code, is amended by inserting "1039," after "1032,".

(c) CRIMINAL FORFEITURE.—Section 982(a)(2)(B) of title 18, United States Code, is amended by striking "or 1030" and inserting "1030, or 1039".

(d) TREATMENT UNDER MONEY LAUNDERING OFFENSE.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting the following: ", section 1039 (relating to war profiteering and fraud)" after "liquidating agent of financial institution),".

SEC. 10012. SUSPENSION AND DEBARMENT OF UNETHICAL CONTRACTORS.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Federal Acquisition Regulation issued pursuant to section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) shall be revised to provide that no prospective contractor shall be considered to have a satisfactory record of integrity and business ethics if it—

(1) has exhibited a pattern of overcharging the Government under Federal contracts; or

(2) has exhibited a pattern of failing to comply with the law, including tax, labor and employment, environmental, antitrust, and consumer protection laws.

(b) EFFECTIVE DATE.—The revised regulation required by this section shall apply with respect to all contracts for which solicitations are issued after the date that is 90 days after the date of the enactment of this Act.

SEC. 10013. DISCLOSURE OF AUDIT REPORTS.

(a) DISCLOSURE OF INFORMATION TO CONGRESS.—

(1) IN GENERAL.—The head of each executive agency shall maintain a list of audit reports issued by the agency during the current and previous calendar years that—

(A) describe significant contractor costs that have been identified as unjustified, unsupported, questioned, or unreasonable under any contract, task or delivery order, or subcontract; or

(B) identify significant or substantial deficiencies in any business system of any contractor under any contract, task or delivery order, or subcontract.

(2) SUBMISSION OF INDIVIDUAL AUDITS.—The head of each executive agency shall provide, within 14 days of a request in writing by the chairman or ranking member of a committee of jurisdiction, a full and unredacted copy of—

(A) the current version of the list maintained pursuant to paragraph (1); or

(B) any audit or other report identified on such list.

(b) PUBLICATION OF INFORMATION ON FEDERAL CONTRACTOR PENALTIES AND VIOLATIONS.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Federal Procurement Data System shall be modified to include—

(A) information on instances in which any major contractor has been fined, paid penalties or restitution, settled, plead guilty to, or had judgments entered against it in connection with allegations of improper conduct; and

(B) information on all sole source contract awards in excess of $2,000,000 entered into by an executive agency.

(2) PUBLICLY AVAILABLE WEBSITE.—The information required by paragraph (1) shall be made available through the publicly available website of the Federal Procurement Data System.

Subtitle B—Contract Matters

Part 1—Competition in Contracting

SEC. 10021. PROHIBITION ON AWARD OF MONOPOLY CONTRACTS.

(a) CIVILIAN AGENCY CONTRACTS.—Section 303H(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h(d)) is amended by adding at the end the following new paragraph:

"(4)(A) No task or delivery order contract in an amount estimated to exceed $100,000,000 (including all options) may be awarded to a single contractor unless the head of the agency determines in writing that—

"(i) because of the size, scope, or method of performance of the requirement, it would not be practical to award multiple task or delivery order contracts;

"(ii) the task orders expected under the contract are so integrally related that only a single contractor can reasonably perform the work; or

"(iii) for any other reason, it is necessary in the public interest to award the contract to a single contractor.

"(B) The head of the agency shall notify Congress within 30 days of any determination under subparagraph (A)(iii).".

(b) DEFENSE CONTRACTS.—Section 2304a(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4)(A) No task or delivery order contract in an amount estimated to exceed $100,000,000 (including all options) may be awarded to a single contractor unless the head of the agency determines in writing that—

"(i) because of the size, scope, or method of performance of the requirement, it would not be practical to award multiple task or delivery order contracts;

"(ii) the task orders expected under the contract are so integrally related that only a single contractor can reasonably perform the work; or

"(iii) for any other reason, it is necessary in the public interest to award the contract to a single contractor.

"(B) The head of the agency shall notify Congress within 30 days of any determination under subparagraph (A)(iii).".

SEC. 10022. COMPETITION IN MULTIPLE AWARD CONTRACTS.

(a) REGULATIONS REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation shall be revised to require competition in the purchase of goods and services by each executive agency pursuant to multiple award contracts.

(b) CONTENT OF REGULATIONS.—(1) The regulations required by subsection (a) shall provide, at a minimum, that each individual purchase of goods or services in excess of $1,000,000 that is made under a multiple award contract shall be made on a competitive basis unless a contracting officer of the executive agency—

(A) waives the requirement on the basis of a determination that—

(i) one of the circumstances described in paragraphs (1) through (4) of section 303J(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253j(b)) applies to such individual purchase; or

(ii) a statute expressly authorizes or requires that the purchase be made from a specified source; and

(B) justifies the determination in writing.

(2) For purposes of this subsection, an individual purchase of goods or services is made on a competitive basis only if it is made pursuant to procedures that—

(A) require fair notice of the intent to make that purchase (including a description of the work to be performed and the basis on which the selection will be made) to be provided to all contractors offering such goods or services under the multiple award contract; and

(B) afford all contractors responding to the notice a fair opportunity to make an offer and have that offer fairly considered by the official making the purchase.

(3) Notwithstanding paragraph (2), notice may be provided to fewer than all contractors offering such goods or services under a multiple award contract described in subsection (c)(2)(A) if notice is provided to as many contractors as practicable.

(4) A purchase may not be made pursuant to a notice that is provided to fewer than all contractors under paragraph (3) unless—

(A) offers were received from at least three qualified contractors; or

(B) a contracting officer of the executive agency determines in writing that no additional qualified contractors were able to be identified despite reasonable efforts to do so.

(c) DEFINITIONS.—In this section:

(1) The term "individual purchase" means a task order, delivery order, or other purchase.

(2) The term "multiple award contract" means—

(A) a contract that is entered into by the Administrator of General Services under the multiple award schedule program referred to in section 309(b)(3) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259(b)(3));

(B) a multiple award task order contract that is entered into under the authority of sections 2304a through 2304d of title 10, United States Code, or sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

(C) any other indefinite delivery, indefinite quantity contract that is entered into by the head of an executive agency with two or more sources pursuant to the same solicitation.

(d) Applicability.—The revisions to the Federal Acquisition Regulation pursuant to subsection (a) shall take effect not later than 180 days after the date of the enactment of this Act, and shall apply to all individual purchases of goods or services that are made under multiple award contracts on or after the effective date, without regard to whether the multiple award contracts were entered into before, on, or after such effective date.

(e) Conforming Amendments to Defense Contract Provision.—Section 803 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 10 U.S.C. 2304 note) is amended as follows:

(1) Goods covered.—(A) The section heading is amended by inserting "**GOODS OR**" before "**SERVICES**".

(B) Subsection (a) is amended by inserting "goods and" before "services".

(C) The following provisions are amended by inserting "goods or" before "services" each place it appears:

(i) Paragraphs (1), (2), and (3) of subsection (b).

(ii) Subsection (d).

(D) Such section is amended by adding at the end the following new subsection:

"(e) Applicability to Goods.—The Secretary shall revise the regulations promulgated pursuant to subsection (a) to cover purchases of goods by the Department of Defense pursuant to multiple award contracts. The revised regulations shall take effect in final form not later than 180 days after the date of the enactment of this subsection and shall apply to all individual purchases of goods that are made under multiple award contracts on or after the effective date, without regard to whether the multiple award contracts were entered into before, on, or after such effective date.".

(f) Protest Rights for Certain Awards.—

(1) Civilian agency contracts.—Section 303J(d) of the Federal Property and Administrative Services Act (41 U.S.C. 253j(d)) is amended by inserting "with a value of less than $500,000" after "task or delivery order".

(2) Defense contracts.—Section 2304c(d) of title 10, United States Code, is amended by inserting "with a value of less than $500,000" after "task or delivery order".

Part 2—Contract Personnel Matters

SEC. 10031. CONTRACTOR CONFLICTS OF INTEREST.

(a) Prohibition on Contracts Relating to Inherently Governmental Functions.—The head of an agency may not enter into a contract for the performance of any inherently governmental function.

(b) Prohibition on Contracts for Contract Oversight.—

(1) Prohibition.—The head of an agency may not enter into a contract for the performance of acquisition functions closely associated with inherently governmental functions with any entity unless the head of the agency determines in writing that—

(A) neither that entity nor any related entity will be responsible for performing any of the work under a contract which the entity will help plan, evaluate, select a source, manage or oversee; and

(B) the agency has taken appropriate steps to prevent or mitigate any organizational conflict of interest that may arise because the entity—

(i) has a separate ongoing business relationship, such as a joint venture or contract, with any of the contractors to be overseen;

(ii) would be placed in a position to affect the value or performance of work it or any related entity is doing under any other Government contract;

(iii) has a reverse role with the contractor to be overseen under one or more separate Government contracts; or

(iv) has some other relationship with the contractor to be overseen that could reasonably appear to bias the contractor's judgment.

(2) Related entity defined.—In this subsection, the term "related entity", with respect to a contractor, means any subsidiary, parent, affiliate, joint venture, or other entity related to the contractor.

(c) Definitions.—In this section:

(1) The term "inherently governmental functions" has the meaning given to such term in part 7.5 of the Federal Acquisition Regulation.

(2) The term "functions closely associated with governmental functions" means the functions described in section 7.503(d) of the Federal Acquisition Regulation.

(3) The term "organizational conflict of interest" has the meaning given such term in part 9.5 of the Federal Acquisition Regulation.

(d) Effective Date and Applicability.—This section shall take effect on the date of the enactment of this Act and shall apply to—

(1) contracts entered into on or after such date;

(2) any task or delivery order issued on or after such date under a contract entered into before, on, or after such date; and

(3) any decision on or after such date to exercise an option or otherwise extend a contract for the performance of a function relating to contract oversight regardless of whether such contract was entered into before, on, or after such date.

SEC. 10032. ELIMINATION OF REVOLVING DOOR BETWEEN FEDERAL PERSONNEL AND CONTRACTORS.

(a) Elimination of Loopholes Allowing Former Federal Officials To Accept Compensation From Contractors or Related Entities.—

(1) In general.—Paragraph (1) of subsection (d) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) is amended—

(A) by striking "or consultant" and inserting "consultant, lawyer, or lobbyist";

(B) by striking "one year" and inserting "two years"; and

(C) in subparagraph (C), by striking "personally made for the Federal agency—" and inserting "participated personally and substantially in—".

(2) Definition.—Paragraph (2) of such subsection is amended to read as follows:

"(2) For purposes of paragraph (1), the term 'contractor' includes any division, affiliate, subsidiary, parent, joint venture, or other related entity of a contractor.".

(b) Prohibition on Award of Government Contracts to Former Employers.—Such section is further amended by adding at the end the following new subsection:

"(i) Prohibition on Involvement by Certain Former Contractor Employees in Procurements.—A former employee of a contractor who becomes an employee of the Federal Government shall not be personally and substantially involved with any Federal agency procurement involving the employee's former employer, including any division, affiliate, subsidiary, parent, joint venture, or other related entity of the former employer, for a period of two years beginning on the date on which the employee leaves the employment of the contractor unless the designated agency ethics officer for the agency determines in writing that the government's interest in the former employee's participation in a particular procurement outweighs any appearance of impropriety.".

(c) Requirement for Federal Procurement Officers To Disclose Job Offers Made to Relatives.—Subsection (c)(1) of such section is amended by inserting after "that official" the following: ", or for a relative of that official (as defined in section 3110 of title 5, United States Code),".

(d) Additional Criminal Penalties.—Paragraph (1) of subsection (e) of such section is amended to read as follows:

"(1) Criminal penalties.—Whoever engages in conduct constituting a violation of—

"(A) subsection (a) or (b) for the purpose of either—

"(i) exchanging the information covered by such subsection for anything of value, or

"(ii) obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or

"(B) subsection (c) or (d);

shall be imprisoned for not more than 5 years, fined as provided under title 18, Untied States Code, or both.".

(e) Regulations.—Such section is further amended by adding at the end the following new subsection:

"(j) Regulations.—The Director of the Office of Government Ethics, in consultation with the Administrator, shall—

"(1) promulgate regulations to carry out and ensure the enforcement of this section; and

"(2) monitor and investigate individual and agency compliance with this section.".

Subtitle C—Other Personnel Matters

SEC. 10041. MINIMUM REQUIREMENTS FOR POLITICAL APPOINTEES HOLDING PUBLIC CONTRACTING AND SAFETY POSITIONS.

(a) In General.—A position specified in subsection (b) may not be held by any political appointee who does not meet the requirements of subsection (c).

(b) Specified Positions.—A position specified in this subsection is any position as follows:

(1) A public contracting position.

(2) A public safety position.

(c) Minimum Requirements.—An individual shall not, with respect to any position, be considered to meet the requirements of this subsection unless such individual—

(1) has academic, management, and leadership credentials in one or more areas relevant to such position;

(2) has a superior record of achievement in one or more areas relevant to such position;

(3) has training and expertise in one or more areas relevant to such position; and

(4) has not, within the 2-year period ending on the date of such individual's nomination for or appointment to such position, been a lobbyist for any entity or other client that is

subject to the authority of the agency within which, if appointed, such individual would serve.

(d) POLITICAL APPOINTEE.—For purposes of this section, the term "political appointee" means any individual who—

(1) is employed in a position listed in sections 5312 through 5316 of title 5, United States Code (relating to the Executive Schedule);

(2) is a limited term appointee, limited emergency appointee, or noncareer appointee in the Senior Executive Service; or

(3) is employed in the executive branch of the Government in a position which has been excepted from the competitive service by reason of its policy-determining, policy-making, or policy-advocating character.

(e) PUBLIC CONTRACTING POSITION.—For purposes of this section, the term "public contracting position" means the following:

(1) The Administrator for Federal Procurement Policy.

(2) The Administrator of the General Services Administration.

(3) The Chief Acquisition Officer of any executive agency, as appointed or designated pursuant to section 16 of the Office of Federal Procurement Policy Act (41 U.S.C. 414).

(4) The Under Secretary of Defense for Acquisition, Technology, and Logistics.

(5) Any position (not otherwise identified under any of the preceding provisions of this subsection) a primary function of which involves government procurement and procurement policy, as identified by the head of each employing agency in consultation with the Office of Personnel Management.

(f) PUBLIC SAFETY POSITION.—For purposes of this section, the term "public safety position" means the following:

(1) The Under Secretary for Emergency Preparedness and Response, Department of Homeland Security.

(2) The Director of the Federal Emergency Management Agency, Department of Homeland Security.

(3) Each regional director of the Federal Emergency Management Agency, Department of Homeland Security.

(4) The Recovery Division Director of the Federal Emergency Management Agency, Department of Homeland Security.

(5) The Assistant Secretary for Immigration and Customs Enforcement, Department of Homeland Security.

(6) The Assistant Secretary for Public Health Emergency Preparedness, Department of Health and Human Services.

(7) The Assistant Administrator for Solid Waste and Emergency Response, Environmental Protection Agency.

(8) Any position (not otherwise identified under any of the preceding provisions of this subsection) a primary function of which involves responding to a direct threat to life or property or a hazard to health, as identified by the head of each employing agency in consultation with the Office of Personnel Management.

(g) PUBLICATION OF POSITIONS.—Beginning not later than 30 days after the date of the enactment of this Act, the head of each agency shall maintain on such agency's public website a current list of all public contracting positions and public safety positions within such agency.

(h) COORDINATION WITH OTHER REQUIREMENTS.—The requirements set forth in subsection (c) shall be in addition to, and not in lieu of, any requirements that might otherwise apply with respect to any particular position.

(i) DEFINITIONS.—In this section:

(1) The term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code).

(2) The terms "limited term appointee", "limited emergency appointee", and "noncareer appointee" have the meanings given such terms in section 3132 of title 5, United States Code.

(3) The term "Senior Executive Service" has the meaning given such term by section 2101a of title 5, United States Code.

(4) The term "competitive service" has the meaning given such term by section 2102 of title 5, United States Code.

(5) The terms "lobbyist" and "client" have the respective meanings given them by section 3 of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1602).

(j) CONFORMING AMENDMENT.—Section 16(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(a)) is amended by striking "non-career employee as".

SEC. 10042. PROTECTION OF CERTAIN DISCLOSURES OF INFORMATION BY FEDERAL EMPLOYEES.

(a) CLARIFICATION OF DISCLOSURES COVERED.—Section 2302(b)(8) of title 5, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking "which the employee or applicant reasonably believes evidences" and inserting ", without restriction to time, place, form, motive, context, or prior disclosure made to any person by an employee or applicant, including a disclosure made in the ordinary course of an employee's duties, that the employee or applicant reasonably believes is evidence of"; and

(B) in clause (i), by striking "a violation" and inserting "any violation";

(2) in subparagraph (B)—

(A) by striking "which the employee or applicant reasonably believes evidences" and inserting ", without restriction to time, place, form, motive, context, or prior disclosure made to any person by an employee or applicant, including a disclosure made in the ordinary course of an employee's duties, of information that the employee or applicant reasonably believes is evidence of"; and

(B) in clause (i), by striking "a violation" and inserting "any violation (other than a violation of this section)"; and

(3) by adding at the end the following:

"(C) any disclosure that—

"(i) is made by an employee or applicant of information required by law or Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs that the employee or applicant reasonably believes is direct and specific evidence of—

"(I) any violation of any law, rule, or regulation;

"(II) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety; or

"(III) a false statement to Congress on an issue of material fact; and

"(ii) is made to—

"(I) a member of a committee of Congress;

"(II) any other Member of Congress; or

"(III) an employee of Congress who has the appropriate security clearance and is authorized to receive information of the type disclosed.".

(b) COVERED DISCLOSURES.—Section 2302(a)(2) of title 5, United States Code, is amended—

(1) in subparagraph (B)(ii), by striking "and" at the end;

(2) in subparagraph (C)(iii), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(D) 'disclosure' means a formal or informal communication or transmission, but does not include a communication concerning policy decisions that lawfully exercise discretionary authority unless the employee providing the disclosure reasonably believes that the disclosure evidences—

"(i) any violation of any law, rule, or regulation; or

"(ii) gross management, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.".

(c) REBUTTABLE PRESUMPTION.—Section 2302(b) of title 5, United States Code, is amended by amending the matter following paragraph (12) to read as follows:

"This subsection shall not be construed to authorize the withholding of information from Congress or the taking of any personnel action against an employee who discloses information to Congress. For purposes of paragraph (8), any presumption relating to the performance of a duty by an employee who has authority to take, direct others to take, recommend, or approve any personnel action may be rebutted by substantial evidence. For purposes of paragraph (8), a determination as to whether an employee or applicant reasonably believes that they have disclosed information that evidences any violation of law, rule, regulation, gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety shall be made by determining whether a disinterested observer with knowledge of the essential facts known to and readily ascertainable by the employee could reasonably conclude that the actions of the Government evidence such violations, mismanagement, waste, abuse, or danger.".

(d) NONDISCLOSURE POLICIES, FORMS, AND AGREEMENTS; SECURITY CLEARANCES; AND RETALIATORY INVESTIGATIONS.—

(1) PERSONNEL ACTION.—Section 2302(a)(2)(A) of title 5, United States Code, is amended—

(A) in clause (x), by striking "and" after the semicolon; and

(B) by redesignating clause (xi) as clause (xiv) and inserting after clause (x) the following:

"(xi) the implementation or enforcement of any nondisclosure policy, form, or agreement;

"(xii) a suspension, revocation, or other determination relating to a security clearance or any other access determination by a covered agency;

"(xiii) an investigation, other than any ministerial or nondiscretionary fact finding activities necessary for the agency to perform its mission, of an employee or applicant for employment because of any activity protected under this section; and".

(2) PROHIBITED PERSONNEL PRACTICE.—Section 2302(b) of title 5, United States Code, is amended—

(A) in paragraph (11), by striking "or" at the end;

(B) in paragraph (12), by striking the period and inserting a semicolon; and

(C) by inserting after paragraph (12) the following:

"(13) implement or enforce any nondisclosure policy, form, or agreement, if such policy, form, or agreement does not contain the following statement: 'These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 (governing disclosures to Congress); section 1034 of title 10 (governing disclosure to Congress by members of the military); section 2302(b)(8) (governing disclosures of illegality, waste, fraud, abuse, or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosures that could compromise national security, including sections 641, 793, 794, 798, and 952 of title 18 and section 4(b) of the Subversive Activities Control Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by such Executive order and such statutory provisions are incorporated into this agreement and are controlling'; or

"(14) conduct, or cause to be conducted, an investigation, other than any ministerial or nondiscretionary fact finding activities necessary for the agency to perform its mission, of an employee or applicant for employment because of any activity protected under this section.".

(3) BOARD AND COURT REVIEW OF ACTIONS RELATING TO SECURITY CLEARANCES.—

(A) IN GENERAL.—Chapter 77 of title 5, United States Code, is amended by inserting after section 7702 the following:

"§7702a. Actions relating to security clearances

"(a) In any appeal relating to the suspension, revocation, or other determination relating to a security clearance or access determination, the Merit Systems Protection Board or any reviewing court—

"(1) shall determine whether paragraph (8) or (9) of section 2302(b) was violated;

"(2) may not order the President or the designee of the President to restore a security clearance or otherwise reverse a determination of clearance status or reverse an access determination; and

"(3) subject to paragraph (2), may issue declaratory relief and any other appropriate relief.

"(b)(1) If, in any final judgment, the Board or court declares that any suspension, revocation, or other determination with regards to a security clearance or access determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall conduct a review of that suspension, revocation, access determination, or other determination, giving great weight to the Board or court judgment.

"(2) Not later than 30 days after any Board or court judgment declaring that a security clearance suspension, revocation, access determination, or other determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall issue an unclassified report to the congressional committees of jurisdiction (with a classified annex if necessary), detailing the circumstances of the agency's security clearance suspension, revocation, other determination, or access determination. A report under this paragraph shall include any proposed agency action with regards to the security clearance or access determination.

"(c) An allegation that a security clearance or access determination was revoked or suspended in retaliation for a protected disclosure shall receive expedited review by the Office of Special Counsel, the Merit Systems Protection Board, and any reviewing court.

"(d) For purposes of this section, corrective action may not be ordered if the agency demonstrates by a preponderance of the evidence that it would have taken the same personnel action in the absence of such disclosure.".

(B) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 77 of title 5, United States Code, is amended by inserting after the item relating to section 7702 the following:

"7702a. Actions relating to security clearances.".

(e) EXCLUSION OF AGENCIES BY THE PRESIDENT.—Section 2302(a)(2)(C) of title 5, United States Code, is amended by striking clause (ii) and inserting the following:

"(ii)(I) the Federal Bureau of Investigation, the Office of the Director of National Intelligence, the Central Intelligence Agency, the Defense Intelligence Agency, the National Geospatial-Intelligence Agency, and the National Security Agency; and

"(II) as determined by the President, any executive agency or unit thereof the principal function of which is the conduct of foreign intelligence or counterintelligence activities, if the determination (as that determination relates to a personnel action) is made before that personnel action; or".

(f) ATTORNEY FEES.—Section 1204(m)(1) of title 5, United States Code, is amended by striking "agency involved" and inserting "agency where the prevailing party is employed or has applied for employment".

(g) DISCIPLINARY ACTION.—Section 1215(a)(3) of title 5, United States Code, is amended to read as follows:

"(3)(A) A final order of the Board may impose—

"(i) disciplinary action consisting of removal, reduction in grade, debarment from Federal employment for a period not to exceed 5 years, suspension, or reprimand;

"(ii) an assessment of a civil penalty not to exceed $1,000; or

"(iii) any combination of disciplinary actions described under clause (i) and an assessment described under clause (ii).

"(B) In any case in which the Board finds that an employee has committed a prohibited personnel practice under paragraph (8) or (9) of section 2302(b), the Board shall impose disciplinary action if the Board finds that the activity protected under paragraph (8) or (9) of section 2302(b) was a significant motivating factor, even if other factors also motivated the decision, for the employee's decision to take, fail to take, or threaten to take or fail to take a personnel action, unless that employee demonstrates, by preponderance of evidence, that the employee would have taken, failed to take, or threatened to take or fail to take the same personnel action, in the absence of such protected activity.".

(h) SPECIAL COUNSEL AMICUS CURIAE APPEARANCE.—Section 1212 of title 5, United States Code, is amended by adding at the end the following:

"(h)(1) The Special Counsel is authorized to appear as amicus curiae in any action brought in a court of the United States related to any civil action brought in connection with section 2302(b) (8) or (9), or subchapter III of chapter 73, or as otherwise authorized by law. In any such action, the Special Counsel is authorized to present the views of the Special Counsel with respect to compliance with section 2302(b) (8) or (9) or subchapter III of chapter 73 and the impact court decisions would have on the enforcement of such provisions of law.

"(2) A court of the United States shall grant the application of the Special Counsel to appear in any such action for the purposes described in subsection (a).".

(i) JUDICIAL REVIEW.—

(1) IN GENERAL.—Section 7703(b)(1) of title 5, United States Code, is amended to read as follows:

"(b)(1)(A) Except as provided in subparagraph (B) and paragraph (2), a petition to review a final order or final decision of the Board shall be filed in the United States Court of Appeals for the Federal Circuit. Notwithstanding any other provision of law, any petition for review must be filed within 60 days after the date the petitioner received notice of the final order or decision of the Board.

"(B) During the 5-year period beginning on the effective date of this subsection, a petition to review a final order or final decision of the Board in a case alleging a violation of paragraph (8) or (9) of section 2302(b) shall be filed in the United States Court of Appeals for the Federal Circuit or any court of appeals of competent jurisdiction as provided under subsection (b)(2).".

(2) REVIEW OBTAINED BY OFFICE OF PERSONNEL MANAGEMENT.—Section 7703(d) of title 5, United States Code, is amended to read as follows:

"(d)(1) Except as provided under paragraph (2), this paragraph shall apply to any review obtained by the Director of the Office of Personnel Management. The Director of the Office of Personnel Management may obtain review of any final order or decision of the Board by filing, within 60 days after the date the Director received notice of the final order or decision of the Board, a petition for judicial review in the United States Court of Appeals for the Federal Circuit if the Director determines, in his discretion, that the Board erred in interpreting a civil service law, rule, or regulation affecting personnel management and that the Board's decision will have a substantial impact on a civil service law, rule, regulation, or policy directive. If the Director did not intervene in a matter before the Board, the Director may not petition for review of a Board decision under this section unless the Director first petitions the Board for a reconsideration of its decision, and such petition is denied. In addition to the named respondent, the Board and all other parties to the proceedings before the Board shall have the right to appear in the proceeding before the Court of Appeals. The granting of the petition for judicial review shall be at the discretion of the Court of Appeals.

"(2) During the 5-year period beginning on the effective date of this subsection, this paragraph shall apply to any review relating to paragraph (8) or (9) of section 2302(b) obtained by the Director of the Office of Personnel Management. The Director of the Office of Personnel Management may obtain review of any final order or decision of the Board by filing, within 60 days after the date the Director received notice of the final order or decision of the Board, a petition for judicial review in the United States Court of Appeals for the Federal Circuit or any court of appeals of competent jurisdiction as provided under subsection (b)(2) if the Director determines, in his discretion, that the Board erred in interpreting paragraph (8) or (9) of section 2302(b). If the Director did not intervene in a matter before the Board, the Director may not petition for review of a Board decision under this section unless the Director first petitions the Board for a reconsideration of its decision, and such petition is denied. In addition to the named respondent, the Board and all other parties to the proceedings before the Board shall have the right to appear in the proceeding before the court of appeals. The granting of the petition for judicial review shall be at the discretion of the Court of Appeals.".

(j) NONDISCLOSURE POLICIES, FORMS, AND AGREEMENTS.—

(1) IN GENERAL.—

(A) REQUIREMENT.—Each agreement in Standard Forms 312 and 4414 of the Government and any other nondisclosure policy, form, or agreement of the Government shall contain the following statement: "These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by such Executive order and such statutory provisions are incorporated into this agreement and are controlling.".

(B) ENFORCEABILITY.—Any nondisclosure policy, form, or agreement described under subparagraph (A) that does not contain the statement required under subparagraph (A) may not be implemented or enforced to the extent such policy, form, or agreement is inconsistent with that statement.

(2) PERSONS OTHER THAN GOVERNMENT EMPLOYEES.—Notwithstanding paragraph (1), a nondisclosure policy, form, or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that such forms do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

(k) CLARIFICATION OF WHISTLEBLOWER RIGHTS FOR CRITICAL INFRASTRUCTURE INFORMATION.—Section 214(c) of the Homeland Security Act of 2002 (6 U.S.C. 133(c)) is amended by adding at the end the following: "For purposes of this section a permissible use of independently obtained information includes the disclosure of such information under section 2302(b)(8) of title 5, United States Code.".

(l) ADVISING EMPLOYEES OF RIGHTS.—Section 2302(c) of title 5, United States Code, is amended by inserting ", including how to make a lawful disclosure of information that is specifically required by law or Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs to the Special Counsel, the Inspector General of an agency, Congress, or other agency employee designated to receive such disclosures" after "chapter 12 of this title".

(m) SCOPE OF DUE PROCESS.—

(1) SPECIAL COUNSEL.—Section 1214(b)(4)(B)(ii) of title 5, United States Code, is amended by inserting ", after a finding that a protected disclosure was a contributing factor," after "ordered if".

(2) INDIVIDUAL ACTION.—Section 1221(e)(2) of title 5, United States Code, is amended by inserting ", after a finding that a protected disclosure was a contributing factor," after "ordered if".

(n) EFFECTIVE DATE.—This section and the amendment made by this section shall take effect 30 days after the date of the enactment of this Act.

SA 4806. Mr. KYL (for himself, Mr. WYDEN, Mr. DEWINE, Mr. LIEBERMAN, Mrs. FEINSTEIN, Ms. CANTWELL, Mr. SALAZAR, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . ROYALTY RELIEF FOR PRODUCTION OF OIL AND GAS.

(a) PRICE THRESHOLDS.—Notwithstanding any other provision of law, the Secretary of the Interior shall place limitations based on market price on the royalty relief granted under any lease for the production of oil or natural gas on Federal land (including submerged land) entered into by the Secretary of the Interior on or after the date of enactment of this Act.

(b) CLARIFICATION OF AUTHORITY TO IMPOSE PRICE THRESHOLDS FOR CERTAIN LEASE SALES.—Congress reaffirms the authority of the Secretary of the Interior under section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(H)) to vary, based on the price of production from a lease, the suspension of royalties under any lease subject to section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (Public Law 104–58; 43 U.S.C. 1337 note).

SEC. ___. ELIGIBILITY FOR NEW LEASES AND THE TRANSFER OF LEASES.

(a) DEFINITIONS.—In this section

(1) COVERED LEASE.—The term "covered lease" means a lease for oil or gas production in the Gulf of Mexico that is—

(A) in existence on the date of enactment of this Act;

(B) issued by the Department of the Interior under the Outer Continental Shelf Deep Water Royalty Relief Act (43 U.S.C. 1337 note; Public Law 104–58); and

(C) not subject to limitations on royalty relief based on market price that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C).

(2) LESSEE.—The term "lessee" includes any person that controls, is controlled by, or is in common control with, a lessee.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(b) ISSUANCE OF NEW LEASES.—

(1) IN GENERAL.—Beginning on the date that is 1 year after the date of enactment of this Act, the Secretary shall not issue any new lease that authorizes the production of oil or natural gas in the Gulf of Mexico under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) to—

(A) any lessee that—

(i) holds a covered lease on the date on which the Secretary considers the issuance of the new lease; or

(ii) was issued a covered lease before the date of enactment of this Act, but transferred the covered lease to another person or entity (including a subsidiary or affiliate of the lessee) after the date of enactment of this Act; or

(B) any other entity or person who has any direct or indirect interest in, or who derives any benefit from, a covered lease.

(2) MULTIPLE LESSEES.—

(A) IN GENERAL.—For purposes of paragraph (1), if there are multiple lessees that own a share of a covered lease, the Secretary may implement separate agreements with any lessee with a share of the covered lease that modifies the payment responsibilities with respect to the share of the lessee to include price thresholds that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

(B) COVERED LEASE.—Beginning on the effective date of an agreement under subparagraph (A), any share subject to the agreement shall not constitute a covered lease with respect to any lessees that entered into the agreement.

(c) TRANSFERS.—A lessee or any other person who has any direct or indirect interest in, or who derives a benefit from, a lease shall not be eligible to obtain by sale or other transfer (including through a swap, spinoff, servicing, or other agreement) any covered lease, the economic benefit of any covered lease, or any other lease for the production of oil or natural gas in the Gulf of Mexico under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), unless the lessee—

(1) renegotiates all covered leases of the lessee; and

(2) enters into an agreement with the Secretary to modify the terms of all covered leases of the lessee to include limitations on royalty relief based on market prices that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

SA 4807. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT TEST, AND EVALUATION, ARMY.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" is hereby increased by $15,000,000.

(b) AVAILABILITY.—

(1) IN GENERAL.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", as increased by subsection (a)—

(A) $5,000,000 is for Combat Vehicle and Automotive Technology (PE #0602601A) for appropriate purposes specified in paragraph (2).

(B) $10,000,000 is for Combat Vehicle and Automotive Technology (PE #0603005A) for appropriate purposes specified in paragraph (2).

(2) PURPOSES.—The purposes specified in this paragraph are the competitive award of research projects in the following areas:

(A) Vehicle-Based Active Protection Systems against kinetic energy threats.

(B) Robotic Ground Systems.

(C) Command and Control of Unmanned Systems.

(D) Hybrid Electric Technologies.

(E) Energy Efficient Vehicle Technologies.

(F) Vehicle Survivability Systems.

(G) Such other research activities as the Secretary of the Army may specify.

(c) Offset.—The amount appropriated by title IV under the heading "Research, Development, Test and Evaluation, Air Force" is hereby reduced by $15,000,000, with the amount of the reduction to be allocated to Alternative Infrared Space System (PE #0604443F).

SA 4808. Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

Sec. . Of the amount appropriated in title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $5,000,000 may be made available for the Virtual Training and Airspace Management Simulation for Unmanned Aerial Vehicles.

SA 4809. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

Sec. 9012. (a) Availability of Additional Amount for National Guard and Reserve Equipment.—Of the aggregate amount appropriated or otherwise made available by this title, up to $2,400,000,000 shall be available for equipment for the National Guard and Reserve.

(b) Supplement Not Supplant.—The amount available under subsection (a) for the purpose specified in that subsection is in addition to any other amounts available in this title for that purpose.

SA 4810. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

Sec. 8109. Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.) is amended by adding at the end the following:

"SEC. 494. STUDENT LOAN DEFERMENT FOR CERTAIN MEMBERS OF THE ARMED FORCES.

"Notwithstanding any other provision of this Act—

"(1) a member of the Armed Forces serving in a combat operation or combat zone, as designated by the Secretary of Defense, or a member of a reserve component of the Armed Forces who is serving pursuant to a call or order to active duty for a period of more than 30 days, shall be eligible for a deferment of any loan made, insured, or guaranteed under this title, under which periodic installments of principal need not be paid, but interest shall accrue and be paid by the Secretary, during the period of such service and for 6 months after such period; and

"(2) each institution of higher education that participates in any program under this title shall provide, to each student who is enrolled in the institution at the commencement of such service, the option to reenroll in the institution after the completion of such service.".

SA 4811. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

Sec. 8109. (a) Child Care for Certain Children Without Access to Military Child Care.—

(1) In general.—In any case where the children of a covered member of the Armed Forces are geographically dispersed and do not have practical access to a military child development center, the Secretary of Defense may, to the extent funds are available for such purpose, provide such funds as are necessary permit the member's family to secure access for such children to State licensed child care and development programs and activities in the private sector that are similar in scope and quality to the child care and development programs and activities the Secretary would otherwise provide access to under subchapter II of chapter 88 of title 10, United States Code, and other applicable provisions of law.

(2) Provision of funds.—Funds may be provided under paragraph (1) in accordance with the provisions of section 1798 of title 10, United States Code, or by such other mechanism as the Secretary considers appropriate.

(3) Priorities for allocation of funds in certain circumstances.—The Secretary shall prescribe in regulations priorities for the allocation of funds for the provision of access to child care under paragraph (1) in circumstances where funds are inadequate to provide all children described in that paragraph with access to child care as described in that paragraph.

(b) Preservation of Services and Programs.—The Secretary shall provide for the attendance and participation of children in military child development centers and child care and development programs and activities under subsection (a) in a manner that preserves the scope and quality of child care and development programs and activities otherwise provided by the Secretary.

(c) Authorization of Appropriations.—Of the amounts appropriated by this Act, up to $25,000,000 may be available to carry out this section.

(d) Definitions.—In this section—

(1) The term "covered members of the Armed Forces" means members of the Armed Forces on active duty, including members of the Reserves who are called or ordered to active duty under a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, for Operation Enduring Freedom or Operation Iraqi Freedom.

(2) The term "military child development center"has the meaning given such term in section 1800(1) of title 10, United States Code.

Sec. 8110. (a) Short Title.—This section may be cited as the "Help for Military Children Affected by War Act of 2006".

(b) Grants Authorized.—The Secretary of Defense is authorized to award grants to eligible local educational agencies for the additional education, counseling, and other needs of military dependent children who are affected by war or dramatic military decisions.

(c) Definitions.—In this section—

(1) Eligible local educational agency.—The term "eligible local educational agency" means a local educational agency that—

(A) had a number of military dependent children in average daily attendance in the schools served by the local educational agency during the school year preceding the school year for which the determination is made, that—

(i) equaled or exceeded 20 percent of the number of all children in average daily attendance in the schools served by such agency during the preceding school year; or

(ii) was 1,000 or more, whichever is less; and

(B) is designated by the Secretary of Defense as impacted by—

(i) Operation Iraqi Freedom;

(ii) Operation Enduring Freedom;

(iii) the global rebasing plan of the Department of Defense;

(iv) the realignment of forces as a result of the base closure process;

(v) the official creation or activation of 1 or more new military units; or

(vi) a change in the number of required housing units on a military installation, due to the Military Housing Privatization Initiative of the Department of Defense.

(2) Local educational agency.—The term "local educational agency" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(3) Military dependent child.—The term "military dependent child" means a child described in subparagraph (B) or (D)(i) of section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)).

(d) Use of Funds.—Grant funds provided under this section shall be used for—

(1) tutoring, after-school, and dropout prevention activities for military dependent children with a parent who is or has been impacted by war-related action described in clause (i), (ii), or (iii) of subsection (c)(1)(B);

(2) professional development of teachers, principals, and counselors on the needs of military dependent children with a parent who is or has been impacted by war-related action described in clause (i), (ii), or (iii) of subsection (c)(1)(B);

(3) counseling and other comprehensive support services for military dependent children with a parent who is or has been impacted by war-related action described in clause (i), (ii), or (iii) of subsection (c)(1)(B), including the hiring of a military-school liaison; and

(4) other basic educational activities associated with an increase in military dependent children.

(e) Treatment of Funds.—Funds available to carry out this section are in addition to any funds made available to local educational agencies under section 582, 583 or 584 of this Act or section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703).

SA 4812. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes;

which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) AVAILABILITY OF ASSISTANCE FOR LOCAL EDUCATIONAL AGENCIES.—To assist communities making adjustments resulting from changes in the size or location of the Armed Forces, the Secretary of Defense shall make payments to eligible local educational agencies that, during the period between the end of the school year preceding the fiscal year for which the payments are authorized and the beginning of the school year immediately preceding that school year, had (as determined by the Secretary of Defense in consultation with the Secretary of Education) an overall increase or reduction of—

(1) not less than 5 percent in the average daily attendance of military dependent students enrolled in the schools served by the eligible local educational agencies; or

(2) not less than 250 military dependent students enrolled in the schools served by the eligible local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 2006, and June 30 of each of the next 2 fiscal years, the Secretary of Defense shall notify each eligible local educational agency for such fiscal year—

(1) that the local educational agency is eligible for assistance under this section; and

(2) of the amount of the assistance for which the eligible local educational agency qualifies, as determined under subsection (c).

(c) AMOUNT OF ASSISTANCE.—

(1) IN GENERAL.—The Secretary of Defense shall, in consultation with the Secretary of Education, make assistance available to eligible local educational agencies for a fiscal year on a pro rata basis, as described in paragraph (2).

(2) PRO RATA DISTRIBUTION.—

(A) IN GENERAL.—The amount of the assistance provided under this section to an eligible local educational agency for a fiscal year shall be equal to the product obtained by multiplying—

(i) the per-student rate determined under subparagraph (B) for such fiscal year; by

(ii) the overall increase or reduction in the number of military dependent students in the schools served by the eligible local educational agency, as determined under subsection (a).

(B) PER-STUDENT RATE.—For purposes of subparagraph (A), the per-student rate for a fiscal year shall be equal to the dollar amount obtained by dividing—

(i) the amount of funds available for such fiscal year to provide assistance under this section; by

(ii) the sum of the overall increases and reductions, as determined under subparagraph (A)(ii), for all eligible local educational agencies for that fiscal year.

(d) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse assistance made available under this section for a fiscal year, not later than 30 days after the date on which the Secretary of Defense notified the eligible local educational agencies under subsection (b) for the fiscal year.

(e) CONSULTATION.—The Secretary of Defense shall carry out this section in consultation with the Secretary of Education.

(f) REPORTS.—

(1) REPORTS REQUIRED.—Not later than May 1 of each of the years 2007, 2008, and 2009, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the assistance provided under this section during the fiscal year preceding the date of such report.

(2) ELEMENT OF REPORT.—Each report described in paragraph (1) shall include an assessment and description of the current compliance of each eligible local educational agency with the requirements of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

(g) FUNDING.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE" up to $15,000,000 may be available for the purpose of providing assistance to eligible local educational agencies under this section.

(h) TERMINATION.—The authority of the Secretary of Defense to provide financial assistance under this section shall expire on September 30, 2008.

(i) DEFINITIONS.—In this section:

(1) BASE CLOSURE PROCESS.—The term "base closure process" means the 2005 base closure and realignment process authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) or any base closure and realignment process conducted after the date of the enactment of this Act under section 2687 of title 10, United States Code, or any other similar law enacted after that date.

(2) ELIGIBLE LOCAL EDUCATIONAL AGENCY.—The term "eligible local educational agency" means, for a fiscal year, a local educational agency—

(A)(i) for which not less than 20 percent (as rounded to the nearest whole percent) of the students in average daily attendance in the schools served by the local educational agency during the preceding school year were military dependent students that were counted under section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)); or

(ii) that would have met the requirements of clause (i) except for the reduction in military dependent students in the schools served by the local educational agency; and

(B) for which the required overall increase or reduction in the number of military dependent students enrolled in schools served by the local educational agency, as described in subsection (a), occurred as a result of—

(i) the global rebasing plan of the Department of Defense;

(ii) the official creation or activation of 1 or more new military units;

(iii) the realignment of forces as a result of the base closure process; or

(iv) a change in the number of required housing units on a military installation, due to the military housing privatization initiative of the Department of Defense undertaken under the alternative authority for the acquisition and improvement of military housing under subchapter IV of chapter 169 of title 10, United States Code.

(3) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given the term in section 8013 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713).

(4) MILITARY DEPENDENT STUDENT.—The term "military dependent student" means—

(A) an elementary school or secondary school student who is a dependent of a member of the Armed Forces; or

(B) an elementary school or secondary school student who is a dependent of a civilian employee of the Department of Defense.

SA 4813. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) Congress makes the following findings:

(1) The United States is engaged in a global war on terror that has no clear geographic boundaries, is of unknown duration, and is against an enemy with no state sponsor that continues to commit senseless acts of violence and human destruction.

(2) Detention of enemy combatants in this war is necessary for the security of members of the Armed Forces and the achievement of United States national security and foreign policy objectives, but must be conducted in a way that upholds United States values and international law.

(3) Since January 11, 2002, Naval Station Guantanamo Bay has been used for the detention and interrogation of about 750 enemy combatants, of which approximately 460 remain incarcerated and only 10 of whom have been formally charged with crimes and been subject to legal adjudication through military commissions.

(4) The Supreme Court, in Hamdan v. Rumsfeld, 126 S.Ct. 2749, held that the nature and rules governing the United States Government's military commissions were in violation of the Uniform Code of Military Justice and did not comply with the Geneva Conventions.

(5) Official investigations and reports by the United States Government confirm multiple incidents of psychological and physical abuse inflicted upon detainees at Guantanamo, some of which included—

(A) the threatened use of extreme force by guards against detainees;

(B) sleep deprivation;

(C) forced stress positions;

(D) the use of dogs in interrogations; and

(E) the harsh manipulation of light, sound, and temperature.

(6) President George W. Bush stated on June 21, 2006, "I'd like to end Guantanamo. I'd like it to be over with," yet the President has not offered a specific plan for transitioning the current detainees to another status.

(7) The individuals currently detained at the detention facility at Guantanamo Bay, many of whom appear to have little or no remaining intelligence value in the global war on terror, could be—

(A) transferred to other countries for further legal review;

(B) enrolled in United States domestic civil, criminal, or military court proceedings;

(C) transferred to a separate military detention facility that fully complies with United States domestic law, international law, and the law of war; or

(D) released if found not to pose a continuing security threat to the United States.

(8) The international perception of the detention facility at Guantanamo Bay is negative and has created substantial hostility toward the United States, raising reservations among friends and allies of the United States and other countries about the commitment of the United States to human rights.

(9) Members of the Armed Forces and other Americans who may be captured overseas and detained by other countries, or by nonstate groups, are more likely to be treated in

a manner fully consistent with the Geneva Conventions if individuals detained by the United States are treated in the same manner.

(10) The security of the United States will not be diminished, United States diplomacy will be furthered, and the standing of the United States in the world will be enhanced if the detention facility at Guantanamo Bay is closed and all detainees are transitioned to another legal status.

(b) Not later than one year after the date of the enactment of this Act—

(1) the Secretary of Defense shall close the Department of Defense detention facility at Guantanamo Bay, Cuba; and

(2) all detainees detained at such facility shall be—

(A) charged with a violation of United States or international law and tried in an Article III court or military legal proceeding before a regularly-constituted court;

(B) transferred to a separate military detention facility that fully complies with all United States and international law and the law of war;

(C) transferred to their country of citizenship or a different country for further legal review; or

(D) released if found not to pose a continuing security threat to the United States.

SA 4814. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE", up to $1,500,000 may be available for Commercialization and Industrialization of Adaptive Optics (PE #0602890F).

SA 4815. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Amounts appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, AIR FORCE" and available for Aerospace Vehicle Technologies (PE #602201F) may be available for Air Force Responsive Space Operations for purposes of completing an updated study of the New Mexico Spaceport that integrates the most current launch technology with capabilities of the Spaceport in order to further refine the manner in which the Spaceport may assist with Air Force planning and operations for Responsive Space.

SA 4816. Mr. BINGAMAN submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $2,500,000 may be available for the Quantum Noninvasive Explosives Detection Research and Test Program (PE #0602712A).

SA 4817. Mr. BINGAMAN submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Amounts appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, AIR FORCE" and available for Aerospace Technology Development/Demonstration (PE #603211F) may be available for Air Force Responsive Space Operations for purposes of completing an updated study of the New Mexico Spaceport that integrates the most current launch technology with capabilities of the Spaceport in order to further refine the manner in which the Spaceport may assist with Air Force planning and operations for Responsive Space.

SA 4818. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) The amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and available for the Future Medical Shelter System is hereby increased by $5,000,000.

(b) The amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and available for Engineering and Manufacturing Development is hereby decreased by $5,000,000.

SA 4819. Mr. DODD (for himself, Mr. REED, Mr. INOUYE, Mrs. LINCOLN, and Mr. DURBIN) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . From funds available in this Act, an additional $6,700,000,000 may be available to fund equipment reset requirements resulting from continuing combat operations, including repair, depot, and procurement activities.

SA 4820. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, MARINE CORPS RESERVE", up to $2,500,000 may be available for Infantry Combat Equipment (ICE).

SA 4821. Ms. LANDRIEU submitted an amendment intended to be proposed by here to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, MARINE CORPS RESERVE", up to $3,500,000 may be available for the Individual First Aid Kit (IFAK).

SA 4822. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL MATTER FOR STUDY BY COMMISSION ON THE NATIONAL GUARD AND RESERVES.—In addition to any other matters required to be studied by the Commission on the National Guard and Reserves under section 513 of Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375), the Commission shall also conduct an assessment of the feasibility and advisability of establishing a separate account in the Treasury for funding procurement for the Army National Guard rather than funding such procurement through the "OTHER PROCUREMENT, ARMY" account under current practice.

(b) REPORT.—The Commission on the National Guard and Reserves shall include in the final report to Congress required under section 513(f)(2) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 the results of the assessment conducted under subsection (a).

SA 4823. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title VI under the heading "DEFENSE HEALTH PROGRAM", up to $500,000 may be available for a pilot program on troops to nurse teachers.

SA 4824. Mr. BAYH submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", is hereby increased by $6,000,000.

(b) AVAILABILITY.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", as increased by subsection (a), up to $6,000,000 may be available as follows:

(1) $3,000,000 for bioterrorism protection research (PE #0601384BP).

(2) $3,000,000 for advanced protective gear for small-arms threats (PE #0601101E).

(c) OFFSET.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE" is hereby reduced by $6,000,000, with the amount of the reduction allocated to amounts available for Technical Studies, Support, and Analysis.

SA 4825. Mr. BAYH submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE", up to $30,000,000 may be available for the Defense Logistics Agency for the Meals Ready to Eat War Reserve Stockpile.

SA 4826. Mrs. CLINTON (for herself, Mr. LIEBERMAN, AND MR. LAUTENBERG) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) FUNDING FOR LONGITUDINAL STUDY ON TRAUMATIC BRAIN INJURY INCURRED BY MEMBERS OF THE ARMED FORCES IN OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM.—Of the amount appropriated or otherwise made available by title V under the heading "DEFENSE HEALTH PROGRAM", up to $5,000,000 may be available for a longitudinal study on traumatic brain injury incurred by members of the Armed Forces in Operation Iraqi Freedom and Operation Enduring Freedom.

(b) FUNDING FOR THE ESTABLISHMENT OF A PANEL OF EXPERTS TO DEVELOP TRAINING CURRICULA FOR FAMILY CAREGIVERS ON CARE AND ASSISTANCE FOR MEMBERS AND FORMER MEMBERS OF THE ARMED FORCES WITH TRAUMATIC BRAIN INJURY INCURRED IN OPERATION IRAQI FREEDOM OR OPERATION ENDURING FREEDOM.—

(1) OPERATION AND MAINTENANCE, ARMY, FUNDS.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY", up to $800,000 may be available for the establishment of a panel of experts to develop training curricula for family caregivers on care and assistance for members and former members of the Armed Forces with traumatic brain injury incurred in Operation Iraqi Freedom or Operation Enduring Freedom.

(2) OPERATION AND MAINTENANCE, MARINE CORPS, FUNDS.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, MARINE CORPS", up to $200,000 may be available for the establishment of a panel of experts to develop training curricula for family caregivers on care and assistance for members and former members of the Armed Forces with traumatic brain injury incurred in Operation Iraqi Freedom or Operation Enduring Freedom.

SA 4827. Mr. BOND (for himself, Mr. LEAHY, Mr. LAUTENBERG, Mr. DORGAN, Ms. MIKULSKI, Mr. HARKIN, and Mr. REID) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

SEC. 9012. Of the amount appropriated or otherwise made available by this Act by reason of the adoption of Senate Amendment 4751 (referred to as the "Stevens amendment"), $2,440,000,000 is available for the National Guard for National Guard and Reserve equipment. Such amount is in addition to any other amounts available in this title, or under title III under the heading "OTHER PROCUREMENT, ARMY", for National Guard and Reserve equipment.

SA 4828. Mr. CHAMBLISS submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for the Automated Communications Support System for WARFIGHTERS, Intelligence Community, Linguists, and Analysts.

SA 4829. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY" up to $1,000,000 may be available for an integrated, low-cost, low-power Multibeam Side Scan Sonar System for Unmanned Underwater Vehicles (UUVs).

SA 4830. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. No funds appropriated or otherwise made available by this Act may be obligated or expended for a purpose as follows:

(1) To provide military assistance to the Government of Libya.

(2) To establish diplomatic relations between the Government of the United States and the Government of Libya.

SA 4831. Mr. SESSIONS (for himself, Mr. WARNER, and Mr. NELSON of Nebraska) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. (a) ADDITIONAL AMOUNT FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY.—The amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY" is hereby increased by $77,000,000.

(b) AVAILABILITY OF AMOUNT FOR CONVENTIONAL TRIDENT MODIFICATION PROGRAM.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", as increased by subsection (a), $77,000,000 may be available for Advanced Conventional Strike Capability (PE #64327N) for the Conventional Trident Modification Program.

(c) OFFSET.—The aggregate amount appropriated by this Act (other than the amount available for the Conventional Trident Modification Program) is hereby reduced by $77,000,000. The Secretary of Defense shall allocate the amount of the reduction in an appropriate manner across and among the accounts of the Department of Defense

SA 4832. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. NO DISBURSEMENT OF PAY TO MEMBERS OF CONGRESS IF APPROPRIATIONS ACTS NOT TIMELY PASSED.

(a) RESTRICTION ON DISBURSEMENT OF PAY.—

(1) IN GENERAL.—If, as of the first day of any fiscal year, Congress has not passed all final appropriations acts necessary to provide appropriations for the entirety of that fiscal year, the Secretary of the Senate and the Chief Administrative Officer of the House of Representatives may not disburse net pay to any Member of Congress for any pay period beginning in that fiscal year before the date on which notice is provided under subsection (b)(2) that all such final appropriation acts have been passed.

(2) DISBURSEMENT AFTER PASSAGE.—The Secretary of the Senate and the Chief Administrative Officer of the House of Representatives shall disburse all amounts of net pay to Members of Congress not disbursed under paragraph (1) at the same time pay is disbursed for the first pay period beginning after the period to which paragraph (1) applies.

(b) NOTICE.—The President pro tempore of the Senate shall provide notice to the Secretary of the Senate, and the Speaker of the

House of Representatives shall provide notice to the Chief Administrative Officer of the House of Representatives—

(1) of any restriction on disbursement of pay under subsection (a)(1), on the first day of the fiscal year to which the restriction applies; and

(2) of the passage by Congress of all final appropriations acts described in subsection (a)(1) with respect to that fiscal year, on the date that passage occurs.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect the authority of the Secretary of the Senate or the Chief Administrative Officer of the House of Representatives relating to withholdings, deductions, or any other administrative function relating to pay as otherwise authorized by law.

(d) EFFECTIVE DATE.—This section shall take effect on January 3, 2007.

SA 4833. Mr. KENNEDY (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ARMY SUPPORT FOR UNIVERSITY RESEARCH INITIATIVES.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $12,000,000 may be available for Program Element 0601103A for University Research Initiatives.

(b) NAVY SUPPORT FOR UNIVERSITY RESEARCH INITIATIVES.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $13,000,000 may be available for Program Element 0601103N for University Research Initiatives.

(c) AIR FORCE SUPPORT FOR UNIVERSITY RESEARCH INITIATIVES.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE", up to $5,000,000 may be available for Program Element 0601103F for University Research Initiatives.

(d) SMART NATIONAL DEFENSE EDUCATION PROGRAM.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", up to $9,000,000 may be available for Program Element 0601120D8Z for the SMART National Defense Education Program.

(e) DARPA UNIVERSITY RESEARCH PROGRAM IN COMPUTER SCIENCE AND CYBERSECURITY.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", up to $6,000,000 may be available for Program Element 0601101E the Defense Advanced Research Projects Agency Program in Computer Science and Cybersecurity.

SA 4834. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) STUDY ON DEPARTMENT OF DEFENSE TRANSITION ASSISTANCE SERVICES.—

(1) STUDY PANEL.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly establish a panel to conduct a study on means of improving the Transition Assistance Program (TAP) and other reintegration services for members of the National Guard and the Reserves. The panel shall be established not later than 60 days after the date of the enactment of this Act.

(2) COMPOSITION.—The panel established under paragraph (1) shall be composed of the following:

(A) Such officers or employees of the Department of Defense as the Secretary of Defense shall appoint to the panel.

(B) Such officers or employees of the Department of Veterans Affairs as the Secretary of Veterans Affairs shall appoint to the panel.

(C) Such individuals from the private sector as the Secretary of Defense and the Secretary of Veterans Affairs shall jointly appoint to the panel from among individuals in the private sector who have expertise in the matters to be studied by the panel, including individuals with expertise in occupational and employment adjustment matters, psychologists or other mental health professionals, and family specialists.

(3) STUDY ELEMENTS.—The panel established under paragraph (1) shall conduct a study on means of improving the Transition Assistance Program and other reintegration services for members of the National Guard and the Reserves, including means of improving the following under the Program:

(A) Training on interpersonal skills and life skills.

(B) Readjustment counseling.

(C) Briefings and workshops presented by the Department of Veterans Affairs to members before their completion of service on active duty.

(D) The duration of training sessions and workshops, so that such sessions and workshops continue for members for at least one year after their completion of service on active duty.

(E) Education and outreach on the transition benefits available to members of the National Guard and Reserves from the Federal Government, State and local governments, private organizations, and non-profit public service organizations.

(4) REPORT.—Not later than 120 days after the date of the enactment of this Act, the panel established under paragraph (1) shall submit to the Secretary of Defense and the Secretary of Veterans Affairs a report on the study conducted by the panel under this subsection. The report shall include the findings of the panel as a result of the study and such recommendations, including recommendations on the matters specified in paragraph (3), as the panel considers appropriate as a result of the study.

(5) TRANSMITTAL OF REPORT.—Not later than 60 days after receipt of the report under paragraph (4), the Secretary of Defense and the Secretary of Veterans Affairs shall jointly transmit the report to Congress, together with such comments on the report as the Secretary of Defense and the Secretary of Veterans Affairs jointly consider appropriate.

(b) STUDY ON OTHER NATIONAL GUARD AND RESERVE BENEFITS.—

(1) STUDY PANEL.—The Secretary of Defense shall establish a panel to conduct a study on the adequacy of current pay and benefits, including health care and other benefits, for members of the National Guard and the Reserves under the current policies and practices of the Armed Forces relating to the utilization of the National Guard and the Reserves. The panel shall be established not later than 60 days after the date of the enactment of this Act.

(2) COMPOSITION.—The panel established under paragraph (1) shall be composed of the following:

(A) Such officers or employees of the Department of Defense as the Secretary of Defense shall appoint to the panel.

(B) Such individuals from the private sector as the Secretary of Defense shall appoint to the panel from among individuals in the private sector who have expertise in the matters to be studied by the panel.

(3) STUDY ELEMENTS.—The panel established under paragraph (1) shall conduct a study of the adequacy of current pay and benefits, including health care and other benefits, for members of the National Guard and the Reserves under the current policies and practices of the Armed Forces relating to the utilization of the National Guard and the Reserves, including—

(A) the advisability of separate systems of pay for members of the regular components of the Armed Forces and members of the reserve components of the Armed Forces;

(B) the advisability of different eligibility for medical and dental care for members of the regular components of the Armed Forces and members of the reserve components of the Armed Forces; and

(C) the advisability of the modification or improvement of other policies and practices relating to the pay and benefits of members of the National Guard and the Reserves in order to improve the quality of life of such members while serving in the National Guard or Reserves.

(4) REPORT.—Not later than 120 days after the date of the enactment of this Act, the panel established under paragraph (1) shall submit to the Secretary of Defense a report on the study conducted by the panel under this subsection. The report shall include the findings of the panel as a result of the study and such recommendations, including recommendations on the matters specified in paragraph (3), as the panel considers appropriate as a result of the study.

(5) TRANSMITTAL OF REPORT.—Not later than 60 days after receipt of the report under paragraph (4), the Secretary of Defense shall transmit the report to Congress, together with such comments on the report as the Secretary of Defense considers appropriate.

SA 4835. Mrs. CLINTON (for herself and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, AIR FORCE", up to $12,000,000 may be available for Unmanned Threat Emitter (UMTE) Modernization.

SA 4836. Mr. SMITH submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

Sec. . Notwithstanding any other provision of this Act, there is appropriated $523,081,496 to make safety net payments for fiscal year 2007 under section 101 of the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106–393; 16 U.S.C. 500 note), to remain available until expended.

SA 4837. Mr. BENNETT submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

Sec. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "Research, Development, Test and Evaluation, Army", up to $1,000,000 may be available for the development of a Lightweight All Terrain Vehicle (LATV).

SA 4838. Mr. McCAIN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 180, beginning on line 2, strike ", and the projects" and all that follows through line 4 and insert a period.

SA 4839. Mr. OBAMA submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

Sec. 8109. (a) Certification on Notification of Disclosure of Personal Information.—Not later than 30 days after the date of any data security breach of the Department of Defense, the Secretary of Defense shall certify in writing to the congressional defense committees that each member of the Armed Forces or other individual whose personal information, while in the possession or control of the Department of Defense has been compromised due to lax security precautions at the Department of Defense, theft, or negligent disclosure has been appropriately notified in writing of such compromise.

(b) Provision of Certain Services.—Upon request of any individual described in subsection (a), the Secretary shall provide to such individual, at no charge to such individual—

(1) credit monitoring services during the 1-year period beginning on the date of such request; and

(2) a copy of the credit report (as defined in section 603 of the Fair Credit Reporting Act) of such individual from each of the major credit bureaus, including Equifax, TransUnion, and Experian, once annually during the 2-year period beginning on the date on which the credit monitoring services required by paragraph (1) terminate, which shall be in addition to any other credit report provided to such individual under law, whether at no cost to such individual or otherwise.

(c) Definitions.—In this section:

(1) The term "data security breach" means the unauthorized assess or use of data in electronic or printed form that contains personal information.

(2) The term "personal information", in the case of an individual, means the name, address, or telephone number of the individual in combination with any of the following:

(A) The Social Security Number of the individual.

(B) Any information regarding the medical history of the individual.

(C) The history of the individual's service in the Armed Forces.

(D) Any other personally identifiable information of the individual that is not routinely part of the public record.

SA 4840. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

Sec. 8109. (a) Availability of Amounts Within Combat Vehicle and Automotive Technology.—Of the amount appropriated by title IV under the heading "Research, Development, Test and Evaluation, Army"—

(1) up to $5,000,000 may be available for Combat Vehicle and Automotive Technology (PE #0602601A) for appropriate purposes specified in subsection (b); and

(2) up to $10,000,000 may be available for Combat Vehicle and Automotive Technology (PE #0603005A) for appropriate purposes specified in subsection (b).

(b) Purposes.—The purposes specified in this subsection are the competitive award of research projects in the following areas:

(1) Vehicle-Based Active Protection Systems against kinetic energy threats.

(2) Robotic Ground Systems.

(3) Command and Control of Unmanned Systems.

(4) Hybrid Electric Technologies.

(5) Energy Efficient Vehicle Technologies.

(6) Vehicle Survivability Systems.

(7) Such other research activities as the Secretary of the Army may specify.

SA 4841. Mr. ALLEN (for himself and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

Sec. 8109. (a) Of the amount appropriated or otherwise made available by title II under the heading "Operation and Maintenance, Defense-Wide", up to $2,000,000 may be available for the Office of Economic Adjustment of the Department of Defense to conduct a traffic study on the improvements that are required to be carried out to the transportation infrastructure around Fort Belvoir, Virginia, to accommodate the increase in the workforce located on and around Fort Belvoir resulting from decisions implemented under the 2005 round of defense base closure and realignment. The study shall incorporate the input of the Virginia Department of Transportation and other State and local governments and agencies.

(b) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the study conducted under subsection (a), including a cost estimate for such improvements and the funding sources, including the Defense Access Road Program, proposed for such improvements.

SA 4842. Mr. KYL (for himself, Mr. WYDEN, and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. ROYALTY RELIEF FOR PRODUCTION OF OIL AND GAS.

(a) Price Thresholds.—Notwithstanding any other provision of law, the Secretary of the Interior shall place limitations based on market price on the royalty relief granted under any lease for the production of oil or natural gas on Federal land (including submerged land) entered into by the Secretary of the Interior on or after the date of enactment of this Act.

(b) Clarification of Authority To Impose Price Thresholds for Certain Lease Sales.—Congress reaffirms the authority of the Secretary of the Interior under section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(H)) to vary, based on the price of production from a lease, the suspension of royalties under any lease subject to section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (Public Law 104–58; 43 U.S.C. 1337 note).

SA 4843. Mr. KENNEDY (for himself, Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

Sec. 8109. (a) Army Support for University Research Initiatives.—Of the amount appropriated by title IV under the heading "Research, Development, Test and Evaluation, Army", an additional amount of up to $12,000,000 may be available for Program Element 0601103A for University Research Initiatives.

(b) Navy Support for University Research Initiatives.—Of the amount appropriated by title IV under the heading "Research, Development, Test and Evaluation, Navy", an additional amount of up to $13,000,000 may be available for Program Element 0601103N for University Research Initiatives.

(c) Air Force Support for University Research Initiatives.—Of the amount appropriated by title IV under the heading "Research, Development, Test and Evaluation, Air Force", an additional amount of up to $5,000,000 may be available for Program Element 0601103F for University Research Initiatives.

(d) SMART National Defense Education Program.—Of the amount appropriated by title IV under the heading "Research, Development, Test and Evaluation, Defense-Wide", an additional amount of up to

$9,000,000 may be available for Program Element 0601120D8Z for the SMART National Defense Education Program.

(e) DARPA UNIVERSITY RESEARCH PROGRAM IN COMPUTER SCIENCE AND CYBERSECURITY.—Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", up to $6,000,000 may be available for Program Element 0601101E the Defense Advanced Research Projects Agency Program in Computer Science and Cybersecurity.

(f) SUPPLEMENT NOT SUPPLANT.—Amounts made available by subsections (a) through (e) for the purposes specified in such subsections are in addition to any other amounts made available by this Act for such purposes.

SA 4844. Mr. SESSIONS (for himself, Mr. WARNER, and Mr. NELSON of Nebraska) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $77,000,000 may be available for Advanced Conventional Strike Capability (PE #64327N) for the Conventional Trident Modification Program.

SA 4845. Mr. PRYOR (for himself, Mr. FEINGOLD) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Not later than March 31, 2007, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the assessment of the Secretary regarding the implementation of the new health care benefit to help the children of members of the Armed Forces who died on active duty, including—

(1) a statement of the reasons for the delay in implementation of such benefit;

(2) an analysis of the new call centers established to help survivors of such members obtain the benefits to which they are entitled; and

(3) an assessment of whether the various survivor benefit programs under the Department of Defense are adequately staffed to carry out their mission in a timely and efficient manner.

SA 4846. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $10,000,000 may be available for the Future Medical Shelter System.

SA 4847. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", up to $3,000,000 may be available for Small and Medium Caliber Recoil Mitigation Technologies (PE #1160402BB).

SA 4848. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) REPORTS TO CONGRESS AND NOTICE TO PUBLIC ON EARMARKS IN FUNDS AVAILABLE TO THE DEPARTMENT OF DEFENSE.—The Secretary of Defense shall submit to Congress, and post on the Internet website of the Department of Defense available to the public, each year information as follows:

(1) A description of each earmark of funds made available to the Department of Defense by this Act, including the location (by city, State, country, and congressional district if relevant) in which the earmarked funds are to be utilized, the purpose of such earmark (if known), and the recipient of such earmark.

(2) The total cost of administering each such earmark including the amount of such earmark, staff time, administrative expenses, and other costs.

(3) The total cost of administering all such earmarks.

(4) An assessment of the utility of each such earmark in meeting the goals of the Department, set forth using a rating system as follows:

(A) A for an earmark that directly advances the primary goals of the Department or an agency, element, or component of the Department.

(B) B for an earmark that advances many of the primary goals of the Department or an agency, element, or component of the Department.

(C) C for an earmark that may advance some of the primary goals of the Department or an agency, element, or component of the Department.

(D) D for an earmark that cannot be demonstrated as being cost-effective in advancing the primary goals of the Department or any agency, element, or component of the Department.

(E) F for an earmark that distracts from or otherwise impedes that capacity of the Department to meet the primary goals of the Department.

(b) EARMARK DEFINED.—In this section, the term "earmark" means a provision of law, or a directive contained within a joint explanatory statement or report accompanying a conference report or bill (as applicable), that specifies the identity of an entity, program, project, or service, including a defense system, to receive assistance not requested by the President and the amount of the assistance to be so received.

SA 4849. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC.   . Of the amounts available for the activity described on pages 149 through 159 of Volume VI, Book I of the Fiscal Year 2007 Congressional Budget Justification Book of the Intelligence Community, up to $8,000,000 may be available for personnel for that activity.

SA 4850. Mr. LAUTENBERG (for himself, Mr. HARKIN,, Ms. STABENOW, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. MENENDEZ, Ms. MIKULSKI, and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 148, line 7, insert before the period at the end the following: ": *Provided*, That no funds appropriated or otherwise made available by this heading may be used to increase the cost sharing requirements established under paragraph (6) of section 1074g(a) of title 10, United States Code, for pharmaceutical agents available through retail pharmacies covered by paragraph (2)(E)(ii) of such section in excess of (1) $3 in the case of generic agents, (2) $9 in the case of formulary agents, or (3) $22 in the case of nonformulary agents".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on August 2, 2006, at 2 p.m., in open session to continue to receive testimony on the future of military commissions in light of the supreme court decision in Hamdan v. Rumsfeld.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, August 2, 2006, at 5 p.m., in closed session, regarding overhead imagery systems.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, August 2, 2006, at 10 a.m. to mark up an original bill entitled

"Credit Rating Agency Reform Act of 2006."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on August 2, 2006, at 2:30 p.m., to conduct a hearing on "Meeting the Housing Needs of Veterans."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on August 2, 2006, at 11:30 a.m., to purpose of this meeting is to consider the nominations of John Ray Correll, Mark Myers, and Drue Pearce.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. STEVENS. Mr. President, I ask unanimous consent that on Wednesday, August 2, 2006, at 9:30 a.m. the Committee on Environment and Public Works be authorized to hold an oversight hearing to discuss The Toxic Substances Control Act and the Chemicals Management Program at EPA.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Wednesday, August 2, 2006, at 10 a.m., in 215 Dirksen Senate Office Building, to hear testimony on "Border Insecurity, Take Two: Fake IDs Foil the First Line of Defense."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, August 2, 2006, at 9:30 a.m. to hold a hearing on nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions meet in executive session during the session of the Senate on Wednesday, August, 2, 2006, off the Senate floor at a time to be determined later.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet on Wednesday, August 2, 2006, at 10 a.m. for a hearing titled, "Iraq Reconstruction: Lessons Learned in Contracting and Procurement."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, August 2, 2006, at 9:30 a.m. in Room 485 of the Russell Senate Office Building to conduct a business meeting on S. 374, the Tribal Parity Act; S. 480, the Thomasina E. Jordan Indian Tribes of Virginia Federal Recognition Act of 2005; S. 660, the Lumbee Recognition Act; S. 1439, the Indian Trust Reform Act of 2005; and S. 1535, the Cheyenne River Sioux Tribe Equitable Compensation Amendments Act of 2005.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary be authorized to meet to conduct a hearing on "The Authority to Prosecute Terrorists Under the War Crime Provisions of Title 18" on Wednesday, August 2, 2006, at 9:30 a.m. in Dirksen Senate Office Building Room 226.

Panel I: Steven Bradbury, Acting Assistant Attorney General, Office of Legal Counsel, Department of Justice, Washington, DC; General Richard B. Myers, Former Chairman, Joint Chiefs of Staff, Washington, DC; Major General Scott Black, The Judge Advocate General, United States Army, Washington, DC; Rear Admiral Bruce MacDonald, Judge Advocate General, United States Navy, Washington, DC; Major General Jack Rives, the Judge Advocate General, United States Air Force, Washington, DC, and Brigadier General Kevin M. Sandkuhler, Director, Judge Advocate Division, United States Marine Corps, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. STEVENS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on August 2, 2006, at 2:30 p.m. to hold a closed business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION, CIVIL RIGHTS, AND PROPERTY RIGHTS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary Subcommittee on the Constitution, Civil Rights and Property Rights be authorized to meet on Wednesday, August 2, 2006, at 2:30 p.m. to conduct a hearing on "Paying Your Own Way: Creating a Fair Standard for Attorney's Fees Awards in Establishment Clause Cases" in Room 226 of the Dirksen Senate Office Building.

Witness list

Rees Lloyd, Commander of District 21, The American Legion Department of California, Banning, CA; Marc Stern, Assistant Executive Director, American Jewish Congress, New York, NY; Mathew Staver, Founder and Chairman, Liberty Counsel, Interim Dean, Liberty University School of Law, Lynchburg, VA; Melissa Rogers, Visiting Professor of Religion and Public Policy, Wake Forest University Divinity School, Winston-Salem, NC; Shannon Woodruff, Senior Research Counsel, American Center for Law and Justice, Washington, D.C.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FORESTRY, CONSERVATION, AND RURAL REVITALIZATION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Forestry, Conservation and Rural Revitalization of the Committee on Agriculture, Nutrition and Forestry be authorized to conduct a hearing during the session of the Senate on August 2, 2006, at 9 a.m. in SR-328A, Senate Russell Building. The purpose of this subcommittee hearing will be to discuss H.R. 4200, the Forest Emergency Recovery and Research Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. REID. Mr. President, on behalf of Senator KENNEDY, I ask unanimous consent that the following be granted floor privileges during the consideration of H.R. 5631, the Department of Defense appropriations bill, and any votes thereon: Tom Crowley, Navy detailee; and Rick Driscoll, State Department fellow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that Senator MCCAIN's legislative fellow, Navy LCDR Damien Christopher, be granted floor privileges during the debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that Mike Morrissey and Kevin Templin, fellows serving in Senator COCHRAN's office, be granted floor privileges during the duration of the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, I ask unanimous consent that Melissa Babin and Claire Vinocur, interns in my office, be granted floor privileges for the duration of the debate on the Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Madam President, I ask unanimous consent that Michael Wiest, a Navy fellow in the office of Senator MIKULSKI, be granted the privileges of the floor for the duration of consideration of H.R. 5631.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask unanimous consent the privilege of the floor be granted to two military fellows, Howard Shaw and Trevor King, for the remainder of the debate on this bill. This is a request of Senator LOTT.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. On behalf of Senator DOMENICI, I ask unanimous consent that an Air Force fellow, Stephen Purdy, detailed to Senator DOMENICI's office, be permitted floor privileges during this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent that Robin Tibaduiza, a legislative fellow, be allowed floor privileges during the National Defense Appropriations Act on behalf of Senator HARRY REID.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask unanimous consent that Justin Kalmbach, a legal intern in our office, be granted the privileges of the floor during the consideration of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, on behalf of Senator KENNEDY I ask unanimous consent that his Navy detailee, Tom Crowley, and his State Department Fellow, Richard Driscoll, be granted full floor privileges during consideration of the Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

30TH ANNIVERSARY OF THE VICTORY OF UNITED STATES WINEMAKERS

Mr. FRIST. Mr. President, I ask unanimous consent that the Agriculture Committee be discharged from further consideration and the Senate now proceed to H. Con. Res. 399.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 399) recognizing the 30th Anniversary of the victory of United States winemakers at the 1976 Paris Wine Tasting.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 399) was agreed to.

The preamble was agreed to.

THE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Nos. 566, 568 through 575, all postal naming bills, en bloc, that the bills be read a third time and passed, and the motions to reconsider be laid upon the table, en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

LANE EVANS POST OFFICE BUILDING ACT

The bill (S. 2555) to designate the facility of the United States Postal Service located at 2633 11th Street in Rock Island, Illinois, as the "Lane Evans Post Office Building," was, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LANE EVANS POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 2633 11th Street in Rock Island, Illinois, shall be known and designated as the "Lane Evans Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Lane Evans Post Office Building".

MAJOR GEORGE QUAMO POST OFFICE BUILDING ACT

The bill (S. 3613) to designate the facility of the United Postal Service located at 2951 New York Highway 43 in Averill Park, New York, as the "Major George Quamo Post Office Building," was, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MAJOR GEORGE QUAMO POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 2951 New York Highway 43 in Averill Park, New York, shall be known and designated as the "Major George Quamo Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Major George Quamo Post Office Building".

COACH JOHN WOODEN POST OFFICE BUILDING ACT

The bill (H.R. 4646) to designate the facility of the United States Postal Service located at 7320 Reseda Boulevard in Reseda, California, as the "Coach John Wooden Post Office Building," was ordered to a third reading, was read the third time, and passed.

JOHN PAUL HAMMERSCHMIDT POST OFFICE ACT

The bill (H.R. 4811) to designate the facility of the United States Postal Service located at 215 West Industrial Park Road in Harrison, Arkansas, as the "John Paul Hammerschmidt Post Office Building," was ordered to a third reading, was read the third time, and passed.

CAPTAIN GEORGE A. WOOD POST OFFICE BUILDING ACT

The bill (H.R. 4962) to designate the facility of the United States Postal Service located at 100 Pitcher Street in Utica, New York, as the "Captain George A. Wood Post Office Building," was ordered to a third reading, was read the third time, and passed.

MORRIS W. MILTON POST OFFICE ACT

The bill (H.R. 5104) to designate the facility of the United States Postal Service located at 1750 16th Street South in St. Petersburg, Florida, as the "Morris W. Milton Post Office," was ordered to a third reading, was read the third time, and passed.

EARL D. HUTTO POST OFFICE BUILDING ACT

The bill (H.R. 5107) to designate the facility of the United States Postal Service located at 1400 West Jordan Street in Pensacola, Florida, as the "Earl D. Hutto Post Office Building," was ordered to a third reading, was read the third time, and passed.

WILFRED EDWARD "COUSIN WILLIE" SIEG, SR. POST OFFICE ACT

The bill (H.R. 5169) to designate the facility of the United States Postal Service located at 1310 Highway 64 NW. in Ramsey, Indiana, as the "Wilfred Edward 'Cousin Willie' Sieg, Sr. Post

Office," was ordered to a third reading, was read the third time, and passed.

SERGEANT JACOB DAN DONES POST OFFICE ACT

The bill (H.R. 5540) to designate the facility of the United States Postal Service located at 217 Southeast 2nd Street in Dimmitt, Texas, as the "Sergeant Jacob Dan Dones Post Office." was ordered to a third reading, was read the third time, and passed.

ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006—MOTION TO PROCEED

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to Calendar No. 562, H.R. 5970, the bill that relates to the death tax, minimum wage increase, and other tax provisions.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. Mr. President, I object on behalf of the Democratic leader.

The PRESIDING OFFICER. Objection is heard.

CLOTURE MOTION

Mr. FRIST. Mr. President, I move to proceed to H.R. 5970, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to H.R. 5970: a bill to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

Bill Frist, Michael Crapo, Lamar Alexander, Richard C. Shelby, Sam Brownback, Saxby Chambliss, Chuck Hagel, Tom Coburn, Richard Burr, Orrin Hatch, Thad Cochran, John Ensign, David Vitter, Pat Roberts, Craig Thomas, Jeff Sessions, Mel Martinez.

Mr. FRIST. Mr. President, this vote will occur on Friday morning, unless changed by agreement, and we will announce the exact time for that vote as we get closer to it. In the meantime, I now withdraw the motion to proceed so we can return to the Defense appropriations bill over the next 24 hours.

Again, I believe the two managers will be able to work together over the next 24 to 48 hours and finish the Defense bill prior to the cloture vote on Friday. Therefore, I now withdraw the motion to proceed to H.R. 5970.

The PRESIDING OFFICER. The motion is withdrawn.

Mr. FRIST. Mr. President, I will suggest the absence of a quorum here shortly while we work through a few remaining items of business before closing for the day.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Calendar Nos. 836 through 840, and all nominations on the Secretary's desk in the Air Force, Army, Marine Corps, and the Navy. Finally, I ask unanimous consent the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Kevin T. Campbell, 6308

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Robert T. Dail, 5056

IN THE MARINE CORPS

The following named officer for appointment as Commandant of the Marine Corps, and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U. S. C., sections 5043 and 601: to be General

To be general

Lt. Gen. James T. Conway, 2270

IN THE NAVY

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Michael H. Mittelman, 0205

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Lloyd J. Austin, III, 5848

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE AIR FORCE C–PN

PN1821 AIR FORCE nominations (87) beginning Gary L. Akins, and ending Glenn Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record of July 18, 2006.

PN1853 ARMY nomination of David W. Wilson, which was received by the Senate and appeared in the Congressional Record of July 27, 2006.

PN1854 ARMY nomination of Lisa M. Weide, which was received by the Senate and appeared in the Congressional Record of July 27, 2006.

PN1855 ARMY nomination of Kerry K. King, which was received by the Senate and appeared in the Congressional Record of July 27, 2006.

PN1856 ARMY nomination of Lawrence N. Petz, which was received by the Senate and appeared in the Congressional Record of July 27, 2006.

PN1857 ARMY nomination of Yolanda Ruizisales, which was received by the Senate and appeared in the Congressional Record of July 27, 2006.

PN1858 ARMY nominations (26) beginning Paul G. Arbour, and ending James M. Zarlengo, which nominations were received by the Senate and appeared in the Congressional Record of July 27, 2006.

IN THE MARINE CORPS C–PN

PN1859 MARINE CORPS nomination of Robert J. Gallagher, which was received by the Senate and appeared in the Congressional Record of July 27, 2006.

IN THE NAVY C–PN

PN1822 NAVY nomination of Ben M. Smith, which was received by the Senate and appeared in the Congressional Record of July 18, 2006.

PN1823 NAVY nomination of Sidney E. Hall, which was received by the Senate and appeared in the Congressional Record of July 18, 2006.

PN1824 NAVY nomination of Dawn M. Divano, which was received by the Senate and appeared in the Congressional Record of July 18, 2006.

PN1825 NAVY nomination of Michael J. Lavelle, which was received by the Senate and appeared in the Congressional Record of July 18, 2006.

PN1826 NAVY nomination of Gary C. Norman, which was received by the Senate and appeared in the Congressional Record of July 18, 2006.

PN1827 NAVY nominations (3) beginning Neal D. Agamalte, and ending David C. Kleinberg, which nominations were received by the Senate and appeared in the Congressional Record of July 18, 2006.

PN1837 NAVY nominations (20) beginning Gregory R. Bart, and ending Gregory J. Smith, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1838 NAVY nominations (55) beginning Rickie V. Adside, and ending Michael J. Zerbo, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1839 NAVY nominations (88) beginning Anibal L. Acevedo, and ending Theresa M. Wood, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1840 NAVY nominations (4) beginning Thomas M. Dailey, and ending Toby C.

Swain, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1841 NAVY nominations (32) beginning Kevin J. Bartoe, and ending Machelle A. Vieux, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1842 NAVY nominations (14) beginning Kevin L. Anderson, Jr., and ending Thomas B. Webber, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1843 NAVY nominations (68) beginning Rebecca L. Bates, and ending Henry X. Young, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1844 NAVY nominations (23) beginning Erol Agi, and ending Walter R. Wittke, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1845 NAVY nominations (124) beginning Juliann M. Althoff, and ending Michael R. Yochelson, which nominations were received by the Senate and appeared in the Congressional Record of July 21, 2006.

PN1860 NAVY nominations (4) beginning George A. Quiroa, and ending Joyce C. Ross, which nominations were received by the Senate and appeared in the Congressional Record of July 27, 2006.

PN1861 NAVY nominations (9) beginning Cristal B. Caler, and ending Kimberly J. Schulz, which nominations were received by the Senate and appeared in the Congressional Record of July 27, 2006.

PN1862 NAVY nominations (10) beginning Matthew I. Borbash, and ending Robert W. Witzleb, which nominations were received by the Senate and appeared in the Congressional Record of July 27, 2006.

PN1863 NAVY nominations (7) beginning Larry J. Carpenter, and ending Pauline A. Storum, which nominations were received by the Senate and appeared in the Congressional Record of July 27, 2006.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

ORDERS FOR THURSDAY, AUGUST 3, 2006

Mr. FRIST. I ask unanimous consent when the Senate completes its business today, it stand in adjournment until 9:30 a.m. on Thursday, August 3. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate resume consideration of H.R. 5631, the Department of Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, today we made some progress on the Defense appropriations bill. Chairman STEVENS and Senator INOUYE will be here all day tomorrow with the goal of finishing the bill tomorrow evening. Those serious about offering amendments to the bill should be working with the two managers and talking to them early in the morning.

Moments ago, I filed cloture on the motion to proceed to H.R. 5970, the House-passed bill that includes the death tax reform, the tax relief extenders, and the minimum wage increase. Under the regular order, that vote will occur on Friday morning, unless we reach an agreement to change that timing.

I reiterate to my colleagues that we have some very important votes over the next few days, and Senators should be ready for a busy couple of days. It looks like we will be voting tomorrow night, and I ask all Members to adjust their schedules accordingly.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:06 p.m., adjourned until Thursday, August 3, 2006, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 2, 2006:

THE JUDICIARY

ROSLYNN RENEE MAUSKOPF, OF NEW YORK, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF NEW YORK, VICE DAVID G. TRAGER, RETIRED.

LIAM O'GRADY, OF VIRGINIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA, VICE CLAUDE M. HILTON, RETIRED.

LAWRENCE JOSEPH O'NEILL, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF CALIFORNIA, VICE OLIVER W. WANGER, RETIRED.

UNITED STATES SENTENCING COMMISSION

DABNEY LANGHORNE FRIEDRICH, OF VIRGINIA, TO BE A MEMBER OF THE UNITED STATES SENTENCING COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 31, 2009, VICE MICHAEL O'NEILL.

CONFIRMATIONS

Executive nominations confirmed by the Senate Wednesday, August 2, 2006:

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. KEVIN T. CAMPBELL

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. ROBERT T. DAIL

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS COMMANDANT OF THE MARINE CORPS, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 5043 AND 601:

To be general

LT. GEN. JAMES T. CONWAY

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. MICHAEL H. MITTELMAN

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. LLOYD J. AUSTIN III

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING WITH GARY L. AKINS AND ENDING WITH GLENN ZIMMERMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 18, 2006.

IN THE ARMY

ARMY NOMINATION OF DAVID W. WILSON TO BE LIEUTENANT COLONEL.

ARMY NOMINATION OF LISA M. WEIDE TO BE LIEUTENANT COLONEL.

ARMY NOMINATION OF KERRY K. KING TO BE MAJOR.

ARMY NOMINATION OF LAWRENCE N. PETZ TO BE MAJOR.

ARMY NOMINATION OF YOLANDA RUIZISALES TO BE COLONEL.

ARMY NOMINATIONS BEGINNING WITH PAUL G. ARBOUR AND ENDING WITH JAMES M. ZARLENGO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 27, 2006.

IN THE MARINE CORPS

MARINE CORPS NOMINATION OF ROBERT J. GALLAGHER TO BE MAJOR.

IN THE NAVY

NAVY NOMINATION OF BEN M. SMITH TO BE CAPTAIN.

NAVY NOMINATION OF SIDNEY E. HALL TO BE COMMANDER.

NAVY NOMINATION OF DAWN M. DIVANO TO BE LIEUTENANT COMMANDER.

NAVY NOMINATION OF MICHAEL J. LAVELLE TO BE LIEUTENANT COMMANDER.

NAVY NOMINATION OF GARY C. NORMAN TO BE LIEUTENANT COMMANDER.

NAVY NOMINATIONS BEGINNING WITH NEAL D. AGAMAITE AND ENDING WITH DAVID C. KLEINBERG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 18, 2006.

NAVY NOMINATIONS BEGINNING WITH GREGORY R. BART AND ENDING WITH GREGORY J. SMITH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH RICKIE V. ADSIDE AND ENDING WITH MICHAEL J. ZERBO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH ANIBAL L. ACEVEDO AND ENDING WITH THERESA M. WOOD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH THOMAS M. DAILEY AND ENDING WITH TOBY C. SWAIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH KEVIN J. BARTOE AND ENDING WITH MACHELLE A. VIEUX, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH KEVIN L. ANDERSON, JR. AND ENDING WITH THOMAS B. WEBBER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH REBECCA L. BATES AND ENDING WITH HENRY X. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH EROL AGI AND ENDING WITH WALTER R. WITTKE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH JULIANN M. ALTHOFF AND ENDING WITH MICHAEL R. YOCHELSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 21, 2006.

NAVY NOMINATIONS BEGINNING WITH GEORGE A. QUIROA AND ENDING WITH JOYCE C. ROSS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 27, 2006.

NAVY NOMINATIONS BEGINNING WITH CRISTAL B. CALER AND ENDING WITH KIMBERLY J. SCHULZ, WHICH

NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 27, 2006.

NAVY NOMINATIONS BEGINNING WITH MATTHEW I. BORBASH AND ENDING WITH ROBERT W. WITZLEB, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 27, 2006.

NAVY NOMINATIONS BEGINNING WITH LARRY J. CARPENTER AND ENDING WITH PAULINE A. STORUM, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 27, 2006.

EXTENSIONS OF REMARKS

AMENDMENT PROCESS FOR H.R. 503—TO AMEND THE HORSE PROTECTION ACT TO PROHIBIT THE SHIPPING, TRANSPORTING, MOVING, DELIVERING, RECEIVING, POSSESSING, PURCHASING, SELLING, OR DONATION OF HORSES AND OTHER EQUINES TO BE SLAUGHTERED FOR HUMAN CONSUMPTION, AND FOR OTHER PURPOSES

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 2, 2006

Mr. DREIER. Mr. Speaker, the Committee on Rules has announced that it may meet the week of September 4th to grant a rule which could limit the amendment process for floor consideration of the bill H.R. 503, to amend the Horse Protection Act to prohibit the shipping, transporting, moving, delivering, receiving, possessing, purchasing, selling, or donation of horses and other equines to be slaughtered for human consumption, and for other purposes.

Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation of the amendment to the Rules Committee in room H-312 of the Capitol by 11 a.m. on Wednesday, September 6, 2006. A copy of the form used for submitting amendments to the Rules Committee is on the back of this letter. Members should draft their amendments to the bill as introduced on February 1, 2005.

Members are also encouraged to submit an electronic copy of the amendment either via the committee's web page (http://www.rules.house.gov/amendment_form.asp) or by e-mailing an electronic copy of the amendment to rules.amendments@mail.house.gov. Anyone e-mailing an electronic copy of an amendment should include the bill number and amendment sponsor in the subject of the e-mail, as well as a copy of the summary in the body of the e-mail. Electronic submission of an amendment does not relieve a Member of filing the amendment with the committee as explained above.

Members should use the Office of Legislative Counsel to ensure that their amendments are drafted in the most appropriate format and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House. If you have any questions, please contact me or George Rogers at extension 5-9191.

PERSONAL EXPLANATION

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 2, 2006

Ms. CARSON. Mr. Speaker, I was unable to record my rollcall votes 421–423.

Had I been present, I would have voted "yes" on votes 421 and 423.

Had I been present, I would have voted "no" on vote 422.

HONORING ROSEMARY FOREMAN IN RETIREMENT

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 2, 2006

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to honor Rosemary Foreman, who is retiring after contributing over thirty years of service to the Commonwealth of Virginia and the Republican Party. I have known Rosemary Foreman since my days in the Fairfax County Board of Supervisors when she was a congressional staffer for Congressman Stan Parris.

Rosemary served as the first Community/Outreach Coordinator for the Virginia Attorney General Office's Northern Virginia Regional Office, under Attorneys General Bob McDonnell, Jim Gilmore, Mark Earley, Jerry Kilgore, as well as interim Attorneys General Randy Baeles and Richard Cullen.

In this position, Rosemary leveraged her considerable interpersonal and communications skills to help the Attorney General educate the citizens of northern Virginia on consumer protection and crime prevention.

Before joining the government of Virginia, Rosemary helped lead a number of political campaigns for state and congressional candidates in northern Virginia and held political positions in several Congressional offices. Throughout her career, she earned a well-deserved reputation for her political acumen, tenacious advocacy and gracious constituent service.

In the course of developing a valued and impressive record of public and political service, Rosemary was a dedicated and loving wife to her husband E. David Foreman, Jr., and mother to her two children, Sheryl Olecheck and E. David Foreman III.

Mr. Speaker, in closing, I ask my colleagues to join me in applauding Rosemary Foreman and congratulating her on her retirement after a distinguished career dedicated to serving the citizens of northern Virginia.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, August 3, 2006 may be found in the Daily Digest of today's RECORD.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

SENATE—*Thursday, August 3, 2006*

The Senate met at 9:30 a.m. and was called to order by the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal Father, who cares for us all, we praise You for Your wisdom and might. Thank You for Your word that guides us, for Your creation that sustains us and for Your redemption that saves us.

Place us on the paths that lead to abundant living. Today, strengthen and inspire our lawmakers. Empower them to dedicate their lives to Your service. Enlist them in the ranks of those who love You without ceasing and serve You without fail. Give them the wisdom to change the bad to good and the good to better.

Help us all to be grateful for the blessings and benefits You benevolently bestow upon us.

We pray in Your marvelous Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN E. SUNUNU led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 3, 2006.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. SUNUNU thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, in a few minutes, we will return to the Department of Defense appropriations bill. We have several votes on amendments and the two managers were able to work out language on a number of other amendments that were agreed to by consent. I expect another full day on the Defense bill, with votes on amendments, as necessary. We will remain in session later into the evening to finish the appropriations bill tonight. That is the goal. The two managers have patiently waited for Senators to bring their amendments forward. I would counsel them to bring the bill to a close if Senators are not prepared to come down and offer their amendments. Again, the managers are doing a superb job. We need to get Members to move ahead with their amendments and make sure they are appropriately offered.

Last night I filed a cloture motion on the motion to proceed to the Family Prosperity Act, which is the death tax, the minimum wage, and the extenders package. That vote will occur tomorrow morning, unless we can finish the Defense bill earlier and we can get an agreement to change the timing of that cloture vote.

Therefore, I encourage Members to remain available for the next 24 to 48 hours as we consider these two important measures, along with a very important pensions bill which we must act upon before we leave.

Let me turn to the Democratic leader briefly. Schedulingwise, we have a busy day, a lot today and tomorrow. I have a couple of things I want to discuss, including commenting on the bill for tomorrow morning and also trying to go to the child custody protection.

Anything else on the schedule to address?

Mr. REID. No.

UNANIMOUS CONSENT REQUEST—H.R. 748

Mr. FRIST. Mr. President, let me go to the Child Custody Protection Act. This is a bill that earlier this week I asked unanimous consent to go to conference on, a bill we passed last week with strong bipartisan support, 65 to 34. The assistant Democratic leader objected to this request on the grounds that he wanted assurance that language offered in an amendment by Senator BOXER would be retained. He was referring to the only amendment that the Senate agreed to on that bill. This amendment clarifies that a father who victimized his daughter by incest would not be able to transport her across State lines for an abortion or to sue anyone who did. This amendment offered by Senator BOXER and cosponsored by Senator FEINSTEIN passed the Senate 98 to 0. I obviously voted for it. It improved the bill. I fully support the amendment.

To accommodate the concern that was expressed, I pledged I will not support a conference report or any consideration of a conference report that does not retain that Boxer-Ensign language we agreed to July 25. I take the Democratic leader at his word and want to address his concern. Thus, I make it clear I give my word that the language he wants will be included and his request will be met. I trust that by addressing his stated concern we will be able to move forward.

I now ask for unanimous consent the Senate immediately proceed to consideration of H.R. 748, provided that all after the enacting clause be stricken, and the text of S. 403 be inserted in lieu thereof, the bill then be read the third time and passed, the Senate insist on its amendment, request a conference with the House, and the chair be authorized to appoint conferees with the ratio of 3 to 2.

Mr. REID. Reserving the right to object, first of all, I voted for this legislation. I support it. However, there are Senators on this side of the aisle who do not. Senator BOXER appreciates the assurance that has been given to her through the public statement of the leader. She has heard from others that does not bind what the House would do with this piece of legislation.

That is one of the problems we have when you spend so much time on issues that are taking far too much time. We talked about the estate tax endlessly. There are ways, even though there are people on this side of the aisle who object to going to conference, that this matter can be taken to conference. We pass bills all the time by sending a bill to the House and having them accept it. If that does not work, there are procedural methods that can be taken.

The bill passed by 70 votes or even more, far more than enough to overcome any procedural hurdles anyone could stand in the way of. Steps just have to be initiated.

As a result of that, on behalf of Senator BOXER and others, I object.

The PRESIDING OFFICER. The objection is heard.

Mr. FRIST. Mr. President, I shortly will move to a statement on the Family Prosperity Act, but both of my distinguished colleagues from Nevada are here. If I could briefly yield to my distinguished colleague, the sponsor of the bill we were just talking about.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. ENSIGN. Mr. President, the Child Custody Protection Act is an important piece of legislation. During the debate, we heard from people from around the country that this is an important piece of legislation, and they want to see it move forward. We had heard the last couple of years that neither side of the aisle would cooperate with the other side. During the child custody debate, we cooperated. There was an agreement between the leaders. We had a certain number of amendments. The whole tenor of the debate, on a very emotional issue, was cooperative. Even though we disagreed on the issue, there was cooperation. I worked with Senator BOXER on the amendment. We had several amendments. We ended up getting it down to basically a Boxer-Ensign amendment that strongly improved the bill. I asked her if she wanted a voice vote on the bill. She said no, she wanted a recorded vote to make sure it stayed in conference. I told her, that is great, we will have a recorded vote. Saying she wanted that recorded vote to stay in conference indicated to me that there would be cooperation to go to conference. We had a recorded vote. It is an amendment I feel strongly about and want to see it stay in the bill in conference.

To now block, via a parliamentary move, an important piece of legislation simply because we are at the end of a session and the other side knows we do not have the time to go through all the procedural maneuverings is outrageous, especially because this Senate operates with some kind of collegiality. When you are cooperating, you should cooperate.

There were accusations made that we should not bring up this legislation because we don't have the time and we should be talking about more important issues. What the other side is doing, by some Senators blocking this, is saying you should spend more time on this issue. If they were truly genuine in what they were saying, that we shouldn't spend too much time on this issue, then let's go to it.

It is a simple unanimous consent agreement that doesn't take any more floor time. It is boom, it is done, we are done with this bill, and we can go to conference and work out the differences. We will strongly support the Senate side the way the bill came out of the Senate. There may be some small changes we have to make in conference, but the bottom line is we should move forward with this legislation.

The instructions being put out by the other side are wrong. I hope the American people can get involved and let their Senators know they are unhappy about it.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, one final issue to address is with regard to tomorrow's vote on the Family Prosperity Act. Tomorrow, we will be voting on whether to proceed to the consideration of the Family Prosperity Act, which is the compromise—I emphasize compromise—permanent solution to the death tax; second, extending important tax provisions such as college tuition deductions, research and development, sales tax deductibility; and, third, raising the minimum wage with a 40-percent increase.

This Senate will decide tomorrow morning whether these issues are sufficiently important to people across this country who are paying attention or whether they are not sufficiently important to bring to the Senate. That is what this vote is all about.

A "yes" vote tomorrow morning to proceed to the bills tells the American family that we are listening to you, that we are with you, that we hear you, that we understand your daily challenges. A "no" vote to proceed to the bills tells the American family these issues are simply not sufficiently important for the Senate to consider, a permanent solution to the death tax, extending those tax provisions, raising the minimum wage.

Friday's vote—tomorrow morning—is an important vote. I made it very clear that we will not split up the bills. I made it clear this is a package and we will move to proceed to them as such. Each Senator will, of course, be accountable to their constituents over the recess for how they vote, either with the American family or against the American family.

Earlier this week, one of my distinguished colleagues came to the Senate and quoted President Truman and his whistlestop campaign and the "do nothing Congress." Why? Because my colleague does not believe the issues addressed in this particular bill, the Family Prosperity Act, are matters of importance to the American people. Some do not believe eliminating the death tax is important to the American people, some do not believe extending tax relief is important to the American people, and some don't believe raising the minimum wage is important to the American people.

Yet the majority of the American people believe each one of these issues is important and does deserve consideration. If you look at the permanent death tax, roughly 70 percent of Americans support repeal of the death tax. This is not repeal. We brought that to the floor and we got 55 votes, so we are moving in that direction, but that is not sufficient. So we have a compromise permanent solution. This is an issue that touches the lives and livelihoods of Americans from Washington, DC, to Washington State.

Back home in Tennessee, Ann Bennett's family has farmed the same piece of land in Kingsport for the past 70 years for one generation and the other two generations make it a total of 130 years. Already, they have paid over $100,000 in death taxes so her father could inherit the farm from his father. When Ann's father passes on, Ann and her sisters have to come up with $2 million just to hold on to that family farm.

At its core, the death tax is a cruel and unfair burden inflicted on America's small businesses, on farmers, and on families during a time of grieving and pain. It punishes everyday Americans such as Ann Bennett by forcing them to give up businesses that their loved ones worked their entire lives to build and to pass on.

Whether it is farming or ranching or construction, they are all capital intensive, they are all labor intensive. But the cost of passing these enterprises on to future generations in one piece is often prohibitive.

Partly as a result of the death tax, about 90 percent of family businesses don't survive for a third generation.

Even those who manage to pass their family business on are adversely affected. Instead of spending money to innovate—to grow their businesses or to invest in new jobs that help our economy—they pay the Federal Government.

We have allowed time to address many pressing issues already this Congress. We have acted. We have done something.

And now it is time for us to do something about the death tax. It was imposed as a temporary measure during World War I. But since then it's managed to wedge its way tightly into our Tax Code.

Americans have waited long enough for Congress to take the death tax burden off their backs with a permanent solution. Today is our chance to act.

Similarly, for nearly 20 years Tennesseans waited for Congress to restore State sales tax deductibility. It is one of the provisions in the so-called "tax extenders".

From 1986 until 2004, hard working Tennesseans were placed at a disadvantage—simply because Tennessee was one of seven States that choose to raise revenue primarily through a sales tax instead of an income tax.

Congress and President Bush acted in 2004 to restore the State sales tax deductibility—and to restore fairness to Federal tax policy.

But the provision expired last year—and more than 640,000 Tennessee families will suffer if the tax relief isn't extended. That is unacceptable.

The State and local sales tax deduction is just 1 of more than 20 tax policy extensions included in the Family Prosperity Act.

These extensions will keep taxes low, helping Americans find and keep work. They help families tackle the increasing cost of living. And they strengthen the economic security of hardworking Americans everywhere.

To me, that is important.

The final piece of the Family Prosperity Act increases the minimum wage. Specifically, it raises the minimum wage rate $2.10 over 36 months in three increments of 70 cents. That is a 40 percent increase in the minimum wage.

It includes a tip credit provision that protects employee wages at their current level. In the seven States where there is no tip credit, this bill would allow the credit to apply only against future State increases in the minimum wage.

It would not result in any workers' wages being lowered. Some have said otherwise, but that is simply not the case—and colleagues should not be misled by opponents of this bill into believing something that is simply not true.

For young workers entering the job market for the first time—the minimum wage hike is welcome news. We're helping them meet the increasing cost of day-to-day living.

As I said earlier this week, this—the Family Prosperity Act—is the last chance—the last chance—the Senate will have during the 109th Congress to give these workers a boost.

There will always be new, emerging challenges to address here on the Senate floor. And it is our responsibility to address them—to deliver effective solutions in a timely manner.

But it is also our responsibility to address those challenges that compound over time—the challenges and burdens that develop slowly and affect Americans with latent urgency.

The death tax is one of those issues. So are tax relief extenders and raising the minimum raise.

That is why we are taking up the death tax once again. That is why we are extending key tax relief provisions for other 2 years. And that is why we are raising the minimum wage.

We are not "doing nothing." We are doing something—about issues that concern hardworking Americans across the Nation.

Mr. REID. Mr. President, I try to read the newspapers very well every day. I am one who reads the editorials. I read people such as E.J. Dionne, who represents important, progressive writers. But I am a fan of Robert Novak. That may surprise someone, but I read Robert Novak's column whenever it appears. It may also surprise people to know that I am a friend of Robert Novak. I don't agree with him much of the time, but some of the time I do.

I want to start my presentation this morning following the suggestion made by the majority leader. In papers today all over the country is the column of Robert Novak. Among other things, he said—because of the legislative proposals we have before us that the leader says is our last chance—because of this "Republicans cast doubt on what they really believe."

He goes on to say, among other things, that "A lame-duck committee chairman"—we all know that is Chairman THOMAS—"overpowering Congress connotes weak leadership in both the House and the Senate and a President detached from legislative activity."

I couldn't say it better myself. I give that to Bob Novak.

He goes on to say that THOMAS, last week, combined them with the extenders bill—minimum wage and estate tax legislation.

He went on to say:

> Arrogant, acerbic and authoritarian, the chairman was going out with a bravura performance [refusing to walk across the Capitol to meet with Senators].

He refused to come to the Dirksen building.

He said further:

> Last week Senators cooled their heels for hours while waiting for Thomas and other House Members to attend a meeting.

And among other things, he said, "But Grassley"—Chairman of the Finance Committee here in the Senate—"was undercut by Senate Majority Leader Bill Frist's support of the Thomas plan."

As a young man I had my first trip to New York City. That is a long way from Searchlight. But I was there among the great big buildings. I was fascinated by some people on the street. They had little containers on a table there. They were asking people for a few cents to find out where the money was. I watched that. I watched people come up and give them money. It was magic. It was a shell game. I had never seen one before. The guy in the shell game never lost. I don't know how he did it. He would move these things around right in front of us. And when you picked it up, it wasn't there.

That is what we have going on here. This is a shell game with fancy names such as "Family Prosperity Act." Is that something similar to the Clear Skies initiative that pollutes our skies? Is that something similar to Leave No Child Behind but leaves all of our children behind? Is that something similar to the budget deficit reduction plan which increased the deficit?

This is a shell game. I am going to have a more complete statement before we vote on this.

I wish to make a couple of comments regarding my distinguished colleague's assertion. He gives the name of somebody on a farm.

One of the sitting Senators from the State of California, with 35 million people—California feeds most of America and other parts of the world. It is the agricultural capital of the world, the great Imperial Valley and other places in California that produce wonderful fruits and vegetables.

The Farm Bureau, which supports passage of the repeal of the estate tax for reasons no one can understand because the California Senator asked the head of National Farm Bureau: During the past 10 years, give me the name of a farmer or farmers or ranchers who lost their farms as a result of the estate tax. Zero, none. That is a myth.

I will bet every Democratic Senator thinks we should do something to change the estate tax a little bit.

When I was in law school, the ceiling was $60,000. It is now $2.5 million—whatever it is, an escalating level, but it is a lot more than it was then.

I am terribly disappointed with the situation we have in the Senate today. This should have been the day we were doing our victory laps prior to going home for the August recess. We should have felt good. I felt good. We were finally going to be able to do something about coastal erosion, to restore the coasts, especially around New Orleans. I have been worried about that. I was twice chairman of the Environment and Public Works Committee. We finally had an opportunity, and what do we do? We should be leaving feeling good. We should feel good today about what Senators BAUCUS and GRASSLEY did for us in taking care of the pensions bill, which directly affects 45 million people and indirectly affects 145 million Americans. It was done. It was signed.

That is what Robert Novak is talking about. It was done—the pension bill was done. It had the extenders on it.

That is when Chairman THOMAS, as indicated here, showed that he could outsmart the House leadership and the Senate leadership. And as indicated here, GRASSLEY was undercut by Senate Majority Leader BILL FRIST in supporting the Thomas plan.

It was all done. It would have taken an hour here. The extenders would have been done, and the pension bill would have been completed. It was done, agreed upon by the House and Senate conferees.

We should have been leaving today feeling so good about that. We should be leaving today feeling good about having given the money to our beleaguered troops, which is so badly needed.

We learned this week that a month ago the President got a message from his generals that the war machine was worn out. They wanted $17 billion—yesterday—to refurbish the fighting forces we have. Our valiant soldiers are fighting, but they are doing it with equipment that needs repair.

We learned a day later from the head of the National Guard that they are underfunded by $34 billion. The Nevada National Guard followed up by saying, as a number of our Guard around the country said—a lot of our equipment is still in Iraq.

We should have left feeling that we had completed work on the Military Construction bill and the Defense appropriations bill. But no; we have been jammed into this situation that we have here today.

Of course, we should have felt good about these extenders that now we have been threatened: We are not going to do them at all—which we know we will do before we leave. We are going to do them.

This should not be called the "trifecta" bill—as it has been referred to too often by my friends in the majority—but the "defecta" bill.

The minimum wage issue is absolutely so hard to comprehend. We know—and Bob Novak talks about it—the Republicans hate the minimum wage. He is the mouth of the conservatives. He says Republicans hate the minimum wage. And they give us a bill so they can say "minimum wage"—but it is a pay cut for people in seven States. Then it is spread out over 3 years.

They couldn't bring themselves to do a pay increase right away.

The richest man in the world is named Warren Buffett. He has more money than all of the Saudi princes. He has $34 billion in the bank, cash money. He is opposed to repealing the estate tax.

Bill Gates of Microsoft—he and his father are opposed to repealing the estate tax.

What I say about the "defecta" bill is let us vote on the motion to proceed right now—right now. Set it up and make it so each side will have half an hour of debate on it. Let us vote on the motion to proceed right now. We don't need to wait until tomorrow morning. We are ready to do it right now, so that we can get to work on the Defense bill, so that we can do the extenders; otherwise, we are just churning time.

Let us vote on it.

The Family Prosperity Act is for 8,100 in this country. It really is. That is how many this applies to with repeal of the estate tax—8,100 of the richest of the rich.

It is time to put the charade to bed. We are ready to end this circus. Let us have the cloture vote now so we can get on with the business of the American people. The Senate has already spent far too much time on the No. 1 priority of the Republicans. The road to "legislative heaven" of the Republicans is the estate tax repeal.

We have spent more time on this issue in this do-nothing Congress than anything else—far more time than we have spent on our troops in Iraq—on 8,100 families. Is this the legacy of the Republican majority, to spend all of our time on repealing the estate tax and threatening—threatening—Democratic Senators, Republican Senators, and the American people: Either do it with the "defecta" bill or we are not going to do anything?

We need to vote. We need a new direction in this country, and it should start right now.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 5631, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5631) making appropriations for the Department of Defense, for the fiscal year ending September 30, 2007, and for other purposes.

Pending:

Kennedy amendment No. 4802, to require a new National Intelligence Estimate on Iraq.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Alaska.

AMENDMENTS NOS. 4777, 4821, 4789, 4837, 4823, AND 4838

Mr. STEVENS. Madam President. I have another managers' package that has been prepared and has the approval of Senator INOUYE and myself. Let me state it for the Senate.

It contains amendment No. 4777, for Senator SMITH, regarding landing systems; amendment No. 4821, for Senator LANDRIEU, regarding first-aid kits; amendment No. 4789, for Senator STABENOW, regarding Stryker combat vehicles; amendment No. 4837, for Senator BENNETT, regarding all-terrain vehicles; amendment No. 4823, for Senator DURBIN, regarding the training of military nurse educators; and amendment No. 4838, for Senator MCCAIN, regarding grants. These have been cleared by both managers. I send this managers' package to the desk and ask unanimous consent that it be considered immediately, the amendments be adopted immediately, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 4777

(Purpose: To make available from Research, Development, Test and Evaluation, Air Force, up to $4,000,000 for the Transportable Transponder Landing System)

At the appropriate place, insert the following:

SEC. . Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE", up to $4,000,000 may be available for the Transportable Transponder Landing System.

AMENDMENT NO. 4821

(Purpose: To make available from Operation and Maintenance, Marine Corps Reserve, up to $3,500,000 for the Individual First Aid Kit)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, MARINE CORPS RESERVE", up to $3,500,000 may be available for the Individual First Aid Kit (IFAK).

AMENDMENT NO. 4789

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $8,000,000 for the Advanced Tank Armament System)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $8,000,000 may be available for the Advanced Tank Armament System.

AMENDMENT NO. 4837

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $1,000,000 for the development of a Lightweight All Terrain Vehicle)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for the development of a Lightweight All Terrain Vehicle (LATV).

AMENDMENT NO. 4823

(Purpose: To make available from Defense Health Program up to $500,000 for a pilot program on troops to nurse teachers)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title VI under the heading "DEFENSE HEALTH PROGRAM", up to $500,000 may be available for a pilot program on troops to nurse teachers.

AMENDMENT NO. 4838

(Purpose: To clarify the treatment of Committee report guidance on certain projects)

On page 180, beginning on line 2, strike ", and the projects" and all that follows through line 4 and insert a period.

Mr. STEVENS. Madam President, we have a long day ahead of us. I again want to state that the Parliamentarian has submitted an opinion regarding the application of rule XVI to quite a few amendments. In order to not be discriminatory, it is my intention to raise rule XVI in any instance in which the Parliamentarian says it would apply, and I think Senators ought to be on notice to that effect.

There is a whole series of amendments that are being presented today. I believe we will have a considerable number of votes today.

I wish to point out to the Senate that Senator INOUYE and I have now reprogrammed over $4 billion from various projects and equipment accounts that we have already approved for the Department of Defense for this fiscal year. Those requests were made to obtain more money to cover the costs of the military pay and allowances and the costs associated with rotation of our military force in and out of Iraq and Afghanistan.

That means within the next few weeks there is going to be a shutdown on many contracts throughout the United States. I say to the occupant of the chair, the distinguished Senator from the same State I represent, we had that happen at Fort Greely when the supplemental was not approved in time, with considerable disruption to the working people who were working on projects at Fort Greely. Some of them have been resumed, but the tempo that was in place could not be picked up because of the problem of financing the Department of Defense during this period. So I want Members to be on notice that if this bill is not completed and signed by the President and delivered to the Secretary of Defense before September 30, there will be even more of these notices of delay, which lead to unemployment, lead to considerable increase in costs.

There is no reason this bill should be delayed. This bill has to be sent to the President before the end of the fiscal year and timed, as a matter of fact, so the Secretary of Defense has the authority to release the money immediately on the first of October.

I urge the Senate to consider the welfare of these men and women who represent us now in 120 countries throughout the world. We have men and women in uniform who depend upon this.

As delays occur—we know what has just happened to the Stryker Brigade from our State. They were ready to come back. Two days from the time they were scheduled to come back, they were delayed. Their personal equipment had been sent home. Their families had airline tickets to go meet their loved ones as they came into the depot. They planned vacations and some time off with their families. Reservations were made. The Department has said they are going to try to compensate those people to the extent possible, but all of those are delays which were caused by lack of funding.

Now, I think the Senate cannot be in the position of not passing this bill before we go home. If we do so, I can tell Members of the Senate, they are going to get the kind of complaints Senator MURKOWSKI and I have gotten from the families of the Stryker Brigade. And they are legitimate complaints. The problem is, there is nothing we can do about it.

I do think it is incumbent upon us to concentrate on this bill today. And again, I serve notice that rule XVI will be applied to any amendment the Parliamentarian says violates that rule.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Madam President, is there an amendment pending at this time?

The PRESIDING OFFICER. The Kennedy amendment is pending.

Mr. COBURN. Madam President, I ask unanimous consent that amendment be set aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 4787

Mr. COBURN. Madam President, I call up amendment No. 4787.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 4787.

Mr. COBURN. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To limit the funds available to the Department of Defense for expenses relating to conferences)

At the appropriate place, insert the following:

SEC.   . The aggregate amount available in this Act for expenses of the Department of Defense relating to conferences in fiscal year 2007, including expenses relating to conference programs, staff, travel costs, and other conference matters, may not exceed $70,000,000.

Mr. COBURN. Madam President, this is a fairly straightforward amendment. One of the things we do know is happening is that we are borrowing a lot of money every year from our kids and our grandkids. What we have done in my Subcommittee on Federal Financial Management is we have noted that we spend, at minimum, a half a billion dollars a year on conferences.

The Defense Department spends more on conferences than anybody. These conferences are sometimes very needed—which I will not object to—but also many are not needed. One of the things I think we need to look at is, can we do it better? Can we become more efficient?

The chairman and ranking member on the Appropriations Defense Subcommittee, as well as Chairman WARNER on the Defense authorization committee, understand the things we need to do to fund our military, such as the Senator just talked about: the timeliness of this bill. But the fact is, the Pentagon, last year, spent $77 million on conferences.

Madam President, 36,000 military and civilian employees went to 6,600 conferences worldwide last year, at an average cost of $2,200 per person. Of interest is that of those 6,600 conferences, 663 were held in Florida in the middle of the winter, 224 were held in Las Vegas, and 98 in Hawaii. The cost of those conferences and the per cost of those travels for individuals far exceeded the average. DOD spent more on conferences than the Departments of Agriculture, Commerce, Education, Energy, Housing and Urban Development, Labor, Transportation, Treasury, and EPA combined.

The question is, Are there not some benefits? There are some benefits to some of these conferences. But half the conferences could have been conducted under what we call now digital video conferencing. So we have the technology to save money. We are in a war. We are having trouble funding the war. We are borrowing the money to fund that war from our kids. We are at $8.6 trillion debt. We have unending debts facing us in the future, secondary to Medicare and Social Security. It is time we prioritize.

All this amendment does is it sets a ceiling for the Department of Defense. It does not tell them where they can go, who can go, or anything else. It just says they will not spend more than $70 million—$70 million. That still will be more than all those agencies combined. And all it takes is a little thoughtful planning to say: Maybe this is one we should not go to. Maybe we should not be traveling to Florida in the middle of the winter for a conference. Maybe we can do it on video conferencing.

The fact is, there are hard choices before us. Should we limit how much money we spend on conferences? And can we use that money to take care of our troops, to upgrade a humvee, to pay for the things we are having trouble paying for today?

I think this is a commonsense amendment. It was added to the HUD bill by this body. I plan on adding it to almost every appropriations bill that comes through. It is something I think we ought to consider.

For example, for $159,000, we can up-armor an M1151. For $152,000, we can up-armor an M1152. For $189,000, we can up-armor an M1152 ambulance. There are a lot of things we can do if we limit the amount of money spent on travel and conferences in the Department of Defense.

So all this says is: Can't you do it better? Won't you do it better? Won't you use the technology that is available to us today? And won't you put $70 million, this next year, into our troops instead of conferencing?

I have tried to work with the chairman on getting this accepted and held in conference. I understand he cannot guarantee that. Therefore, I am going to be asking for a vote so that the Senate is on record that we think we ought to be trimming some of the other expenses so we can put the money where our troops need it.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. STEVENS. Madam President, I wish to speak on the amendment.

The PRESIDING OFFICER. At this moment, there is not a sufficient second.

The Senator from Alaska.

Mr. STEVENS. Madam President, the Senator's amendment is very difficult to vote against, except that it applies to all members of the Department of Defense, civilian and military. About 1 percent of the people in the Department of Defense, civilian and military, go to a conference each year. I personally know that when we travel abroad, we ask for members of the Department of Defense from Germany and from Italy to come meet with us in France. We have conferences with them concerning NATO. We did the same thing recently in terms of the Middle East. We had people come from three different countries to meet with us when we were in Kuwait. That involved probably 14 people traveling in each instance to come see us. It is essential that we have conferences and not have to depend upon video conferences to deal with issues. That applies throughout the Department of Defense.

The Senator is correct. We offered to take it to conference, and in conference we might be able to find a reasonable figure that would be a limitation. Seventy million is not a reasonable limitation. There is no reason for us to try to be unreasonable with the Department of Defense. We are the last superpower in the world. People depend upon us, and we go visit the places. 120 different countries, where we have military people in uniform. It costs money. The cost of traveling is going up all the time.

I did offer to take the amendment to conference and try to work out with the House a reasonable limitation. The Senator is unwilling do that.

Therefore, I move to table the Senator's amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask unanimous consent that the pending amendment may be temporarily set aside so the Senator may offer another amendment. We are trying to determine the availability of membership to be present for a vote.

The PRESIDING OFFICER. The Senator from Oklahoma.

AMENDMENT NO. 4784

Mr. COBURN. Madam President, in concurrence with the other amendment being set aside, I ask that amendment No. 4784 be considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN], for himself and Mr. OBAMA, proposes an amendment numbered 4784.

Mr. COBURN. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require the posting of certain reports of the Department of Defense on the Internet website of the Department of Defense)

At the appropriate place, insert the following:

SEC. . (a) POSTING OF CERTAIN REPORTS ON DEPARTMENT OF DEFENSE INTERNET WEBSITE.—Each report described in subsection (b) shall be posted on the Internet website of the Department of Defense for the public not later than 48 hours after the submittal of such report to Congress.

(b) COVERED REPORTS.—The reports described in this subsection are the reports as follows:

(1) Each report required by a provision of this Act to be submitted by the Department of Defense to the Committees on Appropriations of the Senate and the House of Representatives.

(2) Any report required to be submitted by the Department of Defense to Congress in support of the budget of the President for fiscal year 2008 (as submitted to Congress pursuant to section 1105 of title 31, United States Code) for the Department of Defense, including any budget justification documents in support of such budget for the Department of Defense.

(c) REDACTION OF CERTAIN INFORMATION.—In posting a report on the Internet website of the Department under subsection (a), the Secretary of Defense may redact any information whose release to the public would, as determined by the Secretary, compromise the national security of the United States.

Mr. COBURN. This amendment is all about common sense, about saving money.

I do wish to make a couple of corrections with regard to the last amendment. The expenses related to the military meeting with Members of Congress are not in the $79 million that was spent last year. It is not included in that figure. This is domestic conferencing. It doesn't have anything to do with international travel. The fact is, we have to do better when it comes to the things we can control in terms of variable expenses.

In the Defense appropriations bill, 20 reports are required by the Defense Department. Many of those are needed. What this amendment does is require public disclosure of all reports delivered to the Appropriations Committee. I am willing to amend that to apply to the authorization committee as well, if the chairman would so desire, including the justification of the presence of annual budget requests by the Department of Defense, unless those reports contain information that would comprise national security. Anything that would comprise national security is exempted from the amendment. But if they are reporting to the Appropriations Committee or the authorization committee, then they ought to be reporting to the American public. The American public ought to see what those reports say, provided there is no risk to national security within them.

DOD provides the Appropriations Committee with annual justifications for the administration's budget proposals, which OMB has agreed to put online next year, with the same exception regarding the compromise of national security. The reason this issue came up is that this year with the President's budget request, only members of the Appropriations Committee could see the justifications. Other Members of the Senate could not see the justifications, the reasoning behind the requests. Even though we are going to be required to vote on them, we could never see the President's reasoning for why he was asking for what he was asking for. So that is going to be changed at OMB next year. They have committed to do that. Those justifications will be made public.

But of the reports this committee is going to ask of the Congress, if they don't compromise national security—Senator OBAMA and I are offering this amendment—they ought to be placed online. The Defense Department has the capability of doing that. The rest of America ought to see what the justifications are. Sunshine is the best thing we have to hold us accountable to do what is in the best interest of our country. Not only should the American public know it, the media should have availability to it so that information can be spread.

Every Department annually provides budget justifications to the Appropriations Committee. That is not in question. The question is, Do they provide justifications to the American public? That is the question. That is a question the American public is asking now.

We are going to spend, as Senator GREGG said yesterday, $553 billion on defense this year, including the war, upgrading defense, and there is no question, as the chairman said, we are the lone superpower. There is great responsibility that comes with that. But in fact, as the Secretary of Defense said on September 10, 2001, every penny counts. It ought to be tracked, checked, and open for scrutiny.

This amendment says that a communication to Congress, if in fact it puts no risk, no security-sensitive information out there, the American public ought to see it. The only reason, a logical person could assume, other than a national security issue, that we would not want the American public to see these reports is that we have something we don't want them to know. I believe collectively the American public is as wise or wiser than the collection of their representatives in Washington. Their judgment is important in what we do and how we do it. If we truly have a government of the people, by the people, and for the people, then routine operations of the Government must no longer be concealed or hidden from the people of this country. What this amendment does is assure greater transparency and accountability of taxpayer funds. It lets the American people know what we are doing, why we are doing it, and how.

This amendment is endorsed by over 50 organizations. Here is what they say:

> As advocates from diverse political perspectives, both on the far right and far left and in the middle, we concur that government transparency is vital to the health of our political system. Regardless of our views on the appropriate role of the federal government, we believe government policy must disclose its spending decisions and the rationale behind them. Such disclosure will help encourage a more active, engaged citizenry and a more effective and efficient government.

American taxpayers should not be kept in the dark about any decision, unless it is for national security, and yet there are obstacles for this information at every turn. It is important, with the revelations of what has happened in Defense contracting, that the American public have their confidence reestablished that what we are doing is correct, right, and straightforward.

This is straightforward. We have from the committee the list of reports that are directed to be prepared: Reserve component budget structure, legal assistance, personnel reductions, National Guard procurement, alternative diesel fuel, MTF efficiency wedge, impact of nursing shortage on military health care delivery system, postdoctoral education, alcoholism research, Commander's Emergency Response Program, to name a few. Where it does not compromise national security, the American public ought to know it. This says that if they have it, the Department of Defense puts it on the Web site with the proviso that anything that is of national security be extracted or withheld. It is a reasonable amendment. It ought to be there. The Senate ought to vote on it to say that they want sunshine, that they want the American people to know what they are going to do.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, this amendment violates rule XVI in terms of the second portion of the amendment, part (b)(2), page 2. If it applied just to the reports delivered to the Appropriations Committee, it would not, in my opinion. I have already said I am going to raise rule XVI on any amendment that is determined by the Parliamentarian to apply to a particular amendment.

In regard to the basic concept, we have no problem with having all of the items that are submitted to the Appropriations Committee put on the Web. Almost all of them are anyway. But there are some reports that are submitted to Congress pursuant to section 1105, as I understand it, which are documents that go to other committees and are for other purposes. I don't know what their policies are with regard to disclosure.

All of the items that come to us are on the Web, and we welcome them being on the Web. We don't have any problem with every report required by the provisions of this act, submitted pursuant to this act, or, as a matter of fact, in terms of existing law, but I do think we should not have a violation of rule XVI. Therefore, I ask the Senator if he is willing to limit paragraph (2) to any report required by the Department of Defense to be submitted to the Appropriations Committee in support of the budget of the President which does not violate rule XVI? The Senator said that is what it is about, but it goes further. It applies to any report going to any committee or to the Congress itself with regard to this budget. There are other justifications submitted to other committees. What their policies are, I don't know.

Mr. COBURN. Madam President, we spent some time last evening with the Parliamentarian on it. We believe we have a defense of germaneness based on what the content of the House bill is and that we would stand by the idea that this is already relating to and attached to requirements from the House bill. We do not believe it violates rule XVI. I ask for a ruling from the chair.

Mr. STEVENS. Madam President, I raise a point of order under rule XVI that this amendment violates rule XVI. What is the ruling of the Chair?

The PRESIDING OFFICER. There are two issues raised here. One is whether the amendment violates rule XVI and the other one is whether there is an appropriate defense of germaneness. The answer to both questions is in the affirmative.

Mr. STEVENS. I raise rule XVI. If the Senator wants to raise the point of germaneness, he may do so.

Mr. COBURN. I raise the point of germaneness.

The PRESIDING OFFICER. The question is submitted to the Senate.

Mr. STEVENS. I will ask that the vote be postponed until we agree on a series of votes today.

I ask for the yeas and nays on that question.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The vote will be set.

Mr. COLEMAN. Madam President, I ask unanimous consent that I may speak up to 7 minutes as in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. STEVENS. What is the amount of time?

Mr. COLEMAN. Up to 7 minutes. I probably will not need that much time.

Mr. STEVENS. The Senator has the floor. I will not object now, but we are trying to get the votes put together so we can start at 11 o'clock for the convenience of the Senate because committee meetings are going to take place. I will not object now. To any further interruption, I will object.

ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006

Mr. COLEMAN. Madam President, I want to speak about unfounded concerns raised about the minimum wage increase proposal of the Estate Tax and Extension of Tax Relief Act of 2006.

I have long supported an increase in the minimum wage in order to help raise the living standards of America's hard-working families. I voted for Senator KENNEDY's amendment on a number of occasions. I voted for a minimum wage increase with or without a tip credit. It has been 9 years since we last increased the minimum wage. Many States—mine included—have raised their minimum wage higher than the Federal level.

The tax bill we will take up tomorrow increases the minimum wage. The bill would also provide for a tip credit in those States—again, like my own—that don't currently allow for a tip credit. Again, I have supported a minimum wage increase with and without a tip credit. We have an opportunity to increase the minimum wage, and there is a tip credit provision in there.

I find it regrettable that some of my Democratic colleagues are now arguing that the tip credit provision would actually lead to a reduction in the minimum wage for those workers in nontip credit States. It is interesting that these colleagues of mine make this argument at a time when we are close to providing an increase in the minimum wage. Not once have these colleagues of mine made such claims when the Senate considered this very same proposal on several occasions in the recent past.

Contrary to what some are saying, the fact is that the tip credit would only apply to future increases in the minimum wage. I will repeat that. The tip credit would only apply to future increases in the minimum wage—not to the current minimum wage.

The charge that the tip credit provision would result in the minimum wage for tipped workers going down is absolutely false.

If you read closely the proposal's language, it says a worker cannot be paid less than "the cash wage paid such employee which is required under such law, ordinance, regulation, or order on the date of enactment. . . .'' That is how the bill reads.

It also appears that the critics of this provision have not taken into consideration section 218 of the Fair Labor Standards Act, which prohibits employers from paying less than the current minimum wage.

I ask unanimous consent to have printed in the RECORD a letter from the Assistant Secretary for Employment Standards, U.S. Department of Labor, Victoria Lipnic.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AUGUST 2, 2006.

Hon. BILL FRIST, M.D.,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR LEADER FRIST: You have asked for the views of the Department of Labor's Wage and Hour Division (WHD) regarding Section 402 of the Estate Tax and Extension of Tax Relief Act of 2006 (the Act). If Section 402 of the Act (''Tipped Wage Fairness'') were passed into law, WHD would read Section 402 as protecting the current minimum wages of the tipped employees in the seven states that now exclude a tipped employee's tips from being considered as wages because to do otherwise would be inconsistent with what we understand to be the intent of Congress and the Fair Labor Standards Act, which WHD enforces.

Nevertheless, we are aware that some have argued that Section 402 is ambiguous. We would be pleased to work with the Congress to clarify that the intent of Congress is to protect the current minimum wages of tipped employees. Please contact me if the Department can be of further assistance.

Sincerely,

VICTORIA A. LIPNIC.

Mr. COLEMAN. This letter says that absolutely the Fair Labor Standards Act prohibits employers from paying less than the current minimum wage. That is to be taken into consideration in terms of what the Senate is doing with the minimum wage tip credit provision.

The letter from the Department of Labor is very clear. If my colleagues have any question, this is now part of the RECORD; I have asked that it be printed in the RECORD. It lays it out very clearly.

Again, the letter states that if the tip credit becomes law, the Labor Department reads it ''as protecting the current minimum wages of the tipped employees in the seven States that now exclude a tipped employee's tips from being considered as wages because to do otherwise would be inconsistent with what we understand to be the intent of Congress and the Fair Labor Standards Act.''

In my State, the minimum wage is $6.15. Our employee wages are not going to be decreased if this tip provision comes in. If there is an increase above that, then of that amount of the increase, you could use tip credits to compensate for that, with no decrease in the minimum wage.

This is nothing more than an effort by my colleagues on the other side to steal defeat from the jaws of victory as we move to the opportunity to pass an increase in the Federal minimum wage. Let's not miss that opportunity. Let's support this bill and get this done on Friday.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Madam President, regarding amendment No. 4784, I ask unanimous consent that on page 2, section 2 be deleted.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 4784), as modified, is as follows:

At the appropriate place, insert the following:

SEC.   . (a) POSTING OF CERTAIN REPORTS ON DEPARTMENT OF DEFENSE INTERNET WEBSITE.—Each report described in subsection (b) shall be posted on the Internet website of the Department of Defense for the public not later than 48 hours after the submittal of such report to Congress.

(b) COVERED REPORTS.—The reports described in this subsection are the reports as follows:

(1) Each report required by a provision of this Act to be submitted by the Department of Defense to the Committees on Appropriations of the Senate and the House of Representatives.

(c) REDACTION OF CERTAIN INFORMATION.—In posting a report on the Internet website of the Department under subsection (a), the Secretary of Defense may redact any information whose release to the public would, as determined by the Secretary, compromise the national security of the United States.

Mr. STEVENS. I ask unanimous consent that I be permitted to withdraw the point of order under rule XVI and that the vote on the issue of germaneness be rescinded.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. STEVENS. It is my understanding that the Senator from Oklahoma wants a vote on that amendment. Is that correct?

Mr. COBURN. That's correct.

Mr. STEVENS. We are prepared to accept it, but if the Senator wishes a vote, he is entitled to it.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Madam President, we expect the Senator from Oklahoma to raise two additional amendments. It is our hope that we can ask unanimous consent in a short time that a series of votes on the Coburn amendments start around 11 o'clock.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

AMENDMENT NO. 4785

Mr. COBURN. Madam President, I ask unanimous consent that the pending amendment be set aside, and I call up amendment No. 4785.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 4785.

Mr. COBURN. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To ensure the fiscal integrity of travel payments made by the Department of Defense)

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives a report—

(1) describing risk assessments performed by the Department of Defense on payments made by the Department for travel, as required under section 2 of the Improper Payments Information Act of 2002 (Public Law 107–300; 31 U.S.C. 3321 note);

(2) including an estimate, using statistically valid methods, of improper payments for travel that have been processed by the Defense Finance and Accounting Service (DFAS); and

(3) including an explanation that the methods used to perform risk assessments are statistically valid in accordance with Office of Management and Budget Memorandum 30–13 issued pursuant to the Improper Payments Information Act of 2002 (Public Law 107–300; 31 U.S.C. 3321 note).

Mr. COBURN. Madam President, this is a straightforward amendment. Everybody knows we are having problems in the Department of Defense in terms of management and accounting and control. There is a law called the Improper Payments Act. Quite frankly, the law is not being followed by the Department of Defense.

This amendment is very narrow in its focus. What it does is directs the DOD to improve the methodology for estimating improper payments related to travel and to provide risk assessments that determine whether travel payments at DOD are at a significant risk of making improper payments.

We know of a minimum of $30 million in airline tickets that were not used, but we didn't get our money back for last year. We know of another $30 million that was at least bought inappropriately, and this is done outside of the Defense Department, not within. The Defense Department is not assessing that. All this amendment does is say you ought to figure out and look at what you are making improper payments for.

What we do know, from our subcommittee hearings, is that there is in the neighborhood of $20 billion to $30 billion of improper payments made by the Defense Department every year on a $553 billion budget. Those problems cannot be solved overnight. We are working hard. As a matter of fact, we are having a hearing today on the management techniques and information systems that the DOD is using. They are starting to make the corrections to be better stewards of our money.

This is a simple amendment that says they ought to follow the Improper Payments Act for this one segment, for the purpose of finding and eliminating payments that should not have been made, or were made for incorrect amounts by the Defense Department. We have had three hearings in our subcommittee on improper payments. The minimum in this Government, including Medicare, Medicaid, and Defense, is around $100 billion a year in wrong payments made by the Federal Government. There is over $30 billion in Medicaid and $36 billion in Medicare. This large quantity in the Defense Department—plus many of the other agencies—is not even being reported or looked at. There is $1.6 billion in food stamps. I could go on and on.

The fact is, when we are running a deficit such as we are and we are borrowing the money from our grandkids, we ought to do every small thing we can to improve the stewardship of that money. The DOD is reporting improper payment information for only three programs—the military retirement fund, military health benefits and, for the first time this year, military pay.

There are significant other improper payments within the Pentagon. We know it and we are going after it and we are going to try to solve it. The Improper Payments Act doesn't exempt this agency from its requirements. No agency is exempt. What it says is: Perform a risk assessment, develop a statistically valid assessment of improper payments, develop corrective action, and report the results. If you are not doing any of that, you are not going to know what we are wasting, and you are not going to be able to develop a plan or figure out how to correct the problem.

So all this amendment does is take one small area of it and say do the improper payments on it. It is one area where they can do it fairly simply and they can accomplish it. It is asking them to do it. It requires them to provide the congressional defense committees and the Governmental Affairs Committee the risk assessments for fiscal year 2005 that determine whether travel payments at DOD are at a significant risk of making improper payments. We already know that because that is what the Defense Travel System debate is all about. It requires DOD to use a statistically valid estimate for determining whether travel payments are at risk or making significant improper payments. Finally, it requires DOD to provide a justification for the methodology and making sure it is statistically valid and accurate, representing the full universe of travel payments by DOD. This isn't a small amount of money. They spend a ton on travel, and they ought to spend it wisely. They shouldn't waste a penny because anything we are wasting can't be used in a way to support our troops and do what we need to do.

We have cleared this with the Parliamentarian in terms of it being germane, and we hope the Senate will concur with this amendment.

Madam President, I yield the floor.

Mr. STEVENS. Madam President, I think we should welcome the devotion of the Senator from Oklahoma to be concerned about the Improper Payments Act, and if the Senator's amendment applied to any payments made pursuant to this act, I certainly would have no objection. We are prepared to accept it.

This covers a great deal more than that, though, those made under existing law and those made to, as I understand it, in the areas of homeland security and Government affairs. I wish the Senator would say that this covers—to be clear under rule XVI—payments made out of any funds provided by this act. If he did that, I am prepared to accept it.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. COBURN. Madam President, let me describe the recent assessment by the Department of Defense: For payments made within the Department of Defense for travel—for travel—as required under section 2 of the Improper Payments Information Act.

Mr. STEVENS. From the funds provided in this act? There are funds provided in other acts. For instance, the funds provided to the Defense Intelligence Agency come from the funds that are provided through the National Intelligence Director's Office, but they come to DIA. But we are very specific about it. If the payments are made pursuant to this act, we agree with it.

Mr. COBURN. That is what this says.

Mr. STEVENS. No, no, it does not. It says: All payments made by the Department——

Mr. COBURN. Will the chairman yield for a question?

Mr. STEVENS. It says performed by the Department on payments made for travel.

Mr. COBURN. Would the chairman yield for a question?

Mr. STEVENS. Yes.

Mr. COBURN. Is there a reason, even if the money was spent from NSA or Defense Intelligence, that you wouldn't want an improper payments evaluation for that money?

Mr. STEVENS. I don't have any problems with this—this Senator doesn't have any problem with complying with the Improper Payments Information Act. I have to tell you, I am not informed about that act in detail, but I know there are payments made through DIA and through NSA and through other agencies and that if they remain, there would have to be a disclaimer in here about classification and other things. But if you just say it is from the Department under this act, I don't think you have that problem. And this act is a 1-year bill, it is not—in truth, this should be applied to the Department of Defense authorization bill, and then they could have a bill that would authorize for more than 1 year. By definition, this bill is a 1-year bill.

Mr. COBURN. Madam President, if the chairman would yield, I did apply this to the Defense authorization bill and it is in conference—it is going to conference, and the chairman of that committee accepted it.

Mr. STEVENS. I can understand why he would. I don't understand why the Senator wants it on this bill, too, because it has a problem on this bill that it doesn't have on the authorization bill.

Mr. COBURN. I would be happy to add an amendment or a caveat that says "under this act." Would that satisfy the chairman?

Mr. STEVENS. If you do that, I would not raise a point of order under rule XVI.

Mr. COBURN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4785, AS MODIFIED

Mr. STEVENS. Madam President, I submit an amendment to this amendment and ask for its immediate consideration. Do I have the right to ask to modify the Senator's amendment in that regard?

The PRESIDING OFFICER. It would take unanimous consent.

Mr. STEVENS. Madam President, I ask unanimous consent to modify the Senator's amendment with the amendment that is at the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 4785), as modified, is as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall, with regard to payments made with Funds provided by this Act, submit to the congressional defense committees and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives a report—

(1) describing risk assessments performed by the Department of Defense on payments made by the Department for travel, as required under section 2 of the Improper Payments Information Act of 2002 (Public Law 107-300; 31 U.S.C. 3321 note);

(2) including an estimate, using statistically valid methods, of improper payments for travel that have been processed by the Defense Finance and Accounting Service (DFAS); and

(3) including an explanation that the methods used to perform risk assessments are statistically valid in accordance with Office of Management and Budget Memorandum 30-13 issued pursuant to the Improper Payments Information Act of 2002 (Public Law 107-300; 31 U.S.C. 3321 note).

Mr. STEVENS. Does the Senator wish to have a vote on this amendment?

Mr. COBURN. I do.

Mr. STEVENS. We are prepared to accept it. Does the Senator still wish a recorded vote?

Mr. COBURN. I do.

Mr. STEVENS. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4848

Mr. COBURN. Madam President, I ask that the pending amendment be set aside, and I call up amendment No. 4848.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 4848.

Mr. COBURN. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require notice to Congress and the public on earmarks of funds available to the Department of Defense)

At the end of title VIII, add the following:

SEC. 8109. (a) REPORTS TO CONGRESS AND NOTICE TO PUBLIC ON EARMARKS IN FUNDS AVAILABLE TO THE DEPARTMENT OF DEFENSE.—The Secretary of Defense shall submit to Congress, and post on the Internet website of the Department of Defense available to the public, information as follows:

(1) A description of each earmark of funds made available to the Department of Defense by this Act, including the location (by city, State, country, and congressional district if relevant) in which the earmarked funds are to be utilized, the purpose of such earmark (if known), and the recipient of such earmark.

(2) The total cost of administering each such earmark including the amount of such earmark, staff time, administrative expenses, and other costs.

(3) The total cost of administering all such earmarks.

(4) An assessment of the utility of each such earmark in meeting the goals of the Department, set forth using a rating system as follows:

(A) A for an earmark that directly advances the primary goals of the Department or an agency, element, or component of the Department.

(B) B for an earmark that advances many of the primary goals of the Department or an agency, element, or component of the Department.

(C) C for an earmark that may advance some of the primary goals of the Department or an agency, element, or component of the Department.

(D) D for an earmark that cannot be demonstrated as being cost-effective in advancing the primary goals of the Department or any agency, element, or component of the Department.

(E) F for an earmark that distracts from or otherwise impedes that capacity of the Department to meet the primary goals of the Department.

(b) EARMARK DEFINED.—In this section, the term "earmark" means a provision of law, or a directive contained within a joint explanatory statement or report accompanying a conference report or bill (as applicable), that specifies the identity of an entity, program, project, or service, including a defense system, to receive assistance not requested by the President and the amount of the assistance to be so received.

Mr. COBURN. Madam President, this is an amendment which we know is needed. We have seen it through the conviction of a Member of Congress.

What this does is require an analysis of the total cost of earmarks and the effectiveness of each in meeting the goals of the Department of Defense. Earmarks are consuming a growing proportion of the Defense funding. The number of earmarks in the appropriation laws has grown from 587 in the Department of Defense in 1994 to 2,847 in 2006. The amount of money earmarked has increased over the same period from $4.2 billion to $9.4 billion. The amount earmarked as a percentage of the total Defense budget has risen to 2.4 percent in 2006.

It is my belief that earmarks are siphoning away funds from other national security priorities. Last year, the White House Office of Management and Budget wrote to the House Appropriations Committee warning that the hundreds of millions of dollars set aside for congressional pork projects would be slashed from a Pentagon program designed to fill some military desk jobs with civilians and would thereby limit one of the Defense Department's most productive initiatives for reducing the strain on our Armed Forces and free up critically needed troops for the global war on terror. OMB's letter said the committee's additions to the Navy's shipbuilding program and budget, and numerous other smaller funding increases, preempts the Department's ability to invest cost-effectively in 21st century capabilities and that the administration is concerned that these reductions could damage the readiness of the U.S. forces and their preparedness.

Earmarks or projects directed by Members could be used to offset much of the cost of the emergency supplemental bills that have been used to finance the various front lines in the war against terrorism. The emergency supplemental bill passed by Congress and signed by the President this last month provided $65.8 billion to support Operation Iraqi Freedom and Operation Enduring Freedom. The total amount spent on earmarks in Defense appropriations spent over the past 3 years was $27 billion—about 47 percent of the amount needed to pay for the continued military operations in these battlefronts in the war against terrorism. What we have done instead is relied on emergency spending, which is not offset; it is directly added to the debt of our kids, undermining their future standard of living.

All this amendment does is say: Let's do an analysis. Let's see if the things that are being earmarked by individual Members of Congress actually support the defense of the country versus the defense of some special interest back home.

Interestingly, the chairman objected to Senator DURBIN's amendment to do brain trauma research at the University of Chicago, and rightly so. We have had 1,700 brain-injured troops from traumatic brain injuries. There is research going on across this country on traumatic brain injury. The reason is that we have 1,700 a year from 4-wheelers and another 1,700 from motorcycles. So the point is, do we put the money in our troops or do we put the money in investing in projects back home that make us look good but aren't a priority with the troops?

Let's talk about this supplemental which we just passed this past year: $80 billion. Ten million dollars went to expand wastewater facilities in Pennsylvania. The University of Texas Southwestern Medical Center got $3 million; Dosoto County, MS, got $35 million; the Fire Sciences Academy in Elk, NV, got $4 million.

We know the problems with earmarking in terms of the recent congressional corruption and ethics probes. What this amendment does is adds transparency and accountability to the earmark process. If it is good, then the Defense Department study will say: Yes, it is something we should have done. If it will waste, then we will say: It is wasted. The fact is we are loading to the tune of billions of dollars a year projects Members of Congress want but the Defense Department doesn't want that interfere with their mission rather than help their mission.

An analysis of the usefulness of each earmark in advancing the goals of the Department of Defense is the purpose of this amendment. This will provide Members of Congress a more complete view of the cost-effectiveness of the earmarks and whether they continue to warrant additional funding.

The annual earmark report will ensure that policymakers and the public are fully aware of the impact of unnecessary earmarks on the budget of the Department of Defense and siphon away from military preparedness and our national defense. The grading system will likewise provide needed information to the appropriators about projects that are inserted in the bills that have not had proper oversight, debate, or discussion. This added transparency will ensure that every Member of Congress can cast a truly informed vote and ensure greater accountability for how Federal funds are allocated and spent.

This is at the heart of the confidence of the American people with Congress. Do we earmark something because it is the best thing for the country to do, is it the best long-term choice, or do we earmark something because it helps us individually?

I would say there isn't one State in this country that can be healthy if this country isn't healthy. There can't be one community that can end up healthy if the country isn't healthy economically. None of us can be free unless we are all free. So the idea is not to eliminate earmarks: it is just saying after they have happened, then let's look at them and see if they really accomplished something worthwhile for the defense of this country and should we have spent the money in doing that.

There are multiple examples I can put into the RECORD, and I will submit to the RECORD with unanimous consent a list of the ongoing probes that are there in terms of earmarks and the Defense Department. But I think it is incumbent upon us to reestablish the confidence of the American public that when we earmark, what we are doing is accurate, it is needed, and it is something that will, in fact, inure to the defense of this country and the defense of our children's financial health.

With that, I yield the floor.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate immediately proceed to a series of votes in relation to the following amendments: Coburn amendment No. 4787 for conferences, Coburn amendment No. 4784, as modified, for posting of reports, and Coburn amendment No. 4785, as modified, for improper payments.

The Senator has a pending amendment. That would not be included. It is because of the timeframe associated with meetings that are scheduled today that the leadership has asked that we proceed to the votes on these three amendments. I further ask that no amendments be in order to the amendments prior to the votes and that all votes be limited to 10 minutes each and there be 2 minutes equally divided on the votes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. All the votes have the yeas and nays, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. I thank the Chair.

The PRESIDING OFFICER. The first vote is on the motion to table amendment No. 4787. The yeas and nays have been ordered. The clerk will call the roll.

Mr. STEVENS. Mr. President, 2 minutes before each vote. Senator COBURN and I each have 1 minute.

The PRESIDING OFFICER. There are 2 minutes equally divided.

Who yields time? The Senator from Oklahoma.

Mr. COBURN. Mr. President, this is a real straightforward amendment. The Defense Department spends more on conferences than all the other programs combined. It has grown significantly in the last 5 years. Every dollar that is spent on a conference in Las Vegas, the Presiding Officer's home, or in Hawaii or south Florida is a dollar that doesn't go to our troops. We are not saying eliminate the needed conferences. We are saying do some sacrifice when it comes to conferences so we have money to fund our troops appropriately. Be wise, use digital video conferencing where you can, and make some sacrifice within the ease of travel and conference fun and fair for our troops.

It is $70 million a year. Less than 5 years ago it was $58 million. Can we not, can we not spend less on conferences, do it a different way, and still accomplish what we need for the troops?

The PRESIDING OFFICER. Who yields time?

The Senator from Alaska.

Mr. STEVENS. The committee has already cut $85 million from travel funds for the Department. This would say that for programs related to staff and travel costs and conference programs or other conference matters, the total amount available to the whole Department—over a million people in over 120 countries in the world—will be limited to $70 million. We are unable to run the Department at $70 million a year. So I proposed and made a motion to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. The following Senator was necessarily absent: the Senator from Kentucky (Mr. BUNNING).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "no."

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from New York (Mrs. CLINTON), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mrs. CLINTON) would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 36, nays 60, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—36

Akaka
Bennett
Biden
Bond
Cochran
Coleman
Collins
Dayton
Dole
Durbin
Gregg
Hagel
Hatch
Inouye
Jeffords
Kennedy
Landrieu
Lautenberg
Leahy
Levin
Lugar
Martinez
McConnell
Mikulski
Murkowski
Murray
Nelson (FL)
Pryor
Reed
Roberts
Sarbanes
Shelby
Specter
Stevens
Vitter
Warner

NAYS—60

Alexander
Allard
Allen
Bayh
Bingaman
Boxer
Brownback
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Chambliss
Coburn
Conrad
Cornyn
Craig
Crapo
DeMint
DeWine
Dodd
Domenici
Dorgan
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Grassley
Harkin
Hutchison
Inhofe
Isakson
Johnson
Kerry
Kohl
Kyl
Lincoln
Lott
McCain
Menendez
Nelson (NE)
Obama
Reid
Rockefeller
Salazar
Santorum
Schumer
Sessions
Smith
Snowe
Stabenow
Sununu
Talent
Thomas
Thune
Voinovich
Wyden

NOT VOTING—4

Baucus
Bunning
Clinton
Lieberman

The motion was rejected.

Mr. FRIST. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 4787) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, there are two more amendments. These are 10-minute votes, at the request of the leadership. I hope we can keep to that time. We are ready to take all three amendments to conference.

AMENDMENT NO. 4787

The PRESIDING OFFICER. The Coburn amendment No. 4787 is the next amendment. There is 2 minutes equally divided.

Who yields time?

Mr. COBURN. Mr. President, all this amendment says is that with the exception of anything related to national security, whatever they report ought to be made available to the American public. It is real simple. They have the Web site capability. If they report it, and it doesn't have anything to do with national security in terms of protecting our security, they ought to report it to the rest of the Members of Congress as well as to the rest of the American public.

Mr. STEVENS. Mr. President, we are ready to take the amendment to conference on a voice vote. Is the Senator willing to accept a voice vote?

Mr. COBURN. I will accept a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 4787) was agreed to.

AMENDMENT NO. 4785, AS MODIFIED

The PRESIDING OFFICER. There is 2 minutes of debate equally divided on Coburn amendment No. 4785, as modified.

Who yields time?

Mr. STEVENS. Mr. President, again, if the Senator will yield, we are willing to take this amendment to conference and accept it on a voice vote. Is the Senator willing to accept a voice vote?

Mr. COBURN. Mr. President, the only problem with that is I think the Senate ought to have a rollcall vote on whether improper payments which have been made by the Department of Defense ought to be held in conference. I would like to have a recorded vote to empower the chairman of the committee to hold this in conference.

All this says is, let's look at improper payments of the Department of Defense. They make more improper payments than anywhere in the Government. They only look at three areas out of all the areas. The law says they should report improper payments. That is all I am asking for. Let's make them report the improper payments under the Improper Payments Act of 2002 which says they should.

Mr. STEVENS. Mr. President, the Improper Payments Act is not within the jurisdiction of our committee. We agreed that it should be reported. I believe the committee of jurisdiction ought to have hearings to determine whether there is improper compliance. We are pleased to accept it. If a rollcall vote is required, let us go ahead.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

Mr. McCONNELL. The following Senators were necessarily absent: the Senator from Kentucky (Mr. BUNNING) and the Senator from Virginia (Mr. WARNER).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—96 yeas, nays 0, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—96

Akaka
Alexander
Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
Dayton
DeMint
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchison
Inhofe
Inouye
Isakson
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Wyden

NOT VOTING—4

Baucus
Bunning
Lieberman
Warner

The amendment (No. 4785), as modified, was agreed to.

VOTE EXPLANATION

Mr. WARNER. Mr. President, I rise to discuss my absence today during rollcall vote No. 224. The vote was in reference to Senate amendment No. 4785, offered by my colleague, Senator COBURN. Senator COBURN's amendment, which sought to ensure fiscal integrity of travel payments made by the Department of Defense, passed the Senate by a vote of 96 to 0.

During the vote, I was serving as chairman of the Senate Armed Services Committee, chairing a very important hearing on Iraq, Afghanistan, and the global war on terrorism. Witnesses at the hearing included Secretary of Defense, Donald Rumsfeld; Chairman of the Joint Chiefs of Staff, General Peter Pace; and General John Abizaid, Commander, United States Central Command. My vote would not have affected the outcome of this amendment.

Mr. STEVENS. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 4755, 4808, 4847, AND 4828, EN BLOC

Mr. STEVENS. I have a managers' package: amendment 4755, for Senator SANTORUM, regarding maritime inspection; amendment 4808, for Senator BILL NELSON, regarding UAV virtual training; amendment 4847, for Senator REED of Rhode Island, regarding recoil mitigation; amendment 4828, for Senator CHAMBLISS, regarding linguists.

I send this package to the desk. I ask unanimous consent it be considered en bloc, agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 4755

(Purpose: To make available from Research, Development, Test and Evaluation, Navy, up to $2,500,000 for Navy research and development activities on the Wireless Maritime Inspection System as part of the Smartship Wireless Project of the Navy)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $2,500,000 may be available for the Wireless Maritime Inspection System as part of the Smartship Wireless Project of the Navy.

AMENDEMENT NO. 4808

At the appropriate place insert the following:

Sec. . Of the amount appropriated in title IV under the heading "RESEARCH, DEVELOPMENT, TEST and EVALUATION, ARMY", up to $5,000,000 may be made available for the Virtual Training and Airspace Management Simulation for Unmanned Aerial Vehicles.

AMENDMENT NO. 4847

(Purpose: To make available from Research, Development, Test and Evaluation, Defense-Wide, up to $3,000,000 for Small and Medium Caliber Recoil Mitigation Technologies)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", up to $3,000,000 may be available for Small and Medium Caliber Recoil Mitigation Technologies (PE #1160402BB).

AMENDMENT NO. 4828

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $1,000,000 for the Automated Communications Support System for WARFIGHTERS, Intelligence Community, Linguists, and Analysts)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for the Automated Communications Support System for WARFIGHTERS, Intelligence Community, Linguists, and Analysts.

Mr. STEVENS. We are continuing to work on the agreements. I hope Members come forward to help work them out. We still have the opportunity to finish this bill before we leave this week. There are some 34 amendments still pending we are working on. I do believe a lot of them can be worked out, as these last four were.

The PRESIDING OFFICER. The Senator from Vermont.

AMENDMENT NO. 4827

Mr. LEAHY. Mr. President, Senator BOND and I have amendment No. 4827. I ask consent the pending amendment be set aside and it be in order to call up that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. I will be brief on amendment No. 4827. This is an amendment that the distinguished senior Senator from Missouri and I filed yesterday. It guarantees that $2.4 billion of the $13 billion included in the managers' package on Tuesday for the Army and Marine Corps be allocated for National Guard equipment. It does not add any money. It ensures that the promises that have already been made to the Guard about funding will be fulfilled and, also, of course, make sure we have a much needed infusion of equipment to the National Guard.

It follows an amendment that Senator BOND and I introduced last September to the Fiscal Year 2006 Defense Appropriations, in the immediate aftermath of Hurricane Katrina. We realized, with the significant shortfalls in equipment available to the Guard at home for use in such natural disasters or other domestic emergencies, if, God forbid, we had another such tragedy, the Guard would not have had enough trucks, tractors, and communication gear across the country to adequately respond.

The problem then—and still is—that much of their equipment has been left in Iraq, where the National Guard has been indispensable.

Since the start of the war in Iraq, Guard units have deployed with their gear and then, after a year, they have left this gear for use by other units arriving in Iraq. Worse still, the National Guard has consistently been underfunded, leaving it with well less than the required equipment stocks.

These low levels of equipment threaten the Guard's ability to carry out the two critical prongs of its dual mission.

Two days ago, the top National Guard LTG Steven Blum, reported that more than two-thirds of the Army National Guard's 34 brigades are not combat ready, due largely to vast equipment shortfalls.

Almost a year after Katrina, the Department of Defense leadership—which is ultimately responsible for monitoring the Guard's capabilities—has yet to recognize this clear problem, let alone to develop a real funding plan to deal with the problem.

The $900 million included in last year's, Defense appropriations bill was only the beginning of addressing this major problem with shortfalls—a problem that General Blum himself estimates to total nearly $21 billion.

Congress has no choice but to act. That is why this amendment takes another step toward addressing the Guard's response capabilities at home. It adds $2.4 billion on top of the funding in the regular bill and bridge supplemental for the Guard to procure equipment—for items as diverse as remanufactured tanks, radios, medium-sized trucks, and command-and-control systems.

I would like to commend Senator STEVENS and Senator INOUYE, who were able to identify almost $340 million in National Guard and Reserve equipment in the committee markup of the baseline Defense bill. That number shows the enormous support that exists within the Defense Subcommittee, especially when the Senate Defense allocation was $9 billion below that set in the House of Representatives.

On behalf of our Guard units, our Guard members, and of all Americans who so acutely rely on their steadfast readiness and service, I urge my colleagues to vote now for a much-needed, higher level for the Guard.

This problem is so pressing and so severe that we cannot afford to lose momentum.

I just mention again, 2 days ago the top National Guard General, LTG Steven Blum, reported that more than two-thirds of the Army National Guard's 34 brigades are not combat ready.

We really have no choice but to act. This will not even begin to handle the problems, but it will be a good start.

Mr. President, I ask unanimous consent to add, after Senator BOND's name and my name, Senator MENENDEZ of New Jersey and Senators LINCOLN, DODD, LANDRIEU, LAUTENBERG, DORGAN, MIKULSKI, HARKIN, ROCKEFELLER, BAUCUS, and JEFFORDS as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I yield to the distinguished chairman of the National Guard Caucus, who has labored indefatigably in this area, calling on his experience not only as a U.S. Senator but especially his experience when he was Governor and commander in chief of the Guard in his own State.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank my colleague and fellow chairman of the National Guard caucus for his kind words. As most people in this body know, we have had wonderful, bipartisan cooperation supporting the great work of the Guard.

As the Senator from Vermont was kind enough to note, I did have the experience of being commander in chief of our National Guard in Missouri for 8 years. And I have since followed very closely what they have done.

Our National Guard, as I think everybody knows, has provided about 40 percent of the boots on the ground in Iraq and in the conflict against Islamofascism. They went into that battle, being called up for their national security service, short of equipment. They are short of equipment because, as the Senator from Vermont and I have explained time after time after time, the Pentagon, when it is faced with a shortfall of equipment or resources, tends to take care of the active forces first.

No one who knows my personal situation would think I am not sympathetic to the needs of the active forces. I very much want to see them get the support they need. I understand what is going on in the Pentagon. But the National Guard has fallen so far behind in its equipment accounts because of the pressure of the need to restock and reset other branches of Government.

When we found that a significant sum of money would be available for providing equipment that is vitally needed for our National Guard, for our entire military, it was extremely important that we carve out a small amount, which is covered by this amendment, that would go directly to the Guard.

Now, we have been told this could have been accepted if we said the money "may" go to the National Guard. That is precisely the problem: that money could have gone to the National Guard under any circumstances. But, in fact, it is not going to the National Guard. When there are competing needs in the active military, they get first call.

Let me be clear: The National Guard is being fully active, not only in the work they are doing overseas but in their homeland defense activities.

Now, when you take a look at the national service mission, when they go abroad, as has been pointed out on the floor, and they take equipment with them, they leave it there because it does not make sense to transport equipment back from the fighting frontlines when they have carried it over there. So, as a result, that equipment is left there. When the Guard units come home, they have lost even more equipment. That means they are falling far, far behind in their needed equipment coverage.

Now, at the same time, when they went over they left the homeland defense or the natural disaster equipment at a far, far insufficient rate. Most Guard units are about one-third equipped. In other words, if they have nine units, only three of them are fully equipped.

I pointed out on the floor last year, after Hurricane Katrina, we were very proud that one of our National Guard engineering battalions was called to Louisiana. And they did a magnificent job. As a matter of fact, they did such a magnificent job that the adjutant general of Louisiana and the Governor of Louisiana sought another of the three engineering battalions from Missouri to come down. The bad news was that one out of the three battalions that we had took the only equipment we had. We did not have equipment for a second battalion that could have been very, very well used by our Guard in assisting the recovery mission in Louisiana or Mississippi or Texas or other areas.

That is why it is so important to make sure we are fully equipped.

More than 200,000 Guard troops have left their homes, their jobs, and their families to participate in the war on terror in Afghanistan and Iraq and other missions since 9/11. The National Guard has provided as much as half of the combat force and 40 percent of the total force in Iraq. They are performing their duties with honor and valor, often at great cost to their families and their own lives.

The Guard also helps local responders deal with overwhelming natural disasters here at home such as hurricanes, tornados, and floods.

The modified amendment will provide an additional $2.4 billion for National Guard and Army Reserve needs on top of the funds already provided in the bill under title III and title IX.

Lieutenant General Blum in a recent interview had this to say about National Guard readiness:

> I am further behind or in an even more dire situation than the active Army, but we both have the same symptoms, I just have a higher fever.

It has been widely reported that the current funding shortfall for National Guard needs is approximately $23,000,000,000.

About a third of this amount is required to replace equipment consumed by the wars in Afghanistan, Iraq, and peacekeeping assignments. The remainder is money that is needed to close the gap from years of intentional underfunding according to Lieutenant General Blum, the Chief of the National Guard Bureau who also has been quoted as saying:

> I am not talking about the icing on the cake. That's the cake.

It has been reported that more than two-thirds of the Army National Guard's 34 brigades are not combat-ready due largely to vast equipment shortfalls.

The Army National Guard currently has only 34 percent of its required equipment. It was recently even worse than that. The percentage actually dropped for a time to as low as 26 percent as large numbers of units demobilized and the Guard realized the full impact of equipment destroyed, damaged or required to remain behind in theater.

Since that new low, there has been some recovery so that, at present, the percent of required equipment actually onhand is 34 percent. That is nowhere near enough.

My colleagues will recall that Senator LEAHY and I provided over $900 million in last year's Defense appropriations bill for the shortages in equipment. Had we not acted then, the state of National Guard equipment might be even worse.

Currently there are 27,000 Guard forces deployed overseas and another 29,000 Guard forces either coming back from overseas or preparing to go overseas. Additionally there are 6,000 Guard troops deployed along the Nation's borders. Do the math and you will find that there are 62,000 Guard forces mobilized.

The National Guard Bureau reports that 16 percent of its force is mobilized in support of the global war on terror and 84 percent of the force is actively involved in force planning or preparing and training to deploy overseas or along the border.

Time and time again the National Guard has been a tremendous value for the capabilities it provides our Nation, providing 40 percent of the total force for around 7 to 8 of the budget.

Let me remind my colleagues that our National Guard force must also remain cognizant of its homeland defense and security role. Our Nation was reminded last year during the response to Hurricane Katrina of the Guard's other paramount mission.

The National Guard's contributions to Hurricane Katrina were stellar. The magnitude, quality, and timeliness of the Guard's response remains one of the less publicized successes of the Katrina disaster. The Guard's successful response was attributable to the fact that the Guard is best organized and trained to initiate and coordinate a civil response of the scale of Katrina.

This morning I was advised that it might be necessary to come to the floor to defend this amendment. As I noted, it came as a surprise that it might be necessary, but now that I am here I am eager to defend it. Senator LEAHY and I are not alone. I have a letter from the Enlisted Association of the National Guard of the United States addressed to the bill managers which states in part:

> The $2.44 billion will not solve the equipment shortages in the Guard. It will not instantly restore Guard equipment readiness to top levels. It will, however, allow the Guard to focus its restorative efforts on those who are preparing for mobilization, and it will help to restore readiness for our homeland defense posture.

Our amendment provides a prudent allocation of dollars to the proven and effective forces of the National Guard and Army Reserve.

Through it we ensure that the Guard and Reserve's military readiness and homeland security resources remain at minimally acceptable levels. The funds we are providing in this measure are absolutely necessary to the health of the force. This is why I urge my colleagues to send a strong message to the citizen-soldiers and Airmen of the National Guard and Army Reserve by voting overwhelmingly in favor of this amendment.

Mr. President, I will turn it over to my colleague, but I believe it is necessary for us formally to call up amendment No. 4827.

Mr. LEAHY. Mr. President, the Senator is absolutely right. The Senator from Missouri is right.

The PRESIDING OFFICER (Mr. GRAHAM). The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself and Mr. LEAHY, Mr. MENENDEZ, Mrs. LINCOLN, Mr. DODD, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. DORGAN, Ms. MIKULSKI, Mr. HARKIN, Mr. ROCKEFELLER, Mr. BAUCUS, and Mr. JEFFORDS, proposes an amendment numbered 4827.

The amendment is as follows:

(Purpose: To clarify the availability of funds for the National Guard for National Guard and Reserve equipment)

At the end of title IX, add the following:

SEC. 9012. Of the amount appropriated or otherwise made available by this Act by reason of the adoption of Senate Amendment 4751 (referred to as the "Stevens amendment"), $2,440,000,000 is available for the National Guard for National Guard and Reserve equipment. Such amount is in addition to any other amounts available in this title, or under title III under the heading "OTHER PROCUREMENT, ARMY", for National Guard and Reserve equipment.

AMENDMENT NO. 4827, AS MODIFIED

Mr. BOND. Mr. President, I ask unanimous consent that the amendment be modified to include "and the Army Reserve." We have been asked to expand this so that the $2,440,000,000 is available for the National Guard and the Army Reserve, for National Guard and Reserve equipment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The amendment is so modified.

The amendment (No. 4827), as modified, is as follows:

At the end of title IX, add the following:

SEC. 9012. Of the amount appropriated or otherwise made available by this Act by reason of the adoption of Senate Amendment 4751 (referred to as the "Stevens amendment"), $2,440,000,000 is available for the National Guard and the Army Reserve for National Guard and Reserve equipment. Such amount is in addition to any other amounts available in this title, or under title III under the heading "OTHER PROCUREMENT, ARMY", for National Guard and Reserve equipment.

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I have letters, one from the Enlisted Association of the National Guard and one from the National Guard Association of the United States. I ask unanimous consent that those letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENLISTED ASSOCIATION OF THE NATIONAL GUARD OF THE UNITED STATES,
Alexandria, VA, August 3, 2006.
Senator TED STEVENS,
Chairman, Senate Defense Appropriations Committee, Senate Dirksen Office Building, Washington, DC.

The Enlisted Association of the National Guard of the United States (EANGUS) is the only military service association that represents the interests of every enlisted soldier and airmen in the Army and Air National Guard. With a constituency base of over 414,000, and a large retiree membership, EANGUS engages Capitol Hill on behalf of courageous Guard persons across this nation.

On behalf of EANGUS, I'd like to communicate our support, and urge your support, for an amendment being offered by Senator Bond (SA 4827 to H.R. 5631) to increase funding for the National Guard and Reserve Equipment Account. EANGUS appreciates your immediate action to the reported equipment shortages in the Army Guard, and this funding is vital to restoring the readiness of the Guard.

The $2.44 billion will not solve the equipment shortages in the Guard. It will not instantly restore Guard equipment readiness to top levels. It will, however, allow the Guard to focus its restorative efforts on those who are preparing for mobilization, and it will help to restore readiness for our homeland defense posture.

Thank you for your continued support of our military. If our association can be of further help, feel free to contact our Legislative Director, SGM (Ret) Frank Yoakum.

Working for America's Best!

MICHAEL P. CLINE,
Executive Director.

ENLISTED ASSOCIATION OF THE NATIONAL GUARD OF THE UNITED STATES,
Alexandria, VA, August 3, 2006.
Senator DANIEL INOUYE,
Ranking Member, Senate Defense Appropriations Committee, Senate Dirksen Office Building, Washington, DC:

The Enlisted Association of the National Guard of the United States (EANGUS) is the only military service association that represents the interests of every enlisted soldier and airmen in the Army and Air National Guard. With a constituency base of over 414,000, and a large retiree membership, EANGUS engages Capitol Hill on behalf of courageous Guard persons across this nation.

On behalf of EANGUS, I'd like to communicate our support, and urge your support, for an amendment being offered by Senator Bond (SA 4827 to H.R. 5631) to increase funding for the National Guard and Reserve Equipment Account. EANGUS appreciates your immediate action to the reported equipment shortages in the Army Guard, and this funding is vital to restoring the readiness of the Guard.

The $2.44 billion will not solve the equipment shortages in the Guard. It will not instantly restore Guard equipment readiness to top levels. It will, however, allow the Guard to focus its restorative efforts on those who are preparing for mobilization, and it will help to restore readiness for our homeland defense posture.

Thank you for your continued support of our military. If our association can be of further help, feel free to contact our Legislative Director, SGM (Ret) Frank Yoakum.

Working for America's Best!

MICHAEL P. CLINE,
Executive Director.

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES, INC.,
Washington, DC, August 3, 2006.
Senator TED STEVENS,
Chairman, Senate Defense Appropriations Committee, The Capitol, Washington, DC.

DEAR CHAIRMAN STEVENS: I am writing to urge your support of the Bond-Leahy amendment language (S. 4827) clarifying the Senate's intent in its passage of your amendment (S. 4751).

NGAUS appreciates your action in providing immediate response to the services need for additional funding. We believe Bond-Leahy can greatly assist National Guard requirements by earmarking $2.44 billion in addition to the other amounts in the bill.

We continue to have concerns that the National Guard leadership consistently has problems with DoD in securing funds which the Congress has previously identified for Guard accounts.

Your support in this regard is respectfully requested.

Sincerely,

STEPHEN M. KOPER,
President.

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES, INC.,
Washington, DC, August 3, 2006.
Senator DANIEL K. INOUYE,
Ranking Minority Member, Senate Defense Appropriations Committee, The Capitol, Washington, DC.

DEAR SENATOR INOUYE: I am writing to urge your support of the Bond-Leahy amendment language (S. 4827) clarifying the Senate's intent in its passage of Chairman Steven's amendment (S. 4751).

NGAUS appreciates your action in providing immediate response to the services need for additional funding. We believe Bond-Leahy can greatly assist National Guard requirements by earmarking $2.44 billion in addition to the other amounts in the bill.

We continue to have concerns that the National Guard leadership consistently has problems with DoD in securing funds which the Congress has previously identified for Guard accounts.

Your support in this regard is respectfully requested.

Sincerely,

STEPHEN M. KOPER,
President.

Mr. BOND. Mr. President, as I previously stated, LTG Blum, the head of the National Guard, said in a recent interview about National Guard readiness:

> I am further behind or in an even more dire situation than the active Army, but we both have the same symptoms. I just have a higher fever.

And while this $2.4 billion will be a significant step forward, the Guard's best estimate for the shortfall is approximately $23 billion—a third of it to replace equipment consumed by the wars in Afghanistan, Iraq, and peacekeeping assignments. The remainder is money that is needed to close the gap from years of underfunding by the Pentagon. Again, LTG Blum, chief of the National Guard Bureau, has said:

> I am not talking about the icing on the cake. That's the cake.

And they have been cut very badly.

I have already mentioned that the Army National Guard has only 34 percent of its required equipment. At one time it dropped as low as 26 percent. And with some 27,000 Guard forces deployed overseas, and another 29,000 either coming back or preparing to go, there is a tremendous need for that equipment.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SHELBY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SHELBY. Mr. President, I ask unanimous consent that we temporarily set aside the Leahy-Bond amendment for 10 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise today to speak on an amendment I have filed regarding the Air Force's KC–135 Tanker Replacement Program.

Like my colleagues in the Senate, one of my top priorities is to keep our Nation safe. I am working to ensure that our servicemembers have the best equipment possible.

Our Air Force has a fleet of aging refueling tankers that are currently experiencing problems. I simply do not believe we can wait 35 years to replace them.

While I understand the fiscal constraints the Defense Subcommittee was under, I believe that the KC–X, the airframe that will replace our nearly 40-year-old fleet of KC–135 tankers, is vital to our national security and to the success of our servicemembers fighting abroad.

This acquisition effort is likely one of the most important ones we will execute for many years to come. Whether the objective is to respond to military aggression or to provide humanitarian relief, the combination of distance and time can pose a significant challenge. When we need to respond quickly and in force, tankers allow us to project globally.

With our current military commitments abroad, our national security has become dependent upon the tanker force. It is the way we deter, deploy, and fight. We cannot achieve our decisive range capabilities without the air refuelers.

The Air Force's current schedule is to award a contract for the new KC X aircraft in 2007. However, that award could be indefinitely postponed if funding is not restored in the 2007 Defense appropriations bill.

While I have filed an amendment, I do not plan to call it up because, as a member of the Appropriations Defense Subcommittee. I understand the problem between the authorizers and the appropriators who may be receiving different information regarding the necessity for funding in fiscal year 2007. I have a letter from the Air Force Deputy for Budget, dated August 2, 2006, stating that the Air Force needs a minimum of $70 million in research and development, test and evaluation funds for the year 2007, in addition to the funds remaining in the tanker transfer fund. I ask unanimous consent it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, DC, August 2, 2006.

Hon. RICHARD SHELBY,
Committee on Appropriations, U.S. Senate,
Washington, DC.

DEAR SENATOR SHELBY: On behalf of the Secretary of the Air Force, thank you for your inquiry on the Air Force's tanker replacement program (KC–X). The KC–X budget request for RDT&E in fiscal year 2007 was $203.9M. However, the submitted budget did not account for the full extent of the program pause, which started in September 2005 to allow for additional analysis and review. In April 2006, the SECAF took the program off pause and traditional program activities resumed.

To properly re-phase the program to account for the delay, with contract award scheduled for August 2007, the Air Force needs a minimum of $70M in RDT&E funds for fiscal year 2007. This is in addition to the funds remaining in the Tanker Transfer fund. These funds are needed to allow the program office to obligate commercial long lead items for four test aircraft and engines, as well as mitigate the risk associated with the competition, since there is a wide variance between the levels of effort required and the cost of potential airframes among the various competitors.

To answer your specific funding questions, we provide the following table:

[Dollars in millions]

	RDT&E funding	Issued	Proposed for reprogramming	Remaining
Tanker Transfer Fund	$100	$10.2		$89.8
FY06	97.9	19.7	78.2	0
FY07	203.9	0	0	0
Total	401.8	29.9	78.2	89.8

* Requested in FY07PB, subject to enactment.

We agree that recapitalizing our aging tanker fleet is vital to our national security and appreciate your support in moving this program forward.

Sincerely,
PATRICIA J. ZARODKIEWICZ,
Deputy for Budget.

Mr. SHELBY. I also want to make certain that both the Armed Services Committee and the Defense Subcommittee on Appropriations are receiving identical funding information from the Air Force. To that end, I am committed to working with my colleagues to ensure that we are all receiving the same information and have the same understanding of the needs of the program to move forward at this time.

The Tanker Replacement Program is vital to ensuring that our Armed Forces have the most reliable and effective equipment in the world. In a year when the Senate's Defense appropriations bill has been cut $9 billion, I appreciate the difficult funding choices that must be made. As a member of the committee, we have to make those choices. However, as our military aircraft become fewer in number and have to serve longer than those they replace, we cannot afford to take a misstep at the outset of this acquisition program. We must adequately fund the Tanker Replacement Program to ensure our servicemembers have the necessary equipment to successfully defend our Nation.

I appreciate Chairman STEVENS' continuing assistance with this program, as well as Senator MCCAIN's longstanding interest, and look forward to working with both of them in the coming months to ensure that we can move forward and replace our aging tanker fleet. A lot of those planes are over 40 years old.

Mr. CONRAD. Mr. President, I rise to associate myself with the concerns expressed by Senator SHELBY regarding the cuts contained in this bill to the tanker replacement program.

The tanker fleet is one of our military's key competitive advantages. It gives our Nation the ability to project power to any point on the globe like no other country can. In an age where our military must be able to react rapidly to events, our airmen and soldiers cannot reach all corners of the world without being refueled by tankers.

At a time when we are spending billions of dollars on new, short-range fighter aircraft, it would be foolish to not ensure that those aircraft could get adequate supplies of tanker gas to do their jobs.

The current tanker fleet is old, with most aircraft dating back to the mid-1960s. The fleet is now aging even more rapidly because increasingly frequent deployments—mainly in support of operations in Iraq and Afghanistan—have put significant wear and tear on their airframes. As magnificently as they have performed, these work horses of our military are coming close to the end of their service life and cannot safely fly forever.

It is imperative that we move now to ensure that we can acquire sufficient numbers of new tankers before these old airframes have to be retired. Reliable sources have informed me that without a minimum of $70 million in fiscal year 2007 funding, the Air Force's effort to acquire the next generation of tankers will likely face significant delays.

I believe it is very important that the conference committee provide sufficient funding for next generation tankers to ensure that the program can proceed on schedule.

Mr. SHELBY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I rise to enter into a colloquy with the distinguished chairman of the appropriations subcommittee, the manager of the bill.

Senator STEVENS and I have discussed a particular rescission included in the Defense appropriations bill on a classified matter. It is my understanding—and I ask the Senator—that it is his intention to receive additional information from the Director of National Intelligence and other appropriate intelligence community officials on this program. I believe it is imperative that the committee have this information as soon as possible so that the conferees can appropriately consider the matter. Could the Senator confirm that this is his intention?

Mr. STEVENS. Mr. President, I have conferred with our cochairman, Senator INOUYE. This is our intention. We do appreciate the Senator's desire to work cooperatively on this issue, and we intend to follow through and see to it we get the information he seeks and have further dialog on it when we do.

Mr. BOND. Mr. President, I thank the chairman and Senator INOUYE for their leadership on this bill. This information will be of great interest to them. I appreciate their careful consideration of it. We look forward to having these discussions and hearings.

I yield the floor.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONFERENCE REPORT ON PENSIONS

Mr. KENNEDY. Mr. President, we are in the final moments of working through a rather important amendment. I thought I would use a few of those moments, until the floor manager returns, to address an issue that we are going to be dealing with within the next 2 days. I am not sure how much time we will have. That is the conference report on pensions which I urge the Senate to accept.

I want to quickly review exactly what our pension conference came back with. It requires the companies to fund pension promises, help workers save through automatic enrollment, making the Saver's Credit permanent. This automatic enrollment will ensure that workers will be enrolled in 401(k)s. And this legislation ensures they will be able to get good advice. The advice will be objective.

The Saver's Credit is going to be made permanent. That is probably the most that can be done for low-income individuals. The bill helps protect our airline workers' pensions. It give workers timely and accurate information on pension plan finances. It protects workers and businesses in multi-employer pensions. It protects older workers' early retirement benefits from erosion. That is important. It gives workers access to unbiased investment advice. It adopts post-Enron worker pension protections. It penalizes corporate executives who line their pockets when workers' pensions suffer. It provides greater retirement security for widows and former spouses.

Pensions are important because when we look at retirement security, it is a three-legged stool. We have Social Security, the bedrock of retirement; private pensions, and then private savings. Private savings are at an all-time low. We will, obviously, maintain the integrity of Social Security, but the other aspect is private pensions. Only 50 percent of workers today have pension coverage at work, and only 21 percent have a defined benefit plan.

Pensions are enormously important. We have had approximately $8 billion in pension savings that have been lost in the last 5 years. So if we did not take these steps, the prospects in terms of workers' pensions would have been very threatening.

We will make this recommendation at an appropriate time, when the leaders are here. The chairman of our conference is our friend and colleague, Senator ENZI, who has done an extraordinary job during the course of the whole pension conference. As always, he is a man of good judgment and patience. The conference lasted longer than any of us believed was necessary. Nonetheless, we have a product that we are prepared to defend.

We had great unanimity in the Senate when we passed the earlier bill 97 to 2. Even those two individuals expressed reservations, and we were able to address their primary concerns.

This is not the legislation that I think Senator ENZI or I would have drafted, quite frankly. But it is a solid recommendation. It will make an important difference to millions of workers, particularly those in the multi-employer plans and also single-employer plans. It will make an incredibly important difference to some of the airlines. Quite frankly, I was disappointed that we didn't treat American and Continental Airlines more fairly in the final recommendations. Without moving ahead at this time on the pension legislation, we have the prospects of one of the major airlines dropping their pension program, with more than 150,000 workers losing their pensions.

So this is going to be enormously important. We are not going to spend a great deal of time on this, as we are dealing with Defense appropriations, which is incredibly important; and we are going to be dealing with the estate tax proposal, which has been set by the majority leader. But we will, in the next 2 days, deal with this legislation.

It is extremely important. If there are Members who want additional information, I am sure Senator ENZI and I will be more than willing to provide it.

Americans who have worked hard and played by the rules for a lifetime deserve a secure retirement. They deserve to be able to enjoy their golden years, to spend time with their families and to rest after a lifetime of hard work. We need to be sure that they have the income they need to meet their costs for gasoline, prescription drugs, and other needs of daily living.

But what they see each day is corporations such as Enron that callously disregard their workers retirement needs. They see airlines that are going bankrupt, leaving their workers with a fraction of the pensions they thought they had earned. They see other companies facing economic hardship that reward their executives while cutting the pensions of their workers.

The Pension Protection Act, which we are considering this week, will help over 100 million Americans. This legislation makes sweeping changes to strengthen guaranteed pensions and to increase workers' ability to build a secure retirement.

This legislation is the result of years of work on these complex issues by both the House and the Senate. Last year, we worked closely on the HELP Committee with our chairman, Senator ENZI, and subcommittee chair, Senator DEWINE, and its ranking member, Senator MIKULSKI, to develop a bipartisan way to deal with these issues, and we worked closely as well with Chairman GRASSLEY and Senator BAUCUS of the Finance Committee. Last fall, the Senate approved our comprehensive legislation by a vote of 97 to 2.

For months, the conference committee has struggled to reach agreement with the House, and last month we were finally able to reach a compromise on the key pension elements of the bill, which are reflected in the measures we are considering today.

Before I turn to the merits of the Pension Protection Act, I must say that while I support this legislation and the compromise it represents, I cannot support the process used in this conference, particularly the systematic exclusion of Democrats from the negotiations. Republicans allowed only two of the 11 Democratic conferees to participate in the talks, denying the American people the views and contributions that these able legislators could bring to the table. The American people elect us to serve them, and refusing to allow elected officials to do their job is a fundamental attack on our democratic system of government.

As we all know, millions of Americans are increasingly concerned about their retirement security, and it is long past time for Congress to act. Many workers cannot save enough toward retirement. The personal savings rate has now fallen below zero because wages are stagnant, but costs are soaring for basic necessities such as gas, housing, health care and education.

Social Security is under attack, and private pensions are in trouble too. In the past 5 years, over 700 pension plans have failed, with workers losing approximately $8 billion in pensions they had worked so hard to earn.

Many workers today rely solely on their 401(k) accounts as their pensions. But these accounts don't offer real retirement security. Many of those workers do not have any money in their 401(k)s.

Those who do are not saving enough. Half of workers close to retirement have less than $61,000 in their accounts. And those who rely on these accounts face the constant risk that their investments will perform poorly.

This is why this legislation is needed. Companies need to keep their pension promises to workers. Workers deserve to know the true financial state of the health of their pensions. And companies need to offer benefits that give more workers the ability to earn a secure retirement.

A core problem that we have tackled in this bill is the need to strengthen the defined benefit pension system, which today provides secure pensions for nearly 45 million workers and retirees. These pensions grant a known monthly retirement benefit for life, and are insured by the Federal Government.

Workers rely on these plans for a secure retirement. They have earned their pensions over a lifetime of hard work, foregoing raises and other benefits to keep them. But as many workers at Bethlehem Steel and United Airlines suddenly discovered, their companies stopped contributing money to these pensions, and the employees paid the price when the pensions collapsed. This includes workers like James Roberts, of Harrisburg, PA, worked for 33 years in a steel plant. When Roberts' pension had to be bailed out by pension guaranty agency at the Federal Department of Labor, his pension was cut by one-third, to only $14,916 a year. Our headlines have been full of stories like these in recent years.

The legislation solves this serious problem by requiring companies to put more funds into their pensions and to do so in a fair and predictable way.

It also recognizes the power of public disclosure and the urgent need for more effective oversight of pension plans. Under current law, workers receive little financial information about their pensions, and what they do receive is often years out of date. They have earned these pensions, and they deserve to know whether the funds are there to pay them.

The Pension Protection Act ensures that workers and retirees receive up-to-date information each year about the status of their pensions. By opening up the books of pension funds, they will be able to monitor the true health of their retirement.

The bill also provides incentives to keep pensions financially healthy by tying executive compensation to pension health. Executives should not be able to feather their own retirement nests, while workers lose their nest eggs. The bill penalizes executives who put company funds into their own retirement trusts, when the pensions of rank and file workers are underfunded.

We also need to recognize the growing role of defined contribution pension plans in our retirement system. Over 40 percent of workers participate in such plans today, and for many of them it is their only pension plan.

Our legislation encourages them to save more under these plans by automatically enrolling them in these pensions and automatically increasing the amount they can save. Automatic enrollment can drastically increase the number of workers who start saving for retirement—it would immediately help up to 5.9 million American workers whose companies already offer pensions but they are not participating.

Workers in the lowest income brackets benefit the most. One study projects that automatic enrollment could more than double the percent of lower income workers who are building a retirement when their employer offers a pension from only 42 percent to over 90 percent.

The Saver's Credit provides critical incentives to help hard-working Americans contribute to their retirement plans and helps over 5 million workers each year. This legislation makes that credit permanent and indexes it so this incentive will continue to be meaningful for workers into the future.

Also, as employees assume greater responsibility for pension investment choices, they need the best information possible about their choices. The Pension Protection Act encourages companies to provide nonbiased investment advice to their employees so they can maximize their retirement savings.

Our bill also helps to improve the portability of pension savings. By making it easier for workers to move retirement savings from one type of pension to another when they change jobs, we encourage workers to keep these savings for retirement instead of spending them.

In addition, the bill addresses the needs of nearly 10 million workers and retirees who receive pensions through multiemployer plans. These are the workers who clean our office buildings and hotel rooms, sell us our groceries, build our homes and schools and highways, and deliver goods across the country. Many of them are in industries where they move from job to job and would not be able to earn any pension at all without a multiemployer plan, since their employers, particularly small businesses, could not afford to offer a pension on their own.

The majority of these pensions are in strong financial shape. But the recent economic downturn and the weak stock market have put some of them in financial difficulties similar to those facing single-employer pensions. We owe it to these employees to protect their pensions now, instead of acting only when they are about to fail.

Under this legislation, employers and employees must work together and agree on a plan to restore these pensions to financial health. Employers would be protected from unforeseen payment increases and new excise taxes, which could cost many workers their jobs.

The bill also addresses the special needs of workers who help to keep America safe. We improve retirement security for public safety workers by expanding options to pay for retiree health care and long-term care. We also allow reserve and national guard members to draw on their retirement savings without penalty when called to active duty, and we give them an opportunity to replace these savings when they return to civilian life.

The pension crisis in the airline industry also deserves our immediate attention. Our airlines have faced unprecedented challenges since 9/11. Natural disasters have reduced travel. The industry is suffering from record-high fuel prices. These costs are driving companies into bankruptcy, putting the retirement of hundreds of thousands of workers and retirees at risk.

Workers at United Airlines and U.S. Airways saw their pensions slashed when their companies filed for bankruptcy and then turned over their pension plans to the Pension Benefit Guaranty Corporation. We need to help hundreds of thousands of other workers avoid the same fate.

The bill provides a way for these airlines to keep their pensions, by offering companies a specialized payment program and a transition period to adjust to the new rules. Hardworking people like Sean Reardon, a mechanic with Delta Airlines in Boston, deserve to keep their pensions, as do thousands of other workers in Massachusetts.

Our legislation also addresses new types of pensions, like "hybrid" pensions, which play a growing role in our retirement system. These pensions provide a guaranteed pension, and the benefits are attractive to younger workers and to others, such as parents caring for children, who move in and out of the workforce.

Older workers, however, can lose out when their companies switch to these plans because they lose a large portion of the benefits they were promised. Some companies have been taking advantage of the conversion process to eliminate early retirement benefits that workers have already earned.

This legislation gives companies clear guidance about the future legal status of these plans, but allows workers who have been harmed in the past to continue to pursue their rights. And it contains clear protections against such "wearaway" or erosion of older workers' benefits. The bill also makes these pensions more portable, so that they better serve a mobile workforce.

As we learned from the Enron, WorldCom and other corporate scandals, employees forced to invest in company stock are at huge risk. Despite all the publicity, many workers continue to overinvest in company stock, jeopardizing their retirement security because their job and their retirement depend on the fate of their company.

The bill protects them by preventing employers from overloading 401(k) plans with company stock. It also warns employees when they place too much of their retirement funds in one investment.

The legislation also includes important provisions from the Women's Pension Protection Act that Senator SNOWE and I introduced. Retirement security is essential for all Americans, but we often fail to meet the needs of women on this basic issue. Women live longer than men, but they continue to earn far less in wages over their lifetimes. They are also much less likely to earn a pension. These differences translate into seriously inadequate retirement income for vast numbers of women.

According to the most recent data, only 22 percent of women age 65 and over are receiving private pension income, and for those who do, half of them are receiving less than $4,500 a year compared to $9,600 for men. Minority women are in even more desperate straits—only 21 percent of African-American women and 9 percent of Hispanic women receive a pension. These disparities are a major reason why nearly one in five elderly single women lives in poverty.

Our legislation gives them greater retirement security. Widows will receive more generous survivor benefits and divorced women will have greater ability to receive a share of their former husband's pension after a divorce. These are long overdue improvements in the private pension system, so that retirement savings programs will be more responsive to the realities of women's lives and careers.

Employees and their families rightly expect Congress to protect their hard-earned pensions. This legislation is a major start toward meeting this basic challenge in our 21st century society. I urge my colleagues to support the Pension Protection Act.

I suggest absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ISAKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ISAKSON. Mr. President, I rise for a moment to address the situation with regard to the pension protection bill. I want to follow up on the remarks by the Senator from Massachusetts, Mr. Kennedy. I thank Senator Kennedy for his hard work as the ranking member of the HELP Committee. I thank Mike Enzi, the chairman, and I appreciate the patience of Chuck Grassley and his effort in the Finance Committee.

The Senator's recitation of the long and arduous conference committee was absolutely on track. We are within hours of getting a bill to the floor that will protect the pensions of thousands of Americans today and, in the future, make our pension laws 21st century laws in a 21st century economy.

Failure to agree to the bill before we leave will mean disastrous consequences. Airlines in America have needed some special protection for some time in order to do what they want to do, which is honor the pensions of their employees. It is to the great credit of Delta and Northwest Airlines that both companies want to exit bankruptcy and ensure the pension benefits of their employees. This is not only noble, but it is very important. In my State, 91,000 people's pensions and their futures are determined and dependent upon the Senate acting.

Beyond the airline situation, the pension laws of the country have needed to be modernized for some time. We all know the trouble Social Security has had. It has been the same trouble with defined pension benefits. People live longer and there are less workers, and less workers do more work and contribute less to the system. It is important to the companies to be able to amortize their liability over a period of time that is sustainable. It is important that the interest rate assumptions made are realistic, and that we adopt the principle that people do in their own savings, and that is dollar cost averaging—continuing to put money into whether the market is up or down. It should be the same in terms of protecting pension plans by ensuring that contributions are consistent and meaningful and, in fact, doable.

I have had tremendous help over the past 18 months from many people. I want to particularly thank Mike Quiello, Ed Egee, and Glee Smith on my staff for countless hundreds of hours in working toward the resolution that will soon come to this floor.

I urge my colleagues to join with us in adopting and ratifying, without amendment, the pension protection bill that will be before us. It will be meaningful for many retirees today. It will be more meaningful for every retiree in the future. I end by thanking Chairman Grassley and Chairman Enzi for their tireless work, and ranking members Kennedy and Baucus for their cooperation, and the staffs who put in so much time to make this bill a reality for millions of Americans.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the pending amendment is the amendment I offered; is that correct?

The PRESIDING OFFICER. The Bond amendment is the pending amendment.

Mr. KENNEDY. The regular order is the underlying Kennedy amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 4802, AS MODIFIED

Mr. KENNEDY. Mr. President, I send a modification of the amendment to the desk and ask that the underlying amendment be modified as designated.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment (No. 4802), as modified, is as follows:

On page 150, line 24, insert before the period the following: ": *Provided*, That the Director of National Intelligence shall, utilizing amounts appropriated by this heading, prepare as soon as practicable but not later than *90* days after the date of enactment of this Act, a new National Intelligence Estimate on prospects for security and stability in Iraq, which shall address such matters as the Director of National Intelligence considers appropriate, including (1) an assessment of whether Iraq is succeeding in creating a stable and effective unity government, and the likelihood that government will address the concerns of the Sunni community, (2) the prospects for Iraq's ethnic, religious and tribal divisions, (3) the prospects for controlling severe sectarian violence that could lead to civil war, (4) an assessment whether Iraq is succeeding in standing up effective security forces, including an assessment of (A) the extent to which militias are providing security in Iraq and (B) the extent to which the Government of Iraq has developed and implemented a credible plan to disarm and demobilize and reintegrate militias into government security forces and is working to obtain a political commitment from political parties to bar militias, and (5) the prospects for economic reconstruction and the impact that will have on security and stability. *Provided further*, That the Director of National Intelligence shall submit to Congress the National Intelligence Estimate prepared under the preceding proviso and this document shall be submitted in classified form, except that, consistent with the protection of intelligence sources and methods, an unclassified summary of key judgments of the National Intelligence Estimate should be submitted: *Provided further*, That is the Director of National Intelligence is unable to submit the National Intelligence Estimate by the date specified in the preceding proviso, the Director shall submit to Congress, not later than that date, a report setting forth the reasons for being unable to do so and the date on which such National Intelligence Estimate will be provided".

Mr. KENNEDY. Mr. President, just to take a moment of the Senate's time, first, I am very grateful to the floor managers, Senator Stevens and Senator Inouye, and particularly Senator Roberts for the opportunity to work with him on a matter which I think is of underlying importance.

We have worked out language which would require an updated national intelligence estimate on Iraq. The last one that was prepared was 2 years ago. The assessment would address whether Iraq is succeeding in creating a stable and unity government, and whether it will address the Sunnis' concerns, the prospect for Iraq's ethnic, religious, and tribal divisions reconciliation, the progress for controlling severe sectarian violence that could lead to civil war, whether Iraq has a credible plan to disarm and demobilize and reintegrate the militias, and whether the Government is working to obtain a political commitment from the political parties to ban militias.

For the sake of our men and women in Iraq and for the sake of our Nation, we need this kind of assessment from the intelligence community so we can adjust our policy.

John Adams, the great leader from Massachusetts, said: Facts are stubborn things. We should have an update on the facts as our intelligence agencies see them and have them available to the decisionmakers and to the administration.

I very much appreciate the cooperation of Senator ROBERTS and others in working out language which I think carries through the purpose of the initial amendment and I think will be enormously valuable and helpful to us in charting the course for our Nation in the future.

Mr. STEVENS. Mr. President, this amendment has been modified after consultation with the distinguished chairman of the Senate Intelligence Committee. I believe it has the support of the Senator from Hawaii.

I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, as I indicated, we have discussed this amendment with the Senator from Kansas, the chairman of the Senate Intelligence Committee. We had a little bit of trouble reading the writing on the modified amendment. I believe we have that agreed to now.

Mr. FRIST. Mr. President, I rise to make a few observations with regard to the Kennedy amendment to require a new national intelligence estimate on the situation in Iraq. I very much appreciate the efforts of Senator ROBERTS and Senator STEVENS to work with Senator KENNEDY to improve his original amendment, and I think the language that we have agreed to is a big improvement over the original proposal.

I do want to share with my colleagues, however, a concern I have about what we are asking for here. As everyone in this Chamber knows, we have had a big debate over the last few years about whether the intelligence on Iraq was "politicized" as we approached the decision whether to authorize the use of force against Saddam Hussein in 2003. A large part of that debate has turned on whether the National Intelligence Estimate that was submitted to Congress by the intelligence community on October 1, 2002, was balanced and complete.

It is important to recall that the October 1, 2002, National Intelligence Estimate was demanded by Members of Congress in September of 2002. The record demonstrates that the Director of Central Intelligence asked for more time to complete the estimate, and the Members of Congress who wanted to see that estimate said no. Certainly the pressure from Congress to produce that document very quickly contributed to whatever problems have subsequently been identified in that estimate.

A lesson that can be drawn from this experience is that it is not just executive branch officials who are in a position to politicize or degrade the quality of intelligence. Members of Congress can do so as well if they are sloppy in the way they press for information, ask biased questions, or don't allow enough time for the intelligence professionals to do their work carefully.

In light of this experience, I would hope that if the Kennedy amendment is enacted into law, the Director of National Intelligence will not feel pressured to reach some of the judgments that some supporters of the amendment clearly want him to reach. Instead, our intelligence professionals should take their time, work hard, and articulate conclusions that represent their best judgment about the situation in Iraq. There simply is too much at stake to permit the work of our intelligence professionals to be politicized at this late date.

The PRESIDING OFFICER. The amendment is pending. Is there further debate?

Mr. STEVENS. I ask for adoption of this amendment.

The PRESIDING OFFICER. If not, without objection, the amendment is agreed to.

The amendment (No. 4802), as modified, was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. The Senator from Iowa wishes to be recognized.

The PRESIDING OFFICER. The Senator from Iowa.

ESTATE TAX AND THE MINIMUM WAGE

Mr. HARKIN. Mr. President, I thank the chairman. I did not want to interrupt any amendments. I just thought as long as there was time when no one was offering amendments, I would take the opportunity to speak briefly about the issue that will be confronting us today and tomorrow outside the action on the Defense appropriations bill, and that is the so-called deal the House of Representatives sent over to us regarding estate taxes and the minimum wage.

For 9 long years, the majority party here has blocked any increase in the minimum wage. During that time, the real value of the minimum wage has declined by 21 percent. The minimum wage now is a poverty wage. One can work for a minimum wage, but one is still in poverty. A breadwinner working full time for minimum wage earns $6,000 less than the Federal poverty level for a family of three. Yet the Republicans again and again have adamantly refused to allow an increase.

Just think what it would feel like to anyone here if our salaries we make as Senators and Congressmen had decreased in value by 21 percent over the last 9 years. Think how that would feel to you and your families. How about people at the bottom of the economic ladder? That is exactly what has happened to them.

However, now 3 months before the election, I think the majority party is looking at the polls. A Pew poll this week showed that 83 percent of the American people favor increasing the minimum wage. My friends on the other side of the aisle don't want to appear coldhearted and callous, so they have offered us a deal, and what a deal it is. They have crafted a perverse minimum wage bill that actually cuts wages for nearly a million workers, then increases the minimum wage for others over 3 years, and then they say: We will give you this only if you agree to another giant tax break for some of the wealthiest people in America.

Let me be specific. What my friends on the other side of the aisle are saying is that the lowest income working Americans do not deserve on average a $1,200-a-year increase in the minimum wage; they don't deserve it. But the estates of billionaires should get a tax break worth tens of millions—in some cases billions—of dollars.

Let me repeat that. People at the lowest end of the spectrum don't deserve a $1,200-a-year increase. They will only get it, you see, if we tie it to another huge tax giveaway for the richest Americans.

This so-called deal we have been given takes cynicism to a new level. It takes greed to a new level. And by draining the Treasury of more than three-quarters of a trillion dollars over 10 years to give another huge tax break to the wealthy, it takes fiscal recklessness to a new level. Let's be clear. This is a deal the Senate should reject. It is shameful that the majority party would attempt to hold the minimum wage hostage to yet another tax bonanza for the wealthy—I might add, the sixth in 6 years—the sixth tax break for the wealthiest in 6 years. The Walton family alone—we all know the Walton family; not the ones on TV, the ones that started the Wal-Mart stores—the Walton family alone stands to get a tax break worth billions, upwards of $16 billion over the coming generation if we pass this estate tax near-repeal.

So the near repeal of the estate tax is a tax cut we can't afford, for people who don't need it, paid for by the children and grandchildren of the working middle class in America. And the huge loss of revenue, creating even more massive deficits in the coming decade, will force deep cuts in health care, education, veterans' benefits, agriculture, and other programs on which working Americans depend.

But the cynicism doesn't stop there. Republicans have taken the Democrats' minimum wage bill and they have twisted it in ways that will actually result in a pay cut—a pay cut—for nearly 1 in 6 Americans earning the minimum wage. Because of the delayed, 3-year phase-in, the bill would benefit nearly 2 million fewer workers. And here is the kicker: The bill before us will nullify laws in seven States that provide minimum wage protections for workers who earn tips. Those workers in those seven States actually, under this bill, will receive a pay cut of up to $5.50 an hour in seven States. I find it interesting that my friends on the other side who have always championed the causes of States rights and that the Federal Government should not be taking power away from the States, with this bill they are telling seven States: We don't care what you want to do, we are telling you we know better. We are going to take away your right to give your working people who earn tips a better deal. We are going to take that away.

So much for States rights.

This is not a deal; it is a deception. It does a grave injustice to the 6.6 million Americans earning the minimum wage, hard-working people on the margins of our economy desperate for an increase. With this bill, my friends on the Republican side are saying to them: You are hostages. You get nothing. You get nothing unless 3 out of every 1,000 of the wealthiest estates in America get an average tax break of $1.4 million. That is right. This estate tax bill helps only 3 out of every 1,000 estates in America—3 out of 1,000 of the richest estates in America. So that is their deal: You are hostages. You don't get a thing unless we help these 3 out of 1,000 of the richest. This violates our most basic sense of decency, fairness, and justice. And, just as importantly, the near repeal of the estate tax would pile another massive load of debt onto our children and grandchildren. It will be toxic for our Nation's economy.

We will hear our colleagues on the other side tell us it is mostly teenagers, summertime workers, part-time workers flipping burgers working for the minimum wage. Facts are nagging things because facts nag at myths, and this is one of the myths we hear all the time. What are the facts? Thirty-five percent of those earning the minimum wage are their family's sole breadwinners. Sixty-one percent of the people earning the minimum wage in America today are women. You want a women's issue? This is a women's issue. Sixty-one percent earning the minimum wage are women. As I said, 35 percent are the sole breadwinners of the family. Seventy-six percent of the women who would directly benefit from an increase are over the age of 20. So it is not just teenage women. In my State of Iowa, if the minimum wage were raised to $7.25 an hour, which is what we have been proposing, some 257,000 Iowans—that is, 18 percent of all of the workers in my home State—would receive an hourly wage increase averaging 60 cents. Now, again, of those workers in my State, 75 percent are over the age of 20, 58 percent are female, 42 percent work full time, and 20 percent are parents.

Well, 3 months before the election, we are proposed this deal. It is a devil's deal. My friends on the other side say: We will grudgingly give poor working Americans an increase, but first you have to agree to a near repeal of the estate tax for the richest of Americans, despite the fact that we are facing a deficit this year of about $300 billion, despite the fact that they have run up more than $2 trillion in new debt since President Bush took office, despite the fact that they have increased spending by 25 percent in just 5 years' time, despite the fact that we are spending almost $10 billion a month on seemingly endless wars in Iraq and Afghanistan. The level of irresponsibility here is just breathtaking.

As I said, this is a tax break we cannot afford, benefiting people who don't need it, and it is going to be paid for by the children and grandchildren of hard-working, middle-class Americans. Slashing the estate tax would not create a single new job. It will not increase productivity or competitiveness. It will do nothing to build one new school or to improve the education of our children. To the contrary, by driving up the deficits and the debt, it will create more pressure to cut already underfunded efforts to support education, health care, veterans, and other domestic priorities.

This Senate went on record this spring in the budget to add $7 billion to the Appropriations Subcommittee on Labor, Health and Human Services, and Education. It went on record with an overwhelming vote—73 to 26—to put in $7 billion—to increase it? No. Just to get us to the level we were 2 years ago in 2005—just to get us to the level we were in 2005. Well, through the committees and the conferences, we got that bill down to $5 billion. So we have a $5 billion increase. So we can't even get back to the level we were in health care, medical research at NIH, education, all of the programs that help kids, Title I, Individuals With Disabilities Education Act—none of those will be able to get back to the 2005 level.

I am told the Labor, Health and Human Services, and Education appropriations bill again is being held hostage, that we won't bring it up until after the elections. We won't bring it up until after the elections. Why? Because we will probably vote on putting that $2 billion in there, and it will win—it will win—it will win. I don't think my friends on the other side want to go into the election having suffered that kind of defeat here on the Senate floor.

So I take this time, since no one else was offering amendments, to talk about this so-called deal which is being called a trifecta, for some reason or another, to just say we have to reject this devil's deal, as I called it, this deception. What we need to do is to say no to the House of Representatives and what they have tried to do to us, defeat that, take the tax extenders on which we all agreed—on which both sides agreed—put it on the pension bill, and send it back to the House, and then we will address the issue of the minimum wage and perhaps estate taxes sometime later.

We should reject this perverse deal being offered. I reject giving away another three-quarters of $1 trillion in tax breaks for the wealthiest of Americans. If we are going to pass new tax breaks, let's focus on working Americans who need them for increased college tuition, increased gasoline prices, increased heating bills, and increased health care premiums. Those are the people who need the tax breaks, not the 3 out of 1,000 who have the biggest estates in America.

Mr. President, I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that amendment No. 4827 in its modified form—I believe it has been modified——

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS be placed before the Senate.

The PRESIDING OFFICER. It is pending.

Mr. STEVENS. Mr. President, I ask for a vote on this amendment. Are the yeas and nays ordered?

The PRESIDING OFFICER. They have been ordered.

Mr. STEVENS. I ask that that order be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4827), as modified, was agreed to.

Mr. STEVENS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Coburn amendment No. 4848.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. DEMINT. I ask unanimous consent to address the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

OBSTRUCTION

Mr. DEMINT. Mr. President, we are at a time of year when Congressmen and Senators leave Washington to spend the month of August back in their States and districts. As I travel around the State of South Carolina, I know that my constituents will want to know what we have done in Congress to secure our homeland, to lower their cost of living, particularly gas prices, and to protect the values that have made us strong and unique as a nation. In short, the people of South Carolina, like the people all across America, will want to know what we have done to secure their future and to give them hope that their children and grandchildren will live safe and prosperous lives.

The Democrat leader recently charged this has been a "do nothing Congress" and suggested it is time to go to work on the pressing problems facing our Nation. Maybe he should have extended that same admonition to his Democrat colleagues who have tried to block just about everything that would make our country safer, more prosperous and protect the values that make America great.

It has been said that everyone is entitled to their own opinion but not their own facts. And the fact is, thanks to Republican perseverance and leadership, this Congress has been one of the most productive Congresses I have been privileged to be a part of. I am looking forward to giving the people of South Carolina my report.

Let's talk about securing our homeland. I am proud that, thanks to the leadership from President Bush and the Republican Congress, we have remained steadfast and forceful in the war against radical Islamic terrorists all around the world and that there have been no further attacks on United States soil since September 11.

Republicans understand the war on Islamic Fascism has many fronts: Afghanistan, Iraq, and we see it now in Israel's struggle against Hezbollah. There will be many new fronts. If we do not defeat radical Islamic terrorists in Afghanistan, Iraq, and Lebanon, we will never defeat them anywhere.

Unfortunately, many of my Democrat colleagues, with the help of their misguided allies and media outlets such as the New York Times, have signaled to the terrorists that America is tired, discouraged, and ready to quit. This has encouraged the terrorists to expand their attacks in many parts of the world.

Not content just to heckle from the sidelines, many Democrats have fought to block the tools needed to defend freedom abroad and to defend our Nation at home. Democrats have blocked reauthorization of the PATRIOT Act while their leader boasted "we killed the PATRIOT Act." They blocked nominees to critical national security positions, including U.N. Ambassador John Bolton and the Department of Defense and intelligence officials. They have blocked expediting our national missile defense system, attempting to cut funding by $50 billion this year, just as the threats from Iran and North Korea increase. They have opposed the terrorist surveillance programs that are critical to stopping future attacks, leading to an attempted partisan censure motion against our President. They blocked measures that would require background checks on workers with access to sensitive sites such as our ports, while wringing their hands over port security. They blocked efforts to secure our border by ending the failed practice of catch-and-release of illegal immigrants. And they have advocated a variety of cut-and-run strategies, showing a complete lack of resolve and a basic misunderstanding about the nature of the global war against radical Islamic terrorists.

Zell Miller, a Democrat, recently visited South Carolina. He compared the terrorists to a nest of copperheads under his porch. He said: These snakes threaten the well-being of my family. I didn't call my neighbors for help or convene a committee to discuss possible courses of action. I took what you might call unilateral action and cut off their heads.

Zell Miller is one of the few Democrats who gets it. Terrorists have proved they are determined to harm us, and they have attacked in Madrid, London, and a number of other places across the world, with recent arrests in Canada and Miami. They have shown they are everywhere. We need to continue our resolve.

There is no in-between choice when it comes to Iraq. Either we run and allow Iraq to become a safe haven for terrorists and a staging ground for future attacks or we stay until Iraq is a stable partner in democracy.

Recently, I met a wounded soldier at Walter Reed Hospital. He had severe head injuries. He had difficulty remembering some things. His only request to me was, Don't leave until we win; make sure our sacrifices were not in vain. He could remember that.

The Republican-led Congress has not forgotten. We have secured America's homeland by funding critical ongoing needs of our troops, by increasing funds for border security, bioterror and pandemic preparedness, by renewing the PATRIOT Act despite Democrat obstruction, and we have defended the use of military intelligence and law enforcement resources that have led to the capture of many of al-Qaida's top leaders and substantially degraded the capability of the world-wide terrorist network.

Republicans will continue to secure America's homeland. We will strengthen border security with additional border agents. We will enforce immigration laws with worker verification. We will secure our ports with worker background checks. We will modernize the national emergency alert system to better respond to natural disasters and terrorist attacks, and we will support surveillance to find and stop terrorists before they strike, regardless of what the New York Times says.

I am proud to tell South Carolinians that Republicans are doing what it takes to secure our homeland from all enemies, and we are committed to complete our current mission in Iraq and Afghanistan with victory and honor. We are committed to create a new generation of freedom and security, of peace and prosperity for America and the world.

Let's talk about our prosperity in America today. I am anxious to tell the people of South Carolina what we are doing to help them make ends meet. Republican tax cuts continue to bring strong economic growth. We have created over 5.4 million new jobs.

As the economy grows and wages rise, family checkbooks still feel the pressure. If you get a $25-a-week raise but you have to spend $50 a week more than you did before for gas, food, or medical care, you are still $25 worse off than you were when you started. Optimism about the economy is fading as concerns over the cost of living have increased. There is no quick fix to this dilemma, but Republicans have a plan to secure America's economic prosperity.

Unfortunately, Democrats have raised the cost of living by blocking commonsense health care, energy, and education solutions while promising to raise taxes.

Let's talk about health care. It is one of our largest and most rapidly growing economic sectors, nearly 20 percent, by most estimates. We still have access to the best health care in the world, but the support system that makes all of this possible is on the verge of collapse—costly premiums, leaving millions uninsured, sky-high hospital and prescription drug costs, overwhelming amounts of confusing paperwork, outrageous cost of medical malpractice insurance which drives doctors out of business and discourages our best and brightest students from even considering the profession.

In this era of fierce global competition, our overcomplicated and inefficient third-party payer health insurance system is bankrupting our companies and raising the cost of living for millions of hard-working Americans.

Democrats have raised the cost of living for Americans by blocking commonsense health care solutions for small businesses and families and opposing prescription drug coverage for seniors.

Republicans have a goal that every American will have a health plan that they can own, afford, and keep. Our plan is to move toward what some call "consumer-directed health care"—or patient-directed health care—which will unleash the power of free market competition in the health care industry. It will allow health care to function like the rest of our growing economy. It will return control to patients and give them choices so they can shop for the best values. It will strengthen doctor-patient relationships, improve quality, and reduce prices. It will allow us to keep our promises to seniors and give them better choices in the future.

We want to pass small business health plans. We have tried once this year. The Democrats have blocked it. We hope to bring it back before the end of the year. We want to expand health savings accounts, which are a new way to provide tax-free funds for people to shop for health care without a third-party telling them what is covered. We want to talk about allowing people in one State to buy health insurance from any other State in the country. We call it the Choice Act, and it is something this Senate should look at.

We are at a crossroads in health care. We can continue down the same path we are on now, where Washington bureaucrats are making many of the health care decisions, and we can allow the Democrats to continue to obstruct real change or we can put patients and caregivers in charge and lower everyone's cost of living.

Let me talk about energy. It is such an important part of the cost of living and our prosperity. Our Democratic colleagues have a long history of increasing energy prices for American families. They have continually called for higher and higher taxes on gasoline, successfully adding a 4.3-cent tax on every gallon of gas back in 1993.

They blocked a comprehensive national energy policy for 4 years. We finally succeeded in overcoming that obstruction. They blocked increasing American oil supplies by opening some Alaskan reserves. They voted against it eight times over 15 years while gas prices steadily climbed. They have blocked the expansion of American refining capacity and streamlining American boutique fuel bureaucracy that needlessly drives up costs.

This week, over half of the Democrats in the Senate voted against environmentally friendly American deep sea energy exploration that will lower the price at the pump and lower the cost of home heating and cooling. Fortunately, again, we overcame their obstruction and passed the bill.

Republicans have practical solutions on the table, such as deep sea development, that will increase America's natural gas and oil supplies, reduce the cost of gas, and reduce our dependence on foreign oil.

We have a plan to invest in alternative energy to diversify our energy infrastructure and encourage conservation. We can supply affordable, abundant, and environmentally friendly energy. Most importantly, we can reduce the cost of living for American families.

Democrats can follow their leadership's tired, partisan strategy of blocking real solutions and then trying to blame Republicans when the energy crisis does not get solved or we can work together and secure our prosperity and bring down the cost of living for Americans. The choice is theirs.

Education is a big part of America's prosperity. We are in a global economy, and we must invest in flexibility and choices for students and parents. We need to train the best workforce in the world to attract the best jobs in the world right here at home. We can never guarantee our students a lifetime of employment, but we can invest in innovative ideas that will ensure them a lifetime of employability. Only then will success in school actually equate to success in life.

Democrats have blocked education reform for years that will improve our children's future. They blocked school choice. They blocked the expanding of charter schools. They blocked the Workforce Investment Act and the Higher Education Reauthorization Act.

Democrats would rather cater to liberal teacher associations rather than allow schools to specialize to meet the needs of each child.

Republicans believe we must empower students and parents with more flexibility in how they use education dollars. We need to allow schools that are succeeding to continue to do what is working instead of forcing them to conform to an outdated governmental model.

We need to explore fresh ideas, such as strong professional application and skills development programs within our educational system, and more opportunity scholarships and Pell grants for high school students. These ideas and others can help reinvigorate a stagnant educational system that is being insulated from reality by the well-intentioned but misguided policies of the past.

If America is to be prosperous, we need to talk about our tax system and our budget system. Tax-and-spend Democrats are fierce defenders of our Tax Code. It is the most complicated Tax Code in the world. It is among the highest as far as the tax rate. It kills our competitiveness. It hurts American workers by killing American jobs.

Tax-and-spend Democrats block extending tax relief for American families. They block the permanent repeal of the death tax that destroys about 100,000 jobs each year and punishes family farmers and small businesses. They voted this year en bloc to raid the Social Security trust fund to pay for wasteful spending. They would not agree to set aside the Social Security money in a reserve fund.

Republicans believe meaningful Tax Code reform is our only option. At a minimum, we must extend tax cuts that were passed in 2001 and 2003 that return money to hard-working families and will help continue the economic growth that is coming from investment around the country.

Republicans believe American businesses should be able to devote the bulk of their time and resources to doing business, not complying with the Tax Code.

Republicans believe we should trim Government waste and that we can and will balance our budget within 5 years. We believe we should pass the line-item veto to help cut wasteful spending in Washington.

We welcome the Democrats to join us to secure our prosperity and make America the best place in the world to create jobs and do business. Hopefully, they will join us to support the Family Prosperity Act that we will be voting on either today or tomorrow.

This is one of the most important bills of the year, and I have been disappointed to hear all the misinformation about the bill on the floor of the Senate. This bill raises the minimum wage; it will not decrease the minimum wage anywhere in this country. That is a fact. The other information is, frankly, not true. The Family Prosperity Act will raise the standard of living for Americans and cut the cost of death.

We need to talk about our values if we are going to secure our future.

I am also proud to report to my constituents that Republicans are working to secure our shared values, the values that have defined the American character, protected our families, and shaped our society for over 200 years.

I was interested to hear the Democratic leader criticize Republicans for focusing on value issues, such as protecting marriage and prohibiting flag desecration, by claiming in his words—that we have "divided our country and distracted this Body from more pressing concerns."

Over the years, the idea of values has come to be negatively construed by those who would define freedom as the ability to do whatever they want and to have no one tell them it is wrong. I am here to say today that this distorted idea of freedom without values is actually the greatest form of tyranny.

Unfortunately, I am afraid the Democratic leader and others in his party have bought stock in a philosophy that is completely bankrupt. The society that refuses to say that some things are wrong, or give value to things that are right, condemns its people to live under the despotism of fear—for the safety of their lives, their families, and their possessions—and robs them of hope for a better future.

As we fight to secure our homeland, we are opposed by radical Islamic terrorists who hate us for our shared values. These are the same terrorists who devalue their own women and use them, and even children, as shields behind which they carry out their cowardly work. They kill innocent bystanders to prove a political point. They despise our values and will stop at nothing to destroy them and destroy us.

As we fight to secure our economic prosperity, we are reminded of values—the entrepreneurial American spirit and the premium placed on hard work—that have driven an amazing age of innovation and improved the quality of our lives for millions here and all around the world.

The fact is, our shared values—things such as respect for life and the rule of law—are the very basis of our prosperity and security, and we forget that lesson at our peril.

So I am afraid it is a bit shortsighted of the Democratic leader and others in his caucus when they dismiss securing our shared values as unimportant. And, unfortunately, like the other areas I have already discussed, they do not simply dismiss, they actively obstruct.

I am proud to tell my constituents that Republicans have taken several important steps to secure our values this year.

The Child Custody Protection Act was one. Parental notification is required for nearly all medical procedures. School nurses typically will not even give an aspirin to a teenager without a signed parental permission slip. An overwhelming majority of Americans believe that taking a minor across State lines to obtain an abortion without her parents' knowledge is not consistent with our shared values. This important legislation protects the rights of parents to care for their daughters' health.

Democrats have caved to the pressure of their "abortion at any cost" industry donors by blocking the commonsense bill from becoming law with procedural delays. They are hoping that the American people will either not notice or forget their obstruction. The cost is the emotional and physical health and well-being of teenage girls and the rights of parents who most want to protect them.

Let's talk about the marriage amendment. The Federal Government has diminished marriage through misguided social programs and court rulings, and the Federal Government is the only one that can fix the problem it has created.

Marriage is America's most important institution. It must be cherished and protected. We cannot allow activist judges to force their personal views on American families that overwhelmingly support traditional marriage.

Democrats have blocked the Republican-led efforts to secure our values by defining marriage as a union between one man and one woman.

Judges are also important to upholding our values. As I travel in South Carolina, time and time again, South Carolinians have asked me to fight for judges who will place the rule of law above their personal opinions. Democrats have consistently blocked and even tarred and feathered well qualified men and women. Republicans have continued to fight, with some success—to mention Chief Justice Roberts and Justice Alito on the Supreme Court, and we have confirmed 14 circuit judges and 34 district judges, overcoming much Democratic obstruction.

I would like to talk about the National Sex Offender Registry as part of our values agenda as well.

Parents deserve to know when a sex offender moves into their neighborhood so they can ensure their child's safety.

The Republican-led Congress has created a National Sex Offender Registry to protect our families against criminals and their heinous acts. A public database has been created by this bill that will help law enforcement and families track convicted sex predators as they enter communities. It has been called the toughest piece of child protection legislation in 25 years, and I am proud that Republicans took the lead on this.

We also need to talk about stem cell research. Our commitment to scientific yet ethical research is another shared value that has defined America for years. I was proud to join President Bush and our Republican majority to support additional funding for cutting-edge research with nonembryonic stem cells and to ban "fetal farming," which allows human embryos to be created so they can be destroyed for research purposes.

Nonembryonic stem cell research has already been used in over 60 successful human therapies to date. It holds unlimited promise for cures for millions who suffer from debilitating diseases. It proves that we don't have to choose between science and ethics. We can achieve both.

For all these reasons and more, I am proud to be part of a Republican majority committed to securing our shared values.

I think we may be on the 12th or 13th version of the Democratic agenda. I have lost track; there have been so many. But while Democrats promise to travel the country staging press events during August, Republicans are promising, for the rest of this year and as long as we control the Congress, to continue to work for real, tangible legislative solutions to the problems Americans face. Democrats may claim to be the party of compassion, but compassionate rhetoric without a plan for action is nothing more than an empty promise.

I look forward to telling my constituents that Republicans are committed to securing our homeland, our prosperity, and our values. I invite my Democratic colleagues to join us to provide hope and security for all Americans.

I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I ask unanimous consent to proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

IRAQ AND THE MIDDLE EAST

Mr. KERRY. I came to the floor to speak about the Middle East and Iraq, and I intend to do so. But obviously, having sat here for the last almost half hour listening to how the Senator from South Carolina is going to go back to South Carolina and report, I couldn't help but listen to him say that he is going to be proud to tell South Carolinians that he and the Republicans have been doing what it takes to make America more secure. You can tell them that. But it doesn't mean it is true.

The fact is, the American people understand, I think pretty well, what is going on. Because life for the average American is getting tougher and tougher, they don't think Washington is doing very much for them at all.

Health savings accounts work just fine for people who can save money. Ask how many Americans are saving money. If you can't save money and you don't have the benefit of the tax deduction, then the health savings accounts don't do anything. That is why there are now 46 million Americans without health care. It has gone up 6 million people under this President.

Eleven million children have no health care at all in the United States of America—none, no health care. We are the only industrial Nation in the world that treats our kids like that. I hope he reports to the people of South Carolina, where there are a lot of kids who don't have health care, why there hasn't been a vote on the Senate floor to give children health care.

When it comes to making America more secure, I hope he tells them that North Korea has four times the nuclear weapons capability that it had 4 years ago. Are we more secure?

The fact is, for 3 years this administration didn't even engage with the British, the Germans, and the French in their efforts to try to reduce the potential that Iran would nuclearize. Three years standing on the sidelines, and now Iran is playing out its deadly game with Syria and Lebanon.

I think by any measure—and this is not what I came to the floor to talk about—the case is powerful that America is in fact less secure. Nothing underscores that more than when the Senator from South Carolina stands there and says how important it is to separate who is willing to fight terrorists, and we are fighting terrorists, he said, in Iraq.

Iraq is not a war of terrorists today. Iraq is a war principally that is civil. It is Iraqi killing Iraqi. The fact is, Iraq was never the central front in the war on terror, which was always in Afghanistan, always with respect to Osama bin Laden and al-Qaida. It is al-Qaida today that is in fact stronger around the world, with 60 to 80 countries in which it now has cells that it didn't have at the time of September 11, 2001.

I hope we will have this debate. Believe me, we will have this debate over the next months about whether we are more secure and about how you actually stand up for the security of the United States. One of the ways you stand up for the security of the United States is to have a sensible policy with respect to Iraq.

Yesterday I was at Arlington National Cemetery for the funeral of Lance Corporal Geoffrey Cayer, a 20-year-old from Massachusetts. Apart from the obvious heart-wrenching sadness of that moment, I was struck, as I walked up to the graveside, by the number of new headstones, all of which read Operation Iraqi Freedom or Operation Enduring Freedom.

One of those now among the fallen is Phillip Baucus, the nephew of our friend and colleague Senator MAX BAUCUS. Phillip was a proud and brave Marine Corps corporal who gave his life serving this country last Saturday in Anbar Province in Iraq. He was an extraordinary young man from all I have read and from what Max told me personally. I know from Max what he meant to his family and what a totally devastating blow this is to all of them. We offer our prayers for Phillip and for every family that has endured this kind of monumental loss. Phillip and Geoffrey Cayer and all those who have given their lives are a very tough reminder to all of us of the incredible sacrifices that America's children are making every single day.

With the violence in Iraq growing worse by the day, it was stunning to hear Secretary Rumsfeld come before the Armed Services Committee this morning with a laundry list of excuses and denials about what is happening there and its consequences for the region. General Abizaid candidly acknowledged that "the sectarian violence is as bad as I have seen it," that he has rarely seen the situation "so unsettled and so volatile." He warned of coming civil war and that "failure to apply coordinated regional and international pressure . . . will further extremism" and could lead to a widening and more perilous conflict.

But this morning Secretary Rumsfeld didn't call for that kind of diplomacy, didn't talk about that kind of diplomacy, didn't lay out a plan that the administration has for that kind of leadership and diplomacy, nor has President Bush reached out to undertake the kind of crisis diplomacy needed in Iraq or to leverage the regional pressure to stop Iraq from descending into irretrievable chaos.

We ought to try to strip away the labels for a minute, take away Democrat and Republican, take away the partisanship of this city, just measure this against history. How many times have any of us as United States Senators, or even previous to our being here, seen the concerted effort statesmen on an international level convening efforts in order to diffuse crises or to make peace where there was war or to try to stop war where there was conflict?

Instead today Secretary Rumsfeld announced "there are a number of good things happening . . . amidst all of this difficulty, the currency is fairly stable, the schools are open, the hospitals are open, the people are functioning." Secretary Rumsfeld waxed optimistic about an Iraq where you "see people out in the fields doing things and people driving their cars and lining up for gasoline and going about their business."

He went to say that "despite all of the difficulties, there are also some good trend lines that are occurring, and I think the period ahead is an important period."

I respectfully think it is a lot more than important. This may well be the moment that decides the security and the framework for the security of the Middle East itself. It certainly could be that kind of moment with the proper vision and the proper statesmanship. It is time that the administration was candid about the situation and worked on rescuing what is salvageable in Iraq. The reason that candor is important, it is the only way to get other countries engaged and involved.

With now at least 2,578 Americans killed, over 19,000 wounded, and no end in sight, you can't just offer the "same old, same old" as more kids die for a policy that isn't working. Go to the hospitals, meet the kids, talk to them. Sure they want us to win. We all want to win. But ask them what is wounding them, what is killing them by and large. The vast majority of those killed and wounded are killed and wounded by IEDs, the new term of a new war, improvised explosive device.

What are our soldiers supposed to do about an improvised explosive device except go out and find them. And how do they find them? Usually when they explode, unless they are lucky enough to come across them some other way. Americans are right to wonder why, 3½ years into this effort, it is Americans who have to go out and do that rather than Iraqis. After all, Iraq was able to fight a 10-year war with Iran, lost a million people, fought to a stalemate, during which time, I might add, we were providing a lot of the weapons to them.

I don't think we should be silent. I don't think we have the right to be. I can't be while this administration continues to deny reality and repeat the same mistakes and pursue the "same old, same old" policy day after day which puts more and more lives at risk, more and more lives on the line, without pursuing a policy that provides the least risk to our troops and greatest opportunity for success.

I have said it before and I believe it deeply, we in Congress have a special constitutional responsibility and a moral obligation to hold the executive branch accountable for making the right choices for our troops and our country. Frankly, that begins by demanding honesty when it comes to the war in Iraq.

The bottom line is—and here again the administration has not been honest—this administration is now sending more U.S. troops into the crossfire of an escalating civil war in Iraq. They still refuse to come clean with the American people about it.

I don't think we should endure more half measures, and staged, phoney debates. It is time for us all to confront and deal with the truth about the consequences of today's failed policy in Iraq.

No matter what the administration tells us, there is a civil war raging in Iraq. The President's policy of standing down U.S. troops as Iraqis stand up, which has been the mantra of the last 2 years or more, has now been exposed as a misleading myth. In fact, we are actually increasing the overall troop presence, even as they tell us that more Iraqi soldiers have been trained, and we have reportedly all but abandoned the hope of withdrawing significant numbers of troops this year, even as the Iraqi President tells us that Iraqis can take over the security responsibility throughout their country by the end of this year. That is what the Iraqis are telling us, even as U.S. forces are increasing.

Yesterday, we learned more about our dangerously overstretched military when the top National Guard general warned that more than two-thirds of the Army National Guard's brigades are not combat ready. Can you please tell me how the Secretary of Defense can come up to the U.S. Congress and explain to us how two-thirds of the National Guard's combat brigades are not ready? And their equipment—large percentages of it—is in Iraq and it will not come back to the United States. That is going to cost billions of dollars for the United States, billions of dollars to replace the equipment and the wear and tear, billions which, I might add, is not in the budget today. Worst of all, there is no end in sight and no realistic plan to turn the tide.

Mr. President, if you are going to change course or set the right course, you have to do it based on the realities.

I believe that starts by acknowledging the reality of the civil war that is going on right now. The administration denies it because it doesn't fit their rhetoric, but by objective standards, that is what is happening.

In the first 6 months of this year, 14,338 Iraqi civilians were killed—civilians—mostly in sectarian violence. They were not killed by al-Qaida. They were not killed by Islamic terrorists from another country. They were killed by Shia on Sunni and Sunni on Shia. That is sectarian violence.

Prime Minister al-Maliki acknowledged last week that an average of 100 Iraqi civilians are being killed every day—civilians. And the violence has only been getting worse. Mr. President, 2,669 civilians were killed in May; 3,129 civilians were killed in June. That is nearly 6,000 Iraqi civilians killed in 2 months alone. Since the February 22 bombing of the Shia mosque in Samara, the Government reports that 30,359 families—about 182,000 people—have fled their homes due to sectarian violence and intimidation. They are refugees, which is part of the definition of a civil war.

This is not just a civil war; by historical standards, it is a relatively large-scale one. A recent academic analysis published in the New York Times showed that the median number of casualties in civil wars since 1945 is 18,000. Estimates of total casualties in Iraq vary, but the number is almost certainly above twice that many.

Larry Diamond, whom many Senators know and have talked to, is an expert. He was over there with Paul Bremer in the Coalition Provisional Authority. Here is what he said:

> In academic terms, this is a civil war, and it is not even a small one.

The Iraqis from all sides understand what is going on in their country. They are not afraid to speak the truth.

Haidar al-Lbadi is a prominent Shiite legislator. This is one of the people we are working with in the democracy that we have offered and that they have fought for and voted for. He said:

> Certainly, what is happening is the start of a civil war.

Saleh al-Mutlaq, a Sunni legislator—so you have Shia and Sunni—also described the recent violence as:

> The start of a civil war.

Another leading Sunni, Adnan al-Dulaimi, said recently:

> It is nothing less than an undeclared civil war.

The Iraqis are ready to tell you it is a civil war. Still, the administration continues to deny the facts about that. If you don't acknowledge the facts, it is difficult to put together a plan to be able to adequately deal with them.

This is the same administration, incidentally, that everyone, I hope, remembers downplayed the insurgency. Do you remember that? Do you remember when it was first clear that chaos was giving way to a determined insurgency? What did the administration do month after month? Secretary Rumsfeld told us they are "just a bunch of dead enders." At one point, he even suggested that Baghdad was safer than Washington, DC. Vice President CHENEY told us the insurgency was "in its last throes."

Just look at the results. Since then, the number of Iraqi insurgents has increased by 20 percent, and the insurgency is more than six times stronger now than in May 2003. Once again, it is our troops who pay the most significant price. In fact, the number of IED attacks on U.S. troops has nearly doubled since January.

Now, in the face of all of the evidence to the contrary, the administration continues to deny that there is a civil war. The only ones, it appears to me, they are fooling are themselves. This appears to be one more inconvenient truth they prefer not to deal with. In fact, Secretary Rumsfeld said just a few months ago that if civil war did break out, Iraqi forces, not U.S. troops, would be the ones dealing with it.

I hope everybody hears that. Secretary Rumsfeld, in another one of his misjudgments, or misstatements, said a few months ago that if civil war breaks out, Iraqi forces, not U.S. troops, will be the ones to deal with it. So why are U.S. troops being augmented in their number? Why did it take sending more troops to the city of Baghdad? One more misjudgment and misleading statement. So we are sending more troops into the crossfire. The administration doesn't want to say that, but that is what is happening.

When the President announced his plan last week to increase the U.S. troop presence in Baghdad, he said that the troops would come from other areas of Iraq. He didn't mention that additional troops had been sent into Iraq from Kuwait and that current deployments were being extended as new troops arrive. The net bottom line of that policy, which he didn't mention but the Washington Post and the New York times did report, is that the total numbe of U.S. troops in Iraq is going to increase by several thousand. He didn't mention that the recently announced deployment schedule could bring the number of U.S. troops in Iraq even higher in the coming years.

Finally—and this is the most important thing of all—he did not explain why this strategy, which hasn't been working for these past several years, is suddenly going to work, and the fact that a few months ago U.S. and coalition troops in Baghdad increased from 40,000 to 55,000. Guess what happened? The violence got worse. Now the President says we are going to send a few more thousand.

The question is, Why is this going to be any different? I remember this psychology very well. Back in 1964 and 1965 when Lyndon Johnson responded to the so-called attack of the Gulf of Tonkin and we upped our troop level by 5,000 troops in Vietnam, I responded to that call and found what we all now know was a matter of history—very different from what we are being told by our own administration.

One thing is clear to me under this administration's approach: It is highly unlikely that we are going to be drawing down significant numbers of U.S. troops from Iraq this year. That is despite the fact that Secretary Rumsfeld said on Wednesday that there are some 275,000 trained Iraqi security forces, with 325,000 expected to be trained by the end of the year. General Martin Dempsey, the American general in charge of training Iraqi forces, said in June that the new Iraqi Army would be formed and at full strength by the end of this calendar year. Iraqi President Talabani declared just yesterday that Iraqis could take over security in the entire country by the end of the year.

If the Iraqis are standing up, as the administration tells us, why aren't U.S. troops standing down, as they told us they would? I think the rhetoric of "as they stand up, we will stand down" is as hollow and misleading as the rhetoric that "we will be greeted as liberators" or "mission accomplished" or, frankly, "stay the course," which means more of the same and is not an adequate response to the needs of dealing with the civil war.

The bottom line is this: The approach hasn't worked because the underlying assumption that more troops are the solution to the problem is fundamentally flawed. I will say that again. You can put in a lot more troops, but our own military leaders have told us there is no military solution. So why are you putting in more troops? Our own generals, the Iraqi leaders, and even the Secretary of State herself, have told us that there is no military solution to the insurgency. And just today, Secretary Rumsfeld acknowledged there is no military solution to the sectarian violence. So in fact, all of us can agree that the only hope for salvaging a measure of lasting success in Iraq, which I emphasize is what we all want—the difference is not what we want, the difference is in how you get it. The evidence is mounting month by month that the course this administration is on is not the most effective, least risk, most efficient way to get it.

The only way to resolve this insurgency is a political solution that all of the Iraqis can buy into. So the question then looms large: Why isn't that happening? If Secretary of State Condoleezza Rice and if our own generals and if the Iraqis themselves say there is no military solution, why are we adding more troops? Why are the Iraqi troops not able to deal with the situation? The answer is simple: because until you resolve the fundamental differences that bring Sunni to kill Shia and Shia to kill Sunni, you are not going to stop this process.

I believe there is only one way to resolve that, and that is to engage in the kind of intensive diplomacy that has been so inexplicably lacking from this administration in its approach to Iraq. I know what some of the wise guys say in Washington and what some of the pundits say and what the conventional wisdom is. People love to dismiss diplomacy these days. It is the easiest thing in the world. Why talk to them? We have to go out and be tough and so on.

There was a time not so long ago in this country, practiced by Republican Presidents, such as Ronald Reagan, Richard Nixon, and Gerald Ford, as well as Democrats, where diplomacy was exhausted before the United States resorted to military means. We used to understand that diplomacy was the primary means of advancing America's national security interests. We used to remember that war is the ultimate failure of diplomacy—and the best way to end it.

Unfortunately, our current diplomacy has been almost absent—an ambassador left to his own devices on the grounds, an occasional fly-in visit from the Secretary of State or the President, but no ongoing talks or shuttle diplomacy. In fact, so much of what we used to take for granted in national security policy has now been called into question.

We used to know that, despite our differences and political philosophies in the Senate—and I remember watching the Senate in those days as a young kid and a student of government—the two great parties of this country were able to cooperate to craft international policies in our national interest. We used to understand that the unique and historic role of the United States in world affairs required a farsighted and multifaceted approach to protecting our people and our interests. We used to value as a national treasure the international alliances and institutions that enhanced our strength, amplified our voice, and reflected our traditions and ideals in maintaining a free and secure world. You can look at the history of the Cold War and what Woodrow Wilson tried to do, as well as Franklin Roosevelt, Harry Truman, and Dwight Eisenhower, with the Marshall Plan and other efforts to bring countries together and to try to honor the effort through statesmanship, to be able to forge viable alliances and peace.

We used to say that politics stopped at the water's edge. We used to call on our people to share in the sacrifices demanded by freedom. Our leaders used to raise hopes and inspire trust, not raise fears and demand blind faith.

We used to measure America's strength and security by our moral authority, our economic leadership, and our diplomatic skills all together, as well as by the power of our military.

I want people to stop and think about how much things have changed. Last week, one of the most noted, honored columnists in America, New York Times' Tom Friedman, wrote the following. He had just come back from the Middle East. He wrote his previous book "From Beirut to Jerusalem," which won a Pulitzer prize:

> Our President and Secretary of State, although they speak with great moral clarity, have no moral authority. That's been shattered by their performance in Iraq.

That moral authority is something that Presidents struggle to hold onto, to nurture and create, through Republican and Democratic administrations alike.

I believe the key to any hope of stabilizing Iraq is changing course and engaging in sustained diplomacy from the highest levels of America's leadership that matches the effort of our soldiers on the ground.

History tells us the results of that kind of effort. In 1995, most recently, there was a brutal civil war in Bosnia involving Serbs, Croats, and Muslims. Faced with a seemingly intractable stalemate in the face of horrific ethnic cleansing, the Clinton administration took action—I might add, they took action that was opposed by a lot of people on a partisan basis—and led by Richard Holbrooke they brought leaders in the Bosnian parties together in Dayton, OH. I know at the time Mr. Yeltsin didn't even want to appear, didn't want to be part of it. But it took persuasion and leverage that ultimately helped to bring Russia, then the Soviet Union, to the table. They brought leaders of the Bosnian parties together in Dayton, OH, and representatives from the European Union, Russia, and Britain to hammer out a peace agreement that brought relative stability to the region. That is the kind of effort we have to engage in if we are going to secure Iraq and extricate ourselves ultimately.

While an international process has begun to bring reconstruction and economic aid to Iraq, a real national compact forged with the support of countries in the region, is needed to bring about a political solution to the insurgency and end the cycle of Shia-Sunni violence.

This strategy can work. It is the only strategy that ultimately will work. No matter what happens ultimately, the hope of bringing American troops home from Iraq is going to depend on the quality of the negotiating process which leverages a new security arrangement for the region. That is the bottom line. We are not going to be able to leave without it, and Americans ultimately are going to want to leave.

A Dayton-like summit that includes the leaders of the Iraqi Government, the countries bordering Iraq, the Arab League, NATO, and I know from talking with members—recently I was in Brussels talking with members of NATO, I talked with people at the United Nations, I talked with people with respect to the Arab League—they are all waiting. They are ready to try to do this, but it takes leadership to pull those parties together.

The fact is, we can enable the Iraqis to engage in the intensive diplomacy to forge a comprehensive political agreement that addresses security guarantees, oil revenues, federalism, and disbanding of the militias, and all the parties would agree on a process for securing Iraq's borders.

These are the key elements of a political agreement necessary to decrease the violence, and they are not the tasks for which U.S. troops can or should be responsible. They are the responsibility of civilian personnel, particularly the Iraqis.

Success is going to require the collective effort that engages members of the international community who share our interest in a stable Iraq. To enlist their support, we have to address their concerns about a security arrangement in the region after we have withdrawn from Iraq. That is why the summit should lay the groundwork for creating a new regional security structure that strengthens countries in the regions and the wider community of nations.

That, incidentally, is what we should have been doing all of last year under resolution 1559 of the United Nations, when we should have been dealing with the issue of the disarmament of Hezbollah.

I believe—and I think others share this belief—that the only way to ultimately be successful in Iraq is to lay down a strategy that extricates the United States because even our generals have said our large force presence is a magnet for the terrorists and adds to the problem of the insurgency. So part of the solution is to reduce that American presence. I believe if we were to redeploy those forces after we set some responsible timeframes, that is the most effective way to proceed.

Let me say one or two words in closing. I keep hearing colleagues say everybody loves the politics of this, but a lot of young people's lives are on the line. They may want to play to the politics of cut and run versus stay the course, but that is not what this is about.

If you were to adopt a policy that sets some timeframes and deadlines, you still leave the President the discretion to be able to keep certain forces there to complete the training; you leave the President the discretion to keep forces there to fight al-Qaida; you leave the President the discretion to use forces to protect American facilities; and you maintain over-the-horizon ability to protect American interests in the region.

I think we need to get away from this simplistic sloganeering and get into a real discussion about how one makes Iraq a success and our policy in the region a success. We know that Prime Minister Maliki understands this, which is why he has talked openl about a timeframe for the reduction of U.S. forces.

We know that Ambassador Khalilzad and General Casey are discussing with the Iraqi Government the formation of a joint commission to outline the terms and conditions of the withdrawal of troops from Iraq. We know Mr. Rubaie has already said there is an "unofficial 'road map' to troop reductions that will eventually lead to a total withdrawal of U.S. troops." And we know that General Casey has drafted a plan for significantly reducing U.S. troop levels by the end of 2007. And we know that the polls of Iraqis have shown that 87 percent of Iraqis, including 94 percent Sunnis and 90 percent Shia, support their Government endorsing a timeline for the withdrawal of U.S. forces.

So it seems to me that if the Iraqi Government and the Iraqi people, the Ambassador, the top military commander, and a majority of Americans can see that the time has come for an adequate timeframe to get Iraqis to fight for democracy for themselves as much as we have done it for them, why can't the Bush administration?

Even as we consider the way forward in Iraq, we obviously can't lose sight of what is happening in a war raging on the other side of the Middle East. Watching the news from the Middle East these days is an exercise in continual heartbreak as Israel continues military operations to defend itself against Hezbollah in Lebanon, and the missiles still rain down on northern Israel.

Our hearts go out to people suffering all across the Middle East. We all want peace. The death of every child—Lebanese in Qana or Israeli in Haifa—is an unspeakable tragedy. But we know from the hard lessons of the past that lasting peace is not going to come easily, and it will not come without the kind of sustained involvement at the highest levels of the U.S. Government that, again, as in Iraq, we have not seen from this administration.

In fact, the violence we are seeing now is in part the bitter fruit of a number of years of U.S. neglect in the region, neglect which I saw personally when I visited with President Abbas on the West Bank right after he was elected. It is another disastrous byproduct of being distracted and bogged down in Iraq.

Our inattention to diplomacy and the failure to disarm Hezbollah and stop the flow of weapons from Iran and Syria, as required by U.N. resolution 1559, left Israel to respond to this terrorist organization's provocations with a bloody war that threatens to spread into a larger conflict.

In fact, just a few hours ago, General Abizaid testified that if 1559 had been fully implemented, we wouldn't be in this situation today.

It is clear that our compromised position in Iraq, combined with our diplomatic isolation in the region, has reduced our leverage and undermined our ability to bring about the lasting resolution that is so desperately needed.

Obviously, the people of Israel can count on the stalwart support of the United States during these difficult times. At the same time, the Lebanese people must know that Americans also care deeply about protecting innocent civilians and preserving their fragile democracy. That is why we have to work urgently to achieve a viable and sustainable peace agreement that includes an international force capable of ensuring Israel's security and Lebanon's complete territorial sovereignty, the return of the kidnapped Israeli soldiers, and the permanent removal of the threat caused and posed by Hezbollah.

Given these dire circumstances, it is imperative that we do everything in our power to accomplish this as soon as possible and, Mr. President, we should not be afraid of talking to any country that will help us advance this objective, and that includes Syria and Iran. But that cannot be the end of our involvement. In fact, it has to be the beginning of a new—entirely new—more significant, greater Middle East initiative that we undertake in order to create the kind of sustained diplomatic engagement in the region that is the only way to resolve these crises.

The unmistakable lesson is that we need more than crisis diplomacy; we need preventive diplomacy—a preventive diplomacy in the best traditions of our country that addresses the underlying problems before they explode. That means putting an end, once and for all, to state sponsorship of terrorism. And that requires a renewed commitment to work ceaselessly to achieve a lasting peace in the Middle East.

I yield the floor, and I thank my colleagues for their graciousness. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4842

Mr. KYL. Mr. President, I have an amendment at the desk, No. 4842. I ask unanimous consent that the pending business be laid aside for the purpose of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Arizona [Mr. KYL], for himself and Mr. DEWINE, proposes an amendment numbered 4842.

Mr. KYL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To prohibit the suspension of royalties under certain circumstances, to clarify the authority to impose price thresholds for certain leases)

At the appropriate place, insert the following:

SEC.   . ROYALTY RELIEF FOR PRODUCTION OF OIL AND GAS.

(a) PRICE THRESHOLDS.—Notwithstanding any other provision of law, the Secretary of the Interior shall place limitations based on market price on the royalty relief granted under any lease for the production of oil or natural gas on Federal land (including submerged land) entered into by the Secretary of the Interior on or after the date of enactment of this Act.

(b) CLARIFICATION OF AUTHORITY TO IMPOSE PRICE THRESHOLDS FOR CERTAIN LEASE SALES.—Congress reaffirms the authority of the Secretary of the Interior under section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(H)) to vary, based on the price of production from a lease, the suspension of royalties under any lease subject to section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (Public Law 104-58; 43 U.S.C. 1337 note).

Mr. KYL. Mr. President, I ask unanimous consent that Senator WYDEN not be shown as an original cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I notify my colleagues that this is a small piece of an amendment that yesterday was objected to, properly, under the rules, but I believe there could be unanimous consent that this piece would be permitted to proceed. I have given copies of the amendment to Senators INOUYE and STEVENS, and Senator DOMENICI has approved it. Senator BINGAMAN has a copy. It deals with royalty relief. We discussed this yesterday. Really the controversial amendment, as I say, has been objected to.

I hope my colleagues will agree to allow this to be either voice voted or approved in some other way. I don't intend to take any more time on it. Certainly, we would leave time for people to take a look at it if they want to, to see if there is an issue with it, and if they do have an issue that they see me about it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COLEMAN). Without objection, it is so ordered.

AMENDMENT NO. 4853

Mr. NELSON of Florida. Mr. President, there is a lot of news south of Florida, 90 miles from Key West. We don't know the condition of Fidel Castro. Clearly, there is obviously a major medical problem and, for days now, Raoul Castro, his brother, has been invisible. Even though the Cuban Government released information which said President Castro had ended up going in for intestinal surgery, basically, we just don't know. But what we do know is he is 79, going on 80, and we do know that none of us are immortal and, therefore, what we know is that there are a limited number of days of this totalitarian regime, and then there is going to be a transition to something else.

Mr. President, I call up amendment No. 4853.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendment? Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

The Senator from Florida [Mr. NELSON] proposes an amendment numbered 4853.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

AMENDMENT NO. 4853

(Purpose: To appropriate funds for a Cuba Fund for a Democratic Future to promote democratic transition in Cuba)

On page 238, after line 24, insert the following:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2007, for functions administered by the Secretary of State and for other purposes, namely:

TITLE X

CUBA FUND FOR A DEMOCRATIC FUTURE

SEC. 10001.(a) To promote a transition to a democratic form of government in Cuba, $40,000,000.

(b) The amount provided under this heading is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

(c) The amounts provided under this heading shall be deposited into a fund to be known as the Cuba Fund for a Democratic Future which is hereby established in the Treasury of the United States.

(d) The amounts provided under this heading shall be available to the Secretary of State, in consultation with the United States Cuba Transition Coordinator, to carry out activities to empower the people of Cuba and the democratic opposition in Cuba to take advantage of opportunities to promote a transition to a democratic form of government in Cuba, including activities—

(1) to support an independent civil society in Cuba;

(2) to expand international awareness of Cuba's democratic aspirations;

(3) to break the information blockade put in place by the regime of Fidel Castro in Cuba, including activities to promote access to independent information through the Internet and other sources;

(4) to provide for education and exchanges for the people of Cuba, including university training from third countries and scholarships for economically disadvantaged students from Cuba identified by independent nongovernmental entities and civic organizations in United States and third country universities (including historically-black and faith-based institutions); and

(5) to support international efforts to strengthen civil society and in transition planning in Cuba.

(e) If the President determines that there exists either a transition government in Cuba or a democratically elected government in Cuba, as those terms are defined in section 4 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (22 U.S.C. 6023) and submits that determination to Congress in accordance with section 203(c) of that Act (22 U.S.C. 6063), then the funds made available for the Cuba Fund for a Democratic Future may be used, at the discretion of the Secretary of State in accordance with the guidelines set out, respectively, in subsection (b)(2)(A) or (b)(2)(B) of section 202 of that Act (22 U.S.C. 6062).

(f) The Secretary of State shall ensure that none of the funds made available in this section or any assistance carried out with such funds are provided to the Government of Cuba.

(g) Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter until all amounts made available to the Cuba Fund for a Democratic Future are expended, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report describing the Secretary's progress in obligating and expending such funds and that such reports may be submitted in a classified form and the Secretary of State shall publish any unclassified portions of each such report.

Mr. NELSON of Florida. Mr. President, now is the time that if the United States were to supply some direct financial assistance to dissidents, it could start to have a salutary and immediate effect on what is happening on the island. Clearly there is going to be a transition; we just don't know when that transition is going to come. What we hope is it is going to be a transition ultimately to a democratic government.

The news this week marks an opportunity that we have been anticipating for decades. We can only hope that it is a real opportunity for the Cuban people to move forward, leaving behind a dictatorship and the repression they have experienced for a half century. But we must remind ourselves that the true celebration is going to come on the day that the Cuban people have a democratically elected government of their own choosing.

While it seems that we are one step closer toward our shared goal, we should remind ourselves of the need to continue our support for the true Cuban heroes: the brave dissidents who struggle every day to demand and to plead for the very basic human rights, including the ability to read what they want to read, to say what they want to say, to live where they want to live, and to study what they want to study—things that we take for granted in this country, but where, only 90 miles from Key West, people do not have those freedoms.

These heroes in Cuba don't win medals. They are not honored in ceremonies. Instead, Castro throws them in jail for decades after show trials in kangaroo courts. Their families are harassed, denied employment and other basic necessities. Those who are not thrown in prison are greeted regularly by mobs of government thugs who threaten and embarrass them in front of their neighbors. As recently as a few months ago, one of those mobs attacked and beat Marta Beatriz Roque, a prominent dissident who advocates for democracy on the island.

These are the people who every day choose to fight for democracy through simple acts of defiance. They risk their limited freedom by continuing to mobilize and speak out for the basic rights that every human being deserves. They run independent libraries. They clandestinely write stories for illegal independent press. They pass along information to their neighbors or they very bravely sign petitions calling for democracy.

You will recall a few years back, even under the Cuban constitution, that 10,000 people signed a petition, petitioning for the basic right of going in front of the Congress to fight for basic freedoms and economic freedom. Mr. President, 11,000 very brave souls signed that petition, and many of them have been harassed.

Now, we here in the United States continue to support the brave Cubans who struggle every day to fight for democracy and basic human rights. Despite the regime's attempt to silence them, the work of these brave dissidents becomes even more important as the opportunity to foster a real transition in Cuba gets closer and closer, and those brave Cubans, those dissidents, will be the catalyst that pushes any post-Fidel government toward democracy.

Let me say that again. Those brave dissidents will be the catalyst that pushes any government after Fidel toward democracy. Therefore, it is more important now than ever that we support the dissidents and the activists in Cuba through direct financial support.

Senator ENSIGN, who is in the Chair, Senator MARTINEZ, all of us have introduced the Cuban Transition Act of 2006, and that includes the Senate majority leader as one of the cosponsors. This legislation will authorize such funds to directly support dissidents in Cuba. Now, that has been filed. We are trying to get it hotlined. There are some Senators I understand on both sides of the aisle who have objected to bringing it up, so what we will do is continue to work with them over August to see if we can get agreement.

Mr. President, amendment No. 4853 which I have just offered appropriates $40 million in emergency money to support the efforts of dissidents in Cuba. It is important that at this time we send a clear message of support and commitment to the Cuban people as they continue their struggle. We will continue this support to the people of Cuba until the day they have a free democratic government that respects human rights.

The overall bill that we filed which we are going to have to work on over August would authorize, over 2 years, $40 million. We already send stuff—goods. However, under current law, we do not send money to the dissidents to encourage them. So using the Defense appropriations bill as a vehicle is very timely. It is to promote in transition a democratic form of government in Cuba, and the appropriation would be $40 million.

Now, you wonder under this amendment: What would be some of the activities that would be supported? For example, to support an independent civil society in Cuba, to expand international awareness of Cuba's democratic aspirations, to break the information blockade put in place by the regime of Fidel, including activities to promote access to independent information through the Internet and other sources; to provide for education and exchanges for the people of Cuba, including university training from third countries and scholarships for economically disadvantaged students from Cuba that are identified by independent, nongovernmental entities and civic organizations in the United States and third-country universities. Another activity would be to support international efforts to strengthen civil society in the transition planning in Cuba.

If the President of the United States determines that there exists either a transitional government in Cuba or a democratically elected government in Cuba, as those terms are already defined in the statutes, and he submits that determination to Congress, then the funds made available may be used at the discretion of the Secretary in accordance with set guidelines. The Secretary of State shall ensure that none of the funds made available in this section are provided to the Government of Cuba.

So the intent of this legislation, while the island of Cuba is front and center in the eyes of the world, is for the United States to take a strong stand and start providing some assistance so that those brave people—the dissidents in Cuba—can look forward to the day of a democratically elected government. I and my colleagues all look forward to that day.

Mr. President, I yield the floor.

Mr. STEVENS. Mr. President, I certainly understand the position of the Senator from Florida. Reluctantly, I raise a point of order that this is legislation on the appropriations bill, and so it is in violation of rule XVI. There is also a budget point of order, but I believe that is sufficient.

The PRESIDING OFFICER. The point of order is sustained, and the amendment falls.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4858

Mrs. BOXER. Mr. President, I call up amendment No. 4858, and I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendment? Without objection, the clerk will report.

The bill clerk read as follows:

The Senator from California [Mrs. BOXER] proposes an amendment numbered 4858.

Mrs. BOXER. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To prohibit the use of funds by the United States Government to enter into an agreement with the Government of Iraq that would subject members of the Armed Forces to the jurisdiction of Iraq criminal courts or punishment under Iraq law)

At the end of title VIII, add the following:

SEC. 8109. No funds appropriated or otherwise made available by this Act may be used by the Government of the United States to enter into an agreement with the Government of Iraq that would subject members of the Armed Forces of the United States to the jurisdiction of Iraq criminal courts or punishment under Iraq law.

Mrs. BOXER. Mr. President, I ask unanimous consent that Senator LINDSEY GRAHAM be added as the principal cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. I am very pleased with that. I am very pleased he is here. I am also very pleased there appears to be good support for this amendment. We are going to have a record vote because we both believe it is very important to send a loud and clear message about the subject of this amendment.

This amendment ensures that no funds in this bill will be used to enter into an agreement with the Government of Iraq that would subject U.S. military forces in any way to the jurisdiction of Iraqi criminal courts or punishment under Iraqi law.

I think it is very important that we all understand that U.S. military forces are governed by law. They must comply with the Uniform Code of Military Justice, and they must comply with the Geneva Conventions. But, currently, U.S. military forces are immune from Iraq's legal system, and Senator GRAHAM and I want to make sure that this will continue to be the case.

This policy was set by the Coalition Provisional Authority, Order No. 17, and it is supported by U.N. Security Council Resolution 1546. But here is the reason we think it is important for us to speak out, hopefully, with a uniform voice today. Last month, Prime Minister Nuri al-Maliki said this policy should change. He is the Prime Minister of Iraq. He said:

> We believe that the immunity given to international forces is what emboldens them to commit such crimes in cold blood. This requires that such immunity should be reconsidered.

So the Prime Minister said that this immunity from his laws ought to be reconsidered. It seems, in a difficult time in Iraq—and Lord knows we won't get into all of it—where there is disagreement among the factions there, everyone seems to agree that, in fact, changing this policy to ensure that American troops are under the Iraqi court's jurisdiction is a good idea. They think it is a good idea. We do not, and we want to make sure it does not happen.

Prime Minister Maliki also suggested that the Iraqi Parliament review the policy of immunity for American troops. Let's look at what the Iraqi Parliament is saying about U.S. troops.

I want to make sure we understand. It is not every member of the Parliament but some members of the Iraqi Parliament. And let's keep in mind we have lost in excess of 2,500 troops there. They are gone, never to come home again. Every day, sadly—it feels like every day—I have to write a condolence letter to someone who lost a son or daughter. We now have in excess of 19,000 wounded. We know that we have a third of our soldiers coming back in the first year seeking mental health help. We know we have a lot of our soldiers experiencing post-traumatic stress. We have given, and taxpayers are still giving—it is the gift that keeps on giving—money, billions of dollars, and the lives of our soldiers, and wounded soldiers—all the rest.

So when we hear the Speaker of the Iraqi Parliament Mahmoud al-

Mashhadani say, "The U.S. occupation is butcher's work under the slogan of democracy, human rights and justice"—and this is someone who was part of the government, was part of the package when they put together that government—when we hear those words, we not only take tremendous offense at those words, we not only get sick about those words, whether we supported this war or voted against it, we want to make sure that not one of our soldiers comes under the jurisdiction of an Iraqi court with political statements behind it like that.

Let me tell you what else the Speaker of the Iraqi Parliament said. He called for statues to be built for those who kill American soldiers, saying:

> I personally think whoever kills an American soldier in defense of his country should have a statue built for him in that country.

This makes me sick, to think that we are still there, year after year after year. Now, in my opinion—and I certainly do not speak for someone else when I say this—in this increasingly hostile situation, one that a British leader said was essentially a civil war, imagine us turning over our soldiers to the Iraqi courts when the Speaker of the Parliament, who was part of the Government of Iraq, says:

> Whoever kills an American soldier in defense of his country should have a statue built for him in that country.

Then you have Abdul Aziz al-Hakim, the leader of the dominant Shiite block in Parliament, who called for granting an amnesty for insurgents who had fought against Americans in Iraq—in other words, an amnesty for those who hurt our soldiers—but we should allow our solders, who are fighting for their freedom, to go before an Iraqi court? No way. No way. That is why this amendment is so important today, and I am so pleased that Senator GRAHAM and I have agreed on this.

I voted not to go to war. I am working as hard as I can to start bringing our troops home. Senator GRAHAM has different views on this which he will express. But on the issue of our troops being tried in an Iraqi court system, we are in full agreement.

This amendment is necessary because on July 6, the Washington Post reported:

> An Iraqi government official, who spoke on the condition that he not be named, said Mr. Maliki hoped to revise Order No. 17 when the United Nations resolution authorizing the presence of American forces in Iraq is up for renewal at the end of the year.

Of course, that order is the order I referred to at the beginning of my comments which protects our troops from being tried in an Iraqi court.

It is critical that Congress be heard on this issue. I am very hopeful that we will be heard loud and clear, and I am expecting that we will.

Senator GRAHAM and I also agree that those who commit crimes have to be held accountable for their crimes. Of course we do. But as I said before, there is the Uniform Code of Military Justice and there are the Geneva Conventions. Our people must be held accountable for their actions, but we cannot subject our men and women in uniform to an Iraqi judicial system that is in chaos and, frankly, an Iraqi country that is in chaos.

Iraq's own Deputy Justice Minister has admitted that Iraqi prisons are overrun with Shiite Muslim militiamen who have freed fellow members convicted of major crimes and have executed Sunni Arab inmates. In Basra, it was reported that militia members took 12 foreign-born prisoners from their cells and shot them in the head. One Iraqi parliamentarian has said he saw as many as 120 detainees packed into a 35-by-20-foot cell, many who claimed they had been raped and their families tortured. We are not going to have Americans in any way get close to that situation over there.

U.S. personnel must not be subjected to the Iraqi legal system, especially when you consider that under Iraq's constitution, experts in Islamic jurisprudence can sit on the supreme court even if they have no training in civil law or other relevant subjects. The U.S. Commission on International Religious Freedom reports that "such limited training places Iraq's supreme court requirements alongside those of Afghanistan, Saudi Arabia, and Iran." We are not going to let our soldiers get close to that.

Everyone on both sides—all of us, whether we are for this war or against this war—voted yes. We all pray and hope that some day in Iraq there will be a governing body that will bring order, that will bring democracy, that will be respected, and we all hope things don't go in a bad direction. But I tell you today that my view is it is very tough over there. I just told you about some of the things that are happening in their criminal justice system. We can't allow U.S. military personnel to be subjected to Iraq's legal system.

Just this morning, GEN John Abizaid told the Senate Armed Services Committee that "sectarian violence is probably as bad as I have seen it." He said that today in the Senate Armed Services Committee.

It was reported today that the outgoing British Ambassador to Iraq wrote a confidential memo to Prime Minister Tony Blair saying that "the prospect of a low intensity civil war and a de facto division of Iraq is probably more likely at this stage than a successful and substantial transition to a stable democracy." That is a very disheartening thing for the American people to hear.

Things are very tough—as tough as they have ever been in Iraq. This is certainly not the time to leave any impression out there whatsoever that this is the time we could say that our soldiers would be somehow trapped inside the Iraqi legal system.

The Boxer-Graham amendment makes common sense. U.S. military personnel must be held accountable for their actions, but not by the Iraqi Government, by the U.S. Code of Military Justice, by the Geneva Conventions.

I am very proud to be working with my friend on this issue. I yield the floor and hope that at this time, he would be recognized to make his comments as to why we have come together on this important amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. GRAHAM. Mr. President, I thank the Senator from California, Mrs. BOXER, for bringing this amendment to the floor at a very important time in our relationship with Iraq.

In relation to Iraq and as to what people in Iraq in political office have said, you can't judge everyone in the country by the statement of one political leader, but the fact that a political leader said the things that Senator BOXER has just described is unnerving.

I would like the Iraqi people to know that when it comes to disciplining American service men and women serving overseas, we are a nation committed to following the rule of law and that we have status of forces agreements with Germany, Japan, and other countries where our troops have been stationed for decades. Under those status of forces agreements, we have an agreement with a host country that if a military man or woman commits a crime, the United States will retain jurisdiction to prosecute that person who is a military member under the Uniform Code of Military Justice.

I served in Germany for 4½ years and prosecuted many cases where American service men and women committed crimes against German nationals and civilians in general, and I can assure you that the American military takes very seriously misconduct by its own.

This idea that Prime Minister Maliki suggests that immunity has been given to international forces is, quite frankly, wrong. There is no immunity for an American service man or woman from prosecution for crimes committed in Iraq. But we have an understanding and an agreement at this point in time that when the prosecutions are had, we will do them. We will be the ones responsible for disciplining our troops, just as we do in almost every other country throughout the world. The idea that the U.S. military will retain jurisdiction over crimes committed by service men and women in foreign lands is nothing new. It is the normal course of business.

Given some of the rhetoric coming out of Iraq, it is very important that we need to reaffirm that we will be there to help the Iraqi people achieve democracy, if that is what they want, and to gain their freedom. We have lost 2,500 lives and have been spent $400 billion. So America is very serious about helping the Iraqi people. But we need to be serious—the Senate, the House, and the administration—we need to understand that as part of our commitment to the Iraqi people, there is no need or requirement for us to turn over jurisdiction regarding our soldiers' conduct to the legal system in Iraq. That would be a mistake. We don't do it in any other place, nor should we do it in Iraq.

I can assure you that when people have engaged in misconduct in Iraq and we have found out about it, the soldier, airman, sailor, marine, or whoever is involved is given a trial under the Uniform Code of Military Justice, they are provided a vigorous defense, and the trial is something I think we should be proud of in terms of the legal procedures in the military. But when found guilty, they are severely punished. There are a lot of high-profile cases now, alleging murder and rape, against U.S. service men and women, and they will be prosecuted to the fullest extent of the law because we as a nation believe very deeply in the rule of law.

Those who serve in the military believe very much in duty, honor, and country. When a service member commits a crime while wearing the uniform, it is a stain on all those who wear the uniform. That is why the military comes down so hard on misconduct by our own, because you cannot win a war without good order and discipline.

I can assure the Iraqi people and every other nation where we have troops stationed that when our troops misbehave and commit crimes, which happens in any society, we take the obligation to punish those people seriously, and at the same time making sure they have a full and fair trial.

I join the Senator from California. I urge every Member of this body to get on record now before these treaties have to be renegotiated and get ahead of this rhetoric to let everyone know that we are going to be in Iraq trying to help the cause of freedom, but we are not going to turn our soldiers and military personnel over to a legal system that is, quite frankly, not very mature yet. We have never done it in any other country. There is no need do it.

We can with a great deal of assurance tell the Iraqi people—politicians included—that we have a great track record of having people stationed all over the world for decades and that track record is that when our people engage in misconduct found to have been proven in a court law, they are severely punished. I can assure every Iraqi citizen that if something goes wrong on our watch by our military, we will handle it. We have a great track record of handling it. But under no circumstances, in my opinion, should we ever go down the road of changing the rules that now exist. It would be unwise for this Nation to abandon what has worked for over 50 years; that is, retaining jurisdiction over misconduct by military members serving abroad. We have a system that works and, quite frankly, I do not want to change that because the men and women in Iraq have enough to worry about. They do not need to be worried about some court in some province that is not really well constituted coming after one of them.

I yield the floor and urge an absolute 100-to-0 vote.

Mr. INOUYE. Mr. President, in behalf of the managers of the bill, we have no objection.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mrs. BOXER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the vote occur at 4 o'clock.

Mrs. BOXER. Mr. President, reserving the right to object, I hope you could modify the request—that no second-degree amendments be permitted.

The PRESIDING OFFICER. Is there objection to the request, as amended?

Without objection, it is so ordered.

Mr. INOUYE. Mr. President, in the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I will speak to the Defense appropriations bill which is before the Senate and discuss the war in Iraq in the context of this bill.

This bill includes $50 billion for the wars in Iraq and Afghanistan. Earlier this week, we added another $13.1 billion for emergency funding for the Army and Marine Corps to repair and replace badly needed equipment. I supported these additional funds and I support this bill.

I have this vision in my mind of our soldiers in Iraq and Afghanistan driving down those dusty roads wondering if a bomb is going to explode, and I think about us in the safety of this Senate Chamber here at home. I think to myself, if it were my son or daughter in uniform serving our country, risking their lives, would I want them to have everything possible to come home safely? The answer is very obvious.

Although I had great misgivings about the decision which led us into this war in Iraq. I was one of 23 Senators from both sides of the aisle who voted against the authorization of force that initiated this war. My belief at the time as a Member of the Senate Intelligence Committee was that the American people were not being given the full story, they were not being given the facts.

We were told that Iraq was a great threat to the United States with weapons of mass destruction and nuclear weapons. We were told that there was some connection between September 11 and al-Qaida terrorism and Saddam Hussein and Iraq. It turned out that none of those things were true. It was also very obvious from the outset, as we initiated this war in Iraq and invaded this country, we did it with the valued assistance of the United Kingdom and many other countries, but the burden fell on American soldiers, marines, airmen, and sailors more than any others, and the burden fell on American taxpayers and American families more than any others.

So now we are in the fifth year of this war. We have been briefed from time to time about the progress we are making, and there are positive things which we should not overlook. Saddam Hussein is gone. He was rooted out of a hole in the ground. He is being held for trial. That is certainly a positive thing in the history of this world. We also know that the Iraqi people have been given an opportunity which no one might have dreamed of a few years ago, to have free elections and to elect their own government. That is a very positive thing. Of course, the courage of individual Iraqi citizens as well as the courage of our soldiers is an inspiration to all of us as we consider this situation.

But we have to say, if we are honest and objective, that the situation in Iraq is far from peaceful, it is far from stable. Mr. President, 2,585 American soldiers have given their lives in this battle, over 100 of them from my home State of Illinois. Almost 20,000 of these soldiers have returned home seriously injured, many of them amputees, 2,000 of them with serious head injuries. Their lives will be quite different because of their service to our country and because of their experience in this war.

We have spent some $320 billion on this war. We are spending at the rate of $3 billion a week on the war in Iraq. We are cutting back on spending in our own home budget for things as varied as aid to education, money for our schools, cutting back at the National Institutes of Health for medical research, cutting back in so many areas because war takes money away from a country that might spend it at home. That is the reality of what we face.

We know the funds in this bill will not carry our military through the year 2007. The President and Secretary of Defense continue to send us so-called emergency bills which are supposed to be reserved for unanticipated surprise expenses. That is how we funded the war in Iraq, which is now going into its fifth year. These are certainly not unanticipated expenses. We know a war costs, and it costs greatly.

There are the short-term costs of war, the $320 billion price tag, but there are other costs that will be with us for a long time. A Pulitzer Prize-winning economist has estimated that the cost of medical treatment for veterans with brain injuries from the Iraqi war will be at least $14 billion over the next 20 years. To date, 1,700 of these soldiers have returned with serious traumatic brain injury. In a recent calculation of 115 soldiers who were exposed to blast injuries, such as IEDs, 62 of the 115 had some form of a traumatic brain injury.

It means, of course, in the most serious cases, extensive surgery and rehabilitation in an effort to get back to a normal life. It means in some other cases that they will lapse into epileptic seizures that will need to be carefully watched and treated for many years to come. This number, $14 billion for the next 20 years for brain injurie alone associated with the war in Iraq, tells us that we will pay, as these soldiers and their families will pay, for a long time to come.

The numbers I have given do not include the billions of dollars which we will need to repair and replace equipment for the Active-Duty units and the National Guard and Reserve. LTG Steven Blum of the National Guard bureau said:

> Today, here at home, I have less than 34 percent of the equipment I'm supposed to have.

In my hometown of Springfield, IL, I visited the National Guard at the Camp Lincoln facility. I looked at their empty parking lot: 85 percent of our Guard units in Illinois have been over at least once. They have run this equipment into the ground, and they have left a lot of it behind; it was just worn out. In a war, equipment is burned up at four or five times the normal rate. I can understand that. They are racing to make sure they are safe, and it takes its a toll on vehicles and equipment.

They come home now to find empty parking lots and empty equipment lockers. Our National Guard units do not have the equipment they need to train to be ready if called up again. They do not have the equipment they need to respond to homegrown emergencies, whether it is a flood or a situation they need to be there for. Many of them have to beg, borrow, and scratch to find what they need.

According to Army officials, two-thirds of the Army's active brigades are not ready for war. There is substantial criticism of previous Presidents that we had a hollowed-out Army, an Army in name only, that wouldn't be there if we needed it. Now the Army is being very forthright and saying, yes, we have paid a heavy toll, not just in lives—and that is the most important thing—but in training and readiness and basic equipment.

The Army currently estimates that it needs $17 billion to address these readiness needs. The Marine Corps needs between $12 and $15 billion. General Blum reports the National Guard is "even further behind and even a more dire situation than the active Army. . . .We both have the same symptoms but [the Guard] has a higher fever."

The National Guard's budget problems will only grow worse if the administration's plans are followed. The Army National Guard currently has 340,000 members, and it is working to recruit up to 350,000. There was a time in the Persian Gulf war when National Guard units and Reserve units were almost shunned. The regular Army said: Leave them at home. We will take a few of them, but we will do the job. We will tell you if we need you. It did not take long in Iraq and Afghanistan for our regular Army to understand they needed the National Guard and Reserve and needed it desperately. The Department of Defense budget only plans to fund 324,000 guardsmen over the next 5 years when we know we will need 350,000. That is something we should face more realistically.

The men and women in our military and their families give everything we could possibly ask of them. I cannot tell you how many times I have been to sendoffs and welcome homes in Illinois for Guard and Reserve units. I cannot tell you what it is like unless you have been there to stand there with mom and dad in tears watching their soldier, whom they love so much and respect so much, off to war. It is a story that has been repeated many times in the history of our Nation, but it never gets easy for that family sending off someone they dearly love.

In my home State of Illinois, 85 percent of our Guard units have been mobilized in the last 3 years and many have gone more than once. Of the 34 percent of the Illinois Guard equipment that has not been deployed, 10 percent has been deemed unacceptable due to age and lack of parts and inadequate armor protection. These dire equipment shortages undercut the Guard unit's ability to train and be prepared.

Our guardsmen, God bless them, will find a way to serve. They will make do. They will scratch it together and they will answer the call. They always do. But we know what has happened. We have had soldiers stand up and say publicly: We have been digging through landfills to find armor to try to protect ourselves. Things are getting better. There are improvements. The humvees which we are now sending are armored up, at least to the latest threat that we face, even though the threat seems to change and grow by the day.

Our soldiers deserve the best. They deserve planning and decision making at the highest levels of Government that respects their sacrifice and provides the resources they need to fulfill their missions. We underestimated the cost of this war, it is clear. We overestimated the danger of Iraq to the United States. That is clear. We underestimated the insurgency which now threatens our troops. We underestimated the civil war which now appears to be breaking out. Six thousand civilians have died in the last 2 months in Iraq. We are perilously close to a civil war situation. And our soldiers, our American soldiers, are caught in the middle of this deadly crossfire in Iraq.

I am afraid that this civil war is underway, and I am afraid it is not ours to win. This is a war that the Government and people of Iraq must deal with. They have to find a way to end the sectarian violence, to reign in the murderous militias. Baghdad, when I visited a year and a half ago, was the central point for American protection and security. We were hurried from the airport by convoy, first by helicopter and then by convoy, into the so-called green zone, an old palace of Saddam Hussein's which is guarded in three our four different perimeters to make sure it was safe—and still it was not. There we have not only our personnel from the embassy and important decision makers at the highest level of the military but a lot of soldiers, a lot of marines, and a lot of sailors. Baghdad, that was the central place, the central point of our effort for security in Iraq.

Now, unfortunately, the security in that city has deteriorated dramatically, deteriorated to the point where we need thousands more American soldiers, not to mention Iraqi soldiers, to move in and make it safe.

At some point in this terrible situation, there will be a tipping point when the forces of chaos and hatred will gain the upper hand in Iraq. I hope it hasn't been reached yet. I am afraid if we don't change course and the Iraqi Government doesn't change course, we will.

I understand we have a vote scheduled for 4 o'clock, so I conclude by saying I will support this bill. Although I question the policy that brought us to this point, although I question this administration's plan to bring an end to this war in Iraq, my questions cannot be at the expense of shortchanging our troops. We must have the courage and vision to chart the right course so that the Iraqis stand up and defend their own country and that American soldiers start to come home with their mission truly accomplished.

I yield the floor.

Mr. STEVENS. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The hour of 4 o'clock having arrived, the question is on agreeing to the Boxer amendment No. 4858.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. The following Senator was necessarily absent: the Senator from Kentucky (Mr. BUNNING).

Further, if present and voting, the Senator from Kentucky (Mr. BUNNING) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN), are necessarily absent.

The PRESIDING OFFICER (Mr. BURR). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 225 Leg.]

YEAS—97

Akaka
Alexander
Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
Dayton
DeMint
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchison
Inhofe
Inouye
Isakson
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner
Wyden

NOT VOTING—3

Baucus
Bunning
Lieberman

The amendment (No. 4858) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. SUNUNU. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4848

Mr. STEVENS. I ask unanimous consent that there be 2 minutes equally divided on the Coburn amendment No. 4848, followed by a vote on the amendment with no second-degree amendments in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who seeks time?

The Senator from Oklahoma.

Mr. COBURN. Mr. President, this is a simple amendment. This is transparency. This is about adding an amendment to this bill that says the earmarks we put in, we know where they go. They are transparent. We know who did them, and we know who gets the money. It allows the Defense Department to look at them in comparison to what the overall mission of the Defense Department is. It talks about the cost of administering the earmarks, assessment of the utility of the earmarks, and it is something the American people ought to see. We know some earmarks are great for the Department of Defense, but we also know some are terrible. We ought to be evaluating the pertinency and the value of those earmarks, and we ought to know whether they are valuable at a time when we are having trouble funding the war.

Mr. STEVENS. Mr. President, for the information of Senators, after the vote on this amendment, Senator SESSIONS will offer his amendment which deals with the conventional Trident modification, a very serious amendment.

I ask unanimous consent that the vote on this amendment be limited to 10 minutes. I say to the Senate this amendment is on the Defense authorization bill. I urged the Senator to accept a voice vote, but the Senator requested a vote. So I request a vote now.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. The following Senator was necessarily absent: the Senator from Maine (Ms. SNOWE).

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 226 Leg.]

YEAS—96

Akaka
Alexander
Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Bunning
Burns
Burr
Cantwell
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
Dayton
DeMint
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchison
Inhofe
Inouye
Isakson
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner
Wyden

NAYS—1

Byrd

NOT VOTING—3

Baucus
Lieberman
Snowe

The amendment (No. 4848) was agreed to.

Mr. STEVENS. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 4774, 4846, AS MODIFIED, 4849, 4851, 4761, AS MODIFIED, 4840, AS MODIFIED, 4801, AS MODIFIED, 4864, AS MODIFIED, 4841, 4860, 4797, AND 4855, EN BLOC

Mr. STEVENS. Mr. President, I have a managers' package that I would like to describe:

Amendment No. 4774 for Senator SESSIONS regarding blast protection; amendment No. 4846, as modified, for Senator PRYOR regarding combat support hospitals; amendment No. 4849 for Senator BOND regarding intelligence personnel; amendment No. 4851 for Senator BIDEN regarding military bases in Iraq; amendment No. 4761, as modified, for Senator LOTT regarding UAVs; amendment No. 4840, as modified, for Senator LEVIN regarding vehicle technology; amendment No. 4801, as modified, for Senator DEWINE regarding shipbuilding; amendment No. 4864, as modified, for Senator NELSON of Florida regarding test and evaluation; amendment No. 4841 for Senator ALLEN regarding OEA study; amendment No. 4860 for Senator MIKULSKI regarding an intelligence project; amendment No. 4797 for Senator VOINOVICH regarding portable batteries; and amendment No. 4855 for Senator DODD regarding Navy UWVs.

All of these have been approved on both sides, and they have the clearance of all concerned, to the best of my knowledge.

Mr. President, I ask unanimous consent that these amendments which I send to the desk be considered en bloc and that they be adopted en bloc and that the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 4774

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $1,000,000 for blast protection research)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for Program Element 0602787A for blast protection research.

AMENDMENT NO. 4846, AS MODIFIED

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $10,000,000 may be available for the Combat Support Hospital—Mobile Support Hospital.

AMENDMENT NO. 4849

(Purpose: To make available up to $8,000,000 for personnel for a certain intelligence activity)

At the appropriate place, insert the following:

SEC. . Of the amounts available for the activity described on pages 149 through 159 of Volume VI, Book I of the Fiscal Year 2007 Congressional Budget Justification Book of the Intelligence Community, up to $8,000,000 may be available for personnel for that activity.

AMENDMENT NO. 4851

(Purpose: To prohibit the use of funds for establishing United States military installations in Iraq or exercising United States control over the oil resources of Iraq)

At the end of title VIII, add the following:

SEC. 8109. None of the funds appropriated or otherwise made available by this Act may be obligated or expended by the United States government for a purpose as follows:

(1) To establish any military installation or base for the purpose of providing for the permanent stationing of United States Armed Forces in Iraq.

(2) To exercise United States control over any oil resource of Iraq.

AMENDMENT NO. 4761, AS MODIFIED

At the end of title VIII, add the following:

SEC. 8109. (1) Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $10,000,000 may be available for experimentation and refinement of tactics and doctrine in the use of the Class IV unmanned aerial vehicles and ground stations associated with such vehicles.

AMENDMENT NO. 4840, AS MODIFIED

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $10,000,000 for Combat Vehicle and Automotive Technology)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" up to $10,000,000 may be available for Combat Vehicle and Automotive Technology.

AMENDMENT NO. 4801, AS MODIFIED

(Purpose: To make available from Shipbuilding and Conversion, Navy, up to $10,000,000 for the Carrier Replacement Program for advance procurement of nuclear propulsion equipment)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading "SHIPBUILDING AND CONVERSION, NAVY", up to $10,000,000 may be available for the Carrier Replacement Program for advance procurement of nuclear propulsion equipment.

AMENDMENT NO. 4864, AS MODIFIED

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) Except as provided in subsection (b), the Secretary of the Air Force shall, not later than March 31, 2007, submit to the congressional defense committees a cost-benefit analysis of significant proposed realignments or closures of research and development or test and evaluation installations, activities, facilities, laboratories, units, functions, or capabilities of the Air Force. The analysis shall include an evaluation of missions served and alternatives considered and of the benefits, costs, risks, and other considerations associated with each such proposed realignment or closure.

(b) The requirement under subsection (a) does not apply to realignment and closure activities carried out in accordance with the final recommendations of the Defense Base Closure and Realignment Commission under the 2005 round of defense base closure and realignment.

AMENDMENT NO. 4841

(Purpose: To provide that, of the amount appropriated or otherwise made available by title II for Operation and Maintenance, Defense-Wide, up to $2,000,000 may be available for the Office of Economic Adjustment of the Department of Defense to conduct a traffic study and prepare a report on the improvements required to the transportation infrastructure around Fort Belvoir, Virginia, to accommodate the increase in the workforce located on and around Fort Belvoir resulting from decisions implemented under the 2005 round of defense base closure and realignment)

At the end of title VIII, add the following:

SEC. 8109. (a) Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE", up to $2,000,000 may be available for the Office of Economic Adjustment of the Department of Defense to conduct a traffic study on the improvements that are required to be carried out to the transportation infrastructure around Fort Belvoir, Virginia, to accommodate the increase in the workforce located on and around Fort Belvoir resulting from decisions implemented under the 2005 round of defense base closure and realignment. The study shall incorporate the input of the Virginia Department of Transportation and other State and local governments and agencies.

(b) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the study conducted under subsection (a), including a cost estimate for such improvements and the funding sources, including the Defense Access Road Program, proposed for such improvements.

AMENDMENT NO. 4860

(Purpose: To make available from Procurement, Defense-Wide, up to $12,600,000 for the completion of the final phase of a certain intelligence activity)

At the end of title VIII, add the following:

SEC. 8019. Of the amount appropriated or otherwise made available by title III under the heading "PROCUREMENT, DEFENSE-WIDE", up to $12,600,000 may be available for the completion of the final phase of the activity described on pages 337 through 339 of Volume II of Book 1 of the Fiscal Year 2007 Congressional Budget Justification Book of a component of the intelligence community.

AMENDMENT NO. 4797

(Purpose: To provide that, of the amount appropriated or otherwise made available by title IV for the Army for research, development, test and evaluation, up to $1,000,000 may be available for the Portable Battery Operated Solid-State Electrochemical Oxygen Generator project)

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", $1,000,000 may be available for the Portable Battery Operated Solid-State Electrochemical Oxygen Generator project for the purpose of developing a field-portable oxygen generation device to enable the quick administration of oxygen to members of the Armed Forces wounded in action.

AMENDMENT NO. 4855

(Purpose: To make available from Research, Development, Test and Evaluation, Navy, up to $1,000,000 for Energy Regeneration and Conversion Fuel Cell Systems to address Navy Unmanned Underwater Vehicle requirements)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $1,000,000 may be available for Energy Regeneration and Conversion Fuel Cell Systems to address Navy Unmanned Underwater Vehicle requirements.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. SMITH. Mr. President, since I have been a U.S. Senator, I have been an advocate of what is known as the tip credit. I have always urged for the tip credit to be included in increases in the minimum wage. In no way have I done this to try to lower someone's wage, but to try to help employers and restaurants to keep their doors open and increase job growth.

We are debating, among other things, the minimum wage-death tax compromise. It has come to my attention that some of our friends in the Chamber are trying to construe the tip credit in a way that I believe is very tortured and, frankly, very wrong. So I have come to the Chamber today to try to explain and alleviate anybody's fears as to what the effect of this law is to be.

Let me make clear what the language of the bill is. It says:

> A worker cannot be paid less than the cash wage paid such employee which is required under such law, ordinance, regulation, or order on the date of enactment.

So what employees are receiving under their State laws is what they will continue to receive. As a minimum wage increase goes into effect, the current wage level will be the floor. If a State, such as my State of Oregon, currently has a minimum wage of $7.50 an hour, this amount will be the wage the employee receives. No one's wage will go decrease. Yet, some are suggesting that if a State does act, or if a court misunderstands the statute, then tipped employees' wages will be lowered. That is not the intent of this tip credit provision.

I urge my colleagues to consider the tip credit for the employee for whom we are raising this minimum and for their employer, who is simply trying to comply with this law.

In my experience, when the executive agrees to the content of a law, the legislature drafts it, and the affected stakeholders agree with it, then that is what becomes law. At this time, some continue to want to misrepresent what the tip credit is. For that reason, I would like to include two letters with my statement. The first letter is by the U.S. Department of Labor and the second letter is from the National Restaurant Association. We are all saying the same thing, notwithstanding the efforts of others to try to defeat this compromise bill by distorting what the tip credit means.

The U.S. Department of Labor's Director of Wage and Hour Division has written to the majority leader stating the following:

> The Wage and Hour Division would read Section 402 as protecting the current minimum wages of the tipped employees in the seven States that now exclude a tipped employee's tips from being considered as wages because to do otherwise would be inconsistent with what we understand to be the intent of Congress and the Fair Labor Standards Act, which the Wage and Hour Division enforces.

If a Republican administration is saying we will not reduce anyone's wages, I don't believe a Democratic administration would. A Republican House of Representatives has applied the same interpretation to the tip credit provision, and I believe a vast majority of the Senate would agree with the House's interpretation.

But what about those affected by the tip provision, the ones who pay the wages? This is a statement from John Gay, the senior vice president for government affairs and public policy, of the National Restaurant Association. He writes:

> The tip credit provision in the minimum wage bill protects employee wages at their current level. No provision results in the lowering of wages for any worker. The purpose of the provision is to allow employers with tipped employees to count their employees' tips as wages for purposes of meeting their minimum wage obligation. There are 43 States that allow this practice now. The tip credit provision in the minimum wage bill allows the other seven—

We are talking about seven States, Oregon being one of them—

> allows the other seven States to do so. In those seven States, employers would only be permitted a tip credit once their State minimum wage is raised in the future. For example, the minimum wage is currently $7.50 per hour in Oregon. If the current Federal minimum wage bill passed and was signed into law, the State wage would remain at $7.50—

It wouldn't drop to $7.10, it would remain at $7.50—

> until the State legislature or inflation increases the State's minimum wage in the future. If the State minimum wage was increased $1, to $8.50, only then would the employers be permitted a tip credit of the amount of the minimum wage increase.

I have never understood the belief of some that you can love employees and hate employers, but that seems to be what is driving this attempt to misrepresent the tip credit. We are trying to be fair to employees. We are trying to help employers to continue to retain and compensate their employees.

I will simply conclude by saying again that when all parties—the ones who write the law, the ones who enforce the law, and the ones who live under the law—agree with the content of the law, then that is the law. And under this proposal, no employee's minimum wage will be reduced. Anyone saying anything to the contrary is shooting from the peanut gallery. These people are not part of the group—the writers of the law, the enforcers of the law, and those who live under the law.

I urge its passage. If we are going to raise the minimum wage—and I support doing so—I think in fairness to the employers, we ought also to include the tip credit. This is a good compromise. There is so much important in this bill that is essential for the health of our economy and for the settling of some important issue, including planning people's estates, supporting airline pensions, and helping those at the lowest rung of the income scale receive a raise. I am support all of this. And I believe this provision only helps—it does not hurt—those on the minimum wage because it enables more people to have jobs.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I wish to express my appreciation to the Senator from Oregon for his thoughtful and careful analysis of the tip credit issue. I have heard a lot of things said about it recently, and a lot of them are quite off base, and it is good that we hear the matter carefully discussed and explained.

AMENDMENT NO. 4844

Mr. SESSIONS. Mr. President, I call up amendment No. 4844.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

Mr. STEVENS. Mr. President, will the Senator yield for a second? Would the Senator agree to a time limit so that we would vote at 6:15 on the amendment?

Mr. SESSIONS. That would be fine.

Mr. STEVENS. Mr. President, I ask unanimous consent that the vote on this amendment take place at 6:15, with no second-degree amendments being allowed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 4844.

Mr. SESSIONS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

AMENDMENT NO. 4844

(Purpose: To make available from Research, Development, Test, and Evaluation, Navy, up to $77,000,000 for the Conventional Trident Modification Program)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $77,000,000 may be available for Advanced Conventional Strike Capability (PE #64327N) for the Conventional Trident Modification Program.

Mr. SESSIONS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. SESSIONS. Mr. President, I offer this amendment to restore the military funding request of $77 million under research and development for the Conventional Trident Modification Program. The Quadrennial Defense Review—that is, the 4-year review of the military's world strategic plan—made this finding:

> We need to make greater progress in fielding prompt, accurate, nonnuclear global strike capabilities, and that we also make further modest reductions in a strategic nuclear force.

So they have looked at that nuclear posture review and as a result have concluded, as General Cartwright and Admiral Giambastiani, as vice chairman of the Joint Chiefs of Staff, in a letter to Senator INOUYE, that these capabilities as requested in this request for the Conventional Trident Modification fulfill the military's need for a prompt strike weapon. So this is what they requested. The Conventional Trident Modification Program is designed to demonstrate the feasibility of using existing Trident super submarine-launched ballistic missiles with nonnuclear warheads to provide the President an important strategic capability for countering serious threats to the United States and to do so in time-urgent situations. It will use an inert warhead—someone said it could even be concrete—and a warhead traveling at the speed that this missile travels would have sufficient impact with an inert warhead of nonexplosive capability to meet the needs of the military.

So while the Senate-passed National Defense Authorization Act for fiscal year 2007 fully funds this effort, the Senate Defense appropriation bill that is now before us would eliminate all funding for this critical program. According to the report accompanying the appropriations bill, the Defense Committee:

> Believes that fundamental issues about the use of this weapon must be addressed prior to investing in this effort.

The committee also believes that other potentially less provocative alternatives have yet to be considered, it says.

I will try to address specifically these two concerns, but first allow me to remind my colleagues that this issue was thoroughly considered and debated by the Armed Services Committee prior to and during its markup of the Defense authorization bill. The Strategic Forces Subcommittee, of which I am the chairman, held a hearing on this specific issue—the global strike capabilities—during which we discussed it in depth. During our markup, moreover, the Armed Services Committee adopted an amendment proposed by the Democratic members of the committee that would limit spending on the CTM beyond $32 million of research and development pending the submission by the Defense Department of a report by the Secretary of Defense and the Secretary of State addressing the military, political, and international issues associated with the conventional Trident missile modification.

But I would argue that this capability is just too important for our Nation to allow another year to slip by without proceeding at least with research and development. To accommodate the concerns of some of my colleagues, the amendment before you would restore only the research and development funds associated with the CTM Program. Not included is the $50 million requested by the Department of Defense for acquisition activities related to the CTM Program. I believe this was a reasonable compromise, an effort to gain broad support for this new system. I believe further that to provide R&D funds to demonstrate the concept, while withholding procurement funding until Congress has an opportunity to review the required report, meets and goes beyond, really, the needs and concerns that our colleagues have raised.

To speak directly to the matter, why do we need a submarine-launched ballistic missile that can strike virtually anywhere on the face of the globe with precision, with a conventional warhead, within 30 minutes or less? Former Secretaries of Defense Harold Brown, under a Democratic administration, and James Schlesinger, under a Republican administration, said it well in a recent op-ed article they wrote together, the two of them—Secretaries of Defense, men of wisdom and experience. They said:

> In a world in which terrorist groups may have access to nuclear weapons it is imperative to give future U.S. Presidents more options to prevent nuclear attack.

I think that says it all. Indeed, it is likely that by the time this system is ready to be fielded, President Bush will not be here to utilize it, but his actions, and our actions as a Congress today, can provide future Presidents with these needed options. To be sure, we are not dealing with an academic debate. It was reported in a 9/11 Commission report that on August 11, 1998, a cruise missile attack against bin Laden, who was then hiding in Afghanistan, missed its intended target "by a few hours." How might the course of history have been altered that day if the President had at his disposal a prompt global strike capability?

In another example, it was reported by the press that the initial attack against Saddam Hussein, at the outset of Operation Iraqi Freedom, took some 4 hours to reach the target using Stealth fighters and sea-launched cruise missiles—ample time for the enemy to escape.

In addition to targets in the war against terrorism, one can imagine other important uses for a conventional weapon that can strike targets across the globe in minutes, for example, destroying a ballistic missile armed with weapons of mass destruction as it is being prepared to be launched against the United States; intercepting a weapon of mass destruction which is being loaded into a container ship heading for a U.S. port; or disrupting key enemy command-and-control facilities so that they cannot execute an attack plan; thwarting enemy moves to seize strategic advantage at the outset of some crisis.

It is true that some of these targets could be attacked using existing strike forces such as cruise missiles, bombers and precision-guided weapons, fighter aircraft launching from carriers or perhaps special operations forces. But each of these alternative strike platforms carries risks to U.S. personnel, require complex planning and support infrastructure, and cannot reach their target in minutes. It is hours.

CTM is indeed a niche capability. But the regrets of not having this option are just too high to contemplate, given today's security environment. Wouldn't we want any President to have this capability?

I believe all can agree on the strategic value of the conventional Trident program. Let me address what I understand to be the principle concerns of some of its critics, which are that the launch of a conventional Trident missile might be mistaken for a launch of a nuclear-armed missile and prompt a catastrophic nuclear response from some third-party nation that believes it is under attack.

The Defense Department has taken seriously this concern. As a matter of fact, the first thing they have done, and decided to do from the beginning, is to be absolutely open to the world about the capability they have in these missiles and their plans to convert a nuclear missile to a conventional missile; but they have, in addition, put in place a comprehensive approach for mitigating this risk.

But before examining these specific steps, I ask my colleagues to look more carefully at the fundamental underlying concern. Would a nuclear power with ballistic missiles, such as China or Russia, perceive the launch of one or even two ballistic missiles, as an attack against its territory, starting a nuclear war? I think not. Even during the darkest days of the Cold War such an attack by a single missile was considered implausible. People always talked openly, among the defense forces of all these nations, about the situation in which a single missile might be launched by mistake. It is well known if people are going to kick off a nuclear war and have a number of missiles, they would launch their entire fleet, hundreds of missiles at a time, trying to catch the Nation's adversary unaware and perhaps destroy their retaliatory capability on the ground. All that was the strategy involved in Mutual Assured Destruction—a thing, basically, of the past, frankly, and thankfully it appears to be so. But we have to be concerned and cannot forget the lessons of that period.

But let's take this further. Very few States can currently detect a launch of a missile and track the trajectory of its warhead. Very few nations have the capability of detecting our launch. The country that has the most capability in this regard would be Russia, but we are told by Defense officials that once the Russians detect a launch, their system capability is such they will know it is not aimed at them. They will know where it will land, and they will know it poses no threat. They are not going to kick off a war over this.

Assuming the above context is not enough to assuage our concerns, the Department of Defense has in place a comprehensive strategy to mitigate risks posed by the misperception or ambiguity problems. One of the measures that they plan is advanced notification to leaders of select States. For example, the United States maintains a robust set of communication links between U.S. leaders and their Russian counterparts and military counterparts all over the world. We have that capability and, in fact, communicate on a fairly frequent basis, and additional communication links with senior Russian officials are planned, such as the Joint Data Exchange Center for shared early warning. In this case, Russian and U.S. officials would sit side by side in a jointly staffed early warning center. Isn't that a good step forward?

What do we have as a strategy for the United States today? We are reducing significantly the number of our nuclear warheads, and we are creating a center for early warning, where our military people sit down side by side to further eliminate any possibility of a mistake. There are political exchanges and military-to-military talks with Russians and other nations to inform them of our plans for the CTM. These efforts are already underway. We are right upfront with the military leaders around the world about what we are developing and why we are doing it.

Operational measures, such as distinctive command and control procedures for the conventional Trident missile, would differ from procedures for nuclear-armed Tridents, and potential visits and inspections to build confidence through transparency are planned. Our Defense Department talked openly with other defense departments. We will take every effort to make sure there is no risk from this.

In summary, the risk of a country misinterpreting the launch of a conventionally armed Trident missile as a nuclear attack are low to nonexistent. The Department of Defense risk mitigation strategy will further eliminate that risk—indeed, eliminate it totally. In this post-September 11 world, we need strategic capabilities to promptly thwart dangerous threats to the United States, where time is of the essence and the regret of not acting is too high to imagine. The conventional Trident option provides our leaders the capability to go after high-value targets where access may be difficult or where other U.S. forces are not present. It is a capability that will be reserved for extreme national emergencies. It is a capability we need today. It is an option any President can have if we move forward and should have.

I close by asking my colleagues to think carefully about this amendment. It is a very important issue. I can understand that people might have raised concerns. But what I want to say to my colleagues is we had a hearing on this. We had General Cartwright and others testify. General Cartwright is the Commander of the Strategic Command. This is under his direction. He is a very impressive general. We asked him tough questions about all these issues, and he was quite forthcoming and open about it. He answered every single one of them.

Our Armed Services Committee has voted this out in a compromise fashion to guarantee even further study before the system goes to full development. But we do not need to waste another year. We do not need to go another year without the future President of the United States having the capability that we have the power to give him, to launch a nonnuclear strike anywhere in the world and hit a target within 30 minutes. It is the right thing to do. It is very important for our Defense Department. They strongly support it as part of their 4-year Quadrennial Defense Review. We have letters from General Cartwright, Vice Chairman of the Joint Chiefs of Staff, and others supporting this matter, and the Secretary of Defense, Donald Rumsfeld. Indeed, Secretary Rumsfeld said in his letter, just a few days ago:

> The Department [of Defense] strongly supports this amendment. Failure to fund this program would delay a capability we need now to respond promptly and precisely to time-sensitive, high-value targets anywhere in the world.

This capability is within our grasp. It will work. It is simply a matter of developing the warhead and doing training with it. But the capability we have is such that these missiles can hit the most precise targets within 30 minutes anywhere on the globe.

I strongly urge my colleagues to support this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, I join my colleague from Alabama to offer this amendment that will provide funding to enable a new and indeed needed capability known as Prompt Global Strike. In March of this year, prior to an Armed Services subcommittee hearing, I met with General James Cartwright, of the U.S. Strategic Command, to discuss this capability. He explained to me that the need for it was urgent and why. It is designed for situations where the time to act is short and access may be denied or difficult, U.S. forces are not present, and the regret of not acting is high.

For instance, we could be in a situation that required a quick strike on a mobile ballistic missile launcher or WMD transshipment point or high-value terrorist target or an enemy command center. In order to hit these targets in a time-critical manner, General Cartwright has asked for authorization for some Trident missiles to be modified for conventional use.

Trident missiles have longer ranges than Tomahawk cruise missiles, and in situations where airspace is restricted, are safer to employ than long-range bombers. Now the need is obvious. The attacks on September 11, the war on terrorism, and the spread of weapons of mass destruction demand prompt global strikes.

I would argue that in the wake of North Korea's missile tests that having this capability becomes even more necessary as an option.

One of the main arguments against CTM is that other countries could mistake a conventional missile launch for a nuclear missile attack.

Even though I am told that is a very low likelihood, to ensure that other countries don't mistake a conventional missile for a nuclear missile, the Department of Defense is developing assurance measures such as: Advance notification; Shared early warning; Inspections and transparency.

And General Cartwright said to me that "the lines of communication are more open than ever between the United States and Russia and China."

Additionally, the Department has studied alternatives. Conventional Trident Modification—CTM—is the only concept available within the next 2 to 3 years. Other options may be available by the middle of the next decade and are being pursued.

The Armed Services Committee, on which I serve, considered this issue and included language on CTM in the Defense Authorization bill. The Strategic Forces Subcommittee held a hearing and briefings; there was full committee discussion during markup and a compromise was reached to fully fund the CTM request, but limit spending beyond $32,000,000 of R&D funds pending submission of a joint DoD/State Dept report addressing virtually all concerns and alternatives.

Unfortunately, the Defense Appropriations Committee did not fund the program, and required a National Academy of Science study of the underlying mission requirement and options.

General Cartwright and the Vice-Chairman of the Joint Chiefs of Staff, Admiral Giambastiani, believe these questions have already been answered by the JASONs, the Defense Policy Board, the STRATCOM Strategic Advisory Group, and the STRATCOM staff.

In a joint letter from Admiral Giambastiani and General Cartwright they state:

> We are aware . . . of a range of issues associated with the use of conventionally-modified Trident missiles, and understand that Congress may desire assurances that these issues be resolved prior to deployment of such a capability. We are confident that the DoD, with the Department of State, can satisfactorily allay these concerns in parallel with continued research and development. This capability is too important to the nation to delay.

Senator SESSIONS and I also have a letter from Secretary Rumsfeld indicating his very strong support for funding of the Conventional Trident Modification program. He said, "Failure to fund this program would delay a capability we need now to respond promptly and precisely to time-sensitive, high value targets anywhere in the world."

The House Armed Services Committee and the House Defense Appropriations Committee had similar concerns, but they have provided R&D funding—$30,000,000—while awaiting response to their questions.

The benefit of our amendment, and this compromise approach, is that the program will move forward with research and development funding—not procurement funding—while DoD addresses the concerns of CTM critics.

It's a good, bipartisan compromise amendment and I hope our colleagues in the Senate will support it.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, I rise in opposition to the amendment proposed by the Senator from Alabama. The premise advanced by the Senator from Alabama is that we have such a robust relationship with other nuclear powers, such as Russia, that it would be easy to coordinate this; there would be no mistaking a launch of a conventional missile from a Trident submarine. But I think that is contradicted by what the Russians themselves say.

General Cartright went out and met his counterpart, General Baluyevsky, the chief of the Russian general staff, and tried to talk to him about these threats of terrorists needing to strike at long distance. And General Baluyevsky said this could be a costly move which not only won't guarantee his destruction—referring to Bin Laden—but could provide an irreversible response from a nuclear-armed state which can't determine what warhead is fitted on the missile.

That is the strong support, constant communication with Russia that we have today, which could easily discern and disseminate information about a potential launch of a conventional weapon from a Trident platform.

The Trident submarine contains missiles which are all armed with nuclear weapons. They are part of our strategic triad—probably the most secure part of our triad. And the practical problem for anyone in the world is to determine, if we shoot one of these missiles at them, is it a conventional warhead or is it a nuclear warhead?

If anyone believes they have nuclear weapons and are being attacked by a nuclear device, I think there is a strong fear, on my part at least, that they would retaliate before they could ever verify what was going on.

Another aspect of this whole proposal is that it is premised on the fact that we would only have minutes or so to strike a target. But I think you have to ask yourself, reasonably and realistically, if that is the case, how do we know the target is so dangerous? I presume, in terms of developing our intelligence sources, we first have a suspicion, then we have information, we go out and verify it, and in that process I would assume and would hope that our national security officials would begin to move assets into the area which could conduct a strike with precision weapons.

Again, I think the record of the intelligence community, frankly, in terms of determining targets is one that is spotty at best. That is because of the difficulty of doing this type of intelligence work.

Recall now the first blow in the Iraq war was a precision strike to decapitate their leadership by killing, essentially, Saddam Hussein. It turned out he wasn't there.

Think about if that type of intelligence prompted the firing of a Trident missile, and a nuclear power was unsure that it was not a nuclear weapon or a conventional weapon and retaliate. I think we are going down a very dangerous path.

Let me also suggest something else, which is inherent in the argument of Senator SESSIONS. I guess the question would be, would we wait, if it is so dangerous and so insistent to act so quickly, would we wait to ensure that the other parties understood—the other parties being Russia or China—that this was a nonnuclear launch? How much time would that take? How could we be sure that we have effectively communicated it? None of this has been investigated.

The comments by the Russian chief of general staff suggests that. So I think we have an obligation to look carefully at this issue before we go down this path.

That is essentially what was agreed to in the Defense authorization bill. The Defense authorization bill says no funds can be expended for R&D until 30 days after a report, which is specified in the committee legislation, is given to the relevant committees in the Senate and the House. If they have all these answers right now, and they are compelling and persuasive, I presume it could be delivered within a few days, starting the 30-day period to be told or to expire. I think this is a prudent thing to do. To go ahead and avoid this report not only contradicts the sentiment on the authorizing committee, but also I think it disregards the difficult questions that have to be asked.

Where is this instantaneous assured notification to others that this is a conventional weapon and not a nuclear weapon? I think that question alone requires an evaluation.

I hope in the disposition of this amendment we would let this report requirement stand, would let the committee do what they have essentially done—roughly the same thing—allowing R&D funding to go forward pending reports of one kind or another. That is the prudent and appropriate thing to do. I hope we would do that.

I yield the floor.

Mr. INOUYE. Mr. President, I rise to speak in opposition.

I have spent many hours in discussions on this program with supporters of this program. I have listened to their arguments. And, believe me, I have put in much thought about this matter.

I have concluded that this is not the time to begin development of a conventional Trident missile. Instead, the chairman and I agree—and the Appropriations Committee concurred that before proceeding to develop this or any alternative program, the Congress needs to have a truly independent study.

As such, the bill includes $5 million for the National Academy of Sciences to conduct a study to examine the conventional Trident and other alternatives.

I think most Americans are not aware of what we are speaking of when we say a Trident submarine or Trident missile. A Trident submarine is a nuclear-powered submarine that carries 24 tubes. Each tube can have a nuclear-tipped missile, an intercontinental ballistic missile. All of the military is well aware of this. The Russians know about this. The North Koreans know about this. The Koreans, the Japanese, the Chinese—it is no secret to them. And the proposal is to have four of these missiles conventional, not nuclear.

That sounds reasonable. The argument is that the Russians know that if we fire one, it is not intended to be an attack because if we were to attack a nation, we would have hundreds flying.

But let's turn this around a bit. What if one of those Russian missiles—and they have nuclear-powered submarines that can shoot out from their tubes intercontinental ballistic missiles—let's say they fired one toward Canada, and because of the curvature of the Earth, it has to fly over Washington, DC, or New York City, and the Russians told us: No; we are not firing at you. We are firing at Canada. What do you think our reaction would be? Would we say, go right ahead? The least we will do is put our country on full alert. What is full alert? It is the finger is right over the button, and sometimes a mistake can be made and sometimes the finger gets a bit too heavy.

No. 1, we don't need the conventional warhead.

No. 2, the risk is too great.

How would the North Koreans take it if they saw a missile flying in their direction? How would the Chinese take it? There is no transparency. Today, yes, we can call up on all the nations and say we are going to test a Trident missile, and it is going to fly out of here and it is going to land there, and they can all watch and monitor. But if we were out to demolish something, the question is, Will we notify the world? The answer is obvious. If you want a surprise to get Osama bin Laden, are we going to tell the whole world, "Yes, we are going to fire into that mountain because we want to get Osama bin Laden"? Guess how long he will stick around.

The committee did the right thing by setting aside $5 million for an independent agency to make the study, not some agency connected to the Department of Defense. I hope my colleagues will vote against this amendment.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. I appreciate my colleague so much. I express my appreciation to Senator NELSON of Nebraska for being a cosponsor and for his work on the Committee on Armed Services. I failed to mention that Senator CHUCK HAGEL of Nebraska is also a cosponsor of this amendment.

We have so many ideas about how to defend America that we should not disrespect others who may disagree every now and then on how something should be done. I respect Senator INOUYE. He is a patriot and an expert on defense. I have seen his leadership on national missile defense, which is seen today as a very wise investment. If a single missile moved toward the United States for the first time in history, we now have some capability to knock that down. In fact, in a few years, we will have a powerful capability to knock that down, but we have some capability right now. I believe we could successfully knock down one of those missiles.

I will share a few thoughts. My colleague, Senator REED, talked about the Russians, who had a meeting with our people. The Russians said they might not like it if we launched a missile like this. If we had this capability, they might not like it.

It is interesting that we are openly talking with them about the capability, and letting them know what our plans are. The experts tell us they could tell, shortly after a launch, whether or not a missile was aimed at them. Certainly we are not going to launch World War III, no nation would, if a single missile was aimed toward them. We need to think this through.

With regard to the review and the studies, my colleague, Senator REED, on the Committee on Armed Services, and I serve together. He may have misunderstood what this amendment would do. The authorization bill we passed that authorized spending on this missile system required a study. It said that study must be completed and no more than $32 million could be spent until it was completed. It would require not only the Defense Department to participate but the State Department to participate. That was to allay the concerns being raised.

That language is not undermined by this amendment. This amendment does not refer to it. It would be absolutely mandated by the language in the Defense authorization bill. We certainly want that report. There is no attempt, I say to my colleagues, to undermine that requirement. That requirement remains in place.

The effect of failing to fund this program, a program that was based upon a need identified by the formal 4-year Quadrennial Defense Review of the Department of Defense, a study was made to identify how best to meet that need. This conventional Trident was decided to be the best way to have that need met in short order. That is why the Defense Department has asked for it. They have never been secretive about it. They have been absolutely open about it. They have made sure they have gone the extra mile to carry out a series of steps that would make us not mislead any country. It is the right thing to do.

Our submarines carry 24 nuclear missiles today that can hit a target around the world within 30 minutes. I have a son-in-law in Hawaii who is an officer on a nuclear submarine. I am very proud of him. My daughter is in Hawaii today. I know a little bit about those submarines. They carry nuclear weapons.

We don't want the President of the United States to have a real serious threat to America existing for a short period of time, and the only response he or she may have is a nuclear weapon. We want them to have extra options, an option to use a non-nuclear weapon.

There was some suggestion by Senator REED, almost like he is afraid for us to have this capability. We have the capability now to launch cruise missiles on shorter range targets where there is more time. We don't go willy-nilly launching cruise missiles. This is a non-nuclear weapon. It would do no more damage than a cruise missile would, maybe less if it is not an explosive warhead. I don't see the danger.

I know the concern. We have had a hearing on it. We have talked about it. The Defense Department, the Chairman of the Joint Chiefs of Staff, and General Cartwright, Strategic Commander, one of the most able officers in the military, one of the most respected, say we need this. They have asked us and written us to do it this year. It is affordable. It will use existing missiles. It will be a missile that now has the capability to launch and is designed to carry nuclear weapons. We are going to "non-nuclear" it and make it a conventional weapon. It is very much needed.

A former Secretary of Defense, Harold Brown, under Jimmy Carter, and former Secretary of Defense, James Schlesinger, under President Reagan, have both asked for this to be done. They said, in an op-ed they voluntarily published, we need this capability.

I urge my colleagues to think this through. If we authorize it, additional studies will be required. My colleagues, please know when you vote on this you are not building and deploying the system but simply doing the research and development. We will have another step in between with the full extra study we have asked by the Defense Department before we make a final decision to go forward.

That is where we are. It is a reasonable approach, an approach that has listened to the concerns of some of our colleagues and tried to respond to those in a way that keeps this on track. We don't want to end up 2, 3, 4 years from now not having done this, leaving the President of the United States in the future without the capability, without an option to protect the people of America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I don't recall a time I have had a dispute with Senator SESSIONS on defense policy but I do on this issue. In the first place, the Committee on Armed Services provided an authorization for the money but told us it cannot be spent until there is a study. I don't support this amendment because I do not agree with the urgency to commit to this solution and commit funds for it when we lack a full understanding of the requirement and a thorough review of the alternatives.

What we needed and what the Defense appropriations bill before us now provides is a comprehensive analysis. This follows the path of the Committee on Armed Services, a review that considers the military factors as well as the political and international factors of what is needed—not money upfront. Our Defense appropriations bill contains language for such a review and report. The Senate Committee on Armed Services was concerned about this capability. They included the extensive report language, as well. Our Appropriations Subcommittee has gone one step further, and we have withheld funds for the fiscal year 2007.

Given the concerns raised by some Senators, our committee does not agree we must fund this initiative now. Funding for defense is very tight, as the Senate knows. Given the serious concerns about prompt global strike and the limited fund for defense this year, the Committee on Appropriations—in particular, our subcommittee—has carefully decided to fund only those programs that have been fully explained and justified.

There are three principal reasons why I am concerned about pursuing the conventional Trident missile, or CTM, solution. I have reservations about the international political opinion and the potential for misinterpretation of our actions. A country that picks up or identifies a CTM launch might legitimately worry whether the weapon carries a nuclear or conventional payload. This could be a provocative action, if taken. This issue is larger than the Defense Department. There are serious international implications that the

State Department should be more involved before we go forward with CTM capability.

Second, the demand for a prompt strike capability is not well supported by the timeliness of our intelligence or its decision-making processes. It takes time to validate intelligence information, and the decision to strike takes time. It should be carefully analyzed before making that decision. This capability would offer the opportunity for risky, even reckless strikes, rather than deliberate, clearly thought-out action. Congress needs to thoroughly understand the implications and uses of the concept of prompt global strike.

My third concern with CTM is my preference to do more with our forward-deployed conventional strike assets which may be called back and under positive control under the combatant commanders until final commitment. Our committee recommended the Defense Department look again at how and where our conventional strike forces should be deployed to develop a more responsive means to meet the need for a faster strike capability.

The facts are that Congress does not have sufficient information to make a decision on a conventional Trident missile today. This missile is not something that is needed in the near term. Therefore, I recommend the Senate not approve this amendment and support our Defense appropriations bill which calls for further study.

Is there a time set for the vote?

The PRESIDING OFFICER. The time is set for 6:15.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I have such respect for Senator INOUYE and Senator STEVENS, but I do want to mention a couple of things that are important for my colleagues. This is a high priority for our military leaders. They believe it is critical to have this capability.

As former Secretary of Defense Harold Brown said, along with James Schlesinger:

> The detonation of a nuclear weapon in the United States by a terrorist group would be an unprecedented disaster. It is essential [essential] that Congress approve the funds for this program. Moreover, a small reprogramming action in the current fiscal year could accelerate the missiles' initial deployments. In a world in which terrorist groups may have access to nuclear weapons, it is imperative to give future U.S. presidents more options to prevent nuclear attacks.

They go on in quite a long article and deal with this.

My colleague, in talking about this, mentioned that: Well, this could be recklessly used. But any weapon we have could be recklessly used. Some have said President Clinton was not wise when he launched a cruise missile into the Sudan. I defended it when he did it. But he made that decision. He made that decision. That is a conventional weapon.

The only difference, really, colleagues, in a conventional Trident launch and a cruise missile launch is it is quicker. We talked about there are multiple hours many times, they are not as fast, they have to be launched often from an aircraft or from ships that are not readily available, they are not readily available to be launched. So we are talking about delays.

This would allow us the capability of launching a nonnuclear weapon, much like our cruise missiles and Tomahawk missiles, to hit a precise target that could represent a deadly threat to the people of the United States of America.

It is unbelievable, really, that we have this capability. Right now the President can do it, but the only missiles he has that he could launch that could hit a target within 30 minutes are nuclear missiles. It would be unlikely we would ever launch one nuclear weapon like that that I can imagine. It could happen, I guess, but it certainly would be cause for the greatest anguish and concern, and it would be unlikely to ever be done.

So I am just saying this is the plan that our experts, who are working on strategic issues in the Department of Defense, believe gives the President a capability and gives the Defense Department, our military, a capability that can help protect America with a conventional weapon. Maybe it will be an inert warhead, inert substance in what would be the warhead, that it is not even an explosive. And it could strike a target around the world that could save thousands and thousands of lives, tip the balance of some sort of military conflict.

So that is where we have reached some disagreement. I am very respectful of the chairman and ranking member of this Appropriations Committee. They have defended America personally, putting their lives on the line for our country. They have, for many years, preserved, protected, and defended this country through very able Defense budgets. Many times it was not so popular. But they have been there, and they have fought for them. And we now have the finest military the world has ever known. I salute them for it. We just have a disagreement on this single matter. I think it is important or I would not raise it.

I urge my colleagues to consider it.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I ask unanimous consent that the senior Senator from Delaware, Mr. BIDEN, be added as a cosponsor to amendment No. 4827 to the fiscal year 2007 Defense appropriations bill that is already adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, there are 2 or 3 minutes before the vote, and I will take a brief minute to summarize this matter.

The Secretary of Defense personally has written us and asked that we allow the Department to go forward with this conventional Trident missile capability saying:

> Failure to fund this program would delay a capability we need now to respond promptly and precisely to time-sensitive, high-value targets anywhere in the world.

This has also been the subject of an op-ed by former Secretary of Defense Harold Brown, who served under Jimmy Carter, and former Secretary of Defense James Schlesinger, who served under Presidents Nixon and Ford and served in President Carter's Cabinet also. They say we need this now.

It would not deploy this system but would allow research and development, and requires, before any more than $30 million is spent—before any more than $30 million is spent—that the Defense Department and the State Department must complete a study and present that to Congress before we go forward.

We do not need to delay. If we wait another year or 2, we will allow another year or 2 or 3 or 4 to go by without the President having the capability within 30 minutes to hit any target on the globe with a nonnuclear weapon.

The concern over misinterpretation of the missile launch intent has been dealt with openly and directly by the military. They have talked with foreign nations about it. We will make every effort to ensure that does not happen. And it, indeed, as I have explained earlier, should not be a problem, as these former Secretaries of Defense stated.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the Sessions amendment.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 31, nays 67, as follows:

[Rollcall Vote No. 227 Leg.]

YEAS—31

Alexander
Allard
Allen
Bunning
Chambliss
Coburn
Cornyn
Craig
Crapo
DeMint
Dole
Domenici
Ensign
Enzi
Frist
Graham
Hagel
Inhofe
Isakson
Kyl
Landrieu
Martinez
McConnell
Nelson (NE)
Sessions
Specter
Talent
Thomas
Thune
Vitter
Warner

NAYS—67

Akaka
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Clinton
Cochran
Coleman
Collins
Conrad
Dayton
DeWine
Dodd
Dorgan
Durbin
Feingold
Feinstein
Grassley
Gregg
Harkin
Hatch
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lincoln
Lott
Lugar
McCain
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Shelby
Smith
Snowe
Stabenow
Stevens
Sununu
Voinovich
Wyden

NOT VOTING—2

Baucus
Lieberman

The amendment (No. 4844) was rejected.

Mr. STEVENS. Mr. President, if we can get order, I can inform the Senators of what I know of the schedule. The Senator from Arizona, Mr. KYL, has an amendment he wishes to discuss. It has been cleared on both sides. I understand he will take about 20 minutes. We have another managers' package, and I will continue to work on packages.

After Senator KYL has his amendment adopted by a voice vote, we will turn to the amendment to be offered by Senator STABENOW, which I understand will take some time. I tell the Senate, after those two, I know of no other Senator who has asked to call up an amendment.

If there is no amendment to be offered and debated, I will move for third reading.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, everyone should know that we have cooperated on this bill every step of the way. There was no reason to do a motion to proceed to this. We allowed this to take place in spite of the fact that there were many other things going on taking the attention of the Senators.

We have been very cooperative in offering amendments. This is a bill that is very important to the country. I think they should allow us a little bit of time to determine what is in the bill and what should be in the bill.

There are people who have amendments to offer, and for my friend, the distinguished senior Senator from Alaska, to come here and threaten us that he is going to try to stop debate on this bill is not in keeping with the decorum of the Senate.

We have amendments to offer. I have offered, starting this morning, that we come up with a list of finite amendments and finish this bill in a reasonable amount of time when we get back. We are not going to be able to finish this bill now. We have the so-called trifecta, we have the pensions program we have to deal with that affects 45 million people directly, 145 million people indirectly.

In addition to that, we have these tax extenders.

We, the Democrats, didn't put us in this procedural quagmire. Had it not been for the distinguished Congressman from Tennessee, who said: We outfoxed the Democrats—no Democrat was outfoxed. The American people haven't been outfoxed. We didn't put anyone in this position. We are here because of what the majority decided to do.

Don't give us the hustle on the Defense bill. We have been ready to move to this Defense bill for a long time. But we can't do it because we are stuck on the road to legislative heaven the Republicans have, which is the estate tax repeal. So don't come here like I was born yesterday and tell me what you are going to do because I wasn't born yesterday.

We are ready to cooperate, and we have been, but don't threaten my Senators that they are not going to be able to offer amendments.

Mr. STEVENS. Mr. President, do I have the floor? I thought I had the floor.

I am pleased to hear the distinguished minority leader mention this fact. Let's be sure: Senator INOUYE and I have managed this bill now, one or the other of us, since 1981. We have never been on this floor longer than 3 days for the Defense bill. All I said was I am going to move to third reading if no one is here to offer an amendment. I didn't block anybody's amendment. All it takes, if I do move to third reading, all it takes is someone to ask for the floor or offer an amendment.

Let me tell the Senate this, though: We know what is happening. When we get back, we will have other business that will come ahead of this bill. We have to get this bill passed and to the President before the end of this fiscal year. When the House comes back, we can't get to conference if we don't finish it tonight or tomorrow until about the third week of September, and it takes time to confer on a bill such as this. It takes a lot of time, staff time. It is an enormous bill now because we have added considerable moneys to it that the House hasn't even considered.

When we come back, this bill has to be to the President before September 20. What the Senator is suggesting, as I understand it, is that we will take a couple days after we finish whatever is carried over from this session, if cloture is voted tomorrow, and this bill goes back on the calendar; do you know that? It would take unanimous consent to call it back up.

All I am saying is we manage this bill with the idea o protecting these people in uniform. Anyone can raise an amendment. I am prepared to stay all night tonight, all day tomorrow, all the next night. If you want to debate, debate. That is what we used to do in this society is be a debate society. It is not society.

I take umbrage with the fact that the good Senator said I threatened him. I didn't threaten anybody. I said I was going to offer a motion or make a request to go to third reading if no one has an amendment to debate. I say that again. It is not a threat; it is a promise, Mr. President.

The PRESIDING OFFICER. The minority leader.

Mr. REID. Mr. President, I want to get along with everybody. I really have tried. I came here this morning at 9:30, and I said: We are ready to vote on the big bill that cloture was filed on last night. I am ready to do that. We were ready to do that this morning. I want to finish the pensions bill. I want to do something on the extenders. That is where I hoped we would have been—to have completed all this.

No one has to worry about moving this when we get back. We want this bill to be completed. We want it to be done right. No one questions the capability of Senator INOUYE and Senator STEVENS on the Defense appropriations bill. But we can see the light at the end of the tunnel.

Hey, listen, some of my Senators are leaving. They don't need to be here to vote on cloture. Some of them would like to be here to vote on cloture. What I suggest is we have a program to complete the work around here.

People have come to me—Democrats and Republicans—asking: What do you propose? I propose we vote on the so-called trifecta—I have another name for it—and do the pensions bill and try to get the extenders done. That is not easy lifting. That is a big project for us. And the Defense bill, I am sorry it was brought up when it was and it wasn't done sooner.

As I said, we have cooperated with this body. We intend to continue to do that. And if the distinguished Senator wants to stay here all night, then fine, that is fine, we will have a cloture vote in the morning. As everybody knows, after the cloture vote, there aren't going to be a lot of people around here.

I have agreed not for endless amendments—we want to finish this bill—but that we have a list of finite amendments. These two good managers—I know when we get to these amendments, some of them will not be able to be taken, so to speak, and will be headed to the dark hole of the conference. Some amendments will have to have votes, but not many.

I said to the majority leader personally, and I say here: We will finish this bill and take no more than 2 days when we get back. I am not going to agree on a time for final passage, but I told the distinguished majority leader that. We are not trying to do anything other than to just move along.

There have been a few times—not often—I probably raised my voice a little more than I should have. If I offended anyone, I am sorry.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, while we are all on the Senate floor, everyone knows the business we have before us before we begin our recess, and part, I think, of what we see rise here is we have a lot to do in a short period of time. All the business is very important. Indeed, people have been very cooperative. We were allowed to go to the Department of Defense appropriations bill by unanimous consent on Wednesday night or Tuesday—was it Tuesday night? We all agreed to go to the bill. We have had a good debate and a fair number of amendments.

Now it is almost 7 o'clock and the business we need to do is the Department of Defense appropriations. We do have the trifecta bill which, as everybody knows, by normal procedure will be tomorrow morning—we will agree upon a time, an hour after we come in, but we can agree to do that at 9:30. It is normal procedure. Then we do have to deal with pensions. We know how important it is to get that done before we leave.

The Democratic leader mentioned trying to do something with extenders. I think we made good progress. We have some pending amendments. I wouldn't put it out of the realm—but I would like to hear the Democratic leader's response—if we worked hard for the next 4, 5 hours and really plowed through the amendments, that we could even finish the appropriations bill and tonight go to the trifecta bill, dispose of that—however the votes fall—and we all know that will be very close. Then immediately deal with the pensions bill tonight. Then we would have everything done.

I know probably the response will be that there is no way to finish the Department of Defense appropriations bill, given the long list of the amendments we referred to, although if we did stay here and spend 5 hours, 6, 7 hours or 3 hours, 4 hours and just plowed through the amendments and addressed them, finish that—this has to be done by unanimous consent—go to the trifecta bill, go t pensions, and then go home.

I would be interested in the Democratic leader's response.

Mr. REID. Mr. President, I have worked with my caucus and I have other Senators working with each Senator. We have done a number of hotlines to find out amendments that are pending. We have a number of amendments that are pending. People feel very strongly about that. We are not going to finish the bill tonight. I guess if we worked all night, if that would be the choice, it would be by attrition. I think it is just a strange way to do business.

I know people want to get the work done, but we have been willing to do this bill for a long time. I have been on the floor and talked about it: Why don't we move to the Defense appropriations bill?

We have spent all week on things, but it seems to me we should have been doing things other than estate tax repeal, which we have dealt with so many times. I have already given my speech on that. People know how I feel about that issue.

I think we are being totally reasonable. I am not telling the leader he has to file cloture on this bill. I am saying there are a lot of amendments. We have about 50 amendments on our side. We know that as time goes on they will be whittled down. These managers will accept some. The Republicans have amendments.

I say with all due respect to my friend, the distinguished majority leader—and I know his job is a lot harder than mine; I know that—we can't finish the Defense bill tonight, as much as he wants to, and as much as the two distinguished managers want to. We just can't do it. It just won't happen.

As I said, no one has to file cloture. I have told you—I say it here in front of all my colleagues—we will finish the bill in 2 days when we get back. I don't think with all the turmoil going on around the world today involving our fighting men and women—I think it might not be a bad idea to have the break to find out where we need to go when we get back because things are moving very rapidly all over the world.

Anyway, I don't think we can do it, I say to the leader. I think we would be much better off finishing this bill in a couple days when we get back, and I think we will be more in tune to do it. We will finish it as is scheduled, as I indicated to all my Senators here.

Mr. FRIST. Mr. President, while we are talking about it, we will be out for, I guess, 4 weeks and then Labor Day, and we will come back that Tuesday. Again, I haven't talked with the chairman or ranking member, but does that mean we can finish it late Wednesday night; spend that Tuesday and Wednesday on it?

Mr. REID. We come in Tuesday, work on the bill Tuesday, finish it Wednesday. It may be a late night, but we will finish. I told you 2 days, and all my Senators are here, and we will finish it in 2 days.

Mr. FRIST. That just helps clarify so we know what we are working with. I know the chairman wants to make a comment. Right now the way things exist, because I filed cloture last night, we should say right now we will be voting at 9:30 tomorrow morning on trifecta. We still—and I don't want to close that down—have the option, the opportunity of maybe doing it tonight. We can go back in the cloakroom and talk about what the schedule will be.

I will turn to the chairman. I know he wants to make a comment, but let's not close finishing tonight. It would have to be under a very tight agreement of how we complete this Department of Defense bill. This is an absolutely critical bill for this country.

I have heard very clearly—and the Democratic leader and I have been talking about it—if we had to put it off and if we can finish it late that Wednesday night is something we can consider. The chairman and ranking member need to think about that. It means we need to continue to work tonight before we do the trifecta.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I don't want to be disrespectful to anybody, and I consider every person—at least I consider every person on this floor my friend. I am old enough to know that I have outlived most of my enemies.

As a practical matter—I don't want to get a little maudlin about this, but these men and women overseas, they are not taking August off. They are not in a rush to get on an airplane. We could finish this bill.

My notice of going to go to third reading if there were no amendments is normal. Filibusters started around this Senate when people didn't want to go to third reading so they offered amendment after amendment after amendment so the leader could not take us to third reading.

We developed a procedure, a family thing here now, that now we do it like Marcus of Queensbury rules. I remember being on this floor overnight for two and three nights in a row, and so does my friend from Hawaii. I don't disagree with this procedure—it is a more humane procedure—but I do think we have a job to do, and the No. 1 job to do is to get this Defense bill to the President before the fiscal year starts.

Now, I understand we can get a commitment that we will finish by Wednesday night. Wednesday night means we can't get the papers to the House until Thursday or Friday, and it will be the next week before we confer, and then we will confer at least a week with the House, and that would be reasonable because both the House and Senate have other things to do than just confer with each other. We are going to get back here with this bill sometime around I would say the 21st, and then guess what. Then we would probably go home—it is just before the election—and we probably wouldn't get around to this bill because first we have to wait for the House to get it to us, as a matter of fact, because it is an appropriations bill. So we are looking at getting this bill back sometime around the 26th or the 27th, if everything goes right—if everything goes right.

I would prefer to have a time agreement for Wednesday night and that we would vote at a time certain, but I will take our friend's point of view and say: OK, we will commit as Senators that we will finish this vote on Wednesday night. I wish we could do a lot better. I think we are going to be criticized, every one of us, for deciding to go home rather than finish this bill.

Now, I have heard a lot of rhetoric from the other side during this year. You have not had that kind of rhetoric from me so far this year, but if people want to keep it going, we can debate whether we should get this thing done and if we can get it done. I can guarantee you the Senator from Hawaii and I could finish this bill tonight if we had cooperation. There is not one amendment I know of that will take all night—nothing in this bill requires something that would take all night.

So again, I am not the leader. You two are leaders. You make up your minds. But I am going to be super critical of this Senate if this bill doesn't go to the President in time to have this bill become law by the end of the fiscal year.

Mr. FRIST. Mr. President, let me just say, if the chairman and the ranking member believe this bill can be finished tonight, even if it takes all night, we ought to finish it tonight. There is no question in terms of the importance of this bill. If it looks as if that is impossible, which we have heard, then we should entertain the proposal put forth by the Democratic leader of finishing Wednesday night. But if there is any way we can finish, I think we should finish tonight. I think everybody would be willing to stay, as it is that important to this country.

Again, I just heard the chairman saying we could finish it tonight. It is going to be hard, but if we stay here and literally stay on the floor and march through the amendments with the appropriate debate, then that is what we should do. I don't think we need to make a decision right this second because we can make it among ourselves when we are not before the American people. But if we can finish it, we should finish it.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. REID. We all know the talent of the senior Senator from Alaska, a wonderful man, and it is good that he hasn't been upset with us recently. But where was my friend when we were spending all the time on gay marriage and other such things when we should have been working on this?

We don't run this place; the majority runs the Senate. We do our best to represent our constituents. But we don't need to be told it is our fault the Defense appropriations bill is not going forward. We have been willing to work on the Defense appropriations bill, and I say as someone who has managed a lot of bills here on the floor, if we were attempting to stall, there are a lot of other ways of doing that.

We had very short debates on these amendments. Any one of these amendments, I say to the leader, could have taken all day, but we set reasonable times for our amendments and we voted on them. I think the record is very clear that we have tried to cooperate.

However, there is too much to do, and I think it is asking too much, especially when we look down the road. I talked to one of my friends on the other side of the aisle. If we don't do this pensions bill, we have two airline companies that are going to dump their pensions. Everyone knows it is Delta and Northwest Airlines. They are in bankruptcy. They are going to dump those pensions, affecting tens of thousands of people working for those two airlines.

So no matter how strongly the Senator from Alaska feels about moving his bill forward, we have a lot of other things to do that are extremely important also. We understand the importance of the fighting men and women in this country, and we have been stalwarts in working with the majority in taking care of the Defense authorization bill, which moved quite quickly, considering all of the other things we had to do at the time.

So I say that we will continue plowing through these amendments, but we won't finish them, no matter if we stay here all night.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, I believe the various proposals are on the table in terms of how we might spend the next 24 hours. I will talk to the Democratic leader and we can talk to our colleagues. What I would suggest is that we turn the podium and the floor back over to the managers and we proceed with the amendments. I think we have a couple of amendments that are ready to go, and then we will have more to say about the schedule.

As it exists right now, unless there is some other agreement, we will be voting on the Family Prosperity Act at around 9:30 in the morning, but we may come to some other agreement in our conversations, and we will continue to vote and keep plowing ahead on this particular bill.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

AMENDMENT NO. 4842

Mr. KYL. Mr. President, I ask for the regular order, and I call up amendment No. 4842, and I ask unanimous consent that Senator ENSIGN be added as a cosponsor and indicate that I am ready to vote, and I do not call for a rollcall vote or the yeas and nays at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona will suspend until we can hear from the Senator from Alaska.

Mr. STEVENS. Mr. President, from what I understand, if the Senator would defer for a moment, we are checking one item pertaining to that amendment.

I have another managers' package, Mr. President. I will present it later. I thank the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Thank you, Mr. President. I am not sure what the status is now. Is the regular order to take the vote on amendment No. 4842?

The PRESIDING OFFICER. That amendment is pending.

Mr. KYL. As I said, Mr. President, I am prepared to vote and will not call for the yeas and nays.

Mr. STEVENS. I think someone should explain the amendment.

Mr. KYL. Mr. President, I am happy to explain this amendment.

This amendment deals with royalty relief and requires that the Secretary of the Interior put a price threshold on any royalty relief in the future and confirms his authority to have done so in the past.

Mr. STEVENS. Mr. President, I am told it has been cleared by leadership on both sides, and under the circumstances I would ask for a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 4842) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider that action.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 4767, 4867, AS MODIFIED, 4757, AND 4868, EN BLOC

Mr. STEVENS. Mr. President, if the Senator from Michigan would allow me to, I will present a managers' package including amendment No. 4767, for Senator SESSIONS, regarding body armor; amendment No. 4867, as modified, for Senator BYRD, regarding Camp Perry; amendment No. 4757, for Senator SANTORUM, regarding electromagnetic guns; and amendment No. 4868, for Senator CLINTON, regarding families of the Guard and Reserve.

I send these amendments to the desk, having been cleared on both sides, and I ask unanimous consent that these amendments be considered en bloc, agreed to en bloc, and that the motions to reconsider be laid upon the table en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 4767

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $1,000,000 for Thermoplastic Composite Body Armor research)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $1,000,000 may be available for Program Element 0602105A for Thermoplastic Composite Body Armor research.

AMENDMENT NO. 4867, AS MODIFIED

(Purpose: To provide that, of the amount appropriated or otherwise made available by title II for the Army National Guard for operation and maintenance, up to $7,500,000 may be available to renovate and repair existing barracks at Camp Perry, Port Clinton, Ohio)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD", up to $7,500,000 may be available to renovate and repair existing barracks at Camp Perry, Port Clinton, Ohio.

AMENDMENT NO. 4757

(Purpose: To make available from Research, Development, Test and Evaluation, Army, up to $3,000,000 for Advanced Switching and Cooling Concepts for Electromagnetic Gun Applications)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $3,000,000 may be available for Weapons and Munitions Advanced Technology (PE #603004A) for Advanced Switching and Cooling Concepts for Electromagnetic Gun Applications.

AMENDMENT NO. 4868

On page ___, between lines ___ and ___, insert the following:

SEC. . Of the amount appropriated by title ___ under the heading "Operation-Maintenance Defense-Wide", up to $6,000,000 may be used for community-based programs that provide mental health and readjustment assistance to members of the National Guard and Reserve and their families on their return from deployment.

Mr. STEVENS. Mr. President, I thank the Senator for allowing me to go ahead.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from Michigan.

AMENDMENT NO. 4875

Ms. STABENOW. Mr. President, I send an amendment to the desk on behalf of myself, Senator REED of Rhode Island, Senator REID of Nevada, Senator LEAHY, and Senator LEVIN.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Ms. T tabenow], for herself, Mr. REID, Mr. REED, Mr. LEAHY, and Mr. LEVIN, proposes an amendment numbered 4875.

Ms. STABENOW. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows

AMENDMENT NO. 4875

(Purpose: To increase by $200,000,000 the amount appropriated or otherwise made available by title IX for the purpose of supplying needed humanitarian assistance to the innocent Lebanese and Israeli civilians who have been affected by the hostilities between Hezbollah and the Government of Israel)

On page 238, after line 24, add the following:

SEC. 9012. (a) The amount appropriated or otherwise made available by this title is hereby increased by $200,000,000.

(b) Of the amount appropriated or otherwise made available by this title, as increased by subsection (a), $200,000,000 may be made available for humanitarian assistance, including food, water, cooking fuel, shelter, medicine, and other assistance, for the innocent Lebanese and Israeli civilians who have been affected by the hostilities between Hezbollah and the Government of Israel.

(c) The amount made available under subsection (a) is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

Ms. STABENOW. Mr. President, I rise today to offer an amendment to provide $200 million for humanitarian assistance to the innocent Lebanese and Israeli citizens who have been caught in the hostilities between Hezbollah and Israel. The last 3 weeks have brought horrific bloodshed on both sides of the Israeli and Lebanese border. The Secretary of State has pledged $30 million in humanitarian aid. That is a good first step, but considering the extent of the humanitarian suffering in both Lebanon and Israel, it certainly is not enough.

On July 25, the U.S. Ambassador to Lebanon, Jeffrey Feltman, declared a humanitarian emergency in Lebanon, and since that time the situation for innocent people has worsened. The violence affects mothers and fathers and sisters and brothers and children and whole communities on both sides who need our assistance. Many innocent Americans from both sides of the Israeli-Lebanon border have fled back to Michigan and to other places in the country to escape the violence.

Thousands of people from Michigan, including buses of schoolchildren who went to Israel for a trip and thousands of people who went to Lebanon for summer vacation, for weddings, for funerals, for the ability to visit grandpa and grandma to have them see the new grandchildren, and family members who are sharing with each other during the summer, as we all do, found themselves caught in a situation that was certainly unexpected when Hezbollah attacked Israel. Many citizens have been able to escape the violence, but unfortunately some have been too poor to relocate or frankly don't want to leave their homes. Too many innocent people, families with elderly relatives, small children, have had a horrific front row seat to this conflict.

The Lebanese Government estimates there are 841 dead as of today, 3,243 injured, and over 700,000 Lebanese civilians—one-quarter of the population of the country—have been displaced internally or to other countries. The stories of innocent citizens have weighed heavily on me, and I believe we must do something to help them. I know my colleagues feel that way as well.

In Israel, it is the same. There are 51 dead, and more than 300 civilians have been wounded by rocket attacks. More than 500,000 Israeli citizens are spending a significant amount of time in bomb shelters, their children terrified, with families trying to console each other in constant fear, terrorized by Hezbollah rockets.

I believe, and I hope my colleagues will agree, that the U.S. Government must assert its leadership at this critical point in time. It must assert its leadership to stop the violence as soon as possible. We must also make it clear that we will step forward as a country to provide humanitarian aid at this critical time. So many people from these two countries have friends and relatives here in America who are desperately concerned about what is happening, who are asking us in America to step up and to help.

Time is really of the essence. This is a critical time to both send the dollars and send a message that we in America, with big hearts, are willing to reach out and make a difference in terms of humanitarian aid that is needed at this critical time. I hope my colleagues will join with me in supporting this amendment.

Mr. DURBIN. Will the Senator from Michigan yield for a question?

Ms. STABENOW. I will be happy to.

Mr. DURBIN. Mr. President, I say through the Chair, I commend the Senator from Michigan. I know she has a substantial Lebanese population in her State. We have a substantial Lebanese population as well. They are fine people, good people, who have made a success here in America, proud of their heritage in Lebanon. They are following every day, every minute the news that is coming back that reminds us of the suffering that is taking place both in Israel and in Lebanon.

I am glad the Senator from Michigan has addressed this issue. I would like to ask the Senator this. I have prepared a bill, with Senator SUNUNU and Senator FEINGOLD as cosponsors, which addresses another aspect of this issue. There are many Lebanese who are currently visiting in the United States or studying in the United States here legally on visas, whose visas may expire at any time—tomorrow or in the next week or month. Many of them are concerned about being forced to return to a war zone, being asked to return to a place that may be dangerous.

We know we evacuated American citizens out of Lebanon for fear for their own safety and warned the others not to stay. We know many other countries did the same.

I ask the Senator from Michigan, in addition to her excellent amendment relative to humanitarian assistance for those both in Lebanon and Israel, does she feel this temporary protected status which we would offer on a temporary basis should be expedited as well so these visitors will have a chance, if they want, to stay in the United States in a safe place until the hostilities have ended?

Ms. STABENOW. I thank my friend and our leader from Illinois, and I commend him for this legislation. In fact, I am proud to lend my name to the legislation. I hope we move urgently to let people know that they will not be required to go home to a place where we have been evacuating thousands and thousands of people, sending ships in to evacuate Americans.

I must say, we have had over 25,000 people from Michigan alone. We have seen over 13,000 come back. Those who are still there are desperately concerned about their family members, not being able to hear from them. Often there is no phone, no computer. So the idea of sending people here back into that violence makes absolutely no sense.

I commend the Senator. I hope part of what we would do before we leave is to make it clear that we would not ask those innocent people to return to a war zone.

Mr. DURBIN. If the Senator will further yield for a question through the Chair, I am sure the Senator is aware that we have done this before. When people are visiting in the United States and hostilities break out in their homeland, we have offered them a chance to stay here on a temporary basis.

I might add, there are safeguards built into this process. If there is anyone about whom we have a question as to whether or not they are safe to remain in the United States, they will not receive this temporary status. That goes without saying. We want to make certain that the people who remain here are truly those innocent travelers—students, members of families—who are concerned about whether returning home could endanger them or people who are here.

I ask the Senator from Michigan, if we are in a predicament where a family is here visiting their relatives in Chicago or Detroit and they have small children and they are from one of the parts of southern Lebanon that has been under fire, does it not stand to reason that we as a compassionate people would say to them: You can wait. Stay with your family. We are not going to force you to leave. We have done this in the past, and I hope the Senator from Michigan believes, as I do, that it is reasonable to do it under these circumstances.

Ms. STABENOW. I say to my friend from Illinois, I could not agree more. When you talk about people who come to visit, I think about the group of families and children I met with on Saturday who actually came home from Lebanon—escaped, essentially—but were talking about their family members who are here. Bint Jbeil—that is the town in southern Lebanon where they identified a Hezbollah stronghold—is also a place that 15,000 people in Michigan call their hometown. People have come to visit in the summer, to do the things that we all do: to go to the family wedding, to visit grandpa and grandma; as older citizens, coming to visit the grandchildren. There are all kinds of families who come back and forth all the time. That we would have people that are here be forced to go back to a war zone is really unthinkable.

I commend again our distinguished Senator from Illinois for his leadership, focusing on this issue which is so critical. I hope we would in fact bring that bill before the Senate for a vote or seek unanimous consent before we leave. It is absolutely critical.

I hope, again, we are going to make it clear that for those, whether they are in Lebanon or Israel, who have found themselves without any prior warning to be in a situation where they are innocently caught in the violence that has occurred, we, as Americans, need to do what we know how to do, which is to reach out and to help and be a part of a worldwide humanitarian effort. We need to address those issues—whether it is food, clothing, shelter, crucial issues to so many people, tens of thousands of people, probably hundreds of thousands, who find themselves in a situation where they are looking around for someone to help them.

America needs to be an important leader in lending our support. I am hopeful this amendment of $200 million will be included as an emergency spending category in this legislation.

Mr. DURBIN. Mr. President, I ask unanimous consent to be added as a cosponsor to the pending amendment by the Senator from Michigan.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Will the Senator yield for a question?

Ms. STABENOW. I am happy to yield.

Mr. DURBIN. I would like to finish the comments I made about this temporary protected status so the record is clear for colleagues who are following this important debate—and particularly our Lebanese-American friends who are watching this, I am sure, with great interest, because of the efforts of the Senator from Michigan—I would like to put in the RECORD at this point that in 1990, Congress enacted the Temporary Protected Status Statute. It grants that for 1 year nationals from El Salvador who were residing in the United States the right to stay. That was done of course because of hostilities.

After that, the Attorney General, administratively, in consultation with the State Department, granted this as well to residents from the following countries: Kuwait, Rwanda, Lebanon—this was during the period from 1991 to March of 1993—Kosovo, the provinces of Serbia, Bosnia, and Herzegovina, and Angola and Sierra Leon.

I might also say to the Senator from Michigan, what we are hoping to add, as a separate bill that might pass independently or be part of this bill, is consistent with what we are currently doing. We have offered this temporary relief from deportation or temporary protected status to those who are from the countries of Burundi, El Salvador, Honduras, Liberia, Nicaragua, Somalia, and Sudan.

The reason I raise these issues is I want all my colleagues to know what we are suggesting is entirely consistent with the values of previous administrations of both political parties. It is an act of compassion and humanitarianism which I think reflects well on the United States, as does the amendment by the Senator from Michigan.

This may not be in the form of a question—it might not qualify for "Jeopardy"—but I say to her: I commend her for her humanitarian assistance, and I hope she will join us in helping to pass the other amendment as a separate issue.

Mr. KENNEDY. Will the Senator yield?

Ms. STABENOW. Yes.

Mr. KENNEDY. I want to join, as the ranking member of the Immigration and Refugee Committee, in support of what the Senator from Illinois has stated. The idea of temporary status has been longstanding. We have extended it in circumstances which do not even compare to the conditions that we have seen now in Lebanon. So I have joined being a cosponsor of that amendment.

It can be done administratively, as the Senator from Illinois and others have pointed out. We certainly welcome that. If you look back in the history of that, you will find that legislation in a number of instances was introduced and then the administration moved, and moved rapidly, when it was brought to their attention. That certainly ought to be done now in the most expeditious way.

Second, I welcome the opportunity to join the Senator on the humanitarian aid and assistance. We had an opportunity to talk to the representatives of the NGOs on several different occasions over the period of these past days, as well as with the representatives of the Israeli Government. There is a process now to try to extend humanitarian aid and assistance—both from the point of view of the Israeli Government but also in support of U.N. agencies and nongovernmental agencies.

There are supplies that are in the area that need to get through. I think that needs focus and attention and support by all of the interested parties. But what we are basically talking about with the Defense appropriations is hopefully there will be a meaningful cease-fire that will take place. What the Senator from Michigan is talking about now is to reflect the concern for Lebanon and what has happened to that country, reflecting the fact that we here ought to extend humanitarian aid and assistance.

I commend her. I think this makes a great deal of sense. I hope the amendment will be accepted.

Ms. STABENOW. Reclaiming my time, Mr. President, and I thank my colleague from Massachusetts very much, let me also just say when it comes to the temporary protected status, the legislation the Senator from Illinois has spoken about, I would add one more occasion recently in which we moved in this direction.

On another piece of legislation, Senator LEVIN and I offered an amendment that was accepted by this Senate to address the concerns of those from Iraq who are in the Chaldean community, who are Christians in Iraq, who are truly the true minority religious community in Iraq, and concerns that those who are here, who are Chaldeans, do not have to be returned now that Saddam Hussein is no longer in power because they in fact continue to find themselves in a situation of religious persecution.

So we have passed that in another bill, supported by colleagues on both sides of the aisle, which continues the whole premise of making sure that while those who are here on a temporary legal status would not be required to return if, in fact, their lives are in jeopardy; if we are putting them back into a danger zone.

I wholeheartedly agree and appreciate what the Senator from Illinois has done.

I once again ask colleagues—I see my friend from New Hampshire on the floor so I will bring this to a close. I am hopeful that we will come together and that we could unanimously move forward in this effort to provide humanitarian assistance to those in Lebanon and in Israel who are innocent citizens, caught in the middle of the violence that has occurred.

Many, many people have suffered. I hope we will send a strong message that we will stand with those who are working very hard to bring humanitarian assistance.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. CARPER. Mr. President, I ask unanimous consent that Senator LANDRIEU of Louisiana be added as a cosponsor of amendment No. 2724.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SUNUNU. Mr. President, I very much appreciate what the Senator from Michigan is trying to do with the amendment. We have seen vivid images on television that depict the impact and destruction of the infrastructure—bridges, powerplants, the airport in Beirut, and, of course, the huge civilian toll that has been taken in Lebanon.

We all understand there is going to be a real need, and an immediate need, for humanitarian assistance. The State Department has taken steps to provide resources and assistance both in funding and material in the pipeline. But there is no question that additional funding is going to be needed in order to help the Government of Lebanon and the people of Lebanon rebuild and establish normalcy once again, in addition to all the assistance and work that will be done to ensure not just a strong government but compliance with U.N. resolutions, the demilitarization of Hezbollah, which is going to be so important to that country.

The Senator from Michigan, the Senator from Illinois, and others have also worked with the State Department to ensure that there are humanitarian corridors available to get assistance to those towns and villages in southern Lebanon that have been most heavily hit in terms of civilian casualties.

We need resources and funding. We need material, but we also need those humanitarian corridors.

I want to specifically speak a little bit about the protective status legislation that I cosponsored with Senator DURBIN and others. This is essential to send the right message to the Lebanese people and to the world that we are not going to send immigrants back into a war zone simply because their immigration status has changed. This is a temporary measure but an absolutely crucial one. It is the right thing to do while the fighting in southern Lebanon rages on.

We have funding needs, we have needs for humanitarian corridors, we have needs for protective status. All of these are essential if we are going to put Lebanon on the path to a peaceful resolution to their situation.

Mr. STEVENS. Mr. President, the bilateral assistance account has $4 billion in it. The Economic Support Fund has $12 billion in it. I am talking about in the fiscal year we are in right now. There is no shown need for additional moneys to assist the State Department. The State Department has an enormous amount of funds set aside for such cases. It has an international disaster and famine assistance account, the emergency refugees and migration assistance account. We have no reports at all that the administration and all of the people involved in all of these activities have run out of money. Even if they did, if they are close to that, the foreign assistance bill will be before us in September that deals with these various sums.

The Stabenow amendment causes the bill to violate its 302(b) allocation by providing $200 million, if the emergency designation is not removed.

This is a rule XVI problem. This is not authorized. There are specific accounts already authorized, as I have said. There is existing for this fiscal year alone $6 billion involved in the area which could provide assistance.

I raise a point of order that this violates rule XVI.

Ms. STABENOW. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The point of order is sustained, and the amendment falls.

Ms. STABENOW. Mr. President, I ask the Senator from Alaska if he would join us in working through those accounts to make sure that the dollars are, in fact, available. We understand that an amount has been identified of possibly $300 million needed, at least by the State Department. It is my understanding about $100 million has been pledged by other countries, leaving a $200 million gap.

I ask the chairman if he would work with myself and others who care deeply about this to identify specific funds to be able to go toward this desperately needed humanitarian effort.

Mr. STEVENS. I would be happy to author along with the Senator a sense-of-the-Senate resolution that the administration should proceed as rapidly as possible to use the funds which are in existence now and, if they are not sufficient, to submit a request for those funds.

I am not against the funds, but I believe that bill is coming along. The Appropriations Committee is coming along. It has a substantial amount of money in it this year. I don't see the need to add it to this bill.

If this amendment were agreed to, it would mean that we would have to confer with even another committee when we get back in September in order to satisfy the necessity to get a conference report to the President in time.

I reluctantly raised this point of order.

Mr. LEAHY. Mr. President, I rise in strong support of the amendment offered by the Senator from Michigan to provide $200 million in emergency humanitarian and reconstruction aid to Lebanese and Israeli civilians affected by the conflict between Hezbollah and Israel.

I commend Senator STABENOW for this amendment. If this conflict and the terrible loss of innocent lives and destruction of civilian infrastructure in Lebanon and Israel had occurred three months ago when we were debating the fiscal year 2006 emergency supplemental, there would have been no question that we would have included this aid.

To date, the U.S. Government has pledged $30 million in humanitarian aid to Lebanon. While welcome, this is only a tiny fraction of what is needed.

Over 900,000 Lebanese citizens—one in five—have fled their homes and are either displaced in Lebanon, living in schools and public buildings, or are refugees in Syria. Estimates are that 200,000 people are in immediate need of humanitarian aid including food, water, fuel, shelter and medical care.

Basic goods are in short supply and hospitals in the south of Lebanon are facing electricity and water shortages. Just getting access to people who are in the greatest need has been a difficult challenge for relief organizations.

The United Nations and the International Committee of the Red Cross have been doing their best to evacuate people and deliver medical supplies, shelter materials, and food to affected people in southern Lebanon.

Current estimates are that at least $300 million will be needed in the next 3 months to meet their basic needs.

The international community has pledged assistance, but if past practice is any indicator, pledges often do not turn into actual contributions.

This additional $200 million in humanitarian and reconstruction aid would demonstrate the commitment of the United States to help the innocent victims on both sides of this conflict.

The funds should be used by USAID's Office of Foreign Disaster Assistance and the State Department's Bureau of Population, Refugees and Migration, which have already depleted much of their available funds and without this amendment will be forced to rob funds that are needed to respond to other humanitarian disasters—in Darfur, the Horn of Africa, and elsewhere.

I thank the Senator from Michigan for offering this amendment and urge its adoption.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 4863

Mr. MENENDEZ. Mr. President, I call up my amendment, which is at the desk.

The PRESIDING OFFICER. The clerk will report. The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. MENENDEZ] proposes an amendment numbered 4863.

Mr. MENENDEZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make available from Operation and Maintenance, Navy, up to an additional $3,000,000 to fund improvements to physical security at Navy recruiting stations and to improve data security)

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, NAVY", up to $3,000,000 may be available to the Navy to fund improvements to physical security at Navy recruiting stations and to improve data security.

Mr. MENENDEZ. Mr. President, this amendment is in response to some breaches in our security as they relate to critical information about recruits that we are seeking in the Armed Services of the United States.

In May of this year, we learned about the security breach at the Veterans' Administration that jeopardized the personnel records of 26.5 million of our Nation's veterans. Fortunately, the stolen laptop that contained this information was recovered, but we know this is not an isolated incident.

In June of this year, nearly 28,000 Navy sailors and their family members had their information compromised when it was posted on a Web site. Information, including their names, Social Security numbers, and birth dates was on line for anyone to see and use for any nefarious purpose. Millions of people had access to the most sensitive personal information, and the long-term damage that it may have caused cannot be measured.

But the security failures don't end there. Just last week, we learned that in my home State of New Jersey, two laptop computers were stolen from Navy officers. These computers contained the personal information of some 31,000 Navy recruiters and applicants. The theft jeopardized potentially the security of thousands of New Jerseyans, including high school students who were actively being recruited.

Our country has some very strict laws to protect minors, but all of these efforts are meaningless if criminals can easily get their hands on the names and personal information of our young people by simply snatching a laptop.

Senator LAUTENBERG and I wrote a letter to the Secretary of the Navy requesting a full accounting on how the theft occurred and the action the Navy has taken in response. The Navy came to my office and briefed us about where they are in this process. They are having a full investigation. But during the course of that discussion, it became rather clear to me that, in fact, they need assistance in trying to improve the physical security at these Navy recruiting stations, and also to improve data security.

In view of what we learned during the course of these discussions, we come to the Senate floor because we believe that this is something that is incredibly important. If you are going to recruit people from our communities and say come join the Armed Services of the United States, in this case the Navy, and we ask for critical information from them as they make a decision to join, or to be considered and to be further recruited, we want people to have confidence that the critical information they give about themselves—Social Security number, birth date, and other critical information—is ultimately secure, that they can feel secure that the information will be secure.

It is very important when we see these breaches that have taken place to, in fact, move forward in a way that helps us give people a sense of satisfaction that when they go to a recruiting entity, regardless of which branch of the service it is, that, in fact, the information they give will be secure.

We know identity theft jeopardizes one's financial future, personal safety, and constitutional right to privacy, and allowing it to happen to men and women who seek to serve in our military is absolutely unacceptable.

We believe our amendment, which basically makes available from the operation and maintenance of the Navy, up to an additional $3 million to fund improvements to physical security at Navy recruiting stations and to improve data security is, in fact, critically important. We specifically note the Navy because it was in June and July of this year that we have seen two breaches of security.

I think it is important to ensure that at a time in which we are already pretty dramatically stretched in terms of the Armed Forces of the United States, and we are asking Americans to consider joining the services, we are going to provide them a guarantee that their personal information, critical personal information, does not become public information, information that can ultimately dramatically affect them.

This amendment basically would move in the direction of trying to ensure that these Navy recruiting sites where this information is often kept—because it is the first source of where the recruiting goes on between, in this case, the Navy and those in the communities in which the stations find themselves—can be secure so that we do not experience what we experienced in New Jersey last week.

I ask for the yeas and nays.

Mr. STEVENS. Mr. President, we are prepared to accept the amendment. If the Senator wants the yeas and nays, he is entitled to them.

The PRESIDING OFFICER. Does the Senator withdraw the request?

Mr. REID. No.

The PRESIDING OFFICER. Is there a sufficient second?

There is now a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, I think we have to have some time to notify people when the vote is going to take place. I ask the cloakrooms to tell us what time to have this amendment voted on.

There have been 114 amendments filed on this bill so far. We have taken care of five of them in the managers' packages and several of them in the form of colloquies that have satisfied the issue raised by the amendments. Seven have been voted on or have been withdrawn because of a point of order under rule XVI.

I believe we have about 20 active amendments still pending before us.

I still say it is possible that we could finish tonight, if we wanted to. It is a leadership decision. I am not the leader. If the leaders make the decision that we will not finish tonight, that is fine for me. But for now, we are prepared to accept this amendment. I have no debate against it.

I ask that the rollcall commence at any time the leader says it should be. I would say we ought to have at least 10 minutes of debate before we vote on it. I know some people are having dinner and will have to come back.

I ask unanimous consent that the vote commence at 8 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, the only thing I ask is that the distinguished manager of the bill amend his consent to indicate there will be no second-degree amendments in order prior to the vote.

Mr. STEVENS. I agree to that, and I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. STEVENS. Any other pending amendments?

The PRESIDING OFFICER. The only amendment pending is 4863, the Menendez amendment, which is, under the previous order, to be voted on at 8 o'clock.

The hour of 8 p.m. having arrived, under the previous order, the question is on agreeing to the Menendez amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. The following Senators were necessarily absent: the Senator from New Mexico (Mr. DOMENICI) and the Senator from Mississippi (Mr. LOTT).

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 228 Leg.]

YEAS—96

Akaka
Alexander
Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Bunning
Burns
Burr
Byrd
Cantwell
Carper
Chafee
Chambliss
Clinton
Coburn
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
Dayton
DeMint
DeWine
Dodd
Dole
Dorgan
Durbin
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchison
Inhofe
Inouye
Isakson
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Lugar
Martinez
McCain
McConnell
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner
Wyden

NOT VOTING—4

Baucus
Domenici
Lieberman
Lott

The amendment (No. 4863) was agreed to.

Mr. STEVENS. I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

WASTE MANAGEMENT ON MILITARY BASES

Mr. FRIST. Mr. President, I request to engage Senator ALEXANDER in a colloquy about the costs and methods of managing waste on military bases. I ask my friend if he shares my conclusion that it would be prudent for the Department of Defense to consider a variety of options when dealing with municipal solid waste on military bases. Waste removal currently consumes significant sums of defense spending, and significant cost savings from improved waste management could be applied to critical defense needs. Military bases on islands, where waste is usually removed by barge, suffer acute cost and space challenges.

New technologies are giving the Department of Defense better waste management options on military bases and creating new choices to re-use and recycle waste. Currently there is a development project under consideration at Fort Campbell that uses a continuous flow process that recycles 90 percent of municipal solid waste (MSW) without any separation prior to processing. In fact, testing at Fort Campbell in 2001 and Fort Benning 2002 demonstrated the feasibility of the technology and that the process and products made from the derivative from this waste processing technique were safe and highly effective as a soil application at DoD test and training ranges. It is my hope that the Department of Defense will consider this process of managing municipal solid waste as it looks to streamline its operational costs. Does my friend from Tennessee agree with this assessment that the Department of Defense should consider this as an option for waste management?

Mr. ALEXANDER. I thank my friend from Tennessee and agree that the Department of Defense should consider all options when managing municipal waste on military bases and facilities. The waste management testing that my colleague from Tennessee references suggests that waste management costs for military bases can be reduced over the long term and that landfill space needs can be greatly reduced. The technology in question addresses two major needs faced by our military bases.

First, all bases produce large amounts of municipal solid waste, which is sent to a declining number of landfills. Executive Order 13101 directs the Department of Defense to develop targets for landfill diversion and directs the Department of Defense, along with other Federal agencies, to take the lead in pollution prevention efforts.

The second need is military test and training ranges, which are often severely depleted of vegetation. The resulting soil erosion and increase of dust in the air impairs our ability to rapidly train military forces at these facilities, and the application of sterilized, processed waste to vegetation depleted training grounds can reduce erosion and airborne dust. This technology could solve both problems, and I agree with my friend from Tennessee that this process should be considered by the Department of Defense when examining base waste management and overall facilities operations.

NORTHERN CALIFORNIA INSTITUTE FOR RESEARCH AND EDUCATION

Mrs. BOXER. Mr. President, Senator FEINSTEIN and I would like to thank the Senator from Alaska and the Senator from Hawaii for their outstanding leadership on this bill and especially for their dedication to ensuring that our Nation's combat-wounded service members receive the best possible services and care.

I would like to ask both Senators to work with us during conference negotiations in support of funding for the Northern California Institute of Research and Education, NCIRE.

This funding will support the work of the Neuroscience Center of Excellence at the San Francisco Veterans Affairs Medical Center—a state-of-the-art facility dedicated to the diagnosis, prevention, and management of neurodegenerative diseases, brain and spinal cord injuries, and neuropsychiatric disorders such as post-traumatic stress disorder, PTSD, that occur in U.S. warfighters.

I had the privilege of recently visiting NCIRE. Let me tell you, the work they are doing is cutting-edge and absolutely vital to our Nation's warfighters and veterans. They are developing new ways to diagnose and treat PTSD in an effort to ensure that our more recent veterans do not share the same fate as so many of those from earlier conflicts, including Vietnam. I had the honor of meeting a Vietnam veteran during my visit to NCIRE who told me that he just got his life back because of NCIRE's work. This is a man who served his country and came back to spend much of his time jobless, homeless, and without hope. NCIRE is working to make sure that our Iraq and Afghanistan veterans do not share the same fate.

Mrs. FEINSTEIN. I share my home State colleague's support for the great work the Northern California Institute for Research and Education is doing on behalf of our veterans. NCIRE was founded in 1988 to administer research at the San Francisco VA Medical Center. It is the largest of over 90 nonprofit research institutes associated with the VA. It is also designated as a Department of Defense Center of Excellence in Neuroscience and Neuroimaging for its work benefiting our more recent veterans, including gulf war illness, post-traumatic stress disorder, neurotrauma and closed-head injury resulting from combat.

The Neuroscience Center of Excellence is the VA's premier research instrument for neurodegenerative diseases and brings together VA and Defense resources to conduct medical research in the areas most important for our active military and veterans. Research in neuroimaging, neuropsychiatry and basic neuroscience is targeted at diagnosis, prevention and management of neurodegenerative diseases, brain and spinal cord injuries, and neuropsychiatric disorders such as post-traumatic stress disorder.

In the near future, NCIRE will be working to enhance high-resolution imaging strategies to predict and prevent combat-related damage to the brain and the nervous system, expand neuropsychiatric studies into PTSD, and understanding of vulnerabilities to PTSD and its effect on combat performance.

I would note that the House version of this bill provides $4 million for the Neuroscience Center of Excellence's research in neuroimaging and neuropsychiatric trauma in U.S. warfighters. I understand the chairman's concern about the growth of health research spending in this bill, but would point out that this facility is designated as a DoD Center of Excellence.

I look forward to working with Chairman STEVENS and Senator INOUYE as we go to conference. It is my hope that we can work together to support this important funding provided in the House version of this bill.

Mr. STEVENS. I share my colleagues' interest in ensuring that our active military and veterans receive the best health care possible. I am happy to work with them as we move this legislation through conference.

Mr. INOUYE. I concur with the chairman. The Senators have my commitment that I will work with them on this important funding during conference negotiations.

KC–135 TANKER REPLACEMENT PROGRAM

Mr. SHELBY. Mr. President, I rise today to speak on the subject of the Air Force's KC-135 Tanker Replacement Program. Like my colleagues, one of my top priorities is to keep our Nation safe, and I am working to ensure that our servicemembers have the best equipment possible. Our Air Force has a fleet of aging refueling tankers that are currently experiencing problems. I simply do not believe we can wait 35 years to replace them.

Mr. STEVENS. Mr. President, I agree with the senior Senator from Alabama. Our warfighters need air refueling tankers to ensure that the United States can keep both our military and humanitarian commitments abroad. It is critical that our armed forces have the equipment to respond quickly and in force. However, the Defense Subcommittee's allocation was $9 billion less than the President's budget. Tough choices had to be made. The Tanker Replacement Program was deemed to have sufficient funds from previous years, given the schedule delays that will impact fiscal year 2007.

Mr. SHELBY. Mr. President, as we move towards conference on the fiscal year 2007 Defense appropriations and authorization bills, it has come to my attention that the authorizers and appropriators may be receiving differing information regarding the necessity for funding in fiscal year 2007. I have a letter from the Air Force's Deputy for Budget dated August 2, 2006, stating that the Air Force needs a minimum of $70 million in research, development, test & evaluation funds for fiscal year 2007 in addition to the funds remaining in the tanker transfer fund. I want to make certain that both the Armed Services Committee and Defense Subcommittee on Appropriations are receiving identical funding information from the Air Force. To that end, I am committed to working with my colleagues to ensure that we are all receiving the same information and have the same understanding of the needs for this program to move forward.

Further, Mr. President, while I understand that the subcommittee's recommendation to reduce funding was based upon their belief that there are sufficient funds remaining in fiscal year 2005 and 2006 to support systems development and demonstration, the Air Force has stated that they would need at least $70 million in fiscal year 2007 to move forward and award a contract in 2007. I greatly appreciate Chairman STEVENS' assistance with this program and look forward to continuing to work with him to replace our aging tanker fleet.

Mr. McCAIN. Mr. President, I wholeheartedly agree with my colleague from Alabama that it is essential that we all have the same understanding of the requirements for this program. In March 2006, the Air Force indicated that, among other things, tanker replacement monies in fiscal year 2007 would be "early to need." Thus, by the Air Force's own estimate, there is no need for additional funds for fiscal year 2007. I do support the Department of Defense's interest in recapitalizing its fleet of aging tankers. However, we need to ensure that the Air Force is committed to full and open competition on the program. To protect taxpayers' interests and national security, the Air Force must exercise a competition that is straightforward and traditional. In particular, the Air Force should rigorously follow an acquisition process based on established legal and regulatory guidelines, specifically setting aside any factors from its procurement evaluation that may improperly eliminate competition before bids are actually submitted. Our Armed Forces need the best tanker solution possible, and that means that any source with a reliable, high quality product that can provide aerial refueling services in a timely and cost-effective fashion, should be considered.

Mr. SHELBY. Mr. President, I thank my distinguished colleagues from Alaska and Arizona.

VACCINE HEALTH CARE CENTERS

Mr. BIDEN. Mr. President, I thank the chairman and ranking member for taking the time to discuss an issue that is very important to me and to the well-being of our military personnel.

As both of you well know, the military today relies on vaccines as an element of force protection. In order to keep our military healthy and to protect against biological threats, we require personnel to be vaccinated. These vaccines are generally considered to be "safe", but they are still drugs that are put into the body. As such, there are always a small number of personnel that have adverse reactions.

These personnel are our responsibility. While serving their Nation, they are required to take these vaccinations. If they are made ill by that requirement, we must give them the best possible care, just as we do for those who lose a limb serving the Nation.

In 2001, Congress recognized that we needed to develop specific expertise for treating these rare and complicated cases and created the vaccine health care centers. Last year, the vaccine health care centers treated 708 personnel. That is a caseload increase of 83 percent since they began operations in 2001.

Today, the centers are unique in the Nation for their expertise in adult vaccinations and adverse reactions to them. They are a critical component of force protection, assuring our military personnel that if they become ill from a mandatory vaccination, they will get adequate care.

Mr. STEVENS. I want to thank my colleague for again raising this important issue. He has been a consistent advocate of our need to care for those injured by mandatory vaccines. The vaccine health care centers are a vital component in regular force protection. The centers help military medical providers administer vaccines in the most effective and safe manner and they provide expert care for that small number of personnel who have complicated adverse reactions.

Mr. BIDEN. I want to also thank my colleague for including $2 million specifically for the vaccine health care centers in the fiscal year 2007 Defense appropriations bill. I believe it was the committee's intent, in a difficult budget year, to show their support for keeping the centers intact pending the GAO report expected in mid-fiscal year 2007. Is that correct?

Mr. STEVENS. Yes. In the past, the centers have been funded with supplemental funds. Last year we provided a portion of the funding in the regular budget and sought to show our support again this year. We understand that in the past, the Army has used supplemental funds to help cover the annual operating costs of all the centers, which is approximately $6 million. This year, we sought to provide some assistance by designating a portion of the regular budget in fiscal year 2007, $2 million, for the vaccine health care centers. It is not meant to be a cap on what can and should be spent.

Mr. BIDEN. I thank my colleague. It was also my understanding, based on discussions during consideration of the last supplemental in the spring, that the military was fully committed to retaining the complete capabilities of the vaccine health care centers in their current form pending the completion of the GAO report.

As my friend knows, Congress would also like to see a plan from the Department of Defense for meeting this need. On this year's Defense authorization bill, the Senate agreed unanimous to my amendment prohibiting the restructuring or downsizing of the current vaccine health care centers until the Department provides Congress with a report outlining their plans to meet the needs of our military personnel for pre- and post-vaccination care over the next decade.

Mr. STEVENS. Again, I agree with my colleague. I understand the Department of the Army has covered the costs of operating all these centers, even though some are located on Air Force and Navy installations. It is my hope that the Assistant Secretary for Health Affairs for the Office of the Secretary of Defense can provide that plan and look at how to support and maintain the vaccine health care centers in a joint setting. It was the committee's understanding that these centers would be fully funded and kept intact pending the report from GAO.

Mr. BIDEN. I would ask both of my friends if they are committed to ensuring that happens?

Mr. STEVENS. Yes.

Mr. INOUYE. Yes.

Mr. BIDEN. I thank my colleagues for their assistance. I hope that next year we will have a comprehensive and useful GAO report and a DOD report that will help us ensure that we are meeting the unique force protection needs created by mandatory vaccinations in the best possible way. Until then, I greatly appreciate their commitment to ensuring that we do not lose the capabilities that have been established to date and are regularly utilized by our military personnel.

FUNDS FOR IMPROVING POLYGRAPHS

Mr. CRAIG. Mr. President, I engage my colleague the distinguished chairman of the Defense Appropriations Subcommittee in a short colloquy to clarify the intended use of funds provided in the fiscal year 2007 Department of Defense appropriations bills.

Mr. STEVENS. I would be glad to engage in a colloquy with my friend the distinguished senior Senator from Idaho.

Mr. CRAIG. Mr. President, the current standard in polygraph use is woefully inadequate. Last year's Defense appropriations bill included funding for a project that would improve the use of polygraphs within the Department of Defense. The project will ultimately benefit all institutions that use polygraphs to assure security. The project research will lead to the polygraph becoming a fully standardized, machine administered, scientifically based test, thus getting rid of the flaws that are inherent in the current use of polygraphs. Boise State University in my home State of Idaho is well qualified to do this research and develop the standardized technology. It is my hope that the funds that were appropriated in fiscal year 2006 will be made available soon and that the funds in the fiscal year 2007 Senate defense appropriations bill will be available to continue the work that will begin with last year's appropriation. Is it the expectation of the distinguished Chairman of the Defense Appropriations Subcommittee that the Department of Defense make last year's funds available as soon as possible to assure that this important research goes forward and that fiscal year 2007 funds be used to continue this important work?

Mr. STEVENS. The Senator raises a valid concern. It is this chairman's expectation that the funds provided by our subcommittee in last year's bill be made available quickly by the Department of Defense and that this important research be conducted in an expedient manner.

Mr. CRAIG. I thank my colleague from Alaska for clarifying this point and for his interest in this issue.

LUPUS

Mr. SCHUMER. Mr. President, I wish to speak about lupus, a chronic and devastating autoimmune disease which affects a growing number of military personnel, their family members, and veterans. I would like to have this disease included in the Department of Defense Peer Reviewed Medical Research Program. I am glad to see my friend Chairman STEVENS is on the floor to discuss this issue with me.

Mr. STEVENS. I am happy to discuss this program with the Senator from New York.

Mr. SCHUMER. For the past 2 years, Congress has included lupus as one of the diseases eligible for research funding through this highly regarded DOD program. This program has proven effective in filling essential gaps in research efforts funded by private industry and other public sources.

Mr. STEVENS. The Senator from New York is correct. This disease has been listed in the program by the Congress for priority consideration.

Mr. SCHUMER. This disease predominantly affects women and African Americans, which are a growing demographic in today's military. This debilitating disease damages vital organs and can cause disability or even death. Despite its prevalence and seriousness, lupus is notoriously difficult to diagnose, and no new treatments have been developed in more than 25 years.

Chairman STEVENS, because of the expert research that is conducted in this area through the Peer Reviewed Medical Research Program, I hope you agree, and support adding lupus to the list of diseases eligible for funding under the DOD Peer Reviewed Medical Research Program.

Mr. STEVENS. I assure the Senator from New York I will do everything I can in conference to add this disease to the peer reviewed medical research list for consideration by the Department of Defense.

Mr. SCHUMER. I thank the chairman for his commitment.

TISSUE ENGINEERING RESEARCH

Mr. SANTORUM. Mr. President, I wish to engage in a brief colloquy with the distinguished chairman of the Defense Appropriations Subcommittee regarding innovative research being used to treat our soldiers.

Tissue engineers in the U.S. are applying principles of biology and engineering to grow human replacement tissue for virtually every part of the human body—tissues that will replace those damaged by disease or injury. Recently, enormous national attention was focused on the creation of fully functioning tissue-engineered bladders—bladders grown in the laboratory and implanted in children with spina bifida. One day, tissue engineering may eliminate the need for organ transplantation. In the near term, this exciting field of biomedicine has developed several products for immediate use, some of which have important implications for wounded military personnel.

Novel biological scaffolds for wound treatment are being developed to eliminate the need for skin grafts. The work is based upon extensive preliminary research that shows biologic scaffolds from extracellular matrix—a component of virtually every tissue—can promote tissue growth that very closely resembles tissue regeneration. The scaffolds, called urinary bladder matrix, or UMB, have two "layers": a membrane surface upon which skin cells may grow and differentiate quite readily and a lower surface that may integrate well into the underlying wound bed. This UBM scaffold represents new hope for soldiers who have a need for skin grafts.

A significant amount of this work is being done at the Pittsburgh Tissue Engineering Initiative's Soldier Treatment and Regeneration Consortium, STRaC. The potential benefits of this research are boundless, and I am proud to have consistently supported STRaC and its mission. I thank the distinguished Chairman for his past support of this research.

As part of this initiative, scientists are working to develop a tissue-engineered ear utilizing a patient's own cells to grow a replacement ear for one severely damaged in combat in Iraq. In the first phase of this 12-month project a small biopsy of healthy tissue will be taken and, using known techniques, scientists will isolate cells and from them millions of additional cells will be grown in the lab. A specially modified scaffold prepared from an FDA-approved implant will be "seeded" with these cells. After biocompatibility and long-term durability of this implant are established in an animal model, a biopsy will be taken from a soldier currently awaiting treatment at Brooke Army Medical Center in San Antonio. Cartilage and skin cells will be used to create a patient-specific ear replacement. These techniques are expected to be useful in replacement therapies for numerous other body parts for our soldiers returning from Iraq and Afghanistan.

Mr. President, I will ask unanimous consent that a letter be printed in the RECORD from COL John Holcomb, Commander of the U.S. Army Institute of Surgical Research at Fort Sam Houston, TX, that expresses his views on this line of research. Colonel Holcomb's facility is the primary receiving site for all significantly burned casualties from the war in Iraq. He stipulates that integrating the opportunities currently underway in regenerative medicine are important for both short- and long-term advances for military medical research and clinical care.

Mr. President, I ask the distinguished chairman of the Defense Appropriations Subcommittee to comment on the research that I have described and which the Army has been using to the benefit of our men and women returning from Iraq and Afghanistan.

Mr. STEVENS. Mr. President, the research the Senator from Pennsylvania is describing is exactly the reason that the committee provided $45 million for the Peer Reviewed Medical Research Program. We need to get innovative treatments to our men and women in uniform as quickly as possible. I urge the Department to give the tissue engineering research proposal described by the Senator from Pennsylvania full and fair consideration.

Mr. SANTORUM. I ask unanimous consent that the letter to which I referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY, U.S.
ARMY INSTITUTE OF SURGICAL RESEARCH,
Fort Sam Houston, TX, July 24, 2006.

Dr. ALAN RUSSELL,
Director, Institute for Regenerative Medicine,
University of Pittsburgh School of Medicine
Pittsburgh, PA.

DEAR DR. RUSSELL: I am writing to share with you our continuing interests in your work on Regenerative Medicine. I am the Commander of the US Army Institute of Surgical Research at Fort Sam Houston, Texas and the Army Surgeons General Trauma Consultant. I have been in Iraq 8 times since the war started and my facility is the primary receiving site for all significantly burned casualties from the war. Our experiences have convinced us that partnering with your world-class research programs and integrating the opportunities currently underway in regenerative medicine are important for both short and long term advances for military medical research and clinical care.

Areas of particular interest for us continue to be hemostasis, resuscitation, bone tissue injury) soft tissue injury, trauma informatics and clinical trauma research. These six areas all focus on saving soldiers' lives and returning them back to duty as soon as possible. Collaboration with you continues to help us in our medical mission to serve these soldiers.

I sincerely look forward to our continuing this important partnership and using the technologies available today and in the future so we can meet these increasingly complex challenges to better serve our warfighters.

Sincerely,

JOHN B. HOLCOMB,
Colonel, U.S. Army, Chief, Trauma Division, Trauma Consultant for the Surgeon General Commanding.

Mr. PRYOR. Mr. President, I have an amendment that calls for a Pentagon report on several aspects of the assistance we provide to the widows and children of our fallen soldiers. In his second inaugural address, President Lincoln said, "let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle and for his widow, and his orphan." That simple, eloquent phrase has become the motto of the Department of Veterans Affairs, but it certainly applies to programs run by the Department of Defense as well. Today we are considering the bill that funds the Department of Defense, including the offices that provide benefits to the survivors of our servicemen and servicewomen killed in Iraq and Afghanistan.

I have recently seen and heard about enough instances of wives who are having problems getting the survivor benefits they should be getting, of delays in implementing a new health care benefit for the children of servicemembers who died on active duty, and similar problems that I think the Congress should hear from the Pentagon about them. In 18 months the regulations for this new health care program are not finished. That is costing a widow money or it is keeping her children from the health care they need. Or both. I would like to hear from the Pentagon what is taking so long.

A number of problems and delays I have heard or read of in the various benefit programs may be attributable to a simple lack of enough personnel to process forms, take calls, and get payments out. I want to hear from the Pentagon if there are enough people on board to get this important job done so that the families of our fallen soldiers do not suffer any more hardship than they already must.

I do commend the Defense Department for setting up a new call center that is designed to help survivors navigate the process through which they sign up for and receive these various benefits. I also want to know how that's working. For these reasons I am introducing an amendment that asks the Secretary of Defense to report back to Congress on these questions. It is fine for us to establish benefit programs but just as important to keep an eye on them and make sure they work, and without delays. I hope this amendment will be adopted, and I ask my colleagues for their support.

Mr. McCONNELL. Mr. President, I would like to discuss the Kennedy amendment, which passed the Senate earlier today by unanimous consent. This amendment would require that the Director of National Intelligence submit to Congress a new National Intelligence Estimate on Iraq's security situation. At the outset, I would note that Senators ROBERTS and STEVENS should both be applauded for their efforts to improve the original Kennedy amendment.

That said, I would like to make clear my understanding of the Kennedy amendment, as modified. I believe that the Kennedy amendment, if enacted, should be interpreted to mean that the intelligence community should undertake an objective analysis of the situation in Iraq. The original Kennedy amendment included questions that appeared to drive toward predetermined answers, thus potentially distorting the intelligence value of the report. I believe the administration should take notice of the changes that were made to the original Kennedy amendment language and recognize that these changes, which moved the amendment toward requesting information in a more objective manner, were the reason the amendment was able to pass by unanimous consent.

I share the majority leader's concern that those in the intelligence community should take the time they need to conduct a dispassionate analysis of the Iraq situation and not be swayed by the political context within which this amendment was initially offered.

Mr. FEINGOLD. Mr. President, I am pleased that the Senate is considering the Defense Department appropriations bill. As many of my colleagues have noted, this bill provides essential funding for the men and women in uniform who are serving bravely around the world. It provides a well-deserved 2.2 percent across-the-board pay raise for our military personnel, along with funding money to help equip and resupply our military, which has been strained to the breaking point by the war in Iraq.

Before I discuss what I believe are the broader implications of this bill, I would like to express my sincere gratitude to the men and women in uniform and their families, who are bearing the heaviest burden of our Nation's military operations around the world. The brave men and women who make up our military are serving in desolate, harsh, and too often deadly conditions throughout the world, and their professionalism, dedication, and honor are appreciated by all of us in this body.

I specifically commend the men and women of Wisconsin who are currently serving, or have served, in the military. Wisconsin has lost 58 of its sons and daughters in Iraq, and 4 in Afghanistan. I am proud of the service and accomplishments of the citizens of my State and am grateful for their contributions to our country.

The greatest tribute we could pay to the men and women of the Armed Forces, however, would be to create a national security policy that addresses the most serious threats to our country, and that makes all of us more secure. Unfortunately, the administration has failed to provide such a policy—in fact, its Iraq policy has actually undermined our national security—and this appropriations bill fails to put things right. While this bill provides necessary and valuable support for our military and their families, this bill does not address the fundamental fact that members of the military are being asked to put their lives on the line in Iraq for a policy that has not succeeded, has very little chance of succeeding, and does not appear to have any end in sight. And let's not forget that the American taxpayer is footing the enormous and growing bill for this unsuccessful policy.

Much of the funding in the bill is associated with the fallout of this administration's failed policy in Iraq, and with a military that has been strained by the current pace of operations in Iraq, to the point where it has a diminished readiness level to respond to other crises. And we have no shortage of other potential crises these days.

For anyone following developments in Iraq, it is abundantly clear that this administration is pursuing a flawed and damaging strategy there. It is clear that the presence of 130,000 U.S. military personnel in Iraq is not contributing to political stability in Iraq or quelling sectarian violence; that the administration has failed to articulate a policy or strategy for establishing long-term stability in Iraq; and that the administration failed to take into account what an unending and devastating commitment in Iraq could do to our military capability and to our national security.

Sectarian violence is on the rise. Security is not getting better in Iraq. The United Nations has reported that an average of 100 civilians were killed per day in June. The U.N. just released a report suggesting that over 6,000 civilians have died over the past 2 months. And the administration seems unable to settle on an appropriate strategy to address these worsening conditions. Just 2 months ago General Casey came to Washington to discuss the significant drawdown of U.S. troops from Iraq. Now, just a few weeks later, troop deployments are being extended beyond a year, and we are no closer to helping Iraqis establish stability in their country than we were over a year ago.

It is clear that our current approach in Iraq is not going to establish stability in Iraq. We need a new strategy—a political and economic strategy—that will help establish long-term stability in Iraq. Perpetuating the massive presence of U.S. forces in Iraq is not the answer. We need a new strategy in Iraq so that we can repair our military and strengthen our national security. Anything short of a change in course will ensure more of the same.

It is also clear that the war in Iraq is having a negative—and dramatic—effect on our military's capability and readiness levels. Because of the heavy usage of military equipment in Iraq, the Army National Guard's 34 brigades are not combat-ready, and it will be no easy task getting our physical capacity back up to full strength.

While I applaud the efforts of Senators DODD and REED of Rhode Island to include in this bill sufficient "reset" funds for the U.S. Army and Marine Corps, I think it is imperative to remember that this is a war of choice. This is a war that this administration designed and pressed on the American people as "urgent." This is a war that was based on false pretenses, launched with poor planning, and implemented without any concept whatsoever of how significant the drain on our national resources would be. This is a war that the administration chose the "time and place" for but that now cannot seem to end. And now, after years, it is apparent that stability cannot be won militarily. The costs we are incurring in Iraq are devastating, they are endless, and they are not advancing our national interests—particularly when our military is losing its capacity to respond to future threats globally and to defend our country from the terrorist networks that attacked us on 9/11.

I would like to quote the Army Chief of Staff, General Peter Schoomaker, who testified in front of the House in June. He painted a dire picture of our military's equipment in Iraq:

> This sustained strategic demand has placed a tremendous strain on the Army's people and equipment which have been employed in the harsh operating environments of Iraq and Afghanistan. In Operation Iraqi Freedom, for example, crews are driving tanks in excess of 4,000 miles a year—five times more than the programmed annual usage rate of 800 miles. Army helicopters are experiencing usage rates roughly two to three times programmed rates. Our truck fleet is experiencing some of the most pronounced problems of excessive wear, operating at five to six times programmed rates.

This testimony highlights not only the physical strain that military operations in Iraq are having on our military capability but also the strain on our readiness to deal with the serious threats to our national security around the world. We were ill prepared for our operations in Iraq, and now Iraq is making us ill prepared to respond to other crises.

Lieutenant General Blum, head of the National Guard, also painted a dire picture yesterday when he noted that three-quarters of the National Guard are not ready for combat. A significant portion of our Special Forces personnel are deployed to Iraq, and there is no doubt about the draining effect that operations in Iraq are having on the rest of our government.

This is a major concern. While this bill includes some important funds to help restore readiness levels, we are not addressing the root causes of what is placing such a strain and limitation on our military.

With that said, I would like to shift to the very work—reconstruction—that was originally designed to help develop a sound political and economic infrastructure in Iraq and, as the administration has consistently repeated, help set the "conditions for success." Unfortunately, there isn't much to report.

Reconstruction efforts in Iraq are troubled. The SIGIR released a new quarterly report this week on U.S. reconstruction efforts in Iraq, and it is clear that, after billions of taxpayer dollars have been spent, major obstacles remain. SIGIR has concluded that large unforeseen security costs, massive corruption within the Iraqi Government, administrative overhead, and waste have crippled original reconstruction strategies and have prevented the completion of up to half of the work originally called for in critical sectors such as water, power, and electricity.

It is also troubling that the recent SIGIR report suggests that there still is no strategy for transitioning the responsibility for reconstruction efforts in Iraq from the United States to the Iraqi Government. Reconstruction efforts in Iraq have been dominated for more than 3 years by U.S. funding and companies, and now as it comes time to transfer the responsibility and management of reconstruction efforts to the Iraqis, it has become clear that Iraqis don't have the capacity to complete the many projects left unfinished.

Most troubling, in my mind, is the fact that the GAO has recently reported that there does not currently exist a strategy that links reconstruction efforts to broader political and strategic goals in Iraq. I am not sure how we will achieve any goals in Iraq if we don't have a sense of how reconstruction efforts, political efforts, and security efforts fit together. Given that stability in Iraq will only come through political and economic progress, it is troubling to know that no strategy exists to link any of this together.

While this bill doesn't address reconstruction funding, it is clear that unless there is a comprehensive strategy to bring these efforts together, security conditions in Iraq won't get better. This has a direct impact on the troops currently in Iraq, which in turn has a direct impact on our national security.

Mr. President, our ongoing military presence in Iraq is hurting our national security. It is putting a tremendous strain on our military itself and it is limiting our capacity to deal with other crises around the world, including Lebanon, Iran, North Korea, Somalia, and Afghanistan.

We need a drastic change of course in Iraq. We need to redeploy our troops so that we can focus on these very real threats to our national security, and on al-Qaida and its allies. We need a strong military, and we also need a strong national security strategy that honors the men and women in uniform who serve our country selflessly around the world.

Mr. SCHUMER. Thank you, Mr. President. I rise to speak about amendment No. 4783 which has been filed and accepted into this bill.

I would like to thank my colleagues, Chairman STEVENS and Ranking Member INOUYE, for agreeing to accept this amendment and for their management of this bill which is so critical to funding the needs of those who serve our country.

When our service men and women, fighting so bravely in the face of such grave danger, go into battle, they should have all the resources and technology they need to not only get the job done but come home healthy and safely to their families.

This is why I was dismayed to learn that our troops in Iraq and Afghanistan are not equipped with the medical bandages they need to stop heavy bleeding from potentially fatal wounds. These hemostatic agents—which are small enough to be easily carried by all soldiers—can literally save lives.

Unfortunately, those supplies are being stockpiled in medical units and soldiers are writing home to their friends and families to say that they need these bandages on the front lines.

Take a moment to think about that. Imagine a mother or father, sitting in their living room, scared stiff every day that they might not see their son or daughter alive again, reading a letter begging them to send bandages so their son or daughter can take care of themselves if they are hurt.

We need to do better because sending these men and women into harm's way without the medical equipment they need is simply unacceptable.

Hemostatic agents are chemical compounds that have been tested and proven to help save soldiers' lives by forming powerful clots which halt blood loss so a wounded soldier has a better chance of getting to an operating room.

Stopping rapid blood loss from a wound is critically important because, according to the American Red Cross, half of all military deaths on the battlefield are a result of excessive blood loss.

Distribution problems can be no excuse. We must ensure that every single soldier has at least one of these bandages or packets with them at all times. And, of course, the medical units should have as many as they see fit.

Mr. President, it is more than obvious that our men and women who are risking their lives should have access to any and all life saving items, such as these hemostatic agents.

A group on Long Island called Jacob's Light Foundation has taken matters into its own hands and is raising money to buy these bandages and packets to send them directly to soldiers. I am grateful for their efforts, but the bottom line is, this is the military's responsibility, not the families'.

Families who have already sacrificed so much should not have to dip into their own pockets to ensure their children survive an attack.

That is why when we debated the Department of Defense Authorization bill a few weeks ago, we added language to ensure that there are plenty of the bandages to go around.

My amendment on this bill, which I am proud to note that Senators COLEMAN and CLINTON have joined me on, will ensure that sufficient funds are available during the fiscal year to make that happen. It provides $11 million to purchase these hemostatic agents and get them to our troops on the front lines.

Mr. President, we have the means to prevent unnecessary deaths on the battlefield instead, we are nickel and diming our troops.

Mr. FRIST. Mr. President, Lonnie Stubblefield is 17, a recent graduate of Macon County High School in Lafayette, TN. He enjoys Sudoku puzzles and brainteasers—he likes to challenge himself. He doesn't look the part, but he's in the Army now.

Zach Khan is 38, a small business owner and an insurance agent. He wanted to do something meaningful in life. He was looking for something with plenty of future opportunities, great benefits, and maybe even a little prestige. He's in the Army now.

Linda Yanez is 19, a first generation American with Mexican roots who calls herself "a small-town girl from the woods." She was looking for a way to make "a difference somewhere to someone." She's in the Army now.

Jesse Alexander is also 19, a 2003 grad of Maplewood High in Nashville, TN.

He's a student majoring in education at Tennessee State University, and works part-time as a security guard. He's earnest, self-disciplined—and he's in the Army now.

Why do I mention Lonnie, Zach, Linda, and Jesse? Because they have something in common. Each walked into a local recruiting office in the Volunteer State—Tennessee—and joined America's Volunteer Army.

I cannot tell you how very proud I am of them.

Soon, they will join the ranks of the many thousands of Tennesseans already risking their lives—day-in and day-out—to defend our freedom. Currently, roughly 14,000 Tennesseans serve in the National Guard.

Across the globe, in more than 130 countries, some 247,000 troops and civilians are on the frontline. Every day, they are risking their lives to defend our freedom—and the freedom of the people in whose countries they are stationed.

No one would have guessed, almost 5 years ago, now, that we would be free from having suffered another major terrorist attack on our soil. We have been extraordinarily fortunate.

And we have been safe because our brave fellow Americans are putting their lives on the line to protect this country.

Our troops provide us an invaluable service—fighting daily to defend our priceless ideals. These are young Americans—men and women who have never seen the world. Yet they have the pride and the courage—and most importantly, the faith—to join our military and become our bravest defenders.

Mr. President, we owe our troops a debt of honor. For their invaluable service, we owe them the very best resources. And as U.S. Senators, it's our responsibility to provide those resources to them.

That is why the bill before us today—the Defense Appropriations bill—is so very important. It provides our soldiers with the resources, training, technology, equipment, and authorities they need to win the global war on terror.

From cutting edge technologies to personnel protection systems—the spending bill keeps our military strong so that our men and women in uniform can keep America safe.

The bill provides nearly $470 billion in resources for the Department of Defense—funding key readiness programs critical to combating terrorism and enhancing homeland defense.

It includes an additional $55 billion in emergency funding for operations in Iraq and Afghanistan—that is, operations related to the global war on terror.

And it contains provisions aimed at improving the quality of life of our service members—including a 2.2 percent across-the-board pay raise for all military personnel.

I am confident that the bill before us today will enable our troops to continue anticipating and meeting the challenges and threats of tomorrow—while maintaining high levels of readiness today.

Our brave men and women place their lives at grave risk when they volunteer to join our military and become our Nation's defenders at the frontline. We owe them nothing less than first-class training, the latest in modern technology and equipment, and quality infrastructure.

Senators STEVENS and INOUYE have worked hard to ensure that the bill before us now delivers the funding for the cutting edge resources and service our troops deserve. I thank them for their dedication to seeing this bill through.

As we wrap up debate on this bill, I urge my fellow Senators to join me in supporting this bill. I ask them to join me in providing the funding critical to keeping our troops prepared and at the ready.

America's security depends on our troops. And our troops are depending on us.

THE PRESIDING OFFICER. The majority leader.

ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006—MOTION TO PROCEED

Mr. FRIST. Mr. President, we have had a lot of discussion in terms of what the plans would be. We will be proceeding where we can finish the bills, not the Department of Defense appropriations bill tonight, but in all likelihood the other bills. I will propound the unanimous consent request, and then we will lay out the evening.

Mr. President, I ask unanimous consent that notwithstanding rule XXII, the cloture vote with respect to H.R. 5970, the Family Prosperity Act, occur following 15 minutes for Senator GRASSLEY, 15 minutes for the Democratic manager, and 15 minutes for each leader; provided further that if cloture is not invoked, the Senate then proceed immediately to the consideration of H.R. 4, the pensions bill, and that there be 20 minutes for debate equally divided between the two leaders, with no amendments in order to the bill; further, that following the use or yielding back of debate, the bill be read the third time and the Senate proceed to a vote on passage, with no intervening action or debate; further, that it not be in order to consider any conference report on H.R. 2830 during this Congress.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, reserving the right to object, I move that we amend H.R. 4388—it is the extenders, so that everybody knows what I am talking about—with the text of the extenders amendment I offered earlier to the defense bill. In effect, what I am saying is, we are going to try to have a decision made on the protection act. Following the disposition of that, we would go to the pension bill, and my request is that following that we would pass the extenders.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. Reserving the right to object, Mr. President, I have made it clear since the outset that our intention was to address the Family Prosperity Act, which are the three bills, which people have been referring to as the "trifecta," unamended and without any attempt to either separate that and add it to the pensions bill. We will proceed as planned, consistent with the unanimous consent request that I outlined.

I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Reserving the right to object, Mr. President, I understand the leader. He told me that earlier today. I told him I would do this. I hope that when we come back, following the completion of the Defense appropriations bill, this will be one of the first things we work on. This is an extremely important piece of legislation. I am disappointed that we were not able to complete this at the conference that was completed a week or so ago. I have no objection to the majority leader's request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. FRIST. Mr. President, I will yield to Senator GRASSLEY when he comes. I think that I will go ahead and yield myself time on this bill. We have essentially 30 minutes on either side, of which 15 or 20 minutes of our time will be used by Senator GRASSLEY.

We will be voting shortly on what we are calling the Family Prosperity Act. Heretofore, it has been called the trifecta bill because it addresses three different issues that are critically important to the American people.

Each of these three bills that have been grouped together to become the Family Prosperity Act are important to hard-working Americans, millions of them. One of the three bills is the permanent tax relief bill. Let me say at the outset that this is a compromise bill that has been put together. We attempted earlier to do something that I strongly believe in, which is totally repealing this unfair and wrongful "death" tax. We were unable to do that on the floor of the Senate, and after a lot of discussion between Republicans and Democrats, with the leadership, with Senator KYL on our side and many Democrats, a bill that is a compromise was put together and is very similar to the bill that is in the Family Prosperity Act.

Why is it important? Because this death tax punishes everyday Americans by forcing them to give up their businesses, give up their farms, which their loved ones—dads, moms, and grandparents—have worked hard to pass on to them. It has a direct impact on farming, ranching, construction. All of these bills are labor and capital intensive, but the cost of passing these enterprises on to future generations in one piece is often prohibitive and impossible to do.

About 90 percent of family businesses don't survive that third generation. Even those who do manage to pass on their family businesses are adversely affected. Instead of spending money to innovate and grow the business, people have to pay money either to the Federal Government, to accountants and business people to, in some way, try to lessen the burden they would some day have to pay.

There are a lot of issues that we have addressed in this body. It is time that we act on this one. Again, it is a compromise that we pulled together.

The second aspect of the Family Prosperity Act are some very important tax extenders. There is a list of those that I am sure others will talk about, and one that is of particular interest to me is the sales tax deductibility. In my State of Tennessee, from 1986 to 2004, hard-working Tennesseans were placed at a disadvantage simply because Tennessee was one of seven States that chose to raise revenue primarily through a sales tax instead of an income tax. Thankfully, in 2004, this body, working with President Bush, restored fairness to that Federal tax policy, but that provision expired last year, and more than 64,000 Tennessee families will suffer if that tax relief is not extended. That is just one provision. There are many others.

The research and development tax credit, we know, is absolutely critical to our small businesses, mid-size businesses, and larger businesses in order to grow and to do that research and innovation that prepares them for the future and that creates jobs for the future.

The final piece of the Family Prosperity Act increases the minimum wage. Specifically, it increases it by 40 percent; thus, if we were to pass this bill tonight, the Family Prosperity Act, in the very near term, because it already passed the House, minimum wage workers—several million people—will have a 40 percent increase that will begin in the very near future. Young workers entering the job market for the first time would have a minimum wage hike that would be welcome.

I see that my colleague, Senator GRASSLEY, is here. At this point, I will be happy to yield to him. He has a statement of 15 to 20 minutes. I yield to him what time is required for his statement.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, it is my understanding that I have 15 minutes, and if I need 5 minutes off of the leader's time, I could have it. Would you please inform me when my 15 minutes are up, and if I need a little bit more time, without asking unanimous consent at that time, to take it off of leader time. Does the Chair understand what I am talking about?

The PRESIDING OFFICER. Yes, I understand the Senator. The Chair will make sure the Senator knows when 15 minutes have been used.

Mr. GRASSLEY. I am going to support the trifecta bill. I want to speak about the bill and around the bill and about the environment that has taken place over the last week.

On a preliminary note, I would like to talk a little bit about the nickname of this bill. Its authors in the House and Senate came up with that nickname. They call it the "trifecta" bill.

Many folks know I'm a bit of a frugal person. You'd definitely hear it from my staff. Some might say I am cheap. I would say frugal. Frugal folks tend to be drudges and a bit predictable, but, at the end of the day, frugality tends to mean that you have your house to go home to and a little bit of savings in the bank.

You don't see a lot of frugal folks that take big speculative gambles.

So, when I saw this term "Trifecta," not being much of a gambler, I didn't know what it meant. I asked my staff about it. They explained that it was a horse or dog racing term. It refers to a compound bet. That is, the bettor places a bet on three horses. The bettor indicates which horses will win, place, and show.

I asked my staff about the typical odds on a trifecta in a horse race. They picked the 2006 Kentucky Derby. According to the record, Barbaro was favored to win by 6 to 1 odds, Bluegrass Cat was 30 to 1 odds to win, and Steppenwolfer was 30 to 1 odds to win.

The $2 Trifecta paid $11,418 which is a pay-out of $5,709 per every dollar. Big pay-off. Long odds. So does our trifecta have those kind of odds? The answer is no, but it does require 60 Senators to payoff.

Being a frugal person and a cautious legislator, you can see how I might have problems with trifecta legislative strategy.

I guess I would look at this exercise as that kind of longshot. With Senate votes as horses, let's take a look. At the last race, on a motion to proceed to the House death tax repeal bill, 57 horses came in. So, the bet was to find 3 horses among the horses that ran the other direction and turn them around. As a farmer with some experience with horses, let me say, once they're out of the barn and running around, it's hard to turn them around. Senators can be similar, especially when a vote is highly political.

It looks to me like we may not turn around many of the horses today. I hope I am wrong. If I am right, the bottom line is that we bet on the wrong horses. Maybe we should've taken a bet that was more likely to pay-off.

Now, I want to turn to the substance of the bill before us. What's this trifecta bill all about? There are really three key pieces. The first piece is permanent death tax relief. The second piece deals with expiring tax provisions and some other items, known as the "trailer bill."

The last piece is a Federal minimum wage increase.

I am not going to describe the minimum wage piece. It is not in my committee, the Finance Committee's, jurisdiction. It was an add-on by the House. I really have no history with it and feel no reason to explain it, support it, criticize it, or defend it. I will leave that to others.

From a personal standpoint, I have supported minimum wage increases in the past. I'll continue to support them as long as the increase doesn't raise teen unemployment and doesn't hurt small business.

I am going to focus on the first two pieces of the trifecta. That is, the death tax relief and the trailer bill. Those matters are squarely within the Finance Committee's jurisdiction. I have some history with those issues. I care a great deal about the policy in both of those areas. As chairman, I feel a lot of responsibility for the tax policy in these areas.

Let's take a look at death tax relief first. I support repeal. I take it from the vote we had on the motion to proceed to the death tax repeal bill that a majority of the Senate also supports repeal or some sort of significant relief.

I want to make it clear to the people listening, who may not understand how the Senate works, why we need 60 votes. A vast majority of this Senate supports repeal of the death tax, but it won't happen because of the 60-vote requirement.

In this case, I did some checking around on the votes after the cloture motion failed. It became apparent to me, after conversations with members, staff, and interested parties that the bar for getting the 60 votes was pretty high. At first, the impression was kind of fuzzy, but it became clear as the weeks moved on. Several barriers existed for the Republican leadership and Senator KYL. One, the fact that we were then so close to an election had politicized the issue. The Democratic leadership were becoming invested in blocking a Republican accomplishment. They made it clear to Democratic Senators who might otherwise be willing to work towards good policy that those Senators would face the wrath of the Democratic Caucus.

Moreover, the Democratic leadership exploited the policy positions that Senator KYL and others considered priorities. Even though Republicans moved, the movement never seemed to be enough. Also, Democrats were focusing on points that they knew the Republican negotiators could not be flexible. It was a troublesome negotiation. Unfortunately, members and staff often heard what they wanted to hear. This pattern only got worse as time went on.

While these negotiations were going on, there was a parallel track developing. The Senate Republican leadership came up with a different plan. The plan was to add the death tax compromise to the pension conference. I counseled against it because I thought the mix of conferees would not be agreeable to it and it would be an awkward position to a broadly bipartisan bill. Nevertheless, I agreed to consider this maneuver if the proponents could show me a path to 60 votes.

The proponents went against my counsel and did not deliver on the one thing I asked them to do: show me the votes. That plan didn't work because, as I predicted, a majority of the conferees were not supportive of it, and I was one of the conferees who would have supported it.

After 4 months of tough negotiations, none of the senior conferees, all of whom were invested in the pension policy, were keen to the idea either. And here, I am talking about both House and Senate conferees, Republicans and Democrats. The mission was launched and quickly aborted.

Along came plan B. Plan B was the result of my "wily" counterpart—you know, the guy who, according to House colleagues and staff, supposedly "snookers" the Senate year in and year out in conferences. My House counterpart, who, like the rest of the conferees, was never on board with the pension plan, raised this plan B with me. Plan B was the idea of combining some new death tax compromise with the trailer bill.

I counseled against this plan. It was clear that pursuing this plan would cause problems with completing the pension conference. Chairman ENZI backed me in this view. Once again, I asked the proponents to show me the path to 60 votes. Once again, they didn't show the path, and then, as you know, they went ahead over my objection.

So we are where we are right now at almost 9 o'clock on Thursday. The process was lousy and offensive, but the substance is good. I will support the bill's death tax relief proposal. I wish this death tax policy would become law. If that does not happen, then we have to think about the next step. We have to keep our eye on the ball. We should be aiming for good death tax policy and for the 60 votes on how to get there.

We have all learned a few things in this painful process.

One, death tax is a unique kind of issue. It is not like other tax issues. It is a moral issue to folks on both sides of the aisle. To be politically palatable, the death tax proposal needs to be either in isolation or proportionate if combined with other tax proposals. Small so-called sweeteners don't get us over the goal line. Holding up popular must-do current law tax provisions also doesn't get us there. Just look at the vote counts in the House on the various bills. Those vote counts show what I am talking about.

So right now, we are stuck. The Democratic leadership is holding back Members from voting their consciences and their State interests. That resistance is there now, and it is very strong. It won't last past the political season. The Democratic caucus will be accountable. If the trifecta bill fails, we will be back, but we won't get anywhere until we are out of the political season. That is the ugly political fact I have to convey to Senators KYL, LINCOLN, and others who have worked in a bipartisan way to get this done.

I took a look in the Tax Code and the recent history of the death tax relief. In the past 20 years, comprehensive death tax relief occurred two times: in 1997, in a bipartisan tax relief bill, and in 2001 on another bipartisan tax relief bill. Both were produced by Finance Committee members with a bipartisan working group and the involvement of the chairman. My judgment is that if the trifecta bill fails, this is the way we are going to have to go again.

Now I turn to the other part of the trifecta, the so-called trailer bill. In this Congress, I have fought long and hard for extension of tax provisions that expired at the end of last year, now 8 months into the expired year. The extension provisions were included in the tax reconciliation bill which passed the Senate in the spring.

Let's consider how we got here on extenders and the trailer package.

Extenders were part of a package deal that I argued for in the Budget Committee. When the Budget Committee met in February and March of last year, I asked for $90 billion. The $90 billion was meant to cover expiring provisions, including capital gains and dividend rates and the hold harmless for the alternative minimum tax. Chairman GREGG agreed to a reconciliation instruction of $70 billion. In committee and on the floor, I defended the reconciliation instruction as part of this plan. Including extenders was a key part of the strategy. It came up a lot in debate. It was a factor in holding the instruction on the floor and in conference.

When the reconciliation bill was marked up in the Finance Committee, the extenders were part of the same package deal. The inclusion of 2 years of extenders on the floor helped us hold the Finance Committee bill together.

When we went to conference, the House brought a year of extenders, no AMT hold harmless, and 2 years of capital gains and dividends. Although we could not get 2 years of capital gains and dividends through this Senate the first time, I knew it was important to the Republican leadership, especially Senator KYL, and I would even put myself in that category. We could not fit all the pieces together because, in part, the House would not take our anti-tax shelter measures and loophole closers. Something had to drop. That something was what we call the extenders.

Now, because the extenders were part of the plan and we were also into the expired year, I insisted on assurances from Chairman THOMAS of the House Ways and Means Committee and also from the bicameral leadership. At that time, I released a statement stating that we would be putting the extenders in the pension conference report. This statement was based on assurances that I had from leaders in both the House and the Senate.

I asked for those assurances to do the right thing from a policy perspective and also a political perspective. From the policy perspective, the taxpayers should be able to rely on the tax legislative process. This should be especially true with respect to the current law expiring provisions that enjoy overwhelming bipartisan support. From a political perspective, I asked for those assurances to defend Republican Senators who would be attacked when the reconciliation conference agreement was announced. Indeed, those attacks did come, and I referred to the assurances in defending the Senators who were under attack.

In addition, several Republican Senators asked me to make sure there was a glidepath to those extenders. For instance, Senator HUTCHISON raised the State sales tax deductibility extender in a Senate Republican leadership meeting. Republican high-tech coalition members asked for similar assurances.

My interest has always been to accomplish what is possible, not taking chances with widely applicable tax relief measures on which millions of taxpayers are relying. For example, over 12 million Americans benefit from the State sales tax. We have charts up. I am not going to take time to refer to them much, so I hope the audience will look and study them. Over 12 million Americans benefit from the State sales tax deduction. Over 3 million teachers benefit from tax deductions for education expenses. Teachers have prepared for the upcoming school year, and they don't know whether supplies they buy out of their own pocket will be deductible. Over 3.5 million families benefit from the college tuition deduction.

The PRESIDING OFFICER. The Senator should be advised his 15 minutes has expired.

Mr. GRASSLEY. I thank the Chair. I will use a little bit of time off the leader's time.

A week ago, I said some colleagues want to engage in a riverboat gamble involving these popular tax relief provisions by including it with the death tax. They call Chairman THOMAS's bill the trifecta bill. I will treat the proponents with more respect than they have treated this chairman and the institution of the Finance Committee. I will support this bill.

The burden is on the proponents of this gambit to produce. But to do that, they are going to have to deal with the realities of the votes in the Senate. People want and should expect that Congress will provide certainty in estate planning. My colleagues have placed all the chips on the table. It is on them to make sure it is a winning hand. If the trifecta bill fails, they need to answer to those millions of Americans who relied on our promise and good will as legislators.

I also have a message for the Democratic leadership. While I am frustrated with my leadership, let me say that it should also be clear that the Democratic leadership has been more eager to produce press releases than results. The Democratic leadership has been actively and aggressively undermining efforts to reach a deal. This has only served to deny relief from the death tax for America's small business and family farmers. This obstruction has also forced these farmers and small business owners to have to live with continued uncertainty of the current death tax structure. That is not right. The people's business should be done.

The time has come for the Democratic leadership to stop playing politics with family farmers and small business folks and let responsible Democrats work on a fair compromise. It is wrong that the Democratic leadership is preventing Senators from voting their consciences in this manner. Senators should be allowed to put the interests of their constituents first instead of the priorities of the Democratic leadership.

When you cut through all the finger-pointing and the press releases, both sides are to blame that we can't get these extenders done. Both death tax and expiring provisions should be processed in a bipartisan, constructive way. We should be realistic and seek to accomplish the possible. Let's do the people's business.

Mr. President, I will support the bill before us, but should it fail, I will use my best efforts to do what needs to be done. I will stick by my word to the American people and ask those who give their word to keep it with me. Either result would be right for the people. To do neither and not act on extenders would be the wrong thing for the people. That is why we are here to serve the people. We are here to govern.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask to be recognized for 10 minutes on the minority time.

Mr. REID. Mr. President, I will be happy to yield 10 minutes to the distinguished minority whip.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Illinois is recognized for 10 minutes.

Mr. DURBIN. Mr. President, this legislation is known as the trifecta. What a perfect name. What a perfect name for this legislation. Do you know what a trifecta is? It is when you go to the racetrack and you pick the horses that win, place, and show in the proper order—first, second, and third. The reason that is the right name for this bill is that a trifecta is a high-stakes gamble. That is exactly what this bill is. It is a high-stakes gamble with America's future. A trifecta is also a bet where there are many more losers than there are winners. And that is exactly what this bill is. There will be many more losers in America, if this bill is enacted, than winners.

How about the winners when it comes to the estate tax? How many Americans are affected by the estate tax? If one listened to the other side of the aisle, one would think that every person who gets up in the morning and goes to work is going to pay the estate tax to the Federal Government. Guess what. When you take a look at the chart, look for that thin red line on this big blue circle. It represents 2 estates out of every 1,000 in America. Mr. President, .2 percent of the estates in America are wealthy enough to pay anything into the estate tax. So the obvious question is, If this estate tax, which they want to repeal, means so much to so few, how did we end up making this the flagship issue for the Republicans in this Congress, the most important single issue to them to the exclusion of every other issue, the issue that returns to us on the floor with such frequency? How did they reach this point?

The New York Times wrote an article on June 7, 2006, that explained it. Do my colleagues want to know how these issues become big-time issues in Washington? They wrote that over the last decade, 18 of the wealthiest families in the country have spent more than $200 million lobbying in the Halls of Congress to repeal the estate tax. It turns out that these 18 families will be huge winners if this repeal is passed. How many families will benefit if the estate tax is repealed? Each year in America, a Nation of 300 million people: 8,200 families. You have to search long and hard to find them. These are families who are so well off, who have done so well in this great Nation, who have benefited from this democracy and the blessings of liberty, who have enjoyed a comfortable life because of their prosperity, who now have taken millions of dollars to hire the most effective lobbyists in Washington, DC to push through this outrageous special interest legislation.

Trifecta: Many more losers than winners, but the winners are those 8,200 families. That is what this is all about.

Of course, they came up with a new name tonight. It is not just the trifecta. You have to hand it to whoever sits in the bowels of the Capitol and dreams up the names for the outrageous bills they bring to the floor. Senator REID has reminded us so many times that they had the nerve to call a bill the "Deficit Reduction Act" which increased the deficit. They had the nerve to call a bill the "Healthy Forest Act" which cut down trees. They had the nerve to name a bill the "Clean Skies Act" which resulted in more air pollution. And they had the nerve to call a bill part of the "ownership society" which privatized Social Security.

Now comes "family prosperity." Oh, you just want to pull up a chair by the fireplace, relax, look at the ceiling and think: Thank God prosperity has arrived. And what does this bill do? This bill piles on the national debt. This bill adds to the outrageous debt which we have seen accumulated under this President.

Take a look at this, my friends who call yourselves fiscally conservative. When this President was elected in 2001, our entire national debt was $5.8 trillion. In 6 years of the Bush-Cheney ownership society, family prosperity, we are now up to $8.5 trillion from $5.8 trillion. This President managed in such a short period of time to increase the national debt on America by 60 percent. And look: Follow his policies out to the year 2011, 10 years after President Bush was elected, follow them out and notice that the national debt in America virtually doubles. Boy, if that isn't family prosperity, I don't know where you would turn.

Where do we look to this bill? What does it do to add to family prosperity in America? Well, American families, look at this prosperity. This bill adds $753 billion to the national debt. Oh, I tell you, you just want to curl up by the fire and thank the Republicans for coming up with this bill to make us feel so prosperous. They are prosperous in terms of creating debt for America.

I asked Senator FRIST on the floor just a day or two ago a very basic question: Is there any limit to the amount of debt you would create for future generations in order to give tax breaks to the wealthiest people in America? He couldn't answer the question.

I think the answer is obvious. Senator FRIST has said repeatedly he wishes we could repeal the entire estate tax, which would drive us even further and further into debt. American family prosperity. We are safe in the bosom of the Grand Old Party when all they can dream up are new ways to create debt by giving tax breaks to the wealthiest people in America.

But there is a spoonful of sugar with this bitter medicine. They are going to finally increase the minimum wage. It didn't take them long to come around to this position—only 9 years. It has been 9 years since we enacted a minimum wage of $5.15 an hour; 9 years while they resisted us for every single attempt we have made to increase the minimum wage for some of the lowest-paid, hardest-working people in America; 9 years of saying no to every single proposal to give single moms raising children enough money so they can put their kids safely in day care, so they can buy their medicine and food and have a decent home to live in; 9 years of saying no.

And what led to this death-bed conversion by the Republicans at this moment in time? Could it be the threat of the Democrats that there will be no congressional pay raise until the minimum wage is increased? That kind of gets your attention around the halls of Congress. Apparently it caught the attention of the Republicans.

Could it be the looming election where the Bush-Cheney economic policies are viewed so negatively across America, where people realize that average working families are falling farther and farther behind, that now the Republicans want to increase the minimum wage?

Well, it could be all of those things. But even in their effort to get well 100 days before the election, they blew it. They blew it. Because in seven States they wrote the minimum wage change in a way which will force a pay cut on thousands of hard-working people. The waiters and waitresses who depend on tips in seven States will get a pay cut with this so-called minimum wage increase.

It is an outrage, Mr. President. It is an outrage that we have reached this point in America where the party that used to pride itself on fiscal conservatism can add $753 billion to our national debt without flinching. They don't care to cut any spending or increase any other taxes; they are going to heap this debt on future generations. Boy, if that isn't a recipe for family prosperity, I can't imagine what would be. And then they turn around after 9 years of saying no every chance they have had to an increase in the minimum wage. Now they can go along with it. They can give 6.6 million Americans an increase in their basic minimum wage—as long as we promise that the fattest of cats in America will get a great big bowl of tax cuts, tax cuts on the estate tax. That is what it has come down to.

They have thrown other things in this bill like tax extenders, but we all know what they are about. These tax extenders are kicked around like a football every congressional session. You wait and decide which bill you put them on to try to entice people to vote for the bill because everyone agrees with them. Everyone understands that they are necessary for our economy. People of all political stripes support them.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DURBIN. I ask unanimous consent for 30 additional seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. I would just like to say in closing, the American people know better. This is a high-stakes gamble with America's future. This trifecta is going to have many more American losers than winners. This is the worst special interest bill I have seen in my time in Congress.

This will not bring prosperity to America's families. This will bring deeper debt to our Nation at a time when we don't need it. This is the first President in the history of the United States to call for cutting taxes in the midst of a war, asking sacrifice from soldiers and their families and turning around to the wealthiest in America and saying: We are going to give you a tax cut. That is an outrage.

I hope my colleagues will join me in opposing this trifecta. Don't buy a ticket on this race, because it is a loser.

Mr. REID. Mr. President, I yield 5 minutes to the distinguished Senator from North Dakota, the ranking member of the Budget Committee.

Mr. CONRAD. Mr. President, I thank the leader for this time.

We have heard a lot of talk that there is a death tax in this country. All of us in this Chamber know there is no death tax. There is a tax that applies to estates that wealthy individuals have in this country, but only three-tenths of 1 percent of estates pay any tax in America.

This shows the current level of exemptions. In 2006 a couple has to have $4 million before they pay a penny of estate tax. In 2009, that will rise to $7 million for a couple. Some of us believe we ought to increase the exemption before 2009 to this $7 million level, but that is not the proposal before us.

The proposal before us is to virtually eliminate the estate tax or certainly the revenue that flows from it. In fact, as my colleague from Illinois just indicated, the proposal before us will cost us three-quarters of the money that complete elimination of the estate tax would cost: $750 billion in the first 10 years that it is fully effective. This at a time that we are borrowing money as a nation in an unprecedented way.

Last year we borrowed 65 percent of all the money that was borrowed by countries in the world. Let me repeat that. Last year, our country, which has now become the biggest debtor nation in the world, borrowed 65 percent of all of the money that was borrowed by all the countries in the world—65 percent. A very weak second was Spain at 6.8 percent, and the United Kingdom at less than 4 percent.

The point is very clear. This is absolutely unaffordable at a time that we are running up massive debt.

Our friends on the other side say: Well, we have a good idea. Let's eliminate some more revenue and let's eliminate it on those who are the wealthiest three-tenths of 1 percent of the American population.

If anybody wonders about the budgetary impacts or whether this is fiscally responsible, here are the budget points of order that this legislation before us now violates. It violates the pay-go rule. It exceeds the pay-go scorecard by more than $12 billion.

On revenue, it exceeds the 2006 through 2010 revenue floor by more than $6 billion. It exceeds the outlay allocation for 2006 and 2006 through 2010 for the Finance Committee by $1.5 billion. It contains unfunded mandates on State and local governments that are all subject to a point of order.

It reduces the Social Security surpluses, also subject to a point of order.

Let me just say to my colleagues, if this measure would pass tonight and cloture would be invoked, I intend to raise every single one of these budget points of order, and we will see who is serious about being fiscally responsible and who is not.

I have shown this chart to my colleagues many times. It took 42 Presidents—all the Presidents pictured here—224 years to run up $1 trillion of debt held abroad. This President has more than doubled that amount in just 5 years.

What are our colleagues saying? Our colleagues are saying: Let's go borrow some more money from abroad. Where are we going to get this money? The country we borrow the most from is Japan, so a lot of this money would be borrowed from Japan. The next country that we owe the most money to is China, so we would have to borrow more money from the Chinese to give this tax reduction to just a handful of Americans.

Right now, there will only be 13,000 taxable estates in the entire country in 2006. By 2009, that will be down to 7,000. When our friends call this family prosperity, they are right. They are talking about family prosperity for 7,000 families in America, and they want to shift the burden on to all of the other American families. That is what this is about.

If you are listening to this debate, if you have assets——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CONRAD. Mr. President, I ask unanimous consent for 30 more seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. If you have assets of more than $7 million, it is true, you will face a tax. If you have assets and you are a family, if you have more than $7 million, you will face a tax. Now, that is the only instance in which you will.

My friends, the proposal before us is to reduce—for 7,000 families in America who are in that category in any one year—reduce their obligation and shift it to all of the rest of us. That is not fair. That is not right.

The PRESIDING OFFICER (Mr. ENSIGN). The Democratic leader is recognized.

Mr. REID. Mr. President, I would say through the chairman to my distinguished friend, that is a net estate; it is not 7 million worth of property.

First of all, I would like to extend my compliments to CHARLES GRASSLEY, the senior Senator from Iowa, a gentleman farmer who we are so fortunate to have in the Senate. He, in his gentlemanly way, indicated in his speech tonight how terribly upset he was for what happened a week ago. We had this all worked out. The conference was completed. The extenders would have been done. The pension bill would have been passed.

Senator BAUCUS, who has been a partner with Senator GRASSLEY for a long time, is not here tonight. As we speak, he is in Dover, DE, meeting his brother and his nephew, Philip. Philip is in a casket, having arrived from Iraq where he was killed.

MAX BAUCUS would like to be here, but we are going to have printed in the RECORD what MAX BAUCUS said:

> Political games congressional leaders played with this bill are not the way to get the job done. I hope that cooler heads can prevail and we can work together for sensible reform in the future.

My distinguished friend, the majority leader, has placed a name on this legislation called the Family Prosperity Act. I suggest that it should be called the Prosperous Family Act. This legislation would only help the prosperous—only the prosperous. This should be called the Prosperous Family Act.

Sunday's Washington Post had a quote from my friend—and I know a friend of the distinguished Presiding Officer—Tennessee Congressman ZACH WAMP. In this column he is quoted about why Democrats don't support the bill we are about to vote on. Congressman WAMP said: I know why Democrats are mad. We've outfoxed them.

Again:

> I know why you're mad. You have seen us really outfox you.

It is not us, the Democrats, they tried to outfox; it is the American people. There is just one problem with this Republican legislation, this Republican shell game, this trick—the American people will not fall for it. As my colleague, Senator DURBIN, said: This is a bet, and a bad one. The American people simply are too smart to be outfoxed. Americans are too smart to be tricked into cutting the wages of 136,000 Nevadans, and more than a million, by far, people in Oregon, Washington, Montana, California, Nevada. Those States, under this so-called Family Prosperity Act, would give less to those families who are struggling, struggling every day. In Nevada there are 136,000 of them. They work for minimum wage. If they work 40 hours a week, 52 weeks a year, they make $10,700, plus some tips in those seven States. But not under this bill. In seven States, the poorest of the poor would get a pay cut. They would get a pay cut so that 8,100 multimillionaires can enjoy almost $800 billion in tax breaks.

Americans are too smart to be tricked into forgoing middle-class tax revenue so America can borrow hundreds of billions of dollars to give tax breaks to the wealthy few. Americans are too smart to accept any more debt and deception from this do-nothing Congress.

Here we are at 9:20, finishing this work session. The Defense bill isn't complete. The pension bill isn't complete. I hope it will be within an hour and a half or so. Middle-class tax relief isn't complete, the so-called extenders. Minimum wage has not been made possible for almost 10 years. Why? Because the majority doesn't believe in it. They don't believe in having a decent standard of living for the poor. Let the free market decide.

But, remember, the people drawing minimum wage are not kids at McDonald's flipping hamburgers. Sixty percent of the people drawing minimum wage are women, and for the vast majority of those women, that is the only money they get for them and their families. Not only do they have a tax cut for those seven States for the poorest of the poor, it is phased in over 3 years.

So the leader has said: OK, you accept this; take this or leave it. If you don't accept this, we are not going to do the extenders and we are not going to do pensions.

We have worked that out. Thank goodness we have been able to do the pensions. And we are certainly not going to do the minimum wage. We knew that. We know they don't like a minimum wage.

But it is a threat, and it is a perfect metaphor for this do-nothing Congress. For the last 19 months, congressional Republicans have done nothing for the people. The little they have done on behalf of special interests and the well connected has made America less safe and the life of the middle class much more difficult.

Look at the record. This Congress will be remembered more for interfering in the Terry Schiavo case than it will for trying to solve America's health care crisis. On every major issue, the Republican Senate has been missing in action.

Look at Iraq. Look at Iraq. Tens of billions of dollars to repair the equipment and machinery our fighting forces use; these gallant men and women—about 2,600 of them having been killed and more than 20,000 wounded, a third of them grievously, and hundreds of billions of dollars more in red ink. What we have said is please change course. But on party-line votes: No.

In fact, the situation is being made worse by rubberstamping President Bush's failed policies and allowing him to stay the course, even as the evidence suggests we desperately need to change course.

It is the same on the economy. We live in a very stressful economic situation. Over the last 6 years, the rich have gotten richer, the poor have gotten poorer, and the middle class is being squeezed. Even the administration admits their policies have failed for working Americans. Listen to what the Secretary of Treasury had to say the day before yesterday, Hank Paulson.

> Amid this country's strong economic expansion, many Americans simply aren't feeling the benefits. . . . Many aren't seeing significant increases in their take-home pay. Their increases in wages are being eaten up by high energy prices and rising health care costs, among others.

The Secretary of Treasury said it. Has the Republican Congress done anything to turn this situation around? No. In fact they are seeking to make matters worse with the Prosperous Family Act—the Prosperous Family Act.

This bill, as I said, will cut the wages of millions of people, most of them in the West. This bill will add to the bankruptcy coming about of our country, as expressed by the ranking member of the Budget Committee, Senator CONRAD. It will add almost $1 trillion to the debt—$1 trillion.

Oh, well, not really. It is $200 billion less than that.

We are told by the other side that with this trifecta—which we have nicknamed the "defecta"—8,100 of the wealthy and well-off hit the jackpot while millions of working families get $800 billion in debt. It is another example of this do-nothing Congress putting their political interests ahead of America's interests.

We keep hearing from the other side how the Senate needs to repeal the estate tax to preserve and protect small businesses and family farms. That is a myth. Very few small businesses or family farms pay any estate tax.

The State of California is a State of 35 million people. The State of California is the breadbasket of this country. They grow so many things in the Imperial Valley and other places throughout California.

Senator DIANNE FEINSTEIN asked the Farm Bureau, which supports repeal of the estate tax: Tell us how many farms were lost by families because of the estate tax.

None. None. Over a 10-year period of time—none.

It is the same with small businesses. In fact, the Small Business Council of America has said that the repeal of the estate tax will actually harm most small business owners because of how it will change the tax benefits they currently receive.

I am all for fixing the estate tax. I have said so. But there is no reason for this fiscal irresponsibility. And it is a virtual repeal.

I talked this morning for a little while about two of the richest men in the world. The richest man in the world, Warren Buffett, he is totally opposed to repealing the estate tax, as well as the Gates family. Pierre Omidyar lives in Las Vegas, NV—Henderson, actually—a rich man, worth over $10 billion. He is a young man. He is the man who invented eBay. The first time I had dinner with him he said: Whatever you do, don't mess around with the estate tax. I owe my country the prosperity that I have.

In fact, I had a conversation yesterday with the head of the Business Roundtable. He said that all he cares about in the trifecta, the Prosperous Family Act—or the "defecta"—is that we do something to extend the R&D tax credit. That is so important to him, he said. Guess where the R&D tax credit is. It is being held hostage with this, along with some of the other addons.

The American people deserve more. It is unimaginable that the Republicans would deny millions of small businesses the research and development tax credit. It is unimaginable the Republicans would deny 15 million workers a $2.10 raise. It is unimaginable they would deny millions of middle-class families tax relief with our extenders. If 8,100 of their wealthy friends don't get billions of dollars of tax breaks first—nothing.

Soon the Senate will say its last words regarding the estate tax for this session of Congress, I hope. When this vote is completed, I hope we move on to the people's business—I will use leader time right now—and the majority leader will consider his threat to never bring back middle-class tax relief and the minimum wage back to the floor this session. If he is serious about that threat, it just can't happen, and we will fight this. When the Senate returns in November, Democrats will not go home until the middle-class tax relief package, the extenders, is passed. My friend can make all the threats he wants, but the Senate will not adjourn until hard-working Americans get the help they need. They have to have it. They have waited 19 months. By then it will be longer.

America needs new direction. I began with a quote by Congressman ZACH WAMP. Here is another thing Republicans have been saying about their "defecta" bill. They have been calling it a win-win.

My friend, the majority whip, Senator MCCONNELL, said: "There's no risk. It's all reward."

No risk? Tell that to the millions of workers who have been making $5.15 for the last 10 years on the verge of waiting another year at least.

Win-win? Tell that to the millions of middle-class families and small businesses that will be denied tax relief because Republicans have put their political interests first.

All reward? Republicans have not outfoxed anyone. The American people can see through these political games. I am hopeful that the cloture motion will fail, and I am confident the Republican's cynical approach to dealing with the needs of our country will be rejected.

Mr. President, I ask unanimous consent that Senator MURRAY be allowed to speak for 2 minutes. Is that OK with the majority leader? I have time left. I know we want to move on.

Mr. FRIST. Yes.

The PRESIDING OFFICER. The Senator from Washington is recognized for 2 minutes.

Mrs. MURRAY. Mr. President, a question has been raised about whether the minimum wage provision affecting States that allow tips to be exempt would be impacted by the legislation that is before us. I ask unanimous consent to have printed in the RECORD a letter from Gary Weeks, who is the director of the Washington State Department of Labor and Industries, that says definitively:

> Under our preliminary analysis, this proposal, in effect, appears to nullify an employer's obligation to pay the minimum wage rate in RCW 49.46.020 with regard to tipped employees. This means that Washington workers who receive tips—typically service industry workers—would see a decrease in income.

I ask unanimous consent to have that printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF WASHINGTON,
DEPARTMENT OF LABOR AND INDUSTRIES,
Olympia, WA, August 3, 2006.

Hon. PATTY MURRAY,
United States Senator,
Russell Senate Office Building, Washington, DC.

Hon. MARIA CANTWELL,
United States Senator,
Hart Senate Office Building, Washington, DC.

DEAR SENATORS MURRAY AND CANTWELL: Your office asked me to respond to an inquiry as to how the proposed HR 5970 would affect workers in the state of Washington.

As you know, Washington State does not recognize tips as part of the minimum wage. Tipped employees are entitled to the full minimum wage, currently $7.63 an hour. Additionally, Initiative 688, passed overwhelmingly by voters in 1998, tied the minimum wage to the Consumer Price Index, to be recalculated and adjusted each year.

The proposed bill, Section 402 of HR 5970, which amends the Fair Labor Standards Act to add a paragraph that states:

> (2) Notwithstanding any other provision of this Act, any State or political subdivision of a State which on or after the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006 excludes all of a tipped employee's tips from being considered as wages in determining if such tipped employee has been paid the applicable minimum wage rate, may not establish or enforce the minimum wage rate provisions of such law, ordinance, regulation, or order in such State or political subdivision thereof with respect to tipped employees unless such law, ordinance, regulation, or order is revised or amended to permit such employee to be paid a wage by the employee's employer in an amount not less than an amount equal to—
>
> (A) the cash wage paid such employee which is required under such law, ordinance, regulation, or order on the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006; and
>
> (B) an additional amount on account of tips received by such employee which amount is equal to the difference between the cash wage described in subparagraph (A) and the minimum wage rate in effect under such law, ordinance, regulation, or order, or the minimum wage rate in effect under section 6(a), whichever is higher.

Under our preliminary analysis, this proposal, in effect, appears to nullify an employer's obligation to pay the minimum wage rate in RCW 49.46.020 with regard to tipped employees. This means that Washington workers who receive tips—typically service industry workers—would see a decrease in income. However, the proposal does give states the right to amend their laws to specifically reinstate their current minimum wage rate laws. Until and unless the Washington State Legislature amends the minimum wage act to reinstate the current wage rate provision for tipped employees, it would diminish workers' rights in Washington State.

I trust that this is useful information. Please let me know if I can be of further assistance.

Sincerely,

GARY K. WEEKS,
Director.

Mrs. MURRAY. Mr. President, their preliminary analysis shows that this provision would take away the wages and reduce it dramatically for waiters and waitresses, bartenders, barbers, baggage porters, cooks, dishwashers, hairdressers, maids, manicurists, massage therapists, parking lot attendants, personal care and services workers, service station attendants, taxi drivers, and chauffeurs.

It appears, indeed, that the provision in this bill will dramatically reduce the income of thousands of workers in my State and other States.

I again reiterate that is why we are opposed to this bill.

I yield the floor.

Mr. BYRD. Mr. President, important provisions in H.R. 5970 provide a long-term solution for the Abandoned Mine Land, AML, program as well as resolve the uncertainty of the health care needs for retired miners and their families. Right now, there are 52,320 retired miners and their families nationwide who depend on these critical funds to provide for their health care needs. At least 17,195, or about one-third of these people, are in West Virginia. I have also worked for many years to keep the AML program going for West Virginia and other coal-producing States. This important program cleans up old mine hazards and improves the environment in the coalfields. I have always been there to shore up the funding for our coal miners' health care funds, and I have always been there for the AML program. The bill before us today is an opportunity to solve these issues permanently, and I embrace it.

H.R. 5970 would also address the Federal estate tax, something that the small business owners and farmers of my State have made clear is a priority for them, and in need of reform. In the past, I have supported legislation to increase the estate tax exemption, and to lower the top tax rate, as an alternative to permanent repeal. This bill is consistent with those past efforts that I have supported.

Senators have raised concerns about the cost of this bill, and its effect on the Federal budget. The fiscal course of deficits and debt chosen by the administration is abominable, and I have advocated tirelessly that the Congress abandon it. But of the budget-busting measures endorsed by the Congress, this one does not rate top billing. The revenue loss from the estate tax portion of this bill would not begin for 3 years, and the effect on the Federal budget would not be felt until the next decade. Meanwhile, the health care needs of my State's retired coal miners and their families are immediate and urgent. I will not vote against those miners who need this assistance now, based upon budget projections that may not mean much until the next decade.

This bill would also guarantee a $2.10 increase in the Federal minimum wage within the next 3 years. Should a new Congress revisit the issue, I hope that that schedule could be accelerated.

This bill would raise wages for workers who need it the most. It would provide health care to retired coal miners and resolve our Nation's mine reclamation needs. It would codify a compromise measure that is less than repeal and consistent with previous efforts to try to reform the estate tax to help small businesses and farmers.

This is a good bill for West Virginia, and it should receive an up-or-down vote on this floor.

Mr. KENNEDY. Mr. President, we have seen many outrages from this Republican Congress but none that demonstrates such utter contempt for the American people as holding the minimum wage hostage to give tax giveaways to the wealthiest Americans. The Republican leadership is playing a cynical game of politics with the lives of millions of hardworking American families.

It may be a political game for Republicans, but it is hard reality for low-wage workers who worry every day if they can pay the bills. The bill is just a bad bargain for minimum wage workers. The minimum wage increase they receive does not have the same benefits as the Democratic proposal—1.8 million fewer workers would benefit because the increase is phased in too slowly.

And what's worse, this Republican bill takes money right out of the pockets of more than 1 million tipped workers in seven States. It's a pay cut for maids, waitresses, bellhops, and other Americans who rely on tips to make a living. The Republican bill would boost the bottom line for America's restaurants, while taking money away from hardworking Americans who depend on tips to support themselves and their families.

Under current Federal law, restaurant owners can pay their waiters and waitresses as little as only $2.13 an hour, and the rest of their compensation is supposed to come from tips. The same is true for hotel maids, parking attendants, bartenders—all workers who rely on tips to make a living. Federal labor and employment law sets a minimum floor, but States are free to guarantee higher wages for tipped workers. In fact, the Fair Labor Standards Act encourages States to enact laws that are more protective for workers than the Federal law.

Seven States—Alaska, California, Minnesota, Montana, Nevada, Oregon and Washington—do not allow a "tip penalty." They guarantee that tipped workers get the full State minimum wage plus any tips they receive.

But the Republican bill would take power away from the States by nullifying these State laws providing stronger wage protections for tipped employees than the Federal standard. In fact, the bill would change the minimum wage for tipped workers in these seven States, requiring them to be paid only the Federal minimum wage—not the higher State minimum wage—until the State enacts a law with a tip penalty.

Under this bill, tipped workers would see drastic reductions in their take-home pay. A waitress at a family restaurant in Washington State, for example, will see her hourly wages drop by $5.50 an hour. That's almost $11,500 per year. A hotel maid in Oregon will see her hourly wages drop by $5.37 an hour. That's almost $11,200 a year.

Now the Republicans have spent a lot of time on the floor today trying to explain why this giveaway for the restaurant industry won't actually hurt American workers. My Republican colleagues—particularly the junior Senator from Oregon earlier this afternoon—accused Democrats of misrepresenting what this bill does. And they supported their claims with a letter authored by the chief lobbyist for the American Restaurant Industry. But the Republicans' claims that the bill is harmless just don't hold water—particularly when you look at this document from the American Restaurant Industry's own website claiming credit for the tip provision and bragging about how much money it will save employers. The Republicans know exactly what this provision does—it takes money out of workers' pockets. It's a scandalous special interest giveaway to the restaurant industry, and it's outrageous.

When we examine other, less partisan analyses, it's clear that the bill would do devastating harm to workers. The Congressional Budget Office says the bill "would preempt the minimum wage laws of States that exclude tips from being considered as wages in determining if certain employees have been paid the minimum wage." The Congressional Research Service says the bill would force the affected States to choose "between the federal tip credit requirements or the adoption of a law that allows for some form of a tip credit under State law." Even the Bureau of Labor and Industries in Senator SMITH's home State of Oregon says that this bill will "trample States' rights and reduce the wages of thousands of Oregonians already struggling to make ends meet."

I will ask to have all three of these documents printed in the RECORD.

But we don't even have to rely on these respected authorities to know what this bill does. Let's look at the language itself. The bill says, on page 182, that any State that has a minimum wage law requiring that tipped workers be paid the full minimum wage plus any tips they receive "may not establish or enforce the minimum wage rate provisions of such law, ordinance, regulation, or order in such State or political subdivision thereof with respect to tipped employees." It couldn't be more clear. The bill is nullifying State laws. Once these State laws are rendered ineffective, the affected workers will be covered only by the Federal law and will lose thousands from their paychecks, until and unless their State enacts a new law that is more to the restaurant industry's liking.

This is despicable—it is truly Robin Hood in reverse, robbing from some of the most vulnerable workers on a bill that gives tax cuts to the rich. Instead of denying more than a million tipped workers the protections of the minimum wage, we should raise the wage and expand the protection. The people who work in our restaurants, carry our bags, and clean our hotel rooms work hard for a living, and they deserve better.

Everyone in America knows that after 10 long years without one, minimum wage workers deserve a raise. But this Republican bill is a cynical ploy to strongarm outrageous tax breaks for the wealthy through Congress on the backs of America's hardworking, low-wage workers. Republicans are using minimum wage families as a human shield to smuggle through tax giveaways. It's wrong. It's unfair. It has no place in America. And we're not going to let it happen.

Mr. President, I ask unanimous consent to print the documents to which I referred in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, August 2, 2006.

MEMORANDUM

To: HON. BARBARA BOXER, Attention: Alexander Hoehn-Saric.

From: Jon O. Shimabukuro, Legislative Attorney, American Law Division.

Subject: Section 402 of H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006.

This memorandum provides a brief interpretation of section 402 of H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006. Section 402 would amend section 3(m) of the Fair Labor Standards Act ("FLSA") to address the treatment of certain tipped employees. A tipped employee is "any employee engaged in an occupation in which he customarily and regularly receives more than $30 a month in tips."

Under the FLSA, an employer of a tipped employee is only required to pay $2.13 per hour in direct wages if that amount, when coed with the tips received by the employee, equals at least the federal minimum wage. If the employee's tips combined with the employer's direct wages of at least $2.13 per hour do not equal the federal minimum hourly wage, the employer must make up the difference.

Section 402 of H.R. 5970 would amend the FLSA" to add the following paragraph to section 3(m) of the Act:

(2) Notwithstanding any other provision of this Act, any State or political subdivision of a State which on or after the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006 excludes all of a tipped employee's tips from being considered as wages in determining if such tipped employee has been paid the applicable minimum wage rate, may not establish or enforce the minimum wage rate provisions of such law, ordinance, regulation, or order in such State or political subdivision thereof with respect to tipped employees unless such law, ordinance, regulation, or order is revised or amended to permit such employee to be paid a wage by the employee's employer in an amount not less than an amount equal to—

(A) the cash wage paid such employee which is required under such law, ordinance, regulation, or order on the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006; and

(B) an additional amount on account of tips received by such employee which amount is equal to the difference between the cash wage described in subparagraph (A) and the minimum wage rate in effect under such law, ordinance, regulation, or order, or the minimum wage rate in effect under section 6(a), whichever is higher.

Seven states do not recognize a tip credit for employers of tipped employees. In these states, the prescribed minimum wage is the same for both tipped and non-tipped employees. Stated differently, in these states, none of a tipped employees tips may be considered for purposes of determining if such employee has been paid the applicable minimum wage rate. Under the proposed language, such states would seem to be prohibited from enforcing the minimum wage rate provisions of their laws with respect to a tipped employee unless such laws are "revised or amended to permit such employee to be paid a wage by the employee's employer in an amount not less than" what is prescribed in the proposed subparagraphs (A) and (B).

Under general principles of statutory construction, the meaning of a statute must, in the first instance, be sought in the language in which the act is framed. If the language is plain, a reviewing court will enforce it according to its terms. In this case, the proposed language would seem to refer clearly to those states that exclude "all of a tipped employee's tips from being considered as wages in determining if such tipped employee has been paid the applicable minimum wage rate." California, as one of seven states that does not recognize a tip credit, would probably be affected by the enactment of the proposed language. As an affected state, California would appear to be unable to enforce its minimum wage rate laws with respect to tipped employees until it "revised or amended" such laws to permit tipped employees to be paid a wage that conforms to subparagraphs (A) and (B) of the proposed language. Thus, if enacted, California would appear to have to choose between the federal tip credit requirements or adopt a law that allows for some form of a tip credit under state law.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 1, 2006.

Hon. JUDD GREGG,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you requested, the Congressional Budget Office, CBO, and the Joint Committee on Taxation, JCT, have estimated the direct spending and revenue effects of H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006.

The legislation would increase the estate and gift tax exemption amounts and reduce the rates, as well as extend and modify various other tax relief provisions. It also would make several changes to the Surface Mining Control and Reclamation Act, and it would increase the minimum wage. JCT and CBO estimate that the legislation would decrease revenues by $15.4 billion in 2007, by $48.1 billion over the next five years, and by $302.4 billion through 2016. CBO and JCT estimate that, under the bill, direct spending would increase by $83 million in 2006, by $3.8 billion over the 2007–2011 period, and by $7.3 billion over the 2007–2016 period.

For some budget enforcement procedures, the relevant budget periods are 2006–2010 and 2006–2015. Therefore, we are providing those summarized totals as well. CBO and JCT estimate that enacting this legislation would decrease revenues by $32.524 billion over the 2006–2010 period and by $240.664 billion over the 2006–2015 period. The act would increase direct spending for those periods by $3.008 billion and $6.866 billion, respectively.

The estimated budgetary impact of the act is shown in the attached table.

CBO has reviewed the non-tax provisions of the legislation—subtitle A of title III and all of title IV—for mandates and has determined that title III contains a private-sector mandate and title IV contains both intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act, UMRA. CBO estimates those mandates would impose costs that exceed the annual thresholds established in that act ($64 million for intergovernmental mandates and $128 million for private-sector mandates, in 2006 adjusted annually for inflation.)

JCT did not review the tax provisions of H.R. 5970 for mandates.

Pursuant to section 407 of H. Con. Res. 95 (the Concurrent Resolution on the Budget, Fiscal Year 2006), CBO estimates that enacting H.R. 5970 would not cause an increase in direct spending greater than $5 billion in any of the 10-year periods between 2016 and 2055. (Direct spending would exceed $5 billion over the 2007–2016 period, primarily because of amendments to the Surface Mining Control and Reclamation Act, but these effects would be significantly lower for subsequent 10-year periods.)

REVENUES

H.R. 5970 would make several changes to tax law, resulting in decreases in federal revenues. JCT and CBO estimate that the legislation would decrease revenues by $15.4 billion in 2007, by $48.1 billion over the next five years, and by $302.4 billion through 2016.

Title I would modify rules related to the estate and gift taxes. Currently, the effective exemption amount for the estate tax is larger than that for the gift tax. In 2009, under current law, the estate exemption will be $3.5 million, while the gift tax exemption will be $1 million. Under H.R. 5970, the estate and gift exemption amounts would be equal to each other, as they were prior to enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001. Further, the exemption would be increased to $5 million in 2015. The estate and gift tax rates would be reduced after 2009, and any unused exemption amounts would be allowed to be used by a surviving spouse. JCT estimates that this title would reduce revenues by $14.9 billion over the 2007–2011 period and by $267.6 billion over the 2007–2016 period.

Title II would extend and modify various tax relief provisions in current law. JCT and CBO estimate that this title would reduce revenues by $15.5 billion in 2007, by $35.3 billion over the 2007–2011 period, and by $38.2 billion over the 2007–2016 period.

Provisions in title II include:

Modification (January 1, 2007, through December 31, 2007) and extension (January 1, 2006, through December 31, 2007) of a research credit of 20 percent of the amount by which a taxpayer's qualified research expenses exceed the base amount for that taxable year. JCT estimates that this provision would reduce revenues by $7.5 billion in 2007, by $16.3 billion over the 2007–2011 period, and by $16.5 billion over the 2007–2016 period.

Extension for two years of 15-year straight-line cost recovery for qualified restaurant property and leasehold improvement property through December 31, 2007. JCT estimates that this provision would decrease revenues by $418 million in 2007, by $2.9 billion over the 2007–2011 period, and by $5.7 billion over the 2007–2016 period.

Extension for two years of taxpayers' option to deduct state and local sales taxes instead of state and local income taxes through December 31, 2007. JCT estimates that this would reduce revenues by $3.0 billion in 2007 and by $5.5 billion over the 2007-2009 period.

Extension for two years of the deduction for qualified tuition and other higher education expenses ($2,000 to $4,000, depending on gross income) through December 31, 2007. This provision would decrease revenues by an estimated $1.6 billion in 2007 and $1.7 billion in 2008.

Title III would make changes to the Surface Mining Control and Reclamation Act and the Internal Revenue Code of 1986. CBO estimates that those provisions would increase net revenues by $560 million over the 2007–2011 period and by $1.0 billion over the next 10 years.

These estimates for title III are the net result of two sets of provisions. CBO estimates that reauthorizing certain fees charged to companies that produce coal would increase revenues by $600 million over the 2007–2011 period and by $1.3 billion over the next 10 years (net of effects on income and payroll tax receipts). We also estimate that provisions that affect the financing of retiree benefits for certain retired coal miners would reduce federal revenues, on net, primarily by reducing premiums paid by certain coal companies in the future. Such changes would result in a net revenue loss of $40 million over the 2007-2011 period and $300 million over the next 10 years.

DIRECT SPENDING EFFECTS

H.R. 5970 includes several provisions that would increase direct spending. CBO and JCT estimate that the bill would increase outlays by $83 million in 2006, by $3.8 billion over the 2007–2011 period, and by $7.3 billion over the 2007–2016 period.

The bulk of the new direct spending stems from the Surface Mining Control and Reclamation Act Amendments of 2006 (title III). Title III would make several changes to the Surface Mining Control and Reclamation Act and the Internal Revenue Code of 1986. CBO estimates that enacting this title would increase direct spending by $2.1 billion over the 2007-2011 period and by $4.9 billion over the next 10 years. (Such spending would drop off, though not completely, after 2016.)

Most of the increased spending under title III—$3.8 billion over the next 10 years—would be payments by the Department of the Interior to states, primarily to support efforts to reclaim land that has been mined for coal and for other public purposes. (Roughly $2 billion of that amount would come from the general fund of the Treasury; additional amounts would come primarily from revenues collected as a result of the legislation.) An additional $1.1 billion would be spent under the legislation for health benefits of certain retired coal miners and their dependents and survivors who are eligible to receive retiree health benefits through the United Mine Workers of America Benefit Funds.

H.R. 5970 also would affect outlays by:

Instituting a refundable tax credit against the individual alternative minimum tax, which JCT estimates would increase outlays by $1.0 billion over the 2007–2011 period and $1.2 billion over the 2007-2016 period.

Authorizing, in effect, New York City or the state of New York to spend certain federal tax withholding amounts, which CBO estimates would increase spending by $1.0 billion over the 2007-2016 period.

Extending for two years, through the end of 2007, the payment to the treasuries of Puerto Rico and the Virgin Islands of certain amount of excise taxes on imported distilled spirits. CBO estimates this provision would increase outlays by $83 million in 2006 and $95 million over the 2007-2008 period, assuming that H.R. 5970 is enacted in August 2006.

Adding to the existing list of taxable vaccines two additional vaccines, which CBO estimates would result in increases in spending of $60 million over the 2007-2016 period because some of the proceeds of the excise tax are paid as compensation to injured individuals and some of the vaccines are purchased by Medicaid.

Extending for one year the option for individuals to include combat pay in earned income for purposes of the earned income credit, which JCT estimates would increase refundable outlays by $10 million in 2008.

INTERGOVERNMENTAL AND PRIVATE-SECTOR MANDATES

JCT did not review the tax provisions of H.R. 5970 for mandates.

CBO has reviewed the non-tax provisions of the bill—subtitle A of title III and all of title IV—for mandates and has determined that title III contains a private-sector mandate and title IV contains both intergovernmental and private-sector mandates as defined in UMRA. CBO estimates those mandates would impose costs that exceed the annual thresholds established in that act ($64 million for intergovernmental mandates and $128 million for private sector mandates, in 2006 adjusted annually for inflation.)

Specifically, section 312 of title III would create a mandate by requiring certain firms that currently pay for health benefits for retired coal miners (and their dependents and survivors) through collectively bargained agreements to make additional payments for those benefits in specified years. At the same time, other provisions would generate significant reductions in financial obligations existing under current law with regard to payments for retiree health benefits.

In addition, section 401 of title IV would amend the Fair Labor Standards Act to increase the federal minimum wage in three steps from $5.15 per hour to $7.25 per hour. The provision would impose mandates, as defined in UMRA, on state and local governments, Indian tribes, and private-sector employers because it would require them to pay higher wages than they are required to pay under current law. CBO estimates that the costs to state, local, and tribal governments and to the private sector would exceed the thresholds established in UMRA.

Finally, section 402 of title IV would preempt the minimum wage laws of states that exclude tips from being considered as wages in determining if certain employees have been paid the applicable minimum wage rate. That preemption would be considered an intergovernmental mandate as defined in UMRA; CBO estimates, however, that this mandate would not impose significant additional costs on states.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact for this estimate is Emily Schlect.

Sincerely,

DONALD B. MARRON,
Acting Director.

ESTIMATED CHANGES IN DIRECT SPENDING AND REVENUES UNDER H.R. 5970, THE ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006

(By fiscal year, in millions of dollars)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-2011	2007-2016
CHANGES IN REVENUES													
Title I: Estate and Gift Tax Effective Exclusion Amount	0	0	0	0	−803	−14,096	−39,186	−44,073	−50,598	−57,157	−61,684	−14,899	−267,596
Title II: Extension and Expansion of Certain Tax Relief Provisions	0	−15,442	−10,211	−3,956	−2,572	−1,582	−838	−435	−382	−282	−142	−33,766	−35,847
Title III: Surface Mining E Control and Reclamation Act Amendments	0	30	160	150	120	100	110	90	90	90	90	560	1,030
Total Changes in Revenues	0	−15,412	−10,051	−3,806	−3,255	−15,578	−39,914	−44,418	−50,890	−57,349	−61,736	−48,105	−302,413
On-budget	0	−15,410	−10,041	−3,805	−3,255	−15,578	−39,914	−44,418	−50,890	−57,349	−61,736	−48,092	−302,400
Off budget	0	−2	−10	−1	0	0	0	0	0	0	0	−13	−13
CHANGES IN DIRECT SPENDING													
Surface Mining Control and Reclamation Act Amendments:													
Budget Authority	0	40	460	480	580	590	650	660	630	430	430	[illegible]	4,950
Outlays	0	40	450	480	570	590	640	660	630	420	430	[illegible]	4,910
Refundable AMT Credits:													
Budget Authority	0	0	349	283	224	174	128	[illegible]	0	0	0	[illegible]	1,244
Outlays	0	0	349	283	224	174	128	[illegible]	0	0	0	[illegible]	1,244
Spending Authorized for New York:													
Budget Authority	0	40	160	0	200	100	100	[illegible]	100	100	100	[illegible]	1,000
Outlays	0	40	160	0	200	100	100	[illegible]	100	100	100	[illegible]	1,000
Cover-over of Tax on Distilled Spirits:													
Budget Authority	83	77	18	0	0	0	0	[illegible]	0	0	0	[illegible]	95
Outlays	83	77	18	0	0	0	0	0	0	0	0	[illegible]	95
Meningococcal Vaccine:													
Budget Authority	0	2	3	3	3	3	3	3	3	4	4	16	33
Outlays	0	2	3	3	3	3	3	3	3	4	4	16	33
HPV Vaccine:													
Budget Authority	0	1	4	4	3	3	3	3	3	2	2	14	27
Outlays	0	1	4	4	3	3	3	3	3	2	2	14	27
Extend Option to Include Combat Pay in Earned Income:													
Budget Authority	0	0	10	0	0	0	0	0	0	0	0	10	10

ESTIMATED CHANGES IN DIRECT SPENDING AND REVENUES UNDER H.R. 5970, THE ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006—Continued

(By fiscal year, in millions of dollars)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-2011	2007-2016
Outlays	0	0	10	0	0	0	0	0	0	0	0	10	10
Total Changes in Direct Spending:													
Budget Authority	83	160	1.005	770	1,010	870	884	852	736	536	536	3.815	7.359
Outlays	83	160	995	770	1,000	870	874	852	736	526	536	3,795	7,319
NET INCREASE IN BUDGET DEFICIT													
Net Change in Deficit	83	15.572	11.046	4.576	4,255	16,448	40,788	45,270	51,626	57,875	62.272	51.900	309,732

Notes: Components may not add to totals because of rounding. AMT = Alternative Minimum Tax. HPV = Human papillomavirus.
Sources: Congressional Budget Office and Joint Committee on Taxation.

BUREAU OF LABOR AND INDUSTRIES,
Salem, OR, August 6, 2006.

Hon. GORDON SMITH,
Russell Building,
Washington, DC.

DEAR SENATOR SMITH: I am writing to urge you in the strongest possible terms to cast a "No" vote on H.R. 5970. As Oregon's Labor Commissioner, I am infuriated by this move by the House of Representatives to trample states' rights and reduce the wages of thousands of Oregonians already struggling to make ends meet.

I am speaking, of course, of the provision in the bill imposing a "tip credit" upon an estimated 65,000 minimum-wage workers in Oregon. It is estimated that each of these workers—waiters, waitresses, bartenders etc.—stand to lose on average $11,000 annually should this bill pass and become law.

As you know, I am a long-time champion of Oregon's minimum wage and was one of the petitioners in the successful ballot effort to link our state minimum wage to rises in inflation. Each year, it is one of my proudest duties as state labor commissioner to not only regulate the payment of minimum wages to workers, but to set the new wage rate. However, while I agree with the original efforts of lawmakers to raise the federal minimum wage above the current, embarrassing level of $5.15 per hour, the political hijacking of that effort has now resulted in a bill that will hurt, rather than help, average, hard-working Oregonians.

I would also appeal to your longstanding advocacy of states' rights on a variety of issues. Why would you and your colleagues waver from that stance when it comes to Oregon's minimum wage?

For all these reasons, I strongly urge you to vote against the ill-conceived and potentially damaging piece of legislation. All working Oregonians will thank you for protecting their right to provide for themselves and their families. I thank you for your consideration.

Sincerely,

DAN GARDNER,
Commissioner.

Mr. LAUTENBERG. Mr. President, we have very few hours before we depart for the August break. Let's say we have 6 hours—360 minutes—before we leave to campaign or vacation or meet with constituents back home.

How are we going to use 360 minutes?

The Republican leadership's idea is to use that precious time to pass the so-called "trifecta" bill. It's a bill that was sent to us from the House, and I think it symbolizes all that is wrong with the Republican Congress.

For one, it is a cynical ruse. This bill holds the minimum wage hostage in exchange for a dramatic reduction in the inheritance tax—which only the richest families in America pay.

The minimum wage has been stuck at $5.15 for almost a decade. That's $10,712 a year.

And even though the Republican leadership has blocked a clean vote on the minimum wage for years, this "trifecta" bill marries the minimum wage increase with this huge cut in the inheritance tax. This inheritance tax only affects the richest one-half of 1 percent of families in the country.

So, in other words, the Republican position is: we will only help everyday working people in America if you give multi-millionaires and billionaires a bribe.

Mr. President, that is not the way to govern this country.

This bill is also offensive because it is so out of touch with the priorities of the American people.

Why aren't we taking steps to actually bring down gas prices? Gas is over $3 a gallon. It costs $60 to fill a tank for many people. That's what most Americans are concerned about right now.

Are we going to use these last 360 minutes to deal with that issue?

Meanwhile healthcare is in crisis. We have 43 million people without health insurance.

And then there is a storm brewing over the new Medicare drug law. Indications of this storm are appearing in newspapers from Honolulu to Ho-Ho-Kus. This storm is called the Medicare prescription drug coverage gap.

Some call this coverage gap the "Doughnut Hole," but that is too kind a name. It's a much more serious crisis, and can have deadly consequences.

Here is what is happening across America because of the coverage gap: millions of seniors on the new Medicare Prescription Drug Plan are going to the pharmacy counter and experiencing "sticker shock." Why? Because their drugs suddenly cost four times as much as last month.

Their drugs are costing four times as much because the Republican Medicare law allows drug plans to include a massive gap in coverage. In a nutshell, once you pay $750 out of pocket from the deductible and co-pays, your coverage just stops. And to make matters worse, your coverage goes away but you still have to pay the monthly premium.

A lot of unhappy seniors are starting to experience this problem, and it will only get worse through the end of August and into September.

So what are we doing about it?

An inheritance tax break for multi-millionaires is what the Republican leadership is concerned about while millions of seniors are facing a financial gap in their prescription drug coverage.

I would like to share some stories with my colleagues from recent news articles about how this coverage gap is affecting people across the country.

The Bergen Record in New Jersey told the story of Melba Heck, who is in the coverage gap. When she started the Medicare Part D plan, she was paying $50 a month. Now, all of the sudden, the bill is $400.

Ms. Heck, a retired nurse, told the newspaper that "For the first time in ten years, I've had to cut back on my church pledge."

Marcella Crown of Des Plaines, IL, reached the coverage gap back in April. Her husband said "Blue Cross is saying that even though she will get no benefit, she must still pay the premiums. That's outrageous. We have never had insurance policies that gave us no benefit yet required us to pay premiums."

In Maryland, retired teacher Elise Cain walked into her Silver Spring pharmacy and said she nearly "passed out" at the cash register. Her drug monthly cost jumped from $20 to $175.

These are just some examples of the pain that millions of senior citizens will have to endure. Unfortunately, this is only the beginning of this crisis.

We need to deal with this Medicare coverage gap crisis now. If we wait until September, we do so at our own peril.

Mr. President, this Congress is out of touch, and the Republican priority is to heap more wealth on a few of the richest people in America while tens of millions of their hardworking neighbors' children will struggle to get along with less as a result.

Let's not let it happen.

Mr. REED. Mr. President, I am deeply concerned about the cynical efforts to tie a much needed boost in the minimum wage to a massive tax cut for the heirs of the wealthiest Americans.

The economic disparities between minimum wage workers and wealthy people whose large estates are subject to the estate tax are so vast that pairing these two measures together defies logic. I am also hard pressed to find a link between either of these issues and the extension of several expiring tax provisions that have been tacked on as well.

No matter how my colleagues in the majority try to dress it up, this is really just another vote on the estate tax. It was less than two months ago that full repeal of the estate tax failed to pass in the Senate. Instead of addressing the pressing problems ordinary Americans face on a range of economic issues, the leadership is back again trying to pass near-elimination of the estate tax.

The estate tax is an important component of our progressive federal tax system, it is the Federal Government's only tax on wealth, and by 2009 less than one-half of one percent of all estates will be subject to the tax. Far from being a "death tax," the tax falls on heirs who seldom had any real role in earning the wealth built up by the estate holder. The decedent's estate pays a portion of the total assets to the Federal Government and the remainder is then passed on to heirs. Capital gains that have built up in the estate tax free are passed on to the heirs on a "stepped up" basis, and the heirs are not liable for any income tax on these gains. No tax is levied if the estate passes to a spouse or is donated to charity. The overwhelming majority of estates pay no federal estate tax.

As a matter of fact, the non-partisan Tax Policy Center estimates that only about 8,200 estates would owe any estate tax in 2011 if the 2009 exemption level of $3.5 million were made permanent. Those are the people who would benefit from further cuts in the estate tax and their estimated average tax savings is about $1.3 million—a far cry from the $2.10 hourly wage increase that the Majority has put on the table for minimum wage workers.

A minimum wage hike is long overdue. The Federal minimum wage, which today stands at $5.15 per hour, hasn't been raised since 1997. Since then, inflation has not only wiped out that pay increase but brought the real value of the minimum wage to its lowest level in half a century. Over the past 9 years, the minimum wage has lost one-fifth of its purchasing power.

The majority's plan would increase the minimum wage from $5.15 to $7.25 per hour by the middle of 2009. The Economic Policy Institute estimates that 5.9 million workers would benefit directly from the increase and that the average benefit would be $1,200 per year. Another 7.1 million workers earning somewhat more than $7.25 per hour could benefit indirectly as a "spillover benefit" of the minimum wage increase. However, 1.8 million fewer workers would benefit under the Republican proposal because it phases in the increase over a 3-year period rather than the 2-year phase-in under Senator KENNEDY's proposal.

Senator KENNEDY's minimum wage legislation, which I have cosponsored, also does not contain any poison pills, such as the near-elimination of the estate tax or the egregious roll back of State pay protections for minimum wage workers. Currently, there are seven States that have chosen not to include a tip penalty in their minimum wage laws. Thus, tipped employees in these States earn the full State minimum wage. Under the Republican bill, however, one million tipped employees in these seven States will see a drastic cut in their base pay.

Raising the minimum wage is vital because workers have been left out of the economic growth we have seen so far in this recovery. Strong productivity growth has translated into higher profits for businesses, not more take home pay for workers. The stagnation of earnings in the face of soaring prices for gasoline, home heating, food, health care and college tuition is squeezing workers' paychecks. Just this week, the administration admitted as much. At a speech at Columbia Business School, Treasury Secretary Paulson stated that "amid this country's strong economic expansion, many Americans simply aren't feeling the benefits. Many aren't seeing significant increases in their take home pay. Their increases in wages are being eaten up by high energy prices and rising health costs."

No one who works full time should have to live in poverty, but the current minimum wage isn't enough to bring even a single parent with one child over the poverty line—even if the parent works 40 hours a week, 52 weeks a year. Five million more Americans have fallen into poverty since President Bush took office—37 million Americans are now living in poverty, including 13 million children.

The minimum wage is an important policy tool to lift low-income families out of poverty. Almost two-thirds of those who would benefit are adult workers, and more than a third of these adults are sole breadwinners for their families. This is not pocket change for teenagers, as opponents of the wage floor have argued.

The devastation of Hurricanes Katrina and Rita last September put the national spotlight on the problem of poverty in America. As Senator GRASSLEY, chairman of the Finance Committee, put it last year, "It's a little unseemly to be talking about eliminating the estate tax at a time when people are suffering."

While the minimum wage has steadily lost purchasing power over the past 9 years, Federal Reserve data show that over roughly the same period the inflation-adjusted average net worth of the 10 percent families with the greatest wealth increased by almost 40 percent. The wealth of those most likely to have estate tax liability has increased substantially, but the taxes owed on an estate of any given size are lower now than they were in 1997 because of increases in the exclusion and reductions in the tax rate.

The differences in economic circumstances between those at the very top of the income or wealth distribution and those at the bottom are vast and widening. Again, during his address in New York, Treasury Secretary Paulson stressed that "addressing issues of wage growth and uneven income distribution is a longer-term challenge that we can address." And yet, again the rhetoric of this administration does not match its actions. The consideration of this bill before us today is proof that the majority and the administration are not serious about addressing disparities.

Looking at earnings, minimum wage workers make about $206 for a 40-hour week at the current rate of $5.15 per hour. That would put them in the bottom 10 percent of the distribution of usual weekly earnings of full-time workers and these workers have suffered the largest declines over the past 5 years. Those at the upper-income levels are seeing earnings gains but for those at the bottom- and middle-income levels, there is a loss in real earnings since the President took office whereas in the 1990s, when you saw the proverbial picket fence—there were positive gains at every percentile.

Turning to household wealth, an overwhelming majority of households have very little in the way of accumulated wealth and assets and would not be subject to the estate tax. Households in the bottom fifth of the wealth distribution have a median wealth of just $2,000. In contrast, households in the top 10 percent have a median wealth of $1.4 million, which is less than the current estate tax exclusion of $2 million for an individual or $4 million for a married couple. Because half of the households in that wealthiest group have less than the median net worth of the group, most will not owe any estate tax.

The inequity of this proposal is compelling enough, but the budgetary consequences of nearly eliminating the estate tax make it completely unpalatable.

The Center on Budget and Policy Priorities estimates that this estate tax proposal would cost about $600 billion over the 2012–2021 period, or about $750 billion when the associated debt service costs are included. That is about three-quarters of the cost of full repeal, but probably understates the true cost because the latest proposal is not fully effective until 2015.

We are financing near-repeal of the estate tax with debt, because the costs will be paid for with borrowed money. Future generations of taxpayers—minimum wage workers and others who will make significantly less than the heirs of deceased multimillionaires and billionaires—will have to repay those funds. The drain on the budget would occur at the very time that the baby boom generation enters retirement and rising Social Security and Medicare costs would strain our budget. Secretary Paulson rightfully identified "reforming entitlement programs, advancing energy security and maintaining and strengthening trade and investment policies that benefit American workers" as "longer-term challenges that will face our economy in the years to come." However, as we all know these are challenges that we can only meet if we have the resources to do so. Making permanent fiscally irresponsible tax cuts only endanger our abilities to truly address what should be our national priorities.

Raising the minimum wage will increase the likelihood that minimum-wage workers will be paying taxes and drawing on fewer government services. In contrast, virtually eliminating the estate tax will reduce Federal revenues, increase the budget deficit, and put pressure on other government programs that contribute to the economic well-being of lower-income workers, including minimum wage workers.

Today, we are at war and yet there is no sense of the shared sacrifice that has united this country in past conflicts. Ironically, the estate tax was first adopted in the nineteenth century to pay for government shortfalls due to wartime spending. Our military families are making tremendous sacrifices, and too many of them have made the ultimate sacrifice in service to our country. With $320 billion appropriated or pending for Iraq operations to date and more than 2,500 service men and women killed, the human and financial tolls are both more staggering than imagined.

With mounting war costs, the impending retirement of the baby-boom generation and deficits as far as the eye can see, due to the President's irresponsible tax cuts, it is unconscionable to think that we are going to vote again on gutting one of the most progressive taxes on the books.

Putting a minimum wage hike that is so necessary for working families to make ends meet together with an estate tax bill that benefits a few wealthy heirs reveals a warped set of priorities. The same can be said for holding hostage a package of tax extenders that all support. Our focus should be on strengthening the safety net for American families—whether it's raising the minimum wage or preserving Social Security, pensions, and health insurance coverage.

I have been a consistent supporter of the minimum wage, but this is a cruel juxtaposition of policies which I can not support.

Mr. AKAKA. Mr. President, it pains me to have to choose between the urgent needs of important groups in my constituency, which is why my decision to oppose cloture on the so-called trifecta bill, combining an estate tax compromise, minimum wage increase, and tax extenders, is a difficult one for me. However, it is one that I find to be necessary.

There are some good measures in this bill, particularly in the tax extenders package. I applaud my colleague in the House, Representative NEIL ABERCROMBIE, for his hard work to reinstate a tax deduction for spousal travel that is included in this package. It would have a positive effect on tourism-based economies, such as Hawaii's economy. I also appreciate the extension of the research an development credit and higher education above-the-line deduction, among other provisions. However, on balance, as with so many other large legislative vehicles that we consider on this floor, it is not enough to convince me to support the overall package.

I am disheartened that the majority in Congress uses the plight of our low-income and disadvantaged to better the cause for the wealthiest among us. For years, I, along with my Democratic colleagues, have offered amendments and introduced freestanding bills to increase the national minimum wage rate for our working men and women. If those in majority leadership are serious about increasing the wage rate, then they should pass freestanding bills that are currently pending action in both the Senate and the House of Representatives. This is truly an outrage that the majority has stooped so low to do this, and to take such a cynical view of the support that a minimum wage increase truly has in our country.

The package before us further disappoints me because its tip provisions will actually hurt many of those who could use a boost in wages. Restaurant staff, valets, parking attendants, bartenders, maids, and others who support themselves or their families on tip wages will have current protections taken away by this bill. States that want to guarantee a higher floor for tip wages would see their power to do so nullified. These hardworking Americans deserve to have the wage protections that their States want to grant them.

On the estate tax, I have heard most passionately from auto dealers in Hawaii of the tragedies that could occur if the estate tax is not eliminated or scaled back. Hawaii, as with other States, has lost numerous family-owned businesses due to a number of factors. Our auto dealers, farmers, ranchers, and other family-owned entities fear that they will not have the resources to keep their businesses in the event of the deaths of current owners, if the estate tax is not repealed or rolled back.

All of these concerns are heartfelt. I must assure those who have written that I have heard them and have taken their experiences and views into consideration while deciding what position to take on this matter. I have wanted to help them. However, the vote on cloture on H.R. 5970 can also be a missed opportunity to serve countless others in our home States and many who have not yet been born. I am talking about opposing cloture on a bill that would mortgage future generations by adding more than $300 billion to already alarming Federal deficits.

According to the Joint Committee on Taxation, provisions to increase the estate tax exemption and link estate tax rates to the capital gains tax rate would cost nearly $268 billion over 10 years. Add that to extensions and expansions of several expiring tax relief provisions, some of which we must pass, and the bill's cost is $306 billion over 10 years. The minimum wage increase would have a negligible revenue effect.

My colleague from North Dakota, Senator CONRAD, has instructed this body time and time again on the dire fiscal picture that we are facing on the federal level. Our Budget Committee ranking member noted yesterday that our Federal debt increased $551 billion last year and is projected to increase another $600 billion this year. These figures are shocking to me, and they will doubtlessly translate into hard decisions on programs that we already have a hard time funding yet are so essential to each of our communities.

In fact, the Center on Budget and Policy Priorities notes that, should pending budget process reforms be put into place, the combined effect with the implementation of estate tax provisions would be to force drastic cuts in various entitlement programs that serve seniors, low-income families, veterans, students, and the disabled. Some of the programs that CBPP notes would surely be on the chopping block to make up for estate tax revenue losses include Medicare for seniors, SCHIP for children, Federal civilian retirement, the earned-income tax credit for lower income families, the child tax credit, military retirement, unemployment insurance, Supplemental Security Income for the elderly and the poor, veterans disability compensation and pensions, Food Stamps, school lunch and child nutrition, and farm programs.

It is because of drastic impacts like this that I have heard from hundreds of other constituents who want me to vote to save these necessary programs and others in education, health care, and social services that would bear the brunt of further reductions in discretionary funding. I simply cannot put the needs of many above the needs of a few, even if they are a well-deserving few, which is why I cannot support cloture on this package before us.

Once again, the choice to oppose cloture on this measure has been a tough one for me. It is far better than estate tax repeal in its projected fiscal outcome, and I thank its authors for their willingness to compromise to a certain point. However, the bill does not go far enough for me.

I deeply appreciate hearing the arguments put forth on both sides of this debate and the work put in on this matter, but I cannot support this cloture motion.

Mr. JOHNSON. Mr. President, the Senate is considering today an increase in the minimum wage, a package of tax extenders, and the repeal of the estate tax. I am highly disturbed and disappointed by the course that the Senate has chosen to hold badly needed tax cut extenders and the minimum wage increase hostage to the estate tax bill. And I find it ironic that the Republican leadership has been referring to this as a "trifecta"—betting terminology. It certainly is a gamble. It is a gamble with the livelihoods and pocketbooks of the American taxpayer and American worker, and that is surely not what I was elected to do.

Tying an increase in the minimum wage and important tax extenders to the estate tax in order to further a political agenda which has otherwise failed on this issue is outrageous and manipulative, and I will not support it. And to add insult to injury, the majority leader has refused to allow his Senate colleagues, who would like to substantively address these issues, to offer any amendments. This "my way or the highway approach" is quintessential partisan politics.

I would like to be very clear on my position here. I strongly support an increase in the Federal minimum wage. I supported Senator KENNEDY's amendment to the DOD authorization bill that would have increased the minimum wage to $7.25 over a 2-year and 2-month period, and I am a cosponsor of his Fair Minimum Wage Act. I am also a cosponsor of Senator CLINTON's Standing with Minimum Wage Earners Act, S. 2725, which would raise the Federal minimum wage to $7.25 per hour and link future increases in the minimum wage to congressional raises. I have always supported updating the Federal minimum wage in the past and would like to have the opportunity for an up-or-down vote on the Senate floor.

The Republican leadership in both the Senate and the House of Representatives has thus far managed to block an increase in the minimum wage. Ironically and sadly, that leadership continues to prioritize tax breaks for America's most fabulously wealthy over an increase in wages for hard-working families. It just makes no sense. A minimum wage employee working 40 hours per week, 52 weeks a year, would earn only $10,700, a figure far below the poverty level for even a two-person family. Inflation has eroded the buying power of the minimum wage since it was last increased in 1997. The current minimum wage is woefully inadequate to provide enough income for workers to afford decent housing, set aside sufficient funds for a comfortable retirement, or meet any emergency needs. Increasing the minimum wage is about both economics and values. I tire of hearing people talk about "family values" while at the same time doing little to increase wages or provide affordable health care and housing.

I also strongly support the package of tax extenders that were left behind during tax reconciliation. I was disappointed that the final tax reconciliation measure, H.R. 4297, failed to include provisions that would allow South Dakotans to deduct their State and local sales taxes. South Dakota collects more than 50 percent of its revenue from sales tax assessments. It is unfair to expect South Dakotans to pay an additional Federal tax liability simply because of the form of taxes my home State collects, and I strongly favor making the sales tax deduction a permanent part of the Tax Code. I was also disappointed that this measure did not include provisions to allow families paying college tuition to deduct that tuition from their Federal taxes or teachers to deduct the cost of classroom supplies. These tax cuts are important to many Americans, and I support them unequivocally, but I will not allow the Republican leadership to tell me that I can only give these tax breaks to middle-class Americans by also voting for an estate tax repeal that will leave our grandchildren hundreds of billions of dollars of debt.

Additionally, I will support tax cuts that target working Americans, so long as they are enacted in a fiscally responsible manner with appropriate revenue offsets. The estate tax noose that has been tied around this legislative package is not in keeping with this philosophy.

While I feel strongly that Congress must act to give some estate tax permanency and certainty to estate planning, I do not support full repeal or any measure that would only benefit a tiny number of fabulously wealthy estates while at the same time being so costly that it would require massive borrowing from foreign nations and from the Social Security trust fund in order to write the checks.

Since the Federal Government is already running several hundred billions of dollars annually in the red as it is, any further tax cuts and giveaways for America's multimillionaires will require that we borrow the money to give to them. Increasingly, the borrowing will be from foreign nations and from Social Security revenues. That also means that additional tax cuts for the middle-income taxpayers will be almost impossible and that the middle class and their children will have to pay higher taxes for decades to pay off the debt service on the multimillionaire tax cut. That debt service already costs the taxpayers $1 billion per day.

The estate tax legislation that has come before us thus far has been unrealistic and costly. I would be supportive of legislation exempting family farms, ranches, and small businesses from the estate tax. In fact, in 2001, I voted to do just that. Unfortunately, then, the Republican party decided to enact legislation that called for, among other things, a phaseout of the Federal estate tax that provides complete repeal in 2010 but reverts to an exemption of only $650,000 in 2011. Because of this mistake we have had to have this discussion every election year since.

Easing taxes on farms, ranches, and small businesses is one thing, but the total repeal being pushed as a political statement during this runup to the election season is irresponsible. I believe the Federal Government ought to be doing more for middle-class and working families, rather than focusing its attention on the Paris Hilton and Donald Trump crowd.

Mr. DODD. Mr. President, I rise today to express my serious concerns with a bill before this body, H.R. 5970, that unnecessarily links a long-overdue increase in the minimum wage and a broadly-supported package of tax extenders to an unaffordable and irresponsible cut in the tax on multi-million-dollar estates.

This so-called "trifecta" bill sends a clear message to the American people about the priorities of the leadership on the other side of the aisle—priorities that are badly out of step with the needs of ordinary Americans.

Many of us in this body support fiscally responsible reform of the estate tax. But compared to most reasonable proposals, the one in this bill would cost nearly twice as much, while adding very little additional value.

Over the last several years, the number of Americans affected by the estate tax has fallen dramatically as the exemption level has been raised. In 2000, with an exemption of $675,000, there were 50,000 taxable estates. That number has fallen to only 13,000 today, with the exemption level now standing at $2 million for an individual and $4 million for a couple. In 2009, the exemption will rise to $3.5 million—or $7 million for a couple—and only 7,000 estates will be subject to the tax. These 7,000 taxable estates represent the largest three-tenths of 1 percent of estates in America, all of which exceed $3.5 million in size. By 2009, only this small fraction will owe even a cent under the estate tax.

Compared to current or 2009 rates, this "trifecta" bill would provide a tax cut for only the largest 8,200 estates in the country. And the average size of the tax benefit received by each of these estates would be $1.4 million. Out of a nation of 300 million people, only the wealthiest 8,200 would gain from this bill's estate tax proposal, but it would cost the American people $753 billion over the first decade alone once it has been fully phased in.

The leadership on the other side of the aisle knows that this body would rightly reject such a gratuitously irresponsible proposal if it were offered as a stand-alone bill. So the majority leader in this body and his counterparts in the House of Representatives have decided, in what amounts to political blackmail, to attach this estate tax measure to a moving vehicle, the package of tax extenders that includes provisions like the research and development tax credit that supports innovation by America's businesses, the tax deduction for college tuition that helps students and their families pay for the skyrocketing cost of higher education, and the tax deduction for teacher classroom expenses, among many other important items.

In effect, the supporters of this "trifecta" bill have decided to hold hostage these important tax provisions, which benefit families and businesses across the income spectrum, to an estate tax measure that, on its own, would otherwise be rejected. And in a misguided attempt to "sweeten the deal" or provide political cover, they have added a provision to raise the minimum wage that, itself, is flawed due to the wage cut it would force upon many employees who earn their pay through tips.

Many of us in this body have been fighting for years to increase the minimum wage, only to have our efforts blocked repeatedly. America's lowest-wage workers have waited far too long for a raise—it has been 10 years, almost to the day, since this body last voted to raise the minimum wage to $5.15 per hour.

In the time since then, the minimum wage's real buying power has fallen to its lowest level in 51 years. For a full-time worker, a wage of $5.15 per hour translates to a yearly income of $10,700—an amount that is nearly $6,000 below the poverty line for a family of three. These are working adults, with full-time jobs, who are living in poverty.

At those wages, these working Americans can barely afford housing and food. They certainly can't afford adequate health care, child care, or education needed to lift them out of a low-wage job. With gasoline prices and other energy costs rising, one wonders how people make ends meet.

Unfortunately, too many are falling behind.

And too often, the victims are children, whose only fault was to be born into the wrong family. More than a third of the 37 million Americans currently living in poverty are children. Through no fault of their own, these voiceless Americans live day-to-day without adequate food and shelter, forced to choose between food and rent or medicine or utilities.

In my State of Connecticut, we have a population of about 3.4 million people and the perception is that we are a rich State. But we are not exempt, in Connecticut, from the scourges of poverty and hunger. In fact, more than 280,000 people in my State, many of them children, are food insecure—meaning they don't have access at all times to the food necessary to lead a healthy life. Two of the largest food banks in Connecticut provide food for more than 350,000 different people each year. Working people make up 25 percent of those using those emergency feeding programs. People are working hard and they can't even feed their families—how is this acceptable?

Raising the minimum wage from $5.15 per hour to $7.25 per hour would directly boost the earnings of 6.6 million working Americans. It would also indirectly benefit an estimated 8.3 million additional workers who currently earn close to $7.25 per hour and would likely see their wages rise in response to a minimum wage increase.

Some of my colleagues have argued that raising the minimum wage would harm employers or reduce overall levels of employment, but study after study has shown these claims to be unfounded. A recent Gallup poll found that 86 percent of small business owners do not think the minimum wage negatively affects their business. And a substantial body of research by well-known economists finds no significant harm to overall levels of employment based on changes to the minimum wage. So while a minimum wage increase would dramatically improve the lives of millions of Americans, the potential costs would be small.

America's lowest-earning working men and women desperately need a raise—even a small one. But this bill, by tying an increase in the minimum wage to a costly "virtual repeal" of the estate tax, has the potential to cancel out the good that would be done. By adding $753 billion to the national debt—which already stands at $8.4 trillion—this estate tax proposal would force deep cuts in services for all Americans, regardless of income. But those who earn the least would likely be hurt the most.

No one who supports raising the minimum wage or approving the bipartisan package of tax extenders should be fooled into thinking that this bill represents a serious attempt to help American workers, businesses, or taxpayers.

The estate tax proposal that has been attached to these important measures is unaffordable and unnecessary. It would drive us deeper into debt with foreign creditors, force damaging funding cuts during already tight budgetary times—not to mention during a time of war—and increase the burden on our children and grandchildren of paying for our excess.

For these reasons, Mr. President, I cannot support this irresponsible legislation, and I urge my colleagues to join me in voting against this bill.

Mr. OBAMA. Mr. President, I rise to speak about the latest effort to reduce the estate tax for a small fraction of the wealthiest Americans at a cost to all Americans of more than $750 billion. This time our friends in the House of Representatives realized that the Senate would reject such a reckless policy. So rather than scaling back Paris Hilton's tax cut to a reasonable level or suggesting a fair way to pay for their tax cuts, they have done something else. They have decided to hold an increase in the minimum wage hostage to a fiscally destructive cut in the estate tax.

This is cynical politics at its worst. This is government by gimmick. Combining the estate tax with a minimum wage increase and temporary tax cut extenders is not an example of finding common ground or moving to a reasonable compromise; this is an example of political coercion. And the American people are wise to it.

This is simply an attempt to dare members of my party to vote against an increase in the minimum wage which has been one of our long-time priorities.

But why should we have to agree to nearly $800 billion of additional Federal debt—debt that our children and grandchildren will have to pay back in higher taxes down the road—in order to get a long-overdue wage increase for those struggling to make ends meet that would have no negative effect on the Federal budget?

Why should we have to agree to an average tax break of $1.4 million for several thousand wealthy estates in order to add about $1,200 on average to the incomes of several million working families?

Why should we have to agree to a permanent reduction in the estate tax for billionaires when all the tax benefits for students, small businesses, teachers, and neighborhoods will expire under this bill in a year or two?

This bill is not the outcome of a robust policy debate or bipartisan compromise in the public interest. It's not the result of honest tradeoffs. No. This bill is a cynical ploy to say "gotcha" to the Democrats. At best it's politically clever, but in no way is it smart.

Increasing the minimum wage would make a significant difference in the lives of this country's most vulnerable workers. The Federal minimum wage has not been adjusted since 1997 and the proposed increase really just keeps workers from falling further behind in their struggle to keep up with inflation. It is shameful that the President and Congress have not acted sooner to raise the minimum wage.

My colleagues on the other side of the aisle know that. So they have tied the minimum wage vote to the estate tax. They have tied the fate of several million working families and their ability to buy food and gas and school supplies to the ability of wealthy heirs to inherit even larger estates tax free.

I am confident that the American people will see through this. By 2009, the estate tax will already be repealed for more than 99 percent of all Americans. For the few estates that are wealthy enough to have to pay the estate tax, they can make unlimited charitable deductions, they can pass along at least $7 million to their heirs tax free, they can take more than a dozen years to pay-off the taxes owed, and the effective tax rate will be fair and reasonable. We could extend that status forever, and members of both parties could claim victory and move on to addressing America's real priorities.

Instead we are here once more, debating tax cuts and adding to America's debt.

Now let's be honest. This is not about saving small businesses and family farms. We can reform the estate tax to protect the few farms that are affected. We can set it at a level where no small business is ever affected. We can even repeal the estate tax altogether for the 99.5 percent of families with less than $7 million in taxable assets that means families with assets almost 100 times greater than the average American household's net worth. That would be compromise. That would be sensible.

Democrats have offered to reform the estate tax in these ways time and time again. But over and over, our offers have been refused, which can only mean that the party in power is really interested in an unprecedented give-away to the wealthiest of the wealthy.

And don't think for a minute that there is any plan to pay for this. Every proposal to enforce pay-as-you-go rules for fiscal responsibility has been rebuffed. This tax cut will have to be paid for in the years ahead by higher taxes on working families and reduced public services in all of our communities. This tax cut will have to be paid for by higher interest rates on homes and student loans. And this tax cut will have to be paid for by greater dependence on foreign countries.

It's amazing to me how little the Congress has actually accomplished this year and how much time we have wasted on the estate tax. You would think the richest among us were the most oppressed. And even now we are being blocked from dealing with bipartisan pension legislation, not to mention dealing with the costs of healthcare, our real homeland security challenges, or the threat of global warming.

So if the Republicans want to bring up the estate tax yet again to use it as an election issue later, I say go for it. Because there may be no better illustration of how we differ in priorities than this irresponsible vote.

I yield the floor.

Mr. KERRY. Mr. President, a lot has changed in the last 10 years. Gasoline prices have risen, up 70 percent since President Bush took office in 2001. Child care costs have risen and now a typical family can expect to pay almost $10,000 per year for one child, which is more than the cost of public college tuition. Health care costs are soaring, and health insurance premiums are skyrocketing. In short, the cost of everyday life has greatly increased. We in Congress have certainly taken notice: we have given ourselves a pay raise eight times since 1997, totaling $30,000, and we've given the President pay raises totaling $200,000. Yet in that time we have failed to give working Americans a raise by increasing the minimum wage.

Now, facing tough reelection races and a disillusioned public, my Republican colleagues are finally willing to do something about it, but only on their terms. Despite the fact that the rich are getting richer and the poor are getting poorer, my colleagues' "solution" to help American families is to attach the long-overdue minimum wage increase to an otherwise un-passable estate tax reform bill that will benefit just a few wealthy families. This is nothing more than political blackmail. If Congress were genuine about its care for the lives of hard-working Americans—if we truly believed that any honest American working a full time job should not have to live in poverty—we would never condition a minimum raise increase on a windfall for the wealthy.

Since President Bush took office, the number of Americans living in poverty has increased by 5.4 million, bringing the total to 37 million Americans who live in poverty today, 13 million of whom are children. What's even more disturbing is that over 70 percent of children in poverty live in a home where at least one parent works. So today in America we have a situation in which millions of children are living in poverty despite the fact that they live in homes with a working adult. Among full-time, year-round workers, poverty has increased by 50 percent since the late 1970s.

This may be surprising, but if you take a minute to understand the situation the picture becomes clear. Consider a single mother of two working a minimum wage job 40 hours a week for 52 weeks a year. Without taking any time off for illness or vacation, she earns just $10,700 a year, nearly $6,000 below the Federal poverty line for a family of three. The current minimum wage equals only 31 percent of the average wage for the private sector, nonsupervisory workers, the lowest percentage on record since World War II. In the past 9 years, the purchasing power of the minimum wage has deteriorated by 20 percent, and today the value of the minimum wage is as its lowest level since 1955.

What these figures make absolutely clear is that it's long past time to raise the minimum wage. Just 5 weeks ago, the Senate failed to give relief to hard-working Americans by increasing the minimum wage. What has changed? As far as I can tell, two things have changed. First, Republicans in tight races realized their failure to address the needs of working Americans would hurt their chances for reelection. Second, those in favor of repealing the estate tax realized that the likelihood of doing so was slim to none. So they agreed to increase the minimum wage to $7.25 over a 3-year period that will benefit millions of working families, but they would only do so at a cost of $268 billion in estate tax relief for a few wealthy families.

I think we can all agree that the estate tax law needs to be revisited. The current policy does not make sense, but neither does relief that benefits a few. The estate tax relief before us has a long-term negative impact on our deficit. The 10-year costs from 2012-2021 are $753 billion when interest is included. That is $753 billion that will be added to the deficit or result in vital programs having their funding slashed. And there is no discussion now about how to pay for this bill.

An increase in the minimum wage should not be saddled with an unrelated, unnecessary, and unfair tax provision. We should pass a clean minimum wage bill and then work on a bipartisan estate tax bill that is fiscally responsible and protects most small businesses from the estate tax.

The legislation before us provides an average tax cut of $1.4 million to 8,200 estates. A minimum wage increase would provide an average benefit of $1,200 to 6.6 million hard-working Americans. The package before us clearly reflects misguided priorities. I cannot think of one reason why minimum wage legislation should include estate tax relief.

When President Theodore Roosevelt advocated an estate tax nearly a century ago, he argued that, the "man of great wealth owes a peculiar obligation to the state, because he derives special advantage from the mere existence of government." He further advocated that "[w]e are bound in honor to refuse to listen to those men who make us desist from the effort to do away with the inequality, which means injustice; the inequality of right, opportunity, of privilege. We are bound in honor to strive to bring ever nearer the day when, as far as is humanly possible, we shall be able to realize the ideal that each man shall have an equal opportunity to show the stuff that is in him by the way in which he renders service."

We need to return to a society that values hard work. We cannot let ourselves become a society divided by income inequity. Defeating this bill is a step in the right direction toward fairness and the restoration of sane, responsible fiscal policy.

In addition to the minimum wage, the bill before us includes so-called expiring tax provisions that Congress should pass. There is no reason we cannot work together to extend expiring provisions such as the research and development credit and a tax deduction for the cost of a college education, which expired at the end of 2005. It is embarrassing that the Senate is leaving for our August recess without extending these provisions, especially since the capital gains and dividends rates that did not expire until 2008 have been extended to 2010. The extension of these provisions should not be threatened. The price of helping families with college education should not be estate tax relief for the wealthiest estates.

Mr. President, I support raising the minimum wage. I support tax credits for research development and college education. But I cannot support them when they are tied to fiscally irresponsible so-called reforms. I cannot support a bill that continues to put the interests of the wealthy above the interests of hard-working Americans. If my colleagues are serious about increasing the minimum wage, I challenge them to do so in a clean bill. I challenge them to put the best interests of working Americans front and center. I challenge them to stand up to this political blackmail and oppose the Estate Tax and Extension of Tax Relief Act. The American people deserve better than this.

Mr. LEVIN. Mr. President, this so-called trifecta bill is a bet by the Republican leadership that the American people will not notice their strategy to gut the estate tax in order to give the wealthiest one-half of 1 percent of our families a huge tax break. I hope they will lose that bet.

The Republicans have tried to sweeten their fiscally reckless proposal by extending popular tax cuts that have strong support and by adding an increase in the minimum wage that many of them do not even want and have opposed repeatedly for years. Republican leaders know that their estate tax proposal would not pass on its own, so they have added other provisions that many want in hopes of drawing enough votes to pass their true goal—more tax cuts for the superrich. Failing that, the Republican leaders seem willing to settle for having as a talking point that they tried to increase the minimum wage, even though they have opposed it year after year.

The American people will not be fooled. They know that many have fought tooth and nail to increase the minimum wage, and that we will keep fighting. But we won't be blackmailed into supporting irresponsible tax cuts by a political gambit.

This estate tax proposal is unfair and unaffordable. Only a tiny fraction of all estates pay any estate tax. In 2004, only 1 percent of estates in Michigan and 1.2 percent nationwide paid any estate tax. And as the amount exempted from the tax continues to rise to $3.5 million per person in 2009, the percentage gets even smaller. And despite claims to the contrary, even without this misguided bill, those families actually subject to the estate tax will still be able to pass on great wealth to their children.

Once phased in, this so-called "compromise" proposal would cost at least 75 percent as much as repealing the estate tax entirely. In the first ten-year period in which the proposal would be in full effect, it would cost nearly $600 billion. The cost would be $750 billion when interest payments on the additional debt are taken into account.

We simply cannot afford such a massive tax cut that would push us even further into the deficit ditch. Today, each American citizen's share of the debt is almost $29,000. As we continue to run up record yearly deficits, the country's total debt will be more than $11 trillion by 2011, which is $37,000 per person. It is not just reckless fiscal and economic policy to saddle future generations with this kind of crushing debt burden; passing this kind of burden to our children and grandchildren goes against what should be our basic values.

In the words of Republican President Teddy Roosevelt, who proposed the estate tax: "[I]nherited economic power is as inconsistent with the ideals of this generation as inherited political power was inconsistent with the ideals of the generation which established our government."

If we have any hope of getting our Federal budget deficit under control, eliminating the estate tax for the extremely wealthy is exactly the wrong thing to do. We need to look out for all of our citizens, not just the very wealthiest among us. This giveaway to a tiny fraction of estates will ultimately have to be paid for by steep cuts in government services or tax increases that will likely impact far more Americans.

To achieve the goal of more tax cuts for the very few, this bill holds hostage two critical issues. First, it includes a desperately needed, though flawed, increase in the minimum wage. And, second, it has a package of popular tax benefits that includes allowing families to deduct up to $4,000 in tuition payments and tax credits for research and development.

Minimum wage workers have not seen a Federal raise for 10 years. During that same time period, Congress raised its own pay eight times. An employee working full-time on minimum wage earns only $10,712 per year, which is below the Federal poverty level. It is shameful this Congress find it acceptable that Americans work hard every day, all year long, at legal jobs and still languish in poverty.

I have cosponsored a bill that gives the working men and women of this country the pay raise that they deserve, legislation that would raise the minimum wage to $7.25 an hour in several increments. If the majority cared about rewarding the hard work of a large number of Americans as much as they cared about protecting the enormous wealth of a few others, there would be a clean vote just on raising the minimum wage.

Even though the so-called trifecta bill would raise the minimum wage for many workers, it would also result in a pay cut for many Americans. It includes a "tip credit" provision that really should be called a tip penalty. The bill allows workers in industries in which tips are commonplace—such as waiters, waitresses, hotel maids, parking attendants and bartenders—to receive as little as $2.13 before the tips.

Although this tip penalty has been Federal law for years, States have been free to guarantee higher wages to workers in these industries. This bill would supersede those state laws to permit the lower wages. This will decrease wages in at least seven States, and it will set a dangerous precedent by allowing the Federal Government to interfere with the States to cut the wages of the lowest-paid workers.

This bill also holds captive several important expiring tax provisions that have broad support and would easily pass on their own. The provisions include the work opportunity tax credit, which encourages employers to hire members of targeted groups such as high risk youth, families receiving food stamps, SSI recipients, and qualified veterans. Another provision, the welfare-to-work tax credit, enables employers to claim a credit on the first $10,000 of wages paid to certain long-term family assistance recipients.

Another provision is the deduction for the expenses of elementary and secondary school teachers of up to $125 for books and other supplies. And there is a deduction of up to $4,000 for qualified tuition and related expenses. There is also a provision that would help shippers on the Great Lakes.

Finally, the expiring provisions include a critical tax credit for research and development done here in the U.S. This is an important way for the Government to help our Nation's economic competitiveness, especially in the manufacturing sector, which represents nearly two-thirds of our total private R&D. While the R&D credit's cost of $16 billion for two years is a significant investment by the Government, each dollar of the credit leads to a significant increase in business R&D spending, thus spurring economic growth. Congress should enact this important program on a permanent basis, instead of revisiting it every year or two, given all the uncertainty that is created by doing so.

It will be shameful if these provisions—which are good for the economy, important for our people, and supported by this Congress—are not renewed because of the political gamesmanship on this bill.

Mr. President, we hopefully will not fall for this political trick. The American people deserve better from their Government.

If the Republican leaders want to pass a minimum wage increase, give us a clean bill that does that and we'll pass it today. If they want to extend the popular and reasonable tax provisions that are expiring, let's work together to do that. But the pending bill would require us to swallow two poison pills and one aspirin. Hopefully, that combination will be resoundingly rejected by the Senate.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mr. BAUCUS. Mr. President, I favor repeal of the estate tax. The estate tax often forces ranchers and farmers in my home State of Montana to have to struggle just to pass their land on to their children. But the political games that Congressional leaders played with this bill are not the way to get the job done. I hope that cooler heads can prevail and that we can work together for sensible reform in the future.•

Mr. BIDEN. Mr. President, our country is at war. We face fundamental challenges to our security at home and abroad. The President himself has compared our situation to the Cold War, to World War II. Those were existential struggles, for which we made great sacrifices and which fundamentally realigned our priorities.

Thousands of American families have paid the ultimate sacrifice, tens of thousands of our sons and daughters have been wounded. Tens of thousands more have been put in the line of fire, some of them for multiple tours of duty.

The war in Iraq alone has lasted longer than World War II, and its cost, at $315 billion, continues to grow.

Here at home, we face challenges to the American dream—the faith that hard work would be rewarded with a decent job, a better future for our children, and secure retirement.

The income of the average American family has not risen in the past 6 years. Global competition from a billion and a half new workers will change the world our children inherit. American families have virtually no money left over to save, and private retirement savings are woefully inadequate to meet the wave of retirees now upon us.

To meet these challenges, we will have to make massive investments in education and in research to boost the productivity and earnings of American workers. We need to find alternative fuels to reduce our dependence on oil that undermines our foreign policy and holds our economy hostage.

Over 46 million Americans are without health insurance. Only 5 percent of the containers that pass through our ports are inspected for weapons. Our passenger rail system lacks the basic lighting, fences, dog patrols, and cameras that could prevent attacks by terrorists we know have that system in their sights. This is just a short list of the profound challenges we face as a Nation. We can all think of others.

While our needs multiply, we lack the resources to meet them. Handed a 10-year surplus of $5.6 trillion, this administration has dragged us down, through the most dramatic reversal in our Nation's history, into an additional $3 trillion in debt.

They have doubled our debt to foreign governments. We now owe more than $2 trillion to Japan, China, and others. We are losing control of our financial future.

We are borrowing from our own national retirement savings, the Social Security system. This year alone, we will borrow $177 billion from Social Security.

Every day we go deeper into debt to foreign governments. Every day we spend more of our national retirement savings. And every day our basic needs, from homeland security to our retirement savings to our children's future—those needs are ignored.

That is the setting, that is the background, those are the circumstances in which we are now asked to cut taxes on just 7,000 of the wealthiest heirs in our country—at a cost of over $750 billion in the first decade it is in effect.

All of that will be borrowed. It is a transfer of $750 billion to the wealthiest two-tenths of 1 percent of Americans, borrowed from China, from Japan, from our own Social Security system. Somebody will have to pay that back.

Our children and our grandchildren will pay that back. It is a transfer from those with no voice of their own in our system, a transfer to those whose wealth speaks the loudest.

Under current law, the estate tax will affect fewer than 7,000 estates in the whole country by 2009. That year, a couple will be able to exempt a $7 million estate from taxes—a $7 million estate will pay no estate taxes. None.

The Congressional Budget Office has estimated that only 65 family farms in the whole country will be subject to estate tax at that point, under current law. Sixty-five farms, period.

Seven thousand of the wealthiest families will be the only ones paying any estate tax, and only 65 of those estates will be family farms, barely more than 1 farm per State across Our Nation.

And yet we are here today, actually considering reducing those numbers further, and driving our debt deeper, to save the most fortunate among us from that small remainder of an estate tax.

I believe that with the changes in current law we have accomplished some appropriate reform. I believe that family businesses and family farms should not be broken up to pay taxes. With the booming economy of the 1990s, many more Americans joined the ranks of those who could face estate taxes. Raising the exemption level and lowering the rate made sense.

Under current law, in my State of Delaware, fewer than 50 families will face any estate tax in 2009. Those are reforms that protect all but a few from the estate tax. It protects family businesses and family farms.

But I opposed complete repeal of the estate tax, and I oppose this legislation that will cost us $750B, three quarters of the cost of full repeal.

I oppose it, not because those who would benefit aren't good Americans. I am sure they are. Because they are good Americans, I think most would agree that given the world we live in today, facing a global threat to our security, with gaps in our homeland security, with clear domestic needs unmet, with our Federal finances already in the red—in the face of those facts, full repeal is a luxury that we cannot afford.

We could provide our middle class with some tax relief, by extending protection from the marriage penalty for $46 billion. We could extend the child tax credit for $183 billion. We could extend the college tuition deduction for $19 billion. Instead, the top priority of the leadership in this Congress is a handout to the most fortunate, paid for by three-quarters of a trillion dollars in debt heaped on our kids.

To add insult to this injury, the first pay raise for minimum wage workers in 10 years is now hostage to this estate tax cut. Under current law, you can be paid a wage that keeps you below the poverty line even if you are working full time.

Over the past 24 years, the most fortunate Americans, in the top 1 percent, saw their incomes more than double—from an average of $306,000 to over $700,000. During that same period, the incomes of average Americans grew just 15 percent.

But the poorest fifth of our citizens saw their already inadequate incomes grow just $600—over 24 years.

We are moving apart, not coming together, as a nation.

The minimum wage has not increased since 1996—and all of that increase has been wiped out by the cost of living. The minimum wage today, at $5.15 an hour, is even worth less in today's dollars than the $4.25 rate it replaced.

Today, the minimum wage is worth only a third of the average hourly wage of American workers, the lowest level in more than half a century. The bottom rung of the ladder of opportunity is broken. It is time to fix it.

That means a pay raise for over 7 million workers, in three stages, over the next 3 years, to $7.25 an hour. That will lift the floor under everybody's wages.

But now we are told that to get those folks on minimum wage a raise, we have to go three-quarters of a trillion dollars into debt to China, Japan, and other countries so that the sons and daughters of the 7,000 most fortunate families among us will be spared the estate tax.

Everyone else's sons and daughters will get that bill. Our country, already the world's biggest debtor nation, already borrowing 65 percent of all the money borrowed by countries around the world, already spending the retirement savings that should be going into Social Security, our country will be weaker financially because of it.

The American people are tired of seeing this kind of "gotcha" politics while our country is at war, while we face serious challenges to our economic competitiveness, our health, our children's future. Instead of a long overdue adjustment in the minimum wage, we get political theater.

And finally, instead of extending important tax credits to promote research and development, to clean up brownfields—even to give our fighting forces tax credits for combat pay—we are given this take-it-or-leave-it deal that makes estate tax cuts the top priority.

Those are not the priorities of the American people, and this Senate should reject them.

We can pass a minimum wage increase to reward work at the bottom of our economic ladder. We can extend the tax breaks that meet real needs and that serve genuine public policy needs. We can do that, and we can leave in place substantial reforms to the estate tax that have already taken place.

First, we must say no to this transparent gimmick. Then we can do what we should have done in the first place.

Mr. FRIST. Mr. President, has time been used on our side?

The PRESIDING OFFICER. There is 7 minutes remaining.

Mr. FRIST. Mr. President, I yield 3 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 3 minutes.

Mr. SANTORUM. Mr. President, thank you. I thank the leader for yielding.

This body is criticized a lot because we stand here and yell at each other and don't get a lot done. We block and we blame, we obstruct, we don't do the people's business.

The bill that we are about to vote on, 20 years ago, 30 years ago, would have been hailed by all as a compromise out of the great compromises that we have seen in the Senate over the centuries, truly a compromise.

The No. 1 highest priority of the Senate Democrats, included in this bill—their highest priority. We have voted on minimum wage more in this Chamber than probably any other issue. The No. 1 priority in this bill, their highest priority with respect to taxes, the R&D tax credit, the extenders provision, and a variety of different provisions, tax provisions, that were key provisions for many Senate Democrats, included in this bill.

In addition to that, we have the abandoned mine lands bill that Senator ROCKEFELLER and I have worked on for months and months. This is the only opportunity for the abandoned mine lands issue to be voted on in the Senate. There may be attempts to throw this in and attach it to other bills and all sorts of pounding the chest of how we are not letting it happen.

This is a compromise. This is giving things that I can tell you many on this side of the aisle don't want to give—whether it is minimum wage, whether it is AMT, whether it is many of the provisions in this bill, there are a lot of folks on this side of the aisle who do not like any of this, and, in fact, have never voted for any of these things.

In exchange for that, what most of the Members on this side of the aisle would like to see done is to do something about the onerous death tax which is scheduled to expire in 2010, and then revive itself from the dead the next year—horrible tax policy.

But that is where we are. We are trying to fix this. We are trying to get the priorities of both sides together in a bill to move this country forward in a way that both sides can walk away and say: We didn't get everything we wanted, but we made progress; I got something that was really important to me.

Both sides can say that. Both sides can say: I didn't get everything I wanted or I have to vote for something I don't like in this bill; This isn't exactly the way I would do it. This problem is bigger than all the other good things.

You know what? One thing I have always learned in my time in government is you can always find a reason to vote no. You can always find a reason to vote no. It takes a bigger step to compromise, to meet someone halfway down that middle aisle, to compromise and get something that is important for both sides. This bill does that.

Mr. FRIST. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I was listening to the debate, and I heard the Democratic leader call this a "do-nothing Congress." He said that several times. I have heard it before. Yet here we have a bill that will go directly to the President. This is a bill that brings together pieces of legislation that have been worked on for years in this body, a chance to score a huge victory for all sides, that gives a minimum wage increase of over $2 that we have been trying to do, along with tax cuts for small businesses so that it is a balance for years in this Congress. We have been trying to permanently ease the burden of the death tax ever since I got to this Senate.

It is the small businesses; it is not Bill Gates, it is not Warren Buffett who is worried about the death tax. It is the farmer who is going to have to sell his farm when he dies or his children who will because his children can't pay the taxes because the farm is more valuable than they can earn and produce to pay the taxes. It is the small business that has been built by a family. It is the restaurant owner that is going to have to sell the business that we are fixing tonight.

This is a bill that would take away the ability to call this a "do-nothing Congress."

Why is it that almost every Republican is going to vote for it and almost every Democrat is going to vote against it?

I think this is an excuse to make this a "do-nothing Congress" and we are turning our backs on the middle class and the poor people of this country who depend on the minimum wage and death tax relief.

Mr. FRIST. Mr. President, I yield 1 minute to the distinguished Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 1 minute.

Mr. KYL. Mr. President, the Senator from Washington had printed in the RECORD a letter from an official in the State of Washington. In response and in refutation of the point of that letter, I will read from a letter from the Assistant Secretary of Employment Standards for the U.S. Department of Labor, Victoria Lipnick.

Mr. President, this letter is dated August 2. It says, among other things:

> Were this passed into law, the Wage and Hour Division of the Department of Labor would read section 402 as protecting the current minimum wages of the tipped employees in the seven states that now exclude tipped employees' tips from being considered as wages. To do otherwise would be inconsistent with what we understand to be the intent of the Congress and Fair Labor Standards Act which the WHD enforces.

The bottom line of this legislation, as has been said, is it will increase the standards of living and decrease the cost of dying.

I urge my colleagues to support moving forward with it.

Mr. DOMENICI. Mr. President, I rise today in support of the Estate Tax and Extension of Tax Relief Act of 2006 (H.R. 5970) more commonly known as the Family Prosperity Act.

I believe that the Family Prosperity Act is a good compromise because it raises the inheritance tax exemption to $10 million per couple, increases the minimum wage by $2.10, and extends some personal and business tax cuts. I support this legislation because it represents a fair and reasonable compromise on all three of these important issues.

For some time now, the Senate has debated the death tax, which is the most confiscatory tax of all. It has been a battle to repeal or modify this tax. In my opinion this tax is in need of modification; however, a full repeal of the death tax has been unsuccessful. Congress must act before the current repeal sunsets and the death tax is reinstated in 2011. Inaction on our part will lead to taxation of estates over $1 million at a rate 55 percent. Therefore, we are now attempting to seek agreement on this compromise measure that will benefit Americans. After careful consideration I have concluded that this bill represents a fair and reasonable compromise. Furthermore, passage of this bill will bring relief that is long overdue.

H.R. 5970 is a permanent reduction of the death tax that will exempt $5 million per individual and $10 million per couple. Estates under $25 million would have a maximum tax equal to the capital gain rate of 15 percent. Estates over $25 million would be taxed at 30 percent. The exemptions and $25 million threshold are indexed for inflation and will be fully phased in by January 1, 2015.

This tax relief is substantial to States, like my home State of New Mexico that are filled with small business owners, family farms, and ranches. The assets accumulated by these hard-working people should not be taxed a second time nor at a rate that is too high. I believe that by enacting this relief from the death tax, we will be fostering economic growth, business investment, and entrepreneurship. Moreover, this bill will decrease the number of estates that are liquidated in order to pay taxes and will ultimately decrease the number of estates that are required to file a tax return.

Some have argued that this legislation is not a compromise and that it will preserve wealthy estates. I firmly believe that this argument is unfounded. This bill will continue to tax estates that hold considerable wealth while at the same time exempting small and medium sized estates that are overly burdened, and often times extinguished, by this tax.

I would now like to turn our attention to the minimum wage provisions contained in the Family Prosperity Act. It has been almost 10 years since Congress last voted to raise the minimum wage. In the meantime, our cost-of-living has increased annually and working families have struggled to meet their most basic needs.

The pending legislation before the Senate will increase the minimum wage by $2.10 an hour—phased in over 3 years. I have said many times before that I would support an increase in the minimum wage if it was crafted properly. I believe that this bill is crafted properly because it raises the minimum wage while extending some personal and business tax cuts and reduces the overreaching death tax.

The current Federal minimum wage just isn't sufficient. Now is the time to raise the minimum wage. It's time to give low-wage workers a raise.

There was an editorial published recently in my hometown newspaper, the Albuquerque Journal. The editorial was entitled "Raise the Minimum Wage: Reduce the Death Tax." The editorial hit on some very important points. The focus was that we have tried to address these issues before—and we have failed. It stressed that we need compromise in order to get things done in this Congress.

Mr. President, I will ask that a copy of this Albuquerque Journal editorial be printed in the RECORD.

This bill is a good compromise. We have before us a chance to work together to accomplish something for the American people. We should embrace this opportunity and work together.

The Family Protection Act contains extensions of several important tax cuts that are currently set to expire. The research and development credit is of significant importance. H.R. 5970 will extend the research and development credit through 2007.

Advanced technologies drive a significant part of our Nation's economic strength. Our economy and our standard of living depend on a constant influx of new technologies, processes, and products from our industries. Former Federal Reserve Chairman Greenspan frequently reinforced the critical dependence between advanced technology and our economic strength.

Many countries provide labor at lower costs than the United States. Thus, as any new product matures, competitors using overseas labor frequently find ways to undercut our production costs. We maintain our economic strength only by constantly improving our products through innovation. Maintaining and improving our national ability to innovate is critically important to the Nation.

With this extension, we will significantly strengthen incentives for private companies to undertake research that leads to new processes, new services, and new products. The result will be stronger companies that are better positioned for global competition. Those stronger companies will hire more people at higher salaries with real benefits to our national economy and workforce.

Another important tax credit that should be extended is the deduction for higher education expenses. Higher education expenses are on the minds of many families. Saving to invest in education is important to the future of all young adults and to our society as a whole. We must ensure our Nation's future by helping educate America's young adults. That is why it is important to offer tax breaks for qualified higher education tuition and expenses. The Family Protection Act allows taxpayers to deduct $4,000 in qualified higher education tuition and expenses through 2007.

The last credit that I would like to comment on is the welfare-to-work credit. This bill extends the welfare-to-work credit through 2007. Business plays an important role in transitioning people receiving welfare into the workforce, and providing incentives for employers to hire welfare recipients strengthens our economy. This is an important provision in the bill and provides one more reason for me to support passage of this compromise.

I support this three-part compromise package because it represents a fair and reasonable compromise on all of these important issues.

Mr. President, I ask unanimous consent that the article to which I referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Albuquerque Journal Editorial, Aug. 1, 2006]

RAISE MINIMUM WAGE; REDUCE DEATH TAX

Santa Fe did it in 2003. Albuquerque did it in April. Sandia Pueblo did it in May. In fact, 17 states and the District of Columbia have done it.

Maybe before Senators go on vacation this week, they can get the United States to do it, too: Raise the minimum wage.

The federal minimum wage has been $5.15 an hour for almost a decade. In June the Senate killed the ninth attempt in as many years to increase what those on the lowest tier of the pay scale make. In the interim, municipalities have had to step in, creating a patchwork pay scale that follows geography instead of skill set. If a minimum wage makes sense, it's better done from Washington.

On Friday night the House passed a bill that would increase the minimum wage by $2.10 phased in over 3 years, extend some business tax cuts, create others, secure pensions and raise the inheritance-tax exemption to $5 million.

Representative Tom Udall, D-N.M., says he would have preferred a vote solely on the minimum wage—which apparently means he would have preferred a 10th defeat in as many years to a compromise.

The Republican majority can accept the minimum wage increase if the bill also includes something for one of their constituencies—in this case, excluding more wealth from the estate tax, which many Democrats oppose. Under current law, taxes would revert to 55 percent on estates worth more than $1 million after 2011. That's not soaking the aristocracy, but forcing heirs to liquidate a family-built business or a farm to pay the taxman. Not to mention these family assets have already been taxed.

Critics say Republicans want political cover come the November elections—after all, they didn't come out against their 2 percent raise last month.

But to the single mother making $10,700 a year busing tables, the only important cover is covering her family's bills, and $15,000 a year goes a lot further toward that end.

Senators have their 10th chance this week to get the United States in line with Santa Fe, Albuquerque, Sandia Pueblo, 17 states and the District of Columbia. They should take it.

Mr. ENZI. Mr. President, I rise today in strong support of H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006. Specifically, I strongly support inclusion of the Surface Mining Control and Reclamation Act Amendments of 2006 in this piece of legislation. This legislation is very important to my home State and to coal-producing States throughout our Nation.

I have been working to fix the Abandoned Mine Land Trust Fund since I was first elected to the Senate in 1996. We have legislation before the Senate to make that happen, and I applaud my colleagues from Pennsylvania and West Virginia for their hard work on this proposal. Senators SANTORUM, ROCKEFELLER, SPECTER, and BYRD have helped produce a solid piece of legislation, and I strongly support moving this forward.

For years, reauthorizing the Abandoned Mine Land—AML—Trust Fund has been an issue that pitted the East versus the West. Consensus was never reached on the issue, and the AML Trust Fund continued to be a broken system. Members from the East argued that we needed to send more money to do reclamation, while members from the West argued that we needed to take care of the Federal Government's promise to the States. That promise was made in 1977 with passage of the Surface Mining Control and Reclamation Act, SMCRA.

When SMCRA was passed in 1977, a tax was levied on each ton of coal produced. The purpose of that tax was to reclaim coal mines that had been abandoned before laws existed that required reclamation. Half of that tax was promised to the State where the coal was mined. That money is known as the State share. The other half went to the Federal Government to administer the reclamation program and to send additional funding to the States with the most abandoned coal mines.

It was a simple enough concept. Half of the money was to be sent to the State share, and the other half administers the AML program and goes to States with the largest reclamation needs. Unfortunately, like many things in Washington, while the concept was good, the implementation has been disastrous and the program has not worked as it was intended. For years, States have been shortchanged and reclamation work has not been done. Today, the Federal Government owes States more than $1.2 billion. At the same time, more than $3 billion in reclamation remains unfinished.

When I was named the chairman of the conference committee whose job it was to find a compromise between the House and Senate on pension legislation, I was approached by Senator SANTORUM who had a proposal. He brought with him a coalition made up of coal companies, the United Mine Workers of America, UMWA, environmental groups and other businesses. Together, they expressed an interest in including an AML Trust Fund reauthorization in the pension conference report.

Where I come from, when something does not work, we work to fix it, and so the idea of fixing the AML program on the pension conference was intriguing. For years, I have worked with the other members of the Wyoming delegation to reauthorize this program, and as chairman of the conference committee, I was in a unique position to make a difference.

After listening to the proposal, I laid out a set of principles that were necessary to gain my support for such a move.

First, I wanted to see the return of the money owed to the States, including the $550 million owed to my State. Because Wyoming is a certified State, I wanted to see that money come from the Federal Government with no strings attached. The legislation we have before us today accomplishes that goal by guaranteeing that Wyoming will receive the money we are owed from the Federal Government in 7 years.

Second, I wanted a guarantee that future monies would be directed to States like Wyoming where significant amounts of coal are produced.

Third, it was important that more money be directed toward reclamation in States where the reclamation work is needed. Those goals are accomplished with the legislation that is included in this bill.

Finally, I wanted to see a reduction on the tax charged to Wyoming's coal companies. Some of the companies in my State do not have the problems associated with abandoned coal mines, nor do they have the orphan miner liability that is held by some companies. Those companies agreed not to fight an extension of the tax if it was reduced, and this legislation includes a slight reduction in the fee.

The priorities of other members are also included in this bill, including provisions that shore up health care for orphan miners who fall into the Combined Benefits Fund. Those priorities include the addition of health care coverage for members who fall into the 1992 fund and the 1993 fund. Although the shoring up of those three funds was not a priority for me, this represents compromise legislation.

The compromise brought all of the major players on board. The coal companies strongly support this bill. The United Mine Workers of America, UMWA, strongly support this bill. Other businesses who had interests in the AML fund strongly support this bill. With all these groups on board, we set out to gain support for this bill.

Senators SANTORUM and ROCKEFELLER worked hard to bring members from both sides of the aisle on board, and I commend them for their efforts. At the end of the day, we had seven committee chairmen who supported this bill. The chairman and ranking member of the Energy Committee, who have jurisdiction over a portion of the bill, signed a letter to the majority leader asking that it be included in the pension conference. The chairman and ranking member of the Finance Committee, who have jurisdiction over the rest of the bill, expressed support for moving this forward.

As we gained support, we also learned of opposition from members who objected to the cost of the legislation. They claimed that the bill was too expensive and that the health care coverage for the orphan and widow miners was too good. As a member of the Senate Budget Committee, I want to spend taxpayer dollars appropriately. I want programs to work the way they are intended to work, and this program has not done so.

For my colleagues who have concerns about the cost of the legislation, it is important to remember that a $1.8 billion Federal trust sits in the Federal Treasury. It is important to remember that, although the fee is reduced slightly, we will continue to collect significant income from the fee. It is also important to remember that the Federal Treasury will collect significant revenues from coal production.

For years, we have been using Federal dollars in a way that they were not intended to be used. We have not made progress on the reclamation side, nor have we kept our promise to the States. This legislation corrects that error. It sends significant amounts of money to do reclamation, and it returns the money that was promised to the States.

As for the health care aspect of the bill, it is important to know that the Federal Government already provides funding for some health care. It is provided for with interest from Wyoming and other States' money. The Senators who represent the families who receive this health care continue to make sure the families receive it. Since miners' health care continues to be funded, we needed to find a way to fulfill the promise to the States. This legislation was such a fix.

As more members were brought on board, I worked with my colleagues on the pension conference to include this provision in the final conference report. Much progress was made, and at the end of the day, I included the AML bill that is a part of H.R. 5970 in my chairman's mark for the pension conference. This AML fix fit nicely in a section containing important tax credits, such as a State sales tax deduction from Federal income tax for Wyoming and other States with no income tax.

A last-minute strategy decision by some House members was made to separate the AML bill and the tax credits from the pension portion of the conference report. The House put the AML and the tax credits in a bill that also included the death tax forgiveness and a minimum wage increase. The second bill included many of the pension provisions of the pension conference report. The House then passed the pension bill and the tax credit bill and then adjourned on July 29, 2006, for the August home work period. That is where we stand.

I also take this opportunity to voice my support for the estate tax relief contained in this legislation. While I support a full and permanent repeal of this burdensome and unfair tax, the language contained in H.R. 5970 is a big step forward. Under this legislation, the estate and gift tax exemption will be increased over time to $5 million per person. The elimination of this unjust tax will allow many small, family-owned businesses throughout Wyoming and the Nation to keep their businesses open.

As I have said time and time again, the death tax is fundamentally unfair because it constitutes another layer of taxation. After years of paying State and Federal income taxes and other property taxes while trying to operate a successful business, the family must pay again at the time of death. The land subject to the death tax is the exact same land that the owner has been paying annual property taxes on. Double taxation is not only unfair on a philosophical level, it causes severe financial harm to the small businesses that are the driving force behind our economy. Our tax laws should encourage investment and growth and not stifle small businesses.

In addition to affecting many small businesses, the death tax forces landowners to sell their property to afford paying this tax and avoid passing on the costs to the next generation. Throughout Wyoming, I hear stories of families who are struggling to decide whether to sell part of their farm or ranch or risk leaving their children and grandchildren with this overly burdensome tax. Families should not have to make this impossible choice. In Wyoming, we work hard, in pursuit of the American dream, to create a better life for our children and grandchildren. Yet the death tax punishes this dream and the families who must pick up the pieces after losing a loved one.

There is another hidden cost to this double tax that many people do not consider. The death tax also forces families to spend thousands of dollars on estate planning. By requiring individuals and families to use vital financial resources on estate planning, money is being taken away from the family business, farm, or ranch. Permanently eliminating this tax will move precious financial resources to the business and employees themselves instead of to extensive estate planning costs.

Finally, I would like to briefly address one additional provision in this legislation—the State and local sales tax deduction. H.R. 5970 includes an extension of the State and local sales tax deduction for 2 years. I applaud the extension of this deduction. The ability to deduct State sales tax is an issue of fairness and parity. Under this legislation, taxpayers have the option to deduct their State and local sales tax or their State income tax. Federal taxpayers who reside in a State without an income tax should not be punished and forced to pay additional Federal taxes. Under this extension, taxpayers can choose whether to deduct their State and local sales or income tax.

I intend to vote in favor of the overall package. I strongly support the inclusion of the AML legislation. I am also strongly supportive of the tax extenders and the death tax relief. I hope that my colleagues will see the importance of this legislation and will join me in supporting its passage.

Mr. FRIST. Mr. President, how much time remains?

The PRESIDING OFFICER. Thirty seconds.

Mr. FRIST. Mr. President, I yield 1 minute using leader time to my distinguished colleague from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, how can we have bipartisanship in the Congress if Democrats won't take yes for an answer?

Of course, I am speaking about the bill before us—H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006.

This legislation package isn't everything the Republicans wanted, and it is not everything the Democrats wanted. But both parties, and both Houses of Congress, now have an opportunity to vote on compromise legislation that accomplishes the goals we all aimed for.

We will substantially reduce the estate tax, or as I prefer to call it, the death tax. No American family should be forced to visit the undertaker and the tax collector on the same day.

Nothing could place more stress on a family than the loss of a loved one. Yet at such a difficult time, too many families in America today must make decisions about selling a business or a farm that has been in the family for generations in order to pay the death tax. That is wrong, and with this legislation, we will end that problem for many Americans.

We will also extend tax relief for many, to help encourage economic growth.

At the same time, we will increase the federally mandated minimum wage, from its current rate of $5.15 an hour to $7.25 in 2009. My friends on the other side of the aisle have continually said that raising the minimum wage is their top legislative priority.

Well, now is the time to vote for their top priority. Yet the Democratic leadership is threatening to kill this bill.

What part of "yes" do my friends on the other side of the aisle not understand? What part of "bipartisanship" do they not want?

We want to meet them halfway on this compromise legislation. We have taken their legislation, and some of our legislation, and also a host of tax provisions that we all agree on. But apparently it is not enough.

The Democrats cannot call this a do-nothing Congress on the one hand, and block every bill they can and try to blame the majority on the other.

We have a choice. We can work together and pass legislation that will benefit millions of Americans, or we can devolve into obstruction, and get nothing. I think what the American people deserve is positive action. That means passing this bipartisan compromise bill.

We were all elected to get something done on behalf of our constituents, and this legislation will mean real, tangible results for millions of Americans. As always, I stand ready to work with my Democratic friends to pass much-needed tax relief, and add to the long list of accomplishments of the 109th Congress.

Unfortunately, it appears the Democrat leadership would prefer to have a political issue rather than an accomplishment.

Mr. President, what we have heard tonight on the other side of the aisle is block and blame.

We have before us is a provision in three parts, each of which is supported by a bipartisan majority.

Let me say that again.

Each of the three parts of this bill are supported by a bipartisan majority of the Senate.

So what can possibly be wrong with passing the three bills together since they are each supported by a bipartisan majority of the Senate?

What is going on here? It is block and blame. They want to say this is a "do-nothing Congress."

If there is anything this Congress has not been able to accomplish, you can point the finger at the Democratic side of the aisle. Their strategy is block and blame.

I yield the floor.

Mr. FRIST. Mr. President, in closing, I will be very brief.

In a few moments, we will be voting on the motion to proceed to this very important bill called the Family Prosperity Act. It is called that very specifically for the reasons we have outlined.

There are three very important components: The extension of tax relief—we spoke about it on the floor, key provisions such as the State and local tax deduction affecting the many States, in my State alone, 670,000 Tennessee families; college tuition deduction affecting millions of families; research and development tax credit which stimulates growth, innovation, creativity, and jobs; teachers' classroom expenses deduction, affecting 55,000 teachers.

Secondly, the permanent solution to the death tax challenge that we have today is a compromise. It is not only a compromise that prevents the death rate from escalating to 55 percent and dropping to $1 million in 2011, it is a $5 million exemption per spouse indexed for inflation, and a 15-percent tax rate from $5 million to $25 million.

Thirdly, a minimum wage increase, 40 percent over the next 3 years—40 percent.

In summary, an "aye" vote is a vote for that permanent death tax relief. An "aye" vote is for that extension of tax relief. And an "aye" vote is for that 40 percent minimum wage increase.

We have a lot of challenges before us. We have addressed many others in the last 4 weeks. This gives us the opportunity to address an issue that will affect the typical American out their working, their family, that farmer, that small business owner.

I encourage my colleagues to vote aye.

I ask unanimous notwithstanding rule XXII that the mandatory quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture on the motion to proceed to H.R. 5970 the Estate Tax and Extension of Tax Relief Act of 2006.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to H.R. 5970: a bill to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

Bill Frist, Mike Crapo, Lamar Alexander, Richard C. Shelby, Sam Brownback, Saxby Chambliss, Chuck Hagel, Tom Coburn, Richard Burr, Orrin Hatch, Thad Cochran, John Ensign, David Vitter, Pat Roberts, Craig Thomas, Jeff Sessions, Mel Martinez.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 5970, a bill to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5 million, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—56 yeas, nays 42, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—56

Alexander
Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Burr
Byrd
Chambliss
Coburn
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeMint
DeWine
Dole
Domenici
Ensign
Enzi
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Isakson
Kyl
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Murkowski
Nelson (FL)
Nelson (NE)
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Warner

NAYS—42

Akaka
Bayh
Biden
Bingaman
Boxer
Cantwell
Carper
Chafee
Clinton
Conrad
Dayton
Dodd
Dorgan
Durbin
Feingold
Feinstein
Frist
Harkin
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Menendez
Mikulski
Murray
Obama
Pryor
Reed
Reid
Rockefeller
Salazar
Sarbanes
Schumer
Stabenow
Voinovich
Wyden

NOT VOTING—2

Baucus
Lieberman

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 42. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader is recognized.

Mr. FRIST. Mr. President, I now enter a motion to reconsider the vote by which cloture was not invoked.

The PRESIDING OFFICER. The motion is entered.

Mr. FRIST. Mr. President, the real vote would have been 57 to 41. I switched my vote from "aye" to "no," thus the reported vote is 56 to 42.

I want to clarify, very briefly, where we are now. For purely procedural reasons, as leader, I switched my vote to a "no" vote to preserve all of my procedural options. As everyone knows, I strongly support cloture and moving to proceed to the three important issues in the Family Prosperity Act. I initially voted "yes" on cloture, but by switching to a "no" vote, I preserve my right, as leader, to revisit this issue in the future as a package.

The Senate just had a majority vote to move forward to this bill which reforms the onerous death tax, raises the minimum wage for millions of Americans, and provides a number of important tax relief extenders that will expire. Had the Senate invoked cloture, I am confident we could have finished this measure this weekend and presented it to the President in the next couple of days to become the law of the land.

With my switched vote, I preserve the procedural option to bring the bill back as a package. I hope the Democratic Senators will rethink long and hard over the weeks to come before we return for business in September.

Mr. President, finally, just for the record, a number of comments were made just prior to the vote about the tip wage issue. As my colleagues know, I have made it clear to them that is an issue that we would be able to address once on the bill. But we have now been prevented from getting on the bill.

I am confounded. There is no other way to put it.

My colleagues on the other side of the aisle come to this floor, time and again, raving about a "do nothing" Congress.

Well, today, just a few minutes ago, we had yet another opportunity to do something—as we have already many times this Congress.

We had the chance to bring three very important issues to the floor for debate: permanent death tax relief, extension of expiring tax provisions, and a minimum wage Increase.

These are issues that matter in the day-to-day lives of our constituents—issues that actually mean something to hard-working Americans.

And yet some of my colleagues decided these issues aren't important enough to debate here on the Senate floor.

This package—it's about securing America's prosperity.

It's about easing the tax burden facing America's families.

It's about helping hard-working Americans tackle an increasing cost of living head on.

And it's about fostering innovation and reinvestment in our homegrown small businesses and farms.

Quite simply, it's vital to the economic security of everyday Americans.

These are challenging issues, and they must be addressed here on the Senate floor.

And as I have said before, these issues must be addressed as a package: permanent death tax relief, tax policy extensions, and a 40-percent increase in the minimum wage.

All three together. All or nothing.

Not bringing this package—the Family Prosperity Act—to the floor is tantamount to saying, "We don't care about America's economic security."

And I am deeply ashamed that we, the U.S. Senate, would ever dare send such a message to the American people.

The PRESIDING OFFICER. The Democratic leader.

Mr. REID. Mr. President, everyone will be relieved to know I don't have anything to say.

PENSION PROTECTION ACT OF 2006

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.R. 4, which the clerk will report by title.

The legislative clerk read as follows:

A bill (H.R. 4) to provide economic security for all Americans, and for other purposes.

The PRESIDING OFFICER. Under the previous order, there are 20 minutes equally divided between the two leaders.

The Senator from Wyoming.

Mr. ENZI. Mr. President, I allocate myself 7 minutes of the 10 we have on our side.

A year ago, we were working on a pension bill, and we were working on the bill in two separate committees. We passed bills out of both committees. Then the two committees met together, and we merged it into one bill. There were a lot of difficulties in doing that process. It took quite a while. At the end of November we still had several problems and because of that, the media pronounced the bill dead. A week later, we had revived it and passed it in the Senate with just two votes in opposition to it and 97 in favor. All that in just 1 hour. Then it was brought to life on the House side. They passed the bill in December of 2005.

Then, in March 2006, a conference was named, and we worked on it diligently for hours virtually every day. A lot of moving parts started to fit into place. Some wondered if it would never get done.

I looked up the last major revisions we did on a pension bill. They were not nearly as expansive as this. This is the biggest revision of pension laws to be enacted in the past 32 years.

I noticed, in 1987, a big pension reform conference started in early March. The conference committee started a little earlier, but the bill was enacted until December 22. In 1994, there was a second pension reform conference. Again, the conference started in March of that year. The conferees wound up the conference agreement a little earlier than in 1987. This time, the bill was enacted on December 8, 1994. So we are way ahead of schedule compared to those two conferences. But we had to do it in a little different method than we might have liked to get to this point. Nevertheless, it is the most sweeping amendment to ERISA and the Internal Revenue Code in over 30 years. It is nearly identical to the product and agreements made by the members of the conference committee in a bipartisan manner. I am proud we have before us the most sweeping changes to our Nation's retirement laws since the enactment of ERISA itself.

This legislation will provide greater security for our Nation's workers who have retirement benefit plans and greater stability for the Pension Benefit Guaranty Corporation. There is little doubt this bill will be the foundation on which the future of our retirement system rests.

Today, we secure the future for American workers and their families. We ensure their hard work is rewarded and their hard-earned dollars go towards their retirement needs.

At the outset of the pension debate, I laid out three guiding principles that must be followed when the bill is enacted. Each of these has been satisfied in this bill that I am proud to have helped craft as chairman of the conference committee.

The first guiding principle is: The money workers earn for retirement must be there when they retire. This legislation contains tougher funding rules to ensure the money is there when workers enter retirement.

The pension bill puts an end to phony pension accounting rules that inflated the apparent value of pension plans, relied on inaccurate measurements of liabilities, and permitted funding holidays through the use of credit balances when plans were seriously underfunded.

Promises made to workers for their retirement will be promises kept by assuring the money needed is in the fund and by appropriately limiting when benefits may be increased, freezing future accruals, and restricting the rapid out-flow of lump sums and shutdown benefits when the plan gets into serious trouble. The bill also imposes discipline on management by restricting new executive compensation when pension plans are in trouble.

The second guiding principle is: The new rules we craft should not be so draconian that they become the cause of more bankruptcies and pension plan terminations.

The conference committee leaders spent nearly 4 months debating this exact point with regard to "at risk" triggers. In the final bill, I believe we have found a proper balance.

The legality of cash balance and other hybrid pension plan designs is clarified on a prospective basis under ERISA, the Internal Revenue Code, and the Age Discrimination in Employment Act, thus ending legal challenges that have driven hundreds of quality employers out of the defined benefit system. We have always felt that these plans are valid under the Code, ERISA and the ADEA.

The final guiding principle is: A taxpayer bailout of the PBGC is not an option. The full faith and credit of the United States does not stand behind the private pension insurance systems, and I am committed to keeping it that way by shoring up the finances of the agency without a taxpayer bailout.

The legislation repeals the full funding exemption on the variable rate premium which reduces the deficit at the PBGC by billions over the next 10 years. With this single vote, we will make the most sweeping changes to ERISA since its enactment in 1974.

I urge my colleagues to vote in favor of this bill. Our future generations are counting on it.

I ask unanimous consent that the following letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PENSION BENEFIT
GUARANTY CORPORATION,
Washington, DC, October 14, 1993.

We write in response to your inquiry. You ask whether the PBGC adheres to the interpretation of section 4225 of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980 ("MPPAA"), set forth in its amicus curiae brief in Trustees of the Amalgamated Insurance Fund v. Geltman Industries, 784 F.2d 926 (9th Cir. 1986). In its brief, PBGC addressed the proper application of ERISA §§4225(a) and 4225(b) where the withdrawn employer satisfies the prerequisites for the application of both subsections. PBGC expressed the view that an employer meeting the criteria in both subsections (a) and (b) may elect the limitation that yields the lesser of the amounts determined under the two subsections. The Ninth Circuit, however, reached a contrary conclusion. 784 F.2d at 929–30. For the reasons set out below, PBGC continues to believe that its interpretation of ERISA §§4225 (a) and 4225(b) is correct as a matter [*2] of law.

Under ERISA §4225(a)(1)(A), an employer who withdraws in connection with a "bona fide sale of substantially all of [its] assets in an arm's-length transaction to an unrelated party" will ordinarily be permitted to retain a portion of its dissolution value. The Geltman court, however, citing "the language and . . . structure" and the "underlying policies of ERISA and MPPAA," concluded that an "insolvent" employer must be denied relief under subsection (a)(1)(A), because subsection (b) provides a different liability limit that is explicitly directed to "an insolvent employer undergoing liquidation or dissolution."

This analysis overlooks several pertinent points. First, when Congress intended to deny classes of employers relief under section 4225, it did so explicitly. See ERISA §4211(d) (prohibiting application of section 4225 to employers who withdraw from coal-industry pension plans). Significantly, nothing in the language of section 4225 suggests that subsections (a) and (b) are mutually exclusive.[1] The two provisions have separate factual prerequisites, and provide different types of relief. So long as an employer satisfies the requirements of both subsections, [*3] it should qualify for relief under either rule, and its liability should not exceed the lesser of the amounts determined under the two subsections.

[1] Sections 4225(a) and (b) both begin with the phrase "in the case of an employer." The Geltman court suggested this phrase was "evidence that the sections are to operate exclusive of each other. . . ." This suggestion is manifestly incorrect. The phrase "in the case of" is used as an introduction to at least 30 provisions of MPPAA; in each such instance, it is used in its normal statutory sense, as a synonym for "when" or "if". 20A Words and Phrases 75 (1959 & Supp. 1983).

This conclusion is further supported by the technical definition of "insolvency" included in section 4225. Under section 4225(d)(1), "an employer is insolvent if [its] liabilities, including withdrawal liability under the plan (determined without regard to subsection (b)), exceed [its] assets (determined as of the commencement of the liquidation or dissolution)" (emphasis added). Section 4201(b)(1)(D) defines "withdrawal liability" as including adjustment pursuant to section 4225. Thus, the use of the term "withdrawal liability" in the definition [*4] of insolvency incorporates any reductions in withdrawal liability resulting from the application of section 4225 (including subsection (a)) except the reduction set out in section 4225(b), which is specifically excluded.[2]

[2] The decision is therefore incorrect when it states that whether "an employer is an insolvent employer . . . is done by looking to the provisions of [section 4225(d)(1)] without regard to [section 4225(a)]." Geltman, 784 F.2d at 929.

PBGC believes that its interpretation of section 4225 is fully consistent with the "underlying policies of ERISA and MPPAA." Section 4225 is but one of several ERISA provisions that limit the amount of withdrawal liability imposed upon withdrawing employers.[3] Nothing in the congressional findings and policy declarations that preface MPPAA indicate that the withdrawal liability limitation provisions should be construed to maximize the liability of an employer. See MPPAA §3, codified at 29 U.S.C. §1001a. The same is true of the legislative history.

[3] See, e.g., ERISA §§4203 (b), (c), (d), and (f), 4204, 4207, 4208, 4209, 4210, 4217, 4218, 4219(c)(I)(B), 4224, and 4225. The Supreme Court has noted with approval Congress's efforts to moderate the impact of withdrawal liability on employers, including Congress's effort in section 4225. Connally v. PBGC, 475 U.S. 211, 225, 226 n.8 (1986).

Finally, the interpretation offered in Geltman makes little economic sense. Under the rationale of the decision, an employer whose liabilities exceeded its assets by only one dollar is "insolvent" and would automatically forfeit any relief under section 4225(a)(1)(A). In contrast, if the employer's assets were one dollar greater than liabilities, the full liability limitation would apply.[4] As discussed above, the application of the plain language of the statute avoids this sort of anomaly.

[4] The attached table, drawn from the PBGC's amicus brief, illustrates the dramatic increase in employer liability caused by the single dollar difference.

In conclusion, the plain wording of section 4225 dictates that an employer that meets the requirements of both subsections (a) and (b) is entitled to an assessment of withdrawal liability that does not exceed the lesser of the amounts determined under (a) and (b). Neither the legislative purpose nor principles of statutory construction compel a contrary conclusion. The PBGC therefore continues to adhere to the position stated in its brief amicus curiae.

I trust this responds to your question. If you have further questions regarding this matter, please contact Karen Morris of my staff.

CAROL CONNOR FLOWE,
General Counsel.

ADDENDUM

Computation of Withdrawal Liability Under Arbitrator's Interpretation in Geltman Industries and Amelgamated Insurance Fund, of Section 4225.

Assumptions: 1. The value of the employer's assets after the sale is $100,000; 2. The employer's liabilities other than withdrawal liability are $90,000; 3. The unfunded vested benefits allocable to the employer prior to the application of section 4225 are $10,000 in Example 1 and $10,001 in Examplе 2.

Maximum Withdrawal Liability Under § 4225(a)	Example 1	Example 2
1. (a)(1)(A): 30% of the liquidation value of the employer = .30X($100,000–$90,000) ...	$3,000	
2. (a)(1)(B): unfunded vested benefits attributable to employees of the employer $0 or undetermined		N/A
3. Greater of (a)(1)(A) or (B) (#1 or #2)	3,000	
4. (b)(1): 50% of allocable unfunded vested benefits = .50X$10,00		$5,000.50
5. (b)(2): additional amount due plan (remaining liquidation value after #4)	N/A	4,999
6. Total collectible under (b) (sum of #4 and #5)		10,000
7. Amount paid to Plan	3,000	10,000
8. Amount paid to creditors other than Plan ..	90,000	90,000
9. Amount retained by employer	7,000	0

CONGRESS OF THE UNITED STATES,
Washington, DC, July 27, 2006.

DEAR CONFEREE: Throughout the last 18 months as Congress has worked on pension reform legislation, we have crafted a bipartisan compromise that addresses needed reforms to identify and rehabilitate troubled multiemployer pension plans. Under this compromise, workers and employers can be assured of predictability and transparency in their pension plans.

This compromise includes new, accelerated funding requirements for all multiemployer pension plans. It provides for enhanced disclosure for workers, retirees, and employers who contribute to these pensions. And it requires pension plans with financial difficulties on the horizon to meet strict goals to avoid these problems.

The most troubled pension plans—the so-called "red zone" pensions—would be required to adopt a rehabilitation plan to reach healthy funding status. The plan may require a combination of employer contribution increases, expense reductions, funding relief measures and restrictions on future benefit accruals. In certain extraordinary circumstances a rehabilitation plan may also reduce or eliminate certain ancillary pension benefits for workers who have not yet retired. This limited authority is necessary to ensure the continued viability of the most poorly-funded plans. These changes must be adopted by all bargaining parties, both management and labor trustees.

Our bi-partisan compromise also requires multiemployer plan trustees to impose upon contributing employers, within 30 days after the plan provides the notice of reorganization status, a series of automatic contribution surcharges. The surcharge will end when a new collective bargaining agreement is implemented that adopts a schedule of benefits based on the rehabilitation plan.

We believe that all of these reforms are critical to safeguarding the multiemployer pension system and protecting workers' benefits. We look forward to working with you to address the challenges facing America's workers and retirees.

JOHN A. BOEHNER,
Majority Leader, House of Representatives.
EDWARD M. KENNEDY,
Ranking Member, Senate HELP Committee.

Mr. ENZI. Mr. President, this bill is nearly identical to the product and agreements made by members of the conference committee in a bipartisan manner. I am proud that we have before us the most sweeping changes to our Nation's retirement laws since the enactment of ERISA itself.

This legislation will provide greater security for our nation's workers who have retirement benefit plans and greater stability for the Pension Benefit Guaranty Corporations, PGBC. There is little doubt that this bill will be the foundation on which the future of our retirement system rests. Today, we secure the future for American workers and their families. We ensure their hard work is rewarded and their hard earned dollars go towards their retirement needs.

I would like to review some important aspects of this legislation. For more than a year we have been working on a package of pension funding rules that will strengthen defined benefit plans and thus, protect plan participants from the fear of poverty in their retirement years. When I have concluded that, I will speak about the process surrounding the pension reform bill.

We were motivated to make these changes for several reasons. First, plans were underfunded. This occurred due to numerous and complicated reasons. A key factor was the combination of low interest rates and lowered equity values that began in the year 2000. The intersection of these two economic events caused both defined benefit plans and the federal agency that insures them, the PBGC to show big deficits. More money needed to go into the plans regardless of fluctuations in the economy.

Underfunding was not caused solely by a drop in interest rates and equity values. It was also caused by loopholes in pension funding rules.

Second, as plan deficits rose, required contributions to plans skyrocketed.

This put struggling companies in financial peril. When the terrorist attacks occurred on 9/11 the cash flow of many of those same companies froze up. Without big reserves in the plans, they could not make their pension payments any longer. Some of them just declared bankruptcy. In turn, they dumped their pensions on the PBGC. Those pension plan failures were quite large. Among them were some steel companies and a couple of big airlines.

PBGC premiums and asset recoveries from failed pension plans are not enough to cover the cost of paying benefits to participants of the failed plans. Every time there has been a pension plan failure, the PBGC's deficit worsens.

Finally, a taxpayer bailout of the PBGC is not an option. Congress' adverse experience with the savings and loan problems of the past taught us a lesson: A taxpayer bailout of the PBGC is not an option. A taxpayer bailout of the pension insurance agency could only occur if the Congress provided for it. We did not provide for a taxpayer bailout of the PBGC in this bill. Instead, we corrected the pension funding rules.

There have been murmurings in the media and on Capitol Hill that the bills produced in the House and Senate were somehow "weaker than current law". The facts plainly show that neither the House nor the Senate bill is weaker than current law and this new bill that the House introduced and passed on Friday July 28, 2006 is not weaker than current law either.

Here are just a few examples of how the pension reform proposal is tougher than current law.

Under the reform proposal: plans must be funded to 100 percent; plans must amortize their debts over 7 years; plans must use updated and accurate mortality tables; plans may not add inflated credit balances to deflated plan assets; liabilities must be valued using a modified yield curve that will better "duration match" assets and liabilities of the plans; smoothing for both assets and liabilities may be only 24 months in duration; plans that are seriously underfunded must pay an additional contribution for "at-risk" plans. If plans are at-risk for a long enough period of time, they will be subject to an additional requirement to pay a "load factor" into the plan which assumes the plan may be at risk of terminating; benefit increases, lump sum payouts and additional accruals are prohibited for certain seriously underfunded plans; payment of shutdown benefits are severely restricted for plans that are underfunded; funding of executive compensation is prohibited when the plan covering rank-and-file workers is underfunded; and premiums payable for pension insurance are dramatically increased and will add billions of dollars to the coffers of the PBGC.

By contrast, under current law a pension need be funded only to 90 percent; liabilities are valued upon the four-year weighted average of a long-term corporate bond and assets are smoothed over as many as five year; a single accelerated payment is required for underfunded plans, but there is no load factor; credit balances are added to assets and can result in inappropriate contribution holidays and there are many other weaknesses in current law that have been corrected in the reform legislation.

One industry that made a compelling case for special transition rules is the airline industry. Because airlines are vital to our economy, Congress agreed that different rules should apply to the plans of the legacy airlines. I am a little disappointed in the language from the House bill because it fails to treat all the legacy airlines equally. I admire the courage of a plan sponsor that makes the tough decision to freeze its plan. When a company is suffering from financial distress or the risk of it, it needs to freeze accruals. But if the company has made other financial sacrifices or the employees have made other concessions in order to keep the plan in place that should, (within limits), be a decision of the company.

The Senate bill gave amortization extensions to all four legacy airlines but required the non-frozen plans to pay into their benefit plans at the "at-risk" rate. The frozen plans received a more favorable arrangement—but all the legacy airlines received some more or less equivalent treatment.

Under the House bill, frozen plans receive 17 years to amortize their plan debt and an interest rate of 8.85 percent. The frozen plans would be prohibited from having a follow-on DB plan or a DC plan in which they pay matching contributions. If their plan should terminate within the next 10 years, for any reason other than a terrorist attack, or other similar event, severe termination premiums are to be imposed on the sponsoring company. This language controverts the provisions of the recently enacted reconciliation act, P.L. 109-171, that did not impose a termination premium on plans whose sponsor declared bankruptcy prior to October 18, 2005.

By contrast, nonfrozen plans receive some limited leeway. They would obtain an amortization of ten rather than seven years for the liabilities accrued to date under their plan. They would not have to pay the deficit reduction contribution, DRC, for 2006 or 2007. That waiver of the DRC would be a big help to their finances until the new rules phase in.

I prefer the language of the Senate passed bill, S. 1783. I am very sorry that the House did not see fit to accept the Senate language, as it was the result of many and long negotiations. The Nation cannot afford any more airline bankruptcies or terminations of airline pension plans. I hope this legislation will not worsen the finances of the legacy airlines or the pension plans they sponsor.

The language we have before us makes other changes to law as well. For example, it provides clarification regarding the use of automatic enrollment programs for defined contribution plans. It establishes a new portable defined benefit plan that we refer to as the "DB(k)" plan. This retirement savings vehicle is especially appealing to small and medium sized companies. The legislation improves portability of retirement savings. It contains many beneficial changes to tax law affecting the provision of health care benefits for public safety officers of state and local governments and for savings in long-term care plans.

There are also rules that recognize the unique situation of rural cooperatives that are very common in my home State and are vital to all rural parts of this Nation.

In addition, the rules for calculating lump sum distributions have finally been updated in this legislation. The change for this calculation will be phased in very slowly so that participants will not be disadvantaged by any sudden change in the rate used to make these calculations. As is the case under current law, the new law allows a plan sponsor to use different assumptions, interest rates and/or mortality tables, to determine lump sum distributions so long as the plan provides that a participant's lump sum amount is no less than the present value determined in accordance with the provision in effect under this legislation.

While single-employer pension funding problems have been quite visible, the funding problems of multiemployer pension plans, that is, plans that are sponsored by big labor unions and the employers who have an obligation to contribute to them, have been invisible. Ironically, the agency that is charged with protecting the integrity of the pension insurance system has consistently declined to recommend changes to the funding rules for these plans. Their argument is that the multiemployer plans are not a threat to the insurance system.

I respectfully submit that, over time, these multiemployer plans have become an unseen threat to the pension insurance system and to the participants in the plans and the employers who must fund them. If there were not risk inherent in these plans, the plans would never have come to Congress asking for changes in their rules. The changes in the pension reform bill will postpone the possible collapse of some multiemployer plans, but it they will not cure it. Much remains work remains to be done in terms of multiemployer reform.

Unlike the single-employer pension system which has been amended numerous times since its enactment in 1974, the rules governing multiemployer plans have been virtually untouched since the enactment of the rules covering these plans in 1980.

In 2003 the multiemployer plans came up to Capitol Hill and asked for a blanket extension of amortization of their plan gains and losses. Congress pared back that request in the provisions applicable to multiemployer plans that appear in the 2004 Pension Funding Equity Act, PFEA.

Since then, the unions and management agreed upon changes to ease the multiemployer pension funding standards for financially distressed plans. The changes made here identify plans that are seriously underfunded. They also establish benchmarks for improvement.

The two special categories are for plans we consider to be "endangered" versus those that are worse funded. Those are the plans in "critical" condition. At the behest of the union and management multiemployer coalition, we urge these plans to increase funding.

Multiemployer plans are funded through contributions specified in collective bargaining agreements. The plans look like a defined contribution plan to the employers who pay for them since they pay a certain number of dollars per hour each participant worked under the plan. But, these plans function like, and they are, defined benefit plans for the individuals covered by them. Because the plans are funded by, in some cases hundreds of, collective bargaining agreements, improvements to overall funding cannot necessarily occur quickly.

The new rules do not set painful improvement standards for underfunded plans. On the contrary, these new benchmarks for improvement are established with the complete approval of the multiemployer coalition. The new rules allow the plans to make modest increases in their overall funded status without necessarily making other sacrifices. There is one exception to this rule. That occurs when a plan is in so-called "critical" status. Under that circumstance, the multiemployer coalition asked for the right to eliminate early retirement subsidies for participants who are still working. Early retirement subsidies are an accrued vested benefit and under current law. They are protected from reduction or elimination by a plan amendment. Labor and management clearly felt that the underfunding in some multiemployer plans was so severe that the only way some of the plans could survive was to eliminate early retirement subsidies of those who are still working.

It is no secret that I resisted that change. Cutbacks of early retirement subsidies were not reported out of the HELP Committee. Cutbacks were not passed by the Senate. The provision allowing cutbacks was added by the House of Representatives' bill.

The issue of the cutback of previously accrued benefits is very controversial and a few clarifying points are needed. First, the drafters took great care to ensure that the decision to cutback accrued benefits is one that must be made by the plan trustees, and as part of the collective bargaining process. The language of the bill is clear, I believe, that any reduction of adjustable benefits can only be accomplished through a separate schedule. The language of the bill does not permit cutbacks in the default schedule.

The legislation also provides a floor for benefit reductions, i.e., the so-called 1 percent rule. The bill makes clear, however, that the plan sponsor retains the ability to prepare and provide the bargaining parties with alternative schedules to the default schedule that establish lower or higher accrual and contribution rates than the rates otherwise required under the provision. Thus, the plan sponsor may supply schedules to the bargaining parties for their consideration that raise employer contributions higher than the default schedule or reduce benefit accruals below the specified 1 percent level. The legislation does not require the plan sponsor to go below the 1 percent benefits floor, but that is expressly permitted if the trustees and bargaining parties so choose.

In the Health Education Labor and Pensions Committee, we worked on multiemployer funding reform legislation over the last year and a half. We heard testimony regarding the impact of existing multiemployer pension rules on small, privately held trucking-related companies that participate in multiemployer pension plans.

These businesses participate in pension plans that are badly underfunded as a result of changes in the trucking industry and poor decisions by some of the plans' trustees—decisions that the smaller companies had virtually no knowledge of, much less control over. Despite the fact that these companies have made every pension contribution required of them, the withdrawal liabilities attributable to them has skyrocketed, and in several cases exceeds the entire net worth of the company by two and three times.

I worked diligently with my colleagues to include withdrawal liability reforms for these companies in the pension bill, and to protect those small employers who came forward to voice their opinions from retaliation from the pension plan. I am pleased that we were successful in securing some modest reforms.

One additional issue which is vitally important to these employers involves the proper interpretation of current law. ERISA section 4225 provides limitations on withdrawal liability for an employer that withdraws from the plan in connection with a bona-fide arms-length sale of assets to an unrelated third party. As the interpretation of this section has been subject to some legal dispute (Trustees of the Amalgamated Insurance Fund v. Geltman Industries, 784 F.2d 926 (9th Cir. 1986)), it is important for Congress to reiterate its interpretation of this law.

Therefore, I have included for the CONGRESSIONAL RECORD a copy of PBGC Opinion Letter 93-3. In this opinion letter, PBGC explains that, "the plain wording of section 4225 dictates that an employer that meets the requirements of both subsections (a) and (b) is entitled to an assessment of withdrawal liability that does not exceed the lesser of the amounts determined under (a) and (b)." Further, PBGC says, "that neither the legislative purpose nor principles of statutory construction compel a contrary conclusion."

As the Chairman of the Health Education Labor and Pensions Committee, I believe this letter provides a clear and concise interpretation of Section 4225 which is completely consistent with the intent of Congress.

The pension reform bill amends the anti-retaliation section of ERISA to provide protection for employers who contribute to multiemployer plans and others. Specifically, the language adds a new sentence to ERISA Section 510 that states: "In the case of a multiemployer plan, it shall be unlawful for the plan sponsor or any other person to discriminate against any contributing employer for exercising rights under this Act or for giving information or testifying in any inquiry or proceeding relating to this Act before Congress."

The new sentence is necessary to close a loophole in the existing whistleblower protection. Over the course of the debate over multiemployer pension reforms, several companies approached Congress with concerns about how proposals would adversely affect their business operations. In June 2005, John Ward, of Standard Forwarding in East Moline, IL, speaking on behalf of those companies, testified before the Retirement Security & Aging Subcommittee of the Senate Health, Education, Labor & Pensions Committee.

On several occasions after that date, the committee heard allegations of threats of retaliation against Mr. Ward for testifying before Congress and for petitioning the Congress for redress of grievances. The fact is that Mr. Ward's and the small trucking companies offered a dissenting point of view on the proposed multiemployer reforms. The other companies for whom Mr. Ward testified are: Fort Transfer of Morton, IL; Midwest Drivers of Bloomington, MN; Billings Freight, Inc. of Lexington, NC; Miller Transporters of Jackson, MI; Schwerman Trucking Co.

of Milwaukee, WI; and Steel Warehouse Co., Inc. of South Bend, TN. Among those allegations was the concern that all or most of the companies had been targeted by a large multiemployer fund.

The conference committee believes that such actions, if proved, would amount to unlawful retaliation under the language added to ERISA by the pension reform bill under section 205. Exercising rights under ERISA, testifying before Congress, and giving information in any inquiry or proceeding relating to this Act are protected under this provision. Retaliation in the form of threats, special audits or singling out of employers and others for adverse or disparate treatment, will not be tolerated under the law. Let me say that, had there been a conference report, there was an agreement among the majority staff to include the specific reference to the small companies who warranted protection under this antiretaliation provision because they believe they have been singled out for retaliation by one of the plans to which they had an obligation to contribute.

Finally, all of Title II of the pension reform bill, except shortening the amortization from 30 to 15 years, is sunset after December 31, 2014 although any funding improvement or rehabilitation plan is permitted to remain in effect.

One of my highest priorities for pension reform is clarification of the legal status of hybrid pension plans. Since late in 1998 when sensational stories about these plans first hit the newspapers, the Congress has been struggling over how to respond. I have never doubted the legality of hybrid plans. While some conversion practices may have been questioned, the plans are entirely valid.

Hybrid plans have been criticized on the theory that the design was per se discriminatory. The theory suggests that the hypothetical individual account plan design unlawfully favors younger workers over older ones because younger workers could accrue interest on their account over a longer period of time than older workers. This theory amounts to a declaration that the "time-value of money" is age discriminatory.

Not surprisingly, given the confused logic of stating that compound interest in a pension plan is age discriminatory, most courts that have reviewed the age appropriateness of hybrid plan designs have found them to be legitimate. Indeed, the first federal court to review the question stated "Plaintiffs' proposed interpretation would produce strange results totally at odds with the intended goal of the OBRA 1986 pension age discrimination provisions (Eaton v. Onan (S.D. N.Y. 2000))." The case law validating the hybrid design includes three federal court decisions issued since a 2003 rogue decision in the Southern District of Illinois. These decisions explicitly reject that court's reasoning and conclusion (Tootle v. ARINC (D. Md. 2004), Register v. PNC (E.D. Pa. 2005) and Hirt v. Equitable (S.D. N.Y. 2006) and hold the hybrid pension design to be legal. Consistent with these numerous federal court decisions, the Internal Revenue Service (IRS) for 15 years issued approvals for individual cash balance plans and the Treasury Department and IRS repeatedly issued guidance as to the validity of the cash balance design. It is not time for the IRS' self-imposed moratorium on determination letters for sponsors of these plans to end.

For purposes of applying the age discrimination test, the bill permits a plan to express an employee's accrued benefit "under the terms of the plan" as an account balance or current value of the accumulated percentage of the employee's final average compensation. This rule was intended to limit, for purposes of age discrimination testing, the use of an account balance to cash balance plans and the use of a current value to pension equity plans. However, the phrase "under the terms of the plan" could create the impression that the rule applies only to cash balance and pension equity plans that define in the plan document the term "accrued benefit" in this way.

Many cash balance and pension equity plans define "accrued benefit" as an age-65 annuity, even though that annuity is determined by reference to an account balance or current value. In many cases, this definition has been required by the Internal Revenue Service. It is important to clarify that Congress does not intend to require a plan document to include a specific definition of the term "accrued benefit" to apply the standard set forth in this legislation.

This bill sets forth a test for age discrimination in defined benefit pension plans that compares an employee's accrued benefit with that of any similarly situated younger employee. For this purpose, an employee's accrued benefit may be expressed as the current balance in a hypothetical account for any plan that determines the employee's accrued benefit (or any portion thereof) by reference to a hypothetical account, such as a cash balance plan. Similarly, for this purpose, an employee's accrued benefit may be expressed as a current value equal to an accumulated percentage of the employee's final average pay for any plan that determines an employee's accrued benefit (or any portion thereof) by reference to such current value, such as a pension equity plan.

But the bill does not elevate form over substance. How a plan expresses the accrued benefit for purposes of the age discrimination rules is not contingent upon how the plan document defines the term "accrued benefit." For example, a cash balance plan may, for purposes of the age discrimination rules, express the accrued benefit as the current balance of the hypothetical account determined under the terms of the plan, even if the plan defines the term "accrued benefit" in a different form, such as an annuity commencing at normal retirement age that is based on the hypothetical account.

Similarly, a pension equity plan may express the accrued benefit as a current value equal to an accumulated percentage of the employee's final average pay as determined under the terms of the plan, even if the plan defines the term "accrued benefit" in a different form, such as an annuity commencing at normal retirement age that is based on that current value. This flexibility is important because pension plans will often define the "accrued benefit" in different fashions. For example, the IRS has frequently insisted that plans define the term "accrued benefit" as "an annuity commencing at normal retirement age", even though the annuity is determined by reference to a hypothetical account or a current value equal to an accumulated percentage of an employee's final average pay.

Any hybrid plan including a cash balance or pension equity plan may also apply the age discrimination test by expressing the employee's accrued benefit as an annuity beginning at normal retirement age (or at the employee's current age, if later), as determined under the terms of the plan. If a cash balance or pension equity plan were to do so, it likely would rely on the indexing rules elsewhere in section 701 to satisfy the age discrimination test.

The pension reform bill also provides new specifications for hybrid plan conversions. These are entirely new requirements and they have been worked out among the parties to these discussions. The rule specifies that for conversions, plans should follow an "A + B" formula. This means that the benefit accrued to date under the old formula, that was in effect prior to the conversion, must be added to the benefit under the new formula beginning on the date the conversion takes effect.

Under this A + B formula, any early retirement subsidy that was accrued up to the date of the conversion would be preserved in the benefit of the participant. This early retirement benefit would be payable only if the participant earned the requisite number of years of service to entitle him or her to the benefit subsidy. The participant would not be entitled to any additional amount of subsidy, but only the amount earned to-date could be paid out and only assuming he or she worked the number of years required under the plan to earn it. The new rule does not require a plan to pay an early retirement subsidy in lump sum unless the plan provides that it will do so. This is consistent with current law and practice.

The hybrid language also corrects the so-called pension whipsaw for distributions after the date of enactment. The parties to the pension discussions took the view that the position taken by the IRS in Notice 96-8 was an incorrect interpretation of present law. Many of us who were engaged in the pension reform discussions noted that Notice 96-8 was never finalized by the IRS in their regulations and we observed that the Treasury Department had been reviewing the position in Notice 96-8 for some time, but without result.

The approach taken in Notice 96-8 can actually harm many participants. Many employers have reduced the rate of interest crediting under their hybrid plans due to concerns that over the requirements of the notice. In addition to its other flaws, the approach taken in the notice provides a larger benefit to be paid to a participant who takes a distribution before normal retirement age than for a participant who waits to take his or her benefit distribution. Thus Notice 96-8 would penalize an employee who waits to take a distribution. This is a perverse result for a rule governing retirement plans.

As we developed these new rules for hybrid plans, we were cognizant that the system is voluntary and as such, it must accommodate the needs and concerns of employers and employees. A viable pension system must grant plan sponsors the ability to change their plan designs on a prospective basis without undue restrictions or mandates on benefit levels.

This legislation is a clarification of the law; the action in producing this clarification should not cast any negative inference on the legality of the hybrid plans.

There are provisions in this legislation that I believe bring our pension retirement laws into greater sync with our future retirement needs for financial education and with the operations of our quickly evolving financial markets. One provision concerns the expansion of investment advice to workers while other provisions are designed to allow ERISA plans to achieve similar benefits and efficiency of our modernized financial markets that is available currently to retail and other institutional investors.

The investment advice provisions will provide much needed financial advice and guidance for the millions of workers and their families on how to invest their hard earned monies for retirement. The compromise achieved in the legislation would predicate upon the development of computerized models to help workers to investment monies through 401(k) accounts. Significant safeguards were put into the legislation to ensure that the computerized models were certified by independent third parties. In addition, greater auditing of the use of the computerized models and enhanced disclosures will ensure that the models are being used properly and that workers understand how investment advice should be used and how they can still seek independent advice for guidance and help.

Everyone at the conference table recognized the significant differences between the operation of 401(k) accounts and IRA accounts. While 401(k) accounts within defined contribution plans offer a limited menu of investment options, IRA accounts may have hundreds of various investment options and alternatives spanning a vast array of securities, debt, insurance and other financial products. With respect to these IRA accounts, I applaud the measures in the legislation that would encourage the development of computerized models to give individuals guidance on how to invest their IRA monies. However, I am afraid that the type and sophistication of the computerized models for IRA's may not be obtainable and that the computerized models presented to the Department of Labor for review may be trimmed down to encompass only "life cycle" type of investment options. This should not be the objective. As IRA accounts are different, the regulatory regime for giving investment advice guidance should be based upon to overcome the real world hurdles in getting appropriate investment advice to individuals.

It also should be noted that the Department of Labor, in 2001, issued an advisory opinion to Sun America to provide a structure for providing both traditional advice and discretionary management. It was the goal and objective of the Members of the Conference to keep this advisory opinion intact as well as other pre-existing advisory opinions granted by the Department. This legislation does not alter the current or future status of the plans and their many participants operating under these advisory opinions. Rather, the legislation builds upon these advisory opinions and provides alternative means for providing investment advice which is protective of the interests of plan participants and IRA owners.

The legislation also contains provisions to modernize ERISA to align it with our financial markets of today, not the financial markets of 1974. These modernizations provisions, such as permitting the use of electronic communication networks, will put ERISA plans in parity with the current ability of retail and other institutional investors to use these modernizations. Specifically with respect to the provision on electronic communication networks and similar trading venues, it was not the intention to overturn existing interpretations or guidance granted by the Department of Labor to securities exchanges registered pursuant to the Securities Exchange Act of 1934. The legislation's provision is clear that it is applicable solely to electronic communication networks and similar trading venues and not to securities exchanges. With respect to the block trading provisions, the legislation is not intended to be inconsistent with the Department of Labor's views with respect to the recently amended prohibited transaction exemption, PTE 75-1.

Should this legislation be enacted into law, I would like to comment on the history of pension legislation. The negotiations that have given birth to this new law and its place in time have been very difficult, but that is by no means unique to the history of ERISA.

This legislation marks the first major, comprehensive reform of the pension funding rules in 32 years. ERISA, itself, was enacted in 1974, 11 years after the collapse of the Studebaker pension plan in 1963 and after extremely heated debates in the House and Senate.

The first major reform of single-employer rules after ERISA was enacted occurred in 1987. Those reforms came only after a long and contentious conference. The conference began in March 1987, but it did not conclude easily or amicably. It was not until December 22, 1987 that the legislation was signed into law. The next major reform of single-employer plans occurred in 1994, seven more years after the '87 amendments. That legislation was not enacted until December 8, 1994. Multiemployer plans have not been revisited or reformed once since their enactment in 1980.

It seems that pension legislation is marked by disagreement and strife, but this should not be the case. There have been times when partisanship was put aside and when House and Senate, Republicans and Democrats sought to "do the right thing" rather than score points.

One example of that bi-partisan, bicameral cooperation is the pension provisions of EGTRRA. Those provisions would be made permanent by this legislation. EGTRRA made good reforms and I hope they will become permanent. They help Americans save for retirement, increase portability, protect plan integrity, increase the limits on defined benefit, defined contribution plans and IRAs. EGTRRA allows catch-up contributions for individuals who are age 50 and older and they make permanent many other beneficial tax and ERISA provisions.

I hope we can return to those days of pension bi-cameral and bi-partisan cooperation. Given the graying of America and the on-coming retirement of the baby-boomers, the American people need Congress to enact legislation that will improve the day-to-day lives of ordinary Americans. I hope this legislation can and will make modest steps in that direction.

Mr. President, I would like to make a special note about the bill before us.

This legislation is essentially the product of the conference committee of which I chaired. While I am pleased we are on the verge of passing an historic measure, I must briefly mention concern, as any chairman should, for how we arrived at the bill before us today rather than a conference report. It was our intention to make final decisions on the very last items of the conference and to report back to both the House and the Senate with a completed, bipartisan conference report. Unfortunately, the conference process was cut short and was taken out of our hands. I truly hope that this is not the start of new precedent on how conferences should be conducted. If future actions repeat the actions taken here, then the future significance of chairmen and conference committees are in severe jeopardy. At the very heart of the Congress as a whole and the Senate, are the traditions and precedents to ensure that everyone plays by the same rules. When those traditions and precedents are usurped, then we run the risk of making everything before us meaningless. I offer this statement as one of caution and not one of damnation.

Finally, Mr. President, I want to express my appreciation to the key people involved in this bill.

The pension bill we are about to pass could not have been drafted if partisanship and politics had been allowed to intervene. I want to thank Senators KENNEDY, GRASSLEY and BAUCUS for their extremely hard work on a complex piece of legislation. I appreciate their commitment to the private pension system and their willingness to drive onward to solutions to the many tough decisions we had to make. It has truly been an honor to work so closely with such fine statesmen.

I also want to thank Senators DEWINE and MIKULSKI for their extraordinary work as the leaders of the Subcommittee on Retirement Security and Aging. Their hearings last year created the basis for this bill. Their commitment to pensions of ordinary Americans and their sense of fairness greatly improved the bill before us.

There are many people who worked behind the scenes to get this bill completed. I would like to thank all of my staff for their diligence and commitment. In particular I thank:

HELP Committee Staff Director Katherine McGuire; Greg Dean, who played a central role on the investment advice and prohibited transactions bill language. He expertly managed discussions throughout the process and brought the various players together time and time again to move the bill forward; Diann Howland, my pension policy director, who bravely agreed to come back to the hill and take on her third major pension reform bill. In light of overwhelming odds, she brought a fresh perspective to complex issues every day and should be commended for her leadership in getting this bill done; David Thompson, he brought a superb understanding of the intricate and complex labor issues to the table; and Amy Angelier—my crackerjack budget staffer and policy advisor. She was on top of each and every aspect of the budget aspects of this bill and helped guide its success.

My staff worked closely with the staffs of my other Senate conferees and those individuals deserve thanks. They are Michael Myers, Portia Wu and Holly Fechner of Senator KENNEDY's HELP Committee staff; Kolan Davis, Mark Prater, John O'Neill, Judy Miller and Stu Sirkin on the staff of the Finance Committee for Senators GRASSLEY and BAUCUS. I wanted to especially commend Mark Prater for his leadership over the last week helping us maneuver through troubled waters.

I would also like to thank the nonpartisan legislative counsels and staff from the Joint Committee on Taxation for their very long hours and professionalism. Every person with a pension should join me in thanking Jim Fransen, Stacy Kern, Carolyn Smith, Patricia McDermott, and Nikole Flax.

Finally, I want to thank my chief of staff, Flip McConnaughey. He did an excellent job holding the office together and keeping a focus on Wyoming-specific issues when the pension conference kicked into full gear.

In conclusion, I want to express my appreciation to key people involved in this bill over the past 2 years. The pension bill we are about to pass could not have been drafted if partisanship and politics had not been laid aside for the greater good.

I thank Senators KENNEDY, GRASSLEY, and BAUCUS for their extremely hard work on this complex piece of legislation. I appreciate their commitment to the private pension system and their willingness to drive onward to solutions to the many tough decisions we had to make. It has truly been an honor to work so closely with such fine statesmen. I also thank Senators DEWINE and MIKULSKI for their extraordinary work as leaders of the Subcommittee on Retirement Security and Aging.

There are many people who worked behind the scenes to get this bill completed. I would like to thank all of my staff for their diligence and commitment. I will go into some of those in greater detail later. My staff worked with other Senate conferees and other individuals. I will mention those after we have the vote so people can be on their way.

I thank the nonpartisan Legislative Counsel's staff, Jim Fransen and Stacy Kern. And, finally, I thank my chief of staff, Flip McConnaughey.

I urge my colleagues to support this historic piece of legislation which the President will quickly sign into law. It will save a number of pension plans, but, more importantly, it will save the people that need these pensions.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I believe we have 10 minutes on our side. I yield myself 7 minutes, and 3 minutes to the Senator from Maryland, Ms. MIKULSKI.

I know that the hour is late, but I want to take just a few minutes to speak on this critical piece of legislation.

First, I want to thank my colleagues who were instrumental to crafting this bill. Pensions are not an easy subject, and it has been an extraordinary effort over the last two years to develop this compromise legislation, which will help to strengthen retirement security of over 100 million Americans.

I thank our leadership for bringing this important bill to the floor today—Senators FRIST and REID. Americans are counting on us to act now, and I thank our leaders for making this possible.

I want to thank Chairman ENZI, who has been both tireless, and also a gracious and even-handed leader, both of the HELP Committee and of this conference. I also want to thank Chairman GRASSLEY of the Finance Committee for his leadership and his integrity in this process.

And tonight all of us are remembering our good friend and colleague Senator MAX BAUCUS, who has worked so hard over the last few years on this legislation. Our thoughts are with him and his family and the people of Montana in their time of loss.

Many other Senators also contributed significantly to this legislation. Senators DEWINE and MIKULSKI have worked to be sure that we address the need of manufacturing companies in this country; Senator MIKULSKI has been particularly interested in women's retirement security and protections for older workers, as well. Senator ISAKSON and Senator LOTT have continued to press issues important to airlines. And Senator HARKIN has tirelessly advocated for older workers in cash balance pensions.

There have also been many leaders in the House who made this legislation possible. I particularly thank Majority Leader BOEHNER for his contributions and leadership.

I also thank our staffs, who devoted late nights, gave up vacations and weekends to get the bill done and worked steadily on this issue. Senator ENZI: Katherine McGuire, Greg Dean, Diann Howland, David Thompson, and Ilyse Schuman. Senator GRASSLEY: Kolan Davis, Mark Prater, and John O'Neill. Senator BAUCUS: Russ Sullivan, Pat Heck, Judy Miller, and Stu Sirkin. Senator MIKULSKI: Ellen-Marie Whelan and Ben Olinsky. From the Joint Committee on Taxation: Carolyn

Smith, Patricia McDermott, and Nikole Flax. And from the Senate Legislative Counsel, Jim Fransen and Stacy Kern.

I especially thank my own staff for their tireless efforts: Terri Holloway, Jeff Teitz, Jonathan McCracken, and Laura Capps. Michael Myers, my staff director, helps guide our work on so many issues. And special thanks to Holly Fechner and Portia Wu. Portia brings a mastery of the issues and a dedication to workers that made possible so much that is in this legislation. And Holly is a true leader who had the vision and skills to make it all happen. I thank her for her work on this important bill.

This bill is the most important action to safeguard the retirement of hard working Americans in a generation. It will help more than 100 million Americans today as they look forward to a financially secure retirement, and millions more in the future. It means greater retirement security for workers across the economic spectrum—from cashiers to flight attendants, from construction workers to auto workers.

The danger has been obvious. More and more firms are dropping their pensions. Half of all American workers now have no retirement savings plan at their job at all.

This bill says to millions of Americans who fear their pensions may disappear that help is on the way. We're helping their pension plans recover and imposing tough new rules to keep them that way.

It gives workers a greater voice in planning their retirements instead of just blind faith. It's their money and their hard work, and they should know what's going on.

This legislation touches almost every aspect of retirement planning, whether it's a pension, a 401(k) plan or personal savings. We owe it to our workers to give them the best information so they can make the best choices for themselves and this bill makes that possible.

The Pension Protection Act will strengthen the financial health of pension plans by doing as much as we can to guarantee that funds will be there to pay for employees hard-earned retirement benefits.

It provides opportunities to increase retirement savings by automatically enrolling people in workplace pension plans, and improving the Saver's Credit to help moderate-income workers. Workers who participate in retirement savings plans will have greater access to investment advice to help them manage their retirement savings.

It protects the retirement benefits of older workers when companies switch to new types of cash balance pension plans. And it includes specific provisions to strengthen women's retirement security.

In addition, it includes clear protections to prevent employees from being stranded by future Enron-type crises because firms force them to invest their retirement savings in company stock.

The need for action is clear, and it's gratifying that Democrats and Republicans, House and Senate, have been able to come together to enact these major reforms.

I urge my colleagues to support this legislation.

I yield the remainder of my time to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I hope Members take the time to listen to what we are saying here. We are about to make history. We are about to pass legislation that is going to make a difference. We are going to make sure that the lives of over 100 million people will be more secure because of what we have done tonight. We are going to make sure that good-guy businesses will have clear, certain rules so that they can continue to provide pensions. We are going to make sure that government, through heavyhandedness or unintended consequences, won't force these businesses into bankruptcy. We are going to protect the taxpayer to make sure that the pensions of hundreds of thousands of people aren't dumped into the Pension Benefit Guarant Corporation, leaving it to the taxpayer to do what the private sector should. And we succeeded because we worked together.

I thank Senator ENZI for his leadership and his collegiality, his inclusion and his civility; Senator KENNEDY for the leadership he provided to our side of the aisle and the very competent staff at his disposal; certainly to my colleague Senator DEWINE. We chaired the Subcommittee on Retirement Security and Aging and held some of the first hearings out of the box. We tried to go at it with intellectual rigor and with fortitude. We promised we would do no harm to those who relied on a pension, to those who provided a pension, and to the Pension Guaranty.

Do you know what? We did it. Then we moved it through the HELP Committee. The Finance Committee had already started their work, and ultimately we merged those two bills. But Senator DEWINE and I come from a manufacturing base, those blue-collar workers with dirt under their fingernails and bad backs who wonder what they are going to have at the end of the workday. We stood up for them. There was a concern that the use of credit ratings in determining whether a pension plan was at risk would force manufacturing companies going through difficult economic times into bankruptcy because of their pensions.

We held up the Senate. We said we wouldn't let the bill go on. But Senators GRASSLEY and BAUCUS reached out to us and said: Trust us; we can reach a compromise. Will you work with us? We wanted to know what that compromise was. They said: We will have to work it out. Do you know what we did? We trusted our colleagues on the Finance Committee and before long we had a sensible solution that was actuarially sound, fiscally reliable, and also met the needs of the pensions.

Tonight we come before you with something that we truly have done on a bipartisan basis, consulting with experts, working with able staff, trusting and working with each other, long hours, difficult nights, sometimes speed bumps and potholes. But now we have come to the end of the journey. I can't tell you how proud I am to ask my colleagues to vote for this bill. I am proud not only because I believe tonight we truly can make a difference, but also so we can use this as a model of how when we work together, we can do better.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. I yield 3 minutes to the Senator from Georgia.

Mr. ISAKSON. Mr. President, tonight I thank a number of people and acknowledge their very hard work: Chairman MIKE ENZI of the HELP Committee and Ranking Member KENNEDY have been indispensable; Senator GRASSLEY, who has been fantastic, along with his ranking member MAX BAUCUS; John O'Neill of the staff of the Finance Committee; Diann Howland and Kara Marchione of the HELP Committee staff; my staff, Ed Eigee, Glee Smith and Mike Quiello; and, in particular, Senators COLEMAN and LOTT, who have worked so tirelessly to bring us to this moment.

For a second I would like to focus on what this moment is. There are three distinct winners tonight. In the short run, the winners are tens of thousands of employees in the airline industry confronted within the next 30 to 60 days with a loss of up to 70 percent of their pensions with them going on the back of the PBGC. They will be grateful for the opportunity this bill gives to allow them and their pensions to be honored.

Secondly, in the long run, tens of millions of Americans employed by some of the greatest corporations in this country whose pensions have come into jeopardy over time because of changes in the workforce, changes in longevity, and the pressures that have been put on the pension system.

Most importantly, the big winner tonight is the taxpayers of the United States. Because this Congress, in a bipartisan fashion, has come together and said: We can modernize our pension laws. We can keep pensions from being defaulted upon and going on the back of the PBGC. And we can prevent the type of failures that in the past have cost the American taxpayers tens of millions of dollars.

We had an earlier bill that failed tonight. It consolidated many efforts to bring about changes for many Americans. But as we close this session tonight, with the adoption of this particular piece of legislation, we will find the best in this Senate, where Republicans and Democrats have come together to do what is right for the taxpayers.

Lastly, I want to say in particular to the two Senators from Texas and the two Senators from Ohio—Mrs. HUTCHISON, Mr. CORNYN, Mr. VOINOVICH, and MIKE DEWINE—how much I appreciate their consent for us to move tonight and to work with them to see to it that the concerns they had are addressed in the months and years ahead.

I yield the floor.

TYPE III SUPPORTING ORGANIZATIONS AND EXCESS BUSINESS HOLDINGS

Mr. ALLARD. Mr. President, I would like to engage my colleague, the distinguished Chairman of the Senate Finance Committee, Senator GRASSLEY, regarding a specific point involving the charitable reform provisions for Type III supporting organizations, particularly the authority of the Secretary to exempt an organization from the application of the excess business holdings rules. My colleague has worked hard to address the unintended consequences that may arise with regard to some of these changes as they related to the important work of many fine organizations that support worthy and noble causes. I have one of these organizations in my State of Colorado—the Reisher Family Foundation—that benefits many underprivileged students throughout my State and provides them the means to attend college in my State.

Mr. GRASSLEY. Mr. President, I am happy to engage my distinguished colleague about what the intent with this exemption is, and how we have worked to limit the unintended consequences for legitimate charitable organizations. As you are aware, some of us with interest in this provision in working to address any unintended consequences thought it would be a good idea to give the Secretary the ability to exempt from the excess business holdings rules Type III supporting organizations in certain limited circumstances.

Mr. ALLARD. Mr. President, specifically, I want to draw the chairman's attention to the excess business holdings provision and the language that allows the Secretary to waive the application of the excess business holdings provisions if the holdings of the Type III supporting organization are held consistent with the purpose or function constituting the basis for its exemption under section 501. I want to emphasize that my understanding is correct that the Secretary should make a final determination very quickly after a currently existing Type III supporting organization seeks exemption from the excess business holdings rules. It is extremely important that the determination be made within 6 months after the organization seeks exemption so that the organization knows how it must structure its holdings. Is that my friend's understanding?

Mr. GRASSLEY. Mr. President, I agree with Senator ALLARD on his understanding and our intent that the Secretary should make a final determination very quickly after a currently existing Type III supporting organization seeks exemption from the excess business holdings rules. The determination should be made by the Secretary within 6 months after the exemption is sought. The joint committee will have a description of several factors that the Secretary should consider in making decisions to waive. The considered views of the State Attorney General should be a part of that decision. In addition, if the shares of the entity and related persons is not controlling or the individual and related persons are bound to ultimately contribute all but a de minimus share to the charity and have no direct or indirect control of that charity and its investments those are additional factors the Secretary can consider.

Mr. ALLARD. I commend the chairman for his work and for working with others, such as the distinguished ranking member on the Senate Finance Committee, Senator BAUCUS, and Senator SANTORUM on this much needed exemption. There is no question that we intend to encourage more charitable giving in this country. I thank my colleague for engaging me in this colloquy.

Mr. President, I yield the floor.

CREDIT COUNSELING ORGANIZATIONS

Mr. SESSIONS. Mr. President, I want to take a minute to let my colleagues know what the chairman of the Finance Committee, Senator Coleman, and I have discussed with respect to the consideration of a particular section of the Pension Protection Act of 2006—Section 1220. Namely, that section would establish additional standards in the Internal Revenue Code for tax exemption for credit counseling organizations.

The chairman was the genesis of these provisions, and it is through his hard work and persistence that they were ultimately included in the bill we are currently considering. The credit counseling reform language will go a long way toward ensuring that the hundreds of bona fide tax-exempt credit counseling organizations operating today across the country that serve an invaluable role in helping consumers understand, deal with, and manage their credit and debt problems will be able to continue as tax-exempt under Internal Revenue Code Section 501(c)(3), with all of the important obligations and benefits that this status entails. Ensuring the continuation of tax-exempt credit counseling organizations that meet the high standards set by the Federal Tax Code, along with standards set by state law and by Federal agencies such as the Federal Trade Commission and the U.S. Department of Justice, will mean that the necessary counseling, education and debt management plan services will be available to all financially distressed consumers who need them for many years to come. It also means that there will be sufficient tax-exempt credit counseling organizations available to fulfill the pre-bankruptcy counseling mandate of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005. As for the purpose of Section 1220, I would like to turn to my colleague, Senator COLEMAN, who—as chairman of the Permanent Subcommittee on Investigations—conducted an investigation into abuses in the credit counseling industry.

Mr. COLEMAN. One provision of Section 1220 of the Pension Protection Act of 2006 would create a new Section 501 (q)(2)(A)(ii) of the Internal Revenue Code. This particular subsection contains one of several new requirements for credit counseling organizations to qualify for Federal tax exemption under Internal Revenue Code Section 501(c)(3). I wanted to clarify with the chairman that this particular provision is not intended to impose a limitation on all credit counseling organization revenues derived from debt management plans, but rather only on the revenues derived from what are commonly referred to as "fair share" payments from creditors to credit counseling agencies. These are payments made by creditors to credit counseling organizations that are attributable to the debt management plan services provided by credit counseling organizations to consumers whose debt is being repaid to the creditors. If the limitation were intended to include both "fair share" revenues paid by creditors and revenues received in the form of debt management plan fees paid by consumers, then virtually no existing credit counseling organizations, if any, would be able to qualify for tax-exempt status under Internal Revenue Code Section 501(c)(3). That is not the intent of Congress.

Mr. GRASSLEY. Mr. President, yes, the provision is intended to get at fair share type payments, but note that agencies and creditors cannot get around the provision merely by re-labeling fair share payments as something else. This is the intent of this provision. I am also aware of a specific issue affecting a few States and their existing State law, and the provision before us today specifically includes a transition period in part to allow the reconciliation of various State statutes with the new federal provision. I will work with interested Senators during this period on their concerns regarding existing organizations. I thank Mr. COLEMAN and Mr. SESSIONS for helping to clarify its intent.

MODIFICATIONS TO SECTIONS 801 AND 803

Mr. ALLEN. Mr. President, I would like to engage in a brief colloquy with the distinguished chairman of the Finance Committee, Senator GRASSLEY, regarding changes to the limitations on pension deductions in sections 801 and 803. The legislation, in section 801, increases the deduction limit for defined benefit plans for years after December 31, 2005. Increasing this limit will encourage employers to contribute more to their defined benefit plans.

However, if an employer has both a defined benefit plan and a defined contribution plan there is a separate deduction limit that applies to employers with a combination of plans. Thus, this legislation in section 803, also updates the limitation on deductions where an employer has a combination of such plans effective for contributions made for taxable years after December 31, 2005. The change in section 803 eliminates the deduction limit for combinations of defined benefit and defined contribution plans for employers that do not contribute more than 6 percent of compensation to a defined contribution plan.

If an employer has a combination of plans and wants to contribute more than 6 percent of compensation to a defined contribution plan, the legislation also has a provision in section 801 which permits employers to exclude defined benefit plans whose benefits are guaranteed by the PBGC, from the limits applicable to combinations of defined benefit plans and defined contribution plans. But, unlike the other two provisions I described above which permit employers to increase their contributions to defined benefit plans effective for years after December 31, 2005, it appears that this last related provision regarding guaranteed plans may inadvertently not have the same effective date as the other two.

It seems to me that if we are encouraging employers to fully fund their defined benefit pension plans, that the effective dates for these provisions should all be effective as of December 31, 2005. I am hopeful that we will examine this issue and can correct this technical oversight.

Mr. GRASSLEY. Mr. President, I appreciate my distinguished colleague from Virginia, Senator ALLEN, raising this concern. I can assure him that he is correct that it makes perfect sense for provisions intended to encourage employers to fund their defined benefit pension plans by increasing the deduction limits to have the same effective date. I also agree that this should especially be true for provisions that update deduction limits for employers with a combination of plans. I look forward to working with my colleague on addressing this oversight.

Mr. ALLEN. Mr. President, I thank the distinguished chairman of the Finance Committee for his willingness to work with me to address this issue.

SECTION 701

Mr. BURR. Mr. President, I would like to ask the chairman of the Committee on Health, Education, Labor, and Pensions a question regarding how section 701 of the new bill relates to capital preservation and loss protection. Would you please explain what types of plans are subject to each of the two rules and how the rules operate?

Mr. ENZI. The capital preservation rule applies to applicable defined benefit plans, such as cash balance and pension equity plans. To illustrate how the rule operates in the case of a cash balance plan, the rule requires that the cumulative effect of all the interest credits to an employee's hypothetical account may not reduce the account balance below the sum of all the pay credits made to the account.

Mr. BURR. The bill refers to "contributions credited to the account" rather than pay credits?

Mr. ENZI. Yes. The two terms are synonymous. Since the account in a cash balance plan is hypothetical, the contributions credited to it are hypothetical also. Hypothetical contributions is merely another name for pay credits.

The second rule, the loss protection rule, applies to all defined benefit plans that use any form of benefit indexing. Thus, the second rule applies not only to cash balance and pension equity plans but also to other defined benefit plans that index benefits.

The loss prevention rule would apply in the same way as the capital preservation rule in the above example of a cash balance plan. However, because the loss prevention rule applies to a broader group of plans than just applicable defined benefit plans, the rule is written in more general terms than the capital preservation rule, which applies to a narrower universe of plans.

To illustrate how the loss protection rule operates in the case of a defined benefit plan that indexes benefits by reference to changes in the Consumer Price Index, the rule requires that the cumulative effect of such indexing may not cause a decrease in an employee's benefit below what it would have been in the absence of such indexing. Although it is very unlikely, this would occur if there were a sustained period of deflation in which the overall change in the CPI were negative rather than positive. In that extremely unlikely case, the plan could not reflect the cumulative negative change in the CPI.

Mr. BURR. At what point are the rules applied?

Mr. ENZI. The capital preservation and loss protection rules are intended to provide long-term protection to employees, so the determination of whether the rules are satisfied is made at the time benefits commence but not beforehand. In the case of plans that index benefits after benefits begin, the determination is made by reference to the benefit in effect at the time benefits begin.

LUMP SUMS FROM HYBRID PENSION PLANS

Mr. GREGG. Mr. President, I would like to ask the chairman of the Committee on Health, Education, Labor, and Pensions, to clarify provisions of H.R. 4 that address the payment of lump sums from hybrid pension plans.

My first question relates to a clarification of the effective date of those provisions. As you are aware, under the so-called whipsaw method of calculating lump sums, younger workers would receive much larger lump sums than identically situated older workers.

This result is one that Congress never intended. Furthermore, the practical effect of the whipsaw calculation would be to reduce benefits for all participants, young and old, in cash balance plans. Therefore, the intent of the whipsaw provisions is to put this issue to rest. Accordingly, the provisions are effective for distributions made after the date of enactment, regardless of why they are made.

Mr. ENZI. Yes. The provisions do apply to all distributions made after the date of enactment.

Mr. GREGG. My second question relates to the definition of "market rate of return" in the whipsaw provisions. My understanding is that the term "market rate of return" is intended to allow plans to adjust benefits in ways that benefit participants. For example, a plan could provide a variable market rate of return and, in addition, protect participants by preventing the rate of return in their accounts from falling below a reasonable, minimum level without having to reduce the variable market rate of return. My further understanding is that the term "market rate of return" is intended to include a fixed rate of interest that is no greater than the yield on long-term, investment-grade corporate bonds at any time during a reasonable period before the rate is first applied under the plan; is this correct?

Mr. ENZI. Yes, it is.

CREDIT COUNSELING

Mr. BINGAMAN. Mr. President, I would like to engage in a brief colloquy with the distinguished chairman of the Finance Committee, Senator GRASSLEY, regarding the provision addressing tax-exempt credit counseling organizations. My understanding is that the provision is intended to strengthen the standards for credit counseling organizations claiming exempt status, helping to ensure that these organizations do not conduct substantial activities unrelated to their exempt purposes of providing charitable and educational counseling. I would ask Chairman GRASSLEY to confirm that understanding and to briefly explain the intent of the provision.

Mr. GRASSLEY. I am happy to confirm the understanding of my distinguished colleague from New Mexico, Senator BINGAMAN, regarding this provision. The provision is intended to buttress current exemption standards by providing additional standards that must be met for a credit counseling organization to claim exempt status. As the Senator knows, the IRS recently has challenged the exempt status of several credit counseling organizations because they are operated for a substantial non-exempt purpose, substantial private benefit and private inurement. Certain of these organizations exist merely to generate income from the sale of debt management plans, while providing minimal exempt purpose activities related to credit counseling. The standards imposed under this provision are intended to augment, not supplant, the IRS efforts and to ensure that exemption from consumer protection laws applies only to those organizations that can satisfy stricter tax-exempt standards. I also want to assure the distinguished Senator from New Mexico that we will continue to monitor developments in this industry to ensure that only those entities that serve a sufficient charitable and educational purpose can claim tax-exempt status and that such tax-exempt entities do not generate significant revenues from activities unrelated to their exempt purposes. If it turns out that the additional standards imposed by this legislation do not have the desired impact, you can be assured that we will not hesitate to revisit this area.

Mr. BINGAMAN. I want to thank the distinguished chairman of the Finance Committee for his clarification and his leadership on these important issues.

RELIEF FOR AIRLINES

Mr. NELSON of Florida. Mr. President, while we consider legislation regarding the hard-earned pension benefits of American workers, we have before us a good bill, but flawed bill, which is long overdue. It strengthens company pension plans and ensures that money promised is there to pay for millions of workers' and retirees' benefits. It also enhances retirement savings and retirement security by encouraging more companies to use automatic enrollment in 401(k) pension plans, which ensures workers save more for retirement.

Yet despite these positive steps and necessary reforms, I have grave reservations over the inequities contained in the airline relief portion of the bill. We are not here to pick winners and losers in certain industries, yet the differential treatment contained in this legislation would offer one company an unfair advantage over another. Last year's Senate-passed bill contained equitable relief for all, which is the correct approach, and I am appreciative of the work the Senate Finance and the Health, Labor, Education and Pensions Committees put into that effort. This House-passed bill takes a different approach and deals a better hand to some at the expense of others.

It is not my intention to delay or hold up the bill because of this provision, but I am seeking assurances for the 13,475 American Airlines workers and retirees in Florida who are counting on us to make changes, in whatever way possible, that will put them on equal footing.

Mr. DURBIN. Mr. President, although I will support final passage of the long-awaited pension bill that aims to strengthen millions of workers' pensions, including those for airline workers, I want to express my concerns regarding one provision in particular. Similar to the Senate pension bill passed in October, this measure contains language that would provide financially troubled airlines more time to pay out their pension obligations and preserve their employees' pension plans. However, while the Senate-passed language was carefully crafted in such a way so as to not pick winners and losers between those airlines in bankruptcy that are freezing their defined benefit plans and those who have not entered bankruptcy and are intent on keeping their defined benefit plans, the House-passed language that we are soon to consider does pick winners and losers. The House measure gives those airlines that want to keep their defined benefit plans a much more unattractive interest rate than those airlines that freeze their plans. It is simply not fair to penalize those airlines that want to keep their pension plans.

It distresses me that those airlines that choose to keep their defined benefit plans will be punished and forced to compete on an uneven playing field. In June, concerned with the pensions of over 10,000 American Airlines' employees in my State and thousands of others across the Nation, I joined with Senator OBAMA and my fellow Senators from Oklahoma and Florida in sending a letter to the pension conferees reminding them of the importance of providing airline relief and treating all airlines equally. Unfortunately, this bill does not treat all airlines equally.

In talking to my colleagues in the Senate, I believe there is a general consensus that this differential should be corrected at the earliest possible legislative opportunity. If that assurance can be given by the Senate leaders on this pension legislation, I believe we should pass the House bill this week and work diligently to correct the inequity upon our return in September.

Mr. OBAMA. Mr. President, this is not a perfect bill. No 900-page bill could be. But it will push companies to stay true to the promises of retirement security that they have made to their employees. We have seen too many people hurt at companies that have gone through bankruptcy and dumped their pensions on the PBGC. We have also seen companies like Enron that misled their workers into putting all their retirement savings into employer stock. This bill takes steps to reduce the incentives and capacity for firms to take either of those courses of action.

But as I said, the bill is not perfect. Among the areas that could have used additional work is the disparate treatment among competitors contained in the airline relief portion of the bill.

The Senate-passed bill contained comparable relief for all airlines in an effort to keep from distorting the marketplace against or in favor of any one or two airlines. That was the correct approach. The House-passed bill treats different airlines differently and will distort the market in a way that is unnecessary and unfair to the 10,000 American Airlines workers and retirees in Illinois. Both as a matter of retirement policy and aviation policy, this bill should not favor one airline over another, and I join my colleagues who are calling for parity or near parity in treatment.

Mr. REID. Mr. President, I am glad that we are finally getting to the point where we can finish this very important pension reform legislation. It contains a number of measures that will improve the retirement security for millions of Americans.

One of the things that this bill does is provide targeted funding relief to the airline industry—an industry that was devastated by the events of September 11. In crafting the airline relief in the Senate bill, the managers struck the appropriate balance, being careful not to favor one group of companies over another. That balance is not reflected in the airline relief proposal that the House inserted into this bill at the last minute. Ironically, those airlines, like American, that want to keep their pension plans for their workers get a much less favorable interest rate and a shorter amortization period. As a result, those airlines that have done the right thing for their workers are penalized relative to those airlines that have opted to freeze their pension plans. That makes absolutely no sense.

While I agree with my colleagues that the pension reform bill should move forward this evening, I also strongly support their efforts to fix this portion of the bill in the very near future.

Mr. LAUTENBERG. Mr. President, this pension bill is a good bill, but it is not a perfect bill. It will make sure companies put real money behind their pension promises, in good times and bad. It will give workers more information about their pension plans so they understand the risks they face. It will create incentives to encourage more workers to save for their retirement.

Unfortunately, the bill is not fair to all airlines. The bill gives advantages for some carriers at the expense of others—especially disadvantaging those in New Jersey. As a result of this bill, some airlines will have to contribute hundreds of millions of dollars more to their pensions than others. That isn't fair, and it doesn't create a level competitive playing field.

The Senate agreed that this isn't fair, and that is why the Senate's version of airline relief treated all airlines equally. If the House Republican conferees had not hijacked this conference, I believe we wouldn't be in this position. But we have been put in a very difficult place. We are forced to choose between stopping this bill and endangering pensions for hundreds of thousands of workers and accepting an outcome that is blatantly unfair.

I hope and expect that when this bill passes, we will be able to work together to fix this problem at the first opportunity.

Mr. MENENDEZ. Mr. President, as we consider critical pension reform to help secure the retirement benefits of millions of our Nation's workers, I want first to commend my colleagues for all the hard work they have put into this bill and their efforts to strengthen our Nation's pension system. This bill will help ensure that companies can continue to provide pensions over the long term, it will protect the benefits of current beneficiaries, and it strengthens plans so that benefits will be there for workers for years to come.

And while I welcome this bipartisan bill and all that it will do to benefit the retirement security of workers, I would like to express my strong concern over the differential treatment of airlines in this bill. In allocating that relief, not all airlines are treated fairly, and therefore not on a level playing field. Some, such as Continental which has a significant economic and employee presence in New Jersey, are not given the same benefits and flexibility to make up the underfunding of their pension plans. What especially concerns me is that Continental went to great lengths to keep it from becoming financially unstable and to protect benefits for its employees, including voluntary wage reductions and freezing one of its pension plans. And despite those actions, because of the unequal treatment in this bill, the airline is at a competitive disadvantage, and over 10,000 workers in my state could be adversely affected.

As this legislation has been under negotiation for months and there is an urgency to pass a final bill, I do not want to hold up the pension bill from final passage. I do hope, however, that we can secure the support of our leadership and work with our colleagues to come to an agreement that would provide more equitable treatment for Continental Airlines and its employees. Retirement security is a pressing issue for many workers affected by this bill, including employees at Continental. Therefore, I urge my colleagues to work with us in addressing this issue when we return in September.

Mr. HARKIN. Mr. President, I do not believe that the pension bill should treat different, very competitive companies within the airline industry in the very disparate manner that it does. This was an unresolved issue in the pension conference when the House leaders decided not to complete the negotiations and instead sent us the measure before us. While I understand that an amendment tonight is not going to happen, I do believe that the Senate move to and insist that this wrong be fixed.

AIRLINE PENSION REFORM

Mrs. HUTCHINSON. Mr. President, I rise to engage the majority leader in colloquy related to H.R. 4, the Pension Protection Act. Senator TALENT has asked that I state for the information of our colleagues that he shares my concern in regard to the issue I am raising.

I support the efforts being made to reform and update our Nation's outdated pension laws and to protect the taxpayers by reducing the threat of insolvency on the part of the Pension Benefit Guaranty Corporation. But there is a section in the bill that is not equitable; it favors two airline companies over two others; and that must be remedied.

The bill affects the pension plans of four competing airline companies—American, Continental, Delta and Northwest. Two of these companies, Delta and Northwest, are currently operating in bankruptcy; American and Continental are not. When the Senate passed its version of the pension reform bill these four companies were treated equally. Our bill did not favor one over the other nor include provisions that would tilt the competitive playing field to the advantage of one or more of the companies.

But the legislation that has been sent to us by the House of Representatives unfortunately contains that type of unfair provision. The House bill allows Delta and Northwest to use an interest rate of 8.85 percent to calculate returns from pension assets and determine the amount of money that the companies must contribute each year to their pension plans to make up for unfunded liabilities. But the interest rate allowed to be used by American and Continental is not 8.85 percent. It is not 8 percent. It is not even 7 percent. These two companies must use the corporate bond yield, which is now about 6.2 percent.

Translated into dollars-and competitive advantage—the difference between 8.85 percent and 6.2 percent means that the annual payment of American and Continental could be hundreds of millions of dollars more than the payment due from Delta and Northwest, quickly mounting into the billions. I say to the majority leader that that is an inequity that must be removed. I am not arguing that the percentage used for Delta and Northwest be reduced or changed in any way. But I am arguing that the disparity between 8.85 percent and 6.2 percent is far too great and provides an unjust competitive advantage for Delta and Northwest. Is the leader able to provide any insight on his view of when and how the Senate would have an opportunity to address this issue?

Mr. VOINOVICH. I certainly endorse the comments of the Senator from Texas. The airline industry is very competitive with thin profit margins. The costs of labor and benefits are two of the few variables that affect a company's bottom line. The bill that came over to the Senate from the House, and which we are unable to amend today, puts several of the airlines at a severe competitive disadvantage because it does not apply the same rules to each airline's pension fund. Recognizing the importance of the other reform measures in this legislation, I understand the need to pass it and send it to the President for his signature. But before we do that, I would like to hear from the majority leader if he believes that he will be in a position before the year ends to revisit this question and help us reach a more equitable resolution.

Mr. DEWINE. I want to echo the comments of my colleagues. As the chairman of the HELP Subcommittee on Retirement Security and Aging, I have been working on pension reform legislation for the last year and a half. I believe it is essential that the Senate pass legislation this week that will strengthen defined benefit and multiemployer plans and that will encourage retirement savings by making the retirement provisions of EGTTRA permanent. And while I view this bill as an improvement over the bill the Senate passed last fall, with the elimination of the provision that used credit rating to determine at-risk funding status, I believe that this bill's airline relief provisions are greatly inferior to those of the Senate-passed bill. As my colleagues who spoke before me made clear, this is unacceptable and will need to be fixed when we return from the August recess.

Mr. CORNYN. I join my colleagues from Ohio and the senior Senator from Texas in their comments regarding H.R. 4, the Pension Protection Act. While providing the airline industry with relief, this bill does so unevenly and undercuts the ability of Continental Airlines and American Airlines to compete in a global economy. These Texas airlines have neither frozen their pension plans nor filed for bankruptcy. As Senator VOINOVICH stated, the airline industry operates on thin profit margins and disadvantaging two profitable airlines has ramifications not only for the airline industry, but also for consumers and airline employees. I believe it is crucial that Congress revisits this issue and provides more equitable relief for all airlines and not just a few.

Mr. INHOFE. I, too, want to echo the comments of my colleagues. I share their concern in regard to the issue that they have raised.

Mr. FRIST. I appreciate the comments of my colleagues. This pension bill—while not technically a conference report—essentially represents the bipartisan and bicameral agreement reached by House and Senate pension conferees after many months of negotiation. I am aware of the Senators' concern about the interest rate issue; I have had other Senators approach me as well.

Although we are not in a position to amend the bill before us, I can promise the Senators that I will continue to work with them on this issue after we return from the August recess. Until the Senate has had an opportunity to more fully examine the issues involved in this complex matter, we should consider it an issue that requires further discussion. As such, I think this issue needs to be reviewed further this year to assure an equitable result, recognizing of course that the House would have to agree to any changes we might propose.

Mrs. HUTCHISON. I thank the leader for his comments and his offer of assistance. I am told that the House majority leadership is aware of this matter and has given a commitment to work with interested colleagues to reach a resolution that assures no bias on the part of Congress toward any of the four airlines involved in this issue.

Mr. FEINGOLD. Mr. President, I will vote against the Pension Protection Act. While there are many constructive provisions in the bill, the package is deeply flawed in at least two respects. First, it will add to our already massive government debt. Thanks in large part to the expensive tax provisions that were added, the legislation will add another $66 billion over the next 10 years to the already massive debt with which we are burdening our children and grandchildren. To add insult to that injury, most of that cost stems from savings incentive provisions that overwhelmingly benefit those who least need it. The provisions that raise the contribution limits on tax-preferred savings accounts benefit only 1 in 16 households, and only 1 in 100 households with incomes under $50,000. If we want to encourage more savings, and we should, there are far better ways to do it.

The second matter that raises significant concerns is the so-called red zone provision which permits pension plans to cut the vested pension benefits of workers. Allowing a worker's vested benefits to be cut is unprecedented and grossly unfair. If workers are told that they may take early retirement at a certain level of earned pension, that promise should not be broken. But under this bill, the financial future on which some families were planning can now come crashing down on them. Retirement benefits which were promised to them and on which they were relying may now be taken away. And make no mistake; if Congress permits earned benefits to be taken, they will be taken.

There is a clear need for pension reform, and many of the provisions in this bill make sense. But I cannot vote for a measure that is so irresponsible for the fiscal future of our Nation and the personal economies of thousands of workers who will soon retire.

Mr. HATCH. Mr. President, the Pension Protection Act of 2006 has been a long time coming. In the Senate, the Health, Education, Labor, and Pensions Committee and the Finance Committee reported pension legislation last year. The full Senate passed pension legislation in November of 2005. The House passed pension legislation in December of 2005.

We had to reconcile those bills, which was no small achievement, and then we had to consider the real concerns that some of our colleagues had about the impact of this bill in their States. But we got it done.

We had our differences, but ultimately we agreed more than we disagreed. We understood the fundamental problem and sought to solve it through genuine bipartisan negotiations. We saw that our defined benefit pension system was in dire straits. Too many companies had severely underfunded pension plans. Companies had made promises to their employees, promises that those employees were depending on for their retirement. But the companies were falling short on those promises.

This was not good for the bottom-line of the Pension Benefit Guaranty Corporation, PBGC, which is now, as the result of several high profile bankruptcies, running at a considerable deficit. This was not good for employees, who in the event of plan termination would receive dimes on the dollar for their pension plans. And ultimately, it was not good for the American people, who might have been stuck holding the bag if the PBGC was unable to meet its obligations.

We had to act to fix this. We had to ensure that companies were putting their money where their mouths were. If they made pension promises, they had to keep them. They had to fund their plans.

And this bill requires them to do just that.

It was not easy.

The conference committee assembled to reconcile House and Senate differences was incredibly unwieldy. We had multiple chairmen involved in both the House and the Senate. It was an important enough issue for American workers, American taxpayers, and the American economy that leadership from both the House and the Senate were involved in the negotiations. Not only Republicans and Democrats, but even the House and the Senate, did not see eye to eye on all of the issues. And our decisions would impact the business plans of some of our country's greatest corporations, the future of the defined benefit pension system, and the future retirement of American workers.

But we did it. The final result of all these negotiations is a good bill.

In short, we are going to require companies to fund 100 percent of their pension liabilities. This makes sense. Under current law, they are only required to fund 90 percent of their liabilities. I think that it makes sense to most Americans that if you make a promise, you should keep that promise, and companies should be funding the plans that they have promised to their employees.

At the same time, we recognize that these new obligations could prove a hardship for many. So we have allowed companies with underfunded plans 7 years to make up their pension shortfalls. And for the financially struggling airlines, the opportunity to make up for their pension underfunding will be extended from ten to seventeen years.

And we are going to severely curtail the practice of promising new benefits for tomorrow when you cannot even keep the promises you have already made. Employers with pension plans less than 80 percent funded will not be able to promise future additional benefits unless the earlier benefits are paid for.

We shore up the multi-employer plans, which have unique funding problems.

We provide legal clarity to hybrid "cash balance" plans that have elements of both defined benefit and defined contribution plans.

Firms that administer 401(k) plans for their employers will be able to provide investment advice to employees, so long as that advice is based on an independently certified and audited computer model.

And to encourage personal saving for retirement, this bill will allow companies to automatically enroll workers in 401(k) plans.

This bill makes several tax incentives that encourage retirement savings permanent. Most importantly, Americans can remain confident that they will be able to rely on the increased 401(k) and IRA contribution limits established in 2001 and scheduled to expire in 2010.

This is not a perfect bill. But it is a real achievement.

Not only our pension system, but our entire retirement system, will be better off as a result of it.

And I want to congratulate my colleague and fellow conferee, Chairman ENZI, for being able to bring everyone together in the end. I want to thank my colleague and fellow conferee, Chairman GRASSLEY, for his persistence.

Our pension system was broken. Critics might complain that nothing gets done in Washington, but our pension system is busted, and tonight, through tough bipartisan and bicameral work, we went a long way towards fixing it.

It is late in an election year, and it says a good deal about our country that we could put our differences aside and tackle this important issue.

The lives of American retirees, and the health of American industry, will be better as a result.

Mr. AKAKA. Mr. President, today I will vote not against pension reform but against the unfair tactics being used by the majority leadership in Congress. As a representative of my State of Hawaii, I must ensure that the voices of the people of Hawaii are heard and that their rights are not infringed upon or forgotten. This is an important distinction to make at this time because the vote that I cast today is in support of the rights of every member in Congress and the people they represent.

It is my understanding that the House and Senate conferees were close to an agreement on the conference report to H.R. 2830, the Pension Protection Act of 2005, but without notification, the House leadership introduced H.R. 4. While this measure does include many of the decisions made by the conferees, and is in some cases an improvement from the measures passed by the House and Senate, I must vehemently object to the process that the House leadership used. In looking to our future, I must ensure that the process we follow in the Congress does not negate the voices of the minority.

When the House leadership introduced H.R. 4 and then called for a vote on the measure, they sent a loud and clear message on how future measures may be considered by Congress. Supporting such a process would allow the majority to believe that they do not have to listen to anyone's concern. Rather than negotiating on legislation with all the conferees in order to amicably resolve any differences, we find ourselves looking from the outside in. This is no way in which to ensure that the ideals and beliefs for all will be given the due process of consideration that everyone deserves.

For these reasons, I am voting against H.R. 4, again, not because I am against pension reform and ensuring that working men and women retain their benefits and pensions, but against the majority leadership's efforts to nullify our voices. I believe that the conferees to H.R. 2830 were close to an agreement and should have been allowed to complete action to develop a true compromise piece of legislation.

Mr. CHAMBLISS. Mr. President, I rise today in support of the Pension Protection Act. This has been a long process, but I am glad we were able to produce a bill that provides retirement security to millions of Americans while at the same time protects the taxpayers. These reforms provide tough rules to ensure that employers will keep their pension promises.

I would like to thank my colleague from Georgia, Senator ISAKSON, for all his hard work throughout this process. I appreciate it, and I know the folks back in Georgia appreciate it.

Many companies and their employees in my home State of Georgia support this legislation and will benefit from its provisions. For example, Kroger has grocery stores all over Georgia and employs 18,000 folks across the State, who are depending on their pensions when they retire. General Motors also has a large presence in Georgia with almost 14,000 retirees and 3,500 employees, many of whom are covered by a defined benefit pension plan. The United Parcel Service, UPS, is headquartered in Atlanta, GA, and over 127,000 of its employees participate in multiemployer pension plans.

The airline industry in particular has taken some economic hits over the years, and I am pleased that Congress was able to provide critical provisions for the airlines, ensuring that they will get the time they need to fulfill their pension obligations.

Delta Airlines is headquartered in Georgia, and has a longstanding history of service to passengers throughout the world and has been an exemplary corporate citizen. Like many other hard-working Americans, Delta's some 91,000 employees and retirees have devoted years of work and time to their employer.

While our airlines are in a unique situation, many of them like Delta maintain a strong commitment to keep the pension promises they made to their employees and retirees.

I would like to close by reiterating why we are here today: American workers deserve to know their pensions will be there when they retire. With the passage of this conference report, we can ease the fears of millions of employees and retirees by taking the steps necessary to help ensure that pension promises will be kept and employers, not the taxpayers, will be held accountable.

Mr. KOHL. Mr. President, I rise in support of H.R. 4, the Pension Protection Act. This bill is not a conference report, and I am troubled by the way that the House circumvented the process and endangered swift enactment of this important legislation. However, the bill that will soon be before the Senate does reflect the carefully negotiated agreement of the conferees and enjoys broad bipartisan support.

Our goal is to strengthen traditional pensions, which have been an important source of retirement income for hard-working Americans. Unfortunately, these pensions have been on the decline, as companies replace them with 401(k)s that shift risk to individual workers and generally do not guarantee retirement income for life. We must ensure that traditional pensions remain a viable option for companies and at the same time ensure that companies keep their promises and do not dump their plans on the Government at taxpayer expense.

This compromise strikes the right balance of requiring companies to contribute enough to their pension plans, without discouraging them from maintaining their plans. The bill enacts the commonsense requirement that companies must fully fund their plans, so that they can keep their promises to the 34 million workers and retirees who rely on their hard-earned benefits. It allows companies to put in more money when times are good. It also provides relief to Delta and Northwest, who have said that they will be forced to dump their plans if Congress does not enact this bill soon.

Aside from reforming traditional pensions, the bill also includes important provisions to boost retirement savings. Most importantly, it improves and makes permanent the saver's credit, which helps low- and moderate-income workers save. It encourages companies to automatically enroll workers in 401(k) plans and makes pensions more portable. And it provides protections to workers in the wake of the Enron accounting scandal.

While this bill is not perfect, I believe that it will go a long way toward improving the retirement security of all Americans, and I therefore support its enactment.

Mr. LEVIN. Mr. President, last November I cast one of only two votes against the Senate's version of pension reform. One of my primary concerns with that bill was that companies trying to do right by their workers would be unfairly penalized. I was concerned that on balance, that bill did more to drive companies away from offering guaranteed benefit pension plans than it did to strengthen the system. But the bill before us today is much improved, and I will support it.

Let me state upfront that it is through a highly unusual maneuver that we are taking up this issue in the form of a new bill sent over from the House last week rather than as a final

House-Senate conference report. As part of their ongoing efforts to ram through a reckless near-repeal of the estate tax, House Republicans hijacked the pension conference process to remove a package of widely supported tax breaks so they could be paired up with their estate tax proposal in another bill. The abuse of process involved in that maneuver is serious.

But regardless of political games, defined-benefit pensions are facing a crisis today and reforms are needed to make sure that retirees receive the benefits they were promised. We need to make sure that companies are required to adequately back up the promises they have made to their workers. At the same time, we should make sure that reforms are designed to encourage the recovery and strengthening, rather than the termination, of underfunded and vulnerable pension plans.

Striking this delicate balance is not easy. I am pleased that two misguided provisions from the Senate bill were dropped in the conference negotiations that are reflected in this bill. The first of those two provisions would have required companies with solid pension plans but who also had poor credit ratings to use actuarial assumptions that require them to put away unnecessarily high amounts of money into their pension trusts. I am glad that this bill uses a more direct measure of a pension plan's financial health to determine whether additional money needs to be put into the plan.

The second provision of concern dealt with an actuarial method known as "smoothing." Under current law, the amount of money companies are required to put into their pension plans is determined by using a four-year weighted average of the values of pension assets and/or liabilities. The Senate bill would have shortened smoothing to 12 months, which would have added significant volatility for companies when they are determining how much money they need to set aside for the pension plans. The bill before us today changes smoothing to a 2-year time period. I would have preferred the 3-year average proposed in the original House bill, but the 2 years in today's bill is an obvious improvement over the Senate's original 1 year.

Based on my concerns with these credit rating and smoothing provisions, Senator VOINOVICH and I wrote a letter to the House-Senate pension bill conference committee members, urging them to consider the potentially adverse impact these provisions could have on companies that offer defined benefit pension plans and the employees and retirees who are counting on the stable pensions they have been promised. I was pleased that one-third of the Senate joined us in signing this letter, and I appreciate the conferees addressing our concerns.

I am also pleased that this bill, like the Senate bill, will give airlines extra time to fund their pension obligations. I am told that this action means that Northwest and Delta will keep their plans when they emerge from bankruptcy, rather than turning their obligations over to the Government's pension insurer, the Pension Benefit Guaranty Corporation, PBGC. Passing the airline provision is a win-win. The companies should now not dump their plans on the Government, and the airlines' employees and retirees will get to keep their full earned pensions.

I am pleased this bill includes four tariff-related bills I authored that will help Michigan companies become more competitive.

I am also pleased that the bill encourages companies to use automatic enrollment and automatic increase in 401(k) pension plans to ensure that workers save more.

In addition, this bill includes long-overdue reforms to multiemployer pension plan law. These reforms will allow multiemployer pension plans to address any short-term funding crises as well as add new flexibility to advance fund and guard against a future crisis. Unfortunately, the bill also takes the unwise step of allowing underfunded multi-employer pension plans to cut benefits that workers have already earned. While I understand that shared sacrifice may be necessary in some instances, taking away earned benefits is unfair, and I hope this does not set a precedent for future pension laws.

I am also disappointed that this bill does nothing to pay for making permanent provisions enacted in the 2001 tax law to expand tax-preferred retirement and education savings accounts. The conference agreement makes these tax cuts permanent without offsetting their cost. According to Joint Committee on Taxation estimates, making these tax cuts permanent would cost $52.6 billion between 2007 and 2016. We are deep in a deficit ditch and already each American citizen's share of the debt is almost $29,000. Instead of just adding to our deep fiscal troubles, we should be closing down abusive tax shelters and offshore tax havens and coming up with other ways to pay for any further tax cuts.

While this bill is less than perfect, on balance I will support it because of the critical need to address retirement security for millions of Americans.

Mr. REED. Mr. President, the Pension Protection Act of 2006 would strengthen private pension plan funding and improve the financial position of the Pension Benefit Guarantee Corporation, PBGC. While the bill reflects difficult compromises, it is important that we act now to preserve the financial health of defined benefit pensions.

This legislation is an important step toward protecting the pensions of working Americans. Today's workers will live longer and work longer but also spend more time in retirement than ever before, so it is vital that the pension benefits promised to workers will actually be there when they retire.

The crisis in private pensions is just part of the growing problem of economic insecurity for many Americans. Although the economy has been growing, job growth has been modest, wages are not keeping pace with inflation, income inequality is growing, employer-provided health insurance coverage is falling, and private pensions are increasingly in jeopardy. Soaring prices for gasoline, home heating, health care, and college tuition is squeezing the take home pay of most workers. Many workers have little left over for retirement savings after making ends meet for basic living expenses.

Meanwhile, many employers shift the risk and responsibility of adequate retirement funds onto workers, as retirement prospects are more uncertain than ever. Twenty years ago, most workers with a pension plan could expect to receive a defined benefit based on years of service and salary. Today, defined contribution plans—which shift most of the investment risk and responsibility onto workers—have become the dominant form of pension coverage.

Despite the shift away from traditional pensions, defined benefit plans remain a critical source of retirement support, with 44 million workers and retirees relying on such plans as a source of stable retirement income. However, as we have seen with recent pension terminations in the airline industry, the real risk of defined benefit plan defaults further exacerbates workers' uncertainty and concern about their retirement prospects.

This bill tackles the growing problem of employers not setting aside enough money to cover their pension obligations. The Pension Benefit Guarantee Corporation, PBGC, estimates that total underfunding in PBGC-insured pension plans is about $450 billion, more than $100 billion of which is in plans sponsored by financially weak companies that are at reasonable risk of default.

However, the PBGC, which is the backstop to the defined benefit pension system, has funding issues of its own due to increased defaults by employers. At the end of 2005, the PBGC reported a cumulative deficit of $22.8 billion in its single-employer program. While the PBGC has sufficient assets to pay benefit obligations for a number of years, without changes in funding, the agency will eventually run out of money. The Congressional Budget Office estimates that PBGC's cumulative deficit will increase to $87 billion over the next 10 years, and suggests that there is a significant likelihood that all of PBGC's assets will be exhausted within the next 20 years.

The Pension Protection Act would tighten the funding rule for defined benefit plans by requiring that plans fund 100 percent of their liabilities, up from 90 percent under current law. Companies with underfunded plans would have seven years to make up any funding shortfall. Financially troubled airlines with underfunded plans would have 17 years to become fully funded.

The legislation would limit the use of credit balances to prevent companies with unfunded plans from avoiding plan contributions, prohibit companies with underfunded plans from increasing future benefits, and require an accurate accounting of each plan's true financial condition. Plans would also be required to provide more information about their current funding status to plan participants and beneficiaries.

In addition, the bill contains important, long overdue disclosure rules to protect the pension of workers, to avoid a situation like that of the Enron workers who lost their entire life savings. Under this bill, companies would be required to give workers quarterly benefit statements that show the value of their assets, and explain their right to and the importance to diversify their investments. The companies would also be required to give their employees a range of options for investing their 401(k) plans rather than just the in company stock and allow workers to sell the stock after three years.

A few of the other notable features of this bill are provisions that encourage low- and moderate-income workers to save for retirement by extending the “saver's credit,” and requiring automatic enrollment in defined contribution pensions such as 401(k) plans.

The saver's credit provides a permanent non-refundable tax credit to taxpayers with incomes below certain limits if they make contributions to an IRA or an employer-sponsored plan. Early evidence indicates that the saver's credit has increased participation rates in retirement plans. The effects of the credit are limited, however, by its nonrefundability, the sharp phasedown of the credit rate for moderate-income taxpayers, and the lack of indexing of the income limits. This bill would address one of the current problems with the credit by indexing the income thresholds starting in 2007.

The Pension Protection Act would encourage companies to use automatic enrollment. Under automatic enrollment, companies can enroll employees in contributory pension plans and defer a specified percentage of their earnings into an account. Employees are free to opt out of the plan if they do not wish to participate. Under current rules, employees must make an active decision to participate in contributory plans.

Studies show that automatic enrollment dramatically increases participation rates. The increase is particularly likely to benefit younger workers and low-income workers, who tend to have the lowest participation rates.

One concern I have is that this legislation extends the higher contribution limits on 401(k) and IRA contributions enacted in 2001, which would do little to encourage retirement saving while adding over $36 billion to the budget deficit over the next 10 years. While tax-advantaged retirement saving by low- and moderate-income individuals is likely to represent new saving, high-income individuals are more likely to use expanded savings opportunities to shift existing savings from taxable accounts to tax-advantaged accounts. In its analysis of a similar proposal in the President's FY 2004 budget, CBO concluded that expanding tax-free savings accounts would have little effect on personal saving.

Nonetheless, the Pension Protection Act makes progress toward ensuring that workers will receive the retirement benefits they have earned. We must continue work to improve our pensions system to ensure that Americans who work hard their entire lives have the financial security they deserve. Part of this work will be to revisit some of the elements of this bill as well as to encourage employers to continue to offer retirement plans to hardworking Americans. The dilemma is that it took the majority 8 months to bring this bill forward and without it, more plans and workers are jeopardized. Congress must continue concerted efforts to address the real needs of American workers.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

● Mr. BAUCUS. Mr. President, first, I want to thank Chairman GRASSLEY, Senator KENNEDY, and Chairman ENZI for their hard work and cooperation on this bill.

I like the final product. It strikes a balance between getting plans funded and not forcing employers out of the defined benefit pension system. It provides certainty for cash balance plans. It makes certain that workers can diversify their investments out of employer stock. It makes changes that will help workers save for their retirements. And it assures that workers and retirees will receive clear information about the health of their plans and their individual situations.

I don't like for one minute, however, the process that got us here. Chairman GRASSLEY and I worked very closely to include tax extenders on this bill. We had an agreement with the House to do so. We were ready to sign the conference agreement. Instead, we had the rug pulled out from under us. The pension bill now comes to us without the extenders.

There is a reason for the conference process. It was a process that was working. I think that we should have continued down that path.

But as I said, this is a good pension bill of which we can be proud. We need to pass it.

I will not go through all the provisions in the bill. They are too numerous to do that. But there are some points that I want to highlight.

First let me address single-employer pension plan funding. When I spoke last November about the pension bill that was then pending in the Senate, I asked my colleagues to remember that we are here to protect workers' pension benefits. That has been our goal from day one. And that is what this bill does.

The current system is broken. The Pension Benefit Guaranty Corporation—the Federal corporation that guarantees defined benefit pension benefits—has a $23 billion deficit. The existing rules and temporary congressional fixes have created unpredictable funding requirements. As a result, employers are freezing their plans as a preliminary to leaving the defined benefit system altogether. And many view defined benefit plans as an antiquated vehicle for delivering retirement benefits.

How do we fix the system? We would all like to get the plans fully funded. We would all like not to increase funding requirements too much for employers who cannot afford it. We would all like to see defined benefit plans continue. That is especially true for the 44 million Americans now receiving retirement benefits from defined benefit plans or earning benefits under them.

Addressing these goals required a delicate balance. The balance that we struck is one of which I am proud. It reflects difficult compromises by all parties. There is no perfect answer here. But I think that we came as close as we could.

Employers will not be able to make promises that they don't fund. Employers and unions will not be able to negotiate for benefit increases without paying for them. Workers will have to push for better funding if they want to continue to earn benefits.

The medicine may not taste very good. But it is necessary to keep the patient alive.

At the same time, there are some patients that are so sick that they need more than harsh-tasting medicine. They need some understanding and a chance to recover. We are giving that chance to the airlines. Maybe that way we can avoid the harm that will come to the workers and retirees—and the PBGC—if the plans terminate.

Second, let me address cash balance plans. We have been struggling with the difficult problems of a new form of defined benefit plan called a “cash balance plan” for many years. Most pension experts recognize the cash balance design and other hybrid plan designs as the future of the defined benefit system. And that future is in limbo until we provide certainty as to the governing rules. Yet there is a real concern about age discrimination and what happens to workers who get caught up in the switch from a traditional plan to a cash balance plan.

This bill once again strikes a balance. It is a balance that is not likely to make anyone completely happy. We have dealt with the law going forward. We intend no inference to what the rules were prior to enactment. We will leave the past to the courts.

But in the future, employers and workers will know the guiding principles. I expect that as a result, we will see new life in the cash balance world. And we also make sure that workers are protected.

Third, let me address diversification. While defined benefit plans are important, many Americans today receive retirement benefits from their defined contribution plans. What a tragedy it was in Enron and other situations when workers had their entire retirement wrapped up in Enron stock. They could not get out even if they wanted to.

The new law will require plans to allow workers to diversify. Workers won't have to. It will be their choice. But they will have that choice.

Fourth, automatic enrollment: I am proud that this bill included a provision that I have been pushing for some time to allow 401(k) plans and 403(b) arrangements to automatically enroll workers unless they opt out. This means that the workers' salaries will be reduced to put savings into the retirement plan unless the worker instructs the employer not to do this withholding. And we let employers automatically increase the amount saved each year unless the worker says no. Many studies have found that this "opt-out" approach significantly increases workers" retirement savings.

Fifth, let me address the saver's credit and permanence of provisions from the Economic Growth and Tax Relief Reconciliation Act of 2001, which people call EGTRRA. The bill makes permanent the EGTRRA savings provisions affecting plans and IRAs. I worked very closely with Chairman GRASSLEY to get the savings provisions included in EGTRRA in the first place. And I am very happy that this bill makes them permanent.

Perhaps more importantly, we made the saver's credit permanent. The saver's credit would have expired at the end of 2006. And for the first time, we indexed the saver's credit so that worker eligibility will not shrink over time because of inflation.

Sixth, we include the tax court modernization package. This package has passed Finance Committee three times. It is designed to help bring parity between the tax court and Article III courts. And it will modernize the tax court's pension system. This package is long overdue.

Seventh, we include important incentives for charitable giving. These include measures to promote land conservation. And these include a provision to encourage IRA rollovers to charitable organizations.'

I have been working since 2001 to allow ranchers and farmers to claim a special tax incentive to ensure their valuable production land preserved for generations of Montanans in the future. In fact, my first hearing as chairman of the Finance Committee in 2001 was on tax incentives for land conservation.

There are numerous other provisions in this 900-plus page bill of which we can all be proud. We have taken on a very difficult and complex subject and struck the right balance. I just regret that we could not do it in the proper way and finished the conference. There were important provisions included in the conference bill that are not included in the pension bill before us. We all know what they are and the reasons they are not included. I am sorry that the Senate process has come to such a sad state.

But after nearly 3 years, several hearings, and countless missed deadlines, the Senate is about to pass a monumental pension bill. It will enhance retirement security for millions of Americans.

There are many who deserve thanks for this legislation. I want to thank Chairman ENZI and Senator KENNEDY from the Health, Education, Labor and Pensions Committee. They provided excellent leadership and cooperation.

I want to thank their staffs, many of whom spent sleepless nights getting this work done. In particular, I thank Diann Howland, David Thompson, Greg Dean, Portia Wu, Holly Fechner, and Terri Holloway. They played an important role developing the retirement security provisions in this bill.

I also to thank my good friend Senator GRASSLEY, the chairman of the Finance Committee, for his commitment to the retirement security of Americans. I want to thank some staff members in particular. I appreciate the cooperation we received from the Republican staff, especially Kolan Davis, Mark Prater, John O'Neill, Dean Zerbe, Elizabeth Paris, Chris Javens, Cathy Barre, Anne Freeman, Elizabeth Goff and Nick Wyatt.

I thank the staff of the Joint Committee on Taxation and Senate Legislative Counsel for their service, including Jim Fransen, Mark Mathiesen, Stacey Kern, Mark McGunagle, Carolyn Smith, Patricia McDermott, Nicole Flax, Roger Colinvaux, Ron Schultz and Gordon Clay.

I also thank my staff for their tireless effort and dedication, including Russ Sullivan, Pat Heck, Bill Dauster, Jon Selib, Melissa Mueller, Rebecca Baxter, and Ryan Abraham. I also thank our dedicated fellows, Stuart Sirkin, Tiffany Smith, Mary Baker, and Tom Louthan.

I especially want to express my sincere gratitude to Judy Miller. Her extraordinary efforts and contributions on this legislation went over and above the call of duty. I hold her in the highest esteem. And I can't thank her enough for her counsel and professionalism.

Finally, I thank our hardworking law clerks and interns: Christal Edwards, Justin Kraske, Joseph Adams, Tom Duppong, Jonathan Lebe, Robert Little, Chris Polhemus, Diana Ramos, Tara Rose, John Schiltz, Thad Seegmiller, Gwen Stoltz, and Matthew Wergin.

This legislation really was a team effort. And the product will do a lot of good. I am glad that we have finally reached the day where we can look forward to it soon becoming law.

A fair and good explanation of the bill can be found in The Technical Explanation of HR 4 prepared by the Joint Committee on Taxation.●

Mr. GRASSLEY. Mr. President, I rise today in support of the Pension 7 Protection Act of 2006.

Every Member of the U.S. Senate should be proud to support this bill.

This is a bill that is about one thing—improving the retirement security of all Americans.

It been a long road to get here.

There were times, I will tell you, when I wondered if we would ever get here.

But the fact that we are here today shows that when people stick to a goal and work together, you can get great things done for the American people.

I want to commend Chairman ENZI for his outstanding leadership and his perseverance in leading us here today.

I can tell you that it wasn't an easy job.

I am also very pleased to commend the great work of my colleague and good friend, Senator BAUCUS, who was my partner in the Finance Committee and all the way through conference on this legislation.

We worked together and our staffs worked together.

I wish he could be here with me today to see final passage of this legislation, but as we all know, he is attending to family matters that are far more important than anything we could be doing here in the U.S. Senate.

I also want to thank Senator KENNEDY, who worked tirelessly on this bill and was critical to the bipartisan bill before us.

Why is this a good bill?

I could spend all night talking about all of the positive reforms in this bill, but don't worry—I am not going to do that at 10 o'clock here tonight.

But I do want to highlight a few parts of this legislation that will make

Americans more secure in their retirement.

First and foremost, this bill will ensure that American workers can depend on their pensions. They will know that their pension will actually be there for them when they retire.

This bill will also protect the PBGC from absorbing billions of dollars in pension liabilities from bankrupt airlines and give those airlines' employees an opportunity to receive the full pension they've been promised.

This bill will protect workers from the next Enron by prohibiting employers from stuffing company stock in their 401(k) plans.

This bill will make permanent the bipartisan retirement savings provisions from the 2001 tax relief bill—increased 401(k) and IRA limits, a permanent low-income Savers' Credit, greater portability of retirement assets, and a wide array of other pro-savings initiatives.

These provisions are vital to building a "savers' society," and I am proud that these provisions originated in the Senate Finance Committee and were included in the 2001 tax bill at the insistence of myself and Senator BAUCUS.

This bill will also encourage greater participation in retirement plans by promoting automatic enrollment arrangements.

These are just a few of the key reforms in this bill. This is legislation that every Member of the Senate can truly be proud to support.

I look forward to seeing the President sign it into law.

I would like to incorporate by reference a technical explanation being prepared by the staff of the Joint Committee on Taxation that describes the legislative intent with respect to H.R. 4, the Pension Protection Act of 2006. This document expresses our understanding of the provisions in the bill, and it will be a useful reference in understanding the legislation. Chairman Thomas also made a statement on the floor of the House of Representatives last Friday that he had requested this technical explanation. The technical explanation will be published by the staff of the Joint Committee on Taxation as document number JCX-38-06, Technical Explanation of H.R. 4, The Pension Protection Act of 2006, as passed by the House on July 28, 2006, and as considered by the Senate on August 3, 2006.

The PRESIDING OFFICER. All time has expired. Under the previous order, the question is on the third reading of the bill.

The bill was read the third time.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 93, nays 5, as follows:

[Rollcall Vote No. 230 Leg.]

YEAS—93

Akaka
Alexander
Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Brownback
Bunning
Burns
Byrd
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Craig
Crapo
Dayton
DeMint
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Ensign
Enzi
Feinstein
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchison
Inhofe
Inouye
Isakson
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Lott
Lugar
Martinez
McCain
McConnell
Menendez
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Roberts
Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner
Wyden

NAYS—5

Boxer
Burr
Coburn
Cornyn
Feingold

NOT VOTING—2

Baucus
Lieberman

The bill (H.R. 4) was passed.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I wish to take a moment and do special thanks on the bill that was just passed. I congratulate everybody who has worked on the bill. It is going to make a difference for at least 145 million people in the United States. It is a very important bill, and it has been a long road with a lot of twists and a lot of difficulties. They all got ironed out with a very convincing vote.

I appreciate all the people who participated in this effort and were able to lend their expertise, their knowledge, their background, and put together something that will solve the pension difficulties for this country.

I particularly thank Senator KENNEDY, who is the ranking member on my committee. He worked with me through the drafting in committee, getting it through committee, then merging it with the Finance Committee, then getting it through the Senate as a whole, and then serving on the conference committee to get it all ironed out. He has been delightful to work with on this issue and other issues that deal with health, education, labor, as well as the pension bill.

I thank Senators GRASSLEY and BAUCUS for their extremely hard work. They brought the finance piece, the tax part together. They are experts in that area. They work together extremely well and extremely hard. Without their participation, this bill would not have been possible.

I appreciate everybody's commitment to the private pension system and their willingness to strive for solutions, not just to look at issues, and to make the tough decisions we had to make.

I also thank Senators DEWINE and MIKULSKI, again. They started the hearings on this bill before we ever got to the bill part, the drafting. They have worked together well on the aging issues of this country for a long time. They know them backward and forward.

As the bill went through the process, they made sure that specific instances they were aware of were known, the details were known, and we could consider ways to solve those as part of an entire package as opposed to piecemeal. They were extremely cooperative in working on it.

Through the final days of the conference committee, they were engaged in asking questions and making a difference for this bill. I can't say enough about Senators DEWINE and MIKULSKI and their extraordinary work.

But there are many people who worked behind the scenes to get this bill completed. I thank all of my staff for their diligence, commitment, expertise, and hard work. Since March, many of them have not had a weekend off. They have spent 12, 16, 18 hours a day working this bill. That is a huge commitment. I am sure a weight has been lifted from their backs. Without their expertise, we would not have been able to do it.

First off I would like to thank my staff director, Katherine McGuire. Without her, this bill never would be enacted. She had extraordinary efforts with the committee and then the conference committee and was able to pull people together to get an agreement. A lot of times, it meant not a compromise but finding a whole different way of doing it and engaging people and doing some research to find those other ways and even relying on some other committees to lend their expertise to do it. We made it through.

Greg Dean, our general counsel, played a central role in the investment advice and prohibited transactions bill language. That is a very specialized part. He helped me on the Banking Committee when I was subcommittee chairman there and then moved to this committee. He expertly managed discussions throughout the process, and he brought various players together time and again to move the bill forward. It is a very technical area, and it takes someone with that kind of technical expertise to do it.

I thank Ilyse Schuman, my chief counsel for the committee. She was able to pull together all the legal issues and was able to talk on that level with all of the other Senators and Members of the House to pull this off.

I thank Diann Howland, who is my pension policy director, who bravely agreed to come back to the Hill and take on her third major pension reform. In light of this, she brought a fresh perspective to the complex issues every day and has to be commended for leadership in getting this bill done. She probably knows more about pensions than anybody I have ever met and has been a valuable resource, knowing the history as well as being able to move forward on a new bill and get some things done that are different from what has been done before but things that have preserved pensions for people.

David Thompson brought a superb understanding of the intricate and complex legislation issues to the table and has a unique ability to explain these difficult issues in relatively few words and also explain some of the charts that went along with them. Again, I want to thank Amy Angelier who works as my budget staffer and approps staffer and policy adviser. She knows the intricacies of how the budget and the appropriations and the policy all have to fit together, whether it is pensions or whether it is banking or whether it is the rest of the issues we cover under Health, Education, Labor and Pensions. She was on top of each and every aspect of the budget aspects of this bill and helped guide it to success.

Now, my staff didn't do this alone. My staff worked closely with the staffs of my other Senate conferees, and those individuals deserve thanks. They are Michael Myers, Portia Wu, and Holly Fechner of Senator KENNEDY's HELP Committee staff; Kolan Davis, Mark Prater, John O'Neill, Judy Miller, Stu Sirkin, Russ Sullivan, Pat Heck, on the staff of the Finance Committee for Senators GRASSLEY and BAUCUS.

I especially commend Mark Prater for his leadership over the last week helping us to maneuver through troubled waters. He really knows the tax issues and knows the interplay between the moving parts in that whole area and was a tremendous help.

I would also like to thank the nonpartisan legislative counsels and the staff from the Joint Committee on Taxation for their very long hours and professionalism. They had to be in with all of the different times as all of these meetings were going on. Every person with a pension should join me in thanking Jim Fransen, Stacy Kern, Carolyn Smith, Patricia McDermott, and Nikole Flax.

Finally, I thank my chief of staff, Flip McConnaughey. He did an excellent job holding the office together and keeping a focus on Wyoming's specific issues when the pension conference kicked into full gear.

So I appreciate everybody's support of this legislation. I hope I haven't left anybody out. There have been so many people who have been involved in this, as I said, for just countless hours. It has been an incredible commitment of time and effort and knowledge, and I really appreciate that because without the kind of teamwork that we had on this, we would not have had the kind of approval we have.

I thank the Chair, and I yield the floor.

Mr. SANTORUM. Mr. President.

Mr. FRIST. Mr. President, if I could have one minute.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. I just wanted to thank Chairman ENZI for his tremendous leadership. So many people have been thanked over the course of the night, and it has been a very productive 4 weeks. But if you look at the committee chairman, he has probably been the busiest just overseeing the greatest number of bills, and then on top of that, having a very challenging conference, as we have all seen. It started with pensions, and for a period developed into about three or four other issues. I just wanted to thank him for his work, his tremendous work, his dedication, his passion, his independent but dedicated thinking where he listened to everybody and to his staff who have been tremendous on this particular bill, a very difficult bill, the pensions bill.

So on behalf of all of us, we thank Chairman ENZI.

Mr. ENZI. I thank the Senator.

Mr. GRASSLEY. Mr. President, after great effort by many people, the Senate has voted to agree to H.R. 4, the Pension Protection Act of 2006.

Credit must go to the dedicated members of my staff, who spent many hours over many months working on the issues that ultimately led to this bill. Kolan Davis, Mark Prater, John O'Neill, Dean Zerbe, Elizabeth Paris, Chris Javens, Cathy Barre, Anne Freeman, Elizabeth Goff, and Nick Wyatt showed great dedication to the tasks before them.

As is usually the case, the cooperation of Senator BAUCUS and his staff was extremely valuable. I particularly want to thank Russ Sullivan, Patrick Heck, Bill Dauster, Judy Miller, Stuart Sirkin, Jon Selib, Melissa Mueller, Rebecca Baxter and Ryan Abraham.

I want to show my appreciation towards HELP Committee Chairman ENZI's staff, including Katherine McGuire, Greg Dean, Diann Howland and David Thompson. I want to thank Portia Wu and Holly Fechner along with the rest of HELP Committee Ranking Member KENNEDY's staff. I also want to thank the staff of Finance Committee member conferees on the pension bill. They include Evan Liddiard, Brendan Dunn, Manny Rossman, Wes Coulam, Jennifer Perkins, Jen Vesey, Amy Barber, Steve Bailey, and James Dennis.

I also want to mention Thomas Barthold, the acting chief of staff of the Joint Committee on Taxation and his staff. The efforts of Carolyn Smith, Patricia McDermott, and Nicole Flax were invaluable. Roger Colinvaux, Gordon Clay, and Ron Schultz provided great assistance with the charitable provisions that are in the bill. I also want to thank Theresa Pattara, who worked on my staff as a legislative fellow, for her work on the charitable provisions.

Finally, I want to show my appreciation to the staff of Senate Legislative Counsel, including Jim Fransen, Mark Mathiesen, Stacey Kern, and Mark McGunagle.

Mr. President, after great effort by many people, the Senate has voted to agree to H.R. 4, the Pension Protection Act of 2006.

Credit must go to the dedicated members of my staff, who spent many hours over many months working on the issues that ultimately led to this bill. Kolan Davis, Mark Prater, John O'Neill, Dean Zerbe, Elizabeth Paris, Chris Javens, Cathy Barre, Anne Freeman, Elizabeth Goff, and Nick Wyatt showed great dedication to the tasks before them.

As is usually the case, the cooperation of Senator BAUCUS and his staff was extremely valuable. I particularly want to thank Russ Sullivan, Patrick Heck, Bill Dauster, Judy Miller, Stuart Sirkin, Jon Selib, Melissa Mueller, Rebecca Baxter and Ryan Abraham.

I want to show my appreciation towards HELP Committee Chairman ENZI's staff, including Katherine McGuire, Greg Dean, Diann Howland and David Thompson. I want to thank Portia Wu and Holly Fechner along with the rest of HELP Committee Ranking Member KENNEDY's staff. I also want to thank the staff of Finance Committee Member conferees on the pension bill. They include Evan Liddiard, Brendan Dunn, Manny Rossman, Wes Coulam, Jennifer Perkins, Jen Vesey, Amy Barber, Steve Bailey, and James Dennis.

I also want to mention Thomas Barthold, the acting Chief of Staff of the Joint Committee on Taxation and his staff. The efforts of Carolyn Smith, Patricia McDermott, and Nicole Flax were invaluable. Roger Colinvaux [CallIn-Vo], Gordon Clay, and Ron Schultz provided great assistance with the charitable provisions that are in the bill. I also want to thank Theresa

Pattara, who worked on my staff as a legislative fellow, for her work on the charitable provisions.

Finally, I want to show my appreciation to the staff of Senate Legislative Counsel, including Jim Fransen, Mark Mathiesen, Stacey Kern, and Mark McGunagle.

I yield the floor.

COMBATING AUTISM ACT OF 2005

Mr. SANTORUM. Mr. President, I understand the paper is in the process of being delivered to the desk on S. 843, so while that is happening, let me just make some remarks about the legislation.

The legislation that I am calling up on behalf of myself and Senator DODD and the two leaders who have been outstanding in helping us bring this bill to the floor tonight is the Combating Autism Act. I know Senator ENZI was just speaking, but I want to thank Senator ENZI and Senator KENNEDY also and the entire HELP Committee. If you want to talk about a team effort, this has been a tremendous team effort, starting initially with Senator DODD and myself and our staffs who have just done an outstanding job.

I thank particularly on my staff Jen Vessey, who has just put in—I won't say hours of time but days of time, in working together along with Senator DODD's staff and then subsequently the entire committee staff; in particular, Senators ENZI and KENNEDY'S staff, as well as, as we brought this to the process, Senator FRIST and Senator REID.

This team was committed to getting this bill done and passed before the August break. We had many bumps along the way, but tonight, with a minor change in the bill, we are going to see this piece of legislation pass and pass by unanimous consent.

I am very excited about all of the work that has been put in by the entire autism community. I think, as Senator DODD will attest, there are very many arms of the autistic community, a lot of groups who have a very wide variety of people with respect to how to deal with Federal legislation regarding autism. But we were able to sit down and work together over months of time.

I thank some people in particular who have worked outside of the Congress, outside of the Halls of Congress: Bob and Suzanne Wright deserve special recognition as grandparents of an autistic child for their tremendous effort in pulling together these outside groups, along with Deirdre Imus, who, again, devoted an extraordinary amount of time and energy in bringing all of these disparate groups in the autism community across the country together to work toward a common goal, and that is to authorize an autism coordinator, authorize work and research to be done at NIH that looks into all of the issues regarding autism, including the causes of autism, how to best screen for autism, how to best diagnose autism, and how to best treat autism.

It is one of the few disorders that I am aware of that is so prevalent in America, and we have very few good answers on any one of those issues. It creates enormous amounts of frustration for parents and relatives and friends of children with autism that we just seem to have no answers, and we see an ever-increasing population of autistic children with fewer and fewer answers on how to diagnose, screen, test, and treat these young children.

So tonight is a real landmark. It is a step forward for a community that has been seeking someone to listen to them in Washington. It has been a real honor to work with Senator DODD. He has just been terrific, including tonight, when we ran into a bump and he was able to smooth that bump. We had one on our side. After lots of discussion, and thanks to the leader and his work here, we were able to deal with that, and now we are in a situation where we can move forward and pass this important piece of legislation. I believe the paper work is now ready.

Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 578, S. 843.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 843) to amend the Public Health Service Act to combat autism through research, screening, intervention and education.

There being no objection, the Senate proceeded to consider the bill which was reported from the Committee on Health, Education, Labor and Pensions with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Combating Autism Act of 2006".

SEC. 2. ACTIVITIES TO IMPROVE AUTISM-RELATED RESEARCH.

Section 409C of the Public Health Service Act (42 U.S.C. 284g) is amended to read as follows:

"SEC. 409C. AUTHORITY OF THE DIRECTOR OF THE NATIONAL INSTITUTES OF HEALTH RELATING TO AUTISM.

"(a) STRATEGIC PLAN FOR AUTISM RESEARCH.—

"(1) IN GENERAL.—The Secretary, acting through the Director, shall develop and implement a strategic plan for the conduct and support of research related to autism spectrum disorder.

"(2) REQUIREMENTS.—The strategic plan developed under paragraph (1)—

"(A) shall—

"(i) be updated annually;

"(ii) take into account the research recommendations of the Interagency Autism Coordinating Committee under section 399CC; and

"(iii) using professional judgment, outline the proposed budgetary requirements of the strategic plan, including specific funding expectations for continued multi-year program activities, as well as new and complementary program activities, subject to the availability of appropriations; and

"(B) may include investigator-initiated research.

"(3) REPORT.—Not later than April 1, 2008, and annually thereafter, the Secretary, acting through the Director, shall prepare and submit to the appropriate committees of Congress a report that contains—

"(A) the strategic plan under paragraph (1) that will be applicable to the upcoming fiscal year; and

"(B) a description of the actual dollar expenditures for autism spectrum disorder during the previous fiscal year.

"(b) EXPANSION, INTENSIFICATION, AND COORDINATION OF ACTIVITIES.—The Secretary, acting through the Director, shall, subject to the availability of appropriations, expand, intensify, and coordinate the activities of the National Institutes of Health with respect to autism spectrum disorder.

"(c) CENTERS OF EXCELLENCE.—

"(1) AUTISM CENTERS OF EXCELLENCE.—

"(A) IN GENERAL.—The Secretary, acting through the Director, shall, subject to the availability of appropriations, award grants or contracts to public or nonprofit private entities to assist such entities in paying all or part of the costs of planning, establishing, improving, and providing basic operating support for centers of excellence concerning research on autism spectrum disorder.

"(B) RESEARCH ACTIVITIES.—A center of excellence that receives funding under this paragraph shall conduct basic and clinical research into autism spectrum disorder. Such research shall—

"(i) be conducted in the fields of developmental neurobiology, genetics, epigenetics, pharmacology, nutrition, immunology, neuroimmunology, neurobehavioral development, endocrinology, gastroenterology, psychopharmacology, or toxicology; and

"(ii) include investigations into the causation, diagnosis or rule out, early detection, prevention, services, supports, or intervention of autism spectrum disorder.

"(C) SERVICES.—

"(i) IN GENERAL.—A center of excellence that receives funding under this paragraph may expend amounts provided under a grant or contract under such paragraph to carry out a program to make individuals aware of opportunities to participate as subjects in research conducted by the center.

"(ii) REFERRALS AND COSTS.—A program carried out under clause (i) may, in accordance with such criteria as the Director may establish, provide to the subjects described in such clause, referrals for health and other services and reimbursement of care for individuals as are required for such research.

"(iii) AVAILABILITY AND ACCESS.—The extent to which a center of excellence that receives funding under this paragraph can demonstrate the availability of and access to clinical services shall be considered by the Director in making decisions concerning the awarding of grants or contracts to applicants that meet the scientific criteria for funding under this section.

"(D) COORDINATION OF CENTERS OF EXCELLENCE.—The Director shall provide for the appropriate coordination of information among centers of excellence that receive funding under this paragraph and ensure regular communication between such centers.

"(E) ORGANIZATION.—A center of excellence that receives funding under this paragraph shall use the facilities of a single institution, or be formed through a consortium of cooperating institutions, that meets such requirements as may be required by the Director.

"(F) DURATION.—The term of a grant or contract awarded under this paragraph shall not

exceed a period of 5 years. Such period may be extended for 1 or more additional periods not exceeding 5 years if the operations of the center of excellence involved have been reviewed by an appropriate technical and scientific peer review group established by the Director and the group has recommended to the Director the extension of such period.

"(G) GEOGRAPHIC DIVERSITY.—The Director shall consider geographic diversity in awarding centers of excellence.

"(2) CENTERS OF EXCELLENCE IN ENVIRONMENTAL HEALTH AND AUTISM.—

"(A) IN GENERAL.—The Director shall, subject to the availability of appropriations, award grants or contracts to public or nonprofit private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for centers of excellence regarding environmental health and autism spectrum disorder.

"(B) RESEARCH.—A center of excellence established under this paragraph shall conduct basic and clinical research of a broad array of environmental factors that may have a possible role in autism spectrum disorder.

"(C) COORDINATION AND ORGANIZATION.—The Secretary, acting through the Director of NIH, shall apply to the centers under this paragraph the same requirements concerning coordination, reporting, and organization as the requirements applied to the centers of excellence under subparagraphs (D), (E), (F), and (G) of paragraph (1).

"(d) COLLECTION AND STORAGE OF DATA.—

"(1) IN GENERAL.—The Secretary, acting through the Director and in coordination with the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, establish and provide funding for mechanisms and entities that provide for the collection, storage, coordination, and public availability of data that is collected by the centers of excellence under this section, under section 399AA(b), and under section 409C(c) and, to the extent possible, data generated from public and private research partnerships. In establishing such mechanisms and entities, the Secretary—

"(A) shall ensure that there is data sharing among autism spectrum disorder researchers; and

"(B) may utilize existing facilities.

"(2) FACILITATION OF RESEARCH.—

"(A) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program under which samples of tissues and genetic and other biological materials that are of use in research on autism spectrum disorder are donated, collected, preserved, and made available for such research.

"(B) ACCEPTED SCIENTIFIC STANDARDS.—The program established under paragraph (1) shall be—

"(i) carried out in accordance with accepted scientific and medical standards for the donation, collection, and preservation of such samples; and

"(ii) conducted so that the tissues and other materials saved, as well as any database compiled from such tissues and materials, are available to researchers at a reasonable cost and on an expedited basis.

"(e) CONSOLIDATION.—The Secretary, acting through the Director, may consolidate program activities under this section if such consolidation would improve program efficiencies and outcomes.

"(f) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There is authorized to be appropriated—

"(A) $68,000,000 for fiscal year 2007, $82,000,000 for fiscal year 2008, $96,000,000 for fiscal year 2009, $120,000,000 for fiscal year 2010, and $134,000,000 for fiscal year 2011, to carry out subsections (a), (b), and (d);

"(B) $26,000,000 for fiscal year 2007, $32,500,000 for fiscal year 2008, $39,000,000 for fiscal year 2009, $45,500,000 for fiscal year 2010, and $52,000,000 for fiscal year 2011, to carry out subsection (c)(1); and

"(C) $6,000,000 for fiscal year 2007, $7,500,000 for fiscal year 2008, $9,000,000 for fiscal year 2009, $10,500,000 for fiscal year 2010, and $12,000,000 for fiscal year 2011, to carry out subsection (c)(2).

"(2) GENERAL USAGE.—Of the amounts appropriated under subparagraphs (B) and (C) of paragraph (1), not to exceed 5 percent of such amounts may be utilized by the National Institutes of Health for administrative and other expenses.

"(g) SUNSET.—This section shall not apply after September 30, 2011.".

SEC. 3. DEVELOPMENTAL DISABILITIES SURVEILLANCE AND RESEARCH PROGRAM.

(a) IN GENERAL.—Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

"PART R—PROGRAMS RELATING TO AUTISM

"SEC. 399AA. DEVELOPMENTAL DISABILITIES SURVEILLANCE AND RESEARCH PROGRAM.

"(a) AUTISM SPECTRUM DISORDER AND OTHER DEVELOPMENTAL DISABILITIES.—

"(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants or cooperative agreements to eligible entities for the collection, analysis, and reporting of State epidemiological data on autism spectrum disorder and other developmental disabilities. An eligible entity shall assist with the development and coordination of State autism spectrum disorder and other developmental disability surveillance efforts within a region. In making such awards, the Secretary may provide direct technical assistance in lieu of cash.

"(2) DATA STANDARDS.—In submitting epidemiological data to the Secretary pursuant to subsection (a), an eligible entity shall report data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State and local public health officials, private sector developmental disability researchers, and advocates for individuals with autism spectrum disorder or other developmental disabilities.

"(3) ELIGIBILITY.—To be eligible to receive an award under paragraph (1), an entity shall be a public or nonprofit private entity (including a health department of a State or a political subdivision of a State, a university, or any other educational institution), and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

"(b) CENTERS OF EXCELLENCE IN AUTISM SPECTRUM DISORDER EPIDEMIOLOGY.—

"(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, award grants or cooperative agreements for the establishment of regional centers of excellence in autism spectrum disorder and other developmental disabilities epidemiology for the purpose of collecting and analyzing information on the number, incidence, correlates and causes of autism spectrum disorder and other developmental disabilities.

"(2) REQUIREMENTS.—To be eligible to receive a grant or cooperative agreement under paragraph (1), an entity shall submit to the Secretary an application containing such agreements and information as the Secretary may require, including an agreement that the center to be established under the grant or cooperative agreement shall operate in accordance with the following:

"(A) The center will collect, analyze, and report autism spectrum disorder and other developmental disability data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State and local public health officials, private sector developmental disability researchers, and advocates for individuals with developmental disabilities.

"(B) The center will develop or extend an area of special research expertise (including genetics, epigenetics, epidemiological research related to environmental exposures), immunology, and other relevant research specialty areas.

"(C) The center will identify eligible cases and controls through its surveillance system and conduct research into factors which may cause or increase the risk of autism spectrum disorder and other developmental disabilities.

"(c) FEDERAL RESPONSE.—The Secretary shall coordinate the Federal response to requests for assistance from State health, mental health, and education department officials regarding potential or alleged autism spectrum disorder or developmental disability clusters.

"(d) DEFINITIONS.—In this part:

"(1) OTHER DEVELOPMENTAL DISABILITIES.—The term 'other developmental disabilities' has the meaning given the term 'developmental disability' in section 102(8) of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002(8)).

"(2) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(e) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, $15,000,000 for fiscal year 2007, and such sums as may be necessary for each of fiscal years 2008 through 2011.

"(f) SUNSET.—This section shall not apply after September 30, 2011.

"SEC. 399BB. AUTISM EDUCATION, EARLY DETECTION, AND INTERVENTION .

"(a) PURPOSE.—It is the purpose of this section—

"(1) to increase awareness, reduce barriers to screening and diagnosis, promote evidence-based interventions for individuals with autism spectrum disorder or other developmental disabilities, and train professionals to utilize valid and reliable screening tools to diagnose or rule out and provide evidence-based interventions for children with autism spectrum disorder and other developmental disabilities; and

"(2) to conduct activities under this section with a focus on an interdisciplinary approach (as defined in programs developed under section 501(a)(2) of the Social Security Act) that will also focus on specific issues for children who are not receiving an early diagnosis and subsequent interventions.

"(b) IN GENERAL.—The Secretary shall, subject to the availability of appropriations, establish and evaluate activities to—

"(1) provide information and education on autism spectrum disorder and other developmental disabilities to increase public awareness of developmental milestones;

"(2) promote research into the development and validation of reliable screening tools for autism spectrum disorder and other developmental disabilities and disseminate information regarding those screening tools;

"(3) promote early screening of individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable, given evidence-based screening techniques and interventions;

“(4) increase the number of individuals who are able to confirm or rule out a diagnosis of autism spectrum disorder and other developmental disabilities;

“(5) increase the number of individuals able to provide evidence-based interventions for individuals diagnosed with autism spectrum disorder or other developmental disabilities; and

“(6) promote the use of evidence-based interventions for individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable.

“(c) INFORMATION AND EDUCATION.—

“(1) IN GENERAL.—In carrying out subsection (b)(1), the Secretary, in collaboration with the Secretary of Education and the Secretary of Agriculture, shall, subject to the availability of appropriations, provide culturally competent information regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, and evidence-based interventions to meet the needs of individuals with autism spectrum disorder or other developmental disabilities and their families through—

“(A) Federal programs, including—

“(i) the Head Start program;

“(ii) the Early Start program;

“(iii) the Healthy Start program;

“(iv) programs under the Child Care and Development Block Grant Act of 1990;

“(v) programs under title XIX of the Social Security Act (particularly the Medicaid Early and Periodic Screening, Diagnosis and Treatment Program);

“(vi) the program under title XXI of the Social Security Act (the State Children's Health Insurance Program);

“(vii) the program under title V of the Social Security Act (Maternal and Child Health Block Grant Program);

“(viii) the program under parts B and C of the Individuals with Disabilities Education Act;

“(ix) the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786); and

“(x) the State grant program under the Rehabilitation Act of 1973.

“(B) State licensed child care facilities; and

“(C) other community-based organizations or points of entry for individuals with autism spectrum disorder and other developmental disabilities to receive services.

“(2) LEAD AGENCY.—

“(A) DESIGNATION.—The governor of a State shall designate a public agency as a lead agency to coordinate the activities provided for under paragraph (1) in the State at the State level.

“(B) INFORMATION.—The Governor or a State, acting through the lead agency under subparagraph (A), shall make available to individuals and their family members, guardians, advocates, or authorized representatives, providers, and other appropriate individuals in the State, comprehensive culturally competent information about State and local resources regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, available services and supports, and evidence-based interventions. Such information shall be provided through—

“(i) toll-free telephone numbers;

“(ii) Internet websites;

“(iii) mailings; or

“(iv) other means as the Governor may require.

“(C) REQUIREMENTS OF AGENCY.—In designating the lead agency under subparagraph (A), the Governor shall—

“(i) select an agency that has demonstrated experience and expertise in—

“(I) autism spectrum disorder and other developmental disability issues; and

“(II) developing, implementing, conducting, and administering programs and delivering education, information, and referral services (including technology-based curriculum-development services) to individuals with developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals locally and across the State; and

“(ii) consider input from individuals with developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals.

“(d) TOOLS.—

“(1) IN GENERAL.—To promote the use of valid and reliable screening tools for autism spectrum disorder and other developmental disabilities, the Secretary shall develop a curriculum for continuing education to assist individuals in recognizing the need for valid and reliable screening tools and the use of such tools.

“(2) COLLECTION, STORAGE, COORDINATION, AND AVAILABILITY.—The Secretary, in collaboration with the Secretary of Education, shall provide for the collection, storage, coordination, and public availability of tools described in paragraph (1), educational materials and other products that are used by the Federal programs referred to in subsection (c)(1)(A), as well as—

“(A) programs authorized under the Developmental Disabilities Assistance and Bill of Rights Act of 2000;

“(B) early intervention programs or interagency coordinating council's authorized under part C of the Individuals with Disabilities Education Act; and

“(C) children with special health care needs programs authorized under title V of the Social Security Act.

“(3) REQUIRED SHARING.—In establishing mechanisms and entities under this subsection, the Secretary, and the Secretary of Education, shall ensure the sharing of tools, materials, and products developed under this subsection among entities receiving funding under this section.

“(e) DIAGNOSIS.—

“(1) TRAINING.—The Secretary, in coordination with activities conducted under title V of the Social Security Act, shall, subject to the availability of appropriations, expand existing interdisciplinary training opportunities or opportunities to increase the number of sites able to diagnose or rule out individuals with autism spectrum disorder or other developmental disabilities and ensure that—

“(A) competitive grants or cooperative agreements are awarded to public or non-profit agencies, including institutions of higher education, to expanding existing or develop new maternal and child health interdisciplinary leadership education in neurodevelopmental and related disabilities programs (similar to the programs developed under section 501(a)(2) of the Social Security Act) in States that do not have such a program;

“(B) trainees under such training programs—

“(i) receive an appropriate balance of academic, clinical, and community opportunities;

“(ii) are culturally competent;

“(iii) are ethnically diverse;

“(iv) demonstrate a capacity to evaluate, diagnose or rule out, develop, and provide evidence-based interventions to individuals with autism spectrum disorder and other developmental disabilities; and

“(v) demonstrate an ability to use a family-centered approach; and

“(C) program sites provide culturally competent services.

“(2) TECHNICAL ASSISTANCE.—The Secretary may award one or more grants under this section to provide technical assistance to the network of interdisciplinary training programs.

“(3) BEST PRACTICES.—The Secretary shall promote research into additional valid and reliable tools for shortening the time required to confirm or rule out a diagnosis of autism spectrum disorder or other developmental disabilities and detecting individuals with autism spectrum disorder or other developmental disabilities at an earlier age.

“(f) INTERVENTION.—The Secretary shall promote research, through grants or contracts, to determine the evidence-based practices for interventions for individuals with autism spectrum disorder or other developmental disabilities, develop guidelines for those interventions, and disseminate information related to such research and guidelines.

“(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, $32,000,000 for fiscal year 2007, $37,000,000 for fiscal year 2008, $42,000,000 for fiscal year 2009, $47,000,000 for fiscal year 2010, and $52,000,000 for fiscal year 2011, of which—

“(1) $5,000,000 shall be made available in each fiscal year for activities described in subsection (c); and

“(2) $3,000,000 shall be made available in fiscal year 2007, $6,000,000 in fiscal year 2008, $9,000,000 in fiscal year 2009, $12,000,000 in fiscal year 2010, and $15,000,000 in fiscal year 2011, for activities described in subsection (f).

“(h) SUNSET.—This section shall not apply after September 30, 2011.

“SEC. 399CC. INTERAGENCY AUTISM COORDINATING COMMITTEE.

“(a) ESTABLISHMENT.—The Secretary shall establish a committee, to be known as the ‘Interagency Autism Coordinating Committee’ (in this section referred to as the ‘Committee’), to coordinate all efforts within the Department of Health and Human Services concerning autism spectrum disorder.

“(b) RESPONSIBILITIES.—In carrying out its duties under this section, the Committee shall—

“(1) make recommendations concerning the strategic plan described in section 409C(a);

“(2) develop and annually update advances in autism spectrum disorder research related to causes, early screening, diagnosis or rule out, intervention, and access to services and supports for individuals with autism spectrum disorder; and

“(3) make recommendations to the Secretary regarding the public participation in decisions relating to autism spectrum disorder.

“(c) MEMBERSHIP.—

“(1) IN GENERAL.—The Committee shall be composed of—

“(A) the Director of the Centers for Disease Control and Prevention;

“(B) the Director of the National Institutes of Health, and the Directors of such national research institutes of the National Institutes of Health as the Secretary determines appropriate;

“(C) the heads of such other agencies as the Secretary determines appropriate;

“(D) representatives of other Federal Governmental agencies that serve individuals with autism spectrum disorder such as the Department of Education; and

“(E) the additional members appointed under paragraph (2).

“(2) ADDITIONAL MEMBERS.—Not fewer than 6 members of the Committee, or 1/3 of the total membership of the Committee, whichever is greater, shall be composed of non-federal public members to be appointed by the Secretary, of which—

“(A) at least one such member shall be an individual with a diagnosis of autism spectrum disorder;

“(B) at least one such member shall be a parent or legal guardian of an individual with an autism spectrum disorder; and

“(C) at least one such member shall be a representative of leading research, advocacy, and

service organizations for individuals with autism spectrum disorder.

"(d) ADMINISTRATIVE SUPPORT; TERMS OF SERVICE; OTHER PROVISIONS.—The following provisions shall apply with respect to the Committee:

"(1) The Committee shall receive necessary and appropriate administrative support from the Secretary.

"(2) Members of the Committee appointed under subsection (c)(2) shall serve for a term of 4 years, and may be reappointed for one or more additional 4 year term. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office.

"(3) The Committee shall meet at the call of the chairperson or upon the request of the Secretary. The Committee shall meet not fewer than 2 times each year.

"(4) All meetings of the Committee shall be public and shall include appropriate time periods for questions and presentations by the public.

"(e) COMPENSATION AND EXPENSES.—Members of the Committee who are officers or employees of the Federal Government shall serve as members of the Committee without compensation in addition to that received in their regular government employment. Other members of the Committee shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including travel time) they are engaged in the performance of their duties as members of the Committee.

"(f) SUBCOMMITTEES; ESTABLISHMENT AND MEMBERSHIP.—In carrying out its functions, the Committee may establish subcommittees and convene workshops and conferences. Such subcommittees shall be composed of Committee members and may hold such meetings as are necessary to enable the subcommittees to carry out their duties.

"(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, such sums as may be necessary for each of fiscal years 2007 through 2011.

"(h) SUNSET.—This section shall not apply after September 30, 2011 and the Committee shall be terminated on such date.

"SEC. 399DD. REPORT TO CONGRESS.

"(a) IN GENERAL.—Not later than 4 years after the date of enactment of the Combating Autism Act of 2006, the Secretary, in coordination with the Secretary of Education, shall prepare and submit to the Health, Education, Labor, and Pensions Committee of the Senate and the Energy and Commerce Committee of the House of Representatives a progress report on activities related to autism spectrum disorder and other developmental disabilities.

"(b) CONTENTS.—The report submitted under subsection (a) shall contain—

"(1) a description of the progress made in implementing the provisions of the Combating Autism Act of 2006;

"(2) a description of the amounts expended on the implementation of the particular provisions of Combating Autism Act of 2006;

"(3) information on the incidence of autism spectrum disorder and trend data of such incidence since the date of enactment of the Combating Autism Act of 2006;

"(4) information on the average age of diagnosis for children with autism spectrum disorder and other disabilities, including how that age may have changed over the 4-year period beginning on the date of enactment of this Act;

"(5) information on the average age for intervention for individuals diagnosed with autism spectrum disorder and other developmental disabilities, including how that age may have changed over the 4-year period beginning on the date of enactment of this Act;

"(6) information on the average time between initial screening and then diagnosis or rule out for individuals with autism spectrum disorder or other developmental disabilities, as well as information on the average time between diagnosis and evidence-based intervention for individuals with autism spectrum disorder or other developmental disabilities;

"(7) information on the effectiveness and outcomes of interventions for individuals diagnosed with autism spectrum disorder, including by various subtypes, and other developmental disabilities and how the age of the child may affect such effectiveness;

"(8) information on the effectiveness and outcomes of innovative and newly developed intervention strategies for individuals with autism spectrum disorder or other developmental disabilities; and

"(9) information on services and supports provided to individuals with autism spectrum disorder and other developmental disabilities who have reached the age of majority (as defined for purposes of section 615(m) of the Individuals with Disabilities Education Act (20 U.S.C. 1415(m)).".

(b) REPEALS.—The following sections of the Children's Health Act of 2000 (Public Law 106–310) are repealed:

(1) Section 101 (42 U.S.C. 247b–4a) relating to research activities at the National Institutes of Health.

(2) Section 102 (42 U.S.C. 247b–4b) relating to the Developmental Disabilities Surveillance and Research Program.

(3) Section 103 (42 U.S.C. 247b–4c) relating to information and education.

(4) Section 104 (42 U.S.C. 247b–4d) relating to the Inter-Agency Autism Coordinating Committee.

(5) Section 105 (42 U.S.C. 247b–4e) relating to reports.

Mr. SANTORUM. Mr. President, before I offer the amendment, if Senator DODD would like to take a few minutes to speak.

Mr. DODD. Mr. President, I will be very brief. The majority leader is here, and my friend from Pennsylvania has very adequately—more than adequately—described the history of this legislation. It has been a journey of some time here to bring this legislation to the point we are this evening, to the final adoption unanimously by this body. I am very grateful, as well, to the chairman of our committee, MIKE ENZI, who has been tremendously helpful, along with Senator KENNEDY and other members of the committee who voted unanimously to report this bill out on a bipartisan basis.

As the Senator from Pennsylvania has pointed out, the majority leader and minority leader have been tremendously helpful, along with the majority and minority leader staffs who have helped us on the Senate floor work through some final little knots on this bill that had to be worked out before we could bring this bill to the consideration of the full body.

There are some very special people who worked very hard. The autism community is a large community. It is a diverse one. There are many points of view that have been represented by various people. It has been critically important that there has been an effort to come together. They have done that in part because of the leadership of Bob and Suzanne Wright, who played a very instrumental role, who are grandparents of an autistic child and who work tirelessly with the organization they helped found, Autism Speaks. Senator SANTORUM also mentioned Deirdre Imus, a constituent of mine in Connecticut, who is tenacious in her commitment to issues she gets involved in and has certainly been tenacious on this one. If there were one individual outside of the Members and staff of this body who worked so hard on this, she probably deserves it more than anyone for keeping the flame burning on this effort on behalf on the autism community.

Mr. President, 1 out of every 166 children in this country are born with autism spectrum disorder. It is a growing problem, Mr. President. The problem has increased in my own State of Connecticut by close to 1,100 percent since 1993. We don't know exactly what causes this. But this bill will allow us to examine all questions—and I mean every question—arising of what may be provoking this rapid increase in autism. Clearly, our diagnosis, diagnostic efforts, are better today. But that doesn't explain to most of us why the dramatic increases have occurred.

So we believe there may be other reasons out there that deserve full examination and exploration. Certainly, looking at ways to treat this issue is also critically important, how to support these families who have an autistic child. There is a tremendous amount of pressure on families who are confronted with this issue. They handle it very well, and many of these families will tell you that while one may look at it from afar as a disability, in many cases you will be amazed how many view it as somehow a blessing in a way. I know that sounds strange to many of my colleagues to hear this, but for families with autistic children, it is difficult, but it is impressive to see how well they handle this. It is inspirational to watch how many families deal with this issue.

So tonight is a special night. It is late. We have major bills we have just passed on pension reform, and we are not suggesting this bill is more important than that bill in significance, but I want to tell you something. To an awful lot of families out there tonight who don't know anything about this late hour or what has happened here earlier, we are making a difference in their lives, and we may make a huge difference down the road in the lives of future children and families because we may get to the cause of this and make a difference in trying to stem the reach of autism spectrum disorder.

So I am deeply proud we have been involved. We hope we can get, of course, this bill signed into law fairly quickly. But, again, I thank my colleagues. I thank, particularly, Senator SANTORUM, who has been terrific on this issue and who has been a chief sponsor with me, along with the other Members whom I have mentioned.

In conclusion, hundreds of thousands of families across America struggle each and every day with autism spectrum disorder, ASD, one of the fastest-growing developmental disabilities in the United States. While we used to think of ASD as relatively rare, today it is diagnosed at a rate that is 10 times that of a decade ago. In my home State of Connecticut, we have witnessed an increase in diagnoses of ASD of close to 1,100 percent since 1993. What these numbers tell us is that ASD diagnoses are rising at truly alarming rates and we simply must provide more answers to all those affected by this devastating condition. As a nation, we need to support the families that are struggling to raise a child with ASD.

There are many theories as to why the prevalence of ASD has increased. Some have suggested that it is a reflection of better diagnostic tools and measures. Other theories focus on genetic or environmental factors. But the fact is that when it comes to autism spectrum disorder we just don't know for certain what causes it, we don't know exactly how to diagnose it, and we don't know how best to intervene so that individuals with ASD can achieve their highest potential. It is absolutely vital that we do more for families struggling with this disorder, which is why the Combating Autism Act is so important.

ASD affects as many as 6 out of every 1,000 children, and the economic cost to this country due to autism spectrum disorder is staggering. Healthcare for individuals with ASD over their lifetimes costs an estimated $35 billion per year. Schooling alone can cost as much as $100,000 each year. By 2015, the annual cost of care will be about $300 billion, but we know that this figure can be cut in half with early diagnosis, services, and intervention. As many as 40 percent of new ASD cases are identified in our schools each year, and a child is likely to be nearing his or her 10th birthday before a diagnosis is made. This means that interventions and services that could help these children achieve their full potential are not made available to them during the critical period of early development when interventions are most successful and cost-effective. As a country, we need to do a better job of diagnosing children before they start school. That means training pediatricians, early childhood educators, and day care providers to recognize the early indicators of ASD so that at-risk children are referred to specialists for diagnosis and services as early as practicable.

The Combating Autism Act will promote early detection, early evidence-based interventions, and services for individuals with ASD. It also significantly increases our investment in the National Institutes of Health for autism-related research. This legislation will also reauthorize the epidemiologic surveillance programs at the Centers for Disease Control and Prevention. Most importantly, this legislation will mean answers for the families that have been so deeply affected by ASD. For that reason, more than any other, I am grateful that the Senate is voting to pass the Combating Autism Act today.

I want to thank my colleagues, Senator SANTORUM, Senator ENZI, Senator KENNEDY, and their staffs for their extraordinary hard work on this bill. I also wish to offer my sincere thanks and appreciation to all of the individuals who are personally affected by autism spectrum disorder—and the many advocacy groups who represent them—for their continued dedication and passionate commitment to this legislation. Without their commitment, we would not be here today on the verge of Senate passage of this critical legislation that will greatly advance our Nation's efforts to address the many issues surrounding autism spectrum disorder and to serve those per * * *

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, before we move to pass this bill, I, too, want to add my commendation, my thanks, my appreciation, my gratitude to Senator SANTORUM and Senator DODD. I have had the opportunity to work almost daily with Senator SANTORUM on this particular issue and because of his focus and his dedication and hard work, indeed, at 11:15 tonight, we do have a reason to celebrate—celebrate not just for the bill itself but because it is a major step forward for the hundreds and thousands of families across this Nation who are exposed to, are touched by, who celebrate autism, and that this bill itself recognizes we have a long way to go.

It was a year ago that I asked the Government Accountability Office to look at and evaluate our country's efforts to combat autism and to look at the challenges that we have before us. It was 6 years ago that Senator KENNEDY and I cosponsored a bill, the Children's Health Act of 2000. The report was released today, the General Accounting Office report. It states that while Federal funding coordination and research have increased since the Children's Health Act of 2000, there is a significant need for more coordination, for expanded research, for better strategies for education, and indeed for more health care professionals to serve the autism community.

If you wrap all of that up, there is a need for better research, diagnosis, and treatment. And there is a need for a cure.

On the Senate floor we will talk about that need, but it is parents like Brian and Tracy Noll who feel it every day. Brian and Tracy are parents, actually Pennsylvanian parents—referring to my distinguished colleague, the sponsor of this bill—of a 7-year-old son with autism. As an infant, their son Tyler exhibited—this is the usual course—all the normal signs of a healthy baby, a happy baby. But at 18 months Brian started to notice that Tyler would no longer look him in the eye.

Again, as is the custom, after repeated visits to doctors, repeated visits, there was a lot of mystery initially. He was ultimately diagnosed with autism at the age of 3. Today Tyler struggles with communication and coordination, his language and sensory skills are limited. He knows, yes, that he is different from other children, but he really can't understand why. Brian and Tracy see their fun-loving son whose smile lights up the room and they hope for new treatments that will help him lead a normal and productive life. They hope researchers will help cure autism, and, yes, they hope someday we will understand why. Because of the tremendous work of Senators SANTORUM and DODD, under the chairmanship of Chairman ENZI and Chairman KENNEDY—who I mentioned back from our work together in 2006—we are on the way to that becoming a reality.

It is one of the least understood developmental disorders of our time. The difficulties with communication skills and social skills are well known. But no case is the same. Every case is a little bit different. It covers, as its name suggests, a spectrum of behaviors. Approximately 40 percent of children with autism do not talk. Others will learn to talk but later stop speaking altogether. Some read at an advanced pace. Some have unique athletic abilities. Some will exhibit excellent fine motor skills but will have a great deal of difficulty with the more simple tasks before them.

I think back to 30 years ago when I graduated from medical school: Autism was little talked about as a disorder. But over the next three decades we have watched its incidence steadily grow. That is why, as I mentioned, in the year 2000, Senator KENNEDY and I were compelled to introduce that Children's Health Care Act. The intent was for America to better understand and treat and one day prevent a disorder that had for so long eluded the scientific community as well as the medical and clinical community.

As the GAO report released today highlights, coordination of Federal autism activities in NIH research has increased. Indeed, NIH funding has doubled between 2000 and today. Yet, for as many strides as we made in the last 5 years, one fact remains: There is no cure. We shed more light on autism, but we are still at the very dawn of understanding the disorder and its origins.

As a physician I have witnessed firsthand the power of research—if we invest, if we set up a framework for the appropriate research. And with reason, I harbor hope for a day when autism has a cure.

But that day depends on this body making a commitment.

We have laid a foundation. But today we have an opportunity to build on it by passing the Combating Autism Act, which not only reauthorizes The Children's Health Act of 2000—it addresses the specific challenges laid out in the GAO report. The GAO report highlights that we need greater coordination of Federal autism activities, and this bill ensures it. The report states that surveillance of autism can be improved through better coordination—and this bill ensures it. The report identifies the need for more health care professionals who are trained to interact with autism patients—and this bill ensures it. The report makes clear that because there is no cure and no known cause, research must be continued, and it must be expanded. And this bill ensures it.

For the parents of children with autism, there is so little certainty. There is no guarantee when they wake up in the morning that it will be a good day for their child. There is no guarantee that their child will learn to talk or to read or interact with his peers. And there is no certainty what the future holds for that child who will one day be an adult.

Today is an opportunity to provide those parents with what little certainty we can.

Today is the opportunity to assure them that we are continuing to push forward for better treatment, for more research, for a greater understanding, and one day, perhaps a cure.

I thank my colleagues Senators SANTORUM and DODD for sponsoring this legislation.

And I am pleased we have passed this important bill.

What we are about to do is a great victory for this body, for the country, and indeed for the parents of children with autism. I am pleased in a few moments we will pass this very important deal.

Both of my colleagues have previously mentioned their relationship with others who have autism. Again, Bob and Susan Wright have been tremendous leaders in their communities, across the country, and indeed globally in fighting autism. A good friend, Phil Geier, who they know very well, a close friend of mine, has been instrumental in shedding that communication, that light on this entity. We can all celebrate today that, because of all their hard work and the leadership of Chairman ENZI, we will be passing that bill shortly.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I salute the source of this effort for their hard work, Senator SANTORUM, Senator DODD, and many others, and ask unanimous consent my name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming.

Mr. ENZI. Mr. President, I want to take a moment to add my congratulations to the people who have had a key role in doing this bill. First of all, I want to recognize the leader, who always inspires us on a lot of these issues and then provides the time for us to be able to do it as well—not only on this but on the pensions bill. He has to handle a lot of strategy and a lot of different personalities and does just a marvelous job moving the whole body along.

I primarily want to thank Senator DODD and Senator SANTORUM for bringing this to our committee and working it diligently. I also thank them for sending all the different people to see me who had an interest in this bill, who had a number of different likes and wants and needs. They are to be commended for the tremendous effort they put into making sure that some day we have a solution to autism.

It is the most diligent-working bunch of people I think I have ever been associated with. They are also at the very beginning of a process, it seems. We need to expedite that process. This bill will help to get that done.

Senator SANTORUM has just been a real leader on this issue and probably understands it better than anybody that I have worked with and has worked through all the difficulties of the last-minute kinds of changes.

I thank all of you for getting this for America. One of the things this bill does is help people understand autism better. It is relatively unknown. This elevates it. As we continue to do that, we will get solutions. I thank all of you for doing that.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I thank Senator ENZI for just the tremendous commitment that he and Senator KENNEDY made to being patient and working through the months of time it took to bring this bill together.

I know his intention was to move a comprehensive reform of the NIH, and he made an exception for this piece of legislation. Senator DODD and I thank both Senator ENZI and Senator KENNEDY for breaking ranks, making sure we could move this as a separate piece of legislation, apart from the overall reauthorization of NIH.

I want to say to the leader, as Senator ENZI said, we wouldn't be here if it were not for your commitment to get this bill done. I know Senator REID, with whom I spoke just a few minutes ago, said: This is a very important bill to me; this is something I want to see done. We worked through the bumps here right at the end to get that done thanks to you, our two leaders.

Up until the very end this has been a difficult process, but we are here. Having worked on a lot of bills, I have been very blessed in the time that I have been here. I have had my share of legislative successes and bills I have worked on and worked hard on to make a difference. I can't think of any piece of legislation that I will feel better about as I reflect back on what I have accomplished here than what we have done tonight.

People who are dealing with children with autism are a special group of people. Senator DODD laid that out very eloquently. They are a special group of people who are, in many cases, just more determined to be able to solve this enigma that is in their family, this disorder about which they just can't seem to get the answers they need.

I always say when I meet with a group of autistic kids and their parents, the commonality in every one of those meetings is tears. In most cases, we are talking to parents who are very, very stressed out and really sort of at their wits end as to how to grapple with this problem. Tonight, hopefully, we will begin the process of drying those tears and creating hope for a whole group of Americans and their families who deserve better answers than what we are getting from the medical community today.

One final note. I want to say that Senator DODD, I think, referred to Deirdre Imus as the flame that just burned. I say, then her husband is the torch that is burning many places—many parts of our body at times, in getting this legislation through. Don Imus deserves, certainly, his credit for taking this issue on in a very public way and, because of what he does on the radio, increasing public awareness about this disorder and making a contribution to this effort that we are seeing successful tonight. But also the effort improving awareness of this order.

I am happy to yield to Senator DODD.

Mr. DODD. Mr. President, I suspect that Don Imus is so dedicated to raising awareness of this issues because of the work of his wife. That is why he does this, more than anything else. We are delighted to have both of their support and commitment to this important issue.

On my own staff, I wish to thank Jim Fenton, Tamar Magarik, and Elizabeth Hoffman; Jen Vesey with Senator SANTORUM; Shana Christrup and Steve Northrup of Chairman ENZI's staff, and Caya Lewis with Ranking Member KENNEDY's staff.

We have had some wonderful people on all sides work on this, and I am pleased to recognize them and add their names to the RECORD.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I earlier thanked my staff member, Jen Vesey, and I want to reiterate that. I really cannot tell you how much credit she deserves for this legislation and the enormous amount of time she spent in pulling this altogether. As Senator DODD mentioned staff again, I thought it was important for everyone who is working out there in the autism community to understand what a champion you have in Jen Vesey, who is on my staff.

I ask unanimous consent that Senator CHAMBLISS and Senator THUNE be added as cosponsors to the legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I understand there is an amendment at the desk. Let me explain what this amendment does before I ask consent it be adopted and the bill be passed, because I know people are going to hear that this bill passed and passed with an amendment and they are going to wonder what the amendment is and whether this does anything to change the bill.

The amendment is as a result of one of the bumps that we ran into tonight, trying to get this bill passed unanimously. It is not easy to get the Senate to do anything unanimously, particularly anything complex, and this is a very lengthy piece of legislation that has a lot of complexity to it.

We had one issue brought up by a Member with respect to the increase in the amount of authorization for research. That Member thought that number was excessive and was going to object to the consideration of the bill tonight unless we were able to do something about that authorization number. In order to get the legislation adopted—because, again, there would have been objection tonight and that objection would have carried into the fall, and with a very short timeframe the likelihood of that bill being able to pass this fall and be considered by the House and then passed and sent to the President would have been highly unlikely—so I was able to negotiate with this Senator to reduce the level of authorization, the increase, from $100 million in the area of research in the NIH to $200 million—which is what the bill calls for—from $100 million to $150 million. Instead of the research going up $20 million a year for 5 years up to $200 million in the final year, it will go up at $10 million a year to $150 million in the final year. Again, still a sizable increase.

It is a 50 percent increase in funding over 5 years in the authorization. If you look at what we are doing here in the Senate these days, we are not increasing funding for many programs at 50 percent. So it is not all we had hoped, not all we had wanted, but it is better than nothing. Unfortunately, with the late hour of this bill being brought up, nothing was a real alternative and not a pleasant one.

As a result, that is the amendment we will be considering here in a moment. After the amendment is adopted, then the bill will be passed. We will send the bill over to the House and hope that when the House returns in September and is willing to bring up this legislation, pass it as it is, and send it on to the President so we can get moving on finding a cure for the autism spectrum disorder.

Mr. ENZI. Mr. President, I rise today in support of S. 843, the Combating Autism Act. I am pleased to note that the Senate will pass this bill today.

This legislation, which was recently reported out of the Senate Health, Education, Labor, and Pensions Committee, focuses on expanding autism spectrum disorder research and coordination at the National Institutes of Health, NIH. It also increases awareness of autism spectrum disorder and its symptoms through the Centers for Disease Control and Prevention, CDC. Additionally, the bill integrates our various health, education, and disability programs that serve individuals and families affected by autism spectrum disorder and ensures that the community of people affected by this disorder have a voice in all of this.

No one knows exactly how many individuals are affected by autism spectrum disorder, but some studies suggest it could be as high as 1 out of every 166 American individuals.

But there are many things we do know about autism spectrum disorder. We know we need to begin intervention as early as possible to help individuals with autism spectrum disorder reach their full potential. And given the importance of early intervention, we need further research into the possible causes of autism spectrum disorder.

We need to understand more about the various forms of autism spectrum disorder to improve our ability to provide the right kinds of intervention and support. And, we need to provide better integration of the health, education, and disability programs already available to meet the increased demand for these interventions, supports and services.

I believe the "Combating Autism Act" is an important step toward addressing these needs and finding some solutions that will improve the lives of individuals and families whose daily lives have been turned upside down by autism spectrum disorder.

This bill is the result of a tremendous amount of work across party lines. I want to thank the original bill cosponsors, Senators SANTORUM and DODD for introducing this legislation and for working with me to fine-tune it. I would also like to express my deep appreciation and thanks to the ranking member, Senator KENNEDY, for his hard work during this process. Of course, in providing thanks to the members, I would be remiss if I did not mention the staff. Specifically, I want to thank Jen Vesey with Senator SANTORUM; Jim Fenton, Ben Berwick, Tamar Magarik, and Elizabeth Hoffman with Senator DODD, and Caya Lewis with Senator KENNEDY's office, as well as my staff—Steve Northrup, Aaron Bishop, Tec Chapman, Martina Bebin, and Shana Christrup.

I also want to thank the various groups and individuals who work on behalf of individuals and families affected by autism spectrum disorder. I appreciate the way in which this community of advocates has come together to work with me and my colleagues on this. If they had not worked together so well—with each other and with us as our Committee worked on this bill—I doubt we would be here today.

Mr. SANTORUM. Mr. President, first let me express my sincere gratitude to Chairman ENZI and your staff for investing so much time and thoughtful effort in this important legislation, as well as thank Senators DODD and KENNEDY, and their staffs. Few things are more important than the health and happiness of our Nation's children, and the Combating Autism Act will go a long way to helping those diagnosed with autism live up to their full potential. We have a tremendous opportunity to make a real difference in the lives of children with autism and their families. This Federal investment will lead to better understanding of autism, increase awareness, diagnosis and intervention—all things that will make a profound impact on families struggling for answers and hope.

Autism raises complex and emotional issues. All of us who worked so hard on this legislation sought to keep the primary focus of the bill on autism research and awareness. However, in addressing the key issues within S. 843, some have raised concerns regarding a potential link between vaccines, vaccine components, such as thimerosal, and autism. Can the Chairman clarify his position on this issue?

Mr. ENZI. Mr. President, I am happy to do so. In 2004 the Institute of Medicine's Immunization Safety Review Committee concluded that the body of epidemiological evidence "favors rejection of a causal relationship between the MMR vaccine and autism spectrum disorder" and also "favors rejection of a causal relationship between thimerosal-containing vaccines and autism spectrum disorder." The IOM committee also found that "potential biological mechanisms for vaccine-induced autism spectrum disorder that have been generated to date are theoretical only."

However, the IOM committee also acknowledged that "[a]bsent biomarkers, well-defined risk factors, or large effect sizes, the committee cannot rule out, based on the epidemiological evidence, the possibility that vaccines contribute to autism spectrum disorder in some small subset or very unusual circumstances." The IOM committee also noted that "experiments showing effects of thimerosal on biochemical pathways in cell culture systems and showing abnormalities in the immune system or metal metabolism in people with autism spectrum disorder are provocative," and suggested that "the autism spectrum disorder research community should consider the appropriate composition of the autism spectrum disorder research portfolio with some of these new findings in mind."

I agree with the IOM committee's recommendation that "available funding for autism spectrum disorder research be channeled to the most promising areas." The HELP Committee reported this bill without making the determination for the autism spectrum disorder research community of what are the "most promising areas" for investigation. Instead, the bill reported by the HELP Committee contemplates key research activities, including environmental research, that focus on a broad range of potential contributing factors, with meaningful public involvement and advice in setting the research agenda.

However, I want to be clear that, for the purposes of biomedical research, no research avenue should be eliminated, including biomedical research examining potential links between vaccines, vaccine components, and autism spectrum disorder. Thus, I hope that the National Institutes of Health will consider broad research avenues into this critical area, within the Autism Centers of Excellence as well as the Centers of Excellence for Environmental Health and Autism. No stone should remain unturned in trying to learn more about this baffling disorder, especially given how little we know.

I also want to note that this broad statement is appropriately limited to biomedical and not epidemiological research. Although S. 843 provides for specific centers of excellence to examine epidemiological issues related to autism spectrum disorder, there is currently no expectation that the Centers for Disease Control and Prevention should further pursue additional epidemiological research regarding the link between autism spectrum disorder and vaccines or vaccine components, unless new biomedical research provides additional information about specific at-risk subpopulations. At this point, given what we know and what has already been done in this area, no new epidemiological research is required.

Mr. SANTORUM. I agree with the comments of the chairman. I thank him for clarifying, and again for all of his hard work on this legislation.

Mr. KENNEDY. I also agree with the comments of the chairman.

Mr. DODD. As my colleagues are well aware, the prevalence of ASD in the U.S. is 10 times greater than a decade ago. In my own State of Connecticut, ASD diagnoses have increased by close to 1100 percent since 1993. What these numbers tell us is that ASD diagnoses are rising at truly alarming rates and we simply must provide more answer to all those affected by this devastating condition.

We must also create a larger pool of experts in the field so that families can be directed to nearby specialty clinics for confirmation of diagnosis, care and services. Waiting lists at the Nation's top developmental disability centers are as long as 2 to 3 years, and families are often forced to travel far from home to receive needed care and to participate in clinical research studies. Increasing the number of trained physicians and allied health professionals who can provide a medical home for individuals with ASD will enable all those affected to receive the optimal and timely care that they deserve.

It is my sincere hope and expectation that by expanding the federal response to ASD and other developmental disabilities through the Combating Autism Act, we will see improved research on ASD, including its causes, and families across America will get the services they so urgently need. In our search for the cause of this growing developmental disability, we should close no doors on promising avenues of research. Through the Combating Autism Act, all biomedical research opportunities on ASD can be pursued, and they include environmental research examining potential links between vaccines, vaccine components and ASD.

Mr. SANTORUM. I ask unanimous consent that the amendment at the desk be agreed to, the committee-reported amendment, as amended, be agreed to, the bill, as amended, be read a third time and passed, and the motion to reconsider be laid upon table and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER (Mr. BURR). Without objection, it is so ordered.

The amendment (No. 4878) was agreed to, as follows:

On page 39, line 20, strike "2007" through page 40, line 5 and insert:

"(A) $68,000,000 for fiscal year 2007, $74,500,000 for fiscal year 2008, $81,000,000 for fiscal year 2009, $87,500,000 for fiscal year 2010, and $94,000,000 for fiscal year 2011, to carry out subsections (a), (b), and (d);

"(B) $24,000,000 for fiscal year 2007, $30,500,000 for fiscal year 2008, $37,000,000 for fiscal year 2009, $43,500,000 for fiscal year 2010, and $50,000,000 for fiscal year 2011, to carry out subsection (c)(1); and

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Combating Autism Act of 2006".

SEC. 2. ACTIVITIES TO IMPROVE AUTISM-RELATED RESEARCH.

Section 409C of the Public Health Service Act (42 U.S.C. 284g) is amended to read as follows:

"SEC. 409C. AUTHORITY OF THE DIRECTOR OF THE NATIONAL INSTITUTES OF HEALTH RELATING TO AUTISM.

"(a) STRATEGIC PLAN FOR AUTISM RESEARCH.—

"(1) IN GENERAL.—The Secretary, acting through the Director, shall develop and implement a strategic plan for the conduct and support of research related to autism spectrum disorder.

"(2) REQUIREMENTS.—The strategic plan developed under paragraph (1)—

"(A) shall—

"(i) be updated annually;

"(ii) take into account the research recommendations of the Interagency Autism Coordinating Committee under section 399CC; and

"(iii) using professional judgment, outline the proposed budgetary requirements of the strategic plan, including specific funding expectations for continued multi-year program activities, as well as new and complementary program activities, subject to the availability of appropriations; and

"(B) may include investigator-initiated research.

"(3) REPORT.—Not later than April 1, 2008, and annually thereafter, the Secretary, acting through the Director, shall prepare and submit to the appropriate committees of Congress a report that contains—

"(A) the strategic plan under paragraph (1) that will be applicable to the upcoming fiscal year; and

"(B) a description of the actual dollar expenditures for autism spectrum disorder during the previous fiscal year.

"(b) EXPANSION, INTENSIFICATION, AND COORDINATION OF ACTIVITIES.—The Secretary, acting through the Director, shall, subject to the availability of appropriations, expand, intensify, and coordinate the activities of the National Institutes of Health with respect to autism spectrum disorder.

"(c) CENTERS OF EXCELLENCE.—

"(1) AUTISM CENTERS OF EXCELLENCE.—

"(A) IN GENERAL.—The Secretary, acting through the Director, shall, subject to the availability of appropriations, award grants or contracts to public or nonprofit private entities to assist such entities in paying all or part of the costs of planning, establishing, improving, and providing basic operating support for centers of excellence concerning research on autism spectrum disorder.

"(B) RESEARCH ACTIVITIES.—A center of excellence that receives funding under this paragraph shall conduct basic and clinical research into autism spectrum disorder. Such research shall—

"(i) be conducted in the fields of developmental neurobiology, genetics, epigenetics, pharmacology, nutrition, immunology, neuroimmunology, neurobehavioral development, endocrinology, gastroenterology, psychopharmacology, or toxicology; and

"(ii) include investigations into the causation, diagnosis or rule out, early detection, prevention, services, supports, or intervention of autism spectrum disorder.

"(C) SERVICES.—

“(i) IN GENERAL.—A center of excellence that receives funding under this paragraph may expend amounts provided under a grant or contract under such paragraph to carry out a program to make individuals aware of opportunities to participate as subjects in research conducted by the center.

“(ii) REFERRALS AND COSTS.—A program carried out under clause (i) may, in accordance with such criteria as the Director may establish, provide to the subjects described in such clause, referrals for health and other services and reimbursement of care for individuals as are required for such research.

“(iii) AVAILABILITY AND ACCESS.—The extent to which a center of excellence that receives funding under this paragraph can demonstrate the availability of and access to clinical services shall be considered by the Director in making decisions concerning the awarding of grants or contracts to applicants that meet the scientific criteria for funding under this section.

“(D) COORDINATION OF CENTERS OF EXCELLENCE.—The Director shall provide for the appropriate coordination of information among centers of excellence that receive funding under this paragraph and ensure regular communication between such centers.

“(E) ORGANIZATION.—A center of excellence that receives funding under this paragraph shall use the facilities of a single institution, or be formed through a consortium of cooperating institutions, that meets such requirements as may be required by the Director.

“(F) DURATION.—The term of a grant or contract awarded under this paragraph shall not exceed a period of 5 years. Such period may be extended for 1 or more additional periods not exceeding 5 years if the operations of the center of excellence involved have been reviewed by an appropriate technical and scientific peer review group established by the Director and the group has recommended to the Director the extension of such period.

“(G) GEOGRAPHIC DIVERSITY.—The Director shall consider geographic diversity in awarding centers of excellence.

“(2) CENTERS OF EXCELLENCE IN ENVIRONMENTAL HEALTH AND AUTISM.—

“(A) IN GENERAL.—The Director shall, subject to the availability of appropriations, award grants or contracts to public or nonprofit private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for centers of excellence regarding environmental health and autism spectrum disorder.

“(B) RESEARCH.—A center of excellence established under this paragraph shall conduct basic and clinical research of a broad array of environmental factors that may have a possible role in autism spectrum disorder.

“(C) COORDINATION AND ORGANIZATION.—The Secretary, acting through the Director of NIH, shall apply to the centers under this paragraph the same requirements concerning coordination, reporting, and organization as the requirements applied to the centers of excellence under subparagraphs (D), (E), (F), and (G) of paragraph (1).

“(d) COLLECTION AND STORAGE OF DATA.—

“(1) IN GENERAL.—The Secretary, acting through the Director and in coordination with the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, establish and provide funding for mechanisms and entities that provide for the collection, storage, coordination, and public availability of data that is collected by the centers of excellence under this section, under section 399AA(b), and under section 409C(c) and, to the extent possible, data generated from public and private research partnerships. In establishing such mechanisms and entities, the Secretary—

“(A) shall ensure that there is data sharing among autism spectrum disorder researchers; and

“(B) may utilize existing facilities.

“(2) FACILITATION OF RESEARCH.—

“(A) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program under which samples of tissues and genetic and other biological materials that are of use in research on autism spectrum disorder are donated, collected, preserved, and made available for such research.

“(B) ACCEPTED SCIENTIFIC STANDARDS.—The program established under paragraph (1) shall be—

“(i) carried out in accordance with accepted scientific and medical standards for the donation, collection, and preservation of such samples; and

“(ii) conducted so that the tissues and other materials saved, as well as any database compiled from such tissues and materials, are available to researchers at a reasonable cost and on an expedited basis.

“(e) CONSOLIDATION.—The Secretary, acting through the Director, may consolidate program activities under this section if such consolidation would improve program efficiencies and outcomes.

“(f) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There is authorized to be appropriated—

“(A) $68,000,000 for fiscal year 2007, $74,500,000 for fiscal year 2008, $81,000,000 for fiscal year 2009, $87,500,000, for fiscal year 2010, and $94,000,000 for fiscal year 2011, to carry out subsections (a), (b), and (d);

“(B) $24,000,000 for fiscal year 2007, $30,500,000 for fiscal year 2008, $37,000,000 for fiscal year 2009, $43,500,000 for fiscal year 2010, and $50,000,000 for fiscal year 2011, to carry out subsection (c)(1); and

“(C) $6,000,000 for fiscal year 2007, $7,500,000 for fiscal year 2008, $9,000,000 for fiscal year 2009, $10,500,000 for fiscal year 2010, and $12,000,000 for fiscal year 2011, to carry out subsection (c)(2).

“(2) GENERAL USAGE.—Of the amounts appropriated under subparagraphs (B) and (C) of paragraph (1), not to exceed 5 percent of such amounts may be utilized by the National Institutes of Health for administrative and other expenses.

“(g) SUNSET.—This section shall not apply after September 30, 2011.”.

SEC. 3. DEVELOPMENTAL DISABILITIES SURVEILLANCE AND RESEARCH PROGRAM.

(a) IN GENERAL.—Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

“PART R—PROGRAMS RELATING TO AUTISM

“SEC. 399AA. DEVELOPMENTAL DISABILITIES SURVEILLANCE AND RESEARCH PROGRAM.

“(a) AUTISM SPECTRUM DISORDER AND OTHER DEVELOPMENTAL DISABILITIES.—

“(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants or cooperative agreements to eligible entities for the collection, analysis, and reporting of State epidemiological data on autism spectrum disorder and other developmental disabilities. An eligible entity shall assist with the development and coordination of State autism spectrum disorder and other developmental disability surveillance efforts within a region. In making such awards, the Secretary may provide direct technical assistance in lieu of cash.

“(2) DATA STANDARDS.—In submitting epidemiological data to the Secretary pursuant to subsection (a), an eligible entity shall report data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State and local public health officials, private sector developmental disability researchers, and advocates for individuals with autism spectrum disorder or other developmental disabilities.

“(3) ELIGIBILITY.—To be eligible to receive an award under paragraph (1), an entity shall be a public or nonprofit private entity (including a health department of a State or a political subdivision of a State, a university, or any other educational institution), and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(b) CENTERS OF EXCELLENCE IN AUTISM SPECTRUM DISORDER EPIDEMIOLOGY.—

“(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, award grants or cooperative agreements for the establishment of regional centers of excellence in autism spectrum disorder and other developmental disabilities epidemiology for the purpose of collecting and analyzing information on the number, incidence, correlates and causes of autism spectrum disorder and other developmental disabilities.

“(2) REQUIREMENTS.—To be eligible to receive a grant or cooperative agreement under paragraph (1), an entity shall submit to the Secretary an application containing such agreements and information as the Secretary may require, including an agreement that the center to be established under the grant or cooperative agreement shall operate in accordance with the following:

“(A) The center will collect, analyze, and report autism spectrum disorder and other developmental disability data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State and local public health officials, private sector developmental disability researchers, and advocates for individuals with developmental disabilities.

“(B) The center will develop or extend an area of special research expertise (including genetics, epigenetics, epidemiological research related to environmental exposures), immunology, and other relevant research specialty areas.

“(C) The center will identify eligible cases and controls through its surveillance system and conduct research into factors which may cause or increase the risk of autism spectrum disorder and other developmental disabilities.

“(c) FEDERAL RESPONSE.—The Secretary shall coordinate the Federal response to requests for assistance from State health, mental health, and education department officials regarding potential or alleged autism spectrum disorder or developmental disability clusters.

“(d) DEFINITIONS.—In this part:

“(1) OTHER DEVELOPMENTAL DISABILITIES.—The term ‘other developmental disabilities’ has the meaning given the term ‘developmental disability’ in section 102(8) of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002(8)).

“(2) STATE.—The term ‘State’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

“(e) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, $15,000,000 for fiscal year 2007, and such sums as may be necessary for each of fiscal years 2008 through 2011.

“(f) SUNSET.—This section shall not apply after September 30, 2011.

“SEC. 399BB. AUTISM EDUCATION, EARLY DETECTION, AND INTERVENTION.

“(a) PURPOSE.—It is the purpose of this section—

“(1) to increase awareness, reduce barriers to screening and diagnosis, promote evidence-based interventions for individuals with autism spectrum disorder or other developmental disabilities, and train professionals to utilize valid and reliable screening tools to diagnose or rule out and provide evidence-based interventions for children with autism spectrum disorder and other developmental disabilities; and

“(2) to conduct activities under this section with a focus on an interdisciplinary approach (as defined in programs developed under section 501(a)(2) of the Social Security Act) that will also focus on specific issues for children who are not receiving an early diagnosis and subsequent interventions.

“(b) IN GENERAL.—The Secretary shall, subject to the availability of appropriations, establish and evaluate activities to—

“(1) provide information and education on autism spectrum disorder and other developmental disabilities to increase public awareness of developmental milestones;

“(2) promote research into the development and validation of reliable screening tools for autism spectrum disorder and other developmental disabilities and disseminate information regarding those screening tools;

“(3) promote early screening of individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable, given evidence-based screening techniques and interventions;

“(4) increase the number of individuals who are able to confirm or rule out a diagnosis of autism spectrum disorder and other developmental disabilities;

“(5) increase the number of individuals able to provide evidence-based interventions for individuals diagnosed with autism spectrum disorder or other developmental disabilities; and

“(6) promote the use of evidence-based interventions for individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable.

“(c) INFORMATION AND EDUCATION.—

“(1) IN GENERAL.—In carrying out subsection (b)(1), the Secretary, in collaboration with the Secretary of Education and the Secretary of Agriculture, shall, subject to the availability of appropriations, provide culturally competent information regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, and evidence-based interventions to meet the needs of individuals with autism spectrum disorder or other developmental disabilities and their families through—

“(A) Federal programs, including—

“(i) the Head Start program;

“(ii) the Early Start program;

“(iii) the Healthy Start program;

“(iv) programs under the Child Care and Development Block Grant Act of 1990;

“(v) programs under title XIX of the Social Security Act (particularly the Medicaid Early and Periodic Screening, Diagnosis and Treatment Program);

“(vi) the program under title XXI of the Social Security Act (the State Children's Health Insurance Program);

“(vii) the program under title V of the Social Security Act (Maternal and Child Health Block Grant Program);

“(viii) the program under parts B and C of the Individuals with Disabilities Education Act;

“(ix) the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786); and

“(x) the State grant program under the Rehabilitation Act of 1973.

“(B) State licensed child care facilities; and

“(C) other community-based organizations or points of entry for individuals with autism spectrum disorder and other developmental disabilities to receive services.

“(2) LEAD AGENCY.—

“(A) DESIGNATION.—The governor of a State shall designate a public agency as a lead agency to coordinate the activities provided for under paragraph (1) in the State at the State level.

“(B) INFORMATION.—The Governor or a State, acting through the lead agency under subparagraph (A), shall make available to individuals and their family members, guardians, advocates, or authorized representatives, providers, and other appropriate individuals in the State, comprehensive culturally competent information about State and local resources regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, available services and supports, and evidence-based interventions. Such information shall be provided through—

“(i) toll-free telephone numbers;

“(ii) Internet websites;

“(iii) mailings; or

“(iv) other means as the Governor may require.

“(C) REQUIREMENTS OF AGENCY.—In designating the lead agency under subparagraph (A), the Governor shall—

“(i) select an agency that has demonstrated experience and expertise in—

“(I) autism spectrum disorder and other developmental disability issues; and

“(II) developing, implementing, conducting, and administering programs and delivering education, information, and referral services (including technology-based curriculum-development services) to individuals with developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals locally and across the State; and

“(ii) consider input from individuals with developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals.

“(d) TOOLS.—

“(1) IN GENERAL.—To promote the use of valid and reliable screening tools for autism spectrum disorder and other developmental disabilities, the Secretary shall develop a curriculum for continuing education to assist individuals in recognizing the need for valid and reliable screening tools and the use of such tools.

“(2) COLLECTION, STORAGE, COORDINATION, AND AVAILABILITY.—The Secretary, in collaboration with the Secretary of Education, shall provide for the collection, storage, coordination, and public availability of tools described in paragraph (1), educational materials and other products that are used by the Federal programs referred to in subsection (c)(1)(A), as well as—

“(A) programs authorized under the Developmental Disabilities Assistance and Bill of Rights Act of 2000;

“(B) early intervention programs or interagency coordinating council's authorized under part C of the Individuals with Disabilities Education Act; and

“(C) children with special health care needs programs authorized under title V of the Social Security Act.

“(3) REQUIRED SHARING.—In establishing mechanisms and entities under this subsection, the Secretary, and the Secretary of Education, shall ensure the sharing of tools, materials, and products developed under this subsection among entities receiving funding under this section.

“(e) DIAGNOSIS.—

“(1) TRAINING.—The Secretary, in coordination with activities conducted under title V of the Social Security Act, shall, subject to the availability of appropriations, expand existing interdisciplinary training opportunities or opportunities to increase the number of sites able to diagnose or rule out individuals with autism spectrum disorder or other developmental disabilities and ensure that—

“(A) competitive grants or cooperative agreements are awarded to public or nonprofit agencies, including institutions of higher education, to expanding existing or develop new maternal and child health interdisciplinary leadership education in neurodevelopmental and related disabilities programs (similar to the programs developed under section 501(a)(2) of the Social Security Act) in States that do not have such a program;

“(B) trainees under such training programs—

“(i) receive an appropriate balance of academic, clinical, and community opportunities;

“(ii) are culturally competent;

“(iii) are ethnically diverse;

“(iv) demonstrate a capacity to evaluate, diagnose or rule out, develop, and provide evidence-based interventions to individuals with autism spectrum disorder and other developmental disabilities; and

“(v) demonstrate an ability to use a family-centered approach; and

“(C) program sites provide culturally competent services.

“(2) TECHNICAL ASSISTANCE.—The Secretary may award one or more grants under this section to provide technical assistance to the network of interdisciplinary training programs.

“(3) BEST PRACTICES.—The Secretary shall promote research into additional valid and reliable tools for shortening the time required to confirm or rule out a diagnosis of autism spectrum disorder or other developmental disabilities and detecting individuals with autism spectrum disorder or other developmental disabilities at an earlier age.

“(f) INTERVENTION.—The Secretary shall promote research, through grants or contracts, to determine the evidence-based practices for interventions for individuals with autism spectrum disorder or other developmental disabilities, develop guidelines for those interventions, and disseminate information related to such research and guidelines.

“(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, $32,000,000 for fiscal year 2007, $37,000,000 for fiscal year 2008, $42,000,000 for fiscal year 2009, $47,000,000 for fiscal year 2010, and $52,000,000 for fiscal year 2011, of which—

“(1) $5,000,000 shall be made available in each fiscal year for activities described in subsection (c); and

“(2) $3,000,000 shall be made available in fiscal year 2007, $6,000,000 in fiscal year 2008, $9,000,000 in fiscal year 2009, $12,000,000 in fiscal year 2010, and $15,000,000 in fiscal year 2011, for activities described in subsection (f).

“(h) SUNSET.—This section shall not apply after September 30, 2011.

“SEC. 399CC. INTERAGENCY AUTISM COORDINATING COMMITTEE.

“(a) ESTABLISHMENT.—The Secretary shall establish a committee, to be known as the ‘Interagency Autism Coordinating Committee’ (in this section referred to as the ‘Committee’), to coordinate all efforts within the Department of Health and Human Services concerning autism spectrum disorder.

“(b) RESPONSIBILITIES.—In carrying out its duties under this section, the Committee shall—

“(1) make recommendations concerning the strategic plan described in section 409C(a);

“(2) develop and annually update advances in autism spectrum disorder research related to causes, early screening, diagnosis or rule out, intervention, and access to services and supports for individuals with autism spectrum disorder; and

“(3) make recommendations to the Secretary regarding the public participation in decisions relating to autism spectrum disorder.

“(c) MEMBERSHIP.—

“(1) IN GENERAL.—The Committee shall be composed of—

“(A) the Director of the Centers for Disease Control and Prevention;

“(B) the Director of the National Institutes of Health, and the Directors of such national research institutes of the National Institutes of Health as the Secretary determines appropriate;

“(C) the heads of such other agencies as the Secretary determines appropriate;

“(D) representatives of other Federal Governmental agencies that serve individuals with autism spectrum disorder such as the Department of Education; and

“(E) the additional members appointed under paragraph (2).

“(2) ADDITIONAL MEMBERS.—Not fewer than 6 members of the Committee, or 1/3 of the total membership of the Committee, whichever is greater, shall be composed of non-federal public members to be appointed by the Secretary, of which—

“(A) at least one such member shall be an individual with a diagnosis of autism spectrum disorder;

“(B) at least one such member shall be a parent or legal guardian of an individual with an autism spectrum disorder; and

“(C) at least one such member shall be a representative of leading research, advocacy, and service organizations for individuals with autism spectrum disorder.

“(d) ADMINISTRATIVE SUPPORT; TERMS OF SERVICE; OTHER PROVISIONS.—The following provisions shall apply with respect to the Committee:

“(1) The Committee shall receive necessary and appropriate administrative support from the Secretary.

“(2) Members of the Committee appointed under subsection (c)(2) shall serve for a term of 4 years, and may be reappointed for one or more additional 4 year term. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office.

“(3) The Committee shall meet at the call of the chairperson or upon the request of the Secretary. The Committee shall meet not fewer than 2 times each year.

“(4) All meetings of the Committee shall be public and shall include appropriate time periods for questions and presentations by the public.

“(e) COMPENSATION AND EXPENSES.—Members of the Committee who are officers or employees of the Federal Government shall serve as members of the Committee without compensation in addition to that received in their regular government employment. Other members of the Committee shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule for each day (including travel time) they are engaged in the performance of their duties as members of the Committee.

“(f) SUBCOMMITTEES; ESTABLISHMENT AND MEMBERSHIP.—In carrying out its functions, the Committee may establish subcommittees and convene workshops and conferences. Such subcommittees shall be composed of Committee members and may hold such meetings as are necessary to enable the subcommittees to carry out their duties.

“(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, such sums as may be necessary for each of fiscal years 2007 through 2011.

“(h) SUNSET.—This section shall not apply after September 30, 2011 and the Committee shall be terminated on such date.

“SEC. 399DD. REPORT TO CONGRESS.

“(a) IN GENERAL.—Not later than 4 years after the date of enactment of the Combating Autism Act of 2006, the Secretary, in coordination with the Secretary of Education, shall prepare and submit to the Health, Education, Labor, and Pensions Committee of the Senate and the Energy and Commerce Committee of the House of Representatives a progress report on activities related to autism spectrum disorder and other developmental disabilities.

“(b) CONTENTS.—The report submitted under subsection (a) shall contain—

“(1) a description of the progress made in implementing the provisions of the Combating Autism Act of 2006;

“(2) a description of the amounts expended on the implementation of the particular provisions of Combating Autism Act of 2006;

“(3) information on the incidence of autism spectrum disorder and trend data of such incidence since the date of enactment of the Combating Autism Act of 2006;

“(4) information on the average age of diagnosis for children with autism spectrum disorder and other disabilities, including how that age may have changed over the 4-year period beginning on the date of enactment of this Act;

“(5) information on the average age for intervention for individuals diagnosed with autism spectrum disorder and other developmental disabilities, including how that age may have changed over the 4-year period beginning on the date of enactment of this Act;

“(6) information on the average time between initial screening and then diagnosis or rule out for individuals with autism spectrum disorder or other developmental disabilities, as well as information on the average time between diagnosis and evidence-based intervention for individuals with autism spectrum disorder or other developmental disabilities;

“(7) information on the effectiveness and outcomes of interventions for individuals diagnosed with autism spectrum disorder, including by various subtypes, and other developmental disabilities and how the age of the child may affect such effectiveness;

“(8) information on the effectiveness and outcomes of innovative and newly developed intervention strategies for individuals with autism spectrum disorder or other developmental disabilities; and

“(9) information on services and supports provided to individuals with autism spectrum disorder and other developmental disabilities who have reached the age of majority (as defined for purposes of section 615(m) of the Individuals with Disabilities Education Act (20 U.S.C. 1415(m)).”.

(b) REPEALS.—The following sections of the Children's Health Act of 2000 (Public Law 106–310) are repealed:

(1) Section 101 (42 U.S.C. 247b–4a) relating to research activities at the National Institutes of Health.

(2) Section 102 (42 U.S.C. 247b–4b) relating to the Developmental Disabilities Surveillance and Research Program.

(3) Section 103 (42 U.S.C. 247b–4c) relating to information and education.

(4) Section 104 (42 U.S.C. 247b–4d) relating to the Inter-Agency Autism Coordinating Committee.

(5) Section 105 (42 U.S.C. 247b–4e) relating to reports.

Mr. SANTORUM. I thank the Chair.

For the information of those who might be listening, the bill is now passed and we are off to the House with great hope that this fall will bring us successful passage there and final action by the President sometime in September.

I yield the floor.

UNANIMOUS CONSENT REQUEST—S. 3765

Mr. DURBIN. Mr. President, I see the majority leader is on the floor. I will make a unanimous consent request. I would like to very briefly describe what I am about to request.

I have filed S. 3765, along with Senator SUNUNU as my cosponsor, as well as Senator FEINGOLD and Senator STABENOW.

This is a bill that is very timely and important. I hope we will be able to have unanimous consent to go forward with this bill and pass it this evening.

It is a bill that has been referred to the Senate Judiciary Committee.

I have personally spoken to Senator ARLEN SPECTER, chairman of this committee, and told am I was going to make this unanimous consent request this evening. He said he would not object. Those were his exact words.

Senator LEAHY said the same thing.

The reason I am taking this extraordinary step is because this is an extraordinary situation. We all know what happened in Lebanon today. You can't turn on the news without being aware of the war that has consumed both southern Lebanon and many parts of northern Israel.

We realize as well that many people are innocent victims on both sides of the border, and we realize that the United States has officially evacuated American citizens from Lebanon because of the danger.

We are also very aware of the fact that we have asked other Americans who remained to remove themselves as quickly as possible. It is estimated that 20 to 25 percent of the population of Lebanon has now been displaced. They are refugees—people who have been forced to leave their homes because of the danger of remaining because of the hostilities that continue between Israel and Hezbollah.

The purpose of this legislation is not new. It is something that has been done repeatedly. It grants temporary protected status to those Lebanese visitors in the United States who are legally here on visas which permit them to be here and which may soon expire. When they do, under the law these people are expected to leave the United States and return to Lebanon.

We have in the past been sensitized to the fact that sending many of these families from the United States to war-torn countries under these circumstances may in fact endanger those families.

The United States has many, many times in the past said we will grant temporary protected status to visitors in the United States to protect them from returning to a dangerous situation.

It is an act of compassion, an act of humanitarian caring, and I think speaks well of the United States. In the past we have even granted this status to Lebanese visitors when Lebanon was at war in the 1990s for the very same reason.

Today, there are seven countries around the world where the United States has granted temporary protected status to visitors from those countries in the United States.

This temporary protected status does not put these visitors on a path to legalization or citizenship. It simply allows them if they wish to stay in the U.S. while the hostilities continue up to a year. It would be a renewal after that point.

The reason I offered it at this late hour is because it is a matter of great urgency. It is important that we do this in a timely fashion.

As we consider this measure, the Bush administration is considering whether to do this administratively, which they can. We have done it legislatively. It has been done administratively.

My concern is that tomorrow I am certain some Lebanese visitors to the U.S. will find that their visas have expired, and they will face a very difficult decision. If they comply with the law and leave, returning to Lebanon, they could be endangering families and children who are here innocently visiting members of their family and friends. We don't want that to happen. These poor people from Lebanon, these innocent victims, should not have to return to this scene.

Of course, our State Department and the Department of Homeland Security would retain the authority to review each and every person. If for any reason some Lebanese visitor to the United States should not be allowed to remain in the United States, they can be denied the status. So it is done on a case-by-case basis. It offers a protection, which I think is the humanitarian thing to do.

Throughout history there have been times when in the course of war people have turned refugees from their country, left their country and turned to other countries for refuge. In many instances, countries have welcomed them understanding that that is the right and humane thing to do. In other instances, countries have shunned them. Those countries have been embarrassed by the history that was written afterwards.

I am lucky to be a Senator in this great country, a country which has extended this generosity and this welcome time and time again.

I am urging my colleagues this evening to join me in passing this bill, an extraordinary passage by unanimous consent so that we can send a clear message to the administration and to the Lebanese visitors to the United States that we deeply care about their safety and their security.

I see the majority leader is on the floor. I will make the formal unanimous consent request.

I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 3765, the Lebanese Temporary Protected Status bill that has been introduced by myself, Senator SUNUNU, Senator FEINGOLD, and Senator STABENOW, that the Senate proceed to its immediate consideration, the bill be read a third time and passed, and the motion reconsider be laid upon the table without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. Mr. President, reserving right to object, S. 3765 to permit nationals being granted temporary protected status in United States is a bill that I personally support. And the chairman of the Judiciary Committee commented to the distinguished assistant minority leader his support. I just received it 15 minutes ago. I am trying to clear it but have not heard back from everybody tonight.

Without giving everyone the opportunity to review it, I am going to have to object tonight.

Again, we will see what happens over the next 30 or 40 minutes that we are in tonight. Not having heard back from everyone, I am unable to verify. So I do object.

Mr. DURBIN. Mr. President, I understand. I gave this to the majority leader maybe 45 minutes ago at most. I certainly didn't want to try to surprise him and mislead him because I think this is a matter that is very important. I sincerely hope we can clear this tonight. If we are unable to clear this and pass this legislation—or even if we do—I urge Michael Chertoff, Secretary of the Homeland Security Department, to grant this status to Lebanon and to do it immediately—immediately. The people of Lebanon cannot wait until Congress returns to Washington in September. And his immediate action will save lives and give peace of mind to a lot of our friends from Lebanon and to their families who live in the United States.

I yield the floor.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, during the next probably 20 or 30 minutes we will be working on a number issues which are coming up unexpectedly at this late hour given the fact that we will be out for 4 weeks. It is a little bit disjointed as we pull together a number of these unanimous consent requests. And then we have the issue of nominations and a few more remarks.

UNANIMOUS CONSENT REQUEST—S. 3769

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of S. 3769 and the Senate proceed to its immediate consideration. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Mr. President, reserving the right to object, I am not familiar with this bill. I have been informed by our cloakroom that there are objections to this from Members who are familiar with the content of the bill and/or members of the Foreign Relations Committee. I hope those as well can be resolved this evening. Absent that happening, I will have to object to this unanimous consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. FRIST. Mr. President, I am disappointed that tonight we could not pass this bill. This is the Cuba Transition Act of 2006 which I cosponsored along with the Senators ENSIGN and MARTINEZ.

This bill would have authorized assistance to the people of Cuba, encouraged a democratic election process, and created a fund to support independent civil-society-building efforts.

It would have created the Fund For a Free Cuba which would have provided assistance to a transitional government in Cuba, and included assistance to political prisoners and their families, other dissidents, independent libraries, youth organizations, workers rights activists, agricultural cooperatives, associations of the self-employed, journalists, economists, and medical doctors.

This has been cleared by our side. I believe that the other side, the Democrats, will have an opportunity to show solidarity with the Cuban people. We will try to clear this bill through the Senate when we reconvene.

Mr. DURBIN. Mr. President, if I might be allowed to comment as well, as the Senator from Tennessee, the majority leader, describes the bill, it sounds as if it is one that I gladly and wholeheartedly would support. I know Senator MARTINEZ has a special interest in this issue, having been born in Cuba and then coming to the United States and still with the great love for the land where he was born.

I have spoken to him for the last several days while there apparently is a transition of power in place there. And I know how important this is to him personally and to so many other people of Cuban dissent who live in the United States.

I am sorry that it cannot be cleared, but there are some on this side of the aisle who have expressed some reservation or objection at this point. But I personally hope that we can do this as quickly as possible so that the people of Cuba can appreciate and enjoy freedom as soon as we can give them a helping hand.

RETIREMENT OF MARTY BERMAN

Mr. FRIST. Mr. President, the Senate community is losing a longtime and valued employee. After 18 years of loyal and distinguished service, Marty Berman is retiring from the Senate Recording Studio. Marty played an integral part in the television broadcast of the Senate's proceedings and in helping facilitate the audio and video needs of Senators and their staffs.

His service to his country really started 45 years ago. Marty served faithfully, enlisting twice in a military career that began when he was 17 and lasted 6 years, from 1961 to 1967. Before leaving the military, he was a communications specialist with duty in Vietnam.

Marty brought extensive television experience to his job at SRS. In the private sector he worked at Satellite News Network, CNN, and finally at CBS. His work for Charles Kuralt and "CBS Sunday Morning" was nominated for an Emmy. A 13-minute long story he had photographed was aired, which is the television equivalent of a long book.

His career at the recording studio began in 1988 where he quickly came to specialize in audio operations. However, his contributions were not only technical. He also had just the right personal touch with Senators. It isn't always easy to get up in front of TV cameras and lights to speak, even for Senators, but Marty had the ability to put any Senator at ease. When floor directing, he spoke to each Senator easily and with warmth, and they trusted him. He was never intimidated, but he was always respectful.

Marty can be a bit feisty, but his bark is much worse than his bite. To those who have gotten to know him, he is warm and caring, too.

Marty ended where he had started, working the Senate television shift. In 18 years he braved many long days and late nights through the Senate's always unpredictable schedule. Throughout his time at the studio, Marty could always be counted on to be at his post. That included his work as chief STV audio operator where for most days during his shift he started up in the audio booth, assuring that the Senators could always be heard in the Chamber and on television.

Marty is the father of 3 grown children: Tracy, Eric, and Alex. The 3 have been the pride of his life and have become responsible and caring adults. He is also the proud grandfather of two. His marriage to Darlene has brought him much happiness. Both share the same three hobbies: antique collecting, antique collecting, and more antique collecting. Their home is a somewhat cluttered but fascinating museum of American Western and American Indian artifacts, pottery, Big Little Books, and just about anything else you can think of. Last, but not least, there are four others who hold a place in his heart. They are Hoover the yellow lab, Clarence the bassett hound, Crystal, the cat, and Birdie the cockatiel. Birdie likes to lay back and listen to the blues with Marty and Darlene and can even whistle Colonel Bogey's March from "Bridge on the River Kwai."

Marty's unique personality, loyalty, and dedication will be missed. We all join to wish Marty the best as he begins this next adventure in his life and know he will enjoy the newfound time for family, friends, pets, and antique collecting.

160TH ANNIVERSARY OF ABRAHAM LINCOLN'S ELECTION TO THE UNITED STATES HOUSE OF REPRESENTATIVES

Mr. DURBIN. Mr. President, Leo Tolstoy said of Abraham Lincoln that "His example is universal and will last thousands of years . . . He was bigger than his country—bigger than all the Presidents together . . . and as a great character he will live as long as the world lives."

Abraham Lincoln has been known and admired through the generations—and around the world. But Abraham Lincoln is known primarily for his presidency and his leadership of the United States through the dark days of the Civil War. We recall his unwavering commitment to the "American experiment" in democracy and his refusal to allow the national Union to fail, regardless of the odds against him.

Few people remember, though, that Abraham Lincoln was also a Member of Congress at one time. Today, August 3, in fact, marks the 160th anniversary of Abraham Lincoln's election to a single term in the U.S. House of Representatives. I also had the privilege of representing the 20th Congressional District of Illinois as a member of the House for 14 years.

There is a reason few people remember Lincoln's service in Congress. Frankly, his one term, in the 30th Congress, which sat from December 1847 to March of 1849, was rather unremarkable. He was a young country lawyer who served with the likes of John Quincy Adams in the House and Daniel Webster and John Calhoun in the Senate. Most of his colleagues viewed him as a Westerner of average talent.

He was a conscientious and hardworking Member, though, which isn't particularly surprising. He served on various committees, he voted on the floor of the House in nearly all of the rollcall votes during his term, and he corresponded faithfully with his constituents.

His most famous contribution to the political and policy debates of his term—criticism of President James Polk for the Nation's involvement in the Mexican war—earned him scorn and disfavor back in Illinois where the war had been popular. Illinois Democrats called Lincoln, himself a Whig at the time, a disgrace.

Lincoln left Congress and returned to his legal practice, arguing cases in country courthouses of Illinois' Eighth Judicial Circuit, and thinking he had no future in politics.

On the contrary, Lincoln's time walking the Halls of this building introduced him to the issues on the national political stage. The Congress in which he served debated the Wilmot Proviso, which would have prevented the spread of slavery into territories newly acquired from Mexico. Those debates exposed Lincoln to the divisiveness and explosiveness of the issue that severely tried his presidency a decade and a half later and nearly destroyed the country. His time in Congress also produced personal and political connections that served him years later as President and Commander-in-Chief.

Today, we mark the anniversary of Abraham Lincoln's election to the House of Representatives as the beginning of this great man's ascent on the national political stage. In February 2009, the Nation will mark the 200th anniversary of Lincoln's birth. Congress established the Abraham Lincoln Bicentennial Commission to help our Nation mark this milestone. I am privileged to cochair the Commission along with Congressman RAY LAHOOD and Lincoln Scholar Harold Holzer—we like to call ourselves "a team of rivals." We have been working diligently to ensure that a "fitting and proper" commemoration is planned. I am pleased to report that a number of our goals have already been met—the authorization of new penny designs in the bicentennial year and the issuance of a commemorative coin, for example. Other educational, scholarly, cultural, and historical events are in various stages of planning—both here in the United States and abroad.

After President Lincoln's untimely death, Edwin M. Stanton said, "Now he belongs to the ages." Mr. President, today we remember Abraham Lincoln's service in the House, his leadership during our Nation's most perilous time, and his legacy of freedom, democracy, and equal opportunity. Even great life begins with a series of small but important steps. Let us keep working to carry out Abraham Lincoln's vision in our day.

AFRICAN HEALTH CAPACITY INVESTMENT ACT

Mr. DURBIN. Mr. President, this week I introduced the African Health Capacity Investment Act of 2006.

This bill was inspired last December, when I visited the Democratic Republic of Congo with Senator SAM BROWNBACK of Kansas.

The Congo is one of the poorest, most violent regions on Earth. This past weekend, it held its first multiparty elections in nearly 50 years. That is a moment to celebrate.

But one of the most profound challenges that the newly elected government will face is how to even begin to meet the health needs of its people. In the DRC, there are only 7 doctors and 44 nurses per 100,000 people. In the eastern Congo, which has witnessed terrible conflict and disease, there is only 1 doctor per 160,000 people. And, I was told, in the city of Goma, surgeons are literally one in a million. To put that in perspective, imagine three surgeons in a city the size of Chicago. Imagine living like that, and then imagine your doctors and nurses leaving for countries with better working conditions, better pay, and brighter futures.

That is the situation that the Congo and almost all of Sub-Saharan Africa faces every day, as doctors and nurses leave rural areas for African cities and leave African cities for the United States, the United Kingdom, and other Western destinations. Every year, Africa loses another 20,000 trained health professionals to European and North American medical facilities. That is an enormous brain drain.

As Randall Tobias, the U.S. Director of Foreign Assistance, has noted, there are more Ethiopian-trained doctors practicing in Chicago than in Ethiopia.

In the United States, we have 549 doctors and 773 nurses for every 100,000 people. And even at those levels, we face our own personnel shortages. As the baby boomers age and our health workforce retires, our shortages will grow. It has become our habit to recruit doctors and nurses from abroad and increasingly from the developing world to staff our hospitals, doctors' offices, and other health centers.

Those individuals immigrate here for the same reasons that people have always migrated here. They come for economic opportunities, greater freedom, and a better future for their children. As the son of an immigrant, I recognize their motivations and welcome the contributions that they make. But I also have to look at the countries that they leave behind.

That is what struck me so powerfully in the Congo: that we cannot continue to depend on the poorest countries in the world to train our doctors and nurses. We have to expand our own health workforce. Our nursing schools turn away thousands of qualified applicants every year because they don't have enough faculty to teach them. We have to fix that.

And we have to help Africa heal itself because even if the brain drain stopped completely, even if every doctor and nurse on the continent of Africa stayed there, they would still have tremendous shortages of health personnel.

That is why Senators COLEMAN, DEWINE, and FEINGOLD and I introduced the African Health Capacity Act this week.

The World Health Report concluded in 2003, "The most critical issue facing health care systems is the shortage of people who make them work." The 2006 report, which focused entirely on health workforces, helped provide a blueprint on how to build that critical human infrastructure.

Sub-Saharan Africa has 11 percent of the world's population. It bears 25 percent of the global disease burden. But it has only 3 percent of the world's health workers, and it suffers nearly half of the world's deaths from infectious diseases.

Personnel shortages are a global problem, but nowhere are these shortages more extreme, the infrastructure more limited, and the health challenges graver than in Sub-Saharan Africa, the epicenter of the HIV/AIDS pandemic. We will not win the war against AIDS or any other health challenge without finding solutions to this problem. It looms larger than shortages of ARVs or any other single factor. The Institute of Medicine has called the health care worker shortage the greatest obstacle to fighting HIV/AIDS.

AIDS has had a particularly insidious effect on health workforces in Africa. Beginning in the 1980s, HIV/AIDS began to take a terrible toll among health workers in Africa. In 2000, 20 percent of the student nurses in Mozambique died from AIDS. Health workers are particularly vulnerable because many lack access to gloves or training in universal precautions that would help protect them from infection. These unsafe working conditions naturally drive many people to seek either safer jobs or employment in other countries. As illness, death, and migration reduce staff, those who are left face even heavier workloads, and they too may leave. This is a deadly and vicious cycle that we have to help Africa break.

The shortage of personnel has deadly repercussions that extend far beyond HIV/AIDS. A woman in Sub-Saharan Africa, for example, has a 1 in 13 chance of dying in pregnancy or childbirth, according to UNICEF. In resource-rich countries such as ours, that risk is 1 out of 4100. You change those terrible odds for the woman in Africa by providing greater access to skilled birth attendants. You greatly improve the newborn baby's chance at survival as well.

It is critically important that as we increase assistance for HIV/AIDS and for health and economic development more generally, that we work to strengthen health systems as a whole. The Office of the Global AIDS Coordinator is doing terrific work at boosting health capacity in the public and private sectors, and USAID has also been engaged in this effort.

This bill is intended to give these agencies the tools to do more and to better integrate and coordinate their activities.

The bill seeks to help Sub-Saharan African countries strengthen the capabilities of their health systems by helping countries improve dangerous and Sub-standard working conditions: helping them train, recruit, and retain doctors, nurses, and paraprofessionals; developing better management and public health training; and improving productivity and workforce distribution. Collecting workforce data, or strengthening the public health sector may not sound very glamorous, but steps like these are critical to creating the health infrastructure that Africa so badly needs.

That infrastructure may also be very important to us. With air travel to spread avian flu, scientists tell us that we may have only 3 weeks to contain an outbreak of the disease from the time that outbreak is detected anywhere in the world. If we miss that window, the outbreak of avian flu may become a pandemic and spread around the world.

As stated in the Harvard Public Health Review, "Those regions of the world where human expertise and resources are in shortest supply, such as Africa, are most likely to serve as particularly fertile ground for getting a large-scale human flu epidemic off to a robust start." It is in our own interests, as well as Africa's, to improve its public health infrastructure.

This same point was made in the President's 2002 National Security Strategy. This document provides the administration's fundamental view of how we should confront global challenges and opportunities in the security arena. It is a measure of risks and priorities that is issued each Presidential term.

President Bush's 2002 National Security Strategy stated, "The scale of the public health crisis in poor countries is enormous. In countries afflicted by epidemics and pandemics like HIV/AIDS, malaria, and tuberculosis, growth and development will be threatened until these scourges can be contained. Resources from the developed world are necessary but will be effective only with honest governance, which supports prevention programs and provides effective local infrastructure."

This bill is not just about spending more money to build African health capacity. It is also about spending that money better. This bill authorizes assistance to improve management and reduce corruption within the health sector. It requires the President to establish a monitoring and evaluation system to measure the effectiveness of our assistance.

Knowledge sharing is also important: Each minister of health and each nongovernmental organization should not have to reinvent the wheel.

Two years after enactment, this bill will require the production of a document publicizing best practices. This clearinghouse of information will provide valuable help for developing countries throughout the world.

The United States provides billions of dollars to fight HIV/AIDS, malaria, TB, and other health challenges in Africa. It is critical, as we pursue these programs, that we better integrate them within a framework to strengthen health systems as a whole. We need to help countries better invest their own human and material resources as well as our assistance.

In 2005, 2 million people in Sub-Saharan Africa died of AIDS, and 2.7 million people became newly infected. Nearly a million African children under the age of 5 died of malaria. Hundreds of thousands of Africans died last year of TB, cholera, dysentery, and other infectious diseases or in childbirth. These devastating mortality rates also strangle opportunities for economic development. But we can begin to change those trajectories by investing in African health capacity. Imagine living in a country like Ethiopia, with 3 doctors for every 100,000 people. Then ask yourself what we can do about it. This bill is a start.

I thank my colleagues, Senators COLEMAN, DEWINE, and FEINGOLD, for joining me in introducing this bipartisan bill, and I hope others will join us.

DETAINEE TREATMENT ACT

Mr. GRAHAM. Mr. President, I rise today to correct the public record with regard to a matter raised by the U.S. Supreme Court's decision in *Hamdan* v. *Rumsfeld*, 126 S.Ct. 2749 (2006). In part II of its opinion, the majority in Hamdan addressed whether the Detainee Treatment Act barred Hamdan's lawsuit from proceeding in its then-present form. As the court noted, the DTA provides that "no court, justice, or judge shall have jurisdiction to hear or consider" claims filed by Guantanamo detainees, except under the review standards created by that act.

In the course of drafting the DTA conference language regarding jurisdiction, Senator KYL, myself, and several others we consulted, specifically relied on the Bruner line of cases for guidance. In that line of cases, we had taken particular note of Justice Stevens's opinion in Landgraf, where, in discussing the Bruner line, he wrote that the Court had a consistent practice of ordering an action dismissed when the jurisdictional statute under which that action had been filed was subsequently repealed. Since that was precisely what we were doing in the DTA, reversing the Rasul finding of jurisdiction through the habeas statute, we were very comfortable with how our language addressed the jurisdictional change.

Likewise, the Bruner/Landgraf line of cases informed the enactment language regarding the substantive law changes we were making. Because of Justice Stevens's explanation in Landgraf, we felt we had to make those provisions specifically apply to pending cases. However, for everything else, including the requirements for the executive branch to do certain things within certain time periods, having a single enactment statement saying everything applied retroactively did not make sense. So, with that and other concerns, we ended up with what emerged from the conference process between passage of the amendment in November and adoption of the conference product in December. It was complicated and merged a number of concepts.

You see, as the author of that part of the Detainee Treatment Act, it was never my intent to carve out pending cases from the effect of that act. As I have detailed above, we knew the governing law and expected the courts to apply it. And I never hid this intent or understanding. My statements regarding this intent were consistent from the beginning of the debate on November amendment until final passage of the conference report on December 21. This is why I issued a joint statement with Senator LEVIN in early January of this year which stated, "[t]he intent of the language contained within the Graham-Levin-Kyl amendment is that Courts will decide in accord with their own rules, procedures and precedents whether to proceed in pending cases."

In reviewing the record, Justice Scalia and the other dissenters recognized this consistency. Justice Scalia stated that, "[s]ome of the statements of Senator GRAHAM, a sponsor of the bill, only make sense on the assumption that pending cases are covered." Thus, they correctly concluded that the jurisdictional removal language included all pending cases.

Indeed, when the final version of the DTA passed the Senate, I and some of the cosponsors of my November amendment included a colloquy in the RECORD in which we made clear that we were perfectly aware of the Supreme Court's previous holdings governing jurisdiction-removing statutes and that we had not chosen the language of the amendment by accident. We had initially intended to explain our provisions of the DTA on the floor, but with time growing short, and rather than forcing our colleagues to listen as we droned on, we dropped the statement into the RECORD and everyone went home for the Christmas break.

The Hamdan majority addressed this statement in footnote 10 of its opinion. First, the Court noted that on November 15, "Senator LEVIN urged adoption of an alternative amendment [the final version of my amendment] that 'would apply only to new habeas cases filed after the date of enactment.'" The Court then dismissed my own statement of views in the following passage:

> While statements attributed to the final bill's two other sponsors, Senators Graham and Kyl, arguably contradict Senator Levin's contention that the final version of the Act preserved jurisdiction over pending habeas cases, see 151 Cong. Rec. S14263 S14264 (Dec. 21, 2005), those statements appear to have been inserted into the Congressional Record *after* the Senate debate. See Reply Brief for Petitioner 5, n. 6; see also 151 Cong. Rec. S14260 (statement of Sen. Kyl) ("I would like to say a few words about the *now-completed* National Defense Authorization Act for fiscal year 2006" (emphasis added)). All statements made during the debate itself support Senator Levin's understanding that the final text of the DTA would not render

subsection (e)(1) applicable to pending cases. See, *e.g.*, *id.*, at S14245, S14252–S14253, S14274–S14275 (Dec. 21, 2005).

There are three misstatements of fact in footnote 10 of Hamdan that I would like to publicly correct. First, the colloquy that Senator KYL and I submitted for the RECORD was not submitted after the Senate's consideration of the bill. It was submitted well before the final vote on the conference report, and was necessary due to the substantial changes we made between the adoption on the amendment on November 15 and the adoption of the conference report on December 21.

Second, I have had a member of my staff view the tapes of the Senate's deliberations on November 15 that were prepared by the Senate Recording Studio. These tapes confirm that the statement from Senator LEVIN that the Supreme Court quoted from that day was not made live, but instead appears to have been submitted for the RECORD.

And third, my staff has viewed the tapes of the Senate's deliberations on December 21. These tapes confirm that the statements to which the Supreme Court cites from that day, statements by Senators LEAHY, DURBIN, and FEINGOLD, also were not spoken live on the Senate floor but were instead submitted for the RECORD. As I will discuss later, it generally doesn't matter to me if a statement is live or not, but it does bear noting the distinction given the Court's focus on it in this case.

The Supreme Court appears to have been misled about the nature of the legislative statements regarding the Detainee Treatment Act. The court dismissed my and Senator KYL's statements on the basis that they were submitted for the Record. Instead, it relied on statements where it thought Senator LEVIN had publicly "urged" other members to accept his view, and on statements that it believed had been spoken live "during the debate itself" on December 21.

In reality, there was no "debate itself" on the Detainee Treatment Act on December 21.

The final Defense authorization conference report was adopted by a voice vote at 10 p.m. Of the 35 pages of the CONGRESSIONAL RECORD accompanying the final passage of that Act, virtually none of it was spoken live on the Senate floor. Nothing regarding the DTA was said live on December 21. In other words, the statements that Senator KYL and I submitted for the RECORD and that the Hamdan majority dismissed are identical in nature to all of the statements from November 15 and December 21 that the Hamdan majority quoted and cited in support of its construction of the DTA.

I should emphasize that although the Supreme Court was misled, I do not believe that it was misled by any of my colleagues. I believe that Senators LEVIN, LEAHY, DURBIN, and FEINGOLD acted entirely appropriately by submitting statements for the RECORD regarding their interpretation of the DTA. As I mentioned, the Senate considered the final Defense bill that contained the DTA late in the evening four days before Christmas. Although the Senators who submitted statements for the Record had every right to delight their colleagues with 6 hours of speeches and debate at that hour, I am certain that every member of the Senate appreciated the fact that these statements were submitted for the RECORD instead.

Where does the Court's mistake spring from then? The Supreme Court's mistake about the legislative history of the DTA appears to have been created by briefs filed by Mr. Neal Katyal, the counsel of record for Mr. Hamdan in the Supreme Court. Much of the Hamdan majority's analysis of the DTA and its legislative history appears to have been adopted verbatim from these briefs. Mr. Katyal's brief, for example, wrongly asserts that the colloquy between Senator KYL and me was "inserted into the RECORD after the legislation passed." Although statements for the RECORD must be submitted on the same day that they are to appear in the daily edition of the RECORD, no public record is kept of when exactly a particular statement was submitted. Mr. Katyal could not possibly have known whether my colloquy with Senator KYL was submitted before or after final passage of the bill, unless he had asked me or my staff, which he did not do. Had he done so, we would have happily informed him that our statement was submitted hours before final passage. Yet he asserted to the Supreme Court that it was submitted "after the legislation passed," a misstatement that the Supreme Court apparently believed and that it repeated in its majority opinion.

Mr. Katyal's brief also asserts that my colloquy with Senator KYL was "entirely post hoc," and that Senator KYL and I "waited until the ink was dry" to submit our views. However, his brief's extensive citations to those December 21 statements that favored petitioner Hamdan are not accompanied by similar bold disclaimers.

Indeed, the very statements of Senators LEAHY, DURBIN, and FEINGOLD that the Supreme Court believed had been made "during the debate itself" appear to have been brought to the court's attention by Mr. Katyal's brief. That passage of the brief makes no mention of the fact that these statements were not spoken live on the Senate floor. The brief also quotes at length from the same statement by Senator LEVIN on November 15 from which the Supreme Court later quoted in its opinion. Not only does the brief fail to warn the reader that this statement was not spoken live, the brief even asserts that "[e]vidence of reliance on Senator LEVIN's statement was immediate," and it cites to a statement by Senator REID that refers to Senator LEVIN's views.

I can see how a reasonable person would understand this passage to mean that Senator LEVIN's and Senator REID's statements were spoken live on the Senate floor. The brief conjures up a scene of one Senator listening to another Senator speak and then "immediately" rising to express his agreement. Yet that scene never took place. Neither Senator LEVIN's nor Senator REID's remarks were made live on the Senate floor.

In the usual case, I do not think that an attorney would have a duty to tell a court whether the Senate floor statements that he is citing are live or not. Indeed, most attorneys would have no way of knowing whether a particular statement is live. Under Senate rules, submitted statements that pertain to pending Senate business are presumed to be live statements and are automatically included in the RECORD among live debate. In my opinion, this is critical to the effective and efficient functioning of the Chamber. I am confident that my colleagues would agree with me.

Here, however, Mr. Katyal made a point of seeking to discredit statements in the CONGRESSIONAL RECORD on the basis that they had not been spoken live. Given that he stressed the introduction of some statements, I believe it was incumbent on him to inform the Court that the statements on which he relied also were not spoken live.

I should again emphasize that I do not criticize any of my colleagues in the Senate. Senators LEVIN, LEAHY, DURBIN, and FEINGOLD's actions were entirely honorable and aboveboard. Indeed, Senators LEAHY, DURBIN, and FEINGOLD, as well as others who opposed the DTA had every right to have their opinions, thoughts, and intent recorded, both in November and in December.

In closing, I would also like to express my concern about the soundness of the distinction that the Hamdan majority drew between live and submitted statements. Although the reality of Senate floor debate is not quite as unflattering as what Justice Scalia suggests in his dissent, it is true that live speeches made by Senators are not always heard by other Members. Senate floor debate is only one of the many sources of information on which Senators rely when deciding how to cast their votes. Other than when Senators express agreement with one another through a colloquy or by expressly referring to each other's views, Senate floor statements should not be understood to represent the understandings and intentions of anyone other than the Member making the statement.

Nor should the courts assume that Senators are unaware of court precedent and rules of construction.

I hope that this statement will prevent further mischaracterization of the legislative record of the Detainee Treatment Act. Senators LEVIN, LEAHY, DURBIN, and FEINGOLD's December comments on the act are all entitled to consideration, but no more so than mine or Senator KYL's. The Supreme Court was misled in Hamdan, and it appears to have based its decision, at least in part, on a simple mistake of fact. That is a result that all those who respect the democratic process and the rule of law should regret.

REMEMBERING U.S. SENATOR HIRAM FONG

Mr. AKAKA. Mr. President, on August 18, 2006, I will have the honor and privilege to commemorate the 47th anniversary of the admission of Hawaii to the United States by dedicating the building housing the Kapalama Post Office in honor of the late U.S. Senator Hiram L. Fong. It is fitting that on Admissions Day, the State of Hawaii commemorates the life of one of its strongest advocates for statehood—Senator Fong—by dedicating the postal facility at 1271 North King Street in Honolulu, which stands near Senator Fong's boyhood home in Kalihi.

Like so many of us with immigrant parents, Senator Fong will be remembered not only for his many accomplishments but also for his humble beginnings. As one of 11 children born to parents from China, he graduated with honors from the University of Hawaii in 1930, and continued his education at Harvard University where he received a law degree 5 years later. In 1959, when Hawaii achieved statehood, he was elected to fill one of two seats in the U.S. Senate where he served from 1959 until January 2, 1977.

Senator Fong was this Nation's first U.S. Senator of Asian ancestry. He served as the ranking Republican on what was then the Senate Post Office and Civil Service Committee, which is why I am so glad we are marking his life's work by dedicating this post office in his memory. I knew Hiram Fong, and I found him to be a man of great integrity. He was a compassionate advocate for civil rights and workers' rights, and throughout his 20 years of service in Congress, Senator Fong personified the spirit of bipartisan cooperation. He was instrumental in enacting landmark civil rights legislation; reforming U.S. immigration laws to end discrimination against Asian immigrants; improving job training programs for workers; and fighting for equal pay for women. The people of Hawaii were truly fortunate to have been represented by Hiram Fong.

This son of Hawaii passed away on August 18, 2004, at the age of 97, followed by his wife Ellyn on March 25 of this year. Hiram and Ellyn are survived by 4 children, Hiram, Jr., Rodney, Marvin, and Mari-Ellen; 10 grandchildren; and 2 great-grandchildren. As we remember our good friend, Hiram Fong, on this Admissions Day, I ask my Senate colleagues and the people of Hawaii to pause for a moment to remember all he did on behalf of the Nation and his beloved Aloha State.

Mr. President, as the former chairman of the Senate Postal Subcommittee, I was proud to introduce the legislation designating the Kapalama Post Office in memory of my friend, Senator Hiram Fong. The Senate passed my bill, S. 2089, by unanimous consent on March 3 of this year; the House of Representatives took action on March 7; and on March 20, the President signed the bill, which is now Public Law 109-203.

VOTING RIGHTS ACT REAUTHORIZATION AND AMENDMENTS ACT OF 2006

Mr. LEAHY. Mr. President, one week ago, I stood behind President Bush as he signed the Voting Rights Act Reauthorization and Amendments Act of 2006 into law. The President gave a short speech about the importance of the legislation and his commitment to defending it. He even distributed a letter to all those in attendance celebrating this reauthorization. In his letter he acknowledged that "further work remains in the fight against injustice, and each generation has a responsibility to write a new chapter in the unfinished story of freedom." I ask unanimous consent to insert his letter into the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1).

Mr. LEAHY. Keeping the Voting Rights Act intact is important, but enforcing it is equally important. Now that Congress has passed the law—and the President has signed it—it is up to the President to ensure that this law and all of its provisions are enforced fully and faithfully. I was pleased last Thursday to hear the President commit to aggressive enforcement and to defend the Act from legal attacks. Article I of the Constitution provides for the Congress to write the laws, and Article II provides for the President to enforce them. Congress has done its part, and now the President must do his. I commended him for saying that he will.

Last week I spoke to the Senate about a letter I had sent to the President in which I urged him not to follow his usual practice of signing a bill with his fingers crossed behind his back and later issuing a presidential signing statement undercutting the law that Congress passed. I return today to report to the Senate that, to the best of my knowledge, the President has accepted that advice and has not issued an after-the-fact signing statement. I thank the President for following this course. In fact, the material posted on the White House website includes a "fact sheet" in which the White House reaffirms the President's commitment "to vigorously enforce the provisions of the law and to defend it in court."

The Voting Rights Act is the keystone in the foundation of civil rights laws and is one of the most important methods of protecting all Americans' foundational right to vote. Several generations have kept the chain of support for the Voting Rights Act unbroken, and now we have once again done our part to continue that legacy and revitalize the Act.

We know that effective enforcement of these provisions is vital in fighting against discrimination that, unfortunately, still exists in this nation today. As the President has acknowledged, the wound is not healed and there is more to do to protect the rights of all Americans to vote and have their votes count.

I also note for the record that today, two weeks after final passage of the House bill to reauthorize and revitalize the Voting Rights Act, and one week after the President signed that historic legislation into law, copies of Senate Report 109-295 have finally been printed. This is the committee report on S.2703 that I commented on during my statement to the Senate on July 27. It contains the objection of all eight Democratic members of the committee. As previously noted, it is unusual in that it does not represent the views of a majority of the committee and certainly does not represent the views of the Democratic sponsors of that Senate legislation.

EXHIBIT 1

THE WHITE HOUSE,
Washington, July 27, 2006.

I send greetings to those celebrating the reauthorization of the Voting Rights Act of 1965.

The Voting Rights Act is one of the most important pieces of legislation in our Nation's history. It has been vital to guaranteeing the right to vote for generations of Americans and has helped millions of our citizens enjoy the full promise of freedom. By refusing to give in to discrimination and segregation, heroes of the Civil Rights Movement called our country back to its founding ideals of freedom and opportunity for everyone. Leaders like Martin Luther King, Jr., and Thurgood Marshall believed in the constitutional guarantees of liberty and equality and trusted their fellow Americans to do the right thing to ensure these blessings for every man, woman, and child.

Over the years, our Nation has grown more prosperous and powerful, and it has also grown more equal and just. Yet, further work remains in the fight against injustice, and each generation has a responsibility to write a new chapter in the unfinished story of freedom. Reauthorizing this legislation is an example of our continued commitment to a united America where every person is valued and treated with dignity and respect.

America is grateful for the sacrifices of citizens such as Fannie Lou Hamer, Rosa Parks, and Coretta Scott King, after whom the bill reauthorizing the Voting Rights Act was named. I also appreciate the members of the House and Senate for passing this historic legislation. By working together, we can help build an America that lives up to our guiding principle that all men and women are created equal.

Laura and I send our best wishes on this special occasion.

GEORGE W. BUSH.

HONORING OUR ARMED FORCES

PRIVATE FIRST CLASS DEREK JAMES PLOWMAN

Mrs. LINCOLN. Mr. President, today I wish to pay tribute to a brave young man from Arkansas who lost his life while serving our Nation in uniform. PFC Derek James Plowman is remembered by those who knew him best as a compassionate soul, who was always quick to bring a smile to the faces of those around him. Having grown up in a large family that was often filled with laughter, he quickly became the life of every party, developing a special gift for being at ease in large groups and brightening the spirits of the people he came in contact with.

Shortly after moving to northwest Arkansas from Florida in 2004, Private First Class Plowman graduated from Valley Springs High School. Hoping to study psychology some day, he enlisted in the Arkansas Army National Guard for an opportunity to earn money towards his college education. It was also an opportunity for him to serve his country, a decision that personified the selfless attitude of this young man.

In the Guard, Private First Class Plowman was a cook assigned to the 142nd Brigade, a brigade comprised of citizen soldiers from north and northwest Arkansas. Upon returning home from basic training, he was informed by one of his superior officers that he would soon be mobilized for service in Operation Iraqi Freedom. With courage and reassurance, he looked his Sergeant in the eye and said "That's OK. I signed on the dotted line and I've got a job to do."

The 142nd was mobilized for duty in Iraq on December 7, 2005, and was scheduled to return next summer. Tragically, Private First Class Plowman died from a gunshot wound on July 20 while serving with his brigade in Baghdad. In a memorial service at Valley Springs High School, over 200 mourners gathered to pay their respects for this fallen soldier and to comfort his family. He was later laid to rest at Western Grove Cemetery in Harrison, AR.

The loss of this special young man is a sobering reminder of the tragic human cost of war. The loss of any of our brave men and women in uniform is felt by not only their friends and loved ones but also by communities and families across our Nation that they fought to defend.

Words cannot adequately express the sorrow felt in the hearts of the family and loved ones of Derek Plowman, but I pray they can find solace in the courageous way he lived his life. My thoughts and prayers are with his mother and stepfather, Kim and Andrew Campbell, his father, Donald Plowman, his brothers and sisters, and with all those who knew and loved him.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On July 28, 2006, in Detroit, MI, Julia Lynn Marsh, a male transvestite, was physically and verbally assaulted by three men. According to sources, Marsh suffered injuries to the head after being struck by a crowbar. It appears Marsh was targeted solely because of his sexual orientation.

I believe that the Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

GULF OF MEXICO ENERGY SECURITY ACT

Mr. DOMENICI. Mr. President, the Senate passed one of the most important bills it has considered this year. We passed legislation that I believe is the most important thing we can do in the near-term to stabilize our energy prices and expand our energy supply.

This is American can-do legislation. With this bill, we are bringing vast reserves of American energy onshore from the American real estate that we own out in the ocean.

We are doing it safely, cleanly, and responsibly. We are bringing this clean energy onshore so our businesses can prosper, our farmers can prosper, and American families can have much needed relief from high energy costs.

Right now, energy is on all of our minds. Oil prices continue to climb because of instability in oil rich regions. Today, oil hovers at just below $75 a barrel. Natural gas prices are climbing because of the intense heat in many regions of our country. This week, the price jumped 11 percent in 1 day, and right now it is at $8.05 per million Btu—that price is four times higher than it was 6 years ago.

Let me tell you why Americans care so much. Between 1999 and 2005, the price of natural gas in the United States increased by 289 percent. At the same time, we lost over 3 million U.S. jobs in the manufacturing sector.

The heat wave gripping our Nation has made energy supply and energy prices a topic of real concern for all of us. As I speak, the lights in the hallways of the Senate and House office buildings are dimmed to conserve energy during this heat wave.

I think it is fitting that during a time of strong national concern over our soaring energy prices, the Senate will pass by what I expect to be a wide margin a bill to bring 1.2 billion barrels of oil and 5.8 trillion cubic feet of natural gas to market. Every once in awhile, we get it just right. This is one of those times.

I am particularly pleased that we did this bill in a way that reinvests in our environment. For decades, our coastal States have produced much of the oil and gas this Nation consumes. They will no longer sit back and go along with leasing without the compensation needed to fix the energy infrastructure and coastal environment that is so critical to our domestic energy survival.

Our coastal States provide 27 percent of our oil and 20 percent of the natural gas. MMS estimates that Gulf of Mexico production is expected to rise within the next several years to about 23 percent of our Nation's natural gas production and 40 percent of U.S. oil production.

In addition, our coastal States host nearly 50 percent of our refining infrastructure. The hurricanes last fall and the soaring energy prices afterward reminded all of us how critical the coastal States' production and infrastructure are to our energy supply.

I am pleased that today marks the beginning of the end of the days of turning our backs on our coastal States while we turn our energy dollars over to hostile regimes.

I am pleased that the bill invests a portion of our royalties in the coastal States and the coastal environment instead of forfeiting all royalties and sending that money to hostile governments to buy their energy. I hope the Gulf of Mexico Energy Security Act marks the beginning of the end of this long cycle of sending our dollars abroad to buy the energy we use here at home.

This bill represents America stepping up to the plate to solve our energy problems. It opens up 8.3 million new acres to development of nearly 6 trillion cubic feet of natural gas and 1.26 billion barrels of oil. We are talking about enough natural gas to heat and cool nearly 6 million homes for 15 years.

The proof of the substantive merits of this bill lies in is its broad support around the Nation from America's agricultural community, manufacturing community, producers of chemicals and plastics, the textile industry, the utility sector, and small businesses. Literally, thousands of consumer groups representing millions of Americans and millions of American jobs say the same thing—that S. 3711 provides the much needed relief for the American people.

That is why this bill is right for America. It is right for our national security. It is right for our economy, our businesses, our farms, and our families. I am pleased at the strong support for this measure.

I thank the following Energy Committee staff for their hard work on this bill: Frank Macchiarola, Bruce Evans, Marnie Funk, Angela Harper, Kara Gleason, and Kristina Rolph.

NOMINATIONS HOLDS

Mr. WYDEN. Mr. President, the plight of countless rural communities in Oregon and across the country may take a turn for the worse due to the impending expiration of the county payments legislation. For this reason, I am putting a hold on the following two Bush nominees to express my continuing dissatisfaction with the administration's lack of attention to the needs of people in more than 700 rural counties in over 40 States: John Ray Correll, Director of the Office of Surface Mining, Interior Department and Mark Myers, Director of the U.S. Geological Services, Interior Department.

In addition, I would also object to any unanimous consent allowing Mr. Correll, Mr. Myers, and Mr. Bernhardt to remain on the calendar. Instead, I request that these three nominations be returned to the White House during the congressional August recess. Rule 31 paragraph 6 of the Senate Rules provides that when the Senate will be in recess for more than 30 days, any nomination in committee or on the Senate Calendar must be returned to the White House unless the Senate, by unanimous consent, allows a nominee to remain on the calendar.

To date, the administration has proposed only one solution to funding county payments, and it is one that many of us find unacceptable. The county payments law, which provides a stable revenue source for education, roads and other county services in rural areas, is due to expire at the end of this year. In early 2005, I cosponsored a bipartisan bill, S. 267, to reauthorize county payments for another 7 years. In February, the administration proposed reauthorizing the law for only 5 years while cutting funding by 60 percent and funding that reduced portion with a controversial Federal land sale scheme.

Senator BAUCUS and I have proposed a sensible, alternative funding source for county payments. Our legislation fully funds county payments by ensuring that a portion of Federal taxes are withheld from payments by the Federal government to government contractors. The Federal Government currently does not withhold taxes when it pays government contractors. In May, the Republican-led Congress approved a major tax bill that uses our funding provision to instead provide tax cuts for the most fortunate Americans, leaving rural counties with fewer options and growing fiscal concerns.

As I have said before, I will hold these nominees and every nominee coming after them, if necessary, until the administration steps to the plate and delivers some leadership in finding a way to fund county payments.

RENEWABLE ENERGY

Mr. BURNS. Mr. President, I rise today to join Senator GRASSLEY and other distinguished Senate colleagues in cosponsoring S. Con. Res. 97. Under this concurrent resolution, the United States sets a goal to provide at least 25 percent of the total energy consumed in the United States from renewable resources by January 1, 2025.

I have said many times and very firmly believe that our energy future will be grown on our farms, ranches, and forests.

In my State of Montana, our farmers are already producing food and fiber for our country. Before long, they will be producing food, fiber, and fuel as agriculture will become part of the energy business. It is important we have the technology available so we do not have to choose between producing food or fuel. In Montana and elsewhere, technology is already being developed to produce cellulosic ethanol. Unlike traditional corn-based ethanol, cellulosic ethanol will use materials such as wheat straw and barley straw. These materials, once discarded as waste, can now be turned into energy.

On August 8, 2005, this Congress passed one of the most comprehensive energy research, development, and conservation bills this country has seen in decades: the Energy Policy Act of 2005. Now, just 1 year later, the initial outcomes are impressive. Twenty-seven new ethanol plants have broken ground. Over 400 E85 pumps have been installed. New wind power production has spurred over $3 billion in economic activity and generated 2,000 megawatts of new usable wind power online. These figures are staggering but pale in comparison to the accomplishments that are possible in the next 20 years.

We have set an ambitious goal. I am pleased this resolution does not include mandates for how to achieve this energy vision. The combination of American ingenuity and widespread public support for this initiative will move the free market toward achieving this attainable goal.

HOSTILITIES BETWEEN HEZBOLLAH AND ISRAEL

Mr. LEVIN. Mr. President, I am pleased to join Senator DODD, Senator SUNUNU and our other cosponsors in offering Senate Resolution 548, which expresses the sense of the Senate regarding the need for the United States and the international community to take certain actions with respect to the hostilities between Hezbollah and Israel.

Like all Americans, I am deeply concerned about the ongoing violence and the loss of civilian lives in the Middle East.

Hezbollah, an organization on the State Department's list of terrorist organizations, must accept full responsibility for sparking this latest round of violence. I support Israel's right to defend itself in response to Hezbollah's acts of terrorism against it. As this resolution urges, I hope that the governments of Iran and Syria will end their material and logistical support for Hezbollah and use their significant influence over Hezbollah to disarm the group and release all kidnapped prisoners.

As this resolution also urges, I favor the United States and the international community working with the governments of Israel and Lebanon on an urgent basis to attain a cessation in the hostilities between Hezbollah and Israel based on: the safe return of Israeli soldiers held by Hezbollah; the disarmament of Hezbollah, the removal of all Hezbollah forces from southern Lebanon, and the replacement of those forces with army and security forces of the Government of Lebanon; an reaching an agreement to fully implement United Nations Security Counsel Resolution 1559 and to create and deploy an international stabilization force with a clear mandate to enforce a permanent ceasefire.

I also hope that the U.S. Government and the international community will work together to organize an international donors conference to solicit and ensure the provision of international support for the reconstruction of Lebanon's infrastructure; and to remain engaged to promote sustainable peace and security for Israel and Lebanon and the greater Middle East.

EUROPEAN UNION COMPLIANCE TO THE KYOTO TREATY

Mr. McCAIN. Mr. President, I want to address a growing misperception concerning the European Union's ability to meet its obligations under the Kyoto Treaty. There are many climate change skeptics who claim that the EU will not be able to meet their greenhouse gas emission reduction targets under the Kyoto Treaty. In turn, they argue that the U.S. should not participate in any "cap and trade" system for the reduction of greenhouse gas emissions.

Under the Kyoto Treaty, the EU has committed to greenhouse gas reductions target of 8 percent below their 1990 emission levels and covers the years 2008 through 2012. This target is shared by the 15 EU member states, EU–15, that existed at the time of the EU ratification of the protocol in May 2001. An additional 10 countries joined the EU in May 2004, eight of which have individual targets under Kyoto that range from 6 to 8 percent below the 1990 levels. Two of them, Malta and Cyprus, are developing countries and, therefore, do not have any emission targets under the treaty.

In December 2005, the EU, as required by the Kyoto Treaty, reported on the progress made toward reducing greenhouse gas emissions. The report indicated that EU policies and actions by member states to date have made annual carbon dioxide emissions reductions of 5.5 percent in the year 2003 across all 25 of the EU member states, EU–25.

The report makes the following assessments:

For the EU–15:

> Existing measures to reduce emissions of greenhouse gases that are projected to be 1.6 percent below the year 1990 levels in 2010. Savings from additional domestic policies and measures being planned by the EU–15 would result in total emission reductions of 6.8 percent.
>
> EU 15 member states forecast that they will be able to achieve lower emissions of 9.3 percent below the year 1990 levels through the use of the Kyoto flexibility mechanisms in the year 2010. They include such activities as emissions trading, forest sequestration, and participating in International projects that result in greenhouse gas reductions through the Joint Implementation and Clean Development Mechanism programs.

For the EU–25:

> The total of all member states' projections of greenhouse gas emissions will be 5 percent below base year levels in 2010 as a result of measures already implemented.
>
> The implementation of additional measures is projected to reduce the EU–25 greenhouse gas emissions to 9.3 percent below 1990 levels by 2010 and, with the use of Kyoto flexibility mechanisms, to 11.3 percent below the year 1990 levels.

The December 2005 report concludes that the EU–15 states can meet their target of 8 percent below the 1990 levels if the additional domestic measures and the Kyoto flexibility mechanisms that are planned are implemented.

According to the February 14, 2006 statement of the acting head of the United Nations Framework Convention on Climate Change, Richard Kinley, 34 industrialized countries under the Kyoto Treaty were "on their way to lower their emissions levels by at least 3.5% below the 1990 levels during the first commitment period." "With the help of additional measures and the use of Kyoto market-based mechanisms, they will as a group be able reach their agreed Kyoto reduction targets."

In June, the European Environment Agency issued the Annual European Community Greenhouse Gas Inventory 1990–2004 and Inventory Report 2006. The report indicates that the EU–15 greenhouse gas emissions for 2004 increased by 0.3 percent—11.5 million tonnes of carbon dioxide equivalents—over 2003. However, compared to the base year, emissions in 2004 were 0.9 percent lower. Assuming a linear target path from 1990 to 2010, total EU–15 greenhouse gas emissions were 4.7 index points above this target path in 2004. It should be noted that this linear target path is not intended as an approximation of past and future emission trends. It does provide a measure of how close the EU–15 emissions are in 2004 to a linear path of emissions from 1990 to the Kyoto target period of 2008–2012, assuming that only domestic measures will be used. Therefore, it is not a measure of future compliance of the EU–15 with its greenhouse gas emission targets in 2008–2012, but aims at evaluating overall EU–15 greenhouse emissions in 2004 alone.

The EU is fully committed to the Kyoto Treaty. It has adopted a series of policies and measures, such as the EU's greenhouse gas emissions trading scheme, to meet its target in a cost-effective manner. The most recent projections show that these measures, together with the EU's participation in the global carbon market, will allow the EU to meet its target.

To ensure its compliance with the Kyoto Protocol, the EU has adopted a series of measures under the European Climate Change Programme, ECCP. Most of these measures have recently entered into force and will start to show their full effect over the next few years. These include:

The EU greenhouse gas emissions trading scheme; the promotion of electricity from renewable energy sources; the promotion of cogeneration, CHP; increasing the energy performance of buildings; the promotion of the use of biofuels for transport; the reduction of land-filling of biodegradable waste

I ask unanimous consent to have printed in the RECORD documents from the European Commission and the European Environmental Agency's reports which summarize the EU's efforts to address climate change. Let me highlight a few of the important elements from these reports for my colleagues.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Attachment I: European Climate Change Programme: Overview table of policies and measures

Explanation of terminology and estimates of emission reduction potential

1. "*In force*": These measures are adopted by the EU institutions, the main task for the Commission is to monitor the implementation and review if appropriate (as sometimes laid down through specific legislative requirements). Important upcoming reviews are also indicated in the table
2. "*In co-decision*": These measures have been proposed by the Commission and are currently in co-decision in the European Institutions
3. "*in implementation*" : these non legislative measures are currently in execution
3. "*Advanced stage of preparation*": the preparatory policy work is to a large extent completed and a concrete proposal is envisaged in the Commission's work plan
4. "*In preparation*": the examination of the measure are still on-going

It should be noted that the emission reduction potential for the various ECCP measures are (ex-ante) estimates. The 'ex ante' ECCP evaluation of the potential of a certain measure does not necessarily coincide with the actual realisation in the field, as not all of the detailed provisions of the proposals or adopted measures have been taken into account in the pre-evaluation. Another reason is that the estimated potential is sometimes based on reaching certain (indicative) targets, which will need to be proven in practice (eg. CHP and biofuels proposals).

Summary of implemented and planned policies and measures

Cross-cutting issues

Policies and measures 'Cross-cutting'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
EU emissions trading scheme		In force
Revision of the monitoring mechanism	N/a	In force
Link Kyoto flexible mechanisms to emissions trading		In force

Energy Supply

Policies and measures 'Energy supply'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Directive on renewable electricity	100-125[1]	In force
Directives on the promotion of transport bio-fuels	35-40[1]	In force
Directive on promotion of cogeneration	65	In force
Further measures on renewable	36-48	In preparation

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[1] Second ECCP progress report April 2003 - http://europa.eu.int/comm/environment/climat/pdf/second_eccp_report.pdf

heating and cooling (including biomass action plan)		
Intelligent Energy for Europe: programme for renewable energy	N/a	Programme for policy support in renewable energy
TOTAL in implementation	193-255	

Energy demand

Policies and measures 'Energy demand'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Directive on the energy performance of buildings	35-45	In force Monitoring and review
Directive requiring energy labelling of domestic appliances	20[1]	In force Monitoring and review
Existing labels +	1	In force
New (el. ovens &AC)	10	
Envisaged revisions (refrigerators/freezers/dish-washers)	23	In force
Planned new (hot water heaters)	N/k	In preparation
Extension of scope of Directive		
Framework Directive on eco-efficiency requirements of energy-using products	2010: dependent on implementation of daughter directives	In co-decision (institutional agreement)
Directive on Energy services	40-55[1]	In force
Action Plan on Energy efficiency as a follow-up to the GreenPaper	N/a	In preparation (2006)
Action under the directive on integrated pollution prevention and control (IPPC) on energy efficiency	N/k	In preparation
Intelligent Energy for Europe programme for energy efficiency	N/a	Programme for policy support in energy efficiency
Public awareness campaign on energy efficiency	N/a	Supporting program as part of Intelligent Energy for Europe: In implementation
Programme for voluntary action on motors (Motor Challenge)	30	Supporting programme for voluntary action on efficient motor systems
Public procurement	25-40	EU Handbook developed for guidance for increased energy efficient public procurement
OVERALL in implementation	184-224	

Transport

Policies and measures 'Transport'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Community strategy on CO_2 from passenger cars (including voluntary commitment – VC - of car associations)	Total 107-115 Of which VC: 75-80[2]	VC: monitoring; review ongoing Labelling: in force Communication on fiscal measures: in implementation Directive on taxation of passenger cars: in preparation
Framework Directive Infrastructure use and charging	40-60	In implementation, in relation to heavy duty road transport only
Shifting the balance of transport modes	N/k	Package of measures in implementation
Fuel taxation	N/k	In force Focus on EU harmonisation of taxation, not on CO_2 reduction
Directive on mobile air conditioning systems: HFCs	See regulation on fluorinated gases	In co-decision, as part of regulation on fluorinated gases
TOTAL in implementation	147 - 175	

Industry & non CO_2 gases

Policies and measures 'Industry'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Regulation on fluorinated gases	23[3]	In co-decision
IPPC & non-CO_2 gases	N/k	In force Review periodically

Waste

Policies and measures	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Landfill Directive	41[2]	In force
Thematic strategy on waste	N/k	In preparation

Integration Research & Development

Policies and measures	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
R&D framework Program	n/a	In force 6 Framework Programme for research and development Includes support for R&D in the fields of energy, transport and

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[2] Second ECCP progress report April 2003 - http://europa.eu.int/comm/environment/climat/pdf/second_eccp_report.pdf

[3] COM (2003) 492 final

		climate In preparation 7 Framework Programme

Integration Structural funds

Policies and measures	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Integration climate change in structural funds &cohesion funds	n/a	For the new budgetary period 2007-2013 renewable energy and energy efficiency have been identified as eligible areas for support –EU strategic guidelines In preparation

Table 1: Agriculture

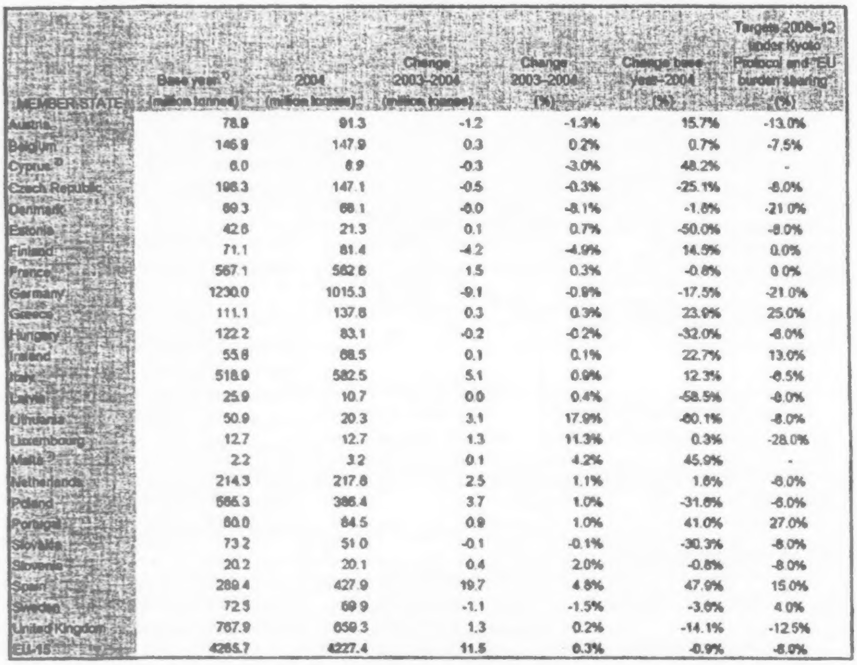
Policies and measures in 'Agriculture'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Integration climate change in rural development	N/a	For the new budgetary period 2007-2013 renewable energy and energy efficiency have been identified as eligible areas for support –EU strategic guidelines In preparation
Support scheme for energy crops	N/a	In force
N_2O from soils	10	improved implementation of the nitrates Directive
TOTAL in implementation	10	

Table 2:Forests

Policies and measures 'Forests'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Afforestation and reforestation: - Afforestation programmes - Natural forest expansion	Not known	Identified potential:14 Mt of CO2 eq..Possibility for support through forestry scheme of rural development
Forest management (various measures)	Not known	Identified potential: 19 Mt CO2 eq..Possibility for support through forestry scheme of rural development, dependent on national implementation.
TOTAL in implementation	-	

Attachment II: The EU's Kyoto Performance

Table 1: Greenhouse gas emissions trends and Kyoto Protocol targets for 2008-2012 (source: European Environment Agency, 2006)



MEMBER STATE	Base year[1] (million tonnes)	2004 (million tonnes)	Change 2003–2004 (million tonnes)	Change 2003–2004 (%)	Change base year–2004 (%)	Targets 2008–12 under Kyoto Protocol and "EU burden sharing" (%)
Austria	78.9	91.3	-1.2	-1.3%	15.7%	-13.0%
Belgium	146.9	147.9	0.3	0.2%	0.7%	-7.5%
Cyprus[2]	6.0	8.9	-0.3	-3.0%	48.2%	-
Czech Republic	196.3	147.1	-0.5	-0.3%	-25.1%	-8.0%
Denmark	69.3	68.1	-6.0	-8.1%	-1.8%	-21.0%
Estonia	42.6	21.3	0.1	0.7%	-50.0%	-8.0%
Finland	71.1	81.4	-4.2	-4.9%	14.5%	0.0%
France	567.1	562.6	1.5	0.3%	-0.8%	0.0%
Germany	1230.0	1015.3	-9.1	-0.9%	-17.5%	-21.0%
Greece	111.1	137.6	0.3	0.3%	23.9%	25.0%
Hungary	122.2	83.1	-0.2	-0.2%	-32.0%	-6.0%
Ireland	55.8	68.5	0.1	0.1%	22.7%	13.0%
Italy	518.9	582.5	5.1	0.9%	12.3%	-6.5%
Latvia	25.9	10.7	0.0	0.4%	-58.5%	-8.0%
Lithuania	50.9	20.3	3.1	17.9%	-60.1%	-8.0%
Luxembourg	12.7	12.7	1.3	11.3%	0.3%	-28.0%
Malta[2]	2.2	3.2	0.1	4.2%	45.9%	-
Netherlands	214.3	217.8	2.5	1.1%	1.6%	-6.0%
Poland	565.3	386.4	3.7	1.0%	-31.6%	-6.0%
Portugal	60.0	84.5	0.9	1.0%	41.0%	27.0%
Slovakia	73.2	51.0	-0.1	-0.1%	-30.3%	-8.0%
Slovenia	20.2	20.1	0.4	2.0%	-0.6%	-8.0%
Spain	289.4	427.9	19.7	4.8%	47.9%	15.0%
Sweden	72.5	69.9	-1.1	-1.5%	-3.6%	4.0%
United Kingdom	767.9	659.3	1.3	0.2%	-14.1%	-12.5%
EU-15	4265.7	4227.4	11.5	0.3%	-0.9%	-8.0%

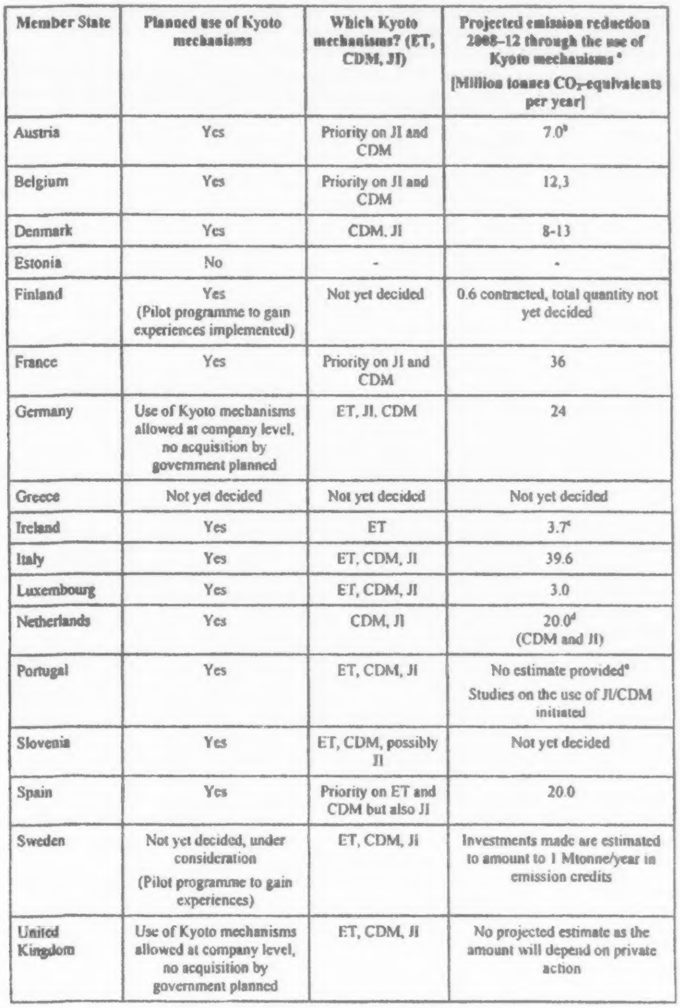
1. The base year emissions in this table are preliminary and the final emissions will be agreed in 2006 within Council Decision (2002/358/EC). The base year for CO2, CH4 and N2O, for the EU-15-15, is 1990; for the fluorinated gases 13 Member States have chosen to select 1995 as the base year, whereas Austria and France have chosen 1990. As the EU-15 inventory is the sum of Member States' inventories, the EU-15 base year estimates for fluorinated gas emissions are the sum of 1995 emissions for 13 Member States and 1990 emissions for Austria and France.
2. Malta and Cyprus did not provide GHG emission estimates for 2004, therefore the data provided in this table is based on gap filling.

Note: Malta and Cyprus do not have Kyoto Protocol targets.

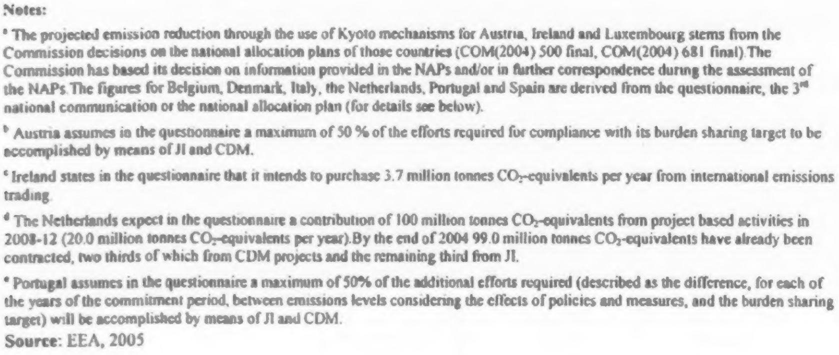
Attachment III:

Use of the Kyoto Mechanisms by Member States

Member State planned use of the Kyoto Mechanisms in Million tonnes of CO_2 equivalent for the entire first commitment period (2008-2012), based on information provided in their National Allocation Plans submitted under the EU emissions trading scheme.



Member State	**Planned use of Kyoto mechanisms**	**Which Kyoto mechanisms? (ET, CDM, JI)**	**Projected emission reduction 2008–12 through the use of Kyoto mechanisms** [a] **[Million tonnes CO_2-equivalents per year]**
Austria	Yes	Priority on JI and CDM	7.0[b]
Belgium	Yes	Priority on JI and CDM	12,3
Denmark	Yes	CDM, JI	8-13
Estonia	No	-	-
Finland	Yes (Pilot programme to gain experiences implemented)	Not yet decided	0.6 contracted, total quantity not yet decided
France	Yes	Priority on JI and CDM	36
Germany	Use of Kyoto mechanisms allowed at company level, no acquisition by government planned	ET, JI, CDM	24
Greece	Not yet decided	Not yet decided	Not yet decided
Ireland	Yes	ET	3.7[c]
Italy	Yes	ET, CDM, JI	39.6
Luxembourg	Yes	ET, CDM, JI	3.0
Netherlands	Yes	CDM, JI	20.0[d] (CDM and JI)
Portugal	Yes	ET, CDM, JI	No estimate provided[e] Studies on the use of JI/CDM initiated
Slovenia	Yes	ET, CDM, possibly JI	Not yet decided
Spain	Yes	Priority on ET and CDM but also JI	20.0
Sweden	Not yet decided, under consideration (Pilot programme to gain experiences)	ET, CDM, JI	Investments made are estimated to amount to 1 Mtonne/year in emission credits
United Kingdom	Use of Kyoto mechanisms allowed at company level, no acquisition by government planned	ET, CDM, JI	No projected estimate as the amount will depend on private action



Notes:

[a] The projected emission reduction through the use of Kyoto mechanisms for Austria, Ireland and Luxembourg stems from the Commission decisions on the national allocation plans of those countries (COM(2004) 500 final, COM(2004) 681 final).The Commission has based its decision on information provided in the NAPs and/or in further correspondence during the assessment of the NAPs.The figures for Belgium, Denmark, Italy, the Netherlands, Portugal and Spain are derived from the questionnaire, the 3rd national communication or the national allocation plan (for details see below).

[b] Austria assumes in the questionnaire a maximum of 50 % of the efforts required for compliance with its burden sharing target to be accomplished by means of JI and CDM.

[c] Ireland states in the questionnaire that it intends to purchase 3.7 million tonnes CO_2-equivalents per year from international emissions trading.

[d] The Netherlands expect in the questionnaire a contribution of 100 million tonnes CO_2-equivalents from project based activities in 2008-12 (20.0 million tonnes CO_2-equivalents per year).By the end of 2004 99.0 million tonnes CO_2-equivalents have already been contracted, two thirds of which from CDM projects and the remaining third from JI.

[e] Portugal assumes in the questionnaire a maximum of 50% of the additional efforts required (described as the difference, for each of the years of the commitment period, between emissions levels considering the effects of policies and measures, and the burden sharing target) will be accomplished by means of JI and CDM.

Source: EEA, 2005

Mr. McCAIN. Mr. President, attachment I gives a full overview of all recently adopted measures and their projected effect. ECCP policies and other actions by Member States to date, in combination with restructuring of European industry, particularly in Central and Eastern Europe, have contributed to an absolute reduction of annual carbon dioxide emissions of some 305 million tonnes, 4.8 percent, across the EU–25 in 2004.

Attachment II provides an overview of the performance of individual Member States. In 2004, the EU–15, which shares the EU's Kyoto target of an 8 percent reduction, had reduced their greenhouse gas emissions by 0.9 percent compared to 1990 levels even though they recorded economic growth of 32 percent from 1990 to 2004. The average EU–15 member state's emissions over the most recent 5-year period are currently 2 percent below 1990 level.

Attachment III provides an overview of the planned use by individual Member States of the Kyoto mechanisms. The EU will make use of the cost-effective reduction options offered by its participation in the global carbon market, based on the Kyoto's flexible mechanisms, to meet its target.

In summary Mr. President, the EU has made good progress and its ultimate success will depend upon the speed and thoroughness of the implementation by Member States of legislative and domestic measures. Total projections for the EU–15 Member States show that the Kyoto targets can be met if Member States implement additional planned domestic measures and use the flexible mechanisms.

Despite this meaningful progress, the EU realizes that much more has to be done. Its climate change policy does not stop in 2012, the end of the Kyoto Treaty. The European Commission has also adopted a Communication outlining key elements for a strategy for further action post 2012. They include: the need for broader participation by countries and sectors; the development of low-carbon technologies; the continued and expanded use of market-based instruments; and the need to adapt to the inevitable impacts of climate change. A follow-up Communication with proposals for concrete steps at European and international levels is planned for the end of 2006.

These policies, and others like them, provide the necessary strong, long-term signals to industry, EU Member State governments, and the wider international community that the EU is committed to tackling climate change and expects all of its institutions, businesses, and citizens to do their part.

Many here in the US will try to use another country's failure or inaction as an excuse for not doing anything. But it is just that, an excuse. The harsh reality is that we all need to be doing more—and that means the United States too. Just as we cannot allow the EU challenges to serve as the basis for our inaction, I certainly hope that the EU would not allow our lack of action to hinder their efforts to address this significant problem.

ADDITIONAL STATEMENTS

GRAND OPENING OF THE ROTARY CLUBS OF MODESTO CENTENNIAL JUNCTION

• Mrs. BOXER. Mr. President, today I celebrate the grand opening of the Rotary Clubs of Modesto Centennial Junction section of the Virginia Corridor and to recognize the United Rotary Clubs of Modesto's extraordinary contributions and support for the Virginia Corridor Rails-to-Trails project. When I visited the site in July of 2002, the Virginia Corridor was very much just an idea. However, as a result of the hard work of a number of city officials and staff members, and the determination of a group of motivated citizens, the entire Virginia Corridor will soon become a reality.

The United Rotary Clubs of Modesto, an organization that played an instrumental role to this project, is comprised of the five local Rotary clubs: the Modesto Rotary Club, the Modesto East Rotary Club, the Modesto Gateway Rotary Club, the Modesto North Rotary Club, and the Modesto Sunrise Rotary Club. Together, the local rotary clubs contributed significant funding for the trail segment between Roseburg and Orangeburg Avenues. The rotary clubs donated and installed lighting, a 10-foot wide asphalt trail surface, a kiosk, fencing and irrigation. This quarter mile trail, which will be known as the Rotary Clubs of Modesto Centennial Junction of the Virginia Corridor, features a trail with lighting, landscaping, benches, picnic tables and seat walls.

The Virginia Corridor Rails-to-Trails project is a truly collaborative effort between the city of Modesto, the State of California, the Federal Government, and a host of local community interests that, once completed, will successfully transform a once abandoned rail corridor into a premier linear park, trail and recreational gathering place in one of the fastest growing cities in California's Central Valley.

When completed, the Virginia Corridor will stretch nearly 4 miles from Modesto's central business district to the northern boundary of the city. Once completed, this trail will link neighborhoods by providing a safe and scenic commuter route to schools, parks, and restaurants for bicyclists and pedestrians. The Virginia Corridor will also offer a place for Modesto's outdoor enthusiasts to pursue a myriad of outdoor activities, as it will link three primary bike paths that include: the Hetch Hetchy Trail in North Modesto, the class I trails in Dry Creek Regional Park and the Tuolumne River Regional Park.

I congratulate the city of Modesto on the opening of the Rotary Clubs of Modesto Centennial Junction of the Virginia Corridor. I especially commend the invaluable contributions of the United Rotary Clubs of Modesto which, through their generosity and commitment to public service, have provided a community jewel that will go a long way towards improving the quality of life for the people of Modesto.•

HONORING OFFICER MICHEL O. CONLEY

• Mr. ALLARD. Mr. President, today I wish to honor Officer Michel O. Conley, who lost his life in Colorado's Big Thompson Flood of 1976.

Thirty years ago, more than 1 foot of rain fell in a matter of hours, causing a flash flood in Big Thompson Canyon. One hundred and forty four people were killed and over $30 million in property damage occurred. We remember those who died in this natural disaster and also the survivors who had to rebuild their lives, working as a community to start over again. This week, outside of my hometown of Loveland, CO, survivors of this tragedy gathered to commemorate the Big Thompson Flood. Though I could not be with them, my thoughts and prayers were. I speak on the Senate floor today as a tribute to this special event.

I ask that the following letter, which I wrote for the Memorial Service for Officer Michel O. Conley, be printed in the RECORD.

The material follows.

JULY 31, 2006

MEMORIAL SERVICE FOR OFFICER MICHEL O. CONLEY; 30TH ANNIVERSARY OF THE BIG THOMPSON FLOOD

DEAR MS. MARKS AND GUESTS: As we look back thirty years ago today we remember the shock and devastation that took place in the Big Thompson Canyon, and the loss of Officer Michel O. Conley.

Joan and I arrived just after the crest from the flood had passed through Loveland and were astounded by the destruction. We were devastated by the tragedy which affected our community.

The loss of Officer Michel Conley of the Estes Park Police Department is part of that tragedy. However, in his acts of service and selflessness he helped to prevent what could have been more losses. He helped to save approximately 60 people before he was lost in flood. His gallantry and bravery are to be commended.

Joan's and my prayers and thoughts are with you today as you commemorate the Big Thompson Canyon Flood and the life of Officer Conley, and with all whose lives were affected by this tragedy.

Sincerely,

WAYNE ALLARD,
U.S. Senator.•

IN MEMORY OF DR. FELICIA H. STEWART

• Mrs. BOXER. Mr. President, I wish to pay tribute to an extraordinary woman, renowned reproductive health expert Dr. Felicia Hance Stewart. Dr. Stewart died on April 13 at the age of 63. Her energy, compassion, intelligence and tireless commitment to women's health made a difference for countless women in the U.S. and around the world.

Dr. Stewart's keen mind and affinity for medicine were apparent from her distinguished educational background. She received her bachelor of arts degree from the University of California, Berkeley, graduating Phi Beta Kappa and with honors in biochemistry. In 1969, she received her M.D. degree from Harvard University Medical School. She did her postgraduate training at Cambridge City Hospital in Massachusetts and at the University of California, San Francisco Medical Center.

Dr. Stewart's passion for empowering women through increased access to reproductive health services was evident throughout her extraordinary career. Dr. Stewart began her practice in obstetrics and gynecology in Sacramento, working for Sutter Medical Group, doing clinical research with a focus on contraceptives. She also worked as associate medical director of Planned Parenthood in Sacramento.

In 1994, Dr. Stewart was appointed Deputy Assistant Secretary for Population Affairs in the Clinton administration's Department of Health and Human Services, HHS. Working with then-Secretary of HHS Donna Shalala, Dr. Stewart was the senior expert responsible for family planning.

In 1996, she became director of Reproductive Health Programs at the Henry J. Kaiser Family Foundation in Menlo Park, CA. She was most recently codirector of the Bixby Center for Reproductive Health Research and Policy at UCSF.

Dr. Stewart wrote "Understanding Your Body: Everywoman's Guide to a Lifetime of Health," 1987, and "My Body, My Health: The Concerned Woman's Guide to Gynecology and Health," 1979. She cowrote "Contraceptive Technology," a major professional reference book that has been published in 18 editions, and "Emergency Contraception: The Nation's Best Kept Secret." She also published nearly 100 scientific journal articles.

Dr. Stewart's passionate and reasoned advocacy for increasing access to emergency contraception brought national attention to this critical women's health issue. Dr. Stewart was instrumental in conducting research which established that emergency contraception was safe and effective without a physician's prescription. Her research has helped increase access to emergency contraception in pharmacies throughout California.

In 1973, after Roe v. Wade was handed down, none of us thought we still would be fighting the same battle to protect fundamental women's reproductive rights in 2006. But the fight is more challenging than ever. Not only are we fighting to maintain abortion rights, but access to comprehensive health services, including contraception.

Dr. Felicia Stewart was at the forefront of that fight throughout her career. Her work helped prevent countless unintended pregnancies and empowered women to take control of their reproductive health. Dr. Stewart impacted many lives, from the women and men she served in clinics to the doctors, researchers and activists she inspired to follow in her footsteps. She leaves us with the inspiration to work harder and never give up the fight to secure the full range of reproductive health services for women. She leaves a lasting legacy that will not be forgotten.

Dr. Stewart is survived by her son Matthew Stewart and daughter Kathryn Stewart; her parents Lena and Harold Hance; her brother Allan Hance; stepchildren Tammy Barlow, Wayne Stewart, and Michael Stewart.

I am proud to have stood with Dr. Felicia Stewart in our fight to increase access to women's reproductive health services. She was a wonderful ally and supporter of my work in the Senate. She will be greatly missed.•

TRIBUTE TO MEL STREETER

• Ms. CANTWELL. Mr. President, earlier this summer, Seattle lost one of its most impressive and inspiring leaders. As an outstanding architect and an extraordinary man, Mel Streeter left his mark on our community and changed the lives of so many.

When he died on Monday, June 12, we lost a great friend and a true pioneer.

For more than 50 years, Mel's dedication, optimism, and good cheer made him a Seattle institution. For years to come, his creativity, generosity, and mentorship will provide a model and an inspiration.

As one of the first African-American architects to lead a Seattle firm, Mel broke down barriers and created new opportunities for others who followed.

As a proud and active member of Tabor 100, the America Institute of Architects Seattle Diversity Roundtable, and the Seattle Planning Commission, he strengthened our region and shaped its growth.

And as a tireless advocate for low-income and senior housing, Mel showed his bold spirit and his big heart.

His ingenuity and influence live on across the Pacific Northwest.

We are all so lucky to have seen Mel's vision made real in beautiful structures across our State. We are luckier still to have had him in our lives.

Next week, the people of Seattle will come together at a special memorial ceremony to celebrate Mel Streeter's life. My prayers and thoughts are with his wife Kathy and sons Doug, Jon, Ken, and Kurt. May your memories serve always as a source of comfort.•

125TH NATIONAL ENCAMPMENT

• Mr. CARPER. Mr. President, today I commemorate the Sons of Union Veterans of the Civil War on the occasion of its 125th National Encampment being held August 10 through the 14 in Harrisburg, PA. The event honors the brave men who fought to preserve our Nation during the Civil War.

In 1866, Union Veterans of the Civil War organized into the Grand Army of the Republic, GAR, and became a social and political force that would control the destiny of the Nation for more than six decades. Membership in the veterans' organization was restricted to individuals who had served in the Army, Navy, Marine Corps, or Revenue Cutter Service during the Civil War. In 1881, the GAR formed the Sons of Veterans of the United States of America to carry on its traditions and memory. On August 20, 1954, the U.S. Congress, under the leadership of GEN Douglas MacArthur and GEN Ulyssess S. Grant, III, formally chartered the Sons of Union Veterans of the Civil War.

Today, more than 6,500 members represent the Union Veterans of the Civil War throughout the United States. Their members devote a great deal of time, energy, and resources to preserve the history of the civil war in schools throughout the United States. They study the American Civil War from all perspectives in order to facilitate a deeper understanding of one of the most important events in our Nation's history.

In closing, I would like to again praise the Sons of Union Veterans of the Civil War on the occasion of its anniversary for its work to perpetuate and honor the brave men who fought for us to preserve our Nation. As a veteran myself, I understand the importance of honoring our veterans and preserving our history, especially that of the Civil War. I hope my colleagues in the Senate join me in honoring the work of the Sons of Union Veterans of the Civil War.•

125TH ANNIVERSARY OF MAYVILLE, ND

• Mr. CONRAD. Mr. President, today I wish to recognize a community in North Dakota that recently celebrated its 125th anniversary. On July 27-30, the residents of Mayville gathered to celebrate their community's history and founding.

Mayville's post office first opened on June 20, 1877, under the guidance of Mrs. Alvin Arnold, who served as the postmaster. It is believed that the community may have been named after her daughter May or for the wife of another postmaster in a nearby town. In 1888, led by Mayor E.M. Paulson, Mayville became a city.

Today, Mayville is thriving. Located in the beautiful Goose River Valley, Mayville prides itself on providing residents with a nice country living. Low crime, excellent education, and diverse economic opportunities set Mayville apart.

Mayville is also home to Mayville State University, which offers 2-year and 4-year liberal arts and professional degrees to over 700 students of all ages. Mayville State was the fourth university in the Nation to provide all of its students with a notebook computer. It is also home to the Traill County Technology Center, a business incubator.

Mayville celebrated its 125th anniversary with a weekend of events that included parades, auctions, an all-school reunion, and community breakfasts.

Mr. President, I ask the Senate to join me in congratulating Mayville, ND, and its residents on their first 125 years and in wishing them well through the next century. By honoring Mayville and all the other historic small towns of North Dakota, we keep the great pioneering frontier spirit alive for future generations. It is places such as Mayville that have helped to shape this country into what it is today, which is why this fine community is deserving of our recognition.

Mayville has a proud past and a bright future.•

THE LIFE OF LEON EPSTEIN

• Mr. FEINGOLD. Mr. President, today I wish to honor the memory of Leon Epstein, someone who contributed a great deal to the University of Wisconsin and the study of political science, and someone I was proud to know.

Leon, who passed away on Tuesday, was a native Wisconsinite who gave back to our State through his dedicated work both as a scholar and an administrator at UW. Born in 1919 in Beaver Dam, he went on to study at the University of Wisconsin-Madison, where he earned a B.A. and then an M.A. in economics. He then spent virtually his entire academic career on the Madison campus, where for 40 years he was a beloved fixture in the political science department—a department from which I was proud to graduate. He made an impact on countless students as he taught introductory courses and supervised doctoral dissertations for four decades.

Throughout his life, Leon remained dedicated to his own research and independent work. He received many prestigious fellowship grants and published six books. He was widely recognized for his book "Political Parties in Western Democracies," which received the first book award from the Political Organizations and Parties Section of the American Political Science Association. He also served as president of the Midwest Political Science Association, the British Politics Group, and the American Political Science Association.

Leon also held the position of dean of the College of Letters and Science from 1965 to 1969. In every capacity, Leon earned the respect and friendship of those with whom he worked. He was someone I admired, both for who he was and for the many outstanding contributions he made to the study of political science. He leaves behind a great legacy. People will study his work for many years to come. And those of us who knew him will remember a man of tremendous character who gave so much to a university and a State that he loved. He will be greatly missed.•

THE RETIREMENT OF JIM BARR

• Mr. KOHL. Mr. President, today I wish to honor my friend, James Barr III, a respected citizen of Wisconsin and a distinguished business executive, who has served with integrity and distinction as president and chief executive officer of TDS Telecommunication Corporation since 1990. Mr. Barr is stepping down from his position with TDS later this year.

Jim Barr has built a strong business model for TDS Telecom that is widely admired and emulated in the corporate world. Under his leadership, TDS Telecom has become a strong customer-focused organization that has won numerous customer service awards, including the prestigious JD Power and Associates annual award for exceptional customer care. He has created a vigorous and vital business organization with over 3,200 employees serving 1.2 million customers in 29 States. The company is now the sixth largest independent telephone company in the Nation.

Jim Barr has given of his personal time not only in his service to several national telecommunications industry boards but to numerous prestigious public service organizations, including the United Way of Dane County, WI.

Jim Barr has been an exemplary leader. His efforts have brought a higher quality of life to the people who have served with him and to the community he has served. He is, however, first and foremost, a loving and supportive husband to Joan, his wife of 45 years, a caring and understanding father to his four children, and a proud and devoted grandfather to eight grandchildren.

Mr. President, I therefore honor Jim Barr today for his outstanding contributions to the telecommunications industry as well as Wisconsin. He is a visionary and a builder, leader and a mentor, a beloved husband, father, and grandfather, and I am proud to call him my friend.•

TRIBUTE TO DR. WALTER F. MORRISON, JR.

• Mr. LOTT. Mr. President, I wish to recognize and pay tribute to Dr. Walter F. Morrison, Jr., Deputy Director of the U.S. Army Corps of Engineers Research and Development Center, ERDC, in recognition of his exceptional contributions to the Nation. Dr. Morrison will soon retire with over 30 years service to the Nation as a U.S. Army soldier and civilian leader. His efforts over these years and his most recent leadership in integrating and restructuring the Corps of Engineers Research and Development has been exceptional and will have a significant, long-term positive effect on the lives of our soldiers in combat and the safety of our citizens.

Dr. Morrison was commissioned a second lieutenant in the U.S. Army and served on active duty at the former Ballistic Research Laboratory, BRL as a first lieutenant and captain after graduating in physics from the Georgia Institute of Technology Reserve Officer Training Program in 1976. Upon completion of his military service he continued with the BRL as a civilian employee. Over the next several years he took on positions within the lab of ever increasing responsibility culminating in an assignment as the chief of the Terminal Effects Division with the responsibility for advanced lethality and survivability mechanisms, concepts, and designs for future Army land warfare systems.

In 1998, Dr. Morrison was selected as a member of the Senior Executive Service and assigned as the director for research and laboratory management, Office of the Assistant Secretary of the Army, Acquisition, Logistics and Technology. There, he was responsible for the Army Basic Research, Applied Research programs for the Army Research Laboratory, Army Research Institute, Corps of Engineers, and Simulation, Training and Instrumentation Command, as well as several Army-wide programs including Environment Quality Technology, Manufacturing Technology, and Army High Performance Computing. He also oversaw laboratory management policy for all Army laboratories and research centers.

Dr. Morrison has over 80 technical publications. He was elected a fellow of the Ballistic Research Laboratory in 1992 and has been awarded the Department of the Army Decoration for Exceptional Civilian Service Award, the Department of the Army Meritorious Civilian Service Award, the Army Superior Civilian Service Award, the Army Research and Development Achievement Award, and the Army Engineer Association Bronze and Silver de Fleury Medals. He received the bachelor's, masters and doctorate degrees in physics from the Georgia Institute of Technology.

Throughout his career, Dr. Morrison demonstrated a profound commitment to the Army, the Corps of Engineers, and the Nation. He is a consummate professional whose performance in over 30 years of service has personified those traits of competency and integrity that our Nation has come to expect of its senior civilian leaders.

I ask my colleagues to join me in thanking Dr. Morrison for his honorable service to the U.S. Army and the Nation. We wish him and his family Godspeed and all the best in the future.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2389. An act to amend title 28, United States Code, with respect to the jurisdiction of Federal courts over certain cases and controversies involving the Pledge of Allegiance; to the Committee on the Judiciary.

H.R. 3085. An act to amend the National Trails System Act to update the feasibility and suitability study originally prepared for the Trail of Tears National Historic Trail and provide for the inclusion of new trail segments, land components, and campgrounds associated with that trail, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 4075. An act to amend the Marine Mammal Protection Act of 1972 to provide for better understanding and protection of marine mammals, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 4894. An act to provide for certain access to national crime information databases by schools and educational agencies for employment purposes, with respect to individuals who work with children; to the Committee on the Judiciary.

H.R. 5013. An act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to prohibit the confiscation of firearms during certain national emergencies; to the Committee on the Judiciary.

H.R. 5187. An act to amend the John F. Kennedy Center Act to authorize additional appropriations for the John F. Kennedy Center for the Performing Arts for fiscal year 2007; to the Committee on Environment and Public Works.

H.R. 5534. To provide grants from moneys collected from violations of the corporate average fuel economy program to be used to expand infrastructure necessary to increase the availability of alternative fuels; to the Committee on Energy and Natural Resources.

H.R. 5646. An act to study and promote the use of energy efficient computer servers in the United States; to the Committee on Energy and Natural Resources.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 459. Concurrent resolution providing for an adjournment or recess of the two Houses; to the Committee on Appropriations.

MEASURES READ THE FIRST TIME

The following bills were read the first time:

H.R. 4157. To promote a better health information system.

H.R. 4761. To provide for exploration, development, and production activities for mineral resources on the outer Continental Shelf, and for other purposes.

H.R. 4890. To amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-7759. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "International Fisheries; Pacific Tuna Fisheries; Restrictions for 2006 Longline Fisheries in the Eastern Tropical Pacific Ocean; Fishery Closure" (RIN0648-AT33) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7760. A communication from the Deputy Assistant Administrator for Operations, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries off West Coast States; Coastal Pelagic Species Fisheries; Annual Specifications; Pacific Sardine Fishery" (RIN0648–AT76) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7761. A communication from the Deputy Assistant Administrator for Regulatory Programs, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Spiny Dogfish Fishery Management Plan; 2006–2008 Specifications" (RIN0648–AT59) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7762. A communication from the Acting Director, Domestic Fisheries Division, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Squid in the Bering Sea and Aleutian Islands Management Area" (ID 071706A) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7763. A communication from the Acting Director, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Western Aleutian District of the Bering Sea and Aleutian Islands Management Area" (ID 071406C) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7764. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Yellowfin Sole in the Bering Sea and Aleutian Islands Management Area" (ID 071306C) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7765. A communication from the Acting Director, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pelagic Shelf Rockfish in the Western Regulatory Area of the Gulf of Alaska" (ID 071406B) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7766. A communication from the Acting Director, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Northern Rockfish in the Western Regulatory Area of the Gulf of Alaska" (ID 071406D) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7767. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Catcher Vessels Using Trawl Gear in the Bering Sea and Aleutian Islands Management Area" (ID 071306D) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC-7768. A communication from the Secretary of Transportation transmitting, pursuant to law, the report entitled "Management Decisions and Final Actions on Office of Inspector General Audit Recommendations" for the period ending March 31, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7769. A communication from the Under Secretary of Commerce for Oceans and Atmosphere, Department of Commerce, transmitting, pursuant to law, a report relative to the activities of the Northwest Atlantic Fisheries Organization for 2005; to the Committee on Commerce, Science and Transportation.

EC-7770. A communication from the Acting Assistant Secretary, Fisheries and Habitat Conservation, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Marine Mammal; Incidental Take During Specified Activities (Beaufort Sea)" (RIN1018-AT82) received on July 31, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7771. A communication from the Director, Bureau of Economic Analysis, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Direct Investment Surveys: BE-577, Direct Transactions of U.S. Reporter with Foreign Affiliate" (RIN0691-AA57) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7772. A communication from the Acting Director, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Regulatory Area of the Gulf of Alaska" (ID 070606A) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7773. A communication from the Assistant Administrator for Fisheries, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Bering Sea and Aleutian Islands King and Tanner Crab Fishery Resources; Crab Economic Data Reports" (RIN0648–AU44) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7774. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Eastern Aleutian District of the Bering Sea and Aleutian Islands Management Area" (ID 070506A) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7775. A communication from the Assistant Administrator for Fisheries, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Allocating Bering Sea and Aleutian Islands King and Tanner Crab Fishery Resources" (ID 033106A) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7776. A communication from the Deputy Assistant Administrator for Regulatory Programs, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States; Coastal Pelagic Species Fisheries; Amendment 11" (RIN0648–AT11) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7777. A communication from the Acting Director, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Shrimp Fishery of the Gulf of Mexico; Adjustment of the Ending Date of the Texas Closure" (ID 070306A) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7778. A communication from the Acting Director, Office of Sustainable Fisheries, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Aleutian District of the Bering Sea and Aleutian Islands Management Area" (ID 070706B) received on August 1, 2006; to the Committee on Commerce, Science , and Transportation.

EC–7779. A communication from the Acting Director, Domestic Fisheries Division, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Western Regulatory Area of the Gulf of Alaska" (ID 071006F) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7780. A communication from the Acting Director, Domestic Fisheries Division, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the West Yakutat District of the Gulf of Alaska" (ID 071106B) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7781. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Final Rule: Nantucket Lightship Scallop Access Area (NLCA) Closure for General Category Scallop Vessels" (RIN0648–AU47) received on August 1, 2006; to the Committee on Commerce, Science and Transportation.

EC–7782. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Aspen and Leadville, Colorado)" (MB Docket No . 05–184) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7783. A communication from the Deputy Chief, Pricing Policy Division, Wireline Competition Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Regulation of Prepaid Calling Card Services" (WC Docket No. 05–68; FCC 06–79) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7784. A communication from the Associate Bureau Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Improving Public Safety in the 800 MHz Band" (WT Docket No. 02–55; FCC 06–63) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7785. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Lometa, and Richland Springs, Texas)" (MB Docket 05–305) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7786. A communication from the Associate Managing Director, Office of Managing Director, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Assessment and Collection of Regulatory Fees for Fiscal Year 2006" (MD Docket No. 06–68; FCC 06–102) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7787. A communication from the Acting Chief, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the matter of Universal Service Contribution Methodology; Federal-State Joint Board on Universal Service—FCC 06–94" (FCC 06–94) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7788. A communication from the Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Americus and Emporia, Kansas)" (MB Docket No. 05–139) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7789. A communication from the Associate Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Altamont and Odin, Illinois)" (MB Docket No. 05–86) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7790. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Austwell, Refugio, and Victoria, Texas)" (MB Docket No. 05–154) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7791. A communication from the Acting Executive Director, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled "Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits" (29 CFR Parts 4022 and 4044) received on August 2, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7792. A communication from the Regulations Coordinator, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Physicians' Referrals to Health Care Entities With Which They Have Financial Relationships; Exception for Certain Electronic Prescribing and Electronic Health Records Arrangements" (RIN0938–AN69) received on August 1, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7793. A communication from the Regulations Coordinator, Office of Inspector General, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare and State Health Care Programs; Fraud and Abuse; Safe Harbors for Certain Electronic Prescribing and Electronic Health Records Arrangements Under the Anti-Kickback Statute" (RIN0991–AB39) received on August 1, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7794. A communication from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates; Fiscal Year 2007 Occupational Mix Adjustment to Wage Index; Health Care Infrastructure Improvement Program; Selection Criteria of Loan Program for Qualifying Hospitals Engaged in Cancer Related Health Care and Forgiveness of Indebtedness; and Exclusion of Vendor Purchases Made under the Competitive Acquisition Program (CAP) for Outpatient Drugs and Biologicals Under Part B for the Purpose of Calculating the Average Sales Price (ASP)" (RIN0938–AO12; 0938–AO03; 0938–AN93; 0938–AN58) received on August 1, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7795. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the

Treasury, transmitting, pursuant to law, the report of a rule entitled "Report of Tips by Employee to Employer" (Revenue Procedure 2006–30) received on August 2, 2006; to the Committee on Finance.

EC–7796. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Filed Directive on Deductibility of Casino Comps" (IRC Section 274) received on August 2, 2006; to the Committee on Finance.

EC–7797. A communication from the Chief, Publications and Regulations, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Announcement of Amendment to Effective Date Provision of Treas. Reg. 1.7874–2T" (Notice 2006–70) received on August 2, 2006; to the Committee on Finance.

EC–7798. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Exclusion of Employees of 501(c)(3) Organizations in 401(k) and 401(m) Plans" (RIN1545–BC87) received on August 2, 2006; to the Committee on Finance.

EC–7799. A communication from the Branch Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "May 2006 Revision of Instructions for Form 3115" (Announcement 2006–52) received on August 2, 2006; to the Committee on Finance.

EC–7800. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Bureau of Labor Statistics Price Indexes for Department Stores—May 2006" (Rev. Rul. 2006–40) received on August 2, 2006; to the Committee on Finance.

EC–7801. A communication from the Chief, Publications and Regulations, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Announcement that Identifies Specified Covering Services Eligible for Services Cost Method Under Section 482" (Announcement 2006–50) received on August 2, 2006; to the Committee on Finance.

EC–7802. A communication from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2007; Certain Provisions Concerning Competitive Acquisition for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS), Accreditation of DMEPOS Suppliers" (RIN0938–AO16) received August 1, 2006; to the Committee on Finance.

EC–7803. A communication from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Types of Contracts" (DFARS Case 2003–DO78) received on August 1, 2006; to the Committee on Armed Services.

EC–7804. A communication from the Director, Office of the General Counsel, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "OPM Employee Responsibilities and Conduct" (RIN3206–AJ69) received on July 27, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7805. A communication from the Director, Strategic Human Resources Policy Division, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Excepted Service—Appointment of Persons with Disabilities and Career and Career-Conditional Employment" (RIN3206–AK58) received on July 27, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7806. A communication from the Director, Strategic Human Resources Policy, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Cost-of-Living Allowances (Nonforeign Areas); COLA Rates Changes" (RIN3206–AK67) received on July 27, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7807. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–466, "Northwest One/Sursum Corda Affordable Housing Protection, Preservation and Production Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7808. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–455, "Marvin Gaye Recreation Center and Playground Designation Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7809. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–456, "Public Assistance Confidentiality of Information Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7810. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–457, "Low-Income Disabled Tenant Rental Conversion Protection Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7811. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–458, "Dedication of Public Streets and Alleys in Squares 5318, 5319, and 5320 S.O. 05–8132, Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7812. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–459, "Independent Office of the Tenant Advocate Establishment Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7813. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–460, "Mental Health Civil Commitment Extension Temporary Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7814. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–461, "Additional Sanctions for Nuisance Abatement and Office of the Tenant Advocate Duties Clarification Temporary Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7815. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–462, "Living Wage Clarification Temporary Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7816. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–463, "Historic Preservation Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7817. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–464, "Parking Enhancement Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7818. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–465, "Enhanced Professional Security Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7819. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–452, "Procurement of Natural Gas and Electricity Exemption Temporary Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7820. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–453, "Parking Amendment Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7821. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–454, "Barber and Cosmetologist License Act of 2006" received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7822. A communication from the District of Columbia Auditor transmitting, pursuant to law, the report entitled "Auditor's Examination of Parking Meter Contract Administration and Financial Management"; to the Committee on Homeland Security and Governmental Affairs.

EC–7823. A communication from the Principle Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "2-Propenoic Acid, 2-Methyl-, Polymer with Ethenylbenzene, 2-Ethylhexyl 2-Propenoate, 2-Hydroxyethyl 2-Propenoate, N-(Hydroxymethyl) -2-Methyl-20Propenamide and Methyl 2-Methyl-2-Progenoate, Ammonium Salt; Tolerance Exemption" (FRL 8077–5) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7824. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "2H-Azepin-2-one, 1-Ethenylhexahydro-, Homopolymer1; Tolerance Exemption" (FRL 8075–7) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7825. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Alachlor, Cholorothalonil, Methomyl, Metribuzin, Thiodicarb; Order Denying Petition to Revoke Tolerances" (FRL 8079–8) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7826. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Fenhexamid; Pesticide Tolerance" (FRL 8079–2) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7827. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Inert Ingredients; Revocation of Two Tolerance Exemptions" (FRL 8079–9) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7828. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Inert Ingredient; Revocation of the Wheat Bran Tolerance Exemption" (FRL 8080–1) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7829. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Oxirane, Methyl-, Polymer with Oxirane, Monobuthyl Ether; Tolerance Exemption" (FRL 8078–4) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7830. A communication from the Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled "Foreign Futures and Options Transactions, 17 CFR Part 30 (71 FR 40395, July 17, 2006)" (71 FR 40395) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7831. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Nectarines and Peaches Grown in California; Order Amending Marketing Order Nos. 916 and 917" (Docket Nos. AO–90–A7; FV05–916–1) received July 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7832. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Interim Final Rule Amending the Egg Research and Promotion Rules and Regulations to Redistrict Geographic Areas" (Docket No. PY–06–001) received July 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7833. A communication from the Administrator, Poultry Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Updating Administrative Requirements for Voluntary Shell Egg, Poultry, and Rabbit Grading" (RIN0581–AC25) received on July 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7834. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Irish Potatoes Grown in Colorado; Suspension of Continuous Assessment Rate" (Docket No. FV06–948–1 IFR) received on July 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7835. A communication from the Director of the Regulatory Review Group, Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Regulations Regarding Employee Conflicts of Interest" (RIN0560–AH57) received August 1, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7836. A communication from the Administrator of the Food and Nutrition Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Uniform Federal Assistance Regulations; Nondiscretionary Technical Amendments" (RIN0584–AD16) received August 1, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7837. A communication from the Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled "Joint Final Rules: Application of the Definition of Narrow-Based Security Index to Debt Securities Indexes and Security Futures on Debt Securities, 17 CFR Part 240 (71 FR 39534, July 13, 2006)" (RIN3235–AJ54) received on August 2, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7838. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Citrus Canker; Quarantine of the State of Florida" (Docket No. 06–114–1) received August 1, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7839. A communication from the President of the United States of America, transmitting, pursuant to law, a report relative to the export to the People's Republic of China of items not detrimental to the United States space launch industry; to the Committee on Foreign Relations.

EC–7840. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $100,000,000 or more to Spain; to the Committee on Foreign Relations.

EC–7841. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $100,000,000 or more to the United Kingdom; to the Committee on Foreign Relations.

EC–7842. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license agreement for the manufacture of significant military equipment abroad and the export of defense articles or defense services in the amount of $100,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–7843. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $100,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–7844. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed manufacturing license agreement for the export of defense articles and defense services sold commercially under contract in the amount of $50,000,000 or more to Mexico; to the Committee on Foreign Relations.

EC–7845. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $50,000,000 or more to Singapore; to the Committee on Foreign Relations.

EC–7846. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the termination of the 15% Danger Pay Allowance for Sarajevo, Bosnia-Herzegovina; to the Committee on Foreign Relations.

EC–7847. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report relative to agreements between the United States and Taiwan; to the Committee on Foreign Relations.

EC–7848. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the establishment of the 15% Danger Pay Allowance for East Timor; to the Committee on Foreign Relations.

EC–7849. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the removal of a specific sonar system from the United States Munitions List (USML); to the Committee on Foreign Relations.

EC–7850. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 06–170—06–185); to the Committee on Foreign Relations.

EC–7851. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans for Arizona; Maricopa County PM–10 Nonattainment Area; Serious Area Plan for Attainment of the 24-Hour and Annual PM–10 Standards" (FRL 8204–8) received on July 27, 2006; to the Committee on Environment and Public Works.

EC–7852. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Guidelines Establishing Test Procedures for the Analysis of Pollutants Under the Clean Water Act; National Primary Drinking Water Regulations; and National Secondary Drinking Water Regulations; Analysis and Sampling Procedures" (FRL 8203–8) received on July 27, 2006; to the Committee on Environment and Public Works.

EC–7853. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Hazardous Waste Management System; Modification of the Hazardous Waste Program; Cathode Ray Tubes" (FRL 8203–1) received on July 27, 2006; to the Committee on Environment and Public Works.

EC–7854. A communication from the Assistant Secretary of the Army (Civil Works), Department of the Army, transmitting, pursuant to law, a report relative to the environmental restoration and protection of Smith Island, Maryland; to the Committee on Environment and Public Works.

EC–7855. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a report relative to the recommendations of regional joint boards for the study of economic dispatch; to the Committee on Energy and Natural Resources.

EC–7856. A communication from the Secretary of the Department of Energy, transmitting, pursuant to law, the annual report relative to the Strategic Petroleum Reserve for the year 2005; to the Committee on Energy and Natural Resources.

EC–7857. A communication from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a draft of a bill entitled "National Heritage Areas Partnership Act"; to the Committee of Energy and Natural Resources.

EC–7858. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the Department of Energy's Underground Storage Tank (UST) compliance strategy; to the Committee on Energy and Natural Resources.

EC–7859. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the Department of Energy's strategic research portfolio analysis and coordination plan; to the Committee on Energy and Natural Resources.

EC–7860. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the estimated cost and proposed schedule for the completion of the Environmental Impact Statement and record of decision for the disposal of greater-than-class C low-level radioactive waste; to the Committee on Energy and Natural Resources.

EC–7861. A communication from the General Counsel, Department of Housing and Urban Development, transmitting, pursuant to law, (4) reports relative to vacancy announcements within the Agency, received on August 1, 2006; to the Committee on Banking, Housing, and Urban Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–419. A resolution adopted by the House of Representatives of the Legislature of the State of Texas relative to memorializing Congress to posthumously bestow the Congressional Medal of Honor upon Doris "Dorie" Miller and to request the U.S. Postal Service to issue a commemorative postage stamp to honor Miller; to the Committee on Armed Services.

HOUSE RESOLUTION NO. 106

Whereas, World War II hero Doris "Dorie" Miller exhibited extraordinary courage on the USS *West Virginia* during the December 7, 1941, attack on Pearl Harbor, and his bravery has not received the full honors and recognition that it merits; and

Whereas, A native Texan, Dorie Miller was born in Waco on October 12, 1919, and enlisted in the United States Navy on September 16, 1939; and

Whereas, In the opening hours of America's entry into the war, the 22-year-old assisted fellow sailors and his wounded captain out of the line of fire to shelter; he then manned a machine gun on which he had not been trained, seizing both the initiative and the offense at a moment of critical national peril, and fired at the Japanese planes until the crew was ordered to abandon the ship; and

Whereas, For heroism on the USS *West Virginia*, Admiral Chester Nimitz bestowed upon Dorie Miller the Navy Cross, the United States Navy's highest honor, during a ceremony on the flight deck of the USS *Enterprise* at Pearl Harbor on May 27, 1942; Dorie Miller was the first African American to receive that award; and

Whereas, Dorie Miller was serving on the USS *Liscome Bay*, an escort carrier, on November 24, 1943, when his ship was sunk by a Japanese submarine in an attack which cost the lives of 646 men; Dorie Miller was officially presumed dead a year and a day after the carrier went down; and

Whereas, Besides the Navy Cross, he was entitled to the Purple Heart, the American Defense Service Medal—Fleet Clasp, the Asiatic-Pacific Campaign Medal, and the World War II Victory Medal and in 1973, the United States further recognized his military contributions by naming a frigate, the USS *Miller*, after him; and

Whereas, His actions on the USS *West Virginia* and his valiant service to his country during World War II warrant the highest honor that a member of the United States Armed Forces can receive, the Congressional Medal of Honor, and justify also a special philatelic commemoration that will endear this man of courage and selflessness to his fellow citizens and confer their utmost respect and gratitude: now, therefore, be it

Resolved, That the House of Representatives of the 79th Texas Legislature hereby respectfully request the Congress of the United States of America to posthumously bestow upon Doris "Dorie" Miller the Congressional Medal of Honor; and, be it further

Resolved, That the House of Representatives of the 79th Texas Legislature hereby respectfully request the U.S. Postal Service and the Citizens' Stamp Advisory Committee to issue a commemorative postage stamp honoring Doris "Dorie" Miller as part of their Black Heritage series and that the Texas delegation to the congress—as well as the Congressional Black Caucus—be hereby reverentially asked to join the effort to attain issuance of such a postage stamp; and, be it further

Resolved, That the chief clerk of the Texas House of Representatives forward official copies of this resolution to the president of the United States, to the postmaster general, to the speaker of the house of representatives and the president of the senate of the United States Congress, to all the members of the Texas delegation to the congress, and to all members of the Congressional Black Caucus, with the added request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

POM–420. A resolution adopted by the House of Representatives of the Legislature of the State of Texas relative to memorializing Congress to enact legislation relating to the assessment of penalties by a financial institution for an insufficient funds check; to the Committee on Banking, Housing, and Urban Affairs.

HOUSE RESOLUTION NO. 1300

Whereas, The paper check, one of the world's oldest and most common forms of payment, is widely accepted in the United States and internationally; it is used by businesses, governments, and consumers as payment for almost every type of commerce; and

Whereas, In most states, if the issuer of a check has insufficient funds to cover that check, state law authorizes a financial institution to impose a reasonable penalty against the issuer in order to cover the administrative cost of processing that dishonored check, and many financial institutions elect to do precisely that; and

Whereas, In addition, the recipient's financial institution may charge the recipient—who typically is unaware of the check's dubious status—a penalty for the dishonored check and possibly could go so far as to charge back to the recipient's account the amount of the insufficient funds check even if the recipient's financial institution had already made the funds available to the recipient, which may consequently create overdrafts of the recipient's account resulting in the recipient incurring additional penalties arising from those overdrafts; and

Whereas, Imposing a penalty upon the recipient of an insufficient funds check is an unfair business practice because it punishes the wrong party in this very common type of financial transaction; and

Whereas, Because financial transactions involving checks frequently cross state boundaries, it is desirable that a uniform, nationwide standard be established to address this problem; now, therefore, be it

Resolved, That the House of Representatives of the 79th Texas Legislature hereby respectfully urge the Congress of the United States to enact legislation to prohibit a dishonored check recipient's financial institution from assessing a penalty against the recipient and to instead authorize the recipient's financial institution to assess a penalty against the issuer's financial institution, which may in turn pass that penalty down to the issuer; and, be it further

Resolved, That the chief clerk of the Texas House of Representatives forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ENZI, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 843. A bill to amend the Public Health Service Act to combat autism through research, screening, intervention and education (Rept. No. 109–318).

S. 3678. A bill to amend the Public Health Service Act with respect to public health security and all-hazards preparedness and response, and for other purposes (Rept. No. 109–319).

By Ms. COLLINS, from the Committee on Homeland Security and Governmental Affairs, with amendments:

S. 1838. A bill to provide for the sale, acquisition, conveyance, and exchange of certain real property in the District of Columbia to facilitate the utilization, development, and redevelopment of such property, and for other purposes.

By Mr. SPECTER, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 2679. A bill to establish an Unsolved Crimes Section in the Civil Rights Division of the Department of Justice, and an Unsolved Civil Rights Crime Investigative Office in the Civil Rights Unit of the Federal Bureau of Investigation, and for other purposes.

By Mr. ENZI, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 2823. A bill to provide life-saving care for those with HIV/AIDS.

By Ms. COLLINS, from the Committee on Homeland Security and Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 3721. A bill to amend the Homeland Security Act of 2002 to establish the United States Emergency Management Authority, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. DOMENICI for the Committee on Energy and Natural Resources.

*Mark Myers, of Alaska, to be Director of the United States Geological Survey.

*John Ray Correll, of Indiana, to be Director of the Office of Surface Mining Reclamation and Enforcement.

*Drue Pearce, of Alaska, to be Federal Coordinator for Alaska Natural Gas Transportation Projects for the term prescribed by law.

By Mr. ENZI for the Committee on Health, Education, Labor, and Pensions.

*Manfredi Piccolomini, of New York, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

*Ronald E. Meisburg, of Virginia, to be General Counsel of the National Labor Relations Board for a term of four years.

*Peter Schaumber, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2010.

*Arthur F. Rosenfeld, of Virginia, to be Federal Mediation and Conciliation Director.

*Karen Brosius, of South Carolina, to be a Member of the National Museum and Library Services Board for the remainder of the term expiring December 6, 2006.

By Mr. SPECTER for the Committee on the Judiciary.

Frances Marie Tydingco-Gatewood, of Guam, to be Judge for the District Court of Guam for the term of ten years.

Troy A. Eid, of Colorado, to be United States Attorney for the District of Colorado for the term of four years.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

EXECUTIVE REPORT OF COMMITTEE

The following executive report of committee was submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

[Treaty Doc. 109-3 Protocol Amending 1962 Extradition Convention with Israel (Ex. Rept. 109-16)]

The text of the committee-recommended resolution of advice and consent to ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol between the Government of the United States of America and the Government of the State of Israel Amending the Convention on Extradition of 1962, signed at Jerusalem on July 6, 2005 (Treaty Doc. 109-3).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. VITTER:

S. 3780. A bill to require the Under Secretary for Oceans and Atmosphere to develop a storm surge scale to be used in conjunction with the Saffir-Simpson scale to measure and predict the impact of storm surges caused by hurricanes and tropical storms and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. VITTER:

S. 3781. A bill to provide for hurricane and flood protection and coastal restoration projects in the State of Louisiana, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. VITTER:

S. 3782. A bill to amend the Internal Revenue Code of 1986 to provide a credit against the income tax for expenses incurred in any hurricane or flood protection project; to the Committee on Finance.

By Mr. LAUTENBERG:

S. 3783. A bill to amend the Internal Revenue Code of 1986 and the Foreign Trade Zones Act to simplify the tax and eliminate the drawback fee on certain distilled spirits used in non-beverage products manufactured in a United States foreign trade zone for domestic use and export; to the Committee on Finance.

By Mr. REED:

S. 3784. A bill to provide wage parity for certain prevailing rate employees in Rhode Island; to the Committee on Homeland Security and Governmental Affairs.

By Ms. SNOWE:

S. 3785. A bill to amend the Small Business Investment Act of 1958 to improve surety bond guarantees, and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Ms. SNOWE:

S. 3786. A bill to reauthorize and improve the Small Business Act and the Small Business Investment Act of 1958, and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Mr. SANTORUM (for himself, Mr. PRYOR, and Mrs. DOLE):

S. 3787. A bill to establish a congressional Commission on the Abolition of Modern-Day Slavery; to the Committee on Foreign Relations.

By Mr. BROWNBACK:

S. 3788. A bill to clarify Federal law to prohibit the dispensing, distribution, or administration of a controlled substance for the purpose of causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual; to the Committee on the Judiciary.

By Mr. REID (for Mr. BAUCUS):

S. 3789. A bill to amend the Social Security Act to waive the 24-month waiting period for Medicare coverage of individuals disabled by reason of exposure to tremolite asbestos; to the Committee on Finance.

By Mrs. CLINTON:

S. 3790. A bill to create a set of effective voluntary national expectations, and a voluntary national curriculum, for mathematics and science education in kindergarten through grade 12, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. HUTCHISON (for herself, Ms. COLLINS, and Ms. SNOWE):

S. 3791. A bill to require the provision of information to parents and adults concerning bacterial meningitis and the availability of a vaccination with respect to such disease; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MARTINEZ:

S. 3792. A bill to amend the Internal Revenue Code of 1986 to allow a credit against tax for qualified elementary and secondary education tuition; to the Committee on Finance.

By Mr. MENENDEZ:

S. 3793. A bill to amend title 18, United States Code, to provide minimum mandatory penalties for certain public-corruption-related offenses; to the Committee on the Judiciary.

By Mr. CRAPO:

S. 3794. A bill to provide for the implementation of the Owyhee Initiative Agreement, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SMITH (for himself, Mr. ROCKEFELLER, Mr. ISAKSON, Mr. DEWINE, Mr. BURR, Mr. BINGAMAN, Ms. STABENOW, and Mr. MENENDEZ):

S. 3795. A bill to amend title XVIII of the Social Security Act to provide for a two-year moratorium on certain Medicare physician payment reductions for imaging services; to the Committee on Finance.

By Mr. CHAMBLISS:

S. 3796. A bill for the relief of Salah Naji Sujaa; to the Committee on the Judiciary.

By Mrs. CLINTON (for herself and Mr. JOHNSON):

S. 3797. A bill to establish demonstration projects to provide at-home infant care benefits; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. FEINSTEIN:

S. 3798. A bill to direct the Secretary of the Interior to exclude and defer from the pooled reimbursable costs of the Central Valley Project the reimbursable capital costs of the unused capacity of the Folsom South Canal, Auburn-Folsom South Unit, Central Valley Project, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SCHUMER:

S. 3799. A bill to require the Department of Homeland Security to regulate retail sales of hydrogen cyanide and its salts, and to require the Department of Homeland Security and Department of Justice to conduct a joint study about the risk of use of commercial products including cyanide by terrorists and potential preventative regulations; to the Committee on Homeland Security and Governmental Affairs.

By Mr. HAGEL:

S. 3800. A bill to amend the Foreign Assistance Act of 1961 to require recipients of United States foreign assistance to certify that the assistance will not be used to intentionally traffic in goods or services that contain counterfeit marks or for other purposes that promote the improper use of intellectual property, and for other purposes; to the Committee on Foreign Relations.

By Mr. SMITH (for himself and Mr. KENNEDY):

S. 3801. A bill to support the implementation of the Darfur Peace Agreement and to protect the lives and address the humanitarian needs of the people of Darfur, and for other purposes; to the Committee on Foreign Relations.

By Mrs. FEINSTEIN:

S. 3802. A bill to amend the Consolidated Omnibus Budget Reconciliation Act of 1985 to expand the county organized health insuring organizations authorized to enroll Medicaid beneficiaries; to the Committee on Finance.

By Ms. LANDRIEU:

S. 3803. A bill to establish national and State putative father registries, to make grants to States to promote responsible fatherhood, and for other purposes; to the Committee on Finance.

By Mr. AKAKA:

S. 3804. A bill to prohibit commercial air tour operations over Kalaupapa National Historical Park, Kaloka-Honokohau National Historical Park, Pu'uhonua o Honaunau National Historical Park, and Pu'ukohola Heiau National Historic Site; to the Committee on Commerce, Science, and Transportation.

By Mr. LEVIN (for himself, Mr. BUNNING, and Ms. STABENOW):

S. 3805. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of including in the National Park System certain sites in Monroe County, Michigan, relating to the Battles of the River Raisin during the War of 1812; to the Committee on Energy and Natural Resources.

By Ms. SNOWE (for herself, Mrs. LINCOLN, Mrs. HUTCHISON, and Mr. KERRY):

S. 3806. A bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain improvements to retail space; to the Committee on Finance.

By Mr. ENZI (for himself and Mr. KENNEDY):

S. 3807. A bill to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act to improve drug safety and oversight, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HARKIN (for himself, Mr. GRASSLEY, Mr. DEWINE, Mr. BROWNBACK, Mr. TALENT, Ms. SNOWE, and Mr. LAUTENBERG):

S. 3808. A bill to reduce the incidence of suicide among veterans; to the Committee on Veterans' Affairs.

By Mrs. FEINSTEIN:

S. 3809. A bill for the relief of Jacqueline W. Coats; to the Committee on the Judiciary.

By Mr. KOHL (for himself and Mr. SCHUMER):

S. 3810. A bill to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes; to the Committee on the Judiciary.

By Mr. HATCH (for himself, Mr. BINGAMAN, and Mr. BIDEN):

S. 3811. A bill to require the payment of compensation to members of the Armed Forces and civilian employees of the United States who performed slave labor for Japanese industries during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Armed Services.

By Mr. ISAKSON (for himself and Mr. REED):

S. 3812. A bill to require the Food and Drug Administration to conduct consumer testing to determine the appropriateness of the current labeling requirements for indoor tanning devices and determine whether such requirements provide sufficient information to consumers regarding the risks that the use of such devices pose for the development of irreversible damage to the skin, including skin cancer, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SMITH (for himself, Mr. BINGAMAN, and Ms. MURKOWSKI):

S. 3813. A bill to permit individuals who are employees of a grantee that is receiving funds under section 330 of the Public Health Service Act to enroll in health insurance coverage provided under the Federal Employees Health Benefits Program; to the Committee on Homeland Security and Governmental Affairs.

By Mr. ROBERTS (for himself, Mr. REED, Mr. VOINOVICH, Mr. DEWINE, and Ms. MIKULSKI):

S. 3814. A bill to amend part B of title XVIII of the Social Security Act to restore the Medicare treatment of ownership of oxygen equipment to that in effect before enactment of the Deficit Reduction Act of 2005; to the Committee on Finance.

By Mr. SMITH (for himself and Mrs. LINCOLN):

S. 3815. A bill to improve the quality of, and access to, long-term care; to the Committee on Finance.

By Ms. COLLINS:

S. 3816. A bill to prohibit the shipment of tobacco products in the mail, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. TALENT:

S. 3817. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for certain entities making matching contributions to retirement plans; to the Committee on Finance.

By Mr. HATCH (for himself and Mr. LEAHY):

S. 3818. A bill to amend title 35, United States Code, to provide for patent reform; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself, Mr. SMITH, Mrs. LINCOLN, Mr. PRYOR, and Mr. AKAKA):

S. 3819. A bill to amend title XIX of the Social Security Act to provide for redistribution and extended availability of unexpended medicaid DSH allotments, and for other purposes; to the Committee on Finance.

By Mr. DURBIN:

S. 3820. A bill to expand broadband access for rural Americans; to the Committee on Commerce, Science, and Transportation.

By Ms. COLLINS (for herself, Mrs. FEINSTEIN, Mr. CORNYN, Ms. MIKULSKI, Mr. LEAHY, and Mr. LIEBERMAN):

S. 3821. A bill to authorize certain athletes to be admitted temporarily into the United States to compete or perform in an athletic league, competition, or performance; to the Committee on the Judiciary.

By Mr. OBAMA:

S. 3822. A bill to improve access to and appropriate utilization of valid, reliable and accurate molecular genetic tests by all populations thus helping to secure the promise of personalized medicine for all Americans; to the Committee on Finance.

By Mr. DEWINE:

S. 3823. A bill to amend the Americans with Disabilities Act of 1990 and the Age Discrimination in Employment Act of 1967 to provide a means to combat discrimination on the basis of age or disability, by conditioning a State's receipt or use of Federal financial assistance on the State's waiver of immunity from suit for violations under such Acts; to the Committee on Health, Education, Labor, and Pensions.

By Mr. TALENT:

S. 3824. A bill to provide for uniform penalties for violating regulations within the National Park System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BURNS (for himself, Mr. FRIST, Mr. DEWINE, Mr. ALLARD, Mr. COLEMAN, Mr. SMITH, and Mr. ALLEN):

S. 3825. A bill to end the flow of methamphetamine and precursor chemicals coming across the border of the United States; to the Committee on the Judiciary.

By Mr. MENENDEZ:

S. 3826. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income military pay received by a member of a reserve component of the Armed Forces of the United States who is called to active duty; to the Committee on Finance.

By Mrs. LINCOLN (for herself, Ms. SNOWE, Mr. SCHUMER, Mr. ROCKEFELLER, Ms. LANDRIEU, Mrs. CLINTON, and Mr. VITTER):

S. 3827. A bill to amend the Internal Revenue Code of 1986 to extend and expand the benefits for businesses operating in empowerment zones, enterprise communities, or renewal communities, and for other purposes; to the Committee on Finance.

By Mr. INHOFE:

S. 3828. A bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Ms. STABENOW (for herself, Mr. MENENDEZ, Mr. KERRY, Mrs. CLINTON, Mr. OBAMA, Mr. LEAHY, Mr. JOHNSON, Mr. LIEBERMAN, Mr. DURBIN, Mr. BIDEN, Mr. DAYTON, Mrs. FEINSTEIN, and Mr. LEVIN):

S. 3829. A bill to extend and expand certain tax relief provisions and to increase the Federal minimum wage, and for other purposes; to the Committee on Finance.

By Ms. STABENOW (for herself and Mr. LEVIN):

S. 3830. A bill to prevent unfair practices and ensure an open market in the automobile industry, and for other purposes; to the Committee on Finance.

By Mr. GRAHAM:

S. 3831. A bill to reduce temporarily the duty on benzoyl chloride; to the Committee on Finance.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 3832. A bill to direct the Secretary of the Interior to establish criteria to transfer title to reclamation facilities, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KERRY:

S. 3833. A bill to authorize support for the Armed Forces Support Foundation in assisting members of the National Guard and Reserve and former members of the Armed

Forces in securing employment in the private sector, and for other purposes; to the Committee on Armed Services.

By Mr. SESSIONS (for himself and Mrs. Feinstein):

S. 3834. A bill to amend the Controlled Substances Act to address online pharmacies; to the Committee on the Judiciary.

By Mr. CORNYN (for himself, Mr. Chambliss, Mr. Allen, Mr. Kyl, Mr. Sessions, Mr. Graham, Mr. Inhofe, and Mr. Santorum):

S. 3835. A bill to provide adequate penalties for crimes committed against United States judges and Federal law enforcement officers, to provide appropriate security for judges and law enforcement officers, and for other purposes; to the Committee on the Judiciary.

By Mr. MARTINEZ (for himself and Mr. Schumer):

S. 3836. A bill to reauthorize the United States Advisory Commission on Public Diplomacy; considered and passed.

By Mr. AKAKA (for himself, Mr. Inouye, Mr. Byrd, Mr. Stevens, Mr. Jeffords, Ms. Murkowski, Mr. Kerry, Mr. Cochran, Mr. Lieberman, Mr. Dodd, Mr. Rockefeller, Mr. Kennedy, Mr. Lott, Mr. Biden, Mrs. Clinton, Mr. Reid, Mr. Dorgan, Mr. Reed, Mrs. Feinstein, Mr. Conrad, Mrs. Dole, Mr. Domenici, and Mr. Roberts):

S. 3837. A bill to authorize the establishment of the Henry Kúualoha Giugni Kupuna Memorial Archives at the University of Hawaii; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HATCH (for himself and Mrs. Lincoln):

S. 3838. A bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes; to the Committee on Finance.

By Mr. DODD:

S. 3839. A bill to amend title II of the Social Security Act to provide that the eligibility requirement for disability insurance benefits under which an individual must have 20 quarters of Social Security coverage in the 40 quarters preceding a disability shall not be applicable in the case of a disabled individual suffering from a covered terminal disease; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DODD (for himself, Mr. Levin, Mr. Sununu, Ms. Stabenow, Mr. Chafee, Mr. Kennedy, Mr. Feingold, and Mrs. Feinstein):

S. Res. 548. A resolution expressing the sense of the Senate regarding the need for the United States and the international community to take certain actions with respect to the hostilities between Hezbollah and Israel; considered and agreed to.

By Mr. SANTORUM (for himself, Mr. Pryor, and Mrs. Dole):

S. Res. 549. A resolution expressing the sense of the Senate regarding modern-day slavery; to the Committee on Foreign Relations.

By Mr. SMITH (for himself and Mr. Conrad):

S. Res. 550. A resolution designating October 22 through October 28, 2006, as "National Save for Retirement Week"; to the Committee on the Judiciary.

By Mr. REID (for himself, Mr. Baucus, Ms. Stabenow, Mr. Pryor, Mrs. Clinton, Mr. Lieberman, Mr. Bingaman, Ms. Landrieu, Mrs. Lincoln, Mr. Wyden, and Mr. Johnson):

S. Res. 551. A resolution expressing the sense of the Senate that illegal immigrants should not receive Social Security benefits and that this prohibition should be strictly enforced; to the Committee on Finance.

By Mr. SESSIONS (for himself, Mr. Brownback, Mr. Chambliss, Mr. Crapo, Mr. Grassley, Mr. Inhofe, Ms. Landrieu, Mr. Menendez, Mr. Schumer, Mr. Shelby, and Mr. Specter):

S. Res. 552. A resolution designating September 2006 as "National Prostate Cancer Awareness Month"; to the Committee on the Judiciary.

By Mr. MENENDEZ:

S. Res. 553. A resolution expressing the sense of the Senate that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that a commemorative postage stamp be issued in honor of Varian Fry; to the Committee on Homeland Security and Governmental Affairs.

By Mr. GREGG (for himself and Mr. Conrad):

S. Res. 554. A resolution authorizing the printing with illustrations of a document entitled "Committee on the Budget, United States Senate, 32nd Anniversary, 1974–2006"; considered and agreed to.

By Mr. FRIST (for himself and Mr. Reid):

S. Res. 555. A resolution to authorize the production of records by the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs; considered and agreed to.

By Mr. CRAPO (for himself and Mr. Dorgan):

S. Res. 556. A resolution supporting National Peripheral Arterial Disease Awareness Week and efforts to educate people about peripheral arterial disease; considered and agreed to.

ADDITIONAL COSPONSORS

S. 211

At the request of Mrs. Clinton, the name of the Senator from Arkansas (Mrs. Lincoln) was added as a cosponsor of S. 211, a bill to facilitate nationwide availability of 2–1–1 telephone service for information and referral on human services, volunteer services, and for other purposes.

S. 241

At the request of Ms. Snowe, the name of the Senator from Massachusetts (Mr. Kennedy) was added as a cosponsor of S. 241, a bill to amend section 254 of the Communications Act of 1934 to provide that funds received as universal service contributions and the universal service support programs established pursuant to that section are not subject to certain provisions of title 31, United States Code, commonly known as the Antideficiency Act.

S. 513

At the request of Mr. Menendez, his name was added as a cosponsor of S. 513, a bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

S. 528

At the request of Mr. Harkin, the name of the Senator from California (Mrs. Boxer) was added as a cosponsor of S. 528, a bill to authorize the Secretary of Health and Human Services to provide grants to States to conduct demonstration projects that are designed to enable medicaid-eligible individuals to receive support for appropriate and necessary long-term services in the settings of their choice.

S. 843

At the request of Mr. Santorum, the names of the Senator from Wyoming (Mr. Enzi), the Senator from North Carolina (Mr. Burr), the Senator from Georgia (Mr. Chambliss) and the Senator from South Dakota (Mr. Thune) were added as cosponsors of S. 843, a bill to amend the Public Health Service Act to combat autism through research, screening, intervention and education.

At the request of Mr. Frist, his name was added as a cosponsor of S. 843, supra.

At the request of Mr. Durbin, his name was added as a cosponsor of S. 843, supra.

S. 859

At the request of Mr. Menendez, his name was added as a cosponsor of S. 859, a bill to amend the Internal Revenue Code of 1986 to allow an income tax credit for the provision of homeownership and community development, and for other purposes.

S. 912

At the request of Mr. Feingold, the name of the Senator from New York (Mrs. Clinton) was added as a cosponsor of S. 912, a bill to amend the Federal Water Pollution Control Act to clarify the jurisdiction of the United States over waters of the United States.

S. 914

At the request of Mr. Allard, the names of the Senator from New Jersey (Mr. Menendez) and the Senator from California (Mrs. Feinstein) were added as cosponsors of S. 914, a bill to amend the Public Health Service Act to establish a competitive grant program to build capacity in veterinary medical education and expand the workforce of veterinarians engaged in public health practice and biomedical research.

S. 1023

At the request of Mr. Dodd, the name of the Senator from Vermont (Mr. Jeffords) was added as a cosponsor of S. 1023, a bill to provide for the establishment of a Digital Opportunity Investment Trust.

S. 1035

At the request of Mr. Inhofe, the names of the Senator from Wisconsin (Mr. Kohl), the Senator from Rhode Island (Mr. Reed), the Senator from Wyoming (Mr. Thomas), the Senator from Missouri (Mr. Talent) and the Senator from Nebraska (Mr. Hagel) were added as cosponsors of S. 1035, a bill to authorize the presentation of commemorative medals on behalf of Congress to Native Americans who served as Code Talkers during foreign conflicts in which the United States was involved during the 20th century in recognition of the service of those Native Americans to the United States.

S. 1057

At the request of Ms. MURKOWSKI, her name was added as a cosponsor of S. 1057, a bill to amend the Indian Health Care Improvement Act to revise and extend that Act.

S. 1145

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 1145, a bill to provide Federal assistance to States and local jurisdictions to prosecute hate crimes.

S. 1221

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 1221, a bill to amend chapter 81 of title 5, United States Code, to create a presumption that a disability or death of a Federal employee in fire protection activities caused by any of certain diseases is the result of the performance of such employee's duty.

S. 1522

At the request of Mr. CHAMBLISS, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 1522, a bill to recognize the heritage of hunting and provide opportunities for continued hunting on Federal public land.

S. 1620

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 1620, a bill to provide the nonimmigrant spouses and children of nonimmigrant aliens who perished in the September 11, 2001, terrorist attacks an opportunity to adjust their status to that of an alien lawfully admitted for permanent residence, and for other purposes.

S. 2010

At the request of Mr. HATCH, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 2010, a bill to amend the Social Security Act to enhance the Social Security of the Nation by ensuring adequate public-private infrastructure and to resolve to prevent, detect, treat, intervene in, and prosecute elder abuse, neglect, and exploitation, and for other purposes.

S. 2138

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 2138, a bill to prohibit racial profiling.

S. 2284

At the request of Ms. MIKULSKI, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 2284, a bill to extend the termination date for the exemption of returning workers from the numerical limitations for temporary workers.

S. 2354

At the request of Mr. NELSON of Florida, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 2354, a bill to amend title XVIII of the Social Security Act to reduce the coverage gap in prescription drug coverage under part D of such title based on savings to the Medicare program resulting from the negotiation of prescription drug prices.

S. 2460

At the request of Mr. MENENDEZ, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2460, a bill to permit access to certain information in the Firearms Trace System database.

S. 2487

At the request of Ms. STABENOW, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 2487, a bill to ensure an abundant and affordable supply of highly nutritious fruits, vegetables, and other specialty crops for American consumers and international markets by enhancing the competitiveness of United States-grown specialty crops.

S. 2548

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 2548, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that State and local emergency preparedness operational plans address the needs of individuals with household pets and service animals following a major disaster or emergency.

S. 2590

At the request of Mr. COBURN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2592

At the request of Mr. HARKIN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 2592, a bill to amend the Child Nutrition Act of 1966 to improve the nutrition and health of schoolchildren by updating the definition of "food of minimal nutritional value" to conform to current nutrition science and to protect the Federal investment in the national school lunch and breakfast programs.

S. 2601

At the request of Mr. ALEXANDER, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 2601, a bill to amend the Social Security Act to improve choices available to Medicare eligible seniors by permitting them to elect (instead of regular Medicare benefits) to receive a voucher for a health savings account, for premiums for a high deductible health insurance plan, or both and by suspending Medicare late enrollment penalties between ages 65 and 70.

S. 2616

At the request of Mr. SANTORUM, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 2616, a bill to amend the Surface Mining Control and Reclamation Act of 1977 and the Mineral Leasing Act to improve surface mining control and reclamation, and for other purposes.

S. 2663

At the request of Mr. DODD, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2663, a bill to amend the Public Health Service Act to establish grant programs to provide for education and outreach on newborn screening and coordinated followup care once newborn screening has been conducted, to reauthorize programs under part A of title XI of such Act, and for other purposes.

S. 2723

At the request of Mr. LAUTENBERG, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 2723, a bill to amend title XVIII of the Social Security Act to require the sponsor of a prescription drug plan or an organization offering an MA-PD plan to promptly pay claims submitted under part D, and for other purposes.

S. 2724

At the request of Mr. CARPER, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2724, a bill to amend the Clean Air Act to establish a national uniform multiple air pollutant regulatory program for the electric generating sector.

S. 2787

At the request of Mr. CRAIG, the names of the Senator from Alaska (Mr. STEVENS) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 2787, a bill to permit United States persons to participate in the exploration for and the extraction of hydrocarbon resources from any portion of a foreign maritime exclusive economic zone that is contiguous to the exclusive economic zone of the United States, and for other purposes.

S. 3275

At the request of Mr. ALLEN, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 3275, a bill to amend title 18, United States code, to provide a national standard in accordance with which nonresidents of a State may carry concealed firearms in the State.

S. 3485

At the request of Mr. DORGAN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 3485, a bill to amend the Tariff Act of 1930 to prohibit the import, export, and sale of goods made with sweatshop labor, and for other purposes.

S. 3508

At the request of Mr. SUNUNU, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 3508, a bill to authorize the

Moving to Work Charter program to enable public housing agencies to improve the effectiveness of Federal housing assistance, and for other purposes.

S. 3529

At the request of Mr. MENENDEZ, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 3529, a bill to ensure that new mothers and their families are educated about postpartum depression, screened for symptoms, and provided with essential services, and to increase research at the National Institutes of Health on postpartum depression.

S. 3547

At the request of Mr. SESSIONS, the names of the Senator from Louisiana (Mr. VITTER) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 3547, a bill to amend title 18, United States Code, with respect to fraud in connection with major disaster or emergency funds.

S. 3615

At the request of Mr. HARKIN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 3615, a bill to amend the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Federal Food, Drug, and Cosmetic Act to provide for improved public health and food safety through enhanced enforcement, and for other purposes.

S. 3659

At the request of Mr. SUNUNU, his name was added as a cosponsor of S. 3659, a bill to reauthorize and improve the women's small business ownership programs of the Small Business Administration, and for other purposes.

S. 3662

At the request of Mr. BENNETT, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 3662, a bill to amend the Credit Repair Organizations Act to establish a new disclosure statement, and for other purposes.

S. 3724

At the request of Mr. ROCKEFELLER, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 3724, a bill to enhance scientific research and competitiveness through the Experimental Program to Stimulate Competitive Research, and for other purposes.

S. 3738

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 3738, a bill to amend the Internal Revenue Code of 1986 to provide an additional standard deduction for real property taxes for nonitemizers.

S. 3742

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 3742, a bill to amend the Internal Revenue Code of 1986 to provide incentives to encourage investment in the expansion of freight rail infrastructure capacity and to enhance modal tax equity.

S. 3764

At the request of Mr. LAUTENBERG, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 3764, a bill to amend title XVIII of the Social Security Act to eliminate the coverage gap under the Medicare part D prescription drug program.

S. 3765

At the request of Mr. DURBIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 3765, a bill to designate Lebanon under section 244(b) of the Immigration and Naturalization Act to permit nationals of Lebanon to be granted temporary protected status in the United States.

S. 3769

At the request of Mr. ENSIGN, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 3769, a bill to encourage multilateral cooperation and authorize a program of assistance to facilitate a peaceful transition in Cuba, and for other purposes.

S. CON. RES. 97

At the request of Mr. SALAZAR, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. Con. Res. 97, a concurrent resolution expressing the sense of Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should provide from renewable resources not less than 25 percent of the total energy consumed in the United States and continue to produce safe, abundant, and affordable food, feed, and fiber.

S. RES. 224

At the request of Mr. DEWINE, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. Res. 224, a resolution to express the sense of the Senate supporting the establishment of September as Campus Fire Safety Month, and for other purposes.

S. RES. 407

At the request of Mr. MENENDEZ, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. Res. 407, a resolution recognizing the African American Spiritual as a national treasure.

S. RES. 494

At the request of Mr. SANTORUM, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. Res. 494, a resolution expressing the sense of the Senate regarding the creation of refugee populations in the Middle East, North Africa, and the Persian Gulf region as a result of human rights violations.

S. RES. 513

At the request of Mr. GRAHAM, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. Res. 513, a resolution expressing the sense of the Senate that the President should designate the week beginning September 10, 2006, as "National Historically Black Colleges and Universities Week".

AMENDMENT NO. 4772

At the request of Mr. CARPER, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of amendment No. 4772 proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4825

At the request of Mr. BAYH, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of amendment No. 4825 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4826

At the request of Mrs. CLINTON, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of amendment No. 4826 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4827

At the request of Mr. DODD, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

At the request of Mr. MENENDEZ, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Ms. LANDRIEU, her name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. INOUYE, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. ROCKEFELLER, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. JEFFORDS, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. BAUCUS, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. REED, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. LEAHY, the names of the Senator from Arkansas (Mrs. LINCOLN), the Senator from Delaware (Mr. BIDEN) and the Senator from

Nebraska (Mr. NELSON) were added as cosponsors of amendment No. 4827 proposed to H.R. 5631, supra.

AMENDMENT NO. 4842

At the request of Mr. KYL, the name of the Senator from Oregon (Mr. WYDEN) was withdrawn as a cosponsor of amendment No. 4842 proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

At the request of Mr. KYL, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of amendment No. 4842 proposed to H.R. 5631, supra.

AMENDMENT NO. 4843

At the request of Mr. KENNEDY, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from New York (Mrs. CLINTON), the Senator from Illinois (Mr. DURBIN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Montana (Mr. BAUCUS), the Senator from Massachusetts (Mr. KERRY), the Senator from Michigan (Ms. STABENOW), the Senator from Wisconsin (Mr. FEINGOLD) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of amendment No. 4843 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4844

At the request of Mr. SESSIONS, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of amendment No. 4844 proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4850

At the request of Mr. LAUTENBERG, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of amendment No. 4850 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REED:

S. 3784. A bill to provide wage parity for certain prevailing rate employees in Rhode Island; to the Committee on Homeland Security and Governmental Affairs.

Mr. REED. Mr. President, today I am introducing the Rhode Island Federal Worker Fairness Act of 2006. This bill will merge the Narragansett Bay wage area with the Boston, MA, wage area to provide Rhode Island Federal blue-collar workers with pay equity in the region. These workers include janitors, mechanics, machine tool operators, munitions and explosive operators, electricians, and engineers.

Federal employees within the Narragansett Bay wage area are paid under one of the lowest Federal wage system, FWS, pay scales while residing in an area with one of the highest costs of living. Significant disparities between Narragansett Bay wages and those in proximate wage areas raise serious questions about the fairness and equity of the Federal wage pay scales. The average wage grade worker in Rhode Island earns $18.01 per hour compared to the same worker in Boston who earns $20.25 per hour or an employee in Hartford who earns $20.05 per hour. As a result, Rhode Island may be losing experienced Federal employees to the same jobs, at the same grade levels, just miles away because of better pay. Enacting this legislation would help the approximately 500 wage rate workers in Rhode Island better provide for their families, and it will ensure that Rhode Island keeps qualified and trained Federal workers.

Roughly 80 percent of all FWS employees in the United States work either in the Department of Defense or the Department of Veteran Affairs. Indeed, Naval Station Newport employs the most FWS workers in the Narragansett Bay area. These employees perform work that is important to our national security, and competitive compensation is the best way to ensure that these workers are qualified and effective. Merging these two wage areas would reduce the disparity between the salaries of these Federal workers and keep Federal workers in Rhode Island from abandoning their Government jobs for higher paying positions in Massachusetts and Connecticut.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3784

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rhode Island Federal Worker Fairness Act of 2006".

SEC. 2. WAGE PARITY FOR CERTAIN PREVAILING RATE EMPLOYEES IN RHODE ISLAND.

The wage schedules and rates applicable to prevailing rate employees (as defined in section 5342 of title 5, United States Code) in the Narragansett Bay, Rhode Island, wage area shall be the same as the wage schedules and rates applicable to prevailing rate employees in the Boston, Massachusetts, wage area.

SEC. 3. EFFECTIVE DATE.

Section 2 shall take effect beginning with the first pay period beginning on or after the date of enactment of this Act.

By Ms. SNOWE:

S. 3785. A bill to amend the Small Business Investment Act of 1958 to improve surety bond guarantees, and for other purposes; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, I rise today to introduce the Surety Bond Improvement Act, a bill designed to reinvigorate the Small Business Administration's Surety Bond Guarantee Program. This bill's primary purpose is to ensure that small businesses are able to secure the surety bonds they need to compete for contracts, grow, and hire more employees.

Surety bonds are critical to small companies' survival and competitiveness. Without bonding, small firms cannot secure the contracts they need to grow. Unfortunately, many new, small businesses lack the stable credit histories and assets they need to secure surety bonding. Many sureties also refuse to bond small companies because of the greater risk that comes with insuring unproven firms. For many small businesses, difficulties obtaining surety bonds act as a barrier to entry and prevent them from competing in defense contracting, construction, services, and other markets.

Insuring against loss, surety bonds are most often used on large contracts where the sequential work of many subcontractors is necessary to finish a project on time. The principal contractor will require that each subcontractor obtain a surety bond. A subcontractor's surety bond will guarantee that they will meet their contract's time and quality requirements whether it be for framing a building or installing specific computer equipment. The majority of small and large businesses fulfill their contractual obligations, and claims against surety bonds are infrequent. If a claim occurs, the surety firm is responsible for any monetary damages that occur because the bonded company did not fulfill its contractual obligations.

Many new small contractors are only able to obtain surety bonds through the SBA's Surety Bond Guarantee Program. In order to reduce the risk to surety firms, the SBA promises to cover between 70 and 90 percent of any possible claims on bonds underwritten through the Surety Bond Guarantee Program. The Surety Bond Guarantee Program then helps small businesses establish a bonding history so that with time they can outgrow the program and obtain bonds in the competitive marketplace.

It is critical to understand that the number of participating sureties in the Surety Bond Guarantee Program directly affects the number of small companies that can receive surety bonds. Over the last several years, a number of SBA actions have greatly reduced the profitability of surety companies participating in this SBA program. Declining profitability has forced sureties to leave the program, causing a severe downturn in the total number of small businesses obtaining surety bonds.

In 2003, the Surety Bond Guarantee Program issued 8,974 bonds to small businesses. In 2004, the number declined to 7,803 bonds, and in 2005, the number declined again to 5,678 bonds. This year, even though the need for surety bonds has not decreased, as of March 2006, only 1,760 surety bonds have been issued. The sureties argue that SBA's outdated fee structure and other actions, such as unwinding bond guarantees and recent fee increases, make it impossible for them to earn a profit and continue participating in the program.

One of the greatest obstacles to profitability is the Preferred Surety Bond Program's outdated fee structure. Currently, sureties in the preferred program are forced to use insurance rates set on August 1, 1987, almost 20 years ago. Many sureties have left the program because the SBA's outdated rates prevent them from making a profit on the small business bonds they issue.

To address this problem, my bill would grant participating sureties greater rate setting flexibility by allowing them to charge rates that are approved by the insurance commissioner of the State in which the contract will be performed. It will also raise the current limit on the maximum amount of a contract that a company can bond through the program from $2 million to $3 million, an adjustment that inflation makes necessary.

My bill prohibits the SBA from unwinding a surety bond guarantee after the agency has already underwritten and approved the bond. Currently, the SBA will often find technical reasons, which should have been discovered during the underwriting process, to avoid paying on a claim against an SBA guaranteed bond. When this occurs, the surety companies must honor the SBA's financial obligations and cover any losses caused by the breach of contract. Most sureties can only afford to have the SBA unwind a bond once or twice before they are forced to leave the Surety Bond Program.

My bill also addresses recent SBA fee increases. In August of 2005, the SBA moved to increase surety bonding companies' premium fees by 60 percent and then directed that none of the fee increase could be passed along to small companies seeking surety bonds. I was concerned that this fee increase would provide an additional reason for surety companies to stop underwriting small companies and further decrease the ability of small firms to receive surety bonds.

The SBA's fee increase made it necessary for me to evaluate the underlying terms of the surety program. After working with the SBA, eventually the agency agreed to allow the surety companies to split the fee increase with small firms, a much more palatable solution than forcing the bonding companies—or the small businesses—to absorb all of the increase.

The bill requires the SBA to be transparent in its fee structure and any calculations the agency uses to justify future fee increases. The bill also clarifies that Congress does not require the Surety Bond Guarantee Program to be entirely self funding or self sufficient.

I am working with the SBA to reverse the decline in participating sureties and increase the number of small businesses receiving surety bonding. To achieve this goal, the Surety Bond Guarantee Program is working to reduce approval times by increasing companies' ability to submit underwriting applications and claim requests online. The program also plans to restructure its field offices and conduct outreach to new sureties and small businesses needing surety bonding. These changes, along with the necessary legislative changes I have proposed today, will help the program attract new sureties and increase the overall number of small companies able to secure sureties underwriting through the program.

Mr. President, I would like to encourage my colleagues to support the Surety Bond Improvement Act. This bill was written after consulting with small business owners and surety bonding companies on how best to revitalize this critical program. Without these changes, the number of sureties participating in the program will continue to decline—as will the ability of small businesses to secure surety bonds. Without these bonds many small businesses will be unable to compete for contracts and government work. For new companies, obtaining a surety bond will become a barrier to entry and competition they are unable to overcome.

By Ms. SNOWE:

S. 3786. A bill to reauthorize and improve the Small Business Act and the Small Business Investment Act of 1958, and for other purposes; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, I rise today to introduce the Small Business Information Security Act of 2006. This bill will establish within the Small Business Administration a Small Business Information Security Task Force to advise the SBA and help small businesses both understand the information security challenges they face and identify resources to help meet those challenges.

As chair of the Senate Committee on Small Business and Entrepreneurship, one of my goals is to ensure small businesses are protected from the mounting information security threats they face every day. This legislation will create a clearinghouse of information, resources, and tools—compiled by a task force consisting of public and private sector experts in the field—that will ease the trouble, confusion, and cost often associated with enhancing information security measures within a small business. The task force will continually update information and resources as new technologies and new threats arise. Currently, potential and existing owners of small businesses turn to the SBA for resources regarding a number of other aspects when developing and maintaining their ventures. But information security resources are not as readily available. This measure will present an opportunity for the SBA to create a repository for small businesses to meet their information security needs.

According to a 2005 survey by the Small Business Technology Institute, more than half of all small businesses in the United States experienced a security breach in the last year. Furthermore, the study concludes that nearly one-fifth of small businesses do not use virus-scanning for e-mail, over 60 percent do not protect their wireless networks with encryption, and two-thirds of small businesses do not have an information security plan.

As these statistics illustrate, small businesses are increasingly at risk of data breaches and other forms of malicious attacks on their information technology infrastructure. The Small Business Information Security Task Force will provide resources and information to small business owners to help them overcome these obstacles and decrease the risks posed to their small businesses by cybercriminals. I encourage all of my colleagues to support this vitally important legislation.

By Mr. SANTORUM (for himself, Mr. PRYOR and Mrs. DOLE):

S. 3787. A bill to establish a congressional Commission on the Abolition of Modern-Day Slavery; to the Committee on Foreign Relations.

Mr. SANTORUM. Mr. President, I am joined today by Senator PRYOR and Senator DOLE to address an important issue that is all too often hidden from public view—the practice of modern day slavery.

One of my political heroes is the 18th century British statesman, William Wilberforce. Wilberforce was one of the leaders of the moral crusade to rid the British empire of slavery. He devoted 20 years to abolishing the British slave trade and another 26 years to abolishing slavery altogether. He and his fellow abolitionists had a profound affect on the American abolitionist movement, and their dedication fueled some of our greatest leaders, including John Quincy Adams, Benjamin Franklin, James Monroe, and John Jay. His influence reached William Wells Brown, Paul Cuffe, Benjamin Hughes, Frederick Douglass, and Abraham Lincoln, and he helped pave the way for abolitionists like Thaddeus Stevens and Richard Allen.

These great men opened the eyes of the United Kingdom and the United States to see the injustice that marked our countries. Thankfully, their work helped end the U.S. and U.K. slave trade. Later, our country constitutionally abolished slavery and took a significant step to effectuate the vision of the Declaration of Independence, that all people are created equal.

We, as a country, often rush to divorce ourselves from our historic malfeasance. We want to forget the stories of human beings—women and children—suffocating on slave ships, tied to whipping posts and bound with bruising fetters. We want to forget the blatant oppression, our country's inhumane drive for profit and obvious disregard for the value, worth and freedom inherent in every life. The slavery of our past offends every modern sensibility we have; yet, we cannot bury these stories as just part of the distant past.

Slavery exists today. Despite the heroic work of liberators centuries before us, and despite the fact that almost every country in this world has constitutionally outlawed slavery, as many as 27 million people are in bondage according to the 2006 Trafficking in Persons Report. This slavery, although in many ways different from the slavery in centuries past, is equally horrifying and brutal. Among other practices, it includes sexual exploitation, bonded labor, forced labor, forced marriage, chattel slavery and child labor.

An estimated 800,000 persons are trafficked across international borders each year, and an estimated 18,000 to 20,000 victims are trafficked into the United States each year. Approximately 80 percent of the victims are female and an estimated 40 to 50 percent are children. Unfortunately, unlike the slavery of our past, modern-day slavery takes on myriad, subtler forms, making it more difficult to identify and eradicate. Within countries where the trade originates, a seemingly endless supply of victims remains available for exploitation, and within the destination countries there seems to be an endless demand for the "services" of victims. Organized criminal networks—some large and some small—have taken control of this economic supply and demand situation, establishing an appalling, but often invisible trade of humans in the 21 century.

This modern-day slavery is notable for the variety and complexity of the trafficking networks that operate and sustain it. The forms of slavery, such as sex-trafficking, are incredibly adaptive: these networks extend to every region and virtually every country in the world—representing a truly global industry. Slavery of all forms is extremely profitable for the exploiters, and they capitalize on the weak and vulnerable, the desperate and unstable. They are most successful in areas of conflict and postconflict, transitioning states, sudden political change, economic collapse, widespread poverty, and natural disasters. Weak legal infrastructure, corrupt law enforcement officials, globalization and the lack of equal employment opportunity have fed this iniquitous multibillion-dollar criminal industry.

Women are often lured by promises of employment as shopkeepers, maids, seamstresses, nannies, or waitresses but then find themselves forced into prostitution upon arrival to their destination. Their traffickers seize travel documents, create enormous and unsubstantiated debt demands, and subject the women to brutal beatings if their earnings are unsatisfactory.

Girls, as young as five, are often kidnapped or even sold by trusted relatives into the transatlantic sex trade. They are often raped, beaten, and forced to sleep with 10 to 15 men per night. These young children are manipulated, coerced, and held in bondage. Victims are often isolated, unable to speak the language of the land they are transported to, and are often unfamiliar with the culture. Without the support network of their family and friends, they are incredibly vulnerable to their oppressors' demands.

The victims of modern-day slavery often face torture, violence, poor nutrition, and drug and alcohol addiction. They contract HIV/AIDS, suffer from severe trauma and depression, and are stripped of dignity and hope for their future. As I have continued to work on legislation that reaches the populations most deeply affected by the HIV/AIDS epidemic, violence against women, and child exploitation, I am offended by the complete disrespect for life that binds these horrors together.

We, as a nation, cannot stand idle. As William Wilberforce said, "it is we who are now truly on trial before the moral sense of [this world], and if we shrink from it, deeply shall we hereafter repent our conduct." As a Congress, we have come together to call our country and others to action in the fight against human trafficking; I commend the work of this administration, the NGOs, and the freedom-fighters throughout the world who have been working to address this nefarious issue.

Yet despite our hard work, we have an obligation to do more. Today I am submitting a resolution and introducing a bill that call for a deeper commitment to the cause of abolishing modern-day slavery. The resolution calls us to make modern-day slavery a priority in our foreign and domestic policy. This resolution resolves that the abolition of modern-day slavery should be prioritized at the 2007 G8 Summit and calls for the trade policy of the United States to reflect our commitment to freedom for all people.

I am also introducing a bill for the formation of a bipartisan congressional commission that will conduct a thorough and thoughtful study of all matters relating to modern-day slavery, working alongside the programs we have implemented so far. This commission will make recommendations for our country and for abolitionists worldwide including identifying the countries which provide the greatest opportunity for abolition of modern-day slavery specific to U.S. involvement. Currently, many of the very qualified groups that work to free slaves are scattered. Some of these groups are better at extraction, while others are better at rehabilitation; the commission will make recommendations that seek to bring these incredible groups together to provide the most sustainable options for rescued victims.

The commission will examine the economic impact on communities and countries that have demonstrated measured success in fighting modern-day slavery. I recently learned of a small village in South Asia where over 70 emancipated slaves have now been elected to positions of leadership in their community. They have built their first well to serve the community and are representing others who are vulnerable to oppression.

Additionally, this commission will make recommendations which work to increase education and awareness about modern-day slavery throughout the United States with the purpose of fighting modern-day slavery.

The potential exists for real and systemic change. Together, this commission and this resolution will work to support a full and rich circle demonstrating the power of emancipation. We have a tremendous opportunity to reaffirm our commitment as a nation to spreading freedom for all people by eradicating the horrendous scourge of modern-day slavery. I look forward to following the example of the abolitionists before us to end this worldwide evil.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3787

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Congressional Commission on the Abolition of Modern-Day Slavery Act".

SEC. 2. MODERN-DAY SLAVERY.

In this Act, the term "modern-day slavery" means the recruitment, harboring, transportation, receipt, procurement, or control of persons through the use of force, fraud, coercion, abduction, deception, abuse of power, or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of subjection to debt bondage, serfdom, involuntary servitude, forced labor, chattel, forced marriage, peonage, sexual exploitation, or trafficking.

SEC. 3. FINDINGS.

Congress makes the following findings:

(1) The Declaration of Independence recognizes the inherent dignity and worth of all people and states that all people are created equal and are endowed by their Creator with certain unalienable rights, and the right to be free from slavery and involuntary servitude is among those unalienable rights.

(2) Despite international laws outlawing modern-day slavery, modern-day slavery affects virtually every country in the world, and as many as 27,000,000 people are victims. Modern-day slavery is one of the fastest growing areas of international criminal activity and is an increasing concern to the United States Administration, Congress, and the international community; the Federal Bureau of Investigation estimated that modern-day slavery generates over $9,000,000,000 every year.

(3) Traffickers use threats, intimidation manipulation, coercion, fraud, shame, and violence to force victims into modern-day slavery. Traffickers capitalize on areas of conflict and post-conflict, transitioning states, sudden political change, economic collapse, civil unrest, internal armed conflict, chronic unemployment, widespread poverty, personal disaster, lack of economic opportunity, and natural disasters.

(4) Modern-day slavery: contributes to the breakdown of societies due to the loss of family support networks; has a negative impact on the labor market in countries; brutalizes men, women, and children and exposes them to rape, torture, HIV/AIDS and other sexually transmitted diseases, violence, dangerous working conditions, poor nutrition, drug and alcohol addiction, severe psychological trauma from separation, coercion, sexual abuse, and depression; and strips human beings of dignity, respect, and hope for their future.

(5) The United States has given priority to combating human trafficking through the Victims of Trafficking and Violence Protection Act of 2000 (Public Law 106-386) and the Trafficking Victims Protection Reauthorization Act of 2005 (Public Law 109-164).

(6) The State Department issued its sixth congressionally mandated Trafficking in Persons Report (TIP) in June, 2006, which categorizes countries into tiered groups according to the efforts they are making to combat trafficking. The countries that do not cooperate in the fight against trafficking (Tier 3 Countries) have been made subject to United States sanctions since 2003, under the President's direction.

SEC. 4. ESTABLISHMENT OF COMMISSION.

(a) Establishment.—There is established a congressional Commission on the Abolition of Modern-Day Slavery (referred to in this Act as the "Commission").

(b) Membership.—

(1) Composition.—The Commission shall be composed of 12 members, of whom—

(A) 3 shall be appointed by the Speaker of the House of Representatives;

(B) 3 shall be appointed by the majority leader of the Senate;

(C) 3 shall be appointed by the minority leader of the House of Representatives; and

(D) 3 shall be appointed by the minority leader of the Senate.

(2) Qualifications.—Members of the Commission shall be appointed from among individuals with demonstrated expertise and experience in combating modern-day slavery and trafficking of persons.

(3) Date.—The appointments of the members of the Commission shall be made not later than 30 days after the date of enactment of this Act.

(c) Period of Appointment; Vacancies.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) Cochairpersons.—The Speaker of the House of Representatives shall designate 1 of the members appointed under subsection (b)(1)(A) as a cochairperson of the Commission. The majority leader of the Senate shall designate 1 of the members appointed under subsection (b)(1)(B) as a cochairperson of the Commission.

(e) Initial Meeting.—Not later than 60 days after the date of enactment of this Act, the Commission shall hold its first meeting.

(f) Meetings.—The Commission shall meet at the call of either cochairperson.

(g) Quorum.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

SEC. 5. DUTIES OF THE COMMISSION.

(a) Study.—

(1) In general.—The Commission shall—

(A) conduct a thorough and thoughtful study of all matters relating to modern-day slavery, including vulnerabilities of commonly affected populations, such as populations in areas of conflict and post conflict, transitioning states, states undergoing sudden political change, economic collapse, civil unrest, internal armed conflict, chronic unemployment, widespread poverty, lack of opportunity, and national disasters;

(B) study the roles of the rule of law, lack of enforcement, and corruption within international law enforcement institutions that allow the proliferation of modern-day slavery;

(C) review all relevant Governmental programs in existence on the date of the beginning of the study, including the United States Agency for International Development, the Department of State, the Department of Defense, the Department of Labor, the Department of Health and Human Services, the Interagency Task Force to Monitor and Combat Trafficking, and the Human Smuggling and Trafficking Center; and

(D) convene additional experts from relevant nongovernmental organizations as part of the Commission's thorough review.

(2) Goals.—In making determinations under paragraph (1), the Commission shall seek to promote goals of—

(A) providing a comprehensive and fully integrated evaluation of best practices, to prevent modern-day slavery;

(B) providing a comprehensive and fully integrated evaluation of the best practices to rescue and rehabilitate victims of modern-day slavery;

(C) providing a comprehensive and fully integrated evaluation of the best practices for prosecution of traffickers and increasing accountability within countries;

(D) providing a comprehensive and fully integrated evaluation of exportable models to prevent modern-day slavery, rescue and rehabilitate victims of modern-day slavery, prosecute offenders, and increase education and accountability about modern-day slavery, which could contribute governments, nongovernmental organizations, and institutions;

(E) identifying countries which provide the greatest opportunity for abolition of modern-day slavery specific to United States involvement;

(F) connecting various organizations to facilitate integration of information regarding identifying, extracting, and rehabilitating victims;

(G) examining the economic impact on communities and countries that demonstrate measured success in fighting modern-day slavery;

(H) increasing education and awareness about modern-day slavery throughout the United States to decrease modern-day slavery within the United States and abroad; and

(I) providing a comprehensive evaluation of best practices to educate high-risk populations.

(b) Recommendations.—The Commission shall develop recommendations on how to best combat modern-day slavery, including an economic, social, and judicial evaluation.

(c) Report.—Not later than 11 months after the date of enactment of this Act, the Commission shall submit a report to the Speaker and minority leader of the House of Representatives and the majority leader and minority leader of the Senate, which shall contain a detailed statement of the legislation and administrative actions as it considers appropriate.

SEC. 6. POWERS OF THE COMMISSION.

(a) Hearings.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers necessary to carry out this Act.

(b) Information From Governmental Agencies.—The Commission may secure directly from any department or agency such information as the Commission considers necessary to carry out this Act. Upon request of either cochairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

SEC. 7. COMMISSION PERSONNEL MATTERS.

(a) Compensation of Members.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5313 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) Travel Expenses.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) Staff.—

(1) In general.—The cochairpersons of the Commission, acting jointly, may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) Compensation.—The cochairpersons of the Commission, acting jointly, may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United Sates Code, relating to classification

of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Federal Government employees may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The cochairpersons of the Commission, acting jointly, may procure temporary and intermittent services under section 3109 (b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 8. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which the Commission submits its report under section 5.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Commission for fiscal year 2007 such sums as may be necessary to carry out this Act.

(b) AVAILABILITY.—Any sums appropriated under the authorization contained in this section shall remain available, without fiscal year limitation, until expensed.

By Mrs. CLINTON:

S. 3790. A bill to create a set of effective voluntary national expectations, and a voluntary national curriculum, for mathematics and science education in kindergarten through grade 12, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, I rise today to introduce legislation to help ensure that American students are competitive in the global economy of 21st century. If approved, The National Mathematics and Science Consistency Act would ensure that America's children have access to a rigorous math and science education. This bill will help young men and women in America compete successfully with students from around the world.

Last fall the National Academy of Sciences, NAS, outlined the challenges to American competitiveness in its report, "Rising Above the Gathering Storm: Energizing and Employing America for a Brighter Economic Future." The reality is that modern technology makes it increasingly possible for employers to hire the most skilled workers wherever in the world they live. Unfortunately, too many American students—even some graduates of high school and college—are not equipped with the skills they need to compete successfully in the global economy.

Among 12th graders, America ranks 21st out of 40 industrialized nations in tests of math and science knowledge. Just one in three of America's college graduates earn degrees in math, science, and engineering while two in three college graduates of other countries do so. We must act now to improve education and research in science, technology, engineering, and mathematics, STEM, if America is to retain leadership of the global economy in the 21st century.

In "Rising Above the Gathering Storm," the National Academy of Sciences made 20 recommendations for how America can increase its global competitiveness. Nineteen of the 20 recommendations were proposed in the PACE Acts—PACE-Education, PACE-Energy, and PACE-Finance. I was proud to cosponsor these bills, and it is a testament to the widespread concern regarding this issue that each bill has been cosponsored by more than 60 Senators.

The Mathematics and Science Consistency Act would implement the final NAS recommendation—for the Department of Education to convene a national panel of experts that will collect proven effective K-12 science and mathematics teaching materials, and, if effective models don't exist, create new ones. All materials would be made available online, free of charge, as a voluntary national curriculum that would provide an effective standard for K-12 teachers to use as a resource.

Regrettably, many States have set standards for math and science education at an abysmally low level. A Fordham report entitled "The State of State Science Standards 2005" found that nearly half of the States are doing a poor job of setting academic standards for science.

The result of low State standards is that States think their students are passing, teachers think their students are passing, and students think they are passing when they in fact are not. For example, a review of 12 diverse States by a team at the University of California at Berkeley found that the typical State reports that 77 percent of its fourth graders are proficient in mathematics as assessed by the State standard, while just 36.5 percent of fourth grade students in the typical State score as proficient in mathematics as assessed by the gold-standard National Assessment of Education Progress. Lowering academic standards does not adequately prepare our students to meet the demands of the global economy.

The Mathematics and Science Consistency Act will help States raise standards and invest in high-quality teaching through the collection of best practices and ensure that a world-class curriculum is available. Under my bill, it is entirely up to States whether to adopt the recommendations of the panel. States that do would be eligible for grants to acquire instructional materials, to make those materials available online and free to teachers and school staff, and to train teachers to effectively use the instructional materials.

Again, I want to emphasize that this bill provides assistance to States that wish to work together to ensure that all children are taught a rigorous, common curriculum. The Mathematics and Science Consistency Act would implement the final recommendation made in the Gathering Storm report, and it will help ensure that our children are prepared to compete with success in the 21st century.

It is high time to do what is best for our children and their economic future. I am hopeful that my Senate colleagues from both sides of the aisle will join me today to move this legislation to the floor without delay.

By Mr. MARTINEZ:

S. 3792. A bill to amend the Internal Revenue Code of 1986 to allow a credit against tax for qualified elementary and secondary education tuition; to the Committee on Finance.

Mr. MARTINEZ. Mr. President, today I rise to discuss a bill that aims to give America's children access to greater educational opportunities. As history has taught us, advanced societies are always built on a foundation of a few shared values—and education is a chief component of that foundation.

For 21st century America to continue to lead the world, the leaders of this great Nation of ours must remain committed to providing every American child the opportunity to succeed in the classroom. A quality education unlocks the doors that lead to bigger life opportunities. As the axiom goes, knowledge is power [attributed to Sir Francis Bacon].

In addition, our educational system should be helping parents to make better choices, not taking choices away from them.

That is why I am introducing the Tax and Education Assistance for Children (TEACH) Act of 2006.

Representative VITO FOSSELLA of New York has already introduced this bill in the House of Representatives, where it has collected 34 cosponsors. Six of those cosponsors come from my home State of Florida. Those cosponsors are JEFF MILLER, GINNY BROWN-WAITE, DAVE WELDON, JOHN MICA, KATHERINE HARRIS and TOM FEENEY.

There is a good reason for this. In Florida and across America today, our public schools are facing new and troubling challenges.

Many public schools are suffering from overcrowding, leading to a myriad of problems such as teacher shortages, threats to campus security, a lack of books, desks, and computers, to name a few. In this country, known to the world as a "land of opportunity," American parents deserve better than to have their children suffer through a failing school system.

We live in a consumer-driven society where numerous choices abound: car or

SUV, caffeinated or decaf, book in print or book on tape.

We live in a country where you can make airline reservations from a portable electronic device, where a doctor can remotely assist in a surgery from thousands of miles away, where we can power our homes with Sun, wind, or water, and yet too often parents do not have a basic choice for their children: public school or private school.

Many parents would like to send their children to a traditional private, religious, or military school, however, they are often unable to do so because of the high costs of such an endeavor.

Many middle-class parents make enough to take care of their families, but not enough for their families to pick up and move to a better school district or for them to send their children to a private school where they are living.

As we know, it is the innate desire of parents to want to provide the very best for their children. While public schools are the right choice for tens of millions of American children each and every year, more than 5 million American students currently attend private schools at little or no cost to American taxpayers.

We want to help students reach their maximum potential. In this country and around the globe, the best educated people are nearly always the ones leading their respective communities forward.

This bill would establish a tax credit of up to $4,500 per family for private elementary or secondary school tuition. Single parents would also be eligible for the credit.

And because we always want to be responsible with how taxpayers' money is spent, the tax credit is nonrefundable. To elaborate, this means that if tuition is only three thousand dollars at a school, families will only be able to deduct that amount.

This credit would pass along a small portion of taxpayer savings back to the families that help generate it.

For all those middle-class and lower income families across America who feel trapped, who feel as if they don't have the power to choose what is best for their children and their educational needs, the TEACH Act of 2006 will make it possible for them to choose the best learning environment for their children.

It is also important to note that this bill does not institute a voucher program. Instead, as a Federal income tax credit, it helps families to have choices, while not detracting from the funding sources needed to continue upkeep of and improvements in our public schools.

This bill would alleviate the financial burden on our public schools, and thus allow schools to devote greater resources toward improving the educational experience for all students.

And the American taxpayer should not worry that this bill will reduce the funding for their child's school or for any other public school—it won't. What it will do is increase the value of every child's educational experience, be it in a public or private school.

According to the U.S. Census Bureau statistics from 2004, the cost of educating a student in the public school system is close to $8,000 a year. Multiplied out, this comes to a total savings of over $42 billion a year for our public school systems.

If the millions of privately educated students in this country were to be publicly educated, every taxpayer would have to bear that burden.

With this legislation, parents win because their children get the best education possible and the American taxpayer wins because they owe nothing more.

And where Florida is concerned, according to the aforementioned U.S. Census Bureau statistics, approximately, $6,000 is spent annually per public school student in the Sunshine State.

With more than 350,000 students attending private schools in Florida annually, our State's taxpayers save $2.2 billion—and that savings can benefit public schools.

The TEACH Act of 2006 would help to add to those savings.

America is an ownership society where people get to make choices about how they spend their money and where they are going to spend it.

With a choice as important as where and how our children are educated, we need to put more of the power in the hands of the parents.

While this is in no way comprehensive education reform, it is another big step in the right direction.

I encourage my Senate colleagues to learn more about the TEACH Act and to work with me to push through this legislation that will help our children across America receive the education that they need.

Remember, if we do not continue to invest in our future today, tomorrow will not show us the bright promise that it can. Let us carry that promise home to more Americans today.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3792

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tax and Education Assistance for Children (TEACH) Act of 2006".

SEC. 2. CREDIT FOR QUALIFIED ELEMENTARY AND SECONDARY EDUCATION TUITION.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25D the following new section:

"SEC. 25E. QUALIFIED ELEMENTARY AND SECONDARY EDUCATION TUITION.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for a taxable year an amount equal to the qualified elementary and secondary education tuition paid or incurred by the taxpayer during the taxable year.

"(b) DOLLAR LIMITATION.—The amount allowed as a credit under subsection (a) with respect to the taxpayer for any taxable year shall not exceed—

"(1) $4,500 in the case of a joint return,

"(2) $4,500 in the case of an individual who is not married, and

"(3) $2,250 in the case of a married individual filing a separate return.

"(c) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION TUITION.—

"(1) IN GENERAL.—The term 'qualified elementary and secondary education tuition' means expenses for tuition which are incurred in connection with the enrollment or attendance of any dependent of the taxpayer with respect to whom the taxpayer is allowed a deduction under section 151 as an elementary or secondary school student at a private or religious school.

"(2) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.".

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25D the following new item:

"Sec. 25E. Qualified elementary and secondary education tuition.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

By Mr. CRAPO:

S. 3794. A bill to provide for the implementation of the Owyhee Initiative Agreement, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. CRAPO. Mr. President, I am pleased to introduce the Owyhee Initiative Implementation Act of 2006, a bill which is the result of a 5-year collaborative effort between all levels of government, multiple users of public lands, and conservationists to resolve decades of heated land-use conflict in the Owyhee Canyonlands in the southwestern part of my home State of Idaho.

This is comprehensive land management legislation that enjoys far-reaching support among a remarkably diverse group of interests that live, work and play in this special country.

Owyhee County contains some of the most unique and beautiful canyonlands in the world and offers large areas in which all of us can enjoy the grandeur and experience of untouched western trails, rivers, and open sky. It is truly magical country, and its natural beauty and traditional uses should be preserved for future generations.

Owyhee County is traditional ranching country. Seventy-three percent of its land base is owned by the United States, and it is located within an hour's drive of one of the fastest growing areas in the nation, Boise, ID.

This combination of attributes, including location, is having an explosive effect on property values, community expansion and development and ever-increasing demands on public land. Given this confluence of circumstances and events, Owyhee County has been at the core of decades of conflict with heated political and regulatory battles.

The diverse land uses co-exist in an area of intense beauty and unique character. The conflict over land management is both inevitable and understandable—how do we manage for this diversity and do so in a way that protects and restores the quality of that fragile environment?

In this context, the Owyhee County Commissioners and several others said "enough is enough" and decided to focus efforts on solving these problems rather than wasting resources on an endless fight. In 2001, The Owyhee County Commissioners, Hal Tolmie, Dick Reynolds and Chris Salove met with me and asked for my help.

They asked whether I would support them if they could put together at one table the interested parties involved in the future of the County to try and reach some solutions. I told them that if they could get together a broad base of interests who would agree to collaborate in a process committed to problem-solving, I would dedicate myself to working with them and if they were successful, I would introduce resulting legislation. They agreed.

Together, we set out on a 5-year journey on a road that is as challenging as any in the Owyhee Canyonlands. Sharp turns, steep inclines and declines, big sharp rocks, deep ruts, sand burrs, dust and a constant headwind is exactly what those of us who have worked so hard on this have faced every day.

This is very difficult work and in speaking of difficult work, I want to acknowledge the effort of my friend and colleague from Idaho, Representative **MIKE SIMPSON**, and the challenge he has taken on as he advocates his Central Idaho Economic Development Act. I support his work and his legislation.

The Commissioners appointed a chairman, an extraordinary gentleman, Fred Grant. They formed the Work Group which included The Wilderness Society, Idaho Conservation League, The Nature Conservancy, Idaho Outfitters and Guides, the United States Air Force, the Sierra Club, the county Soil Conservation Districts, Owyhee Cattleman's Association, the Owyhee Borderlands Trust, People for the Owyhees, and the Shoshone Paiute Tribes to join in their efforts. All accepted, and work on this bill began.

As this collaborative process gained momentum, the county commissioners expanded the Work Group to include the South Idaho Desert Racing Association, Idaho Rivers United and the Owyhee County Farm Bureau. Very recently, the commissioners have further expanded the effort to include the Foundation for North American Wild Sheep and the Idaho Backcountry Horsemen.

The commissioners also requested that the Idaho State Department of Lands and the Bureau of Land Management serve, and those agencies have provided important support.

This unique group of people chose to work without a professional facilitator, preferring instead to deal with differences face-to-face and together create new ideas. For me, one of the most gratifying and emotional outcomes has been to see this group transform itself from polarized camps into an extraordinary force that has become known for its intense effort, comity, trust and willingness to work toward a solution.

They operated on a true consensus basis, only making decisions when there was no voiced objection to a proposal.

They involved everyone who wanted to participate in the process and spent hundreds of hours discussing their findings, modifying preliminary proposals and ultimately reaching consensus solutions. They have driven thousands of miles inspecting roads and trails, listening to and soliciting ideas from people from all walks of life who have in common deep roots and deep interest in the Owyhee Canyonlands.

They sought to ensure that they had a thorough understanding of the issues and could take proper advantage of the insights and experience of all these people.

While this whole process and its outcomes are indeed remarkable, one of the more notable developments is the Memorandum of Agreement between the Shoshone Paiute Tribes and the County that establishes government-to-government cooperation in several areas of mutual interest. I want to particularly note the efforts and support of Mr. Terry Gibson, Chairman of the Shoshone Paiute Tribes, a great leader and a personal friend of mine.

All of these individuals and organizations have asked that I seek Senate approval of their collaborative effort, built from the ground up to chart their path forward.

The Owyhee Initiative transforms conflict and uncertainty into conflict resolution and assurance of future activity. Ranchers can plan for subsequent generations. Off-road vehicle users have access assured. Wilderness is established. The Shoshone-Paiute Tribe knows its cultural resources will be protected. The Air Force will continue to train its pilots.

Local, state and Federal agencies will have structure to assist their joint management of the region. And this will all happen within the context of the preservation of environmental and ecological health. This is indeed a revolutionary land management structure—and one that looks ahead to the future.

Principal features of the legislation include:

Development, funding and implementation of a landscape-scale program to review, recommend and coordinate landscape conservation and research projects;

Scientific review process to assist the Bureau of Land Management;

Designation of Wilderness and Wild and Scenic Rivers;

Release of Wilderness Study Areas;

Protections of tribal cultural and historical resources against intentional and unintentional abuse and desecration.

Development and implementation by the BLM of travel plans for public lands;

A board of directors with oversight over the administration and implementation of the Owyhee Initiative.

This can't be called ranching bill, or a wilderness bill, or an Air Force bill, or a tribal bill. It is a comprehensive land management bill.

Each interest got enough to enthusiastically support the final product, advocate for its enactment, and, most importantly, support the objectives of those with whom they had previous conflict.

Opposition will come from a few principal sources: those who simply don't want to have wilderness designated; those who don't want livestock anywhere on public land; and, those who do not want to see collaboration succeed. While I respect that opposition, I prefer to move forward in an effort that manages conflict and land, rather than exploit disagreements.

The status quo is unacceptable. The Owyhee Canyonlands and its inhabitants, including its people, deserve to have a process of conflict management and a path to sustainability. The need for this path forward is particularly acute given that this area is an hour's drive from one of the nation's most rapidly-growing communities. The Owyhee Initiative protects water rights, releases wilderness study areas and protects traditional uses.

I commend the commitment and leadership of all involved. We have established a long-term, comprehensive management approach. It's been an honor for me to work with so many fine people and I will do everything in my power to turn this into law.

The Owyhee Initiative sets a standard for managing and resolving difficult land management issues in our country. After all, what better place to forge an historical change in our approach to public land management, than in this magnificent land that symbolizes livelihood, heritage, diversity, opportunity and renewal?

And with that, I would like to recognize and thank the people who have been the real driving force behind this process: Fred Grant, Chairman of the Owyhee Initiative Work Group, his assistant Staci Grant, and Dr. Ted Hoffman, Sheriff Gary Aman, the Owyhee County Commissioners: Hal Tolmie, Chris Salova, and Dick Reynolds and Chairman Terry Gibson of the Shoshone Paiute Tribes. I am grateful to Governor Jim Risch of the Great State of Idaho for all of his support.

Thanks to: Colonel Rock of the United States Air Force at Mountain Home Air Force Base, Craig Gherke and John McCarthy of The Wilderness Society, Rick Johnson and John Robison of the Idaho Conservation League, Inez Jaca representing Owyhee County, Dr. Chad Gibson representing the Owyhee Cattleman's Association, Brenda Richards representing private property owners in Owyhee County, Cindy and Frank Bachman representing the Soil Conservation Districts in Owyhee County, Marcia Argust with the Campaign for America's Wilderness, Grant Simmons of the Idaho Outfitters and Guides Association, Bill Sedivy with Idaho Rivers United, Tim Lowry of the Owyhee County Farm Bureau, Bill Walsh representing Southern Idaho Desert Racing Association, Lou Lunte and Will Whelan of the Nature Conservancy for all of their hard work and dedication. I'd also like to thank the Idaho Back Country Horseman, the Foundation for North American Wild Sheep, Roger Singer of the Sierra Club, the South Board of Control, and the Owyhee Project managers, and all the other water rights holders who support me today. This process truly benefited from the diversity of these groups and their willingness to cooperate to reach a common goal.

The Owyhee Canyonlands and its inhabitants are truly a treasure of Idaho and the United States; I hope you will join me in ensuring their future.

It is my honor and privilege to introduce this legislation today to protect and preserve this tremendous part of Idaho and the people who live there.

By Mr. SMITH (for himself, Mr. ROCKEFELLER, Mr. ISAKSON, Mr. DEWINE, Mr. BURR, Mr. BINGAMAN, Ms. STABENOW, and Mr. MENENDEZ):

S. 3795. A bill to amend title XVIII of the Social Security Act to provide for a two-year moratorium on certain Medicare physician payment reductions for imaging services; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I rise today with my friend and colleague from Oregon, Senator SMITH, to introduce the Access to Medicare Imaging Act of 2006. This legislation would require a 2-year moratorium on the imaging cuts enacted as part of the Deficit Reduction Act, pending the outcome of a comprehensive study of Medicare imaging utilization and payment by the Government Accountability Office, GAO.

Each year, millions of Medicare patients receive medical imaging services, including x-rays, CT-scans, MRIs, and PET scans, to name just a few. Imaging devices allow doctors to more accurately diagnose and treat a wide range of human conditions, and patients who receive imaging services enjoy the peace of mind that comes from more precise diagnoses of disease. It would not be an overstatement to say that medical imaging has revolutionized the manner in which physicians practice medicine and the manner in which patients receive health care.

The widespread use of digital imaging equipment allows providers to easily exchange images across the Internet, facilitating greater and more timely physician consultation and, most people believe, improving the quality of care received by the patient. This same technology allows greater access to radiology professionals across the country for individuals living in rural and other medically underserved areas, which is a big deal in West Virginia.

Consider, if you will, Braxton Memorial Hospital in the small town of Gassaway in central West Virginia. Braxton Memorial is a remote, critical access hospital without the services of a radiologist. Because of imaging technology, trained medical staff at Braxton Memorial can take a digital x-ray and, within minutes, send a precise copy to a major medical facility in Charleston. There, it is read by a radiologist, who then returns a written report by e-mail. A few years back this was still science fiction, but now it happens every hour of every day across the country.

As incredible as these services may seem and as important as they are to the practice of effective clinical medicine, there is a perception that imaging services also come with an increased cost. Over the past few years, the use of imaging services by Medicare beneficiaries has increased significantly. In fact, MedPAC reported in March 2005 that imaging grew at twice the rate of all other physician fee schedule services between 1999 and 2003. During that time, MRI and CT procedures increased by 15 percent to 20 percent per year on their own.

In addition to rising costs, MedPAC further reinforced ongoing concerns about potential overuse of imaging services and the sudden increase of outpatient-based imaging in primary care settings. Citing a lack of training and implementation of imaging guidelines, MedPAC called upon Congress to direct the Secretary of Health and Human Services to define and execute such standards.

Given the MedPAC report, imaging reimbursement became an easy budget target during the reconciliation debate last year. I am concerned, however, that the $8 billion in imaging cuts were prematurely added to the Deficit Reduction Act. I believe these cuts were arbitrarily determined in order to meet a budget target and were not based on sound public policy. I am also very concerned about the impact these cuts will have on the imaging profession and on Medicare beneficiaries' access to imaging services.

We should not put the health of our seniors at risk in order to achieve an arbitrary budget target. So today I join Senators SMITH, BINGAMAN, ISAKSON, STABENOW, DEWINE, MENENDEZ, and BURR in calling for a 2-year delay of these cuts so that a comprehensive GAO study can be completed. A thorough GAO analysis of Medicare reimbursement for imaging services will provide greater insight into this important field of medical practice and help inform our decisions going forward. I urge my colleagues to join with us in supporting this timely legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Access to Medicare Imaging Act of 2006".

SEC. 2. TWO-YEAR MORATORIUM ON CERTAIN MEDICARE PHYSICIAN PAYMENT REDUCTIONS FOR IMAGING SERVICES.

(a) MORATORIUM.—Subsections (b)(4)(A) and (c)(2)(B)(v)(II) of section 1848 of the Social Security Act (42 U.S.C. 1395w-4), as added by section 5102(b) of the Deficit Reduction Act of 2005, are each amended by striking "2007" and inserting "2009".

(b) GAO STUDY AND REPORT ON IMAGING SERVICES FURNISHED UNDER THE MEDICARE PROGRAM.—

(1) STUDY.—The Comptroller General of the United States shall conduct a comprehensive study on imaging services furnished under the Medicare program.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress and the Secretary of Health and Human Services a report on the findings and conclusions of the study conducted under paragraph (1) together with recommendations for such legislation and administrative actions as the Comptroller General considers appropriate.

By Mrs. CLINTON (for herself and Mr. JOHNSON):

S. 3797. A bill to establish demonstration projects to provide at-home infant care benefits; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, I am pleased to introduce today legislation to provide parents new options to balance family and work.

The reality of today's economy is that most parents must work to provide economic security for their families—a reality that is particularly true when a new baby is welcomed into the family. In fact, 55 percent of women with infants younger than one year of age work. As a result, working parents face the challenge of providing economic security for their family while simultaneously ensuring that their infant receives the quality care that he or she needs.

Research shows that the quality of caretaking in the first months and years of life is critical to a newborn's brain development, social development and well-being. Yet there is currently a severe shortage of safe, affordable, quality care for infants. The number of licensed child care slots for infants meets only 18 percent of the need. The shortage is particularly acute in rural areas, and especially in rural areas that have many low-income residents.

In the ideal circumstance, I think we would all agree, parents who need affordable, high-quality care for their infant would provide that care themselves. Unfortunately, in many low- and moderate-income families, having a parent quit his or her job or reduce work hours to care for an infant is not financially viable. Doing so would plunge the family into an economic crisis. Rather, parents should have the choice of using a state child care subsidy to obtain infant care outside the home or of keeping the subsidy so they can stay home and care for their child themselves without risking their family's financial security.

The Choices in Child Care Act of 2006 would provide parents this choice. The bill amends the child care development block grant, CCDBG, so that low- and moderate-income parents have the option of forgoing a State childcare subsidy for infant care outside the home and instead receiving a comparable stipend to provide the care themselves while keeping the family economically stable. Providing support for at-home infant care would give thousands of working families the help they need to balance work and care for their infant children. The bill would also help meet the critical shortage of infant childcare, provide cost savings to state child care programs, support quality care for the critical first years of a child's development, and value parenting as a form of work.

The time has come for us to recognize the challenges facing families today and give parents additional resources and options to address those challenges. I urge my colleagues to join me in supporting the Choices in Child Care Act of 2006.

By Mrs. FEINSTEIN:

S. 3798. A bill to direct the Secretary of the Interior to exclude and defer from the pooled reimbursable costs of the Central Valley Project the reimbursable capital costs of the unused capacity of the Folsom South Canal, Auburn-Folsom South Unit, Central Valley Project, and for other purposes; to the Committee on Energy and Natural Resources.

Mrs. FEINSTEIN. Mr. President, I rise today to introduce a bill that is based on the simple fairness principle that you should pay for what you get, no more and no less. In this case California water districts have been paying for years for conveyance capacity on the Folsom South Canal that they do not use.

This bill would direct the Secretary of the Interior to exclude and defer from the pooled, reimbursable costs of California's Central Valley Project, CVP, the capital costs of the unused capacity of the Folsom South Canal. Congressman LUNGREN has introduced similar legislation in the House of Representatives.

In 1970, two CVP contractors signed contracts with the Bureau of Reclamation to take water from the Folsom South Canal, which had yet to be built. The canal diverts water out of Lake Natomas, a regulating reservoir immediately downstream of Reclamation's Folsom Reservoir, to areas in southern Sacramento County.

The canal was originally designed to incorporate five "reaches"—or sections—and deliver water to southern Sacramento County, San Joaquin County, and to the San Francisco Bay area. Because the planned East Side Division irrigation project was never constructed, the anticipated deliveries through the Folsom South Canal never materialized. Only two reaches of the canal were constructed, and those are dramatically overbuilt. In a departure from normal reclamation policy, which dictates that signed contracts are required prior to construction of projects, signed contracts were not obtained.

The canal was built with the capacity to deliver 2.5 million acre-feet of water per year, but the only entity currently diverting water through the canal—the Sacramento Municipal Utility District, SMUD—has only diverted a maximum of 20,000 acre-feet per year. In short, a significantly oversized canal has been used to deliver a very small quantity of water.

Under reclamation policy, the agency allocates the capital costs of the canal to the pool of all CVP municipal and industrial water—M&I—users regardless of whether they divert water through the Folsom South Canal. There are 32 M&I customers that are paying for the canal, including SMUD, Sacramento County Water District, East Bay MUD, Santa Clara Valley Water District and Contra Costa Water District. Today, only SMUD diverts any water through the canal, albeit only about 8 percent of the canal's capacity; the other customers have little or no benefit to the project that they fund. This inequity is difficult to explain to ratepayers that are already burdened with replacing aging infrastructure and upgrading water treatment technologies.

My legislation would direct the Secretary of the Interior to exclude and defer from those pooled reimbursable costs of the CVP, the costs of the unused capacity of the Folsom South Canal. While final deferral calculations will be performed by reclamation as directed by this bill, it is estimated that this bill will result in a deferral of approximately $35 million excess capacity costs.

The concept of deferring costs is not unique to the Folsom South Canal. Congress has authorized deferrals for other elements of the CVP and in other reclamation projects. Even though there are many instances where customers pay for unused capacity, there are no instances that come close to approaching the absurd inequity of being forced to pay for a canal that is producing 8 percent of what reclamation promised it would deliver.

Should the amount of CVP water conveyed through the Folsom South Canal change in the future, this bill includes a provision directing Interior to review the change and adjust the deferred costs accordingly for unused capacity.

I strongly believe this deferral is the correct approach to this issue. Reclamation made the decision to oversize this canal based on future planned expansions—expansions that did not materialize. The water districts that use the existing canal for limited conveyances should not pay for the consequences of public policy decisions that resulted in a significantly oversized canal. Water districts should pay for the canal conveyance capacity that they use—I think this is a fairness principle that we can all accept.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN AMOUNTS EXCLUDE AND DEFER FROM THE POOLED REIMBURSABLE COSTS RELATED TO THE CENTRAL VALLEY PROJECT.

(a) IN GENERAL.—The Secretary of the Interior (referred to in this section as the "Secretary") shall exclude and defer from the pooled reimbursable costs of the Central Valley Project the reimbursable capital costs of the unused capacity of the Folsom South Canal, Auburn-Folsom South Unit, Central Valley Project.

(b) CALCULATION OF AMOUNT OF DEFERRED USE.—The Secretary shall calculate the amount to be assigned to deferred use as soon as practical and such shall be reflected in future years' water rates.

(c) CALCULATION OF CAPITAL COSTS.—For the purpose of calculating the excluded reimbursable cost for the Folsom South Canal facility, the Secretary shall multiply the existing total reimbursable cost for the facility by a factor, to be determined by dividing the current minimum unused conveyance capacity of the canal by the original design conveyance capacity of the canal. The minimum unused conveyance capacity of the canal shall—

(1) be determined by the Secretary;

(2) be based upon actual historic measured flows in the canal and planned future flows; and

(3) include the amount of Central Valley Project water that was originally conveyed or was historically projected to be conveyed through the Folsom South Canal which may have been contractually assigned to another entity.

(d) REVIEW AND ADJUSTMENT.—The Secretary shall review and adjust—

(1) the amount described in subsection (b)(3) as appropriate and recalculate the amount of such unused capacity of the Folsom South Canal; and

(2) the amount of reimbursable capital costs of the Folsom South Canal.

(e) CONVEYANCE OF CERTAIN WATER.—So long as an entity that is allocated and that pays capital, interest, and operation and maintenance costs associated with an amount of Central Valley Project water historically assigned to the Folsom South Canal does not use the Folsom South Canal for the conveyance of Central Valley Project water, that entity shall be entitled, without additional cost, to convey up to an equivalent amount of non-Central Valley Project water through the Folsom South Canal.

By Mr. SMITH (for himself and Mr. KENNEDY):

S. 3801. A bill to support the implementation of the Darfur Peace Agreement and to protect the lives and address the humanitarian needs of the people of Darfur, and for other purposes; to the Committee on Foreign Relations.

Mr. SMITH. Mr. President, I rise today to introduce the Peace In Darfur Act of 2006, along with my distinguished colleague from Massachusetts, Senator KENNEDY. Our intention is to continue to press the Sudanese Government and rebel groups to honor the Abuja peace agreement reached on May 5 in Nigeria. We hope that this legislation will help bring about peace in the region.

Mr. President, I will ask animous consent to have printed in the RECORD the following letters from the Hebrew Immigrant Aid Society, the American Jewish Committee and the Archdiocese of Portland, OR.

Tragically, despite the Abuja peace agreement, the conflict in the Darfur region of Sudan has continued unabated throughout this spring and summer. The Janjaweed, a government supported militia, continues to attack innocent citizens and the government is unable, or unwilling, to stop this brutality.

This violence has led to an increasingly—dire humanitarian situation. More then 3 million people are dependent upon humanitarian assistance. Imagine the entire state of Oregon, which has three and a half million citizens, dependent upon humanitarian aid. This is what we face in Darfur today.

I commend the Bush administration for the work it has done in bringing about the Abuja peace agreement. America has been extraordinarily generous in providing over $1 billion worth of humanitarian assistance to those suffering in the region. Yet more must be done to bring an end to the conflict and give the Sudanese people a chance to live a normal life.

The Peace in Darfur Act of 2006 seeks to increase the prospect of full implementation of the Abuja peace agreement and address the unmet humanitarian needs in Darfur. The bill supports the deployment of a United Nations peacekeeping force to Darfur, intensifying the international pressure on the Government of Sudan to comply with the agreement and allow in U.N. peacekeepers. This bill also codifies existing sanctions and calls for additional targeted sanctions on Sudan's leaders.

While the African Union Mission in Sudan has performed admirably under difficult conditions, a stronger force must be deployed to provide stability, allow refugees to return to their homes, and restore some semblance of normalcy to those affected by the fighting. Section 4 of our legislation calls upon the Government of Sudan to allow a United Nations peacekeeping force into Darfur to achieve these important objectives.

Section 4 of our legislation also assigns the special envoy for Sudan, authorized in the fiscal year 2006 supplemental appropriations bill, the task of supporting the peace process. The urgency of this situation demands a constant level of attention at the highest level of our government, a task that the special envoy can facilitate.

Section 5 of the bill codifies sanctions against Sudan that were imposed by Executive Order 13067. Codifying these sanctions will send a strong message to the Sudanese government that signing the peace agreement is not sufficient—we expect their full compliance and cooperation to bring about a peaceful resolution to the ongoing conflict.

Section 6 of the bill requires the State Department to issue a report on the implementation of the Darfur Peace Agreement and a description of the humanitarian crisis. It also calls for the President to report on the international community's efforts to support the peace process and address humanitarian shortfalls. I believe this will hold accountable those countries that are actively undermining the peace agreement.

If the President certifies that the Government of Sudan is implementing the peace agreement and has agreed to allow the presence of a U.N. peacekeeping mission, then the legislation requires the President to request recommendations to further the peace process from the special envoy for Sudan.

However, if the President finds the Sudanese Government is impeding the peace process, the bill calls for the President to impose additional measures against Sudan, including enacting targeted sanctions on the Sudanese leadership and their immediate families.

Section 7 requires a State Department report on those companies investing $5 million or more in Sudan. This information can then be used to deter investment groups, retirement funds, and others from investing in corporations doing business in Sudan. The legislation requires the Department of the Treasury to issue a report summarizing the assets of Sudanese leaders in the United States and elsewhere. This report will give a full accounting of the Sudanese leaders' assets and will allow the Department of the Treasury to take actions on these assets.

Finally, section 8 of the legislation authorizes $150 million for humanitarian needs in Darfur (fiscal years 2008–2012 to alleviate the suffering of these needy people.

Mr. President, I am pleased that Senator KENNEDY has joined me in this effort. Our legislation is an important step in the efforts needed to bring peace to the region. We hope that it will continue to focus attention on the crisis and pressure the major actors to abide by the Abuja peace agreement.

Mr. President, I ask unanimous consent that the letters to which I referred earlier be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE AMERICAN JEWISH COMMITTEE,
Washington, DC, August 2, 2006.

DEAR SENATOR: "First they came first for the Communists, and I did not speak out because I was not a Communist. Then they came for the Socialists, and I did not speak out, because I was not a Socialist; Then they came for the trade unionists, and I did not speak out because I was not a trade unionist. Then they came for the Jews, and I did not speak out because I was not a Jew. Then they came for me, and there was no one left to speak out for me."

In 1945 Lutheran Pastor Martin Niemoller's voice echoed around the globe as the world grieved over millions of lives lost at the hands of genocide. Sixty years later, America grieves as millions of innocent victims are being displaced, raped, tortured, and murdered in the Darfur region of Sudan.

Pressure is mounting for the Sudanese government to end its genocide. Over the past two years, Congress has allocated more than $250 million to expand and strengthen the role of the African Union Mission in Darfur and to provide additional humanitarian disaster relief throughout the region. As the nation's oldest human relations organization, the American Jewish Committee applauds

Congress' action in approving these funds, but we believe that more must be done.

The fragile peace agreement reached in May now seems shattered as fighting continues to rage throughout the region. To halt the killing and displacement, civilians must be protected, the peace agreement must be implemented, and a secure environment must be established for the delivery of humanitarian aid. As atrocities, crimes against humanity and genocidal acts continue throughout the region, we urge you to take further action toward protecting besieged Sudanese civilians by supporting the Peace in Darfur Act.

The Peace in Darfur Act, introduced by Senators Gordon Smith and Edward Kennedy, directs the President to appoint a new special envoy to Sudan. The Special Envoy, in collaboration with international partners, would be best positioned to advance the Darfur peace process. The bill also calls on the government of Sudan to allow a UN peacekeeping force to enter Darfur; NATO to provide humanitarian, logistical, and personnel support to the UN; NATO to enforce the no-fly zone over Darfur; and the international community to not only support the African Union Mission (AMIS) in Sudan, but also to provide humanitarian assistance. The bill also authorizes an additional $150 million in humanitarian aid for Fiscal Years 2008–2012. Further, the bill mandates a Presidential report on the situation in Darfur that will cast new light on the Sudanese government's actions and provide a basis to impose targeted sanctions if necessary.

On behalf of a community that has suffered persecution and even genocide all too often in our history, we urge you to support this crucial piece of legislation. The time to act is now. History has demonstrated the price of standing idly by in the face of such horrors.

Respectfully,

RICHARD T. FOLTIN,
Legislative Director and Counsel.

THE HEBREW IMMIGRANT AID SOCIETY,
New York, NY July 28, 2006.

Hon. GORDON SMITH,
Senate Russell Office Building,
Washington, DC.
Hon. EDWARD M. KENNEDY,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR SMITH AND SENATOR KENNEDY: I am writing on behalf of the Hebrew Immigrant Aid Society (HIAS) to express our strong support for the "Peace in Darfur Act of 2006."

For over 125 years, HIAS has helped millions of people fleeing persecution and poverty through rescue, resettlement and reunion. The Jewish tradition's emphasis on refugee protection and our community's experience with the trauma of genocide and refugee flight make what's happening in Darfur an issue of primary concern for the Jewish community. We therefore applaud this bill for taking concrete steps to alleviate the inconceivable suffering and hardship that so many innocent Sudanese have endured in the past three years.

Specifically, we are pleased that this bill authorizes $150 million in additional funding to help meet the unmet humanitarian needs in Darfur. With an office in eastern Chad and programs in three refugee camps, HIAS has seen first-hand the dire consequences when the basic necessities of life, including food, water, and health services, are not met. In June 2005, HIAS launched the Initiative for Sudanese Refugees in Chad, which is intended to strengthen the refugees' psychological and social conditions and to convey skills needed to survive and function in the aftermath of extreme violence. Re-acquisition of these basic skills is crucial to break the chain of dependence and suffering caused by severe psychological trauma. By allocating additional funding to provide such basic necessities as food and water, this bill will help remove yet another hurdle to the Darfuri refugees' ability to support themselves and regain control over their lives and well-being.

The Jewish community, knowing all too well what results when genocide is met with silence and inaction, has aggressively denounced the genocide in Darfur and called on the U.S. Government to do more in response. By requiring the Administration to take several important actions, including appointing a Special Envoy for Sudan, the "Peace in Darfur Act of 2006" is a significant and vital bill that should be supported by all Members of Congress. To us, "never again" is more than just a quote—it is a mandate.

Sincerely,

GIDEON ARONOFF,
CEO and President.

ARCHDIOCESE OF PORTLAND IN OREGON,
Portland, OR, July 31, 2006.

Sen. GORDON SMITH,
Portland, OR.

DEAR SENATOR SMITH: Thank you for the opportunity to comment on the draft legislation "Supporting Peace and Alleviating Suffering in Darfur" that you are co-authoring with Senator Kennedy. The continuing violence and atrocities being committed in Darfur are tragic and deplorable. As people of faith we are compelled to do everything in our power to protect the lives and dignity of the victims. I deeply appreciate your leadership on this issue, and in particular your continuing efforts to introduce legislation in the U.S. Senate.

Archbishop Vlazny wrote that people of faith must demonstrate a willingness "to go beyond our own boundaries to serve those in need and to work for global justice and peace. Ours is a shrinking and suffering world. Every once in a while a particular need in some corner of today's world becomes so acute that, for a time, it serves as the unique moral test of our society with respect to our care for the weakest among us . . . The Khartoum government has the greatest responsibility [for the violence and harassment directed against the Fur Zagahawa and Masaalite black African ethnic groups by the Janjaweed] and must be pressured to do what it can to bring an end to the conflict. We continue to urge the United Nations and our own government to apply that pressure." (Catholic Sentinel, August 26, 2004)

Even though the atrocities being committed against the population of Darfur were declared to be genocide by the international community in July 2004, the violence has continued unabated. It is clear that much more intensive and sustained engagement is required of the international community.

In May 2006, the Sudanese Government of National Unity and the Sudan Liberation Movement signed the Darfur Peace Agreement. Bishop Wenski, Chairman of the U.S. Conference of Catholic Bishops Committee on International Policy, said the peace accord "will open the way for the United States to hold the Sudanese government to its promise of allowing the African Union peacekeeping force (AMIS) to be transformed into a more robust and mobile UN mission with a strong mandate. It is essential to strengthen significantly the presence and responsiveness of peacekeeping forces in Darfur, both to guarantee implementation of the peace agreement and to win the confidence of the people."

In answer to the Gospel's call to protect human life and dignity, the U.S. Conference of Catholic Bishops joined the Save Darfur Coalition, an alliance of over 150 faith-based, humanitarian, and human rights organizations that organized the Million Voices for Darfur Campaign, in calling upon our leaders to no longer remain silent in the face of the killings, rape and wanton destruction occurring daily in Darfur.

The specific actions that were requested included:

(1) Retain urgently needed funding for humanitarian relief in the FY 2006 Emergency Supplemental Appropriations bill.

(2) Pressure the government in Khartoum to disarm the warring factions, cease all attacks against innocent civilians, provide unimpeded humanitarian access and bring to justice those perpetrating crimes against humanity.

(3) Pressure both the government and the rebels to respect the existing ceasefire agreement and to intensify the search for a durable peace during ongoing negotiations in Abuja, while simultaneously urging both Sudan and Chad to refrain from any escalation that might lead to threatened hostilities.

(4) Urge the U.S. to use its voice in the U.N. Security Council to ensure the continuation of the mandate of the African Union in Darfur to monitor the ceasefire, protect innocent civilians, and assist international humanitarian relief organizations, while urging NATO to provide AMIS with all possible logistical support until the transition to full-fledged UN peacekeeping force can be completed.

(5) Hold the signatories to the Comprehensive Peace Agreement fully accountable, and honor the promise to provide substantial financial and political support to the government of national unity to undertake the reconstruction of the country and its civil society.

(6) Urge the U.N. Security Council to continue its support for the peacekeeping mission that is working with all parties to the national-unity government to implement the peace accord. The United States should provide adequate funding and logistical support so that peace and security might be achieved.

The draft legislation that you have proposed ("Supporting Peace and Alleviating Suffering in Darfur Act", July 12. 2006 version) addresses these requested actions in a comprehensive and thorough manner. We are deeply grateful that you have demonstrated leadership on this issue and are willing to take the necessary steps to protect the people of Darfur from further harm. We join you in hoping that these measures will be fully effective.

The events of the past few months demonstrate that significant progress can be made with high level engagement on the part of the U.S. Congress and Administration. Please share our appreciation and gratitude with everyone who made this initial step toward peace possible. We offer our full support for continued and sustained leadership in the difficult time ahead.

Sincerely,

DAVID CARRIER, Ph.D.,
Director, Office of Justice and Peace.

Mr. KENNEDY. Mr. President, Senator SMITH and I have sent a bill to the desk to address the heart-wrenching crisis in Darfur and support the peace process there, and we look for its early consideration.

The horrifying violence in the Darfur region of Sudan was recognized by Congress and the Bush administration as genocide over 2 years ago, and it continues unabated today. However, rays of hope for peace can be seen on the horizon. On May 5, the Government of Sudan and the main rebel group, the Sudan Liberation Movement led by Minni Minnawi, agreed to a plan that, if implemented, could bring peace to Darfur.

The plan calls for an immediate cease-fire and requires the Government of Sudan to neutralize and disarm the Janjaweed militia, the gunmen supported by the government who have been conducting a bloody campaign to forcibly displace non-Arab tribes from Darfur.

The Darfur Peace Agreement is an opportunity we need to seize. To do so, greater international pressure on the Sudanese government will be required in order to improve the prospects of effective implementation. Developments since its signing indicate that the present level of international pressure isn't enough.

Three months have passed, but the Sudanese Government has done little to take the most important step in the peace plan—disarming the Janjaweed. Khartoum's past record is not encouraging. It has pledged to disarm the Janjaweed on previous occasions but then failed to follow through. This reluctance is not unexpected in light of the government's cynical use of the Janjaweed to exercise power in the Darfur region.

In recent months, the violence in Darfur has spilled over into neighboring Chad. The two governments each support armed groups opposed to the other. Sudanese helicopters and planes attack innocent villagers in Darfur, despite a United Nations order not to fly over Darfur.

The African Union Mission in Sudan, which has 7,000 peacekeepers in Darfur, has made a valiant effort to provide security and assist the people of Darfur. Nonetheless, the African Union peacekeepers are not able even to defend themselves, much less the two million refugees and internally displaced persons fleeing the violence. This mission is obviously unprepared and ill-equipped to press for and verify the implementation of the May 5 peace agreement.

Sudan appears to be waiting to see whether the international community will again just lament the crisis and make hollow threats, or is now ready and willing to take concrete steps. As one high-ranking Sudanese Government official said to a Boston Globe reporter, "The United Nations Security Council has threatened us so many times, we no longer take it seriously." It is time for the United States and the international community to let the Sudanese Government know that this time we expect Sudan to carry through on its commitments in the Darfur Peace Agreement. Fortunately, the international community has already taken initial actions to support the May 5 Peace Agreement. The African Union and the United Nations are planning for the transfer of peacekeeping responsibilities from the African Union to the United Nations. In addition, NATO has begun planning on how to support a U.N. peacekeeping mission, and the European Union hosted a conference in July on assistance for Darfur.

Although the international community has signaled support for the Darfur Peace Agreement, Khartoum has been dragging its heels. In particular, it has not yet agreed to allow a U.N. peacekeeping mission into Darfur. The international community must strengthen its effort to persuade the Sudanese Government to comply with the agreement and permit the U.N. peacekeepers in Darfur.

One of the tragic outcomes of the Darfur violence is an alarming humanitarian crisis. More than 3 million people in Darfur are dependent on humanitarian assistance for survival. The violence in Darfur has forced millions to flee from their homes. The U.N. Office for the Coordination of Humanitarian Assistance reports that significant needs for health, food and water, and sanitation are not being met in Darfur. The World Food Program warns of a $400 million shortfall in the funds it now has for Sudan. Because of the shortages in food relief, the refugees are receiving only partial rations.

The children suffer most. One in four children in Darfur die before the age of five. The most needy frequently remain hidden, because insecurity in the region prevents them from making the dangerous trip to international relief centers.

The United States has been the largest single donor of humanitarian assistance to the people of Darfur, and we must continue our effort in order to give the people of the region much-needed aid. We must do more to encourage the international community to do so as well.

Sadly, the continuation of violence in the region has severely hindered humanitarian aid efforts. In the past 6 months, aid groups in eastern Chad have lost 26 vehicles to armed hijackers. One UNICEF worker was shot and nearly killed. It is unfair to put relief agencies in a situation where they must either risk having their aid workers murdered or raped, or pull out and leave thousands in Darfur to die. U.N. Secretary General Kofi Annan said of this crisis, "Giving aid without protection is like putting a Band-Aid on an open wound."

To give peace the best chance of taking hold, peace, the Sudanese Government must be persuaded to implement its commitment to neutralize and disarm the Janjaweed. The Sudanese can be influenced by what the rest of the world does. Sudan is not an isolated, remote land. It is the largest country in Africa, and has significant economic and political ties to the rest of Africa and the world.

Now is the time for the United States, in concert with other countries, to act on Darfur. This is why Senator SMITH and I have introduced legislation to urge the Sudanese parties to honor their commitment in the peace accord. The bill also helps to address the unmet humanitarian needs in Darfur.

At its core, the legislation is intended to encourage greater international pressure on the Government of Sudan to fulfill its obligations in the peace agreement and to allow U.N. peacekeepers into Darfur.

In preparing this legislation, we have worked closely with the NGO community of experts. Groups such as the International Crisis Group, Refugees International, Save Darfur Coalition, the Hebrew International Aid Society, the American Jewish Committee, the American Jewish World Service, and Physicians for Human Rights have endorsed it. I will ask that the letters of endorsements that I have submitted be printed in the RECORD.

The legislation assigns to the Presidential envoy for Sudan the responsibility for supporting the Darfur peace process and, together with the international community, to press the Sudanese parties to implement the agreed-upon ceasefire and disarm the Janjaweed militia.

It calls on the Government of Sudan to immediately allow a U.N. peacekeeping force to enter Darfur and to implement the Darfur Peace Agreement.

It calls on NATO to enforce the no-fly zone over Darfur, if requested by the U.N., and to provide airlift, and logistical and intelligence support to the peacekeepers.

It calls on the international community to act promptly to meet the outstanding humanitarian assistance needs. We must do our part too. The legislation authorizes $150 million in additional funds for each of the next 5 fiscal years to meet these needs.

Under the legislation, the President will report on whether the Sudanese Government is implementing the peace agreement and has agreed to allow a U.N. peacekeeping mission to enter Darfur. If so, then the Presidential special envoy for Sudan will be requested to develop recommendations to advance the peace process. If the Sudanese Government refuses, then the

President will impose sanctions targeted on the leaders of Sudan, urge the international community to do the same, and continue to oppose normalization of its relations with Sudan.

In addition, the bill requires reports from the Commerce Department identifying companies investing $5 million or more in Sudan and a listing of the assets of Sudanese leaders in the United States and elsewhere.

With so much other violence erupting in the world, we must not ignore the crisis in Darfur. Without international action, the genocide will go on. The Sudanese Government will balk or move slowly on disarming the Janjaweed and bringing an end to the violence. Experts estimate that since the conflict in Darfur began in 2004, up to 300,000 people have been killed, and an estimated 1.9 million have been displaced. Every day that we fail to act, those shameful numbers will increase.

I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the letters to which I referred be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

International Crisis Group,
Washington, DC, August 1, 2006.

Hon. Edward Kennedy,
Russell Senate Building,
Washington DC.

Dear Senator Kennedy: The International Crisis Group strongly supports the Peace in Darfur Act of 2006, which you are co-sponsoring with Senator Smith.

For the past 2 years, Crisis Group has advocated for tough legislation to address the ongoing atrocities in Darfur, Sudan. Last year, we endorsed the Darfur Accountability Act (HR 1424) and the Darfur Peace and Accountability Act (HR 3127). The Peace in Darfur Act complements previous legislation by calling explicitly for the U.S. to do the following: name a special envoy and lead multilateral efforts; increase pressure on the government of Sudan to allow the deployment of a robust UN peace support mission under Chapter VII of the UN Charter; and encourage non-signatories to sign the Darfur Peace Agreement by addressing its inadequacies.

Congressional action has been crucial in providing life-saving humanitarian assistance to millions of conflict-affected civilians in Darfur and in supporting African peacekeepers, but the situation remains critical. Concerted pressure on the government of Sudan, including U.S. support for the work of the International Criminal Court, is vital to hold perpetrators of atrocities accountable and to ensure that UN forces are deployed to protect civilians.

Yours sincerely,

Mark L. Schneider,
Senior Vice President.

Refugees International,
Washington, DC, August 1, 2006.

Hon. Edward Kennedy,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

Dear Senator Kennedy: I am writing in support of the Peace in Darfur Act of 2006, which you and Sen. Smith are co-sponsoring. This important piece of legislation keeps the pressure on the government of Sudan and other parties to honor and implement the Darfur Peace Agreement. It recognizes the need to support the African Union force (AM IS) while moving toward a UN force in Darfur, and it calls for the continuation of necessary humanitarian aid.

Last week I returned from Darfur, where death, displacement and suffering are continuing, despite the signing of the Darfur Peace Agreement on May 5th. Based on talks with internally displaced people, rebel leaders, Sudanese government officials, civil society leaders, diplomats and UN officials, it is clear to me that the U.S. must keep the pressure on the government of Sudan to disarm the Janjaweed militia and work for peace. The appointment of a presidential envoy will give the U.S. more leverage and focus in its efforts to promote peace in Darfur.

Please ask your office to contact me if I can be of further assistance in supporting the Peace in Darfur Act of 2006.

Sincerely,

Kenneth H. Bacon,

President.

Hebrew Immigrant Aid Society,
New York, NY, July 28, 2006.

Hon. Gordon Smith,
Senate Russell Office Building,
Washington, DC.
Hon. Edward M. Kennedy,
Senate Russell Office Building,
Washington, DC.

Dear Senator Smith and Senator Kennedy: I am writing on behalf of the Hebrew Immigrant Aid Society (HIAS) to express our strong support for the "Peace in Darfur Act of 2006."

For over 125 years, HIAS has helped millions of people fleeing persecution and poverty through rescue, resettlement and reunion. The Jewish tradition's emphasis on refugee protection and our community's experience with the trauma of genocide and refugee flight make what's happening in Darfur an issue of primary concern for the Jewish community. We therefore applaud this bill for taking concrete steps to alleviate the inconceivable suffering and hardship that so many innocent Sudanese have endured in the past three years.

Specifically, we are pleased that this bill authorizes $150 million in additional funding to help meet the unmet humanitarian needs in Darfur. With an office in eastern Chad and programs in three refugee camps, HIAS has seen first-hand the dire consequences when the basic necessities of life, including food, water, and health services, are not met. In June 2005, HIAS launched the Initiative for Sudanese Refugees in Chad, which is intended to strengthen the refugees' psychological and social conditions and to convey skills needed to survive and function in the aftermath of extreme violence. Re-acquisition of these basic skills is crucial to break the chain of dependence and suffering caused by severe psychological trauma. By allocating additional funding to provide such basic necessities as food and water, this bill will help remove yet another hurdle to the Darfuri refugees' ability to support themselves and regain control over their lives and well-being.

The Jewish community, knowing all too well what results when genocide is met with silence and inaction, has aggressively denounced the genocide in Darfur and called on the U.S. Government to do more in response. By requiring the Administration to take several important actions, including appointing a Special Envoy for Sudan, the "Peace in Darfur Act of 2006" is a significant and vital bill that should be supported by all Members of Congress. To us, "never again" is more than just a quote—it is a mandate.

Sincerely,

Gideon Aronoff,
CEO and President.

The American Jewish Committee,
Washington, DC, August 2, 2006.

Dear Senator:

"First they came first for the Communists, and I did not speak out because I was not a Communist. Then they came for the Socialists, and I did not speak out, because I was not a Socialist; Then they came for the trade unionists, and I did not speak out because I was not a trade unionist. Then they came for the Jews, and I did not speak out because I was not a Jew. Then they came for me, and there was no one left to speak out for me."

In 1945 Lutheran Pastor Martin Niemoller's voice echoed around the globe as the world grieved over millions of lives lost at the hands of genocide. Sixty years later, America grieves as millions of innocent victims are being displaced, raped, tortured, and murdered in the Darfur region of Sudan.

Pressure is mounting for the Sudanese government to end its genocide. Over the past two years, Congress has allocated more than $250 million to expand and strengthen the role of the African Union Mission in Darfur and to provide additional humanitarian disaster relief throughout the region. As the nation's oldest human relations organization, the American Jewish Committee applauds Congress' action in approving these funds, but we believe that more must be done.

The fragile peace agreement reached in May now seems shattered as fighting continues to rage throughout the region. To halt the killing and displacement, civilians must be protected, the peace agreement must be implemented, and a secure environment must be established for the delivery of humanitarian aid. As atrocities, crimes against humanity and genocidal acts continue throughout the region, we urge you to take further action toward protecting besieged Sudanese civilians by supporting the Peace in Darfur Act.

The Peace in Darfur Act, introduced by Senators Gordon Smith and Edward Kennedy, directs the President to appoint a new special envoy to Sudan. The Special Envoy, in collaboration with international partners, would be best positioned to advance the Darfur peace process. The bill also calls on the government of Sudan to allow a UN peacekeeping force to enter Darfur; NATO to provide humanitarian, logistical, and personnel support to the UN; NATO to enforce the no-fly zone over Darfur; and the international community to not only support the African Union Mission (AMIS) in Sudan, but also to provide humanitarian assistance. The bill also authorizes an additional $150 million in humanitarian aid for Fiscal Years 2008–2012. Further, the bill mandates a Presidential report on the situation in Darfur that will cast new light on the Sudanese government's actions and provide a basis to impose targeted sanctions if necessary.

On behalf of a community that has suffered persecution and even genocide all too often in our history, we urge you to support this crucial piece of legislation. The time to act is now. History has demonstrated the price of standing idly by in the face of such horrors.

Respectfully,

RICHARD T. FOLTIN,
Legislative Director and Counsel.

PHYSICIANS FOR HUMAN RIGHTS,
Washington, DC, August 2, 2006.
Office of Senator Edward Kennedy.

I wanted to let you know through this e-mail that Physicians for Human Rights supports the Kennedy/Smith Darfur legislation. You may use our name in list of organizations supporting the bill.

Thank you,

Best regards,

SMITA BARUAH,
Senior Manager for Government Affairs.

SAVE DAFUR COALITION,
Washington, DC, August 2, 2006.
Office of Senator Edward Kennedy.

Please include the Save Darfur Coalition in your list of organizations supporting this bill.

Thanks,

ALEX MEIXNER,
Communications and Legislative Coordinator.

AMERICAN JEWISH WORLD SERVICE,
Washington, DC, August 1, 2006.
Office of Senator Edward Kennedy.

American Jewish World Service can endorse the legislation.

Thanks,

STEFANIE OSTFELD.

By Mrs. FEINSTEIN:

S. 3802. A bill to amend the Consolidated Omnibus Budget Reconciliation Act of 1985 to expand the county organized health insuring organizations authorized to enroll Medicaid beneficiaries; to the Committee on Finance.

Mrs. FEINSTEIN. Mr. President, this bill will allow two California counties, Ventura and Merced, to provide health care to Medi-Cal beneficiaries through the model they have determined best meets their communities' needs.

This legislation allows Merced and Ventura to establish community operated health systems, COHS, and raises the percentage of Medi-Cal beneficiaries who are enrolled in these programs from 16 percent to 18 percent.

I urge my colleagues to support this legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPANSION OF AUTHORIZED COUNTY MEDICAID ORGANIZED HEALTH INSURING ORGANIZATIONS.

(a) IN GENERAL.—Section 9517(c)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (42 U.S.C. 1396b note), as added by section 4734 of the Omnibus Budget Reconciliation Act of 1990 and as amended by section 704 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, is amended—

(1) in subparagraph (A), by inserting ", in the case of any health insuring organization described in such subparagraph that is operated by a public entity established by Ventura county, and in the case of any health insuring organization described in such subparagraph that is operated by a public entity established by Merced county" after "described in subparagraph (B)"; and

(2) in subparagraph (C), by striking "14 percent" and inserting "16 percent".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

By Mr. AKAKA:

S. 3804. A bill to prohibit commercial air tour operations over Kalaupapa National Historical Park, Kaloka-Honokohau National Historical Park, Pu'uhonua o Honaunau National Historical Park, and Pu'ukohola Heiau National Historic Site; to the Committee on Commerce, Science, and Transportation.

Mr. AKAKA. Mr President, I rise today to introduce legislation that will prohibit commercial air tour operations over Kalaupapa National Historical Park, Kaloko-Honokohau National Historical Park, Pu'uhonua o Honaunau National Historical Park and Pu'ukohola Heiau National Historic Site.

When Congress first established the Hawaii Volcanoes National Park in 1916, the intent was to preserve the integrity and peace of the park's nearly 400 square miles of volcanoes, rivers, forests, wildlife and sacred sites. In the last few decades, however, the growth of the air tourism industry has considerably interrupted the tranquility of Hawaii's National Parks. Air tourism has had an adverse impact on the ability of Native Hawaiians to practice peaceful protocols of sacred sites. The sound from aircraft activity can significantly impinge on the solemnity of sacred sites and ceremonies.

Sacred sites, including the airspace of the designated locales, are an important resource for the Hawaiian people and we must do what is necessary to ensure that the value of these sites is not diminished. By prohibiting air tourism over these areas, the Hawaiian Sacred Sites Noise Reduction Act affords Natives Hawaiians, residents and visitors to our beautiful state the peace and tranquility to enjoy these sacred sites. I urge my colleagues to support this important piece of legislation.

By Ms. SNOWE (for herself, Mrs. LINCOLN, Mrs. HUTCHISON, and Mr. KERRY):

S. 3806. A bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain improvements to retail space; to the Committee on Finance.

Ms. SNOWE. Mr. President, I rise today to introduce a bill that will provide relief and equity to our Nation's 1.5 million retail establishments, most of which have less than five employees. This legislation is one in a series of proposals that, if enacted, will reduce both the amount of taxes that small businesses pay, but also the administrative burden that unfairly saddles them as they attempt to comply with our Nation's tax laws.

The proposal reduces from 39 to 15 years the depreciable life of improvements that are made to retail stores that are owned by the retailer. Under current law, only retailers that lease their property are allowed this accelerated depreciation, which means it excludes retailers that also own the property in which they operate. My bill simply seeks to provide equal treatment to all retailers.

Before I talk about the specifics of this particular provision, let me first explain why it is so critical that we begin evaluating how we can best reform the Tax Code, which increasingly keeps our small businesses trapped in a paralyzing state of regulatory limbo. As is well-known small businesses are the foundation of our Nation's economy. According to the Small Business Administration, small businesses represent 99 percent of all employers, employ 51 percent the private-sector workforce, and contribute 51 percent of the private-sector output.

Despite the fact that small businesses are the real job-creators for our Nation's economy, the current tax system imposes large and expensive requirements in terms of satisfying their reporting and recordkeeping obligations. This is a problem Congress must address because small companies are disadvantaged most in terms of the money and time spent in satisfying their tax obligation. Why create distractions for them as they simply seek to comply with the law?

For example, according to the Small Business Administration's Office of Advocacy, small businesses spend an astounding 8 billion hours each year complying with government reports. They also spend more than 80 percent of this time on completing tax forms. What's even more troubling is that companies that employ fewer than 20 employees spend nearly $1,304 per employee in tax compliance costs; an amount that is nearly 67 percent more than larger firms.

These statistics are disturbing for several reasons. First, the fact that small businesses are being required to spend so much money on compliance costs means they have fewer earnings to reinvest into their business. This, in turn, means that they have less money to spend on new equipment or on worker training, which unfortunately has an adverse effect on their overall production and the economy as a whole.

Second, the fact that small business owners are required to make such a sizeable investment of their time into completing paperwork means they have less time to spend on doing what they do best—running their business and creating jobs.

Let me be clear that I am in no way suggesting that small business owners are unique in having to pay income taxes, and I am certainly not expecting them to receive a free pass. What I am asking for, though, is a change to make the Tax Code fairer and simpler so that small companies can satisfy this obligation without having to expend the amount of resources that they do currently.

For that reason, the package of proposals that I have introduced will provide not only targeted, affordable tax relief to small business owners but also simpler rules under the Tax Code. By simplifying the Tax Code, small business owners will be able to satisfy their tax obligation in a cheaper, more efficient manner, allowing them to be able to devote more time and resources to their business.

Specifically, the proposal that I am introducing today will simply conform the tax codes to the realities that retailers on Main Street face. Studies conducted by the Treasury Department, Congressional Research Service and private economists have all found that the 39-year depreciation life for buildings is too long and that the 39-year depreciation life for building improvements is even worse. Retailers generally remodel their stores every 5 to 7 years to reflect changes in customer base and compete with newer stores. Moreover, many improvements such as interior partitions, ceiling tiles, restroom accessories, and paint, may only last a few years before requiring replacement.

Mr. President, this legislation is a tremendous opportunity to help small enterprises succeed by providing an incentive for reinvestment. Every Member of this body has small retail constituents in small towns who may be in buildings that they have owned for generations and are struggling to compete. I urge my colleagues to join me in supporting this vital legislation as we work with the President to transform such a critical investment incentive into law. Finally, I would like to thank Senators LINCOLN, HUTCHISON, and KERRY for joining me as cosponsors to this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3806

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN IMPROVEMENTS TO RETAIL SPACE.

(a) 15-YEAR RECOVERY PERIOD.—Subparagraph (E) of section 168(e)(3) of the Internal Revenue Code of 1986 (relating to 15-year property) is amended by striking "and" at the end of clause (vii), by striking the period at the end of clause (viii) and inserting ", and", and by adding at the end the following new clause:

"(ix) any qualified retail improvement property.".

(b) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—Subsection (e) of section 168 of such Code is amended by adding at the end the following new paragraph:

"(8) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—

"(A) IN GENERAL.—The term 'qualified retail improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such portion is open to the general public and is used in the trade or business of selling tangible personal property or services to the general public; and

"(ii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator, or

"(iii) the internal structural framework of the building.".

(c) REQUIREMENT TO USE STRAIGHT LINE METHOD.—Paragraph (3) of section 168(b) of such Code is amended by adding at the end the following new subparagraph:

"(I) Qualified retail improvement property described in subsection (e)(8).".

(d) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) of such Code is amended by inserting after the item relating to subparagraph (E)(viii) the following new item:

"(E)(ix) .... 39".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified retail improvement property placed in service after the date of the enactment of this Act.

Mr. KERRY. Mr. President, along Main Street, in a countless number of towns, many small businesses are placed at a competitive disadvantage by our tax laws. Business owners need to remodel their store every 5 to 7 years. Consumers' tastes and needs change, and to stay competitive, a store needs to reflect those changes. If a store is owned, the owner is required to depreciate the renovation costs over 39 years, but a store that has leased space in the strip-mall across town, depreciates renovation costs over a 15-year period. The result: a Main Street store owner pays twice as much to renovate as their counterpart who leases.

Today, I am introducing legislation along with Senator SNOWE that will even the playing field for businesses that own the real estate where their business is located. We want parity between the business owners who own and those who lease their property.

The Treasury Department, the Congressional Research Service, and private economists have found that the depreciation life for renovations is far too long. These tax rules generate high tax costs, laying the burden on small town, rural retailers who are more likely to own their property than retailers in urban areas. It is time to address this inequity by reducing the 39-year tax depreciation period to 15 years. I urge my colleagues to support our Main Street stores through support of this legislation.

By Mr. ENZI (for himself and Mr. KENNEDY):

S. 3807. A bill to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act to improve drug safety and oversight, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. ENZI. Mr. President, I rise today to introduce a very important bill, one that my colleague Senator KENNEDY and I have been working on for some time.

In 2005, the HELP Committee held two hearings on the issue of drug safety. We received over 50 recommendations from witnesses at those hearings. At that time, Senator KENNEDY and I pledged to develop a comprehensive response to the drug safety issues raised. The Enhancing Drug Safety and Innovation Act is the product of working across party lines, and creates a structured framework for resolving safety concerns.

Under the Enhancing Drug Safety and Innovation Act, FDA would begin to approve drugs and biologics, and new indications for these products, with risk evaluation and mitigation strategies, REMS. The REMS is designed to be an integrated, flexible mechanism to acquire and adapt to new safety information about a drug. The sponsor and FDA will assess and review an approved REMS at least annually for the first 3 years, as well as in applications for a new indication, when the sponsor suggests changes, or when FDA requests a review based on new safety information.

The development of tools to evaluate medical products has not kept pace with discoveries in basic science. New tools are needed to better predict safety and efficacy, which in turn would increase the speed and efficiency of applied biomedical research. The Enhancing Drug Safety and Innovation Act would spur innovation by establishing a new public-private partnership at the FDA to advance the Critical Path Initiative and improve the sciences of developing, manufacturing, and evaluating the safety and effectiveness of drugs, devices, biologics and diagnostics.

The Enhancing Drug Safety and Innovation Act also establishes a central clearinghouse for information about clinical trials and their results to help patients, providers and researchers learn new information and make more informed health care decisions.

Finally, the Enhancing Drug Safety and Innovation Act would make improvements to FDA's process for screening advisory committee members for financial conflicts of interest.

FDA relies on its 30 advisory committees to provide independent expert advice, lend credibility to the product review process, and inform consumers of trends in product development. The bill would clarify and streamline FDA's processes for evaluating candidates for service on an advisory committee, and address the key challenge of identifying a sufficient number of people with the necessary expertise and a minimum of potential conflicts of interest to serve on advisory committees.

I want to thank the dozens of stakeholders, including the Food and Drug Administration, patient and consumer groups, industry associations, individual companies, and scientific experts who have taken the time and effort to give us their comments and input on the bill. Their assistance has been invaluable.

I look forward to working with my colleagues to advance this important piece of legislation.

Mr. KENNEDY. Mr. President, Senator ENZI, chairman of the Senate Health, Education, Labor, and Pensions Committee, and I are introducing the Enhancing Drug Safety and Innovation Act of 2006. The goals of this legislation are to enhance the Food and Drug Administration's authority over the safety of prescription drugs after they are approved; to encourage innovation in medical products; to improve access to clinical trials for patients and ensure that the doctors and patients learn about the results of clinical trials involving the drugs they prescribe and use; and to improve the screening of members of FDA's scientific advisory committees to avoid conflicts of interest.

The withdrawal of the drug Vioxx from the market nearly 2 years ago showed us once again that all prescription drugs have risks, many of which we may not know about when a drug is approved or even for years after approval. That is why we need a more effective system to identify and assess the serious risks of drugs, inform health care providers and patients about such risks, and manage or minimize these risks as soon as they are detected.

Our bill will require every drug to have a risk evaluation and mitigation strategy, or REMS, when it is approved. For many drugs, the REMS will include only the drug labeling, reports of adverse events, a justification for why only such reporting is needed, and a timetable for assessing how the REMS is working.

The FDA will be able to include additional requirements for a drug that poses serious risks, such as by requiring the drug to be dispensed to patients with labeling that patients can understand, that the drug company have a plan to inform health care providers about how to use the drug safely, or that a drug should not be advertised directly to consumers for up to 2 years after approval. If a serious safety signal needs to be understood, FDA can require further studies or even clinical trials after the drug is approved. Enhanced data-collection and data-mining techniques will help identify risk signals earlier and more thoroughly.

For a drug with the most serious side effects, FDA will be able to require that its REMS include the restrictions on distribution and use needed to assure its safe use.

The FDA will be able to impose any of these requirements at the time a drug is approved, and the agency can also modify the labeling or otherwise alter a drug's REMS after the approval. The drug's manufacturer will propose the REMS, or modifications to it, and the FDA and the company will try to work out an adequate REMS. If the agency and the company cannot agree, the agency's Drug Safety Oversight Board can review the dispute and recommend a resolution to senior FDA officials, who will make the final decision.

Civil monetary penalties are added to FDA's traditional enforcement tools to ensure compliance. Drug user fees will be used to review and implement the program.

The bill formalizes and makes mandatory what is now only informal and voluntary. Our intent is not to change standards for approving drugs but to ensure that the FDA has the ability to identify, assess, and manage risks as they become known. Better risk management will mean that drugs with special benefits for some patients will remain available, despite their serious risks for other patients, because FDA can better identify the risks and minimize them.

The bill helps to improve drug safety in other ways as well. The Reagan-Udall Institute for Applied Biomedical Research will be a new public-private partnership at the FDA to advance the agency's Critical Path Initiative, which is intended to improve the science of developing, manufacturing, and evaluating the safety and effectiveness of drugs, biologics, medical devices, and diagnostics.

The institute will be supported by Federal funds and by contributions from the pharmaceutical and device industries. Philanthropic organizations will be able to supplement Federal support. The institute will have a board of directors and an executive director, and will report to Congress annually on its operations.

The bill will also expand the public database at NIH to encourage more patients to enroll in clinical trials of drugs. This database would build on the current systems and would include late phase II, phase III, and all phase IV clinical trials for all drugs.

A second, publicly available database would include the results of phase III and phase IV clinical trials of drugs, with the possibility that late phase II trials would be added later. Posting of results could be delayed for up to 2 years, pending the approval of the drug or the publication of trial results in a peer-reviewed journal. The public needs to know about the results of clinical trials on drugs. Tragically, such information was not adequately available for the clinical studies of antidepressants in children.

Posting information in the clinical trials registry and the clinical trials results database will be requirements for Federal research funding and for drug review and approval by the FDA. Both the FDA and the Inspector General Office of the Department of Health and Human Services would review the content of submissions to the results database to ensure they are truthful and nonpromotional. These Federal requirements would preempt State requirements for clinical trial databases.

Finally, the bill will improve FDA's process for screening advisory committee members for financial conflicts of interest. The agency relies on its advisory committees to provide independent, expert, nonbinding recommendations on significant issues. Ideally, committee members should be free of any financial ties to the companies affected by an issue before a committee. But at times, there may be no individual without financial ties to such companies—for example, when the issue involves a rare disease or a cutting edge medical technology. In these cases, the FDA must be able to grant a waiver to allow an individual with essential expertise to serve on the committee. The bill will require the agency to seek qualified experts with minimal conflicts, clarify how it makes waiver decisions, and disclose those decisions at least 15 days before a committee meeting.

Our bill is a comprehensive response to drug safety and other important issues involving prescription drugs and other medical technologies. I commend Chairman ENZI and his dedicated staff—especially Amy Muhlberg—for working closely with us on this proposal, and I urge our Senate colleagues to support it.

By Mrs. FEINSTEIN:

S. 3809. A bill for the relief of Jacqueline W. Coats; to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, I offer today private relief legislation to provide lawful permanent residence status to Jacqueline Coats, a 26-year-old widow currently living in San Francisco.

Mrs. Coats came to the U.S. in 2001 from Kenya on a student visa to study mass communications at San Jose State University. Her visa status lapsed in 2003, and the Department of Homeland Security began deportation proceedings against her.

Mrs. Coats married Marlin Coats on April 17, 2006, after dating for several years. The couple was happily married and planning to start a family when, on May 13, Mr. Coats tragically died in a heroic attempt to save two young boys from drowning.

The couple had been on a Mother's Day outing at Ocean Beach with some of Mr. Coats's nephews when they heard cries for help. Having worked as a lifeguard in the past, Mr. Coats instinctively dove into the water. The two children were saved with the help of a rescue crew, but Mr. Coats, caught in a riptide, died. Mrs. Coats received a medal honoring her husband.

Four days before Mr. Coats's death, the couple prepared and signed an application for a green card at their attorney's office. Unfortunately the petition was not filed until after his death, rendering it invalid. Mrs. Coats currently has a hearing before an immigration judge in San Francisco on August 24, but her attorney has informed my staff that she has no relief available to her and will be ordered deported.

Mrs. Coats, devastated by the loss of her husband, is now caught in a battle for her right to stay in America. At a recent news conference with her lawyer, Thip Ark, she explained of her situation, "I feel like I have nothing to live for. I have nothing to go home to. . . . I've been here 4 years. . . . It would be like starting a new life."

Ms. Ark explains that Mrs. Coats is extremely close with her late husband's family, with whom she lives in San Leandro, CA. Mrs. Coats has said that her husband's large family has become her own. Ramona Burton of San Francisco, one of Marlin Coats's seven brothers and sisters explains, "She spent her first American Christmas with us, her first American Thanksgiving. . . . I can't imagine looking around and not seeing her there. She needs to be there."

The San Francisco and bay area community is rallying strong support for Mrs. Coats. The San Francisco chapters of the NAACP, the San Francisco Board of Supervisors, and the San Francisco Police Department, have all passed resolutions in support of Mrs. Coats's right to remain in the country.

Unfortunately, if this private relief bill is not approved, this young woman, and the Coats family, will face yet another disorienting and heartbreaking tragedy. Mrs. Coats will be deported to Kenya, a country she has not lived in since she was 21. In her time of grieving, she will be forced to leave her home, her job with AC Transit, her new family, and everything she has known for the past 5 years.

I cannot think of a compelling reason why the United States should not allow this young widow to continue the green card process. Had her husband lived, Mrs. Coats would have filed the papers without difficulty. It was because of her husband's selfless and heroic act that Mrs. Coats must now struggle to remain in the country. As one concerned California constituent wrote to me, "If ever there was a case where common fairness, morality and decency should reign over legal technicalities, this is it. We, as a country, need to reward heroism and good."

I believe that we can reward the late Mr. Coats for his noble actions by granting his wife citizenship. It is what he intended for her. It can even be argued that a green card for his wife was one of his dying wishes, as the papers were signed just 4 days prior to his death.

For these reasons, I offer this private relief immigration bill and ask my colleagues to support it on behalf of Mrs. Coats.

I also unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENT STATUS FOR JACQUELINE W. COATS.

(a) IN GENERAL.—Notwithstanding subsections (a) and (b) of section 201 of the Immigration and Nationality Act (8 U.S.C. 1151), Jacqueline W. Coats shall be eligible for issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of that Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Jacqueline W. Coats enters the United States before the filing deadline specified in subsection (c), Jacqueline W. Coats shall be considered to have entered and remained lawfully and shall be eligible for adjustment of status under section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) as of the date of enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees within 2 years after the date of enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBERS.—Upon the granting of an immigrant visa or permanent residence to Jacqueline W. Coats, the Secretary of State shall instruct the proper officer to reduce by 1, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of birth of Jacqueline W. Coats under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of birth of Jacqueline W. Coats under section 202(e) of that Act.

By Mr. KOHL (for himself and Mr. SCHUMER):

S. 3810. A bill to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes; to the Committee on the Judiciary.

Mr. KOHL. Mr. President, I rise today with Senator SCHUMER to introduce the Prevent All Cigarette Trafficking, PACT, Act of 2006. As the problem of cigarette trafficking continues to worsen, we must provide law enforcement officials with the tools they need to crack down on cigarette trafficking. The PACT Act closes loopholes in current tobacco trafficking laws, enhances penalties for violations, and provides law enforcement with new tools to combat the innovative new methods being used by cigarette traffickers to distribute their products. Each day we delay passage of this important legislation, terrorists and criminals raise more money, states lose significant amounts of tax revenue, and kids have easy access to tobacco products over the Internet.

The cost to Americans is not merely financial. Tobacco smuggling also poses a significant threat to innocent people around the world. It has developed into a popular, and highly profitable, means of generating revenue for criminal and terrorist organizations. Hezbollah, for example, earned $1.5 million between 1996 and 2000 by engaging in tobacco trafficking in the United States. Al-Qaida and Hamas have also generated significant revenue from the sale of counterfeit cigarettes. That money is often raised right here in the United States, and it is then funneled back to these international terrorist groups. Cutting off financial support to terrorist groups is an integral part of the protecting this country against future attacks. We can no longer continue to let terrorist organizations exploit weaknesses in our tobacco laws to generate significant amounts of money. The cost of doing nothing is too great.

This is not a minor problem. Cigarette smuggling is a multibillion dollar a year phenomenon, and it is getting worse. In 1998, the Bureau of Alcohol, Tobacco, Firearms and Explosives, BATFE, had six active tobacco smuggling investigations. In 2005, the that number swelled to 452.

The number of cases alone, however, does not sufficiently put this problem into perspective. The amount of money involved is truly astonishing. Cigarette trafficking, including the illegal sale of tobacco products over the Internet, costs States billions of dollars in lost tax revenue each year. It is estimated that Federal tax losses to Internet cigarette sales will reach $1.4 billion this year. As lost tobacco tax revenue lines the pockets of criminals and terrorist groups, states are being forced to raise college tuition and restrict access to other public programs. Tobacco smuggling may provide some with cheap access to cigarettes, but those cheap cigarettes are coming at a significant cost to the rest of us.

According to the Government Accountability Office, GAO, each year, cigarette trafficking investigations are growing more and more complex, and take longer to resolve. More people are selling cigarettes illegally, and they are getting better at it. As these cases get tougher to solve, we owe it to law enforcement officials to do our part to lend a helping hand. The PACT Act enhances BATFE's authority to enter premises to investigate and enforce cigarette trafficking laws, and increasing penalties for violations. Unless these existing laws are strengthened, traffickers will continue to operate with near impunity.

Just as important, though, we must provide law enforcement with new enforcement tools tools that enable them to combat the cigarette smugglers of the 21st century. The Internet represents one of those new obstacles to enforcement. Illegal tobacco vendors around the world evade detection by conducting transactions over the Internet, and then employing the services of common carriers and the U.S. Postal Service to deliver their illegal products around the country. Just a few years ago, there were less than 100 vendors selling cigarettes online. Today, approximately 500 vendors sell illegal tobacco products over the Internet.

Without new and innovative enforcement methods, law enforcement will not be able to effectively address the growing challenges facing them today. The PACT Act sets out to do just that by cutting off the delivery. A significant part of this problem involves the shipment of contraband cigarettes through the United States Postal Service, USPS. This bill would cut off access to the USPS by making tobacco products non-mailable. We would treat cigarettes just like we treat alcohol, making it illegal to ship them through the US mails and cutting off a large portion of the delivery system.

It also employs a novel approach, one being used in some of our States today, to combat illegal sales of tobacco over the Internet. Specifically, it will allow the Attorney General, in collaboration with State and local law enforcement, to create a list of companies that are illegally selling tobacco products. That list will then be distributed to legitimate businesses whose services are indispensable to illegal Internet vendors—common carriers. Once a common carrier knows which customers are breaking the law, this bill will ensure that they take appropriate action to prevent their companies from being exploited by terrorists and other criminals.

It is important to point out that this bill has been carefully negotiated with the common carriers, including UPS, to ensure that it does not place any unreasonable burdens on these businesses. Many changes were made to the bill that was introduced in the last Congress to ensure that the legislation was written to conform to the technological capabilities of these companies. In light of these changes, there is no question that private carriers will be able to fully comply with this bill without interrupting their existing delivery practices and procedures.

In addition, the legislation makes clear that we are not asking for perfection. For example, carriers will not be held liable for the actions of their employees if they have effective policies and procedures in place to ensure compliance. The key word here is "effective." These policies must be much more than mere words. We are not asking common carriers to ensure that every single pack of cigarettes is stopped before it moves through their delivery system, but we do expect a vigorous effort to ensure that they and their employees do the very best they can to stop doing business with people they know to be using their services to violate State and Federal laws. That is not too much to ask.

In addition to these important law enforcement needs, it is important to mention another aspect of this legislation that is equally important. One of the primary ways children get access to cigarettes today is on the internet and through the mails. The PACT Act now contains a strong age verification section that will ensure that online vendors are not selling cigarettes to our children. This provision would prohibit the sale of tobacco products to children, and it would also require sellers to use a method of shipment that requires a signature and photo ID check upon delivery. Most States already have similar laws on the books, and this would simply make sure that we have a national standard to ensure that the Internet is not being used to evade similar ID checks we require at our grocery and convenience stores.

The recognition that this is a significant problem, along with the commonsense approach taken in the PACT Act to combat it, has brought together a coalition of strange bedfellows. The legislation has not just garnered the support of the law enforcement community, including the National Association of Attorneys General, and public health advocates, such as the Campaign for Tobacco Free Kids. It also has the strong support of tobacco companies like Altria. These groups, who sometimes find themselves on opposite sides of these issues, all agree that this is an issue begging to be addressed. They all recognize the urgent need to provide our law enforcement officials with the tools they need to combat a very serious threat to our security and protect public health.

I urge my colleagues to support this important legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3810

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; FINDINGS; PURPOSE.

(a) SHORT TITLE.—This Act may be cited as the "Prevent All Cigarette Trafficking Act of 2006" or "PACT Act".

(b) FINDINGS.—Congress finds that—

(1) the sale of illegal cigarettes and smokeless tobacco products significantly reduces Federal, State, and local government revenues, with Internet sales alone accounting for billions of dollars of lost Federal, State, and local tobacco tax revenue each year;

(2) Hezbollah, Hamas, al Qaeda, and other terrorist organizations have profited from trafficking in illegal cigarettes or counterfeit cigarette tax stamps;

(3) terrorist involvement in illicit cigarette trafficking will continue to grow because of the large profits such organizations can earn;

(4) the sale of illegal cigarettes and smokeless tobacco over the Internet, and through mail, fax, or phone orders, make it cheaper and easier for children to obtain tobacco products;

(5) the majority of Internet and other remote sales of cigarettes and smokeless tobacco are being made without adequate precautions to protect against sales to children, without the payment of applicable taxes, and without complying with the nominal registration and reporting requirements in existing Federal law;

(6) unfair competition from illegal sales of cigarettes and smokeless tobacco is taking billions of dollars of sales away from law-abiding retailers throughout the United States;

(7) with rising State and local tobacco tax rates, the incentives for the illegal sale of cigarettes and smokeless tobacco have increased;

(8) the number of active tobacco investigations being conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives rose to 452 in 2005;

(9) the number of Internet vendors in the United States and in foreign countries that sell cigarettes and smokeless tobacco to buyers in the United States has increased from only about 40 in 2000 to more than 500 in 2005; and

(10) the intrastate sale of illegal cigarettes and smokeless tobacco over the Internet has a substantial effect on interstate commerce.

(c) PURPOSES.—It is the purpose of this Act to—

(1) require Internet and other remote sellers of cigarettes and smokeless tobacco to comply with the same laws that apply to law-abiding tobacco retailers;

(2) create strong disincentives to illegal smuggling of tobacco products;

(3) provide government enforcement officials with more effective enforcement tools to combat tobacco smuggling;

(4) make it more difficult for cigarette and smokeless tobacco traffickers to engage in and profit from their illegal activities;

(5) increase collections of Federal, State, and local excise taxes on cigarettes and smokeless tobacco; and

(6) prevent and reduce youth access to inexpensive cigarettes and smokeless tobacco through illegal Internet or contraband sales.

SEC. 2. COLLECTION OF STATE CIGARETTE AND SMOKELESS TOBACCO TAXES.

(a) Definitions.—The Act of October 19, 1949 (15 U.S.C. 375 et seq.; commonly referred to as the “Jenkins Act”) (referred to in this Act as the “Jenkins Act”), is amended by striking the first section and inserting the following:

“SECTION 1. DEFINITIONS.

“As used in this Act, the following definitions apply:

“(1) Attorney general.—The term ‘attorney general’, with respect to a State, means the attorney general or other chief law enforcement officer of the State, or the designee of that officer.

“(2) Cigarette.—

“(A) In general.—For purposes of this Act, the term ‘cigarette’—

“(i) shall have the same meaning given that term in section 2341 of title 18, United States Code; and

“(ii) shall include ‘roll-your-own tobacco’ (as that term is defined in section 5702 of title 26, United States Code).

“(B) Exception.—For purposes of this Act, the term ‘cigarette’ does not include a ‘cigar,’ as that term is defined in section 5702 of title 26, United States Code.

“(3) Common carrier.—The term ‘common carrier’ means any person (other than a local messenger service or the United States Postal Service) that holds itself out to the general public as a provider for hire of the transportation by water, land, or air of merchandise, whether or not the person actually operates the vessel, vehicle, or aircraft by which the transportation is provided, between a port or place and a port or place in the United States.

“(4) Consumer.—The term ‘consumer’ means any person that purchases cigarettes or smokeless tobacco, but does not include any person lawfully operating as a manufacturer, distributor, wholesaler, or retailer of cigarettes or smokeless tobacco.

“(5) Delivery sale.—The term ‘delivery sale’ means any sale of cigarettes or smokeless tobacco to a consumer if—

“(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

“(B) the cigarettes or smokeless tobacco are delivered by use of a common carrier, private delivery service, or the mails, or the seller is not in the physical presence of the buyer when the buyer obtains possession of the cigarettes or smokeless tobacco.

“(6) Delivery seller.—The term ‘delivery seller’ means a person who makes a delivery sale.

“(7) Indian country.—The term ‘Indian country’ has the meaning given that term in section 1151 of title 18, United States Code, except that within the State of Alaska that term applies only to the Metlakatla Indian Community, Annette Island Reserve.

“(8) Indian tribe.—The term ‘Indian tribe’, ‘tribe’, or ‘tribal’ refers to an Indian tribes as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) or as listed pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a-1).

“(9) Interstate commerce.—The term ‘interstate commerce’ means commerce between a State and any place outside the State, commerce between a State and any Indian country in the State, or commerce between points in the same State but through any place outside the State or through any Indian country.

“(10) Person.—The term ‘person’ means an individual, corporation, company, association, firm, partnership, society, State government, local government, Indian tribal government, governmental organization of such government, or joint stock company.

“(11) State.—The term ‘State’ means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

“(12) Smokeless tobacco.—The term ‘smokeless tobacco’ means any finely cut, ground, powdered, or leaf tobacco, or other product containing tobacco, that is intended to be placed in the oral or nasal cavity or otherwise consumed without being combusted.

“(13) Tobacco tax administrator.—The term ‘tobacco tax administrator’ means the State, local, or tribal official duly authorized to collect the tobacco tax or administer the tax law of a State, locality, or tribe, respectively.

“(14) Transfers for profit.—The term ‘transfers for profit’ means any transfer for profit or other disposition for profit, including any transfer or disposition by an agent to his principal in connection with which the agent receives anything of value.

“(15) Use.—The term ‘use’, in addition to its ordinary meaning, means the consumption, storage, handling, or disposal of cigarettes or smokeless tobacco.”.

(b) Reports to State Tobacco Tax Administrators.—Section 2 of the Jenkins Act (15 U.S.C. 376) is amended—

(1) by striking “cigarettes” each place it appears and inserting “cigarettes or smokeless tobacco”;

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by inserting “Contents.—”after “(a)”

(ii) by striking “or transfers” and inserting “, transfers, or ships”;

(iii) by inserting “, locality, or Indian country of an Indian tribe” after “a State”;

(iv) by striking “to other than a distributor licensed by or located in such State,”; and

(v) by striking “or transfer and shipment” and inserting “, transfer, or shipment”;

(B) in paragraph (1)—

(i) by striking “with the tobacco tax administrator of the State” and inserting “with the Attorney General of the United States and with the tobacco tax administrators of the State and place”; and

(ii) by striking “; and” and inserting the following: “, as well as telephone numbers for each place of business, a principal electronic mail address, any website addresses, and the name, address, and telephone number of an agent in the State authorized to accept service on behalf of such person;”;

(C) in paragraph (2), by striking “and the quantity thereof.” and inserting “the quantity thereof, and the name, address, and phone number of the person delivering the shipment to the recipient on behalf of the delivery seller, with all invoice or memoranda information relating to specific customers to be organized by city or town and by zip code; and”; and

(D) by adding at the end the following:

“(3) with respect to each memorandum or invoice filed with a State under paragraph (2), also file copies of such memorandum or invoice with the tobacco tax administrators and chief law enforcement officers of the local governments and Indian tribes operating within the borders of the State that apply their own local or tribal taxes on cigarettes or smokeless tobacco.”;

(3) in subsection (b)—

(A) by inserting “Presumptive Evidence.—” after “(b)”;

(B) by striking “(1) that” and inserting “that”; and

(C) by striking “, and (2)” and all that follows and inserting a period; and

(4) by adding at the end the following:

“(c) Use of Information.—A tobacco tax administrator or chief law enforcement officer who receives a memorandum or invoice under paragraph (2) or (3) of subsection (a) shall use such memorandum or invoice solely for the purposes of the enforcement of this Act and the collection of any taxes owed on related sales of cigarettes and smokeless tobacco, and shall keep confidential any personal information in such memorandum or invoice not otherwise required for such purposes.”.

(c) Requirements for Delivery Sales.—The Jenkins Act is amended by inserting after section 2 the following:

“SEC. 2A. DELIVERY SALES.

“(a) In General.—With respect to delivery sales into a specific State and place, each delivery seller shall comply with—

“(1) the shipping requirements set forth in subsection (b);

“(2) the recordkeeping requirements set forth in subsection (c);

“(3) all State, local, tribal, and other laws generally applicable to sales of cigarettes or smokeless tobacco as if such delivery sales occurred entirely within the specific State and place, including laws imposing—

“(A) excise taxes;

“(B) licensing and tax-stamping requirements;

“(C) restrictions on sales to minors; and

“(D) other payment obligations or legal requirements relating to the sale, distribution, or delivery of cigarettes or smokeless tobacco; and

“(4) the tax collection requirements set forth in subsection (d).

“(b) Shipping and Packaging.—

“(1) Required statement.—For any shipping package containing cigarettes or smokeless tobacco, the delivery seller shall include on the bill of lading, if any, and on the outside of the shipping package, on the same surface as the delivery address, a clear and conspicuous statement providing as follows: ‘CIGARETTES/SMOKELESS TOBACCO: FEDERAL LAW REQUIRES THE PAYMENT OF ALL APPLICABLE EXCISE TAXES, AND COMPLIANCE WITH APPLICABLE LICENSING AND TAX-STAMPING OBLIGATIONS’.

“(2) Failure to label.—Any shipping package described in paragraph (1) that is not labeled in accordance with that paragraph shall be treated as nondeliverable matter by a common carrier, other delivery service, or the United States Postal Service if the common carrier, other delivery service, or the United States Postal Service, as the case may be, knows or should know the package contains cigarettes or smokeless tobacco. Nothing in this paragraph shall require the common carrier, other delivery service, or the United States Postal Service to open any package to determine its contents.

“(3) Weight restriction.—A delivery seller shall not sell, offer for sale, deliver, or cause to be delivered in any single sale or single delivery any cigarettes or smokeless tobacco weighing more than 10 pounds.

“(4) Age verification.—Notwithstanding any other provision of law, a delivery seller who mails or ships cigarettes or smokeless tobacco in connection with a delivery sale—

"(A) shall not sell, deliver, or cause to be delivered any tobacco products to a person under the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery; and

"(B) shall use a method of mailing or shipping that requires—

"(i) the purchaser placing the delivery sale order, or an adult who is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery, to sign to accept delivery of the shipping container at the delivery address; and

"(ii) the person who signs to accept delivery of the shipping container to provide proof, in the form of a valid, government-issued identification bearing a photograph of the individual, that the person is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery.

"(c) RECORDS.—

"(1) IN GENERAL.—Each delivery seller shall keep a record of any delivery sale, including all of the information described in section 2(a)(2), organized by the State, and within such State, by the city or town and by zip code, into which such delivery sale is so made.

"(2) RECORD RETENTION.—Records of a delivery sale shall be kept as described in paragraph (1) in the year in which the delivery sale is made and for the next 4 years.

"(3) ACCESS FOR OFFICIALS.—Records kept under paragraph (1) shall be made available to tobacco tax administrators of the States, to local governments and Indian tribes that apply their own local or tribal taxes on cigarettes or smokeless tobacco, to the attorneys general of the States, to the chief law enforcement officers of such local governments and Indian tribes, and to the Attorney General of the United States in order to ensure the compliance of persons making delivery sales with the requirements of this Act.

"(d) DELIVERY.—

"(1) IN GENERAL.—Except as provided in paragraph (2), no delivery seller may sell or deliver to any consumer, or tender to any common carrier or other delivery service, any cigarettes or smokeless tobacco pursuant to a delivery sale unless, in advance of the sale, delivery, or tender—

"(A) any cigarette or smokeless tobacco excise tax that is imposed by the State in which the cigarettes or smokeless tobacco are to be delivered has been paid to the State;

"(B) any cigarette or smokeless tobacco excise tax that is imposed by the local government of the place in which the cigarettes or smokeless tobacco are to be delivered has been paid to the local government; and

"(C) any required stamps or other indicia that such excise tax has been paid are properly affixed or applied to the cigarettes or smokeless tobacco.

"(2) EXCEPTION.—Paragraph (1) does not apply to a delivery sale of smokeless tobacco if the law of the State or local government of the place where the smokeless tobacco is to be delivered requires or otherwise provides that delivery sellers collect the excise tax from the consumer and remit the excise tax to the State or local government, and the delivery seller complies with the requirement.

"(e) LIST OF UNREGISTERED OR NONCOMPLIANT DELIVERY SELLERS.—

"(1) IN GENERAL.—

"(A) INITIAL LIST.—Not later than 90 days after this subsection goes into effect under section 10 of the Prevent All Cigarette Trafficking Act of 2006, the Attorney General of the United States shall compile a list of delivery sellers of cigarettes or smokeless tobacco that have not registered with the Attorney General, pursuant to section 2(a) or that are otherwise not in compliance with this Act, and—

"(i) distribute the list to—

"(I) the attorney general and tax administrator of every State;

"(II) common carriers and other persons that deliver small packages to consumers in interstate commerce, including the United States Postal Service; and

"(III) at the discretion of the Attorney General of the United States, to any other persons; and

"(ii) publicize and make the list available to any other person engaged in the business of interstate deliveries or who delivers cigarettes or smokeless tobacco in or into any State.

"(B) LIST CONTENTS.—To the extent known, the Attorney General of the United States shall include, for each delivery seller on the list described in subparagraph (A)—

"(i) all names the delivery seller uses in the transaction of its business or on packages delivered to customers;

"(ii) all addresses from which the delivery seller does business or ships cigarettes or smokeless tobacco;

"(iii) the website addresses, primary e-mail address, and phone number of the delivery seller; and

"(iv) any other information that the Attorney General determines would facilitate compliance with this subsection by recipients of the list.

"(C) UPDATING.—The Attorney General of the United States shall update and distribute the list at least once every 4 months, and may distribute the list and any updates by regular mail, electronic mail, or any other reasonable means, or by providing recipients with access to the list through a nonpublic website that the Attorney General of the United States regularly updates.

"(D) STATE, LOCAL, OR TRIBAL ADDITIONS.—The Attorney General of the United States shall include in the list under subparagraph (A) any noncomplying delivery sellers identified by any State, local, or tribal government under paragraph (5), and shall distribute the list to the attorney general or chief law enforcement official and the tax administrator of any government submitting any such information and to any common carriers or other persons who deliver small packages to consumers identified by any government pursuant to paragraph (5).

"(E) CONFIDENTIALITY.—The list distributed pursuant to subparagraph (A) shall be confidential, and any person receiving the list shall maintain the confidentiality of the list but may deliver the list, for enforcement purposes, to any government official or to any common carrier or other person that delivers tobacco products or small packages to consumers. Nothing in this section shall prohibit a common carrier, the United States Postal Service, or any other person receiving the list from discussing with the listed delivery sellers the delivery sellers' inclusion on the list and the resulting effects on any services requested by such listed delivery seller.

"(2) PROHIBITION ON DELIVERY.—

"(A) IN GENERAL.—Commencing on the date that is 60 days after the date of the initial distribution or availability of the list under paragraph (1)(A), no person who receives the list under paragraph (1), and no person who delivers cigarettes or smokeless tobacco to consumers, shall knowingly complete, cause to be completed, or complete its portion of a delivery of any package for any person whose name and address are on the list, unless—

"(i) the person making the delivery knows or believes in good faith that the item does not include cigarettes or smokeless tobacco;

"(ii) the delivery is made to a person lawfully engaged in the business of manufacturing, distributing, or selling cigarettes or smokeless tobacco; or

"(iii) the package being delivered weighs more than 100 pounds and the person making the delivery does not know or have reasonable cause to believe that the package contains cigarettes or smokeless tobacco.

"(B) IMPLEMENTATION OF UPDATES.—Commencing on the date that is 30 days after the date of the distribution or availability of any updates or corrections to the list under paragraph (1), all recipients and all common carriers or other persons that deliver cigarettes or smokeless tobacco to consumers shall be subject to subparagraph (A) in regard to such corrections or updates.

"(3) SHIPMENTS FROM PERSONS ON LIST.—

"(A) IN GENERAL.—In the event that a common carrier or other delivery service delays or interrupts the delivery of a package it has in its possession because it determines or has reason to believe that the person ordering the delivery is on a list distributed under paragraph (1)—

"(i) the person ordering the delivery shall be obligated to pay—

"(I) the common carrier or other delivery service as if the delivery of the package had been timely completed; and

"(II) if the package is not deliverable, any reasonable additional fee or charge levied by the common carrier or other delivery service to cover its extra costs and inconvenience and to serve as a disincentive against such noncomplying delivery orders; and

"(ii) if the package is determined not to be deliverable, the common carrier or other delivery service shall, in its discretion, either provide the package and its contents to a Federal, State, or local law enforcement agency or destroy the package and its contents.

"(B) RECORDS.—A common carrier or other delivery service shall maintain, for a period of 5 years, any records kept in the ordinary course of business relating to any deliveries interrupted pursuant to this paragraph and provide that information, upon request, to the Attorney General of the United States or to the attorney general or chief law enforcement official or tax administrator of any State, local, or tribal government.

"(C) CONFIDENTIALITY.—Any person receiving records under subparagraph (B) shall use such records solely for the purposes of the enforcement of this Act and the collection of any taxes owed on related sales of cigarettes and smokeless tobacco, and the person receiving records under subparagraph (B) shall keep confidential any personal information in such records not otherwise required for such purposes.

"(4) PREEMPTION.—

"(A) IN GENERAL.—No State, local, or tribal government, nor any political authority of two or more State, local, or tribal governments, may enact or enforce any law or regulation relating to delivery sales that restricts deliveries of cigarettes or smokeless tobacco to consumers by common carriers or other delivery services on behalf of delivery sellers by—

‘‘(i) requiring that the common carrier or other delivery service verify the age or identity of the consumer accepting the delivery by requiring the person who signs to accept delivery of the shipping container to provide proof, in the form of a valid, government-issued identification bearing a photograph of the individual, that such person is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery;

‘‘(ii) requiring that the common carrier or other delivery service obtain a signature from the consumer accepting the delivery;

‘‘(iii) requiring that the common carrier or other delivery service verify that all applicable taxes have been paid;

‘‘(iv) requiring that packages delivered by the common carrier or other delivery service contain any particular labels, notice, or markings; or

‘‘(v) prohibiting common carriers or other delivery services from making deliveries on the basis of whether the delivery seller is or is not identified on any list of delivery sellers maintained and distributed by any entity other than the Federal Government.

Nothing in this paragraph may be construed to preempt or supersede State laws prohibiting the delivery sale, or the shipment or delivery pursuant to a delivery sale, of cigarettes or smokeless tobacco to individual consumers.

‘‘(B) Relationship to other laws.—Nothing in this paragraph shall be construed to prohibit, expand, restrict, or otherwise amend or modify—

‘‘(i) section 14501(c)(1) or 41713(b)(4) of title 49, United States Code;

‘‘(ii) any other restrictions in Federal law on the ability of State, local, or tribal governments to regulate common carriers; or

‘‘(iii) any provision of State, local, or tribal law regulating common carriers that falls within the provisions of chapter 49 of the United States Code, sections 14501(c)(2) or 41713(b)(4)(B).

‘‘(5) State, local, and tribal additions.—

‘‘(A) In general.—Any State, local, or tribal government shall provide the Attorney General of the United States with—

‘‘(i) all known names, addresses, website addresses, and other primary contact information of any delivery seller that offers for sale or makes sales of cigarettes or smokeless tobacco in or into the State, locality, or tribal land but has failed to register with or make reports to the respective tax administrator, as required by this Act, or that has been found in a legal proceeding to have otherwise failed to comply with this Act; and

‘‘(ii) a list of common carriers and other persons who make deliveries of cigarettes or smokeless tobacco in or into the State, locality, or tribal lands.

‘‘(B) Updates.—Any government providing a list to the Attorney General of the United States under subparagraph (A) shall also provide updates and corrections every 4 months until such time as such government notifies the Attorney General of the United States in writing that such government no longer desires to submit such information to supplement the list maintained and distributed by the Attorney General of the United States under paragraph (1).

‘‘(C) Removal after withdrawal.—Upon receiving written notice that a government no longer desires to submit information under subparagraph (A), the Attorney General of the United States shall remove from the list under paragraph (1) any persons that are on the list solely because of such government's prior submissions of its list of noncomplying delivery sellers of cigarettes or smokeless tobacco or its subsequent updates and corrections.

‘‘(6) Deadline to incorporate additions.—The Attorney General of the United States shall—

‘‘(A) include any delivery seller identified and submitted by a State, local, or tribal government under paragraph (5) in any list or update that is distributed or made available under paragraph (1) on or after the date that is 30 days after the date on which the information is received by the Attorney General of the United States; and

‘‘(B) distribute any such list or update to any common carrier or other person who makes deliveries of cigarettes or smokeless tobacco that has been identified and submitted by another government, pursuant to paragraph (5).

‘‘(7) Notice to delivery sellers.—Not later than 14 days prior to including any delivery seller on the initial list distributed or made available under paragraph (1), or on any subsequent list or update for the first time, the Attorney General of the United States shall make a reasonable attempt to send notice to the delivery seller by letter, electronic mail, or other means that the delivery seller is being placed on such list or update, with that notice including the text of this Act.

‘‘(8) Limitations.—

‘‘(A) In general.—Any common carrier or other person making a delivery subject to this subsection shall not be required or otherwise obligated to—

‘‘(i) determine whether any list distributed or made available under paragraph (1) is complete, accurate, or up-to-date;

‘‘(ii) determine whether a person ordering a delivery is in compliance with this Act; or

‘‘(iii) open or inspect, pursuant to this Act, any package being delivered to determine its contents.

‘‘(B) Alternate names.—Any common carrier or other person making a delivery subject to this subsection shall not be required or otherwise obligated to make any inquiries or otherwise determine whether a person ordering a delivery is a delivery seller on the list under paragraph (1) who is using a different name or address in order to evade the related delivery restrictions, but shall not knowingly deliver any packages to consumers for any such delivery seller who the common carrier or other delivery service knows is a delivery seller who is on the list under paragraph (1) but is using a different name or address to evade the delivery restrictions of paragraph (2).

‘‘(C) Penalties.—Any common carrier or person in the business of delivering packages on behalf of other persons shall not be subject to any penalty under section 14101(a) of title 49, United States Code, or any other provision of law for—

‘‘(i) not making any specific delivery, or any deliveries at all, on behalf of any person on the list under paragraph (1);

‘‘(ii) not, as a matter of regular practice and procedure, making any deliveries, or any deliveries in certain States, of any cigarettes or smokeless tobacco for any person or for any person not in the business of manufacturing, distributing, or selling cigarettes or smokeless tobacco; or

‘‘(iii) delaying or not making a delivery for any person because of reasonable efforts to comply with this Act.

‘‘(D) Other limits.—Section 2 and subsections (a), (b), (c), and (d) of this section shall not be interpreted to impose any responsibilities, requirements, or liability on common carriers.

‘‘(f) Presumption.—For purposes of this Act, a delivery sale shall be deemed to have occurred in the State and place where the buyer obtains personal possession of the cigarettes or smokeless tobacco, and a delivery pursuant to a delivery sale is deemed to have been initiated or ordered by the delivery seller.''.

(d) Penalties.—The Jenkins Act is amended by striking section 3 and inserting the following:

‘‘SEC. 3. PENALTIES.

‘‘(a) Criminal Penalties.—

‘‘(1) In general.—Except as provided in paragraph (2), whoever violates any provision of this Act shall be guilty of a felony and shall be imprisoned not more than 3 years, fined under title 18, United States Code, or both.

‘‘(2) Exceptions.—

‘‘(A) Governments.—Paragraph (1) shall not apply to a State, local, or tribal government.

‘‘(B) Delivery violations.—A common carrier or independent delivery service, or employee of a common carrier or independent delivery service, shall be subject to criminal penalties under paragraph (1) for a violation of section 2A(e) only if the violation is committed intentionally for the purpose of—

‘‘(i) obtaining the business of delivery sellers known to the common carrier or independent delivery service not to be in compliance with this Act; or

‘‘(ii) assisting a delivery seller to violate or otherwise evade compliance with section 2A.

‘‘(b) Civil Penalties.—

‘‘(1) In general.—Except as provided in paragraph (3), whoever violates any provision of this Act shall be subject to a civil penalty in an amount not to exceed—

‘‘(A) in the case of a delivery seller, the greater of—

‘‘(i) $5,000 in the case of the first violation, or $10,000 for any other violation; or

‘‘(ii) for any violation, 2 percent of the gross sales of cigarettes or smokeless tobacco of such person during the 1-year period ending on the date of the violation.

‘‘(B) in the case of a common carrier or other delivery service, $2,500 in the case of a first violation, or $5,000 for any violation within 1 year of a prior violation.

‘‘(2) Relation to other penalties.—A civil penalty under paragraph (1) for a violation of this Act shall be imposed in addition to any criminal penalty under subsection (a) and any other damages, equitable relief, or injunctive relief awarded by the court, including, but not limited to, the payment of any unpaid taxes to the appropriate Federal, State, local, or tribal governments.

‘‘(3) Exceptions.—

‘‘(A) Delivery violations.—An employee of a common carrier or independent delivery service shall be subject to civil penalties under paragraph (1) for a violation of section 2A(e) only if the violation is committed intentionally for the purpose of—

‘‘(i) obtaining the business of delivery sellers known to the common carrier or independent delivery service not to be in compliance with this Act; or

‘‘(ii) assisting a delivery seller to violate or otherwise evade compliance with section 2A.

‘‘(B) Other limitations.—No common carrier or independent delivery service shall be subject to civil penalties under paragraph (1) for a violation of section 2A(e) if—

"(i) the common carrier or independent delivery service has implemented and enforces effective policies and practices for complying with that section; or

"(ii) an employee of the common carrier or independent delivery service who physically receives and processes orders, picks up packages, processes packages, or makes deliveries, takes actions that are outside the scope of employment of the employee in the course of the violation, or that violate the implemented and enforced policies of the common carrier or independent delivery service described in clause (i).".

(e) Enforcement.—The Jenkins Act is amended by striking section 4 and inserting the following:

"SEC. 4. ENFORCEMENT.

"(a) In General.—The United States district courts shall have jurisdiction to prevent and restrain violations of this Act and to provide other appropriate injunctive or equitable relief, including money damages, for such violations.

"(b) Authority of the Attorney General.—The Attorney General of the United States shall administer and enforce the provisions of this Act.

"(c) State, Local, and Tribal Enforcement.—

"(1) In general.—

"(A) Standing.—A State, through its attorney general (or a designee thereof), or a local government or Indian tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer (or a designee thereof), may bring an action in a United States district court to prevent and restrain violations of this Act by any person (or by any person controlling such person) or to obtain any other appropriate relief from any person (or from any person controlling such person) for violations of this Act, including civil penalties, money damages, and injunctive or other equitable relief.

"(B) Sovereign immunity.—Nothing in this Act shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian tribe against any unconsented lawsuit under this Act, or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government or Indian tribe.

"(2) Provision of information.—A State, through its attorney general, or a local government or Indian tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer (or a designee thereof), may provide evidence of a violation of this Act by any person not subject to State, local, or tribal government enforcement actions for violations of this Act to the Attorney General of the United States or a United States attorney, who shall take appropriate actions to enforce the provisions of this Act.

"(3) Use of penalties collected.—

"(A) In general.—There is established a separate account in the Treasury known as the 'PACT Anti-Trafficking Fund'. Notwithstanding any other provision of law and subject to subparagraph (B), an amount equal to 50 percent of any criminal and civil penalties collected by the United States Government in enforcing the provisions of this Act shall be transferred into the PACT Anti-Trafficking Fund and shall be available to the Attorney General of the United States for purposes of enforcing the provisions of this Act and other laws relating to contraband tobacco products.

"(B) Allocation of funds.—Of the amount available to the Attorney General under subparagraph (A), not less than 50 percent shall be made available only to the agencies and offices within the Department of Justice that were responsible for the enforcement actions in which the penalties concerned were imposed or for any underlying investigations.

"(4) Nonexclusivity of remedy.—

"(A) In general.—The remedies available under this section and section 3 are in addition to any other remedies available under Federal, State, local, tribal, or other law.

"(B) State court proceedings.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized State official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of State or other law.

"(C) Tribal court proceedings.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized Indian tribal government official to proceed in tribal court, or take other enforcement actions, on the basis of an alleged violation of tribal law.

"(D) Local government enforcement.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized local government official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of local or other law.

"(d) Persons Dealing in Tobacco Products.—Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 (regarding permitting of manufacturers and importers of tobacco products and export warehouse proprietors) may bring an action in a United States district court to prevent and restrain violations of this Act by any person (or by any person controlling such person) other than a State, local, or tribal government.

"(e) Notice.—

"(1) Persons dealing in tobacco products.—Any person who commences a civil action under subsection (d) shall inform the Attorney General of the United States of the action.

"(2) State, local, and tribal actions.—It is the sense of Congress that the attorney general of any State, or chief law enforcement officer of any locality or tribe, that commences a civil action under this section should inform the Attorney General of the United States of the action.

"(f) Public Notice.—

"(1) In general.—The Attorney General of the United States shall make available to the public, by posting such information on the Internet and by other appropriate means, information regarding all enforcement actions undertaken by the Attorney General or United States attorneys, or reported to the Attorney General, under this section, including information regarding the resolution of such actions and how the Attorney General and the United States attorney have responded to referrals of evidence of violations pursuant to paragraph (2).

"(2) Reports to congress.—The Attorney General shall submit to Congress each year a report containing the information described in paragraph (1).".

(f) Conforming and Clerical Amendments.—The section heading for chapter 10A of title 15, United States Code, is amended to read as follows: "**REMOTE SALES OF CIGARETTES AND SMOKELESS TOBACCO**".

SEC. 3. TREATMENT OF CIGARETTES AND SMOKELESS TOBACCO AS NONMAILABLE MATTER.

Section 1716 of title 18, United States Code, is amended—

(1) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and

(2) by inserting after subsection (i) the following:

"(j) Tobacco Products.—

"(1) Prohibition.—

"(A) In general.—Except as provided in subparagraphs (B) and (C), all cigarettes (as that term is defined in section 1(2) of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the 'Jenkins Act')) and smokeless tobacco (as that term is defined in section 1(12) of that Act), are nonmailable and shall not be deposited in or carried through the mails. The United States Postal Service shall not accept for delivery or transmit through the mails any package that it knows or has reasonable cause to believe contains any cigarettes or smokeless tobacco made nonmailable by this subsection.

"(B) Reasonable cause to believe.—For purposes of this section, notification to the United States Postal Service by the Attorney General, a United States attorney, or a State Attorney General that an individual or entity is primarily engaged in the business of transmitting cigarettes or smokeless tobacco made nonmailable by this section shall constitute reasonable cause to believe that any packages presented to the United States Postal Service by such individual or entity contain nonmailable cigarettes or smokeless tobacco.

"(C) Cigars.—Subparagraph (A) shall not apply to cigars (as that term is defined in section 5702(a) of the Internal Revenue Code of 1986).

"(D) Geographic exception.—Subparagraph (A) shall not apply to mailings within or into any State that is not contiguous with at least 1 other State of the United States. For purposes of this paragraph, 'State' means any of the 50 States or the District of Columbia.

"(2) Packaging exceptions inapplicable.—Subsection (b) shall not apply to any tobacco product made nonmailable by this subsection.

"(3) Seizure and forfeiture.—Any cigarettes or smokeless tobacco made nonmailable by this subsection that are deposited in the mails shall be subject to seizure and forfeiture, and any tobacco products so seized and forfeited shall either be destroyed or retained by Government officials for the detection or prosecution of crimes or related investigations and then destroyed.

"(4) Additional penalties.—In addition to any other fines and penalties imposed by this chapter for violations of this section, any person violating this subsection shall be subject to an additional penalty in the amount of 10 times the retail value of the nonmailable cigarettes or smokeless tobacco, including all Federal, State, and local taxes.

"(5) Use of penalties.—There is established a separate account in the Treasury known as the 'PACT Postal Service Fund'. Notwithstanding any other provision of law, an amount equal to 50 percent of any criminal and civil fines or monetary penalties collected by the United States Government in enforcing the provisions of this subsection shall be transferred into the PACT Postal Service Fund and shall be available to the Postmaster General for the purpose of enforcing the provisions of this subsection.".

SEC. 4. COMPLIANCE WITH MODEL STATUTE OR QUALIFYING STATUTE.

(a) In General.—A Tobacco Product Manufacturer or importer may not sell in, deliver to, or place for delivery sale, or cause to be sold in, delivered to, or placed for delivery sale in a State that is a party to the Master Settlement Agreement, any cigarette manufactured by a Tobacco Product Manufacturer that is not in full compliance with the terms of the Model Statute or Qualifying Statute enacted by such State requiring funds to be placed into a qualified escrow account under specified conditions, or any regulations promulgated pursuant to such statute.

(b) JURISDICTION TO PREVENT AND RESTRAIN VIOLATIONS.—

(1) IN GENERAL.—The United States district courts shall have jurisdiction to prevent and restrain violations of subsection (a) in accordance with this subsection.

(2) INITIATION OF ACTION.—A State, through its attorney general, may bring an action in the United States district courts to prevent and restrain violations of subsection (a) by any person (or by any person controlling such person).

(3) ATTORNEY FEES.—In any action under paragraph (2), a State, through its attorney general, shall be entitled to reasonable attorney fees from a person found to have willfully and knowingly violated subsection (a).

(4) NONEXCLUSIVITY OF REMEDIES.—The remedy available under paragraph (2) is in addition to any other remedies available under Federal, State, or other law. No provision of this Act or any other Federal law shall be held or construed to prohibit or preempt the Master Settlement Agreement, the Model Statute (as defined in the Master Settlement Agreement), any legislation amending or complementary to the Model Statute in effect as of June 1, 2006, or any legislation substantially similar to such existing, amending, or complementary legislation hereinafter enacted.

(5) OTHER ENFORCEMENT ACTIONS.—Nothing in this subsection shall be construed to prohibit an authorized State official from proceeding in State court or taking other enforcement actions on the basis of an alleged violation of State or other law.

(6) AUTHORITY OF THE ATTORNEY GENERAL.—The Attorney General of the United States may administer and enforce subsection (a).

(c) DEFINITIONS.—In this section the following definitions apply:

(1) DELIVERY SALE.—The term "delivery sale" means any sale of cigarettes or smokeless tobacco to a consumer if—

(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

(B) the cigarettes or smokeless tobacco are delivered by use of a common carrier, private delivery service, or the mails, or the seller is not in the physical presence of the buyer when the buyer obtains possession of the cigarettes or smokeless tobacco.

(2) IMPORTER.—The term "importer" means each of the following:

(A) SHIPPING OR CONSIGNING.—Any person in the United States to whom non-tax-paid tobacco products manufactured in a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States are shipped or consigned.

(B) MANUFACTURING WAREHOUSES.—Any person who removes cigars or cigarettes for sale or consumption in the United States from a customs-bonded manufacturing warehouse.

(C) UNLAWFUL IMPORTING.—Any person who smuggles or otherwise unlawfully brings tobacco products into the United States.

(3) MASTER SETTLEMENT AGREEMENT.—The term "Master Settlement Agreement" means the agreement executed November 23, 1998, between the attorneys general of 46 States, the District of Columbia, the Commonwealth of Puerto Rico, and 4 territories of the United States and certain tobacco manufacturers.

(4) MODEL STATUTE; QUALIFYING STATUTE.—The terms "Model Statute" and "Qualifying Statute" means a statute as defined in section IX(d)(2)(e) of the Master Settlement Agreement.

(5) TOBACCO PRODUCT MANUFACTURER.—The term "Tobacco Product Manufacturer" has the meaning given that term in section II(uu) of the Master Settlement Agreement.

SEC. 5. UNDERCOVER CRIMINAL INVESTIGATIONS OF THE BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES.

(a) APPROPRIATIONS AVAILABLE.—

(1) IN GENERAL.—Commencing as of the date of the enactment of this Act and without fiscal year limitation, the authorities in section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993 (title I of Public Law 102-395; 106 Stat. 1838) shall be available to the Bureau of Alcohol, Tobacco, Firearms and Explosives for undercover investigative operations of the Bureau which are necessary for the detection and prosecution of crimes against the United States.

(2) CONFORMING RULE.—For purposes of the exercise by the Bureau of Alcohol, Tobacco, Firearms and Explosives of the authorities referenced in paragraph (1), a reference in section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993 (title I of Public Law 102–395; 106 Stat. 1838) to the Federal Bureau of Investigation shall be deemed to be a reference to the Bureau of Alcohol, Tobacco, Firearms and Explosives, and a reference to the Director of the Federal Bureau of Investigation shall be deemed to be a reference to the Director of the Bureau of Alcohol, Tobacco, Firearms and Explosives.

(b) LIMITATIONS IN APPROPRIATIONS ACTS.—The exercise of the authorities referred to in subsection (a)(1) by the Bureau of Alcohol, Tobacco, Firearms and Explosives shall be subject to the provisions of appropriations Acts.

SEC. 6. INSPECTION BY BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES OF RECORDS OF CERTAIN CIGARETTE AND SMOKELESS TOBACCO SELLERS.

(a) IN GENERAL.—Any officer of the Bureau of Alcohol, Tobacco, Firearms and Explosives may, during normal business hours, enter the premises of any person described in subsection (b) for the purposes of inspecting—

(1) any records or information required to be maintained by such person under the provisions of law referred to in subsection (d); or

(2) any cigarettes or smokeless tobacco kept or stored by such person at such premises.

(b) COVERED PERSONS.—Subsection (a) applies to any person who engages in a delivery sale, and who ships, sells, distributes, or receives any quantity in excess of 10,000 cigarettes, or any quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, within a single month.

(c) RELIEF.—

(1) IN GENERAL.—The district courts of the United States shall have the authority in a civil action under this subsection to compel inspections authorized by subsection (a).

(2) VIOLATIONS.—Whoever violates subsection (a) or an order issued pursuant to paragraph (1) shall be subject to a civil penalty in an amount not to exceed $10,000 for each violation.

(d) COVERED PROVISIONS OF LAW.—The provisions of law referred to in this subsection are—

(1) the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the "Jenkins Act");

(2) chapter 114 of title 18, United States Code; and

(3) this Act.

(e) DELIVERY SALE DEFINED.—In this section, the term "delivery sale" has the meaning given that term in 2343(e) of title 18, United States Code, as amended by section 4(d)(4).

SEC. 7. COMPLIANCE WITH TARIFF ACT OF 1930.

(a) INAPPLICABILITY OF EXEMPTIONS FROM REQUIREMENTS FOR ENTRY OF CERTAIN CIGARETTES.—Section 802(b)(1) of the Tariff Act of 1930 (19 U.S.C. 1681a(b)(1)) is amended by adding at the end the following: "This paragraph shall not apply to any cigarettes sold in connection with a delivery sale (as that term is defined in section 1(6) of the Act of October 19, 1949 (commonly referred to as the 'Jenkins Act'))."

(b) STATE AND TRIBAL ACCESS TO CUSTOMS CERTIFICATIONS.—Section 802 of the Tariff Act of 1930 (19 U.S.C. 1681a) is amended by adding at the end the following:

"(d) STATE AND TRIBAL ACCESS TO CUSTOMS CERTIFICATIONS.—A State, through its attorney general, and an Indian tribe (as that term is defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), through its chief law enforcement officer, shall be entitled to obtain copies of any certification required pursuant to subsection (c) directly—

"(1) upon request to the agency of the United States responsible for collecting such certification; or

"(2) upon request to the importer, manufacturer, or authorized official of such importer or manufacturer.".

(c) ENFORCEMENT PROVISIONS.—Section 803 of the Tariff Act of 1930 (19 U.S.C. 1681b) is amended—

(1) in subsection (b)—

(A) in the first sentence—

(i) by inserting "any State of" before "the United States" the first and second places it appears; and

(ii) by inserting before the period the following: ", to any State in which such tobacco product, cigarette papers, or tube was imported, or to the Indian tribe of any Indian country (as that term is defined in section 1151 of title 18, United States Code) in which such tobacco product, cigarette papers, or tube was imported"; and

(B) in the second sentence, by inserting ", or to any State or Indian tribe," after "the United States"; and

(2) by adding at the end the following:

"(c) ACTIONS BY STATES AND OTHERS.—

"(1) PERSONS DEALING IN TOBACCO PRODUCTS.—Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 (regarding permitting of manufacturers and importers of tobacco products and export warehouse proprietors) may bring an action in the United States district courts to prevent and restrain violations of this title by any person (or by any person controlling such person), other than a State, local, or tribal government.

"(2) STATE, LOCAL, AND TRIBAL GOVERNMENTS.—A State, through its attorney general, or a local government or tribe through its chief law enforcement officer (or a designee thereof), may bring a civil action under this title to prevent and restrain violations of this title by any person (or by any person controlling such person) or to obtain any other appropriate relief for violations of this title by any person (or from any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief.

"(3) CONSTRUCTION GENERALLY.—

"(A) IN GENERAL.—Nothing in this subsection shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian tribe against any unconsented lawsuit under this title or to otherwise restrict, expand, or modify any sovereign immunity of a State, local government, or Indian tribe.

"(B) CONSTRUCTION WITH OTHER RELIEF.—The remedies available under this subsection are in addition to any other remedies available under Federal, State, local, tribal, or other law.

"(4) CONSTRUCTION WITH FORFEITURE PROVISIONS.—Nothing in this subsection shall be construed to require a State or Indian tribe to first bring an action under to paragraph (1) when pursuing relief under subsection (b).

"(d) CONSTRUCTION WITH OTHER AUTHORITIES.—Nothing in this title shall be construed to expand, restrict, or otherwise modify the right of—

"(1) an authorized State official from proceeding in State court, or taking other enforcement actions, on the basis of alleged violation of State or other law; or

"(2) an authorized Indian tribal government official from proceeding in tribal court, or taking other enforcement actions, on the basis of alleged violation of tribal law.".

(d) INCLUSION OF SMOKELESS TOBACCO.—

(1) IN GENERAL.—Sections 802 and 803(a) of the Tariff Act of 1930 (19 U.S.C. 1202 et seq.) are amended by inserting "or smokeless tobacco products" after "cigarettes" each place it appears.

(2) CONFORMING AMENDMENTS.—

(A) REQUIREMENTS FOR ENTRY.—Section 802 of the Tariff Act of 1930 (19 U.S.C. 1681a) is amended—

(i) in the heading, by inserting "**AND SMOKELESS TOBACCO**" after "**CIGARETTES**";

(ii) in subsection (a)—

(I) in paragraph (1), by inserting "or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), respectively" after "section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)";

(II) in paragraph (2), by inserting "or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), respectively," after "section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)"; and

(III) in paragraph (3), by inserting "or section 3(d) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(d)), respectively," after "section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))";

(iii) in subsection (b)—

(I) in the heading of paragraph (1), by inserting "OR SMOKELESS TOBACCO" after "CIGARETTES"; and

(II) in the heading of paragraphs (2) and (3), by inserting "OR SMOKELESS TOBACCO" after "CIGARETTES"; and

(iv) in subsection (c)—

(I) in the heading, by inserting "OR SMOKELESS TOBACCO" after "CIGARETTE";

(II) in paragraph (1), by inserting "or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), respectively" after "section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)";

(III) in paragraph (2)(A), "or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), respectively," after "section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)"; and

(IV) in paragraph (2)(B), by inserting "or section 3(d) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(d)), respectively" after "section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))".

(B) ENFORCEMENT.—Section 803(b) of the Tariff Act of 1930 (19 U.S.C. 1681b(b)) is amended by inserting ", or any smokeless tobacco product," after "or tube" the first place it appears.

(C) TITLE HEADING.—The heading of title VIII of the Tariff Act of 1930 (19 U.S.C. 1681 et seq.) is amended by inserting "**AND SMOKELESS TOBACCO**" after "**CIGARETTES**".

SEC. 8. EXCLUSIONS REGARDING INDIAN TRIBES AND TRIBAL MATTERS.

(a) IN GENERAL.—Nothing in this Act or the amendments made by this Act is intended nor shall be construed to affect, amend, or modify—

(1) any agreements, compacts, or other intergovernmental arrangements between any State or local government and any government of an Indian tribe (as that term is defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) relating to the collection of taxes on cigarettes or smokeless tobacco sold in Indian country (as that term is defined in section 1151 of title 18, United States Code);

(2) any State laws that authorize or otherwise pertain to any such intergovernmental arrangements or create special rules or procedures for the collection of State, local, or tribal taxes on cigarettes or smokeless tobacco sold in Indian country;

(3) any limitations under existing Federal law, including Federal common law and treaties, on State, local, and tribal tax and regulatory authority with respect to the sale, use, or distribution of cigarettes and smokeless tobacco by or to Indian tribes or tribal members or in Indian country;

(4) any existing Federal law, including Federal common law and treaties, regarding State jurisdiction, or lack thereof, over any tribe, tribal members, or tribal reservations; and

(5) any existing State or local government authority to bring enforcement actions against persons located in Indian country.

(b) COORDINATION OF LAW ENFORCEMENT.—Nothing in this Act or the amendments made by this Act shall be construed to inhibit or otherwise affect any coordinated law enforcement effort by 1 or more States or other jurisdictions, including Indian tribes, through interstate compact or otherwise, that—

(1) provides for the administration of tobacco product laws or laws pertaining to interstate sales or other sales of tobacco products;

(2) provides for the seizure of tobacco products or other property related to a violation of such laws; or

(3) establishes cooperative programs for the administration of such laws.

(c) TREATMENT OF STATE AND LOCAL GOVERNMENTS.—Nothing in this Act or the amendments made by this Act is intended, and shall not be construed to, authorize, deputize, or commission States or local governments as instrumentalities of the United States.

(d) ENFORCEMENT WITHIN INDIAN COUNTRY.—Nothing in this Act or the amendments made by this Act is intended to prohibit, limit, or restrict enforcement by the Attorney General of the United States of the provisions herein within Indian country.

(e) AMBIGUITY.—Any ambiguity between the language of this section or its application and any other provision of this Act shall be resolved in favor of this section.

SEC. 9. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall take effect on the date that is 90 days after the date of enactment of this Act.

(b) BATFE AUTHORITY.—

(1) IN GENERAL.—Sections 6 and 7 shall take effect on the date of enactment of this Act.

(2) DEFINITION.—For purposes of section 7, the definition of delivery sale in section 2343(e)(1) of title 18, United States Code, as amended by section 4(d)(4) of this Act, shall take effect on the date of enactment of this Act.

SEC. 10. SEPARABILITY.

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of it to any other person or circumstance shall not be affected thereby.

By Mr. HATCH (for himself, Mr. BINGAMAN, and Mr. BIDEN):

S. 3811. A bill to require the payment of compensation to members of the Armed Forces and civilian employees of the United States who performed slave labor for Japanese industries during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Armed Services.

Mr. HATCH. Mr. President, it is my privilege today to introduce legislation that attempts to right wrongs and help those who have suffered.

I can think of few Americans who have suffered more than those brave World War II veterans who were subjected to slave labor conditions by Japanese industries during that difficult conflict. This legislation would provide long overdue compensation to our brave veterans who were forced into slave labor by our enemies.

Some might ask: why don't these veterans seek a remedy from the courts? The answer is that they have. Unfortunately, due to decisions that were made during the Cold War, our government relinquished the right of these veterans to successfully seek redress of their grievances on this matter in our nation's courts.

Regrettably, the Japanese Government has also declined to provide compensation.

Today, many of these American POWs are now in their eighties and nineties. Every day, more and more of these veterans pass away without ever realizing that their country truly cares for them and wants to right the wrongs of the past. If those who remain are to receive compensation, they must receive it now or this injustice will never be righted.

Remember, many of these men are the survivors of the Bataan Death March, which occurred in April of 1942 when the 70,000 Allied troops that comprised the defense of Bataan peninsula were ordered to surrender. Corregidor would fall a month later, but for the soldiers of Bataan the infamous Death March from the peninsula to holding camps throughout the Philippines was about to begin. During this march of 85 miles approximately 10,000 Allied forces were killed.

American POWs in the Pacific theater are also the survivors of the "Hell Ships" where servicemembers were placed in cargo ships destined for Japanese industrial sites. These ships were usually incredibly overcrowded and American POWs were subject to the horrific sanitary and living conditions.

After all this, when American servicemembers arrived at their destination, the majority were treated as slave labor, they faced fierce corporal punishment for minor infractions, and unnecessary starvation and cruel work environments.

It is important to note that this bill, which I am honored to say is cosponsored by Senator BINGAMAN and Senator BIDEN, is not to embarrass or to ridicule the people of Japan; far from it. For over 60 years, Japan has been one of our great allies. As the ranking member on the Senate Intelligence Committee, I well know the invaluable support and assistance that Japan has rendered in the global war on terrorism, including committing hundreds of ground troops to assist in the development of Iraq's infrastructure. I know that all Americans are grateful for this assistance.

Mr. President, it is time to do the right thing and provide these veterans with the minimal level of compensation they deserve. I believe that this limited compensation is a debt of honor that we should not withhold.

By Mr. ISAKSON (for himself and Mr. REED):

S. 3812. A bill to require the Food and Drug Administration to conduct consumer testing to determine the appropriateness of the current labeling requirements for indoor tanning devices and determine whether such requirements provide sufficient information to consumers regarding the risks that the use of such devices pose for the development of irreversible damage to the skin, including skin cancer, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. REED. Mr. President, I rise today, along with my colleague, Senator ISAKSON, to introduce the Tanning Accountability and Notification—TAN—Act of 2006. A House counterpart measure was introduced by Representatives MALONEY and BROWN-WAITE in February.

Close to a million people will be diagnosed with skin cancer this year. Approximately 1 in 5 Americans will develop skin cancer in their lifetime, and these numbers are on the rise.

There are many factors that contribute to these startling figures. In recent years efforts have been undertaken by various organizations to better inform the public about the risk of sun exposure and ways to decrease the chance of developing skin cancer. One area, however, where better information is sorely needed is on the use of indoor tanning salons.

Every day approximately 1 million people visit a tanning salon. It is a practice particularly popular among teens, the group that seems most at risk from the effects of indoor tanning. The American Academy of Dermatology, the Food and Drug Administration, FDA, the National Institutes of Health, NIH, the Centers for Disease Control and Prevention, CDC, and the World Health Organization, WHO, all discourage the use of indoor tanning equipment.

This message and the current information about the risks of indoor tanning I fear are not being adequately passed on to consumers. The FDA has not updated its warnings on tanning beds since 1979. Regular users of indoor tanning beds deserve to be fully informed.

The TAN Act calls upon the FDA to revisit the current label on indoor tanning beds and determine through a process of public hearings and consumer testing what kind of labeling requirements would convey important information on the risks of indoor tanning.

This legislation is not about introducing new regulations but ensuring that the current FDA regulations remain effective in communicating accurate, current, and clear information to consumers of indoor tanning salons.

I look forward to working with my colleagues towards passage of this important, bipartisan legislation. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

By Mr. SMITH (for himself, Mr. BINGAMAN, and Ms. MURKOWSKI):

S. 3813. A bill to permit individuals who are employees of a grantee that is receiving funds under section 330 of the Public Health Service Act to enroll in health insurance coverage provided under the Federal Employees Health Benefits Program; to the Committee on Homeland Security and Governmental Affairs.

Mr. SMITH. Mr. President, today I am introducing the Community Health Center Employee Health Coverage Act, a bill that will help provide community health centers, CHCs, better access to more affordable health insurance for their employees. I am pleased to have my colleagues Senators BINGAMAN and MURKOWSKI join me as original cosponsors on this important proposal.

CHCs form the backbone of the Nation's health care safety net. They provide essential medical services to some of our most vulnerable citizens, including the uninsured and Medicaid and Medicare beneficiaries. In my home State of Oregon, health centers provide over 130 points of access, where upwards of 180,000 individuals receive care each year. Approximately 41 percent of those served are uninsured and 36 percent are on Medicaid, and most all reside in either a rural or economically depressed area. Clearly, CHCs have an important role in ensuring that those who otherwise might be unable to afford health coverage have access to the care they need.

CHCs also serve their patients in a very efficient manner. Studies have shown that care provided Medicaid patients at CHCs costs 30 percent less than care provided in other settings. This is mainly due to a lower number of specialty referrals and fewer overall hospital admissions. CHCs effectively demonstrate how focusing on primary and preventive care can help keep individuals healthier, which ultimately enhances their lives and saves the broader health care system money. Above and beyond the efficiencies CHCs have achieved in service delivery, patients report overwhelming satisfaction for the treatment they are provided. Health care providers across the spectrum would be well-served by emulating CHCs' example of delivering affordable, high-quality health care in an efficient manner.

Given the enormous value CHCs have to the U.S. health care system, I believe Congress should do all it can to support their mission. I commend President Bush's commitment to increasing funding for health center expansion in recent years. I am pleased the administration's request for $180 million in new funding in fiscal year 2007 was included in the Senate's version of the budget resolution. As the appropriations process continues to move forward, I hope that those much-needed funds are ultimately approved by Congress.

The bill I am filing today will compliment the increased funding CHCs have received in recent years. Just like businesses across the nation, health centers are coping with the rising cost of providing health benefits to their employees. Premiums for private health insurance grew by 9.5 percent in 2005—the fifth consecutive year of increases over 9 percent. Because CHCs operate on very limited budgets, it has become more and more difficult for them to absorb these increased costs while continuing to provide affordable health care to their patients.

It is important to note that CHCs rely upon the Federal Government for more than half of their operating revenues. Each year, health centers receive 26 percent of their funding from direct

Federal grants and another 36 percent from the Medicaid Program. Because CHCs are predominantly a Federal enterprise, I believe it makes sense for them to be able to reap many of the same benefits of other Federal entities. That is why the bill I am filing today would allow CHCs to purchase more affordable health insurance coverage for their employees through the Federal Employee Health Benefits Program, FEHBP.

Allowing federally funded entities to purchase health coverage through FEHBP is not unprecedented. Employees of Gallaudet University and certain U.S. Department of Agriculture grantees already are able to participate in FEHBP as if they were directly employed by the Federal Government. Considering that CHC providers are already deemed "Federal employees" for the purpose of receiving medical liability protection through the Federal Government, it is a logical next step to allow them to purchase health coverage through FEHBP. In doing so, we will be able to provide CHCs much needed security in knowing that their employees will have steady access to affordable health insurance.

I believe that in the long run, CHCs will be able to achieve a great deal of savings by purchasing health coverage for their employees through FEHBP. Premiums for policies purchased through FEHBP consistently grow at a much slower rate than other commercial policies. Every dollar CHCs save in employee benefit costs can be redirected into medical care for the vulnerable populations they serve. Access to FEHBP coverage also may help some CHCs provide health benefits to their employees for the first time. This could help recruit much needed medical personnel in underserved and rural communities. I am hopeful health centers in rural parts of my State will be able to attract the physicians they so desperately need by offering them FEHBP coverage.

There is wide support for CHCs in the Senate, as evidenced by the introduction of two other CHC-related measures this week. Senator BINGAMAN and I also are filing the Strengthen the Safety Net Act that will allocate unspent Medicaid disproportionate share hospital funds to CHCs and other community-based health care providers. And, I am joining a bipartisan group of my colleagues in introducing the CHC Reauthorization Act to ensure that CHCs can continue providing health care to some of our most vulnerable citizens for years to come. I hope the Senate's leadership will move this package of three bills quickly through the process, as a sign of appreciation for the important role CHCs play in the U.S. health care system.

Mr. BINGAMAN. Mr. President, I am pleased to be an original coauthor of the Community Health Center Employee Health Coverage Act of 2006 with Senators SMITH and MURKOWSKI. I ask for unanimous consent that a fact sheet with respect to the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACT SHEET

Problem: Like many small businesses, health centers have seen their health insurance premiums sky-rocket. Although they delivered comprehensive primary and preventive care to more than 15 million people in 2004, more than 6 million of whom had no health insurance coverage, these rising costs will have detrimental impacts on health centers as they are forced to channel federal grant dollars (which are intended for the uninsured and underinsured) to pay for the increasing insurance expenditures. If this continues, health centers may eventually be forced to either reduce the coverage of their own employees or reduce the availability of health care in their already underserved communities.

Fortunately, employees of health centers are generally healthy individuals and largely do not have chronic diseases or high medical bills. The irony here is that at the same time that health center employees are providing quality care to the uninsured and very poor, they are often unable to afford health insurance themselves. Furthermore, health centers have cited affordable health care as a key concern in recruiting and retaining quality employees and clinical staff.

Solution: This bipartisan legislation, introduced by Senators Smith, Bingaman, and Murkowski, would reduce health centers' rising health insurance costs and also improve coverage in many cases and therefore save taxpayer grant money that would otherwise be used to pay health insurance premiums. The bill would enable health centers to use scarce funds to continue providing care in their communities. In addition, extending coverage under FEHBP to health centers would allow health centers to continue to offer health insurance to their employees so they too don't join the ranks of the uninsured.

This bill would not set a precedent. The law currently provides for Federal Employees Health Benefit Program (FEHBP) coverage for other individuals who are not federal employees but do receive federal grant funds for their operations, such as Gallaudet University or USDA grant recipients comprised of local farmers. Currently FEHBP covers over nine million federal employees, while Heath Centers employ nearly 100,000 people across the country.

This would be a logical extension of the health centers' Federal Tort Claims Act (FTCA) legislation, where health center staffers are deemed as federal employees for medical malpractice coverage purposes. This bill would extend the same mechanism for health insurance purposes.

Benefit: This bill will aid in the continuation of providing quality health care to those who need it most. It would also provide relief to community health centers in the form of lower premiums and better coverage for their employees by deeming them as federal employees for purposes of the Federal Employee Health Benefit Program (FEHBP). There should be no federal cost for this bill as health centers will pay the health care premiums for their employees but at a less expensive cost.

By Mr. SMITH (for himself and Mrs. LINCOLN):

S. 3815. A bill to improve the quality of, and access to, long-term care; to the Committee on Finance.

Mr. SMITH. Mr. President, I rise today to introduce the Long-Term Care Quality and Modernization Act of 2006. I am pleased to be joined by my colleague, Senator BLANCHE LINCOLN of Arkansas.

As chairman of the Senate Special Committee on Aging, I am committed to improving the financing and delivery of long-term care. The Centers for Medicare and Medicaid Services estimate that national spending for long-term care was almost $160 billion in 2002, representing about 12 percent of all personal health care expenditures. While those numbers are already staggering, we also know that the need for long-term care is expected to grow significantly in coming decades. Almost two-thirds of people receiving long-term care are over age 65, with this number expected to double by 2030.

I know that providing quality long-term care services for America's frail, elderly, and disabled is the priority of nursing homes and assisted-living facilities. I applaud their work but recognize we must do more to improve care and contain costs. When you consider that 8 of 10 nursing home residents rely on Medicare and Medicaid for their long-term care needs, it is apparent that Congress has a responsibility to improve these programs so they are sustainable for years to come.

That is why I am introducing the Long-Term Care Quality and Modernization Act of 2006 with Senator LINCOLN. This bill will address several problems nursing homes are experiencing with payments, regulations, workforce shortages, taxes, and disaster preparedness funding. The issue of long-term care expenditures need not be an insurmountable task. It will require action and cooperation by public officials and private providers as we work to find ways to help Americans become better prepared for their long-term care needs.

However, we cannot do it alone. Individuals must take responsibility and begin planning for their long-term care needs. With our national savings rate in steady decline, I fear the American middle class is woefully unprepared to meet the coming challenges of their long-term care. As we move forward in our effort to help individuals stay financially stable in their later years, we must encourage them to purchase long-term care insurance and save for long-term care services. Included in the bill I am introducing today is the Long-Term Care Trust Account Act of 2006. My legislation will create a new type of savings vehicle for the purpose of preparing for the costs associated with long-term care services and purchasing long-term care insurance. An individual who establishes a long-term care trust account can contribute up to

$5,000 per year to their account and receive a refundable 10 percent tax credit on that contribution. Interest accrued on these accounts will be tax free, and funds can be withdrawn for the purchase of long-term care insurance or to pay for long-term care services. The bill will also allow an individual to make contributions to another person's long-term care trust account. This will help many people in our country who want to help their parents or a loved one prepare for their health care needs.

It is my hope that this legislation will help all Americans save for their long-term care needs. I urge my colleagues on both sides of the aisle to support this important bill.

By Ms. COLLINS:

S. 3816. A bill to prohibit the shipment of tobacco products in the mail, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Ms. COLLINS. Mr. President, I rise today to introduce legislation that will help crack down on illegal sales of tobacco to underaged young people by banning the shipment of cigarettes and other tobacco products through the U.S. mail. Not only does the delivery of cigarettes and other tobacco products through the mail create opportunities for tax evasion, but it also creates an easy means through which children and young people can obtain these potentially deadly products.

Tobacco remains the No. 1 preventable cause of death in the United States today, accounting for more than 400,000 deaths a year and billions of dollars in health care costs. Moreover, tobacco addiction is a "teen-onset" disease: Ninety percent of all smokers start before they are 21. If we are to put an end to this tragic, yet preventable, epidemic, we must accelerate our efforts not only to help more smokers to quit, but also to discourage young people from ever lighting up in the first place.

Internet sales of tobacco are growing and growing fast. Unfortunately, effective safeguards against illegal sales to young people are virtually nonexistent on the more than 400 Web sites selling tobacco, making it easier and cheaper for kids to buy cigarettes.

A 2002 American Journal of Public Health study found that 20 percent of cigarette-selling Web sites do not say anything about sales to minors being prohibited. More than half require only that the buyer say they are of legal age. Another 15 percent require only that the buyer type in their date of birth, and only 7 percent require any driver's license information.

It is no wonder that Internet "stings" conducted by attorneys general in at least 15 States have found that children as young as 9 years old are able to purchase cigarettes easily. One study in The Journal of the American Medical Association reported that kids as young as 11 were successful more than 90 percent of the time in purchasing cigarettes over the Internet. Moreover, since Internet cigarette vendors typically require a two-carton minimum purchase, many high school and middle school buyers of Internet tobacco also end up serving as suppliers of cigarettes to other kids.

In an effort to combat this problem, all of the major credit card companies have taken steps to ensure that their systems are not used to process payments for illegal cigarette sales. Moreover, all of the major commercial carriers—UPS, DHL and FedEx—have agreed to put a stop to the mail order sale and delivery of tobacco products. This leaves our U.S. Postal Service as the sole remaining courier for the delivery of tobacco products to minors. I believe that it is time for us to close this final delivery gap so that cigarettes and other tobacco products are not so easily accessible to our Nation's children.

The Postal Code already makes it illegal to mail alcoholic beverages and guns. The legislation I am introducing today will amend title 39 of the United States Code to add cigarettes and smokeless tobacco to the list of restricted, nonmailable matter. Any person found guilty of mailing such a product would be liable for a civil penalty of up to $5,000 or 10 times the estimated retail value of the tobacco products, including all Federal, State, and local taxes, whichever is highest, for a first violation. Civil penalties of up to $100,000 would be imposed for a second or each subsequent violation.

Mr. President, the U.S. Postal Service should not be the delivery agent for illegal cigarette traffickers. The legislation I am introducing today will close a loophole that has allowed Internet and mail order companies to circumvent the law, and I urge my colleagues to support this reform.

By Mr. HATCH (for himself and Mr. LEAHY):

S. 3818. A bill to amend title 35, United States Code, to provide for patent reform; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, I rise today to introduce with Senator LEAHY the Patent Reform Act of 2006.

This bill addresses many of the issues and problems that my colleague, Senator LEAHY, and I have identified through a series of hearings and discussions with stakeholders. We also had the benefit of knowing the priorities identified by Chairman LAMAR SMITH and Ranking Democratic Member BERMAN, who have introduced an analogous bill in the House.

I would like to thank the Senator LEAHY for all of his hard work and assistance in developing this bill and for his willingness to reach a compromise on those issues where our policy views conflicted.

This bill is not perfect, and is not the bill that either I or my esteemed cosponsor would have introduced independently, but I believe that it fairly reflects a compromise between my priorities and the priorities of Senator LEAHY.

We have also attempted to achieve some balance between the priorities identified by the various industries and stakeholders that we consulted while formulating our policy views in this area.

I am sure that further refinements will be made to this bill during the legislative process, so I would encourage those who are either pleased or displeased by any of the aspects of the bill to continue working with us to resolve any outstanding issues.

This bill addresses many of the problems with the substantive, procedural, and administrative aspects of the patent system, which governs how entities here in the United States apply for, receive, and eventually make use of patents covering everything from computer chips to pharmaceuticals to medical devices to—I am told—at least one variety of crustless peanut butter and jelly sandwich.

As the Founding Fathers made clear in Article 1, section 8 of the Constitution, Congress is charged with "promot[ing] the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."

There is a growing consensus among those who use the patent system that significant reform is needed.

While there appears to be a high degree of consensus on some issues relating to patent reform—such as the advisability of creating a new post-grant review process, there are significant disagreements about other changes to the patent system and about how best to streamline patent litigation.

By all accounts, patent litigation has become a significant problem in some industries. There are a number of factors in patent law that drive up the cost and uncertainty of litigation in ways that are unjustified. However, some of the principal problems and costs associated with patent litigation are not uniform across industrial sectors. This has led to substantial and sometimes vociferous disagreements about the nature of the underlying problems and, thus, what the appropriate solutions might be. We have done our best to resolve these disagreements based on our judgment about what is likely to preserve a balance between patent holders and alleged infringers in these actions.

There is also substantial consensus regarding a number of basic, structural changes to the patent system. The most significant of these involves moving from our current first-to-invent system to something approximating a first-to-file rule in determining which of two conflicting inventors has the right to obtain a patent.

While there is general agreement regarding some of the changes necessary to move toward a first-to-file system, there are some disagreements that remain unresolved by the current language of this bill. Although we have done our best to preserve many of the principles defining what constitutes "prior art" under current law, patent experts continue to disagree over whether we have achieved this goal.

Additionally, shortly before introduction, a concern emerged that we had not adequately preserved the changes enacted by the Cooperative Research and Technology Enhancement Act—CREATE Act, P.L. 108-453—involving some types of double patenting. Since Senator LEAHY and I were original cosponsors of that law, I can assure you that we will be receptive to concerns in this regard and try to fix them.

With that preface, I would like to discuss several of the more significant changes made to the current patent system by this bill.

Sections 1 and 2 of the bill contain the short title, table of contents, and other similar provisions. Sections 3 and 4 contain amendments to implement the first-to-file rule and other changes to the manner in which patent applications are filed with the Patent and Trademark Office and the process governing the examination of applications. Much of this language is similar to language in previous bills. However, as I have mentioned, several significant issues remain unresolved, and we will continue to work with stakeholders and other members to ensure an appropriate resolution.

Section 5 changes the remedies available to plaintiffs in patent infringement suits, as well as the available defenses to patent infringement. The two most substantial changes involve limitations on the availability of enhanced damages upon a showing of "willful" infringement by a plaintiff and a parallel limitation on the availability of unenforceability under the doctrine of "inequitable conduct." Willfulness and inequitable conduct were two of the three major subjective elements that were identified in a major report on the current patent system by the National Research Council of the National Academy of Sciences. The report, entitled "A Patent System for the 21st Century," recommended limiting both willfulness and the inequitable conduct defense to streamline patent litigation. We were unable to reach agreement on repealing the "best mode" requirement, which was the third subjective element identified both in the report and by various stakeholders, but I am hopeful that we will continue to work toward a mutually-acceptable compromise on that issue.

Section 5 also contains a provision expanding "prior user rights." These prior user rights are, in reality, a defense to infringement liability for those making or preparing to make commercial use of an invention prior to a patent being issued. Prior to a patent's issuance, such a user often has no way of knowing that he is—or will be—infringing a patent. In some cases, the user has independently invented the subject matter in question, in which case it would be inequitable to subject him or her to infringement liability. Currently, the prior user defense is available only with respect to method patents. The bill expands the prior user defense to all categories of patents and makes related changes to this defense.

Additionally, Section 5 contains two of the more controversial provisions in the bill. The first is a rough codification of an "apportionment" rule for calculation of damages. There is an existing, uncodified rule for such apportionment that exists in case law. However, codifying the rule will increase its clarity and mandate its application in all appropriate cases.

The second controversial provision in this section is a mandatory fee shifting provision. The language of this provision requires courts to award attorneys' fees to a prevailing party in cases where the non-prevailing party's legal position was not substantially justified. This language is similar to the test used in the Equal Access to Justice Act. This provision is intended to discourage litigation in those cases where a plaintiff's or defendant's case is so weak as to be objectively unreasonable.

Finally, this section also contains a repeal of Section 271(f) of Title 35. Under current law, either a foreign or domestic patent holder may be able to obtain damages based on foreign uses of domestically-manufactured components of an infringing article. In essence, current law provides for the extraterritorial application of domestic law in a manner that benefits foreign manufacturers and patentees in some situations.

Section 6 contains procedures for instituting a new type of post-grant review preceding that will allow the validity of a patent to be challenged in an administrative proceeding conducted by the Patent and Trademark Office rather than in court litigation.

Under current law, there are narrow reexamination procedures by which the PTO may reconsider a patent's validity at the request of an interested party. However, current reexamination proceedings are very limited and do not allow for a full consideration of a patent's validity. As a result, even when reexamination is available, potential litigants generally wait to challenge a patent's validity until an infringement suit has been brought despite the higher costs and prolonged uncertainty of doing so.

I believe that by adopting a more robust post-grant review proceeding we are providing a more efficient means of challenging a patent's validity in an administrative proceeding. This is necessary to address systemic problems in our patent system, making post-grant review an essential component of any meaningful reform legislation. While there appears to be substantial agreement regarding the need for a more meaningful post-issuance review, there are strong disagreements over its specific attributes and scope.

During hearings conducted in the Subcommittee on Intellectual Property and during meetings with stakeholders, we encountered widely disparate proposals and suggestions regarding post-grant review from stakeholders, academics, and lawmakers. At one end of the spectrum are proposals that would create a low-cost, streamlined proceeding by simply expanding the current inter partes reexamination. At the other end of the spectrum are those that would like to see the creation of specialized patent courts that would partially supplant Federal court litigation. With this bill, we have introduced a proposal that falls somewhere in between these two extremes.

This bill institutes a robust post-grant opposition system. The new procedures for post-grant cancellation proceedings create a new system for challenging the validity of problematic or suspect patents, which will allow those who are concerned about infringing such a patent to test its validity in an administrative proceeding instead of waiting to assert invalidity as a defense in an infringement action. The new procedures are tiered in such a way as to encourage challenges to occur within the first year after a patent's issuance. After the one-year "first window," challenges may still be brought by those who are able to demonstrate a substantial economic stake in the outcome of the proceeding. To deter piecemeal litigation, if a party institutes a proceeding after the first year, any challenge to patentability available to that party with respect to the patent must be either raised or waived. Thus, a challenger who participates in a proceeding outside the first year is estopped from raising any grounds relating to patentability that were or could have been raised in the previous challenge.

In addition to the new post-grant review proceedings, language in section 9 of this bill makes substantial improvements to the existing inter partes reexamination proceeding that are based on recommendations from the PTO and stakeholders. The most significant change to the reexamination proceedings is the modification of the estoppel effect of such proceedings. Currently, participants in an inter partes reexamination are barred from subsequently raising any grounds they "raised or could have raised." Thus, parties who wish to challenge a patent more than a year after its issuance will have the option of bringing a narrow challenge that will not subject them to full estoppel as an alternative to bringing a full post-grant opposition proceeding or reserving their arguments for court. This approach provides a range of alternatives to legitimate challengers, while still providing balanced protections against harassing or abusive litigation for the patentee.

Section 8 would amend the current statutory provision that determines the appropriate venue for patent litigation. The intent of the venue language is to serve as a starting point for discussions as to what restrictions—if any—are appropriate on the venue in which patent cases may be brought. Section 8 also contains a provision allowing for interlocutory appeals of decisions involving the claim construction of a patent. Again, this language is intended to generate discussion about the current interplay between the Federal district and appellate courts. As both academics and the patent bar have noted, the resolution of the legal questions involving claim construction appear to be taking up a greater and greater portion of the docket of the Federal circuit court of appeals.

Given the high percentage of reversals on claims construction issues, some experts believe that an interlocutory appeal of Markman decisions might allow parties to resolve disputes as to claim construction more decisively prior to proceeding to a full trial. Alternatively, other experts believe that a return to the treatment of claims construction as a mixed question of law and fact might induce more deferential review by the appellate court. Still others have suggested that increased expertise among the district court judges trying patent cases might result in a lower reversal rate. In that regard, I should note that Congressman ISSA has a bill authorizing a pilot project that appears to be a promising approach to increasing the expertise of Federal judges who handle patent cases, and I am considering introducing a similar bill here in the Senate. While I am not wedded to any particular approach or combination of approaches, I believe this is an issue that should receive serious attention and consideration by Congress.

Section 9 of the bill includes additional statutory changes that either implement or complement provisions found elsewhere in the bill. It also includes expanded authority for the PTO to conduct substantive rulemaking, as well as the changes to the inter partes reexamination procedures that I mentioned previously.

Section 10 includes a generic effective date provision. Obviously, I will need to modify the effective dates of the various provisions in the bill once we have been able to assess the difficulty of implementing various provisions in this bill.

In closing, I would like to thank my cosponsor, the senior Senator from Vermont, for all the work he has put into this bill and to compliment his intellectual property counsel, Susan Davies, for her efforts as well. I am committed to moving this legislation forward and hope that my colleagues will join me in my efforts to refine and enact this important bill.

Mr. LEAHY. Mr. President, the Senate is about to adjourn for its August recess—4 weeks when we get to reconnect with our constituents, catch up on the concerns of our home States, and study our legislative plans with a depth and attention that we cannot devote during the hectic days we are in session. Some of us may even spend a little time with our families and friends. As I have done in years past, I will be in Vermont. The choice between spending August in Washington, DC, or Middlesex, VT, has always been an easy one for me.

When the Senate is in session, our obligations are many and varied, as important as they are diverse. We hold hearings, and then we pursue followup questions. We try to engage in oversight, though that has not been a particularly fruitful exercise with this current administration. We investigate issues, and then we endeavor to craft solutions. We vote and we caucus and we deliberate.

It is not always a process that yields results, but today I can report it has. I am pleased to join with the chairman of the Intellectual Property Subcommittee today in introducing a bipartisan bill on patent reform. The bill is the result of almost 2 years of hard work on hard issues. We held several hearings, had innumerable meetings with a universe of interested participants in the patent system, and received input from a number of voices in debate about patent reform. We delved deeply into the myriad problems plaguing our patent system, especially those that hinder the issuance of high-quality patents.

In introducing this bill together, we take a productive step toward updating the most outdated aspects of the patent code and attempt to bolster the Patent and Trademark Office in its administrative review of patents throughout the process. We are striving to place incentives on the parties with the most information to assist the PTO by sharing that information. We place our patent system in line with much of the rest of the world, by moving from a "first-to-invent" system to a "first-to-file."

Congress needs to address the urgent needs for revision and renewal in our patent system, and we must harness the impressive intellectual power and varied experiences of all the players in the patent community as we finalize our new laws. I believe that, while introducing this bill today is not the end of the process—and indeed, in many respects, it is truly the beginning—it is a significant accomplishment that we have come together to set down a comprehensive approach to overhauling our patent system. If the United States is to preserve its position at the forefront of innovation, as the global leader in intellectual property and technology, then we need to move forward, and this bill is our first step. We must improve and enhance the quality of our patent system and the patents it produces.

This legislation is not an option but a necessity. Senator HATCH and I have made genuine progress on this complex issue. We agreed on many salutary changes, but it can be no surprise that we differed on some aspects of the effort as well. Recognizing the critical importance of compromise, of offering a bill to the interested public to study and improve, and of taking a clear first step down the path to genuine reform, we both made concessions. This is not the bill I would have introduced if I were the sole author, and I expect Senator HATCH would say the same. I appreciate the concessions that Senator HATCH made. I have tried to be both reasonable and accommodating in honoring my commitment to him—a commitment that he requested specifically—to introduce a bill before the August recess.

In particular, I am concerned about how some of the changes proposed would affect the generic pharmaceutical industry, especially the provision that would limit the "inequitable conduct" defense to only those cases in which a patentee's willful deception of the PTO results in an invalid patent claim. While I think we should expect the highest caliber of behavior by those who are seeking patents—which are, after all, often highly profitable government monopolies—surely we can at least insist on an absence of affirmative deceit. I hope and expect that we can continue the discussion on this issue as the year progresses.

I also want to ensure the delicate balance we have struck in the post-grant review process and make certain that the procedure is both efficient and effective at thwarting some strategic behavior in patent litigation and at promoting a healthier body of existing patents. Fee-shifting, even in a limited set of cases, likewise raises concerns that should have a more public airing.

I respect the necessity for considering and balancing a number of different concerns as we draft comprehensive and complicated legislation. I will never sacrifice the quality of the laws we produce to expediency, but I recognize the utility of such compromises when, as with this bill, introduction is a first step in a larger and longer discussion.

I am extremely pleased that Senator HATCH and I have come together to tackle these important and urgent issues. Many hours of hard work were spent by both of our offices to develop legislative language so that we can, today, jointly introduce a bill to move the debate forward. The bill is a remarkable achievement and a substantial step toward real reform. I look forward to continuing to work with Senator HATCH, other members of the Senate Judiciary Committee, and the affected parties on these matters.

By Mr. BINGAMAN (for himself, Mr. SMITH, Mrs. LINCOLN, Mr. PRYOR, and Mr. AKAKA):

S. 3819. A bill to amend title XIX of the Social Security Act to provide for redistribution and extended availability of unexpended medicaid DSH allotments, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation with Senators SMITH, LINCOLN, PRYOR, and AKAKA entitled the "Strengthening the Safety Net Act of 2006." This legislation is important to the continued survival of many of our Nation's safety net hospitals that provide critical health care access to our Nation's 46 million uninsured citizens through the Medicaid disproportionate share hospital, or DSH, program.

In recognition of the burden certain hospitals bear in providing a large share of health services to the low-income patients, including Medicaid and the uninsured, the Congress established the Medicaid DSH program in the mid-1980s to give additional funding to support such "disproportionate share" hospitals. By providing financial relief to these hospitals, the Medicaid DSH program maintains hospital access for the poor. As the National Governors Association has said, "Medicaid DSH's funds are an important part of statewide systems of health care access for the uninsured."

Mr. President, I ask unanimous consent for the text of the bill and the text of the fact sheet on the legislation be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3819

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Strengthening the Safety Net Act of 2006".

SEC. 2. REDISTRIBUTION AND EXTENDED AVAILABILITY OF UNEXPENDED MEDICAID DSH ALLOTMENTS.

Section 1923(f) of the Social Security Act (42 U.S.C. 1396r-4(f)) is amended—

(1) in paragraph (3)(A), by striking "paragraph (5)" and inserting "paragraphs (5) and (7)";

(2) by redesignating paragraph (7) as paragraph (8); and

(3) by inserting after paragraph (6), the following new paragraph:

"(7) REDISTRIBUTION AND EXTENDED AVAILABILITY OF UNEXPENDED ALLOTMENTS.—

"(A) ESTABLISHMENT OF REDISTRIBUTION POOL.—

"(i) IN GENERAL.—Subject to clauses (ii) and (iii), the Secretary shall establish, as of October 1 of fiscal year 2007, and of each fiscal year thereafter, the following redistribution pool:

"(I) In the case of fiscal year 2007, a $150,000,000 redistribution pool from the total amount of the unexpended State DSH allotments for fiscal year 2004.

"(II) In the case of fiscal year 2008, a $250,000,000 redistribution pool from the total amount of the unexpended State DSH allotments for fiscal year 2005.

"(III) In the case of fiscal year 2009 and each succeeding fiscal year thereafter, a $400,000,000 redistribution pool from the total amount of the unexpended State DSH allotments for the third preceding fiscal year.

"(ii) UNEXPENDED STATE DSH ALLOTMENTS.—If a State claims Federal financial participation for a payment adjustment made under this section for a fiscal year from which a redistribution pool of unexpended State DSH allotments has already been created under clause (i), then, for purposes of this paragraph, the total amount of unexpended State DSH allotments in the fiscal year following the State claim for such Federal financial participation, shall be reduced by the Federal financial participation related to such claim.

"(iii) REDUCTION IN AMOUNTS AVAILABLE.—If the total amount of the unexpended State DSH allotments for a fiscal year (taking into account any adjustment to such amount required under clause (ii)) is less than the amount necessary to provide, for such fiscal year, the redistribution pool described in clause (i) and the amounts to be made available for grants under section 3(g) of the Strengthening the Safety Net Act of 2006 for such fiscal year, the Secretary shall reduce the amounts that are to be available for the redistribution pool under this paragraph and grants under such section, respectively, to such total amount.

"(B) REDISTRIBUTION.—

"(i) IN GENERAL.—Not later than October 1, 2006, and October 1 of each year thereafter, the Secretary shall allot the redistribution pool established for that fiscal year among eligible States.

"(ii) PRIORITY.—In making allotments under clause (i), the Secretary shall give priority—

"(I) first to eligible States described in paragraph (5)(B) (without regard to the requirement that total expenditures under the State plan for disproportionate share hospital adjustments for fiscal year 2000 is greater than 0); and

"(II) then to eligible States whose State DSH allotment per medicaid enrollee and uninsured individual for the third preceding fiscal year is below the national average DSH allotment per medicaid enrollee and uninsured individual for that fiscal year.

"(C) EXPENDITURE RULES.—An amount allotted to a State from the redistribution pool established for a fiscal year—

"(i) shall not be included in the determination of the State's DSH allotment for any fiscal year under this section;

"(ii) notwithstanding any other provision of law, shall remain available for expenditure by the State through the end of the second fiscal year after the fiscal year in which the allotment from the redistribution pool is made for expenditures incurred in any of such fiscal years; and

"(iii) shall only be used to make payment adjustments to disproportionate share hospitals in accordance with the requirements of this section.

"(D) DEFINITIONS.—In this paragraph:

"(i) ELIGIBLE STATE.—The term 'eligible State' means, with respect to the fiscal year from which a redistribution pool is established under subparagraph (A)(i), a State that has expended at least 90 percent of the State DSH allotment for that fiscal year by the end of the succeeding fiscal year.

"(ii) STATE DSH ALLOTMENT PER MEDICAID ENROLLEE AND UNINSURED INDIVIDUAL.—The term 'State DSH allotment per medicaid enrollee and uninsured individual' means the amount equal to the State DSH allotment for a fiscal year divided by the sum of the number of individuals who received medical assistance under the State program under this title for that fiscal year and the number of State residents with no health insurance coverage for that fiscal year, as determined by the Bureau of the Census.

"(iii) NATIONAL AVERAGE DSH ALLOTMENT PER MEDICAID ENROLLEE AND UNINSURED INDIVIDUAL.—The term 'national average DSH allotment per medicaid enrollee and uninsured individual' means the amount equal to the total amount of State DSH allotments for a fiscal year divided by the sum of the total number of individuals who received medical assistance under a State program under this title for that fiscal year and the total number of residents with respect to all States who did not have health insurance coverage for that fiscal year, as determined by the Bureau of the Census.".

SEC. 3. HEALTH SERVICES FOR THE UNINSURED.

(a) DEMONSTRATION GRANTS TO HEALTH ACCESS NETWORKS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall award demonstration grants to health access networks.

(2) APPLICATION.—Each applying health access network shall submit a plan that meets the requirements of subsection (c) for the purpose of improving access, quality, and continuity of care for uninsured individuals through better coordination of care by the network.

(3) AUTHORITY TO LIMIT NUMBER OF GRANTS.—The number of demonstration grants awarded under this section shall be limited, in the discretion of the Secretary, so that grants are sufficient to permit grantees to provide patient care services to no fewer than the number of uninsured individuals specified by each network in its grant application.

(b) DEFINITION OF HEALTH ACCESS NETWORK.—

(1) IN GENERAL.—In this section, the term "health access network" means a collection of safety net providers, including hospitals, community health centers, public health departments, physicians, safety net health plans, or other recognized safety net providers organized for the purpose of restructuring and improving the access, quality, and continuity of care to the uninsured and underinsured, that offers patients access to all levels of care, including primary, outpatient, specialty, certain ancillary services, and acute inpatient care, within a community or across a broad spectrum of providers across a service region or State.

(2) INCLUSION OF SECTION 330 NETWORKS AND PLANS.—The term "health access network" includes networks and plans that meet the requirements for funding under section 330(e)(1)(C) of the Public Health Service Act (42 U.S.C. 254b(e)(1)(C)).

(3) INCLUSION OF INTEGRATED HEALTH CARE SYSTEMS.—

(A) IN GENERAL.—Such term also includes an integrated health care system (including a pediatric system).

(B) DEFINITION OF INTEGRATED HEALTH CARE SYSTEM.—For purposes of this section, an integrated health care system (including a pediatric system) is a health care provider that is organized to provide care in a coordinated fashion and assures access to a full range of primary, specialty, and hospital care, to uninsured and under-insured individuals, as appropriate.

(c) PLAN REQUIREMENTS.—

(1) IN GENERAL.—A health access network that desires a grant under this section shall submit a plan to the Secretary that details how the network intends to—

(A) manage costs associated with the provision of health care services to uninsured and underinsured individuals served by the health access network;

(B) improve access to, and the availability of, health care services provided to uninsured and underinsured individuals served by the health access network;

(C) enhance the quality and coordination of health care services provided to uninsured and underinsured individuals served by the health access network;

(D) improve the health status of uninsured and underinsured individuals served by the health access network; and

(E) reduce health disparities in the population of uninsured and underinsured individuals served by the health access network.

(2) IDENTIFICATION OF MEASURABLE GOALS.—The health access network shall—

(A) identify in the plan measurable performance targets for at least 3 of the goals described in paragraph (1); and

(B) agree that a portion of the payment of grant funds for patient care services after the first year for which such payment is made shall be contingent upon the health access network demonstrating success in achieving such targets.

(d) USE OF FUNDS.—A health access network that receives funds under this section shall expend—

(1) an amount equal to not less than 90 percent of such funds for direct patient care services; and

(2) an amount equal to not more than 10 percent of such funds for the network's operation and development for the purpose of improving the efficiency and effectiveness of the business and clinical operations of providers within the health access network, including through the integration of management information systems (including development and implementation of electronic medical records) and financial, administrative, or clinical functions across providers.

(e) RULE OF CONSTRUCTION REGARDING DIRECT PATIENT CARE SERVICES.—With respect to health access networks described in subsection (b)(2), the term "direct patient care services" shall be construed to mean the provision or purchase of services, such as specialty medical care and diagnostic services, that are not available or are insufficiently available through the network's providers. In purchasing such services for uninsured and underinsured individuals, networks shall, to the maximum extent feasible, endeavor to purchase such services from safety net providers.

(f) SUPPLEMENT, NOT SUPPLANT.—Funds paid to a health access network under a grant made under this section shall supplement and not supplant, other Federal or State payments that are made to the health access network to support the provision of health care services to low-income or uninsured patients.

(g) FUNDING.—

(1) TRANSFER OF PORTION OF UNEXPENDED DSH ALLOTMENTS.—Notwithstanding any other provision of law, as of October 1 of fiscal year 2007, and each fiscal year thereafter, amounts described in paragraph (2) are hereby transferred from the total amount of the unexpended State DSH allotments under section 1923 of the Social Security Act (42 U.S.C. 1396r–4) and made available for grants under this section.

(2) AMOUNTS MADE AVAILABLE FOR GRANTS.—The amounts to be made available under this section for each fiscal year beginning with fiscal year 2007 are equal to the redistribution pool amounts determined for each fiscal year under section 1923(f)(7)(A)(i) of the Social Security Act (42 U.S.C. 1396r–4(f)(7)(A)(i)) (as amended by section 2(3) of the Strengthening the Safety Net Act of 2006).

There being no objection, the additional material was ordered to be printed in the RECORD, as follows:

STRENGTHENING THE SAFETY NET ACT OF 2006

This legislation, introduced by Senators Bingaman, Smith, Lincoln, Pryor, and Akaka, would redistribute unused federal Medicaid Disproportionate Share Hospital (DSH) funds to strengthen and augment the nation's health care safety net. Half of the redistributed funds would be used to increase the availability of DSH funds to states currently receiving low or less than average DSH allotments and the other half would be used to fund integrated "health access networks" of community health centers, public hospitals, and other safety net providers. These networks would be required to provide high quality primary, outpatient, inpatient and specialty care to uninsured and other medically vulnerable populations.

In 2007, the bill would redistribute $300 million in unexpended funds; in 2008, $500 million; and in 2009 and thereafter $800 million. These levels would be prorated downward if there are insufficient unexpended funds to meet the statutory amounts. This legislation will:

Keep funds allocated to the safety net with the safety net; Provide money to test implementation of high quality integrated networks of safety net providers; and, Allow networks of community health centers to purchase specialty care services.

BACKGROUND

Congress created the Medicaid DSH requirement in 1981 to ensure that state Medicaid programs provide adequate payments to hospitals whose patient populations are disproportionately composed of low income Medicaid and uninsured patients. Medicaid DSH payments have evolved into one of the most important sources of financing for the nation's safety net. Each year, each individual state is allocated a DSH allotment. The allotments vary considerably from state to state and a state's ability to draw-down its DSH allotment varies depending on its financial resources. Each year, some states do not utilize their entire DSH allotment.

In part, this legislation would permit a redistribution of unused DSH funds to states that have lower DSH allotments. Two categories of states would be prioritized to receive redistributed DSH money to supplement their existing DSH allotment: (1) low DSH states (i.e. states that are designated by the MMA as a low DSH state due to DSH expenditures being less than 3 percent of total Medicaid expenditures in fiscal year 2000) and (2) states whose DSH allotment per Medicaid enrollee and uninsured individual is below the national average. Only states that have spent at least 90 percent of their DSH allotment would be eligible for the redistribution.

Redistributed DSH dollars also would fund "Health Access Network" demonstration projects designed to improve access, quality, and continuity of care for uninsured individuals through better coordination of care. To obtain funding under this legislation, health access networks would be required to submit a plan to the Secretary of the Department of Health and Human Services that details how the network plans to:

Reduce costs associated with the provision of health care services to uninsured individuals; Improve access to, and the availability of, health care services provided to individuals served by the health access network; Enhance the quality and coordination of health care services provided to such individuals; Improve the health status of communities served by the health access network; and, Reduce health disparities in such communities.

Health access networks would be required to identify measurable performance targets and demonstrate progress in order to qualify for future year funding. Grantees would have to spend 90 percent of awarded funds for direct patient care services.

By Mr. DURBIN:

S. 3820. A bill to expand broadband access for rural Americans; to the Committee on Commerce, Science, and Transportation.

Mr. DURBIN. Mr. President, I rise to introduce a bill entitled Broadband for Rural America Act of 2006.

There is no question that broadband is an essential component of our lives, both at work and at home. Broadband access is becoming a vital service, much like water, sewer, gas, and electricity are essential resources for our daily living. Our homes and businesses need affordable and easy access to an always-on, high speed and high capacity Internet connection, much like our homes and businesses need the traditional utility services.

Additionally, people who work outside the confines of an office building need broadband access on the go. Often, it is not enough to have only a cell phone to remain in touch with your boss, coworker, client, or supplier. In today's global economy, we need easy methods to transfer a vast quantity of data, fast and reliably, even if we are not near a landline phone, fax, or computer terminal.

Yet for so many Americans today, broadband access is still a foreign concept. The digital divide remains a reality. Rural broadband deployment continues to lag behind urban deployment, and the differential continues to grow, even as broadband usage has grown significantly in our Nation.

When I travel to small or rural towns in downstate Illinois and elsewhere, I meet people who tell me that they cannot wait to have broadband, but that there is no service available where they live. I am certain that all of my colleagues in the Senate can identify with situations like this, where they have met constituents who are eager to jump onto the Information Superhighway, yet there is no on-ramp.

According to a 2004 report issued by the U.S. Department of Commerce, only about 25 percent of rural households that use the Internet have broadband access, compared to over 40 percent of the same households in urban areas. Similarly, the U.S. Department of Agriculture's 2005 report found that farm households have home access to broadband at almost half the level of all U.S. households nationwide.

The Pew Internet and American Life Project found similar results. In its 2006 report, Pew found that only 18 percent of rural adults reported a home broadband connection in the year 2005, compared to 31 percent of urban adults.

All these different studies issued by various authorities point to a consistent conclusion: Americans living in urban areas are almost twice as likely to have home broadband access as do their rural counterparts.

Contrary to popular belief, however, rural households use computers and information technology in ways that are very similar to their urban counterparts. Thus, it appears that the main obstacle to improving rural broadband adoption is not differences in the users themselves, but in the availability and price of broadband service.

It is clear that citizens in small towns and rural areas simply do not have the same options that people in cities and urban areas do. And, in some of the rural areas where broadband is available, these customers often pay more for inferior quality than customers in the more populated areas.

As our rural residents are falling behind city dwellers, so too, is our Nation falling behind the rest of the developed world.

The Organization for Economic Cooperation and Development found that, in 2004, America ranked 12th among developed nations in broadband access per 100 inhabitants. However, the same study had found that in 2001, we ranked 4th in the developed world. So, this means that in just 3 short years, we lost our competitive edge to 8 countries.

Broadband is critical to community and economic development, as it encourages investment, creates jobs, improves productivity, fosters innovation, and increases consumer benefits in every corner of our Nation.

A 2003 study by Criterion Economics found that adoption of current generation broadband would increase the gross domestic product by $179.7 billion, while sustaining an additional 61,000 jobs per year over the next 19 years. The study also projected 1.2 million jobs could be created if next generation broadband technology were rapidly deployed.

In early 2004, President Bush called for universal and affordable access to broadband by the year 2007, because it will enhance our Nation's economic competitiveness and help improve education and health care for all Americans. Kevin Martin, the chairman of the Federal Communications Commission, has said he is committed to expanding the number of broadband users in our country so that we can improve our rank in the world.

I agree with both President Bush and Chairman Martin. The administration, the FCC, Congress, and the States can all contribute to closing the digital divide, ensuring that rural Americans are not left behind in the 21st century's digital economy.

We need to work together to address this critical shortfall in our Nation's infrastructure. We need a seamless national network of broadband providers that will serve everyone in America.

Whether it is through telephone wire, cable, fiber, satellite, wireless, powerline, or any other medium, we need every existing and future broadband service provider to step up to the national challenge.

That is why I am introducing a bill that will encourage rapid deployment of high quality and affordable high speed broadband service, especially in the rural areas that desperately need this technology.

The Broadband for Rural America Act of 2006 includes five major provisions. Each provision is designed to eliminate obstacles that hinder broadband deployment in rural America today.

First, my bill creates a new Federal program specifically targeted to assist people who are doing the necessary work at the earliest stages to bring broadband to their communities.

These are future customers who are weary of waiting for telecommunications and cable companies to eventually reach their corners of the State. These are individuals, businesses, and co-ops who want to create a demand pool to entice new or existing carriers to quickly expand broadband service to areas where they work and live.

We have several groups like this in my home State of Illinois. They cannot wait any longer, so they have taken the initiative to work for access to affordable high quality broadband service.

Many of these groups and individuals work in collaboration with like-minded community leaders, businesspeople, engineers, and other experts to learn all they can about their region. They are the local experts on the unique geographic, economic, and lifestyle needs of their market. They can conduct the mapping and surveying work, to find out where there are services and gaps in their neighborhoods, and what technology is best suited to serve their region.

And, if they discover that no existing provider wants to expand service to where they are, based on the company's internal cost-benefit analysis, these groups are willing to start a communications service of their own, using technology they can afford, to provide broadband for and by themselves. These good people do not want to be left out of the new economy. They need our help.

Yet, currently, there is no readily accessible source of funding from the Federal Government for these groups that are undertaking the critical early stage groundwork. If they were already communications service providers, they could look for funding through other programs, including the USDA's Rural Utilities Service Program, the universal service fund, or the Small Business Administration. They could also go to the financial markets to seek venture capital and operating funds from established private sector investors.

But as startup groups trying hard to serve their local or rural community's needs, they have few places to turn to for financial assistance.

My bill creates a new Office of Broadband Access within the FCC that would administer a trust fund from which Federal grants can be issued to these startup groups. Under my bill, eligible entities include nonprofits, academic institutions, local governments, and commercial companies that will work to identify broadband access needs in unserved areas of the country.

The types of projects to be funded through this new program will include feasibility studies, mapping, economic analysis, and other activities undertaken to determine the reasons for the current lack of service and the scale, scope, and type of broadband services most suitable for the particular unserved area.

To further assist with these startup projects, my bill requires the FCC to collect more useful information from current broadband service providers to ascertain where and how broadband service is available, and to report to Congress on the areas that are unserved.

This reporting requirement is a bipartisan idea that Senator BILL NELSON and Senator JIM DEMINT recently presented before the Senate Commerce Committee. I am happy to work with them to further encourage the FCC to collect more useful data on the state of broadband deployment.

Finally, the revenues to fund this trust fund will be derived from direct appropriations of $10 million per year for 5 years, plus 1 percent of proceeds from all auction sales of spectrum conducted by the FCC, which are to be set aside for this unique purpose. I believe this should generate enough revenues to sustain this trust fund for the next 5 years, which is the critical time for Federal assistance.

When Congress created the Rural Utilities Service Broadband Loan and Loan Guarantee Program in the 2002 farm bill, we charged the U.S. Department of Agriculture with providing much needed funds to bring broadband to rural America. The bill authorized $100 million for fiscal years 2002 to 2007 to provide below market-rate loans and loan guarantees for the construction and improvement of facilities and equipment to provide broadband service.

While this loan program has had some successes over the past 4 years, it has also faced serious internal and external criticism.

For example, in September 2005, USDA's inspector general issued an internal audit report pointing out major problems with the program. Among other concerns, the report alleges that, in decisions that were inconsistent with provisions of authorizing statute, USDA has funded entities in suburban—not rural—areas, and in places that are already receiving broadband service.

The internal report also accuses the agency of mismanaging the program, leading to irregularities and even fraud in the decisionmaking and approval processes for applications.

To add more controversy to this program, in May of this year, USDA was sued by the cable industry for allegedly failing to follow the statutory mandates that created the broadband loan program.

Striking a tone similar to the inspector general's internal audit report, the lawsuit alleges among other issues that USDA has diverted Federal funds to suburban areas and has failed to ensure that unserved communities receive first priority.

I support the USDA's rural broadband loan program, and I want to see the program grow and continue to fund worthy projects. But I also believe that these recent internal and external developments merit serious consideration. So, in the spirit of working with the USDA to reform the problematic areas, my bill reforms and extends the life of the loan program for another 5 years, to expire in 2012, not 2007.

The bill goes to the heart of the concerns raised by the critics of the program. It amends the definition of an eligible rural community to exclude any area located within 10 miles of any city with a population of over 25,000. This should prevent the program from funding urban or suburban areas that may be technically considered rural under some definitions, but are in reality, located adjacent to areas that already receive broadband service.

Additionally, my bill prevents any rural area from being funded where a majority of its residential customers already have access to broadband service offered at a price per megabit of speed comparable to the nearest urban area. Under this definition, any area where rural residents are already enjoying affordable high speed broadband service should not be allowed to receive additional Federal funds.

These funds should be saved for the truly needy communities.

My bill also provides language to authorize in statute a rural broadband grant program to be administered by the USDA, together with its rural broadband loan and loan guarantee program.

While the USDA has created its own grant programs to fund certain broadband providers, a formal grant program was never authorized by Congress. By authorizing it, Congress will have more oversight and impose accountability, while keeping the grant program funded at an operational level for many years to come.

Finally, although USDA's inspector general has recommended several reform measures, I believe we should force the agency to implement these changes in order to improve the loan and grant programs. Therefore, my bill requires the USDA to undertake a comprehensive and transparent rulemaking process in response to the recent internal audit.

The FCC has been looking to make more spectrum available for innovative unlicensed wireless uses, including wireless broadband. This new "unlicensed" spectrum holds tremendous potential for allowing wireless broadband to be deployed in rural areas. This would be especially helpful in large rural geographic regions where it would be cost prohibitive to build out a broadband infrastructure with wires, cable, or fiber.

Some of this spectrum would come from space made newly available when traditional analog over-the-air TV broadcasters transition to digital transmission by 2009. Other spectrum may be found in narrow gaps between currently existing licensed users that could be utilized by smaller and localized products, such as garage openers, cordless phones, wireless baby monitors, and of course, broadband.

While I support making more spectrum available to new users, I believe we need to do so with clear safeguards in place so that new wireless users will not cause undue interference problems with existing broadcasters, public safety officials, and others that use wireless products such as microphones.

My bill requires the FCC to complete a rulemaking process to make new spectrum available for wireless broadband services in rural areas as soon as practicable. The bill specifically requires the FCC to ensure that new unlicensed wireless users provide engineering testing results to prevent harmful interference problems.

The FCC also has been planning an auction sale of spectrum in the 700 MHz band, which is ideal for wireless broadband use. I support this auction, and I encourage the FCC to conduct it as soon as possible, so that new service providers can enter the wireless broadband market to fill in the gaps in service that wireline providers cannot or will not meet.

However, we have learned from previous FCC auctions that the true value of spectrum depends on who uses it and for what purposes. We also have learned that different carriers will bid in different auctions, depending on the size of the blocks of airwaves available for purchase. Large national wireless carriers will choose to bid on large geographic markets, while smaller or local carriers will bid on smaller market sizes.

For the 700 MHz band, I agree with a bipartisan idea that Senator OLYMPIA SNOWE and Senator BYRON DORGAN proposed in the Senate Commerce Committee. In our view, it makes the most sense to configure the plan for this band to designate up to 12 MHz of paired recovered analog spectrum to be auctioned for smaller geographic licenses.

This will maximize the participation of small, regional, and rural service providers, because these are the most likely entities to provide wireless broadband service in rural areas.

My bill therefore requires the FCC to evaluate its auction plans and to divide some of the frequency allocations into smaller area licenses so that regional and rural wireless companies can compete in the bidding process.

I look forward to working with Senators SNOWE and DORGAN to ensure that the FCC maximizes the value of these public airwaves for the benefit of all Americans, especially those living in rural areas.

As with many States, my State of Illinois has struggled over the past few years with ways to bring universal and affordable broadband to every corner of our State. Many leaders in our State and local governments have studied various proposals, and have sought the guidance of experts in the private sector.

Additionally, telecommunications and cable companies that provide the vast majority of broadband service in the nation today are generally regulated at the state and local levels. Therefore, in our effort to develop a national broadband policy, I think it makes sense for Congress to learn from the varied experiences gained in many states that have tried innovative solutions to encourage or mandate broadband services in their regions.

My bill establishes a task force consisting of experts in Federal, State, and local governments, trade associations, public interest organizations, academic institutions, and other relevant areas, to study best practices for rapid deployment of broadband services in States, particularly those with large unserved rural areas.

The bill requires the task force, within 6 months, to provide to Congress and to each governor a report detailing a comprehensive list of specific measures adopted by State or local governments that have helped provide incentives for communications carriers to deploy broadband services in areas that lacked such services.

For too long, we have been talking about the need to bring universal and affordable broadband to every corner of our Nation. Yet progress has been too slow. It is time to reengage our national, state, and local policy leaders to focus our attention, and work with the private sector toward achieving this goal.

I urge my colleagues to join me in supporting Broadband for Rural America Act of 2006.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

S. 3820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Broadband for Rural America Act of 2006".

SEC. 2. FINDINGS.

Congress finds the following:

(1) High speed broadband communications is no longer a luxury. It has become a vital service for all Americans, much like water, sewer, gas, and electricity are essential resources for our daily lives.

(2) Broadband infrastructure is critical to community and economic development, by encouraging investment, creating jobs, improving productivity, fostering innovation, and increasing consumer benefits.

(3) Despite the ongoing efforts by traditional communications carriers to expand broadband services, the rate of deployment in America is still far from ideal. Recent reports indicate that America continues to trail other leading industrialized countries, per capita, in the availability and use of broadband communications.

(4) As our Nation falls behind the developed world in broadband access, so, too, are rural residents falling behind city and urban residents. In small towns and rural America, broadband service remains largely non existent. In places where it is available, rural broadband customers often pay more for inferior quality than customers in cities and urban areas.

(5) A national policy is needed to accelerate the deployment of broadband services so that, no matter where they live, every American can have access to affordable and high-quality broadband service as soon as possible.

SEC. 3. PURPOSE.

The purposes of this Act are to encourage the rapid deployment of high quality and affordable high speed broadband service to every corner of our Nation by—

(1) establishing a new source of funding for entities that work to identify unserved regions of the Nation and to address the lack of broadband service in those areas;

(2) reforming the rural broadband loan program to ensure that Federal funds are provided only to qualified entities that will serve truly rural and unserved regions of the Nation, while providing statutory authority and Federal funding for the rural broadband grant program;

(3) making more unlicensed spectrum available for innovative wireless broadband uses that will not cause harmful interference and degradation of service to other wireless services;

(4) encouraging rural, regional, and smaller wireless carriers to enter the wireless broadband market by reconfiguring the size of spectrum auctions into smaller market sizes; and

(5) studying policies and programs adopted by State and local governments that have worked to provide incentives for rapid broadband deployment.

SEC. 4. BROADBAND ACCESS TRUST FUND AND OFFICE OF BROADBAND ACCESS.

(a) Establishment.—

(1) Fund established.—There is established in the Treasury of the United States the Broadband Access Trust Fund.

(2) Office established.—

(A) In general.—There is established within the Federal Communications Commission the Office of Broadband Access.

(B) Duties.—The Office of Broadband Access shall coordinate the use of all resources within the Fund, as such resources relate to the expansion of broadband technology into rural or unserved areas.

(3) Deposits.—The Fund shall consist of—

(A) the amounts appropriated pursuant to subsection (f); and

(B) 1 percent of the proceeds of any auction for any bands of frequencies conducted pursuant to section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)).

(4) Fund availability.—

(A) Appropriation.—There are appropriated from the Fund such sums as are authorized by the board to be disbursed for grants under this section.

(B) Reversion of unused funds.—Any grant proceeds that remain unexpended at the end of the grant period, as determined under subsection (c)(3), shall revert to and be deposited in the Fund.

(b) Board of Directors.—

(1) Establishment.—The Fund shall be administered by the Office of Broadband Access, in consultation with a board of directors comprised of 5 members, appointed by the Chairman of the Federal Communications Commission, with experience in 1 or more of the following fields:

(A) Grant and investment management.

(B) Advanced communications technology.

(C) Rural communications services.

(D) Community-based economic development.

(2) Functions.—The board shall—

(A) establish reasonable and prudent criteria for the selection of grant recipients under this section;

(B) determine the amount of grants awarded to such recipients; and

(C) review the use of grant funds by such recipients.

(3) Compensation prohibited; expenses provided.—The members of the board shall serve without compensation, but may, from appropriated funds available for the administrative expenses of the Federal Communications Commission, receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(c) Purpose and Activities of the Fund.—

(1) Grant purposes.—In order to achieve the objectives and carry out the purposes of this section, the Office of Broadband Access is authorized to make grants, from amounts deposited pursuant to subsection (a)(2) and from the interest or other income derived from the Fund—

(A) to study the lack of affordable broadband communications services in particular unserved regions of the nation, particularly in rural areas; and

(B) to take steps toward providing such services to such regions.

(2) Grant preference.—In making grants from the Fund, the Office of Broadband Access shall give preference to eligible individuals or entities that are proposing rural or community-based partnerships to encourage economic development in unserved regions of the nation, particularly in rural areas.

(3) Grant availability.—Grants from the Fund shall be made available on a single or multi-year basis to facilitate long term planning.

(d) Eligible Entities.—

(1) In general.—The following organizations and entities are eligible to apply for funds under this section:

(A) An agency or instrumentality of a State or local unit of government (including an agency or instrumentality of a territory or possession of the United States).

(B) A nonprofit agency or organization that is exempt from taxes under section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)).

(C) An institution of higher education.

(D) Any legally organized incorporated organization or other legal entity, including a cooperative, a private corporation, or a limited liability company.

(2) Preference.—

(A) Nonlicensed entities.—In determining which legally organized incorporated organizations or other legal entities shall receive grants from the Fund, the Office of Broadband Access shall give preference to those organizations and entities that are not already licensed by the Federal Communications Commission to provide voice, data, video, or other communications or information services.

(B) Secondary priority for already licensed entities.—The Office of Broadband Access shall only award grants from the Fund to those organizations and entities that are already licensed by the Federal Communications Commission to provide voice, data, video, or other communications or information services only after all applications by nonlicensed organizations described in subparagraph (A) have been considered.

(e) Permissible Uses of Funds.—Amounts made available by grants from the Fund under this section may be used by eligible entities for conducting feasibility studies, mapping, economic analysis, and other activities done to determine—

(1) the reasons for the lack of affordable broadband communications services in particular unserved regions of the nation, particularly in rural areas; and

(2) the scale, scope, and type of broadband services most suitable for each particular unserved area.

(f) Authorization of Appropriations.—There are authorized to be appropriated to the Fund $10,000,000 for fiscal year 2007 and each of the 5 succeeding fiscal years.

(g) Reports.—

(1) By grant recipients.—Each grant recipient shall submit to the Federal Communications Commission and the board a report on the use of the funds provided by the grant.

(2) BY FCC.—

(A) IN GENERAL.—The Federal Communications Commission shall annually submit to Congress a report on the operations of the Fund and the grants made by the Fund.

(B) REQUIRED CONTENT.—The report required under subparagraph (A) shall include—

(i) an identification of the grants made, the recipients thereof, and the planned uses of the amounts made available;

(ii) a financial report on the operations and condition of the Fund; and

(iii) a description of the results of the use of funds provided by grants under this section, including the status of broadband availability in the regions covered by such grants.

(C) INFORMATION REQUIRED.—

(i) IN GENERAL.—The Federal Communications Commission shall revise FCC Form 477 reporting requirements not later than 180 days after the date of enactment of this Act to require broadband service providers to report the following information:

(I) Identification of location where the provider provides broadband service to customers, identified by zip code plus 4 digit location (referred to in this subparagraph as “service area”).

(II) Percentage of residential households and businesses in each service area that are offered broadband service by the provider, and the percentage of such residential households and businesses that subscribe to each service plan offered.

(III) The average price per megabit of download speed and upload speed in each service area.

(IV) Identification by service area of the provider's broadband service's actual average throughput, and contention ratio of the number of users sharing the same line.

(ii) EXCEPTION.—The Federal Communications Commission may exempt a broadband service provider from the requirements of this subparagraph if the Federal Communications Commission determines that a provider's compliance with the reporting requirements is cost prohibitive, as defined by the Federal Communications Commission.

(D) REPORT.—The Federal Communications Commission shall provide to Congress on an annual basis a report, using available Census Bureau data, containing the following information for each service area that is not served by any broadband service provider:

(i) Population.

(ii) Population density.

(iii) Average per capita income.

(h) REGULATIONS.—The Federal Communications Commission may prescribe such regulations as may be necessary and appropriate to carry out this section.

(i) DEFINITIONS.—As used in this section—

(1) the term “the Fund” means the Broadband Access Trust Fund established pursuant to subsection (a); and

(2) the term “the board” means the board of directors established pursuant to subsection (b).

SEC. 5. USDA BROADBAND PROGRAM REFORMS.

(a) REAUTHORIZATION.—Section 601(k) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(k)) is amended by striking “2007” and inserting “2012”.

(b) CLARIFICATION OF ELIGIBLE RURAL COMMUNITY.—Section 601(b)(2) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(b)(2)) is amended to read as follows:

“(2) ELIGIBLE RURAL COMMUNITY.—The term ‘eligible rural community’ means any area of the United States that is not—

“(A) included within the boundaries of any incorporated city, village, borough, or town with a population in excess of 25,000 inhabitants;

“(B) located within 10 miles of any such city, village, borough, or town; and

“(C) an area where a majority of its residential customers have access to broadband service offered at a price per megabit of download speed and upload speed comparable to the nearest urban area.”.

(c) ADDITIONAL REQUIREMENTS FOR ELIGIBLE ENTITIES.—Section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by striking “(1) IN GENERAL.—”; and

(B) by striking paragraph (2); and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking “; and” and inserting a semicolon;

(B) in subparagraph (B), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(C) demonstrate that any loan or loan guarantee obtained under this section will be used only to furnish, improve, or extend broadband service to those eligible rural communities.”.

(d) COMMUNITY CONNECT GRANT PROGRAM.—Title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.) is amended by adding at the end the following:

“SEC. 602. COMMUNITY CONNECT GRANT PROGRAM.

“(a) PURPOSES.—The purposes of this section are—

“(1) to provide financial assistance in the form of grants to eligible applicants that will provide, on a community-oriented connectivity basis, broadband service that fosters economic growth and delivers enhanced educational, health care, and public safety services; and

“(2) to ensure the deployment of broadband service to extremely rural, lower-income communities on a community-oriented connectivity basis.

“(b) GRANTS AUTHORIZED.—

“(1) IN GENERAL.—The Secretary may award a grant to any eligible applicant to provide broadband services in accordance with the provisions of this section.

“(2) AWARD BASIS.—The Secretary shall award grants under this section on a competitive basis.

“(c) ELIGIBLE APPLICANT.—To be eligible to obtain a grant under this section, an applicant shall—

“(1) be—

“(A) legally organized as an incorporated organization;

“(B) an Indian tribe or tribal organization, as defined in subsections (b) and (c) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b) and (c));

“(C) a State or local unit of government;

“(D) an institution of higher education; or

“(E) any other legal entity, including a cooperative, a private corporation, or a limited liability company organized on a for-profit or not-for-profit basis;

“(2) have the legal capacity and authority to—

“(A) own and operate the broadband facilities proposed in its application;

“(B) enter into contracts; and

“(C) otherwise comply with applicable Federal statutes and regulations; and

“(3) develop a project that—

“(A) serves an eligible rural community;

“(B) deploys basic broadband service, free of all charges for at least 2 years, to all critical community facilities located within a proposed service area;

“(C) offers basic broadband service to residential and business customers within a proposed service area; and

“(D) provides—

“(i) a community center with at least 10 computer access points within a proposed service area; and

“(ii) broadband service to such centers free of charge for at least 2 years.

“(d) APPLICATION.—

“(1) SUBMISSION.—Each applicant seeking a grant under this section shall submit an application containing—

“(A) any information or documentation required under section 1739.15 of title 7, Code of Federal Regulations; and

“(B) such other information or documentation that the Secretary may require.

“(2) REVIEW AND SCORING OF APPLICATIONS.—The Secretary shall review and score any applications received under this section using the same methods, and in the same manner, as described in sections 1739.16 and 1739.17 of title 7, Code of Federal Regulations.

“(e) USE OF FUNDS.—A grant awarded to an eligible applicant pursuant to this section may be used to—

“(1) construct, acquire, or lease facilities, including spectrum, to deploy broadband service to all participating critical community facilities and all required facilities needed to offer such service to residential and business customers located within a proposed service area;

“(2) improve, expand, construct, or acquire a community center that furnishes free access to broadband service, provided that such community center is open and accessible to area residents before, during, and after normal working hours and on Saturday or Sunday;

“(3) purchase any end user equipment needed to carry out the project of the applicant described in subsection (c)(3);

“(4) pay the operating expenses incurred in providing—

“(A) broadband service to critical community facilities for the first 2 years of operation; and

“(B) training and instruction on how to use such services; and

“(5) purchase any land, building, or building construction needed to carry out the project of the applicant described in subsection (c)(3).

“(f) MATCHING REQUIREMENT.—

“(1) IN GENERAL.—Each eligible applicant shall contribute not less than 15 percent of the grant amount requested in any application.

“(2) FORM.—The matching contribution described in paragraph (1) may be in the following form:

“(A) Cash for eligible grant purposes.

“(B) In-kind contributions for purposes that could have been financed with grant funds under this section. In-kind contributions shall be new or non-depreciated assets with established monetary values. Manufacturers' or service providers' discounts shall not be considered a matching contribution.

“(C) The rental value of space provided within an existing community center, provided that such space is provided free of charge to such applicant, for the first 2 years of operation.

“(D) Salary expenses incurred for any individual operating the community center, for the first 2 years of operation.

“(E) Expenses incurred in operating a community center, for the first 2 years of operation.

"(3) PRIOR COSTS.—Costs incurred by an applicant, or by others on behalf of an applicant, for facilities, installed equipment, or other services rendered prior to submission of a completed application shall not be considered an acceptable use of grant funds under subsection (e) or a matching contribution.

"(4) RENTAL VALUES.—Rental values of space provided, as described in paragraph (1)(C), shall be substantiated by rental agreements documenting the cost of space of a similar size in a similar location.

"(5) REASONABLENESS REVIEW.—Rental values, salaries, and other expenses incurred in operating a community center shall be subject to review by the Secretary for reasonableness in relation to the scope of the applicant's project described in subsection (c)(3).

"(6) OTHER ASSISTANCE.—Any financial assistance from any other Federal source shall not be considered a matching contribution under this section unless there is a Federal statutory exception specifically authorizing the Federal financial assistance to be considered as such.

"(g) OTHER REQUIREMENTS.—Each applicant shall comply with the reporting, oversight, and auditing requirements described in sections 1739.19 and 1739.20 of title 7, Code of Federal Regulations.

"(h) DEFINITIONS.—As used in this section:

"(1) BASIC BROADBAND SERVICE.—The term 'basic broadband service' means the broadband service level provided by an applicant at the lowest rate or service package level for residential or business customers, as appropriate, provided that such service meets the requirements of this section.

"(2) BROADBAND SERVICE.—The term 'broadband service' means providing an information-rate equivalent to at least 200 kilobits/second in the consumer's connection to the network, both from the provider to the consumer (downstream) and from the consumer to the provider (upstream).

"(3) COMMUNITY CENTER.—The term 'community center'—

"(A) means a public building, or a section of a public building with at least 10 computer access points, that is used for the purposes of providing free access to or instruction in the use of broadband service, and is of the appropriate size to accommodate this purpose; and

"(B) may include schools, libraries, or a city hall.

"(4) COMPUTER ACCESS POINT.—The term 'computer access point' means a computer terminal with access to basic broadband service.

"(5) CRITICAL COMMUNITY FACILITIES.—The term 'critical community facilities' means any public school or education center, public library, public medical clinic, public hospital, community college, public university, or any law enforcement, fire, or ambulance station in a proposed service area.

"(6) END USER EQUIPMENT.—The term 'end user equipment' means computer hardware and software, audio or video equipment, computer network components, telecommunications terminal equipment, inside wiring, interactive video equipment, or other facilities required for the provision and use of broadband service.

"(7) RURAL AREA.—The term 'rural area' means any area of the United States that is not—

"(A) included within the boundaries of any incorporated or unincorporated city, village, borough, or town with a population in excess of 25,000 inhabitants; and

"(B) located within 10 miles of any such city, village, borough, or town.

"(8) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

"(9) SERVICE AREA.—The term 'service area' means a single community, and may include the unincorporated areas or locally recognized communities, not recognized in the most recent decennial census performed by the Bureau of the Census, located outside and contiguous to the boundaries of such community, in which the applicant proposes to provide broadband service.

"(10) SPECTRUM.—The term 'spectrum' means a defined band of frequencies that will accommodate broadband service.".

SEC. 6. USDA RULEMAKING.

The Secretary of Agriculture shall initiate and complete a rulemaking to—

(1) consider and adopt, as necessary in the discretion of the Secretary, the recommendations set forth in audit report 09601-4-Te, issued in September 2005, entitled "Rural Utilities Service Broadband Grant and Loan Programs" by the Inspector General of the United States Department of Agriculture; and

(2) review and propose recommendations as to how to best coordinate the application process of the broadband loan and loan guarantee program under section 601 of the Rural Electrification Act of 1936 and the Community Connect Grant program under section 602 of such Act, as added by section 2 of this Act.

SEC. 7. UNLICENSED DEVICES FOR RURAL WIRELESS BROADBAND.

(a) COMPLETION OF ORDER.—Not later than 18 months after date of enactment of this Act, the Federal Communications Commission shall issue a final order in the matter of Unlicensed Operation in TV Broadcast Bands, ET Docket No. 04–186.

(b) CONDITIONS.—In completing the final order described in subsection (a), the Federal Communications Commission shall—

(1) permit certified unlicensed devices to use, in non-exclusive terms, unassigned, non-licensed television broadcast channels between 54 MHz and 698 MHz in rural areas;

(2) protect incumbent certified low power auxiliary stations from harmful interference by requiring certification of unlicensed devices prior to permitting such devices to access or use unassigned, non-licensed television broadcast channels between 54 MHz and 698 MHz in rural areas, and including in the certification proof of successful completion of laboratory and field testing by an independent laboratory demonstrating that unlicensed devices do not cause harmful interference to incumbent certified low power auxiliary stations;

(3) protect incumbent certified low power auxiliary stations from harmful interference by prohibiting certified unlicensed devices from operating on any television broadcast channel between 54 MHz and 698 MHz in rural areas already in use by an incumbent certified low power auxiliary station; and

(4) consider additional ways to protect incumbent certified low power auxiliary stations from harmful interference, such as reserving certain television broadcast channels for exclusive use by incumbent certified low power auxiliary stations.

(c) DEFINITIONS.—As used in this section:

(1) CERTIFIED UNLICENSED DEVICE.—The term "certified unlicensed device" means any unlicensed device certified under subsection (b)(2)(D) operating in a fixed location, whose primary purpose is to provide broadband service to rural areas.

(2) INCUMBENT CERTIFIED LOW POWER AUXILIARY STATION.—The term "incumbent certified low power auxiliary station" means any certified low power wireless microphone, personal wireless monitor, or other audio auxiliary equipment operating on television broadcast channels between 54 MHz and 698 MHz, used for entertainment, religious, news-gathering, governmental, business, or personal consumer purposes to provide real-time, high-quality audio transmissions over distances of approximately 100 meters.

(3) RURAL AREA.—The term "rural area" means any rural service area or rural statistical area, as defined by the Federal Communications Commission.

SEC. 8. SPECTRUM AUCTION FOR RURAL WIRELESS BROADBAND.

Not later than February 1, 2007, the Federal Communications Commission shall initiate a proceeding—

(1) to reevaluate and reconfigure its band plans for the upper 700 MHz band (currently designated Auction 31) and for the unauctioned portions of the lower 700 MHz band (currently designated as Channel Blocks A, B, and E) so as to designate up to 12 MHz of paired recovered analog spectrum (as defined in section 309(j)(15)(C)(vi) of the Communications Act of 1934 (47 U.S.C. 309(j)(15)(C)(vi))); and

(2) to reconfigure its band plans to include spectrum to be licensed for small geographic license areas, taking into consideration the desire to promote infrastructure build-out and service to rural and insular areas and the competitive benefits, unique characteristics, and special needs of rural, regional, and smaller wireless carriers.

SEC. 9. PUBLIC-PRIVATE TASK FORCE ON BROADBAND INITIATIVES.

(a) ESTABLISHMENT.—There is established a task force to be known as the "Rural Broadband Access Task Force" (referred to in this section as the "Task Force").

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Task Force established under this section shall be composed of 11 members, of whom—

(A) 3 shall be appointed by the President;

(B) 2 shall be appointed by the Majority Leader of the Senate;

(C) 2 shall be appointed by the minority Leader of the Senate;

(D) 2 shall be appointed by the Speaker of the House of Representatives; and

(E) 2 shall be appointed by the minority Leader of the House of Representatives.

(2) QUALIFICATIONS.—The membership of the Task Force established under this section shall include—

(A) at least 6 members of whom—

(i) all shall be recognized experts in the field of communications;

(ii) 2 shall be employees of the Federal Government;

(iii) 2 shall be employees of State governments; and

(iv) 2 shall be employees of local governments;

(B) at least 1 member who shall be a representative of a consumer or public interest organization;

(C) at least 1 member who shall be a representative of interested trade associations;

(D) at least 1 member who shall be a representative of interested academic institutions; and

(E) at least 2 members all of whom shall be especially qualified to serve on the Task Force by virtue of their education, training, or experience, particularly in the field of rural communications access issues.

(3) CHAIRPERSON.—Each year, the Task Force shall elect a Chairperson from among its members.

(4) VICE CHAIR.—Each year, the Task Force shall elect a Vice Chair from among its members.

(c) DUTIES.—The Task Force shall—

(1) conduct a comprehensive survey of legislative, regulatory, or administrative policies or programs adopted by States to encourage rapid deployment of broadband services;

(2) study policies or programs that have been successful in providing incentives for communications carriers to deploy or expand services in areas that lacked such services before the introduction of such incentives; and

(3) study traditional incentives, such as tax credits or financial subsidies, as well as innovative efforts, including public and private partnership programs and best practices that have worked well in encouraging communications carriers to deploy or expand services in areas that lacked such services, particularly in those States with large unserved rural areas.

(d) REPORT.—Not later than 6 months after all the members of the Task Force have been appointed under subsection (b), the Task Force shall submit a report to Congress and to the governor of each State detailing a comprehensive list of policies and programs adopted by States that have succeeded in providing incentives for communications carriers to deploy or expand services in areas that lacked such services before the introduction of such incentives.

(e) WORKING GROUPS.—

(1) IN GENERAL.—The Task Force may establish such working groups as the Task Force determines necessary in order to assist the Task Force in carrying out this subsection.

(2) MEMBERSHIP.—Any working group established under paragraph (1) may include such members as the Task Force determines necessary, including individuals who were not appointed as a member of the Task Force under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

By Ms. COLLINS (for herself, Mrs. FEINSTEIN, Mr. CORNYN, Ms. MIKULSKI, Mr. LEAHY, and Mr. LIEBERMAN):

S. 3821. A bill to authorize certain athletes to be admitted temporarily into the United States to compete or perform in an athletic league, competition, or performance; to the Committee on the Judiciary.

Ms. COLLINS. Mr. President, I rise to introduce the Creating Opportunities for Minor League Professionals, Entertainers and Teams through legal Entry—COMPETE—Act. This bill will level the playing field for minor league sports teams that depend on getting the best athletic talent. I thank Senators FEINSTEIN, CORNYN, LIEBERMAN, MIKULSKI, and LEAHY for joining me in introducing this measure.

The core problem we address is that under current law, minor league players who have to use the H-2B visa category face severe visa shortages, while major league players qualify automatically for plentiful P-1 visas.

The H-2B visas are intended for use by industries facing seasonal demands for labor, such as the hospitality and logging industries. However, this type of visa is also used by many talented, highly competitive foreign athletes who are recruited by U.S. teams.

A chronic H-2B visa shortage over the last few years has posed challenges for all industries using the H-2B visa category. In recent fiscal years, including 2006, the 66,000 visa cap was met early in the year. While we were successful last year in crafting a temporary, 2-year fix for the H-2B shortage, this fix will expire at the end of the current fiscal year.

However, solving this problem goes beyond fixing the H-2B visa cap. Minor league players simply do not belong in the same visa category as seasonal workers. There is no rational basis for automatically qualifying major league players for P-1 visas, which are granted to talented athletes, artists, and entertainers, while denying them to minor league players. My amendment would remedy this unfair situation.

The problem of requiring minor league athletes to use the H-2B visa category has posed a particular challenge to those of us in Maine who enjoy cheering on our sports teams. The MAINEiacs, a Canadian junior hockey league team that plays its games in Lewiston, ME, has faced tremendous difficulties obtaining the H-2B visas necessary for the majority of its players to come to the United States to play in the team's first home games.

Last year, due to uncertainty surrounding the availability of H-2B visas at the end of the fiscal year, the team had to reschedule its season home opener and cancel several early season games. This forced the team to schedule make-up games for those normally played in September. The problems created by the visa situation creates an unnecessary hardship for this team, in addition to threatening the revenue the team generates for the city of Lewiston and businesses in the surrounding area.

The Portland Sea Dogs, a Double-A baseball team affiliated with the Boston Red Sox, is another of the many teams that relies on H-2B visas to bring some of its most skilled players to the United States. Thousands of fans come each year to see this team, and others like it across the country, play one of America's favorite sports. Due to the shortage of H-2B visas, however, Major League Baseball reports that, in 2004 and early 2005, more than 350 talented young, foreign baseball players were prevented from coming to the United States to play for minor league teams. These teams have been a traditional proving ground for athletes hoping to make it to the major leagues and players often move from these teams to major league rosters.

Including these highly skilled athletes in the H-2B visa category seems particularly unusual when you consider that major league athletes are permitted to use an entirely different nonimmigrant visa category—the P-1 visa. This visa is available to athletes who are deemed by the Citizenship and Immigration Services to perform at an "internationally recognized level of performance." Arguably, any foreign athlete whose achievements have earned him a contract with an American team would meet this definition.

CIS, however, has interpreted this category to exclude minor and amateur league athletes. Instead, the P-1 visa is typically reserved for only those athletes who have already been promoted to major league sports. Unfortunately, this creates something of a catch-22 for minor league athletes—if an H-2B visa shortage means that promising athletes are unable to hone their skills and prove themselves in the minor leagues, they are far less likely to earn the major league contract required for a P-1 visa.

A simple, commonsense solution would be to expand the P-1 visa category to include minor league and certain amateur-level athletes who have demonstrated a significant likelihood of graduating to the major leagues. Major League Baseball strongly supports the expansion of the P-1 visa category to include professional minor league baseball players. In correspondence to me, the league has pointed out that making P-1 visas available to this group of athletes, teams would be able to make player development decisions based on the talent of its players, without being constrained by visa quotas. The P-1 category, the league believes, is appropriate for minor league players because these are the players that major league clubs have selected as some of the best baseball prospects in the world.

There is no question that Americans are passionate about sports. We have high expectations for our teams and demand only the best from our athletes. By expanding the P-1 visa category, we will make it possible for athletes to be selected based on fair competition in talent and skill, rather the artificial limits of visa availability. In addition, we would reduce some pressure on the H-2B visa category making more of those visas available to the industries that need them.

Mr. President, the inequity of our current policy is clear. Let us take this simple step toward a more rational visa policy.

Mrs. FEINSTEIN. Mr. President, I am introducing today the COMPETE Act of 2006, along with Senators COLLINS and CORNYN.

This is a bill which amends the Immigration and Nationality Act to allow certain minor league athletes and ice skaters to be admitted temporarily into the United States to compete or perform in an athletic league, competition or performance under the same non-immigrant visa category as professional athletes.

The purpose of this legislation is to level the playing field for minor league sports teams that depend on getting the best athletic talent, regardless of where in the world that talent is discovered.

Under current law, minor league players and ice skaters who use the H-2B temporary visa category face severe visa shortages, while major league players qualify for uncapped P-1 temporary visas.

This unfair discrepancy in the law needs to be remedied, and the bill we are introducing today provides a commonsense solution because it allows minor league athletes—whether in baseball, basketball, hockey, or ice skating—who will perform competitively in the United States to apply for a P-1 temporary visa as opposed to an H-2B visa.

By way of background, The H-2B temporary visa category allows U.S. employers in industries with seasonal or intermittent needs to augment their existing labor force with temporary workers or augment their labor force when necessary due to a one-time occurrence which necessitates a temporary increase in workers.

Typically, H-2B workers fill labor needs in occupational areas such as construction, health care, landscaping, lumber, manufacturing, food service and processing, and resort and hospitality services.

Additionally, and perhaps what people do not know, is that not only is the H-2B visa category used by loggers, lifeguards, crab pickers, amusement park employees, hotel and restaurant employees, but it is also used by many talented, highly competitive foreign athletes who are recruited by U.S. teams and theatrical ice skating productions.

A chronic H-28 visa shortage over the last 3 years has posed challenges for all industries using the H-2B visa category. In fiscal years 2004, 2005, and 2006, the 66,000 visa cap has been reached, leaving American teams and the athletes they are recruiting out in the cold.

The COMPETE Act is a solution that not only helps professional American teams, but it also relieves the stress on the H-2B visa program added by a misclassified group.

The reality is that minor league athletes do not belong in the same visa category as seasonal workers. There is no reason major league athletes can't and shouldn't qualify for P-1 visas, which are granted to talented athletes, artists, and entertainers. The COMPETE Act would remedy this unfair situation.

What follows are some examples of how classifying minor leaguers and ice skaters as H-2B workers harms American sports and how it would be better that they be reclassified as other athletes for temporary P-1 visas.

Disney on Ice has seven domestic tours per year, bringing approximately $400,000 to each of the 150 to 170 U.S. cities in which it stops. There are not enough U.S. skaters to fill the roles each production requires, thus the organization relies on foreign skaters to supplement its cast. As the cap on H-28 visas has been consistently reached before the commencement of their training period—(August in Florida—and subsequent touring seasons—September through February or March—they are often short of ice skaters for their productions.

Major League Baseball was unable to bring 350 baseball players to the United States in the 2004 and 2005 seasons as a result of the H-28 visa cap having been met. Promotions of promising young players to the U.S. Minor League affiliates could not be made. Due to the unavailability of visas, signings of Canadian players drafted in baseball's June first-year player draft have declined by 80 percent. Furthermore, clubs who have already signed talented non-U.S. citizens have been prevented from bringing these players to the United States given that the H-2B cap has been reached in past years.

National Hockey League recruits from independent minor league teams, such as the American Hockey League, Central Hockey League, and the East Coast Hockey League, for foreign players to fill its ranks. Most minor hockey league teams' rosters are filled with a majority of foreign national professional athletes. This is evident by the number of slots that are requested each year by the minor leagues on their temporary labor certification applications filed with the Labor Department. For instance, the AHL requests approximately 21 player slots out of a roster of approximately 26 players; the other leagues are similarly situated where the number of requests for slots on temporary labor certifications is usually in the ballpark of 80 percent of the roster.

Further, hockey leagues usually have a few if not more clubs that are located in Canada. Of course these players do not need H-2Bs to play for a Canadian team, but in the event that they are traded during the season to a U.S. team, the acquiring team would have to file an H-2B. This frequently presents problems when the numbers have been exhausted as the trade becomes dependent upon the availability of a visa number and not the professional needs of the team. In addition, players are signed throughout the season; this can also prevent teams from signing players if the numbers have been exhausted. This is particularly true at the end of the season—usually March or April 1—when the numbers have been exhausted and the need to sign players for playoffs and finals increases.

National Basketball Association created a developmental league in 2001. The NBA Development League, or D-League, has functioned both as a feeder system for the NBA, whose teams annually call up players to fill out NBA rosters beginning in January and, commencing with the 2005-06 season, as a place where inexperienced NBA Players, within their first two seasons, may be assigned to get additional playing time. The D-League, currently comprised of 12 teams across the country, signs and recruits the best basketball athletes from around the world who are not playing in the NBA. On average, international players comprise approximately 10 percent of active D-League rosters, which currently stand at 10 players per team. The H-2B cap has prevented the D-League from being able to sign a significant number of qualified international players during each of the past two seasons.

So a simple, commonsense solution would be to expand the P-1 visa category to include minor league and certain amateur-level athletes who have demonstrated a significant likelihood of graduating to the major leagues. This is what the COMPETE Act would do.

Major League Baseball, the National Basketball Association, the National Hockey League, and Feld Entertainment, which owns Disney on Ice, all support the expansion of the P-1 visa category to include minor league players and ice skaters.

Americans love their sports teams and want to see the highest caliber athletes competing or performing. By expanding the P-1 visa category, we will make it possible for athletes to be selected based on talent and skill rather than visa availability.

In addition, we would reduce some pressure on the H-28 visa category making more of those visas available to the industries that need them.

I am pleased to be joined by Senators COLLINS and CORNYN, as well as MIKULSKI, LEAHY, and LIEBERMAN, in introducing the COMPETE Act of 2006.

By Mr. OBAMA:

S. 3822. A bill to improve access to and appropriate utilization of valid, reliable and accurate molecular genetic tests by all populations thus helping to secure the promise of personalized medicine for all Americans; to the Committee on Finance.

Mr. OBAMA. Mr. President, I rise today to introduce the Genomics and Personalized Medicine Act of 2006. This bill will expand and accelerate scientific advancement in the field of genomics, which is already beginning to change the paradigm of medical practice as we know it and will have profound implications for health and health care in this Nation.

Almost 150 years ago, Gregor Mendel made history when he established the

Laws of Heredity, which detailed his early knowledge about the fundamentals of inheritance. As has happened so many times throughout history, Mr. Mendel's fellow scientists didn't fully understand, support or necessarily agree with his hypotheses on genes, specifically how they are transmitted from one generation to the next, and how they help to define who we are. But he persevered—growing, observing and experimenting on 10,000 pea plants for almost a decade—and we know now that his ideas were right.

I mention Mr. Mendel not just because he was an early pioneer in the field of genetics, and is considered by many to be the father of genetics, but also because he had vision, intellectual curiosity, courage to think independently and question the status quo, and of course tenacity, all of which ultimately opened the door to a scientific revolution.

Since that time, our knowledge about genetics has dramatically increased. We have unlocked many of the mysteries about DNA and RNA, their structure and function, and how their code is translated into the proteins that make up the tissues and organs of the human body. Researchers have also made discoveries about DNA replication, and genetic recombination and regulation, just to name a few, and have developed the necessary technologies to do all of this work.

This knowledge isn't just sitting in books on the shelf. We have used these research findings to pinpoint the causes of many diseases, such as sickle cell anemia, cystic fibrosis, and chronic myelogenous leukemia. Moreover, scientists have used genetic information to develop several treatments and therapies.

We have made so many achievements and come a long way in our understanding and application of genetics knowledge. And yet we are just beginning to realize the full potential of this science to predict the onset of disease, diagnose earlier, and develop therapies that can treat or cure Americans from so many afflictions.

Just 3 years ago, scientists at the National Institutes of Health and the Department of Energy reached another major landmark, with the completion of the sequencing of the entire human genome, described by many as the Holy Grail of biology.

The completion of the Human Genome Project, HGP, has paved the way for a more sophisticated understanding of disease causation. HGP has expanded focus from the science of genetics, which refers to study of single genes, to genomics, which describes the study of all the genes in an individual, as well as the interactions of those genes with each other and with that person's environment.

We know that all human beings are 99.9 percent identical in genetic makeup, but differences in the remaining 0.1 percent hold important clues about the causes of disease and response to drugs. Simply put, the study of genomics will help us learn why some people get sick and others do not and will allow us to use this information to better prevent and treat disease.

The relatively new field of genomics is the key to the practice of personalized medicine. Personalized medicine is the use of genomic and molecular data to better target the delivery of health care, facilitate the discovery and clinical testing of new products, and help determine a patient's predisposition to a particular disease or condition. Personalized medicine represents a revolutionary and exciting change in the fundamental approach and practice of medicine

Pharmacogenomics—the study of how genes affect a person's response to drugs—is a critical component of personalized medicine. Even so-called blockbuster drugs are typically effective in only 40 to 60 percent of patients who take them. Other studies have found that up to 15 percent of hospitalized patients experience a serious adverse drug reaction, resulting in more than 100,000 deaths each year. Pharmacogenomics has the potential to dramatically increase the effectiveness and safety of drugs, both of which are major health care concerns.

We have a few examples already of how pharmacogenomics research has helped to save lives. For example, the chemotherapy Purinethol is a lifesaver for kids with leukemia, but in 11 percent of cases, patients suffer severe, sometimes fatal, side effects. In the 1990s, researchers identified the gene variant that prevents affected patients from properly breaking down Purinethol, allowing doctors to screen patients and adjust dosages for safer use of the drug.

Herceptin is a breast cancer drug that initially failed in clinical trials. However, researchers discovered that 1 in 4 breast cancers have too many copies of a certain gene that helps cells grow, divide, and repair themselves. Extra copies of this gene cause uncontrolled and rapid tumor growth. As it turns out, Herceptin is an effective drug for patients with this type of cancer, with significantly improved survival for affected women.

Our Federal agencies have shown leadership in this area, as have many of our private sector partners. I have introduced the Genomics and Personalized Medicine Act today to support their efforts and to encourage them to do even more and do it faster. Realizing the promise of personalized medicine will require: continued Federal leadership and agency collaboration; expansion and acceleration of genomics research; a capable genomics workforce; incentives to encourage development of genomic tests and therapies; and greater attention to the quality of genetic tests, direct-to-consumer advertising, and use of personal genomic information.

The Genomics and Personalized Medicine Act of 2006 will address each of these issues. The bill requires the Secretary of Health and Human Services to establish the Genomics and Personalized Medicine Interagency Working Group to expand and accelerate genomics research, and application of findings from such research, through enhanced communication, collaboration and integration of relevant activities.

Genetic and genomics research will be expanded to increase the collection of data that will advance both fields. The Secretary will also develop a plan for a national biobanking research initiative and a national distributed database, and provide support for local biobanking initiatives.

This bill requests that the Administrator of the Health Resources and Services Administration support efforts to recruit and retain health professionals in the genomics workforce through educational and research opportunities, financial incentives, and modernization of training programs. In addition, the Secretary will promote initiatives to increase the integration of genetics and genomics into all aspects of medical and public health practice, with specific focus on training and guideline development for providers without expertise or experience in the field of genomics.

A financial incentive is included to encourage the development of companion diagnostic tests. Specifically, this Act provides a 100-percent tax credit for research and development costs associated with companion diagnostic tests. This bill also requests the National Academies of Science to formally study this issue in order to provide expert guidance about the level of incentives and potential approaches to really move this area forward.

The safety, efficacy, and availability of information about genetic tests, including pharmacogenetic and pharmacogenomics tests, is another focus of this bill. The Secretary will contract with the Institute of Medicine to conduct a study and make recommendations regarding Federal oversight and regulation of genetic tests. After this study is complete, the Secretary will develop a decision matrix to help determine which types of tests require review and the level of review needed for such tests as well as the responsible agency. The Secretary will also establish a specialty area for molecular and biochemical genetics tests at CMS and direct a review the practice of direct-to-consumer marketing.

Last but not least, the bill includes a sense of the Senate regarding genetic nondiscrimination and privacy. The

Genetic Information Nondiscrimination Act of 2005, which passed the Senate with a vote of 98 to 0 in February of 2005, contained a number of important provisions to protect the use of personal genetic information and prevent discrimination based on such information. This section reaffirms the importance and the necessity of that act for the responsible advancement of personalized medicine.

Mr. President, we stand at this new frontier of personalized medicine, and like Gregor Mendel, we must explore and test the hypotheses and innovations in the area of genomics that can protect and promote our health. Genomics holds unparalleled promise for public health and for medicine, and the Genomics and Personalized Medicine Act of 2006 will help us to fulfill this promise. I urge my colleagues to support me in passing this critical legislation.

By Mr. DEWINE:

S. 3823. A bill to amend the Americans with Disabilities Act of 1990 and the Age Discrimination in Employment Act of 1967 to provide a means to combat discrimination on the basis of age or disability, by conditioning a State's receipt or use of Federal financial assistance on the State's waiver of immunity from suit for violations under such acts; to the Committee on Health, Education, Labor, and Pensions.

Mr. DEWINE. Mr. President, I am pleased to introduce the Civil Rights Restoration Act of 2006. Today, there is a serious loophole in our Nation's civil rights laws. If you are the victim of age or disability discrimination and you work in the private sector, you can sue your employer in Federal court for money damages. If, however, you work for one of the States, you cannot sue in Federal court for money damages under either the Age Discrimination in Employment Act, ADEA, or the Americans with Disabilities Act, ADA.

This loophole is not the result of anything that we have done in Congress. In fact, when we passed the ADEA and the ADA, we clearly provided that the States, just like private entities, cannot discriminate on the basis of age or disability. And, we said that if they do, they can be sued for money damages in Federal court. In our view, the right of an individual to be free from discrimination on the basis of age or disability did not depend on where one works.

Instead, this loophole was created by the Supreme Court. In several recent decisions, the Supreme Court has reinterpreted the 11th amendment to the Constitution and severely limited Congress's power to subject States to lawsuits under section 5 of the 14th amendment. In Kimel v. Florida Board of Regents, 528 U.S. 62, 2000, for instance, the Court held that Congress lacks the power to subject States to suit for money damages under the ADEA. In Board of Trustees of the University of Alabama v. Garrett, 531 U.S. 356, 2001, the Court again held that Congress lacked the power to subject States to suit for money damages, this time under title I of the ADA.

Although individuals can still sue the States for injunctive relief, the Supreme Court's restriction on suits for money damages has taken away an essential tool for the victims of discrimination. As one witness explained during hearings on the ADA, "civil rights laws depend heavily on private enforcement." "[D]amages are essential to provide private citizens a meaningful opportunity to vindicate their rights. Attempts to weaken the remedies available under the ADA are attacks on the ADA itself, and their success would make the ADA an empty promise of equality."

Unfortunately, by restricting the ability of individuals to sue for money damages, the Garrett and Kimel decisions have severely limited the "promise of equality" guaranteed by the ADA and the ADEA. Lawsuits for money damages are the primary means for private individuals to obtain redress for discrimination. They promote deterrence and provide an important way for the Federal Government to enforce antidiscrimination laws. By eliminating the ability of State employees to sue their employers for such damages, the Supreme Court's decisions in Kimel and Garrett have made enforcement of these civil rights laws more difficult.

In addition, the Garrett and Kimel decisions have created a legal regime that gives State employees fewer rights than other employees covered by the ADA and the ADEA. At present, employees of local governments and employees in the private sector are entitled to sue in Federal court for money damages for violations of the ADA or the ADEA. For the more than 2,500,000 individuals who work for the States, however, such relief is no longer available.

Finally, the Garrett and Kimel decisions themselves are hardly a model of clarity. In fact, several scholars have said that they find them to be inconsistent with prior case law, at odds with the clear language of the Constitution, disrespectful of Congress's role in our system of government, and insensitive to the plight of those who are the victims of discrimination.

In my opinion, Chairman SPECTER of the Judiciary Committee put it well when he referred to these cases as "inexplicable decisions." During the confirmation hearing for Chief Justice Roberts, Chairman SPECTER said that the test that emerges from these Supreme Court decisions "has no grounding in the Constitution, no grounding in the Federalist Papers, no grounding in the history of the country, [and] comes out of thin air[.]"

I happen to agree with him. In my view, Garrett and Kimel were wrongly decided. And, they should be overturned.

My bill will do just that. The Civil Rights Restoration Act of 2006 would provide that any State that receives Federal financial assistance must allow plaintiffs the ability to sue the State for money damages in Federal court if that State violates the terms of the ADEA or the ADA. Of course, those plaintiffs must meet all the other requirements to bring such a suit. My bill does not otherwise change the substance of the ADA or ADEA, and it does not guarantee an outcome. It merely gives the victims of discrimination access to federal courts so that they may seek the relief to which they are otherwise entitled. In other words, it will give the victims of age and disability discrimination the same rights that we intended to give them when we first passed the ADEA and the ADA.

This is a simple bill with a simple purpose: it closes a loophole created by the Supreme Court; it re-establishes the original intent of the ADA and the ADEA; and it restores to the victims of discrimination the rights to which they have long been entitled. I am proud to introduce the Civil Rights Restoration Act of 2006, and I ask my colleagues to support it.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights Restoration Act of 2006".

SEC. 2. FINDINGS.

Congress finds the following:

(1) For over 30 years, Congress has outlawed employment discrimination by State employers. In 1974, in the face of pervasive age discrimination by State and other employers, Congress amended the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.) (referred to in this Act as the "ADEA") to outlaw age discrimination by such employers. In 1990, Congress passed the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) (referred to in this Act as the "ADA") to provide a "clear and comprehensive national mandate", as described in section 2(b)(1) of that Act (42 U.S.C. 12101(b)(1)), to eliminate discrimination against individuals with disabilities, even when that discrimination came at the hands of States, including State employers.

(2)(A) Many years have passed since the enactment of those laws, but discrimination on the basis of age or disability remains a serious problem in the United States.

(B) Discrimination has invidious effects on its victims, the workforce, the economy as a whole, and government revenues. Discrimination on the basis of age or disability—

(i) increases the risk of unemployment among older workers or individuals with disabilities, who may, as a result of the discrimination, be forced to depend on government programs;

(ii) adversely affects the morale and productivity of the workforce;

(iii) perpetuates unwarranted stereotypes about the abilities of older workers or individuals with disabilities, thus reducing the effectiveness of government programs promoting nondiscrimination and integration; and

(iv) prevents the best use of both public and private resources.

(3) Since the passage of the ADA and the ADEA, private civil suits by the victims of discrimination have been an essential tool in combating illegal discrimination. As one witness explained during hearings on the legislation that became the ADA, "civil rights laws depend heavily on private enforcement". "[D]amages are essential to provide private citizens a meaningful opportunity to vindicate their rights. Attempts to weaken the remedies available under the ADA are attacks on the ADA itself, and their success would make the ADA an empty promise of equality.". Field Hearing on Americans with Disabilities Act, Before the Subcommittee on Select Education of the House Committee on Education and Labor, 101st Cong. 68 (1989) (statement of Mr. Howard Wolf).

(4) In recent years, however, the Supreme Court has created a serious loophole in the ADA and the ADEA, weakening their "promise of equality". In Kimel v. Florida Board of Regents, 528 U.S. 62 (2000), for instance, the Supreme Court held that Congress lacked the power to subject States to suit for money damages under the ADEA. In Board of Trustees of the University of Alabama v. Garrett, 531 U.S. 356 (2001), the Court again held that Congress lacked the power to subject States to suit for money damages, this time under title I of the ADA (42 U.S.C. 12111 et seq.).

(5) As a result of those decisions, State employees who are victimized by discrimination on the basis of age or disability cannot sue in Federal court for money damages to vindicate their Federal rights. Those decisions have, in turn, had 2 unfortunate consequences.

(6) First, they have undermined the enforcement of the ADA and the ADEA. Lawsuits for money damages are the primary means for private individuals to obtain redress for discrimination. In addition, lawsuits for money damages promote deterrence and provide an important way for the Federal Government to enforce antidiscrimination laws. By eliminating the ability for State employees to sue their employers for such damages, the Supreme Court's Kimel and Garrett decisions have made enforcement of these civil rights laws more difficult.

(7) Second, they have created a legal regime that gives State employees fewer rights than other employees covered by the ADA and the ADEA. At present, employees of local governments and employees in the private sector are entitled to sue in Federal court for money damages for violations of the ADA or the ADEA. For the more than 2,500,000 individuals who work for the States, however, such relief is no longer available.

(8) Although most States have laws in effect that bar discrimination on the basis of age or disability, those laws are insufficient to provide redress for those individuals who are subjected to discrimination by State employers or agencies.

(9) A few States apply the doctrine of sovereign immunity to completely bar State employees from suing in State court for age discrimination. In several States, it is still unclear whether State law claims can proceed in State court for age discrimination or whether those claims are barred by sovereign immunity. Finally, there are many States that severely limit or restrict the kinds of remedies or monetary relief available to State employees who bring suits for discrimination on the basis of age.

(10) The same problems exist with State laws regarding disability discrimination. In fact, one recent analysis has shown that there are significant gaps in the coverage and remedies available under State laws outlawing discrimination.

(11) Thus, while State laws are important in trying to stem discrimination on the basis of age or disability, they are currently inadequate to close the loophole created by the Kimel and Garrett decisions.

(12) In the years since the Kimel and Garrett decisions, many States have also challenged the constitutionality of title II of the ADA (42 U.S.C. 12131 et seq.). These challenges have forced individuals with disabilities into extensive litigation about sovereign immunity when they seek redress for disability discrimination in such fundamental areas as access to the courts, access to community-based services, access to State-sponsored health insurance, access to public transportation, access to handicapped parking, access to mental health services, and access to public education. The Supreme Court has issued several decisions that invite even more litigation. In Tennessee v. Lane, for instance, the Court held that, under the particular facts of that case, a plaintiff could sue the State for money damages under title II of the ADA, even though the Court, in the Garrett case, had barred a claim for such damages under title I of that Act (42 U.S.C. 12111 et seq.) Tennessee v. Lane, 541 U.S. 509 (2004).

(13) After the Lane decision, some claims against States are permitted to proceed under the ADA, while others are not. This has made it extremely difficult for the victims of discrimination, States, and Congress to determine precisely when States are subject to suit under the ADA and when they are not. The confusion has spawned a significant amount of litigation in the lower Federal courts. This jurisprudence has even caused the Chairman of the Committee on the Judiciary of the Senate, Senator Arlen Specter, to condemn the Court's recent decisions as "inexplicable".

(14) The Constitution provides Congress with the power to enact legislation—

(A) to clarify that, despite the Supreme Court's decisions in the Kimel and Garrett cases, the States are subject to suit just like other entities when the States violate the ADA and the ADEA; and

(B) to end the confusion created by the Court's decision in the Lane case.

(15) Under section 8 of article I of the Constitution, "The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States".

(16) Congress' power under this language, known as the Spending Clause, is well-established. Under this Clause, Congress has the power to require the States to abide by certain conditions in exchange for receiving Federal financial assistance. This authority has been recognized by the Supreme Court repeatedly through the years and reaffirmed recently. United States v. Butler, 297 U.S. 1 (1936) (declaring that Congress may exert authority through its spending power); South Dakota v. Dole, 483 U.S. 203 (1987) (upholding condition requiring the establishment of a drinking age of 21 years in exchange for the receipt of Federal highway dollars). In fact, the Supreme Court has specifically held that Congress may require a State, as a condition of receiving Federal financial assistance, to waive its immunity from suit for violations of Federal law. College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board, 527 U.S. 666 (1999).

(17) Congress has previously used its spending power to require States to waive their immunity from suit in exchange for receiving Federal financial assistance. For instance, the provisions of section 1003 of the Rehabilitation Act Amendments of 1986 (42 U.S.C. 2000d-7) provide that a State shall not be immune from suit under the 11th amendment for violations of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.). At least one court, however, has suggested that those provisions do not apply to the ADA or the ADEA. Brown v. Washington Metro Area Transit Authority, No. DKC 2005-0052, 2005 U.S. Dist. LEXIS 16881 (D. Md. 2005).

(18) By requiring States to waive their immunity from suit under the ADA and the ADEA in exchange for receiving Federal assistance, the Federal government can ensure that Federal dollars are not "frittered away" on unlawful discrimination. Such a conditional waiver will help Congress "protect the integrity of the vast sums of money distributed through Federal programs". Sabri v. United States, 541 U.S. 600 (2004). "Simple justice requires that public funds, to which all taxpayers . . . contribute, not be spent in any fashion which encourages, entrenches, subsidizes, or results in . . . discrimination". Lau v. Nichols, 414 U.S. 563 (1974). This simple principle applies whether the discrimination is based on race, as in the Lau case, or age, or disability, as in Barbour v. Washington Metro Area Transit Authority, 374 F.3d 1161 (D.C. Cir. 2004).

(19) Such a conditional waiver does not coerce a State in any way. The Supreme Court has recognized that a State's voluntary waiver of its 11th amendment right is constitutional. College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board, 527 U.S. 666 (1999) (citing Clark v. Barnard, 108 U.S. 436 (1883)). The Court has explicitly recognized that a State's acceptance of Federal funds constitutes a knowing agreement to a congressionally-imposed condition on the funds. Thus, while Congress may not compel States to waive their immunity granted under the 11th amendment, a voluntary State waiver condition is wholly permissible. Alden v. Maine, 527 U.S. 706 (1999).

(20) The Kimel and Garrett decisions frustrate the ability of the ADA and the ADEA to protect individual rights and remedy violations of Federal law. In the wake of those decisions, and in recognition that State laws may be insufficient to protect against discrimination on the basis of age or disability, it is essential to require that States waive their immunity from suit under the ADA and the ADEA for those programs or activities receiving Federal financial assistance.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to provide to any State employee or person aggrieved by any program or activity that receives Federal financial assistance the right to sue the State for money damages for any violation of the ADA or the ADEA; and

(2) to provide that a State's receipt or use of Federal financial assistance for any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by any employee or person aggrieved by that program or activity for any violation of the ADA or the ADEA.

SEC. 4. ABROGATION OF STATE SOVEREIGN IMMUNITY.

(a) Age Discrimination in Employment Act of 1967.—Section 7 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following:

"(g) Waiver of Sovereign Immunity.—

"(1) Waiver.—A State's receipt or use of Federal financial assistance for any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by any employee or person aggrieved by that program or activity for equitable, legal, or other relief authorized by or through this Act.

"(2) Abrogation for constitutional violation.—In addition to the abrogation of sovereign immunity already accomplished by this Act, a State's sovereign immunity, under the 11th amendment to the Constitution or otherwise, is abrogated for any suit brought by any employee or person for equitable, legal, or other relief authorized by or through this Act, for conduct that violates the 14th amendment (including the constitutional rights incorporated in the 14th amendment) and that also violates this Act.

"(3) Definitions.—In this subsection:

"(A) Program or activity.—

"(i) In general.—The term 'program or activity' has the meaning given the term in section 309 of the Age Discrimination Act of 1975 (42 U.S.C. 6107).

"(ii) Operations included.—The term includes any operation carried out, funded, or arranged by an entity described in clause (i) or (ii) of section 309(4)(A) of such Act (42 U.S.C. 6107(4)(A)) that receives Federal financial assistance, even if the entity does not use the Federal financial assistance for the operation.

"(B) Recipient.—A State shall be considered to receive Federal financial assistance for a program or activity if the program or activity—

"(i) receives the assistance from an intermediary, and

"(ii) is the intended recipient under the statutory provision through which the intermediary receives the assistance.

"(C) Construction.—Nothing in this paragraph shall be construed to suggest that, for purposes of this subsection or title III of such Act—

"(i) the term 'program or activity' would not include the operation described in subparagraph (A)(ii), in the absence of this paragraph; or

"(ii) a State described in subparagraph (B) would not be considered to receive Federal financial assistance for a program or activity, in the absence of this paragraph.".

(b) Title I of the Americans With Disabilities Act of 1990.—Section 107 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117) is amended by adding at the end the following:

"(c) Waiver of Sovereign Immunity.—

"(1) Waiver.—A State's receipt or use of Federal financial assistance for any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by any employee or person alleging a violation of this title (including regulations promulgated under section 106) or section 503, or otherwise aggrieved, by that program or activity for equitable, legal, or other relief authorized by or through this Act or section 1977A of the Revised Statutes (42 U.S.C. 1981a).

"(2) Abrogation for constitutional violation.—In addition to the abrogation of sovereign immunity already accomplished by section 502, a State's sovereign immunity, under the 11th amendment to the Constitution or otherwise, is abrogated for any suit brought by any employee or person for equitable, legal, or other relief authorized by or through this Act or section 1977A of the Revised Statutes (42 U.S.C. 1981a), for conduct that violates the 14th amendment (including the constitutional rights incorporated in the 14th amendment) and that also violates this title (including regulations promulgated under section 106) or section 503.

"(3) Definitions.—In this subsection:

"(A) Program or activity.—

"(i) In general.—The term 'program or activity' has the meaning given the term in section 504(b) of the Rehabilitation Act of 1973 (29 U.S.C. 794(b)).

"(ii) Operations included.—The term includes any operation carried out, funded, or arranged by an entity described in subparagraph (A) or (B) of section 504(b)(1) of such Act (29 U.S.C. 794(b)(1)) that receives Federal financial assistance, even if the entity does not use the Federal financial assistance for the operation.

"(B) Recipient.—A State shall be considered to receive Federal financial assistance for a program or activity if the program or activity—

"(i) receives the assistance from an intermediary; and

"(ii) is the intended recipient under the statutory provision through which the intermediary receives the assistance.

"(C) Construction.—Nothing in this paragraph shall be construed to suggest that, for purposes of this subsection or such section 504—

"(i) the term 'program or activity' would not include the operation described in subparagraph (A)(ii), in the absence of this paragraph; or

"(ii) a State described in subparagraph (B) would not be considered to receive Federal financial assistance for a program or activity, in the absence of this paragraph.".

(c) Title II of the Americans With Disabilities Act of 1990.—Section 203 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12133) is amended—

(1) by inserting "(a) In General.—" before "The"; and

(2) by adding at the end the following:

"(b) Waiver of Sovereign Immunity.—

"(1) Waiver.—A State's receipt or use of Federal financial assistance for any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by any employee or person alleging a violation of this title (including regulations promulgated under section 204, 229, or 244) or section 503, or otherwise aggrieved, by that program or activity for equitable, legal, or other relief authorized by or through this Act.

"(2) Abrogation for constitutional violation.—In addition to the abrogation of sovereign immunity already accomplished by section 502, a State's sovereign immunity, under the 11th amendment to the Constitution or otherwise, is abrogated for any suit brought by any employee or person for equitable, legal, or other relief authorized by or through this Act, for conduct that violates the 14th amendment (including the constitutional rights incorporated in the 14th amendment) and that also violates this title (including regulations promulgated under section 204, 229, or 244) or section 503.

"(3) Definitions.—In this subsection:

"(A) Program or activity.—

"(i) In general.—The term 'program or activity' has the meaning given the term in section 504(b) of the Rehabilitation Act of 1973 (29 U.S.C. 794(b)).

"(ii) Operations included.—The term includes any operation carried out, funded, or arranged by an entity described in subparagraph (A) or (B) of section 504(b)(1) of such Act (29 U.S.C. 794(b)(1)) that receives Federal financial assistance, even if the entity does not use the Federal financial assistance for the operation.

"(B) Recipient.—A State shall be considered to receive Federal financial assistance for a program or activity if the program or activity—

"(i) receives the assistance from an intermediary; and

"(ii) is the intended recipient under the statutory provision through which the intermediary receives the assistance.

"(C) Construction.—Nothing in this paragraph shall be construed to suggest that, for purposes of this subsection or such section 504—

"(i) the term 'program or activity' would not include the operation described in subparagraph (A)(ii), in the absence of this paragraph; or

"(ii) a State described in subparagraph (B) would not be considered to receive Federal financial assistance for a program or activity, in the absence of this paragraph.".

SEC. 5. EFFECTIVE DATE.

(a) Age Discrimination in Employment Act of 1967.—

(1) In general.—With respect to a particular program or activity, paragraphs (1) and (3) of section 7(g) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(g)) apply to conduct occurring on or after the day, after the date of enactment of this Act, on which a State first receives or uses Federal financial assistance for that program or activity. Section 7(g)(2) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(g)(2)) applies to all civil actions pending on that date of enactment or filed thereafter.

(2) Program or activity; receives federal financial assistance.—The definition and rule specified in subparagraphs (A) and (B) of section 7(g)(3) of such Act (29 U.S.C. 626(g)(2)) shall apply for purposes of this subsection.

(b) Americans With Disabilities Act of 1990.—

(1) In general.—With respect to a particular program or activity, paragraphs (1) and (3) of section 107(c) and paragraphs (1) and (3) of section 203(b) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117(c), 12133(b)) apply to conduct occurring on or after the day, after the date of enactment of this Act, on which a State first receives or uses Federal financial assistance for that program or activity. Sections 107(c)(2) and 203(b)(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117(c)(2), 12133(b)(2)) apply to all civil actions pending on that date of enactment or filed thereafter.

(2) PROGRAM OR ACTIVITY; RECEIVES FEDERAL FINANCIAL ASSISTANCE.—The definition and rule specified in subparagraphs (A) and (B) of section 107(c)(3) of such Act (42 U.S.C. 12117(c)(3)) shall apply for purposes of this subsection.

By Mr. BURNS (for himself, Mr. FRIST, Mr. DEWINE, Mr. ALLARD, Mr. COLEMAN, Mr. SMITH, and Mr. ALLEN):

S. 3825. A bill to end the flow of methamphetamine and precursor chemicals coming across the border of the United States; to the Committee on the Judiciary.

Mr. BURNS. Mr. President, I rise today because, despite the heroic efforts of law enforcement agencies in Montana and elsewhere around the country, the use of methamphetamine continues to rise. In the Senate, we have passed legislation to fund efforts to go after domestic production of meth—from provisions of the USA PATRIOT Act, which restricted the sale of pseudoephedrine, to funds for the cleanup of meth labs. While law enforcement officials report that these efforts are in fact reducing the production of meth within our borders, they also tell me that foreign-produced meth is being imported to fill the supply void.

For this reason, I have introduced the "Methamphetamine Trafficking Prevention Act of 2006" in order to bring additional Federal resources to bear on this problem. I want to thank my colleagues, Senate Majority Leader FRIST, Senator DEWINE, Senator ALLARD, Senator COLEMAN, Senator ALLEN and Senator SMITH for joining me in sponsoring this legislation. The United States shares around 4,000 miles of border with Canada and almost 2,000 miles with Mexico. Controlling what comes across these borders must be a top priority for national security.

A report recently released by the President's Office of National Drug Control Policy, the Department of Justice, and the Department of Health and Human Services had this to say:

> The most urgent priority of the Federal Government toward reducing the supply of methamphetamine in the Untied States will be to tighten the international market for chemical precursors, such as pseudoephedrine and ephedrine, used to produce the drug. Most of the methamphetamine used in America—probably between 75 and 85 percent—is made with chemical precursors that are diverted at some point from the international stream of commerce . . . Although domestic enforcement continues to be a priority, the impact of State laws controlling retail access to precursors, together with Federal, State, and local enforcement efforts, has had a significant impact on the domestic production of methamphetamine. As a result, a larger proportion of the methamphetamine consumed in the United States is now coming across the border as a final product . . .

Meth trafficking has quickly adapted to increased domestic efforts to stem production and the need for an international solution is clear.

This legislation will provide an additional $15 million for the Department of Justice's Meth Hot Spots Program for the creation of "Border Technology Grants" to support technology used to detect meth and substances used to make meth on the border through aerial surveillance and to find meth labs around the border with hyperspectral sensors. Another $5 million will be provided to the Drug Enforcement Agency for trace chemical detectors to be used on U.S. borders. These sensors will also assist in locating explosive devices.

The international nature of meth trafficking makes Federal action necessary, but the United States cannot act alone. This legislation will also coordinate Federal drug enforcement efforts with foreign counterparts in order to devise a strategy to fight meth production across national borders. Officials from the U.S. Trade Representative will discuss meth trafficking with trading partners in multi- and bi-lateral negotiations in order to curb the shipment of this dangerous substance.

The impacts of the meth crisis are felt nationwide. In Montana, I have seen first-hand the consequences of meth addiction on individuals, their families, and communities. Nowhere are these problems more serious than on Indian Reservations. In Montana, there are several reservations on or near the Canadian border. While Montana's law enforcement has done a good job shutting down meth labs in Montana, the flow of meth from Canada and Mexico has more than replaced domestic meth production. This bill would require the Department of Justice to report to Congress the problems faced on these reservations with respect to meth abuse and trafficking.

It is time to take the response to this crisis to a new—international—level and I encourage my colleagues to support these efforts.

By Mr. MENENDEZ:

S. 3826. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income military pay received by a member of a reserve component of the Armed Forces of the United States who is called to active duty; to the Committee on Finance.

Mr. MENENDEZ. Mr. President, over the past few decades, our country has seen a major shift in the way that our Reserve component has been used. Traditionally, National guardsmen and reservists have supplemented our active-duty troops at times of a major war or conflict. But as America faces ever-increasing military challenges, we see these forces now replacing active duty troops in operations around the world.

Since September 11, a large number of our Reserve component has been called to active duty, and it is expected to remain that way for the foreseeable future. Our Nation not only relies on the National Guard during times of war, but during crises and disasters within our borders. In my home State of New Jersey, we have witnessed the critical role the Guard plays in supporting our first responders and assisting with domestic emergencies. The Guard immediately responded to the 9/11 attacks, provided relief in the aftermath of the hurricanes on the gulf coast, and aided New Jerseyans after the flooding in our State.

As our Nation continues to rely on the efforts of National Guard members and reservists, it is imperative that we provide them and their families the support they need at home. Unfortunately, many married Guard members and reservists on active duty lose their income from their civilian jobs when they are activated. It is unconscionable that we would make these soldiers choose between their duty to our country and the financial security of their families.

That is why I am introducing the Citizen Soldier Relief Act, which would exempt from taxation incomes earned by members of the Reserve component that are called to duty outside the traditional 1 weekend per month and 2 weeks per year. My bill would address a current void that exists in tax relief for our National Guard members and reservists who serve in noncombat-related capacities.

By providing tax relief for these hard-working men and women, we can show them that our Nation appreciates their service and their sacrifice. I ask my colleagues to support this important legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Citizen Soldier Relief Act of 2006".

SEC. 2. EXCLUSION FROM GROSS INCOME FOR MILITARY PAY RECEIVED BY A MEMBER OF A RESERVE COMPONENT OF THE ARMED FORCES OF THE UNITED STATES CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Section 112 of the Internal Revenue Code of 1986 (relating to certain combat zone compensation of members of the Armed Services) is amended by adding at the end the following new subsection:

"(e) RESERVE COMPONENTS CALLED TO ACTIVE DUTY.—In the case of an individual—

"(1) who is called or ordered to active duty in the Armed Forces of the United States for a period in excess of 180 days or for an indefinite period, and

"(2) at the time so called or ordered is a member of a reserve component of the Armed Forces of the United States,

gross income shall not include military pay (as defined in section 101(21) of title 37, United States Code) received by such individual on account of such active duty service.".

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 112 of such Code is amended by inserting before the period "; **PAY OF MEMBERS OF RESERVE COMPONENTS OF SUCH ARMED FORCES CALLED TO ACTIVE DUTY**".

(2) The item relating to section 112 in the table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting before the period "; pay of members of reserve components of such Armed Forces called to active duty".

(3) Section 3401(a)(1) of such Code is amended by inserting "; pay of members of reserve components of such Armed Forces called to active duty" after "United States".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

By Mr. INHOFE:

S. 3828. A bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mr. INHOFE. Mr. President, there are many things we take for granted that have made our Nation prosperous. The Founding Fathers spent their lives seeking to create a United States of America that could survive against the great powers of England, France, and Spain.

These men knew that America had at least one advantage over the European powers: size. President Jefferson's Louisiana Purchase of 1803 effectively doubled the size of the United States and provided a means by which America's inland farmers would have a guaranteed way to ship their products to market.

Even today, the comparison remains striking when you ask, "How far will one gallon of fuel move one ton of freight?"

One gallon of fuel can move a ton of freight 59 miles by truck and 386 miles by rail. That same gallon of fuel will move a ton of freight by water 522 miles.

One of the main reasons for the economy of waterborne shipping lies in something physics students know as friction and we pilots know as drag.

The more that friction or drag increase, the more that fuel economy decreases. There is a lot of friction between a road and a truck. There is far less between a ship and a river.

This simple rule led me to lead the fight for the Water Resources Development Act a few days ago. As one of the most fiscally conservative Members of this body, I have long argued that the two most important functions of the Federal Government are to provide for national defense and public infrastructure.

Efficiency and economics require the Government to not only plan but to construct and maintain public infrastructure. Investments in real public infrastructure, like waterways and barge canals, create economies of scale that have made the American economy a wonder of the world.

My determination to stand up in this Chamber at every opportunity on behalf of national defense and public infrastructure is a large part of the reason I am introducing legislation today to make English America's official language.

A common means of communication has created one giant market for goods and labor from Maine to California. A resident of Tulsa can seek work in New Hampshire, Oregon, or Georgia without having to learn a second language. A company based in Oklahoma City can readily sell its products from Portland, ME, to Los Angeles, CA.

In Europe, by contrast, a resident of Berlin cannot look for work in Paris or Warsaw without surmounting considerable language barriers. A German company cannot easily sell its products in Madrid, again, in part because of the language barrier.

The European Union is an effort to create a United States-like common market in Western Europe, among other things. Europeans are spending billions of euros to try to replicate what we Americans have enjoyed for free these past 230 years.

There are too many signs that we are allowing this great advantage of an American nation united by a common language to slip through our fingers.

President Bill Clinton created the most radical language policy 6 years ago when he signed Executive Order—E.O.—13166 on August 11, 2000.

E.O. 13166 declared that all recipients of Federal funds had to be ready to provide all services in any language anyone wished to speak at any time.

E.O. 13166 means that while Canada has only two official languages and the United Nations just six, the United States now has over 200 official languages.

Efforts to repeal E.O. 13166 have run aground because of a fundamental misunderstanding of what repeal would mean.

After the debate on my official English amendment, S.A. 4064, to the Senate immigration bill, S. 2611, E.J. Dionne, Jr., told readers of the May 23 Washington Post that he was still going to pray over his children in French. I have only one word to say to Mr. Dionne: relax.

Neither my earlier amendment to the immigration legislation nor the legislation I am introducing today will have any impact whatsoever on the prayers of the Dionne family or, for that matter, a dinner table chat in Spanish or a family discussion in Navajo.

Official English laws are not directed at the language people themselves choose to speak but, rather, in what language the Government speaks to the American people.

My bill basically recognizes the practical reality of the role of English as our national language. It states explicitly that English is our national language and provides English a status in law it has not before held.

Making English the official language will clarify that there is no entitlement to receive Federal documents and services in languages other than English. My legislation declares that any rights of a person, as well as services or materials in languages other than English, must be authorized or provided by law. It recognizes the decades of unbroken court opinions that civil rights laws protecting against national origin and discrimination do not create rights to Government services and materials in languages other than English.

If passed, my bill will also repeal all bilingual, or foreign-language, ballot mandates. There is a reason bilingual ballots make so many of my constituents upset. Gathering together at the polling place is one of the few remaining civic rituals we perform as Americans.

I can remember going along with my mother on election day; the American flag behind the table where voters signed in and were verified as eligible; the sound of the "thunk" of the levers on the voting machine. I remember thinking even then that voting was a privilege to be approached seriously.

In all too many places these days, the local polling place resembles nothing more than a branch of the Mexican consulate or an outpost of the United Nations—signs in two, three, or even more languages; people yelling at weary poll workers because a Cantonese speaker was summoned to translate for a speaker of Mandarin Chinese.

My constituents ask me all the time how people are supposed to cast an informed vote if they cannot follow the debates, which are in English, and read the campaign literature, also in English. Bilingual ballots strike many of my constituents as an invitation to all kinds of voting fraud.

Of course, when the Government attempts to please everyone by translating important documents into multiple languages, mistakes are inevitable.

To mention just one example out of many, in 1993, the Chinese ballot in New York City had the Chinese characters for the word "no" as a translation of the English word "yes." One can only imagine the confusion that ensued.

Official English is popular, even among Hispanics. As I said before during the debate on my amendment, if you look at some of the recent polling data, such as the Zogby poll in 2006, it found 84 percent of Americans, including 77 percent of Hispanics, believed that English should be the national language of government operations. A poll of 91 percent of foreign-born

Latino immigrants agreed that learning English is essential to succeed in the United States, according to a 2002 Kaiser Family Foundation survey.

I wish to conclude by saying that I think it would be a tremendous demonstration of good faith by the White House to support my legislation. America has plenty of language problems already.

If the Senate version of the President's immigration proposals should become law, every guest worker and ever recipient of amnesty would arrive on our shores as a little bundle of linguistic entitlements. Local government offices and public schools will be simply overwhelmed by the costly language mandates each of these individuals and their families will trigger.

A nation certain of its language and culture can continue to be a welcoming nation to legal immigrants. A nation with uncontrolled borders and no convictions about what it expects immigrants to do once they arrive will soon become a nation in name only.

Mr. President, my legislation is good for America and good for everyone in America. I urge its speedy passage by my colleagues.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 3832. A bill to direct the Secretary of the Interior to establish criteria to transfer title to reclamation facilities, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. DOMENICI. Mr. President, since its inception in 1902, the Bureau of Reclamation has constructed numerous facilities which have supplied much of the water and power necessary to populate the Western United States. The National Research Council of the National Academy of Sciences estimates that Reclamation currently owns 673 facilities that are part of 178 major projects. When many of these facilities were constructed, there were few local communities and utilities capable of assuming title to the facilities. However, this is no longer the case. Many project beneficiaries are both willing and able to receive title to Reclamation facilities.

The growth of the environmental movement during the 1970s, explosive population growth in the West, Indian water rights claims, and urbanization transformed Reclamation from an agency that plans, designs, and constructs large projects into one that manages existing Reclamation facilities and allocates water resources in accordance with applicable law. Correspondingly, appropriations for Reclamation have decreased over the past 40 years. As chairman of the Energy and Water Development Appropriations Subcommittee, I have become increasingly concerned that Reclamation lacks adequate resources to fulfill its current mission, particularly in light of increasing nonreimbursable expenditures required for operations, maintenance, and rehabilitation of Reclamation facilities. For this reason, we need to investigate opportunities, including title transfers, to make more money available to Reclamation.

Reclamation project beneficiaries frequently claim that Reclamation services passed on to customers are far more expensive than comparable services in the private sector and that Reclamation ownership of these facilities imposes an unnecessary administrative burden on project beneficiaries. For these reasons, many project beneficiaries who have fulfilled their construction repayment obligations would like to pursue the transfer of title to Reclamation facilities and land. In addition to benefiting project beneficiaries, transfer of title to Reclamation facilities also divests the Federal Government of the liability, operation, maintenance, management, and regulation associated with these facilities. In its framework for transfer of title to Reclamation facilities, Reclamation acknowledged its commitment to a Federal Government that "works better and costs less." I believe that pursuing title transfers on a widespread basis is consistent with this policy.

While Reclamation currently has an administrative process for determining which uncomplicated transfers should be pursued by Congress, it is my belief that the process is not as aggressive or comprehensive as it should be. The bill I introduce today would direct the Secretary of the Interior to promulgate criteria for the transfer of title to Reclamation facilities and lands, including multipurpose and multibeneficiary projects. The bill also directs the Secretary of the Interior to undertake a study to identify which Reclamation facilities may be appropriate for transfer. Consistent with current policy, Congress would evaluate which of these facilities should be transferred.

I realize that title transfer may not be appropriate for every Reclamation facility. However, I believe that there are a great number of instances in which title transfer would benefit the United States and Reclamation customers.

I thank Senator BINGAMAN, ranking member of the Energy and Natural Resources Committee, for being an original cosponsor of this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was orderd to be printed in the RECORD, as follows:

S. 3832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reclamation Facility Title Transfer Act of 2006".

SEC. 2. DEFINITIONS.

In this Act:

(1) INDIAN TRIBE.—The term "Indian tribe" means an Indian tribe, band, Nation, or other organized group or community that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(2) PROJECT BENEFICIARY.—The term "project beneficiary" means 1 or more contractors or other persons or entities that receive a direct benefit under 1 or more of the authorized purposes for a reclamation facility.

(3) RECLAMATION FACILITY.—

(A) IN GENERAL.—The term "reclamation facility" means any single-purpose or multipurpose structure, reservoir, impoundment, ditch, canal, pumping station, or other facility for the storage, diversion, distribution, or conveyance of water—

(i) that is—

(I) authorized by Federal reclamation law; and

(II) constructed by the United States under that law;

(ii) for which the United States holds title; and

(iii) for which any non-Federal construction repayment obligations, as applicable, have been fulfilled.

(B) INCLUSIONS.—The term "reclamation facility" includes any land that is appurtenant to, and any administrative buildings associated with, a reclamation facility.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Commissioner of Reclamation.

(5) STAKEHOLDER.—The term "stakeholder" means—

(A) a project beneficiary; and

(B) any person that—

(i) receives an indirect benefit from a reclamation facility; or

(ii) may be particularly affected by any transfer of title to a reclamation facility.

SEC. 3. TITLE TRANSFER.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish criteria for the transfer of title to reclamation facilities from the United States to project beneficiaries or an entity approved by project beneficiaries.

(b) INCLUSIONS.—The criteria established under subsection (a) shall include—

(1) criteria requiring that—

(A) project beneficiaries (or an entity approved by the project beneficiaries) be willing to have title to a reclamation facility transferred to the project beneficiaries;

(B) if the project beneficiaries have not yet assumed operations, maintenance, and rehabilitation of the applicable reclamation facility, the project beneficiaries be capable of assuming operations, maintenance, and rehabilitation of the reclamation facility;

(C) if there are multiple project beneficiaries, there is an agreement among multiple project beneficiaries relating to the transfer of title to a reclamation facility; and

(D) project beneficiaries be willing to assume any liability associated with the reclamation facility for which title is proposed to be transferred;

(2) criteria requiring an assessment by the Secretary of—

(A) any effects that the transfer of title would have on the ability of the Federal Government to carry out the trust responsibility of the Federal Government with respect to any Indian tribe;

(B) the cost savings to the United States if title to a reclamation facility is transferred;

(C) the interest of the project beneficiaries in owning the reclamation facility;

(D) any environmental considerations associated with the transfer of title to a reclamation facility;

(E) whether stakeholders will be adversely impacted by the transfer;

(F) the ability of project beneficiaries to meet financial obligations associated with a reclamation facility, including—

(i) transactional costs; and

(ii) costs associated with meeting the compliance requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(G) any legal considerations associated with the transfer of title to a reclamation facility, including any Federal, State, tribal, and local laws, international treaties, and interstate compacts that apply to the transfer of title of a reclamation facility to project beneficiaries; and

(H) the willingness and ability of project beneficiaries to fulfill any legal obligations associated with receiving title to a reclamation facility, including compliance with any Federal, State, tribal, and local laws, international treaties, and interstate compacts that apply to the transfer of title of a reclamation facility to project beneficiaries;

(3) procedures for—

(A) soliciting stakeholder involvement in the transfer of title to a reclamation facility; and

(B) involving appropriate Federal, State, and local entities in evaluating and carrying out the transfer of title to a reclamation facility;

(4) the requirement that the Secretary prepare a comprehensive list of any items that need to be accomplished before the transfer of title to a reclamation facility;

(5) procedures to allow the Secretary to address real property and cultural and historic preservation issues in a more efficient manner; and

(6) any other criteria that the Secretary determines to be appropriate.

(c) Use of Existing Criteria.—For purposes of establishing the criteria under subsection (a), the Secretary shall, to the maximum extent practicable and consistent with this Act, incorporate any applicable criteria that are in existence on the date of enactment of this Act, including the criteria for the transfer of title to uncomplicated projects described in the Bureau of Reclamation document entitled "Framework for the Transfer of Title: Bureau of Reclamation Projects" and dated August 7, 1995.

SEC. 4. REPORT.

Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a report that includes any recommendations of the Secretary with respect to which reclamation facilities may be appropriate for transfer in accordance with the criteria established under section 3(a).

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act $2,000,000 for the period of fiscal years 2007 through 2010.

SEC. 6. TERMINATION OF AUTHORITY.

The authority of the Secretary to carry out this Act terminates on the date that is 5 years after the date of enactment of this Act.

By Mr. KERRY:

S. 3833. A bill to authorize support for the Armed Forces Support Foundation in assisting members of the National Guard and Reserve and former members of the Armed Forces in securing employment in the private sector, and for other purposes; to the Committee on Armed Services.

Mr. KERRY. Mr. President, today I am introducing the Armed Forces Employment Support Act, AFESA, which will help members of our Armed Forces transition to employment after their military service. My legislation will help the Armed Forces Support Foundation, AFSF, a nonprofit organization that helps military veterans and members of the National Guard and Reserve find jobs in the private sector, create new programs that help veterans obtain jobs after their service to the Nation.

This legislation is necessary to address disproportionate unemployment rates for young veterans, the cost to the Government to provide unemployment insurance, and skilled labor shortages in key industries. For instance, the unemployment rate for veterans aged 22 to 26 is three times the national average. The Government has spent $87 million on unemployment benefits for recently discharged veterans and lost an estimated $50 million in tax revenue. Further, a study sponsored by the Federal Mediation and Conciliation concluded the biggest problem facing the transportation industry is the shortage of skilled labor. The transportation industry will benefit from this legislation given that many veterans have experience in transportation from their military service.

Specifically, AFESA authorizes $10 million annually through fiscal year 2011 for the National Guard to make grants to AFSF to help it pursue agreements to hire veterans with businesses in industries ranging from transportation to domestic security.

AFSF is modeled on a successful veterans employment transition program, Helmets to Hardhats, which has helped more than 150,000 veterans find jobs in the construction industry and has referred 40,000 veterans into apprenticeship programs. Helmets to Hardhats evaluates each veteran it works with to identify that veteran's experiences. It then takes that information and targets various business within the construction industry that has positions that require similar skills. The agreements it enters into guarantee a long-term partnership that benefit both parties. Helmets to Hardhats has also entered into an agreement with the National Guard to assist with recruiting efforts. In 2005, it helped recruit 396 men and women into the National Guard, which is estimated to have saved the military $3.7 million in recruiting costs.

The success of Helmets to Hardhats has been noted in the media, by the National Guard, the Department of Labor, 17 State Governors, senators, congressmen, and others as an innovative organization that has shown results and truly benefitted the veteran community and the construction industry. AFSF will build upon the success of Helmets to Hardhats by facilitating employment in multiple industries with positions that are applicable to skills veterans acquired in the military.

I can think of few causes more important that helping those who have risked their lives defending our country find good jobs and realize the American dream. Unfortunately, many veterans of the war in Iraq and other theaters are finding it difficult to find a job when they return from service. For instance, at 15.6 percent, the unemployment rate for 20- to 24-year-old veterans is nearly twice that of nonveterans. This is an unacceptable fact that this legislation will help ameliorate. Indeed, I am confident that the success of Helmets to Hardhats in the construction industry will be replicated many times over by AFSF.

Mr. President, this legislation is based on the premise that no one who has served our country in uniform should be left behind when they return to civilian life. AFSF's mission is a worthwhile and important cause that deserves the Government's support. I know that it will help our veterans, and I hope my colleagues will support it.

By Mr. SESSIONS (for himself and Mrs. Feinstein).

S. 3834. A bill to amend the Controlled Substances Act to address online pharmacies; to the Committee on the Judiciary.

Mr. SESSIONS. Mr. President, after working together with Senator Feinstein, I am pleased to introduce the Online Pharmacy Consumer Protection Act of 2006. I have worked to take the lead in protecting consumers specifically as it relates to the sale and distribution of controlled substances and prescription drugs over the Internet and holding liable those who do so via unregistered online pharmacies. I commend Senator Feinstein for her leadership on this issue and look forward to working with her to pass this important piece of legislation.

This bill would prohibit the distribution of controlled substances and prescription drugs by means of the Internet without a valid prescription and provides for the legitimate online distribution of those drugs in certain circumstances. Two weeks ago, Attorney General Gonzalez testified that sale and distribution of "controlled pharmaceuticals on the Internet is of great concern," since it "gives drug abusers the ability to circumvent the law, as well as sound medical practice." This bill would go a long way in addressing the concerns expressed by Attorney General Gonzalez by reigning in a practice that has gone unregulated for far too long.

Recently, there has been an explosion in the number of online pharmacies that provide prescription drugs—both controlled and noncontrolled substances—to users without valid prescriptions. Most illegal drug abuse involving prescription drugs is associated with Internet purchases, where users are given a prescription without ever seeing a doctor. The most prominent abuse occurs with regard to controlled substances such as hydrocodone, Valium, Xanax, OxyContin, and Vicodin. A 2002 study reported that nearly 15 million adults admitted to abusing prescription drugs, with 2.4 million new abusers in 2001 alone. Currently, there is no way to police this illegal activity.

The ease with which consumers may purchase controlled substances and other prescription drugs from online pharmacies without a prescription is shocking. Often consumers can obtain a prescription from physicians employed by the online pharmacy by simply filling out a brief questionnaire on the pharmacy's Web site. Most online pharmacies have no way to verify that the consumer ordering the prescription is actually who they claim to be or that the medical condition the consumer describes actually exists. Thus, drug addicts and minor children can easily order controlled substances and prescription drugs over the Internet simply by providing false identities or describing nonexistent medical conditions.

In 2001, Ryan Haight, a California high school honors student and athlete, died from an overdose of the painkiller hydrocodone that he purchased from an online pharmacy. The doctor prescribing hydrocodone had never met or personally examined Ryan. Ryan simply filled out the pharmacy's online questionnaire and described himself as a 25-year-old male suffering from chronic back pain. Ryan's death could have been avoided.

I believe that Congress is in the best position to help prevent teenagers from purchasing controlled substances and prescription drugs from online rouge pharmacies. I also believe that Congress has the ability to help prevent adult prescription drug abuse by making it harder to purchase these drugs online without a valid prescription.

The Online Pharmacy Consumer Protection Act would provide criminal penalties for those who knowingly or intentionally—unlawfully—dispense controlled substances and prescription drugs over the Internet; give State attorneys general a civil cause of action against anyone who violates the act if they have reason to believe that the violation affects the interests of their State's residents; and allow the Federal Government to take possession of any tangible or intangible property used illegally by online pharmacies.

The Online Pharmacy Consumer Protection Act would also require online pharmacies to file an additional registration statement with the Attorney General and meet additional registration requirements promulgated by him/her; report to the Attorney General any controlled substances or prescription drugs dispensed over the Internet, and comply with licensing and disclosure requirements.

The Online Pharmacy Consumer Protection Act of 2006 takes a substantial step toward plugging a loophole in our drug laws by regulating the practice of distributing controlled substances and prescription drugs via the Internet. By holding unregistered online pharmacies accountable for their activity, we are ensuring that those who seek to purchase prescription drugs by using the Internet are protected from those engaged in reprehensible business practices.

Mr. President, once again I thank Senator FEINSTEIN for her leadership in addressing this serious issue. I commend this bill to my colleagues for study, and I urge them to support this important legislation.

Mrs. FEINSTEIN. Mr. President, I am pleased to join with Senator SESSIONS to introduce the Online Pharmacy Consumer Protection Act. Our legislation protects the safety of consumers who wish to purchase prescription drugs over the Internet, while holding accountable those who operate unregistered pharmacies.

Just a few weeks ago, Attorney General Alberto Gonzales appeared before the Senate Judiciary Committee for a DOJ Oversight hearing. In discussing the Department's priorities, he singled out how "the purchase of . . . controlled pharmaceuticals on the Internet is of great concern." He noted how the Internet's wide accessibility and anonymity "give drug abusers the ability to circumvent the law, as well as sound medical practice, a[s] they dispense potentially dangerous controlled pharmaceuticals." With "no identifying... information on these Web sites, it is very difficult for law enforcement to track any of the individuals behind them."

I believe this bill will address many of these problems that the Attorney General has identified.

To understand how many of these Internet pharmacy Web sites exist, just visit any Internet search engine. Type in the name of any controlled substance or prescription drug. Several Web sites will appear, offering to sell you these drugs without a prescription and without a medical examination. Some of these Web sites simply ask patients to send copies of medical records, with no verification of their validity.

Patients use these pharmacies to obtain addictive drugs, like Vicodin and Oxycontin. They can receive prescription medications like Viagra without a doctor performing a physical exam to ensure that an underlying health condition will not cause a dangerous side effect.

At the same time, receiving medications from a legitimate, licensed Internet pharmacy is one of the new conveniences ushered in by the Internet age. This bill preserves the ability of well-run pharmacies and well-intentioned patients to access prescription drugs and controlled substances by means of the Internet.

This legislation imposes basic, commonsense requirements on an industry that presents both promise and peril.

First, this bill establishes disclosure standards for Internet pharmacies.

Second, this bill prohibits an Internet pharmacy from dispensing or selling a prescription drug or controlled substance without an in-person examination by a physician.

Third, it allows a State attorney general to bring a civil action in Federal district court to enjoin a pharmacy operating in violation of the law and to enforce compliance with the provisions of this law.

The disclosure requirements contained in this bill will allow patients to differentiate between shady offshore pharmacies, and legitimate licensed ones. Under this legislation, pharmacies must clearly disclose the name and address of the pharmacy, contact information for the pharmacist-in-charge, and a list of States in which the pharmacy is licensed to operate. They must also clearly post a statement that they comply with the requirements in this legislation.

The bill states pharmacies can dispense to patients only if they have a valid prescription from a practitioner who has performed an in-person examination. This requirement will ensure that doctors can verify the health status of a patient and ensure that the drug he or she will receive from the pharmacy is medically appropriate.

This legislation recognizes that in the case of an emergency, a patient may not always be able to see his or her typical physician. For that reason, it allows a doctor to designate a covering practitioner to write a valid prescription if he or she is not available.

Finally, this bill contains real penalties to hold accountable those who continue to operate pharmacies in violation of these requirements.

First, for Internet sales of prescription drugs and controlled substances, the bill makes clear that such activities are subject to the current Federal laws against illegal distributions and the same penalties applicable to hand-to-hand sales.

Second, the bill increases the penalties for illegal distributions of controlled substances categorized by the DEA as schedule III, IV and V substances, with new penalties if death or serious bodily injury results and longer periods of supervised release available after convictions.

The bill also allows a State's attorney general to file a Federal motion to stop these pharmacies from operating illegally, no matter where the entity is headquartered. Previously, this type of enforcement would require a filing in every State.

I urge my colleagues to join me in supporting this legislation.

By Mr. CORNYN (for himself, Mr. CHAMBLISS, Mr. ALLEN, Mr. KYL, Mr. SESSIONS, Mr. GRAHAM, Mr. INHOFE, and Mr. SANTORUM):

S. 3835. A bill to provide adequate penalties for crimes committed against United States judges and Federal law enforcement officers, to provide appropriate security for judges and law enforcement officers, and for other purposes; to the Committee on the Judiciary.

Mr. CORNYN. Mr. President, I rise today to speak in favor of the Court and Law Enforcement Protection Act of 2006. This bill is designed to address the critical issue of judicial and law enforcement security.

Police officers place their lives on the line every time they put on their uniforms and report for duty. Likewise, the dedicated men and women who work in America's courthouses—from the judges to the court reporters—preside each day over difficult, contentious and at times very emotional legal disputes. And these public servants, like our police, are placed in hams way by the nature of their jobs. These individuals fulfill essential roles that keep our democracy running smoothly, and I have the greatest respect for them.

Unfortunately, violence directed at public servants is on the rise. From escalating violence against police officers to courthouse attacks—including in my home State of Texas—these despicable actions threaten the administration of justice. This Congress has the power—and now must exercise it—to ensure that certain and swift punishment awaits those who engage in these unconscionable acts of violence.

The administration of justice—indeed, the health of American democracy—depends on our ability to attract dedicated public servants, including police officers and judges. And so we must do all that we can to provide adequate security to these dedicated men and women who are too often targeted for violence or harassment simply because of the position they hold.

As a former State attorney general, I had the responsibility of defending sentences on appeal of certain defendants who had been found guilty of violence. So I am acutely aware of the devastating effects criminal acts of violence have on the victims and their families. And because I also used to be a judge I am fortunate to have a number of close, personal friends who serve in law enforcement and on the bench. I personally know judges and their families who have been victims of violence, and I have grieved with those families. I am outraged that these cowardly and despicable acts continue to occur.

Police officers in this Nation are sworn to protect and to serve their fellow citizens. They selflessly respond to dangerous situations and often must diffuse highly emotional circumstances. And judges, for their part, are impartial umpires of the law. We know that they cannot help but disappoint people in their line of work because, in litigation, there is normally a winning side and a losing one. But judges, witnesses, courthouse personnel and law enforcement must not face threats and violence for doing nothing more than simply carrying out their duties.

The protection of the men and women who compose our judicial system and serve the public in law enforcement are essential to the proper administration of justice in our country. This bill takes steps toward providing additional protections to these dedicated public servants.

First, it increases the punishments, including providing mandatory minimums, against those who retaliate against judges, police officers, or their family members, on account of the performance of their duties. A high-ranking law enforcement official recently told me that detention equals deterrence. What he meant was that those who know that they will face significant incarceration think twice about committing criminal acts. I agree with him, and we should carry out that idea in this legislation.

Importantly, this bill curbs frivolous lawsuits against police officers and streamlines the appellate process for those murderers who receive the death penalty for murdering a judge or a police officer.

It is good policy to place reasonable limits on lawsuits involving police officers by limiting claims to actual damages—unless the defendant purposefully inflicted serious bodily injury on the plaintiff, in which case the plaintiff may seek an additional $250,000 in damages. And returning the attorney's fees provisions in these cases to the traditional attorney's fees responsibility by requiring each party to bear this burden is likewise good policy.

Placing time constraints on habeas corpus petitions, including the time to file the petitions, the time to hold an evidentiary hearing on the petition, and the time to rule on a petition when the murder of a police officer is involved, is also good policy. This will eliminate extensive and unnecessary delays for the families of victims that occur when those who have victimized their loved ones find ways to delay the imposition of justice.

Finally, this bill makes technical fixes to the law enforcement concealed carry legislation passed in the 108th Congress. Some technical barriers prevent retired officers from carrying a firearm to defend themselves and their loved ones. These technical corrections will facilitate the full implementation of that provision as Congress originally intended.

Mr. President, the Court and Law Enforcement Protection Act of 2006 is an important piece of legislation. It targets those people who would stand in the way of the proper, fair, and efficient administration of justice. The men and women of law enforcement and the judiciary work hard to carry out the duties entrusted to them by their State and the Federal Constitution, and they deserve our support. This bill is a significant step In providing them that much needed support. I look forward to working with my colleagues on this issue and encourage their support of this bill.

Mr. AKAKA (for himself, Mr. INOUYE, Mr. BYRD, Mr. STEVENS, Mr. JEFFORDS, Ms. MURKOWSKI, Mr. KERRY, Mr. COCHRAN, Mr. LIEBERMAN, Mr. DODD, Mr. ROCKEFELLER, Mr. KENNEDY, Mr. LOTT, Mr. BIDEN, Mrs. CLINTON, Mr. REID, Mr. DORGAN, Mr. REED, Mrs. FEINSTEIN, Mr. CONRAD, Mrs. DOLE, Mr. DOMENICI, and Mr. ROBERTS):

S. 3837. A bill to authorize the establishment of the Henry Kuualoha Giugni Kupuna Memorial Archives at the University of Hawaii; to the Committee on Health, Education, Labor, and Pensions.

Mr. AKAKA. Mr. President, I rise with my dear friend, the Senior Senator from Hawaii, DAN INOUYE, and several of our colleagues from both sides of the aisle, to introduce a bill to pay tribute to one of this body's most loyal servants. The Henry Kuualoha Giugni Kupuna Memorial Archives bill honors Henry K. Giugni, our former Sergeant-at-Arms of the U.S. Senate, through the establishment of a Native Hawaiian cultural and historical digital archives. These archives will enable the sharing and perpetuation of the unique culture, collective memory, and history of the people Henry K. Giugni so dearly loved.

As many of my colleagues are aware, Henry K. Giugni was a man full of life and loyalty who served our country with distinction. He enlisted in the U.S. Army at the age of 16 after the attack on Pearl Harbor. During World War II he served in combat at the battle of Guadalcanal. Following World War II, he continued to serve the State of Hawaii and our nation by working as a police officer and firefighter. After nearly a decade of service with Senator INOUYE in the Hawaii territorial legislature, he came to Washington, DC, as the senior senator's Senior Executive Assistant and then Chief of Staff for more than 20 years. Mr. Giugni was appointed Sergeant-at-Arms of the United States Senate in 1987.

Henry K. Giugni also sought to tear down barriers in society. In 1965 it was Mr. Giugni who represented Senator INOUYE's office, thus the people of Hawaii, in the famous 1965 Selma to Montgomery civil rights march led by Dr. Martin Luther King, Jr. As Senator INOUYE's Chief of Staff, Mr. Giugni served as a vital link between the Senator's office and minority groups. In 1987 he was the first person of color and the first Native Hawaiian to be appointed Sergeant-at-Arms of the United States Senate. In this influential position, he sought out capable minorities and women for promotion to ensure that our workforce reflects America. He appointed the first minority, an African American, to lead the Service Department, and was the first to assign women to the Capitol Police plainclothes unit. Being particularly concerned about people with disabilities, Henry K. Giugni enacted a major expansion of the Special Services Office, which now conducts tours of the U.S. Capitol for the blind, deaf, and wheelchair-bound, and publishes Senate maps and documents in Braille.

In his capacity as Sergeant-at-Arms, Mr. Giugni was the chief law enforcement officer of the U.S. Senate and an able manager of a majority of the Senate's support services. He oversaw a budget of nearly $120 million and approximately 2,000 employees. As Sergeant-at-Arms, Mr. Giugni had the opportunity to preside over the inauguration of President George H.W. Bush as well as escort numerous dignitaries, including Nelson Mandela, Margaret Thatcher, and Vaclav Havel when they visited the U.S. Capitol.

Establishing the Henry Kuualoha Giugni Memorial Archives would be a poignant and appropriate way to honor our loyal friend, colleague, and fellow American. Please allow me to explain. In Henry's passing there is a fitting analogy that can be made for the need of establishing these archives. Henry lived a life full of rich experiences and along the way he accumulated a wealth of wisdom. His memory and spirit live on but it is essential to perpetuate his wisdom and experiences so that what he learned and accomplished will not be lost to future generations. This is the primary impetus behind creating these archives. For various reasons there is a dearth of physical archives, museums, or libraries that are devoted to preserving and perpetuating the history, culture, achievements and collective narratives of indigenous peoples, including Native Hawaiians. As one generation passes, a wealth of traditional knowledge may be lost forever. Establishing these archives to perpetuate the traditional knowledge of indigenous peoples such as Henry will ensure that future generations of people have access to that knowledge and, in some sense, are able to learn from the original sources themselves.

The development of the Internet in managing knowledge in electronic format has enabled the most pervasive storing and sharing of information the world has ever seen. An electronic, digital archives would facilitate the sharing, preservation and perpetuation of the unique Native Hawaiian culture, language, tradition and history. These archives will be a source of enduring knowledge, accessible to all, and will contribute to the cultural, social and economic advancement of Native Hawaiians and the State of Hawaii. It will help to ensure that the children of today and tomorrow will not be deprived of the rich culture, history and collective knowledge of Native Hawaiians. These archives will help to guarantee that the experiences, wisdom and knowledge of kupuna, or grandfathers and grandmothers such as Henry K. Giugni, will not be lost to future generations.

The first section of the Henry Kuualoha Giugni Memorial Archives bill authorizes a grant awarded to the University of Hawaii's Academy for Creative Media for the establishment, maintenance and update of the archives which are to be located at the University of Hawaii. These funds shall be used to enable a statewide archival effort which will include the acquisition of a secure, web-accessible repository that will house significant Native Hawaiian historical and cultural information. This information may include oral histories, collective narratives, photographs, video files, journals, creative works and even documentation of practices and customs such as hula and music. The funds will enable this important effort by assisting in the purchasing of equipment, hiring of personnel, creating space for the collection and transfer of media, housing the archives, and creating this in-depth database.

The second section of this bill authorizes the use of these grant funds for several different educational activities, many of which are intended to magnify the effect and resourcefulness of these archives and benefit the student populations who will likely access the archives the most. This includes the development of educational materials from the content of the archives that can be used in educating indigenous students such as Native Hawaiians, Alaska Natives, and Native American Indians. These materials are meant to enhance the education of all students, even students from non-native backgrounds. This also includes developing outreach initiatives to introduce the archives to elementary and secondary schools as well as enabling schools to access the archives through obtaining computer equipment.

Grant funds can also be used to enable access to a college education to students who otherwise cannot independently afford such an education through scholarship awards. Additionally, funds can be used to address the problem of cultural incongruence in teaching, an issue that impedes effective learning in our Nation's classrooms. Such a lack of congruence exists in a wide range of situations, from rural and underserved communities in remote areas to well-populated urban centers, from my state of Hawaii to areas on the Eastern seaboard. The dynamic I am describing exists along lines of race and ethnicity, socio-economic strata, age, and many other vectors, which can muddy the effective transmission of knowledge. Many of us, especially those from rural, indigenous, or ethnic minority backgrounds including Henry Giugni, have experienced this problem as we have worked our way through the education system. This bill also seeks to improve student achievement by addressing cultural incongruence between teachers and the student population by providing professional development training to teachers to enable them to teach in a culturally congruent way.

Finally, as financial illiteracy is a growing problem especially among college age youth who are exposed to a variety of financial products, funds can be used to increase the economic and financial literacy of college students through the propagation of proven best practices that have resulted in positive behavioral change in regards to improved debt and credit management and economic decision making. Such activities can help to ensure that students stay in school, graduate in a better financial position, and remain disciplined in effectively managing their finances throughout their working and retirement years.

Henry K. Giugni served amongst us with distinction and honor. I am very grateful to have known him. I encourage all of my colleagues to perpetuate his memory by supporting the Henry Kuualoha Giugni Memorial Archives bill. These archives are the most fitting way we can honor and remember our friend and dear public servant, Henry Kuualoha Giugni.

Mr. INOUYE. Mr. President, I rise in support of the Henry Kuualoha Giugni Kupuna Memorial Archives Bill.

Henry Giugni was my dear friend. He was an important part of my life for nearly half a century. He tirelessly and proudly served the people of Hawaii as my chief of staff. After leaving my office, he eagerly and enthusiastically dedicated himself to serving the Senate and the citizens of the United States as the Senate's 30th Sergeant-at-Arms.

In the days following his passing on November 3, 2005, I was deeply touched by the hundreds of people who reached out to me, and shared, through conversations and letters, their memories of Henry. The stories were poignant.

They were filled with love and affection for a bear of a man who—while he could be gruff and outrageous at times—could never camouflage his gentle soul and his willingness to help others, especially those who were less fortunate or who were just beginning their careers. The shared memories of Henry revealed that he enriched lives, served as an inspiration, and gave hope.

Similarly, this bill, which bears Henry's name, will not only honor him, but more importantly will serve the people of Hawaii, especially the descendants of the islands' first settlers. It will also help Hawaii's unique native traditions and culture to flourish. By establishing a digital memorial archive at the University of Hawaii's Academy for Creative Media, this bill will enrich the lives of the people of Hawaii and those who live beyond Hawaii's shores. The digital archive will be a 21st-century way of inspiring and giving hope by preserving the invaluable lessons and insights from the collective memory and history of Native Hawaiians.

During the years that Henry was a young boy attending school, the history of Native Hawaiians and Hawaii was rarely—if ever—taught in Hawaii. It was only relatively recently that Hawaiian history became an essential part of the curriculum of Hawaii's schools. Henry was proud that he was part-Hawaiian, and he was proud that someone like him, from humble beginnings, could find success in Washington, in an environment vastly different from his roots in Hawaii. While he became an acquaintance of presidents and kings, his heart was always with the native people of Hawaii, who are still struggling for their moment in the sun.

In addition to creating a digital archive and preserving the traditions and culture of Native Hawaiians, this legislation will support initiatives to develop Web-based media projects from the archive to create educational materials that can be used to enhance the education of indigenous students. It also can serve to inspire higher educational achievement by indigenous students by sharing with them the stories and histories of accomplished individuals with indigenous backgrounds, such as Henry.

So although Henry is no longer with us, his mentoring and sharing spirit will live on through the digital archive created by this bill. Through the archive, Henry will always be the embodiment of the kupuna—the respected elder who has much wisdom and insight to share.

My colleagues, please join me in supporting the Henry Kuualoha Giugni Kupuna Memorial Archives Bill.

By Mr. HATCH (for himself and Mrs. LINCOLN):

S. 3838. A bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes; to the Committee on Finance.

Mr. HATCH. Mr. President, on behalf of myself and my friend and colleague, Senator LINCOLN, I rise today to introduce the S Corporation Reform Act of 2006.

The bill we are introducing today is a continuation of a bipartisan effort that began in the Senate over a decade ago when former Senators Pryor and Danforth, me and six other Senators, introduced the S Corporation Reform Act of 1993. We recognized then, as we do today, that S corporations are a vital and growing part of our economy and that our tax law should reflect the importance of these entities and provide tax rules that allow S corporations to grow and compete with a minimum of complexity and a maximum of flexibility.

According to the latest figures available from the Small Business Administration, there were approximately 3.1 million S corporations in the United States in 2002 with a total of $3.9 trillion in revenue. There were about a half million S corporations in 1980, so the growth of these entities has been striking. Surprisingly, the growth of S corporations has continued even after the advent of the Limited Liability Company, LLC, which offers many of the same benefits, but more flexibility, as S corporations. In fact, S corporations now outnumber both C corporations and partnerships. These are predominantly small businesses in the retail and service sectors. In my home State of Utah, over half the corporations have elected subchapter S treatment.

Subchapter S of the Internal Revenue Code was enacted in 1958 to help remove tax considerations from small business owners' decisions to incorporate. This elective tax treatment has been helpful to millions of small businesses over the years, particularly to those just starting out. Subchapter S provides entrepreneurs the advantage of corporate protection from liability along with the single level of tax enjoyed by partnerships and limited liability companies.

However, Subchapter S in its current state contains a variety of limitations, restrictions, and pitfalls for the unwary. Even though some very important improvements have been made over the years, including many first introduced in the 1993 S Corporation Reform Act I mentioned earlier, more needs to be done to bring the tax treatment of these important businesses into the 21st century. The two biggest constraints that small businesses face are difficulties in getting access to capital and the tax burden. The bill we are introducing today addresses both of these vital issues.

Small businesses create two-thirds of all new jobs in the economy and account for roughly half of the overall employment in the country. Throughout the 1990s small businesses accounted for sixty to eighty percent of all new jobs. They are especially important in industries where technological innovation is important. According to the Congressional Research Service, small firms account for nearly forty percent of all scientists, engineers, and computer specialists working in the private sector.

During the most recent downturn of 2001–2002, when the state of Utah lost jobs, small businesses actually created jobs and helped soften the blow for many Utahns. Today, as our economy is booming, small businesses continue to generate the bulk of new jobs.

In rural America, the role of small enterprises is even more important. Small businesses account for 90 percent of all rural establishments. In 1998, small companies employed 60 percent of rural workers and provided half of rural payrolls.

Perhaps the biggest challenge facing many American businesses, but especially smaller ones, is attracting adequate capital. Unfortunately, subchapter S is currently a hindrance, rather than a help, for many corporations facing this challenge. For example, current law allows for only one class of stock for S corporations. Further, S corporations are not currently allowed to issue convertible debt, nor are they allowed to have a nonresident alien as a shareholder.

Several of the provisions of the S Corporation Reform Act of 2006 are designed to alleviate these restrictions on S corporations and help them attract capital. With these changes, S corporations will be more competitive with other small enterprises doing business as partnerships or limited liability companies that do not face such barriers.

Even though electing subchapter S currently offers significant tax relief to a small corporation by eliminating the corporate level of taxation, S corporations still face some significant tax burdens and a myriad of potential pitfalls and tax traps for the unwary. Some of these impediments exist in the requirements of elective S corporation status, and others are in the rules governing the day-to-day operations of the entities. In either case, these provisions can stifle growth and impede job creation.

Most of the provisions in our bill aim to eliminate these barriers and make it easier for companies to elect subchapter S and to operate in this status once the election is made.

The Small Business Job Protection Act of 1996 made many important changes to subchapter S. One of the most significant was to allow, for the first time, small banks to elect to be S corporations. This opened the door for many small community banks to become more competitive with other financial institutions operating in towns and neighborhoods throughout the country. The availability of Subchapter S has been a positive development in increasing the profitability and competitiveness of many community banks. Some 2,300 banks have chosen to be S corporations, representing 25 percent of all banks. However, some of the operating rules under subchapter S remain unduly inflexible, complex, and harsh on banks.

The bill we introduce today attempts to address many of these challenges by clarifying and relaxing some of the operational rules that apply to S corporations. These changes are designed to make it significantly easier for community banks to take advantage of the benefits of subchapter S. In my opinion, businesses should be allowed to focus on meeting their customers' needs and maximizing their shareholders' profits, and not preoccupied with conforming to Byzantine government rules.

While the corporate structure of an S corporation would not generally make sense for larger companies, the tax structure applied to S corporations is quite sensible and can serve as a model for other companies. Economists hail the single level of taxation of profits in the S corporation law as a much more efficient approach, and something that would be desirable for all enterprises.

The S Corporation Reform Act of 2006 enjoys the support of a broad range of associations and trade groups, many of which have worked with us in crafting the bill.

I urge my colleagues to take a close look at this bill, and to support it. Thousands of small and growing businesses in every state will benefit from the improvements included in the bill. Its enactment will lead to an increased ability of these enterprises to attract capital and create new jobs.

I ask unanimous consent that the text of the bill and section-by-section explanation of the bill be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

S. 3838

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "S Corporation Reform Act of 2006".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; reference; table of contents.
TITLE I—ELIGIBLE SHAREHOLDERS OF AN S CORPORATION
Sec. 101. Nonresident aliens allowed to be shareholders.
Sec. 102. Expansion of S corporation eligible shareholders to include IRAS.
TITLE II—QUALIFICATION AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS
Sec. 201. Issuance of preferred stock permitted.
Sec. 202. Safe harbor expanded to include convertible debt.
Sec. 203. Repeal of excessive passive investment income as a termination event.
Sec. 204. Modifications to passive income rules.
Sec. 205. Adjustment to basis of s corporation stock for certain charitable contributions.
TITLE III—TREATMENT OF S CORPORATION SHAREHOLDERS
Sec. 301. Treatment of losses to shareholders.
Sec. 302. Deductibility of interest expense incurred by an electing small business trust to acquire S corporation stock.
Sec. 303. Back to back loans as indebtedness.
TITLE IV—EXPANSION OF S CORPORATION ELIGIBILITY FOR BANKS
Sec. 401. Treatment of qualifying director shares.
Sec. 402. Recapture of bad debt reserves.
TITLE V—QUALIFIED SUBCHAPTER S SUBSIDIARIES
Sec. 501. Treatment of the sale of interest in a qualified subchapter S subsidiary.
TITLE VI—ADDITIONAL PROVISIONS
Sec. 601. Elimination of all earnings and profits attributable to pre-1983 years.
Sec. 602. Repeal of LIFO recapture tax.
Sec. 603. Expansion of post-termination transition period.
Sec. 604. Reduction in tax rate on excess net passive income.
Sec. 605. Increase in cap on qualified small issue bonds.
Sec. 606. Special rules of application.

TITLE I—ELIGIBLE SHAREHOLDERS OF AN S CORPORATION

SEC. 101. NONRESIDENT ALIENS ALLOWED TO BE SHAREHOLDERS.

(a) NONRESIDENT ALIENS ALLOWED TO BE SHAREHOLDERS.—

(1) IN GENERAL.—Paragraph (1) of section 1361(b) (defining small business corporation) is amended—

(A) by adding "and" at the end of subparagraph (B),

(B) by striking subparagraph (C), and

(C) by redesignating subparagraph (D) as subparagraph (C).

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (4) and (5)(A) of section 1361(c) (relating to special rules for applying subsection (b)) are each amended by striking "subsection (b)(1)(D)" and inserting "subsection (b)(1)(C)".

(B) Clause (i) of section 280G(b)(5)(A) (relating to general rule for exemption for small business corporations, etc.) is amended by striking "but without regard to paragraph (1)(C) thereof".

(b) NONRESIDENT ALIEN SHAREHOLDER TREATED AS ENGAGED IN TRADE OR BUSINESS WITHIN UNITED STATES.—

(1) IN GENERAL.—Section 875 is amended—

(A) by striking "and" at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting ", and", and

(C) by adding at the end the following new paragraph:

"(3) a nonresident alien individual shall be considered as being engaged in a trade or business within the United States if the S corporation of which such individual is a shareholder is so engaged.".

(2) PRO RATA SHARE OF S CORPORATION INCOME.—The last sentence of section 1441(b) (relating to income items) is amended to read as follows: "In the case of a nonresident alien individual who is a member of a domestic partnership or a shareholder of an S corporation, the items of income referred to in subsection (a) shall be treated as referring to items specified in this subsection included in his distributive share of the income of such partnership or in his pro rata share of the income of such S corporation.".

(3) APPLICATION OF WITHHOLDING TAX ON NONRESIDENT ALIEN SHAREHOLDERS.—Section 1446 (relating to withholding tax on foreign partners' share of effectively connected income) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) S CORPORATION TREATED AS PARTNERSHIP, ETC.—For purposes of this section—

"(1) an S corporation shall be treated as a partnership,

"(2) the shareholders of such corporation shall be treated as partners of such partnership,

"(3) any reference to section 704 shall be treated as a reference to section 1366, and

"(4) no withholding tax under subsection (a) shall be required in the case of any income realized by such corporation and allocable to a shareholder which is an electing small business trust (as defined in section 1361(e)).".

(4) CONFORMING AMENDMENTS.—

(A) The heading of section 875 is amended to read as follows:

"SEC. 875. PARTNERSHIPS; BENEFICIARIES OF ESTATES AND TRUSTS; S CORPORATIONS.".

(B) The heading of section 1446 is amended to read as follows:

"SEC. 1446. WITHHOLDING TAX ON FOREIGN PARTNERS' AND S CORPORATION SHAREHOLDERS' SHARE OF EFFECTIVELY CONNECTED INCOME.".

(5) CLERICAL AMENDMENTS.—

(A) The item relating to section 875 in the table of sections for subpart A of part II of subchapter N of chapter 1 is amended to read as follows:

"Sec. 875. Partnerships; beneficiaries of estates and trusts; S corporations.".

(B) The item relating to section 1446 in the table of sections for subchapter A of chapter 3 is amended to read as follows:

"Sec. 1446 Withholding tax on foreign partners' and S corporation shareholders' share of effectively connected income.".

(C) PERMANENT ESTABLISHMENT OF PARTNERS AND S CORPORATION SHAREHOLDERS.—Section 894 (relating to income affected by treaty) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) PERMANENT ESTABLISHMENT OF PARTNERS AND S CORPORATION SHAREHOLDERS.—If a partnership or S corporation has a permanent establishment in the United States (within the meaning of a treaty to which the United States is a party) at any time during a taxable year of such entity, a nonresident alien individual or foreign corporation which is a partner in such partnership, or a nonresident alien individual who is a shareholder in such S corporation, shall be treated as having a permanent establishment in the United States for purposes of such treaty.".

(c) APPLICATION OF OTHER WITHHOLDING TAX RULES ON NONRESIDENT ALIEN SHAREHOLDERS.—

(1) SECTION 1441.—Section 1441 (relating to withholding of tax on nonresident aliens) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) S CORPORATION TREATED AS PARTNERSHIP, ETC.—For purposes of this section—

"(1) an S corporation shall be treated as a partnership,

"(2) the shareholders of such corporation shall be treated as partners of such partnership, and

"(3) no deduction or withholding under subsection (a) shall be required in the case of any item of income realized by such corporation and allocable to a shareholder which is an electing small business trust (as defined in section 1361(e)).".

(2) SECTION 1445.—Section 1445(e) (relating to special rules relating to distributions, etc., by corporations, partnerships, trusts, or estates) is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

"(6) S CORPORATION TREATED AS PARTNERSHIP, ETC.—For purposes of this section—

"(A) an S corporation shall be treated as a partnership, and

"(B) the shareholders of such corporation shall be treated as partners of such partnership, and

"(C) no deduction or withholding under subsection (a) shall be required in the case of any gain realized by such corporation and allocable to a shareholder which is an electing small business trust (as defined in section 1361(e)).".

(d) ADDITIONAL CONFORMING AMENDMENTS.—

(1) Section 1361(c)(2)(A)(i) is amended by striking "who is a citizen or resident of the United States".

(2) Section 1361(d)(3)(B) is amended by striking "who is a citizen or resident of the United States".

(3) Section 1361(e)(2) is amended by inserting "(including a nonresident alien)" after "person" the first place it appears.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 102. EXPANSION OF S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE IRAS.

(a) IN GENERAL.—Clause (vi) of section 1361(c)(2)(A) (relating to certain trusts permitted as shareholders) is amended to read as follows:

"(vi) A trust which constitutes an individual retirement account under section 408(a), including one designated as a Roth IRA under section 408A.".

(b) SALE OF STOCK IN IRA RELATING TO S CORPORATION ELECTION EXEMPT FROM PROHIBITED TRANSACTION RULES.—Paragraph (16) of section 4975(d) (relating to exemptions) is amended to read as follows:

"(16) a sale of stock held by a trust which constitutes an individual retirement account under section 408(a) to the individual for whose benefit such account is established if

"(A) such sale is pursuant to an election under section 1362(a) by the issuer of such stock,

"(B) such sale is for fair market value at the time of sale (as established by an independent appraiser) and the terms of the sale are otherwise at least as favorable to such trust as the terms that would apply on a sale to an unrelated party,

"(C) such trust does not pay any commissions, costs, or other expenses in connection with the sale, and

"(D) the stock is sold in a single transaction for cash not later than 120 days after the S corporation election is made.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE II—QUALIFICATION AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS

SEC. 201. ISSUANCE OF PREFERRED STOCK PERMITTED.

(a) IN GENERAL.—Section 1361 (defining S corporation) is amended by adding at the end the following new subsection:

"(f) TREATMENT OF QUALIFIED PREFERRED STOCK.—

"(1) IN GENERAL.—For purposes of this subchapter—

"(A) qualified preferred stock shall not be treated as a second class of stock, and

"(B) no person shall be treated as a shareholder of the corporation by reason of holding qualified preferred stock.

"(2) QUALIFIED PREFERRED STOCK DEFINED.—For purposes of this subsection, the term 'qualified preferred stock' means stock which meets the requirements of subparagraphs (A), (B), and (C) of section 1504(a)(4). Stock shall not fail to be treated as qualified preferred stock merely because it is convertible into other stock.

"(3) DISTRIBUTIONS.—A distribution (not in part or full payment in exchange for stock) made by the corporation with respect to qualified preferred stock shall be includible as ordinary income of the holder and deductible to the corporation as an expense in computing taxable income under section 1363(b) in the year such distribution is received.".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1361(b) is amended by inserting ", except as provided in subsection (f)," before "which does not".

(2) Subsection (a) of section 1366 is amended by adding at the end the following new paragraph:

"(3) ALLOCATION WITH RESPECT TO QUALIFIED PREFERRED STOCK.—The holders of qualified preferred stock (as defined in section 1361(f)) shall not, with respect to such stock, be allocated any of the items described in paragraph (1).".

(3) So much of clause (ii) of section 354(a)(2)(C) as precedes subclause (II) is amended to read as follows:

"(ii) RECAPITALIZATION OF FAMILY-OWNED CORPORATIONS AND S CORPORATIONS.—

"(I) IN GENERAL.—Clause (i) shall not apply in the case of a recapitalization under section 368(a)(1)(E) of a family-owned corporation or S corporation.".

(4) Subsection (a) of section 1373 is amended by striking "and" at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting ", and", and by adding at the end the following new paragraph:

"(3) no amount of an expense deductible under this subchapter by reason of section 1361(f)(3) shall be apportioned or allocated to such income.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 202. SAFE HARBOR EXPANDED TO INCLUDE CONVERTIBLE DEBT.

(a) IN GENERAL.—Subparagraph (B) of section 1361(c)(5) (defining straight debt) is amended by striking clauses (ii) and (iii) and inserting the following new clauses:

"(ii) in any case in which the terms of such promise include a provision under which the obligation to pay may be converted (directly or indirectly) into stock of the corporation, such terms, taken as a whole, are substantially the same as the terms which could have been obtained on the effective date of the promise from a person which is not a related person (within the meaning of section 465(b)(3)(C)) to the S corporation or its shareholders, and

"(iii) the creditor is—

"(I) an individual,

"(II) an estate,

"(III) a trust described in paragraph (2),

"(IV) an exempt organization described in paragraph (6), or

"(V) a person which is actively and regularly engaged in the business of lending money.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 203. REPEAL OF EXCESSIVE PASSIVE INVESTMENT INCOME AS A TERMINATION EVENT.

(a) IN GENERAL.—Section 1362(d) (relating to termination) is amended by striking paragraph (3).

(b) CONFORMING AMENDMENTS.—

(1) Section 1362(f)(1) is amended by striking "or (3)".

(2) Clause (i) of section 1042(c)(4)(A) is amended by striking "section 1362(d)(3)(C)" and inserting "section 1375(b)(3)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 204. MODIFICATIONS TO PASSIVE INCOME RULES.

(a) INCREASED LIMIT.—

(1) IN GENERAL.—Subsection (a)(2) of section 1375 (relating to tax imposed when passive investment income of corporation having accumulated earnings and profits exceeds 25 percent of gross receipts) is amended by striking "25 percent" and inserting "60 percent".

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (J) of section 26(b)(2) is amended by striking "25 percent" and inserting "60 percent".

(B) Clause (i) of section 1375(b)(1)(A) is amended by striking "25 percent" and inserting "60 percent".

(C) The heading for section 1375 is amended by striking "**25 PERCENT**" and inserting "**60 PERCENT**".

(D) The table of sections for part III of subchapter S of chapter 1 is amended by striking "25 percent" in the item relating to section 1375 and inserting "60 percent".

(b) REPEAL OF PASSIVE INCOME CAPITAL GAIN CATEGORY.—

(1) IN GENERAL.—Subsection (b) of section 1375 (relating to tax imposed when passive investment income of corporation having accumulated earnings and profits exceeds 60 percent of gross receipts), as amended by subsection (a), is amended by striking paragraphs (3) and (4) and inserting the following new paragraph:

"(3) PASSIVE INVESTMENT INCOME DEFINED.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term 'passive investment income' means gross receipts derived from royalties, rents, dividends, interest, and annuities.

“(B) EXCEPTION FOR INTEREST ON NOTES FROM SALES OF INVENTORY.—The term ‘passive investment income’ shall not include interest on any obligation acquired in the ordinary course of the corporation’s trade or business from its sale of property described in section 1221(a)(1).

“(C) TREATMENT OF CERTAIN LENDING OR FINANCE COMPANIES.—If the S corporation meets the requirements of section 542(c)(6) for the taxable year, the term ‘passive investment income’ shall not include gross receipts for the taxable year which are derived directly from the active and regular conduct of a lending or finance business (as defined in section 542(d)(1)).

“(D) TREATMENT OF CERTAIN DIVIDENDS.—If an S corporation holds stock in a C corporation meeting the requirements of section 1504(a)(2), the term ‘passive investment income’ shall not include dividends from such C corporation to the extent such dividends are attributable to the earnings and profits of such C corporation derived from the active conduct of a trade or business.

“(E) COORDINATION WITH SECTION 1374.—The amount of passive investment income shall be determined by not taking into account any recognized built-in gain or loss of the S corporation for any taxable year in the recognition period. Terms used in the preceding sentence shall have the same respective meaning as when used in section 1374.”.

(2) CONFORMING AMENDMENTS.—Section 1375(d) is amended by striking “subchapter C” both places it appears and inserting “accumulated”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 205. ADJUSTMENT TO BASIS OF S CORPORATION STOCK FOR CERTAIN CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Paragraph (1) of section 1367(a) (relating to adjustments to basis of stock of shareholders, etc.) is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, and”, and by adding at the end the following new subparagraph:

“(D) the excess of the amount of the shareholder’s proportionate share of any charitable contribution made by the S corporation over the shareholder’s proportionate share of the adjusted basis of the property contributed.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

TITLE III—TREATMENT OF S CORPORATION SHAREHOLDERS

SEC. 301. TREATMENT OF LOSSES TO SHAREHOLDERS.

(a) LIQUIDATIONS.—Section 331 (relating to gain or loss to shareholders in corporate liquidations) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

“(c) LOSS ON LIQUIDATIONS OF S CORPORATION.—

“(1) IN GENERAL.—The portion of any net loss recognized by a shareholder of an S corporation (as defined in section 1361(a)(1))—

“(A) on amounts received by such shareholder in a distribution in complete liquidation of such S corporation, or

“(B) on an installment obligation received by such shareholder with respect to a sale or exchange by the corporation during the 12-month period beginning on the date a plan of complete liquidation is adopted if the liquidation is completed during such 12-month period, which does not exceed the ordinary income basis of stock of such S corporation in the hands of such shareholder shall not be treated as a loss from the sale or exchange of a capital asset but shall be treated as an ordinary loss.

“(2) ORDINARY INCOME BASIS.—For purposes of this subsection, the ordinary income basis of stock of an S corporation in the hands of a shareholder of such S corporation shall be an amount equal to the portion of such shareholder’s basis in such stock which is equal to the aggregate increases in such basis under section 1367(a)(1) resulting from such shareholder’s pro rata share of ordinary income of such S corporation attributable to the complete liquidation.”.

(b) SUSPENDED PASSIVE ACTIVITY LOSSES.—Paragraph (3) of section 1371(b) is amended to read as follows:

“(3) TREATMENT OF S YEAR AS ELAPSED YEAR; PASSIVE LOSSES.—Nothing in paragraphs (1) and (2) shall prevent treating a taxable year for which a corporation is an S corporation as a taxable year for purposes of determining the number of taxable years to which an item may be carried back or carried forward nor prevent the allowance of a passive activity loss deduction to the extent provided by section 469(g).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 302. DEDUCTIBILITY OF INTEREST EXPENSE INCURRED BY AN ELECTING SMALL BUSINESS TRUST TO ACQUIRE S CORPORATION STOCK.

(a) IN GENERAL.—Subparagraph (C) of section 641(c)(2) (relating to modifications) is amended by inserting after clause (iii) the following new clause:

“(iv) Any interest expense incurred to acquire stock in an S corporation.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 303. BACK TO BACK LOANS AS INDEBTEDNESS.

(a) IN GENERAL.—Section 1366(d) (relating to special rules for losses and deductions) is amended by adding at the end the following new paragraph:

“(4) LOANS INCLUDED IN INDEBTEDNESS OF AN S CORPORATION.—For purposes of subsection (d), the indebtedness of an S corporation to the shareholder shall include any loans made or acquired (by purchase, gift, or distribution from another person) by a shareholder to the S corporation, regardless of whether the funds loaned by the shareholder to the S corporation were obtained by the shareholder by means of a recourse loan from another person (whether related or unrelated to the shareholder).”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

TITLE IV—EXPANSION OF S CORPORATION ELIGIBILITY FOR BANKS

SEC. 401. TREATMENT OF QUALIFYING DIRECTOR SHARES.

(a) IN GENERAL.—Section 1361 (defining S corporation), as amended by section 201(a), is amended by adding at the end the following new subsection:

“(g) TREATMENT OF QUALIFYING DIRECTOR SHARES.—

“(1) IN GENERAL.—For purposes of this subchapter—

“(A) qualifying director shares shall not be treated as a second class of stock, and

“(B) no person shall be treated as a shareholder of the corporation by reason of holding qualifying director shares.

“(2) QUALIFYING DIRECTOR SHARES DEFINED.—For purposes of this subsection, the term ‘qualifying director shares’ means any shares of stock in a bank (as defined in section 581) or in a bank holding company registered as such with the Federal Reserve System—

“(A) which are held by an individual solely by reason of status as a director of such bank or company or its controlled subsidiary; and

“(B) which are subject to an agreement pursuant to which the holder is required to dispose of the shares of stock upon termination of the holder’s status as a director at the same price as the individual acquired such shares of stock.

“(3) DISTRIBUTIONS.—A distribution (not in part or full payment in exchange for stock) made by the corporation with respect to qualifying director shares shall be includible as ordinary income of the holder and deductible to the corporation as an expense in computing taxable income under section 1363(b) in the year such distribution is received.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 1361(b)(1), as amended by section 201(b), is amended by striking “subsection (f)” and inserting “subsections (f) and (g)”.

(2) Section 1366(a), as amended by section 201(b), is amended by adding at the end the following new paragraph:

“(4) ALLOCATION WITH RESPECT TO QUALIFYING DIRECTOR SHARES.—The holders of qualifying director shares (as defined in section 1361(g)) shall not, with respect to such shares of stock, be allocated any of the items described in paragraph (1).”.

(3) Section 1373(a), as amended by section 201(b), is amended by striking “and” at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting “, and”, and adding at the end the following new paragraph:

“(4) no amount of an expense deductible under this subchapter by reason of section 1361(g)(3) shall be apportioned or allocated to such income.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 402. RECAPTURE OF BAD DEBT RESERVES.

Notwithstanding section 481 of the Internal Revenue Code of 1986, with respect to any S corporation election made by any bank in taxable years beginning after December 31, 1996, such bank may recognize built-in gains from changing its accounting method for recognizing bad debts from the reserve method under section 585 or 593 of such Code to the charge-off method under section 166 of such Code either in the taxable year ending with or beginning with such an election.

TITLE V—QUALIFIED SUBCHAPTER S SUBSIDIARIES

SEC. 501. TREATMENT OF THE SALE OF INTEREST IN A QUALIFIED SUBCHAPTER S SUBSIDIARY.

(a) IN GENERAL.—Section 1361(b)(3) (relating to treatment of certain wholly owned subsidiaries) is amended by adding at the end the following new subparagraph:

“(F) SPECIAL RULE ON TERMINATION.—The tax treatment of the disposition of the stock of the qualified subchapter S subsidiary shall be determined as if such disposition were—

“(i) a sale of the undivided interest in the subsidiary’s assets based on the percentage of the stock transferred, and

“(ii) followed by a deemed contribution by the S corporation and the transferee in a section 351 transaction.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1996.

TITLE VI—ADDITIONAL PROVISIONS

SEC. 601. ELIMINATION OF ALL EARNINGS AND PROFITS ATTRIBUTABLE TO PRE-1983 YEARS.

(a) In General.—Subsection (a) of section 1311 of the Small Business Job Protection Act of 1996 is amended to read as follows:

"(a) In General.—If a corporation was an electing small business corporation under subchapter S of chapter 1 of the Internal Revenue Code of 1986 for any taxable year beginning before January 1, 1983, the amount of such corporation's accumulated earnings and profits (as of the beginning of any taxable year beginning after December 31, 1982) shall be reduced by an amount equal to the portion (if any) of such accumulated earnings and profits which were accumulated in any taxable year beginning before January 1, 1983, for which such corporation was an electing small business corporation under such subchapter S.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 602. REPEAL OF LIFO RECAPTURE TAX.

(a) In General.—Section 1363 (relating to effect on election on corporations) is amended by striking subsection (d).

(b) Effective Date.—The amendment made by this section shall apply to elections made after the date of the enactment of this Act.

SEC. 603. EXPANSION OF POST-TERMINATION TRANSITION PERIOD.

(a) In General.—Clause (ii) of section 1377(b)(1)(A) (defining post-termination transition period) is amended to read as follows:

"(ii) the date on which any refund or credit of any overpayment of tax with respect to the return for such last year as an S corporation is prevented by the operation of any law or rule of law (including res judicata),".

(b) Effective Date.—The amendment made by this section shall apply to periods beginning after the date of the enactment of this Act.

SEC. 604. REDUCTION IN TAX RATE ON EXCESS NET PASSIVE INCOME.

(a) In General.—Section 1375(a) (relating to tax imposed when passive investment income of corporation having accumulated earnings and profits exceeds 25 percent of gross receipts) is amended by striking "computed by multiplying the excess net passive income by the highest rate of tax specified in section 11(b)" and inserting "15 percent of the excess net passive income".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 605. INCREASE IN CAP ON QUALIFIED SMALL ISSUE BONDS.

(a) In General.—Section 144(a)(4)(A)(i) (relating to general rule for $10,000,000 limit in certain cases) is amended by striking "$10,000,000" and inserting "$10,000,000($30,000,000 in the case of any bank (as defined in section 581) or any depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1)) which is an S corporation)".

(b) Adjustment of Cap for Inflation.—Section 144(a) (relating to qualified small issue bond) is amended—

(1) by redesignating paragraph (12) as paragraph (13); and

(2) by inserting after paragraph (11) the following new paragraph:

"(12) Inflation adjustment.—

"(A) In general.—In the case of any calendar year after 2006, the $30,000,000 amount contained in paragraph (4)(A)(i) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2005' for 'calendar year 1992' in subparagraph (B) thereof.

"(B) Rounding.—Any increase under subparagraph (A) which is not a multiple of $100,000 shall be rounded to the next lowest multiple of $100,000.".

(c) Effective Date.—The amendments made by this section shall apply to—

(1) obligations issued after the date of the enactment of this Act; and

(2) capital expenditures made after such date with respect to obligations issued on or before such date.

SEC. 606. SPECIAL RULES OF APPLICATION.

(a) Waiver of Limitations.—If refund or credit of any overpayment of tax resulting from the application of any amendment made by this Act is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claimed therefor is filed before the close of such period.

(b) Treatment of Certain Elections Under Prior Law.—For purposes of section 1362(g) of the Internal Revenue Code of 1986 (relating to election after termination), any termination or revocation under section 1362(d) of such Code (as in effect on the day before enactment of this Act) shall not be taken into account.

There being no objection, the additional material was ordered to be printed in the Record, as follows:

S Corporation Reform Act of 2006—Section-by-Section Description

The Subchapter S Modernization Act of 2006 includes the following provisions to help improve capital formation opportunities for small business, preserve family-owned businesses, and eliminate unnecessary and unwarranted traps for taxpayers:

TITLE I—Eligible Shareholders of an S Corporation

SECTION 101. NONRESIDENT ALIENS ALLOWED TO BE SHAREHOLDERS

The Act would permit nonresident aliens to be S corporation shareholders. To assure collection of the appropriate amount of tax, the Act requires the S corporation to withhold and pay a tax on effectively-connected income allocable to its nonresident alien shareholders. The provision enhances an S corporation's ability to expand into international markets and expands an S corporation's access to capital.

SECTION 102. EXPANSION OF S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE IRAS

The Act permits Individual Retirement Accounts (IRAs) to hold stock in an S corporation. Currently this is permitted only for S corporations that are banks.

TITLE II—QUALIFICATION AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS

SECTION 201. ISSUANCE OF PREFERRED STOCK PERMITTED

The Act would permit S corporations to issue qualified preferred stock ("QPS"). QPS generally would be stock that (I) is not entitled to vote, (ii) is limited and preferred as to dividends and does not participate in corporate growth to any significant extent, and (iii) has redemption and liquidation rights which do not exceed the issue price of such stock (except for a reasonable redemption or liquidation premium). Stock would not fail to be treated as QPS merely because it is convertible into other stock. This provision increases access to capital from investors who insist on having a preferential return and facilitates family succession by permitting the older generation of shareholders to relinquish control of the corporation but maintain an equity interest.

SECTION 202. SAFE HARBOR EXPANDED TO INCLUDE CONVERTIBLE DEBT

The Act permits S corporations to issue debt that may be converted into stock of the corporation provided that the terms of the debt are substantially the same as the terms that could have been obtained from an unrelated party. The Act also expands the current law safe-harbor debt provision to permit nonresident alien individuals as creditors. The provision facilitates the raising of investment capital.

SECTION 203. REPEAL OF EXCESSIVE PASSIVE INVESTMENT INCOME AS A TERMINATION EVENT

The Act would repeal the rule that an S corporation would lose its S corporation status if it has excess passive income for three consecutive years. A corporate-level "sting" (or double) tax would still apply, as modified in Sections 204 and 604 below, to excess passive income.

SECTION 204. MODIFICATIONS TO PASSIVE INCOME RULES

The Act would increase the threshold for taxing excess passive income from 25 percent to 60 percent (consistent with a Joint Tax Committee recommendation on simplification measures). In addition, the Act removes gains from the sales or exchanges of stock or securities from the definition of passive investment income for purposes of the sting tax.

SECTION 205. ADJUSTMENT TO BASIS OF S CORPORATION STOCK FOR CERTAIN CHARITABLE CONTRIBUTIONS

Current rules discourage charitable gifts of appreciated property by S corporations. The Act would remedy this problem by providing for an increase in the basis of shareholders' stock in an amount equal to the excess of the value of the contributed property over the basis of the property contributed. This provision conforms the S corporation rules to those applicable to charitable contributions by partnerships.

TITLE III—TREATMENT OF S CORPORATION SHAREHOLDERS

SECTION 301. TREATMENT OF LOSSES TO SHAREHOLDERS

In the case of a liquidation of an S corporation, current law can result in double taxation because of a mismatch of ordinary income (realized at the corporate level and passed through to the shareholder) and a capital loss (recognized at the shareholder level on the liquidating distribution). Although careful tax planning can avoid this result, many S corporations do not have the benefit of sophisticated tax advice. The Act eliminates this potential trap by providing that any portion of any loss recognized by an S corporation shareholder on amounts received by the shareholder in a distribution in complete liquidation of the S corporation would be treated as an ordinary loss to the extent of the shareholder's basis in the S corporation stock.

SECTION 302. DEDUCTIBILITY OF INTEREST EXPENSE INCURRED BY AN ELECTING SMALL BUSINESS TRUST (ESBT) TO ACQUIRE S CORPORATION STOCK

The Act provides that interest expense incurred by an ESBT to acquire S corporation stock is deductible by the S portion of the trust. Current regulations provide that interest expense incurred by an ESBT to acquire stock in an S corporation is allocable to the S portion of the trust, but is not deductible. This result is contrary to the treatment of other taxpayers, who are entitled to deduct interest incurred to acquire an interest in a pass through entity. Further, Congress never intended to place ESBTs at a disadvantage relative to other taxpayers.

SECTION 303. BACK-TO-BACK LOANS AS INDEBTEDNESS

This provision would remove a significant trap for unwary shareholders of unsophisticated S corporations. The amount of a shareholder's pro rata share of corporate losses that may be taken into account are currently limited to the sum of (1) the basis in the stock, plus (2) the basis of any shareholder loans to the S corporation. The debt must run directly to the shareholder for the shareholder to receive basis for this purpose; the creditor may not be a person related to the shareholder. It is not uncommon for the shareholders of an S corporation to own related entities. Often times, loans are made among these related entities. Under current law, it is extremely difficult for the shareholders of an S corporation to restructure these loans in order to create basis in the S corporation against which losses of the S corporation may be claimed. The ability to create loan basis through the restructuring of related party loans has been the subject of numerous court cases and is an area of much uncertainty. The Act will protect these taxpayers from an unfair and unwarranted fate by providing that true indebtedness from an S corporation to a shareholder (funds for which the shareholder is truly obligated to either repay or for which he/she experiences a true economic outlay) increases shareholder debt basis, irrespective of the original source of the funds to the corporation.

TITLE IV—EXPANSION OF S CORPORATION ELIGIBILITY FOR BANKS

SECTION 401. TREATMENT OF QUALIFYING DIRECTOR SHARES

The Act clarifies that qualifying director shares of a bank are not to be treated as a second class of stock. Instead, the qualifying director shares are treated as a liability of the bank and no gain or loss from the S corporation will be allocated to these qualifying director shares. The provision clarifies the law and removes a significant obstacle unique among banks contemplating an S corporation election.

SECTION 402. RECAPTURE OF BAD DEBT RESERVES

The Act permits bank S corporations to recapture up to 100 percent of their bad debt reserves on their first S corporation tax return and/or their last C corporation income tax return prior to the effective date of the S election. Under current law, banks that convert to S corporation status must change from the reserve method of accounting for bad debts to the specific charge-off method. The differential must often be "recaptured" into income and is treated as built-in gain subject to tax at both the shareholder and the corporate level. The Act allows banks to accelerate the recapture of bad debt reserves to their last C corporation tax year. The corporate level tax would still be paid on the recapture income, but the recapture would no longer trigger a tax for the bank's shareholders.

TITLE V—QUALIFIED SUBCHAPTER S SUBSIDIARIES

SECTION 501. TREATMENT OF THE SALE OF INTEREST IN A QUALIFIED SUBCHAPTER S SUBSIDIARY (QSUB)

The Act treats the disposition of QSub stock as a sale of the undivided interest in the QSub's assets based on the underlying percentage of stock transferred followed by a deemed contribution by the S corporation and the acquiring party in a nontaxable transaction. Under current law, an S corporation may be required to recognize 100 percent of the gain inherent in a QSub's assets if it sells as little as 21 percent of the QSub's stock. IRS regulations suggest this result can be avoided by merging the QSub into a single member LLC prior to the sale, then selling an interest in the LLC (as opposed to stock in the QSub). The Act achieves this result without any unnecessary merger and thus removes a trap for the unwary.

TITLE VI—ADDITIONAL PROVISIONS

SECTION 601. ELIMINATION OF ALL EARNINGS AND PROFITS ATTRIBUTABLE TO PRE-1983 YEARS

The Small Business Job Protection Act of 1996 eliminated certain pre-1983 earnings and profits of S corporations that had S corporation status for their first tax year beginning after December 31, 1996. The provision should apply to all S corporations with pre-1983 S earnings and profits without regard to when they elect S status. There seems to be no policy reason why the elimination was restricted to corporations with an S election in effect for their first taxable year beginning after December 31, 1996.

SECTION 602. THE REPEAL OF THE LIFO RECAPTURE TAX

Often the most significant hurdle faced by a corporation desiring to elect S corporation status is the LIFO recapture tax. In many cases, this tax makes it cost-prohibitive for a corporation to elect S status. The LIFO recapture tax was enacted in 1987 in response to concerns that a taxpayer using the LIFO method of accounting, upon conversion to S corporation status, could avoid a corporate-level tax on LIFO layers because the S corporation would only be subject to a corporate-level tax on LIFO layers for the first 10 years after conversion instead of indefinitely, as in the case of a C corporation.

These concerns are unfounded. Most corporations, whether S or C, hold base LIFO layers far longer than the 10-year recognition period (often holding them indefinitely). There is no data to suggest that S corporations deplete such layers any faster than their C corporation counterparts (for example, in year 11 of the S election). Accordingly, the making of an S election should not be grounds for a tax on base LIFO layers. The Act would repeal this unwarranted government windfall and properly put S corporations on par with C corporations, which rarely pay tax on the old LIFO layers.

SECTION 603. EXPANSION OF POST-TERMINATION TRANSITION PERIOD

The Act expands the post-termination transition period (PTTP) to include the filing of an amended return for an S year. The granting of the 120-day PTTP should be based on the recognition that legitimate changes to an original return can be made in several ways including through audit or through the filing of a taxpayer-initiated amended return.

SECTION 604. REDUCTION IN TAX RATE ON EXCESS NET PASSIVE INCOME

The Act would bring the punitive nature of the tax on excess passive income closer in form and substance to the personal holding company (PHC) rules by reducing the tax rate on passive investment income to 15 percent as was recently done for PHCs by Section 302(e) of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

SECTION 605. INCREASE IN CAP ON QUALIFIED SMALL ISSUE BONDS

The act would change the maximum size of a bond issuance that would qualify as a "small issue" for S corporation banks to $10 million, and $30 million. It also indexes this number for inflation.

SECTION 606. REDUCED RECOGNITION PERIOD FOR BUILT-IN GAINS

The effective recognition period for built-in gains of S corporations is reduced from ten years to seven years.

SECTION 607. SPECIAL RULES OF APPLICATION

If a refund or tax credit resulting from the application of this act is prevented in the first year of its enactment, it may still be taken as long as it is claimed within the year.

By Mr. DODD:

S. 3839. A bill to amend title II of the Social Security Act to provide that the eligibility requirement for disability insurance benefits under which an individual must have 20 quarters of Social Security coverage in the 40 quarters preceding a disability shall not be applicable in the case of a disabled individual suffering from a covered terminal disease; to the Committee on Finance.

Mr. DODD. Mr. President, I ask unanimous consent that the text of the bill, the Claire Collier Social Security Disability Insurance Fairness Act, be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3839

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Claire Collier Social Security Disability Insurance Fairness Act".

SEC. 2. EXCEPTION FROM 20/40 REQUIREMENT FOR DISABILITY INSURANCE BENEFITS FOR INDIVIDUALS SUFFERING FROM A COVERED TERMINAL DISEASE.

(a) EXCEPTION FROM RECENT WORK REQUIREMENT.—

(1) IN GENERAL.—Section 223(c)(1) of the Social Security Act (42 U.S.C. 423(c)(1)) is amended in the flush matter following subparagraph (B)(iii) by inserting "or suffering from a covered terminal disease" after "216(i)(1))".

(2) CONFORMING AMENDMENT.—Section 216(i)(3) of such Act (42 U.S.C. 416(i)(3)) is amended in the flush matter following subparagraph (B)(iii) by inserting "or suffering from a covered terminal disease" after "paragraph (1))".

(b) DEFINITION OF COVERED TERMINAL DISEASE.—Not later than 60 days after the date of enactment of this Act, the Commissioner of Social Security shall issue a proposed rule defining the term "covered terminal disease" for purposes of sections 216(i)(3) and 223(c)(1) of the Social Security Act (as amended by subsection (a)) that shall include (but not be limited to) those diseases that are incurable, progressive, and terminal, including neurodegenerative and neurological diseases that are likely to cause death within a 5-year period of onset.

(c) INTERIM FINAL AND FINAL RULES.—

(1) INTERIM FINAL RULE.—Not later than 90 days after the date of enactment of this Act, the Commissioner of Social Security shall issue an interim final rule defining the term "covered terminal disease" in accordance with the requirements of subsection (b) and shall provide for a period of public comments on such rule.

(2) FINAL RULE.—Not later than 6 months after the date of enactment of this Act, the Commissioner of Social Security shall issue a final rule defining the term "covered terminal disease" in accordance with the requirements of subsection (b) and consideration of any public comments received during the period required under paragraph (1).

(d) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act and shall apply to any applications for disability insurance benefits under title II of the Social Security Act that are pending or filed on or after that date.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 548—EXPRESSING THE SENSE OF THE SENATE REGARDING THE NEED FOR THE UNITED STATES AND THE INTERNATIONAL COMMUNITY TO TAKE CERTAIN ACTIONS WITH RESPECT TO THE HOSTILITIES BETWEEN HEZBOLLAH AND ISRAEL

Mr. DODD (for himself, Mr. LEVIN, Mr. SUNUNU, Ms. STABENOW, Mr. CHAFEE, Mr. KENNEDY, Mr. FEINGOLD, and Mrs. FEINSTEIN) submitted the following resolution; which was considered and agreed to:

S. RES. 548

Whereas, on June 12, 2000, the Government of Lebanon advised the United Nations that it would consider deploying its armed forces throughout southern Lebanon following confirmation by the United Nations Secretary-General that the Government of Israel had fully withdrawn its armed forces from that country in accordance with United Nations Security Council Resolution 425 (1978);

Whereas, on June 16, 2000, the United Nations Security Council endorsed the Secretary-General's conclusion that Israel had withdrawn all of its forces from Lebanon in accordance with United Nations Security Council Resolution 425;

Whereas, notwithstanding the reservations of both Israel and Lebanon regarding the final line determining what constitutes an Israeli withdrawal in accordance with United Nations Security Council Resolution 425, the governments of both countries confirmed that establishing the identifying line was the sole responsibility of the United Nations, and that they would respect the line that the United Nations identified;

Whereas Hezbollah remains an armed terrorist presence in Lebanon and continues to receive material and political support from the Governments of Syria and Iran;

Whereas, as affirmed in Public Law 108–175, the Governments of Syria and Iran have significant influence over Hezbollah;

Whereas United Nations Security Council Resolution 1559 (2004) calls for the withdrawal of all foreign forces and the dismantlement of all independent militias in Lebanon;

Whereas the international community has provided insufficient encouragement and resources to the Government of Lebanon to enable the Government to comply with the relevant provisions of United Nations Security Council Resolution 1559;

Whereas Hezbollah launched an unprovoked attack against Israel on July 12, 2006, killing 7 Israeli soldiers and taking 2 soldiers hostage, its fifth provocative act against Israel since the summer of 2005;

Whereas the Government of Israel, as reaffirmed in S. Res. 534, has the right to defend itself and to take appropriate action to deter aggression by terrorist groups and their state sponsors;

Whereas fighting between Israel and Hezbollah to date has caused significant damage to Lebanon's and Israel's infrastructures that will necessitate the expenditure of significant sums to rebuild;

Whereas more than 400 citizens of Israel and Lebanon have already lost their lives in the ongoing conflict;

Whereas over 14,000 United States citizens have been evacuated from Lebanon at a cost of over $60,000,000;

Whereas more than 1,000,000 Israelis living in northern Israel are under threat of Hezbollah rockets;

Whereas more than 700,000 Lebanese civilians have been displaced by the fighting, and the United Nations Emergency Relief Coordinator is seeking more than $170,000,000 in donations from international donors to pay for food, medicine, water, and sanitation services over the next 3 months;

Whereas the United States Government has pledged $30,000,000 in short-term humanitarian assistance to address the humanitarian crisis in Lebanon;

Whereas the fragile democracy of Lebanon is in jeopardy of collapsing without significant international support to address the humanitarian crisis in the country and to strengthen the capacity of the army and security forces of the Government of Lebanon to gain effective control of all territory in Lebanon; and

Whereas continued fighting between Hezbollah and Israel is a threat to the peace and security of the peoples of Israel and Lebanon:

Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Governments of Syria and Iran should—

(A) end all material and logistical support for Hezbollah, including attempts to replenish Hezbollah's supply of weapons; and

(B) use their significant influence over Hexbollah to disarm the group and release all kidnapped prisoners;

(2) the United States Government and the international community must work urgently with the Governments of Israel and Lebanon—

(A) to attain a cessation in the hostilities between Hezbollah and Israel based on—

(i) effectuating the safe return of Israeli soldiers held in Lebanon;

(ii) the disarmament of Hezbollah, the removal of all Hezbollah forces from southern Lebanon, and the replacement of those forces with army and security forces of the Government of Lebanon; and

(iii) reaching an agreement to fully implement United Nations Security Council Resolution 1559 and to create and deploy an international stabilization force with a clear mandate to enforce a permanent ceasefire;

(B) to organize an international donors conference to solicit and ensure the provision of international resources for the reconstruction of roads, bridges, hospitals, electrical and communications systems, and other civilian infrastructure damaged or destroyed in Lebanon during the hostilities;

(C) to remain engaged to promote sustainable peace and security for Israel and Lebanon and the greater Middle East; and

(D) to assist the Government of Lebanon on its path to democracy by promoting necessary internal political reforms; and

(3) the territorial integrity, sovereignty, unity, and political independence of Lebanon should be strongly supported.

Mr. DODD. Mr. President, I send to the desk a resolution about the current outbreak of violence in Israel and Lebanon. I do so for myself, Senators LEVIN, SUNUNU, STABENOW, CHAFEE, and KENNEDY. I know that all of us here want to see a peaceful conclusion to the current situation—peace for Israelis and for Lebanese. The tragic deaths of 57 Lebanese civilians—37 of them children—in the village of Qana on Sunday highlight the urgency for doing so.

This resolution would express the sense of the Senate that the United States and international community must work urgently with the Governments of Israel and Lebanon to achieve the following six goals: attaining a cessation in the hostilities between Hezbollah and Israel; effectuating the safe return of Israeli soldiers held in Lebanon; disarming Hezbollah, removing Hezbollah forces from southern Lebanon, and replacing those forces with Lebanese army and security forces; reaching agreement to create and deploy an international stabilization force with a robust mandate to enforce a permanent ceasefire and to fully implement United Nations Security Council Resolution 1559; organizing an international donors conference to solicit and ensure the provision of international resources for the reconstruction of Lebanon; and ensuring that all parties remain engaged to promote peace and security for Israel and Lebanon and the greater Middle East.

I believe that it is important to mention a few points up front. As my colleagues know, the current situation began when two Israeli soldiers were kidnapped by Hezbollah, a terrorist organization that is based in Lebanon but supported by Syria and Iran.

These soldiers were kidnapped from Israeli soil, and during those kidnapping operations, innocent Israelis were killed, and some northern Israeli cities were shelled with rockets.

These facts are very important to remember as we consider the current situation because despite any other frustrations that some people might have with the derailed Israeli-Palestinian peace process, it wasn't Israeli actions which started the cycle of the current bloody situation in which more than 400 Israelis and Lebanese have died.

I would also say unequivocally that I believe that Israel is currently acting in self-defense as a response to attacks on its soil and the kidnapping of its citizens. No country that experienced similar attacks would do anything less—certainly not the United States. And I support fully Israel's right to defend its borders and its citizens.

All violent confrontations, however, must eventually come to an end—including this one. I think what we are all hoping—Americans, Israelis, Lebanese—is that a resolution of this flare-up will come quickly and without any additional loss of innocent civilians in Lebanon or Israel, so that a climate conducive to tackling the many complex problems confronting the region can exist. Clearly, that climate does not exist at the moment while fighting is ongoing.

However, long-term peace necessitates certain actions. First, I believe that an international stabilization force with real teeth to act against Hezbollah militia and any other terrorist elements will eventually need to be deployed in southern Lebanon. On this point, we must learn from the failures of the current United Nations Stabilization Force in Lebanon, UNIFIL, and give any future force the size and mandate to actually fulfill its mission.

Second, long-term peace will require full implementation of U.N. Security Council Resolution 1559, which calls on the Lebanese Army to deploy to protect the southern border, as well as for the disarmament of Hezbollah.

Long-term peace will also require Israel to cease its attacks in Lebanon, consistent with the Lebanese Government and international community's ability and willingness to stop terrorist elements from launching attacks on Israel. I would remind my colleagues that Israel withdrew voluntarily from Lebanon in 2000—a move that was recognized by the United Nations Secretary General and Security Council as fulfilling completely the terms of U.N. Security Council Resolution 425. To that end, I doubt very much whether Israel would like to stay in Lebanon even one day longer than is absolutely necessary to stop the terror and return Israeli citizens to safety.

My belief in the need for a quick cessation of hostilities is rooted in my concern that the current violence between Israel and Hezbollah is greatly strengthening the hands of Iran and Syria. This is true especially with respect to Iran, which wants to divert international attention away from its nuclear program as well as position itself as the leader of the Arab Muslim world.

Indeed, as the body counts rise, we are seeing the gulf between moderate Arab regimes and their citizens widen dramatically. At the same time, Iran's position as the main backer of Hezbollah is giving it a newfound legitimacy in the eyes of many Arabs. It is critical that we avoid these outcomes because current Iranian nuclear and regional ambitions pose a threat to Israel, to moderate Arab regimes, to the United States, and to the international community alike.

Moreover, long-term peace will be impossible unless the international community gets both Iran and Syria to shut off and cut off Hezbollah and other terrorist groups. By "shut off," I mean that Iran and Syria must send a clear signal to Hezbollah to stop its violent terrorist attacks against Israel. By "cut off," I mean that these countries must stop financing, supplying, and providing safe haven to terrorist groups and their operatives. The international community must also send a strong message to Iran and Syria that they need to stop preventing Lebanon from deploying its army to disarm Hezbollah and protect the border.

But the current situation will not begin to wind down unless, first and foremost, the Israeli hostages are released unharmed.

After that, the short-term goals should be the deployment of an international stabilization force with real teeth in the south and some kind of international monitoring of land, sea, and air crossings to ensure that Hezbollah will not be rearmed by Syria and Iran.

The long-term goals are obviously that U.N. Security Council Resolution 1559 is fully implemented. Full implementation of that resolution means, among other things, that an effective Lebanese Army is deployed along that country's southern border and that Hezbollah is disarmed.

It is quite apparent that after decades of operational and financial support from Syria, and especially Iran, Hezbollah's military wing is currently too strong for the relatively weak Lebanese Government to deal with. So to the extent that Israeli actions weaken Hezbollah's capabilities, they also create the possibility of strengthening the Lebanese Government's hand to reign in militias and terrorists. But there might be a point of diminishing returns where Hezbollah is somewhat weakened while Iran and Syria are greatly strengthened—an outcome that it is essential to avoid. Hopefully, the combination of the current attacks against Hezbollah, a quick cessation of hostilities, and the immediate deployment—concurrent with the end of hostilities—of an international force with real teeth will make that the case.

I realize that there are many voices in the Arab world who accuse the U.S. of ignoring the plight of the innocent Lebanese citizens who have been caught in the crossfire because Hezbollah militants have shamefully hidden themselves and their weapons among the civilian population. I do not believe that this is the case. And I think that the U.S. could help to prove this by organizing an international donors' conference as quickly as possible to assist the Lebanese in rebuilding their country.

As I said before, I think we in Congress all share a desire to see peace in the Middle East. I would hope that once all of the steps I have talked about today come into place that the United States would take a lead role in bringing about that peace because U.S. leadership, and our active and high-level engagement, have always been an essential part of the Middle East peace process.

I believe that this resolution will send a strong signal that the world needs to support the Lebanese people, respect Israel's right to defend itself, and be tough with Hezbollah, Iran, and Syria. These are the necessary signals that we need to send in order for there to truly be hope at the end of this tunnel. I urge my colleagues to support this resolution.

SENATE RESOLUTION 549—EXPRESSING THE SENSE OF THE SENATE REGARDING MODERN-DAY SLAVERY

Mr. SANTORUM (for himself, Mr. PRYOR, and Mrs. DOLE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 549

Whereas the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7101 et seq.) states that the Declaration of Independence recognizes the inherent dignity and worth of all people and states that all men are created equal and are endowed by their Creator with certain unalienable rights, including the right to be free from slavery and involuntary servitude;

Whereas the United States outlawed slavery and involuntary servitude in 1865, recognizing that those evil institutions must be abolished;

Whereas, in the 21st century, as many as 27,000,000 people are suffering as slaves throughout the world and in the United States;

Whereas an estimated 800,000 persons are trafficked across international borders each year;

Whereas an estimated 18,000 to 20,000 victims are trafficked into the United States each year;

Whereas approximately 80 percent of victims are female and an estimated 40 to 50 percent of victims are children;

Whereas many of the victims are trafficked into the international sex trade, which includes sexual exploitation of persons involving activities including prostitution, pornography, sex tourism, and other commercial sexual services;

Whereas modern-day slavery also includes bonded labor, forced labor, forced marriage, chattel slavery, and child labor;

Whereas the Department of Health and Human Services states that human trafficking is the second largest criminal industry worldwide;

Whereas traffickers use threats, intimidation, manipulation, coercion, fraud, shame, and violence to force victims into modern-day slavery;

Whereas a trafficker may be a family friend, someone well-known within the community, someone in law enforcement, or a member of an organized criminal network;

Whereas traffickers capitalize on areas of conflict and post-conflict, transitioning states, sudden political change, economic collapse, civil unrest, internal armed conflict, chronic unemployment, widespread poverty, personal disaster, lack of economic opportunity, and natural disasters;

Whereas traffickers prey upon the vulnerable, ethnic minorities, and people without citizenship;

Whereas modern-day slavery thrives because of its high profitability and minimal risk due to little rule of law, lack of enforcement, and corruption of law enforcement institutions;

Whereas populations vulnerable to trafficking are growing due to the rising numbers of orphans in developing countries due to civil conflicts and the HIV/AIDS pandemic;

Whereas the spread of HIV/AIDS and other sexually-transmitted diseases poses a global threat and creates a particular challenge for victims of modern-day slavery involved in the international sex trade;

Whereas the loss of family-support networks due to modern-day slavery contributes to the breakdown of societies;

Whereas trafficking has a negative impact on the labor market in countries and perpetuates a cycle of poverty;

Whereas trafficking brutalizes men, women, and children, and exposes them to rape, torture, HIV/AIDS and other sexually transmitted diseases, violence, dangerous working conditions, poor nutrition, drug and alcohol addiction, and severe psychological trauma from separation, coercion, sexual abuse, and depression;

Whereas organized criminal groups, gangs, document forgers, brothel owners, and corrupt police or immigration officials funnel trafficking profits into both legitimate and criminal activities;

Whereas modern-day slavery strips human beings of dignity, respect, and hope for their future; and

Whereas no country or people are immune from the effects of modern-day slavery: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the abolition of modern-day slavery should be a priority of the United States foreign and domestic policy;

(2) the United States should continue to bring together governments, international organizations, nongovernmental organizations, and individuals to form a comprehensive coalition to fight modern-day slavery;

(3) the Federal Government should continue to expand protection and legal options for victims of modern-day slavery;

(4) the abolition of modern-day slavery should be prioritized at the 2007 Group of 8 (G-8) Summit in Germany; and

(5) the trade policy of the United States should reflect the commitment of the United States to freedom for all people.

SENATE RESOLUTION 550—DESIGNATING OCTOBER 22 THROUGH OCTOBER 28, 2006, AS "NATIONAL SAVE FOR RETIREMENT WEEK"

Mr. SMITH (for himself and Mr. CONRAD) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 550

Whereas the cost of retirement continues to rise, in part, because people in the United States are living longer than ever before, the number of employers providing retiree health coverage continues to decline, and retiree health care costs continue to increase at a rapid pace;

Whereas Social Security remains the bedrock of retirement income for the great majority of the people of the United States, but was never intended by Congress to be the sole source of retirement income for families;

Whereas recent data from the Employee Benefit Research Institute indicates that, in the United States, less than ⅔ of workers or their spouses are currently saving for retirement and that the actual amount of retirement savings of workers lags far behind the amount that is realistically needed to adequately fund retirement;

Whereas many employees have available to them through their employers access to defined benefit or defined contribution plans to assist them in preparing for retirement;

Whereas many employees may not be aware of their retirement savings options and may not have focused on the importance of and need for saving for their own retirement;

Whereas many employees may not be taking advantage of workplace defined contribution plans at all or to the full extent allowed by the plans or under Federal law; and

Whereas all workers, including public- and private-sector employees, employees of tax-exempt organizations, and self-employed individuals, can benefit from increased awareness of the need to save for retirement and the availability of tax-advantaged retirement savings vehicles to assist them in saving for retirement: Now, therefore, be it

Resolved, That the Senate—

(1) designates October 22 through October 28, 2006, as "National Save for Retirement Week";

(2) supports the goals and ideals of National Save for Retirement Week, including raising public awareness about the importance of adequate retirement savings and the availability of employer-sponsored retirement plans; and

(3) calls on the Federal Government, States, localities, schools, nonprofit organizations, businesses, other entities, and the people of the United States to observe the week with appropriate programs and activities with the goal of increasing the retirement savings of all the people of the United States.

SENATE RESOLUTION 551—EXPRESSING THE SENSE OF THE SENATE THAT ILLEGAL IMMIGRANTS SHOULD NOT RECEIVE SOCIAL SECURITY BENEFITS AND THAT THIS PROHIBITION SHOULD BE STRICTLY ENFORCED

Mr. REID (for himself, Mr. BAUCUS, Ms. STABENOW, Mr. PRYOR, Mrs. CLINTON, Mr. LIEBERMAN, Mr. BINGAMAN, Ms. LANDRIEU, Mrs. LINCOLN, Mr. WYDEN, and Mr. JOHNSON) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 551

Resolved, That it is the sense of the Senate that illegal immigrants should not receive Social Security benefits and that this prohibition should be strictly enforced.

SENATE RESOLUTION 552—DESIGNATING SEPTEMBER 2006 AS "NATIONAL PROSTATE CANCER AWARENESS MONTH"

Mr. SESSIONS (for himself, Mr. BROWNBACK, Mr. CHAMBLISS, Mr. CRAPO, Mr. GRASSLEY, Mr. INHOFE, Ms. LANDRIEU, Mr. MENENDEZ, Mr. SCHUMER, Mr. SHELBY, and Mr. SPECTER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 552

Whereas countless families in the United States have a family member that suffers from prostate cancer;

Whereas 1 in 6 men in the United States is diagnosed with prostate cancer;

Whereas throughout the past decade, prostate cancer has been the most commonly diagnosed type of cancer other than skin cancer and the second most common cause of cancer-related deaths among men in the United States;

Whereas, in 2006, more than 234,460 men in the United States will be diagnosed with prostate cancer and 27,350 men in the United States will die of prostate cancer according to estimates from the American Cancer Society;

Whereas 30 percent of the new diagnoses of prostate cancer occur in men under the age of 65;

Whereas a man in the United States turns 50 years old about every 14 seconds, increasing his odds of being diagnosed with prostate cancer;

Whereas African American males suffer from prostate cancer at an incidence rate up to 65 percent higher than white males and at a mortality rate double that of white males;

Whereas obesity is a significant predictor of the severity of prostate cancer and the chance that the disease will lead to death;

Whereas if a man in the United States has 1 family member diagnosed with prostate cancer, he has double the risk of prostate cancer, if he has 2 family members with such diagnosis, he has 5 times the risk, and if he has 3 family members with such diagnosis, he has a 97 percent risk of prostate cancer;

Whereas screening by both a digital rectal examination (DRE) and a prostate specific antigen blood test (PSA) can detect prostate cancer in earlier and more treatable stages and reduce the rate of mortality due to the disease;

Whereas ongoing research promises further improvements in prostate cancer prevention, early detection, and treatments; and

Whereas educating people in the United States, including health care providers, about prostate cancer and early detection strategies is crucial to saving the lives of men and preserving and protecting our families: Now, therefore, be it

Resolved, That the Senate—

(1) designates September 2006 as "National Prostate Cancer Awareness Month";

(2) declares that it is critical—

(A) to raise awareness about the importance of screening methods and the treatment of prostate cancer;

(B) to increase research funding to be proportionate with the burden of prostate cancer so that the causes of the disease, improved screening and treatments, and ultimately a cure may be discovered; and

(C) to continue to consider methods to improve both access to and the quality of health care services for detecting and treating prostate cancer; and

(3) calls on the people of the United States, interested groups, and affected persons—

(A) to promote awareness of prostate cancer;

(B) to take an active role in the fight to end the devastating effects of prostate cancer on individuals, their families, and the economy; and

(C) to observe National Prostate Cancer Awareness Month with appropriate ceremonies and activities.

SENATE RESOLUTION 553—EXPRESSING THE SENSE OF THE SENATE THAT THE CITIZENS' STAMP ADVISORY COMMITTEE SHOULD RECOMMEND TO THE POSTMASTER GENERAL THAT A COMMEMORATIVE POSTAGE STAMP BE ISSUED IN HONOR OF VARIAN FRY

Mr. MENENDEZ submitted the following resolution; which was referred to the Committee on Homeland Security and Governmental Affairs:

S. RES. 553

Whereas Varian Mackey Fry, of Ridgewood, New Jersey, embodied the spirit of heroism and demonstrated personal bravery of the highest order during the Holocaust;

Whereas, while serving as a representative of the Emergency Refugee Committee in German-occupied Vichy, France, between 1940 and 1941, Varian Fry helped save the lives of approximately 1,500 Jews and hundreds of other anti-Nazi refugees;

Whereas Varian Fry established a legal French relief organization, the Centre Americain de Secou, as a cover for his heroic but sometimes unlawful actions on behalf of the refugees, including—

(1) securing false visas;

(2) planning daring escape routes through the mountains of Southern France;

(3) illegally chartering ships to transport refugees out of France; and

(4) exchanging funding for these operations on the black market;

Whereas, in order to save thousands of Jews and refugees who were threatened by the Nazis, Varian Fry risked his personal safety, forfeited his employment as a writer with the Foreign Policy Association, and was ultimately expelled from France because his actions contravened the policies of the Vichy French government;

Whereas the efforts of Varian Fry resulted in the rescue of approximately 2,000 persons, including such distinguished artists and intellectuals as Marc Chagall, Max Ernst, Hannah Arendt, Franz Werfel, Jacques Lipchitz, Lion Feuchtwanger, and Heinrich Mann;

Whereas, in 1967, for his heroic actions, Varian Fry received the Croix de Chevalier of the French Legion of Honor, 1 of the highest civilian honors of France; and

Whereas, in 1996, Varian Fry was named "Righteous Among the Nations" by Yad Vashem, the Holocaust Heroes and Martyrs Remembrance Authority in Jerusalem, making him the first citizen of the United States to receive the highest honor bestowed by Israel to individuals who worked as rescuers during the Holocaust: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that a commemorative postage stamp be issued in honor of Varian Fry.

Mr. MENENDEZ. Mr. President, today I am submitting a resolution that would honor an unsung hero who saved thousands of people from death during the Holocaust. The world knows the names of Oskar Schindler and Raoul Wallenberg, but few know the work of an American man named Varian Fry. During the Nazi takeover of Europe in World War II, Varian Fry, a resident of my home State of New Jersey, selflessly risked his life to save the lives of some 2,000 Jews and anti-Nazi refugees in Vichy, France. Although not Jewish himself, Fry understood the threat the Nazis posed. Over the course of 13 months, Fry's rescue operation saved some of Europe's most accomplished artists, writers, and intellectuals, such as Marc Chagall, Max Ernst, Jacques Lipschitz, Arthur Koestler, Hannah Arendt, Franz Werfel, Lion Feuchtwanger, and Heinrich Mann.

Few of us can imagine the dangers that Fry encountered and the courage and savvy that he needed to elude the Nazis and transport thousands of refugees from France to safe havens abroad. We remember that Varian Fry sacrificed his job and his personal safety to help others and to stand up for what was right. His work to aid both Jews and anti-Nazis during this perilous time in history makes him a hero for people of all religions and all nations.

Tragically, this man whose bravery and resourcefulness changed the lives of so many died in relative obscurity. It was not until 1991, 24 years after Fry's death, that the U.S. Holocaust Memorial Council became the first American agency to officially recognize his work. It is now time that the country recognize his humanitarian efforts. Fry's hometown of Ridgewood, NJ, has honored him and dedicated a street in his name, but we must do more. Sixty-six years after Varian Fry began his lifesaving work in France, it is time that he earns proper recognition for his noble mission. One measure we can take is to allow Fry to join the ranks of other humanitarians and leaders who have been honored with a commemorative stamp in their name. The U.S. Postal Service has already issued a stamp honoring former U.S. Vice-Consul Horace Bingaman, who aided Fry in his rescue campaign. It is only fitting that Fry be honored with a stamp, as well.

Varian Fry has been honored by France and was the first American to be named Righteous Among the Nations, Yad Vashem's highest honor for those who helped rescue people during the Holocaust. Though Fry passed away many years ago, let us now show his relatives and the world that this Nation—his Nation—also appreciates his sacrifice and commitment to saving lives at a time when the world was turning a blind eye to the evil of the Nazis. I thank my House colleague, STEVE ROTHMAN, for his work on the companion bill to this resolution which he has already introduced in the House of Representatives, and I ask that my fellow Senators join me in supporting this important legislation.

SENATE RESOLUTION 554—AUTHORIZING THE PRINTING WITH ILLUSTRATIONS OF A DOCUMENT ENTITLED "COMMITTEE ON THE BUDGET, UNITED STATES SENATE, 32ND ANNIVERSARY, 1974–2006"

Mr. GREGG (for himself and Mr. CONRAD) submitted the following resolution; which was considered and agreed to:

S. RES. 554

Resolved, That there be printed with illustrations as a Senate document a compilation of materials entitled "Committee on the Budget, United States Senate, 32nd Anniversary, 1974–2006", and that, in addition to the usual number, there be printed not to exceed 500 copies of such document at a cost of not to exceed $1,200 for the use of the Committee on the Budget.

SENATE RESOLUTION 555—TO AUTHORIZE THE PRODUCTION OF RECORDS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. FRIST. (for himself and Mr. REID) submitted the following resolution; which was considered and agreed to:

S. RES. 555

Whereas, the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs has been conducting an investigation into the use of offshore tax havens for abusive tax shelters;

Whereas, the Subcommittee has received a number of requests from law enforcement officials and regulatory agencies, for access to records of the Subcommittee's investigation;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs, acting jointly, are authorized to provide to law enforcement officials, regulatory agencies, and other entities or individuals duly authorized by federal, state, or foreign governments, records of the Subcommittee's investigation into the use of offshore tax havens for abusive tax shelters.

SENATE RESOLUTION 556—SUPPORTING NATIONAL PERIPHERAL ARTERIAL DISEASE AWARENESS WEEK AND EFFORTS TO EDUCATE PEOPLE ABOUT PERIPHERAL ARTERIAL DISEASE

Mr. CRAPO (for himself and Mr. Dorgan) submitted the following resolution; which was submitted and read:

S. Res. 556

Whereas peripheral arterial disease is a vascular disease that occurs when narrowed arteries reduce the blood flow to the limbs;

Whereas peripheral arterial disease is a significant vascular disease that can be as serious as a heart attack or stroke;

Whereas peripheral arterial disease affects approximately 8,000,000 to 12,000,000 Americans;

Whereas patients with peripheral arterial disease are at increased risk of heart attack and stroke and are 6 times more likely to die within 10 years than are patients without peripheral arterial disease;

Whereas the survival rate for individuals with peripheral arterial disease is worse than the outcome for many common cancers;

Whereas peripheral arterial disease is a leading cause of lower limb amputation in the United States;

Whereas many patients with peripheral arterial disease have walking impairment that leads to a diminished quality of life and functional capacity;

Whereas a majority of patients with peripheral arterial disease are asymptomatic and less than half of individuals with peripheral arterial disease are aware of their diagnoses;

Whereas African-American ethnicity is a strong and independent risk factor for peripheral arterial disease, and yet this fact is not well known to those at risk;

Whereas effective treatments are available for people with peripheral arterial disease to reduce heart attacks, strokes, and amputations and to improve quality of life;

Whereas many patients with peripheral arterial disease are still untreated with proven therapies;

Whereas there is a need for comprehensive educational efforts designed to increase awareness of peripheral arterial disease among medical professionals and the greater public in order to promote early detection and proper treatment of this disease to improve quality of life, prevent heart attacks and strokes, and save lives and limbs; and

Whereas September 18 through September 22, 2006, would be an appropriate week to observe National Peripheral Arterial Disease Awareness Week: Now, therefore, be it

Resolved, That the Senate—

(1) supports National Peripheral Arterial Disease Awareness Week and efforts to educate people about peripheral arterial disease;

(2) acknowledges the critical importance of peripheral arterial disease awareness to improve national cardiovascular health;

(3) supports raising awareness of the consequences of undiagnosed and untreated peripheral arterial disease and the need to seek appropriate care as a serious public health issue; and

(4) calls upon the people of the United States to observe the week with appropriate programs and activities.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4851. Mr. BIDEN (for himself and Ms. Cantwell) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

SA 4852. Mr. BIDEN (for himself and Mr. Carper) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4853. Mr. NELSON, of Florida submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4854. Mr. DODD (for himself and Mr. Lieberman) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4855. Mr. DODD (for himself and Mr. Lieberman) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4856. Mr. DODD (for himself and Mr. Lieberman) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4857. Mr. KENNEDY (for himself and Mr. Hatch) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4858. Mrs. BOXER (for herself and Mr. Graham) submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra.

SA 4859. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4860. Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra.

SA 4861. Mr. NELSON, of Florida (for himself, Mr. Martinez, Mr. Bingaman, and Mr. Domenici) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4862. Mr. SHELBY submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4863. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4864. Mr. NELSON, of Florida (for himself, Mr. Martinez, Mr. Bingaman, and Mr. Domenici) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4865. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4866. Mr. OBAMA (for himself, Mr. Dorgan, and Mr. Durbin) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4867. Mr. BYRD (for himself and Mr. DeWine) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4868. Mrs. CLINTON (for herself and Mr. Schumer) submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra.

SA 4869. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4870. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4871. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4872. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4873. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4874. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4875. Ms. STABENOW (for herself, Mr. Reid, Mr. Reed, Mr. Leahy, Mr. Levin, Mr. Durbin, and Mr. Kennedy) proposed an amendment to the bill H.R. 5631, supra.

SA 4876. Mr. CHAMBLISS submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4877. Mr. SMITH (for himself and Mr. Wyden) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4878. Mr. SANTORUM proposed an amendment to the bill S. 843, to amend the Public Health Service Act to combat autism through research, screening, intervention and education.

SA 4879. Mr. FRIST (for Mr. Enzi) proposed an amendment to the bill S. 3534, to amend the Workforce Investment Act of 1998 to provide for a YouthBuild program.

SA 4880. Mr. FRIST (for Mr. McCain (for himself and Mr. Dorgan)) proposed an amendment to the bill S. 1899, to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes.

SA 4881. Mr. FRIST (for Mr. Lautenberg (for himself and Mr. Stevens)) proposed an amendment to the bill H.R. 3858, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that State and local emergency preparedness operational plans address the needs of individuals with household pets and service animals following a major disaster or emergency.

TEXT OF AMENDMENTS

SA 4851. Mr. BIDEN (for himself and Ms. Cantwell) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

Sec. 8109. None of the funds appropriated or otherwise made available by this Act may be obligated or expended by the United States Government for a purpose as follows:

(1) To establish any military installation or base for the purpose of providing for the permanent stationing of United States Armed Forces in Iraq.

(2) To exercise United States control over any oil resource of Iraq.

SA 4852. Mr. BIDEN (for himself and Mr. CARPER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title VI under the heading "DEFENSE HEALTH PROGRAM", up to $6,000,000 may be available for Vaccine Health Care Centers.

SA 4853. Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 238, after line 24, insert the following:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2007, for functions administered by the Secretary of State and for other purposes, namely:

TITLE X

CUBA FUND FOR A DEMOCRATIC FUTURE

SEC. 10001.(a) To promote a transition to a democratic form of government in Cuba, $40,000,000.

(b) The amount provided under this heading is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109-234.

(c) The amounts provided under this heading shall be deposited into a fund to be known as the Cuba Fund for a Democratic Future which is hereby established in the Treasury of the United States.

(d) The amounts provided under this heading shall be available to the Secretary of State, in consultation with the United States Cuba Transition Coordinator, to carry out activities to empower the people of Cuba and the democratic opposition in Cuba to take advantage of opportunities to promote a transition to a democratic form of government in Cuba, including activities—

(1) to support an independent civil society in Cuba;

(2) to expand international awareness of Cuba's democratic aspirations;

(3) to break the information blockade put in place by the regime of Fidel Castro in Cuba, including activities to promote access to independent information through the Internet and other sources;

(4) to provide for education and exchanges for the people of Cuba, including university training from third countries and scholarships for economically disadvantaged students from Cuba identified by independent nongovernmental entities and civic organizations in United States and third country universities (including historically-black and faith-based institutions); and

(5) to support international efforts to strengthen civil society and in transition planning in Cuba.

(e) If the President determines that there exists either a transition government in Cuba or a democratically elected government in Cuba, as those terms are defined in section 4 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (22 U.S.C. 6023) and submits that determination to Congress in accordance with section 203(c) of that Act (22 U.S.C. 6063), then the funds made available for the Cuba Fund for a Democratic Future may be used, at the discretion of the Secretary of State in accordance with the guidelines set out, respectively, in subsection (b)(2)(A) or (b)(2)(B) of section 202 of that Act (22 U.S.C. 6062).

(f) The Secretary of State shall ensure that none of the funds made available in this section or any assistance carried out with such funds are provided to the Government of Cuba.

(g) Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter until all amounts made available to the Cuba Fund for a Democratic Future are expended, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report describing the Secretary's progress in obligating and expending such funds and that such reports may be submitted in a classified form and the Secretary of State shall publish any unclassified portions of each such report.

SA 4854. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) COST ANALYSIS OF ENGINE PROGRAM FOR JOINT STRIKE FIGHTER.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall provide for the conduct, by a federally funded research and development center (FFRDC) with appropriate expertise, of a cost analysis of the engine program for the Joint Strike Fighter (JSF).

(b) ELEMENTS.—The cost analysis conducted under subsection (a) shall address the following:

(1) A comparison of the costs associated with the development of F-135 engines with the costs associated with the development of F-136 engines.

(2) An assessment of the savings to be achieved by eliminating or continuing the development and production of an alternative engine for the Joint Strike Fighter over the life-cycle of the Joint Strike Fighter.

(3) An assessment of the effects on the industrial base of the United States of eliminating or continuing the development and production of an alternative engine for the Joint Strike Fighter over the life-cycle of the Joint Strike Fighter.

(4) Any other matters than the Under Secretary of Defense considers appropriate.

(c) TRANSMITTAL TO CONGRESS.—The cost analysis conducted under subsection (a) shall be submitted to the congressional defense committees not later than March 15, 2007.

SA 4855. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $1,000,000 may be available for Energy Regeneration and Conversion Fuel Cell Systems to address Navy Unmanned Underwater Vehicle requirements.

SA 4856. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE", up to $1,500,000 may be available for the development of a field-deployable hydrogen fueling station.

SA 4857. Mr. KENNEDY (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 160, line 7, strike "; or" and insert a semicolon.

On page 160, line 14, strike the period at the end and insert the following: "; or

(C) offering to such workers a retirement benefit that in any year costs less than the annual retirement cost factor applicable to Department of Defense civilian employees under chapter 84 of title 5, United States Code.

SA 4858. Mrs. BOXER (for herself and Mr. GRAHAM) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. No funds appropriated or otherwise made available by this Act may be used by the Government of the United States to enter into an agreement with the Government of Iraq that would subject members of the Armed Forces of the United States to the jurisdiction of Iraq criminal courts or punishment under Iraq law.

SA 4859. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Not later than March 31, 2007, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the assessment of the Secretary regarding the implementation of the new health care benefit to help the children of members of the Armed Forces who died on active duty, including—

(1) a statement of the reasons for the delay in implementation of such benefit;

(2) an analysis of the new call centers established to help survivors of such members obtain the benefits to which they are entitled; and

(3) an assessment of whether the various survivor benefit programs under the Department of Defense are adequately staffed to carry out their mission in a timely and efficient manner.

SA 4860. Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8019. Of the amount appropriated or otherwise made available by title III under the heading "PROCUREMENT, DEFENSE-WIDE", up to $12,600,000 may be available for the completion of the final phase of the activity described on pages 337 through 339 of Volume II of Book 1 of the Fiscal Year 2007 Congressional Budget Justification Book of a component of the intelligence community.

SA 4861. Mr. NELSON of Florida (for himself, Mr. MARTINEZ, Mr. BINGAMAN, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) Except as provided in subsection (b), none of the funds appropriated or otherwise made available by this Act may be used to realign or close any developmental or operational test and evaluation installation, activity, facility, laboratory, unit, function, or capability of the Air Force Material Command.

(b) The prohibition under subsection (a) does not apply to realignment and closure activities carried out in accordance with the final recommendations of the Defense Base Closure and Realignment Commission under the 2005 round of defense base closure and realignment.

SA 4862. Mr. SHELBY submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL AMOUNT WITHIN RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE, FOR KC–135 TANKER REPLACEMENT FUND.—The amount available in title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" for the KC–135 Tanker Replacement Fund is hereby increased by $100,000,000.

(b) REDUCTION OF AMOUNT WITHIN RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE, FOR TRANSFORMATIONAL SATCOM.—The amount available in title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" for the Transformational SATCOM (TSAT) program is hereby reduced by $100,000,000.

SA 4863. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, NAVY", up to $3,000,000 may be available to the Navy to fund improvements to physical security at Navy recruiting stations and to improve data security.

SA 4864. Mr. NELSON of Florida (for himself, Mr. MARTINEZ, Mr. BINGAMAN, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) Except as provided in subsection (b), the Secretary of the Air Force shall, not later than March 31, 2007, submit to the congressional defense committees a cost-benefit analysis of significant proposed realignments or closures of research and development or test and evaluation installations, activities, facilities, laboratories, units, functions, or capabilities of the Air Force. The analysis shall include an evaluation of missions served and alternatives considered and of the benefits, costs, risks, and other considerations associated with each such proposed realignment or closure.

(b) The prohibition under subsection (a) does not apply to realignment and closure activities carried out in accordance with the final recommendations of the Defense Base Closure and Realignment Commission under the 2005 round of defense base closure and realignment.

SA 4865. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) AVAILABILITY OF OPERATION AND MAINTENANCE, ARMY, FUNDS FOR CERTAIN GRANTS.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY", up to $4,000,000 may be available for grants described in subsection (c).

(b) AVAILABILITY OF OPERATION AND MAINTENANCE, MARINE CORPS, FUNDS FOR CERTAIN GRANTS.—Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, MARINE CORPS", up to $1,000,000 may be available for grants described in subsection (c).

(c) COVERED GRANTS.—Grants described in this subsection are grants to eligible entities to carry out demonstration projects to assess the feasibility and advisability of utilizing community-based settings for the provision of assistance to members of the National Guard and Reserve who serve in Operation Iraqi Freedom and Operation Enduring Freedom and their families on their return from deployment, including—

(1) services to improve the reuniting of such members of the National Guard and Reserve and their families;

(2) education to increase awareness of the physical and mental health conditions that members of the National Guard and Reserve can and may experience on their return from such deployment, including education on—

(A) Post Traumatic Stress Disorder (PTSD) and traumatic brain injury (TBI); and

(B) mechanisms for the referral of such members of the National Guard and Reserve for medical and mental health screening and care when necessary; and

(3) education to increase awareness of the physical and mental health conditions that family members of such members of the National Guard and Reserve can and may experience on the return of such members from such deployment, including education on—

(A) depression, anxiety, and relationship problems; and

(B) mechanisms for medical and mental health screening and care when appropriate.

SA 4866. Mr. OBAMA (for himself, Mr. DORGAN, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. None of the funds appropriated or otherwise made available by this Act may be used to delay or prevent the construction of a windmill turbine project without clear and convincing evidence that the completed project would interfere with military readiness, as determined by the report submitted under section 358 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3208).

SA 4867. Mr. BYRD (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD", up to $7,500,000 may be available to renovate and repair existing barracks at Camp Perry, Port Clinton, Ohio.

SA 4868. Mrs. CLINTON (for herself and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page , between lines and , insert the following:

Sec. . Of the amount appropriated by title IX under the heading "Operation and Maintenance Defense-Wide", up to $5,000,000 may be used for community-based programs that provide mental health and readjustment assistance to members of the National Guard and Reserve and their families on their return from deployment.

SA 4869. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, insert the following:

Sec. 8109. (a) Reports on Withdrawal or Diversion of Equipment From Reserve Units for Support of Reserve Units Being Mobilized and Other Units.—Chapter 1007 of title 10, United States Code, is amended by inserting after section 10208 the following new section:

"§ 10208a. Mobilization: reports on withdrawal or diversion of equipment from Reserve units for support of Reserve units being mobilized and other units

"(a) Report Required on Withdrawal or Diversion of Equipment.—Not later than 90 days after withdrawing or diverting equipment from a unit of the Reserve to a unit of the Reserve being ordered to active duty under section 12301, 12302, or 12304 of this title, or to a unit or units of a regular component of the armed forces, for purposes of the discharge of the mission of such unit or units, the Secretary concerned shall submit to the Secretary of Defense a status report on the withdrawal or diversion of such equipment.

"(b) Elements.—Each status report under subsection (a) on equipment withdrawn or diverted shall include the following:

"(1) A plan to recapitalize or replace such equipment within the unit from which withdrawn or diverted.

"(2) If such equipment is to remain in a theater of operations while the unit from which withdrawn or diverted returns to the United States, a plan to provide such unit with recapitalized or replacement equipment appropriate to ensure the continuation of the readiness training of such unit.

"(3) A signed memorandum of understanding between the active or reserve component to which withdrawn or diverted and the reserve component from which withdrawn or diverted that specifies—

"(A) how such equipment will be tracked; and

"(B) when such equipment will be returned to the component from which withdrawn or diverted.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 1007 of such title is amended by inserting after the item relating to section 10208 the following new item:

"10208a. Mobilization: reports on withdrawal or diversion of equipment from Reserve units for support of Reserve units being mobilized and other units.".

SA 4870. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

Sec. 8109. (a) Availability of Assistance for Local Educational Agencies.—To assist communities making adjustments resulting from changes in the size of the Armed Forces, the Secretary of Defense shall make payments to eligible local educational agencies that, during the period between the end of the school year preceding the fiscal year for which the payments are authorized and the beginning of the school year immediately preceding that school year, had (as determined by the Secretary of Defense in consultation with the Secretary of Education) an overall increase of—

(1) not less than 5 percent in the average daily attendance of military dependent students enrolled in the schools served by the eligible local educational agencies; or

(2) not less than 250 military dependent students enrolled in the schools served by the eligible local educational agencies.

(b) Notification.—Not later than June 30 of each of fiscal years 2007 and 2008, the Secretary of Defense shall notify each eligible local educational agency for such fiscal year—

(1) that the local educational agency is eligible for assistance under this section; and

(2) of the amount of the assistance for which the eligible local educational agency qualifies, as determined under subsection (c).

(c) Amount of Assistance.—

(1) In general.—The Secretary of Defense shall, in consultation with the Secretary of Education, make assistance available to eligible local educational agencies for a fiscal year on a pro rata basis, as described in paragraph (2).

(2) Pro rata distribution.—

(A) In general.—The amount of the assistance provided under this section to an eligible local educational agency for a fiscal year shall be equal to the product obtained by multiplying—

(i) the per-student rate determined under subparagraph (B) for such fiscal year; by

(ii) the overall increase in the number of military dependent students in the schools served by the eligible local educational agency, as determined under subsection (a).

(B) Per-student rate.—For purposes of subparagraph (A), the per-student rate for a fiscal year shall be equal to the dollar amount obtained by dividing—

(i) the amount of funds available for such fiscal year to provide assistance under this section; by

(ii) the sum of the overall increases, as determined under subparagraph (A)(ii), in the number of military dependent students for all eligible local educational agencies for that fiscal year.

(d) Disbursement of Funds.—The Secretary of Defense shall disburse assistance made available under this section for a fiscal year, not later than 30 days after the date on which the Secretary of Defense notified the eligible local educational agencies under subsection (b) for the fiscal year.

(e) Consultation.—The Secretary of Defense shall carry out this section in consultation with the Secretary of Education.

(f) Reports.—

(1) Reports required.—Not later than May 1 of each of 2007, 2008, and 2009, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the assistance provided under this section during the fiscal year preceding the date of such report.

(2) Element of report.—Each report described in paragraph (1) shall include an assessment and description of the current compliance of each eligible local educational agency with the requirements of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

(g) Funding.—Of the amount appropriated or otherwise made available by title II under the heading "Operation and Maintenance, Defense-Wide" up to $15,000,000 may be available for the purpose of providing assistance to eligible local educational agencies under this section.

(h) Termination.—The authority of the Secretary of Defense to provide financial assistance under this section shall expire on September 30, 2008.

(i) Definitions.—In this section:

(1) Eligible local educational agency.—The term "eligible local educational agency" means, for a fiscal year, a local educational agency—

(A) for which not less than 20 percent (as rounded to the nearest whole percent) of the students in average daily attendance in the schools served by the local educational agency during the preceding school year were military dependent students that were counted under section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)); and

(B) for which the required overall increase in the number of military dependent students enrolled in schools served by the local educational agency, as described in subsection (a), occurred as a result of the global rebasing plan of the Department of Defense.

(2) Local educational agency.—The term "local educational agency" has the meaning given the term in section 8013 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713).

(3) Military dependent student.—The term "military dependent student" means—

(A) an elementary school or secondary school student who is a dependent of a member of the Armed Forces; or

(B) an elementary school or secondary school student who is a dependent of a civilian employee of the Department of Defense.

SA 4871. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

Sec. 8109. There are authorized to be appropriated $1,551,865 exclusively for benefits to a multiemployer pension plan in the New England Fishery for fish lumpers if such plan is undercapitalized due to fishery capacity reduction and fish restrictions.

SA 4872. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) The amount appropriated or otherwise made available by this Act is hereby increased by $1,551,865.

(b) Of the amount appropriated or otherwise made available by this Act, as increased by subsection (a), $1,551,865 shall be used exclusively for benefits to a multiemployer pension plan in the New England Fishery for fish lumpers if such plan is undercapitalized due to fishery capacity reduction and fish restrictions.

(c) The amount made available under subsection (a) is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SA 4873. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. No funds appropriated or otherwise made available for the Department of Defense by this Act may be obligated or expended for the Threat and Local Observation Notice (TALON) Program or any similar program of the Department of Defense for the collection, storage, or analysis of information on United States citizens who pose no threat to the military or its facilities, including United States citizens taking part in non-violent activities protected by the First Amendment to the Constitution of the United States related to protests against United States Government policy on Iraq.

SA 4874. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $3,000,000 may be available for the development of lightweight munitions through the Aluminum Matrix Composite Technology Partnership.

SA 4875. Ms. STABENOW (for herself, Mr. REID, Mr. REED, Mr. LEAHY, Mr. LEVIN, Mr. DURBIN, and Mr. KENNEDY) proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 238, after line 24, add the following:

SEC. 9012. (a) The amount appropriated or otherwise made available by this title is hereby increased by $200,000,000.

(b) Of the amount appropriated or otherwise made available by this title, as increased by subsection (a), $200,000,000 may be made available for humanitarian assistance, including food, water, cooking fuel, shelter, medicine, and other assistance, for the innocent Lebanese and Israeli civilians who have been affected by the hostilities between Hezbollah and the Government of Israel.

(c) The amount made available under subsection (a) is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SA 4876. Mr. CHAMBLISS submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading "OPERATION AND MAINTENANCE, ARMY RESERVE", up to $500,000 may be available for Advanced Information Technology Battlefield Unit Training.

SA 4877. Mr. SMITH (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading "PROCUREMENT, DEFENSE-WIDE", up to $2,000,000 may be available for the Forward Osmosis Individual Water Purification System.

SA 4878. Mr. SANTORUM proposed an amendment to the bill S. 843, to amend the Public Health Service Act to combat autism through research, screening, intervention and education; as follows:

"(A) $68,000,000 for fiscal year 2007, $74,500,000 for fiscal year 2008, $81,000,000 for fiscal year 2009, $87,500,000 for fiscal year 2010, and $94,000,000 for fiscal year 2011, to carry out subsections (a), (b), and (d);

"(B) $24,000,000 for fiscal year 2007, $30,500,000 for fiscal year 2008, $37,000,000 for fiscal year 2009, $43,500,000 for fiscal year 2010, and $50,000,000 for fiscal year 2011, to carry out subsection (c)(1); and

SA 4879. Mr. FRIST (for Mr. ENZI) proposed an amendment to the bill S. 3534, to amend the Workforce Investment Act of 1998 to provide for a YouthBuild program; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "YouthBuild Transfer Act".

SEC. 2. YOUTHBUILD PROGRAM.

(a) ESTABLISHMENT OF YOUTHBUILD PROGRAM IN THE DEPARTMENT OF LABOR.—Subtitle D of title I of the Workforce Investment Act of 1998 is amended by inserting before section 174 (29 U.S.C. 2919) the following new section:

"SEC. 173A. YOUTHBUILD PROGRAM.

"(a) STATEMENT OF PURPOSE.—The purposes of this section are—

"(1) to enable disadvantaged youth to obtain the education and employment skills necessary to achieve economic self-sufficiency in occupations in demand and postsecondary education and training opportunities;

"(2) to provide disadvantaged youth with opportunities for meaningful work and service to their communities;

"(3) to foster the development of employment and leadership skills and commitment to community development among youth in low-income communities; and

"(4) to expand the supply of permanent affordable housing for homeless individuals and low-income families by utilizing the energies and talents of disadvantaged youth.

"(b) DEFINITIONS.—In this section:

"(1) ADJUSTED INCOME.—The term 'adjusted income' has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

"(2) APPLICANT.—The term 'applicant' means an eligible entity that has submitted an application under subsection (c).

"(3) ELIGIBLE ENTITY.—The term 'eligible entity' means a public or private nonprofit agency or organization (including a consortium of such agencies or organizations), including—

"(A) a community-based organization;

"(B) a faith-based organization;

"(C) an entity carrying out activities under this title, such as a local board;

"(D) a community action agency;

"(E) a State or local housing development agency;

"(F) an Indian tribe or other agency primarily serving Indians;

"(G) a community development corporation;

"(H) a State or local youth service or conservation corps; and

"(I) any other entity eligible to provide education or employment training under a Federal program (other than the program carried out under this section).

"(4) HOMELESS INDIVIDUAL.—The term 'homeless individual' has the meaning given the term in section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

"(5) HOUSING DEVELOPMENT AGENCY.—The term 'housing development agency' means any agency of a State or local government, or any private nonprofit organization, that is engaged in providing housing for homeless individuals or low-income families.

"(6) INCOME.—The term 'income' has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

"(7) INDIAN; INDIAN TRIBE.—The terms 'Indian' and 'Indian tribe' have the meanings given such terms in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

"(8) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term 'individual of limited English proficiency' means an eligible participant under this section who meets the criteria set forth in section 203(10) of the Adult Education and Family Literacy Act (20 U.S.C. 9202(10)).

"(9) LOW-INCOME FAMILY.—The term 'low-income family' means a family described in section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).

"(10) QUALIFIED NATIONAL NONPROFIT AGENCY.—The term 'qualified national nonprofit agency' means a nonprofit agency that—

"(A) has significant national experience providing services consisting of training, information, technical assistance, and data management to YouthBuild programs or similar projects; and

"(B) has the capacity to provide those services.

“(11) Registered Apprenticeship Program.—The term ‘registered apprenticeship program’ means an apprenticeship program—

“(A) registered under the Act of August 16, 1937 (commonly known as the ‘National Apprenticeship Act’; 50 Stat. 664, chapter 663; 20 U.S.C. 50 et seq.); and

“(B) that meets such other criteria as may be established by the Secretary under this section.

“(12) Transitional Housing.—The term ‘transitional housing’ means housing provided for the purpose of facilitating the movement of homeless individuals to independent living within a reasonable amount of time. The term includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals who are individuals with disabilities or members of families with children.

“(13) YouthBuild Program.—The term ‘YouthBuild program’ means any program that receives assistance under this section and provides disadvantaged youth with opportunities for employment, education, leadership development, and training through the rehabilitation or construction of housing for homeless individuals and low-income families, and of public facilities.

“(c) YouthBuild Grants.—

“(1) Amounts of Grants.—The Secretary is authorized to make grants to applicants for the purpose of carrying out YouthBuild programs approved under this section.

“(2) Eligible Activities.—An entity that receives a grant under this subsection shall use the funds made available through the grant to carry out a YouthBuild program, which may include the following activities:

“(A) Education and workforce investment activities including—

“(i) work experience and skills training (coordinated, to the maximum extent feasible, with preapprenticeship and registered apprenticeship programs) in the rehabilitation and construction activities described in subparagraphs (B) and (C);

“(ii) occupational skills training;

“(iii) other paid and unpaid work experiences, including internships and job shadowing;

“(iv) services and activities designed to meet the educational needs of participants, including—

“(I) basic skills instruction and remedial education;

“(II) language instruction educational programs for individuals with limited English proficiency;

“(III) secondary education services and activities, including tutoring, study skills training, and dropout prevention activities, designed to lead to the attainment of a secondary school diploma, General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities);

“(IV) counseling and assistance in obtaining postsecondary education and required financial aid; and

“(V) alternative secondary school services;

“(v) counseling services and related activities, such as comprehensive guidance and counseling on drug and alcohol abuse and referral;

“(vi) activities designed to develop employment and leadership skills, which may include community service and peer-centered activities encouraging responsibility and other positive social behaviors, and activities related to youth policy committees that participate in decision-making related to the program;

“(vii) supportive services and provision of need-based stipends necessary to enable individuals to participate in the program and supportive services to assist individuals, for a period not to exceed 12 months after the completion of training, in obtaining or retaining employment, or applying for and transitioning to postsecondary education; and

“(viii) job search and assistance.

“(B) Supervision and training for participants in the rehabilitation or construction of housing, including residential housing for homeless individuals or low-income families, or transitional housing for homeless individuals.

“(C) Supervision and training for participants in the rehabilitation or construction of community and other public facilities, except that not more than 10 percent of funds appropriated to carry out this section may be used for such supervision and training.

“(D) Payment of administrative costs of the applicant, except that not more than 15 percent of the amount of assistance provided under this subsection to the grant recipient may be used for such costs.

“(E) Adult mentoring.

“(F) Provision of wages, stipends, or benefits to participants in the program.

“(G) Ongoing training and technical assistance that are related to developing and carrying out the program.

“(H) Follow-up services.

“(3) Application.—

“(A) Form and Procedure.—To be qualified to receive a grant under this subsection, an eligible entity shall submit an application at such time, in such manner, and containing such information as the Secretary may require.

“(B) Minimum Requirements.—The Secretary shall require that the application contain, at a minimum—

“(i) labor market information for the labor market area where the proposed program will be implemented, including both current data (as of the date of submission of the application) and projections on career opportunities in growing industries;

“(ii) a request for the grant, specifying the amount of the grant requested and its proposed uses;

“(iii) a description of the applicant and a statement of its qualifications, including a description of the applicant's relationship with local boards, one-stop operators, local unions, entities carrying out registered apprenticeship programs, other community groups, and employers, and the applicant's past experience, if any, with rehabilitation or construction of housing or public facilities, and with youth education and employment training programs;

“(iv) a description of the proposed site for the proposed program;

“(v) a description of the educational and job training activities, work opportunities, postsecondary education and training opportunities, and other services that will be provided to participants, and how those activities, opportunities, and services will prepare youth for employment in occupations in demand in the labor market area described in clause (i);

“(vi) a description of the proposed rehabilitation or construction activities to be undertaken under the grant and the anticipated schedule for carrying out such activities;

“(vii) a description of the manner in which eligible youth will be recruited and selected as participants, including a description of arrangements that will be made with local boards, one-stop operators, community- and faith-based organizations, State educational agencies or local educational agencies (including agencies of Indian tribes), public assistance agencies, the courts of jurisdiction, agencies operating shelters for homeless individuals and other agencies that serve youth who are homeless individuals, foster care agencies, and other appropriate public and private agencies;

“(viii) a description of the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children) as participants;

“(ix) a description of the specific role of employers in the proposed program, such as their role in developing the proposed program and assisting in service provision and in placement activities;

“(x) a description of how the proposed program will be coordinated with other Federal, State, and local activities and activities conducted by Indian tribes, such as local workforce investment activities, vocational education programs, adult and language instruction educational programs, activities conducted by public schools, activities, conducted by community colleges, national service programs, and other job training provided with funds available under this title;

“(xi) assurances that there will be a sufficient number of adequately trained supervisory personnel in the proposed program;

“(xii) a description of results to be achieved with respect to common indicators of performance for youth and lifelong learning, as identified by the Secretary;

“(xiii) a description of the applicant's relationship with local building trade unions regarding their involvement in training to be provided through the proposed program, the relationship of the proposed program to established registered apprenticeship programs and employers, and the ability of the applicant to grant industry-recognized skill certification through the program;

“(xiv) a description of activities that will be undertaken to develop the leadership skills of participants;

“(xv) a detailed budget and a description of the system of fiscal controls, and auditing and accountability procedures, that will be used to ensure fiscal soundness for the proposed program;

“(xvi) a description of the commitments for any additional resources (in addition to the funds made available through the grant) to be made available to the proposed program from—

“(I) the applicant;

“(II) recipients of other Federal, State or local housing and community development assistance who will sponsor any part of the rehabilitation, construction, operation and maintenance, or other housing and community development activities undertaken as part of the proposed program; or

“(III) entities carrying out other Federal, State, or local activities or activities conducted by Indian tribes, including vocational education programs, adult and language instruction educational programs, and job training provided with funds available under this title;

“(xvii) information identifying, and a description of, the financing proposed for any—

“(I) rehabilitation of the property involved;

“(II) acquisition of the property; or

“(III) construction of the property;

“(xviii) information identifying, and a description of, the entity that will operate and manage the property;

“(xix) information identifying, and a description of, the data collection systems to be used;

"(xx) a certification, by a public official responsible for the housing strategy for the State or unit of general local government within which the proposed program is located, that the proposed program is consistent with the housing strategy; and

"(xxi) a certification that the applicant will comply with the requirements of the Fair Housing Act (42 U.S.C. 3601 et seq.) and will affirmatively further fair housing.

"(4) SELECTION CRITERIA.—For an applicant to be eligible to receive a grant under this subsection, the applicant and the applicant's proposed program shall meet such selection criteria as the Secretary shall establish under this section, which shall include criteria relating to—

"(A) the qualifications or potential capabilities of an applicant;

"(B) an applicant's potential for developing a successful YouthBuild program;

"(C) the need for an applicant's proposed program, as determined by the degree of economic distress of the community from which participants would be recruited (measured by indicators such as poverty, youth unemployment, and the number of individuals who have dropped out of secondary school) and of the community in which the housing and public facilities proposed to be rehabilitated or constructed is located (measured by indicators such as incidence of homelessness, shortage of affordable housing, and poverty);

"(D) the commitment of an applicant to providing skills training, leadership development, and education to participants;

"(E) the focus of a proposed program on preparing youth for occupations in demand or postsecondary education and training opportunities;

"(F) the extent of an applicant's coordination of activities to be carried out through the proposed program with local boards, one-stop operators, and one-stop partners participating in the operation of the one-stop delivery system involved, or the extent of the applicant's good faith efforts in achieving such coordination;

"(G) the extent of the applicant's coordination of activities with public education, criminal justice, housing and community development, national service, or postsecondary education or other systems that relate to the goals of the proposed program;

"(H) the extent of an applicant's coordination of activities with employers in the local area involved;

"(I) the extent to which a proposed program provides for inclusion of tenants who were previously homeless individuals in the rental housing provided through the program;

"(J) the commitment of additional resources (in addition to the funds made available through the grant) to a proposed program by—

"(i) an applicant;

"(ii) recipients of other Federal, State, or local housing and community development assistance who will sponsor any part of the rehabilitation, construction, operation and maintenance, or other housing and community development activities undertaken as part of the proposed program; or

"(iii) entities carrying out other Federal, State, or local activities or activities conducted by Indian tribes, including vocational education programs, adult and language instruction educational programs, and job training provided with funds available under this title;

"(K) the applicant's potential to serve different regions, including rural areas and States that have not previously received grants for YouthBuild programs; and

"(L) such other factors as the Secretary determines to be appropriate for purposes of carrying out the proposed program in an effective and efficient manner.

"(5) APPROVAL.—To the extent practicable, the Secretary shall notify each applicant, not later than 5 months after the date of receipt of the application by the Secretary, whether the application is approved or not approved.

"(d) USE OF HOUSING UNITS.—Residential housing units rehabilitated or constructed using funds made available under subsection (c) shall be available solely—

"(1) for rental by, or sale to, homeless individuals or low-income families; or

"(2) for use as transitional or permanent housing, for the purpose of assisting in the movement of homeless individuals to independent living.

"(e) ADDITIONAL PROGRAM REQUIREMENTS.—

"(1) ELIGIBLE PARTICIPANTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), an individual may participate in a YouthBuild program only if such individual is—

"(i) not less than age 16 and not more than age 24, on the date of enrollment;

"(ii) a member of a low-income family, a youth in foster care (including youth aging out of foster care), a youth offender, a youth who is an individual with a disability, a child of incarcerated parents, or a migrant youth; and

"(iii) a school dropout.

"(B) EXCEPTION FOR INDIVIDUALS NOT MEETING INCOME OR EDUCATIONAL NEED REQUIREMENTS.—Not more than 25 percent of the participants in such program may be individuals who do not meet the requirements of clause (ii) or (iii) of subparagraph (A), but who—

"(i) are basic skills deficient, despite attainment of a secondary school diploma, General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); or

"(ii) have been referred by a local secondary school for participation in a YouthBuild program leading to the attainment of a secondary school diploma.

"(2) PARTICIPATION LIMITATION.—An eligible individual selected for participation in a YouthBuild program shall be offered full-time participation in the program for a period of not less than 6 months and not more than 24 months.

"(3) MINIMUM TIME DEVOTED TO EDUCATIONAL SERVICES AND ACTIVITIES.—A YouthBuild program receiving assistance under subsection (c) shall be structured so that participants in the program are offered—

"(A) education and related services and activities designed to meet educational needs, such as those specified in clauses (iv) through (vii) of subsection (c)(2)(A), during at least 50 percent of the time during which the participants participate in the program; and

"(B) work and skill development activities such as those specified in clauses (i), (ii), (iii), and (viii) of subsection (c)(2)(A), during at least 40 percent of the time during which the participants participate in the program.

"(4) AUTHORITY RESTRICTION.—No provision of this section may be construed to authorize any agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution (including a school) or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

"(5) STATE AND LOCAL STANDARDS.—All educational programs and activities supported with funds provided under subsection (c) shall be consistent with applicable State and local educational standards. Standards and procedures for the programs and activities that relate to awarding academic credit for and certifying educational attainment in such programs and activities shall be consistent with applicable State and local educational standards.

"(f) MANAGEMENT AND TECHNICAL ASSISTANCE.—

"(1) SECRETARY ASSISTANCE.—The Secretary may enter into contracts with 1 or more entities to provide assistance to the Secretary in the management, supervision, and coordination of the program carried out under this section.

"(2) TECHNICAL ASSISTANCE.—

"(A) CONTRACTS AND GRANTS.—The Secretary shall enter into contracts with or make grants to 1 or more qualified national nonprofit agencies, in order to provide training, information, technical assistance, and data management to recipients of grants under subsection (c).

"(B) RESERVATION OF FUNDS.—Of the amounts available under subsection (h) to carry out this section for a fiscal year, the Secretary shall reserve 5 percent to carry out subparagraph (A).

"(3) CAPACITY BUILDING GRANTS.—

"(A) IN GENERAL.—In each fiscal year, the Secretary may use not more than 3 percent of the amounts available under subsection (h) to award grants to 1 or more qualified national nonprofit agencies to pay for the Federal share of the cost of capacity building activities.

"(B) FEDERAL SHARE.—The Federal share of the cost described in subparagraph (A) shall be 25 percent. The non-Federal share shall be provided from private sources.

"(g) SUBGRANTS AND CONTRACTS.—Each recipient of a grant under subsection (c) to carry out a YouthBuild program shall provide the services and activities described in this section directly or through subgrants, contracts, or other arrangements with local educational agencies, postsecondary educational institutions, State or local housing development agencies, other public agencies, including agencies of Indian tribes, or private organizations.

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated for each of fiscal years 2007 through 2012 such sums as may be necessary to carry out this section.

"(2) FISCAL YEAR.—Notwithstanding section 189(g), appropriations for any fiscal year for programs and activities carried out under this section shall be available for obligation only on the basis of a fiscal year.".

(b) CLERICAL AMENDMENT.—Section 1(b) of the Workforce Investment Act of 1998 (relating to the table of contents) is amended by inserting before the item relating to section 174 the following:

"Sec. 173A. YouthBuild program".

(c) EXCEPTION TO PROGRAM YEAR APPROPRIATION CYCLE REQUIREMENT.—Section 189(g)(1)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2939(g)(1)(A)) is amended by inserting "and section 173A" after "Except as provided in subparagraph (B)".

(d) CONFORMING AMENDMENTS.—

(1) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is

amended in paragraphs (1)(B)(iii) and (2)(B) of subsection (c), and paragraphs (1)(B)(iii) and (2)(B) of subsection (d), by striking "Youthbuild" and all that follows and inserting "YouthBuild programs receiving assistance under section 173A of the Workforce Investment Act of 1998.".

(2) Section 507(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4183(b)) is amended by striking "subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act,".

(3) Section 402 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12870) is amended by striking the second sentence of subsections (a) and (b).

(e) Repeal of Provisions.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is repealed.

(f) Effective Date.—This section and the amendments made by this section take effect on the earlier of—

(1) the date of enactment of this Act; and

(2) September 30, 2006.

SEC. 3. TRANSFER OF FUNCTIONS AND SAVINGS PROVISIONS.

(a) Definitions.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(2) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) Transfer of Functions.—There are transferred to the Department of Labor all functions which the Secretary of Housing and Urban Development exercised before the effective date of this section (including all related functions of any officer or employee of the Department of Housing and Urban Development) relating to subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.).

(c) Determinations of Certain Functions by the Office of Management and Budget.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under subsection (b).

(d) Personnel Provisions.—

(1) Appointments.—The Secretary of Labor may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the respective functions transferred under this section. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(2) Experts and consultants.—The Secretary of Labor may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including traveltime) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The Secretary of Labor may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

(e) Delegation and Assignment.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Secretary of Labor may delegate any of the functions transferred to the Secretary of Labor by this section and any function transferred or granted to the Secretary of Labor after the effective date of this section to such officers and employees of the Department of Labor as the Secretary of Labor may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Secretary of Labor under this subsection or under any other provision of this section shall relieve the Secretary of Labor of responsibility for the administration of such functions.

(f) Reorganization.—The Secretary of Labor is authorized to allocate or reallocate any function transferred under subsection (b) among the officers of the Department of Labor, and to establish, consolidate, alter, or discontinue such organizational entities in the Department of Labor as may be necessary or appropriate.

(g) Rules.—The Secretary of Labor is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Secretary of Labor determines necessary or appropriate to administer and manage the functions of the Department of Labor.

(h) Transfer and Allocations of Appropriations.—Except as otherwise provided in this section, the assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Department of Labor. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(i) Transfers.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the functions transferred by this section, and to make such dispositions of assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds used, held, arising from, available to, or to be made available in connection with such functions, subject to section 1531 of title 31, United States Code, as may be necessary to carry out the provisions of this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the purposes of this section.

(j) Savings Provisions.—

(1) Continuing effect of legal documents.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this section; and

(B) which are in effect at the time this section takes effect, or were final before the effective date of this section and are to become effective on or after the effective date of this section,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary of Labor or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) Proceedings not affected.—The provisions of this section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Department of Housing and Urban Development at the time this section takes effect, with respect to functions transferred by this section but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) Suits not affected.—The provisions of this section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) Nonabatement of actions.—No suit, action, or other proceeding commenced by or against the Department of Housing and Urban Development, or by or against any individual in the official capacity of such individual as an officer of the Department of Housing and Urban Development, shall abate by reason of the enactment of this section.

(5) Administrative actions relating to promulgation of regulations.—Any administrative action relating to the preparation or promulgation of a regulation by the Department of Housing and Urban Development relating to a function transferred under this section may be continued by the Department of Labor with the same effect as if this section had not been enacted.

(k) Separability.—If a provision of this section or its application to any person or circumstance is held invalid, neither the remainder of this section nor the application of the provision to other persons or circumstances shall be affected.

(l) Transition.—The Secretary of Labor is authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Department of Housing and Urban Development with respect to functions transferred to the Department of Labor by this section; and

(2) funds appropriated to such functions for such period of time,

as may reasonably be needed to facilitate the orderly implementation of this section.

(m) Accomplishing Orderly Transfer.—Consistent with the requirements of this section, the Secretary of Labor and the Secretary of Housing and Urban Development shall take such actions as the Secretaries determine are appropriate to accomplish the orderly transfer of functions as described in subsection (b).

(n) Administration of Prior Grants.—Notwithstanding any other provision of this Act, grants awarded under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) with funds appropriated for fiscal year 2006 or a preceding fiscal year shall be subject to the continuing authority of the Secretary of Housing and Urban Development under the provisions of such subtitle, as in effect on the day before the date of enactment of this Act, until the authority to expend applicable funds for the grants, as specified by the Secretary of Housing and Urban Development, has expired and the Secretary has completed the administrative responsibilities associated with the grants.

(o) References.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Secretary of Housing and Urban Development with regard to functions transferred under subsection (b), shall be deemed to refer to the Secretary of Labor; and

(2) the Department of Housing and Urban Development with regard to functions transferred under subsection (b), shall be deemed to refer to the Department of Labor.

(p) Effective Date.—This section takes effect on the earlier of—

(1) the date of enactment of this Act; and

(2) September 30, 2006.

SA 4880. Mr. FRIST (for Mr. McCain (for himself and Mr. Dorgan)) proposed an amendment to the bill S. 1899, to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes; as follows:

On page 24, line 4, strike "extend" and insert "extent".

On page 27, line 16, strike "or forensic" and insert "and forensic".

On page 28, line 2, strike "interviews" and insert "interviewers".

On page 29, strike lines 18 through 24 and insert the following:

"(d) Effect on Child Placement.—An Indian tribe that submits a written statement to the applicable State official documenting that the Indian tribe has conducted a background investigation under this section for the placement of an Indian child in a tribally-licensed or tribally-approved foster care or adoptive home, or for another out-of-home placement, shall be considered to have satisfied the background investigation requirements of any Federal or State law requiring such an investigation.".

On page 32, strike lines 8 through 16 and insert the following:

(A) by striking "(g)" and all that follows through "Indian Child Resource" and inserting the following:

"(g) Application of Indian Self-Determination and Education Assistance Act to Centers.—

"(1) In general.—Indian Child Resource";

(B) in the first sentence, by striking "Act" and inserting "and Education Assistance Act (25 U.S.C. 450 et seq.)";

(C) by striking the second sentence and inserting the following:

On page 33, line 15, strike "(C)" and insert "(D)".

On page 34, strike lines 1 through 25.

On page 35, strike lines 6 through 11 and insert the following:

"(a) Definition of Medical or Behavioral Health Professional.—In this section, the term 'medical or behavioral health professional' means an employee or volunteer of an organization that provides a service as part of a comprehensive service program that combines—

"(1) substance abuse (including abuse of alcohol, drugs, inhalants, and tobacco) prevention and treatment; and

"(2) mental health treatment.

"(b) Contracts and Agreements.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private university or facility, including a medical university or facility, or any private medical or behavioral health professional, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

On page 35, line 16, strike "(b)" and insert "(c)".

On page 35, line 17, strike "(a)" and insert "(b)".

On page 35, line 25, strike "(c)" and insert "(d)".

On page 36, lines 1 and 2, strike "medical universities, facilities, and practitioners described in subsection (a)" and insert "universities and facilities, including medical universities and facilities, and medical or behavioral health professionals described in subsection (b)".

On page 36, line 5, strike "(d)" and insert "(e)".

On page 36, line 12, strike "felony child neglect," and insert "felony child abuse, felony child neglect,".

SA 4881. Mr. FRIST (for Mr. Lautenberg (for himself and Mr. Stevens)) proposed an amendment to the bill H.R. 3858, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that State and local emergency preparedness operational plans address the needs of individuals with household pets and service animals following a major disaster or emergency; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pets Evacuation and Transportation Standards Act of 2006".

SEC. 2. STANDARDS FOR STATE AND LOCAL EMERGENCY PREPAREDNESS OPERATIONAL PLANS.

Section 613 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196b) is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following:

"(g) Standards for State and Local Emergency Preparedness Operational Plans.—In approving standards for State and local emergency preparedness operational plans pursuant to subsection (b)(3), the Director shall ensure that such plans take into account the needs of individuals with household pets and service animals prior to, during, and following a major disaster or emergency.".

SEC. 3. EMERGENCY PREPAREDNESS MEASURES OF THE DIRECTOR.

Section 611 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196) is amended—

(1) in subsection (e)—

(A) in paragraph (2), by striking "and" at the end;

(B) in paragraph (3), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(4) plans that take into account the needs of individuals with pets and service animals prior to, during, and following a major disaster or emergency."; and

(2) in subsection (j)—

(A) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively; and

(B) by inserting after paragraph (1) the following:

"(2) The Director may make financial contributions, on the basis of programs or projects approved by the Director, to the States and local authorities for animal emergency preparedness purposes, including the procurement, construction, leasing, or renovating of emergency shelter facilities and materials that will accommodate people with pets and service animals.".

SEC. 4. PROVIDING ESSENTIAL ASSISTANCE TO INDIVIDUALS WITH HOUSEHOLD PETS AND SERVICE ANIMALS FOLLOWING A DISASTER.

Section 403(a)(3) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b(a)(3)) is amended—

(1) in subparagraph (H), by striking "and" at the end;

(2) in subparagraph (I), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(J) provision of rescue, care, shelter, and essential needs—

"(i) to individuals with household pets and service animals; and

"(ii) to such pets and animals.".

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will be held on Friday, September 1, 2006, at 1 p.m. in the Student Union Ballroom at the Student Union Building of Montana State University Northern located at 1 SUB Drive in Havre, Montana.

The purpose of the hearing is to receive testimony on S. 3563, to authorize the Secretary of the Interior to conduct studies to determine the feasibility and environmental impact of rehabilitating the St. Mary Diversion and Conveyance Works and the Milk River Project, to authorize the rehabilitation and improvement of the St. Mary Diversion and Conveyance Works, to develop an emergency response plan for use in the case of catastrophic failure of the St. Mary Diversion and Conveyance Works, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150.

For further information, please contact Nate Gentry at (202) 224-2179 or Steve Waskiewicz at (202) 228-6195.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on August 3, 2006, at 9:30 a.m. to receive testimony on Iraq, Afghanistan, and the Global War on Terrorism.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, August 3, 2006, at 10 a.m.

The purpose of this hearing is to receive testimony on S. 2589, to enhance the management and disposal of spent nuclear fuel and high-level radioactive waste, to ensure protection of public health and safety, to ensure the territorial integrity and security of the repository at Yucca Mountain, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Thursday, August 3, 2006, at 10:30 a.m., in 215 Dirksen Senate Office Building, to hear testimony on "Kick-Off for Tax Reform: Tackling the Tax Code".

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. FRIST. Mr. President, I ak unanimous consent that the Committee on Foreign Relations be authorized to MEET DURING THE SESSIOn of the Senate on Thursday, August 3, 2006, at 11 a.m. to hold a hearing on nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, August 3, 2006, at 2:30 p.m. to hold a hearing on nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Federal Financial Management, Government Information, and International Security be authorized to meet on Thursday, August 3, 2006, at 2:30 p.m. for a hearing regarding "Financial Management at the Department of Defense."

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. FRIST. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on August 3, 2006, at 10 a.m. to hold a closed briefing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NATIONAL OCEAN POLICY STUDY

Mr. FRIST. Mr. President, I am requesting unaimous consent that the Committee on Commerce, Science, and Transportation Subcommittee on National Ocean Policy Study be able to hold a hearing on the State of the Oceans 2006 on August 3, 2006 at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the following fellows with the Finance Committee be allowed the privilege of the floor during the Senate's consideration of the tax bills today: Mary Baker and Stuart Sirkin.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN TRAVEL FINANCIAL REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following reports for standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Drew Willison:									
Netherlands	Euro		968.62						968.62
United States	Dollar				6,242.90		94.39		6,337.29
Scott O'Malia:									
Japan	Yen		2,273.46						2,273.46
United States	Dollar				10,547.36		94.39		10,641.75
Drew Willison:									
Japan	Yen		2,273.46						2,273.46
United States	Dollar				10,547.36		94.39		10,641.75
Nancy Olkewics:									
Japan	Yen		2,273.46						2,273.46
United States	Dollar				10,547.36		94.39.		10,641.75
Josh Manley:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Matthew McCardle:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Jon Kamarck:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Peter Rogoff:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Meaghan McCarthy:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Rebecca Hammel:									
Netherlands	Euro		968.62						968.62
United States	Dollar				6,242.90				6,242.90
Roger K. Cockrell:									
Netherlands	Euro		1,016.63						1,016.63
United States	Dollar				6,242.90				6,242.90
Senator Wayne Allard:									
Brazil	Real		506.00						506.00
Argentina	Pesos		318.00						318.00
Adam Sharp:									
Netherlands	Euro		1,280.49						1,280.49
United States	Dollar				6,242.90				6,242.90
Senator Mary L. Landrieu:									
Netherlands	Euro		968.62						968.62
United States	Dollar				6,241.51				6,241.51
Herman J. Gesser, III:									
Netherlands	Euro		1,346.03						1,346.03
United States	Dollar				6,242.40				6,242.40
Total			37,443.39		118,559.34		377.56		156,380.29

THAD COCHRAN,
Chairman, Committee on Appropriations, June 26, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM APR. 1 to JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Robert Bennett:									
Belgium	Euro		392.00						392.00
Mark Morrison:									
Belgium	Euro		392.00						392.00
Nathan Graham:									
Belgium	Euro		392.00						392.00
Stewart Holmes:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Paul Grove:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Thomas Hawkins:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Senator Thad Cochran									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Keith Kennedy:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Kay Webber:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Dr. John Eisild:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Mark Keenum:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Senator Judd Gregg:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Tim Reiser:									
Guatemala	Dollar		330.00				54.00		384.00
United States	Dollar				1,230.00				1,230.00
Colombia	Dollar		100.00				53.00		153.00
Sudip Parikh:									
United Kingdom	Pound		2,565.00				85.00		2,650.00
United States	Dollar				2,460.54				2,460.54
Betty Lou Taylor:									
United Kingdom	Pound		2,565.00				85.00		2,650.00
United States	Dollar				2,460.54				2,460.54

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM APR. 1 to JUNE 30, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			19,039.00		6,151.08		277.00		25,467.08

THAD COCHRAN,
Chairman, Committee on Appropriations, July 5, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Joseph Lieberman:									
United States	Dollar				1,394.00				1,394.00
Israel	Dollar		2,250.00						2,250.00
Frederick M. Downey:									
United States	Dollar				5,819.00				5,819.00
Israel	Dollar		3,980.00						3,980.00
Senator Jack Reed:									
United States	Dollar				2,041.00				2,041.00
Colombia	Dollar						2.00		2.00
Elizabeth King:									
United States	Dollar				2,041.00				2,041.00
Colombia	Dollar						22.00		22.00
Evelyn Farkas:									
United States	Dollar				2,084.00				2,084.00
Colombia	Dollar						22.00		22.00
Senator John McCain:									
United States	Dollar				3,903.55				3,903.55
Belgium	Euro		150.00						150.00
Richard Fontaine:									
United States	Dollar				3,903.55				3,903.55
Belgium	Euro		292.00						292.00
Senator Elizabeth Dole:									
United States	Dollar				8,594.02				5,894.02
Greg Reils:									
United States	Dollar		8,614.02		8,614.02				8,614.02
Kuwait	Dollar		1,218.00						1,218.00
Greg Gross:									
United States	Dollar				8,614.02				8,614.02
Kuwait	Dollar		1,218.00						1,218.00
Total			9,108.00		47,008.16		46.00		56,162.16

JOHN WARNER,
Chairman, Committee on Armed Services, July 28, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John McCain:									
New Zealand	Dollar		1,463.67						1,463.67
Switzerland	Dollar		570.00						570.00
Kuwait	Dollar		259.92						259.92
Jordan	Dollar		269.50						269.50
Senator John Warner:									
Italy	Euro		125.00						125.00
Pakistan	Rupee		100.00						100.00
Kuwait	Dinar		325.00						325.00
United Kingdom	Pound		358.00						358.00
Senator Carl Levin:									
Italy	Euro		125.00						125.00
Pakistan	Rupee		91.00						91.00
Kuwait	Dinar		325.00						325.00
United Kingdom	Pound		228.00						728.00
Richard D. DeBobes:									
Italy	Euro		125.00						125.00
Pakistan	Rupee		50.00						50.00
Kuwait	Dinar		325.00						325.00
Turkey	Lira		90.00						90.00
United Kingdom	Pound		228.00						228.00
Senator John Thune:									
Brazil	Dollar		370.00						370.00
Argentina	Dollar		556.00						556.00
Chile	Dollar		354.00						354.00
Total			6,338.09						6,338.09

JOHN WARNER,
Chairman, Committee on Armed Services, July 28, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Andrew Olmem:									
United States	Dollar				7,461.00				7,461.00
Brazil	Real		300.00						300.00
LouAnn Lineban:									
United States	Dollar				6,177.47				6,177.47
India	Rupee		902.00						902.00
Pakistan	Rupee		593.00						593.00
Senator Richard Shelby:									
Libya	Dinar		1,200.00						1,200.00
Egypt	Pound		288.00						288.00
Ethiopia	Birr		562.00						562.00
South Africa	Rand		923.00						923.00
Argentina	Peso		540.00						540.00
Senator Paul Sarbanes:									
Libya	Dinar		1,200.00						1,200.00
Egypt	Pound		288.00						288.00
Ethiopia	Birr		562.00						562.00
South Africa	Rand		923.00						923.00
Argentina	Peso		540.00						540.00
Kathleen L. Casey:									
Libya	Dinar		1,200.00						1,200.00
Egypt	Pound		288.00						288.00
Ethiopia	Birr		562.00						562.00
South Africa	Rand		923.00						923.00
Argentina	Peso		540.00						540.00
Anne Caldwell:									
Libya	Dinar		1,200.00						1,200.00
Egypt	Pound		288.00						288.00
Ethiopia	Birr		562.00						562.00
South Africa	Rand		923.00						923.00
Argentina	Peso		540.00						540.00
Total			15,847.00		13,638.47				29,485.47

RICHARD SHELBY,
Chairman, Committee on Banking, Housing, and Urban Affairs, June 30, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Debbie Stabenow:									
United States	Dollar				7,342.44				7,342.44
Jordan	Dinar		434.00						434.00
Kevin Bargo:									
United States	Dollar				3,830.07				3,830.07
Austria	Euro		636.00						636.00
Switzerland	Franc		1,236.00						1,236.00
Maureen O'Neill:									
United States	Dollar				6,678.00				6,678.00
Austria	Euro		636.00						636.00
Switzerland	Franc		1,236.00						1,236.00
Total			4,178.00		17,850.51				22,028.51

JUDD GREGG,
Chairman, Committee on U.S. Senate Budget Committee, June 30, 2006.

CONSOLIDATED REPORT OF EXPENDITUE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Gordon Smith:									
Egypt	Pound		161.62						161.62
United Kingdom	Pound		211.00						211.00
Robert Epplin:									
Egypt	Pound		161.62						161.62
United Kingdom	Pound		211.00						211.00
Todd Bertoson:									
United States	Dollar				1,387.00				1,387.00
St. Kitts & Nevis	Dollar		1,650.00						1,165.00
Stephen Wackowski:									
United States	Dollar				1,387.00				1,387.00
St. Kitts & Nevis	Dollar		1,650.00						1,650.00
Total			4,045.24		2,744.00				6,819.24

TED STEVENS,
Chairman, Committee on Science and Transportation, July 14, 2006.

CONSOLIDATED REPORT OF EXPENDITUE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JAN. 1, TO MAR. 31, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Max Baucus:									
China	Yuan		1,136.13						1,136.13
Singapore	Dollar		260.00						260.00
India	Rupees		1,230.46						1,230.46
United States	Dollar				9,172.55				9,172.55
*Delegation Expenses							4,010.20		4,010.20
William Dauster:									
China	Yuan		1,233.05						1,233.05
United States	Dollar				9,148.75				9,148.75
Demetrios Marantis:									
China	Yuan		1,136.13						1,136.13
Singapore	Dollar		260.00						260.00
India	Rupees		1,230.46						1,230.46
United States	Dollar				9,133.55				9,133.55
Jim Messina:									
China	Yuan		1,234.59						1,234.59
India	Rupees		1,230.46						1,230.46
United States	Dollar				9,086.72				9,086.72
Brian Pomper:									
China	Yuan		1,136.13						1,136.13
Singapore	Dollar		260.00						760.00
India	Rupees		1,230.46						1,230.46
United States	Dollar				9,133.55				9,133.55
Senator Chuck Schumer:									
China	Dollar		1,286.66						1,286.66
Hong Kong	Dollar		365.84						365.84
Jeff Hamond:									
China	Dollar		1,248.84						1,248.84
Hong Kong	Dollar		346.93						346.93
Risa Heller:									
China	Dollar		1,132.28						1,132.28
Hong Kong	Dollar		288.64						288.64
Senator Charles E. Grassley:									
Brazil	Reals		754.47						754.47
Argentina	Pesos		517.00						517.00
*Delegation Expenses							20,724.00		20,724.00
Senator Mike Crapo:									
Brazil	Reals		754.47						754.47
Argentina	Pesos		517.00						517.00
Gregg Richard:									
Brazil	Reals		490.97						490.97
Argentina	Pesos		253.50						253.50
Elizabeth Pellett:									
Brazil	Reals		414.47						414.47
Argentina	Pesos		177.00						177.00
Kevin Studer:									
Brazil	Reals		647.47						647.47
Argentina	Pesos		437.00						437.00
David Johanson:									
Brazil	Reals		397.97						397.97
Argentina	Pesos		160.50						160.50
Total			21,768.88		45,675.12		24,734.20		92,178.20

CHARLES L. GRASSLEY,
Chairman, Committee on Finance, June 1, 2006

*Delegation expenses include interpretation, transportation, security, embassy overtime, reciprocal meals and official functions as well as other expenses in accordance with the responsibilities of the host country.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator George Allen:									
Italy	Euro		382.00				150.00		532.00
Turkey	Dollar		135.00						135.00
Kuwait	Dinar		300.00						300.00
United States	Dollar				6,074.45				6,074.45
Senator Christopher Dodd:									
Jordan	Dollar		223.00						223.00
Lebanon	Dollar		117.00						117.00
Israel	Dollar		347.00						347.00
Egypt	Dollar		288.00						788.00
Italy	Dollar		467.00						467.00
United States	Dollar				508.50				508.50
Senator Chuck Hagel:									
India	Rupee		1,106.91						1,106.91
Pakistan	Rupee		572.00						572.00
United States	Dollar				7,309.78				7,309.78
Senator George Voinovich:									
Austria	Dollar		358.00						358.00
Serbia	Dollar		183.00						183.00
Macedonia	Dollar		30.00						30.00
Belgium	Dollar		253.00						253.00
United States	Dollar				5,682.54				5,682.54
Senator George Voinovich:									
Belgium	Euro		819.34						819.34
Jay Branegan:									
United Kingdom	Pound		2,377.62						2,377.62
United States	Dollar				7,241.43				7,241.43
Heather Flynn:									
United Kingdom	Pound		450.00						450.00
Nigeria	Naira		435.00						435.00
United States	Dollar				8,505.00				8,505.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Heather Flynn:									
Equatorial Guinea	CFA		415.00						415.00
United States	Dollar				7,345.00				7,345.00
Grey Frandsen:									
Algeria	Dinar		1,047.46						1,047.46
Mali	Cfa		361.94						361.94
United States	Dollar				7,509.39				7,509.39
Frank Jannuzi:									
China	Yuan		1,164.00						1,164.00
United States	Dollar				6,778.18				6,778.18
Kenneth Myers III:									
Russia	Dollar		900.00						900.00
United States	Dollar				5,592.72				5,592.72
Janice O'Connell:									
Jordan	Dollar		223.00						223.00
Lebanon	Dollar		117.00						117.00
Israel	Dollar		347.00						347.00
Egypt	Dollar		288.00						288.00
Italy	Dollar		467.00						467.00
United States	Dollar				508.50				508.50
Rexon Ryu:									
India	Rupee		956.91						956.91
Pakistan	Rupee		847.00						847.00
United States	Dollar				6,177.47				6,177.47
Jean Siskovic:									
Austria	Dollar		358.00						358.00
Serbia	Dollar		234.00						234.00
Macedonia	Dollar		150.00						150.00
Belgium	Dollar		236.00						236.00
United States	Dollar				7,100.54				7,100.54
Jean Siskovic:									
Belgium	Euro		819.34						819.34
Puneet Talwar:									
Switzerland	Dollar		362.00						362.00
United States	Dollar				6,146.47				6,146.47
Caroline Tess:									
Venezuela	Dollar		1,902.00						1,902.00
United States	Dollar				2,688.80				2,688.80
Caroline Tess:									
Bolivia	Dollar		327.00						327.00
United States	Dollar				4,251.00				4,251.00
Tomicah Tillemann:									
Azerbaijan	Manat		632.00						632.00
Georgia	Lari		520.00						520.00
United States	Dollar				8,463.80				8,463.80
Paul Unger:									
Italy	Euro		463.00						463.00
Turkey	Dollar		141.00						141.00
Kuwait	Dinar		280.00						280.00
United States	Dollar				6,074.45				6,074.45
Total			22,402.52		103,958.02		150.00		126,510.54

RICHARD LUGAR,
Chairman, Committee on Foreign Relations, July 17, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS COMMITTEE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Susan Collins:									
United States	Dollar				7,561.57				7,561.57
New Zealand	Dollar		738.44						738.44
David Hunter:									
United States	Dollar				7,533.38				7,533.38
New Zealand	Dollar		840.00						840.00
Senator Tom Coburn:									
United States	Dollar				9,974.92				9,974.92
China	Yuan		758.13						758.13
Total			2,336.57		25,069.87				27,406.44

SUSAN M. COLLINS,
Chairman, Committee on Homeland Security and Governmental Affairs Committee, Mar. 21, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Arlen Specter:									
Colombia	Peso		802.00						802.00
Peru	Sol		542.00						542.00
Brazil	Real		753.00						753.00
Dominican Republic	Dollar		131.00						131.00
Evan Kelly:									
Colombia	Peso		802.00						802.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Peru	Sol		542.00						542.00
Brazil	Real		753.00						753.00
Dominican Republic	Dollar		131.00						131.00
Total			4,456.00						4,456.00

ARLEN SPECTER,
Chairman, Committee on the Judiciary, July 25, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY FOR TRAVEL FROM OCT. 1 TO DEC. 31, 2005

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Arlen Specter:									
Belgium	Euro		492.25						492.25
Estonia	Kroon		372.23						372.23
Jordan	Dinar		48.72						48.72
Israel	Shekel		125.45						125.45
Germany	Euro		451.70						451.70
Scott J. Hoellich:									
Belgium	Euro		763.14						763.14
Estonia	Kroon		503.81						503.81
Jordan	Dinar		507.41						507.41
Israel	Shekel		240.23						240.23
Germany	Euro		361.26						361.26
David J. DeBruyn:									
Belgium	Euro		763.14						763.14
Estonia	Kroon		503.81						503.81
Jordan	Dinar		507.41						507.41
Israel	Shekel		240.23						240.23
Germany	Euro		361.26						361.26
Total			6,242.05						6,242.05

ARLEN SPECTER,
Chairman, Committee on the Judiciary, July 25, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON VETERANS' AFFAIRS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Larry E. Craig:									
Netherlands	Euro		355.40						355.40
France	Euro		513.00						513.00
Tunisia	Dinar		379.46						379.46
Senator Richard Burr:									
Netherlands	Euro		318.31						318.31
France	Euro		310.56						310.56
Tunisia	Dinar		395.87						395.87
Senator Johnny Isakson:									
Netherlands	Euro		291.13						291.13
France	Euro		203.88						203.88
Tunisia	Dinar		477.93						477.93
Senator Arlen Specter:									
Netherlands	Euro		487.14						487.14
France	Euro		432.93						432.93
Lupe Wissel:									
Netherlands	Euro		252.31						252.31
France	Euro		371.57						371.57
Tunisia	Dinar		288.62						288.62
Jeff Schrade:									
Netherlands	Euro		232.01						232.01
France	Euro		275.92						275.92
Tunisia	Dinar		189.38						189.38
Total			5,775.42						5,775.42

LARRY E. CRAIG,
Chairman, Committee on Veterans' Affairs, July 13, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Eric Rosenbach:			1,460.94						1,460.94
United States	Dollar				6,177.47				6,177.47
Senator Orrin Hatch			66.62						66.62
Paul Matulic			291.62						291.62

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			1,819.18		6,177.47				7,996.65

PAT ROBERTS,
Chairman, Committee on Intelligence, July 19, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMISSION ON SECURITY AND COOPERATION IN EUROPE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Shelly Han:									
United States	Dollar				5,975.44				5,975.44
Denmark	Krone		628.00						628.00
Erika Schlager:									
United States	Dollar				5,926.58				5,926.58
Romania	Lei		3,682.80						3,682.80
Kyle Parker:									
United States	Dollar				6,038.49				6,038.49
Russia	Rouble		2,768.10						2,768.10
Austria	Euro		562.08						562.08
John Finerty:									
United States	Dollar				5,592.35				5,592.35
Russia	Rouble		2,695.00						2,695.00
Dorothy Taft:									
United States	Dollar				8,420.14				8,420.14
Kazakhstan	Tenge		804.00						804.00
Bob Hand:									
United States	Dollar				6,450.88				6,450.88
Serbia & Montenegro	Euro		1,024.00						1,024.00
Shelly Han:									
United States	Dollar				5,785.06				5,785.06
Czech Republic	Koruna		206.00						206.00
Austria	Euro		562.00						562.00
Knox Thames:									
United States	Dollar				8,406.00				8,406.00
Kazakhstan	Tenge		953.12						953.12
Tajikistan	Sommi		411.22						411.22
Bob Hand:									
United States	Dollar				4,678.46				4,678.46
Austria	Euro		462.00						462.00
Macedonia	Euro		1,896.00						1,896.00
Total			16,654.32		57,273.40				73,927.72

SAM BROWNBACK,
Chairman, Committee on Commission on Security and Cooperation in Europe,
July 21, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON PRESIDENT PRO TEMPORE FOR TRAVEL FROM APR. 1 TO JUN. 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Jennifer Lowe:									
China	Yuan		2,617.75						2,617.75
United States	Dollar				8,351.13				8,351.13
Eric Mische:									
China	Yuan		1,492.00						1,492.00
United States	Dollar				7,637.70				7,637.70
Mary Claire Butt:									
China	Yuan		1,380.00						1,380.00
United States	Dollar				7,358.70				7,358.70
Total			5,489.75		23,347.53				28,837.28

TED STEVENS,
Chairman, Committee on President Pro Tempore, July 24, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL FRIST FOR TRAVEL FROM APR. 7 TO APR. 13, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William H. Frist:									
Russia	Rouble		670.00						670.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Senator Judd Gregg:									
Russia	Rouble		785.00						785.00
Poland	Zloty		336.00						336.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL FRIST FOR TRAVEL FROM APR. 7 TO APR. 13, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Senator Richard Burr:									
Russia	Rouble		785.00						785.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Emily Reynolds:									
Russia	Rouble		660.00						660.00
Poland	Zloty		211.00						211.00
Georgia	Lari		185.00						185.00
Ukraine	Hryvnia		212.00						212.00
Mark Esper:									
Russia	Rouble		725.00						725.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Amy Call:									
Russia	Rouble		485.00						485.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Jeff McEvoy:									
Russia	Rouble		727.00						727.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Sally Walsh:									
Russia	Rouble		535.00						535.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Anna Gallagher:									
Russia	Rouble		665.00						665.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
*Delegation Expenses:									
Russia	Rouble						14,340.45		14,340.45
Poland	Zloty						8,650.26		8,650.26
Georgia	Lari						5,242.76		5,242.76
Ukraine	Hryvnia						4,806.01		4,806.01
Total			14,509.00				33,039.48		47,548.48

WILLIAM H. FRIST,
Majority Leader, June 6, 2006.

*Delegation expenses include payments and reimbursements to the Department of State, and the Department of Defense under the authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179 agreed to May 25, 1977.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), DEMOCRATIC LEADER FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Marcel Lettre:									
United States	Dollar				7,187.00				7,187.00
Israel	Dollar		672.00						672.00
Jordan	Dollar		211.00						211.00
Turkey	Dollar		909.00						909.00
Rahul Verma:									
United States	Dollar				1,193.00				1,193.00
Haiti	Dollar		323.20						323.20
Total			2,115.20		8,380.00				10,495.20

HARRY REID,
Democratic Leader, July 20, 2006.

SENATE SUCCESSES

Mr. FRIST. Mr. President, after a few more moments of gathering papers, in 10 or 15 minutes, we will likely be closing. We are working on some of the final nominations and the nomination process.

Before we leave for the August recess, I will take a moment to reflect on the Senate's tremendous productivity over the last month. We can all be very proud of the progress we made in this Senate over the last 4 weeks. We have had several agenda items.

First, we worked hard to secure our homeland, to secure America's homeland. Specifically, we passed, this month, both the Homeland Security appropriations bill, the spending bill, as well as the Foreign Investment and National Security Act of 2006 which strengthens the Committee on Foreign Investment in the United States, the so-called CFIUS.

Over the past 3 days, we made substantial progress on the Department of Defense appropriations bill. We were unable to finish it today, but we have a glidepath to finish it within 2 days after we return from the recess.

The Senate's productivity this past month goes way beyond securing America's homeland. We have taken action to ensure that the homeland we secure is a homeland we value that is worth securing. We have taken action to secure America's prosperity by passing an important bill, the Water Resources Development Act, an act which focuses on building that infrastructure along the waterways, and by passing the Gulf of Mexico Energy Security Act, an act we passed just a couple of days ago that addresses opening up an area to deep sea exploration that will have more than a billion barrels of oil and more than 5.5 trillion cubic feet of natural gas—a huge amount of natural gas to increase our supply, enough to supply 6 million homes for 15 years.

In securing America's prosperity, just a few moments ago we passed the pensions bill which will affect millions of Americans. In America, we have a rich history of working hard, of setting ambitious goals, setting that ambitious vision, and doggedly pursuing that vision, pursuing that goal. That tradition of hard work has brought us the prosperity we know today.

In the Senate, we have the responsibility to protect that prosperity. We have the responsibility to ensure that hard work is rewarded just as richly tomorrow as it was yesterday or is rewarded today. Securing America's prosperity is a noble goal toward which we made considerable progress this month.

To enjoy that prosperity, we also have to secure America's health. Again, as we look over the last 4 weeks, just this month we engaged in a thorough debate, a thoughtful debate on the future of stem cell research, a tough issue for many. We have adult stem cells, we have embryonic stem cells; we had to examine and struggle with that nexus of advancing science and ethics and morality—a topic that is comfortable to many, but it is an issue all of us need to be very comfortable with because we will see that topic and topics like that which involve ethics, medicine, and advances in science increasingly over the years ahead.

At the end of that debate, we passed the Stem Cell Therapies Enhancement Act which supports the alternative ways of developing these powerful so-called pluripotential stem cells that give us so much hope for the future. That is progress. On that particular piece of legislation, the House has not yet acted, but I have high hope they will do so in the near future. That bill is broadly supported in the Senate, as well as by the American people.

Finally, this month we also worked hard to secure America's values by passing the Fetus Farming Prohibition Act, by passing a tremendously exciting bill, the Adam Walsh Child Protection and Safety Act, which was billed by the Walsh Family as being probably the most significant piece of child safety and child protection legislation in the last 20 years. In securing America's values, we passed the Child Custody Protection Act, although I have to say I am disappointed that the Democrats have stopped us from going to conference. The House of Representatives has passed it, and it is time for the Senate to go to conference and time to end that obstruction.

This month, we authorized the historic Voting Rights Act, and we confirmed five nominees to Federal judgeships.

Yes, we have been tremendously productive this month, but we will have a lot more to do. We will have a recess that will give us the time to go back to our States and talk to our constituents, to interact, to be with our families, but we have a lot to do when we return in September.

As I look ahead, we will continue to secure America's homeland. The most pressing issues we should address as we look into September include port security, the Homeland Security conference report, complete Defense appropriations, confirm John Bolton, the authorization of military commissions for terrorist combatants, consistent with the Supreme Court's Hamdan decision.

In September, we will work to secure America's prosperity by bringing budget process reform to the Senate—specifically, the line-item rescission veto—and by finalizing a very exciting bipartisan competitiveness agenda package.

We will also work to continue securing America's health by focusing on a bill that has already passed this Senate and has passed the House and is now in conference on health information technology, the health information technology that we know will establish interoperability platforms and the ability to communicate in a seamless way to improve that quality of care for patients and reduce the cost, to eliminate the unnecessary health expenditures, and to eliminate the waste, fraud, and abuse.

I also would like to come back to something we were blocked, once again, by the other side, the small business health plans, the association health plans. Chairman ENZI has done a tremendous job in leading us forward, but we were unsuccessful in the past because we were obstructed. I hope to have the opportunity to bring those back.

Finally, as I look into September, we must continue securing America's values by promoting sound government. That begins with fulfilling our constitutional duty of advice and consent, by bringing more judicial nominations to the Senate for confirmation.

We have a lot on our plate for September. I realize we are not going to be able to get all of that done over those 4 weeks, but we will try. We will move in that direction. I am confident we will use the limited time remaining after the August recess productively and efficiently, and with continued hard work and determination we will keep that ball moving forward.

I thank all of my colleagues for their tremendous efforts to make this past month productive. I am confident that when we do return from our recess we will continue to secure a freer, safer, and healthier future for generations of Americans to come.

Indeed, finally, I extend to our colleagues the wish for a happy, restful, productive, and wonderful August recess.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DEMINT). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

URGING ACTIONS WITH RESPECT TO HOSTILITIES BETWEEN HEZBOLLAH AND ISRAEL

Mr. CRAPO. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of S. Res. 548 submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 548) expressing the sense of the Senate regarding the United States and the international community to take certain actions with respect to hostilities between Hezbollah and Israel.

There being no objection, the Senate proceeded to consider the resolution.

Mr. CRAPO. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, that the motion to reconsider be laid on the table, and that any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 548) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 548

Whereas, on June 12, 2000, the Government of Lebanon advised the United Nations that it would consider deploying its armed forces throughout southern Lebanon following confirmation by the United Nations Secretary-General that the Government of Israel had fully withdrawn its armed forces from that country in accordance with United Nations Security Council Resolution 425 (1978);

Whereas, on June 16, 2000, the United Nations Security Council endorsed the Secretary-General's conclusion that Israel had withdrawn all of its forces from Lebanon in accordance with United Nations Security Council Resolution 425;

Whereas, notwithstanding the reservations of both Israel and Lebanon regarding the final line determining what constitutes an Israeli withdrawal in accordance with United Nations Security Council Resolution 425, the governments of both countries confirmed that establishing the identifying line was the sole responsibility of the United Nations, and that they would respect the line that the United Nations identified;

Whereas Hezbollah remains an armed terrorist presence in Lebanon and continues to receive material and political support from the Governments of Syria and Iran;

Whereas, as affirmed in Public Law 108–175, the Governments of Syria and Iran have significant influence over Hezbollah;

Whereas United Nations Security Council Resolution 1559 (2004) calls for the withdrawal of all foreign forces and the dismantlement of all independent militias in Lebanon;

Whereas the international community has provided insufficient encouragement and resources to the Government of Lebanon to enable the Government to comply with the relevant provisions of United Nations Security Council Resolution 1559;

Whereas Hezbollah launched an unprovoked attack against Israel on July 12, 2006, killing 7 Israeli soldiers and taking 2 soldiers hostage, its fifth provocative act against Israel since the summer of 2005;

Whereas the Government of Israel, as reaffirmed in S. Res. 534, has the right to defend itself and to take appropriate action to deter aggression by terrorist groups and their state sponsors;

Whereas fighting between Israel and Hezbollah to date has caused significant damage to Lebanon's and Israel's infrastructures that will necessitate the expenditure of significant sums to rebuild;

Whereas more than 400 citizens of Israel and Lebanon have already lost their lives in the ongoing conflict;

Whereas over 14,000 United States citizens have been evacuated from Lebanon at a cost of over $60,000,000;

Whereas more than 1,000,000 Israelis living in northern Israel are under threat of Hezbollah rockets;

Whereas more than 700,000 Lebanese civilians have been displaced by the fighting, and the United Nations Emergency Relief Coordinator is seeking more than $170,000,000 in donations from international donors to pay for food, medicine, water, and sanitation services over the next 3 months;

Whereas the United States Government has pledged $30,000,000 in short-term humanitarian assistance to address the humanitarian crisis in Lebanon;

Whereas the fragile democracy of Lebanon is in jeopardy of collapsing without significant international support to address the humanitarian crisis in the country and to strengthen the capacity of the army and security forces of the Government of Lebanon to gain effective control of all territory in Lebanon; and

Whereas continued fighting between Hezbollah and Israel is a threat to the peace and security of the peoples of Israel and Lebanon:

Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Governments of Syria and Iran should—

(A) end all material and logistical support for Hezbollah, including attempts to replenish Hezbollah's supply of weapons; and

(B) use their significant influence over Hezbollah to disarm the group and release all kidnapped prisoners;

(2) the United States Government and the international community must work urgently with the Governments of Israel and Lebanon—

(A) to attain a cessation in the hostilities between Hezbollah and Israel based on—

(i) effectuating the safe return of Israeli soldiers held in Lebanon;

(ii) the disarmament of Hezbollah, the removal of all Hezbollah forces from southern Lebanon, and the replacement of those forces with army and security forces of the Government of Lebanon; and

(iii) reaching an agreement to fully implement United Nations Security Council Resolution 1559 and to create and deploy an international stabilization force with a clear mandate to enforce a permanent ceasefire;

(B) to organize an international donors conference to solicit and ensure the provision of international resources for the reconstruction of roads, bridges, hospitals, electrical and communications systems, and other civilian infrastructure damaged or destroyed in Lebanon during the hostilities;

(C) to remain engaged to promote sustainable peace and security for Israel and Lebanon and the greater Middle East; and

(D) to assist the Government of Lebanon on its path to democracy by promoting necessary internal political reforms; and

(3) the territorial integrity, sovereignty, unity, and political independence of Lebanon should be strongly supported.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR NO. 819

Mr. FRIST. Mr. President, I ask unanimous consent that at 4:30 p.m. on Tuesday, September 5, the Senate proceed to executive session and proceed to the immediate consideration of Executive Calendar No. 819, Kimberly Ann Moore, to be U.S. circuit judge, with 1 hour of debate equally divided, to be followed by a vote on confirmation at 5:30 p.m., with no intervening action or debate. Finally, I ask unanimous consent that following that vote the President be immediately notified of the Senate's previous action and the Senate then resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

YOUTHBUILD TRANSFER ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 472, S. 3534.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 3534) to amend the Workforce Investment Act of 1998 to provide for a YouthBuild program.

There being no objection, the Senate proceeded to consider the bill.

Mr. ENZI. Mr. President, I rise today in support of the passage of the YouthBuild Transfer Act, S. 3534, as amended. I am pleased at the widespread support that this bill has received and want to especially thank Senator KENNEDY, the ranking member of the Health, Education, Labor and Pensions Committee, and Senators DEWINE, KERRY and MURRAY.

This bill transfers the Youth Build program from the Department of Housing and Urban Development to the Department of Labor, as an amendment to the Workforce Investment Act, WIA. YouthBuild was enacted in 1992. It provides programs for young adults aged 16 to 24 to build or rehabilitate housing for homeless or low-income individuals in their communities while they study to earn their high school diploma or GED. These youth gain occupational and technical skills while building their knowledge to help them become and remain productive participants in the workplace.

By transferring YouthBuild to DOL, the program will be more closely aligned with and benefit from collaboration with the larger workforce system at the State and local levels. It will continue to serve those young adults most in need of these services, and enable them to serve their communities by building affordable housing, and assist them in transforming their own lives and roles in society.

YouthBuild assists young adults not currently enrolled in school gain needed education, skills and knowledge. The skill and literacy requirements of today's and tomorrow's workplace cannot be met if we do not provide everyone access to lifelong education, training and retraining.

I am hopeful that this bill will be signed into law quickly so that the YouthBuild program can continue to successfully help young adults across the country acquire the knowledge and skills they need in the 21st century global economy.

Mr. FRIST. Mr. President, I ask unanimous consent that the Enzi amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4879) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The bill (S. 3534), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

CHILD PROTECTION AND FAMILY VIOLENCE PREVENTION ACT AMENDMENTS OF 2006

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 436, S. 1899.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1899) to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Indian Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Child Protection and Family Violence Prevention Act Amendments of 2006".

SEC. 2. FINDINGS AND PURPOSE.

Section 402 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(ii) by inserting after subparagraph (D) the following:

"(E) the Federal Government and certain State governments are responsible for investigating and prosecuting certain felony crimes, including child abuse, in Indian country, pursuant to chapter 53 of title 18, United States Code;"; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "two" and inserting "the";

(ii) in subparagraph (A), by striking "and" at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(iv) by adding at the end the following:

"(C) identify and remove any impediment to the immediate investigation of incidents of child abuse in Indian country."; and

(2) in subsection (b)—

(A) by striking paragraph (3) and inserting the following:

"(3) provide for a background investigation for any employee or volunteer who has access to children;"; and

(B) in paragraph (6), by striking "Area Office" and inserting "Regional Office".

SEC. 3. DEFINITIONS.

Section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202) is amended—

(1) by redesignating paragraphs (6) through (18) as paragraphs (7) through (19), respectively;

(2) by inserting after paragraph (5) the following:

"(6) 'final conviction' means the final judgment on a verdict or finding of guilty, a plea of guilty, or a plea of nolo contendere, but does not include a final judgment that has been expunged by pardon, reversed, set aside, or otherwise rendered void;";

(3) in paragraph (13) (as redesignated by paragraph (1)), by striking "that agency" and all that follows through "Indian tribe" and inserting "the Federal, State, or tribal agency";

(4) in paragraph (14) (as redesignated by paragraph (1)), by inserting "(including a tribal law enforcement agency operating pursuant to a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.))" after "State law enforcement agency";

(5) in paragraph (18) (as redesignated by paragraph (1)), by striking "and" at the end;

(6) in paragraph (19) (as redesignated by paragraph (1)), by striking the period at the end and inserting "; and"; and

(7) by adding at the end the following:

"(20) 'telemedicine' means a telecommunications link to an end user through the use of eligible equipment that electronically links health professionals or patients and health professionals at separate sites in order to exchange health care information in audio, video, graphic, or other format for the purpose of providing improved health care diagnosis and treatment.".

SEC. 4. REPORTING PROCEDURES.

Section 404 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3203) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by striking "(1) Within" and inserting the following:

"(1) IN GENERAL.—Not later than"; and

(B) in paragraph (2)—

(i) by striking "(2)(A) Any" and inserting the following:

"(2) INVESTIGATION OF REPORTS.—

"(A) IN GENERAL.—Any";

(ii) in subparagraph (B)—

(I) by striking "(B) Upon" and inserting the following:

"(B) FINAL WRITTEN REPORT.—On"; and

(II) by inserting "including any Federal, State, or tribal final conviction, and provide to the Federal Bureau of Investigation a copy of the report" before the period at the end; and

(iii) by adding at the end the following:

"(C) MAINTENANCE OF FINAL REPORTS.—The Federal Bureau of Investigation shall maintain a record of each written report submitted under this subsection or subsection (b) in a manner in which the report is accessible to—

"(i) a local law enforcement agency that requires the information to carry out an official duty; and

"(ii) any agency requesting the information under section 408.

"(D) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Director of the Federal Bureau of Investigation, in coordination with the Secretary and the Attorney General, shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

"(E) COLLECTION OF DATA.—Not less frequently than once each year, the Secretary, in consultation with the Secretary of Health and Human Services, the Attorney General, the Director of the Federal Bureau of Investigation, and any Indian tribe, shall—

"(i) collect any information concerning child abuse in Indian country (including reports under subsection (b)), including information relating to, during the preceding calendar year—

"(I) the number of criminal and civil child abuse allegations and investigations in Indian country;

"(II) the number of child abuse prosecutions referred, declined, or deferred in Indian country;

"(III) the number of child victims who are the subject of reports of child abuse in Indian country;

"(IV) sentencing patterns of individuals convicted of child abuse in Indian country; and

"(V) rates of recidivism with respect to child abuse in Indian country; and

"(ii) to the maximum extend practicable, reduce the duplication of information collection under clause (i)."; and

(2) by adding at the end the following:

"(e) CONFIDENTIALITY OF CHILDREN.—No local law enforcement agency or local child protective services agency shall disclose the name of, or information concerning, the child to anyone other than—

"(1) a person who, by reason of the participation of the person in the treatment of the child or the investigation or adjudication of the allegation, needs to know the information in the performance of the duties of the individual; or

"(2) an officer of any other Federal, State, or tribal agency that requires the information to carry out the duties of the officer under section 406.

"(f) REPORT.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 5. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

Section 405 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3204) is amended to read as follows:

"SEC. 405. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

"(a) STUDY.—The Secretary, in consultation with the Attorney General and the Service, shall conduct a study under which the Secretary shall identify any impediment to the reduction of child abuse in Indian country and on Indian reservations.

"(b) INCLUSIONS.—The study under subsection (a) shall include a description of—

"(1) any impediment, or recent progress made with respect to removing impediments, to reporting child abuse in Indian country;

"(2) any impediment, or recent progress made with respect to removing impediments, to Federal, State, and tribal investigations and prosecutions of allegations of child abuse in Indian country; and

"(3) any impediment, or recent progress made with respect to removing impediments, to the treatment of child abuse in Indian country.

"(c) REPORT.—Not later than 18 months after the date of enactment of the Indian Child Protection and Family Violence Prevention Act Amendments of 2006, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate, and the Committees on Resources and the Judiciary of the House of Representatives, a report describing—

"(1) the findings of the study under this section; and

"(2) recommendations for legislative actions, if any, to reduce instances of child abuse in Indian country.".

SEC. 6. CONFIDENTIALITY.

Section 406 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3205) is amended to read as follows:

"SEC. 406. CONFIDENTIALITY.

"(a) IN GENERAL.—Notwithstanding any other provision of law, any Federal, State, or tribal government agency that treats or investigates incidents of child abuse may provide information and records to an officer of any other Federal, State, or tribal government agency that requires the information to carry out the duties of the officer, in accordance with section 552a of title 5, United States Code, section 361 of the Public Health Service Act (42 U.S.C. 264), the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.), and other applicable Federal law.

"(b) TREATMENT OF INDIAN TRIBES.—For purposes of this section, an Indian tribal government shall be considered to be an entity of the Federal Government.".

SEC. 7. WAIVER OF PARENTAL CONSENT.

Section 407 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3206) is amended—

(1) in subsection (a), by inserting "or forensic" after "psychological"; and

(2) by striking subsection (c) and inserting the following:

"(c) PROTECTION OF CHILD.—Any examination or interview of a child who may have been the subject of child abuse shall—

"(1) be conducted under such circumstances and using such safeguards as are necessary to minimize additional trauma to the child;

"(2) avoid, to the maximum extent practicable, subjecting the child to multiple interviews during the examination and interview processes; and

"(3) as time permits, be conducted using advice from, or under the guidance of—

"(A) a local multidisciplinary team established under section 411; or

"(B) if a local multidisciplinary team is not established under section 411, a multidisciplinary team established under section 410.".

SEC. 8. CHARACTER INVESTIGATIONS.

Section 408 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3207) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting ", including any voluntary positions," after "authorized positions"; and

(ii) by striking the comma at the end and inserting a semicolon; and

(B) in paragraph (2)—

(i) by inserting "(including in a volunteer capacity)" after "considered for employment"; and

(ii) by striking ", and" and inserting "; and";

(2) in subsection (b), by striking "guilty to" and all that follows and inserting the following: "guilty to, any felony offense under Federal, State, or tribal law, or 2 or more misdemeanor offenses under Federal, State, or tribal law, involving—

"(1) a crime of violence;

"(2) sexual assault;

"(3) child abuse;

"(4) molestation;

"(5) child sexual exploitation;

"(6) sexual contact;

"(7) child neglect;

"(8) prostitution; or

"(9) another offense against a child."; and

(3) by adding at the end the following:

"(d) Effect on Child Placement.—An Indian tribe that certifies that the tribe has conducted an investigation under this section shall be considered to have satisfied the background investigation requirements of any Federal law requiring such an investigation for the placement of an Indian child in a tribally-licensed or tribally-approved foster or adoptive home, or an institution.".

SEC. 9. INDIAN CHILD ABUSE TREATMENT GRANT PROGRAM.

Section 409 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3208) is amended by striking subsection (e) and inserting the following:

"(e) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 10. INDIAN CHILD RESOURCE AND FAMILY SERVICES CENTERS.

Section 410 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3209) is amended—

(1) in subsection (a), by striking "area office" and inserting "Regional Office";

(2) in subsection (b), by striking "The Secretary" and all that follows through "Human Services" and inserting "The Secretary, the Secretary of Health and Human Services, and the Attorney General";

(3) in subsection (d)—

(A) in paragraph (4), by inserting ", State," after "Federal"; and

(B) in paragraph (5), by striking "agency office" and inserting "Regional Office";

(4) in subsection (e)—

(A) in paragraph (2), by striking the comma at the end and inserting a semicolon;

(B) by striking paragraph (3) and inserting the following:

"(3) adolescent mental and behavioral health (including suicide prevention and treatment);";

(C) in paragraph (4), by striking the period at the end and inserting "and sexual assault;"; and

(D) by adding at the end the following:

"(5) criminal prosecution; and

"(6) medicine.";

(5) in subsection (f)—

(A) in the first sentence, by striking "The Secretary" and all that follows through "Human Services" and inserting the following:

"(1) Establishment.—The Secretary, in consultation with the Service and the Attorney General";

(B) in the second sentence—

(i) by striking "Each" and inserting the following

"(2) Membership.—Each"; and

(ii) by striking "shall consist of 7 members" and inserting "shall be";

(C) in the third sentence, by striking "Members" and inserting the following:

"(3) Compensation.—Members"; and

(D) in the fourth sentence, by striking "The advisory" and inserting the following:

"(4) Duties.—Each advisory";

(6) in subsection (g)—

(A) in the first sentence—

(i) by striking "Indian Child" and inserting the following:

"(1) In general.—Indian Child"; and

(ii) by striking "Act" and inserting "and Education Assistance Act (25 U.S.C. 450 et seq.)";

(B) by striking the second sentence and inserting the following:

"(2) Certain regional offices.—

"(A) In general.—Except as provided in subparagraph (B), if a Center is located in a Regional Office of the Bureau that serves more than 1 Indian tribe, an application to enter into a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) to operate the Center shall contain a consent form signed by an official of each Indian tribe to be served under the grant, contract, or compact.

"(B) Alaska region.—Notwithstanding subparagraph (A), for Centers located in the Alaska Region, an application to enter into a grant, contract, or compact described in that subparagraph shall contain a consent form signed by an official of each Indian tribe or tribal consortium that is a member of a grant, contract, or compact relating to an Indian child protection and family violence prevention program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.)."; and

(C) in the third sentence, by striking "This section" and inserting the following:

"(3) Effect of section.—This section"; and

(7) by striking subsection (h) and inserting the following:

"(h) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 11. INDIAN CHILD PROTECTION AND FAMILY VIOLENCE PREVENTION PROGRAM.

Section 411 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3210) is amended—

(1) in subsection (c), by striking the subsection heading and inserting "Coordinating Investigation, Treatment, and Prevention of Child Abuse and Family Violence";

(2) in subsection (d)(3)—

(A) in subparagraph (A), by striking the comma at the end and inserting a semicolon;

(B) in subparagraph (B), by striking ", and" and inserting "; and"; and

(C) in subparagraph (C), by inserting "with respect to appropriate safety measures for child protection workers carrying out this Act" before the semicolon at the end;

(3) by redesignating subsections (f) through (i) as subsections (e) through (h), respectively; and

(4) by striking subsection (h) (as redesignated by paragraph (3)) and inserting the following:

"(h) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 12. USE OF TELEMEDICINE.

The Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201 et seq.) is amended by adding at the end the following:

"SEC. 412. USE OF TELEMEDICINE.

"(a) Contracts and Agreements.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private medical university or facility, or any private practitioner, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

"(1) the diagnosis and treatment of child abuse; or

"(2) methods of training Service personnel in diagnosing and treating child abuse.

"(b) Administration.—In carrying out subsection (a), the Service shall, to the maximum extent practicable—

"(1) use existing telemedicine infrastructure; and

"(2) give priority to Service units and medical facilities operated pursuant to grants, contracts, or compacts under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) that are located in, or providing service to, remote areas of Indian country.

"(c) Information and Consultation.—On receipt of a request, for purposes of this section, the Service may provide to public and private medical universities, facilities, and practitioners described in subsection (a) any information or consultation on the treatment of Indian children who have, or may have, been subject to abuse or neglect.

"(d) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 13. CONFORMING AMENDMENTS.

(a) Offenses Committed Within Indian Country.—Section 1153(a) of title 18, United States Code, is amended by inserting "felony child neglect," after "robbery,".

(b) Reporting of Child Abuse.—Section 1169 of title 18, United States Code, is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (B), by inserting "or volunteering for" after "employed by";

(B) in subparagraph (D)—

(i) by inserting "or volunteer" after "child day care worker"; and

(ii) by striking "worker in a group home" and inserting "worker or volunteer in a group home";

(C) in subparagraph (E), by striking "or psychological assistant," and inserting "psychological or psychiatric assistant, or person employed in the mental or behavioral health profession;";

(D) in subparagraph (F), by striking "child" and inserting "individual";

(E) by striking subparagraph (G), and inserting the following:

"(G) foster parent; or"; and

(F) in subparagraph (H), by striking "law enforcement officer, probation officer" and inserting "law enforcement personnel, probation officer, criminal prosecutor"; and

(2) in subsection (c), by striking paragraphs (3) and (4) and inserting the following:

"(3) 'local child protective services agency' has the meaning given the term in section 403 of *the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202); and*

"(4) 'local law enforcement agency' has the meaning given the term in section 403 of that Act.".

Mr. FRIST. Mr. President, I ask unanimous consent that the amendment at the desk be agreed to, the committee-reported amendment, as amended, be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4880) was agreed to, as follows:

On page 24, line 4, strike "extend" and insert "extent".

On page 27, line 16, strike "or forensic" and insert "and forensic".

On page 28, line 2, strike "interviews" and insert "interviewers".

On page 29, strike lines 18 through 24 and insert the following:

"(d) EFFECT ON CHILD PLACEMENT.—An Indian tribe that submits a written statement to the applicable State official documenting that the Indian tribe has conducted a background investigation under this section for the placement of an Indian child in a tribally-licensed or tribally-approved foster care or adoptive home, or for another out-of-home placement, shall be considered to have satisfied the background investigation requirements of any Federal or State law requiring such an investigation.".

On page 32, strike lines 8 through 16 and insert the following:

(A) by striking "(g)" and all that follows through "Indian Child Resource" and inserting the following:

"(g) APPLICATION OF INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT TO CENTERS.—

"(1) IN GENERAL.—Indian Child Resource";

(B) in the first sentence, by striking "Act" and inserting "and Education Assistance Act (25 U.S.C. 450 et seq.)";

(C) by striking the second sentence and inserting the following:

On page 33, line 15, strike "(C)" and insert "(D)".

On page 34, strike lines 1 through 25.

On page 35, strike lines 6 through 11 and insert the following:

"(a) DEFINITION OF MEDICAL OR BEHAVIORAL HEALTH PROFESSIONAL.—In this section, the term 'medical or behavioral health professional' means an employee or volunteer of an organization that provides a service as part of a comprehensive service program that combines—

"(1) substance abuse (including abuse of alcohol, drugs, inhalants, and tobacco) prevention and treatment; and

"(2) mental health treatment.

"(b) CONTRACTS AND AGREEMENTS.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private university or facility, including a medical university or facility, or any private medical or behavioral health professional, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

On page 35, line 16, strike "(b)" and insert "(c)".

On page 35, line 17, strike "(a)" and insert "(b)".

On page 35, line 25, strike "(c)" and insert "(d)".

On page 36, lines 1 and 2, strike "medical universities, facilities, and practitioners described in subsection (a)" and insert "universities and facilities, including medical universities and facilities, and medical or behavioral health professionals described in subsection (b)".

On page 36, line 5, strike "(d)" and insert "(e)".

On page 36, line 12, strike "felony child neglect," and insert "felony child abuse, felony child neglect,".

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (S. 1899), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1899

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Child Protection and Family Violence Prevention Act Amendments of 2006".

SEC. 2. FINDINGS AND PURPOSE.

Section 402 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(ii) by inserting after subparagraph (D) the following:

"(E) the Federal Government and certain State governments are responsible for investigating and prosecuting certain felony crimes, including child abuse, in Indian country, pursuant to chapter 53 of title 18, United States Code;"; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "two" and inserting "the";

(ii) in subparagraph (A), by striking "and" at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(iv) by adding at the end the following:

"(C) identify and remove any impediment to the immediate investigation of incidents of child abuse in Indian country."; and

(2) in subsection (b)—

(A) by striking paragraph (3) and inserting the following:

"(3) provide for a background investigation for any employee or volunteer who has access to children;"; and

(B) in paragraph (6), by striking "Area Office" and inserting "Regional Office".

SEC. 3. DEFINITIONS.

Section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202) is amended—

(1) by redesignating paragraphs (6) through (18) as paragraphs (7) through (19), respectively;

(2) by inserting after paragraph (5) the following:

"(6) 'final conviction' means the final judgment on a verdict or finding of guilty, a plea of guilty, or a plea of nolo contendere, but does not include a final judgment that has been expunged by pardon, reversed, set aside, or otherwise rendered void;";

(3) in paragraph (13) (as redesignated by paragraph (1)), by striking "that agency" and all that follows through "Indian tribe" and inserting "the Federal, State, or tribal agency";

(4) in paragraph (14) (as redesignated by paragraph (1)), by inserting "(including a tribal law enforcement agency operating pursuant to a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.))" after "State law enforcement agency";

(5) in paragraph (18) (as redesignated by paragraph (1)), by striking "and" at the end;

(6) in paragraph (19) (as redesignated by paragraph (1)), by striking the period at the end and inserting "; and"; and

(7) by adding at the end the following:

"(20) 'telemedicine' means a telecommunications link to an end user through the use of eligible equipment that electronically links health professionals or patients and health professionals at separate sites in order to exchange health care information in audio, video, graphic, or other format for the purpose of providing improved health care diagnosis and treatment.".

SEC. 4. REPORTING PROCEDURES.

Section 404 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3203) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by striking "(1) Within" and inserting the following:

"(1) IN GENERAL.—Not later than"; and

(B) in paragraph (2)—

(i) by striking "(2)(A) Any" and inserting the following:

"(2) INVESTIGATION OF REPORTS.—

"(A) IN GENERAL.—Any";

(ii) in subparagraph (B)—

(I) by striking "(B) Upon" and inserting the following:

"(B) FINAL WRITTEN REPORT.—On"; and

(II) by inserting "including any Federal, State, or tribal final conviction, and provide to the Federal Bureau of Investigation a copy of the report" before the period at the end; and

(iii) by adding at the end the following:

"(C) MAINTENANCE OF FINAL REPORTS.—The Federal Bureau of Investigation shall maintain a record of each written report submitted under this subsection or subsection (b) in a manner in which the report is accessible to—

"(i) a local law enforcement agency that requires the information to carry out an official duty; and

"(ii) any agency requesting the information under section 408.

"(D) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Director of the Federal Bureau of Investigation, in coordination with the Secretary and the Attorney General, shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

"(E) COLLECTION OF DATA.—Not less frequently than once each year, the Secretary, in consultation with the Secretary of Health and Human Services, the Attorney General, the Director of the Federal Bureau of Investigation, and any Indian tribe, shall—

"(i) collect any information concerning child abuse in Indian country (including reports under subsection (b)), including information relating to, during the preceding calendar year—

"(I) the number of criminal and civil child abuse allegations and investigations in Indian country;

"(II) the number of child abuse prosecutions referred, declined, or deferred in Indian country;

"(III) the number of child victims who are the subject of reports of child abuse in Indian country;

"(IV) sentencing patterns of individuals convicted of child abuse in Indian country; and

"(V) rates of recidivism with respect to child abuse in Indian country; and

"(ii) to the maximum extent practicable, reduce the duplication of information collection under clause (i)."; and

(2) by adding at the end the following:

"(e) Confidentiality of Children.—No local law enforcement agency or local child protective services agency shall disclose the name of, or information concerning, the child to anyone other than—

"(1) a person who, by reason of the participation of the person in the treatment of the child or the investigation or adjudication of the allegation, needs to know the information in the performance of the duties of the individual; or

"(2) an officer of any other Federal, State, or tribal agency that requires the information to carry out the duties of the officer under section 406.

"(f) Report.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

"(g) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 5. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

Section 405 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3204) is amended to read as follows:

"SEC. 405. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

"(a) Study.—The Secretary, in consultation with the Attorney General and the Service, shall conduct a study under which the Secretary shall identify any impediment to the reduction of child abuse in Indian country and on Indian reservations.

"(b) Inclusions.—The study under subsection (a) shall include a description of—

"(1) any impediment, or recent progress made with respect to removing impediments, to reporting child abuse in Indian country;

"(2) any impediment, or recent progress made with respect to removing impediments, to Federal, State, and tribal investigations and prosecutions of allegations of child abuse in Indian country; and

"(3) any impediment, or recent progress made with respect to removing impediments, to the treatment of child abuse in Indian country.

"(c) Report.—Not later than 18 months after the date of enactment of the Indian Child Protection and Family Violence Prevention Act Amendments of 2006, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate, and the Committees on Resources and the Judiciary of the House of Representatives, a report describing—

"(1) the findings of the study under this section; and

"(2) recommendations for legislative actions, if any, to reduce instances of child abuse in Indian country.".

SEC. 6. CONFIDENTIALITY.

Section 406 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3205) is amended to read as follows:

"SEC. 406. CONFIDENTIALITY.

"(a) In General.—Notwithstanding any other provision of law, any Federal, State, or tribal government agency that treats or investigates incidents of child abuse may provide information and records to an officer of any other Federal, State, or tribal government agency that requires the information to carry out the duties of the officer, in accordance with section 552a of title 5, United States Code, section 361 of the Public Health Service Act (42 U.S.C. 264), the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.), and other applicable Federal law.

"(b) Treatment of Indian Tribes.—For purposes of this section, an Indian tribal government shall be considered to be an entity of the Federal Government.".

SEC. 7. WAIVER OF PARENTAL CONSENT.

Section 407 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3206) is amended—

(1) in subsection (a), by inserting "and forensic" after "psychological"; and

(2) by striking subsection (c) and inserting the following:

"(c) Protection of Child.—Any examination or interview of a child who may have been the subject of child abuse shall—

"(1) be conducted under such circumstances and using such safeguards as are necessary to minimize additional trauma to the child;

"(2) avoid, to the maximum extent practicable, subjecting the child to multiple interviewers during the examination and interview processes; and

"(3) as time permits, be conducted using advice from, or under the guidance of—

"(A) a local multidisciplinary team established under section 411; or

"(B) if a local multidisciplinary team is not established under section 411, a multidisciplinary team established under section 410.".

SEC. 8. CHARACTER INVESTIGATIONS.

Section 408 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3207) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting ", including any voluntary positions," after "authorized positions"; and

(ii) by striking the comma at the end and inserting a semicolon; and

(B) in paragraph (2)—

(i) by inserting "(including in a volunteer capacity)" after "considered for employment"; and

(ii) by striking ", and" and inserting "; and";

(2) in subsection (b), by striking "guilty to" and all that follows and inserting the following: "guilty to, any felony offense under Federal, State, or tribal law, or 2 or more misdemeanor offenses under Federal, State, or tribal law, involving—

"(1) a crime of violence;

"(2) sexual assault;

"(3) child abuse;

"(4) molestation;

"(5) child sexual exploitation;

"(6) sexual contact;

"(7) child neglect;

"(8) prostitution; or

"(9) another offense against a child."; and

(3) by adding at the end the following:

"(d) Effect on Child Placement.—An Indian tribe that submits a written statement to the applicable State official documenting that the Indian tribe has conducted a background investigation under this section for the placement of an Indian child in a tribally-licensed or tribally-approved foster care or adoptive home, or for another out-of-home placement, shall be considered to have satisfied the background investigation requirements of any Federal or State law requiring such an investigation.".

SEC. 9. INDIAN CHILD ABUSE TREATMENT GRANT PROGRAM.

Section 409 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3208) is amended by striking subsection (e) and inserting the following:

"(e) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 10. INDIAN CHILD RESOURCE AND FAMILY SERVICES CENTERS.

Section 410 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3209) is amended—

(1) in subsection (a), by striking "area office" and inserting "Regional Office";

(2) in subsection (b), by striking "The Secretary" and all that follows through "Human Services" and inserting "The Secretary, the Secretary of Health and Human Services, and the Attorney General";

(3) in subsection (d)—

(A) in paragraph (4), by inserting ", State," after "Federal"; and

(B) in paragraph (5), by striking "agency office" and inserting "Regional Office";

(4) in subsection (e)—

(A) in paragraph (2), by striking the comma at the end and inserting a semicolon;

(B) by striking paragraph (3) and inserting the following:

"(3) adolescent mental and behavioral health (including suicide prevention and treatment);";

(C) in paragraph (4), by striking the period at the end and inserting "and sexual assault;"; and

(D) by adding at the end the following:

"(5) criminal prosecution; and

"(6) medicine.";

(5) in subsection (f)—

(A) in the first sentence, by striking "The Secretary" and all that follows through "Human Services" and inserting the following:

"(1) Establishment.—The Secretary, in consultation with the Service and the Attorney General";

(B) in the second sentence—

(i) by striking "Each" and inserting the following

"(2) Membership.—Each"; and

(ii) by striking "shall consist of 7 members" and inserting "shall be";

(C) in the third sentence, by striking "Members" and inserting the following:

"(3) Compensation.—Members"; and

(D) in the fourth sentence, by striking "The advisory" and inserting the following:

"(4) Duties.—Each advisory";

(6) in subsection (g)—

(A) by striking "(g)" and all that follows through "Indian Child Resource" and inserting the following:

"(g) Application of Indian Self-Determination and Education Assistance Act to Centers.—

"(1) In general.—Indian Child Resource";

(B) in the first sentence, by striking "Act" and inserting "and Education Assistance Act (25 U.S.C. 450 et seq.)";

(C) by striking the second sentence and inserting the following:

"(2) CERTAIN REGIONAL OFFICES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), if a Center is located in a Regional Office of the Bureau that serves more than 1 Indian tribe, an application to enter into a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) to operate the Center shall contain a consent form signed by an official of each Indian tribe to be served under the grant, contract, or compact.

"(B) ALASKA REGION.—Notwithstanding subparagraph (A), for Centers located in the Alaska Region, an application to enter into a grant, contract, or compact described in that subparagraph shall contain a consent form signed by an official of each Indian tribe or tribal consortium that is a member of a grant, contract, or compact relating to an Indian child protection and family violence prevention program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.)."; and

(D) in the third sentence, by striking "This section" and inserting the following:

"(3) EFFECT OF SECTION.—This section"; and

(7) by striking subsection (h) and inserting the following:

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 11. USE OF TELEMEDICINE.

The Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201 et seq.) is amended by adding at the end the following:

"SEC. 412. USE OF TELEMEDICINE.

"(a) DEFINITION OF MEDICAL OR BEHAVIORAL HEALTH PROFESSIONAL.—In this section, the term 'medical or behavioral health professional' means an employee or volunteer of an organization that provides a service as part of a comprehensive service program that combines—

"(1) substance abuse (including abuse of alcohol, drugs, inhalants, and tobacco) prevention and treatment; and

"(2) mental health treatment.

"(b) CONTRACTS AND AGREEMENTS.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private university or facility, including a medical university or facility, or any private medical or behavioral health professional, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

"(1) the diagnosis and treatment of child abuse; or

"(2) methods of training Service personnel in diagnosing and treating child abuse.

"(c) ADMINISTRATION.—In carrying out subsection (b), the Service shall, to the maximum extent practicable—

"(1) use existing telemedicine infrastructure; and

"(2) give priority to Service units and medical facilities operated pursuant to grants, contracts, or compacts under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) that are located in, or providing service to, remote areas of Indian country.

"(d) INFORMATION AND CONSULTATION.—On receipt of a request, for purposes of this section, the Service may provide to public and private universities and facilities, including medical universities and facilities, and medical or behavioral health professionals described in subsection (b) any information or consultation on the treatment of Indian children who have, or may have, been subject to abuse or neglect.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.".

SEC. 12. CONFORMING AMENDMENTS.

(a) OFFENSES COMMITTED WITHIN INDIAN COUNTRY.—Section 1153(a) of title 18, United States Code, is amended by inserting "felony child abuse, felony child neglect," after "robbery,".

(b) REPORTING OF CHILD ABUSE.—Section 1169 of title 18, United States Code, is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (B), by inserting "or volunteering for" after "employed by";

(B) in subparagraph (D)—

(i) by inserting "or volunteer" after "child day care worker"; and

(ii) by striking "worker in a group home" and inserting "worker or volunteer in a group home";

(C) in subparagraph (E), by striking "or psychological assistant," and inserting "psychological or psychiatric assistant, or person employed in the mental or behavioral health profession;";

(D) in subparagraph (F), by striking "child" and inserting "individual";

(E) by striking subparagraph (G), and inserting the following:

"(G) foster parent; or"; and

(F) in subparagraph (H), by striking "law enforcement officer, probation officer" and inserting "law enforcement personnel, probation officer, criminal prosecutor"; and

(2) in subsection (c), by striking paragraphs (3) and (4) and inserting the following:

"(3) 'local child protective services agency' has the meaning given the term in section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202); and

"(4) 'local law enforcement agency' has the meaning given the term in section 403 of that Act.".

PRESERVING EXISTING JUDGESHIPS ON THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 559, S. 2068.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2068) to preserve existing judgeships on the Superior Court of the District of Columbia.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2068) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2068

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COMPOSITION OF SUPERIOR COURT.

Section 903 of title 11 of the District of Columbia Code is amended by striking "fifty-eight" and inserting "61".

PETS EVACUATION AND TRANSPORTATION STANDARDS ACT OF 2005

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be discharged from further consideration of H.R. 3858 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3858) to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that State and local emergency preparedness operational plans address the needs of individuals with household pets and service animals following a major disaster or emergency.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. I ask unanimous consent that the amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4881) was agreed to, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pets Evacuation and Transportation Standards Act of 2006".

SEC. 2. STANDARDS FOR STATE AND LOCAL EMERGENCY PREPAREDNESS OPERATIONAL PLANS.

Section 613 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196b) is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following:

"(g) STANDARDS FOR STATE AND LOCAL EMERGENCY PREPAREDNESS OPERATIONAL PLANS.—In approving standards for State and local emergency preparedness operational plans pursuant to subsection (b)(3), the Director shall ensure that such plans take into account the needs of individuals with household pets and service animals prior to, during, and following a major disaster or emergency.".

SEC. 3. EMERGENCY PREPAREDNESS MEASURES OF THE DIRECTOR.

Section 611 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196) is amended—

(1) in subsection (e)—

(A) in paragraph (2), by striking "and" at the end;

(B) in paragraph (3), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(4) plans that take into account the needs of individuals with pets and service animals prior to, during, and following a major disaster or emergency."; and

(2) in subsection (j)—

(A) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively; and

(B) by inserting after paragraph (1) the following:

"(2) The Director may make financial contributions, on the basis of programs or projects approved by the Director, to the States and local authorities for animal emergency preparedness purposes, including the procurement, construction, leasing, or renovating of emergency shelter facilities and materials that will accommodate people with pets and service animals.".

SEC. 4. PROVIDING ESSENTIAL ASSISTANCE TO INDIVIDUALS WITH HOUSEHOLD PETS AND SERVICE ANIMALS FOLLOWING A DISASTER.

Section 403(a)(3) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b(a)(3)) is amended—

(1) in subparagraph (H), by striking "and" at the end;

(2) in subparagraph (I), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(J) provision of rescue, care, shelter, and essential needs—

"(i) to individuals with household pets and service animals; and

"(ii) to such pets and animals.".

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3858), as amended, was read the third time and passed.

VETERANS' CHOICE OF REPRESENTATION ACT OF 2006

Mr. FRIST. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 540, S. 2694.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2694) to amend title 38, United States Code, to remove certain limitations on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Choice of Representation and Benefits Enhancement Act of 2006".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—VETERANS' REPRESENTATION

Sec. 101. Attorney representation in veterans benefits cases before the Department of Veterans Affairs.

TITLE II—MEMORIAL AFFAIRS

Sec. 201. Eligibility of Indian tribal organizations for grants for the establishment of veterans cemeteries on trust lands.
Sec. 202. Removal of remains of Russell Wayne Wagner from Arlington National Cemetery.
Sec. 203. Provision of government markers for marked graves of veterans at private cemeteries.

TITLE III—EDUCATION MATTERS

Sec. 301. Expansion of education programs eligible for accelerated payment of educational assistance under the Montgomery GI bill.
Sec. 302. Accelerated payment of survivors' and dependents' educational assistance for certain programs of education.
Sec. 303. Reimbursement of expenses for State approving agencies in the administration of educational benefits.
Sec. 304. Modification of requirement for reporting on educational assistance program.

TITLE IV—HEALTH MATTERS

Sec. 401. Parkinson's Disease Research, Education, Clinical Centers, and Multiple Sclerosis Centers of Excellence.
Sec. 402. Repeal of term of office for the Under Secretary for Health and the Under Secretary for Benefits.
Sec. 403. Modifications to existing State home authorities.
Sec. 404. Office of Rural Health.
Sec. 405. Pilot program on improvement of caregiver assistance services.

TITLE V—HOMELESS VETERANS ASSISTANCE

Sec. 501. Reaffirmation of National goal to end homelessness among veterans.
Sec. 502. Sense of Congress on the response of the Federal Government to the needs of homeless veterans.
Sec. 503. Authority to make grants for comprehensive service programs for homeless veterans.
Sec. 504. Extension of treatment and rehabilitation for seriously mentally ill and homeless veterans.
Sec. 505. Extension of authority for transfer of properties obtained through foreclosure of home mortgages.
Sec. 506. Extension of funding for grant program for homeless veterans with special needs.
Sec. 507. Extension of funding for homeless veteran service provider technical assistance program.
Sec. 508. Additional element in annual report on assistance to homeless veterans.
Sec. 509. Advisory committee on homeless veterans.
Sec. 510. Rental assistance vouchers for Veterans Affairs supported housing program.
Sec. 511. Financial assistance for supportive services for very low-income veteran families in permanent housing.

TITLE VI—MISCELLANEOUS BENEFITS

Sec. 601. Residential cooperative housing units.
Sec. 602. Increase in supplemental insurance for totally disabled veterans.
Sec. 603. Reauthorization of use of certain information from other agencies.
Sec. 604. Clarification of correctional facilities covered by certain provisions of law.

TITLE I—VETERANS' REPRESENTATION

SEC. 101. ATTORNEY REPRESENTATION IN VETERANS BENEFITS CASES BEFORE THE DEPARTMENT OF VETERANS AFFAIRS.

(a) QUALIFICATIONS AND STANDARDS OF CONDUCT FOR INDIVIDUALS RECOGNIZED AS AGENTS OR ATTORNEYS.—

(1) ADDITIONAL QUALIFICATIONS AND STANDARDS FOR AGENTS AND ATTORNEYS GENERALLY.—Subsection (a) of section 5904 of title 38, United States Code, is amended—

(A) by inserting "(1)" after "(a)";

(B) by striking the second sentence; and

(C) by adding at the end the following new paragraphs:

"(2) The Secretary may prescribe in regulations qualifications and standards of conduct for individuals recognized under this section, including a requirement that, before being recognized, an individual—

"(A) show that such individual is of good moral character and in good repute, is qualified to render claimants valuable service, and is otherwise competent to assist claimants in presenting claims;

"(B) has such level of experience and specialized training as the Secretary shall specify; and

"(C) certifies to the Secretary that the individual has satisfied any qualifications and standards prescribed by the Secretary under this section.

"(3) The Secretary may prescribe in regulations reasonable restrictions on the amount of fees that an agent or attorney may charge a claimant for services rendered in the preparation, presentation, and prosecution of a claim before the Department.

"(4)(A) The Secretary may, on a periodic basis, collect a registration fee from individuals recognized as agents or attorneys under this section.

"(B) The Secretary shall prescribe the amount and frequency of collection of such fees. The amount of such fees may include an amount, as specified by the Secretary, necessary to defray the costs to the Department in recognizing individuals under this section, in administering the collection of such fees, in administering the payment of fees under subsection (d), and in conducting oversight of agents or attorneys.

"(C) Amounts so collected shall be deposited in the account from which amounts for such costs were derived, merged with amounts in such account, and available for the same purpose, and subject to the same conditions and limitations, as amounts in such account.".

(2) APPLICABILITY TO REPRESENTATIVES OF VETERANS SERVICE ORGANIZATIONS.—Section 5902(b) of such title is amended—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(B) by inserting "(1)" after "(b)"; and

(C) by adding at the end the following new paragraph:

"(2) An individual recognized under this section shall be subject to the provisions of section 5904(b) of this title on the same basis as an individual recognized under section 5904(a) of this title.".

(3) APPLICABILITY TO INDIVIDUALS RECOGNIZED FOR PARTICULAR CLAIMS.—Section 5903 of such title is amended—

(A) by inserting "(a) IN GENERAL.—" before "The Secretary"; and

(B) by adding at the end the following new subsection:

"(b) SUSPENSION.—An individual recognized under this section shall be subject to the provisions of section 5904(b) of this title on the same basis as an individual recognized under section 5904(a) of this title.".

(b) ADDITIONAL BASES FOR SUSPENSION OF INDIVIDUALS.—Subsection (b) of section 5904 of such title is amended—

(1) in paragraph (4), by striking "or" at the end;

(2) in paragraph (5), by striking the period and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) has presented frivolous claims, issues, or arguments to the Department; or

"(7) has failed to comply with any other condition specified by the Secretary in regulations prescribed by the Secretary for purposes of this subsection.".

(c) Repeal of Limitation on Hiring Agents or Attorneys.—Subsection (c) of section 5904 of such title is amended by striking paragraph (1).

(d) Modification of Requirements to File Attorney Fee Agreements.—Such subsection is further amended—

(1) by redesignating paragraph (2) as paragraph (1); and

(2) in that paragraph, as so redesignated—

(A) by striking "in a case referred to in paragraph (1) of this subsection";

(B) by striking "after the Board first makes a final decision in the case";

(C) by striking "with the Board at such time as may be specified by the Board" and inserting "with the Secretary pursuant to regulations prescribed by the Secretary"; and

(D) by striking the second and third sentences.

(e) Attorney Fees.—Such subsection is further amended by inserting after paragraph (1), as redesignated by subsection (d)(1) of this section, the following new paragraph (2):

"(2)(A) The Secretary, upon the Secretary's own motion or at the request of the claimant, may review a fee agreement filed pursuant to paragraph (1) and may order a reduction in the fee called for in the agreement if the Secretary finds that the fee is excessive or unreasonable.

"(B) A finding or order of the Secretary under subparagraph (A) may be reviewed by the Board of Veterans' Appeals under section 7104 of this title.".

(f) Repeal of Penalty for Certain Acts.—Section 5905 of such title is amended by striking "(1)" and all that follows through "(2)".

(g) Effective Date.—

(1) In general.—The amendments made by this section shall take effect six months after the date of the enactment of this Act.

(2) Regulations.—The Secretary shall prescribe the regulations, if any, to be prescribed under the amendments made by subsection (a) not later than the date specified in paragraph (1).

(3) Claims.—The amendments made by subsections (b), (c), (d), and (e) shall apply to claims submitted on or after the date specified in paragraph (1).

TITLE II—MEMORIAL AFFAIRS

SEC. 201. ELIGIBILITY OF INDIAN TRIBAL ORGANIZATIONS FOR GRANTS FOR THE ESTABLISHMENT OF VETERANS CEMETERIES ON TRUST LANDS.

Section 2408 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) The Secretary may make grants under this subsection to any tribal organization to assist the tribal organization in establishing, expanding, or improving veterans' cemeteries on trust land owned by, or held in trust for, the tribal organization.

"(2) Grants under this subsection shall be made in the same manner, and under the same conditions, as grants to States are made under the preceding provisions of this section.

"(3) In this subsection:

"(A) The term 'tribal organization' has the meaning given that term in section 3765(4) of this title.

"(B) The term 'trust land' has the meaning given that term in section 3765(1) of this title.".

SEC. 202. REMOVAL OF REMAINS OF RUSSELL WAYNE WAGNER FROM ARLINGTON NATIONAL CEMETERY.

(a) Findings.—Congress makes the following findings:

(1) Arlington National Cemetery is a National Shrine that memorializes the honorable service of men and women who have defended the freedoms that all the people of the United States enjoy.

(2) The inclusion among the honored dead of the remains of persons who have committed particularly notorious, heinous acts brings dishonor to the deceased and disrespect to their loved ones.

(3) The removal of the remains of a person who has committed a heinous act would not be an act of punishment against that person, but rather an act that would preserve the sacredness of cemetery grounds.

(4) In November of 1997, section 2411 of title 38, United States Code, was enacted to, among other things, deny burial eligibility in Arlington National Cemetery to any person convicted of a State capital crime for which the person was sentenced to death or life imprisonment without parole. In January of 2006, section 2411 of such title was amended by section 662 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163) to remove parole eligibility as a loophole through which convicted capital offenders could retain eligibility for interment at Arlington National Cemetery.

(5) According to Arlington National Cemetery officials, the remains of only one capital offender, Russell Wayne Wagner, have been interred in Arlington National Cemetery since November of 1997.

(b) Removal of Remains.—

(1) Removal.—The Secretary of the Army shall remove the remains of Russell Wayne Wagner from Arlington National Cemetery.

(2) Notification of Next-of-Kin.—The Secretary of the Army shall—

(A) notify the next-of-kin of record for Russell Wayne Wagner of the impending removal of his remains; and

(B) upon removal, relinquish the remains to the next-of-kin of record for Russell Wayne Wagner or, if the next-of-kin of record for Russell Wayne Wagner is unavailable, arrange for an appropriate disposition of the remains.

SEC. 203. PROVISION OF GOVERNMENT MARKERS FOR MARKED GRAVES OF VETERANS AT PRIVATE CEMETERIES.

(a) In General.—Section 502(d) of the Veterans Education and Benefits Expansion Act of 2001 (Public Law 107–103; 38 U.S.C. 2306 note), as amended by section 203 of the Veterans Benefits Act of 2002 (Public Law 107–330), is amended by striking "September 11, 2001" and inserting "November 1, 1990".

(b) Repeal of Expiration of Authority.—Subsection (d) of section 2306 of title 38, United States Code, is amended by striking paragraph (3).

(c) Provision of Headstone or Marker.—

(1) In general.—Subsection (d) of such section 2306 is further amended—

(A) in paragraph (1)—

(i) in the first sentence, by striking "Government marker" and inserting "Government headstone or marker"; and

(ii) in the second sentence, by inserting "headstone or" before "marker" each place it appears; and

(B) in paragraph (2), by inserting "headstone or" before "marker".

(2) Conforming amendment.—Subsection (g)(3) of such section 2306 is amended by inserting "headstone or" before "marker".

(d) Placement of Headstone or Marker.—The second sentence of subsection (d)(1) of such section 2306, as amended by subsection (c)(1)(A)(ii) of this section, is further amended by inserting before the period the following: ", or, if placement on the grave is impossible or impracticable, as close as possible to the grave within the grounds of the cemetery in which the grave is located".

(e) Delivery of Headstone or Marker.—Subsection (d)(2) of such section 2306, as amended by subsection (c)(1)(B) of this section, is further amended by inserting before the period the following: "or to a receiving agent for delivery to the cemetery".

(f) Repeal of Obsolete Report Requirement.—Subsection (d) of such section 2306 is further amended by striking paragraph (4).

(g) Scope of Headstones and Markers Furnished.—Subsection (d) of such section 2306 is further amended by inserting after paragraph (2) the following new paragraph (3):

"(3) In furnishing headstones and markers under this subsection, the Secretary shall permit the individual making the request for a headstone or marker to select among any headstone or marker in the complete product line of Government headstones and markers.".

(h) Retroactive Effective Date.—The amendments made by subsections (a) through (g) shall take effect as if included in the enactment of section 502 of the Veterans Education and Benefits Expansion Act of 2001 (Public Law 107–103; 115 Stat. 976).

TITLE III—EDUCATION MATTERS

SEC. 301. EXPANSION OF EDUCATION PROGRAMS ELIGIBLE FOR ACCELERATED PAYMENT OF EDUCATIONAL ASSISTANCE UNDER THE MONTGOMERY GI BILL.

(a) In General.—Subsection (b) of section 3014A of title 38, United States Code, is amended by striking paragraph (1) and inserting the following new paragraph (1):

"(1) enrolled in either—

"(A) an approved program of education that leads to employment in a high technology occupation in a high technology industry (as determined pursuant to regulations prescribed by the Secretary); or

"(B) an approved program of education lasting less than two years that (as so determined) leads to employment in—

"(i) the transportation sector of the economy;

"(ii) the construction sector of the economy;

"(iii) the hospitality sector of the economy; or

"(iv) the energy sector of the economy.".

(b) Conforming Amendments.—

(1) Heading amendment.—The heading of such section is amended to read as follows:

"§3014A. Accelerated payment of basic educational assistance".

(2) Clerical amendment.—The item relating to such section in the table of sections at the beginning of chapter 30 of such title is amended to read as follows:

"3014A. Accelerated payment of basic educational assistance.".

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 2007. Such amendments shall only apply to enrollments that begin on or after such date.

(d) Sunset.—The amendments made by this section shall expire on September 30, 2011.

SEC. 302. ACCELERATED PAYMENT OF SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE FOR CERTAIN PROGRAMS OF EDUCATION.

(a) In General.—Subchapter IV of chapter 35 of title 38, United States Code, is amended by inserting after section 3532 the following new section:

"§ 3532A. Accelerated payment of educational assistance allowance

"(a) The educational assistance allowance payable under section 3531 of this title with respect to an eligible person described in subsection (b) may, upon the election of such eligible person, be paid on an accelerated basis in accordance with this section.

"(b) An eligible person described in this subsection is an individual who is—

"(1) enrolled in either—

"(A) an approved program of education that leads to employment in a high technology occupation in a high technology industry (as determined pursuant to regulations prescribed by the Secretary); or

"(B) an approved program of education lasting less than two years that (as so determined) leads to employment in the—

"(i) transportation sector of the economy;

"(ii) construction sector of the economy;

"(iii) hospitality sector of the economy; or

"(iv) energy sector of the economy; and

"(2) charged tuition and fees for the program of education that, when divided by the number of months (and fractions thereof) in the enrollment period, exceeds the amount equal to 200 percent of the monthly rate of educational assistance allowance otherwise payable with respect to the individual under section 3531 of this title.

"(c)(1) The amount of the accelerated payment of educational assistance payable with respect to an eligible person making an election under subsection (a) for a program of education shall be the lesser of—

"(A) the amount equal to 60 percent of the established charges for the program of education; or

"(B) the aggregate amount of educational assistance allowance to which the individual remains entitled under this chapter at the time of the payment.

"(2) In this subsection, the term 'established charges', in the case of a program of education, means the actual charges (as determined pursuant to regulations prescribed by the Secretary) for tuition and fees which similarly circumstanced nonveterans enrolled in the program of education would be required to pay. Established charges shall be determined on the following basis:

"(A) In the case of an individual enrolled in a program of education offered on a term, quarter, or semester basis, the tuition and fees charged the individual for the term, quarter, or semester.

"(B) In the case of an individual enrolled in a program of education not offered on a term, quarter, or semester basis, the tuition and fees charged the individual for the entire program of education.

"(3) The educational institution providing the program of education for which an accelerated payment of educational assistance allowance is elected by an eligible person under subsection (a) shall certify to the Secretary the amount of the established charges for the program of education.

"(d) An accelerated payment of educational assistance allowance made with respect to an eligible person under this section for a program of education shall be made not later than the last day of the month immediately following the month in which the Secretary receives a certification from the educational institution regarding—

"(1) the person's enrollment in and pursuit of the program of education; and

"(2) the amount of the established charges for the program of education.

"(e)(1) Except as provided in paragraph (2), for each accelerated payment of educational assistance allowance made with respect to an eligible person under this section, the person's entitlement to educational assistance under this chapter shall be charged the number of months (and any fraction thereof) determined by dividing the amount of the accelerated payment by the full-time monthly rate of educational assistance allowance otherwise payable with respect to the person under section 3531 of this title as of the beginning date of the enrollment period for the program of education for which the accelerated payment is made.

"(2) If the monthly rate of educational assistance allowance otherwise payable with respect to an eligible person under section 3531 of this title increases during the enrollment period of a program of education for which an accelerated payment of educational assistance allowance is made under this section, the charge to the person's entitlement to educational assistance under this chapter shall be determined by prorating the entitlement chargeable, in the manner provided for under paragraph (1), for the periods covered by the initial rate and increased rate, respectively, in accordance with regulations prescribed by the Secretary.

"(f) The Secretary may not make an accelerated payment of educational assistance allowance under this section for a program of education with respect to an eligible person who has received an advance payment under section 3680(d) of this title for the same enrollment period.

"(g) The Secretary shall prescribe regulations to carry out this section. The regulations shall include requirements, conditions, and methods for the request, issuance, delivery, certification of receipt and use, and recovery of overpayment of an accelerated payment of educational assistance allowance under this section. The regulations may include such elements of the regulations prescribed under section 3014A of this title as the Secretary considers appropriate for purposes of this section.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 35 of such title is amended by inserting after the item relating to section 3532 the following new item:

"3532A. Accelerated payment of educational assistance allowance.".

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 2007. Such amendments shall only apply to enrollments that begin on or after such date.

(d) Sunset.—The amendments made by this section shall expire on September 30, 2011.

SEC. 303. REIMBURSEMENT OF EXPENSES FOR STATE APPROVING AGENCIES IN THE ADMINISTRATION OF EDUCATIONAL BENEFITS.

Section 3674(a) of title 38, United States Code, is amended—

(1) in paragraph (2)(A), by inserting "and is authorized to make additional payments subject to the availability of appropriations," after "readjustment benefits,"; and

(2) in paragraph (4), by striking the first sentence and inserting "The total amount authorized and available under this section for any fiscal year may not exceed $19,000,000, except that the total amount made available for purposes of this section from amounts available for the payment of readjustment benefits may not exceed $19,000,000 for fiscal years 2006 and 2007, $13,000,000 for fiscal years 2008 and 2009, $8,000,000 for each of fiscal years 2010 through 2013, and $13,000,000 for fiscal year 2014 and each subsequent fiscal year.".

SEC. 304. MODIFICATION OF REQUIREMENT FOR REPORTING ON EDUCATIONAL ASSISTANCE PROGRAM.

(a) Extension.—Subsection (d) of section 3036 of title 38, United States Code, is amended by striking "January 1, 2005" and inserting "January 1, 2011".

(b) Date of Submittal.—Subsection (a) of such section is amended by inserting ", on January 1," after "two years".

(c) Interim Report.—The Secretary of Defense and the Secretary of Veterans Affairs shall each submit to Congress a report containing the information required by section 3036 of title 38, United States Code, not later than six months after the date of the enactment of this Act.

TITLE IV—HEALTH MATTERS

SEC. 401. PARKINSON'S DISEASE RESEARCH, EDUCATION, CLINICAL CENTERS, AND MULTIPLE SCLEROSIS CENTERS OF EXCELLENCE.

(a) Requirement for Establishment of Centers.—

(1) In General.—Subchapter II of chapter 73 of title 38, United States Code, is amended by adding at the end the following new section:

"§ 7329. Parkinson's disease research, education, and clinical centers and multiple sclerosis centers of excellence

"(a) Designation.—The Secretary, upon the recommendation of the Under Secretary for Health and pursuant to the provisions of this section, shall—

"(1) designate—

"(A) at least 6 Department health care facilities as the locations for centers of Parkinson's disease research, education, and clinical activities and (subject to the appropriation of sufficient funds for such purpose); and

"(B) at least 2 Department health care facilities as the locations for Multiple Sclerosis Centers of Excellence (subject to the appropriation of sufficient funds for such purpose); and

"(2) establish and operate such centers at such locations in accordance with this section.

"(b) Existing Facilities; Geographic Distribution.—In designating locations for centers under subsection (a), the Secretary, upon the recommendation of the Under Secretary for Health, shall—

"(1) designate each Department health care facility that, as of January 1, 2005, was operating a Parkinson's Disease Research, Education, and Clinical Center or a Multiple Sclerosis Center of Excellence unless the Secretary, on the recommendation of the Under Secretary for Health, determines that such facility—

"(A) does not meet the requirements of subsection (c);

"(B) has not demonstrated effectiveness in carrying out the established purposes of such center; or

"(C) has not demonstrated the potential to carry out such purposes effectively in the reasonably foreseeable future; and

"(2) assure appropriate geographic distribution of such facilities.

"(c) Minimum Requirements.—The Secretary may not designate a health care facility as a location for a center under subsection (a) unless—

"(1) the peer review panel established under subsection (d) determines that the proposal submitted by such facility is among those proposals which meet the highest competitive standards of scientific and clinical merit; and

"(2) the Secretary, upon the recommendation of the Under Secretary for Health, determines that the facility has (or may reasonably be anticipated to develop)—

"(A) an arrangement with an accredited medical school which provides education and training in neurology and with which such facility is affiliated under which residents receive education and training in innovative diagnosis and treatment of chronic neurodegenerative diseases and movement disorders, including Parkinson's disease, or in the case of Multiple Sclerosis Centers, multiple sclerosis disease;

"(B) the ability to attract the participation of scientists who are capable of ingenuity and creativity in health-care research efforts;

"(C) a policymaking advisory committee composed of consumers and appropriate health care and research representatives of the facility and of the affiliated school or schools to advise the directors of such facility and such center on policy matters pertaining to the activities of such center during the period of the operation of such center;

"(D) the capability to conduct effectively evaluations of the activities of such center;

"(E) the capability to coordinate, as part of an integrated national system, education, clinical, and research activities within all facilities with such centers;

"(F) the capability to jointly develop a consortium of providers with interest in treating neurodegenerative diseases, including Parkinson's disease, and other movement disorders, or multiple sclerosis in the case of Multiple Sclerosis Centers, at facilities without such centers in order to ensure better access to state of the art diagnosis, care, and education for neurodegenerative disorders, or in the case of Multiple Sclerosis Centers, autoimmune disease affecting the central nervous system throughout the health care system; and

"(G) the capability to develop a national repository in the health care system for the collection of data on health services delivered to veterans seeking care for neurodegenerative diseases, including Parkinson's disease, and other movement disorders, or in the case of Multiple Sclerosis Centers, autoimmune disease affecting the central nervous system.

"(d) PANEL.—(1) The Under Secretary for Health shall establish a panel to assess the scientific and clinical merit of proposals that are submitted to the Secretary for the establishment of new centers under this section.

"(2)(A) The membership of the panel shall consist of experts in neurodegenerative diseases, including Parkinson's disease and other movement disorders, and, in the case of Multiple Sclerosis Centers, experts in autoimmune disease affecting the central nervous system.

"(B) Members of the panel shall serve as consultants to the Department for a period of no longer than 2 years except in the case of panelists asked to serve on the initial panel as specified in subparagraph (C).

"(C) In order to ensure panel continuity, half of the members of the first panel shall be appointed for a period of 3 years and half for a period of 2 years.

"(3) The panel shall review each proposal submitted to the panel by the Under Secretary and shall submit its views on the relative scientific and clinical merit of each such proposal to the Under Secretary.

"(4) The panel shall not be subject to the Federal Advisory Committee Act.

"(e) ADEQUATE FUNDING.—Before providing funds for the operation of any such center at a health care facility other than a health care facility designated under subsection (b)(1), the Secretary shall ensure that—

"(1) the Parkinson's disease center at each facility designated under subsection (b)(1) is receiving adequate funding to enable such center to function effectively in the areas of Parkinson's disease research, education, and clinical activities; and

"(2) in the case of a new Multiple Sclerosis Center, that existing centers are receiving adequate funding to enable such centers to function effectively in the areas of multiple sclerosis research, education, and clinical activities.

"(f) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated such sums as may be necessary for the support of the research and education activities of the centers established under subsection (a).

"(2) The Under Secretary for Health shall allocate to such centers from other funds appropriated generally for the Department medical services account and medical and prosthetics research account, as appropriate, such amounts as the Under Secretary for Health determines appropriate.

"(g) FUNDING ELIGIBILITY AND PRIORITY FOR PARKINSON'S DISEASE RESEARCH.—Activities of clinical and scientific investigation at each center established under subsection (a) for Parkinson's disease shall—

"(1) be eligible to compete for the award of funding from funds appropriated for the Department medical and prosthetics research account; and

"(2) receive priority in the award of funding from such account to the extent funds are awarded to projects for research in Parkinson's disease and other movement disorders.

"(h) FUNDING ELIGIBILITY AND PRIORITY FOR MULTIPLE SCLEROSIS RESEARCH.—Activities of clinical and scientific investigation at each center established under subsection (a) for multiple sclerosis shall—

"(1) be eligible to compete for the award of funding from funds appropriated for the Department medical and prosthetics research account; and

"(2) receive priority in the award of funding from such account to the extent funds are awarded to projects for research in multiple sclerosis and other movement disorders.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 73 of title 38, United States Code, is amended by inserting after the item relating to section 7328 the following new item:

"7329. Parkinson's disease research, education, and clinical centers and multiple sclerosis centers of excellence.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2006.

SEC. 402. REPEAL OF TERM OF OFFICE FOR THE UNDER SECRETARY FOR HEALTH AND THE UNDER SECRETARY FOR BENEFITS.

(a) UNDER SECRETARY FOR HEALTH.—

(1) IN GENERAL.—Section 305 of title 38, United States Code, is amended by striking subsection (c).

(2) CONFORMING AMENDMENT.—Subsection (d) of such section is redesignated as subsection (c).

(b) UNDER SECRETARY FOR BENEFITS.—

(1) IN GENERAL.—Section 306 of title 38, United States Code, is amended by striking subsection (c).

(2) CONFORMING AMENDMENT.—Subsection (d) of such section is redesignated as subsection (c).

SEC. 403. MODIFICATIONS TO EXISTING STATE HOME AUTHORITIES.

(a) NURSING HOME CARE AND PRESCRIPTION MEDICATIONS IN STATE HOMES FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES.—

(1) NURSING HOME CARE.—Subchapter V of chapter 17 of title 38, United States Code, is amended by adding at the end the following new section:

"§1745. Nursing home care and medications for veterans with service-connected disabilities

"(a)(1) The Secretary shall pay each State home for nursing home care at the rate determined under paragraph (2), where such care is provided to any veteran as follows:

"(A) Any veteran in need of such care for a service-connected disability.

"(B) Any veteran who—

"(i) has a service-connected disability rated at 70 percent or more; and

"(ii) is in need of such care.

"(2) The rate determined under this paragraph with respect to a State home is the lesser of—

"(A) the applicable or prevailing rate payable in the geographic area in which the State home is located, as determined by the Secretary, for nursing home care furnished in a non-Department nursing home (as that term is defined in section 1720(e)(2)); or

"(B) a rate not to exceed the daily cost of care, as determined by the Secretary, following a report to the Secretary by the director of the State home.

"(3) Payment by the Secretary under paragraph (1) to a State home for nursing home care provided to a veteran described in that paragraph constitutes payment in full to the State home for such care furnished to that veteran.".

(2) PROVISION OF PRESCRIPTION MEDICINES.—Such section, as so added, is further amended by adding at the end the following new subsection:

"(b) The Secretary shall furnish such drugs and medicines as may be ordered on prescription of a duly licensed physician as specific therapy in the treatment of illness or injury to any veteran as follows:

"(1) Any veteran who—

"(A) is not being provided nursing home care for which payment is payable under subsection (a); and

"(B) is in need of such drugs and medicines for a service-connected disability.

"(2) Any veteran who—

"(A) has a service-connected disability rated at 50 percent or more;

"(B) is not being provided nursing home care for which payment is payable under subsection (a); and

"(C) is in need of such drugs and medicines.".

(3) CONFORMING AMENDMENTS.—

(A) CRITERIA FOR PAYMENT.—Section 1741(a)(1) of such title is amended by striking "The" and inserting "Except as provided in section 1745 of this title, the".

(B) ELIGIBILITY FOR NURSING HOME CARE.—Section 1710(a)(4) of such title is amended—

(i) by striking "and" before "the requirement in section 1710B of this title"; and

(ii) by inserting ", and the requirement in section 1745 of this title to provide nursing home care and prescription medicines to veterans with service-connected disabilities in State homes" after "a program of extended care services".

(4) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item relating to section 1744 the following new item:

"1745. Nursing home care and medications for veterans with service-connected disabilities.".

(5) EFFECTIVE DATE.—The amendments made by this subsection shall take effect 90 days after the date of the enactment of this Act.

(b) IDENTIFICATION OF VETERANS IN STATE HOMES.—Such chapter is further amended—

(1) in section 1745, as added by subsection (a)(1) of this section, by adding at the end the following new subsection:

"(c) Any State home that requests payment or reimbursement for services provided to a veteran under this section shall provide to the Secretary such information as the Secretary considers necessary to identify each individual veteran eligible for payment under such section."; and

(2) in section 1741, by adding at the end the following new subsection:

"(f) Any State home that requests payment or reimbursement for services provided to a veteran under this section shall provide to the Secretary such information as the Secretary considers necessary to identify each individual veteran eligible for payment under such section.".

(c) AUTHORITY TO TREAT CERTAIN HEALTH FACILITIES AS STATE HOMES.—

(1) AUTHORITY.—Subchapter III of chapter 81 of title 38, United States Code, is amended by adding at the end the following new section:

"§8138. Treatment of certain health facilities as State homes

"(a) The Secretary may treat a health facility, or certain beds in a health facility, as a State

home for purposes of subchapter V of chapter 17 of this title if the following requirements are met:

"(1) The facility, or certain beds in such facility, meets the standards for the provision of nursing home care that is applicable to State homes, as prescribed by the Secretary under section 8134(b) of this title, and such other standards relating to the facility, or certain beds in such facility, as the Secretary may require.

"(2) The facility, or certain beds in such facility, is licensed or certified by the appropriate State and local agencies charged with the responsibility of licensing or otherwise regulating or inspecting State home facilities.

"(3) The State demonstrates in an application to the Secretary that, but for the treatment of a facility (or certain beds in such facility), as a State home under this subsection, a substantial number of veterans residing in the geographic area in which the facility is located who require nursing home care will not have access to such care.

"(4) The Secretary determines that the treatment of the facility, or certain beds in such facility, as a State home best meets the needs of veterans for nursing home care in the geographic area in which the facility is located.

"(5) The Secretary approves the application submitted by the State with respect to the facility, or certain beds in such facility.

"(b) The Secretary may not treat a health facility, or certain beds in a health facility, as a State home under subsection (a) if the Secretary determines that such treatment would increase the number of beds allocated to the State in excess of the limit on the number of beds provided for by regulations prescribed under section 8134(a) of this title.

"(c) The number of beds occupied by veterans in a health facility for which payment may be made under subchapter V of chapter 17 of this title by reason of subsection (a) shall not exceed—

"(1) 100 beds in the aggregate for all States; and

"(2) in the case of any State, the difference between—

"(A) the number of veterans authorized to be in beds in State homes in such State under regulations prescribed under section 8134(a) of this title; and

"(B) the number of veterans actually in beds in State homes (other than facilities or certain beds treated as State homes under subsection (a)) in such State under regulations prescribed under such section.

"(d) The number of beds in a health facility in a State that has been treated as a State home under subsection (a) shall be taken into account in determining the unmet need for beds for State homes for the State under section 8134(d)(1) of this title.

"(e) The Secretary may not treat any new health facilities, or any new certain beds in a health facility, as a State home under subsection (a) after September 30, 2009.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 81 of such title is amended by inserting after the item relating to section 8137 the following new item:

"8138. Treatment of certain health facilities as State homes.".

SEC. 404. OFFICE OF RURAL HEALTH.

(a) ESTABLISHMENT.—There is established in the Department of Veterans Affairs within the Office of the Undersecretary for Health an office to be known as the "Office of Rural Health" (in this section referred to as the "Office").

(b) HEAD.—The Director of the Office of Rural Health shall be the head of the Office. The Director of the Office of Rural Health shall be appointed by the Under Secretary of Health from among individuals qualified to perform the duties of the position.

(c) FUNCTIONS.—The functions of the Office are as follows:

(1) In cooperation with the medical, rehabilitation, health services, and cooperative studies research programs in the Office of Policy and the Office of Research and Development of the Veterans Health Administration, to assist the Under Secretary for Health in conducting, coordinating, promoting, and disseminating research into issues affecting veterans living in rural areas.

(2) To work with all personnel and offices of the Department of Veterans Affairs to develop, refine, and promulgate policies, best practices, lessons learned, and innovative and successful programs to improve care and services for veterans who reside in rural areas of the United States.

(3) To designate in each Veterans Integrated Service Network (VISN) an individual who shall consult on and coordinate the discharge in such Network of programs and activities of the Office for veterans who reside in rural areas of the United States.

(4) To assess, in accordance with subsection (d), the effects of the implementation of the fee-basis health care program of the Veterans Health Administration on the delivery of health care services to veterans who reside in rural areas of the United States.

(5) To perform such other functions and duties as the Secretary of Veterans Affairs or the Under Secretary for Health consider appropriate.

(d) ASSESSMENT OF FEE-BASIS HEALTH CARE PROGRAM.—The Director of the Office shall, in consultation with the individuals designated under subsection (c)(3), conduct an assessment of the effects of the implementation of the fee-basis health care program of the Veterans Health Administration on the delivery of health care services to veterans who reside in rural areas of the United States. In conducting the assessment, the Director shall—

(1) evaluate the effects of the fee-basis health care program on the delivery of health care services to veterans who reside in rural areas of the United States;

(2) identify various mechanisms for expanding the program in order to enhance and improve health care services for such veterans and determine the feasibility and advisability of implementing such mechanisms; and

(3) for each mechanism determined under paragraph (2) to be feasible and advisable to implement, make recommendations to the Under Secretary for Health on the implementation of such mechanism.

SEC. 405. PILOT PROGRAM ON IMPROVEMENT OF CAREGIVER ASSISTANCE SERVICES.

(a) IN GENERAL.—Commencing not later than 120 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall carry out a pilot program to assess the feasibility and advisability of various mechanisms to expand and improve caregiver assistance services.

(b) DURATION OF PILOT PROGRAM.—The pilot program required by subsection (a) shall be carried out during the two-year period beginning on the date of the commencement of the pilot program.

(c) CAREGIVER ASSISTANCE SERVICES.—For purposes of this section, the term "caregiver assistance services" are services of the Department of Veterans Affairs that assist caregivers of veterans, including veterans of the Global War on Terrorism. Such services including the following:

(1) Adult-day health care services.

(2) Coordination of services needed by veterans, including services for readjustment and rehabilitation.

(3) Transportation services.

(4) Caregiver support services, including education, training, and certification of family members in caregiver activities.

(5) Home care services.

(6) Respite care.

(7) Hospice services.

(8) Any modalities of non-institutional long-term care.

(d) FUNDING.—

(1) SOURCE OF FUNDS.—In carrying out the program required by subsection (a), the Secretary shall identify, from funds available to the Department of Veterans Affairs for medical care, an amount not less than $5,000,000 to be available for the fiscal year that includes the date of the enactment of this Act, to carry out the pilot program and to be allocated to facilities of the Department pursuant to subsection (e). Such amount shall be available without fiscal year limitation.

(2) MINIMUM ALLOCATION OF FUNDS.—In identifying available amounts pursuant to paragraph (1), the Secretary shall ensure that, after the allocation of funds under subsection (e), the total expenditure for programs in support of caregiver assistance services is not less than $5,000,000 in excess of the baseline amount.

(3) BASELINE AMOUNT.—For purposes of paragraph (2), the baseline amount is the amount of the total expenditures on programs in support of caregiver assistance services for veterans for the most recent fiscal year for which final expenditure amounts are known, adjusted to reflect any subsequent increase in applicable costs to support such services through the Veterans Health Administration.

(e) ALLOCATION OF FUNDS TO FACILITIES.—The Secretary shall allocate funds identified pursuant to subsection (d)(1) to individual medical facilities of the Department in such amounts as the Secretary determines appropriate, based upon proposals submitted by such facilities for the use of such funds for improvements to the support of the provision of caregiver assistance services. Special consideration should be given to rural facilities, including those without a long-term care facility of the Department.

(f) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the implementation of this section, including—

(1) a description and assessment of the activities carried out under the pilot program;

(2) information on the allocation of funds to facilities of the Department under subsection (d); and

(3) a description of the improvements made with funds so allocated to the support of the provision of caregiver assistance services.

TITLE V—HOMELESS VETERANS ASSISTANCE

SEC. 501. REAFFIRMATION OF NATIONAL GOAL TO END HOMELESSNESS AMONG VETERANS.

(a) REAFFIRMATION.—Congress reaffirms the national goal to end chronic homelessness among veterans within a decade of the enactment of the Homeless Veterans Comprehensive Assistance Act of 2001 (Public Law 107-95; 115 Stat. 903).

(b) REAFFIRMATION OF ENCOURAGEMENT OF COOPERATIVE EFFORTS.—Congress reaffirms its encouragement, as specified in the Homeless Veterans Comprehensive Assistance Act of 2001 (Public Law 107–95; 115 Stat. 903), that all departments and agencies of the Federal, State, and local governments, quasi-governmental organizations, private and public sector entities, including community-based organizations, faith-based organizations, and individuals, work cooperatively to end chronic homelessness among veterans.

SEC. 502. SENSE OF CONGRESS ON THE RESPONSE OF THE FEDERAL GOVERNMENT TO THE NEEDS OF HOMELESS VETERANS.

It is the sense of Congress that—

(1) homelessness is a significant problem in the veterans community, and veterans are disproportionately represented among the homeless population;

(2) while many effective programs assist homeless veterans to become, once again, productive and self-sufficient members of their communities and society, all the essential services, assistance, and support that homeless veterans require are not currently provided;

(3) federally funded programs for homeless veterans should be held accountable for achieving clearly defined results;

(4) Federal efforts to assist homeless veterans should include prevention of homelessness;

(5) Federal efforts regarding homeless veterans should be particularly vigorous where women veterans have minor children in their care;

(6) Federal agencies, particularly the Department of Veterans Affairs, the Department of Labor, and the Department of Housing and Urban Development, should cooperate more fully to address the problem of homelessness among veterans; and

(7) the programs reauthorized by this title provide important housing and services to homeless veterans.

SEC. 503. AUTHORITY TO MAKE GRANTS FOR COMPREHENSIVE SERVICE PROGRAMS FOR HOMELESS VETERANS.

(a) Permanent Authority.—Section 2011(a) of title 38, United States Code, is amended—

(1) by striking paragraph (2); and

(2) in paragraph (1)—

(A) by striking "(1)"; and

(B) by redesignating subparagraphs (A) through (D) as paragraphs (1) through (4), respectively.

(b) Authorization of Appropriations.—The text of section 2013 of such title is amended to read as follows: "There is authorized to be appropriated, to carry out this subchapter, $130,000,000 for fiscal year 2007 and each fiscal year thereafter.".

SEC. 504. EXTENSION OF TREATMENT AND REHABILITATION FOR SERIOUSLY MENTALLY ILL AND HOMELESS VETERANS.

(a) Extension of Authority for General Treatment.—Section 2031(b) of title 38, United States Code, is amended by striking "2006" and inserting "2011".

(b) Extension of Authority for Additional Services.—Section 2033(d) of such title is amended by striking "2006" and inserting "2011".

SEC. 505. EXTENSION OF AUTHORITY FOR TRANSFER OF PROPERTIES OBTAINED THROUGH FORECLOSURE OF HOME MORTGAGES.

Section 2041(c) of title 38, United States Code, is amended by striking "2008" and inserting "2011".

SEC. 506. EXTENSION OF FUNDING FOR GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS.

Section 2061(c)(1) of title 38, United States Code, is amended by striking "2003, 2004, and 2005, $5,000,000" and inserting "2007 through 2011, $7,000,000".

SEC. 507. EXTENSION OF FUNDING FOR HOMELESS VETERAN SERVICE PROVIDER TECHNICAL ASSISTANCE PROGRAM.

Subsection (b) of section 2064 of title 38, United States Code, is amended to read as follows:

"(b) Authorization of Appropriations.—There are authorized to be appropriated $1,000,000 for each of fiscal years 2007 through 2012 to carry out the program under this section.".

SEC. 508. ADDITIONAL ELEMENT IN ANNUAL REPORT ON ASSISTANCE TO HOMELESS VETERANS.

Section 2065(b) of title 38, United States Code, is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph (5):

"(5) Information on the efforts of the Secretary to coordinate the delivery of housing and services to homeless veterans with other Federal departments and agencies, including—

"(A) the Department of Defense;

"(B) the Department of Health and Human Services;

"(C) the Department of Housing and Urban Development;

"(D) the Department of Justice;

"(E) the Department of Labor;

"(F) the Interagency Council on Homelessness;

"(G) the Social Security Administration; and

"(H) any other Federal department or agency with which the Secretary coordinates the delivery of housing and services to homeless veterans.".

SEC. 509. ADVISORY COMMITTEE ON HOMELESS VETERANS.

(a) Additional Ex Officio Members.—Subsection (a)(3) of section 2066 of title 38, United States Code, is amended by adding at the end the following new subparagraphs:

"(E) The Executive Director of the Interagency Council on Homelessness (or a representative of the Executive Director).

"(F) The Under Secretary for Health (or a representative of the Under Secretary after consultation with the Director of the Office of Homeless Veterans Programs).

"(G) The Under Secretary for Benefits (or a representative of the Under Secretary after consultation with the Director of the Office of Homeless Veterans Programs).".

(b) Extension.—Subsection (d) of such section is amended by striking "December 31, 2006" and inserting "September 30, 2011".

SEC. 510. RENTAL ASSISTANCE VOUCHERS FOR VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.

(a) Funding for Vouchers.—Section (8)(o)(19)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)(B)) is amended to read as follows:

"(B) Amount.—The amount specified in this subparagraph is—

"(i) for fiscal year 2007, the amount necessary to provide 500 vouchers for rental assistance under this subsection;

"(ii) for fiscal year 2008, the amount necessary to provide 1,000 vouchers for rental assistance under this subsection;

"(iii) for fiscal year 2009, the amount necessary to provide 1,500 vouchers for rental assistance under this subsection;

"(iv) for fiscal year 2010, the amount necessary to provide 2,000 vouchers for rental assistance under this subsection; and

"(v) for fiscal year 2011, the amount necessary to provide 2,500 vouchers for rental assistance under this subsection.".

(b) Elimination of Funding Through Incremental Assistance.—Subparagraph (C) of section 8(o)(19) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)(C)) is repealed.

(c) Study of Effectiveness of Vouchers.—

(1) In general.—For fiscal years 2007 and 2008, the Secretary of Veterans Affairs shall conduct a study of the effectiveness of the voucher program under section (8)(o)(19)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)(B)), as amended by subsection (a), in meeting the housing and case management needs of homeless veterans who—

(A) have a chronic mental illnesses or chronic substance use disorder; and

(B) are participating in continuing treatment for such mental illness or substance use disorder as a condition of receipt of such rental assistance.

(2) Comparison.—As part of the study required by paragraph (1) the Secretary shall compare the results of the program described in that paragraph with other programs as follows:

(A) Programs in which the Department of Veterans Affairs coordinates the delivery of housing and services to homeless veterans.

(B) Programs for the provision of grants or per diem payments to providers of services that are designed to meet the needs of homeless veterans.

(3) Criteria.—In conducting the comparison required by paragraph (2), the Secretary shall examine the following:

(A) The satisfaction of veterans targeted by the programs described in paragraph (2).

(B) The health status of such veterans.

(C) For programs that address substance use disorders, the reduction in severity of such disorders in such veterans.

(D) The housing provided such veterans under such programs.

(E) The degree to which such veterans are encouraged to productive activity by such programs.

(4) Report.—Not later than March 31, 2009, the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the results of the study required by paragraph (1).

SEC. 511. FINANCIAL ASSISTANCE FOR SUPPORTIVE SERVICES FOR VERY LOW-INCOME VETERAN FAMILIES IN PERMANENT HOUSING.

(a) Purpose.—The purpose of this section is to facilitate the provision of supportive services for very low-income veteran families in permanent housing.

(b) Financial Assistance.—

(1) In general.—Subchapter V of chapter 20 of title 38, United States Code, is amended by adding at the end the following new section:

"§2044. Financial assistance for supportive services for very low-income veteran families in permanent housing

"(a) Distribution of Financial Assistance.—(1) The Secretary shall provide financial assistance to eligible entities approved under this section to provide and coordinate the provision of supportive services described in subsection (b) for very low-income veteran families occupying permanent housing.

"(2) Financial assistance under this section shall consist of per diem payments for each such family for which an approved eligible entity is providing or coordinating the provision of supportive services.

"(3)(A) Subject to the availability of appropriations provided for such purpose, the Secretary shall provide to each family for which an approved eligible entity is providing or coordinating the provision of supportive services per diem payments in the amount of the daily cost of care estimated by such eligible entity (as adjusted by the Secretary under subparagraph (C)).

"(B) In no case may the amount of per diem paid under this paragraph exceed the rate of per diem authorized for State homes for domiciliary care under subsection (a)(1)(A) of section 1741 of this title, as adjusted by the Secretary under subsection (c) of such section.

"(C) The Secretary may adjust the daily cost of care estimated by an eligible entity for purposes of this paragraph to exclude other sources *of income described in subparagraph (E) that the eligible entity certifies to be correct.*

"(D) Each eligible entity shall provide to the Secretary such information with respect to other sources of income as the Secretary may require to make the adjustment under subparagraph (C).

"(E) The other sources of income referred to in subparagraphs (C) and (D) are payments to the eligible entity for furnishing services to homeless veterans under programs other than under this subchapter, including payments and grants from other departments and agencies of the Federal Government, from departments or agencies of State or local government, and from private entities or organizations.

"(4) In providing financial assistance under paragraph (1), the Secretary shall give preference to entities providing or coordinating the provision of supportive services for very low-income veteran families who are transitioning from homelessness to permanent housing.

"(5) The Secretary shall ensure that, to the extent practicable, financial assistance under this subsection is equitably distributed across geographic regions, including rural communities and tribal lands.

"(6) Each entity receiving financial assistance under this section to provide supportive services to a very low-income veteran family shall notify that family that such services are being paid for, in whole or in part, by the Department.

"(7) The Secretary may require entities receiving financial assistance under this section to submit a report to the Secretary that describes the projects carried out with such financial assistance.

"(b) Supportive Services.—The supportive services referred to in subsection (a) are the following:

"(1) Services provided by an eligible entity or subcontractors that address the needs of very low-income veteran families occupying permanent housing, including—

"(A) outreach services;

"(B) health care services, including diagnosis, treatment, and counseling for mental health and substance abuse disorders and for post-traumatic stress disorder, if such services are not readily available through the Department medical center serving the geographic area in which the veteran family is housed;

"(C) habilitation and rehabilitation services;

"(D) case management services;

"(E) daily living services;

"(F) personal financial planning;

"(G) transportation services;

"(H) vocational counseling;

"(I) employment and training;

"(J) educational services;

"(K) assistance in obtaining veterans benefits and other public benefits, including health care provided by the Department;

"(L) assistance in obtaining income support;

"(M) assistance in obtaining health insurance;

"(N) fiduciary and representative payee services;

"(O) legal services to assist the veteran family with reconsiderations or appeals of veterans and public benefit claim denials and to resolve outstanding warrants that interfere with the family's ability to obtain or retain housing or supportive services;

"(P) child care;

"(Q) housing counseling;

"(R) other services necessary for maintaining independent living; and

"(S) coordination of services under this paragraph.

"(2) Services described in paragraph (1) that are delivered to very low-income veteran families who are homeless and who are scheduled to become residents of permanent housing within 90 days pending the location or development of housing suitable for permanent housing.

"(3) Services described in paragraph (1) for very low-income veteran families who have voluntarily chosen to seek other housing after a period of tenancy in permanent housing, that are provided, for a period of 90 days after such families exit permanent housing or until such families commence receipt of other housing services adequate to meet their current needs, but only to the extent that services under this paragraph are designed to support such families in their choice to transition into housing that is responsive to their individual needs and preferences.

"(c) Application for Financial Assistance.—(1) An eligible entity seeking financial assistance under subsection (a) shall submit an application to the Secretary in such form, in such manner, and containing such commitments and information as the Secretary determines to be necessary to carry out this section.

"(2) Each application submitted by an eligible entity under paragraph (1) shall contain—

"(A) a description of the supportive services proposed to be provided by the eligible entity;

"(B) a description of the types of very low-income veteran families proposed to be provided such services;

"(C) an estimate of the number of very low-income veteran families proposed to be provided such services;

"(D) evidence of the experience of the eligible entity in providing supportive services to very low-income veteran families; and

"(E) a description of the managerial capacity of the eligible entity to—

"(i) coordinate the provision of supportive services with the provision of permanent housing, by the eligible entity or by other organizations;

"(ii) continuously assess the needs of very low-income veteran families for supportive services;

"(iii) coordinate the provision of supportive services with the services of the Department;

"(iv) tailor supportive services to the needs of very low-income veteran families; and

"(v) continuously seek new sources of assistance to ensure the long-term provision of supportive services to very low-income veteran families.

"(3) The Secretary shall establish criteria for the selection of eligible entities to be provided financial assistance under this section.

"(d) Technical Assistance.—(1) The Secretary shall provide training and technical assistance to participating eligible entities regarding the planning, development, and provision of supportive services to very low-income veteran families occupying permanent housing.

"(2) The Secretary may provide the training described in paragraph (1) directly or through grants or contracts with appropriate public or nonprofit private entities.

"(e) Funding.—(1) From amounts appropriated to the Department for Medical Care, there shall be available to carry out this section amounts as follows:

"(A) $15,000,000 for fiscal year 2007.

"(B) $20,000,000 for fiscal year 2008.

"(C) $25,000,000 for fiscal year 2009.

"(2) Not more than $750,000 may be available under paragraph (1) in any fiscal year to provide technical assistance under subsection (d).

"(f) Definitions.—In this section:

"(1) The term 'consumer cooperative' has the meaning given such term in section 202 of the Housing Act of 1959 (12 U.S.C. 1701q).

"(2) The term 'eligible entity' means—

"(A) a private nonprofit organization; or

"(B) a consumer cooperative.

"(3) The term 'homeless' has the meaning given that term in section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

"(4) The term 'permanent housing' means community-based housing without a designated length of stay.

"(5) The term 'private nonprofit organization' means any of the following:

"(A) Any incorporated private institution or foundation—

"(i) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

"(ii) which has a governing board that is responsible for the operation of the supportive services provided under this section; and

"(iii) which is approved by the Secretary as to financial responsibility;

"(B) A for-profit limited partnership, the sole general partner of which is an organization meeting the requirements of clauses (i), (ii), and (iii) of subparagraph (A).

"(C) A corporation wholly owned and controlled by an organization meeting the requirements of clauses (i), (ii), and (iii) of subparagraph (A).

"(D) A tribally designated housing entity (as defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103)).

"(6)(A) Subject to subparagraphs (B) and (C), the term 'very low-income veteran family' means a veteran family whose income does not exceed 50 percent of the median income for the area, as determined by the Secretary in accordance with this paragraph.

"(B) The Secretary shall make appropriate adjustments to the income requirement under subparagraph (A) based on family size.

"(C) The Secretary may establish an income ceiling higher or lower than 50 percent of the median income for an area if the Secretary determines that such variations are necessary because the area has unusually high or low construction costs, fair market rents (as determined under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f)), or family incomes.

"(7) The term 'veteran family' includes a veteran who is a single person and a family in which the head of household or the spouse of the head of household is a veteran.".

(2) Clerical Amendment.—The table of sections at the beginning of chapter 20 of such title is amended by inserting after the item relating to section 2043 the following new item:

"2044. Financial assistance for supportive services for very low-income veteran families in permanent housing.".

(c) Study of Effectiveness of Permanent Housing Program.—

(1) In general.—For fiscal years 2007 and 2008, the Secretary shall conduct a study of the effectiveness of the permanent housing program under section 2044 of title 38, United States Code, as amended by subsection (b), in meeting the needs of very low-income veteran families, as that term is defined in that section.

(2) Comparison.—In the study required by paragraph (1), the Secretary shall compare the results of the program referred to in that subsection with other programs of the Department of Veterans Affairs dedicated to the delivery of housing and services to veterans.

(3) Criteria.—In making the comparison required in paragraph (2), the Secretary shall examine the following:

(A) The satisfaction of veterans targeted by the programs described in paragraph (2).

(B) The health status of such veterans.

(C) The housing provided such veterans under such programs.

(D) The degree to which such veterans are encouraged to productive activity by such programs.

(4) Report.—Not later than March 31, 2009, the Secretary shall submit to the Committee on

Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the results of the study required by paragraph (1).

TITLE VI—MISCELLANEOUS BENEFITS

SEC. 601. RESIDENTIAL COOPERATIVE HOUSING UNITS.

(a) Housing Benefits for Cooperative Apartment Units.—Subsection (a) of section 3710 of title 38, United States Code, is amended by inserting after paragraph (11) the following new paragraph:

"(12) To purchase stock or membership in a cooperative housing corporation for the purpose of entitling the veteran to occupy for dwelling purposes a single family residential unit in a development, project, or structure owned or leased by such corporation, in accordance with subsection (h).".

(b) Conditions of Housing Benefits for Cooperative Apartment Units.—Such section is further amended by adding at the end the following new subsection:

"(h)(1) A loan may not be guaranteed under subsection (a)(12) unless—

"(A) the development, project, or structure of the cooperative housing corporation complies with such criteria as the Secretary prescribes in regulations; and

"(B) the dwelling unit that the purchase of stock or membership in the development, project, or structure of the cooperative housing corporation entitles the purchaser to occupy is a single family residential unit.

"(2) In this subsection, the term 'cooperative housing corporation' has the same meaning given such term in section 216(b)(1) of the Internal Revenue Code of 1986.

"(3) When applying the term 'value of the property' to a loan guaranteed under subsection (a)(12), such term means the appraised value of the stock or membership entitling the purchaser to the permanent occupancy of the dwelling unit in the development, project, or structure of the cooperative housing corporation.".

SEC. 602. INCREASE IN SUPPLEMENTAL INSURANCE FOR TOTALLY DISABLED VETERANS.

Section 1922A(a) of title 38, United States Code, is amended by striking "$20,000" and inserting "$30,000, during the period beginning on October 1, 2007, and ending on September 31, 2011, or $20,000 at any other time".

SEC. 603. REAUTHORIZATION OF USE OF CERTAIN INFORMATION FROM OTHER AGENCIES.

(a) Information From Secretary of the Treasury or Commissioner of Social Security.—Section 5317(g) of title 38, United States Code, is amended by striking "September 30, 2008" and inserting "September 30, 2011".

(b) Tax Returns and Tax Return Information.—The last sentence of section 6103(l)(7) of the Internal Revenue Code of 1986 is amended by striking "September 30, 2008" and inserting "September 30, 2011".

SEC. 604. CLARIFICATION OF CORRECTIONAL FACILITIES COVERED BY CERTAIN PROVISIONS OF LAW.

(a) Payment of Pension During Confinement in Penal Institutions.—Section 1505(a) of title 38, United States Code, is amended by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility".

(b) Allowances for Training and Rehabilitation for Veterans With Service-Connected Disabilities.—Section 3108(g)(1) of such title is amended by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility".

(c) Educational Assistance Benefits for Post-Vietnam Era Veterans.—Section 3231(d)(1) of such title is amended by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility".

(d) Computation of Educational Assistance Allowances for Veterans Generally.—Section 3482(g)(1) of such title is amended by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility".

(e) Computation of Educational Assistance Allowance for Survivors and Dependents.—Section 3532(e) of such title is amended by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility".

(f) Limitation on Payment of Compensation and Dependency and Indemnity Compensation.—Section 5313 of such title is amended—

(1) in subsection (a)(1), by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility";

(2) in subsection (b)(3), by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility"; and

(3) in subsection (c), by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility".

(g) Limitation on Payment of Clothing Allowance.—Section 5313A of such title is amended by striking "or local penal institution" and inserting "local, or other penal institution or correctional facility".

Amend the title so as to read: "To amend title 38, United States Code, to remove certain limitations on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, to make certain improvements in the area of memorial affairs, and for other purposes.".

Mr. CRAIG. Mr. President, I have sought recognition to comment on comprehensive, bipartisan legislation reported from the Committee on Veterans' Affairs and now awaiting full Senate approval. S. 2694, the Veterans' Choice of Representation and Benefits Enhancement Act of 2006, contains 28 provisions representing the collective work of 44 Senators who either sponsored or cosponsored bills that were incorporated into this important legislation.

S. 2694 includes provisions that would improve educational assistance benefits for veterans and their survivors; reauthorize and enhance various programs of assistance for homeless veterans; reduce nursing home and prescription medication costs for service-disabled veterans residing in State veterans' nursing homes; enhance memorial affairs benefits and preserve the character of Arlington National Cemetery as a shrine for our honored dead; and, as the bill's title suggests, provide veterans with the freedom to hire attorneys to represent them during the VA claims process. I will take a few minutes to describe the sections of the bill that I sponsored, none I am more proud of than the choice of representation provision. For a full accounting of all of S. 2694's provisions, I ask my colleagues to read Senate Report 109-297.

Currently, veterans and other claimants seeking veterans' benefits may not hire an attorney until the VA administrative proceedings have been completed a process that often takes several years. That law flows from a Civil War era policy intended to protect veterans from unscrupulous attorneys. That policy arose at a time—unlike today—when attending law school was not required to become a lawyer and there was no effective professional oversight of lawyers.

In recent months, it has become abundantly clear that many veterans and their survivors want the option of hiring an attorney to help them navigate the increasingly complex VA system. In fact, the prohibition against veterans hiring attorneys is considered to be unfair and outdated by a broad spectrum of individuals and organizations, including veterans' organizations, veterans' advocates, judges, law professors, and bar associations.

For these reasons, I joined with Senator LINDSEY GRAHAM in introducing legislation to end the outdated, paternalistic restriction on the freedoms of veterans. Section 101 of S. 2694 would repeal the existing prohibition against veterans hiring attorneys to help them obtain benefits from VA. I am delighted that we are closer to doing away with this outdated law and allowing veterans like all other adults in this Nation—to have the assistance of counsel if they so choose.

Title V of S. 2694 represents the first effort in 5 years to enact comprehensive homeless veterans' assistance legislation. Five years ago, Congress set an ambitious goal to end homelessness among veterans by 2011. I am not one who sets goals lightly, especially one so important. Therefore, I joined with Senators AKAKA, BURR AND OBAMA to craft the provisions in title V which will both improve services for homeless veterans, and help prevent chronic homelessness among our servicemen and women returning from the war on terror. Among other things, this measure would extend the authorization of appropriations for comprehensive services for homeless veterans, reauthorize a grant program for homeless veterans with special needs, and extend the authority of the Advisory Committee on Homeless Veterans. It would also extend the authority of VA to transfer properties it obtains after foreclosures on homes financed with VA-guaranteed loans to organizations which assist homeless veterans and their families in acquiring shelter. Finally, the bill would authorize appropriations for a program designed to prevent homelessness by providing financial assistance to eligible entities to provide and coordinate the provision of supportive services for very low-income veteran families occupying permanent housing.

I want to be clear, however, that I will be monitoring whether these programs are having the effect we expect them to. In March, I held a hearing on the needs of homeless veterans, at which VA, its Federal partners, and community-based service providers to the homeless testified about what is working, what isn't, what duplication might be eliminated, and where deficiencies exist that must be addressed. We learned that more than a half dozen Federal agencies will devote over $2 billion to homelessness. VA alone will spend upward of $221 million on grants, housing and treatment of underlying conditions. In fact, the fiscal year 2007 budget for VA will support a record level of funding for the sixth straight year for targeted programs for homeless veterans. Plainly stated, we cannot afford to waste any money. We must ensure that our resources are invested carefully so that homeless veterans can resume their self-sufficiency and independence.

Section 402 of S. 2694 is derived from legislation I introduced that would remove the four-year limit on the terms for the positions of Under Secretary for Health and Under Secretary for Benefits at VA. When the term limits were originally created, I think we all hoped that they would allow the two officials to serve four consecutive years without any political considerations, regardless of whether the service was in different administrations or under different VA leadership. History, however, has shown us that new administrations or even new VA leadership within the same administration often bring new people at all levels of government, including the two Under Secretary positions. In fact, the last three Under Secretaries for Health and the previous Under Secretary for Benefits did not complete a full 4-year term. Therefore, this provision would eliminate what are, in effect, limits on terms that serve no useful purpose.

The last of the provisions I sponsored touches on a subject that most of my colleagues likely remember. Last summer, we learned that the remains of a brutal murderer—Russell Wayne Wagner—were placed in the Nation's preeminent military cemetery, Arlington National Cemetery. I was appalled to discover that the law enacted in 1997 to deny capital offenders from burial in national cemeteries did not apply to Wagner. While we moved swiftly to close the loophole that permitted Wagner's burial in the first place, the question remained: should his remains continue to be included among the scores of honored dead in Arlington? For me and Senator MIKULSKI, the answer was "no." That is why we sponsored legislation now contained in section 202 of S. 2694 which would direct the Secretary of the Army to remove Wagner's remains from Arlington. As I stated last summer, we must not dishonor the sacrifices made by those memorialized at our Nation's military cemeteries by including among them individuals who, through their own heinous acts, have grievously dishonored themselves.

Mr. President, I want to thank all of the members of the committee and other Senators who worked so diligently on this bill. In particular, I commend the committee's anking member, Senator AKAKA. I have said it before and I'll repeat it today, Hawaii's veterans are fortunate to have Senator AKAKA as their advocate. It is been a pleasure working with him.

In closing, I ask for the support of the Senate in adopting S. 2694. It is an important, historic piece of legislation that will respect the freedoms won by our veterans on the battlefield, and will improve benefits available to them when they return home from it.

Mr. AKAKA. Mr. President, as ranking member of the Committee on Veterans' Affairs, I am pleased that the Senate on S. 2694, an omnibus veterans bill. This timely piece of legislation includes a number of important provisions that will improve the health care and benefits that our Nation's veterans deserve. I will highlight a few sections in which I have a particular interest.

This legislation specifically seeks to improve the way VA responds to the present and future demand for long-term care. As the veteran population ages, the demand for long-term care continues to rise, a trend that will only continue as Vietnam-era veterans get older.

With the goal of encouraging and supporting alternatives to institutional long-term care, the pending legislation includes provisions derived from S. 2753, a bill I introduced that was designed to promote assistance to those who look after veterans, especially in noninstitutional, home-based settings. The provision in the bill as it comes before the Senate today would authorize VA to carry out a pilot program to improve assistance services to these caregivers. Caregivers, particularly those who live in rural and geographically remote areas, would receive a helping hand through services such as adult-day care and respite care.

The pending measure also seeks to ensure more appropriate payment for the cost of longterm care provided to certain seriously disabled veterans who are receiving care in State veterans' homes. Earlier this year, the Committee held field hearings in my home state of Hawaii. Tom Driskill, the President and CEO of Hawaii Health Systems Corporation, testified about the soon-to-be-built State home in Hilo. He said, "The synergy of a combined Federal and State funding of the home has been the catalyst for making this dream a reality." The adjustments this legislation would make to the current cost-sharing arrangement between VA and the States, which are derived from S. 2762, legislation I introduced, may help ensure a high quality of care in State homes not only in Hawaii, but across the entire Nation.

Currently, care is provided at no cost to the veteran when VA provides institutional, long-term care services to those with service-connected disabilities rated 70 percent or higher in a VA nursing home or a private nursing care facility with which VA contracts. However, when the care is provided in a State veterans' home, VA pays only a per diem to the State, which then may bill the veteran for the remaining costs. I believe this to be unfair, and this legislation would provide for the same payment to State veterans' homes that is provided to community nursing homes which are furnishing care to these seriously disabled veterans.

I am gratified that this legislation includes extensive provisions to reauthorize, improve and enhance services for homeless veterans. I commend Senators OBAMA and BURR, both members of the Veterans' Affairs Committee, for their dedication to ensuring that comprehensive services are provided to homeless veterans. I fully support these efforts and stand with my colleagues in the battle to end homelessness among veterans.

This bill also includes a provision from a bill I introduced, S. 1537, that would authorize VA to designate at least two Multiple Sclerosis Centers of Excellence and six Parkinson's Disease Research, Education and Clinical Centers. VA centers of excellence have been the model of innovation in the delivery of highly specialized healthcare and research for chronic disease in the veteran population. Providing a statutory basis for these centers will ensure continued research and development of progressive treatments to help reduce symptoms and improve the quality of life for veterans battling with these neurological diseases.

The bill also includes a provision that would allow VA to extend eligibility of VA's State Cemetery Grants Program to tribal organizations. This change, derived from my bill, S. 2659, would allow for the establishment, expansion, and improvement of veterans' cemeteries on trust lands. If enacted, it will enable veterans living on trust lands to have an option for burial much closer to their family members and other loved ones.

This bill also includes a $10,000 increase in the amount of supplemental insurance available to totally disabled veterans through the Service-Disabled Veterans' Insurance program. Totally disabled veterans would benefit greatly from the availability of higher supplemental coverage amounts because the current aggregate S–DVI coverage, $30,000, is insufficient to meet disabled veterans' life insurance needs. This provision, which I authored, would increase the financial security of disabled veterans and, their families.

In conclusion, I thank the Coalition to Salute America's Heroes, the National Multiple Sclerosis Society, the Parkinson's Action Network, and the National Association of State Veterans

Homes for their hard work and support of provisions in this legislation.

I am pleased that our committee continues its tradition of bipartisanship. The effort that produced the final version of this legislation, vital to the continued provision of quality health care and benefits to our Nation's veterans, is just the latest example of that spirit.

I thank my colleagues in the Senate for their support of this measure.

Mr. FRIST. I ask unanimous consent that the committee-reported amendment be agreed to, the bill, as amended, be read a third time and passed, the title amendment be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 2694), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

The title amendment was agreed to.

2005 DISTRICT OF COLUMBIA OMNIBUS AUTHORIZATION ACT

Mr. FRIST. I ask unanimous consent that the committee-reported amendment be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Committee amendment in the nature of a substitute was agreed to.

The bill (H.R. 3508), as amended, was ordered to be engrossed for a third reading, was read the third time and passed.

H.R. 3508

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "2005 District of Columbia Omnibus Authorization Act".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—GOVERNANCE OF DISTRICT OF COLUMBIA

Subtitle A—General District of Columbia Governance

Sec. 101. Budget flexibility.
Sec. 102. Additional Authority to allocate amounts in Reserve Funds.
Sec. 103. Permitting General Services Administration to obtain space and services on behalf of District of Columbia Public Defender Service.
Sec. 104. Authority to enter into Interstate Insurance Product Regulation Compact.
Sec. 105. Metered taxicabs in the District of Columbia.

Subtitle B—District of Columbia Courts

Sec. 111. Modernization of Office of Register of Wills.
Sec. 112. Increase in cap on rates of pay for nonjudicial employees.
Sec. 113. Clarification of rate for individuals providing services to indigent defendants.
Sec. 114. Authority of Courts to conduct proceedings outside of District of Columbia during emergencies.
Sec. 115. Authority of Court Services and Offender Supervision Agency to use services of volunteers.
Sec. 116. Technical corrections relating to courts.
Sec. 117. Inclusion of court employees in enhanced dental and vision benefit program.

Subtitle C—Other Miscellaneous Technical Corrections

Sec. 121. 2004 District of Columbia Omnibus Authorization Act.
Sec. 122. District of Columbia Appropriations Act, 2005.
Sec. 123. Technical and conforming amendments relating to banks operating under the Code of Law for the District of Columbia.
Sec. 124. District of Columbia Schools fiscal year.
Sec. 125. Gifts to libraries.

TITLE II—INDEPENDENCE OF THE CHIEF FINANCIAL OFFICER

Sec. 201. Promoting independence of Chief Financial Officer.
Sec. 202. Personnel Authority.
Sec. 203. Procurement Authority.
Sec. 204. Fiscal impact statements.

TITLE III—AUTHORIZATION OF CERTAIN GENERAL APPROPRIATIONS PROVISIONS

Sec. 301. Acceptance of gifts by Court Services and Offender Supervision Agency.
Sec. 302. Evaluation process for public school employees.
Sec. 303. Clarification of application of pay provisions of Merit Personnel System to all District employees.
Sec. 304. Criteria for renewing or extending sole source contracts.
Sec. 305. Acceptance of grant amounts not included in annual budget.
Sec. 306. Standards for annual independent audit.
Sec. 307. Use of fines imposed for violation of traffic alcohol laws for enforcement and prosecution of laws.
Sec. 308. Certifications for attorneys in cases brought under Individuals With Disabilities Education Act.

TITLE I—GOVERNANCE OF DISTRICT OF COLUMBIA

Subtitle A—General District of Columbia Governance

SEC. 101. BUDGET FLEXIBILITY.

(a) Permitting Increase in Amount Appropriated as Local Funds During a Fiscal Year.—Subpart 1 of part D of title IV of the District of Columbia Home Rule Act (sec. 1-204.41 et seq., D.C. Official Code) is amended by inserting after section 446 the following new section:

"PERMITTING INCREASE IN AMOUNT APPROPRIATED AS LOCAL FUNDS DURING A FISCAL YEAR

"Sec. 446A. (a) In General.—Notwithstanding the fourth sentence of section 446, to account for an unanticipated growth of revenue collections, the amount appropriated as District of Columbia funds under budget approved by Act of Congress as provided in such section may be increased—

"(1) by an aggregate amount of not more than 25 percent, in the case of amounts allocated under the budget as 'Other-Type Funds'; and

"(2) by an aggregate amount of not more than 6 percent, in the case of any other amounts allocated under the budget.

"(b) Conditions.—The District of Columbia may obligate and expend any increase in the amount of funds authorized under this section only in accordance with the following conditions:

"(1) The Chief Financial Officer of the District of Columbia shall certify—

"(A) the increase in revenue; and

"(B) that the use of the amounts is not anticipated to have a negative impact on the long-term financial, fiscal, or economic health of the District.

"(2) The amounts shall be obligated and expended in accordance with laws enacted by the Council of the District of Columbia in support of each such obligation and expenditure, consistent with any other requirements under law.

"(3) The amounts may not be used to fund any agencies of the District government operating under court-ordered receivership.

"(4) The amounts may not be obligated or expended unless the Mayor has notified the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate not fewer than 30 days in advance of the obligation or expenditure.

"(c) Effective Date.—This section shall apply with respect to fiscal years 2006 through 2007.".

(b) Conforming Amendment.—The fourth sentence of section 446 of such Act (sec. 1–204.46, D.C. Official Code) is amended by inserting "section 446A,"after "section 445A(b),".

(c) Clerical Amendment.—The table of contents of such Act is amended by inserting after the item relating to section 446 the following new item:

"Sec. 446A. Permitting increase in amount appropriated as local funds during a fiscal year.".

SEC. 102. ADDITIONAL AUTHORITY TO ALLOCATE AMOUNTS IN RESERVE FUNDS.

(a) In General.—Section 450A of the District of Columbia Home Rule Act (sec. 1-204.50A, D.C. Official Code) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) Additional Authority To Allocate Amounts.—

"(1) In general.—Notwithstanding any other provision of this section, in addition to the authority provided under this section to allocate and use amounts from the emergency reserve fund under subsection (a) and the contingency reserve fund under subsection (b), the District of Columbia may allocate amounts from such funds during a fiscal year and use such amounts for cash flow management purposes.

"(2) Limits on amount allocated.—

"(A) Amount of individual allocation.—The amount of an allocation made from the emergency reserve fund or the contingency reserve fund pursuant to the authority of this subsection may not exceed 50 percent of the balance of the fund involved at the time the allocation is made.

"(B) Aggregate amount allocated.—The aggregate amount allocated from the emergency reserve fund or the contingency reserve fund pursuant to the authority of this subsection during a fiscal year may not exceed 50 percent of the balance of the fund involved as of the first day of such fiscal year.

"(3) Replenishment.—If the District of Columbia allocates any amounts from a reserve fund pursuant to the authority of this subsection during a fiscal year, the District shall

fully replenish the fund for the amounts allocated not later than the earlier of—

"(A) the expiration of the 9-month period which begins on the date the allocation is made; or

"(B) the last day of the fiscal year.

"(4) EFFECTIVE DATE.—This subsection shall apply with respect to fiscal years 2006 through 2007.".

(b) SPECIAL RULE FOR TIMING OF REPLENISHMENT AFTER SUBSEQUENT ALLOCATION.—

(1) EMERGENCY RESERVE FUND.—Section 450A(a)(7) of such Act (sec. 1-204.50A(a)(7), D.C. Official Code) is amended—

(A) by striking "(7) REPLENISHMENT.—" and inserting the following:

"(7) REPLENISHMENT.—

"(A) IN GENERAL.—The District of Columbia"; and

(B) by adding at the end the following new subparagraph:

"(B) SPECIAL RULE FOR REPLENISHMENT AFTER ALLOCATION FOR CASH FLOW MANAGEMENT.—

"(i) IN GENERAL.—If the District allocates amounts from the emergency reserve fund during a fiscal year for cash flow management purposes pursuant to the authority of subsection (c) and at any time afterwards during the year makes a subsequent allocation from the fund for purposes of this subsection, and if as a result of the subsequent allocation the balance of the fund is reduced to an amount which is less than 50 percent of the balance of the fund as of the first day of the fiscal year, the District shall replenish the fund by such amount as may be required to restore the balance to an amount which is equal to 50 percent of the balance of the fund as of the first day of the fiscal year.

"(ii) DEADLINE.—The District shall carry out any replenishment required under clause (i) as a result of a subsequent allocation described in such clause not later than the expiration of the 60-day period which begins on the date of the subsequent allocation.".

(2) CONTINGENCY RESERVE FUND.—Section 450A(b)(6) of such Act (sec. 1-204.50A(b)(6), D.C. Official Code) is amended—

(A) by striking "(6) REPLENISHMENT.—" and inserting the following:

"(6) REPLENISHMENT.—

"(A) IN GENERAL.—The District of Columbia"; and

(B) by adding at the end the following new subparagraph:

"(B) SPECIAL RULE FOR REPLENISHMENT AFTER ALLOCATION FOR CASH FLOW MANAGEMENT.—

"(i) IN GENERAL.—If the District allocates amounts from the contingency reserve fund during a fiscal year for cash flow management purposes pursuant to the authority of subsection (c) and at any time afterwards during the year makes a subsequent allocation from the fund for purposes of this subsection, and if as a result of the subsequent allocation the balance of the fund is reduced to an amount which is less than 50 percent of the balance of the fund as of the first day of the fiscal year, the District shall replenish the fund by such amount as may be required to restore the balance to an amount which is equal to 50 percent of the balance of the fund as of the first day of the fiscal year.

"(ii) DEADLINE.—The District shall carry out any replenishment required under clause (i) as a result of a subsequent allocation described in such clause not later than the expiration of the 60-day period which begins on the date of the subsequent allocation.".

SEC. 103. PERMITTING GENERAL SERVICES ADMINISTRATION TO OBTAIN SPACE AND SERVICES ON BEHALF OF DISTRICT OF COLUMBIA PUBLIC DEFENDER SERVICE.

(a) AUTHORITY TO OBTAIN SPACE AND SERVICES.—At the request of the Director of the District of Columbia Public Defender Service, the Administrator of General Services may furnish space and services on behalf of the Service (either directly by providing space and services in buildings owned or occupied by the Federal Government or indirectly by entering into leases with non-Federal entities) in the same manner, and under the same terms and conditions, as the Administrator may furnish space and services on behalf of an agency of the Federal Government.

(b) EFFECTIVE DATE.—This section shall apply with respect to fiscal year 2006 and each succeeding fiscal year.

SEC. 104. AUTHORITY TO ENTER INTO INTERSTATE INSURANCE PRODUCT REGULATION COMPACT.

(a) IN GENERAL.—The District of Columbia is authorized to enter into an interstate compact to establish a joint state commission as an instrumentality of the District of Columbia for the purpose of establishing uniform insurance product regulations among the participating states.

(b) DELEGATION.—Any insurance product regulation compact that the Council of the District of Columbia authorizes the Mayor to execute on behalf of the District may contain provisions that delegate the requisite power and authority to the joint state commission to achieve the purposes for which the interstate compact is established.

SEC. 105. METERED TAXICABS IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Except as provided in subsection (b) and not later than 1 year after the date of enactment of this Act, the District of Columbia shall require all taxicabs licensed in the District of Columbia to charge fares by a metered system.

(b) DISTRICT OF COLUMBIA OPT OUT.—The Mayor of the District of Columbia may exempt the District of Columbia from the requirement under subsection (a) by issuing an executive order that specifically states that the District of Columbia opts out of the requirement to implement a metered fare system for taxicabs.

Subtitle B—District of Columbia Courts

SEC. 111. MODERNIZATION OF OFFICE OF REGISTER OF WILLS.

(a) REVISION OF DUTIES.—Section 11-2104(b), District of Columbia Official Code, is amended to read as follows:

"(b) In matters over which the Superior Court has probate jurisdiction or powers, the Register of Wills shall—

"(1) make full and fair entries, in separate records, of the proceedings of the court;

"(2) record in electronic or other format all wills proved before the Register of Wills or the court and other matters required by law to be recorded in the court;

"(3) lodge in places of safety designated by the court original papers filed with the Register of Wills;

"(4) make out and issue every summons, process, and order of the court;

"(5) prepare and submit to the Executive Officer of the District of Columbia courts such reports as may be required; and

"(6) in every respect, act under the control and direction of the court.".

(b) REPEAL OF PENALTIES.—

(1) IN GENERAL.—Section 11-2104, District of Columbia Code, is amended—

*(A) in the heading, by striking "; **PENALTIES**"; and*

(B) by striking subsections (d) and (e).

(2) CLERICAL AMENDMENT.—The item relating to section 11-2104 in the table of sections for chapter 21 of title 11, District of Columbia Official Code, is amended by striking "; penalties".

(c) RECORD OF CLAIMS AGAINST NONRESIDENT DECEDENTS.—Section 20-343(d), District of Columbia Official Code, is amended by striking the second sentence and inserting the following: "The Register shall record all such claims and releases.".

SEC. 112. INCREASE IN CAP ON RATES OF PAY FOR NONJUDICIAL EMPLOYEES.

(a) IN GENERAL.—The second sentence of section 11-1726(a), District of Columbia Official Code, is amended by striking "pay fixed by administrative action in section 5373" and inserting "maximum pay in section 5382(a)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to pay periods beginning on or after the date of the enactment of this Act.

SEC. 113. CLARIFICATION OF RATE FOR INDIVIDUALS PROVIDING SERVICES TO INDIGENT DEFENDANTS.

(a) IN GENERAL.—Section 11-2605, District of Columbia Official Code, is amended—

(1) by striking subsection (b);

(2) in subsection (c), by inserting after "United States Code," the following: "(or, in the case of investigative services, a fixed rate of $25 per hour)";

(3) in subsection (d), by inserting after "United States Code," the following: "(or, in the case of investigative services, a fixed rate of $25 per hour)"; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to services provided on or after the date of the enactment of this Act.

SEC. 114. AUTHORITY OF COURTS TO CONDUCT PROCEEDINGS OUTSIDE OF DISTRICT OF COLUMBIA DURING EMERGENCIES.

(a) DISTRICT OF COLUMBIA COURT OF APPEALS.—

(1) IN GENERAL.—Subchapter I of chapter 7 of title 11, District of Columbia Official Code, is amended by adding at the end the following new section:

"§11-710. Emergency Authority to conduct proceedings outside District of Columbia

"(a) IN GENERAL.—The court may hold special sessions at any place within the United States outside the District of Columbia as the nature of the business may require and upon such notice as the court orders, upon a finding by either the chief judge of the court (or, if the chief judge is absent or disabled, the judge designated under section 11-706(a)) or the Joint Committee on Judicial Administration in the District of Columbia that, because of emergency conditions, no location within the District of Columbia is reasonably available where such special sessions could be held. The court may transact any business at a special session authorized pursuant to this section which it has the authority to transact at a regular session.

"(b) NOTICE REQUIREMENTS.—If the Court of Appeals issues an order exercising its authority under subsection (a), the court—

"(1) through the Joint Committee on Judicial Administration in the District of Columbia, shall send notice of such order, including the reasons for the issuance of such order, to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives; and

"(2) shall provide reasonable notice to the United States Marshals Service before the commencement of any special session held pursuant to such order.".

(2) CLERICAL AMENDMENT.—The table of contents of chapter 7 of title 11, District of Columbia Official Code, is amended by adding at the end of the items relating to subchapter I the following:

"11-710. Emergency authority to conduct proceedings outside District of Columbia.".

(b) Superior Court of the District of Columbia.—

(1) In general.—Subchapter I of chapter 9 of title 11, District of Columbia Official Code, is amended by adding at the end the following new section:

"§ 11–911. Emergency Authority to conduct proceedings outside District of Columbia

"(a) In General.—The Superior Court may hold special sessions at any place within the United States outside the District of Columbia as the nature of the business may require and upon such notice as the Superior Court orders, upon a finding by either the chief judge of the Superior Court (or, if the chief judge is absent or disabled, the judge designated under section 11–907(a)) or the Joint Committee on Judicial Administration in the District of Columbia that, because of emergency conditions, no location within the District of Columbia is reasonably available where such special sessions could be held.

"(b) Business Transacted.—The Superior Court may transact any business at a special session outside the District of Columbia authorized pursuant to this section which it has the authority to transact at a regular session, except that a criminal trial may not be conducted at such a special session without the consent of the defendant.

"(c) Summoning of Jurors.—Notwithstanding any other provision of law, in any case in which special sessions are conducted pursuant to this section, the Superior Court may summon jurors—

"(1) in civil proceedings, from any part of the District of Columbia or, if jurors are not readily available from the District of Columbia, the jurisdiction in which it is holding the special session; and

"(2) in criminal trials, from any part of the District of Columbia or, if jurors are not readily available from the District of Columbia and if the defendant so consents, the jurisdiction in which it is holding the special session.

"(d) Notice Requirements.—If the Superior Court issues an order exercising its authority under subsection (a), the Court—

"(1) through the Joint Committee on Judicial Administration in the District of Columbia, shall send notice of such order, including the reasons for the issuance of such order, to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives; and

"(2) shall provide reasonable notice to the United States Marshals Service before the commencement of any special session held pursuant to such order.".

(2) Clerical amendment.—The table of contents of chapter 9 of title 11, District of Columbia Official Code, is amended by adding at the end of the items relating to subchapter I the following:

"11-911. Emergency authority to conduct proceedings outside District of Columbia.".

SEC. 115. AUTHORITY OF COURT SERVICES AND OFFENDER SUPERVISION AGENCY TO USE SERVICES OF VOLUNTEERS.

Section 11233 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (sec. 24–133, D.C. Official Code) is amended by adding at the end the following new subsection:

"(g) Authority To Use Services of Volunteers.—

"(1) In general.—The Agency (including any independent entity within the Agency) may accept the services of volunteers and provide for their incidental expenses to carry out any activity of the Agency except policy-making.

"(2) Applicability of worker's compensation rules to volunteers.—Any volunteer whose services are accepted pursuant to this subsection shall be considered an employee of the United States Government in providing the services for purposes of chapter 81 of title 5, United States Code (relating to compensation for work injuries) and chapter 11 of title 18, United States Code, relating to corruption and conflicts of interest.".

SEC. 116. TECHNICAL CORRECTIONS RELATING TO COURTS.

(a) In General.—Section 329 of the District of Columbia Appropriations Act, 2005 (Public Law 108–335; 118 Stat. 1345), is amended to read as follows:

"Sec. 329. (a) Approval of Bonds by Joint Committee on Judicial Administration.—Section 11–1701(b), District of Columbia Official Code, is amended by striking paragraph (5).

"(b) Executive Officer.—

"(1) In general.—Section 11–1704, District of Columbia Official Code, is amended to read as follows:

'OATH OF EXECUTIVE OFFICER

'Sec. 11–1704.

'The Executive Officer shall take an oath or affirmation for the faithful and impartial discharge of the duties of that office.'.

"(2) Clerical amendment.—The table of sections for chapter 17 of title 11, District of Columbia Official Code, is amended by amending the item relating to section 11–1704 to read as follows:

'11–1704. Oath of Executive Officer.'.

"(c) Fiscal Officer.—Section 11–1723, District of Columbia Official Code, is amended—

"(1) by striking '(a)(1)'and inserting '(a)';

"(2) by striking subsection (b); and

"(3) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (b) and (c).

"(d) Auditor-Master.—Section 11–1724, District of Columbia Official Code, is amended by striking the second and third sentences.

"(e) Register of Wills.—

"(1) In general.—Section 11–2102, District of Columbia Official Code, is amended—

"(A) in the heading, by striking '**BOND;**';

"(B) in subsection (a)(2), by striking 'give bond.'and all that follows through 'seasonably to record' and inserting 'seasonably record'; and

"(C) by striking the third sentence of subsection (a).

"(2) Clerical amendment.—The item relating to section 11–2102 in the table of sections for chapter 21 of title 11, District of Columbia Official Code, is amended by striking 'bond;'.".

(b) Clerical Amendment.—The table of sections for chapter 17 of title 11, District of Columbia Official Code, is amended by amending the item relating to section 11–1728 to read as follows:

"11–1728. Recruitment and training of personnel; travel.".

(c) Effective Date.—The amendments made by this section shall take effect as if included in the enactment of the District of Columbia Appropriations Act, 2005.

SEC. 117. INCLUSION OF COURT EMPLOYEES IN ENHANCED DENTAL AND VISION BENEFIT PROGRAM.

(a) United States Code.—Title 5 of the United States Code is amended—

(1) in section 8951(1) by adding at the end the following: "and an employee of the District of Columbia courts";

(2) in section 8981(1) by adding at the end the following: "and an employee of the District of Columbia courts"; and

(3) in section 9001(1) is amended—

(A) in subparagraph (C), by striking "and";

(B) in subparagraph (D), by striking the period and inserting a semicolon and "and"; and

(C) by adding at the end the following: "(E) an employee of the District of Columbia courts.".

(b) D.C. Code.—Section 11–1726, District of Columbia Code, is amended—

(1) in subsection (b)(1), by striking subparagraph (F) and inserting the following:

"(F) Chapter 89A (relating to enhanced dental benefits).

"(G) Chapter 89B (relating to enhanced vision benefits).

"(H) Chapter 90 (relating to long-term care insurance)."; and

(2) in subsection (c)(1), by striking subparagraph (D) and inserting the following:

"(D) Chapter 89A (relating to enhanced dental benefits).

"(E) Chapter 89B (relating to enhanced vision benefits).

"(F) Chapter 90 (relating to long-term care insurance).".

Subtitle C—Other Miscellaneous Technical Corrections

SEC. 121. 2004 DISTRICT OF COLUMBIA OMNIBUS AUTHORIZATION ACT.

(a) In General.—The first sentence of section 446(a) of the District of Columbia Home Rule Act (sec. 1–204.46(a), D.C. Official Code) is amended by striking "The Council,"and all that follows through "from the Mayor,"and inserting "The Council, within 56 calendar days after receipt of the budget proposal from the Mayor,".

(b) Effective Date.—The amendment made by subsection (a) shall take effect as if included in the enactment of the 2004 District of Columbia Omnibus Authorization Act.

SEC. 122. DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2005.

(a) In General.—Section 450A of the District of Columbia Home Rule Act (sec. 1–204.50A, D.C. Official Code), as amended by section 332 of the District of Columbia Appropriations Act, 2005 (Public Law 108–335; 118 Stat. 1346), is amended—

(1) in the heading of subsection (a)(2), by striking "In general"and inserting "Operating expenditures defined"; and

(2) in the heading of subsection (b)(2), by striking "In general" and inserting "Operating expenditures defined".

(b) Effective Date.—The amendments made by subsection (a) shall take effect as if included in the enactment of the District of Columbia Appropriations Act, 2005.

SEC. 123. TECHNICAL AND CONFORMING AMENDMENTS RELATING TO BANKS OPERATING UNDER THE CODE OF LAW FOR THE DISTRICT OF COLUMBIA.

(a) Federal Reserve Act.—

(1) The second undesignated paragraph of the first section of the Federal Reserve Act(12 U.S.C. 221) is amended by adding at the end the following: "For purposes of this Act, a State bank includes any bank which is operating under the Code of Law for the District of Columbia.".

(2) The first sentence of the first undesignated paragraph of section 9 of the Federal Reserve Act(12 U.S.C. 321) is amended by striking "incorporated by special law of any State, or" and inserting "incorporated by special law of any State, operating under the Code of Law for the District of Columbia, or".

(b) Bank Conservation Act.—Section 202 of the Bank Conservation Act(12 U.S.C. 202) is amended—

(1) by striking "means (1) any national" and inserting "means any national"; and

(2) by striking ", and (2) any bank or trust company located in the District of Columbia and operating under the supervision of the Comptroller of the Currency".

(c) Depository Institution Deregulation and Monetary Control Act of 1980.—Part C of title VII of the Depository Institution Deregulation and Monetary Control Act of 1980 is amended—

(1) in paragraph (1) of section 731 (12 U.S.C. 216(1)) by striking "and closed banks in the District of Columbia"; and

(2) in paragraph (2) of section 732 (12 U.S.C. 216a(2)) by striking "or closed banks in the District of Columbia".

(d) FEDERAL DEPOSIT INSURANCE ACT.—Section 3(a)(2)(B) of the Federal Deposit Insurance Act(12 U.S.C. 1813(a)(2)(B)) is amended by striking "(except a national bank)".

(e) NATIONAL BANK CONSOLIDATION AND MERGER ACT.—Section 7(1) of the National Bank Consolidation and Merger Act(12 U.S.C. 215b(1)) is amended by striking "(except a national banking association located in the District of Columbia)".

(f) AN ACT OF AUGUST 17, 1950.—Section 1(a) of the Act entitled "An Act to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes" and approved August 17, 1950 (12 U.S.C. 214(a)) is amended by striking "(except a national banking association)".

(g) FEDERAL TRADE COMMISSION ACT.—Section 18(f)(2) of the Federal Trade Commission Act(15 U.S.C. 57a(f)(2)) is amended—

(1) in subparagraph (A), by striking ", banks operating under the code of law for the District of Columbia,"; and

(2) in subparagraph (B), by striking "and banks operating under the code of law for the District of Columbia".

SEC. 124. DISTRICT OF COLUMBIA SCHOOLS FISCAL YEAR.

Section 441(b)(2) of the District of Columbia Home Rule Act (section 1-204.41, D.C. Official Code) is amended by striking "shall begin" and inserting "may begin".

SEC. 125. GIFTS TO LIBRARIES.

Section 115(c) of title III of division C of Public Law 108-7 in amended by inserting "and the District of Columbia Public Libraries" before the period.

TITLE II—INDEPENDENCE OF THE CHIEF FINANCIAL OFFICER

SEC. 201. PROMOTING INDEPENDENCE OF CHIEF FINANCIAL OFFICER.

(a) IN GENERAL.—Section 424 of the District of Columbia Home Rule Act (sec. 1-204.24a et seq., D.C. Official Code) is amended to read as follows:

"CHIEF FINANCIAL OFFICER OF THE DISTRICT OF COLUMBIA

"SEC. 424. (a) IN GENERAL.—

"(1) ESTABLISHMENT.—There is hereby established within the executive branch of the government of the District of Columbia an Office of the Chief Financial Officer of the District of Columbia (hereafter referred to as the 'Office'), which shall be headed by the Chief Financial Officer of the District of Columbia (hereafter referred to as the 'Chief Financial Officer').

"(2) ORGANIZATIONAL ANALYSIS.—

"(A) OFFICE OF BUDGET AND PLANNING.—The name of the Office of Budget and Management, established by Commissioner's Order 69–96, issued March 7, 1969, is changed to the Office of Budget and Planning.

"(B) OFFICE OF TAX AND REVENUE.—The name of the Department of Finance and Revenue, established by Commissioner's Order 69–96, issued March 7, 1969, is changed to the Office of Tax and Revenue.

"(C) OFFICE OF FINANCE AND TREASURY.—The name of the Office of Treasurer, established by Mayor's Order 89-244, dated October 23, 1989, is changed to the Office of Finance and Treasury.

"(D) OFFICE OF FINANCIAL OPERATIONS AND SYSTEMS.—The Office of the Controller, established by Mayor's Order 89–243, dated October 23, 1989, and the Office of Financial Information Services, established by Mayor's Order 89–244, dated October 23, 1989, are consolidated into the Office of Financial Operations and Systems.

"(3) TRANSFERS.—Effective with the appointment of the first Chief Financial Officer under subsection (b), the functions and personnel of the following offices are established as subordinate offices within the Office:

"(A) The Office of Budget and Planning, headed by the Deputy Chief Financial Officer for the Office of Budget and Planning.

"(B) The Office of Tax and Revenue, headed by the Deputy Chief Financial Officer for the Office of Tax and Revenue.

"(C) The Office of Research and Analysis, headed by the Deputy Chief Financial Officer for the Office of Research and Analysis.

"(D) The Office of Financial Operations and Systems, headed by the Deputy Chief Financial Officer for the Office of Financial Operations and Systems.

"(E) The Office of Finance and Treasury, headed by the District of Columbia Treasurer.

"(F) The Lottery and Charitable Games Control Board, established by the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Official Code § 3–1301 et seq.).

"(4) SUPERVISOR.—The heads of the offices listed in paragraph (3) of this section shall serve at the pleasure of the Chief Financial Officer.

"(5) APPOINTMENT AND REMOVAL OF OFFICE EMPLOYEES.—The Chief Financial Officer shall appoint the heads of the subordinate offices designated in paragraph (3), after consultation with the Mayor and the Council. The Chief Financial Officer may remove the heads of the offices designated in paragraph (3), after consultation with the Mayor and the Council.

"(6) ANNUAL BUDGET SUBMISSION.—The Chief Financial Officer shall prepare and annually submit to the Mayor of the District of Columbia, for inclusion in the annual budget of the District of Columbia government for a fiscal year, annual estimates of the expenditures and appropriations necessary for the year for the operation of the Office and all other District of Columbia accounting, budget, and financial management personnel (including personnel of executive branch independent agencies) that report to the Office pursuant to this Act.

"(b) APPOINTMENT OF THE CHIEF FINANCIAL OFFICER.—

"(1) APPOINTMENT.—

"(A) IN GENERAL.—The Chief Financial Officer shall be appointed by the Mayor with the advice and consent, by resolution, of the Council. Upon confirmation by the Council, the name of the Chief Financial Officer shall be submitted to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate for a 30-day period of review and comment before the appointment takes effect.

"(B) SPECIAL RULE FOR CONTROL YEARS.—During a control year, the Chief Financial Officer shall be appointed by the Mayor as follows:

"(i) Prior to the appointment, the Authority may submit recommendations for the appointment to the Mayor.

"(ii) In consultation with the Authority and the Council, the Mayor shall nominate an individual for appointment and notify the Council of the nomination.

"(iii) After the expiration of the 7-day period which begins on the date the Mayor notifies the Council of the nomination under clause (ii), the Mayor shall notify the Authority of the nomination.

"(iv) The nomination shall be effective subject to approval by a majority vote of the Authority.

"(2) TERM.—

"(A) IN GENERAL.—All appointments made after June 30, 2007, shall be for a term of 5 years, except for appointments made for the remainder of unexpired terms. The appointments shall have an anniversary date of July 1.

"(B) TRANSITION.—For purposes of this section, the individual serving as Chief Financial Officer as of the date of enactment of the 2005 District of Columbia Omnibus Authorization Act shall be deemed to have been appointed under this subsection, except that such individual's initial term of office shall begin upon such date and shall end on June 30, 2007.

"(C) CONTINUANCE.—Any Chief Financial Officer may continue to serve beyond his term until a successor takes office.

"(D) VACANCIES.—Any vacancy in the Office of Chief Financial Officer shall be filled in the same manner as the original appointment under paragraph (1).

"(E) PAY.—The Chief Financial Officer shall be paid at an annual rate equal to the rate of basic pay payable for level I of the Executive Schedule.

"(c) REMOVAL OF THE CHIEF FINANCIAL OFFICER.—

"(1) IN GENERAL.—The Chief Financial Officer may only be removed for cause by the Mayor, subject to the approval of the Council by a resolution approved by not fewer than ⅔ of the members of the Council. After approval of the resolution by the Council, notice of the removal shall be submitted to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate for a 30-day period of review and comment before the removal takes effect.

"(2) SPECIAL RULE FOR CONTROL YEARS.—During a control year, the Chief Financial Officer may be removed for cause by the Authority or by the Mayor with the approval of the Authority.

"(d) DUTIES OF THE CHIEF FINANCIAL OFFICER.—Notwithstanding any provisions of this Act which grant authority to other entities of the District government, the Chief Financial Officer shall have the following duties and shall take such steps as are necessary to perform these duties:

"(1) During a control year, preparing the financial plan and the budget for the use of the Mayor for purposes of subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

"(2) Preparing the budgets of the District of Columbia for the year for the use of the Mayor for purposes of part D and preparing the 5-year financial plan based upon the adopted budget for submission with the District of Columbia budget by the Mayor to Congress.

"(3) During a control year, assuring that all financial information presented by the Mayor is presented in a manner, and is otherwise consistent with, the requirements of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

"(4) Implementing appropriate procedures and instituting such programs, systems, and personnel policies within the Chief Financial Officer's authority, to ensure that budget, accounting, and personnel control systems and structures are synchronized for budgeting and control purposes on a continuing basis and to ensure that appropriations are not exceeded.

"(5) Preparing and submitting to the Mayor and the Council, with the approval of the Authority during a control year, and making public—

"(A) annual estimates of all revenues of the District of Columbia (without regard to the source of such revenues), including proposed revenues, which shall be binding on the Mayor and the Council for purposes of preparing and *submitting the budget of the District government for the year under part D of this title, except that the Mayor and the Council may prepare the budget based on estimates of revenues which are lower than those prepared by the Chief Financial Officer; and*

"(B) quarterly re-estimates of the revenues of the District of Columbia during the year.

"(6) Supervising and assuming responsibility for financial transactions to ensure adequate control of revenues and resources.

"(7) Maintaining systems of accounting and internal control designed to provide—

"(A) full disclosure of the financial impact of the activities of the District government;

"(B) adequate financial information needed by the District government for management purposes;

"(C) effective control over, and accountability for, all funds, property, and other assets of the District of Columbia; and

"(D) reliable accounting results to serve as the basis for preparing and supporting agency budget requests and controlling the execution of the budget.

"(8) Submitting to the Council a financial statement of the District government, containing such details and at such times as the Council may specify.

"(9) Supervising and assuming responsibility for the assessment of all property subject to assessment and special assessments within the corporate limits of the District of Columbia for taxation, preparing tax maps, and providing such notice of taxes and special assessments (as may be required by law).

"(10) Supervising and assuming responsibility for the levying and collection of all taxes, special assessments, licensing fees, and other revenues of the District of Columbia (as may be required by law), and receiving all amounts paid to the District of Columbia from any source (including the Authority).

"(11) Maintaining custody of all public funds belonging to or under the control of the District government (or any department or agency of the District government), and depositing all amounts paid in such depositories and under such terms and conditions as may be designated by the Council (or by the Authority during a control year).

"(12) Maintaining custody of all investment and invested funds of the District government or in possession of the District government in a fiduciary capacity, and maintaining the safekeeping of all bonds and notes of the District government and the receipt and delivery of District government bonds and notes for transfer, registration, or exchange.

"(13) Apportioning the total of all appropriations and funds made available during the year for obligation so as to prevent obligation or expenditure in a manner which would result in a deficiency or a need for supplemental appropriations during the year, and (with respect to appropriations and funds available for an indefinite period and all authorizations to create obligations by contract in advance of appropriations) apportioning the total of such appropriations, funds, or authorizations in the most effective and economical manner.

"(14) Certifying all contracts and leases (whether directly or through delegation) prior to execution as to the availability of funds to meet the obligations expected to be incurred by the District government under such contracts and leases during the year.

"(15) Prescribing the forms of receipts, vouchers, bills, and claims to be used by all agencies, offices, and instrumentalities of the District government.

"(16) Certifying and approving prior to payment of all bills, invoices, payrolls, and other evidences of claims, demands, or charges against the District government, and determining the regularity, legality, and correctness of such bills, invoices, payrolls, claims, demands, or charges.

"(17) In coordination with the Inspector General of the District of Columbia, performing internal audits of accounts and operations and records of the District government, including the examination of any accounts or records of financial transactions, giving due consideration to the effectiveness of accounting systems, internal control, and related administrative practices of the departments and agencies of the District government.

"(18) Exercising responsibility for the administration and supervision of the District of Columbia Treasurer.

"(19) Supervising and administering all borrowing programs for the issuance of long-term and short-term indebtedness, as well as other financing-related programs of the District government.

"(20) Administering the cash management program of the District government, including the investment of surplus funds in governmental and non-governmental interest-bearing securities and accounts.

"(21) Administering the centralized District government payroll and retirement systems (other than the retirement system for police officers, fire fighters, and teachers).

"(22) Governing the accounting policies and systems applicable to the District government.

"(23) Preparing appropriate annual, quarterly, and monthly financial reports of the accounting and financial operations of the District government.

"(24) Not later than 120 days after the end of each fiscal year, preparing the complete financial statement and report on the activities of the District government for such fiscal year, for the use of the Mayor under section 448(a)(4).

"(25) Preparing fiscal impact statements on regulations, multiyear contracts, contracts over $1,000,000 and on legislation, as required by section 4a of the General Legislative Procedures Act of 1975.

"(26) Preparing under the direction of the Mayor, who has the specific responsibility for formulating budget policy using Chief Financial Officer technical and human resources, the budget for submission by the Mayor to the Council and to the public and upon final adoption to Congress and to the public.

"(27) Certifying all collective bargaining agreements and nonunion pay proposals prior to submission to the Council for approval as to the availability of funds to meet the obligations expected to be incurred by the District government under such collective bargaining agreements and nonunion pay proposals during the year.

"(e) FUNCTIONS OF TREASURER.—At all times, the Treasurer shall have the following duties:

"(1) Assisting the Chief Financial Officer in reporting revenues received by the District government, including submitting annual and quarterly reports concerning the cash position of the District government not later than 60 days after the last day of the quarter (or year) involved. Each such report shall include the following:

"(A) Comparative reports of revenue and other receipts by source, including tax, nontax, and Federal revenues, grants and reimbursements, capital program loans, and advances. Each source shall be broken down into specific components.

"(B) Statements of the cash flow of the District government for the preceding quarter or year, including receipts, disbursements, net changes in cash inclusive of the beginning balance, cash and investment, and the ending balance, inclusive of cash and investment. Such statements shall reflect the actual, planned, better or worse dollar amounts and the percentage change with respect to the current quarter, year-to-date, and fiscal year.

"(C) Quarterly cash flow forecast for the quarter or year involved, reflecting receipts, disbursements, net change in cash inclusive of the beginning balance, cash and investment, and the ending balance, inclusive of cash and investment with respect to the actual dollar amounts for the quarter or year, and projected dollar amounts for each of the 3 succeeding quarters.

"(D) Monthly reports reflecting a detailed summary analysis of all District of Columbia government investments, including—

"(i) the total of long-term and short-term investments;

"(ii) a detailed summary analysis of investments by type and amount, including purchases, sales (maturities), and interest;

"(iii) an analysis of investment portfolio mix by type and amount, including liquidity, quality/risk of each security, and similar information;

"(iv) an analysis of investment strategy, including near-term strategic plans and projects of investment activity, as well as forecasts of future investment strategies based on anticipated market conditions, and similar information; and

"(v) an analysis of cash utilization, including—

"(I) comparisons of budgeted percentages of total cash to be invested with actual percentages of cash invested and the dollar amounts;

"(II) comparisons of the next return on invested cash expressed in percentages (yield) with comparable market indicators and established District of Columbia government yield objectives; and

"(III) comparisons of estimated dollar return against actual dollar yield.

"(E) Monthly reports reflecting a detailed summary analysis of long-term and short-term borrowings inclusive of debt as authorized by section 603, in the current fiscal year and the amount of debt for each succeeding fiscal year not to exceed 5 years. All such reports shall reflect—

"(i) the amount of debt outstanding by type of instrument;

"(ii) the amount of authorized and unissued debt, including availability of short-term lines of credit, United States Treasury borrowings, and similar information;

"(iii) a maturity schedule of the debt;

"(iv) the rate of interest payable upon the debt; and

"(v) the amount of debt service requirements and related debt service reserves.

"(2) Such other functions assigned to the Chief Financial Officer under subsection (d) as the Chief Financial Officer may delegate.

"(f) DEFINITIONS.—For purposes of this section (and sections 424a and 424b)—

"(1) the term 'Authority' means the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995;

"(2) the term 'control year' has the meaning given such term under section 305(4) of such Act; and

"(3) the term 'District government' has the meaning given such term under section 305(5) of such Act.".

(b) CLARIFICATION OF DUTIES OF CHIEF FINANCIAL OFFICER AND MAYOR.—

(1) RELATION TO FINANCIAL DUTIES OF MAYOR.—Section 448(a) of such Act (section 1-204.48(a), D.C. Official Code) is amended by striking "section 603," and inserting "section 603 and except to the extent provided under section 424(d),".

(2) RELATION TO MAYOR'S DUTIES REGARDING ACCOUNTING SUPERVISION AND CONTROL.—Section 449 of such Act (section 1–204.49, D.C. Official Code) is amended by striking "The Mayor" and inserting "Except to the extent provided under section 424(d), the Mayor".

SEC. 202. PERSONNEL AUTHORITY.

(a) PROVIDING INDEPENDENT PERSONNEL AUTHORITY.—

(1) IN GENERAL.—Part B of title IV of the District of Columbia Home Rule Act is amended by adding at the end the following new section:

"AUTHORITY OF CHIEF FINANCIAL OFFICER OVER PERSONNEL OF OFFICE AND OTHER FINANCIAL PERSONNEL

"SEC. 424. (a) IN GENERAL.—Notwithstanding any provision of law or regulation (including any law or regulation providing for collective bargaining or the enforcement of any collective bargaining agreement), employees of the Office of the Chief Financial Officer of the District of Columbia, including personnel described in subsection (b), shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Chief Financial Officer of the District of Columbia, and shall be considered at-will employees not covered by the District of Columbia Merit Personnel Act of 1978, except that nothing in this section may be construed to prohibit the Chief Financial Officer from entering into a collective bargaining agreement governing such employees and personnel or to prohibit the enforcement of such an agreement as entered into by the Chief Financial Officer.

"(b) PERSONNEL.—The personnel described in this subsection are as follows:

"(1) The General Counsel to the Chief Financial Officer and all other attorneys in the Office of the General Counsel within the Office of the Chief Financial Officer of the District of Columbia, together with all other personnel of the Office.

"(2) All other individuals hired or retained as attorneys by the Chief Financial Officer or any office under the personnel authority of the Chief Financial Officer, each of whom shall act under the direction and control of the General Counsel to the Chief Financial Officer.

"(3) The heads and all personnel of the subordinate offices of the Office (as described in section 424(a)(2) and established as subordinate offices in section 424(a)(3)) and the Chief Financial Officers, Agency Fiscal Officers, and Associate Chief Financial Officers of all District of Columbia executive branch subordinate and independent agencies (in accordance with subsection (c)), together with all other District of Columbia accounting, budget, and financial management personnel (including personnel of executive branch independent agencies, but not including personnel of the legislative or judicial branches of the District government).

"(c) APPOINTMENT OF CERTAIN EXECUTIVE BRANCH AGENCY CHIEF FINANCIAL OFFICERS.—

"(1) IN GENERAL.—The Chief Financial Officers and Associate Chief Financial Officers of all District of Columbia executive branch subordinate and independent agencies (other than those of a subordinate office of the Office) shall be appointed by the Chief Financial Officer, in consultation with the agency head, where applicable. The appointment shall be made from a list of qualified candidates developed by the Chief Financial Officer.

"(2) TRANSITION.—Any executive branch agency Chief Financial Officer appointed prior to the date of enactment of the 2005 District of Columbia Omnibus Authorization Act may continue to serve in that capacity without reappointment.

"(d) INDEPENDENT AUTHORITY OVER LEGAL PERSONNEL.—Title VIII–B of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (sec. 1–608.51 et seq., D.C. Official Code) shall not apply to the Office of the Chief Financial Officer or to attorneys employed by the Office."

(2) CLERICAL AMENDMENT.—The table of contents of part B of title IV of the District of Columbia Home Rule Act is amended by adding at the end the following new item:

"Sec. 424a. Authority of Chief Financial Officer over personnel of Office and other financial personnel.".

(b) CONFORMING AMENDMENT.—Section 862 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2-260; D.C. Official Code §1-608.62) is amended by striking paragraph (2).

SEC. 203. PROCUREMENT AUTHORITY.

(a) PROVIDING INDEPENDENT AUTHORITY TO PROCURE GOODS AND SERVICES.—

(1) IN GENERAL.—Part B of title IV of the District of Columbia Home Rule Act, as amended by section 203(a)(1), is further amended by adding at the end the following new section:

"PROCUREMENT AUTHORITY OF THE CHIEF FINANCIAL OFFICER

"SEC. 424b. The Chief Financial Officer shall carry out procurement of goods and services for the Office of the Chief Financial Officer through a procurement office or division which shall operate independently of, and shall not be governed by, the Office of Contracting and Procurement established under the District of Columbia Procurement Practices Act of 1986 or any successor office, except the provisions applicable under such Act to procurement carried out by the Chief Procurement Officer established by section 105 of such Act or any successor office shall apply with respect to the procurement carried out by the Chief Financial Officer's procurement office or division.".

(2) CLERICAL AMENDMENT.—The table of contents of part B of title IV of the District of Columbia Home Rule Act, as amended by section 203(a)(2), is further amended by adding at the end following new item:

"Sec. 424b. Procurement authority of the Chief Financial Officer.".

(b) CONFORMING AMENDMENTS.—

(1) PROCUREMENT PRACTICES ACT.—Section 104 of the District of Columbia Procurement Practices Act of 1985 (sec. 2–301.04, D.C. Official Code) is amended—

(A) in subsection (a), by striking ", and the District of Columbia Financial Responsibility and Management Assistance Authority" and inserting the following: "the District of Columbia Financial Responsibility and Management Assistance Authority, and (to the extent described in section 424b of the District of Columbia Home Rule Act) the Office of the Chief Financial Officer of the District of Columbia"; and

(B) in subsection (c), by striking the second and third sentences.

(2) OTHER CONFORMING AMENDMENT.—Section 132 of the District of Columbia Appropriations Act, 2006 (Public Law 109–115) is hereby repealed.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 6 months after the date of enactment of this Act.

SEC. 204. FISCAL IMPACT STATEMENTS.

The General Legislative Procedures Act of 1975 (sec. 1–301.45 et seq., D.C. Official Code) is amended by adding at the end the following new section:

"FISCAL IMPACT STATEMENTS

"SEC. 4. (a) BILLS AND RESOLUTIONS.—

"(1) IN GENERAL.—Notwithstanding any other law, except as provided in subsection (c), all permanent bills and resolutions shall be accompanied by a fiscal impact statement before final adoption by the Council.

"(2) CONTENTS.—The fiscal impact statement shall include the estimate of the costs which will be incurred by the District as a result of the enactment of the measure in the current and each of the first four fiscal years for which the act or resolution is in effect, together with a statement of the basis for such estimate.

"(b) APPROPRIATIONS.—Permanent and emergency acts which are accompanied by fiscal impact statements which reflect unbudgeted costs, shall be subject to appropriations prior to becoming effective.

"(c) APPLICABILITY.—Subsection (a) shall not apply to emergency declaration, ceremonial, confirmation, and sense of the Council resolutions.".

TITLE III—AUTHORIZATION OF CERTAIN GENERAL APPROPRIATIONS PROVISIONS

SEC. 301. ACCEPTANCE OF GIFTS BY COURT SERVICES AND OFFENDER SUPERVISION AGENCY.

(a) AUTHORITY TO ACCEPT GIFTS.—Section 11233(b) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (sec. 24–133(b), D.C. Official Code) is amended by adding at the end the following new paragraphs:

"(3) ACCEPTANCE OF GIFTS.—

"(A) AUTHORITY TO ACCEPT GIFTS.—During fiscal years 2006 through 2008, the Director may accept and use gifts in the form of—

"(i) in-kind contributions of space and hospitality to support offender and defendant programs; and

"(ii) equipment and vocational training services to educate and train offenders and defendants.

"(B) RECORDS.—The Director shall keep accurate and detailed records of the acceptance and use of any gifts under subparagraph (A), and shall make such records available for audit and public inspection.

"(4) REIMBURSEMENT FROM DISTRICT GOVERNMENT.—During fiscal years 2006 through 2008, the Director may accept and use reimbursement from the District government for space and services provided, on a cost reimbursable basis.".

(b) AUTHORITY OF PUBLIC DEFENDER SERVICE TO CHARGE FEES FOR EVENT MATERIALS.—Section 307 of the District of Columbia Court Reform and Criminal Procedure Act of 1970 (sec. 2–1607, D.C. Official Code) is amended by adding at the end the following new subsection:

"(d) During fiscal years 2006 through 2008, the Service may charge fees to cover the costs of materials distributed to attendees of educational events, including conferences, sponsored by the Service. Notwithstanding section 3302 of title 31, United States Code, any amounts received as fees under this subsection shall be credited to the Service and available for use without further appropriation.".

SEC. 302. EVALUATION PROCESS FOR PUBLIC SCHOOL EMPLOYEES.

Title XVII of the District of Columbia Merit Personnel Act of 1978 (sec. 1–617.01 et seq., D.C. Official Code) is amended by adding at the end the following new section:

"SEC. 1718. EVALUATION PROCESS FOR PUBLIC SCHOOL EMPLOYEES.

"Notwithstanding any other provision of law, rule, or regulation, during fiscal year 2006 and each succeeding fiscal year the evaluation process and instruments for evaluating District of Columbia Public Schools employees shall be a non-negotiable item for collective bargaining purposes.".

SEC. 303. CLARIFICATION OF APPLICATION OF PAY PROVISIONS OF MERIT PERSONNEL SYSTEM TO ALL DISTRICT EMPLOYEES.

(a) DISTRICT OF COLUMBIA HOME RULE ACT.—The fourth sentence of section 422(3) of the District of Columbia Home Rule Act (sec. 1–

204.42(3), D.C. Official Code) is amended by striking "The system may provide" and inserting the following: "The system shall apply with respect to the compensation of employees of the District government during fiscal year 2006 and each succeeding fiscal year, except that the system may provide".

(b) TITLE 5, UNITED STATES CODE.—Section 5102 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(e) Except as may be specifically provided, this chapter does not apply for pay purposes to any employee of the government of the District of Columbia during fiscal year 2006 or any succeeding fiscal year.".

SEC. 304. CRITERIA FOR RENEWING OR EXTENDING SOLE SOURCE CONTRACTS.

Section 305 of the District of Columbia Procurement Practices Act of 1985 (sec. 2–303.05, D.C. Official Code) is amended by adding at the end the following new subsection:

"(b) During fiscal years 2006 through 2008, a procurement contract awarded through noncompetitive negotiations in accordance with subsection (a) may be renewed or extended only if the Chief Financial Officer of the District of Columbia reviews the contract and certifies that the contract was renewed or extended in accordance with duly promulgated rules and procedures.".

SEC. 305. ACCEPTANCE OF GRANT AMOUNTS NOT INCLUDED IN ANNUAL BUDGET.

(a) AUTHORITY TO ACCEPT, OBLIGATE, AND EXPEND AMOUNTS.—Subpart 1 of part D of title IV of the District of Columbia Home Rule Act (sec. 1–204.41 et seq., D.C. Official Code), as amended by section 101(a), is amended by inserting after section 446A the following new section:

"ACCEPTANCE OF GRANT AMOUNTS NOT INCLUDED IN ANNUAL BUDGET

"SEC. 446B. (a) AUTHORITY TO ACCEPT, OBLIGATE, AND EXPEND AMOUNTS.—Notwithstanding the fourth sentence of section 446, the Mayor, in consultation with the Chief Financial Officer of the District of Columbia may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the budget approved by Act of Congress as provided in such section.

"(b) CONDITIONS.—

"(1) ROLE OF CHIEF FINANCIAL OFFICER; APPROVAL BY COUNCIL.—No Federal, private, or other grant may be accepted, obligated, or expended pursuant to subsection (a) until—

"(A) the Chief Financial Officer submits to the Council a report setting forth detailed information regarding such grant; and

"(B) the Council has reviewed and approved the acceptance, obligation, and expenditure of such grant.

"(2) DEEMED APPROVAL BY COUNCIL.—For purposes of paragraph (1)(B), the Council shall be deemed to have reviewed and approved the acceptance, obligation, and expenditure of a grant if—

"(A) no written notice of disapproval is filed with the Secretary of the Council within 14 calendar days of the receipt of the report from the Chief Financial Officer under paragraph (1)(A); or

"(B) if such a notice of disapproval is filed within such deadline, the Council does not by resolution disapprove the acceptance, obligation, or expenditure of the grant within 30 calendar days of the initial receipt of the report from the Chief Financial Officer under paragraph (1)(A).

"(c) NO OBLIGATION OR EXPENDITURE PERMITTED IN ANTICIPATION OF RECEIPT OR APPROVAL.—No amount may be obligated or expended from the general fund or other funds of the District of Columbia government in anticipation of the approval or receipt of a grant under subsection (b)(2) or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such subsection.

"(d) ADJUSTMENTS TO ANNUAL BUDGET.—The Chief Financial Officer may adjust the budget for Federal, private, and other grants received by the District government reflected in the amounts provided in the budget approved by Act of Congress under section 446, or approved and received under subsection (b)(2) to reflect a change in the actual amount of the grant.

"(e) REPORTS.—The Chief Financial Officer shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this section. Each such report shall be submitted to the Council and to the Committees on Appropriations of the House of Representatives and Senate not later than 15 days after the end of the quarter covered by the report.

"(f) EFFECTIVE DATE.—This section shall apply with respect to fiscal years 2006 through 2008.".

(b) CONFORMING AMENDMENT.—The fourth sentence of section 446 of such Act (sec. 1-204.46, D.C. Official Code), as amended by section 101(b), is amended by inserting "section 446B," after "section 446A,".

(c) CLERICAL AMENDMENT.—The table of contents of such Act, as amended by section 101(c), is amended by inserting after the item relating to section 446A the following new item:

"Sec. 446B. Acceptance of grant amounts not included in annual budget.".

SEC. 306. STANDARDS FOR ANNUAL INDEPENDENT AUDIT.

Section 448 of the District of Columbia Home Rule Act (sec. 1-204.48, D.C. Official Code) is amended—

(1) in subsection (a)(4), by striking the semicolon at the end and inserting the following: ", as audited by the Inspector General of the District of Columbia in accordance with subsection (c) in the case of fiscal years 2006 through 2008;"; and

(2) by adding at the end the following new subsection:

"(c) The financial statement and report for a fiscal year prepared and submitted for purposes of subsection (a)(4) shall be audited by the Inspector General of the District of Columbia (in coordination with the Chief Financial Officer of the District of Columbia) pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985, and shall include as a basic financial statement a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year using the format, terminology, and classifications contained in the law making the appropriations for the year and its legislative history.".

SEC. 307. USE OF FINES IMPOSED FOR VIOLATION OF TRAFFIC ALCOHOL LAWS FOR ENFORCEMENT AND PROSECUTION OF LAWS.

Section 10(b)(3) of the District of Columbia Traffic Act, 1925 (sec. 50–2201.05(b)(3), D.C. Official Code) is amended to read as follows:

"(3) Notwithstanding any other provision of law, all fines imposed and collected pursuant to this subsection during fiscal year 2006 and each succeeding fiscal year shall be transferred to the General Fund of the District of Columbia, shall be used by the District of Columbia exclusively for the enforcement and prosecution of the District traffic alcohol laws, and shall remain available until expended.".

SEC. 308. CERTIFICATIONS FOR ATTORNEYS IN CASES BROUGHT UNDER INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

(a) RESPONSIBILITIES OF CHIEF FINANCIAL OFFICER.—Section 424(d) of the District of Columbia Home Rule Act (sec. 1–204.24(d), D.C. Official Code), as amended by section 201(a), is amended by adding at the end the following new paragraph:

"(28) With respect to attorneys in special education cases brought under the Individuals with Disabilities Education Act in the District of Columbia during fiscal year 2006 and each succeeding fiscal year—

"(A) requiring such attorneys to certify in writing that the attorney or representative of the attorney rendered any and all services for which the attorney received an award in such a case, including those received under a settlement agreement or as part of an administrative proceeding, from the District of Columbia;

"(B) requiring such attorneys, as part of the certification under subparagraph (A), to disclose any financial, corporate, legal, membership on boards of directors, or other relationships with any special education diagnostic services, schools, or other special education service providers to which the attorneys have referred any clients in any such cases; and

"(C) preparing and submitting quarterly reports to the Committees on Appropriations of the House of Representatives and Senate on the certification of and the amount paid by the government of the District of Columbia, including the District of Columbia Public Schools, to such attorneys.".

(b) INVESTIGATIONS BY INSPECTOR GENERAL.—Section 208(a)(3) of the District of Columbia Procurement Practices Act of 1985 (sec. 2–302.08(a)(3), D.C. Official Code) is amended by adding at the end the following new subparagraph:

"(J) During fiscal year 2006 and each succeeding fiscal year, conduct investigations to determine the accuracy of certifications made to the Chief Financial Officer of the District of Columbia under section 424(d)(28) of the District of Columbia Home Rule Act of attorneys in special education cases brought under the Individuals with Disabilities Education Act in the District of Columbia.".

AUTHORIZING PRINTING OF A DOCUMENT ENTITLED "COMMITTEE ON THE BUDGET, U.S. SENATE, 32ND ANNIVERSARY, 1974 THROUGH 2006"

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 554, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 554) authorizing printing for illustration of a document entitled "Committee on the Budget, U.S. Senate, 32nd anniversary, 1974 through 2006."

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 554) was agreed to, as follows:

S. RES. 554

Resolved, That there be printed with illustrations as a Senate document a compilation of materials entitled "Committee on the Budget, United States Senate, 32nd Anniversary, 1974–2006", and that, in addition to the usual number, there be printed not to exceed 500 copies of such document at a cost of not to exceed $1,200 for the use of the Committee on the Budget.

AUTHORIZING THE PRODUCTION OF RECORDS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 555, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 555) to authorize the production of records by the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs has received requests from various law enforcement and regulatory agencies seeking access to records that the subcommittee obtained during its recent investigation into the use of offshore tax havens for abusive tax shelters.

This resolution would authorize the chairman and ranking minority member of the Permanent Subcommittee on Investigations, acting jointly, to provide records, obtained by the Subcommittee in the course of its investigation, in response to these requests.

Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 555) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas, the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs has been conducting an investigation into the use of offshore tax havens for abusive tax shelters;

Whereas, the Subcommittee has received a number of requests from law enforcement officials, and regulatory agencies, for access to records of the Subcommittee's investigation;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs, acting jointly, are authorized to provide to law enforcement officials, regulatory agencies, and other entities or individuals duly authorized by federal, state, or foreign governments, records of the Subcommittee's investigation into the use of offshore tax havens for abusive tax shelters.

SUPPORTING THE CONTINUED ADMINISTRATION OF CHANNEL ISLANDS NATIONAL PARK, INCLUDING SANTA ROSA ISLAND

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 553, S. Res. 468.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 468) supporting the continued administration of Channel Islands National Park, including Santa Rosa Island, in accordance with the laws (including regulations) and policies of the National Park Service.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 468) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 468

Whereas Channel Islands National Monument was designated in 1938 by President Franklin D. Roosevelt under the authority of the Act of June 8, 1906 (16 U.S.C. 431 note);

Whereas the Monument was expanded to include additional islands and redesignated as Channel Islands National Park in 1980 to protect the nationally significant natural, scenic, wildlife, marine, ecological, archaeological, cultural, and scientific values of the Channel Islands in California;

Whereas Santa Rosa Island was acquired by the United States in 1986 for approximately $29,500,000 for the purpose of restoring the native ecology of the Island and making the Island available to the public for recreational uses;

Whereas Santa Rosa Island contains numerous prehistoric and historic artifacts and provides important habitat for several threatened and endangered species;

Whereas under a court-approved settlement, the nonnative elk and deer populations are scheduled to be removed from the Park by 2011 and the Island is to be restored to management consistent with other National Parks; and

Whereas there have been recent proposals to remove Santa Rosa Island from the administration of the National Park Service or to direct the management of the Island in a manner inconsistent with existing legal requirements and the sound management of Park resources: Now, therefore, be it

Resolved, That—

(1) Channel Islands National Park, including Santa Rosa Island, should continue to be administered by the National Park Service in accordance with the National Park Service Organic Act (16 U.S.C. 1 et seq.) and other applicable laws;

(2) the National Park Service should manage Santa Rosa Island in a manner that ensures that—

(A) the natural, scenic, and cultural resources of the Island are properly protected, restored, and interpreted for the public; and

(B) visitors to the Park are provided with a safe and enjoyable Park experience; and

(3) the National Park Service should not be directed to manage Santa Rosa Island in a manner—

(A) that would result in the public being denied access to significant portions of the Island; or

(B) that is inconsistent with the responsibility of the National Park Service to protect native resources within the Park, including threatened and endangered species.

REAUTHORIZING THE UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 3836, introduced earlier today.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 3836) to reauthorize the United States Advisory Commission on Public Diplomacy.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3836) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Advisory Commission on Public Diplomacy Reauthorization Act of 2006".

SEC. 2. REAUTHORIZATION OF UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.

Section 1334 of the Foreign Affairs Reform and Restructuring Act of 1998 (22 U.S.C. 6553), as amended by section 410 of the Department of State and Related Agency Appropriations Act, 2006 (Public Law 109-108; 119 Stat. 2327), is amended by striking "October 1, 2006" and inserting "October 1, 2009".

EXECUTIVE SESSION

CONVENTION ON SUPPLEMENTARY COMPENSATION ON NUCLEAR DAMAGE

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following treaty on today's Executive Calendar: No. 15. I further ask unanimous consent that the treaty be considered as having passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification; that any committee conditions, declarations, or reservations be agreed to, as applicable; that any statements be printed in the CONGRESSIONAL RECORD, as if read; further, that when the resolution of ratification is voted on, the motion to reconsider be laid upon the table, and the President be notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I ask for a division vote on the resolution of ratification.

The PRESIDING OFFICER. A division has been requested. Senators in favor of the resolution of ratification will rise and stand until counted.

Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification reads as follows:

Resolved, (two-thirds of the Senators present concurring therein),

SECTION 1. SENATE ADVICE AND CONSENT SUBJECT TO DECLARATION AND CONDITION.

The Senate advises and consents to the ratification of the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997 (Treaty Doc. 107-21), subject to the declaration in section 2, and the condition in section 3.

SECTION 2. DECLARATION.

The advice and consent of the Senate under section 1 is subject to the following declaration, which shall be included in the United States instrument of ratification:

As provided for in paragraph 3 of Article XVI, the United States of America declares that it does not consider itself bound by either of the dispute settlement procedures provided for in paragraph 2 of that Article, but reserves the right in a particular case to agree to follow the dispute settlement procedures of the Convention or any other procedures.

SECTION 3. CONDITION.

The advice and consent of the Senate under section 1 is subject to the following condition:

Not later than 180 days after entry into force of the Convention for the United States, and annually thereafter for four additional years, the Secretary of State shall submit a report to the Committees on Energy and Natural Resources and Foreign Relations of the Senate, and the Committees on Energy and Commerce and International Relations of the House of Representatives that includes the following:

(a) RATIFICATION.—A list of countries that have become a Contracting Party to the Convention and the dates of entry into force for each country.

(b) DOMESTIC LEGISLATION.—A description of the domestic laws enacted by each Contracting Party to the Convention that implement the obligations under Article III of the Convention.

(c) U.S. DIPLOMACY.—A description of United States diplomatic efforts to encourage other nations to become Contracting Parties to the Convention, particularly those nations that have signed it.

COUNCIL OF EUROPE CONVENTION ON CYBERCRIME

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the following treaty on today's Executive Calendar: No. 5. I further ask unanimous consent that the treaty be considered as having passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification; that any committee conditions, declarations, or reservations be agreed to, as applicable; that any statements be printed in the CONGRESSIONAL RECORD as if read; further, that when the resolution of ratification is voted on, the motion to reconsider be laid upon the table, the President be notified of the Senate's action, and that following disposition of the treaty, the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I ask for a division vote on the resolution of ratification.

The PRESIDING OFFICER. A division has been requested. Senators in favor of the resolution of ratification will rise and stand until counted.

Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification reads as follows:

Resolved (two-thirds of the Senators present concurring therein),

SECTION 1. SENATE ADVICE AND CONSENT SUBJECT TO RESERVATIONS AND DECLARATIONS

The Senate advises and consents to the ratification of the Council of Europe Convention on Cybercrime ("the Convention"), signed by the United States on November 23, 2001 (T. Doc. 108 11), subject to the reservations of section 2, and the declarations of section 3.

SECTION 2. RESERVATIONS

The advice and consent of the Senate under section 1 is subject to the following reservations, which shall be included in the United States instrument of ratification:

(1) The United States of America, pursuant to Articles 4 and 42, reserves the right to require that the conduct result in serious harm, which shall be determined in accordance with applicable United States federal law.

(2) The United States of America, pursuant to Articles 6 and 42, reserves the right not to apply paragraphs (1)(a)(i) and (1)(b) of Article 6 ("Misuse of devices") with respect to devices designed or adapted primarily for the purpose of committing the offenses established in Article 4 ("Data interference") and Article 5 ("System interference").

(3) The United States of America, pursuant to Articles 9 and 42, reserves the right to apply paragraphs (2)(b) and (c) of Article 9 only to the extent consistent with the Constitution of the United States as interpreted by the United States and as provided for under its federal law, which includes, for example, crimes of distribution of material considered to be obscene under applicable United States standards.

(4) The United States of America, pursuant to Articles 10 and 42, reserves the right to impose other effective remedies in lieu of criminal liability under paragraphs 1 and 2 of Article 10 ("Offenses related to infringement of copyright and related rights") with respect to infringements of certain rental rights to the extent the criminalization of such infringements is not required pursuant to the obligations the United States has undertaken under the agreements referenced in paragraphs 1 and 2.

(5) The United States of America, pursuant to Articles 22 and 42, reserves the right not to apply in part paragraphs (1)(b), (c) and (d) of Article 22 ("Jurisdiction"). The United States does not provide for plenary jurisdiction over offenses that are committed outside its territory by its citizens or on board ships flying its flag or aircraft registered under its laws. However, United States law does provide for jurisdiction over a number of offenses to be established under the Convention that are committed abroad by United States nationals in circumstances implicating particular federal interests, as well as over a number of such offenses committed on board United States-flagged ships or aircraft registered under United States law. Accordingly, the United States will implement paragraph (1)(b), (c) and (d) to the extent provided for under its federal law,

(6) The United States of America, pursuant to Articles 41 and 42, reserves the right to assume obligations under Chapter II of the Convention in a manner consistent with its fundamental principles of federalism.

SECTION 3. DECLARATIONS

(1) The advice and consent of the Senate under section 1 is subject to the following declarations, which shall be included in the United States instrument of ratification:

(a) The United States of America declares, pursuant to Articles 2 and 40, that under United States law, the offense set forth in Article 2 ("Illegal access") includes an additional requirement of intent to obtain computer data.

(b) The United States of America declares, pursuant to Articles 6 and 40, that under United States law, the offense set forth in paragraph (1)(b) of Article 6 ("Misuse of devices") includes a requirement that a minimum number of items be possessed. The minimum number shall be the same as that provided for by applicable United States federal law.

(c) The United States of America declares, pursuant to Articles 7 and 40, that under United States law, the offense set forth in Article 7 ("Computer-related forgery") includes a requirement of intent to defraud.

(d) The United States of America declares, pursuant to Articles 27 and 40, that requests made to the United States of America under paragraph 9(e) of Article 27 ("Procedures pertaining to mutual assistance requests in the absence of applicable international agreements") are to be addressed to its central authority for mutual assistance.

(2) The advice and consent of the Senate under section 1 is also subject to the following declaration:

The United States of America declares that, in view of its reservation pursuant to Article 41 of the Convention, current United States federal law fulfills the obligations of Chapter II of the Convention for the United States. Accordingly, the United States does not intend to enact new legislation to fulfill its obligations under Chapter II.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

UNANIMOUS CONSENT AGREEMENT—S. 1516

Mr. FRIST. Mr. President, I ask unanimous consent that at a time to be determined by the majority leader, with concurrence of the Democratic leader, the Senate proceed to the immediate consideration of Calendar No. 235, S. 1516. I ask unanimous consent that the committee-reported substitute be withdrawn, and the managers' amendment at the desk be agreed to as original text for the purposes of further amendment, the Harkin amendment at the desk be agreed to, and that the only other amendments in order be the following, the text of which is at the desk: McCain on rail security, Sununu on long distance trains, Sununu on competition, and Sessions on Amtrak debt.

I further ask that there be 1 hour equally divided on each of the amendments, and 1 hour of general debate on the bill, and that following the disposition of amendments and the use or yielding back of time, the managers' substitute as amended, if amended, be agreed to; the bill, as amended, be read a third time, and the Senate proceed to a vote on passage without any intervening action or debate. I further ask that no points of order be waived by virtue of this agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURES READ THE FIRST TIME EN BLOC

Mr. FRIST. Mr. President, I understand there are three bills at the desk, and I ask for their first reading en bloc.

The PRESIDING OFFICER. The clerk will report the bills by title.

The legislative clerk read as follows:

A bill (H.R. 4157), to promote a better health information system.

A bill (H.R. 4761), to provide for exploration, development, and production activities for mineral resources on the Outer Continental Shelf, and for other purposes.

A bill (H.R. 4890), to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority, and for other purposes.

Mr. FRIST. Mr. President, I now ask for a second reading, and in order to place the bills on the calendar under the provisions of rule XIV, I object to my own request, all en bloc.

The PRESIDING OFFICER. Objection is heard.

Mr. FRIST. Mr. President, it is getting late. It is now after midnight, and we have a little bit more work to do. While we gather the papers for that work, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL PERIPHERAL ARTERIAL DISEASE AWARENESS WEEK

Mr. FRIST. Mr. President, I ask unanimous consent the Senate now proceed to consideration of S. Res. 556, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 556) supporting National Peripheral Arterial Disease Awareness Week and efforts to educate people about peripheral arterial disease.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 556) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 556

Whereas peripheral arterial disease is a vascular disease that occurs when narrowed arteries reduce the blood flow to the limbs;

Whereas peripheral arterial disease is a significant vascular disease that can be as serious as a heart attack or stroke;

Whereas peripheral arterial disease affects approximately 8,000,000 to 12,000,000 Americans;

Whereas patients with peripheral arterial disease are at increased risk of heart attack and stroke and are 6 times more likely to die within 10 years than are patients without peripheral arterial disease;

Whereas the survival rate for individuals with peripheral arterial disease is worse than the outcome for many common cancers;

Whereas peripheral arterial disease is a leading cause of lower limb amputation in the United States;

Whereas many patients with peripheral arterial disease have walking impairment that leads to a diminished quality of life and functional capacity;

Whereas a majority of patients with peripheral arterial disease are asymptomatic and less than half of individuals with peripheral arterial disease are aware of their diagnoses;

Whereas African-American ethnicity is a strong and independent risk factor for peripheral arterial disease, and yet this fact is not well known to those at risk;

Whereas effective treatments are available for people with peripheral arterial disease to reduce heart attacks, strokes, and amputations and to improve quality of life;

Whereas many patients with peripheral arterial disease are still untreated with proven therapies;

Whereas there is a need for comprehensive educational efforts designed to increase awareness of peripheral arterial disease among medical professionals and the greater public in order to promote early detection and proper treatment of this disease to improve quality of life, prevent heart attacks and strokes, and save lives and limbs; and

Whereas September 18 through September 22, 2006, would be an appropriate week to observe National Peripheral Arterial Disease Awareness Week: Now, therefore, be it

Resolved, That the Senate—

(1) supports National Peripheral Arterial Disease Awareness Week and efforts to educate people about peripheral arterial disease;

(2) acknowledges the critical importance of peripheral arterial disease awareness to improve national cardiovascular health;

(3) supports raising awareness of the consequences of undiagnosed and untreated peripheral arterial disease and the need to seek appropriate care as a serious public health issue; and

(4) calls upon the people of the United States to observe the week with appropriate programs and activities.

ENCOURAGING CHILDREN TO REACH THEIR POTENTIAL

Mr. FRIST. I ask unanimous consent the HELP Committee be discharged from further consideration and the Senate now proceed to S. Res. 532.

The PRESIDING OFFICER. Without, objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A resolution (S. Res. 532) encouraging adults of the United States to support, listen to, and encourage children so that they may reach their potential.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 532) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 532

Whereas research shows that spending time together as a family is critical to raising strong and resilient children;

Whereas strong, healthy families improve the quality of life and the development of children;

Whereas it is essential to celebrate and reflect upon the important role that all families play in the lives of children and their positive effect for the future of the United States; and

Whereas the greatest natural resource of the United States is its children: Now, therefore, be it

Resolved, That the Senate supports the goals and ideals of National Children and Families Day—

(1) to encourage adults to support, listen to, and encourage children throughout the United States;

(2) to reflect upon the important role that all families play in the lives of children; and

(3) to recognize that strong, healthy families improve the quality of life and the development of children.

RECOGNIZING THE ACHIEVEMENTS OF WILL KEITH KELLOGG

Mr. FRIST. I ask unanimous consent the Judiciary Committee be discharged from further consideration of S. Res. 545, and the Senate then proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A resolution (S. Res. 545) recognizing the life and achievements of Will Keith Kellogg.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 545) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 545

Whereas Will Keith Kellogg was born on April 7, 1860, and died at the age of 91 on October 6, 1951;

Whereas W.K. Kellogg believed that—

(1) a proper diet plays an important role in maintaining a healthy lifestyle; and

(2) breakfast is the most important meal of the day;

Whereas W.K. Kellogg developed the now world-famous Kellogg's Corn Flakes cereal in his Battle Creek, Michigan, production facility on April 1, 1906;

Whereas, for 100 years, the Kellogg Company has provided citizens of the United States and countries around the world with nutritious food products;

Whereas, throughout its development, the Kellogg Company has set milestones in consumer awareness of proper nutrition by—

(1) becoming the first company to include a nutrition facts label on its ever-changing and innovative packaging; and

(2) adhering to the strict values of quality and health consciousness that W.K. Kellogg had always valued;

Whereas, while the citizens of the United States struggled during the time of economic depression and stagnation during the 1930s, W.K. Kellogg famously announced "I'll invest my money in people.";

Whereas W.K. Kellogg started the W.K. Kellogg Foundation to operate separately from the Kellogg Company, and led the foundation by adhering to the guiding principle of "helping people to help themselves";

Whereas today, the W.K. Kellogg Foundation is 1 of the largest philanthropic institutions in the world, funding projects throughout the world in—

(1) health;

(2) education;

(3) agriculture;

(4) leadership; and

(5) youth development;

Whereas the assets of the W.K. Kellogg Foundation were nearly $6,000,000,000 when the foundation approached its 75th Anniversary in 2005;

Whereas, during those 75 years of service, the foundation donated more than $3,000,000,000 to help people help themselves;

Whereas, during the Second World War, the production facilities of the Kellogg Company were used to assist the Armed Forces in many engineering efforts;

Whereas, during that time, the products of the Kellogg Company became a common item in packages sent by families to soldiers serving overseas;

Whereas W.K. Kellogg was later awarded the Army-Navy "E" Flag for Excellence for his valuable contributions to the United States during the Second World War;

Whereas, throughout its history, the Kellogg Company introduced many of their most famous and successful cereals and characters, including—

(1) Tony the Tiger; and

(2) Snap, Crackle, and Pop;

Whereas, in 1969, astronauts on board the Apollo 11 breakfasted on cereal produced by the Kellogg Company during their successful mission to the moon, thereby making it the first breakfast cereal ever to reach outer space;

Whereas the Kellogg Company opened a new headquarters facility in Battle Creek;

Whereas, throughout the 1980s and 1990s, the Kellogg Company continued its commitment to social responsibility by supporting numerous organizations, including—

(1) the United Negro College Fund;

(2) the Statue of Liberty-Ellis Island renewal project; and

(3) organizations that sought to end the policy of apartheid that was enforced by the Government of South Africa;

Whereas today, the Kellogg Company produces more than 40 different cereals on 6 continents, and markets the products of the company in more than 180 countries;

Whereas the Kellogg Company employs 25,000 people throughout the world; and

Whereas the Kellogg Company currently has production facilities in 13 states, including—

(1) California;

(2) Georgia;

(3) Illinois;

(4) Kansas;

(5) Kentucky;

(6) Michigan;

(7) Nebraska;

(8) New Jersey;

(9) North Carolina;

(10) Ohio;

(11) Pennsylvania;

(12) Tennessee; and

(13) Washington: Now, therefore, be it

Resolved, That the Senate recognizes—

(1) the great contributions of Will Keith Kellogg to—

(A) the citizens of the United States; and

(B) the people of the world;

(2) the 100th anniversary of the creation of the first flaked breakfast cereal, which occurred on April 1, 2006; and

(3) the achievements of W.K. Kellogg and the benefits enjoyed by all those touched by his life.

MEASURE PLACED ON THE CALENDAR—H. CON. RES. 456

Mr. FRIST. I ask unanimous consent that H. Con. Res. 456 be placed on the Senate calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER AUTHORIZING APPOINTMENTS

Mr. FRIST. Mr. President, I ask unanimous consent notwithstanding the upcoming recess or adjournment of the Senate, the President pro tempore and the majority and minority leaders be authorized to make appointments to the commissions, committees, boards, conferences, or interparliamentary conferences authorized by law, by concurrent actions of the two Houses, or by order of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER AUTHORIZING COMMITTEES TO REPORT

Mr. FRIST. I ask unanimous consent that notwithstanding the Senate's adjournment, committees be authorized to report legislative and executive matters on Wednesday, August 30, from 10 a.m. to 12 noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES AND A CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H. Con. Res. 467, the adjournment resolution, provided that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 467) was agreed to, as follows:

H. CON RES. 467

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on any day from Wednesday, August 2, 2006, through Tuesday, August 8, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Wednesday, September 6, 2006, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day from Thursday, August 3, 2006, through Tuesday, August 8, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, September 5, 2006, or such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

ORDER FOR SIGNING AUTHORIZATION

Mr. FRIST. Mr. President, I ask unanimous consent that during the adjournment of the Senate, the majority leader, majority whip, and senior Senator from New Mexico be authorized to sign duly enrolled bills or joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR AND NOMINATIONS DISCHARGED

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Calendar Nos. 622, 760, 770, 773, 812, 813, 814, 815, 816, 817, 818, 820, 822, 824, 825, 826, 827, 828, 829, 832, 833, 834, 835, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 883, 884, 885, 886, and all nominations on the Secretary's desk.

Provided further that the following committees be discharged from the nominations listed and they be considered en bloc:

Agriculture Committee, Margo McKay, PN1665; Nancy Montanez-Johner, PN1693 and PN1695; Michael Dunn, PN1694; Bruce Knight, PN1763 and PN1764; Charles Christopherson, Jr., PN1865;

HELP Committee, Camilla Benbow, PN1709;

Homeland Security, James Bilbray, PN1873.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

POSTAL RATE COMMISSION

Mark D. Anton, of Kentucky, to be a Commissioners of the Postal Rate Commission for a term expiring October 14, 2010.

DEPARTMENT OF TRANSPORTATION

James S. Simpson, of New York to be Federal Transit Administrator.

NATIONAL TRANSPORTATION SAFETY BOARD

Mark V. Rosenker, of Maryland, to be Chairman of the National Transportation Safety Board for a term of two years.

DEPARTMENT OF TRANSPORTATION

John H. Hill, of Indiana, to be Administrator of the Federal Motor Carrier Safety Administration.

THE JUDICIARY

Jennifer M. Anderson, of the District of Columbia, to be an Associated Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Anna Blackburne-Rigsby, of the District of Columbia, to be Associated Judge of the District of Columbia Court of Appeals for the term of fifteen years.

Phyllis D. Thompson, of the District of Columbia, to be Associated Judge of the District of Columbia Court of Appeals for the term of fifteen years.

UNITED STATES POSTAL SERVICE

Mickey D. Barnett, of New Mexico, to be a Governor of the United States Postal service for a term expiring December 8, 2013.

Katherine C. Tobin, of New York, to be a Governor of the Untied States Postal Service for a term expiring December 8, 2012.

Ellen C. Williams, of Kentucky, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 2007.

EXECUTIVE OFFICE OF THE PRESIDENT

Paul A. Denett, of Virginia, to be Administrator for Federal Procurement Policy.

DEPARTMENT OF JUSTICE

R. Alexander Acosta, of Florida, to be United States Attorney for the Southern District of Florida for the term of four years.

DEPARTMENT OF VETERANS AFFAIRS

Patrick W. Dunne, of New York, to be an Assistant Secretary of Veterans Affairs (Policy and Planning).

DEPARTMENT OF STATE

Mark R. Dybul, of Florida, to be Coordinator of United Sates Government Activities to Combat HIV/AIDS Globally, with the rank of Ambassador.

INTERNATIONAL BANKS

Henry M. Paulson, Jr., of New York, to be United States Governor of the International Monetary Fund for a term of five years; United States Governor of the International Bank for Reconstruction and Development for a term of five years; United States Governor of the Inter-American Development Bank for a term of five years; United States Governor of the African Development Bank for a term of five years; United States Governor of the Asian Development Bank; United States Governor of the African Development Fund; United States Governor of the European Bank for Reconstruction and Development.

DEPARTMENT OF STATE

Christina B. Rocca, of Virginia, for the rank of Ambassador during her tenure of service as U.S. Representative to the Conference on Disarmament.

Philip S. Goldberg, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bolivia.

Richard W. Graber, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech Republic.

Karen B. Stewart, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Belarus.

DEPARTMENT OF DEFENSE

Benedict S. Cohen, of the District of Columbia, to be General Counsel of the Department of the Army.

DEPARTMENT OF ENERGY

William H. Tobey, of Connecticut, to be Deputy Administrator for Defense Nuclear Nonproliferation, National Nuclear Security Administration.

DEPARTMENT OF DEFENSE

C. Thomas Yarington, Jr., of Washington, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2011.

Colleen Conway-Welch, of Tennessee, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2011.

DEPARTMENT OF TRANSPORTATION

Charles D. Nottingham, of Virginia, to be a Member of the Surface Transportation Board for a term expiring December 31, 2010.

NATIONAL TRANSPORTATION SAFETY BOARD

Robert L. Sumwalt III, of South Carolina, to be a Member of the National Transportation Safety Board for the remainder of the term expiring December 31, 2006.

Robert L. Sumwalt III, of South Carolina, to be a Member of the National Transportation Safety Board for a term expiring December 31, 2011.

DEPARTMENT OF TRANSPORTATION

Sean T. Connaughton, of Virginia, to be Administrator of the Maritime Administration.

DEPARTMENT OF HOMELAND SECURITY

Jay M. Cohen, of New York, to be Under Secretary for Science and Technology, Department of Homeland Security.

DEPARTMENT OF COMMERCE

Nathaniel F. Wienecke, of New York, to be an Assistant Secretary of Commerce.

NATIONAL LABOR RELATIONS BOARD

Peter Schaumber, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2010, to which position he was appointed during the recess of the Senate from July 29, 2005, to September 1, 2005.

Ronald E. Meisburg, of Virginia, to be General Counsel of the National Labor Relations Board for a term of four years.

Wilma B. Liebman, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2011.

NATIONAL INSTITUTE FOR LITERACY

Timothy Shanahan, of Illinois, to be a Member of the National Institute for Literacy Advisory Board for a term expiring November 25, 2007.

Carmel Borders, of Kentucky, to be a Member of the National Institute for Literacy Advisory Board for a term expiring November 25, 2008.

Donald D. Deshler, of Kansas, to be a Member of the National Institute for Literacy Advisory Board for a term expiring January 30, 2008.

NATIONAL COUNCIL ON DISABILITY

Victoria Ray Carlson, of Iowa, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

Chad Colley, of Florida, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

Lisa Mattheiss, of Tennessee, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

John R. Vaughn, of Florida, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

Keven Owen Starr, of California, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2009.

Katherine M. B. Berger, of Virginia, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2010.

Karen Brosius, of South Carolina, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2011.

Ioannis N. Miaoulis, of Massachusetts, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2010.

Christina Orr-Cahall, of Florida, to be a member of the National Museum and Library Services Board for a term expiring December 6, 2010.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Kenneth R. Weinstein, of the District of Columbia, to be a member of the National Council on the Humanities for a term expiring January 26, 2012.

Jay Winik, of Maryland, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

Josiah Bunting III, of Rhode Island, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

Wilfred M. McClay, of Tennessee, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

Mary Habeck, of Maryland, to be Member of the National Council on the Humanities for a expiring January 26, 2012.

NATIONAL SCIENCE FOUNDATION

Karl Hess, of Illinois, to be a Member of the National Science Board, National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 2008.

Thomas N. Taylor, of Kansas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Richard F. Thompson, of California, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Mark R. Abbott, of Oregon, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

John T. Bruer, of Missouri, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Patricia D. Galloway, of Washington, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Jose-Marie Griffiths, of Pennsylvania, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

FEDERAL MEDIATION AND CONCILIATION SERVICE

Arthur F. Rosenfeld, of Virginia, to be Federal Mediation and Conciliation Director.

DEPARTMENT OF STATE

Randall M. Fort, of Virginia, to be an Assistant Secretary of State (Intelligence and Research).

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Manfredi Piccolomini, of New York, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

NATIONAL LABOR RELATIONS BOARD

Ronald E. Meisburg, of Virginia, to be General Counsel of the National Labor Relations Board for a term of four years.

Peter Schaumber, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2010.

FEDERAL MEDIATION AND CONCILIATION SERVICE

Arthur F. Rosenfeld, of Virginia, to be Federal Mediation and Conciliation Director.

FEDERAL ENERGY REGULATORY COMMISSION

Drue Pearce, of Alaska, to be Federal Coordinator for Alaska Natural Gas Transportation Projects for the term prescribed by law.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

Karen Brosius, of South Carolina, to be a Member of the national Museum and Library Services Board for the remainder of the term expiring December 6, 2006.

THE JUDICIARY

Frances Marie Tydingco-Gatewood, of Guam, to be Judge for the District Court of Guam for the term of ten years.

DEPARTMENT OF JUSTICE

Troy A. Eid, of Colorado, to be United States Attorney for the District of Colorado for the term of four years.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

FOREIGN SERVICE

PN1713 FOREIGN SERVICE nominations (223) beginning James C. Charlifue, and ending Barbara Matthews, which nominations were received by the Senate and appeared in the Congressional Record of June 16, 2006.

PN1785 FOREIGN SERVICE nominations (130) beginning M. Suzanne Archuleta, and ending John D. Lavelle Jr., which nominations were received by the Senate and appeared in the Congressional Record of July 12, 2006.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

PN1786 NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION nominations (4) beginning Wade J. Blake, and ending Christopher S. Moore, which nominations were received by the Senate and appeared in the Congressional Record of July 12, 2006.

DEPARTMENT OF AGRICULTURE

Margo M. McKay, of Virginia, to be an Assistant Secretary of Agriculture.

DEPARTMENT OF AGRICULTURE

Nancy Montanez-Johner, of Nebraska, to be Under Secretary of Agriculture for Food, Nutrition, and Consumer Services.

COMMODITY CREDIT CORPORATION

Nancy Montanez-Johner, of Nebraska, to be a Member of the Board of Directors of the Commodity Credit Corporation.

COMMODITY FUTURES TRADING COMMISSION

Michael V. Dunn, of Iowa, to be a Commissioner of the Commodity Futures Trading Commission for a term expiring June 19, 2011.

DEPARTMENT OF AGRICULTURE

Bruce I. Knight, of South Dakota, to be Under Secretary of Agriculture for Marketing and Regulatory Programs.

COMMODITY CREDIT CORPORATION

Bruce I. Knight, of South Dakota, to be a Member of the Board of Directors of the Commodity Credit Corporation.

COMMODITY CREDIT CORPORATION

Charles R. Christopherson, Jr., of Texas, to be a Member of the Board of Directors of the Commodity Credit Corporation.

NATIONAL SCIENCE FOUNDATION

Camilla Persson Benbow, of Tennessee, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

UNITED STATES POSTAL SERVICE

James H. Bilbray, of Nevada, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 2006.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE NOMINATIONS

Mr. FRIST. As in executive session, I ask unanimous consent that all nominations received by the Senate during the 109th Congress remain in status quo, notwithstanding the August 4, 2006, adjournment of the Senate and the provisions of rule XXXI, paragraph 6, of the Standing Rules of the Senate, with the following exceptions: Calendar Nos. 37, 169, 553, 614, 624, 572, 881, 882; in committees, PNs 719, 1315, 193, 1297, 778.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, a number of the nominations we just went through were sent back. For clarification, they were sent back based on objections from the minority. So it is clear, they are not coming from me as the reason they are being sent back.

ORDERS FOR TUESDAY, SEPTEMBER 5, 2006

Mr. FRIST. I ask unanimous consent that when the Senate completes its business today, it stand in adjournment under the provisions of H. Con. Res. 467 until 11 a.m. on Tuesday, September 5. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate then resume consideration of H.R. 5631, the Defense appropriations bill. I further ask that at 4:30 p.m., the Senate proceed to Executive Calendar No. 819, Kimberly Ann Moore, as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, we have had a very full day today addressing the Family Prosperity Act, the Pension Protection Act, and the Department of Defense appropriations bill. We will complete the Department of Defense appropriations funding bill in September. Senators STEVENS and INOUYE have worked very hard in getting us this far on the bill, and we have a commitment from the Democratic leader to finish this bill by Wednesday when we return. Members should be prepared for a busy start of the week and should note that the first vote of the week will be on Tuesday, September 5, at 5:30 for a circuit court nomination.

APPRECIATION TO COLLEAGUES AND STAFF

Mr. FRIST. Today has been a long day. I thank my colleagues for their cooperation. I also wish everyone a safe and restful break. We had a lot of highlights over the course of the day. We had a lot of passion and some emotion on the floor.

I thank all of the people who are here tonight, the clerks, the pages who are here always until very late at night, the security personnel throughout whom we will say goodbye to as we leave the Capitol tonight. When you are here at 12:42 in the morning, having been here all day, you have a little appreciation for what it takes to make the Capitol click, the infrastructure, the people, the dedication. As Senators come and go over the course of the day, there are a lot of people here who dedicate themselves and sacrifice a lot of their own personal lives to make things happen. We appreciate that.

AUTISM

Mr. FRIST. Mr. President, I had a bill I had worked on for about 6 years, the autism bill that was passed tonight. A lot of us made statements earlier in the night, but it is a real pleasure, in part as a physician who is at least sensitive to the real challenges we have in terms of addressing issues such as autism, which has had a rapid increase in incidence over the last two decades.

We have no idea why. It makes you very humble to realize our lack of understanding. But what is exciting is that by pulling together the very best of the public and private sectors, physicians, doctors, families, parents, and communities all gathering together, we can make some real headway in figuring out the etiology of autism and manifestations, about understanding that and improving treatment and ultimately a cure.

I am very proud of this body and especially Senator SANTORUM for his tremendous leadership in that regard.

ADJOURNMENT UNTIL TUESDAY, SEPTEMBER 5, 2006, AT 11 A.M.

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the provisions of H. Con. Res 467.

There being no objection, the Senate, at 12:43 a.m., adjourned until Tuesday, September 5, 2006, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate August 3, 2006:

DEPARTMENT OF COMMERCE

CYNTHIA A. GLASSMAN, OF VIRGINIA, TO BE UNDER SECRETARY OF COMMERCE FOR ECONOMIC AFFAIRS, VICE KATHLEEN B. COOPER, RESIGNED.

MISSISSIPPI RIVER COMMISSION

BRIGADIER GENERAL BRUCE ARLAN BERWICK, UNITED STATES ARMY, TO BE A MEMBER OF THE MISSISSIPPI RIVER COMMISSION.

COLONEL GREGG F. MARTIN, UNITED STATES ARMY, TO BE A MEMBER OF THE MISSISSIPPI RIVER COMMISSION.

BRIGADIER GENERAL ROBERT CREAR, UNITED STATES ARMY, TO BE A MEMBER AND PRESIDENT OF THE MISSISSIPPI RIVER COMMISSION.

REAR ADMIRAL SAMUEL P. DE BOW, JR., NOAA, TO BE A MEMBER OF THE MISSISSIPPI RIVER COMMISSION.

TENNESSEE VALLEY AUTHORITY

WILLIAM H. GRAVES, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE TENNESSEE VALLEY AUTHORITY FOR A TERM EXPIRING MAY 18, 2007. (NEW POSITION)

EXECUTIVE OFFICE OF THE PRESIDENT

JOHN K. VERONEAU, OF VIRGINIA, TO BE A DEPUTY UNITED STATES TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR, VICE SUSAN C. SCHWAB, RESIGNED.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

GERALD WALPIN, OF NEW YORK, TO BE INSPECTOR GENERAL, CORPORATION FOR NATIONAL AND COMMUNITY SERVICE, VICE J. RUSSELL GEORGE.

DEPARTMENT OF JUSTICE

RACHEL K. PAULOSE, OF MINNESOTA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MINNESOTA FOR THE TERM OF FOUR YEARS, VICE THOMAS B. HEFFELFINGER, RESIGNED.

DEPARTMENT OF DEFENSE

NELSON M. FORD, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE ARMY, VICE VALERIE LYNN BALDWIN.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. SIMEON G. TROMBITAS, 2948

IN THE AIR FORCE

THE FOLLOWING NAMED INDIVIDUALS TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

GARY J. CONNOR, 8746
ALAN C. DICKERSON, 1689
KATHLEEN A. MCGOWAN, 4921
EFREN E. RECTO, 5983

THE FOLLOWING NAMED INDIVIDUALS IN THE GRADES INDICATED IN THE REGULAR AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531(A):

To be colonel

DENNIS R. HAYSE, 8485
RODNEY PHOENIX, 0738

To be lieutenant colonel

WILLIAM BEYERS, 7183
JAMES H. BURDEN, JR., 3257
AMY L. LITTLEFIELD, 6356
MICHAEL D. SCHAUBER, 6345

To be major

CRAIG R. BARE, 9950
JOSE J. BERNAL, 2975
ARIF A. CHOWDHURY, 7799
MATT J. COWAN, 1530
ANITA C. FOUNTAIN, 7190
YVETTE GUZMAN, 4622
CHRIS HOWELL, 9768
WILLIAM HUNT, 8354
CHAD E. JACKSON, 1776
PHILIP M. KRUEGER, 9841
GEORGE A. LEE, 2117
MARK J. MACYSZYN, 8715
ROBERT P. MANESES, 4773
ANTHONY W. MAYFIELD, 9815
JOSE W. MORALESRODRIGUEZ, 3043
JAMES A. ROSS, 5800
KRISTINA R. SAUNDERS, 6736
DAVID J. SIMMONS, 4168
ROMMELL SINGH, 8106
TROY THOMPSON, 7597
TODD M. TOMLIN, 3164
JOHN W. WOLTZ, 3271

IN THE NAVY

THE FOLLOWING NAMED INDIVIDUALS IN THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant commander

LORI J. CICCI, 8676
JOHN M. POAGE, 5715

CONFIRMATIONS

Executive nominations confirmed by the Senate Thursday, August 3, 2006:

POSTAL RATE COMMISSION

MARK D. ACTON, OF KENTUCKY, TO BE A COMMISSIONER OF THE POSTAL RATE COMMISSION FOR A TERM EXPIRING OCTOBER 14, 2010.

DEPARTMENT OF TRANSPORTATION

JAMES S. SIMPSON, OF NEW YORK, TO BE FEDERAL TRANSIT ADMINISTRATOR.

NATIONAL TRANSPORTATION SAFETY BOARD

MARK V. ROSENKER, OF MARYLAND, TO BE CHAIRMAN OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM OF TWO YEARS.

DEPARTMENT OF TRANSPORTATION

JOHN H. HILL, OF INDIANA, TO BE ADMINISTRATOR OF THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION.

THE JUDICIARY

JENNIFER M. ANDERSON, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS.

ANNA BLACKBURNE-RIGSBY, OF THE DISTRICT OF COLUMBIA, TO BE ASSOCIATE JUDGE OF THE DISTRICT OF COLUMBIA COURT OF APPEALS FOR THE TERM OF FIFTEEN YEARS.

PHYLLIS D. THOMPSON, OF THE DISTRICT OF COLUMBIA, TO BE ASSOCIATE JUDGE OF THE DISTRICT OF COLUMBIA COURT OF APPEALS FOR THE TERM OF FIFTEEN YEARS.

UNITED STATES POSTAL SERVICE

MICKEY D. BARNETT, OF NEW MEXICO, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR A TERM EXPIRING DECEMBER 8, 2013.

KATHERINE C. TOBIN, OF NEW YORK, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR A TERM EXPIRING DECEMBER 8, 2012.

ELLEN C. WILLIAMS, OF KENTUCKY, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 2007.

EXECUTIVE OFFICE OF THE PRESIDENT

PAUL A. DENETT, OF VIRGINIA, TO BE ADMINISTRATOR FOR FEDERAL PROCUREMENT POLICY.

DEPARTMENT OF VETERANS AFFAIRS

PATRICK W. DUNNE, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (POLICY AND PLANNING).

DEPARTMENT OF STATE

MARK R. DYBUL, OF FLORIDA, TO BE COORDINATOR OF UNITED STATES GOVERNMENT ACTIVITIES TO COMBAT HIV/AIDS GLOBALLY, WITH THE RANK OF AMBASSADOR.

INTERNATIONAL BANKS

HENRY M. PAULSON, JR., OF NEW YORK, TO BE UNITED STATES GOVERNOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT FOR A TERM OF FIVE

YEARS, UNITED STATES GOVERNOR OF THE INTER-AMERICAN DEVELOPMENT BANK FOR A TERM OF FIVE YEARS, UNITED STATES GOVERNOR OF THE AFRICAN DEVELOPMENT BANK FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE ASIAN DEVELOPMENT BANK; UNITED STATES GOVERNOR OF THE AFRICAN DEVELOPMENT FUND; UNITED STATES GOVERNOR OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT.

DEPARTMENT OF STATE

CHRISTINA B. ROCCA, OF VIRGINIA, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS U. S. REPRESENTATIVE TO THE CONFERENCE ON DISARMAMENT.

PHILIP S. GOLDBERG, OF MASSACHUSETTS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BOLIVIA.

RICHARD W. GRABER, OF WISCONSIN, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CZECH REPUBLIC.

KAREN B. STEWART, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BELARUS.

DEPARTMENT OF DEFENSE

BENEDICT S. COHEN, OF THE DISTRICT OF COLUMBIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF THE ARMY.

DEPARTMENT OF ENERGY

WILLIAM H. TOBEY, OF CONNECTICUT, TO BE DEPUTY ADMINISTRATOR FOR DEFENSE NUCLEAR NONPROLIFERATION, NATIONAL NUCLEAR SECURITY ADMINISTRATION.

DEPARTMENT OF DEFENSE

C. THOMAS YARINGTON, JR., OF WASHINGTON, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING MAY 1, 2011.

COLLEEN CONWAY-WELCH, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING MAY 1, 2011.

DEPARTMENT OF TRANSPORTATION

CHARLES D. NOTTINGHAM, OF VIRGINIA, TO BE A MEMBER OF THE SURFACE TRANSPORTATION BOARD FOR A TERM EXPIRING DECEMBER 31, 2010.

NATIONAL TRANSPORTATION SAFETY BOARD

ROBERT L. SUMWALT III, OF SOUTH CAROLINA, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 31, 2006.

ROBERT L. SUMWALT III, OF SOUTH CAROLINA, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM EXPIRING DECEMBER 31, 2011.

DEPARTMENT OF TRANSPORTATION

SEAN T. CONNAUGHTON, OF VIRGINIA, TO BE ADMINISTRATOR OF THE MARITIME ADMINISTRATION.

DEPARTMENT OF HOMELAND SECURITY

JAY M. COHEN, OF NEW YORK, TO BE UNDER SECRETARY FOR SCIENCE AND TECHNOLOGY, DEPARTMENT OF HOMELAND SECURITY.

DEPARTMENT OF COMMERCE

NATHANIEL F. WIENECKE, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

NATIONAL LABOR RELATIONS BOARD

PETER SCHAUMBER, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2010, TO WHICH POSITION HE WAS APPOINTED DURING THE RECESS OF THE SENATE FROM JULY 29, 2005, TO SEPTEMBER 1, 2005.

RONALD E. MEISBURG, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE NATIONAL LABOR RELATIONS BOARD FOR A TERM OF FOUR YEARS, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

WILMA B. LIEBMAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2011.

NATIONAL INSTITUTE FOR LITERACY

TIMOTHY SHANAHAN, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING NOVEMBER 25, 2007.

CARMEL BORDERS, OF KENTUCKY, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING NOVEMBER 25, 2008.

DONALD D. DESHLER, OF KANSAS, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING JANUARY 30, 2008.

NATIONAL COUNCIL ON DISABILITY

VICTORIA RAY CARLSON, OF IOWA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2007.

CHAD COLLEY, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2007.

LISA MATTHEISS, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2007.

JOHN R. VAUGHN, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2007.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

KEVIN OWEN STARR, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2009.

KATHERINE M. B. BERGER, OF VIRGINIA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2010.

KAREN BROSIUS, OF SOUTH CAROLINA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2011.

IOANNIS N. MIAOULIS, OF MASSACHUSETTS, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2010.

CHRISTINA ORR-CAHALL, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2010.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

KENNETH R. WEINSTEIN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

JAY WINIK, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

JOSIAH BUNTING III, OF RHODE ISLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

WILFRED M. MCCLAY, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

MARY HABECK, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

NATIONAL SCIENCE FOUNDATION

KARL HESS, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR THE REMAINDER OF THE TERM EXPIRING MAY 10, 2008.

THOMAS N. TAYLOR, OF KANSAS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

RICHARD F. THOMPSON, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

MARK R. ABBOTT, OF OREGON, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

JOHN T. BRUER, OF MISSOURI, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

PATRICIA D. GALLOWAY, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

JOSE-MARIE GRIFFITHS, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

FEDERAL MEDIATION AND CONCILIATION SERVICE

ARTHUR F. ROSENFELD, OF VIRGINIA, TO BE FEDERAL MEDIATION AND CONCILIATION DIRECTOR, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DEPARTMENT OF STATE

RANDALL M. FOR, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF STATE (INTELLIGENCE AND RESEARCH).

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

MANFREDI PICCOLOMINI, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

NATIONAL LABOR RELATIONS BOARD

RONALD E. MEISBURG, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE NATIONAL LABOR RELATIONS BOARD FOR A TERM OF FOUR YEARS.

PETER SCHAUMBER, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2010.

FEDERAL MEDIATION AND CONCILIATION SERVICE

ARTHUR F. ROSENFELD, OF VIRGINIA, TO BE FEDERAL MEDIATION AND CONCILIATION DIRECTOR.

FEDERAL ENERGY REGULATORY COMMISSION

DRUE PEARCE, OF ALASKA, TO BE FEDERAL COORDINATOR FOR ALASKA NATURAL GAS TRANSPORTATION PROJECTS FOR THE TERM PRESCRIBED BY LAW.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

KAREN BROSIUS, OF SOUTH CAROLINA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 6, 2006.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

COMMODITY FUTURES TRADING COMMISSION

MICHAEL V. DUNN, OF IOWA, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR A TERM EXPIRING JUNE 19, 2011.

DEPARTMENT OF AGRICULTURE

MARGO M. MCKAY, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE.

NANCY MONTANEZ-JOHNER, OF NEBRASKA, TO BE UNDER SECRETARY OF AGRICULTURE FOR FOOD, NUTRITION, AND CONSUMER SERVICES.

NANCY MONTANEZ-JOHNER, OF NEBRASKA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

BRUCE I. KNIGHT, OF SOUTH DAKOTA, TO BE UNDER SECRETARY OF AGRICULTURE FOR MARKETING AND REGULATORY PROGRAMS.

BRUCE I. KNIGHT, OF SOUTH DAKOTA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

CHARLES R. CHRISTOPHERSON, JR., OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

NATIONAL SCIENCE FOUNDATION

CAMILLA PERSSON BENBOW, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

UNITED STATES POSTAL SERVICE

JAMES H. BILBRAY, OF NEVADA, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 2006.

DEPARTMENT OF JUSTICE

R. ALEXANDER ACOSTA, OF FLORIDA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF FLORIDA FOR THE TERM OF FOUR YEARS.

THE JUDICIARY

FRANCES MARIE TYDINGCO-GATEWOOD, OF GUAM, TO BE JUDGE FOR THE DISTRICT COURT OF GUAM FOR THE TERM OF TEN YEARS.

DEPARTMENT OF JUSTICE

TROY A. EID, OF COLORADO, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLORADO FOR THE TERM OF FOUR YEARS.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING WITH JAMES C. CHARLIFUE AND ENDING WITH BARBARA MATTHEWS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 16, 2006.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH M. SUZANNE ARCHULETA AND ENDING WITH JOHN D. LAVELLE, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 12, 2006.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION NOMINATIONS BEGINNING WITH WADE J. BLAKE AND ENDING WITH CHRISTOPHER S. MOORE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 12, 2006.